

CITY OF BELLAIRE TEXAS

MAYOR AND COUNCIL

FEBRUARY 17, 2014

Council Chamber	Regular Session	7:00 PM
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7008 S. RICE AVENUE
BELLAIRE, TX 77401



Mayor

Dr. Philip L. Nauert

Mayor Pro Tem

Amanda B. Nathan

Councilman

James P. Avioli Sr.

Councilman

Pat B. McLaughlan

Councilman

Roman F. Reed

Councilman

Gus E. Pappas

Councilman

Andrew S. Friedberg

Mission Statement:

The City of Bellaire is dedicated to outstanding quality service and facilities to ensure an open, progressive, and secure community.

REGULAR SESSION - 7:00 P.M.**A. Call to Order - Dr. Philip L. Nauert, Mayor****B. Announcement of a Quorum - Dr. Philip L. Nauert****C. Inspirational Reading and/or Invocation - Gus E. Pappas, Councilman - Position No. 3****D. Pledges to The Flags - Gus E. Pappas, Councilman - Position No. 3****1. U.S. Pledge of Allegiance**

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

2. Pledge to the Texas Flag

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

E. Approval or Correction of Minutes

1. 1083 : Mayor and Council - Special Session (Interviews) - Jan 27, 2014 6:00 PM
(Requested by Tracy Dutton, City Clerk)
2. Mayor and Council - Regular Session - Jan 27, 2014 7:00 PM
3. Mayor and Council - Town Meeting - Feb 3, 2014 7:00 PM
4. 1085 : Mayor and Council Special Session (Executive Session) - Feb 10, 2014 - 6:00 PM
(Requested by Tracy Dutton, City Clerk)

F. Personal/Audience Comments**G. Reports**

1. City Manager Comments
(Requested by Tracy Dutton, City Clerk)
2. 2013 Annual Audit and Comprehensive Annual Financial Report (CAFR)
(Requested by Linda Symank, Finance Administration)
3. Monthly Financial Report as of January 31, 2014
(Requested by Linda Symank, Finance Administration)

H. New Business**1. Consent Agenda**

All items under the Consent Agenda are considered routine and are recommended

for approval by a single motion of City Council without discussion. If discussion is desired, any one or more members of City Council and/or the Mayor may request that an item be removed and considered separately.

- a. Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the Texas Local Government Investment Pool (TexPool/TexPool Prime), withdrawing funds from TexPool, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

(Requested by Linda Symank, Finance Administration)

- b. Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the TexSTAR Local Government Investment Pool (TexSTAR), withdrawing funds from TexSTAR, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

(Requested by Linda Symank, Finance Administration)

- c. Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the TexasTERM Local Government Investment Pool (TexasTERM), withdrawing funds from TexasTERM, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

(Requested by Linda Symank, Finance Administration)

- d. Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, accepting donation in the amount of \$9,029.00 from the Friends of the Bellaire Library to be utilized by the Bellaire City Library for the purchase of reference material, Bookpage Magazine, program support for children's teen and adult summer programming, promotional material, Born to Read kits, sports nonfiction books, and die cuts.

(Requested by Mary Cohrs, Library)

- e. Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, accepting a donation in the amount of \$1,800.00 from Superbag Operating, Ltd. of Houston to be utilized by the Bellaire Police Department to fund a pedestrian safety awareness program.

(Requested by Byron Holloway, Police Department)

2. Adoption of Ordinance(s)/Resolution(s)

- a. Consideration of and possible action on a request for restricted, permit parking along the 4500 block of Merrie Lane between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday, and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 30, Traffic, Article II, Traffic-Control Regulations, Division 5, Parking, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of adding a new Section 30-117, to be entitled "Restricted parking--7:00 a.m. to 5:00 p.m., Monday through Friday," for the purpose of establishing a permit parking process allowing for restricted parking on residential streets, more specifically in the 4500 block of Merrie Lane, Bellaire, Texas.

(Requested by Tracy Dutton, City Clerk)

- b. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute, for and on behalf of the City of Bellaire, Texas, an engagement letter with Blackburn & Carter PC for the provision of professional services necessary to address the City of Bellaire's concerns regarding environmental matters associated with the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction Project.

(Requested by Tracy Dutton, City Clerk)

- c. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 22, Offenses--Miscellaneous, of the Code of Ordinances of the City of Bellaire, Texas, by adding a new Article V, entitled "Credit Access Businesses," relating to consumer protection and regulation of credit access businesses within the City; containing findings and other provisions relating thereto; and providing a penalty clause.

(Requested by Tracy Dutton, City Clerk)

3. Item for Individual Consideration

- a. Consideration of and possible approval by City Council of a request from the Environmental and Sustainability Board of the City of Bellaire, Texas, to pursue a joint/combined annual recycles day or recycles fest with the City of West University Place, Texas, the first of which would be held on Saturday, November 1, 2014.

(Requested by Tracy Dutton, City Clerk)

I. Items for Future Agendas; Community Interest Items from the Mayor and City Council

J. Adjourn

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401

SCHEDULED**ACTION ITEM (ID # 1083)**

Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Minutes
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1083

Item Title:

City Council Special Session (Interviews) Minutes dated Monday, January 27, 2014

Item Summary:

Consideration of and possible approval of the Special Session (Interviews) minutes of the City Council of the City of Bellaire, Texas, held on January 27, 2014.

Source of Funding:

N/A

Recommendation:

City Clerk recommends approval of the minutes.

ATTACHMENTS:

- 2014_01_27 - Special Session (Interviews) (DOC)

Philip L. Nauert

Mayor

Roman F. Reed

Councilman – Position No. 1

James P. Avioli, Sr.

Councilman – Position No. 2

Gus E. Pappas

Councilman – Position No. 3



Pat B. McLaughlan

Councilman – Position No. 4

Andrew S. Friedberg

Councilman – Position No. 5

Amanda B. Nathan

Mayor Pro Tem

Councilman – Position No. 6

CITY COUNCIL MEETING MINUTES MONDAY, JANUARY 27, 2014

The **City Council** of the City of Bellaire, Texas, met in **Special Session (Interviews) on Monday, January 27, 2014**, in the **Council Conference Room**, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, for the following purpose(s):

A. CALL TO ORDER – Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, called the **City Council** of the City of Bellaire, Texas, to order at 6:04 p.m. on Monday, January 27, 2014.

B. ANNOUNCEMENT OF A QUORUM – Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, announced that a quorum was present consisting of himself and the following members of City Council:

Amanda B. Nathan, Mayor Pro Tem;

Roman F. Reed, Councilman – Position No. 1;

James P. Avioli, Sr., Councilman – Position No. 2;

Gus E. Pappas, Councilman – Position No. 3;

Pat B. McLaughlan, Councilman – Position No. 4; and

Andrew S. Friedberg, Councilman – Position No. 5.

Also present was: **Tracy L. Dutton**, City Clerk.

C. INTERVIEW, discussion, and evaluation of applicants requesting an opportunity to fill an unexpired term on the Building and Standards Commission of the City of Bellaire, Texas.

The following applicants were interviewed and evaluated by the City Council to fill an unexpired term on the Building and Standards Commission of the City of Bellaire, Texas:

1. Soumya Rege;
2. Danny A. Spencer; and
3. Joe W. Beverly.

**City of Bellaire
City Council**

**Minutes of Meeting
January 27, 2014**

D. ADJOURNMENT.

Dr. Philip L. Nauert, Mayor, adjourned the Special Session (Interviews) of the City Council of the City of Bellaire, Texas, at 6:56 p.m. on Monday, January 27, 2014.

Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

Dr. Philip L. Nauert
Mayor
City of Bellaire, Texas

Approved: _____



CITY OF BELLAIRE TEXAS

MAYOR AND COUNCIL

JANUARY 27, 2014

Council Chamber

Regular Session

7:00 PM

7008 S. RICE AVENUE
BELLAIRE, TX 77401

REGULAR SESSION - 7:00 P.M.

A. Call to Order - Dr. Philip L. Nauert, Mayor

Dr. Philip L. Nauert, Mayor, called the Regular Session of the City Council of the City of Bellaire, Texas, to order at 7:02 p.m.

B. Announcement of a Quorum - Dr. Philip L. Nauert, Mayor

Attendee Name	Title	Status	Arrived
Philip L. Nauert	Mayor	Present	
Amanda B. Nathan	Mayor Pro Tem	Present	
Roman F. Reed	Councilman	Present	
James P. Avioli Sr.	Councilman	Present	
Gus E. Pappas	Councilman	Present	
Pat B. McLaughlan	Councilman	Present	
Andrew S. Friedberg	Councilman	Present	
Bernard M. Satterwhite	City Manager	Present	
Alan P. Petrov	City Attorney	Present	
Tracy Dutton	City Clerk	Present	

C. Inspirational Reading and/or Invocation - Roman F. Reed, Councilman - Position No. 1

Councilman Roman F. Reed provided the inspirational reading for the evening.

D. Pledges to The Flag - Roman F. Reed, Councilman - Position No. 1

Councilman Roman F. Reed led the City Council and audience in the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

1. U.S. Pledge of Allegiance

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

2. Pledge to the Texas Flag

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

Minutes Acceptance: Minutes of Jan 27, 2014 7:00 PM (Approval or Correction of Minutes)

E. Approval or Correction of Minutes

1. Mayor and Council - Regular Session - Dec 16, 2013 7:00 PM

Motion: To approve the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, December 16, 2013, at 7:00 p.m.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Amanda B. Nathan, Mayor Pro Tem
SECONDER:	Andrew S. Friedberg, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

2. 1058 : Mayor and Council - Special Session (Executive Session) - Dec 16, 2013 (Following Regular Session)

Motion: To approve the minutes of the Special Session (Executive Session) of the City Council of the City of Bellaire, Texas, held on Monday, December 16, 2013, following the Regular Session held the same evening. (*Texas Government Code, Chapter 551, Open Meetings, Section 551.074, Personnel Matters; Closed Meeting*, for the purpose of discussing the appointment, selection, and employment of the City Manager).
(Requested by Tracy Dutton, City Clerk)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Amanda B. Nathan, Mayor Pro Tem
SECONDER:	Roman F. Reed, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

3. 1059 : Mayor and Council - Special Session (Executive Session) - Dec 22, 2013 4:00 PM

Motion: To approve the minutes of the Special Session (Executive Session) of the City Council of the City of Bellaire, Texas, held on Sunday, December 22, 2013, at 4:00 p.m. (*Texas Government Code, Chapter 551, Open Meetings, Section 551.074, Personnel Matters; Closed Meeting*, for the purpose of discussing the appointment, selection, and employment of the City Manager).
(Requested by Tracy Dutton, City Clerk)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Andrew S. Friedberg, Councilman
SECONDER:	Roman F. Reed, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

4. 1060 : Mayor and Council - Regular Session (Council Installation) - Jan 6, 2014 7:00 PM

Motion: To approve the minutes of the Regular Session (Council Installation) of the City Council of the City of Bellaire, Texas, held on Monday, January 6, 2014, at 7:00 p.m.

(Requested by Tracy Dutton, City Clerk)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	James P. Avioli Sr., Councilman
SECONDER:	Gus E. Pappas, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

5. 1061 : Mayor and Council - Special Session (Executive Session) - Jan 13, 2014 6:00 PM

Motion: To approve the minutes of the Special Session (Executive Session) of the City Council of the City of Bellaire, Texas, held on Monday, January 13, 2014, at 6:00 p.m. (*Texas Government Code, Chapter 551, Open Meetings, Section 551.074, Personnel Matters; Closed Meeting*, for the purpose of discussing the appointment, selection, and employment of the City Manager.

Councilman James P. Avioli, Sr., abstained from voting on the minutes due to his absence from the meeting.

(Requested by Tracy Dutton, City Clerk)

RESULT:	APPROVED [6 TO 0]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Amanda B. Nathan, Mayor Pro Tem
AYES:	Nauert, Nathan, Reed, Pappas, McLaughlan, Friedberg
ABSTAIN:	Avioli Sr.

F. Personal/Audience Comments

Robert Riquelmy addressed City Council and referred to demolition sites around Bellaire and the lack of toilet facilities available to the men working on the sites. He urged City Council to require toilet facilities at all sites to be demolished.

Danny A. Spencer addressed City Council regarding sewage contamination in the storm drain at Chestnut Street. Mr. Spencer indicated that a sanitary sewer line running under Ferris Street was contaminating the Chestnut Street storm drain. He indicated further that even if the flow of sewage stopped, there appeared to be no resolution for cleaning out the storm drain. Mr. Spencer concluded by urging City Council to authorize the Bellaire Fire Department to use the area for a training exercise by flushing the hydrants into the storm drain to clean it out.

Ryan Herbst addressed City Council and introduced a new nonprofit charitable organization, the Bellaire Police and Fire Foundation ("Foundation"), created for the purpose of enhancing public safety in Bellaire. It was noted that a primary goal of the Foundation was to promote excellence by going above and beyond the confines of the City budget to provide funding for equipment and technology not otherwise provided by the budget. The Bellaire Police and Fire Departments would be able to submit grant requests to the Foundation to fund equipment, training, and technology.

In closing, Mr. Herbst advised that the Foundation had been in its planning phase for 12 months and currently had an application pending before the Internal Revenue Service for a 501(c)(3) status. Mr. Herbst indicated that the Foundation would have a board of seven members and that he currently served as President of the Board.

Anne Baronitis addressed City Council regarding the plans by the Texas Department of Transportation (TXDOT) to reroute Interstate 610 south 30 feet above the current ramp. She indicated that the ramp would be unsightly and could significantly increase road noise.

Ms. Baronitis also expressed concern over plans by the Metropolitan Transit Authority of Harris County, Texas (METRO), to build a 700-car parking garage in one of the City's mixed-use zoning districts. She indicated that it was not evident to her how the garage would benefit the City of Bellaire and its residents.

G. Reports

1. City Manager's Report dated January 27, 2014, regarding residential safety, public infrastructure and utilities, cultural and recreational interest items, communications and technology, employees, internal operations and productivity, crime and building permit indicators, and upcoming City Council meetings.

City Manager Bernard M. Satterwhite, Jr., presented the City Manager's Report dated January 27, 2014, to members of City Council. Following questions of City Manager Satterwhite regarding his report, action was taken to accept the report into the record.

Motion: To accept the City Manager's Report dated January 27, 2014, as presented by City Manager Bernard M. Satterwhite, Jr., into the record.
(Requested by Tracy Dutton, City Clerk)

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Gus E. Pappas, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

2. Monthly Financial Report for the period ended December 31, 2013.

Chief Financial Officer Linda Symank presented the Finance Report for the City of Bellaire, Texas, for the period ended December 31, 2013, to members of City Council. Following questions of Chief Financial Officer Symank regarding her report, action was taken to accept her report into the record.

Motion: To accept the Finance Report for the City of Bellaire, Texas, for the period ended December 31, 2013, as presented by Chief Financial Officer Linda Symank, into the record.

Following a motion duly made and seconded, the Finance Report was accepted into the record by a unanimous vote of 7-0.

(Requested by Linda Symank, Finance Administration)

3. City Attorney's Report regarding possible means and/or methods for the regulation of payday loan companies operating within the corporate limits of Bellaire, Texas.

City Attorney Alan P. Petrov presented his City Attorney's Report regarding possible means and/or methods for the regulation of payday loan companies operating within the corporate limits of Bellaire, Texas, to members of City

Council. Following questions of City Attorney Petrov regarding his report, action was taken to accept the report into the record.

Motion: To accept the City Attorney's Report regarding possible means and/or methods for the regulation of payday loan companies operating within Bellaire, as presented by City Attorney Alan P. Petrov, into the record.
(Requested by Tracy Dutton, City Clerk)

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Pat B. McLaughlan, Councilman
SECONDER:	Amanda B. Nathan, Mayor Pro Tem
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

H. New Business

1. Adoption of Ordinances

- a. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, electing a Mayor Pro Tempore for the City of Bellaire, Texas, for a term commencing January 27, 2014, and expiring January 4, 2016, in accordance with Article II, The Council, Section 5, Mayor Pro Tempore, of the Charter of the City of Bellaire, Texas, as amended November 7, 2006, and repealing any prior ordinance conflicting therewith.

Motion: Councilman Andrew S. Friedberg called for the nomination by acclamation of Amanda B. Nathan as the City's Mayor Pro Tempore.

Dr. Philip L. Nauert, Mayor, called for a vote on the nomination, which carried unanimously with all members of City Council present and voting (7-0). The official ordinance "electing" Amanda B. Nathan as Mayor Pro Tempore for a term commencing January 27, 2014, and expiring January 4, 2016, was subsequently numbered: **14-001**.

(Requested by Tracy Dutton, City Clerk)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Andrew S. Friedberg, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- b. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, appointing Paul A. Hofmann as City Manager of the City of Bellaire, Texas, and authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, an Agreement for Professional Services and Employment as City Manager providing for the terms and provisions of such appointment, including the duties of the City Manager, compensation and payment of benefits for said City Manager, required notice and severance pay in the event that the appointment herein made is not voluntarily terminated by resignation of Paul A. Hofmann and providing that any appointments of City Managers or Acting City Managers of the City of Bellaire, Texas, in conflict with this appointment, are hereby terminated.

Motion: To adopt an ordinance appointing Paul A. Hofmann as City Manager of the City of Bellaire, Texas, and authorizing the Mayor and the City Clerk to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, an *Agreement for Professional Services and Employment as City Manager* providing for the terms and provisions of the appointment, including the duties of the City Manager, compensation and payment of benefits for said City Manager, required notice and severance pay in the event that the appointment made is not voluntarily terminated by resignation of Paul A. Hofmann and providing that any appointments of City Managers or Acting City Managers of the City of Bellaire, Texas, in conflict with this appointment, are hereby terminated.

Ordinance was subsequently numbered: **14-002**.
(Requested by Tracy Dutton, City Clerk)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Pat B. McLaughlan, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- c. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, appointing Patricia D. (Pat) Lunn, CPA, to serve as a member of the Audit Finance Board of the City of Bellaire, Texas, for a one-year term commencing on February 1, 2014, and expiring on January 31, 2015.

Motion: To adopt an ordinance of the City Council of the City of Bellaire, Texas, appointing Patricia D. (Pat) Lunn, CPA, to serve as a member of the Audit Finance Board of the City of Bellaire, Texas, for a one-year term commencing on February 1, 2014, and expiring on January 31, 2015.

Prior to taking action on the motion before City Council, Mayor Nauert indicated that Ms. Lunn had served a one-year term on the Audit Finance Board ("Board") already and brought a great deal to the board.

Ordinance was subsequently numbered: **14-003**.
(Requested by Tracy Dutton, City Clerk)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James P. Avioli Sr., Councilman
SECONDER:	Pat B. McLaughlan, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- d. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, appointing one (1) member to the Building and Standards Commission of the City of Bellaire, Texas, to fill an unexpired term commencing on January 27, 2014, and expiring on June 30, 2014.

Members of City Council were presented ballots on which to cast their vote for one of three candidates seeking to fill an unexpired term on the Building and

Standards Commission of the City of Bellaire, Texas.

Votes cast were as follows:

Member of City Council	Candidate Selected
Dr. Philip L. Nauert	Souyma Rege
Amanda B. Nathan	Danny A. Spencer
Roman F. Reed	Danny A. Spencer
James P. Avioli, Sr.	Danny A. Spencer
Gus E. Pappas	Danny A. Spencer
Pat B. McLaughlan	Danny A. Spencer
Andrew S. Friedberg	Danny A. Spencer

Motion: To adopt an ordinance of the City Council of the City of Bellaire, Texas, appointing Danny A. Spencer to the Building and Standards Commission of the City of Bellaire, Texas, to fill an unexpired term commencing on January 27, 2014, and expiring on June 30, 2014.

Ordinance was subsequently numbered: **14-004**.
(Requested by Tracy Dutton, City Clerk)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Pat B. McLaughlan, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- e. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, verifying and acknowledging that the City Council of the City of Bellaire, Texas, has performed its annual review of the City of Bellaire Investment Policy and Investment Strategies.

Following a brief summary by Chief Financial Officer Linda Symank in which she indicated that no changes had been proposed to the City's Investment Policy and Strategies this year, a motion was made as set forth below for the purpose of verifying and acknowledging City Council's annual review of the City of Bellaire Investment Policy and Investment Strategies.

Motion: To adopt an ordinance of the City Council of the City of Bellaire, Texas, verifying and acknowledging that the City Council of the City of Bellaire, Texas, has performed its annual review of the City of Bellaire Investment Policy and Investment Strategies.

Ordinance was subsequently numbered: **14-005**.
(Requested by Linda Symank, Finance Administration)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Andrew S. Friedberg, Councilman
SECONDER:	Amanda B. Nathan, Mayor Pro Tem
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- f. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute a Final Change Order (No. 1) with Gulf States Protective Coatings, Inc., to a contract for the Rehabilitation of Water Storage Tanks at Central Water Plant consisting of a net decrease of \$27,761.21, and approval for the City of Bellaire, Texas, to make the final payment to Gulf States Protective Coatings, Inc., in an amount not to exceed \$99,813.94.

Motion: To adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute a Final Change Order (No. 1) with Gulf States Protective Coatings, Inc., to a contract for the Rehabilitation of Water Storage Tanks at Central Water Plant consisting of a net decrease of \$27,761.21, and approval for the City of Bellaire, Texas, to make the final payment to Gulf States Protective Coatings, Inc., in an amount not to exceed \$99,813.94.

Ordinance was subsequently numbered: **14-006**.
(Requested by Joe Keene, Public Works)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James P. Avioli Sr., Councilman
SECONDER:	Amanda B. Nathan, Mayor Pro Tem
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- g. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute a Final Change Order (No. 1) with Metro City Construction, LP, to a contract for the Reconstruction of Baldwin Avenue consisting of a net decrease in said contract of \$962,476.81 and approval for the City of Bellaire, Texas, to make the final payment to Metro City Construction, LP, on said contract in an amount not to exceed \$272,554.91.

Motion: To adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute a Final Change Order (No. 1) with Metro City Construction, LP, to a contract for the Reconstruction of Baldwin Avenue consisting of a net decrease in said contract of \$962,476.81 and approval for the City of Bellaire, Texas, to make the final payment to Metro City Construction, LP, on said contract in an amount not to exceed \$272,554.91.

Ordinance was subsequently numbered: **14-007**.
(Requested by Joe Keene, Public Works)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Amanda B. Nathan, Mayor Pro Tem
SECONDER:	James P. Avioli Sr., Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

- h. Consideration of and possible action on a recommendation from the Public Works Department to award Bid No. 14-002, FY2013 Street Pavement Management Project, to AAA Asphalt Paving, Inc., in an amount not to exceed \$1,242,942.00 and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with AAA Asphalt Paving, Inc., for said project in an amount not to exceed \$1,242,942.00.

Motion: To approve a recommendation from the Public Works Department to award Bid No. 14-002, FY2013 Street Pavement Management Project, to AAA Asphalt Paving, Inc., in an amount not to exceed \$1,242,942.00 and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a *Standard Form of Agreement* with AAA Asphalt Paving, Inc., for the project in an amount not to exceed \$1,242,942.00.

Ordinance was subsequently numbered: **14-008**.
(Requested by Joe Keene, Public Works)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Pat B. McLaughlan, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

2. Mayoral Appointments

- a. Mayoral appointments to the Audit Finance Board: Dr. Philip L. Nauert, Mayor, will make formal appointments of three (3) members of the City Council of the City of Bellaire, Texas, to serve on the Audit Finance Board of the City of Bellaire, Texas, for a one-year term commencing on February 1, 2014, and expiring on January 31, 2015.

Dr. Philip L. Nauert, Mayor, made the following appointments of three members of the City Council of the City of Bellaire, Texas, to the Audit Finance Board of the City of Bellaire, Texas, to serve a one-year term commencing on February 1, 2014, and expiring on January 31, 2015:

1. Philip L. Nauert, Mayor;
2. Andrew S. Friedberg, Councilman - Position No. 5; and
3. Gus E. Pappas, Councilman - Position No. 3.

(Requested by Tracy Dutton, City Clerk)

- b. Mayoral annual appointments of City Council liaisons to the following Bellaire boards and commissions: Board of Adjustment, Building and Standards Commission, Cultural Arts Board, Environmental and Sustainability Board, L.I.F.E. Advisory Board, Parks and Recreation Advisory Board, and Planning and Zoning Commission.

Dr. Philip L. Nauert, made the following mayoral annual appointments of City Council liaisons to the City's Boards and Commissions:

Member of City Council	Board or Commission
Dr. Philip L. Nauert	L.I.F.E. Advisory Board
Amanda B. Nathan	Parks and Recreation Advisory Board
Roman F. Reed	Planning and Zoning Commission
James P. Avioli, Sr.	Environmental and Sustainability Board
Gus E. Pappas	Cultural Arts Board
Pat B. McLaughlan	Building and Standards Commission
Andrew S. Friedberg	Board of Adjustment

(Requested by Tracy Dutton, City Clerk)

3. Items for Individual Consideration

1. Discussion and possible action to develop a policy and provide direction to City Staff regarding a possible City-wide campaign to raise awareness and encourage early morning walkers to wear reflective clothing.

Following a brief introduction and video clip depicting the difficulty for drivers to see walkers, joggers, runners, etc., in the early mornings, evenings, and at night, Ms. Glenda Waldman modeled some equipment options that walkers, joggers, runners, etc., could wear to improve their visibility, such as a reflective arm band and/or vest.

Ms. Waldman asked City Council to consider developing a campaign to raise awareness of the importance of wearing reflective clothing when walking, jogging, or running on sidewalks and streets, some of which were poorly lit. She suggested that the City's website could be used, along with posters and flyers, to help raise awareness.

Dr. Philip L. Nauert, Mayor, asked for an informal count of City Council members who were supportive of City Staff working up an awareness campaign as suggested by Ms. Waldman. All seven members of City Council indicated the support of an awareness campaign. Mayor Nauert directed City Manager Bernard M. Satterwhite, Jr., to begin working on the campaign.

(Requested by Tracy Dutton, City Clerk)

I. Adjourn

Motion: Councilman Gus E. Pappas moved to adjourn the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, January 27, 2014, at 9:19 p.m. Mayor Pro Tem Amanda B. Nathan seconded the motion. City Council voted

unanimously to adjourn the Regular Session.

Minutes Acceptance: Minutes of Jan 27, 2014 7:00 PM (Approval or Correction of Minutes)



CITY OF BELLAIRE TEXAS

MAYOR AND COUNCIL

FEBRUARY 3, 2014

Council Chamber

Town Meeting

7:00 PM

7008 S. RICE AVENUE
BELLAIRE, TX 77401

REGULAR SESSION (TOWN MEETING) - 7:00 P.M.

A. Call to Order - Dr. Philip L. Nauert, Mayor

Dr. Philip L. Nauert, Mayor, called the City Council of the City of Bellaire, Texas, to order at 7:01 p.m. on Monday, February 3, 2014.

B. Announcement of a Quorum - Dr. Philip L. Nauert, Mayor

Attendee Name	Title	Status	Arrived
Philip L. Nauert	Mayor	Present	
Amanda B. Nathan	Mayor Pro Tem	Present	
Roman F. Reed	Councilman	Present	
James P. Avioli Sr.	Councilman	Present	
Gus E. Pappas	Councilman	Present	
Pat B. McLaughlan	Councilman	Present	
Andrew S. Friedberg	Councilman	Present	
Bernard M. Satterwhite	City Manager	Present	
Alan P. Petrov	City Attorney	Present	
Tracy Dutton	City Clerk	Present	

C. Inspirational Reading and/or Invocation - James P. Avioli, Sr., Councilman - Position No. 2

Councilman James P. Avioli, Sr., provided the inspirational reading for the evening.

D. Pledges to the Flags - James P. Avioli, Sr., Councilman - Position No. 2

Councilman James P. Avioli, Sr., led the City Council and audience in the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

1. U.S. Pledge of Allegiance

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with Liberty and Justice for all.

2. Pledge to the Texas Flag

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

E. Personal/Audience Comments

Terry Leavitt Chavez:

Minutes Acceptance: Minutes of Feb 3, 2014 7:00 PM (Approval or Correction of Minutes)

Ms. Leavitt-Chavez addressed City Council regarding the need for sidewalks on Cedar Street between Second and Third Streets. She indicated that sidewalks were needed for safety reasons as adults and children had to walk or ride bicycles in the street.

F. New Business

1. Boards and Commissions Governed by State Law

a. Board of Adjustment

- i. Board of Adjustment Annual Report for the 2013 calendar year to be presented by Chair Nick Bacile. Current Board Members include: Chair Nick Bacile, Vice Chair Deborah A. Sharp, Carmen Bechter, Tom Ligh, Patricia (Patty) McGinty, Amar Raval, and Dr. Aashish Shah.

Chair Nick Bacile presented the Annual Report for the Board of Adjustment of the City of Bellaire, Texas ("Board"), to members of City Council. A special expression of thanks was given to the Board's Council Liaison, Councilman Andrew S. Friedberg, and the Staff Liaisons, Director of Community Development John McDonald, Development Services Manager Shawn Cox, and Administrative Secretary Ashley Parcus.

Chair Bacile indicated that the Board was responsible for considering applications for variances or special exceptions to the Zoning Code (Chapter 24, Planning and Zoning, Code of Ordinances of the City of Bellaire, Texas) and held monthly meetings for that purpose. Four meetings were held during 2013, with the Board considering three applications/dockets for special exceptions (two) and a variance. (Requested by Tracy Dutton, City Clerk)

b. Building and Standards Commission

- i. Building and Standards Commission Annual Report for the 2013 calendar year to be presented by Chair Kristin Schuster. Current Commissioners include: Chair Kristin Schuster, Vice Chair Laura Thurmond, Michael C. Baker, Paul Katz, Burt Martin, Laolu Yemitan. Danny A. Spencer was appointed to serve the unexpired term of John Rigby on January 27, 2014.

Chair Kristin Schuster presented the Annual Report for the Building and Standards Commission of the City of Bellaire, Texas ("Commission") to members of City Council. A special expression of thanks was given to the Commission's Council Liaison, Councilman Pat B. McLaughlan, and Staff Liaisons, Building Official Lee Cabello and Administrative Secretary Ashley Parcus.

Chair Schuster indicated that the Commission, in addition to serving its statutorily mandated purpose, continued to serve in an advisory role to City Council and to provide public education on issues pertaining to the City's Building Code (Chapter 9, Buildings, of the Code of Ordinances of the City of Bellaire, Texas) and other related matters. Ten Regular Sessions and five Workshop Sessions were held during 2013.

Numerous recommendations were made by the Commission to City Council during 2013. Of note were those related to the demolition and salvage of residential structures and the deconstruction rather than

demolition of the City-owned structure at 5119 Jessamine Street. The Commission also educated the public regarding the Building Code, Whole House Recycling, LEED Certification, and the National Flood Insurance Program's Community Rating System as such system pertained to flood insurance rate discounts for Bellaire's residents.
(Requested by Tracy Dutton, City Clerk)

c. Planning and Zoning Commission

- i. Planning and Zoning Commission Annual Report for the 2013 calendar year to be presented by Chair Winfred C. Frazier. Current Commissioners include: Chair Winfred Frazier, Vice Chair Bill Thorogood, E. Wayne Alderman, Paul C. Simmons, S. Lynne Skinner, Marc Steinberg, and Dirk Stiggins.

Chair Winfred C. Frazier presented the Annual Report for the Planning and Zoning Commission of the City of Bellaire, Texas ("Commission"), to members of City Council. A special expression of thanks was given to former Commissioner Lori Aylett who served on the Commission during 2013, as well as to the Commission's Council Liaison, former Councilman Corbett Daniel Parker, Staff Liaisons, Director of Community Development John McDonald and Administrative Secretary Ashley Parcus, and Assistant City Attorney Elliot Barner. Planning Consultant Gary Mitchell of Kendig Keast Collaborative was recognized for his instrumental work with the Commission on the development of proposed amendments to the City's Zoning Code.

Chair Frazier indicated that the Commission served as an advisory body to City Council regarding zoning and subdivision regulations. The Commission was also responsible for the review and approval/rejection of plats and for making recommendations to City Council regarding plans for physical development of the City. The Commission conducted their business through 11 Regular Sessions, one Special Session, and three Workshop Sessions. Actions taken by the Commission during the year were outlined by Chair Frazier, which included reviewing and acting on the following: three replats, a specific use permit request, and proposed amendments to the City's zoning regulations, including the creation of two new commercial mixed-use districts for the downtown area and Bissonnet corridor.

(Requested by Tracy Dutton, City Clerk)

2. Boards Governed by City Charter, Ordinance, or Resolution

a. Cultural Arts Board

- i. Cultural Arts Board Annual Report for the 2013 calendar year to be presented by Chair Terry Leavitt-Chavez. Current Board Members include: Chair Terry Leavitt-Chavez, Vice Chair Stephanie Goldfield, Ije Akunyili, Christopher Butler, Jacquelyn Quick, and Gretchen Sparks.

Chair Terry Leavitt-Chavez presented the Annual Report for the Cultural Arts Board of the City of Bellaire, Texas ("Board") to members of City Council. A special expression of thanks was given to the Board's Council Liaison, Councilman Roman F. Reed, and Staff Liaison, Assistant City Manager Diane K. White.

Chair Leavitt-Chavez indicated that the Board continued their focus in 2013 to enhancing the quality of life in Bellaire through visual and performing arts. Among the efforts the Board focused on in 2013 were a spin art project for the City's Fourth of July celebration, an eARTh and Photo contest for Bellaire Recycles Fest, and magic color scratch-off ornaments for Holiday in the Park. Other art-related efforts included a recommendation to City Council for wayfinding signage, entry markers, and fire station art, and input to the Parks and Recreation Department regarding cultural events that could be held on the City's Great Lawn and in the Pavilion.

(Requested by Tracy Dutton, City Clerk)

b. Environmental and Sustainability Board

- i. Environmental and Sustainability Board (ESB) Annual Report for the 2013 calendar year to be presented by Chair William (Bill) Stone. Current Board Members include: Chair William (Bill) Stone, Vice Chair Seth A. Miller, Gayle Davies, Dorene Delaloye-Schroder, Mike Korotinsky, and Jason Wintz. Board Member Kirstin Feazel served on the ESB until December of 2013.

Vice Chair Seth A. Miller presented the Annual Report for the Environmental and Sustainability Board ("Board") to members of City Council. A special expression of thanks was given to the Board's Council Liaison, Councilman James P. Avioli, Sr., and Staff Liaisons, Director of Public Works Joe Keene and Information Coordinator Todd A. Gross.

Vice Chair Miller outlined major accomplishments and educational opportunities during 2013. Accomplishments included continual education of citizens regarding curbside recycling, increased participation in regional workshops conducted by the Houston-Galveston Area Council related to recycling, support of the Building and Standards Commission's recommendation to recycle the City-owned structure at 5119 Jessamine Street, and participation in numerous events benefiting the City, including the Bellaire Spring Fling event held at The Nature Discovery Center, Fourth of July celebration, and Pumpkin Patch. The Board also planned and implemented the Fifth Annual Bellaire Recycles Fest held on November 2, 2013.

(Requested by Tracy Dutton, City Clerk)

c. L.I.F.E. Advisory Board

- i. LIFE Advisory Board Annual Report for the 2013 calendar year to be presented by Chair Iola Pickul. Current Board Members include: Chair Iola Pickul, Vice Chair Jeri Garner, Barbara Davis, Marjorie Ishee, Roberta Murray, Pauline Nolen, and Pat Westwood.

Chair Iola Pickul presented the Annual Report of the LIFE Advisory Board of the City of Bellaire, Texas ("Board"), to members of City Council. A special expression of thanks was given to Council Liaison, Dr. Philip L. Nauert (Mayor), and Staff Liaisons, Parks and Recreation Director Jane L. Dembski, Recreation Superintendent Cheryl Bright-West, and Senior Services Specialist Valerie Langdon.

Chair Pickul outlined the purpose of the LIFE (Living, Information, Fun, and Enrichment) Board, which was to provide learning opportunities, new

experiences, and a chance to build new relationships for active adults 50 years of age and older. Additionally, the LIFE programming provided residents of Bellaire and surrounding communities with a leisure lifestyle through socialization, games, day trips, special activities, and events.

Chair Pickul cited examples of many of the activities that took place during 2013, as well as the number of participants that engaged in those activities.

The LIFE participants also served their community by collecting over 225 nonperishable food items for the Houston Food Bank during the 2013 holiday season.

(Requested by Tracy Dutton, City Clerk)

d. Parks and Recreation Advisory Board

- i. Parks and Recreation Advisory Board Annual Report for the 2013 calendar year to be presented by Chair Jeff Addicks. Current Board Members include: Chair Jeff Addicks, Todd Blitzer, Jim Broadwell, Alissa Leightman, Gay Mayeux, Paula Mey, and Kim Padgett.

Chair Jeff Addicks presented the Annual Report for the Parks and Recreation Advisory Board of the City of Bellaire, Texas ("Board") to members of City Council. A special expression of thanks was given to Council Liaison, Mayor Pro Tem Amanda B. Nathan, and Staff Liaison, Director of Parks and Recreation Jane L. Dembski.

Chair Addicks indicated that the Board acted in an advisory capacity to City Council and the Parks and Recreation Department regarding policy matters pertaining to City parks and recreation. Chair Addicks noted that the Board considered and acted on a variety of issues in 2013, including the Great Lawn Project in Bellaire Town Square, a review of goals and objectives and creation of guiding principles for the development of the Parks and Recreation 10-Year Master Plan, conducted an annual assessment of all Bellaire parks, continued analyzing the Parks and Recreation Citizen Survey, and considered matters pertaining to bike/pathways, recreation fee structures, holiday decorations, parks capital improvements, use of alcohol in certain park facilities, and permitting pets in certain parks.

(Requested by Tracy Dutton, City Clerk)

3. State of the City Address

Dr. Philip L. Nauert, Mayor, provided a recap of the the City's goals, accomplishments, and activities during the 2013 calendar year in his State of the City Address. He noted that Bellaire was an exceptional place to work and raise families, due, in great part, to the careful stewardship of the City's Boards and Commissions and its many volunteers.

It was noted that the City Council met as a body no less than 71 times during 2013 in Regular Sessions, Workshop Sessions, Special Sessions, and Public Hearings, which included attracting and selecting a new City Manager, interviewing prospective Board and Commission members, formulating the budget, evaluating the City Manager and City Clerk, and discussions with legal counsel. In addition, members of City Council attended meetings of the Boards and Commissions and City-wide events such as Holiday in the Park and the Fourth of July celebration.

Mayor Nauert outlined many good things that occurred in the City during 2013 such as: employees' receipt of a 2% raise across the board and the addition of two paid holidays to their benefits package; receipt of LEED certification for the Bellaire Fire Station; engagement of the firm Pierce Goodwin Alexander and Linville (PGAL) to perform a thorough facilities evaluation; construction of a new water well and plugging old wells in the Central and Evergreen Water Plants; purchase of property to the west of the Bellaire City Library thereby providing a foundation for the future; addressed future needed improvements to various City facilities including Evelyn's Park and The Nature Discovery Center through bond funding; development of a master plan for Evelyn's Park; and efforts regarding economic development and beautification were started, and those efforts would continue to be addressed for the future.

Elections were held during 2013 for facilities improvements and for the City Council. Those elections resulted in a new member to the City Council table, Gus E. Pappas, and funding for improvements to the City facilities, Evelyn's Park, and The Nature Discovery Center.

The year 2013 was also a year of proclamations, including recognition of Frederick T. Bowyer Day, National Library Week, Police Week, Older Americans Month, Emergency Medical Services Week, and Constitution Week, among others.

Mayor Nauert noted that the State of the City could be defined, measured, and evaluated using a financial matrix, property values, activity within the business community, and crime statistics, to name a few. Mayor Nauert cited articles he had read indicating that Bellaire was the 13th wealthiest city in the country and ranked as the best community in the nation to "trick or treat" in. Such rankings spoke to the safety of the community and Bellaire's emphasis on children, celebrations, and culture.

A ten-year history of the City's property tax rate reflected a downward trend in the tax rate. The City had maintained a \$0.3999 tax rate per \$100 valuation and continued to deliver more services at a higher level to more citizens. A ten-year history of the City's appraised and taxable property values reflected a healthy upward trend.

Revenue sources for the City were outlined by Mayor Nauert, and he noted that revenues had increased in 2013 by 8.3%. The largest component of the City's revenue sources was noted to be property tax revenues. Other revenues included water and wastewater treatment sales, solid waste, sales tax, franchise fees, and permits and licenses. Operational costs and expenditures for 2013 were reviewed as well, with expenditures trending upward slightly; however, the City had not substantially increased spending over the last seven years.

With respect to the City's ongoing street and drainage improvement projects, Mayor Nauert advised that the City had issued \$6,000,000 in bonds for such improvements during 2013.

With respect to staffing and turnover, 19 new staff members were hired in 2013, and the City's turnover rate was currently 10.42%. Two retirements of key officials were noted for 2014, the City Manager and Finance Manager.

Residential and commercial construction continued to trend upward reflecting a

general confidence in the regional economy. The average new home construction value in Bellaire was cited as \$586,622 compared to \$588,785 for 2012. The average residential appraised value also trended upward to \$619,552, an increase of \$41,000 from last year.

The City's bond rating remained an enviable AAA, and the City received the Texas Comptroller Award for Transparency during 2013. Mayor Nauert also provided an overview of accomplishments by department.

Mayor Nauert concluded by indicating that the City was not happy maintaining the status quo as evidenced by the commitment of its volunteers and staff to make Bellaire a premier community in which to work and play. Citizens indicated strong support for the community through the recent success of the City's bond election program. The State of the City of Bellaire was very strong and in a never-ceasing process of improvement. Mayor Nauert pledged to continue efforts to keep Bellaire a premier, safe community--one that attracts and retains the best employees in Texas.

G. Items for Future Agendas; Community Interest Items from the Mayor and City Council

Community interest items from the Mayor and City Council included an expression of thanks to the City's volunteers for their service and contributions as members of the City's boards and commissions; an expression of thanks to the City employees for their contributions; reminder regarding the next two City Council meetings on February 10 and 17, 2014; and a special expression of thanks to retiring City Manager Bernard M. Satterwhite, Jr., for his 13+ years of service to Bellaire. A standing ovation was given to City Manager Satterwhite by all present at the Town Meeting.

H. Adjournment

A motion was made by Councilman Roman F. Reed and seconded by Councilman Pat B. McLaughlan to adjourn the Regular Session (Town Meeting) of the City Council of the City of Bellaire, Texas, at 8:25 p.m. on Monday, February 3, 2014. The motion carried unanimously on a vote of 7-0.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401

SCHEDULED**ACTION ITEM (ID # 1085)**

Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Minutes
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1085

Item Title:

City Council Special Session (Executive Session) Minutes dated Monday, February 10, 2014

Item Summary:

Consideration of and possible approval of the minutes of the Special Session (Executive Session) of the City Council of the City of Bellaire, Texas, held on Monday, February 10, 2014.

Source of Funding:

N/A

Recommendation:

City Clerk recommends approval of the minutes.

ATTACHMENTS:

- 2014_02_10 - Special Session (Executive Session) (DOC)

Philip L. Nauert
 Mayor
Roman F. Reed
 Councilman – Position No. 1
James P. Avioli, Sr.
 Councilman – Position No. 2
Gus E. Pappas
 Councilman – Position No. 3



Pat B. McLaughlan
 Councilman – Position No. 4
Andrew S. Friedberg
 Councilman – Position No. 5
Amanda B. Nathan
 Mayor Pro Tem
 Councilman – Position No. 6

CITY COUNCIL MEETING MINUTES MONDAY, FEBRUARY 10, 2014

The **City Council** of the City of Bellaire, Texas, met in **Special Session (Executive Session)** on **Monday, February 10, 2014**, in the **Council Chamber** and **Council Conference Room**, both of which were located on the First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, for the following purpose(s):

A. CALL TO ORDER – Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, called the **City Council** of the City of Bellaire, Texas, to order at 6:02 p.m. on **Monday, February 10, 2014**.

B. ANNOUNCEMENT OF A QUORUM – Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, announced that a quorum was present consisting of himself and the following members of City Council:

Amanda B. Nathan, Mayor Pro Tem;
Roman F. Reed, Councilman – Position No. 1;
James P. Avioli, Sr., Councilman – Position No. 2;
Pat B. McLaughlan, Councilman – Position No. 4; and
Andrew S. Friedberg, Councilman – Position No. 5.

Gus E. Pappas, Councilman – Position No. 3, was absent.

Also present:

James B. Blackburn, Jr., and **Charles Irvine** of the law firm Blackburn & Carter PC, **Bernard M. Satterwhite, Jr.**, City Manager, **Alan P. Petrov**, City Attorney, and **Tracy L. Dutton**, City Clerk.*

*City Clerk Dutton did not participate in the closed portion of the Special Session (Executive Session).

C. CONVENE in Executive Session (Closed Session to be held in the Council Conference Room located directly behind the Council Chamber) under the Texas Government Code, Chapter 551, Open Meetings, Section 551.071, Consultation with Attorney; Closed Meeting, for the purpose of discussing legal options related to a Texas Department of Transportation roadway improvement project at the U.S. Highway 59 and Interstate Highway 610 (West Loop)

**City of Bellaire
City Council**

**Minutes of Meeting
February 10, 2014**

interchange located within the Cities of Houston and Bellaire in Harris County, Texas.

CITY COUNCIL MOTION TO CONVENE IN EXECUTIVE SESSION:

Councilman Pat B. McLaughlan moved to convene in Executive Session (Closed Session) under the *Texas Government Code, Chapter 551, Open Meetings, Section 551.071, Consultation with Attorney; Closed Meeting*, for the purpose of discussing legal options related to a Texas Department of Transportation roadway improvement project at the U.S. Highway 59 and Interstate Highway 610 (West Loop) interchange located within the Cities of Houston and Bellaire in Harris County, Texas. Councilman Andrew S. Friedberg seconded the motion.

The motion carried unanimously on a 6-0 vote as follows:

FOR: Philip L. Nauert, Mayor
Amanda B. Nathan, Mayor Pro Tem
Roman F. Reed, Councilman – Position No. 1
James P. Avioli, Sr., Councilman – Position No. 2
Pat B. McLaughlan, Councilman – Position No. 4
Andrew S. Friedberg, Councilman – Position No. 5

OPPOSED: None

ABSENT: Gus E. Pappas, Councilman – Position No. 3

Members of the Bellaire City Council convened in Executive Session (closed session) in the Council Conference Room located directly behind the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas, on Monday, February 10, 2014, at 6:03 p.m.

- D. RECONVENE (Open Session to be held in the Council Chamber) and take action, if any, regarding item(s) discussed in Executive Session which may include engaging special counsel for the purpose of negotiating with the Texas Department of Transportation.**

Members of the Bellaire City Council reconvened in open session in the Council Chamber at 7:41 p.m. on Monday, February 10, 2014. Dr. Philip L. Nauert, Mayor, advised that members of City Council had discussions with City Attorney Alan P. Petrov and attorneys from the law firm of Blackburn & Carter PC regarding the reconstruction of U.S. Highway 59 and the Interstate Highway 610 interchange.

No action was taken.

**City of Bellaire
City Council**

**Minutes of Meeting
February 10, 2014**

E. ADJOURNMENT.

CITY COUNCIL MOTION TO ADJOURN:

Councilman Pat B. McLaughlan moved to adjourn the Special Session (Executive Session) of the City Council of the City of Bellaire, Texas, at 7:42 p.m. on Monday, February 10, 2014. Councilman Roman F. Reed seconded the motion.

The **motion to adjourn carried unanimously on a 6-0 vote** as follows:

FOR:

Philip L. Nauert, Mayor
Amanda B. Nathan, Mayor Pro Tem
Roman F. Reed, Councilman – Position No. 1
James P. Avioli, Sr., Councilman – Position No. 2
Pat B. McLaughlan, Councilman – Position No. 4
Andrew S. Friedberg, Councilman – Position No. 5

OPPOSED:

None

ABSENT:

Gus E. Pappas, Councilman – Position No. 3

 Tracy L. Dutton, TRMC
 City Clerk
 City of Bellaire, Texas

 Dr. Philip L. Nauert
 Mayor
 City of Bellaire, Texas

Approved: _____

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401

**SCHEDULED
INFORMATION ITEM (ID
1088)**

Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Report
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1088

Item Title:

City Manager Comments

Item Summary:

Dr. Philip L. Nauert, Mayor, will introduce Bellaire's new City Manager, Paul A. Hofmann, to the public at this point in the meeting, and Mr. Hofmann will be given an opportunity to make comments.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Finance Administration
Category: Audit
Prepared By: Linda Symank
Department Head: Linda Symank
DOC ID: 1040

**SCHEDULED
ACTION ITEM (ID # 1040)**

Item Title:

2013 Annual Audit and Comprehensive Annual Financial Report (CAFR)

Item Summary:

As required by state statute, an independent audit has been completed by the certified public accounting firm of Belt Harris & Associates, LLLP for the year ended September 30, 2013. Pursuant to Section 103.003 of the Texas Local Government Code, the annual financial statements including the auditors' opinion must be filed with the City Secretary within 180 days after the last day of the fiscal year.

In compliance with Resolution 20-02, staff and the auditors met with the Audit/Finance Board on February 3, 2014 to review the financial statements and Auditors' Opinion. The audited Basic Financial Statements, which include the Auditors' Opinion, will be presented to the Mayor and City Council and to the City Secretary for filing. Members of the Audit/Finance board and Nathan Krupke of Belt Harris & Associates, LLLP will present the report.

The City Clerk will give notice by publication in the official newspaper of the City of Bellaire that the annual audit is on file at City Hall for inspection.

Source of Funding:

N/A

Recommendation:

Acceptance of the 2013 Annual Audit and Comprehensive Annual Financial Report

ATTACHMENTS:

- CAFR FY2013(PDF)
- Disclosure Letter FY2013 (PDF)

*COMPREHENSIVE
ANNUAL FINANCIAL REPORT*

of the

CITY OF BELLAIRE, TEXAS

For the Year Ended
September 30, 2013

Issued By:

**City of Bellaire
Finance Department**

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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CITY OF BELLAIRE, TEXAS

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CITY OF BELLAIRE, TEXAS

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INTRODUCTORY SECTION

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CITY OF

Bellaire

7008 South Rice Avenue • Bellaire, Texas 77401-4495 • (713) 662-8222 • Fax: (713) 662-8212

December 31, 2013

To the Honorable Mayor, Members of the City Council,
City Manager, and Citizens of the
City of Bellaire, Texas:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Bellaire, Texas (the "City") for the year ended September 30, 2013. This report is published to provide the citizens, City Council, City staff, bondholders, and other interested parties detailed information concerning the financial condition of the City. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects and that it is reported in a manner that fairly presents the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

THE REPORT

In compliance with the Governmental Accounting Standards Board (GASB) Statement No. 34, this report includes a Management's Discussion and Analysis (MD&A) which provides a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A is located immediately following the Independent Auditors' Report. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

CITY PROFILE

Location

The City, founded in 1908 and incorporated under the laws of the State of Texas in 1918, is located in southwest Harris County. The City is entirely surrounded by the cities of Southside Place, West University Place, and Houston. The City encompasses about 3.6 square miles and has an estimated population of 16,855.

Form of Government

Since 1949, the City has operated under a "Home Rule Charter" which provides for a Council-Manager form of government. The City Council is comprised of a Mayor and six council members. The Mayor is elected for a regular term of two years and is limited to four consecutive terms in that position. Council members, all of whom are elected at-large, are elected for a regular term of four years. No council member may serve more than two consecutive terms in that position. The Mayor and three council members are elected at each regular election. The City Council appoints a City Manager to be responsible for the daily management of the City.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

The Reporting Entity and Services Provided

The basic financial statements of the City include police, fire and emergency medical services, parks and recreation, library services, street maintenance and repair, public improvements, water, sewer and solid waste systems, and general administrative services.

ECONOMIC CONDITION AND OUTLOOK

Economic Condition

As an enclave of Houston, the economy of the City is directly linked to the Greater Houston region. While a number of large employers, as well as retail and service type businesses, are located within the City, Bellaire is primarily a residential community. Many of the residents work minutes away in Houston's largest business areas, including the Houston Medical Center, regarded as one of the finest health care facilities in the world. Two major airports, Hobby and George Bush Intercontinental, are easily accessible to Bellaire residents and business travelers.

Houston's economy is based on petrochemicals, shipping, refining, chemicals, space exploration, manufacturing, education, and tourism. Houston is the seat of Harris County, the most populous county in the State of Texas and the third most populous county in the nation. Houston's phenomenal growth has brought about rapid development throughout the region, but the necessary infrastructure to support such growth in the outlying areas has lagged behind. As a result, many residents of the region have sought to reduce their commute time on Houston's heavily congested transportation corridors by moving closer to the workplace. In addition to Bellaire being a safe city with high quality schools, Bellaire has become increasingly desirable due to its convenient location to Houston's downtown, uptown, and midtown business districts.

The City is a mature community that is almost fully developed residentially with a network of businesses to support its citizens. While there is little undeveloped commercial property, the commercial infrastructure is not nearly as developed or modernized as the residential sector. The City continues to focus on better utilization and growth of the central commercial district and commercial corridors within the City based on its comprehensive plan updated and adopted in November 2009. Large mature oak trees cascade over most of the City's streets giving a "small town" feel to the area. Local government control through City Council gives Bellaire residents more influence over key government services such as police and fire protection.

Major Initiatives

In November 2005, voters overwhelmingly approved two separate bond referenda totaling \$50 million to be spent over a ten-year period on infrastructure and facility improvements. With an additional obligation of \$5 million in pay-as-you-go funding, the City's "Rebuild Bellaire" capital improvement program totals \$55 million. The program provides for \$43.5 million in funding for major street and drainage improvements throughout the City and \$11.5 million for facilities replacement and renovation. The City issued \$6 million in general obligation bonds in 2013 for infrastructure improvements with the remaining \$13 million infrastructure bonds scheduled to be issued in 2014.

In November 2013, voters approved three bond referenda totaling \$16.5 million. \$11 million was approved for improvements to City Hall, Civic Center, Police Station, and Municipal Court facilities. An additional \$5 million was approved for capital improvements to Evelyn's Park and an additional \$0.5 million was approved for ground and facilities improvements to the Nature Discovery Center in Russ Pitman Park.

Bellaire High School and Condit Elementary School were included in the Houston Independent School District 2012 \$1.89 billion bond program approved by the voters November 6, 2012. The design phase started in 2013 for the new Condit Elementary School. Construction is scheduled to be completed by the end of 2014. A new building for Bellaire High School is planned that will incorporate the recently completed science classroom and laboratory wing. Planning and design will start in early 2014 with construction planned to be completed by the end of 2015.

In 2006, the City executed a Project Agreement with Harris County and the Metropolitan Transit Authority of Harris County for the improvement of Baldwin Avenue. The reconstruction of Baldwin Avenue funded by "Rebuild Bellaire" bonds and Metro sales tax began the construction phase in 2012 and was completed at the end of 2013. This project will improve drainage for a large portion of the eastern sector of the City.

Evelyn's Park Conservancy Board was formed in 2011 in compliance with the 2010 memorandum of understanding between the City and the Jerry and Maury Rubenstein Foundation. The Board will direct the planning, fundraising and development of a park on land donated by the Foundation to the City. The vision for Evelyn's Park developed through input from Bellaire residents includes a tranquil and beautifully landscaped park plan with walking trails, a children's garden and play area, a small lake and stream, a modest food amenity and event lawn. The focus in 2013 was fundraising with voters approving the City's issuance of \$5 million in bonds for capital improvements for Evelyn's Park.

The Master Plan for Bellaire Town Square was approved for the development of a park to be completed in phases. The Great Lawn Phase was completed at the end of 2013. The Great Lawn encompasses approximately one-fourth acre and includes a 19-foot-tall pavilion on an elevated patio with a sidewalk around the Great Lawn providing an elliptical half-mile loop. The area will be used for large community events, art displays, community group gatherings and concerts.

Long-Term Financial Planning

The City approved an increase in the debt rate by reapportioning the rate between the general fund and the debt service fund for fiscal year 2012. For 2013, there was a shift of \$0.0079 from debt service to operations and maintenance based on the debt service rate required to fund fiscal year 2013 debt obligations. Tax rates for the past and current fiscal years were apportioned as follows:

Fund	2011	Change	2012	Change	2013
General	\$ 0.2639	\$ (0.0164)	\$ 0.2475	\$ 0.0079	\$ 0.2554
Debt Service	0.1360	0.0164	0.1524	(0.0079)	0.1445
Total Tax Rate	\$ 0.3999	\$ -	\$ 0.3999	\$ -	\$ 0.3999

Budgeted payments for bond principal and interest, which include associated fees, total \$5,756,878 in 2013. The enterprise fund annually transfers \$950,000 to cover debt service requirements on bond proceeds used for enterprise infrastructure.

The City continues to pursue service enhancements through improvements in operational efficiency and efforts to generate cost savings.

Financial Information

The City's accounting records for general governmental operations are maintained on a modified accrual basis with the revenues recorded when available and measurable and expenditures recorded when the goods or services are received and the liabilities incurred. Accounting records for the City's proprietary activities are maintained on the accrual basis.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuses and to ensure that adequate

accounting data is completed to allow for the preparation of financial statements, in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits expected to be derived, and (2) the evaluation of costs and benefits require estimates and judgments by management.

We believe the City's accounting controls provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented, or would be detected within a timely period, by employees in the normal course of performing their assigned functions.

Additionally, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of the general, debt service, and enterprise funds are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the total approved budget for each department. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

The City Charter requires an annual audit of the books of accounts, financial records, and transactions of all administrative departments of the City by an independent certified public accountant. The independent auditors' report prepared by Belt Harris Pechacek, LLLP is included in the financial section of this report.

Audit Finance Board

The City Council has formally established an audit finance board to enhance the audit process by providing a direct link between the auditors and the City Council. The board reviews the audit prior to submission to the City Council and assists the auditors and City staff with the presentation of the audit.

Awards

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended September 30, 2012. This was the fifteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report was accomplished with the efficient and dedicated services of the entire staff of the finance department and the cooperation of all other City departments. We would like to express our appreciation to all members of the finance department and all other City staff who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor, City Council, Audit Finance Board, and the City Manager for their continued interest and support in planning and conducting the financial operations of the City in a responsible and professional manner.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, City of Bellaire, 7008 South Rice Avenue, Bellaire, Texas 77401-4495.

Respectfully submitted,



Linda Symank
Chief Financial Officer

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CITY OF BELLAIRE, TEXAS
*CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING*
For the Year Ended September 30, 2013



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Bellaire
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS

PRINCIPAL OFFICIALS

September 30, 2013

<u>City Officials</u>	<u>Elective Position</u>	<u>Term Expires</u>
Dr. Phil Nauert	Mayor	01/14
Roman F. Reed	Council Member - Position No. 1	01/14
Jim Avioli, Sr.	Council Member - Position No. 2	01/16
Corbett Parker	Council Member - Position No. 3	01/14
Pat McLaughlan	Council Member - Position No. 4	01/16
Andrew Friedberg	Council Member - Position No. 5	01/14
Mandy Nathan	Council Member - Position No. 6	01/16
<u>Key Staff</u>	<u>Position</u>	
Bernard M. Satterwhite, Jr.	City Manager	
Linda Symank	Chief Financial Officer	
Diane White	Assistant City Manager	
Tracy L. Dutton	City Clerk	
Joe Keene	Director of Public Works	
Byron Holloway	Police Chief	
Darryl Anderson	Fire Chief	
Jane Dembski	Director of Parks and Recreation	
Mary Cohrs	Library Director	
John McDonald	Director of Community Development	
Karl Miller	Director of Facilities Management	
Yolanda Williams	Director of Human Resources	
Larry Parks	Director of Communications and Technology Services	

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
City Council Members of the
City of Bellaire, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the City of Bellaire, Texas (the "City"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Partners

Robert Belt, CPA
Stephanie E. Harris, CPA
Nathan Krupke, CPA

Houston

3210 Bingle Rd., Ste. 300
Houston, TX 77055
713.263.1123

Bellville

1304 South Front St.
Bellville, TX 77418
979.865.3169

Austin

100 Congress Ave., Ste. 2000
Austin, TX 78701
512.381.0222

All Offices

www.texasauditors.com
info@txauditors.com
713.263.1550 fax



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the City as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and schedules of funding progress, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedule, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

BELT HARRIS PECHACEK, LLP

Belt Harris Pechacek, LLP
 Certified Public Accountants
 Houston, Texas
 December 31, 2013

***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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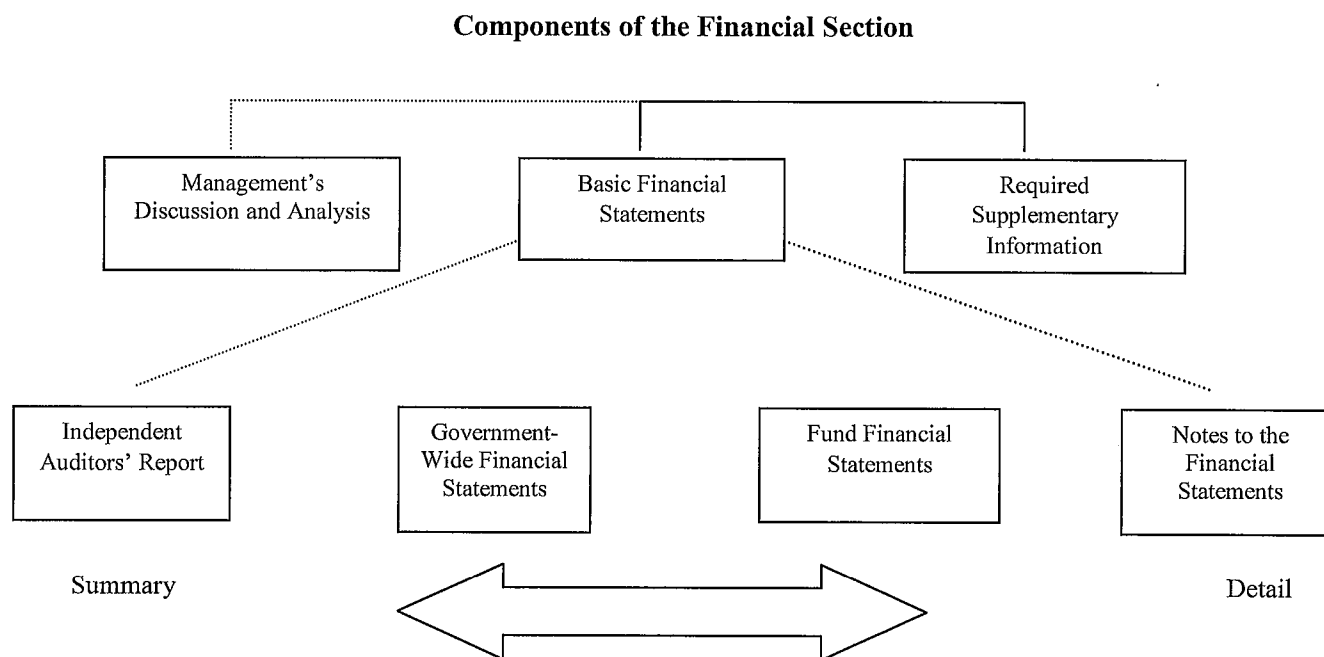
CITY OF BELLAIRE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2013

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of Bellaire, Texas (the "City") for the year ending September 30, 2013. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The City's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the City as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the City's financial statements, report information on the City's activities that enable the reader to understand the financial condition of the City. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

The Statement of Activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than the modified accrual method that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities divide the City's financials into two classes of activities:

Governmental Activities – Most of the City's basic services are reported here including police, fire, public works, community development, and general administration. These services are principally supported by taxes and intergovernmental revenues.

Business-Type Activities – The City's water, sewer, and solid waste system operations are reported here as the City charges fees to customers to recover all or a significant portion of the costs to provide these services.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of City funds are governmental and proprietary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, capital improvement fund, capital bond fund, metro fund, and the equipment replacement fund, which are considered to be major funds for reporting purposes.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

Proprietary Funds

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City's enterprise fund accounts for the operations of the City's water, sewer, and solid waste operations. The proprietary fund financial statements provide separate information for the water and sewer operations as well as solid waste services. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

OTHER INFORMATION

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and schedules of funding progress for the Texas Municipal Retirement System and the City's other post employment healthcare benefit. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities by \$68,853,848 as of September 30, 2013 for the primary government. This compares with \$67,002,305 from the prior fiscal year. The largest portion of the City's net position, 79 percent, reflects its investments in capital assets (e.g., land, buildings and improvements, equipment, construction in progress, and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2013			
	Governmental Activities	Business-Type Activities	Reconciliation	Total Primary Government
Current and other assets	\$ 28,168,686	\$ 6,522,717	\$ -	\$ 34,691,403
Capital assets, net	63,593,866	46,170,650	-	109,764,516
Total Assets	91,762,552	52,693,367	-	144,455,919
Deferred charge on refunding	2,167,914	-	-	2,167,914
Total Deferred Outflows of Resources	2,167,914	-	-	2,167,914
Long-term liabilities	75,006,884	238,116	-	75,245,000
Other liabilities	2,111,156	413,829	-	2,524,985
Total Liabilities	77,118,040	651,945	-	77,769,985
Net position (deficit):				
Net investment in capital assets	18,182,933	46,170,650	(10,134,274)	54,219,309
Restricted	17,478,407	-	-	17,478,407
Unrestricted	(18,848,914)	5,870,772	10,134,274	(2,843,868)
Total Net Position	\$ 16,812,426	\$ 52,041,422	\$ -	\$ 68,853,848
	2012			
	Governmental Activities	Business-Type Activities	Reconciliation	Total Primary Government
Current and other assets	\$ 25,732,312	\$ 5,764,946	\$ -	\$ 31,497,258
Capital assets, net	61,874,764	47,305,409	-	109,180,173
Total Assets	87,607,076	53,070,355	-	140,677,431
Deferred charge on refunding	2,279,724	-	-	2,279,724
Total Deferred Outflows of Resources	2,279,724	-	-	2,279,724
Long-term liabilities	72,296,761	224,140	-	72,520,901
Other liabilities	3,057,891	376,058	-	3,433,949
Total Liabilities	75,354,652	600,198	-	75,954,850
Net position (deficit):				
Net investment in capital assets	15,390,597	47,305,409	(11,265,938)	51,430,068
Restricted	14,039,667	-	-	14,039,667
Unrestricted	(14,898,116)	5,164,748	11,265,938	1,532,570
Total Net Position	\$ 14,532,148	\$ 52,470,157	\$ -	\$ 67,002,305

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

The City's governmental activities net position increased from \$14,532,148 to \$16,812,426 despite a decrease in revenues and an increase in expenses for the year. The net position of business-type activities decreased from \$52,470,157 to \$52,041,422. Total long-term liabilities increased from \$72,520,901 to \$75,245,000 as a result of additional debt issued during the year as well as increasing pension and other post-employment benefit obligations.

The City has historically issued and repaid debt in its governmental activities for which the proceeds were used to purchase capital assets for the business-type activities. With one activity carrying the capital asset and another carrying the debt, the result is an unusual net position presentation. The City has included a reconciliation column in the Statement of Net Position adjusting the net investment in capital assets. Outstanding debt associated with governmental activities, in the amount of \$10,134,274, is being used to finance capital assets reported in business-type activities. Accordingly, this amount has been added back to unrestricted net position and deducted from net investment in capital assets in total for the primary government.

Statement of Activities

The following table provides a summary of the City's changes in net position:

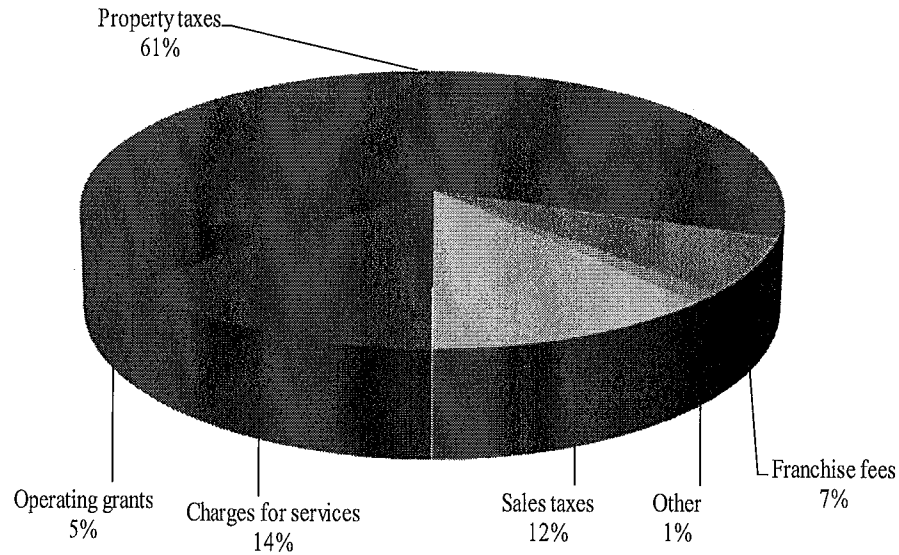
	For the Year Ended September 30, 2013			For the Year Ended September 30, 2012		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 3,108,558	\$ 7,935,742	\$ 11,044,300	\$ 3,097,986	\$ 7,822,729	\$ 10,920,715
Operating grants and contributions	891,362	-	891,362	2,964,856	3,644	2,968,500
General revenues:						
Property taxes	13,449,313	-	13,449,313	12,954,402	-	12,954,402
Other taxes	4,032,356	-	4,032,356	3,555,550	-	3,555,550
Other	282,409	98,787	381,196	100,532	103,870	204,402
Total Revenues	21,763,998	8,034,529	29,798,527	22,673,326	7,930,243	30,603,569
Expenses						
General government	4,666,521	-	4,666,521	4,208,790	-	4,208,790
Public safety	7,408,510	-	7,408,510	7,411,656	-	7,411,656
Public works	3,195,605	-	3,195,605	3,047,245	-	3,047,245
Culture and recreation	3,129,411	-	3,129,411	3,007,000	-	3,007,000
Water system	-	3,591,660	3,591,660	-	3,665,318	3,665,318
Sewer system	-	2,208,464	2,208,464	-	2,085,949	2,085,949
Solid waste	-	1,347,342	1,347,342	-	1,321,797	1,321,797
Interest on long-term debt	2,401,586	-	2,401,586	2,748,024	-	2,748,024
Total Expenses	20,801,633	7,147,466	27,949,099	20,422,715	7,073,064	27,495,779
Increase (Decrease) in						
Net Position Before Transfers	962,365	887,063	1,849,428	2,250,611	857,179	3,107,790
Gain on sale of capital assets	-	2,115	2,115	-	21,750	21,750
Transfers in (out)	1,317,913	(1,317,913)	-	(1,034,665)	1,034,665	-
Change in Net Position	2,280,278	(428,735)	1,851,543	1,215,946	1,913,594	3,129,540
Beginning net position	14,532,148	52,470,157	67,002,305	13,316,202	50,556,563	63,872,765
Ending Net Position	\$ 16,812,426	\$ 52,041,422	\$ 68,853,848	\$ 14,532,148	\$ 52,470,157	\$ 67,002,305

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

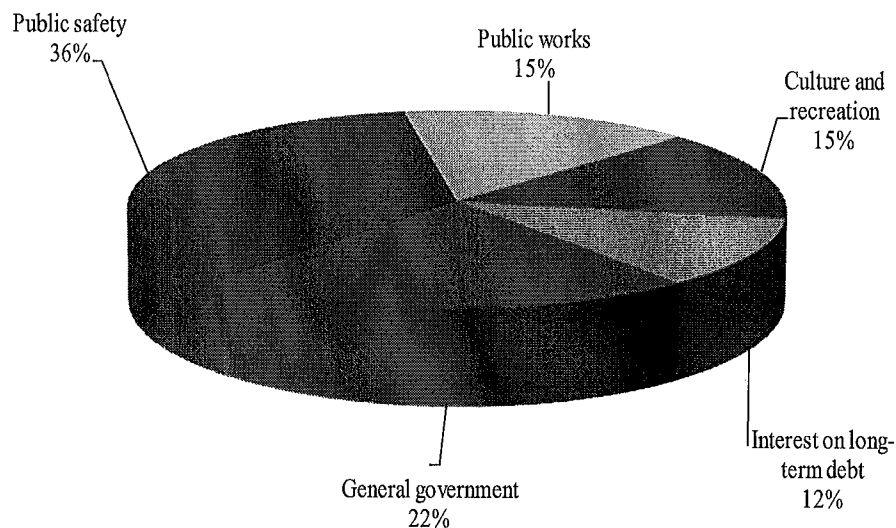
CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the City's activities.

Governmental Activities - Revenues

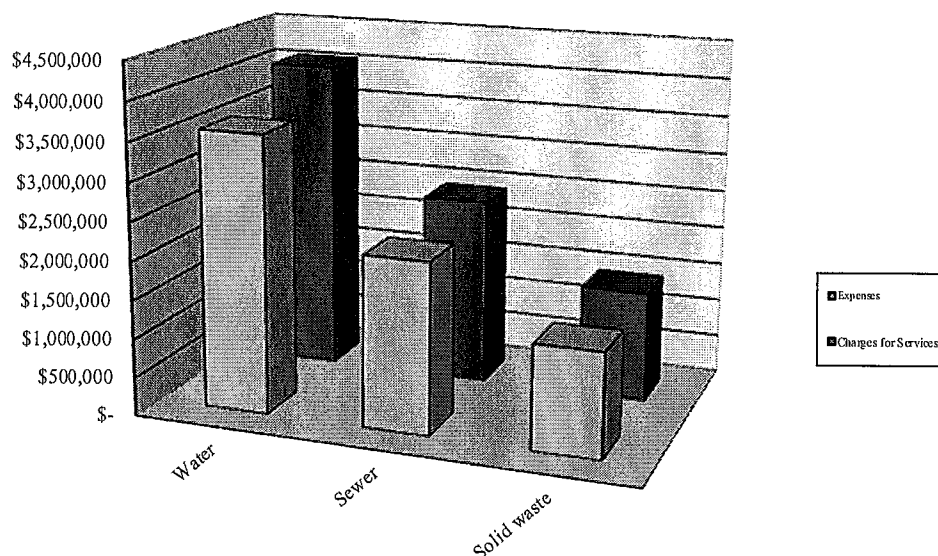


Governmental Activities - Expenses



CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2013, revenues from governmental activities before transfers totaled \$21,763,998, a 4.01 percent decrease from the previous year. The decrease in revenue is primarily due to less operating grants and contributions received in the current year. For the year ended September 30, 2013, expenses from governmental activities before transfers totaled \$20,801,633 which was an increase of 1.86 percent from the previous year. The increase in expenditures is primarily due to an increase in general government payroll expenses.

Business-type activities are shown comparing program expenses of \$7,147,466 to program revenues of \$8,034,529 generated by related services. For the year ended September 30, 2013, revenues for water, sewer, and solid waste increased \$104,286 which was an increase of 1.32 percent from the previous year. This increase in water, sewer, and solid waste revenue is primarily due to charges for services from commercial customers, residential sprinklers, and new water service meters. For the year ended September 30, 2013, expenses for water, sewer, and solid waste increased \$74,402 which was an increase of 1.05 percent from previous year. This increase can be attributed to an increase in expenses for water well maintenance.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

The City's governmental funds reflect a combined fund balance of \$26,142,650. Of this, \$4,211,936 is unassigned and available for day-to-day operations of the City, \$4,451,200 is committed to capital projects, \$16,701,712 is restricted for capital projects, \$504,450 is restricted for debt service, \$167,623 is restricted by legal statutes, and \$1,107 is nonspendable.

The general fund balance reported a fund balance of \$4,213,043. This was an increase in fund balance of \$635,926 from prior year. The general fund's revenues and other financing sources totaled \$16,319,820 and expenditures and other financing uses totaled \$15,683,894. The general fund's unassigned fund balance is \$4,211,936, which is within the policy of the City.

Debt service payments totaled \$5,756,878 for the year. The debt service fund balance had an actual increase of \$35,017, primarily due to transfers in received during the year.

The City's capital improvement fund spent \$1,406,201 on projects resulting in an ending fund balance of \$3,993,949. The City's capital bond fund spent \$3,085,540 on projects resulting in an ending fund balance of \$12,613,717. The City issued debt for \$6,000,000 for future capital projects. The City's metro fund reported a fund balance of \$4,087,995 after expending \$444,648 on projects during the year. The City's equipment replacement fund reported a fund balance of \$457,251 after expending \$1,078,763 on equipment and supplies. These fund balances will be used for identified and Council-approved improvements and projects.

The City's enterprise fund operating revenues exceeded operating expenses by \$880,988. The capital improvement fund contributed \$876,687 in capital assets and the enterprise fund transferred \$2,194,600 to the governmental funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual general fund revenues were more than original and amended budgeted revenues by \$965,106 during the year primarily due to higher than expected sales taxes and licenses and permit fees. General fund expenditures were under the final budget by \$285,360. Each year during the budget process, fund balance in excess of the two-month policy requirement is projected and budgeted to fund one-time expenditures for capital projects or vehicle, equipment, or technology improvements.

CAPITAL ASSETS

At the end of the year, the City's governmental activities funds had invested \$63,593,866 in a variety of capital assets and infrastructure net of accumulated depreciation.

More detailed information on City's capital asset activity is presented in Note III.C to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total bonds outstanding of \$70,875,000, all of which is general obligation debt.

More detailed information about the City's long-term liabilities is presented in Note III.D to the financial statements.

CITY OF BELLAIRE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2013

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The general fund's revenue projections for fiscal year 2014 are about 3.0 percent more than end of year projections for fiscal year 2013.

The property tax rate for fiscal 2013 will remain at \$0.3999 but there was a shift of \$0.0009 from debt service to operations and maintenance based on the debt rate needed to fund fiscal 2013 debt service requirements.

The general fund will receive a \$500,000 transfer from the enterprise fund to cover services provided by the general fund to the enterprise fund.

Salary and benefits represent 75 percent of the general fund's fiscal year 2014 budget. The general fund employs 133 full-time positions, 11.5 part-time positions, and 35 seasonal positions.

The enterprise fund's revenue projections for fiscal year 2014 are 0.009 percent less than end of year projections due to unusually high water and sprinkler sales in fiscal year 2013. There are no rate increases for fiscal year 2014.

The enterprise fund will transfer \$500,000 to the general fund to cover services provided by the general fund.

Salary and benefits represent 21.2 percent of the enterprise fund's fiscal year 2014 operating budget. The budget provides funding for 30 full-time equivalent positions.

Other economic factors and reports that are periodically reviewed for the purpose of accurately ascertaining the economic health of the City include regional and national forecasts, unemployment estimates, sales tax and franchise fee revenue trends, number and price of houses for sale, and collections on accounts receivable. The City also used various interest rate indicators such as federal funds, prime rates, and mortgage rates for evaluating the performance of the City's investments, monitoring debt service rates, and as an indicator of new home starts. The fiscal year 2014 budget provides a strong financial plan, while ensuring a superior level of municipal services to the citizens of the City.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to the Chief Financial Officer, City of Bellaire, 7008 South Rice Avenue, Bellaire, TX, 77401.

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BASIC FINANCIAL STATEMENTS

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CITY OF BELLAIRE, TEXAS

STATEMENT OF NET POSITION

September 30, 2013

	Primary Government			
	Governmental Activities	Business-Type Activities	Reconciliation	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 23,438,626	\$ 3,436,043	\$ -	\$ 26,874,669
Investments	3,681,058	1,323,171	-	5,004,229
Receivables (net of allowance)	1,043,834	1,230,484	-	2,274,318
Accrued interest	4,061	-	-	4,061
Prepaid items	1,107	533,019	-	534,126
Nondepreciable capital assets	13,419,042	787,135	-	14,206,177
Depreciable capital assets, net	50,174,824	45,383,515	-	95,558,339
Total Assets	91,762,552	52,693,367	-	144,455,919
<u>Deferred Outflows of Resources</u>				
Deferred charge on refunding	2,167,914	-	-	2,167,914
<u>Liabilities</u>				
Accounts payable and accrued liabilities	1,815,672	317,579	-	2,133,251
Customer deposits	-	96,250	-	96,250
Accrued interest payable	295,484	-	-	295,484
Long-term liabilities due within one year	4,177,260	67,841	-	4,245,101
Long-term liabilities due in more than one year	70,829,624	170,275	-	70,999,899
Total Liabilities	77,118,040	651,945	-	77,769,985
<u>Net Position</u>				
Net investment in capital assets	18,182,933	46,170,650	(10,134,274)	54,219,309
Restricted:				
Special revenue	272,245	-	-	272,245
Debt service	504,450	-	-	504,450
Capital projects	16,701,712	-	-	16,701,712
Unrestricted net position	(18,848,914)	5,870,772	10,134,274	(2,843,868)
Total Net Position	\$ 16,812,426	\$ 52,041,422	\$ -	\$ 68,853,848

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2013

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities			
General government	\$ 4,666,521	\$ 1,742,547	\$ -
Public safety	7,408,510	414,322	-
Public works	3,195,605	-	891,362
Culture and recreation	3,129,411	951,689	-
Interest and issuance costs on long-term debt	2,401,586	-	-
Total Governmental Activities	<u>20,801,633</u>	<u>3,108,558</u>	<u>891,362</u>
Business-Type Activities			
Water	3,591,660	4,065,706	-
Sewer	2,208,464	2,433,842	-
Solid waste	1,347,342	1,436,194	-
Total Business-Type Activities	<u>7,147,466</u>	<u>7,935,742</u>	<u>-</u>
Total Primary Government	<u>\$ 27,949,099</u>	<u>\$ 11,044,300</u>	<u>\$ 891,362</u>
General Revenues:			
Property taxes			
Sales taxes			
Franchise taxes			
Investment income			
Miscellaneous			
Gain on sale of capital assets			
Transfers			
Total General Revenues and Transfers			
Change in Net Position			
Beginning net position			
Ending Net Position			

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (2,923,974)	\$ -	\$ (2,923,974)
(6,994,188)	-	(6,994,188)
(2,304,243)	-	(2,304,243)
(2,177,722)	-	(2,177,722)
(2,401,586)	-	(2,401,586)
(16,801,713)	-	(16,801,713)
-	474,046	474,046
-	225,378	225,378
-	88,852	88,852
-	788,276	788,276
(16,801,713)	788,276	(16,013,437)
13,449,313	-	13,449,313
2,590,958	-	2,590,958
1,441,398	-	1,441,398
29,787	6,075	35,862
252,622	92,712	345,334
-	2,115	2,115
1,317,913	(1,317,913)	-
19,081,991	(1,217,011)	17,864,980
2,280,278	(428,735)	1,851,543
14,532,148	52,470,157	67,002,305
\$ 16,812,426	\$ 52,041,422	\$ 68,853,848

CITY OF BELLAIRE, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2013

	General	Debt Service	Capital Improvement	Capital Bond
Assets				
Cash and cash equivalents	\$ 471,952	\$ 365,782	\$ 4,345,312	\$ 13,161,879
Investments	3,540,184	140,874	-	-
Receivables, net	956,722	72,864	-	-
Accrued interest	3,852	209	-	-
Prepaid items	1,107	-	-	-
Total Assets	\$ 4,973,817	\$ 579,729	\$ 4,345,312	\$ 13,161,879
Liabilities				
Accounts payable and accrued liabilities	\$ 623,274	\$ 2,415	\$ 351,363	\$ 548,162
Total Liabilities	623,274	2,415	351,363	548,162
Deferred Inflows of Resources				
Unavailable revenue - other	8,692	-	-	-
Unavailable revenue - property taxes	128,808	72,864	-	-
Total Deferred Inflow of Resources	137,500	72,864	-	-
Fund Balances				
Nonspendable	1,107	-	-	-
Restricted:				
General government	-	-	-	-
Public safety	-	-	-	-
Library	-	-	-	-
Municipal court	-	-	-	-
Parks and recreation	-	-	-	-
Debt service	-	504,450	-	-
Capital projects	-	-	-	12,613,717
Committed:				
Capital projects	-	-	3,993,949	-
Unassigned	4,211,936	-	-	-
Total Fund Balances	4,213,043	504,450	3,993,949	12,613,717
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,973,817	\$ 579,729	\$ 4,345,312	\$ 13,161,879

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.

Nondepreciable capital assets

Depreciable capital assets, net

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.

Deferred revenue

Some liabilities are not reported as liabilities in the governmental funds.

Accrued interest payable

Deferred charge on refunding

Long-term liabilities due within one year

Long-term liabilities due in more than one year

Net Position of Governmental Activities

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

Metro	Equipment Replacement	Nonmajor Special Revenue	Total
\$ 4,116,466	\$ 713,556	\$ 263,679	\$ 23,438,626
-	-	-	3,681,058
-	-	14,248	1,043,834
-	-	-	4,061
-	-	-	1,107
<u>\$ 4,116,466</u>	<u>\$ 713,556</u>	<u>\$ 277,927</u>	<u>\$ 28,168,686</u>

\$ 28,471	\$ 256,305	\$ 5,682	\$ 1,815,672
<u>28,471</u>	<u>256,305</u>	<u>5,682</u>	<u>1,815,672</u>

-	-	-	8,692
-	-	-	201,672
-	-	-	<u>210,364</u>

-	-	-	1,107
-	-	104,622	104,622
-	-	32,999	32,999
-	-	14,532	14,532
-	-	111,425	111,425
-	-	8,667	8,667
-	-	-	504,450
4,087,995	-	-	16,701,712
-	457,251	-	4,451,200
-	-	-	4,211,936
<u>4,087,995</u>	<u>457,251</u>	<u>272,245</u>	<u>26,142,650</u>
<u>\$ 4,116,466</u>	<u>\$ 713,556</u>	<u>\$ 277,927</u>	

13,419,042
50,174,824

210,364

(295,484)
2,167,914
(4,177,260)
(70,829,624)
\$ 16,812,426

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	General	Debt Service	Capital Improvement	Capital Bond
Revenues				
Property taxes	\$ 8,629,174	\$ 4,839,801	\$ -	\$ -
Sales taxes	2,590,958	-	-	-
Franchise taxes	1,381,700	-	-	-
Licenses and permits	1,142,927	-	-	-
Fines and forfeitures	670,066	-	-	-
Charges for services	1,246,481	-	-	-
Investment income	17,121	2,094	-	8,596
Intergovernmental revenue	90,362	-	-	-
Other	29,857	-	184,855	-
Total Revenues	15,798,646	4,841,895	184,855	8,596
Expenditures				
Current:				
General government	4,223,783	-	-	-
Public safety	6,922,293	-	-	-
Public works	1,038,170	-	-	-
Culture and recreation	2,549,648	-	-	-
Capital projects	-	-	1,406,201	3,085,540
Debt service:				
Principal	-	3,500,000	-	-
Interest and fiscal charges	-	2,256,878	-	-
Bond issuance costs	-	-	-	131,304
Total Expenditures	14,733,894	5,756,878	1,406,201	3,216,844
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,064,752	(914,983)	(1,221,346)	(3,208,248)
Other Financing Sources (Uses)				
Bonds issued	-	-	-	6,000,000
Bond premium	-	-	-	162,712
Transfers in	500,000	950,000	454,000	-
Transfers (out)	(950,000)	-	-	-
Sale of capital assets	21,174	-	-	-
Total Other Financing Sources (Uses)	(428,826)	950,000	454,000	6,162,712
Net Change in Fund Balances	635,926	35,017	(767,346)	2,954,464
Beginning fund balances	3,577,117	469,433	4,761,295	9,659,253
Ending Fund Balances	\$ 4,213,043	\$ 504,450	\$ 3,993,949	\$ 12,613,717

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

<u>Metro</u>	<u>Equipment Replacement</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 13,468,975
-	-	-	2,590,958
-	-	59,698	1,441,398
-	-	-	1,142,927
-	-	49,084	719,150
-	-	-	1,246,481
1,976	-	-	29,787
801,000	-	-	891,362
-	-	37,910	252,622
<u>802,976</u>	<u>-</u>	<u>146,692</u>	<u>21,783,660</u>
-	-	48,374	4,272,157
-	-	38,051	6,960,344
-	-	-	1,038,170
-	-	36,853	2,586,501
444,648	1,078,763	-	6,015,152
-	-	-	3,500,000
-	-	-	2,256,878
-	-	-	131,304
<u>444,648</u>	<u>1,078,763</u>	<u>123,278</u>	<u>26,760,506</u>
<u>358,328</u>	<u>(1,078,763)</u>	<u>23,414</u>	<u>(4,976,846)</u>
-	-	-	6,000,000
-	-	-	162,712
-	1,240,600	-	3,144,600
-	-	-	(950,000)
-	-	-	21,174
<u>-</u>	<u>1,240,600</u>	<u>-</u>	<u>8,378,486</u>
358,328	161,837	23,414	3,401,640
3,729,667	295,414	248,831	22,741,010
<u>\$ 4,087,995</u>	<u>\$ 457,251</u>	<u>\$ 272,245</u>	<u>\$ 26,142,650</u>

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CITY OF BELLAIRE, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

Net changes in fund balances - governmental funds \$ 3,401,640

Adjustments for the Statement of Activities:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital asset activity during the year is as follows.

Capital outlay of capital assets	4,514,213
Depreciation	(2,728,526)
Net effect of miscellaneous transactions involving capital outlay	(66,585)

Revenues that do not provide current financial resources are not reported as revenues in the funds.

Deferred revenue	(19,662)
------------------	----------

Bond and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.

Principal payments	3,500,000
Bonds issued	(6,000,000)
Changes in premium on bonds	(65,437)
Changes in amortization of debt items	(111,810)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This adjustment reflects the net change in interest payable on the accrual basis of accounting and the net change in compensated absences.

Accrued interest	1,131
OPEB obligation	(30,187)
Pension obligation	(98,070)
Compensated absences	(16,429)

Change in Net Position of Governmental Activities	\$ 2,280,278
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See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUND

September 30, 2013

	Business-Type Activities Enterprise Fund
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 3,436,043
Investments	1,323,171
Receivables (net of allowance)	1,230,484
Prepaid items	533,019
Total Current Assets	6,522,717
Noncurrent assets:	
Capital assets:	
Land	256,148
Construction in progress	530,987
Buildings and improvements	9,068,353
Infrastructure	81,421,597
Vehicles and equipment	4,364,759
Less: accumulated depreciation	(49,471,194)
Total Capital Assets, (Net)	46,170,650
Total Noncurrent Assets	46,170,650
Total Assets	\$ 52,693,367
<u>Liabilities and Net Position</u>	
Current liabilities:	
Accounts payable	\$ 317,579
Customer deposits	96,250
Total Current Liabilities	413,829
Noncurrent liabilities:	
Long-term liabilities due in less than one year	67,841
Long-term liabilities due in more than one year	170,275
Total Noncurrent Liabilities	238,116
Total Liabilities	651,945
Net position:	
Net investment in capital assets	46,170,650
Unrestricted	5,870,772
Total Net Position	\$ 52,041,422

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND

For the Year Ended September 30, 2013

	Business-Type Activities
	Enterprise Fund
<u>Operating Revenues</u>	
Water services	\$ 4,065,706
Sewer services	2,433,842
Solid waste services	1,436,194
Miscellaneous	92,712
Total Operating Revenues	8,028,454
<u>Operating Expenses</u>	
Water production	497,249
Water distribution	302,018
Wastewater collection	378,755
Wastewater treatment	842,307
Solid waste	1,274,696
Surface water conversion	1,608,262
Utility billing and meter reading	218,757
Net pension obligation/OPEB expense	13,976
Depreciation	2,011,446
Total Operating Expenses	7,147,466
Operating Income	880,988
<u>Non-Operating Revenues</u>	
Gain on investments	6,075
Gain on sale of capital assets	2,115
Total Non-Operating Revenues	8,190
Income Before Contributions and Transfers	889,178
Capital contribution	876,687
Transfers (out)	(2,194,600)
Change in Net Position	(428,735)
Beginning net position	52,470,157
Ending Net Position	\$ 52,041,422

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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CITY OF BELLAIRE, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

For the Year Ended September 30, 2013

	Business-Type Activities Enterprise Fund
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 8,463,055
Payments to suppliers	(4,125,229)
Payments to employees	(1,002,119)
Net Cash Provided by Operating Activities	3,335,707
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers (out) to other funds	(2,194,600)
Net Cash (Used) by Noncapital Financing Activities	(2,194,600)
<u>Cash Flows from Investing Activities</u>	
Purchase of investments	(153,702)
Gain on sale of capital assets	2,115
Net Cash (Used) by Investing Activities	(151,587)
Net increase Cash and Cash Equivalents	989,520
Beginning cash and cash equivalents	2,446,523
Ending Cash and Cash Equivalents	\$ 3,436,043
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ 880,988
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,011,446
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	427,371
Prepaid expenses	(35,845)
Increase (Decrease) in:	
Accounts payable	30,541
Customer deposits	7,230
TMRS, OPEB, and compensated absences obligation	13,976
Net Cash Provided by Operating Activities	\$ 3,335,707
Noncash investing, capital, and financing activities:	
Contributions of capital assets from governmental funds	\$ 876,687
Gain on investments	\$ 6,075

See Notes to Financial Statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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CITY OF BELLAIRE, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bellaire, Texas (the “City”) was incorporated under the laws of the State of Texas on June 24, 1918. The City operates under a “Home Rule Charter” which provides for a “Council-Manager” form of government.

The City Council is the principal legislative body of the City. The City Manager is appointed by a majority vote of the City Council and is responsible to the Council for the administration of all the affairs of the City. The City Manager is responsible for appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

The City provides the following services: public safety to include police, fire, and emergency medical services; highways and streets; sanitation; water and sewer services; recreation; public improvements; planning and zoning; and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these general purpose financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City’s financial reporting entity. No other entities have been included in the City’s reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City’s financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City’s financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

B. Government – Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the City as a whole. These statements include all activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following governmental funds:

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, and culture and recreation. The general fund is considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Special Revenue Fund

The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue fund is considered nonmajor for reporting purposes.

Capital Projects Funds

The capital projects funds are used to account for the expenditures of resources accumulated from the sale of bonds and related interest earnings for capital improvement projects. The capital projects funds include the capital improvement fund, which accounts for those projects funded by tax revenue; the bond fund, which includes those projects funded with bond proceeds; the metro fund; and the equipment replacement fund, which includes those projects funded with revenue from other governmental sources. The capital improvement fund, the bond fund, the metro fund, and equipment replacement fund are considered major funds for reporting purposes.

The City reports the following proprietary funds:

Enterprise Fund

The enterprise fund is used to account for the operations that provide water and wastewater collection and wastewater treatment as well as solid waste services. The services are financed and

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NOTES TO FINANCIAL STATEMENTS (Continued)
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operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The enterprise fund is considered a major fund for reporting purposes.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and

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NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at amortized cost. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturities of three months or less when purchased to be cash equivalents.

Cash balances from all funds are combined and invested in money market accounts, investment pools, and U.S. Government securities. Earnings from these investments are allocated to each fund based on month end equity balances in the investment pool.

2. Investments

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit
- Mutual funds of specific type
- Statewide investment pools

3. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method). Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are also recognized as expenditures when utilized.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

assets and improvements are capitalized as projects are constructed. The cost of a significant portion of the capital assets in the infrastructure category has been estimated based on management's estimated historical cost.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effect of capitalization materially impacts the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years:

Asset Description	Estimated Useful Life
Infrastructure	10 to 40 years
Building and improvements	5 to 40 years
Vehicles and equipment	4 to 10 years

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and ambulance services. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

6. Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits, and compensatory time. Amounts accumulated may be paid to employees upon termination of employment or during employment in accordance with the City's personnel policy. The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. The long-term debt consists primarily of bonds payable and accrued compensated absences. Long-term debt for governmental funds is not reported as a liability in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payment of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with interest earned in the debt service fund. Though a portion of the general obligation debt was directly related to the purchase of water and sewer infrastructure, the debt service expenditures are included in the governmental fund financial statements, as they are expected to be paid from debt service tax revenues instead of water system revenues.

8. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

9. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). Amounts that cannot be spent because they are classified as nonspendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions are classified as restricted fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

11. Other Post Employment Benefits

The City allows retirees to continue participation in the City's health care plan through an opt-in provision. Employees separating employment with the City who have had at least five years of service with the City and who are eligible for Texas Municipal Retirement System retirement benefits at the date of separation may purchase retiree health insurance through the City. Other terminating employees may be eligible for continued medical coverage under applicable federal laws.

12. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied during September of each year, are due upon receipt of the City's tax bill, and become delinquent on February 1 of the following year. The City's tax lien exists from January 1 (the assessment date) each year until the taxes are paid. The penalties and interest accumulate on the unpaid accounts until July 1, at which time the delinquent accounts are turned over to the tax attorney for legal action. The interest continues to accumulate on the account at one percent per month, but the penalty remains at a maximum of 12 percent until paid.

A penalty of six percent and interest of one percent is added to delinquent taxes on February 1. The penalty amount increases to a maximum of 12 percent on July 1 of each year, with interest continuing to increase at one percent per month until the account is paid. An additional penalty of 15 percent is added in July for attorney costs. There are no discounts allowed on taxes.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with Generally Accepted Accounting Principles except the capital projects funds, which adopt a project length budget. The original budget is adopted by the City Council prior to the beginning of the fiscal year. The legal level of control as defined by the charter is the department in the approved general fund budget. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

As of September 30, 2013, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
U.S. agencies	\$ 5,004,229	2.17
External investment pools		
TexPool	17,248,252	0.00
TexStar	2,316,070	0.00
Total Fair Value	\$ 24,568,551	
Portfolio weighted average maturity		0.44

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 365 days.

Credit risk. State law and the City's investment policy limit investments to obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. Further, commercial paper must be rated not less than "A-1" or "P-1" or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2013, the City's investments in TexPool and TexSTAR were rated AAAM by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States government or the issuing U.S. agency.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2013, fair values of pledged securities and FDIC insurance exceeded bank balances.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safe keep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rated TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexSTAR

The Texas Short Term Asset Reserve Fund (TexSTAR) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexSTAR was created in April 2002 by a contract among its participating governmental units and is governed by a board of directors. JPMorgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators, providing investment management services, participant services, and marketing, respectively. JPMorgan Chase Bank and/or its subsidiary, J.P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services.

B. Receivables

The following comprise receivable balances at year end:

	General	Debt Service	Nonmajor Special Revenue	Enterprise
Property taxes	\$ 128,807	\$ 72,864	\$ -	\$ -
Other taxes	811,210	-	14,248	-
Accounts	40,722	-	-	1,241,885
Assessments	-	-	-	2,790
Other	-	-	-	1,965
Less allowance	(24,017)	-	-	(16,156)
Total	\$ 956,722	\$ 72,864	\$ 14,248	\$ 1,230,484

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NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

C. Capital Assets

A summary of changes in capital assets at year end is as follows:

	Primary Government			
	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land and intangibles	\$ 5,668,439	\$	\$ -	\$ 5,668,439
Construction in progress	5,278,941	3,908,165	(1,436,503)	7,750,603
Total capital assets not being depreciated	10,947,380	3,908,165	(1,436,503)	13,419,042
Other capital assets:				
Infrastructure	79,206,221	1,436,503	(210,000)	80,432,724
Buildings and improvements	14,544,144	-	(12,620)	14,531,524
Vehicles and equipment	4,536,166	606,048	(112,908)	5,029,306
Total other capital assets	98,286,531	2,042,551	(335,528)	99,993,554
Less accumulated depreciation for:				
Infrastructure	(35,682,980)	(1,982,999)	210,000	(37,455,979)
Buildings and improvements	(8,615,748)	(438,731)	335	(9,054,144)
Vehicles and equipment	(3,060,419)	(306,796)	58,608	(3,308,607)
Total accumulated depreciation	(47,359,147)	(2,728,526)	268,943	(49,818,730)
Other capital assets, net	50,927,384	(685,975)	(66,585)	50,174,824
Governmental Activities Capital Assets, Net	\$ 61,874,764	\$ 3,222,190	\$ (1,503,088)	63,593,866
			Plus unspent proceeds	13,161,879
			Plus deferred charge on refunding	2,167,914
			Less associated debt	(60,740,726)
			Net investment in capital assets	\$ 18,182,933

Depreciation was charged to governmental functions as follows:

General government	\$ 88,550
Public safety	346,612
Public works	1,844,031
Culture and recreation	449,333
Total Governmental Activities Depreciation Expense	\$ 2,728,526

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

Construction in progress and remaining commitments under related construction contracts for general government construction projects at September 30, 2013, are as follows:

Project Description	Authorized Contract	Contract Expenditures	Remaining Commitment
Baldwin Reconstruction	\$ 7,386,644	\$ 6,370,115	\$ 1,016,529
Drainage Phase 4	6,415,154	582,923	5,832,231
Drainage Phase 5	1,564,812	166,460	1,398,352
Evergreen and Bellaire Pools	47,445	27,559	19,886
Facilities Assessment	56,930	56,930	-
Great Lawn	729,930	514,121	215,809
Street Conditions	206,240	26,625	179,615
Streetscapes	7,500	5,870	1,630
Watfinding Signs	22,500	-	22,500
Totals	\$ 16,437,155	\$ 7,750,603	\$ 8,686,552

The following is a summary of changes in capital assets for business-type activities at fiscal year end:

	Beginning Balance	Increases	(Decreases)	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 256,148	\$ -	\$ -	\$ 256,148
Construction in progress	3,755,856	626,967	(3,851,836)	530,987
Total capital assets not being depreciated	4,012,004	626,967	(3,851,836)	787,135
Other capital assets:				
Infrastructure	81,421,597	-	-	81,421,597
Buildings and improvements	7,612,877	1,455,476	-	9,068,353
Vehicles and equipment	1,762,211	2,646,080	(43,532)	4,364,759
Total other capital assets	90,796,685	4,101,556	(43,532)	94,854,709
Less accumulated depreciation for:				
Infrastructure	(39,840,904)	(1,684,807)	-	(41,525,711)
Buildings and improvements	(6,272,637)	(216,499)	-	(6,489,136)
Vehicles and equipment	(1,389,739)	(110,140)	43,532	(1,456,347)
Total accumulated depreciation	(47,503,280)	(2,011,446)	43,532	(49,471,194)
Other capital assets, net	43,293,405	2,090,110	-	45,383,515
Business-Type Activities Capital Assets, Net	\$ 47,305,409	\$ 2,717,077	\$ (3,851,836)	\$ 46,170,650

Depreciation was charged to business-type functions as follows:

Water system	\$ 951,398
Sewer system	987,402
Solid waste disposal	72,646
Total Business-Type Activities Depreciation Expense	\$ 2,011,446

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

Construction in progress and remaining commitments under related construction contracts for enterprise fund construction projects at September 30, 2013, are as follows:

Project Description	Authorized Contract	Contract Expenditures	Remaining Commitment
Central Water Well Rehab	\$ 864,915	\$ 498,049	\$ 366,866
Evergreen Plant Demolition	32,938	32,938	-
Total	\$ 897,853	\$ 530,987	\$ 366,866

D. Long-Term Debt

Long-term debt at year end was comprised of the following issues:

Description	Interest Rates	Balance
General Obligation Bonds		
Series 2006	4.25-5.00%	\$ 50,000
Series 2007	4.00-5.25%	150,000
Series 2009	3.00-4.80%	6,435,000
Series 2009-A	2.00-4.20%	6,700,000
Series 2010	2.00-4.00%	15,365,000
Series 2010-A	3.25-4.25%	5,710,000
Series 2011	3.25-4.25%	6,450,000
Series 2011-A Ref	2.00-4.00%	6,280,000
Series 2011-B Ref	2.00-4.00%	8,195,000
Series 2012 Ref	1.00-3.00%	9,540,000
Series 2013	1.00-3.00%	6,000,000
Total Long-Term Debt		\$ 70,875,000

The annual requirements to amortize general obligation bonds and notes payable outstanding are as follows:

Year Ending Sept. 30	General Obligation Bonds		
	Principal	Interest	Total
2014	\$ 3,690,000	\$ 2,336,077	\$ 6,026,077
2015	3,375,000	2,268,760	5,643,760
2016	3,455,000	2,184,935	5,639,935
2017	3,575,000	2,088,166	5,663,166
2018	3,280,000	1,989,210	5,269,210
2019-2023	18,225,000	8,282,701	26,507,701
2024-2028	20,285,000	4,777,222	25,062,222
2029-2033	10,955,000	1,745,972	12,700,972
2034-2038	4,035,000	290,150	4,325,150
Total	\$ 70,875,000	\$ 25,963,193	\$ 96,838,193

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences, net pension obligation, and net other post employment benefit obligations are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

The following is a summary of changes in the City's total long-term liabilities for the year ended. In general, the City uses the general and debt service funds to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ 68,375,000	\$ 6,000,000	\$ (3,500,000)	\$ 70,875,000	\$ 3,690,000
	<u>68,375,000</u>	<u>6,000,000</u>	<u>(3,500,000)</u>	<u>70,875,000</u>	<u>3,690,000</u>
Other liabilities:					
Net OPEB obligation	152,693	30,187	-	182,880	-
Net pension obligation	1,386,823	98,070	-	1,484,893	-
Premiums	1,857,274	162,712	(97,275)	1,922,711	-
Compensated absences	524,971	475,214	(458,785)	541,400	487,260
Total Governmental Activities	<u>\$ 72,296,761</u>	<u>\$ 6,766,183</u>	<u>\$ (4,056,060)</u>	<u>\$ 75,006,884</u>	<u>\$ 4,177,260</u>
Long-term liabilities due in more than one year				<u>\$ 70,829,624</u>	
Business-Type Activities					
Other liabilities:					
Compensated absences	\$ 67,150	\$ 66,164	\$ (57,935)	\$ 75,379	\$ 67,841
Net OPEB obligation	15,571	2,274	-	17,845	-
Net pension obligation	141,419	3,473	-	144,892	-
Total Business-Type Activities	<u>\$ 224,140</u>	<u>\$ 71,911</u>	<u>\$ (57,935)</u>	<u>\$ 238,116</u>	<u>\$ 67,841</u>
Long-term liabilities due in more than one year				<u>\$ 170,275</u>	
Debt associated with governmental capital assets				<u>\$ 60,740,726</u>	
Debt associated with business-type capital assets				<u>\$ 10,134,274</u>	

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds are from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

On November 8, 2005, the voters of the City approved a \$50 million bond proposition with bonds to be issued over a ten year period. On September 15, 2013, the City issued \$6 million in general obligation bonds, representing the sixth installment of bonds authorized by the voters in 2005. Proceeds will be used for street and drainage improvements and to pay the costs of issuing the bonds. As of September 30, 2013, \$14.5 million remain authorized but unissued.

On November 5, 2013, the voters of the City approved a \$16.5 million bond proposition. Voters approved \$11 million for improvements to municipal buildings and facilities, \$5 million for improvements at Evelyn's Park, and \$0.5 million for improvements to Nature Discovery Center buildings and grounds at Russ Pittman Park.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

Advanced Refunding

In 2012, the City issued \$9,625,000 of general obligation refunding bonds, series 2012 to provide resources to purchase direct obligations of the United States of America that were placed in an irrevocable trust for the purpose of generating resources for future debt services payments in the amount of \$4,800,000 for a portion of the City's outstanding general obligation bonds, series 2006 and \$4,200,000 for a portion of the City's outstanding general obligation bonds, series 2007. As a result, the refunded portions of the bonds are considered to be defeased and the liability is not included in the City's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$741,709. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. The transaction resulted in an economic gain of \$1,178,877 and a reduction of \$1,460,947 in future debt service payments. At September 30, 2013, \$9,000,000 of the defeased bonds were outstanding related to the refunding.

E. Interfund Transactions

Transfers between funds during the year were as follow:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
Individual major governmental funds:		
General	\$ 500,000	\$ 950,000
Debt service	950,000	-
Capital improvement	454,000	-
Other non-major governmental fund	1,240,600	-
Total Governmental Funds	<u>3,144,600</u>	<u>950,000</u>
Enterprise Funds:		
Individual major enterprise funds:		
Water and sewer	-	2,194,600
Total Enterprise Funds	<u>-</u>	<u>2,194,600</u>
Total Transfers	<u>\$ 3,144,600</u>	<u>\$ 3,144,600</u>

The general fund transferred funds to the capital replacement fund and to the pay-as-you-go capital improvement fund to fund the purchase of equipment and capital improvement projects. The enterprise fund transferred funds to the debt service fund to pay a portion of the principal and interest on general obligation debt used to finance capital improvements used in the enterprise activities. The enterprise fund transferred funds to the general fund to cover administrative costs performed for the enterprise fund by the general fund.

F. Restatement of Net Position and Fund Balance

In the fiscal year ending September 30, 2013, the City implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. In accordance with this statement, beginning net position of the governmental activities has been reduced by \$1,519,459 to remove previously capitalized bond issuance costs. In addition, beginning net position of governmental and business-type activities have been restated by \$67,150 in order to correctly reflect the allocation of compensated absences. The general fund balance has been restated by \$248,831 due to a reclassification of special revenues to its own fund.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

See below for a reconciliation of changes in beginning net position:

	General Fund	Nonmajor Special Revenue Fund	Governmental Activities	Business-Type Activities and Enterprise Fund
Prior year ending net position/fund balance as reported	\$ 3,825,948	\$ -	\$ 15,984,457	52,537,307
Reclassification of special revenue fund	(248,831)	248,831	-	-
Compensated absences	-	-	67,150	(67,150)
Bond issuance costs	-	-	(1,519,459)	-
Beginning net position/fund balance	<u>\$ 3,577,117</u>	<u>\$ 248,831</u>	<u>\$ 14,532,148</u>	<u>\$ 52,470,157</u>

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates along with 2,617 other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three fiscal years.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is obligated to pay accrued compensation, contingent upon termination of the City Manager's contract, of ten percent of the monthly salary for the period from December 1, 2008 through November 30, 2013.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, it could result in a substantial liability to the City. The City engages an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

C. Pension Plan

Texas Municipal Retirement System

Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 833 administered by TMRS, an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and Required Supplementary Information for TMRS. The report also provides detailed explanations of the contributions, benefits, and actuarial methods and assumptions used by TMRS. This report may be obtained from TMRS' website at www.TMRS.com.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>2013</u>	<u>2012</u>
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the remainder of the plan's 30-year amortization period. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits such as updated service credits and annuity increases.

The City contributes to the Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

The annual pension cost and the net pension obligation (asset) are as follows:

Annual required contribution (ARC)	\$ 1,982,387
Interest on net pension obligation (NPO)	106,977
Adjustment to the ARC	<u>(93,988)</u>
Annual pension cost (APC)	1,995,376
Contributions made	<u>(1,893,833)</u>
Increase in NPO	101,543
NPO-beginning of year	1,528,242
NPO-end of year	<u><u>\$ 1,629,785</u></u>

Three-year trend information for the annual pension cost (APC) is as follows:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution Made</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2011	\$ 2,303,057	\$ 1,850,770	80.36%	\$ 1,329,457
2012	\$ 2,028,376	\$ 1,829,591	90.20%	\$ 1,528,242
2013	\$ 1,995,376	\$ 1,893,833	94.91%	\$ 1,629,785

The required contribution rates for fiscal year 2013 were determined by the December 31, 2010 and 2011 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level % of Payroll	Level % of Payroll	Level % of Payroll
Remaining Amortization Period	25 Years - Closed	26 Years - Closed	27 Years - Closed
Amortization Period for New Gains/Losses	30 years	30 years	30 years
Asset Valuation Method	10-Year Smoothed Market	10-Year Smoothed Market	10-Year Smoothed Market
Investment Rate of Return	7.0%	7.0%	7.0%
Projected Salary Increases	Varies by age and	Varies by age and	Varies by age and
Includes Inflation at	3.00%	3.00%	3.00%
Cost of Living Adjustments	2.10%	2.10%	2.10%

The funded status as of December 31, 2012, the most recent valuation date, is as follows:

	<u>2013</u>
Actuarial Valuation Date	12/31/2012
Actuarial Value of Assets	\$ 50,862,700
Actuarial Accrued Liability	\$ 64,179,468
Percentage Funded	79.3%
Unfunded Liability (UAAL)	\$ 13,316,768
Annual Covered Payroll	\$ 8,485,625
UAAL as a Percentage of Covered Payroll	156.9%

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

D. Other Post Employment Benefits

1. City of Bellaire Retiree Health Care Plan

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for those remaining in the City's employment, the City administers a single-employer defined benefit other post employment benefits (OPEB) plan that will allow the retiree to pay their premium for continuation of the medical and dental insurance coverage. The plan is known as the City Retiree Health Care Plan (the "Plan").

In order to be eligible for this benefit, the retiree must separate from service with at least five years of service with the City and be a current recipient of retirement benefits from the TMRS. The health care benefit of the Plan is available to the spouse and any dependent(s) if they were on the Plan at the beginning of the Plan year in which the employee retires. Furthermore, a dependent is eligible for coverage if they have not reached age 25. Eligibility for coverage for the spouse ends when Medicare coverage begins.

Funding Policy

The City has elected to subsidize premiums for the Plan and funding is provided on a pay-as-you-go basis.

Annual OPEB Cost

The City's OPEB cost (expense) calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

The following table shows the components of the City's annual OPEB cost of the year, the amount actually contributed to the Plan, and the City's net OPEB obligation:

Annual Required Contribution	\$ 64,499
Interest on OPEB Obligation	7,573
Adjustment to ARC	(7,015)
End of Year Annual OPEB Cost	65,057
Net Estimated Employer Contributions	(32,595)
Increase in Net OPEB Obligation	32,462
Beginning of Year Net OPEB Obligation	168,263
End of Year Net OPEB Obligation	<u>\$ 200,725</u>

A separately audited GAAP-basis post employment benefit plan report is not available. The City's annual OPEB cost, the percentage of annual OPEB cost contributed on the Plan, and the net OPEB obligation for 2013 and the two preceding years are as follows:

Fiscal Year	Annual OPEB	Annual OPEB	Percentage of	Net OPEB Obligation	
	Cost (ARC)	Contribution	Annual OPEB Cost Contributed	Beginning	Ending
2011	\$ 61,098	\$ 22,338	36.56%	\$ 91,058	\$ 129,818
2012	\$ 63,050	\$ 24,605	39.02%	\$ 129,818	\$ 168,263
2013	\$ 65,057	\$ 32,595	50.10%	\$ 168,263	\$ 200,725

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$606,586, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$606,586. The annual covered payroll is \$8,911,808 and the (UAAL) as a percentage of covered payroll is 6.8 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

The projected unit credit actuarial cost method is used to calculate the GASB ARC for the City's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability. Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the City's employees to that point. Actuarial calculations reflect a long-term perspective and employ

CITY OF BELLAIRE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2013

methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The following is a summary of the actuarial assumptions:

Inflation rate	3.00% per annum
Investment rate of return	4.50%, net of expenses
Actuarial cost method	Projected unit credit cost method
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year open amortization
Salary growth	3.00% per annum
Healthcare cost trend rate	Initial rate of 9.0% declining to an ultimate rate of 4.50% after 9 years

2. TMRS - Supplemental Death Benefit Fund

Plan Description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an OPEB. The obligations of this plan are payable only from the SDBF and are not an obligation of, or a claim against, the Pension Trust Fund. For the year ended September 30, 2013, the City offered the supplemental death benefit to both active and retired employees.

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. The City's contributions to the TMRS SDBF for the fiscal years ended 2013, 2012, and 2011 were \$4,276, \$4,255, and \$4,440 respectively. The City's contribution rates for the retiree portion, for the past three years are shown below:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual Req. Contrib. (Rate)	0.05%	0.05%	0.05%
Actual Contribution Made	0.05%	0.05%	0.05%
Percentage of ARC Contrib.	100.00%	100.00%	100.00%

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BELLAIRE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)

GENERAL FUND

For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Positive (Negative)
Revenues				
Property taxes	\$ 8,590,240	\$ 8,590,240	\$ 8,629,174	\$ 38,934
Sales taxes	2,000,000	2,000,000	2,590,958	590,958
Franchise fees	1,306,000	1,306,000	1,381,700	75,700
Licenses and permits	787,750	787,750	1,142,927	355,177
Fines and forfeitures	810,000	810,000	670,066	(139,934)
Charges for services	1,287,850	1,287,850	1,246,481	(41,369)
Investment income	22,000	22,000	17,121	(4,879)
Intergovernmental	-	-	90,362	90,362
Other revenue	29,700	29,700	29,857	157
Total Revenues	14,833,540	14,833,540	15,798,646	965,106
Expenditures				
Current				
General government:				
Administration	2,251,391	2,300,463	2,300,463	-
Finance	1,075,268	1,076,895	1,069,272	7,623
Legal	137,000	101,833	96,912	4,921
Community development	816,110	776,193	757,136	19,057
Total General Government	4,279,769	4,255,384	4,223,783	31,601
Public safety:				
Police	4,790,003	4,797,438	4,608,454	188,984
Fire	2,268,935	2,313,839	2,313,839	-
Total Public Safety	7,058,938	7,111,277	6,922,293	188,984
Public works:				
	1,066,830	1,057,783	1,038,170	19,613

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)
GENERAL FUND

For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Positive (Negative)
Culture and recreation:				
Library	\$ 594,319	\$ 595,875	\$ 590,434	\$ 5,441
Parks and recreation	1,997,398	1,998,935	1,959,214	39,721
Total Culture and Recreation	<u>2,591,717</u>	<u>2,594,810</u>	<u>2,549,648</u>	<u>45,162</u>
Capital Outlay	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>15,019,254</u>	<u>15,019,254</u>	<u>14,733,894</u>	<u>285,360</u>
Revenues Over (Under) Expenditures	<u>(185,714)</u>	<u>(185,714)</u>	<u>1,064,752</u>	<u>1,250,466</u>
Other Financing Sources (Uses)				
Transfers in	500,000	500,000	500,000	-
Transfers (out)	(950,000)	(950,000)	(950,000)	-
Sale of capital assets	10,000	10,000	21,174	11,174
Total Other Financing (Uses)	<u>(440,000)</u>	<u>(440,000)</u>	<u>(428,826)</u>	<u>11,174</u>
Net Change in Fund Balance	<u>\$ (625,714)</u>	<u>\$ (625,714)</u>	<u>635,926</u>	<u>\$ 1,261,640</u>
Beginning fund balance			<u>3,577,117</u>	
Ending Fund Balance			<u>\$ 4,213,043</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
SCHEDULE OF FUNDING PROGRESS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended September 30, 2013

Fiscal Year	2013	2012	2011
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
Actuarial Value of Assets	\$ 50,862,700	\$ 47,935,878	\$ 44,315,806
Actuarial Accrued Liability	\$ 64,179,468	\$ 61,907,649	\$ 58,818,858
Percentage Funded	79.3%	77.4%	75.3%
Unfunded Actuarial			
Accrued Liability (UAAL)	\$ 13,316,768	\$ 13,971,771	\$ 14,503,052
Annual Covered Payroll	\$ 8,485,625	\$ 8,525,435	\$ 8,573,923
UAAL % of Covered Payroll	156.9%	163.9%	169.2%
Net Pension Obligation (NPO)			
at the Beginning of Period	\$ 1,528,242	\$ 1,329,457	\$ 877,170
Annual Pension Cost (APC)	1,995,376	2,028,376	2,303,057
Contributions Made	1,893,833	1,829,591	1,850,770
NPO at the End of Period	\$ 1,629,785	\$ 1,528,242	\$ 1,329,457

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
SCHEDULE OF FUNDING PROGRESS
POST EMPLOYMENT HEALTHCARE BENEFITS
For the Year Ended September 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/08	\$ -	\$ 530,101	\$ 530,101	0.0%	\$ 8,421,545	0.068
12/31/10	\$ -	\$ 606,586	\$ 606,586	0.0%	\$ 8,573,923	0.071

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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SCHEDULE

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CITY OF BELLAIRE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended September 30, 2013

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Property taxes	\$ 4,811,028	\$ 4,839,801	\$ 28,773
Investment income	3,000	2,094	(906)
Total Revenues	4,814,028	4,841,895	27,867
<u>Expenditures</u>			
Debt Service:			
Principal	3,500,000	3,500,000	-
Interest and fiscal charges	2,264,028	2,256,878	7,150
Total Expenditures	5,764,028	5,756,878	7,150
Revenues (Under) Expenditures	(950,000)	(914,983)	35,017
<u>Other Financing Sources</u>			
Transfers in	950,000	950,000	-
Total Other Financing Sources	950,000	950,000	-
Net Change in Fund Balance	\$ -	35,017	\$ 35,017
Beginning fund balance		469,433	
Ending Fund Balance		\$ 504,450	

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the City's overall financial health.

Contents

Financial Trends (Page 74)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity (Page 84)

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity (Page 92)

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information (Page 100)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (Page 103)

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF BELLAIRE, TEXAS

NET POSITION BY COMPONENT

Last Ten Years
(accrual basis of accounting)

	2004	2005	2006	2007
Governmental activities				
Net investment in capital assets	\$ 1,670,365	\$ 366,315	\$ 13,774,019	\$ 14,988,313
Restricted	462,285	510,373	1,230,354	1,502,410
Unrestricted	(7,951,439)	(8,246,868)	(18,815,716)	(15,976,691)
Total governmental activities net position	<u>\$ (5,818,789)</u>	<u>\$ (7,370,180)</u>	<u>\$ (3,811,343)</u>	<u>\$ 514,032</u>
Business-type activities				
Net investment in capital assets	\$ 52,722,580	\$ 52,749,912	\$ 28,230,533	\$ 27,649,362
Unrestricted	2,829,094	3,022,672	26,714,236	26,750,066
Total business-type activities net position	<u>\$ 55,551,674</u>	<u>\$ 55,772,584</u>	<u>\$ 54,944,769</u>	<u>\$ 54,399,428</u>
Primary government				
Net investment in capital assets	\$ 54,392,945	\$ 53,116,227	\$ 42,004,552	\$ 42,637,675
Restricted	462,285	510,373	1,230,354	1,502,410
Unrestricted	(5,122,345)	(5,224,196)	7,898,520	10,773,375
Total primary government net position	<u>\$ 49,732,885</u>	<u>\$ 48,402,404</u>	<u>\$ 51,133,426</u>	<u>\$ 54,913,460</u>

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
\$ 17,192,431	\$ 20,142,375	\$ 20,142,375	\$ 12,017,357	\$ 15,390,597	\$ 18,182,933
1,320,445	6,030,817	5,774,390	18,225,436	14,039,667	17,478,407
(16,788,928)	(18,317,743)	(15,571,685)	(15,474,282)	(13,445,807)	(18,848,914)
<u>\$ 1,723,948</u>	<u>\$ 7,855,449</u>	<u>\$ 10,345,080</u>	<u>\$ 14,768,511</u>	<u>\$ 15,984,457</u>	<u>\$ 16,812,426</u>
\$ 27,214,828	\$ 48,235,925	\$ 47,928,473	\$ 46,796,314	\$ 47,305,409	\$ 46,170,650
26,841,244	6,546,670	4,621,733	3,827,399	5,231,898	5,870,772
<u>\$ 54,056,072</u>	<u>\$ 54,782,595</u>	<u>\$ 52,550,206</u>	<u>\$ 50,623,713</u>	<u>\$ 52,537,307</u>	<u>\$ 52,041,422</u>
\$ 44,407,259	\$ 44,884,711	\$ 44,577,259	\$ 46,354,009	\$ 51,430,068	\$ 54,219,309
1,320,445	6,030,817	5,774,390	18,225,436	14,039,667	17,478,407
10,052,316	11,722,516	12,543,637	812,779	3,052,029	(2,843,868)
<u>\$ 55,780,020</u>	<u>\$ 62,638,044</u>	<u>\$ 62,895,286</u>	<u>\$ 65,392,224</u>	<u>\$ 68,521,764</u>	<u>\$ 68,853,848</u>

CITY OF BELLAIRE, TEXAS

CHANGES IN NET POSITION

Last Ten Years
(accrual basis of accounting)

	2004	2005	2006	2007
Expenses				
Governmental activities				
General government	\$ 2,132,867	\$ 3,772,324	\$ 2,998,315	\$ 3,962,970
Public safety	4,877,038	6,172,071	6,082,421	6,725,362
Public works	1,358,457	4,449,609	2,794,298	2,402,687
Culture and recreation	1,844,598	3,286,174	2,642,934	2,305,374
Interest on long-term debt	1,796,862	2,157,163	2,316,396	2,890,737
Total governmental activities expenses	<u>12,009,822</u>	<u>19,837,341</u>	<u>16,834,364</u>	<u>18,287,130</u>
Business-type activities				
Water	2,424,677	2,519,362	2,791,520	2,978,425
Sewer	2,211,684	2,168,384	1,846,556	2,635,638
Solid waste	1,016,516	1,033,518	1,877,648	1,202,965
Total business-type activities expenses	<u>5,652,877</u>	<u>5,721,264</u>	<u>6,515,724</u>	<u>6,817,028</u>
Total primary government expenses	<u>\$ 17,662,699</u>	<u>\$ 25,558,605</u>	<u>\$ 23,350,088</u>	<u>\$ 25,104,158</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 781,998	\$ 1,185,842	\$ 746,754	\$ 640,307
Public safety	949,803	928,789	919,960	971,266
Culture and recreation	1,146,870	1,252,700	1,281,879	1,184,398
Operating grants and contributions	993,731	885,934	871,709	1,982,373
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	<u>3,872,402</u>	<u>4,253,265</u>	<u>3,820,302</u>	<u>4,778,344</u>
Business-type activities				
Charges for services				
Water	2,118,585	2,297,818	2,388,257	2,670,344
Sewer	1,426,352	1,661,094	1,780,942	2,000,688
Solid waste	1,236,536	1,233,794	1,265,080	1,420,222
Operating grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>4,781,473</u>	<u>5,192,706</u>	<u>5,434,279</u>	<u>6,091,254</u>
Total primary government program revenues	<u>\$ 8,653,875</u>	<u>\$ 9,445,971</u>	<u>\$ 9,254,581</u>	<u>\$ 10,869,598</u>
Net (Expense)/Revenue				
Governmental activities	\$ (8,137,420)	\$ (15,584,076)	\$ (13,014,062)	\$ (13,508,786)
Business-type activities	(871,404)	(528,558)	(1,081,445)	(725,774)
Total primary government net expense	<u>\$ (9,008,824)</u>	<u>\$ (16,112,634)</u>	<u>\$ (14,095,507)</u>	<u>\$ (14,234,560)</u>

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
\$ 4,266,030	\$ 4,256,797	\$ 4,533,506	\$ 5,175,769	\$ 4,208,790	\$ 4,666,521
7,264,380	7,518,726	7,475,162	7,120,797	7,411,656	7,408,510
3,188,126	2,507,596	3,615,172	3,632,379	3,047,245	3,195,605
2,616,748	2,616,119	3,112,650	2,793,350	3,007,000	3,129,411
2,780,294	2,449,684	2,684,722	2,741,626	2,748,024	2,401,586
<u>20,115,578</u>	<u>19,348,922</u>	<u>21,421,212</u>	<u>21,463,921</u>	<u>20,422,715</u>	<u>20,801,633</u>
3,800,826	4,313,110	3,123,730	4,849,850	3,665,318	3,591,660
2,593,515	2,494,960	2,426,615	2,149,214	2,085,949	2,208,464
1,347,097	1,400,760	1,409,533	1,386,037	1,321,797	1,347,342
7,741,438	8,208,830	6,959,878	8,385,101	7,073,064	7,147,466
<u>\$ 27,857,016</u>	<u>\$ 27,557,752</u>	<u>\$ 28,381,090</u>	<u>\$ 29,849,022</u>	<u>\$ 27,495,779</u>	<u>\$ 27,949,099</u>
\$ 804,642	\$ 473,699	\$ 730,258	\$ 1,678,644	\$ 1,706,544	\$ 1,742,547
1,252,020	1,150,259	1,129,500	413,414	444,703	414,322
1,155,874	845,041	735,064	914,892	946,739	951,689
1,305,291	1,031,926	955,326	4,926,010	2,964,856	891,362
-	7,278,443	-	-	-	-
<u>4,517,827</u>	<u>10,779,368</u>	<u>3,550,148</u>	<u>7,932,960</u>	<u>6,062,842</u>	<u>3,999,920</u>
3,281,193	3,563,310	3,070,758	4,163,534	3,913,934	4,065,706
2,149,613	2,212,164	2,102,466	2,222,214	2,458,792	2,433,842
1,429,631	1,445,379	1,440,818	1,447,792	1,450,003	1,436,194
568,265	727,843	34,466	5,210	3,644	-
<u>7,428,702</u>	<u>14,499,296</u>	<u>6,648,508</u>	<u>7,838,750</u>	<u>7,826,373</u>	<u>7,935,742</u>
<u>\$ 11,946,529</u>	<u>\$ 25,278,664</u>	<u>\$ 10,198,656</u>	<u>\$ 15,771,710</u>	<u>\$ 13,889,215</u>	<u>\$ 11,935,662</u>
\$ (15,597,751)	\$ (8,569,554)	\$ (17,871,064)	\$ (13,530,961)	\$ (14,359,873)	\$ (16,801,713)
(312,736)	6,290,466	(311,370)	(546,351)	753,309	788,276
<u>\$ (15,910,487)</u>	<u>\$ (2,279,088)</u>	<u>\$ (18,182,434)</u>	<u>\$ (14,077,312)</u>	<u>\$ (13,606,564)</u>	<u>\$ (16,013,437)</u>

CITY OF BELLAIRE, TEXAS

CHANGES IN NET POSITION (Continued)

Last Ten Years
(accrual basis of accounting)

	2004	2005	2006	2007
General Revenues and				
Other Changes in Net Position				
Governmental activities				
Property taxes	\$ 10,073,641	\$ 10,576,879	\$ 11,111,716	\$ 11,558,741
Sales taxes	2,085,130	2,055,763	2,254,030	2,168,633
Franchise fees	1,113,352	1,165,774	1,185,730	1,276,569
Investment income	220,196	699,538	1,533,462	1,568,691
Miscellaneous	316,547	98,599	230,628	169,722
Transfers	(2,911,641)	(563,868)	11,238	76,872
Total governmental activities	10,897,225	14,032,685	16,326,804	16,819,228
Business-type activities				
Investment earnings	40,895	74,718	129,905	158,358
Other revenues	82,413	110,882	134,962	95,212
Gain on sale of capital assets	-	-	-	-
Transfers	2,911,641	563,868	(11,238)	(76,872)
Total business-type activities	3,034,949	749,468	253,629	176,698
Total primary government	\$ 13,932,174	\$ 14,782,153	\$ 16,580,433	\$ 16,995,926
Change in Net Position				
Governmental activities	\$ 2,759,805	\$ (1,551,391)	\$ 3,312,742	\$ 3,310,442
Business-type activities	2,163,545	220,910	(827,816)	(549,076)
Total primary government	\$ 4,923,350	\$ (1,330,481)	\$ 2,484,926	\$ 2,761,366

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
\$ 11,708,770	\$ 12,102,311	\$ 12,453,577	\$ 12,917,306	\$ 12,954,402	\$ 13,449,313
2,266,254	2,269,080	2,242,145	2,053,538	2,156,893	2,590,958
1,314,420	1,336,587	1,370,522	1,325,746	1,398,657	1,441,398
891,011	243,367	105,393	82,226	53,804	29,787
388,022	649,507	2,134,344	76,530	46,728	252,622
239,190	(46,353)	2,054,714	1,499,046	(1,034,665)	1,317,913
<u>16,807,667</u>	<u>16,554,499</u>	<u>20,360,695</u>	<u>17,954,392</u>	<u>15,575,819</u>	<u>19,081,991</u>
118,767	68,955	39,267	21,806	(10,686)	6,075
89,803	216,316	94,428	97,098	114,556	92,712
-	-	-	-	21,750	2,115
(239,190)	46,353	(2,054,714)	(1,499,046)	1,034,665	(1,317,913)
(30,620)	331,624	(1,921,019)	(1,380,142)	1,160,285	(1,217,011)
<u>\$ 16,777,047</u>	<u>\$ 16,886,123</u>	<u>\$ 18,439,676</u>	<u>\$ 16,574,250</u>	<u>\$ 16,736,104</u>	<u>\$ 17,864,980</u>
\$ 1,209,916	\$ 7,984,945	\$ 2,489,631	\$ 4,423,431	\$ 1,215,946	\$ 2,280,278
(343,356)	6,622,090	(2,232,389)	(1,926,493)	1,913,594	(428,735)
<u>\$ 866,560</u>	<u>\$ 14,607,035</u>	<u>\$ 257,242</u>	<u>\$ 2,496,938</u>	<u>\$ 3,129,540</u>	<u>\$ 1,851,543</u>

CITY OF BELLAIRE, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Years
 (modified accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	134,692	127,212	370,362	370,362
Assigned	-	-	-	-
Unassigned	7,130,945	9,924,181	10,785,641	10,785,641
Total general fund	<u><u>\$ 7,265,637</u></u>	<u><u>\$ 10,051,393</u></u>	<u><u>\$ 11,156,003</u></u>	<u><u>\$ 11,156,003</u></u>
 All Other Governmental Funds				
Restricted	\$ 759,042	\$ 807,130	\$ 1,230,354	\$ 1,502,410
Committed	9,150,249	9,971,935	16,781,015	12,042,168
Unassigned	158,962	(14,857)	644,598	1,530,811
Total all other governmental funds	<u><u>\$ 10,068,253</u></u>	<u><u>\$ 10,764,208</u></u>	<u><u>\$ 18,655,967</u></u>	<u><u>\$ 15,075,389</u></u>

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
\$ -	\$ -	\$ -	\$ 97,987	\$ 92,942	\$ 1,107
113,780	107,263	102,163	201,200	181,314	-
-	-	-	21,988	22,595	-
4,590,995	3,753,460	3,631,618	4,141,757	3,529,097	4,211,936
<u>\$ 4,704,775</u>	<u>\$ 3,860,723</u>	<u>\$ 3,733,781</u>	<u>\$ 4,462,932</u>	<u>\$ 3,825,948</u>	<u>\$ 4,213,043</u>
\$ 1,320,445	\$ 6,049,456	\$ 5,783,733	\$ 17,926,249	\$ 13,858,353	\$ 17,373,785
11,989,533	13,916,578	14,469,240	5,147,115	5,056,709	4,451,200
1,855,831	-	-	-	-	-
<u>\$ 15,165,809</u>	<u>\$ 19,966,034</u>	<u>\$ 20,252,973</u>	<u>\$ 23,073,364</u>	<u>\$ 18,915,062</u>	<u>\$ 21,824,985</u>

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS

Last Ten Years
(modified accrual basis of accounting)

	2004	2005	2006	2007
Revenues				
Taxes	\$ 13,326,413	\$ 13,789,438	\$ 14,532,148	\$ 15,024,557
Permits, licenses, and fees	781,998	1,185,842	746,754	640,307
Fines and forfeitures	1,146,870	1,252,700	1,281,879	1,184,398
Charges for services	949,803	928,789	899,960	971,266
Intergovernmental	993,731	885,934	871,709	1,982,373
Investment income	220,196	699,538	1,533,462	1,568,691
Other revenues	316,547	98,599	193,218	169,722
Total Revenues	<u>17,735,558</u>	<u>18,840,840</u>	<u>20,059,130</u>	<u>21,541,314</u>
Expenditures				
General government	2,745,734	3,052,790	2,993,471	3,755,714
Public safety	5,376,207	5,877,004	5,929,689	6,362,213
Public works	574,260	613,095	896,171	1,178,271
Culture and recreation	2,407,329	2,537,571	2,496,903	2,088,696
Capital outlay	5,882,366	7,118,552	8,775,054	13,982,917
Debt service				
Principal	2,688,614	2,772,351	2,689,896	2,090,000
Interest	1,946,494	2,337,766	2,775,180	2,618,970
Refunding bond issuance costs	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Total Expenditures	<u>21,621,004</u>	<u>24,309,129</u>	<u>26,556,364</u>	<u>32,076,781</u>
Excess of revenues (under) expenditures	<u>(3,885,446)</u>	<u>(5,468,289)</u>	<u>(6,497,234)</u>	<u>(10,535,467)</u>
Other Financing Sources (Uses)				
Transfers in	1,550,293	1,800,588	3,367,623	7,432,718
Transfers out	(100,293)	(350,588)	(2,417,623)	(6,482,718)
Issuance of debt	7,500,000	7,500,000	14,500,000	18,195,000
Payment to bond escrow agent	-	-	-	-
Premium on debt issued	2,471	-	6,193	-
Sale of capital assets	-	-	37,410	14,933
Total other financing sources	<u>8,952,471</u>	<u>8,950,000</u>	<u>15,493,603</u>	<u>19,159,933</u>
Net change in fund balances	<u>\$ 5,067,025</u>	<u>\$ 3,481,711</u>	<u>\$ 8,996,369</u>	<u>\$ 8,624,466</u>
Debt service as a percentage of noncapital expenditures	23.54%	24.48%	27.86%	25.92%

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
\$ 15,323,114	\$ 15,692,225	\$ 16,095,298	\$ 16,284,334	\$ 16,524,526	\$ 17,501,331
804,642	473,699	730,258	844,802	1,007,125	1,142,927
1,155,874	845,041	735,064	862,810	758,614	719,150
1,252,020	1,150,259	1,129,500	1,299,338	1,332,247	1,246,481
1,305,291	8,310,369	955,326	854,072	2,964,856	891,362
891,011	243,367	105,393	82,226	53,804	29,787
379,631	679,258	187,656	395,145	46,728	252,622
21,111,583	27,394,218	19,938,495	20,622,727	22,687,900	21,783,660
5,188,969	4,043,408	4,119,403	4,058,470	4,051,141	4,272,157
6,979,965	7,299,264	6,973,262	7,000,186	7,029,280	6,960,344
1,176,934	1,097,403	1,039,404	930,165	901,608	1,038,170
2,331,453	2,396,656	2,466,966	2,444,683	2,498,057	2,586,501
8,027,812	11,669,794	8,434,018	4,931,251	8,631,091	6,015,152
2,140,000	2,115,000	2,450,000	3,075,000	3,465,000	3,500,000
2,842,892	2,789,399	3,063,954	2,694,934	2,381,610	2,256,878
-	-	-	-	613,258	131,304
-	-	-	-	15,943,348	-
28,688,025	31,410,924	28,547,007	25,134,689	45,514,393	26,760,506
(7,576,442)	(4,016,706)	(8,608,512)	(4,511,962)	(22,826,493)	(4,976,846)
4,025,421	2,487,533	4,770,629	3,229,000	2,584,697	3,144,600
(3,075,421)	(1,537,533)	(2,715,915)	(1,729,954)	(1,134,697)	(950,000)
5,000,000	18,195,000	22,930,000	6,500,000	24,915,000	6,000,000
-	(11,328,829)	(17,214,283)	(21,343)	(9,548,460)	-
1,105	139,375	529,253	70,949	1,206,254	162,712
8,391	14,333	468,825	12,852	8,413	21,174
5,959,496	7,969,879	8,768,509	8,061,504	18,031,207	8,378,486
\$ (1,616,946)	\$ 3,953,173	\$ 159,997	\$ 3,549,542	\$ (4,795,286)	\$ 3,401,640
24.12%	23.83%	27.06%	27.38%	56.52%	26.47%

CITY OF BELLAIRE, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Real Property	\$ 1,971,850,880	\$ 2,063,417,360	\$ 2,190,335,104	\$ 2,449,469,760
Personal Property	<u>101,257,350</u>	<u>125,712,450</u>	<u>156,442,429</u>	<u>164,853,672</u>
Total Taxable Assessed Value (1)	<u><u>\$ 2,073,108,230</u></u>	<u><u>\$ 2,189,129,810</u></u>	<u><u>\$ 2,346,777,533</u></u>	<u><u>\$ 2,614,323,432</u></u>
Total Direct Tax Rate	\$ 0.48000	\$ 0.48000	\$ 0.47000	\$ 0.44000

Source: Harris County Certified / Uncertified Tax Roll.

(1) Property is assessed at actual value, therefore, the assessed values are equal to actual value.

Tax rates are per \$100 of assessed value.

2008	2009	2010	2011	2012	2013
\$ 2,734,414,127	\$ 3,083,416,993	\$ 3,154,861,532	\$ 3,068,527,504	\$ 3,126,203,654	\$ 2,712,439,460
168,517,983	98,329,048	140,189,592	137,685,244	111,252,726	476,935,576
<u>\$ 2,902,932,110</u>	<u>\$ 3,181,746,041</u>	<u>\$ 3,295,051,124</u>	<u>\$ 3,206,212,748</u>	<u>\$ 3,237,456,380</u>	<u>\$ 3,189,375,036</u>
\$ 0.40000	\$ 0.37750	\$ 0.37590	\$ 0.39990	\$ 0.39990	\$ 0.39990

CITY OF BELLAIRE, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2006</u>	<u>2007</u>
City of Bellaire by fund:				
General	\$ 0.33000	\$ 0.33000	\$ 0.30500	\$ 0.29000
Debt service	0.15000	0.15000	0.16500	0.15000
Total Direct Rates	<u>\$ 0.48000</u>	<u>\$ 0.48000</u>	<u>\$ 0.47000</u>	<u>\$ 0.44000</u>
Houston Independent School District	\$ 1.58000	\$ 1.59900	\$ 1.62000	\$ 1.47570
Harris County	0.38814	0.39986	0.39986	0.40239
Harris County Flood Control District	0.04174	0.03318	0.03322	0.03241
Port of Houston Authority	0.01989	0.01673	0.01474	0.01302
Harris County Hospital District	0.19021	0.19021	0.19216	0.19216
Harris County Dept. of Education	0.00629	0.00629	0.00629	0.00629
Houston Community College	0.08133	0.09598	0.09577	0.09518
Total Direct and Overlapping Rates (1)	<u><u>\$ 2.78760</u></u>	<u><u>\$ 2.82125</u></u>	<u><u>\$ 2.83204</u></u>	<u><u>\$ 2.65715</u></u>

Source: Harris County Appraisal District

Note: Overlapping rates are those of local and county governments that apply within the City of Bellaire.

Tax rates per \$100 of assessed valuation

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 0.27500	\$ 0.26500	\$ 0.26390	\$ 0.26390	\$ 0.24750	\$ 0.25540
0.12500	0.11250	0.11200	0.13600	0.15240	0.14450
<u>\$ 0.40000</u>	<u>\$ 0.37750</u>	<u>\$ 0.37590</u>	<u>\$ 0.39990</u>	<u>\$ 0.39990</u>	<u>\$ 0.39990</u>
\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.18670
0.39239	0.38923	0.39224	0.38805	0.39117	0.40021
0.03106	0.03086	0.02922	0.02930	0.02809	0.02809
0.01437	0.01773	0.01636	0.02054	0.01856	0.01952
0.19216	0.19216	0.19216	0.19216	0.19216	0.18216
0.00585	0.00584	0.00605	0.00658	0.00658	0.00662
0.09243	0.09243	0.09222	0.09222	0.09722	0.09717
<u>\$ 2.28496</u>	<u>\$ 2.26245</u>	<u>\$ 2.26085</u>	<u>\$ 2.28545</u>	<u>\$ 2.29038</u>	<u>\$ 2.32037</u>

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CITY OF BELLAIRE, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	2013			2004		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
Chevron Chemical	\$ 74,396,275	1	2.33%	\$ 63,261,100	1	3.05%
Pin Oak North Parcel	65,509,807	2	2.05%	-		0.00%
WMPT Bellaire HP LP	47,506,619	3	1.49%	-	n/a	n/a
Centerpoint Energy Inc.	37,059,537	4	1.16%	29,219,270	3	1.41%
AT&T Corporation (formerly SBC)	36,067,663	5	1.13%	-	n/a	n/a
KBS SOR	35,373,487	6	1.11%	-	n/a	n/a
BRI 1833 6330 LLC	33,325,000	7	1.04%	-	n/a	n/a
5909/5959 West Loop, L.P.	11,800,000	8	0.37%	-	n/a	n/a
Houston Orthopedic	8,354,347	9	0.26%	-	n/a	n/a
Centro NP Holdings	7,788,504	10	0.24%	-	n/a	n/a
SBC	-	n/a	0.00%	37,453,040	2	1.81%
FRM West Loop Assoc #6	-	n/a	0.00%	21,151,500	4	1.02%
6330 WLS, LTD	-	n/a	0.00%	19,900,000	5	0.96%
Texas SC One Corp	-	n/a	0.00%	16,866,300	6	0.81%
Bellaire Atrium I & II LP	-	n/a	0.00%	8,972,400	7	0.43%
Crowe Texas Portfolio, LP	-	n/a	0.00%	6,042,000	8	0.29%
SPTMRT Properties Trust	-		0.00%	5,250,000	9	0.25%
4545 Bissonnett Office Park	-	n/a	0.00%	4,548,820	10	0.22%
Subtotal	<u>357,181,239</u>		<u>11.20%</u>	<u>212,664,430</u>		<u>10.26%</u>
Other Taxpayers	<u>2,832,193,797</u>		<u>88.80%</u>	<u>1,860,443,800</u>		<u>89.74%</u>
Total	<u><u>\$ 3,189,375,036</u></u>		<u><u>100.00%</u></u>	<u><u>\$ 2,073,108,230</u></u>		<u><u>100.00%</u></u>

Source: Harris County Tax Assessor-Collector's records

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Total adjusted tax levy	\$ 9,950,920	\$ 10,507,989	\$ 11,029,855	\$ 11,503,023
Current tax collected*	\$ 9,802,192	\$ 10,345,235	\$ 10,916,110	\$ 11,397,100
Percent of adjusted tax levy	98.51%	98.45%	98.97%	99.08%
Collections in subsequent years	\$ 137,583	\$ 150,883	\$ 97,716	\$ 93,978
Total tax collections to date	<u>\$ 9,939,775</u>	<u>\$ 10,496,118</u>	<u>\$ 11,013,826</u>	<u>\$ 11,491,078</u>
Total collections as a percentage of adjusted tax levy	99.89%	99.89%	99.85%	99.90%

Source: Harris County Tax Assessor-Collector

*Collected within the year of the levy.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 11,610,889	\$ 12,011,140	\$ 12,385,668	\$ 12,820,648	\$ 12,909,927	\$ 13,382,086
\$ 11,530,140	\$ 11,927,983	\$ 12,319,214	\$ 12,750,093	\$ 12,857,279	\$ 13,338,111
99.30%	99.31%	99.46%	99.45%	99.59%	99.67%
\$ 60,590	\$ 55,239	\$ 39,110	\$ 71,693	\$ 39,896	\$ 58,578
<u>\$ 11,590,730</u>	<u>\$ 11,983,222</u>	<u>\$ 12,358,324</u>	<u>\$ 12,821,786</u>	<u>\$ 12,897,175</u>	<u>\$ 13,396,689</u>
99.83%	99.77%	99.78%	100.01%	99.90%	100.11%

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Primary Government				
Governmental Activities:				
General obligation bonds (2)	\$ 40,038,290	\$ 45,442,369	\$ 57,867,470	\$ 55,168,387
Tax notes	1,267,248	599,897	-	-
Total Primary Government	<u><u>\$ 41,305,538</u></u>	<u><u>\$ 46,042,266</u></u>	<u><u>\$ 57,867,470</u></u>	<u><u>\$ 55,168,387</u></u>
 Personal Income (1)	-	-	-	-
 Debt as a Percentage of Personal Income	-	-	-	-
 Population	15,642	15,642	15,642	15,642
 Debt Per Capita	\$ 2,641	\$ 2,944	\$ 3,699	\$ 3,527

(1) Personal income data is not available.

(2) Presented net of original issuance discounts and premiums.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 57,952,318	\$ 63,618,526	\$ 67,424,141	\$ 70,966,183	\$ 67,952,550	\$ 72,797,711
-	-	-	-	-	-
<u>\$ 57,952,318</u>	<u>\$ 63,618,526</u>	<u>\$ 67,424,141</u>	<u>\$ 70,966,183</u>	<u>\$ 67,952,550</u>	<u>\$ 72,797,711</u>
-	-	-	-	-	-
-	-	-	-	-	-
15,642	15,642	15,642	16,855	16,855	16,855
\$ 3,705	\$ 4,067	\$ 4,310	\$ 4,210	\$ 4,032	\$ 4,319

CITY OF BELLAIRE, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Net Taxable Assessed Value				
All property	\$ 2,073,108,230	\$ 2,189,129,810	\$ 2,346,777,533	\$ 2,614,323,432
Net Bonded Debt				
General obligation bonds (1)	\$ 40,038,290	\$ 45,442,369	\$ 57,867,470	\$ 55,168,387
Less debt service funds	759,042	807,130	1,230,354	1,502,410
Net Bonded Debt	<u><u>\$ 39,279,248</u></u>	<u><u>\$ 44,635,239</u></u>	<u><u>\$ 56,637,116</u></u>	<u><u>\$ 53,665,977</u></u>
Percentage of Estimated Actual				
Taxable Value of Property	1.89%	2.04%	2.41%	2.05%
Population	15,642	15,642	15,642	15,642
Net Bonded Debt Per Capita	\$ 2,511	\$ 2,854	\$ 3,621	\$ 3,431

(1) Presented net of original issuance discounts and premiums.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 2,902,932,110	\$ 3,181,746,041	\$ 3,295,051,124	\$ 3,206,212,748	\$ 3,237,456,380	\$ 3,189,375,036
\$ 57,952,318	\$ 63,618,526	\$ 67,424,141	\$ 70,966,183	\$ 67,952,550	\$ 72,797,711
1,320,445	1,125,195	638,825	400,621	469,433	504,450
<u>\$ 56,631,873</u>	<u>\$ 62,493,331</u>	<u>\$ 66,785,316</u>	<u>\$ 70,565,562</u>	<u>\$ 67,483,117</u>	<u>\$ 72,293,261</u>
1.95%	1.96%	2.03%	2.20%	2.08%	2.27%
15,642	15,642	15,642	16,855	16,855	16,855
\$ 3,621	\$ 3,995	\$ 4,270	\$ 4,187	\$ 4,029	\$ 4,289

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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CITY OF BELLAIRE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2013

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Governmental Unit			
Debt repaid with property taxes			
Houston Independent School District	\$ 2,444,956,544	3.06%	\$ 74,815,670
Harris County (2) (3)	2,640,417,190	1.17%	30,892,881
Port of Houston Authority	731,969,397	1.17%	8,564,042
Houston Community College District	676,095,000	2.58%	17,443,251
Harris County Toll Road	432,540,000	1.17%	5,060,718
Harris County Flood Control District	96,470,000	1.17%	1,128,699
Harris County Department of Education	7,605,000	1.17%	88,979
Subtotal, overlapping debt	7,030,053,131		137,994,240
City direct debt (4)	<u>72,797,711</u>	100%	<u>72,797,711</u>
Total direct and overlapping debt	<u><u>\$ 7,102,850,842</u></u>		<u><u>\$ 210,791,951</u></u>

Source: Harris County Appraisal District

(1) Debt outstanding as of September 30, 2013.

(2) Estimated Percentage Applicable obtained from Municipal Advisory Council of Texas.

(3) Excludes Unlimited Tax and Revenue Toll Road Tax Bonds. The County's policy and practice has been to provide payment of debt service on the outstanding Toll Road Tax Bonds from toll revenues and certain other funds are to date, no tax has been collected to provide for such debt service.

(4) Presented net of original issuance discounts and premiums.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS

LEGAL DEBT MARGIN INFORMATION

Last Ten Years

	2004	2005	2006	2007
Debt limit	\$ 103,655,412	\$ 109,456,491	\$ 117,338,877	\$ 130,716,172
Total net debt applicable to limit	39,181,247	44,878,052	56,694,646	54,332,590
Legal debt margin	<u>\$ 64,474,165</u>	<u>\$ 64,578,439</u>	<u>\$ 60,644,231</u>	<u>\$ 76,383,582</u>
Total net debt applicable to the limit as a percentage of debt limit	37.80%	41.00%	48.32%	41.57%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 3,189,375,036
Debt limit (5% of assessed value)	159,468,752
Debt applicable to limit:	
General obligation bonds	70,875,000
Less: amount set aside for repayment of general obligation debt	(504,450)
Total net debt applicable to limit	<u>70,370,550</u>
Legal debt margin	<u>\$ 89,098,202</u>

Note: The City's Home Rule Charter (1983), Section 7.07 limits all bonded debt to no more than 5 percent of the assessed valuation.

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 145,146,606	\$ 159,087,302	\$ 164,752,556	\$ 160,310,637	\$ 161,872,819	\$ 159,468,752
57,374,555	62,884,805	68,115,000	71,139,379	67,870,550	70,370,550
<u>\$ 87,772,051</u>	<u>\$ 96,202,497</u>	<u>\$ 96,637,556</u>	<u>\$ 89,171,258</u>	<u>\$ 94,002,269</u>	<u>\$ 89,098,202</u>
39.53%	39.53%	41.34%	44.38%	41.93%	44.13%

CITY OF BELLAIRE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Years

<u>Year Ended Sep 30</u>	<u>Population (1)</u>	<u>Personal Income (5)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (6)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2004	15,642	N/A	N/A	N/A	5,823	2.7%
2005	15,642	N/A	N/A	N/A	6,224	4.2%
2006	15,642	N/A	N/A	N/A	6,302	5.0%
2007	15,642	N/A	N/A	N/A	6,078	4.3%
2008	15,642	N/A	N/A	N/A	5,988	4.4%
2009	15,642	N/A	N/A	N/A	6,106	6.3%
2010	15,642	N/A	N/A	N/A	7,341	*8.6%
2011	16,855	N/A	N/A	N/A	7,470	*8.6%
2012	16,855	N/A	N/A	N/A	7,570	*6.3%
2013	16,855	N/A	N/A	N/A	7,518	6.2%

* Houston MSA, Unemployment calculated only for cities with a population of 25,000 or more.

Data sources:

- (1) City of Bellaire Community Development
- (2) Data to compute not available
- (3) Data to compute not available
- (4) Texas Workforce Commission
- (5) Houston Independent School District & Private Schools
- (6) Bureau of Labor Statistics - Houston MSA Seasonally Adjusted

CITY OF BELLAIRE, TEXAS

PRINCIPAL EMPLOYERS

Current Year (1)

Employer

Bellaire High School
 Briggs & Veselka Co.
 Brighton Gardens of Bellaire
 Chevron Oronite Co. LLC
 Chevron Pipeline Co.
 First Street Hospital
 HEB Foods
 PFM, LLC.
 Philips Petroleum Co.
 Pin Oak Middle School
 Randall's Food Market
 Transact Resource
 Worley Parsons Ltd

(1) The requirement is the ten largest employers, the number of employees for each of the ten largest employers, and each employer's percentage of total employment. However, this data for the current year, along with ten years ago, is not available.

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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CITY OF BELLAIRE, TEXAS
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
 Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Administration	7	7	7	7	7	7	7	7	7	7
Facilities	-	-	-	3	3	3	3	3	3	3
Finance	11	12	10	9	9	9	9	9	9	9
Community development	9	9.5	10.5	10.5	10.5	10.5	8	8	8	10
Fire department	21	25	25	25	25	25	25	24	24	24
Police department	57	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5
Senior adult services	2	-	-	-	-	-	-	-	-	-
Library	9	8	8	8	8	8	8	7	7	8
Public works	11	11	11	11	11	11	10	10	10	10
Parks and recreation	11	13	13	11	11	11	10	10	9	9
General Fund Total	138	143	142	142	142	142	137.5	135.5	134.5	137.5
Enterprise Fund:										
Administration	-	2	2	2	2	2	2	2	2	2
Water	7	7	7	7	7	7	4	4	6	6
Sewer	11	11	11	11	11	11	9	9	11	11
Solid waste	10.5	10.5	10.5	13	13	11	10	10	11	11
Enterprise Fund Total	28.5	30.5	30.5	33	33	31	25	25	30	30
Total City Positions	166.5	173.5	172.5	175	175	173	162.5	160.5	164.5	167.5

Source: City of Bellaire adopted budget

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Years

	2004	2005	2006	2007
Function / Program				
Police				
Arrests	2,058	2,426	2,470	2,222
Accident reports	890	738	731	740
Citations	7,637	8,797	9,022	8,090
Offense reports	1,643	1,912	2,012	1,450
Calls for service	35,872	41,211	39,279	35,946
Fire				
Emergency responses	1,829	1,907	1,880	2,053
Fire incidents	44	66	36	11
Average response time	3:00	3:00	3:00	3:55
Water				
New accounts	855	837	1,032	944
Source:				
Surface water	n/a	n/a	58%	58%
Well water	n/a	n/a	42%	42%
Average daily consumption (millions of gallons)	2.530	2.630	3.060	2.730
Number of million gallons of surface water pumped	635.900	606.820	600.460	612.550
Number of million gallons of well water pumped	287.801	352.570	518.260	476.361
Total consumption (millions of gallons)	922.981	959.390	1,118.720	1,078.911
Peak daily consumption (millions of gallons)	3.378	1.994	3.632	6.643
Sewer				
Average daily sewage treatment (millions of gallons)	1.459	1.047	1.301	1.347
Total consumption (millions of gallons)	532.535	382.155	474.865	491.650
Peak daily consumption (millions of gallons)	2.695	2.354	2.862	5.122

Source: Various City departments

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
1,641	1,630	1,080	1,147	1,114	908
647	716	614	663	636	556
8,636	4,707	5,078	6,854	4,974	4,796
1,388	1,149	989	1,011	627	841
38,994	30,618	29,903	33,815	33,133	28,713
2,042	1,915	1,782	1,962	1,948	1,905
58	47	52	45	40	49
3:47	3:45	4:07	4:11	4:06	4:05
802	671	747	763	701	808
57%	50%	52%	58%	56%	47%
43%	50%	48%	42%	44%	53%
2.944	3.170	3.022	3.577	3.434	3.227
612.640	575.799	561.480	755.293	767.591	549.190
460.038	566.334	519.013	547.500	485.734	628.581
1,072.678	1,142.433	1,080.493	1,302.793	1,253.250	1,177.771
6.563	6.228	5.504	7.210	5.862	6.214
1.222	1.445	1.760	1.620	1.624	1.440
446.356	527.352	642.400	591.475	592.760	525.907
6.599	3.965	6.600	5.600	5.800	3.800

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

CITY OF BELLAIRE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Function / Program				
Police				
Stations	1	1	1	1
Patrol units	8	8	8	8
Fire stations	1	1	1	1
Other public works				
Streets (miles - centerlines)	67	67	67	67
Streetlights	880	894	918	918
Parks and recreation				
Parks	12	12	12	12
Parks acreage	31.4	31.4	31.4	31.4
Aquatics facilities	2	2	2	2
Baseball / softball diamonds	3	3	3	3
Tennis courts	7	7	7	7
Recreation center	1	1	1	1
Houston Independent School District licensed field	4	4	4	4
Houston Independent School District acreage	15	15	15	15
Water				
Water mains (miles)	73	73	73	73
Fire hydrants	760	760	760	760
Storage capacity (millions of gallons)	4.23	4.23	4.23	4.23
Sewer				
Sanitary sewers (miles)	72	72	72	70
Storm sewers (miles)	40	40	40	49
Open ditch / creek / canal drainage (miles)	1.32	1.32	1.32	1.32
Treatment capacity (millions of gallons)	4.5	4.5	4.5	4.5

Source: Various City departments

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

2008	2009	2010	2011	2012	2013
1	1	1	1	1	1
8	8	8	8	8	8
1	1	1	1	1	1
67	67	67	67	67	67
918	918	925	925	925	925
12	12	12	12	12	13
31.4	31.4	31.4	36.4	36.4	36.4
2	2	2	2	2	2
3	3	3	3	3	3
7	7	7	7	7	7
1	1	1	1	1	1
4	4	4	4	4	4
15	15	15	15	15	15
73	73	73	73	73	73
760	760	760	760	760	760
4.23	4.23	4.23	3.23	3.23	3.23
70	70	70	70	70	70
49	49	49	49	49	49
1.32	1.32	1.32	1.32	1.32	1.32
4.5	4.5	4.5	4.5	4.5	4.5

Attachment: CAFR FY2013 (1040 : 2013 Audit and CAFR)

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Required Auditor Disclosure Letter

December 31, 2013

To the Honorable Mayor and
City Council Members of the
City of Bellaire, Texas:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the City of Bellaire, Texas (the "City") as of and for the year ended September 30, 2013, and have issued our report thereon dated December 31, 2013. Professional standards require that we provide the City Council (the "governing body") with the following information related to our audit.

I. Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated April 21, 2011, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with the governing body's oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve the governing body or management of its responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

II. Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to management in our engagement letter dated April 21, 2011.

III. Significant Audit Findings

1. Qualitative Aspects of Accounting Practices

- A. Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. As described in Note III. F. to the financial statements, the City changed accounting policies related to bond issuance costs by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 65, *Items Previously Reported as Assets and Liabilities*, in fiscal year 2013. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Partners

Robert Belt, CPA
Stephanie E. Harris, CPA
Nathan Krupke, CPA

Houston

3210 Bingle Rd., Ste. 300
Houston, TX 77055
713.263.1123

Bellville

1304 South Front St.
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713.263.1550 fax



- B. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the useful lives of capital assets as based on industry standards relating to capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

- C. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the City's long-term debt is the most sensitive because of the overall amount of outstanding debt at year end.

2. *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

3. *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached schedule summarizes both material and immaterial misstatements detected as a result of our audit procedures.

4. *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

5. *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 31, 2013.

6. *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

7. Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

IV. Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the governing body and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

 BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas

2/10/2014
4:51 PM

Client: **City of Bellaire, Texas**
Engagement: **4.1 - Bellaire 9/30/13**
Period Ending: **9/30/2013**
Trial Balance: **2.2.01 - TB**
Workpaper: **2.5.06 - Adjusting Journal Entries Report.**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
Adjusting entry to adjust fund balance. Client already made entry. Do not make entry.				
100-3100	UNRESERVED & UNDESIGNATED FB		29,063.80	
100-1460	A/R MISCELLANEOUS			29,063.80
Total			29,063.80	29,063.80
Adjusting Journal Entries JE # 2				
		F.05		
To record the WSF portion of OPEB and TMRS. Client should post as of 9/30/13 and not reverse.				
500-5-0000-490	NET PENSION OBLIGATION - TMRS		3,472.86	
500-5-0000-495	OPEB EXPENSE		2,274.29	
500-2110	PAYABLE - NET PENSION - TMRS			3,472.86
500-2150	OPEB			2,274.29
Total			5,747.15	5,747.15
Adjusting Journal Entries JE # 3				
Adjusting entry to adjust sales tax. Client should make entry as of yearend and do not reverse.				
100-1460	A/R MISCELLANEOUS		371,994.45	
100-4030	TAXES - SALES			371,994.45
Total			371,994.45	371,994.45
Adjusting Journal Entries JE # 4				
Adjusting entry to restate fund balance for water and sewer to account for compensated absences. Client should make entry as of yearend and do not reverse.				
500-3300	NET ASSETS		67,150.00	
500-2151	Compensated Absences			67,150.00
Total			67,150.00	67,150.00
Adjusting Journal Entries JE # 5				
Adjusting entry to add the additional compensated abasences for the water and sewer fund. Client should make entry as of yearend and do not reverse.				
500-5-0000-496	Compensated Absences		8,228.00	
500-2151	Compensated Absences			8,228.00
Total			8,228.00	8,228.00

Attachment: Disclosure Letter FY2013 (1040 : 2013 Audit and CAFR)

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Finance Administration
Category: Report
Prepared By: Linda Symank
Department Head: Linda Symank
DOC ID: 1081

**SCHEDULED
ACTION ITEM (ID # 1081)**

Item Title:

Monthly Financial Report as of January 31, 2014

Item Summary:

In accordance with the Charter of the City of Bellaire, Article VII, Section 4, Paragraph 3, as amended November 7, 2006, please find attached the monthly financial report for the four month ended January 31, 2014.

Source of Funding:

N/A

Recommendation:

Acceptance of the monthly financial report

ATTACHMENTS:

- 04 January 2014 (PDF)

**CITY OF BELLAIRE
MONTHLY FINANCIAL REPORT
FOR THE FOUR MONTH ENDED
JANUARY 31, 2014**

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

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City of Bellaire
General Fund
Revenues and Expenditures
YTD as of January 31, 2014

	FY2014 Budget	FY2014 Unaudited 01/31/2014	FY2013 Unaudited 01/31/2013	Over/(Under) Variance
Revenues				
Property Taxes	9,111,375	6,618,476	6,451,148	167,328
Franchise Taxes	1,366,000	495,296	467,700	27,596
Sales Taxes	2,000,000	1,072,076	732,828	339,248
Permits	606,500	248,721	240,702	8,019
Fees	303,146	111,547	121,749	(10,202)
License	3,300	130	1,512	(1,382)
Intergovernmental	3,500	-	-	-
Rental	24,200	8,559	11,272	(2,713)
Aquatics	332,000	6,245	16,769	(10,524)
Program Fees	182,000	49,981	40,598	9,383
Athletics	337,600	50,737	52,112	(1,375)
Other Fees	16,050	3,874	4,145	(271)
Public Safety	405,950	116,103	137,134	(21,031)
Other Revenue	6,000	1,828	1,716	112
Fines	730,000	244,166	231,377	12,789
Investment Earnings	28,300	6,343	9,319	(2,976)
Miscellaneous	27,830	7,733	93,458	(85,725)
Sale of City Property	10,000	1,783	482	1,301
Total Operating Revenues	15,493,751	9,043,598	8,614,021	429,577
Operating Transfer In	500,000	166,667	166,667	-
Total Revenues	\$ 15,993,751	\$ 9,210,265	\$ 8,780,688	\$ 429,577
Expenditures				
Organizational Services	1,662,686	860,689	697,127	163,562
Legal Service	100,000	22,274	22,331	(57)
Facilities	765,034	229,157	242,976	(13,819)
Finance	1,103,064	386,211	364,250	21,961
Community Development	865,288	266,971	246,898	20,073
Fire	2,378,266	802,693	734,690	68,003
Police	4,846,178	1,628,001	1,496,804	131,197
Parks & Recreation	2,026,832	583,146	538,828	44,318
Library	637,276	219,804	195,680	24,124
Public Works - Streets	1,141,831	337,159	326,809	10,350
Total Operating Expenditures	15,526,455	5,336,105	4,866,393	469,712
Sick Leave Buy Back	15,000			
Operating Transfer Out	1,027,485	342,495	316,667	25,828
Total Expenditures	\$ 16,568,940	\$ 5,678,600	\$ 5,183,060	\$ 495,540
Net Revenues/(Expenditures)	\$ (575,189)	\$ 3,531,665	\$ 3,597,628	\$ (65,963)
Unaudited Fund Balance 9/30/2013	\$ 3,841,048			
FY2014 Revenue Projections	15,993,751			
FY2014 Expenditure Budget	16,568,940			
Projected Ending Fund Balance	\$ 3,265,859			

City of Bellaire
Enterprise Fund
Revenues and Expenditures
YTD as of January 31, 2014

	FY2014 Budget	FY2014 Unaudited 01/31/2014	FY2013 Unaudited 01/31/2013	Over/(Under) Variance
Revenues				
Water	3,555,000	1,187,033	1,348,373	(161,340)
Wastewater	2,360,000	828,883	780,429	48,454
Solid Waste	1,442,500	476,104	480,809	(4,705)
Recycling	40,000	8,393	16,725	(8,332)
Charges for Service	27,000	9,940	7,735	2,205
Other Revenue	44,600	22,413	199	22,214
Investment Earnings	7,000	2,390	3,676	(1,286)
Miscellaneous	15,500	3,192	6,806	(3,614)
Total Revenues	\$ 7,491,600	\$ 2,538,348	\$ 2,644,752	\$ (106,404)
Expenditures				
Water Production	561,590	135,273	141,137	(5,864)
Water Distribution	547,473	103,869	83,814	20,055
Surface Water	1,961,599	838,829	475,068	363,761
Waste Water Collection	452,692	110,810	130,686	(19,876)
Waste Water Treatment	1,085,245	284,922	253,709	31,213
Solid Waste	1,336,615	390,266	427,185	(36,919)
Utility Billing	249,326	75,517	68,826	6,691
Total Operating Expenditures	6,194,540	1,939,486	1,580,425	359,061
Transfer Out	4,197,000	1,399,000	731,533	667,467
Total Expenditures	\$ 10,391,540	\$ 3,338,486	\$ 2,311,958	\$ 1,026,528
Net Revenues/(Expenditures)	\$ (2,899,940)	\$ (800,138)	\$ 332,794	\$ (1,132,932)
Unaudited Fund Balance 9/30/2013	\$ 5,951,898			
FY2014 Revenue Projections	7,491,600			
FY2014 Expenditure Budget	10,391,540			
Projected Ending Fund Balance	<u>\$ 3,051,958</u>			

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

City of Bellaire
Debt Service Fund
Revenues and Expenditures
YTD as of January 31, 2014

	FY2014 Budget	FY2014 Unaudited 01/31/2014	FY2013 Unaudited 01/31/2013	Over/(Under) Variance
Revenues				
Property Taxes	5,062,781	3,705,096	3,642,159	62,937
Investment Earnings	3,000	761	1,010	(249)
Total Operating Revenues	5,065,781	3,705,857	3,643,169	62,688
Operating Transfer In	950,000	316,667	316,667	-
Total Revenues	\$ 6,015,781	\$ 4,022,524	\$ 3,959,836	\$ 62,688
Expenditures				
Principal Payment	3,690,000			-
Interest Payment	2,336,076			-
Other Debt Expense	11,900	1,600	1,600	-
Total Expenditures	\$ 6,037,976	1,600	\$ 1,600	\$ -
Net Revenues/(Expenditures)	\$ (22,195)	\$ 4,020,924	\$ 3,958,236	\$ 62,688
Unaudited Fund Balance 9/30/2013	\$ 504,450			
FY2014 Revenue Projections	6,015,781			
FY2014 Expenditure Budget	6,037,976			
Projected Ending Fund Balance	<u>\$ 482,255</u>			

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

**City of Bellaire
Vet Fund
Revenues and Expenditures
YTD as of January 31, 2014**

	FY2014 Budget	FY2014 Unaudited 01/31/2014	FY2013 Unaudited 01/31/2013	Over/(Under) Variance
Revenues				
Grants/Contributions	7,500			
Total Operating Revenues	7,500	-	-	-
Operating Transfer In	1,310,544	436,848	413,533	23,315
Total Revenues	\$ 1,318,044	\$ 436,848	\$ 413,533	\$ 23,315
Expenditures				
Organizational Services	100,200	45,870	49,672	(3,802)
Finance	-		4,713	(4,713)
Community Development	-		2,483	(2,483)
Fire	127,432	36,846	47,827	(10,981)
Police	216,941	41,378	126,046	(84,668)
Parks & Recreation	39,500	13,275	44,442	(31,167)
Public Works	25,000	241,132		241,132
Enterprise Public Works	910,000			
Total Expenditures	\$ 1,419,073	\$ 378,501	\$ 275,183	\$ 103,318
Net Revenues/(Expenditures)	\$ (101,029)	\$ 58,347	\$ 138,350	\$ (80,003)
Unaudited Fund Balance 9/30/2013	\$ 457,251			
FY2014 Revenue Projections	1,318,044			
FY2014 Expenditure Budget	1,419,073			
Projected Ending Fund Balance	\$ 356,222			

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

City of Bellaire
CIP Fund
Revenues and Expenditures
YTD as of January 31, 2014

	FY2014 Budget	FY2014 Unaudited 01/31/2014	FY2013 Unaudited 01/31/2013	Over/(Under) Variance
Revenues				
Operating Transfer In	2,463,941	821,314	151,333	669,981
Total Revenues	\$ 2,463,941	\$ 821,314	\$ 151,333	\$ 669,981
Projects				
Ware Family Park Fencing	15,000			-
Russ Pittman Park Electrical Upgrades	40,000			-
Bellaire Little League Horn Field	45,000			-
Evergreen Pool Bathhouse	150,136	7,994		7,994
Evergreen Pool Complex Security Upgrades	21,600			-
BFAC Chemical Room Upgrades	24,000			-
CenterPoint Community Center Maintenance	30,500			-
Henshaw House Fire Alarm System	21,000			-
HVAC Program	50,000	4,127	25,539	(21,412)
City Wide Beautification	120,700			-
Drainage Phase 4	499,561			-
Facilities Assessment		313	20,145	
Bellaire Pool / Fire Damage	11,272	10,163		10,163
Wayfinding Signs	35,000	17,500		17,500
Streetscapes Program	29,130	1,875		1,875
Great Lawn	225,879	374	8,165	
Total General Projects	1,318,778	42,346	53,849	16,120
New Well	1,669,806	4,974		4,974
Evergreen Demo Site Soil Remediation	232,062	20,610		20,610
Fine Screen Building Replacement	201,000			-
FY2013 WWT Electrical	180,000			-
Wasterwater Treatment Bld Roof Refurbish	33,000			-
HVAC Program - Enterprise	15,000			-
Central Elevaged Storage Tanks	366,866	256,592	14,724	241,868
Central Well Project			48,083	(48,083)
Feld Park Water Plant			51,187	
Total Enterprise Projects	2,697,734	282,176	113,994	219,369
Total Expenditures	\$ 4,016,512	\$ 324,522	\$ 167,843	\$ 235,489
Net Revenues/(Expenditures)	\$ (1,552,571)	\$ 496,792	\$ (16,510)	\$ 434,492
Unaudited Fund Balance 9/30/2013	\$ 3,993,949			
FY2014 Revenue Projections	2,463,941			
FY2014 Expenditure Budget	4,016,512			
Projected Ending Fund Balance	\$ 2,441,378			

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

PAGE: 1

100-GENERAL FUND

FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
PROPERTY TAXES	9,111,375.00	4,128,187.86	0.00	6,618,475.47	0.00	2,492,899.53	72.64
FRANCHISE TAXES	1,366,000.00	97,230.68	0.00	495,296.46	0.00	870,703.54	36.26
SALES TAXES	2,000,000.00	183,495.91	0.00	1,072,076.42	0.00	927,923.58	53.60
PERMITS	606,500.00	80,444.37	0.00	248,720.53	0.00	357,779.47	41.01
FEES	303,146.00	31,039.61	0.00	111,546.63	0.00	191,599.37	36.80
LICENSE	3,300.00	130.00	0.00	130.00	0.00	3,170.00	3.94
INTERGOVERNMENTAL	3,500.00	0.00	0.00	0.00	0.00	3,500.00	0.00
RENTALS	24,200.00	1,355.00	0.00	8,559.00	0.00	15,641.00	35.37
AQUATICS	332,000.00	517.15	0.00	6,245.44	0.00	325,754.56	1.88
PROGRAM FEES	182,000.00	20,145.76	0.00	49,980.73	0.00	132,019.27	27.46
ATHLETICS	337,600.00	10,833.00	0.00	50,737.50	0.00	286,862.50	15.03
OTHER FEES	16,050.00	1,030.07	0.00	3,874.26	0.00	12,175.74	24.14
PUBLIC SAFETY	405,950.00	36,425.79	0.00	116,103.29	0.00	289,846.71	28.60
OTHER REVENUE	6,000.00	480.00	0.00	1,828.40	0.00	4,171.60	30.47
FINES	730,000.00	51,739.50	0.00	244,166.18	0.00	485,833.82	33.45
INVESTMENT REVENUE	28,300.00	374.57	0.00	6,343.40	0.00	21,956.60	22.41
MISC REVENUE	27,830.00	0.00	0.00	7,732.62	0.00	20,097.38	27.79
OTHER FINANCING SOURCES	510,000.00	43,449.17	0.00	168,449.14	0.00	341,550.86	33.03
TOTAL REVENUES	15,993,751.00	4,686,878.44	0.00	9,210,265.47	0.00	6,783,485.53	57.59
EXPENDITURE SUMMARY							
ORGANIZATIONAL SERVICES							
ORGANIZATIONAL SERVICES	519,836.00	154,560.29	0.00	282,187.39	19,851.55	217,797.06	58.10
HUMAN RESOURCES	158,869.00	15,189.23	0.00	64,862.12	7,677.12	86,329.76	45.66
CITY CLERK	375,032.00	33,501.60	0.00	202,121.11	1,604.87	171,306.02	54.32
COMM TECH SERVICES	608,949.00	60,756.41	0.00	311,518.04	88,739.07	208,691.89	65.73
TOTAL ORGANIZATIONAL SERVICES	1,662,686.00	264,007.53	0.00	860,688.66	117,872.61	684,124.73	58.85
LEGAL							
LEGAL	100,000.00	0.00	0.00	22,274.12	86,667.69	(8,941.81)	108.94
TOTAL LEGAL	100,000.00	0.00	0.00	22,274.12	86,667.69	(8,941.81)	108.94
FACILITIES							
FACILITIES	765,034.00	85,741.62	0.00	229,156.82	140,403.66	395,473.52	48.31
TOTAL FACILITIES	765,034.00	85,741.62	0.00	229,156.82	140,403.66	395,473.52	48.31
FINANCE DEPARTMENT							
FINANCE	1,103,064.00	126,907.65	0.00	386,211.05	96,440.59	620,412.36	43.76
TOTAL FINANCE DEPARTMENT	1,103,064.00	126,907.65	0.00	386,211.05	96,440.59	620,412.36	43.76
COMMUNITY DEVELOPMENT							
COMMUNITY DEVELOPMENT	865,288.00	85,168.01	0.00	266,971.29	10,217.76	588,098.95	32.03
TOTAL COMMUNITY DEVELOPMENT	865,288.00	85,168.01	0.00	266,971.29	10,217.76	588,098.95	32.03

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

100-GENERAL FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
<u>FIRE DEPARTMENT</u>							
<u>FIRE</u>							
TOTAL FIRE DEPARTMENT	2,378,266.00	249,501.39	0.00	802,692.89	25,391.36	1,550,181.75	34.82
	<u>2,378,266.00</u>	<u>249,501.39</u>	<u>0.00</u>	<u>802,692.89</u>	<u>25,391.36</u>	<u>1,550,181.75</u>	<u>34.82</u>
<u>POLICE DEPARTMENT</u>							
<u>POLICE</u>							
TOTAL POLICE DEPARTMENT	4,846,178.00	526,321.33	12.75	1,628,001.05	28,629.72	3,189,547.23	34.18
	<u>4,846,178.00</u>	<u>526,321.33</u>	<u>12.75</u>	<u>1,628,001.05</u>	<u>28,629.72</u>	<u>3,189,547.23</u>	<u>34.18</u>
<u>PARKS DEPARTMENT</u>							
PARD - ADMINISTRATION	164,228.00	18,379.14	0.00	58,636.59	284.74	105,306.67	35.88
PARD - MAINTENANCE	503,711.00	50,413.89	0.00	175,753.87	150,510.00	177,447.13	64.77
PARD - RECREATION	542,501.00	52,378.56	0.00	166,750.79	1,002.00	374,748.21	30.92
PARD - AQUATICS	553,516.00	29,839.31	0.00	126,352.07	8,405.11	418,758.82	24.35
PARD - ATHLETICS & YOUTH	262,876.00	20,486.54	0.00	55,652.34	2,581.45	204,642.21	22.15
TOTAL PARKS DEPARTMENT	<u>2,026,832.00</u>	<u>171,497.44</u>	<u>0.00</u>	<u>583,145.66</u>	<u>162,783.30</u>	<u>1,280,903.04</u>	<u>36.80</u>
<u>LIBRARY</u>							
<u>LIBRARY</u>							
TOTAL LIBRARY	637,276.00	71,702.89	0.00	219,803.96	6,070.01	411,402.03	35.44
	<u>637,276.00</u>	<u>71,702.89</u>	<u>0.00</u>	<u>219,803.96</u>	<u>6,070.01</u>	<u>411,402.03</u>	<u>35.44</u>
<u>PUBLIC WORKS</u>							
<u>PW - STREETS</u>							
TOTAL PUBLIC WORKS	1,141,831.00	112,557.36	6,208.33	337,159.16	102,540.51	702,131.33	38.51
	<u>1,141,831.00</u>	<u>112,557.36</u>	<u>6,208.33</u>	<u>337,159.16</u>	<u>102,540.51</u>	<u>702,131.33</u>	<u>38.51</u>
<u>NONDEPARTMENTAL</u>							
<u>NONDEPARTMENTAL</u>							
TOTAL NONDEPARTMENTAL	1,042,485.00	85,623.75	0.00	342,495.00	0.00	699,990.00	32.85
	<u>1,042,485.00</u>	<u>85,623.75</u>	<u>0.00</u>	<u>342,495.00</u>	<u>0.00</u>	<u>699,990.00</u>	<u>32.85</u>
TOTAL EXPENDITURES	16,568,940.00	1,779,028.97	6,221.08	5,678,599.66	777,017.21	10,113,323.13	38.96
REVENUE OVER/ (UNDER) EXPENDITURES	(575,189.00)	2,907,849.47	6,221.08	3,531,665.81	(777,017.21)	(3,329,837.60)	478.91

100-GENERAL FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROPERTY TAXES							
4001 TAXES - CURRENT	9,009,375.00	4,126,423.41	0.00	6,631,338.30	0.00	2,378,036.70	73.60
4002 TAXES - DELINQUENT	32,000.00	1,178.13	0.00	(18,522.28)	0.00	50,522.28	57.88
4003 TAXES - PENALTY & INTEREST	60,000.00	586.32	0.00	5,373.67	0.00	54,626.33	8.96
4004 TAXES - OVERPAYMENTS	5,000.00	0.00	0.00	0.00	0.00	5,000.00	0.00
4005 TAXES - OTHER	5,000.00	0.00	0.00	285.78	0.00	4,714.22	5.72
TOTAL PROPERTY TAXES	9,111,375.00	4,128,187.86	0.00	6,618,475.47	0.00	2,492,899.53	72.64
FRANCHISE TAXES							
4020 FRANCHISE TAXES - ELECTRIC	856,000.00	68,844.46	0.00	344,222.30	0.00	511,777.70	40.21
4021 FRANCHISE TAXES - GAS	110,000.00	27,106.28	0.00	45,612.29	0.00	64,387.71	41.47
4022 FRANCHISE TAXES - TELEPHONE	120,000.00	1,279.94	0.00	34,220.92	0.00	85,779.08	28.52
4023 FRANCHISE TAXES - CABLE	280,000.00	0.00	0.00	71,240.95	0.00	208,759.05	25.44
TOTAL FRANCHISE TAXES	1,366,000.00	97,230.68	0.00	495,296.46	0.00	870,703.54	36.26
SALES TAXES							
4030 TAXES - SALES	2,000,000.00	183,495.91	0.00	1,072,076.42	0.00	927,923.58	53.60
TOTAL SALES TAXES	2,000,000.00	183,495.91	0.00	1,072,076.42	0.00	927,923.58	53.60
PERMITS							
4100 PERMITS - FOOD	19,000.00	14,397.00	0.00	18,009.00	0.00	991.00	94.78
4102 PERMITS - FIRE, PLUMB'G, GAS	86,000.00	9,496.00	0.00	32,841.25	0.00	53,158.75	38.19
4103 PERMITS - ELECTRICAL	47,000.00	7,923.50	0.00	20,192.25	0.00	26,807.75	42.96
4104 PERMITS - BUILDING	350,000.00	40,546.37	0.00	142,655.31	0.00	207,344.69	40.76
4105 PERMITS - AIR & HEAT	40,000.00	1,912.00	0.00	10,766.50	0.00	29,233.50	26.92
4106 PERMITS - MOVING & DEMOLITION	19,000.00	2,236.00	0.00	7,352.00	0.00	11,648.00	38.69
4107 PERMITS - SIGNS	12,050.00	782.50	0.00	3,407.22	0.00	8,642.78	28.28
4108 PERMITS - GARAGE SALE	3,150.00	142.00	0.00	1,199.00	0.00	1,951.00	38.06
4109 PERMITS - CURB CUT	6,000.00	940.00	0.00	3,027.00	0.00	2,973.00	50.45
4110 PERMITS - ELEVATORS	300.00	0.00	0.00	87.00	0.00	213.00	29.00
4112 PERMITS - TREE REMOVAL	24,000.00	2,069.00	0.00	9,184.00	0.00	14,816.00	38.27
TOTAL PERMITS	606,500.00	80,444.37	0.00	248,720.53	0.00	357,779.47	41.01
FEES							
4120 FEES - PUBLIC HEARING APPEALS	11,500.00	390.00	0.00	3,826.00	0.00	7,674.00	33.27
4121 FEES - CONTRACTOR REGISTRATION	76,923.00	10,600.00	0.00	34,193.00	0.00	42,730.00	44.45
4122 FEES - RESIDENTIAL INSPECTION	16,423.00	1,072.00	0.00	3,752.00	0.00	12,671.00	22.85
4123 FEES - COMMERCIAL INSPECTION	7,000.00	468.00	0.00	1,872.00	0.00	5,128.00	26.74
4129 FEES - DRAINAGE REVIEW	16,000.00	2,250.00	0.00	6,450.00	0.00	9,550.00	40.31
4130 FEES - PLAN CHECK	175,000.00	16,259.61	0.00	61,453.63	0.00	113,546.37	35.12
4131 FEES - DUMPSTER SIGNS	300.00	0.00	0.00	0.00	0.00	300.00	0.00
TOTAL FEES	303,146.00	31,039.61	0.00	111,546.63	0.00	191,599.37	36.80

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

100-GENERAL FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
LICENSE							
4160 LICENSES - LIQUOR & BEER	3,000.00	0.00	0.00	0.00	0.00	3,000.00	0.00
4161 LICENSES - ITINERANT MERCHANT	300.00	130.00	0.00	130.00	0.00	170.00	43.33
TOTAL LICENSE	3,300.00	130.00	0.00	130.00	0.00	3,170.00	3.94
INTERGOVERNMENTAL							
4201 INTERGOVERNMENTAL	3,500.00	0.00	0.00	0.00	0.00	3,500.00	0.00
TOTAL INTERGOVERNMENTAL	3,500.00	0.00	0.00	0.00	0.00	3,500.00	0.00
RENTALS							
4400 RENTALS - GYM	4,500.00	674.00	0.00	2,329.00	0.00	2,171.00	51.76
4401 RENTALS - CIVIC CENTER	11,000.00	245.00	0.00	4,020.00	0.00	6,980.00	36.55
4402 RENTALS - TENNIS COURT	5,000.00	336.00	0.00	1,695.00	0.00	3,305.00	33.90
4403 RENTALS - AQUATIC CENTER	2,500.00	100.00	0.00	515.00	0.00	1,985.00	20.60
4404 RENTALS - PARK FACILITIES	1,200.00	0.00	0.00	0.00	0.00	1,200.00	0.00
TOTAL RENTALS	24,200.00	1,355.00	0.00	8,559.00	0.00	15,641.00	35.37
AQUATICS							
4420 AQUATICS ADMISSION - EVERGREEN	20,000.00	0.00	0.00	0.00	0.00	20,000.00	0.00
4421 AQUATICS ADMISSION - BELLAIRE	130,000.00	0.00	0.00	0.00	0.00	130,000.00	0.00
4422 AQUATICS - SWIM LESSONS	45,000.00	0.00	0.00	404.80	0.00	44,595.20	0.90
4423 AQUATICS - POOL RENTALS	30,000.00	0.00	0.00	4,515.00	0.00	25,485.00	15.05
4425 AQUATICS - SWIM TEAM	27,000.00	0.00	0.00	0.00	0.00	27,000.00	0.00
4426 AQUATICS - ANNUAL SWIM PASS	80,000.00	517.15	0.00	1,247.15	0.00	78,752.85	1.56
4428 AQUATICS - VENDING	0.00	0.00	0.00	78.49	0.00	(78.49)	0.00
TOTAL AQUATICS	332,000.00	517.15	0.00	6,245.44	0.00	325,754.56	1.88
PROGRAM FEES							
4440 PROGRAMS - LEISURE CLASS	160,000.00	19,105.76	0.00	35,982.11	0.00	124,017.89	22.49
4441 PROGRAMS - TEEN	7,000.00	336.00	0.00	1,901.00	0.00	5,099.00	27.16
4444 PROGRAMS - SPECIAL EVENTS	9,000.00	90.00	0.00	10,465.00	0.00	(1,465.00)	116.28
4445 PROGRAMS - L.I.F.E.	6,000.00	614.00	0.00	1,632.62	0.00	4,367.38	27.21
TOTAL PROGRAM FEES	182,000.00	20,145.76	0.00	49,980.73	0.00	132,019.27	27.46
ATHLETICS							
4460 ATHLETICS - LEAGUES	65,000.00	8,331.00	0.00	44,799.00	0.00	20,201.00	68.92
4461 ATHLETICS - ORGANIZATION FEE	5,600.00	0.00	0.00	0.00	0.00	5,600.00	0.00
4462 ATHLETICS - CAMPS	260,000.00	52.00	0.00	3,488.50	0.00	256,511.50	1.34
4464 ATHLETICS - TENNIS/GOLF	7,000.00	2,450.00	0.00	2,450.00	0.00	4,550.00	35.00
TOTAL ATHLETICS	337,600.00	10,833.00	0.00	50,737.50	0.00	286,862.50	15.03
OTHER FEES							
4480 FEES - RECREATION CENTER	1,000.00	60.00	0.00	425.00	0.00	575.00	42.50
4481 FEES - CENTER ID CARD	50.00	0.00	0.00	0.00	0.00	50.00	0.00
4483 FEES - RECREATION MEMBERSHIP	15,000.00	952.00	0.00	3,387.33	0.00	11,612.67	22.58
4484 FEES - VENDING - REC. CENTER	0.00	18.07	0.00	61.93	0.00	(61.93)	0.00
TOTAL OTHER FEES	16,050.00	1,030.07	0.00	3,874.26	0.00	12,175.74	24.14

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

100-GENERAL FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PUBLIC SAFETY							
4500 PERMITS - ALARM	25,500.00	0.00	0.00	6,305.00	0.00	20,195.00	23.79
4501 PERMITS - FALSE ALARM	6,000.00	0.00	0.00	0.00	0.00	6,000.00	0.00
4502 FEES - WRECKER	32,650.00	3,400.00	0.00	3,750.00	0.00	28,900.00	11.49
4503 AMBULANCE	300,000.00	30,621.58	0.00	96,036.80	0.00	203,963.20	32.01
4504 RESCUE BILLING - MVA	22,000.00	1,003.11	0.00	4,131.11	0.00	17,868.89	18.78
4505 CHLD SAFETY PROGRAM	18,500.00	1,401.10	0.00	5,880.38	0.00	12,619.62	31.79
4507 SELF DEFENSE FEE	300.00	0.00	0.00	0.00	0.00	300.00	0.00
TOTAL PUBLIC SAFETY	405,950.00	36,425.79	0.00	116,103.29	0.00	289,846.71	28.60
OTHER REVENUE							
4520 MISC FEES - COPY	6,000.00	480.00	0.00	1,828.40	0.00	4,171.60	30.47
TOTAL OTHER REVENUE	6,000.00	480.00	0.00	1,828.40	0.00	4,171.60	30.47
FINES							
4600 MUNICIPAL COURT	700,000.00	49,747.02	0.00	236,398.38	0.00	463,601.62	33.77
4601 LIBRARY	30,000.00	1,992.48	0.00	7,767.80	0.00	22,232.20	25.89
TOTAL FINES	730,000.00	51,739.50	0.00	244,166.18	0.00	485,833.82	33.45
INVESTMENT REVENUE							
4710 INTEREST - INVESTMENTS	24,000.00	65.57	0.00	4,766.30	0.00	19,233.70	19.86
4715 FEES - CREDIT CARDS	4,300.00	309.00	0.00	1,577.10	0.00	2,722.90	36.68
TOTAL INVESTMENT REVENUE	28,300.00	374.57	0.00	6,343.40	0.00	21,956.60	22.41
MISC REVENUE							
4730 MISC REVENUE	15,000.00	0.00	0.00	5,291.93	0.00	9,708.07	35.28
4731 REIMBURSEMENTS - INSURANCE	10,000.00	0.00	0.00	2,180.69	0.00	7,819.31	21.81
4732 COMMISSIONS - TELE/VENDING	230.00	0.00	0.00	0.00	0.00	230.00	0.00
4733 ANIMAL CONTROL FEES	2,150.00	0.00	0.00	200.00	0.00	1,950.00	9.30
4734 FEES - RETURN CHECK	450.00	0.00	0.00	60.00	0.00	390.00	13.33
TOTAL MISC REVENUE	27,830.00	0.00	0.00	7,732.62	0.00	20,097.38	27.79
OTHER FINANCING SOURCES							
4770 SALE OF CITY PROPERTY - F/A	10,000.00	1,782.50	0.00	1,782.50	0.00	8,217.50	17.83
4775 TRANSFERS FROM	500,000.00	41,666.67	0.00	166,666.64	0.00	333,333.36	33.33
TOTAL OTHER FINANCING SOURCES	510,000.00	43,449.17	0.00	168,449.14	0.00	341,550.86	33.03
CONTRIBUTIONS							
** TOTAL REVENUES **	15,993,751.00	4,686,878.44	0.00	9,210,265.47	0.00	6,783,485.53	57.59

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

PAGE: 1

200-SPECIAL REVENUE FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
FRANCHISE TAXES	56,000.00	0.00	0.00	14,248.15	0.00	41,751.85	25.44
FINES	46,000.00	2,779.84	0.00	14,817.55	0.00	31,182.45	32.21
CONTRIBUTIONS	44,500.00	1,764.00	0.00	2,024.00	0.00	42,476.00	4.55
TOTAL REVENUES	146,500.00	4,543.84	0.00	31,089.70	0.00	115,410.30	21.22
EXPENDITURE SUMMARY							
FINANCE DEPARTMENT							
FINANCE	18,504.00	0.00	0.00	0.00	17,490.00	1,014.00	94.52
TOTAL FINANCE DEPARTMENT	18,504.00	0.00	0.00	0.00	17,490.00	1,014.00	94.52
FIRE DEPARTMENT							
FIRE	1,000.00	0.00	0.00	0.00	0.00	1,000.00	0.00
TOTAL FIRE DEPARTMENT	1,000.00	0.00	0.00	0.00	0.00	1,000.00	0.00
POLICE DEPARTMENT							
POLICE	14,930.00	0.00	0.00	0.00	0.00	14,930.00	0.00
TOTAL POLICE DEPARTMENT	14,930.00	0.00	0.00	0.00	0.00	14,930.00	0.00
PARD							
PARD - MAINT	8,049.00	0.00	0.00	0.00	0.00	8,049.00	0.00
TOTAL PARD	8,049.00	0.00	0.00	0.00	0.00	8,049.00	0.00
LIBRARY							
LIBRARY	11,500.00	0.00	0.00	1,480.49	0.00	10,019.51	12.87
TOTAL LIBRARY	11,500.00	0.00	0.00	1,480.49	0.00	10,019.51	12.87
NONDEPARTMENTAL							
NONDEPARTMENTAL	65,000.00	1,020.00	0.00	15,951.00	15,830.00	33,219.00	48.89
TOTAL NONDEPARTMENTAL	65,000.00	1,020.00	0.00	15,951.00	15,830.00	33,219.00	48.89
TOTAL EXPENDITURES	118,983.00	1,020.00	0.00	17,431.49	33,320.00	68,231.51	42.65
REVENUE OVER/ (UNDER) EXPENDITURES	27,517.00	3,523.84	0.00	13,658.21	33,320.00	47,178.79	71.45

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

200-SPECIAL REVENUE FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
FRANCHISE TAXES							
4024 FRANCHISE TAXES - PEG	56,000.00	0.00	0.00	14,248.15	0.00	41,751.85	25.44
TOTAL FRANCHISE TAXES	56,000.00	0.00	0.00	14,248.15	0.00	41,751.85	25.44
FINES							
4602 COURT TECHNOLOGY	28,000.00	1,586.76	0.00	8,467.20	0.00	19,532.80	30.24
4603 COURT SECURITY	18,000.00	1,193.08	0.00	6,350.35	0.00	11,649.65	35.28
TOTAL FINES	46,000.00	2,779.84	0.00	14,817.55	0.00	31,182.45	32.21
CONTRIBUTIONS							
4800 CONTRIBUTION - FIRE	500.00	0.00	0.00	0.00	0.00	500.00	0.00
4811 LEOSE - POLICE	2,500.00	0.00	0.00	0.00	0.00	2,500.00	0.00
4812 SEIZED PROPERTIES ARTICLE 59	10,000.00	0.00	0.00	0.00	0.00	10,000.00	0.00
4816 CONTRIBUTION - R.A.D.	0.00	1,749.00	0.00	1,749.00	0.00	1,749.00	0.00
4820 CONTRIBUTION - LIBRARY	3,500.00	0.00	0.00	260.00	0.00	3,240.00	7.43
4821 MEMORIALS - LIBRARY	1,000.00	15.00	0.00	15.00	0.00	985.00	1.50
4822 FRIENDS OF BELLAIRE LIBRARY	7,000.00	0.00	0.00	0.00	0.00	7,000.00	0.00
4831 NATURE DISCOVERY CENTER	20,000.00	0.00	0.00	0.00	0.00	20,000.00	0.00
TOTAL CONTRIBUTIONS	44,500.00	1,764.00	0.00	2,024.00	0.00	42,476.00	4.55
** TOTAL REVENUES **	146,500.00	4,543.84	0.00	31,089.70	0.00	115,410.30	21.22

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

300-DEBT SERVICE
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
PROPERTY TAXES	5,062,781.00	2,312,616.38	0.00	3,705,096.52	0.00	1,357,684.48	73.18
INVESTMENT REVENUE	3,000.00	23.29	0.00	761.21	0.00	2,238.79	25.37
OTHER FINANCING SOURCES	950,000.00	79,166.67	0.00	316,666.64	0.00	633,333.36	33.33
TOTAL REVENUES	6,015,781.00	2,391,806.34	0.00	4,022,524.37	0.00	1,993,256.63	66.87
EXPENDITURE SUMMARY							
DEBT SERVICE							
DEBT	6,037,976.00	0.00	0.00	1,600.00	6,800.00	6,029,576.00	0.14
TOTAL DEBT SERVICE	6,037,976.00	0.00	0.00	1,600.00	6,800.00	6,029,576.00	0.14
TOTAL EXPENDITURES	6,037,976.00	0.00	0.00	1,600.00	6,800.00	6,029,576.00	0.14
REVENUE OVER/(UNDER) EXPENDITURES	(22,195.00)	2,391,806.34	0.00	4,020,924.37	(6,800.00)	(4,036,319.37)	8,085.71

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

300-DEBT SERVICE

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROPERTY TAXES							
4001 TAXES - CURRENT	5,047,781.00	2,311,956.30	0.00	3,715,474.69	0.00	1,332,306.31	73.61
4002 TAXES - DELINQUENT	15,000.00	660.08	0.00	(10,378.17)	0.00	25,378.17	69.19
TOTAL PROPERTY TAXES	5,062,781.00	2,312,616.38	0.00	3,705,096.52	0.00	1,357,684.48	73.18
INVESTMENT REVENUE							
4710 INTEREST - INVESTMENTS	3,000.00	23.29	0.00	761.21	0.00	2,238.79	25.37
TOTAL INVESTMENT REVENUE	3,000.00	23.29	0.00	761.21	0.00	2,238.79	25.37
MISC REVENUE							
OTHER FINANCING SOURCES							
4775 TRANSFERS FROM	950,000.00	79,166.67	0.00	316,666.64	0.00	633,333.36	33.33
TOTAL OTHER FINANCING SOURCES	950,000.00	79,166.67	0.00	316,666.64	0.00	633,333.36	33.33
*** TOTAL REVENUES ***	6,015,781.00	2,391,806.34	0.00	4,022,524.37	0.00	1,993,256.63	66.87

500-ENTERPRISE FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
WATER	3,555,000.00	261,492.49	0.00	1,187,033.42	0.00	2,367,966.58	33.39
WASTEWATER	2,360,000.00	213,869.30	0.00	828,882.80	0.00	1,531,117.20	35.12
SOLID WASTE	1,442,500.00	119,168.47	0.00	476,103.69	0.00	966,396.31	33.01
RECYCLING	40,000.00	1,981.21	0.00	8,393.20	0.00	31,606.80	20.98
CHARGES FOR SERVICE	27,000.00	3,290.00	0.00	9,940.00	0.00	17,060.00	36.81
OTHER REVENUE	44,600.00	6,929.50	0.00	22,412.66	0.00	22,187.34	50.25
INVESTMENT REVENUE	7,000.00	20.64	0.00	2,390.53	0.00	4,609.47	34.15
MISC REVENUE	15,500.00	60.00	0.00	3,191.73	0.00	12,308.27	20.59
TOTAL REVENUES	7,491,600.00	606,811.61	0.00	2,538,348.03	0.00	4,953,251.97	33.88
EXPENDITURE SUMMARY							
FINANCE DEPARTMENT							
PW - GENERAL	4,208,600.00	350,539.31	0.00	1,402,757.08	0.00	2,805,842.92	33.33
UB & METER READING	237,725.00	24,078.12	0.00	71,760.07	26,655.39	139,309.54	41.40
TOTAL FINANCE DEPARTMENT	4,446,325.00	374,617.43	0.00	1,474,517.15	26,655.39	2,945,152.46	33.76
PUBLIC WORKS							
PW - WATER PRODUCTION	561,590.00	26,832.80	0.00	135,273.01	86,882.76	339,434.23	39.56
PW - WATER DISTRIBUTION	547,473.00	27,250.86	1,950.00	103,868.72	60,066.43	383,537.85	29.94
PW - SURFACE WATER	1,961,599.00	208,618.38	0.00	838,828.55	1,111,092.55	11,677.90	99.40
PW - WW COLLECTION	452,692.00	32,455.28	0.00	110,810.28	16,018.59	325,863.13	28.02
PW - WW TREATMENT	1,085,245.00	95,529.94	0.00	284,921.93	109,063.73	691,259.34	36.30
PW - SOLID WASTE	1,336,616.00	117,945.61	0.00	390,266.30	219,278.18	727,071.52	45.60
TOTAL PUBLIC WORKS	5,945,215.00	508,632.87	1,950.00	1,863,968.79	1,602,402.24	2,478,843.97	58.31
TOTAL EXPENDITURES	10,391,540.00	883,250.30	1,950.00	3,338,485.94	1,629,057.63	5,423,996.43	47.80
REVENUE OVER/(UNDER) EXPENDITURES	(2,899,940.00)	(276,438.69)	1,950.00	(800,137.91)	(1,629,057.63)	(470,744.46)	83.77

500-ENTERPRISE FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
INTERGOVERNMENTAL							
WATER							
4300 WATER - RESIDENTIAL	2,400,000.00	164,952.02	0.00	749,228.17	0.00	1,650,771.83	31.22
4301 WATER - COMMERCIAL	530,000.00	36,933.33	0.00	177,779.89	0.00	352,220.11	33.54
4304 RESIDENTIAL SPRINKLER WATER	550,000.00	32,607.14	0.00	214,025.36	0.00	335,974.64	38.91
4309 NEW WATER SERVICE METERS	75,000.00	27,000.00	0.00	46,000.00	0.00	29,000.00	61.33
TOTAL WATER	3,555,000.00	261,492.49	0.00	1,187,033.42	0.00	2,367,966.58	33.39
WASTEWATER							
4310 WASTEWATER - RESIDENTIAL	2,000,000.00	170,088.08	0.00	687,502.95	0.00	1,312,497.05	34.38
4311 WASTEWATER - COMMERCIAL	300,000.00	22,781.22	0.00	101,379.85	0.00	198,620.15	33.79
4319 NEW SEWER TAPS	60,000.00	21,000.00	0.00	40,000.00	0.00	20,000.00	66.67
TOTAL WASTEWATER	2,360,000.00	213,869.30	0.00	828,882.80	0.00	1,531,117.20	35.12
SOLID WASTE							
4320 SOLID WASTE - RESIDENTIAL	1,250,000.00	103,267.69	0.00	413,261.63	0.00	836,738.37	33.06
4322 GARBAGE BAGS/RECYCLING BINS	7,500.00	654.06	0.00	1,983.51	0.00	5,516.49	26.45
4323 SOLID WASTE STICKERS	5,000.00	281.78	0.00	1,005.16	0.00	3,994.84	20.10
4325 CURBSIDE RECYCLING	180,000.00	14,964.94	0.00	59,853.39	0.00	120,146.61	33.25
TOTAL SOLID WASTE	1,442,500.00	119,168.47	0.00	476,103.69	0.00	966,396.31	33.01
RECYCLING							
4340 RECYCLING SALES	40,000.00	1,981.21	0.00	8,393.20	0.00	31,606.80	20.98
TOTAL RECYCLING	40,000.00	1,981.21	0.00	8,393.20	0.00	31,606.80	20.98
CHARGES FOR SERVICE							
4350 NEW SERVICE FEE	24,000.00	2,275.00	0.00	8,260.00	0.00	15,740.00	34.42
4351 RECONNECT FEE	3,000.00	1,015.00	0.00	1,680.00	0.00	1,320.00	56.00
TOTAL CHARGES FOR SERVICE	27,000.00	3,290.00	0.00	9,940.00	0.00	17,060.00	36.81
OTHER REVENUE							
4521 MISC ADMIN PROCESSING FEES	600.00	49.07	0.00	146.96	0.00	453.04	24.49
4558 RESIDENTIAL PENALTY	40,000.00	5,114.71	0.00	19,466.53	0.00	20,533.47	48.67
4559 COMMERCIAL PENALTY	4,000.00	1,765.72	0.00	2,799.17	0.00	1,200.83	69.98
TOTAL OTHER REVENUE	44,600.00	6,929.50	0.00	22,412.66	0.00	22,187.34	50.25
INVESTMENT REVENUE							
4710 INTEREST - INVESTMENTS	7,000.00	20.64	0.00	2,390.53	0.00	4,609.47	34.15
TOTAL INVESTMENT REVENUE	7,000.00	20.64	0.00	2,390.53	0.00	4,609.47	34.15
MISC REVENUE							
4730 MISC REVENUE	9,000.00	0.00	0.00	2,324.42	0.00	6,675.58	25.83
4731 REIMBURSEMENTS - INSURANCE	5,000.00	0.00	0.00	627.31	0.00	4,372.69	12.55
4734 FEES - RETURN CHECK	1,500.00	60.00	0.00	240.00	0.00	1,260.00	16.00
TOTAL MISC REVENUE	15,500.00	60.00	0.00	3,191.73	0.00	12,308.27	20.59

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

500-ENTERPRISE FUND

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
OTHER FINANCING SOURCES							
CONTRIBUTIONS							
** TOTAL REVENUES **	7,491,600.00	606,811.61	0.00	2,538,348.03	0.00	4,953,251.97	33.88

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

600-VET
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
OTHER FINANCING SOURCES	1,310,544.00	109,212.00	0.00	436,848.00	0.00	873,696.00	33.33
CONTRIBUTIONS	7,500.00	0.00	0.00	0.00	0.00	7,500.00	0.00
TOTAL REVENUES	1,318,044.00	109,212.00	0.00	436,848.00	0.00	881,196.00	33.14
EXPENDITURE SUMMARY							
ORGANIZATIONAL SERVICES							
COMM TECH SERVICES	100,200.00	2,744.04	0.00	45,869.75	3,200.15	51,130.10	48.97
TOTAL ORGANIZATIONAL SERVICES	100,200.00	2,744.04	0.00	45,869.75	3,200.15	51,130.10	48.97
FINANCE							
COMMUNITY DEVELOPMENT							
FIRE AND EMERG MGMT							
FIRE	127,432.00	36,689.59	0.00	36,846.56	84,129.41	6,456.03	94.93
TOTAL FIRE AND EMERG MGMT	127,432.00	36,689.59	0.00	36,846.56	84,129.41	6,456.03	94.93
POLICE							
POLICE	216,941.00	21,497.60	0.00	41,377.90	95,273.11	80,289.99	62.99
TOTAL POLICE	216,941.00	21,497.60	0.00	41,377.90	95,273.11	80,289.99	62.99
PARD							
PARD - MAINTENANCE	30,000.00	0.00	0.00	8,284.60	0.00	21,715.40	27.62
PARD - AQUATICS	9,500.00	0.00	0.00	4,990.00	0.00	4,510.00	52.53
TOTAL PARD	39,500.00	0.00	0.00	13,274.60	0.00	26,225.40	33.61
LIBRARY							
PUBLIC WORKS							
PW - ADMINISTRATION	25,000.00	0.00	0.00	0.00	23,115.80	1,884.20	92.46
PW - WATER DISTRIBUTION	150,000.00	0.00	0.00	0.00	23,115.80	126,884.20	15.41
PW - WW TREATMENT	50,000.00	0.00	0.00	0.00	46,231.60	3,768.40	92.46
PW - SOLID WASTE	710,000.00	0.00	0.00	241,132.00	243,245.00	225,623.00	68.22
TOTAL PUBLIC WORKS	935,000.00	0.00	0.00	241,132.00	335,708.20	358,159.80	61.69
TOTAL EXPENDITURES	1,419,073.00	60,931.23	0.00	378,500.81	518,310.87	522,261.32	63.20
REVENUE OVER/(UNDER) EXPENDITURES	(101,029.00)	48,280.77	0.00	58,347.19	(518,310.87)	358,934.68	455.28

610-CIP
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
OTHER FINANCING SOURCES	2,463,941.00	205,328.42	0.00	821,313.64	0.00	1,642,627.36	33.33
TOTAL REVENUES	2,463,941.00	205,328.42	0.00	821,313.64	0.00	1,642,627.36	33.33
EXPENDITURE SUMMARY							
CIP							
CIP	0.00	0.00	0.00	313.50	1,956.70	(2,270.20)	0.00
TOTAL CIP	0.00	0.00	0.00	313.50	1,956.70	(2,270.20)	0.00
DRAINAGE							
DRAINAGE	499,561.00	0.00	0.00	0.00	0.00	499,561.00	0.00
TOTAL DRAINAGE	499,561.00	0.00	0.00	0.00	0.00	499,561.00	0.00
PARKS							
PARKS	508,887.00	2,222.75	11,486.25	18,531.48	327,487.27	162,868.25	68.00
TOTAL PARKS	508,887.00	2,222.75	11,486.25	18,531.48	327,487.27	162,868.25	68.00
TRAFFIC							
WATER							
WATER	2,268,734.00	7,578.00	253,987.69	282,175.69	2,020,818.91	(34,260.60)	101.51
TOTAL WATER	2,268,734.00	7,578.00	253,987.69	282,175.69	2,020,818.91	(34,260.60)	101.51
WASTEWATER							
WASTEWATER	381,000.00	0.00	0.00	0.00	0.00	381,000.00	0.00
TOTAL WASTEWATER	381,000.00	0.00	0.00	0.00	0.00	381,000.00	0.00
RBB/FACILITIES							
RBB/FACILITIES	173,500.00	0.00	0.00	4,126.69	10,700.00	158,673.31	8.55
TOTAL RBB/FACILITIES	173,500.00	0.00	0.00	4,126.69	10,700.00	158,673.31	8.55
BEAUTIFICATION							
BEAUTIFICATION	184,830.00	5,000.00	19,135.05	19,375.00	4,995.00	160,460.00	13.19
TOTAL BEAUTIFICATION	184,830.00	5,000.00	19,135.05	19,375.00	4,995.00	160,460.00	13.19
UNALLOCATED							
TOTAL EXPENDITURES	4,016,512.00	14,800.75	284,608.99	324,522.36	2,365,957.88	1,326,031.76	66.99
REVENUE OVER/ (UNDER) EXPENDITURES	(1,552,571.00)	190,527.67	284,608.99	496,791.28	(2,365,957.88)	316,595.60	120.39

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
<u>INVESTMENT REVENUE</u>							
<u>MISC REVENUE</u>							
OTHER FINANCING SOURCES							
4775 TRANSFER FROM	2,463,941.00	205,328.42	0.00	821,313.64	0.00	1,642,627.36	33.33
TOTAL OTHER FINANCING SOURCES	<u>2,463,941.00</u>	<u>205,328.42</u>	<u>0.00</u>	<u>821,313.64</u>	<u>0.00</u>	<u>1,642,627.36</u>	<u>33.33</u>
<u>CONTRIBUTIONS</u>							
** TOTAL REVENUES **	<u>2,463,941.00</u>	<u>205,328.42</u>	<u>0.00</u>	<u>821,313.64</u>	<u>0.00</u>	<u>1,642,627.36</u>	<u>33.33</u>

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP		% OF YEAR COMPLETED: 33.33									
CIP											
DEPARTMENTAL EXPENDITURES		CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET			
VET/CIP/FA											
5-0000-957	RB/BELLAIRE P-A-Y-G FACILITIES	0.00	0.00	0.00	313.50	0.00 (	313.50)			0.00	
5-0000-962	WATER REHABILITATION PRG.	0.00	0.00	0.00	0.00	1,956.70 (	1,956.70)			0.00	
TOTAL VET/CIP/FA		0.00	0.00	0.00	313.50	1,956.70 (	2,270.20)			0.00	
TOTAL CIP		0.00	0.00	0.00	313.50	1,956.70 (	2,270.20)			0.00	
TOTAL CIP		0.00	0.00	0.00	313.50	1,956.70 (	2,270.20)			0.00	

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP
DRAINAGE
DRAINAGE

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-1000-999.804 DRAINAGE PHASE 4	499,561.00	0.00	0.00	0.00	0.00	499,561.00	0.00
TOTAL PROJECTS	<u>499,561.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>499,561.00</u>	<u>0.00</u>
TOTAL DRAINAGE	499,561.00	0.00	0.00	0.00	0.00	499,561.00	0.00
TOTAL DRAINAGE	499,561.00	0.00	0.00	0.00	0.00	499,561.00	0.00

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014610-CIP
PARKS
PARKS

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-3000-999.109 PARK IMPROVEMENTS	100,000.00	0.00	0.00	0.00	0.00	100,000.00	0.00
5-3000-999.302 GREAT LAWN	225,879.00	374.00	215.00	374.00	215,593.86	9,911.14	95.61
5-3000-999.306 EVERGREEN POOL/FIRE DAMAGE	171,736.00	1,848.75	2,849.25	7,994.10	111,170.88	52,571.02	69.39
5-3000-999.307 BELLAIRE POOL / FIRE DAMAGE	11,272.00	0.00	8,422.00	10,163.38	722.53	386.09	96.57
TOTAL PROJECTS	508,887.00	2,222.75	11,486.25	18,531.48	327,487.27	162,868.25	68.00
TOTAL PARKS	508,887.00	2,222.75	11,486.25	18,531.48	327,487.27	162,868.25	68.00
TOTAL PARKS	508,887.00	2,222.75	11,486.25	18,531.48	327,487.27	162,868.25	68.00

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

				% OF YEAR COMPLETED: 33.33			
						% OF	
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CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014610-CIP
WASTEWATER
WASTEWATER

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-7000-999.226 FINE SCREEN BUILDING	201,000.00	0.00	0.00	0.00	0.00	201,000.00	0.00
5-7000-999.701 FY2013 WWT ELECTRICAL	180,000.00	0.00	0.00	0.00	0.00	180,000.00	0.00
TOTAL PROJECTS	381,000.00	0.00	0.00	0.00	0.00	381,000.00	0.00
TOTAL WASTEWATER	381,000.00	0.00	0.00	0.00	0.00	381,000.00	0.00
TOTAL WASTEWATER	381,000.00	0.00	0.00	0.00	0.00	381,000.00	0.00

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP
RBB/FACILITIES
RBB/FACILITIES
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
<u>EMPLOYEE BENEFITS</u>							
<u>PROJECTS</u>							
5-9100-999.227 MUNICIPAL REHAB PROJECTS	125,500.00	0.00	0.00	4,126.69	10,700.00	110,673.31	11.81
5-9100-999.229 ENTERPRISE BUILDING MTCE	48,000.00	0.00	0.00	0.00	0.00	48,000.00	0.00
TOTAL PROJECTS	173,500.00	0.00	0.00	4,126.69	10,700.00	158,673.31	8.55
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TOTAL RBB/FACILITIES	173,500.00	0.00	0.00	4,126.69	10,700.00	158,673.31	8.55
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TOTAL RBB/FACILITIES	173,500.00	0.00	0.00	4,126.69	10,700.00	158,673.31	8.55

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP
BEAUTIFICATION
BEAUTIFICATION

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-9200-999.304 WAYFINDING SIGNS	35,000.00	5,000.00	17,505.00	17,500.00	4,995.00	12,505.00	64.27
5-9200-999.305 2013 STREETSCAPES PROGRAM	29,130.00	0.00	1,630.05	1,875.00	0.00	27,255.00	6.44
5-9200-999.308 CITY WIDE BEAUTIFICATION	120,700.00	0.00	0.00	0.00	0.00	120,700.00	0.00
TOTAL PROJECTS	184,830.00	5,000.00	19,135.05	19,375.00	4,995.00	160,460.00	13.19
TOTAL BEAUTIFICATION	184,830.00	5,000.00	19,135.05	19,375.00	4,995.00	160,460.00	13.19
TOTAL BEAUTIFICATION	184,830.00	5,000.00	19,135.05	19,375.00	4,995.00	160,460.00	13.19

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

610-CIP
UNALLOCATED
UNALLOCATED
DEPARTMENTAL EXPENDITURES

% OF YEAR COMPLETED: 33.33

CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
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PROJECTS

TOTAL EXPENDITURES	4,016,512.00	14,800.75	284,608.99	324,522.36	2,365,957.88	1,326,031.76	66.99
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CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

620-CIP - BOND
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
INVESTMENT REVENUE	0.00	281.81	0.00	1,680.40	0.00	(1,680.40)	0.00
OTHER FINANCING SOURCES	13,000,000.00	0.00	0.00	0.00	0.00	13,000,000.00	0.00
TOTAL REVENUES	13,000,000.00	281.81	0.00	1,680.40	0.00	12,998,319.60	0.01
EXPENDITURE SUMMARY							
BOND-CIP							
DRAINAGE							
DRAINAGE	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,975,510.10	16,403,499.77	33.43
TOTAL DRAINAGE	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,975,510.10	16,403,499.77	33.43
FACILITIES							
FACILITIES	0.00	0.00	0.00	0.00	10,000.00	(10,000.00)	0.00
TOTAL FACILITIES	0.00	0.00	0.00	0.00	10,000.00	(10,000.00)	0.00
STREETS							
TOTAL EXPENDITURES	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,985,510.10	16,393,499.77	33.47
REVENUE OVER/ (UNDER) EXPENDITURES	(11,641,750.00)	(395,097.46)	1,262,740.13	(1,261,059.73)	(6,985,510.10)	(3,395,180.17)	70.84

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
INVESTMENT REVENUE							
4711 INTEREST - BOND FUNDS	0.00	281.81	0.00	1,680.40	0.00	(1,680.40)	0.00
TOTAL INVESTMENT REVENUE	0.00	281.81	0.00	1,680.40	0.00	1,680.40	0.00
MISC REVENUE							
OTHER FINANCING SOURCES							
4778 PROCEEDS OF GENL L-T DEBT	13,000,000.00	0.00	0.00	0.00	0.00	13,000,000.00	0.00
TOTAL OTHER FINANCING SOURCES	13,000,000.00	0.00	0.00	0.00	0.00	13,000,000.00	0.00
** TOTAL REVENUES **	13,000,000.00	281.81	0.00	1,680.40	0.00	12,998,319.60	0.01

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014620-CIP - BOND
DRAINAGE
DRAINAGE

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-1000-999.403 BALDWIN AVENUE	1,007,667.00	0.00	40,260.00	40,260.00	967,406.81	0.19	100.00
5-1000-999.804 DRAINAGE PHASE 4	5,832,231.00	349,827.27	1,020,128.63	1,020,128.63	4,812,102.29	0.08	100.00
5-1000-999.805 DRAINAGE PHASE 5	17,801,852.00	45,552.00	202,351.50	202,351.50	1,196,001.00	16,403,499.50	7.86
TOTAL PROJECTS	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,975,510.10	16,403,499.77	33.43
TOTAL DRAINAGE	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,975,510.10	16,403,499.77	33.43
TOTAL DRAINAGE	24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	6,975,510.10	16,403,499.77	33.43

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

620-CIP - BOND
FACILITIES
FACILITIES
DEPARTMENTAL EXPENDITURES

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR FO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-2000-999.228 NEW CITY HALL/POLICE/COURT	0.00	0.00	0.00	0.00	10,000.00 (	10,000.00)	0.00
TOTAL PROJECTS	0.00	0.00	0.00	0.00	10,000.00 (	10,000.00)	0.00
TOTAL FACILITIES	0.00	0.00	0.00	0.00	10,000.00 (	10,000.00)	0.00
TOTAL FACILITIES	0.00	0.00	0.00	0.00	10,000.00 (	10,000.00)	0.00

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

620-CIP - BOND
STREETS
STREETS

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
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PROJECTS

TOTAL EXPENDITURES

24,641,750.00	395,379.27	1,262,740.13	1,262,740.13	1,262,740.13	6,985,510.10	16,393,499.77	33.47
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CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

630-CIP - METRO
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 33.33

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
INTERGOVERNMENTAL	801,000.00	0.00	0.00	801,000.00	0.00	0.00	100.00
INVESTMENT REVENUE	3,000.00	55.77	0.00	320.60	0.00	2,679.40	10.69
TOTAL REVENUES	804,000.00	55.77	0.00	801,320.60	0.00	2,679.40	99.67
EXPENDITURE SUMMARY							
METRO							
STREETS							
STREETS	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
TOTAL STREETS	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
TOTAL EXPENDITURES	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
REVENUE OVER/(UNDER) EXPENDITURES	(3,603,237.00) (	39,394.23)	101,175.00	713,945.60 (	143,883.32) (	4,173,299.28)	15.82

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

630-CIP - METRO

% OF YEAR COMPLETED: 33.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
INTERGOVERNMENTAL							
4200 INTERGOVT - METRO SALES TAX	801,000.00	0.00	0.00	801,000.00	0.00	0.00	100.00
TOTAL INTERGOVERNMENTAL	801,000.00	0.00	0.00	801,000.00	0.00	0.00	100.00
INVESTMENT REVENUE							
4712 INTEREST - METRO	3,000.00	55.77	0.00	320.60	0.00	2,679.40	10.69
TOTAL INVESTMENT REVENUE	3,000.00	55.77	0.00	320.60	0.00	2,679.40	10.69
OTHER FINANCING SOURCES							
** TOTAL REVENUES **	804,000.00	55.77	0.00	801,320.60	0.00	2,679.40	99.67

CITY OF BELLAIRE
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JANUARY 31ST, 2014

630-CIP - METRO

STREETS
STREETS

% OF YEAR COMPLETED: 33.33

DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
PROJECTS							
5-4000-999.403 BALDWIN AVENUE	8,862.00	7,500.00	0.00	7,500.00	16,362.07 (	15,000.07)	269.26
5-4000-999.404 SIDEWALK PROJECT	0.00	0.00	0.00	0.00	687.50 (	687.50)	0.00
5-4000-999.406 STREET STRIPING PROGRAM	125,000.00	0.00	0.00	0.00	0.00	125,000.00	0.00
5-4000-999.407 STREET CONDITION MGT PROGRAM	2,973,375.00	31,950.00	101,175.00	79,875.00	126,833.75	2,766,666.25	6.95
5-4000-999.409 SIDEWALK PROJECTS	1,300,000.00	0.00	0.00	0.00	0.00	1,300,000.00	0.00
TOTAL PROJECTS	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
TOTAL STREETS	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
TOTAL STREETS	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25
TOTAL EXPENDITURES	4,407,237.00	39,450.00	101,175.00	87,375.00	143,883.32	4,175,978.68	5.25

CITY OF BELLAIRE, TEXAS
SUMMARY INVESTMENT REPORT
 Fiscal Year 2014 through January 31, 2014

Account Description	Date		Rate/ Coupon	Purchase Yield	Purchase Price	Market Price	Face Amount	Book Value	Market Value	Accrued Interest	Beginning Values @ 10/01/13	
	Purchase	Maturity									Book Value	Market Value
Cash Concentration Accounts												
Amegy Bank of Texas	01/31/14	02/01/14	0.0000%	0.0000%	\$ -	\$ -	\$ 8,035,090.27	\$ 8,035,090.27	\$ 8,035,090.27	\$ -	\$ 7,303,716.01	\$ 7,303,716.01
Sub-total							8,035,090.27	8,035,090.27	8,035,090.27	-	7,303,716.01	7,303,716.01
Government Securities												
FHLB 313378XS5	04/30/12	04/30/15	0.6500%	0.6500%	100.000	100.127	1,000,000.00	1,000,000.00	1,001,268.00	1,625.00	1,000,000.00	1,002,917.00
FHLB 313380BW6	08/13/12	08/13/15	0.4000%	0.4000%	100.000	100.141	1,000,000.00	1,000,000.00	1,001,412.00	1,855.56	1,000,000.00	999,811.00
FHCB 3133EC5X8	12/10/12	12/10/15	0.4200%	0.4200%	100.000	100.002	1,000,000.00	1,000,000.00	1,000,017.00	583.33	1,000,000.00	997,854.00
FNMA 3135G0ST1	12/24/12	12/24/15	0.4500%	0.4500%	100.000	100.050	1,000,000.00	1,000,000.00	1,000,498.00	450.00	1,000,000.00	997,783.00
FHLMC 3134G4FQ6	09/19/13	09/19/16	1.0200%	1.0200%	100.000	100.480	1,000,000.00	1,000,000.00	1,004,798.00	3,711.67	1,000,000.00	1,005,864.00
FHLMC 3134G4TT5	01/08/14	01/30/17	1.0200%	1.0200%	100.000	100.000	1,000,000.00	1,000,000.00	1,000,000.00	-	-	-
Sub-total							6,000,000.00	6,000,000.00	6,007,993.00	8,225.56	5,000,000.00	5,004,229.00
TexPool Investments												
Concentration Account	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	5,703,125.46	5,703,125.46	5,703,125.46	-	1,863,598.67	1,863,598.67
G.O. Bonds, Series 2005	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	277,885.68	277,885.68	277,885.68	-	551,831.63	551,831.63
G.O. Bonds, Series 2009 RB	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	1,409,169.79	1,409,169.79	1,409,169.79	-	1,408,981.31	1,408,981.31
G.O. Bonds, Series 2011 RB	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	3,178,886.65	3,178,886.65	3,178,886.65	-	3,275,895.52	3,275,895.52
G.O. Bonds, Series 2013 RB	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	6,032,285.52	6,032,285.52	6,032,285.52	-	6,031,478.84	6,031,478.84
METRO Account	01/31/14	02/01/14	0.0273%	0.0273%	100.000	100.000	4,811,162.42	4,811,162.42	4,811,162.42	-	4,116,465.75	4,116,465.75
Sub-total							21,412,515.52	21,412,515.52	21,412,515.52	-	17,248,251.72	17,248,251.72
TexSTAR Investments												
Concentration Account	01/31/14	02/01/14	0.0303%	0.0303%	100.000	100.000	1,563,784.41	1,563,784.41	1,563,784.41	-	422,378.89	422,378.89
G.O. Bonds, Series 2010A RB	01/31/14	02/01/14	0.0303%	0.0303%	100.000	100.000	752,578.13	752,578.13	752,578.13	-	1,893,691.33	1,893,691.33
Sub-total							2,316,362.54	2,316,362.54	2,316,362.54	-	2,316,070.22	2,316,070.22
Total							\$ 37,763,968.33	\$ 37,763,968.33	\$ 37,771,961.33	\$ 8,225.56	\$ 31,868,037.95	\$ 31,872,266.95

Weighted Average Maturity 118 Days
 Weighted Average Yield 0.1222%
 Comparative Yield:
 3-month Tsy Bill 0.0355%
 6-month Tsy Bill 0.0558%
 2-year Tsy Note 0.3317%

To the best of our knowledge, this report is in compliance with the investment strategy expressed in Chapter 2, Administration, Section 2-10, Investment Policy of the Code of Ordinances of the City of Bellaire, Texas and with the Texas Public Funds Investment Act., V.T.C.A., Government Code Ch. 2256, as amended

CHIEF FINANCIAL OFFICER: *Linda Sporn*

FINANCE MANAGER: *Victoria Oswald*

CITY OF BELLAIRE, TEXAS
INVESTMENT ACTIVITY REPORT
Fiscal Year 2014 through January 31, 2014

Account Description	Date	Rate/ Coupon	Face Amount	Beginning Balance		Fiscal Year-To-Date Activity			Ending Balance	
				10/01/13 Book Value	10/01/13 Market Value	Deposits/ Purchases	Withdrawals/ Maturities/Calls	Incr/(Decr) Market Value	01/31/14 Book Value	01/31/14 Market Value
Cash Concentration Accounts										
Amegy Bank of Texas	01/31/14	0.0000%	\$ 8,035,090.27	\$ 7,303,716.01	\$ 7,303,716.01	\$ 16,307,712.98	\$ 15,576,338.72	\$ -	\$ 8,035,090.27	\$ 8,035,090.27
Sub-total			8,035,090.27	7,303,716.01	7,303,716.01	16,307,712.98	15,576,338.72	-	8,035,090.27	8,035,090.27
Government Securities										
FHLB 313378XS5	04/30/12	0.6500%	1,000,000.00	1,000,000.00	1,002,917.00	-	-	(1,649.00)	1,000,000.00	1,001,268.00
FHLB 313380BW6	08/13/12	0.4000%	1,000,000.00	1,000,000.00	999,811.00	-	-	1,601.00	1,000,000.00	1,001,412.00
FHCB 3133EC5X8	12/10/12	0.4200%	1,000,000.00	1,000,000.00	997,854.00	-	-	2,163.00	1,000,000.00	1,000,017.00
FNMA 3135GOST1	12/24/12	0.4500%	1,000,000.00	1,000,000.00	997,783.00	-	-	2,715.00	1,000,000.00	1,000,498.00
FHLMC 3134G4FQ6	09/19/13	1.0200%	1,000,000.00	1,000,000.00	1,005,864.00	-	-	(1,066.00)	1,000,000.00	1,004,798.00
FHLMC 3134G4TT5	01/08/14	1.0200%	1,000,000.00	-	-	1,000,000.00	-	-	1,000,000.00	1,000,000.00
Sub-total			6,000,000.00	5,000,000.00	5,004,229.00	1,000,000.00	-	3,764.00	6,000,000.00	6,007,993.00
TexPool Investments										
Concentration Account	01/31/14	0.0273%	5,703,125.46	1,863,598.67	1,863,598.67	5,940,526.79	2,101,000.00	-	5,703,125.46	5,703,125.46
G.O. Bonds, Series 2005	01/31/14	0.0273%	277,885.68	551,831.63	551,831.63	60.25	274,006.20	-	277,885.68	277,885.68
G.O. Bonds, Series 2009 RB	01/31/14	0.0273%	1,409,169.79	1,408,981.31	1,408,981.31	188.48	-	-	1,409,169.79	1,409,169.79
G.O. Bonds, Series 2011 RB	01/31/14	0.0273%	3,178,886.65	3,275,895.52	3,275,895.52	430.95	97,439.82	-	3,178,886.65	3,178,886.65
G.O. Bonds, Series 2013 RB	01/31/14	0.0273%	6,032,285.52	6,031,478.84	6,031,478.84	806.68	-	-	6,032,285.52	6,032,285.52
METRO Account	01/31/14	0.0273%	4,811,162.42	4,116,465.75	4,116,465.75	801,646.67	106,950.00	-	4,811,162.42	4,811,162.42
Sub-total			21,412,515.52	17,248,251.72	17,248,251.72	6,743,659.82	2,579,396.02	-	21,412,515.52	21,412,515.52
TexSTAR Investments										
Concentration Account	01/31/14	0.0303%	1,563,784.41	422,378.89	422,378.89	1,141,405.52	-	-	1,563,784.41	1,563,784.41
G.O. Bonds, Series 2010A RB	01/31/14	0.0303%	752,578.13	1,893,691.33	1,893,691.33	194.04	1,141,307.24	-	752,578.13	752,578.13
Sub-total			2,316,362.54	2,316,070.22	2,316,070.22	1,141,599.56	1,141,307.24	-	2,316,362.54	2,316,362.54
Total			\$ 37,763,968.33	\$ 31,668,037.95	\$ 31,872,266.95	\$ 25,192,972.36	\$ 19,297,041.98	\$ 3,764.00	\$ 37,763,968.33	\$ 37,771,961.33

CITY OF BELLAIRE, TEXAS
INVESTMENT SUPPLEMENTARY REPORT
As of January 31, 2014

Account Description	Stated Maturity	GASB 31 Market Reserve			Fund Classifications	01/31/14 Balance
		Book Value	GASB 31 Market Reserve	Market Value		
<u>Cash Concentration Accounts</u>						
Amegy Bank of Texas	02/01/14	\$ 8,035,090.27	\$ -	\$ 8,035,090.27	100 - General Fund	\$ 7,390,133.61
Sub-total		<u>8,035,090.27</u>	<u>-</u>	<u>8,035,090.27</u>	200 - Special Revenue Fund	271,655.34
<u>Certificates of Deposit</u>						
Sub-total		<u>-</u>	<u>-</u>	<u>-</u>	300 - Debt Service Fund	4,527,433.53
		<u>-</u>	<u>-</u>	<u>-</u>	600 - VET Fund	515,598.88
		<u>-</u>	<u>-</u>	<u>-</u>	610 - CIP Fund	4,569,186.66
<u>Government Securities</u>						
FHLB 313378XS5	04/30/15	1,000,000.00	1,268.00	1,001,268.00	620 - CIP Bond Fund	11,674,986.78
FHLB 313380BW6	08/13/15	1,000,000.00	1,412.00	1,001,412.00	630 - METRO Fund	4,801,997.20
FHCB 3133EC5X8	12/10/15	1,000,000.00	17.00	1,000,017.00	Total Governmental Funds	<u>33,750,992.00</u>
FNMA 3135GOST1	12/24/15	1,000,000.00	498.00	1,000,498.00		
FHLMC 3134G4FQ6	09/19/16	1,000,000.00	4,798.00	1,004,798.00		
FHLMC 3134G4TT5	01/30/17	1,000,000.00	-	1,000,000.00		
Sub-total		<u>6,000,000.00</u>	<u>7,993.00</u>	<u>6,007,993.00</u>		
<u>TexPool Investments</u>						
Concentration Account	02/01/14	5,703,125.46	-	5,703,125.46	Proprietary Funds	
G.O. Bonds, Series 2005	02/01/14	277,885.68	-	277,885.68	500 - Enterprise Fund	4,012,976.33
G.O. Bonds, Series 2009 RB	02/01/14	1,409,169.79	-	1,409,169.79	Total Proprietary Fund	<u>4,012,976.33</u>
G.O. Bonds, Series 2011 RB	02/01/14	3,178,886.65	-	3,178,886.65		
G.O. Bonds, Series 2013 RB	02/01/14	6,032,285.52	-	6,032,285.52		
METRO Account	02/01/14	4,811,162.42	-	4,811,162.42		
Sub-total		<u>21,412,515.52</u>	<u>-</u>	<u>21,412,515.52</u>		
<u>TexSTAR Investments</u>						
Concentration Account	02/01/14	1,563,784.41	-	1,563,784.41		
G.O. Bonds, Series 2010A RB	02/01/14	752,578.13	-	752,578.13		
Sub-total		<u>2,316,362.54</u>	<u>-</u>	<u>2,316,362.54</u>		
Total		<u>\$ 37,763,968.33</u>	<u>\$ 7,993.00</u>	<u>\$ 37,771,961.33</u>		

**CITY OF BELLAIRE
CURRENT PROPERTY TAX COLLECTIONS
FY 2011 - FY 2014**

<u>Month</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Oct	\$ -	\$ -	\$ -	\$ -
Nov	447,766	519,998	501,713	652,841
Dec	3,464,077	3,830,784	3,558,843	3,908,433
Jan	9,140,630	10,055,746	10,050,022	10,346,813
Feb	12,216,842	12,439,634	12,978,460	
Mar	12,475,105	12,628,483	13,101,633	
Apr	12,592,732	12,718,289	13,251,738	
May	12,643,629	12,772,591	13,284,289	
Jun	12,714,266	12,837,364	13,307,908	
Jul	12,732,855	12,846,889	13,319,875	
Aug	12,738,132	12,856,497	13,339,458	
Sep	12,750,093	12,856,497	-	-
		YTD Collections		\$ 10,346,813
		% of Budget		73.61%
		% of Total Levy		72.57%
		FY 2014 Budget - Total Tax Revenue		\$ 14,057,156
		2013 Tax Year Taxable Value - Certified Appraisal Roll*		\$ 3,189,375,036
		2013 Tax Year - Under Protest or not Certified*		375,822,039

Ten Largest Taxpayers in City of Bellaire (Tax Year 2013) *

	<u>Taxable Value</u>
Chevron Chemical Company	\$ 74,396,275
Pin Oak North Parcel	65,509,807
WMPT Bellaire HP LP	47,506,619
Centerpoint Energy Inc.	37,059,537
AT & T Corporation	36,067,663
KBS SOR	35,373,487
BRI 1833 6330 LLC	33,325,000
5909-5959 Realty LTD	11,800,000
Houston Orthopedic	8,354,347
Centro NP Holdings 12 SPE LLC	7,788,504
	<u>\$ 357,181,239</u>

Tax Levy \$ 1,428,368

% of Total Levy 10.02%

* Source: Harris County Tax Assessor-Collector

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

CITY OF BELLAIRE HOUSING INFORMATION FY 2014

Jan

Houses, Townhomes & Vacant Lots for Sale *

<u>Price Range</u>		
\$ 0 - \$ 250,000		-
\$ 250,001 - \$ 500,000		12
\$ 500,001 - \$ 750,000		5
\$ 750,001 - \$ 1,000,000		21
> \$ 1,000,000		29
Total Units For Sale *		67
Total HCAD Residential Units/Lots **		6,338
For Sale as a % of Total Units		1.06%
Highest Listing Price - Home	\$ 1,775,000	
Lowest Listing Price - Lot	\$ 275,000	

<u>Houses for Lease *</u>	23
Highest Lease/Month	\$ 5,500
Lowest Lease/Month	\$ 850
Average Lease/Month	\$ 2,700

Foreclosure History as of end of Quarter Reported by RealtyTrac

	<u>Auction</u>	<u>Bank Owned</u>
At Quarter End 03-31-13	4	3
At Quarter End 06-30-13	2	1
At Quarter End 09-30-13	3	1
At Quarter End 12-31-13	1	1
At Month End 01-31-2014	1	1

New Residential Construction

<u>Fiscal Year</u>	<u>New Units</u>	<u>Dollar Value</u>	
		<u>Construction</u>	<u>Avg/Unit</u>
2007	169	85,632,703	506,702
2008	132	75,405,507	571,254
2009	49	26,026,889	531,161
2010	***	34,682,458	541,913
2011	56	30,064,905	536,873
2012	***	54,914,376	590,477
2013	***	65,491,037	579,567
2014	41	26,935,068	656,953

Average Appraised Value (Tax Year 2013) ** \$ 619,552

* Source: Houston Association of Realtors (does not include for sale or lease by owner)

** Based on information provided by the Harris County Tax Assessor-Collector and the Harris County Appraisal District

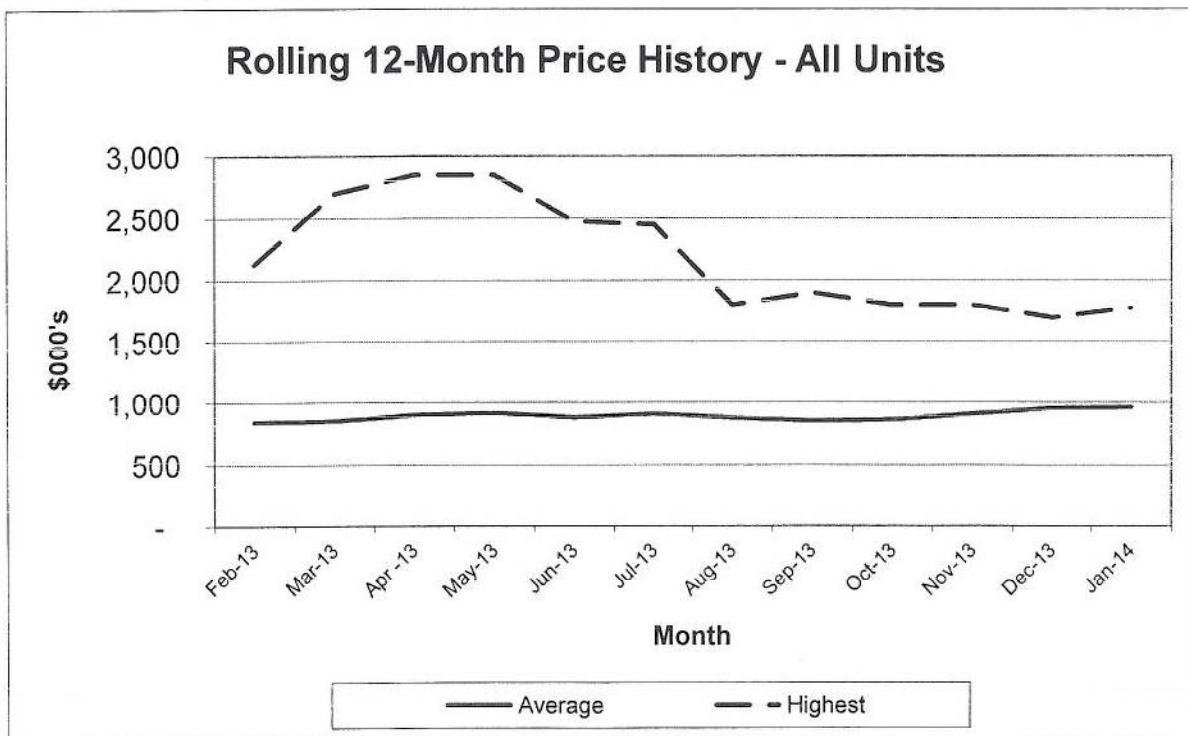
*** Numbers revised based on system correction

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

CITY OF BELLAIRE **TREND ANALYSIS - HOUSES & VACANT LOTS FOR SALE** **FY 2014**

Total Units for Sale and Price Information by Month

	<u>Units</u>	<u>Lowest</u>	<u>Highest</u>	<u>Avg - All</u>	<u>Avg - Homes</u>	<u>Avg - TH</u>	<u>Avg - Lot</u>
Jan-13	110	159,900	2,128,000	803,443	840,676	159,500	352,829
Feb-13	133	159,900	2,128,000	841,057	886,113	159,500	359,490
Mar-13	134	159,900	2,698,000	851,682	902,512	263,300	358,778
Apr -13	132	159,900	2,850,000	898,015	963,768	314,971	446,550
May-13	137	174,000	2,850,000	917,153	978,481	307,750	263,600
Jun-13	131	174,000	2,475,000	877,872	933,744	295,780	417,125
Jul-13	120	199,000	2,450,000	908,182	955,466	316,667	485,763
Aug-13	106	199,000	1,799,000	875,902	924,044	303,300	518,938
Sep-13	116	199,000	1,899,000	851,408	896,204	309,633	466,625
Oct-13	116	249,900	1,799,000	861,876	900,279	295,000	405,917
Nov-13	68	290,000	1,799,000	908,532	936,670	-	554,000
Dec-13	53	290,000	1,695,000	954,573	1,000,498	398,000	390,000
Jan-14	67	275,000	1,775,000	960,917	1,019,494	398,000	400,469
vs. Prior Mo	26.42%	-5.17%	4.72%	0.66%	1.90%	0.00%	2.68%



* Source: Houston Association of Realtors (does not include for sale or lease by owner)

CITY OF BELLAIRE
SUMMARY OF SALES & MIXED BEVERAGE TAX
FY 2012 - FY 2014

<u>Payment</u>				
<u>Month</u>	<u>Period</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<u>Sales Tax</u>				
Oct	Aug	\$ 151,465	\$ 163,239	\$ 506,393
Nov	Sep	186,000	191,806	191,544
Dec	Oct	179,968	186,637	186,277
Jan	Nov	159,222	186,727	178,766
Feb	Dec	237,695	198,802	
Mar	Jan	122,609	216,426	
Apr	Feb	158,708	156,272	
May	Mar	205,859	198,268	
Jun	Apr	160,987	189,540	
Jul	May	212,557	174,952	
Aug	Jun	194,582	210,908	
Sep	Jul	162,205	162,847	-
Sub-Total		\$ 2,131,857	\$ 2,236,424	\$ 1,062,980
<u>Mixed Beverage</u>				
Oct	1st Qtr	1,834	1,833	4,366
Jan	2nd Qtr	1,758	2,586	4,730
Apr	3rd Qtr	1,954	3,536	
Jul	4th Qtr	1,910	3,686	-
Sub-Total		7,456	11,641	9,096
Total		\$ 2,139,313	\$ 2,248,065	\$ 1,072,076

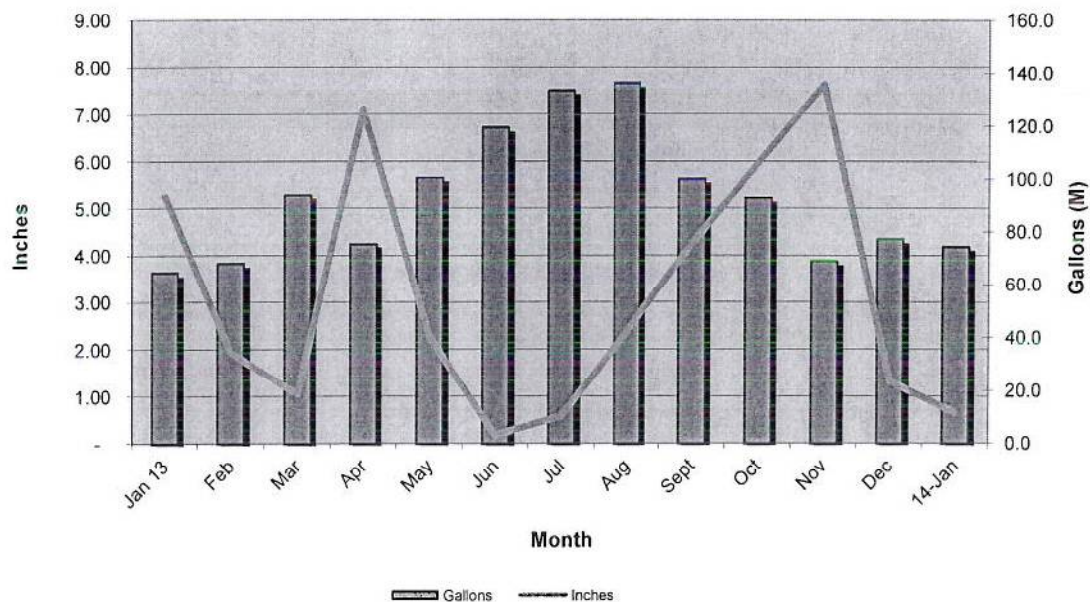
**CITY OF BELLAIRE
SUMMARY OF FRANCHISE FEES
FY 2012 - FY 2014**

	<u>Total</u> <u>FY 2012</u>	<u>Total</u> <u>FY 2013</u>	<u>YTD</u> <u>FY 2014</u>
Electric	\$ 833,437	\$ 848,297	\$ 344,222
Gas	101,887	117,555	45,612
Telephone	122,680	121,151	34,221
Cable	<u>293,375</u>	<u>299,937</u>	<u>71,241</u>
Total	<u>\$ 1,351,379</u>	<u>\$ 1,386,940</u>	<u>\$ 495,296</u>

**CITY OF BELLAIRE
SUMMARY OF WATER PUMPED
FY 2010 - FY 2014**

Month	FY 2010 Total Pumped	FY 2011 Total Pumped	FY 2012 Total Pumped	FY 2013 Total Pumped	FY 2013 Rainfall (Inches)	FY 2014 Total Pumped	FY 2014 COB Pumped	FY 2014 COH Pumped	FY 2014 Rainfall (Inches)
Oct	74,733,000	108,632,000	129,655,000	109,121,000	1.08	92,972,000	37,653,000	55,319,000	5.96
Nov	73,307,000	81,797,000	99,628,000	103,839,000	0.72	69,110,000	5,414,000	63,696,000	7.64
Dec	63,992,000	81,543,000	73,904,000	72,504,000	3.30	77,359,000	5,595,000	71,764,000	1.32
Jan	69,866,000	66,417,000	62,294,000	64,773,000	5.26	74,505,000	26,574,000	47,931,000	0.65
Feb	55,565,000	69,527,000	63,981,000	68,153,000	1.93	-	-	-	-
Mar	73,463,000	126,367,000	69,176,000	94,108,000	1.05	-	-	-	-
Apr	84,903,000	111,209,000	56,134,000	75,587,000	7.09	-	-	-	-
May	110,820,000	119,096,000	85,870,000	100,717,000	2.28	-	-	-	-
Jun	105,884,000	90,908,000	115,932,000	119,484,000	0.17	-	-	-	-
Jul	86,789,000	87,502,000	98,488,000	133,402,000	0.58	-	-	-	-
Aug	128,737,000	176,329,000	134,154,000	136,353,000	2.36	-	-	-	-
Sep	93,586,000	150,932,000	125,974,000	100,334,000	4.24	-	-	-	-
TOTAL	1,021,645,000	1,270,259,000	1,115,190,000	1,178,375,000	30.06	313,946,000	75,236,000	238,710,000	15.57

Rainfall / Gallons Pumped



**CITY OF BELLAIRE
SUMMARY OF PURCHASE ORDERS
FY 2014**

	Oct-13		Nov-13		Dec-13		1st Qtr	
	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>
Total Purchase Orders	369	\$ 3,760,989	200	\$ 1,157,073	219	\$ 2,408,544	788	\$ 7,326,606
Purchase Orders for \$5,000 - \$50,000	11	\$ 2,811,270	21	\$ 364,187	10	\$ 143,962	42	\$ 3,319,419
% of Total Purchase Orders	2.98%	74.75%	10.50%	31.47%	4.57%	5.98%	5.33%	45.31%
\$ 5,000 - \$ 25,000	38	\$ 411,847	17	\$ 220,022	8	\$ 75,716	63	\$ 707,585
\$ 25,001 - \$ 50,000	7	\$ 214,986	4	\$ 144,165	2	\$ 68,246	13	\$ 427,397
	Jan-14		Feb-14		Mar-14		2nd Qtr	
	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>
Total Purchase Orders	229	\$ 440,373					229	\$ 440,373
Purchase Orders for \$5,000 - \$50,000	11	\$ 203,176					11	\$ 203,176
% of Total Purchase Orders	4.80%	46.14%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	4.80%	46.14%
\$ 5,000 - \$ 25,000	8	\$ 84,552					8	\$ 84,552
\$ 25,001 - \$ 50,000	3	\$ 118,624					3	\$ 118,624
	Apr-14		May-14		Jun-14		3rd Qtr	
	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>
Total Purchase Orders							-	\$ -
Purchase Orders for \$5,000 - \$50,000							-	\$ -
% of Total Purchase Orders	#####	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
\$ 5,000 - \$ 25,000							-	\$ -
\$ 25,001 - \$ 50,000							-	\$ -
	Jul-14		Aug-14		Sep-14		4th Qtr	
	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>	<u>Issued</u>	<u>Amount</u>
Total Purchase Orders							-	\$ -
Purchase Orders for \$5,000 - \$50,000							-	\$ -
% of Total Purchase Orders	#####	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
\$ 5,000 - \$ 25,000							-	\$ -
\$ 25,001 - \$ 50,000							-	\$ -

* Purchases include bids, sole source, and cooperative purchasing.

Attachment: 04 January 2014 (1081 : Monthly Financial Report - January 2014)

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Finance Administration
Category: Amendment
Prepared By: Linda Symank
Department Head: Linda Symank
DOC ID: 1041

**SCHEDULED
ACTION ITEM (ID # 1041)**

Item Title:

Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the Texas Local Government Investment Pool (TexPool/TexPool Prime), withdrawing funds from TexPool, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

Item Summary:

The City of Bellaire is a participant in TexPool and investments in the pool are in compliance with the City's Investment Policy. The most recent Authorization Resolution 10-22 dated December 20, 2010, designates Bernie Satterwhite, City Manager, Linda Symank, CFO, and Vickey O'Donnell, Finance Manager as authorized representatives.

The approval of this resolution will remove Bernie Satterwhite and Vickey O'Donnell due to their retirements, and add Paul Hofmann as City Manager and William Mize as Accounting Manager in their place along with Linda Symank, CFO as the City's Authorized Representatives.

Source of Funding:

N/A

Recommendation:

Approval of Resolution Amending Authorized Representatives

ATTACHMENTS:

- Amending Representatives for TexPool - 2014 (DOC)



RESOLUTION NO. 14-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AMENDING THE AUTHORIZED REPRESENTATIVES FOR THE CITY OF BELLAIRE, TEXAS, FOR PURPOSES OF TRANSMITTING FUNDS FOR INVESTMENT IN THE TEXAS LOCAL GOVERNMENT INVESTMENT POOL (TEXPOOL/TEXPOOL PRIME), WITHDRAWING FUNDS FROM TEXPOOL, ISSUING LETTERS OF INSTRUCTION, AND TAKING ALL OTHER ACTIONS DEEMED NECESSARY OR APPROPRIATE FOR THE INVESTMENT OF LOCAL FUNDS.

WHEREAS, the City of Bellaire, Texas ("Participant"), Location Number 78443, is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interests of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the *Public Funds Investment Act*; and

WHEREAS, the Texas Local Government Investment Pool (TexPool/TexPool Prime), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the *Public Funds Investment Act*; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY BELLAIRE, TEXAS:

A. THAT effective on February 17, 2014, the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool/TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. THAT an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool/TexPool *Prime* account or (2) is no longer employed by the Participant.

C. THAT the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant.

D. THAT the list of Authorized Representatives of the Participant, each of which will be issued personal identification numbers to transact business with TexPool Participant Services, are as follows:

1. Name: Paul A. Hofmann
Title: City Manager

Signature: _____
Phone Number: (713) 662-8228

2. Name: Linda Symank
Title: Chief Financial Officer

Signature: _____
Phone Number: (713) 662-8251

3. Name: William Mize
Title: Accounting Manager

Signature: _____
Phone Number: (713) 662-8261

E. THAT the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement is:

Name: Linda Symank
Email Address: lsymank@ci.bellaire.tx.us
Fax Number: (713) 662-8264

F. THAT this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation.

PASSED, APPROVED, and ADOPTED by the Participant at its Regular Session held on February 17, 2014.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Finance Administration
Category: Agreement
Prepared By: Linda Symank
Department Head: Linda Symank
DOC ID: 1042

**SCHEDULED
ACTION ITEM (ID # 1042)**

Item Title:

Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the TexSTAR Local Government Investment Pool (TexSTAR), withdrawing funds from TexSTAR, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

Item Summary:

The City of Bellaire is a participant in Tex Star and investments in the pool are in compliance with the City's Investment Policy. The most recent Authorization Resolution 10-22 dated December 20, 2010, designates Bernie Satterwhite, City Manager, Linda Symank, CFO, and Vickey O'Donnell, Finance Manager as authorized representatives.

The approval of this resolution will remove Bernie Satterwhite and Vickey O'Donnell due to their retirements, and add Paul Hofmann as City Manager and William Mize as Accounting Manager in their place along with Linda Symank, CFO as the City's Authorized Representatives.

Source of Funding:

N/A

Recommendation:

Approval of Resolution Amending Authorized Representatives

ATTACHMENTS:

- Amending Representatives for TexTERM - 2014 (DOC)



RESOLUTION NO. 14-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AMENDING THE AUTHORIZED REPRESENTATIVES FOR THE CITY OF BELLAIRE, TEXAS, FOR PURPOSES OF TRANSMITTING FUNDS FOR INVESTMENT IN THE TEXASTERM LOCAL GOVERNMENT INVESTMENT POOL (TEXASTERM), WITHDRAWING FUNDS FROM TEXASTERM, ISSUING LETTERS OF INSTRUCTION, AND TAKING ALL OTHER ACTIONS DEEMED NECESSARY OR APPROPRIATE FOR THE INVESTMENT OF LOCAL FUNDS.

WHEREAS, the City of Bellaire, Texas ("Participant"), is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interests of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the *Public Funds Investment Act*; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY BELLAIRE, TEXAS:

A. THAT effective February 17, 2014, the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexasTERM and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. THAT the Participant may by Amending Resolution signed by the Participant add or remove an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant.

C. THAT the list of Authorized Representatives of the Participant, each of which will be issued personal identification numbers to transact business with TexasTERM, are as follows:

1. **Name:** **Paul A. Hofmann**
 Title: **City Manager**

 Signature: _____

 Phone Number: **(713) 662-8228**

2. **Name:** **Linda Symank**
 Title: **Chief Financial Officer**

 Signature: _____

 Phone Number: **(713) 662-8251**

3. **Name:** **William Mize**
 Title: **Accounting Manager**

 Signature: _____

 Phone Number: **(713) 662-8261**

D. THAT the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements is:

Name: **Linda Symank**
Email Address: lsymank@ci.bellaire.tx.us
Fax Number: **(713) 662-8264**

E. THAT this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexasTERM receives a copy of any such amendment or revocation.

PASSED, APPROVED, and ADOPTED by the Participant at its Regular Session held on February 17, 2014.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Finance Administration
Category: Amendment
Prepared By: Linda Symank
Department Head: Linda Symank
DOC ID: 1043

**SCHEDULED
ACTION ITEM (ID # 1043)**

Item Title:

Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, amending the authorized representatives for the City of Bellaire, Texas, for purposes of transmitting funds for investment in the TexasTERM Local Government Investment Pool (TexasTERM), withdrawing funds from TexasTERM, issuing letters of instruction, and taking all other actions deemed necessary or appropriate for the investment of local funds.

Item Summary:

The City of Bellaire is a participant in Tex Star and investments in the pool are in compliance with the City's Investment Policy. The most recent Authorization Resolution 10-22 dated December 20, 2010, designates Bernie Satterwhite, City Manager, Linda Symank, CFO, and Vickey O'Donnell, Finance Manager as authorized representatives.

The approval of this resolution will remove Bernie Satterwhite and Vickey O'Donnell due to their retirements, and add Paul Hofmann as City Manager and William Mize as Accounting Manager in their place along with Linda Symank, CFO as the City's Authorized Representatives effective February 17, 2014.

Source of Funding:

N/A

Recommendation:

Approval of Resolution Amending Authorized Representatives

ATTACHMENTS:

- Amending Representatives for TexTERM - 2014 (DOC)



RESOLUTION NO. 14-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AMENDING THE AUTHORIZED REPRESENTATIVES FOR THE CITY OF BELLAIRE, TEXAS, FOR PURPOSES OF TRANSMITTING FUNDS FOR INVESTMENT IN THE TEXAS TERM LOCAL GOVERNMENT INVESTMENT POOL (TEXAS TERM), WITHDRAWING FUNDS FROM TEXAS TERM, ISSUING LETTERS OF INSTRUCTION, AND TAKING ALL OTHER ACTIONS DEEMED NECESSARY OR APPROPRIATE FOR THE INVESTMENT OF LOCAL FUNDS.

WHEREAS, the City of Bellaire, Texas ("Participant"), is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interests of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the *Public Funds Investment Act*; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY BELLAIRE, TEXAS:

A. THAT effective February 17, 2014, the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexasTERM and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. THAT the Participant may by Amending Resolution signed by the Participant add or remove an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant.

C. THAT the list of Authorized Representatives of the Participant, each of which will be issued personal identification numbers to transact business with TexasTERM, are as follows:

1. **Name:** **Paul A. Hofmann**
 Title: **City Manager**

 Signature: _____
 Phone Number: **(713) 662-8228**

2. **Name:** **Linda Symank**
 Title: **Chief Financial Officer**

 Signature: _____
 Phone Number: **(713) 662-8251**

3. **Name:** **William Mize**
 Title: **Accounting Manager**

 Signature: _____
 Phone Number: **(713) 662-8261**

D. THAT the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements is:

Name: **Linda Symank**
Email Address: lsymank@ci.bellaire.tx.us
Fax Number: **(713) 662-8264**

E. THAT this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexasTERM receives a copy of any such amendment or revocation.

PASSED, APPROVED, and ADOPTED by the Participant at its Regular Session held on February 17, 2014.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401

**SCHEDULED
RESOLUTION (ID # 1084)**

Meeting: 02/17/14 07:00 PM
Department: Library
Category: Discussion
Prepared By: Mary Cohrs
Department Head: Mary Cohrs
DOC ID: 1084

Item Title:

Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, accepting donation in the amount of \$9,029.00 from the Friends of the Bellaire Library to be utilized by the Bellaire City Library for the purchase of reference material, Bookpage Magazine, program support for children's teen and adult summer programming, promotional material, Born to Read kits, sports nonfiction books, and die cuts.

Item Summary:

A Resolution of the City Council of the City of Bellaire, Texas, accepting a donation in the amount of \$9,029.00 from the Friends of the Bellaire Library for purchase of reference material, Bookpage Magazine, program support for children's, teen and adult summer programming, promotional material, Born To Read kits, sports nonfiction books, and die cuts.

At the annual meeting of the Friends of the Bellaire Library on February 10, 2014, the membership at the meeting voted to allocate \$9,029 for use by the Bellaire City Library for the items itemized in Request 2014 attached.

Source of Funding:

Once City Council has taken action, the treasurer from the Friends of the Bellaire Library will submit a check to the city in the amount of \$9,029. The check will be deposited in the City's Fund 200 Special Revenue and expended in accordance with the City's purchasing policies using Fund 200, Friends of the Library line item .

Recommendation:

Staff recommends the acceptance of the donation from the Friends of the Bellaire Library with the passage of the resolution.

ATTACHMENTS:

- Donation from Friends of the Bellaire Library - 2014 (DOC)
- Request 2014 (PDF)



RESOLUTION NO. 14-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, ACCEPTING A DONATION IN THE AMOUNT OF \$9,029.00 FROM THE FRIENDS OF THE BELLAIRE LIBRARY TO BE UTILIZED BY THE BELLAIRE CITY LIBRARY FOR THE PURCHASE OF REFERENCE MATERIAL, *BOOKPAGE* MAGAZINE, PROGRAM SUPPORT FOR CHILDREN'S, TEEN AND ADULT SUMMER PROGRAMMING, PROMOTIONAL MATERIAL, BORN TO READ KITS, SPORTS NONFICTION BOOKS, AND DIE CUTS.

WHEREAS, the offer of a donation has been made by the Friends of the Bellaire Library in the amount of \$9,029.00 to be utilized by the Bellaire City Library for the purchase of reference material, *BookPage* magazine, program support for children's, teen and adult summer programming, promotional material, Born to Read kits, sports nonfiction books, and die cuts.

WHEREAS, the City Council of the City of Bellaire, Texas, deems that the acceptance of this donation is in the best interest of the City of Bellaire, Texas; and

WHEREAS, the acceptance of this donation is beneficial to the City of Bellaire, Texas, and its citizens; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

1. THAT the City Council of the City of Bellaire, Texas, hereby accepts the donation of \$9,029.00 from the Friends of the Bellaire Library to be used for the following purposes for the Bellaire City Library: purchase of reference material, *BookPage* magazine, program support for children's, teen and adult

summer programming, promotional material, Born to Read kits, sports nonfiction books, and die cuts.

2. THAT said donation would be expended by September 30, 2014, from date of acceptance and receipt.

3. THAT the City Council of the City of Bellaire, Texas, hereby expresses the gratitude of the City and its citizens to the Friends of the Bellaire Library.

PASSED and **APPROVED** this 18th day of February, 2013.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

**Bellaire City Library's Request
For Enhancement of Library Services
2014 Friends of the Bellaire Library Annual Meeting**

❑	<i>World Book Encyclopedia 2014</i>	\$ 999
	Purchased annually to provide a basic reference tool	
❑	<i>Bookpage</i>	\$ 480
	Popular monthly give-away of book reviews and articles	
❑	Support for Children's summer programming	\$ 4,850
	<u>Summer reading incentives</u> \$3,500	
	(Summer of 2013 had a registration of 1157 with 2,832 incentives awarded and a completion rate of 67%. Planning for 1200 registration with 70% completion)	
	<u>Programs - 2 @ \$250 each</u> \$500	
	(Summer program attendance in 2013 was 4,907 with 138 programs/story times. Two paid programs had a total attendance of 307)	
	<u>Teen and Adult Programs and Incentives</u> \$250	
	(Summer of 2013 had 163 teens register with 88 finishing. Adult program had 101 register and 29 finish. Planning for 100 teens and 50 adults to reach goal.)	
	<u>Opening Celebration on May 31 and staff summer t-shirts</u> \$600	
	(Last year 436 attended the first opening celebration. Planning for 500 to attend; this expenditure will supplement what is already in the budget)	
❑	Promotional	\$ 350
	Seasonal bookmarks and decorations; Sign/bookmark holders; Hours cards	
❑	Born to Read Kits	\$ 350
	Welcome kits to new parents in Bellaire to encourage reading from birth. 35 kits are planned and may include a bib, board book, bookmarks with title suggestions, Friends' membership invitation, and the library's calendar of events. This program was last offered in 2008.	
❑	Sport nonfiction titles (adult and juvenile collections)	\$ 1,800
❑	Die cuts	\$ 200
	Used throughout the year to produce paper cut outs for display and crafts	
Total		\$ 9,029

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: Police Department
Category: Donation
Prepared By: Byron Holloway
Department Head: Byron Holloway
DOC ID: 1080

**SCHEDULED
ACTION ITEM (ID # 1080)**

Item Title:

Consideration of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, accepting a donation in the amount of \$1,800.00 from Superbag Operating, Ltd. of Houston to be utilized by the Bellaire Police Department to fund a pedestrian safety awareness program.

Item Summary:

Consideration and possible action for the Bellaire Police Department to accept a donation in the amount of \$1,800.00 from Superbag Operating, Ltd. Of Houston.

Source of Funding:

N/A

Recommendation:

Staff recommends donation acceptance.

ATTACHMENTS:

- Donation to BPD from Superbag Operating Ltd of Houston - 2014 (DOC)



RESOLUTION NO. 14-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, ACCEPTING A DONATION IN THE AMOUNT OF \$1,800.00 FROM SUPERBAG OPERATING, LTD. OF HOUSTON TO BE UTILIZED BY THE BELLAIRE POLICE DEPARTMENT TO FUND A PEDESTRIAN SAFETY AWARENESS PROGRAM.

WHEREAS, the offer of a donation has been made by Superbag Operating Ltd. of Houston in the amount of \$1,800.00 to be utilized by the Bellaire Police Department to fund a pedestrian safety awareness program; and

WHEREAS, the City Council of the City of Bellaire, Texas, deems that the acceptance of this donation is in the best interest of the City of Bellaire, Texas; and

WHEREAS, the acceptance of this donation is beneficial to the City of Bellaire, Texas, and its citizens; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

1. THAT the City Council of the City of Bellaire, Texas, hereby accepts the donation of \$1,800.00 from Superbag Operating, Ltd of Houston to be utilized by the Bellaire Police Department to fund a pedestrian safety awareness program.

2. THAT said donation would be expended by September 30, 2014, from date of acceptance and receipt.

3. THAT the City Council of the City of Bellaire, Texas, hereby expresses the gratitude of the City and its citizens to Superbag Operating, Ltd. of Houston.

PASSED and **APPROVED** this 17th day of February, 2014.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Attachment: Donation to BPD from Superbag Operating Ltd of Houston - 2014 (1080 : Donation Approval)

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Code Amendment
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1075

**SCHEDULED
ORDINANCE (ID # 1075)**

Item Title:

Consideration of and possible action on a request for restricted, permit parking along the 4500 block of Merrie Lane between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday, and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 30, Traffic, Article II, Traffic-Control Regulations, Division 5, Parking, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of adding a new Section 30-117, to be entitled "Restricted parking--7:00 a.m. to 5:00 p.m., Monday through Friday," for the purpose of establishing a permit parking process allowing for restricted parking on residential streets, more specifically in the 4500 block of Merrie Lane, Bellaire, Texas.

Item Summary:

Residents in the 4500 block of Merrie Lane, Bellaire, Texas, have submitted a petition, dated January 6, 2014, and supplemented on January 15, 2014, to the City Clerk's Office requesting permit parking on the 4500 block of Merrie Lane between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday.

The primary petitioners, Nick Hodges and Dirk Stiggins, have indicated that the petition request is based on congestion caused by non-resident cars parked near the junction of Avenue B and Merrie Lane during the workday. Primary petitioners Hodges and Stiggins noted that they had personally seen drivers of these parked vehicles walk to either the local auto repair shop or local schools in the early morning and return to retrieve their vehicles at the end of the workday. Attached to this agenda statement is a copy of a cover letter, draft proposed ordinance, and presentation complete with pictures of the congestion experienced by Merrie Lane residents, all of which were compiled and/or prepared by the primary petitioners.

Petition Review:

The petition was reviewed by the City Clerk's Office to determine the total number of properties in the 4500 block of Merrie Lane, as well as the property owners of record of each of the properties. Of the 34 properties located in the 4500 block of Merrie Lane, the primary petitioners gathered the signatures of 28 residents and one renter or 82.35% of the property owners of record. The property owners for two of the properties, 4526 and 4527 Merrie Lane, have filed forms with the Harris County Appraisal District requesting confidentiality; therefore, I am unable to determine ownership. Additionally, one of the properties, 4523 Merrie Lane, is owned by a corporation, Z Bear Inc. The signatory for this property indicated that he is President of Z Bear Inc.*

**If the petition required the residents to participate in the cost of traffic studies, signage and/or permits, etc. I would have requested appropriate documentation evidencing ownership of 4526 and 4527 Merrie Lane (such as a deed) and an affidavit or copy of articles of incorporation as to the authorized signatories of the corporation before I would declare them valid.*

As a general rule of thumb and based on past practices, the City has determined a petition containing 75% or more of the signatures of property owners of record to be valid and worthy of consideration by City Council. The petition from the 4500 block of Merrie Lane certainly meets those criteria.

In order to allow for possible expedited consideration of this request, the City Clerk's Office has prepared an ordinance utilizing the draft language provided by primary petitioners Hodges and Stiggins for City Council review and possible adoption. The petitioners drafted their language on the basis of an ordinance recently adopted by City Council for a permit parking process for Wedgewood Drive and Wildwood Lane. The draft ordinance recommended for adoption by City Staff, which mirrors the draft submitted by primary petitioners Hodges and Stiggins, is attached to this agenda statement as well.

If the request is approved by City Council, the ordinance caption must be published in a newspaper of general circulation and would not be legally enforceable for ten days following the publication (City Charter requirement). Additionally, time would be needed to prepare and install signage (Public Works Department function), as well as to purchase permits to be distributed to the Merrie Lane residents (Community Development Department function). City Staff has estimated that the permit process, if approved, will be completed within one month or by March 17, 2014, and have recommended an effective date for the ordinance of March 17, 2014.

Impact to Neighboring Residents:

Primary petitioners Hodges and Stiggins have advised that they do not believe the permit parking proposal would cause hardship with respect to the displaced parked vehicles. Reference for an alternate parking venue was made to the public parking lot located at Feld Park, a two to three minute walk from the intersection of Avenue B and Bissonnet Street.

Source of Funding:

If approved, funding would be needed for a legal publication, signage, permits, and codification. Funding would be obtained through the General Fund.

Recommendation:

Action as deemed appropriate by City Council.

ATTACHMENTS:

- Petition Documents for Permit Parking - 4500 Block of Merrie Lane (PDF)
- Code Amendment - Chapter 30 - New Section - Restricted Parking 7A-5A Monday through Friday - 2014 (DOC)



ATTACHMENT 1

Petition Documents for Restricted, Permit Parking 4500 Block of Merrie Lane

January 6, 2014

Ms. Tracy Dutton
City Clerk
City of Bellaire
7008 S. Rice
Bellaire, TX 77401

Dear Tracy,

Mr. Nick Hodges and I are submitting a petition for Permit Parking on the 4500 block of Merrie Lane. Our proposal is based on the congestion caused by cars that are parked near the junction of Avenue B and Merrie Lane during the work day. Mr. Hodges and I have seen the drivers of these cars go to the Chevron Auto Repair shop and the local schools first thing in the morning and return at the end of the workday.

A few months ago I talked to Mr. Bernie Satterwhite about the issue and showed him pictures and he suggested we collect signatures from at least 75% of the home owners and submit our proposal to City Council. We have drafted a Proposed Draft Ordinance for the 4500 block of Merrie Lane (see attached) that is based on the City Ordinance Division 5, Parking Sec 30-116 Restricted Parking (for Wedgewood Drive and Wildwood Street). We circulated our draft proposal to neighbors to see if they would support it. As you can see on our attached signature list we were able to get 28 owners and one renter (out of 34 possible) to sign our petition. In the area of the congestion there was enthusiastic support of the proposal. We have prepared the attached summary of our proposal.

In addition, we do not believe our proposal will cause hardship on the displaced parked cars because there is a public parking lot located at Feld Park. This parking lot could easily accommodate these cars and is only a 2-3 minute walk from the intersection of Bissonnet and Avenue B.

Mr. Hodges and I are prepared to make a presentation to City Council on behalf of our petition, if that is necessary.

Yours truly,



Mr. Nick Hodges
4528 Merrie Lane



Dirk Stiggins
4531 Merrie Lane

Attachment: Petition Documents for Permit Parking - 4500 Block of Merrie Lane (1075 : Restricted Parking - 4500 Block of Merrie Lane)

Petition for Permit Parking on 4500 Merrie Lane

Address

Name

Signature

4500 Merrie Lane	Karp, Daniel and Paula	
4501 Merrie Lane	McMullin, Albert and Becky	
4502 Merrie Lane	Edwards, Davis and Angela	<i>✓</i>
4503 Merrie Lane	Bozkurt, Biykem	<i>✓</i>
4504 Merrie Lane	Solis, Michael	<i>Michael Solis (Owner)</i>
4505 Merrie Lane	Cox, Cynthia	<i>SEE ATTACHED</i>
4506 Merrie Lane	McDonald, Robert	<i>Robert McDonald</i>
4507 Merrie Lane	Thorogood, William	<i>William Thorogood</i>
4508 Merrie Lane	Peter P Smetek Trust	<i>Peter Smetek</i>
4509 Merrie Lane	Cutaia, Louis	<i>Louis Cutaia</i>
4510 Merrie Lane	Teng, Cathy	<i>Cathy Teng</i>
4511 Merrie Lane	Lawyer, Lawrence and Alecia	<i>Alecia Lawyer</i>
4512 Merrie Lane	Bailey, Burt and Diane	<i>Diane Bailey</i>
4513 Merrie Lane	Van Horn, Gage and Virginia	<i>Virginia Van Horn</i>
4514 Merrie Lane	Ben-Shoshan, Eliahu and Jenifer	<i>Jenifer Ben-Shoshan</i>
4515 Merrie Lane	Vardi, Moshe	<i>Pamela Vardi & Moshe Vardi</i>
4516 Merrie Lane	Sikes, Edwin	<i>Edwin Sikes</i>
4517 Merrie Lane	Kwan, Irene and Chi-Tat	<i>Irene Kwan</i>
4518 Merrie Lane	Connelly, Elizabeth and Robert	<i>Elizabeth Connelly</i>
4519 Merrie Lane	Harrison, Douglas and Suzanne	<i>SEE ATTACHED</i>
4520 Merrie Lane	Alexander, Russell and Kelly	<i>Kelly Alexander</i>
4521 Merrie Lane	Morgan, Stephen and Galin	
4522 Merrie Lane	Ives, George	<i>George Ives</i>
4523 Merrie Lane	Z Bear Inc	<i>Z Bear Inc, Pres.</i>
4524 Merrie Lane	Kessell, Ivan and Helene	
4525 Merrie Lane	Zoller, Margaret	<i>Margaret Zoller</i>
4526 Merrie Lane	Current Owner	<i>Current Owner</i>
4527 Merrie Lane	Current Owner	<i>Current Owner</i>
4528 Merrie Lane	Hodges, Nicholas	<i>Nicholas Hodges</i>
4529 Merrie Lane	Eckhoff, Paul and Cristina	<i>Paul Eckhoff</i>
4531 Merrie Lane	Stiggins, Victor and Susan	<i>Susan Stiggins</i>
4533 Merrie Lane	Speich, William	<i>William J. Speich</i>
4535 Merrie Lane	Morales, Linnett	<i>Linnett Morales</i>
4537 Merrie Lane	Yeh, William and Lina	<i>PER ATTACHED</i>

Attachment: Petition Documents for Permit Parking - 4500 Block of Merrie Lane (1075 : Restricted Parking - 4500 Block of Merrie Lane)

4503 Merrie Lane	Bozkurt, Blykem	
4504 Merrie Lane	Solis, Michael	OBTAINED BY B. THOROGOOD Cynthia Cox
4505 Merrie Lane	Cox, Cynthia	
4506 Merrie Lane	McDonald, Robert	
4507 Merrie Lane	Thorogood, William	

4516 Merrie Lane	Sikes, Edwin	
4517 Merrie Lane	Kwan, Irene and Chi-Tat	
4518 Merrie Lane	Connelly, Elizabeth and Robert	
4519 Merrie Lane	Harrison, Douglas and Suzanne	
4520 Merrie Lane	Alexander, Russell and Kelly	
4521 Merrie Lane	Morgan, Stephen and Galin	

4533 Merrie Lane	Speich, William	
4535 Merrie Lane	Morales, Linnett	
4537 Merrie Lane	Yeh, William and Lina	

Petition for Merrie Lane Permit Parking.xls

SENT BY ATTACHMENT TO EMAIL

Attachment: Petition Documents for Permit Parking - 4500 Block of Merrie Lane (1075 : Restricted Parking - 4500 Block of Merrie Lane)

**Proposed Draft Ordinance for Permit Parking for the 4500 Block of Merrie Lane,
Bellaire, Tx.**

Sec. 30-XXX. Restricted parking—7:00 a.m. to 5:00 p.m., Mon - Fri

- (a) It shall be unlawful for any person to park any vehicle, at any time between the hours of 7:00 a.m. and 7:00 p.m., Mon.-Sat., or at such other times as the city manager may declare pursuant to subsection (e) of this section, on any of the following streets or portions of streets where such streets have been posted for restricted parking.

Street	Block
Merrie Lane	4500

- (b) Subsection (a) of this section shall not apply to commercial vehicles loading or unloading or parked in connection with the performance of a service, or to governmental vehicles.

- (c) Subsection (a) of this section shall not apply to any vehicle displaying a valid parking permit for the location where it is parked.

- (1) The director of community development (the "director") shall, upon application, issue address-specific parking permits for the restricted parking area designated in subsection (a) of this section in accordance with the following terms and conditions:

- a. Upon application, the director shall issue up to five parking permits to each residence located in the restricted parking area designated in subsection (a) of this section. Such permit(s) may be issued with or without expiration dates upon regulations and procedures promulgated by the city manager.
- b. Temporary guest permits for periods not exceeding 14 days in length may be issued to each residence located in the restricted parking area designated in subsection (a) of this section in accordance with regulations and procedures promulgated by the city manager.
- c. Permits issued pursuant to this subsection shall be for the sole use and benefit of the occupants of each residence to which such permits have been issued and their invitees, and may not be transferred or sold.

- (2) It shall not be a defense to prosecution for violation of this section for a vehicle owner to have a valid parking permit but to not have displayed such permit.

- (d) The city manager is authorized to add blocks or streets to or delete a block and/or street from the restricted parking area designated in subsection (a) of this section in accordance with the following terms and conditions:

- (1) The city manager shall add blocks of streets to or delete a block and/or street from the restricted parking area designated in subsection (a) of this section upon receipt of a petition of not less than 75 percent of the property owners located on such block and/or street.
 - (2) Property owners located in the restricted parking area designated in subsection (a) of this section may elect to opt out of the restricted parking area by filing a petition with the city manager on or before March 1, 2014.
 - (3) Property owners located outside of the restricted area designated in subsection (a) of this section may elect to opt in to the restricted parking area by filing a petition with the city manager on or before March 1, 2014.
 - (4) Petitions to opt in or out of the restricted parking area designated in subsection (a) of this section submitted after March 1, 2014, petition deadline may be considered by the city manager during the one-month period on or before February 1, 2015. Petitions may continue to be filed with the city manager during the one-month period on or before May 1 of each year thereafter in which this section shall remain in full force and effect.
 - (5) The city manager shall not consider a petition for the same block and/or street more than once in any consecutive 24-month period.
 - (6) Petitions deemed valid by the city manager will be implemented as soon as possible after the petition deadline periods of March 1, 2014; February 1, 2015; and February 1 thereafter of each year in which this section shall remain in full force and effect.
- (e) The city manager is further authorized to enlarge the time of the parking restriction beyond the hours specified in subsection (a) of this section.
- (f) Persons found in violation of this section shall be subject to a fine of up to \$200.00 per offense and/or may be towed from the restricted parking area designated in subsection (a) of this section and from future areas to be designated as restricted by the city manager under the provisions included in subsection (d) of this section.

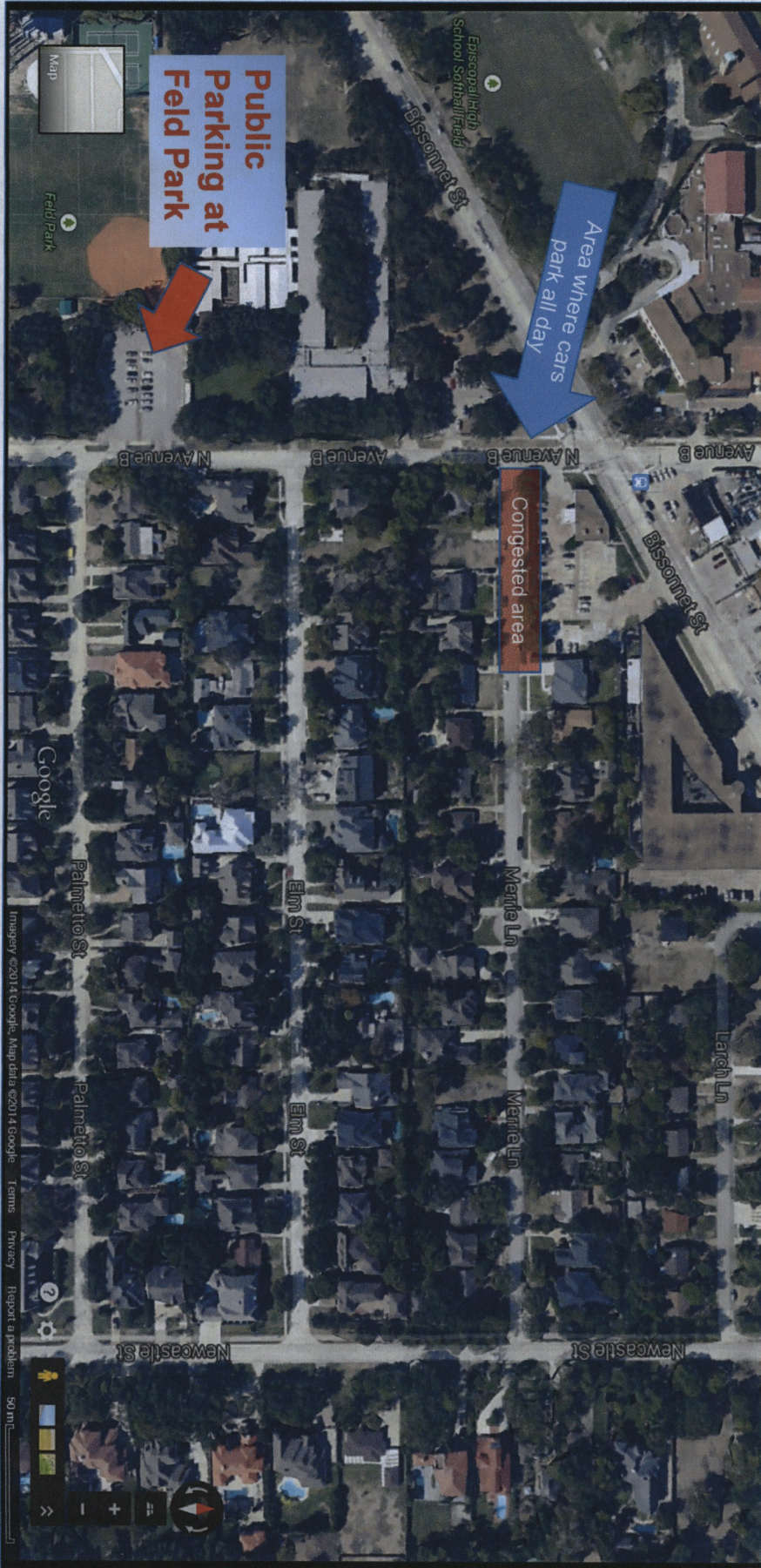
Proposed Draft Ordinance for Permit Parking on the 4500 Block of Merrie Lane, Bellaire, TX
January 2014

Proposed Ordinance for Permit Parking

It is recommended that:

- There be restricted parking by permit only from 7 AM to 5 PM, Monday – Friday along the 4500 Block of Merrie Lane.
- City Council approve a City Ordinance for the 4500 Block of Merrie Lane with similar conditions and restrictions that are included in the City Ordinance Division 5 Parking, Sec.30-116 Restricted Parking (for Wedgewood Drive and Wildwood Street).

Proposed Draft Ordinance for Permit Parking on the 4500 Block of Merrie Lane, Bellaire, TX
January 2014
Orientation Map



Proposed Draft Ordinance for Permit Parking on the 4500 Block of Merrie Lane, Bellaire, TX

January 2014

This is a typical week (Monday thru Friday) of cars that park all day in the congested area.



November 25, 2013



November 26, 2013

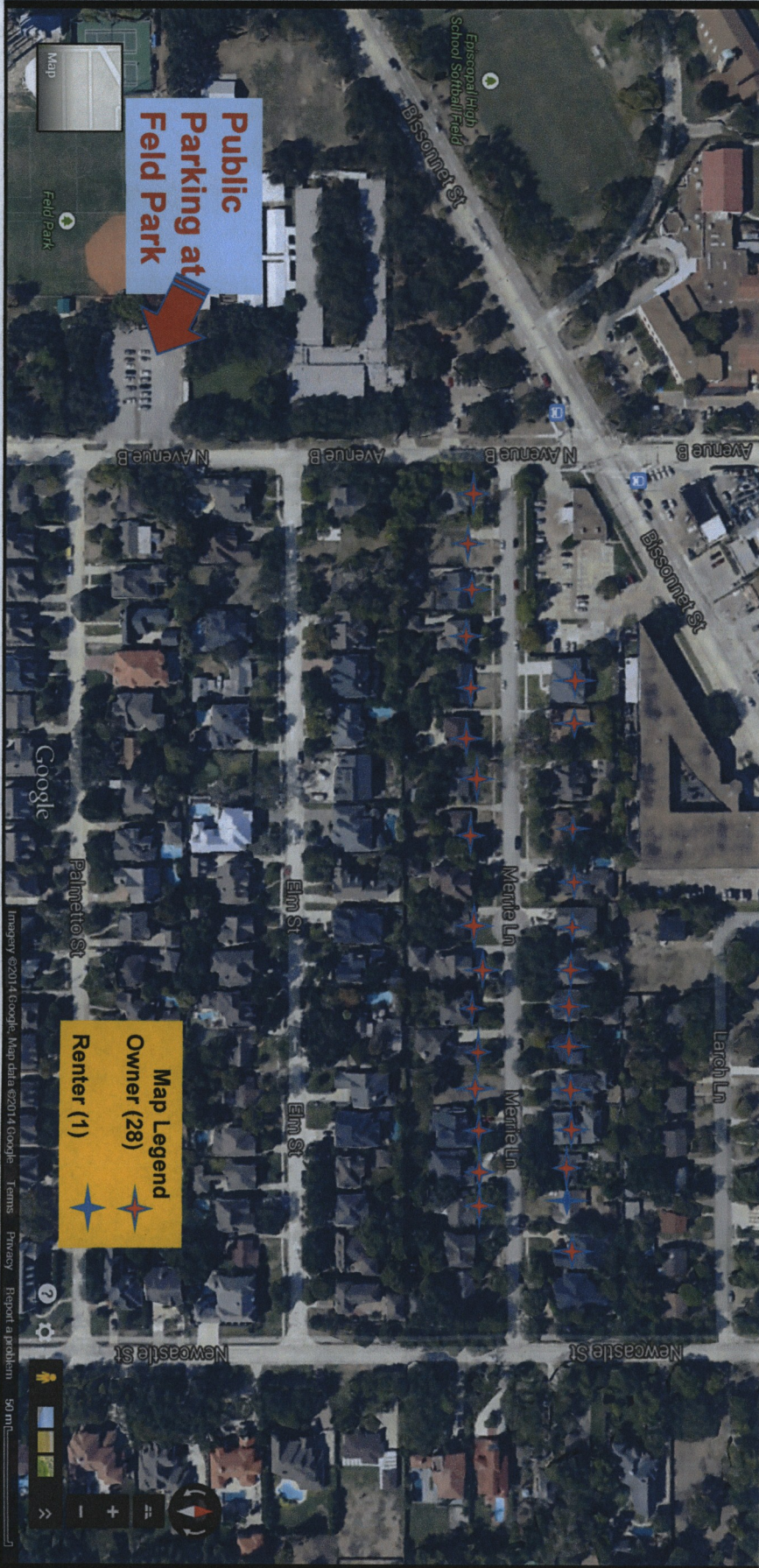


November 30, 2013

November 14

This is an example of some of the most congested days.

Proposed Draft Ordinance for Permit Parking on the 4500 Block of Merrie Lane, Bellaire, TX
January 2014
Map shows all residents who signed the petition



Proposed Draft Ordinance for Permit Parking on the 4500 Block of Merrie Lane, Bellaire, TX
January 2014

Summary of Ordinance Proposal

29 residents (85%) of the 4500 Block of Merrie Lane recommend:

- That there be restricted parking by permit only from 7 AM to 5 PM, Monday – Friday along the 4500 Block of Merrie Lane.
- That City Council approve a City Ordinance for Merrie Lane with similar conditions and restrictions that are included in the City Ordinance Division 5 Parking, Sec.30-116 Restricted Parking (for Wedgewood Drive and Wildwood Street).

January 15, 2014

Re: Supplemental information to our letter of
January 6, 2014

Ms. Tracy Dutton
City Clerk
City of Bellaire
7008 S. Rice
Bellaire, TX 77401

Dear Tracy,

After the discussion between you and Dirk Stiggins on Tuesday, Jan 7th, in the lobby of City Hall, Mr. Hodges and I checked our petition for Permit Parking on the 4500 block of Merrie Lane that we submitted in our transmittal letter of January 6, 2014. In the discussion you indicated that the signatures on the petition had to agree with the owner of record from a source like the Harris County Appraisal District (HCAD) website. It was confirmed to you that the HCAD website had been used for the source of the names for our petition. Please find attached the copy of the HCAD listing dated 11/23/13 that was downloaded and copied for our petition listing of home addresses and names. We have checked our list and signatures and determined that four signatures might not meet your criteria. We returned to 4516 and 4522 Merrie Lane and obtained the signatures of the owner(s) that are shown on the HCAD listing. We also went to 4526 and 4527 Merrie Lane and asked the owners to print their names and resign the petition (in both cases they said they were an owner of record). Attached is the portion of the petition that lists the names and new signatures as described the above paragraph.

Mr. Nick Hodges and I are now submitting a supplement to our petition with the additional attached information that we think now conforms to the requirements you described in your meeting with Mr. Stiggins. Please advise Mr. Stiggins if additional information is required. If all the requirements are now met, we look forward to the earliest opportunity to present our proposal to City Council.

Yours truly,



Mr. Nick Hodges
4528 Merrie Lane
nick@hodgesandcompany.com



Dirk Stiggins
4531 Merrie Lane
dstiggins@aol.com

Attachment: Petition Documents for Permit Parking - 4500 Block of Merrie Lane (1075 : Restricted Parking - 4500 Block of Merrie Lane)

Saturday, November 23, 2013



Account Number	Address	Owner Name	?
13-Digit Number	<input type="text"/>	<input type="text"/>	<input type="text"/>
		search	

REAL PROPERTY : RECORDS SEARCH [TAX YEAR: 2013]Your search for property address : **MERRIE** in tax year 2013 returned **33** record(s).**ACCOUNT INFORMATION**

Account Number	Owner Name	Property Address	Zip	Impr Sq Ft	Market Value	Appraised Value
0740690000001	KARP DANIEL D & PAULA P ✓	4500 MERRIE LN	77401	4,309	\$795,846	\$795,846
0740690000020	MCMULLIN ALBERT J JR & BECKY A	4501 MERRIE LN	77401	2,434	\$357,440	\$357,440
0740690000002	EDWARDS DAVIS W & ANGELA M	4502 MERRIE LN	77401	3,840	\$796,818	\$796,818
0740690000019	BOZKURT BIYKEM ✓	4503 MERRIE LN	77401	3,939	\$702,705	\$702,705
0740690000003	SOLIS MICHAEL G	4504 MERRIE LN	77401	1,464	\$327,900	\$327,900
0740690000018	COX CYNTHIA S	4505 MERRIE LN	77401	1,386	\$326,015	\$326,015
0740690000004	MCDONALD ROBERT L	4506 MERRIE LN	77401	1,246	\$321,318	\$321,318
0740690000017	THOROGOOD WILLIAM A JR	4507 MERRIE LN	77401	2,463	\$556,000	\$556,000
0740690000005	PETER P SMETEK TRUST	4508 MERRIE LN	77401	4,691	\$752,162	\$752,162
0740690000016	CUTAJA LOUIS A	4509 MERRIE LN	77401	4,020	\$871,040	\$871,040
0740690000006	TENG CATHY J	4510 MERRIE LN	77401	4,408	\$785,000	\$785,000
0740690000015	LAWYER LAWRENCE M & ALECIA L	4511 MERRIE LN	77401	0	\$323,020	\$323,020
0740690000007	BAILEY BURT & DIANE	4512 MERRIE LN	77401	1,741	\$358,076	\$358,076
0740690000014	VAN HORN GAGE & VIRGINIA	4513 MERRIE LN	77401	2,629	\$574,678	\$574,678
0740690000008	BEN-SHOCHAN ELIAHU A & JENIFER	4514 MERRIE LN	77401	3,096	\$636,184	\$636,184
0740690000013	VARDI MOSHE Y	4515 MERRIE LN	77401	3,714	\$704,880	\$704,880
0740690000009	SIKES EDWIN H III	4516 MERRIE LN	77401	4,373	\$879,698	\$879,698
0740690000012	KWAN IRENE W & CHI-TAT T	4517 MERRIE LN	77401	3,376	\$700,699	\$700,699
0740690000010	CONNELLY ELIZABETH M & ROBERT G	4518 MERRIE LN	77401	4,100	\$753,549	\$753,549
0740690000011	HARRISON DOUGLAS & SUZANNE	4519 MERRIE LN	77401	1,406	\$324,786	\$324,786
0790730010005	ALEXANDER RUSSELL & KELLY	4520 MERRIE LN	77401	3,317	\$467,780	\$467,780
0790730020006	MORGAN STEPHEN A & GALIN L	4521 MERRIE LN	77401	4,865	\$969,482	\$969,482
0790730010004	IVES GEORGE O JR	4522 MERRIE LN	77401	1,205	\$286,835	\$286,835
0790730020007	Z BEAR INC	4523 MERRIE LN	77401	1,631	\$360,424	\$360,424
0790730010003	KESBELL IVAN L & HELENE	4524 MERRIE LN	77401	4,167	\$732,214	\$732,214
0790730020008	ZOLLER MARGARET N	4525 MERRIE LN	77401	1,925	\$349,810	\$349,810
0790730010002	CURRENT OWNER	4526 MERRIE LN	77401	1,831	\$275,236	\$275,236
0790730020009	CURRENT OWNER	4527 MERRIE LN	77401	3,240	\$592,363	\$592,363
0790730010001	HODGES NICHOLAS RYAN	4528 MERRIE LN	77401	4,235	\$839,168	\$826,400
0790730020010	ECKHOFF PAUL G & CRISTINA	4529 MERRIE LN	77401	1,526	\$344,920	

0790740000004	STIGGINS VICTOR D & SUSAN	4531 MERRIE LN	77401	3,630	\$648,364	\$648,364
0790740000003	SPEICH WILLIAM S	4533 MERRIE LN	77401	1,901	\$350,000	\$350,000
0790740000002	MORALES LINNETT G	4535 MERRIE LN	77401	3,145	\$620,466	\$620,466
0790740000001	YEH WILLIAM H & LINA C	4537 MERRIE LN	77401	1,408	\$308,500	\$308,500



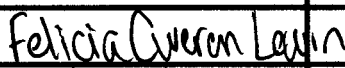
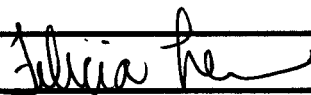

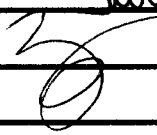
For information concerning the policies and functions of these pages, please see our [disclaimer](#).

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537.29
2115

Petition for Permit Parking on 4500 Merrie Lane

Address	Name	Signature
4500 Merrie Lane	Karp, Daniel and Paula	
4501 Merrie Lane	McMullin, Albert and Becky	
4502 Merrie Lane	Edwards, Davis and Angela	
4503 Merrie Lane	Bozkurt, Biykem	
4504 Merrie Lane	Solis, Michael	
4505 Merrie Lane	Cox,	
4506 Merrie Lane	McDo	
4507 Merrie Lane	Thorc	
4508 Merrie Lane	Peter	
4509 Merrie Lane	Cuta	
4510 Merrie Lane	Teng	
4511 Merrie Lane	Lawyer, Lawrence and Alicia	
4512 Merrie Lane	Bailey, Burt and Diane	
4513 Merrie Lane	Van Horn, Gage and Virginia	
4514 Merrie Lane	Ben-Shoshan, Eliahu and Jenifer	
4515 Merrie Lane	Vardi, Moshe	
4516 Merrie Lane	Sikes, Edwin	
4517 Merrie Lane	Kwan, Irene and Chi-Tat	
4518 Merrie Lane	Connelly, Elizabeth and Robert	
4519 Merrie Lane	Harrison, Douglas and Suzanne	
4520 Merrie Lane	Alexander, Russell and Kelly	
4521 Merrie Lane	Morgan, Stephen and Galin	
4522 Merrie Lane	Ives, George 	
4523 Merrie Lane	Z Bear Inc	
4524 Merrie Lane	Kessell, Ivan and Helene	
4525 Merrie Lane	Zoller, Margaret	
4526 Merrie Lane	Current Owner  Felicia Gueron Lavin	
4527 Merrie Lane	Current Owner  Victoria Arrington	
4528 Merrie Lane	Hodges, Nicholas	
4529 Merrie Lane	Eckhoff, Paul and Cristina	
4531 Merrie Lane	Stiggins, Victor and Susan	
4533 Merrie Lane	Speich, William	
4535 Merrie Lane	Morales, Linnett	
4537 Merrie Lane	Yeh, William and Lina	

Supplemental signatures
to our petition submitted
in our letter of
January 6 2014

Attachment: Petition Documents for Permit Parking - 4500 Block of Merrie Lane (1075 : Restricted Parking - 4500 Block of Merrie Lane)



ORDINANCE NO. 14-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AMENDING CHAPTER 30, TRAFFIC AND VEHICLES, ARTICLE II, TRAFFIC-CONTROL REGULATIONS, DIVISION 5, PARKING, OF THE CODE OF ORDINANCES OF THE CITY OF BELLAIRE, TEXAS, BY ADDING A NEW SECTION 30-117, TO BE ENTITLED "RESTRICTED PARKING—7:00 A.M. TO 5:00 P.M., MONDAY THROUGH FRIDAY," FOR THE PURPOSE OF ESTABLISHING A PERMIT PARKING PROCESS ALLOWING FOR RESTRICTED PARKING ON RESIDENTIAL STREETS.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, THAT:

Section 1. *Chapter 30, Traffic and Vehicles, Article II, Traffic-Control Regulations, Division 5, Parking, of the Code of Ordinances of the City of Bellaire, Texas ("Code"), is hereby amended by adding a new Section 30-117, to be entitled "Restricted parking—7:00 a.m. to 5:00 p.m.—Monday through Friday," for the purpose of establishing a permit parking process to allow for restricted parking on residential streets. The amended Code shall read as set out in Appendix A, attached hereto. All other portions of Chapter 30 of the City's Code not specifically amended hereby shall remain in full force and effect.*

Section 2. All ordinances and parts of ordinances in conflict with this Ordinance are repealed to the extent of the conflict only.

Section 3. If any word, phrase, clause, sentence, paragraph, section or other part of this Ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this Ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section or other part of this Ordinance to any other persons or circumstances, shall be affected thereby.

Section 4. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this Ordinance was discussed, considered or acted upon was given in the manner required by the *Texas Open Meetings Act*, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves, and confirms such notices and the contents and posting thereof.

Section 5. This Ordinance shall be effective as of March 17, 2014.

PASSED and **APPROVED** this 17th day of February, 2014.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Appendix A

New section to be added.

Sec. 30-117. Restricted parking – 7:00 a.m. to 5:00 p.m., Monday through Friday.

- (a) It shall be unlawful for any person to park any vehicle, at any time between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday, or at such other times as the city manager may declare pursuant to subsection (e) of this section, on any of the following streets or portions of streets where such streets have been posted for restricted parking.

Street	Block
Merrie Lane	4500

- (b) Subsection (a) of this section shall not apply to commercial vehicles loading or unloading or parked in connection with the performance of a service, or to governmental vehicles.

- (c) Subsection (a) of this section shall not apply to any vehicle displaying a valid parking permit for the location where it is parked.

- (1) The director of community development (the "director") shall, upon application, issue address-specific parking permits for the restricted parking area designated in subsection (a) of this section in accordance with the following terms and conditions:

- a. Upon application, the director shall issue up to five parking permits to each residence located in the restricted parking area designated in subsection (a) of this section. Such permit(s) may be issued with or without expiration dates upon regulations and procedures promulgated by the city manager.
- b. Temporary guest permits for periods not exceeding fourteen (14) days in length may be issued to each residence located in the restricted parking area designated in subsection (a) of this section in accordance with regulations and procedures promulgated by the city manager.
- c. Permits issued pursuant to this subsection shall be for the sole use and benefit of the occupants of each residence to which such permits have been issued and their invitees, and may not be transferred or sold.

- (2) It shall not be a defense to prosecution for violation of this section for a vehicle owner to have a valid parking permit but to not have displayed such permit.

- (d) The city manager is authorized to add blocks or streets to or delete a block and/or street from the restricted parking area designated in subsection (a) of this section in accordance with the following terms and conditions:

- (1) The city manager shall add blocks of streets to or delete a block and/or street from the restricted parking area designated in subsection (a) of this section upon receipt of a petition of not less than 75 percent of the property owners located on such block and/or street.
 - (2) Property owners located outside of the restricted area designated in subsection (a) of this section may elect to opt in to the restricted parking area by filing a petition with the city manager on or before February 1, 2015.
 - (3) Petitions to opt in or out of the restricted parking area designated in subsection (a) of this section submitted after March 1, 2014, petition deadline may be considered by the city manager during the one-month period on or before February 1, 2015. Petitions may continue to be filed with the city manager during the one month period on or before May 1 of each year thereafter in which this section shall remain in full force and effect.
 - (4) The city manager shall not consider a petition for the same block and/or street more than once in any consecutive 24-month period.
 - (5) Petitions deemed valid by the city manager will be implemented as soon as possible after the petition deadline periods of March 1, 2014; February 1, 2015; and February 1 thereafter of each year in which this section shall remain in full force and effect.
- (e) The city manager is further authorized to enlarge the time of the parking restriction beyond the hours specified in subsection (a) of this section.
- (f) Persons found in violation of this section shall be subject to a fine of up to \$200.00 per offense and/ or may be towed from the restricted parking area designated in subsection (a) of this section and from future areas to be designated as restricted by the city manager under the provisions included in subsection (d) of this section.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Agreement
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1087

**SCHEDULED
ORDINANCE (ID # 1087)**

Item Title:

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute, for and on behalf of the City of Bellaire, Texas, an engagement letter with Blackburn & Carter PC for the provision of professional services necessary to address the City of Bellaire's concerns regarding environmental matters associated with the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction Project.

Item Summary:

Members of City Council met in closed session on February 10, 2014, to consult with legal counsel regarding legal options related to the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction Project.

An ordinance and engagement letter have been prepared and attached for City Council's consideration in engaging the law firm of Blackburn & Carter PC to provide professional services to the City to address concerns regarding environmental matters associated with the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction Project.

Source of Funding:

A budget amendment may be necessary to fund the costs associated with this engagement.

Staff Recommendation:

Action as City Council deems appropriate.

ATTACHMENTS:

- Engagement Letter with Blackburn and Carter PC - TXDOT US 59 and IH 610 Interchange Project (DOCX)
- Blackburn and Carter Engagement Letter 2-12-14 final (PDF)



ORDINANCE NO. 14-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AUTHORIZING THE MAYOR OF THE CITY OF BELLAIRE TEXAS, TO EXECUTE, FOR AND ON BEHALF OF THE CITY OF BELLAIRE, TEXAS, AN ENGAGEMENT LETTER WITH BLACKBURN & CARTER PC FOR THE PROVISION OF PROFESSIONAL SERVICES NECESSARY TO ADDRESS THE CITY OF BELLAIRE'S CONCERNS REGARDING ENVIRONMENTAL MATTERS ASSOCIATED WITH THE TEXAS DEPARTMENT OF TRANSPORTATION'S PROPOSED US 59 SOUTH/IH 610 WEST INTERCHANGE RECONSTRUCTION PROJECT.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

THAT the Mayor of the City of Bellaire, Texas, is hereby authorized to execute, for and on behalf of the City of Bellaire, Texas, an engagement letter with Blackburn & Carter PC for the provision of professional services necessary to address the City of Bellaire's concerns regarding environmental matters associated with the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction Project.

PASSED and **APPROVED** this 17th day of February, 2014.

(SEAL)

ATTEST:

SIGNED:

Tracy L. Dutton, TRMC
City Clerk

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Ord. No. 14-_____

Page 1 of 2

Alan P. Petrov
City Attorney

BLACKBURN CARTER

A Professional Corporation - Lawyers

4709 Austin Street, Houston, Texas 77004
Telephone (713) 524-1012 ♦ Telefax (713) 524-5165

www.blackburncarter.com

H.2.b.b

JAMES B. BLACKBURN, JR.

MARY W. CARTER

CHARLES W. IRVINE

MARY B. CONNER

MICHAEL P. MCEVILLY

JAMES B. BLACKBURN, JR.
Sender's E-Mail: jbb@blackburncarter.com

February 12, 2014

Via Email: bsatterwhite@ci.bellaire.tx.us

Mr. Bernie Satterwhite
City Manager
City of Bellaire
7008 S. Rice Avenue
Bellaire, Texas 77401

Re: Engagement of Blackburn & Carter PC

Dear Mr. Satterwhite:

This letter constitutes an agreement for Blackburn & Carter PC to provide professional services to the City of Bellaire ("you") to address your concerns regarding environmental matters associated with the Texas Department of Transportation's proposed US 59 South/IH 610 West Interchange Reconstruction project. We appreciate the opportunity to work with you in regards to matters described herein. This agreement shall become effective upon Blackburn & Carter's receipt of a countersigned copy of this letter.

Blackburn & Carter is being retained to assist and represent you in regards to developing a strategy to address your concerns regarding environmental matters associated with the proposed US 59 South/IH 610 West Interchange Reconstruction project. Blackburn & Carter will conduct background research on the proposed project and on the previous environmental documentation for the existing roadway and intersection, identify issues for further development, retain consultants if needed, and prepare proposed budget for further work. Blackburn & Carter will report to and meet with you upon the completion of this first stage of work. The fee for these initial steps will be capped at \$10,000.

After meeting with council and presenting the results of the first phase, Blackburn & Carter will move into the second phase of this work which will be to work with consultants on their studies and to prepare and submit comments on environmental documentation prepared by the Texas Department of Transportation/Federal Highways Administration. As part of this work, Blackburn & Carter will attend meetings with representatives of the Texas Department of Transportation, and take other such action as authorized by you. In coordination with the Bellaire City Council, Blackburn & Carter will design Phase II in such a manner as to provide for at least one if not more interim checkpoints where work progress and potential changes to either consultant tasking or Blackburn & Carter focus will be discussed. We propose completing Phase 1 in about six weeks or less with work on subsequent phases to move forward with Council concurrence.

Attachment: Blackburn and Carter Engagement Letter 2-12-14 final (1087 : Professional Services - Blackburn & Carter PC)

Blackburn & Carter's representation is limited to the above-referenced matters and we have not been retained to represent you generally or in connection with any other matter unless we modify this engagement letter by subsequent engagement letters.

Blackburn & Carter anticipates that the fee for the above-referenced matters will be approximately \$100,000, including the \$10,000 for the initial stage. Blackburn & Carter will bill you on a monthly basis with an itemized bill. The work to be performed under this agreement will be undertaken as specified above. Any work beyond the scope of the above-referenced matters will be addressed in a new or amended engagement letter.

Blackburn & Carter will bill the City of Bellaire on an hourly basis for all work conducted pursuant to this agreement in accordance with the following fee schedule:

Jim Blackburn	\$400.00 per hour
Charles W. Irvine	\$325.00 per hour
Mary B. Conner	\$300.00 per hour
Michael P. McEvilly	\$200.00 per hour
Paralegal	\$ 75.00 per hour

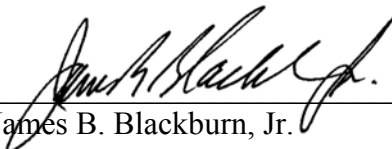
Blackburn & Carter is authorized to employ such other persons who it deems necessary for the proper handling of your case. Consultant's fees, court costs, deposition costs, duplication costs, long distance telephone expenses, and other professional fees incurred on your behalf will be paid directly by you, or when advanced by Blackburn & Carter, will be borne by and paid for by you upon receipt of a statement for said expenses. Certain expenses may be forwarded to you for payment directly.

After completion of the matter, Blackburn & Carter may retain documents associated with this matter/case in an electronic form, but shall return to Client all documents provided by the Client as well as all original documents generated in connection with the representation. Client may retrieve the materials or direct Blackburn & Carter to forward materials to the Client at Client's expense. If within sixty (60) days of completion of the matter the Client fails to retrieve the materials or to request Blackburn & Carter to forward them, Blackburn & Carter may proceed to destroy the Client materials without further notice to Client.

Once again, Blackburn & Carter is pleased to have this opportunity to work with you in this matter. If you have any questions or concerns about any of the above, please contact us as soon as possible. If this letter accurately reflects our agreement, please sign the enclosed copy of this letter and return it to me along with the check and a copy of your contract. This document contains the entire agreement of the parties herein. Please feel free to contact the us if you have any questions.

Sincerely,

BLACKBURN CARTER, P.C.

by 
James B. Blackburn, Jr.

AGREED AND ACCEPTED:

Print Name

Signature

Title

Date

FOR: CITY OF BELLAIRE

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM
Department: City Clerk
Category: Code Amendment
Prepared By: Tracy Dutton
Department Head: Tracy Dutton
DOC ID: 1086

**SCHEDULED
ORDINANCE (ID # 1086)**

Item Title:

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 22, Offenses--Miscellaneous, of the Code of Ordinances of the City of Bellaire, Texas, by adding a new Article V, entitled "Credit Access Businesses," relating to consumer protection and regulation of credit access businesses within the City; containing findings and other provisions relating thereto; and providing a penalty clause.

Item Summary:

At the conclusion of the January 27th City Attorney's Report regarding payday loan companies, City Council directed City Attorney Petrov to draft an ordinance for City Council consideration for the purpose of protecting consumers by regulating such businesses, known as "credit access businesses."

Accordingly, City Attorney Petrov has crafted the attached ordinance for City Council review and possible adoption.

Source of Funding:

If approved by City Council, the caption of the ordinance would be required to be published in a newspaper of general circulation (Charter requirement). Funding for the newspaper publication and subsequent codification would be provided by the General Fund.

ATTACHMENTS:

- Ordinance Regulating Credit Access Businesses (00155555-2) (DOCX)



ORDINANCE NO. 14-_____

AN ORDINANCE OF THE CITY COUNCIL OF BELLAIRE, TEXAS; AMENDING *CHAPTER 22, OFFENSES--MISCELLANEOUS*, OF THE CODE OF ORDINANCES OF THE CITY OF BELLAIRE, TEXAS, BY ADDING A NEW *ARTICLE V, ENTITLED "CREDIT ACCESS BUSINESSES"*, RELATING TO *CONSUMER PROTECTION AND REGULATION OF CREDIT ACCESS BUSINESSES WITHIN THE CITY*; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING THERETO; AND PROVIDING A PENALTY CLAUSE.

WHEREAS, the City Council of the City of Bellaire, Texas (the "City Council"), finds and determines that lending practices employed by various credit access businesses, commonly referred to as payday loan or title loan institutions, are currently subject to only limited state regulations; and

WHEREAS, because of such limited regulation and in spite of borrower's best intentions, there are those that suffer financial setbacks after they obtain credit and have difficulty repaying their financial obligations; and

WHEREAS, the City Council finds and determines that local regulation of credit access businesses would substantially curtail the likelihood of borrowers becoming trapped in a cycle of debt, affording the borrowers who utilize such institutions the opportunity to reduce their indebtedness while still affording the industry member institutions the opportunity to receive a fair return on their investment; and

WHEREAS, the City Council desires to adopt an ordinance implementing a regulatory scheme establishing minimum business practices for credit access businesses.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF

BELLAIRE, TEXAS THAT:

Section 1. The findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. *Chapter 22, Offenses- Miscellaneous, of the Code of Ordinances of the City of Bellaire, Texas* (the "Code of Ordinances") is hereby amended by adding a new *Article V, entitled "Credit Access Businesses,"* as set out in Appendix A, attached hereto. All other portions of *Chapter 22* of the Code of Ordinances not specifically amended hereby remain in full force and effect.

Section 3. The City Council hereby approves the application fee promulgated in Section 22-124, as added to the Code of Ordinances by this Ordinance, in the amount of \$50.00.

Section 4. All ordinances and parts of ordinances in conflict with this Ordinance are repealed to the extent of the conflict only.

Section 5. If any word, phrase, clause, sentence, paragraph, section or other part of this Ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this Ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section or other part of this Ordinance to any other persons or circumstances, shall be affected thereby.

Section 6. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this Ordinance was

discussed, considered or acted upon was given in the manner required by the Texas Open Meetings Act, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

Section 7. The City Clerk of the City of Bellaire, Texas is hereby authorized and directed to publish notice of this Ordinance and the penalty associated with same.

Section 8. This Ordinance shall be effective as of July 1, 2014.

PASSED, APPROVED and ADOPTED this, the _____ day of _____, 2014.

Dr. Phil Nauert, Mayor
City of Bellaire, Texas

ATTEST:

Tracy Dutton, TRMC, City Clerk
City of Bellaire, Texas

APPROVED AS TO FORM:

Alan P. Petrov, City Attorney
City of Bellaire, Texas

Appendix "A"

Chapter 22. OFFENSES—MISCELLANEOUS

ARTICLE V. CREDIT ACCESS BUSINESSES

Sec. 22-120. Definitions.

As used in this article:

Certificate of registration means a certificate of registration issued by the director under this article to the owner or operator of a credit access business.

Consumer means an individual who is solicited to purchase or who purchases the services of a credit access business.

Consumer's language of preference is the language the consumer understands best.

Credit access business has the meaning given that term in Section 393.601 of the Texas Finance Code.

Deferred presentment transaction has the meaning given that term in Section 393.601 of the Texas Finance Code.

Director means the director of the department designated by the City Manager to enforce and administer this article and includes any representatives, agents or department employees designated by the director.

Extension of consumer credit has the meaning given that term in Section 393.001 of the Texas Finance Code.

Motor vehicle title loan has the meaning given that term in Section 393.601 of the Texas Finance Code.

Registrant means a person issued a certificate of registration for a credit access business under this article and includes all owners and operators of the credit access business identified in the registration application filed under this chapter.

State license means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393, Subchapter G of the Texas Finance Code.

Sec. 22-121. Violations; Penalty.

(a) A person who violates a provision of this article, or who fails to perform an act required of the person by this article, commits an offense. A person commits a separate offense for each and every violation relating to an extension of consumer credit, and for each day during which a violation is committed, permitted, or continued.

(b) An offense under this article is punishable by a fine of not more than \$500.

(c) A culpable mental state is not required for the commission of an offense under this article and need not be proved.

(d) The penalties provided for in subsection (b) of this section are in addition to any other remedies that the City may have under City ordinances and state law.

Sec. 22-122. Defense.

It is a defense to prosecution under this article that at the time of the alleged offense the person was not required to be licensed by the state as a credit access business under Chapter 393, Subchapter G, of the Texas Finance Code.

Sec. 22-123. Registration required.

A person commits an offense if the person acts, operates, or conducts businesses as a credit access business without a valid certificate of registration. A certificate of registration is required for each physically separate credit access business.

Sec. 22-124. Registration application.

(a) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the Director. The application must contain the following:

- (1) The name, street address, mailing address, facsimile number, and telephone number of the applicant.
- (2) The business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business.
- (3) The names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business, and the nature and extent of each person's interest in the credit access business.
- (4) A copy of a current, valid state license held by the credit access business pursuant to Chapter 393, Subchapter G of the Texas Finance Code.
- (5) A copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with the Construction Code.
- (6) A non-refundable application fee of \$50.

(b) An applicant or registrant shall notify the Director within 45 days after any material change in the information contained in the application for a certificate of registration, including, but not limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

Sec. 22-125. Issuance and display of certificate of registration; presentment upon request.

(a) The Director shall issue to the applicant a certificate of registration upon receiving a completed application under section 22-124 of this Code.

(b) A certificate of registration issued under this section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the director or any peace officer for examination.

Sec. 22-126. Expiration and renewal of certificate of registration.

(a) A certificate of registration expires on the earliest of:

- (1) One year after the date of issuance; or
- (2) The date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.

(b) A certificate of registration may be renewed by making application in accordance with section 22-124 of this Code. A registrant shall apply for renewal at least 30 days before the expiration of the registration.

Sec. 22-127. Non-transferability.

A certificate of registration for a credit access business is not transferable.

Sec. 22-128. Maintenance of records.

(a) A credit access business shall maintain a complete set of records of all extensions of consumer credit arranged or obtained by the credit access business, which must include the following information:

- (1) The name and address of the consumer;
- (2) The principal amount of cash actually advanced;
- (3) The length of the extension of consumer credit, including the number of installments and renewals;
- (4) The fees charged by the credit access business to arrange or obtain an extension of consumer credit; and
- (5) The documentation used to establish a consumer's income under section 22-129 of this Code.

(b) A credit access business shall maintain a copy of each written agreement between the credit access business and a consumer evidencing an extension of a consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).

(c) A credit access business shall maintain copies of all quarterly reports filed with the Texas Consumer Credit Commissioner under Section 393.627 of the Texas Finance Code.

(d) The records required to be maintained by a credit access business under this section must be retained for at least three years and made available for inspection by the City upon request during the usual and customary business hours of the credit access business.

Sec. 22-129. Restriction on extension of consumer credit.

(a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed 20 percent of the consumer's gross monthly income.

(b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:

- (1) Three percent (3%) of the consumer's gross annual income; or
- (2) Seventy percent (70%) of the retail value of the motor vehicle.

(c) A credit access business shall use a paycheck or other documentation establishing income to determine a consumer's income.

(d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least 25 percent of the principal amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.

(e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least 25 percent of the principal amount of the original extension of consumer credit.

(f) For purposes of this section, an extension of consumer credit that is made to a consumer within seven days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

Sec. 22-130. Requirement of consumer understanding of agreement.

(a) Every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer), must be written in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumers, agreements in the English and Spanish languages.

(b) For every consumer who cannot read, every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer) must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.

(c) For every consumer who cannot read, every disclosure and notice required by law must be read to the consumers in its entirety in the consumer's language of preference, prior to the consumer's signature.

Sec. 22-131. Referral to consumer credit counseling.

A credit access business shall provide a form, to be prescribed by the Director, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form will also contain information regarding extensions of consumer credit, and must include the information required by section 22-128 of this ordinance specific to the loan agreement with the consumer. If the director has prescribed a form in the consumer's language of preference, the form must be provided in the consumer's language of preference.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 02/17/14 07:00 PM

Department: City Clerk

Category: Policy

Prepared By: Tracy Dutton

Department Head: Tracy Dutton

DOC ID: 1077

SCHEDULED**ACTION ITEM (ID # 1077)**

Item Title:

Consideration of and possible approval by City Council of a request from the Environmental and Sustainability Board of the City of Bellaire, Texas, to pursue a joint/combined annual recycles day or recycles fest with the City of West University Place, Texas, the first of which would be held on Saturday, November 1, 2014.

Item Summary:

Councilman James P. Avioli, Sr., Council Liaison to the Environmental and Sustainability Board of the City of Bellaire, Texas (ESB), has placed this item on the agenda at the request of Chair William Stone of the ESB. As City Council may recall, Vice Chair Seth Miller of the ESB advised City Council during our Town Meeting that the ESB was interested in seeking City Council's approval to pursue a joint/combined recycles fest or recycles day with the City of West University Place, Texas. Vice Chair Miller mentioned the fact that sponsors and resources for recycling events were limited and that both cities might benefit from a combined event.

ESB Chair Stone indicated to Councilman Avioli that Bellaire's ESB and West University Place's Board are both in favor of holding a combined event. It is Chair Stone's hope that the event could be alternated between each of the cities every other year.

If this request receives the approval of City Council, the first combined event would be held on Saturday, November 1, 2014, with the location to be decided among the cities.

Source of Funding:

Funding for Bellaire's portion of this event will be requested in the 2015 budget by the Bellaire Publics Work Department.

Recommendation:

City Staff recommends favorable action with respect to this request.