



# CITY OF PEARLAND

## Monthly Financial Report

### Fiscal Year 2016

### Month of June 2016

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This report represents a general overview of financial operations through June 2016, the first nine months, and 75.0%, of 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 over policy funds as approved by Council in March.

#### Summary

**Property Tax** received through June totals \$58,230,058, 100% of the budgeted Levy. Taxes received this year are \$5,381,009 or 10.2% higher than last year at this time.

**Sales Tax** through June is \$22,310,429, 5.7% higher than June 2015, and 73.2% of the adopted budget of \$30,478,978.

The **General Fund** fund balance as of June 30, 2016 is \$27,610,191. In March the Council appropriated \$3,700,644 of the funds exceeding the fund balance policy for one-time expenditures. Revenues total \$59,512,672, 84.1% of the adopted budget. Total expenditures are \$53,256,721, 66.9% of budget.

The **Water/Sewer** revenues total \$29,276,587, 75.1% of budget and, excluding capital lease proceeds, are higher than last year by \$5,482,859, 23.5%, due to higher water sales and sewer revenues, and a 16% rate increase effective October 2015. Expenditures are 53.6% of budget, at \$21,297,871.

**Medical** claims paid through June total \$3,866,304, excluding accruals, are \$214,085 or 5.2% less than last year for the same period, and are at 56.4% of budget. Revenue from premiums, including transfers from vacant positions, is \$5,742,618 and is 32.1% higher than June 2015.

**Hotel/Motel Occupancy Tax** through the third quarter this year is at \$1,084,861, 3.8% or \$43,115 less than the \$1,127,976 collected last year, and is at 71.1% of budget.

**PROPERTY TAX**

The certified net taxable value for all three counties totaled \$7.85 billion. With adjustments to values of \$613,535,388, the adjusted value to date is \$8.47 billion. Through June, the City received \$58,230,058 for current taxes, 100% of the budgeted property tax levy of \$58,225,675. This does not include delinquent, prior years' collections or audit adjustments. The budget incorporates a 98.5% collection rate.

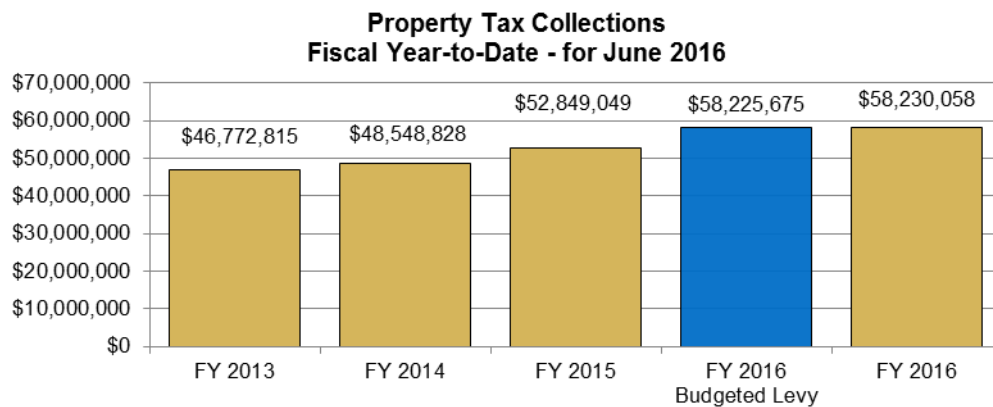
<b>Tax Summary</b>	<b>FY 2016 BUDGETED LEVY</b>	<b>FY 2016 ACTUAL COLLECTIONS</b>	<b>% BUDGETED LEVY COLLECTED</b>
<b>Sources:</b>			
Ad Valorem Taxes	\$58,225,675	\$58,230,058	100.0%
<b>Uses:</b>			
General Fund	13,809,808	14,185,288	102.7%
Debt Service Fund	29,971,099	30,779,493	102.7%
TIRZ	14,444,768	13,265,276	91.8%
<b>Total Uses</b>	<b>58,225,675</b>	<b>\$58,230,058</b>	<b>100.0%</b>

**Reconciliation of Tax Roll:**

<sup>1</sup> Certified Value	\$7,853,319,170	Certified Residential Market Value	\$6,049,802,648
Adjustments	613,535,388	<sup>2</sup> Certified Commercial Market Value	\$3,155,686,717
<b><sup>1</sup>Adjusted Value to Date</b>	<b>\$8,466,854,558</b>	Total	\$9,205,489,365
Tax Rate per \$100 Value	0.7053		
<b><sup>1</sup>Total Levy @ 100% Collections</b>	<b>\$58,831,203</b>	Homestead Productivity Value Loss	(\$122,449,553)
<sup>1</sup> Current Taxes Receivable	601,379	Exemptions	(\$1,229,720,742)
Delinquent Taxes Receivable	707,041		
<b>Total Taxes Receivable</b>	<b>\$1,308,420</b>	<b>2015 Certified Taxable Value</b>	<b>\$7,853,319,070</b>

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

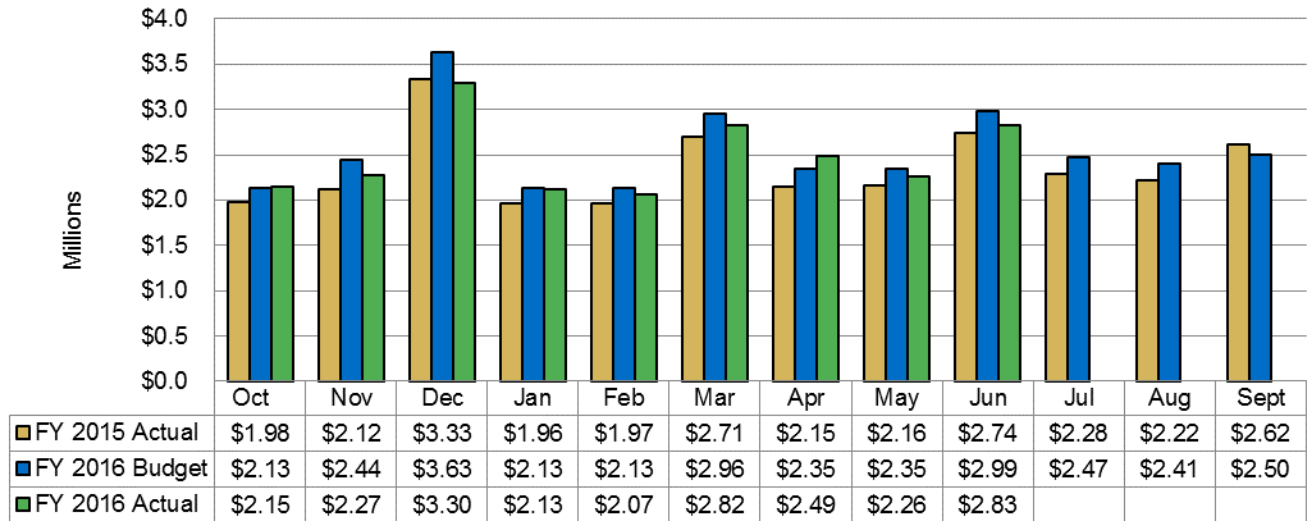
<sup>2</sup>Includes Builder Inventory and Vacant Platted Tracts.



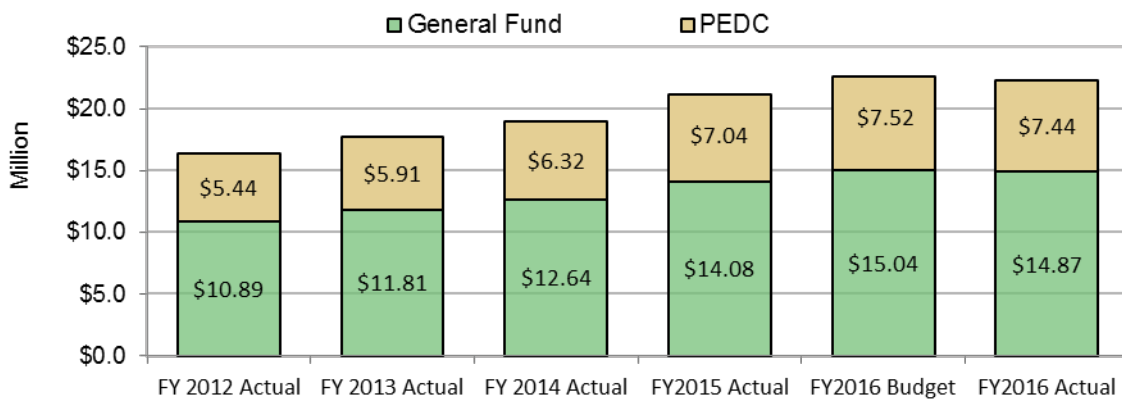
**SALES TAX**

Sales tax through the month of June is \$22,310,429, \$1,197,409 or 5.7% higher than last year, 73.2% of the original budget of \$30,478,978. Sales tax for May in the amount of \$2,256,609 was received in July. June sales tax will be received in August.

**Sales Tax Collections Through June for FY 2015 & 2016**



**Year-To-Date Sales Tax Collections through June**



**DEBT SERVICE**

Property taxes received through June total \$31,073,813, 102.6% of budget, and bond proceeds received total \$29,325,323. Miscellaneous revenue of \$956,671 consists of pro rata lease payments from the tenants in the University of Houston facility. Transfers from the City total \$627,510. Total revenues through June are \$62,030,181.

Payments on current bonds totaling \$28,798,724 were due and paid by March 1. The second payment is due September 1. In June, the City issued Series 2016A Permanent Improving and Refunding Bonds totaling \$33.2M which included \$18M in new money.

Fund balance at June 30, 2016 is \$13,327,806, over the budgeted fund balance by \$8,134,761.

	<b>FY 2016 ANNUAL BUDGET</b>	<b>FY 2016 ACTUAL TO-DATE</b>	<b>FY 2016 % of BUDGET</b>
<b>Revenues</b>			
Property Taxes	\$30,293,599	\$31,073,813	102.6%
Interest	36,000	46,863	130.2%
Miscellaneous	750,039	956,671	127.5%
Bond Premiums		29,325,323	
Transfers	607,997	627,510	103.2%
<b>Total Revenues</b>	<b>31,687,635</b>	<b>62,030,181</b>	<b>195.8%</b>
<b>Expenditures</b>			
MUD Rebates	6,161,809	4,924,111	79.9%
Bond Payment	24,384,798	48,069,598	197.1%
Fiscal Agent/Arbitrage	51,960	21,625	41.6%
Short-Term Note	929,640	720,658	77.5%
<b>Total Expenditures</b>	<b>31,528,207</b>	<b>53,735,991</b>	<b>170.4%</b>
<b>Net Change in Fund Balance</b>	<b>159,428</b>	<b>8,294,189</b>	<b>5202.5%</b>
<b>Beginning Fund Balance</b>	<b>5,033,617</b>	<b>5,033,617</b>	<b>100.0%</b>
<b>Ending Fund Balance</b>	<b>\$5,193,045</b>	<b>\$13,327,806</b>	<b>256.6%</b>

**GENERAL FUND**

Revenues total \$59,512,672, at 84.1% of the budget.

- Property tax collection for maintenance and operations at \$14,470,296 is 2% over budget and \$1,367,523, or 10.4% higher than June 2015.
- Sales tax through June totals \$14,873,625, \$798,279, or 5.7%, higher than last year for the same period, and at 73.2% of the annual budget.
- Franchise Fees through June are \$4,539,937, 64.8% of the budget.
- Licenses & Permits total \$4,096,159, 3% over the budget, and \$753,726 or 22.6% higher than last year at this time, mainly due to continued development. Building permits total \$1,544,248 and are at 95.5% of the budgeted amount.
- Fines and Forfeitures total \$2,180,399, 74.7% of the budget, less than last year by \$72,386 or -3.2%.
- Charges for Services through June total \$13,018,391, 81.2% of budget; up by \$479,074 or 3.8% compared to June 2015.
- A total of \$1,372,143 has been received from the Texas DOT for Dixie Farm Road.

Expenditures total \$53,256,721, including transfers of \$1,238,692, and at 66.9% of budget.

- General Government expenditures are 60.2% of the budget. Expenditures include software and hardware associated with the ERP conversion.
- Public Safety expenditures increased over last year at this time by \$2,842,419 or 11.2% mainly due to increased staffing of Police, an increase in Fire positions, and equipment and utilities due to the opening of Fire Stations #2 and #3. Public Safety expenditures are 70.7% of the budget.
- Public works expenditures are 57.7% of the budget.
- Community Services expenditures are 81.2% of the current budget.
- Parks expenditures are 65.7% of the budget, up by \$544,146 or 13.5% over last year, mainly due to the Recreation Center/Natatorium security system upgrade and weight room floor replacement, which are funded with carryover from fiscal year 2015.

The General Fund fund balance as of June 30, 2016 is \$27,610,191, 119.4% over the budgeted fund balance of \$12,586,114. In March, the City Council appropriated \$3,700,644 of the fund balance over policy for one-time expenditures. This increases the amended expenditure budget to \$79,559,546, with \$1,417,546 fund balance budgeted over policy.

**GENERAL FUND**

	<b>FY 2015 ACTUAL TO-DATE</b>	<b>FY 2015 % of BUDGET</b>	<b>FY 2016 ANNUAL BUDGET</b>	<b>FY 2016 ACTUAL TO-DATE</b>	<b>FY 2016 % of BUDGET</b>
<b>Revenues</b>					
Property Taxes	\$13,102,773	99.3%	\$14,190,297	\$14,470,296	102.0%
Sales and Use Taxes	14,046,985	74.2%	20,594,329	14,999,539	72.8%
Franchise Fees	4,269,383	64.3%	7,003,454	4,539,937	64.8%
Licenses & Permits	3,342,433	85.1%	3,967,489	4,096,159	103.2%
Fines & Forfeitures	2,252,785	77.2%	2,919,450	2,180,399	74.7%
Charges for Service	12,539,317	91.6%	16,032,997	13,018,391	81.2%
Miscellaneous	645,864	76.6%	742,014	708,639	95.5%
Transfers in	2,075,977	53.9%	3,441,391	3,327,170	96.7%
Other Financing Sources	556,049	41.0%	1,900,000	2,172,143	114.3%
<b>Total Revenues</b>	<b>52,831,565</b>	<b>80.9%</b>	<b>70,791,421</b>	<b>59,512,672</b>	<b>84.1%</b>
<b>Expenditures</b>					
General Government	7,490,736	68.7%	14,715,987	8,855,808	60.2%
Public Safety	25,383,309	71.5%	39,919,687	28,225,728	70.7%
Public Works	2,272,120	19.2%	13,250,533	7,641,268	57.7%
Community Services	6,590,356	208.3%	3,354,003	2,722,314	81.2%
Parks & Recreation	4,028,765	62.4%	6,964,569	4,572,911	65.7%
<b>Total Operating Expenditures</b>	<b>45,765,287</b>	<b>67.4%</b>	<b>78,204,778</b>	<b>52,018,029</b>	<b>66.5%</b>
Transfers Out	1,154,027	86.6%	1,354,768	1,238,692	91.4%
<b>Total Expenditures</b>	<b>46,919,312</b>	<b>67.8%</b>	<b>79,559,546</b>	<b>53,256,721</b>	<b>66.9%</b>
Revenues Over/(Under) Expenditures	5,912,253	251.8%	(8,768,126)	6,255,952	171.3%
Beginning Fund Balance	19,454,500		21,354,240	21,354,240	
<b>Ending Fund Balance</b>	<b>\$25,366,753</b>	<b>163.0%</b>	<b>\$12,586,114</b>	<b>\$27,610,191</b>	<b>219.4%</b>

Policy – 2 months Recurring Operations  
Fund Balance Over Policy

\$11,168,568  
\$ 1,417,546

**ENTERPRISE FUND - WATER/SEWER**

Revenues, including capital lease proceeds, total \$29,276,586 and are 75.1% of budget and \$5,906,152, or 25.3%, more than last year at this time.

- Water and Sewer revenues of \$25,507,219 from utility billing make up 87.1% of the total \$29,276,587 revenue received and are 75.0% 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 374 million gallons, or 16.0%, from 2.3 billion gallons to 2.7 billion. 220.5 million gallons of the increase are attributable to residential usage.

Expenses total \$21,297,871 and are 53.6% of budget, up \$2,066,627 or 10.7% over last year.

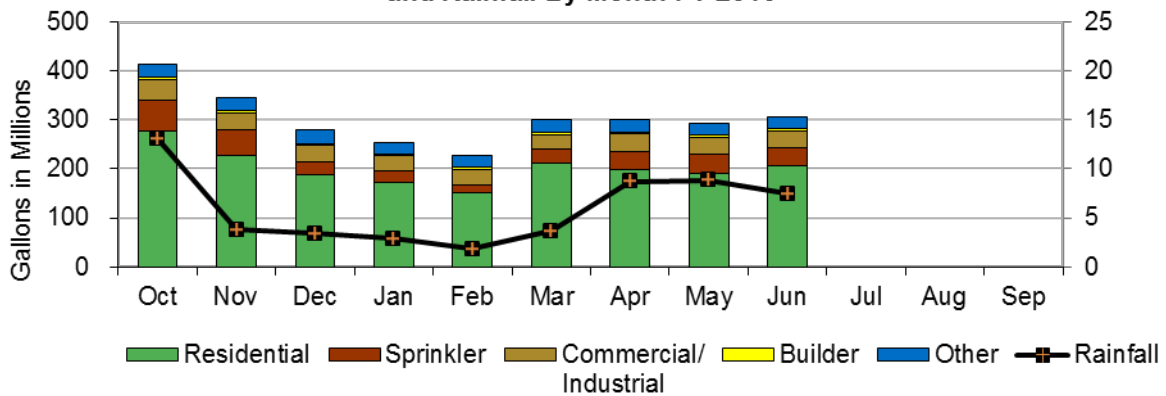
The available ending cash equivalent as of June 30, 2016, is \$20,673,096, including debt service reserves of \$2,930,425. The fund meets, and exceeds, bond coverage and reserve requirements.

	FY 2015 ACTUAL TO-DATE	FY 2015 % of BUDGET	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
<b>Revenues</b>					
Sale of Water	\$10,322,876	71.9%	\$17,846,715	\$13,279,647	74.4%
Sewer Revenues	9,610,404	74.9%	16,181,749	12,227,572	75.6%
Other Service Charges	1,207,235	75.9%	1,617,554	1,277,798	79.0%
Interest Income	111,518	79.9%	105,000	12,858	12.2%
Other Miscellaneous Income	192,236	85.8%	232,557	118,394	50.9%
Transfers In	1,926,167	75.0%	2,582,700	1,937,025	75.0%
Capital Lease Proceeds			423,293	423,293	100.0%
<b>Total Revenues</b>	<b>23,370,435</b>	<b>72.7%</b>	<b>38,989,568</b>	<b>29,276,587</b>	<b>75.1%</b>
<b>Expenses</b>					
Public Works					
Administration	390,987	70.6%	591,636	457,319	77.3%
Lift Stations	655,490	49.2%	1,668,807	851,755	51.0%
Wastewater Treatment	3,280,936	66.9%	4,582,854	3,589,884	78.3%
Water Production	4,631,987	55.0%	8,334,879	5,493,596	65.9%
Distribution & Collection	1,350,378	54.9%	2,420,276	1,905,330	78.7%
Construction	460,341	52.6%	899,465	409,285	45.5%
Water Meter Services	796,985	56.7%	1,587,264	833,238	52.5%
ROW Mowing	256,155	67.7%	436,171	303,389	69.6%
Utility (Billing) Customer Services	728,590	66.8%	1,202,794	747,117	62.1%
General Government - IS			25,675	41,312	160.9%
General Government - IS - GIS	111,996	87.0%	177,367	121,150	68.3%
Other Requirements	6,567,399	46.8%	17,817,435	6,544,498	36.7%
<b>Total Expenses</b>	<b>19,231,244</b>	<b>54.0%</b>	<b>39,744,623</b>	<b>21,297,871</b>	<b>53.6%</b>
Revenues Over/(Under)					
Expenses	4,139,191	-120.6%	(755,055)	7,978,716	1156.7%
Beginning Cash Equivalents	15,373,775	100.0%	15,624,805	15,624,805	100.0%
Reserve for Debt Service	2,278,256	100.0%	2,930,422	2,930,425	100.0%
<b>Ending Cash Equivalents</b>	<b>\$17,234,710</b>	<b>178.4%</b>	<b>\$11,939,328</b>	<b>\$20,673,096</b>	<b>173.2%</b>
Bond Coverage - 1.4			1.71		
Cash Reserve Ratio - 25%			25%		

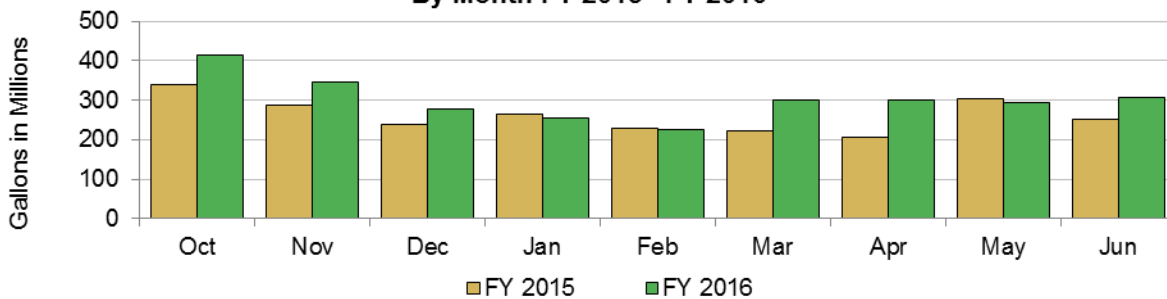
### ENTERPRISE FUND – WATER CONSUMPTION

Rainfall through June this fiscal year decreased 2.0 inches from last June. 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.

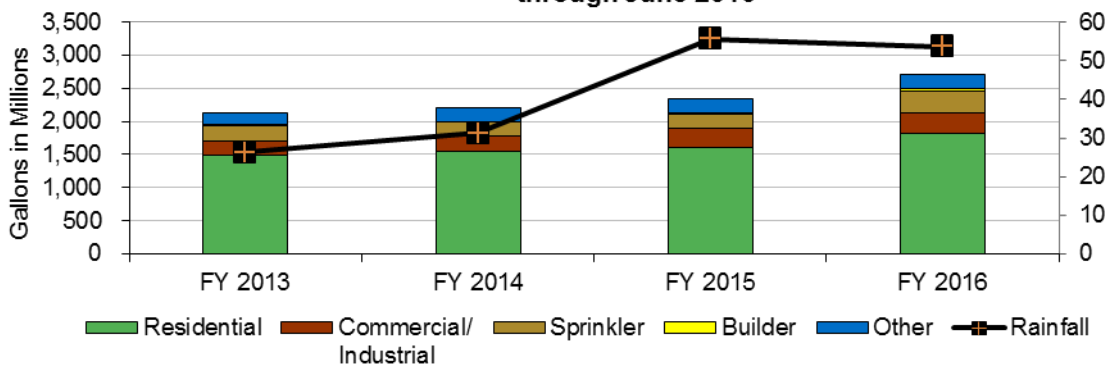
**Water Consumption by Major User Class and Rainfall By Month FY 2016**



**Water Consumption Comparison By Month FY 2015 - FY 2016**



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



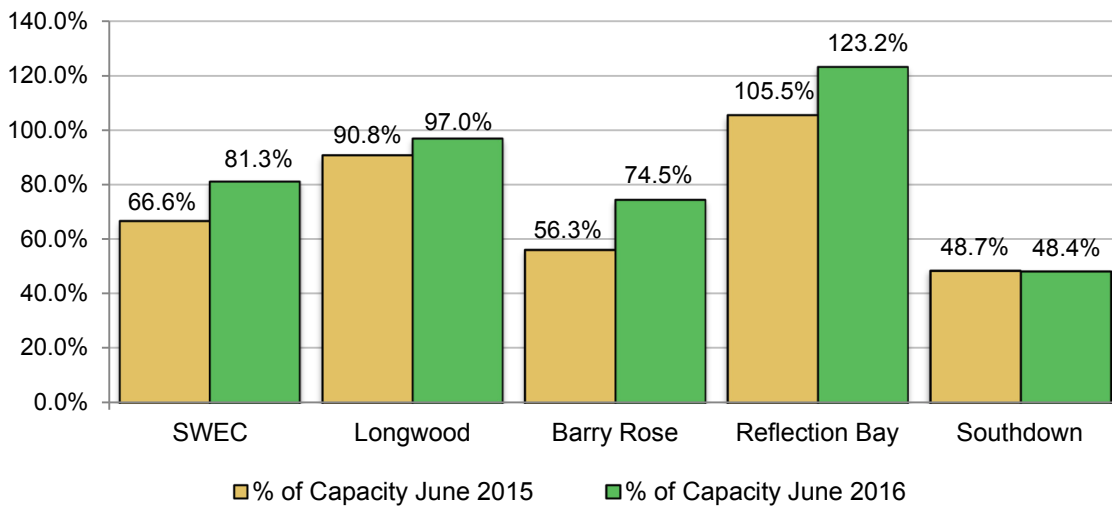


**ENTERPRISE FUND – WATER RECLAMATION FACILITY CAPACITY**

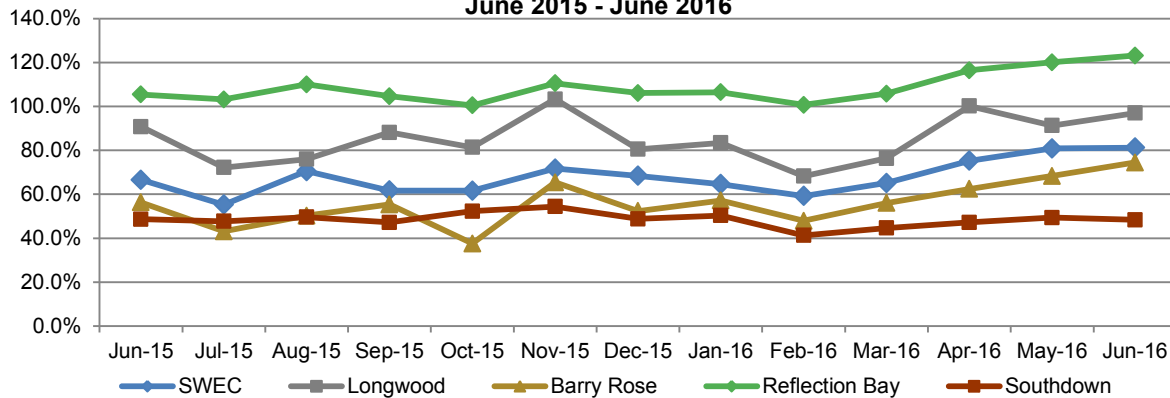
Volume at the Reflection Bay facility continued to be above capacity in June, at 123.2%. All other facilities were below 100% capacity, with the Longwood facility at 97%.

Council approved the purchase of a 1.0 MGD temporary plant to accommodate the excess flow at Reflection Bay. Half of the package plant is operational with the second half scheduled for completion in July. Design for the permanent expansion of the Reflection Bay Water Reclamation Facility has been completed, with construction scheduled to start this summer and be completed in FY 2019. Plans are to decommission the Longwood Plant, diverting its flow to the Barry Rose Plant, though several years out.

**Water Reclamation Facilities  
% of Capacity  
June 2015 vs June 2016**



**Water Reclamation Facilities  
% of Capacity - Monthly  
June 2015 - June 2016**



**PROPERTY INSURANCE FUND**

Premiums are budgeted at \$1,221,977. Premium payments to date total \$1,093,900, and are \$19,639 higher than last June (excluding Other). Windstorm premiums were paid in May and thus all insurance has been paid for the year.

Based on the type of insurance and values of property, the General Fund, Water & Sewer Fund, and Hotel/Motel Fund reimburse the Property Insurance each quarter. The total reimbursed through the third quarter is \$934,108.

Ending net assets as of June 30, 2016 are negative \$22,521, as expenditures for the year are paid but contributions into the fund are only at 75%. Ending net assets are budgeted at \$181,333. However, once the fourth quarter transfer is made, ending net assets are estimated to be \$288,848 (excludes insurance reimbursements that may be received in future months). This is \$107,515 over budget, and is attributable to expenditures less than budget, such as Law Enforcement, Windstorm Damage, and Automobile.

	<b>FY 2015 ACTUAL TO-DATE</b>	<b>FY 2016 ANNUAL BUDGET</b>	<b>FY 2016 ACTUAL TO-DATE</b>	<b>FY 2016 % of BUDGET</b>
<b>Revenues</b>				
Insurance Reimbursements	\$65,038	\$22,697	\$30,229	133.2%
Interest Income	86	30	36	120.0%
Miscellaneous		47,303		0.0%
Transfer from Hotel/Motel Tax Fund 045*	987	772	579	75.0%
Transfer from Water/Sewer Fund 030*	177,518	325,063	243,797	75.0%
Transfer from General Fund 010*	784,776	919,642	689,732	75.0%
<b>Total Revenues</b>	<b>1,028,405</b>	<b>1,315,507</b>	<b>964,373</b>	<b>73.3%</b>
<b>Expenditures</b>				
General Liability	37,193	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	561,695	635,510	604,034	95.0%
Automobile	106,043	136,036	95,597	70.3%
Auto Damage	92,621	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	10,807			
Rain-Out (Parks)	1,596	1,500	1,550	103.3%
Sewage Back-up	16,340			
Other	52,541	93,205	74,002	79.4%
Inventory				
Buildings & Grounds				
<b>Total Expenditures</b>	<b>1,126,802</b>	<b>1,315,182</b>	<b>1,167,902</b>	<b>88.8%</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(98,397)</b>	<b>325</b>	<b>(203,530)</b>	<b>-62624.6%</b>
<b>Beginning Net Assets</b>	<b>157,965</b>	<b>181,008</b>	<b>181,008</b>	<b>100.0%</b>
<b>Ending Net Assets</b>	<b>\$59,568</b>	<b>\$181,333</b>	<b>(\$22,521)</b>	<b>-12.4%</b>

\*Transfers are done quarterly.

**SELF-INSURED MEDICAL FUND**

Revenues through June total \$5,743,603, which is 71.2% of budget. City, employee, retiree and Cobra contributions received total \$5,527,123 and are \$1,393,445, 33.7% higher than June 2015.

Medical Insurance Claims are budgeted at \$6,854,997. Excluding accruals, claims paid through June total \$3,866,304 or 56.4% of the budget, and are \$214,085, or -5.2% less than claims paid through June 2015.

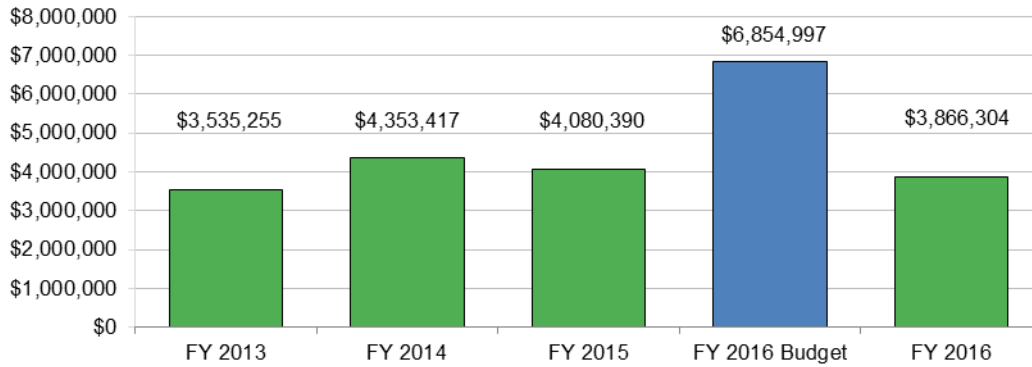
Claims paid per employee through June of this year are \$6,542 for 591 employees, -15.2% or \$1,171 less than last year at this time, and \$1,359 or 10.5% lower than the amount budgeted per employee this fiscal year.

Fund balance as of June 30 is \$2,038,332, over the \$1.0 million needed for an adequate reserve; however, the balance will change as contributions and claims continue throughout the year. The fund balance for September 30, 2016 is budgeted at \$791,838.

	<b>FY 2015 ACTUAL TO-DATE</b>	<b>FY 2016 ANNUAL BUDGET</b>	<b>FY 2016 ACTUAL TO-DATE</b>	<b>FY 2016 % of BUDGET</b>
<b>Revenues</b>				
Employee and City Premiums	\$4,094,719	\$7,992,414	\$5,475,474	68.5%
Retiree Premiums	38,611	49,920	49,348	98.9%
Cobra	348		2,301	
Interest Income		750	985	131.3%
Miscellaneous*	212,050	25,000	215,495	862.0%
<b>Total Revenues</b>	<b>4,345,728</b>	<b>8,068,084</b>	<b>5,743,603</b>	<b>71.2%</b>
<b>Expenditures</b>				
Administrative Fee	532,660	927,129	666,865	71.9%
Medical Insurance Claims	4,080,390	6,854,997	3,866,304	56.4%
Health Portability Act	72,450	64,750	50,483	78.0%
Wellness Programs	7,445	25,000		0.0%
<b>Sub-Total Expenditures</b>	<b>4,692,944</b>	<b>7,871,876</b>	<b>4,583,652</b>	<b>58.2%</b>
<b>Reversal of YE-IBNR (Accrual)</b>	<b>(243,993)</b>		<b>(282,750)</b>	
<b>Total Expenditures Including Accruals</b>	<b>4,448,951</b>	<b>7,871,876</b>	<b>4,300,902</b>	<b>54.6%</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(103,223)</b>	<b>196,208</b>	<b>1,442,701</b>	<b>735.3%</b>
<b>Beginning Net Assets</b>	<b>785,035</b>	<b>595,631</b>	<b>595,631</b>	<b>100.0%</b>
<b>Ending Net Assets Including Accruals</b>	<b>\$681,812</b>	<b>\$791,838</b>	<b>\$2,038,332</b>	<b>257.4%</b>

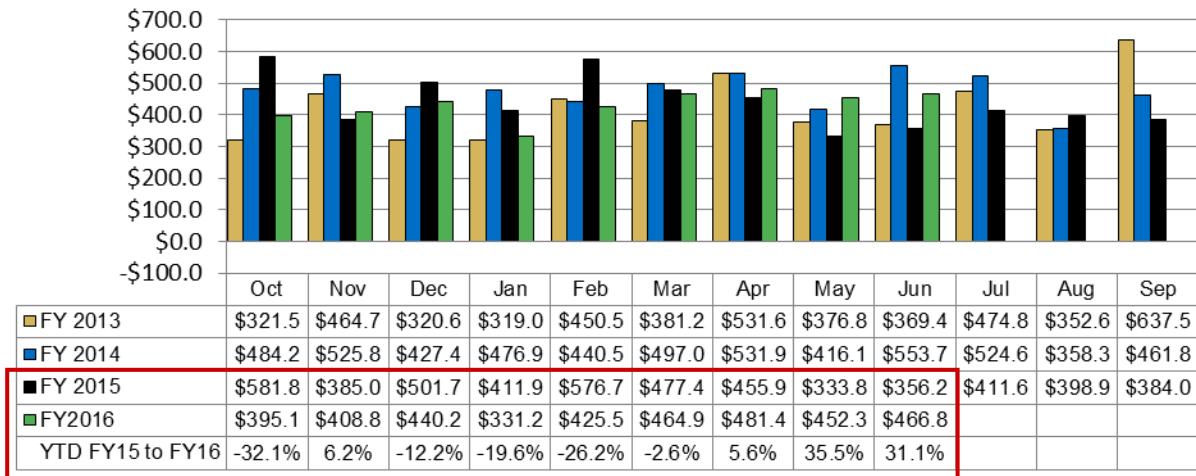
\*Miscellaneous revenues consists primarily of transfers of unused budgeted medical premiums due to vacant positions in departments. As of April, these transfers were projected for the rest of the year.

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



Claims Paid per Employee:	FY 2013	FY 2014	FY 2015	FY 2016
Number of Employees	547	548	529	591
Actual YTD	\$6,463	\$7,944	\$7,713	\$6,542
Budgeted			\$12,958	\$11,599

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

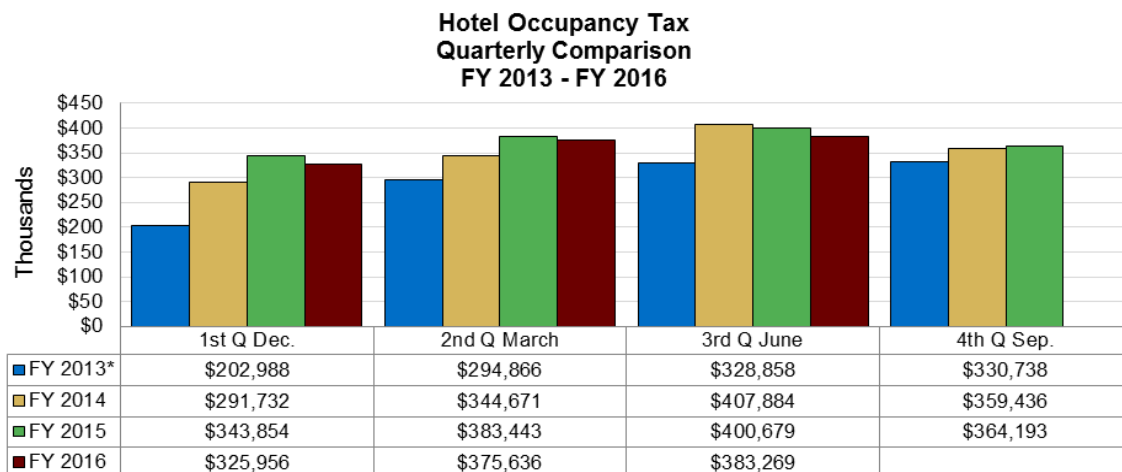


**HOTEL/MOTEL OCCUPANCY TAX – CONVENTION & VISITORS' BUREAU**

The budgeted occupancy tax for FY 2016 from the 11 hotels in Pearland totals \$1,525,233. Revenues are received quarterly. Occupancy taxes for the first three quarters of fiscal year 2016 total \$1,084,861, 71.1% of budget, and \$43,115 less than through the third quarter of fiscal year 2015. Expenditures through June total \$573,336, 58% 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, and \$10K was paid out in June towards the fiber installation. Fund balance as of June 30, 2016, is \$4,218,712. The amended budget fund balance for September 30, 2016 is \$4,237,168 and includes funds carried over from FY 2015 for the fiber installation.

	FY 2015 ACTUAL TO-DATE	FY 2016 ANNUAL BUDGET	FY 2016 ACTUAL TO-DATE	FY 2016 % of BUDGET
<b>Revenues</b>				
Hotel/Motel Occupancy Tax*	\$1,127,976	\$1,525,233	\$1,084,861	71.1%
Interest Income	10,168	10,000	12,411	124.1%
Miscellaneous	2,530		3,900	
<b>Total Revenues</b>	<b>1,140,673</b>	<b>1,535,233</b>	<b>1,101,172</b>	<b>71.7%</b>
<b>Expenditures</b>				
Salaries and Benefits	194,509	271,868	202,604	74.5%
Materials and Supplies	1,694	3,203	2,203	68.8%
Programs/Events	31,872	113,136	49,049	43.4%
Marketing and Advertising	91,464	142,411	69,443	48.8%
Miscellaneous Services	60,429	100,385	66,647	66.4%
Rent Expense (Lease)	43,088	53,170	39,965	75.2%
Buildings & Grounds		34,000	10,200	30.0%
Property Insurance	987		579	
Arts Promotion	16,596	30,000	27,000	90.0%
Historic Preservation		15,000		0.0%
Contracted Services	101,754	224,995	105,646	47.0%
Transfers		772		0.0%
<b>Total Expenditures</b>	<b>542,394</b>	<b>988,940</b>	<b>573,336</b>	<b>58.0%</b>
<b>Revenues Over (Under) Expenditures</b>	<b>598,280</b>	<b>546,293</b>	<b>527,836</b>	<b>96.6%</b>
<b>Beginning Fund Balance</b>	<b>2,998,468</b>	<b>3,690,876</b>	<b>3,690,876</b>	<b>100.0%</b>
<b>Ending Fund Balance</b>	<b>\$3,596,748</b>	<b>\$4,237,168</b>	<b>\$4,218,712</b>	<b>99.6%</b>

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

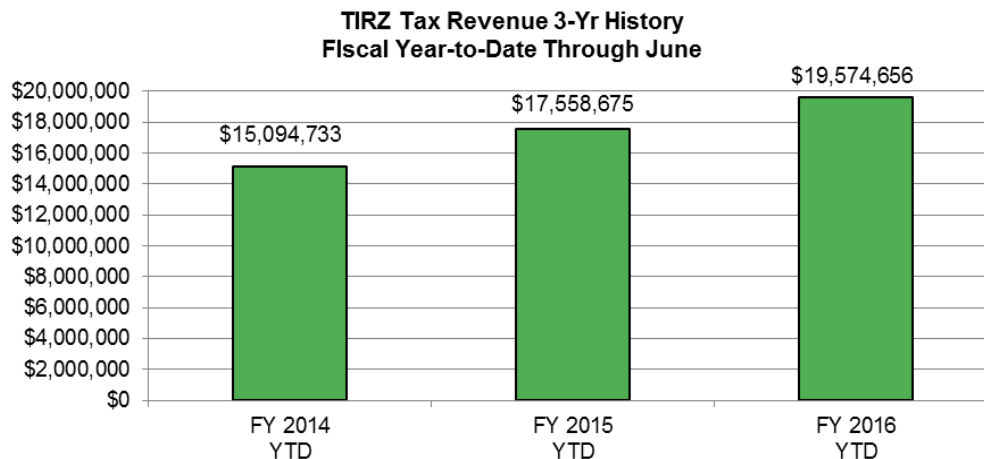


**TIRZ**

Total revenue through June is \$19,584,324. The TIRZ has received tax increment payments from the City of Pearland in the amount of \$13,216,373, \$5,035,004 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 June total \$8,462,953; \$8,458,478 of this was paid to the City of Pearland. The AISD Suspense Fund totals \$9,950,770. The available balance as of June 30, 2016 is \$6,119,347 net of the AISD Suspense 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
<b>Revenues</b>			
Taxes			
Alvin ISD	\$4,768,987	\$5,035,004	5.6%
Brazoria County			
City of Pearland	11,876,078	13,216,373	11.3%
Fort Bend County	913,610	1,323,278	
Interest	9,386	2,750	-70.7%
Miscellaneous/AISD		6,919	
<b>Total Revenues</b>	<b>17,568,061</b>	<b>19,584,324</b>	<b>11.5%</b>
<b>Expenditures</b>			
Miscellaneous Services	14,641	4,476	-69.4%
Payment to City of Pearland	7,581,321	8,458,478	11.6%
Payment to Development Authority			
Transfers			
<b>Total Expenditures</b>	<b>7,595,962</b>	<b>8,462,953</b>	<b>11.4%</b>
Net Change in Fund Balance	9,972,099	11,121,371	11.5%
Beginning Fund Balance	4,346,424	4,948,746	13.9%
AISD Suspense Fund	9,083,140	9,950,770	9.6%
<b>Ending Fund Balance</b>	<b>\$5,235,383</b>	<b>\$6,119,347</b>	<b>16.9%</b>



**DEVELOPMENT AUTHORITY - DAP**

Revenues through June total \$66,030,911, all but \$911 from bond proceeds. Expenditures total \$66,845,931; \$46,453,939 for bond issuance costs, \$19,575,000 reimbursement to the developer for Shadow Creek Ranch, and \$807,420 interest payment for debt service. The available fund balance as of June 30, including debt service reserve of \$968,527, is \$1,141,514.

	FY 2015 ACTUAL TO-DATE	FY 2016 ACTUAL TO-DATE	% CHANGE
<b>Revenues</b>			
Transfers			
Bond Proceeds	8,060,000	66,030,000	719.2%
Interest	1,369	911	-33.4%
<b>Total Revenues</b>	<b>8,061,369</b>	<b>66,030,911</b>	<b>719.1%</b>
<b>Expenditures</b>			
Professional Services	16,013	4,722	-70.5%
Reimbursement to Developer	7,890,000	19,575,000	148.1%
Bond Payments:			
Interest	961,993	807,420	
Principal			
Bond Issuance Cost	166,790	46,453,939	27751.8%
Arbitrage/Fiscal Fees		4,850	
<b>Total Expenditures</b>	<b>9,034,796</b>	<b>66,845,931</b>	<b>639.9%</b>
<b>Net Change in Fund Balance</b>	<b>(973,427)</b>	<b>(815,020)</b>	<b>-19.4%</b>
<b>Beginning Fund Balance</b>	<b>1,932,196</b>	<b>1,956,534</b>	<b>1.3%</b>
<b>Debt Service Reserve</b>		<b>968,527</b>	
<b>Ending Fund Balance</b>	<b>\$958,768</b>	<b>\$172,987</b>	<b>-82.0%</b>