



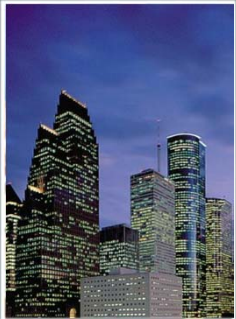
Finance Department

Presentation to the City of Houston Budget and Fiscal Affairs Committee

FY2018 Budget Update

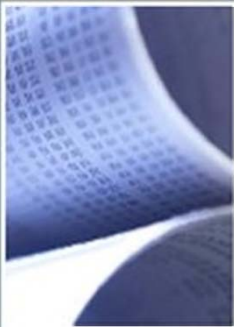
May 30, 2017

Kelly Dowe, Director



Fiscal Year 2018 – General Fund Redline Changes

- \$7.4 million decrease in Property Tax Revenues
 - The US Census Bureau population figures came in lower than projected
- \$1.9 million net decrease in Licenses and Permits due to the passage of HB 100 which removes the City's authority to regulate Transportation Network Companies (TNCs)
 - \$2.7 million decrease in revenue
 - \$725,000 decrease in expenditures
- \$3.5 million decrease in General Government contingency
 - Transfer \$1.5 million to account 520750 Elections
 - \$2 million return to fund balance to offset Property Tax decline and maintain fund balance



Fiscal Year 2018 – General Fund Redline Changes (\$ Thousands)

	FY2018 Proposed	FY2018 Redlined	Variance	Notes
Beginning Fund Balance	225,276	225,276	-	
Property Tax Revenues	1,165,657	1,158,297	(7,360)	1
Sales Tax	627,000	627,000	-	
Franchise Fees	180,082	180,082	-	
Other	363,485	360,832	(2,653)	2
Total Revenues and Other Sources	2,336,224	2,326,211	(10,013)	
Total Expenditures Other than Debt/PAYGO	2,007,210	2,004,526	(2,684)	3
Debt Service and PAYGO Capital Projects	367,892	367,892		
Total Expenditures	2,375,102	2,372,418	(2,684)	
Net Revenue Less Expenditures	(38,878)	(46,207)	(7,329)	
Change in Inventory/Prepaid Items				
Use of Fund Balance	38,878	46,207	7,329	
Net Surplus/(Deficit) - the Gap	-	-	-	
Ending Fund Balance - Unassigned	186,398	179,069	(7,329)	
Changes to Unassigned Fund Balance	80	107	27	
Ending Fund Balance - Unassigned	186,478	179,176	(7,302)	
Budget Stabilization Fund Reserve	20,072	20,045	(27)	
Fund Balance Percent of Expenditures (less debt)	9.3%	8.9%	-0.4%	

Notes
1. Decrease in rev cap calculation due to US Census Bureau population estimates came in lower than expected.
2. HB100 passed by more than 2/3 vote at the Texas Legislature. As soon as the Governor signs it will be effective and the City's authority to regulate Transportation Network Companies (TNCs) will be preempted.
3. \$2M reduction in contingency and \$725,000 reduction due to HB100 (Reduction of 15 FTEs).