



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

Michelle Mitchell
Director
P.O. Box 1562
Houston, Texas 77251-1562

T. 713-221-0935
F. 713-837-9654
www.houstontx.gov

February 26, 2010

To: Mayor Annise D. Parker and Members of City Council

Attached is the Monthly Financial and Operations Report for the period ending January 31, 2010.

General Fund

Our projection for General Fund Revenue is \$2.73 million lower than last month principally due to the following:

- Charges for Services decreased by \$2.3 million mainly due to collections for ambulance fees being lower than previously expected.
- Direct Interfund Services decreased by \$387,000 as a result of salary recovery for CIP being less anticipated.

Our projection for General Fund Expenditures is \$580,000 higher than last month. This increase is a result of the following which is offset by \$1.2 million due to a decrease in Limited Purpose Annexation and savings from gas and electricity:

- Fire department increased by \$1 million as a result of higher termination than anticipated.
- Parks and Recreation increased by \$778,000 as a result of lower attrition.

Our projection for Transfer from Other Funds increased by \$1.5 million due to excess funds transferred from Parking Management. The projection for sale of land increased by \$1 million due to additional sale of streets and easement.

Our projection for the ending fund balance is \$163.1 million, which is approximately 9.73% of estimated expenditures less debt service.

Enterprise, Special Revenue and Other Funds

We are projecting all Enterprise Funds, Special Revenue Funds and all other funds at budget with the exception of the following:

Parking Management

- Operating transfers increased by \$1.5 million to reflect the transfer to General Fund.

Combined Utility System

- Operating revenues decreased by \$4.1 million due to less consumption growth of water than expected as well as further delay in North Harris County Regional Water Authorities not taking the water reserve as noted in December Monthly Financial Report. As a result, the decrease in operating revenues is offset with a decrease of \$4.1 million in operating transfers.
- Operating expenses increased by \$1.3 million mainly due to less attrition than anticipated and increased postage usage.
- Non-operating revenues increased by \$2.9 million due to increase in interest income.

Storm Water

- Operating expenses decreased by \$1.7 million due to capital equipment not anticipated to be received by end of fiscal year.

Health Benefits

- Operating revenues decreased by \$476,000 due to rate change for both HMO and PPO plans as well as a decrease in the projected active employees.
- Operating expenses decreased by \$1.4 million as a result of lower rates.

Building Inspection

- Operating revenues decreased by \$3.4 million as permit activities continue to decline due to current economic condition.
- Operating expenses decreased by \$1.48 million due to personnel savings from attrition and contract renegotiation.

Mobility Response Team

- Operating revenues increased by \$400,000 due to anticipated payment from Houston-Galveston Area Council for City Mobility Plan project.
- Operating expenses decreased by \$307,000 due to personnel savings offset by increased spending for City Mobility Plan.

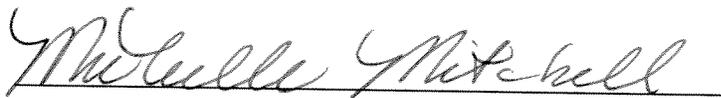
Police Special Services

- Operating revenues increased by \$698,000 due to Records Management System (RMS) Project for salary cost recovery which is offset by decreased burglar alarm permit revenue.
 - Operating expenses decreased by \$372,000 primarily due to savings from delay in Helicopter expansion personnel.
-

Hurricane Ike Aid & Recovery Fund

As of January 31, 2010, the City has submitted documentation to FEMA for the processing of Project Worksheets (PWs) totaling \$192.5 million. To date, FEMA has obligated \$174.5 million.

If you have any questions, please feel free to contact me.

A handwritten signature in cursive script that reads "Michelle Mitchell". The signature is written in black ink and is positioned above a horizontal line.

Michelle Mitchell, Director