



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

Michelle Mitchell
Director
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August 27, 2010

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

Attached is the Monthly Financial and Operations Report for the period ending July 31, 2010.

Fiscal Year 2010

The unaudited preliminary figures for FY2010 are shown for each fund. In accordance with government accounting standards for governmental funds, the final revenues for FY2010 will include revenues earned through June 30 only if they are collected by the end of August. Expenditures through June 30 will include spending incurred before the end of June. As a result, there will be additional adjustments made for both revenue and expenditures. We anticipate the final undesignated fund balance for the General Fund to be \$165.4 million which is approximately \$5.2 million higher than our June MFOR projection. These are preliminary numbers, which are subject to change until the annual audit is completed.

Fiscal Year 2011

The City of Houston has experienced some economic improvement in the past several months which is reflected in higher sales tax receipts and higher permits revenue in FY2010. We are projecting revenues and expenditures at budget.

Our projection for the ending fund balance is \$131.5 million, which is approximately 7.9% 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 except the following:

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- Operating expenditures decreased by \$2.2 million due to earlier than projected delivery of vehicles that were received in FY2010. These vehicles were anticipated and budgeted in FY2011.

Hurricane Ike Aid & Recovery Fund

As of July 31, 2010, there are no significant changes from the June monthly report.

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