



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

Michelle Mitchell
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November 30, 2010

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

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

General Fund

Our projection for the ending fund balance is \$118 million, which is approximately 7% of the estimated expenditures less debt service. Upon closing the budget gap of \$15 million, the ending fund balance will be approximately \$133.4 million, which will be 8% of the estimated expenditures less debt service.

Revenues

Our projection for General Fund Revenues is \$2.6 million lower than last month due to the following:

- Direct Interfund Services decreased by \$787,000 as a result of salary recovery for CIP being less than anticipated.
- Indirect Interfund Services decreased by \$308,000 due to less reimbursement for Indirect Cost Recovery received from Greater Harris County 911.
- Miscellaneous/Others decreased by \$1.5 million. This decrease is a result of lower revenue to be realized from the cost recovery initiative.

Expenditures

Our projection for General Fund Expenditures is \$4.5 million lower than last month due to the following:

- A decrease in personnel expenditures by \$8.5 million from various departments.
- General Government increased by \$4 million. This increase is a result of lower savings in the management initiative than anticipated.

Enterprise, Special Revenue and Other Funds

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

DARLEP

- Operating revenues and expenditures decreased by \$11.8 million as a result of the failure of Proposition 3.

Houston Emergency Center

- Operating revenues and expenditures decreased by \$308,000 due to lower than anticipated reimbursement received from Greater Harris County 911.

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