

**HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Eight Months Ended August 2018**

	Budget Year to date	Actual Year to date	Variance Dollar	%
Combined Revenues and Expenditures				
Revenues	\$ 234,496,445	\$ 206,363,924	\$ (28,132,521)	-12%
Expenditures	-234,056,239	-205,057,124	28,999,115	-12%
Change in Combined Fund Balance	\$ 440,205	\$ 1,306,800	\$ 866,594	
Change in Fund Balance by Fund Type				
Change in fund balance - General Fund	\$ 118,547	\$ 122,354	\$ 3,807	
Change in fund balance - Gulf Coast Regional 911	1,007,662	701,197	-306,465	
Change in fund balance - Enterprise Fund	343,992	483,249	139,257	
Total Change in Fund Balances	\$ 1,470,201	\$ 1,306,800	\$ (163,401)	

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 \$ 438,544 increase toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$ 44,705 increase to the Enterprise fund balance.

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For the Eight Months Ended August 2018**

	Annual Budget	Budget Year to Date	Actual Year to Date	Variance Dollar	%
Revenues					
General and Enterprise Fund					
Membership dues	\$ 395,538	\$ 395,538	\$ 389,958	\$ (5,580)	-1%
HGAC Energy Purchasing Corporation	132,000	88,000	96,540	8,540	10%
Cooperative Purchasing fees	4,500,000	3,000,000	2,769,825	(230,175)	-8%
Gulf Coast Regional 911 fees (a)	3,291,717	2,194,478	2,436,558	242,080	11%
Interest Income	115,000	76,667	105,148	28,481	37%
Other (b)	2,869,913	1,913,275	1,648,036	(265,239)	-14%
Total General and Enterprise Fund revenues	\$ 11,304,168	\$ 7,667,958	\$ 7,446,065	\$ (221,893)	-3%
Special Revenue Fund					
Federal Grants	\$ 1,019,450	\$ 679,633	\$ 896,338	\$ 216,705	32%
State Grants (c)	339,223,280	226,148,853	198,021,520	(28,127,333)	-12%
Total Special Revenue Fund revenues	\$ 340,242,730	\$ 226,828,487	\$ 198,917,859	\$ (27,910,628)	-12%
Total Revenues	\$ 351,546,898	\$ 234,496,445	\$ 206,363,924	\$ (28,132,521)	-12%
Expenditures					
Personnel (d)	\$ 23,847,850	\$ 15,898,567	\$ 15,252,128	\$ (646,439)	-4%
Pass-through funds - grant	310,397,769	206,931,846	181,283,716	(25,648,130)	-12%
Consultant and contract services	9,820,602	6,547,068	4,838,126	(1,708,942)	-26%
Lease of office space	1,645,731	1,097,154	1,082,344	(14,810)	-1%
Equipment	484,924	323,283	310,738	(12,544)	-4%
Travel (e)	635,597	423,731	224,864	(198,867)	-47%
Other expense (f)	4,251,886	2,834,591	2,065,208	(769,383)	-27%
Total Expenditures	\$ 351,084,359	\$ 234,056,239	\$ 205,057,124	\$ (28,999,115)	-12%
Excess of Revenues over(under) Expenditures	\$ 462,539	\$ 440,205	\$ 1,306,800	\$ 866,594	

Variances:

- a) The Gulf Coast 9-1-1 fees appear high; however, this is a timing issue on funds received from the State. The annual projection continues to be reflective of anticipated revenues.
- b) Other income includes a variety of revenue including Local Development Corporation and GIS related services, both of which are slower in realizing their revenue than originally estimated.
- c) The Workforce and Aging programs received significant increases in funding at mid-year. Contracts have been awarded for these funds to be spent and we believe there will be funds remaining in these programs at the end of the grant cycle.
- d) Personnel expenses are less than anticipated. We have a few key positions that remain vacant.
- e) Travel expense is anticipated to increase during the fall months in anticipation of the legislative session.
- f) Other expenses include items from office supplies to telephone service. H-GAC staff have been renegotiating agreements for many of these expenses to reduce the cost. The variance indicates, to some degree, the success of these negotiations.