FINANCE

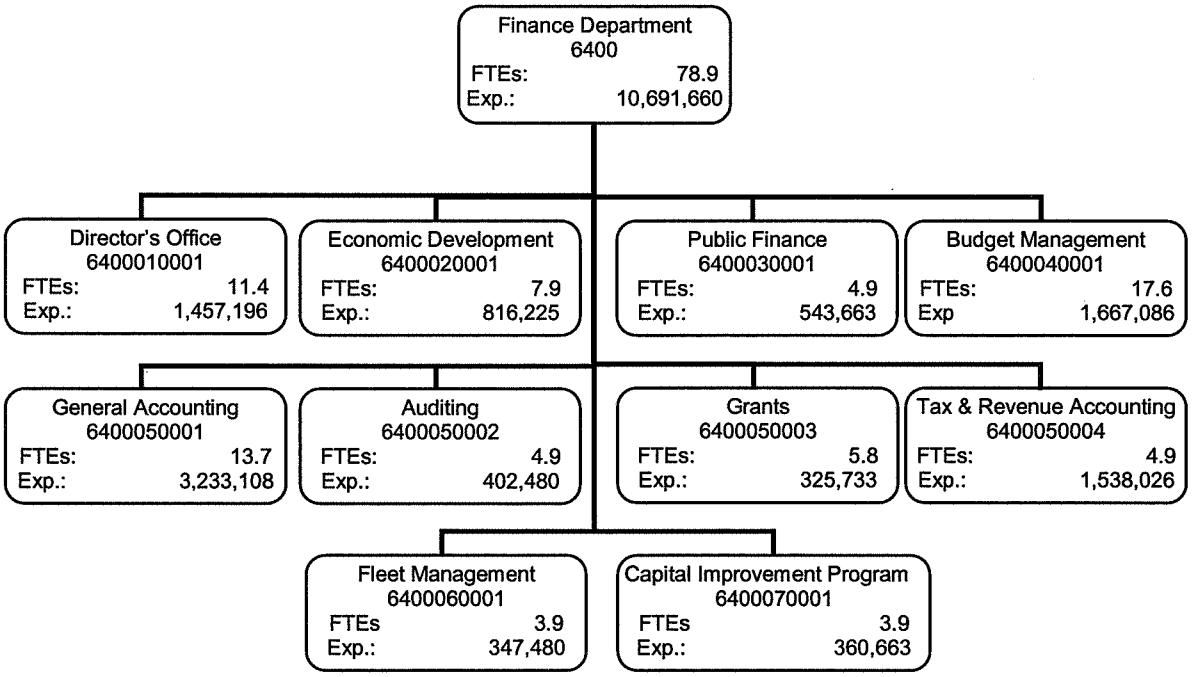
Department Description and Mission

The Finance Department's mission is to serve the citizens of the City of Houston and provide support to City departments through sound management and business decisions of the City's finances.

The Finance Department's mission objectives are to:

- Demonstrate integrity, accountability, consistency, professionalism and a strong work ethic.
- Emphasize strategic financial planning and performance reporting.
- Maximize the effective and efficient use of public funds.
- Execute directives and policies of the Administration and City Council.
- Build a cohesive team of highly qualified talented professionals based on trust, respect, and mutual support.
- Provide excellent customer service.

Department Organization



Business Area Budget Summary

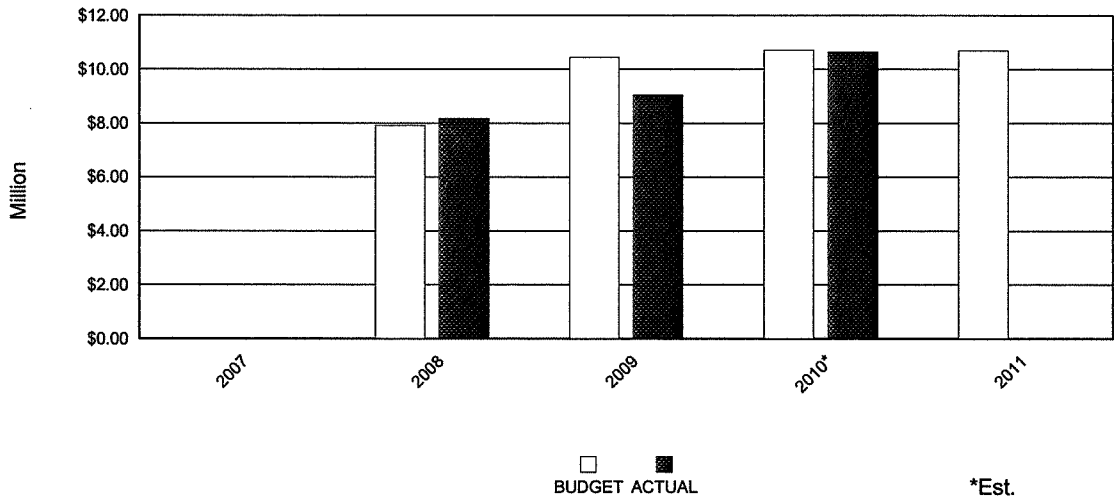
Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus. Area No. : 1000 / 6400

		FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Expenditures	Personnel Services	5,829,888	7,037,972	6,965,697	**7,205,534**
	Supplies	61,742	59,461	59,330	**62,076**
	Other Services and Charges	3,093,930	3,608,402	3,605,820	**3,421,470**
	Non-Capital Equipment	58,708	8,375	8,375	**2,580**
	Total M & O Expenditures	9,044,268	10,714,210	10,639,222	**10,691,660**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditures	9,044,268	10,714,210	10,639,222	**10,691,660**
Revenues		1,439,581,859	1,467,546,446	1,388,790,977	**1,357,006,580**
Staffing	Full-Time Equivalents - Civilian	68.9	81.9	81.2	**78.9**
	Full-Time Equivalents - Classified	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	**0.0**
	Total	68.9	81.9	81.2	**78.9**
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	**0.0**

Significant Budget Changes and Highlights

- Revenues are expected to decrease by approximately $32 million or 2.3% from FY2010 estimates which include: a decrease in Property Tax by $45.08 million, offset by a Sales Tax increase by $13.75 million.
- Includes 3% HOPE increase ($164,145) and 1.25% Pay for Performance increase ($67,672).
- Includes transfer of one (1) personnel to Administration & Regulatory Affairs for vehicle disposition ($56,277).

Finance Department
Current Budget vs Actual Expenditures



Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Cost Center Description	Cost Center Objectives
Director's Office 6400010001	
Direct and implement citywide financial and strategic policies and objectives of the administration. Perform monthly budgeting, forecasting, revenue reporting and cost analysis to address the financial and programmatic issues of the city.	Improve administrative and financial functions citywide by exercising sound management through improved financial planning and reporting. Implement debt and cash management policies and manage and oversee TIRZ and Economic Development programs.
Intern Program 6400010002	
Internship program that afford students an opportunity to develop knowledge and leadership skills pertaining to city government.	Introduce America's future leaders to the inner workings of local government, utilizing their talent and energy to address the challenges local government faces and to expose them to meaningful careers in public service.
Business Office 6400010003	
Initiate and implement revisions of policies and procedures in the Finance Department through internal controls to increase accountability, maximizing efficiency of operations.	Prepare departmental monthly and annual budgets. Process all financial transactions including accounts payable, purchasing, and general accounting requirements. Research and implement employee development programs.
Deferred Compensation 6400010004	
Implement and manage citywide policies and procedures regulating local, state and federal laws governing the basic, supplemental, investment and fiscal activities. Conduct legislative impact analysis along with other special projects as assigned by the Director.	Manage and improve all policies and procedures governing the citywide financial operations. Ensure transparency of all financial investment and transactions. Provide communication and education of the programs.
Economic Development - TIRZ 6400020001	
Implement and manage citywide policy and procedure for economic development programs including Tax Increment Reinvestment Zones (TIRZ) and tax abatements in addition to other tax incentive programs. Brownfields program moved to Public Works & Engineering in FY2011.	Improve policy and procedure for economic development programs and incentives. Develop a team to specialize in various areas of economic development and TIRZ. Ensure transparency on all budgets and financial analysis as they pertain to the various TIRZs.
Public Finance 6400030001	
Management of all City debt, including long term fixed debt as well as short-term variable debt. Monitor financial and market trends and develop specific strategies. Manage the Reimbursable Program and miscellaneous capital acquisitions. Special projects as assigned.	Manage existing and prospective debt; monitor the City's Equipment Acquisition Fund, approve Request for Council Action; monitor Capital Project Funding and related Request for Council Action. Undertake Special Projects as assigned.

Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
GF revenues realized	99.88%			100%			**100%**		
GF expenditures as % of Budget	98.78%			100%			**100%**		
		5.2	840,189		4.9	886,313		**4.1**	**883,907**
Interns entered program				5			**5**		
Interns completed program				5			**5**		
		0.0	0		2.5	20,000		**2.5**	**20,025**
Payments within 30 days				95%			**95%**		
Policies written/amended				10			**10**		
Website visits per day							**60**		
Budgets & dealines met							**100%**		
		2.0	164,716		2.3	298,821		**2.9**	**400,857**
Review distribution				900			**900**		
Review participation				1400			**1,400**		
Financial review				52			**52**		
Participant meetings				30			**12**		
Legislative impct analysis							**500**		
		0.0	0		1.9	151,694		**1.9**	**152,407**
TIRZ-bring admin in house		3			19			**19**	
Tax abatements creation		2			1			**1**	
Tax abatements recapture		6			19			**5**	
Industrial districts rev.		$11.2M			$16.6M			**$15.9M**	
Brownfields		60			19			**0**	
		10.0	976,132		9.2	824,673		**7.9**	**816,225**
Debt transactions		8			5			**5**	
Review/Approve RCA		440			440			**440**	
Special projects assigned		10			5			**12**	
		4.6	440,525		5.0	493,846		**4.9**	**543,663**

Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Cost Center Description	Cost Center Objectives
Budget Management 6400040001	
Monitor the financial activities of City departments. Coordinate, develop, implement and monitor the citywide budget. Administer budget, tax and financial reporting.	Monitor the City's fiscal activities through financial analysis, review and report preparation.
General Accounting 6400050001	
Citywide monitoring and oversight of accounting, fixed assets and internal control. Establish and update accounting and internal control policies. Coordinate annual audit. Prepare cost allocation plan. Manage accounting and FEMA compliance for disasters.	To assist all City departments to properly account for City financial transactions and safeguard assets. Develop indirect cost allocation plan for services provided between departments and federal grant administrative costs recovering $10 million for General Fund.
Auditing 6400050002	
Audit hotels for compliance in paying $60 million of hotel occupancy taxes. Audit tax abatement agreements for compliance with investment and employment requirements.	To ensure hotels are properly paying hotel occupancy taxes and companies are in compliance with tax abatement agreements. Franchise tax and department operational audits as requested.
Grants 6400050003	
Citywide oversight and accounting of all federal and state grants. Account for over 120 grant programs totaling $300 million. Establish SAP grant management accounting procedures for all city departments.	Proper accounting for all grant programs. Develop procedures for quarterly reconciliations of grant monies. Assist departments in complying with grant regulations. Coordinate federally required single audit of all grant programs.
Tax & Rev Acctg 6400050004	
Account for the collection of all city taxes. Prepare General Fund cash flow forecast. Perform property tax rate setting and Truth in Taxation procedures. Assist in budget projections for property taxes.	Record and reconcile taxes collected. Comply with Texas State Property Tax code. Prepare and update cash flow forecast to determine General Fund borrowing needs.
Fleet Management 6400060001	
Manage the city's fleet from a citywide perspective. Employ information technology and management reports to increase efficiency of equipment acquisition funds. Support departmental fleet managers with acquisition, disposition and management processes for equipment.	Optimize the City's fleet to improve service delivery while controlling costs to funding limitations. Explore new funding opportunities through grants and partnerships. Become a leader in converting fleet to hybrid and alternative fuel vehicles.

Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Financial reports prepared	15			15			**15**		
City departments monitored	25			25			**25**		
Funds managed	36			39			**39**		
		15.8	1,371,778		18.1	1,659,784		**17.6**	**1,667,086**
Assets accounted for	$34.5 B			$34.6B			**$34.6B**		
Cost Allocation plan	1			1			**1**		
Annual audit	1			1			**1**		
Quarterly close	0			4			**4**		
		11.7	3,041,487		14.8	3,377,093		**13.7**	**3,233,108**
Total revenue managed ($)	58.0M			61.0M			**61.0M**		
Audits completed HOT	30			30			**30**		
Audits completed other	20			20			**16**		
		4.7	336,395		4.1	367,289		**4.9**	**402,480**
Grants / Expenditures	105/$205M			150/$400M			**150/$400M**		
		4.4	272,807		5.9	309,158		**5.8**	**325,733**
Taxes collected	$1.42bil			$1.368bil			**$1.335bil**		
Cash flow forecast	1			1			**1**		
		4.8	1,159,857		4.6	1,528,640		**4.9**	**1,538,026**
Hybrid fleet initiative	42%			50%			**50%**		
Fund 1800 appropriations	$32.5m			$29.0m			**$15.5m**		
		4.1	268,126		4.2	386,509		**3.9**	**347,480**

Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Cost Center Description	Cost Center Objectives
Capital Improvement Program 6400070001	
Implement and manage citywide policies and procedures regulating local, state and federal laws governing the basic, supplemental, investment and fiscal activities. Conduct legislative impact analysis along with other special projects as assigned by the Director.	Manage and improve all policies and procedures governing the citywide financial operations. Ensure transparency of all financial investment and transactions. Provide communication and education of the programs.

Business Area Cost Center Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Review distribution				900			**900**		
Review participation				1400			**1,400**		
Financial review				52			**52**		
Participant meetings				30			**12**		
Legislative impct analysis							**500**		
		1.6	172,256		3.7	335,402		**3.9**	**360,663**
Total		68.9	9,044,268		81.2	10,639,222		**78.9**	**10,691,660**

Business Area Roster Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Job Description	Pay Grade	FY2010 Current Budget FTE	FY2011 Budget FTE	Change
ADMINISTRATIVE ASSISTANT	17	2.0	2.0	
ADMINISTRATIVE COORDINATOR	24	1.0	1.0	
ADMINISTRATIVE SPECIALIST	20	4.0	4.0	
ASSISTANT DIRECTOR (EXE LEV)	32	5.0	3.0	(2.0)
CONTRACT ADMINISTRATOR	22	1.0	1.0	
CUSTOMER SERVICE REPRESENTATIVE I	13	1.0	0.0	(1.0)
DEPUTY ASSISTANT DIRECTOR (EXE LEV)	30	2.0	2.0	
DEPUTY CHIEF POLICY OFFICER (EXE LEV)	36	0.2	0.2	
DEPUTY DIRECTOR (EXE LEV)	34	1.0	2.0	1.0
DEPUTY DIRECTOR-FINANCE/ADMINISTRATION (EXE LEV)	36	1.0	2.0	1.0
DIVISION MANAGER	29	13.0	11.0	(2.0)
EXECUTIVE OFFICE ASSISTANT	15	1.0	1.0	
EXECUTIVE STAFF ANALYST (EXE LEV)	30	0.7	0.0	(0.7)
FINANCE DIRECTOR	37	1.0	1.0	
FINANCIAL ANALYST I	15	0.0	1.0	1.0
FINANCIAL ANALYST II	18	1.0	0.0	(1.0)
FINANCIAL ANALYST III	21	4.0	5.0	1.0
FINANCIAL ANALYST IV	25	19.0	18.0	(1.0)
MANAGEMENT ANALYST II	18	1.0	1.0	
MANAGEMENT ANALYST III	21	2.0	1.0	(1.0)
MANAGEMENT ANALYST IV	25	2.0	2.0	
SENIOR ACCOUNT CLERK	13	1.0	0.0	(1.0)
SENIOR AUDITOR	21	4.0	4.0	
SENIOR FIXED ASSET SPECIALIST	17	1.0	1.0	
SENIOR STAFF ANALYST	28	9.0	10.1	1.1
SENIOR STAFF ANALYST (EXE LEV)	28	0.0	1.0	1.0
STAFF ANALYST	26	5.0	3.0	(2.0)
STUDENT INTERN I	4	0.0	2.5	2.5
SYSTEMS CONSULTANT	26	1.0	1.0	
Total FTEs		**83.9**	**80.8**	**(3.1)**
Less adjustment for Civilian Vacancy Factor		**2.0**	**1.9**	**(0.1)**
Full-Time Equivalents		**81.9**	**78.9**	**(3.0)**

Business Area Revenue Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Commit Item	Description	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
6400020001	**Economic Development - TIRZ**			
415010	Industrial District Assessment	26,880,000	16,664,000	**16,000,000**
424110	Other Interfund Services	79,893	17,802	**0**
452020	Recoveries & Refunds	700,000	112,000	**100,000**
Total	**Economic Development - TIRZ**	**27,659,893**	**16,793,802**	**16,100,000**
6400050001	**General Accounting**			
426090	Demolition Fees	499,000	660,000	**603,391**
426120	Weed Cutting Fees	490,000	568,942	**552,316**
426480	Securing/Boarding - Nuisance Abatement	68,000	80,000	**60,000**
426485	Visual Blight - Nuisance Abatement	3,000	3,000	**3,000**
428030	Release of Liens	56,000	65,000	**65,000**
428080	Returned Check Charges	0	1,500	**1,000**
428100	Int on Liens-COH	116,500	80,000	**85,000**
428105	Int on Liens-Contract	650,000	550,000	**540,000**
434150	Streets & Bridges Assessments	106,000	51,000	**56,000**
Total	**General Accounting**	**1,988,500**	**2,059,442**	**1,965,707**
6400050002	**Auditing**			
424150	Interfund Auditing Services-601	212,733	212,733	**226,873**
6400050004	**Tax & Rev Acctg**			
411020	Current Property Tax	815,021,802	810,138,934	**741,267,744**
411030	Current Year Delinquent Property Tax	64,755,198	58,537,066	**82,374,256**
411040	Delinquent Property Tax - Prior Years	868,165	502,147	**497,647**
411110	Prior Year Delinquent Property Tax-1998	3,240	12,555	**0**
411120	Prior Year Delinquent Property Tax-1999	114,426	77,590	**1,004**
411130	Prior Year Delinquent Property Tax-2000	130,755	86,150	**90,090**
411140	Prior Year Delinquent Property Tax-2001	153,666	120,434	**89,151**
411150	Prior Year Delinquent Property Tax-2002	210,587	169,714	**109,434**
411160	Prior Year Delinquent Property Tax-2003	353,269	282,432	**172,714**
411170	Prior Year Delinquent Property Tax-2004	706,935	495,297	**269,432**
411171	Prior Year Delinquent Property Tax-2005	1,227,798	1,793,368	**465,297**
411172	Prior Year Delinquent Property Tax-2006	1,763,883	1,450,522	**773,368**
411173	Prior Year Delinquent Property Tax-2007	2,289,545	2,369,828	**1,440,522**
411174	Prior Year Delinquent Property Tax-2008	9,093,731	4,442,963	**2,439,828**
411175	Prior Year Delinquent Property Tax-2009	0	0	**5,454,513**
411180	Curr Delinq-P & I	5,693,102	4,051,944	**4,645,424**
411190	Penalty&Interest-Delinq. Property Tax	7,855,898	7,365,056	**6,755,576**
411210	Property Tax Rebates	(527,000)	(680,000)	**(710,000)**
412010	Sales Tax	507,300,000	460,000,000	**473,754,000**
413010	Mixed Beverage Tax	10,576,000	10,283,000	**10,590,000**
414010	Bingo Tax	207,000	200,000	**206,000**
428060	Other Interest Income	300,000	26,000	**28,000**
432010	Interest on Pooled Investments	9,200,000	6,750,000	**6,750,000**
Total	**Tax & Rev Acctg**	**1,437,298,000**	**1,368,475,000**	**1,337,464,000**
6400070001	**Capital Improvement Program**			
424110	Other Interfund Services	387,320	1,250,000	**1,250,000**
Total	**Finance Department**	**1,467,546,446**	**1,388,790,977**	**1,357,006,580**

Business Area Expenditure Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus. Area No. : 1000 / 6400

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
500010	Salary Base Pay - Civilian	4,375,171	5,348,175	5,245,503	**5,353,754**
500030	Salary Part Time - Civilian	69,973	69,709	68,789	**30,106**
500060	Overtime - Civilian	139	0	0	**0**
500210	Pay for Performance-Municipal	1,500	0	0	**0**
501050	Employee Awards	1,087	0	2,628	**2,700**
501070	Pension - Civilian	649,504	777,080	765,410	**776,297**
501120	Termination Pay - Civilian	17,760	0	14,650	**15,451**
501160	Vehicle Allowance - Civilian	8,432	8,558	8,422	**8,558**
502010	FICA - Civilian	327,814	403,531	382,496	**400,356**
503010	Health Ins-Act Civilian	365,759	401,097	450,085	**521,220**
503015	Basic Life Insurance - Active Civilian	3,192	3,050	2,962	**3,187**
503060	Long Term Disability-Civilian	(559)	6,787	6,080	**6,480**
503090	Workers Compensation-Civilian-Admin	8,952	17,187	16,481	**16,622**
503100	Workers Compensation-Civilian-Claim	1,164	0	591	**600**
504020	Compensation Contingency	0	0	0	**67,672**
504030	Unemployment Claims	0	2,798	1,600	**2,531**
Total	**Personnel Services**	**5,829,888**	**7,037,972**	**6,965,697**	**7,205,534**
511040	Audiovisual Supplies	6,086	4,235	4,235	**2,235**
511045	Computer Supplies	5,028	4,535	9,685	**9,665**
511050	Paper & Printing Supplies	0	7,800	7,800	**7,800**
511055	Publications & Printed Materials	2,148	6,791	6,791	**6,791**
511060	Postage	4,756	4,000	5,000	**6,000**
511070	Miscellaneous Office Supplies	41,220	21,400	18,147	**22,107**
511110	Fuel	29	3,000	2,972	**3,778**
511125	Food Supplies	0	4,000	1,600	**0**
511145	Small Tools & Minor Equipment	0	200	200	**200**
511150	Miscellaneous Parts & Supplies	2,475	3,500	2,900	**3,500**
Total	**Supplies**	**61,742**	**59,461**	**59,330**	**62,076**
520100	Temporary Personnel Services	154,355	63,533	52,467	**52,467**
520105	Accounting & Auditing Services	1,724,624	1,738,000	1,746,650	**1,756,650**
520108	Information Resource Services	12,930	0	0	**0**
520109	Medical Dental & Laboratory Services	0	0	500	**500**
520110	Management Consulting Services	306,641	470,870	442,496	**305,000**
520114	Miscellaneous Support Services	897	0	1,115	**2,315**
520119	Computer Equipment/Software Maintenance	9,445	6,578	11,888	**10,000**
520121	IT Application Svcs	0	8,918	24,500	**2,050**
520123	Vehicle & Motor Equipment Services	683	5,000	100	**3,516**
520124	Other Equipment Services	25	0	0	**0**
520136	Billing & Collection Services	750,000	1,100,000	1,100,000	**1,100,000**
520510	Mail/Delivery Services	997	2,400	2,900	**2,550**
520515	Print Shop Services	24,984	21,000	21,000	**37,695**
520520	Printing & Reproduction Services	7,470	20,282	20,255	**0**
520605	Advertising Services	18,730	21,306	21,306	**21,305**
520705	Insurance Fees	2,006	2,232	2,232	**2,423**
520740	Document Recording/Filing Fees	301	0	0	**0**
520765	Membership & Professional Fees	9,618	11,500	11,500	**10,500**
520805	Education & Training	14,169	18,846	18,846	**16,139**
520905	Travel - Training Related	5,127	7,500	7,500	**6,500**
520910	Travel - Non-Training Related	15,415	16,129	16,129	**15,000**
521405	Building Maintenance Services	846	694	3,413	**694**
521505	Electricity	7	0	0	**0**
521605	Data Services	0	22,288	22,288	**102**

Business Area Expenditure Summary

Fund Name : **General Fund**
Business Area Name : **Finance Department**
Fund No./Bus. Area No. : **1000 / 6400**

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
521610	Voice Services	1,933	23,718	23,718	**22,550**
521620	Voice Equipment	3,146	3,680	3,680	**3,112**
521625	Voice Labor	556	2,926	2,926	**448**
521630	GIS Revolving Fund Services	0	0	0	**3,106**
521715	Office Equipment Rental	0	16,971	16,971	**16,448**
521730	Parking Space Rental	19,108	20,191	27,600	**27,600**
522430	Miscellaneous Other Services & Charges	1,039	1,500	1,500	**2,800**
522795	Other Interfund Services	8,878	2,340	2,340	**0**
Total	**Other Services and Charges**	**3,093,930**	**3,608,402**	**3,605,820**	**3,421,470**
551010	Non-Capital Office Furniture & Equipment	40,903	1,600	1,600	**1,000**
551015	Non-Capital Computer Equipment	17,805	6,775	6,775	**1,580**
Total	**Non-Capital Equipment**	**58,708**	**8,375**	**8,375**	**2,580**
	Grand Total Expenditures	**9,044,268**	**10,714,210**	**10,639,222**	**10,691,660**