



OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

CHRIS B. BROWN

To: Mayor Sylvester Turner
City Council Members

From: Chris B. Brown
City Controller

Date: March 30, 2018

Subject: February 2018
Financial Report

Attached is the Monthly Financial Report for the period ending February 28, 2018.

GENERAL FUND

The Controller's Office is projecting an ending fund balance of \$232.8 million for FY2018. This is \$4.9 million lower than the projection of the Finance Department. The difference is due to a \$4.9 million higher revenue projection from the Finance Department. Based on our current projections, the fund balance will be \$80.5 million above the City's target of holding 7.5% of total expenditures, excluding debt service and Pay As You Go (PAYGO), in reserve.

Our revenue projection increased \$2.6 million from the January report. Our projection for Industrial Assessments increased \$1.5 million to reflect higher values than expected. Sales Tax was increased \$17.4 million to reflect the 7 months actual receipts for the year above expected. Telephone Franchise fees were increased \$1 million for higher receipts. Other Franchise was increased \$1.6 million for higher Cable and Solid Waste Hauler fees. Licenses and Permits was decreased \$2.3 million for lower receipts in Taxi Licenses, Burglar Alarm permits, and Dumpster permits. Charges for Services was decreased \$4.5 million for lower Ambulance fees received from lower than expected transports. Direct Interfund was decreased \$747,000 for lower Police Services at the airports. Other Fines & Forfeits decreased \$739,000 for lower false alarm penalties than projected. Finally, we reduced Sale of Capital Assets \$10.5 million for delays in closing real estate sales.

The major difference is in only one category:

- (1) Sales Tax is \$2.3 million lower, as Controller's Office is using 0% growth for the remaining 5 months.

Expenditure projections were decreased \$33 million from the January report. Our projection for General Government was decreased \$10 million for lower Claims & Judgements costs. Debt Service was decreased \$17.7 million for the delayed issuance of the Pension Obligation Bonds. Finally, several departments were decreased \$6.2 million for lower than expected service chargeback costs. This is \$8 million higher than the Adopted Budget.

ENTERPRISE FUNDS

In the Aviation Operating Fund, our projection for Operating Revenues increased \$2.3 million mainly for higher auto rental and ground transportation concession revenues. Operating Expenses increased \$10.2 million for higher personnel and management consulting expenses. These changes caused Operating Transfers to decrease \$7.8 million.

**Mayor Sylvester Turner
City Council Members
February Monthly Financial Report**

Our projection in the Combined Utility System Operating Fund Operating Expenses decreased \$951,000 from delays in program implementation for regulatory compliance and maintenance activities. Operating Transfers decreased \$30.5 million mainly for delays in equipment purchases.

Convention & Entertainment Operating Fund Revenues were decreased \$4.7 million for lower garage parking revenues, an effect from Hurricane Harvey.

For the Dedicated Drainage & Street Renewal Fund, our projection for expenditures were decreased \$10.7 million for delays in vehicle purchases, and lower temporary personnel costs.

We are projecting no material changes in the Storm Water Fund this month.

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 February 28, 2018, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation	0.50%
Combined Utility System	1.87%
Aviation	15.14%
Convention and Entertainment	19.43%

Respectfully submitted,



Chris B. Brown
City Controller



CITY OF HOUSTON

Finance Department

Sylvester Turner

Mayor

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To: Mayor Sylvester Turner
City Council Members

Date: March 30, 2018

Subject: 8+4 Financial Report

Attached is the 8+4 Financial Report for the period ending February 28, 2018. Fiscal Year 2018 projections are based on eight months of actual results and four months of projections.

General Fund

Our revenue projection is \$22.3 million higher than the Adopted Budget and \$3.1 million higher than the 7+5 Report. The variance from the prior month's projection is primarily due to:

- \$17.7 million increase in Sales Tax due to higher than anticipated receipts,
- \$2.2 million increase in Other Franchise due to higher than anticipated Cable TV franchise fees,
- \$1.5 million increase in Industrial Assessment due to higher than anticipated taxable valuation,
- \$349,000 increase in Telephone Franchise due to higher than anticipated receipts,
- \$522,000 decrease in Municipal Courts Fines and Forfeits due to court closures and lower citation issuance during Hurricane Harvey,
- \$747,000 decrease in Direct Interfund Services due to lower chargeback for police services,
- \$1.6 million decrease in Licenses and Permits primarily due to lower than anticipated permit issuance and renewals,
- \$5 million decrease in Charges for Services primarily due to lower than anticipated ambulance transports, and
- \$10.5 million decrease in Sales of Capital Assets primarily due to delays in real estate sales.

General Fund Revenues (amounts expressed in thousands)

Category	FY17 Actual	FY18 Adopted Budget	FY18 Current Projection	Variance Over/(Under)
Property Tax	\$1,153,991	\$1,158,297	\$1,158,297	-
Sales Tax	631,993	627,000	654,700	27,700
Franchise Fees	190,586	180,082	183,882	3,800
Other	375,245	360,833	351,638	(9,195)
Total	\$2,351,815	\$2,326,212	\$2,348,517	22,305

Our expenditure projection is \$8 million higher than the Adopted Budget and \$33.1 million lower than the 7+5 Report. The variance from the prior month's projection is primarily due to:

- \$17.4 million decrease in debt service due to the delayed issuance of the Pension Obligation Bonds,
- \$10 million decrease in General Government primarily due to lower than anticipated claims and judgements, retirees' health benefit costs, and legal services, and
- \$6.2 million decrease in various departments to reflect savings in service chargeback funds such as IT and electricity costs.

General Fund Expenditures (amounts expressed in thousands)

Category	FY17 Actual	FY18 Adopted Budget	FY18 Current Projection	Variance Over/(Under)
Police	\$826,716	\$827,311	\$830,891	3,580
Fire	504,629	481,151	495,172	14,021
Other Departments	694,952	696,063	703,857	7,794
Debt Service/PAYGO	293,156	367,893	350,523	(17,370)
Total	\$2,319,453	\$2,372,418	\$2,380,443	8,025

We are currently projecting an ending fund balance of \$237.7 million, which is approximately 11.7% of estimated expenditures less debt service and pay-as-you-go (PAYGO) transfers.

Fund Balance (amounts expressed in thousands)

Category	FY17 Actual	FY18 Adopted *Budget	FY18 Current Projection	Variance Over/(Under)
Fund Balance - Beginning of Year	\$236,947	\$225,277	\$269,560	44,283
Changes to Designated Fund Balance	-	107	107	-
Budgeted Increase/(Decrease) in Fund Balance	32,362	(46,206)	(31,926)	14,280
Change in Inventory/Prepaid Items/Imprest Cash	251	-	-	-
Fund Balance, End of Year	\$269,560	\$179,178	\$237,741	\$58,563
% of Expenditures Less Debt Service and PAYGO	13.3%	8.9%	11.7%	2.8%

* The estimated beginning fund balance at the time of budget adoption.

A summary of all variances from the Adopted Budget that have been reported year to date is included in the attachment to this letter.

Enterprise, Special Revenue and Other Funds

We are projecting the following forecast changes in Enterprise Funds, Special Revenue Funds and other funds from the 7+5 Report.

Aviation

Operating Revenues increased by \$2.3 million primarily due to auto rental and ground transportation concession. Operating Expenses increased by \$10.2 million primarily due to increase in personnel and management consulting services. As a result, Operating Transfers decreased by \$7.8 million.

Combined Utilities System

Operating Expenses decreased by \$951,000 primarily due to delays in program implementation for regulatory compliance operation and maintenance activities. Operating Transfers decreased by \$30.5 million primarily due to delays in equipment purchases.

Convention and Entertainment

Operating Revenues decreased by \$4.7 million primarily due to lower than anticipated garage parking revenue due to Hurricane Harvey.

Dedicated Drainage and Street Renewal Fund

Expenditures decreased by \$10.7 million primarily due to delays in vehicles purchase and lower temporary personnel services.

Health Benefits Fund

Revenues decreased by \$553,000 due to plan/tier changes and lower enrollment. Expenditures decreased by \$792,000 due to lower than anticipated claims.

Property & Casualty Fund

Revenues and expenditures increased by \$3.6 million primarily due to insurance premium renewals.

Workers' Compensation Fund

Revenues and expenditures increased by \$1.1 million primarily due to higher than anticipated claims.

Asset Forfeiture Fund

Revenues increased by \$787,000 primarily due to higher than anticipated confiscations. Expenditures decreased by \$1.6 million primarily due to delays in equipment purchases.

Auto Dealers Fund

Revenues increased by \$812,000 primarily due to higher sales of impounded vehicles. Expenditures decreased by \$595,000 primarily due to savings in equipment purchases.

BARC Fund

Expenditures decreased by \$1.1 million to reflect savings in personnel, supplies, and services.

Building Inspection Fund

Revenues increased by \$1.9 million due to higher than anticipated permit activities. Expenditures decrease by \$13 million primarily due to delays in equipment purchases. Operating transfer out increased by \$3 million due to debt services pre-payment.

Cable TV Fund

Revenues increased by \$803,000 correlated to higher Cable TV franchise fees.

Essential Public Health Fund

Expenditures decreased by \$5.3 million to reflect savings in personnel, supplies, and services.

Forensic Transition Fund

Revenues and Expenditures decreased by \$1.5 million to reflect savings in personnel, supplies, and services.

Health Special Revenue Fund

Revenues decreased by \$478,000 primarily due to delay in funding for the Veterans Affairs program. Expenditures decreased by \$2.1 million due to savings in personnel, supplies and services.

Houston TranStar Fund

Expenditures decreased by \$342,000 due to lower than anticipated building maintenance service.

Juvenile Case Manager Fee Fund

Expenditures decreased by \$509,000 due to personnel savings.

Maintenance Renewal and Replacement Fund

Expenditures increased by \$1.5 million due to emergency projects prioritization.

Parking Management Fund

Revenues decreased \$1.4 million primarily due to lower than anticipated parking violations. Expenditures decreased by \$1.5 million primarily to reflect savings in personnel, supplies and services.

Parks Golf Special Fund

Revenues decreased by \$386,000 due to lower than anticipated golf fees. Expenditures decreased by \$569,000 to reflect personnel savings.

Police Special Services Fund

Revenues increased by \$2.5 million primarily due to higher than anticipated police service to outside law enforcement agencies. Expenditures increased by \$2.9 million due to increase in personnel, supplies and services.

Disaster Recovery

Advanced Requests - As of February 28, 2018, the City has requested advanced funding (federal share) of \$362.3 million for Category A & B. To date, we have received a total of \$163 million (\$105.1 million for debris removal and \$57.9 million for emergency protective services).

Requests – In addition, a total of fifteen projects were submitted to FEMA totaling \$68.7 million and more projects are planned for submission in the upcoming weeks.

<i>FEMA Category (amounts expressed in millions)</i>	<i>Requested Value</i>	<i>Federal Share</i>	<i>Funds Received</i>
<i>Project Submissions:</i>			
* Emergency Protective Services – Cat B	\$ 51.0	\$ 51.0	\$ 21.2
Buildings and Equipment – Cat E	\$ 17.7	\$ 16.0	\$ -
Total	\$ 68.7	\$ 67.0	\$ 21.2

* \$21.2 million received for Cat B was submitted as part of the advanced funding request.

The City also received a \$50 million grant from the State of Texas and has collected \$100 million in property insurance proceeds.

Sincerely,



Tantri Emo
Interim-Director



General Fund (Fund 1000)
(amounts expressed in thousands)

Finance - Major Variances from Adopted Budget

Revenues		Variance Over/(Under)*
Month Reported	Revenue Detail	
October	Intergovernmental Increase in Ambulance Supplemental Payment Program (ASPP) reimbursement	7,456
December	Sales Tax Increase to reflect higher than anticipated sales tax receipts	10,000
	Telephone Franchise Increase to reflect higher than anticipated telephone franchise tax	1,299
	Licenses and Permits Decrease due to lower than anticipated dumpster permit fees	(807)
	Intergovernmental Decrease primarily due to delays in reporting of the 1115 Health Waiver program	(1,024)
	Charges for Services Decrease due to lower than anticipated demolition & weed cutting activities	(370)
	Other Fines and Forfeits Decrease due to lower than anticipated fines & forfeits related to liens collection	(350)
	Interest Increase to reflect higher than anticipated cash receipts	3,000
	Industrial Assessments Increase due to higher than anticipated taxable valuation	1,460
	Sales Tax Increase due to higher than anticipated sales tax receipts	17,700
	Telephone Franchise Increase due to higher than anticipated telephone franchise fees	349
February	Other Franchise Increase primarily due to higher than anticipated cable TV franchise fees	2,153
	Licenses and Permits Decrease due to lower than anticipated permits issuance and renewals	(1,581)
	Charges for Services Decrease primarily due to lower than anticipated ambulance transports	(5,016)
	Direct Interfund Services Decrease primarily due to lower chargeback for police services	(747)
	Municipal Courts Fines and Forfeits Decrease primarily due to court closures and lower citation issuance during Hurricane Harvey	(522)
	Other Fines and Forfeits Decrease primarily due to lower than anticipated false alarm penalties	(219)
	Sale of Capital Assets Decrease primarily due to the delays in real estate sales	(10,478)
	Total Revenues	22,303
	Fund Balance Additional Beginning Fund Balance	44,283
	Total Financial Resources	66,586
Expenditures		
Month Reported	Expenditure Detail	
July	Public Safety Increase to reflect an adjustment to the fire classified pension contribution rate	13,300
	Increase to fund classified fire employee pay raises	6,000
	Increase to fund an additional police cadet class	982
October	Increase primarily due to ASPP billing and collection fees	897
December	Increase in Police due to redeployment of classified personnel	4,356
July	Total Public Safety	25,535
	Other Adjustments Increase due to elimination of one-time deferral of the interlocal payment to the Houston Zoo	5,000
	Increase due to elimination of one-time deferral lease payment to Public Works for 611 Walker	4,888



General Fund (Fund 1000)
(amounts expressed in thousands)

Finance - Major Variances from Adopted Budget

August	Increase to reflect unanticipated costs related to Hurricane Harvey not reimbursed by FEMA	11,000
December	Decrease primarily due to delays in reporting of the 1115 Health Waiver program	(1,109)
	Increase primarily due to complete communities project	150
	Decrease in General Government contingency	(4,356)
February	Decrease primarily due to the delayed issuance of the Pension Obligation Bonds (POB)	(17,370)
	Decrease primarily due to restricted accounts adjustment	(6,216)
	Decrease in General Government primarily due to lower than anticipated claims and judgements, retirees' health benefits costs, and legal services	(10,000)
	Other expenditure adjustments	501
	Total Other Adjustments	(17,512)
	Total Expenditures	8,023

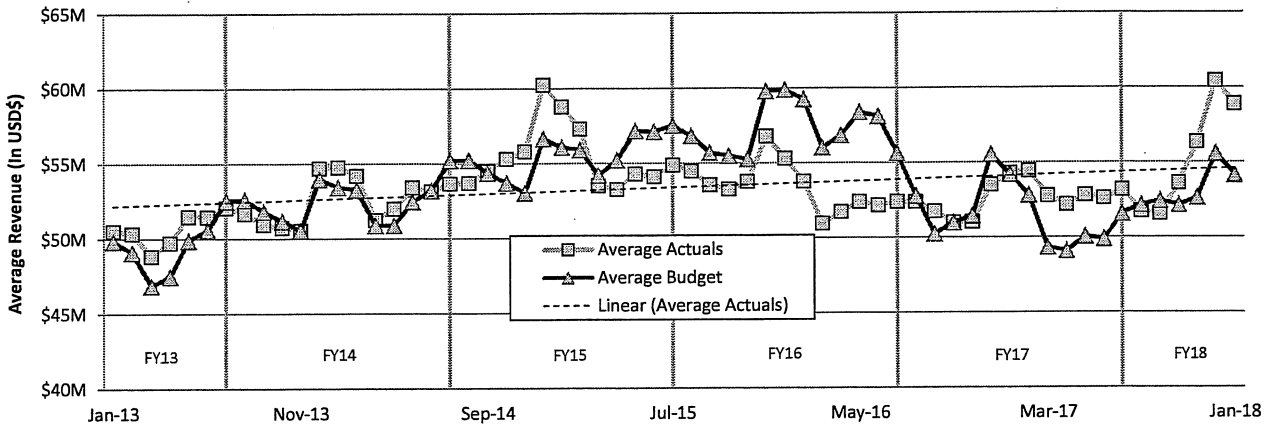
**Total may reflect slight variances due to rounding.*



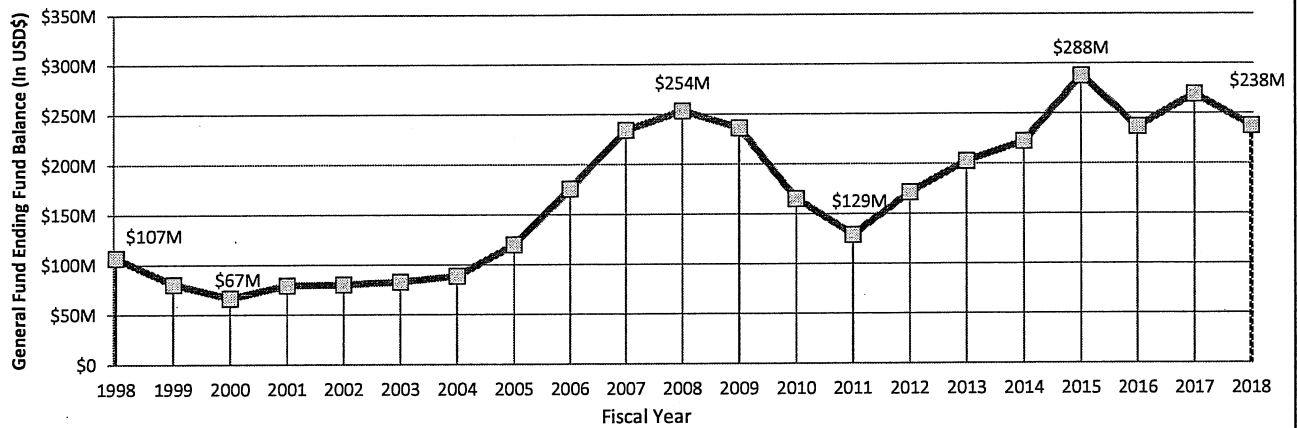
General Fund (Fund 1000)

Sales Tax Growth and Comparative Fund Balance

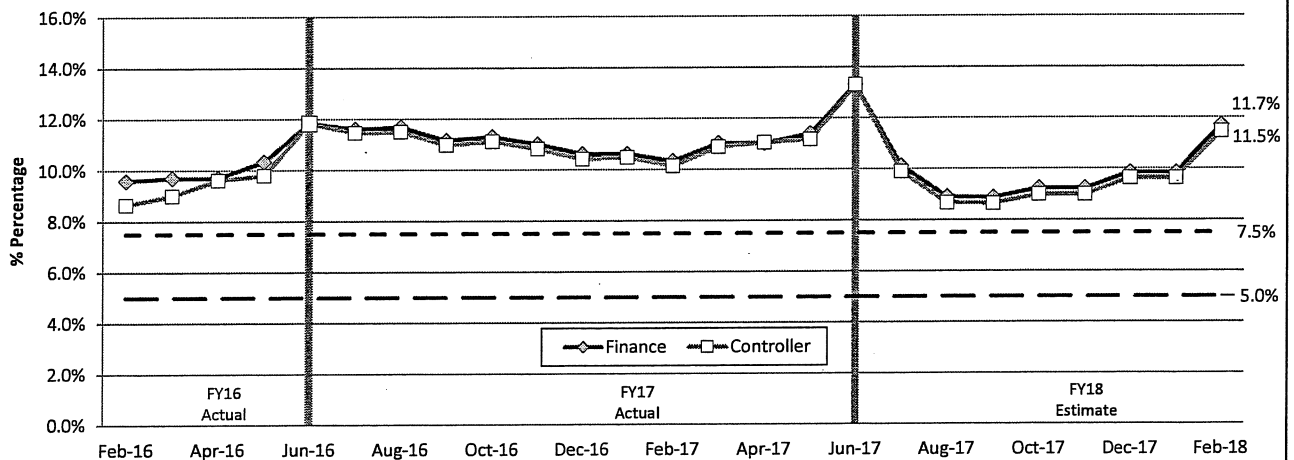
Sales Tax - Three-month Rolling Average



Historical Unassigned Ending Fund Balance



General Fund Comparative Fund Balance
Annual Projected Ending Fund Balance as % of Expenditures Less Debt*



*According to the financial policies, Ordinance 2014-1078, the City is required to maintain an ending fund balance equal to 7.5% of expenditures before debt service and pay-as-you-go (PAYGO).



General Fund (Fund 1000)
For the period ended February 28, 2018
(amounts expressed in thousands)

Actual YTD
 Current Budget

	FY2018						Controller - Finance	Controller - Finance
	FY2017 Actual	Adopted Budget	Current Budget	Controller's Projection	Finance Projection	Actual YTD	Finance Variance	
Revenues								
General Property Taxes	1,153,991	1,158,297	1,158,297	1,158,297	1,158,297	1,258,198	-	
Industrial Assessments	19,291	17,917	17,917	19,000	19,377	217	(377)	
Sales Tax	631,993	627,000	627,000	652,418	654,700	431,188	(2,282)	
Other Taxes	16,896	17,413	17,413	17,000	17,413	8,137	(413)	
Electric Franchise	102,654	102,270	102,270	102,000	102,270	67,631	(270)	
Telephone Franchise	41,928	37,215	37,215	38,061	38,863	26,127	(802)	
Gas Franchise	15,016	13,791	13,791	13,500	13,791	9,194	(291)	
Other Franchise	30,988	26,806	26,806	28,130	28,958	19,891	(828)	
Licenses and Permits	38,020	35,342	35,342	33,011	32,954	21,190	57	
Intergovernmental	71,040	71,062	71,062	77,494	77,494	49,365	-	
Charges for Services	60,046	60,830	60,830	56,124	55,447	36,772	677	
Direct Interfund Services	53,523	54,859	54,859	54,112	54,112	33,891	-	
Indirect Interfund Services	27,399	29,001	29,001	29,001	29,001	15,605	-	
Municipal Courts Fines and Forfeits	22,122	21,371	21,371	20,865	20,849	12,261	16	
Other Fines and Forfeits	4,778	4,094	4,094	3,261	3,527	2,051	(266)	
Interest	5,051	3,000	3,000	6,000	6,000	3,399	-	
Miscellaneous/Other	25,876	13,138	13,138	12,951	13,136	8,037	(185)	
Total Revenues	2,320,612	2,293,406	2,293,406	2,321,225	2,326,189	2,003,154	(4,964)	
Expenditures								
Administration & Regulatory Affairs	29,369	28,143	28,143	28,179	28,179	16,505	-	
City Council	10,728	9,978	10,847	10,893	10,893	5,161	-	
City Secretary	708	889	889	910	910	512	-	
Controller	8,175	8,621	8,621	8,613	8,613	5,774	-	
Finance	17,281	19,052	19,052	19,053	19,053	11,803	-	
Fire	504,629	481,151	481,151	495,172	495,172	331,644	-	
General Services	39,715	42,209	42,209	42,002	42,002	23,329	-	
Housing and Community Development	520	493	493	501	501	400	-	
Houston Emergency Center	10,248	9,762	9,762	9,762	9,762	4,881	-	
Houston Health Department	65,631	67,131	67,131	66,093	66,093	49,191	-	
Houston Public Works	30,618	33,339	33,339	29,660	29,660	20,194	-	
Human Resources	2,981	3,171	3,171	3,189	3,189	1,989	-	
Information Technology	21,391	17,068	17,068	17,230	17,230	10,970	-	
Legal	15,078	16,094	16,094	16,084	16,084	9,912	-	
Library	41,532	40,569	40,569	40,693	40,693	25,947	-	
Mayor's Office	7,648	7,473	7,473	7,458	7,458	5,603	-	
Municipal Courts	27,492	30,434	30,434	30,335	30,335	18,802	-	
Neighborhoods	11,143	11,486	11,486	11,358	11,358	7,129	-	
Office of Business Opportunity	2,915	3,049	3,049	3,332	3,332	1,904	-	
Parks and Recreation	72,462	70,215	70,215	74,563	74,563	44,286	-	
Planning and Development	3,989	3,508	3,508	3,645	3,645	2,223	-	
Police	826,716	827,311	827,383	830,891	830,891	560,151	-	
Solid Waste Management	84,111	80,161	80,161	80,490	80,490	44,545	-	
Total Departmental Expenditures	1,835,080	1,811,307	1,812,248	1,830,106	1,830,106	1,202,855	-	
General Government	191,217	193,218	192,277	199,814	199,814	92,409	-	
Total Expenditures Other Than Debt	2,026,297	2,004,525	2,004,525	2,029,920	2,029,920	1,295,264	-	
Transfer to Special Revenues	-	-	-	-	-	-	-	
Captured Revenue Transfer to DDSRF	34,741	34,109	34,109	34,399	34,399	-	-	
Debt Service Transfer	258,415	333,784	333,784	316,124	316,124	316,124	-	
Total Expenditures and Other Uses	2,319,453	2,372,418	2,372,418	2,380,443	2,380,443	1,611,388	-	
Net Current Activity	1,159	(79,012)	(79,012)	(59,218)	(54,254)	391,766	(4,964)	
Other Financing Sources (Uses)								
Transfers from Other Funds	20,901	18,265	18,265	18,314	18,314	10,155	-	
Sale of Capital Assets	10,302	14,540	14,540	4,014	4,014	3,739	-	
Total Other Financing Sources (Uses)	31,203	32,806	32,806	22,328	22,328	13,895	-	
Fund Balances								
Fund Balance - Beginning of Year	236,947	269,560	269,560	269,560	269,560	269,560	-	
Changes to Designated Fund Balance*	-	107	107	107	-	-	-	
Budgeted Increase/(Decrease) in Fund Balance	32,362	(46,206)	(46,206)	(46,206)	(46,206)	405,661	-	
Change in Inventory/Prepaid Items/Imprest Cash	251	-	-	-	-	-	-	
(Budgeted Gap)/Increase in Fund Balance**	-	-	-	9,316	14,280	-	(4,964)	
Fund Balance, End of Year***	269,560	223,461	223,461	232,777	237,741	675,221	(4,964)	

*The total designation for the Budget Stabilization Fund is approximately \$1 thousand. The \$20 million was transferred to the Disaster Recovery Fund.

**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.

***According to the financial policies, Ordinance 2014-1078, the City is required to maintain an ending fund balance equal to 7.5% of expenditures less Debt Service and Pay-As-You-Go (PAYGO) which is \$152,244 based on current projections. The City will be \$80,533 above 7.5% based on the Controller's Projections for FY2018.

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

Harvey - Disaster Recovery Funds (5303, 5304, 8044, 8386)
For the period ended February 28, 2018
(in thousands)

	MTD Actual	YTD Actual	Inception to-date Actual	Projection				
				Current Fiscal Year	Inception To-date			
Cash Inflows								
FEMA Cash Advance Category A	\$ -	\$ 105,081	\$ 105,081	\$ 233,513	\$ 233,513			
FEMA Cash Advance Category B	-	57,935	57,935	128,745	128,745			
FEMA Reimbursements	-	-	-	-	-			
State Assistance	-	50,000	50,000	50,000	50,000			
Transfer from Budget Stabilization Fund	-	20,000	20,000	20,000	20,000			
Transfer from Other Funds	5,000	5,000	5,000	5,000	5,000			
Insurance Advance	17,000	100,000	100,000	100,000	100,000			
Total Inflows	\$ 22,000	\$ 338,016	\$ 338,016	\$ 537,258	\$ 537,258			
Cash Outflows				FEMA Share		City Share	Total Projection	
	Debris Removal (Category A)	3,062	32,830	32,827	233,513	233,513	25,946	259,459
	Emergency Protective Measures (Category B)*	2,708	26,945	26,945	128,745	128,745	TBD	128,745
	Roads and Bridges (Category C) *	-	-	-	TBD	TBD	65,000	650,000
	Water Control Facilities (Category D)*	-	133	133	TBD	TBD	100,000	1,000,000
	Buildings and Equipment (Category E)*	(1)	192	192	11,815	11,815	26,927	269,269
	Utilities (Category F)*	-	-	-	TBD	TBD	13,979	139,785
	Parks Recreational Areas, and Other Facilities (Category G)*	-	-	-	TBD	TBD	2,783	27,827
	Direct/Indirect Administrative Cost	-	-	-	-	-	-	-
	Insurance Premium	-	1,716	1,716	-	-	-	-
	Total Outflows	\$ 5,769	\$ 61,817	\$ 61,814	\$ 374,073	\$ 374,073	\$ 234,634	\$ 2,475,086
	Net Current Flows	\$ 16,231	\$ 276,200	\$ 276,203	\$ 163,185	\$ 163,185		

*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.

*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.

Notes:

1. DR 4332 - Disaster Incident Period: August 23, 2017 through September 15, 2017.
2. FEMA Disaster Declaration made August 25, 2017.
3. Disaster cost shares: All categories A-G are Federal 90% COH 10%. Category B is Federal 100% for the first 30 days (08/23/17 to 09/22/17).
4. Emergency Purchase Orders (EPOs) and Congregate Sheltering costs are included in Cash Advance Category B projections.
5. Amounts transferred from the Budget Stabilization Fund per Ord. #2017-667, are to be replenished by August 2019.
6. This analysis tracks inflows, outflows based on entries into SAP by the spending departments.
7. Category A Debris Removal cash flows can be updated quarterly, whereas updates for the other categories will not be available until the projects progress further.
8. Received the maximum payout of \$100M for City's flooding policies.
9. Projections include reimbursements for City properties managed by Local Government Corporations (LGC) such as Houston First.
10. Includes \$65K of the Houston Airport System's Harvey expenses, which may not be reimbursable by FEMA.

Harvey - General Government Disaster Recovery Fund 5303
For the period ended February 28, 2018
(in thousands)

	MTD Actual	YTD Actual	Inception to-date Actual	Projection			
				Current Fiscal Year	Inception To-date		
Cash Inflows							
FEMA Cash Advance Category A	\$ -	\$ 105,081	\$ 105,081	\$ 233,513	\$ 233,513		
FEMA Cash Advance Category B	-	57,935	57,935	128,745	128,745		
FEMA Reimbursements	-	-	-	-	-		
State Assistance	-	50,000	50,000	50,000	50,000		
Transfer from Budget Stabilization Fund	-	20,000	20,000	20,000	20,000		
Transfer from Other Funds	-	-	-	-	-		
Insurance Advance	17,000	100,000	100,000	100,000	100,000		
Total Inflows	\$ 17,000	\$ 333,016	\$ 333,016	\$ 532,258	\$ 532,258		
Cash Outflows				FEMA Share	City Share	Total Projection	
Debris Removal (Category A)	3,059	32,827	32,827	233,513	233,513	25,946	259,459
Emergency Protective Measures (Category B)*	1,799	24,822	24,822	128,745	128,745	TBD	128,745
Roads and Bridges (Category C) *	-	-	-	TBD	TBD	65,000	650,000
Water Control Facilities (Category D)*	-	-	-	-	-	-	-
Buildings and Equipment (Category E)*	-	-	-	11,815	11,815	26,514	265,140
Utilities (Category F)*	-	-	-	-	-	-	-
Parks Recreational Areas, and Other Facilities (Category G)*	-	-	-	TBD	TBD	2,783	27,827
Direct/Indirect Administrative Cost	-	-	-	-	-	-	-
Insurance Premium	-	1,716	1,716	-	-	-	-
Total Outflows	\$ 4,859	\$ 59,365	\$ 59,365	\$ 374,073	\$ 374,073	\$ 120,243	\$ 1,331,172
Net Current Flows	\$ 12,141	\$ 273,651	\$ 273,651	\$ 158,185	\$ 158,185		
<i>*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.</i>							

Notes:

1. DR 4332 - Disaster Incident Period: August 23, 2017 through September 15, 2017.
2. FEMA Disaster Declaration made August 25, 2017.
3. Disaster cost shares: All categories A-G are Federal 90% COH 10%. Category B is Federal 100% for the first 30 days (08/23/17 to 09/22/17).
4. Emergency Purchase Orders (EPOs) and Congregate Sheltering costs are included in Cash Advance Category B projections.
5. Amounts transferred from the Budget Stabilization Fund per Ord. #2017-667, are to be replenished by August 2019.
6. This analysis tracks inflows, outflows based on entries into SAP by the spending departments.
7. Category A Debris Removal cash flows can be updated quarterly, whereas updates for the other categories will not be available until the projects progress further.
8. Received the maximum payout of \$100M for City's flooding policies.
9. Projections include reimbursements for City properties managed by Local Government Corporations (LGC) such as Houston First.

Harvey - Storm Water Disaster Recovery Fund 5304
For the period ended February 28, 2018
(in thousands)

	MTD Actual	YTD Actual	Inception to-date Actual	Projection	
				Current Fiscal Year	Inception To-date
Cash Inflows					
FEMA Cash Advance Category A	\$ -	\$ -	\$ -	\$ -	\$ -
FEMA Cash Advance Category B	-	-	-	-	-
FEMA Reimbursements	-	-	-	-	-
Insurance Reimbursements	-	-	-	-	-
Transfer from Budget Stabilization Fund	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-
Insurance Advance	-	-	-	TBD	TBD
Total Inflows	\$ -	\$ -	\$ -	TBD	TBD
Cash Outflows					
				FEMA Share	City Share
Debris Removal (Category A)	-	-	-	-	-
Emergency Protective Measures (Category B)*	-	3	3	TBD	TBD
Roads and Bridges (Category C) *	-	-	-	-	-
Water Control Facilities (Category D)*	-	-	-	-	-
Buildings and Equipment (Category E)*	-	-	-	-	-
Utilities (Category F)*	-	-	-	-	-
Parks Recreational Areas, and Other Facilities (Category G)*	-	-	-	-	-
Direct/Indirect Administrative Cost	-	-	-	-	-
Insurance Premium	-	-	-	-	-
Total Outflows	\$ -	\$ 3	\$ 3	TBD	TBD
Net Current Flows	-	(3)	(3)	TBD	TBD
*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.					

Notes:

1. DR 4332 - Disaster Incident Period: August 23, 2017 through September 15, 2017.
2. FEMA Disaster Declaration made August 25, 2017.
3. Disaster cost shares: All categories A-G are Federal 90% COH 10%. Category B is Federal 100% for the first 30 days (08/23/17 to 09/22/17).
4. Emergency Purchase Orders (EPOs) and Congregate Sheltering costs are included in Cash Advance Category B projections.
5. Amounts transferred from the Budget Stabilization Fund per Ord. #2017-667, are to be replenished by August 2019.
6. This analysis tracks inflows, outflows based on entries into SAP by the spending departments.
7. Category A Debris Removal cash flows can be updated quarterly, whereas updates for the other categories will not be available until the projects progress further.
8. Received the maximum payout of \$100M for City's flooding policies.

Harvey - Aviation Disaster Recovery O&M Fund 8044
For the period ended February 28, 2018
(in thousands)

	MTD Actual	YTD Actual	Inception to-date Actual	Projection	
				Current Fiscal Year	Inception To-date
Cash Inflows					
FEMA Cash Advance Category A	\$ -	\$ -	\$ -	\$ -	\$ -
FEMA Cash Advance Category B	-	-	-	-	-
FEMA Reimbursements	-	-	-	-	-
Insurance Reimbursements	-	-	-	-	-
Transfer from Budget Stabilization Fund	-	-	-	-	-
Transfer from Other Funds	5,000	5,000	5,000	5,000	5,000
Insurance Advance	-	-	-	TBD	TBD
Total Inflows	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Cash Outflows					
				FEMA Share	City Share Total Projection
Debris Removal (Category A)	3	3	3	TBD	TBD TBD
Emergency Protective Measures (Category B)*	-	67	67	TBD	TBD TBD
Roads and Bridges (Category C) *	-	-	-	-	- -
Water Control Facilities (Category D)*	-	-	-	-	- -
Buildings and Equipment (Category E)*	(1)	85	85	TBD	TBD 413 4,129
Utilities (Category F)*	-	-	-	-	- -
Parks Recreational Areas, and Other Facilities (Category G)*	-	-	-	-	- -
Direct/Indirect Administrative Cost	-	-	-	-	- -
Insurance Premium	-	-	-	-	- -
Total Outflows	\$ 2	\$ 155	\$ 155	TBD	TBD \$ 413 \$ 4,129
Net Current Flows	4,998	4,845	4,845	TBD	TBD
<i>*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.</i>					

Notes:

1. DR 4332 - Disaster Incident Period: August 23, 2017 through September 15, 2017.
2. FEMA Disaster Declaration made August 25, 2017.
3. Disaster cost shares: All categories A-G are Federal 90% COH 10%. Category B is Federal 100% for the first 30 days (08/23/17 to 09/22/17).
4. Emergency Purchase Orders (EPOs) and Congregate Sheltering costs are included in Cash Advance Category B projections.
5. Amounts transferred from the Budget Stabilization Fund per Ord. #2017-667, are to be replenished by August 2019.
6. This analysis tracks inflows, outflows based on entries into SAP by the spending departments.
7. Category A Debris Removal cash flows can be updated quarterly, whereas updates for the other categories will not be available until the projects progress further.
8. Received the maximum payout of \$100M for City's flooding policies..
9. Includes \$65K of the Houston Airport System's Harvey expenses, which may not be reimbursable by FEMA.

Harvey - Combined Utility System Disaster Recovery Fund 8386
For the period ended February 28, 2018
(in thousands)

	MTD Actual	YTD Actual	Inception to-date Actual	Projection			
				Current Fiscal Year	Inception To-date		
Cash Inflows							
FEMA Cash Advance Category A	\$ -	\$ -	\$ -	\$ -	\$ -		
FEMA Cash Advance Category B	-	-	-	-	-		
FEMA Reimbursements	-	-	-	-	-		
Insurance Reimbursements	-	-	-	-	-		
Transfer from Budget Stabilization Fund	-	-	-	-	-		
Transfer from Other Funds	-	-	-	-	-		
Insurance Advance	-	-	-	TBD	TBD		
Total Inflows	\$ -	\$ -	\$ -	TBD	TBD		
Cash Outflows				FEMA Share		City Share	Total Projection
Debris Removal (Category A)	-	-	-	-	-	-	-
Emergency Protective Measures (Category B)*	909	2,053	2,053	TBD	TBD	TBD	TBD
Roads and Bridges (Category C) *	-	-	-	-	-	-	-
Water Control Facilities (Category D)*	-	133	133	TBD	TBD	100,000	1,000,000
Buildings and Equipment (Category E)*	-	107	107	-	-	-	-
Utilities (Category F)*	-	-	-	TBD	TBD	13,979	139,785
Parks Recreational Areas, and Other Facilities (Category G)*	-	-	-	-	-	-	-
Direct/Indirect Administrative Cost	-	-	-	-	-	-	-
Insurance Premium	-	-	-	-	-	-	-
Total Outflows	\$ 909	\$ 2,294	\$ 2,294	TBD	TBD	\$ 113,979	\$ 1,139,785
Net Current Flows	(909)	(2,294)	(2,294)	TBD	TBD		
<i>*These figures represent currently estimated disaster related expenditures. Damage assessments are ongoing and these estimates are highly fluid.</i>							

Notes:

1. DR 4332 - Disaster Incident Period: August 23, 2017 through September 15, 2017.
2. FEMA Disaster Declaration made August 25, 2017.
3. Disaster cost shares: All categories A-G are Federal 90% COH 10%. Category B is Federal 100% for the first 30 days (08/23/17 to 09/22/17).
4. Emergency Purchase Orders (EPOs) and Congregate Sheltering costs are included in Cash Advance Category B projections.
5. Amounts transferred from the Budget Stabilization Fund per Ord. #2017-667, are to be replenished by August 2019.
6. This analysis tracks inflows, outflows based on entries into SAP by the spending departments.
7. Category A Debris Removal cash flows can be updated quarterly, whereas updates for the other categories will not be available until the projects progress further.
8. Received the maximum payout of \$100M for City's flooding policies..





Fund Summary - Other Funds

For the period ended February 28, 2018

(amounts expressed in thousands)

	Beginning of Year Fund Balance	Revenues*					Finance	Controller
		FY2017 Actual	FY2018 Current Budget	FY2018 Actual YTD	Controller's Projection	Finance Projection		
<u>Enterprise</u>								
Aviation		510,552	503,861	336,260	508,794	508,794	✓	✓
Convention and Entertainment Facilities		94,284	98,060	68,977	93,331	93,331	✓	✓
Combined Utility System		1,100,895	1,124,014	754,806	1,128,902	1,128,902	✓	✓
Dedicated Drainage & Street Renewal**	57,002	210,210	201,469	101,600	201,469	201,469	✓	✓
Storm Water**	11,983	64,400	58,462	29,641	58,462	58,462	✓	✓
<u>Risk Management</u>								
Health Benefits	17,429	359,970	388,151	256,755	387,977	387,977	✓	✓
Long-Term Disability	1,595	1,419	1,381	959	1,434	1,434	✓	✓
Property and Casualty	81	24,330	35,486	17,461	48,722	48,722	✓	✓
Worker's Compensation	-	21,831	22,707	15,945	23,855	23,855	✓	✓
<u>Special Revenue</u>								
Asset Forfeiture Fund	5,684	7,183	4,849	6,265	8,168	8,168	✓	✓
Auto Dealers Special Revenue Fund	2,301	7,436	7,010	4,122	7,822	7,822	✓	✓
BARC Special Revenue Fund	3,531	11,482	10,155	5,985	10,306	10,306	✓	✓
Bayou Greenway 2020 Fund	906	1,030	1,449	828	1,345	1,345	✓	✓
Building Inspection Special Fund	35,762	77,243	75,761	50,719	77,624	77,624	✓	✓
Cable Television Special Fund	1,561	4,551	3,751	2,216	4,560	4,560	✓	✓
Child Safety Fund	3	3,433	3,429	2,136	3,346	3,346	✓	✓
Contractors Responsibility Fund	3,191	1,339	1,181	549	1,191	1,191	✓	✓
Essential Public Health Services Fund	12,911	22,501	25,447	24,165	24,189	24,189	✓	✓
Forensic Transition Special Fund	24	6,180	7,239	1,885	4,539	4,539	✓	✓
Health Special Revenue Fund	6,100	3,714	4,081	1,613	3,603	3,603	✓	✓
Historic Preservation Fund	1,741	259	263	160	272	272	✓	✓
Houston Emergency Center Fund	4,812	25,884	25,635	13,446	25,933	25,933	✓	✓
Houston Transtar Center Fund	1,277	2,436	2,450	1,502	2,450	2,450	✓	✓
Juvenile Case Manager Fee Fund	877	1,164	1,165	633	1,130	1,130	✓	✓
Laboratory Operations & Maintenance Fund	197	468	531	373	543	543	✓	✓
Maintenance Renewal & Replacement Fund	3,434	17,922	20,922	5,275	20,965	20,965	✓	✓
Municipal Court Building Security Fund	89	592	641	322	622	622	✓	✓
Municipal Court Technology Fee Fund	1,472	1,049	1,098	782	1,116	1,116	✓	✓
Parking Management Fund	2,480	21,153	20,550	11,472	19,136	19,136	✓	✓
Parks Golf Special Fund	1,049	5,626	5,862	3,355	5,476	5,476	✓	✓
Parks Special Revenue Fund	7,482	2,495	2,313	2,145	3,151	3,151	✓	✓
Planning & Development Special Rev. Fund	1,996	6,633	6,613	4,501	6,652	6,652	✓	✓
Police Special Services Fund	6,982	9,703	7,181	4,519	9,665	9,665	✓	✓
Recycling Revenue Fund	1,273	4,478	4,069	2,119	4,169	4,169	✓	✓
Special Waste Fund	2,527	4,107	4,137	2,708	4,137	4,137	✓	✓
Swimming Pool Safety Fund	864	1,105	1,118	740	1,157	1,157	✓	✓
Tourism Promotion Special Revenue Fund	1,387	20,374	19,256	9,794	19,264	19,264	✓	✓

* Revenues include non-operating revenues

** Dedicated Drainage Fund and Storm Water Fund are not technically Enterprise Funds, but are grouped with the Combined Utility System for clarity

⚡ Indicates projected revenues are 5% or \$5M less than Current Budget



Fund Summary - Other Funds

For the period ended February 28, 2018
(amounts expressed in thousands)

Enterprise

Aviation	452,867	503,861	311,556	508,794	508,794	-		✓	✓
Convention and Entertainment Facilities	97,696	97,604	68,712	97,604	97,604	(4,273)		✓	✓
Combined Utility System	957,434	1,168,734	692,485	1,127,436	1,127,436	1,466		✓	✓
Dedicated Drainage & Street Renewal**	199,252	215,954	101,564	205,236	205,236	(3,767)	53,235	✓	✓
Storm Water**	58,237	64,210	31,953	64,210	64,210	(5,747)	6,236	✓	✓

Risk Management

Health Benefits	366,509	387,765	247,305	380,841	380,841	7,136	24,565	✓	✓
Long-Term Disability	1,062	1,665	1,051	1,665	1,665	(231)	1,364	✓	✓
Property and Casualty	24,324	35,486	18,583	48,722	48,722	-	81	✓	✓
Worker's Compensation	21,831	22,707	15,324	23,855	23,855	-		✓	✓

Special Revenue

Asset Forfeiture Fund	6,805	10,000	3,851	8,381	8,381	(214)	5,471	✓	✓
Auto Dealers Special Revenue Fund	7,341	8,288	4,950	7,693	7,693	129	2,430	✓	✓
BARC Special Revenue Fund	11,486	13,169	7,229	12,037	12,037	(1,731)	1,800	✓	✓
Bayou Greenway 2020 Fund	887	1,476	643	1,340	1,340	5	911	✓	✓
Building Inspection Special Fund	75,679	94,969	48,150	84,908	84,908	(7,284)	28,478	✓	✓
Cable Television Special Fund	4,237	4,211	1,848	4,210	4,210	351	1,911	✓	✓
Child Safety Fund	3,539	3,429	1,592	3,350	3,350	(4)	(1)	✓	✓
Contractors Responsibility Fund	712	747	252	877	877	314	3,505	✓	✓
Essential Public Health Services Fund	21,110	29,149	12,905	23,768	23,768	421	13,332	✓	✓
Forensic Transition Special Fund	6,182	7,239	2,091	4,539	4,539	-	24	✓	✓
Health Special Revenue Fund	3,420	5,805	2,158	3,698	3,698	(95)	6,005	✓	✓
Historic Preservation Fund	357	437	141	437	437	(165)	1,576	✓	✓
Houston Emergency Center Fund	25,205	27,635	16,683	27,773	27,773	(1,840)	2,972	✓	✓
Houston Transtar Center Fund	2,733	2,860	1,420	2,435	2,435	15	1,292	✓	✓
Juvenile Case Manager Fee Fund	1,662	1,876	959	1,367	1,367	(237)	640	✓	✓
Laboratory Operations & Maintenance Fund	589	630	297	630	630	(87)	110	✓	✓
Maintenance Renewal & Replacement Fund	16,018	20,922	9,029	22,419	22,419	(1,454)	1,980	✓	✓
Municipal Court Building Security Fund	612	705	447	653	653	(31)	58	✓	✓
Municipal Court Technology Fee Fund	347	765	428	647	647	469	1,941	✓	✓
Parking Management Fund	21,021	21,194	9,676	19,726	19,726	(590)	1,889	✓	✓
Parks Golf Special Fund	5,683	5,996	3,504	5,427	5,427	49	1,098	✓	✓
Parks Special Revenue Fund	2,084	4,798	2,129	4,798	4,798	(1,647)	5,835	✓	✓
Planning & Development Special Rev. Fund	5,053	6,670	3,262	6,436	6,436	216	2,212	✓	✓
Police Special Services Fund	9,798	9,473	6,333	12,388	12,388	(2,723)	4,259	✓	✓
Recycling Revenue Fund	3,805	4,367	537	4,367	4,367	(198)	1,075	✓	✓
Special Waste Fund	3,971	4,298	2,727	4,298	4,298	(161)	2,366	✓	✓
Swimming Pool Safety Fund	1,160	1,281	812	1,298	1,298	(141)	723	✓	✓
Tourism Promotion Special Revenue Fund	19,229	19,256	9,457	19,065	19,065	199	1,586	✓	✓

* Expenditures include non-operating expenditures

** Dedicated Drainage Fund and Storm Water Fund are not technically Enterprise Funds, but are grouped with the Combined Utility System for clarity

⚡ Indicates projection exceeds 5% or \$5M of budget expenditures

City of Houston, Texas
Commercial Paper Issued and Available
For the period end February 28, 2018
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY18	Draws Month	Refunded FY18	Amount Available to be Drawn	Amount Outstanding
General Obligation					
<u>Voter Authorized 2001 & 2006 & 2012 Election</u>					
Series G-1	0.00	0.00	0.00	75.00	0.00
Series G-2	20.00	0.00	95.10	110.00	15.00
Series H-2	25.00	0.00	89.80	95.00	5.00
Series J	0.00	0.00	10.00	125.00	0.00
<u>Non-Voter Authorized</u>					
Series E1-Equipment & Capital	20.00	0.00	45.00	100.00	0.00
Series E2- Equipment & Capital	0.00	0.00	35.00	70.00	0.00
Series E2- Metro Street Projects	0.00	0.00	0.00	30.00	0.00
Series K-1	0.00	0.00	0.00	200.00	0.00
Series K-2	0.00	0.00	0.00	100.00	0.00
Total General Obligation	65.00	0.00	274.90	905.00	20.00
Combined Utility System					
Series B-1	50.00	25.00	0.00	40.00	60.00
Series B-2	0.00	0.00	0.00	75.00	0.00
Series B-3	0.00	0.00	0.00	75.00	0.00
Series B-4	50.00	0.00	0.00	40.00	60.00
Series B-5	0.00	0.00	0.00	250.00	0.00
Series B-6	0.00	0.00	0.00	100.00	0.00
Total Combined Utility System	100.00	25.00	0.00	580.00	120.00
Airport System					
Series A&B	18.00	5.00	0.00	45.00	105.00
Total Airport System	18.00	5.00	0.00	45.00	105.00
Convention & Entertainment					
Series A	50.21	0.00	0.00	24.79	50.21
Total Convention and Entertainment	50.21	0.00	0.00	24.79	50.21
Totals	\$233.21	\$30.00	\$274.90	\$1,554.79	\$295.21

City of Houston, Texas
Total Outstanding Debt
For the period end February 28, 2018
(amounts expressed in thousands)

	February 28, 2018	February 28, 2017
Payable from Ad Valorem Taxes		
Public Improvement Bonds ^(a)	2,358,330	2,320,605
Commercial Paper Notes ^(b)	20,000	179,900
Pension Obligations	1,584,750	587,375
Certificates of Obligations	15,750	15,750
Subtotal	3,978,830	3,103,630
Payable from Sources Other Than Ad Valorem Taxes		
Combined Utility System		
Combined Utility System Revenue Bonds	5,882,895	5,870,400
Combined Utility System Commercial Paper Notes ^(c)	120,000	140,000
Water and Sewer System Revenue Bonds ^(d)	166,882	158,081
Contract Revenue Obligations - CWA	64,300	67,755
Combined Utility System Subordinate Lien	169,160	88,295
Airport System		
Airport System Sr. Lien Bonds ^(e)	420,420	430,645
Airport System Subordinate Lien	1,524,335	1,590,590
Airport System Sr. Lien Commercial Paper Notes ^(f)	105,000	87,000
Airport System Inferior Lien Contracts ^(g)	0	6,240
Airport Special Facilities Revenue Bonds ^(h)	934,965	803,380
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds ⁽ⁱ⁾	594,308	611,836
Hotel Occupancy Tax And Parking Revenue Commercial Paper ^(j)	50,210	0
Subtotal	10,032,475	9,854,222
Total Debt Payable by the City	\$14,011,305	\$12,957,852

(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 \$410 million in tax bonds and Nov 2017 an additioonal \$495 million.

(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: \$200 million and K2: \$100 million.

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

(d) Includes \$109.5 million accreted value of capital appreciation bonds at this date and \$100.7 million last year.

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

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

In May 2016 the Airport Inferior Lien appropriation facilities was also increased from \$225 million to \$450 million.

(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 Series 1997A Special Facilities Bonds which was paid off on July 5, 2017.

(i) Includes \$154.6 million accreted value of capital appreciation bonds at this date and \$150.6 million last year.

(j) The City authorized \$75 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper in Oct 2013

City of Houston, Texas
Voter-Authorized Obligations
For the period end February 28, 2018
(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	\$ 471,300	\$ 2,700	\$ 2,700
Parks and Recreation	80,000	80,000	80,000	-	-
Police and Fire Departments	82,000	82,000	82,000	-	-
Permanent and General Improvements ^(b)	80,000	80,000	80,000	-	-
Public Libraries	40,000	40,000	40,000	-	-
Low Income Housing	20,000	20,000	20,000	-	-
Total	776,000	776,000	773,300	2,700	2,700
November 2006 Election					
Streets, Bridges, Traffic Control	\$ 320,000	\$ 219,950	\$ 76,565	\$ 143,385	\$ 243,435
Parks and Recreation	55,000	55,000	55,000	-	-
Public Safety	135,000	135,000	135,000	-	-
Permanent and General Improvements ^(b)	60,000	60,000	59,500	500	500
Public Libraries	37,000	37,000	36,900	100	100
Low Income Housing	18,000	18,000	6,387	11,613	11,613
Total	\$ 625,000	\$ 524,950	\$ 369,352	\$ 155,598	\$ 255,648
November 2012 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	143,880	55,333	88,547	110,667
Public Safety	144,000	138,558	39,606	98,953	104,394
Permanent and General Improvements ^(b)	57,000	57,000	16,196	40,804	40,804
Public Libraries	28,000	28,000	21,756	6,244	6,244
Low Income Housing	15,000	4,208	8	4,200	14,992
Total	\$ 410,000	\$ 371,646	\$ 132,898	\$ 238,748	\$ 277,102
November 2017 Election					
Streets, Bridges, Traffic Control	\$ -	-	\$ -	\$ -	\$ -
Parks and Recreation	104,000	-	-	-	104,000
Public Safety	159,000	-	-	-	159,000
Permanent and General Improvements ^(b)	109,000	-	-	-	109,000
Public Libraries	123,000	-	-	-	123,000
Low Income Housing	-	-	-	-	\$ -
Total	\$ 495,000	\$ -	\$ -	\$ -	\$ 495,000
Combined Total (2001, 2006, 2012 and 2017 Elections)	\$ 2,306,000	\$ 1,672,596	\$ 1,275,550	\$ 397,046	\$ 1,030,450

(a) As of February 28, 2018

(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"), and November of 2017 (the "2017 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.

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 Airport. 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 five major entertainment centers and city-owned parking garages: Jesse H. Jones Hall, Bayou Place, Gus S. Wortham Center, George R. Brown Convention Center and Theater District 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.

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.

Storm Water Fund (2302)

This fund receives revenue from the Combined Utility System Fund and Dedicated Drainage and Street Renewal Fund. Funds are transferred to this fund to support storm water drainage operation and maintenance activities. The core purpose is to provide the best level of maintenance to the storm water infrastructure with the resources provided and to maintain flow of storm water free of debris and foreign objects that cause flooding.

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)

This fund is used to account for the long-term sick leave benefits for eligible City employees. The LTO Fund is funded solely by the City through premiums charged to the departments based on the number of employees covered by the plan. Such premiums cover the cost of all benefits (claims) to the employees and third party administrative fees. This fund is administered by the Human Resources Department.

Property and Casualty Fund (1004)

This fund records the transactions of the City's self-insurance program for lost and personnel action claims. The Administration and Regulatory Affairs Department oversees the insurance functions while the Legal Department administers the claims portion. Revenue is generated from premiums assessed to other funds; premiums are based on projected expenditures.

Workers' Compensation Fund (1011)

This fund was established to collect and report all costs of compliance to statutes related to Workers Compensation. The revenues are derived through charging the departments an administrative premium semi-monthly per employee plus all direct costs related to claim expenditures, which includes indemnity, medical and disability payments. This fund is administered by the Human Resources Department. 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 Special Revenue Fund (2200)

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

Bayou Greenway 2020 Fund (2106)

This fund is administered by the Houston Parks and Recreation Department (HPARD). This fund was created to manage the HPARD's maintenance of the White Oak Bayou Trail based upon the Bayou Greenways 2020 initiative agreement entered between the City of Houston and the Houston Parks Board, Inc. in December 2013.

Building Inspection Special 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.

Cable Television Special 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. 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 come from an assessment of Municipal Court fees on non-criminal municipal violations and a portion of each vehicle registration authorized by Harris County. The Police Department administers this fund.

Contractor Responsibility Fund (2424)

This fund is managed by the Office of Business Opportunity (OBO) and governed by Executive Order 1-7. Funds are collected through the implementation of the Pay or Play Program, which is administered by OBO. The revenue collected in the Contractor Responsibility Fund is used to offset the cost of uninsured citizens in the Houston and Harris County area.

Essential Public Health Services Fund (2010)

This 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 as defined by Chapter 121 of the Texas Health and Safety Code. This fund is administered by the Houston Health Department.

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 funds budget covers City of Houston employees that provide services to the Houston Forensic Science LGC.

Health Special Revenue Fund (2002)

This fund includes several programs that are supported by ordinances including ambulance permits, food and drug, vital statistics, international travel immunizations, Geriatric Dental Program and specific public health purposes. This fund is administered by the Houston Health Department.

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 (Police, Fire/EMS computer Aided Dispatch System, Radio System and Records Management Systems) into one state of the art facility. This fund is administered by the Houston Emergency Center Department.

Houston TranStar Center Fund (2402)

This fund was established for planning, design, operation and maintenance of transportation and emergency management operations within the greater Houston area. Funding is derived from revenue received from member agencies and is prorated based on occupancy and use of center facilities. This fund is administered by the Public Works and Engineering Department.

Juvenile Case Manager Fee Fund (2211)

This fund was established 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 Operations and Maintenance Fund (2008)

This fund is solely designated for laboratory operations and maintenance for the retention of all revenue from laboratory fees. It pertains to Ordinance Amending Chapter 21 of the Code of Ordinance relating to laboratory fee. This fund is administered by the Houston Health Department.

Maintenance Renewal and Replacement Fund (MRR) (2105)

This fund is to provide funds needed to maintain and replace systems in buildings and assets as well as to protect the City of Houston's investments. This fund recognizes the shared responsibility of the City and its departments to maintain, upgrade, or replace building systems as they approach the end of their life cycle. This fund also addresses development and maintenance of the physical infrastructure of these facilities. This fund is administered, in partnership, by General Services Department and Parks and Recreation Department.

Municipal Court Building 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.

Municipal Court Technology Fee Fund (2207)

This Fund was established in FY2001 and is administered by the Municipal Courts Department. 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.

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 Revenue Fund (2104)

This fund was created to receive the revenues derived from all golf facilities, whether operated by the City or private entities, including all related concession fee revenues which are to be used exclusively for the maintenance, operation and improvement to any or all such golf courses.

Parks Special Revenue Fund (2100)

This is a Parks and Recreation Department fund for revenue from revenue generating activities and certain expenditures related to operations of the City's municipal tennis centers. As well as supplementing youth programs.

Planning and Development Special Revenue Fund (2308)

This fund was established in FY2016 to support development-related services such as: subdivision plat review, permit review and one half of the lot size/minimum building line program. The fund is administered by the Planning and Development 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 Houston Police Department facilities. The Houston Police Department administers this fund.

Recycling Revenue 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 purpose of this fund is to prevent the infiltration of fats, oils, and grease into the sanitary sewer system, and to assure that the City's infrastructure and health of the citizens are protected. All fees collected are expended only for the costs of permitting, inspecting, monitoring, controlling, educating and enforcing any violation pertaining to the management and disposal of the City-regulated waste. This fund is administered by the Houston Health 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 Houston Health Department.

Tourism Promotion Special Revenue Fund (2429)

Previously known as the Houston Civic Events Fund, this fund is administered by the Mayor's Office. This fund was created to promote tourism through management and coordination of the civic celebration program, city's art and cultural plan, promote business travel and hotel occupancy in the City of Houston as well as protocol services.