FINANCE

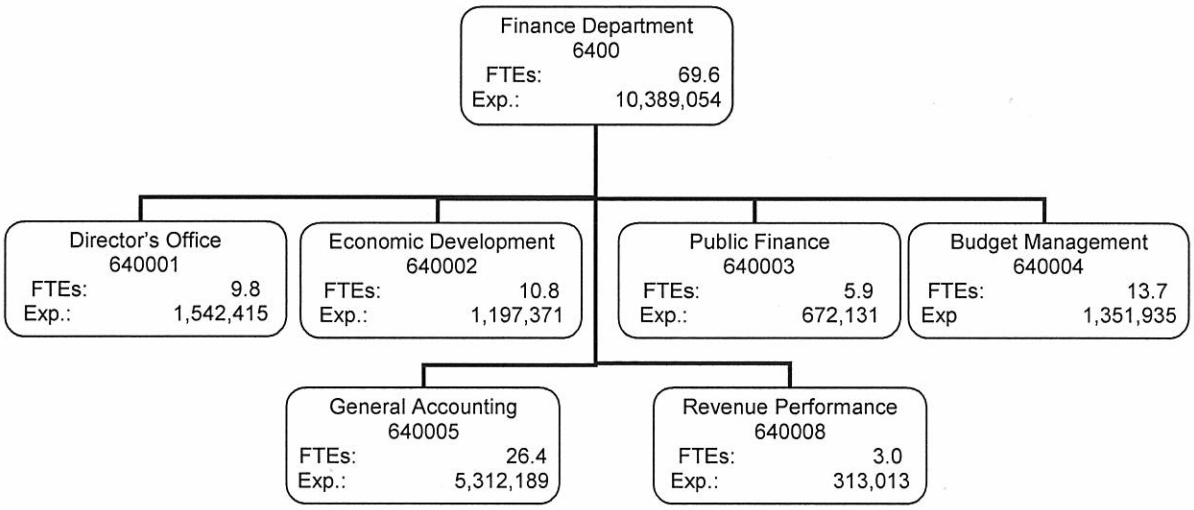
Department Description and Mission

The Finance Department's mission is to serve the citizens of the City of Houston and provide support to City departments through sound management of the City's finances.

The Finance Department's mission objectives are to:

- Demonstrate integrity, accountability, consistency, professionalism and a strong work ethic.
- Emphasize strategic financial planning and performance reporting.
- Maximize the effective and efficient use of public funds.
- Execute directives and policies of the Administration and City Council.
- Build a cohesive team of highly qualified talented professionals based on trust, respect, and mutual support.
- Provide excellent customer service.

Department Organization



Business Area Budget Summary

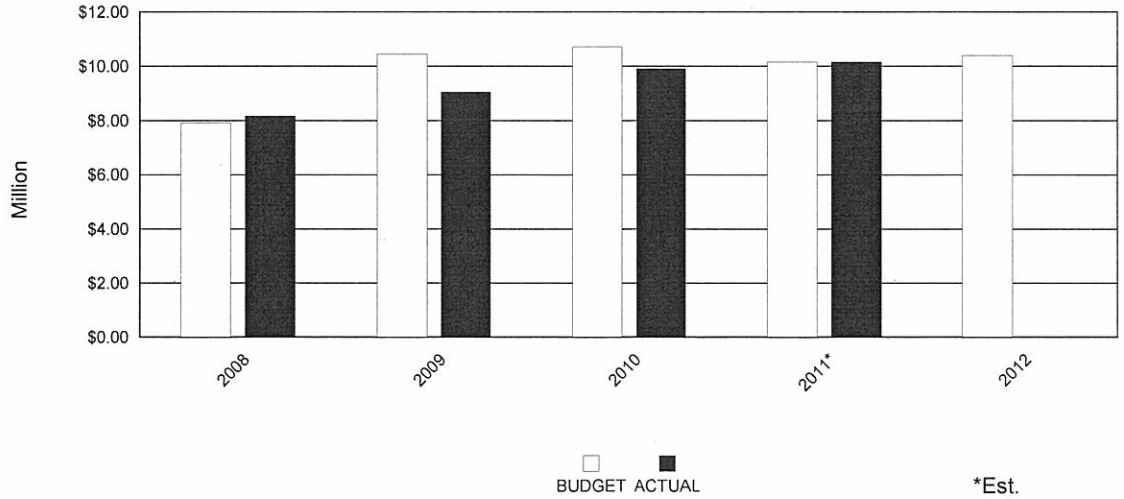
Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus. Area No. : 1000 / 6400

		FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
Expenditures	Personnel Services	6,691,825	6,707,617	6,707,617	**6,731,008**
	Supplies	71,840	57,706	54,706	**75,266**
	Other Services and Charges	3,135,364	3,394,943	3,397,943	**3,582,780**
	Non-Capital Equipment	9,169	2,580	2,580	**0**
	Total M & O Expenditures	9,908,198	10,162,846	10,162,846	**10,389,054**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditures	9,908,198	10,162,846	10,162,846	**10,389,054**
Revenues		1,397,846,902	1,357,006,580	1,375,000,723	**1,392,537,900**
Staffing	Full-Time Equivalents - Civilian	76.9	74.9	74.9	**69.6**
	Full-Time Equivalents - Classified	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	**0.0**
	Total	76.9	74.9	74.9	**69.6**
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	**0.0**

Significant Budget Changes and Highlights

- o Create new Accounts Receivable Collections group within Finance.
- o Consolidate Capital Improvement Program (CIP) services and reporting into Public Finance.
- o Conduct an internal assessment of the use of information technology and identify areas to leverage the use of technology to connect the day to day financial processing operations of the City.

Finance Department
Current Budget vs Actual Expenditures



Division Mission and Performance Measures

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Name: Directors Office -- 640001

Mission: Ensure the financial integrity of the City by promoting responsible resource allocation, providing oversight of resource usage, and improving financial accounting and management processes.

Goal: Review current financial processes and identify areas where the Finance Department can improve management of city funds and financial systems. Strengthen citywide accounts receivable collection efforts by the creation of a dedicated collection oversight section to work jointly with departments to improve collection efforts.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Fin Processes New/Impr.	N/A	N/A	**6**
Fin Outputs New/Impr.	N/A	N/A	**4**

Name: Economic Development/TIRZ -- 640002

Mission: Implement and manage citywide policy and procedure for economic development programs including Tax Increment Reinvestment Zones (TIRZ) and tax abatements in addition to other innovative incentive programs. Market Houston as the place to grow or relocate a targeted business.

Goal: Improve policy and procedure for economic development programs and incentives. Ensure transparency on all budgets and financial analyses as they pertain to the various TIRZs. Grow economic activity within the City and support economic activity in the region.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
TIRZ-Bring Admin in House	8	3	**2**
Tax Abatements Creation	1	3	**3**
Tax Abatements Recapture	$220,000	$40,000	**$275,000**
Economic Growth Incentives	$81 mil	$654 mil	**$350 mil**
Industrial Districts	$19.2 mil	$19.5 mil	**$22 mil**

Name: Public Finance -- 640003

Mission: Design, issue and manage debt financing needs of General Obligation, Combined Utility System, Houston Airport System, and Convention and Entertainment. Manage the bond funded capital budgets of the Capital Improvement Plan, the Equipment Acquisition Plan, and the Technology Investment Plan. Compile the Capital Improvement Plan.

Goal: Proficiently and resourcefully manage capital transactions. Process and approve budget requests and RCAs that require capital funding in a timely and responsive manner.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Debt Transactions	7	9	**4**
GF Trsf to Debt Service	13.3%	12.2%	**12%**

Division Mission and Performance Measures

Fund Name : **General Fund**
Business Area Name : **Finance Department**
Fund No./Bus Area No. : **1000 / 6400**

Name: Budget Management -- 640004

Mission: Monitor the financial activities of City departments. Coordinate, develop, implement and monitor the citywide budget. Administer budget, tax and financial reporting.

Goal: Monitor the City's fiscal activities through financial analysis, review and report preparation.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Financial Reports Prepared	15	15	**15**
City Departments Monitored	25	25	**25**
Funds Managed	39	40	**42**

Name: General Accounting -- 640005

Mission: Citywide monitoring and oversight of accounting, fixed assets, internal control, hotel tax audits, grant management, tax revenues and delinquent collections. Establish and update accounting and internal control policies. Coordinate annual audit. Prepare cost allocation plan. Manage accounting and Federal Emergency Managment Agency (FEMA) compliance for disasters.

Goal: To assist all departments to properly account for financial transactions and safeguard assets. Develop indirect cost allocation plan for recovering $15 million in services from federal grant administrative costs for General Fund. Ensure hotels are paying hotel occupancy taxes. Assisting in complying with grant regulations and coordinating the Single Audit. Record property taxes collected. Advise departments with the receivable collections.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
Asset Acctg/Ext Audit	$32.1B/1	$33.7B/1	**$34.6B/1**
Intnl Audits/Cost Plan	31 audits/1	49 audits/1	**49 audits/1**
Grants/Awards/FEMA	170/$428M/1	160/$250M/1	**160/$250M/1**
Prop, Tax/Cash Flow	$1.362B	$1.340B	**$1.357B**
Review AR Coll Process	NA	NA	**7**

Name: Revenue Performance Management -- 640008

Mission: Improve revenue collections and financial performance of departments citywide. Implement performance management processes and systems to ensure continued process excellence.

Goal: Implement standard Accounts Receivable (AR) collections policies, procedures, and systems citywide with accompanying performance management system.

Performance Measures	FY2010 Actual	FY2011 Estimate	FY2012 Budget
AR Policies Implemented	N/A	N/A	**1**
Department AR Policies	N/A	N/A	**100%**
Dept AR Automated	N/A	N/A	**50%**

Division Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Division Description	FY2010 Actual FTEs	FY2010 Actual Cost $	FY2011 Estimate FTEs	FY2011 Estimate Cost $	FY2012 Budget FTEs	FY2012 Budget Cost $
Directors Office 640001						
The Director's Office provides fiscal leadership developing financial and strategic policies and priorities to promote stability and financial health for the City of Houston. In alignment with the departmental mission to serve the citizens of Houston, the Director's Office is committed to providing superior financial services thru prudent and efficient management of the City's financial affairs.	9.5	1,421,019	10.3	1,378,417	**9.8**	**1,542,415**
Economic Development/TIRZ 640002						
The division develops, implements and manages citywide policies and procedures for economic development programs such as Tax Increment Reinvestment Zones (TIRZ) and tax abatements in addition to other innovative incentive programs.	8.5	816,706	8.8	794,286	**10.8**	**1,197,371**
Public Finance 640003						
The division serves the citizens of Houston by providing cost-efficient debt management services to the City and City's Enterprise Funds (Houston Airport System, Combined Utility System, and Convention & Entertainment Facilities), for short, medium and long-term debt.	13.0	1,240,279	10.1	930,345	**5.9**	**672,131**
Budget Management 640004						
The primary responsibility of the Budget Management division is the development and management of the City budget and the Five Year Plan. The division works with all other City department's financial management teams to produce the Fiscal Year Budget and Monthly Financial and Operations Report. The Five Year Plan projects the financial position of the General Fund over a five year horizon.	17.7	1,615,417	18.4	1,658,644	**13.7**	**1,351,935**
General Accounting 640005						
Citywide monitoring and oversight of accounting, fixed assets, internal control, hotel tax audits, grant management, tax revenues & delinquent collections. Establish and update accounting and internal control policies. Coordinate annual audit. Prepare cost allocation plan. Manage accounting and FEMA compliance for disasters.	28.2	4,814,777	27.3	5,401,154	**26.4**	**5,312,189**

Division Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Division Description	FY2010 Actual FTEs	FY2010 Actual Cost $	FY2011 Estimate FTEs	FY2011 Estimate Cost $	FY2012 Budget FTEs	FY2012 Budget Cost $
Revenue Performance Management 640008						
Leads financial performance improvement projects to improve accounts receivable, collections, revenue, and financial efficiency.	0.0	0	0.0	0	**3.0**	**313,013**
Total	76.9	9,908,198	74.9	10,162,846	**69.6**	**10,389,054**

Business Area Roster Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Job Description	Pay Grade	FY2011 Current Budget FTE	FY2012 Budget FTE	Change
ADMINISTRATION MANAGER (EXE LEV)	26	0.0	1.0	1.0
ADMINISTRATIVE ASSISTANT	17	2.0	2.0	
ADMINISTRATIVE ASSOCIATE	13	0.0	2.0	2.0
ADMINISTRATIVE COORDINATOR	24	1.0	1.0	
ADMINISTRATIVE COORDINATOR (EXE LEV)	24	0.0	1.0	1.0
ADMINISTRATIVE SPECIALIST	20	4.0	4.0	
ASSISTANT DIRECTOR (EXE LEV)	32	3.0	1.0	(2.0)
CONTRACT ADMINISTRATOR	22	1.0	0.0	(1.0)
DEPUTY ASSISTANT DIRECTOR (EXE LEV)	30	2.0	3.0	1.0
DEPUTY CHIEF POLICY OFFICER (EXE LEV)	36	0.2	0.0	(0.2)
DEPUTY DIRECTOR (EXE LEV)	34	2.0	3.0	1.0
DEPUTY DIRECTOR-FINANCE/ADMIN.	36	2.0	0.0	(2.0)
DIVISION MANAGER	29	11.0	11.0	
EXECUTIVE OFFICE ASSISTANT	15	1.0	1.0	
FINANCE DIRECTOR	37	1.0	1.0	
FINANCIAL ANALYST I	15	1.0	1.0	
FINANCIAL ANALYST III	21	5.0	4.0	(1.0)
FINANCIAL ANALYST IV	25	18.0	18.0	
MANAGEMENT ANALYST II	18	1.0	1.0	
MANAGEMENT ANALYST III	21	1.0	2.0	1.0
MANAGEMENT ANALYST IV	25	2.0	2.0	
SENIOR AUDITOR	21	4.0	3.0	(1.0)
SENIOR FIXED ASSET SPECIALIST	17	1.0	0.0	(1.0)
SENIOR STAFF ANALYST	28	10.1	5.0	(5.1)
SENIOR STAFF ANALYST (EXE LEV)	28	1.0	1.0	
STAFF ANALYST	26	3.0	2.0	(1.0)
STUDENT INTERN I	4	2.5	0.0	(2.5)
SYSTEMS CONSULTANT	26	1.0	1.0	
Total FTEs		**80.8**	**71.0**	**(9.8)**
Less adjustment for Civilian Vacancy Factor		**5.9**	**1.4**	**(4.5)**
Full-Time Equivalents		**74.9**	**69.6**	**(5.3)**

Business Area Revenue Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus Area No. : 1000 / 6400

Commit Item	Description	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
6400020001	**Economic Development - TIRZ**			
415010	Industrial District Assessment	16,000,000	14,800,000	**14,800,000**
452020	Recoveries & Refunds	100,000	0	**0**
Total	**Economic Development - TIRZ**	**16,100,000**	**14,800,000**	**14,800,000**
6400030001	**Public Finance**			
424110	Other Interfund Services	0	0	**50,000**
6400050001	**General Accounting**			
426090	Demolition Fees	603,391	604,000	**600,000**
426120	Weed Cutting Fees	552,316	673,000	**640,000**
426480	Securing/Boarding - Nuisance Abatement	60,000	56,000	**52,000**
426485	Visual Blight - Nuisance Abatement	3,000	1,850	**1,900**
428030	Release of Liens	65,000	80,000	**78,000**
428080	Returned Check Charges	1,000	0	**1,000**
428100	Interest on Liens-COH	85,000	128,000	**131,000**
428105	Interest on Liens-Contract	540,000	577,000	**600,000**
434150	Streets & Bridges Assessments	56,000	73,000	**75,000**
434315	Reimbursement of Court Costs	0	5,000	**0**
434510	Prior Year Revenue	0	107,000	**0**
452030	Miscellaneous Revenue	0	2,000	**0**
Total	**General Accounting**	**1,965,707**	**2,306,850**	**2,178,900**
6400050002	**Auditing**			
424150	Interfund Auditing Services-601	226,873	226,873	**229,000**
6400050004	**Tax & Rev Acctg**			
411020	Current Property Tax	741,267,744	765,865,764	**759,547,505**
411030	Current Year Delinquent Property Tax	82,374,256	61,096,236	**60,342,495**
411040	Delinquent Property Tax - Prior Years	497,647	546,688	**520,812**
411120	Prior Year Delinquent Property Tax-1999	1,004	1,198	**0**
411130	Prior Year Delinquent Property Tax-2000	90,090	65,340	**1,142**
411140	Prior Year Delinquent Property Tax-2001	89,151	86,429	**62,248**
411150	Prior Year Delinquent Property Tax-2002	109,434	119,835	**82,338**
411160	Prior Year Delinquent Property Tax-2003	172,714	146,930	**114,163**
411170	Prior Year Delinquent Property Tax-2004	269,432	258,936	**139,976**
411171	Prior Year Delinquent Property Tax-2005	465,297	707,906	**246,680**
411172	Prior Year Delinquent Property Tax-2006	773,368	1,855,220	**531,499**
411173	Prior Year Delinquent Property Tax-2007	1,440,522	1,869,544	**1,910,306**
411174	Prior Year Delinquent Property Tax-2008	2,439,828	2,772,456	**1,781,053**
411175	Prior Year Delinquent Property Tax-2009	5,454,513	4,369,518	**2,641,226**
411176	Prior Year Delinquent Property Tax-2010	0	0	**4,162,559**
411180	Current Delinquent - P & I	4,645,424	4,513,953	**4,298,707**
411190	Penalty&Interest-Delinq. Property Tax	6,755,576	7,146,047	**6,805,291**
411210	Property Tax Rebates	(710,000)	(710,000)	**(710,000)**
412010	Sales Tax	473,754,000	490,883,000	**518,912,000**
413010	Mixed Beverage Tax	10,590,000	10,621,000	**10,621,000**
414010	Bingo Tax	206,000	175,000	**185,000**
428060	Other Interest Income	28,000	6,000	**21,000**
432010	Interest on Pooled Investments	6,750,000	5,000,000	**3,000,000**
452020	Recoveries & Refunds	0	0	**63,000**
Total	**Tax & Rev Acctg**	**1,337,464,000**	**1,357,397,000**	**1,375,280,000**
6400060001	**Fleet Management**			
424110	Other Interfund Services	0	191,000	**0**
6400070001	**Capital Improvement Program**			
424110	Other Interfund Services	1,250,000	79,000	**0**
Total	**Finance Department**	**1,357,006,580**	**1,375,000,723**	**1,392,537,900**

Business Area Expenditure Summary

Fund Name : General Fund
Business Area Name : Finance Department
Fund No./Bus. Area No. : 1000 / 6400

Commit Item	Description	FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
500010	Salary Base Pay - Civilian	5,057,000	5,067,254	5,067,254	**4,895,736**
500030	Salary Part Time - Civilian	48,026	0	0	**0**
500110	Bilingual Pay - Civilian	0	0	0	**1,356**
501050	Employee Awards	5,412	2,700	2,700	**2,700**
501070	Pension - Civilian	748,860	760,064	760,064	**881,235**
501120	Termination Pay - Civilian	14,603	15,451	15,451	**15,451**
501160	Vehicle Allowance - Civilian	8,544	8,558	8,558	**12,858**
502010	FICA - Civilian	375,839	369,132	369,132	**364,319**
503010	Health Ins-Act Civilian	406,321	452,153	452,153	**475,947**
503015	Basic Life Insurance - Active Civilian	2,943	3,050	3,050	**2,927**
503060	Long Term Disability-Civilian	5,799	6,345	6,345	**5,952**
503090	Workers Compensation-Civilian-Admin	13,377	15,717	15,717	**13,988**
503100	Workers Compensation-Civilian-Claim	591	600	600	**600**
504020	Compensation Contingency	0	4,062	4,062	**0**
504030	Unemployment Claims - Administration	4,510	2,531	2,531	**57,939**
Total	**Personnel Services**	**6,691,825**	**6,707,617**	**6,707,617**	**6,731,008**
511020	Construction Materials	1,535	0	0	**0**
511040	Audiovisual Supplies	0	2,235	2,235	**2,235**
511045	Computer Supplies	4,535	9,665	9,665	**13,289**
511050	Paper & Printing Supplies	3,020	7,800	7,800	**8,800**
511055	Publications & Printed Materials	1,913	3,791	3,791	**4,441**
511060	Postage	2,556	6,000	3,000	**10,850**
511070	Miscellaneous Office Supplies	43,217	20,737	20,737	**18,335**
511110	Fuel	10,113	3,778	3,778	**7,600**
511115	Vehicle Repair & Maintenance Supplies	0	0	0	**6,016**
511125	Food Supplies	457	0	0	**0**
511145	Small Tools & Minor Equipment	0	200	200	**200**
511150	Miscellaneous Parts & Supplies	4,494	3,500	3,500	**3,500**
Total	**Supplies**	**71,840**	**57,706**	**54,706**	**75,266**
520100	Temporary Personnel Services	47,784	23,445	23,445	**0**
520105	Accounting & Auditing Services	1,522,550	1,778,000	1,778,000	**1,778,000**
520107	Computer Info/Contr	17,000	0	0	**0**
520109	Medical Dental & Laboratory Services	0	500	500	**500**
520110	Management Consulting Services	270,781	283,650	283,650	**292,291**
520114	Miscellaneous Support Services	54	2,315	2,315	**2,315**
520119	Computer Equipment/Software Maintenance	444	10,000	10,000	**14,000**
520121	IT Application Svcs	18,735	2,050	5,050	**5,212**
520123	Vehicle & Motor Equipment Services	1,659	3,516	3,516	**0**
520136	Billing & Collection Services	1,066,768	1,100,000	1,100,000	**1,135,000**
520510	Mail/Delivery Services	951	2,650	2,650	**2,650**
520515	Print Shop Services	44,989	37,695	37,695	**45,195**
520605	Advertising Services	4,241	21,305	21,305	**21,305**
520705	Insurance Fees	1,995	2,349	2,349	**2,630**
520765	Membership & Professional Fees	2,720	10,500	10,500	**355**
520805	Education & Training	8,874	16,267	16,267	**11,583**
520905	Travel - Training Related	9,346	7,641	7,641	**6,300**
520910	Travel - Non-Training Related	12,554	13,200	13,200	**11,790**
521405	Building Maintenance Services	2,734	694	694	**694**
521605	Data Services	25	102	102	**1,980**
521610	Voice Services	61,062	22,550	22,550	**76,427**
521620	Voice Equipment	0	3,112	3,112	**1,039**
521625	Voice Labor	785	448	448	**501**

Business Area Expenditure Summary

Fund Name : **General Fund**
Business Area Name : **Finance Department**
Fund No./Bus. Area No. : **1000 / 6400**

Commit Item	Description	FY2010 Actual	FY2011 Current Budget	FY2011 Estimate	FY2012 Budget
521630	GIS Revolving Fund Services	0	3,106	3,106	**75,094**
521715	Office Equipment Rental	7,000	16,448	16,448	**19,648**
521725	Other Rental	0	0	0	**75**
521730	Parking Space Rental	28,473	27,600	27,600	**31,890**
522430	Miscellaneous Other Services & Charges	1,500	2,800	2,800	**3,550**
522721	Interfund HR Client Services	0	0	0	**40,200**
522722	KRONOS Service Chargeback	0	0	0	**2,556**
522795	Other Interfund Services	2,340	3,000	3,000	**0**
Total	**Other Services and Charges**	**3,135,364**	**3,394,943**	**3,397,943**	**3,582,780**
551010	Non-Capital Office Furniture & Equipment	2,394	1,000	1,000	**0**
551015	Non-Capital Computer Equipment	6,775	1,580	1,580	**0**
Total	**Non-Capital Equipment**	**9,169**	**2,580**	**2,580**	**0**
	Grand Total Expenditures	**9,908,198**	**10,162,846**	**10,162,846**	**10,389,054**