



# CITY OF PRAIRIE VIEW

## MANAGEMENT DISCUSSION (Analysis of City Audit and Activity)

City Council  
Residents of City of Prairie View  
Prairie View, Texas

This *Management Discussion Analysis and City Activity* provides an operating overview of the City of Prairie View (City) for the fiscal year ended September 30, 2019.

## GENERAL ADMINISTRATION OPERATIONS:

### CITY REVENUE:

#### Property Taxes:

The major source of revenue for the City of Prairie View is from Property Taxes paid by the residents and businesses located within the city limits of Prairie View, Texas. In 2018 the **City Taxable assessed property valuation increased from \$122,880,103 to \$133,896,165 an increase of \$11,016,062.** Because of the assessed valuation increase, there was no increase in the property tax rate (\$0.73049/\$100 valuation). The City billed property taxes of \$978,098 which is \$80,471 greater than the last fiscal year. Of the total property taxes billed, Maintenance and Operations (M&O) received \$616,202 and Debt Service (I&O) received \$361,896. The City collection rate was 100% when current and delinquent taxes are combined.

**The City property taxes will increase in future years because of new apartment developments, Checkers Restaurant, Fuelmaxx Shell Gas Station Convenience Store (Mexican & BBQ operations) and other commercial businesses being built now and those being discussed / planned for the city. (2019 - \$194,313,071; 2020 - \$212,312,420, *anticipated even higher*).**

#### Other Revenue:

The following are other sources of revenue for the City: Sales Taxes (incl. Street Maintenance and Crime Control); Franchise Taxes; Permit Fees; Municipal Court Fines; Investment Interest and Dividends.

#### City Sales Taxes:

The City imposes a 1% City Sales Tax rate for General Administration funding (**Actual collected \$700,204 vs a budget of \$462,200 INCREASE of \$238,004.00 over budget**).

The City imposes a **.25% City Street Maintenance Sales Tax** rate to provide funds for street maintenance, lot clearing, tree trimming, parking lot maintenance and ditch cleaning (Actual collected \$175,112 vs a budget of \$115,600, increase of \$59,512 over budget)

The City imposes a **.25% City Crime Control and Prevention Sales Tax** rate to provide funds for Crime Control and Prevention; 100% of the funds were used to help fund the Police Department operations (Actual collected \$143,218 vs Budgeted \$115,700 increase of \$27,518)

**The increases in sales taxes collected over budget were based on sales from new retail business located in the City. Also, additional students living in the City and continued increase in sales activity at Prairie View A & M University contributed to the increase.**

#### **Franchise Taxes and Permits:**

City General Administration funding is also provided by the collection of franchise taxes and City building permit fees (Actual collected \$500,423 vs Budgeted \$433,000 an increase of \$67,423). The increase over budget is due primarily **Fuelmaxx Shell Convenience Store Gas Station, Checkers Restaurant, Legacy of Prairie View and Gates of Prairie View Student Housing, Campus Edge Family Apartments and FlowChem Expansion.**

#### **Municipal Court Revenue & Fines:**

The City Municipal Court system collects revenue from misdemeanor offenses that occur within the City (Actual collected \$248,020 vs Budgeted \$175,000 an increase of \$73,020).

#### **Interest and Dividends**

The City follows its Investment Policy of investing in low risk ventures not to exceed a one-year maturity date (Actual collected \$3,465 vs Budgeted \$4,200 decrease of \$735).

#### **GENERAL FUND EXPENDITURES:**

##### **General Administration Department:**

**The Mayor is the head of the General Administration Department. The Mayor also serves as the Public Works Operations Manager, Emergency Management Director, Zoning Officer, Code Enforcement Manager and Development Officer. The City Secretary and the City Treasurer have completed their first year and there are two Administrative Assistants.**

Retention of valuable employees is important. The City is committed in providing our employees a stable work environment with equal opportunity for learning and personal growth. Staff is rotated to receive training, development, and education to promote individual success and increase overall value to the City.

The total Department actual expenditures were **\$916,287 vs a budget of \$886,500**. The increase over budget is due primarily to the increase in legal cost.

Salary requests are based on performance evaluations.

## **Municipal Court Department:**

The Municipal Court is staffed with one full-time Judge, two full time Clerks, a part-time Warrant Officer who also serves the Court as Bailiff, and a contract Prosecutor who serves the Court up to three times per month.

The Presiding Judge's other duties include: Court Administrator; Department Head of the Municipal Court; City Disaster Recovery Coordinator (FEMA & TDEM); nearing the construction phase of the final Hurricane Harvey project of repairing the City Hall building; Manage the City web-site; Administers the City telephone system, telecommunications system, and electronic mail system; Troubleshoot City software and hardware computer problems; Alternate City check signer; Assist Mayor in training City employees; Assist Mayor in developing and updating policies and procedures; Works with all departments in posting available job positions.

The Municipal Court works with Prairie View A&M University to rotate students through the Municipal Court on a semester basis. The unpaid interns are introduced to the Court system and given assignments that correlate with their class curriculum. They also participate in field trips that allow them to experience the court system at various levels.

**The total Department actual expenditures were \$269,778, budget of \$275,000 under \$5,222.**

Salary requests are based on performance evaluations.

## **Police Department:**

The Prairie View Police Department (PVPD) staff consisted of the **Police Chief, a retired US Army Military Police and retired Dallas PD**; Detective/Captain, retired Houston PD; Eleven (10) full-time Patrol Officers, a Warrant/Code Enforcement Officer (includes court bailiff duties), and an Administrative Secretary.

PVPD has made long strides in its efforts to help and change the culture to Law and Order focusing on how PVPD can play a part in the Waller County Law Enforcement Family (Team Work). PVPD has made the following strides to make the city a better place thru Community Policing:

- establishing the Police Explorer Program for Waller ISD; taking the lead in the first explorer program in the area for kids 14-18 who are interested in learning the career of Law Enforcement.
- took the lead on combining active shooter training at the Jones Elementary school with several other agencies, Harris County Sheriff, Waller Police, and PVAM University Police.
- sponsored a combined training set up for area law enforcement officials from Waller Police, Hempstead Police, and Waller County Constables Pct#3 training in K9 Encounter.
- established an NPO officer (Neighborhood Police Officer); this officer is a permanent community police officer who is well connected with the citizens, focusing on their immediate neighborhood concerns.

- **hired 6 additional officers to increase the Department to 13 officers, providing the City more patrols and visibility for crime prevention and community support programs.**
- starting a Police Cowboy-up program, a horsemanship program starting in mid-July for kids between the ages of 10-18. The PVPD is partnering up with Cory Solomon, a Prairie View Citizen, who grew up in the area and achieved championship buckles within the Professional Rodeo Association.
- acquired 5 Utility, Military high-water vehicles for hurricane disasters to have immediate rescue missions deployed, rather than waiting for outside help, and a Mobile Command Center for emergencies.
- completely restructured the Property/Evidence room and created policies and procedures safeguarding the chain of custody of those items. A complete inventory of all property/evidence was obtained and logged into specific locations for quick access. A properly functioning property room allows for expedited trials of victims and fair trials for those accused of criminal acts.
- restructured and streamlined the process of identifying individuals suffering from mental illness when they present a clear danger to themselves or others, eliminating the several hours, involving multiple agencies. PVPD created a single-page sworn affidavit which is filled out by its trained officers. PVPD is no longer waiting on other agencies to provide services which it is capable of performing. The new process allows for quicker service and creates less distress for the individuals suffering from mental illness, as well as their family members.
- The City of Prairie View and Waller County does not have Law Enforcement or Search and Rescue Air Support assets immediately available. The PVPD has implemented a Drone program which allows for trained officers to immediately deploy a drone which can be used in search and rescue missions during inclement weather, as well as provide important data in Active Shooter situations.
- The PVPD officers has 24/7 access to the Captain who is available for law enforcement guidance for any situation that its officers may encounter. **The Captain, a former veteran Houston Police Homicide Supervisor/Detective**, is capable of working the most serious of cases without the necessity of calling in outside agencies to work those scenes.

The total department actual operating expenditures were \$934,564 vs a budget of \$791,600. The over budget was funded by the excess in General Fund Revenues, and was primarily due to more officer training, unexpected vehicle maintenance costs and the purchase of an additional patrol car and officer equipment.

The PVPD is in dire need of police vehicles.

Salary increases are based on performance evaluation.

## **PUBLIC WORKS (ENTERPRISE) OPERATIONS**

## REVENUE:

Public Works revenues are made up of Utility Water, Sewer and Garbage charges billed to the residents and commercial businesses located in the City (**Actual billed \$1,661,249 vs budgeted \$1,350,700 an increase of \$310,549**). Other revenue primarily consists of New Connections, Late Bill Payment fees, and Grant Funds (Actual \$335,285 vs Budgeted \$450,900). Other Revenue under budget is funded by the over budget in Water, Sewer and Garbage revenue.

## OPERATIONS EXPENDITURES:

The Public Works Department is administrated by the Mayor. Currently the Department consists of six (6) employees, (5 Operators and a Billing Clerk). The City is contracted with U. S. Water Service Corporation (USW) whom Mayor Allen brought in on an emergency basis, now provides contracted compliance support to the Public Works operation.

The City is currently in dispute with Prairie View A&M University over the wastewater (sewer) treatment rate that the University is charging the City to treat the city's wastewater.

The rate increase has resulted in an over 30% increase in wastewater treatment cost. Currently the City has not increased waste water billing to the city residents and commercial businesses. Mayor has arranged a proposed payment plan that is being presented for Workshop and subsequent City Council approval. The ultimate objective of the City is to own its wastewater treatment plant.

The James Muse Parkway Project was budgeted and a contractor has been selected, COVID-19 delayed the start date so far, but plan to start this fiscal year, if not, this project will be budgeted in the next fiscal year. **The projected project cost is \$1,500,200. Grant funds for new JM Parkway water/sewer lines should total \$1,046,000 and the difference of \$454,200 will be the City match obligation.** The City match funds will come from the 2017 general obligation bond.

### **Alta Vista subdivision: upgraded old clay pipe sewer system with \$334,426 CDBG Grant.**

The Alta Vista Sewer Upgrade Project was completed during this fiscal period at a total cost of \$334,426 of which the City matching cost was \$50,000 (provided from the 2017 General Obligated Bond) and the difference was from a Community Development Block Grant.

City changed from Quik Water utility billing to AVR billing system, transferred personnel as the new PW Clerk to improve services.

PW added several fire hydrants and manholes, new or increased water and sewer lines in several areas of City, including Marie Antoinette, Joan of Arc, Primrose, Santa Monica, Toulane, and Oleander Streets and University Drive and Kenyatta Street.

San Bernard Electric: we did three night rides with San Bernard Electric adding lights in every area of city as needed to improve visibility and resident safety.

Actual operating expenditures were \$1,488,895 (excluding \$95,556 depreciation) vs a budget of \$1,363,300. The expenditure over budget is funded by the excess revenue.

Salary requests are based on employee evaluations.

## **DEBT SERVICE:**

The collection of property taxes provides the debt service revenue, along with interest earned on the Debt Service bank balances. The debt service portion (I&S) of the approved \$0.73049 property tax rate is \$0.27491. The actual Debt Service Revenue was \$394,869 vs budget of \$368,400. Actual expenditures \$367,245 vs budget of \$368,400.

Debt Finance items (Principle and Interest):

- New 2018/19 Police Assets \$10,027
- City Ford Explorer vehicle \$7,152
- Police (2 used Tahoe vehicles) \$17,747
- City tractor Kubota \$11,092
- Police (2 new Tahoe vehicles) \$21,227
- Certificate of Obligation Bond 2011 - \$13,400
- General Obligation Bond 2011 - \$30,000
- General Obligation Bond 2017 - \$256,600

## **CITY EMPLOYEE BENEFITS:**

The City has replaced the Employee 457 savings plan with a new Texas Municipal Retirement System (TMRS) for the full-time City employees. An employee 5% rate contribution plan was adopted. Currently the City pays 7.39% of the plan gross wages. All full-time employees are mandated to participate in the plan

## **Economic Development B Corporation**

The City of Prairie View Economic Development B Corporation Directors continues to explore the expansion of new economic development within the City of Prairie View. A .50% city sales tax funds this Corporation.

The fiscal year 2018-2019 was a very busy year. The City will continue on a very active and progressive path, which this City administration has chosen to pursue. **(Account Balance: \$1,085,509.00)**

## **MAYOR'S ECONOMIC DEVELOPMENT ACTIVITY (update)**

Due to the New City of Prairie View projects listed below, the approximate sales taxes collected by the City in the calendar year **2019 were \$900,000 as compared to \$382,000 in 2016 when elected.**

## **ECONOMIC DEVELOPMENT (UPDATE)**

- Prairie View Cricket Complex: USA Cricket upgraded to play International Games, most of which will be played in our city since we have the largest in the country with most playing fields. **5,000 seat stadium planned and approximately 4,000 seating capacity now..**
- We have had several tournaments (**National Collegiate Cricket Association (74 teams, UoH beat MIT) National Youth Cricket Association, Team Atlanta won, etc.**) bringing hundreds of people that have been attending games at PVCC the last two years, that number will increase to thousands of new visitors coming to our city spurring Economic Development by spending money and becoming aware of our city and our great PVAMU.

- Checkers Restaurant and Fuelmaxx Shell Convenience Store (Mexican and BBQ food operations) July 2020
- Campus Edge Family Apartments (open)
- Legacy of Prairie View Student Apartments (432 bedroom project)
- Panther Hill Student Apartments 1,400 bedrooms (complete)
- Gates of Prairie View (500 student housing beds, retail, hotel and or townhomes for sale)
- Vietnamese Orchid Business: COVID-19 halted activity; but plans to expand operation in city and perform research with Dr Aruna at PVAMU College of Agriculture

Because of the above listed **Economic Development in the City of Prairie View, the projected sales taxes collected by the City in the calendar year 2019 should be in the \$900,000 range as compared to \$382,000 in 2016.**

**PRAIRIE VIEW A&M UNIVERSITY** (49.21 acre development in city) Feasibility study almost complete. Meetings with PVAMU Administrative Staff and Community on needs, etc.

**GRANTS UPDATE:**

- **\$3 million-\$100 million** GLO Hurricane Harvey Mitigation for major projects, (applying)
- **\$350,000** Alta Vista sewer lines upgrade (done)
- **\$742,000** Rosewood sewer lines upgrade (funds approved, selecting contractor)
- **\$1,400,000** James Muse Parkway; adding water and sewer (funds approved, selecting contractor selected)
- **\$2 million** Smart City Grant w PVAMU (applying); **\$100,000 Research Grant** (received)
- \$ FEMA Hurricane Harvey Grant to repair mold and leaks in City Hall (funds approved, contractor selected)
- Telehealth/Telemedicine Grant: allows residents to seek and obtain medical and health-related assistance with medical professionals.
- FEMA Federal Emergency Management Agency \$446,272 (Note: 2 years)

**BLACK LIVES MATTER PROJECT: (donations only)**

Sponsored by Roy Perry PVAMF; PVAMU President Ruth J Simmons; PV Mayor David Allen and PVAMU Dr. Fred Bonner II, MACH III Center. (Special Thanks to PVAMU College Architecture) Alumni Donors: Chandra Adams; Johnie Walker; Tekedra Pierre; Marie Herndon; Mr. Crawford; Trish?

**The City implemented bi-lingual capabilities in all departments to better assist residents.**

**COVID-19 Emergency Declaration and Executive Order Issued (masks in businesses and suggested for all) Face mask for all seniors project started.**

Respectfully Submitted,



David Allen, Mayor

encl  
ab/da