



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

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To: Mayor Annise D. Parker
City Council Members

Date: April 2, 2013

Subject: 8+4 Financial and
Operations Report

Attached is the 8+4 Financial and Operations Report for the period ending February 28, 2013. Fiscal Year 2013 projections are based on eight months of actual results and four months of projections.

General Fund

We are currently projecting ending fund balance of \$164.7 million. This is approximately \$1.1 million higher than last month and 9.55% of expenditures less debt. The fund balance reflects the designation of the full \$20 million fund balance to the Rainy Day Fund. This is an additional reimbursement of \$10 million from the Adopted Budget.

The projection for Revenues and Other Sources increased by \$4.4 million from last month due to the following forecast changes:

- Other Franchise increased by \$958,000 due to higher than anticipated Cable TV and Solid Waste Hauler Franchise fees,
- Licenses and Permits increased by \$979,000 mainly due the burglar alarm administration contract,
- Intergovernmental increased by \$1.8 million due to payment related to the TX1115 Health Waiver,
- Charges for Services decreased by \$271,000 mainly due to lower than anticipated extra container garbage fees,
- Transfers from Other Funds increased by \$684,000 mainly due to higher HOT tax collections,
- Sale of Capital Assets increased by \$257,000 due to an unanticipated land sale.

The projection for Expenditures and Other Uses increased by \$3.3 million from last month due to the following:

- \$1.8 million increase in Health for the payment related to TX1115 Health Waiver,
- \$1.6 million increase in General Government to reflect a higher HOT tax collection of \$956,000; higher captured revenue transfer to Dedicated Drainage & Street Renewal Fund of \$897,000; offset by funding transferred to Department of Neighborhoods of \$209,000 to cover fuel costs,
- \$436,000 increase in General Services mainly due to the steam/chilled water services for the Braeswood Lab,
- \$897,000 decrease in debt service transfer to reflect a higher captured revenue to the Dedicated Drainage & Street Renewal Fund.

Enterprise, Special Revenue and Other Funds

We are projecting no change in Enterprise Funds, Special Revenue Funds and all other funds from the 7+5 Report, with the exception of the following:

Aviation

Operating Expenditures decreased by \$462,000 mainly due to savings in personnel and services. As a result, Operating Transfers increased by the same amount.

Convention & Entertainment

Non-Operating Revenues increased by \$4.9 million mainly due to higher than anticipated HOT tax collections. Non-operating expenditures decreased by \$710,000 mainly due to a delay in land sale. As a result, Operating Transfers increased by \$4.4 million.

Combined Utility System

Operating Revenues decreased by \$6.3 million due to lower pumpage as a result of cooler weather conditions and substantial rainfall as well as a decrease in water and sewer sales. Operating Expenditures decreased by \$3.8 million mainly due to vacancy savings.

Non-Operating Revenues increased by \$6.3 million primarily due to additional sales of utility easements, impact fees related to new major development projects as well as escrow refunds. Operating Transfers decreased by \$24.2 million mainly due to less debt service transfer, delays in vehicles purchases and less cash transfer to Storm Water.

Dedicated Drainage & Street Renewal Fund

Revenues increased by \$733,000 mainly due to higher captured revenue transfer from General Fund. Expenditures decreased by \$2.7 million mainly due to savings in personnel and delays in vehicle purchases.

Storm Water

Expenditures decreased by \$1.4 million due to delays in vehicles purchases. Operating Transfer In increased by \$1.6 million due to a transfer from the Dedicated Drainage & Street Renewal Fund to cover ditch infrastructure.

Health Benefits

Revenues increased by \$384,000 primarily due to the addition of Vision benefit revenue.

Property & Casualty Fund

Revenues and Expenditures decreased by \$2.2 million primarily due to savings related to property insurance premiums as well as legal services.

Workers' Compensation

Revenues and Expenditures increased by \$737,000 primarily due to higher than anticipated catastrophic claims.

Asset Forfeiture Fund

Expenditures decreased by \$2.4 million due to delays in equipment purchases.

Auto Dealers Fund

Revenues increased by \$562,000 primarily due higher towed vehicles released. Expenditures decreased by \$699,000 due to delays in computer upgrades.

Building Inspection Fund

Expenditures decreased by \$1.9 million mainly due to lower than anticipated supplies and services. Operating Transfer Out increased by \$6.2 million related to early payment of debt service.

Child Safety Fund

Expenditures increased by \$262,000 due to payments related to school crossing guards program.

Parking Management

Expenditures decreased by \$488,000 due to savings in personnel, supplies and services.

Parks Special Revenue Fund

Revenues increased by \$328,000 due to lease payments from Texas Express Pipeline.

Police Special Services

Expenditures decreased by \$939,000 due to delays in equipment purchases.

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

Sincerely,

A handwritten signature in cursive script that reads "Kelly Dowe".

Kelly Dowe
Director