

**HOUSTON-GALVESTON AREA COUNCIL  
FINANCIAL STATUS REPORT  
For the Three Months Ended March 2017**

	<b>Budget Year to date</b>	<b>Actual Year to date</b>	<b>Variance Dollar</b>	<b>%</b>
<b><u>Combined Revenues and Expenditures</u></b>				
Revenues	\$ 75,231,036	\$ 53,975,196	\$ -21,255,840	-28%
Expenditures	-75,097,446	-53,997,959	21,099,486	-28%
<b>Change in Combined Fund Balance</b>	<b>\$ 133,591</b>	<b>\$ -22,763</b>	<b>\$ -156,354</b>	

<b><u>Change in Fund Balance by Fund Type</u></b>				
Change in fund balance - General Fund	\$ 82,807	\$ 284,699	\$ 201,892	
Change in fund balance - SRF (grant programs)	0	0	0	
Change in fund balance - Enterprise Fund	64,918	-307,462	-372,380	
<b>Total Change in Fund Balances</b>	<b>\$ 147,725</b>	<b>\$ -22,763</b>	<b>\$ -170,488</b>	

Variance Analysis

The presentation of the change in fund balance by fund type is intended to highlight the effects of revenue and expenditure transactions by fund. The General Fund (GF) consists of those funds not associated with grant programs or enterprise activities. The Special Revenue Fund (SRF) consists of those funds that are restricted for a specific purpose. HGAC's grant programs are in this fund. The Enterprise Fund is used to track activities of the Cooperative Purchasing program and the Energy Purchasing Corporation. The variances of specific revenues and expenditures are explained on the second page of this report.

\*\*\* The Cooperative Purchasing program has contributed an \$307,531 decrease toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$70 increase to the Enterprise fund balance.

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	Annual Budget	Budget Year to Date	Actual Year to Date	Variance Dollar	%
<b><u>Revenues</u></b>					
<b>General and Enterprise Fund</b>					
Membership dues	\$ 395,538	\$ 98,885	\$ 238,561	\$ 139,677	141%
HGAC Energy Purchasing Corporation	140,000	35,000	38,174	3,174	9%
Cooperative Purchasing fees (a)	4,500,000	1,125,000	629,943	(495,057)	-44%
Interest Income	15,000	3,750	3,127	(623)	-17%
Other (b)	4,789,730	1,197,433	340,349	(857,083)	-72%
<b>Total General and Enterprise Fund revenues</b>	<b>\$ 9,840,268</b>	<b>\$ 2,460,067</b>	<b>\$ 1,250,154</b>	<b>\$ (1,209,913)</b>	<b>-49%</b>
<b>Special Revenue Fund</b>					
Federal Grants	\$ 559,221	\$ 139,805	\$ 439,216	\$ 299,410	214%
State Grants (c )	290,524,655	72,631,164	52,285,826	(20,345,338)	-28%
<b>Total Special Revenue Fund revenues</b>	<b>\$ 291,083,876</b>	<b>\$ 72,770,969</b>	<b>\$ 52,725,042</b>	<b>\$ (20,045,927)</b>	<b>-28%</b>
<b>Total Revenues</b>	<b>\$ 300,924,144</b>	<b>\$ 75,231,036</b>	<b>\$ 53,975,196</b>	<b>\$ (21,255,840)</b>	<b>-28%</b>
<b><u>Expenditures</u></b>					
Personnel	\$ 23,430,867	\$ 5,857,717	\$ 5,405,957	\$ (451,760)	-8%
Pass-through funds - grant	264,291,778	66,072,945	46,808,118	(19,264,826)	-29%
Consultant and contract services	7,790,014	1,947,504	599,889	(1,347,614)	-69%
Lease of office space	1,570,965	392,741	406,820	14,079	4%
Equipment	252,692	63,173	21,872	(41,301)	-65%
Travel	439,185	109,796	58,562	(51,234)	-47%
Other expense	2,614,281	653,570	696,741	43,171	7%
<b>Total Expenditures</b>	<b>\$ 300,389,782</b>	<b>\$ 75,097,446</b>	<b>\$ 53,997,959</b>	<b>\$ (21,099,486)</b>	<b>-28%</b>
<b>Excess of Revenues over(under) Expenditures</b>	<b>\$ 534,362</b>	<b>\$ 133,591</b>	<b>\$ -22,763</b>	<b>\$ -156,354</b>	

**Variances:**

- a) Coop revenue is not meeting projections through the first quarter. We are performing an analysis to determine if our revenue expectations are likely to materialize.
- b) Other revenue is behind expectations in both the Local Development Corporation and the 9-1-1 program. We anticipate that the 9-1-1 program revenue will meet expectations but the Local Development Corporation revenue forecast will need to be revised.
- c) State grant revenue is behind in two areas. Reorganization at the Texas Department of Transportation has caused delays in processing of authorizations, expenditures and revenues. We believe this is a short-term issue which should not impact the annual work plan. We are also experiencing delays at the Department of Aging and Disability Services which has impacted our ability to process our claims. Again, we are working with the state agency to remedy this program; however, this is a federally funded program which may be impacted by budget delays in Washington.