



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

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To: Mayor Annise D. Parker
City Council Members

Date: November 8, 2013

Subject: 3+9 Financial Report

Attached is the 3+9 Financial Report for the period ending September 30, 2013. Fiscal Year 2014 projections are based on three months of actual results and nine months of projections.

General Fund

We are currently projecting an ending fund balance of \$181.8 million, which is approximately \$1.4 million higher than last month and represents 9.9% of expenditures less debt service payments. This fund balance is based on the FY2013 unaudited preliminary ending fund balance.

The projection for Revenues and Other Sources increased by \$630,000 due to the following forecast changes:

- The Mixed Beverage Tax projection increased by \$1.0 million due to a change in the tax allocation from the State to cities and counties that rose from 8.3% to 10.7% and went in effect on September 1, 2013,
- Intergovernmental revenues decreased by \$370,000 due to the reallocation of federal funding for the Family Planning Program.

Our projection for Expenditures and Other Uses remains unchanged from last month. It reflects budget transfers among various departments for the following:

- Budget transfer of \$6.4 million from General Government to:
 - o Fire Department to fund additional ambulances and EMT training in the amount of \$4.9 million per the adopted budget;
 - o General Services Department in the amount of \$1.0 million and Parks Department in the amount of \$500,000 to fund increased maintenance renewal and replacement activities included in the adopted budget,
- Budget transfer of \$237,000 from the Planning and Development Department to the Houston Information Technology Services Department due to Enterprise Geographic Information System support consolidation.

Enterprise, Special Revenue and Other Funds

We are projecting no change in Enterprise Funds, Special Revenue Funds and all other funds from the 2+10 Report, with the exceptions of the following:

Aviation

Operating Revenues increased by \$2.5 million mainly due to parking, concessions and ground rental revenues. Operating Expenditures decreased by \$5.5 million mainly due to personnel savings. As a result, Operating Transfers-Out increased by approximately \$8.0 million.

Combined Utility System

Operating Expenditures decreased by \$3.6 million mainly due to delays in filling vacant positions. Operating Transfers-Out decreased by \$1.9 million due to vehicles being received in FY2013, earlier than anticipated.

Dedicated Drainage & Street Renewal Fund

Operating Expenditures decreased by \$1.6 million reflecting personnel savings of \$500,000 and reduced Transfers-Out by \$1.1 million due to a lower than anticipated cost for the drainage assessment inventory contract.

Storm Water Fund

As a result of the cost for drainage assessment contract being less than anticipated, the Operating Transfers-In decreased by \$1.1 million and the Operating Expenditures decreased by \$683,000.

Building Inspection Fund

Expenditures decreased by \$377,000 mainly due to delays in filling vacant positions.

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

Sincerely,



Kelly Dowe

Director