

FINANCE

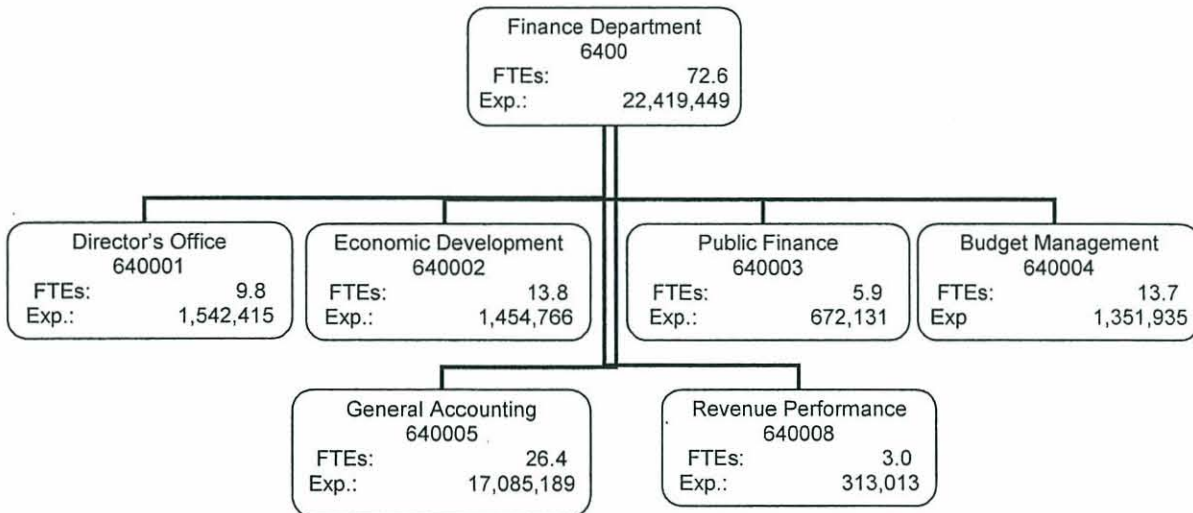
Department Description and Mission

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

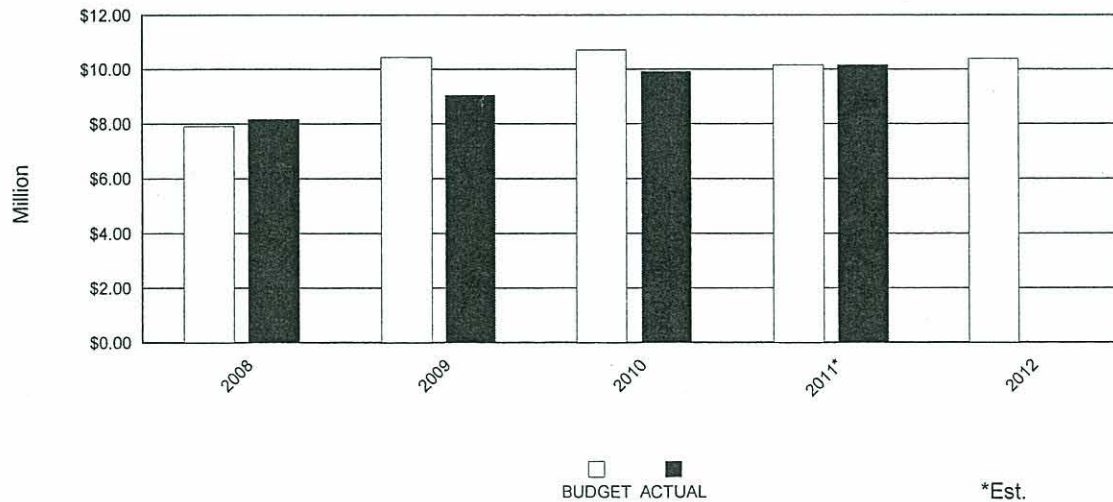
Department Organization



FISCAL YEAR 2012 BUDGET

Business Area Budget Summary					
Fund Name : General Fund					
Business Area Name : Finance Department					
Fund No./Bus. Area No. : 1000 / 6400					
		FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
Expenditures	Personnel Services	6,691,825	6,707,617	6,707,617	6,988,403
	Supplies	71,840	57,706	54,706	75,266
	Other Services and Charges	3,135,364	3,394,943	3,397,943	15,355,780
	Non-Capital Equipment	9,169	2,580	2,580	0
	Total M & O Expenditures	9,908,198	10,162,846	10,162,846	22,419,449
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	9,908,198	10,162,846	10,162,846	22,419,449
Revenues		1,397,846,902	1,357,006,580	1,375,000,723	1,404,451,900
Staffing	Full-Time Equivalents - Civilian	76.9	74.9	74.9	72.6
	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	76.9	74.9	74.9	72.6
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	o Create new Accounts Receivable Collections group within Finance.				
	o Consolidate Capital Improvement Program (CIP) services and reporting into Public Finance.				
	o Conduct an internal assessment of the use of information technology and identify areas to leverage the use of technology to connect the day to day financial processing operations of the City.				

**Finance Department
Current Budget vs Actual Expenditures**



FISCAL YEAR 2012 BUDGET

Division Mission and Performance Measures			
Fund Name : General Fund Business Area Name : Finance Department Fund No./Bus Area No. : 1000 / 6400			
Name: Directors Office -- 640001			
Mission: Ensure the financial integrity of the City by promoting responsible resource allocation, providing oversight of resource usage, and improving financial accounting and management processes.			
Goal: Review current financial processes and identify areas where the Finance Department can improve management of city funds and financial systems. Strengthen citywide accounts receivable collection efforts by the creation of a dedicated collection oversight section to work jointly with departments to improve collection efforts.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Fin Processes New/Impr.	N/A	N/A	6
Fin Outputs New/Impr.	N/A	N/A	4
Name: Economic Development/TIRZ -- 640002			
Mission: Implement and manage citywide policy and procedure for economic development programs including Tax Increment Reinvestment Zones (TIRZ) and tax abatements in addition to other innovative incentive programs. Market Houston as the place to grow or relocate a targeted business.			
Goal: Improve policy and procedure for economic development programs and incentives. Ensure transparency on all budgets and financial analyses as they pertain to the various TIRZs. Grow economic activity within the City and support economic activity in the region.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
TIRZ-Bring Admin in House	8	3	2
Tax Abatements Creation	1	3	3
Tax Abatements Recapture	\$220,000	\$40,000	\$275,000
Economic Growth Incentives	\$81 mil	\$654 mil	\$350 mil
Industrial Districts	\$19.2 mil	\$19.5 mil	\$22 mil
Name: Public Finance -- 640003			
Mission: Design, issue and manage debt financing needs of General Obligation, Combined Utility System, Houston Airport System, and Convention and Entertainment. Manage the bond funded capital budgets of the Capital Improvement Plan, the Equipment Acquisition Plan, and the Technology Investment Plan. Compile the Capital Improvement Plan.			
Goal: Proficiently and resourcefully manage capital transactions. Process and approve budget requests and RCAs that require capital funding in a timely and responsive manner.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Debt Transactions	7	9	4
GF Trsf to Debt Service	13.3%	12.2%	12%

FISCAL YEAR 2012 BUDGET

Division Mission and Performance Measures			
Fund Name : General Fund Business Area Name : Finance Department Fund No./Bus Area No. : 1000 / 6400			
Name: Budget Management -- 640004			
Mission: Monitor the financial activities of City departments. Coordinate, develop, implement and monitor the citywide budget. Administer budget, tax and financial reporting.			
Goal: Monitor the City's fiscal activities through financial analysis, review and report preparation.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Financial Reports Prepared	15	15	15
City Departments Monitored	25	25	25
Funds Managed	39	40	42
Name: General Accounting -- 640005			
Mission: Citywide monitoring and oversight of accounting, fixed assets, internal control, hotel tax audits, grant management, tax revenues and delinquent collections. Establish and update accounting and internal control policies. Coordinate annual audit. Prepare cost allocation plan. Manage accounting and Federal Emergency Management Agency (FEMA) compliance for disasters.			
Goal: To assist all departments to properly account for financial transactions and safeguard assets. Develop indirect cost allocation plan for recovering \$15 million in services from federal grant administrative costs for General Fund. Ensure hotels are paying hotel occupancy taxes. Assisting in complying with grant regulations and coordinating the Single Audit. Record property taxes collected. Advise departments with the receivable collections.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Asset Acctg/Ext Audit	\$32.1B/1	\$33.7B/1	\$34.6B/1
Intl Audits/Cost Plan	31 audits/1	49 audits/1	49 audits/1
Grants/Awards/FEMA	170/\$428M/1	160/\$250M/1	160/\$250M/1
Prop, Tax/Cash Flow	\$1.362B	\$1.340B	\$1.357B
Review AR Coll Process	NA	NA	7
Name: Revenue Performance Management -- 640008			
Mission: Improve revenue collections and financial performance of departments citywide. Implement performance management processes and systems to ensure continued process excellence.			
Goal: Implement standard Accounts Receivable (AR) collections policies, procedures, and systems citywide with accompanying performance management system.			
Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
AR Policies Implemented	N/A	N/A	1
Department AR Policies	N/A	N/A	100%
Dept AR Automated	N/A	N/A	50%

FISCAL YEAR 2012 BUDGET

Division Summary							
Fund Name : General Fund Business Area Name : Finance Department Fund No./Bus Area No. : 1000 / 6400							
Division Description		FY2010 Actual		FY2011 Estimate		FY2012 Budget	
		FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
Directors Office	640001						
The Director's Office provides fiscal leadership developing financial and strategic policies and priorities to promote stability and financial health for the City of Houston. In alignment with the departmental mission to serve the citizens of Houston, the Director's Office is committed to providing superior financial services thru prudent and efficient management of the City's financial affairs.		9.5	1,421,019	10.3	1,378,417	9.8	1,542,415
Economic Development/TIRZ	640002						
The division develops, implements and manages citywide policies and procedures for economic development programs such as Tax Increment Reinvestment Zones (TIRZ) and tax abatements in addition to other innovative incentive programs.		8.5	816,706	8.8	794,286	13.8	1,454,766
Public Finance	640003						
The division serves the citizens of Houston by providing cost-efficient debt management services to the City and City's Enterprise Funds (Houston Airport System, Combined Utility System, and Convention & Entertainment Facilities), for short, medium and long-term debt.		13.0	1,240,279	10.1	930,345	5.9	672,131
Budget Management	640004						
The primary responsibility of the Budget Management division is the development and management of the City budget and the Five Year Plan. The division works with all other City department's financial management teams to produce the Fiscal Year Budget and Monthly Financial and Operations Report. The Five Year Plan projects the financial position of the General Fund over a five year horizon.		17.7	1,615,417	18.4	1,658,644	13.7	1,351,935
General Accounting	640005						
Citywide monitoring and oversight of accounting, fixed assets, internal control, hotel tax audits, grant management, tax revenues & delinquent collections. Establish and update accounting and internal control policies. Coordinate annual audit. Prepare cost allocation plan. Manage accounting and FEMA compliance for disasters.		28.2	4,814,777	27.3	5,401,154	26.4	17,085,189

FISCAL YEAR 2012 BUDGET

Division Summary						
Fund Name : General Fund Business Area Name : Finance Department Fund No./Bus Area No. : 1000 / 6400						
Division Description	FY2010 Actual		FY2011 Estimate		FY2012 Budget	
	FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
Revenue Performance Management 640008 Leads financial performance improvement projects to improve accounts receivable, collections, revenue, and financial efficiency.	0.0	0	0.0	0	3.0	313,013
Total	<u>76.9</u>	<u>9,908,198</u>	<u>74.9</u>	<u>10,162,846</u>	<u>72.6</u>	<u>22,419,449</u>

FISCAL YEAR 2012 BUDGET

Business Area Roster Summary

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

Job Description	Pay Grade	FY2011 Current Budget FTE	FY2012 Budget FTE	Change
ADMINISTRATION MANAGER (EXE LEV)	26	0.0	1.0	1.0
ADMINISTRATIVE ASSISTANT	17	2.0	2.0	
ADMINISTRATIVE ASSOCIATE	13	0.0	2.0	2.0
ADMINISTRATIVE COORDINATOR	24	1.0	2.0	1.0
ADMINISTRATIVE COORDINATOR (EXE LEV)	24	0.0	1.0	1.0
ADMINISTRATIVE SPECIALIST	20	4.0	4.0	
ASSISTANT DIRECTOR (EXE LEV)	32	3.0	1.0	(2.0)
CONTRACT ADMINISTRATOR	22	1.0	0.0	(1.0)
DEPUTY ASSISTANT DIRECTOR (EXE LEV)	30	2.0	3.0	1.0
DEPUTY CHIEF POLICY OFFICER (EXE LEV)	36	0.2	0.0	(0.2)
DEPUTY DIRECTOR (EXE LEV)	34	2.0	3.0	1.0
DEPUTY DIRECTOR-FINANCE/ADMIN.	36	2.0	0.0	(2.0)
DIVISION MANAGER	29	11.0	11.0	
EXECUTIVE OFFICE ASSISTANT	15	1.0	2.0	1.0
FINANCE DIRECTOR	37	1.0	1.0	
FINANCIAL ANALYST I	15	1.0	1.0	
FINANCIAL ANALYST III	21	5.0	4.0	(1.0)
FINANCIAL ANALYST IV	25	18.0	18.0	
MANAGEMENT ANALYST II	18	1.0	1.0	
MANAGEMENT ANALYST III	21	1.0	2.0	1.0
MANAGEMENT ANALYST IV	25	2.0	2.0	
SENIOR AUDITOR	21	4.0	3.0	(1.0)
SENIOR FIXED ASSET SPECIALIST	17	1.0	0.0	(1.0)
SENIOR STAFF ANALYST	28	10.1	5.0	(5.1)
SENIOR STAFF ANALYST (EXE LEV)	28	1.0	2.0	1.0
STAFF ANALYST	26	3.0	2.0	(1.0)
STUDENT INTERN I	4	2.5	0.0	(2.5)
SYSTEMS CONSULTANT	26	1.0	1.0	
Total FTEs		80.8	74.0	(6.8)
Less adjustment for Civilian Vacancy Factor		5.9	1.4	(4.5)
Full-Time Equivalents		74.9	72.6	(2.3)

FISCAL YEAR 2012 BUDGET

Business Area Revenue Summary

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

Commit Item	Description	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
6400020001	Economic Development - TIRZ			
415010	Industrial District Assessment	16,000,000	14,800,000	14,800,000
452020	Recoveries & Refunds	100,000	0	0
490120	Transfer from Component Unit	0	0	141,000
	Total Economic Development - TIRZ	16,100,000	14,800,000	14,941,000
6400030001	Public Finance			
424110	Other Interfund Services	0	0	50,000
6400050001	General Accounting			
426090	Demolition Fees	603,391	604,000	600,000
426120	Weed Cutting Fees	552,316	673,000	640,000
426480	Securing/Boarding - Nuisance Abatement	60,000	56,000	52,000
426485	Visual Blight - Nuisance Abatement	3,000	1,850	1,900
428030	Release of Liens	65,000	80,000	78,000
428080	Returned Check Charges	1,000	0	1,000
428100	Interest on Liens-COH	85,000	128,000	131,000
428105	Interest on Liens-Contract	540,000	577,000	600,000
434150	Streets & Bridges Assessments	56,000	73,000	75,000
434315	Reimbursement of Court Costs	0	5,000	0
434510	Prior Year Revenue	0	107,000	0
452030	Miscellaneous Revenue	0	2,000	0
490120	Transfer from Component Unit	0	0	11,773,000
	Total General Accounting	1,965,707	2,306,850	13,951,900
6400050002	Auditing			
424150	Interfund Auditing Services-601	226,873	226,873	229,000
6400050004	Tax & Rev Acctg			
411020	Current Property Tax	741,267,744	765,865,764	759,547,505
411030	Current Year Delinquent Property Tax	82,374,256	61,096,236	60,342,495
411040	Delinquent Property Tax - Prior Years	497,647	546,688	520,812
411120	Prior Year Delinquent Property Tax-1999	1,004	1,198	0
411130	Prior Year Delinquent Property Tax-2000	90,090	65,340	1,142
411140	Prior Year Delinquent Property Tax-2001	89,151	86,429	62,248
411150	Prior Year Delinquent Property Tax-2002	109,434	119,835	82,338
411160	Prior Year Delinquent Property Tax-2003	172,714	146,930	114,163
411170	Prior Year Delinquent Property Tax-2004	269,432	258,936	139,976
411171	Prior Year Delinquent Property Tax-2005	465,297	707,906	246,680
411172	Prior Year Delinquent Property Tax-2006	773,368	1,855,220	531,499
411173	Prior Year Delinquent Property Tax-2007	1,440,522	1,869,544	1,910,306
411174	Prior Year Delinquent Property Tax-2008	2,439,828	2,772,456	1,781,053
411175	Prior Year Delinquent Property Tax-2009	5,454,513	4,369,518	2,641,226
411176	Prior Year Delinquent Property Tax-2010	0	0	4,162,559
411180	Current Delinquent - P & I	4,645,424	4,513,953	4,298,707
411190	Penalty&Interest-Delinq. Property Tax	6,755,576	7,146,047	6,805,291
411210	Property Tax Rebates	(710,000)	(710,000)	(710,000)
412010	Sales Tax	473,754,000	490,883,000	518,912,000
413010	Mixed Beverage Tax	10,590,000	10,621,000	10,621,000
414010	Bingo Tax	206,000	175,000	185,000
428060	Other Interest Income	28,000	6,000	21,000
432010	Interest on Pooled Investments	6,750,000	5,000,000	3,000,000
452020	Recoveries & Refunds	0	0	63,000
	Total Tax & Rev Acctg	1,337,464,000	1,357,397,000	1,375,280,000
6400060001	Fleet Management			
424110	Other Interfund Services	0	191,000	0
6400070001	Capital Improvement Program			
424110	Other Interfund Services	1,250,000	79,000	0
	Total Finance Department	1,357,006,580	1,375,000,723	1,404,451,900

FISCAL YEAR 2012 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
500010	Salary Base Pay - Civilian	5,057,000	5,067,254	5,067,254	5,092,713
500030	Salary Part Time - Civilian	48,026	0	0	0
500110	Bilingual Pay - Civilian	0	0	0	1,356
501050	Employee Awards	5,412	2,700	2,700	2,700
501070	Pension - Civilian	748,860	760,064	760,064	916,692
501120	Termination Pay - Civilian	14,603	15,451	15,451	15,451
501160	Vehicle Allowance - Civilian	8,544	8,558	8,558	12,858
502010	FICA - Civilian	375,839	369,132	369,132	379,388
503010	Health Ins-Act Civilian	406,321	452,153	452,153	484,867
503015	Basic Life Insurance - Active Civilian	2,943	3,050	3,050	3,044
503060	Long Term Disability-Civilian	5,799	6,345	6,345	6,207
503090	Workers Compensation-Civilian-Admin	13,377	15,717	15,717	14,588
503100	Workers Compensation-Civilian-Claim	591	600	600	600
504020	Compensation Contingency	0	4,062	4,062	0
504030	Unemployment Claims - Administration	4,510	2,531	2,531	57,939
Total	Personnel Services	6,691,825	6,707,617	6,707,617	6,988,403
511020	Construction Materials	1,535	0	0	0
511040	Audiovisual Supplies	0	2,235	2,235	2,235
511045	Computer Supplies	4,535	9,665	9,665	13,289
511050	Paper & Printing Supplies	3,020	7,800	7,800	8,800
511055	Publications & Printed Materials	1,913	3,791	3,791	4,441
511060	Postage	2,556	6,000	3,000	10,850
511070	Miscellaneous Office Supplies	43,217	20,737	20,737	18,335
511110	Fuel	10,113	3,778	3,778	7,600
511115	Vehicle Repair & Maintenance Supplies	0	0	0	6,016
511125	Food Supplies	457	0	0	0
511145	Small Tools & Minor Equipment	0	200	200	200
511150	Miscellaneous Parts & Supplies	4,494	3,500	3,500	3,500
Total	Supplies	71,840	57,706	54,706	75,266
520100	Temporary Personnel Services	47,784	23,445	23,445	0
520105	Accounting & Auditing Services	1,522,550	1,778,000	1,778,000	1,778,000
520107	Computer Info/Contr	17,000	0	0	0
520109	Medical Dental & Laboratory Services	0	500	500	500
520110	Management Consulting Services	270,781	283,650	283,650	292,291
520114	Miscellaneous Support Services	54	2,315	2,315	2,315
520119	Computer Equipment/Software Maintenance	444	10,000	10,000	14,000
520121	IT Application Svcs	18,735	2,050	5,050	5,212
520123	Vehicle & Motor Equipment Services	1,659	3,516	3,516	0
520136	Billing & Collection Services	1,066,768	1,100,000	1,100,000	1,135,000
520510	Mail/Delivery Services	951	2,650	2,650	2,650
520515	Print Shop Services	44,989	37,695	37,695	45,195
520605	Advertising Services	4,241	21,305	21,305	21,305
520705	Insurance Fees	1,995	2,349	2,349	2,630
520760	Contributions	0	0	0	11,773,000
520765	Membership & Professional Fees	2,720	10,500	10,500	355
520805	Education & Training	8,874	16,267	16,267	11,583
520905	Travel - Training Related	9,346	7,641	7,641	6,300
520910	Travel - Non-Training Related	12,554	13,200	13,200	11,790
521405	Building Maintenance Services	2,734	694	694	694
521605	Data Services	25	102	102	1,980
521610	Voice Services	61,062	22,550	22,550	76,427
521620	Voice Equipment	0	3,112	3,112	1,039

FISCAL YEAR 2012 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
521625	Voice Labor	785	448	448	501
521630	GIS Revolving Fund Services	0	3,106	3,106	75,094
521715	Office Equipment Rental	7,000	16,448	16,448	19,648
521725	Other Rental	0	0	0	75
521730	Parking Space Rental	28,473	27,600	27,600	31,890
522430	Miscellaneous Other Services & Charges	1,500	2,800	2,800	3,550
522721	Interfund HR Client Services	0	0	0	40,200
522722	KRONOS Service Chargeback	0	0	0	2,556
522795	Other Interfund Services	2,340	3,000	3,000	0
Total	Other Services and Charges	3,135,364	3,394,943	3,397,943	15,355,780
551010	Non-Capital Office Furniture & Equipment	2,394	1,000	1,000	0
551015	Non-Capital Computer Equipment	6,775	1,580	1,580	0
Total	Non-Capital Equipment	9,169	2,580	2,580	0
Grand Total Expenditures		9,908,198	10,162,846	10,162,846	22,419,449