

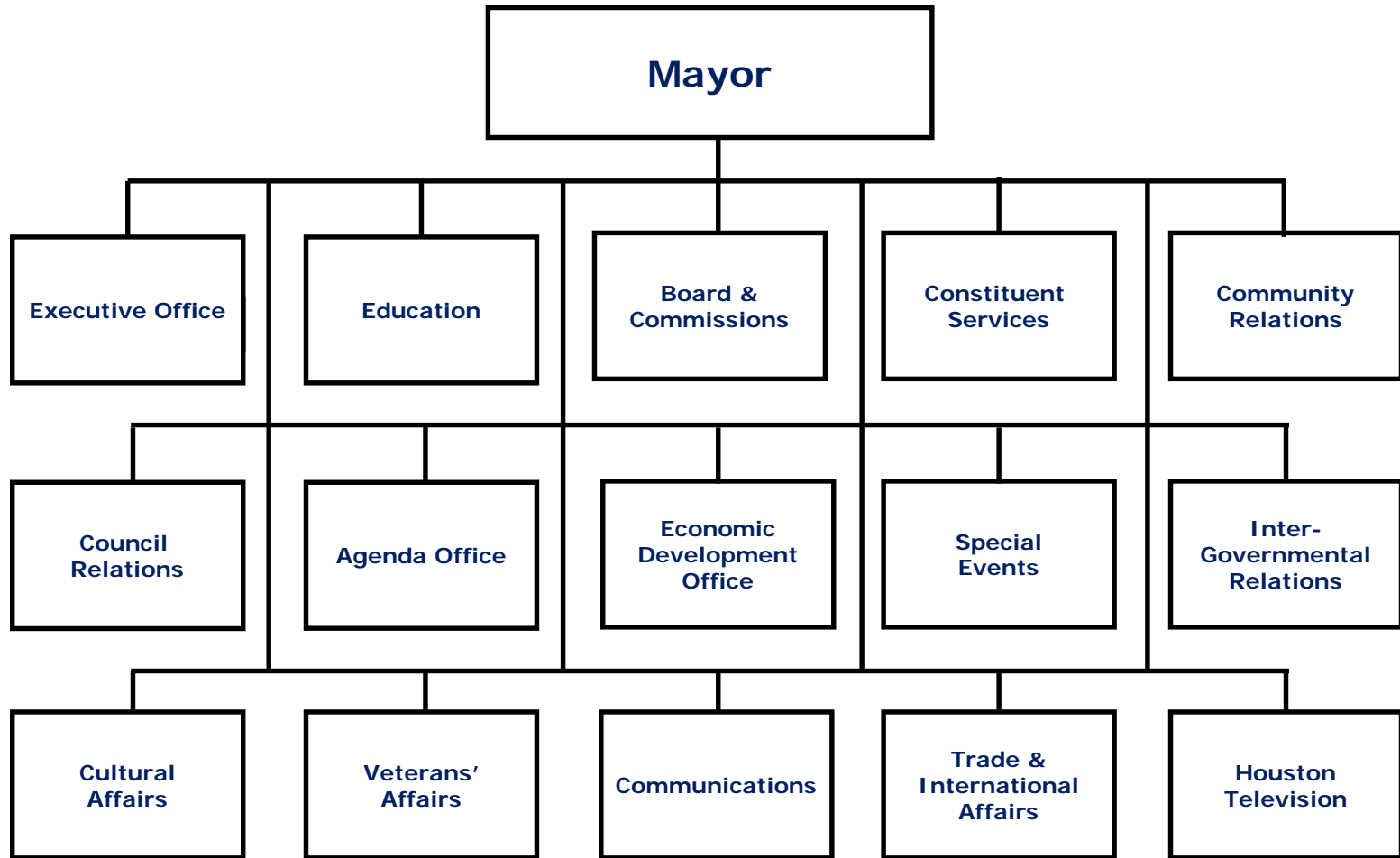


# Mayor's Office

## FY2019 Proposed Budget Presentation

May 9, 2018

# Organizational Chart



# Revenues By Funds (\$ in thousands)



Fund	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed	Variance FY19 Prop/FY18 Estimates	% Change
General Fund	\$ 20,251	\$ 18,880	\$ 20,383	\$ 20,459	\$ 76	0.37%
Houston Television Special Revenue Fund	\$ 4,551	\$ 3,752	\$ 4,561	\$ 4,579	\$ 18	0.40%
Tourism Promotion Special Revenue Fund	\$ 20,374	\$ 19,256	\$ 19,264	\$ 19,932	\$ 668	3.47%
<b>Total</b>	<b>\$ 45,176</b>	<b>\$ 41,888</b>	<b>\$ 44,208</b>	<b>\$ 44,970</b>	<b>\$ 762</b>	<b>1.72%</b>



# FY2019 - Revenues Highlights

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## General Fund:

- ❑ **Industrial District Assessment** budget is \$86K higher than the FY18 estimated budget. The tax rate applied is .221% less than last year and the total base contract values have increased by \$25M, therefore generating an increase of \$76K in General Fund revenue.

## Houston Television:

- ❑ **PEG Contributions – Ongoing Support** budget is \$90K lower than the FY18 estimated budget due to state regulation of local cable companies and restrictions on use of State Franchise fees.
- ❑ **PEG Contributions – State Franchises** budget is \$114K higher than the FY18 estimated budget due to the inclusion of local cable company franchise fees. Even with the decline in ongoing support, the overall net increase in PEG contributions is primarily responsible for increase of \$18K in HTV revenue.

## Tourism Promotion:

- ❑ **Transfer from Component Unit** is \$1.18M higher than the FY18 estimated budget as the revenue received from Houston First is based on 19.3% of the total Hotel Occupancy Tax (HOT) gross receipts. This accounts primarily for the increase of \$668K in Tourism revenue.

# Expenditures By Funds (\$ in thousands)



Fund	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed	Variance FY19 Prop/FY18 Estimates	% Change
General Fund	\$ 7,648	\$ 7,458	\$ 7,458	\$ 7,211	\$ (247)	(3.31)%
Houston Television Special Revenue Fund	\$ 4,237	\$ 4,211	\$ 4,210	\$ 4,171	\$ (40)	(.94)%
Tourism Promotion Special Revenue Fund	\$ 19,229	\$ 19,256	\$ 19,065	\$ 20,232	\$ 1,166	6.12%
<b>Total</b>	<b>\$ 31,114</b>	<b>\$ 30,925</b>	<b>\$ 30,733</b>	<b>\$ 31,614</b>	<b>\$ 880</b>	<b>2.86%</b>



# FY2019 - Expenditures Highlights

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## General Fund:

### ❑ **Approved FY2019 Budget Reduction - \$272K**

Approved reduction includes the reallocation of funding for 1.5 FTEs and re-alignment of personnel to maximize staffing efficiencies.

## Houston Television:

### ❑ **Indirect Cost Recovery Payment Reduction - \$27K**

Reduction due to decrease in restricted accounts.

## Tourism Promotion:

### ❑ **Misc Support Services Increase – \$698K**

The misc support services budget is the payment to the four arts partners. This amount is directly calculated by formula per the arts contract based on total gross HOT receipts.

### ❑ **Contingency Increase – \$336K**

The contingency budget is the remaining HOT funds received after payment to the four arts partners. The increase is primarily due to the projected excess receipt of HOT revenues, which is based on 19.3% of the gross receipts.

# FY2019 Budget Expenditures Net Change (in thousands)

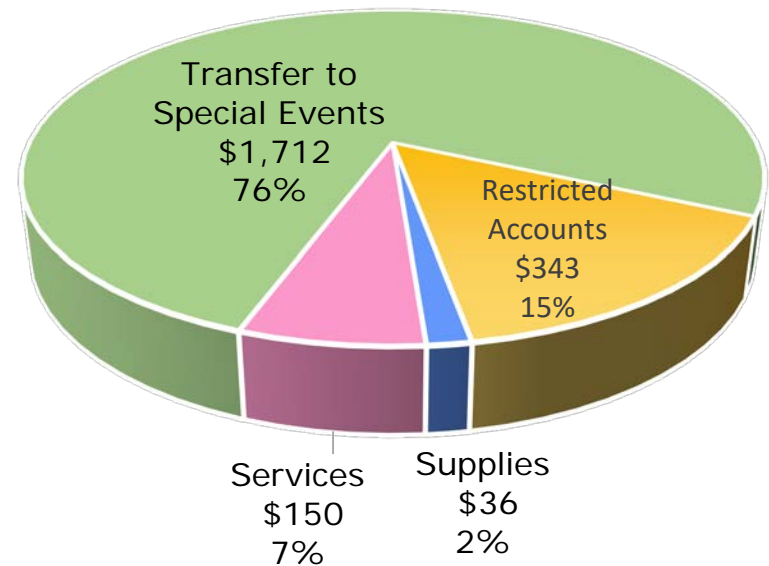
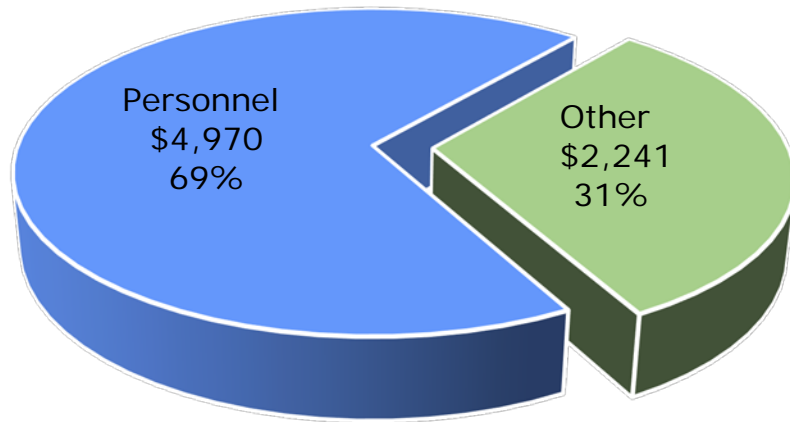


FY2019 General Fund Budget Expenditures Net Change to FY2018 Current Budget		
<b>FY2018 Current Budget</b>		<i>Notes</i>
Operating Budget	\$ 5,438	
Restricted Budget	\$ 308	
Transfer to Special Events	\$ 1,712	
<b>FY2018 Current Budget</b>	<b>\$ 7,458</b>	
Explanation of FY2018 Incremental Increase/(Decrease)		
<b>Operating Budget Adjustments</b>		
Budget reduction initiatives	(272)	1
<b>Subtotal Operating Budget Adjustments</b>	<b>\$ (272)</b>	
<b>% Change from FY18 Operating Budget</b>	<b>(5.0%)</b>	
<b>Contractual or Mandated Adjustments:</b>		
Health Benefits Active Civilian	\$ 21	
Municipal Pension	(32)	
Restricted Accounts	36	
<b>Subtotal Contractual/Mandated Increases</b>	<b>\$ 25</b>	
<b>FY2019 Proposed Budget</b>		
Operating and Contractual Adjustments Net	\$ (247)	
<b>FY2019 Proposed Budget</b>	<b>\$ 7,211</b>	
<b>% Change from FY18 Current Budget</b>	<b>(3.3%)</b>	
<b>Notes:</b>		
1. \$272K reduction includes the reallocation of 1.5 FTEs to dedicated funding sources, in addition to staffing efficiencies.		

# FY19 Personnel vs Non Personnel General Fund (in Thousands)



## FY2019 Proposed Budget \$7,211

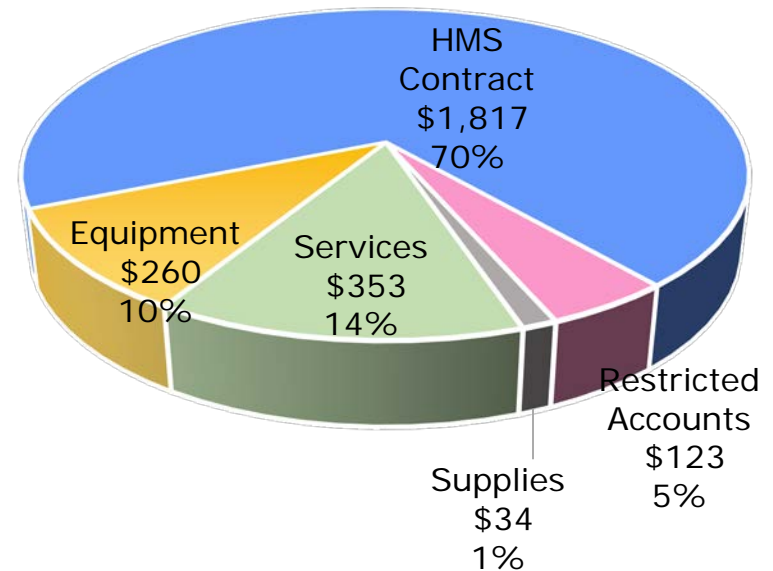
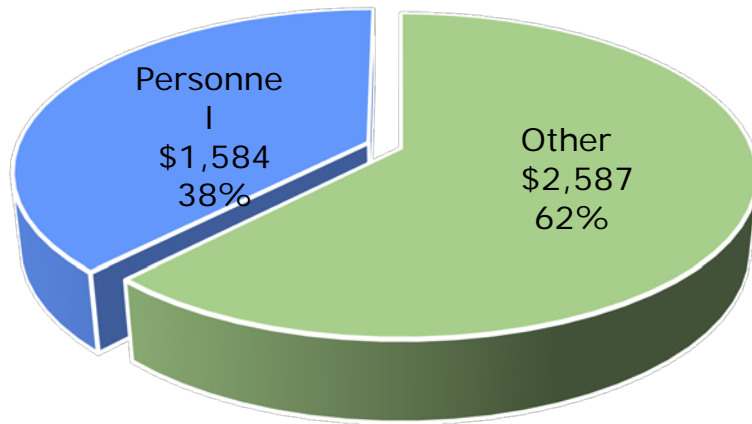




# FY19 Personnel vs Non Personnel Houston Television Special Revenue Fund (in Thousands)



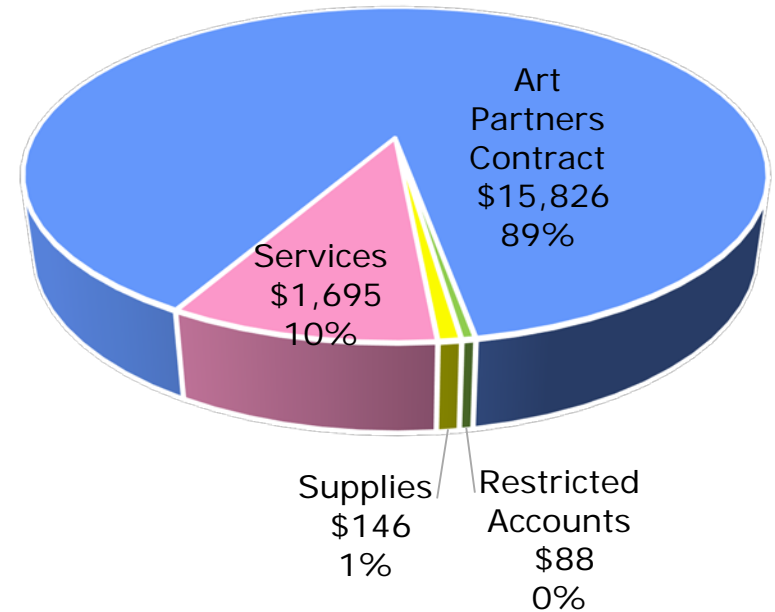
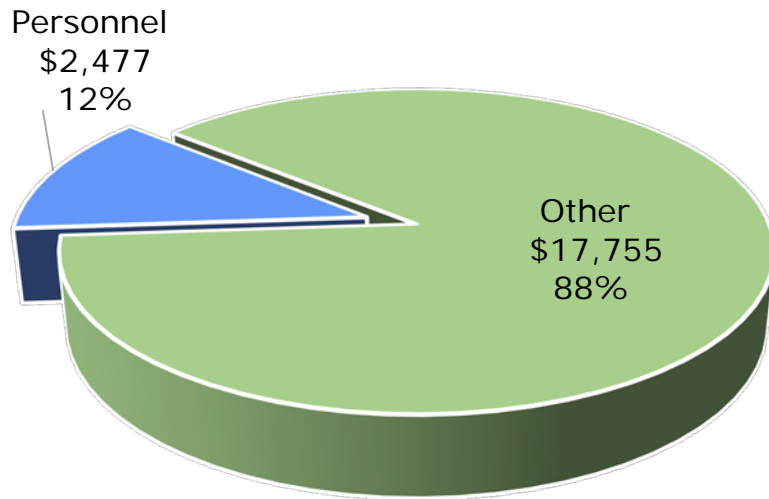
FY2019 Proposed Budget \$4,171



# FY19 Personnel vs Non Personnel Tourism Promotion Special Revenue Fund (in Thousands)



FY2019 Proposed Budget \$20,232



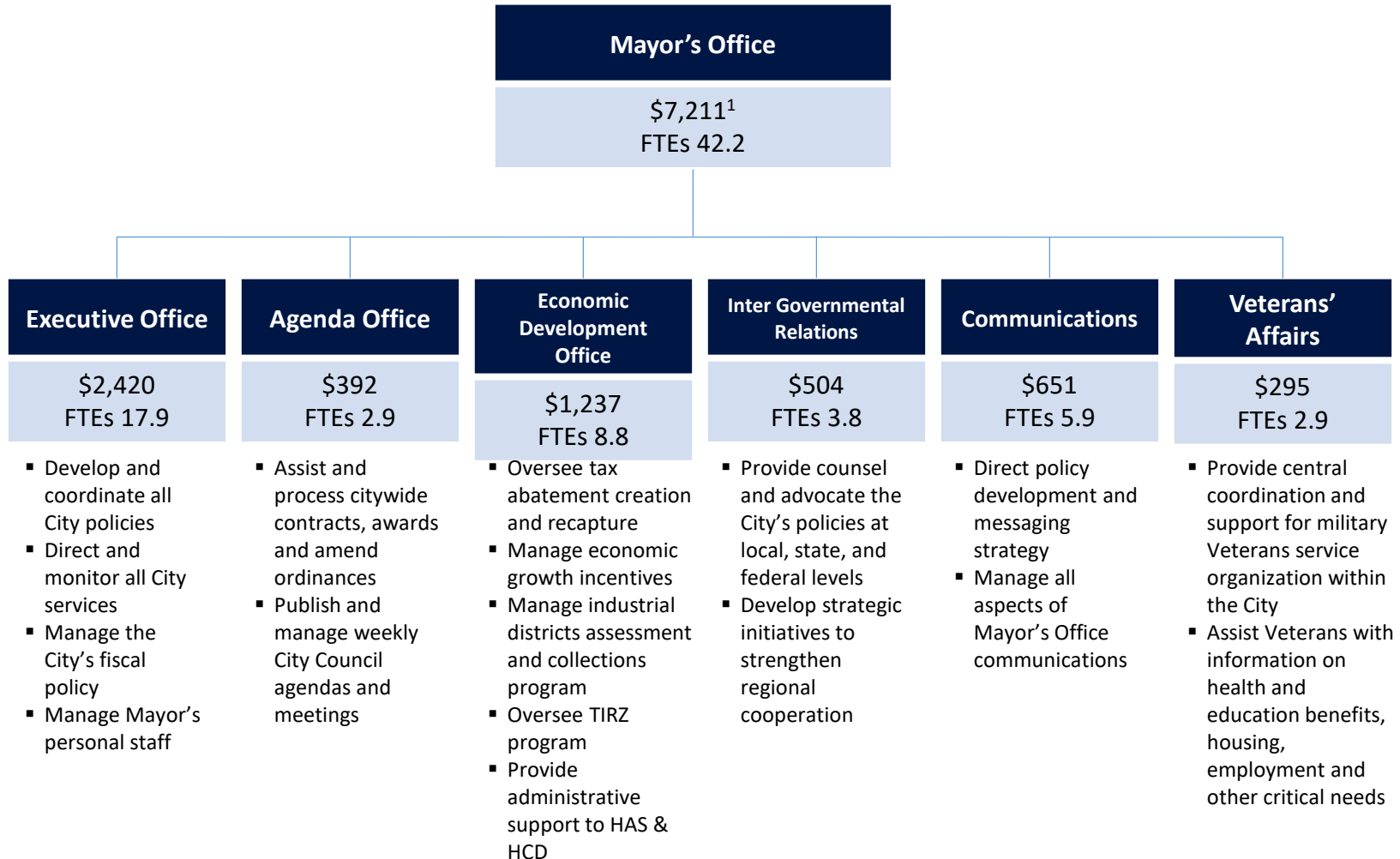
# Department Budget Reductions (in thousands)



Fund	FY17	FY18	FY19	3-Year Total
General Fund	\$402	\$222	\$272	\$896
<b>Total</b>	<b>\$402</b>	<b>\$222</b>	<b>\$272</b>	<b>\$896</b>

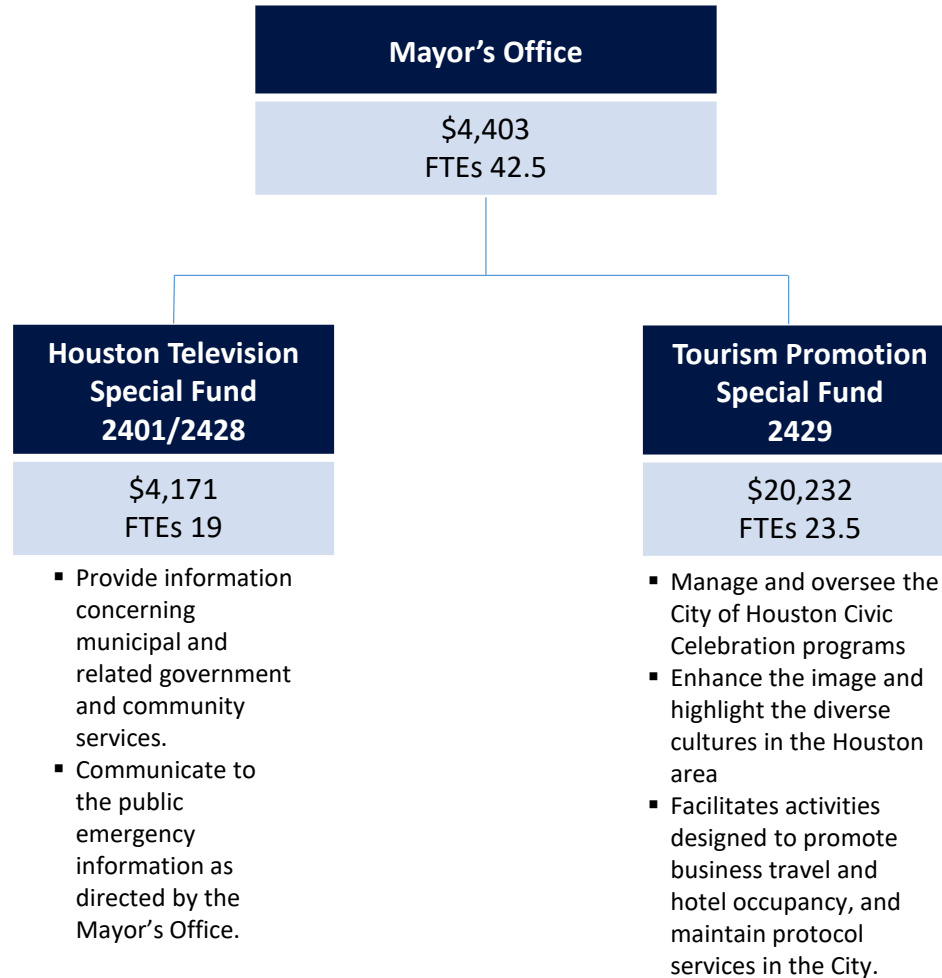
- Total General Fund budget cuts FY17 – FY19 total \$896K
- Total FTEs impacted by reductions
  - FY17 – Three positions were eliminated as a result of restructure to the Office of Compliance Ethics.
  - FY18 – No impact to FTEs
  - FY19 – Reductions resulted in 1.5 FTEs eliminated due to reallocating positions to special revenue funds and capitalizing on vacancies to create staffing efficiencies
- Impact of Reductions
  - Ability to align personnel duties and responsibilities with dedicated funding sources,
  - Realized savings in travel, printing, and consulting services.

# Functional Org Chart (in thousands)



<sup>1</sup> Includes funding for the Mayor's Office of Special Events transfer of \$1,712K.

# Functional Org Chart (in thousands)



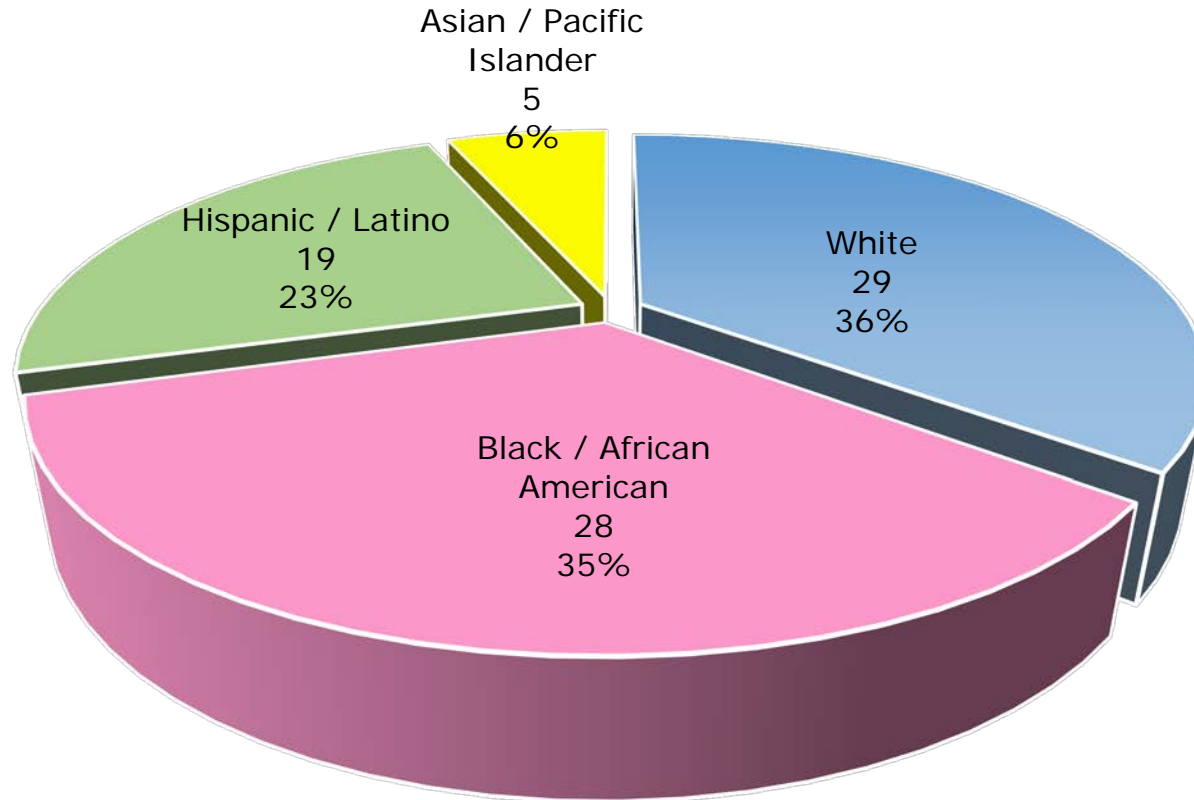


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# Questions



# Mayor's Office Demographics

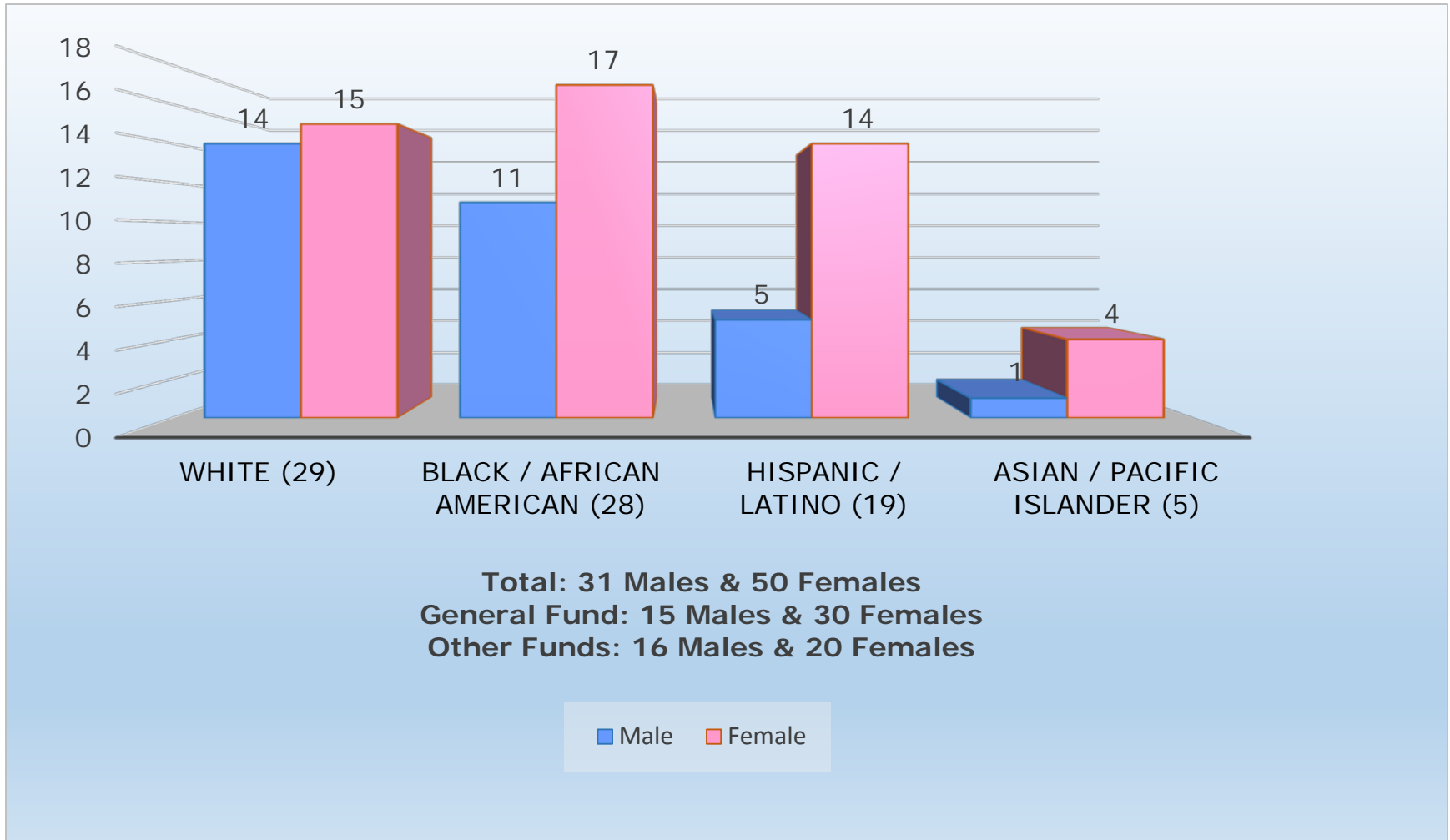


**Total Employees = 81**

**General Fund = 45 | Other Funds = 36**

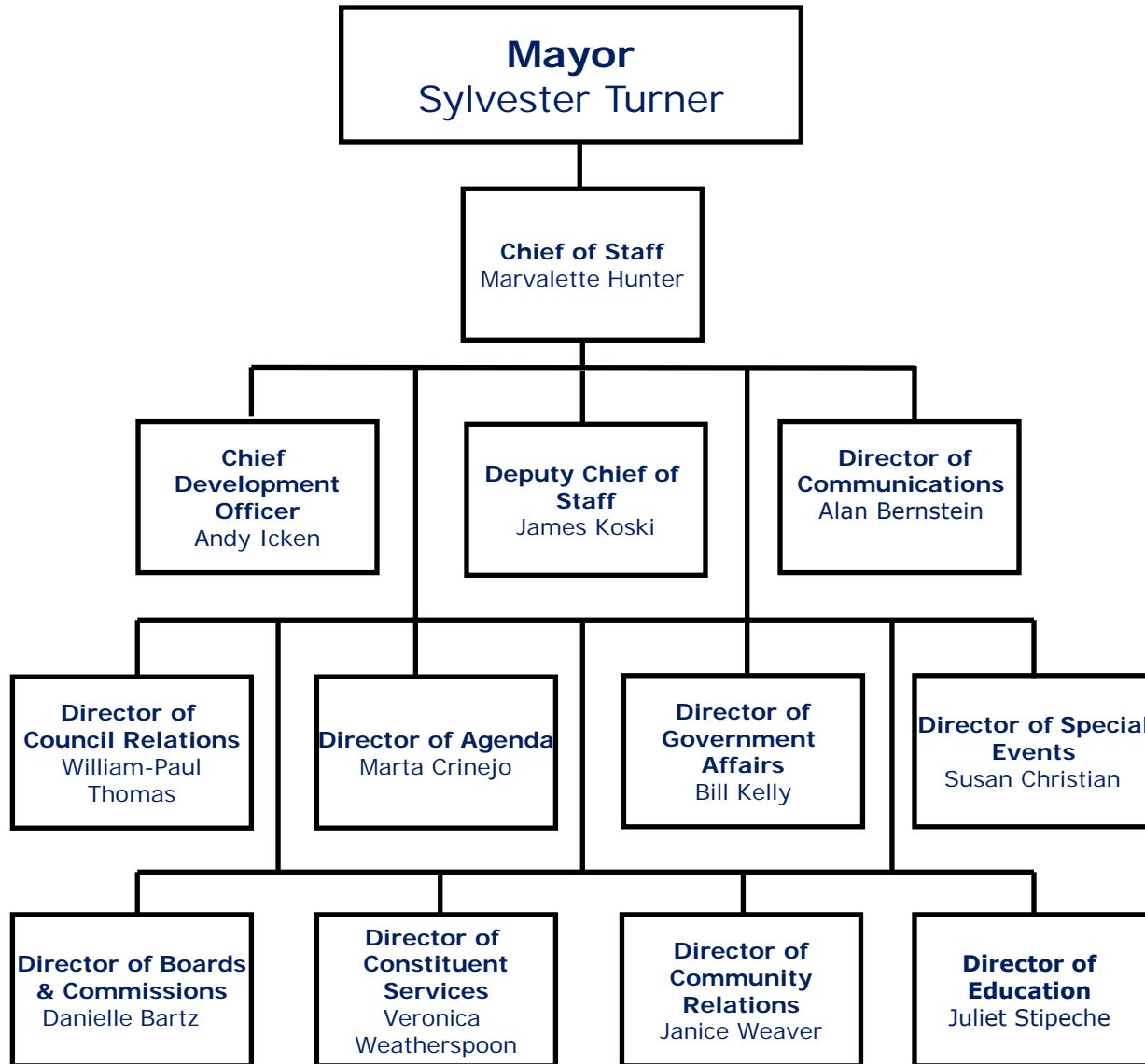


# Race & Gender Distribution

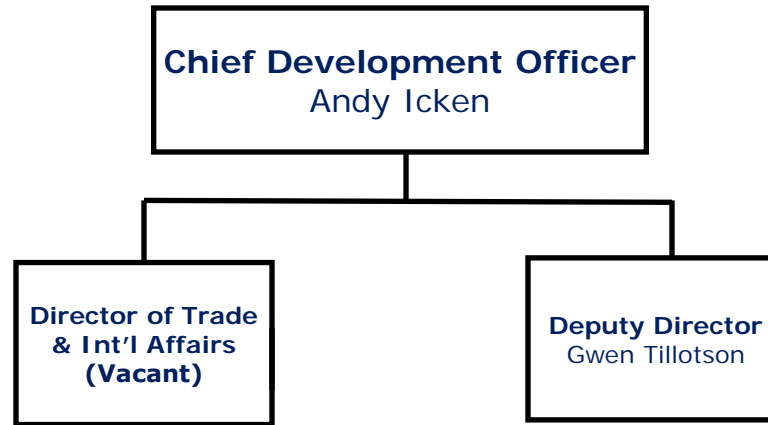




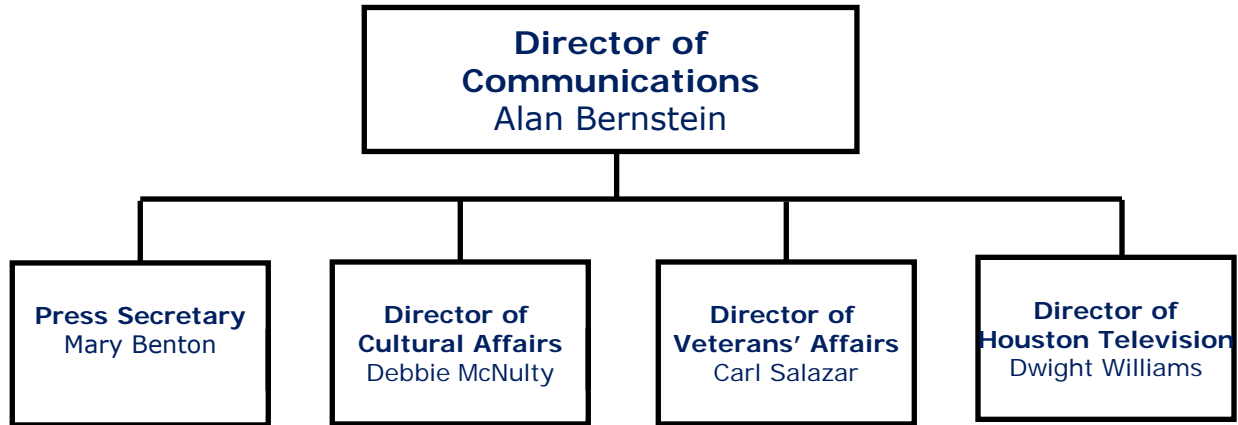
# Mayor's Office Organizational Chart



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# Mayor's Office Organizational Chart





# Department FY2018 Accomplishments

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- ❑ Passed historic pension reform followed by a 75% voter approved bond election that put Houston on a stronger financial footing.
- ❑ Coordinated the city's response to Hurricane Harvey, including establishing an emergency shelter to house 10,000 and spearheading fundraising for the Hurricane Harvey Relief Fund which raised more than \$110 million.
- ❑ Secured more than \$1.2 billion for disaster recovery efforts and named a Chief Recovery Officer.
- ❑ Conducted a successful trade mission to China, established MOUs and strengthened Sister City relations.
- ❑ Hosted a city-wide celebration for the Astros World Championship in two days, with 750,000-1,000,000 attendees.
- ❑ Recipient of the 2018 Phi Beta Kappa Society Cities of Distinction Award for arts and cultural policies and initiatives advancing access and equity in Complete Communities, Civic Art and a redesigned program for City arts grants.
- ❑ Increased summer job opportunities through Hire Houston Youth to a new record high of 7,500 jobs, an increase of 66% over last year.
- ❑ Processed on average 800 pieces of correspondence each month (9,600 annually) via U.S. Mail, email, fax, walk in and phone calls, 60% of which were handled directly by the Mayor's Office.
- ❑ Accomplished nationally recognized use of social media and traditional media pathways to inform the public on urgent subjects during and after Hurricane Harvey.
- ❑ Held over 100 press conferences and issued over 150 press releases, editorials and newsletters.