



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

Finance Department
P.O. Box 1562
Houston, Texas 77251-1562

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

To: Mayor Annise D. Parker
City Council Members

Date: May 27, 2011

Subject: 10+2 Financial and
Operations Report

Attached is the 10+2 Financial and Operations Report for the period ending April 30, 2011. Fiscal Year 2011 projections are based on 10 months of actual results (July - April) and two months of projections (May - June).

General Fund

The projected budget gap in the General Fund is currently \$28.6 million. This is \$7.2 million higher than we projected in the 9+3 Report due to the following:

Revenues and Other Sources decreased \$7.2 million from last month's projection. Projection for Property Tax increased \$1.6 million as a result of TIRZ's taxable value being lower than expected. Industrial Assessments decreased by \$560,000 to reflect the actual taxable values. Transfers from Other Funds decreased approximately by \$6.8 million due to a delay of debt payment from Storm Water Fund and prior year debt overpayment. Sales of Capital Assets decreased \$1.1 million as a result of delaying right-of-way sales until FY2012.

There are no changes to the expenditure projection this month.

Major Fiscal Items

The total amount projected from non-right-of-way land sales (\$20.5 million) and cost of service fee recovery (\$5.8 million) in the finance projections is currently at \$26.3 million.

Enterprise, Special Revenue and Other Funds

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

Combined Utility System

Operating Expenditures and Transfers increased by \$400,000 due to an emergency clean up of illegally dumped hazardous materials. As a result, the operating expenditures and transfer in the Storm Water Fund also increased by \$400,000. Additionally, the operating transfer for Storm Water Fund decreased \$7.6 million due to the delay of drainage debt payment to General Fund until FY2012.

Asset Forfeiture Fund

Operating Expenditures decreased \$825,000 due to savings in personnel and supplies.

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

Sincerely,

A handwritten signature in cursive script that reads "Kelly Dowe". The signature is written in black ink and is positioned above the printed name.

Kelly Dowe

Director