



CITY OF HOUSTON

Finance Department

Interoffice

Correspondence

To: Mayor Bill White
Members of City Council

From: Michelle Mitchell, Director
Finance

Date: November 23, 2009

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

Attached is the Monthly Financial and Operations Report for the period ending October 31, 2009.

General Fund

Our projection for General Fund Revenue is \$3 million lower than last month due to property tax revenues decreasing by \$3 million as a result of lower than anticipated delinquent tax collections. The sales tax projection remains unchanged.

Our projection for General Fund expenditures is approximately \$307,000 higher than last month mainly due to a disparity study pertaining to Minority and Women Business Enterprise participation in city construction contracts.

We are projecting the ending fund balance to be \$172.5 million, which is approximately 10.3% 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:

Combined Utility System

- Operating revenues decreased by \$6.2 million as a result of heavy rainfall in October.
- Operating expenses decreased by \$4.9 million primarily due to personnel savings attributed to anticipated attrition.

Convention and Entertainment

- Operating expenses increased by \$556,000 as a result of capital projects being expensed and will be offset by a decrease in operating transfers of \$569,000.

Building Inspection

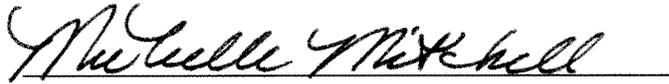
- Interest Income revenue decreased by \$438,000 as a result of lower cash balances.

November 23, 2009

Hurricane Ike Aid & Recovery Fund

As of October 31, 2009, the City has submitted documentation to FEMA for the processing of Project Worksheets (PW's) totaling \$192.5 million, consisting of Emergency Work in the amount of \$171.8 million and Permanent Work for \$20.7 million. To date, FEMA has obligated \$168.7 million. We are currently evaluating the insurance settlement in conjunction with FEMA reimbursements to determine the financial impact to the City.

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

A handwritten signature in cursive script that reads "Michelle Mitchell". The signature is written in black ink and is positioned above a solid horizontal line.

Michelle Mitchell, Director