

**HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Seven Months Ended July 2018**

	Budget		Actual	Variance	
	Year to date		Year to date	Dollar	%
<u>Combined Revenues and Expenditures</u>					
Revenues	\$ 205,233,831	\$	181,583,279	\$ -23,650,553	-12%
Expenditures	-204,799,209		-180,325,095	24,474,114	-12%
Change in Combined Fund Balance	\$ 434,622	\$	1,258,184	\$ 823,562	
<u>Change in Fund Balance by Fund Type</u>					
Change in fund balance - General Fund	\$ 118,547	\$	220,359	\$ 101,812	
Change in fund balance - Gulf Coast Regional 911	1,007,662		604,393	-403,269	
Change in fund balance - Enterprise Fund	343,992		433,432	89,440	
Total Change in Fund Balances	\$ 1,470,201	\$	1,258,184	\$ -212,017	

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 \$ 402,629 increase toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$ 30,803 increase to the Enterprise fund balance.

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	Annual Budget	Budget Year to Date	Actual Year to Date	Variance Dollar	%
<u>Revenues</u>					
General and Enterprise Fund					
Membership dues	\$ 395,538	\$ 395,538	\$ 389,958	\$ -5,580	-1%
HGAC Energy Purchasing Corporation	132,000	77,000	78,975	1,975	3%
Cooperative Purchasing fees (a)	4,500,000	2,625,000	2,344,765	-280,235	-11%
Gulf Coast Regional 911 fees	3,291,717	1,920,168	2,084,578	164,410	9%
Interest Income (b)	115,000	67,083	112,874	45,790	68%
Other (c)	2,869,913	1,674,116	991,816	-682,300	-41%
Total General and Enterprise Fund revenues	\$ 11,304,168	\$ 6,758,906	\$ 6,002,965	\$ -755,940	-11%
Special Revenue Fund					
Federal Grants	\$ 1,019,450	\$ 594,679	\$ 845,101	\$ 250,422	42%
State Grants (d)	339,223,280	197,880,247	174,735,213	-23,145,034	-12%
Total Special Revenue Fund revenues	\$ 340,242,730	\$ 198,474,926	\$ 175,580,314	\$ -22,894,612	-12%
Total Revenues	\$ 351,546,898	\$ 205,233,831	\$ 181,583,279	\$ -23,650,553	-12%
<u>Expenditures</u>					
Personnel (e)	\$ 23,847,850	\$ 13,911,246	\$ 13,416,148	\$ -495,097	-4%
Pass-through funds - grant	310,397,769	181,065,365	160,295,261	-20,770,104	-11%
Consultant and contract services	9,820,602	5,728,685	3,567,019	-2,161,666	-38%
Lease of office space	1,645,731	960,010	932,133	-27,876	-3%
Equipment (f)	484,924	282,872	165,816	-117,056	-41%
Travel	635,597	370,765	177,191	-193,574	-52%
Other expense (g)	4,251,886	2,480,267	1,771,526	-708,741	-29%
Total Expenditures	\$ 351,084,359	\$ 204,799,209	\$ 180,325,095	\$ -24,474,114	-12%
Excess of Revenues over(under) Expenditures	\$ 462,539	\$ 434,622	\$ 1,258,184	\$ 823,562	

Variances:

- a) Cooperative Purchasing revenue continues to get close to our projections. We believe our budget number is conservative and will be met this year.
- b) Interest income is better than originally expected due to increased interest rate from the Federal Reserve.
- c) Other income continues to be reflective of timing delays in the Local Development Corporation. Additionally, aerial imagery revenue has been billed but not received.
- d) The State revenue budget was increased due to an increase in Workforce funds. Since these funds were not in the original budget, it will take some time to implement the plan for these funds.
- e) Salary expense will be less than anticipated because of senior staff retirements. Positions are being filled, but qualified candidates are scarce.
- f) Equipment expense will occur in the third quarter as the 7th floor renovation is completed.
- g) Other expenses which includes such things as office supplies, meeting expenses, communication, printing and publication, etc. have been less than we expected.