

# City of Pearland FY23 Proposed Budget

Budget Presentation #3  
Monday, 29 August 2022



# Council Strategic Retreat Outcomes



The City Council of Pearland held a Strategic Visioning Retreat on Saturday, February 19, 2022, for the purpose of refreshing the strategic vision for the future. Strategic Government Resources (SGR) was enlisted to facilitate the retreat. Six (6) of the seven (7) Council Members and the Mayor were in attendance as well as the City Manager and Senior Staff. Dr. Scott Willingham, Senior Vice President for SGR, facilitated the strategic visioning refresh process. This report is a summary of the key points discussed and the Strategic Pillars that the Council identified for their vision.

## Strategic Priorities

Each priority along with the priority's definition and the supporting initiatives were displayed and discussed. Working with one another, the Council collaborated to affirm each priority as currently relevant. In addition, each priority's definition was refreshed. For each priority, the supporting initiatives were evaluated, reworded and realigned. The priorities were ranked by council in order of importance.

### Trusted Government

Definition: Delivering **transparent**, high-quality, and accessible city services by developing cutting edge solutions, engaging with the community, and continuously improving our capabilities.

### Strong Economy

Definition: Developing and investing in an attractive community that allows talent, entrepreneurs, and businesses to thrive for generations to come by supporting stable, steady growth, and unending opportunities.

### Safe Community

Definition: Making Pearland a welcoming place by ensuring a safe environment and providing efficient and effective Public Safety services for residents, businesses, and visitors.

### Sustainable Infrastructure

Definition: Building quality of life on a well-planned and maintained foundation of essential water, transportation, and flooding infrastructure, appealing amenities, and **long-term value**.

### Resilient Finances

Definition: Providing **long-term** community value through trusted stewardship and responsible financial management.

### Welcoming Community

Definition: Fostering a diverse and **unified** community with **events**, amenities, and public and private spaces that bring people together

## Initiatives

The Council was asked to refresh and rank the supporting strategic initiatives. The shaded blue areas reflect what initiatives support Council's strategic priorities.

Innovating and investing in public safety resources	Support small and expanding businesses/ Simplify permitting	Increase investment in drainage infrastructure	Promote high quality, high value, dense development with all city resources & infrastructure in mind	Focus on Priority/ Program-based budgeting reviews	Creation of anchor districts, catalyst (regional amenity) reviews	Long term capital asset financial plan
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# Shaping the Future

A City committed to Public Safety, Employees, and the Future.

Staff and leadership are energized and passionate to meet the priorities set by Council. The FY23 budget boosts investment in high-priority areas while taking care of those who serve.



# Comparing FY22 to FY23 Revenues

Revenue Category	FY22 Revenue Amended	FY23 Proposed Revenue Budget
Property Taxes	\$30.4M	\$37.0M
Sales & Use Taxes	\$29.0M	\$30.1M
Charges for Service	\$19.4M	\$20.9M
Franchise Fees	\$6.4M	\$6.7M
Licenses & Permits	\$4.6M	\$4.6M
Miscellaneous	\$583K	\$1.0M
Transfers In	\$9.6M	\$6.9M
<b>Total</b>	<b>\$105.0M</b>	<b>\$109.5M</b>



# General Fund Expenditures

- A people organization, General Fund expenditures are primarily salaries and wages.
- Public Safety is one of Council's top goals, and is FTE intensive - therefore, our major source of expenditures.
- General Government dropped due to improved categorization of transfers to other funds (such as IT, Facilities, Drainage, and Infrastructure Reinvestment Fund.fw

## Annual Budget by Function Report

Fund: 100 General Fund	2020 Actual		2021 Actual		2022 Amended		2023 Proposed	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
<b>Expenditures</b>								
General Government (including transfers out)	\$14,040,367	17%	\$17,354,094	19%	\$20,530,264	19%	\$15,858,590	14%
Public Safety	\$46,847,908	57%	\$51,473,628	57%	\$59,731,313	56%	\$65,145,981	59%
Public Works	\$11,502,132	14%	\$11,369,557	13%	\$14,710,936	14%	\$15,472,967	14%
Community Services	\$3,798,941	5%	\$4,098,948	5%	\$4,625,896	4%	\$5,465,884	5%
Parks & Recreation	\$5,739,764	7%	\$6,274,103	7%	\$7,386,075	7%	\$8,312,126	8%
<b>Expenditure Totals</b>	<b>\$81,929,112</b>		<b>\$90,570,329</b>		<b>\$106,984,484</b>		<b>\$110,255,548</b>	
							Change	3.1%

# FY23 General Fund Highlights

## Trusted Government

Technology Support Specialist	IT	\$68,886
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## Strong Economy

Unified Development Code Update	Community Development	\$300,000
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## Safe Community

Four Firefighting Positions	Fire Department	\$436,520
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Fire Office Assistants Part Time to Full Time Conversion	Fire Department	\$15,000
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Police Equipment	Police Department	\$200,000
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Police Officer	Police Department	\$185,865
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Two Telecommunication Operators	Police Department	\$151,216
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## Sustainable Infrastructure

Drainage Crew (GF transfer to Drainage Fund)	Engineering & Public Works	\$662,000
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Project Manager (100% Charged to Projects, net zero)	Engineering & Public Works	\$140,000
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## Welcoming Community

Program Contract Instructor Pay	Parks & Recreation	\$32,960
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Senior Office Assistant Part Time to Full Time Conversation	Parks & Recreation	\$33,000
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# Major Accomplishments built into the FY23 Budget

- Implements new Drainage Regular Maintenance Crew - \$662,000 (more than 2x times existing)
  - In addition, major capital addressed (PERs underway and May 2023 bond consideration and update to Master Drainage Plan being assembled)
- Adds four new firefighters - \$436,520
- Invests in updating the Unified Development Code - \$300,000
- Funded two telecommunications operators and one police officer in Police - \$337,081
- Finances the purchase of police equipment for emergency event preparedness and response - \$200,000 and subject to expansion and/or additional grant offsets
- Delivers pay raises of effectively +5.5% (6.5% for Police and Fire Uniformed Employees) for a total cost of ~ \$3M in the General Fund and \$3.8M Citywide

**Total of these highlights on City Council stated priorities = \$4.9 million**

# Budget Schedule

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## Previous Meetings & Events

- ~~3/21/22~~ — Comprehensive CIP Budget Workshop
- ~~6/27/22~~ — Early Budget Input Session
- ~~7/25/22~~ — CIP Adoption
- ~~8/5/22~~ — Proposed Budget delivered to Council
- ~~8/8/22~~ — Maximum Tax Rate Adopted
- ~~8/13/22~~ — Budget Discussion #1
- ~~8/22/22~~ — Budget Discussion #2
- 8/29/22 – Public Hearing on Budget & Tax Rate/Budget Discussion #3

## Future Meetings & Events

- 9/6/22 – (if necessary) additional budget discussion (Tuesday)
- 9/12/22 – 1<sup>st</sup> reading of Budget, Fee Schedule Ordinances
- 9/26/22 – Public Hearing on Property Tax Rate; 2<sup>nd</sup> and Final Reading of Budget, adoption of Property Tax Rates, and Fee Schedule Ordinances
- 10/1/22 – Fiscal Year FY23 Begins

