

# CITY OF HOUSTON

Finance and Administration  
Department

## Interoffice

Correspondence

**To:** Mayor Bill White  
Members of City Council

**From:** Judy Gray Johnson, Director  
Finance and Administration

**Date:** May 25, 2007

**Subject:** APRIL MONTHLY FINANCIAL AND  
OPERATIONS REPORT

Attached is the Monthly Financial and Operations Report for the period ending April 30, 2007.

### General Fund Revenues

Our projection for FY2007 General Fund revenue is \$12 million higher than last month.

- Sales tax receipts for March were \$1.1 million (2.5%) more than budgeted and 4.54% more than last year's March receipts. As a result, we have increased our estimate for the year by another \$1.1 million, and are projecting receipts for the remaining months of the fiscal year at budget.
- Our projection for Intergovernmental increased by \$8.8 million due to receipt of FEMA grant reimbursements for general fund expenditures in FY06 for Katrina and Rita.
- Our projection for Telephone Franchise Fees increased by \$2.4 million due to actual third quarter receipts being higher than anticipated.
- Our projection for Interest increased by \$1 million due to a higher cash balance than anticipated.
- Our projection for Charges for Services increased by \$1.3 million due to an estimated increase in Ambulance, Demolition and Weed Cutting Fees.
- Our projection for Property Tax increased by approximately \$500,000 due to an estimated increase in net taxable value.
- Sale of Capital Assets are shown with other financing sources. We have reclassified \$3.8 million that had been shown in miscellaneous revenues. Our estimate for FY07 increased by \$1.5 million from last month.

### **General Fund Expenditures**

Our projection for FY07 General Fund expenditures is \$1.9 million lower than last month.

- The projection Building Services, Fire, Human Resources, IT, Legal, Parks, Police and Solid Waste increased by approximately \$2.9 million to meet cost of IT year-end projections.
- The projection for Building Services increased by \$830,000 due to higher projections in T&D charges.
- The projection for General Government decreased by \$5.7 million due to transfer of \$2.9 million in IT charges to various departments; \$2.4 million in Contingency to fund shortages in other accounts; \$1.5 million in Elections due to Harris County participation.
- These decreases are offset by increased projections in claims and judgments by 1.1 million.

### **General Fund Ending Fund Balance**

We are projecting an ending unreserved undesignated fund balance of approximately \$209 million, which is approximately 14% of estimated expenditures less debt service. This does not include the rainy day fund or sign abatement fund. The total unreserved fund balance is projected to be \$231 million.

### **Aviation**

- The projection for Operating Expenditures decreased by \$2.7 million due to contracts and projection for electricity and natural gas.

### **Combined Utility System**

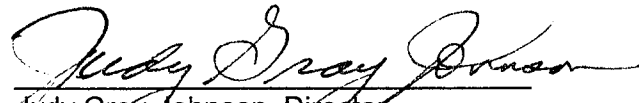
- The projection for Water and Sewer Sales decreased by \$1 million due to higher than average rainfall.
- The projection for Interest Income increased by \$800,000 due to higher cash balances than anticipated.

May 25, 2007

**Katrina Aid & Recovery Fund**

The City received \$1.998 million dollars for Fire Department EMS labor expenses. An additional \$1.0 million has been requested for EMS equipment expenses, which is currently in the FEMA review process.

Please let me know if you have any questions.

  
Judy Gray Johnson, Director