



Memo

To: Clay Pearson, City Manager

From: Claire Bogard, Finance Director

Via: Bobby Pennington, Budget Officer

Date: August 28, 2014

Re: Financial Snapshot for FY2014 - Third Quarter – June 2014

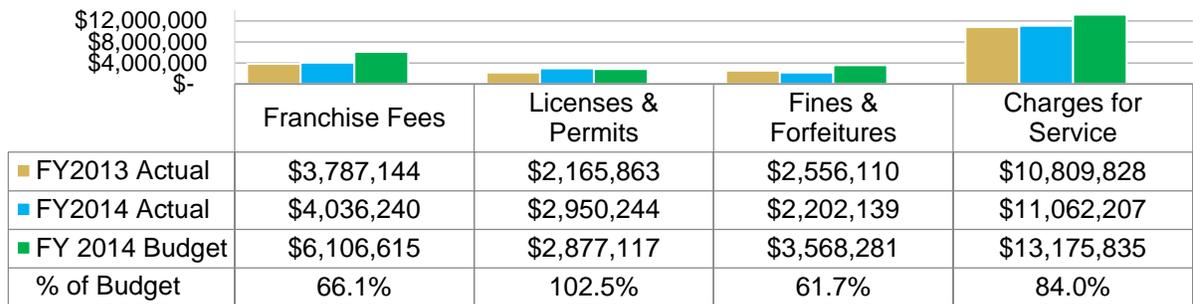
We are pleased to submit the Quarterly Financial Snapshot for the Quarter ended June 30, 2014. One of the outcomes from the City Council retreat in 2009 was for Council and Citizens to receive regular updates on the City's Finances now referred to as the State of the Finances Snapshot. This update is done quarterly and includes the review of financial activity for the General Fund, Water & Sewer Fund, PEDC, Hotel/Motel Fund and other interrelated funds. The update also includes key economic indicators, update on grant activities, and major capital projects. In the past, this report was presented via a City Council workshop. We are now presenting the same information as in past workshops as a full written report.

If you have any questions or concerns, please don't hesitate to call. As with previous reports, this report will be put on the City's website for public review and transparency. In this report, you will see Pearland's State of the Finances Snapshot through the third financial quarter of fiscal year 2013-2014; June 2014, and as it compares to prior years as well as the impact on the current year's budget. Attached to the memo is detailed monthly financial reports. This report contains comparisons of the amended budget, actual spending to-date, and projected budget through the end of the fiscal year.

GENERAL FUND REVENUE SUMMARY

REVENUES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
Property Taxes	11,818,335	11,976,815	101.3%	11,067,525
Sales and Use Taxes	17,428,319	12,795,448	73.4%	11,963,305
Franchise Fees	6,106,615	4,036,240	66.1%	3,787,144
Licenses & Permits	2,877,117	2,950,244	102.5%	2,165,863
Fines & Forfeitures	3,568,281	2,202,139	61.7%	2,556,110
Charges for Service	13,175,835	11,062,207	84.0%	10,809,828
Miscellaneous	595,362	517,829	87.0%	602,755
Sub-Total	55,569,864	45,540,922	82.0%	42,952,530
Transfers in	3,709,547	2,765,231	74.5%	2,720,641
Other Financing Sources	2,754,764	1,852,939	67.3%	1,179,413
TOTAL	62,034,175	50,159,092	80.9%	46,852,584

**Comparison of Revenues
General Fund - June 2014**

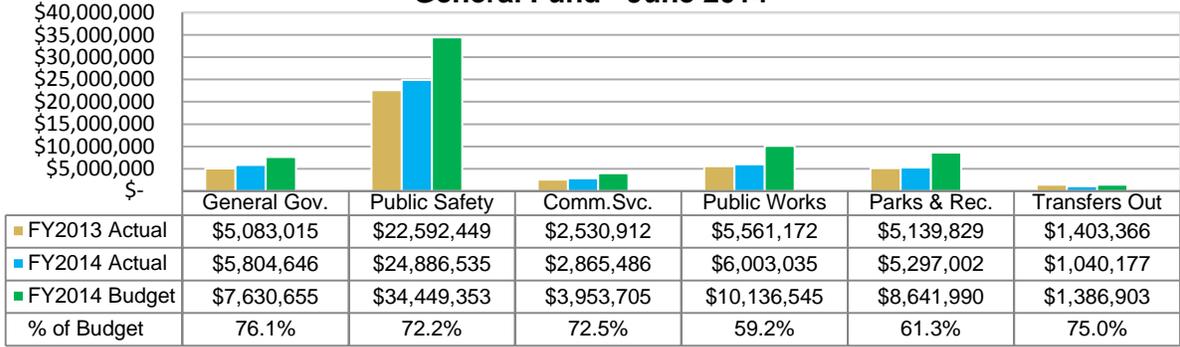


- Excluding Transfers In and Other Financing Sources, revenues are 82.0% of budget.
- Property Taxes – Actual collections through June for General Fund current property tax – 101.3% vs. 100.7% last year. Budget based on a 98.4% collection rate.
- Sales Tax Collection – Sales tax through June of \$14,010,229 is 81.2% of the annual budget of \$17,253,319, \$172,628 less than the year-to-date budget, and \$957,090, or 7.4%, higher than last year actual through the month of June. Sales tax is projected to be \$16,833,524, \$420K less than the annual budget. As last year’s sales tax was \$264,835 below projections, a starting point for the FY 2014 budget and YTD sales tax is 6.9% higher versus 7.8% budgeted. See sales tax detail on page 66 in the FY2014 June Financial Report for more information.
- Licenses & Permits YTD are \$2,950,244 and exceed the budget by 2.5%. This is \$784,381, or 36.2%, higher than last year due to increase in commercial permit activity, including HEB, HCA, Memorial Hermann, AMD Medical Office, DeVry Adult Nursing School, and three new retail buildings at the Center of Pearland Parkway. Building Permits reflects a 2% decrease in residential permits compared to last year – 683 SF permits issued through 6/30/2014 vs. 697 last year, however, permitted value is higher by \$3.1M or 2.0%. Commercial permits issued are 155 vs. 101 last year, and value up \$119.0M. City and tax-exempt permits are included in the Commercial values.
- Fines & Forfeitures – Less than last year by \$353,971, or 13.8%, and are 61.7% of budget. This is mainly due to the number of charges filed, down from last year at this time by 4,229 or 19.6%, and the court did not participate in the FY14 State Warrant Round-Up due to the conversion and implementation of new software.

- Charges for Services – Greater than last year by \$252,379 and are 84% of budget. Increase over last year by \$308,363 in TIRZ administration fees, Engineering Inspection fees are lower by \$126,290 due to MUD 21 inspection fees included in FY2013, and Ambulance Service Fees down by \$140,099 due to a reduction in Medicare/Medicaid reimbursements, which are a major portion of billings
- Miscellaneous – At 87.0% of budget. An \$84,926 decrease over June 2013 mainly due to \$164,822 collection related to MUD #4 annexation.
- Other Financing Sources – Lease purchase proceeds on capital equipment purchases. The balance of \$901,825 is for the purchase on a fire truck and ambulance. Through the budget process, we will be looking at the feasibility of using cash on hand instead.

EXPENDITURES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
General Government	7,630,655	5,804,646	76.1%	5,083,015
Public Safety	34,449,353	24,886,535	72.2%	22,592,449
Community Services	3,953,705	2,865,486	72.5%	2,530,912
Public Works / CIP	10,136,545	6,003,035	59.2%	5,561,172
Parks & Recreation	8,641,990	5,297,002	61.3%	5,139,829
Sub-Total	64,812,248	44,856,704	69.2%	40,907,377
Transfers Out	1,386,903	1,040,177	75.0%	1,403,366
TOTAL	66,199,151	45,896,881	69.3%	42,310,743

**Comparison of Expenditures
General Fund - June 2014**



- Expenditures of \$45,896,881 through June are 69.2% of budget and are \$3,586,138, 8.5%, higher than at this same time last year. Total Expenditures thru June 2013 were 69.4% of budget. Through June, expenditures should be 75% of total.
- General Government – 76.1% of budget. Over last year by \$721,631 due to the annual maintenance payment for evaluation software and the Certified Public Management Program, ERP consultant services, full-year operations of the Business Center, Library, and retirement payouts.
- Public Safety – 72.2% of budget and over last year by \$2,294,086 mainly due to the purchase of a fire ladder truck, a pumper, an ambulance, migration to Houston radio system, and training and firefighter gear for the consolidation of EMS & Fire departments.
- Community Services – 72.5% of budget, up \$334,574 over last year due to the Comprehensive Plan underway and the addition of a position in Communications.
- Public Works and Capital Projects – 59.2% of budget. Higher than last year by \$441,863 due to the addition of a Project Coordinator position, GIS software update and modification, and Garden Road signal design services and SH35 intersection alignment. Budgeted but not yet spent include first

phase of the flashing left turn arrow program replacement of traffic light span wires with mast arms, and ROW assessment.

- Parks & Recreation – 61.3% of budget due to seasonal related expenditures and several position vacancies.

GENERAL FUND PROJECTIONS - FY2014

	<u>Budget</u>	<u>Projection</u>	<u>Var.</u>
Revenues	\$62.00	\$63.20	\$1.20
Expenditures	\$66.20	\$66.30	(\$0.10)
Revenues Under Expenditures	(\$4.20)	(\$3.10)	\$1.10
Beg. Fund Balance	\$18.6	\$18.6	
End. Fund Balance	\$14.4	\$15.5	
Reserve Policy	\$9.7	\$9.4	
Over Policy	\$4.8	\$6.1	

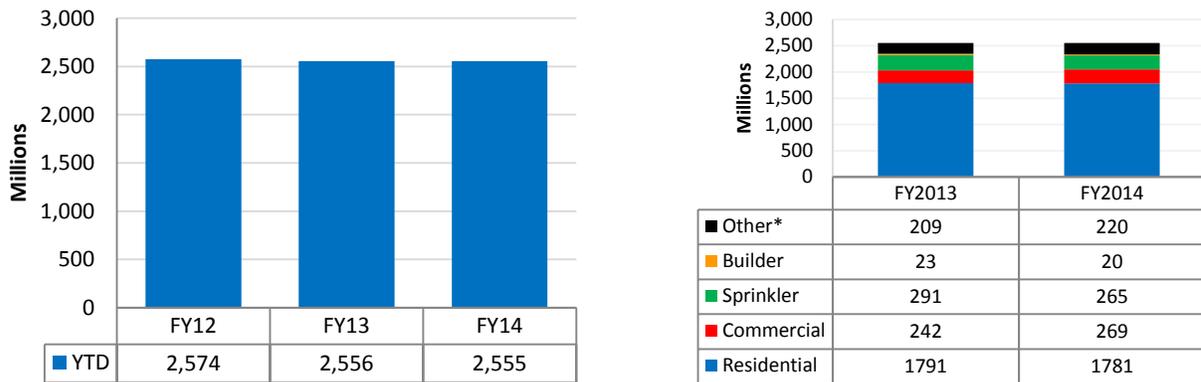
Chart as presented to Council as part of the Proposed Budget. Amounts over policy can be used for non-recurring items in FY2015.

WATER/SEWER REVENUE SUMMARY

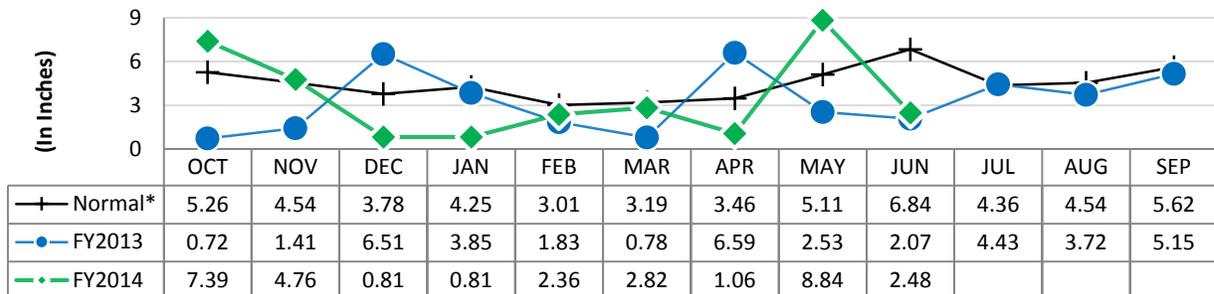
REVENUES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
Sale of Water	\$15,863,713	\$10,302,920	64.9%	\$10,615,466
Sewer Revenues	12,450,772	9,372,365	75.3%	8,822,004
Other Service Charges	1,361,586	1,025,945	75.3%	1,032,627
Interest Income	41,150	58,563	142.3%	23,120
Other Misc. Income	235,828	221,622	94.0%	384,697
Transfers In	2,428,835	1,821,627	75.0%	1,874,625
TOTAL	\$32,381,884	\$22,803,043	70.4%	\$22,752,539

- Total revenues are \$22,803,043 or 70.4% of budget. Water/Sewer charges of \$19,675,285 make up 86.3% of revenues. Excluding transfer In, Revenues are 70.0% of budget.
- Gallons billed through June 2014 of 2.6 billion is 2.8 million less than last June, with residential decreasing by 10.68 million, commercial increasing by 26.8 million gallons, and sprinklers decreasing by 26.6 million gallons, for an overall decrease of 0.1% from last year at this time.
- Water sales are down by \$313K from last year, as consumption for the higher priced water, irrigation, is down by 9.1%.
- There were 31.3 inches of rain YTD, 5.1 inches of additional rainfall than last YTD and 8.9 inches was recorded in May of 2014.
- Other Miscellaneous Income – Lower than last year by \$153K due to annexation of BC MUD 4.

Water Consumption
YTD Consumption by Fiscal Year and YTD Consumption Use FY2013 vs. FY2014



Monthly Comparison of Rainfall



WATER/SEWER EXPENSE SUMMARY

EXPENSES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
Lift Stations	\$1,038,427	\$749,095	72.1%	\$638,846
Wastewater Treatment	4,341,681	3,347,050	77.1%	2,764,369
Water Production	8,235,300	4,374,341	53.1%	3,923,074
Distribution & Collection	2,225,746	1,604,209	72.1%	1,681,212
Construction	1,051,884	749,326	71.2%	890,626
GIS	248,134	168,636	68.0%	184,412
W&S Revenue Collections	2,538,277	1,376,908	54.2%	1,566,946
Sub-Total	\$19,679,449	\$12,369,565	62.9%	\$11,649,485
Other Requirements	10,498,283	3,989,629	38.0%	4,098,687
Transfers	1,695,197	1,299,923	76.7%	2,365,879
TOTAL	\$31,872,929	\$17,659,118	55.4%	\$18,114,050

- Expenses total \$17,659,118 and are 55.4% of budget as debt service payments are made twice a year. Operation expenses are at 62.9% budget.
- Personnel Costs: \$4,380,601 (22.3%), Operations: \$7,988,965 (40.6%), are 62.9% of budget. Including Other Requirements and Transfers, expenses are 55.4% of budget.
- Lift Stations – 72.1 % of budget and \$110,249 over last year.
- Wastewater Treatment – 77.1% of budget, \$582,681 greater than last year. Sludge removal charges at Far NW Plant in FY14 and purchase of 2 clarifier drive units.
- Water Production – 53.1% of budget, vs. 48.1% of Budget last year. Purchase of vehicles in FY14; purchase of water increased.
- Construction – 71.2% of budget. \$141,300 less than last year. Purchase of equipment in FY 2013; Wheel loader, concrete mixer and two vehicles.
- W&S Revenue Collections – 54.2% of budget with \$190,038 lower than last year mainly due to register replacement and meters for replacement.

WATER/SEWER FUND PROJECTIONS - FY2014

(In Millions)

	Budget	Projection	Var.
Revenues	\$32.4	\$32.5	\$0.1
Expenses	\$31.9	\$31.8	\$0.1
Net Income	\$0.5	\$0.7	\$0.2
Reserve for Debt Service	\$1.33	\$1.93	
Ending Cash Equiv.	\$12.6	\$12.1	
Bond Coverage		1.43	
Cash Reserve		38%	

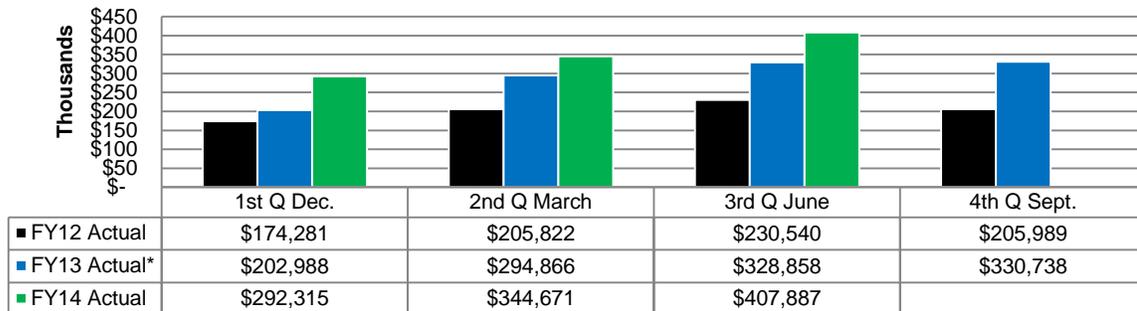
HOTEL OCCUPANCY TAX FUND SUMMARY

	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET
Occupancy Tax*	\$1,148,088	\$ 636,986	55.5%
Interest Income	3,000	4,594	153.1%
Miscellaneous	77,000	80,990	105.2%
TOTAL REVENUE	\$1,228,088	\$722,570	58.8%
Operating Expenditures	\$819,394	\$481,006	58.7%
TOTAL EXPENDITURES	\$819,394	\$481,006	58.7%

*Taxes are received quarterly.

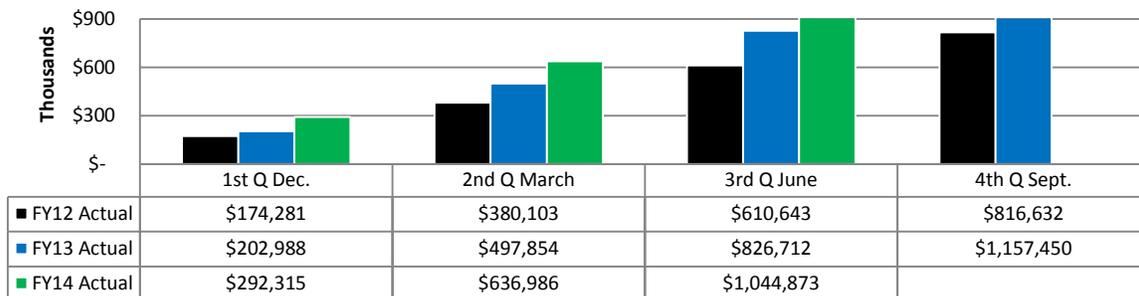
- Revenues through June total \$722,570, which includes payments of \$636,986 in taxes, at 55.5% of budget, for the quarter ending June 2014. This is \$139,132 greater than last year mainly due to the annexation on BC MUD #4, which included two hotels.
- March through June HOT taxes to be received in July.
- Expenditures total \$481,006, 58.7% of the budget. Personnel \$131,135; Marketing and Advertising \$25,142; Rental and Lease \$41,858; Build-out \$53,304; Programs \$30,619 and tax rebate \$88,711.
- Expenditures include \$25,000 for Crawfish Festival sponsorship.
- Fund balance as of June 30, 2014, is \$2,512,717. Budgeted balance at 9/30/14 is \$2,679,847. The projected budget balance for 9/30/2014 is \$2,920,225.

Comparison by Quarter
Quarterly Occupancy Tax*



*Beginning with FY2013; 2nd Quarter includes 2 hotels annexed into the City with Brazoria County MUD #4

Hotel Occupancy Tax
Cumulative Comparison by Quarter*



*Reflects cumulative total thru 4th Quarter.

PROPERTY INSURANCE FUND

EXPENSES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
General Liability	\$50,397	\$50,549	100.3%	\$41,141
Errors & Omissions	74,840	74,140	99.1%	65,456
Public Employee Dishonesty	3,225	3,210	99.5%	3,175
Animal Mortality	2,270	2,971	130.9%	2,220
Law Enforcement	71,869	73,580	102.4%	67,406
Real & PP Property	81,578	71,153	87.2%	72,013
Windstorm Damage	641,006	632,737	98.7%	618,256
Automobile	112,169	102,867	91.7%	96,836
Auto Damage	92,043	87,957	95.6%	84,765
Property XS Wind	92,793	37,077	40.0%	88,374
Mobile Equipment	12,518	12,480	99.7%	10,733
Coastal Wind	15,420	14,150	91.8%	12,656
Sewage Back-up	15,760	15,821	100.4%	15,010
Other	90,000	42,500	47.2%	105,211
Inventory		2,550		
Buildings & Grounds	4,241	5,765	135.9%	2,878
TOTAL	\$1,360,129	\$1,229,507 	90.4%	\$1,286,130

Expenditures through June 2014 total \$1,229,507, 90.4% of the budget, with all premiums paid in full for the current fiscal year.

MEDICAL SELF INSURANCE FUND

REVENUES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
OPERATING REVENUES				
Employee Contributions	\$5,412,972	\$3,843,827	71.0%	\$3,265,654
Retiree Contributions	\$86,429	\$81,272	94.0%	\$48,368
Interest Income	\$490	\$302	61.6%	\$330
Miscellaneous		\$161,673		\$150,070
Transfer from W/S Fund				\$57,375
Transfer from General Fund				\$280,125
TOTAL	\$5,499,891	\$4,087,074	74.3%	\$3,801,922
OPERATING EXPENSES				
Administrative Fees	\$900,333	\$604,846	67.2%	\$609,769
Medical Insurance Claims	\$4,585,452	\$4,116,312	89.8%	\$3,298,149
Wellness Programs	\$20,000	\$9,849	49.2%	\$4,820
TOTAL	\$5,505,785	\$4,731,007 	85.9%	\$3,912,738

- Claims paid of \$4.1 million exceed last year by \$818,163 or 25%. It is anticipated that this level of claims will continue, reaching the aggregate stop loss of \$5.4 million by 9/30/2014.
- As part of the budget process, the projected for FY 2014 is to include a one-time transfer of \$1.37 Million that will off-set high claim experience and provide a reserve. The proposed budget has net ending assets for 9/30/2014 at \$944K.

PEDC FUND REVENUE SUMMARY

REVENUES*	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
Sales Tax	\$8,673,733	\$6,355,694	72.3%	\$5,907,022
Interest Income	\$38,500	\$55,571	144.3%	27,111
Miscellaneous	\$414,648	\$406,305	98.0%	334,670
TOTAL	\$9,126,881	\$6,817,570	74.7%	\$6,268,803

Note: The June Report for PEDC revenues reported sales tax estimates for June 2014 due to the timing of the report.

Sales Tax Collection – Estimated sales tax through June is \$6,355,694, at 98.8% of the year-to-date budget and at 72.3% of the annual adopted budget of \$8,673,733. Sales tax is \$448,671 or 7.5% greater than last year.

- Miscellaneous:
 - PEDC received \$310,500 for rent for the CSI facility, per agreement.
- Reserve for Debt Pay-off
 - Setting aside 20% of sales tax so that by 2015 can call and pay-off Series 2010 bonds.
 - Reserve at June 30, 2014 - \$4,312,896.

PEDC FUND EXPENDITURE SUMMARY

EXPENDITURES	FY2014 AMENDED BUDGET	FY2014 ACTUAL TO - DATE	FY2014 % OF BUDGET	FY2013 ACTUAL TO - DATE
Operating	\$1,743,407	\$922,494	52.9%	\$932,351
Capital Outlay	48,000	42,320	88.2%	
Transfers	178,782	134,087	75.0%	162,331
Bond Payments	2,054,024	556,757	27.1%	588,081
Capital Transfers Out	376,274	335,219	89.1%	1,065,056
Business Incentives	2,794,889	1,486,793	53.2%	368,702
TOTAL	\$7,195,376	\$3,477,671	48.3%	\$3,116,521

- Operating – \$922,494 Includes personnel costs, as well as expenditures associated with marketing and promotional programs.
- Transfers – \$48,743 to U of H Fund includes payment for the first 9 months. Transfers for City support services are \$85,344.
- Bond Payment – Interest payment on bonds of \$555,257 was made in February. Second payment of principal and interest on bonds to be paid in August. As of June, \$1,500 has been paid for Fiscal Agent Fees.
- Capital Transfer Out - \$335,219 for Business Center Drive. Last year’s expenditure of \$1,065,056 was also for Business Center Drive.
- Business Incentives – Business Incentives are budgeted at \$2,794,889. Actual through June is \$1,486,793 and include Sales Tax Rebates to SCR Amreit total \$89,168. New Industry Incentives of \$1,397,625 were

paid in May for Merit Medical (\$758,000), Dover (\$630,000), and Base Pair (\$9,625). Projection total \$1,880,014.

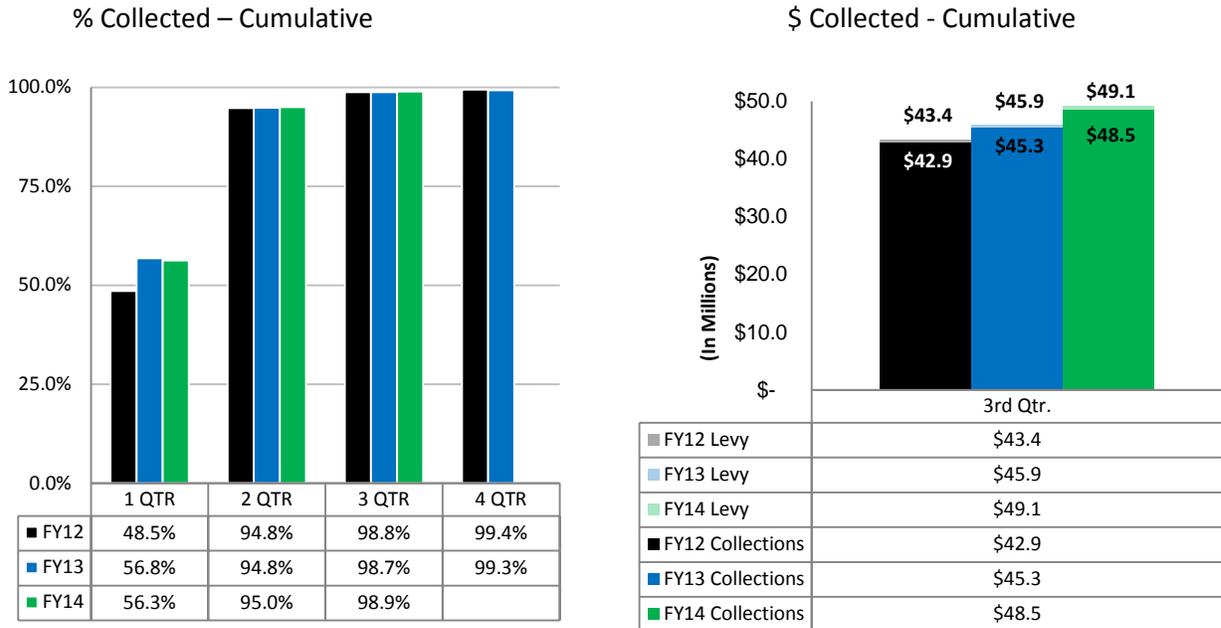
- The Board also approved a maximum contribution of \$700,000 to the Max Road Sports Complex. This will be reflected during year-end projections.

PEDC INCENTIVES

Current Incentives	Amount	Prior	FY 2014	Balance
Altus Harbor	\$87.5K	\$80K	\$0	\$7.5K
KS Management	\$2.6M	\$0	\$0	\$2.6M
Merit Medical Systems, Inc.	\$888K	\$0	\$758	\$130K
Shadow Creek Ranch/AmReit	\$667K	\$482.4K	\$10.148K	\$174.452K
Zapp Precision Wire	\$60.0K	\$0	\$0	\$60.0K
Dover	\$630K	\$0	\$630	\$0K
Base Pair	\$38.5K	\$0	\$962.5	\$28,875

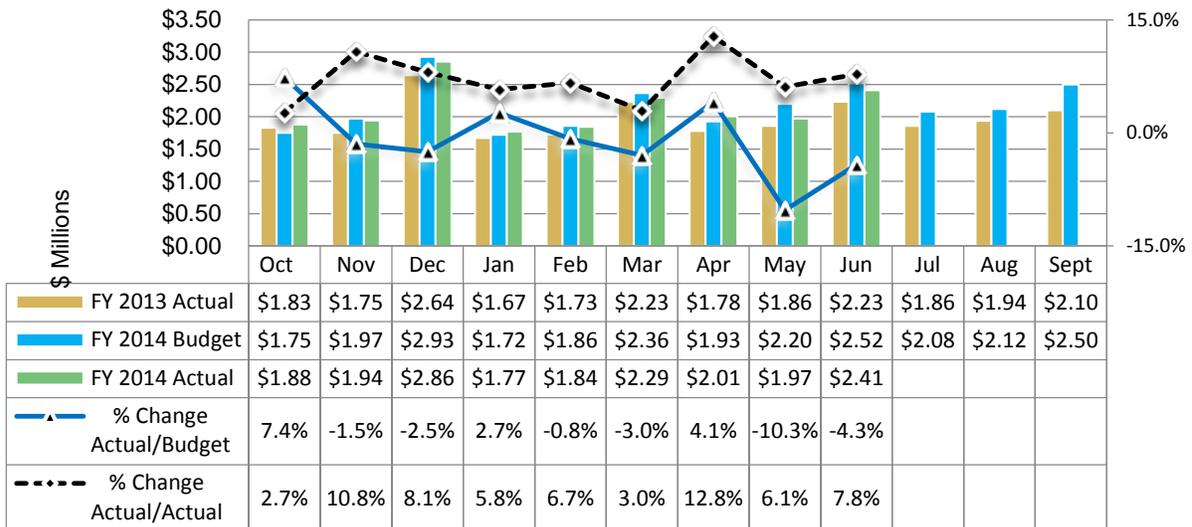
Statistical data showing general trends in the economy are provided below that impact several areas of the City's operation and allow for a general analysis of economic performance and forecasts of future performance. The following economic indicators include: Property Tax Collections; Sales Tax Collection; Building Permits for single family, commercial and permit revenue; Hotel Occupancy Taxes by quarter and year; and the Unemployment Rate.

Property Tax Collections



Sales Tax

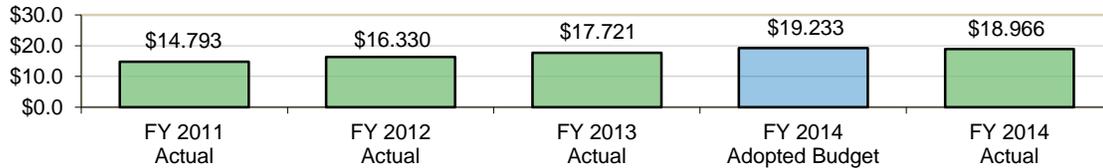
Sales Tax Collections – June 2014



June reflects actual collection received in August.

Sales tax for June was received in August, at \$2,408,680, \$174,708, or 7.8% higher than June 2013 and at \$18,965,840, is 98.6% of the year-to-date budget, \$1,244,772, or 7.0%, over last year's actual through June, and 73.2% of the adopted budget of \$25,927,052. Sales tax is projected to be \$25,250,286, \$676,722 or 2.6%, below the amended budget of \$25,927,052, \$17,284,701 to the General Fund and \$8,642,351 to PEDC.

Year-To-Date Sales Tax Collections



CITY (tax rate)	NET PAYMENT FOR JUNE*	PRIOR YEAR FOR JUNE*	% CHANGE	2014 PAYMENT TO DATE** (JAN – JUNE)	2013 PAYMENT TO DATE** (JAN – JUNE)	% CHANGE
BAYTOWN (1.25)	1,556,224.92	1,369,063.26	13.67%	10,624,316.54	9,841,442.79	7.95%
COLLEGE STATION (1.5)	2,000,382.29	1,795,388.01	11.41%	15,348,594.81	14,420,165.95	6.43%
FRISCO (2.0)	6,734,728.23	5,606,259.41	20.12%	45,254,098.20	39,171,479.34	15.52%
LEAGUE CITY (1.75)	1,564,667.16	1,478,947.77	5.79%	10,703,328.35	9,923,249.63	7.86%
MCKINNEY (2.0)	3,906,791.89	3,792,165.81	3.02%	26,520,431.42	25,881,186.58	2.46%
PASADENA (1.5)	2,780,483.38	2,722,756.94	2.12%	20,359,655.29	18,898,022.80	7.73%
PEARLAND (1.5)	2,408,680.43	2,233,971.79	7.82%	17,086,247.71	15,891,549.77	7.51%
PLANO (1.0)	6,830,241.62	6,707,939.54	1.82%	50,188,469.63	46,976,038.18	6.83%
ROUND ROCK (2.0)	5,950,143.59	5,679,805.11	4.75%	46,512,864.50	45,514,797.69	2.19%
SUGAR LAND (2.0)	4,619,955.29	4,192,954.80	10.18%	32,743,323.83	29,497,095.20	11.00%
THE WOODLANDS (1.0)***	4,605,348.89	4,243,350.50	8.53%	32,753,476.86	30,166,496.76	8.58%

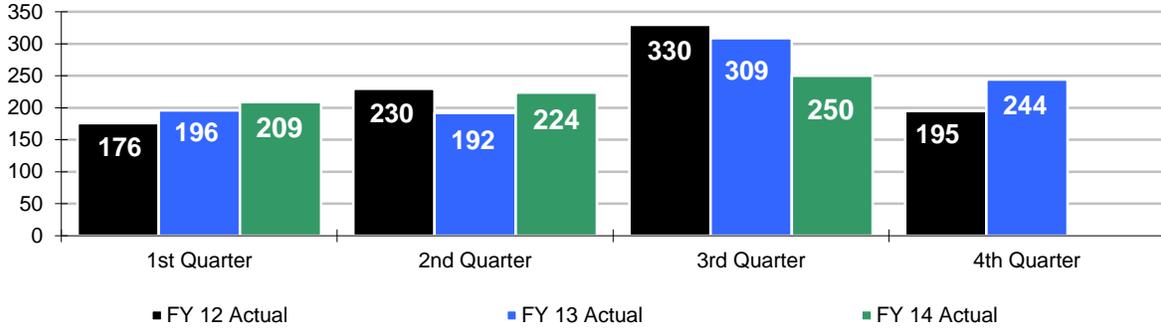
* June received in August

** Source: Texas Comptroller of Public Accounts reported by calendar year (Jan. – August) for the period of November – June.

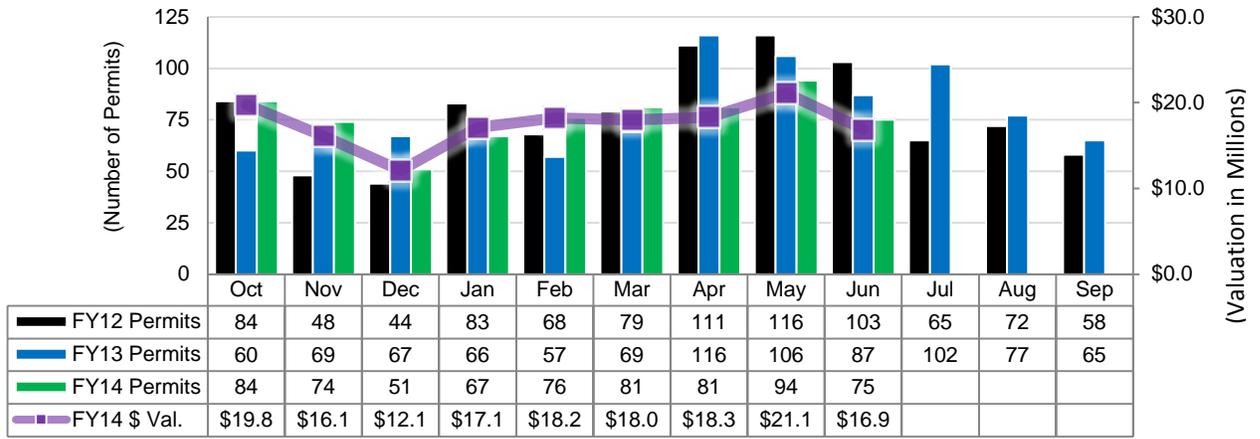
*** The Woodlands is a combination of several special purpose districts.

Single Family Permits

QUARTERLY COMPARISON
NUMBER OF PERMITS

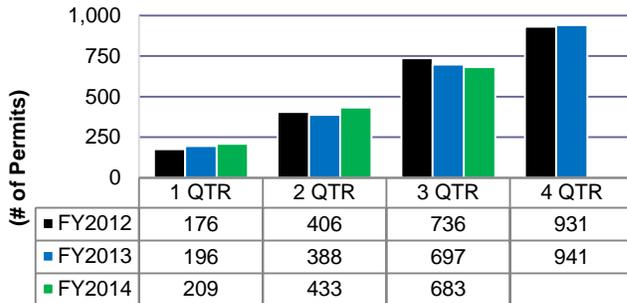


Monthly Comparison
Number of and Valuation



Comparison thru 3rd Quarter

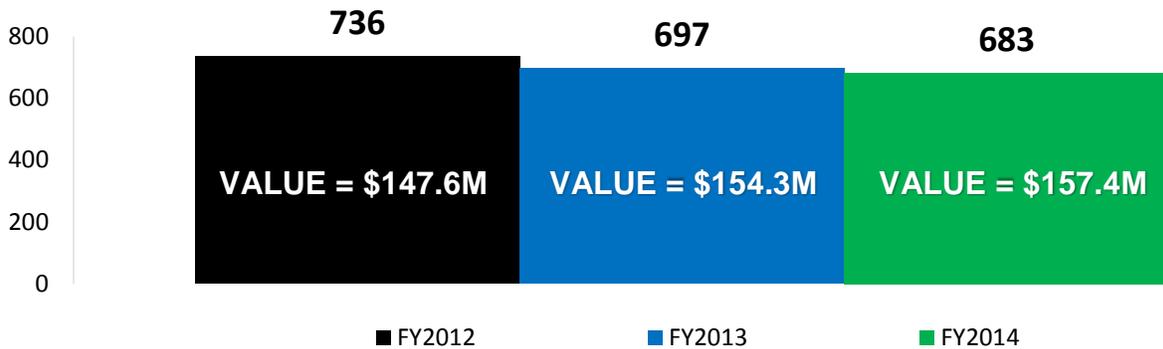
Cumulative Permits By Quarter



Cumulative Value By Quarter



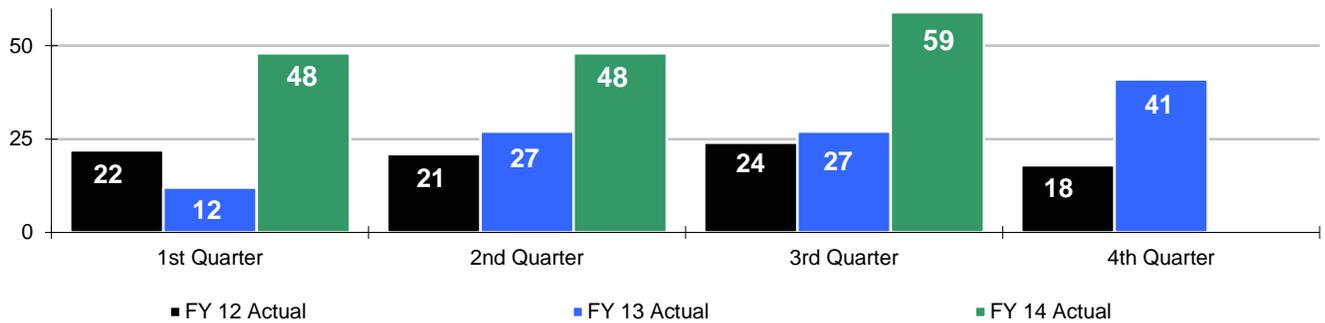
Single Family Permit Summary
Comparison thru 3rd Quarter



The number of Single Family Permits are down by 14 or 2.0%, however the value permitted is up \$3.07 million or 2.0%. For FY2014 the average permit is valued at \$231,144, up \$11,123 or 5.1%. We are projecting slightly less than 1,000 single family permits for the fiscal year.

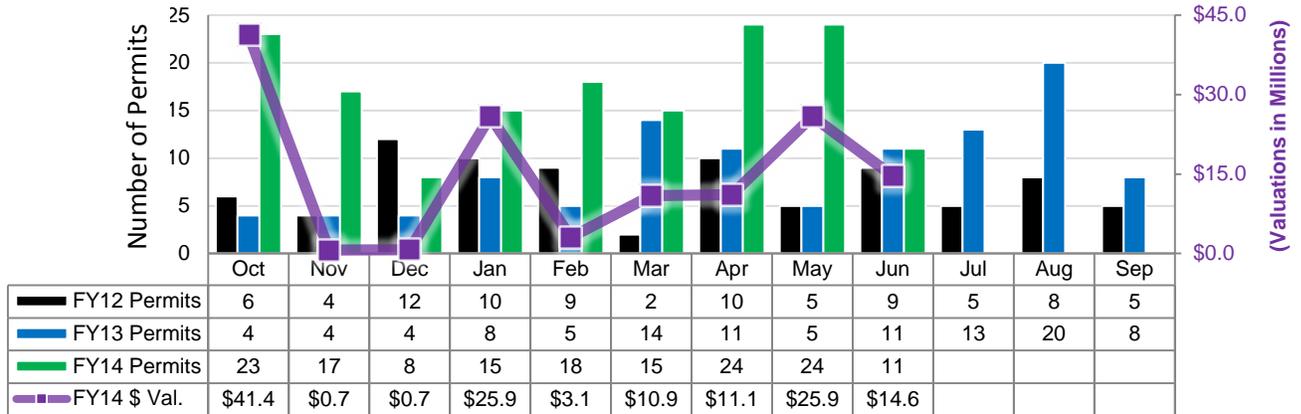
Commercial Permits

Commercial Permits
Quarterly Comparison of Permits



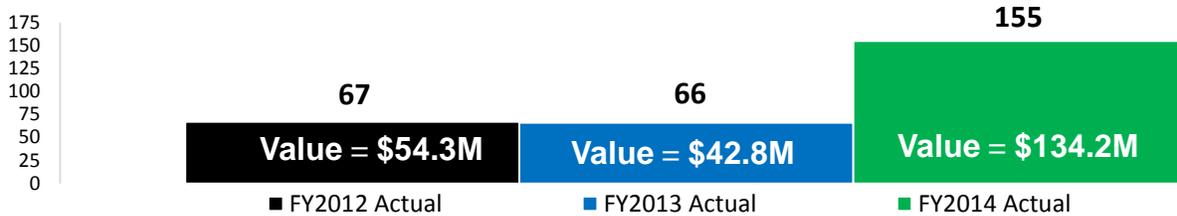
*FY2012 Excludes non-taxable projects (City, School, Church). Beginning June 2014, City and tax-exempt permits are included in the value. Values will be restated next Quarterly Report to include tax exempt and city properties.

Monthly Comparison
Commercial Permit and Valuation

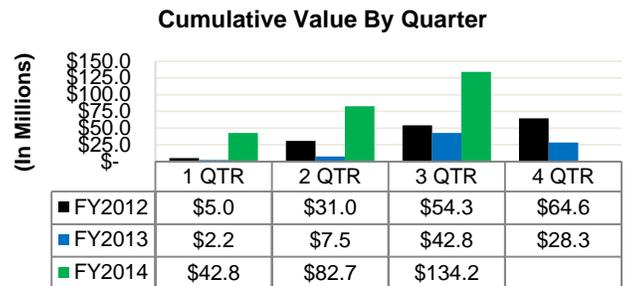
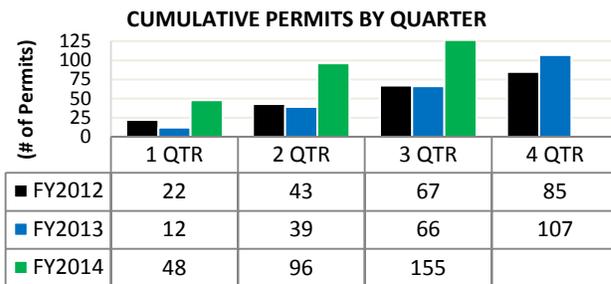


The value of commercial permits in June 2014 was \$14.6M compared to \$0.9M last June. The value of commercial permits through June increased from \$42.8M to \$134.2M, and includes DeVry Adult Nursing School, HEB, HCA, AMD Medical Office and three new retail buildings at the Center of Pearland Parkway, and the Pearland Fire/EMS station #3. Beginning June 2014, City and tax-exempt permits are included in the value.

Commercial Permits
Comparison thru 3rd Quarter

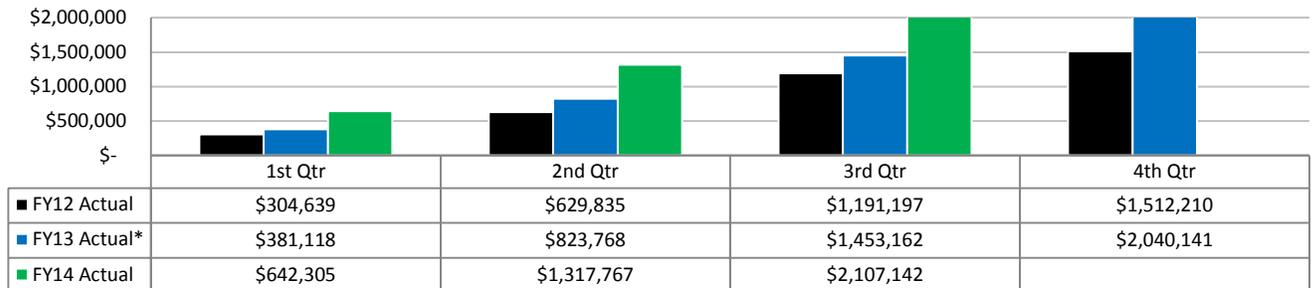


Number of Commercial Permits up by 89 and value up by \$123.9 million. See page 70 of the FY2014 June Monthly Report for detail on commercial permit activity.



Building Permit and Building Fee Revenue

Building Permit and Building Plan Fee Revenue Only
Cumulative Comparison by Quarter

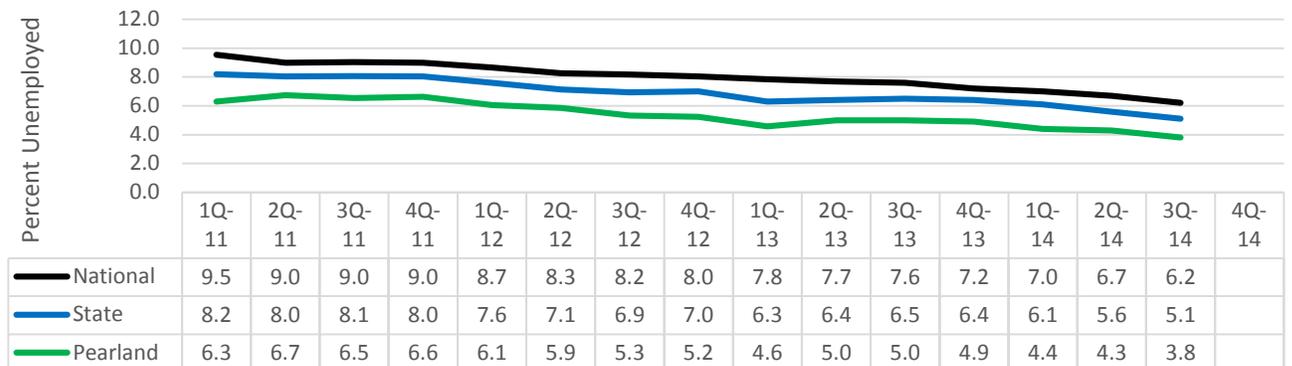


*New fees effective 10/01/2013.

Revenue up \$654K over last year through June due to increased permitting activity and values permitted. We can anticipate to exceed the budget of \$1.9 million based on the current pace. As of June 30, 2014, Building Permit Revenue is \$1,283,104 and Building Plan Check Fee is \$824,038 for a total of \$2,107,142.

Unemployment Rate

Average Rate by Fiscal Quarter
(Pearland/State/National)



*Reflects last quarter as preliminary due to the timeliness of this report. The chart is based on the City's Fiscal Quarter.

Houston area job growth and overall up-tick in the economy has led to a declining unemployment rate, down 2.9 or 43% from the high in second quarter 2011.

SUMMARY OF MAJOR CAPITAL PROJECTS
Through 6/30/14

PROJECT	FUNDED BUDGET	ACTUAL-TO-DATE	ENCUMBRANCE	REMAINING	ANTICIPATED SAVINGS
Max Road Sports Complex	\$4,619,881	\$2,291,127	\$2,482,906	(\$154,152)	\$0
Pearland Parkway Ext.	\$3,592,291	\$1,643,323	\$31,144	\$2,020,725	\$2.4M 80/20
Fire Station #3	\$3,117,291	\$292,456	\$3,265,448	(\$440,613)	\$0
SCR Park	\$8,415,051	\$598,733	\$88,216	\$7,728,102	\$0
Centennial Park	\$1,728,153	\$66,490	\$144,862	\$1,516,801	\$0
Fite Road	\$1,100,849	\$228,326	\$314,962	\$557,562	\$0
Max Road	\$2,214,189	\$419,788	\$437,733	\$1,356,667	\$0
CR 59 Expansion	\$2,672,223	\$295,819	\$0	\$2,376,404	\$800,000
Intelligent Traffic Systems	\$3,781,666	\$2,579,184	\$1,096,484	\$105,998	\$50,000 80/20
Far NW WWTP Expansion	\$9,400,000	\$332,350	\$83,700	\$8,983,950	\$0
Hatfield Sewer	\$6,889,000	\$4,620,764	\$2,267,675	\$561	\$0
Old Alvin Waterline	\$3,406,718	\$3,303,751	\$93,538	\$9,429	\$0
Kirby Dr. Extension	\$1,235,000	\$59,919	\$218,308	\$956,773	\$0
Mc Hard Rd Extension	\$2,650,195	\$27,496	\$60,000	\$2,562,699	\$0
Mc Hard Waterline	\$10,011,109	\$1,088,875	\$447,403	\$8,474,831	\$0
Walnut Lift Station	\$1,111,639	\$102,660	\$1,024,082	(\$15,103)	\$0

GRANT UPDATE

HGAC/Solid Waste

Glass Crusher has been ordered and is scheduled for complete assembly and delivery in September of 2014. The City received a notice of award for grant funding for the illegal dumping enforcement equipment (surveillance devices) and 3 additional tilt hoppers. The total award is \$13,562.

TCLEOSE

The Police Department was awarded \$11,079 in funding for activities in compliance with training protocols set forth by the Texas Commission on Law Enforcement Officers (TCLEOSE)

CDBG

Garden Road/FM518 Traffic Signal installation/construction underway.

Action Plan for PY 14 completed and submitted to Council for project approval and final submission to HUD - \$313,794:

- ✓ \$20,000 to Pearland Neighborhood Center
- ✓ \$231,036 to Code Enforcement/Housing Rehab
- ✓ \$62,758 for Program Administration

Safe Routes to School - TxDOT

Staff has completed project prioritization and cost-analyses in preparation for a pending Call for Projects from TxDOT via HGAC (TBD)

Office of the Attorney General

A continuation request for funds has been administered in the amount of \$41,849 for the PD's Crime Victim Specialist salary/benefits (Velma Guadiana).

EMPG – Texas Division of Emergency Management

The City was awarded \$40,863 in grant funds for emergency management coordinating staff salaries and benefits in the FMO

<u>Grants Summary</u>	<u>Number</u>	<u>Amount</u>
FY14 Grants Applied For	11	\$ 447,830
Grants Awarded	8	\$ 277,343
Active Grants	14	\$ 1,905,602

NOTEWORTHY HIGHLIGHTS

- ✓ Award for Independence Pool Operation; \$62,997.
- ✓ Renewal of Bid for Printing and Mailing Utility Bills; \$205,631.
- ✓ Renewal of Bid for Concrete Raising Services; \$50,000.
- ✓ Engaged FY 2014 Audit; \$75,300.
- ✓ Award for Purchase of Glass Crusher for Recycling Center; \$114,448.
- ✓ Award for Landscape Maintenance of Medians, Right of Ways, and City Facilities; \$500,390.
- ✓ Approved Interlocal Agreement with City of League City to utilize their current Sidewalk Construction Contract.
- ✓ Approved Interlocal Agreement with National Intergovernmental Purchasing Alliance (NIPA) to utilize their contract to purchase two new automated license plate recognition systems.
- ✓ Award for Purchase of Pipe and Related Fittings; \$66,853.
- ✓ Award for Electrical and SCADA Services; \$173,000.
- ✓ Award for Purchase of Motor Fuels; \$693,014.
- ✓ Renewal of Bid for Custodial Services at Recreation Center/Natatorium; \$69,720.
- ✓ Discussed direction on Debt Service Structure for Tax-backed Obligations, and Refunding Options.
- ✓ Approved Allocation Recommendations for CDBG Plan Year 2014-2015.
- ✓ Renewal of Bid for Official Newspaper of Record; \$12,000.
- ✓ Discussed direction on delinquent property tax and fine & forfeiture collections.
- ✓ Approved Edward Byrne Memorial Justice Assistance (JAG) Formula Grant Program 2014.
- ✓ Received 3 proposals on ERP Software; Conducted demonstrations in August.
- ✓ Migrated from Lotus Notes to Microsoft Office.
- ✓ 96 Gallon recycling carts delivered by April 1.
- ✓ Began change out of Blackberry Phones to I-Phones.
- ✓ Staffed new System Administrator for IT and increased city Internet bandwidth from 10Mbps to 100Mbps.
- ✓ Replaced 157 computer systems, Setup 33 new computer systems for a total of 190 computer systems.