

CITY OF HOUSTON  
FISCAL YEAR  
**2014**

MONTHLY  
FINANCIAL  
REPORT

For period ending October 31, 2013

ANNISE D. PARKER  
Mayor

RONALD C. GREEN  
City Controller







OFFICE OF THE CITY CONTROLLER  
CITY OF HOUSTON  
TEXAS

RONALD C. GREEN

**To:** Mayor Annise D. Parker  
City Council Members

**From:** Ronald C. Green  
City Controller

**Date:** December 6, 2013

**Subject: October 2013  
Financial Report**

Attached is the Monthly Financial Report for the period ending October 31, 2013.

**GENERAL FUND**

The Controller's Office is projecting an ending fund balance of \$162.1 million for FY2014. This is \$18.6 million lower than the projection of the Finance Department. The difference is due to a \$18.6 million higher revenue projection from the Finance Department. Based on our current projections, the fund balance will be \$24.1 million above the City's target of holding 7.5% of total expenditures, excluding debt service, in reserve.

We have not changed our revenue projections from last month.

The major differences are in six categories:

- (1) Industrial Assessments are \$1 million lower as Controller's Office is using a lower collection rate than Finance.
- (2) Sales Tax revenues are \$9.3 million lower, as the Controller's Office is using Dr. Gilmer's April 2013 growth estimate, discounted by 1%.
- (3) Charges for Services are \$1.7 million lower. Controller's Office is projecting slightly lower Ambulance collections.
- (4) Municipal Courts are \$2.4 million lower, as the Controller's Office expects lower ticket issuance than Finance.
- (5) Interest is \$1 million lower reflecting lower cash balances and lower interest rates.
- (6) Miscellaneous/Other is \$1.3 million lower for one-time revenues. Our revenue projections agree with those from our FY2014 Trends report.

Expenditure projections in total have not changed over last month's projection.

Please remember that all FY2013 numbers are preliminary estimates and subject to change until the annual audit is completed and the Comprehensive Annual Financial Report is published.

**ENTERPRISE FUNDS**

Our projection for the Combined Utility System Fund Operating Transfers Out decreased \$4.5 million for lower interest costs than expected.

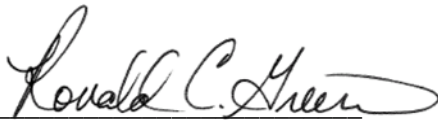
There were no changes to our projections for the Aviation Operating Fund, Convention & Entertainment Operating Fund, Dedicated Drainage & Street Renewal Fund, and Stormwater Funds.

**Mayor Annise D. Parker  
City Council Members  
October Monthly Financial Report**

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure. As of October 31, 2013, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation	6.3%
Combined Utility System	0.0%
Aviation	17.4%
Convention and Entertainment	18.3%

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ronald C. Green", written over a horizontal line.

Ronald C. Green  
City Controller



# CITY OF HOUSTON

Finance Department

**Annise D. Parker**

Mayor

Finance Department  
P.O. Box 1562  
Houston, Texas 77251-1562

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**To:** Mayor Annise D. Parker  
City Council Members

**Date:** December 6, 2013

**Subject:** 4+8 Financial Report

Attached is the 4+8 Financial Report for the period ending October 31, 2013. Fiscal Year 2014 projections are based on four months of actual results and eight months of projections.

## **General Fund**

We are currently projecting ending fund balance of \$180.8 million, which is approximately \$1 million lower than last month. This fund balance is based on the FY2013 unaudited preliminary ending fund balance.

Projections for both Revenues and Expenditures remained unchanged from last month.

The City intends to pay the remaining balance of the settlement to American Traffic Solutions, Inc., in the amount of \$1.5 million, using the designated amount of \$1.7 million that was restricted in the event that DARLEP collections were insufficient (Ordinance 2012-98).

## **Enterprise, Special Revenue and Other Funds**

We are projecting no change in Enterprise Funds, Special Revenue Funds and all other funds from the 3+9 Report, with the exception of the following:

## **Combined Utility System**

Operating Transfers decreased by \$4.5 million due to lower than anticipated interest on first lien bonds.

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

Sincerely,

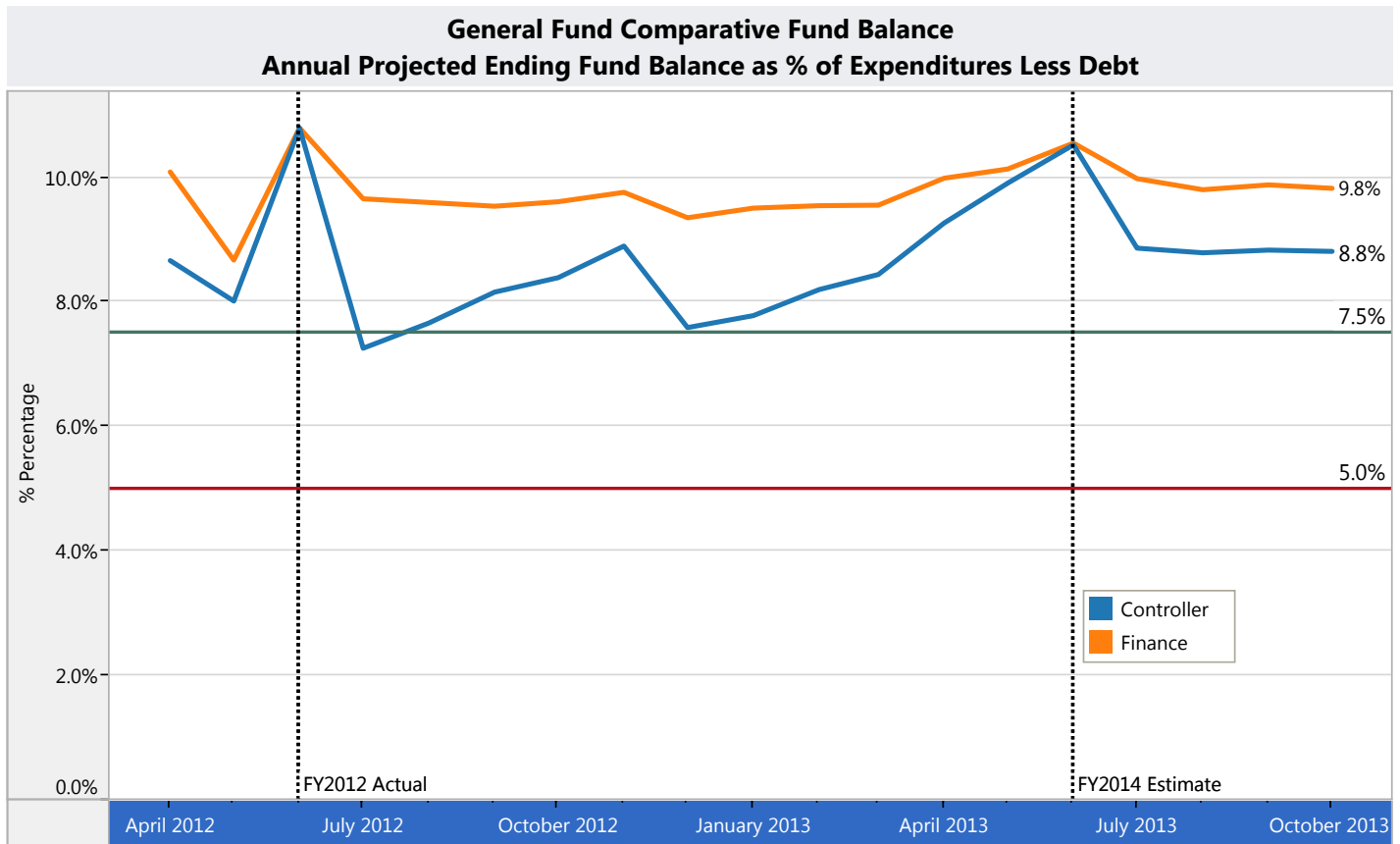
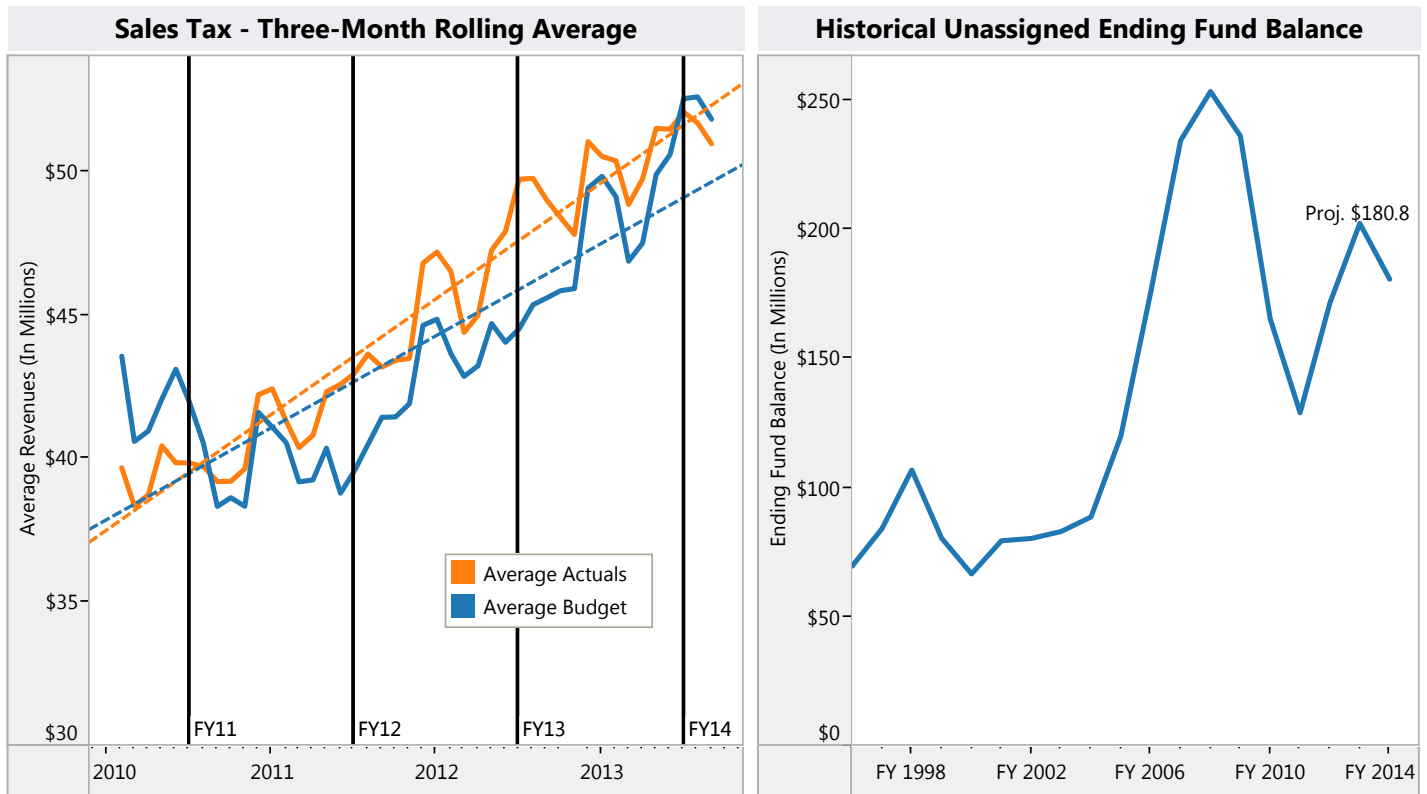
A handwritten signature in black ink that reads "Kelly Dowe". The signature is fluid and cursive.

Kelly Dowe  
Director



# General Fund

## Sales Tax Growth & Comparative Fund Balance







## General Fund (Fund 1000)

For the period ended October 31, 2013

(amounts expressed in thousands)

Actual YTD  
Current Budget

FY2014

	Unaudited Preliminary FY2013	Current Budget	Controller's Projection	Finance Projection	Actual YTD	Controller - Finance Variance		Controller Finance
<b>Revenues</b>								
General Property Taxes	910,034	945,408	967,578	968,487	9,797	(909)		
Industrial Assessments	29,845	15,000	14,000	15,000	241	(1,000)		
Sales Tax	600,256	629,602	620,272	629,602	201,770	(9,330)		
Other Taxes	10,083	9,995	11,000	10,995	3,392	5		
Electric Franchise	103,941	100,526	100,526	100,526	33,473	-		
Telephone Franchise	45,143	44,623	44,623	44,623	14,881	-		
Gas Franchise	19,194	16,492	16,492	16,492	5,497	-		
Other Franchise	27,026	26,812	26,812	26,812	9,032	-		
Licenses and Permits	34,220	32,819	32,275	32,820	10,534	(545)		
Intergovernmental	12,354	21,063	20,693	20,693	173	-		
Charges for Services	42,232	47,759	46,027	47,759	9,719	(1,732)		
Direct Interfund Services	43,520	46,455	46,455	46,455	13,901	-		
Indirect Interfund Services	16,908	20,558	20,558	20,558	5,408	-		
Municipal Courts Fines and Forfeits	31,814	33,799	31,375	33,799	9,377	(2,424)		
Other Fines and Forfeits	4,666	4,648	4,279	4,648	1,461	(369)		
Interest	3,081	3,000	2,000	3,000	597	(1,000)		
Miscellaneous/Other	10,129	8,058	6,725	8,059	2,795	(1,334)		
<b>Total Revenues</b>	<b>1,944,446</b>	<b>2,006,617</b>	<b>2,011,690</b>	<b>2,030,328</b>	<b>332,048</b>	<b>(18,638)</b>		
<b>Expenditures</b>								
Administration & Regulatory Affairs	27,746	26,012	26,012	26,012	12,693	-		
City Council	6,012	6,613	6,613	6,613	2,042	-		
City Secretary	775	862	862	862	236	-		
Controller	7,689	8,398	8,398	8,398	2,565	-		
Finance	10,267	18,021	18,021	18,021	5,025	-		
Fire	433,226	452,290	452,290	452,290	149,483	-		
General Services	48,641	49,879	49,879	49,879	12,388	-		
Health and Human Services	43,953	55,834	55,834	55,834	18,097	-		
Housing and Community Development	2,483	1,348	1,348	1,348	280	-		
Houston Emergency Center	11,856	12,171	12,171	12,171	6,086	-		
Human Resources	3,466	3,494	3,494	3,494	1,016	-		
Information Technology	18,394	21,500	21,500	21,500	6,017	-		
Legal	13,779	15,233	15,233	15,233	4,777	-		
Library	33,315	38,360	38,360	38,360	10,576	-		
Mayor's Office	6,125	7,072	7,072	7,072	2,240	-		
Municipal Courts	22,185	25,366	25,366	25,366	8,154	-		
Neighborhoods	10,090	11,327	11,327	11,327	3,372	-		
Office of Business Opportunity	2,254	2,574	2,574	2,574	765	-		
Parks and Recreation	64,098	66,463	66,463	66,463	20,883	-		
Planning and Development	7,120	7,758	7,758	7,758	2,390	-		
Police	697,465	722,745	722,745	722,745	236,907	-		
Public Works and Engineering	37,708	35,119	35,119	35,119	10,751	-		
Solid Waste Management	68,935	70,555	70,555	70,555	20,730	-		
<b>Total Departmental Expenditures</b>	<b>1,577,582</b>	<b>1,658,994</b>	<b>1,658,994</b>	<b>1,658,994</b>	<b>537,473</b>	<b>-</b>		
General Government	128,288	169,201	180,442	180,442	23,985	-		
<b>Total Expenditures Other Than Debt</b>	<b>1,705,870</b>	<b>1,828,195</b>	<b>1,839,436</b>	<b>1,839,436</b>	<b>561,458</b>	<b>-</b>		
Debt Service Transfer	240,203	243,000	243,813	243,813	-	-		
<b>Total Expenditures and Other Uses</b>	<b>1,946,073</b>	<b>2,071,195</b>	<b>2,083,249</b>	<b>2,083,249</b>	<b>561,458</b>	<b>-</b>		
<b>Net Current Activity</b>	<b>(1,627)</b>	<b>(64,578)</b>	<b>(71,559)</b>	<b>(52,921)</b>	<b>(229,410)</b>	<b>(18,638)</b>		
<b>Other Financing Sources (Uses)</b>								
Proceeds from Notes	10,666	-	-	-	-	-		
Transfers from Other Funds	30,742	27,770	27,770	27,770	8,127	-		
Sale of Capital Assets	4,602	2,500	2,500	2,500	705	-		
<b>Total Other Financing Sources (Uses)</b>	<b>46,010</b>	<b>30,270</b>	<b>30,270</b>	<b>30,270</b>	<b>8,832</b>	<b>-</b>		
<b>Fund Balances</b>								
Fund Balance - Beginning of Year	171,677	202,421	202,421	202,421	202,421	-		
Changes to Designated Fund Balance*	(15,000)	1,000	1,000	1,000	-	-		
Budgeted Increase/(Decrease) in Fund Balance	44,383	(34,308)	(34,308)	(34,308)	(220,579)	-		
Change in Inventory/Prepaid Items/Imprest Cash	1,361	-	-	-	-	-		
(Budgeted Gap)/Increase in Fund Balance**	-	-	(6,982)	11,656	-	(18,638)		
<b>Fund Balance, End of Year***</b>	<b>202,421</b>	<b>169,113</b>	<b>162,131</b>	<b>180,769</b>	<b>(18,158)</b>	<b>(18,638)</b>		

\*The Rainy Day Fund of \$20 million became unassigned in FY2011. In FY2012, the City reassigned \$5M to the Rainy Day Fund and another \$15M in FY2013. The total designation for the Rainy Day Fund is currently \$20M. In FY2014, the City designated \$1.72M out of the General Fund balance as restricted in the event that DARLEP collections are insufficient (Ordinance 2012-98)

\*\*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 less Debt Service which is \$137,958 based on current projections. Ordinance 2003-474 requires a 5% fund balance of expenditures less Debt Service. The City will be \$24,174 above 7.5% based on the Controllers Projections for FY2014.

- Indicates projection exceeds 5% or \$5M of budget expenditures or projected revenues are 5% or \$5M less than current budget







## Fund Summary - Other Funds

For the period ended October 31, 2013  
(amounts expressed in thousands)

	Beginning of Year Fund Balance	Revenues*				
		Unaudited Preliminary FY2013	FY2014 Current Budget	FY2014 Actual YTD	Controller's Projection	Finance Projection
<b><u>Enterprise</u></b>						
Aviation		442,023	450,337	155,471	452,808	452,808
Convention and Entertainment Facilities		85,240	87,909	36,992	87,909	87,909
Combined Utility System		973,027	1,022,558	384,383	1,022,558	1,022,558
Dedicated Drainage & Street Renewal***	90,085	179,359	176,908	57,047	187,918	187,918
Storm Water***	5,000	49,971	55,725	26,687	54,622	54,622
<b><u>Risk Management</u></b>						
Health Benefits	9,112	336,168	357,070	117,129	357,070	357,070
Long-Term Disability	444	1,307	1,326	438	1,326	1,326
Property and Casualty	77	24,595	35,766	2,661	35,766	35,766
Worker's Compensation	-	19,564	21,332	9,019	21,332	21,332
<b><u>Special Revenue</u></b>						
Asset Forfeiture	6,500	9,189	6,629	3,421	6,629	6,629
Auto Dealers	3,759	7,215	6,795	2,339	6,795	6,795
BARC Special Revenue	783	7,755	8,563	7,756	8,640	8,640
Building Inspection	15,167	63,984	61,953	24,866	61,953	61,953
Building (Court) Security	22	892	900	306	900	900
Cable Television	2,891	4,131	4,214	11	4,214	4,214
Child Safety	209	3,298	3,090	1,089	3,090	3,090
Contractors Responsibility	3,075	738	472	139	472	472
Digital Automated Red Light Enforcement	-	160	3,052	218	3,052	3,052
Digital Houston	1,192	14	12	3	12	12
Essential Public Health Services	2,565	2,565	14,279	6	14,291	14,291
Forensic Transition Special	-	-	19,918	1,381	19,918	19,918
Health Special Revenue	4,440	2,268	2,888	1,166	2,884	2,884
Historic Preservation	935	253	213	110	213	213
Houston Emergency Center	3,401	23,262	25,190	8,372	25,190	25,190
Houston Transtar Center	2,286	2,249	2,513	862	2,513	2,513
Juvenile Case Manager	1,750	1,241	1,246	415	1,246	1,246
Laboratory Operations and Maintenance	326	485	399	180	449	449
Parking Management	2,931	19,212	18,784	6,188	18,784	18,784
Parks Golf	1,084	6,011	6,135	1,886	6,135	6,135
Parks Special Revenue	5,910	2,303	2,027	642	2,027	2,027
Police Special Services	7,176	10,304	8,737	616	8,737	8,737
Recycling Expansion Program	1,691	1,004	2,080	419	2,080	2,080
Special Waste	3,332	2,463	2,588	779	2,588	2,588
Supplemental Environmental Protection	131	86	104	54	104	104
Swimming Pool Safety	461	985	975	364	975	975
Technology Fee	109	1,169	1,211	494	1,211	1,211

\* Revenues include non-operating revenues

\*\* Expenditures include non-operating expenditures

\*\*\* Dedicated Drainage Fund and Storm Water Fund are not technically Enterprise Funds, but are grouped with the Combined Utility System for clarity

\*\*\*\* Finance's Projection updated on a quarterly basis



Indicates fund is projected to have a negative ending fund balance. For Enterprise Funds, this indicates projected net current activity exceeds 5% or \$5M of budgeted net current activity.

Expenditures**					Net Current Activity (Proj.)	End of Year Fund Balance (Proj.)	
Unaudited Preliminary FY2013	FY2014 Current Budget	FY2014 Actual YTD	Controller's Projection	Finance Projection			
440,284	450,337	119,739	452,808	452,808	-		✓
81,625	87,569	35,134	87,569	87,569	340		✓
923,496	1,026,872	228,258	1,016,941	1,016,941	5,617		!
161,629	186,057	59,650	184,433	184,433	3,485	93,570	✓
47,564	58,725	17,354	58,042	58,042	(3,420)	1,580	✓
312,928	357,107	105,501	357,107	357,107	(37)	9,075	✓
1,926	1,480	411	1,480	1,480	(154)	290	✓
24,591	35,766	3,524	35,766	35,766	-	77	✓
19,564	21,332	8,626	21,332	21,332	-	-	✓
6,769	12,600	3,839	12,600	12,600	(5,971)	529	✓
6,341	6,776	2,093	6,776	6,776	19	3,778	✓
7,950	8,922	2,698	8,922	8,922	(282)	501	✓
59,792	66,514	17,345	66,136	66,136	(4,183)	10,984	✓
882	763	195	763	763	137	159	✓
3,809	6,640	529	6,640	6,640	(2,427)	464	✓
3,314	3,090	1,755	3,090	3,090	-	209	✓
498	1,111	265	1,111	1,111	(639)	2,436	✓
281	2,513	60	2,513	2,513	539	539	✓
419	598	119	598	598	(586)	606	✓
-	15,932	610	15,932	15,932	(1,641)	924	✓
-	19,918	6,242	19,918	19,918	-	-	✓
2,031	3,506	488	3,506	3,506	(622)	3,818	✓
157	652	58	652	652	(439)	496	✓
22,384	25,190	7,163	25,190	25,190	-	3,401	✓
2,010	2,861	526	2,861	2,861	(348)	1,938	✓
1,118	1,407	466	1,407	1,407	(161)	1,589	✓
476	593	289	593	593	(144)	182	✓
18,823	20,876	4,594	20,876	20,876	(2,092)	839	✓
5,296	6,174	2,083	6,174	6,174	(39)	1,045	✓
1,259	2,252	422	2,252	2,252	(225)	5,685	✓
8,567	12,023	3,669	12,023	12,023	(3,286)	3,890	✓
1,314	2,692	45	2,692	2,692	(612)	1,079	✓
2,071	4,880	658	4,880	4,880	(2,292)	1,040	✓
76	200	5	200	200	(96)	35	✓
711	928	242	928	928	47	508	✓
1,395	1,360	224	1,320	1,320	(109)	-	✓

**City of Houston, Texas**  
**Commercial Paper Issued and Available**  
**For the period ended October 31, 2013**  
**(amounts expressed in millions)**

COMMERCIAL PAPER	Draws FY14	Draws Month	Refunded FY14	Amount Available to be Drawn	Amount Outstanding
<b>General Obligation</b>					
<u><b>Voter Authorized 2001 &amp; 2006 Election</b></u>					
Series G-1	0.00	0.00	0.00	75.00	0.00
Series G-2	10.00	0.00	0.00	29.90	95.10
Series H-2	0.00	0.00	0.00	90.20	9.80
Series J	15.00	5.00	0.00	110.00	15.00
<u><b>Non-Voter Authorized</b></u>					
Series E1-Equipment & Capital	0.00	0.00	13.30	38.30	61.70
Series E2- Equipment & Capital	20.00	5.00	4.30	54.30	15.70
Series E2- Metro Street Projects	0.00	0.00	2.70	25.70	4.30
Series H - Drainage	0.00	0.00	0.00	0.00	0.00
Series K-1	0.00	0.00	0.00	100.00	0.00
Series K-2	0.00	0.00	0.00	100.00	0.00
<b>Total General Obligation</b>	<b>45.00</b>	<b>10.00</b>	<b>20.30</b>	<b>623.40</b>	<b>201.60</b>
<b>Combined Utility System</b>					
Series B-1	0.00	0.00	0.00	250.00	0.00
Series B-2	0.00	0.00	0.00	75.00	0.00
Series B-3	0.00	0.00	0.00	75.00	0.00
Series B-4	0.00	0.00	0.00	100.00	0.00
Series B-5	0.00	0.00	0.00	100.00	0.00
Series B-6	0.00	0.00	0.00	100.00	0.00
<b>Total Combined Utility System</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>700.00</b>	<b>0.00</b>
<b>Airport System</b>					
Series A&B	0.00	0.00	0.00	150.00	0.00
<b>Total Airport System</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150.00</b>	<b>0.00</b>
<b>Totals Commerical Paper</b>	<b>\$45.00</b>	<b>\$10.00</b>	<b>\$20.30</b>	<b>\$1,473.40</b>	<b>\$201.60</b>
<b>Convention &amp; Entertainment</b>					
Series A	0.00	0.00	0.00	33.00	42.00
<b>Total Convention and Entertainment</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33.00</b>	<b>42.00</b>
<b>Totals</b>	<b>\$45.00</b>	<b>\$10.00</b>	<b>\$20.30</b>	<b>\$1,506.40</b>	<b>\$243.60</b>

**City of Houston, Texas**  
**Total Outstanding Debt**  
**For the period ended October 31, 2013**  
**(amounts expressed in thousands)**

	October 31, 2013	October 31, 2012
<b>Payable from Ad Valorem Taxes</b>		
Public Improvement Bonds <sup>(a)</sup>	2,561,515	2,582,320
Commercial Paper Notes <sup>(b)</sup>	201,600	246,900
Pension Obligations	607,775	607,775
Certificates of Obligations	20,870	17,365
<b>Subtotal</b>	<b>3,391,760</b>	<b>3,454,360</b>
<b>Payable from Sources Other Than Ad Valorem Taxes</b>		
<b>Combined Utility System</b>		
Combined Utility System Revenue Bonds	5,751,435	5,610,665
Combined Utility System Commercial Paper Notes <sup>(c)</sup>	0	0
Water and Sewer System Revenue Bonds <sup>(d)</sup>	285,706	347,642
Contract Revenue Obligations - CWA	112,320	125,740
<b>Airport System</b>		
Airport System Sr. Lien Bonds <sup>(e)</sup>	449,660	449,660
Airport System Subordinate Lien	1,766,285	1,818,055
Airport System Sr. Lien Commercial Paper Notes <sup>(f)</sup>	0	0
Airport System Inferior Lien Contracts <sup>(g)</sup>	23,075	28,115
Airport Special Facilities Revenue Bonds <sup>(h)</sup>	666,320	679,372
<b>Hotel Occupancy Tax and Civic Parking</b>		
Facilities Revenue Bonds <sup>(i)</sup>	554,763	568,318
Hotel Occupancy Tax And		
Parking Revenue Commercial Paper (j)	42,000	43,000
<b>Subtotal</b>	<b>9,651,564</b>	<b>9,670,567</b>
<b>Total Debt Payable by the City</b>	<b>\$13,043,324</b>	<b>\$13,124,927</b>

(a) In Nov 2001 voters authorized \$776 million in tax bonds. In Nov 2006 voters authorized \$625million in tax bonds. In Nov 2012 voters authorized an additional \$410 million in tax bonds.

(b) The City has authorized maximum issuance of General Obligation Commercial Paper Programs Series E-1: \$100 million, E-2: \$100 million, G-1: \$75 million, G-2: \$125 million,H-2: \$100 million, J: \$125 million, K1: \$100 million and K2: \$100 million.

(c) The City has authorized \$700 million in Combined Utility System Commercial Paper Notes.

(d) Includes \$74.7 million accreted value of capital appreciation bonds at this date and \$109 million last year.

(e) The Houston Airport System issued Senior Lien Revenue bonds on August 20, 2009.

(f) City Council has authorized \$150 million of Airport Senior Lien Commercial Paper Notes Series A and B.

(g) Under a sublease agreement, the Houston Airport System has agreed to make sublease payments that include the debt service payments on the Series 1997A Special Facilities Bonds that financed the Automated People Mover ("APM") at George Bush Airport. These sublease payments constitute Inferior Lien Obligations under the Airport bond ordinances.

(h) All Special Facility Revenue Bonds are secured solely from Special Facility Lease Revenues. Does not include \$23.1 million for Series 1997A Special Facilities Bonds. See footnote (g).

(i) Includes \$117.6 million accreted value of capital appreciation bonds at this date and \$105 million last year.

(j) The City has authorized \$75 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper.

**City of Houston, Texas**  
**Voter-Authorized Obligations**  
**For the period ended October 31, 2013**  
**(amounts expressed in thousands)**

<u>Purposes</u>	<u>Voter Authorized</u>	<u>Approved by City Council for Issuance as Commercial</u>	<u>Commercial Paper Issued <sup>(a)</sup></u>	<u>Commercial Paper Notes Approved by City Council but Unissued</u>	<u>All Voter Authorized but Unissued</u>
<b>November 2001 Election</b>					
Streets, Bridges, Traffic Control	\$ 474,000	\$ 474,000	\$ 473,000	\$ 1,000	\$ 1,000
Parks and Recreation	80,000	80,000	80,000	0	0
Police and Fire Departments	82,000	82,000	82,000	0	0
Permanent and General Improvements <sup>(b)</sup>	80,000	80,000	80,000	0	0
Public Libraries	40,000	40,000	40,000	0	0
Low Income Housing	20,000	20,000	14,185	5,815	5,815
<b>Total</b>	<b>\$ 776,000</b>	<b>\$ 776,000</b>	<b>\$ 769,185</b>	<b>\$ 6,815</b>	<b>\$ 6,815</b>
<b>November 2006 Election</b>					
Streets, Bridges, Traffic Control	\$ 320,000	\$ 219,950	\$ 76,560	\$ 143,390	\$ 243,440
Parks and Recreation	55,000	55,000	40,950	14,050	14,050
Public Safety	135,000	135,000	86,105	48,895	48,895
Permanent and General Improvements <sup>(b)</sup>	60,000	60,000	47,000	13,000	13,000
Public Libraries	37,000	37,000	36,350	650	650
Low Income Housing	18,000	13,633	0	13,633	18,000
<b>Total</b>	<b>\$ 625,000</b>	<b>\$ 520,583</b>	<b>\$ 286,965</b>	<b>\$ 233,618</b>	<b>\$ 338,035</b>
<b>November 2012 Election</b>					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	24,190	0	24,190	166,000
Public Safety	144,000	21,793	0	21,793	144,000
Permanent and General Improvements <sup>(b)</sup>	57,000	18,843	0	18,843	57,000
Public Libraries	28,000	8,195	0	8,195	28,000
Low Income Housing	15,000	0	0	0	15,000
<b>Total</b>	<b>\$ 410,000</b>	<b>\$ 73,021</b>	<b>\$ -</b>	<b>\$ 73,021</b>	<b>\$ 410,000</b>
<b>Combined Total (2001, 2006, 2012 Elections)</b>	<b>\$ 1,811,000</b>	<b>\$ 1,369,604</b>	<b>\$ 1,056,150</b>	<b>\$ 313,454</b>	<b>\$ 754,850</b>

(a) As of Oct 31, 2013

(b) Includes Public Health and Solid Waste Management

Note: This schedule sets forth the categories of bond authorization approved by the voters in elections held in November of 2001 (the "2001 Election") and November of 2006 (the "2006 Election"), and November of 2012 (the "2012 Election"), the amount of each such authorization approved by City Council for issuance as Commercial Paper Notes, the amount of commercial paper issued as of year-end, and the amount of commercial paper approved but unissued. The City has issued all bonds authorized at the election held in November of 1997.





## Fund Descriptions

### General Fund (1000)

General Revenues (i.e. property taxes, sales taxes, franchise fees, Municipal Courts fines, etc.) are budgeted and received in the General Fund for the support of most basic city services. Operations and services for public safety, financial services, libraries, solid waste management, health, most parks and recreation services, street traffic control, esplanade mowing and citywide administration are included in the General Fund.

### Enterprise Funds

#### **Aviation Operating Fund (8001)**

The Aviation Operating Fund is an enterprise fund which accounts for operation of the City's airport system. The airport system is comprised of the George Bush Intercontinental Airport/Houston, William P. Hobby Airport, and Ellington Field. Activities of the department include: operations, maintenance, planning and construction, public service and administration. The Department coordinates its activities with the Federal Aviation Administration (FAA), other federal and state agencies, the airlines, and tenants of the airport facilities.

#### **Convention and Entertainment Facilities Operating Fund (8601)**

The Convention and Entertainment Facilities operating fund is an enterprise fund that accounts for the operation of the City's six major entertainment centers and City-owned parking garages: Jesse H. Jones Hall, Bayou Place, Houston Center for The Arts, Gus S. Wortham Center, George R. Brown Convention Center, Tranquility Park garage and Civic Center garage.

#### **Combined Utility System Fund (8300, 8301, 8305)**

The Combined Utility System is composed of three separate funds: the Water and Sewer System Operating Fund: the Combined Utility System Operating Fund and the Combined Utility System General Purpose Fund. The fund provides for the operation of the City's treated and untreated water, as well as, receives and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers. This fund is administered by the Public Works & Engineering Department.

### Risk Management Funds

#### **Health Benefits Fund (9000)**

The Health Benefits Fund, an Internal Service Fund administered by the Human Resources Department, was established in 1984 to centralize the financial transactions for the City's benefit plans. Health Benefits Effective May 1, 2011, the City elected to be substantially self-insured and awarded CIGNA a three year contract with two (2) one-year renewal options for 4 new health plans. The new health benefits model is composed of four (4) plans, all of which have heavy emphasis on a wellness component, and includes; 1) a limited network HMO-type plan, 2) an open access PPO-type plan with no out-of-network coverage, 3) a consumer driven high deductible Health Plan (CDHP), partnered with a health reimbursement account, and 4) a specific plan for retirees, mostly those under age 65, who live outside the limited network service area but who live in Texas. Effective 08/01/11, all 65+ Medicare eligible retirees must enroll in the 6 MA plans or opt out. These plans are supported by contributions from the city and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.

#### **Long Term Disability Fund (9001)**

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an internal service fund. Established in 1985 and revised in 1996 as part of the Income Protection Plan (IPP) (renamed the Compensable Sick Leave Plan (CSL) in October 1996), the plan provides paid long-term sick leave for City employees.

#### **Property and Casualty Fund (1004)**

The Property and Casualty Fund was established to monitor the financial requirements of the Property and Risk Management Programs. This activity is primarily self-funded. The revenue is generated from assessed premiums to the other funds. These premiums are based upon projected expenditures. All risk to the City's assets (except Workers Compensation, Life, Health Benefits, and Long Term Disability) fall within the scope of this fund.

#### **Workers' Compensation Fund (1011)**

The Workers' Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Accident Prevention, Loss Control and Workers' Compensation.

## Special Revenue Funds

### **Asset Forfeiture Fund (2202, 2203, 2204)**

This fund is administered by the Houston Police Department (HPD). The City receives forfeited funds resulting from HPD's role in drug-related seizures. This fund provides resources beyond HPD's General Fund budget for crime enforcement. Specifically, this fund is used to address the drug problem in a manner consistent with the department's Comprehensive Narcotics Plan.

### **Auto Dealers Fund (2200)**

This fund is budgeted to pay the license fees paid by tow truck drivers and various automotive sales, repair, storage and salvage dealers to finance a portion of the Police Department's enforcement efforts regarding privately owned storage lots. This fund is also administered by the Police Department.

### **BARC Special Revenue Fund (2427)**

BARC (Bureau of Animal Regulation and Care) is authorized to receive funds from any source for the purpose of supporting the maintenance and operation of the City's animal shelter facilities and programs. This fund is administered by the Administration and Regulatory Affairs Department.

### **Building Inspection Fund (2301)**

This fund includes all construction and building permit revenues and expenditures for inspections and permitting activities. Outdoor sign license fees are received in this fund for enforcement of the City's sign ordinance. This fund is administered by the Public Works and Engineering (PWE) Department.

### **Building (Court) Security Fund (2206)**

This Fund was established in FY1997 and is administered by the Municipal Courts Department. This fund includes all security related contractual expenditures and additional security enhancements for the courts. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The mission of the Municipal Court Building Security Fund is to protect the health and welfare of civilians and employees by ensuring that adequate equipment, procedures, and personnel are present at all court facilities.

### **Cable TV Fund (2401, 2428)**

This fund, under certain cable television franchise agreements with the City, receives contributions on a subscriber basis. This fund is used for public access cable television programming and related costs in the Cable Television Special Fund. The Mayor's Office is responsible for administering this fund.

### **Child Safety Fund (2209)**

This fund is used to account for monies received for public, parochial and private school crossing guard programs. Revenues to the fund comes from an assessment of Municipal Court fee's on non-criminal municipal violations and a portion of each vehicle registration authorized by Harris County. The Police Department administers this fund.

### **Contractors Responsibility (2424)**

The Contractors Responsibility Fund was created for the Pay or Play Program (POP), which is administered by the Office of Business Opportunity. The Pay or Play program is designated to foster the health care options for the citizens of Houston and Harris County area, create a level playing field for contractors bidding on City of Houston projects and defray the cost of the local uninsured workforce.

### **Dedicated Drainage & Street Renewal Fund (2310)**

Ordinance 2010-879 requires funding in the amount equivalent to proceeds from \$0.118 of the City's ad valorem tax levy minus an amount equal to debt service for drainage and streets to the Dedicated Drainage & Street Renewal Fund. Total outstanding debt payable from ad valorem taxes (as of December 31, 2012) is \$3.47 billion. The portion of the debt associated with drainage and street improvements is estimated at \$1.69 billion. The Dedicated Drainage and Street Renewal Fund is not technically an enterprise fund, but is grouped with the Combined Utility System for clarity.

### **Digital Automated Red Light Enforcement Program Fund (2212)**

This fund tracks the financial and accounting balances from all penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system. While no new tickets will be issued, this fund remains open while the City collects outstanding penalties and fees and pays the fund's expenses. This fund is administered by the Finance Department.

### **Digital Houston Fund (2422)**

This fund is used by the City of Houston to build a citywide wireless broadband Wi-Fi mesh network that will provide affordable high-speed internet access for residents and visitors to Houston; thus creating a digital future for Houstonians through a digital literacy effort in support of achieving Houston's educational workforce and educational goals. This fund is administered by the Library Department.

**Essential Public Health Services (2010)**

The Essential Public Health Services Fund was created for the purpose of offsetting costs associated with the administration of Medicaid Transformation Waiver projects and to perform other essential public health services. This fund will capture the costs and reimbursement of the expenses for the projects. The expected reimbursements are for costs that are incurred for the expansion of health and human services.

**Forensic Transition Special Fund (2213)**

The Forensic Transition Special Fund was created for the transition of forensic operations from the Houston Police Department to the independent Houston Forensics Science Local Government Corporation (LGC). The funds budget covers City of Houston employees that provide services to the Houston Forensic Science LGC.

**Health Special Revenue Fund (2002)**

Health Special Revenue Fund contains several revenue generating activities that are supported by ordinances, including the following: Consumer Foods Technology Fee, Ambulance Permit Fee, Vital Statics, Geriatric Dental Program, and donated fund for community activities or special events coordinated by Children and Family Services Division and Community Health Services Division.

**Historic Preservation Fund (2306)**

This fund is administered by the Planning and Development Department and the Houston Public Library. This fund was established in FY2010 to utilize funds set aside from the sale of historic fire stations by the City in FY2009. This fund is used to promote historic preservation programs. It utilizes City funds as seed money to encourage private investment, attract grant funds, and support educational programs that will further preservation efforts in Houston. This fund also provides future funding for the maintenance needs of the historic Julia Ideson Building.

**Houston Emergency Center Fund (2205)**

This fund consolidates the City's four separate emergency services into one state of the art facility. This fund is administered by the Houston Emergency Center.

**Houston TranStar Center Fund (2402)**

Houston TranStar Center, formerly known as the Greater Houston Transportation & Emergency Management Center, was built through a cooperative effort among the City of Houston, Harris County, Metropolitan Transit Authority (METRO) and the Texas Department of Transportation (TxDOT). The center houses personnel responsible for and/or involved with transportation and emergency management planning and operations in the Houston/Harris County area. Funding for the center is received from each member agency and is prorated based on occupancy and use of center facilities.

**Juvenile Case Manager Fund (2211)**

This Fund was established in FY2009 and is administered by the Municipal Courts Department. This fund includes expenditures for the salary, benefits, and operational costs related to the Juvenile Case Manager staff. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The mission of the Juvenile Case Manager Fee Fund is to partner with school districts within the City of Houston in an effort to increase school attendance and reduce truancy through early identification, assessment and prevention services, to enhance the accountability of students and families, and to limit a juvenile's exposure to the criminal justice system.

**Laboratory Operation and Maintenance Fund (2008)**

The Laboratory Operations and Maintenance Fund is designated for the retention of all revenues from laboratory fees. All laboratory fees charged and revenues collected are to defray the costs associated with the purchase, maintenance, operation, and utilization of City Laboratories, including but not limited to, infrastructure, equipment, supplies, software, and hardware systems, and with performing public health surveillance tests.

**Parking Management Fund (8700)**

This fund is responsible for managing and providing on-street parking alternatives to the citizens in the Greater Houston area. This fund is administered by the Administration and Regulatory Affairs Department.

**Parks Golf Special Fund (2104)**

This fund was created to receive all City revenues derived from all City-owned golf facilities, whether operated by the City or private entities, including all related concessions fees, to be used exclusively for the maintenance, operating and improvements of any or all such golf courses.

**Parks Special Revenue Fund (2100)**

This fund is used to account for revenues and certain expenditures related to operations of the City's municipal golf courses and youth programs. This fund is administered by the Parks and Recreation Department.

**Police Special Services Fund (2201)**

This fund is used to account for activities that are not covered under the General Fund Budget. The activities include joint police operations, security and traffic control, undercover support services and use of HPD facilities. The Police Department administers this fund.

**Recycling Expansion Program Fund (2305)**

This fund was created to allocate dedicated funds to be used for the expansion and implementation of the City's Recycling Programs. Efforts include citywide tree waste recycling, additional neighborhood depository sites, curbside recycling and increased education and outreach. These efforts allow the City to improve its current landfill diversion rate. This fund is administered by the Solid Waste Management Department.

**Special Waste Fund (2423)**

The Health and Human Services Special Waste Fund pertains to fees issuance of permits or registration certificate. The Fats, Oil, and Grease (FOG) section is responsible for the permitting of all special waste generators, transporters and biological pretreaters in the City of Houston. The goal of the FOG program is to prevent the infiltration of fats, oils, and grease into the sanitary sewer, and to assure that the City's infrastructure and the health of the citizens are protected.

**Supplemental Environmental Protection Fund (2404)**

This fund is for the advancement of the goals of clean air and water and to enhance the community environment impacted by criminal environmental violators. This fund is administered by the Police Department.

**Swimming Pool Safety Fund (2009)**

This fund receives proceeds from enforcing municipal, state and federal pool and spa safety standards. State and federal pool and safety standards apply to all pools and spas serving more than two dwellings; in accordance with the requirements, operators of pool and spas at apartment or condominium projects are required to obtain permits and to comply with the standards. The fees collected in pursuant of swimming pool and spa safety are used for the purposes of activities related to permitting, inspecting, monitoring, abating, controlling, educating and enforcement of municipal, state and federal standards. This fund is administered by the Health and Human Services Department.

**Technology Fee Fund (2207)**

This Fund was established in FY2001 and is administered by the Municipal Courts Department. This fund includes expenditures for hardware/software maintenance and support, and debt repayment for the court's current case management system (ICMS). The final debt service payment is planned for FY14. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The purpose of the fund is to finance technological enhancements for the Municipal Courts and maintain systems to operate in an efficient manner.

# OCTOBER 2013 FISCAL YEAR 2014

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