



CITY OF PEARLAND

Monthly Financial Report

Fiscal Year 2016

Month of March 2016

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This report represents a general overview of financial operations through March 2016, the first six months, and at 50%, of the fiscal year 2016.

Budgeted beginning balances reflect actual balances and are audited. Annual revenue and expenditure budget numbers reflect the budget for FY 2016 as adopted by the City Council in September and includes funds carried over from FY 2015 as approved by City Council in December and March approval of General Fund over policy expenditures.

Summary

Property Tax received through March totals \$56,569,128, 97.2% of the adjusted Levy. Last year at this time, collections were 95.3% of the adjusted Levy. Taxes received this year are \$5,525,935 or 10.8% higher than last year at this time.

Sales Tax through March is estimated to be \$14,868,460, 5.7% higher than March 2015, and 48.8% of the adopted budget of \$30,478,978.

The **General Fund** fund balance as of March 31, 2016 is \$32,998,852. In March, Council appropriated \$2,500,644 of the funds exceeding the fund balance policy for one-time expenditures. Revenues total \$45,336,919, 64% of the amended budget. Total expenditures are \$33,692,307, 43% of budget.

The **Water/Sewer** revenues total \$19,624,678, 50.3% of budget and, excluding capital lease proceeds, are higher than last year by \$3,460,939, 22.0%, due to higher water sales and sewer revenues, and a 16% rate increase effective October 2015. Billed consumption through March totals 1.8 billion gallons compared to 1.6 billion last year, an 14.9% increase, mainly in residential consumption. Expenditures are 39.3% of budget, at \$15,610,349.

Medical claims paid through March total \$2,465,816, excluding accruals, and is \$468,700 or 16.0% less than last year for the same period, and at 36.0% of budget. Revenue from premiums, including transfers from vacant positions, is \$901,344 or 32.8% higher than March 2015.

Hotel/Motel Occupancy Tax for the first quarter this year is \$17,898 lower than last year and at 21.4% of budget. Second quarter payments will be received in April/May.

PROPERTY TAX

The certified net taxable value for all three counties totaled \$7.85 billion. With adjustments to values, the adjusted value to date is \$8,478,854,503. Through March the City received \$56,569,128 for current taxes, 97.2% of the adjusted property tax levy of \$58,225,675, and does not include collected delinquent, prior years' collections or audit adjustments. The budget incorporates a 98.5% collection rate.

Tax Summary	FY 2016 ADJUSTED LEVY 100%	FY 2016 BUDGETED LEVY 98.5%	FY 2016 ACTUAL COLLECTIONS	% BUDGETED LEVY COLLECTED
Sources:				
Ad Valorem Taxes	\$58,911,758	\$58,225,675	\$56,569,128	96.0%
Uses:				
General Fund	13,974,245	13,809,808	13,769,805	99.7%
Debt Service Fund	30,322,540	29,971,099	29,878,935	99.7%
TIRZ	14,614,973	14,444,768	12,920,389	89.4%
Total Uses	\$58,911,758	\$58,225,675	\$56,569,128	97.2%

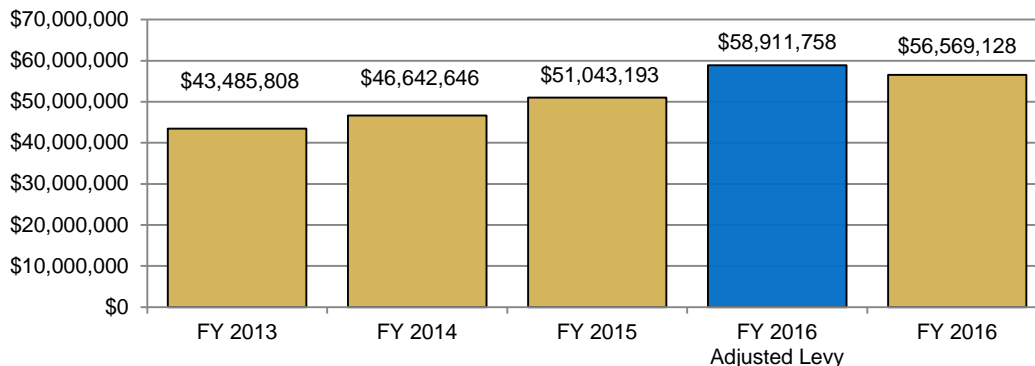
Reconciliation of Tax Roll:

¹ Certified Value	\$7,853,319,170	Certified Residential Market Value	\$6,049,802,648
Adjustments	625,535,333	² Certified Commercial Market Value	\$3,155,686,717
¹Adjusted Value to Date	\$8,478,854,503	Total	\$9,205,489,365
Tax Rate per \$100 Value	0.7053		
¹Total Levy @ 100% Collections	\$58,911,758	Homestead Productivity Value Loss	(\$122,449,553)
¹ Current Taxes Receivable	2,342,407	Exemptions	(\$1,229,720,742)
Delinquent Taxes Receivable	732,116		
Total Taxes Receivable	\$3,074,523	2015 Certified Taxable Value	\$7,853,319,070

¹Source – Brazoria County Tax Assessor/Collector; levy includes AG Rollback.

²Includes Builder Inventory and Vacant Platted Tracts.

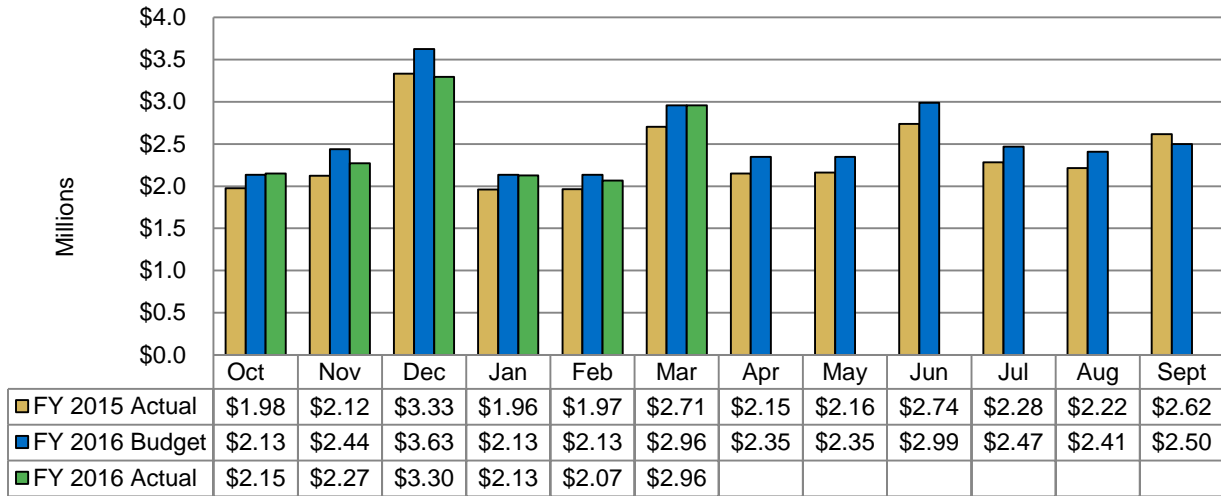
**Property Tax Collections
Fiscal Year-to-Date - for March 2016**



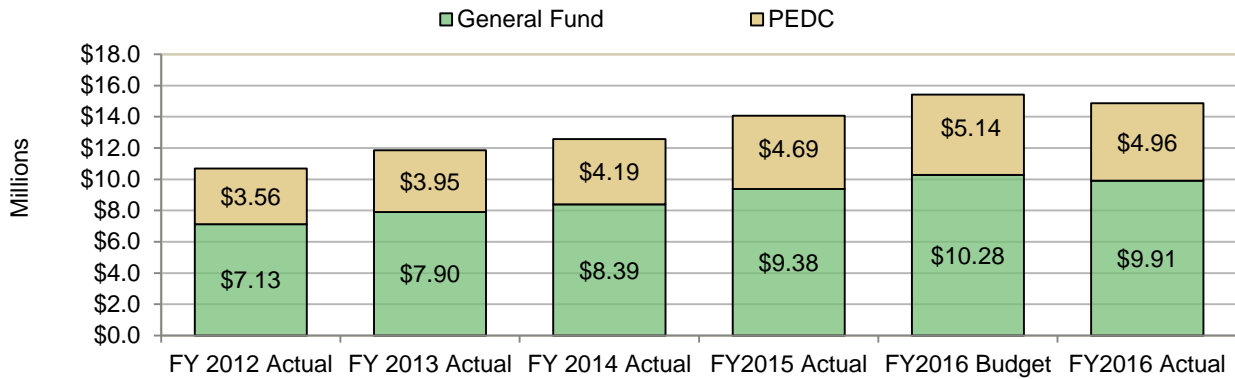
SALES TAX

The estimated sales tax through the month of March is \$14,868,430, \$803,786, or 5.7% higher than last year, and 48.8% of the adopted budget of \$30,478,978. Sales tax for February in the amount of \$2,066,721 was received in April and was \$66,807 or 3.1% lower than the budgeted amount of \$2,133,528 for the month of February. March sales tax will be received in May. For further detail, see the monthly Sales Tax Report.

Sales Tax Collections - March 2016 for FY 2015-2016



Year-To-Date Sales Tax Collections through March 2016



DEBT SERVICE

Property taxes received through March total \$30,044,604, 99.2% of budget, and bond premiums received total \$10,438,123. Miscellaneous revenue of \$375,663 consists of pro rate lease payments from the tenants in the University of Houston facility. Transfers from the City total \$303,998. Total revenues through March are \$41,198,733.

Payments on current bonds totaling \$28,798,724 were due and paid by March 1. The second payment is due September 1, and MUD property tax rebates budgeted at \$6,161,809 are to be paid in May 2016.

Fund balance at March 31, 2016 is \$16,960,717, over the budgeted fund balance by \$11,767,672, but as bond payments are made, should end up close to the budgeted fund balance of \$5,193,045.

	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues			
Property Taxes	\$30,293,599	\$30,044,604	99.2%
Interest	36,000	36,345	101.0%
Miscellaneous	750,039	375,663	50.1%
Bond Premiums		10,438,123	
Transfers	607,997	303,998	50.0%
Total Revenues	31,687,635	41,198,733	130.0%
Expenditures			
MUD Rebates	6,161,809	0	0.0%
Bond Payment	24,384,798	28,798,724	118.1%
Fiscal Agent/Arbitrage	51,960	8,125	15.6%
Short-Term Note	929,640	464,784	50.0%
Total Expenditures	31,528,207	29,271,633	92.8%
Net Change in Fund Balance	159,428	11,927,100	7481.2%
Beginning Fund Balance	5,033,617	5,033,617	100.0%
Ending Fund Balance	\$5,193,045	\$16,960,717	326.6%

GENERAL FUND

Estimated revenues total \$45,336,919, at 64% of the budget.

- Property tax collection for maintenance and operations at \$13,992,288 is 98.6% of budget and \$1,386,128, or 11% higher than March 2015.
- Estimated sales tax through March totals \$9,912,290, \$535,860, or 5.7%, higher than last year for the same period, and at 48.8% of the annual budget.
- Franchise Fees through March are \$3,081,387, 44.0% of the budget.
- Licenses & Permits total \$2,643,661, 66.6% of the budget, \$560,599 or 26.9% higher than last year at this time, mainly due to development.
- Fines and Forfeitures total \$1,521,009, 52.1% of the budget, less than last year by 0.7%.
- Charges for Service through March total \$11,167,593, 69.7% of budget; up by \$809,870 or 7.8% compared to March 2015, mainly due to an increase in TIRZ fees of \$958,108 or 13.1%.

Expenditures, including transfers, total \$33,692,307 and are 43% of budget.

- General Government is 43% of the budget. Expenditures include software and hardware associated with the ERP conversion.
- Public Safety expenditures increased over last year at this time by \$1,449,471 or 8.6% mainly due to increased staffing of Police and an increase in Fire positions due to the opening of Fire Stations #2 and #3. Currently, Public Safety is 45.2% of the current budget.
- Public works is only 34% of the current budget as construction projects will kick off in the warmer months.
- Community Services are 47% of the current budget.
- Parks expenditures are up by \$447,139, 17.5%, mainly due to the Recreation Center/Natatorium security system upgrade and weight room floor replacement, which will be funded with carryover from fiscal year 2015 and are 43.5% of budget.

The General Fund fund balance as of March 31, 2016 is \$32,998,852. In March, the City Council appropriated \$2,500,644 of the fund balance over policy for one-time expenditures, which increases the amended budget to \$78,359,546, leaving \$2,617,547 fund balance budgeted over policy.

GENERAL FUND (continued)

	FY 2015 ACTUAL TO-DATE	FY 2015 % of BUDGET	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues					
Property Taxes	\$12,606,159	95.5%	\$14,190,297	\$13,992,288	98.6%
Sales and Use Taxes	9,243,800	48.8%	20,594,329	9,972,249	48.4%
Franchise Fees	2,936,110	44.2%	7,003,454	3,081,387	44.0%
Licenses & Permits	2,083,061	53.0%	3,967,489	2,643,661	66.6%
Fines & Forfeitures	1,532,140	52.5%	2,919,450	1,521,009	52.1%
Charges for Service	10,357,722	75.7%	16,032,997	11,167,593	69.7%
Miscellaneous	391,006	46.4%	942,014	562,029	59.7%
Transfers in	1,388,566	36.1%	3,441,391	1,596,703	46.4%
Other Financing Sources	556,049	41.0%	1,700,000	800,000	47.1%
Total Revenues	41,094,612	62.9%	70,791,421	45,336,919	64.0%
Expenditures					
General Government	4,703,570	43.1%	12,584,264	5,407,505	43.0%
Public Safety	16,883,735	47.5%	40,535,971	18,333,206	45.2%
Public Works	4,259,317	35.9%	13,161,102	4,479,641	34.0%
Community Services	1,523,842	48.2%	3,804,719	1,786,841	47.0%
Parks & Recreation	2,560,591	39.6%	6,918,722	3,007,730	43.5%
Total Operating Expenditures	29,931,056	44.1%	77,004,778	33,014,923	42.9%
Transfers Out	769,351	57.8%	1,354,768	677,384	50.0%
Total Expenditures	30,700,407	44.3%	78,359,546	33,692,307	43.0%
Revenues Over/(Under)					
Expenditures	10,394,205	366.9%	(7,568,125)	11,644,612	253.9%
Beginning Fund Balance	19,454,500		21,354,240	21,354,240	
Ending Fund Balance	\$29,848,705	191.8%	\$13,786,115	\$32,998,852	239.4%

Policy - 2 months Recurring Oper.
Fund Balance over Policy

11,168,568
2,617,547

ENTERPRISE FUND - WATER/SEWER

Revenues totaling \$19,624,678 are 50.3% of budget and \$3,884,232, or 24.7%, more than last year at this time, including capital lease proceeds received this year of \$423,293.

- Water and Sewer revenues of \$17,033,920 from utility billing make up 86.8% of the total \$19,624,678 revenue received and are 50.1% of the \$34,028,464 budgeted for water and sewer service charges. A 16% revenue increase was effective October 2015.
- Consumption billed to date is up from last year by 236 million gallons, or 14.9%, from 1.6 billion gallons to 1.8 billion. 157.6 million gallons of the increase are attributable to residential usage.

Expenses total \$15,610,349 and are up \$1,426,746 or 10.1% over this same time last year, but only 39.3% of budget this year.

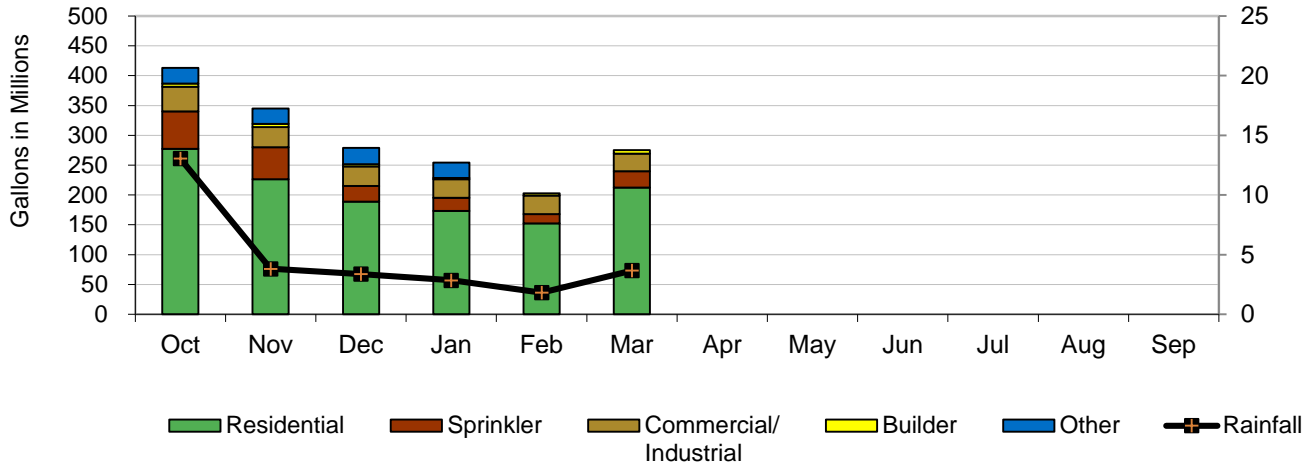
The available ending cash equivalent as of March 31, 2016, is \$16,708,709, including debt service reserves of \$2,930,425. The fund meets, and exceeds, bond coverage and reserve requirements. The amended budget ending balance is \$12,247,088.

	FY 2015 ACTUAL TO-DATE	FY 2015 % of BUDGET	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues					
Sale of Water	\$6,966,104	48.5%	\$17,846,715	\$8,895,308	49.8%
Sewer Revenues	6,427,372	50.1%	16,181,749	8,138,612	50.3%
Other Service Charges	861,625	54.2%	1,617,554	816,921	50.5%
Interest Income	75,858	54.3%	105,000	(17,712)	-16.9%
Other Miscellaneous Income	125,376	56.0%	232,557	76,906	33.1%
Transfers In	1,284,111	50.0%	2,582,700	1,291,350	50.0%
Capital Lease Proceeds			423,293	423,293	100.0%
Total Revenues	15,740,446	48.9%	38,989,568	19,624,678	50.3%
Expenses					
Public Works					
Administration	240,077	43.3%	591,636	293,949	49.7%
Lift Stations	400,508	24.6%	1,668,807	602,270	36.1%
Wastewater Treatment	2,003,082	43.5%	4,582,854	2,194,646	47.9%
Water Production	3,362,840	40.0%	8,334,879	3,743,136	44.9%
Distribution & Collection	873,021	35.5%	2,420,276	1,494,186	61.7%
Construction	267,203	30.5%	899,465	297,492	33.1%
Water Meter Services	549,764	145.2%	1,587,264	580,430	36.6%
ROW Mowing	169,819	15.6%	436,171	203,299	46.6%
Utility (Billing) Customer Services	488,723	379.6%	1,202,794	472,388	39.3%
General Government - IS			25,675	123	0.5%
General Government - IS - GIS	75,249	5.3%	177,367	68,911	38.9%
Other Requirements	5,753,317	41.0%	17,817,435	5,659,519	31.8%
Total Expenses	14,183,603	38.3%	39,744,623	15,610,349	39.3%
Revenues Over/(Under) Expenses	1,556,843	-32.2%	(755,055)	4,014,329	632.1%
Beginning Cash Equivalents	15,373,775	100.0%	15,624,805	15,624,805	100.0%
Reserve for Debt Service	1,929,503	84.7%	2,623,222	2,930,425	111.7%
Ending Cash Equivalents	\$15,001,115	181.7%	\$12,247,088	\$16,708,709	136.4%
Bond Coverage - 1.4			1.71		
Cash Reserve Ratio - 25%			25%		

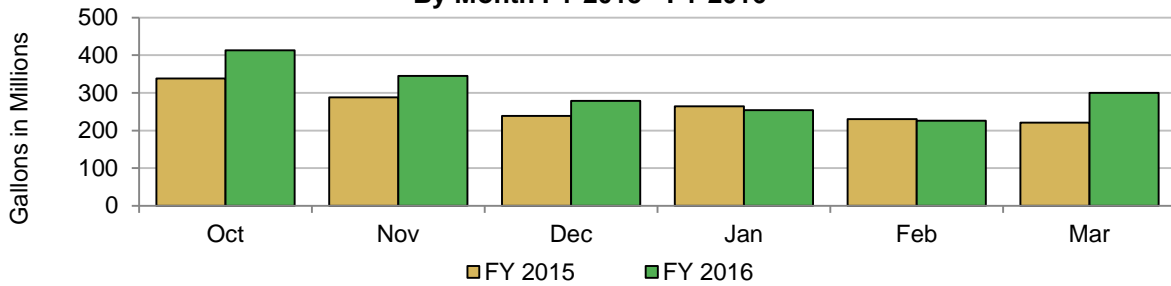
ENTERPRISE FUND - WATER CONSUMPTION

Rainfall through March this fiscal year increased by 2.9 inches from this same time last year. Generally, consumption is affected by rainfall – high rainfall contributes to lower consumption; however, the change may not appear during the same month. There is a lag from the month of rainfall to the consumption reported, as the billings for consumption take place 4 times per month, for each prior month usage.

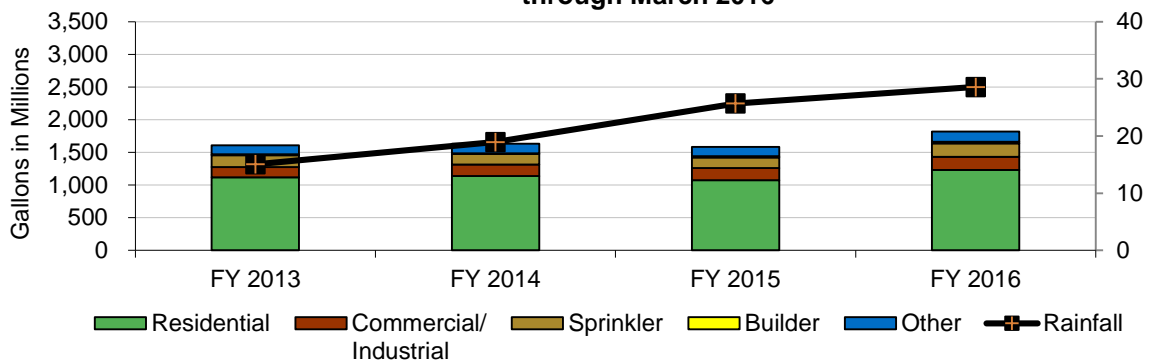
Water Consumption by Major User Class and Rainfall By Month FY 2016



Water Consumption Comparison By Month FY 2015 - FY 2016



Water Consumption Fiscal Year-to-Date Comparison FY2013 - FY 2016 through March 2016

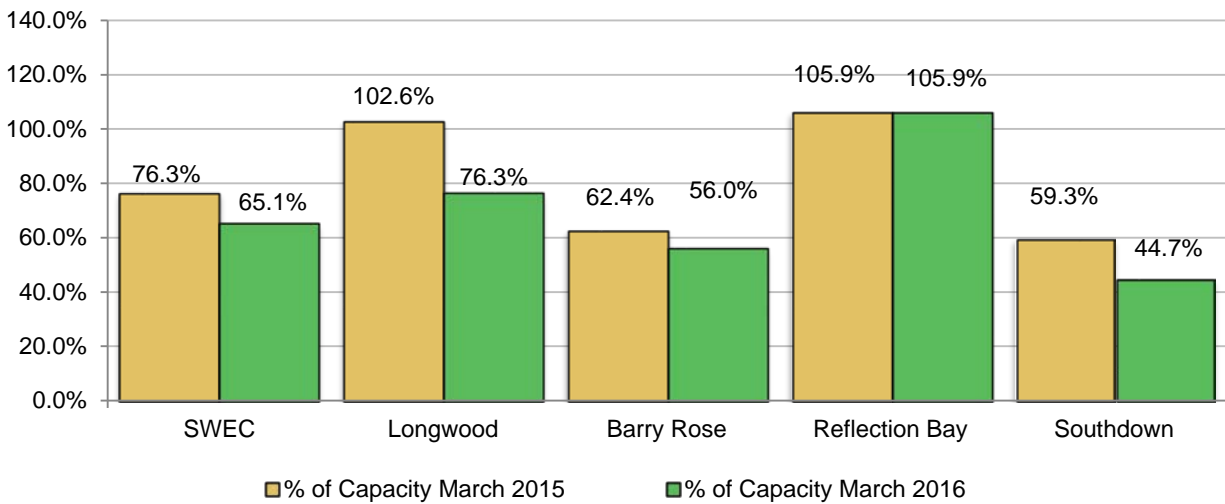


ENTERPRISE FUND – WASTEWATER TREATMENT PLANT CAPACITY

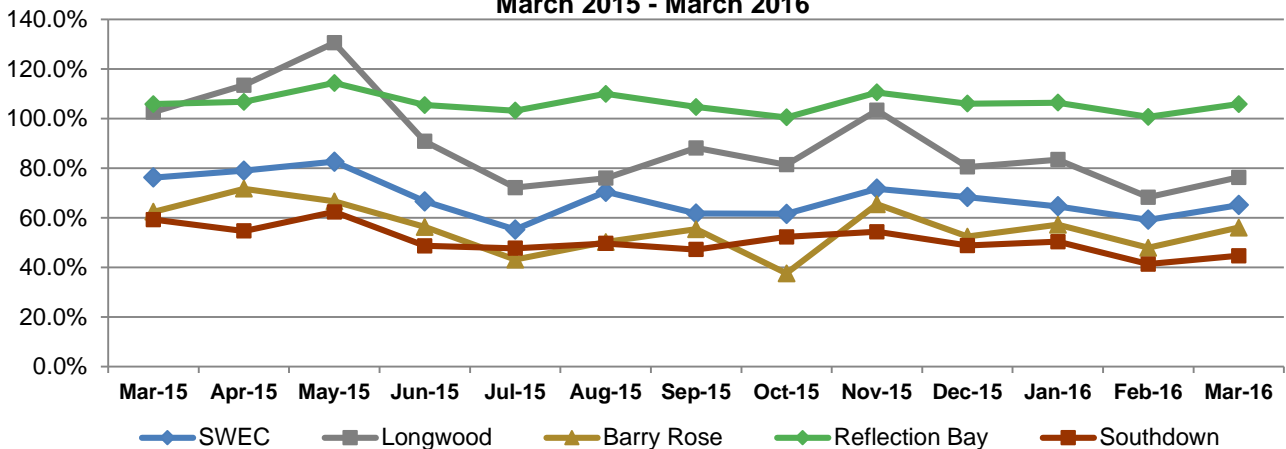
Volume at the Reflection Bay facility continued to be above capacity in March, at 105.9%. All other facilities were below 100% capacity.

The Council approved the purchase of a 1 million gallon per day temporary plant to accommodate the excess flow at Reflection Bay. Design for expansion of the Reflection Bay Water Reclamation Facility is scheduled for this year, with construction to be completed in FY 2017. Plans are to decommission the Longwood Plant, diverting its flow to the Barry Rose Plant, though several years out.

**Wastewater Treatment Plants
% of Capacity
March 2015 vs March 2016**



**Wastewater Treatment Plants
% of Capacity - Monthly
March 2015 - March 2016**



PROPERTY INSURANCE FUND

Premiums are budgeted at \$1,221,977. Premium payments to date total \$492,392, as all insurance, except windstorm, are paid for the year. Windstorm premiums are paid in May. Ending net assets as of March 31, 2016 total \$282,782, as the 2nd quarter transfers were processed in March. Net assets are expected to decrease to \$181,333, the budgeted ending net assets at September 30, 2016.

	FY 2015 ACTUAL TO-DATE	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues				
Insurance Reimbursements	\$23,115	\$70,000	\$19,256	27.5%
Interest Income	30	30	12	39.7%
Transfer from Hotel/Motel Tax Fund 045	658	772	386	50.0%
Transfer from Water/Sewer Fund 030*	118,346	325,063	162,532	50.0%
Transfer from General Fund 010*	523,184	919,642	459,821	50.0%
Total Revenues	665,333	1,315,507	642,006	48.8%
Expenditures				
General Liability	31,561	49,348	45,540	92.3%
Errors & Omissions	77,480	79,804	71,962	90.2%
Public Employee Dishonesty	2,953	2,953	2,353	79.7%
Animal Mortality	2,450	2,450	2,450	100.0%
Law Enforcement	74,577	79,211	62,956	79.5%
Real & PP Property	77,215	86,177	83,392	96.8%
Windstorm Damage		635,510	4,076	0.6%
Automobile	105,815	136,036	95,597	70.3%
Auto Damage	92,443	118,540	94,434	79.7%
Property XS Wind		13,291	13,291	100.0%
Mobile Equipment	13,291	17,157	16,340	95.2%
Coastal Wind	5,404			
Rain-Out (Parks)		1,500		0.0%
Sewage Back-up	16,340			
Other	6,411	93,205	47,841	51.3%
Inventory				
Buildings & Grounds				
Total Expenditures	505,939	1,315,182	540,233	41.1%
Revenues Over (Under) Expenditures	159,394	325	101,773	31314.9%
Beginning Net Assets	157,965	181,008	181,008	100.0%
Ending Net Assets	\$317,359	\$181,333	\$282,782	155.9%

*Transfers are done quarterly

SELF-INSURED MEDICAL FUND

Revenues through March total \$3,864,765, 47.9% of budget. City, employee, retiree and Cobra contributions received total \$3,649,260 and are \$901,344, or 32.8%, higher than March 2015, as premium contributions increased by an average of 27% over last year.

Administrative fees of \$515,059 are 28.7% higher than March 2015, and are 55.6% of the budget.

Medical Insurance Claims are budgeted at \$6,854,997. Claims paid through March total \$2,465,816, excluding accruals, and are \$468,700, or 16% lower than claims paid through March 2015, and are 36% of the budget.

Claims paid per employee through March of this year are \$4,172 for 591 employees, \$1,375, or 24.8% lower than the amount per employee reported last year through March.

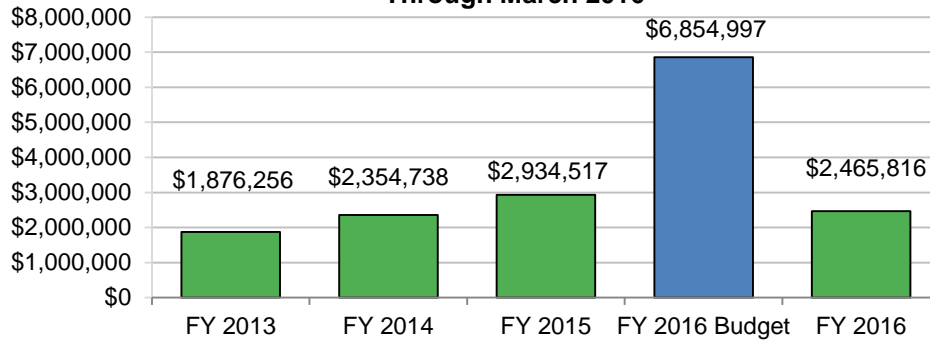
Fund balance as of March 31, 2016, is \$1,711,788, 71.2% over the \$1.0 million needed for an adequate reserve; however, the balance will change as contributions and claims continue throughout the year. The adopted fund balance for September 30, 2016 is \$791,838.

	FY 2015 ACTUAL TO-DATE	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues				
Employee and City Premiums	\$2,716,899	\$7,992,414	\$3,616,322	45.2%
Retiree Premiums	31,017	49,920	32,263	64.6%
Cobra			675	
Interest Income	275	750	541	72.1%
Transfers In				
Miscellaneous*	212,050	25,000	214,964	859.9%
Total Revenues	2,960,241	8,068,084	3,864,765	47.9%
Expenditures				
Administrative Fee	400,297	927,129	515,059	55.6%
Medical Insurance Claims	2,934,516	6,854,997	2,465,816	36.0%
Health Portability Act	72,450	64,750	50,483	78.0%
Wellness Programs	7,233	25,000		0.0%
Sub-Total Expenditures	3,414,496	7,871,876	3,031,358	38.5%
Reversal of YE-IBNR (Accrual)	(243,993)		(282,750)	
Total Expenditures Including Accruals	3,170,503	7,871,876	2,748,607	34.9%
Revenues Over (Under) Expenditures	(210,262)	196,208	1,116,157	568.9%
Beginning Net Assets	785,035	595,631	595,631	100.0%
Ending Net Assets Including Accruals	\$574,773	\$791,838	\$1,711,788	216.2%

*Miscellaneous revenues are transfers of unused budgeted medical premiums due to vacant positions in departments.

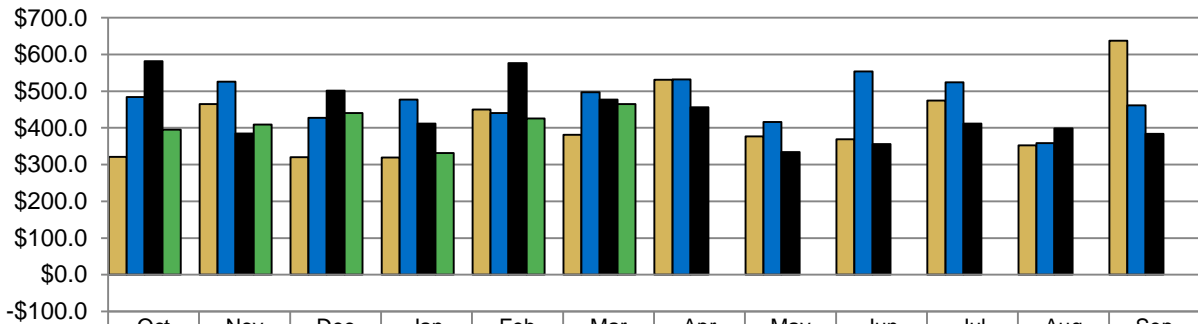
SELF-INSURED MEDICAL FUND (continued)

**Medical Claims Paid
Year-to-Date Excluding Accruals
Through March 2016**



Claims Paid per Employee:	FY 2013	FY 2014	FY 2015	FY 2016
Number of Employees	547	548	529	591
Actual YTD	\$3,430	\$4,297	\$5,547	\$4,172
Budgeted			\$12,958	\$11,599

**Medical Claims Paid Monthly
Excluding Accruals
Through March 2016**



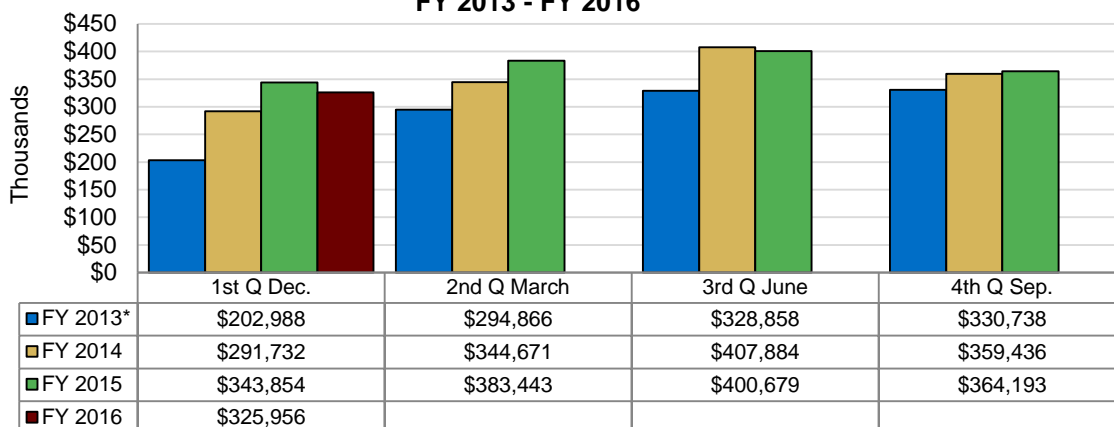
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2013	\$321.5	\$464.7	\$320.6	\$319.0	\$450.5	\$381.2	\$531.6	\$376.8	\$369.4	\$474.8	\$352.6	\$637.5
FY 2014	\$484.2	\$525.8	\$427.4	\$476.9	\$440.5	\$497.0	\$531.9	\$416.1	\$553.7	\$524.6	\$358.3	\$461.8
FY 2015	\$581.8	\$385.0	\$501.7	\$411.9	\$576.7	\$477.4	\$455.9	\$333.8	\$356.2	\$411.6	\$398.9	\$384.0
FY 2016	\$395.1	\$408.8	\$440.2	\$331.2	\$425.5	\$464.9						
YTD FY15 to FY16	-32.1%	6.2%	-12.2%	-19.6%	-26.2%	-2.6%						

HOTEL/MOTEL OCCUPANCY TAX – CONVENTION & VISITORS' BUREAU

The budgeted occupancy tax for FY 2016 from the eleven hotels in Pearland totals \$1,525,233. Revenues are received quarterly. Occupancy taxes for the first quarter of fiscal year 2016 totals \$325,956, 21% of budget. Second quarter taxes will be received in April/May. Expenditures through March total \$326,406, 33.0% of budget, mainly for personnel costs, marketing in publications, and facility lease rental; \$27,000 toward the Arts Project – Pear Trail, was paid out in February for pear molds. Fund balance as of March 31, 2016, is \$3,700,104. The amended budget fund balance for September 30, 2016 is \$4,237,168 and includes funds carried over from FY 2015 for fiber installation.

	FY 2015 ACTUAL TO-DATE	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
Revenues				
Hotel/Motel Occupancy Tax*	\$343,854	\$1,525,233	\$325,956	21.4%
Interest Income	7,860	10,000	9,078	90.8%
Miscellaneous	400		600	
Total Revenues	352,114	1,535,233	335,635	21.9%
Expenditures				
Salaries and Benefits	126,330	271,868	130,435	48.0%
Materials and Supplies	666	3,203	1,833	57.2%
Programs/Events	25,989	113,136	16,635	14.7%
Marketing and Advertising	56,652	142,411	33,695	23.7%
Miscellaneous Services	45,238	100,385	41,378	41.2%
Rent Expense (Lease)	30,125	53,170	26,495	49.8%
Buildings & Grounds		34,000		0.0%
Property Insurance	658			
Arts Promotion	17,386	30,000	27,000	90.0%
Historic Preservation		15,000		0.0%
Contracted Services	46,165	224,995		0.0%
Tax Rebate			48,549	
Transfers		772	386	50.0%
Total Expenditures	349,209	988,940	326,406	33.0%
Revenues Over (Under) Expenditures	2,905	546,293	9,228	1.7%
Beginning Fund Balance	2,998,468	3,690,876	3,690,876	100.0%
Ending Fund Balance	\$3,001,373	\$4,237,168	\$3,700,104	87.3%

**Hotel Occupancy Tax
Quarterly Comparison
FY 2013 - FY 2016**



*Beginning FY 2013, 2nd Quarter includes 2 hotels annexed into the City with Brazoria County MUD 4.

PEARLAND ECONOMIC DEVELOPMENT CORPORATION

Total revenues through March are \$5,687,544, 46.2% of budget. Estimated sales tax revenues through March total \$4,956,142, 48.8% of the budget, higher than last year at this time by 8%, or \$366,668.

Expenditures through March total \$2,911,588 and are 16.8% of the total amended budget of \$17,339,626, including business incentives.

Available ending balance at March 31, 2016 is \$20,955,890, \$7,799,632 or 59.3% over the amended budget of \$13,165,258.

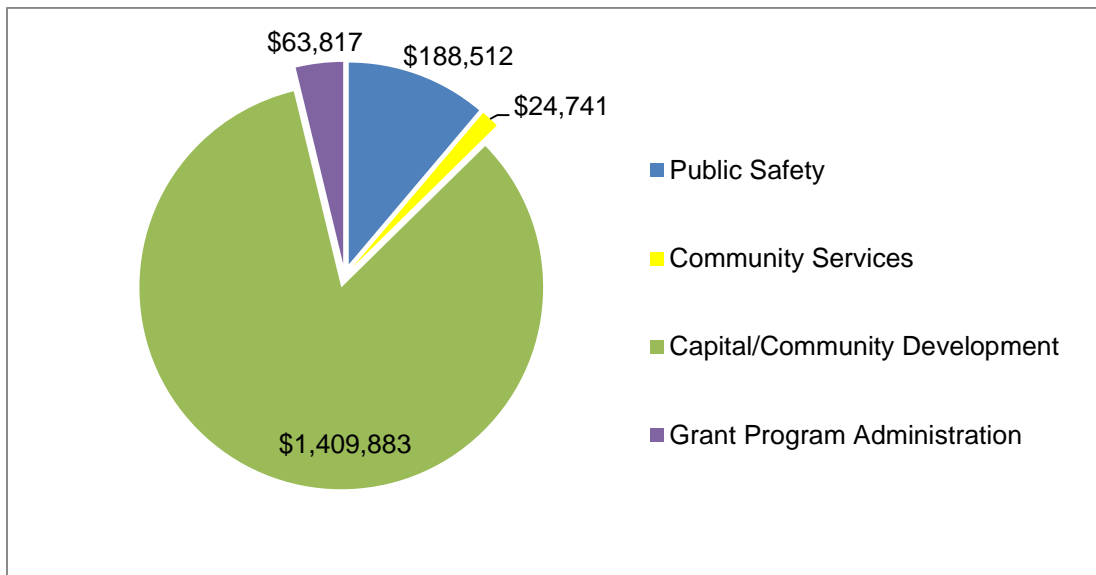
	FY 2015 ACTUAL TO-DATE	FY 2016 AMENDED BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET	% Change YTD FY15 YTD FY16
Revenues					
Sales Tax	\$4,589,474	\$10,159,649	\$4,956,142	48.8%	8.0%
Interest Income	57,897	85,000	20,612	24.2%	-64.4%
Intergovernmental	598,357	12,000	6,000	50.0%	-99.0%
Building Rent	207,000	460,000	229,998	50.0%	11.1%
Miscellaneous	9,330	1,599,300	474,792	29.7%	4988.9%
Total Revenues	5,462,057	12,315,949	5,687,544	46.2%	4.1%
Expenditures					
Operating	733,589	1,891,671	568,286	30.0%	-22.5%
Operating Transfers	102,485	207,351	71,511	34.5%	-30.2%
Bond Payments	532,862	1,420,458	349,478	24.6%	-34.4%
Capital Outlay	66,958	4,011,746	248,414	6.2%	271.0%
Total Operating Expenditures	1,435,895	7,531,226	1,237,691	16.4%	-13.8%
Revenues Over (Under) Expenditures	4,026,163	4,784,723	4,449,853	7.0%	10.5%
Other Financing Sources (Uses):					
Capital Transfers Out	(216)	(7,887,558)	(1,235,580)	15.7%	571927.7%
Business Incentives	(350,798)	(1,920,842)	(438,317)	22.8%	24.9%
Total Other Financing Sources (Uses)	(351,016)	(9,808,400)	(1,673,897)	17.1%	376.9%
Net Change in Fund Balance	3,675,147	(5,023,677)	2,775,955	155.3%	-24.5%
Beginning Fund Balance	19,155,489	18,179,935	18,179,935	100.0%	-5.1%
Debt Service Reserves	(665,254)				-100.0%
Reserve for Debt Pay-off	(5,671,689)				
Ending Fund Balance	\$16,493,692	\$13,156,258	\$20,955,890	159.3%	27.1%

GRANT HIGHLIGHTS

- U.S. Dept. of Housing & Urban Development – Community Development Block Grant (CDBG)
 - City has received grant allocation notice for FY2017/PY2016 from HUD: \$325,431
 - Completion of two housing rehabilitation projects, replacing a roof, water heater, completing drywall mold remediation, and installing two new HVAC units.
- Office of the Governor – Criminal Justice Division
 - Preliminary grant award notice of \$110,250 in State funds for 78 body-worn surveillance cameras (requires an additional \$27,562 in local matching funds for a total program cost of \$137,812).
 - Application submitted for \$118,000 for 18 additional in-car dash-mounted police vehicle cameras.
- Texas Parks & Wildlife Department
 - Denial of request for \$400,000 for improvements to Centennial Park.
- Texas Division of Emergency Management
 - Submission of Emergency Management Performance Grant (EMPG) FY 2016, for a total of \$49,366 for emergency management planning and coordinating personnel.

GRANT FUNDING UPDATE

- YTD Number of Grant Applications Submitted in 2nd Quarter of FY '16 – 2
- YTD Value of Grant Applications Submitted in 2nd Quarter of FY '16 - \$167,366
- YTD Value of FY '16 Grant Requests Pending - \$305,178
- Amount of current fiscal year grants - \$1,686,953



TIRZ

Total revenue through March is \$17,195,294. The TIRZ has received tax increment payments from the City of Pearland in the amount of \$12,927,062, \$2,940,522 from Alvin ISD, and \$1,323,278 from Fort Bend County. Tax payments from Brazoria County are received in July of each year.

Expenditures through March total \$8,276,346, \$8,273,318 of this paid to the City of Pearland. The AISD Suspense Fund totals \$7,582,576. The available balance as of March 31, 2016 is \$13,867,694 net of the AISD Fund. Available funds are sent to the Development Authority in August for debt service and developer reimbursement.

	FY 2015 ACTUAL TO-DATE	FY 2016 ACTUAL TO-DATE	% CHANGE
Revenues			
Taxes			
Alvin ISD	\$3,345,519	\$2,940,522	-12.1%
Brazoria County			
City of Pearland	11,459,195	12,927,062	12.8%
Fort Bend County		1,323,278	
Interest	1,706	1,270	-25.6%
Miscellaneous/AISD	4,286	3,162	-26.2%
Total Revenues	14,810,706	17,195,294	16.1%
Expenditures			
Miscellaneous Services	90	3,028	3263.9%
Payment to City of Pearland	7,315,210	8,273,318	13.1%
Payment to Development Authority			
Transfers			
Total Expenditures	7,315,300	8,276,346	13.1%
Net Change in Fund Balance	7,495,406	8,918,948	19.0%
Beginning Fund Balance	4,346,424	4,948,746	13.9%
AISD Suspense Fund	7,657,503	7,852,576	2.5%
Ending Fund Balance	\$4,184,326	\$6,015,118	43.8%

DAP

Revenues through March total \$66,030,648, all but \$648 from bond proceeds. Expenditures total \$66,844,361; \$46,453,939 for bond issuance costs, \$19,575,000 reimbursement to the developer for Shadow Creek Ranch, and \$807,420 interest payment debt service. The available fund balance March 31, 2016 net of debt service reserve is \$1,142,821.

	FY 2015 ACTUAL TO-DATE	FY 2016 ACTUAL TO-DATE	% CHANGE
Revenues			
Transfers			
Bond Proceeds	8,060,000	66,030,000	719.2%
Interest	1,062	648	-39.0%
Total Revenues	8,061,062	66,030,648	719.1%
Expenditures			
Professional Services	8,613	3,152	-63.4%
Reimbursement to Developer	7,890,000	19,575,000	148.1%
Bond Payments:			
Interest	961,993	807,420	
Principal			
Bond Issuance Cost	162,940	46,453,939	28409.8%
Arbitrage/Fiscal Fees	1,350	4,850	259.3%
Total Expenditures	9,024,896	66,844,361	640.7%
Net Change in Fund Balance	(963,834)	(813,713)	-18.4%
Beginning Fund Balance	1,932,196	1,956,534	1.3%
Debt Service Reserve		968,527	
Ending Fund Balance	\$968,362	\$174,294	-82.0%