

General Fund (Fund 1000)
Comparative Projections
Controller's Office and Finance
For the period ended February 29, 2012
(amounts expressed in thousands)

| | FY2011 Actual | FY2012 | | | | | Variance between Controller and Finance |
|--|------------------|-------------------|-------------------|----------------|----------------------------|-----------------------|--|
| | | Adopted Budget | Current Budget | % of Budget | Controller's Projection | Finance Projection | |
| Revenues | | | | | | | |
| General Property Taxes | \$ 859,413 | \$ 842,478 | \$ 842,478 | 48% | \$ 858,691 | \$ 862,092 | 3,401 |
| Industrial Assessments | 14,458 | 14,800 | 14,800 | 1% | 13,850 | 14,800 | 950 |
| Sales Tax | 492,824 | 518,912 | 518,912 | 29% | 535,436 | 536,000 | 564 |
| Other Taxes | 10,450 | 10,806 | 10,806 | 1% | 9,385 | 9,685 | 300 |
| Electric Franchise | 98,108 | 99,694 | 99,694 | 6% | 99,694 | 99,694 | 0 |
| Telephone Franchise | 46,722 | 44,483 | 44,483 | 3% | 45,600 | 45,438 | (162) |
| Gas Franchise | 21,890 | 22,009 | 22,009 | 1% | 22,009 | 22,009 | 0 |
| Other Franchise | 23,844 | 24,044 | 24,044 | 1% | 23,602 | 24,465 | 863 |
| Licenses and Permits | 18,714 | 22,241 | 22,241 | 1% | 21,106 | 21,992 | 886 |
| Intergovernmental | 58,895 | 11,161 | 11,161 | 1% | 12,131 | 12,131 | 0 |
| Charges for Services | 38,166 | 40,365 | 40,365 | 2% | 38,496 | 40,272 | 1,776 |
| Direct Interfund Services | 46,034 | 45,255 | 45,255 | 3% | 44,820 | 44,820 | 0 |
| Indirect Interfund Services | 16,328 | 18,522 | 18,522 | 1% | 18,506 | 18,506 | 0 |
| Municipal Courts Fines and Forfeits | 36,319 | 35,894 | 35,894 | 2% | 31,025 | 33,894 | 2,869 |
| Other Fines and Forfeits | 2,903 | 2,562 | 2,562 | 0% | 2,613 | 2,642 | 29 |
| Interest | 5,788 | 3,000 | 3,000 | 0% | 4,000 | 4,000 | 0 |
| Miscellaneous/Other | 11,872 | 6,740 | 6,740 | 0% | 6,432 | 7,090 | 658 |
| Total Revenues | 1,802,728 | 1,762,966 | 1,762,966 | 100% | 1,787,396 | 1,799,530 | 12,134 |
| Expenditures | | | | | | | |
| Administration & Regulatory Affairs | 31,641 | 37,237 | 28,058 | 2% | 26,431 | 26,431 | 0 |
| City Council | 5,007 | 5,736 | 5,736 | 0% | 5,732 | 5,732 | 0 |
| City Secretary | 747 | 790 | 790 | 0% | 803 | 803 | 0 |
| Controller | 7,389 | 6,843 | 6,843 | 0% | 6,965 | 6,965 | 0 |
| Finance | 9,802 | 22,419 | 22,924 | 1% | 22,644 | 22,644 | 0 |
| Fire | 448,175 | 419,309 | 417,647 | 23% | 425,137 | 425,137 | 0 |
| General Services | 46,079 | 45,981 | 45,857 | 3% | 46,555 | 46,555 | 0 |
| Health and Human Services | 45,614 | 39,551 | 39,313 | 2% | 40,067 | 40,067 | 0 |
| Housing and Community Dev. | 860 | 620 | 620 | 0% | 620 | 620 | 0 |
| Houston Emergency Center | 11,172 | 11,550 | 11,550 | 1% | 11,550 | 11,550 | 0 |
| Human Resources | 3,152 | 3,169 | 3,169 | 0% | 3,191 | 3,191 | 0 |
| Information Technology | 19,073 | 17,112 | 18,091 | 1% | 18,095 | 18,095 | 0 |
| Legal | 16,974 | 13,719 | 13,638 | 1% | 13,675 | 13,675 | 0 |
| Library | 35,305 | 32,440 | 32,339 | 2% | 32,353 | 32,353 | 0 |
| Mayor's Office | 2,930 | 2,310 | 2,232 | 0% | 5,456 | 5,456 | 0 |
| Municipal Courts | 22,837 | 23,412 | 21,854 | 1% | 22,180 | 22,180 | 0 |
| Neighborhoods | 0 | 0 | 9,956 | 0% | 9,698 | 9,698 | 0 |
| Office of Business Opportunity | 2,404 | 2,018 | 1,969 | 0% | 2,103 | 2,103 | 0 |
| Parks and Recreation | 63,133 | 60,711 | 60,929 | 3% | 66,295 | 66,295 | 0 |
| Planning and Development | 8,173 | 7,272 | 7,230 | 0% | 7,208 | 7,208 | 0 |
| Police | 663,420 | 640,741 | 637,254 | 35% | 639,179 | 639,179 | 0 |
| Public Works and Engineering | 83,464 | 37,519 | 37,469 | 2% | 37,478 | 37,478 | 0 |
| Solid Waste Management | 65,543 | 65,543 | 64,829 | 4% | 65,493 | 65,493 | 0 |
| Total Departmental Expenditures | 1,592,894 | 1,496,002 | 1,489,297 | 82% | 1,508,908 | 1,508,908 | 0 |
| General Government | 87,144 | 102,294 | 110,568 | 6% | 107,337 | 107,337 | 0 |
| Total Expenditures Other Than Debt | 1,680,038 | 1,598,296 | 1,599,865 | 88% | 1,616,245 | 1,616,245 | 0 |
| Budgeted Debt Service | 232,544 | 229,700 | 220,507 | 12% | 220,507 | 220,507 | 0 |
| Transfer of Equipment to Departments | (11,707) | 0 | 0 | 0% | 0 | 0 | 0 |
| Debt Service Transfer | 220,837 | 229,700 | 220,507 | 0 | 220,507 | 220,507 | 0 |
| Total Expenditures and Other Uses | 1,900,875 | 1,827,996 | 1,820,372 | 100% | 1,836,752 | 1,836,752 | 0 |
| Net Current Activity | (98,147) | (65,030) | (57,406) | | (49,356) | (37,222) | 12,134 |
| Other Financing Sources (Uses) | | | | | | | |
| Transfers from Other Funds | 23,561 | 51,480 | 51,480 | | 52,980 | 52,986 | 6 |
| Sale of Capital Assets | 13,766 | 13,550 | 13,550 | | 1,600 | 12,150 | 10,550 |
| Total Other Financing Sources (Uses) | 37,327 | 65,030 | 65,030 | | 54,580 | 65,136 | 10,556 |
| Fund Balance | | | | | | | |
| Fund Balance - Beginning of Year | 165,383 | 129,041 | 129,041 | | 129,041 | 129,041 | 0 |
| Changes to Designated Fund Balance* | 20,000 | 0 | 0 | | (7,720) | (7,720) | 0 |
| Budgeted Increase/(Decrease) in Fund Balance | (60,820) | 0 | 7,624 | | 0 | 0 | 0 |
| Change in Inventory/Prepaid Items/Imprest Cash | 4,478 | 0 | 0 | | 0 | 0 | 0 |
| (Budget Gap)/Increase in Fund Balance** | 0 | 0 | 0 | | 5,224 | 27,914 | 22,690 |
| Fund Balance, End of Year*** | 129,041 | 129,041 | 136,665 | | 126,545 | 149,235 | 22,690 |

*The 2011 Budget provides for the Rainy Day Fund Fund to be included with the General Fund, resulting in a \$20 million increase in the General Fund's Budget. The 2012 Estimates includes Ordinance 2012-98 which designates \$2.72 million out of the General Fund fund balance as restricted in the event that DARLEP collections are not sufficient. This also includes the redesignation of \$5 million to the Rainy Day Fund.

**A negative number in the Controller or Finance projections represents a gap between sources and uses of funds that was not included in the adopted budget. If this gap was not addressed by decreasing uses or increasing the sources of funds, it would require a drawdown of fund balance in order to balance the budget. A positive number represents a projected increase in fund balance.

***The City desires to maintain an ending fund balance equal to 7.5% of expenditures before Debt Service which is \$121,218 based on current expenditure projections. Ordinance 2003-474 requires a 5% fund balance of expenditures before Debt Service. The City of Houston will be \$5,327 above 7.5% based on the Controller's projections for Fiscal Year 2012.