

Monthly Financial and Operations Report
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OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

RONALD C. GREEN

To: Mayor Annise D. Parker
City Council Members

From: Ronald C. Green
City Controller

Date: January 31, 2014

**Subject: December 2013
Financial Report**

Attached is the Monthly Financial Report for the period ending December 31, 2013.

GENERAL FUND

The Controller's Office is projecting an ending fund balance of \$163.1 million for FY2014. This is \$16.5 million lower than the projection of the Finance Department. The difference is due to a \$16.5 million higher revenue projection from the Finance Department. Based on our current projections, the fund balance will be \$24.1 million above the City's target of holding 7.5% of total expenditures, excluding debt service, in reserve.

We have increased our revenue projection \$13.6 million over last month's projection. Property Tax was increased \$11.5 million due to higher taxable values. Sales Tax was increased \$3.2 million to reflect collections through November. Other Taxes increased \$1 million for higher Mixed Beverage receipts. Intergovernmental was decreased \$1.9 million for lower projected Section 1115 Waiver revenues. Indirect Interfund was decreased \$1 million for lower cost allocation to grants. We also increased Transfer from Other Funds \$772,000 for increased Hotel Occupancy Tax receipts.

The major differences are in eight categories:

- (1) Property Taxes are \$5.1 million lower, as Controller's Office is using a lower estimate of ending taxable values and collection rate than Finance.
- (2) Industrial Assessments are \$1 million lower, as Controller's Office is using a lower collection rate than Finance.
- (3) Sales Tax revenues are \$6.1 million lower, as the Controller's Office is using Dr. Gilmer's April 2013 growth estimate, discounted by 1%, plus actual receipts through November receipts.
- (4) Other Taxes are \$1 million higher, as Controller's Office is projecting higher Mixed Beverage receipts from the State.
- (5) Licenses & Permits are \$1.3 million lower, as Controller's Office is projecting lower Burglar Alarm and Administrative fee receipts.
- (6) Charges for Services are \$1.7 million lower. Controller's Office is projecting slightly lower Ambulance collections.
- (7) Interest is \$1 million lower reflecting lower cash balances and lower interest rates.
- (8) Miscellaneous/Other is \$1.3 million lower for one-time revenues.

Expenditure projections increased in total \$13.1 million. Fire increased \$10.5 million for overtime, pension, and workers' compensation. Health decreased \$2.4 million primarily for a lower 1115 waiver projection. Police increased \$1.3 million mainly for workers' compensation. General Government increased \$4.9 million for legal fees, LPA payments, and HOT tax payments. Various departments were decreased \$2.8 million for savings in Health Benefits costs.

**Mayor Annise D. Parker
City Council Members
December Monthly Financial Report**

ENTERPRISE FUNDS

In the Aviation Operating Fund, we have increased our projection for Operating Revenues \$3.6 million primarily for Parking and Concession revenues. Operating Expenses were increased \$1.1 million for higher personnel costs. Non-Operating Revenues were decreased \$589,000 for lower interest earnings. These changes caused the Operating Transfer projection to increase \$1.9 million.

In the Convention & Entertainment Facilities Operating Fund, our projection for Non-Operating Revenues increased \$3.8 million for higher HOT receipts, which increased the Operating Transfer projection for the same amount.

Our projection for the Combined Utility System Operating Expenses decreased \$1.3 million mainly for savings in Personnel costs. Non-Operating Revenues were increased \$3 million for higher than expected Impact Fee revenues. Operating Transfers decreased \$14.2 million from lower interest costs on First Lien Bonds.

In the Dedicated Drainage & Street Renewal Fund, Expenditures were decreased \$1.5 million mainly for savings in Personnel.

Finally, in the Storm Water Operating Fund, expenditures decreased \$444,000 for savings in Personnel also.

COMMERCIAL PAPER AND BONDS

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure. As of December 31, 2013, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation	6.3%
Combined Utility System	0.4%
Aviation	17.4%
Convention and Entertainment	21.0%

Respectfully submitted,



Ronald C. Green
City Controller

City of Houston, Texas
Quarterly Swap Agreements Disclosure
December 31, 2013

I. Combined Utility System Swaps

A. Combined Utility System Synthetic Fixed Rate Swap

On June 10, 2004 the City entered into three pay-fixed, receive-variable rate swap agreements (“the 2004B Swaps”) related to the Combined Utility System 2004B auction rate variable interest bonds (“the 2004B Bonds”). The City pre-qualified six firms to submit competitive bids on the swaps. The three firms selected all matched the lowest fixed rate bid of 3.78%. As of August 15, 2012 the City had converted all of the 2004B bonds from auction rate to variable rate demand bonds (“the 2004B bonds”) and SIFMA-Index notes (“the 2012A and 2012B Refunding Bonds”), collectively referred to herein as the “Bonds.”

Objective. The objective of the swaps is to hedge against the potential of rising interest rates associated with the Bonds and to achieve a lower fixed rate than the market rate for traditional fixed rate debt at time of issuance. The City’s goal is that its variable receipts under these swaps equal the variable payments made on the bonds, leaving the fixed payment on the swap, plus dealer and liquidity fees and the fixed spread to SIFMA, as its net interest cost.

Terms. The notional amounts of the swap agreements total \$653.3 million, the principal amount of the associated Bonds. The City’s swap agreements contain scheduled reductions to outstanding notional amounts that follow anticipated payments of principal of the Bonds in varying amounts during the years 2028 to 2034.

Under the terms of the swaps, the City will pay a fixed rate of 3.78% and receive a floating rate equal to 57.6% of One-Month US Dollar LIBOR plus 37 basis points. All agreements were effective June 10, 2004, the original date of issuance of the Bonds. The termination date is May 15, 2034.

Receipts and Payments. For the six months ended December 31, 2013, the City earned \$1,576,853 in swap revenue for these swaps and paid \$180,530 of interest on the underlying securities. The contractual rate for the City’s swap payment is 3.78%. The average effective rate for the 2004B bonds, including interest for the Series 2004B bonds, the City’s swap payments, and its dealer and liquidity fees, reduced by swap receipts, was 3.93%. In contrast, the comparable fixed rate the City paid on its Combined Utility System Series 2004A bonds was 5.08%.

Fair value. Because interest rates have changed, the swaps had an estimated negative fair value of \$113.9 million on December 31, 2013. This value was calculated using the zero-coupon method.

Credit risk. As of this date, the City was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the City would be exposed to credit risk on the swap in the amount of its fair value. If a counterparty’s credit rating falls below rating thresholds established by the agreements, collateral must be posted in varying amounts depending on the credit rating and swap fair value. No collateral has been required to date.

<u>Counterparty</u>	<u>Notional Amount</u>	<u>Fair Value</u>	<u>Counterparty Credit Rating (Moody's/S&P/Fitch)</u>
Goldman Sachs Capital Markets Inc.	\$ 353,325,000	\$ (61,572,316)	Baa1 /A- /A
JP Morgan Chase	150,000,000	(26,139,808)	A3/ A/A+
UBS AG	150,000,000	(26,139,808)	A2 /A /A
	<u>\$ 653,325,000</u>	<u>\$ (113,851,932)</u>	

Basis risk. The City is exposed to basis risk on the swaps because the variable payment received is based on a different taxable index from the tax-exempt rate paid by the City on the bonds. Should the relationship between taxable LIBOR and tax-exempt rates move to convergence (because of reductions in tax rates, for example), the expected cost savings may not be realized. For the six months ended December 31, 2013 the swap generated positive cash flow with the average variable rate paid on the underlying tax-exempt bonds at 0.05%, or 0.41% lower than the average 0.47% LIBOR-based rate received for the swap.

Remarketing risk. The City faces a risk that the remarketing agent will not be able to sell the variable rate demand bonds at a competitive rate each week. There is no remarketing risk associated with the SIFMA index notes until the end of the respective maturities in 2015 and 2017. Rates may vary considerably as investors shift in and out of the tax-exempt variable rate sector.

Termination risk. The City may terminate for any reason. A counterparty may terminate a swap if the City fails to perform under the terms of the contract. The City's on-going payment obligations under the swap (and to a limited extent, its termination payment obligations) are insured, and counterparties cannot terminate so long as the insurer does not fail to perform. If a swap is terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates. Also, if the swap has a negative fair value at termination, the City would be liable to the counterparty for a payment equal to the swap's fair value.

B. Combined Utility System Forward Rate Lock/Synthetic Fixed Rate Swap

On November 1, 2005 the City priced a floating to fixed interest rate exchange agreement swap with Royal Bank of Canada ("RBC") on a forward basis. The City pre-qualified eight firms to submit competitive bids, and RBC submitted the lowest bid of 3.761%.

Objective. The City entered the swap agreement to hedge against the potential of rising interest rates and to achieve a lower fixed rate than the market rate for traditional fixed rate debt. This swap was previously assigned to the 2008A variable rate demand bonds and the 2010B SIFMA Indexed Notes. The swap is currently associated with the 2012C SIFMA Indexed Notes, which refunded the 2010 SIFMA Indexed Notes. The addition of the SIFMA-Indexed Notes diversifies the System's variable rate debt portfolio. Rates on the notes are calculated at SIFMA +60 bps, and the notes expire in 2016.

Terms. The notional amount of the swap is \$249.1 million with the underlying bonds being the Series 2012C Notes. The swap agreement contains scheduled reductions to the outstanding notional amount during the years 2028 to 2034.

Under terms of the swap, the City pays a fixed rate of 3.761% and receives a floating rate equal to 70% of One-Month US Dollar LIBOR. The agreement became effective December 3, 2007 with a termination date of May 15, 2034.

Receipts and Payments. For the six months ended December 31, 2013, the City earned \$161,261 swap revenue for its 2012C swap and paid \$77,660 on the underlying notes. The contractual rate for the City's swap payment is 3.761%. The average effective rate for the bonds, including the City's swap payments and a fixed component of 0.53%, was 4.30%.

Fair value. Because interest rates have changed, the swap had an estimated negative fair value of \$40.2 million on December 31, 2013. This value was calculated using the zero-coupon method.

Credit risk. The City's swap policy generally requires that swap counterparties be rated double-A or better by at least one nationally recognized rating agency. As of this date, RBC met this requirement with ratings of Aa3/AA-/AA. Also, under the agreement, if RBC's credit rating falls below double-A, collateral may be requested in varying amounts depending on the credit rating and swap fair value. No collateral has been required to date.

Basis risk. The City will be exposed to basis risk on the swap because the variable payment received is based on a taxable index other than the tax-exempt SIFMA based rate paid by the City on the bonds. In the future, if tax-exempt rates move to convergence with the taxable LIBOR index (because of reductions in tax rates, for example), the expected cost savings may not be realized, resulting in a higher synthetic rate. For the six months ended December 31, 2013, the average variable rate paid on the underlying tax-exempt bonds, excluding the fixed credit spread component, was 0.06%, 0.07% lower than the average 0.13% LIBOR-based rate received for the swap.

Termination risk. The City may terminate for any reason. RBC may terminate a swap if the City fails to perform under the terms of the contract. The City's on-going payment obligations under the swap (and to a limited extent, its termination payment obligations) are insured, and RBC cannot terminate so long as the insurer does not fail to perform. If a swap is terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates. Also, if the swap has a negative fair value at termination, the City would be liable to the counterparty for a payment equal to the swap's fair value.



CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

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

T. 832-393-9051
F. 832-393-9116
www.houstontx.gov

To: Mayor Annise D. Parker
City Council Members

Date: January 31, 2014

Subject: 6+6 Financial Report

Attached is the 6+6 Financial Report for the period ending December 31, 2013. Fiscal Year 2014 projections are based on six months of actual results and six months of projections.

General Fund

We are currently projecting ending fund balance of \$179.5 million, which is approximately \$1.6 million less than last month and 9.7% of expenditures less debt service payments.

The projection for Revenues and Other Sources increased by \$11.5 million from last month due to the following forecast changes:

- General Property Tax increased by \$15.7 million due to higher taxable values,
- Telephone Franchise decreased by \$300,000 due to lower second quarter receipts than anticipated,
- Licenses and Permits increased by \$712,000 mainly due to higher burglar alarm permit collections, plan review fees, and administrative fees,
- Intergovernmental decreased by \$1.9 million due to delays in various projects related to TX1115 Waiver,
- Indirect Interfund Services decreased by \$1 million due to lower grants reimbursement;
- Municipal Courts Fines and Forfeits decreased by \$2.6 million mainly due to lower ticket issuance for moving violations,
- Transfer from Other Funds increased by \$772,000 due to higher Hotel Occupancy Tax collection than anticipated.

The projection for Expenditures and Other Uses increased by \$13.1 million from last month mainly due to the following:

- \$2.8 million health benefits savings in various departments;
- \$4.3 million increase in workers compensation payments for both Fire and Police Department;
- \$8.5 million increase in the Fire Department due to higher costs for overtime, pension and additional cadets classes;
- \$1.9 million decrease in the Health Department due to delays in various projects related to TX1115 Waiver;
- \$4.8 million increase in General Government to reflect: (1) LPA payment in the amount of \$2 million, (2) lawsuit settlement for termination pay in the amount of \$2 million, and (3) higher Hotel Occupancy Tax collection in the amount of \$772,000.

Enterprise, Special Revenue and Other Funds

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

Aviation

Operating Revenues increased by \$3.6 million mainly due to higher auto car rental and concession revenues. Operating Expenses increased by \$1.1 million primarily due to increase in personnel. Non-Operating Revenues decreased by \$589,000 due to decrease in Interest on Pooled Investment. As a result, Operating Transfers increased by \$1.9 million.

Convention & Entertainment

Non-Operating Revenues and Operating Transfers increased by \$3.8 million primarily due to increase in Hotel Occupancy Tax collections.

Storm Water Fund

Expenditures decreased by \$444,000 primarily due to personnel savings.

Combined Utility System

Operating Expenditures decreased by \$1.3 million primarily due to personnel saving. Non-Operating Revenues increased by \$3 million due to upward trend in Impact Fee Revenues from Special Development Projects. Operating Transfers decreased by \$14.2 million due to lower in interest on First Lien Bonds.

Dedicated Drainage & Street Renewal Fund

Expenditures decreased by \$1.5 million primarily due to personnel savings and lower costs in construction material.

Health Benefits Fund

Revenues decreased by \$2 million as a result of rate adjustments for City contributions. Expenditures decreased by \$22 million mainly due to downtrend in claims activity.

Worker's Compensation Fund

Operating Revenues and Expenditures increased by \$3.9 million due to higher claims experienced in the Fire and Police Departments.

Asset Forfeiture Fund

Revenues increased by \$442,000 primarily due to additional confiscation judgments.

Building Inspection Fund

Revenues increased by \$3.8 million mainly due to increased permit activities. Expenditures decreased by \$604,000 due to personnel saving.

Digital Automated Red Light Enforcement Program

Revenues decreased by \$2.2 million due to a lower than anticipated collections. As a result, expenditures decreased by \$1.6 million due to a lower payment to the State.

Essential Public Health Services Fund

Revenues decreased by \$2.2 million due to delay implementation in various projects. Expenditures decreased by \$3.8 million as a result of the project delays as well as personnel saving.

Parking Management Fund

Expenditures decreased by \$681,000 mainly due to personnel saving.

Park Special Revenue Fund

Revenues increased by \$579,000 to reflect lawsuit settlements.

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

Sincerely,

A handwritten signature in black ink that reads "Kelly Dowe". The signature is written in a cursive style with a large, looping initial "K".

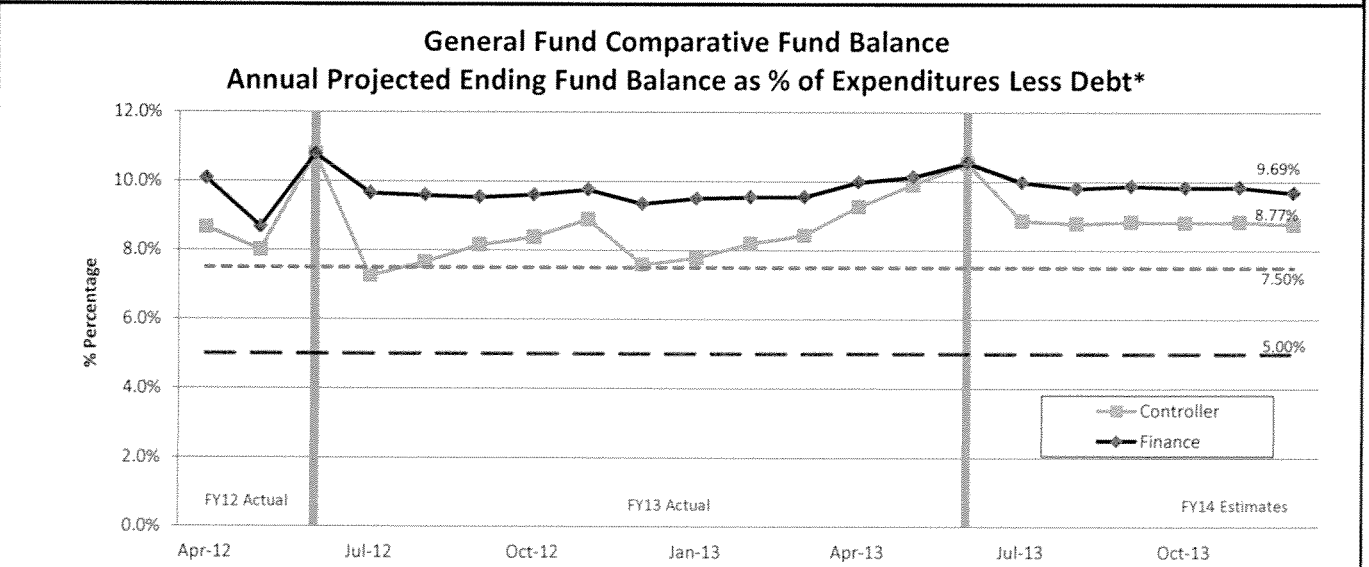
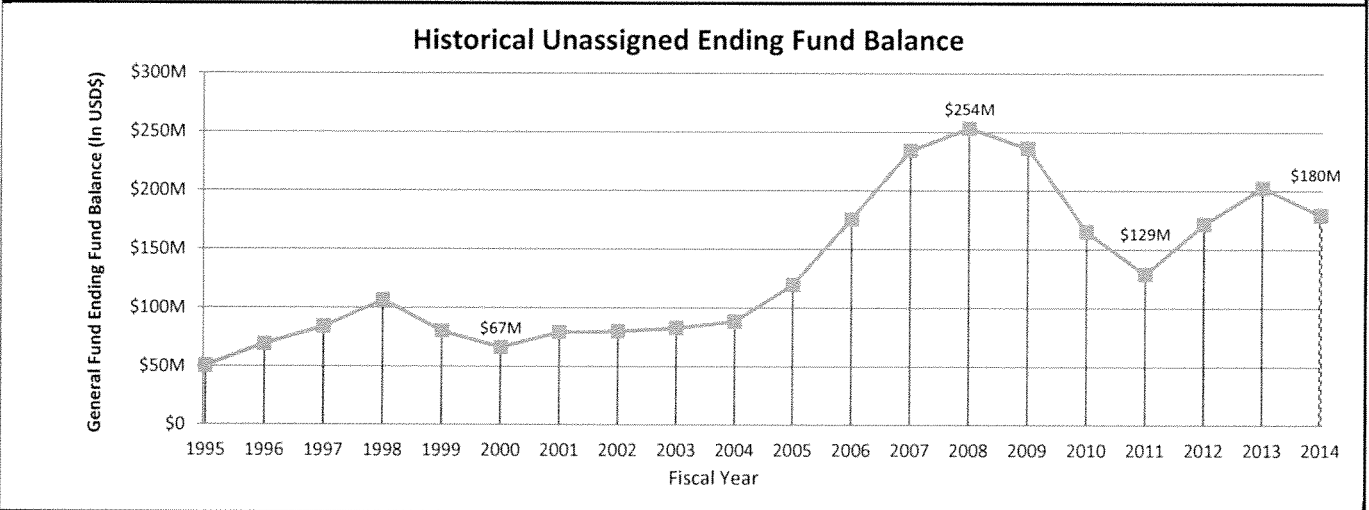
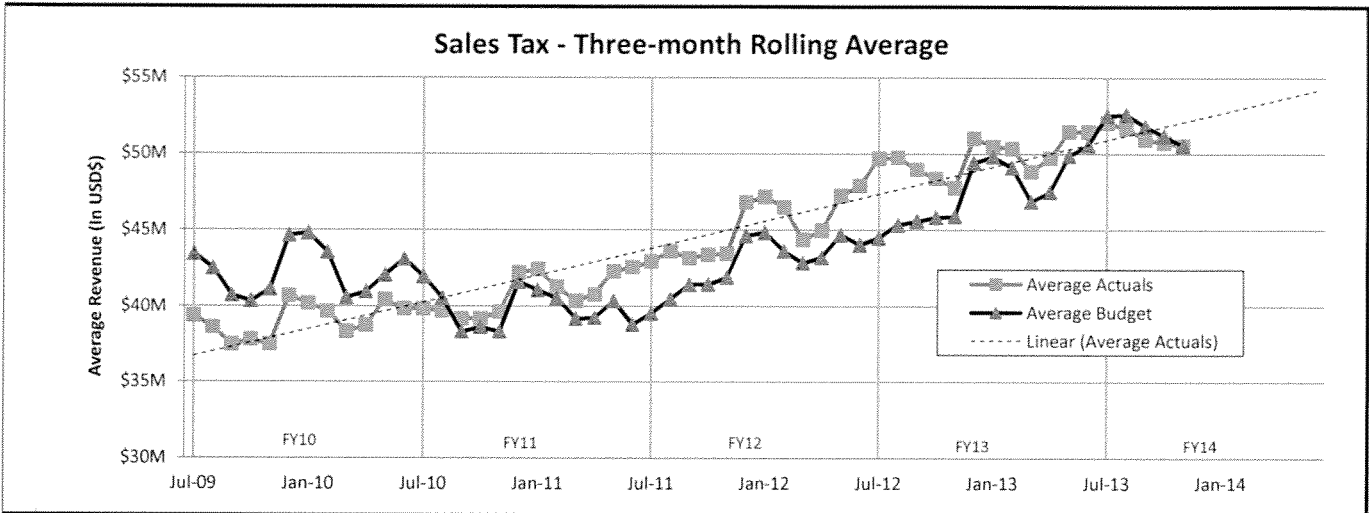
Kelly Dowe

Director



General Fund (Fund 1000)

Sales Tax Growth and Comparative Fund Balance



*The City desires to maintain an ending fund balance equal to 7.5% of expenditures before debt service. Ordinance 2003-474 requires a 5% fund balance of expenditures before debt service.



General Fund (Fund 1000)

For the period ended December 31, 2013
(amounts expressed in thousands)

Actual YTD
Current Budget

	FY2014						Controller - Finance	Controller
	FY2013 Actual	Current Budget	Controller's Projection	Finance Projection	Actual YTD	Finance Variance		
Revenues								
General Property Taxes	910,034	945,408	979,103	984,225	165,069	(5,122)		
Industrial Assessments	29,845	15,000	14,000	15,000	241	(1,000)		
Sales Tax	600,256	629,602	623,507	629,602	313,811	(6,095)		
Other Taxes	10,083	9,995	12,000	10,995	3,437	1,005		
Electric Franchise	103,941	100,526	100,526	100,526	49,961	-		
Telephone Franchise	45,143	44,623	44,623	44,323	22,212	300		
Gas Franchise	19,194	16,492	16,492	16,492	8,246	-		
Other Franchise	27,026	26,812	26,812	26,812	13,352	-		
Licenses and Permits	34,220	32,819	32,275	33,532	16,423	(1,257)		
Intergovernmental	12,354	21,063	18,811	18,811	3,845	-		
Charges for Services	42,232	47,759	46,027	47,712	19,501	(1,685)		
Direct Interfund Services	43,520	46,455	46,425	46,425	21,340	-		
Indirect Interfund Services	16,908	20,558	19,558	19,558	9,446	-		
Municipal Courts Fines and Forfeits	31,814	33,799	31,375	31,225	13,406	150		
Other Fines and Forfeits	4,666	4,648	4,279	4,731	2,171	(452)		
Interest	3,081	3,000	2,000	3,000	740	(1,000)		
Miscellaneous/Other	10,129	8,058	6,725	8,058	4,538	(1,333)		
Total Revenues	1,944,446	2,006,617	2,024,538	2,041,027	667,739	(16,489)		
Expenditures								
Administration & Regulatory Affairs	27,746	26,012	25,909	25,909	15,740	-		
City Council	6,012	6,613	6,613	6,613	3,009	-		
City Secretary	775	862	862	862	363	-		
Controller	7,553	8,398	8,398	8,398	3,923	-		
Finance	10,267	18,021	17,944	17,944	8,875	-		
Fire	433,176	452,290	462,754	462,754	228,563	-		
General Services	48,641	49,879	49,657	49,657	19,981	-		
Health and Human Services	43,955	55,684	53,415	53,415	25,099	-		
Housing and Community Development	2,483	1,348	1,348	1,348	338	-		
Houston Emergency Center	11,856	12,171	12,171	12,171	6,086	-		
Human Resources	3,466	3,494	3,494	3,494	1,494	-		
Information Technology	18,394	21,650	21,739	21,739	9,329	-		
Legal	13,779	15,233	15,233	15,233	7,226	-		
Library	33,315	38,360	37,900	37,900	18,052	-		
Mayor's Office	6,125	7,072	7,072	7,072	3,372	-		
Municipal Courts	22,185	25,366	25,210	25,210	12,147	-		
Neighborhoods	10,090	11,327	11,305	11,305	5,029	-		
Office of Business Opportunity	2,254	2,574	2,559	2,559	1,174	-		
Parks and Recreation	64,098	66,463	66,128	66,128	31,352	-		
Planning and Development	7,120	7,758	7,758	7,758	3,665	-		
Police	697,465	722,745	724,045	724,045	356,808	-		
Public Works and Engineering	37,383	35,119	35,114	35,114	16,276	-		
Solid Waste Management	68,935	70,555	70,555	70,555	31,844	-		
Total Departmental Expenditures	1,577,073	1,658,994	1,667,183	1,667,183	809,748	-		
General Government	128,425	169,201	185,318	185,318	45,165	-		
Total Expenditures Other Than Debt	1,705,498	1,828,195	1,852,501	1,852,501	854,913	-		
Debt Service Transfer	240,203	243,000	243,813	243,813	-	-		
Total Expenditures and Other Uses	1,945,701	2,071,195	2,096,314	2,096,314	854,913	-		
Net Current Activity	(1,255)	(64,578)	(71,776)	(55,287)	(187,174)	(16,489)		
Other Financing Sources (Uses)								
Proceeds from Notes	10,666	-	-	-	-	-		
Transfers from Other Funds	30,742	27,770	28,542	28,542	10,258	0		
Sale of Capital Assets	4,602	2,500	2,500	2,500	779	-		
Total Other Financing Sources (Uses)	46,010	30,270	31,042	31,042	11,037	0		
Fund Balances								
Fund Balance - Beginning of Year	171,677	202,793	202,793	202,793	202,793	-		
Changes to Designated Fund Balance*	(15,000)	1,000	1,000	1,000	-	-		
Budgeted Increase/(Decrease) in Fund Balance	44,755	(34,308)	(34,308)	(34,308)	(176,137)	-		
Change in Inventory/Prepaid Items/Imprest Cash	1,361	-	-	-	-	-		
(Budgeted Gap)/Increase in Fund Balance**	-	-	(6,426)	10,063	-	(16,489)		
Fund Balance, End of Year***	202,793	169,485	163,059	179,548	26,656	(16,489)		

*The Rainy day Fund of \$20 million became unassigned in FY2011. In FY2012, the City reassigned \$5M to the Rainy Day Fund and another \$15M in FY2013. The total designation for the Rainy Day Fund is currently \$20M. In FY2014, the City designated \$1.72M out of the General Fund fund balance as restricted in the event that DARLEP collections are insufficient (Ordinance 2012-98)

**A negative number in the Controller or Finance projections represents a gap between sources and uses of funds that was not included in the adopted budget. If this gap was not addressed by decreasing uses or increasing the sources of funds, it would require a drawdown of fund balance in order to balance the budget. A positive number represents a projected increase in fund balance.

***The City desires to maintain an ending fund balance equal to 7.5% of expenditures less Debt Service which is \$138,938 based on current projections. Ordinance 2003-474 requires a 5% fund balance of expenditures less Debt Service. The City will be \$24,122 above 7.5% based on the Controller's Projections for FY2014.

- Indicates projection exceeds 5% or \$5M of budget expenditures or projected revenues are 5% or \$5M less than current budget

Aviation Operating Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Landing Area	\$ 91,059	\$ 91,929	\$ 91,929	\$ 47,539	\$ 91,929	\$ 91,929
Bldg and Ground Area	181,701	191,418	191,418	96,513	191,678	191,678
Parking and Concession	155,361	153,706	153,706	82,886	158,681	158,681
Other	4,872	3,827	3,827	2,112	4,627	4,627
Total Operating Revenues	<u>432,993</u>	<u>440,880</u>	<u>440,880</u>	<u>229,050</u>	<u>446,915</u>	<u>446,915</u>
Operating Expenses						
Personnel	104,162	106,492	106,342	49,619	102,784	102,784
Supplies	7,344	9,145	9,145	4,007	9,398	9,398
Services	140,019	160,824	160,948	67,473	159,972	159,972
Non-Capital Outlay	1,112	1,922	1,948	238	1,857	1,857
Total Operating Expenses	<u>252,637</u>	<u>278,383</u>	<u>278,383</u>	<u>121,337</u>	<u>274,011</u>	<u>274,011</u>
Operating Income (Loss)	<u>180,356</u>	<u>162,497</u>	<u>162,497</u>	<u>107,713</u>	<u>172,904</u>	<u>172,904</u>
Non-Operating Revenues (Expenses)						
Interest Income	7,029	6,301	6,301	2,854	5,722	5,722
Other	2,001	3,156	3,156	655	3,156	3,156
Total Non-Operating Rev (Exp)	<u>9,030</u>	<u>9,457</u>	<u>9,457</u>	<u>3,509</u>	<u>8,878</u>	<u>8,878</u>
Income (Loss) Before Operating Transfers	<u>189,386</u>	<u>171,954</u>	<u>171,954</u>	<u>111,222</u>	<u>181,782</u>	<u>181,782</u>
Operating Transfers						
Interfund Transfer - Oper Reserve	2,767	2,000	2,000	0	2,000	2,000
Debt Service Principal	43,882	46,515	46,515	23,258	55,115	55,115
Debt Service Interest	75,655	74,299	74,299	22,667	43,656	43,656
Capital Improvement	65,343	49,140	49,140	10,723	81,011	81,011
Total Operating Transfers	<u>187,647</u>	<u>171,954</u>	<u>171,954</u>	<u>56,648</u>	<u>181,782</u>	<u>181,782</u>
Net Income (Loss)						
Operating Fund Only	\$ <u>1,739</u>	\$ <u>0</u>	\$ <u>0</u>	<u>54,574</u>	\$ <u>0</u>	\$ <u>0</u>

About the Fund:

The Aviation Operating Fund is an enterprise fund which accounts for operation of the City's airport system. The airport system is comprised of the George Bush Intercontinental Airport/Houston, William P. Hobby Airport and Ellington Field. Activities of the department include: operations, maintenance, planning and construction, public service and administration. The Department coordinates its activities with the Federal Aviation Administration (FAA), other federal and state agencies and the airlines and tenants of the airport facilities.

Convention and Entertainment Facilities Operating Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controllers Projection	
Operating Revenues						
Facility Rentals	\$ 1,380	\$ 1,380	\$ 1,380	\$ 1,380	\$ 1,380	\$ 1,380
Parking	8,992	8,317	8,317	4,067	8,317	8,317
Contract Cleaning	(1)	0	0	0	0	0
Total Operating Revenues	<u>10,371</u>	<u>9,697</u>	<u>9,697</u>	<u>5,447</u>	<u>9,697</u>	<u>9,697</u>
Operating Expenses						
Personnel	549	280	280	188	280	280
Supplies	0	0	0	0	0	0
Services	1,064	864	907	364	907	907
Total Operating Expenses	<u>1,613</u>	<u>1,144</u>	<u>1,187</u>	<u>552</u>	<u>1,187</u>	<u>1,187</u>
Operating Income (Loss)	<u>8,758</u>	<u>8,553</u>	<u>8,510</u>	<u>4,895</u>	<u>8,510</u>	<u>8,510</u>
Non-Operating Revenues (Expenses)						
Hotel Occupancy Tax						
Current	74,904	76,000	76,000	40,886	80,000	80,000
Delinquent	1,421	1,520	1,520	487	1,320	1,320
Net Hotel Occupancy Tax	<u>76,325</u>	<u>77,520</u>	<u>77,520</u>	<u>41,373</u>	<u>81,320</u>	<u>81,320</u>
Interest Income	144	400	400	120	400	400
Capital Outlay	1,827	0	0	(3)	0	0
Other Interest	(61)	(472)	(472)	(10)	(472)	(472)
Other	413	292	292	4	292	292
Total Non-Operating Rev (Exp)	<u>78,648</u>	<u>77,740</u>	<u>77,740</u>	<u>41,484</u>	<u>81,540</u>	<u>81,540</u>
Income (Loss) Before Operating Transfers	<u>87,406</u>	<u>86,293</u>	<u>86,250</u>	<u>46,379</u>	<u>90,050</u>	<u>90,050</u>
Operating Transfers						
Transfers for Interest	5,104	4,386	4,343	2,261	4,343	4,343
Transfers for Principal	16,085	17,719	17,719	8,722	17,719	17,719
Transfer to Component Unit	61,282	62,467	62,467	33,675	66,267	66,267
Transfers to General Fund	1,380	1,380	1,380	1,380	1,380	1,380
Transfers to Debt Service	0	0	0	0	0	0
Total Operating Transfers	<u>83,851</u>	<u>85,952</u>	<u>85,909</u>	<u>46,038</u>	<u>89,709</u>	<u>89,709</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 3,555</u>	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 341</u>

About the Fund:

The Convention and Entertainment Facilities operating fund is an enterprise fund that accounts for the operation of the City's six major entertainment centers and City-owned parking garages: Jesse H. Jones Hall, Bayou Place, Houston Center for The Arts, Gus S. Wortham Center, George R. Brown Convention Center, Tranquility Park garage and Civic Center garage.

Combined Utility System Fund
For the period ending December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Operating Revenues						
Water Sales	\$ 485,485	\$ 520,454	\$ 520,454	\$ 275,466	\$ 520,454	\$ 520,454
Sewer Sales	426,888	444,996	444,996	230,900	444,996	444,996
Penalties	9,456	9,000	9,000	9,762	9,000	9,000
Other	9,474	10,762	10,762	4,972	10,762	10,762
Total Operating Revenues	<u>931,303</u>	<u>985,212</u>	<u>985,212</u>	<u>521,100</u>	<u>985,212</u>	<u>985,212</u>
Operating Expenses						
Personnel	152,069	170,089	170,089	80,256	164,892	164,892
Supplies	41,047	49,119	49,119	21,342	48,086	48,086
Electricity and Gas	58,498	48,469	48,469	23,980	48,469	48,469
Contracts & Other Payments	125,233	141,638	141,638	55,959	143,026	143,026
Non-Capital Equipment	2,520	3,140	3,140	1,081	3,086	3,086
Total Operating Expenses	<u>379,367</u>	<u>412,455</u>	<u>412,455</u>	<u>182,618</u>	<u>407,559</u>	<u>407,559</u>
Operating Income (Loss)	<u>551,936</u>	<u>572,757</u>	<u>572,757</u>	<u>338,482</u>	<u>577,653</u>	<u>577,653</u>
Non-Operating Revenues (Expenses)						
Interest Income	6,059	5,729	5,729	2,576	5,729	5,729
Sale of Property, Mains and Scrap	1,292	400	400	1,718	400	400
Other	16,223	13,717	13,717	7,928	13,717	13,717
Impact Fees	17,382	17,500	17,500	11,166	20,500	20,500
CWA & TRA Contracts (P & I)	(19,663)	(18,875)	(18,875)	(16,345)	(18,875)	(18,875)
Total Non-Operating Rev (Exp)	<u>21,293</u>	<u>18,471</u>	<u>18,471</u>	<u>7,043</u>	<u>21,471</u>	<u>21,471</u>
Income (Loss) Before Operating Transfers	<u>573,229</u>	<u>591,228</u>	<u>591,228</u>	<u>345,525</u>	<u>599,124</u>	<u>599,124</u>
Operating Transfers						
Debt Service Transfer	399,144	439,574	439,574	212,638	420,874	420,874
Interfund Transfer	0	800	800	176	800	800
Transfer to PIB - Water & Sewer	15,807	13,094	13,094	1,590	13,094	13,094
Transfer to Capital Project Fund	55,212	65,000	65,000	65,000	65,000	65,000
Pension Liability Interest	3,814	4,724	4,724	636	4,724	4,724
Equipment Acquisition	11,715	26,792	26,950	5,995	24,941	24,941
Transfer to Stormwater	38,774	45,557	45,399	26,282	45,557	45,557
Total Operating Transfers	<u>524,466</u>	<u>595,541</u>	<u>595,541</u>	<u>312,317</u>	<u>574,990</u>	<u>574,990</u>
Net Current Activity						
Operating Fund Only	<u>\$ 48,763</u>	<u>\$ (4,313)</u>	<u>\$ (4,313)</u>	<u>\$ 33,208</u>	<u>\$ 24,134</u>	<u>\$ 24,134</u>

About the Fund:

The Combined Utility System Fund, which includes Fund 8300, Fund 8301, and Fund 8305, is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receives and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.

Dedicated Drainage & Street Renewal Fund - 2310
For the period ending December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Controller's Projection	Finance Projection
		Adopted Budget	Current Budget	YTD			
Revenues							
Drainage Charge Revenue ⁽¹⁾	\$ 105,434	\$ 103,258	\$ 103,258	\$ 62,042	\$ 103,258	\$ 103,258	
Interfund Drainage Fee	6,850	1,622	1,622	810	1,622	1,622	
Charges for Services	496	1,294	1,294	235	882	882	
Licenses & Permits	1,104	918	918	694	1,300	1,300	
Street Milling and Sales Earnings	1,210	950	950	495	950	950	
Metro Intergovernmental Revenue	51,200	56,103	56,103	16,354	56,103	56,103	
Operating Recoveries & Refunds	0	1,000	1,000	0	1,000	1,000	
Miscellaneous/Other	145	162	162	30	93	93	
Total Revenues	<u>166,439</u>	<u>165,307</u>	<u>165,307</u>	<u>80,660</u>	<u>165,208</u>	<u>165,208</u>	
Expenditures							
Personnel	29,010	32,481	32,481	15,085	31,401	31,401	
Supplies	12,152	12,983	12,767	4,920	12,323	12,323	
Other Services	11,830	16,308	16,171	6,804	15,842	15,842	
Capital Outlay	2,006	3,485	3,838	1,876	3,707	3,707	
Total Expenditures	<u>54,998</u>	<u>65,257</u>	<u>65,257</u>	<u>28,685</u>	<u>63,273</u>	<u>63,273</u>	
Net Current Activity	111,441	100,050	100,050	51,975	101,935	101,935	
Other Financing Sources (Uses)							
Interest Income	824	500	500	312	600	600	
Transfer In - General Fund ⁽²⁾	12,097	11,100	11,100	26	22,110	22,110	
Transfer Out - Commercial Paper Agent Fees	(765)	(800)	(800)	(273)	(800)	(800)	
Transfer Out - Capital Projects	(94,713)	(110,000)	(110,000)	(31,828)	(110,000)	(110,000)	
Transfer Out - Special Revenue	(11,154)	(10,000)	(10,000)	(8,897)	(8,897)	(8,897)	
Total Other Financing Sources (Uses)	<u>(93,711)</u>	<u>(109,200)</u>	<u>(109,200)</u>	<u>(40,660)</u>	<u>(96,987)</u>	<u>(96,987)</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	17,730	(9,150)	(9,150)	11,315	4,948	4,948	
Fund Balance, Beginning of Year	76,070	93,800	93,800	93,800	93,800	93,800	
Fund Balance, End of Year	<u>\$ 93,800</u>	<u>\$ 84,650</u>	<u>\$ 84,650</u>	<u>\$ 105,115</u>	<u>\$ 98,748</u>	<u>\$ 98,748</u>	

Note:

- The Drainage Charge Revenue YTD includes all amounts billed. There is typically a 21 day lag between the billed and collected amounts.
- This amount is based on the Captured Ad Valorem Tax Revenue as calculated below:

	FY2014		
	Adopted Budget	Projection	Year to Date Actual
Property Tax Revenue - General Fund (\$0.118 of City's Ad Valorem Tax Levy)	\$ 166,976	\$ 177,986	\$ 0
Less Street & Drainage Debt Service (General Fund)	(155,876)	(155,876)	0
Captured Revenues ⁽²⁾ (to be transferred to Dedicated Drainage & Street Renewal Fund)	<u>11,100</u>	<u>22,110</u>	<u>0</u>

Note:
Ordinance 2010-879 requires funding in the amount equivalent to proceeds from \$0.118 of the City's ad valorem tax levy minus an amount equal to debt service for drainage and streets to the Dedicated Drainage & Street Renewal Fund. Total outstanding debt payable from ad valorem taxes (as of December 31, 2013) is \$3.39 billion. The portion of the debt associated with drainage and street improvements is estimated at \$1.54 billion.

The Dedicated Drainage and Street Renewal Fund is not technically an enterprise fund, but is grouped with the Combined Utility System for clarity.

Storm Water Fund
For the period ending December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Revenues						
Other Interfund Services	\$ 0	\$ 88	\$ 88	\$ 0	\$ 44	\$ 44
Miscellaneous	7	30	30	3	30	30
Total Revenues	<u>7</u>	<u>118</u>	<u>118</u>	<u>3</u>	<u>74</u>	<u>74</u>
Expenditures						
Personnel	20,347	21,794	21,795	10,280	21,261	21,261
Supplies	2,203	2,600	2,508	1,140	2,592	2,592
Other Services	10,417	16,868	16,867	7,752	16,282	16,282
Capital Outlay	2,179	3,748	3,840	1,063	3,748	3,748
Total Expenditures	<u>35,146</u>	<u>45,010</u>	<u>45,010</u>	<u>20,235</u>	<u>43,883</u>	<u>43,883</u>
Net Current Activity	(35,139)	(44,892)	(44,892)	(20,232)	(43,809)	(43,809)
Other Financing Sources (Uses)						
Interest Income	37	50	50	38	70	70
Transfers In - CUS	38,774	45,557	45,557	26,282	45,557	45,557
Transfers In - DD&SRF	11,153	10,000	10,000	8,897	8,897	8,897
Transfer Out - Pension Liability Interest	(565)	(606)	(606)	(283)	(606)	(606)
Transfer Out - Capital Projects	(67)	0	0	0	0	0
Discretionary Debt - Drainage	(11,786)	(13,109)	(13,109)	(5,432)	(13,109)	(13,109)
Total Other Financing Sources (Uses)	<u>37,546</u>	<u>41,892</u>	<u>41,892</u>	<u>29,502</u>	<u>40,809</u>	<u>40,809</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	2,407	(3,000)	(3,000)	9,270	(3,000)	(3,000)
Fund Balance, Beginning of Year	<u>2,593</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Fund Balance, End of Year	<u>\$ 5,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 14,270</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

Note: The Storm Water Fund is not technically an enterprise fund, but is grouped with the Combined Utility System for clarity.

Health Benefits Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
City Medical Plans	\$ 313,256	\$ 334,668	\$ 334,668	\$ 165,793	\$ 333,390	\$ 333,390
City Dental Plans	9,726	10,037	10,037	4,908	10,037	10,037
City Life Insurance Plans	5,810	6,430	6,430	2,750	5,569	5,569
Vision	369	3,275	3,275	1,143	3,275	3,275
Health Flexible Spending Account	1,938	2,200	2,200	1,422	2,200	2,200
Dependent Care Reimbursement	235	260	260	151	260	260
Operating Revenues	<u>331,334</u>	<u>356,870</u>	<u>356,870</u>	<u>176,167</u>	<u>354,731</u>	<u>354,731</u>
Operating Expenses						
Medicare Advantage	18,256	19,114	19,114	9,557	20,689	20,689
City Medical Plan Claims - Cigna	271,499	309,429	309,429	135,922	286,572	286,572
City Dental Plan Claims	9,726	10,037	10,037	4,908	10,037	10,037
Vision	369	3,275	3,275	1,143	3,275	3,275
City Life Insurance Plans	5,810	6,430	6,430	2,750	5,569	5,569
Administrative Costs	5,104	6,363	6,363	3,135	6,463	6,463
Health Flexible Spending Account	1,940	2,200	2,200	1,422	2,200	2,200
Dependent Care	235	260	260	151	260	260
Operating Expenses	<u>312,939</u>	<u>357,108</u>	<u>357,108</u>	<u>158,988</u>	<u>335,065</u>	<u>335,065</u>
Operating Income (Loss)	18,395	(238)	(238)	17,179	19,666	19,666
Non-Operating Revenues (Expenses)						
Interest Income	213	200	200	170	200	200
Prior Year Expense Recovery	262	0	0	0	135	135
Miscellaneous Revenue	4,491	0	0	0	0	0
Performance Guarantees	0	0	0	0	0	0
Medicare Part D - Subsidy	0	0	0	0	0	0
Medicare Part D - Distribution	0	0	0	0	0	0
Non-Operating Revenues (Expenses)	<u>4,966</u>	<u>200</u>	<u>200</u>	<u>170</u>	<u>335</u>	<u>335</u>
Net Income (Loss)	23,361	(38)	(38)	17,349	20,001	20,001
Net Assets, Beginning of Year	(14,128)	9,233	9,233	9,233	9,233	9,233
Net Assets, End of Year	<u>\$ 9,233</u>	<u>\$ 9,195</u>	<u>\$ 9,195</u>	<u>\$ 26,582</u>	<u>\$ 29,234</u>	<u>\$ 29,234</u>

About the Fund:

The Health Benefits Fund, an Internal Service Fund administered by the Human Resources Department, was established in 1984 to centralize the financial transactions for the City's benefit plans.

Effective May 1, 2011, the City elected to be substantially self-insured and awarded CIGNA a three year contract with two (2) one-year renewal options for 4 new health plans. The new health benefits model is composed of four (4) plans, all of which have heavy emphasis on a wellness component, and includes; 1) a limited network HMO-type plan, 2) an open access PPO-type plan with no out-of-network coverage, 3) a consumer driven high deductible Health Plan (CDHP), partnered with a health reimbursement account, and 4) a specific plan for retirees, mostly those under age 65, who live outside the limited network service area but who live in Texas. Effective 08/01/11 all 65+ Medicare eligible retirees must enroll in the 6 MA plans or opt out. These plans are supported by contributions from the city and participants.

The Fund also includes a vision plan, two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. All three plans are supported exclusively by participants.

Long-Term Disability Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Contributions	\$ 1,222	\$ 1,221	\$ 1,221	\$ 625	\$ 1,221	\$ 1,221
Operating Revenues	<u>1,222</u>	<u>1,221</u>	<u>1,221</u>	<u>625</u>	<u>1,221</u>	<u>1,221</u>
Operating Expenses						
Management Consulting Services	17	65	65	0	65	65
Claims Payment Services	130	170	170	29	170	170
Employee Medical Claims	1,779	1,245	1,245	601	1,245	1,245
Operating Expenses	<u>1,926</u>	<u>1,480</u>	<u>1,480</u>	<u>630</u>	<u>1,480</u>	<u>1,480</u>
Operating Income (Loss)	(704)	(259)	(259)	(5)	(259)	(259)
Non-Operating Revenues (Expenses)						
Interest Income	85	105	105	34	70	70
Non-Operating Revenues (Expenses)	<u>85</u>	<u>105</u>	<u>105</u>	<u>34</u>	<u>70</u>	<u>70</u>
Net Income (Loss)	(619)	(154)	(154)	29	(189)	(189)
Net Assets, Beginning of Year	1,063	444	444	444	444	444
Net Assets, End of Year	\$ <u>444</u>	\$ <u>290</u>	\$ <u>290</u>	\$ <u>473</u>	\$ <u>255</u>	\$ <u>255</u>

About the Fund:

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an internal service fund. Established in 1985 and revised in 1996 as part of the Income Protection Plan (IPP) (renamed the Compensable Sick Leave Plan (CSL) in October 1996), the plan provides paid long-term sick leave for City employees.

Property and Casualty Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Operating Revenues						
Interfund Legal Services	\$ 24,595	\$ 35,766	\$ 35,766	\$ 2,805	\$ 35,766	\$ 35,766
Operating Revenues	<u>24,595</u>	<u>35,766</u>	<u>35,766</u>	<u>2,805</u>	<u>35,766</u>	<u>35,766</u>
Operating Expenses						
Personnel	6,332	7,730	7,747	3,549	7,747	7,747
Supplies	118	167	167	41	167	167
Services:						
Insurance Fees/Adm.	11,752	13,243	13,243	288	13,243	13,243
Claims and Judgments	4,729	12,825	12,825	1,108	12,825	12,825
Other Services	1,660	1,795	1,758	518	1,758	1,758
Capital Outlay	0	7	27	7	27	27
Operating Expenses	<u>24,591</u>	<u>35,766</u>	<u>35,766</u>	<u>5,511</u>	<u>35,766</u>	<u>35,766</u>
Operating Income (Loss)	4	0	0	(2,706)	0	0
Net Assets, Beginning of Year	<u>73</u>	<u>77</u>	<u>77</u>	<u>77</u>	<u>77</u>	<u>77</u>
Net Assets, End of Year	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ (2,629)</u>	<u>\$ 77</u>	<u>\$ 77</u>

About the Fund:

The Property and Casualty Fund was established to monitor the financial requirements of the Property and Risk Management Programs. This activity is primarily self-funded. The revenue is generated from assessed premiums to the other funds. These premiums are based upon projected expenditures. All risk to the City's assets (except Workers Compensation, Life, Health Benefits, and Long Term Disability) fall within the scope of this fund.

Workers' Compensation Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Operating Revenues						
Contributions	\$ 20,277	\$ 21,310	\$ 21,310	\$ 13,197	\$ 25,258	\$ 25,258
Operating Revenues	<u>20,277</u>	<u>21,310</u>	<u>21,310</u>	<u>13,197</u>	<u>25,258</u>	<u>25,258</u>
Operating Expenses						
Personnel	2,588	3,287	3,275	1,306	3,275	3,275
Supplies	41	54	54	27	54	54
Current Year Claims	16,448	17,550	17,550	11,090	21,498	21,498
Services	1,135	435	447	164	447	447
Capital Outlay	5	0	0	0	0	0
Non-Capital Outlay	52	6	6	0	6	6
Operating Expenses	<u>20,269</u>	<u>21,332</u>	<u>21,332</u>	<u>12,587</u>	<u>25,280</u>	<u>25,280</u>
Operating Income (Loss)	8	(22)	(22)	610	(22)	(22)
Non-Operating Revenues (Expenses)						
Interest Income	(8)	22	22	6	22	22
Other	0	0	0	0	0	0
Non-Operating Revenues (Expenses)	<u>(8)</u>	<u>22</u>	<u>22</u>	<u>6</u>	<u>22</u>	<u>22</u>
Net Income (Loss)	0	0	0	616	0	0
Net Assets, Beginning of Year	0	0	0	0	0	0
Net Assets, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 616</u>	<u>\$ 0</u>	<u>\$ 0</u>

About the Fund:

The Workers' Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Accident Prevention, Loss Control and Workers' Compensation.

Asset Forfeiture Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Confiscations	\$ 9,142	\$ 6,578	\$ 6,578	\$ 4,597	\$ 7,000	\$ 7,000
Interest Income	47	51	51	25	51	51
Total Revenues	<u>9,189</u>	<u>6,629</u>	<u>6,629</u>	<u>4,622</u>	<u>7,051</u>	<u>7,051</u>
Expenditures						
Personnel	3,680	3,000	3,000	729	3,000	3,000
Supplies	972	4,263	4,435	3,241	4,429	4,429
Other Services	1,457	1,995	1,800	754	1,806	1,806
Capital Purchases	384	0	243	88	243	243
Non-Capital Purchases	276	3,342	3,122	38	3,122	3,122
Total Expenditures	<u>6,769</u>	<u>12,600</u>	<u>12,600</u>	<u>4,850</u>	<u>12,600</u>	<u>12,600</u>
Net Current Activity	2,420	(5,971)	(5,971)	(228)	(5,549)	(5,549)
Fund Balance, Beginning of Year	<u>4,080</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>
Fund Balance, End of Year	<u>\$ 6,500</u>	<u>\$ 529</u>	<u>\$ 529</u>	<u>\$ 6,272</u>	<u>\$ 951</u>	<u>\$ 951</u>

Auto Dealers
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Auto Dealers Licenses	\$ 3,151	\$ 3,264	\$ 3,264	\$ 1,241	\$ 3,264	\$ 3,264
Vehicle Storage Notification	230	220	220	118	220	220
Vehicle Auction Fees	206	242	242	95	242	242
Interest Income	35	42	42	16	42	42
Other	3,594	3,027	3,027	1,768	3,027	3,027
Total Revenues	<u>7,216</u>	<u>6,795</u>	<u>6,795</u>	<u>3,239</u>	<u>6,795</u>	<u>6,795</u>
Expenditures						
Personnel	3,149	3,536	3,536	1,666	3,536	3,536
Supplies	230	335	335	129	335	335
Other Services	1,260	1,243	1,243	699	1,243	1,243
Capital Purchases	607	400	400	42	400	400
Non-Capital Purchases	0	0	0	0	0	0
Total Expenditures	<u>5,246</u>	<u>5,514</u>	<u>5,514</u>	<u>2,536</u>	<u>5,514</u>	<u>5,514</u>
Other Financing Sources (Uses)						
Transfers Out	(1,095)	(1,263)	(1,263)	(649)	(1,263)	(1,263)
Total Other Financing Sources (Uses)	<u>(1,095)</u>	<u>(1,263)</u>	<u>(1,263)</u>	<u>(649)</u>	<u>(1,263)</u>	<u>(1,263)</u>
Net Current Activity	875	18	18	55	18	18
Fund Balance, Beginning of Year	<u>2,885</u>	<u>3,760</u>	<u>3,760</u>	<u>3,760</u>	<u>3,760</u>	<u>3,760</u>
Fund Balance, End of Year	<u>\$ 3,760</u>	<u>\$ 3,778</u>	<u>\$ 3,778</u>	<u>\$ 3,815</u>	<u>\$ 3,778</u>	<u>\$ 3,778</u>

BARC Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Revenues						
Licenses & Fees	\$ 1,091	\$ 1,047	\$ 1,047	\$ 596	\$ 1,047	\$ 1,047
Interest	35	49	49	23	49	49
Animal Adoption	193	251	251	101	276	276
Contributions	89	40	40	134	144	144
Other Revenue	17	0	0	1	1	1
Total Revenues	<u>1,425</u>	<u>1,387</u>	<u>1,387</u>	<u>855</u>	<u>1,517</u>	<u>1,517</u>
Expenditures						
Personnel	5,506	6,252	6,137	2,826	6,044	6,044
Supplies	840	942	1,137	537	1,184	1,184
Other Services	1,588	1,729	1,647	618	1,683	1,683
Capital Outlay	0	0	0	0	0	0
Non-Capital Outlay	16	0	2	2	12	12
Total Expenditures	<u>7,950</u>	<u>8,922</u>	<u>8,922</u>	<u>3,982</u>	<u>8,923</u>	<u>8,923</u>
Other Financing Sources (Uses)						
Operating Transfers - In	6,329	7,176	7,176	7,176	7,176	7,176
Total Other Financing Sources (Uses)	<u>6,329</u>	<u>7,176</u>	<u>7,176</u>	<u>7,176</u>	<u>7,176</u>	<u>7,176</u>
Net Current Activity	(196)	(359)	(359)	4,049	(230)	(230)
Fund Balance, Beginning of Year	979	783	783	783	783	783
Fund Balance, End of Year	<u>\$ 783</u>	<u>\$ 424</u>	<u>\$ 424</u>	<u>\$ 4,832</u>	<u>\$ 553</u>	<u>\$ 553</u>

Building Inspection Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Revenues						
Permits and Licenses	\$ 46,932	\$ 43,397	\$ 43,397	\$ 27,351	\$ 47,772	\$ 47,772
Charges for Services	14,854	15,980	15,980	7,930	15,680	15,680
Other	2,033	2,405	2,405	872	2,084	2,084
Interest Income	165	171	171	85	171	171
Total Revenues	<u>63,984</u>	<u>61,953</u>	<u>61,953</u>	<u>36,238</u>	<u>65,707</u>	<u>65,707</u>
Expenditures						
Personnel	38,451	45,034	45,034	21,138	43,906	43,906
Supplies	792	1,077	1,077	388	1,077	1,077
Other Services	8,992	12,619	12,607	4,403	12,766	12,766
Capital Outlay	486	6,603	6,615	112	6,603	6,603
Non-Capital Outlay	109	219	219	72	219	219
Total Expenditures	<u>48,830</u>	<u>65,552</u>	<u>65,552</u>	<u>26,113</u>	<u>64,571</u>	<u>64,571</u>
Other Financing Sources (Uses)						
Operating Transfers Out	(10,962)	(962)	(962)	(399)	(962)	(962)
Total Other Financing Sources (Uses)	<u>(10,962)</u>	<u>(962)</u>	<u>(962)</u>	<u>(399)</u>	<u>(962)</u>	<u>(962)</u>
Net Current Activity	4,192	(4,561)	(4,561)	9,726	174	174
Fund Balance, Beginning of Year	10,975	15,167	15,167	15,167	15,167	15,167
Fund Balance, End of Year	<u>\$ 15,167</u>	<u>\$ 10,606</u>	<u>\$ 10,606</u>	<u>\$ 24,893</u>	<u>\$ 15,341</u>	<u>\$ 15,341</u>

Building (Court) Security Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Revenues						
Current Revenues	\$ 892	\$ 900	\$ 900	\$ 414	\$ 900	\$ 900
Total Revenues	<u>892</u>	<u>900</u>	<u>900</u>	<u>414</u>	<u>900</u>	<u>900</u>
Expenditures						
Personnel	882	-	-	0	-	-
Other Services	0	763	763	317	763	763
Total Expenditures	<u>882</u>	<u>763</u>	<u>763</u>	<u>317</u>	<u>763</u>	<u>763</u>
Net Current Activity	10	137	137	97	137	137
Fund Balance, Beginning of Year	<u>12</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>
Fund Balance, End of Year	<u>\$ 22</u>	<u>\$ 159</u>	<u>\$ 159</u>	<u>\$ 119</u>	<u>\$ 159</u>	<u>\$ 159</u>

Cable TV
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Revenues						
Current Revenues	\$ 4,131	\$ 4,214	\$ 4,214	\$ 987	\$ 4,214	\$ 4,214
Total Revenues	<u>4,131</u>	<u>4,214</u>	<u>4,214</u>	<u>987</u>	<u>4,214</u>	<u>4,214</u>
Expenditures						
Maintenance and Operations	3,806	5,940	6,337	2,854	6,337	6,337
Equipment	3	342	0	0	0	0
Debt Services	0	358	303	0	303	303
Total Expenditures	<u>3,809</u>	<u>6,640</u>	<u>6,640</u>	<u>2,854</u>	<u>6,640</u>	<u>6,640</u>
Net Current Activity	322	(2,426)	(2,426)	(1,867)	(2,426)	(2,426)
Fund Balance, Beginning of Year	<u>2,569</u>	<u>2,891</u>	<u>2,891</u>	<u>2,891</u>	<u>2,891</u>	<u>2,891</u>
Fund Balance, End of Year	<u>\$ 2,891</u>	<u>\$ 465</u>	<u>\$ 465</u>	<u>\$ 1,024</u>	<u>\$ 465</u>	<u>\$ 465</u>

Child Safety Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Interest on Investments	\$ 12	\$ 20	\$ 20	\$ 5	\$ 20	\$ 20
Municipal Courts Collections	2,424	2,300	2,300	1,007	2,350	2,350
Harris County Collections	862	770	770	398	790	790
Total Revenues	<u>3,298</u>	<u>3,090</u>	<u>3,090</u>	<u>1,410</u>	<u>3,160</u>	<u>3,160</u>
Expenditures						
School Crossing Guard Program	3,311	3,087	3,087	818	3,364	3,364
Miscellaneous Parts and Supplies	3	3	3	0	3	3
Total Expenditures	<u>3,314</u>	<u>3,090</u>	<u>3,090</u>	<u>818</u>	<u>3,367</u>	<u>3,367</u>
Net Current Activity	(16)	0	0	592	(207)	(207)
Fund Balance, Beginning of Year	<u>225</u>	<u>209</u>	<u>209</u>	<u>209</u>	<u>209</u>	<u>209</u>
Fund Balance, End of Year	<u>\$ 209</u>	<u>\$ 209</u>	<u>\$ 209</u>	<u>\$ 801</u>	<u>\$ 2</u>	<u>\$ 2</u>

Contractors Responsibility Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 738	\$ 472	\$ 472	\$ 187	\$ 472	\$ 472
Total Revenues	<u>738</u>	<u>472</u>	<u>472</u>	<u>187</u>	<u>472</u>	<u>472</u>
Expenditures						
Personnel	112	118	118	59	118	118
Supplies	0	0	0	0	0	0
Other Services	386	593	593	226	593	593
Non-Capital Purchases	0	0	0	0	0	0
Capital Purchases	0	0	0	0	0	0
Debt Services and Other Uses	0	400	400	0	400	400
Total Expenditures	<u>498</u>	<u>1,111</u>	<u>1,111</u>	<u>285</u>	<u>1,111</u>	<u>1,111</u>
Net Current Activity	240	(639)	(639)	(98)	(639)	(639)
Fund Balance, Beginning of Year	<u>2,835</u>	<u>3,075</u>	<u>3,075</u>	<u>3,075</u>	<u>3,075</u>	<u>3,075</u>
Fund Balance, End of Year	<u>\$ 3,075</u>	<u>\$ 2,436</u>	<u>\$ 2,436</u>	<u>\$ 2,977</u>	<u>\$ 2,436</u>	<u>\$ 2,436</u>

Digital Automated Red Light Enforcement Program Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Red Light Enforcement Revenue	\$ 159	\$ 3,032	\$ 3,032	\$ 449	\$ 901	\$ 901
Interest Income	1	20	20	0	1	1
Total Revenues	<u>160</u>	<u>3,052</u>	<u>3,052</u>	<u>449</u>	<u>902</u>	<u>902</u>
Expenditures						
Personnel	0	0	0	0	0	0
Supplies	0	2	2	0	0	0
Other Services	281	1,992	1,992	96	902	902
Debt Service	0	0	0	0	0	0
State of Texas' Share	0	519	519	0	0	0
Total Expenditures	<u>281</u>	<u>2,513</u>	<u>2,513</u>	<u>96</u>	<u>902</u>	<u>902</u>
Net Current Activity	(121)	539	539	353	0	0
Fund Balance, Beginning of Year	<u>121</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$ 0</u>	<u>\$ 539</u>	<u>\$ 539</u>	<u>\$ 353</u>	<u>\$ 0</u>	<u>\$ 0</u>

Digital Houston Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Interest Income	\$ 14	\$ 12	\$ 12	\$ 4	\$ 12	\$ 12
Total Revenues	<u>14</u>	<u>12</u>	<u>12</u>	<u>4</u>	<u>12</u>	<u>12</u>
Expenditures						
Personnel	177	439	439	165	439	439
Supplies	11	10	10	1	10	10
Other Services	205	123	89	24	89	89
Capital Equipment	-	0	0	0	0	0
Non-Capital Equipment	26	25	59	4	59	59
Total Expenditures	<u>419</u>	<u>598</u>	<u>598</u>	<u>194</u>	<u>598</u>	<u>598</u>
Net Current Activity	(405)	(586)	(586)	(190)	(586)	(586)
Fund Balance, Beginning of Year	<u>1,597</u>	<u>\$ 1,192</u>	<u>\$ 1,192</u>	<u>\$ 1,192</u>	<u>\$ 1,192</u>	<u>\$ 1,192</u>
Fund Balance, End of Year	<u>\$ 1,192</u>	<u>\$ 606</u>	<u>\$ 606</u>	<u>\$ 1,002</u>	<u>\$ 606</u>	<u>\$ 606</u>

Essential Public Health Services Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 2,565	\$ 14,279	\$ 14,279	\$ 5,093	\$ 12,141	\$ 12,141
Total Revenues	<u>2,565</u>	<u>14,279</u>	<u>14,279</u>	<u>5,093</u>	<u>12,141</u>	<u>12,141</u>
Expenditures						
Personnel	0	7,439	7,439	1,183	3,597	3,597
Supplies	0	524	347	25	347	347
Other Services	0	7,378	7,098	1,283	7,098	7,098
Non-Capital Purchases	0	591	884	192	884	884
Capital Purchases	0	0	164	0	164	164
Total Expenditures	<u>0</u>	<u>15,932</u>	<u>15,932</u>	<u>2,683</u>	<u>12,090</u>	<u>12,090</u>
Net Current Activity	2,565	(1,653)	(1,653)	2,410	51	51
Fund Balance, Beginning of Year	<u>0</u>	<u>2,565</u>	<u>2,565</u>	<u>2,565</u>	<u>2,565</u>	<u>2,565</u>
Fund Balance, End of Year	<u>\$ 2,565</u>	<u>\$ 912</u>	<u>\$ 912</u>	<u>\$ 4,975</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>

Forensic Transition Special Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 0	\$ 19,918	\$ 19,918	\$ 2,955	\$ 19,918	\$ 19,918
Unclaimed Fines & Forfeitures	0	0	0	0	2	2
Recoveries & Refunds	0	0	0	0	70	70
Total Revenues	<u>0</u>	<u>19,918</u>	<u>19,918</u>	<u>2,955</u>	<u>19,990</u>	<u>19,990</u>
Expenditures						
Personnel	0	15,434	15,434	7,635	15,434	15,434
Supplies	0	617	637	338	616	617
Other Services	0	3,627	3,647	1,725	3,700	3,700
Capital Purchases	0	0	7	0	0	0
Non-Capital Purchases	0	240	193	18	240	240
Total Expenditures	<u>0</u>	<u>19,918</u>	<u>19,918</u>	<u>9,716</u>	<u>19,990</u>	<u>19,990</u>
Net Current Activity	0	0	0	(6,760)	0	(0)
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (6,760)</u>	<u>\$ 0</u>	<u>\$ (0)</u>

Health Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2014					
	FY2013 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 2,268	\$ 2,488	\$ 2,488	\$ 1,378	\$ 2,651	\$ 2,651
Total Revenues	<u>2,268</u>	<u>2,488</u>	<u>2,488</u>	<u>1,378</u>	<u>2,651</u>	<u>2,651</u>
Expenditures						
Personnel	983	918	918	368	918	918
Supplies	400	520	503	320	502	502
Other Services	571	1,669	1,680	254	1,686	1,686
Non-Capital Purchases	77	34	40	10	35	35
Capital Purchases	0	365	365	0	365	365
Total Expenditures	<u>2,031</u>	<u>3,506</u>	<u>3,506</u>	<u>952</u>	<u>3,506</u>	<u>3,506</u>
Operating Transfers						
Operating Transfers In (Out)	0	400	400	0	400	400
Total Operating Transfers	<u>0</u>	<u>400</u>	<u>400</u>	<u>0</u>	<u>400</u>	<u>400</u>
Net Current Activity	237	(618)	(618)	426	(455)	(455)
Fund Balance, Beginning of Year	<u>4,203</u>	<u>4,440</u>	<u>4,440</u>	<u>4,440</u>	<u>4,440</u>	<u>4,440</u>
Fund Balance, End of Year	<u>\$ 4,440</u>	<u>\$ 3,822</u>	<u>\$ 3,822</u>	<u>\$ 4,866</u>	<u>\$ 3,985</u>	<u>\$ 3,985</u>

Historic Preservation Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2014					
	FY2013 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Interest Income	\$ 8	\$ 13	\$ 13	\$ 3	\$ 13	\$ 13
Charges for Services	240	200	200	185	300	300
Other Interfund Services	5	0	0	0	0	0
Total Revenues	<u>253</u>	<u>213</u>	<u>213</u>	<u>188</u>	<u>\$ 313</u>	<u>\$ 313</u>
Expenditures						
Supplies & Other Services	<u>157</u>	<u>652</u>	<u>652</u>	<u>209</u>	<u>652</u>	<u>652</u>
Total Expenditures	<u>157</u>	<u>652</u>	<u>652</u>	<u>209</u>	<u>652</u>	<u>652</u>
Net Current Activity	96	(439)	(439)	(21)	(339)	(339)
Fund Balance, Beginning of Year	<u>839</u>	<u>935</u>	<u>935</u>	<u>935</u>	<u>935</u>	<u>935</u>
Fund Balance, End of Year	<u>\$ 935</u>	<u>\$ 496</u>	<u>\$ 496</u>	<u>\$ 914</u>	<u>\$ 596</u>	<u>\$ 596</u>

Houston Emergency Center
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 23,262	\$ 25,190	\$ 25,190	\$ 10,558	\$ 25,190	\$ 25,190
Total Revenues	<u>23,262</u>	<u>25,190</u>	<u>25,190</u>	<u>10,558</u>	<u>25,190</u>	<u>25,190</u>
Expenditures						
Maintenance and Operations	22,384	25,190	25,190	11,854	25,190	25,190
Total Expenditures	<u>22,384</u>	<u>25,190</u>	<u>25,190</u>	<u>11,854</u>	<u>25,190</u>	<u>25,190</u>
Net Current Activity	878	0	0	(1,296)	0	0
Fund Balance, Beginning of Year	<u>2,523</u>	<u>3,401</u>	<u>3,401</u>	<u>3,401</u>	<u>3,401</u>	<u>3,401</u>
Fund Balance, End of Year	<u>\$ 3,401</u>	<u>\$ 3,401</u>	<u>\$ 3,401</u>	<u>\$ 2,105</u>	<u>\$ 3,401</u>	<u>\$ 3,401</u>

Houston Transtar Center
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Other Grant Awards	\$ 1,626	\$ 1,861	\$ 1,861	\$ 864	\$ 1,861	\$ 1,861
Other Service Charges	606	629	629	317	629	629
Misc. Revenue	(3)	0	0	0	0	0
Interest Income	20	23	23	9	23	23
Total Revenues	<u>2,249</u>	<u>2,513</u>	<u>2,513</u>	<u>1,190</u>	<u>2,513</u>	<u>2,513</u>
Expenditures						
Maintenance and Operations	2,010	2,861	2,861	765	2,861	2,861
Total Expenditures	<u>2,010</u>	<u>2,861</u>	<u>2,861</u>	<u>765</u>	<u>2,861</u>	<u>2,861</u>
Net Current Activity	239	(348)	(348)	425	(348)	(348)
Fund Balance, Beginning of Year	<u>2,047</u>	<u>2,286</u>	<u>2,286</u>	<u>2,286</u>	<u>2,286</u>	<u>2,286</u>
Fund Balance, End of Year	<u>\$ 2,286</u>	<u>\$ 1,938</u>	<u>\$ 1,938</u>	<u>\$ 2,711</u>	<u>\$ 1,938</u>	<u>\$ 1,938</u>

Juvenile Case Manager
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 1,241	\$ 1,246	\$ 1,246	\$ 591	\$ 1,246	\$ 1,246
Total Revenues	<u>1,241</u>	<u>1,246</u>	<u>1,246</u>	<u>591</u>	<u>1,246</u>	<u>1,246</u>
Expenditures						
Personnel	1,066	1,308	1,247	550	1,247	1,247
Supplies	4	4	4	2	4	4
Other Services and Charges	48	95	156	91	156	156
Total Expenditures	<u>1,118</u>	<u>1,407</u>	<u>1,407</u>	<u>643</u>	<u>1,407</u>	<u>1,407</u>
Net Current Activity	123	(161)	(161)	(52)	(161)	(161)
Fund Balance, Beginning of Year	<u>1,627</u>	<u>1,750</u>	<u>1,750</u>	<u>1,750</u>	<u>1,750</u>	<u>1,750</u>
Fund Balance, End of Year	<u>\$ 1,750</u>	<u>\$ 1,589</u>	<u>\$ 1,589</u>	<u>\$ 1,698</u>	<u>\$ 1,589</u>	<u>\$ 1,589</u>

Laboratory Operations and Maintenance Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 485	\$ 399	\$ 399	\$ 246	\$ 449	\$ 449
Total Revenues	<u>485</u>	<u>399</u>	<u>399</u>	<u>246</u>	<u>449</u>	<u>449</u>
Expenditures						
Personnel	0	0	0	0	0	0
Supplies	161	88	146	73	150	150
Other Services	315	505	447	275	443	443
Non-Capital Purchases	0	0	0	0	0	0
Capital Purchases	0	0	0	0	0	0
Total Expenditures	<u>476</u>	<u>593</u>	<u>593</u>	<u>348</u>	<u>593</u>	<u>593</u>
Net Current Activity	9	(194)	(194)	(102)	(144)	(144)
Fund Balance, Beginning of Year	<u>317</u>	<u>326</u>	<u>326</u>	<u>326</u>	<u>326</u>	<u>326</u>
Fund Balance, End of Year	<u>\$ 326</u>	<u>\$ 132</u>	<u>\$ 132</u>	<u>\$ 224</u>	<u>\$ 182</u>	<u>\$ 182</u>

Parking Management Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Parking Violations	\$ 10,443	\$ 10,022	\$ 10,022	\$ 4,793	\$ 10,022	\$ 10,022
Parking Fees	8,396	8,390	8,390	3,922	8,208	8,208
Permit Fees	308	312	312	136	312	312
Other Revenue	18	10	10	49	10	10
Interest Income	47	50	50	18	50	50
Total Revenues	<u>19,212</u>	<u>18,784</u>	<u>18,784</u>	<u>8,918</u>	<u>18,602</u>	<u>18,602</u>
Expenses						
Personnel	3,960	4,708	4,708	2,163	4,481	4,481
Supplies	724	583	576	124	576	576
Other Services	3,107	6,251	6,219	1,777	5,766	5,766
Capital Outlay	13	94	125	19	125	125
Non-Capital Outlay	12	220	228	8	228	228
Total Expenses	<u>7,816</u>	<u>11,856</u>	<u>11,856</u>	<u>4,091</u>	<u>11,176</u>	<u>11,176</u>
Net Current Activity	<u>11,396</u>	<u>6,928</u>	<u>6,928</u>	<u>4,827</u>	<u>7,426</u>	<u>7,426</u>
Other Financing Sources (Uses)						
Operating Transfers - In (Out)	(9,494)	(7,500)	(7,500)	(3,750)	(7,500)	(7,500)
Transfers for Interest	(1,513)	(1,519)	(1,519)	0	(1,519)	(1,519)
Total Other Financing Sources (Uses)	<u>(11,007)</u>	<u>(9,019)</u>	<u>(9,019)</u>	<u>(3,750)</u>	<u>(9,019)</u>	<u>(9,019)</u>
Net Current Activity	389	(2,091)	(2,091)	1,077	(1,593)	1,593
Fund Balance, Beginning of Year	<u>2,540</u>	<u>2,929</u>	<u>2,929</u>	<u>2,929</u>	<u>2,929</u>	<u>2,929</u>
Fund Balance, End of Year	<u>\$ 2,929</u>	<u>\$ 838</u>	<u>\$ 838</u>	<u>\$ 4,006</u>	<u>\$ 1,336</u>	<u>\$ 1,336</u>

Parks Golf Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Concessions	\$ 1,558	\$ 1,379	\$ 1,379	\$ 776	\$ 1,379	\$ 1,379
Rental of Property	1,014	1,141	1,141	436	1,141	1,141
Interest Income	6	5	5	4	5	5
Golf	3,407	3,566	3,566	1,418	3,566	3,566
Other	26	44	44	17	44	44
Total Revenues	<u>6,011</u>	<u>6,135</u>	<u>6,135</u>	<u>2,651</u>	<u>6,135</u>	<u>6,135</u>
Expenses						
Personnel	3,722	4,219	4,219	1,949	4,219	4,219
Supplies	716	951	916	506	916	916
Other Services	858	1,004	1,039	466	1,039	1,039
Total Expenses	<u>5,296</u>	<u>6,174</u>	<u>6,174</u>	<u>2,921</u>	<u>6,174</u>	<u>6,174</u>
Net Current Activity	715	(39)	(39)	(270)	(39)	(39)
Fund Balance, Beginning of Year	<u>369</u>	<u>1,084</u>	<u>1,084</u>	<u>1,084</u>	<u>1,084</u>	<u>1,084</u>
Fund Balance, End of Year	<u>\$ 1,084</u>	<u>\$ 1,045</u>	<u>\$ 1,045</u>	<u>\$ 814</u>	<u>\$ 1,045</u>	<u>\$ 1,045</u>

Parks Special Revenue Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Concessions	\$ 346	\$ 363	\$ 363	\$ 152	\$ 363	\$ 363
Facility Admissions/User Fees	70	62	62	32	62	62
Program Fees	465	483	483	159	483	483
Rental of Property	590	579	579	109	579	579
Licenses and Permits	463	202	202	177	202	202
Interest Income	52	70	70	23	70	70
Golf	203	190	190	86	190	190
Other	114	78	78	279	657	657
Total Revenues	<u>2,303</u>	<u>2,027</u>	<u>2,027</u>	<u>1,017</u>	<u>2,606</u>	<u>2,606</u>
Expenses						
Personnel	464	517	517	235	517	517
Supplies	315	579	579	117	579	579
Other Services	480	1,156	1,156	284	1,156	1,156
Total Expenses	<u>1,259</u>	<u>2,252</u>	<u>2,252</u>	<u>636</u>	<u>2,252</u>	<u>2,252</u>
Operating Transfers						
Operating Transfers (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operating Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Current Activity	1,044	(225)	(225)	381	354	354
Fund Balance, Beginning of Year	<u>4,866</u>	<u>5,910</u>	<u>5,910</u>	<u>5,910</u>	<u>5,910</u>	<u>5,910</u>
Fund Balance, End of Year	<u>\$ 5,910</u>	<u>\$ 5,685</u>	<u>\$ 5,685</u>	<u>\$ 6,291</u>	<u>\$ 6,264</u>	<u>\$ 6,264</u>

Police Special Services Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Police Fees	\$ 2,476	\$ 2,697	\$ 2,697	\$ 737	\$ 2,697	\$ 2,697
Interest Income	59	200	200	17	200	200
Other	910	915	915	911	915	915
Interfund Transfers	6,513	4,925	4,925	0	4,925	4,925
Total Revenues	<u>9,958</u>	<u>8,737</u>	<u>8,737</u>	<u>1,666</u>	<u>8,737</u>	<u>8,737</u>
Expenditures						
Personnel	7,298	7,741	7,741	2,734	7,741	7,741
Supplies	232	420	1,056	303	1,056	1,056
Other Services	900	2,802	1,530	471	1,530	1,530
Capital Purchases	120	0	1,696	1,572	1,696	1,696
Non-Capital Purchases	17	1,060	0	0	0	0
Total Expenditures	<u>8,567</u>	<u>12,023</u>	<u>12,023</u>	<u>5,080</u>	<u>12,023</u>	<u>12,023</u>
Net Current Activity	1,391	(3,286)	(3,286)	(3,414)	(3,286)	(3,286)
Fund Balance, Beginning of Year	<u>5,439</u>	<u>6,830</u>	<u>6,830</u>	<u>6,830</u>	<u>6,830</u>	<u>6,830</u>
Fund Balance, End of Year	<u>\$ 6,830</u>	<u>\$ 3,544</u>	<u>\$ 3,544</u>	<u>\$ 3,416</u>	<u>\$ 3,544</u>	<u>\$ 3,544</u>

Recycling Expansion Program Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 941	\$ 1,995	\$ 1,995	\$ 551	\$ 1,995	\$ 1,995
Interest Income	19	38	38	7	38	38
Miscellaneous	44	47	47	21	47	47
Interfund Transfers	0	0	0	0	0	0
Total Revenues	<u>1,004</u>	<u>2,080</u>	<u>2,080</u>	<u>579</u>	<u>2,080</u>	<u>2,080</u>
Expenditures						
Personnel	245	255	255	62	255	255
Supplies	1	134	134	2	134	134
Other Services	601	421	421	8	421	421
Capital/Non-Capital Purchases	7	0	0	0	0	0
Capital Purchases	0	0	0	0	0	0
Non-Capital Purchases	0	0	0	0	0	0
Total Expenditures	<u>854</u>	<u>810</u>	<u>810</u>	<u>72</u>	<u>810</u>	<u>810</u>
Operating Transfers						
Operating Transfers In	0	0	0	0	0	0
Operating Transfers (Out)	(460)	(1,882)	(1,882)	0	(1,882)	(1,882)
Total Operating Transfers	<u>(460)</u>	<u>(1,882)</u>	<u>(1,882)</u>	<u>0</u>	<u>(1,882)</u>	<u>(1,882)</u>
Net Current Activity	(310)	(612)	(612)	507	(612)	(612)
Fund Balance, Beginning of Year	<u>2,001</u>	<u>1,691</u>	<u>1,691</u>	<u>1,691</u>	<u>1,691</u>	<u>1,691</u>
Fund Balance, End of Year	<u>\$ 1,691</u>	<u>\$ 1,079</u>	<u>\$ 1,079</u>	<u>\$ 2,198</u>	<u>\$ 1,079</u>	<u>\$ 1,079</u>

Special Waste Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 2,463	\$ 2,588	\$ 2,588	\$ 1,405	\$ 2,588	\$ 2,588
Total Revenues	<u>2,463</u>	<u>2,588</u>	<u>2,588</u>	<u>1,405</u>	<u>2,588</u>	<u>2,588</u>
Expenditures						
Personnel	1,946	2,090	2,090	932	2,090	2,090
Supplies	34	80	80	11	80	80
Other Services	66	949	868	35	868	868
Non-Capital Purchases	25	185	266	14	266	266
Capital Purchases	0	1,576	1,576	0	1,576	1,576
Total Expenditures	<u>2,071</u>	<u>4,880</u>	<u>4,880</u>	<u>992</u>	<u>4,880</u>	<u>4,880</u>
Net Current Activity	392	(2,292)	(2,292)	413	(2,292)	(2,292)
Fund Balance, Beginning of Year	<u>2,940</u>	<u>3,332</u>	<u>3,332</u>	<u>3,332</u>	<u>3,332</u>	<u>3,332</u>
Fund Balance, End of Year	<u>\$ 3,332</u>	<u>\$ 1,040</u>	<u>\$ 1,040</u>	<u>\$ 3,745</u>	<u>\$ 1,040</u>	<u>\$ 1,040</u>

Supplemental Environmental Protection
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 85	\$ 102	\$ 102	\$ 79	\$ 102	\$ 102
Interest Income	1	2	2	0	2	2
Total Revenues	<u>86</u>	<u>104</u>	<u>104</u>	<u>79</u>	<u>104</u>	<u>104</u>
Expenditures						
Supplies	52	49	97	4	97	97
Other Services	18	41	41	0	41	41
Capital Purchases	0	110	62	0	62	62
Non-Capital Purchases	6	0	0	0	0	0
Total Expenditures	<u>76</u>	<u>200</u>	<u>200</u>	<u>5</u>	<u>200</u>	<u>200</u>
Net Current Activity	10	(96)	(96)	75	(96)	(96)
Fund Balance, Beginning of Year	<u>121</u>	<u>131</u>	<u>131</u>	<u>131</u>	<u>131</u>	<u>131</u>
Fund Balance, End of Year	<u>\$ 131</u>	<u>\$ 35</u>	<u>\$ 35</u>	<u>\$ 206</u>	<u>\$ 35</u>	<u>\$ 35</u>

Swimming Pool Safety Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Current Revenues	\$ 985	\$ 975	\$ 975	\$ 501	\$ 975	\$ 975
Total Revenues	<u>985</u>	<u>975</u>	<u>975</u>	<u>501</u>	<u>975</u>	<u>975</u>
Expenditures						
Personnel	655	730	730	342	730	730
Supplies	15	26	26	4	26	26
Other Services	40	158	158	10	158	158
Non-Capital Purchases	1	2	2	0	2	2
Capital Purchases	0	12	12	0	12	12
Total Expenditures	<u>711</u>	<u>928</u>	<u>928</u>	<u>356</u>	<u>928</u>	<u>928</u>
Net Current Activity	274	47	47	145	47	47
Fund Balance, Beginning of Year	<u>187</u>	<u>461</u>	<u>461</u>	<u>461</u>	<u>461</u>	<u>461</u>
Fund Balance, End of Year	<u>\$ 461</u>	<u>\$ 508</u>	<u>\$ 508</u>	<u>\$ 606</u>	<u>\$ 508</u>	<u>\$ 508</u>

Technology Fee Fund
For the period ended December 31, 2013
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Revenues						
Municipal Court Fines	\$ 1,164	\$ 1,205	\$ 1,205	\$ 637	\$ 1,205	\$ 1,205
Interest Income	5	6	6	1	6	6
Total Revenues	<u>1,169</u>	<u>1,211</u>	<u>1,211</u>	<u>638</u>	<u>1,211</u>	<u>1,211</u>
Expenditures						
Personnel	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Other Services	1,045	1,010	990	352	950	950
Equipment	0	0	0	0	0	0
Debt Service	350	350	350	0	350	350
Capital Purchases	0	0	20	20	20	20
Total Expenditures	<u>1,395</u>	<u>1,360</u>	<u>1,360</u>	<u>372</u>	<u>1,320</u>	<u>1,320</u>
Net Current Activity	(226)	(149)	(149)	266	(109)	(109)
Fund Balance, Beginning of Year	<u>335</u>	<u>109</u>	<u>109</u>	<u>109</u>	<u>109</u>	<u>109</u>
Fund Balance, End of Year	<u>\$ 109</u>	<u>\$ (40)</u>	<u>\$ (40)</u>	<u>\$ 375</u>	<u>\$ -</u>	<u>\$ -</u>

City of Houston, Texas
Commercial Paper Issued and Available
For the period ended Dec 31, 2013
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY14	Draws Month	Refunded FY14	Amount Available to be Drawn	Amount Outstanding
General Obligation					
<i><u>Voter Authorized 2001 & 2006 Election</u></i>					
Series G-1	0.00	0.00	0.00	75.00	0.00
Series G-2	10.00	0.00	0.00	29.90	95.10
Series H-2	0.00	0.00	0.00	90.20	9.80
Series J	15.00	0.00	0.00	110.00	15.00
<i><u>Non-Voter Authorized</u></i>					
Series E1-Equipment & Capital	10.00	10.00	22.55	37.55	62.45
Series E2- Equipment & Capital	20.00	0.00	4.30	54.30	15.70
Series E2- Metro Street Projects	0.00	0.00	2.70	25.70	4.30
Series H - Drainage	0.00	0.00	0.00	0.00	0.00
Series K-1	0.00	0.00	0.00	100.00	0.00
Series K-2	0.00	0.00	0.00	100.00	0.00
Total General Obligation	55.00	10.00	29.55	622.65	202.35
Combined Utility System					
Series B-1	0.00	0.00	0.00	250.00	0.00
Series B-2	25.00	0.00	0.00	50.00	25.00
Series B-3	0.00	0.00	0.00	75.00	0.00
Series B-4	0.00	0.00	0.00	100.00	0.00
Series B-5	0.00	0.00	0.00	100.00	0.00
Series B-6	0.00	0.00	0.00	100.00	0.00
Total Combined Utility System	25.00	0.00	0.00	675.00	25.00
Airport System					
Series A&B	0.00	0.00	0.00	150.00	0.00
Total Airport System	0.00	0.00	0.00	150.00	0.00
Convention & Entertainment					
Series A	0.00	0.00	0.00	33.00	42.00
Total Convention and Entertainment	0.00	0.00	0.00	33.00	42.00
Totals	\$80.00	\$10.00	\$29.55	\$1,480.65	\$269.35

City of Houston, Texas
Total Outstanding Debt
For the period ended Dec 31, 2013
(amounts expressed in thousands)

	December 31, 2013	December 31, 2012
Payable from Ad Valorem Taxes		
Public Improvement Bonds ^(a)	2,561,515	2,602,570
Commercial Paper Notes ^(b)	202,350	261,900
Pension Obligations	607,775	587,525
Certificates of Obligations	20,870	17,365
Subtotal	3,392,510	3,469,360
Payable from Sources Other Than Ad Valorem Taxes		
Combined Utility System		
Combined Utility System Revenue Bonds	5,682,995	5,689,050
Combined Utility System Commercial Paper Notes ^(c)	25,000	30,000
Water and Sewer System Revenue Bonds ^(d)	276,174	349,023
Contract Revenue Obligations - CWA	98,900	112,320
Airport System		
Airport System Sr. Lien Bonds ^(e)	449,660	449,660
Airport System Subordinate Lien	1,766,285	1,818,055
Airport System Sr. Lien Commercial Paper Notes ^(f)	0	0
Airport System Inferior Lien Contracts ^(g)	23,075	28,115
Airport Special Facilities Revenue Bonds ^(h)	666,320	679,372
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds ⁽ⁱ⁾	556,940	570,415
Hotel Occupancy Tax And Parking Revenue Commercial Paper ^(j)	42,000	43,000
Subtotal	9,587,349	9,769,010
Total Debt Payable by the City	\$12,979,859	\$13,238,370

(a) In Nov 2001 voters authorized \$776 million in tax bonds. In Nov 2006 voters authorized \$625million in tax bonds.

In Nov 2012 voters authorized an additional \$410 million in tax bonds.

(b) The City has authorized maximum issuance of General Obligation Commercial Paper Programs Series E-1: \$100 million, E-2: \$100 million, G-1: \$75 million, G-2: \$125 million,H-2: \$100 million, J: \$125 million, K1: \$100 million and K2: \$100 million.

(c) The City has authorized \$700 million in Combined Utility System Commercial Paper Notes.

(d) Includes \$75.9 million accreted value of capital appreciation bonds at this date and \$110.4 million last year.

(e) The Houston Airport System issued Senior Lien Revenue bonds on August 20, 2009.

(f) City Council has authorized \$150 million of Airport Senior Lien Commercial Paper Notes Series A and B.

(g) Under a sublease agreement, the Houston Airport System has agreed to make sublease payments that include the debt service payments on the Series 1997A Special Facilities Bonds that financed the Automated People Mover ("APM") at George Bush Airport. These sublease payments constitute Inferior Lien Obligations under the Airport bond ordinances.

(h) All Special Facility Revenue Bonds are secured solely from Special Facility Lease Revenues. Does not include \$23.1 million for Series 1997A Special Facilities Bonds. See footnote (g).

(i) Includes \$119.7 million accreted value of capital appreciation bonds at this date and \$107.1 million last year.

(j) The City has authorized \$75 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper.

City of Houston, Texas
Voter-Authorized Obligations
For the period ended Dec 31, 2013
(amounts expressed in thousands)

<u>Purposes</u>	<u>Voter Authorized</u>	<u>Approved by City Council for Issuance as Commercial Paper Notes</u>	<u>Commercial Paper Issued ^(a)</u>	<u>Commercial Paper Notes Approved by City Council but Unissued</u>	<u>All Voter Authorized but Unissued</u>
November 2001 Election					
Streets, Bridges, Traffic Control	\$ 474,000	\$ 474,000	\$ 473,000	\$ 1,000	\$ 1,000
Parks and Recreation	80,000	80,000	80,000	0	0
Police and Fire Departments	82,000	82,000	82,000	0	0
Permanent and General Improvements ^(b)	80,000	80,000	80,000	0	0
Public Libraries	40,000	40,000	40,000	0	0
Low Income Housing	20,000	20,000	14,185	5,815	5,815
Total	\$ 776,000	\$ 776,000	\$ 769,185	\$ 6,815	\$ 6,815
November 2006 Election					
Streets, Bridges, Traffic Control	\$ 320,000	\$ 219,950	\$ 76,560	\$ 143,390	\$ 243,440
Parks and Recreation	55,000	55,000	41,950	13,050	13,050
Public Safety	135,000	135,000	86,105	48,895	48,895
Permanent and General Improvements ^(b)	60,000	60,000	51,650	8,350	8,350
Public Libraries	37,000	37,000	36,350	650	650
Low Income Housing	18,000	13,633	0	13,633	18,000
Total	\$ 625,000	\$ 520,583	\$ 292,615	\$ 227,968	\$ 332,385
November 2012 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	24,190	0	24,190	166,000
Public Safety	144,000	21,793	0	21,793	144,000
Permanent and General Improvements ^(b)	57,000	18,843	0	18,843	57,000
Public Libraries	28,000	8,195	0	8,195	28,000
Low Income Housing	15,000	0	0	0	15,000
Total	\$ 410,000	\$ 73,021	\$ -	\$ 73,021	\$ 410,000
Combined Total (2001, 2006, 2012 Elections)	\$ 1,811,000	\$ 1,369,604	\$ 1,061,800	\$ 307,804	\$ 749,200

(a) As of Dec 31, 2013

(b) Includes Public Health and Solid Waste Management

Note: This schedule sets forth the categories of bond authorization approved by the voters in elections held in November of 2001 (the "2001 Election") and November of 2006 (the "2006 Election"), and November of 2012 (the "2012 Election"), the amount of each such authorization approved by City Council for issuance as Commercial Paper Notes, the amount of commercial paper issued as of year-end, and the amount of commercial paper approved but unissued. The City has issued all bonds authorized at the election held in November of 1997.

CITY OF HOUSTON

RETIREE MEDICAL UNFUNDED ACCRUED LIABILITIES

12/31/2013
(amount expressed in millions)

	<u>Date of Most Recent Valuation or Estimate</u>	<u>Present Value of Benefits ⁽²⁾</u>	<u>Unfunded Accrued Liabilities</u>	<u>Annual OPEB Cost ⁽⁴⁾</u>
Entry Age Normal ⁽¹⁾	6/30/2012	\$3,001.2	\$2,089.8 ⁽³⁾	\$214.0

Note (1) Entry Age Normal is a cost method used to identify the value of benefits for the fiscal year 2012
Present Value of Benefits is a measure of total liability at the date of valuation
Both medical and life benefits are included.

Note (2) Total present value of all expected future benefits based on actuarial assumptions
and reflects new plan provisions effective 05/01/2013.

Note (3) Based on Aon Consulting's updated estimate to reflects new plan provisions effective 05/01/2013.

Note (4) The Annual OPEB (Other Post Employment Benefits) Cost is the actuarial calculated annual amount the City should
contribute to fund the unfunded accrued liabilities over 30 years remaining average expected working life.
The City currently funds on a "pay as you go" basis. The City has paid \$17.3 million current fiscal year to date.
For FY2013 the City paid \$34.9 million for the retiree health insurance costs.

CITY OF HOUSTON

PENSION FUND PAYMENTS AND UNFUNDED LIABILITY SUMMARY

12/31/2013

PAYMENTS

(amount expressed in thousands)

	FY2013	FY 2014			
		City Payment Rate	Employee Payment Rate	Adopted Budget	Year to Date Actual
Firefighters Plan					
General Fd. & Other Fds.	\$ 61,966	23.9%	9.00%	\$ 61,592	\$ 19,592
Total Firefighters Plan	<u>61,966</u>			<u>61,592</u>	<u>32,547</u>
Police Plan					
General Fd. & Other Fds.	84,500	Note 1	9.00% / 10.25%	103,000	
Pension Bonds	<u>0</u>			<u>0</u>	51,500
Total Police Plan	<u>84,500</u>			<u>103,000</u>	<u>51,500</u>
Municipal Plan					
General Fund	47,555	Note 2	5% / None	50,892	26,424
Other Funds	65,672	Note 2	5% / None	74,613	38,025
Total Municipal Plan	<u>113,227</u>			<u>125,505</u>	<u>64,449</u>
Total All Three Plans	<u>\$259,693</u>			<u>\$290,097</u>	<u>\$148,496</u>

UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS

	Date of Most Recent Valuation or Estimate	Unfunded Accrued Liability (\$ millions)	Assets as % of Liabilities
Firefighters Plan	7/1/2012	489.6	87.0%
Police Plan	7/1/2012	858.7	81.9%
Municipal Plan	7/1/2012	1,622.7	59.1%

Note 1: City contribution based on Meet and Confer Agreement with Houston Police Officers Pension System

(Agreement Between Houston Police Officers' Pension System and City of Houston,

Article II - Change in Member Contributions, September 18, 2004). The City committed to pay the flat amount of \$84.5 million in FY13.

Note 2: City contribution based on Meet and Confer Agreement with Houston Municipal Employees Pension System

(Fourth Amendment, June 27, 2007, Change in Member Contributions: effective January 1, 2008, new hires do not contribute).

The City committed to the greater of \$108.5M or 21.36% of payroll FY13.

FY2014 FULL TIME EQUIVALENT (FTE) REPORT
(1 FTE Equals 2,088 Hours per year)

	FY2013 Actual	FY2014 Budget	FY2014 (1) December	FY2014 (1) YTD AVG.	Overtime FY2013 Actual	Overtime FY2014 Budget	Overtime (1) FY2014 YTD
ENTERPRISE FUNDS							
Aviation	1,279.5	1,360.0	1,299.6	1,275.7	60.0	50.0	90.7
PW & E - Combined Utility System	2,079.4	2,261.4	2,059.2	2,062.2	158.1	135.4	183.9
TOTAL ENTERPRISE FUNDS	3,358.9	3,621.4	3,358.8	3,337.9	218.1	185.4	274.6
GENERAL FUND							
GENERAL FUND MUNICIPAL							
Administration and Regulatory Affairs	239.6	208.4	200.4	200.7	0.7	1.1	0.5
City Secretary	10.7	12.0	10.6	10.7	0.0	0.0	0.0
Controller's Office	64.9	67.1	65.8	65.6	0.0	0.0	0.0
Council Office	77.7	83.2	72.5	74.4	0.0	0.0	0.0
Finance Department	60.4	112.4	101.4	104.6	0.0	0.0	0.0
Fire Department	117.0	127.0	114.6	117.4	0.4	0.5	0.3
General Services	187.3	194.1	192.2	189.5	6.3	6.4	7.4
Health & Human Services	466.6	484.2	576.9	533.9	4.1	0.0	4.3
Housing & Community Development	2.0	2.0	2.0	2.1	0.0	0.0	0.0
Human Resources	34.4	33.0	30.5	31.2	0.0	0.0	0.0
Information Technology	142.2	155.2	153.7	148.6	2.1	1.7	2.8
Legal	116.4	120.6	123.0	120.0	0.0	0.0	0.0
Library	405.2	484.7	469.5	471.8	0.0	0.0	0.0
Mayor's Office	55.8	59.0	56.8	57.3	0.5	0.2	0.9
Municipal Courts Department	268.6	293.3	294.9	293.0	0.2	0.1	0.0
Neighborhoods	103.3	113.4	103.0	102.6	1.1	0.7	0.1
Office of Business Opportunity	25.1	27.7	25.8	26.7	0.0	0.0	0.0
Parks & Recreation	635.4	695.0	613.5	676.0	9.0	2.7	15.1
Planning & Development	75.2	79.8	75.5	76.7	0.0	0.0	0.0
Police Department	1,160.0	1,127.8	1,120.0	1,112.6	34.9	25.0	30.1
Public Works and Engineering	14.9	15.0	13.0	13.4	0.1	0.1	0.1
Solid Waste Management	442.1	441.2	442.8	434.9	28.9	29.6	23.0
SUBTOTAL MUNICIPAL	4,704.8	4,936.1	4,858.4	4,863.7	88.3	68.1	84.6
GENERAL FUND CADETS							
Fire Department	26.7	143.0	140.1	111.3	0.0	0.0	0.0
Police Department	118.1	102.9	99.1	101.3	0.0	0.0	0.0
SUBTOTAL CADETS	144.8	245.9	239.2	212.6	0.0	0.0	0.0

FY2014 FULL TIME EQUIVALENT (FTE) REPORT
(1 FTE Equals 2,088 Hours per year)

GENERAL FUND CLASSIFIED	FY2013 Actual	FY2014 Budget	FY2014 (1) December	FY2014 (1) YTD AVG.	Overtime FY2013 Actual	Overtime FY2014 Budget	Overtime (1) FY2014 YTD
Fire Department	3,768.1	3,741.1	3,714.0 (4)	3,682.0 (4)	243.6	227.6	354.8
Police Department	5,196.1	5,172.0	5,122.6	5,131.7	260.8 (2)	95.6 (2)	237.2
SUBTOTAL CLASSIFIED	8,964.2	8,913.1	8,836.6	8,813.7	504.4	323.2	592.0
TOTAL GENERAL FUND	13,813.8	14,095.1	13,934.2	13,890.0	592.7	391.3	676.6
GRANTS & OTHER FUNDS (3)							
Administration and Regulatory Affairs	158.7	174.1	161.3	159.4	0.8	1.0	0.9
Finance Department	7.7	24.7	13.4	8.5	0.1	0.1	0.0
Fleet Management	257.6	300.9	277.6	274.5	10.1	9.1	12.6
General Services	58.9	60.0	59.5	59.6	0.1	0.8	0.0
Health & Human Services	513.2	146.8	581.1	569.0	2.3	0.7	1.5
Housing & Community Development	159.0	0.0	156.7	164.3	0.0	0.0	0.2
Houston Emergency Center	228.5	242.3	235.6	235.5	14.0	10.4	9.3
Human Resources	200.2	234.6	212.3	210.0	0.6	0.1	0.5
Information Technology	45.5	57.2	59.5	50.5	0.1	0.0	0.0
Legal	47.5	56.9	53.0	51.6	0.0	0.0	0.0
Library	48.2	5.0	19.9	26.9	0.0	0.0	0.0
Mayor's Office	28.5	17.5	26.3	26.6	0.0	0.2	0.1
Municipal Courts Department	35.0	20.0	15.0	16.5	0.0	0.0	0.0
Neighborhoods	50.0	0.0	46.0	48.8	1.1	0.0	0.0
Office of Business Opportunity	2.0	2.0	2.0	2.0	0.0	0.0	0.0
Parks & Recreation	88.1	91.0	76.9	91.6	3.9	4.4	7.4
Planning	11.9	17.5	9.5	14.1	0.0	0.0	0.0
Police Department - Cadet	29.8	0.0	0.0	29.5	0.0	0.0	0.0
Police Department - Classified	65.6	101.0	185.7	175.0	3.0	109.2	6.2
Police Department - Municipal	34.7	102.2	127.7	132.9	1.0 (2)	1.8	2.9
Public Works and Engineering	1,673.6	1,820.0	1,685.9	1,683.0	104.2	84.6	104.6
Solid Waste Management	2.9	3.0	2.0	1.5	0.0	0.0	0.0
TOTAL GRANTS & SPECIAL FUNDS	3,747.1	3,476.7	4,006.9	4,031.3	141.3	222.4	146.2
CITY-WIDE TOTAL	20,919.8	21,193.2	21,299.9	21,259.2	952.1	799.1	1,097.4

(1) YTD numbers measure the periods 07/01/2013 through 12/31/2013.

(2) Includes overtime hours from grants and special funds except Auto Dealers

(3) FY2014 Budget does not include Grant FTEs.

(4) Fire department FTEs do not include classified employees on phasedown.

Fund Descriptions

General Fund (1000)

General Revenues (i.e. property taxes, sales taxes, franchise fees, Municipal Courts fines, etc.) are budgeted and received in the General Fund for the support of most basic city services. Operations and services for public safety, financial services, libraries, solid waste management, health, most parks and recreation services, street traffic control, esplanade mowing and citywide administration are included in the General Fund.

Enterprise Funds

Aviation Operating Fund (8001)

The Aviation Operating Fund is an enterprise fund which accounts for operation of the City's airport system. The airport system is comprised of the George Bush Intercontinental Airport/Houston, William P. Hobby Airport, and Ellington Field. Activities of the department include: operations, maintenance, planning and construction, public service and administration. The Department coordinates its activities with the Federal Aviation Administration (FAA), other federal and state agencies, the airlines, and tenants of the airport facilities.

Convention and Entertainment Facilities Operating Fund (8601)

The Convention and Entertainment Facilities operating fund is an enterprise fund that accounts for the operation of the City's six major entertainment centers and City-owned parking garages: Jesse H. Jones Hall, Bayou Place, Houston Center for The Arts, Gus S. Wortham Center, George R. Brown Convention Center, Tranquility Park garage and Civic Center garage.

Combined Utility System Fund (8300, 8301, 8305)

The Combined Utility System is composed of three separate funds: the Water and Sewer System Operating Fund; the Combined Utility System Operating Fund and the Combined Utility System General Purpose Fund. The fund provides for the operation of the City's treated and untreated water, as well as, receives and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers. This fund is administered by the Public Works & Engineering Department.

Risk Management Funds

Health Benefits Fund (9000)

The Health Benefits Fund, an Internal Service Fund administered by the Human Resources Department, was established in 1984 to centralize the financial transactions for the City's benefit plans. Health Benefits Effective May 1, 2011, the City elected to be substantially self-insured and awarded CIGNA a three year contract with two (2) one-year renewal options for 4 new health plans. The new health benefits model is composed of four (4) plans, all of which have heavy emphasis on a wellness component, and includes: 1) a limited network HMO-type plan, 2) an open access PPO-type plan with no out-of-network coverage, 3) a consumer driven high deductible Health Plan (CDHP), partnered with a health reimbursement account, and 4) a specific plan for retirees, mostly those under age 65, who live outside the limited network service area but who live in Texas. Effective 08/01/11, all 65+ Medicare eligible retirees must enroll in the 6 MA plans or opt out. These plans are supported by contributions from the city and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.

Long Term Disability Fund (9001)

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an internal service fund. Established in 1985 and revised in 1996 as part of the Income Protection Plan (IPP) (renamed the Compensable Sick Leave Plan (CSL) in October 1996), the plan provides paid long-term sick leave for City employees.

Property and Casualty Fund (1004)

The Property and Casualty Fund was established to monitor the financial requirements of the Property and Risk Management Programs. This activity is primarily self-funded. The revenue is generated from assessed premiums to the other funds. These premiums are based upon projected expenditures. All risk to the City's assets (except Workers Compensation, Life, Health Benefits, and Long Term Disability) fall within the scope of this fund.

Workers' Compensation Fund (1011)

The Workers' Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Accident Prevention, Loss Control and Workers' Compensation.

Special Revenue Funds

Asset Forfeiture Fund (2202, 2203, 2204)

This fund is administered by the Houston Police Department (HPD). The City receives forfeited funds resulting from HPD's role in drug-related seizures. This fund provides resources beyond HPD's General Fund budget for crime enforcement. Specifically, this fund is used to address the drug problem in a manner consistent with the department's Comprehensive Narcotics Plan.

Auto Dealers Fund (2200)

This fund is budgeted to pay the license fees paid by tow truck drivers and various automotive sales, repair, storage and salvage dealers to finance a portion of the Police Department's enforcement efforts regarding privately owned storage lots. This fund is also administered by the Police Department.

BARC Special Revenue Fund (2427)

BARC (Bureau of Animal Regulation and Care) is authorized to receive funds from any source for the purpose of supporting the maintenance and operation of the City's animal shelter facilities and programs. This fund is administered by the Administration and Regulatory Affairs Department.

Building Inspection Fund (2301)

This fund includes all construction and building permit revenues and expenditures for inspections and permitting activities. Outdoor sign license fees are received in this fund for enforcement of the City's sign ordinance. This fund is administered by the Public Works and Engineering (PWE) Department.

Building (Court) Security Fund (2206)

This Fund was established in FY1997 and is administered by the Municipal Courts Department. This fund includes all security related contractual expenditures and additional security enhancements for the courts. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The mission of the Municipal Court Building Security Fund is to protect the health and welfare of civilians and employees by ensuring that adequate equipment, procedures, and personnel are present at all court facilities.

Cable TV Fund (2401, 2428)

This fund, under certain cable television franchise agreements with the City, receives contributions on a subscriber basis. This fund is used for public access cable television programming and related costs in the Cable Television Special Fund. The Mayor's Office is responsible for administering this fund.

Child Safety Fund (2209)

This fund is used to account for monies received for public, parochial and private school crossing guard programs. Revenues to the fund comes from an assessment of Municipal Court fee's on non-criminal municipal violations and a portion of each vehicle registration authorized by Harris County. The Police Department administers this fund.

Contractors Responsibility (2424)

The Contractors Responsibility Fund was created for the Pay or Play Program (POP), which is administered by the Office of Business Opportunity. The Pay or Play program is designated to foster the health care options for the citizens of Houston and Harris County area, create a level playing field for contractors bidding on City of Houston projects and defray the cost of the local uninsured workforce.

Dedicated Drainage & Street Renewal Fund (2310)

Ordinance 2010-879 requires funding in the amount equivalent to proceeds from \$0.118 of the City's ad valorem tax levy minus an amount equal to debt service for drainage and streets to the Dedicated Drainage & Street Renewal Fund. Total outstanding debt payable from ad valorem taxes (as of December 31, 2012) is \$3.47 billion. The portion of the debt associated with drainage and street improvements is estimated at \$1.69 billion. The Dedicated Drainage and Street Renewal Fund is not technically an enterprise fund, but is grouped with the Combined Utility System for clarity.

Digital Automated Red Light Enforcement Program Fund (2212)

This fund tracks the financial and accounting balances from all penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system. While no new tickets will be issued, this fund remains open while the City collects outstanding penalties and fees and pays the fund's expenses. This fund is administered by the Finance Department.

Digital Houston Fund (2422)

This fund is used by the City of Houston to build a citywide wireless broadband Wi-Fi mesh network that will provide affordable high-speed internet access for residents and visitors to Houston; thus creating a digital future for Houstonians through a digital literacy effort in support of achieving Houston's educational workforce and educational goals. This fund is administered by the Library Department.

Essential Public Health Services (2010)

The Essential Public Health Services Fund was created for the purpose of offsetting costs associated with the administration of Medicaid Transformation Waiver projects and to perform other essential public health services. This fund will capture the costs and reimbursement of the expenses for the projects. The expected reimbursements are for costs that are incurred for the expansion of health and human services.

Forensic Transition Special Fund (2213)

The Forensic Transition Special Fund was created for the transition of forensic operations from the Houston Police Department to the independent Houston Forensics Science Local Government Corporation (LGC). The fund's budget covers City of Houston employees that provide services to the Houston Forensic Science LGC.

Health Special Revenue Fund (2002)

Health Special Revenue Fund contains several revenue generating activities that are supported by ordinances, including the following: Consumer Foods Technology Fee, Ambulance Permit Fee, Vital Statics, Geriatric Dental Program, and donated fund for community activities or special events coordinated by Children and Family Services Division and Community Health Services Division.

Historic Preservation Fund (2306)

This fund is administered by the Planning and Development Department and the Houston Public Library. This fund was established in FY2010 to utilize funds set aside from the sale of historic fire stations by the City in FY2009. This fund is used to promote historic preservation programs. It utilizes City funds as seed money to encourage private investment, attract grant funds, and support educational programs that will further preservation efforts in Houston. This fund also provides future funding for the maintenance needs of the historic Julia Ideson Building.

Houston Emergency Center Fund (2205)

This fund consolidates the City's four separate emergency services into one state of the art facility. This fund is administered by the Houston Emergency Center.

Houston TranStar Center Fund (2402)

Houston TranStar Center, formerly known as the Greater Houston Transportation & Emergency Management Center, was built through a cooperative effort among the City of Houston, Harris County, Metropolitan Transit Authority (METRO) and the Texas Department of Transportation (TxDOT). The center houses personnel responsible for and/or involved with transportation and emergency management planning and operations in the Houston/Harris County area. Funding for the center is received from each member agency and is prorated based on occupancy and use of center facilities.

Juvenile Case Manager Fund (2211)

This Fund was established in FY2009 and is administered by the Municipal Courts Department. This fund includes expenditures for the salary, benefits, and operational costs related to the Juvenile Case Manager staff. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The mission of the Juvenile Case Manager Fee Fund is to partner with school districts within the City of Houston in an effort to increase school attendance and reduce truancy through early identification, assessment and prevention services, to enhance the accountability of students and families, and to limit a juvenile's exposure to the criminal justice system.

Laboratory Operation and Maintenance Fund (2008)

The Laboratory Operations and Maintenance Fund is designated for the retention of all revenues from laboratory fees. All laboratory fees charged and revenues collected are to defray the costs associated with the purchase, maintenance, operation, and utilization of City Laboratories, including but not limited to, infrastructure, equipment, supplies, software, and hardware systems, and with performing public health surveillance tests.

Parking Management Fund (8700)

This fund is responsible for managing and providing on-street parking alternatives to the citizens in the Greater Houston area. This fund is administered by the Administration and Regulatory Affairs Department.

Parks Golf Special Fund (2104)

This fund was created to receive all City revenues derived from all City-owned golf facilities, whether operated by the City or private entities, including all related concessions fees, to be used exclusively for the maintenance, operating and improvements of any or all such golf courses.

Parks Special Revenue Fund (2100)

This fund is used to account for revenues and certain expenditures related to operations of the City's municipal golf courses and youth programs. This fund is administered by the Parks and Recreation Department.

Police Special Services Fund (2201)

This fund is used to account for activities that are not covered under the General Fund Budget. The activities include joint police operations, security and traffic control, undercover support services and use of HPD facilities. The Police Department administers this fund.

Recycling Expansion Program Fund (2305)

This fund was created to allocate dedicated funds to be used for the expansion and implementation of the City's Recycling Programs. Efforts include citywide tree waste recycling, additional neighborhood depository sites, curbside recycling and increased education and outreach. These efforts allow the City to improve its current landfill diversion rate. This fund is administered by the Solid Waste Management Department.

Special Waste Fund (2423)

The Health and Human Services Special Waste Fund pertains to fees issuance of permits or registration certificate. The Fats, Oil, and Grease (FOG) section is responsible for the permitting of all special waste generators, transporters and biological pretreaters in the City of Houston. The goal of the FOG program is to prevent the infiltration of fats, oils, and grease into the sanitary sewer, and to assure that the City's infrastructure and the health of the citizens are protected.

Supplemental Environmental Protection Fund (2404)

This fund is for the advancement of the goals of clean air and water and to enhance the community environment impacted by criminal environmental violators. This fund is administered by the Police Department.

Swimming Pool Safety Fund (2009)

This fund receives proceeds from enforcing municipal, state and federal pool and spa safety standards. State and federal pool and safety standards apply to all pools and spas serving more than two dwellings; in accordance with the requirements, operators of pool and spas at apartment or condominium projects are required to obtain permits and to comply with the standards. The fees collected in pursuant of swimming pool and spa safety are used for the purposes of activities related to permitting, inspecting, monitoring, abating, controlling, educating and enforcement of municipal, state and federal standards. This fund is administered by the Health and Human Services Department.

Technology Fee Fund (2207)

This Fund was established in FY2001 and is administered by the Municipal Courts Department. This fund includes expenditures for hardware/software maintenance and support, and debt repayment for the court's current case management system (ICMS). The final debt service payment is planned for FY14. Revenue is generated by the collection of a court fee for each paid conviction as allowed by State law. The purpose of the fund is to finance technological enhancements for the Municipal Courts and maintain systems to operate in an efficient manner.