



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

Michelle Mitchell
Director
P.O. Box 1562
Houston, Texas 77251-1562

T. 713-221-0935
F. 713-837-9654
www.houstontx.gov

May 28, 2010

To: Mayor Annise D. Parker and Members of City Council

Attached is the Monthly Financial and Operations Report for the period ending April 30, 2010.

General Fund

Our projection for General Fund Revenue is \$448,000 higher than last month principally due to the following:

- Our projection for Property Tax decreased by \$1.8 million to reflect the estimated final taxable value from the Appraisal Districts.
- Our projection for Sales Tax increased by \$2 million. The sales tax receipt for March collection was \$1.75 million (3.82%) higher than the same period last year and 14.2% higher than anticipated. The increase in retail sales for this period was 6.95% and wholesale trade 30.16% over last year.
- Our projection for Licenses and Permits increased by \$248,000 mainly due to higher receipts from the mobility permits, liquor licenses and rabies control licenses.

Our projection for General Fund Expenditures is relatively unchanged from last month.

Our projection for Transfer from Other funds decreased by \$300,000 due to excess funds in the Auto Dealer Fund being less than anticipated.

Our projection for the ending fund balance is \$160.2 million, which is approximately 9.58% of estimated expenditures less debt service.

Enterprise, Special Revenue and Other Funds

We are projecting all Enterprise Funds, Special Revenue Funds, and all other funds at budget with the exception of the following:

Convention and Entertainment

- Non operating revenues increased by \$644,000 mainly due to higher Hotel Occupancy Tax collection.

Combined Utility System

- Operating revenues decreased by \$7.9 million as a result of the continued lower water consumption growth in commercial, contract and water authority customer classes and a result of dissolution of Houston Area Water Corporation (HAWC) as approved by City Council.
- Operating expenditures decreased by \$5.2 million mainly due to the low cost of chemical components as well as dissolution of Houston Area Water Corporation (HAWC) as approved by City Council.
- Non operating expenditures decreased by \$600,000 due to principal debt payment made directly by Contract Water Authority.
- Operating transfers decreased by \$3.2 million as a result of lower variable rate in the system debt service transfers.

Property and Casualty

- Operating revenues decreased by \$12 million mainly due to less claims incurred, which is offset by a decrease in operating expenditure by \$12 million.

Auto Dealers Fund

- Transfer out to General Fund decreased by \$300,000 due to less revenues than anticipated.

Fleet and Equipment Acquisition Fund

- Operating expenditures decreased by \$3 million due to lower than projected capital purchases.

Hurricane Ike Aid & Recovery Fund

As of April 30, 2010, the City expects total FEMA obligations to be approximately \$180.6 million with a federal share of \$178.4 million. FEMA has obligated \$177.2 million with a Federal Share of \$175.1 million. The total cash received from the state as of April 30th is \$175.5 million.

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

Sincerely,

A handwritten signature in black ink that reads "Michelle Mitchell". The signature is written in a cursive, flowing style.

Michelle Mitchell
Director