



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: March 2, 2007

**Subject: DECEMBER MONTHLY FINANCIAL AND
OPERATIONS REPORT**

Attached is the Monthly Financial and Operations Report for the period ending January 31, 2007.

General Fund Revenues

Our projection for FY2007 General Fund revenue is \$5.4 million higher than last month.

- Sales tax receipts for December were \$2.3 million (4.7%) more than budgeted and 6.8% more than last year's December receipts. As a result, we have increased our estimate for the year by another \$2.3 million, and are projecting receipts for the remaining months of the fiscal year at budget.
- Our projection for Property Tax Revenue increased by \$3 million due to an estimated increase in net taxable value and revised estimates of collection efforts.
- Our projection for Electric Franchise Fee Revenue increased by \$580 thousand due to a settlement payment from CenterPoint resulting from the City audit which found jurisdictional coding errors and other adjustments.
- Our projection for Natural Gas Franchise Fee Revenue increased by \$837 thousand due to a settlement payment from CenterPoint resulting from the City's gas franchise fees.

General Fund Expenditures

Our projection for FY07 General Fund expenditures is \$1.4 million higher than last month.

- The projection for Houston Fire Department increased by \$800,000 due to increased classified overtime and fuel cost.
- The projection for General Government increased by \$600,000 due to Limited Purpose Annexation Payments.

General Fund Ending Fund Balance

We are projecting an ending unreserved undesignated fund balance of approximately \$178 million, which is approximately 12% of estimated expenditures less debt service. This does not include the rainy day fund or sign abatement fund. The total unreserved fund balance is projected to be \$200 million.

Combined Utility System

- The projection for Water and Sewer Sales decreased by \$1 million due to higher than average year-to-date rainfall (37.6%).

Katrina Aid & Recovery Fund

FEMA has advised they have now obligated PW 739-0 in the amount of \$188,785 for the expenses of the Controllers Department. The state audit of PW 712-0, for Houston Housing Authority, is now complete and the retainage of \$40,429 should be received shortly.

Please let me know if you have any questions.



Judy Gray Johnson, Director