



## **CITY COUNCIL AGENDA**

CITY OF PEARLAND

SPECIAL MEETING

**MONDAY, JUNE 29, 2015, 7:00 P.M.**

COUNCIL CHAMBERS | PEARLAND CITY HALL | 3519 LIBERTY DRIVE  
281.652.1600

### **I. CALL TO ORDER**

### **II. PURPOSE OF THE MEETING:**

- 1. Consideration and Possible Action – Resolution No. R2015-114 – A** Resolution of the City Council of the City of Pearland, renewing the employee health insurance benefits for stop loss and administration services with Cigna, awarding the employee dental insurance benefits to Aetna, and awarding the employee vision plan benefits to Vision Benefits of America for fiscal year 2015-2016.
- 2. Council Input and Discussion – Review and Discussion on Fiscal Year 2015 year-end projections and recommended revised Fiscal Year 2015 Budget.**

### **Executive Session under Texas Government Code**

- 1. Section 551.074 – Personnel Matters –** Regarding appointments to the Boards and Commissions.

### **III. ADJOURNMENT**

This site is accessible to disabled individuals. For special assistance, please call Young Lorfing at 281-652-1840 prior to the meeting so that appropriate arrangements can be made.

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b>	June 29, 2015	<b>ITEM NO.:</b>	Resolution No.
<b>DATE SUBMITTED:</b>	June 19, 2015	<b>DEPT. OF ORIGIN:</b>	Human Resources
<b>PREPARED BY:</b>	Bonita J. Hall	<b>PRESENTER:</b>	Bonita Hall
<b>REVIEWED BY:</b>	Jon R. Branson	<b>REVIEW DATE:</b>	June 23, 2015

**SUBJECT: A Resolution of the City Council of the City of Pearland, renewing the employee health insurance benefits for stop loss and administration services with Cigna, awarding the employee dental insurance benefits to Aetna, and awarding the employee vision plan benefits to Vision Benefits of America for fiscal year 2015-2016.**

- EXHIBITS:**
- A. "White Paper" on Health Plan present at Council Retreat
  - B. March 12, 2015 Memo on Health from Council Retreat
  - C. Per Capita Claims Summaries
  - D. Plan Design Options and Funding Summary
  - E. Medical Premium Effect on Employees
  - F. 2015-2016 Recommendations for Employee Health and Welfare Benefits Presentation
  - G. Resolution R2015-114

**FUNDING:**

<input type="checkbox"/> Bonds To Be Sold	<input type="checkbox"/> Grant	<input type="checkbox"/> Developer/Other	<input checked="" type="checkbox"/> Cash
<input type="checkbox"/> Bonds- Sold	<input type="checkbox"/> L/P - Sold	<input type="checkbox"/> L/P - To Be Sold	

<b>EXPENDITURE REQUIRED:</b> \$8,399,891 (city and employee contributions)	<b>AMOUNT BUDGETED:</b> \$8,399,891
<b>AMOUNT AVAILABLE:</b> \$8,399,891	<b>PROJECT NO.:</b>
<b>ACCOUNT NO.:</b>	
<b>ADDITIONAL APPROPRIATION REQUIRED:</b>	
<b>ACCOUNT NO.:</b>	
<b>PROJECT NO.:</b>	

**To be completed by Department:**

Finance	<b>X Legal</b>	Ordinance	<b>X Resolution</b>
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**EXECUTIVE SUMMARY**

**BACKGROUND**

The City underwent an open, competitive RFP process for its health plan administration, prescription benefits manager, stop loss insurance, fully insured dental and fully insured vision insurance programs for the plan year beginning October 1, 2015. The purpose of this agenda item is to provide results of this process including recommended plan design, funding and strategies for the 2015 – 2016 fiscal - plan year.

The City provides, as part of its pay and benefits package, availability of health care insurance for full-time employees. As part of this package, the City offers a Kelsey-Seybold ACO plan that is designed, especially over time, to improve wellness, emphasize prevention, and reduce costs for all parties. In addition, a Health Savings Account Plan is offered for those employees who wish to opt out of the KelseyCare plan. The Health Savings Account Plan is designed so that participants become educated consumers and stewards of their health care dollars.

The City has maintained a strategy to date of providing 100% payment for single employees in the benchmark program. The City also currently pays 70% for plans that cover employee and spouse, employee and child, and employee with more than one dependent. The remaining 30% of those employee/dependent plans is paid by employees through payroll deduction.

## **HEALTH PLAN**

The City received responses from many carriers including but not limited to Cigna, Aetna, TML, Blue Cross Blue Shield, Express Scripts and United Health Care. Both Cigna and United Health Care provided the most competitive proposals and below is a summary of the best and final offers.

TPA:	Cigna Current	Cigna Renegotiated Renewal (Recommended)	Best Alternative UHC
SPECIFIC STOP LOSS:	\$125,000	\$125,000	\$125,000
ANNUAL STOP LOSS PREMIUM	\$575,467	\$602,497	\$612,835
ANNUAL AGGREGATE STOP LOSS DEDUCTIBLE	\$6,055,719	\$6,873,723	\$7,597,599
ANNUAL ADMINISTRATION FEES	\$177,704	\$140,136	\$201,770
HEALTH CARE REFORM FEES	\$73,320	\$51,888	\$51,888
<b>MAXIMUM ANNUAL FUNDING</b>	<b>\$6,882,210</b>	<b>\$7,668,243</b>	<b>\$8,464,093</b>
% Change from Current Maximum	n/a	11.42%	22.99%
\$ Change from Current Maximum	n/a	\$786,034	\$1,581,883

### **NOTES:**

- **Current, Renegotiated and Best Alternative are based on the current plan of benefits.**
- **Health Care Reform fees include required Reinsurance and PCORI fees.**
- **Assumes 519 Enrolled Members.**

Staff is recommending renewal with Cigna for the 2015 – 2016 plan year for administration of the KelseyCare ACO and Health Savings Account Plans. By renewing with Cigna, the City will experience a 4.7% increase to stop loss premiums, a 13.5% increase to its annual aggregate stop loss deductible, a -21.1% decrease to Cigna administrative fees including prescription drug rebate offsets, and an overall 11.42% increase to the City's maximum annual funding level based on Cigna's forecast of estimated claims of \$6,873,723.

Over the past few years, actual claims have exceeded Cigna's forecast of estimated claims, but below the annual aggregate stop loss, resulting in the City having to contribute additional dollars into the fund including to shore up the medical self-insurance fund balance. In fiscal year 2014, the City contributed an additional \$1.369 million to cover claims and build a reserve, leaving the medical fund with an ending balance of \$785,035. Projections for fiscal

year 2015, shows the fund balance at \$136,106, a drawdown of \$648,000. Compared to fully insured vs. self-insured, the costs of health care would have been far greater for the City and employees by approximately \$941,086 based upon the most competitive fully insured option received for the 2014 – 2015 plan year.

These results have been consistent when comparing fully insured vs partial self-insured approaches since our partially self-insured plan inception in fiscal year 2010 – 2011. Apart from the financial results, maintaining the contract through Kelsey-Seybold for Cigna coverage provides continuity in providers for staff and builds on the Kelsey-Seybold managed care benefits.

As such, our consultants are recommending a 24.8% increase to the City's funding rate structures to cover projected paid claims and assist in replenishing reserve levels. The Cigna proposal for the upcoming year's insurance provision alone had warranted approximately a 17.5% increase in funding rates. As a product of negotiations, Cigna has provided a renewal that is well below UHC and other market alternatives. Our consultants and respondents to our Health Insurance RFP have submitted claims projections that align with a 24.8% increase to funding rates.

Staff and our consultants have evaluated many alternative plan design options and are not recommending any changes to the plan design at this time. This recommendation is primarily due to significant changes made in the prior year, the plans aligning with peer groups and unfavorable or negligible savings projections of plan alternatives at this time.

In regard to the City's funding and contribution levels, it is recommended to reduce the City's funding to the HSA plan from \$1,000 for individual and \$2,000 for family to \$500 for individual and \$1,000 for family. This change will move the City closer to a cost-neutral funding strategy where the City is funding an equal amount to all plans. Further it is recommended to reduce the City's funding for dependent coverage from 70% to 68% for the Kelsey Care 80% base plan. Currently the municipal benchmark provided by our consultants is 62%. (The benchmarking information includes both Houston and Dallas Fort Worth (DFW) municipalities and many of our Pearland area peers including but not limited to Sugar Land, League City, Missouri City, Conroe, etc.) If the funding remains at 70%, the difference would be an additional \$56,683 in City contributions, and \$56,683 less in employee contributions.

New for the 2015-2016 plan year is Staff's recommendation to add a Working Spouses provision with the plan that would not allow working spouses on the City's health insurance program if they have access to employer sponsored coverage.

Another proposed change in the 2015-2016 plan year is to incentivize participation in an annual physical rather than the traditional biometric screening. The current \$25 surcharge is recommended to continue for employee's who choose not to participate in the annual physical.

Based on 611 recommended authorized position, and allowing for 20 vacant positions each month, the fiscal year 2015-2016 expected cost is \$7,846,876. The expected annual funding is \$8,042,334, based on the 611 budgeted positions. The City's projected 2015 – 2016 health plan reserve is \$332,314, slightly below the \$800,000 needed in order to cover fluctuations in claims paid. This is the first year of a multi-year funding of a reserve.

## **DENTAL PLANS**

After the best and final RFP process it is recommended for the City to renew with the incumbent carrier Aetna at a -2.5% decrease to premium costs. The annual premium for the

dental policy is \$357,557. No changes are currently recommended to plan design or contribution structures.

**VISION PLANS**

Renewal with the incumbent carrier Vision Benefits of America is recommended. Rates will not increase and will be guaranteed for 2 years. The vision program is an optional program and rates are fully paid by employees.

**RECOMMENDED ACTION**

Consideration and approval of a resolution renewing the agreement with Cigna to continue to provide health plan administration services, prescription benefits management services and stop loss coverage. In addition, consideration of reducing the City's HSA contribution to \$500 for Individual and \$1,000 for family and reducing the dependent subsidies to 68% funding for the KelseyCare 80% base plan.

Consideration and approval of a resolution awarding the fully insured dental plan to Aetna and the fully insured vision plan to Vision Benefits of America.

Staff and IPS are seeking council's approval to build the 2015 – 2016 budget with \$8.39 million (all funds) in employee health care costs, which includes the recommendations outlined above.

February 2015



## CITY OF PEARLAND HUMAN RESOURCES

### WHITEPAPER ON THE CITY'S HEALTH CARE

IPS Advisors, the City's consultant on all matters of health and benefits, met with City Staff in November 2014 to discuss end of year results as well as what may be expected for the upcoming year. Below are some of the major areas of discussion.

#### Financial Results

At year end 2013-14, the City experienced a significant increase in its per capita health care (medical and prescription) spending. Utilization statistics show increases in large claims costs were the primary driver of these results. At the end of the year, the City had four claims over the top of the specific stop loss level accounting for \$603,870 in reimbursements. The City also experienced an aggregate stop loss reimbursement of \$35,294, incurring over 25% above the insurance carriers expected claims target.

#### Per Capita Medical Claims

Per Capita Medical Claims	Medical Claims	% Difference
2008-2009	\$ 4,678	11.0%
2009-2010	\$ 5,733	22.6%
2010-2011	\$ 6,478	13.0%
2011-2012	\$ 6,641	2.5%
2012-2013	\$ 7,368	10.9%
2013-2014	\$ 8,640	17.3%

#### Per Capita Rx Claims

Per Capita Rx Claims	Rx Claims	% Difference
2008-2009	\$ 1,001	18.6%
2009-2010	\$ 1,235	23.4%
2010-2011	\$ 1,384	12.1%
2011-2012	\$ 1,546	11.7%
2012-2013	\$ 1,682	8.8%
2013-2014	\$ 1,643	-2.3%

**Total Per Capita Claims**

<b>Total Per Capita Claims</b>	<b>Total Claims</b>	<b>% Difference</b>
2008-2009	\$ 5,679	12.2%
2009-2010	\$ 6,968	22.7%
2010-2011	\$ 7,862	12.8%
2011-2012	\$ 8,187	4.1%
2012-2013	\$ 9,050	10.5%
2013-2014	\$10,283	13.6%

**Renewal**

Due to significant loss ratios, the City experienced a 25.9% increase to its maximum annual funding assuming no plan design changes. By discounting the current basic plan and offering a menu of two Kelsey-Care Options and the HSA Plan, the City was able to reduce the increase to its maximum annual funding to 15.3%. Final stop loss premium costs increased 3.3% and administrative fees decreased by .09%. After plan changes, the 2014-15 budget equaled \$6,801,888 for budgeted authorized positions with a current reserve of \$994,450.

The City also renewed its Dental plan through Aetna at no increase to the premium rates to the City. The voluntary Vision plan renewed at a 6% decrease with rates guaranteed until 10/01/16. Life, Accidental Death and Dismemberment and Disability is currently in a rate guarantee period until 10/01/16.

**Plan Design Strategy**

The City has taken significant steps to alter health care purchasing behavior by discontinuing its traditional PPO health plans and offering Accountable Care and Consumer Driven health plan models. The City has experienced declining utilization trends in outpatient, professional and prescription drug spend which can largely be attributable to adjustments to these models. However, large claimants have overpowered much of the positive results in fiscal year 2013-14. Furthermore, claim results for this plan year included approximately 180 or 33% of employees participating in the Basic Plan. The City will not experience the full effect of the total replacement of the PPO plans and the Accountable Care model until the beginning of the 2015 calendar year.

**Possible Considerations for 2015-16**

For fiscal year 2015-16, IPS Advisors will prepare an RFP for Health, Dental, Life, Stop Loss, Pharmacy, AD&D and vision.

The City has eliminated traditional PPO health plans and is now offering Accountable Care and Health Savings Account options. It would be recommended to continue to evaluate increases in the out of pocket maximum cost sharing levels for all plans. The maximum mandated out of pocket cost sharing for 2015 is \$6,600. The City's Base and Buy up Kelsey-Care plans sit at \$2,000 individual, \$4,000 family and \$3,000 individual and \$6,000 family respectively. Copay consideration on inpatient and outpatient services are also recommended for consideration.

The City currently funds 100% to employee and 70% to dependents for the base Kelsey-Care plan. Overall the City funds approximately 85.8% of health plan costs. The City evaluated options to reduce dependent subsidies to a benchmark of 62% to the base Kelsey-Care plan. Continued evaluation of dependent subsidy levels is recommended for the upcoming year. Also evaluating the contribution strategy to the HSA is recommended as the City is funding slightly more to this program than both Kelsey-Care plans.

The Employer Mandate for the City of Pearland will be effective October 1, 2015. The City is moving forward with all reform requirements and intends to be in compliance with the new mandates.

Musculoskeletal conditions represent the top diagnostic category for the City of Pearland's plan. It is recommended for the City consider a preferred benefit level for employees who utilize manipulative therapy to manage musculoskeletal conditions thus reducing imaging, surgeries and rehab visits. Companies such as Airrosti, can provide such a level of care for employees and over 91% of individuals utilizing them report no need for further medical care and 99.7% would refer them to friends and family.

The City has substantial participation in its Biometric Screening and Health Risk Assessment program. However, concerns regarding recommended preventative examinations and cancer screenings do exist based on the latest data reported by Cigna. It is recommended for Cigna and Kelsey-Care to provide insight on their strategy to increase compliance. Additional analysis on the Disease Management program is also recommended from Cigna to evaluate viability of this program moving forward.

Due to the City's accountable care contract with Kelsey-Care, implementing an on-site or near site clinic is difficult. The Kelsey-Care model is based on management of employees' health conditions throughout the continuum of care. A health and wellness clinic would substantially disrupt this care as the majority of primary and preventive care would need to be run through the clinic in order to be cost effective. Further, the City currently pays capitated fees for primary and preventive care to Kelsey-Care and those fees would have to be reduced substantially for a health clinic to be viable and after initial conversations with Kelsey Seybold Clinic a substantial enough reduction is not available at this time.

The City has contracted with Partners Plus consulting in order to complete an audit reviewing process accuracy, claims payment accuracy, claims turnaround time, eligibility, system set up, subrogation, and more of the City's health plan. It is our hope the results will allow us to pursue overpayments, identify underpayments, correct processing issues and benefit intent issues.

Another possible consideration for 2015-16 is Telemedicine which offers a lower cost option to a Health Clinic. The program can provide 24/7/365 access to a physician specializing acute conditions. The service is designed to treat conditions such as Cold, Flu, Bronchitis, Allergies, Respiratory Infections, and more. Medications may also be prescribed. The service provides a lower cost and more convenient care for common medical conditions.

Another option for 2015-16 is private exchange alternative to the City's health care. IPS and a company called Liazon are providing clients a private exchange alternative which may be a plan consideration for the City in the future. The exchange is built on a defined contribution approach to providing health and welfare benefits. What makes private exchanges unique is that employees are able to shop from a menu of health and welfare benefits and select a package that best suits their needs.

When it comes to health care, the past several years have been and the next few years will be unpredictable. The requirements as determined by Health Care Reform along with the growth and change in the landscape of our City employee base keeps our attention. We remain steadfast in our efforts to continue to provide quality health care options to our employees and their families.

B.

# Memo



To: Jon Branson, Deputy City Manager

From: Bonita J. Hall, Director of HR and Safety Management

CC: Clay Pearson, City Manager

Date: March 12, 2015

Re: Update on the Health Plan Request for Proposal

On Saturday, March 7, 2015, Council held a meeting in order to provide early input on the City's 2015-16 Budget. One of the areas of discussion was the City's health plan benefit. This memo will briefly update the Council on the progress since the meeting.

I have been in communication with IPS Advisors regarding the request for proposal (RFP) for the health benefit plan. I have made clear Council's willingness to review any and all scenarios and options put forth. I directed the consultant to include in the RFP information asking for self-funded plans, offering an accountable care organization model (ACO) option as well as a preferred provider organization (PPO) option. An ACO option utilizes a "group" of physicians, hospital and other healthcare providers who come together to give coordinated care (Kelsey-Seybold) while a PPO option is managed care group of medical doctors, hospitals and other healthcare providers who have agreed with insurer or third party organization to provide patient care. The PPO option allows patients to go to any physician they may choose.

I also asked that we receive information on the following:

Telemedicine, the provide 24/7/365 access to a physician specializing in acute conditions. The service is designed to treat conditions such as colds, the flu, allergies, respiratory infections and the like. Medication may be prescribed.

Private exchanges, built on a defined contribution approach to providing health and welfare benefits. Employees are able to shop from a menu of benefits and select a package that best suits their needs.

Other preferred benefit providers for major diagnostic categories such as musculoskeletal conditions, and wellness.

IPS Advisors is in the process of pulling together the relevant information for an April 1<sup>st</sup> RFP. We will be expecting proposals by the end of April.

We expect to receive a number of solid proposals and by moving up the process we hope to have sufficient information to you to aid in your budget deliberations.

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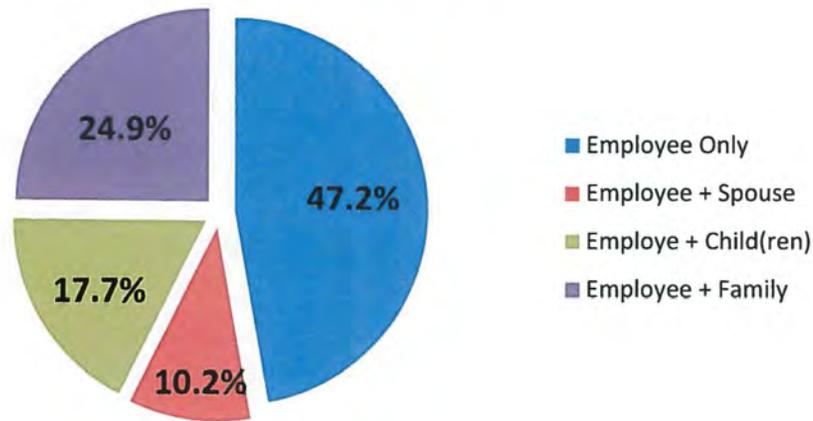
# Health Plan Cost Summary

A	B	C	D	E	F	G
Reporting Month	Monthly Lives	Medical Admin	Stop Loss Premiums	Medical Claims	Rx Claims	Total Plan Costs
Oct-13	532	\$18,111	\$47,603	\$374,884	\$64,564	\$505,162
Nov-13	531	\$18,074	\$47,514	\$486,058	\$73,634	\$625,281
Dec-13	536	\$18,237	\$47,961	\$368,700	\$38,618	\$473,516
Jan-14	549	\$18,649	\$49,125	\$473,260	\$89,098	\$630,132
Feb-14	550	\$18,695	\$49,214	\$300,361	\$54,333	\$422,604
Mar-14	548	\$18,627	\$49,035	\$405,767	\$60,042	\$533,471
Apr-14	549	\$18,665	\$49,125	\$396,164	\$93,693	\$557,646
May-14	550	\$18,686	\$49,214	\$348,338	\$101,960	\$518,198
Jun-14	549	\$18,649	\$49,125	\$446,709	\$68,590	\$583,073
Jul-14	552	\$18,758	\$49,393	\$457,089	\$64,326	\$589,566
Aug-14	551	\$18,716	\$49,303	\$306,452	\$100,693	\$475,165
Sep-14	538	\$18,269	\$48,140	\$341,329	\$85,232	\$492,969
<b>Total</b>	<b>545</b>	<b>\$222,136</b>	<b>\$584,752</b>	<b>\$4,705,111</b>	<b>\$894,784</b>	<b>\$6,406,783</b>
<b>Per Capita</b>		<b>\$407.90</b>	<b>\$1,074</b>	<b>\$8,640</b>	<b>\$1,643</b>	<b>\$11,765</b>

Reporting Month	Monthly Lives	Medical Admin	Stop Loss Premiums	Medical Claims	Rx Claims	Total Plan Costs
Oct-14	530	\$18,294	\$48,972	\$501,433	\$65,287	\$633,987
Nov-14	525	\$18,127	\$48,510	\$365,032	\$64,263	\$495,932
Dec-14	523	\$18,050	\$48,325	\$426,424	\$48,357	\$541,156
Jan-15	524	\$18,073	\$48,418	\$368,364	\$39,774	\$474,629
Feb-15	522	\$17,997	\$48,233	\$616,245	\$59,475	\$741,949
Mar-15	526	\$18,130	\$48,602	\$288,484	\$78,203	\$433,419
Apr-15	525	\$18,077	\$48,510	\$381,305	\$73,258	\$521,150
<b>Total</b>	<b>525</b>	<b>\$126,748</b>	<b>\$339,570</b>	<b>\$2,947,287</b>	<b>\$428,618</b>	<b>\$3,842,224</b>
<b>Annualized</b>		<b>\$217,282</b>	<b>\$582,120</b>	<b>\$5,052,493</b>	<b>\$734,774</b>	<b>\$6,586,669</b>
<b>\$ Change</b>		<b>-\$4,854</b>	<b>-\$2,632</b>	<b>\$347,382</b>	<b>-\$160,010</b>	<b>\$179,886</b>
<b>% Change</b>		<b>-2.2%</b>	<b>-0.5%</b>	<b>7.4%</b>	<b>-17.9%</b>	<b>2.8%</b>
<b>Per Capita</b>		<b>\$413</b>	<b>\$1,108</b>	<b>\$9,623</b>	<b>\$1,399</b>	<b>\$12,546</b>
<b>% Change</b>		<b>1.5%</b>	<b>3.3%</b>	<b>11.4%</b>	<b>-14.8%</b>	<b>6.6%</b>

# Enrollment Profile

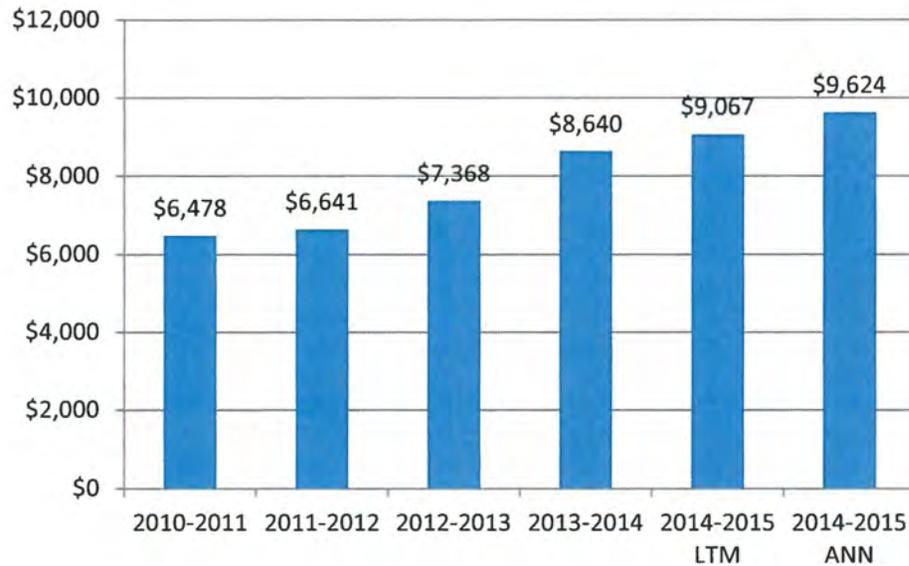
**% of Total Enrollment**



	Employee Enrollment	% of Total
Employee Only	245	47.2%
Employee + Spouse	53	10.2%
Employee + Child(ren)	92	17.7%
Employee + Family	129	24.9%
<b>Total</b>	<b>519</b>	



# Per Capita Medical Claims

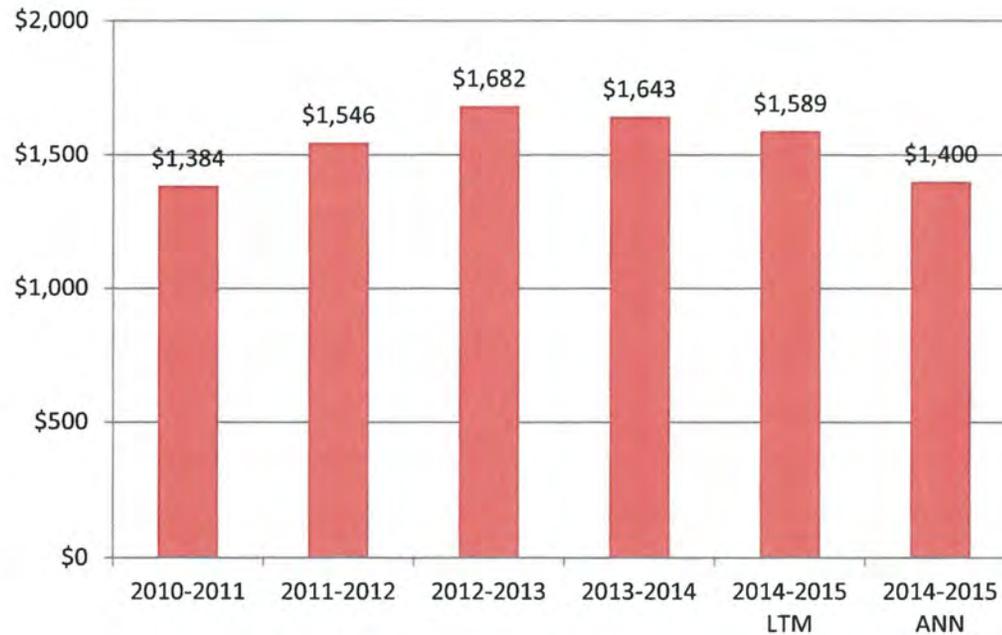


Per Capita Medical Claims	Medical Claims	%Δ
2010-2011	\$6,478	13.0%
2011-2012	\$6,641	2.5%
2012-2013	\$7,368	10.9%
2013-2014	\$8,640	17.3%
2014-2015 LTM	\$9,067	4.9%
2014-2015 ANN	\$9,624	11.4%

Notes: 2014 – 2015 LTM = Last 12 Months = 5.1.14 – 4.30.15  
 2014 – 2015 ANN = Annualized = 10.1.14 – 4.30.15



# Per Capita Rx Claims

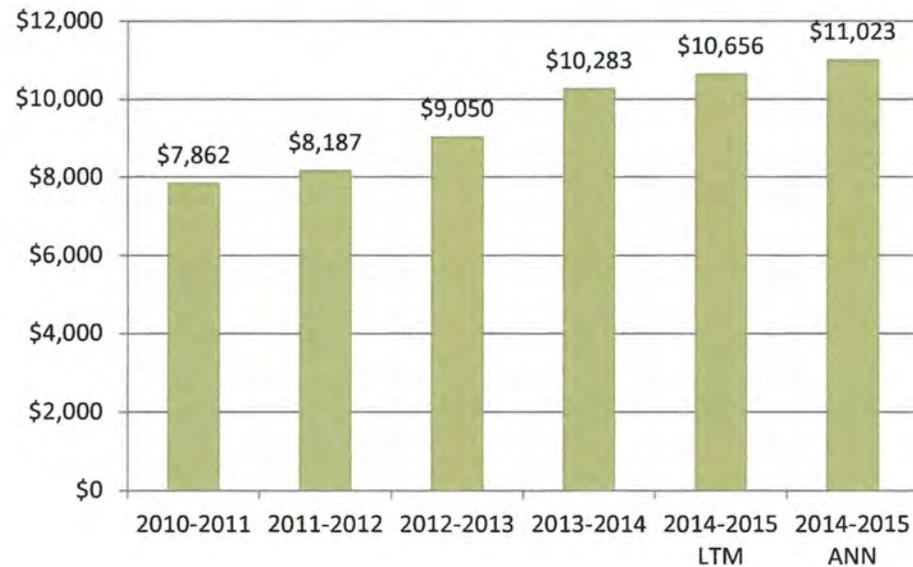


Per Capita Rx Claims	Rx Claims	%Δ
2010-2011	\$1,384	12.1%
2011-2012	\$1,546	11.7%
2012-2013	\$1,682	8.8%
2013-2014	\$1,643	-2.3%
2014-2015 LTM	\$1,589	-3.3%
2014-2015 ANN	\$1,400	-14.8%

Notes: 2014 – 2015 LTM = Last 12 Months = 5.1.14 – 4.30.15  
 2014 – 2015 ANN = Annualized = 10.1.14 – 4.30.15



# Per Capita Total Claims

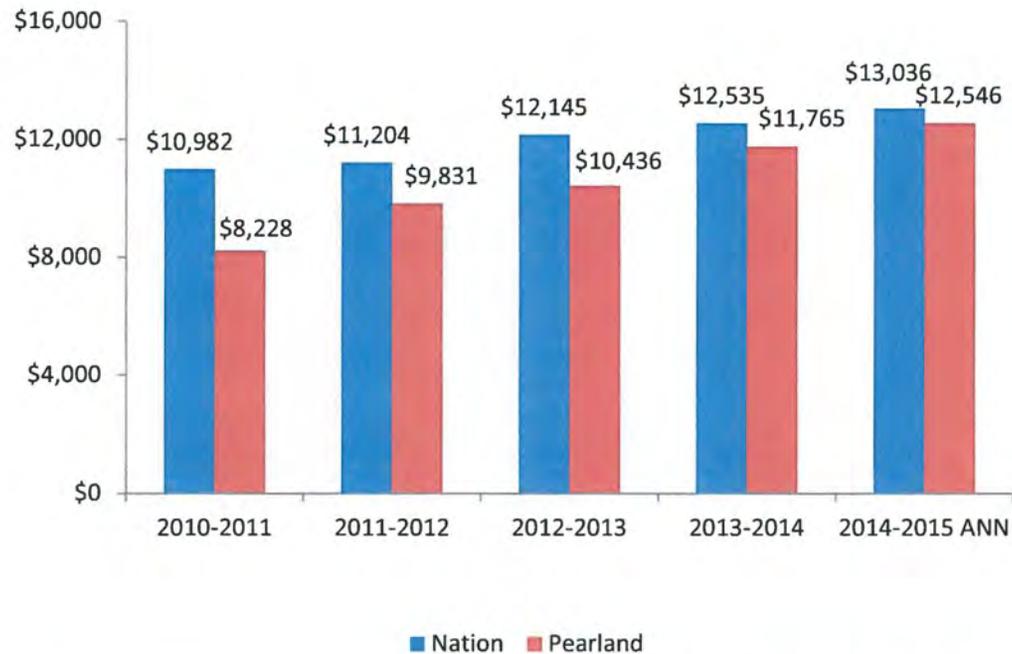


Total Per Capita Claims	Total Claims	%Δ
2010-2011	\$7,862	12.8%
2011-2012	\$8,187	4.1%
2012-2013	\$9,050	10.5%
2013-2014	\$10,283	13.6%
2014-2015 LTM	\$10,656	3.6%
2014-2015 ANN	\$11,023	7.2%

Notes: Total Per Capita Claims includes Medical and Prescription Claims  
 2014 – 2015 LTM = Last 12 Months = 5.1.14 – 4.30.15  
 2014 – 2015 ANN = Annualized = 10.1.14 – 4.30.15



# Per Capita Total Cost Vs Nation



	Nation	%Δ	Pearland	%Δ	%ΔΔ
2010-2011	\$10,982	7.5%	\$8,228	-4.9%	-25.1%
2011-2012	\$11,204	2.0%	\$9,831	19.5%	-12.3%
2012-2013	\$12,145	8.4%	\$10,436	6.1%	-14.1%
2013-2014	\$12,535	3.2%	\$11,765	12.7%	-6.1%
2014-2015 ANN	*\$13,036	4.0%	\$12,546	6.6%	-3.8%

Notes: Total Cost includes Claims and Fixed Fees  
 2014 – 2015 Annualized = 10.1.14 – 4.30.15



D.

**CITY OF PEARLAND  
PLAN DESIGN OPTIONS AND FUNDING SUMMARY**

Plan Type	Renewal - Current Plans				Option 1				Option 2			
	HSA PLAN		Kelsey Care 90	Kelsey Care 80	HSA PLAN		Kelsey Care 90	Kelsey Care 80	HSA PLAN		Kelsey Care 90	Kelsey Care 80
	In Network	Out of Network	In Network Only	In Network Only	In Network	Out of Network	In Network Only	In Network Only	In Network	Out of Network	In Network Only	In Network Only
Network	Open Access	n/a	ACO	ACO	Open Access	n/a	ACO	ACO	Open Access	n/a	ACO	ACO
Maximum Benefit	Unlimited		Unlimited	Unlimited	Unlimited		Unlimited	Unlimited	Unlimited		Unlimited	Unlimited
Individual Deductible	\$2,500	\$5,000	n/a	n/a	\$2,500	\$5,000	n/a	n/a	\$2,500	\$5,000	n/a	n/a
Family Deductible	\$5,000	\$10,000	n/a	n/a	\$5,000	\$10,000	n/a	n/a	\$5,000	\$10,000	n/a	n/a
Ind. Coinsurance Limit (Not including ded.)	\$4,000	\$8,000	\$2,000	\$3,000	\$4,000	\$8,000	\$2,000	\$3,500	\$4,000	\$8,000	\$3,500	\$4,000
Family Coinsurance Limit	\$8,000	\$16,000	\$4,000	\$6,000	\$8,000	\$16,000	\$4,000	\$7,000	\$8,000	\$16,000	\$7,000	\$8,000
Coinsurance	80%	60%	90%	80%	80%	60%	90%	80%	80%	60%	90%	80%
<b>Physician and Provider Services - Office Visits</b>												
PCP Office Visit Co-pay	80% after ded.	60% after ded.	\$25	\$25	80% after ded.	60% after ded.	\$25	\$25	80% after ded.	60% after ded.	\$25	\$25
Urgent Care Copay	80% after ded.	60% after ded.	\$75	\$75	80% after ded.	60% after ded.	\$75	\$75	80% after ded.	60% after ded.	\$75	\$75
Specialist Office Visit Co-pay	80% after ded.	60% after ded.	\$50	\$50	80% after ded.	60% after ded.	\$50	\$50	80% after ded.	60% after ded.	\$50	\$50
Lab and X-ray (Basic)	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share
Major (MRI / CT / PET)	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%
Preventive Health Care	No Cost Share	60% after ded.	No Cost Share	No Cost Share	No Cost Share	60% after ded.	No Cost Share	No Cost Share	No Cost Share	60% after ded.	No Cost Share	No Cost Share
Chiropractic Services	80% after ded.	60% after ded.	\$50	\$50	80% after ded.	60% after ded.	\$50	\$50	80% after ded.	60% after ded.	\$50	\$50
<b>Hospital Services</b>												
Inpatient Hospital Stay	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	\$500 Copay, then 80%	80% after ded.	60% after ded.	\$500 Copay, then 90%	\$1,000 Copay, then 80%
Physician Fees for Surgery and Medical Services	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%
Outpatient Surgery	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	\$250 Copay, then 80%	80% after ded.	60% after ded.	\$250 Copay, then 90%	\$250 Copay, then 80%
MRI / CT Scan / PET Scan / Stress Tests	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share
Outpatient Rehabilitative Services	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share	80% after ded.	60% after ded.	No Cost Share	No Cost Share
Emergency Ambulance Services	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%
Emergency Room	80% after ded.		\$200 Copay	\$200 Copay	80% after ded.		\$200 Copay	\$200 Copay	80% after ded.		\$200 Copay	\$200 Copay
<b>Medical Supplies</b>												
Prosthetic Devices	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%
Durable Medical Equipment	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%	80% after ded.	60% after ded.	90%	80%
<b>Prescription Drugs:</b>												
Generic (Tier 1)	\$15 after ded.	None	\$10	\$10	\$10 after ded.	None	\$10	\$10	\$10 after ded.	None	\$10	\$10
Name brand (Tier 2)	\$35 after ded.	None	\$40	\$40	\$40 after ded.	None	\$40	\$40	\$40 after ded.	None	\$40	\$40
Non-formulary (Tier 3)	\$50 after ded.	None	\$80	\$80	\$80 after ded.	None	\$80	\$80	\$80 after ded.	None	\$80	\$80
Specialty Drugs	\$100 after ded.	None	\$100	\$100	\$100 after ded.	None	\$100	\$100	\$100 after ded.	None	\$100	\$100
Mail order	2X	None	2X	2X	2X	None	2X	2X	2X	None	2X	2X
% Difference from Plan Design Changes	n/a		n/a	n/a	0.0%		0.0%	-1.0%	0.0%		-1.8%	-2.0%

Note: This is a brief summary and not intended to be a contract. Any discrepancy between the contract and the content herein, the contract rules.

**CITY OF PEARLAND  
PLAN DESIGN OPTIONS AND FUNDING SUMMARY**

		Renewal - Current Plans at 100% Employee Only Funding and 70% Dep. Funding for Benchmark Plan
Total Contributions		\$6,924,586
\$ Change		\$1,378,245
% Change		24.8%
City Contributions		\$5,949,320
\$ Change		\$1,144,961
% Change		23.8%
Employee Contributions		\$975,265
\$ Change		\$233,284
% Change		31.4%

		Renewal - Current Plans at 100% Employee Only Funding and 68% Dep. Funding for Benchmark Plan
Total Contributions		\$6,924,586
\$ Change		\$1,378,245
% Change		24.8%
City Contributions		\$5,899,543
\$ Change		\$1,095,184
% Change		22.8%
Employee Contributions		\$1,025,043
\$ Change		\$283,062
% Change		38.1%

		Renewal - Current Plans at 100% Employee Only Funding and 62% Dep. Funding for Benchmark Plan
Total Contributions		\$6,924,586
\$ Change		\$1,378,245
% Change		24.8%
City Contributions		\$5,750,211
\$ Change		\$945,851
% Change		19.7%
Employee Contributions		\$1,174,375
\$ Change		\$432,394
% Change		58.3%

**CITY OF PEARLAND**  
**2014 - 2015 CURRENT CONTRIBUTIONS**

HSA Plan - Current Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)	Employer Funding Difference from KC 80% Including HSA Contribution
Employee	23	\$516	\$497	96.3%	\$19	\$19	\$2	15%	\$71
+ Spouse	2	\$569	\$384	67.4%	\$185	\$204	\$26	15%	\$74
+ Children	12	\$413	\$278	67.4%	\$134	\$153	\$20	15%	\$77
+ Family	16	\$931	\$628	67.4%	\$303	\$322	\$41	15%	\$68
<b>Premium Contributions - Annual</b>	<b>53</b>	<b>\$580,043</b>	<b>\$486,073</b>	<b>83.8%</b>	<b>\$93,970</b>				
HSA Contributions (\$1,000 Ind. / \$2,000 Fam.)		\$83,000	\$83,000	100.0%	\$0				
<b>Total Contributions - Annual</b>		<b>\$663,043</b>	<b>\$569,073</b>	<b>85.8%</b>	<b>\$93,970</b>				

*rate action on plan*

Kelsey Care 80% - Current Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	101	\$509	\$509	100.0%	\$0	\$0	\$0	n/a
+ Spouse	31	\$561	\$393	70.0%	\$168	\$168	\$25	18%
+ Children	43	\$408	\$285	70.0%	\$122	\$122	\$18	18%
+ Family	45	\$918	\$643	70.0%	\$276	\$276	\$41	18%
<b>Premium Contributions - Annual</b>	<b>220</b>	<b>\$2,260,187</b>	<b>\$1,985,644</b>	<b>87.9%</b>	<b>\$274,543</b>			

*rate action on plan*

Kelsey Care 90% - Current Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	121	\$520	\$509	97.9%	\$11	\$11	\$11	n/a
+ Spouse	20	\$573	\$393	68.6%	\$180	\$191	\$48	33%
+ Children	37	\$416	\$285	68.6%	\$131	\$142	\$38	36%
+ Family	68	\$938	\$643	68.6%	\$295	\$306	\$71	30%
<b>Premium Contributions - Annual</b>	<b>246</b>	<b>\$2,623,110</b>	<b>\$2,249,642</b>	<b>85.8%</b>	<b>\$373,468</b>			

*rate action on plan*

All Plans	Full Time Employees	Total Medical Cost	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans - Annual</b>	<b>519</b>	<b>\$5,546,340</b>	<b>\$4,804,359</b>	<b>86.6%</b>	<b>\$741,981</b>

Funding	Full Time Employees	Total Medical Funding	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
<b>2014-2015 Per Capita Contribution</b>	<b>519</b>	<b>\$10,687</b>	<b>\$9,257</b>	<b>86.6%</b>	<b>\$1,430</b>

**CITY OF PEARLAND**  
**2015 - 2016 RENEWAL CONTRIBUTIONS -70% DEPENDENT FUNDING - \$500 Ind. / \$1,000 Fam. HSA Contribution**

HSA Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)	Employer Funding Difference from KC 80% Including HSA Contribution	Ratio of Renewal Differential to Current Diferential
Employee	23	\$621	\$598	96.3%	\$23	\$23	\$4	20%	(\$0)	0%
+ Spouse	2	\$684	\$462	67.4%	\$223	\$246	\$42	20%	\$9	13%
+ Children	12	\$497	\$335	67.4%	\$162	\$184	\$31	20%	\$18	24%
+ Family	16	\$1,120	\$755	67.4%	\$365	\$387	\$65	20%	(\$11)	-16%
<b>Premium Contributions - Annual</b>	<b>53</b>	<b>\$698,043</b>	<b>\$584,956</b>	<b>83.8%</b>	<b>\$113,087</b>					
<b>HSA Contributions (\$500 Ind. / \$1,000 Fam.)</b>		<b>\$41,500</b>	<b>\$41,500</b>	<b>100.0%</b>	<b>\$0</b>					
<b>Total Contributions - Annual</b>		<b>\$739,543</b>	<b>\$626,456</b>	<b>84.7%</b>	<b>\$113,087</b>					

*rate action on plan* **20.30%**

Kelsey Care 80%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	101	\$640	\$640	100.0%	\$0	\$0	\$0	n/a
+ Spouse	31	\$706	\$494	70.0%	\$212	\$212	\$43	26%
+ Children	43	\$512	\$359	70.0%	\$154	\$154	\$31	26%
+ Family	45	\$1,154	\$808	70.0%	\$346	\$346	\$71	26%
<b>Premium Contributions - Annual</b>	<b>220</b>	<b>\$2,840,579</b>	<b>\$2,495,537</b>	<b>87.9%</b>	<b>\$345,042</b>			

*rate action on plan* **25.70%**

Kelsey Care 90%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	121	\$663	\$640	96.5%	\$23	\$23	\$12	114%
+ Spouse	20	\$731	\$494	67.6%	\$237	\$260	\$69	36%
+ Children	37	\$531	\$359	67.6%	\$172	\$195	\$53	38%
+ Family	68	\$1,196	\$808	67.6%	\$388	\$411	\$105	34%
<b>Premium Contributions - Annual</b>	<b>246</b>	<b>\$3,344,463</b>	<b>\$2,827,327</b>	<b>84.5%</b>	<b>\$517,136</b>			

*rate action on plan* **27.50%**

All Plans	Full Time Employees	Total Medical Cost	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans - Annual</b>	<b>519</b>	<b>\$6,924,586</b>	<b>\$5,949,320</b>	<b>85.9%</b>	<b>\$975,265</b>
<b>\$ Change From Current</b>		<b>\$1,378,245</b>	<b>\$1,144,961</b>		<b>\$233,284</b>
<b>% Change From Current</b>		<b>24.8%</b>	<b>23.8%</b>		<b>31.4%</b>

Funding / Reserve Analysis	Full Time Employees	Total Medical Funding	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
2015-2016 Per Capita Contribution	519	\$13,342	\$11,463	85.9%	\$1,879
Projected 2015 - 2016 Employment	591	\$7,885,222	\$6,774,659.60	85.9%	\$1,110,562
Full Employment Illustration - Assume No Additional Employee Contribution from Vacancies	611	\$8,114,483	\$7,003,920.50		\$1,110,562
Estimated Employer Funding Reserve			\$229,260.90		

**CITY OF PEARLAND**  
**2015 - 2016 RENEWAL CONTRIBUTIONS -68% DEPENDENT FUNDING - \$500 Ind. / \$1,000 Fam. HSA Contribution**

HSA Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)	Employer Funding Difference from KC 80% Including HSA Contribution	Ratio of Renewal Differential to Current Diferential
Employee	23	\$621	\$598	96.3%	\$23	\$23	\$4	20%	(\$0)	0%
+ Spouse	2	\$684	\$462	67.4%	\$223	\$246	\$42	20%	\$23	32%
+ Children	12	\$497	\$335	67.4%	\$162	\$184	\$31	20%	\$28	37%
+ Family	16	\$1,120	\$755	67.4%	\$365	\$387	\$65	20%	\$12	18%
<b>Premium Contributions - Annual</b>	<b>53</b>	<b>\$698,043</b>	<b>\$584,956</b>	<b>83.8%</b>	<b>\$113,087</b>					
<b>HSA Contributions (\$500 Ind. / \$1,000 Fam.)</b>		<b>\$41,500</b>	<b>\$41,500</b>	<b>100.0%</b>	<b>\$0</b>					
<b>Total Contributions - Annual</b>		<b>\$739,543</b>	<b>\$626,456</b>	<b>84.7%</b>	<b>\$113,087</b>					

*rate action on plan* **20.30%**

Kelsey Care 80%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	101	\$640	\$640	100.0%	\$0	\$0	\$0	n/a
+ Spouse	31	\$706	\$480	68.0%	\$226	\$226	\$57	34%
+ Children	43	\$512	\$348	68.0%	\$164	\$164	\$42	34%
+ Family	45	\$1,154	\$785	68.0%	\$369	\$369	\$94	34%
<b>Premium Contributions - Annual</b>	<b>220</b>	<b>\$2,840,579</b>	<b>\$2,472,534</b>	<b>87.0%</b>	<b>\$368,045</b>			

*rate action on plan* **25.70%**

Kelsey Care 90%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	121	\$663	\$640	96.5%	\$23	\$23	\$12	114%
+ Spouse	20	\$731	\$480	65.7%	\$251	\$274	\$83	44%
+ Children	37	\$531	\$348	65.7%	\$182	\$205	\$64	45%
+ Family	68	\$1,196	\$785	65.7%	\$411	\$434	\$128	42%
<b>Premium Contributions - Annual</b>	<b>246</b>	<b>\$3,344,463</b>	<b>\$2,800,553</b>	<b>83.7%</b>	<b>\$543,910</b>			

*rate action on plan* **27.50%**

All Plans	Full Time Employees	Total Medical Cost	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans - Annual</b>	<b>519</b>	<b>\$6,924,586</b>	<b>\$5,899,543</b>	<b>85.2%</b>	<b>\$1,025,043</b>
<b>\$ Change From Current</b>		<b>\$1,378,245</b>	<b>\$1,095,184</b>		<b>\$283,062</b>
<b>% Change From Current</b>		<b>24.8%</b>	<b>22.8%</b>		<b>38.1%</b>

Funding / Reserve Analysis	Full Time Employees	Total Medical Funding	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
2015-2016 Per Capita Contribution	519	\$13,342	\$11,367	85.2%	\$1,975
Projected 2015 - 2016 Employment	591	\$7,885,222	\$6,717,976.67	85.2%	\$1,167,245
Full Employment Illustration - Assume No Additional Employee Contribution from Vacancies	611	\$8,112,564	\$6,945,319.36		\$1,167,245
Estimated Employer Funding Reserve			\$227,342.70		

**CITY OF PEARLAND**  
**2015 - 2016 RENEWAL CONTRIBUTIONS - 62% DEPENDENT FUNDING - \$500 Ind. / \$1,000 Fam. HSA Contribution**

HSA Plan	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)	Employer Funding Difference from KC 80% Including HSA Contribution	Ratio of Renewal Differential to Current Differential
Employee	23	\$621	\$598	96.3%	\$23	\$23	\$4	20%	(\$0)	0%
+ Spouse	2	\$684	\$462	67.4%	\$223	\$246	\$42	20%	\$66	89%
+ Children	12	\$497	\$335	67.4%	\$162	\$184	\$31	20%	\$59	77%
+ Family	16	\$1,120	\$755	67.4%	\$365	\$387	\$65	20%	\$81	119%
<b>Premium Contributions - Annual</b>	<b>53</b>	<b>\$698,043</b>	<b>\$584,956</b>	<b>83.8%</b>	<b>\$113,087</b>					
<b>HSA Contributions (\$500 Ind. / \$1,000 Fam.)</b>		<b>\$41,500</b>	<b>\$41,500</b>	<b>100.0%</b>	<b>\$0</b>					
<b>Total Contributions - Annual</b>		<b>\$739,543</b>	<b>\$626,456</b>	<b>84.7%</b>	<b>\$113,087</b>					

*rate action on plan* **20.30%**

Kelsey Care 80%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	101	\$640	\$640	100.0%	\$0	\$0	\$0	n/a
+ Spouse	31	\$706	\$437	62.0%	\$268	\$268	\$100	59%
+ Children	43	\$512	\$318	62.0%	\$195	\$195	\$72	59%
+ Family	45	\$1,154	\$716	62.0%	\$439	\$439	\$163	59%
<b>Premium Contributions - Annual</b>	<b>220</b>	<b>\$2,840,579</b>	<b>\$2,403,526</b>	<b>84.6%</b>	<b>\$437,054</b>			

*rate action on plan* **25.70%**

Kelsey Care 90%	Full Time Employees	Medical Rate	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Change (\$)	Total Employee Contribution Change (%)
Employee	121	\$663	\$640	96.5%	\$23	\$23	\$12	114%
+ Spouse	20	\$731	\$437	59.9%	\$293	\$316	\$125	66%
+ Children	37	\$531	\$318	59.9%	\$213	\$236	\$94	67%
+ Family	68	\$1,196	\$716	59.9%	\$480	\$503	\$197	65%
<b>Premium Contributions - Annual</b>	<b>246</b>	<b>\$3,344,463</b>	<b>\$2,720,229</b>	<b>81.3%</b>	<b>\$624,234</b>			

*rate action on plan* **27.50%**

All Plans	Full Time Employees	Total Medical Cost	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans - Annual</b>	<b>519</b>	<b>\$6,924,586</b>	<b>\$5,750,211</b>	<b>83.0%</b>	<b>\$1,174,375</b>
<b>\$ Change From Current</b>		<b>\$1,378,245</b>	<b>\$945,851</b>		<b>\$432,394</b>
<b>% Change From Current</b>		<b>24.8%</b>	<b>19.7%</b>		<b>58.3%</b>

Funding / Reserve Analysis	Full Time Employees	Total Medical Funding	City Contribution (\$)	City Contribution (%)	Employee Contribution (\$)
2015-2016 Per Capita Contribution	519	\$13,342	\$11,079	83.0%	\$2,263
Projected 2015 - 2016 Employment	591	\$7,885,222	\$6,547,927.86	83.0%	\$1,337,294
Full Employment Illustration - Assume No Additional Employee Contribution from Vacancies	611	\$8,106,810	\$6,769,515.94		\$1,337,294
Estimated Employer Funding Reserve			\$221,588.08		

\$7,885,221.65      \$7,905,221.65

E

**Medical Premium**  
**Affect on Employees -- sample**  
(salary based on mid-point w guaranteed overtime and for FY 2016 assumptions on increase)

**HSA Plan**

Employee Only	Current FY 2015			Proposed FY 2016			Change
	Salary	Med Prem	Net	Salary	Med Prem	Net	
Firefighter	\$ 61,271	\$ 228	\$ 61,043	\$ 62,496	\$ 276	\$ 62,220	\$ 1,177
Police Officer (Patrol)	65,842		65,614	69,173		68,897	3,284
PW Mtce Worker	34,101		33,873	34,783		34,507	634
Project Manager	73,318		73,090	74,784		74,508	1,418
<b>Dependent - Spouse</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 2,448	\$ 58,823	\$ 62,496	\$ 2,952	\$ 59,544	\$ 721
Police Officer (Patrol)	65,842		63,394	69,173		66,221	2,828
PW Mtce Worker	34,101		31,653	34,783		31,831	178
Project Manager	73,318		70,870	74,784		71,832	962
<b>Dependent - Child</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 1,848	\$ 59,423	\$ 62,496	\$ 2,208	\$ 60,288	\$ 865
Police Officer (Patrol)	65,842		63,994	69,173		66,965	2,972
PW Mtce Worker	34,101		32,253	34,783		32,575	322
Project Manager	73,318		71,470	74,784		72,576	1,106
<b>Dependent - Family</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 3,864	\$ 57,407	\$ 62,496	\$ 4,644	\$ 57,852	\$ 445
Police Officer (Patrol)	65,842		61,978	69,173		64,529	2,552
PW Mtce Worker	34,101		30,237	34,783		30,139	(98)
Project Manager	73,318		69,454	74,784		70,140	686

*Note: Police Officers FY 2016 proposed salary includes a 2% overall plan increase and a 3% step increase. Civilian include a 2% increase. Out of 153 current budgeted certified police positions, 84 will be eligible for a step increase. Firefighter and Police salary include guaranteed overtime, based on schedule. Also, City's additional annual contribution to the H S A has been reduced from \$1,100 Individual and \$2,100 Family to \$500 and \$1,000 respectively. Based on usage of the H S A, this may affect the overall out-of-pocket cost for the employee.*

**Medical Premium  
Affect on Employees -- sample**

(salary based on mid-point w guaranteed overtime and for FY 2016 assumptions on increase)

**Kelsey Care 80% Plan (Benchmark plan)**

Employee Only	Current FY 2015			Proposed FY 2016			Change
	Salary	Med Prem	Net	Salary	Med Prem	Net	
Firefighter	\$ 61,271	\$ -	\$ 61,271	\$ 62,496	\$ -	\$ 62,496	\$ 1,225
Police Officer (Patrol)	65,842		65,842	69,173		69,173	3,332
PW Mtce Worker	34,101		34,101	34,783		34,783	682
Project Manager	73,318		73,318	74,784		74,784	1,466
<b>Dependent - Spouse</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 2,016	\$ 59,255	\$ 62,496	\$ 2,712	\$ 59,784	\$ 529
Police Officer (Patrol)	65,842		63,826	69,173		66,461	2,636
PW Mtce Worker	34,101		32,085	34,783		32,071	(14)
Project Manager	73,318		71,302	74,784		72,072	770
<b>Dependent - Child</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 1,464	\$ 59,807	\$ 62,496	\$ 1,968	\$ 60,528	\$ 721
Police Officer (Patrol)	65,842		64,378	69,173		67,205	2,828
PW Mtce Worker	34,101		32,637	34,783		32,815	178
Project Manager	73,318		71,854	74,784		72,816	962
<b>Dependent - Family</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 3,312	\$ 57,959	\$ 62,496	\$ 4,428	\$ 58,068	\$ 109
Police Officer (Patrol)	65,842		62,530	69,173		64,745	2,216
PW Mtce Worker	34,101		30,789	34,783		30,355	(434)
Project Manager	73,318		70,006	74,784		70,356	350

*Note: Police Officers FY 2016 proposed salary includes a 2% overall plan increase and a 3% step increase. Civilian include a 2% increase. Out of 153 current budgeted certified police positions, 84 will be eligible for a step increase. Firefighter and Police salary include guaranteed overtime, based on schedule*

**Medical Premium**  
**Affect on Employees -- sample**  
(salary based on mid-point w guaranteed overtime and for FY 2016 assumptions on increase)

**Kelsey Care 90% Plan**

Employee Only	Current FY 2015			Proposed FY 2016			Change
	Salary	Med Prem	Net	Salary	Med Prem	Net	
Firefighter	\$ 61,271	\$ 132	\$ 61,139	\$ 62,496	\$ 276	\$ 62,220	\$ 1,081
Police Officer (Patrol)	65,842		65,710	69,173		68,897	3,188
PW Mtce Worker	34,101		33,969	34,783		34,507	538
Project Manager	73,318		73,186	74,784		74,508	1,322
<b>Dependent - Spouse</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 2,292	\$ 58,979	\$ 62,496	\$ 3,288	\$ 59,208	\$ 229
Police Officer (Patrol)	65,842		63,550	69,173		65,885	2,336
PW Mtce Worker	34,101		31,809	34,783		31,495	(314)
Project Manager	73,318		71,026	74,784		71,496	470
<b>Dependent - Child</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 1,704	\$ 59,567	\$ 62,496	\$ 2,460	\$ 60,036	\$ 469
Police Officer (Patrol)	65,842		64,138	69,173		66,713	2,576
PW Mtce Worker	34,101		32,397	34,783		32,323	(74)
Project Manager	73,318		71,614	74,784		72,324	710
<b>Dependent - Family</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Salary</b>	<b>Med Prem</b>	<b>Net</b>	<b>Change</b>
Firefighter	\$ 61,271	\$ 3,672	\$ 57,599	\$ 62,496	\$ 5,208	\$ 57,288	\$ (311)
Police Officer (Patrol)	65,842		62,170	69,173		63,965	1,796
PW Mtce Worker	34,101		30,429	34,783		29,575	(854)
Project Manager	73,318		69,646	74,784		69,576	(70)

*Note: Police Officers FY 2016 proposed salary includes a 2% overall plan increase and a 3% step increase. Civilian include a 2% increase.  
Out of 153 current budgeted certified police positions, 84 will be eligible for a step increase.  
Firefighter and Police salary include guaranteed overtime, based on schedule*

# Recommendations

## • Health Plan

- Renewal with Cigna is recommended for the 2015 plan year. Cigna’s renegotiated renewal represents a 12.4% increase in the City’s maximum annual liability including a -1.4% reduction in fixed costs (inclusive of prescription rebates.).
- Although multiple plan options are provided, inadequate pricing discounts from plan changes prevent IPS from recommending changes to the Kelsey Care 80% and Kelsey Care 90% plans. It is recommended to re-evaluate the City’s funding subsidies to employee and dependent rates.
- It is recommended for the City to consider gradual reductions in dependent rate subsidies to the Kelsey Care 80% to align with public sector benchmarks of 62%. Currently the City funds 70% of dependent rates and it is recommended to reduce this subsidy to 68% for the Kelsey Care 80% benchmark plan. It is recommended to continue funding of the single employee health care cost at 100% for the benchmark plan.
- It is recommended for the City to consider adjustments to the Health Savings Account to work toward a cost neutral funding strategy amongst all plans. The City would achieve cost neutrality by reducing the HSA contribution to \$500 Individual / \$1,000 Family assuming the City applies current 2014-2015 employer subsidy levels to 2015 – 2016 proposed funding rates.
- It is recommended for the City to consider a direct contract with Airrosti who would provides a medical home for employees who have musculoskeletal conditions. Airrosti’s comprehensive treatment has proven to prevent high cost imaging and surgeries by utilizing a rehabilitation and preventive path for care. Airrosti is an in-network provider for the Cigna PPO plan and has agreed to provide the same discounted cost of care for those employees participating in the Kelsey Care Program.
- It is recommended for the City to consider implementing Cigna’s MDLive telephonic medicine program. This program would provide 24/7 telephonic access to a physician for primary care at a \$38 copay level.
- It is Staffs recommendation for council to add a Working Spouses provision with the plan that would not allow working spouses on the City’s health insurance program if they have access to employer sponsored coverage.
- Staff and IPS are seeking council’s approval to build the 2015 – 2016 budget with \$8.39 million (all funds) in employee health care costs, which includes the recommendations outlined above.



# Recommendations

- **Funding Reserve**
  - It is recommended to take steps to replenish the City's funding reserve for the next fiscal year. The recommended reserve level to cover incurred but not reported claims is 828k.
  - IPS has provided reserve replenishment illustrations by budgeting to full employment at 592 positions for the 2015-2016 plan year. After discussions with finance, expected conservative employment for the 2015 – 2016 plan year is 560 positions. The expected reserve replenishment at year end would equal approximately \$345k assuming no plan adjustments. This equals approximately 41.7% of the recommended reserve. IPS can provide additional illustrations for full reserve replenishment upon discussion.
- **Pharmacy Plan**
  - Renewal with Cigna is recommended. Cigna has revised their offering to increase rebates from 50% pass through to 100% pass through. Additionally, Cigna has improved its pharmacy discounts for both Brand and Generic Drugs.
  - The City's pharmacy program is in line with benchmarks at this time and no significant plan design changes are recommended.
- **Wellness Program**
  - Cigna will provide Pearland a \$25,000 wellness allowance for wellness activities annually over the next three years.
  - It is recommended for Pearland incentivize participation in an annual physical rather than a biometric screening. The current \$25 surcharge is recommended to continue for those employee's who choose not to participate.
- **Dental Program**
  - Renewal with Aetna is recommended for the 2015 – 2016 plan year.
  - Dental Rates have received a -2.9% decrease with a 2 year rate guarantee.
  - The City's current plan designs and funding structures are aligned with benchmarks and no changes are recommended to the dental plan at this time.
- **Optional Vision**
  - Renewal with Vision Benefits of America is recommended at no cost increase for employees. Rates will be guaranteed for 2 years.
  - The City's current plan designs and funding structures are aligned with benchmarks and no changes are recommended at this time.



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**RESOLUTION NO. R2015-114**

**A Resolution of the City Council of the City of Pearland, renewing the employee health insurance benefits for stop loss and administration services with Cigna, awarding the employee dental insurance benefits to Aetna, and awarding the employee vision plan benefits to Vision Benefits of America for fiscal year 2015-2016.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:**

**Section 1.** That the City of Pearland has received proposals for employee benefit rates, attached hereto as Exhibit "A", and such rates have been evaluated.

**Section 2.** That the City Council hereby renews the employee health insurance benefits for stop loss and administration services to Cigna in the amount described in exhibit "A", attached hereto and incorporated for all purposes.

**Section 3.** That the City Council hereby awards a contract for employee dental insurance to Aetna in the amount described in exhibit "A", attached hereto and incorporated for all purposes.

**Section 4.** That the City Council hereby awards a contract for employee vision benefits to Vision Benefits of America in the amount described in exhibit "A", attached hereto and incorporated for all purposes

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2015.

\_\_\_\_\_  
TOM REID  
MAYOR

**RESOLUTION NO. R2015-114**

ATTEST:

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YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

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DARRIN M. COKER  
CITY ATTORNEY

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF: 6/29/2015</b>	<b>ITEM NO.: Review and Discussion</b>
<b>DATE SUBMITTED: 6/22/2015</b>	<b>DEPARTMENT OF ORIGIN: Finance</b>
<b>PREPARED BY: Paulette Englund</b>	<b>PRESENTOR: Claire Bogard</b>
<b>REVIEWED BY: Clay Pearson</b>	<b>REVIEW DATE: June 24, 2015</b>
<b>SUBJECT: Review and Discussion on Fiscal Year 2015 year-end projections and recommended revised Fiscal Year 2015 budget</b>	
<b>EXHIBITS: Power Point Presentation Exhibit A – Recommended Revised Fiscal Year 2015 Budget compared to Adopted Fiscal Year 2015 Budget Individual Fund Statements</b>	
<b>EXPENDITURE REQUIRED: N/A</b>	<b>AMOUNT BUDGETED: N/A</b>
<b>AMOUNT AVAILABLE: N/A</b>	<b>PROJECT NO.: N/A</b>
<b>ACCOUNT NO.: N/A</b>	
<b>ADDITIONAL APPROPRIATION REQUIRED: N/A</b>	
<b>ACCOUNT NO.: N/A</b>	
<b>PROJECT NO.: N/A</b>	
<b>To be completed by Department:</b>	
<input checked="" type="checkbox"/> <b>Finance</b> <input type="checkbox"/> <b>Legal</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Resolution</b>	

**EXECUTIVE SUMMARY**

**BACKGROUND**

City staff will be submitting for Council consideration and approval a revised budget for the 2014-2015 fiscal year based on fiscal year 2015 year-end projections at the July 13<sup>th</sup> City Council meeting for first consideration. The revised budget is based on revenue and expenditure projections for the fiscal year completed as part of the fiscal year 2016 budget process. Adopting a revised budget more accurately reflects the City's financial position, as well as preserves a fund balance for use in the preparation of the 2015-2016 operating budget. The revised budget also includes the Capital Improvement Funds and includes budget

amendment number one approved by City Council in December 2014, Ordinance 1506-1, for the fiscal year 2014 carryovers.

Exhibit A, attached, compares the fiscal year 2015 budget adopted by City Council on September 29, 2014 to the recommended revised budget for all funds, revenues and expenditures, in order to see the final change from the adopted budget.

As mentioned previously, in December, 2014, Council approved an amended budget to include carryovers. The information and explanations below are comparisons to the amended budget and not to the adopted budget as shown in Exhibit A.

## **FINANCIAL INFORMATION – Main Funds**

### **General Fund**

The projected ending fund balance for fiscal year 2015 totals \$15,219,633, an net increase (improvement) of \$1,920,878, or 14.4%, over the amended budget fund balance of \$13,298,755. This is \$4,886,113 over a 2-month reserve and can be used for non-recurring expenditures in the subsequent 2016 fiscal year.

Inclusive of carryovers already recognized in December 2014, projections for revenues total \$65,001,507, an increase of \$734,626, or 1.1% over the current budget. Sales and Use Taxes account for the increase, projected at \$866,162 higher than budget based on actuals to-date, at 6.3% above the amended budget. Fines and Forfeitures are projected to be below the anticipated budget by \$188,201, due to 3,338 fewer charges and an increased rate of dismissals, from 11% last year to 24% this year. Charges for Services are anticipated to be \$391,607 lower than the amended budget as TIRZ Administration Fees are projected to be \$357,272 lower than budget. Miscellaneous revenues are anticipated to be \$231,571 higher than the amended budget as the sale of property from vehicles, radios and an easement and developer street light revenues are greater than expected. Transfers into the General Fund are higher than the amended budget by \$534,503 as \$150,000 was transferred from the Sidewalk Fund to assist with the sidewalk gap program and the transfer from the Water/Sewer Fund is \$409,492 greater as the projections put the fiscal year 2015 anticipated costs for the new financial software and conversion in the General Fund for ease of tracking the entire project with the Water/Sewer fund covering its share of the cost.

Projected expenditures total \$69,236,374, a decrease of \$1,186,252, or -1.7%. General Government expenditures are projected to be \$375,548 higher than the amended budget, due to the entire cost of the new financial software and conversion projected in Information System, offset by revenues above. Public Safety expenditures are projected to be lower than the amended budget of \$36,406,027 by \$866,668, or -2.4%. The reduction is mainly due to vacant positions and the opening of Fire Station 3 later than budgeted. The budget anticipated opening of the Fire Station in early calendar year 2015, with the hiring of the firefighters anticipated January 2015. Based on the anticipated actual opening date, the firefighters were hired in May and June. This not only created vacancy savings but operating savings as well. The Police Department saw a salary savings of \$333K mainly due to the hiring of the six new budgeted positions mid-year versus October 1. Parks and Recreation is \$312,877 or 4.6% below the amended budget also mainly due to vacancy savings and Public Works is projected to be below the amended budget of \$12,057,067 by \$196,304, or -1.6%. Transfers out to other funds will come in below the amended budget of \$1,546,744 by \$214,610, or -13.9% as the

General Fund portion of property insurance uninsured and deductible claims are lower than expected.

Combined, this results in a drawdown of fund balance of \$4,234,867 versus the drawdown of \$6,155,745 budgeted.

### Water/Sewer Fund

Due to significant rainfall which has resulted in less consumption year-to-date and continuing that trend through year-end, the water/sewer fund is projected to end fiscal 2015 year \$1,378,998 lower than budgeted, at \$9,462,145. Despite the larger drawdown of the balance, the water/sewer fund is still meeting the cash reserve policy of 25%, at 27%, and its bond coverage is 1.30%. If not issuing new debt, bond coverage pursuant to bond covenants is 1.25 and if issuing debt, bond covenants require a 1.4 times coverage. The City is not issuing debt in fiscal year 2015 but will be issuing debt early in fiscal year 2016 with Texas Water Development Board funding for the Reflection Bay Wastewater Treatment Plan.

Despite an increase in the number of connections, from 33,900 last year to 35,000 currently, a 3.2% increase, due to lower consumption, projected revenues of \$32,162,222 are below the current budget by \$3,420,896 despite a 4.63% rate increase this fiscal year. Rainfall through May totals 67.7 inches versus 46.5 inches last year.

Projected expenses of \$35,795,596 are projected to be 5.4%, or \$2,041,898, below the amended budget. Water Production is projected to be below the amended budget by 7.1%, \$657,151, due to decrease in water purchases, freeing up of a Gulf Coast Water Authority (GCWA) reserve based on the new contract and phasing on the interior lining program. Distribution & Collection is projected to be \$217,080, or 8.11%, below amended budget mainly due to vacant positions for most of the fiscal year. Utility Billing & Collections is projected to be 19.45%, or \$263,330, below the amended budget as the purchase of the automatic wireless reading backbone (3 wireless antenna, licenses and systems) is projected to begin planning for design, but not take place this fiscal year. Utility Billing will be in the midst of the new software conversion and to the planning will be timed to the purchase more in line with the replacement of the meters.. Other Requirements and Transfers is expected to be \$749,353, 5.1%, less than the amended budget mainly due to not having to pay for the full new financial software system this year and actual debt service payments for Series 2014 lower than budgeted.

The City's budget also includes other funds, such as the Debt Service Fund, Hotel/Motel Occupancy Tax Fund/Convention & Visitors' Bureau, Community Development Block Grant Fund, and other Grants Funds, Police State Seizure Fund, Parks Development Fund, Solid Waste Fund, and the Pearland Economic Development Fund.

These funds as well as the General and Water/Sewer Fund will be reviewed with City Council at the meeting on June 29, 2015. Staff is planning to bring for Council consideration first reading of an Ordinance amending the budget on July 13<sup>th</sup> with the second reading of the Ordinance on July 27<sup>th</sup>.

### **RECOMMENDED ACTION**

Review and discussion on Fiscal Year 2015 year-end projections and recommended revised Fiscal Year 2015 budget.



# Budget Projection FY 2014-2015

**June 29, 2015**



**Council, in the past, has amended the current year budget to match projections at the same time as adopting the next year budget. Staff wanted to bring forward the Amendment for FY 2014-2015 at this time so that Council has the opportunity to see how the funds are projected to end before the end of the fiscal year and prior to the review of the FY 2015-2016 budget.**

# MAJOR FUND SUMMARIES



GENERAL FUND

WATER & SEWER FUND

MEDICAL FUND

PEARLAND ECONOMIC DEVELOPMENT

OTHER FUNDS

# GENERAL FUND



REVENUES	FY 2015 AMENDED* BUDGET	FY 2015 PROJECTED BUDGET	% OF CHANGE	\$ AMOUNT OF CHANGE
Property Taxes	\$13,104,208	\$13,195,853	0.7%	\$91,645
Sales and Use Taxes	18,063,535	18,929,697	4.8%	866,162
Franchise Fees	6,646,438	6,635,878	(0.2%)	(10,560)
Licenses & Permits	3,922,331	3,928,395	0.2%	6,064
Fines & Forfeitures	3,105,239	2,917,038	(6.1%)	(188,201)
Charges for Service	14,077,727	13,686,120	(2.8%)	(391,607)
Miscellaneous	611,309	842,880	37.9%	231,571
<b>Sub-Total</b>	<b>\$59,530,787</b>	<b>\$60,135,861</b>	<b>1.0%</b>	<b>\$605,074</b>
Transfers in	2,975,094	3,509,597	18.07%	534,503
Other Financing Sources	1,761,000	1,356,049	(23.0%)	(404,951)
<b>TOTAL</b>	<b>\$64,266,881</b>	<b>\$65,001,507</b>	<b>1.1%</b>	<b>\$734,626</b>

\*Amended Budget includes carryovers from December 2014, Ordinance 1506-1.

# GENERAL FUND



## REVENUE SUMMARY

Total projected revenues are \$65,001,507, \$734,626, or 1.1%, over the amended budget of \$64,266,881.

Sales tax to date exceeds last year by 11.2%, and the amended year budget by 6.3%. The projection for sales tax is a 4.8% increase over the amended budget.

Charges for services is lower than expected, (2.8%), mainly due to lower TIRZ Administration and ambulance fees. There are 46% more single family permits this year than last, from 608 to 887, but the value of the average permit dropped from \$1,300 to \$1,100 as builders place the permit value on the home.

Fines and Forfeitures are down by 6.1% from the budget as charges are down 15%, from 15,254 to 11,916, and dismissals are up from 11% to 24% as of the latest report.

Miscellaneous revenues are up due to an increase in street light charges and higher than expected revenues from the sale of property for sale of easement.

Transfers to the General Fund increased with the addition of \$150,000 from the Sidewalk Fund and the Water/Sewer portion of ERP of \$409,492, versus lease/purchase.

# GENERAL FUND



<b>EXPENDITURES</b>	<b>FY 2015 AMENDED BUDGET</b>	<b>FY 2015 PROJECTED BUDGET</b>	<b>% OF CHANGE</b>	<b>\$ AMOUNT OF CHANGE</b>
General Government	\$10,505,562	\$10,881,110	(3.6%)	(\$375,548)
Public Safety	36,406,027	35,539,359	2.4%	866,668
Community Services	3,135,627	3,164,286	(0.9%)	(28,659)
Public Works	12,057,067	11,860,763	1.6%	196,304
Parks & Recreation	6,771,599	6,458,722	4.6%	312,877
<b>Sub-Total</b>	<b>\$68,875,882</b>	<b>\$67,904,240</b>	<b>1.4%</b>	<b>\$971,642</b>
Transfers Out	1,546,744	1,332,134	13.9%	214,610
<b>TOTAL</b>	<b>\$70,422,626</b>	<b>\$69,236,374</b>	<b>1.7%</b>	<b>\$1,186,252</b>

# GENERAL FUND



## EXPENDITURE SUMMARY

Expenditures of \$69,236,374, including transfers, are projected to be below the amended budget of \$70,422,626 by 1.7%, or \$1,186,252.

General Government is projected to be \$10,881,110, over the amended budget by \$375,548, or 3.6% as staff budgeted the entire ERP in Information Systems with a transfer from the Water/Sewer fund to fund the expenditure.

Public Safety is projected to be \$35,539,359, under the amended budget by \$866,668, or 2.4%, mainly due to vacant Police Officer positions budgeted to be hired Oct. 1, but due to complex hiring process, hired in March, and Firefighter positions budgeted to be hired Jan. 1, but hired in May due to Fire Station #3 opening later than budgeted.

Parks & Recreation is projected to be \$6,458,722, \$312,877, or 4.6%, below the amended budget of which \$235K is related to salary/benefit savings.



# GENERAL FUND

## FUND BALANCE AND POLICY

	FY 2015 AMENDED BUDGET	FY 2015 PROJECTED BUDGET	% OF CHANGE	\$ AMOUNT OF CHANGE
Beginning Balance	\$19,454,500	\$19,454,500	0.0%	\$0
Revenues	64,266,881	65,001,507	1.1%	734,626
Expenditures	70,422,626	69,236,374	(1.7%)	1,186,252
Ending Balance	\$13,298,755	\$15,219,633	14.4%	1,920,878
Policy – 2 months recurring operations	10,495,492	10,333,520		
Fund Balance over Policy	2,803,263	4,886,113		

# WATER/SEWER FUND



<b>REVENUES</b>	<b>FY 2015 AMENDED BUDGET</b>	<b>FY 2015 PROJECTED BUDGET</b>	<b>% OF CHANGE</b>	<b>\$ AMOUNT OF CHANGE</b>
Sale of Water	\$16,909,444	\$14,348,930	(15.1%)	(\$2,560,514)
Sewer Revenues	13,801,224	12,832,871	(7.0%)	(968,353)
Other Service Charges	1,539,728	1,590,509	3.3%	50,781
Interest Income	48,700	139,650	186.8%	90,950
Other Misc. Income	257,800	224,040	(13.1%)	(33,760)
Transfers In	2,568,222	2,568,222	0.0%	0
Capital Lease Proceeds	458,000	458,000	0.0%	0
<b>TOTAL</b>	<b>\$35,583,118</b>	<b>\$32,162,222</b>	<b>(9.6%)</b>	<b>(\$3,420,896)</b>



# WATER/SEWER FUND

## REVENUE SUMMARY

Total revenues are projected to be \$32,162,222, \$3,420,896, or 9.6%, below the amended budget.

Revenues from the sale of water and sewer services are projected to be \$3,528,867, or 11.5%, lower than budget as revenues from the sale of water and sewer services combined are down as of May.

Gallons billed through May total 2.1 billion, 104.7 million less than May 2014. Sprinklers and residential billings decreased by 6.3% and 6.8% respectively, mainly as a result of the increase in rain and less dependence on sprinklers. There were 67.7" of rain through May, 21.2" additional rainfall than last year this time.

Other service charges are projected to come in slightly over the amended budget amount.

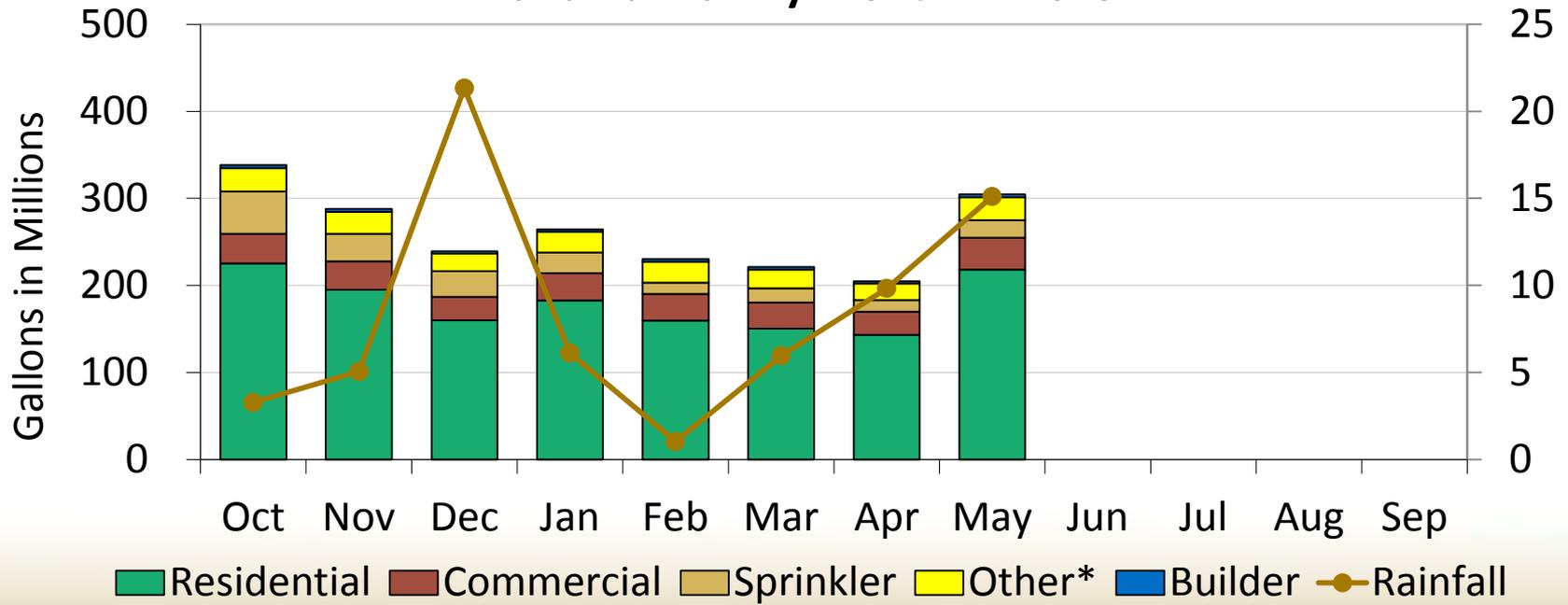
Given fixed costs of debt service and maintenance, the rate model is being updated and like many other municipalities, water/sewer rates will be going up more than anticipated next year.



# WATER/SEWER FUND

## REVENUE SUMMARY – MONTHLY RAINFALL & CONSUMPTION (BILLED)

Water Consumption by Major User Class  
and Rainfall By Month FY 2015

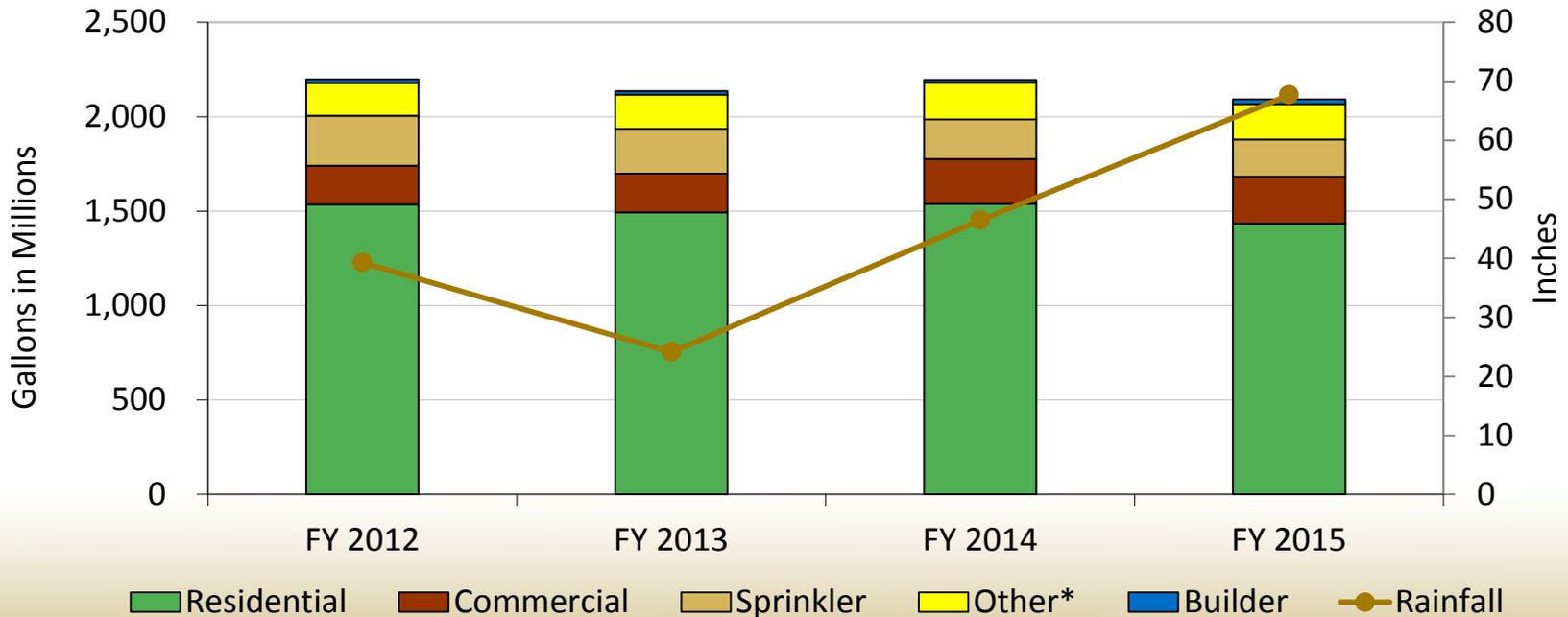




# WATER/SEWER FUND

## REVENUE SUMMARY – YEAR-TO-DATE CONSUMPTION (BILLED)

**Water Consumption  
Fiscal Year-to-Date Comparison FY2012 - FY 2015  
October-September**



# WATER/SEWER FUND



<b>EXPENSES</b>	<b>FY 2015 AMENDED BUDGET</b>	<b>FY 2015 PROJECTED BUDGET</b>	<b>% OF CHANGE</b>	<b>\$ AMOUNT OF CHANGE</b>
Administration	\$558,545	\$553,840	0.8%	\$4,705
Lift Stations	1,648,469	1,627,853	1.2%	20,616
Wastewater Treatment	4,443,956	4,609,472	(3.7%)	(165,516)
Water Production	9,274,610	8,617,459	7.1%	657,151
Distribution & Collection	2,676,461	2,459,381	8.1%	217,080
Construction	982,718	875,280	10.9%	107,438
Water Meter Services	1,443,783	1,406,761	2.6%	37,022
ROW Mowing	486,625	378,567	22.2%	108,058
Utility Billing/Collections	1,353,777	1,090,447	19.5%	263,330
IT - GIS	171,416	128,755	24.9%	42,661
Other Requirements	14,797,134	14,047,781	5.1%	749,353
<b>TOTAL</b>	<b>\$37,837,494</b>	<b>\$35,795,596</b>	<b>5.4%</b>	<b>\$2,041,898</b>

# WATER/SEWER FUND



## EXPENSE SUMMARY

Overall, expenses in the Water/Sewer Fund are projected to be 5.4%, or \$2,041,898, below the amended budget.

Water Production is projected to be below the amended budget by 7.1%, \$657,151, due to the decrease in water purchases, the new contract with GCWA, freeing up the \$233,000 reserve, and phase in of interior lining program.

Distribution & Collection is projected to be \$217,080, or 8.1%, below amended budget mainly due to vacant positions for most of the fiscal year.

Utility Billing & Collections is projected to be 19.5%, or \$263,330, below the amended budget as the purchase of the backbone of an AMI system, 3 wireless antenna licenses did not take place, deferring purchase as Utility Billing will be in midst of ERP conversion, and to time it better with the actual replacement of the meters.

Other Requirements and Transfers is expected to be \$749,353, 5.1%, less than the amended budget mainly due to actual debt service payment for Series 2014 bonds lower than budgeted, and ERP expenses.



# WATER/SEWER FUND

## FUND BALANCE\* AND POLICY

	FY 2015 AMENDED BUDGET	FY 2015 PROJECTED BUDGET	% OF CHANGE	\$ AMOUNT OF CHANGE
Beginning Balance*	\$15,373,775	\$15,373,775	0.0%	\$0
Revenues	35,583,118	32,162,222	(9.6%)	(3,420,896)
Expenses	37,837,494	35,795,596	5.4%	2,041,898
Reserve for Debt Service	\$2,278,256	\$2,278,256	0.0%	0
Ending Balance*	\$10,841,143	\$9,462,145	(12.7%)	(\$1,378,998)

Bond Coverage – 1.4	1.56	1.30
Cash Reserve Ratio – 25%	28%	26%

\*Cash Equivalency

# INTERNAL SERVICE FUND



## MEDICAL SELF-INSURANCE

	FY 2015 AMENDED BUDGET	FY 2015 PROJECTED BUDGET	% OF CHANGE	\$ AMOUNT OF CHANGE
Beginning Balance	\$785,034	\$785,034	0.0%	\$0
Revenues	6,821,888	5,994,110	(12.1%)	(827,778)
Expenses	6,821,888	6,643,038	2.6%	178,850
Ending Balance	\$785,034	\$136,106	(82.7%)	(\$648,928)

Claims are anticipated to be \$5.7 million with \$872K in administrative fees.

Funds budgeted in department budgets for medical premiums are transferred to the Medical Fund where vacant positions exist to shore up the fund balance. Fund balance should be at \$800K plus.

# PEARLAND ECONOMIC DEVELOPMENT



## PROJECTED BUDGET

	FY 2015 AMENDED BUDGET	FY 2015 PROJECTED BUDGET	% OF CHANGE	\$ AMOUNT OF CHANGE
Beginning Balance	\$19,155,489	\$19,155,489	0.0%	\$0
Revenues	9,415,766	10,650,038	13.1%	1,234,272
Expenditures	15,353,910	15,141,520	1.4%	212,390
Ending Balance	\$13,217,345	\$14,664,007	10.9%	\$1,446,662

Included in the FY 2015 budgeted expenditures is the pay-off for Series 2010 debt in the amount of \$6,556,900, which will be called in August 2015.

The Board reviewed and approved the budget on June 25, 2015.

# OTHER FUNDS



## PROJECTED FUND BALANCES

Fund	Beginning Balance	Projected Revenues	Projected Expenditures	Projected Ending Balance	Budgeted Ending Balance
Debt Service	\$4,535,937	\$85,058,741	\$84,605,683	\$4,988,995	\$4,655,522
Solid Waste	411,752	6,712,836	6,641,073	483,515	425,143
Property/Liability	157,965	1,088,772	1,164,208	82,529	167,980
Court Security	117,459	52,932	104,337	66,054	65,170
Citywide Donation	49,667	27,909	20,395	57,181	30,286
Court Technology	48,433	60,025	85,857	22,601	31,327
Court Juvenile Management	53,512	37,065	44,572	46,005	47,605
Street Assessment		756,643	756,643	-	-
Traffic Improvement	672,609	11,692	93,639	590,662	674,318
<sup>2</sup> Hotel-Motel Occupancy Tax/ Convention & Visitors' Bureau	2,998,468	1,521,100	883,947	3,635,621	3,557,011

# OTHER FUNDS



## PROJECTED FUND BALANCES

Fund	Beginning Balance	Projected Revenues	Projected Expenditures	Projected Ending Balance	Budgeted Ending Balance
Park Donations	99,031	101,100	185,999	14,132	83,518
Park/Recreation Development	988,150	294,458	237,217	1,045,391	840,083
Tree Trust	69,308	65	63,148	6,225	253
Sidewalk	242,999	240	225,744	17,495	181,015
Police State Seizure	198,586	3,892	18,150	184,328	164,586
Federal Police	43,157	28,896	-	72,053	43,172
Grants	64,140	937,621	937,607	64,154	35,642
CDBG	5,363	569,621	574,984	-	5,363
University of Houston	-	339,916	339,916	-	40
UofH Capital Renewal	240,128	8,341	-	248,469	248,504
Municipal Channel	487,426	300,660	41,909	746,177	674,226

# CAPITAL PROJECT FUNDS



## FY 2014-2015 PROJECTION

Fund	Beginning Balance	Projected Revenues	Projected Expenditures	Projected Ending Balance	Budgeted Ending Balance
Fund 50 Capital Projects	\$1,195,732	\$5,937,984	\$6,398,090	\$735,626	\$396,975
Fund 68 Cert.of Obligation	(1,000,834)	11,444,941	10,351,649	92,458	(1,275,445)
Fund 70 2001 Mobility Bonds	134,230	222	134,452	0	118
Fund 200 Cert. of Obligation 2006	1,816,398	1,690	1,818,088	0	3,240
Fund 201 Cert. of Obligation 2007	28,769	30	28,799	0	0
Fund 202 General Obligation 2007A	818,640	401,675	1,220,315	0	(192)
Fund 203 General Obligation 2009-14	\$12,621,875	\$27,159,511	\$38,330,865	\$1,450,521	(\$880,150)

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# CAPITAL PROJECT FUNDS



## FY 2014-2015 PROJECTION

<b>Fund</b>	<b>Beginning Balance</b>	<b>Projected Revenues</b>	<b>Projected Expenditures</b>	<b>Projected Ending Balance</b>	<b>Budgeted Ending Balance</b>
Fund 42 Utility Impact Fee	\$12,060,607	\$22,018,439	\$26,693,603	\$7,385,443	\$6,402,793
Fund 44 Shadow Creek Ranch Impact	195,725	1,351,205	623,018	923,912	128,893
Fund 64 Cert. of Obligation 1998	540,253	1,500	541,753	\$0	269
Fund 67 W/S Revenue Bond	1,293,865	6,057,541	6,492,199	859,207	635,342
Fund 301 W/S Pay as you Go	1,772,664	3,106,918	3,765,129	1,114,453	187,168
Fund 302 MUD 4 Capital Program	\$1,128,380	\$2,580	\$360,923	\$770,037	\$734,445



## NEXT STEPS

<b>1<sup>ST</sup> Reading of Ordinance</b>	<b>July 13</b>
<b>2<sup>nd</sup> and Final Reading of Ordinance</b>	<b>July 27</b>

## Questions

Projected Budget  
Fiscal Year 2014-2015

**EXHIBIT A**

**City of Pearland  
Fiscal Year 2014-2015 Revised Budget**

Fund #	Fund Description	REVENUES			EXPENDITURES		
		2015 <u>Adopted</u>	2015 <u>Revised*</u>	<u>\$ Change</u>	2015 <u>Adopted</u>	2015 <u>Revised*</u>	<u>\$ Change</u>
010	General	\$ 63,692,881	65,001,507	1,308,626	\$ 67,520,359	69,236,374	1,716,015
015	P.E.D.C.	\$ 9,415,766	10,650,038	1,234,272	\$ 14,708,556	15,141,520	432,964
020	Debt Service-General	\$ 29,869,444	84,748,485	54,879,041	\$ 29,749,859	84,331,427	54,581,568
	Proprietary Funds						
030	Water and Sewer	\$ 35,583,118	32,162,222	(3,420,896)	\$ 37,017,108	35,595,596	(1,421,512)
031	Solid Waste	\$ 6,616,649	6,712,836	96,187	\$ 6,603,258	6,825,553	222,295
	Special Revenue Funds						
017	Municipal Court Security	\$ 57,208	52,932	(4,276)	\$ 99,497	104,337	4,840
018	Citywide Donation	\$ 23,250	27,909	4,659	\$ 22,000	20,395	(1,605)
019	Court Technology	\$ 65,510	60,025	(5,485)	\$ 66,665	85,857	19,192
023	Court Juvenile Management	\$ 38,322	37,065	(1,257)	\$ 44,229	44,572	343
033	Street Assessment	\$ -	756,643	756,643	\$ -	756,643	756,643
035	Traffic Impact Improvement	\$ 1,800	11,692	9,892	\$ 91	93,639	93,548
045	Hotel/Motel	\$ 1,393,078	1,521,100	128,022	\$ 819,213	883,947	64,734
046	Parks Donations	\$ 81,140	101,100	19,960	\$ 80,000	185,999	105,999
047	Park & Recreation Development	\$ 51,100	294,458	243,358	\$ 118,532	237,217	118,685
049	Tree Trust	\$ 45	65	20	\$ 69,100	63,148	(5,952)
055	Sidewalk	\$ 5,240	240	(5,000)	\$ 67,224	225,744	158,520
060	Police State Seizure	\$ 20,100	3,892	(16,208)	\$ 54,100	18,150	(35,950)
062	Federal Police	\$ 15	28,896	28,881	\$ -	-	-
101	Grant	\$ 262,297	937,621	675,324	\$ 276,959	937,607	660,648
113	Community Development Block Grant	\$ 313,794	569,621	255,827	\$ 313,794	574,984	261,190
140	University of Houston	\$ 339,955	339,916	(39)	\$ 339,915	339,916	1
141	University of Houston Capital Renewal Fun	\$ 8,376	8,341	(35)	\$ -	-	-
145	Municipal Channel	\$ 270,500	300,660	30,160	\$ 83,700	41,909	(41,791)
	Internal Service Fund						
095	Property/Liability Insurance	\$ 1,390,375	1,088,772	(301,603)	\$ 1,374,360	1,164,208	(210,152)
099	Medical Self-Insurance	\$ 6,821,888	5,994,110	(827,778)	\$ 6,821,888	6,643,038	(178,850)
	<b>Sub-Total Operations</b>	<b>156,321,851</b>	<b>211,410,146</b>	<b>55,088,295</b>	<b>166,250,407</b>	<b>223,551,780</b>	<b>57,301,373</b>

**EXHIBIT A**

**City of Pearland  
Fiscal Year 2014-2015 Revised Budget**

Fund #	Fund Description	REVENUES			EXPENDITURES		
		2015 <u>Adopted</u>	2015 <u>Revised*</u>	<u>\$ Change</u>	2015 <u>Adopted</u>	2015 <u>Revised*</u>	<u>\$ Change</u>
	CAPITAL IMPROVEMENT PROGRAM (CIP)						
	Water/Sewer CIP						
042	Utility Impact Fee	\$ 4,760,368	22,018,439	17,258,071	\$ 3,438,770	26,693,603	23,254,833
044	Shadow Creek Impact Fee	\$ 556,186	1,351,205	795,019	\$ 623,018	623,018	-
064	Certificates of Obligation 1998	\$ -	1,500	1,500	\$ -	541,753	541,753
067	1999 W & S Revenue Bonds	\$ 2,705,415	6,057,541	3,352,126	\$ 2,949,746	6,492,199	3,542,453
301	Water/Sewer Pay As You Go	\$ 224,500	3,106,918	2,882,418	\$ 424,947	3,765,129	3,340,182
302	MUD 4 Capital Program	\$ -	2,580	2,580	\$ 22,431	360,923	338,492
	Capital Projects Funds						
050	Capital Projects	\$ 3,835,500	5,937,984	2,102,484	\$ 3,884,372	6,398,090	2,513,718
068	Capital Projects-CO 2001	\$ 10,928,569	11,444,941	516,372	\$ 10,956,770	10,351,649	(605,121)
070	Capital Projects Mobility CO 2001	\$ -	222	222	\$ 75,841	134,452	58,611
200	Capital Projects-CO 2006	\$ -	1,690	1,690	\$ -	1,818,088	1,818,088
201	Capital Projects-CO 2007	\$ -	30	30	\$ -	28,799	28,799
202	Capital Projects-GO Series 2007A	\$ -	401,675	401,675	\$ 805,296	1,220,315	415,019
203	Capital Projects-GO Series 2009	\$ 37,965,612	27,159,511	(10,806,101)	\$ 37,568,948	38,330,865	761,917
	<b>Sub-Total CIP</b>	<b>\$ 60,976,150</b>	<b>\$77,484,236</b>	<b>\$16,508,086</b>	<b>\$60,750,139</b>	<b>\$96,758,883</b>	<b>\$36,008,744</b>
	<b>TOTAL:</b>	<b>\$217,298,001</b>	<b>\$288,894,382</b>	<b>\$71,596,381</b>	<b>\$227,000,546</b>	<b>\$320,310,663</b>	<b>\$93,310,117</b>

**GENERAL FUND - 10**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The General Fund provides the financing for all of the City of Pearland's basic services except water, sewer and solid waste, which is accounted for through the Water & Sewer and Solid Waste Funds. The principal sources of revenue include property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures are comprised of five major functional areas: Public Works, Public Safety, General Government, Community Services, and Parks and Recreation. Public Safety provides all emergency services to the citizens of Pearland and accounts for 52% of total operating expenditures (excluding transfers). General Government includes departments such as Mayor and City Council, City Manager, Finance, Legal and Human Resources.

	FY2014 ACTUAL	FY2015 AMENDED BUDGET	FY2015 YEAR END PROJECTION
<b>REVENUES</b>			
Property Taxes	\$12,095,419	\$13,104,208	\$13,195,853
Sales and Use Taxes	17,326,556	18,063,535	18,929,697
Franchise Fees	6,214,046	6,646,438	6,635,878
Licenses & Permits	4,148,763	3,922,331	3,928,395
Fines & Forfeitures	2,970,397	3,105,239	2,917,038
Charges for Service	12,663,599	14,077,727	13,686,120
Miscellaneous	2,261,089	611,309	842,880
Transfers in	3,756,917	2,975,094	3,509,597
Other Financing Sources	1,852,939	1,761,000	1,356,049
<b>TOTAL REVENUES</b>	<b>63,289,724</b>	<b>64,266,881</b>	<b>65,001,507</b>
<b>EXPENDITURES</b>			
General Government	9,101,337	10,505,562	10,881,110
Public Safety	33,140,112	36,406,027	35,539,359
Community Services	2,661,462	3,135,627	3,164,286
Public Works	9,854,846	12,057,067	11,860,763
Parks & Recreation	6,331,074	6,771,599	6,458,722
<b>Total Operating Expenditures</b>	<b>61,088,831</b>	<b>68,875,882</b>	<b>67,904,240</b>
Transfers Out	1,369,510	1,546,744	1,332,134
<b>TOTAL EXPENDITURES</b>	<b>62,458,341</b>	<b>70,422,626</b>	<b>69,236,374</b>
Revenues Over/(Under) Expenses	831,383	(6,155,745)	(4,234,867)
<b>Beginning Fund Balance</b>	<b>18,623,117</b>	<b>19,454,500</b>	<b>19,454,500</b>
<b>Ending Fund Balance</b>	<b>\$19,454,500</b>	<b>\$13,298,755</b>	<b>\$15,219,633</b>
Policy - 2 months Recurring Oper.		10,495,492	10,333,520
Fund Balance over Policy		2,803,263	4,886,113

**GENERAL FUND REVENUE  
FY 2014-2015 PROJECTED BUDGET**

ACCOUNT NUMBER	REVENUE CATEGORY	FY2014 ACTUAL	FY2015 AMENDED BUDGET	FY2015 YEAR END PROJECTION
010-0000-350.01-01	CURRENT TAXES	\$11,744,431	\$12,715,458	\$12,817,498
010-0000-350.01-02	DELINQUENT TAXES	79,488	93,000	65,000
010-0000-350.01-03	PENALTY & INTEREST	103,330	120,000	100,000
010-0000-350.01-04	IN LIEU OF PROPERTY TAXES	168,170	175,750	213,355
010-0000-350.01-06	MUD ANNEXATION			
<b>*TAXES</b>		<b>12,095,419</b>	<b>13,104,208</b>	<b>13,195,853</b>
010-0000-350.02-01	SALES TAXES	17,108,792	17,843,535	18,674,954
010-0000-350.03-01	MIX DRINK TAXES	217,764	220,000	254,743
<b>*OTHER TAXES</b>		<b>17,326,556</b>	<b>18,063,535</b>	<b>18,929,697</b>
010-0000-350.04-01	GAS COMPANY	285,497	294,062	324,993
010-0000-350.04-02	ELECTRIC COMPANY	2,880,454	3,083,733	2,994,369
010-0000-350.04-03	TELEPHONE COMPANY	273,598	272,721	275,685
010-0000-350.04-04	CABLE TELEVISION	1,351,770	1,404,174	1,496,770
010-0000-350.04-05	SANITATION RESIDENTIAL	1,422,727	1,591,748	1,544,061
<b>*FRANCHISE FEES</b>		<b>6,214,046</b>	<b>6,646,438</b>	<b>6,635,878</b>
010-0000-351.01-01	BUILDING PERMITS	1,947,575	1,835,000	1,576,600
010-0000-351.01-02	BP PLAN & ZONE ADJUSTMENT	(500)		
010-0000-351.01-03	PLATTING FEES	114,604	177,180	126,971
010-0000-351.01-04	BEER PERMITS	20,795	24,000	16,585
010-0000-351.01-05	MOVING PERMITS	3,800	4,100	4,500
010-0000-351.01-06	PEDDLERS & SOLICITORS	3,415	4,500	4,500
010-0000-351.01-07	HEALTH CERTIFICATE FEES	81,310	133,250	88,565
010-0000-351.01-08	WRECKER PERMITS	4,425	4,500	9,256
010-0000-351.01-09	BUILDING PLAN CHECK FEE	1,091,822	859,800	1,040,400
010-0000-351.01-10	OCCUPANCY PERMITS	7,900	8,000	10,580
010-0000-351.01-11	DEMOLITION PERMITS	1,400	1,300	1,500
010-0000-351.01-12	BLDG. SITE WORK PERMIT	105,577	69,516	80,000
010-0000-351.01-13	ALARM PERMITS	21,670	45,000	24,725
010-0000-351.01-14	HEALTH-REGISTRATION 1 YR.	500		450
010-0000-351.01-32	SIGN PERMITS	15,185	13,000	16,218
010-0000-351.01-33	AMBULANCE PERMIT	17,100	18,650	17,300
010-0000-351.01-34	TAXI CAB PERMIT	2,644	3,500	4,018
010-0000-351.01-35	TEMPORARY STRUCTURES	2,780	1,200	2,500
010-0000-351.01-40	RECORDATION & COURIER FEE	8,207	9,000	7,500
010-0000-351.01-99	MISCELLANEOUS	225	275	
010-0000-351.02-02	BP PLAN & ZONE ADJUSTMENT	28,540	23,000	30,000
010-0000-351.02-03	GARAGE SALE PERMITS	33,615	38,000	35,000
010-0000-351.02-04	CULVERT PERMITS		800	250
010-0000-351.02-05	ANIMAL LICENSES	34,300	32,000	35,000
010-0000-351.02-09	FOSTER HOME INSPECTION	2,100	1,950	2,280
010-0000-351.02-10	MOWING LIEN			(206)
010-0000-351.03-01	ELECTRICAL PERMITS	144,661	153,735	217,380
010-0000-351.03-02	PLUMBING & GAS PERMITS	175,157	195,725	239,083
010-0000-351.03-03	MECHANICAL PERMITS	186,997	180,690	222,000
010-0000-351.03-05	REINSPEC. FEE/INSPECTION	9,040	7,260	18,000
010-0000-351.04-01	FIRE ALARM	5,646	3,500	9,000
010-0000-351.04-03	FIRE PROTECTION	4,631	2,500	2,200
010-0000-351.04-04	FIRE SPRINKLER	16,049	10,000	18,000
010-0000-351.04-05	FIRE SPRINKLER-ALTERATION	215	250	250
010-0000-351.04-06	FIREWORKS		150	150
010-0000-351.04-07	IRRIGATION	17,429	18,500	23,260
010-0000-351.04-08	SWIMMING POOL	38,199	41,000	43,080
010-0000-351.04-09	DIRT GRADING PERMIT	1,750	1,500	1,500
<b>*LICENSES &amp; PERMITS</b>		<b>4,148,763</b>	<b>3,922,331</b>	<b>3,928,395</b>

**GENERAL FUND REVENUE  
FY 2014-2015 PROJECTED BUDGET**

ACCOUNT NUMBER	REVENUE CATEGORY	FY2014 ACTUAL	FY2015 AMENDED BUDGET	FY2015 YEAR END PROJECTION
010-0000-352.00-00	FINES & FORFEITURES	2,772,319	2,904,000	2,711,000
010-0000-352.01-00	CHILD SAFETY	26,471	24,800	27,500
010-0000-352.01-01	CHILD SAFETY-HARRIS CO.	5,385	5,350	6,000
010-0000-352.02-00	COMMERCIAL CARRIER FINES	71,114	75,000	81,100
010-0000-352.05-00	TIME EFFICIENCY	(7,502)	(5,808)	(10,802)
010-0000-352.06-00	ANIMAL CRUELTY	4,750	350	350
010-0000-352.07-00	OMNIBASE	14,758	17,325	14,100
010-0000-352.08-00	STATE FEES	81,168	84,222	78,450
010-0000-352.11-01	FINES	100		340
010-0000-352.12-00	BOND FORFEITURES	1,834		9,000
<b>*FINES &amp; FORFEITURES</b>		<b>2,970,397</b>	<b>3,105,239</b>	<b>2,917,038</b>
010-0000-353.01-01	AMBULANCE SERVICE FEE	2,468,871	2,757,435	2,625,000
010-0000-353.01-02	MUD/EMS/FIRE COLLECTIONS	79,370	78,342	80,828
010-0000-353.01-03	STRAT PTR AGRMT/FIRE,EMS	272,413	336,000	350,022
010-0000-353.01-04	FALSE ALARM FEE	87,064	65,000	76,000
010-0000-353.01-06	ARREST FEES	5,778	5,495	5,800
010-0000-353.01-07	CLEAR. LETTER FEE	545	475	500
010-0000-353.01-08	SUBPOENA	170	150	150
010-0000-353.01-09	OFFENSE REPORT COPIES	106	100	100
010-0000-353.01-10	ACCIDENT REPORT COPIES	5,806	6,450	5,500
010-0000-353.01-11	OTHER COPIES	80		
010-0000-353.01-12	SRO EQUIPMENT	88,500	88,500	88,760
010-0000-353.01-13	SRO PERSONNEL	702,379	703,594	705,089
010-0000-353.01-14	NON EMERG AMBULANCE TRANSPORT			
010-0000-353.01-16	NON EMERG EMS SERVICE	9,128	7,000	2,000
010-0000-353.01-17	TCLEOSE FUNDS			11,229
010-0000-353.01-40	TRAINING TUITION	1,900	4,000	2,200
010-0000-353.01-41	TRAINING RECYCLING	1,572	3,000	2,000
010-0000-353.01-99	ANIMAL SHELTER FEES	43,616	47,000	40,000
010-0000-353.03-01	EVENTS & PROGRAMS	508,559	495,591	493,346
010-0000-353.03-02	FACILITY RENTALS	122,072	105,250	105,000
010-0000-353.03-03	SWIMMING POOL FEES	19,480	24,000	18,000
010-0000-353.03-06	NATATORIUM	130,936	39,357	140,000
010-0000-353.03-07	RECREATION CENTER RENTALS	44,822	134,270	
010-0000-353.03-08	REC. CENTER MEMBERSHIPS	1,255,463	1,222,500	1,290,000
010-0000-353.03-09	FACILITY RENTAL - U OF H	2,458	900	500
010-0000-353.03-10	SPECIAL EVENT PERMIT FEES	150	150	150
010-0000-353.03-30	MISCELLANEOUS	1,900	4,500	1,800
010-0000-353.05-01	ENGINEERING INSPECT FEE	142,509	120,000	160,000
010-0000-353.05-05	TIRZ ADMINISTRATION FEES	6,636,909	7,804,668	7,447,396
010-0000-353.05-06	PERMITS INSPECTION FEE	23,543	13,500	25,000
010-0000-353.05-25	TRAFFIC IMPACT ANALYSIS	7,500	10,500	9,750
<b>*CHARGES FOR SERVICES</b>		<b>12,663,599</b>	<b>14,077,727</b>	<b>13,686,120</b>
010-0000-356.00-00	INTEREST INCOME	98,710	84,000	103,000
010-0000-356.06-00	UNREALIZED CAPITAL GAIN(LOSS)	(10,478)		
<b>*INTEREST</b>		<b>88,232</b>	<b>84,000</b>	<b>103,000</b>
010-0000-357.02-02	TX DEPT OF TRANSPORTATION	25,224		
<b>*INTERGOVERNMENTAL</b>		<b>25,224</b>		
010-0000-358.04-00	BUILDING RENT	18,040	18,095	18,348
010-0000-358.05-00	OTHER VICTIMS PROGRAM	7,720	7,000	7,000
010-0000-358.07-00	PHONE & FAX REIMBURSEMENT	1,005		7,456
010-0000-358.08-00	STREET LIGHT CHARGES	119,553	50,000	75,000
010-0000-358.10-00	RECYCLE REVENUE	80,034	52,953	60,000
010-0000-358.12-00	N.S.F. FEES	7,400	5,000	6,720
010-0000-358.13-00	PLAT COPIES			
010-0000-358.14-00	COPIES - OPEN RECORDS REQUESTS	891	1,200	5,155
010-0000-358.15-00	SALE OF PROPERTY	1,476,642	28,000	113,105

**GENERAL FUND REVENUE  
FY 2014-2015 PROJECTED BUDGET**

ACCOUNT NUMBER	REVENUE CATEGORY	FY2014 ACTUAL	FY2015 AMENDED BUDGET	FY2015 YEAR END PROJECTION
010-0000-358.16-00	CASH SHORT/OVER	947		
010-0000-358.17-00	WAIVER OF ENCROACHMENT	750	1,000	1,000
010-0000-358.26-00	JAIL PHONE			
010-0000-358.29-00	AMBULANCE PERMIT APP. FEE	3,500	4,450	5,700
010-0000-358.37-00	SUSPENSE REVENUE	(20)		
010-0000-358.38-01	REIMB FROM FUND 15	113,792		
010-0000-358.40-00	SIGN REVENUE	24,500	22,500	35,975
010-0000-358.45-00	INSURANCE REIMBURSEMENTS	39,639		15,585
010-0000-358.99-00	MISCELLANEOUS	253,226	337,111	388,836
010-0000-358.99-01	MUD ANNEXATION			
<b>*MISCELLANEOUS</b>		<b>2,147,619</b>	<b>527,309</b>	<b>739,880</b>
010-0000-359.01-00	FROM FUND 15		119,482	119,482
010-0000-359.03-00	FROM FUND 18	21,000		
010-0000-359.09-00	FROM FUND 30	935,000	1,190,100	1,599,592
010-0000-359.11-00	FROM FUND 42	272,032	146,785	146,785
010-0000-359.18-00	FROM FUND 50	11,274	50,372	50,372
	FROM FUND 55			150,000
010-0000-359.23-00	FROM FUND 67	132,293	218,786	218,786
010-0000-359.24-00	FROM FUND 68	278,498		
010-0000-359.26-00	FROM FUND 70	21,844		
010-0000-359.29-00	FROM FUND 101	242,139	191,107	166,118
010-0000-359.31-00	FROM FUND 301		93,947	93,947
010-0000-359.33-00	FROM FUND 302			
010-0000-359.33-00	FROM FUND 304	19,763	22,431	22,431
010-0000-359.34-00	TRANSFER FROM FUND 202	1,044,922		
010-0000-359.36-00	TRANSFER FROM FUND 203	506,398	834,297	834,297
010-0000-359.39-00	TRANSFER FROM FUND 116			
010-0000-359.69-00	TRANSFER FROM FUND 031	146,794		
010-0000-359.89-00	TRANSFER FROM CDBG FUND	45,071	107,787	107,787
010-0000-359.96-00	TRANSFER FROM FUND 200	79,889		
010-0000-359.97-00	TRANSFER FROM FUND 201			
<b>*GRANT, ISSUANCE, TRANSFER</b>		<b>3,756,917</b>	<b>2,975,094</b>	<b>3,509,597</b>
010-0000-360-03-00	CAPITAL LEASE PROCEEDS	1,852,939	1,761,000	1,356,049
<b>*OTHER FINANCING SOURCES</b>		<b>1,852,939</b>	<b>1,761,000</b>	<b>1,356,049</b>
<b>TOTAL</b>		<b>\$ 63,289,711</b>	<b>\$ 64,266,881</b>	<b>\$ 65,001,507</b>

**GENERAL FUND EXPENDITURES  
By FUNCTION/DEPARTMENT  
FY 2014-2015 PROJECTED BUDGET**

FUNCTION/DEPARTMENT	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>GENERAL GOVERNMENT</b>			
City Council	92,245	106,575	99,153
City Manager	995,807	792,608	810,784
Human Resources	822,890	852,702	952,021
City Secretary	314,987	338,944	390,479
Legal	674,971	757,539	802,246
Information Systems	1,257,214	3,127,019	3,627,645
Geographic Information Systems	226,960	231,786	224,822
Finance	1,864,198	1,965,324	1,966,822
Other Requirements*	2,542,029	1,525,418	1,287,690
Library	310,036	807,647	719,448
<b>GENERAL GOVERNMENT TOTAL</b>	<b>9,101,337</b>	<b>10,505,562</b>	<b>10,881,110</b>
<b>PUBLIC SAFETY</b>			
Police	20,389,504	22,912,091	22,509,330
Animal Services	740,377	773,323	811,491
Fire Administration		1,014,672	947,605
Fire Operations	6,511,899	10,446,549	10,060,064
Fire Marshal	673,576	719,035	681,031
Emergency Management	42,717	39,362	37,817
Health/Code Enforcement	392,889	500,995	492,021
Emergency Medical Services	4,389,150		
<b>PUBLIC SAFETY TOTAL</b>	<b>33,140,112</b>	<b>36,406,027</b>	<b>35,539,359</b>
<b>COMMUNITY SERVICES</b>			
Community Development			
Community Development Administration	394,634	424,973	434,616
Planning	328,653	452,545	409,094
Permits & Inspections	961,413	1,115,172	1,157,603
Communications	342,034	457,421	475,688
Municipal Court	634,728	685,516	687,285
<b>COMMUNITY SERVICES TOTAL</b>	<b>2,661,462</b>	<b>3,135,627</b>	<b>3,164,286</b>

FUNCTION/DEPARTMENT	FY 2014 Actual	Amended Budget	Year End Projection
<b>GENERAL GOVERNMENT</b>			
<b>PUBLIC WORKS</b>			
Public Works and Engineering Administration	262,659	309,455	261,000
Public Works Operations Administration	410,427	221,941	200,520
Facilities Maintenance	865,282	1,313,317	1,419,863
Custodial Services	337,574	317,093	311,681
Fleet	420,020	546,409	426,738
Streets & Drainage	4,684,214	5,194,056	5,285,124
Right-of-Way Maintenance		735,031	827,041
Service Center	190,534	179,111	154,703
Traffic Operations and Maintenance	799,779	1,255,999	979,316
Engineering & Capital Projects :			
Capital Projects	824,585	840,118	883,253
Engineering	1,059,772	1,144,537	1,111,524
<b>PUBLIC WORKS TOTAL</b>	<b>9,854,846</b>	<b>12,057,067</b>	<b>11,860,763</b>
<b>PARKS &amp; RECREATION</b>			
Administration	885,093	695,026	700,181
Resource Development	191,300	131,834	130,661
Recreation Center/Natatorium	1,791,973	2,275,660	2,163,765
Westside Events Center	171,703	308	
Parks Maintenance West	931,107		
Parks Maintenance	1,122,670	2,377,024	2,207,760
Athletics	266,017	366,480	339,893
Special Events	230,942	339,356	319,916
Senior Program	241,118	215,161	233,685
Youth Development	181,379		
Aquatics	103,166	141,223	141,226
Recycling	214,606	229,527	221,635
<b>PARKS &amp; RECREATION TOTAL</b>	<b>6,331,074</b>	<b>6,771,599</b>	<b>6,458,722</b>
<b>SUBTOTAL</b>	<b>61,088,831</b>	<b>68,875,882</b>	<b>67,904,240</b>
<b>TRANSFERS</b>	<b>1,369,510</b>	<b>1,546,744</b>	<b>1,332,134</b>
<b>GENERAL FUND TOTAL</b>	<b>62,458,341</b>	<b>70,422,626</b>	<b>69,236,374</b>

\*Other Requirements exclude transfers, which are listed after the subtotal.

**DEBT SERVICE FUND - 20**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

The tax rate generates \$28,597,935 in current property taxes at a 99.5% collection rate. Revenues include \$763,475 from the University of Houston-Clear Lake System and PEDC for debt service associated with the construction of the University of Houston-Clear Lake Pearland Campus, which they occupy, and \$156,844 from the City for the meeting room space in the facility. Transfers from the Water-Sewer Fund total \$456,567 for some of the debt associated with water/sewer activities related to annexation of Municipal Utility Districts. Proceeds from the sale of refunding bonds generates \$54,773,903 for fiscal year 2015, bringing the total revenue for the year to \$84,784,485.

Expenditures total \$84,331,427 for fiscal year 2015, and include \$78,308,926 in principal and interest payments.

Fund balance at 9/30/2015 is anticipated to be \$4,988,995, an increase of \$297,664 from the \$4,655,522 budgeted at 9/30/2015 and is \$3,032,563 over the reserve policy of \$3,019,423, or 10% of expenditures.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>OPERATING REVENUES</b>			
Property Taxes	\$ 27,131,534	\$ 28,456,557	\$ 28,597,935
Miscellaneous	149,128	799,476	800,036
Transfers	1,281,979	613,411	613,411
Bond Proceeds	33,498,000		54,773,103
<b>TOTAL</b>	<b>62,060,641</b>	<b>29,869,444</b>	<b>84,784,485</b>
<b>OPERATING EXPENDITURES</b>			
Rebates & Misc.	50,592,363	4,747,297	4,826,253
Bond Payment	11,575,162	23,806,317	78,308,926
Short-Term Note		1,196,245	1,196,247
<b>TOTAL</b>	<b>62,167,525</b>	<b>29,749,859</b>	<b>84,331,427</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(106,884)	119,585	453,058
<b>FUND BALANCE - BEGINNING</b>	4,642,821	4,535,937	4,535,937
<b>FUND BALANCE - ENDING</b>	<b>\$ 4,535,937</b>	<b>\$ 4,655,522</b>	<b>\$ 4,988,995</b>
Reserve 10%	6,216,753	2,974,986	2,956,432
Over Policy	(1,680,816)	1,680,536	2,032,563

**DEBT SERVICE FUND - 20  
REVENUES  
FY 2015 PROJECTED BUDGET**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
020-0000-350.01-01	CURRENT TAXES	24,770,799	28,046,481	28,290,935
020-0000-350.01-02/06	DELINQUENT TAXES	240,117	210,295	140,000
020-0000-350.01-03	PENALTY & INTEREST	196,378	199,781	167,000
020-0000-350.01-05	MUD ANNEXATION CURRENT TAX	685,777		
020-0000-350.01-06	MUD ANNEXATION DELIQUENT TAX	5,424		
<b>*TAXES</b>		<b>25,898,494</b>	<b>28,456,557</b>	<b>28,597,935</b>
020-0000-335-65-00	MISCELLANEOUS			
020-0000-356.00-00	INTEREST INCOME	20,036	36,001	36,561
020-0000-356.06-00	UNREALIZED CAP GAIN (LOSS)	(740)		
020-0000-358.99-00	MISCELLANEOUS	786,076	763,475	763,475
020-0000-358.99-01	MUD ANNEXATION	1,160,897		
<b>*MISCELLANEOUS</b>		<b>1,966,269</b>	<b>799,476</b>	<b>800,036</b>
020-0000-359.09-00	FROM FUND 30	277,127	456,567	456,567
020-0000-359.43-00	FROM FUND 43	10,443		
020-0000-359.36-00	FROM FUND 203	5,000		
020-0000-359.36-00	FROM FUND 302	7,711		
020-0000-359.99-00	FROM FUND 10	161,445	156,844	156,844
<b>*GRANT, ISSUANCE, TRANSFER</b>		<b>461,726</b>	<b>613,411</b>	<b>613,411</b>
020-0000-360.01-00	BOND PROCEEDS			47,165,000
020-0000-360.04-00	PREM/DISCT ON BONDS			7,608,103
020-0000-360.07-00	CAPITALIZED INTEREST			
<b>*BOND PROCEEDS</b>		<b>0</b>	<b>0</b>	<b>54,773,103</b>
<b>TOTAL</b>		<b>28,326,489</b>	<b>29,869,444</b>	<b>84,784,485</b>

**WATER AND SEWER FUND - 30  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Water & Sewer Fund is an enterprise fund that includes water and sewer system operations. The fund is operated in a manner similar to private business enterprises, where costs of providing the services to the public are financed primarily through user charges. The City provides water and sewer service to approximately 34,500 residential and commercial customers. Water & Sewer revenues provide 85% of the total revenue generated in the Water & Sewer Fund. As such, the City of Pearland continually monitors and evaluates the need to adjust water and sewer rates in order to ensure that the fund is self-supporting, that infrastructure rehabilitation is adequate, and that all bond covenants are in compliance. For fiscal year 2015, a water or sewer revenue increase of 4.63% was required to meet the needs of the system. However, due to significant rainfall resulting in lower consumption, there is a drawdown of fund balance of an additional \$1.4 million; however, the fund still meets reserve and coverage requirements.

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2015 YEAR END PROJECTION
<b>REVENUES</b>			
SALE OF WATER	14,937,971	16,909,444	14,348,930
SEWER REVENUES	12,528,663	13,801,224	12,832,871
OTHER SERVICE CHARGES	1,462,140	1,539,728	1,590,509
INTEREST INCOME	79,854	48,700	139,650
OTHER MISCELLANEOUS INCOME	274,466	257,800	224,040
TRANSFERS IN	2,483,836	2,568,222	2,568,222
CAPITAL LEASE PROCEEDS		458,000	458,000
<b>TOTAL</b>	<b>31,766,930</b>	<b>35,583,118</b>	<b>32,162,222</b>
<b>EXPENSES</b>			
<b>PUBLIC WORKS</b>			
ADMINISTRATION		558,545	553,840
LIFT STATIONS	1,106,723	1,648,469	1,627,853
WASTEWATER TREATMENT	4,712,630	4,443,956	4,609,472
WATER PRODUCTION	7,004,756	9,274,610	8,417,459
DISTRIBUTION & COLLECTION	2,100,910	2,676,461	2,459,381
CONSTRUCTION	934,080	982,718	875,280
GIS	234,138		
WATER METER SERVICES		1,443,783	1,406,761
ROW MOWING		486,625	378,567
UTILITY BILLING & COLLECTIONS	1,779,110	1,353,777	1,090,447
IT - GIS		171,416	128,755
OTHER REQUIREMENTS	12,069,952	14,797,134	14,047,781
<b>TOTAL</b>	<b>29,942,299</b>	<b>37,837,494</b>	<b>35,595,596</b>
REVENUES OVER/(UNDER) EXPENSES	1,824,631	(2,254,376)	(3,433,374)
<b>Beginning Cash Equivalents</b>	<b>13,549,144</b>	<b>15,373,775</b>	<b>15,373,775</b>
Reserve for Debt Service	1,929,503	2,278,256	2,278,256
<b>Ending Cash Equivalents</b>	<b>\$13,444,272</b>	<b>\$10,841,143</b>	<b>\$9,662,145</b>
Bond Coverage - 1.4	1.55		1.30
Cash Reserve Ratio - 25%	45%		27%

**WATER & SEWER FUND  
REVENUE  
FY 2015 PROJECTED BUDGET**

ACCOUNT NUMBER	REVENUE CATEGORY	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2015 YEAR END PROJECTION
030-0000-353.04-02	Water Sales	14,937,971	16,909,444	14,348,930
030-0000-353.04-03	Sewer Charges	12,528,663	13,801,224	12,832,871
030-0000-353.04-04	Sanitation Billing Fee	366,322	376,752	377,407
030-0000-353.04-07	Connection Fee	169,917	162,740	168,000
030-0000-353.04-09	Water Tap Fee	367,293	475,965	472,000
030-0000-353.04-10	Sewer Tap Fee	14,720	14,500	4,902
030-0000-353.04-11	Late Payment Fee	477,977	443,000	495,000
030-0000-353.04-12	Meter Set Fee	5,500	3,600	2,550
030-0000-353.04-13	Curb Stop Replacement Fee	161	161	500
030-0000-353.04-14	Reconnect Fee	25,325	27,810	30,000
030-0000-353.04-15	Grease Trap Fee	34,600	35,000	39,400
030-0000-353.04-99	Miscellaneous	325	200	750
<b>*CHARGES FOR SERVICE</b>		<b>28,928,774</b>	<b>32,250,396</b>	<b>28,772,310</b>
030-0000-356.00-00	Interest Income	92,519	48,700	139,650
030-0000-356.06-00	Unrealized Capital Gain	(12,665)		
<b>*INTEREST</b>		<b>79,854</b>	<b>48,700</b>	<b>139,650</b>
030-0000-358.07-00	Phone & Fax Reimbursement	425		3,680
030-0000-358.10-00	Recycle	85,185	135,000	103,000
030-0000-358.12-00	NSF Fees	9,075	8,300	8,360
030-0000-358.15-00	Sale of Property	60,317	9,000	9,000
030-0000-358.16-00	Cash Short/Over	92		
030-0000-358.98-00	Reimbursements	413		
030-0000-358.99-00	Miscellaneous	118,959	105,500	100,000
<b>*MISCELLANEOUS</b>		<b>274,466</b>	<b>257,800</b>	<b>224,040</b>
030-0000-359.11-00	From Fund 42	1,568,733	1,709,713	1,709,713
030-0000-359.12-00	From Fund 44	624,612	623,018	623,018
030-0000-359.23-00	From Fund 67	55,000		
030-0000-359.99-00	From Fund 10	235,491	235,491	235,491
<b>*INTERFUND TRANSFERS</b>		<b>2,483,836</b>	<b>2,568,222</b>	<b>2,568,222</b>
030-0000-360.03-00	CAPITAL LEASE PROCEEDS		458,000	458,000
<b>*CAPITAL PROCEEDS</b>			<b>458,000</b>	<b>458,000</b>
<b>TOTAL</b>		<b>31,766,930</b>	<b>35,583,118</b>	<b>32,162,222</b>

**SOLID WASTE FUND - 31  
SUMMARY OF REVENUES, EXPENSES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Solid Waste Enterprise Fund is used to account for residential and commercial solid waste. Governmental Accounting Standards state that the enterprise fund type may be used to account for operations that are financed and operated in a manner similar to private business, where the intent is that the costs of providing goods and services be financed or recovered through user charges. Services include the pick-up of residential solid waste twice each week, curbside recycling once a week and green waste pick-up. Residential curbside HHW pick-up is also provided by appointment, free of charge. Exclusive commercial solid waste pick-up is provided for in the contract, however the contractor directly bills and collects from the commercial customers. Commercial service ranges from once a week to daily with a variety of container sizes available, based on individual customer needs.

The City's contract, awarded in 2006 was renewed in 2011, and with amendment in December 2013, expires September 30, 2012. The contract allows for service rates to adjust annually to the reported Consumer Price Index for the Houston MSA and allows for quarterly rate adjustments based on diesel fuel prices, up or down.

The fiscal year 2015 projection was based on a rate of rate of \$17.64 per household per month from October through December, \$17.48 from January through March, \$17.32 from April through June and back up to \$17.48 from July through September pursuant to quarterly fuel adjustments provided for in the Waste Management contract.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b><u>OPERATING REVENUES</u></b>			
Charges for Services	\$6,974,338	\$6,603,258	\$6,675,565
Miscellaneous	34,135	12,731	35,376
Interest Income	1,235	660	1,895
<b>TOTAL</b>	<b>7,009,708</b>	<b>6,616,649</b>	<b>6,712,836</b>
<b><u>OPERATING EXPENSES</u></b>			
Miscellaneous Services	6,648,745	6,603,258	6,812,233
Other Expenses	14,818		13,320
Interfund Transfers	146,794		
<b>TOTAL</b>	<b>6,810,357</b>	<b>6,603,258</b>	<b>6,825,553</b>
<b>REVENUES OVER (UNDER) EXPENSES</b>	<b>199,351</b>	<b>13,391</b>	<b>(112,717)</b>
<b>BEGINNING CASH EQUIVALENTS</b>	<b>212,401</b>	<b>411,752</b>	<b>411,752</b>
<b>ENDING CASH EQUIVALENTS</b>	<b>\$411,752</b>	<b>\$425,143</b>	<b>\$299,035</b>

**PEARLAND ECONOMIC DEVELOPMENT FUND - 15  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Pearland Economic Development Corporation (P.E.D.C.) was created in 1995 by the voters under the Texas Development Corporation Act of 1979. The Corporation is financed by additional sales tax of a half-cent. State law allows the City to collect this sales tax to assist in the promotion, enhancement, and development on behalf of the City.

The Board of Directors are appointed by and serve at the discretion of the City Council. City Council approval is required for annual budgets and bonded debt issuance. The role of the Corporation is to provide guidance and funding for the operations of the City's economic development program and provide business incentives to support and promote the growth and diversification of the City's economic base.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>OPERATING REVENUES</b>			
Sales Tax	\$ 8,563,736	\$ 8,921,768	\$ 9,337,463
Interest Income	76,217	45,000	103,183
Intergovernmental	79,060	12,000	768,643
Miscellaneous	434,108	436,998	440,749
<b>TOTAL</b>	<b>9,153,121</b>	<b>9,415,766</b>	<b>10,650,038</b>
<b>OPERATING EXPENDITURES</b>			
Operating	1,727,502	2,235,030	1,872,800
Bond Payments	2,029,810	8,602,270	8,494,287
Inventory		5,000	5,000
Capital Outlay	42,320	455,000	1,226,744
<b>TOTAL</b>	<b>3,799,636</b>	<b>11,297,300</b>	<b>11,598,831</b>
REVENUES OVER/(UNDER) EXPENDITURES	5,353,485	(1,881,534)	(948,793)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in			
Capital Transfers Out		(2,792,596)	(2,861,958)
Incentives	(1,564,503)	(1,264,014)	(680,731)
Bond Proceeds			
<b>TOTAL</b>	<b>(1,564,503)</b>	<b>(4,056,610)</b>	<b>(3,542,689)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>3,788,982</b>	<b>(5,938,144)</b>	<b>(4,491,482)</b>
<b>FUND BALANCE - BEGINNING (Before Reserves)</b>	<b>15,366,504</b>	<b>19,155,489</b>	<b>19,155,489</b>
<b>DEBT SERVICE RESERVES</b>	<b>(665,254)</b>		
<b>DEBT PAY-OFF (Cumulative)</b>	<b>(4,793,794)</b>		
<b>FUND BALANCE - ENDING</b>	<b>\$ 13,696,439</b>	<b>\$ 13,217,345</b>	<b>\$ 14,664,007</b>

**PROPERTY/LIABILITY INSURANCE FUND - 95**  
**SUMMARY OF REVENUES, EXPENSES, AND NET ASSETS**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Property/Liability Insurance Fund has been created to account for the activities of the City's property and casualty insurance. Coverage includes general liability, law enforcement, public official and employees' liability, auto liability, physical damage and multi-peril, mobile equipment, real and personal property, and windstorm coverage. The fund not only accounts for the annual premiums but also accounts for uninsured and deductible claims and insurance recovery funds on those claims. Premiums for fiscal year 2015 total \$1,074,208 and uninsured and deductible claims for fiscal year 2015 total \$90,000.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>OPERATING REVENUES</b>			
INTERFUND TRANSFERS	\$ 1,120,668	\$ 1,284,375	\$ 1,018,712
INSURANCE RECOVERY	138,441	100,000	70,000
INTEREST INCOME	144		60
<b>TOTAL</b>	<b>1,259,253</b>	<b>1,384,375</b>	<b>1,088,772</b>
<b>OPERATING EXPENSES</b>			
INSURANCE PREMIUMS	1,173,288	1,284,360	1,074,208
CLAIMS	74,152	90,000	90,000
<b>TOTAL</b>	<b>1,247,440</b>	<b>1,374,360</b>	<b>1,164,208</b>
<b>REVENUES OVER (UNDER) EXPENSES</b>	11,813	10,015	(75,436)
<b>BEGINNING NET ASSETS</b>	146,152	157,965	157,965
<b>ENDING NET ASSETS</b>	<b>\$ 157,965</b>	<b>\$ 167,980</b>	<b>\$ 82,529</b>

**MEDICAL SELF INSURANCE FUND - 99  
SUMMARY OF REVENUES, EXPENSES, AND NET ASSETS  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Medical Self Insurance Fund has been created to account for the activities of the City's employee insurance. The fund also accounts for retiree and COBRA contribution, claims and coverage. In a self insurance fund, the employer, the City, is ultimately responsible for all health care cost, and pays for those costs plus administrative fees. In order to minimize exposure, the City has established an individual stop loss of \$125,000 and an aggregate stop loss of \$6.8 million effective October 1, 2014. If claims exceed the aggregate stop loss, the plan will provide for an additional \$1.0 million, with no reimbursement required by the City.

In fiscal year 2015, it is anticipated that claims will total \$5,741,430. Total expenses including stop loss and administrative fees is \$6.64 million. In keeping with providing a sustainable benefit plan for the employees but minimizing the financial impact to both the employee and the City, the City made overall plan changes and eliminated the open access plan for fiscal year 2015.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>OPERATING REVENUES</b>			
INTEREST INCOME	\$ 407	\$ 856	\$ 396
CONTRIBUTIONS	5,487,273	6,821,032	5,539,706
TRANSFERS	1,369,510		454,008
<b>TOTAL</b>	<b>6,857,190</b>	<b>6,821,888</b>	<b>5,994,110</b>
<b>OPERATING EXPENSES</b>			
CLAIMS AND FEES	6,514,241	6,801,888	6,623,038
MISCELLANEOUS	34,009	20,000	20,000
<b>TOTAL</b>	<b>6,548,250</b>	<b>6,821,888</b>	<b>6,643,038</b>
<b>REVENUES OVER (UNDER) EXPENSES</b>	308,940		(648,928)
<b>BEGINNING NET ASSETS</b>	476,094	785,034	785,034
<b>ENDING NET ASSETS</b>	<b>\$ 785,034</b>	<b>\$ 785,034</b>	<b>\$ 136,106</b>

**COURT SECURITY FUND - 17**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

City Council adopted a resolution authorizing Municipal Court to collect a \$3 fee from each defendant found guilty of a misdemeanor. Pursuant to the Texas Code of Criminal Procedure, revenues generated from this fee must be deposited into a special fund. The money collected may be used only to fund court security and includes such items as metal detectors, surveillance equipment, security personnel, security hardware, personnel security training, or other security measures. The revenues generated from this fee partially cover the cost of a full-time Court Bailiff and a part-time Court Bailiff, in addition to operating costs. Beginning in fiscal year 2017, a portion of the costs will need to be funded from the General Fund as the City is currently drawing down fund balance to fund annual expenditures. Court Efficiency (10% of time pay fees) is also part of this fund.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
FINES & FORFEITURES	\$ 53,213	\$ 57,008	\$ 52,802
INTEREST INCOME	180	200	130
<b>TOTAL</b>	<b>53,393</b>	<b>57,208</b>	<b>52,932</b>
<b>EXPENDITURES</b>			
SALARY & WAGES	62,942	82,203	78,595
MATERIALS & SUPPLIES	480	1,350	1,150
MISCELLANEOUS SERVICES	2,120	24,444	23,164
INVENTORY		1,500	1,428
<b>TOTAL</b>	<b>65,541</b>	<b>109,497</b>	<b>104,337</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(12,149)</b>	<b>(52,289)</b>	<b>(51,405)</b>
<b>FUND BALANCE - BEGINNING</b>	129,608	117,459	117,459
<b>FUND BALANCE - ENDING</b>	<b>\$ 117,459</b>	<b>\$ 65,170</b>	<b>\$ 66,054</b>

**CITYWIDE DONATION FUND - 18**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Citywide Donation Fund is used to account for miscellaneous donations for all City Departments, except the Parks and Recreation Department. Donations received for specific reasons or for specific departments shall be spent for those purposes.

The fiscal year 2015 expenditures include \$1,998 for a laptop for a Humane Officer; \$15,924 for the replacement of gear racks with storage lockers and \$1,973 the purchase of a range and table and chairs for a Fire Station.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
INTEREST INCOME	\$ 104	\$ 33	\$ 20
MISCELLANEOUS DONATIONS	40,775	23,130	27,889
<b>TOTAL</b>	<b>40,880</b>	<b>23,163</b>	<b>27,909</b>
<b>EXPENDITURES</b>			
MATERIALS & SUPPLIES	440	28,025	17,897
MISCELLANEOUS SERVICES			
INVENTORY	16,993	4,650	1,998
TRANSFER TO FUND 10	21,000		
CAPITAL OUTLAY	44,117	9,869	500
<b>TOTAL</b>	<b>82,550</b>	<b>42,544</b>	<b>20,395</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(41,670)	(19,381)	7,514
<b>FUND BALANCE - BEGINNING</b>	91,337	49,667	49,667
<b>FUND BALANCE - ENDING</b>	<b>\$ 49,667</b>	<b>\$ 30,286</b>	<b>\$ 57,181</b>

**COURT TECHNOLOGY FUND - 19**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

City Council adopted a resolution pursuant to the Texas Code of Criminal Procedure, authorizing Municipal Court to collect a \$4 fee from each defendant found guilty of a misdemeanor. The revenues generated from this fee may only be used to fund court technology and includes such items as computer equipment, imaging systems, electronic kiosks, docket management systems, and electronic ticket writers. In fiscal year 2015, revenues continued pay the annual fee to access law enforcement warrant data, court software maintenance fee and internet service.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
FINES & FORFEITURES	\$ 60,846	\$ 65,500	\$ 60,000
INTEREST INCOME	202	10	25
<b>TOTAL</b>	<b>61,048</b>	<b>65,510</b>	<b>60,025</b>
<b>EXPENDITURES</b>			
MATERIALS & SUPPLIES	1,011	1,671	1,639
MISCELLANEOUS SERVICES	23,252	9,362	9,685
MAINTENANCE OF EQUIPMENT	13,682	55,632	58,582
INVENTORY			
CAPITAL OUTLAY	258,106	15,951	15,951
<b>TOTAL</b>	<b>296,051</b>	<b>82,616</b>	<b>85,857</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(235,002)</b>	<b>(17,106)</b>	<b>(25,832)</b>
<b>FUND BALANCE - BEGINNING</b>	283,435	48,433	48,433
<b>FUND BALANCE - ENDING</b>	<b>\$ 48,433</b>	<b>\$ 31,327</b>	<b>\$ 22,601</b>

**COURT JUVENILE MANAGEMENT FUND - 23**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The State of Texas has authorized the governing body of a municipality to collect a fee up to \$5 from each Class C misdemeanor conviction for the expenses related to the employment of a Juvenile Case Manager. Pursuant to the Texas Code of Criminal Procedure, Article 102.0174, revenues generated from this fee must be deposited into a special fund. This new fund began with the 2010 fiscal year, with a fee of \$4 for each conviction. In fiscal year 2014, the rate decreased to \$1 per conviction, along with a \$1 per conviction Truancy fee pursuant to Article 45.056. The revenues generated from this fee does not cover the full cost of the Juvenile Case Manager, rather using fund balance. In two or three years, the fee will need to be increased in order to cover the cost.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
FINES & FORFEITURES	\$ 36,066	\$ 38,250	\$ 37,000
INTEREST INCOME	86	72	65
<b>TOTAL</b>	<b>36,152</b>	<b>38,322</b>	<b>37,065</b>
<b>EXPENDITURES</b>			
SALARY & WAGES	42,345	42,629	42,972
MISCELLANEOUS SERVICES	794	1,600	1,600
<b>TOTAL</b>	<b>43,139</b>	<b>44,229</b>	<b>44,572</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(6,988)</b>	<b>(5,907)</b>	<b>(7,507)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>60,499</b>	<b>53,512</b>	<b>53,512</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 53,512</b>	<b>\$ 47,605</b>	<b>\$ 46,005</b>

**STREET ASSESSMENT FUND - 33**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

City Council adopted an Ordinance pursuant to Chapter 313 of the Texas Transportation Code, authorizing the City to levy assessments against various persons and their property for the payment of a part of the cost of a portion of public improvements. In fiscal year 2012, the City ordered improvements and levied assessments for Business Center Drive, from Broadway south to County Road 59. Land owner assessments total \$2,484,917, excluding interest. Assessments mature and become due and payable upon the earlier of: within thirty days of a sale of all or portion of the property or upon the filing of any plat or application for a permit with the City for the development of the property.

The Pearland Economic Development Corporation (PEDC) funded a portion of the construction of the roadway improvements and the City entered into a reimbursement agreement with the PEDC to reimburse with the road assessments collected plus the interest collected by the City up to the amount the PEDC paid towards the construction.

Since the City does not know when sale or the development of the property might occur, the budget reflects no activity.

		FY 2014 Actual		FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>					
STREET ASSESSMENT		\$ 62,588	\$	\$ 756,643	
<b>TOTAL</b>		<b>62,588</b>		<b>756,643</b>	
<b>EXPENDITURES</b>					
INTERFUND TRANSFER		62,588		756,643	
<b>TOTAL</b>		<b>62,588</b>		<b>756,643</b>	
<b>REVENUES OVER (UNDER) EXPENDITURES</b>					
<b>FUND BALANCE - BEGINNING</b>					
<b>FUND BALANCE - ENDING</b>					
		<b>\$ 0</b>	\$	<b>\$ 0</b>	

**TRAFFIC IMPROVEMENT FUND - 35**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Traffic Improvement Fund accounts for resources for traffic improvements. Funds are collected as a result of a traffic analysis performed for new developments. Traffic engineers analyze the proposed traffic patterns and trips generated by the development and then estimate the costs of the improvements needed to mitigate the impact the development has on the transportation system. For those improvements that cannot be constructed at the time of development, the funds are received from the developer and held until the projects can be incorporated into a City project. Fiscal year 2015 revenues total \$11,692. Projected expenditures include \$91 towards County Road 94 and \$93,548 towards CR 48 per inter-local agreement with Brazoria County.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
MISCELLANEOUS	\$ 40,850	\$	\$ 8,781
INTEREST INCOME	2,488	1,800	2,911
<b>TOTAL</b>	<b>43,338</b>	<b>1,800</b>	<b>11,692</b>
<b>EXPENDITURES</b>			
MISCELLANEOUS SERVICES			93,548
INTERFUND TRANSFERS	10,625	91	91
<b>TOTAL</b>	<b>10,625</b>	<b>91</b>	<b>93,639</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>32,713</b>	<b>1,709</b>	<b>(81,947)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>639,896</b>	<b>672,609</b>	<b>672,609</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 672,609</b>	<b>\$ 674,318</b>	<b>\$ 590,662</b>

**REGIONAL DETENTION FUND - 43  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Regional Detention Fund accounts for regional detention development. A certain amount of capacity in a regional detention facility is allocated to the watershed and a certain amount of capacity is reserved for future detention needs based on new development. Developers can buy into the regional detention based on capacity needs versus capacity available. The current regional detention pond program is based on five regional detention ponds throughout the City. The City completed a regional detention study in September 2010, which proposed various sub-regional detention ponds. Capacity from the pond would be purchased at a per acre feet fee based on construction cost of the pond. The fee structure will help recover the cost to purchase the property, design and construct the pond.

	<b>FY 2014 Actual</b>	<b>FY 2015 Amended Budget</b>	<b>FY 2015 Year End Projection</b>
<hr/>			
<b>REVENUES</b>			
MISCELLANEOUS			
REGIONAL DETENTION FEES			
<b>TOTAL</b>			
<hr/>			
<b>EXPENDITURES</b>			
TRANSFER TO FUND 20			
<b>TOTAL</b>			
<hr/>			
<b>REVENUES OVER (UNDER) EXPENDITURES</b>			
<hr/>			
<b>FUND BALANCE - BEGINNING</b>	0		
<hr/>			
<b>FUND BALANCE - ENDING</b>	<b>\$ 0</b>		
<hr/>			

**HOTEL/MOTEL OCCUPANCY TAX FUND - 45**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Hotel/Motel Occupancy Tax Fund is used to account for revenues realized from hotel occupancy taxes. Local hotel occupancy tax revenues may only be spent to establish or enhance a convention center, cover the administrative expenses for registering convention delegates, pay for tourism-related advertising and promotions, fund programs that enhance the arts or pay for historic preservation or restoration projects, and pay for sports related expenses pursuant to state law that will enhance tourism. By law, cities with populations of less than 125,000 must spend at least 1% of hotel tax receipts on advertising, no more than 15% on art programs and a maximum of 50% on historic preservation. In fiscal year 2010 City Council approved a Cultural Arts Grants Program to increase tourism and hotel industry activity.

Pearland is home to eleven hotels, totaling 860 rooms: Best Western, Hampton Inn, La Quinta, The Courtyard by Marriott, Comfort Suites, Hilton Garden Inn, Candlewood Suites, two Holiday Inn Express's, Sleep Inn & Suites and Springhill Suites hotels. For fiscal year 2015, Hotel Occupancy Tax revenue is projected to be \$1,507,942. Expenditures for fiscal year 2015 are estimated to be \$883,947. Expenditures include a co-sponsorship of the annual Pearland Crawfish Festival, International Festival, Winefest, and the Arts & Crafts Show, as well as funds to bring fiber to the offices. \$17,800 was carried over from FY 2014 for the final invoices on the Convention & Visitors' Bureau (CVB) Website "Visitpearland.com" and the Taste of Pearland event.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
HOTEL/MOTEL OCCUPANCY TAX	\$ 1,404,306	\$ 1,383,078	\$ 1,507,942
INTEREST INCOME	4,079	5,000	10,092
MISCELLANEOUS	80,990	7,478	3,066
<b>TOTAL</b>	<b>1,489,375</b>	<b>1,395,556</b>	<b>1,521,100</b>
<b>EXPENDITURES</b>			
SALARIES & WAGES	193,850	263,565	266,086
MATERIALS & SUPPLIES	62,160	78,000	77,945
MAINTENANCE BUILDINGS & GROUNDS	568		34,000
MAINTENANCE EQUIPMENT	4,657		241
MISCELLANEOUS SERVICES	439,881	494,132	501,204
TRANSFERS		1,316	1,316
INVENTORY	7,642		3,155
CAPITAL OUTLAY	53,304		
<b>TOTAL</b>	<b>762,062</b>	<b>837,013</b>	<b>883,947</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>727,315</b>	<b>558,543</b>	<b>637,153</b>
<b>FUND BALANCE - BEGINNING</b>	<b>2,271,153</b>	<b>2,998,468</b>	<b>2,998,468</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 2,998,468</b>	<b>\$ 3,557,011</b>	<b>\$ 3,635,621</b>

**PARK DONATIONS FUND - 46  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Park Donations Fund was created to account for donations and sponsorships made in support of Parks and Recreation Department events and programs. The fund is also used to account for the receipt and use of citizen donations through their water bills. Use of the sponsorship funds are allocated to specific events/programs/facilities as identified with the sponsorship agreement. General donations are used in accordance with the established Ordinance. Funds are budgeted to supplement programs based upon the donations received.

In FY 2012 the PEDC Strategic Plan included an action item with reference to a 'Best Practice,' the exploration of creating a Parks Foundation, the purpose of which is to accept sustainable charitable and planned donations for parks facilities in Pearland. Contributions to the Foundation will support acquisition, ownership, construction, development, improvement, operation or maintenance of land and facilities owned or controlled by the City for activities that include recreation entertainment, sports, the arts, and similar activities that might benefit the citizens of the City of Pearland. In FY 2013, the City Council adopted the creation of the Foundation as one of its goals. In FY 2015, a contract was created and presented to the City Council, and in March of 2015 said contract was presented to the City Council, and in April the City Council created, via Resolution R2015-55, the Forever Parks Foundation. The City will provide funding to the Foundation with initial amount of \$13,833 received to date, and a quarterly payment of funds received through the water bill donations. Fund Balance at 9/30/2015 is estimated to be \$14,132.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
INTEREST INCOME	\$ 155	\$ 140	\$ 100
DONATIONS	1,230	1,000	1,000
SPONSORSHIPS	109,549	80,000	100,000
<b>TOTAL</b>	<b>110,934</b>	<b>81,140</b>	<b>101,100</b>
<b>EXPENDITURES</b>			
PARKS FOUNDATION PROGRAMS	127,661	96,653	14,346 171,653
<b>TOTAL</b>	<b>127,661</b>	<b>96,653</b>	<b>185,999</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(16,727)</b>	<b>(15,513)</b>	<b>(84,899)</b>
<b>FUND BALANCE - BEGINNING</b>	115,758	99,031	99,031
<b>FUND BALANCE - ENDING</b>	<b>\$ 99,031</b>	<b>\$ 83,518</b>	<b>\$ 14,132</b>

**PARK & RECREATION DEVELOPMENT FUND - 47**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

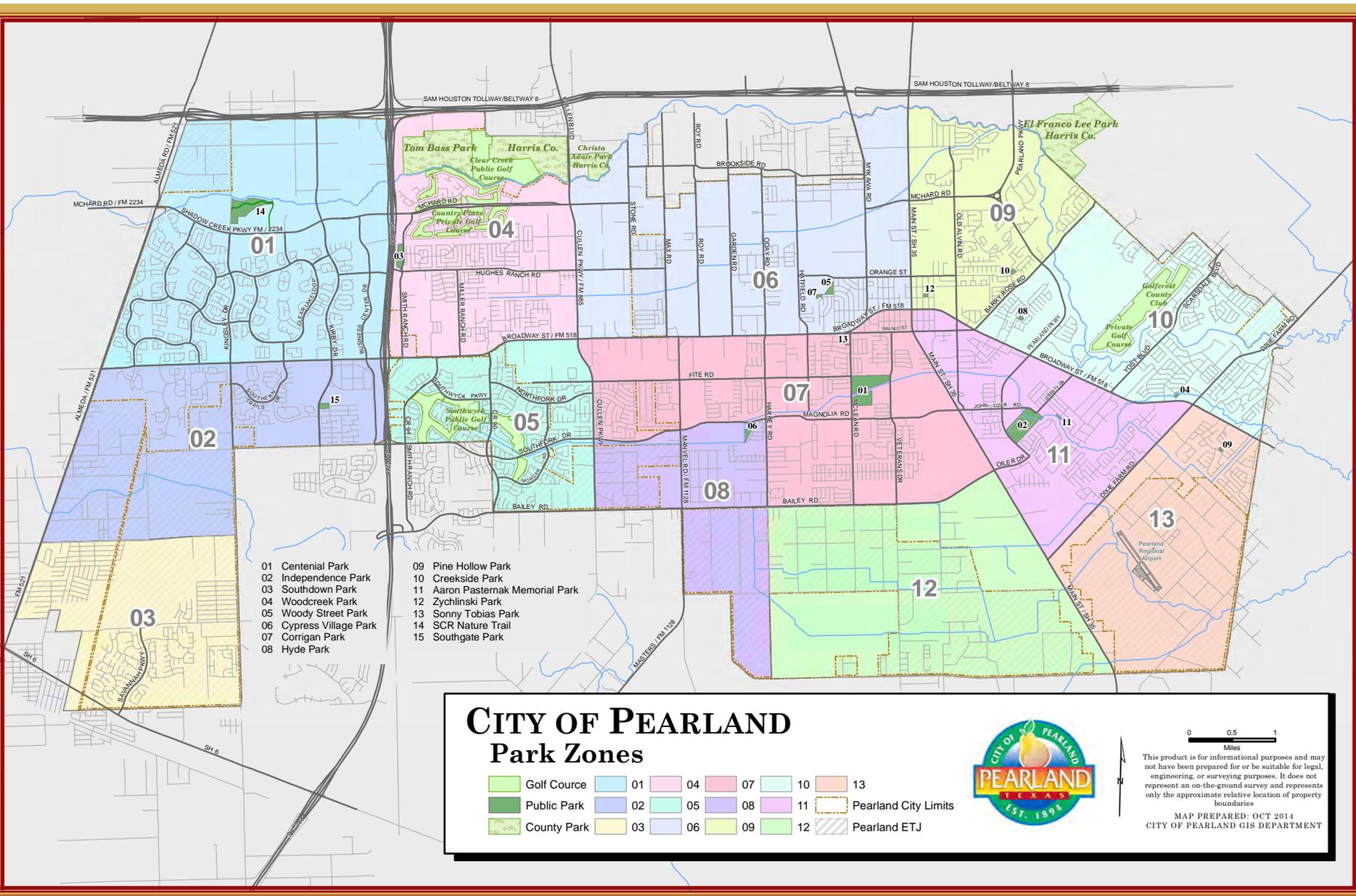
**OVERVIEW**

Pursuant to the Unified Development Code, new development either must dedicate parkland or pay the City a fee in lieu of parkland. The City has thirteen parkland areas or zones. Fees, when paid, are identified by area and use of the funds must be spent within that area.

Expenditures for FY 2015 include \$100,000 towards Centennial Park, \$17,480 for 2 pet water fountains at Southdown, \$9,552 for signage at Shadow Creek Trail. The total cost for the sign is \$10,000 with \$448 funded in the General Fund, and \$48,700 carried over from FY 2014 for signs at the remaining parks.

Included is a map of the thirteen parkland zones.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
PARKLAND FEES/DONATIONS	\$ 292,379	\$ 50,000	\$ 292,308
INTEREST INCOME	1,942	1,100	2,150
<b>TOTAL</b>	<b>294,321</b>	<b>51,100</b>	<b>294,458</b>
<b>EXPENDITURES</b>			
INTERFUND TRANSFERS	66,500		
DEVELOPER REIMBURSEMENT			38,250
CAPITAL OUTLAY	35,590	199,167	198,967
<b>TOTAL</b>	<b>102,090</b>	<b>199,167</b>	<b>237,217</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>192,231</b>	<b>(148,067)</b>	<b>57,241</b>
<b>FUND BALANCE - BEGINNING</b>	<b>795,919</b>	<b>988,150</b>	<b>988,150</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 988,150</b>	<b>\$ 840,083</b>	<b>\$ 1,045,391</b>



- 01 Centennial Park
- 02 Independence Park
- 03 Southdown Park
- 04 Woodcreek Park
- 05 Woody Street Park
- 06 Cypress Village Park
- 07 Corrigan Park
- 08 Hyde Park
- 09 Pine Hollow Park
- 10 Creekside Park
- 11 Aaron Pasternak Memorial Park
- 12 Zychlinski Park
- 13 Sonny Tobias Park
- 14 SCR Nature Trail
- 15 Southgate Park

# CITY OF PEARLAND Park Zones

	01	04	07	10	13
	02	05	08	11	Pearland City Limits
	03	06	09	12	Pearland ETJ



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Miles

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

MAP PREPARED: OCT 2014  
CITY OF PEARLAND GIS DEPARTMENT

**TREE TRUST FUND - 49**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Tree Trust Fund was created for the purpose of purchasing, growing, and/or maintaining trees and associated plants within the city limits. Funds for tree trust donations are from developers who cannot mitigate for trees they have taken down for development. The fee is determined by their tree survey and how many caliper inches they have to mitigate. Funds can be used to plant and replace trees in City right-of-ways such as Pearland Parkway and in City parks.

FY 2015 included funds for trees at Shadow Creek Ranch Park and a woodchipper.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
INTEREST INCOME	\$ 102	\$ 45	\$ 65
MISCELLANEOUS	751		
<b>TOTAL</b>	<b>853</b>	<b>45</b>	<b>65</b>
<b>EXPENDITURES</b>			
BUILDINGS & GROUNDS	5,391		432
INVENTORY			
INTERFUND TRANSFERS		31,100	31,100
CAPITAL OUTLAY		38,000	31,616
<b>TOTAL</b>	<b>5,391</b>	<b>69,100</b>	<b>63,148</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,538)</b>	<b>(69,055)</b>	<b>(63,083)</b>
<b>FUND BALANCE - BEGINNING</b>	73,846	69,308	69,308
<b>FUND BALANCE - ENDING</b>	<b>\$ 69,308</b>	<b>\$ 253</b>	<b>\$ 6,225</b>

**SIDEWALK FUND - 55**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Sidewalk Fund is used to account for revenues and expenditures associated with the installation of sidewalks. Per City Ordinance, sidewalks are to be installed when development occurs. However, in certain instances when the City knows that future streets and roadways will be constructed, the City accepts payment in lieu of installation of sidewalks. The cost per square foot is \$5.23 and changes to reflect the City's current contract price at any given time. The City then uses these monies to install the sidewalks once the roadway is complete. Fiscal year 2015 transfer out to capital projects is towards Bailey Road from Veterans to FM 1128 and the City used \$150,000 towards a gap sidewalk program. As sidewalks need to be constructed as identified with the donation, the city will fund these out of the general fund sidewalk program.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
INTEREST INCOME	\$ 351	\$ 240	\$ 240
SIDEWALK REVENUE	33,390	5,000	
<b>TOTAL</b>	<b>33,741</b>	<b>5,240</b>	<b>240</b>
<b>EXPENDITURES</b>			
INTERFUND TRANSFERS	14,652	67,224	217,224
OTHER EXPENSES	1,890		8,520
<b>TOTAL</b>	<b>16,542</b>	<b>67,224</b>	<b>225,744</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	17,199	(61,984)	(225,504)
<b>FUND BALANCE - BEGINNING</b>	225,800	242,999	242,999
<b>FUND BALANCE - ENDING</b>	<b>\$ 242,999</b>	<b>\$ 181,015</b>	<b>\$ 17,495</b>

**POLICE STATE SEIZURE FUND - 60**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Police State Seizure Fund is used to account for state seizure funds. State seizure funds are to be deposited into a special fund and used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties. Seizure funds are acquired through the sale of seized property, property used in commission of a crime.

Expenditures in FY 2015 include the cost for undercover vehicles.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
INTEREST INCOME	\$ 273	\$ 100	\$ 210
SEIZURE FUNDS	92,599	20,000	3,682
<b>TOTAL</b>	<b>92,872</b>	<b>20,100</b>	<b>3,892</b>
<b>EXPENDITURES</b>			
MATERIALS & SUPPLIES	17,637		1,200
EQUIPMENT MAINTENANCE			
MISCELLANEOUS	22,861	50,800	16,950
INVENTORY		1,100	
CAPITAL OUTLAY	46,000	2,200	
<b>TOTAL</b>	<b>86,498</b>	<b>54,100</b>	<b>18,150</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	6,374	(34,000)	(14,258)
<b>FUND BALANCE - BEGINNING</b>	192,213	198,586	198,586
<b>FUND BALANCE - ENDING</b>	<b>\$ 198,586</b>	<b>\$ 164,586</b>	<b>\$ 184,328</b>

**FEDERAL POLICE FUND - 62**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Federal Police Fund is used to account for federal seizure funds. Federal seizure funds are used to support community policing activities, training, and law enforcement operations calculated to result in further seizures and forfeitures. These include activities to enhance future investigations, including payments to informants, reward money, law enforcement training, and the purchase of equipment such as body armor and firearms. Fiscal year 2014 included \$31,842 for 14 replacement tactical vests for SWAT.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
POLICE DRUG REVENUE	\$ 25,634	\$ -	\$ 28,846
INTEREST INCOME	79	15	50
<b>TOTAL</b>	<b>25,713</b>	<b>15</b>	<b>28,896</b>
<b>EXPENDITURES</b>			
WEARING APPAREL	31,842		
CAPITAL OUTLAY			
<b>TOTAL</b>	<b>31,842</b>	<b>0</b>	<b>0</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(6,129)</b>	<b>15</b>	<b>28,896</b>
<b>FUND BALANCE - BEGINNING</b>	<b>49,286</b>	<b>43,157</b>	<b>43,157</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 43,157</b>	<b>\$ 43,172</b>	<b>\$ 72,053</b>

**GRANT FUND - 101**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Grant Fund is used to account for revenues and expenditures associated with federal, state and local grants. Fiscal year 2015 grant revenues, including interest income, total \$937,621. Expenditures for fiscal year 2015 include \$40,863 for Emergency Management activities, supported with Emergency Management Performance Grant funds from the Texas Division of Emergency Management; \$200,000 from the Texas Parks & Wildlife Department for Recreational Trails; \$7,114 for firefighter training; \$10,428 for Gang-Tracking and Accident Scene Reconstruction Software; \$18,719 for the DWI/DUI task force; and \$18,157 towards matching costs for bulletproof vests. The City also received \$18,187 from HGAC for tilt-hoppers at the Stella Roberts Recycling Center and illegal dumping enforcement equipment in the Fire Marshal's Office.

In addition, two grants provided fiscal support for the Pearland Police Department's Crime Victim Liaisons - \$64,687 from the Criminal Justice Division of the Office of the Governor and \$41,849 from the Office of the Attorney General. State Farm Insurance Company awarded the Fire Department \$12,500 for the purpose of conducting teen driver safety education activities in Pearland, mainly designed to reduce drinking and/or texting while driving. A grant from the local volunteer firefighters in the amount of \$36,381 was used to install a security fence at the Pearland Fire Department, and the Police Department obtained \$5,372 in the form of a training grant for TCLEOSE activities. Through Brazoria County, the City received \$463,350 for the construction of interpretive birding trails at the pending John Hargrove Environmental Center. Fiscal year 2015 expenditures total \$937,607.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
GRANT REVENUE	\$ 402,156	\$ 490,860	\$ 937,607
INTEREST INCOME			14
INTERGOVERNMENTAL	11,860		
<b>TOTAL</b>	<b>414,016</b>	<b>490,860</b>	<b>937,621</b>
<b>EXPENDITURES</b>			
SALARY & WAGES	9,159		
MATERIALS & SUPPLIES	25,312	48,957	30,657
MAINTENANCE OF EQUIPMENT			4,640
MISCELLANEOUS SERVICES	5,906	50,679	12,486
TRANSFERS	242,139	391,107	829,468
CAPITAL OUTLAY	113,621	28,615	60,356
<b>TOTAL</b>	<b>396,137</b>	<b>519,358</b>	<b>937,607</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	17,879	(28,498)	14
<b>FUND BALANCE - BEGINNING</b>	46,261	64,140	64,140
<b>FUND BALANCE - ENDING</b>	<b>\$ 64,140</b>	<b>\$ 35,642</b>	<b>\$ 64,154</b>

**COMMUNITY DEVELOPMENT GRANT FUND - 113  
REVENUES AND EXPENDITURES  
FY 2015 PROJECTED BUDGET**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>				
108-0000-357.01-05	CDBG GRANT FUNDS PY2010		48	48
109-0000-357.01-05	CDBG GRANT FUNDS PY2011	165,500	62,995	
110-0000-357.01-05	CDBG GRANT FUNDS PY2012	18,651	172,699	172,699
111-0000-357.01-05	CDBG GRANT FUNDS PY2013	250,173	83,028	83,080
112-0000-357.01-05	CDBG GRANT FUNDS PY2014		313,794	313,794
113-0000-357.01-05	CDBG GRANT FUNDS PY2015			
<b>*GRANT REVENUE</b>		<b>434,324</b>	<b>632,564</b>	<b>569,621</b>
<b>EXPENDITURES</b>				
111-9000-555.07-00	ADVERTISING/PUBLIC NOTICE	222		
111-9000-555.25-00	POSTAGE	20		
111-9000-555.70-00	ADMINISTRATIVE SERVICES	11,750		
111-9000-555.80-00	SOCIAL SERVICES	8,990		5,415
112-9000-542.23-00	MINOR TOOLS AND OFFICE EQUIPMENT		2,200	2,200
112-9000-555.07-00	ADVERTISING/PUBLIC NOTICE		576	576
112-9000-555.25-00	POSTAGE		500	500
112-9000-555.31-00	MILEAGE		100	100
112-9000-555.33-00	PROFESSIONAL DEVELOPMENT		3,000	3,000
112-9000-555.33-03	TRAVEL		1,650	1,650
112-9000-555.70-00	ADMINISTRATIVE SERVICES		18,000	18,000
112-9000-555.80-00	SOCIAL SERVICES		20,000	20,000
113-9000-555.07-00	ADVERTISING/PUBLIC NOTICE			
113-9000-555.25-00	POSTAGE			
113-9000-555.31-00	MILEAGE			
113-9000-555.33-00	PROFESSIONAL DEVELOPMENT			
113-9000-555.33-03	TRAVEL			
113-9000-555.70-00	ADMINISTRATIVE SERVICES			
113-9000-555.80-00	SOCIAL SERVICES			
<b>*MISCELLANEOUS SERVICES</b>		<b>20,982</b>	<b>46,026</b>	<b>51,441</b>
109-9000-556.18-05	TRANSFER TO GENERAL FUND	(161)		
109-9000-556.68-00	TRANSFER TO FUND 68	165,500		
110-9000-556.18-05	TRANSFER TO GENERAL FUND	205		
111-9000-556.18-05	TRANSFER TO GENERAL FUND	45,027		
111-9000-556.30-00	OTHER EXPENSES	178,800		77,508
112-9000-556.18-05	TRANSFER TO GENERAL FUND		107,787	107,787
113-9000-556.18-05	TRANSFER TO GENERAL FUND			
<b>*TRANSFERS</b>		<b>389,371</b>	<b>107,787</b>	<b>185,295</b>
108-9000-556.03-34	CONSTRUCTION		48	48
109-9000-556.03-04	CONSTRUCTION		62,995	
110-9000-556.03-34	CONSTRUCTION	18,651	172,699	152,481
111-9000-556.03-34	CONSTRUCTION		83,028	25,738
112-9000-556.03-34	CONSTRUCTION		159,981	159,981
113-9000-556.03-34	CONSTRUCTION			
<b>*OTHER EXPENSES</b>		<b>18,651</b>	<b>478,751</b>	<b>338,248</b>
<b>TOTAL</b>		<b>429,004</b>	<b>632,564</b>	<b>574,984</b>

**UNIVERSITY OF HOUSTON FUND - 140**  
**SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**  
**FY 2015 PROJECTED BUDGET**

**OVERVIEW**

In fiscal year 2009 the City and the University of Houston (UH) entered into a development lease agreement where the City would construct a 31,554 square foot building on City land, and UH would lease 23,621 square feet with the Pearland Economic Development Corporation (PEDC) occupying 3,281 square feet and 4,652 square feet would be used as a conference center/meeting area. The facility was completed in July 2010. As such, with the 2010 fiscal year this fund was created to account for the lease revenues and expenditures associated with the campus. Full year funding began October 1, 2010 for fiscal year 2011.

Per the agreement, UH and PEDC pay their pro rata share of operations and maintenance costs for the facility. In fiscal year 2010, the PEDC also approved paying for the operating costs associated with the conference center. UH share is 74.85% and PEDC is 25.15%.

Expenditures include custodial services, lawn maintenance, utilities, repair and maintenance, and insurance. Revenues and expenditures are a pass-through.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
MISCELLANEOUS	\$ 237,721	\$ 254,426	\$ 254,402
INTEREST INCOME	20	40	25
TRANSFERS IN	85,602	85,489	85,489
<b>TOTAL</b>	<b>323,343</b>	<b>339,955</b>	<b>339,916</b>
<b>EXPENDITURES</b>			
PERSONNEL	51,960	48,580	50,582
MATERIALS & SUPPLIES	6,194	5,600	5,350
MAINTENANCE OF BUILDINGS & GROUNDS	35,863	23,800	69,741
MISCELLANEOUS SERVICES	229,325	261,935	214,243
TRANSFERS OUT			
<b>TOTAL</b>	<b>323,343</b>	<b>339,915</b>	<b>339,916</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>		40	
<b>FUND BALANCE - BEGINNING</b>	0	0	0
<b>FUND BALANCE - ENDING</b>	<b>\$ -</b>	<b>\$ 40</b>	<b>\$ -</b>

**UNIVERSITY OF HOUSTON  
CAPITAL RENEWAL FUND - 141  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

In fiscal year 2009 the City and the University of Houston (UH) entered into a development lease agreement where the City would construct a 31,554 square foot building on City land, and UH would lease 23,621 square feet with the Pearland Economic Development Corporation (PEDC) occupying 3,281 square feet and 4,652 square feet would be used as a conference center/meeting area. The facility was completed in June/July 2010. The lease agreement establishes a Capital Renewal Fund with contribution of 1% of replacement value of the building to begin in Year 4 through Year 5 and a 2% contribution beginning in Year 6. Fiscal Year 2014 begins Year 4 with contribution required. The actual cost of the project was less than anticipated, resulting in a savings of \$321,862. Using the same pro-rata share for the total project costs allocation, UofH at 66.64%, PEDC at 11.22%, and the City at 22.14%, the funds were moved to the Capital Renewal Fund. A portion of the City's total, \$47,442, was transferred back to the City Debt Service Fund in fiscal year 2012, leaving a balance of \$274,420 to be allocated. UofH and PEDC is paid through December 2016, the City through March 2015. As such, the fiscal year 2015 budget includes a transfer in from the City of Pearland of \$8,041 for the full contribution for fiscal year 2015.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
MISCELLANEOUS	\$ -	\$ -	\$ -
INTEREST	349	335	300
TRANSFERS IN		8,041	8,041
<b>TOTAL</b>	<b>349</b>	<b>8,376</b>	<b>8,341</b>
<b>EXPENDITURES</b>			
TRANSFER TO FUND 140			
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	349	8,376	8,341
<b>FUND BALANCE - BEGINNING</b>	239,779	240,128	240,128
<b>FUND BALANCE - ENDING</b>	<b>\$ 240,128</b>	<b>\$ 248,504</b>	<b>\$ 248,469</b>

**MUNICIPAL CHANNEL (PEG) FUND - 145  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE  
FY 2015 PROJECTED BUDGET**

**OVERVIEW**

The Municipal Channel Fund was established in fiscal year 2012 to account for revenues and expenditures associated with City's Public, Education and Government (PEG) channel. The State legislature approved a legislative bill (S.B. 1087) during the 2011 82nd legislative session that allows for municipalities to receive 1% of gross revenues, labeled "State Franchise Fee," on customer bills to fund capital expenditures associated with public, education and government programming for the City's PEG channel. The funds can only be used for capital purchases such as cameras, monitors, cables, microphones, software programs or upgrades, computers, etc. Funds from the PEG fee are received quarterly.

Fiscal year 2015 expenditures include upgraded storage system with more memory, camera shoulder mount kit, external recorder camera monitor, LED light kit, Canon camera, expanding the dais, potentially improving cameras in the council chambers.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2015 Year End Projection
<b>REVENUES</b>			
FRANCHISE FEES	\$ 269,915	\$ 270,000	\$ 300,000
INTEREST INCOME	473	500	660
<b>TOTAL</b>	<b>270,387</b>	<b>270,500</b>	<b>300,660</b>
<b>EXPENDITURES</b>			
MATERIALS & SUPPLIES	7,615	8,000	3,241
BUILDINGS & GROUNDS	665		
MAINTENANCE OF EQUIPMENT		10,000	5,000
MISCELLANEOUS SERVICES	1,909	1,000	1,000
INVENTORY	27,688	24,700	25,822
CAPITAL OUTLAY	5,599	40,000	6,846
INTERFUND TRANSFER			
<b>TOTAL</b>	<b>43,476</b>	<b>83,700</b>	<b>41,909</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>226,911</b>	<b>186,800</b>	<b>258,751</b>
<b>FUND BALANCE - BEGINNING</b>	<b>260,515</b>	<b>487,426</b>	<b>487,426</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 487,426</b>	<b>\$ 674,226</b>	<b>\$ 746,177</b>

**FUND 50 - CAPITAL PROJECTS FUND  
PAY-AS-YOU-GO**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					<b>1,195,732</b>	<b>1,195,732</b>	<b>735,626</b>
<b>Revenues:</b>							
Interest Income					1,500	4,450	4,000
Miscellaneous							
Developer - Hooper Road					2,149,500	2,493,463	
Sale of Property					250,000	518,321	
Intergovernmental Revenues							
Intelligent Traffic System					855,058	864,358	
Lower Kirby Management District-Hooper							2,743,963
Transfers In - Fund 10							
Transfers In - Fund 15 <sup>(2)</sup>					2,181,096	1,790,415	
Transfers In - Traffic Imp.							
Transfers In - Fund 203							
Transfers In - Grant Fund <sup>(3)</sup>					266,977	266,977	
<b>Total Revenues</b>					<b>5,704,131</b>	<b>5,937,984</b>	<b>2,747,963</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Twin Creek Woods Drainage	DR0901	182,080	182,080	27,894	154,186		
Traffic Signal Network	FA1002	546,470	546,470	487,301	59,469	59,469	
Service Center Modifications	FA1201	31,685	31,685	18,559	13,126	3,000	
West Side Library	FA1202	844,226	844,226	844,929			
Fire Station #3	FA1302	294,868	294,868	243,878	50,990	50,990	
Centennial Park Phase II	P50071	495	495	495			
Trail Connectivity	P50072	1,483,764	1,483,764	786,147	697,617	697,617	
Business Center Drive	TR0811	4,241,159	4,241,159	4,227,916	13,243	4,216	
CR403 SPA MUD 16 Agreement	TR1101	1,011,843	1,011,843	1,011,843		405	
Intelligent Traffic System	TR1204	3,781,666	3,781,666	3,205,509	576,157	502,623	
Traffic Signal Improvements	TR1306	302,547	302,547	189,561	112,986	124,791	
Hooper Road	TR1406	3,724,000	3,724,000		3,724,000	3,730,820	
Intersection Redesign	TR1601	375,000					375,000
<b>Sub-Total Expenditures</b>		<b>16,819,803</b>	<b>16,444,803</b>	<b>11,044,032</b>	<b>5,401,774</b>	<b>5,173,931</b>	<b>375,000</b>
<b>Transfers-Out/Other Uses:</b>							
Lower Kirby Electrical	LK1401				1,027,742	1,002,742	
Lower Kirby Hooper Rd Reimbursement							2,057,973
Special Services							55,000
Transfer-Out - To Fund 203					23,000	171,045	271,764
Transfer-Out - To General Fund <sup>(1)</sup>					50,372	50,372	31,231
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>6,502,888</b>	<b>6,398,090</b>	<b>2,790,968</b>
<b>Ending Fund Balance</b>					<b>396,975</b>	<b>735,626</b>	<b>692,621</b>

<sup>(1)</sup> Allocation for Projects and Engineering Dept. expense

<sup>(2)</sup> Business Center Drive, Hooper Road, Lower Kirby Electrical

<sup>(3)</sup> CDBG Funds for Traffic Signal Improvements

**FUND 68 - CERTIFICATES OF OBLIGATION**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					(1,000,834)	(1,000,834)	92,458
<b>Revenues:</b>							
Interest Income						4,000	4,500
Intergovernmental Revenues							
TIP Funds - Green Tee Terrace Trail					433,096	433,096	2,906,254
TIP Funds - SCR Trail					248,562	248,562	1,299,804
TIP Funds - Safe Routes							1,038,730
Bond Proceeds - CO's					15,276,837	9,996,089	12,720,600
Transfer - In Fund 47							110,000
Transfer In - Fund 10					100,000	100,000	
Transfer In - Fund 50					23,000	171,045	271,764
Transfer In - Fund 140							20,250
Transfer In - Fund 201						28,799	
Grant Funds - CIAP <sup>(2)</sup>					475,000	463,350	
<b>Total Revenues</b>					<b>16,556,495</b>	<b>11,444,941</b>	<b>18,371,902</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Westchester Drainage & Sidewalks	DR1201	385,124	385,124	322,129	62,995	26,075	
Tom Reid Library	F20002	4,695,333					1,235,075
City Hall Complex Renovations	FA0904	5,672,250	4,907,431	62,811	4,844,620	542,233	5,245,081
Fire Station #3	FA1302	3,320,423	3,320,423	714,615	2,605,808	2,777,808	
Fire Station #2	FA1401	4,236,614	4,236,614	309,927	3,926,687	3,926,687	
Orange Street Service Center Phase I	FA1404	4,229,000	2,410,000		2,410,000	428,900	3,800,100
Fire Station #8	FA1501	6,609,210	6,800		6,800	6,800	416,840
Fire Station #1	FA1601	4,183,000					405,000
Shadow Creek Ranch Trail	PK1401	1,935,458	310,703	55	310,648	310,648	1,624,755
Green Tee Terrace Trail	PK1402	4,173,936	541,120	455	540,665	540,665	3,632,816
JHEC Nature Trails	P20008	1,425,000	475,000		475,000	463,350	
Old Town Area Sidewalks	TR0803	200,000	200,000		200,000		
Industrial Drive	TR1502	1,190,000	1,190,000		1,190,000	1,190,000	
Safe Routes to School	TR1602	2,738,503					1,477,952
<b>Sub-Total Expenditures</b>		<b>44,993,851</b>	<b>17,983,215</b>	<b>1,409,992</b>	<b>16,573,223</b>	<b>10,213,166</b>	<b>17,837,619</b>
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To General Fund <sup>(1)</sup>							320,558
Bond Issuance Costs					257,883	138,483	258,000
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>257,883</b>	<b>138,483</b>	<b>258,000</b>
<b>Ending Fund Balance</b>					<b>(1,275,445)</b>	<b>92,458</b>	<b>48,183</b>

<sup>(1)</sup>Allocation for Projects and Engineering Dept. expense

<sup>(2)</sup>For P20008

**FUND 70 - 2001 MOBILITY BONDS**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					134,230	134,230	
<b>Revenues:</b>							
Interest Income						222	
<b>Total Revenues</b>						<b>222</b>	
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Cowert's Creek Diversion	DR0602	2,864,278	2,864,278	2,844,727	19,551	17,293	
Yost Road	T70023	7,163,170	7,163,170	7,127,456	35,714	35,714	
Silent RR Crossing	TR1002	157,461	157,461	154,455	3,006		
<b>Sub-Total Expenditures</b>		10,184,909	10,184,909	10,126,638	58,271	53,007	
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To General Fund <sup>(1)</sup>					75,841	81,445	
Transfer-Out- To Fund 203							
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>134,112</b>	<b>134,452</b>	
<b>Ending Fund Balance</b>					118	0	0

<sup>(1)</sup>Allocation for Projects and Engineering dept. expense.

**FUND 200 - CERTIFICATES OF OBLIGATION SERIES 2006**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					1,816,398	1,816,398	0
<b>Revenues:</b>							
Interest Income						1,690	
<b>Total Revenues</b>					<b>0</b>	<b>1,690</b>	
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Lower Kirby UC Detention Phase 2	DR1301	1,405,000	1,405,000	122,365	1,282,635	104,499	
Mary's Creek Channel Improvements	DR2005	720,000	720,000	189,477	530,523	530,523	
<b>Sub-Total Expenditures</b>		<b>2,125,000</b>	<b>2,125,000</b>	<b>311,842</b>	<b>1,813,158</b>	<b>635,022</b>	
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To Fund 203						1,183,066	
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>1,813,158</b>	<b>1,818,088</b>	
<b>Ending Fund Balance</b>					<b>3,240</b>	<b>0</b>	<b>0</b>

**FUND 201 - CERTIFICATES OF OBLIGATION SERIES 2007**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					28,769	28,769	0
<b>Revenues:</b>							
Interest Income						30	
<b>Total Revenues</b>						<b>30</b>	
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
City Hall Complex Renovations	FA0904	22,941	22,941	22,941			
Old PD Building Renovations	FA0905	1,824,421	1,824,421	1,795,652	28,769		
<b>Sub-Total Expenditures</b>		<b>1,824,421</b>	<b>1,824,421</b>	<b>1,795,652</b>	<b>28,769</b>		
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out to Fund 068						28,799	
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>28,769</b>	<b>28,799</b>	
<b>Ending Fund Balance</b>					0	0	0

<sup>(1)</sup>Allocation for City Hall Renovations

FUND 202 - GO SERIES 2007A

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					818,640	818,640	0
<b>Revenues:</b>							
Interest Income						1,675	
TxDOT-Cullen/DFR					400,000	400,000	
<b>Total Revenues</b>					<b>400,000</b>	<b>401,675</b>	
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Cowart Creek Diversion	DR0602	10,115,270	10,115,270	10,068,208	47,062	47,062	
Trail Connectivity	P50072	179,384	179,384	179,384			
Bailey Road	T08002	4,043,656	4,043,656	3,719,512	324,144	324,144	
SH35 Signals - Opticon	TR1103	50,000	50,000	7,670	42,330	580	
<b>Sub-Total Expenditures</b>		<b>14,388,310</b>	<b>14,388,310</b>	<b>13,974,774</b>	<b>413,536</b>	<b>371,786</b>	
<b>Transfers-Out/Other Uses:</b>							
Transfer to Fund 203 <sup>(1)</sup>					805,296	848,529	
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>1,218,832</b>	<b>1,220,315</b>	<b>0</b>
<b>Ending Fund Balance</b>					(192)	0	0

<sup>(1)</sup> For Bailey Road and Project Management

**FUND 203 - General Obligation Series 2009, 2010, 2011, 2014**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					<b>12,621,875</b>	<b>12,621,875</b>	<b>1,450,521</b>
<b>Revenues:</b>							
Bond Proceeds - GO's					17,223,546	8,725,000	22,252,800
Bond Proceeds - CO's					412,300		573,064
Future Bond Proceeds					2,631,250		
Interest Income					20,000	35,000	40,000
Intergovernmental Revenues							
TxDOT-Pearland Pkwy							
TxDOT-Fite Road					3,376,604	894,139	2,390,965
TxDOT-Max Road					4,981,994	4,893,984	
TxDOT-McHard					5,204,531	1,880,156	3,742,631
TxDOT-Smith Ranch Rd Extension					263,025	459,033	733,442
TxDOT-Bailey					7,200,000	7,200,000	14,251,475
TxDOT-Hughes Ranch Road							13,577,563
Alvin ISD - Kirby						208,350	100,361
Misc. Revenue from KPB					1,794	1,794	
Misc. Revenue - Kirby						41,600	
Transfer from Fund 15 <sup>(3)</sup>					500,000	459,000	
Transfer from Fund 47					100,000	150,000	86,000
Transfer from Fund 49					31,100	31,100	
Transfer from Fund 55					67,224	67,224	
Transfer from Fund 70					75,841	81,445	
Transfer from Fund 199							1,165,000
Transfer from Fund 200						1,183,066	
Transfer from Fund 202 <sup>(2)</sup>					805,296	848,529	
Transfer from Traffic Improvement Fund 35					91	91	
<b>Total Revenues</b>					<b>42,894,596</b>	<b>27,159,511</b>	<b>58,913,301</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Cowart Creek Diversion	DR0602	1,700,000	1,700,000	69,858	1,630,142	1,630,142	
Cullen/FM518 Detention	DR1103	4,808,000	714,000	217,599	496,401	32,401	700,000
OTS Drainage	DR1302	3,415,000	2,588,200		2,588,200	163,034	600,800
Drainage Master Plan	DR1501	500,000				500,000	
Hickory Slough Detention	DR2003	3,764,984	3,655,418	3,582,541	72,877		
Tom Reid Library	F20002	3,424,998	3,822,300	13,501	3,808,799	303,274	3,108,225
Independence Park Ph 1	P20001	3,609,073	179,810		179,810	179,810	1,906,803
Shadow Creek Ranch Complex	P20002	8,718,000	8,718,000	1,522,936	7,195,064	7,195,064	
Delores Fenwick Nature Center	P20004	2,333,653	158,000		158,000	158,000	790,122
Max Road Sports Complex	P20005	4,606,117	4,606,117	3,987,270	618,847	377,000	
JHEC Nature Trails	P20008	63,066	63,066	50,631	12,435	12,435	
Centennial Park	P50071	2,765,800	2,365,800	70,718	2,295,082	867,082	1,828,000
Bailey Veterans to FM1128	T08002	29,268,077	11,398,957	1,945,101	9,453,856	9,078,631	18,244,345
Old Alvin Road Widening	T20002	11,934,900	472,525	459,962	12,563	191,576	1,514,800
Hughes Ranch Rd (CR403)	TR1201	27,469,536	1,658,000	48,825	1,609,175	1,267,175	17,344,591
Fite Road	TR1202	4,951,662	4,433,480	278,552	4,154,928	1,041,938	3,631,172
Pearland Parkway Extension	TR1203	2,078,512	2,078,512	1,649,639	428,873	364,712	
Max Road	TR1205	8,012,617	6,462,617	419,788	6,042,829	6,042,829	1,550,000
CR59 Expansion	TR1304	2,837,223	2,491,933	1,295,819	1,196,114	456,176	
Regency Park Subdivision Paving	TR1402	3,168,718	3,168,718	146,151	3,022,567	2,114,963	1,240,790
Kirby Drive Expansion	TR1404	3,314,107	3,142,936	142,731	3,000,205	2,105,116	1,066,260
McHard Road Extension	TR1405	42,708,789	5,736,052	27,496	5,708,556	2,622,699	4,378,289
Smith Ranch Road Expansion	TR1501	5,966,034	328,668		328,668	573,678	916,803
Industrial Drive	TR1502	1,190,000	1,190,000		1,190,000		
<b>Sub-Total Expenditures</b>		<b>182,608,866</b>	<b>71,133,109</b>	<b>15,929,118</b>	<b>55,203,991</b>	<b>37,277,735</b>	<b>58,821,000</b>
<b>Transfers-Out/Other Uses:</b>							
Special Services - Mykawa					23,333	23,333	
Bond Issuance Costs					335,000	195,500	430,000
Transfer to General Fund <sup>(1)</sup>					834,297	834,297	616,055
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>56,396,621</b>	<b>38,330,865</b>	<b>59,867,055</b>
<b>Ending Fund Balance</b>					<b>(880,150)</b>	<b>1,450,521</b>	<b>496,767</b>

<sup>(1)</sup>For Projects and Engineering Department Expense

<sup>(2)</sup>For Bailey T08002

<sup>(3)</sup>From PEDC for Max Road Soccer Complex

**FUND 42 - UTILITY IMPACT FEE FUND**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					12,060,607	12,060,607	7,385,443
<b>Revenues:</b>							
Water Impact Fees					2,166,503	2,635,479	1,933,753
Sewer Impact Fees					2,094,227	2,244,785	1,574,525
Interest Income					15,000	48,173	45,000
Bond Proceeds					16,605,364	16,605,364	48,272,055
Transfer In from Fund 30					484,638	484,638	
Transfer In from Fund 44							
<b>Total Revenues</b>					<b>21,365,732</b>	<b>22,018,439</b>	<b>51,825,333</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
City of Houston Water Line Connection	W42051	19,094,046	19,049,579	18,964,347	85,232		
Old Alvin Road Water Line	WA1101	3,269,003	3,269,003	3,304,051		79,657	
McHard Road Waterline	WA1201	6,337,381	6,337,381	1,333,876	5,003,505	4,351,137	
Tom Bass Loop	WA1203	527,444	527,444		527,444	527,444	
Pearland Pkwy Extension	WA1206	31,329	31,329		31,329	31,329	
SH35 Waterline FM518 to Magnolia	WA1302	2,326,142	2,326,142	207,481	2,118,661	2,018,661	
FM521 Waterline (to Mooring)	WA1505	1,758,000	211,890		211,890	211,890	1,546,110
Kirby Road Waterline	WA1506	215,350	215,350		215,350	215,350	
McHard Rd. 16" Waterline Phase II	WA1601	5,936,480					100,000
Hughes Ranch Road West 12" Water Line	WA1602	1,201,000					585,000
Riverstone Ranch Oversizing	WW0901		210,157		210,157		
Southdown WWTP Rehab	WW1201	35,281	35,281	35,281			
Reflection Bay Water Reclamation	WW1405	48,222,000	4,900,000	393,711	4,506,289	4,914,289	29,814,000
McHard Rd. Trunk Sewer	WW1406	5,241,161	486,261		486,261	886,261	1,155,000
Roy/Max/Garden Basin System	WW1501	2,651,800	330,000		330,000		
Barry Rose WWTP	WW1502	21,827,500	350,000		350,000		300,000
Reflection Bay Package Plant	WW1508	11,000,000	11,000,000		11,000,000	11,000,000	
Relocation Mykawa Scott LS	WW1602	4,487,720					335,000
JHEC WWTP Expansion	WW1603	25,459,000				300,000	2,960,000
Roy/Max/Garden Basin System	WW1605	2,845,000					50,000
<b>Sub-Total Expenditures</b>		<b>162,465,637</b>	<b>49,279,817</b>	<b>24,238,747</b>	<b>25,076,118</b>	<b>24,536,018</b>	<b>36,845,110</b>
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To General Fund <sup>(1)</sup>					146,785	146,785	144,039
Transfer-Out - To Fund 30 <sup>(2)</sup>					1,709,713	1,709,713	1,674,203
Transfer-Out - To Fund 67						210,157	150,000
Bond Issuance Costs					90,930	90,930	1,107,500
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>27,023,546</b>	<b>26,693,603</b>	<b>39,920,852</b>
<b>Less Reserved for Reflection Bay in 2017</b>							13,700,000
<b>Ending Fund Balance</b>					<b>6,402,793</b>	<b>7,385,443</b>	<b>5,589,924</b>

<sup>(1)</sup> Allocation for Projects and Engineering Dept. expenses.

<sup>(2)</sup> Debt Service allocation for projects funded by City issuing debt.

**FUND 44 - SHADOW CREEK RANCH IMPACT FEES**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					195,725	195,725	923,912
<b>Revenues:</b>							
Shadowcreek Impact Fees					554,126	1,346,005	882,270
Interest Income					2,060	5,200	8,000
<b>Total Revenues</b>					<b>556,186</b>	<b>1,351,205</b>	<b>890,270</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To Water/Sewer Fund <sup>(1)</sup>					623,018	623,018	670,416
Transfer-Out - To Fund 42							
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>623,018</b>	<b>623,018</b>	<b>670,416</b>
<b>Ending Fund Balance</b>					<b>128,893</b>	<b>923,912</b>	<b>1,143,766</b>

<sup>(1)</sup>Debt Service allocation for projects funded by City issuing debt.

**FUND 64 - Certificates of Obligation 1998**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					540,253	540,253	0
<b>Revenues:</b>							
Interest Income						1,500	
<b>Total Revenues</b>						<b>1,500</b>	
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Inflow & Infiltration	WW0805	729,317	729,317	521,312	208,005	201,559	
Sanitary Sewer Rehab.	WW1507	340,194	331,979		331,979	340,194	
<b>Sub-Total Expenditures</b>		1,069,511	1,061,296	521,312	539,984	541,753	0
<b>Transfers-Out/Other Uses:</b>							
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>539,984</b>	<b>541,753</b>	
<b>Ending Fund Balance</b>					269	0	0

**FUND 67 - WATER & SEWER REVENUE BOND FUNDS**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					1,293,865	1,293,865	859,207
<b>Revenues:</b>							
Interest Income					15,000	12,720	14,872
Transfer from Fund 30					547,015	547,015	
Transfer from Fund 301						1,590,895	
Transfer from Fund 42						210,157	150,000
Transfer from Fund 302							677,560
Bond Proceeds					5,840,154	3,696,754	1,190,260
<b>Total Revenues</b>					<b>6,402,169</b>	<b>6,057,541</b>	<b>2,032,692</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
SH35 North <sup>(2)</sup>	W67993	5,183,305	5,183,305	4,402,614	780,691	425,000	
GEC Administration	WA1001	300,000	216,078	207,715	8,363		
Tom Bass Loop	WA1203	68,600	68,600		68,600	68,600	
Old City Hall GST	WA1401	125,000	125,000		125,000	125,000	
Toll Road Utility Relocate	WA1501	789,460	40,000		40,000	40,000	749,460
Regency Park Water Line	WA1503	626,245	626,245		626,245	800,000	
Kingsley Water Line	WA1507	35,000				30,000	
SH35 North Force Main	WW0801	356,975	356,975		356,975		
Riverstone Ranch Oversizing	WW0901	711,282	296,778	273,147	23,631	274,683	163,452
Longwood LS Replacement and Plant Rehab.	WW0902	3,081,930	3,081,930	3,031,029	50,901	964	
Barry Rose WWTP	WW1004	3,753,760	3,700,438	3,682,273	18,165		
Twin Creek Regional SCADA LS Rehab.	WW1101	2,360,355	2,360,355	2,335,573	24,782	24,782	
Far Northwest WWTP Decanter	WW1102	1,058,055	977,629	977,628	1		
Hatfield Basin Trunk Sewer Line	WW1103	6,889,000	6,889,000	6,384,845	504,155	474,155	
Southdown WWTP Replacement	WW1201	1,357,392	697,495		697,495	697,495	850,000
West Oaks Lift Station Retirement	WW1304	818,350	818,350		818,350	818,350	
Oak Brook Lift Station	WW1401	256,190	256,190		256,190	256,190	
Pearland Heights Lift Station	WW1402	255,024	255,024		255,024	255,024	
Longwood Service Area Phase 2	WW1404	644,190	672,970	49,802	623,168	743,170	
Green Tee Diversion	WW1503	324,170	324,170		324,170		
Lift Station Program	WW1506	2,957,050					440,800
SWEC Filter and Bar Screen Improvements	WW1504	1,240,000	1,240,000		1,240,000	1,240,000	
Orange/Mykawa Lift Station	WW1601	1,175,200					166,300
Green Tee Diversion	WW1604	764,000					182,000
<b>Sub-Total Expenditures</b>		<b>35,130,533</b>	<b>28,186,532</b>	<b>21,344,626</b>	<b>6,841,906</b>	<b>6,273,413</b>	<b>2,552,012</b>
<b>Transfers-Out/Other Uses:</b>							
Transfer-Out - To General Fund <sup>(1)</sup>					218,786	218,786	196,863
Transfer-Out - To Fund 301							
Transfer-Out - To Fund 30							
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>7,060,692</b>	<b>6,492,199</b>	<b>2,748,875</b>
<b>Ending Fund Balance</b>					<b>635,342</b>	<b>859,207</b>	<b>143,024</b>

<sup>(1)</sup>Allocation for Projects and Engineering Departments.

<sup>(2)</sup>Assumes no additional payments to TxDOT.

**FUND 301 - WATER/SEWER PAY AS YOU GO CIP**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					1,772,664	1,772,664	1,114,453
<b>Revenues:</b>							
Interest Income					500	3,300	3,300
Intergovernmental						2,491,075	
Transfer from PEDC					251,000	612,543	
Transfer from Fund 30							1,000,000
<b>Total Revenues</b>					<b>251,500</b>	<b>3,106,918</b>	<b>1,003,300</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
Twin Woods/Clearcreek Estates WL	WA0806	138,104	138,104	138,103	1		
GEC Administration	WA1001	300,000	180,000	44,072	135,928	135,928	50,000
Tom Bass Loop	WA1203	101,000	101,000	62,233	38,767	38,767	
Bailey Water Plant	WA1204	2,200,587	200,000	7,917	192,083	192,083	
East Orange Waterline	WA1205	102,060	102,060	68,916	33,144	33,144	
Hughes Ranch Rd Waterline	WA1301	61,761	61,761	59,961	1,800		
Hooper Road Water Line	WA1504	128,000	128,000		128,000	186,403	
Underground Piping Infrastructure	WA1603	1,250,000					250,000
AC Water Line Replacement	WA1604	14,110,000					500,000
Riverstone Ranch Oversizing	WW0901	43,222	43,222	2,327	40,895		
Walnut Lift Station	WW1203	1,146,639	1,146,639	512,688	633,951	633,951	
Eliminate Somersetshire LS	WW1303	37,550	37,550	27,550	10,000		
West Oaks LS Retirement	WW1304	151,166	151,166	26,516	124,650	150,441	
Hooper Road Sanitary Sewer	WW1407	123,000	123,000		123,000	426,140	
Hawk Hillhouse Sanitary Sewer	WW1505	150,000	225,000	1,170	223,830	223,830	
Lift Station Rehab Program	WW1506	3,016,650	57,000		57,000	59,600	
Sanitary Sewer Rehab.	WW1507	15,100,000					500,000
<b>Sub-Total Expenditures</b>		<b>38,159,739</b>	<b>2,694,502</b>	<b>951,453</b>	<b>1,743,049</b>	<b>2,080,287</b>	<b>1,300,000</b>
<b>Transfers-Out/Other Uses:</b>							
Transfer Out to General Fund <sup>(1)</sup>					93,947	93,947	191,140
Transfer Out to Fund 67 <sup>(2)</sup>						1,590,895	
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>1,836,996</b>	<b>3,765,129</b>	<b>1,491,140</b>
<b>Ending Fund Balance</b>					<b>187,168</b>	<b>1,114,453</b>	<b>626,613</b>

<sup>(1)</sup>Allocation for Projects and Engineering Departments.

<sup>(2)</sup>Combine Riverstone Ranch Oversizing to one fund.

**FUND 302 - MUD 4 CAPITAL PROGRAM**

	Project Number	Project Budget	Funded Budget	Thru 9/30/2014	FY 15 Budget	FY 15 Projection / Carryover	FY 16 Proposed
<b>Beginning Fund Balance</b>					1,128,380	1,128,380	770,037
<b>Revenues:</b>							
Interest Income						2,580	1,000
<b>Total Revenues</b>						<b>2,580</b>	<b>1,000</b>
<b>Expenditures:</b>							
<b>Current Year Active Projects:</b>							
McHard Road 2nd Outfall	DR1402	400,000	400,000	43,546	356,454	335,958	
WP GST & Chloramine	WA1305	652,669	652,669	637,619	15,050	2,534	
LS #2 MUD 4 Landscape	WW1305	10,580	10,580	10,580			
<b>Sub-Total Expenditures</b>		<b>1,063,249</b>	<b>1,063,249</b>	<b>691,745</b>	<b>371,504</b>	<b>338,492</b>	
<b>Transfers-Out/Other Uses:</b>							
Transfer Out to General Fund					22,431	22,431	
Transfer to Fund 67							677,560
<b>Total Expenditures/Transfers-Out/Other Uses</b>					<b>393,935</b>	<b>360,923</b>	<b>677,560</b>
<b>Ending Fund Balance</b>					<b>734,445</b>	<b>770,037</b>	<b>93,477</b>