



CITY OF HOUSTON

Finance and Administration
Department

Interoffice

Correspondence

To: Mayor Bill White
Members of City Council

From: Judy Gray Johnson, Director
Finance and Administration

Date: April 30, 2004

**Subject: March Monthly Financial and
Operations Report**

Attached is the Monthly Financial and Operations Report for the period ending March 31, 2004.

General Fund Revenues

While we have made several changes in our estimates this month, the net change from last month is only \$11 thousand. The main changes are as follows.

Property Tax increased by \$600 thousand because the tax increment zone payments were less than anticipated.

Sales Tax increased by \$4.5 million due to the April sales tax check, which was up 24% from the same time last year. This was due to audit receipts and several large payments made on prior year amended returns filed with the State Comptroller's Office.

Natural Gas franchise decreased by \$800 thousand based on the receipts for the quarter ended March 31, 2004.

Ambulance Revenues decreased by \$1.4 million based on the amounts we received in April. While April was a good month, it was about \$500 thousand below expectations, and we made corresponding adjustments for the rest of the fiscal year.

Interest Earnings decreased by \$1.6 million due to an updated review by the Controller's Office of interest earnings.

Direct Interfund services decreased by \$800 thousand based on trends through March 31, 2004.

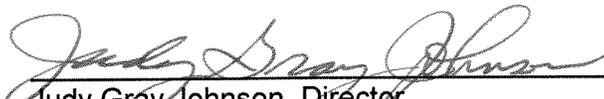
General Fund Expenditures

Our projection for expenditures decreased by \$222 thousand, due to reduced insurance costs and several minor adjustments in our estimates.

General Appropriations Ordinance

The General Appropriations Ordinance will be on Council Agenda for approval next week. This finalizes the total budget for all funds for FY04. For the General Fund, the revenues certified by the City Controller are almost \$12 million below budget. Budgeted expenditures have been reduced by \$13.9 million, offset by increases of \$1.5 million for Super Bowl related expense and \$1.2 million for the election. \$1.2 million is being transferred from unrestricted cash in the Street and Bridge Construction Fund to pay for the election and \$1.5 million was previously transferred from Convention & Entertainment Facilities to pay for Super Bowl expenses.

If you have any questions, please let me know.



Judy Gray Johnson, Director
Department of Finance and Administration