

**HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Ten Months Ended October 2018**

		Budget Year to date	Actual Year to date	Variance Dollar	%
Combined Revenues and Expenditures					
Revenues	\$	293,021,671	\$ 270,913,911	\$ (22,107,760)	-8%
Expenditures		-292,570,299	-268,822,639	23,747,660	-8%
Change in Combined Fund Balance	\$	451,372	\$ 2,091,272	\$ 1,639,900	

Change in Fund Balance by Fund Type					
Change in fund balance - General Fund	\$	118,547	\$ 170,784	\$ 52,237	
Change in fund balance - Gulf Coast Regional 911		1,007,662	893,024	-114,638	
Change in fund balance - Enterprise Fund		343,992	1,027,464	683,472	
Total Change in Fund Balances	\$	1,470,201	\$ 2,091,272	\$ 621,071	

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 \$ 979,360 increase toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$ 48,104 increase to the Enterprise fund balance.

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For the Ten Months Ended October 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	110,000	117,450	7,450	7%
Cooperative Purchasing fees	4,500,000	3,750,000	3,767,146	17,146	0%
Gulf Coast Regional 911 fees (a)	3,291,717	2,743,098	2,933,691	190,594	7%
Interest Income	115,000	95,833	174,102	78,268	82%
Other (b)	2,869,913	2,391,594	1,877,110	(514,484)	-22%
Total General and Enterprise Fund revenues	\$ 11,304,168	\$ 9,486,063	\$ 9,259,457	\$ (226,606)	-2%
Special Revenue Fund					
Federal Grants	\$ 1,019,450	\$ 849,542	\$ 604,927	\$ (244,614)	-29%
State Grants (c)	339,223,280	282,686,067	261,049,527	(21,636,540)	-8%
Total Special Revenue Fund revenues	\$ 340,242,730	\$ 283,535,608	\$ 261,654,454	\$ (21,881,154)	-8%
Total Revenues	\$ 351,546,898	\$ 293,021,671	\$ 270,913,911	\$ (22,107,760)	-8%
Expenditures					
Personnel (d)	\$ 23,847,850	\$ 19,873,208	\$ 18,903,449	\$ (969,759)	-5%
Pass-through funds - grant	310,397,769	258,664,808	238,533,256	(20,131,551)	-8%
Consultant and contract services	9,820,602	8,183,835	6,667,213	(1,516,622)	-19%
Lease of office space	1,645,731	1,371,443	1,358,585	(12,857)	-1%
Equipment	484,924	404,103	460,218	56,115	14%
Travel (e)	635,597	529,664	311,665	(217,999)	-41%
Other expense (f)	4,251,886	3,543,238	2,588,253	(954,986)	-27%
Total Expenditures	\$ 351,084,359	\$ 292,570,299	\$ 268,822,639	\$ (23,747,660)	-8%
Excess of Revenues over(under) Expenditures	\$ 462,539	\$ 451,372	\$ 2,091,272	\$ 1,639,900	

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, Aging, and Transportation programs will likely miss targeted expenditure levels this year. All three of these programs continue into 2019 and will be expensed during that fiscal period.
- d) Personnel expenses are less primarily due to budgeted positions which have not been filled.
- 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.