



# 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: December 29, 2006

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

Attached is the Monthly Financial and Operations Report for the period ending November 30, 2006.

### **General Fund Revenues**

#### **Sales Taxes**

Sales tax receipts for October were \$1.3 million (4%) more than budgeted and 6% more than last year's October receipts. As a result, we have increased our estimate for the year by another \$1.3 million, and are projecting receipts for the remaining months of the fiscal year at budget.

#### **Interfund Revenue**

Our projection for Direct Interfund Services decreased by \$513 thousand due to transfer of payroll personnel from F&A to the Combined Utility System.

#### **Intergovernmental Revenue**

Our projection for TIRZ revenue has been decreased by \$1 million, to reflect the reimbursement for municipal fees in the approved TIRZ budgets.

### **General Fund Expenditures**

Our projection for FY07 General Fund expenditures is \$2.2 million lower than last month primarily due to savings in personnel in various departments.

### **General Fund Ending Fund Balance**

We are projecting an ending unreserved undesignated fund balance of approximately \$166 million, which is approximately 11.2% 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 \$188 million.

### **Combined Utility System**

- The projection for Sewer Sales decreased by \$2.5 million as year-to-date revenues are lower than expected, possibly attributable to the increase in rainfall.
- The projection for Interest Income increased by \$600 thousand primarily due higher interest rates from cash investments.
- The projection for Operating Expenditures increased by \$2.5 million for maintenance of aged vehicles.

### **Convention & Entertainment**

- The projection for Hotel Occupancy Tax increased by \$3.8 million more than budgeted with a corresponding increase of \$920 thousand for advertising and promotion expenses.

### **Katrina Aid & Recovery Fund**

During the month of November, the City began planning for the phase out of the utility payment program. This program is due to terminate at the end of March, unless changed by FEMA. We also received notification from FEMA in December that our appeal of previously denied Katrina related Fire Department expenditures of approximately \$2.3 million was successful.

Please let me know if you have any questions.

  
Judy Gray Johnson, Director