



City of Pearland Digital Budget Book

City of Pearland

FY25 Budget



Adopted Version - 10/01/2024



TABLE OF CONTENTS

| | |
|---|-----------|
| Introduction | 5 |
| Budget Cover Page | 6 |
| GFOA Award | 7 |
| Transmittal Letter | 8 |
| Organization Chart | 16 |
| Reader Guide To The Budget | 17 |
| History of City | 19 |
| Demographics | 21 |
| Fund Structure | 25 |
| Basis of Budgeting | 28 |
| Financial Policies | 31 |
| Budget Process | 32 |
| Budget Overview | 34 |
| Strategic Plan | 35 |
| Short-term Factors | 36 |
| Priorities & Issues | 37 |
| Personnel Changes | 38 |
| General Fund Highlights by Strategic Priority | 41 |
| Other Fund Highlights by Strategic Priority | 44 |
| Multi Year Forecast | 47 |
| General Fund | 48 |
| W&S Fund | 54 |
| PEDC | 60 |
| Fund Summaries | 62 |
| All Funds | 62 |
| General Fund | 65 |
| Debt Service Fund | 68 |
| Special Revenue Funds | 69 |
| Hotel/Motel Occupancy Tax | 71 |
| Municipal Court Security | 72 |
| Citywide Donation | 73 |
| Court Technology | 74 |
| Park Donations | 75 |
| Tree Trust | 76 |
| Park Financial Assistance Donations | 77 |
| Police State Seizure | 78 |
| Federal Police Seizure | 79 |
| Community Safety | 80 |
| Park Development | 81 |
| Sidewalk Fund | 82 |
| Drainage Maintenance | 83 |
| Grant Fund | 84 |
| Community Development Block Grant (CDBG) | 85 |



| | |
|---|------------|
| CDBG Disaster Recovery Fund | 86 |
| Disaster Recovery | 87 |
| Hazard Mitigation | 88 |
| Coronavirus Relief Fund | 89 |
| American Rescue Plan Act Fund | 90 |
| Traffic Impact Improvement | 91 |
| Truancy Prevention & Division | 92 |
| Municipal Jury Fund | 93 |
| Public, Education and Government (PEG) | 94 |
| Regional Detention Fund | 95 |
| Infrastructure Reinvestment Fund | 96 |
| Capital Project Funds | 97 |
| Enterprise Fund | 102 |
| Water & Sewer Fund | 103 |
| Enterprise Fund-Debt Service | 105 |
| Solid Waste Fund | 106 |
| Internal Service Funds | 107 |
| Risk Management Fund | 108 |
| Medical Self Insurance Fund | 110 |
| Motor Pool Fund | 112 |
| Facilities Fund | 113 |
| Information Technology Fund | 114 |
| Capital Fund | 115 |
| PEDC | 116 |
| Debt Service | 118 |
| Government-wide Debt | 118 |
| Debt by Type Overview | 123 |
| Departments | 130 |
| General Government | 130 |
| City Council | 135 |
| City Manager | 136 |
| Legal | 138 |
| City Secretary | 140 |
| Human Resources | 142 |
| Finance | 145 |
| Public Safety | 148 |
| Police | 153 |
| Fire | 159 |
| Community Services | 162 |
| Community Development | 167 |
| Communications | 170 |
| Library | 172 |
| Municipal Court | 173 |
| Public Works and Engineering & Capital Projects | 175 |
| Engineering | 179 |
| Public Works | 182 |
| Parks & Recreation | 187 |
| Enterprise Fund | 195 |
| Finance-Utility Billing | 200 |

| | |
|-----------------------------------|------------|
| Utilities | 204 |
| PEDC | 209 |
| Capital Improvements | 216 |
| Summary by Project Type | 216 |
| One year plan | 227 |
| Multi-year plan | 236 |
| Appendix/Glossary | 251 |
| Budget Ordinances | 251 |
| Pay Plans | 252 |
| Appendix | 254 |
| Glossary | 254 |

INTRODUCTION

Budget Cover Page

City of Pearland Fiscal Year 2024-2025 Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$5,013,896, which is a 7.11 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,228,191.

The members of the governing body voted on the budget as follows:

FOR: Carbone, Koza, Chavarria, Byrom, Cade, Thumann

AGAINST: Patel

PRESENT and not voting: 0

ABSENT: 0

Property Tax Rate Comparison

| | 2024-2025 | 2023-2024 |
|---|----------------|----------------|
| Property Tax Rate: | \$0.635000/100 | \$0.655400/100 |
| No-New-Revenue Tax Rate: | \$0.599536/100 | \$0.551700/100 |
| No-New-Revenue Maintenance & Operations Tax Rate: | \$0.332651/100 | \$0.259200/100 |
| Voter-Approval Tax Rate: | \$0.733345/100 | \$0.714800/100 |
| Debt Rate: | \$0.300000/100 | \$0.322900/100 |

Total debt obligation for City of Pearland secured by property taxes: \$46,176,934





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pearland
Texas**

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morill

Executive Director

Transmittal Letter

7 August 2024

Honorable Mayor Cole and City Council Members:

Among the duties of the City Manager is to prepare and submit the annual budget to the City Council. In accordance with Article 4, Section 4.10(c) (2) of the City Charter, I respectfully submit the FY25 Budget for the City of Pearland. The development of this budget is the result of countless hours of input from our departments and work from our budget staff to best meet the needs of the residents and accomplish the Council's Strategic Priorities. This balanced budget will continue to deliver efficient, quality services to the Pearland community within the capacity of our financial resources.

The overall General Fund operating budget for FY25 is \$123,066,372. The Water & Sewer Enterprise has an operating budget of \$79,469,470. The FY25 CIP is budgeted for \$252 million in planned expenses.



Background and Context

Setting the framework for our FY25 budget are the City's Strategic Priorities and Milestones. The proposed budget is a combination of ongoing efforts and the commencement of additional priorities and milestones. The FY24 budget resolved the FY23 tax value error and overcame a \$7.06 million operating deficit. While not starting from an operating deficit of that magnitude, the FY25 budget has its own set of challenges to navigate. Those challenges include softening sales tax revenues, together with slower growth in both existing and new taxable values. On the positive side, the significant reduction in payments to the various Municipal Utility Districts (MUDs) will allow us to continue an ambitious Capital Improvement Program (CIP) without the projected debt service tax rate increases. Similarly, a healthy Motor Pool fund balance, resulting from a previous Tax Increment Reinvestment Zone reimbursement, allows us to continue with aggressive reinvestment into our significantly aged Fire Department large apparatus fleet.

However, we are above all a people organization and without a committed team of public servants, our strategies, plans and goals would have no practical impact. With inflation, low unemployment, and strong competition for well-qualified staff across the region, we need to ensure a compensation package that works to both retain and recruit talent.

It is within this context that our departments and budget team have been prudent, resourceful, and imaginative in creating a draft fiscal plan that meets our goals and priorities. The resulting FY25 Budget only includes a 3.5% increase in total expenditures excluding the proposed pay plan and new leases into the Motor Pool, with a focus on meeting the service needs of our residents and business owners.

Planning, Preparing, Preserving



This budget is focused on **Planning** for the future; **Preparing** for any eventuality; and **Preserving** the community within the context of our Strategic Priorities and their associated milestones, fundamental services, and our greatest asset (our proud personnel).

This document describes the budgetary work plan to align our revenues with expenditures and leverage existing resources for maximum efficiency to Plan for the future (new Fire apparatus; a focus on improved customer service, investment in our people), Prepare for any eventuality (additional Public Safety capacity; focus on asset management in water/sewer), and Preserve the community (streets crew; additional summer camp capacity; Old Town revitalization; Cultural Arts Masterplan implementation)

Economic Factors

Continued elevated inflation, relatively high interest rates, and very low unemployment have multiple impacts on the general economy, our revenues, and our expenditures. We continue to see inflation impact the cost and availability of our supplies, equipment, construction, and personnel. Additionally, these factors impact general construction and the new housing market resulting in a reduction of permitting fees and new value growth.

However, we have seen an uptick in the planning and construction of new commercial, multi-family, industrial, and warehousing developments which will result in future value growth. Specifically, we expect the infrastructure groundwork laid by the PEDC will result in over a \$1.0B tax base in the Lower Kirby District within the next 3-5 years. Additionally, the Massey Oaks residential development and adjacent tracts appear poised to resume growing over the next several years.



What Makes Us a Great Service Organization – People

As a people organization, 68.3% of our budget is dedicated to our highly skilled and dedicated workforce. We must take care of our existing workforce while competing for new talent with other public entities and the private sector – investing in our people is neither a luxury nor a distraction. It has been three years since our last comprehensive compensation study, consequently we evaluated our pay plan versus the market with the goal of establishing a pay plan at 100% of the market average. The results of this evaluation concluded that while we have made some progress in recent years, we have not achieved our goal and are recommending to remedy this in the FY25 budget.

The consequences of not keeping up with the market are an inability to attract new talent, higher turnover, unengaged employees, and eventually a dramatic and substantial single year budget impact to catch up to the market. The proposed budget includes market adjustments for the starting pay for Police Officers (8.8%) and Firefighters (13%) and further adjustments to the pay plans to bring other positions to market. Additionally, we evaluated our certification pay and other benefits making small changes to ensure our total compensation package is comparable with our competition. A five percent (5%) increase is recommended for non-public safety staff, 3% market adjustment and 2% advancement through the salary range. Those non-public safety staff who reach the maximum of their respective range prior to September 30, 2024, will receive a 2% lump sum payment.





At our February 2024 Council Strategic Retreat, the Council affirmed five of our Strategic Priorities and eventually adopted a sixth priority “Connected Community”, which expanded our focus beyond events and programs to include how we connect with the community on a day-to-day and ongoing basis. Additionally, we incorporated the Strategic Priorities into the nearby graphic depicting the foundational priorities (our “How”): Trusted Government & Resilient Finances; with the pillar priorities (our “What”): Safe Community, Strong Economy, Sustainable Infrastructure, and Connected Community; capped off with our “Why”: to be The Community of Choice. The Strategic Priorities and Milestones continue the actionable and measurable plan adopted by Council that drives the priorities for the FY25 budget.

The major pieces incorporated into the FY25 budget include:

- **A concerted, intentional focus on improving customer service** across all departments and platforms. FY23 included a migration to an updated Cisco call center application that will facilitate moving to a Call Center. FY24 included funds to work with a consultant to develop a business plan and framework for implementation. Additionally, in FY24 we implemented a process to update our customer service standards and expectations. FY25 includes a Chief Customer Experience Officer position to oversee customer service, the call center implementation, and customer service personnel.
- **Drive future growth through redevelopment and reinvestment in older areas of the community.** The FY24 budget established dedicating 20% of the Pearland Economic Development Corporation (PEDC) budget to preserve and recapitalize infrastructure in the older parts of town and funded the ongoing Old Town Revitalization Plan. The next step in planning for the future is including a Director of Redevelopment in PEDC’s FY25 budget to support the Old Town plans implementation along with other redevelopment and infill development opportunities.
- **Continue to improve the status of our Fire/EMS apparatus** by funding the ladder truck for Fire Station 7 and replacing one (1) ambulance.
- **Prioritize Public Safety** with the addition of three (3) Police Officers, which will augment Patrol to reduce response times; a Crime Scene Supervisor, which will enable us to stand up a Narcotics Task Force; and an Animal Control Officer to help manage the new Animal Shelter capacity.
- **An Asset Reliability Team for Pearland Water** to preserve our capital investments of over \$500M in our water and wastewater plants.
- **A Street Maintenance Crew** to ensure our Infrastructure Fund and Capital Investment in streets are properly maintained, which will extend the life of our assets.
- **Capacity for our Project Management team** to meet the expected delivery schedule of the 2023 Bond Package and overall Capital Improvement Plan (CIP).

Property Tax Base and Rate

We once again have good growth in our property tax base that will fund the FY25 budget. The 2024 Total Taxable Value (not including TIRZ 2), which funds the FY24 budget, is \$11.7 billion, up from \$10.65 billion in tax year 2022; a 9.9% growth rate. In addition, the taxable value of TIRZ 2 rose from \$4.0 billion to \$4.13 billion; a 3.25% increase.

The state Tax Rate Calculation Worksheet dictates the parameters by which we establish our tax rate, which includes establishing the No New Revenue Tax Rate (NNRR) and the Voter Approval Tax Rate (VATR). The NNRR is the tax rate that produces the same amount of tax dollars from the same properties as the prior year not accommodating for inflation, growth, unfunded mandates, or new initiatives/programs to support our Strategic Priorities. The VATR allows for a small 3.5% increase in the Operations & Maintenance (O&M) tax rate plus any unused increment between the NNRR and VATR from the past three years. The results for FY25 are a No New Revenue Tax Rate of \$0.599536 and a Voter Approval Tax Rate of \$0.733351.

To support the proposed budget, which includes addressing inflation, the recommended compensation increase, and a few high priority new positions, we are recommending an Operations and Maintenance (O&M) tax rate \$0.335 and a required Debt Service rate of \$0.300 for a total tax rate of \$0.635: a decrease of \$0.0204 from last year.

After the state-mandated adjustments per the Tax Rate Calculation Worksheet, our value will generate \$41.3 million to cover our Debt Service principal and interest payments and \$45.5 million to support our General Fund O&M. The TIRZ administrative fee will result in an additional \$15.3 million to the General Fund for a total general fund tax revenue of \$60.8 million. Additionally, the TIRZ will continue to reimburse our Debt Fund for all the TIRZ reimbursable projects over the next five years until its expiration slated for 2029.

Sales Tax Revenue

Based on lower sales tax increases throughout FY24, sales tax revenue for the upcoming FY25 is budgeted at \$30.8 million, up 1.7% from the FY24 year-end amended amount. The small increase is an amount that will be monitored closely through the year for adjustment as necessary due to inflation and any other potential economic impacts.

Other Revenues

Total Licenses & Permits revenue is budgeted at \$3.0 million, slightly below the FY24 amended budget. Permit revenue was down during FY24 and is expected to be steady throughout FY25 based on projects in the pipeline. The impacts of interest rates on development projects will be closely monitored during the year for correction as necessary. Franchise Fees, Fines and Forfeitures and other miscellaneous revenues are expected to remain approximately the same as FY24.

Interest Revenue is expected to remain strong throughout FY25 based on current and projected interest rates. Interest revenue previously collected in the debt service fund and CIP cash funds will now be maintained in the General Fund leading to an increase of \$3.1M over the FY24 amended budget.

General Fund Expenditure Overview & Fund Balance

General Fund expenditures are \$123 million. On a functional basis, 62% of expenditures are in Police and Fire, up even more as a share from prior years.

Fund Balance was reduced to the policy minimum of 90 days with the FY24 budget amendments. The Ending Fund Balance in the proposed FY25 budget is approximately \$93,406 above our 90-day minimum.

Budget Challenges and Unresolved Issues

While we have addressed many of our highest priorities, there are many needs and items identified in our Strategic Priorities that are not addressed within this budget. These include:

- **Fire fleet gaps** – With the FY23 and FY24 budgets we have 6 heavy apparatus on order with the first arriving this September. However, by the time the remainder begin arriving over the next 1-4 years, we will need to have 4 additional replacements on order. Also, we need to order 2 ambulances every other year to keep that part of the fleet up-to-date and operational. We will continue to explore creative methods to address this need until all apparatus are fully accounted for in the motor pool.
- **Police personnel** – We have recognized the need to increase staffing resources for the Patrol Division, improving citizen interaction, and reducing response times. While the addition of three police officers supports this objective, the need is much larger for both patrol and dispatch.

- **Police Take-Home Program** – The Police Department has a take-home program for eligible personnel. The program is currently lacking 12 marked units and 8 unmarked units. The FY25 budget addresses the 8 unmarked units but not the 12 marked units.
- **Fire personnel** – Our past hiring ratio practice of 1.1:1 leaves us dependent upon marginally available part-time personnel and expensive overtime. While the FY25 budget does not impact the ratio, the future intent is to continue adding to get to a 1.2:1 ratio, which will then be evaluated to determine if that optimizes the balance between available personnel and a reasonable amount of overtime.
- **Certification pay for Emergency Management** – There is need for a more robust certification pay system in our total compensation approach, particularly in the area of emergency management. Certification pay rewards staff for pursuing critical training which provides the City with a competitive advantage, boosts efficiency, and grows knowledge and skills while establishing credibility. It is an additional form of compensation without impacting base salaries.
- **Infrastructure Fund** – The recently completed Road Condition Assessment determined that our overall Pavement Condition Index (PCI) had fallen from 76 in 2014 to 74 in 2023 and asphalt streets had fallen from 66 to 59 with two times the number of lane miles in poor and very poor condition. The study recommended we annually expend approximately \$5.97M to keep the PCI maintain the current PCI of 74. We have traditionally spent only \$1.0 - \$1.5M annually for our asphalt program and the FY25 budget only includes \$1.3M.
- **IT Internal Service Fund** – While we have established the IT internal service fund, we have yet to begin setting aside money to address the capital replacement costs. The IT Strategic Plan identified \$26.0 million of expenditures necessary over the next 5 years to replace equipment and programs that are vital to our daily delivery of services. This budget only addresses a limited number of those items, with significant program replacements for the Police Department Records Management System and our Enterprise Resource Planning looming in the next few years. Future budgets will need to include funds to address these large expenses.
- **Facilities Internal Service Fund** – While we have established the Facilities internal service fund, we have yet to begin setting aside money to address the capital replacement costs. The Facilities Assessment study identified \$9.4 million of unfunded expenditures necessary over the next 5 years to replace equipment and building systems that are vital to housing our personnel and serving the public. Future budgets will need to set aside funds to address these large expenses.
- **Motor Pool** – This budget only replaces a minor portion of our aging fleet that is not yet covered by lease fees and accomplishes it with Motor Pool fund balance.
- **Fire Station #7** – The 2023 Bond Program includes the construction of Fire Station #7 with a scheduled opening for FY27. For previous expansions of our fire service, we have hired in advance. To meet that need, we await the results of an application for a SAFER grant that will offset some of the cost of new personnel for up to 3 years.
- **Additional Staffing** – Most departments have personnel needs to meet expected or required service levels that are beyond the means of this budget. Staffing papers and staffing studies will be used as the basis for personnel requests in future budgets.



Pearland Water (Enterprise Fund) Overview

Moving into the second year of a standalone Utility Department, we take the opportunity to address existing identified challenges in Asset Reliability. The City is investing well over \$500M in our water and wastewater plants that enable us to provide safe, quality drinking water and treat the used wastewater before returning it to the environment. This infrastructure requires regular maintenance, preventative maintenance, and predictive maintenance to ensure we preserve our assets and receive the full life out of our investments. The Asset Reliability team will be focused on safeguarding the longevity of our new facilities and optimizing the performance of our existing facilities. This is part of the renewed focus on maintaining and operating in a financially sound and efficient manner. While extremely important to the operations of the department, the new positions have little impact on the overall budget in comparison to the major cost drivers in the rate model.

The water and wastewater industry across the state and nation are recognizing the lack of adequate, sustained investment in recapitalization and resiliency in the most vital daily products and services we provide. The lack of past investment has resulted in many providers announcing significant multi-year rate increases. We are experiencing the same with the capital improvement program for the City's water and wastewater system driving the cost to provide these life sustaining services. The necessary rate increases to support these investments have been well documented and communicated. Those rate increases support daily operations dealing with inflation affecting the prices of required chemicals and supplies, the debt to build the 10 million gallon per day Surface Water Treatment Plant, which will begin providing water this fall, and the debt to rebuild approximately 50% of our wastewater capacity at the Barry Rose and JHEC plants. While projected rate increases are less than prior multi-year projections, we have a continued need to increase revenue to meet requirements for literally hundreds of millions of dollars in investments. The result will be a durable and resilient system that meets demand.

In the FY24 budget, our rate model projected the need for a 17% increase in revenue in FY25 and a 17% increase in FY26. With significant water sales from the 2023 drought and the current project schedules, those have moved in a positive direction with a proposed increase in FY25 of 8% and a projected FY26 increase of 8%.

Revenue requirements are such that an increase in rates for a sample 6,000-gallon usage customer will be about an additional \$8.09 per month, or 8%. The rate structure moves so that the base customer with only the first-tier base of 2,000 gallons pays \$4.17/month more.

Conclusion

First, I want to thank our department Directors and their budget teams for being creative within existing budget constraints, understanding the pressures that inflation and low unemployment put on our pay plans, and submitting tight budgets with a 3.5% operational increase, mostly covering inflation. While not able to address all our priorities, we are able to support the highest of our priorities with this year's budget. As our growth continues to slow, we still need to grow our capacity to manage completed capital projects and manage past growth by allocating the resources, personnel, and capacity to deliver the services expected by our community. We will continue to work towards meeting and exceeding these expectations in the future.

I also thank the Mayor and City Council for their providing direction through our strategic priorities and milestones. Those foundational aspirations guide our budget priorities, departmental plans, divisional goals, and individual performance giving us organizational clarity as to where we want to be as a City.

A special thanks to our budget development team – Rachel Wynslow, Chan Tran, Laurie Stewart-Turner, Erika Weakley, Humera Ansari, Kendra Murphy, Victor Brownlees, Ron Fraser, Joel Hardy, and Megan Flowers; plus, Joshua Lee and many more in providing critical administrative support and specific area expertise.

Every budget is difficult, has its own unique challenges, and is the result of dedication and hard work by our team; this year is no exception and has tested our team to be resourceful, creative, and practical to deliver a budget that continues the great work to pursuing our Strategic Priorities and Milestones. In conclusion, while our needs continue to outstrip resources, we have made difficult but well-thought-out choices to **Plan** for the future; **Prepare** for any eventuality; and **Preserve** the community. As we move forward, we will continue investing in our people, infrastructure, and financial resilience to make Pearland THE Community of Choice.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Trent Epperson', with a stylized flourish at the end.

Trent Epperson
City Manager

City Management

Elected Officials

Kevin Cole
Tony Carbone
Joseph Koza
Mona Chavarria
Clint Byrom
Layni Cade
Chad Thumann
Rushi Patel

Position

Mayor
Councilmember, Position Two (Mayor Pro Tem)
Councilmember, Position One
Councilmember, Position Three
Councilmember, Position Four
Councilmember, Position Five
Councilmember, Position Six
Councilmember, Position Seven

Appointed Officials

Trent Epperson
Darrin Coker
Letitia Johnson Farnie

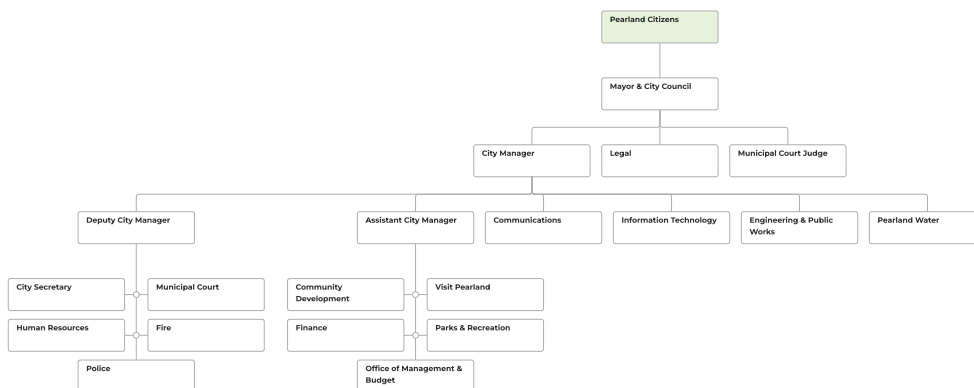
City Manager
City Attorney
Municipal Court Judge, Presiding

City Management

Ron Fraser
Victor Brownlees
Matthew Buchanan
Frances Aguilar
Johnny Spires
Jack Taylor
Lorenzo Wingate
David Sohns
Melissa Saxton
LaRae James
Vance Wylly
Carry Capers
Tracy Rohrbecher
Joshua Lee
Jennifer Huhn
Daniel McGhinnis

Deputy City Manager
Assistant City Manager
President, PEDC
City Secretary
Police Chief
Fire Chief
Director of Engineering & Public Works
Director of Utilities
Director of Finance
Director of Human Resources
Director of Community Development
Director of Parks & Recreation
Executive Director of Visit Pearland
Director of Communications
Court Administrator
Chief Information Officer

Staff Organization



READER'S GUIDE TO THE BUDGET

This budget document has been prepared and presented in an effort to comply with the guidelines and recommendations of the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Awards Program. In order to be considered for the budget award, the following four areas must be included in the budget presentation: (1) the budget as a policy document, (2) the budget as a financial plan, (3) the budget as an operations guide, and (4) the budget as a communications device. A brief explanation of these criteria is presented below.

The budget as a policy document. This involves including a statement (or statements) of budgetary policies, goals, objectives, and strategies for the year and also an explanation of the budgeting process to the reader. Goals, objectives, and strategies are an integral part of this document, which we believe satisfy this requirement.

The budget as a financial plan. This criterion involves including an explanation of the financial structure and operations of the City. The City's major revenue sources and fund structures are defined and amplified. The budget contains an all-inclusive financial plan for all funds and resources of the City, and also includes a multi-year financial forecast. Included are projections of financial condition at the end of the fiscal year, projections of financial activity, and historical comparisons. The budget also presents a consolidated picture of all operations and financing activities in a condensed format. An explanation of the budgetary accounting basis (cash basis, modified accrual basis, or other acceptable method) was employed in the development of the budget. The budget summary section, as well as the various fund and department summaries, satisfy this requirement.

The budget as an operations guide. This criterion involves explaining the relationship between organizational units (departments) and programs. An organizational chart, description of the departmental organizational structure, services, and staffing levels, with historical comparisons, are also included. Explanations of how capital-spending decisions will affect operations are offered. These issues are addressed throughout the document.

The budget as a communications device. The budget document is available to the public at the City Secretary's Office in City Hall and at the Pearland Branch Libraries, as well as on the City's website. As much as possible, we have avoided the use of complex technical language and terminology, and included charts, graphs, and glossary for understandability and usability. Efforts are made to explain the basic units of the budget, including funds, departments or activities, and disclosing sources of revenues and explanations of revenue estimates and assumptions. This information is contained in the transmittal letter and budget summary sections.

In summary, each of the above four criteria is recognized by the GFOA as an integral part of any budget document in order to convey to the reader the goals and objectives the City will address during the year and how those goals and objectives will be met and measured. We have attempted to present these goals and objectives to the reader in such a manner that any reader, regardless of the reader's financial background or knowledge, will be able to gain a basic understanding of them.

Organization of the Budget Document

The **Introduction** provides general information about the City of Pearland and highlights the key objectives the City plans to achieve in the upcoming fiscal year. A prominent feature of this section is the Transmittal Letter, which includes the City Manager's budget message to the City Council. The document also includes a List of City Management, the City's Organizational Chart; a Reader's Guide to the Budget designed to help users navigate the document; a city map with a brief overview of the City's History; its current demographics and statistics, a matrix outlining department relationships to funds; a description of the Fund Structure; an outline of Financial Policies, and finally, the Budget Calendar.

The **Budget Overview** section provides readers with a concise summary of the key aspects of this year's Budget. It begins by outlining the City Council's Strategic Plan, followed by a reflection on last year's achievements. Next, it addresses the issues and priorities anticipated in the coming years and offers a snapshot of city personnel changes. The section concludes with highlights organized by strategic priorities, covering the General Fund, Other Funds, and Funded Supplementals.



READER'S GUIDE TO THE BUDGET

The **Multi-Year Forecast** provides a financial forecast for the next two Fiscal Years for the City's major funds. This section includes the financial forecast for the City of Pearland's major funds over a three-year timeframe, and is a comprehensive, integrated forecast of the City's Debt Service (DS) Fund, General (GF) Fund, Water and Sewer (W&S) Fund, and Pearland Economic Development Corporation (PEDC).

The **Fund Summaries** section includes an overview comprised of revenue, expenditure and fund balance information for each fund.

The **Debt Service** section is divided into two parts - **Government-wide Debt** - providing a summary and related data on debt for the General Fund, Enterprise Fund, and Component Units; and **Debt by Type Overview** - offering detailed information, including graphs and tables, on the various types of debt currently held by the city.

The **Departments** are grouped into General Government, Public Safety, Community Services, Public Works and Engineering & Capital Projects, Parks & Recreation, Enterprise Fund, and PEDC. Each department provides key information, such as, brief description of the department's purpose and responsibilities, highlights of significant budget allocations or changes, a list of strategic goals, summary of major achievements, specific objectives planned for the upcoming fiscal year, and performance measures.

The **Capital Improvements** section lists a summary schedule of funding sources and expenditures for all Projects during fiscal years 2025-2029, organized by project types, which include Drainage, Facilities, Parks, Streets, Wastewater, and Water. Next, it provides focused details on the projects scheduled for the upcoming fiscal year 2025 in the One-Year plan; and boarder information on projects planned for all five-years in the Multi-year plan.

The **Appendix/ Glossary** includes the City's Charter, Article 8, Municipal Finance; the adopted Tax and Budget Ordinances; the adopted General Staff, Police and Fire Pay Plans; the adopted Usage and Service Fees Ordinance; and Developmental Fees Ordinance. Includes statements assembling all of the City's financial policies into one document. These statements are the tools used to ensure that the City is financially able to meet its current and future service needs. The individual statements contained within serve as guidelines for both the financial planning and internal financial management of the City.

The map displays the Houston and Pearland region, highlighting major highways (Interstates 10, 25, 29, 45, 67, 59, 35, 225, 288, 50, 28, 1, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000).

General Areas

- Downtown: 17 minutes
- Energy Corridor: 27 minutes
- Galleria / Uptown Park: 18 minutes
- Galveston: 32 minutes
- Texas Medical Center: 13 minutes
- Museum District: 12 minutes

Transportation

- George Bush Intercontinental (IAH): 30 minutes
- Ellington Field (EFD): 6 minutes
- Metro Light Rail: 9 minutes
- Pearland Regional (LVJ): in Pearland
- Port of Freeport: 55 minutes
- Port Houston: 20 minutes
- Port Houston - Barbour's Cut Terminal: 29 minutes
- Port Houston - Bayport Terminal: 29 minutes
- William P. Hobby (HOU): 11 minutes

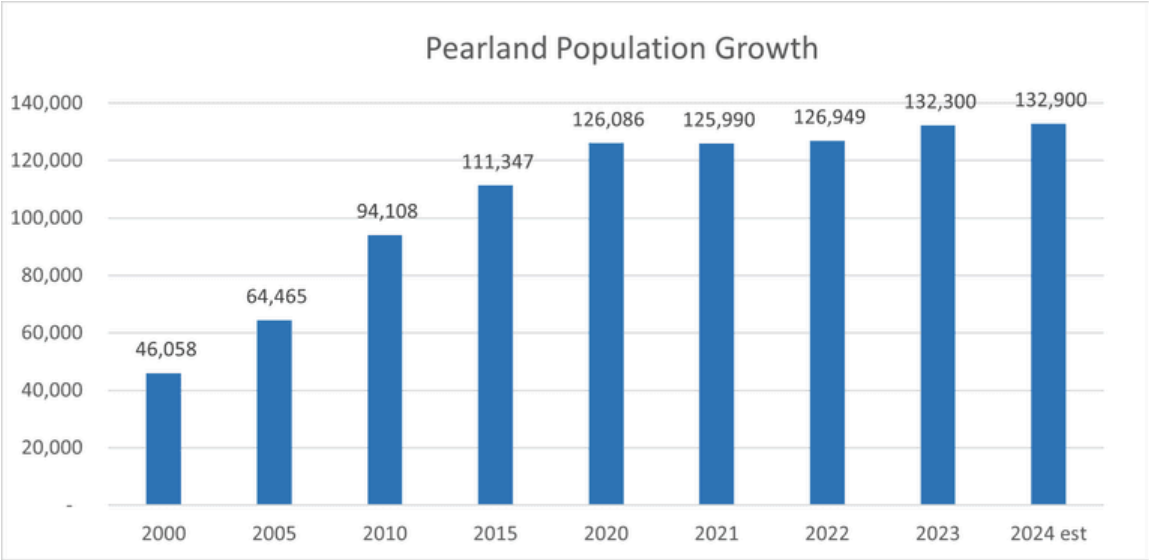
Attractions

1. Battleship Texas: 23 minutes
2. BBVA Compass Stadium: 14 minutes
3. George R. Brown Convention Center: 14 minutes
4. Kemah Boardwalk: 26 minutes
5. Minute Maid Park: 14 minutes
6. NASA Johnson Space Center: 16 minutes
7. NRG Stadium: 9 minutes
- 8.

Pearland, Texas

Pearland's location, coupled with its expressed goals of long-term planned growth, is propelling the City's rapid economic growth and development, from \$6.3 billion net taxable property valuation in 2010 to \$10.9 billion in 2018, a 73% increase. Based on economic data from the U.S. Bureau of Labor Statistics, Pearland ranked 7th in the nation, for fastest growing cities.

City of Pearland Population Growth

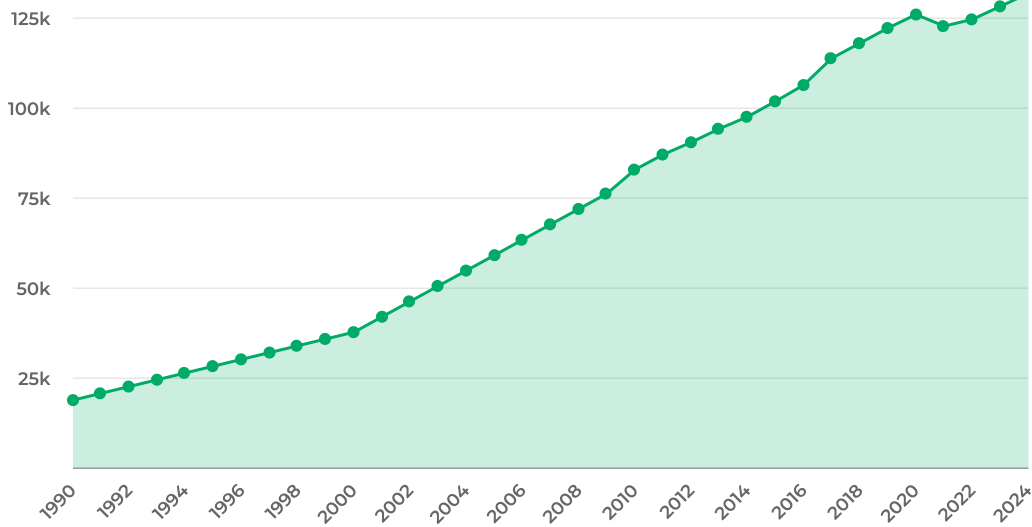


Population Overview



TOTAL POPULATION

131,718



* Data Source: Client entered data for year 2024



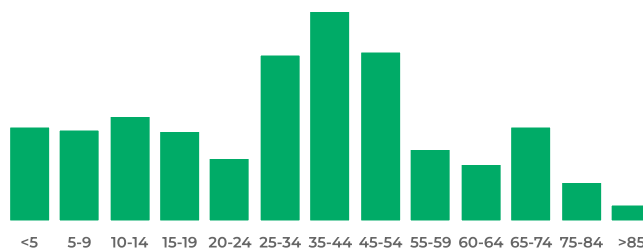
DAYTIME POPULATION

100,519

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

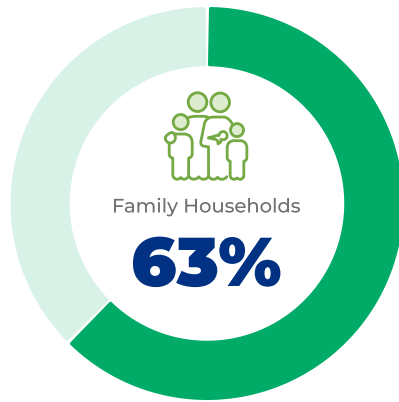
* Data Source: American Community Survey 5-year estimates

Household Analysis

TOTAL HOUSEHOLDS

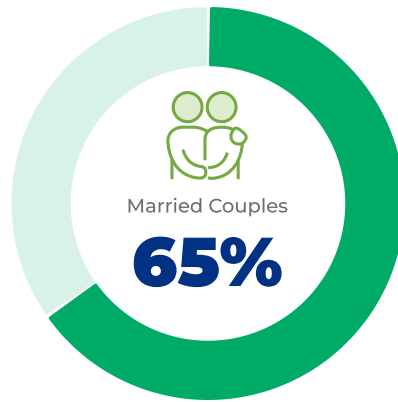
42,451

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



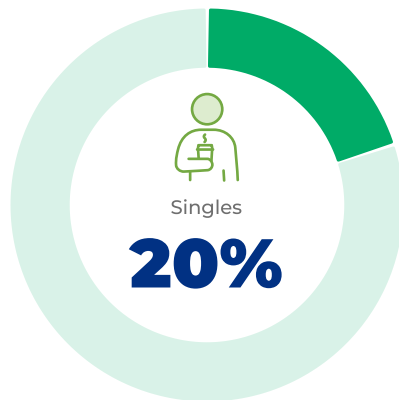
▲ **26%**

higher than state average



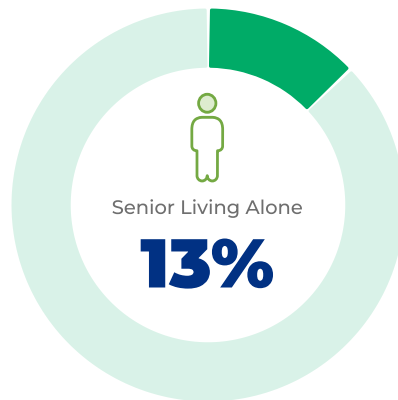
▲ **30%**

higher than state average



▼ **22%**

lower than state average



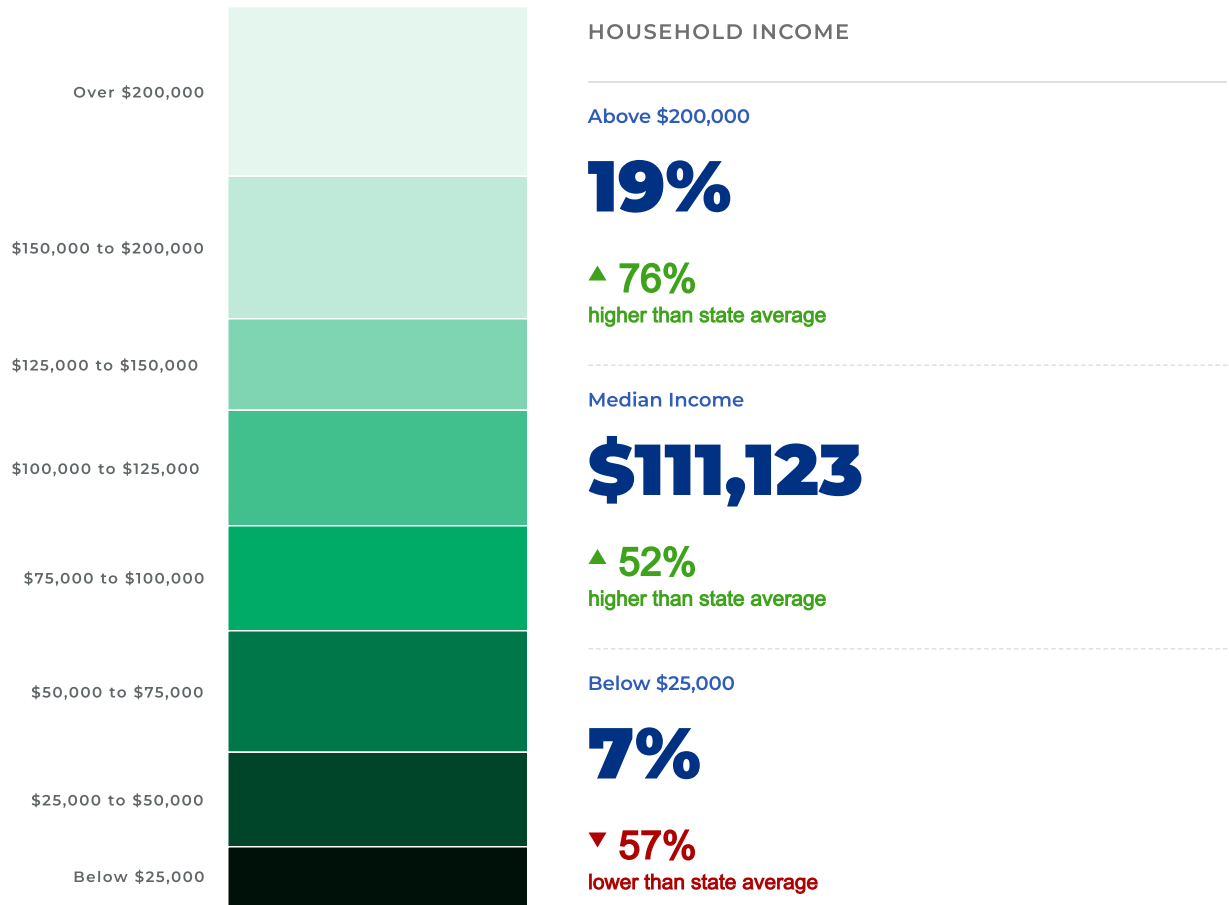
▼ **7%**

lower than state average

** Data Source: American Community Survey 5-year estimates*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



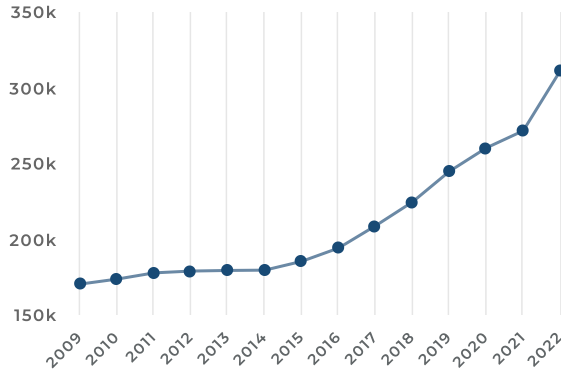
* Data Source: American Community Survey 5-year estimates

Housing Overview



2022 MEDIAN HOME VALUE

\$311,100



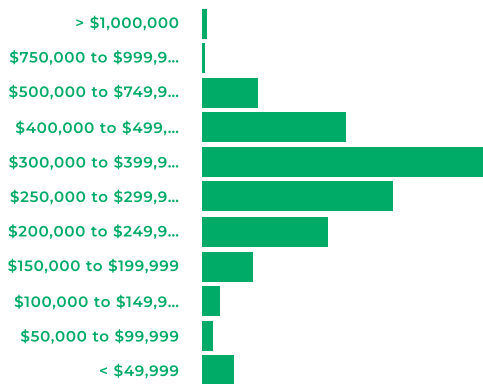
* Data Source: 2022 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Pearland State Avg.



HOME VALUE DISTRIBUTION



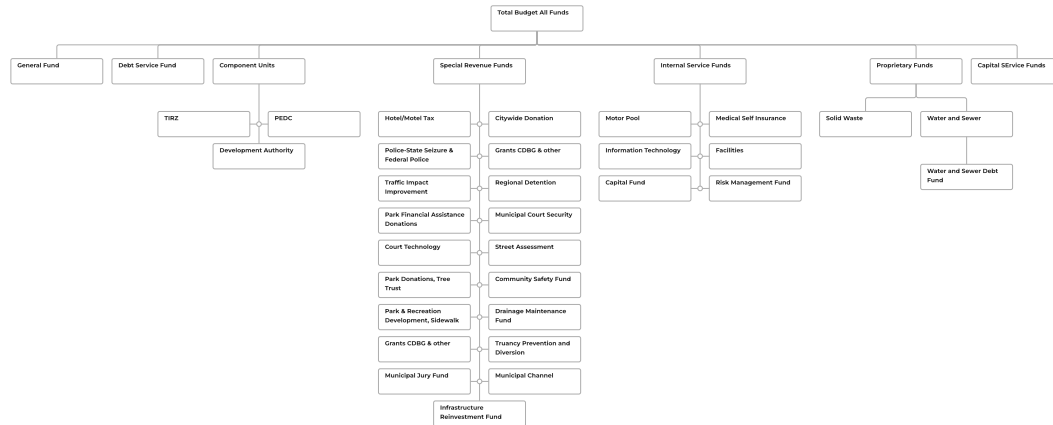
* Data Source: 2022 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

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Fund Structure

The City accounts for revenues and expenditures based on the Fund, an accounting system used by nonprofit organizations and agencies, particularly governments. Because there is no profit motive, accountability is measured instead of profitability. The main purpose of the Fund system is stewardship of financial resources to ensure funds are received and expended in compliance with legal requirements. Funds are established to ensure accountability and expenditure for designated purposes. Revenues must be raised and expended in accordance with special regulations and restrictions. The budget is adopted and recorded in the accounts of the related fund.

Fund Structure Chart



Department and Fund Relationship

| Fund | Public Safety | Public Works | Parks & Recreation | Community Development | Community Services | General Government |
|--------------------------------------|---------------|--------------|--------------------|-----------------------|--------------------|--------------------|
| General Fund | X | X | X | | X | X |
| Proprietary Funds | | | | | | |
| Enterprise (Water/Sewer Fund) | | X | | | | |
| Water & Sewer Debt Fund | | X | | | | |
| Solid Waste Fund | | X | | | | |
| Special Revenue Funds | | | | | | |
| Hotel/Motel Occupancy Tax | | | | X | | |
| Court Security | | | | | X | |
| City Wide Donation Fund | | | | | X | |
| Court Technology | | | | | X | |
| Street Assessment | | X | | | | |
| Park Donations | | | X | | | |
| Tree Trust | | | X | | | |
| Parks Financial Assistance/Donations | | | X | | | |
| Police State Seizure | X | | | | | |
| Police Federal Seizure | X | | | | | |
| Parks & Recreation Development | | | X | | | |
| Sidewalk Fund | | X | | | | |
| Drainage Maintenance Fund | | X | | | | |
| Grant Fund | | | | | | X |
| CDBG Grant Fund | | | | | | X |
| CDBG Disaster Recovery Fund | | | | | | X |
| Hazard Mitigation Fund | | | | | | X |
| Coronavirus Relief Fund | | | | | | X |
| ARPA Fund | | | | | | X |
| Traffic Impact Improvement | | X | | | | |
| Truancy Prevention and Diversion | | | | | X | |
| Municipal Jury Fund | | | | X | | |
| Municipal Channel (PEG) Fund | | | | | | X |
| Regional Detention Fund | | X | | | | |
| Infrastructure Reinvestment Fund | | X | | | | |

Total Budget Fund Structure

| Governmental Funds | |
|---|---|
| 100 General Fund | Capital Projects Funds |
| | 500 Capital Projects-Pay as You Go |
| 200 Debt Service Fund | 501 Certificates of Obligation |
| | 503 Certificates of Obligation 2006 |
| Special Revenue Funds | 506 General Obligation 2009 |
| 305 Hotel/Motel Occupancy Tax | 507 General Obligation 2020 |
| 310 Municipal Court Security | 508 Certificates of Obligation 2020 |
| 315 City Wide Donation | 509 General Obligation 2021 |
| 320 Court Technology | 511 PEDC Projects |
| 325 Street Assessment | 512 Certificates of Obligation 2021 |
| 330 Park Donations | 513 General Obligation 2022 |
| 331 Tree Trust | 515 Certificates of Obligation 2020 TIRZ |
| 332 Parks Financial Assistance Donations | 516 Certificates of Obligation 2021 TIRZ |
| 335 Police State Seizure | 517 Certificates of Obligation 2022 |
| 336 Police Federal Seizure | 518 Certificates of Obligation 2022 TIRZ |
| 337 Community Safety Fund | 519 General Obligation Series 2023 |
| 340 Parks & Recreation Development | 520 Certificates of Obligation Series 2023 |
| 345 Sidewalk Fund | 521 Drainage Fund |
| 346 Drainage and Maintenance Fund | 522 General Obligation Series 2024 |
| 350 Grant Fund | 523 Certificates of Obligation Series 2024 |
| 351 CDBG Grant Fund | 524 TIRZ Certificates of Obligation Series 2023 |
| 360 Traffic Impact Improvement | 525 TIRZ Certificates of Obligation Series 2024 |
| 365 Truancy Prevention and Diversion | 526 General Obligation 2025 |
| 366 Municipal Jury Fund | 527 Certificates of Obligation 2025 |
| 370 Municipal Channel (PEG) Fund | |
| 380 Regional Detention Fund | |
| 514 Infrastructure Reinvestment Fund | |
| Additional Funds | |
| Enterprise Funds | Proprietary Funds |
| Water/Sewer Capital Projects Funds | 600 Water Sewer Fund |
| 550 W/S Impact Fee Fund | 601 Water Sewer Debt Fund |
| 551 Water Impact Fee Fund | 610 Solid Waste Fund |
| 552 Waste Water Impact Fee Fund | |
| 565 Revenue Bonds 1999 & 2003 | Internal Service Funds |
| 566 Revenue Bonds Series 2020 | 700 Risk Management Fund |
| 567 TWDB Revenue Bonds Series 2020 | 702 Medical Self Insurance Fund |
| 568 Revenue Bonds Series 2021 | 703 Motor Pool Fund |
| 569 Revenue Bonds Series 2022 | 704 Facilities Fund |
| 570 Water & Sewer Pay as You Go Fund | 705 Information Technology Fund |
| 571 TWDB Revenue Bonds Series 2021 | 706 Capital Fund |
| 572 TWDB Revenue Bonds Series 2022 | |
| 573 TWDB Revenue Bonds Series 2023 | Component Units |
| 574 Revenue Series 2023 | 900 Economic Development Fund (PEDC) |
| 575 MUD 4 Capital Program | |
| 576 WS Certificates of Obligation Series 2024 | |
| 577 WS Certificate of Obligation Series 2025 | |

Basis of Budgeting

The financial information presented in this budget is similar to information presented in previous budget documents. The accounting and financial treatment that applies to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resource measurement focus.

Governmental Funds

The governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are budgeted when they are measurable and available and expenditures are budgeted in the period in which the liability is incurred, which is in accordance with Generally Accepted Accounting Principles. “Measurable” means the amount of the transaction can be determined and “available” means the collectible period. The City considers the majority of its major revenues as available when collected. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as liabilities when due.

Those revenues susceptible to accrual under the modified accrual method are property taxes and other taxes, intergovernmental revenue, and interest revenue. Licenses and permits, including fines and forfeitures revenues, are not susceptible to accrual because generally they are not measurable until received in cash.

The fund balance approach of governmental funds or working capital approach can be identified as current assets fewer current liabilities. Governmental funds budget capital outlays as expenditures, but do not budget for non-cash expenditures such as accruals for sick and vacation liabilities and depreciation.

Proprietary and Internal Service Funds

The Water and Sewer Enterprise Fund, Solid Waste Fund, and Property Insurance Fund are budgeted using a flow of economic resources, which is similar to the accrual basis of accounting, with exceptions listed below. Available balances are determined using the cash equivalent approach: cash + investments + accounts receivable + prepaid expenses – accounts payable = cash equivalent available.

Basis of Budgeting and Accounting

- Revenues are budgeted in the period they are earned and measurable,
- Expenses are budgeted in the period in which the liability was incurred,
- Depreciation of assets is not budgeted,
- Capital outlay is budgeted as an expense in the year purchased,
- Principal payments are budgeted as an expense rather than a reduction to the liability,
- Proceeds from bond sales are budgeted as revenue, and
- Transfer of bond proceeds to the Capital Projects Fund is budgeted as an expense

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and fiduciary funds are accounted for using the modified accrual basis. Revenues are recognized in the accounting period when they are measurable and available. Revenues subject to accrual include interest income and charges for services. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Capital outlays are recorded as additions to fixed assets at fiscal year-end and the cost of those assets are depreciated over their estimated useful lives for the government-wide financial statements.

All proprietary funds are accounted for on an accrual basis. Revenues are recognized in the period in which they are earned and become measurable and expenses in the period in which they are incurred and measurable. Proprietary funds also record depreciation and amortization. Payment of principal is recorded as a reduction to the long-term liability.

Government-Wide Financial Statements (GASB-34)

The City of Pearland fully implemented government-wide financial statements with the year ended September 30, 2007. The government-wide statements present information about the City in a manner similar to those used by private sector companies. These statements, which can be found in the City's Annual Comprehensive Finance Report, include all assets and liabilities on an accrual basis of accounting, which is similar to the basis of accounting used by most private sector entities. The City has realized no impact to the annual budget based on the new reporting model.

Budget Procedures

The budget process begins with the distribution of budget instructions to the department heads. Each department receives instructions for its respective operations, personnel requirements, and capital outlay. The budget worksheets used in the budgeting process contain: 2-prior year actuals, current year original budget, current year amended budget, current year actuals to date, current year projected expenditures, next fiscal year base budget, and next fiscal year supplemental request, for a next year total request. This financial information is to be used by the department heads as a guide to complete the proposed budget. It is assumed that the prior year's financial needs are responsible indicators of future base financial needs and the budget is projected on this basis.

This budget was developed based on zero base budgeting. Supplemental requests for capital, annexation, growth and development or other items that do not fit within normal operating budgets are requested and justified separately. Upon completion of the proposed budget, department heads submit their budget request to the Budget Office for review, after which the budget is submitted to the City Manager for review and approval. The City Manager meets with his direct reports to discuss and make adjustments where needed.

The Budget Office prepares the revenue budget, with review by appropriate departments, Director of Finance and City Manager. Property tax revenue is budgeted using data provided in the preliminary or certified tax rolls received from the Brazoria, Fort Bend and Harris County Appraisal Districts. All other revenues are budgeted with the use of comparative financial information provided by the prior year's actual revenue, current year estimated revenue, and known factors that may affect receipt of revenue.

Budget Procedures

The City Manager and Director of Finance then submit a balanced budget of expenditures and revenues to the City Council for review through a series of budget workshop sessions.

The following procedures are followed for formal adoption of the budget:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1, which must be adopted by the last regularly scheduled Council meeting in September. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices and hearings are conducted pursuant to state law.
3. The budget is legally enacted through passage of an ordinance.
4. The legal level of control is the total approved budget for each fund.
5. All funds are included in the budget development process and submitted to the Council for adoption each year and are monitored by department administrators and budget analysts during the year.
6. These funds include the General Fund, Capital Improvement Fund(s), Special Revenue Funds, Debt Service Funds, Water and Sewer Fund, Solid Waste Fund, Internal Service Funds, and the Economic
7. Development Corporation Fund.
8. Operating fund appropriations lapse at year-end.
9. See the Pearland City Charter, Article 8, in the Appendix section for further budget procedures and rules for the adoption of the budget.

Procedure For Amending the Budget

EMERGENCY APPROPRIATIONS

At any time in any fiscal year, the Council may make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare. Such appropriations shall be by ordinance adopted by the majority vote of the Council members at one special or regular meeting.

TRANSFER OF APPROPRIATIONS

At any time during the fiscal year, the City Manager may approve an amendment to the budget that transfers part or all of any unencumbered appropriation balance among programs within a department, division, or office, upon written request by department heads. The City Council must approve any budget amendments that increase or decrease the appropriation for any fund.

Please see Appendix for additional information regarding the City's Financial Policies

Financial Policies

The City's Financial Policies are reviewed on an annual basis as part of our commitment to transparency and the regular audit process. Current Financial Policies are available for viewing on the web version of the FY25 Budget Book. The date of the last revision is September 2024.

In addition to the Financial Policies, the City Charter pertaining to Finance is also attached.

All attachments are viewable through the website version of the adopted budget. [↗](#)

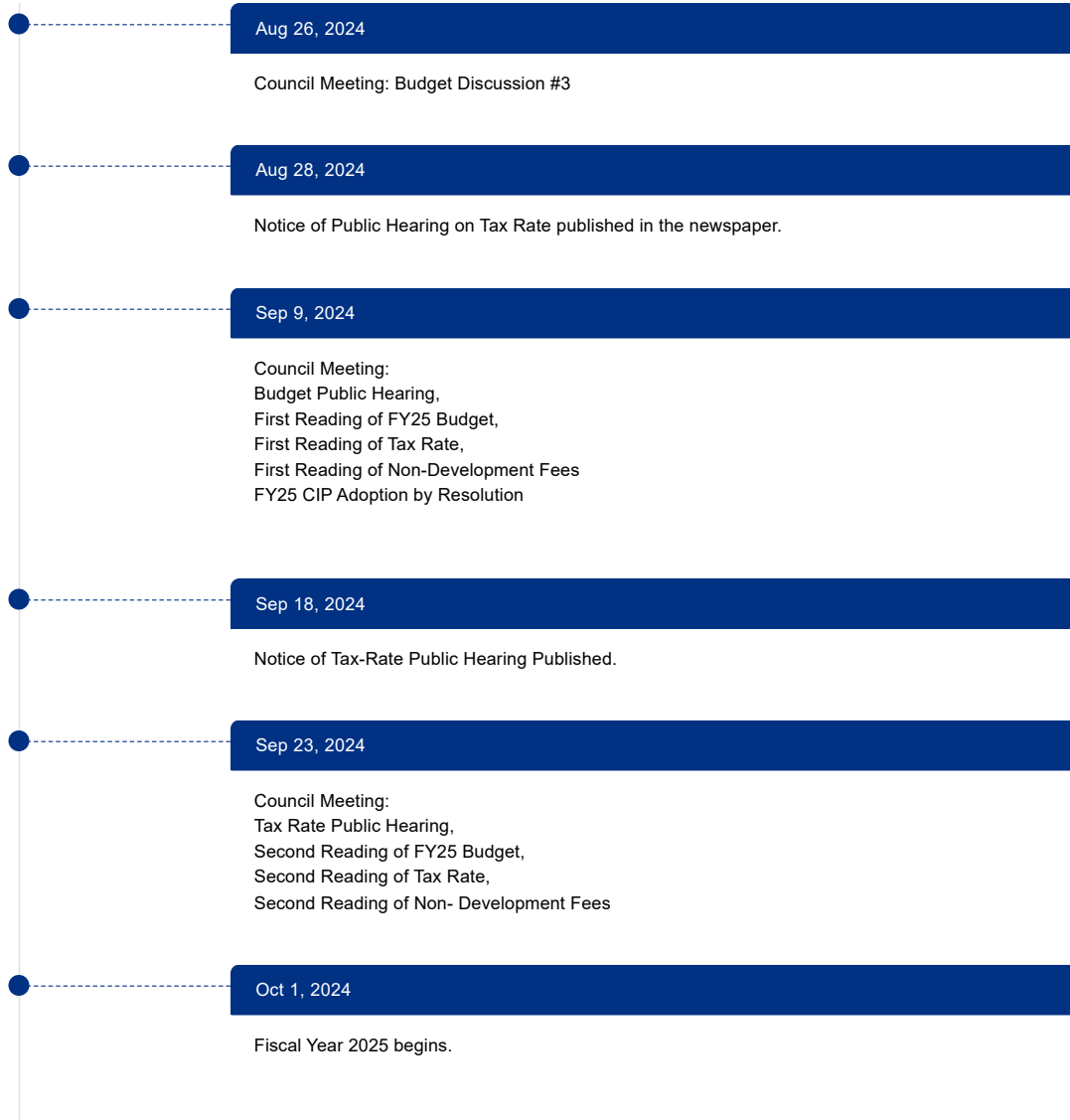


Budget Timeline

The City of Pearland begins planning for the annual budget process in January of the current fiscal year. From there, city-wide participation is encouraged throughout the process. Budget entry is opened for current fiscal year projections as well as the upcoming fiscal year. The amendment for the current fiscal year budget is presented in June, with the proposed budget for the upcoming fiscal year being delivered to the Council on the first Friday in August. The City Manager's presentation of the proposed budget takes place at a workshop the following weekend. The annual Capital Improvement Plan and Budget are adopted in September prior to the start of the fiscal year on October 1, 2024.

All public meetings are advertised on the cities website in advance of the meeting, with a full agenda available beforehand. Notification of public hearings is published online and in local newspapers. A budget development [page](#) was created and all public meetings, responses to budget questions, and documents were shared on the site in order to be accessible to the public.





BUDGET OVERVIEW



Strategic Plan

On Saturday, February 24, 2024, City Council met for a Strategic Visioning Retreat with a third-party facilitator, Patrick Ibarra of the Mejorando Group, alongside the City Manager's Office, City Attorney, and department directors. FY23 accomplishments were reviewed in addition to what is in progress for FY24, Council members were invited to share their desired legacy for their time on Council, existing strategic priority milestones were reviewed in addition to a robust discussion on the Whole Community strategic priority.

Each strategic priority was reviewed as part of the retreat, which included the elimination or realigning of certain milestones, grouping similar milestones together, and the creation of a few new milestones. Additionally, no consensus was reached during the discussion on Whole Community. Staff was tasked with generating some options for this strategic priority, which are introduced below.

The City Council adopted Strategic Priorities and Milestones to create a clear connection between community priorities, the budget, and the daily operations of the City of Pearland. As we begin planning for the FY25 budget year, departmental initiatives and supplemental requests will be linked to Strategic Priorities and associated milestones.

Trusted Government

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

Strong Economy

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

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

Sustainable Infrastructure

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

Resilient Finances

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

Connected Community

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

Short-Term Factors

Many of the short-term factors that impact this budget and future years are discussed in the Transmittal Letter. Additional short-term factors are considered through the multi-year forecast available in the next section.

The Office of Management and Budget established for fiscal year 2025 is in the process of developing mid-term financial planning, which is a more thoughtful and metric driven approach to reviewing the short-term factors that can impact the City of Pearland going forward over the next 1-3 years.

FY 2024 Accomplishments

Throughout fiscal year 2024, much has been accomplished and should be recognized. By strategic priority we have accomplished the following:

Trusted Government

Implementation of CityWorks PLL in progress

2040 Comprehensive Plan

Strong Economy

Continuing implementation of the Pearland Prosperity Plan

Old Town Revitalization Study initiated

Safe Community

Evaluation of PD/FD joint dispatching center in progress

Nearing completion of traffic signal pre-emption

Improving emergency preparedness

Sustainable Infrastructure

Pearland Water Customer Portal implementation

Nearing completion on the Surface Water Treatment Plant

Resilient Finances

Creation of the Office of Management & Budget

Completed Financial analysis of in-City MUDS

Connected Community

Development of organization wide customer service standards in progress

Roadmap for overall customer service and citizen engagement initiated

Updated athletic field usage and rental policies

Changes from the FY25 Proposed Budget

The budget is presented by the City Manager to Council in early August. Through a series of 3 workshops with City Council in August some modifications were made.

- The Water/Wastewater rate change that was proposed at 8% was adopted at a 7% rate change.
 - Reflected in the Enterprise Fund Summary, multi-year rate model.
- The Pearland Economic Development Corporation was originally proposing to sell debt in FY25. Through the budget discussions the decision to issue no debt.
 - Reflected in the PEDC fund summary, and the PEDC multi-year forecast.

Priorities & Issues

Moving forward, we are focused on our Strategic Priorities and their associated milestones, fundamental services, and our greatest asset (our proud personnel) to realign our future within the context of our current situation to build this budget. This document describes the budgetary work plan to realign our revenues with expenditures following the tax valuation error and leverage existing resources for maximum efficiency to build future resiliency within our finances as well as our infrastructure.

- **A concerted, intentional focus on improving customer service** across all departments and platforms. FY23 included a migration to an updated Cisco call center application that will facilitate moving to a 311 Call Center in the future. The next step included in the FY24 budget is to develop a business plan for implementation.
- **Drive future growth through redevelopment and reinvestment in older areas of the community.** Via resolution, the PEDC budget will now include a specific goal of dedicating 20% of the budget to recapitalize infrastructure in the older parts of town. Additionally, an Old Town Master Plan is funded by the PEDC. The study will include an analysis of the housing, infrastructure, public spaces, parks, streetscape, neighborhood amenities, and commercial development, within the Old Town area to create an achievable and realistic redevelopment plan.
- **Increase the Drainage Maintenance Fund by adding an additional \$125,000** as originally called for the Council Resolution. The funds will address our need for a stormwater inspector to meet the state requirements for Municipal Separate Storm Sewer System (MS4) permit and provide additional contracting capacity for ditch cleaning and street sweeping.
- **Significant gains on our large Fire apparatus replacement** by adding (2) pumpers and one (1) ladder truck.
- **Evaluating and developing a long-term plan to consolidate our Fire and Police dispatching** to positively impact internal efficiencies and response times.
- **Addition of (2) Police Officer positions** plus (2) patrol vehicles to address rising response times.
- **Improving emergency preparedness** by including an on-site All Hazards Type 3 Incident Management Team course.

Personnel Changes

Fiscal Year 2025 Adopted

| | Full-Time Positions | | | | Part-Time Positions | | | | |
|-----------------------------------|---------------------|-----------------|------------|-----------------|---------------------|-----------------|------------|-----------------|---------------|
| | FY23 Amended | FY24 Amended | Change | FY25 Adopted | FY23 Amended | FY24 Amended | Change | FY25 Adopted | Grand Total |
| General Government | | | | | | | | | |
| City Manger | 6.0 | 7.0 | 1 | 8.0 | | | | 0 | 8.00 |
| City Secretary | 4.0 | 5.0 | 1 | 6.0 | 2 | 1 | | 1 | 6.50 |
| Office of Management and Budget | 0.0 | 0.0 | 5 | 5.0 | 0 | | | 0 | 5.00 |
| Finance | 18.0 | 16.0 | -1 | 15.0 | 2 | 2 | | 2 | 16.00 |
| Utility Customer Service | 27.0 | 29.0 | -4 | 25.0 | 1 | 1 | | 1 | 25.50 |
| Human Resources | 10.5 | 12.5 | 1 | 13.5 | | 1 | | 1 | 14.00 |
| Human Resources-Risk Management | 0.5 | 0.5 | | 0.5 | | | | 0 | 0.50 |
| IT | 21.0 | 22.0 | 1 | 23.0 | | | | 0 | 23.00 |
| Legal | 7.0 | 7.0 | 0 | 7.0 | | 1 | | 1 | 7.50 |
| General Government Total | 94.0 | 99.0 | 4.0 | 103.0 | 5 | 6 | 0 | 6 | 106.00 |
| Public Safety | | | | | | | | | |
| Fire-Admin | 10.0 | 11.0 | | 11.0 | 2.0 | 2.0 | | 2.0 | 12.0 |
| Fire Training | 3.0 | 3.0 | | 3.0 | | | | 0.0 | 3.0 |
| Fire Operations** | 135.0 | 138.0 | | 139.0 | 33.0 | 26.0 | | 26.0 | 152.0 |
| Fire Marshal | 6.0 | 5.0 | 1.0 | 5.0 | 1.0 | 2.0 | | 2.0 | 6.0 |
| Fire Code Enforcement | 8.0 | 8.0 | | 8.0 | | | | 0.0 | 8.0 |
| Office of Emergency Management | 3.0 | 3.0 | | 3.0 | | | | 0.0 | 3.0 |
| Police-Admin | 12.0 | 13.0 | | 13.0 | | | | 0.0 | 13.0 |
| Police Patrol | 120.0 | 118.0 | | 121.0 | | | | 0.0 | 121.0 |
| Police-Investigations | 32.0 | 33.0 | 3.0 | 34.0 | | | | 0.0 | 34.0 |
| Police-Community Services | 12.0 | 9.0 | 1.0 | 9.0 | | | | 0.0 | 9.0 |
| Police-Communications/Records | 33.0 | 32.0 | | 32.0 | 4.0 | 4.0 | | 4.0 | 34.0 |
| Police-Jail | 17.0 | 21.0 | | 21.0 | | | | 0.0 | 21.0 |
| Police-Commercial Vehicle | 2.0 | 2.0 | | 2.0 | | | | 0.0 | 2.0 |
| Police School Resource | 11.0 | 12.0 | | 12.0 | | | | 0.0 | 12.0 |
| Police-Animal Services | 12.0 | 12.0 | | 13.0 | | 1.0 | | 1.0 | 13.5 |
| Police-Training Academy | 0.0 | 2.0 | 1.0 | 2.0 | | | | 0.0 | 2.0 |
| Public Safety Total | 416.0 | 422.0 | 6.0 | 428.0 | 40.0 | 35.0 | 0.0 | 35.0 | 445.5 |
| Public Works | | | | | | | | | |
| Traffic Management | 6.0 | 6.0 | 3.0 | 9.0 | | | | | 9 |
| Engineering | 12.0 | 12.0 | | 12.0 | | | | | 12 |
| Capital Projects | 16.4 | 15.0 | 3.0 | 18.0 | | | | | 18 |
| Public Works Administration - GF | 6.5 | 12.0 | | 12.0 | | | | | 12 |
| Public Works Administration - W&S | 9.2 | | | 0.0 | | | | | 0 |
| Facilities | 9.7 | 9.0 | | 9.0 | | | | | 9 |
| Fleet Maintenance | 8.2 | 7.0 | | 7.0 | | | | | 7 |
| Streets | 9.0 | 9.0 | 5.0 | 14.0 | | | | | 14 |
| Drainage Maintenance | 13.0 | 14.0 | 1.0 | 15.0 | | | | | 15 |
| Grounds Maintenance (ROW)-GF | 7.0 | 7.0 | -3.0 | 4.0 | | | | | 4 |
| Grounds Maintenance (ROW)-EF | 7.0 | 7.0 | | 7.0 | | | | | 7 |
| Utilities-Admin | 0.0 | 10.0 | 2.0 | 12.0 | | | | | 12 |
| Lift Stations | 7.0 | 7.0 | | 7.0 | | | | | 7 |
| Meter Services | 3.0 | 0.0 | | 0.0 | | | | | 0 |
| Wastewater Treatment | 14.0 | 14.0 | 3.0 | 17.0 | | | | | 17 |
| Water Production | 20.0 | 20.0 | | 20.0 | | | | | 20 |
| Distribution and Collections | 40.0 | 40.0 | | 40.0 | | | | | 40 |
| Environmental Services | 7.0 | 7.0 | | 7.0 | | | | | 7 |
| Surface Water Plant | 13.0 | 13.0 | | 13.0 | | | | | 13 |

| | | | | | | | | | |
|-------------------------------------|--------------|------------|-----------|------------|------------|------------|-------------|---------------|---------------|
| Public Works Total | 208 | 209 | 14 | 223 | | | | | 223 |
| Community Services | | | | | | | | | |
| Municipal Court (all) | 11.5 | 11 | | 11 | 1 | 0 | | 0 | 11 |
| Communications | 7 | 7 | | 7 | | | | | 7 |
| Community Development-Admin | 2 | 3 | | 3 | | | | | 3 |
| Planning | 9 | 6 | | 6 | | | | | 6 |
| Permits and Inspections | 11 | 10 | | 10 | | | | | 10 |
| Development Services | 6 | 7 | | 7 | | | | | 7 |
| Community Services Total | 46.5 | 44 | 0 | 44 | 1 | 0 | 0 | 0 | 44 |
| Parks | | | | | | | | | |
| Parks-Admin | 8 | 11 | | 11 | | | | | 11 |
| Parks | 24 | 28 | | 28 | | | | | 28 |
| Recreation* | 3 | 3 | | 3 | 14 | 14 | 2.14 | 16.14 | 11.07 |
| Natural Resources | 3 | 3 | | 3 | 7 | 7 | | | 3 |
| Athletics | 2 | 2 | | 2 | 6 | 6 | 2 | 8 | 6 |
| Aquatics** | 3 | 7 | | 7 | 28 | 20 | | 20 | 17 |
| Special Events | 3 | 3 | | 3 | | | | | 3 |
| Senior Programs | 3 | 3 | | 3 | 3 | 3 | | 3 | 4.5 |
| Recreation Operations** | 6 | 6 | | 6 | 27 | 21 | | 21 | 16.5 |
| Parks & Recreation Total | 55 | 66 | 0 | 66 | 85 | 71 | 4.14 | 68.14 | 100.07 |
| Other Funds | | | | | | | | | |
| Economic Development | 7 | 7 | 1 | 8 | | 0 | 0 | 0 | 8 |
| CVB/Visit Pearland | 3 | 3 | 1 | 4 | 1 | 1 | 0 | 1 | 4.5 |
| Other Funds Total | 10 | 10 | 2 | 12 | 1 | 1 | 0 | 1 | 12.5 |
| ALL FUNDS | | | | | | | | | |
| General Fund Total | 619.9 | 640.5 | 21.0 | 661.5 | 130 | 111 | 4.14 | 108.14 | 715.57 |
| Enterprise Fund Total | 147.2 | 147.0 | 1.0 | 148.0 | 10 | 1 | 0 | 1 | 148.5 |
| Internal Service Fund Totals | 39.4 | 38.5 | 1.0 | 39.5 | 3 | 0 | 0 | 0 | 39.5 |
| Drainage Maintenance | 13.0 | 14.0 | 1.0 | 15.0 | 6 | 0 | 0 | 0 | 15 |
| Other Totals | 10.0 | 10.0 | 2.0 | 12.0 | 20.0 | 1 | 0 | 1 | 12.5 |
| Grand Total | 829.5 | 850 | 26 | 876 | 169 | 113 | 4.14 | 110.14 | 931.07 |

FY2025 Funded New Positions by Fund/Division

| Fund/Division | Position Title | Net FTE Change |
|-------------------------------------|--------------------------------------|----------------|
| General Fund | | |
| CMO-Admin | Chief Customer Experience Officer | 1.0 |
| City Secretary | Records Analyst | 1.0 |
| Human Resources | HR Business Partner | 1.0 |
| Police-Patrol | Police Officers | 3.0 |
| Police-Investigations | Crime Scene Supervisor | 1.0 |
| Police-Animal Services | Animal Control Officer | 1.0 |
| Fire-Operations | EMS Clinical Manager | 1.0 |
| EPW-Capital Projects | Senior Project Manager | 1.0 |
| EPW-Capital Projects | Project Manager | 1.0 |
| EPW-Capital Projects | Project Coordinator | 1.0 |
| EPW-Streets | Utility Maintenance Worker | 5.0 |
| Parks & Recreation-Recreation | Camp Counselor (7 Seasonal) | 1.5 |
| Parks & Recreation-Recreation | Camp Coordinator's (2 Seasonal) | 0.64 |
| Parks-Athletics | Recreation Attendants (4 PT) | 2.0 |
| General Fund Total | | 21.14 |
| | | |
| Visit Pearland | | |
| Visit Pearland | Arts Administrator | 1.0 |
| Visit Pearland Total | | 1.0 |
| | | |
| Drainage Maintenance | | |
| EPW-Drainage | Maintenance Supervisor | 1.0 |
| Drainage Maintenance Total | | 1.0 |
| | | |
| Pearland Water | | |
| Utilities-Administration | Deputy Director of Utilities | 1.0 |
| Utilities-Administration | Asset Reliability Manager | 1.0 |
| Utilities-Wastewater | Instrumentation Technician | 1.0 |
| Utilities-Wastewater | Utility Mechanic | 2.0 |
| Pearland Water Total | | 5.0 |
| | | |
| Information Technology | | |
| IT | Cyber Risk & Intelligence Specialist | 1.0 |
| Information Technology Total | | 1.0 |
| | | |
| PEDC | | |
| PEDC | Director of Redevelopment | 1.0 |
| PEDC Total | | 1.0 |
| | | |
| Grand Total | | 30.14 |

General Fund Highlights by Strategic Priority

Funding Highlights by Strategic Priority General Fund

The purpose of this section is to highlight the high-impact investments proposed in this budget and their impact on the General Fund. For a full list of all funded Supplemental Requests, please see the FY25 Funded Supplemental Requests by Strategic Priority" section on subsequent pages.

Trusted Government

Records Analyst – City Secretary - \$14,000

A Records Analyst is crucial for enhancing the efficiency of the City's Records Management (RM) Program. This position will ensure compliance with record retention policies, streamline document retrieval processes, and support the overall transparency and accountability of the City's operations. The Records Analyst will also enhance decision-making, by ensuring timely access to critical information and aiding various departments in achieving their objectives. Improving the records management process and sustaining a healthy RM Program aligns with the foundational strategic priority of Trusted Government. The start date for this position is projected to be October 1, 2024, allowing us to integrate this role into our existing workflows and deliver immediate benefits to the City. All but \$14,000 of this position is offset by eliminating our existing reliance on contracted Records Management services.

Safe Community

Police Officers (3) – Police-Patrol - \$515,206

In addition to leading indicators of 90th percentile response times, citizen calls for service, and Part 1 crimes, analysis showed the build-out of Massey Oaks will have a 3-officer impact on staffing. An annexation of Avalon Terrace would have a 2-officer impact and development near SH288 and BW8 will have a 2-officer impact. The department is striving to increase patrol staff allocated to 19 officers per shift. Currently PD is allocated 3 short of this goal. Adding the 3 officers to patrol will help stabilize call volume per officer and response times within patrol. These positions are funded beginning in April 2025.

Animal Control Officer –Police-Animal Services - \$175,620

The new Shari D. Coleman Animal Shelter and Adoption Center opened in November 2022 with a capacity approximately three times the number of animals as the previous shelter. As indicated on the CIP, the department requested 4 personnel to help with the anticipated increase on workload but received one of the four needed. The shelter consistently operates at or near full capacity, which shifts the focus almost exclusively to animal care. This leaves little staff time to address proactive field work, respond to citizen calls, perform investigations, and take part in efforts to increase outreach and adoptions. The unit has experienced extreme turnover as a result of doing overtime work in the shelter with other Department personnel and contract personnel. The addition of another Animal Control Officer should help the unit stabilize over time.

Crime Scene Supervisor – Police-Investigations - \$183,413

Pearland PD was the first agency in Brazoria County to hire non-certified professional crime scene investigators. The crime scene unit is currently supervised by a Sergeant. The Police Department has planned for the transition to professional staff in this area since the Berkshire Study. The supervision of this unit does not require a certified police supervisor. Moving toward a professional staff Crime Scene Supervisor will allow for career progression, save money in this particular area of supervision, and ensure a supervisor is present who has experience in crime scene investigation.

The Sergeant position that currently supervises this unit will transition to leading a Narcotics Unit. The Police Department does not currently have a Narcotics Unit, something very rare for an agency of our size. Within the last year, the department is taking on average one death investigation a month related to Fentanyl overdoses. Pearland in fact, was the first agency in Brazoria County to file a homicide charge related to one of these deaths. The department has received over 30 web-based complaints alleging drug houses and arrests for narcotics have increased over 25% in the last 3 years. In just the last 2 years, regional narcotics task forces who only spend a fraction of their time in Pearland have seized 6 pounds of Fentanyl, 51 pounds of Cocaine, 113 pounds of methamphetamine, 9 pounds of heroin, 500 gallons of Promethazine, 1,333 pounds of marijuana, 35 firearms, over \$1 million in cash/property, and over 100,000 pills. We have a drug problem in Pearland, like other communities, but we have no dedicated staff to address this. The addition of the Crime Scene Supervisor will allow us to reallocate the Sergeant to lead a Narcotics unit and begin to directly affect this problem.

EMS Clinical Manager – Fire-Operations - \$94,993

The Pearland Fire Department has seen an increase in calls for service and EMS providers to evaluate, train, and monitor in the quality assurance/quality improvement process. Currently, the field training officers and Captains review and approve over ten thousand EMS records every year. The clinical manager would be instrumental in managing that program along with several other programs, including protocol development and implementation, Regional Advisory Council participation, and incorporating the lessons learned from quality assurance/quality improvement into our training program. The forward momentum continuing the Pearland Fire Department's status as a premier and exemplary EMS provider has proven to be an essential duty which the department sees as necessary to uphold. Funding the EMS Clinical Manager position in our EMS program would better position our department for continued upward success. The requested position would allow the

Division Chief - EMS to be able to focus on strategic level EMS oversight. Under the direction of the Division Chief - EMS and the Medical Director, the EMS Clinical Manager would deliver increased results through thorough quality assurance programs and EMS training initiatives to staff, thus improving our EMS service within the community. This position would be funded and staff in April 2025.

Sustainable Infrastructure

Project Management Team (3 FTE)-EPW-Capital Projects - \$0

With the current workload of 100+ projects in various stages, the need to have appropriate staffing levels to effectively deliver projects is paramount. The target workloads are 6-8 projects per Project Manager, and 3-5 projects for Senior Project Managers, allowing Senior Project Managers time to mentor and train Project Managers and Project Coordinators within their respective teams. Project Managers currently manage 12+ projects in various stages, from design to completion. The current turnover rate within the Capital Projects Division is attributable to extraneous demands of managing 12+ projects throughout the projects' life cycle. Directly related impacts include delays to project timelines, reduced levels of detailed project involvement, inability to maintain or improve training/development, and inefficient project delivery and management overall. The large volume of projects has forced both the Assistant Director and the Director to manage several key projects due to the current staffing levels within the Division. The request for an additional project team allows the Director to remove himself from day-to-day project management activities and refocus on higher performance tasks for the department. It would also allow time for succession planning and dedicated leadership development to each of the divisions. To provide a phenomenal workplace for team members and sustainable infrastructure for the community, the Capital Projects division must be able to recruit and cultivate a high performing team by having a minimum staff level to allow for a maximum project count per team member, allowing the division to not only maintain workloads but excel and innovate to deliver extraordinary service. These positions are cost neutral and are funded via transfers from active Capital Improvement Funds to the General Fund to reimburse for staff time and effort.

Street Maintenance Team (5 FTE) - Public Works-Streets - \$267,193

The City's pavement network has developed quickly over time, with 980 miles of streets and 617 miles of sidewalk in its inventory. An increase of 70% in each since 2006. However, the staffing for the maintenance of the street network has remained static during the same period. The recently completed Road Condition Assessment recommends an investment of \$5.97M annually for the next five years to maintain the current network Pavement Condition Index of 74. Meeting those funding goals will enable rehabbing and reconstructing our road network, but we currently do not conduct any maintenance other than pothole filling to preserve and extend the life of the rehabilitated or reconstructed roadways. To fill that service gap, the proposed team, comprised of five (5) utility maintenance workers will provide preventative maintenance, crack sealing, and rapid deployment of pothole repair service for our asphalt streets. In addition to being vital maintenance practices intended to extend the life of the street infrastructure, these new services align with City Council Strategic priority of sustainable infrastructure and safe community. Should the crew not be funded, the overall PCI of our roads will continue to deteriorate and the integrity of the road will decline beyond a point where maintenance activities can be corrected, ultimately leading to full reconstruction at an increased cost to the community. These positions will start in April 2025.

Connected Community

Chief Customer Experience Officer – City Manager's Office - \$120,316

The Chief Customer Experience Officer enhances our commitment to creating positive, proactive, and productive customer experiences. The need for this role is directly tied to the Trusted Government and Connected Community Strategic Priorities, while also supporting the other four Strategic Priorities. The Chief Customer Experience Officer will define the City's customer service identity and also implement the business plan related to the city's customer service initiative, ensuring alignment of touchpoints and expectations across the organization. The primary focus of this position is to improve the Customer Experience for all City of Pearland customers (internal and external) and stakeholders to ensure that common customer service goals, trends, and concerns are set and addressed at an organization wide-level. Doing so will allow us to maximize our communication tools to identify opportunities for innovation, efficiency, and consistency across a common customer service team to ensure full cycle customer support is maintained at or above standards. The anticipated start date for this position is January 2025.

West Pearland Summer Camp Program-Parks-Recreation - \$0

Pearland Parks & Recreation has the opportunity to collaborate with Harris County Pct. 1, utilizing Tom Bass Park to expand our summer day camp program. While the space is available, funding for staffing, transportation, fields trips, and supplies is required to accommodate the expansion. This initiative will address the growing waitlist, currently averaging 45-50 residents per session, and allow more children (ages 6-10) to experience our popular and high-quality camp. The projected costs for transportation, supplies, and staffing total \$99,912. The expanded camp program is expected to generate an additional \$100,000 in revenue, achieving 100% cost recovery.

Recreation Attendant – Parks & Recreation-Athletics - \$0



To effectively address the rapid growth in Pearland's athletic complexes, programming, and facility demand, and implement the proposed athletic policy changes presented to City Council in April 2024, Parks & Recreation is requesting six part-time recreation attendants in two phases. The proposed FY 25 budget includes a request for four of the six new recreation attendants, with the remaining two positions to be later based on facility demand. These recreation attendants will be on site for rentals, programs, and other athletic field usage. Currently, Recognized Sports Associations (RSAs) have unlimited field access with minimal oversight. The new field utilization hourly reservation model, which is projected to significantly increase revenue, will require staff to verify rental permits, monitor use and provide customer service. The presence of athletic field recreation attendants will:

- The 2024 summer camp program sold out in 3 minutes.
- The camp wait list averages 40-50 campers per session.
- The expansion provides an opportunity to extend camp programming to the west end of the community.
- By offering more children the chance to enjoy our high-quality programs, we reinforce our reputation as the leading provider of enriching and enjoyable camp experiences in the community.
- Additional camp opportunities contribute to children's personal development, fostering skills such as teamwork, leadership, and resilience.
- The program anticipates 100% cost recovery.
- Increase revenue potential from hourly rentals
- Reduce facility damage due to staff oversight
- Decrease calls for law enforcement regarding disturbances over field space
- Enhance customer service

Other Fund Highlights by Strategic Priority

Other Fund Highlights by Strategic Priority

The purpose of this section is to highlight the high-impact investments proposed in this budget and their impact on the various funds. For a full list of all funded Supplemental Requests, please see the FY25 Funded Supplemental Requests by Strategic Priority" section on subsequent pages.

Strong Economy

SH 35 North Main Business Park – PEDC

Public-private partnership for a redevelopment opportunity on the southwest corner of SH 35 and McHard Road to increase economic activity on the corridor that meets multiple initiatives of the Pearland Prosperity community strategic plan and the SH 35 Redevelopment Strategy. The site will have multiple flex light manufacturing buildings with approximately 250,000 total square feet. The site currently has an assessed value of \$1.68 M with no employment, and when fully developed, would have an estimated property tax base of \$34.9M with 165 direct jobs. PEDC will assist in construction of public infrastructure and site improvement costs of \$2.3M.

Lower Kirby Infrastructure – PEDC

Maintaining an inventory of suitable industrial and commercial sites is a prerequisite for most competitive economic development projects that create new jobs and private capital investment to expand the City's tax base. The Lower Kirby area is a significant potential growth area for attracting private capital investment and new primary jobs. \$2.8M is budgeted in FY25 for multiple projects to facilitate development in Lower Kirby, including the continued expansion of the regional detention system, realignment of White Road and engineering and design for Hooper Road phase II and West Fruge reconstruction.

Industrial Drive – PEDC

City Council and PEDC approved resolutions in 2023 committing 20% of PEDC sales tax revenue to targeted redevelopment areas of the community to recapitalize existing infrastructure. Reconstruction of Industrial Drive is included in PEDC's FY25 budget for \$5.0M along with funds to begin engineering design for additional construction projects in FY26 and FY27. This project will improve the infrastructure and drainage for the existing businesses on Industrial Drive and facilitate the expansion of an additional tax base.

Director of Redevelopment - PEDC - \$133,884

The Pearland Prosperity community strategic plan discusses that quality of place improvements will be crucial to maintaining Pearland's status as a community of choice within Greater Houston. Among the many possible "place" upgrades discussed during the stakeholder engagement process and subsequent meetings with Pearland's leaders, no issue received stronger support than the desire to revitalize the Old Town. Successful redevelopment of the Old Town area would have the potential to create an activity hub that is differentiated from other nearby entertainment, dining, and cultural options. PEDC proposes a staff position to support the implementation of the Old Town Revitalization plan along with other aspects of the Pearland Prosperity update, including retail attractions and the various redevelopment and infill development recommendations.

Safe Community

New Fire Truck for Station 7- Motor Pool Fund \$2,697,767

With the opening of Firehouse 7 in FY27, the department will be adding a ladder company to that area of the city. With current lead times on large fire apparatus, the ladder truck must be ordered in FY25. PFD looked at the hazards of the city and its growth and needs another aerial ladder for the city and the east side. This is to meet the growing future needs of the eastern and southern sides of the response district.

Replacement Ambulance - Motor Pool Fund \$620,000

The Fire Department, along with the Fleet and the City Manager's office, developed a vehicle replacement plan to improve the condition of the Fire Department fleet for the long term. This plan included specifying that medic units would have a life of five years frontline and 5 years reserve and then be replaced. PFD would replace 2 units every other year or one every year to keep on the plan. This unit will replace TL 165. This unit is an eleven-year-old ambulance and is past its useful life and requires increased maintenance. We will purchase one unit this year with loose equipment and technology included, along with an extended warranty and service plan.

New CID Vehicles-Police-Investigations - Motor Pool Fund \$480,000



The City has benefited from the Police Department take-home program for over 30 years. The program eligibility was standardized in 2018 and codified in the Employee Handbook. The police fleet inventory has not kept pace with the number of officers and assignments eligible for vehicle assignments. An evaluation was completed of all vehicle assignments, and the department would need an additional 12 marked police units and 8 unmarked police units, to include enough spares for when vehicles go down. This supplemental is meant to address the 8 needed unmarked police units.

Sustainable Infrastructure

Asset Reliability Team- (4 FTE) – Enterprise Fund \$421,575

To safeguard and extend the life of Pearland's water and wastewater infrastructure, Pearland Water is launching a comprehensive Asset Reliability Program. This initiative will require adding 1 Instrument Tech, 2 Plant Mechanics, and an Asset Reliability Manager. The Asset Reliability Manager will oversee the program, focusing on strategic planning, execution, and oversight to improve the reliability, efficiency, and regulatory compliance of our infrastructure. The program aims to ensure the longevity of newly commissioned facilities and optimize the performance of existing ones, thereby sustaining the essential services provided to our community.

- **Instrument Tech:** Responsible for the installation, calibration, and maintenance of instrumentation and control systems. Their work is crucial for ensuring accurate measurements and reliable operation of monitoring equipment, directly impacting the efficiency and compliance of the water and wastewater facilities.
- **2 Plant Mechanics:** Will manage the maintenance and repair of mechanical systems within the plants. Their expertise will help address wear and tear issues, prevent breakdowns, and ensure smooth operation of all machinery, which is vital for maintaining operational reliability.
- **Asset Reliability Manager:** Will lead the Asset Reliability Program, focusing on strategic planning, execution, and oversight. This role includes developing and implementing maintenance strategies, conducting reliability assessments, and ensuring regulatory compliance. Their leadership will be essential in integrating best practices and optimizing the performance of both new and existing facilities.

Cyber Risk & Intelligence Spec. – Information Technology – IT Fund \$113,609

Risks to the City's technology investments and the data it is custodian continues to grow each year. The position of Cyber Risk & Intelligence Specialist will be an essential role in assessing and securing the City's technological environment. This position will focus on risk mitigation and the securing of systems, infrastructure, and applications used by citizens and staff. The position will also be responsible for responding to urgent vulnerabilities and emerging threats. The addition of this position will enhance the overall security of the City's technology and data. Positions in the IT fund are supported by a transfer from across all funds and departments.

HR Business Partner – Human Resources - Enterprise Fund \$91,023

The HR Business Partner (HRBP) position is a crucial role, acting as the primary point of contact for talent acquisition, coaching, training, employee relations, benefits, policy interpretation, and performance management. This role serves as a trusted advisor and strategic leader, ensuring compliance with policies and local, state, and federal regulations to mitigate organizational risk. As City operations grow, internal support services must meet all employees' needs. To address increasing demands, we aim to enhance service levels for Business Units by becoming more strategic and efficient. Currently, the Assistant Director is serving as a fourth HRBP to support the existing staff. The plan is to distribute the business units among four HRBPs, with the Assistant Director serving as an escalation point and backup for the HRBPs. Additionally, this position will provide additional support to Pearland Water, which makes up 24% of the employee population and will be reimbursed from the Enterprise Fund.

Deputy Director of Utilities – Utilities-Enterprise Fund \$151,013

The Deputy Director will play a pivotal role in Pearland Water, providing operational direction and guidance across all divisions. This role ensures operational accuracy and timely information while delivering leadership and coaching to staff. Additionally, the Deputy Director will assist with strategic budget development, oversee departmental reporting, and coordinate internal programs and city-wide activities impacting other departments. This new position will enhance resource alignment, support the ongoing development of an effective succession plan within Pearland Water, and strengthen our position in becoming a regional water supplier for surrounding areas.

Maintenance Supervisor – Public Works – Drainage Maintenance Fund \$139,562

With the creation of the Drainage Maintenance Fund and Team, the Right of Way Division in Engineering and Public Works outgrew its span of control and leadership capacity under a single Superintendent. The allocation of additional capital funds for the asphalt road program exacerbated the issue. In order to create additional capacity for the Right of Way Division leadership team, a supervisor position in Drainage was converted to a superintendent position to manage a stand-alone Drainage Division. This position adds back the vital supervisor role to manage the day-to-day drainage team operations and serves as a critical leader in the division. This position provides a range of duties from program development, operational oversight, coaching, mentoring and personnel development. Moreover, this role stands on the front line with

the team conducting critical drainage activities to ensure service level expectations are met while allowing the superintendent to focus on strategic priorities, contracts, communications, stakeholders, budget management and long-term planning. Without this supervisor role returned to the operation, the crew would flounder without the critical leadership and direction necessary to ensure a sustainable and accomplished drainage program.

Connected Community

Southdown Playground Replacement – Parks - Park Development Fund \$900,000

The playground at Southdown Park was installed in 2005 and has been a vital recreational space for our community's children and families. Over the years, the equipment has provided countless hours of enjoyment, significantly contributing to the health and well-being of our residents. In the past 12 months alone, 97,200 people have visited Southdown Park. However, due to the passage of time and heavy usage, the playground has deteriorated to the point where replacement is necessary to ensure continued safety and compliance with current standards. The equipment shows significant signs of wear, including rust, cracked plastic components, and loose fixtures. Multiple repairs have been made, but these fixes are costly and no longer sufficient to ensure safety. Additionally, the fall zone, made of rubberized material, degraded. Staff have attempted to patch tears and holes, but the surface is not beyond repair. Southdown playground, the oldest in the Parks & Recreation inventory, has been slated for replacement in FY25 according to the Parks Master Plan.

Arts Administrator – Visit Pearland-CVB Fund \$74,445

Visit Pearland is the official destination marketing organization for the City of Pearland with a primary focus of promoting and marketing the City as a destination to attract visitors. Visit Pearland recently led the development of the City's first Cultural Arts Master Plan and is a lead agency in its implementation. The Cultural Arts Master plan was adopted by the Council at the July 22, 2024, meeting. The Arts Administrator position will be the City's first professional arts manager position as recommended in the Cultural Arts Master Plan.

The Arts Administrator will manage existing arts programming at Visit Pearland and help develop new and expanded programs in alignment with the Cultural Arts Master Plan. This position will work alongside the Visit Pearland staff reporting to the Executive Director of Visit Pearland. The salary for this position is an allowable use of HOT funds under the Arts Division. Slated for a January start.

Hickory Slough Sports Complex – PEDC

The Hickory Slough Sports Complex (Project) is master planned to have twelve fields, primarily for soccer, with six fields each being constructed in two phases. The first phase was completed in 2015 and includes six fields. Phase II of the Sports Complex is planned to include: six lighted sports fields within the expanded detention pond, a pavilion, doubling the size of the parking lot, expanding the restroom and concession facilities, adding a small maintenance building and playground, lighting the remaining three existing fields, sidewalks and other improvements. The PEDC and City entered into a cost-sharing agreement in July 2023 for PEDC to fund 100% of the design and construction of the second phase of the Hickory Slough Sports Complex, as well as a portion of the Complex's annual operating costs. In FY25, \$16.7M is included in the PEDC budget to be transferred to the City for design and construction.

MULTI YEAR FORECAST



Multi-Year Forecast Fiscal Years 2025-2027

EXECUTIVE SUMMARY

The Financial Forecast for the City of Pearland over a three-year timeframe includes the City's Debt Service (DS) Fund, General (GF) Fund, Water and Sewer (W&S) Fund, and Pearland Economic Development Corporation (PEDC). This is an update to the City's annual comprehensive and integrated forecast of these funds based on a set of assumptions and is intended to:

- Provide City Council and City management a meaningful tool in establishing priorities, allocating resources, and providing direction and strategies in the administration of City government.
- Provide insight into the long-term financial implications of current priorities, policies, and programs.
- Provide an understanding of available funding, financial risk, assess the likelihood that services can be sustained, assess the level at which capital investment can be made, identify future commitments, and resource demands, and identify variables that may cause changes in the level of revenues.
- Provide an early warning system for potential problem areas to watch where alternative strategies may need to be developed or where issues can be proactively addressed and planned for.
- Assist in strategic decision-making and long-range planning efforts by allowing City Council, management, and departments to see how programs fit within the overall context of City finance.

The forecast provides a solid planning tool by building upon the adopted FY25 budget and then projects future resources and expenditures based upon known reasonable trends and continuing the City's current services and service levels. The forecast for each fund also incorporates the debt and operating costs associated with capital improvement projects in the City's Five-Year Capital Improvement Program (CIP), thus, these forecasts provide City Council and management the opportunity to "gaze" into the future based on today's and past decisions and apply strategies and sound fiscal management to maintain the strong financial health of the City.

This forecast is not intended as a budget. Rather, the multi-year forecast is a valuable tool, based on a set of well-reasoned assumptions, upon which policy and strategy may be formulated. The forecast is a vital component of the City's financial management strategy.

OVERVIEW

The Debt Service, General Fund, Water & Sewer Fund and PEDC forecasts form the "core" of this document.

The DS Fund accounts for the issuance of debt and provides for the payment of debt principal, interest and tax rebates to in-city municipal utility districts. In this fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied, which will be sufficient to produce the money to satisfy annual debt service requirements.

The GF is the general operating fund of the City and is used to account for all financial activity not reflected in other funds. The fund consists of the following major departments: General Government, Public Safety, Parks & Recreation, Public Works, and Community Services.

The W&S Fund includes water and sewer system operations and is operated in a manner similar to private business enterprises, where services to the public are financed primarily through user charges. This fund consists of the following major functions: Lift Stations, Wastewater Treatment, Water Production, Distribution and Collection, Construction, Meter Services, Surface Water Plant and Billing and Collections.

The PEDC, established in 1995 by the voters under the Texas Development Corporation Act of 1979, provides guidance and funding for the operations of the City's economic development program and provides business incentives to support and promote the growth and diversification of the City's economic base.

It is important to note that the numbers in these multi-year forecasts are estimates based on various assumptions and are not representations of fact. The picture reflected in these forecasts portrays a scenario if all assumptions hold true. Therefore, the importance of the forecasts lies not in the numbers, but in the discussion, it encourages on the policy issues and strategies that can be implemented in the event these scenarios become reality.

Based upon these assumptions, the forecast shows that the City will be able to accomplish the following:

- Fund existing services at current service levels
- Meet current and future anticipated debt service obligations
- Fund a Multi-Year Capital Improvement Program and associated operating expenditures
- Meet cash reserve and bond coverage requirements
- Meet a 10% reserve policy in the Debt Service Fund
- Operate and maintain new and existing City facilities
- Maintain business incentives to attract capital investments to the City
- Meet a 1.15 Bond Coverage Requirement and the annual Debt Service Reserve set by Bond Ordinances



- Maintain a cash equivalent operating reserve at 15% of the current year's budget appropriation for total operating expenses in the Water/Sewer operating fund. The aggregate between the reserve balances of the Water/Sewer operating fund and Water/Sewer debt service fund shall be no less than 25%.

However, in order to do so,

- The overall tax rate in FY25 is 0.6350.
- During the 2019 Bond Referendum, the materials presented showed a maximum projected debt rate of \$0.4875; During the 2023 Bond Referendum, the materials presented showed a maximum projected debt rate of \$0.3950; This projection does not exceed these amounts.
- A 7% water rate increase is included in the FY25 budget; and a projected increase of 7% in both FY26 and FY27 to meet cash reserve and bond coverage requirements.

FORECAST METHODOLOGY

As part of the formulation of these forecasts, the forecast methodology includes estimating the future values of revenues and expenditures. The forecast provides an estimate of how much revenue will be needed/required in order to meet expenditures and reserve and bond coverage requirements over the forecast period. The value of forecasts is in estimating whether, given assumptions about financial policies and economic trends, the City will have sufficient resources to meet the resource requirements of ongoing, planned or mandated programs.

In the City's forecasts, there are a mixture of methodologies, including historical and factual information, knowledge of anticipated events, and judgment. The methodologies incorporate information gathered on anticipated population growth and building permits. Anticipated sales tax from retail sales, anticipated valuations, and other variables were identified to try to minimize the risk of overstating or understating revenue.

Much like revenue, the expenditure projections for the General Fund and Water Sewer Fund are based on historical trends, anticipated events, assumptions about the future, and other judgments staff deemed appropriate. Salary projections are based on anticipated merit and salary adjustments, and benefits were broken out separately to account for the aberrant behavior of certain benefits, such as TMRS and health care benefits.

The City may attempt to enact some controls to prevent the anticipated growth of operating expenses, but such controls are not assumed in the plan. The Debt Service Fund expenditure forecast is based upon current debt service payments, as well as anticipated debt from new debt issuances based on the City's Five-Year CIP and MUD rebates.

General Fund and Debt Service revenues are dependent on the net assessed property valuation assumptions which are derived from anticipated residential and commercial development, revaluation of existing property, and the scheduled roll-off of tax abatements. The forecast assumes property valuation growth for 4% in FY 26 and FY 27.

INDIVIDUAL FUND OVERVIEWS

Debt Service Fund

The Debt Service Fund can meet all current and future obligations based on the City's Multi-Year Forecast and Five-Year CIP. The issuance of debt is factored in based on the Five-Year CIP. All new debt issued is assumed to be issued with a 20-30 years maturity level principal payment.

In order to fund obligations and implement the fiscal year CIP and proceed with a \$62 million Bond Issuance scheduled at the end of FY 2024, the debt rate may need to increase in the future if property tax valuations do not increase enough to cover expenses while holding the debt rate even in future years.

In FY 25, 54% of MUD Rebate was paid by Enterprise Fund. The City goal is to have 66% of MUD Rebate paid by Enterprise Fund. We plan to increase an additional of 3% of MUD Rebate paid by Enterprise Fund to 57% in FY26, 60% in FY27, 63% in FY28, and 66% in FY29 and future years.

General Fund

In the FY25 adopted budget, the General Fund is expected to have \$93,406 in excess reserves, which is 90.28 days, 0.28 day over the 90-day fund balance policy. The \$1,344,913 Revenues Over Expenditures allows for the General Fund to increase the ending balance and stay in compliance with the City Financial Policy. The General Fund balance is forecast to end FY25 with \$30,438,538 in reserves. Total expenditures are projected to increase to \$128,112,784 in FY2026 and \$132,306,861 in FY2027, driven by new facilities, increasing operational costs, and continued growth in staffing.

Property and Sales Tax are a major revenue component funding these expenditures. Revenues from property tax, as a percent of total revenues, are 36.59% in FY 25. General Fund property tax revenues as a percentage of total revenue increases slightly to 37.19% in FY 26 and then 37.92% in FY 27. Sales tax receipts are projected to increase 1.7% per year for FY 26 and FY 27.



Water & Sewer Fund

The Water & Sewer Fund can meet all its operating expenses, annual debt service, and bond coverage requirements of 1.15 times net operating revenues. Cash reserve requirement of 15% in the Enterprise Operating Fund and 25% when combining the Enterprise Operating and Enterprise Debt Funds. Reserve requirements are met in all years of the forecast. Strategies used in the generation of the forecast are aimed to ensure that the fund is self-supporting.

A 7% rate increase was adopted for FY 25. The City plans to issue additional debt in FY25 and FY26. The bonds will be used to begin construction on the expansion of the Barry Rose Water Reclamation Facility (WRF) and decommissioning the Longwood WRF and other water and sewer line replacements.

The utility system users generate the revenues that support the system. Annual water and sewer charges and expenditures are shown below.

| | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> |
|---|----------------|----------------|----------------|----------------|----------------|
| Forecast Water and Sewer Rate Change | 7% | 7% | 7% | 11% | 11% |
| Connection Growth | 0.8% | 1% | 1% | 1% | 1% |
| Water and Sewer Charges | \$ 75,805,429 | \$ 82,581,012 | \$ 87,656,201 | \$ 98,663,822 | \$ 103,623,786 |
| Total Expenditures | \$79,866,624 | \$ 91,003,978 | \$99,933,628 | \$103,774,613 | \$106,965,074 |

With the implementation of the revenue increases included in the forecast, the system can continue to be self-supporting and financially sound.

Pearland Economic Development Corporation (PEDC)

The Corporation can fund its current operations and provide funding for the strategic priorities of the Pearland Prosperity Plan, including business recruitment, Lower Kirby, FM 518/Broadway, SH35 / Old Town and Parks and Places to gather. The ending fund balance is projected to be \$2.47 million in FY 2027, a decrease of \$2.9 million from FY25.

Sales tax revenue is a major component of funding for the Corporation. Similar to General Fund, revenues from sales taxes increased by 2.0% between FY26 and FY27, from \$15.5 million in fiscal year 2025 to \$16.1 million in fiscal year 2027. The sales tax revenues are 93% of the total revenues in 2025 and 47% in 2027.

CONCLUSION

The adopted forecasts are conservative and only include developments that are anticipated based on current knowledge. If certain economic development projects are successful and come to fruition, or if new developments not currently known take place, then this forecast will substantially change. This forecast will be updated annually as any new developments that will impact revenue or expenditures are identified as "concrete," or likely to happen. There are external factors outside the City, such as the legislature, inflation, supply-chain challenges, anticipated TxDOT funding of capital projects, and weather, that could impact the forecast and significantly affect the City's ability, despite having a prudent financial plan in place, to continue to provide the highest quality service and provide for those capital projects which provide a high quality of life. Our objective is to provide City Council and management a prudent financial plan in order to make decisions to benefit our current and future residents.

MULTI-YEAR BUDGET 2025- 2027
GENERAL FUND OVERVIEW
Voter Approved Forecasted Property Tax Rate Scenario

| DESCRIPTION | ACTUAL 2023 | AMENDED 2024 | ADOPTED 2025 | FORECASTED | | Comments |
|-------------------------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| | 2026 | 2027 | | | | |
| REVENUE | | | | | | |
| | | | | | | Uses Voter Approved |
| Property Taxes ¹ | 31,196,149 | 41,843,330 | 45,520,000 | 48,307,443 | 51,000,949 | Rate. See footnote #1 |
| Sales & Use Taxes | 30,592,387 | 30,702,654 | 31,226,000 | 31,766,210 | 32,315,765 | Assumes 1.73% growth |
| Franchise Fees | 7,178,461 | 7,060,378 | 6,729,055 | 6,930,927 | 7,138,854 | Assumes 3% growth |
| Licenses & Permits | 3,419,602 | 3,605,359 | 3,051,871 | 3,082,390 | 3,113,214 | Assumes 1% growth |
| Fines & Forfeitures | 1,764,925 | 1,976,340 | 1,990,185 | 2,029,989 | 2,070,588 | Assumes 2% growth |
| Charges For Service | 20,105,945 | 23,498,070 | 23,810,336 | 25,332,958 | 26,024,758 | Assumes 3% growth |
| Investment Earnings | 1,449,482 | 2,200,000 | 4,593,276 | 4,731,074 | 4,873,007 | Assumes 3% growth |
| Miscellaneous | 885,657 | 463,804 | 494,870 | 509,716 | 525,008 | Assumes 3% growth |
| Intergovernmental | (1,299) | (83) | - | - | - | |
| Transfers In | 9,385,361 | 4,369,155 | 6,995,692 | 7,205,563 | 7,421,730 | Assumes 3% growth. |
| TOTAL REVENUES | \$ 105,976,671 | \$ 115,719,007 | \$124,411,285 | \$ 129,896,269 | \$ 134,483,873 | |
| TAX RATE | | | | | | |
| General Fund | 0.305000 | 0.332900 | 0.334941 | | | |
| Debt Service | 0.415000 | 0.322500 | 0.300059 | | | |
| Total Tax Rate | 0.720000 | 0.655400 | 0.635000 | | | |
| TAX RATE SPLIT | | | | | | |
| General Fund | 42% | 51% | 53% | | | |
| Debt Service | 58% | 49% | 47% | | | |
| TAX RATE INCREASE (DECREASE) | | | | | | |
| General Fund | 0.0499 | 0.0279 | 0.0020 | | | |
| Debt Service | (0.0150) | (0.0925) | (0.0224) | | | |
| Total Tax Rate | 0.0349 | (0.0646) | (0.0204) | | | |

1) The property tax forecast is based off an extrapolated version of FY25 revenue. It assumed 4% growth in FY26 and FY27.
Property Tax Revenue also includes estimated Delinquent Tax Collections, Penalties, and Interest

MULTI-YEAR BUDGET 2025- 2027
GENERAL FUND OVERVIEW
Voter Approved Forecasted Property Tax Rate Scenario

| | ACTUAL | AMENDED | ADOPTED | FORECASTED | | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|----------|
| DESCRIPTION | 2023 | 2024 | 2025 | 2026 | 2027 | Comments |
| EXPENDITURES | | | | | | |
| Public Safety | | | | | | |
| Salaries & Wages | 53,016,061 | 57,027,281 | 59,864,206 | 62,841,539 | 65,159,499 | |
| Transfers Out | 5,959,101 | 6,481,813 | 8,651,226 | 8,900,412 | 9,167,424 | |
| Misc Services | 2,274,848 | 2,704,386 | 2,706,340 | 2,760,467 | 2,815,676 | |
| Material & Spply | 1,889,847 | 3,197,239 | 2,769,956 | 2,825,355 | 2,881,863 | |
| Repair & Maint | 978,262 | 1,251,581 | 1,251,630 | 1,276,663 | 1,302,196 | |
| Capital Outlay | 668,843 | 1,137,569 | 1,098,551 | 1,120,522 | 1,142,932 | |
| Inventory | 64,475 | 116,378 | 96,520 | 98,450 | 100,419 | |
| Bldg & Grounds | 43,366 | 33,000 | 43,000 | 43,860 | 44,737 | |
| Public Safety Total | \$ 64,894,804 | \$ 71,949,247 | \$ 76,481,429 | \$ 79,867,269 | \$ 82,614,747 | |
| | | | | | | |
| General Government | | | | | | |
| Salaries & Wages | 5,946,274 | 6,352,657 | 7,085,846 | 7,424,270 | 7,686,189 | |
| Transfers Out | 8,116,353 | 5,851,918 | 3,533,795 | 3,639,809 | 3,749,003 | |
| Misc Services | 2,178,148 | 2,366,322 | 2,591,156 | 2,642,979 | 2,695,838 | |
| Repair & Maint | 291,328 | 323,075 | 311,964 | 318,203 | 324,567 | |
| Inventory | - | - | 2,500 | 2,550 | 2,601 | |
| Material & Spply | 171,768 | 196,510 | 212,812 | 217,068 | 221,410 | |
| Other | 8,915 | 211,064 | 211,800 | 216,036 | 220,357 | |
| Principal Pmt | 120,614 | - | - | - | - | |
| Interest Expense | 3,559 | - | - | - | - | |
| Capital Outlay | \$0 | \$0 | \$0 | \$0 | \$0 | |
| General Government Total | \$ 16,836,960 | \$ 15,301,546 | \$ 13,949,873 | \$ 14,460,915 | \$ 14,899,965 | |
| | | | | | | |
| Public Works | | | | | | |
| Salaries & Wages | 5,019,014 | 5,604,452 | 6,862,719 | 7,190,458 | 7,440,967 | |
| Misc Services | 3,589,757 | 4,864,689 | 4,972,208 | 5,071,652 | 5,173,085 | |
| Bldg & Grounds | 125,678 | 234,938 | 21,500 | 21,930 | 22,369 | |
| Transfers Out | 4,335,156 | 4,252,954 | 4,552,960 | 4,657,347 | 4,797,068 | |
| Material & Spply | 473,091 | 1,401,737 | 820,141 | 836,544 | 853,275 | |
| Repair & Maint | 85,167 | 159,907 | 142,110 | 144,952 | 147,851 | |
| Inventory | 22,185 | 2,600 | - | - | - | |
| Capital Outlay | - | - | - | - | - | |
| Public Works Total | \$ 13,650,048 | \$ 16,521,277 | \$ 17,371,638 | \$ 17,922,884 | \$ 18,434,615 | |
| | | | | | | |
| Parks & Recreation | | \$ - | | | | |
| Salaries & Wages | 4,960,953 | 5,643,977 | 6,369,425 | 6,669,095 | 6,901,606 | |
| Misc Services | 968,313 | 1,001,137 | 971,787 | 991,223 | 1,011,047 | |
| Material & Spply | 608,002 | 603,559 | 664,435 | 677,723 | 691,278 | |
| Capital Outlay | 352,015 | 214,030 | 66,000 | 67,980 | 69,340 | |
| Bldg & Grounds | 447,616 | 509,634 | 437,524 | 446,274 | 455,200 | |
| Transfers Out | 659,139 | 749,015 | 1,331,708 | 1,365,282 | 1,406,240 | |
| Repair & Maint | 88,519 | 103,483 | 100,320 | 102,326 | 104,373 | |
| Inventory | 12,694 | 21,552 | 22,517 | 22,967 | 23,427 | |
| Parks & Recreation Total | \$ 8,097,250 | \$ 8,846,387 | \$ 9,963,715 | \$ 10,342,871 | \$ 10,662,511 | |



MULTI-YEAR BUDGET 2025- 2027
GENERAL FUND OVERVIEW
Voter Approved Forecasted Property Tax Rate Scenario

| DESCRIPTION | ACTUAL 2023 | AMENDED 2024 | ADOPTED 2025 | FORECASTED | | Comments |
|--|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|----------|
| | 2026 | 2027 | | | | |
| EXPENDITURES | | | | | | |
| Community Services | | | | | | |
| Salaries & Wages | 3,722,668 | 3,605,896 | 3,947,353 | 4,135,151 | 4,277,851 | |
| Misc Services | 478,242 | 918,493 | 680,256 | 693,861 | 707,738 | |
| Material & Spply | 39,818 | 62,101 | 66,254 | 67,579 | 68,931 | |
| Transfers Out | 420,072 | 459,779 | 564,385 | 579,956 | 597,355 | |
| Repair & Maint | 41,951 | 268,240 | 40,469 | 41,278 | 42,103 | |
| Other | 250 | 1,000 | 1,000 | 1,020 | 1,040 | |
| Bldg & Grounds | - | - | - | - | - | |
| Inventory | - | - | - | - | - | |
| Capital Outlay | - | 15,000 | - | - | - | |
| Community Services Total | \$ 4,703,002 | \$ 5,330,509 | \$ 5,299,717 | \$ 5,518,845 | \$ 5,695,019 | |
| Funded CIP O&M Costs & Service Level Enhancements Total | | | | | | |
| TOTAL EXPENDITURES | \$ 108,182,064 | \$ 117,948,966 | \$123,066,372 | \$ 128,112,784 | \$ 132,306,856 | |
| REV OVER/(UNDER) EXP | \$ (2,205,393) | \$ (2,229,959) | \$ 1,344,913 | \$ 1,783,486 | \$ 2,177,017 | |
| BEGINNING FUND BALANCE | \$ 33,681,195 | \$ 31,323,584 | \$ 29,093,625 | \$ 30,438,538 | \$ 32,222,024 | |
| ENDING FUND BALANCE | \$ 31,323,584 | \$ 29,093,625 | \$ 30,438,538 | \$ 32,222,024 | \$ 34,399,041 | |
| Policy Requirement | \$ 26,675,029 | \$ 29,083,307 | \$ 30,345,133 | \$ 31,589,454 | \$ 32,623,608 | |
| Amount Over Policy | \$ 4,648,555 | \$ 10,318 | \$ 93,406 | \$ 632,570 | \$ 1,775,433 | |
| Fund Balance % of Exp | 29% | 25% | 25% | 25% | 26% | |
| Fund Balance In Days (Target 90 days) | 106 | 90 | 90 | 92 | 95 | |
| Target Fund Balance in Days | 90 | 90 | 90 | 90 | 90 | |

Enterprise Fund Multi-Year Forecast

City of Pearland

Water and Wastewater Rate Model

What is the required Rate Change to keep up with infrastructure and operation?

| | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> |
|--|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Adopted / Proposed Water and Sewer Rate Change | 13.1% | 14% | 7% | 7% | 7% | 11% | 11% |
| Total Revenue | 66,908,203 | 74,663,370 | 78,230,151 | 85,121,382 | 90,298,029 | 101,493,066 | 106,587,394 |
| Operating Expenses - Fund 600 | 35,266,735 | 43,421,837 | 46,771,793 | 49,077,623 | 50,970,778 | 53,856,354 | 55,653,607 |
| Non-operating Expenses - Fund 600 | 3,364,589 | 752,976 | 3,984,886 | 3,079,129 | 3,380,101 | 3,274,461 | 3,769,558 |
| Debt Service Expenses Net of Impact fee - Fund 601 | 23,139,707 | 25,568,469 | 29,109,945 | 38,847,226 | 45,582,749 | 46,643,798 | 47,541,909 |
| Total Expenses | 61,771,031 | 69,743,282 | 79,866,624 | 91,003,978 | 99,933,628 | 103,774,613 | 106,965,074 |
| Net Annual Revenue Over Expenditures | 5,137,172 | 4,920,088 | (1,636,473) | (5,882,596) | (9,635,599) | (2,281,546) | (377,680.17) |
| Beginning Cash Equivalents Net of Restricted for Debt Service (Fund 600 & 601) | 19,737,756 | 24,874,928 | 30,204,016 | 29,056,704 | 23,689,445 | 14,606,335 | 12,907,769 |
| Add Unrestricted Cash in Debt Service Fund - 601 ¹⁰ | - | 409,000 | 489,161 | 515,338 | 552,488 | 582,981 | 570,904 |
| Ending Cash Equivalents Net of Restricted for Debt Service (see calculation on Multi-year Forecast) ¹ | 24,874,928 | 30,204,016 | 29,056,704 | 23,689,445 | 14,606,335 | 12,907,769 | 13,100,993 |
| Additional Debt Issuance as of July 2024 | 55,247,635 | 81,365,735 | 170,245,680 | 102,006,868 | 7,873,000 | 12,089,000 | 11,391,500 |
| Surface Water Treatment Plant (Phase 1) | 500,000 | - | - | | | | - |
| Barry Rose WRF Replacement and Expansion | 15,845,000 | 36,555,735 | 45,247,500 | 27,618,500 | | | |
| Longwood Water Reclamation Facility Decommissioning | | 17,573,000 | 14,500,000 | | | | |
| Sewer System Expansion | 20,641,265 | 15,469,000 | 75,967,608 | 46,860,500 | - | - | - |
| Other Projects | 18,261,370 | 11,768,000 | 34,530,572 | 27,527,868 | 7,873,000 | 12,089,000 | 11,391,500 |
| Debt Service Coverage | | | | | | | |
| W/S Revenue + Impact Fee Revenue | 73,703,166 | 77,363,370 | 82,030,151 | 88,921,382 | 94,098,029 | 105,293,066 | 110,387,394 |
| Less Operating Expenses | 35,266,735 | 43,421,837 | 46,771,793 | 49,077,623 | 50,970,778 | 53,856,354 | 55,653,607 |
| Net Revenue Available for Debt Services | 38,436,431 | 33,941,533 | 35,258,358 | 39,843,759 | 43,127,251 | 51,436,712 | 54,733,787 |
| Current Year W/S Annual Debt Service | 27,071,642 | 25,870,156 | 25,772,433 | 25,870,526 | 25,697,370 | 24,453,648 | 24,277,914 |
| Bond Coverage - 1.15 required to issue COs* | 1.42 | 1.31 | 1.37 | 1.54 | 1.68 | 2.10 | 2.25 |
| Restricted for Debt Service | 15,766,567 | 15,362,814 | 14,973,653 | 14,558,316 | 14,105,827 | 13,622,846 | 13,151,942 |
| Water/Sewer Unreserved Working Capital 15% - Ending Cash / (Operating Expense + CO's Debt Serv.) | 60% | 58% | 47% | 33% | 18% | 15% | 15% |
| Combine Reserved Fund 600 + 601 25%= Ending Cash/ (Operating Expenses + Debt Service Payment) | 66% | 66% | 56% | 42% | 29% | 26% | 25% |

1) Due to prior year-end closing/ audit entry, Actual Beginning Cash Balance FY23 can be different from Prior Ending Cash Balance FY22

* FY25 Coverage Ratio = (FY25 Revenue - FY25 Operating Expense)/ (FY25 W/S Revenue Bond Debt Service)

The current Rate Model includes: 5% Salary Increase, and \$541K Vehicle Replace



**MULTI-YEAR BUDGET 2025-2029
ENTERPRISE FUND DETAIL**

| DESCRIPTION | ACTUAL 2023 | PROJECTED 2024 | ADOPTED 2025 | FORECASTED 2026 | FORECASTED 2027 | FORECASTED 2028 | FORECASTED 2029 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| CHARGES FOR SERVICE | | | | | | | |
| Water/Sewer Charges ¹ | 64,400,576 | 72,121,624 | 75,805,429 | 82,581,012 | 87,656,201 | 98,663,822 | 103,623,786 |
| Connection Fee | 1,155 | 1,200 | | | | | |
| Water/Sewer Tap Fee | 102,874 | 72,561 | 72,500 | 73,225 | 73,957 | 74,697 | 75,444 |
| Late Payment Fee | 862,443 | 865,500 | 758,100 | 825,800 | 876,600 | 986,600 | 1,036,200 |
| Meter Set Fee | 107,424 | 103,814 | 100,000 | 101,000 | 102,010 | 103,030 | 104,060 |
| Curb Stop Replacement Fee | | | | | | | |
| Grease Trap Fee | 58,660 | 58,900 | 58,510 | 59,095 | 59,686 | 60,283 | 60,886 |
| Reconnect Fee | 69,890 | 141,463 | 105,000 | 106,050 | 107,111 | 108,182 | 109,263 |
| Charges for Service Hydrant Meter Rental | 15,900 | 11,918 | 12,000 | 12,120 | 12,241 | 12,364 | 12,487 |
| Charges for Service Backflow Test Report Fee | 118,720 | 103,543 | 103,600 | 104,636 | 105,682 | 106,739 | 107,807 |
| Miscellaneous | 127,128 | 137,853 | 121,000 | 122,210 | 123,432 | 124,666 | 125,913 |
| TOTAL CHARGES FOR SERVICE | 65,864,771 | 73,618,376 | 77,136,139 | 83,985,148 | 89,116,920 | 100,240,383 | 105,255,846 |
| MISCELLANEOUS REVENUE | | | | | | | |
| NSF Fees | 3,525 | 2,140 | 3,394 | 3,428 | 3,462 | 3,497 | 3,532 |
| Recycle | 714 | 1,000 | | | | | |
| Miscellaneous and FEMA | 343,459 | 13,092 | 12,346 | 12,469 | 12,594 | 12,720 | 12,847 |
| TOTAL MISCELLANEOUS | 347,698 | 16,231 | 15,740 | 15,897 | 16,056 | 16,217 | 16,379 |
| INTEREST | | | | | | | |
| Interest | 250,918 | 506,763 | 556,272 | 561,796 | 567,414 | 573,088 | 578,819 |
| TOTAL INTEREST | 250,918 | 506,763 | 556,272 | 561,796 | 567,414 | 573,088 | 578,819 |
| TRANSFERS IN | | | | | | | |
| City Payment for Water | 450,000 | 522,000 | 522,000 | 558,540 | 597,638 | 663,378 | 736,350 |
| TOTAL INTERFUND TRANSFERS | 450,000 | 522,000 | 522,000 | 558,540 | 597,638 | 663,378 | 736,350 |
| OTHER FINANCING SOURCES | | | | | | | |
| Sale of Property | | | | | | | |
| Miscellaneous | (5,183) | | | | | | |
| Capital Proceed ³ | | | | | | | |
| TOTAL OTHER FINANCING SOURCES | (5,183) | | | | | | |
| TOTAL REVENUES | 66,908,203 | 74,663,370 | 78,230,151 | 85,121,382 | 90,298,029 | 101,493,066 | 106,587,394 |

1. Water/Sewer Charges reflect both growth in number of meters and necessary revenue increases

2. From FY2025, Interest Revenue are forecasted to growth at 1% annually

3. Water and Sewer Infrastructures that were built by developer then turnover to the City

MULTI-YEAR BUDGET 2025-2029
ENTERPRISE FUND DETAIL

| DESCRIPTION | ACTUAL 2023 | PROJECTED 2024 | ADOPTED 2025 | FORECASTED 2026 | FORECASTED 2027 | FORECASTED 2028 | FORECASTED 2029 |
|---------------------------------------|----------------|-------------------|-----------------|--------------------|--------------------|--------------------|--------------------|
| EXPENDITURES | | | | | | | |
| Utilities ⁷ | | | | | | | |
| Administration ⁷ | - | - | - | - | - | - | - |
| Salaries and Wages ⁴ | 873,395 | 971,871 | 1,380,489 | 1,446,341 | 1,496,612 | 1,557,369 | 1,621,060 |
| Materials & Supplies | 28,004 | 42,301 | 43,478 | 44,348 | 45,235 | 46,139 | 47,062 |
| Repair & Maintenance | | 37,275 | 6,500 | 6,630 | 6,829 | 6,965 | 7,105 |
| Miscellaneous Services ⁵ | 169,036 | 169,928 | 198,239 | 202,204 | 208,270 | 212,435 | 216,684 |
| Inventory | | | | | | | |
| Transfers Out | 2,781,677 | 3,130,165 | 3,564,409 | 3,635,281 | 3,744,339 | 3,856,670 | 3,933,803 |
| Administration Total | 3,852,113 | 4,351,540 | 5,193,115 | 5,334,803 | 5,501,285 | 5,679,579 | 5,825,713 |
| | | | | | | | |
| Lift Stations ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 567,023 | 536,658 | 590,605 | 619,016 | 640,524 | 666,727 | 694,204 |
| Materials & Supplies | 26,711 | 39,820 | 40,135 | 40,938 | 41,756 | 42,592 | 43,443 |
| Building & Grounds | 2,153 | 15,000 | 15,000 | 15,300 | 15,912 | 16,230 | 16,555 |
| Repair & Maintenance | 255,259 | 558,214 | 390,040 | 397,841 | 409,776 | 417,972 | 426,331 |
| Miscellaneous Services ⁵ | 316,613 | 391,892 | 388,910 | 396,688 | 408,589 | 416,761 | 425,096 |
| Inventory | | | | | | | |
| Transfers Out | 89,524 | 260,409 | 76,359 | 78,650 | 81,009 | 83,440 | 85,108 |
| Lift Stations Total | 1,257,284 | 1,801,993 | 1,501,049 | 1,548,432 | 1,597,567 | 1,643,720 | 1,690,737 |
| | | | | | | | |
| Wastewater ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 998,298 | 1,105,708 | 1,445,058 | 1,514,376 | 1,567,011 | 1,630,808 | 1,697,695 |
| Materials & Supplies | 557,077 | 730,512 | 731,763 | 768,351 | 806,769 | 847,107 | 889,463 |
| Building & Grounds | | 2,000 | 2,000 | 2,040 | 2,122 | 2,164 | 2,207 |
| Repair & Maintenance | 475,857 | 559,500 | 560,500 | 571,710 | 588,861 | 600,639 | 612,651 |
| Miscellaneous: Mud Fee & Construction | 790,000 | 991,202 | 991,202 | 1,011,026 | 1,041,357 | 1,062,184 | 1,083,428 |
| Miscellaneous Electricity | 950,000 | 679,559 | 744,420 | 759,308 | 782,088 | 797,729 | 813,684 |
| Miscellaneous Services ⁵ | 1,397,171 | 2,051,527 | 1,949,200 | 1,988,184 | 2,047,830 | 2,088,786 | 2,130,562 |
| Inventory | | | | | | | |
| Transfers Out | 64,406 | 61,000 | 220,548 | 54,742 | 56,385 | 58,076 | 59,238 |
| Wastewater Total | 5,232,810 | 6,181,008 | 6,644,691 | 6,669,738 | 6,892,421 | 7,087,494 | 7,288,928 |
| | | | | | | | |
| Environmental Service ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 561,204 | 491,266 | 593,968 | 622,914 | 644,606 | 671,660 | 700,065 |
| Materials & Supplies | 12,098 | 16,768 | 13,785 | 14,474 | 15,198 | 15,958 | 16,756 |
| Repair & Maintenance | 4,860 | 5,520 | 5,520 | 5,630 | 5,799 | 5,915 | 6,034 |
| Miscellaneous Services ⁵ | 38,295 | 49,863 | 52,618 | 53,670 | 55,280 | 56,386 | 57,514 |
| Inventory | | 1,850 | 1,850 | 1,887 | 1,944 | 1,982 | 2,022 |
| Transfers Out | 30,287 | 33,672 | 23,933 | 24,651 | 25,391 | 26,152 | 26,675 |
| Environmental Service Total | 646,743 | 598,939 | 691,674 | 723,227 | 748,217 | 778,054 | 809,066 |
| | | | | | | | |
| Water Production ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 1,626,429 | 1,444,995 | 1,779,258 | 1,865,170 | 1,929,989 | 2,009,633 | 2,093,188 |
| Water Purchase ⁶ | 5,165,710 | 5,527,820 | 4,800,000 | 5,040,000 | 5,292,000 | 5,556,600 | 5,667,732 |
| Materials & Supplies | 882,702 | 1,674,063 | 1,680,196 | 1,764,206 | 1,852,416 | 1,945,037 | 2,042,289 |
| Building & Grounds | 61,060 | 164,150 | 114,150 | 116,433 | 121,090 | 123,512 | 125,982 |
| Repair & Maintenance | 527,385 | 781,891 | 786,800 | 802,536 | 826,612 | 843,144 | 860,007 |
| Miscellaneous Electricity | 528,800 | 512,298 | 574,338 | 585,825 | 603,400 | 615,467 | 627,777 |
| Miscellaneous Services ⁵ | 714,318 | 1,918,352 | 1,379,747 | 1,407,342 | 1,449,562 | 1,478,553 | 1,508,125 |
| Inventory | 4,796 | | | | | | |
| Capital Outlay | 27,164 | 198,783 | | | | | |
| Transfers Out | 262,183 | 451,420 | 143,949 | 96,767 | 99,670 | 102,661 | 104,714 |
| Water Production Total | 9,800,547 | 12,673,772 | 11,258,438 | 11,678,279 | 12,174,740 | 12,674,608 | 13,029,814 |



MULTI-YEAR BUDGET 2025-2029
ENTERPRISE FUND DETAIL

| DESCRIPTION | ACTUAL | PROJECTED | ADOPTED | FORECASTED | FORECASTED | FORECASTED | FORECASTED |
|---|-----------|-----------|-----------|------------|------------|------------|------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Distribution and Collection ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 3,289,023 | 3,147,690 | 3,564,443 | 3,737,763 | 3,867,427 | 4,029,291 | 4,199,220 |
| Materials & Supplies | 448,136 | 523,839 | 489,325 | 513,791 | 539,481 | 566,455 | 594,778 |
| Repair & Maintenance | 105,339 | 149,000 | 445,000 | 453,900 | 467,517 | 476,867 | 486,405 |
| Miscellaneous Services ⁵ | 266,560 | 403,440 | 291,440 | 297,269 | 306,187 | 312,311 | 318,557 |
| Inventory | 22,064 | 13,000 | 13,000 | 13,260 | 13,658 | 13,931 | 14,210 |
| Capital Outlay | 2,821 | | 27,000 | 27,540 | 28,366 | 29,217 | 29,802 |
| Transfers Out | 433,396 | 703,454 | 860,256 | 652,254 | 671,821 | 691,976 | 705,815 |
| Distribution & Collection Total | 4,567,338 | 4,940,423 | 5,690,464 | 5,695,776 | 5,894,457 | 6,120,048 | 6,348,785 |
| Construction | | | | | | | |
| Salaries and Wages ⁴ | | | | | | | |
| Materials & Supplies | | | | | | | |
| Repair & Maintenance | | | | | | | |
| Miscellaneous Services ⁵ | 229 | | | | | | |
| Capital Outlay | | | | | | | |
| Transfers Out | | | | | | | |
| Construction Total | 229 | | | | | | |
| Water Meter Services (Merge w/ Utility Customer Service FY24) | | | | | | | |
| Salaries and Wages ⁴ | 238,257 | (10,595) | | | | | |
| Materials & Supplies | 392,780 | | | | | | |
| Repair & Maintenance | 12,394 | | | | | | |
| Miscellaneous Services ⁵ | 33,020 | | | | | | |
| Transfers Out | 89,607 | | | | | | |
| Water Meter Services Total | 766,058 | (10,595) | | | | | |
| Water/Sewer Grounds Maintenance | | | | | | | |
| Salaries and Wages ⁴ | 639,090 | 512,592 | 545,235 | 572,127 | 591,823 | 617,103 | 643,668 |
| Materials & Supplies | 11,198 | 11,173 | 12,293 | 12,908 | 13,553 | 14,231 | 14,942 |
| Building & Grounds | 5,989 | 7,442 | 7,350 | 7,497 | 7,797 | 7,953 | 8,112 |
| Repair & Maintenance | 10,097 | 9,880 | 13,460 | 13,729 | 14,141 | 14,424 | 14,712 |
| Miscellaneous Services ⁵ | 55,090 | 115,536 | 113,953 | 116,232 | 119,719 | 122,113 | 124,556 |
| Inventory | 17,462 | | | | | | |
| Transfers Out | 100,790 | 88,874 | 452,132 | 393,596 | 405,404 | 417,566 | 425,917 |
| Water/Sewer Grounds Maintenance Total | 839,716 | 745,497 | 1,144,423 | 1,116,089 | 1,152,437 | 1,193,390 | 1,231,908 |
| Pretreatment (Merge w/ Backflow FY22) | | | | | | | |
| Salaries and Wages ⁴ | 27,435 | | | | | | |
| Materials & Supplies | | | | | | | |
| Repair & Maintenance | | | | | | | |
| Miscellaneous Services ⁵ | | | | | | | |
| Transfers Out | | | | | | | |
| Pretreatment Total | 27,435 | | | | | | |

MULTI-YEAR BUDGET 2025-2029
ENTERPRISE FUND DETAIL

| DESCRIPTION | ACTUAL | PROJECTED | ADOPTED | FORECASTED | FORECASTED | FORECASTED | FORECASTED |
|---|-----------|-----------|-----------|------------|------------|------------|------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Surface Water Plant ⁷ | | | | | | | |
| Salaries and Wages ⁴ | 687,288 | 868,503 | 1,201,925 | 1,259,921 | 1,303,785 | 1,357,377 | 1,413,590 |
| Materials & Supplies ⁶ | 91,444 | 1,304,988 | 1,480,290 | 1,554,305 | 1,632,020 | 1,713,621 | 1,799,302 |
| Bulk Water ⁶ | 672,978 | 1,020,000 | 1,200,000 | 1,260,000 | 1,323,000 | 1,389,150 | 1,458,608 |
| Miscellaneous Services ⁵ | 13,750 | 173,809 | 220,520 | 224,930 | 231,678 | 236,312 | 241,038 |
| Miscellaneous Electricity | | 300,000 | 900,000 | 918,000 | 945,540 | 964,451 | 983,740 |
| Inventory | 56,593 | 17,000 | 2,500 | 2,550 | 2,627 | 2,679 | 2,733 |
| Building & Grounds | | 1,500 | 3,000 | 3,060 | 3,182 | 3,246 | 3,311 |
| Repair & Maintenance | 1,232 | 31,500 | 64,500 | 65,790 | 67,764 | 69,119 | 70,501 |
| Transfer Out: Vehicle Purchase | 117,000 | | | | | | |
| Transfers Out: Lease Payment & Repair & Maintenance | 14,696 | 11,112 | 46,493 | 47,888 | 49,324 | 50,804 | 51,820 |
| Surface Water Plant Total | 1,654,980 | 3,728,412 | 5,119,228 | 5,336,444 | 5,558,920 | 5,786,759 | 6,024,642 |
| Utility Billing ⁸ | | | | | | | |
| Salaries and Wages ⁴ | 1,867,733 | 1,973,314 | 1,970,835 | 2,066,157 | 2,138,185 | 2,226,739 | 2,319,658 |
| Materials & Supplies | 13,649 | 447,566 | 654,015 | 686,716 | 721,052 | 757,104 | 794,959 |
| Miscellaneous Services ⁵ | 406,012 | 540,392 | 611,208 | 623,432 | 642,135 | 654,978 | 668,077 |
| Transfers Out IT Services | 659,695 | 783,902 | 1,002,144 | 1,032,208 | 1,063,175 | 1,095,070 | 1,116,971 |
| Transfers Out | 26,361 | 96,452 | 147,331 | 100,251 | 103,258 | 106,356 | 108,483 |
| Utility Billing Total | 2,973,661 | 3,860,626 | 4,410,933 | 4,534,672 | 4,694,490 | 4,867,466 | 5,035,913 |
| Anticipated O&M for Long-term Project Total | | | | 69,263 | 109,414 | 1,089,126 | 1,151,378 |
| Anticipated Vehicle Replacement and Supplement | | | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Anticipated O&M for Long-term Project Total | | | | 1,069,263 | 1,109,414 | 2,089,126 | 2,151,378 |
| Other Requirements | | | | | | | |
| Cash Funded CIP | | | 950,000 | 625,000 | 542,000 | | |
| MUD Rebate ⁹ | 3,217,376 | 87,159 | 2,089,885 | 2,426,589 | 2,809,735 | 3,245,244 | 3,739,757 |
| Transfer to General Fund | 2,109,858 | 2,307,103 | 2,698,557 | 2,779,514 | 2,862,899 | 2,948,786 | 3,007,762 |
| Transfer to Facilities Fund | 531,279 | 550,354 | 550,354 | 577,872 | 606,765 | 637,104 | 668,959 |
| Information Technology | 19,207 | | | | | | |
| Capital Outlay | | 467,034 | 918,001 | | | | |
| Miscellaneous Services ⁵ | 521,331 | 645,965 | 555,000 | 566,100 | 583,083 | 594,745 | 606,640 |
| Other Requirements Total | 7,012,411 | 5,303,198 | 9,102,664 | 8,450,028 | 9,026,931 | 9,210,572 | 9,986,280 |

**MULTI-YEAR BUDGET 2025-2029
ENTERPRISE FUND DETAIL**

| DESCRIPTION | ACTUAL 2023 | PROJECTED 2024 | ADOPTED 2025 | FORECASTED 2026 | FORECASTED 2027 | FORECASTED 2028 | FORECASTED 2029 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Service | | | | | | | |
| Debt Service Payment | 23,139,707 | 25,568,469 | 29,109,945 | 38,847,226 | 45,582,749 | 46,643,798 | 47,541,909 |
| Revenue Bond Reserve Deposit 10 | - | - | - | - | - | - | - |
| Debt Service Total | 23,139,707 | 25,568,469 | 29,109,945 | 38,847,226 | 45,582,749 | 46,643,798 | 47,541,909 |
| TOTAL EXPENDITURES | 61,771,031 | 69,743,282 | 79,866,624 | 91,003,978 | 99,933,628 | 103,774,613 | 106,965,074 |
| REV OVER(UNDER) EXP | 5,137,172 | 4,920,088 | (1,636,473) | (5,882,596) | (9,635,599) | (2,281,546) | (377,680) |
| Beginning Cash Equivalents | | | | | | | |
| Net of Restricted for Debt | | | | | | | |
| Service (Fund 600 & 601) | 19,737,756 | 24,874,928 | 30,204,016 | 29,056,704 | 23,689,445 | 14,606,335 | 12,907,769 |
| Ending Cash Balance in | | | | | | | |
| Operating Fund | 24,874,928 | 29,795,016 | 28,567,543 | 23,174,108 | 14,053,846 | 12,324,788 | 12,530,089 |
| Add Unrestricted Cash in Debt | | | | | | | |
| Service Fund - 601 ¹⁰ | | 409,000 | 489,161 | 515,338 | 552,488 | 582,981 | 570,904 |
| Ending Cash Equivalents Net of Restricted for Debt Service (Fund 600 & 601) | \$ 24,874,928 | \$ 30,204,016 | \$ 29,056,704 | \$ 23,689,445 | \$ 14,606,335 | \$ 12,907,769 | \$ 13,100,993 |
| Debt Service Coverage | | | | | | | |
| Revenue | 73,703,166 | 77,363,370 | 82,030,151 | 88,921,382 | 94,098,029 | 105,293,066 | 110,387,394 |
| Less Operating Expenses | 35,266,735 | 43,421,837 | 46,771,793 | 49,077,623 | 50,970,778 | 53,856,354 | 55,653,607 |
| Net Revenue Available for Debt Services | 38,436,431 | 33,941,533 | 35,258,358 | 39,843,759 | 43,127,251 | 51,436,712 | 54,733,787 |
| Revenue Bonds Current DS | 27,071,642 | 25,870,156 | 25,772,433 | 25,870,526 | 25,697,370 | 24,453,648 | 24,277,914 |
| Revenue Bonds and CO's Current DS | 29,934,670 | 34,528,233 | 38,309,945 | 47,127,226 | 52,620,749 | 52,626,098 | 52,626,864 |
| W/S Bond Coverage - 1.15 | 1.42 | 1.31 | 1.37 | 1.54 | 1.68 | 2.10 | 2.25 |
| Cash Reserve Ratio with COs- 15% min required | 60% | 58% | 47% | 33% | 18% | 15% | 15% |
| Combine 600 & 601 Reserve - 25% min required | 66% | 66% | 56% | 42% | 29% | 26% | 25% |
| Actual/ Expected Rate Increase | 13.1% | 14% | 7% | 7% | 7% | 11% | 11% |
| New W/S Debt Issuance | 55,247,635 | 81,365,735 | 170,245,680 | 102,006,868 | 7,873,000 | 12,089,000 | 11,391,500 |





4. FY25 Salaries and Wages are forecasted to growth at 5 to reflect step plan (2%) and Market Competitiveness (23) increase. Long term growth are set to 4%
5. Miscellaneous Services Expenses include small Equipment Rental, Telephone, Annual Dues and Subscription, and Annual Professional/Contractual Services
6. In FY25, Water purchase expenses in Water Production Division are forecasted at 4.8M with Surface Water Plant fully functional.
7. In FY24, Water/Sewer Utilities split from EPW department
8. In FY24, Meter Services Division of Publick Works merging into Utility Customer Service
9. In FY 25, 54% of MUD Rebate was paid by Enterprise Fund. The City goal is to have 66% of MUD Rebate paid by Enterprise Fund. We plan to increase an additional of 3% of MUD Rebate paid by Enterprise Fund annually from FY26 to FY29. MUD Rebate expenses are forecasted to increase by \$336K in FY26 and \$383K in FY27.
10. Beginning FY24, excess balance in 601 Reserve For Debt Service and Interest Earning will be counted toward Operating Cash Equivalents

PEDC Multi-Year Forecast

MULTI-YEAR BUDGET 2025-27 PEARLAND ECONOMIC DEVELOPMENT CORPORATION

| DESCRIPTION | AMENDED 2024 | ADOPTED 2025 | 2026 | FORECASTED | | 2029 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | | | 2027 | 2028 | |
| REVENUES | | | | | | |
| Sales Tax | 15,229,066 | 15,457,502 | 15,766,652 | 16,081,985 | 16,403,625 | 16,731,697 |
| Management District Reimbursements | - | - | 1,500,000 | 2,520,000 | 5,550,000 | - |
| Bond Proceeds | - | - | 6,000,000 | 15,500,000 | - | - |
| Other* | 1,722,000 | 1,142,175 | 141,928 | 79,704 | 1,278,088 | 601,086 |
| TOTAL OPERATING REVENUE | \$ 16,951,066 | \$ 16,599,677 | \$ 23,408,580 | \$ 34,181,689 | \$ 23,231,712 | \$ 17,332,783 |
| EXPENDITURES | | | | | | |
| Operating Expenditures | 1,531,819 | 1,654,062 | 1,767,486 | 1,763,046 | 1,820,506 | 1,879,932 |
| Programs/Contracted Services | 2,125,726 | 2,746,616 | 2,377,415 | 2,445,220 | 3,515,093 | 2,587,098 |
| Business Development - Incentives | 942,245 | 945,500 | 1,250,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Bond Payments | 267,700 | 261,800 | 255,900 | 525,917 | 1,888,042 | 1,893,250 |
| Site Development | | | | | | |
| Lower Kirby Infrastructure | 3,995,000 | 2,850,000 | 700,000 | 5,000,000 | - | - |
| Redevelopment / LK / SH 35 / Old Town | 2,886,967 | 4,970,000 | 2,250,000 | 1,750,000 | 1,750,000 | 1,750,000 |
| Mobility and Infrastructure | | | | | | |
| State Highway 288 | 2,175,000 | 4,900,000 | - | - | 800,000 | - |
| FM 518/Broadway | 1,550,000 | 450,000 | 6,250,000 | 16,000,000 | 3,000,000 | 1,500,000 |
| State Highway 35 / Old Town | 2,365,000 | 5,950,000 | 3,175,000 | 6,805,000 | 2,302,000 | 4,000,000 |
| Entry Features | - | - | - | - | - | - |
| Corridors/Trails - Clear Creek Trail | - | - | 50,000 | - | - | - |
| Corridor/Entryway Maintenance (Operating) | 705,000 | 741,000 | 763,230 | 786,127 | 809,711 | 834,002 |
| Distressed Property Demolition | - | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Parks & Places to Gather | 1,618,502 | 17,058,719 | 4,141,950 | 618,000 | 396,550 | 408,447 |
| TOTAL EXPENDITURES | \$ 20,162,959 | \$ 42,677,697 | \$ 23,130,980 | \$ 37,343,310 | \$ 17,931,901 | \$ 16,502,729 |
| REV OVER/(UNDER) EXP | (3,211,893) | (26,078,021) | 277,600 | (3,161,621) | 5,299,811 | 830,054 |
| BEGINNING TOTAL FUND BALANCE | \$34,643,302 | \$31,431,409 | \$5,353,389 | \$5,630,988 | \$2,469,367 | \$7,769,178 |
| ENDING TOTAL FUND BALANCE | \$31,431,409 | \$5,353,389 | \$5,630,988 | \$2,469,367 | \$7,769,178 | \$8,599,232 |

*Other includes Interest, 288 PMMD#2 Management Contract, Smith Ranch Assessments, Sale of Property and miscellaneous revenue



FUND SUMMARIES



All Funds

Below is a summary of all funds including the adopted beginning fund balance, annual revenue and expenditures as well as estimated ending fund balance.

CITY OF PEARLAND FY 2025 ADOPTED BUDGET ANALYSIS OF FUND BALANCE AND CASH EQUIVALENTS

SUMMARY ALL FUNDS

| FUND | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|------------------------|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| General Fund | 29,093,625 | 124,411,285 | 123,066,372 | 30,438,538 |
| Debt Service Fund | 6,412,800 | 57,936,863 | 59,909,947 | 4,439,716 |
| Special Revenue Funds | 11,625,237 | 7,285,721 | 9,130,676 | 9,780,282 |
| Proprietary Funds | 50,015,072 | 125,768,978 | 126,800,031 | 48,984,019 |
| Capital Project Funds | (134,152,076) | 267,122,654 | 162,211,842 | (29,241,264) |
| Internal Service Funds | 17,812,629 | 40,517,234 | 44,289,253 | 14,040,610 |
| PEDC Fund | 31,570,824 | 16,599,677 | 42,677,697 | 5,492,804 |
| TOTAL | \$ 12,378,111 | \$ 639,642,412 | \$ 568,085,818 | \$ 83,934,705 |

SPECIAL REVENUE FUNDS

| FUND | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|--|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 305 Hotel/Motel Occupancy Tax | 8,096,715 | 2,198,122 | 2,239,160 | 8,055,677 |
| 310 Court Building Security | 68,437 | 38,700 | 32,326 | 74,811 |
| 315 Citywide Donation | 217,189 | 59,321 | 71,500 | 205,010 |
| 320 Court Technology | 13,780 | 45,455 | 41,770 | 17,465 |
| 325 Street Assessment* | 55 | 5 | - | 60 |
| 330 Park Donations | 38,306 | 212,178 | 250,000 | 484 |
| 331 Tree Trust | 1,069,494 | 72,519 | 434,750 | 707,263 |
| 332 Parks Financial Assistance Donations | 2,973 | 5,125 | 5,000 | 3,098 |
| 335 Police State Seizure | 87,651 | 11,134 | 31,200 | 67,585 |
| 336 Federal Police | 124,882 | 6,824 | 75,200 | 56,506 |
| 337 Community Safety Fund | 15,094 | 8,000 | - | 23,094 |
| 340 Park Development | 453,999 | 446,115 | 900,000 | 114 |
| 345 Sidewalk | 69,179 | 8,472 | - | 77,651 |
| 346 Drainage Maintenance Fund | 896,116 | 1,646,693 | 2,224,449 | 318,360 |
| 350 Grant Fund | 153,112 | 378,190 | 195,546 | 335,756 |
| 351 Community Development Block Grant | 62,791 | 456,770 | 456,770 | 62,791 |
| 352 CDBG Disaster Recovery | (307,770) | - | - | (307,770) |
| 353 Disaster Recovery Fund* | (68,402) | - | - | (68,402) |
| 354 Hazard Mitigation | (83,694) | - | - | (83,694) |
| 355 Coronavirus Relief Fund | (1,412,395) | - | - | (1,412,395) |
| 356 American Rescue Plan Act (ARPA) | - | - | - | - |
| 360 Traffic Improvement | 356,133 | 17,480 | 214,920 | 158,693 |
| 365 Truancy Prevention & Diversion | (9,122) | 38,000 | 21,267 | 7,611 |
| 366 Municipal Jury | 2,690 | 1,266 | 1,000 | 2,956 |
| 370 Municipal Channel | 512,107 | 259,244 | 101,000 | 670,351 |
| 380 Regional Detention* | 216,713 | 10,739 | - | 227,452 |
| 514 Infrastructure Reinvestment | 1,049,204 | 1,365,369 | 1,834,818 | 579,755 |
| TOTAL | \$ 11,625,237 | \$ 7,285,721 | \$ 9,130,676 | \$ 9,780,282 |



PROPRIETARY FUNDS

| FUND | | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|--------------|-----------------------|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 600 | Water & Sewer Fund* | 30,204,016 | 78,230,113 | 79,866,624 | 28,567,505 |
| 601 | Water Sewer Debt Fund | 20,014,910 | 38,829,133 | 38,339,945 | 20,504,098 |
| 610 | Solid Waste Fund | (203,854) | 8,709,732 | 8,593,462 | (87,584) |
| TOTAL | | \$ 50,015,072 | \$ 125,768,978 | \$ 126,800,031 | \$ 48,984,019 |

* Excluding 489K Unrestricted Cash in W/S Debt Service Fund 601 in the Ending W/S Cash Equivalents for Fund 600 here

CAPITAL PROJECT FUNDS

| FUND | | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|--------------|---|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 500 | Capital Projects General | 392,696 | 1,523,923 | 1,252,843 | 663,776 |
| 501 | Capital Projects-CO | 4,430,398 | 1,178,734 | 957,843 | 4,651,289 |
| 503 | Certificates of Obligation Series 2006 | (20,381) | 459 | - | (19,922) |
| 506 | Capital Projects-GO | 30,362,480 | 1,378,515 | 663,743 | 31,077,252 |
| 507 | General Obligation Series 2020 | (28,479,383) | - | 111,843 | (28,591,226) |
| 508 | Certificates of Obligation Series 2020 | (471,727) | 66,301 | - | (405,426) |
| 509 | General Obligation Series 2021 | (135,909) | 80,320 | - | (55,589) |
| 511 | PEDC Pay-As-You-Go | (1,153,702) | - | 435,000 | (1,588,702) |
| 512 | Certificates of Obligation Series 2021 | (279,282) | - | - | (279,282) |
| 513 | General Obligation Series 2022 | 1,120,929 | 581,289 | 111,843 | 1,590,375 |
| 515 | 2020 Certificates of Obligation - TIRZ* | (53,503) | 82,811 | - | 29,308 |
| 516 | 2021 Certificates of Obligation - TIRZ* | 2,824,606 | 173,696 | - | 2,998,302 |
| 517 | 2022 Certificates of Obligation | 82,243 | 330,487 | 531,664 | (118,934) |
| 518 | 2022 Certificates of Obligation - TIRZ* | 5,749,559 | 356,540 | - | 6,106,099 |
| 519 | General Obligation Series 2023 | 119,252 | 189,714 | 226,440 | 82,526 |
| 520 | 2023 Certificates of Obligation | 150,556 | 364,489 | 232,170 | 282,875 |
| 521 | Drainage Fund | (48,669) | - | - | (48,669) |
| 522 | GO Series 2024 | (20,000) | - | 235,035 | (255,035) |
| 523 | CO Series 2024 | (20,000) | - | - | (20,000) |
| 524 | 2023 Certificates of Obligation - TIRZ* | 495,884 | 481,832 | - | 977,716 |
| 525 | TIRZ SERIES 2024 | - | - | - | - |
| 526 | GO Series 2025 | - | 56,250,366 | 56,485,401 | (235,035) |
| 527 | CO Series 2025 | - | 23,666,798 | 23,901,833 | (235,035) |
| 550 | Utility Impact Fee Fund | 7,246,512 | 456,554 | 3,611,843 | 4,091,223 |
| 551 | Water Impact Fee Fund | 3,771,325 | 1,996,713 | 2,500,000 | 3,268,038 |
| 552 | Waste Water Impact Fee Fund | 4,045,878 | 2,272,977 | 3,200,000 | 3,118,855 |
| 565 | W & S Revenue Bonds | 1,958,837 | 251,272 | 126,168 | 2,083,941 |
| 566 | W & S Revenue Bonds 2020 | 1,216,950 | 114,282 | 126,168 | 1,205,064 |
| 567 | Water Drinking Bond Funds 2020 | (7,261,751) | 513,628 | - | (6,748,123) |
| 568 | W & S Revenue Bonds 2021 | 83,642 | 210,019 | 137,077 | 156,584 |
| 569 | W&S Certificates of Obligation 2022 | 1,326,236 | 1,273,111 | 337,621 | 2,261,726 |
| 570 | Water/Sewer Pay As You Go CIP | 1,778,590 | 200,411 | 1,072,752 | 906,249 |
| 571 | 2021 TWDB Revenue Bonds | (1,292,671) | 560,930 | - | (731,741) |
| 574 | W&S Certificates of Obligation 2023 | (2,824,389) | 2,319,441 | - | (504,948) |
| 575 | MUD 4 Capital Program | - | 1,362 | - | 1,362 |
| 576 | W&S Certificates of Obligation 2024 | (159,247,282) | - | (158,595,995) | (651,287) |
| 577 | W&S Certificates of Obligation 2025 | - | 170,245,680 | 224,550,550 | (54,304,870) |
| TOTAL | | \$ (134,152,076) | \$ 267,122,654 | \$ 162,211,842 | \$ (29,241,264) |



Note - Beginning in FY 2020, all debt issuances will be isolated into their own unique fund. Negative fund balances are a result of appropriations needed to award contracts, but expenses will not be incurred until an intent to reimburse has been approved by council. Other negative balances can be attributed to situations where the bonds have been sold, but the funding not yet recieved by the city.

INTERNAL SERVICE FUNDS

| FUND | | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|--------------|-----------------------------|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 700 | Risk Management Fund | 743,352 | 4,844,632 | 5,037,982 | 550,002 |
| 702 | Medical Self-Insurance Fund | 3,612,122 | 11,154,643 | 11,342,396 | 3,424,369 |
| 703 | Motor Pool Fund | 7,408,224 | 7,658,337 | 13,017,011 | 2,049,550 |
| 704 | Facilities Fund | 147,324 | 3,346,146 | 3,442,921 | 50,549 |
| 705 | Information Technology Fund | 510,729 | 10,868,512 | 11,013,943 | 365,298 |
| 706 | Capital Fund | 5,390,878 | 2,644,964 | 435,000 | 7,600,842 |
| TOTAL | | \$ 17,812,629 | \$ 40,517,234 | \$ 44,289,253 | \$ 14,040,610 |

PEARLAND ECONOMIC DEVELOPMENT CORPORATION (PEDC)

| FUND | | FY2025 ADOPTED BEG BALANCE | FY2025 ADOPTED REVENUES | FY2025 ADOPTED EXPENDITURES | FY2025 ADOPTED END BALANCE |
|--------------|---------------------------|----------------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 900 | Economic Development Fund | 31,570,824 | 16,599,677 | 42,677,697 | 5,492,804 |
| TOTAL | | \$ 31,570,824 | \$ 16,599,677 | \$ 42,677,697 | \$ 5,492,804 |



General Fund

The General Fund provides the financing for all the City of Pearland's basic services except water, sewer and solid waste, which is accounted for through the Enterprise and Solid Waste Funds. The principal sources of revenue include property taxes, sales taxes, franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures are comprised of five major functional areas: Engineering and 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 a majority of total operating expenditures (excluding transfers). Expenditures include all personnel costs for 640 full-time positions and 107 part-time positions including Parks, Engineering, Capital Projects, and Public Works just to name a few.

Summary

The City of Pearland is projecting \$124.41M of revenue in FY2025, which represents a 7.9% increase over the prior year. Budgeted expenditures are projected to increase by 7.9% or \$9.03M to \$123.07M in FY2025.

Overview – Fund Balance

The City anticipates ending FY 2024 on September 30, 2024, with a fund balance of \$29,093,625, \$10,318 over the three-month fund balance policy. The proposed FY 2025 fund balance is budgeted to increase to \$30,438,538. This is over the new three-month policy by \$93,406.

Revenues

Revenues in FY 2025 are anticipated to exceed those in 2024 in several categories. Overall, the increase in total revenues from FY 2024 amended is 7.5%. Property tax, sales tax and charges for services are the three major revenue sources for the City.

Property Tax revenues increased in 2025 by 8.8% over FY 24 year-end amended revenue. FY 2024 sales tax revenue is projected to grow at 1.7%. TIRZ Administration fee reflected in Charges for Services Revenue is increasing 1.3% based on the TIRZ taxable value and the City of Pearland tax rate.

Total Revenues

| | |
|-----------------------|----------------------------|
| FY 2025 Adopted | \$124,411,285 |
| FY 2024 Amended | <u>\$115,719,007</u> |
| Increase / (Decrease) | \$ 8,692,272 7.5% increase |

Expenditures

Fiscal year 2025 total expenditures are \$123,066,372, 4.3% higher than the FY 2024 amended budget. Salaries and Benefits remain the major expenditure for FY 25, at 68% of the total General Fund budget. This is an increase of 7.5% percentage points over FY 2024 amended.

Major changes in the General Fund are described in the Budget Overview section. This includes a 5% salary adjustment exempt and non-exempt employees outside of police and fire, with additional pay plan adjustments for police and fire.

Total Expenditures

| | |
|-----------------------|----------------------------|
| FY 2025 Adopted | \$123,066,372 |
| FY 2024 Amended | <u>\$117,948,966</u> |
| Increase / (Decrease) | \$ 5,117,406 4.3% increase |

Revenues by Source

General Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$33,681,195 | \$31,323,584 | \$31,323,584 | \$29,093,625 |



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|--|----------------------|-----------------------|-----------------------|----------------------|
| Revenues | | | | |
| Property Taxes | \$31,196,149 | \$40,052,339 | \$41,843,330 | \$45,520,000 |
| Sales & Use Taxes | \$30,592,387 | \$32,017,500 | \$30,702,654 | \$31,226,000 |
| Franchise Fees | \$7,178,461 | \$6,866,455 | \$7,060,378 | \$6,729,055 |
| Licenses & Permits | \$3,419,602 | \$3,997,971 | \$3,605,359 | \$3,051,871 |
| Fines & Forfeitures | \$1,764,925 | \$1,984,305 | \$1,976,340 | \$1,990,185 |
| Charges for Services | \$20,105,945 | \$23,894,405 | \$23,498,070 | \$23,810,336 |
| Investment Earnings | \$1,449,482 | \$1,432,007 | \$2,200,000 | \$4,593,276 |
| Intergovernmental | -\$1,299 | \$0 | -\$83 | \$0 |
| Miscellaneous | \$885,657 | \$649,306 | \$463,804 | \$494,870 |
| Transfers In | \$9,385,361 | \$4,369,155 | \$4,369,155 | \$6,995,692 |
| Total Revenues: | \$105,976,671 | \$115,263,443 | \$115,719,007 | \$124,411,285 |
| Expenditures | | | | |
| Salaries & Wages | \$72,664,970 | \$76,631,749 | \$78,234,263 | \$84,129,549 |
| Materials & Supplies | \$3,182,526 | \$4,350,503 | \$5,564,544 | \$4,533,598 |
| Building & Grounds | \$616,660 | \$785,889 | \$770,395 | \$502,024 |
| Repair & Maintenance | \$1,485,227 | \$1,843,924 | \$2,073,721 | \$1,846,493 |
| Miscellaneous Services | \$9,489,309 | \$11,230,912 | \$11,768,924 | \$11,921,746 |
| Other | \$108,519 | \$332,312 | \$359,624 | \$334,337 |
| Capital Outlay | \$1,020,859 | \$1,062,400 | \$1,401,757 | \$1,164,551 |
| Interest Expense | \$124,174 | \$0 | \$0 | \$0 |
| Transfers Out | \$19,489,821 | \$17,795,479 | \$17,795,479 | \$18,634,074 |
| Total Expenditures: | \$108,182,064 | \$114,033,168 | \$117,968,707 | \$123,066,372 |
| Total Revenues Less Expenditures: | -\$2,205,393 | \$1,230,275 | -\$2,249,700 | \$1,344,913 |
| Ending Fund Balance: | \$31,475,802 | \$32,553,859 | \$29,073,884 | \$30,438,538 |

Expenditures by Expense Type

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-------------------------------|----------------------|-----------------------|-----------------------|----------------------|
| Expense Objects | | | | |
| Salaries & Wages | \$72,664,970 | \$76,631,749 | \$78,234,263 | \$84,129,549 |
| Materials & Supplies | \$3,182,526 | \$4,350,503 | \$5,564,544 | \$4,533,598 |
| Building & Grounds | \$616,660 | \$785,889 | \$770,395 | \$502,024 |
| Repair & Maintenance | \$1,485,227 | \$1,843,924 | \$2,073,721 | \$1,846,493 |
| Miscellaneous Services | \$9,489,309 | \$11,230,912 | \$11,768,924 | \$11,921,746 |
| Other | \$108,519 | \$332,312 | \$359,624 | \$334,337 |
| Capital Outlay | \$1,020,859 | \$1,062,400 | \$1,401,757 | \$1,164,551 |
| Interest Expense | \$124,174 | \$0 | \$0 | \$0 |
| Transfers Out | \$19,489,821 | \$17,795,479 | \$17,795,479 | \$18,634,074 |
| Total Expense Objects: | \$108,182,064 | \$114,033,168 | \$117,968,707 | \$123,066,372 |

Fund Balance

Financial Policies require that the fund balance meet or exceed 90 days of recurring expenses. For both the FY24 amended budget and the FY25 adopted budget, fund balance met or exceeded the policy. The estimated ending fund balance for FY2025 is \$30,438,538 which exceeds policy by \$93,405.

Amount of Fund Balance Over Policy

| | General Fund Comprehensive Summary | | |
|-----------------------------------|------------------------------------|---------------------|---------------------|
| | FY23 Actual | FY24 Amended | FY25 Adopted |
| Beginning Fund Balance | \$33,681,195 | \$31,323,584 | \$29,093,625 |
| Revenue | \$105,976,671 | \$115,719,007 | \$124,411,285 |
| Expenditure | \$108,182,064 | \$117,948,966 | \$123,066,372 |
| Net | (\$2,205,393) | (\$2,229,959) | \$1,344,913 |
| Ending Balance | \$31,475,802 | \$29,093,625 | \$30,438,538 |
| Policy Minimum Balance (90 Days) | \$26,675,029 | \$29,083,307 | \$30,345,133 |
| Amount Over/(Under) 90 Day Target | \$4,800,773 | \$10,318 | \$93,405 |
| Days of Reserves | 106 | 90 | 90 |



Summary

The Debt Service Fund, also known as the interest and sinking fund, is established by ordinance and accounts for the issuance of debt and provides for the payment of debt, including principal, interest and tax rebates to in-city municipal utility districts as payments become due. In the Debt Service Fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied, which will be sufficient to produce the money to satisfy annual debt service requirements. The City of Pearland has no general obligation legal debt limit other than a ceiling on the tax rate specified by the State of Texas. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax rate of \$1.50 per \$100 assessed valuation, based on a 90% collection rate.

Overview

Based on estimated property values, the budget as proposed assumes a Debt Service tax rate of \$0.3000 per \$100 in assessed valuation to meet FY25 obligations. This is a decrease from the rate of \$0.3229 per \$100 in assessed valuation in FY24. The tax rate generates \$40,450,000 in current property taxes.

Fund revenues include reimbursements from the University of Houston-Clear Lake System for debt associated with the construction of the University of Houston-Clear Lake Pearland Campus and transfers from the Water-Sewer Fund for rebates to in-city MUDs. Fund expenditures include rebates to the remaining in-city MUD's that still qualify for such support. Expenditures total \$59,909,947 for fiscal year 2025 include \$44,396,661 in bond principal and interest payments.

Debt (General Obligation and Certificates of Obligation) anticipated to be issued includes \$81.9 million in FY25 pursuant to the City's Capital Improvement Program. \$56.8 million in General Obligation Bonds will be issued in FY 2025 for multiple Bond Referendum Projects. The debt issuance in fiscal year 2025 will impact the Debt Service Expenditures of FY26.

Total principal outstanding paid from property taxes at September 30, 2024 is anticipated to be \$604 million (this excludes new debt and property tax backed debt paid by the water/sewer fund).

S&P and Fitch Ratings have assigned bond credit ratings of AA and AA+ respectively. These ratings put the City of Pearland in the top echelon of low credit risk issuers.

200 - Debt Service Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$3,436,146 | \$3,369,997 | \$3,369,997 | \$6,412,800 |
| Revenues | | | | |
| Property Taxes | \$36,879,625 | \$41,319,476 | \$40,301,531 | \$40,680,000 |
| Investment Earnings | \$371,342 | \$350,000 | \$1,298,217 | \$0 |
| Miscellaneous | \$10,802,953 | \$11,399,761 | \$11,920,947 | \$14,599,978 |
| Transfers In | \$3,552,442 | \$4,501,938 | \$87,519 | \$2,656,885 |
| Other Financing Sources | \$4,420,000 | \$0 | \$0 | \$0 |
| Total Revenues: | \$56,026,363 | \$57,571,175 | \$53,608,214 | \$57,936,863 |
| Expenditures | | | | |
| Other | \$8,048,964 | \$8,879,000 | -\$700,322 | \$3,870,158 |
| Interest Expense | \$48,039,340 | \$47,249,580 | \$51,265,732 | \$56,039,789 |
| Total Expenditures: | \$56,088,305 | \$56,128,580 | \$50,565,410 | \$59,909,947 |
| Total Revenues Less Expenditures: | -\$61,942 | \$1,442,595 | \$3,042,804 | -\$1,973,084 |
| Ending Fund Balance: | \$3,374,204 | \$4,812,592 | \$6,412,801 | \$4,439,716 |



Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally restricted for particular purposes. A description of the individual Special Revenue Fund, an overview of planned programming, and budget schedules are detailed for each fund.

Summary

The City of Pearland is projecting \$7.29M of revenue in FY2025, which represents a 8.2% increase over the prior year. Budgeted expenditures are projected to increase by 23.2% or \$1.72M to \$9.13M in FY2025.

All Special Revenue Funds Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$8,677,575 | \$12,279,667 | \$12,279,667 | \$11,597,938 |
| Revenues | | | | |
| Sales & Use Taxes | \$1,747,149 | \$1,552,000 | \$1,748,212 | \$1,800,000 |
| Franchise Fees | \$204,814 | \$235,000 | \$200,000 | \$235,000 |
| Licenses & Permits | \$202,269 | \$200,000 | \$210,000 | \$409,000 |
| Fines & Forfeitures | \$105,307 | \$140,500 | \$113,000 | \$120,600 |
| Charges for Services | \$429,900 | \$7,000 | \$51,250 | \$7,000 |
| Investment Earnings | \$486,751 | \$250,861 | \$684,190 | \$705,311 |
| Intergovernmental | \$5,624,092 | \$646,192 | \$30,991,946 | \$834,960 |
| Miscellaneous | \$1,043,725 | \$208,956 | \$333,075 | \$273,850 |
| Transfers In | \$5,479,160 | \$3,492,858 | \$3,632,056 | \$2,900,000 |
| Total Revenues: | \$15,323,166 | \$6,733,367 | \$37,963,729 | \$7,285,721 |
| Expenditures | | | | |
| Salaries & Wages | \$1,561,395 | \$1,761,335 | \$1,677,314 | \$1,868,353 |
| Materials & Supplies | \$402,502 | \$446,239 | \$597,285 | \$620,239 |
| Building & Grounds | \$1,331,049 | \$1,154,977 | \$1,154,977 | \$1,172,358 |
| Repair & Maintenance | \$12 | \$27,672 | \$27,672 | \$29,172 |
| Miscellaneous Services | \$966,697 | \$1,584,323 | \$3,566,733 | \$1,939,961 |
| Other | \$94,923 | \$66,000 | \$2,626,939 | \$66,000 |
| Capital Outlay | \$2,875,150 | \$1,284,935 | \$25,425,139 | \$2,865,823 |
| Transfers Out | \$4,489,342 | \$1,088,636 | \$3,768,384 | \$568,770 |
| Total Expenditures: | \$11,721,070 | \$7,414,117 | \$38,844,443 | \$9,130,676 |
| Total Revenues Less Expenditures: | \$3,602,096 | -\$680,750 | -\$880,714 | -\$1,844,955 |
| Ending Fund Balance: | \$12,279,671 | \$11,598,917 | \$11,398,953 | \$9,752,983 |

Expenditures by Expense Type

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|----------------------|---------------|-----------------------|-----------------------|-----------------|
| Expense Objects | | | | |
| Salaries & Wages | \$1,561,395 | \$1,761,335 | \$1,677,314 | \$1,868,353 |
| Materials & Supplies | \$402,502 | \$446,239 | \$597,285 | \$620,239 |
| Building & Grounds | \$1,331,049 | \$1,154,977 | \$1,154,977 | \$1,172,358 |



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-------------------------------|---------------------|-----------------------|-----------------------|--------------------|
| Repair & Maintenance | \$12 | \$27,672 | \$27,672 | \$29,172 |
| Miscellaneous Services | \$966,697 | \$1,584,323 | \$3,566,733 | \$1,939,961 |
| Other | \$94,923 | \$66,000 | \$2,626,939 | \$66,000 |
| Capital Outlay | \$2,875,150 | \$1,284,935 | \$25,425,139 | \$2,865,823 |
| Transfers Out | \$4,489,342 | \$1,088,636 | \$3,768,384 | \$568,770 |
| Total Expense Objects: | \$11,721,070 | \$7,414,117 | \$38,844,443 | \$9,130,676 |



Hotel/Motel Occupancy Tax

The Hotel/Motel Occupancy Tax Fund is used to account for revenues realized from hotel occupancy taxes. Hotel occupancy tax is collected from the hotel guest when the guest makes payment for the hotel room. The tax is then remitted by the hotel owner to the city on a quarterly basis. The City of Pearland's Hotel Occupancy tax rate is 7%. The state of Texas imposes an additional 6% Hotel Occupancy Tax which is remitted by the hotel owner to the state on a monthly basis.

Summary

Under the Texas Tax Code, every event, program or facility funded with local hotel occupancy tax revenue must be likely to directly promote tourism AND directly promote the convention and the hotel industry. Tourism is defined under Texas state law as guiding or managing individuals who are traveling to a different city, county, state or country. By law, cities with populations between 125,000 and 200,000 must spend at least 1% of hotel tax receipts on advertising & promotion, a 15% maximum expenditure for the arts and a 15% maximum expenditure for historical preservation.

Fiscal year 2025 revenue is projected to be \$2,198,122 with occupancy tax revenue of \$1,800,000 and total expenditures of \$2,239,160. Visit Pearland budget continues to support the mission of marketing, selling and promoting Pearland as a destination. Strategic planning includes advertising, sales, partnerships, media outreach, hosting influences and planners, and co-sponsorship of annual events, sports tournaments and other tourism products including several digital trails. The budget includes the cost of the office rental space at Pearland Town Center, which acts as a Visitor Center.

Another use of Hotel Occupancy Tax (HOT) is for sports facility improvements. To expend funds for this use, the city must host a minimum of 10 times the preceding year for regional, state, or national championship sporting event activity. Our arrangement with rights holders has us scheduled to meet that threshold by the end of the year in 2024 for the Sports Complex at Shadow Creek Ranch. The criteria was met for Centennial Park in 2023.

Hotel/Motel Occupancy Tax Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$6,654,985 | \$7,743,654 | \$7,743,654 | \$8,096,715 |
| Revenues | | | | |
| Sales & Use Taxes | \$1,747,149 | \$1,552,000 | \$1,748,212 | \$1,800,000 |
| Investment Earnings | \$304,678 | \$150,000 | \$387,835 | \$383,122 |
| Miscellaneous | \$22,348 | \$15,000 | \$2,965 | \$15,000 |
| Total Revenues: | \$2,074,175 | \$1,717,000 | \$2,139,012 | \$2,198,122 |
| Expenditures | | | | |
| Salaries & Wages | \$364,480 | \$379,739 | \$381,802 | \$448,629 |
| Materials & Supplies | \$114,779 | \$117,750 | \$172,950 | \$180,150 |
| Miscellaneous Services | \$419,983 | \$527,066 | \$535,200 | \$887,941 |
| Capital Outlay | \$0 | \$0 | \$0 | \$600,000 |
| Transfers Out | \$86,264 | \$695,999 | \$695,999 | \$122,440 |
| Total Expenditures: | \$985,506 | \$1,720,554 | \$1,785,951 | \$2,239,160 |
| Total Revenues Less Expenditures: | \$1,088,668 | -\$3,554 | \$353,061 | -\$41,038 |
| Ending Fund Balance: | \$7,743,653 | \$7,740,100 | \$8,096,715 | \$8,055,677 |



Municipal Court Security

Money deposited in a courthouse security fund may be used only for security personnel, services, and items related to buildings that house the operations of district, county, or justice courts, and money deposited in a municipal court building security fund may be used only for security personnel, services, and items related to buildings that house the operations of municipal courts.

Summary

The City of Pearland is projecting \$38.7K of revenue in FY2025, which represents a 9.6% decrease over the prior year. Budgeted expenditures are projected to decrease by 35.5% or \$17.8K to \$32.33K in FY2025.

Municipal Court Security Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$60,713 | \$58,534 | \$58,534 | \$68,437 |
| Revenues | | | | |
| Fines & Forfeitures | \$36,686 | \$42,000 | \$38,500 | \$36,500 |
| Investment Earnings | \$1,740 | \$825 | \$2,934 | \$2,200 |
| Total Revenues: | \$38,426 | \$42,825 | \$41,434 | \$38,700 |
| | | | | |
| Expenditures | | | | |
| Salaries & Wages | \$34,327 | \$42,149 | \$31,531 | \$32,326 |
| Materials & Supplies | \$5,187 | \$4,473 | \$0 | \$0 |
| Miscellaneous Services | \$1,091 | \$3,505 | \$0 | \$0 |
| Total Expenditures: | \$40,605 | \$50,127 | \$31,531 | \$32,326 |
| Total Revenues Less Expenditures: | -\$2,179 | -\$7,302 | \$9,903 | \$6,374 |
| Ending Fund Balance: | \$58,534 | \$51,232 | \$68,437 | \$74,811 |



Citywide Donation

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

Summary

The City of Pearland is projecting \$59.32K of revenue in FY2025, which represents a 14.9% decrease over the prior year. Budgeted expenditures are projected to decrease by 22.3% or \$20.5K to \$71.5K in FY2025.

Citywide Donation's fund was created to account for miscellaneous donations for Fire, EMS, Police K9 supplies, and surgical veterinary expenses for Animal Services.

Citywide Donation Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$230,981 | \$225,281 | \$225,281 | \$217,189 |
| Revenues | | | | |
| Investment Earnings | \$7,235 | \$3,870 | \$10,845 | \$12,021 |
| Miscellaneous | \$170,432 | \$65,800 | \$30,600 | \$47,300 |
| Total Revenues: | \$177,667 | \$69,670 | \$41,445 | \$59,321 |
| | | | | |
| Expenditures | | | | |
| Materials & Supplies | \$166,315 | \$47,500 | \$19,537 | \$39,500 |
| Miscellaneous Services | \$17,052 | \$44,500 | \$30,000 | \$32,000 |
| Total Expenditures: | \$183,367 | \$92,000 | \$49,537 | \$71,500 |
| Total Revenues Less Expenditures: | -\$5,700 | -\$22,330 | -\$8,092 | -\$12,179 |
| Ending Fund Balance: | \$225,281 | \$202,951 | \$217,189 | \$205,010 |



Court Technology

Money in the court technology fund may be used only to finance the cost of continuing education and training for county court, statutory county court, or district court judges and clerks regarding technological enhancements for those courts; and the purchase and maintenance of technological enhancements for a county court, statutory county court, or district court, including computer systems, computer networks, computer hardware, computer software, imaging systems, electronic kiosks, and docket management systems.

Summary

Expenditures include the annual fee to access law enforcement warrant data, court software annual maintenance and internet service.

Court Technology Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$605 | \$6,137 | \$6,137 | \$13,780 |
| Revenues | | | | |
| Fines & Forfeitures | \$30,200 | \$45,000 | \$34,000 | \$45,000 |
| Investment Earnings | \$94 | \$50 | \$447 | \$455 |
| Total Revenues: | \$30,295 | \$45,050 | \$34,447 | \$45,455 |
| Expenditures | | | | |
| Materials & Supplies | \$1,397 | \$3,780 | \$4,920 | \$4,920 |
| Miscellaneous Services | \$8,385 | \$16,098 | \$8,114 | \$12,550 |
| Transfers Out | \$13,770 | \$13,770 | \$13,770 | \$24,300 |
| Total Expenditures: | \$23,552 | \$33,648 | \$26,804 | \$41,770 |
| Total Revenues Less Expenditures: | \$6,743 | \$11,402 | \$7,643 | \$3,685 |
| Ending Fund Balance: | \$6,138 | \$17,539 | \$13,780 | \$17,465 |



Park Donations

The Park Donations Fund was created to account for donations and sponsorships made in support of Parks & Recreation Department events and programs. In accordance with the established Ordinance, the fund is also used to account for the receipt and use of donation collections through water bill statements, and are used to fund the Forever Parks Foundation.

Summary

The City of Pearland is projecting \$212.18K of revenue in FY2025, which represents a 75.5% increase over the prior year. Budgeted expenditures are projected to increase by 128.9% or \$140.8K to \$250K in FY2025.

FY 2025 sponsorship funds are allocated to parks & recreation events/programs/facilities.

Park Donations Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$24,921 | \$85,326 | \$85,326 | \$38,306 |
| Revenues | | | | |
| Investment Earnings | \$2,251 | \$828 | \$4,849 | \$5,628 |
| Miscellaneous | \$126,536 | \$120,100 | \$204,010 | \$206,550 |
| Total Revenues: | \$128,787 | \$120,928 | \$208,859 | \$212,178 |
| | | | | |
| Expenditures | | | | |
| Materials & Supplies | \$68,382 | \$109,200 | \$255,879 | \$250,000 |
| Total Expenditures: | \$68,382 | \$109,200 | \$255,879 | \$250,000 |
| Total Revenues Less Expenditures: | \$60,405 | \$11,728 | -\$47,020 | -\$37,822 |
| Ending Fund Balance: | \$85,326 | \$97,054 | \$38,306 | \$484 |



Tree Trust

Tree Trust Fund Ordinance 772 established to protect healthy trees, preserve the natural ecological environment and aesthetic qualities of the City, and to protect and increase the value of residential and commercial properties within the City. This fund is used to account for tree trust donations from developers who cannot mitigate for trees removed during development; the fee is determined by a tree survey, based on how many caliper inches are mitigated.

Summary

In fiscal year 2025, multiple contracts with Community Development, Parks, and Public Works will provide tree maintenance, restoration, and improvements (including pruning; tree removal and replacement; stump grinding; tree planting 400+; tree pest control, fertilization, and Arborist's consulting). Additionally, education and outreach efforts incorporate Tree Grants, Arbor Day activities & collaboration, and Visit Pearland has an agreed to mutual partnership with GeoTour Extension.

Tree Trust Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$1,234,241 | \$1,395,304 | \$1,395,304 | \$1,069,494 |
| Revenues | | | | |
| Charges for Services | \$425,900 | \$2,000 | \$51,250 | \$2,000 |
| Investment Earnings | \$44,394 | \$22,500 | \$63,962 | \$70,519 |
| Total Revenues: | \$470,294 | \$24,500 | \$115,212 | \$72,519 |
| | | | | |
| Expenditures | | | | |
| Building & Grounds | \$22,752 | \$47,500 | \$47,500 | \$42,500 |
| Miscellaneous Services | \$0 | \$25,000 | \$30,000 | \$25,000 |
| Capital Outlay | \$286,478 | \$365,000 | \$363,522 | \$367,250 |
| Total Expenditures: | \$309,230 | \$437,500 | \$441,022 | \$434,750 |
| Total Revenues Less Expenditures: | \$161,063 | -\$413,000 | -\$325,810 | -\$362,231 |
| Ending Fund Balance: | \$1,395,304 | \$982,304 | \$1,069,494 | \$707,263 |



Park Financial Assistance Donations

The Financial Assistance Program, funded by the Forever Parks Foundation, assists individuals who are financially unable to participate in programs provided by the Parks & Recreation department.

Summary

The Financial Assistance Program, supported by the Forever Parks Foundation, helps individuals who face financial barriers to participate in programs offered by the Parks & Recreation Department.

For FY 2025, the program covers various paid recreational offerings, including programs for early childhood through active adults, as well as memberships for the Recreation Center & Natatorium (RCN) and Knapp Activity Center.

Park Financial Assistance Donations Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$8,156 | \$2,863 | \$2,863 | \$2,973 |
| Revenues | | | | |
| Investment Earnings | \$20 | \$50 | \$110 | \$125 |
| Miscellaneous | \$11,000 | \$8,056 | \$5,000 | \$5,000 |
| Total Revenues: | \$11,020 | \$8,106 | \$5,110 | \$5,125 |
| | | | | |
| Expenditures | | | | |
| Materials & Supplies | \$0 | \$0 | \$5,000 | \$5,000 |
| Total Expenditures: | \$0 | \$0 | \$5,000 | \$5,000 |
| Total Revenues Less Expenditures: | \$11,020 | \$8,106 | \$110 | \$125 |
| Ending Fund Balance: | \$2,864 | \$10,969 | \$2,973 | \$3,098 |



Police State Seizure

The Police State Seizure Fund is used to account for state seizure funds, which are acquired through the sale of seized property that is used in the commission of a crime. 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.

Summary

The Police State Seizure Fund is used to account for state seizure funds, which are acquired through the sale of seized property that is used in the commission of a crime. 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.

In fiscal year 2024, planned expenses were for undercover vehicle rental fees, furniture and technology expenses for the Real Time Crime Center and the cost of informants. Planned expenses for fiscal year 2025 also include potential police equipment needs, and the cost of informants.

Police State Seizure Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$178,587 | \$182,299 | \$182,299 | \$87,651 |
| Revenues | | | | |
| Investment Earnings | \$5,331 | \$3,133 | \$9,938 | \$11,134 |
| Miscellaneous | \$59,492 | \$0 | \$50,000 | \$0 |
| Total Revenues: | \$64,823 | \$3,133 | \$59,938 | \$11,134 |
| Expenditures | | | | |
| Materials & Supplies | \$9,111 | \$31,200 | \$24,251 | \$31,200 |
| Miscellaneous Services | \$52,000 | \$24,000 | \$25,500 | \$0 |
| Capital Outlay | \$0 | \$0 | \$104,835 | \$0 |
| Total Expenditures: | \$61,111 | \$55,200 | \$154,586 | \$31,200 |
| Total Revenues Less Expenditures: | \$3,712 | -\$52,067 | -\$94,648 | -\$20,066 |
| Ending Fund Balance: | \$182,299 | \$130,232 | \$87,651 | \$67,585 |



Federal Police Seizure

The Federal Police Fund is used to account for seizure funds received from the U.S. Attorney General's Office. 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, computer equipment or tactical operations gear.

Summary

The Federal Police Fund is used to account for seizure funds received from the U.S. Attorney General's Office. 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, computer equipment or tactical operations gear.

In fiscal year 2024, funds were utilized for furniture for the Real Time Crime Center and equipment for the Drone as a First Responder program. Planned expenses for fiscal year 2025 include Narcotics rental vehicles and potential police equipment needs.

Federal Police Seizure Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$118,898 | \$193,870 | \$193,870 | \$124,882 |
| Revenues | | | | |
| Investment Earnings | \$6,531 | \$3,750 | \$6,360 | \$6,824 |
| Miscellaneous | \$150,993 | \$0 | \$8,000 | \$0 |
| Total Revenues: | \$157,524 | \$3,750 | \$14,360 | \$6,824 |
| Expenditures | | | | |
| Materials & Supplies | \$0 | \$15,000 | \$0 | \$50,000 |
| Miscellaneous Services | \$33,357 | \$0 | \$0 | \$25,200 |
| Capital Outlay | \$49,195 | \$0 | \$83,348 | \$0 |
| Total Expenditures: | \$82,553 | \$15,000 | \$83,348 | \$75,200 |
| Total Revenues Less Expenditures: | \$74,971 | -\$11,250 | -\$68,988 | -\$68,376 |
| Ending Fund Balance: | \$193,869 | \$182,620 | \$124,882 | \$56,506 |



Summary

The Community Safety grant was implemented in FY22 for Pearland communities to apply for funds to assist with neighborhood safety. There are no planned expenses for FY5.

There are no planned expenses for FY25.

Community Safety Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$231,916 | \$225,070 | \$225,070 | \$15,094 |
| Revenues | | | | |
| Investment Earnings | \$6,535 | \$2,625 | \$8,539 | \$8,000 |
| Total Revenues: | \$6,535 | \$2,625 | \$8,539 | \$8,000 |
| | | | | |
| Expenditures | | | | |
| Other | \$13,381 | \$0 | \$50,000 | \$0 |
| Transfers Out | \$0 | \$0 | \$168,515 | \$0 |
| Total Expenditures: | \$13,381 | \$0 | \$218,515 | \$0 |
| Total Revenues Less Expenditures: | -\$6,846 | \$2,625 | -\$209,976 | \$8,000 |
| Ending Fund Balance: | \$225,070 | \$227,695 | \$15,094 | \$23,094 |



Park Development

Pursuant to the Unified Development Code, new development must either dedicate parkland or pay the City a fee in lieu of parkland. As a tool to geographically allocate funds within the areas procured, three park zones were established. Fees, when paid, are identified by zone and use of the funds must be spent within the zone or on expenditures at a community park, which serves the entire City.

Summary

FY 2025, \$900,000 has been allocated for the replacement of the playground and fall zone at Southdown Park.

Park Development Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$705,501 | \$592,327 | \$592,327 | \$453,999 |
| Revenues | | | | |
| Licenses & Permits | \$202,269 | \$200,000 | \$210,000 | \$409,000 |
| Investment Earnings | \$19,278 | \$10,500 | \$33,728 | \$37,115 |
| Transfers In | \$0 | \$94,900 | \$234,098 | \$0 |
| Total Revenues: | \$221,547 | \$305,400 | \$477,826 | \$446,115 |
| Expenditures | | | | |
| Capital Outlay | \$0 | \$0 | \$616,154 | \$900,000 |
| Transfers Out | \$334,721 | \$0 | \$0 | \$0 |
| Total Expenditures: | \$334,721 | \$0 | \$616,154 | \$900,000 |
| Total Revenues Less Expenditures: | -\$113,174 | \$305,400 | -\$138,328 | -\$453,885 |
| Ending Fund Balance: | \$592,327 | \$897,727 | \$453,999 | \$114 |



Sidewalk Fund

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. Thus, the Sidewalk Fund is used to account for revenues and expenditures associated with the installation of these sidewalks. The cost per square foot is \$7.00 and changes to reflect the City's current contract price at any given time. The City then uses these monies to install the sidewalks at the designated area that required the payment. Specific sidewalk locations identified with the original payments will be constructed out of the City's General Fund annual sidewalk program, when identified for construction.

Summary

The City of Pearland is projecting \$8.47K of revenue in FY2025, which represents a 41.8% increase over the prior year. Budgeted expenditures are projected to increase by 0% or \$0 to \$0 in FY2025.

Sidewalk Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$64,157 | \$66,065 | \$66,065 | \$69,179 |
| Revenues | | | | |
| Charges for Services | \$0 | \$5,000 | \$0 | \$5,000 |
| Investment Earnings | \$1,908 | \$975 | \$3,114 | \$3,472 |
| Total Revenues: | \$1,908 | \$5,975 | \$3,114 | \$8,472 |
| Total Revenues Less Expenditures: | \$1,908 | \$5,975 | \$3,114 | \$8,472 |
| Ending Fund Balance: | \$66,065 | \$72,040 | \$69,179 | \$77,651 |



Drainage Maintenance

The drainage fund was initiated in Fiscal Year 2023 as the City proposed to develop a more program-based approach to drainage maintenance. The City of Pearland develops, maintains, and operates a drainage system that facilitates the collection and movement of stormwater runoff throughout the community and into receiving streams. The City currently has inventoried and maintains 322 miles of enclosed storm sewer, 145 miles of open ditch, 12,237 inlets and 179 detention sites.

Summary

The City of Pearland is projecting \$1.65M of revenue in FY2025, which represents a 21.7% decrease over the prior year. Budgeted expenditures are projected to increase by 14.7% or \$284.84K to \$2.22M in FY2025.

The City's program-based approach to drainage system management & maintenance includes the visual inspection and associated cleaning of all open and enclosed storm sewer infrastructure on a ten-year (10) basis. A component of this fund originally included six full-time employees which were previously funded from the General Fund: the Street and Drainage Fund. The capacity of that six-member team allowed for the response to the emergency drainage obstruction request on an as-needed basis and reestablishing the grade of the open ditch collection system on a 30-year basis. In addition to the previously budgeted six full-time employees, there were seven new full-time employees and associated equipment such as CCTV and a combination cleaner truck added in FY23. The addition of these new employees allowed for the programmatic approach to drainage maintenance to be developed and provides for an estimated 3-fold increase in ditch cleaning and 10-fold increase to enclosed pipe cleaning (previously no maintenance conducted).

The city commenced this 10-year program by cleaning, inspecting, and reestablishing grade on an average of 32 miles of enclosed pipe and 15 miles of open ditch drainage annually. Since commencement, the city has on-boarded all new personnel, acquired all necessary equipment, cleaned/inspected over 36 miles of enclosed pipe, conducted 51 miles of open ditch grading/inspection, awarded a third-party enclosed maintenance service contract as well as, developed an electronic platform for tracking maintenance progress. Additionally, all drainage maintenance is visible on a public-facing dashboard, which is updated in real-time through the City's work order management system (Cityworks). As part of the City Council's strategic priorities and milestones, staff continue monitoring the effectiveness of the drainage maintenance program for consideration of future expansion, efficiencies, and budgetary needs.

Drainage Maintenance Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | N/A | \$456,226 | \$456,226 | \$896,116 |
| Revenues | | | | |
| Investment Earnings | \$10,768 | \$5,115 | \$40,985 | \$46,693 |
| Miscellaneous | \$32,500 | \$0 | \$32,500 | \$0 |
| Transfers In | \$1,972,958 | \$2,097,958 | \$2,097,958 | \$1,600,000 |
| Total Revenues: | \$2,016,226 | \$2,103,073 | \$2,171,443 | \$1,646,693 |
| Expenditures | | | | |
| Salaries & Wages | \$637,402 | \$1,005,634 | \$751,909 | \$1,138,346 |
| Materials & Supplies | \$25,074 | \$28,182 | \$25,594 | \$37,544 |
| Repair & Maintenance | \$0 | \$23,172 | \$23,172 | \$24,672 |
| Miscellaneous Services | \$345,404 | \$600,658 | \$648,911 | \$601,857 |
| Transfers Out | \$552,119 | \$281,967 | \$281,967 | \$422,030 |
| Total Expenditures: | \$1,559,999 | \$1,939,613 | \$1,731,553 | \$2,224,449 |
| Total Revenues Less Expenditures: | \$456,227 | \$163,460 | \$439,890 | -\$577,756 |
| Ending Fund Balance: | N/A | \$619,686 | \$896,116 | \$318,360 |



Grant Fund

To account for all revenues and expenditures associated with federal, state and local grants, except CDBG.

Summary

Revenues for FY 2024 totaled \$504,510, providing the ability to restore portions of the prior year fund balance.

The FY 2025 budget includes expenditures totaling \$195,546, which covers \$86,755 towards the costs of two (2) Crime Victim Liaisons, \$44,449 of the Police Officer Health and Wellness Coordinator's salary and benefits, \$24,300 in consulting fees for a peer support clinician that will work with Fire Operations to improve mental health programmatic resources for the Fire Department, and \$27,042 in related programmatic and administrative costs associated with all of these programs. The Texas Commission on Law Enforcement (TCOLE) will provide an estimated \$13,000 in grant funds for public safety professional development.

Grant Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$470,133 | \$244,536 | \$244,536 | \$153,112 |
| Revenues | | | | |
| Intergovernmental | \$666,054 | \$180,030 | \$525,909 | \$378,190 |
| Miscellaneous | \$231,540 | \$0 | \$0 | \$0 |
| Transfers In | \$84,721 | \$0 | \$0 | \$0 |
| Total Revenues: | \$982,314 | \$180,030 | \$525,909 | \$378,190 |
| Expenditures | | | | |
| Salaries & Wages | \$302,621 | \$178,789 | \$180,228 | \$156,926 |
| Materials & Supplies | \$3,244 | \$66,729 | \$66,729 | \$0 |
| Miscellaneous Services | \$30,965 | \$29,970 | \$40,128 | \$38,620 |
| Capital Outlay | \$871,082 | \$0 | \$241,583 | \$0 |
| Transfers Out | \$0 | \$96,900 | \$88,665 | \$0 |
| Total Expenditures: | \$1,207,912 | \$372,388 | \$617,333 | \$195,546 |
| Total Revenues Less Expenditures: | -\$225,597 | -\$192,358 | -\$91,424 | \$182,644 |
| Ending Fund Balance: | \$244,536 | \$52,178 | \$153,112 | \$335,756 |



Community Development Block Grant (CDBG)

The Community Development Block Grant Fund is funded through the U.S. Department of Housing and Urban Development (HUD) for use in providing programs, services and local infrastructure improvements that benefit low- and moderate-income families.

Summary

The FY 2024 budget included expenditures totaling \$3,978,023. A total of \$3,892,948 was budgeted for expenditures of regular CDBG entitlement jurisdiction project funding, which includes \$69,848 in program administration costs, \$112,870 in subrecipient grant awards to social service agencies, \$177,683 for the rehabilitation of homes for low-to-moderate income citizens, and \$212,198.78 in mental health facility rehabilitation costs.

The 2025 fiscal year CDBG funding totals \$465,770. Of that amount, oversight and management of the program is budgeted for in the amount of \$91,354 and \$68,515 for social service activities. The City's housing rehabilitation and repair program will be allocated \$70,000 for personnel costs, and \$226,901 for the City's housing rehabilitation and repair program work.

Community Development Block Grant (CDBG) Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$9,386 | \$62,791 | \$62,791 | \$62,791 |
| Revenues | | | | |
| Intergovernmental | \$277,602 | \$466,162 | \$3,978,023 | \$456,770 |
| Total Revenues: | \$277,602 | \$466,162 | \$3,978,023 | \$456,770 |
| | | | | |
| Expenditures | | | | |
| Salaries & Wages | \$132,867 | \$113,414 | \$85,075 | \$73,633 |
| Miscellaneous Services | \$39,888 | \$86,731 | \$203,077 | \$89,524 |
| Other | \$51,441 | \$0 | \$492,049 | \$0 |
| Capital Outlay | \$0 | \$267,195 | \$3,197,822 | \$293,613 |
| Total Expenditures: | \$224,196 | \$467,340 | \$3,978,023 | \$456,770 |
| Total Revenues Less Expenditures: | \$53,406 | -\$1,178 | \$0 | \$0 |
| Ending Fund Balance: | \$62,792 | \$61,613 | \$62,791 | \$62,791 |



CDBG Disaster Recovery Fund

The Texas General Land Office administers the State's funding from the U.S. Department of Housing & Urban Development (HUD) for the purpose of Community Development Block Grant - Disaster Recovery (CDBG-DR) funding; specifically, Hurricane Harvey federal disaster no. DR-TX-4332.

Summary

The City of Pearland experienced flooding during Hurricane Harvey, which affected a number of local residential properties, in some cases due to aged infrastructure in need of repair or improvement. The DR-TX-4332 disaster recovery funding from HUD provides the State with funding for disbursement to local communities impacted by Hurricane Harvey, mostly for local buyouts of flood-affected properties and drainage infrastructure improvements. The City of Pearland was awarded a total of \$5,384,499 for disaster recovery, in the form of two allocations: \$2,727,372 for buyouts of flood-damaged property owned by low-moderate income Pearland residents affected by Hurricane Harvey during FY 2024 expenses of \$15,726 were incurred related to this; and, \$2,657,127 for drainage infrastructure projects located in the Pearland CDBG Target Area, \$32,629 were incurred related to this.

The GLO CDBG-DR program will cover 100% of the costs of eligible property acquisitions, with the exception of those that also qualify for the City's HMGP land acquisition program (TDEM Buyouts), as budgeted for in Fund 354. The matching portion of Fund 354 HMGP expenditures that low-moderate income program participants would otherwise incur, can be covered with applicable Fund 352 grant funds, and those land acquisition expenditures will be classified in part to this Fund (25%).

In addition to the above-mentioned funding, the City's GLO funding includes \$14,008,900 for drainage improvements in Hickory Creek, Garden Acres, and Herridge Miller subdivisions, as well as the replacement of a Hickory Slough embankment slope where the drainage channel intersects with Garden Road. The \$14,008,900 funding also includes \$500,000 for a portion of the estimated \$1.2 million cost of an update to the City's Master Drainage Plan.

CDBG Disaster Recovery Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$197,280 | -\$307,770 | -\$307,770 | -\$307,770 |
| Revenues | | | | |
| Intergovernmental | -\$81,833 | \$0 | \$16,527,000 | \$0 |
| Total Revenues: | -\$81,833 | \$0 | \$16,527,000 | \$0 |
| Expenditures | | | | |
| Salaries & Wages | \$28,489 | \$0 | \$69,563 | \$0 |
| Miscellaneous Services | \$168 | \$0 | \$961,689 | \$0 |
| Other | \$0 | \$0 | \$620,000 | \$0 |
| Capital Outlay | \$0 | \$0 | \$14,875,748 | \$0 |
| Total Expenditures: | \$28,657 | \$0 | \$16,527,000 | \$0 |
| Total Revenues Less Expenditures: | -\$110,490 | \$0 | \$0 | \$0 |
| Ending Fund Balance: | -\$307,770 | -\$307,770 | -\$307,770 | -\$307,770 |



Disaster Recovery

The Disaster Recovery Fund is specifically designed to account for various expenditures associated with major, federally declared catastrophes that may be the subject of FEMA Public Assistance, or some other federal and/or State grant that covers eligible costs involving the City's of local disaster response/recovery.

Summary

FY 25 has no proposed budget, as the fund is used solely for unplanned disaster-related expenditures. The existing fund balance is the result of expenditures related to the July 2024 Hurricane Beryl; specifically, \$3,689,260 in expenditures related to the debris pickup, emergency response, and repair work which has occurred throughout the City.

Disaster Recovery Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$354,231 | -\$68,402 | -\$68,402 | -\$68,402 |
| Revenues | | | | |
| Intergovernmental | \$46,945 | \$0 | \$0 | \$0 |
| Miscellaneous | \$238,884 | \$0 | \$0 | \$0 |
| Total Revenues: | \$285,829 | \$0 | \$0 | \$0 |
| Total Revenues Less Expenditures: | \$285,829 | \$0 | \$0 | \$0 |
| Ending Fund Balance: | -\$68,402 | -\$68,402 | -\$68,402 | -\$68,402 |



Hazard Mitigation

The Texas Division of Emergency Management (TDEM) and the Texas Water Development Board (TWDB) separately administer various types of hazard and flood mitigation assistance to localities with post-disaster recovery needs; specifically, buyouts of flood-damaged residential property, elevation of flood-damaged homes, generators for public safety and emergency management facilities, and other eligible mitigation investments. The City of Pearland is repetitively impacted by hurricanes, tropical storms and other severe weather events that produce damages to private and public property via high winds, wind-driven rain, torrential rain, flooding, and other harmful meteorological conditions.

Summary

In FY 2024, Fund 354 expenditures total \$318,754 and include \$30,879 for City staff providing oversight and management of the day-to-day program activities, \$136,000 in pre-award application services, another \$9,900 in project consulting, and \$302,759 in management costs. Actual costs of buyouts include \$497,572 of which \$188,717 was received in revenue, for a grand total of \$318,754 in federal cost share. The remaining cost share is being covered via special appropriation from the 85th Texas legislature, per Senate Bill 7.

Hazard Mitigation Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$49,295 | -\$83,694 | -\$83,694 | -\$83,694 |
| Revenues | | | | |
| Intergovernmental | -\$8,630 | \$0 | \$7,306,377 | \$0 |
| Total Revenues: | -\$8,630 | \$0 | \$7,306,377 | \$0 |
| Expenditures | | | | |
| Salaries & Wages | \$8,889 | \$0 | \$30,138 | \$0 |
| Miscellaneous Services | \$16,880 | \$0 | \$1,071,868 | \$0 |
| Other | \$0 | \$0 | \$1,398,890 | \$0 |
| Capital Outlay | \$0 | \$0 | \$5,109,238 | \$0 |
| Total Expenditures: | \$25,769 | \$0 | \$7,610,134 | \$0 |
| Total Revenues Less Expenditures: | -\$34,399 | \$0 | -\$303,757 | \$0 |
| Ending Fund Balance: | -\$83,694 | -\$83,694 | -\$387,451 | -\$83,694 |



Coronavirus Relief Fund

The City of Pearland was a recipient of a direct allocation of Coronavirus Aid, Relief and Economic Security (CARES) Act funding for COVID-19 preparedness, response, prevention and recovery, issued by the State of Texas - Division of Emergency Management (TDEM) for the Brazoria County portion of the City. This allocation of funds was based on the U.S. Treasury method of distribution outlined in the CARES Act - \$55 per capita for the applicable population within the jurisdiction. For the Brazoria County portion of population within the City of Pearland city limits, this amounted to \$6,374,005 for the 2019 Census Bureau 115,891 population.

Summary

Eligible expenditures associated with CARES Act allowable costs have been reimbursed to the City in FY 2021. The remaining fund balance is set to be reconciled via pending claims for reimbursement of eligible COVID-19 expenditures associated with the City's Request for Public Assistance to the Federal Emergency Management Agency (FEMA) for its COVID-19 cost-recovery initiative (Disaster No. DR-4485-TX). The incident period for that federally declared disaster is ongoing since January 20, 2020 and eligible expenses located within Fund 355 are expected to be reimbursed at 100%. Any ineligible unreimbursed FEMA expenditures will either remain in Fund 355 or be reclassified to the General Fund accordingly.

Coronavirus Relief Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$3,240,162 | -\$1,412,395 | -\$1,412,395 | -\$1,412,395 |
| Revenues | | | | |
| Transfers In | \$1,827,767 | \$0 | \$0 | \$0 |
| Total Revenues: | \$1,827,767 | \$0 | \$0 | \$0 |
| Total Revenues Less Expenditures: | \$1,827,767 | \$0 | \$0 | \$0 |
| Ending Fund Balance: | -\$1,412,395 | -\$1,412,395 | -\$1,412,395 | -\$1,412,395 |



American Rescue Plan Act Fund

After the expiration of the 116th Congress' Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020, the 117th Congress passed additional Coronavirus recovery stimulus measures in the form of the American Rescue Plan Act (ARPA) in 2021. In addition to the expenditure allowances provided in the CARES Act, ARPA provides eligible jurisdictions with the ability to engage in economic recovery efforts involving the use of these funds for water and wastewater treatment projects, broadband infrastructure, as well as public entity economic recovery from COVID-19 revenue losses. The City of Pearland received \$11,888,971 in ARPA State & Local Fiscal Recovery Funds (SLFRF) in two equal payments, the first of which was made in June of 2021 in the amount of \$5,944,486, with the second payment of the remaining balance of the award being made in FY 2022. Funds may be used the same as allowable with the CARES Act, in addition to being able to cover revenue losses from COVID-19, water/wastewater facility improvements, and broadband infrastructure. All funds must be obligated for expenditures by December 31, 2024 and fully expended by December 31, 2026.

Summary

Of the \$11,888,971, the City has obligated \$11,773,946, with the remaining balance of \$115,025 currently in use for administrative oversight purposes budgeted through FY 2023. Pending the delivery of fire apparatus and the periodic transfers for public safety COVID-19 emergency response, there are no anticipated expenditures that will be budgeted for in FY 2024. Should apparatus delivery not take place in FY 2023 and/or remaining program administration funds go unspent in FY 2023, reconciliation in FY 2024 will take place in the form of a carryover amendment (Budget Amendment No. 1) in FY 2024. Of the \$11,888,971, the City has obligated \$11,786,266, with the remaining balance of \$102,705 currently in use for administrative oversight purposes budgeted through FY 2025. During FY 2024, \$12,320.00 was utilized for office modifications. Pending the delivery of fire apparatus and the periodic transfers for public safety COVID-19 emergency response, there are no anticipated expenditures that will be budgeted for in FY 2025.

American Rescue Plan Act Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | N/A | N/A | N/A | N/A |
| Revenues | | | | |
| Intergovernmental | \$4,619,182 | \$0 | \$2,654,637 | \$0 |
| Total Revenues: | \$4,619,182 | \$0 | \$2,654,637 | \$0 |
| Expenditures | | | | |
| Salaries & Wages | \$12,450 | \$0 | \$105,445 | \$0 |
| Capital Outlay | \$1,104,264 | \$0 | \$29,724 | \$0 |
| Transfers Out | \$3,502,468 | \$0 | \$2,519,468 | \$0 |
| Total Expenditures: | \$4,619,182 | \$0 | \$2,654,637 | \$0 |
| Ending Fund Balance: | N/A | N/A | N/A | N/A |



Traffic Impact Improvement

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 specific projects can be incorporated into a City project.

Summary

Fiscal year 2025 estimated revenues total \$17,480 and budgeted expenditures are \$214,920 for the expansion of County Road 58 to be constructed by Brazoria County and funds transferred through an inter-local agreement. The fund balance at September 30, 2025 is estimated to be \$158,693 obligated for a number of other miscellaneous projects.

Traffic Impact Improvement Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$330,489 | \$340,320 | \$340,320 | \$356,133 |
| Revenues | | | | |
| Investment Earnings | \$9,831 | \$5,209 | \$15,813 | \$17,480 |
| Total Revenues: | \$9,831 | \$5,209 | \$15,813 | \$17,480 |
| | | | | |
| Expenditures | | | | |
| Miscellaneous Services | \$0 | \$214,920 | \$0 | \$214,920 |
| Total Expenditures: | \$0 | \$214,920 | \$0 | \$214,920 |
| Total Revenues Less Expenditures: | \$9,831 | -\$209,711 | \$15,813 | -\$197,440 |
| Ending Fund Balance: | \$340,320 | \$130,609 | \$356,133 | \$158,693 |



Truancy Prevention & Division

Effective January 1, 2020, Senate Bill 346 86th Legislative Session created the Local Consolidated Fee totaling \$14 of which \$5.00 is allocated to the Local Truancy Prevention Fund. Senate Bill 346 repeals City Ordinance 1404-3. Money allocated under Section 134.103 (Local Consolidated Fee on Conviction of Non-Jailable Misdemeanor) to the local truancy prevention and diversion fund maintained in the county or municipal treasury as required by Section 134.151 (Maintenance of Funds and Accounts) may be used by a county or municipality to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of a juvenile case manager employed under Article 45.056, Code of Criminal Procedure. If there is money in the fund after those costs are paid, subject to the direction of the governing body of the county or municipality and on approval by the employing court, a juvenile case manager may direct the remaining money to be used to implement programs directly related to the duties of the juvenile case manager, including juvenile alcohol and substance abuse programs, educational and leadership programs, and any other projects designed to prevent or reduce the number of juvenile referrals to the court.

Summary

Expenditures in this fund include salary and benefit expenses for a juvenile case manager as well as materials and supplies for them to help facilitate the goals of the fund.

Truancy Prevention & Division Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$645 | -\$4,328 | -\$4,328 | -\$9,122 |
| Revenues | | | | |
| Fines & Forfeitures | \$37,706 | \$52,500 | \$39,500 | \$38,000 |
| Investment Earnings | \$3 | \$0 | \$0 | \$0 |
| Total Revenues: | \$37,709 | \$52,500 | \$39,500 | \$38,000 |
| Expenditures | | | | |
| Salaries & Wages | \$39,869 | \$41,610 | \$41,623 | \$18,493 |
| Materials & Supplies | \$0 | \$425 | \$425 | \$425 |
| Miscellaneous Services | \$1,522 | \$1,875 | \$2,246 | \$2,349 |
| Total Expenditures: | \$41,392 | \$43,910 | \$44,294 | \$21,267 |
| Total Revenues Less Expenditures: | -\$3,682 | \$8,590 | -\$4,794 | \$16,733 |
| Ending Fund Balance: | -\$4,327 | \$4,262 | -\$9,122 | \$7,611 |



Municipal Jury Fund

Effective January 1, 2020, Senate Bill 346 created the Local Consolidated Fee total \$14 of which \$0.10 is allocated to the Local Municipal Jury Fund. Money allocated under Section 134.101, 134.102, or 134.103 to the county or municipal jury fund maintained in the county or municipal treasury, as applicable, and as required by Section 134.151 may be used by a county or a municipality only to fund juror reimbursements and otherwise finance jury services.

Summary

Budgeted expenditures for FY2025 include potential payments to fund juror reimbursements.

Municipal Jury Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$1,762 | \$2,542 | \$2,542 | \$2,690 |
| Revenues | | | | |
| Fines & Forfeitures | \$715 | \$1,000 | \$1,000 | \$1,100 |
| Investment Earnings | \$66 | \$35 | \$148 | \$166 |
| Total Revenues: | \$780 | \$1,035 | \$1,148 | \$1,266 |
| | | | | |
| Expenditures | | | | |
| Other | \$0 | \$1,000 | \$1,000 | \$1,000 |
| Total Expenditures: | \$0 | \$1,000 | \$1,000 | \$1,000 |
| Total Revenues Less Expenditures: | \$780 | \$35 | \$148 | \$266 |
| Ending Fund Balance: | \$2,542 | \$2,577 | \$2,690 | \$2,956 |



Public, Education and Government (PEG)

The Municipal Channel Fund was established in fiscal year 2012 to account for revenues and expenditures associated with the 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.

Summary

In FY25 purchases will be focused on studio lighting and equipment; and software and service maintenance to manage Council Chambers AV, and the PEG channel.

Public, Education and Government (PEG) Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$355,136 | \$539,577 | \$539,577 | \$512,107 |
| Revenues | | | | |
| Franchise Fees | \$204,814 | \$235,000 | \$200,000 | \$235,000 |
| Investment Earnings | \$18,755 | \$11,325 | \$24,455 | \$24,244 |
| Total Revenues: | \$223,569 | \$246,325 | \$224,455 | \$259,244 |
| Expenditures | | | | |
| Materials & Supplies | \$9,014 | \$22,000 | \$22,000 | \$21,500 |
| Repair & Maintenance | \$12 | \$4,500 | \$4,500 | \$4,500 |
| Miscellaneous Services | \$0 | \$10,000 | \$10,000 | \$10,000 |
| Other | \$30,101 | \$65,000 | \$65,000 | \$65,000 |
| Capital Outlay | \$0 | \$0 | \$150,425 | \$0 |
| Total Expenditures: | \$39,128 | \$101,500 | \$251,925 | \$101,000 |
| Total Revenues Less Expenditures: | \$184,442 | \$144,825 | -\$27,470 | \$158,244 |
| Ending Fund Balance: | \$539,578 | \$684,402 | \$512,107 | \$670,351 |



Summary

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.

The City does not know when a developer may buy into the program, the budget reflects no activity for FY 2025.

Regional Detention Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$197,031 | \$206,998 | \$206,998 | \$216,713 |
| Revenues | | | | |
| Charges for Services | \$4,000 | \$0 | \$0 | \$0 |
| Investment Earnings | \$5,967 | \$3,150 | \$9,715 | \$10,739 |
| Total Revenues: | \$9,967 | \$3,150 | \$9,715 | \$10,739 |
| Total Revenues Less Expenditures: | \$9,967 | \$3,150 | \$9,715 | \$10,739 |
| Ending Fund Balance: | \$206,998 | \$210,148 | \$216,713 | \$227,452 |



Infrastructure Reinvestment Fund

A fund used to account for the repair and maintenance of streets and sidewalks.

Summary

The City of Pearland develops, maintains and operates a transportation system that promotes the safe and efficient mobility of people and goods, enhances the quality of life, environment, and economy of the City. The City maintains approximately 980 lane miles of streets, 37 bridges, and 617 miles of sidewalk.

The FY25 interlocal paving plan with Brazoria County will incorporate pavement repair services on Roy, Veterans, Old Chocolate and Plum Street. While the FY25 plan for in-house and contractual pavement improvements includes but is not limited to Raza, Wagon Trail, Bardet, Veterans, Cherry, Jasmine and Woody Road.

Infrastructure Reinvestment Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$1,686,360 | \$1,449,011 | \$1,449,011 | \$1,049,204 |
| Revenues | | | | |
| Investment Earnings | \$41,365 | \$26,921 | \$60,410 | \$65,369 |
| Transfers In | \$1,593,714 | \$1,300,000 | \$1,300,000 | \$1,300,000 |
| Total Revenues: | \$1,635,079 | \$1,326,921 | \$1,360,410 | \$1,365,369 |
| | | | | |
| Expenditures | | | | |
| Building & Grounds | \$1,308,298 | \$1,107,477 | \$1,107,477 | \$1,129,858 |
| Capital Outlay | \$564,131 | \$652,740 | \$652,740 | \$704,960 |
| Total Expenditures: | \$1,872,429 | \$1,760,217 | \$1,760,217 | \$1,834,818 |
| Total Revenues Less Expenditures: | -\$237,350 | -\$433,296 | -\$399,807 | -\$469,449 |
| Ending Fund Balance: | \$1,449,010 | \$1,015,715 | \$1,049,204 | \$579,755 |



Capital Project Funds

Capital project funds are created to account for the acquisition or construction of major capital activities. Projects identified in the 2025-2029 CIP include projects and priority projects contemplated in future General Obligation Bond Packages. The projects are derived from the City's master plans such as the Drainage Master Plan, Parks Master Plan, Multi-Modal Master Plan, Transportation Master Plan, the Facilities Assessment Study, and the Water/Wastewater Master Plans. Funding is provided through the issuance of debt, developer fees, state and federal funding, user fees, general fund, utility revenue, and interest income.

Governmental Funds

| | FUND 500 PAY-AS-YOU- GO | FUND 501 CERTIFICATES OF OBLIGATION* | FUND 503 2006 CERTIFICATES OF OBLIGATION | FUND 506 GENERAL OBLIGATION | FUND 507 2020 GENERAL OBLIGATION* | FUND 508 2020 CERTIFICATES OF OBLIGATION* | FUND 509 2021 GENERAL OBLIGATION* | FUND 511 PEDC PAY-AS- YOU-GO |
|---|-------------------------------|---|--|-----------------------------------|---|---|--|------------------------------------|
| REVENUES: | | | | | | | | |
| INTEREST INCOME | 469,923 | 528,734 | 459 | 1,378,515 | | 66,301 | 80,320 | |
| BOND PROCEEDS | | | | | | | | |
| IMPACT FEES | | | | | | | | |
| MISCELLANEOUS | 480,000 | | | | | | | |
| INTERGOVERNMENTAL | | 650,000 | | | | | | |
| TRANSFERS IN | | | | | | | | |
| TOTAL REVENUES | 949,923 | 1,178,734 | 459 | 1,378,515 | | 66,301 | 80,320 | |
| EXPENDITURES: | | | | | | | | |
| DRAINAGE | | | | | | | | 435,000 |
| PARKS | 300,000 | - | | | | | | |
| FACILITIES | 274,000 | - | | | | | | |
| STREETS | | 846,000 | | 551,900 | | | | |
| WATER | | | | | | | | |
| SEWER | | | | | | | | |
| TOTAL PROJECTS | 574,000 | 846,000 | | 551,900 | | | | 435,000 |
| ISSUANCE COSTS | | | | | | | | |
| OTHER NON-OPERATING | | | | | | | | |
| TRANSFERS OUT | 678,843 | 111,843 | | 111,843 | 111,843 | | | |
| TOTAL NON-OPERATING | 678,843 | 111,843 | | 111,843 | 111,843 | | | |
| TOTAL EXPENDITURES | 1,252,843 | 957,843 | | 663,743 | 111,843 | | | 435,000 |
| REVENUES | | | | | | | | |
| OVER/(UNDER) | | | | | | | | |
| EXPENDITURES | (302,920) | 220,891 | 459 | 714,772 | (111,843) | 66,301 | 80,320 | (435,000) |
| BEGINNING BALANCE | 392,696 | 4,430,398 | (20,381) | 30,362,480 | (28,479,383) | (471,727) | (135,909) | (1,153,702) |
| Ending Fund Balance ⁽¹⁾ | \$ 89,776 | \$ 4,651,289 | \$ (19,922) | \$ 31,077,252 | \$(28,591,226) | \$ (405,426) | \$ (55,589) | \$ (1,588,702) |

Note - Each fund may have different restrictions or assignments based on funding source, therefore ending balances may not be available for other purposes.

*Beginning in FY 2020, all debt issuances will be isolated into their own unique fund. Negative fund balances are a result of appropriations needed to award contracts, but expenses will not be incurred until an intent to reimburse has been approved by council.

| | FUND 512 | FUND 513 | FUND 515 | FUND 516 | FUND 517 | FUND 518 | FUND 519 | FUND 520 |
|---|-----------------------------|---------------------|------------------------------------|------------------------------------|-----------------------------|------------------------------------|------------------------|---------------------------|
| | 2021 | 2022 GENERAL | 2020 | 2021 | 2022 | 2022 | GENERAL | CERTIFICATES |
| | CERTIFICATES OF OBLIGATION* | OBLIGATION* | CERTIFICATES OF OBLIGATION - TIRZ* | CERTIFICATES OF OBLIGATION - TIRZ* | CERTIFICATES OF OBLIGATION* | CERTIFICATES OF OBLIGATION - TIRZ* | OBLIGATION SERIES 2023 | OF OBLIGATION SERIES 2023 |
| REVENUES: | | | | | | | | |
| INTEREST INCOME | | 581,289 | 82,811 | 173,696 | 330,487 | 356,540 | 189,714 | 364,489 |
| BOND PROCEEDS | | | | | | | | |
| IMPACT FEES | | | | | | | | |
| MISCELLANEOUS | | | | | | | | |
| INTERGOVERNMENTAL | | | | | | | | |
| TRANSFERS IN | | | | | | | | |
| TOTAL REVENUES | | 581,289 | 82,811 | 173,696 | 330,487 | 356,540 | 189,714 | 364,489 |
| EXPENDITURES: | | | | | | | | |
| DRAINAGE | | | | | | | | |
| PARKS | | | | | | | | |
| FACILITIES | | | | | 405,496 | | | |
| STREETS | | | | | | | | |
| WATER | | | | | | | | |
| SEWER | | | | | | | | |
| TOTAL PROJECTS | | | | | 405,496 | | | |
| ISSUANCE COSTS | | | | | | | | |
| OTHER NON-OPERATING | | | | | | | | |
| TRANSFERS OUT | | 111,843 | | | 126,168 | | 226,440 | 232,170 |
| TOTAL NON-OPERATING | | 111,843 | | | 126,168 | | 226,440 | 232,170 |
| TOTAL EXPENDITURES | | 111,843 | | | 531,664 | | 226,440 | 232,170 |
| REVENUES OVER/(UNDER) | | | | | | | | |
| EXPENDITURES | | 469,446 | 82,811 | 173,696 | (201,177) | 356,540 | (36,726) | 132,319 |
| BEGINNING BALANCE | (279,282) | 1,120,929 | (53,503) | 2,824,606 | 82,243 | 5,749,559 | 119,252 | 150,556 |
| Ending Fund Balance ⁽¹⁾ | \$ (279,282) | \$ 1,590,375 | \$ 29,308 | \$ 2,998,302 | \$ (118,934) | \$ 6,106,099 | \$ 82,526 | \$ 282,875 |

| | | | FUND 524 | | | | | |
|---|--------------------|---------------------|--------------------|-------------------|-------------|----------------------|----------------------|----------------------|
| | FUND 521 | FUND 522 GO | FUND 523 - CO | 2023 | FUND 525 - | FUND 526 GO | FUND 527 - CO | |
| | DRAINAGE | SERIES 2024 | SERIES 2024 | CERTIFICATES | TIRZ SERIES | SERIES 2025 | <u>SERIES 2025</u> | TOTAL |
| | FUND | | | OF OBLIGATION- | 2024 | | | |
| | | | | TIRZ | | | | |
| REVENUES: | | | | | | | | |
| INTEREST INCOME | | | | 481,832 | | 56,250,366 | 23,666,798 | 85,002,274 |
| BOND PROCEEDS | | | | | | | | |
| IMPACT FEES | | | | | | | | |
| MISCELLANEOUS | | | | | | | | 480,000 |
| INTERGOVERNMENTAL | | | | | | | | 650,000 |
| TRANSFERS IN | | | | | | | | |
| TOTAL REVENUES | | | | 481,832 | | 56,250,366 | 23,666,798 | 86,132,274 |
| EXPENDITURES: | | | | | | | | |
| DRAINAGE | | | | | | | | 435,000 |
| PARKS | | | | | | | | 300,000 |
| FACILITIES | | | | | | | | 679,496 |
| STREETS | | | | | | | | 1,397,900 |
| WATER | | | | | | | | |
| SEWER | | | | | | | | |
| TOTAL PROJECTS | | | | | | | | 2,812,396 |
| ISSUANCE COSTS | | | | | | | | |
| OTHER NON-OPERATING | | | | | | | | |
| TRANSFERS OUT | | 235,035 | | | | 235,035 | 235,035 | 2,416,098 |
| TOTAL NON-OPERATING | | 235,035 | | | | 235,035 | 235,035 | 2,416,098 |
| TOTAL EXPENDITURES | | 235,035 | | | | 235,035 | 235,035 | 5,228,494 |
| REVENUES OVER/(UNDER) | | | | | | | | |
| EXPENDITURES | | (235,035) | | 481,832 | | 56,015,331 | 23,431,763 | 80,903,780 |
| BEGINNING BALANCE | (48,669) | (20,000) | (20,000) | 495,884 | | | | 15,046,047 |
| Ending Fund Balance ⁽¹⁾ | \$ (48,669) | \$ (255,035) | \$ (20,000) | \$ 977,716 | \$ - | \$ 56,015,331 | \$ 23,431,763 | \$ 95,949,827 |



Enterprise Funds

| | FUND 550 | FUND 551 | FUND 552 | FUND 565 | FUND 566 | FUND 567 | FUND 568 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-------------------|
| | UTILITY IMPACT | WATER IMPACT | WASTE WATER | REVENUE | 2020 REVENUE | 2020 TWDB | 2021 REVENUE |
| | FEE | FEE | IMPACT FEE | BONDS | BONDS | REVENUE BONDS | BONDS* |
| REVENUES: | | | | | | | |
| INTEREST INCOME | 456,554 | 196,713 | 272,977 | 251,272 | 114,282 | 513,628 | 210,019 |
| BOND PROCEEDS | | | | | | | |
| IMPACT FEES | | 1,800,000 | 2,000,000 | | | | |
| MISCELLANEOUS | | | | | | | |
| INTERGOVERNMENTAL | | | | | | | |
| TRANSFERS IN | | | | | | | |
| TOTAL REVENUES | 456,554 | 1,996,713 | 2,272,977 | 251,272 | 114,282 | 513,628 | 210,019 |
| EXPENDITURES: | | | | | | | |
| DRAINAGE | | | | | | | |
| PARKS | | | | | | | |
| FACILITIES | | | | | | | |
| STREETS | | | | | | | |
| WATER | | | | | | | |
| SEWER | | | | | | | |
| TOTAL PROJECTS | | | | | | | |
| ISSUANCE COSTS | | | | | | | |
| OTHER NON-OPERATING | | | | | | | |
| TRANSFERS OUT | 3,611,843 | 2,500,000 | 3,200,000 | 126,168 | 126,168 | | 137,077 |
| TOTAL NON-OPERATING | 3,611,843 | 2,500,000 | 3,200,000 | 126,168 | 126,168 | | 137,077 |
| TOTAL EXPENDITURES | 3,611,843 | 2,500,000 | 3,200,000 | 126,168 | 126,168 | | 137,077 |
| REVENUES OVER/(UNDER) | | | | | | | |
| EXPENDITURES | (3,155,289) | (503,287) | (927,023) | 125,104 | (11,886) | 513,628 | 72,942 |
| BEGINNING BALANCE | 7,246,512 | 4,771,325 | 4,045,878 | 1,958,837 | 1,216,950 | (7,261,751) | 83,642 |
| Ending Fund Balance ⁽¹⁾ | \$ 4,091,223 | \$ 4,268,038 | \$ 3,118,855 | \$ 2,083,941 | \$ 1,205,064 | \$ (6,748,123) | \$ 156,584 |

| | <u>FUND 569</u> | | <u>FUND 571</u> | <u>FUND 574</u> | | <u>FUND 575</u> | <u>FUND 576 2024</u> | <u>FUND 577 2025</u> | |
|---|-----------------------|----------------------|---------------------|----------------------|-----------------|----------------------|------------------------|------------------------|----------------------|
| | <u>2022</u> | <u>FUND 570</u> | <u>2021 TWDB</u> | <u>2023</u> | | <u>MUD 4 CAPITAL</u> | <u>CERTIFICATES OF</u> | <u>CERTIFICATES OF</u> | |
| | <u>CERTIFICATES</u> | <u>PAY-AS-YOU-GO</u> | <u>REVENUE</u> | <u>CERTIFICATES</u> | | <u>PROGRAM</u> | <u>OBLIGATION</u> | <u>OBLIGATION</u> | <u>TOTAL</u> |
| | <u>OF OBLIGATION*</u> | | <u>BONDS*</u> | <u>OF OBLIGATION</u> | | | | | |
| REVENUES: | | | | | | | | | |
| INTEREST INCOME | 1,273,111 | 200,411 | 560,930 | 2,319,441 | 1,362 | | | | 6,370,700 |
| BOND PROCEEDS | | | | | | | | 170,245,680 | - |
| IMPACT FEES | | | | | | | | | 3,800,000 |
| MISCELLANEOUS | | | | | | | | | - |
| INTERGOVERNMENTAL | | | | | | | | | - |
| TRANSFERS IN | | | | | | | | | - |
| TOTAL REVENUES | 1,273,111 | 200,411 | 560,930 | 2,319,441 | 1,362 | | | 170,245,680 | 10,170,700 |
| EXPENDITURES: | | | | | | | | | |
| DRAINAGE | | | | | | | | | - |
| PARKS | | | | | | | | | - |
| FACILITIES | | | | | | | | 2,172,564 | - |
| STREETS | | | | | | | | | - |
| WATER | | 950,000 | | | | | - | 32,358,000 | 950,000 |
| SEWER | | | | | | | (158,962,265) | 189,682,365 | (158,962,265) |
| TOTAL PROJECTS | | 950,000 | | | | | (158,962,265) | 224,212,929 | (158,012,265) |
| ISSUANCE COSTS | | | | | | | | | - |
| OTHER NON-OPERATING | | | | | | | | | - |
| TRANSFERS OUT | 337,621 | 122,752 | | 326,712 | | | 366,270 | 337,621 | 10,854,611 |
| TOTAL NON-OPERATING | 337,621 | 122,752 | | 326,712 | | | 366,270 | 337,621 | 10,854,611 |
| TOTAL EXPENDITURES | 337,621 | 1,072,752 | | 326,712 | | | (158,595,995) | 224,550,550 | (147,157,654) |
| REVENUES OVER/(UNDER) | | | | | | | | | |
| EXPENDITURES | 935,490 | (872,341) | 560,930 | 1,992,729 | 1,362 | 158,595,995 | | (54,304,870) | 157,328,354 |
| BEGINNING BALANCE | 1,326,236 | 1,778,590 | (1,292,671) | (2,824,389) | | (159,247,282) | | | (148,198,124) |
| Ending Fund Balance ⁽¹⁾ | \$ 2,261,726 | \$ 906,249 | \$ (731,741) | \$ (831,660) | \$ 1,362 | \$ (651,287) | | \$ (54,304,870) | \$ 9,130,230 |



Enterprise Fund

An enterprise fund is a self-supporting government fund that sells goods and services to the public for a fee. Examples of enterprise funds can include utilities (like water, sewer, or electricity services), transportation services, public hospitals, parking garages, and recreational facilities.

Summary

The City of Pearland is projecting \$125.77M of revenue in FY2025, which represents a 11.6% increase over the prior year. Budgeted expenditures are projected to increase by 9.9% or \$11.41M to \$126.8M in FY2025.

The Enterprise Fund includes the Enterprise Fund Operating Fund, Enterprise Debt Service Fund, and the Solid Waste Fund. Details of these funds are broken out on the following pages.

Enterprise Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$36,304,392 | \$44,294,027 | \$44,294,027 | \$50,015,072 |
| Revenues | | | | |
| Sales & Use Taxes | \$3,553 | \$3,300 | \$3,896 | \$3,500 |
| Charges for Services | \$73,325,203 | \$77,490,930 | \$81,793,297 | \$85,804,929 |
| Investment Earnings | \$605,547 | \$334,832 | \$919,505 | \$1,112,902 |
| Miscellaneous | \$342,515 | \$7,039 | \$16,232 | \$15,740 |
| Transfers In | \$84,544,930 | \$34,884,647 | \$35,050,233 | \$38,831,945 |
| Total Revenues: | \$158,821,748 | \$112,720,748 | \$117,783,163 | \$125,769,016 |
| Expenditures | | | | |
| Salaries & Wages | \$10,536,836 | \$12,198,999 | \$11,042,002 | \$13,071,816 |
| Materials & Supplies | \$8,302,489 | \$10,335,078 | \$11,197,069 | \$11,145,280 |
| Building & Grounds | \$69,202 | \$128,500 | \$205,854 | \$141,500 |
| Repair & Maintenance | \$1,392,633 | \$1,787,288 | \$2,020,780 | \$2,297,720 |
| Miscellaneous Services | \$13,682,186 | \$16,331,313 | \$17,291,000 | \$17,459,257 |
| Other | \$100,914 | \$133,000 | \$111,493 | \$122,350 |
| Capital Outlay | \$3,549,418 | \$458,000 | \$665,817 | \$945,001 |
| Interest Expense | \$7,425,306 | \$34,392,649 | \$34,558,233 | \$38,339,946 |
| Transfers Out | \$34,300,409 | \$39,628,321 | \$35,379,488 | \$43,277,162 |
| Total Expenditures: | \$79,359,394 | \$115,393,148 | \$112,471,736 | \$126,800,032 |
| Total Revenues Less Expenditures: | \$79,462,355 | -\$2,672,400 | \$5,311,427 | -\$1,031,016 |
| Ending Fund Balance: | \$115,766,747 | \$41,621,627 | \$49,605,454 | \$48,984,056 |



Water & Sewer Fund

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 39,874 residential and commercial customers.

Summary

Water & Sewer revenues provide 96.7% of the total revenue generated in the Water & Sewer Fund. Because the Water & Sewer Fund must be sustainably self-supporting, and ensure the system's capital infrastructure improvements and rehabilitation/repairs are adequate for the service population (customers), and that the associated bond covenants with debt service are in compliance, the water and sewer rates must be monitored and evaluated annually to ensure proper capacities and system functionality is accounted for in accordance with the amount of production and treatment required. Based on the current evaluation, a rate increase of 7% is required in FY 25. For a residential customer with a typical 5/8" meter, using 6,000 gallons of water during the billing cycle, a 7% increase would equate to \$7.06 /month increase, taking that estimated bill from \$101.19/month to \$108.25/month.

Water and Sewer Fund Comprehensive Summary

| | FY 2023 ACTUAL | FY 2024 ADOPTED BUDGET | FY 2024 PROJECTED BUDGET | FY 2025 BUDGET |
|---|----------------------|------------------------------|--------------------------------|----------------------|
| REVENUES | | | | |
| SALE OF WATER | 36,049,208 | 36,657,020 | 39,133,693 | 41,059,055 |
| SEWER REVENUES | 28,351,367 | 30,976,703 | 32,987,931 | 34,746,374 |
| OTHER SERVICE CHARGES | 1,464,195 | 1,129,859 | 1,496,751 | 1,330,710 |
| INVESTMENT EARNINGS | 250,918 | 130,000 | 506,763 | 556,234 |
| OTHER MISCELLANEOUS INCOME | 342,515 | 7,039 | 16,232 | 15,740 |
| TRANSFERS IN | 450,000 | 522,000 | 522,000 | 522,000 |
| OTHER FINANCING SOURCES | - | - | - | - |
| REVENUE | \$ 66,908,204 | \$ 69,422,621 | \$ 74,663,370 | \$ 78,230,113 |
| EXPENSES | | | 7.55% | |
| UTILITY CUSTOMER SERVICES ¹ | 2,973,661 | 3,848,201 | 3,860,626 | 4,410,933 |
| OTHER REQUIREMENTS | 30,152,118 | 35,020,861 | 30,871,667 | 38,212,609 |
| PUBLIC WORKS/ UTILITIES ADMINISTRATION | 3,852,113 | 4,292,635 | 4,351,540 | 5,193,115 |
| GROUND MAINTENANCE | 839,716 | 814,650 | 745,497 | 1,144,423 |
| LIFT STATIONS | 1,257,284 | 1,656,381 | 1,801,993 | 1,501,049 |
| WASTEWATER | 5,232,810 | 6,203,684 | 6,181,008 | 6,644,691 |
| ENVIRONMENTAL SERVICES | 646,743 | 670,479 | 598,939 | 691,674 |
| WATER PRODUCTION | 9,800,547 | 11,122,633 | 12,673,772 | 11,258,438 |
| DISTRIBUTION & COLLECTION | 4,567,338 | 4,913,533 | 4,940,423 | 5,690,464 |
| CONSTRUCTION | 229 | - | - | - |
| WATER METER SERVICES ² | 766,058 | - | (10,595) | - |
| PRETREATMENT FOG | 27,435 | - | - | - |
| SURFACE WATER TREATMENT | 1,654,980 | 3,863,980 | 3,728,412 | 5,119,228 |
| EXPENSES | \$ 61,771,032 | \$ 72,407,037 | \$ 69,743,282 | \$ 79,866,624 |
| REVENUES OVER/(UNDER) EXPENSES | 5,137,171 | (2,984,416) | 4,920,088 | (1,636,511) |
| Beginning Cash Equivalents (Fund 600 & 601) | 19,737,756 | 15,217,637 | 24,874,928 | 30,204,016 |
| Add Unrestricted Cash in Debt Service Fund - 601 | | 608,503 | 409,000 | 489,161 |
| Ending Cash Equivalents (Fund 600 & 601) | \$ 24,874,928 | \$ 12,841,724 | \$ 30,204,016 | \$ 29,056,666 |
| Bond Coverage - 1.15 minimum required ** | 1.42 | 1.16 | 1.31 | 1.40 |
| Water/Sewer Unreserved Working Capital - 15% | 9,265,655 | 10,861,056 | 10,461,492 | 11,979,994 |
| Operating Reserve Over Policy | \$ 15,609,273 | \$ 1,980,668 | \$ 19,742,524 | \$ 17,076,672 |

* Beginning FY24, excess balance in Reserve For Debt Service and Interest Earning in Fund 601 will be counted toward Operating Cash Equivalents

** Calculation for Bond Coverage Requirement as shown in Enterprise Debt Fund.

1) Water/Sewer Utilities split from EPW department beginning in FY24

2) Meter Services Division of Public Works merging into Utility Customer Service beginning in FY24





Enterprise Fund-Debt Service

The debt service component of the operating budget for the City of Pearland utilities provides for payment of principal and interest on the City's indebtedness. All water and wastewater costs including debt requirements shall be paid for from utility revenues.

| | FY 2023 ACTUAL | FY 2024 ADOPTED BUDGET | FY 2024 PROJECTED BUDGET | FY 2025 BUDGET |
|---------------------------------------|----------------------|------------------------------|--------------------------------|----------------------|
| REVENUES | | | | |
| Investment Earnings | 354,534 | 204,750 | 409,000 | 519,188 |
| Transfers In | 29,934,670 | 34,362,647 | 34,528,233 | 38,309,945 |
| TOTAL | \$ 30,289,204 | \$ 34,567,397 | \$ 34,937,233 | \$ 38,829,133 |
| EXPENDITURES | | | | |
| Principal Payment | 20,030,000 | 22,695,000 | 23,205,000 | 23,105,000 |
| Interest Expense | 9,826,353 | 11,667,649 | 11,323,232 | 15,204,945 |
| Bond Issuance Costs | - | - | - | - |
| Other Debt Service | 23,700 | 30,000 | 30,000 | 30,000 |
| TOTAL | \$ 29,880,053 | \$ 34,392,649 | \$ 34,558,232 | \$ 38,339,945 |
| REVENUES OVER/(UNDER) EXPENSES | 409,151 | 174,748 | 379,001 | 489,188 |
| Beginning Cash Equivalents | 19,372,099 | 19,635,909 | 19,635,909 | 20,014,910 |
| Year End Transaction | (145,341) | | | |
| Ending Cash Equivalents | \$19,635,909 | \$19,810,657 | \$20,014,910 | \$20,504,098 |
| Reserve for Debt Service* | 15,766,567 | 15,362,814 | 15,362,814 | 14,973,653 |
| Balance Over the Reserve | 3,869,342 | 4,447,843 | 4,652,096 | 5,530,445 |



Solid Waste Fund

The Solid Waste Enterprise Fund is used to account for residential and commercial solid waste collection and disposal.

Summary

The City's solid waste contract with Frontier Waste Solutions, was awarded on October 2020, began on October 1, 2021 and expires September 30, 2026, with an option for one(1) additional five(5)-year extension. The contract allows for service rates to adjust annually to the reported Consumer Price Index for the Houston MSA beginning October 2022, which is 3.8% for FY25. The contract allows for 15% franchise fee to paid to the City for residential and commercial customers.

Solid Waste Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | -\$137,517 | -\$216,811 | -\$216,811 | -\$203,854 |
| Revenues | | | | |
| Sales & Use Taxes | \$3,553 | \$3,300 | \$3,896 | \$3,500 |
| Charges for Services | \$7,472,718 | \$8,727,348 | \$8,174,922 | \$8,668,790 |
| Investment Earnings | \$95 | \$82 | \$3,742 | \$37,442 |
| Total Revenues: | \$7,476,366 | \$8,730,730 | \$8,182,560 | \$8,709,732 |
| Expenditures | | | | |
| Miscellaneous Services | \$7,555,660 | \$8,593,462 | \$8,169,603 | \$8,593,462 |
| Total Expenditures: | \$7,555,660 | \$8,593,462 | \$8,169,603 | \$8,593,462 |
| Total Revenues Less Expenditures: | -\$79,294 | \$137,268 | \$12,957 | \$116,270 |
| Ending Fund Balance: | -\$216,811 | -\$79,543 | -\$203,854 | -\$87,584 |



Internal Service Funds

The Internal Service Funds are used to account for the financing of goods or services provided by one fund or department to another fund or department on a cost reimbursement basis. The City of Pearland has five Internal Service Funds.

Summary

The **Internal Service Funds** are used to account for the financing of goods or services provided by a fund, or department to another fund, or department to a cost reimbursement basis.

The City of Pearland has five Internal Service Funds.

- **Risk Management Fund** – Accounts for the activities of the City's property insurance, casualty insurance, and worker's compensation claims.
- **Medical Self Insurance Fund** - A Medical Self Insurance Fund which accounts for the accumulation of monies for the payment of medical claims.
- **Motor Pool Fund** - Provides for the maintenance and replacement of the City's 649 vehicles and pieces of rolling stock.
- **Facilities Fund** - Provides for the maintenance and operation of city facilities.
- **Information Technology Fund** - Provides for the maintenance and replacement of the City's IT hardware and software.
- **Capital Fund**-Used to hold capital lease fees for Motor Pool, Facilities, and Information Technology until eligible capital replacements are scheduled.

Internal Service Funds Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$24,059,862 | \$27,293,517 | \$27,293,517 | \$17,812,629 |
| Revenues | | | | |
| Charges for Services | \$10,234,799 | \$10,613,674 | \$10,669,674 | \$10,867,166 |
| Investment Earnings | \$774,937 | \$498,941 | \$1,061,774 | \$1,093,073 |
| Miscellaneous | \$1,563,435 | \$1,012,022 | \$759,022 | \$1,042,123 |
| Transfers In | \$20,250,773 | \$27,423,331 | \$30,109,314 | \$27,514,872 |
| Total Revenues: | \$32,823,943 | \$39,547,968 | \$42,599,784 | \$40,517,234 |
| Expenditures | | | | |
| Salaries & Wages | \$3,864,147 | \$3,883,115 | \$3,321,825 | \$4,262,345 |
| Materials & Supplies | \$111,042 | \$126,299 | \$154,136 | \$133,720 |
| Building & Grounds | \$1,038,507 | \$1,204,088 | \$1,624,476 | \$1,334,520 |
| Repair & Maintenance | \$2,296,622 | \$6,696,515 | \$7,223,750 | \$7,739,462 |
| Miscellaneous Services | \$14,826,024 | \$16,744,939 | \$16,913,452 | \$17,834,403 |
| Other | \$429,173 | \$870,241 | \$892,805 | \$1,227,576 |
| Capital Outlay | \$2,565,343 | \$7,368,913 | \$16,226,007 | \$8,460,677 |
| Amortization Expense | \$4,040,720 | \$0 | \$0 | \$0 |
| Interest Expense | \$205,155 | \$0 | \$0 | \$0 |
| Transfers Out | \$453,865 | \$5,724,221 | \$5,724,221 | \$3,296,550 |
| Total Expenditures: | \$29,830,598 | \$42,618,331 | \$52,080,672 | \$44,289,253 |
| Total Revenues Less Expenditures: | \$2,993,345 | -\$3,070,363 | -\$9,480,888 | -\$3,772,019 |
| Ending Fund Balance: | \$27,053,207 | \$24,223,154 | \$17,812,629 | \$14,040,610 |



Risk Management Fund

The Risk Management Fund has been created to account for the activities of the City's property and casualty insurance, along with worker's compensation claims.

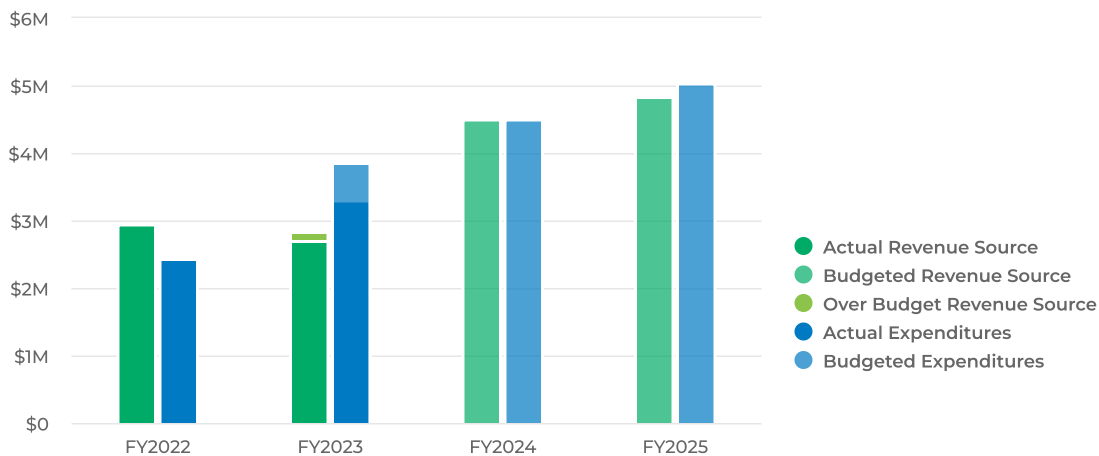
Summary

The City of Pearland is projecting \$4.84M of revenue in FY2025, which represents a 7.1% increase over the prior year. Budgeted expenditures are projected to increase by 11.5% or \$518.92K to \$5.04M in FY2025.

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 accounts for the annual premiums and accounts for insurance recovery funds on eligible claims as well as worker's compensation claims. The Real Personal Property Building value is estimated at \$408M.

Premiums for fiscal year 2024 total \$2,887,866, which is \$659,049, a decrease from FY24 projected premiums. The decrease is largely in Insurance Services Real & Property, Auto Damage, Automobile Liability and Law Enforcement Liability. Beginning in FY21, the City changed from an insurance premium to being self-insured for the Workers Compensation program. This fund has a built-in line item to pay the excess coverage, the third-party administrator and claims associated with workers' compensation. The proposal was to allow five (5) years to build the minimal claim liability reserves in this fund.

In FY25 the fund will maintain a positive fund balance and continue to grow towards the policy minimum target of \$1,000,000, which covers the maximum claim liability related to worker's compensation before stop loss.



Risk Management Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$1,676,080 | \$1,221,005 | \$1,221,005 | \$743,352 |
| Revenues | | | | |
| Charges for Services | \$545,449 | \$474,000 | \$530,000 | \$474,000 |
| Investment Earnings | \$33,056 | \$23,964 | \$57,907 | \$66,906 |
| Miscellaneous | \$472,738 | \$360,000 | \$130,000 | \$360,000 |
| Transfers In | \$1,804,000 | \$3,663,479 | \$3,663,479 | \$3,943,726 |
| Total Revenues: | \$2,855,242 | \$4,521,443 | \$4,381,386 | \$4,844,632 |
| | | | | |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Expenditures | | | | |
| Salaries & Wages | \$62,476 | \$57,027 | \$57,346 | \$60,096 |
| Materials & Supplies | \$242 | \$800 | \$422 | \$550 |
| Repair & Maintenance | \$195 | \$100 | \$150 | \$100 |
| Miscellaneous Services | \$3,226,757 | \$4,361,134 | \$4,701,121 | \$4,867,236 |
| Other | \$0 | \$100,000 | \$100,000 | \$110,000 |
| Capital Outlay | \$15,960 | \$0 | \$0 | \$0 |
| Transfers Out | \$909 | \$0 | \$0 | \$0 |
| Total Expenditures: | \$3,306,539 | \$4,519,061 | \$4,859,039 | \$5,037,982 |
| Total Revenues Less Expenditures: | -\$451,297 | \$2,382 | -\$477,653 | -\$193,350 |
| Ending Fund Balance: | \$1,224,783 | \$1,223,387 | \$743,352 | \$550,002 |



Medical Self Insurance Fund

The Medical Self Insurance Fund was created to account for the activities of the City's employee health insurance. In addition, the fund accounts for retiree and COBRA contributions, claims and coverage. In a self-insurance fund, the employer is ultimately responsible for health care costs and pays for those costs plus administrative fees.

The Medical Self Insurance Fund, which accounts for the accumulation of monies for the payment of medical claims.

Summary

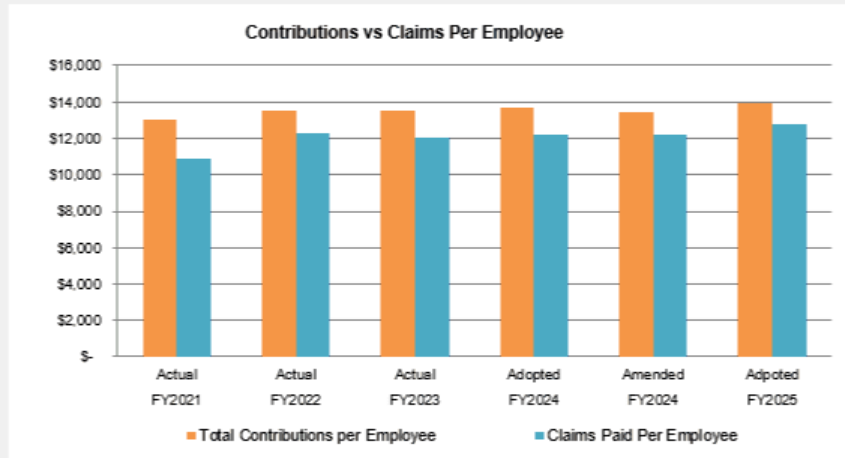
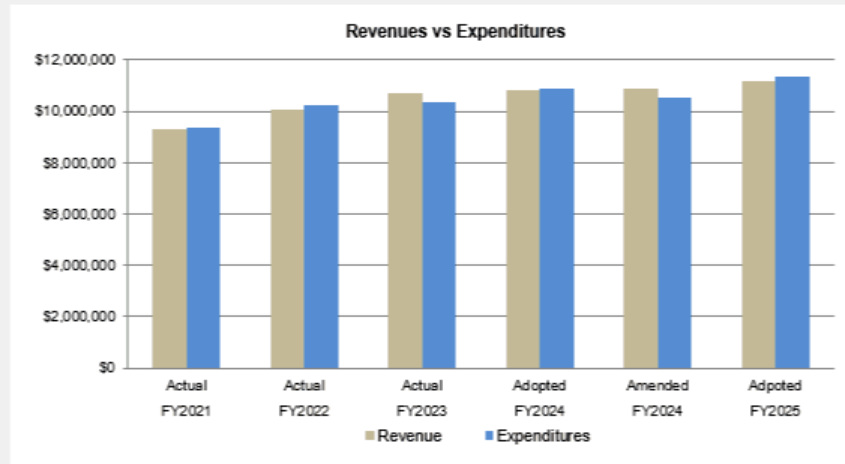
Effective October 2018, the City adopted unblended retiree medical rate and subsidizes based on age and years of service at retirement. For FY25, the City is budgeting for an increase in claims based on the total number of full-time eligible employees, including vacant positions. \$22,276 has been budgeted for the Wellness Program.

Medical Self Insurance Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$2,836,802 | \$3,297,326 | \$3,297,326 | \$3,612,122 |
| Revenues | | | | |
| Charges for Services | \$9,689,351 | \$10,139,674 | \$10,139,674 | \$10,393,166 |
| Investment Earnings | \$84,724 | \$61,094 | \$129,355 | \$129,354 |
| Miscellaneous | \$934,665 | \$602,022 | \$602,022 | \$632,123 |
| Total Revenues: | \$10,708,740 | \$10,802,790 | \$10,871,051 | \$11,154,643 |
| Expenditures | | | | |
| Miscellaneous Services | \$10,347,594 | \$10,876,074 | \$10,533,979 | \$11,320,120 |
| Other | \$16,593 | \$22,276 | \$22,276 | \$22,276 |
| Total Expenditures: | \$10,364,187 | \$10,898,350 | \$10,556,255 | \$11,342,396 |
| Total Revenues Less Expenditures: | \$344,553 | -\$95,560 | \$314,796 | -\$187,753 |
| Ending Fund Balance: | \$3,181,355 | \$3,201,766 | \$3,612,122 | \$3,424,369 |

Medical Self Insurance Charts

MEDICAL SELF INSURANCE FUND SUMMARY





Motor Pool Fund

The purpose of the Motor Pool Fund is to provide for the maintenance and replacement of the city's 649 vehicles and pieces of rolling stock at an approximated value of \$34.4 million. Rather than making periodic large-dollar investments, the City makes annual contributions to the Fund. In turn, the City then uses the balance in the Fund to pay for large-dollar investments. The Fleet Maintenance Division is responsible for day-to-day operations within the fund.

Summary

The City is planning to take a phased approach in rolling out the Motor Pool Fund, starting with vehicle maintenance and annual replacements in FY19. Lease fees for new vehicles purchased each year start in the following fiscal year. As the City replaces vehicles, the fund has grown from having 0% of vehicles and equipment paying lease fees, meaning that money is being set aside for their replacement, to 31% of vehicles & equipment paying lease fees. If the FY25 proposed budget is adopted and vehicles are received in FY25, then it is projected that by the beginning of FY26 37% of vehicles & equipment will be covered by lease fees.

In FY25, 30 pieces of vehicles and equipment were funded and budgeted. This includes 6 vehicles replacement from Capital Lease Fees. 1 Ambulance is being replaced. New additions are 1 Fire Station 7 Ladder and 8 CID Unmarked Vehicles.

In FY25, lease fees are received from departments to the Motor Pool fund and then transferred to the Capital Replacement Fund. All lease fees received for the Motor Pool are then held in the Capital Holding Fund until vehicles covered by lease fees are eligible for replacement. When a vehicle covered by lease fees is eligible for replacement, the money will be transferred back to the Motor Pool fund and expensed as a capital vehicle replacement. Lease fees and vehicles eligible to be replaced by lease fees vary by fiscal year.

Motor Pool Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$19,546,980 | \$21,914,175 | \$21,914,175 | \$7,408,224 |
| Revenues | | | | |
| Investment Earnings | \$625,523 | \$403,050 | \$790,363 | \$803,727 |
| Miscellaneous | \$146,031 | \$50,000 | \$25,000 | \$50,000 |
| Transfers In | \$5,753,642 | \$5,612,710 | \$8,132,178 | \$6,804,610 |
| Total Revenues: | \$6,525,196 | \$6,065,760 | \$8,947,541 | \$7,658,337 |
| Expenditures | | | | |
| Salaries & Wages | \$659,951 | \$599,195 | \$527,159 | \$652,921 |
| Materials & Supplies | \$16,897 | \$21,212 | \$21,210 | \$21,290 |
| Repair & Maintenance | \$914,922 | \$1,336,110 | \$1,515,373 | \$1,351,750 |
| Miscellaneous Services | \$37,577 | \$68,950 | \$108,332 | \$110,430 |
| Other | \$1,250 | \$0 | \$57,994 | \$0 |
| Capital Outlay | \$2,549,383 | \$6,939,913 | \$15,659,007 | \$8,119,677 |
| Transfers Out | \$172,734 | \$5,564,417 | \$5,564,417 | \$2,760,943 |
| Total Expenditures: | \$4,352,714 | \$14,529,797 | \$23,453,492 | \$13,017,011 |
| Total Revenues Less Expenditures: | \$2,172,482 | -\$8,464,037 | -\$14,505,951 | -\$5,358,674 |
| Ending Fund Balance: | \$21,719,462 | \$13,450,138 | \$7,408,224 | \$2,049,550 |



Facilities Fund

The Facilities fund is an internal service fund created during the FY23 budget. The fund provides funding for building-related repair and maintenance, equipment maintenance, capital replacement or asset recapitalization, and janitorial services. It includes salary and wages for 9 full-time employees. The fund is funded by internal transfers calculated based on the number of FTE's budgeted within those funds in the prior fiscal year.

Summary

The Facilities fund is a new internal service fund created for the FY23 budget. The fund provides funding for building-related repair and maintenance, equipment maintenance, capital replacement or asset recapitalization, and janitorial services. It includes salary and wages for 9 full-time employees. The fund is funded by internal transfers from the administrative division of departments allocated based on the prior year usage.

FY25 expenditures include costs for building-related maintenance, repair, and enhancements for city-owned and operated facilities. FY25 Expenditures include ongoing operational costs for 9 employees and all operations expenses.

Facilities Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | N/A | \$767,012 | \$767,012 | \$147,324 |
| Revenues | | | | |
| Investment Earnings | \$24,530 | \$9,525 | \$55,960 | \$61,781 |
| Transfers In | \$3,924,724 | \$3,312,559 | \$3,312,559 | \$3,284,365 |
| Total Revenues: | \$3,949,254 | \$3,322,084 | \$3,368,519 | \$3,346,146 |
| Expenditures | | | | |
| Salaries & Wages | \$831,700 | \$769,104 | \$700,482 | \$769,104 |
| Materials & Supplies | \$35,059 | \$43,382 | \$71,099 | \$42,725 |
| Building & Grounds | \$1,038,507 | \$1,204,088 | \$1,624,476 | \$1,334,520 |
| Repair & Maintenance | \$345,757 | \$310,364 | \$354,472 | \$346,840 |
| Miscellaneous Services | \$739,610 | \$903,065 | \$873,124 | \$941,633 |
| Capital Outlay | \$0 | \$154,000 | \$292,000 | \$0 |
| Transfers Out | \$84,940 | \$72,554 | \$72,554 | \$8,099 |
| Total Expenditures: | \$3,075,571 | \$3,456,557 | \$3,988,207 | \$3,442,921 |
| Total Revenues Less Expenditures: | \$873,683 | -\$134,473 | -\$619,688 | -\$96,775 |
| Ending Fund Balance: | N/A | \$632,539 | \$147,324 | \$50,549 |



Information Technology Fund

The Information Technology fund is a new internal service fund created for the FY24 budget. The fund was created to better anticipate the current and future technology needs of the City. The cost of technology services from each fund and department are calculated based on usage and reordered as a transfer into the Information Technology fund. The expenditures for this fund are used to maintain, enhance, and replace technology hardware and software.

Summary

FY25 expenditures include ongoing operational costs for hardware inventory, enterprise software, and the replacement of approximately half of the cities' IT switches, which assist in maintaining organizational data security. The salary and benefit costs of 23 full-time employees, including one new Cyber Risk & Intelligence Specialist position added for the FY25 budget year are also included.

Information Technology Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | N/A | \$93,999 | \$93,999 | \$510,729 |
| Revenues | | | | |
| Investment Earnings | \$7,103 | \$1,308 | \$28,189 | \$31,305 |
| Miscellaneous | \$10,000 | \$0 | \$2,000 | \$0 |
| Transfers In | \$8,768,407 | \$9,443,705 | \$9,610,220 | \$10,837,207 |
| Total Revenues: | \$8,785,510 | \$9,445,013 | \$9,640,409 | \$10,868,512 |
| Expenditures | | | | |
| Salaries & Wages | \$2,310,019 | \$2,457,789 | \$2,036,838 | \$2,780,224 |
| Materials & Supplies | \$58,845 | \$60,905 | \$61,405 | \$69,155 |
| Repair & Maintenance | \$1,035,749 | \$5,049,941 | \$5,353,755 | \$6,040,772 |
| Miscellaneous Services | \$474,486 | \$535,716 | \$696,896 | \$594,984 |
| Other | \$411,331 | \$747,965 | \$712,535 | \$1,095,300 |
| Capital Outlay | \$0 | \$275,000 | \$275,000 | \$341,000 |
| Amortization Expense | \$4,040,720 | \$0 | \$0 | \$0 |
| Interest Expense | \$205,155 | \$0 | \$0 | \$0 |
| Transfers Out | \$195,282 | \$87,250 | \$87,250 | \$92,508 |
| Total Expenditures: | \$8,731,586 | \$9,214,566 | \$9,223,679 | \$11,013,943 |
| Total Revenues Less Expenditures: | \$53,924 | \$230,447 | \$416,730 | -\$145,431 |
| Ending Fund Balance: | N/A | \$324,446 | \$510,729 | \$365,298 |



Capital Fund

All Capital Lease Fees associated with the Internal Service Funds will be held in this fund, until scheduled capital replacements take place.

Summary

In FY25 revenue reflects the vehicle lease fees collected for the current fiscal year on vehicles purchased into the Motor Pool fund since FY19. Expenses include replacement of 6 vehicles that have paid lease fees and are now due for replacement per the fleet replacement schedule. Replacement will occur from the Motor Pool fund.

As funds allow, capital lease fees will be assigned to the Facilities Fund and IT Fund and will also be reflected and held in this fund until eligible expenses take place. At this time, all funds in the Capital Holding fund represent lease fees paid for Motor Pool vehicles since 2019. Lease fees will vary from year to year, as vehicle replacement cycles are ongoing, and not all City of Pearland vehicles are covered by lease fees.

Capital Fund Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | N/A | N/A | N/A | \$5,390,878 |
| Revenues | | | | |
| Transfers In | \$0 | \$5,390,878 | \$5,390,878 | \$2,644,964 |
| Total Revenues: | \$0 | \$5,390,878 | \$5,390,878 | \$2,644,964 |
| Expenditures | | | | |
| Transfers Out | \$0 | \$0 | \$0 | \$435,000 |
| Total Expenditures: | \$0 | \$0 | \$0 | \$435,000 |
| Total Revenues Less Expenditures: | \$0 | \$5,390,878 | \$5,390,878 | \$2,209,964 |
| Ending Fund Balance: | N/A | N/A | N/A | \$7,600,842 |



PEDC

The Pearland Economic Development Corporation (PEDC) is a non-profit Type B Corporation under the Texas Development Corporation Act. The Corporation was approved by the voters in 1995 and is primarily funded by a half-cent sales tax. The seven-member Board of Directors is appointed by and serve two-year terms at the pleasure of the Pearland City Council. City Council approval is required for annual budgets and bonded debt issuances.

Summary

The mission of PEDC is to enhance our community's economic vitality through the attraction, retention and expansion of primary employers. PEDC operates under State requirements for pursuit of those primary jobs. PEDC works to ensure our business climate and built environment strongly support these efforts by focusing on aesthetics, infrastructure, quality of life, image, workforce and quality development and redevelopment of key Pearland districts and corridors.

Major revenue in PEDC's FY 2023-24 budget includes reimbursements from Lower Kirby Management District. Major expenditures in FY 2023-24 include Pearland Prosperity Strategic priorities for Business Development, Business Formation, Site Development, And Corridors. Transfers out include \$2,050,000 for SH288 Corridor Master Improvements, \$350,000 Old Town Master Plan and \$3,270,000 for Lower Kirby Development including Labrador Road extension and drainage improvements. PEDC will begin selling debt for the expansion of Hickory Slough Sportsplex in FY24 which will be reflected in the budget beginning in FY25.

Other expenditures for FY24 include \$730,000 for SH35 Targeted Redevelopment, \$375,000 for Smith Ranch Rd Business Park and \$350,000 for ongoing FM518/Broadway Reconstruction.

PEDC Comprehensive Summary

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|
| Beginning Fund Balance: | \$39,708,717 | \$34,782,717 | \$34,782,717 | \$31,570,824 |
| Revenues | | | | |
| Sales & Use Taxes | \$15,078,283 | \$15,858,273 | \$15,229,066 | \$15,457,502 |
| Investment Earnings | \$1,506,306 | \$1,262,839 | \$1,700,000 | \$1,120,175 |
| Intergovernmental | \$12,000 | \$12,000 | \$12,000 | \$12,000 |
| Miscellaneous | \$547,825 | \$1,510,000 | \$10,000 | \$10,000 |
| Total Revenues: | \$17,144,414 | \$18,643,112 | \$16,951,066 | \$16,599,677 |
| Expenditures | | | | |
| Salaries & Wages | \$1,145,164 | \$1,179,649 | \$1,173,391 | \$1,336,937 |
| Materials & Supplies | \$11,451 | \$19,030 | \$19,100 | \$19,100 |
| Building & Grounds | \$6,425 | \$7,800 | \$9,378 | \$7,800 |
| Repair & Maintenance | \$3,119 | \$6,721 | \$26,721 | \$6,750 |
| Miscellaneous Services | \$3,410,500 | \$3,279,056 | \$3,823,293 | \$4,018,016 |
| Other | \$0 | \$5,000 | \$5,000 | \$5,000 |
| Capital Outlay | \$17,197,661 | \$9,030,152 | \$14,628,119 | \$36,801,524 |
| Interest Expense | \$273,600 | \$267,700 | \$267,700 | \$261,800 |
| Transfers Out | \$200,244 | \$210,257 | \$210,257 | \$220,770 |
| Total Expenditures: | \$22,248,163 | \$14,005,365 | \$20,162,959 | \$42,677,697 |
| Total Revenues Less Expenditures: | -\$5,103,749 | \$4,637,747 | -\$3,211,893 | -\$26,078,020 |
| Ending Fund Balance: | \$34,604,968 | \$39,420,464 | \$31,570,824 | \$5,492,804 |

DEBT SERVICE

Government-wide Debt Overview



\$82,968,407

\$8,094,331 (10.81% vs. 2024 year)

Debt by Fund



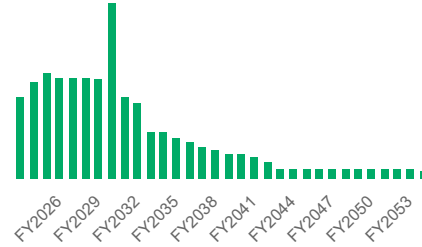
| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|-------------------|--------------|--------------|--------------|----------|
| All Funds | — | — | — | |
| Debt Service | \$34,027,508 | \$40,078,143 | \$44,396,661 | 10.8% |
| Enterprise Funds | \$29,934,670 | \$34,528,233 | \$38,309,946 | 11% |
| Component Unit | \$0 | \$267,700 | \$261,800 | -2.2% |
| Total All Funds: | \$63,962,178 | \$74,874,076 | \$82,968,407 | 10.8% |

Debt Service

General Fund

Based on estimated property values, the budget as proposed assumes a Debt Service tax rate of \$0.300059 per \$100 in assessed valuation to meet FY25 obligations. This is a decrease from the rate of \$0.322500 per \$100 in assessed valuation in FY24.

The tax rate generates \$45,520,000 in current property taxes at a 99.65% collection rate (set by Brazoria County using State-mandated formula) and still allows for maintaining a 10% debt fund balance reserve. Fund revenues include \$667,635 from the University of Houston-Clear Lake System for debt service associated with the construction of the University of Houston-Clear Lake Pearland Campus, which they occupy. Additionally, revenue includes the TIRZ Defeasance for FY25. Revenues also include transfers from the Water-Sewer Fund of \$2,089,885 for rebates to In-City MUDs. Expenses for in-city MUD's total of \$3,870,158, an increase of \$449,158 from fiscal year 2024 year-end projections.

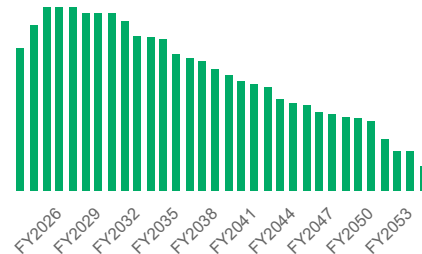


| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|----------------------------|---------------------|---------------------|---------------------|--------------|
| Debt Service | — | — | — | |
| 200 - Debt Service Fund | \$34,027,508 | \$40,078,143 | \$44,396,661 | 10.8% |
| Total Debt Service: | \$34,027,508 | \$40,078,143 | \$44,396,661 | 10.8% |

Enterprise Funds

The debt service component of the operating budget for the City of Pearland utilities provides for payment of principal and interest on the City's indebtedness. All water and wastewater costs including debt requirements shall be paid for from utility revenues.

Transfers in consists of \$9.20 million from Impact Fee Fund and \$29.11 million from Enterprise Fund. The Principal payments for FY 25 are \$23.11 million and interest expense \$15.20 million.

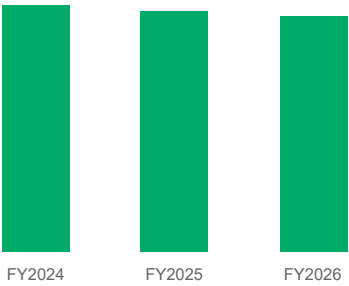


| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|--------------------------------|---------------------|---------------------|---------------------|------------|
| Enterprise Funds | — | — | — | |
| 601 - Water & Sewer Debt Fund | \$29,934,670 | \$34,528,233 | \$38,309,946 | 11% |
| Total Enterprise Funds: | \$29,934,670 | \$34,528,233 | \$38,309,946 | 11% |

Component Unit

A component unit is defined as a legally separate organization for which elected officials of the primary government (the City) are financially accountable.

The City of Pearland has three entities that are considered component units of the City. They are the Pearland Economic Development Corporation (PEDC), Pearland Tax Increment Reinvestment Zone #2 (TIRZ), and the Development Authority of Pearland. The PEDC is the only entity that requires budget approval by the City. Thus, it is the only component unit included in the Citywide summary.



| Financial Summary | FY2024 | FY2025 | % Change |
|---------------------------------|-----------|-----------|----------|
| Component Unit | — | — | |
| 900 - Economic Development Fund | \$267,700 | \$261,800 | -2.2% |
| Total Component Unit: | \$267,700 | \$261,800 | -2.2% |

City of Pearland
PROPERTY TAX SUPPORTED DEBT MATURITY SCHEDULE
AS OF 09/30/2024

| FY Ending | | | |
|------------------|----------------------|----------------------|----------------------|
| (9/30) | Principal | Interest | Total |
| 2025 | 27,370,000 | 17,026,661 | 44,396,661 |
| 2026 | 26,500,000 | 15,799,825 | 42,299,825 |
| 2027 | 27,455,000 | 14,522,475 | 41,977,475 |
| 2028 | 28,730,000 | 13,230,139 | 41,960,139 |
| 2029 | 29,900,000 | 11,936,361 | 41,836,361 |
| 2030 | 63,800,000 | 9,778,489 | 73,578,489 |
| 2031 | 26,665,000 | 7,731,849 | 34,396,849 |
| 2032 | 25,000,000 | 6,666,493 | 31,666,493 |
| 2033 | 14,245,000 | 5,843,400 | 20,088,400 |
| 2034 | 14,535,000 | 5,245,519 | 19,780,519 |
| 2035 | 12,500,000 | 4,681,997 | 17,181,997 |
| 2036 | 11,405,000 | 4,172,681 | 15,577,681 |
| 2037 | 10,085,000 | 3,705,719 | 13,790,719 |
| 2038 | 8,965,000 | 3,294,269 | 12,259,269 |
| 2039 | 7,860,000 | 2,943,350 | 10,803,350 |
| 2040 | 7,645,000 | 2,619,206 | 10,264,206 |
| 2041 | 6,715,000 | 2,309,719 | 9,024,719 |
| 2042 | 5,565,000 | 2,033,475 | 7,598,475 |
| 2043 | 2,420,000 | 1,845,738 | 4,265,738 |
| 2044 | 2,545,000 | 1,721,375 | 4,266,375 |
| 2045 | 2,675,000 | 1,590,875 | 4,265,875 |
| 2046 | 2,815,000 | 1,453,625 | 4,268,625 |
| 2047 | 2,960,000 | 1,309,250 | 4,269,250 |
| 2048 | 3,110,000 | 1,157,500 | 4,267,500 |
| 2049 | 3,270,000 | 998,000 | 4,268,000 |
| 2050 | 3,435,000 | 830,375 | 4,265,375 |
| 2051 | 3,615,000 | 654,125 | 4,269,125 |
| 2052 | 3,800,000 | 468,750 | 4,268,750 |
| 2053 | 3,995,000 | 273,875 | 4,268,875 |
| 2054 | 3,480,000 | 87,000 | 3,567,000 |
| Totals | \$393,060,000 | \$145,932,115 | \$538,992,115 |



City of Pearland
WATER & SEWER SUPPORTED DEBT MATURITY SCHEDULE
AS OF 09/30/2024

| FY Ending (9/30) | Principal | Interest | Total |
|-----------------------------|----------------------|----------------------|----------------------|
| 2025 | 23,105,000 | 15,204,946 | 38,309,946 |
| 2026 | 23,450,000 | 14,739,101 | 38,189,101 |
| 2027 | 24,095,000 | 14,056,445 | 38,151,445 |
| 2028 | 23,710,000 | 13,336,973 | 37,046,973 |
| 2029 | 24,455,000 | 12,593,239 | 37,048,239 |
| 2030 | 25,210,000 | 11,839,339 | 37,049,339 |
| 2031 | 24,400,000 | 11,078,740 | 35,478,740 |
| 2032 | 21,910,000 | 10,327,961 | 32,237,961 |
| 2033 | 22,230,000 | 9,700,955 | 31,930,955 |
| 2034 | 22,565,000 | 9,066,332 | 31,631,332 |
| 2035 | 20,205,000 | 8,442,557 | 28,647,557 |
| 2036 | 19,830,000 | 7,887,175 | 27,717,175 |
| 2037 | 19,580,000 | 7,338,008 | 26,918,008 |
| 2038 | 18,695,000 | 6,781,865 | 25,476,865 |
| 2039 | 18,050,000 | 6,280,963 | 24,330,963 |
| 2040 | 17,055,000 | 5,798,315 | 22,853,315 |
| 2041 | 16,960,000 | 5,345,873 | 22,305,873 |
| 2042 | 16,865,000 | 4,886,971 | 21,751,971 |
| 2043 | 14,730,000 | 4,424,826 | 19,154,826 |
| 2044 | 14,270,000 | 4,042,259 | 18,312,259 |
| 2045 | 14,460,000 | 3,685,903 | 18,145,903 |
| 2046 | 13,010,000 | 3,318,364 | 16,328,364 |
| 2047 | 13,295,000 | 2,955,312 | 16,250,312 |
| 2048 | 13,070,000 | 2,576,782 | 15,646,782 |
| 2049 | 13,080,000 | 2,193,259 | 15,273,259 |
| 2050 | 12,695,000 | 1,798,547 | 14,493,547 |
| 2051 | 9,435,000 | 1,395,020 | 10,830,020 |
| 2052 | 7,260,000 | 997,000 | 8,257,000 |
| 2053 | 7,620,000 | 634,000 | 8,254,000 |
| 2054 | 5,060,000 | 253,000 | 5,313,000 |
| Totals | \$520,355,000 | \$202,980,025 | \$723,335,025 |



Debt Snapshot

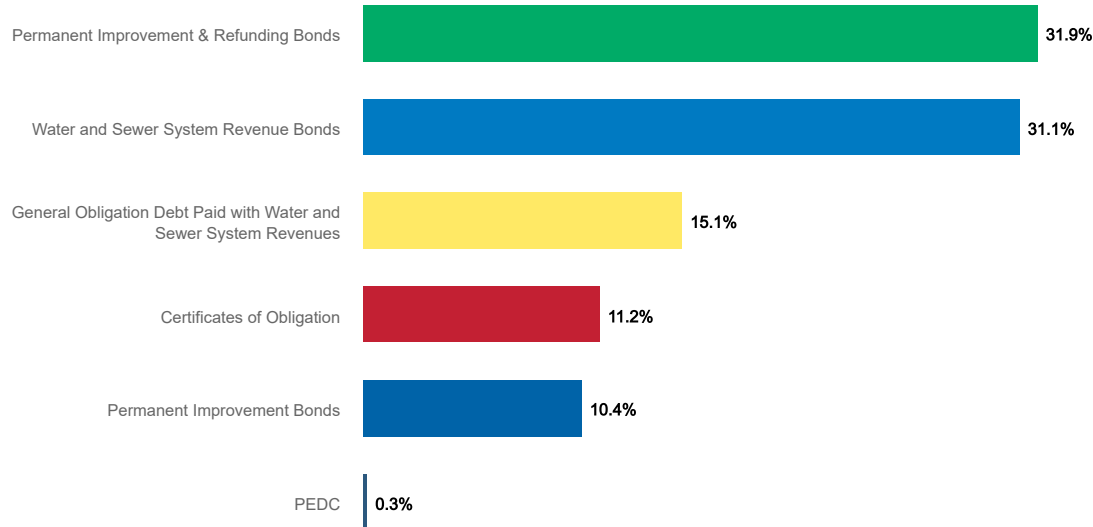
The City of Pearland issues a variety of long-term debt instruments in order to finance major capital facilities and equipment for governmental and business-type activities. These instruments include General Obligation Bonds, Certificates of Obligations and Water and Sewer System Revenue Bonds.



\$82,968,407

\$8,094,331 (10.81% vs. 2024 year)

Debt by Type

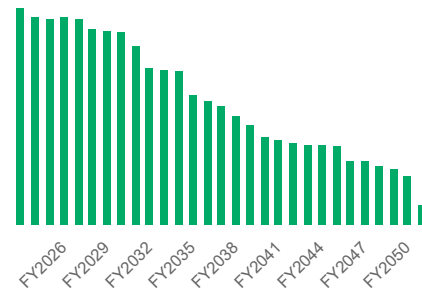


| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|---|---------------------|---------------------|---------------------|--------------|
| Debt | — | — | — | |
| Water and Sewer System Revenue Bonds | \$27,071,642 | \$25,870,156 | \$25,772,433 | -0.4% |
| General Obligation Debt Paid with Water and Sewer System Revenues | \$2,863,028 | \$8,658,077 | \$12,537,513 | 44.8% |
| Permanent Improvement Bonds | \$5,363,919 | \$5,689,612 | \$8,602,674 | 51.2% |
| Permanent Improvement & Refunding Bonds | \$21,807,170 | \$26,647,579 | \$26,463,369 | -0.7% |
| Certificates of Obligation | \$6,856,419 | \$7,740,952 | \$9,330,619 | 20.5% |
| PEDC | \$0 | \$267,700 | \$261,800 | -2.2% |
| Total Debt: | \$63,962,178 | \$74,874,076 | \$82,968,407 | 10.8% |

Water and Sewer System Revenue Bonds

This type of bond is referred to as an utility revenue bond, a type of municipal bond issued to finance a public utility that repays bondholders directly from fees charged to the customers. As these bonds are supported by sources other than property taxes, they do not require voter approval.

The City issues Water and Sewer System Revenue Bonds to finance capital projects and improvements related to the City's water, wastewater and surface water system. Due to the higher debt coverage ratio required for Water Sewer System Revenue Bonds, the City of Pearland switched to Certificates of Obligation for water and sewer related debt in fiscal year 2022.



| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|--|---------------------|---------------------|---------------------|--------------|
| Water and Sewer System Revenue Bonds | — | — | — | |
| Series 2014 | \$539,819 | \$543,619 | \$546,819 | 0.6% |
| Series 2016A | \$618,513 | \$614,713 | \$605,813 | -1.4% |
| Series 2016B | \$1,242,524 | \$1,236,412 | \$1,238,952 | 0.2% |
| Series 2016C | \$2,015,066 | \$2,013,536 | \$2,010,136 | -0.2% |
| Series 2017A | \$1,071,380 | \$1,069,954 | \$1,066,447 | -0.3% |
| Series 2017B | \$527,341 | \$525,168 | \$527,304 | 0.4% |
| Series 2017C | \$5,222,031 | \$6,138,031 | \$6,165,781 | 0.5% |
| Series 2018A | \$397,746 | \$395,380 | \$397,758 | 0.6% |
| Series 2018B | \$1,654,650 | \$1,616,650 | \$1,578,650 | -2.4% |
| Series 2019A | \$837,060 | \$837,060 | \$836,920 | 0% |
| Series 2019B | \$4,114,950 | \$2,097,950 | \$2,069,950 | -1.3% |
| Series 2020A | \$3,864,776 | \$3,869,776 | \$3,864,776 | -0.1% |
| Series 2020B | \$597,150 | \$589,950 | \$582,750 | -1.2% |
| Series 2021A | \$3,405,838 | \$3,390,658 | \$3,375,478 | -0.4% |
| Series 2021B | \$962,800 | \$931,300 | \$904,900 | -2.8% |
| Total Water and Sewer System Revenue Bonds: | \$27,071,642 | \$25,870,156 | \$25,772,433 | -0.4% |

General Obligation Debt Paid with Water and Sewer System Revenues

This includes both Permanent Improvement Refunding Bonds, a type of General Obligation bonds issued to refund prior debt issues, and Certificates of Obligations. They both do not require voter approval before they are issued, and the repayment is funded 100% from fees charged to water and wastewater system customers.

The City switched from Water and Sewer System Revenue Bonds to Certificates of Obligations type in 2022 as it required a lower reserve, benefiting water rate payers.

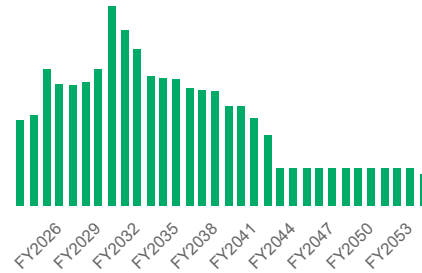


| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|---|--------------------|--------------------|---------------------|--------------|
| General Obligation Debt Paid with Water and Sewer System Revenues | — | — | — | |
| Permanent Improvement Refunding Bonds | \$457,250 | \$1,225,625 | \$1,276,125 | 4.1% |
| Certificates of Obligation | \$2,405,778 | \$7,432,452 | \$11,261,388 | 51.5% |
| Total General Obligation Debt Paid with Water and Sewer System Revenues: | \$2,863,028 | \$8,658,077 | \$12,537,513 | 44.8% |

Permanent Improvement Bonds

Permanent Improvement Bonds are General Obligation bonds issued to fund major capital projects, such as drainage expansion.

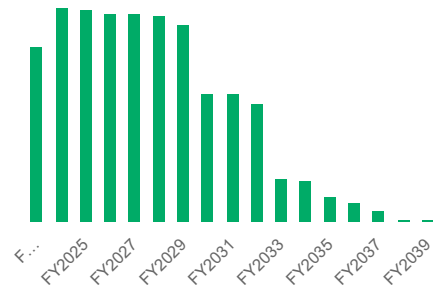
General Obligation Bonds (GO's) are secured by the City's ad valorem taxing power and issued pursuant to voter authorization.



| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|---|--------------------|--------------------|--------------------|--------------|
| Permanent Improvement Bonds | — | — | — | |
| Series 2013 | \$614,468 | \$610,668 | \$606,468 | -0.7% |
| Series 2015 | \$601,013 | \$590,388 | \$576,575 | -2.3% |
| Series 2018 | \$619,200 | \$604,400 | \$587,750 | -2.8% |
| Series 2020 | \$1,354,450 | \$1,323,850 | \$1,289,425 | -2.6% |
| Series 2021 | \$851,650 | \$855,950 | \$855,100 | -0.1% |
| Series 2022 | \$1,323,139 | \$1,322,800 | \$1,320,550 | -0.2% |
| Series 2023 | \$0 | \$381,557 | \$488,850 | 28.1% |
| Series 2024 | \$0 | \$0 | \$2,877,956 | 0% |
| Total Permanent Improvement Bonds: | \$5,363,919 | \$5,689,612 | \$8,602,674 | 51.2% |

Permanent Improvement & Refunding Bonds

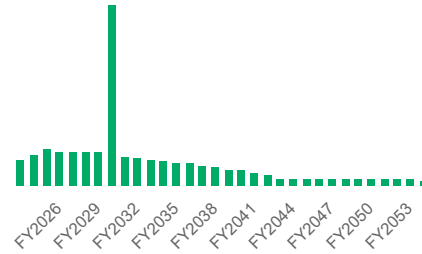
Permanent Improvement & Refunding Bonds are General Obligation bonds issued to refund prior debt issues. General obligation bonds for refunding purposes do not need voter authorization.



| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|---|---------------------|---------------------|---------------------|--------------|
| Permanent Improvement & Refunding Bonds | — | — | — | |
| Series 2014 | \$1,070,081 | \$3,712,331 | \$3,693,831 | -0.5% |
| Series 2015 | \$5,472,119 | \$6,222,494 | \$5,549,619 | -10.8% |
| Series 2015A | \$685,538 | \$656,050 | \$660,150 | 0.6% |
| Series 2016A | \$1,085,450 | \$2,206,700 | \$2,158,950 | -2.2% |
| Series 2016B | \$3,427,625 | \$3,425,500 | \$2,500,125 | -27% |
| Series 2017 | \$4,552,219 | \$4,476,344 | \$4,392,844 | -1.9% |
| Series 2019 | \$1,245,025 | \$1,234,775 | \$1,213,775 | -1.7% |
| Series 2020 | \$4,162,150 | \$3,749,025 | \$5,329,775 | 42.2% |
| Series 2022 | \$106,964 | \$964,360 | \$964,300 | 0% |
| Total Permanent Improvement & Refunding Bonds: | \$21,807,170 | \$26,647,579 | \$26,463,369 | -0.7% |

Certificates of Obligation

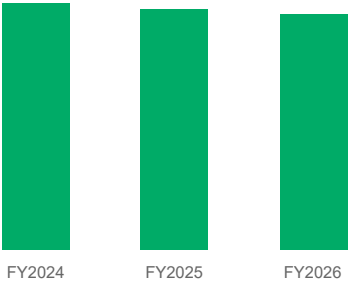
The CO's are guaranteed by the City's taxation power and are counted in the calculation of the tax rate that is needed to support debt payments. CO's are similar to GO bonds, except that they do not require voter approval before they are issued.



| Financial Summary | FY2023 | FY2024 | FY2025 | % Change |
|--|--------------------|--------------------|--------------------|--------------|
| Certificates of Obligation | — | — | — | |
| Series 2013 | \$184,488 | \$179,488 | \$184,238 | 2.6% |
| Series 2014 | \$320,369 | \$312,319 | \$308,019 | -1.4% |
| Series 2015 | \$345,538 | \$338,800 | \$325,325 | -4% |
| Series 2016 | \$958,850 | \$944,850 | \$930,850 | -1.5% |
| Series 2017 | \$461,800 | \$461,100 | \$448,700 | -2.7% |
| Series 2018 | \$592,200 | \$578,000 | \$562,025 | -2.8% |
| Series 2019A | \$362,075 | \$350,400 | \$348,725 | -0.5% |
| Series 2019B | \$154,000 | \$154,000 | \$0 | -100% |
| Series 2020A | \$753,600 | \$736,600 | \$717,475 | -2.6% |
| Series 2020B | \$478,750 | \$478,750 | \$114,250 | -76.1% |
| Series 2021A | \$456,500 | \$456,300 | \$454,200 | -0.5% |
| Series 2021B | \$780,250 | \$780,250 | \$780,250 | 0% |
| Series 2022A | \$569,389 | \$568,925 | \$572,925 | 0.7% |
| Series 2022B | \$438,611 | \$394,750 | \$394,750 | 0% |
| Series 2024A | \$0 | \$0 | \$2,002,500 | 0% |
| Series 2023A | \$0 | \$652,992 | \$716,888 | 9.8% |
| Series 2023B | \$0 | \$353,429 | \$469,500 | 32.8% |
| Total Certificates of Obligation: | \$6,856,419 | \$7,740,952 | \$9,330,619 | 20.5% |

PEDC

The PEDC Series 2016 is Certificates of Obligations. This bond does not require voter approval before it is issued, and the repayment is funded 100% from PEDC Sales Tax.



| Financial Summary | FY2024 | FY2025 | % Change |
|-------------------|-----------|-----------|----------|
| PEDC | — | — | |
| Series 2016 | \$267,700 | \$261,800 | -2.2% |
| Total PEDC: | \$267,700 | \$261,800 | -2.2% |

DEPARTMENTS



General Government

General Government includes expense activity in the following departments and divisions:

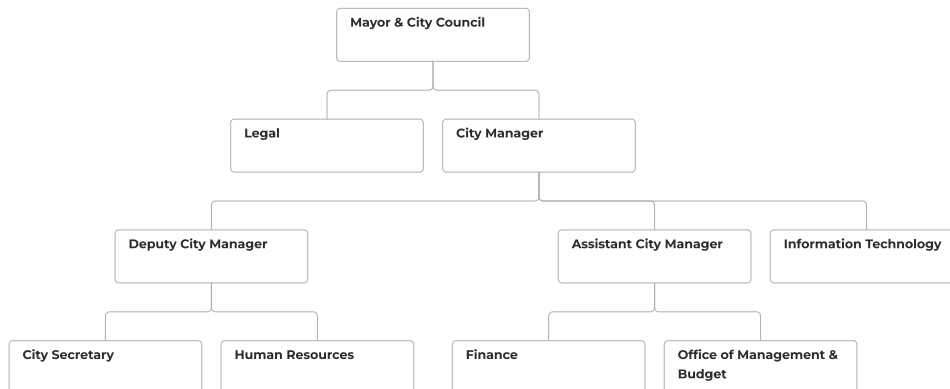
City Council
City Manger
Legal
City Secretary
Human Resources
Finance
Office of Management & Budget

Expenditures Summary

\$13,949,873 **-\$1,200,802**
(-7.93% vs. prior year)

Organizational Chart

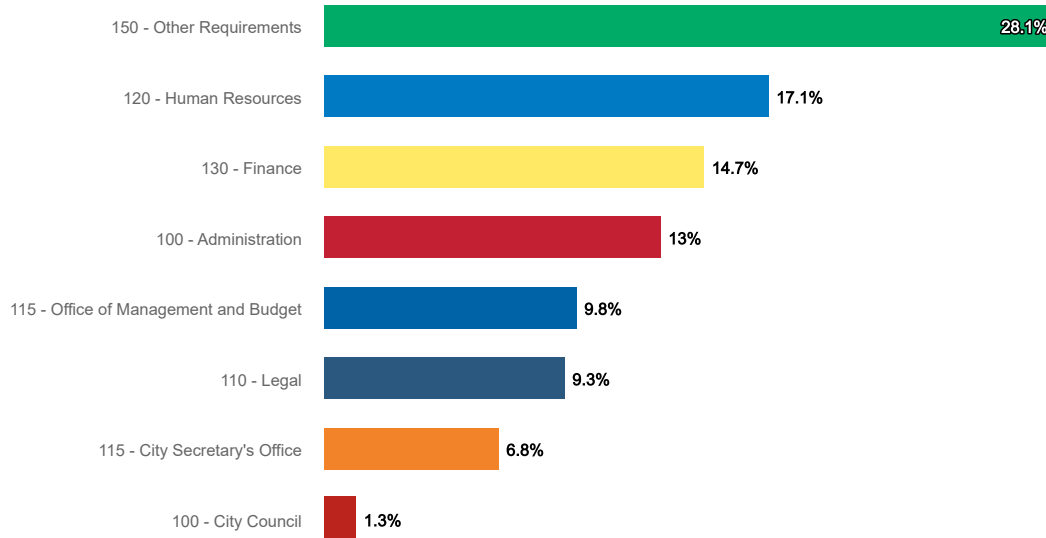
FY25 General Government



Expenditures by Function

The Other Requirements category includes expenses such as transfers out for Debt Payments, cash funded CIP projects, and the General Fund contribution to the Risk Management Fund. Beginning in FY25, transfers to the Facilities Internal Service Fund are now reflected in the administrative division of departments.

Budgeted Expenditures by Function

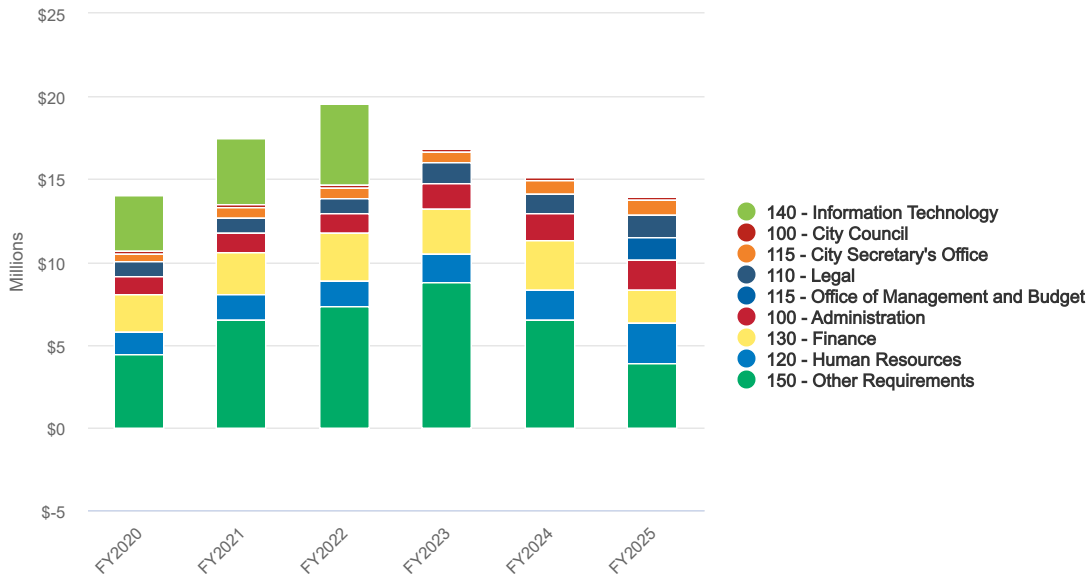


Beginning in FY23, the Information Technology department was removed from the General Fund and Enterprise Fund and consolidated into an Internal Service Fund.

Transfers to fund the internal service funds are reflected in the administration division of each department, which resulted in a subsequent increase beginning in FY23.

The Office of Management and Budget is a newly created division in FY25, and was previously part of Finance.

Budgeted and Historical Expenditures by Function

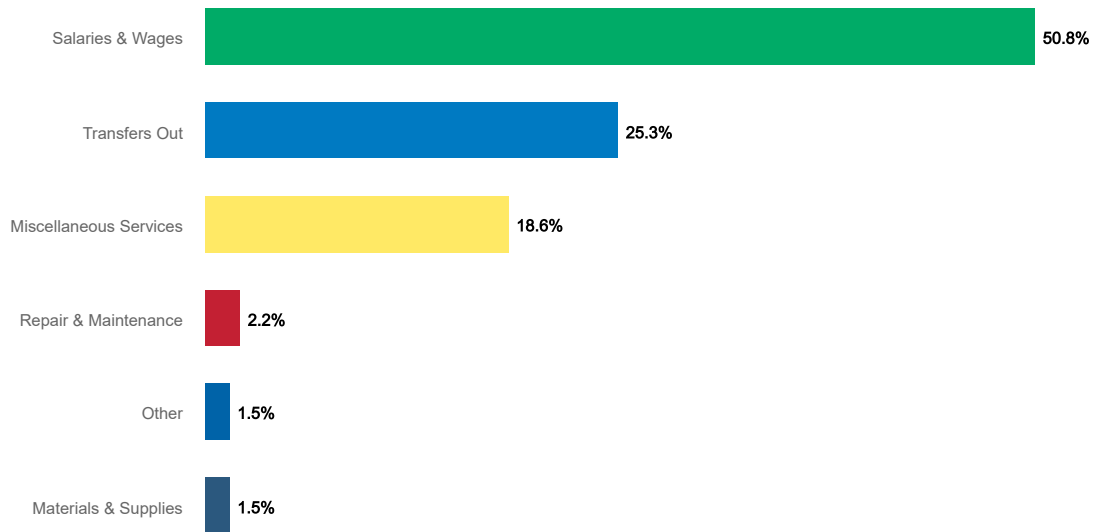


| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|---------------------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 100 - City Council | | | | | |
| 100 - Administration | \$190,092 | \$178,539 | \$160,839 | \$176,879 | -0.9% |
| Total 100 - City Council: | \$190,092 | \$178,539 | \$160,839 | \$176,879 | -0.9% |
| 105 - City Manager's Office | | | | | |
| 100 - Administration | \$1,522,543 | \$1,568,085 | \$1,603,513 | \$1,809,413 | 15.4% |
| 115 - Office of Management and Budget | \$0 | \$0 | \$0 | \$1,363,613 | N/A |
| Total 105 - City Manager's Office: | \$1,522,543 | \$1,568,085 | \$1,603,513 | \$3,173,026 | 102.4% |
| 110 - Legal | | | | | |
| 100 - Administration | \$1,221,571 | \$1,236,610 | \$1,222,816 | \$1,295,100 | 4.7% |
| Total 110 - Legal: | \$1,221,571 | \$1,236,610 | \$1,222,816 | \$1,295,100 | 4.7% |
| 115 - City Secretary's Office | | | | | |
| 100 - Administration | \$649,064 | \$812,732 | \$906,335 | \$944,567 | 16.2% |
| Total 115 - City Secretary's Office: | \$649,064 | \$812,732 | \$906,335 | \$944,567 | 16.2% |
| 120 - Human Resources | | | | | |
| 100 - Administration | \$1,668,350 | \$1,849,938 | \$1,987,424 | \$2,388,756 | 29.1% |
| Total 120 - Human Resources: | \$1,668,350 | \$1,849,938 | \$1,987,424 | \$2,388,756 | 29.1% |
| 130 - Finance | | | | | |

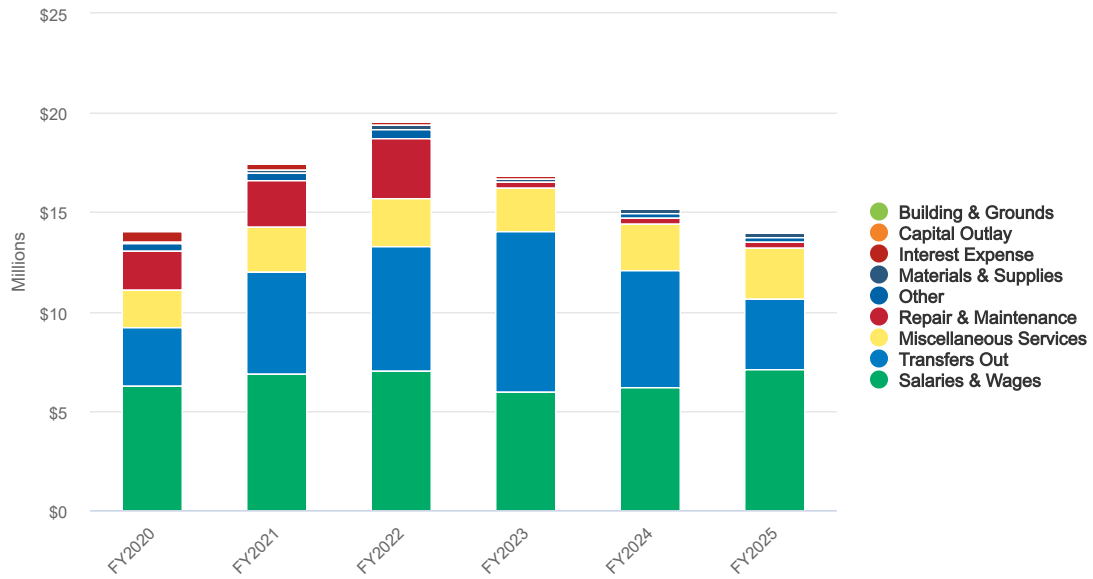
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|-------------------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| 100 - Administration | \$2,776,985 | \$3,033,273 | \$2,945,765 | \$2,047,660 | -32.5% |
| Total 130 - Finance: | \$2,776,985 | \$3,033,273 | \$2,945,765 | \$2,047,660 | -32.5% |
| | | | | | |
| 140 - Information Technology | | | | | |
| 100 - Administration | -\$7,950 | \$0 | \$0 | \$0 | 0% |
| Total 140 - Information Technology: | -\$7,950 | \$0 | \$0 | \$0 | 0% |
| | | | | | |
| 150 - Other Requirements | | | | | |
| 100 - Administration | \$960,634 | \$933,467 | \$923,074 | \$838,464 | -10.2% |
| 261 - IMT Logistics | \$8 | \$0 | \$0 | \$0 | 0% |
| 910 - Transfers | \$7,855,664 | \$5,538,030 | \$5,538,030 | \$3,085,421 | -44.3% |
| Total 150 - Other Requirements: | \$8,816,306 | \$6,471,497 | \$6,461,104 | \$3,923,885 | -39.4% |
| Total Expenditures: | \$16,836,960 | \$15,150,674 | \$15,287,796 | \$13,949,873 | -7.9% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|-------------------------------|---------------------|-----------------------|-----------------------|---------------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$5,946,274 | \$6,212,942 | \$6,352,657 | \$7,085,846 | 14% |
| Materials & Supplies | \$171,768 | \$195,766 | \$212,410 | \$212,812 | 8.7% |
| Repair & Maintenance | \$291,328 | \$311,784 | \$344,387 | \$311,964 | 0.1% |
| Miscellaneous Services | \$2,178,148 | \$2,366,464 | \$2,342,110 | \$2,591,156 | 9.5% |
| Other | \$8,915 | \$211,800 | \$184,314 | \$214,300 | 1.2% |
| Interest Expense | \$124,174 | \$0 | \$0 | \$0 | 0% |
| Transfers Out | \$8,116,353 | \$5,851,918 | \$5,851,918 | \$3,533,795 | -39.6% |
| Total Expense Objects: | \$16,836,960 | \$15,150,674 | \$15,287,796 | \$13,949,873 | -7.9% |

City Council



Kevin Cole
Mayor

The City of Pearland is governed by the Council/Manager form of government in accordance with the Home Rule Charter adopted by the voters in February 1971.

The City Council is the legislative and policy-making body of the city. It consists of 7 members elected at-large for 3-year, staggered terms. Elections are held annually on the second Saturday in May. The Mayor and Council provide community leadership, develop policies to guide the city in delivering services and achieving community goals, and encourage citizen awareness and involvement. Elected members of the City Council serve part-time as part of their commitment to the community and serving Pearland. The City Manager, City Attorney, and Municipal Court Judge are under the direction of the Mayor and City Council. Under the Council/Manager form of government, the City Manager is responsible for overseeing the City's staff.

Goals

- Maintain strong relationships with Federal, State and Local entities and staff executives in support of the City's current and future financial needs involving transportation, facilities, and major capital improvement priorities.
- Prioritize Capital Improvement Program.
- Establish annual property tax rate and debt service rate to accomplish objectives and remain a positive place to live and build.
- With ordinances, development regulations, and policies, maintain the characteristics that make Pearland a safe, warm community with attractive neighborhoods, accessibility, and cosmopolitan feel while enhancing the sense of community building, quality of life improvements and beautification opportunities.
- Review and maintain the Council Strategic Priorities and associated milestones.
- Encourage diversity of opinions and perspectives.

Fiscal Year 2024 Accomplishments

- Focused on the community's goals, long-term considerations as described in the adopted plans, goals, and strategies, for enhancing the Pearland community's growth, land use development, major projects, capital improvement plans, capital financing and strategic planning.
- Maintained a high level of citizen satisfaction and cost-effective delivery of City services: Provided value for tax dollars.
- Ensured continued sound fiscal policies and effective budget oversight.
- Awarded various Capital Improvement projects to assist with the growth and maintenance of the City.
- Reduced the Debt Service Tax rate and upgraded the City's credit rating.
- Established Water and Sewer rates ensuring the finances of the Enterprise Fund are strong and internal service funds are supported.
- Approved the "Connected Community" Strategic Priority and adopted the updated priorities and milestones on March 25, 2024.
- Adopted the Pearland2040 Comprehensive Plan and the update to the Pearland Prosperity Plan.

Fiscal Year 2025 Objectives

- Support financial policies and programs for infrastructure and asset recapitalization for streets, sidewalks, water/sewer, motor pool, facilities, information technology, and drainage efforts.
- Review Financial Policies including fund balance ranges.
- Provide leadership and direction for capital projects with adoption of CIP and updates to Land Use Plan.
- Conduct City Council Strategic Goal Review/Setting Workshop and Early Budget Input Session in accordance with the City's Strategic Priorities.
- Support the rewrite of the Unified Development Code to meet the initiative of supporting small and expanding businesses/simplifying permitting in addition to promoting high quality, high value, dense development with all city resources and infrastructure in mind.
- Adopt an annual budget that will ensure sustainability for the City over the next 5 plus years.

City Manager



Trent Epperson
City Manager

Overview

The City Manager is appointed by the City Council to lead the daily operations of the City, implement policies established by City Council and achieve strategic objectives established by Council. The City Manager is responsible for preparation, filing and management of the annual budget necessary to achieve organizational goals, and reports to the City Council on the City's financial position. The City Manager also approves and coordinates materials for the Council meetings, special meetings, and public hearings. Professionals in the Office of the City Manager assist the City Manager with these duties and responsibilities. The Deputy City Manager has overall portfolio responsibilities to help guide the City and leads the Public Safety departments, which includes Police, Fire, Office of Emergency Management, in addition to the General Government departments of the City Secretary, which includes the Municipal Court, and Human Resources. The Assistant City Manager has leadership responsibilities over Community Development, Visit Pearland, Finance, Parks, and Recreation, in addition to the Office of External Affairs, and the Office of Management and Budget. Within the City Manager's Office, the Chief Customer Experience Officer, Office of Management and Budget, and Office of Emergency Management have global responsibility across the organization. The Chief of Staff provides strategic support to the Office of the City Manager and the Grants Manager manages external affairs and accesses available state and federal funding for Council priorities.

Key Budget Items for FY 2025

- Supporting the FY25 City of Pearland budget with an overall property tax rate of \$0.6350.
- Intentional focus on customer service through development of intentional framework and additional personnel.
- Driving future growth through redevelopment and reinvestment in older areas of the community.
- Continue to improve the status of our Fire/EMS apparatus.
- Prioritizing Public Safety with additional personnel.
- Preserving our water and wastewater capital investments through an Asset Reliability Team for Pearland Water.
- Expanding capacity in our Engineering and Public Works (EPW) department through the addition of a Street Maintenance Crew and adding capacity for our Capital Projects team.

Goals

- Keep City Council informed of critical business of the City.
- Ensure continuity of essential City services on which the community always depends, including emergency situations.
- Prepare City staff to protect the community from all hazards, natural and otherwise.
- Keep Pearland citizens and businesses updated on City policies and operations via all available means.
- Provide timely and transparent financial and capital project reports to City Council.
- Present a balanced annual operating budget to City Council that meets the needs of a growing and dynamic City and achieves the Council's strategic priorities.
- Advocate for improved traffic safety/transportation capacity and city-wide mobility enhancements.
- Support strategic and quality Economic Development growth.

Fiscal Year 2024 Accomplishments

- Held a City Council Strategic Planning Retreat on February 24, 2024, which resulted in the review of Strategic Priorities and milestones. The “Whole Community” milestone was changed to “Connected Community”, to better encapsulate the meaning: fostering a sense of belonging and encouraging opportunities to connect through multifaceted events, services, amenities, and gathering spaces.
- Convened City Council Early Budget Input Session on April 22, 2024.
- Continued regular CIP updates to City Council on a quarterly basis.
- Completion of the Advanced Metering Infrastructure (AMI) project.
- Ten of the fourteen 2019 bond election projects have been completed with the remaining four projects in progress.
- Eight of the nineteen 2023 bond projects are in progress with the remaining eleven slated to be initiated over the next three years.
- Evaluated debt funding issuances and refunding opportunities to contain or reduce the City’s overall debt service tax rate.
- Managed performance through the lens of the Strategic Priorities and associated milestones.
- Developed People First Pearland, a set of customer service standards that establish baseline standards for engagement.
- Delivered a balanced, sustainable budget to City Council which was adopted on September 23, 2024.

Fiscal Year 2025 Objectives

- Implement new and/or modified milestones that correlate to the City’s strategic priorities from the February 2025 City Council Strategic Retreat. Continue adoption and usage of the internal tracking dashboard.
- Present funding issuances and refunding opportunities to contain or further reduce the City’s overall debt service.
- Continue to explore opportunities and options for reducing overall tax burden.
- Continue implementation of the 2019 Bond program and initiate projects from the 2023 Bond program, substantially within schedule and budget.
- Increase the efficiency of Disaster Response by continuing to offer Emergency Management training opportunities for staff.
- Move towards fully funding motor pool fund, in addition to finalizing funding mechanisms for Internal Service funds for IT and Facilities.
- Ensure budget supplemental items are implemented and delivered.
- Implement the business plan for the comprehensive Customer Experience Management framework, aligning the City towards People First Pearland.
- Initiate mid-range financial planning.
- Continue with the long-range financial vision for City Council deliberation, with a view toward sustainably funding infrastructure recapitalization inclusive of the financial policies and programs.
- Collaboratively work with City departments and community stakeholders to secure effective positions on policy, legislative, and/or regulatory matters impacting the City, with an emphasis on acquiring external funding from federal and/or State agencies for eligible, unfunded capital improvements and/or public safety resources.

Performance Measures

City Council sets the strategic vision for the City of Pearland through the development of the Strategic Priorities and associated milestones. Milestones were created during the February 2023 Council retreat (FY23) and are reviewed annually at the strategic planning session each year, meaning they may change from one year to the next.

| Strategic Priority | FY23 Actual | FY24 Actual | FY25 Target |
|----------------------|----------------|----------------|----------------|
| Milestones Completed | 6 | 17 | 10 |

Legal



Darrin Coker
City Attorney

STRATEGIC COUNCIL PRIORITY: Protecting the City's assets through ordinance and risk analysis, compliance oversight, contract review, prosecutorial duties, and defending the City's legal position where lawsuits and claims are concerned to promote a Fiscally Responsible Government and a Safe Community.

Overview

The City Attorney is appointed by the City Council and serves as legal adviser to the City Council, City Manager, and City departments, representing the City in legal matters. The department consists of four full-time attorneys, and one part-time prosecutor, supported by a Legal Secretary. The Associate City Attorney serves as Prosecutor in Municipal Court. The Legal Department is responsible for drafting the legislation upon which City Council votes in setting the policies of the City, attending City Council and other City board meetings to advise City officials and representatives regarding legal matters. Some of these include selecting and managing outside counsel to represent the City in specialized litigation and other legal proceedings, prosecuting misdemeanors in the City's Municipal Court, and advising and assisting the City's departments regarding legal issues associated with contracts, real estate transactions, personnel, economic development, engineering and public works issues, emergency services, and finance.

Key Budget Items for FY 2025

- No significant changes.

Goals

- Continue to monitor and develop an oversight protocol with City departments.
- Work with City departments to accomplish the early assessment of potential litigation.
- Evaluate and update various City Ordinances to bring them into alignment with the City's needs and goals.
- Assist all City departments with the implementation of their respective goals and objectives.

Fiscal Year 2024 Accomplishments

- Prepared numerous residential, commercial, institutional and economic development agreements for the City.
- Coordinated and assisted outside counsel in the resolution of multiple litigation cases.
- Efficiently carried out the prosecutorial duties of a growing and back-logged municipal court.
- Coordinated the acquisition of multiple properties through the eminent domain process, thereby allowing for the timely construction of various City projects.
- Provided legal representation at all meetings of the City Council, PEDC, P&Z and the ZBA.
- Provided effective legal counsel to all departments in the City on.
- Coordinated comprehensive training for Capital Projects staff.
- Coordinated ethics training for elected officials and board members.
- Coordinated numerous nuisance abatement cases.
- Assisted Finance Department with resolution of tax calculation issues.
- Prepared a best practice guide for compliance with Chapter 145 of the Local Government Code.

Fiscal Year 2025 Objectives

- Provide legal representation at all meetings of the City Council, Planning and Zoning Commission and the Zoning Board of Adjustments.
- Provide each department's legal services in a quality, yet efficient and cost-effective manner; such service includes specific training for each City department.
- Facilitate Legal Department transition training.
- Facilitate meetings with the 2025 Charter Review Commission.
- Possibly facilitate the Meet and Confer process for police and/or fire.
- Coordinate negotiation of multiple economic development agreements.
- Coordinate, with outside counsel, on multiple property acquisitions associated with the various City projects.
- Review and revise the City's Code of Ordinances as appropriate.
- Provide competent and efficient prosecutorial services for the City's Municipal Court.

City Secretary



Frances Aguilar
City Secretary

STRATEGIC COUNCIL PRIORITY: The City Secretary's Office serves as stewards of Trusted Government by promoting transparency, engaging the community, building confidence by continually improving operational processes, and enhancing services. CSO also provides a high level of service, leadership, and support to all departments in meeting their Strategic Council Priorities.

Overview

The City Secretary's Office is a service-oriented office entrusted to serve as stewards of open and transparent city government, as well as foster community engagement. The department provides oversight to the administration of City Council, Boards and Commissions, Elections, and Open Government Programs. CSO also serves as the administrator to iCompass, Laserfiche, and GovQA systems. Each of these systems is a trusted source of information for citizens and internal departments.

The mission of the City Secretary's Office is to support, facilitate, and strengthen the City of Pearland governmental process by:

- Facilitating the City's legislative process
- Ensuring transparency and access to city records
- Enhancing public participation in municipal government processes
- Maintaining the integrity of the election process
- Providing continuity for Pearland's city government by recording its legislative actions, both contemporary and archival, and serving as historian for the City
- Serving as the compliance officer for federal, state, and local statutes

The City Secretary's Office serves as a resource for citizens and a link between citizens and the City organization.

Key Budget Items for FY 2025

The addition of a Records Analyst (annual cost of \$14,000) will enhance the city-wide Records Management Program. The employee will allow for a quality assurance and verification process to ensure all records are accurately categorized, indexed, and securely stored or destroyed.

Goals

- Administer the first City-wide Citizen's Academy.
- Complete the preservation of the City's records.
- Fully digitize the permit process for alcoholic beverages and solicitor permits.
- Apply for the Municipal Clerks Office Achievement of Excellence Award.

Fiscal Year 2024 Accomplishments

- Awarded the Transparency Star in Open Government and Compliance by the State Comptroller's Office.
- Analyzed departmental services, staffing, and operations to re-organize the department for operational efficiencies and succession planning.
- Continued preservation of the City's records by digitizing City Council and board meeting minutes, ordinances, and resolutions to provide online access to City records.
- Successfully conducted the City's general election, as ordered by the Pearland City Council for the election of Councilmember Position No. 2, and Councilmember Position No. 4.
- Oversaw the recruitment/appointment process of Council's boards, committees, and commissions.
- Improved public information request process with the transition to JustFOIA.
- Implemented the Records Management Manual.

Fiscal Year 2024 Objectives

- Administer department services in compliance with all city, state, and federal laws.
- Provide access to City information to promote transparency and increase efficiencies in the delivery of services.
- Administer the department funding allocation to continue providing effective and efficient services.
- Conduct the Annual Board Appointment Process.
- Administer City elections to ensure unbiased and ethical conduct in the process.
- Maintain a comprehensive records management program.
- Provide support and training for city employees to ensure compliance with the Records Management Program, Public Information Act, and Open Meetings Act.

Performance Measures

| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Target |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Public Information Requests processed | 1,873 | 1,930 | 2,168 | 2300 |
| Number of pages imaged in Laserfiche | 1,466,289 | 1,035,494 | 50,617 | 50,000 |
| City Council Agendas | 43 | 42 | 44 | 42 |
| Other Agendas/Notices | 39 | 87 | 35 | 40 |
| Minutes | 82 | 129 | 79 | 82 |
| Ordinances processed | 43 | 38 | 39 | 40 |
| Resolutions processed | 300 | 294 | 286 | 295 |
| Number of votes cast (average) | 4,302 | 5,153 | 4,148 | 4300 |
| Average % of voter turnout | 5.36% | 6.21% | 4.88% | 5% |

Human Resources



LaRae James
Director of Human Resources

STRATEGIC COUNCIL PRIORITY: A highly qualified and well-trained workforce, in all areas, results in efficient, effective services, Exceptional Government, and support for departments' ability to meet their goals towards other Strategic Council Priorities.

Overview

The Human Resources Department is an internal services department designed to offer leadership and support to the organization, build relationships and employee connections. The Department provides oversight of programs and systems that shape the framework for our work culture. These programs and systems affect how employees perform as a workforce, as well as what is perceived as valued by the organization. The Department is comprised of two divisions. Human Resources and Risk Management. Combined, these divisions are responsible for various workforce services, including talent management, organizational development, salary and benefits management, health and wellness, organizational support, property and liability insurance programs, workers' compensation program, safety and loss prevention, and contractual insurance requirements.

Key Budget Items for FY 2025

- Increased certification pay for certified Police Officers to remain competitive with other municipal entities
- Broaden certification, list for Pearland Utilities Department.
- Conduct a city-wide compensation study with vendors in preparation for FY 26 implementation.
- Administered an effective salary rate increase of 5% for FY 24. (8.8% for Police, 13% for Fire and 5% for staff members).
- Maintained a low healthcare premium rate to remain competitive in the market.
- HR Business Partner (annual cost \$91,023).

Goals

- Recruit, engage, and retain top talent.
- Manage risks and safety initiatives within the organization.
- Promote work-life balance and wellness.
- Develop implement and manage effective and efficient programs, systems, and process
- Expand the Certification Pay Structure to encourage development and reinforce a strong yet highly skilled workforce in the City.
- Increase employee engagement through training and DEI to achieve TOP Workplace in the Houston region and USA.
- City wide succession planning to ensure continuity of knowledge and skills to support the citizens.
- Implement a new integrated Policy Platform through Lexipol.
- Expand Leadership Orientation for all people leaders to build softskills to become effective managers.

Fiscal Year 2024 Accomplishments

- Payroll transitioned to HR
- Conducted Citywide Fire Drills at city facilities
- Created Fire Warden Training Program
- Relaunching Random Drug Testing for CDL Drivers
- Implemented the Safety Committee and Accident Review Board
- Updated SDS binders for all treatment plants
- Employee Wastewater and Water License Compliance Tracking
- Implemented Work Shield in partnership with Pearland PD
- Conducted 14 in-house fact findings and facilitated 14 Work Shield submissions
- Accident Review Board reviewed 34 accidents (starting Jan. 24' through end of FY24)
- Women in the Workplace - March event
- On-site LEAP program with 40 employees participating
- Performance Management (Annual Reviews) had a 100% completion rate
- Conducted on-site health fair with the largest vendor and employee attendance to date
- Helped implement the conversion from EPW to EPW and Utilities
- All personnel files are automated in the repository.
- Implemented a city-wide training & events calendar
- Revitalized Tenure Thursdays for recognition
- Conducted Hydration Stations during the summer months
- Fire department training on 614, FMLA, and Civility
- Accident Review Board completed Accident Analysis Training conducted by TML.
- Top Workplace to Work - USA and Houston
- Met with each Department about their Engagement Survey results, which led to programs and methods to measure, monitor, and increase engagement
- Hosted monthly themed events for employee engagement
- Pearland Games Cornhole Tournament had 50 teams and resulted in building interdepartmental relationships.
- Led the selection process and hired a new Director of Finance
- •Redefined certification pay to be represented on the Pay Plan
- Windstorm ratings were established for all buildings and placed in GIS
- Conducted FMLA training throughout the City
- Assisted Police and Fire with recruiting for entry-level positions
- Attended three Career Fairs to attract candidates
- Several Policy Updates were initiated and administered
- Kelsey Mobile Units visited 8 sites for onsite physicals
- Mobile unit on site for mammograms
- Processed 72 position review requests
- Onsite Dental services
- Situational Awareness/ CRASE training - 60 people certified
- Implemented the WELLNESS Platform – Virgin Pulse
- Implemented the Benefit Hotline Number 877-838-4779
- Hosted monthly Wellness Lunch and Learn Seminars
- Implemented the ICMA High Performance Leadership Class for CoP Employees

Fiscal Year 2025 Objectives

- Comprehensive external review and recommendations related to employee compensation and classification.
- External evaluation of lean mapping to consolidate processes and systems.
- Explore and initiate a centralized policy and procedures management system.
- Determine metrics to measure department effectiveness and assist in predicting/planning for the future.
- Comprehensive compensation study of all non-public safety positions.
- Launching a new Employee Manual through Lexipol
- Develop inclusive training
- Launch R.O.A.D Ready and Champion Vincible for PD
- Expand LEAP to 2 sessions
- Citywide succession planning
- Implement new MotiveMe Reward program (VirginPulse)

Performance Measures

| | FY2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Target |
|--|------------------|-------------------|-------------------|-------------------|-------------------|
| Number of vacated or new positions posted | 259 | 242 | 195 | 145 | 140 |
| Number of employment applications received | 12,226 | 12,450 | 11,542 | 9,519 | 10,000 |
| Annualized Citywide turnover rate (FT employees) | 17% | 20% | 17% | 18% | 17% |
| Number of training hours to new and existing employees | 75 | 720 | 797 | 893 | 895 |

Finance



Melissa Saxton
Director of Finance

Strategic Council Priority:

The Finance Department upholds the Council's strategic priorities of *Resilient Finances*, *Trusted Government*, and *Strong Economy* by integrating accountability and transparency into a structured decision-making framework. Through informed and responsible resource management, the department fosters public trust, upholds fiscal discipline, and supports effective governance, ensuring long-term financial sustainability and economic strength for the community.

Overview

Finance Department Overview:

The Finance Department is committed to implementing sound financial management practices and delivering accurate, transparent financial reporting to ensure the City's long-term fiscal sustainability. The department oversees all financial operations, including investments, accounting, budgeting, purchasing, and payroll. Additionally, it serves as the administrative liaison with federal and state grant-making agencies, facilitating funding for both City-wide and departmental capital and non-capital projects. Key responsibilities also include managing audits, ensuring compliance with internal and external fiscal policies, enhancing financial transparency, overseeing accounts payable and receivable, and maintaining the City's bond rating through strategic financial stewardship and sustainability initiatives.

Key Budget Items for FY 2025

Key Budget Items for FY 2025

The FY 2025 Finance budget reflects continuity and stability, with no significant changes from the previous fiscal year. Allocations remain consistent with prior years, ensuring the resources necessary to sustain operations and support ongoing initiatives. This approach allows the department to effectively achieve its goals while maintaining financial prudence and operational efficiency.

Goals

- **Achieve a 10% Improvement in Revenue Collection Efficiency** – Streamline billing and payment systems, and reduce outstanding balances by 15% within the next 12 months. (*Ownership, Innovation*)
- **Maintain a Debt-to-Revenue Ratio Below Industry Standards** – Ensure the debt service coverage ratio remains above 2.0. (*Integrity, Transparency*)
- **Reduce Response Time to Citizen Inquiries** – Decrease response times by 20% within six months, improving service and trust. (*Trust, Transparency*)
- **Create a Public-Facing Online Portal for Real-Time Financial Data** – Increase accessibility by 30% by year-end and ensure 100% of key financial reports are available in multiple languages and formats by Q3 2025 to enhance inclusivity. (*Transparency, Innovation*)
- **Achieve an 80% or Higher Satisfaction Rate in Surveys** – Focus on financial and procurement compliance processes, aiming for this target by fiscal year-end 2026. (*Trust, Teamwork*)
- **Ensure 100% Data Accuracy** – Implement automated data validation processes by mid-2025 to improve accuracy and reliability. (*Integrity, Innovation*)
- **Achieve a 95% Compliance Rate in External Audits** – Implement a new internal controls framework, conduct monthly audits, and reduce audit discrepancies by 30% within the next year. (*Integrity, Ownership*)
- **Foster a Collaborative Learning Environment** – Pair team members with financial mentors, increasing knowledge retention by 25% and certifying 80% of financial staff in advanced financial principles by Q3 2025. (*Teamwork, Innovation*)
- **Introduce a Continuous Improvement Program** – Implement at least five new process improvements within financial operations by Q4 2025. (*Innovation, Ownership*)
- **Train Senior Financial Staff in Advanced Data Analytics** – Certify 100% of senior staff in analytics tools and ensure 70% of key financial decisions are backed by data-driven insights by Q2 2025. Implement a centralized data dashboard for real-time tracking by year-end. (*Innovation, Transparency*)

Fiscal Year 2024 Accomplishments

- **Safeguarded City Assets** – Strengthened internal controls to effectively protect the City's assets. *(Integrity, Ownership)*
- **Service Quality Improvement** – Enhanced the quality and efficiency of financial services to ensure timely support and uphold high standards. *(Teamwork, Innovation)*
- **Operational Efficiency** – Streamlined internal workflows to improve the efficiency of financial processes and reduce turnaround times. *(Innovation, Ownership)*
- **Procurement Compliance** – Ensured all purchases adhered to State statutes and City policy, securing the best value for goods and services. *(Integrity, Transparency)*
- **Policy Implementation** – Developed and enforced policies that reinforced the City's financial integrity. *(Integrity, Trust)*
- **Managed Debt Program** – Effectively oversaw the City's debt program, including new issuances, debt service payments, and bond covenant compliance. *(Integrity, Transparency)*
- **Investment Management** – Managed City funds and bond proceeds in alignment with the City's Investment Policy. *(Integrity, Ownership)*
- **Stakeholder Collaboration** – Built strong partnerships with internal and external stakeholders to enhance strategic decision-making. *(Teamwork, Trust)*
- **Staff Development** – Conducted staffing assessments, trained new team members, and implemented strategies to retain top talent. *(Teamwork, Innovation)*
- **Process Improvements** – Identified and implemented changes to improve financial processes and operational efficiency. *(Innovation, Ownership)*

Fiscal Year 2025 Objectives

- **Maximize Revenue Collection Efficiency** – Streamline processes to ensure effective revenue collection. *(Ownership, Innovation)*
- **Maintain a Credit Rating of AA or Higher** – Actively manage debt levels, diversify funding sources, and ensure responsible financial forecasting to minimize financial risk and optimize borrowing costs. *(Integrity, Transparency)*
- **Enhance Citizen Satisfaction with Financial Transparency and Responsiveness** – Foster trust by prioritizing clear and timely communication with citizens. *(Trust, Transparency)*
- **Improve Accessibility of Financial Information** – Ensure financial data is readily available and understandable for stakeholders. *(Trust, Transparency)*
- **Foster Positive Relationships with Internal and External Customers Regarding Financial and Procurement Compliance** – Build trust and strengthen collaboration with all partners. *(Trust, Teamwork)*
- **Optimize Financial Data Management System** – Enhance systems for efficient and accurate data handling. *(Ownership, Innovation)*
- **Improve Internal Controls and Audit Compliance** – Strengthen safeguards to protect assets and ensure regulatory compliance. *(Ownership, Integrity)*
- **Develop Financial Management Expertise Within Staff** – Invest in staff training and development to build a strong and knowledgeable team. *(Teamwork, Innovation)*
- **Implement Continuous Improvement Practices in Financial Operations** – Embrace innovation to enhance efficiency and effectiveness. *(Innovation, Ownership)*
- **Foster a Culture of Data-Driven Decision Making** – Leverage analytics to inform strategic decisions. *(Innovation, Transparency)*

Performance Measures

| Metric | Target | Measurement | Scoring |
|---------------------------------------|--------------------------------|---|--|
| Fund Reserve Ratio | 90 Days Cash on Hand | Unrestricted Cash / Avg Daily Expenses | > 90 Days: Excellent, 75-89 Days: Satisfactory, < 75 Days: Needs Improvement |
| Debt Service Coverage Ratio (DSCR) | Maintain 1.5 Ratio | Net Operating Income / Debt Obligations | > 1.5: Excellent, 1.2-1.5: Satisfactory, < 1.2: Needs Improvement |
| Accounts Receivable Collection Period | Collect Receivables in 30 Days | Receivables / Avg Daily Revenue | ≤ 30 Days: Excellent, 31-60 Days: Satisfactory, > 60 Days: Needs Improvement |
| Accounts Payable Turnover Ratio | Pay Invoices in 30 Days | Avg Days to Pay Accounts Payable: (AP / Total Expenses) × 365 | ≤ 30 Days: Excellent, 31-60 Days: Satisfactory, > 60 Days: Needs Improvement |
| Bond Credit Rating | Maintain/Improve Bond Rating | Ratings from S&P, Fitch, Moody's | Excellent: No downgrade, above target; Satisfactory: Minor downgrade; Needs Improvement: Significant downgrade |

| Metric | 2022 | 2023 | 2024 | 2025 Target |
|---------------------------------------|--------------|--------------|--------------|-------------|
| Fund Reserve Ratio | Satisfactory | Excellent | Excellent | Excellent |
| Debt Service Coverage Ratio (DSCR) | Excellent | Excellent | Excellent | Excellent |
| Accounts Receivable Collection Period | Excellent | Excellent | Excellent | Excellent |
| Accounts Payable Turnover Ratio | Satisfactory | Satisfactory | Satisfactory | Excellent |
| Bond Credit Rating: | | | | |
| Tax Backed Bond Rating | | | | |
| Moody's | Aa2 | A2 | A2 | Aa2 |
| Fitch | AA | AA | AA+ | AAA |
| S&P | AA | AA | AA | AA+ |
| Revenue Bond Rating: | | | | |
| Moody's | Aa3 | A3 | A3 | Aa2 |
| Fitch | AA- | AA+ | A | AA |
| S&P | AA- | N/A | AA | AAA |

Public Safety

The Public Safety functions include Fire, the Office of Emergency Management, and Police.
*The Office of Emergency Management (OEM) is part of City Managers' Office and is included when considering Goals, and Performance Measures.

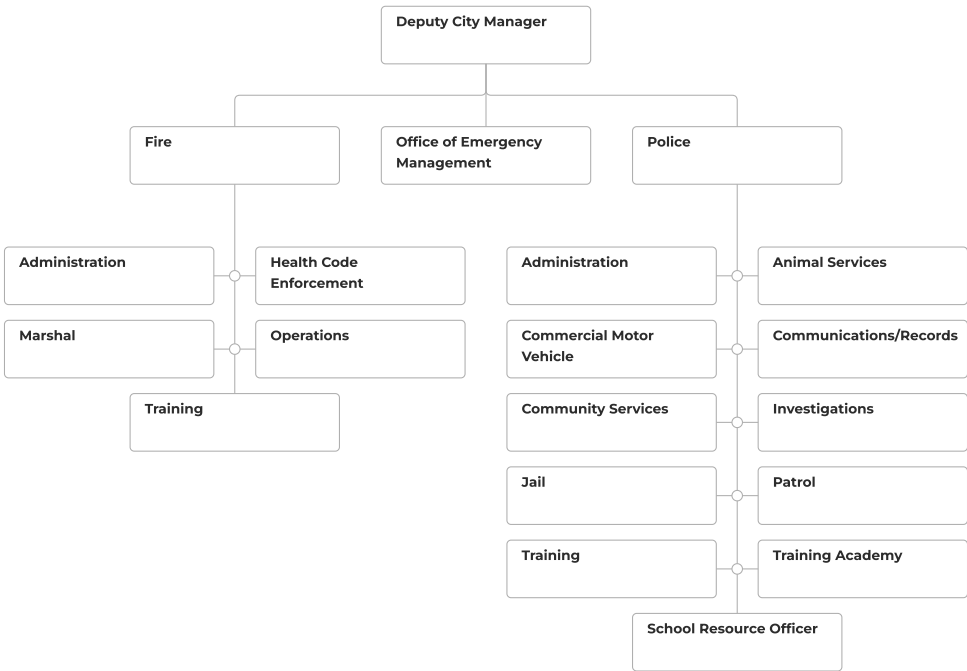
Expenditures Summary

\$76,481,429

\$7,840,216
(11.42% vs. prior year)

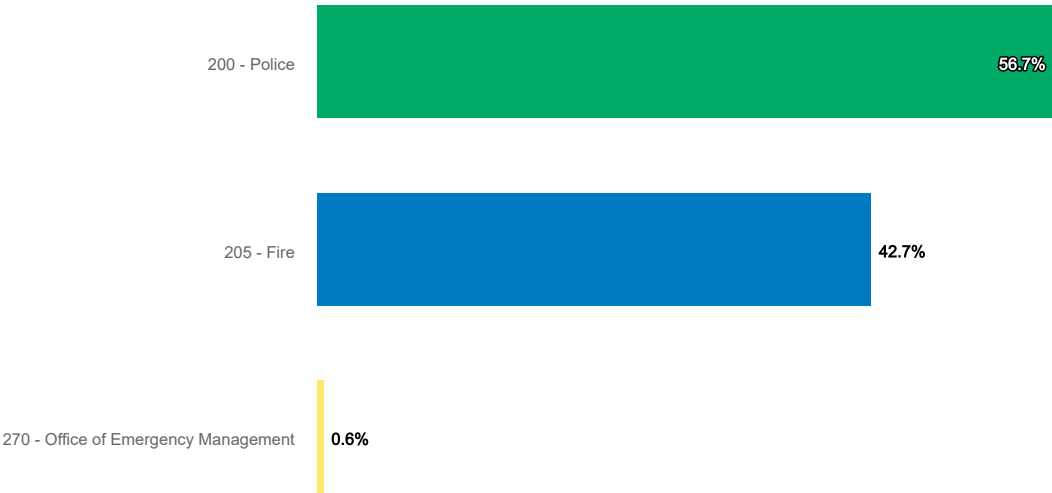
Organizational Chart

FY25 Public Safety

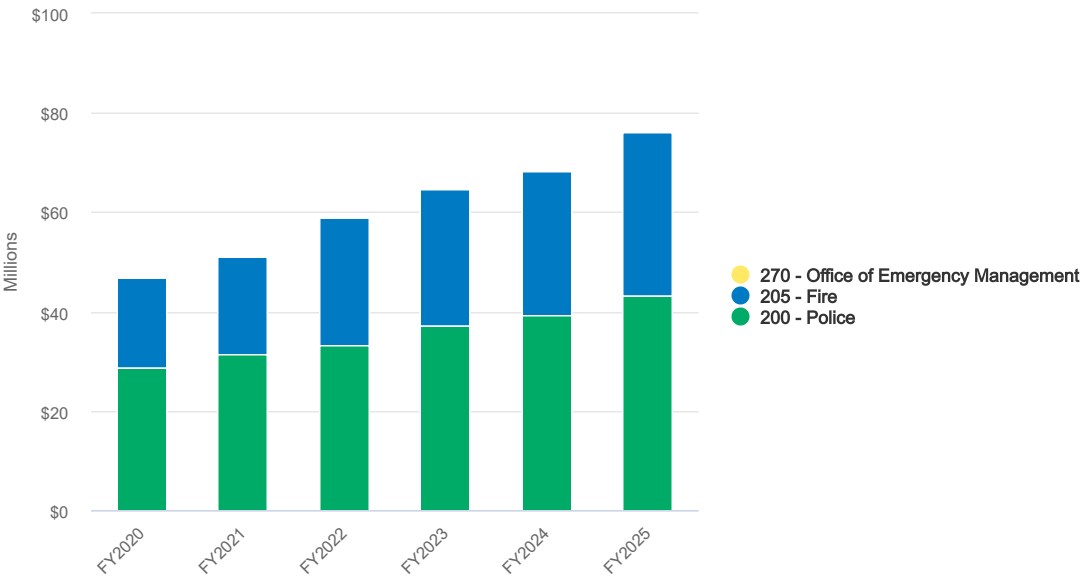


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

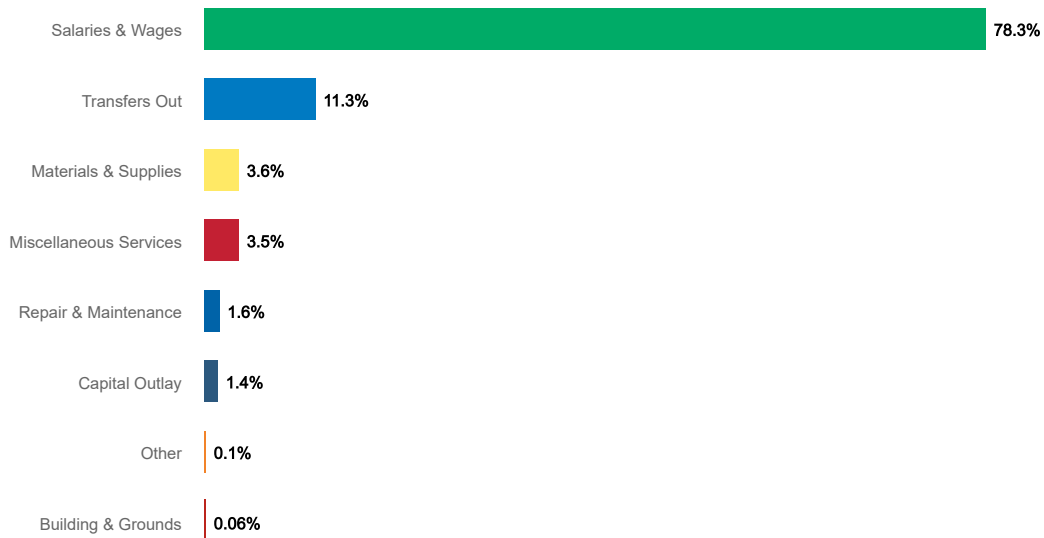


| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|-----------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 105 - City Manager's Office | | | | | |

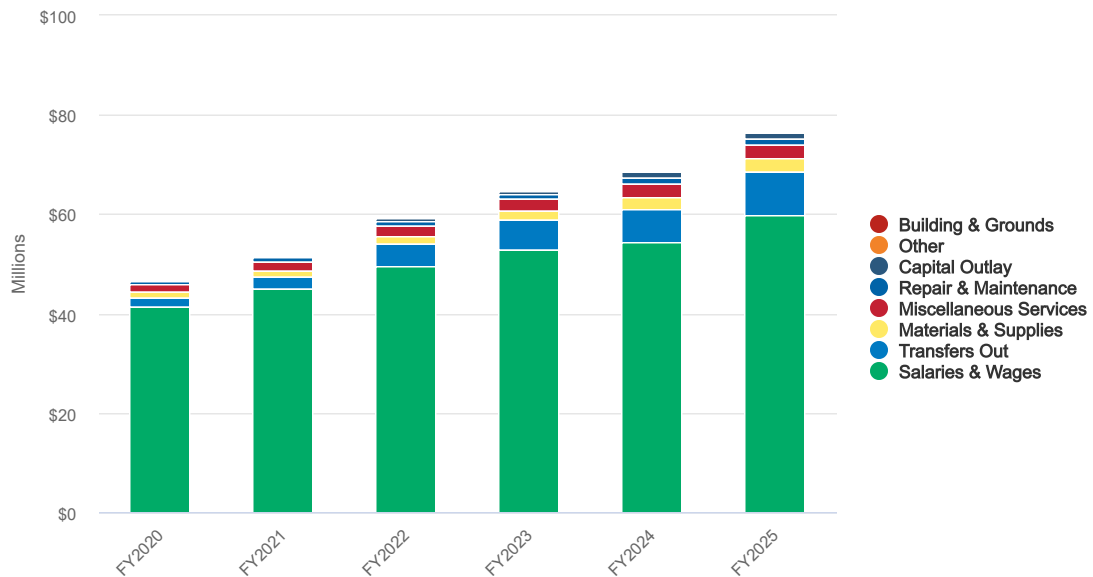
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|--|---------------------|--------------------------|--------------------------|---------------------|--|
| 270 - Office of Emergency Management | \$345,602 | \$482,674 | \$461,143 | \$483,422 | 0.2% |
| Total 105 - City Manager's Office: | \$345,602 | \$482,674 | \$461,143 | \$483,422 | 0.2% |
| | | | | | |
| 200 - Police | | | | | |
| 100 - Administration | \$4,619,841 | \$4,964,365 | \$4,987,510 | \$5,825,092 | 17.3% |
| 200 - Patrol | \$18,850,577 | \$18,955,622 | \$20,001,359 | \$20,893,655 | 10.2% |
| 205 - Patrol - Commercial Motor Vehicle | \$291,850 | \$338,566 | \$326,034 | \$342,162 | 1.1% |
| 215 - Investigations | \$4,224,504 | \$4,385,243 | \$4,714,270 | \$5,125,815 | 16.9% |
| 225 - Admin - Community Services | \$1,777,321 | \$1,399,073 | \$1,464,069 | \$1,606,619 | 14.8% |
| 230 - Admin - Training | \$430,547 | \$458,566 | \$500,660 | \$458,440 | 0% |
| 235 - Admin - School Resource Officer | \$1,654,327 | \$1,798,743 | \$1,842,966 | \$1,868,661 | 3.9% |
| 240 - Support - Communciations/Records | \$2,763,581 | \$3,130,092 | \$3,007,385 | \$3,112,332 | -0.6% |
| 245 - Support - Jail | \$1,339,250 | \$1,985,979 | \$2,051,561 | \$2,106,599 | 6.1% |
| 250 - Support - Animal Services | \$1,113,601 | \$1,363,975 | \$1,399,367 | \$1,684,089 | 23.5% |
| 255 - Training Academy | \$0 | \$386,581 | \$314,462 | \$325,190 | -15.9% |
| Total 200 - Police: | \$37,065,399 | \$39,166,805 | \$40,609,643 | \$43,348,654 | 10.7% |
| | | | | | |
| 205 - Fire | | | | | |
| 100 - Administration | \$2,410,162 | \$2,873,509 | \$2,894,516 | \$3,890,030 | 35.4% |
| 230 - Admin - Training | \$773,813 | \$884,769 | \$902,476 | \$1,022,180 | 15.5% |
| 260 - Operations | \$22,661,040 | \$23,554,427 | \$25,413,386 | \$25,915,454 | 10% |
| 265 - Marshal | \$919,459 | \$860,895 | \$899,199 | \$1,012,614 | 17.6% |
| 275 - Health Code Enforcement | \$719,329 | \$818,134 | \$772,125 | \$809,076 | -1.1% |
| Total 205 - Fire: | \$27,483,803 | \$28,991,734 | \$30,881,702 | \$32,649,354 | 12.6% |
| Total Expenditures: | \$64,894,804 | \$68,641,213 | \$71,952,488 | \$76,481,429 | 11.4% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|----------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$53,016,061 | \$54,456,573 | \$57,027,281 | \$59,864,206 | 9.9% |
| Materials & Supplies | \$1,889,847 | \$2,566,281 | \$3,296,250 | \$2,769,956 | 7.9% |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|-------------------------------|---------------------|-----------------------|-----------------------|---------------------|---|
| Building & Grounds | \$43,366 | \$33,000 | \$41,587 | \$43,000 | 30.3% |
| Repair & Maintenance | \$978,262 | \$1,248,375 | \$1,206,566 | \$1,251,630 | 0.3% |
| Miscellaneous Services | \$2,274,848 | \$2,739,259 | \$2,605,461 | \$2,706,340 | -1.2% |
| Other | \$64,475 | \$119,512 | \$140,967 | \$96,520 | -19.2% |
| Capital Outlay | \$668,843 | \$996,400 | \$1,152,563 | \$1,098,551 | 10.3% |
| Transfers Out | \$5,959,101 | \$6,481,813 | \$6,481,813 | \$8,651,226 | 33.5% |
| Total Expense Objects: | \$64,894,804 | \$68,641,213 | \$71,952,488 | \$76,481,429 | 11.4% |

Police



J.L. Spires
Chief of Police

STRATEGIC COUNCIL PRIORITY: The Police Department, and its various divisions, places heavy emphasis on making Pearland a Safe Community. Community policing strategies, such as the Citizens' Police Academy, pet foster and adoption programs, and ensuring citizens receive timely and relevant information also promote the City's efforts to cultivate an Engaged Community.

Overview

The Pearland Police Department is responsible for enforcement of all local, state and federal laws within its jurisdiction. The goal of the department is to prevent crime and disorder and improve citizens' quality of life by providing a safe and peaceful environment within the City of Pearland for all its residents. The department provides 24-hour protection to the citizens of Pearland.

The Police Department is active in the community and is involved in various community programs aimed at reducing crime. These programs include National Night Out, the Citizens' Police Academy, homeowner's association meetings, Rape Aggression Defense, Citizen Response to Active Shooter Events, neighborhood watch programs, security surveys, home safety inspections, Teen Citizens Police Academy, Police Explorers, Youth Leadership Academy, as well as other programs. The department operates out of the Public Safety Building on Cullen Parkway.

Pearland Animal Services is also within the purview of the City's Police Department. While protecting the public from problems with animals, Animal Services also protects animals. In addition to the responsibility for impoundment of stray animals within Pearland city limits, the Animal Control Officers provide for adoption of animals, respond to citizen calls of concern or emergencies, provide speakers for educational events for school and local groups, investigate animal cruelty cases, investigate animal bite cases, provide maintenance and care of the shelter facility, as well as care of all impounded animals.

Key Budget Items for FY 2025

- Police Officers (3) – Police-Patrol - \$515,206 (Positions are funded beginning in April 2025).
- 1 FT Animal Control Officer - \$175,620
- 1 FT Crime Scene Supervisor - \$183,413
- 8 Unmarked Vehicles - \$480,000

Goals

- Fairly and uniformly enforce statutory law, policy, and procedures of the City and the department.
- Preserve civil order, investigate crime, and apprehend violators of the law.
- Gather, analyze, and disseminate information on criminal activity and the persons responsible for criminal activity.
- Build a strong working relationship with the community by serving as mentors and liaisons between the community and police.
- Provide advocacy and other services for victims of violent crime.
- Provide and maintain care and custody of prisoners.
- Provide enforcement of commercial vehicle traffic laws for a safer community.
- Serve as a resource for parents and school officials on matters relating to the law/legal process and procedures relating to juveniles and school safety.
- Provide a safe traffic environment through enforcement of traffic laws and other initiatives to reduce the number of motor vehicle and pedestrian accidents.
- Provide targeted enforcement in neighborhoods to reduce traffic violations and improve safety for residents.
- Identify and target organized criminal activity groups committing offenses.
- Provide training to police personnel that meets or exceeds TCOLE training standards and requirements which will improve job performance and proficiency.
- Enforce and prosecute animal cruelty laws.
- Maintain status as a “no-kill” shelter as defined by the Asilomar Accords.
- Utilize DDACTS as an effective police strategy to reduce crime and traffic crashes in “hot spot” areas.
- Improve social media responsiveness and the quantity and quality of posts.

Fiscal Year 2024 Accomplishments

- Recovered 38 stolen vehicles valued at \$844,500. This brings the total value of stolen vehicles recovered since implementing Flock to \$1,683,500. Additionally, 99 arrests were made and 4 firearms seized.
- Fully launched a Drone First Responder Program using 3 sites throughout the community. Site is operated part time.
- Graduated Class 3 of the Pearland Police Academy.
- 90% of Priority 1 Call Responses were at or below 7 minutes.
- Continued successes in the Special Investigative Unit in CID to proactively address emerging crime trends and quality of life crimes/issues. Increased networking and cooperation with similar proactive units in neighboring police jurisdictions has proven to be mutually beneficial.
- Provided over 52,600 hours of training reported to TCOLE, an increase of approximately 9% over the prior year and the highest amount of training ever provided. Additionally, there were approximately 3700 hours of in-house training personnel received which is not reported to TCOLE. Over 950 officers from 185 outside agencies attended training hosted by the Pearland Police Department.
- Graduated two Citizen Police Academies.
- Started a comprehensive study of telecommunication operations to explore a joint dispatch center for Fire and Police calls for service.
- Began the process of certifying Telecommunications supervisors as EMDs (Emergency Medical Dispatchers). The Telecommunications, Manager, Supervisor, Three Team Leads and four Telecommunication Operators, total of 9 EMD certified.
- Continued a Quality Assurance standard to review dispatch operations and processes; this includes a monthly tracking mechanism. Since implementation, we continue to exceed the national standard of 90% or higher.
- Developed policy, trained personnel, and implemented a Tactical Dispatch Team for use in high-risk operations and critical incidents.
- The Pearland Animal Shelter and Adoption Center maintained the Asilomar Accords standard of 90% or above live release rate.
- Continued succession planning through training and certifications of supervisory and non-supervisory personnel.
- Completed the remodel of old Fire Station 4 into the Law Enforcement Training Center.
- Significant completion of the Public Safety Building renovation for a dedicated suite of offices for the Office of Emergency Management, expansion of the EOC, an additional training room #3, and increased functionality and capacity of the kitchen during emergency responses.
- Published an annual report for the police department for the calendar year 2023, the first annual report in almost 2 decades.
- Integrated a Knox box installation with PISD and AISD campuses to provide responding officers a means to gather keys in case of an active attack event.
- Replacement of Motorola Radios department wide, necessitated by end of life of the old system.
- Implemented the BolaWrap as a less-lethal option to de-escalate incidents.
- Began the implementation of an SRG command structure to lead a team in case of crowd control issues.
- Completed the Public Safety Building renovation for a dedicated suite of offices for the Office of Emergency Management, expansion of the EOC, and increased functionality and capacity of the kitchen during emergency responses.
- Took possession of a complete training kit for active response scenarios via cooperative grant from the Houston-Galveston Area Council. The kit contains simunition weapons, breaching tools, medical training gear, and associated safety equipment. In addition to hosting active response courses in Pearland, the kit is made available to other police agencies in the area with ALERRT instructors to maximize the frequency and availability of active-shooter training in southeast Texas.
- Opened Brazoria County's first Real Time Crime Center, networking over 3,600 live camera feeds, live 911 calls for service, and active CAD data into a single user friendly system.

Fiscal Year 2025 Objectives

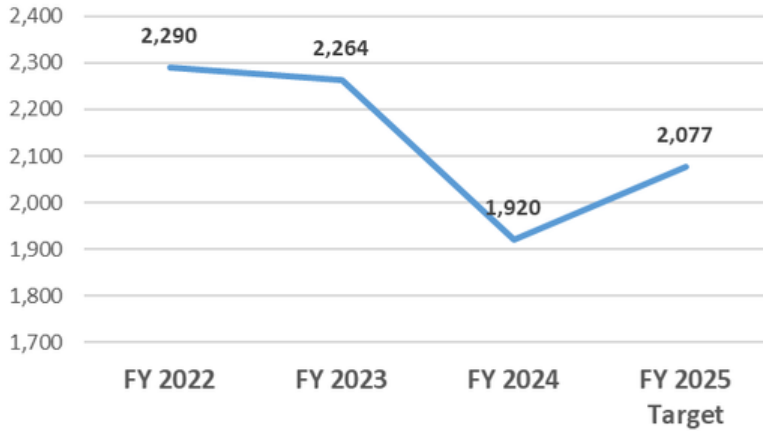
- Complete the comprehensive study of telecommunication operations to explore a joint dispatch center for Fire and Police calls for service.
- Publish an annual report for the police department for calendar year 2024.
- Continue the next phase of a comprehensive training cycle for sworn personnel regarding active attacks. This cycle will include curriculum for the updated ALERRT Level I course and the Active Attack Integrated Response (AAIR) course.
- Strive to keep priority 1 response times of the 90th percentile to 7 minutes or less.
- Certify the remainder of Telecommunications supervisors as EMDs (Emergency Medical Dispatchers) and collaborate with the Pearland Fire Department to determine the appropriate EMD software. Staff collaborated with Fire and agreed to utilize the current software Priority Dispatch, which was previously utilized by the department. The Communications Manager, Supervisor, Team Leads, and four Telecommunication Operators are EMD certified utilizing the Priority Dispatch software. As staffing allows and local training becomes available, other staff will obtain certification.
- Extend the Telecommunications Quality Assurance standards to include review of our transfer of medical calls to meet a benchmark of under 60 seconds.
- Maintain an Asilomar “no kill” status over the fiscal year within Animal Services, defined as a 90% or higher live release rate for canines and felines.
- Increase spay and neuter rates of animals released from the shelter by bringing veterinarian care in-house with the implementation of the part-time Veterinarian.
- Increase public engagement by the Animal Services section through more adoption events, participation in community events, active volunteer engagement, and other avenues as opportunities arise.
- Implement in-house test firing and national database entry of firearms seized for evidentiary purposes, to expedite current processes and eliminate reliance on outside agencies.
- Establish a unit dedicated to the investigation of narcotics offenses, independent of existing partnerships with outside agencies.

Performance Measures

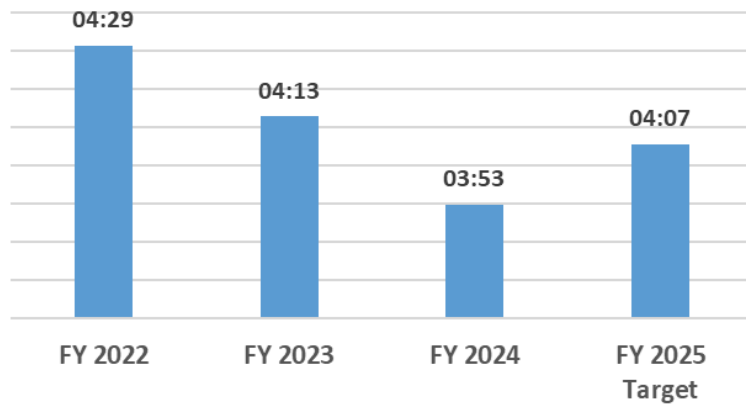
| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Target |
|---|-------------------|-------------------|-------------------|----------------|
| Violent and non-violent crimes reported | 981 | 1,023 | 967 | 975 |
| Property and society crimes reported | 4,294 | 4,250 | 3926 | 4025 |
| Training hours completed, Pearland Officers | 36,047 | 39,000 | | |
| Average time - citizen call to unit dispatched (in seconds), Priority 1 Calls | 58sec | 48sec | 51sec | 52sec |
| Number of offense / crash reports taken | 12,735 | 11,902 | 11,332 | 11,675 |
| Total arrests made by police | 3,886 | 3,751 | 3808 | 3700 |
| Average number of calls for patrol officers per shift | 7.4 | 6.9 | 6.4 | 6.9 |
| Average response time per car, Priority 1 Calls | 4 min 29 sec | 4 min 13 sec | 3 min 53 sec | 4 min 07 sec |
| Number of animals received at animal shelter | 2,388 | 2,113 | 1,638 | 2,500 |
| Asilomar live release percentage | 93.2% | 94.3% | 95.0% | 95% |

Performance Measures Charts

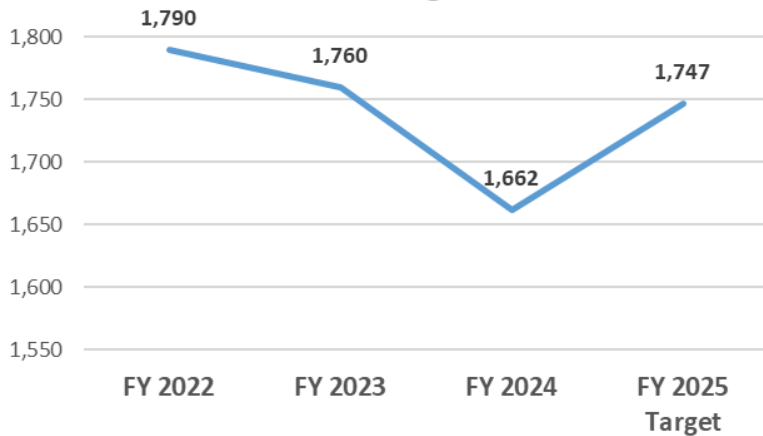
Total Number of Part 1 Offenses

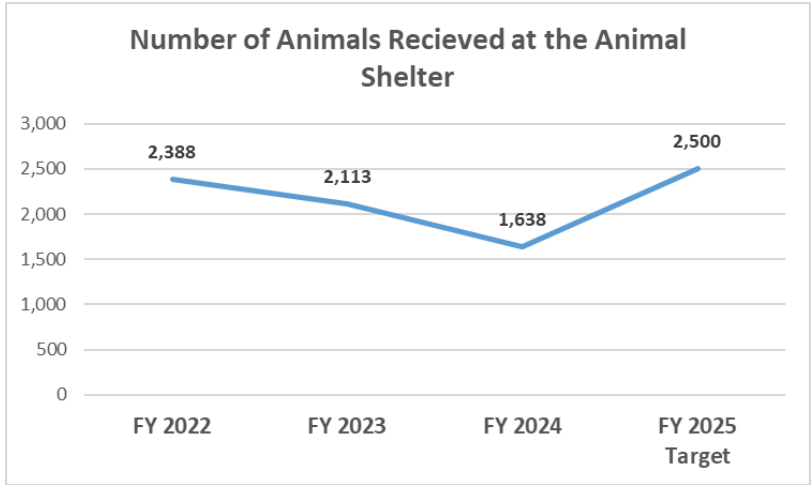


Average Response Time per Car from Receipt of Call to Arrival on Scene



Total Cases Assigned to CID





Fire



Jack "J." Taylor
Fire Chief

STRATEGIC COUNCIL PRIORITY: The Fire Department places heavy emphasis on making Pearland a Safe Community through effective All-Hazards emergency response and state-of-the-art training. The department conducts educational activities such as fire prevention and protection that create an Engaged Community. The department code enforcement officers conduct inspections of buildings, food, and other business establishments, as well as environmental clean-up of structures and grounds to support a Healthy Economy for the City.

Overview

The Fire Administration Section provides logistical, administrative, training, and financial support services to the entire Fire Department. Housed under the Administration Section is the Logistics Group, Business Administrator, Community Risk Reduction, Code Enforcement, and Fire Marshal's Office. The Fire Marshal's Office provides fire inspections, fire investigations, arson, and environmental crimes. Code Enforcement proactively enforces areas concerning dangerous buildings, substandard structures, excessively high grass and weeds, accumulation of trash and debris, illegal dumping, junked items, and other general nuisance related violations. It also provides health inspections of food establishments, including restaurants, schools, and group homes, for compliance with City ordinances. Community Outreach provides public and internal safety education as well as focusing on community communications through various platforms that include in-person classes, open houses, and social media.

The Operations Division provides Fire/EMS training, fire suppression, rescue, and emergency medical services to the City and surrounding areas, serving an area consisting of the Pearland City Limits, its Extra Territorial Jurisdiction (ETJ) and two Emergency Service Districts (ESD 4 and ESD 5). Pearland's ISO Public Protection Classification has a rating of 1, among the top 1% of communities in the nation.

Key Budget Items for FY 2025

- Order one heavy apparatus for new Firehouse 7 and replacement of one ambulance.
- Installing replacement HVAC in Firehouses 2, 3 and Fire Admin.
- Addition of EMS Clinical Manager (mid-year) in Fire Administration.
- Continue significant advancements in bunker gear replacement program in line with cancer prevention initiatives.
- Partner with Fleet to continue replacement of staff vehicles for Fire Administration, Health/Code Enforcement and FMO
- Acquired consultant for Fire Admin./Training Phase 2 upgrade.

Goals

- Actively pursue accreditation through the Texas Fire Chiefs Association Best Practices program.
- Continue to enhance the PFD Employee Peer Support Team and programs.
- With IT finalize the installation and testing of the Opticom (traffic light preemption) systems throughout the city to reduce response times and increase safety.
- Continually work with Fleet to improve preventative maintenance and repair efficiency on apparatus.
- Work with CMO to finalize heavy apparatus and ambulance replacement programs.
- Partner with IT to fully implement fire information dashboard within firehouses.
- Finalize planning for additional FTE and apparatus for Firehouse #7.
- Partnered with Pearland Professional Firefighter's Association (PPFA) and International Association of Firefighters (IAFF) to conduct updated current and future Firehouse needs assessment and location study.
- Continue planning for the annual Citizen's Fire Academy.
- Update and implementation of enhanced fire inspections and fire education programs.
- Decrease hazards, environmental crimes, and unsafe structures by conducting investigations and promoting awareness.
- Inspect all high-risk occupancies annually, and moderate risk occupancies biennially as staffing allows.
- Increase operational readiness and response capabilities through effective training and equipment.
- Inspecting all health code-permitted businesses semi-annually as staffing allows.
- Career development, succession planning and updated job descriptions for all PFD members.
- Implement the newly approved EMS clinical manager position to include job descriptions, appointment process, and departmental expectations.
- Continuous monitoring of emergency response deployment, future station locations, and fire district boundaries to effectively meet and enhance the needs of our growing community.
- Continue to monitor, make advances, and update the community-driven PFD Strategic Plan (2023-2028).

Fiscal Year 2024 Accomplishments

- Produced second PFD annual report for FY23.
- Implemented PFD Community Driven 5-year strategic plan.
- Received EMS Gold Plus AHA Mission Lifeline Award.
- Achieved an Award of Excellence through the Texas State Fire Marshal's Association.
- Fire Operations, Fire Marshal and Code Enforcement personnel obtained multiple state certifications.
- Enhanced Water Rescue Teams with high water vehicle capabilities with PD and EPW with the addition of two new boats via donation.
- Developed, trained and implemented truck and engine company operations manuals.
- Hosted numerous training events attended by outside agencies from over 20 states (totaling 50,000 + hours).
- Increased public education and special events attendance by fire crews.
- Continue overhaul of PFD policies, procedures and response plans in preparation of application for Texas Fire Chief's Association (TFCA) Best Practices Designation.
- Took delivery of one apparatus
- Ordered two heavy apparatus in line with the approved apparatus replacement plan with a 33–46-month build-out time.
- Addition of three FTE in Fire Operations.
- Completion of replacement program for mobile radios.
- Significant advancements in continued bunker gear replacement program in line with cancer prevention initiatives.
- Partnered with Fleet to obtain replacement of staff vehicles for Fire Administration, Health/Code Enforcement and FMO.
- Acquired consultant for Fire Admin./Training Phase 2 upgrade.
- Conducted Annual Citizens Fire Academy (CFA) class no. 2.
- Combined CFA alumni with previous Pearland volunteer fire department 501c3 to form the Pearland Citizens Fire Association.

Fiscal Year 2025 Objectives

- Achieve FY25 goals previously listed

Performance Measures

| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Estimated |
|--|-------------------|-------------------|-------------------|----------------------|
| 90 th Percentile Response Time: | | | | |
| Percent 5 minutes or less | 32% | 33% | 32% | 33% |
| Percent 9 minutes or less | 81% | 80% | 86% | 86% |
| Alarm processing time <= 90 seconds | 92% | 90% | 94% | 94% |
| Turnout Time <= 2 minutes | 72% | 89% | 94% | 94% |
| Call to first unit arrival <= 7:30 | 58% | 68% | 83% | 83% |
| Call to arrival of ERF <= 11:30 | 30% | 92% | 92% | 92% |
| Total Estimated Fire Loss | \$1,957,055 | \$4,807,194 | \$1,650,000 | \$1,650,000 |
| Emergency Medical Transports | 5834 | 7431 | 6673 | 6670 |
| Public Safety Education Hours | 450 | 750 | 800 | 800 |

Community Services

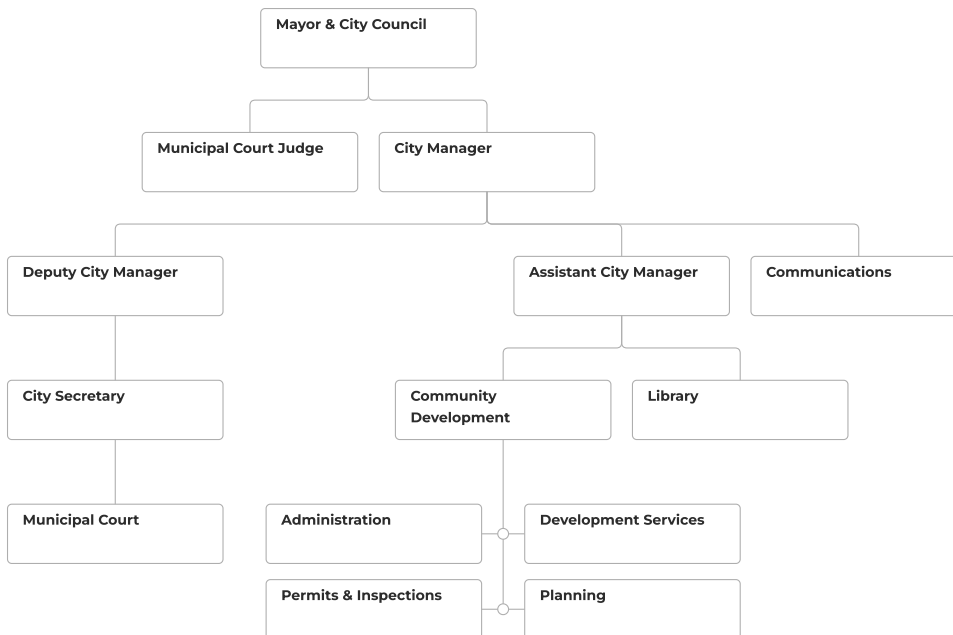
Departments included in the Community Services function include Community Development, Communications, Municipal Court, and the Library.

Expenditures Summary

\$5,299,717 **-\$165,382**
(-3.03% vs. prior year)

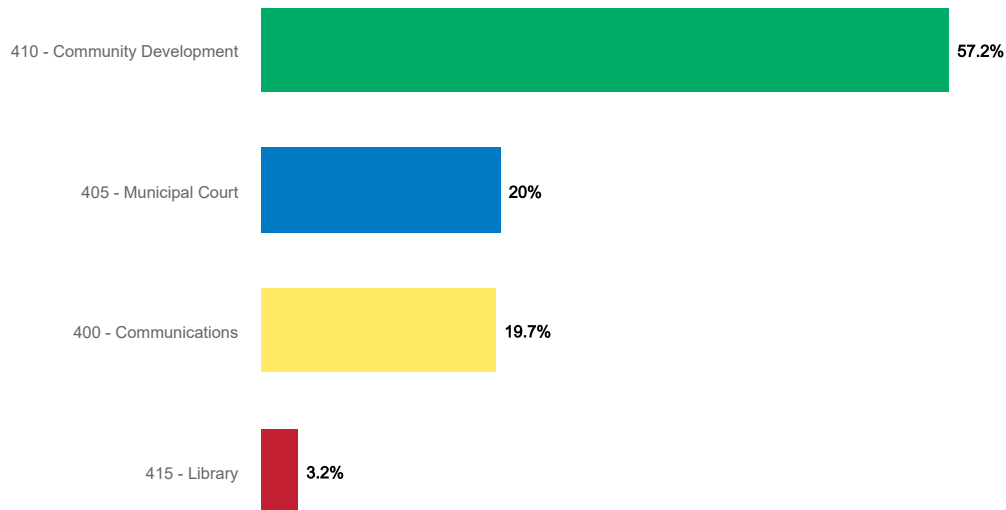
Organizational Chart

FY25 Community Services

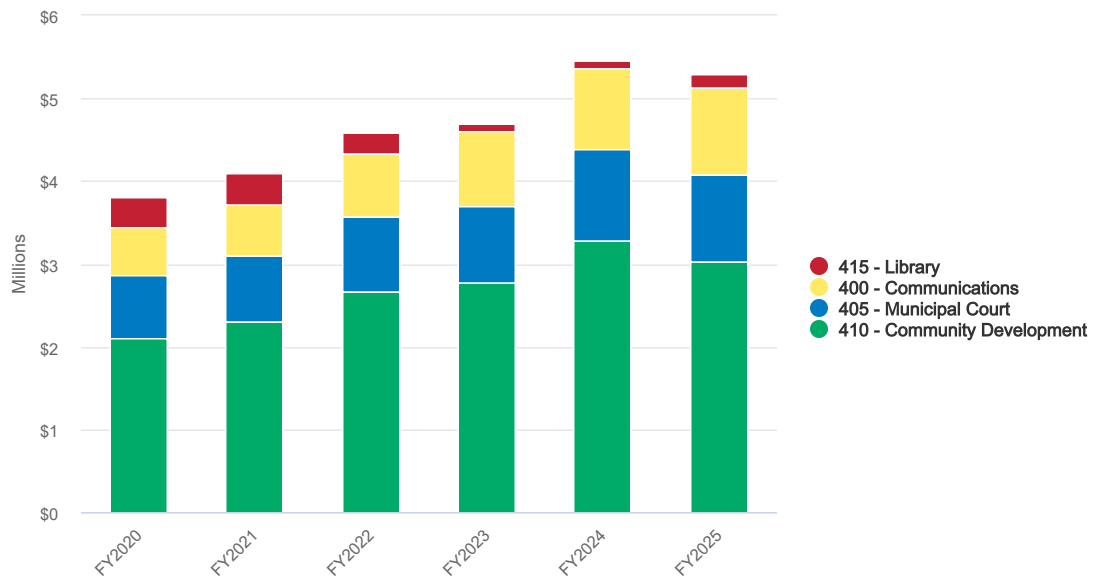


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

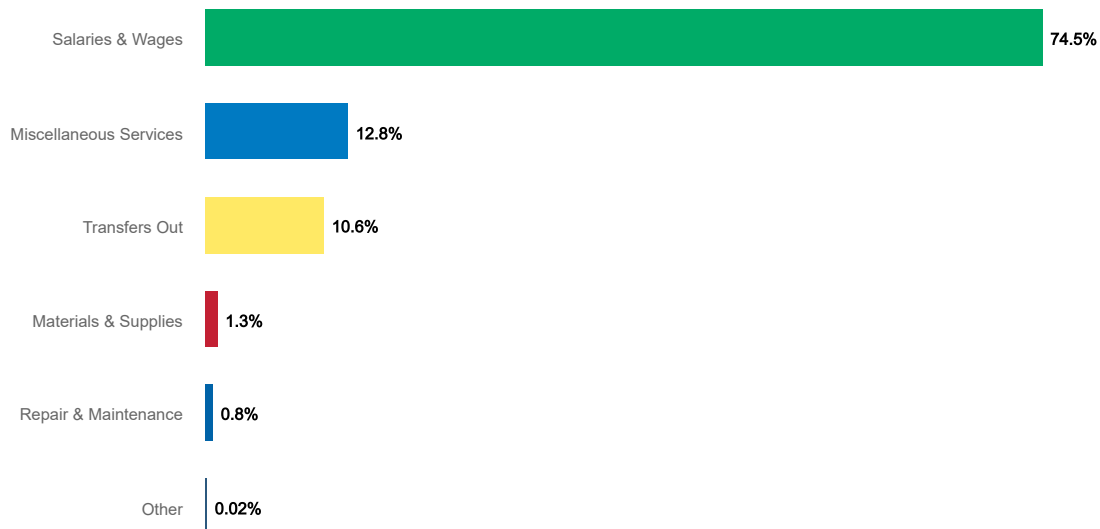


| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|----------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 400 - Communications | | | | | |

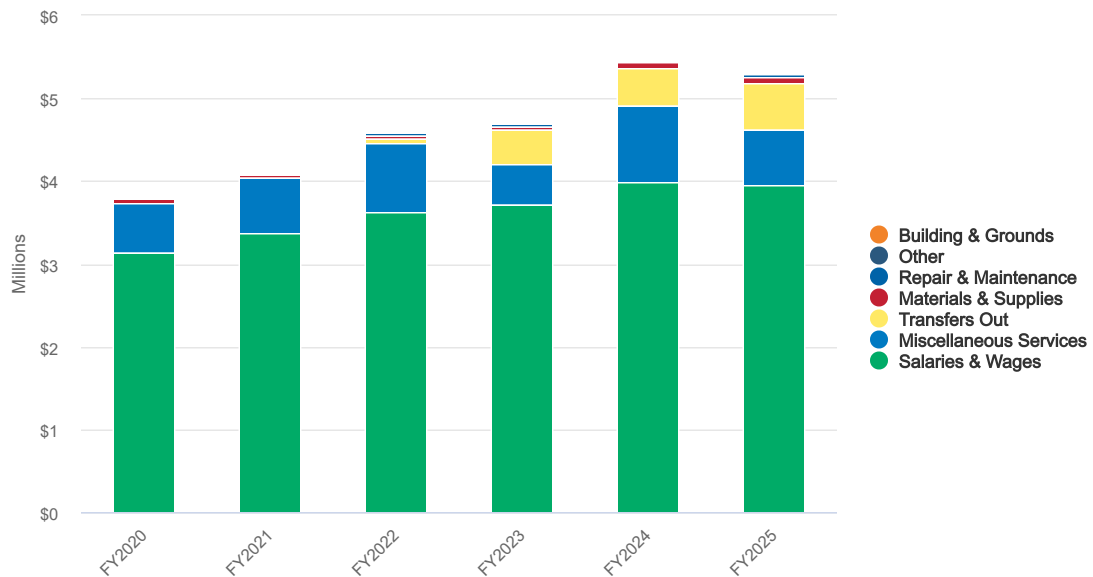
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|---------------------------------------|------------------|--------------------------|--------------------------|--------------------|--|
| 100 - Administration | \$902,830 | \$984,817 | \$1,009,265 | \$1,041,648 | 5.8% |
| Total 400 - Communications: | \$902,830 | \$984,817 | \$1,009,265 | \$1,041,648 | 5.8% |
| | | | | | |
| 405 - Municipal Court | | | | | |
| 100 - Administration | \$931,843 | \$1,099,661 | \$948,457 | \$1,058,327 | -3.8% |
| Total 405 - Municipal Court: | \$931,843 | \$1,099,661 | \$948,457 | \$1,058,327 | -3.8% |
| | | | | | |
| 410 - Community Development | | | | | |
| 100 - Administration | \$511,433 | \$532,064 | \$705,455 | \$731,766 | 37.5% |
| 415 - Permits & Inspections | \$980,975 | \$1,072,764 | \$880,473 | \$967,489 | -9.8% |
| 420 - Planning | \$881,852 | \$1,259,525 | \$1,020,197 | \$787,549 | -37.5% |
| 425 - Development Services | \$395,181 | \$420,403 | \$682,478 | \$542,396 | 29% |
| Total 410 - Community Development: | \$2,769,440 | \$3,284,756 | \$3,288,603 | \$3,029,200 | -7.8% |
| | | | | | |
| 415 - Library | | | | | |
| 100 - Administration | \$98,889 | \$95,864 | \$97,934 | \$170,542 | 77.9% |
| Total 415 - Library: | \$98,889 | \$95,864 | \$97,934 | \$170,542 | 77.9% |
| Total Expenditures: | \$4,703,002 | \$5,465,098 | \$5,344,259 | \$5,299,717 | -3% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|----------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$3,722,668 | \$3,986,516 | \$3,605,896 | \$3,947,353 | -1% |
| Materials & Supplies | \$39,818 | \$65,121 | \$69,571 | \$66,254 | 1.7% |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|------------------------|---------------|-----------------------|-----------------------|-----------------|---|
| Repair & Maintenance | \$41,951 | \$30,145 | \$268,240 | \$40,469 | 34.2% |
| Miscellaneous Services | \$478,242 | \$922,537 | \$933,143 | \$680,256 | -26.3% |
| Other | \$250 | \$1,000 | \$700 | \$1,000 | 0% |
| Capital Outlay | \$0 | \$0 | \$6,930 | \$0 | 0% |
| Transfers Out | \$420,072 | \$459,779 | \$459,779 | \$564,385 | 22.8% |
| Total Expense Objects: | \$4,703,002 | \$5,465,098 | \$5,344,259 | \$5,299,717 | -3% |

Community Development



Vance Wyly
Director of Community Development

STRATEGIC COUNCIL PRIORITY: Building safety, managed growth, and planned development are principles that provide the Pearland community with Sustainable Infrastructure, a Strong Economy, and a Safe Community.

Overview

The Community Development Department is a part of the Community Services area and consists of Community Development Administration, Development Services, Planning, and Permit & Inspection Services. Community Development Administration oversees, assists, and guides the divisions within the department. The Community Development Department also provides support to developers and citizens proposing development in Pearland.

The Development Services Division serves as the hub of the one-stop-shop and is the main point of contact for development within the city. Development Services is responsible for ensuring development in Pearland is a smooth and well-informed process. They ensure cooperation and sharing of information between all City Departments involved in the development process and coordinate the city's plan review process. Development Services also hosts Pre-Development meetings where developers meet with all involved City Departments to discuss a potential development at once to reduce repetition and confusion.

The Planning Division is responsible for all long and short-term plans for the growth of the City and providing city-wide services for our public trees through the Urban Forestry Program. These efforts help to create and maintain a desirable community with distinct land use patterns that help maintain a high quality of life for our citizens. The Planning Division administers the City's Unified Development Code and the Comprehensive Plan. They process all land use related requests including zone changes, conditional use permits, variance / special exception requests, subdivision plats, and tree mitigation. Planning also reviews all development-related permits to ensure conformance with the Unified Development Code.

The Permit & Inspection Services Division is responsible for ensuring that any privately owned structure that is new, remodeled, added on to, or renovated is in substantial compliance with currently adopted codes and ordinances. Through this process, the division protects citizens, health, safety, and financial investment, thus creating a more sustainable and resilient community. The Permit and Inspection Division consists of the Permit Counter, Plan Review, and Inspection groups. They take in permit applications, review plans for compliance with building, mechanical, electrical, and plumbing codes, issue permits, conduct inspections of building, mechanical, electrical, and plumbing work and coordinate the approval and issuance of certificates of occupancy. The Permit & Inspection Division also serves as the administrator to other city departments for the City's permitting software, TRAKIT.

Key Budget Items for FY 2025

There are no significant changes to the Community Development Department in FY2025.

Goals

- Implement the departmental mission: Quality Service - Excellent Results.
- Ensure City of Pearland is a desirable place for people to live, work, recreate, and promote balanced and sustainable growth.
- Ensure safe and pedestrian friendly neighborhoods.
- Provide an environment where businesses can thrive and flourish.
- Apply sound and current planning principles while planning for the City.
- Ensure quality and safe building practices with the use of our adopted ICC codes and our City ordinances for our residents, businesses, and visitors to our City.
- Increase outreach to potential development partners, especially small businesses.

Fiscal Year 2024 Accomplishments

- Adopted Comprehensive Plan - Pearland2040.
- Adopted 2021 International Building Codes and 2020 National Electric Code
- Adopted updates to Tree Mitigation policies and procedures.
- Kicked off Cityworks permitting and land management software implementation.
- Kicked off Old Town Pearland Revitalization Plan.
- Conducted RFQ for UDC rewrite and selected Design Workshop.
- Utilized drone technology to conduct tree surveys for developers that resulted in over \$230,000.00 dollars in savings for projects.
- Expanded the online Video Library to assist the development community with navigating the development process. Over 2,500 customers have taken advantage of this resource.
- Maintained internal communication by providing Community Development Roundups on development activities within 24 hours of public meetings or hearings. Continued professional training for staff, Planning and Zoning Commission, Zoning Board of Adjustment, and the development review committee.
- Continued to provide population updates and special studies.
- Continued using automated emails to customers regarding permit and inspection statuses
- Continued to utilized the Open Counter portal for project scoping and permit research.

Fiscal Year 2025 Objectives

- Complete implementation of Cityworks
- Begin working on implementing strategies from Pearland2040.
- Begin the UDC update process to create a streamlined, linked, attractive, and user-friendly document for both staff and the development community.
- Adopt the Old Town Revitalization Plan
- Continue to support staff development and training to better serve both internal and external customers.
- Continue to enhance the department's web presence for development and business support services.
- Publish interactive metrics page on website to increase transparent reporting.
- Host three forums (contractors, developers, and small business owners).
- Continue updating existing development documents for both staff and customers (applications, development handbook, custom home packet).

Performance Measures

| | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Target | FY 2024 Actual | FY 2025 Target |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Zone Changes | 10 | 24 | 14 | 20 | 16 | 16 |
| Plat Reviews | 103 | 90 | 121 | 100 | 102 | 100 |
| Site Plans Reviewed | 13 | 20 | 17 | 20 | 20 | 20 |
| Total Plans Reviewed | 1,926 | 2,052 | 1,619 | 1,750 | 1,514 | 1500 |
| Pre-Development Meetings Conducted | 38 | 41 | 31 | 30 | 41 | 35 |
| Total Building Inspections | 32,615 | 35,852 | 21,515 | 28,000 | 15,159 | 15,500 |
| Total Permits Issued | 10,941 | 10,758 | 8,357 | 9,000 | 7,756 | 7,500 |
| Total Permits Applied | 3,148 | 3,735 | 3,365 | 3,750 | 3,368 | 3,500 |

Communications



Joshua Lee
Director of Communications

STRATEGIC COUNCIL PRIORITY: The Communications Department ensures residents and employees alike are kept informed and up to date on information, projects, and events occurring throughout the City which leads to a Welcoming Community.

Overview

Pearland's Communications Department serves as the City's Public Information Office, keeping residents and employees informed of events and activities occurring throughout Pearland. The department disseminates information about the City of Pearland, its services, projects, events, and programs and produces and distributes the City's biannual printed newsletter – Pearland In-Motion, and the City's monthly electronic newsletter – Pearland Connect. Communications also maintains the City's website and government cable station – Pearland TV, which is broadcast on Comcast Channel 16, U-verse Channel 99, and online at pearlandtx.gov. The department is also responsible for producing the City's Calendar and annual Report and managing the City's electronic communications system, which allows residents the opportunity to sign up to receive City news and information.

Goals

- Establish the Communications Department as a primary information source for City news and information.
- Increase awareness, interest, and participation in City government goals and activities with engaging content.
- Build community and positive identification among residents with their home City.
- Build corporate pride among employees and positive identification with the City government as a whole.

Fiscal Year 2024 Accomplishments

- Finished podcast space in Train Depot
- Launched Talk of the Town LIVE
- Migrated Police, Fire, and Emergency Management to Canva
- Launched the Pearland Water Customer Portal
- Became a FEMA Interactive Public Alerts and Warnings (IPAWS) Alerting Authority
- People of Pearland Podcast won "Internal Communications for population of more than 100,000" TAMI Award

Fiscal Year 2025 Objectives

- Add video component to People of Pearland
- Develop AI standards and guidelines
- Add a podcast component to Talk of the Town
- Relocate Communications office to Train Depot
- Follow the guiding principles outlined in the Department's Strategic Plan which include serving as brand ambassadors, being inclusive, proactive, transparent, consistent, and responsive.

Performance Measures

| | FY 2022 | FY 2023 | FY 2024 | | FY 2025 |
|----------------------------|---------|---------|---------|------------|---------|
| | Actual | Actual | Actual | YOY Change | Target |
| Facebook fans/friends | 30,028 | 30,718 | 32,028 | 4% | 35,231 |
| Twitter followers | 9,696 | 9,630 | 9,830 | 2% | 10,813 |
| YouTube views | 42,706 | 40,401 | 44,888 | 11% | 49,377 |
| Instagram fans/followers | 4,560 | 5,296 | 6,355 | 20% | 6,991 |
| Website users | 602,680 | 577,583 | 732,174 | 27% | 805,391 |
| People of Pearland Podcast | | 1,269 | 1,277 | 1% | 1,405 |

Library

Lisa Loranc
Library Director

STRATEGIC COUNCIL PRIORITY: Brazoria County and the City of Pearland collaboratively provide Library Services for the citizens of the community. The County is responsible for Library Services, and the City is responsible for providing the facilities. Pearland's efforts provide the citizens with access to multiple activities and programs, encouraging an Engaged Community.

Overview

Library services are provided through a cooperative effort between the City of Pearland and Brazoria County that support two facilities – the Tom Reid Library on the east side of the City, and the West Pearland Library on the west. The City provides the buildings and takes responsibility for their maintenance and other operating expenses. Brazoria County supplies the libraries' materials, computers, network access, and employees.

Pearland's libraries serve the educational, informational, and recreational needs of the Pearland community, and offer a wide variety of materials and services in response to community needs. The libraries offer book clubs and programs for children, teens and adults, provide a space for voting, and provide assistance on accessing the Brazoria County Library System's electronic resources.

Key Budget Items for FY 2025 Include:

- Requested approximately \$8,000 to improve signage for external book drop.

Goals

- Provide the Pearland community with traditional and progressive library services that support citizens' access to educational, informative, leisurely resources in a variety of formats, including digital. In addition, the libraries provide small meeting spaces, public internet access, programming, and assistive services for all ages.

Fiscal Year 2024 Accomplishments

- Established a media editing makerspace in the West Pearland Library and added additional equipment to the fabric arts makerspace at Tom Reid Library.
- Partnered with Friends of the West Pearland Library to provide a series of programs at the West Pearland Library.
- Continued to partner with the Delores Fenwick Nature Center offering Wild Hour Wednesdays with Edu-Katie.

Fiscal Year 2025 Objectives

- Improve diversity of library material by focusing on the world literature collection.
- Continue to develop innovative, engaging, and high-quality programming options for the community.
- Explore further partnerships with the City and Parks and Recreation department to expand services.

Municipal Court



Jennifer Huhn
Municipal Court Administrator

STRATEGIC COUNCIL GOAL: Adjudication of misdemeanor crimes and local code violations provides Pearland residents and visitors with a Safe Community

Overview

The Municipal Court has original jurisdiction over Class C misdemeanors and City Code violations which occur within the corporate City limits of Pearland and are punishable by fine only. It is the function of the Municipal Court to provide accessible, efficient, and well-reasoned resolution of all the court's cases. The staff maintains a modern computerized record and money management system for approximately 25,000 charges processed by the Court each year. The Court office maintains standing judicial orders that may allow disposal of a case without appearing at an official arraignment. Additionally, the court is responsible for collecting fines, as well as numerous other court costs, that must be accounted for and sent to the Texas Comptroller's Office on a quarterly basis.

Goals

- Uphold the Constitution, laws and legal regulations of the United States, the State of Texas, and all governments therein.
- Set high standards to maintain and preserve the integrity of all cases filed in the Pearland Municipal Court of Record.
- Abide by the standards set out in the Texas Code of Judicial Conduct.
- Protect the confidentiality of all records filed.
- Remain cognizant of the needs of customers and citizens of the Pearland Municipal Court to reinforce the positive perception of the judiciary.
- Provide access and encourage education of staff to increase the level of expertise and proficiency in the affairs of the Municipal Court.

Fiscal Year 2024 Accomplishments

- Attended training as a department to increase productivity, improve communication, and build teamwork skills.
- Continued the prosecution and adjudication of court cases in accordance with the Constitution, laws and legal regulations of the United States, the State of Texas, and all applicable governments therein.

Fiscal Year 2025 Objectives

- Continue the prosecution and adjudication of court cases in accordance with the Constitution, laws and legal regulations of the United States, the State of Texas, and all applicable governments therein.
- Upgrade our software and train employees to utilize the system to full potential.
- Cross trains employees to work in windows and courtrooms.

Performance Measures

| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Projections |
|------------------------------------|-------------------|-------------------|-------------------|------------------------|
| Number of Judge trials prepared | 150 | 102 | 73 | 50 |
| Number of Jury trials prepared | 150 | 73 | 218 | 50 |
| Number of warrants issued | 3,376 | 4,402 | 4,195 | |
| Total number of charges brought in | 12,473 | 11,222 | 12,205 | |
| Percent Guilty Charge | | 49% | 49% | |
| Percent Charges Dismissed | | 40% | 40% | |
| Outstanding warrants | 11,256 | 13,457 | 11,588 | |
| Value of outstanding warrants | \$6,525,145 | \$7,858,462 | \$6,593,453 | |

Engineering & Public Works

Lorenzo Wingate
Assistant Director EPW

Departments in this function include the Engineering and Public Works departments.

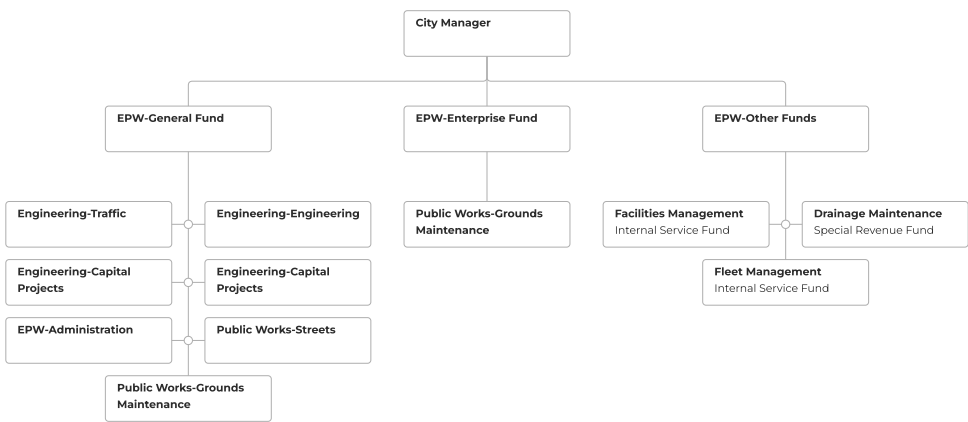
Expenditures Summary

\$17,371,638

\$1,346,998
(8.41% vs. prior year)

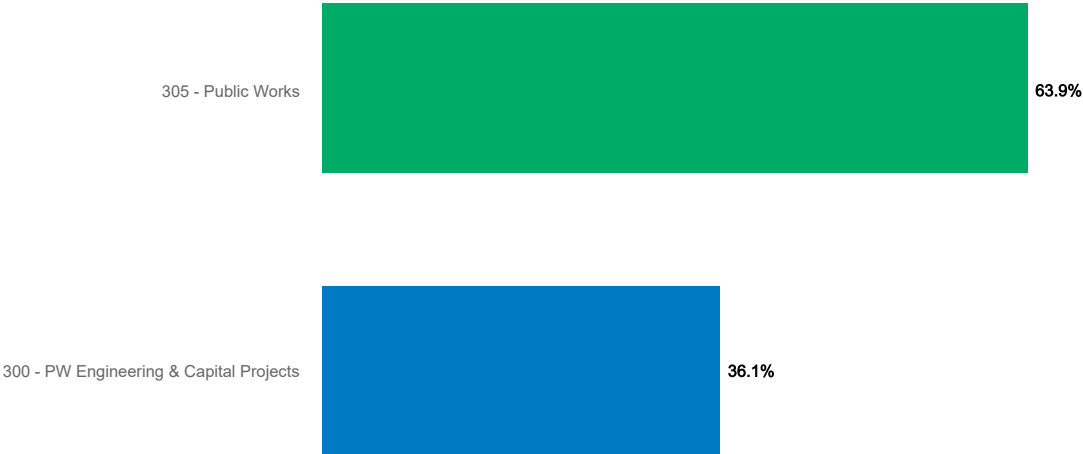
Organizational Chart

Engineering & Public Works

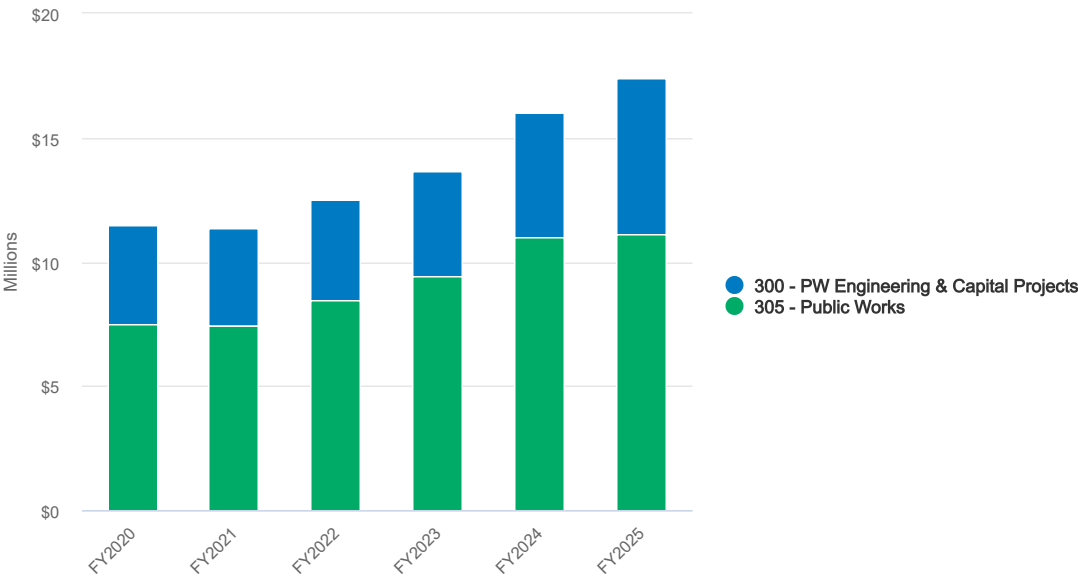


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

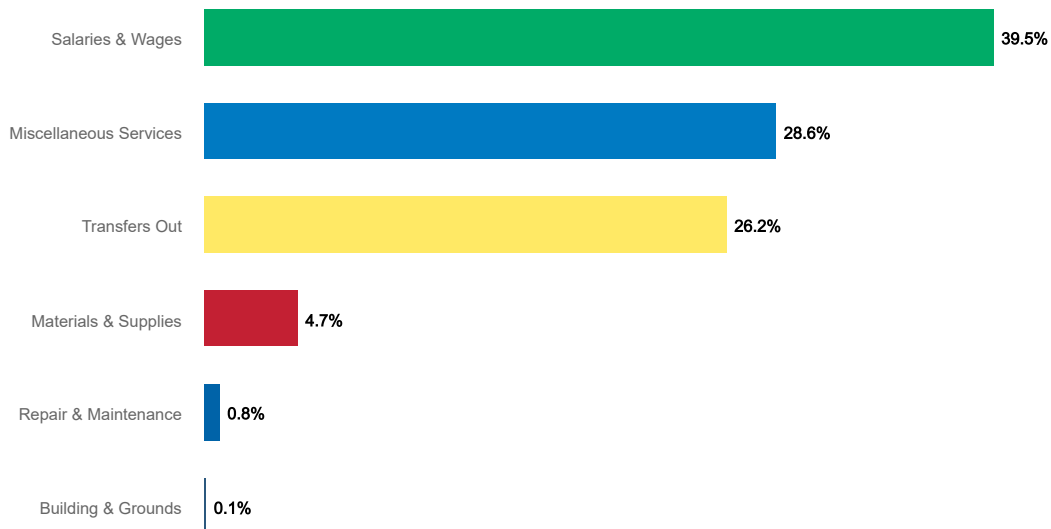


| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|---|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 300 - PW Engineering & Capital Projects | | | | | |

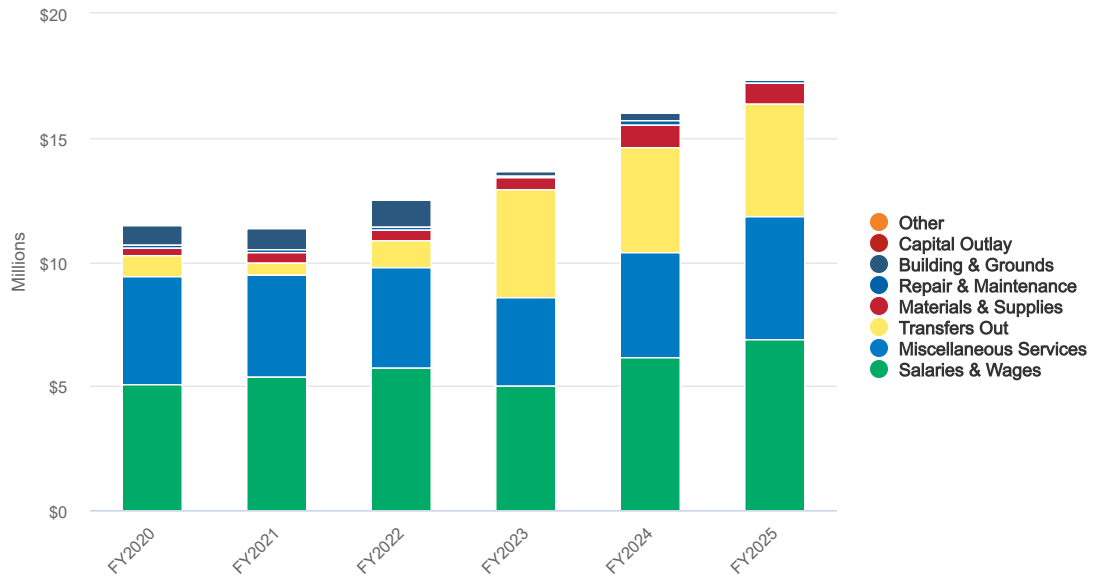
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|---|------------------|--------------------------|--------------------------|--------------------|--|
| 100 - Administration | \$146 | \$0 | \$0 | \$0 | 0% |
| 305 - Traffic Management | \$1,140,612 | \$1,722,411 | \$2,691,707 | \$2,267,203 | 31.6% |
| 340 - Engineering | \$1,398,713 | \$1,450,891 | \$1,482,768 | \$1,574,621 | 8.5% |
| 345 - Capital Projects | \$1,663,430 | \$1,849,722 | \$1,724,939 | \$2,436,405 | 31.7% |
| Total 300 - PW Engineering & Capital Projects: | \$4,202,901 | \$5,023,024 | \$5,899,414 | \$6,278,229 | 25% |
| | | | | | |
| 305 - Public Works | | | | | |
| 100 - Administration | \$1,262,222 | \$2,075,905 | \$1,890,768 | \$2,593,426 | 24.9% |
| 305 - Traffic Management | \$4,032 | \$0 | \$15,000 | \$0 | 0% |
| 310 - Streets & Drainage | \$5,923,296 | \$2,097,958 | \$2,109,565 | \$1,600,000 | -23.7% |
| 311 - Streets | \$0 | \$3,813,665 | \$3,833,012 | \$4,175,047 | 9.5% |
| 315 - Grounds Maintenance | \$2,250,389 | \$3,014,088 | \$2,790,018 | \$2,724,936 | -9.6% |
| 325 - Fleet Management | -\$390 | \$0 | \$0 | \$0 | 0% |
| 330 - Facilities Management | \$7,598 | \$0 | \$0 | \$0 | 0% |
| Total 305 - Public Works: | \$9,447,147 | \$11,001,616 | \$10,638,363 | \$11,093,409 | 0.8% |
| Total Expenditures: | \$13,650,048 | \$16,024,640 | \$16,537,777 | \$17,371,638 | 8.4% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|-------------------------------|---------------------|-----------------------|-----------------------|---------------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$5,019,014 | \$6,174,675 | \$5,604,452 | \$6,862,719 | 11.1% |
| Materials & Supplies | \$473,091 | \$910,148 | \$1,394,270 | \$820,141 | -9.9% |
| Building & Grounds | \$125,678 | \$331,500 | \$234,938 | \$21,500 | -93.5% |
| Repair & Maintenance | \$85,167 | \$150,900 | \$174,907 | \$142,110 | -5.8% |
| Miscellaneous Services | \$3,589,757 | \$4,204,463 | \$4,867,656 | \$4,972,208 | 18.3% |
| Other | \$22,185 | \$0 | \$8,600 | \$0 | 0% |
| Transfers Out | \$4,335,156 | \$4,252,954 | \$4,252,954 | \$4,552,960 | 7.1% |
| Total Expense Objects: | \$13,650,048 | \$16,024,640 | \$16,537,777 | \$17,371,638 | 8.4% |

Engineering & Capital Projects



Lorenzo Wingate
Director of Engineering & Public Works

STRATEGIC COUNCIL PRIORITIES: The Engineering Division and Capital Projects Divisions of the Engineering and Public Works Department function within the City's government structure to support the construction, maintenance, and improvement of roads, streets, drainage, water production and treatment, and other public goods in ways that deliver to citizens Sustainable Infrastructure and provide for a Safe Community.

Overview

Within the General Fund, the Engineering and Public Works Department consists of two divisions: Engineering and Capital Projects. The Engineering Division and Capital Projects Division report to the Director of Engineering and Public Works and is responsible for designing and constructing the City's public infrastructure, reviewing private development infrastructure, and maintaining and operating traffic signals and signs.

The Engineering Division primarily assists the Community Development Department and Capital Projects Division in reviewing, approving, inspecting, and accepting various infrastructure projects. Engineering services provided include review of private and public construction plans, inspection of infrastructure (e.g. roadways, drainage, water, and wastewater) within the Right of Way, and acceptance of infrastructure after its completion. The Traffic Division is an essential part of engineering and is responsible for maintaining and operating the traffic signals and signs in the city. In addition, updating the Thoroughfare Plan, reviewing and approving Traffic Impact Analysis reports/traffic signal design, and scheduling Traffic Calming Committee meetings to address citizens' traffic questions are the main responsibilities of the Traffic Division. The engineering division is also responsible for Floodplain Management and Stormwater Management. Additionally, the Engineering Division assists citizens by answering questions related to drainage, stormwater, roadways, permit requirements etc., and explains engineering guidelines and ordinances. Similarly, Engineering oversees the preparation of the City's Master Drainage Plan, Water and Wastewater Master Plans, Impact Fee updates, Hazard Mitigation Plan update, and SWMP.

The Capital Projects Division develops, implements, and manages the 5-year City-wide Capital Improvement Program, which invests critical resources to the City's assets, as prioritized. Valuable assets include facilities, parks, streets, drainage, water, and wastewater projects. The division includes project managers, construction managers, and project coordinators who are responsible for coordinating the construction of the Capital Improvement Program with other agencies such as TxDOT, Brazoria County, HGAC, and utility companies.

Goals

- Continue working with the permitting department for the timely review, approval, and inspection of various permits.
- Continuously explore process improvement techniques to ensure efficient and effective processes for each service rendered by the department.
- Update, develop, and maintain the City's Engineering Design Criteria Manual, Specifications, Standard Details, Ordinance, and Infrastructure Master Plans.
- Continue upgrading the traffic signal detection system and cabinets to use new technology to ensure a reliable, safe, and functional roadway system.
- Maintain and implement the City's traffic signal network and pavement marking through systematic inspection, maintenance, and installation of fiber network for improved communication and reliability.
- Continue installing and evaluating the Flashing Yellow arrows program at approved intersections.
- Maintain and/or improve the City's CRS Class by updating the City's guidelines and ordinances, and continued efforts to identify and implement new drainage projects to reduce flooding and minimize the chance of property damage, injury, or loss of life.
- Continue providing floodplain management services to the residents of Pearland and answer floodplain management questions.
- Maintain a highly trained Project Management staff, proficient with the tools necessary to manage complex capital projects professionally.
- Manage project scope, schedule, and budget, and provide innovative solutions to deliver best value projects, within budget and on schedule.
- Develop and maintain the City's Five-Year CIP in conjunction with the Finance Department and the Office of Management & Budget.

Fiscal Year 2024 Accomplishments

- Coordinated with Emergency Management Administration to update the Emergency Operations Annex to include the Flood Response Plan.
- Installed 10 additional pan tilt and zoom (PTZ) cameras on the traffic signals and collaborated with Transtar for video integration into Transtar website.
- Continue to upgrade 19 traffic signals utilizing updated vehicle detection equipment and assist in the timing plans.
- Rebuild 5 traffic signals utilizing the updated traffic signal cabinet and vehicle detection system.
- Continue upgrading the aging span wire traffic signals.
- Developed a school timing plan for intersections near schools to accommodate school traffic needs throughout the city.
- Initiated an Intelligent Transportation System Operations Plan to outline existing problems and needs to advance the City of Pearland mobility system.
- Continue to communicate and coordinate with TWDB and FEMA to start FIRM Update.
- Updated and adopted Hazard Mitigation Plan 2023.
- Work to accomplish CRS class change to Class 5 from Class 6 by addressing the comments received from FEMA on the cycle verification visit. The project goal is achieved.
- Started the construction of City's largest wastewater project, the Barry Rose Water Reclamation Facility Expansion and Replacement and Longwood Water Reclamation Facility Decommissioning.
- Completed approximately 25 capital projects that will benefit our citizens through drainage improvements, mobility improvements, fire response, and quality of life.
- Implemented a project management software.

Fiscal Year 2025 Objectives

- Continue efforts to help the Emergency Management Coordinator to update the Emergency Operations Annex to include the Flood Response Plan.
- Continue to install pan tilt and zoom (PTZ) cameras on the new traffic signals and send the feed to Transtar for integration into Transtar website.
- Continue to rebuild 10 more traffic signals utilizing updated vehicle detection equipment and assist in the timing plans. (Broadway/N Galveston, Broadway/Old Alvin, Broadway at Barry Rose/Walnut, Broadway/Yost, Broadway at Dixie Farm, Broadway at Pine Hollow, Broadway/Main, Broadway/McLean and SH 288/McHard)
- Continue upgrading the aging span wire traffic signals. Rebuild 6 traffic signals utilizing the updated traffic signal cabinet and vehicle detection system. (Broadway/Cullen, Broadway/FM1128, Broadway/Harkey, Broadway/Galveston, Broadway/Sherwood, and Broadway/Westminster)
- Expand school timing plan for intersections near schools to accommodate school traffic needs throughout the city.
- Complete Phase I of the Intelligent Transportation Systems Operation Plan and Develop Phase II of the Intelligent Transportation System Operations Plan to outline existing problems and needs to advance the City of Pearland mobility system.
- Continue to communicate and coordinate with TWDB and FEMA to update FIRM.
- Continue coordinating with BDD4 to start updating the Master Drainage Plan.
- Continue assisting the Grant Project Administrator to work with FEMA, TWDB, GLOO, etc. for drainage improvement grant projects.
- Update and adopt Stormwater Management Plan 2024, as required by TCEQ.
- Maintain City's CRS class 5.
- Update the city's engineering standard details.
- Continue to review and approve the permits on time without delay.
- Maintain the construction schedule to complete approximately 30 capital projects that will benefit our citizens through drainage improvements, mobility improvements, fire response, and quality of life.
- Continue the design phase of approximately 40 capital projects set to begin construction either in FY25 or subsequent years depending on the design schedule, and initiate design process for approximately 25 new capital projects assigned for FY25.
- Review the current FY2025 CIP, evaluate projects for the FY2026 CIP, and continue to refine the implementation efforts for 5-year CIP planning document.
- Revise City's Project Delivery Model to include all city's project management processes and procedures.

Performance Measures

| | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Target | FY 2024 Actual | FY 2025 Target |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Number of Traffic Impact Analysis | 17 | 12 | 12 | 15 | 11 | 11 |
| Number of Responses to Signal Problems | 428 | 208 | 652 | 630 | 645 | 540 |
| Number of Signals | 101 | 106 | 110 | 112 | 115 | 115 |
| Signals Receiving Preventative Maintenance | 28% | 35% | 28% | 35% | 40% | 45% |
| Number of Flood Plain Customer Calls | 199 | 24 | 117 | 100 | 11 | 20 |
| Number of Drainage Studies | 16 | 36 | 19 | 15 | 16 | 15 |
| Miles of Road Added (Development) | 2.2 | 2 | 3.84 | 3.5 | 1.11 | 1.5 |
| Feet of Sanitary Sewer Added (Development) | 15,312 | 7,687 | 35,548 | 35,000 | 4,437 | 5,000 |
| Feet of Waterline Added (Development) | 13,728 | 14,039 | 23,016 | 22,000 | 8,149 | 5,000 |
| Feet of Storm Line Added (Development) | 12,672 | 7,468 | 21,195 | 21,000 | 11,090 | 10,000 |

Public Works



Lorenzo Wingate
Director of Engineering & Public Works

STRATEGIC COUNCIL PRIORITIES:

The Public Works, Engineering, Capital Projects, and other functions within this domain of the City's government structure are designed to support the installation, maintenance and improvement of roads, streets, drainage, and other public goods in ways that deliver citizens Sustainable Infrastructure and provides for a Safe Community. In addition to alignment with strategic Council priorities, it is the intent of Engineering & Public Works Department to remain focused on the systematic accomplishment of milestones associated with the Council's Strategic Priorities.

Overview

The Engineering & Public Works Department reports to the City Manager and is responsible for maintaining the City's infrastructure and transportation mobility. The Public Works Department oversees Administration, Facilities Management, Asset Management, Fleet Management, Streets, Drainage, and Right of Way Management within the General Fund.

The General Fund provides Public Works related services, encompassing but not limited, to the maintenance of City-owned buildings including the building envelope, electrical, mechanical & plumbing systems, grounds maintenance and custodial services; manages maintenance and replacement of all City vehicles, heavy equipment and rolling stock, including preventive maintenance, fueling, registration and repairs; maintains and manages the public rights of way and stormwater systems, including but not limited to City's landscapes, sidewalks, ditches and drainage channels, street paving, street sweeping, pothole patching, culvert, storm sewer lines and inlets throughout the community.

Key Budget Items for Fiscal Year 2025

- Acquire vehicles and equipment approved in the FY2025 Vehicle Replacement List.
- Purchase a new tower ladder fire truck and replace an existing medic.
- Facilities to equip all non-utility generators on the building automation system for complete monitoring.
- Expand enclosed and open ditch storm sewer maintenance contracts such as ditch grading and street sweeping.
- Expand the Street Maintenance Team to include all new personnel approved to support expanded service levels in the FY25 budget process.
- Invest and improve the mobility infrastructure via available fund dollars accrued and provided in the FY25 budget process.
- Incorporate employee engagement survey results into ongoing culture development efforts to continuously improve the departmental culture.

Goals

- Continuously explore process improvement techniques to ensure efficient and effective processes for each service rendered by the department.
- Leverage asset management software and continue implementation of asset management, inventory controls and work order system improvements.
- Evaluate storeroom options for asset management and opportunities for system expansion.
- Effectively convert from TRAKiT permitting system to CityWorks PLL for all permitting needs.
- Assist Engineering with developing the City's Five-Year CIP in conjunction with the Finance Department and the Office of Management & Budget.
- Assist Engineering with development and maintenance of the City's Design Criteria Manual, Specifications, Standard Details, and Infrastructure Master Plans.
- Develop a strategic department growth plan that efficiently provides support to our internal and external customers.
- Provide reliable, safe, and functional road and sidewalk systems through systematic condition assessment and inspection, implementing pavement management strategies for maintenance of the entire street's network to improve pavement conditions.
- Develop a ROW Management Policy to govern future development of right of ways, streetscape design, and maintenance standards.
- Continue to operate under the Motor Pool Fund.
- Continue to achieve and monitor the Strategic Priority Milestones as identified by City Council.
- Continue to operate under the Facilities Internal Service Fund.
- Further a data driven approach to drainage infrastructure management, through the development and identification of drainage assets.
- Maintain integrity of current facilities by providing general maintenance and repairs as needed.
- Complete Facilities Condition Assessment process; report immediate concerns and budget needs through the Capital Improvement and operational budget process.
- Complete Generator Assessment Study; report immediate concerns and budget needs through the Capital Improvement and operational budget process.

Fiscal Year 2024 Accomplishments

Department/Division Wide:

- Expanded Emergency Operations Plans to update emergency action plans following separation of traditional EPW services from Pearland Water
- Provided position specific training that will allow staff to achieve technical competency in new areas.
- Provided emergency response activities for a freeze, high water response and several extreme weather events.
- ELDT (entry level driver training) completed by total of three staff members between ROW and Drainage Divisions.
- Expanded cross-training opportunities for Drainage and ROW divisions to expand staff capabilities.
- Responded to after-hour emergency calls for damaged guardrails, roadway & drainage obstructions and, PD emergencies where support is needed.
- Coordinated with the GIS Department and many other business partners to improve the emergency response dashboard and maintain as a living resource.
- Prepared for and responded to natural disasters such as Hurricane Beryl and its impacts to the Pearland Community.

Drainage:

- Regraded 14,537 linear feet of ditches via City crews and contractor to maintain and improve drainage.
- Cleaned 56,525 linear feet of culvert pipe to remove silt and debris to maintain drainage.
- Initiate, renew and implement a drainage repair & maintenance contract(s), as necessary, to achieve target goal of 31 miles of enclosed pipe maintenance and 14 miles of open drainage system maintenance annually.
- Observed no structural flooding in response to the FY24 hurricane season.

Right of Way:

- Contractually completed concrete panel replacements on Abbyfield, Lazy Creek, Spring Creek, Chester, Business Center Drive, Gulfon, Pine Hill, Sunset Meadows, Pecan Grove, Gable Park, Meadow Creek
- Successfully awarded a contract for outsourced pavement restoration services to/or portions of Knapp, Hamm, Taylor, Creekridge, Washington Irving, Sleepy Hollow.
- Provided pavement restoration services to or portions of Veterans, Fite, Garden, Herridge, Harkey, Holland, Walnut, Hawk & Hill House Roads via interlocal activities.
- Further drafted a street repair policy to include a pothole mitigation priority ranking system.
- Completed 291 work orders to reduce the backlog related to sidewalk repairs via sidewalk contracts.
- Completed 53,745 linear feet of asphalt pavement overlay of roadways.
- Removed & replaced 21,482 linear feet of sidewalk using contracted services.
- Restored 5,862 sqft of sidewalk trip hazards utilizing concrete raising contracts.
- Repaired 399 potholes in asphalt streets.
- Utilized standard operating procedures for services provided within the ROW Division to enhance the appearance of City maintained property and rights of way through street sweeping, infrastructure and landscape maintenance practices.
- Provided annual in-house and contractual grounds maintenance services to 851 acres of City maintained property.
- Effectively cleaned 216 miles of roadway via street sweeping contract.

Fleet:

- Continued the build out of the fleet management software, Fleetio, to allow for enhanced vehicle and maintenance tracking and lifecycle replacements.
- Created Weekly Passenger Vehicle Inspections in Fleetio, to allow for operator accountability and tracking.
- Created preventative maintenance schedules for fleet vehicles and equipment in the fleet management software.
- Created monthly overdue registration reports from Fleetio, to allow for enhanced tracking for operating department leadership.
- Completed 1,559 of preventive maintenance and repair work orders.
- Coordinated with the Fire Department on the purchase of 2 enforcer pumpers and 1 aerial ladder truck.
- Collaborated with the Projects team on the early stages of construction of the Fleet Shop at Hillhouse Complex Phase II site.
- Took delivery of 10 Police Packaged Tahoes, as approved in the FY2023 Vehicle Replacement List.
- Took delivery of Fire Tahoes, as approved in the FY2021, FY2022 and FY2023 Vehicle Replacement List.
- Took delivery of the FY2022 of 1 Enforcer Pumper for the Fire Department.
- Purchased and took delivery of 39 vehicles from Chastang Ford to fulfill the FY2023 and FY2024 Vehicle Replacement List.
- Fleet staff attended Fleet Con 2024 and received training

Facilities:

- Successfully operated one-year in the Facilities Internal Service Fund.
- Completed the installation of Phase II Enclosure Heaters, as identified in the Generator Assessment Study
- Replaced the HVAC unit at Fire Admin and West Community Event Center, as identified in the Facilities Condition Assessment and 5-Year CIP.
- Completed the FY2023 quarterly preventative maintenance programs for HVAC, Generators, Overhead Doors, Pest Control,
- Responded to 1,163 internal service requests for facility maintenance and operation services.
- Addressed 1,301 work orders for service and repair needs to city facilities.

- Completed Community Development and HR office renovations.
- Built preventative maintenance and contractual service costs in Cityworks to capture full building operations and maintenance costs for FY2023.
- Completed the Facilities Staffing Study, received immediate and future recommendations to address staffing needs.
- Enhanced the exterior appearance at West Pearland Library, City Hall and Tom Reid Library.

Fiscal Year 2025 Objectives

Drainage:

- Reduce flooding and minimize the chance of property damage, injury or loss of life through a program of drainage systems maintenance and construction.
- Finalize a drainage policy and supporting asset inventory of drainage system with supporting inspection process and maintenance procedures.
- Finalize year-three of the drainage maintenance program and transition into year-four programmed zone.
- Invest contractual dollars into the enclosed pipe inspection & cleaning program as budgeted in FY25
- Invest contractual dollars into the open ditch grading & excavation program to future achieve our annual program goals.
- Onboard and backfill, a vital supervisor role within the Division

Right of Way:

- Coordinate with Brazoria County to pave Plum, Veterans, Roy and Old Chocolate
- Finalize street policy and supporting new IMS survey results to maximize budget dollars and improve the longevity/operation of transportation infrastructure.
- Maintain and enhance the appearance of City's ROW through street sweeping, turf, and landscape maintenance management practices.
- Protect the City's utility infrastructure and provide improved community safety through right of way permitting and inspection processes.
- Support the Capital Improvement Process by reviewing and ensuring appropriate installation of landscape material and associated infrastructure in public landscapes.
- Continue to inspect and ensure contractual services provided within the public landscapes.
- Finalize the inventory and development of a guardrail and soundwall maintenance policy and implement year one inspection process for each.

Fleet:

- Continue operating under the Motor Pool Fund and Policy.
- Purchase equipment and provide training to allow for more in-house services and repairs.
- Coordinate with the Projects team on the construction of the Hillhouse Complex Phase II.
- Complete a reorganization of the division to provide career paths and better define staff roles.
- Create a monthly stakeholder meeting to better communicate with user departments.
- Identify alternative sources for vehicles and equipment to expedite delivery of approved replacements vehicles.

Facilities:

- Continue operating under the Facilities Internal Service Fund and Policy.
- Integrate all non-utility generators on the City's building automation system and utility generators on SCADA to allow for a complete monitoring system, as identified in the Generator Assessment Study.
- Assist with major capital improvement projects, such as the design and construction of Hillhouse Complex Phase II and Orange Street Phase II.
- Assist Projects team with the Dectron Replacement, Fire Station 2 & 3 Renovation, and Country Place and Garden Water Well Generator Replacement, as identified in the Facilities Condition Assessment and Generator Condition Assessment.
- Build preventative maintenance and other contractual services into Cityworks to allow for pre populated alerts and lifecycle tracking.

Performance Measures

| | FY 2020 Actual | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY25 Target |
|---|----------------------|----------------------|----------------------|-------------------|-------------------|----------------|
| Street Sweeping (miles) | 564 | 345 | 447 | 663 | 216 | 633 |
| Ditch cleaning (feet) | 28,192 | 22,510 | 22,036 | 95,381 | 10,953 | 76,550 |
| Culvert & enclosed pipe cleaning | * | * | * | 43,237 | 56,525 | 163,680 |
| Enclosed Pipe Inspection | 0 | 0 | 0 | 3,845 | 10,953 | 163,680 |
| Number of Open Sidewalk Repair Work Orders | 556 | 567 | 1608 | 941 | 1,385 | 0 |
| Number of Potholes Repaired | 4,378 | 1,438 | 693 | 810 | 399 | 200 |
| Culvert Pipe Installed/Replaced (feet) | 0 | 0 | 40 | 300 | 75 | 300 |
| EPW Service Request/Works Orders (Facility, Streets, | | | ***1898 | | | |
| Drainage, ROW & Admin combined) | ** | ** | 1713 | 2297/2874 | 2264/4174 | 2264/4174 |

* Prior year data was not recorded for individual service of culvert cleaning compared to ditch cleaning. Upon start of ten-year drainage program, staff began to track this separately and will continue to track moving forward.

** Data collected in prior work order management system, HTE, and not CityWorks, no records available.

***Data reflects partial year due to CityWorks "go live" date of February 2022.

Parks & Recreation



Carry Capers
Director of Parks & Recreation

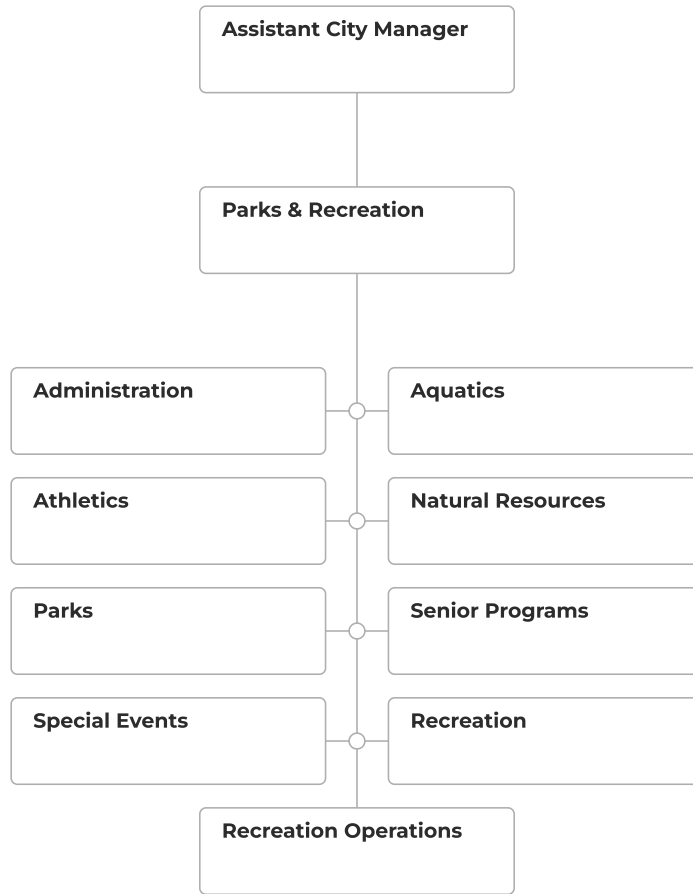
STRATEGIC COUNCIL PRIORITY: Sustainable Infrastructure, Strong Economy, Connected Community

Expenditures Summary

\$9,963,715 **\$1,212,172**
(13.85% vs. prior year)

Organizational Chart

FY25 Parks & Recreation



Expenditures by Function

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|-----------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 500 - Parks & Recreation | | | | | |
| 100 - Administration | \$1,472,006 | \$1,645,487 | \$1,695,474 | \$2,662,495 | 61.8% |
| 510 - Recreation | \$320,836 | \$378,543 | \$369,336 | \$500,191 | 32.1% |
| 520 - Athletics | \$341,213 | \$388,924 | \$407,171 | \$472,378 | 21.5% |
| 525 - Special Events | \$626,832 | \$628,955 | \$669,310 | \$662,043 | 5.3% |
| 530 - Senior Programs | \$378,584 | \$402,278 | \$404,528 | \$423,785 | 5.3% |
| 535 - Aquatics | \$627,710 | \$780,492 | \$731,939 | \$847,600 | 8.6% |
| 540 - Parks | \$2,563,007 | \$2,574,202 | \$2,712,743 | \$2,604,260 | 1.2% |
| 545 - Recycling | \$2,350 | \$2,360 | \$4,275 | \$3,603 | 52.7% |
| 550 - Natural Resources | \$371,582 | \$392,938 | \$380,504 | \$399,999 | 1.8% |
| 555 - Recreation Operations | \$1,393,130 | \$1,557,364 | \$1,471,107 | \$1,387,362 | -10.9% |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|------------------------------------|------------------|--------------------------|--------------------------|--------------------|--|
| Total 500 - Parks & Recreation: | \$8,097,250 | \$8,751,543 | \$8,846,387 | \$9,963,715 | 13.9% |
| Total Expenditures: | \$8,097,250 | \$8,751,543 | \$8,846,387 | \$9,963,715 | 13.9% |

Overview

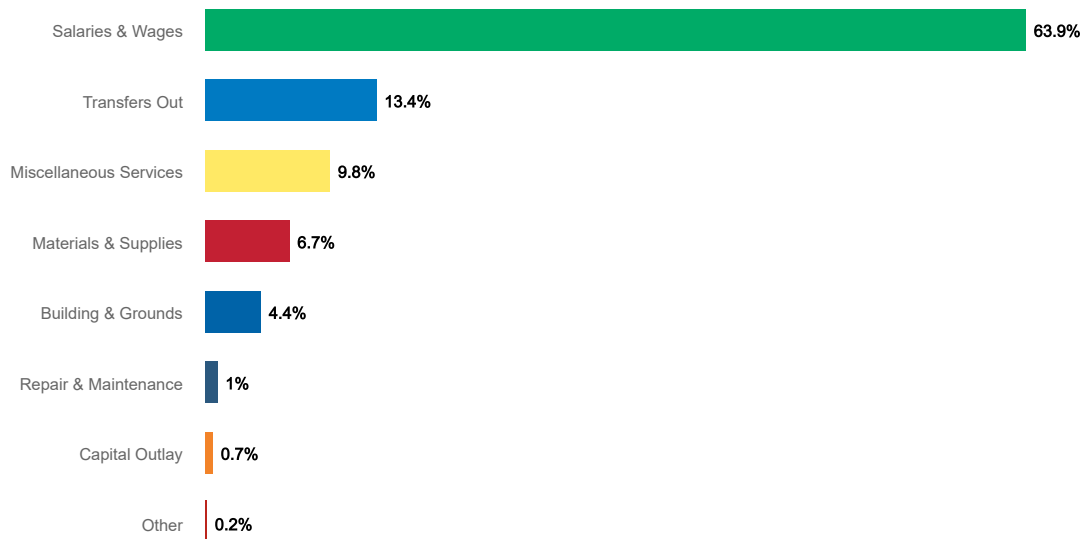
Pearland Parks & Recreation, in collaboration with the Parks, Recreation and Beautification Board, the Forever Parks Foundation, local and regional partners, and other City departments, oversees the implementation of a comprehensive Parks, Recreation, Open Spaces and Trails Master Plan. This plan provides policy direction aimed at addressing both current and future parks and recreation needs, ultimately enhancing the community's quality of life.

The department offers a wide range of programs, including athletic, aquatics, outdoor recreation, adaptive and therapeutic recreation, special events, wellness and fitness initiatives, youth development, camps, and older adult programming. The department is also responsible for maintaining over 547 acres of parkland, which includes 20 miles of trails, 19 parks, 29 athletic facilities, 2 dog parks, and historical sites such as Old Settler's Cemetery and Zychlinski Park.

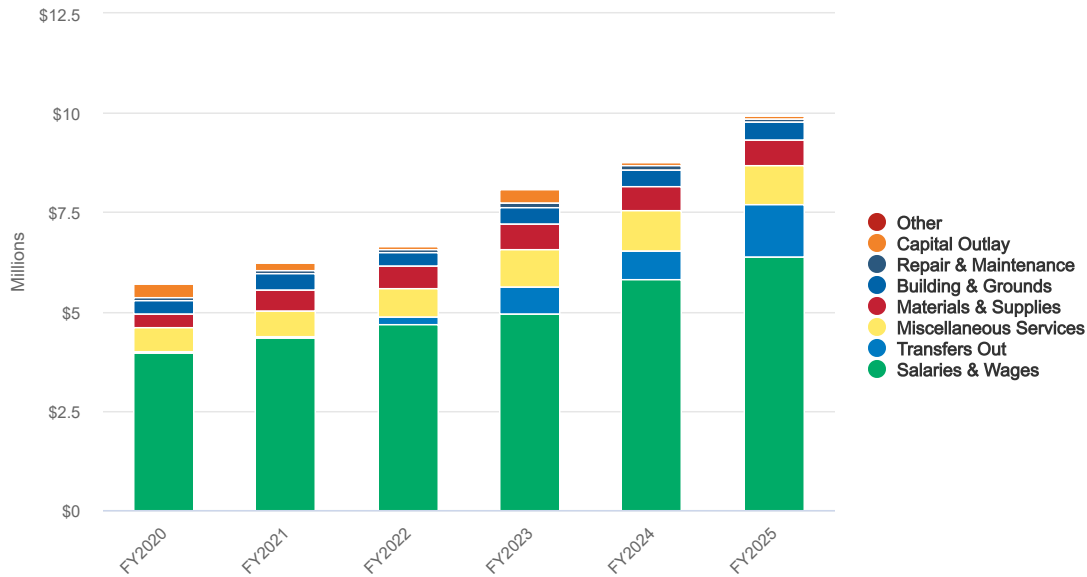
Major facilities under the department's management include the Recreation Center & Natatorium, the West Pearland Community Center, the Delores Fenwick Nature Center, and the Melvin Knapp Activity Center. This network of programs and facilities contributes significantly to Pearland's community engagement, health and well-being, reflecting the department's commitment to service excellence and accessibility for all residents.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|-------------------------------|--------------------|-----------------------|-----------------------|--------------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$4,960,953 | \$5,801,043 | \$5,643,977 | \$6,369,425 | 9.8% |
| Materials & Supplies | \$608,002 | \$613,187 | \$592,043 | \$664,435 | 8.4% |
| Building & Grounds | \$447,616 | \$421,389 | \$493,870 | \$437,524 | 3.8% |
| Repair & Maintenance | \$88,519 | \$102,720 | \$79,621 | \$100,320 | -2.3% |
| Miscellaneous Services | \$968,313 | \$998,189 | \$1,020,554 | \$971,787 | -2.6% |
| Other | \$12,694 | \$0 | \$25,043 | \$22,517 | N/A |
| Capital Outlay | \$352,015 | \$66,000 | \$242,264 | \$66,000 | 0% |
| Transfers Out | \$659,139 | \$749,015 | \$749,015 | \$1,331,708 | 77.8% |
| Total Expense Objects: | \$8,097,250 | \$8,751,543 | \$8,846,387 | \$9,963,715 | 13.9% |

Key Budget Items for FY 2025

- West Pearland Summer Camp Program:** This allocation will support the expansion of Pearland Parks & Recreation's popular Summer Camp Program at the West Pearland Community Center. This expansion enables Parks & Recreation to accommodate 40 additional participants, enhancing access to recreational, educational, and social experiences for more youth in the community. Funding will cover operational needs, equipment, and supplies necessary to ensure a safe, enriching camp experience that aligns with the program's standards of excellence.
- Four Part-Time Recreation Attendants- Athletics:** Funding for four part-time Recreation Attendants will bolster the Athletics division, ensuring high-quality service and support across recreational programs and facilities. These team members will assist with program set up, equipment management, facility access, and safety enforcement, particularly during peak hours. Their presence will help streamline operations, improve customer service, and maintain a positive experience for facility users, supporting the growing demand for athletic activities in Pearland.
- Southdown Park Playground and Fall Zone Replacement:** This budget item provides for the complete replacement of the aging playground structure and fall zone at Southdown Park. The current equipment is outdated and increasingly challenging to maintain. A new, modern playground design will incorporate inclusive and upgraded safety surfaces to accommodate children of all abilities. This investment prioritizes safety, accessibility, and enjoyment, enhancing the park's appeal as a community gathering space for families.

Goals

- Improve internal communication.
- Improve external communication.
- Enhance strategic environmental stewardship.
- Consistently deliver quality programs.
- Ensure social equity through service delivery.
- Enhance & update assets to deliver premiere experiences.
- Become a recognized leader.
- Enhance organizational & operational efficiency.
- Enhance public health through engagement.
- Create effective and efficient financial practices.

Fiscal Year 2024 Accomplishments

- Welcomed 1,166,500 residents and visitor to Pearland's parks and open spaces.
- Developed and implemented Pearland's Strategic Athletic Operational Plan, a comprehensive approach to guide the planning, management, and development of athletic facilities, programs, and services.
- Launched Pearland's first pickleball league that quickly tripled in size.
- Supported the National Park & Recreation Association in developing guidelines for inclusive event and program naming and the development of an inclusive swimwear policy.
- The Delores Fenwick Nature Center hosted two (October 2023 & April 2024) Solar Eclipse viewing events for the Pearland community, providing safety glasses and educational content for these rare celestial events.
- The Delores Fenwick Nature Center received the 2023 Organization Award from the Texas Children in Nature Network.
- The Delores Fenwick Nature Center was featured as a Pearland-area highlight on Good Morning America's Main Street USA segment.
- Visitation at the Delores Fenwick Nature Center increased by 19% from FY2023. This included visitors from over 70 Texas cities, 30 states, and 11 countries.
- The Texas Horned Lizard conservation project had its first successful release of 86 captive bread lizards into the wild.
- Established a partnership with Rice University to monitor local bat colony to better understand roosting conditions.
- Four Parks & Recreation employees achieved their Certified Parks & Recreation Professional Certification through the National Parks & Recreation Association.
- Two Parks & Recreation employees achieved their Certified Parks & Recreation Executive Certification through the National Parks & Recreation Association.
- Hosted 17 athletic sports tournaments at Pearland's athletic complexes.
- Completed a parks shade enhancement project which included the addition of ____ new shade canopies throughout the park system providing much needed shade over playgrounds and seating area.
- Updated Pearland RCN facility hours and holiday hours to better accommodate community needs and enhance accessibility.
- Implemented an app called Statusfy to keep the public and staff informed about the current status or weather-related closures, maintenance notices, and capacity notifications at facilities, programs, and events.
- Partnered with Visionary Outreach and Melanin Mom's to host the 2nd Annual Juneteenth Freedom Celebration.
- Parks & Recreation Special Events team served on the Host Committee for the Brazoria County Veteran's Day Parade.
- Increased volunteer engagement in Parks and Recreation events and programs by 25%.
- Increased sponsorship of parks and recreation events and programs by 64% from the previous year.
- Increased in-kind sponsorship by 28% from the previous year.
- Through a partnership with the Forever Parks Foundation Parks and Recreation launched a financial naming rights campaign for parks and recreation facilities.
- The Forever Parks Foundation began a Capital Campaign to fundraiser \$4 million for an Inclusive Playground at Independence Park.

Fiscal Year 2025 Objectives

- Conduct a comprehensive update to the Parks, Recreation, Open Spaces, and Trails Plan.
- Develop and establish a Conservation Ordinance for the City of Pearland.
- Increase multicultural recreational program offerings and events.
- Implement the remedial recommendation identified within the Park Conditions Assessment.
- Continue to preserve and restore natural areas within Pearland's parks, recreational trails, and city-owned open spaces.
- Continue to develop innovative fund-raising practices and revenue-generating initiatives.

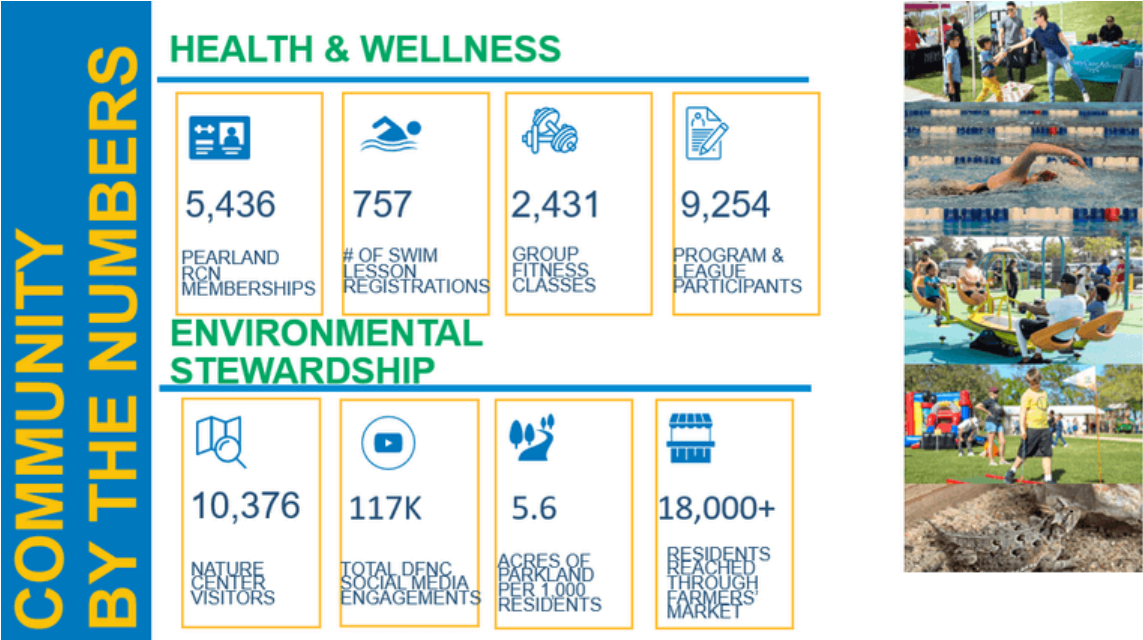
Parks & Recreation Performance



Parks & Recreation Performance



Parks & Recreation Performance



Enterprise Fund

The Enterprise Funds include the Enterprise Fund Operating Fund, Enterprise Debt Service Fund, and the Solidwaste fund.

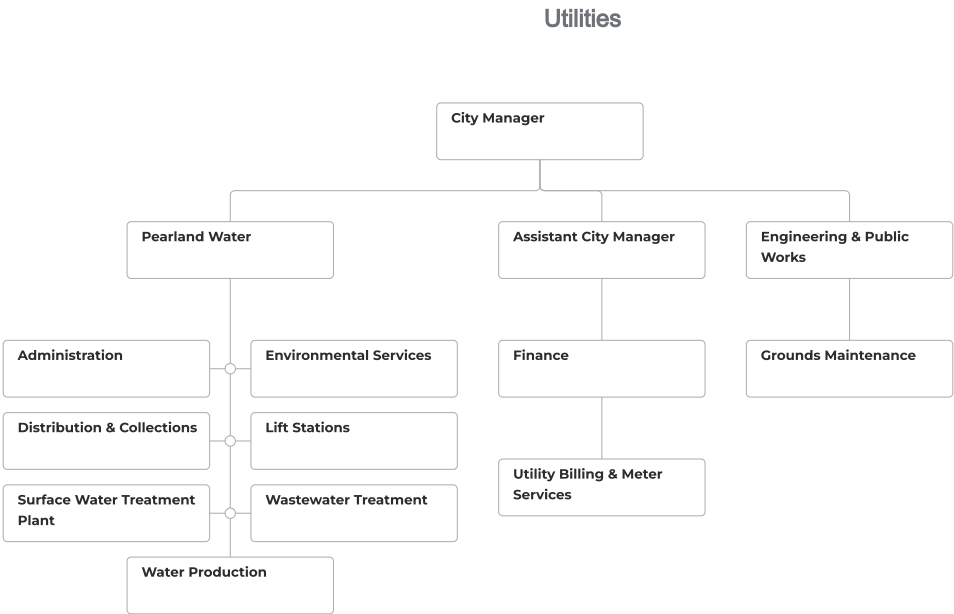
Expenditures Summary

\$79,866,624

\$7,459,587

(10.30% vs. prior year)

Organizational Chart

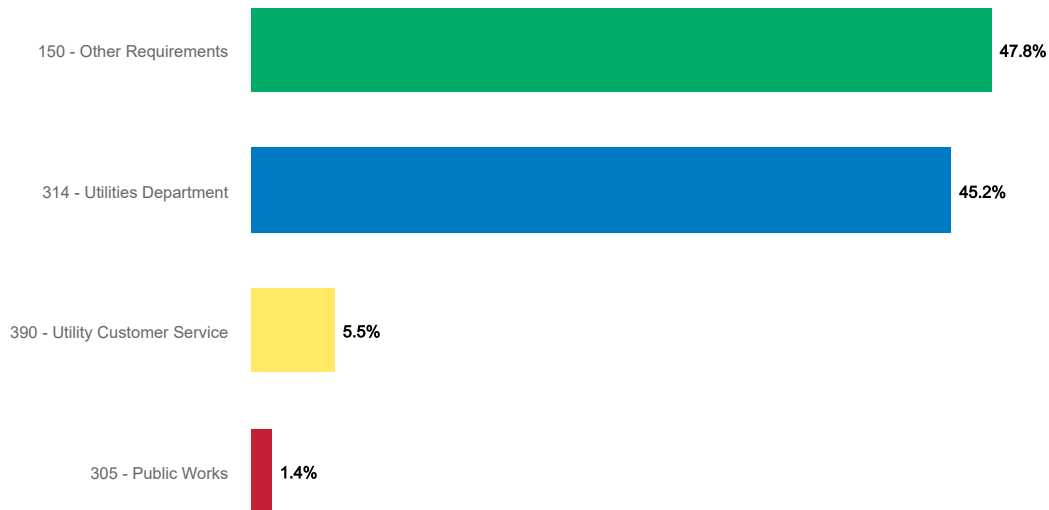


Expenditures by Function

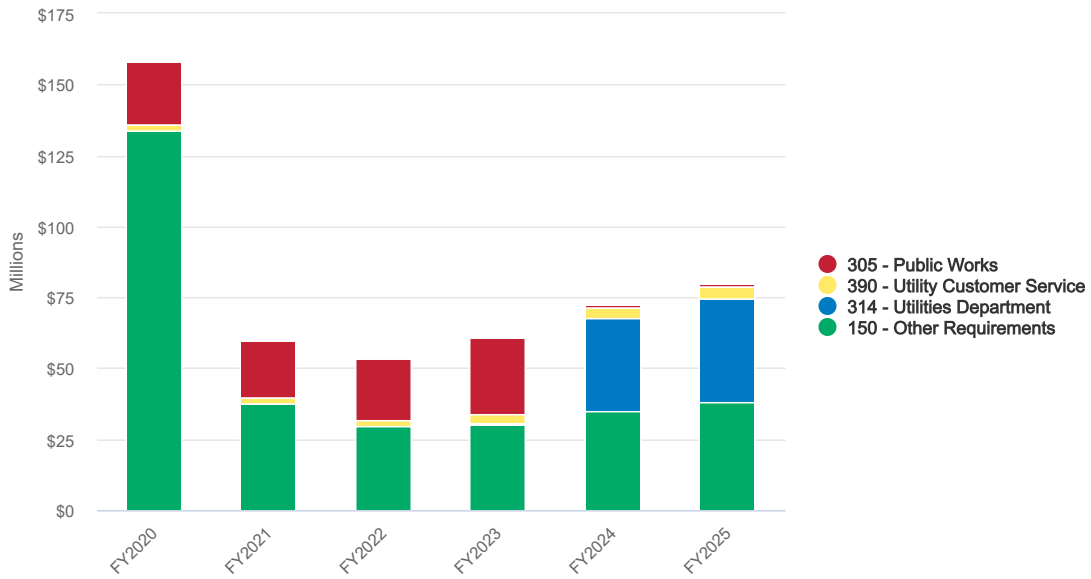
Beginning in FY24 the water and wastewater operations functions were split from the Engineering and Public Works Department to form a new Utilities department. Public Works maintains a grounds maintenance division in the Enterprise Fund, but otherwise all divisions were moved over to the new Utilities department. Divisions maintain their names and division numbers and expenses can be tracked historically through them.

The 150- Other Requirements is composed of 47% of expenditures comprising transfer-out to the following funds: General Fund, Debt Service Fund-Water& Sewer, cash funded CIP projects, risk management fund transfers. The other big budget component is 314-Utilities Department.

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



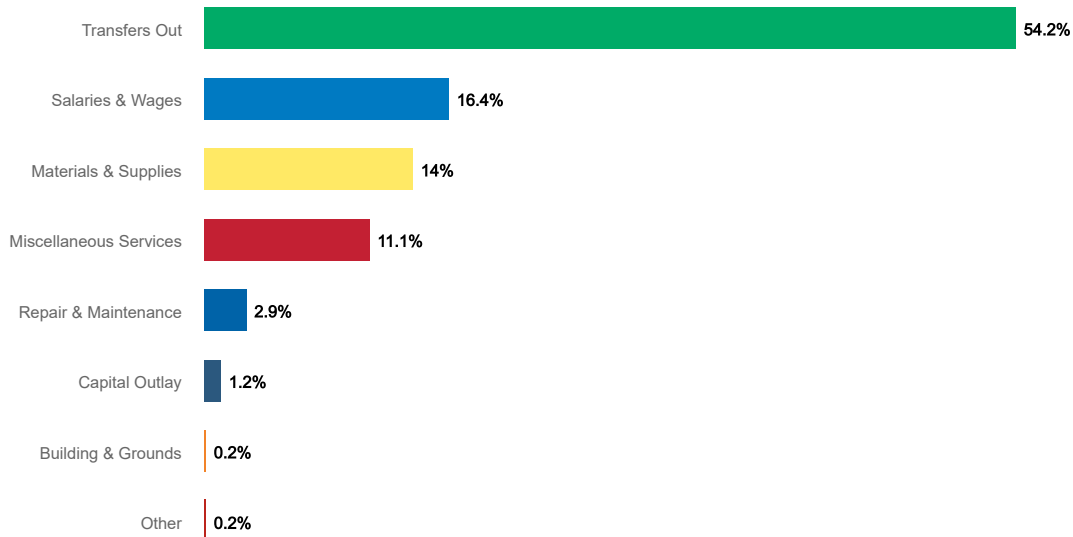
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|----------------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expenditures | | | | | |
| 130 - Finance | | | | | |
| 390 - Utility Customer Service | \$2,790,824 | \$3,848,201 | \$3,910,341 | \$4,410,933 | 14.6% |
| Total 130 - Finance: | \$2,790,824 | \$3,848,201 | \$3,910,341 | \$4,410,933 | 14.6% |
| 150 - Other Requirements | | | | | |
| 100 - Administration | \$459,617 | \$1,013,000 | \$1,062,924 | \$1,473,001 | 45.4% |
| 910 - Transfers | \$29,630,787 | \$34,007,861 | \$29,759,028 | \$36,739,608 | 8% |
| Total 150 - Other Requirements: | \$30,090,404 | \$35,020,861 | \$30,821,952 | \$38,212,609 | 9.1% |
| 305 - Public Works | | | | | |
| 100 - Administration | \$3,767,444 | \$0 | -\$70,326 | \$0 | 0% |
| 315 - Grounds Maintenance | \$792,426 | \$814,650 | \$745,497 | \$1,144,423 | 40.5% |
| 350 - Lift Stations | \$1,185,977 | \$0 | -\$10,620 | \$0 | 0% |
| 355 - Wastewater Treatment | \$4,902,803 | \$0 | -\$51,497 | \$0 | 0% |
| 360 - Environmental Services | \$566,885 | \$0 | -\$78,255 | \$0 | 0% |
| 365 - Water Production | \$9,330,656 | \$0 | -\$105,859 | \$0 | 0% |
| 370 - Distribution & Collections | \$4,336,555 | \$0 | -\$226,245 | \$0 | 0% |
| 380 - Meter Services | \$755,463 | \$0 | -\$10,477 | \$0 | 0% |
| 385 - Pre-Treatment FOG | \$27,435 | \$0 | \$0 | \$0 | 0% |
| 395 - Surface Water Plant | \$1,609,313 | \$0 | -\$45,644 | \$0 | 0% |
| Total 305 - Public Works: | \$27,274,958 | \$814,650 | \$146,574 | \$1,144,423 | 40.5% |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change) |
|-----------------------------------|---------------|-----------------------|-----------------------|-----------------|--|
| 314 - Utilities Department | | | | | |
| 100 - Administration | \$3,147 | \$4,292,635 | \$4,421,866 | \$5,193,115 | 21% |
| 350 - Lift Stations | \$59,633 | \$1,656,381 | \$1,812,613 | \$1,501,049 | -9.4% |
| 355 - Wastewater Treatment | \$273,818 | \$6,203,684 | \$6,232,505 | \$6,644,691 | 7.1% |
| 360 - Environmental Services | \$1,794 | \$670,479 | \$677,194 | \$691,674 | 3.2% |
| 365 - Water Production | \$362,332 | \$11,122,633 | \$12,779,631 | \$11,258,438 | 1.2% |
| 370 - Distribution & Collections | \$2,086 | \$4,913,533 | \$5,166,668 | \$5,690,464 | 15.8% |
| 395 - Surface Water Plant | \$0 | \$3,863,980 | \$3,774,556 | \$5,119,228 | 32.5% |
| Total 314 - Utilities Department: | \$702,809 | \$32,723,325 | \$34,865,033 | \$36,098,659 | 10.3% |
| Total Expenditures: | \$60,858,994 | \$72,407,037 | \$69,743,900 | \$79,866,624 | 10.3% |

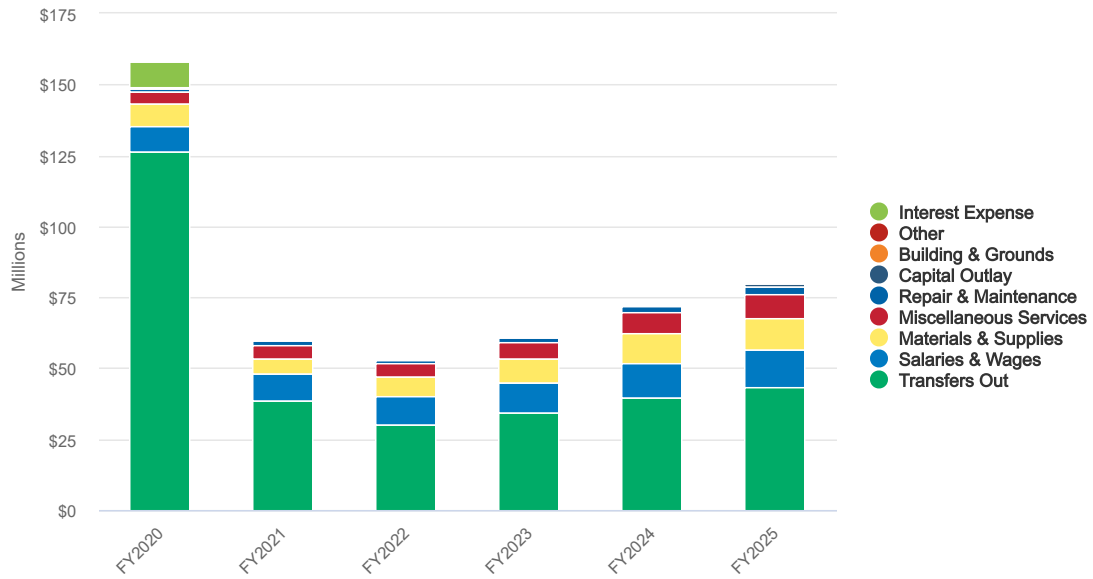
Expenditures by Expense Type

Transfer out Expenditure of an enterprise fund" refers to the process of moving money from an enterprise fund to pay for the Debt Services, IT, Facilities and Motor Pool Funds.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|-------------------------------|---------------------|-----------------------|-----------------------|---------------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$10,536,836 | \$12,198,999 | \$11,042,002 | \$13,071,816 | 7.2% |
| Materials & Supplies | \$8,302,489 | \$10,335,078 | \$11,197,069 | \$11,145,280 | 7.8% |
| Building & Grounds | \$69,202 | \$128,500 | \$205,854 | \$141,500 | 10.1% |
| Repair & Maintenance | \$1,392,633 | \$1,787,288 | \$2,020,780 | \$2,297,720 | 28.6% |
| Miscellaneous Services | \$6,126,526 | \$7,737,851 | \$9,121,397 | \$8,865,795 | 14.6% |
| Other | \$100,914 | \$133,000 | \$111,493 | \$122,350 | -8% |
| Capital Outlay | \$29,985 | \$458,000 | \$665,817 | \$945,001 | 106.3% |
| Transfers Out | \$34,300,409 | \$39,628,321 | \$35,379,488 | \$43,277,162 | 9.2% |
| Total Expense Objects: | \$60,858,994 | \$72,407,037 | \$69,743,900 | \$79,866,624 | 10.3% |

Finance-Utility Billing



Jennifer Quiroga
Water Billing & Collections Manager

Strategic Council Priority:

The Utility Billing Division upholds the Council's strategic priority of *Trusted Government* by delivering exceptional customer service and managing accounts with transparency, fiscal accountability, and professionalism. Through respectful engagement and efficient operations, the division fosters trust, strengthens community relationships, and ensures alignment with the Council's goals for community engagement and financial stewardship.

Overview

Utility Billing Department Overview

The Utility Billing Department plays a critical role in providing exceptional customer service and ensuring accurate and efficient billing and collection operations. Reporting to the Director of Finance, the department is responsible for managing water, sewer, and garbage fees, as well as collecting fees associated with the curbside residential solid waste collection contract.

As the primary point of contact for residents, the department is dedicated to fostering positive community engagement and ensuring a seamless experience for both new and existing residents of Pearland. Through its commitment to professionalism, transparency, and fiscal responsibility, the Utility Billing Department contributes to making Pearland a community of choice while supporting the city's mission of effective and sustainable governance.

Key Budget Items for FY 2025

Key Budget Items for FY 2025

Before the start of each fiscal year in October, the City conducts a comprehensive evaluation of the costs associated with delivering high-quality, reliable water services to Pearland residents. This annual review is a critical process, undertaken with great diligence and responsibility by City employees, recognizing that access to clean and dependable water is essential for the community's well-being. Maintaining Pearland's water and wastewater systems in a growing and dynamic city requires careful financial planning to ensure sustainability. Key factors considered in the rate evaluation include water production, treatment, and infrastructure needs. Following an in-depth assessment of the costs to produce, deliver, and treat water and wastewater, as well as the ongoing investment in building and maintaining infrastructure, the City Council approved a 7% rate increase for FY 2025. This adjustment will be in effect from October 1, 2024, through September 30, 2025, supporting the City's commitment to providing safe, reliable, and sustainable water services.

Goals

- **Ensure Accurate and Timely Billing:** Maintain the integrity of billing operations by ensuring all water, sewer, and garbage services are billed accurately and on schedule, reducing errors and improving customer satisfaction.
- **Enhance Customer Engagement and Service Excellence:** Foster a customer-centric culture by providing professional, responsive, and courteous service that reflects “The Pearland Way,” ensuring exceptional experiences for both internal and external customers.
- **Optimize Account Management Processes:** Ensure precise management of all customer accounts, including billing, payments, refunds, and adjustments, to uphold transparency and financial accuracy.
- **Strengthen Collection and Revenue Assurance:** Maintain high collection rates and minimize delinquencies through effective service disconnection protocols and proactive collection policies, ensuring the financial health of the department.
- **Pursue Resolution of Delinquent Accounts:** Actively identify and address delinquent waste accounts by pursuing collection strategies and resolving outstanding balances efficiently and equitably.
- **Elevate Staff Training and Professional Development:** Invest in continuous training and development opportunities for staff to uphold professional standards, enhance expertise, and deliver superior customer service.
- **Maintain Transparent Communication Channels:** Regularly update and enhance the department's web and informational platforms to provide clear, accessible, and up-to-date information about services, policies, and procedures.
- **Improve Operational Efficiency and Responsiveness:** Utilize data-driven insights to streamline workflows, improve response times, and enhance the overall efficiency of billing and customer service operations.
- **Promote Fiscal Responsibility:** Ensure all financial transactions, including payments, adjustments, and refunds, are managed with accuracy and accountability to support the city's financial stability and public trust.
- **Foster Innovation and Adaptability:** Embrace technological advancements and process improvements to enhance service delivery, reduce operational costs, and meet the evolving needs of the community.

Fiscal Year 2024 Accomplishments

- **Launched WaterSmart Online Portal:** Transitioned to the WaterSmart Online Portal in May 2024, enhancing customer experience through improved access to account information and usage insights.
- **Implemented Advanced Metering Infrastructure (AMI):** Achieved a 95% read rate with the successful completion of AMI implementation in April 2024, ensuring more accurate and efficient meter readings.
- **Modernized Payment Processing:** Successfully implemented the Paymentus Payment Processor in May 2024, offering customers enhanced flexibility with multiple payment options for online transactions.
- **Streamlined Customer Onboarding:** Introduced online deposit payment capabilities and enabled secure uploads of required documentation, simplifying the account setup process for new customers.
- **Enhanced Customer Education:** Continued to provide employee and customer education aligned with the *People First* philosophy, fostering a culture of excellence in service delivery.
- **Optimized Billing Accuracy:** Improved operational efficiencies through robust monitoring and adjustment processes, ensuring accurate and timely billing for all customers.
- **Strengthened Revenue Collection:** Maintained high collection rates while minimizing delinquency through effective policies and proactive outreach.
- **Improved Transparency and Communication:** Regularly updated online resources to provide residents with clear, accessible information on water services and account management.
- **Advanced Digital Integration:** Leveraged technological tools to enhance customer interactions and streamline service operations, supporting the City's digital transformation efforts.
- **Supported Sustainable Operations:** Successfully balanced financial stewardship with infrastructure investments to ensure the reliability and sustainability of Pearland's water and wastewater systems.

Fiscal Year 2025 Objectives

- **Foster Staff Development:** Provide ongoing customer service training to embody the *People First* philosophy and maintain excellence in service delivery.
- **Maintain Accurate and Consistent Billing:** Ensure timely billing every 30 days and meter readings every 30/31 days, eliminating the need for estimations and incorporating all 365 days of the year.
- **Expand Customer Portal Usage:** Increase registrations for the Pearland Water Customer Portal and enhance public education on its features and benefits.
- **Boost Autopay Enrollment:** Drive an increase in the number of customers enrolled in autopay to promote convenient and consistent payment options.
- **Implement Proactive Escalation Management:** Establish a proactive approach to identify and address potential customer service escalations before they arise.
- **Streamline Utility Billing Processes:** Continuously refine processes to enhance operational efficiency and customer satisfaction.
- **Optimize Meter Profile Processing:** Reduce the volume of internally and field-processed meter profiles by leveraging the Pearland Water Customer Portal.
- **Strategic Workforce Planning:** Implement additional staffing and develop strategic plans to support the evolving needs of Utility Billing operations.
- **Improve Call Queue Metrics:** Continue efforts to enhance call response times and overall call center efficiency.
- **Increase Community Engagement:** Expand employee outreach through pop-up events across the community, strengthening connections with residents and promoting Utility Billing services.

Performance Measures

| Metric | Target | Measurement | Scoring |
|--|---|---|--|
| Delinquent Accounts | Delinquent Accounts <5% | Annual average delinquent accounts as a percentage of total accounts. | <3%: Excellent, 3-5%: Satisfactory, >5%: Needs Improvement. |
| Call Volume | Optimize Call Volume Trends | Average call time maintained at >15 min/call and 0 unanswered calls | Minimal backlogs: Excellent, Moderate backlogs: Satisfactory, Significant delays: Needs Improvement. |
| Pearland Water Customer Portal Enrollment (WaterSmart) | 100% Customer Enrollment | $(\text{Enrolled} / \text{Total Customers}) \times 100$. | <90%: Excellent, 89-75%: Satisfactory, <74%: Needs Improvement. |
| Cash Customers | Reduce the amount of cash received by 100% | $(\text{Cash Customers} / \text{Total Customers}) \times 100$. | <90%: Excellent, 89-75%: Satisfactory, <74%: Needs Improvement. |
| Reconnection Time | Reconnections in 24 hrs. or received payment | Average business days to complete reconnections. | ≤2 days: Excellent, 3-4 days: Satisfactory, >4 days: Needs Improvement. |
| New Connection Time | New Connections in 48 hrs of received work order | Average business days to establish new service. | ≤2 days: Excellent, 3-4 days: Satisfactory, >4 days: Needs Improvement. |
| Meter Reads | 100% of meters read accurately on the first attempt per billing cycle | The percentage of meters read accurately on the first attempt out of total meters to be read per billing cycle. | <90%: Excellent, 89-75%: Satisfactory, <74%: Needs Improvement. |

| Metric | 2022 | 2023 | 2024 | 2025 Target |
|--|--------------|--------------|-------------------|--------------|
| Delinquent Accounts | Satisfactory | Satisfactory | Satisfactory | Excellent |
| Call Volume | Satisfactory | Satisfactory | Satisfactory | Excellent |
| Pearland Water Customer Portal Enrollment (WaterSmart) | N/A | N/A | Needs Improvement | Satisfactory |
| Cash Customers | Satisfactory | Satisfactory | Satisfactory | Excellent |
| Reconnection Time | Excellent | Excellent | Excellent | Excellent |
| New Connection Time | Excellent | Excellent | Excellent | Excellent |
| Meter Reads | Excellent | Excellent | Excellent | Excellent |

Utilities



David Sohns
Director of Utilities

STRATEGIC COUNCIL PRIORITIES: The Utilities Fund provides sustainable infrastructure by providing the installation, maintenance, operation and Capital Improvement of Water Production and Wastewater Reclamation infrastructure.

Overview

The Utilities Department of Pearland Water is responsible for the operation and maintenance of the city's water and wastewater infrastructure, funded by the Pearland Enterprise Fund. This infrastructure supports three essential services for the residents: Wastewater Treatment, Water Production, and Distribution and Collection. Our dedicated teams manage a range of facilities, including 68 lift stations, 6 storm water stations, 5 Water Reclamation Facilities, 10 Groundwater Production Facilities, 6 elevated storage tanks, 2 wholesale water purchase sites, a Ten Million Gallon per Day Membrane Surface Water Treatment Plant, and an extensive network comprising 468 miles of sanitary sewer and 569 miles of water distribution.

The Wastewater Treatment Division is at the forefront of environmental protection, ensuring that every drop of water meets stringent quality standards. This team is responsible for effective process control, quality assurance, and sludge de-watering and disposal, with a strong commitment to compliance with state and federal regulations. Regular maintenance and repairs are critical to our operations. Our skilled technicians manage lift station operations and conduct repairs on pumps, motors, and control panels, ensuring efficient system performance. We also maintain odor control systems to enhance the community's environment. Additionally, our staff monitors and maintains six storm water stations to prevent flooding and ensure proper drainage.

The Water Production Division is dedicated to providing safe and reliable drinking water. This team oversees all plant operations, ensuring adequate system pressure and a consistent water supply. Continuous monitoring of water quality is essential, and our efforts have earned us a Superior Public Water System rating from the Texas Commission on Environmental Quality (TCEQ), demonstrating our commitment to excellence in service.

Distribution and Collection Division staff is responsible for underground water and sewer repairs, fire hydrant maintenance, valve upkeep, and investigation of sanitary sewer overflows. They utilize closed-circuit television for sewer inspections, implement preventive maintenance for manholes, and perform repairs on aging utility infrastructure. This team also installs new water and sewer lines and collaborates on city projects.

The Environmental Services (ES) Division supports Industrial Pretreatment, the Fats, Oils, and Grease (FOG) program, Backflow and Cross Connection Controls, and regulatory compliance. Additionally, ES manages the solid waste program and debris management, ensuring a clean and sustainable environment for our community.

For FY25, **Asset Reliability Management** is not designated as a separate division. Instead, it is funded through the budgets of Wastewater, Lift Stations, Water Production, Surface Water, and Administration. This team is tasked with developing and implementing strategies across the department to enhance the longevity and reliability of the critical assets managed and maintained by utilities.

Key Budget Items in FY 2025

Asset Reliability Team- (4 FTE) – Enterprise Fund \$421,575

Instrument Tech 1 FTE

Plant Mechanics 2 FTE

Asset Reliability Manager 1 FTE

Deputy Director of Utilities – Utilities-Enterprise Fund \$151,013

Goals

Department Wide:

- Provide distinguished customer service by quickly and courteously responding to citizen complaints or requests, including requests from City departments.
- Operations and Maintenance Staff Resiliency to better serve the customers of Pearland Water in daily activities and during emergencies like Hurricane Beryl
- Maintain utility facilities to increase uptime reduce unplanned shutdowns and minimize maintenance costs.
- Provide efficient operation of the sanitary infrastructure by minimizing surcharges, overflows, and inflow and infiltration in the sanitary sewer system to maintain compliance and maximize the existing treatment capacity.
- Maintain wastewater treatment facilities to protect the health of the public and the environment through maintaining 100% compliance with state and federal agencies.
- Maintain and expand the water distribution system maintenance program to minimize cost of water loss while maintaining a high level of service through waterline, valve and hydrant maintenance programs.
- Continue to create preventative maintenance programs for the water and sanitary sewer system.
- Ensure TCEQ and EPA compliance for all Utilities operations.
- Provide opportunity for staff professional development with an aim towards succession planning and career advancement opportunity
- Create Asset Reliability team for water and wastewater maintenance of pumps, motors and control panels
- HSE proactive lifesaving program

Fiscal Year 2024 Accomplishments

Environmental Services:

- New debris management and monitoring contracts established and enacted during the recovery of Hurricane Beryl debris removal. As a result, managed and oversaw the debris recovery operations in the aftermath of Hurricane Beryl; 195,472 cubic yards of debris removed from residential homes and City parks.
- Earned TCEQ recognition and award for Outstanding Cross-Connection Control Program.
- Participated in Spring Fest and STEM Career & Education Forum to share and educate on protecting the City's water resources; provided 1475 promotional items throughout the year, including color books, FOG prevention and awareness products, and protecting water products.

| | Commercial Plan Reviews | | Site Inspections | | | Backflow Testing | |
|------------------|-------------------------|------------|------------------|----------------|------|------------------|---------------|
| | Cross | | Env. | | | | |
| | Pretreatment | Connection | FOG | Investigations | CSI | City-owned BF | Commercial BF |
| FY23 | 81 | 416 | 1253 | 58 | 398 | 173 | 2968 |
| FY24 | 212 | 569 | 1352 | 35 | 1369 | 274 | 2804 |
| FY25 (Target) | 225 | 595 | 2000 | 30 | 1450 | 290 | 3100 |

Water Production:

- In coordination with LJA Environmental Engineering, the City completed the EPA/TCEQ requirements for the LCRR & LCRI regarding Lead & Copper in public drinking water systems.
- WP staff completed the TCEQ required LCR monitoring requirements for the City of Pearland MUD 1 PWS.
- Completed extensive rehabilitation projects for our Cullen, Kirby, & Country Place Water Wells.
- Completed the Construction phase of the Southeast (Bailey) & Magnolia Water Plant CIP, then awarded an Innovation Award by the TCEQ for the treatment technique for the Southeast & Magnolia Water Plant CIP.
- Installed surge protection at the SCR pumping station, significantly reducing costs associated with replacing components due to weather related occurrences.

Surface Water:

-
- Gained Accreditation as an Approved Drinking Water Lab and successfully completed the Step 2 TCEQ Review to obtain approval for public distribution of water.
- Created SOPs for laboratory testing and sample collection.
- Staff successfully completed 8 training classes, attended one conference, and participated in several webinars to ensure and maintain the high-quality professional standards of Pearland Water.
- All three of the staff members eligible to advance to the next license level did so within FY24.
-

Wastewater Treatment (including Lift Stations):

- Rehabilitated Cullen, Mary's Creek, and River Walk Lift Stations; completed new Mykawa Lift Station.
- Decommission Old Orange, Shank, Old Mykawa, and Scott Lift Stations; identify Lift Stations to be decommissioned and connected to gravity sanitary sewer system
-
- Upgraded Longwood clarifiers, grit chamber, and transfer pumps to meet TCEQ standards; repaired Barry Rose blowers for efficient oxygen transfer; fixed John Hargrove disk filter to optimize water quality.

Distribution and Collection:

- 3,805 service requests for Investigation were completed.
- Repaired 125 water main breaks & Replaced 26 water main line valves.
- 1,575 Fire Hydrants inspected, Repaired and/or replaced 288 Fire hydrants and continued the fire hydrant maintenance program with girl scouts of America with staff installing 48 new hydrant markers.
- Water Valve maintenance consisted of 284 workorders for valve locating, Valve exercising, Valve cleaning & valve box replacements.
- CCTV & cleaned 132,600 linear feet of sanitary sewer lines 457 manhole inspections completed resulting in 262 repaired manholes and 5 manholes rehab for I&I.
- Over 1300 hours of training for staff



Fiscal Year 2025 Objectives

Wastewater Treatment:

- Achieve 100% compliance with TCEQ and EPA regulations by implementing regular audits and training programs, while streamlining reporting processes for timely and accurate submissions.
- Continue the expansion of the John Hargrove and Barry Rose Wastewater Reclamation Facilities to enhance treatment capacity.
- Conducted inspections and repairs on disk filters at John Hargrove and Reflection Bay, serviced aeration system blowers for optimal oxygen transfer, and upgraded headworks at Southdown Wastewater Plant to enhance preliminary treatment efficiency.
- Initiate implementation of SCADA (Supervisory Control and Data Acquisition) system software, including updates to graphics and communication networks for Regional and Sub-Regional Lift Stations, in the following order.

Water Production:

- Integrate the City's newly constructed SWTP into Water Production's existing operational strategies for supplying drinking water to its residents.
- Installation of advanced technology to provide the necessary surge protection for all WP Facilities.
- Complete inventory of all applicable assets within WP that ensure operational readiness as part of Pearland Water's Asset Resiliency initiative.
- Commission the newly upgraded Southeast/Magnolia Water Plant & begin distributing public drinking water into the City's water system.
- Complete the EPA required Unregulated Contaminant Monitoring Rule (UCMR) 5 as the City's Southeast/Magnolia Water Plants & Surface Water Treatment Plants are commissioned.

Surface Water

- Partner with Water Production to establish a career track that includes WP and SW intermobility.
- Establish the model for Asset Reliability at the SWTP with the Asset Reliability Team to implement throughout Pearland Water.
- Reduce the Kirby well pumpage by 50% and minimize the cost of water outside of the CoH Take or Pay contract to 5% over normal pay rate.
- Provide enough supply to only run Southdown and Country Place wells for emergency or maintenance needs.

Distribution and Collection:

- Identify aging water and sanitary sewer infrastructure and identify those assets for replacement and/or repair
- Continue to re-capitalize the sanitary sewer system by identifying risks and priorities to prolong the life expectancy and decrease the inflow of storm water into the sanitary sewer system through inspections and rehabilitation of manholes and sanitary sewer collection underground infrastructure.
- Continue the implementation of the hydrant and valve maintenance program
- Map out sewer main lines after line has been cleaned.
- Increase the repairs of utility trip hazards throughout the city.

Environmental Services:

- Coordinate with IT to evaluate Backflow and Pretreatment/FOG tracking applications to replace outdated applications of Tokay and Linko.
- Update Pretreatment/FOG Ordinance and develop Hauled Waste Ordinance; evaluate grease trap and backflow fees.
- Acquire and develop a water database management application for all Utilities.
- Develop and build sufficient backflow parts inventory for repairing city-owned backflow devices.
- Provide new outreach opportunities for public education on FOG and cross-connection prevention.

| Purchased Water | | | Well Sites | | | | Surface Water Production | |
|-----------------|--------------|----------|--------------|------------|-----------------------|-------------------|--------------------------|------------|
| | SWTP (MG) | SCR (MG) | SWTP (MG) | Kirby (MG) | Country Place (MG) | Southdown (MG) | Total MG | Avg MGD |
| FY22 | 0.0 | 613.4 | 0.0 | 741.0 | 408.3 | 169.6 | FY22 | 0.0 |
| FY23 | 0.0 | 655.2 | 0.0 | 828.0 | 432.8 | 394.7 | FY23 | 0.0 |
| FY24 | 0.0 | 734.1 | 0.0 | 755.5 | 344.7 | 354.0 | FY24 | 0.0 |
| FY25 | 235.9 | 498.2 | 1112.7 | 414.0 | 0.0 | 0.0 | FY25 | 1348.6 |
| | | | | | | | | 3.7 |

Performance Measures

| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Target |
|---|-------------------|-------------------|-------------------|-------------------|
| Wastewater gallons treated in billion gallons | 3.737 | 3.379 | 2.752 | 2.208 |
| Cost per 1,000 Gallons Treated | \$1.63 | \$1.53 | \$1.61 | \$2.71 |
| SW Purchased in Million Gallons (MG) | 2,898 MG | 3,000 MG | 2,825 MG | 2,589 MG |
| GW Produced in Million Gallons (MG) | 2,378 MG | 2,809 MG | 2,800 MG | 1,452 MG |
| Dead Ends flushed | 11,988 | 11,988 | 11,988 | 11,988 |

Pearland Economic Development Corporation



Matt Buchanan
PEDC President

Overview

The Pearland Economic Development Corporation (PEDC), established in 1995 by the voters under the Texas Development Corporation Act of 1979, provides guidance and funding for the operations of the City's economic development program and provides business incentives to support and promote the growth and diversification of the City's economic base.

PEDC is committed to enhancing our community's economic vitality through the attraction, retention and expansion of primary employers. PEDC works to ensure our business climate and built environment strongly support these efforts by focusing on aesthetics, infrastructure, quality of life, image, workforce and quality development and redevelopment of key Pearland districts and corridors.

It is important to note that the numbers in these multi-year forecasts are estimates based on various assumptions and are not representation of fact. The picture reflected in these forecasts portray a scenario if all assumptions hold true. Therefore, the importance of the forecasts lies not in the numbers, but in the discussion, it encourages on the policy issues and strategies that can be implemented in the event these scenarios become reality.

Goals

- Position Pearland as the community of choice in Greater Houston, ensuring Pearland's quality of life and quality of place continue to attract and retain diverse individuals and families.
- Pursue economic growth and diversification for the community, providing opportunities for residents to prosper and enhance Pearland's fiscal sustainability through a holistic approach to economic development
- Attract high-wage professional employment opportunities that diversify Pearland's economic base and facilitate the expansion and retention of existing Pearland businesses. Design and execute effective marketing strategies that ensure Pearland's place in the region as a cornerstone of future development.
- Support key capital improvement and transportation planning efforts to ensure that key high-impact road projects are completed.
- Continue efforts to implement plans to develop the Lower Kirby Urban Center as Pearland's most intensive mixed-use employment, residential and entertainment district. Ensure the recommendations in the Lower Kirby Urban Center Master Plan and Implementation Strategy, including the regulatory framework and infrastructure plans, support the long-term vision of a mixed-use employment center.
- Actively pursue redevelopment and beautification efforts for continued improvement and investment in Pearland with a special focus on the 288 corridor, Main Street, Old Townsite and Broadway. These efforts should improve the appearance and enhance the image of Pearland to its citizens and individuals outside the area.
- Continue implementation efforts for the Pearland Prosperity strategic plan, including holding regular meetings of the strategic plan implementation committee.
- Implement organizational improvements that allow for consistent, quality economic development efforts able to implement initiatives essential for the long-term economic growth of the community.

Fiscal Year 2024 Accomplishments

- Opened 38 business attraction projects and conducted 17 visits with potential primary employers. Mission Building Systems began construction on a 120,000 square foot steel fabrication facility with 5,530 square feet in office space.
- Opened 18 business retention and expansion projects and conducted 99 visits with existing employers. Brask Neela began construction on a 40,000 square foot manufacturing expansion plus 9,000 square feet in additional office space, retaining 48 jobs and creating 25 new jobs.
- Opened 8 new development/redevelopment projects and conducted 22 visits with developers. In Lower Kirby, Adkisson began construction on a 128,250-square-foot distribution building at Beltway 8 and Hooper Road. Levey Group began construction on a 38-acre site located at the southeast corner of Beltway 8 at Alameda School Road for two class-a flex/distribution/manufacturing buildings totaling over 600,000 square feet. Stream has begun construction on nearly 400,000 SF of tilt-wall concrete warehouse space on a 24-acre site located at the northeast corner of North Spectrum Blvd. and Kirby Drive.
- The SH 35 Redevelopment Strategy includes the redevelopment of Catalyst No 2 – Business Park North; PEDC continues to assist with the redevelopment of the Edge Industrial Park and other properties at 1613 Main and at 1814 Main, the former Drager now ERS CAT site. PEDC also lead the engineering design for the Industrial Drive Reconstruction project west of SH35.
- Completed the 288 Corridor Master Improvements Plan, including coordination with the City, Brazoria County and other partners to finalize improvements in the corridor. PEDC completed the one-year warranty phase on the construction project and continues to oversee the Pearland Management District's maintenance contracts for the corridor for landscaping, irrigation, ponds, fountains, electrical, lighting and signage.
- Continued to work with the City and Management Districts to lead ongoing efforts in implementing Phases I & II of the Lower Kirby Pearland Management District's (LKPMDD/District) Master Drainage Plan (MDP) through engineering designs and permitting and construction of two conveyance channels, two detention ponds, a drainage lateral, and land acquisition; coordinated the filling of various developer sites; coordinated the engineering design for Fruge Road Reconstruction east of Kirby Drive.
- Continued implementation efforts for Pearland Prosperity, an economic development strategic plan for Pearland. PEDC completed a mid-course update of the Pearland Prosperity plan that was adopted by Pearland City Council in February 2024.
- Hired a new navigator for the Pearland Innovation Hub and launched a new online platform giving small businesses and entrepreneurs access to an on demand learning library, grant database, community board and 1:1 technical assistance. PIH continued to further grow in person events hosting the first annual youth shark tank and establishing the Entrepreneur Insights series. PIH was awarded 501c3 status.
- PEDC continues to provide custom workforce assistance to businesses with a focus on accessing state and federal funding and resources as well as building talent pipelines. Close to \$500,000 dollars of grant funding (Upskill grant, Skills Development Funds) have been secured this past year for Pearland businesses to pay for employee training and upskilling (Aggreko, Third Coast, Aura Engineering, Kwik Equipment). An Asset inventory of regional training programs has been built for businesses, listing all career training programs at the high school, 2-year and 4-year college levels in the region. A community resource network platform has been built as a centralized one-stop hub for all community resources with close to 70 community non-profits that serve the Pearland area currently showcased.
- assist in rolling out on-the-job training programs and apprenticeships. Work continues with colleges, schools, and career training centers to inform curriculum and training programs based on business needs through advisory committee meetings. Businesses are being connected to educational and non-profit partners to keep the workforce trainings relevant and current. A partnership with Lonza, PEDC and Alvin Community College resulted in the development of a 12-week biotech training certificate to help fill the biotech entry-level workforce pipeline.
- The WorkInPearland platform continues to grow with over 100+ businesses, 3800 registered users and several hires reported by Pearland business. It hosted an in-person Job Fair at the Pearland Recreation Center on September 18th. There were 70+ companies in attendance with over 500 job seekers attending. Through the partnership with Workforce Solutions, the event was telecast live on ABC 13's Look Who's Hiring with Nick Nataro that included a pre-interview with Millar and on-site interviews with Third Coast, Millar, City Of Pearland, Pearland ISD, Alvin ISD and Alvin Community College alongside job seekers. Continued coordination with TxDOT, providing input into the design process and recommendations from the Broadway Corridor Development Plan into the reconstruction of Broadway/FM 518, an \$88 million TxDOT project scheduled to begin in 2026. Streetscape design and business consulting assistance will be an important function to mitigate impacts to parking and landscaping that will be experienced by businesses along the corridor.
- As part of the overall marketing strategy, developed and launched the Inspiration Lives Here campaign, highlighting the faces and places that make Pearland a community where residents and businesses thrive. The campaign resulted in over 10M impressions and 40k visits to Pearland websites.

Fiscal Year 2025 Objectives

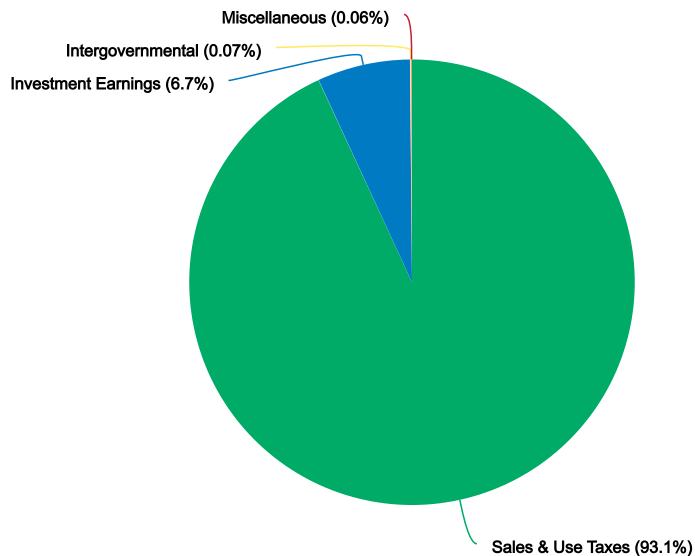
- Recruit new primary employers to the community.
- Continue to engage Pearland's primary employers through the BizConnect Program (Business Retention & Expansion) to identify opportunities for business expansion and assist with local and state resources and regulatory compliance.
- Continue to market to and assist developers looking to make investments in our community.
- Communicate the availability of workforce development assistance and increase networking opportunities, including leadership luncheons, employer surveys and visits to identify any competitive issues or assistance
- Proactively increase communications on the offerings of the Pearland Innovation Hub to the community through Pearland Innovation Hub, PEDC and Pearland Chamber of Commerce communication channels. Evaluate new potential technology platforms to increase interaction and technical assistance to Hub members.
- Continue to provide Pearland's employers with customized workforce assistance to develop solutions to specific workforce needs.
- Establish a formal partnership framework connecting business and education, including sectoral partnerships
- Continue to work with mixed-use developers, and private owners of sites to advance opportunities for mixed-use developments in the eastern portion of Lower Kirby.
- Continue the implementation of the State Highway 35 Corridor Redevelopment Strategy to address infrastructure needs, redevelopment potential, underdeveloped sites and market opportunities.
- Contribute to the City's development of an Old Town Master Plan.
- Plan infrastructure upgrades in targeted areas to enhance infrastructure and utilities in Old Town.

Performance Measures

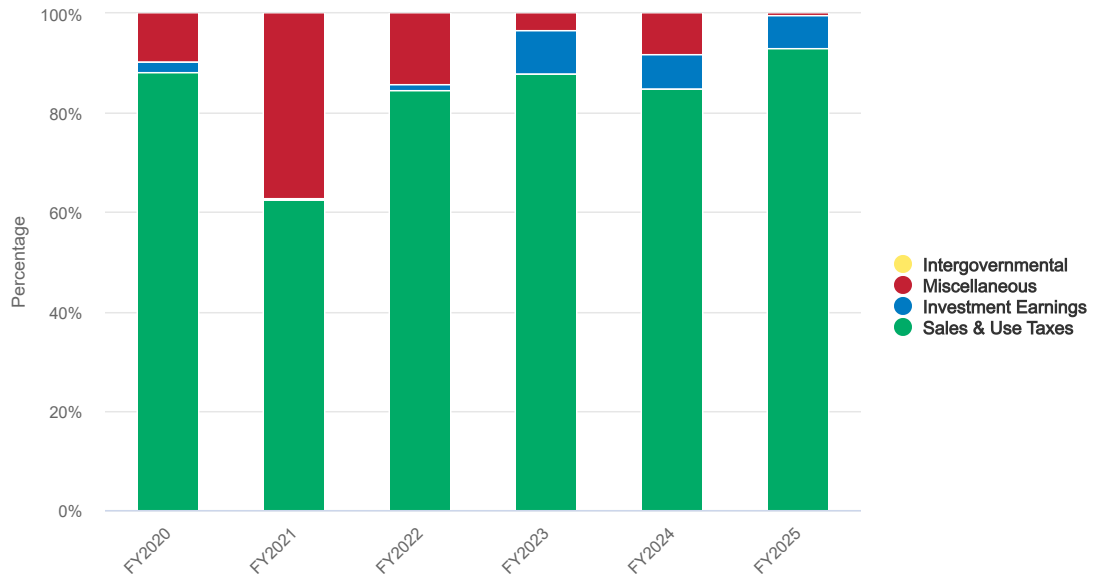
| | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Projected |
|------------------------------|-------------------|-------------------|-------------------|----------------------|
| Number of announced projects | 11 | 20 | 15 | 14 |
| Number of new projects | 91 | 65 | 64 | 60 |
| Number of visits | 123 | 113 | 138 | 122 |

Revenues by Source

Projected 2025 Revenues by Source



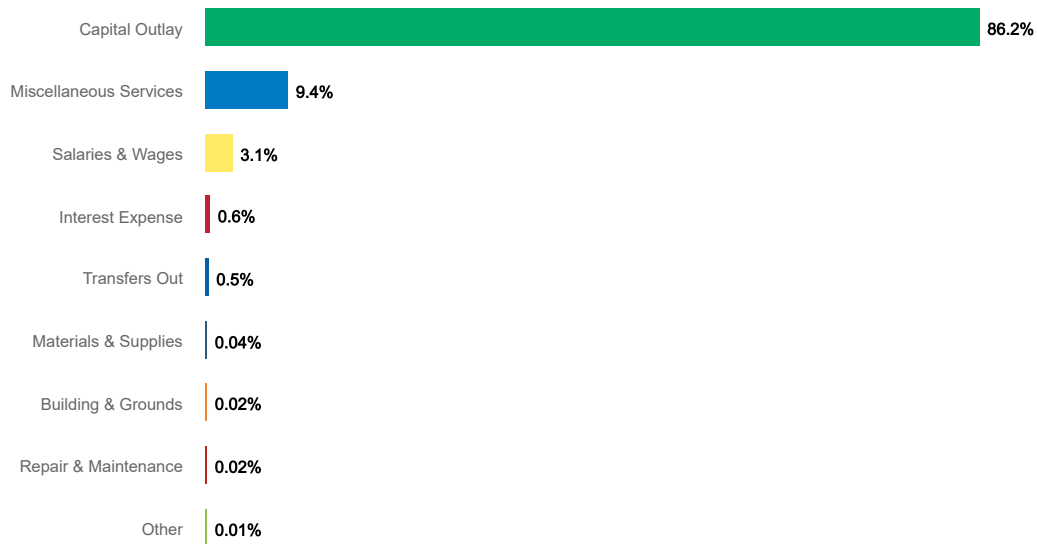
Budgeted and Historical 2025 Revenues by Source



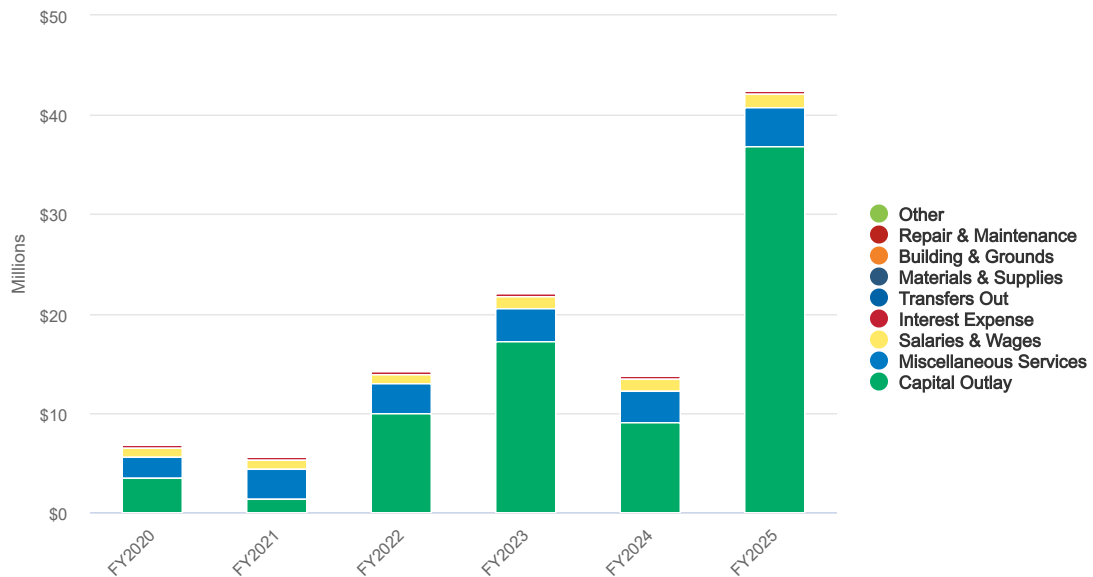
| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|-----------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Revenue Source | | | | | |
| Sales & Use Taxes | \$15,078,283 | \$15,858,273 | \$15,229,066 | \$15,457,502 | -2.5% |
| Investment Earnings | \$1,506,306 | \$1,262,839 | \$1,700,000 | \$1,120,175 | -11.3% |
| Intergovernmental | \$12,000 | \$12,000 | \$12,000 | \$12,000 | 0% |
| Miscellaneous | \$547,825 | \$1,510,000 | \$10,000 | \$10,000 | -99.3% |
| Total Revenue Source: | \$17,144,414 | \$18,643,112 | \$16,951,066 | \$16,599,677 | -11% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|----------------------|---------------|-----------------------|-----------------------|-----------------|--|
| Expense Objects | | | | | |
| Salaries & Wages | \$1,145,164 | \$1,179,649 | \$1,173,391 | \$1,336,937 | 13.3% |
| Materials & Supplies | \$11,451 | \$19,030 | \$19,100 | \$19,100 | 0.4% |

| Name | FY2023 Actual | FY2024 Adopted Budget | FY2024 Amended Budget | FY2025 Budgeted | FY2024 Adopted Budget vs. FY2025 Budgeted (% Change) |
|------------------------|---------------|-----------------------|-----------------------|-----------------|---|
| Building & Grounds | \$6,425 | \$7,800 | \$9,378 | \$7,800 | 0% |
| Repair & Maintenance | \$3,119 | \$6,721 | \$26,721 | \$6,750 | 0.4% |
| Miscellaneous Services | \$3,410,500 | \$3,279,056 | \$3,823,293 | \$4,018,016 | 22.5% |
| Other | \$0 | \$5,000 | \$5,000 | \$5,000 | 0% |
| Capital Outlay | \$17,197,661 | \$9,030,152 | \$14,628,119 | \$36,801,524 | 307.5% |
| Interest Expense | \$273,600 | \$267,700 | \$267,700 | \$261,800 | -2.2% |
| Transfers Out | \$200,244 | \$210,257 | \$210,257 | \$220,770 | 5% |
| Total Expense Objects: | \$22,248,163 | \$14,005,365 | \$20,162,959 | \$42,677,697 | 204.7% |

CAPITAL IMPROVEMENTS

Capital Improvements

Capital project funds are created to account for the acquisition or construction of major capital activities. Projects identified in the 2025-2029 CIP include funded projects and priority projects contemplated in future General Obligation Bond Packages. The projects are derived from the City's master plans such as the Drainage Master Plan, Parks Master Plan, Multi-Modal Master Plan, Transportation Master Plan, the Facilities Assessment Study, and the Water/Wastewater Master Plans. Funding is provided through the issuance of debt, developer fees, state and federal funding, user fees, general fund, utility revenues, and interest income.

The city maximizes every source of funding available and is constantly looking at leveraging funding through the use of federal, state and county dollars. Currently, the City is working on several street improvement and trail projects that have received H-GAC Transportation Improvement Program (TIP) State and Federal funds in the amount of \$6.7 million. These projects are in various phases and will be completed over the next several years. The Five-Year CIP completes the 2007 bond referendum in 2022, due to the letting schedule of the TIP projects.

Pearland places significant importance on infrastructure improvement and rehabilitation, as evidenced by a \$162 million bond referendum that passed in May 2007 and an \$80 million bond referendum that passed in May 2019, as well as a \$181.3 million bond referendum in 2023.

The Five-Year CIP (2025-2029) is funded by \$4.5 million in cash, \$29.8 million of leveraged outside funds, \$150.9 million in approved tax supported debt, \$59.7 in certificates of obligation and \$231.2 million in water/sewer enterprise fund debt,

The first year of the Five-Year Capital Improvement Program is incorporated into the annual budget to appropriate funds. Capital projects for fiscal year 2024 total \$192.3M excluding transfers and bond issuance costs. Anticipated funding is expected to be \$303.8M as funding will be stretched over the total construction time of the projects.

Please note: On the following pages, the projects are listed by project type, with corresponding estimated expenses (e.g., FY25-29 Drainage Projects). The funding spreadsheets represent the types of funding sources by year that will support the various projects (e.g., FY25-29 Drainage Projects - Funding Sources). The funding does not always match the expenses due to the length of time the project will take, in combination with the methods of funding.

FY25-29 Drainage Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|----------|--------------------|
| DR1904 | West Lea Subdivision Drainage Improvements | 7,427,406 | 3,500,000 | | | | | 10,927,406 |
| DR1905 | Hickory Slough Regional Detention Pond | 4,624,999 | 1 | | | | | 4,625,000 |
| DR2102 | Brookland Acres Drainage Improvements | 810,205 | 1 | | | | | 810,206 |
| DR2103 | Garden Road/O'Day Road Drainage Improvements | 2,126,803 | 1 | | | | | 2,126,804 |
| DR2104 | Woody Road Drainage Improvements | 272,180 | 1 | | | | | 272,181 |
| DR2301 | Hickory Slough Sportsplex Detention Pond Ph 2 | 492,000 | 3,768,000 | | | | | 4,260,000 |
| DR2303 | Master Drainage Plan Update | | 1,200,000 | | | | | 1,200,000 |
| DR2304 | Hickory Slough Detention Storm Water Pump Station Generator | 110,000 | 822,000 | | | | | 932,000 |
| DR2305 | Veterans Drainage Improvements | 1,570,000 | 9,760,000 | | | | | 11,330,000 |
| DR2306 | Longwood Park (Roadside Ditch and Culvert) | 660,000 | 4,178,000 | | | | | 4,838,000 |
| DR2307 | Southwest Quadrant of Old Town (McLean to SH35 South of Broadway) | 1,131,000 | 9,048,000 | | | | | 10,179,000 |
| DR2401 | Shady Crest and Creek View Subdivision Drainage Improvement | 1,828,000 | 14,550,000 | | | | | 16,378,000 |
| DR2402 | Hickory Creek Subdivision Drainage Improvement | 711,000 | 4,730,000 | | | | | 5,441,000 |
| DR2403 | Garden Acres Subdivision Drainage Improvements | 561,000 | 3,530,000 | | | | | 4,091,000 |
| DR2407 | Herridge Miller/Brookland Acre Subdivision Drainage Improvement | 189,000 | 1,310,000 | | | | | 1,499,000 |
| DR2408 | Hickory Slough Embankment Slope Replacement | 50,863 | 638,400 | | | | | 689,263 |
| DR2410 | Shadow Creek Ranch – Ocean Point Ct 100 Year Overflow at Cul-De-Sac | 99,999 | 1 | | | | | 100,000 |
| DR2501 | Pine Hollow Drainage Improvements | | 1,480,000 | 4,250,000 | | | | 5,730,000 |
| DR2502 | Fite Rd Drainage Improvement (Cullen to Harkey) | | 2,951,000 | 8,630,000 | | | | 11,581,000 |
| DR2503 | Harkey Road Drainage (Broadway to Mary's Creek) | | 4,178,000 | 18,788,000 | | | | 22,966,000 |
| DR2601 | Isla Dr., N Galveston, Cheryl Dr. Drainage Improvements | | | 704,000 | 4,710,000 | | | 5,414,000 |
| DR2602 | E. Plum Drainage (Old Alvin to Schlieder Dr) | | | 290,000 | 1,600,000 | | | 1,890,000 |
| DR2603 | Hatfield Road Drainage (FM 518 to Hickory Slough) | | | 701,000 | 3,930,000 | | | 4,631,000 |
| DR2701 | Wagon Trail Road (South of Fite to Mary's Creek) | | | | 1,436,000 | | | 1,436,000 |
| DR2702 | Fite Road Drainage (Harkey to McLean) | | | | 1,075,000 | 6,130,000 | | 7,205,000 |
| DR2703 | Tranquility Lakes Detention Pump Station Rehabilitation and Generator | | | | 670,000 | 4,720,000 | | 5,390,000 |
| Total: | | 22,664,455 | 65,643,405 | 33,363,000 | 13,421,000 | 10,850,000 | - | 145,941,860 |

FY25-29 Drainage Projects - Funding Sources

| Funding Source | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------|--------------------|
| 2007 & 2019 GO Bonds | 13,704,561 | 1 | | | | | 13,704,562 |
| 2023 General Obligation Bonds | 5,288,999 | 43,795,001 | 33,065,000 | 13,421,000 | 9,930,000 | | 105,500,000 |
| Certificates of Obligation | 2,561,101 | 3,062,000 | 298,000 | | 920,000 | | 6,841,101 |
| General Revenue-Cash | | 435,000 | | | | | 435,000 |
| Other Funding Sources | 7,150,456 | 11,875,740 | | | | | 19,026,196 |
| PEDC | | 435,000 | | | | | 435,000 |
| Total: | 28,705,117 | 59,602,742 | 33,363,000 | 13,421,000 | 10,850,000 | - | 145,941,859 |

FY25-29 Facilities Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|---|-------------------|------------------|-------------------|------------------|-------------------|----------|--------------------|
| FA1804 | Fire Station #7 - Bailey Road | 30,750 | 2,923,250 | 14,490,000 | | | | 17,444,000 |
| FA1902 | Orange Street Service Center Phase 2 | 2,823,800 | 1,944,050 | 26,170,950 | | | | 30,938,800 |
| FA2002 | Fire Station #6 (Formerly Fire Station #11) - County Road 100 | 575,000 | | | 2,550,000 | 13,100,000 | | 16,225,000 |
| FA2103 | Fire Station #2 Repairs | 745,000 | 1 | | | | | 745,001 |
| FA2104 | Fire Station #3 Attic Air Conditioning | 583,746 | 1 | | | | | 583,747 |
| FA2106 | Hillhouse Road Annex Phase II | 27,975,000 | 500,000 | | | | | 28,475,000 |
| FA2107 | Water Operations Building (Alice St.) | 5,068,999 | 1 | | | | | 5,069,000 |
| FA2109 | Knapp Activity Center Outdoor Expansion | 637,736 | 1 | | | | | 637,737 |
| FA2203 | Natatorium Air-Handling Replacement | 5,398,999 | 1 | | | | | 5,399,000 |
| FA2205 | Reflection Bay WRF Fuel Island | 1,170,000 | 539,000 | | | | | 1,709,000 |
| FA2301 | Fiber Backbone (Magnolia from Cullen to Business Center) | 704,999 | 1 | | | | | 705,000 |
| FA2401 | West Pearland Community Center HVAC Replacement | | 154,702 | | | | | 154,702 |
| FA2405 | Public Safety Training Complex | 6,500,000 | | | 6,782,500 | 45,260,000 | | 58,542,500 |
| FA2410 | Emergency Distribution Warehouse | 2,178,755 | 1 | | | | | 2,178,756 |
| FA2501 | Knapp Activity Center Air Conditioning and Building Automation System Integration | | 459,000 | | | | | 459,000 |
| FA2502 | Fiber Backbone (Cullen Parkway from Hughes Ranch Road to McHard) | | 274,000 | | | | | 274,000 |
| FA2505 | Stella Roberts Recycling Center HVAC Replacement | | 350,000 | | | | | 350,000 |
| FA2601 | Fiber Backbone Magnolia (Business Center to Kirby Water Plant) | | | 620,000 | | | | 620,000 |
| FA2701 | Stella Roberts Recycling Center Roof and Gutter Replacement | | | | 624,000 | | | 624,000 |
| FA2802 | Public Safety Building Roof Replacement | | | | | 4,536,000 | | 4,536,000 |
| Total: | | 54,392,784 | 7,144,009 | 41,280,950 | 9,956,500 | 62,896,000 | - | 175,670,243 |

FY25-29 Facilities Projects - Funding Sources

| Funding Source | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|--------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|----------|--------------------|
| 2023 General Obligation Bonds | | 1,469,000 | 14,490,000 | | | | 15,959,000 |
| Certificates of Obligation | 26,178,279 | 14,117,950 | 9,159,833 | 624,000 | 4,536,000 | | 54,616,062 |
| Future GO Bond Package | 575,000 | | | 9,332,500 | 58,360,000 | | 68,267,500 |
| General Revenue-Cash | 5,188,745 | 274,002 | 310,000 | | | | 5,772,747 |
| Other Funding Sources | 4,467,001 | 1 | | | | | 4,467,002 |
| W/S Certificates of Obligation | 5,976,750 | 2,172,564 | 17,011,118 | | | | 25,160,432 |
| W/S Revenue Bonds | 1,117,499 | 1 | | | | | 1,117,500 |
| W/S Revenue-Cash | | | 310,000 | | | | 310,000 |
| Total: | 43,503,274 | 18,033,518 | 41,280,951 | 9,956,500 | 62,896,000 | - | 175,670,243 |

FY25-29 Parks Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|--|------------------|-------------------|-------------------|----------------|--------|--------|-------------------|
| PK1904 | Clear Creek Trail (Barry Rose WRF to UHCL) | 1,150,000 | | 9,065,000 | | | | 10,215,000 |
| PK2003 | Shadow Creek Trail Phase II (Along Clear Creek Relief Ditch & Library Trail) | 1,849,999 | 1 | | | | | 1,850,000 |
| PK2301 | Park Equipment Recapitalization Program | 453,404 | 1 | | | | | 453,405 |
| PK2401 | Centennial Park Restrooms (Fields 5 & 6) | 586,543 | 1 | | | | | 586,544 |
| PK2402 | Hickory Slough Sportsplex Phase II | 2,222,202 | 15,147,798 | | | | | 17,370,000 |
| PK2501 | Independence Park Phase II | | 1,915,000 | 14,420,000 | | | | 16,335,000 |
| PK2502 | Parks Master Plan Update | | 300,000 | | | | | 300,000 |
| PK2503 | Clear Creek Trail Segment 5 | | 1,500,000 | 8,633,900 | | | | 10,133,900 |
| PK2601 | PER for Future Bond Referendum | | | 100,000 | 150,000 | | | 250,000 |
| Total: | | 6,262,148 | 18,862,801 | 32,218,900 | 150,000 | | | 57,493,849 |

FY25-29 Parks Projects - Funding Sources

| Funding Source | Project Total | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|-------------------------------|-------------------|------------------|-------------------|-------------------|----------------|------------|------------|-------------------|
| 2007 & 2019 GO Bonds | 453,405 | 453,404 | 1 | | | | | 453,405 |
| 2023 General Obligation Bonds | 16,335,000 | | 1,915,000 | 14,420,000 | | | | 16,335,000 |
| Certificates of Obligation | 9,122,824 | 750,000 | 750,000 | 7,622,824 | | | | 9,122,824 |
| General Revenue-Cash | 550,000 | | 300,000 | 100,000 | 150,000 | | | 550,000 |
| HGAC-TIP | 6,684,126 | | | 6,684,126 | | | | 6,684,126 |
| Other Funding Sources | 5,128,494 | 986,543 | 750,001 | 3,391,950 | | | | 5,128,494 |
| PEDC | 17,370,000 | 2,222,202 | 15,147,798 | | | | | 17,370,000 |
| TIRZ Reimbursable Debt | 1,850,000 | 1,849,999 | 1 | | | | | 1,850,000 |
| Total: | 57,493,849 | 6,262,148 | 18,862,801 | 32,218,900 | 150,000 | \$0 | \$0 | 57,493,849 |

FY25-29 Streets Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| TR0601 | Mykawa Road Widening - BW8 to FM 518 | 12,337,723 | | 9,066,580 | | | | 21,404,303 |
| TR1501 | Smith Ranch Road Extension (CR 94) - Hughes Ranch Road to Broadway | 13,696,000 | 1 | | | | | 13,696,001 |
| TR1904 | Bailey Road Expansion - Veterans Dr to Main | 18,457,999 | 1 | | | | | 18,458,000 |
| TR1905 | Shadow Creek Parkway Landscaping, Street Lighting, & Sidewalks | 8,082,000 | 1 | | | | | 8,082,001 |
| TR2001 | Pearland Parkway at Broadway Intersection Improvements | 347,000 | 1,487,000 | | | | | 1,834,000 |
| TR2101 | Broadway Expansion Phase 1 (SH 288 to Old Chocolate Bayou) | 999,999 | 1 | | | | | 1,000,000 |
| TR2103 | Intersection Improvements in Shadow Creek Ranch | 9,044,999 | 1 | | | | | 9,045,000 |
| TR2201 | Traffic Signal Upgrades | 2,144,999 | 1 | | | | | 2,145,000 |
| TR2203 | Median Landscaping on Kingsley & Kirby | 499,999 | 1 | | | | | 500,000 |
| TR2205 | Dixie Farm Road Transition near Mary's Creek and Cowart's Creek Bridge | 615,999 | 1 | | | | | 616,000 |
| TR2301 | Pearland Parkway at Barry Rose Intersection Improvements | | 260,000 | 1,260,000 | | | | 1,520,000 |
| TR2302 | Street Reconstruction - Sherwood | 7,879,999 | 1 | | | | | 7,880,000 |
| TR2303 | Hughes Road - Pearland Parkway to City of Pearland City Limit | 2,694,000 | 9,552,000 | | | | | 12,246,000 |
| TR2304 | FM 518 Corridor Study | 599,999 | 1 | | | | | 600,000 |
| TR2401 | Concrete Sidewalk Gaps and Replacement | 2,200,000 | 4,400,000 | 4,400,000 | 4,400,000 | | | 15,400,000 |
| TR2402 | Dixie Farm Road at Hastings Friendswood Road Intersection Improvements | 100,000 | 880,000 | | | | | 980,000 |
| TR2404 | Street Rehabilitation Program | 3,000,000 | 1,400,000 | | | | | 4,400,000 |
| TR2502 | Broadway Expansion Phase 2 - Old Chocolate Bayou to McLean Rd. | | 7,000,000 | | | | | 7,000,000 |
| TR2503 | Miller Ranch Road - Broadway to Hughes Ranch Rd | | | | 2,731,000 | 13,205,000 | | 15,936,000 |
| TR2507 | Green Tee Street Reconstruction | | | | 3,103,630 | 22,759,954 | | 25,863,584 |
| TR2508 | Woodcreek Subdivision Improvements | | | | | 3,754,500 | 30,036,000 | 33,790,500 |
| TR2510 | Pearland Parkway Bridge Soil Erosion Repair (at Clear Creek) | 100,000 | 700,000 | | | | | 800,000 |
| TR2601 | Barry Rose Sound Wall Replacement | | 1,565,000 | | | | | 1,565,000 |
| TR2602 | PER for Future Bond Referendum- Streets | | | 500,000 | | | | 500,000 |
| TR2701 | Reid Boulevard Extension - Hughes Ranch Road to McHard | | | | | 3,741,000 | 13,830,000 | 17,571,000 |
| TR2702 | Parkview Street Reconstruction | | | | 525,482 | 3,853,538 | | 4,379,020 |
| TR2703 | Country Place Street Reconstruction | | | | 2,413,934 | 17,702,186 | | 20,116,120 |
| TR2704 | Veterans - Walnut to Magnolia | | | | 3,823,000 | 16,280,000 | | 20,103,000 |
| TR2802 | Sunset Meadows Street Reconstruction | | | | | 706,117 | 5,178,191 | 5,884,308 |
| TR2803 | Southwyck Street Reconstruction | | | | | 870,330 | 6,382,421 | 7,252,751 |
| Total: | | 82,800,715 | 27,244,010 | 15,226,580 | 16,997,046 | 82,872,625 | 55,426,612 | 280,567,588 |

FY25-29 Streets Projects - Funding Sources

| Funding Source | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| 2007 & 2019 GO Bonds | 35,673,286 | 551,901 | - | | | | 36,225,187 |
| 2023 General Obligation Bonds | 4,894,000 | 9,071,366 | 4,400,000 | 4,400,000 | - | | 22,765,366 |
| Certificates of Obligation | 4,499,122 | 7,941,102 | 10,631,580 | | - | | 23,071,804 |
| Future GO Bond Package | | | | 12,597,046 | 82,872,625 | 55,426,611 | 150,896,282 |
| General Revenue-Cash | 402,000 | - | 500,000 | | - | | 902,000 |
| HGAC-TIP | 8,567,656 | | | | | | 8,567,656 |
| Other Funding Sources | 6,611,654 | 5,140,638 | 1,260,000 | | | | 13,012,292 |
| PEDC | 407,499 | 7,592,501 | | | | | 8,000,000 |
| TIRZ Reimbursable Debt | 17,204,999 | 2 | | | | | 17,205,001 |
| Total: | 78,260,216 | 30,297,510 | 16,791,580 | 16,997,046 | 82,872,625 | 55,426,611 | 280,645,588 |

FY25-29 Wastewater Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|-------------|---|-------------|-----------|-----------|---------|--------|--------|-------------|
| WW1502 | Barry Rose WRF Replacement and Expansion | 229,379,999 | 1 | | | | | 229,380,000 |
| WW1906 | Longwood Water Reclamation Facility Decommissioning | 38,072,999 | 1 | | | | | 38,073,000 |
| WW2006 | Mykawa Road Sewer Relocation - Jasmine to S Orange Circle | 377,999 | 1 | | | | | 378,000 |
| WW2101 | Sanitary Sewer Rehabilitation (Old Town District & Barry Rose Service Area) | 4,165,000 | 1 | | | | | 4,165,001 |
| WW2103 | SCADA - Waste Water | 5,350,000 | 1 | | | | | 5,350,001 |
| WW2104 | FM 518 Wastewater Utility Relocations - SH288 to Old Chocolate Bayou | 250,000 | 6,550,000 | | | | | 6,800,000 |
| WW2201 | BellaVita Regional Lift Station Rehabilitation | 1,829,969 | 1 | | | | | 1,829,970 |
| WW2202 | Sanitary Sewer Rehabilitation - Barry Rose Service Area (BR-03) | 4,149,999 | 1 | | | | | 4,150,000 |
| WW2203 | Autumn Lakes Lift Station Rehabilitation | 1,514,999 | 1 | | | | | 1,515,000 |
| WW2204 | Sunrise Lakes Lift Station Rehabilitation | 949,999 | 1 | | | | | 950,000 |
| WW2302 | Veterans 2 Regional Lift Station Rehabilitation | 4,423,999 | 1 | | | | | 4,424,000 |
| WW2303 | Dixie Farm North Regional Lift Station Rehabilitation | 274,000 | 1,720,000 | | | | | 1,994,000 |
| WW2401 | Barry Rose Gravity Sewer - Plum from Galveston to Barry Rose WRF | 1,223,000 | 9,780,000 | | | | | 11,003,000 |
| WW2402 | Riverstone Ranch Regional Lift Station Capacity Expansion | 300,000 | 3,120,000 | | | | | 3,420,000 |
| WW2403 | Lakes of Country Place Lift Station Rehabilitation | 222,000 | 610,000 | | | | | 832,000 |
| WW2404 | Southdown Lift Station Rehabilitation | 350,000 | 850,000 | | | | | 1,200,000 |
| WW2405 | Shady Crest and Creek View Subdivision Sanitary Sewer Rehabilitation | 334,000 | 4,970,000 | | | | | 5,304,000 |
| WW2406 | Whispering Winds Lift Station Relocation | 159,000 | 1,272,000 | | | | | 1,431,000 |
| WW2407 | Wooten Road Lift Station Decommissioning | 293,999 | 1 | | | | | 294,000 |
| WW2408 | Sanitary Sewer Rehabilitation - Longwood Service Area (LW-03) | 1,000,000 | 8,011,100 | | | | | 9,011,100 |
| WW2501 | Sanitary Sewer Rehabilitation - Longwood Service Area (LW-04) | | 424,000 | 3,920,000 | | | | 4,344,000 |
| WW2502 | Green Tee IV Lift Station Rehabilitation | | 147,000 | 920,000 | | | | 1,067,000 |
| WW2503 | Sunset Meadows Lift Station Rehabilitation | | 178,000 | 1,412,000 | | | | 1,590,000 |
| WW2504 | Green Tee III Lift Station Rehabilitation | | 820,000 | | | | | 820,000 |
| WW2507 | Kirby North Regional Lift Station Rehabilitation | | 278,000 | 1,740,000 | | | | 2,018,000 |
| WW2508 | Waste Water Master Plan Update | | | 625,000 | | | | 625,000 |
| WW2601 | Rustic Oak Elementary School Lift Station Rehabilitation | | | 224,000 | 960,000 | | | 1,184,000 |
| WW2602 | Westlea Lift Station Rehabilitation | | | 878,000 | | | | 878,000 |

| | | | | | | | | |
|--------|---|--|--|-----------|-----------|--|--|-----------|
| WW2603 | Green Tee I Lift Station | | | 214,000 | 1,020,000 | | | 1,234,000 |
| WW2604 | Oakbrook Estates Lift Station Replacement | | | 610,000 | | | | 610,000 |
| WW2605 | Tower Bridge Lift Station Rehabilitation | | | 230,000 | 620,000 | | | 850,000 |
| WW2606 | Villages of Edgewater Lift Station Rehabilitation | | | 152,000 | 950,000 | | | 1,102,000 |
| WW2607 | Crystal Lakes West Lift Station Rehabilitation | | | 1,920,000 | | | | 1,920,000 |

FY25-29 Wastewater Projects Continued

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|--|--------------------|-------------------|-------------------|------------------|------------------|------------------|--------------------|
| WW2608 | Sunset Lakes Lift Station Rehabilitation | | | 222,000 | 1,550,000 | | | 1,772,000 |
| WW2609 | FM 518 Utility Relocations Phase 2 (Old Chocolate Bayou to McLean) | | | 6,800,000 | | | | 6,800,000 |
| WW2701 | Towne Lake Lift Station Rehabilitation | | | | 110,000 | 876,000 | | 986,000 |
| WW2702 | Pine Hollow Lift Station Rehabilitation | | | | 152,000 | 1,010,000 | | 1,162,000 |
| WW2703 | Woodthrush Regional Lift Station Rehabilitation | | | | 250,000 | 3,000,000 | | 3,250,000 |
| WW2704 | Clear Creek Park Lift Station Rehabilitation | | | | 132,000 | 800,000 | | 932,000 |
| WW2705 | Country Place Lift Station Rehabilitation | | | | 220,000 | 1,780,000 | | 2,000,000 |
| WW2706 | Dixie Farm South Lift Station Rehabilitation | | | | 178,000 | 1,160,000 | | 1,338,000 |
| WW2707 | Walmart Lift Station Rehabilitation | | | | 189,000 | 1,084,000 | | 1,273,000 |
| WW2708 | Hughes Ranch Road Gravity Sewer-Cullen to Stone | | | | 1,852,000 | | | 1,852,000 |
| WW2901 | Southdown Regional Lift Station & Force Main | 100,000 | | | | | 2,679,000 | 2,779,000 |
| Total: | | 294,720,961 | 38,730,111 | 19,867,000 | 8,183,000 | 9,710,000 | 2,679,000 | 373,890,072 |

FY25-29 Wastewater Projects - Funding Sources

| Funding Source | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|--------------------------------|--------------------|--------------------|-------------------|------------------|------------------|------------------|--------------------|
| Impact Fees-Cash | 700,000 | | | | | | 700,000 |
| Impact Fees-Debt | 37,404,132 | 45,247,500 | 27,618,500 | | | 914,500 | 111,184,632 |
| Other Funding Sources | 513,209 | 6,550,000 | - | | | | 7,063,209 |
| W/S Certificates of Obligation | 85,830,096 | 90,467,608 | 46,860,500 | 7,641,000 | 9,710,000 | 1,764,500 | 242,273,704 |
| W/S Revenue Bonds | 9,097,526 | 1 | | | | | 9,097,527 |
| W/S Revenue-Cash | 2,403,999 | 2 | 625,000 | 542,000 | | | 3,571,001 |
| Total: | 135,948,962 | 142,265,111 | 75,104,000 | 8,183,000 | 9,710,000 | 2,679,000 | 373,890,073 |

FY25-29 Water Projects

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|-------------|--|------------|-----------|-----------|-----------|---------|-----------|-----------|
| WA2103 | FM 518 Utility Relocations - SH288 to Old Chocolate Bayou | 724,000 | 6,745,000 | | | | | 7,469,000 |
| WA2201 | Westminster Subdivision Water Line Replacement | 1,429,999 | 1 | | | | | 1,430,000 |
| WA2202 | McLean Water Production Facility Rehabilitation | 1,884,999 | 1 | | | | | 1,885,000 |
| WA2203 | Green Tee Transite Pipe Water Line Replacement | 6,634,999 | 1 | | | | | 6,635,000 |
| WA2205 | Somersetshire Estates Subdivision Waterline Replacement | 1,531,999 | 1 | | | | | 1,532,000 |
| WA2209 | Cullen Elevated Storage Tank Rehabilitation | 843,774 | 1 | | | | | 843,775 |
| WA2301 | Liberty Water Production Facility Rehabilitation | 278,000 | 2,506,000 | | | | | 2,784,000 |
| WA2302 | Southeast (Bailey) Elevated and Magnolia Ground Storage Tank | 2,059,999 | 1 | | | | | 2,060,000 |
| WA2304 | Sherwood Waterline Replacement | 400,000 | 1,350,000 | | | | | 1,750,000 |
| WA2305 | Country Place Water Well Generator Replacement | 841,999 | 1 | | | | | 842,000 |
| WA2306 | Garden Water Well Generator | 656,999 | 1 | | | | | 657,000 |
| WA2401 | Water Plant Chemical Containment Structures | 94,000 | 1,622,000 | | | | | 1,716,000 |
| WA2402 | Wood Creek Transite Pipe Water Line Replacement | 500,000 | 5,100,000 | | | | | 5,600,000 |
| WA2403 | Cullen Ground Storage Tank Replacement | | 4,120,000 | | | | | 4,120,000 |
| WA2404 | CR 100 Water Line - Harkey to Pearland Sites | 374,999 | 1 | | | | | 375,000 |
| WA2405 | Creekview and Shadycrest Transite Pipe Water Line Replacement | 550,000 | 5,800,000 | | | | | 6,350,000 |
| WA2501 | Water Master Plan Update | | 650,000 | | | | | 650,000 |
| WA2502 | Kirby Elevated and Ground Storage Tank Rehabilitation | | 1,585,000 | | | | | 1,585,000 |
| WA2503 | Sleepy Hollow Small Waterline Replacement | | 400,000 | 3,070,000 | | | | 3,470,000 |
| WA2505 | Mykawa Road Transite Pipe and Water Line Replacement | | 3,130,000 | | | | | 3,130,000 |
| WA2506 | Pump, VFD and Motor Condition Assessment | | 300,000 | | | | | 300,000 |
| WA2507 | Surface Water Treatment Plant - Plant Redundancy Improvement | | | 3,953,750 | | | | 3,953,750 |
| WA2601 | Alice Elevated & Ground Storage Tank Rehabilitation | | | 1,216,000 | | | | 1,216,000 |
| WA2602 | Lakes of Edgewater Estates Water Quality Program | | | | | 196,000 | 900,000 | 1,096,000 |
| WA2606 | Liberty Dr & John Lizer Transite Pipe Water Line Replacement | | | 297,000 | 1,980,000 | | | 2,277,000 |
| WA2701 | Towne Lakes Water Quality Program | | | | 157,000 | 920,000 | | 1,077,000 |
| WA2702 | Magnolia Water Production Facility Rehabilitation | | | | 75,000 | 600,000 | | 675,000 |
| WA2801 | Alexander Landing, Banbury Cross & Whispering Winds Transite Pipe Water Line Replacement | | | | | | 1,039,500 | 1,039,500 |
| WA2802 | Country Place Transite Pipe Water Line Replacement | | | | | | 800,000 | 7,900,000 |

FY25-29 Water Projects Continued

| Project No. | Project Name | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total: |
|---------------|---|-------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|
| WA2803 | West Oaks and West Oaks Village Water Quality Program | | | | | 415,000 | 1,760,000 | 2,175,000 |
| WA2804 | Dixie Hollow Subdivision Transite Pipe Water Line Replacement | | | | | 248,000 | 1,733,000 | 1,981,000 |
| WA2901 | Park View Transite Pipe Water Line Replacement | | | | | | 500,000 | 500,000 |
| WA2902 | Southdown Transite Pipe Water Line Replacement | | | | | | 1,980,000 | 1,980,000 |
| Total: | | 18,805,766 | 34,708,009 | 8,536,750 | 2,212,000 | 2,379,000 | 8,712,500 | 82,454,025 |

FY25-29 Water Projects - Funding Sources

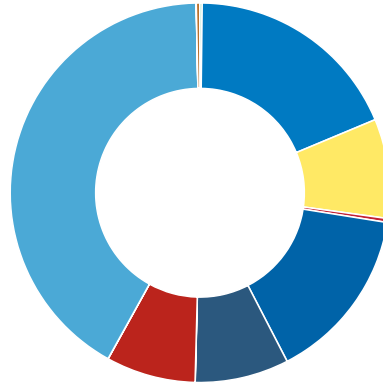
| Funding Source | Historical | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | Total |
|--------------------------------|-------------------|-------------------|-------------------|----------------|------------------|------------------|-------------------|
| General Revenue - Cash | | | | | | | |
| Impact Fees - Cash | | | | | | | |
| Impact Fees - Debt | | | | | | | |
| Other Funding Sources* | 1,727,274 | 1 | | | | | 1,727,275 |
| W/S Certificates of Obligation | 16,583,492 | 33,758,008 | 10,516,750 | 232,000 | 2,379,000 | 8,712,500 | 79,281,750 |
| W/S Revenue Bonds | | | | | | | |
| W/S Revenues - Cash | 495,000 | 950,000 | | | | | 1,445,000 |
| Total: | 18,805,766 | 34,708,009 | 10,516,750 | 232,000 | 2,379,000 | 8,712,500 | 82,454,025 |

Capital Improvements: One-year Plan

Total Capital Requested
\$192,177,644

108 Capital Improvement Projects

Total Funding Requested by Source



| | |
|--------------------------------------|-------------------------|
| 2007 & 2019 GO Bonds (0%) | \$551,903.00 |
| 2023 General Obligation Bonds (19%) | \$56,250,367.00 |
| Certificates of Obligation (8%) | \$25,716,351.00 |
| General Revenue-Cash (0%) | \$1,009,002.00 |
| Impact Fees-Debt (15%) | \$45,247,500.00 |
| Other Funding Sources (8%) | \$24,316,380.00 |
| Other Funding Sources* (0%) | \$1.00 |
| PEDC (8%) | \$23,175,299.00 |
| TIRZ Reimbursable Debt (0%) | \$3.00 |
| W/S Certificates of Obligation (42%) | \$126,398,180.00 |
| W/S Revenue Bonds (0%) | \$2.00 |
| W/S Revenue-Cash (0%) | \$2.00 |
| W/S Revenues - Cash (0%) | \$950,000.00 |
| TOTAL | \$303,614,990.00 |

Projects approved for fiscal year 2025 and included in the five year plan identify potential operating expense impacts in the coming year. Operating expense changes or increases are requested by the department operating the capital improvement item through the regular budget process. Funding for staffing, operations and maintenance, and capital outlay are approved as revenue streams allow. The potential impacts of operations and maintenance expenses are considered when developing the capital improvement plan. One-time and recurring expenses are both outlined in the future O&M costs. Financial impacts are reflected in the multi-year plan for each fund.

300 - PW Engineering & Capital Projects Requests

Itemized Requests for 2025

Autumn Lakes Lift Station Rehabilitation

\$1

This Lift Station is part of the program to rehabilitate or replace system-wide lift stations. The project will include; repairs to the wet well with corrosion resistant coating to replace lost structural integrity, replacement of the end of life...

Bailey Road Expansion - Veterans Dr to Main

\$1

This project consists of widening the current two-lane roadway to a four-lane lane boulevard section to match the existing roadway cross-section to the east and west. The project will include the addition of a new above grade crossing over the...

Barry Rose Gravity Sewer - Plum from Galveston to Barry Rose WRF

\$9,780,000

This project will be to replace the undersized trunk wastewater main with the size required dictated by the Wastewater Master Plan. The project will pipe burst from the existing lines to the required size of 18" - 42". The project will...

Barry Rose Sound Wall Replacement

\$1,565,000

Replacement of 3,700 LF of stained concrete masonry wall along Barry Rose Rd adjacent to the Pilgrims Point and Alexander Landing Subdivision.

Barry Rose WRF Replacement and Expansion

\$1

In 2022, staff is conducting an evaluation of the overall placing for plan consolidation. Evaluation includes costs, review, treatment process and new Waste Water Treatment Plant (WWTP) location. Replacement of the existing treatment plant with...

BellaVita Regional Lift Station Rehabilitation

\$1

This project will rehabilitate the aging regional lift station and will include installation of corrosion resistant lining, provide temporary by-pass pumping, replace submersible pumps and guiderails, replace piping, flow meter, new electrical...

Broadway Expansion Phase 1 (SH 288 to Old Chocolate Bayou)

\$1

TxDOT will be widening Broadway to provide three lanes each direction, raised medians, access controls, new City standard signals and controls, and additional turn lanes where required for traffic management purposes. Relocation of City owned...

Broadway Expansion Phase 2 - Old Chocolate Bayou to McLean Rd.

\$7,000,000

TxDOT will be widening Broadway to provide three lanes each direction, raised medians, access controls, new City standard signals and controls, and additional turn lanes where required for traffic management purposes. Relocation of City owned...

Brookland Acres Drainage Improvements

\$1

Brookland Acres subdivision is located north of Hickory Slough between Mykawa Road and Woody Rd. The project will include regrading of the ditch as well as replacement of culverts and driveways along the right of way of Scott Ln approximately...

Centennial Park Restrooms (Fields 5 & 6)

\$1

The project will include the installation of a prefabricated turnkey restroom facility (inclusive of utilities and site preparation) located between Fields 5 & 6 at Centennial Park. The facility will consist of an 8 stall restroom facility, 2...

Clear Creek Trail Segment 5

\$1,500,000

Approximately 19,000 linear feet of 10-ft wide recreational/utility trail along Clear Creek, from Province Village's trail end to Dixie Farm Park.

Concrete Sidewalk Gaps and Replacement

\$4,400,000

The project is intended to systematically replace sections of concrete sidewalks that would benefit from complete removal and replacement, within mature sections of the community and to analyze connectivity to adjacent subdivisions and commercial...

Country Place Water Well Generator Replacement

\$1

This project will replace the existing 19-year-old natural gas 500 kilowatt (kw) generator at this facility and automatic transfer switch. Generator will be sized to provide full power redundancy and connect to SCADA.



| | |
|--|--------------------|
| CR 100 Water Line - Harkey to Pearland Sites | \$1 |
| Install approximately 7,900 feet of water line, including a pressure sensor, along CR 100 from Harkey to Pearland Sites Road. The timing of this project is developer driven and the city cost is for line oversizing only, not 100% of the estimated... | |
| Creekview and Shadycrest Transite Pipe Water Line Replacement | \$5,800,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 5 miles of transite water line infrastructure and replacement of sampling stations in the... | |
| Cullen Elevated Storage Tank Rehabilitation | \$1 |
| A full assessment of all Elevated Storage Tank (EST) coatings has been completed. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years. It is recommended to replace the interior and exterior coating systems,... | |
| Cullen Ground Storage Tank Replacement | \$4,120,000 |
| The project is replacing the existing 500,000 gallon bolted galvanized storage tank with a one million gallon prestressed concrete tank. Add a water mixer to this structure to circulate water and eliminate thermal stratification. In addition to... | |
| Dixie Farm North Regional Lift Station Rehabilitation | \$1,720,000 |
| This project will rehabilitate the aging regional lift station and will include rehabilitation of the wet well removing the previous coating and replacing with corrosion resistant lining, provide temporary by-pass pumping, replace submersible... | |
| Dixie Farm Road at Hastings Friendswood Road Intersection Improvements | \$880,000 |
| The project will consist of the design and construction of a traffic signal at the Dixie Farm Road and Hastings Friendswood Drive Intersection. The project is anticipated to require realigning Hastings Friendswood Drive with Tall Oak Drive to... | |
| Dixie Farm Road Transition near Mary's Creek and Cowart's Creek Bridge | \$1 |
| The project will include shifting lane tapers further back which will start the transition at the nose of the metal beam guard rail for both bridge locations. It will require reduction of median width, construction of new pavement to complete the... | |
| Emergency Distribution Warehouse | \$1 |
| The building involves a metal warehouse design (possibly prefabricated), with structural beam framework, access doorways, garage/bay style doors for mobilization and distribution of large items, HVAC climate control and utilities (water/sewer,... | |
| Fiber Backbone (Cullen Parkway from Hughes Ranch Road to McHard) | \$274,000 |
| Extend and build out the fiber network to reach all city facilities including traffic signals and supports the SCADA network. Funds in 2024 will bring fiber along Cullen Parkway from Hughes Ranch Rd to McHard for approximately 4,200 LF. This fiber... | |
| Fiber Backbone (Magnolia from Cullen to Business Center) | \$1 |
| Extend and build out the fiber network to reach all city facilities including traffic signals and supports the SCADA network. Funds in 2023 will bring fiber along Magnolia from Cullen to Business Center Drive for approximately 14,000 LF. This... | |
| Fire Station #2 Repairs | \$1 |
| Project will consist of repairs to the concrete approach slabs and walkways. Remove interior plumbing fixtures to address soil movement, repairs to plumbing fixtures, and to address air condition circulation and condensation issues in the facility. | |
| Fire Station #3 Attic Air Conditioning | \$1 |
| Provide air-conditioned system evaluation and repairs to address humidity and condensation in the air conditioning system. | |
| Fire Station #7 - Bailey Road | \$2,923,250 |
| Construction of approximately 14,300 sq. ft. station to house one - 4-person Engine Crew and one - 2-person EMS Ambulance Crew, and 2 trainees. Station will include a generator, sleeping rooms, restrooms with showers, a kitchen dining area, a... | |
| Fite Rd Drainage Improvement (Cullen to Harkey) | \$2,951,000 |
| The project area is located between Harkey Rd on the east and Cullen Pkwy on the west. Approximately 10,500 LF drainage improvements for Fite Road also include Drainage improvement along the west side of Manvel Rd to Mary's Creek outfall.... | |

| | |
|--|--------------------|
| FM 518 Corridor Study | \$1 |
| A corridor study on FM 518 from McLean Rd to Edgewood Drive which will include a detailed evaluation of converting Walnut Dr/FM 518 from McLean Road to Barry Rose into a one-way pair. The corridor study will analyze all traffic signals and... | |
| FM 518 Utility Relocations - SH288 to Old Chocolate Bayou | \$6,745,000 |
| This project will relocate approximately 12,100 LF (2.3 miles) of 16" water main from SH 288 to Old Chocolate Bayou. This waterline is in TxDOT right of way (ROW) of FM 518 and will need to be relocated for the roadway widening. | |
| FM 518 Wastewater Utility Relocations - SH288 to Old Chocolate Bayou | \$6,550,000 |
| This project will relocate sanitary sewer from SH 288 to Old Chocolate Bayou. The existing sewer line is in current and future TxDOT ROW of FM 518 and will need to be relocated for the roadway widening. | |
| Garden Acres Subdivision Drainage Improvements | \$3,530,000 |
| The project area, located in the northeastern part of the city, is bound by Garden Road on the West, Hickory Creek subdivisions on the North, Oday Rd on the East, and Broadway St on the South. Drainage improvements for the subdivision will require... | |
| Garden Road/O'Day Road Drainage Improvements | \$1 |
| Drainage ditch improvement along Garden Road and O'Day Road from Broadway Street to approximately 5,700' North. The project will include regrading of the ditch as well as replacement of culverts and driveways within the road right of... | |
| Garden Water Well Generator | \$1 |
| Replace existing diesel gas generator with an engineered sized Cummins natural (if available) or diesel gas generator. | |
| Green Tee III Lift Station Rehabilitation | \$820,000 |
| This lift station is part of a program to rehabilitate or replace system-wide lift stations. The project will include corrosion resistant coating, flow meter, SCADA, removal and replacement of submersible pumps, guiderails, ductile Iron discharge... | |
| Green Tee IV Lift Station Rehabilitation | \$147,000 |
| Rehabilitation of this lift station will include removal and replacement of pumps, valves, piping, and wet well with corrosion resistant coating. Provide new electrical panel, service rack, SCADA (if needed), manual transfer switch, and 8'... | |
| Green Tee Transite Pipe Water Line Replacement | \$1 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 7.33 miles of transite water line infrastructure in the Green Tee subdivision. In... | |
| Harkey Road Drainage (Broadway to Mary's Creek) | \$4,178,000 |
| The proposed project includes the improvement of the street, sidewalks and drainage of Harkey Road and will include the removal of the existing two-lane asphalt roadway pavement, roadside ditches, and associated drainage culverts, utility... | |
| Herridge Miller/Brookland Acre Subdivision Drainage Improvement | \$1,310,000 |
| The project area, located in Herridge Miller and Brookland Acre subdivision, is bound by Hatfield Road on the West, City limit on the North, Mykawa on the East, and McHard Road on the South. Drainage improvements for the subdivision will require... | |
| Hickory Creek Subdivision Drainage Improvement | \$4,730,000 |
| The project area, located in the northeastern part of the city, is bound by Garden Road on the West, Hickory Slough on the North, Oday Rd on the East, and Dublin Ln on the South. Drainage improvements for the subdivision will require the... | |
| Hickory Slough Detention Storm Water Pump Station Generator | \$822,000 |
| Hickory Slough Pump Station is located at a critical detention pond that requires a natural gas permanent backup generator with automatic transfer switch during times of power loss. | |
| Hickory Slough Embankment Slope Replacement | \$638,400 |
| Approximately 1,650 square feet of concrete cladding along the east side of the embankment to Hickory Slough at its intersection with Garden Road, located adjacent to the bridge on Garden Road, has separated from its previous attachment to the... | |

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|---|---------------------|
| Hickory Slough Regional Detention Pond | \$1 |
| Excavate and provide regional detention to an area that needs stormwater mitigation. The City and BDD4 partnered to purchase and excavate the property to its ultimate capacity and will provide approximately 230 acre-feet of storage along the... | |
| Hickory Slough Sportsplex Detention Pond Ph 2 | \$3,768,000 |
| This project consists of the construction of the final phase of the detention pond for Hickory Slough including the final build out of the storm water lift station and weir structure. The pond provides for an additional 95-acre feet of detention.... | |
| Hickory Slough Sportsplex Phase II | \$15,147,798 |
| Proposed improvements include the addition of six lighted sports fields, a mix of turf and artificial fields, within the expanded detention pond, a pavilion, doubling the size of the parking lot, expanding the restroom and concession facilities,... | |
| Hillhouse Road Annex Phase II | \$500,000 |
| Phase II will complement the construction of Phase II Orange Street project and centralize services with the renovation of the existing 8,073 sf building for the Traffic division, construction of an approximately 20,000 sf Fleet Building and a... | |
| Hughes Road - Pearland Parkway to City of Pearland City Limit | \$9,552,000 |
| An expansion of Hughes Road from Pearland Parkway to the City of Pearland City Limit, approximately 5,200 LF. The project is to widen the existing 2 lane roadway to a 4-lane boulevard section to achieve the city's desired ultimate width including... | |
| Independence Park Phase II | \$1,915,000 |
| Phase II improvements to Independence Park will build off of amenities completed in Phase I. Planned amenities include the incorporation of the adjacent detention pond as a usable park amenity lake, addition of landscaping, parking, restrooms,... | |
| Intersection Improvements in Shadow Creek Ranch | \$1 |
| This project will provide intersection improvements to help reduce vehicular congestion and improve mobility throughout the business and residential areas of Shadow Creek Ranch. Improvements include the following: modify/add the left and right... | |
| Kirby Elevated and Ground Storage Tank Rehabilitation | \$1,585,000 |
| A full assessment of all ground storage tank (GST) and elevated storage tank (EST) coatings to assess and rank for interior/exterior coating replacement. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years.... | |
| Kirby North Regional Lift Station Rehabilitation | \$278,000 |
| Rehabilitation of a regional lift station including rehabilitation of the wet well removing and replacing the existing coating, provide temporary by-pass pumping, remove and replace existing submersible pumps, adding the required third pump... | |
| Knapp Activity Center Air Conditioning and Building Automation System Integration | \$459,000 |
| This project will install the City's standard remote monitoring and control equipment on the facility's HVAC systems and provide signal interface to send this information back to the monitoring and control system via the City's... | |
| Knapp Activity Center Outdoor Expansion | \$1 |
| Enclosure of the current 1,500 sf open-air patio area, located in the southwest portion of the existing facility. The space will contain a textured, non-slip surface, open-style concept with 10 ft ceilings that allow multiple activity uses. The... | |
| Lakes of Country Place Lift Station Rehabilitation | \$610,000 |
| This project will rehabilitate the aging lift station that will involve the recoating of the wet well with a coat lining, flow meter, operational site lighting, replace the piping and pumps, upgrade the electrical control panel, SCADA, and a... | |
| Liberty Water Production Facility Rehabilitation | \$2,506,000 |
| Based on the preliminary engineering report findings, priority improvements will be made at the Liberty Water Plant – Replace three (3) existing booster pumps, add variable frequency drive (VFD), motors and rehabilitate building(s) including... | |
| Longwood Park (Roadside Ditch and Culvert) | \$4,178,000 |
| The project area is in the Longwood Park subdivision, which is bounded by Mary's Creek on the South, Clear Creek on the North, the city limit on the East, and Longwood Drive on the west. Drainage improvements for the subdivision will require... | |

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| Longwood Water Reclamation Facility Decommissioning | \$1 |
| The project consists of the decommissioning of the Longwood Water Reclamation Facility (LWRF) and construction of a regional lift station to transfer the 2 MGD flows (plus peak) to the expanded Barry Rose Water Reclamation Facility (BRWRF) via a... | |
| Master Drainage Plan Update | \$1,200,000 |
| Master Drainage Plan update will include the use of Atlas 14 rainfall data and 2D modeling approach consistent with Harris County Flood Control District (HCFCD) MaapNext project to evaluate various creeks, ditches, flooding potential of... | |
| McLean Water Production Facility Rehabilitation | \$1 |
| Based on the preliminary engineering report findings, priority improvements will be made at the McLean Water Plant – Remove and replace two (2) existing booster pumps, motors and add variable frequency drives (VFDs). Replace all plant piping... | |
| Median Landscaping on Kingsley & Kirby | \$1 |
| Landscape the medians of Kirby south of Broadway to Magnolia and Kingsley south of Broadway to Southern Trails. The landscaping will include trees, plants, and irrigation bringing the landscaping to City standards. | |
| Mykawa Road Sewer Relocation - Jasmine to S Orange Circle | \$1 |
| Install approximately 400 feet of 15-inch gravity sewer line from 300 feet north of Jasmine to the manhole at South Orange Circle in Mykawa Road. Includes installation of two manholes, the abandonment and fill of the existing 12-inch sanitary... | |
| Mykawa Road Transite Pipe and Water Line Replacement | \$3,130,000 |
| The City has approximately 80 miles of transit pipe water line to be replaced over a period of years. This project will strategically replace approximately 1.96 miles of transite pipe water line infrastructure, including sampling stations along... | |
| Natatorium Air-Handling Replacement | \$1 |
| Replacement of two existing Dectron packaged-units with a 4-pipe hydronic system that will dehumidify, condition the air in the Natatorium, and provide supplemental heat for the pool water. Includes decommissioning, demo/removal, installation of... | |
| Orange Street Service Center Phase 2 | \$1,944,050 |
| A new 50,000 sf Operations & Maintenance building with parking is planned, housing field Superintendents and staff for Water & Sewer, Streets and Drainage, ROW, Engineering Inspectors, Environmental Services, and Facilities. This building... | |
| Park Equipment Recapitalization Program | \$1 |
| Recapitalization will utilize a capital replacement program that is regularly updated, to provide updates, & replacement of equipment or facilities, such as water play features & structures, playground equipment, irrigation & dog park... | |
| Parks Master Plan Update | \$300,000 |
| This project will update the Parks Master Plan. | |
| Pearland Parkway at Barry Rose Intersection Improvements | \$260,000 |
| Continuous development in the City has resulted in changes to traffic patterns and counts. Intersections are encountering increased traffic flows more than they were originally constructed to handle resulting in increasing congestion and... | |
| Pearland Parkway at Broadway Intersection Improvements | \$1,487,000 |
| Continuous development in the City has resulted in changes to traffic patterns and counts. Intersections are encountering increased traffic flows more than they were originally constructed to handle resulting in increasing congestion and... | |
| Pearland Parkway Bridge Soil Erosion Repair (at Clear Creek) | \$700,000 |
| The project will consist of rehabilitating slope embankment, repairing score holes at the bottom, concrete slope pavement etc to provide stability to the bridge pier and protect it from further erosion. | |
| Pine Hollow Drainage Improvements | \$1,480,000 |
| Pine Hollow Subdivision is on the eastern side of the City, south of FM 518. The drainage project includes the improvement of the drainage system from Pine Tree Dr. to Mary's Creek Bypass Channel which include the installation of box... | |

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|---|------------------|
| Pump, VFD and Motor Condition Assessment | \$300,000 |
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The City of Pearland water facilities have antiquated pumps, motors, VFD's and electrical components that present challenges in meeting federal water pressure requirements during high demand. Most of these pumps and motors were original to...

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|---------------------------------------|------------------|
| Reflection Bay WRF Fuel Island | \$539,000 |
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The project will furnish and supply an additional fuel island located at the Reflection Bay WRF and will provide fueling capabilities west of SH288. Project will include a fuel island for Diesel and Unleaded fuel, associated piping and dispensers,...

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| Riverstone Ranch Regional Lift Station Capacity Expansion | \$3,120,000 |
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The project will increase the capacity as required by the Wastewater Master Plan. A PER will be completed to determine if pumps should be upsized to 2.4 MGD. Also, install an odor control unit, new electrical control panel, flow meter, new...

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| Sanitary Sewer Rehabilitation (Old Town District & Barry Rose Service Area) | \$1 |
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The project is part of a multi-year program to rehabilitate areas of failing sanitary sewer collection systems. Barry Rose and John Hargrove collection basins contain piping and manholes that have been identified that result in significant Inflow...

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| Sanitary Sewer Rehabilitation - Barry Rose Service Area (BR-03) | \$1 |
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Inflow and infiltration (I&I) program to rehabilitate failing sanitary collections system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the...

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|--|--------------------|
| Sanitary Sewer Rehabilitation - Longwood Service Area (LW-03) | \$8,011,100 |
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Inflow and infiltration (I&I) program to rehabilitate failing sanitary collections system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the...

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| Sanitary Sewer Rehabilitation - Longwood Service Area (LW-04) | \$424,000 |
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Inflow and infiltration (I&I) program to rehabilitate failing sanitary collection system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the...

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|----------------------------|------------|
| SCADA - Waste Water | \$1 |
|----------------------------|------------|

City's Supervisory Control and Data Acquisition (SCADA) project that will update/replace an antiquated system that was installed in the early 2000's. The project will evaluate the existing facilities with the goal of standardizing the...

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|---|------------|
| Shadow Creek Parkway Landscaping, Street Lighting, & Sidewalks | \$1 |
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The project will provide enhanced landscaping, irrigation, street lighting and continuous sidewalks along the Shadow Creek Parkway Corridor from SH288 to FM521. Project will provide safe travel to vehicular traffic and pedestrians that will travel...

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| Shadow Creek Ranch – Ocean Point Ct 100 Year Overflow at Cul-De-Sac | \$1 |
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Several homes in the Shadow Creek Ranch Subdivision in the vicinity of Ocean Point Ct received floodwater during Hurricane Harvey. The Ocean Point Ct. cul-de-sac worked as an extreme event sheet flow path during Hurricane Harvey based on the...

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| Shadow Creek Trail Phase II (Along Clear Creek Relief Ditch & Library Trail) | \$1 |
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The Shadow Creek Trail Phase II - Along Clear Creek Relief Ditch and Library Trail will consist of approximately 2,100 LF of 10' wide hike and bike trail along the Clear Creek Relief Channel and include a pedestrian bridge over the channel....

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| Shady Crest and Creek View Subdivision Drainage Improvement | \$14,550,000 |
|--|---------------------|

The project area, located in Creekview Subdivision and Shadycrest Subdivision, is generally bounded by FM 518 (Broadway), Longherridge Dr., Misty Ln., Redwood Grove St. and Pearland Parkway, with Mary's Creek splitting the subdivisions into two...

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|---|--------------------|
| Shady Crest and Creek View Subdivision Sanitary Sewer Rehabilitation | \$4,970,000 |
|---|--------------------|

This subdivision was built in the mid-1960s & 1970s and has been identified as an area with high infiltration and intrusion (I & I). The project will evaluate best method to rehab or replace approximately 16,000 LF of existing pipe that...

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|---------------------------------------|--------------------|
| Sherwood Waterline Replacement | \$1,350,000 |
|---------------------------------------|--------------------|

The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. Replacement of 7,200 LF of transite waterlines in conjunction with the street reconstruction located south of FM 518, west of Westminister...

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| Sleepy Hollow Small Waterline Replacement | \$400,000 |
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The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. Replacement of approximately 15,200 LF of small diameter and transite waterlines throughout the Sleepy Hollow subdivision which includes pipe...

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| Smith Ranch Road Extension (CR 94) - Hughes Ranch Road to Broadway | \$1 |
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Expansion of Smith Ranch Road from 2-lane asphalt into divided 4-lane with raised medians, concrete curb and gutter, storm sewer, shared use path, street lights, landscaping, and irrigation. Limits are from Hughes Ranch Road, south approximately...

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| Somersetshire Estates Subdivision Waterline Replacement | \$1 |
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This project will include the replacement of approximately 5,450 LF of small diameter waterlines throughout the Somersetshire Estates subdivision which includes pipe sizes of 3, 4 and 6 inch. The project will also include the installation of...

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| Southdown Lift Station Rehabilitation | \$850,000 |
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The project is part of the program to rehabilitate or replace system-wide lift stations. The project will include remove and replace wet well coating with corrosion resistant coating, remove and replace existing submersible pumps, guiderails, flow...

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| Southeast (Bailey) Elevated and Magnolia Ground Storage Tank | \$1 |
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A full assessment of all Elevated Storage Tank (EST) coatings to assess and rank for interior/exterior coating replacement. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years. It is recommended to replace...

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| Southwest Quadrant of Old Town (McLean to SH35 South of Broadway) | \$9,048,000 |
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The project area, located in the Old Town area, is bound by Broadway Street on the North, Walnut St on the South, McLean St on the West, and the Railroad tracks on the East. Drainage improvements for the subdivision will require the...

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|--|--------------------|
| Southwest Quadrant of Old Town Transite Water Line Replacement (McLean to SH35 South of Broadway) | \$1,400,000 |
|--|--------------------|

The project area is bounded by Broadway St. to the north, McLean St. to the west, Walnut St. to the south, and the railroad tracks to the east. Water line improvements within the project area will consist of replacing existing water lines, ranging...

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|---|------------------|
| Stella Roberts Recycling Center HVAC Replacement | \$350,000 |
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Replacement of the existing heating, ventilation and air conditioning systems with two new HVAC split systems, fresh air exhaust systems and integrate with the City's building automation system.

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|---|------------|
| Street Reconstruction - Sherwood | \$1 |
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Reconstruction of concrete neighborhood streets and sidewalks in Sherwood subdivision as identified in the 2019 Bond Program. The street reconstruction projects are based on priorities derived from the Right-of-Way Assessment and resulting...

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|--------------------------------------|--------------------|
| Street Rehabilitation Program | \$1,400,000 |
|--------------------------------------|--------------------|

As identified in the City's 2024 pavement condition survey, many asphalt and concrete streets within the community are in need of rehabilitation. This project provides for varying street reconstruction activities ranging from full depth...

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|--|------------|
| Sunrise Lakes Lift Station Rehabilitation | \$1 |
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This Lift Station is part of the program to rehabilitate or replace system-wide lift stations. The project will include, repairs to the wet well with corrosion resistant coating to repair structural integrity, remove and replace submersible pumps,...

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|---|------------------|
| Sunset Meadows Lift Station Rehabilitation | \$178,000 |
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Rehabilitate lift station with the removal and installation of a new 6' wet well with corrosion resistant lining, replace two pumps with submersibles including guiderails and new wet well top, replace valves and discharge piping, flow meter,...

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|--------------------------------|------------|
| Traffic Signal Upgrades | \$1 |
|--------------------------------|------------|

The Traffic Signal update will include replacement of the existing outdated signal management system to conform to the City of Pearland specifications. This will include the upgrade of traffic signal management equipment to 29 signal locations...

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| Veterans 2 Regional Lift Station Rehabilitation | \$1 |
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This project will rehabilitate the aging regional lift station and will include rehabilitation of the wet well removing existing coating and replacing, provide temporary by-pass pumping, replace four submersible pumps and guiderails, flow meter,...

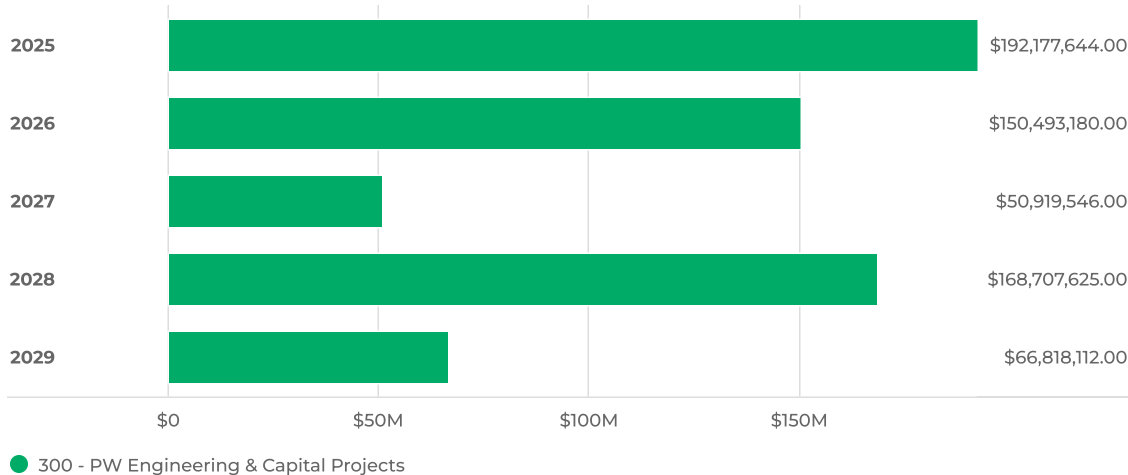
| | |
|--|--------------------|
| Veterans Drainage Improvements | \$9,760,000 |
| The project will encompass the installation of an underground stormwater conveyance system and replace the roadside ditches. This will connect to the stormwater system that was installed with the Walnut Road construction project to Mary's... | |
| Water Master Plan Update | \$650,000 |
| This project will be to update the Water Master Plan that was created in 2020. Although there has been some updates to the model for specific projects, no city-wide update has been done. This project will update the city infrastructure, water... | |
| Water Operations Building (Alice St.) | \$1 |
| The need for a building that can house 25 staff members with a climate control building. It will include restrooms/showers for women and men with a locker room area and a break room/multi-purpose training room. A natural gas backup generator will... | |
| Water Plant Chemical Containment Structures | \$1,622,000 |
| To rehabilitate the current drinking water chemical containments and enclosures to meet Texas Commission on Environmental Quality (TCEQ) standards at eleven (12) drinking water facilities within city limits. All chemical storage, containment, and... | |
| West Lea Subdivision Drainage Improvements | \$3,500,000 |
| Located in West Lea Subdivision, bounded by Manvel Road, Bailey Road, BDD4 Ditch, and Mary's Creek. Drainage improvements will require removal and replacement of driveway culverts, upsizing of culverts, widening and re-grading of bar... | |
| West Pearland Community Center HVAC Replacement | \$1 |
| This project will replace the existing split system HVAC units with a new Carrier 18 Seer systems which will heat and cool a total of 6500 sf. This will include all decommissioning, removal, installation of new units, electrical bringing the life... | |
| Westminister Subdivision Water Line Replacement | \$1 |
| Replacement of approximately 8,000 LF of small diameter waterlines throughout the Westminister subdivision which includes pipe sizes of 3, 4 and 6 inch. The will also include sampling stations, pressure sensor, and the placement of hydrant... | |
| Whispering Winds Lift Station Relocation | \$1,272,000 |
| Relocate and replace the aging lift station including installation of a new wet well with corrosion resistant lining, extend the gravity and force main to a new location, replace two self-priming pumps with submersibles including guiderails and... | |
| Wood Creek Transite Pipe Water Line Replacement | \$5,100,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 4.5 miles of transite water line infrastructure, replacement of the sampling station, and... | |
| Woody Road Drainage Improvements | \$1 |
| Drainage ditch improvement along Woody Road approximately 2,700 LF between Broadway Street and Orange Street. The project will include regrading of the ditch as well as replacement of culverts and driveways within the road right of way. The... | |
| Wooten Road Lift Station Decommissioning | \$1 |
| The project is part of the program to rehabilitate or replace system-wide lift stations. The lift station was installed by private developer without lift station easement and the maintenance responsibility was transferred to the City. The City... | |
| Total: \$192,177,644 | |

Capital Improvements: Multi-year Plan

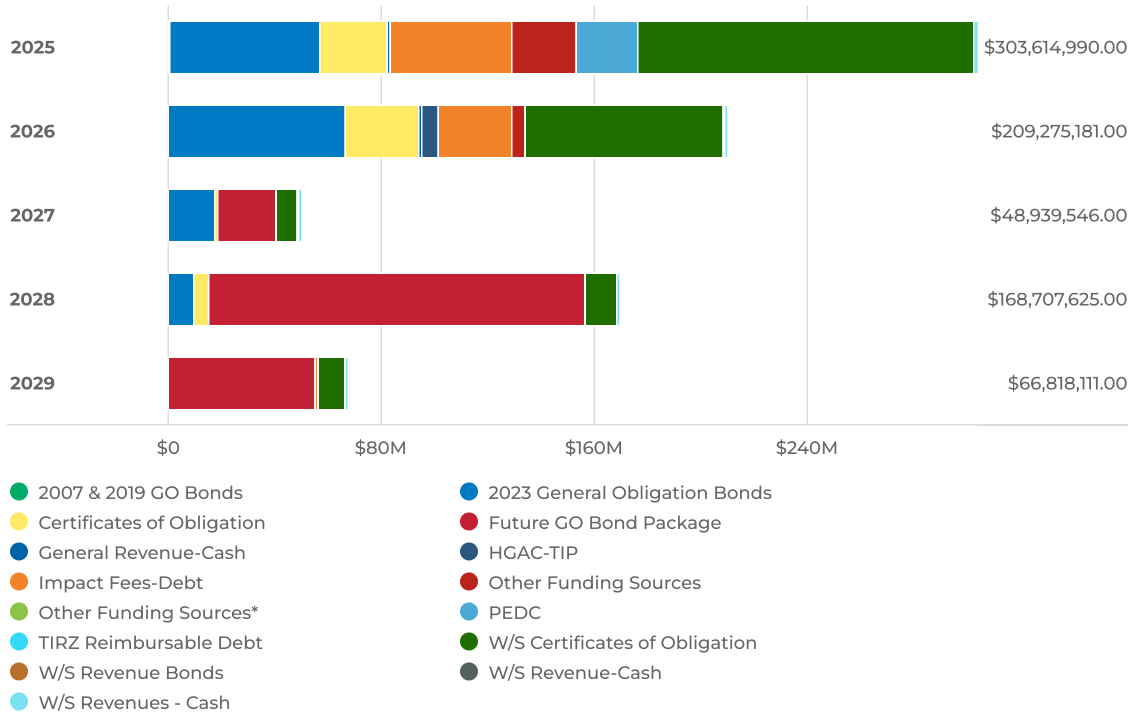
Total Capital Requested
\$629,116,107

163 Capital Improvement Projects

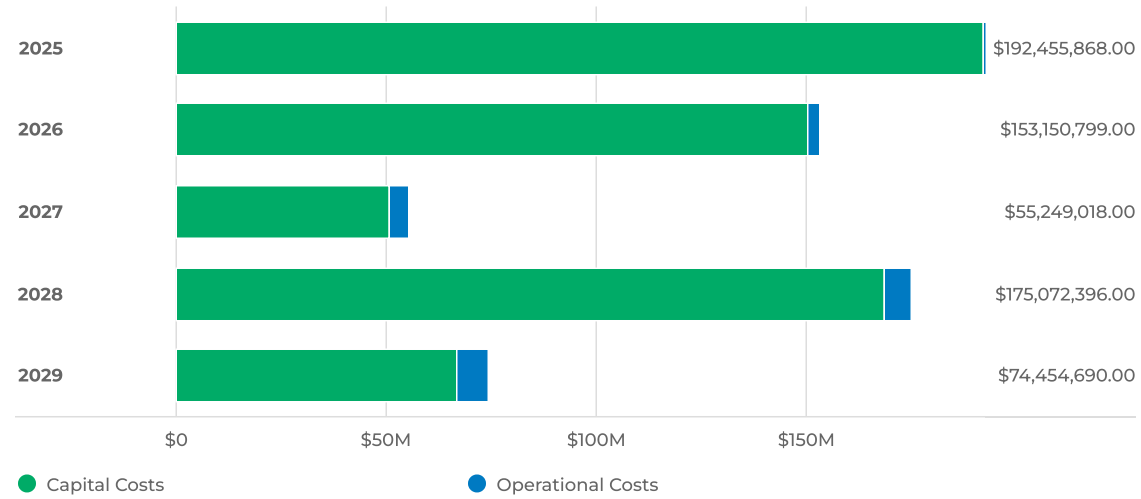
Total Funding Requested by Department



Total Funding Requested by Source



Capital Costs Breakdown



Cost Savings & Revenues

There's no data for building chart

300 - PW Engineering & Capital Projects Requests

Itemized Requests for 2025-2029

| | |
|---|--------------------|
| Alexander Landing, Banbury Cross & Whispering Winds Transite Pipe Water Line Replacement | \$1,039,500 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 5.25 miles of transite water line infrastructure and replacement of sampling stations on... | |
| Alice Elevated & Ground Storage Tank Rehabilitation | \$1,216,000 |
| A full assessment of all ground storage tank (GST) and elevated storage tank (EST) coatings to assess and rank for interior/exterior coating replacement. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years.... | |
| Autumn Lakes Lift Station Rehabilitation | \$1 |
| This Lift Station is part of the program to rehabilitate or replace system-wide lift stations. The project will include; repairs to the wet well with corrosion resistant coating to replace lost structural integrity, replacement of the end of life... | |
| Bailey Road Expansion - Veterans Dr to Main | \$1 |
| This project consists of widening the current two-lane roadway to a four-lane lane boulevard section to match the existing roadway cross-section to the east and west. The project will include the addition of a new above grade crossing over the... | |
| Barry Rose Gravity Sewer - Plum from Galveston to Barry Rose WRF | \$9,780,000 |
| This project will be to replace the undersized trunk wastewater main with the size required dictated by the Wastewater Master Plan. The project will pipe burst from the existing lines to the required size of 18" - 42". The project will... | |
| Barry Rose Sound Wall Replacement | \$1,565,000 |
| Replacement of 3,700 LF of stained concrete masonry wall along Barry Rose Rd adjacent to the Pilgrims Point and Alexander Landing Subdivision. | |
| Barry Rose WRF Replacement and Expansion | \$1 |
| In 2022, staff is conducting an evaluation of the overall placing for plan consolidation. Evaluation includes costs, review, treatment process and new Waste Water Treatment Plant (WWTP) location. Replacement of the existing treatment plant with... | |
| BellaVita Regional Lift Station Rehabilitation | \$1 |
| This project will rehabilitate the aging regional lift station and will include installation of corrosion resistant lining, provide temporary by-pass pumping, replace submersible pumps and guiderails, replace piping, flow meter, new electrical... | |
| Broadway Expansion Phase 1 (SH 288 to Old Chocolate Bayou) | \$1 |
| TxDOT will be widening Broadway to provide three lanes each direction, raised medians, access controls, new City standard signals and controls, and additional turn lanes where required for traffic management purposes. Relocation of City owned... | |
| Broadway Expansion Phase 2 - Old Chocolate Bayou to McLean Rd. | \$7,000,000 |
| TxDOT will be widening Broadway to provide three lanes each direction, raised medians, access controls, new City standard signals and controls, and additional turn lanes where required for traffic management purposes. Relocation of City owned... | |
| Brookland Acres Drainage Improvements | \$1 |
| Brookland Acres subdivision is located north of Hickory Slough between Mykawa Road and Woody Rd. The project will include regrading of the ditch as well as replacement of culverts and driveways along the right of way of Scott Ln approximately... | |
| Centennial Park Restrooms (Fields 5 & 6) | \$1 |
| The project will include the installation of a prefabricated turnkey restroom facility (inclusive of utilities and site preparation) located between Fields 5 & 6 at Centennial Park. The facility will consist of an 8 stall restroom facility, 2... | |
| Clear Creek Park Lift Station Rehabilitation | \$932,000 |
| The project will rehabilitate the aging lift station and will include the replacement of pumps, valves, piping, flow meter, SCADA, and rehabilitate the wet well with corrosion resistant lining system. Provide new City standard electrical panel,... | |

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| Clear Creek Trail (Barry Rose WRF to UHCL) | \$9,065,000 |
| When complete, the Clear Creek Trail will span more than 21 miles across 3 counties and two cities providing a signature recreational amenity to Pearland's Park and Trail system. The project will consist of the installation of 10,000 linear... | |
| Clear Creek Trail Segment 5 | \$10,133,900 |
| Approximately 19,000 linear feet of 10-ft wide recreational/utility trail along Clear Creek, from Province Village's trail end to Dixie Farm Park. | |
| Concrete Sidewalk Gaps and Replacement | \$13,200,000 |
| The project is intended to systematically replace sections of concrete sidewalks that would benefit from complete removal and replacement, within mature sections of the community and to analyze connectivity to adjacent subdivisions and commercial... | |
| Country Place Lift Station Rehabilitation | \$2,000,000 |
| The project will rehabilitate the aging lift station. The project will include the removal and replacement of the wet well corrosion resistant lining, pumps, valves, and piping. Provide new City standard electrical panel, service rack, flow meter,... | |
| Country Place Street Reconstruction | \$20,116,120 |
| The scope of this project includes the provision of removal and replacement of approximately 14,700 LF of concrete streets and sidewalks on N. Peach Hollow, S. Peach Hollow, E. Peach Hollow, and W. Peach Hollow. | |
| Country Place Transite Pipe Water Line Replacement | \$800,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 7.5 miles of transite water line infrastructure in the Country Place subdivision. In... | |
| Country Place Water Well Generator Replacement | \$1 |
| This project will replace the existing 19-year-old natural gas 500 kilowatt (kw) generator at this facility and automatic transfer switch. Generator will be sized to provide full power redundancy and connect to SCADA. | |
| CR 100 Water Line - Harkey to Pearland Sites | \$1 |
| Install approximately 7,900 feet of water line, including a pressure sensor, along CR 100 from Harkey to Pearland Sites Road. The timing of this project is developer driven and the city cost is for line oversizing only, not 100% of the estimated... | |
| Creekview and Shadycrest Transite Pipe Water Line Replacement | \$5,800,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 5 miles of transite water line infrastructure and replacement of sampling stations in the... | |
| Crystal Lakes West Lift Station Rehabilitation | \$1,920,000 |
| This project will rehabilitate the wet well by removing and replacement of corrosion resistant coating, flow meter, piping, valves, pumps, electrical control panel, service rack, SCADA, and add a manual transfer switch for portable generator.... | |
| Cullen Elevated Storage Tank Rehabilitation | \$1 |
| A full assessment of all Elevated Storage Tank (EST) coatings has been completed. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years. It is recommended to replace the interior and exterior coating systems,... | |
| Cullen Ground Storage Tank Replacement | \$4,120,000 |
| The project is replacing the existing 500,000 gallon bolted galvanized storage tank with a one million gallon prestressed concrete tank. Add a water mixer to this structure to circulate water and eliminate thermal stratification. In addition to... | |
| Dixie Farm North Regional Lift Station Rehabilitation | \$1,720,000 |
| This project will rehabilitate the aging regional lift station and will include rehabilitation of the wet well removing the previous coating and replacing with corrosion resistant lining, provide temporary by-pass pumping, replace submersible... | |
| Dixie Farm Road at Hastings Friendswood Road Intersection Improvements | \$880,000 |
| The project will consist of the design and construction of a traffic signal at the Dixie Farm Road and Hastings Friendswood Drive Intersection. The project is anticipated to require realigning Hastings Friendswood Drive with Tall Oak Drive to... | |

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|--|---------------------|
| Dixie Farm Road Transition near Mary's Creek and Cowart's Creek Bridge | \$1 |
| The project will include shifting lane tapers further back which will start the transition at the nose of the metal beam guard rail for both bridge locations. It will require reduction of median width, construction of new pavement to complete the... | |
| Dixie Farm South Lift Station Rehabilitation | \$1,338,000 |
| This project will rehabilitate the aging lift station and will include removal of the existing wet well and replace with an 8 foot wet well with corrosion resistant lining, replace two self-priming pumps with submersibles including guiderails and... | |
| Dixie Hollow Subdivision Transite Pipe Water Line Replacement | \$1,981,000 |
| The City has approximately 82 miles of failing transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 1.25 miles of transite water line infrastructure and the installation of a... | |
| E. Plum Drainage (Old Alvin to Schlieder Dr) | \$1,890,000 |
| The project area is located between Old Alvin Rd and Schlieder Dr. along E Plum Street. Approximately 2000 LF drainage improvements for the project limits will require the removal/replacement of driveways, driveway culverts, storm system, inlets,... | |
| Emergency Distribution Warehouse | \$1 |
| The building involves a metal warehouse design (possibly prefabricated), with structural beam framework, access doorways, garage/bay style doors for mobilization and distribution of large items, HVAC climate control and utilities (water/sewer,... | |
| Fiber Backbone (Cullen Parkway from Hughes Ranch Road to McHard) | \$274,000 |
| Extend and build out the fiber network to reach all city facilities including traffic signals and supports the SCADA network. Funds in 2024 will bring fiber along Cullen Parkway from Hughes Ranch Rd to McHard for approximately 4,200 LF. This fiber... | |
| Fiber Backbone (Magnolia from Cullen to Business Center) | \$1 |
| Extend and build out the fiber network to reach all city facilities including traffic signals and supports the SCADA network. Funds in 2023 will bring fiber along Magnolia from Cullen to Business Center Drive for approximately 14,000 LF. This... | |
| Fiber Backbone Magnolia (Business Center to Kirby Water Plant) | \$620,000 |
| Extend and build out the fiber network to reach all city facilities including buildings, parks, lift station, traffic signal, and water facilities and supports the SCADA network. Funds in 2026 will bring fiber along Magnolia from Business Center... | |
| Fire Station #2 Repairs | \$1 |
| Project will consist of repairs to the concrete approach slabs and walkways. Remove interior plumbing fixtures to address soil movement, repairs to plumbing fixtures, and to address air condition circulation and condensation issues in the facility. | |
| Fire Station #3 Attic Air Conditioning | \$1 |
| Provide air-conditioned system evaluation and repairs to address humidity and condensation in the air conditioning system. | |
| Fire Station #6 (Formerly Fire Station #11) - County Road 100 | \$15,650,000 |
| Construction of approximately 14,300 sq. ft. station to house one - 4-person Engine Crew and one - 2-person EMS Ambulance Crew, and 2 trainees. Station will include a generator, sleeping rooms, restrooms with showers, and a kitchen dining area, a... | |
| Fire Station #7 - Bailey Road | \$17,413,250 |
| Construction of approximately 14,300 sq. ft. station to house one - 4-person Engine Crew and one - 2-person EMS Ambulance Crew, and 2 trainees. Station will include a generator, sleeping rooms, restrooms with showers, a kitchen dining area, a... | |
| Fite Rd Drainage Improvement (Cullen to Harkey) | \$11,581,000 |
| The project area is located between Harkey Rd on the east and Cullen Pkwy on the west. Approximately 10,500 LF drainage improvements for Fite Road also include Drainage improvement along the west side of Manvel Rd to Mary's Creek outfall.... | |
| Fite Road Drainage (Harkey to McLean) | \$7,205,000 |
| The project area is located between Harkey Rd and McLean St. along Fite Road. Approximately 5300 LF drainage improvements for Fite Road will require the removal/replacement of driveways, driveway culverts, and regrading of the roadside ditches to... | |

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| FM 518 Corridor Study | \$1 |
| A corridor study on FM 518 from McLean Rd to Edgewood Drive which will include a detailed evaluation of converting Walnut Dr/FM 518 from McLean Road to Barry Rose into a one-way pair. The corridor study will analyze all traffic signals and... | |
| FM 518 Utility Relocations - SH288 to Old Chocolate Bayou | \$6,745,000 |
| This project will relocate approximately 12,100 LF (2.3 miles) of 16" water main from SH 288 to Old Chocolate Bayou. This waterline is in TxDOT right of way (ROW) of FM 518 and will need to be relocated for the roadway widening. | |
| FM 518 Utility Relocations Phase 2 (Old Chocolate Bayou to McLean) | \$6,800,000 |
| This project will relocate sanitary sewer from SH 288 to Old Chocolate Bayou. The existing sewer line is in current and future TxDOT ROW of FM 518 and will need to be relocated for the roadway widening. | |
| FM 518 Wastewater Utility Relocations - SH288 to Old Chocolate Bayou | \$6,550,000 |
| This project will relocate sanitary sewer from SH 288 to Old Chocolate Bayou. The existing sewer line is in current and future TxDOT ROW of FM 518 and will need to be relocated for the roadway widening. | |
| Garden Acres Subdivision Drainage Improvements | \$3,530,000 |
| The project area, located in the northeastern part of the city, is bound by Garden Road on the West, Hickory Creek subdivisions on the North, Oday Rd on the East, and Broadway St on the South. Drainage improvements for the subdivision will require... | |
| Garden Road/O'Day Road Drainage Improvements | \$1 |
| Drainage ditch improvement along Garden Road and O'Day Road from Broadway Street to approximately 5,700' North. The project will include regrading of the ditch as well as replacement of culverts and driveways within the road right of... | |
| Garden Water Well Generator | \$1 |
| Replace existing diesel gas generator with an engineered sized Cummins natural (if available) or diesel gas generator. | |
| Green Tee I Lift Station | \$1,234,000 |
| The project is part of the program to rehabilitate or replace system-wide lift stations. The project will consist of evaluating the service area at this lift station to determine relocation, abandonment or a combination to move from the resident... | |
| Green Tee III Lift Station Rehabilitation | \$820,000 |
| This lift station is part of a program to rehabilitate or replace system-wide lift stations. The project will include corrosion resistant coating, flow meter, SCADA, removal and replacement of submersible pumps, guiderails, ductile Iron discharge... | |
| Green Tee IV Lift Station Rehabilitation | \$1,067,000 |
| Rehabilitation of this lift station will include removal and replacement of pumps, valves, piping, and wet well with corrosion resistant coating. Provide new electrical panel, service rack, SCADA (if needed), manual transfer switch, and 8'... | |
| Green Tee Street Reconstruction | \$25,863,584 |
| The scope of this project includes the provision of removal and replacement of approximately 18,900 LF of concrete streets, sidewalks, and storm sewer upgrades within the neighborhood. | |
| Green Tee Transite Pipe Water Line Replacement | \$1 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 7.33 miles of transite water line infrastructure in the Green Tee subdivision. In... | |
| Harkey Road Drainage (Broadway to Mary's Creek) | \$22,966,000 |
| The proposed project includes the improvement of the street, sidewalks and drainage of Harkey Road and will include the removal of the existing two-lane asphalt roadway pavement, roadside ditches, and associated drainage culverts, utility... | |
| Hatfield Road Drainage (FM 518 to Hickory Slough) | \$4,631,000 |
| The project area is located between FM 518 and Hickory Slough along Hatfield Road. Approximately 6,600 LF drainage improvements for Hatfield Rd. will require the removal/replacement of driveways, driveway culverts, Storm system, inlets, utility... | |

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| Herridge Miller/Brookland Acre Subdivision Drainage Improvement | \$1,310,000 |
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The project area, located in Herridge Miller and Brookland Acre subdivision, is bound by Hatfield Road on the West, City limit on the North, Mykawa on the East, and McHard Road on the South. Drainage improvements for the subdivision will require...

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| Hickory Creek Subdivision Drainage Improvement | \$4,730,000 |
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The project area, located in the northeastern part of the city, is bound by Garden Road on the West, Hickory Slough on the North, Oday Rd on the East, and Dublin Ln on the South. Drainage improvements for the subdivision will require the...

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| Hickory Slough Detention Storm Water Pump Station Generator | \$822,000 |
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Hickory Slough Pump Station is located at a critical detention pond that requires a natural gas permanent backup generator with automatic transfer switch during times of power loss.

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| Hickory Slough Embankment Slope Replacement | \$638,400 |
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Approximately 1,650 square feet of concrete cladding along the east side of the embankment to Hickory Slough at its intersection with Garden Road, located adjacent to the bridge on Garden Road, has separated from its previous attachment to the...

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| Hickory Slough Regional Detention Pond | \$1 |
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Excavate and provide regional detention to an area that needs stormwater mitigation. The City and BDD4 partnered to purchase and excavate the property to its ultimate capacity and will provide approximately 230 acre-feet of storage along the...

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| Hickory Slough Sportsplex Detention Pond Ph 2 | \$3,768,000 |
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This project consists of the construction of the final phase of the detention pond for Hickory Slough including the final build out of the storm water lift station and weir structure. The pond provides for an additional 95-acre feet of detention....

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| Hickory Slough Sportsplex Phase II | \$15,147,798 |
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Proposed improvements include the addition of six lighted sports fields, a mix of turf and artificial fields, within the expanded detention pond, a pavilion, doubling the size of the parking lot, expanding the restroom and concession facilities,...

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| Hillhouse Road Annex Phase II | \$500,000 |
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Phase II will complement the construction of Phase II Orange Street project and centralize services with the renovation of the existing 8,073 sf building for the Traffic division, construction of an approximately 20,000 sf Fleet Building and a...

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| Hughes Ranch Road Gravity Sewer-Cullen to Stone | \$1,852,000 |
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This project will include the installation of sanitary sewer along Hughes Ranch Road between Cullen and Stone. Included within this project is the installation of sanitary sewer along Hawk Meadows and Lee Rd. Currently there are no sanitary sewer...

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| Hughes Road - Pearland Parkway to City of Pearland City Limit | \$9,552,000 |
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An expansion of Hughes Road from Pearland Parkway to the City of Pearland City Limit, approximately 5,200 LF. The project is to widen the existing 2 lane roadway to a 4-lane boulevard section to achieve the city's desired ultimate width including...

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| Independence Park Phase II | \$16,335,000 |
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Phase II improvements to Independence Park will build off of amenities completed in Phase I. Planned amenities include the incorporation of the adjacent detention pond as a usable park amenity lake, addition of landscaping, parking, restrooms,...

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| Intersection Improvements in Shadow Creek Ranch | \$1 |
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This project will provide intersection improvements to help reduce vehicular congestion and improve mobility throughout the business and residential areas of Shadow Creek Ranch. Improvements include the following: modify/add the left and right...

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| Isla Dr., N Galveston, Cheryl Dr. Drainage Improvements | \$5,414,000 |
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The proposed project includes the improvement of the street, sidewalks and drainage along Isla Dr., N Galveston St., and Cheryl Dr. These roadways are located between Orange Street and Old Town Ditch. The project will include the removal of the...

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| Kirby Elevated and Ground Storage Tank Rehabilitation | \$1,585,000 |
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A full assessment of all ground storage tank (GST) and elevated storage tank (EST) coatings to assess and rank for interior/exterior coating replacement. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years....

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| Kirby North Regional Lift Station Rehabilitation | \$2,018,000 |
| Rehabilitation of a regional lift station including rehabilitation of the wet well removing and replacing the existing coating, provide temporary by-pass pumping, remove and replace existing submersible pumps, adding the required third pump... | |
| Knapp Activity Center Air Conditioning and Building Automation System Integration | \$459,000 |
| This project will install the City's standard remote monitoring and control equipment on the facility's HVAC systems and provide signal interface to send this information back to the monitoring and control system via the City's... | |
| Knapp Activity Center Outdoor Expansion | \$1 |
| Enclosure of the current 1,500 sf open-air patio area, located in the southwest portion of the existing facility. The space will contain a textured, non-slip surface, open-style concept with 10 ft ceilings that allow multiple activity uses. The... | |
| Lakes of Country Place Lift Station Rehabilitation | \$610,000 |
| This project will rehabilitate the aging lift station that will involve the recoating of the wet well with a coat lining, flow meter, operational site lighting, replace the piping and pumps, upgrade the electrical control panel, SCADA, and a... | |
| Lakes of Edgewater Estates Water Quality Program | \$1,096,000 |
| The proposed project will address water quality issues related to the age of the water in the system. As part of the City's multi-year water distribution system improvement program this project will improve the circulation of water within... | |
| Liberty Dr & John Lizer Transite Pipe Water Line Replacement | \$2,277,000 |
| The City has approximately 80 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 1.5 miles of transite water line infrastructure and replacement of sampling stations in... | |
| Liberty Water Production Facility Rehabilitation | \$2,506,000 |
| Based on the preliminary engineering report findings, priority improvements will be made at the Liberty Water Plant – Replace three (3) existing booster pumps, add variable frequency drive (VFD), motors and rehabilitate building(s) including... | |
| Longwood Park (Roadside Ditch and Culvert) | \$4,178,000 |
| The project area is in the Longwood Park subdivision, which is bounded by Mary's Creek on the South, Clear Creek on the North, the city limit on the East, and Longwood Drive on the west. Drainage improvements for the subdivision will require... | |
| Longwood Water Reclamation Facility Decommissioning | \$1 |
| The project consists of the decommissioning of the Longwood Water Reclamation Facility (LWRF) and construction of a regional lift station to transfer the 2 MGD flows (plus peak) to the expanded Barry Rose Water Reclamation Facility (BRWRF) via a... | |
| Magnolia Water Production Facility Rehabilitation | \$675,000 |
| Based on the preliminary engineering report findings, priority improvements will be made at the Magnolia Water Plant – Rehabilitate booster pump building including environmental control, pave the existing driveway, fence, and landscaping... | |
| Master Drainage Plan Update | \$1,200,000 |
| Master Drainage Plan update will include the use of Atlas 14 rainfall data and 2D modeling approach consistent with Harris County Flood Control District (HCFCD) MaapNext project to evaluate various creeks, ditches, flooding potential of... | |
| McLean Water Production Facility Rehabilitation | \$1 |
| Based on the preliminary engineering report findings, priority improvements will be made at the McLean Water Plant – Remove and replace two (2) existing booster pumps, motors and add variable frequency drives (VFDs). Replace all plant piping... | |
| Median Landscaping on Kingsley & Kirby | \$1 |
| Landscape the medians of Kirby south of Broadway to Magnolia and Kingsley south of Broadway to Southern Trails. The landscaping will include trees, plants, and irrigation bringing the landscaping to City standards. | |
| Miller Ranch Road - Broadway to Hughes Ranch Rd | \$15,936,000 |
| Construct approximately one mile of 4-lane undivided concrete curb and gutter, shared use path, underground drainage, utility adjustments, street lighting, and traffic signal modification. Detention will be provided on city owned property next to... | |

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| Mykawa Road Sewer Relocation - Jasmine to S Orange Circle | \$1 |
| Install approximately 400 feet of 15-inch gravity sewer line from 300 feet north of Jasmine to the manhole at South Orange Circle in Mykawa Road. Includes installation of two manholes, the abandonment and fill of the existing 12-inch sanitary... | |
| Mykawa Road Transite Pipe and Water Line Replacement | \$3,130,000 |
| The City has approximately 80 miles of transit pipe wate line to be replaced over a period of years. This project will strategically replace approximately 1.96 miles of transite pipe water line infrastructure, including sampling stations along... | |
| Mykawa Road Widening - BW8 to FM 518 | \$9,066,580 |
| Construct approximately 3 miles of 4-lane concrete curb and gutter divided boulevard section roadway, including storm sewers, outfalls and detention, traffic signals, street lights, and related items, landscape and irrigation, and a 10' shared... | |
| Natatorium Air-Handling Replacement | \$1 |
| Replacement of two existing Dectron packaged-units with a 4-pipe hydronic system that will dehumidify, condition the air in the Natatorium, and provide supplemental heat for the pool water. Includes decommissioning, demo/removal, installation of... | |
| Oakbrook Estates Lift Station Replacement | \$610,000 |
| This project will replace the aging lift station that will include the coating of a wet well with corrosion resistant lining, replace the piping and pumps, temporary by-pass pumping, upgrade the electrical control panel, flow meter, SCADA, service... | |
| Orange Street Service Center Phase 2 | \$28,115,000 |
| A new 50,000 sf Operations & Maintenance building with parking is planned, housing field Superintendents and staff for Water & Sewer, Streets and Drainage, ROW, Engineering Inspectors, Environmental Services, and Facilities. This building... | |
| Park Equipment Recapitalization Program | \$1 |
| Recapitalization will utilize a capital replacement program that is regularly updated, to provide updates, & replacement of equipment or facilities, such as water play features & structures, playground equipment, irrigation & dog park... | |
| Park View Transite Pipe Water Line Replacement | \$500,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 4.25 miles of transite water line infrastructure in the Park View subdivision and Liberty... | |
| Parks Master Plan Update | \$300,000 |
| This project will update the Parks Master Plan. | |
| Parkview Street Reconstruction | \$4,379,020 |
| The scope of this project includes the provision of removal and replacement of approximately 3,200 LF of concrete streets and sidewalks on Colleen Dr., Misty Rd., and Parkview. | |
| Pearland Parkway at Barry Rose Intersection Improvements | \$1,520,000 |
| Continuous development in the City has resulted in changes to traffic patterns and counts. Intersections are encountering increased traffic flows more than they were originally constructed to handle resulting in increasing congestion and... | |
| Pearland Parkway at Broadway Intersection Improvements | \$1,487,000 |
| Continuous development in the City has resulted in changes to traffic patterns and counts. Intersections are encountering increased traffic flows more than they were originally constructed to handle resulting in increasing congestion and... | |
| Pearland Parkway Bridge Soil Erosion Repair (at Clear Creek) | \$700,000 |
| The project will consist of rehabilitating slope embankment, repairing score holes at the bottom, concrete slope pavement etc to provide stability to the bridge pier and protect it from further erosion. | |
| PER for Future Bond Referendum | \$250,000 |
| Provide funding for preliminary engineering on 5 - 7 future projects to be identified that would be funded within the City's next bond referendum. Preliminary engineering would tighten down scopes and provide for estimated construction dollars... | |

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| PER for Future Bond Referendum-Streets | \$500,000 |
| Provide funding for preliminary engineering on 8 - 12 future projects to be identified that would be funded with the City's next bond referendum. Preliminary engineering would develop detailed scopes and provide for estimated construction... | |
| Pine Hollow Drainage Improvements | \$5,730,000 |
| Pine Hollow Subdivision is on the eastern side of the City, south of FM 518. The drainage project includes the improvement of the drainage system from Pine Tree Dr. to Mary's Creek Bypass Channel which include the installation of box... | |
| Pine Hollow Lift Station Rehabilitation | \$1,162,000 |
| This lift station project will include removal and replacement wet well coating with corrosion resistant coating, submersible pumps, guiderails, new wet well top, replace valves, flow meter, SCADA (if needed), discharge piping, electrical control... | |
| Public Safety Building Roof Replacement | \$4,536,000 |
| This project will replace the existing thermoplastic- olefin roof on the building with a new like material. The work will include installation with mechanical fasteners on spacings to meet current City standard for windstorm uplift requirements,... | |
| Public Safety Training Complex | \$52,042,500 |
| This project is comprised of three primary elements, which are defined as the Training Building and Emergency Vehicle Operations Course (EVOC) located on Freedom Drive and the Outdoor Firing Range located on Bahler Ave. The Training Building... | |
| Pump, VFD and Motor Condition Assessment | \$300,000 |
| The City of Pearland water facilities have antiquated pumps, motors, VFD's and electrical components that present challenges in meeting federal water pressure requirements during high demand. Most of these pumps and motors were original to... | |
| Reflection Bay WRF Fuel Island | \$539,000 |
| The project will furnish and supply an additional fuel island located at the Reflection Bay WRF and will provide fueling capabilities west of SH288. Project will include a fuel island for Diesel and Unleaded fuel, associated piping and dispensers,... | |
| Reid Boulevard Extension - Hughes Ranch Road to McHard | \$17,571,000 |
| The project consists of the extension of Reid Boulevard from the end of the current project at Hughes Ranch Road to the intersection with the new McHard Road. The extension will match the 4-lane boulevard cross-section of Reid Blvd. south of... | |
| Riverstone Ranch Regional Lift Station Capacity Expansion | \$3,120,000 |
| The project will increase the capacity as required by the Wastewater Master Plan. A PER will be completed to determine if pumps should be upsized to 2.4 MGD. Also, install an odor control unit, new electrical control panel, flow meter, new... | |
| Rustic Oak Elementary School Lift Station Rehabilitation | \$1,184,000 |
| Replace lift station including installation of a new wet well with corrosion resistant coating, remove and replace two submersible pumps, including guiderails, new wet well top, replace valves, flow meter, SCADA, operational lighting, discharge... | |
| Sanitary Sewer Rehabilitation (Old Town District & Barry Rose Service Area) | \$1 |
| The project is part of a multi-year program to rehabilitate areas of failing sanitary sewer collection systems. Barry Rose and John Hargrove collection basins contain piping and manholes that have been identified that result in significant Inflow... | |
| Sanitary Sewer Rehabilitation - Barry Rose Service Area (BR-03) | \$1 |
| Inflow and infiltration (I&I) program to rehabilitate failing sanitary collections system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the... | |
| Sanitary Sewer Rehabilitation - Longwood Service Area (LW-03) | \$8,011,100 |
| Inflow and infiltration (I&I) program to rehabilitate failing sanitary collections system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the... | |
| Sanitary Sewer Rehabilitation - Longwood Service Area (LW-04) | \$4,344,000 |
| Inflow and infiltration (I&I) program to rehabilitate failing sanitary collection system over thirty years of age in the following basins over a period of years. The Barry Rose and John Hargrove Reclamation Facilities have areas within the... | |

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| SCADA - Waste Water | \$1 |
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City's Supervisory Control and Data Acquisition (SCADA) project that will update/replace an antiquated system that was installed in the early 2000's. The project will evaluate the existing facilities with the goal of standardizing the...

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| Shadow Creek Parkway Landscaping, Street Lighting, & Sidewalks | \$1 |
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The project will provide enhanced landscaping, irrigation, street lighting and continuous sidewalks along the Shadow Creek Parkway Corridor from SH288 to FM521. Project will provide safe travel to vehicular traffic and pedestrians that will travel...

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| Shadow Creek Ranch – Ocean Point Ct 100 Year Overflow at Cul-De-Sac | \$1 |
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Several homes in the Shadow Creek Ranch Subdivision in the vicinity of Ocean Point Ct received floodwater during Hurricane Harvey. The Ocean Point Ct. cul-de-sac worked as an extreme event sheet flow path during Hurricane Harvey based on the...

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| Shadow Creek Trail Phase II (Along Clear Creek Relief Ditch & Library Trail) | \$1 |
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The Shadow Creek Trail Phase II - Along Clear Creek Relief Ditch and Library Trail will consist of approximately 2,100 LF of 10' wide hike and bike trail along the Clear Creek Relief Channel and include a pedestrian bridge over the channel....

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| Shady Crest and Creek View Subdivision Drainage Improvement | \$14,550,000 |
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The project area, located in Creekview Subdivision and Shadycrest Subdivision, is generally bounded by FM 518 (Broadway), Longherridge Dr., Misty Ln., Redwood Grove St. and Pearland Parkway, with Mary's Creek splitting the subdivisions into two...

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| Shady Crest and Creek View Subdivision Sanitary Sewer Rehabilitation | \$4,970,000 |
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This subdivision was built in the mid-1960s & 1970s and has been identified as an area with high infiltration and intrusion (I & I). The project will evaluate best method to rehab or replace approximately 16,000 LF of existing pipe that...

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| Sherwood Waterline Replacement | \$1,350,000 |
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The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. Replacement of 7,200 LF of transite waterlines in conjunction with the street reconstruction located south of FM 518, west of Westminster...

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| Sleepy Hollow Small Waterline Replacement | \$3,470,000 |
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The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. Replacement of approximately 15,200 LF of small diameter and transite waterlines throughout the Sleepy Hollow subdivision which includes pipe...

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| Smith Ranch Road Extension (CR 94) - Hughes Ranch Road to Broadway | \$1 |
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Expansion of Smith Ranch Road from 2-lane asphalt into divided 4-lane with raised medians, concrete curb and gutter, storm sewer, shared use path, street lights, landscaping, and irrigation. Limits are from Hughes Ranch Road, south approximately...

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| Somersetshire Estates Subdivision Waterline Replacement | \$1 |
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This project will include the replacement of approximately 5,450 LF of small diameter waterlines throughout the Somersetshire Estates subdivision which includes pipe sizes of 3, 4 and 6 inch. The project will also include the installation of...

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| Southdown Lift Station Rehabilitation | \$850,000 |
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The project is part of the program to rehabilitate or replace system-wide lift stations. The project will include remove and replace wet well coating with corrosion resistant coating, remove and replace existing submersible pumps, guiderails, flow...

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| Southdown Regional Lift Station & Force Main | \$2,679,000 |
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Construct regional lift station and force main to serve the Southdown service area. The construction of the force main, wet well, flow meter, and pumps will be sized to pump to the Reflection Bay Water Reclamation Facility (WRF). Construction...

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| Southdown Transite Pipe Water Line Replacement | \$1,980,000 |
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The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 10 miles of transite water line infrastructure and replacement of sampling stations in...

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| Southeast (Bailey) Elevated and Magnolia Ground Storage Tank | \$1 |
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A full assessment of all Elevated Storage Tank (EST) coatings to assess and rank for interior/exterior coating replacement. Typical interior coating life expectancy is between 12 - 15 years, exterior is 7 - 10 years. It is recommended to replace...

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| Southwest Quadrant of Old Town (McLean to SH35 South of Broadway) | \$9,048,000 |
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The project area, located in the Old Town area, is bound by Broadway Street on the North, Walnut St on the South, McLean St on the West, and the Railroad tracks on the East. Drainage improvements for the subdivision will require the...

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| Southwest Quadrant of Old Town Transite Water Line Replacement (McLean to SH35 South of Broadway) | \$1,400,000 |
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The project area is bounded by Broadway St. to the north, McLean St. to the west, Walnut St. to the south, and the railroad tracks to the east. Water line improvements within the project area will consist of replacing existing water lines, ranging...

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| Southwyck Street Reconstruction | \$7,252,751 |
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The scope of this project includes the provision of removal and replacement of approximately 5,300 IF of concrete streets and sidewalks on Abby Field, Kimball, Linden Pl., Russett Pl. N., and Russett Pl. S.

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| Stella Roberts Recycling Center HVAC Replacement | \$350,000 |
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Replacement of the existing heating, ventilation and air conditioning systems with two new HVAC split systems, fresh air exhaust systems and integrate with the City's building automation system.

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| Stella Roberts Recycling Center Roof and Gutter Replacement | \$624,000 |
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This project will replace the existing metal on the building with a similar seamless metal roofing system. The work will include removal and installation of the roof and all gutter and down spouts. Roof must meet City criteria.

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| Street Reconstruction - Sherwood | \$1 |
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Reconstruction of concrete neighborhood streets and sidewalks in Sherwood subdivision as identified in the 2019 Bond Program. The street reconstruction projects are based on priorities derived from the Right-of-Way Assessment and resulting...

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| Street Rehabilitation Program | \$1,400,000 |
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As identified in the City's 2024 pavement condition survey, many asphalt and concrete streets within the community are in need of rehabilitation. This project provides for varying street reconstruction activities ranging from full depth...

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| Sunrise Lakes Lift Station Rehabilitation | \$1 |
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This Lift Station is part of the program to rehabilitate or replace system-wide lift stations. The project will include, repairs to the wet well with corrosion resistant coating to repair structural integrity, remove and replace submersible pumps,...

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| Sunset Lakes Lift Station Rehabilitation | \$1,772,000 |
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The lift station will be completely rehabilitated including recoating wet well, remove and replace centrifugal pumps with submersible pumps, guide rail system, replace piping, check valves and plug valves. Install flow meter, replace panel, SCADA,...

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| Sunset Meadows Lift Station Rehabilitation | \$1,590,000 |
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Rehabilitate lift station with the removal and installation of a new 6' wet well with corrosion resistant lining, replace two pumps with submersibles including guiderails and new wet well top, replace valves and discharge piping, flow meter,...

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| Sunset Meadows Street Reconstruction | \$5,884,308 |
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The scope of this project includes the provision of removal and replacement of approximately 4,300 LF of concrete streets and sidewalks on Sunset Meadows Dr., Chesterwood Dr. and Glenview Dr.

| | |
|---|--------------------|
| Surface Water Treatment Plant - Plant Redundancy Improvement | \$3,953,750 |
|---|--------------------|

This project will increase the efficiency and reliability of the Surface Water Treatment Plant (SWTP) to produce 10 MGD of potable water to the residents of Pearland consistently with the installation of one additional membrane rack, including...

| | |
|---|------------------|
| Tower Bridge Lift Station Rehabilitation | \$850,000 |
|---|------------------|

The project is part of the program to rehabilitate or replace system-wide lift stations. The project will explore the possibility of decommissioning the lift station and gravity flowing to Barry Rose Rd. If possible, this option could require...

| | |
|---|------------------|
| Towne Lake Lift Station Rehabilitation | \$986,000 |
|---|------------------|

This project will rehabilitate which involves removal and replacement of the corrosion resistant coating of the wet well, SCADA, flow meter, piping, valves, pumps, electrical control panel, service rack, a manual transfer switch, replace fencing...

| | |
|---|---------------------|
| Towne Lakes Water Quality Program | \$1,077,000 |
| The proposed project will address water quality issues related to the age of the water in the system. As part of the City's multi-year water distribution system improvement program this project will improve the circulation of water within the... | |
| Traffic Signal Upgrades | \$1 |
| The Traffic Signal update will include replacement of the existing outdated signal management system to conform to the City of Pearland specifications. This will include the upgrade of traffic signal management equipment to 29 signal locations... | |
| Tranquility Lakes Detention Pump Station Rehabilitation and Generator | \$5,390,000 |
| Upgrade the existing undersized storm water lift station and force main at Tranquility Lakes Detention. The system provides the removal of stormwater from the detention pond and forces the water to the BDD4 drainage ditch on the north side of... | |
| Veterans - Walnut to Magnolia | \$20,103,000 |
| This project will consist of the reconstruction of 5,200 feet of Veterans from Magnolia Pkwy to Walnut. The street will be constructed as four-lane divided with curb and gutter cross section, replacement of bridge, underground drainage, detention... | |
| Veterans 2 Regional Lift Station Rehabilitation | \$1 |
| This project will rehabilitate the aging regional lift station and will include rehabilitation of the wet well removing existing coating and replacing, provide temporary by-pass pumping, replace four submersible pumps and guiderails, flow meter,... | |
| Veterans Drainage Improvements | \$9,760,000 |
| The project will encompass the installation of an underground stormwater conveyance system and replace the roadside ditches. This will connect to the stormwater system that was installed with the Walnut Road construction project to Mary's... | |
| Villages of Edgewater Lift Station Rehabilitation | \$1,102,000 |
| The project is part of the infrastructure program to rehabilitate or replace system-wide lift stations. The project will include removal and replacement of the wet well coating, submersible pumps, guiderails, ductile Iron discharge piping, SCADA,... | |
| Wagon Trail Road (South of Fite to Mary's Creek) | \$1,436,000 |
| The project area is located between South Fite Rd and Mary's Creek along Wagon Trail Rd. Approximately 2100 LF drainage improvements for the project limits will require the removal/replacement of driveways, driveway culverts, and regrading... | |
| Walmart Lift Station Rehabilitation | \$1,273,000 |
| The project will rehabilitate the existing wet well that services Wal-Mart on Main and will include corrosion resistant coating. Remove and replace existing submersible pumps, guide rail system, replace ductile iron discharge pipe, SCADA, install... | |
| Waste Water Master Plan Update | \$625,000 |
| This project will be to update the 2020 Waste Water Master Plan. Since 2020 there has been significant growth and development along with system rehabilitation and the model has not been updated to reflect these changes. The project will include... | |
| Water Master Plan Update | \$650,000 |
| This project will be to update the Water Master Plan that was created in 2020. Although there has been some updates to the model for specific projects, no city-wide update has been done. This project will update the city infrastructure, water... | |
| Water Operations Building (Alice St.) | \$1 |
| The need for a building that can house 25 staff members with a climate control building. It will include restrooms/showers for women and men with a locker room area and a break room/multi-purpose training room. A natural gas backup generator will... | |
| Water Plant Chemical Containment Structures | \$1,622,000 |
| To rehabilitate the current drinking water chemical containments and enclosures to meet Texas Commission on Environmental Quality (TCEQ) standards at eleven (12) drinking water facilities within city limits. All chemical storage, containment, and... | |
| West Lea Subdivision Drainage Improvements | \$3,500,000 |
| Located in West Lea Subdivision, bounded by Manvel Road, Bailey Road, BDD4 Ditch, and Mary's Creek. Drainage improvements will require removal and replacement of driveway culverts, upsizing of culverts, widening and re-grading of bar... | |

| | |
|--|---------------------|
| West Oaks and West Oaks Village Water Quality Program | \$2,175,000 |
| As the City has developed there are areas where dead end waterlines have been identified that need to be extended looped/connected to other water system mainlines. These areas are also being confirmed by the City's water system model... | |
| West Pearland Community Center HVAC Replacement | \$1 |
| This project will replace the existing split system HVAC units with a new Carrier 18 Seer systems which will heat and cool a total of 6500 sf. This will include all decommissioning, removal, installation of new units, electrical bringing the life... | |
| Westlea Lift Station Rehabilitation | \$878,000 |
| This project will rehabilitate the aging lift station that will involve the recoating of the wet well with corrosion resistant lining, replace the piping and upsizing the pumps, flow meter, upgrade the electrical control panel for SCADA, service... | |
| Westminister Subdivision Water Line Replacement | \$1 |
| Replacement of approximately 8,000 LF of small diameter waterlines throughout the Westminister subdivision which includes pipe sizes of 3, 4 and 6 inch. The will also include sampling stations, pressure sensor, and the placement of hydrant... | |
| Whispering Winds Lift Station Relocation | \$1,272,000 |
| Relocate and replace the aging lift station including installation of a new wet well with corrosion resistant lining, extend the gravity and force main to a new location, replace two self-priming pumps with submersibles including guiderails and... | |
| Wood Creek Transite Pipe Water Line Replacement | \$5,100,000 |
| The City has approximately 82 miles of transite pipe water lines to be replaced over a period of years. This project will strategically replace approximately 4.5 miles of transite water line infrastructure, replacement of the sampling station, and... | |
| Woodcreek Subdivision Improvements | \$33,790,500 |
| This project will replace concrete streets within the Woodcreek subdivision. The work consists of removal of 80,000 square yards of existing pavement, installation of 9700 sq. yd. of 7-inch pavement, 70,300 sq. yd. of 6-inch pavement with curbs... | |
| Woodthrush Regional Lift Station Rehabilitation | \$3,250,000 |
| This project will rehabilitate a regional lift station and will include removing the existing coating and replacing with corrosion resistant lining, provide temporary by-pass pumping, replace existing submersible pumps including guiderails, flow... | |
| Woody Road Drainage Improvements | \$1 |
| Drainage ditch improvement along Woody Road approximately 2,700 LF between Broadway Street and Orange Street. The project will include regrading of the ditch as well as replacement of culverts and driveways within the road right of way. The... | |
| Wooten Road Lift Station Decommissioning | \$1 |
| The project is part of the program to rehabilitate or replace system-wide lift stations. The lift station was installed by private developer without lift station easement and the maintenance responsibility was transfered to the City. The City... | |
| Total: \$629,116,107 | |

APPENDIX/GLOSSARY

Budget Ordinances

Attached are the ordinances adopting the FY2025 budget, the Tax Year 2024 tax rate, and the non-development fee schedule.

The ordinances attachments (1642, 1643, and 1358-26) are accessible through the website version [↗](#) of this budget.



City of Pearland FY25 Pay Plans

Attached is the City of Pearland FY25 Pay Plan, which are available through the website version of this adopted budget. [🔗](#)



APPENDIX



Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs--are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.