

**HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Eleven Months Ended November 2018**

		Budget Year to date	Actual Year to date	Variance Dollar	%
Combined Revenues and Expenditures					
Revenues	\$	322,284,285	\$ 303,327,357	\$ (18,956,927)	-6%
Expenditures		-321,827,329	-300,683,694	21,143,635	-7%
Change in Combined Fund Balance	\$	456,956	\$ 2,643,663	\$ 2,186,707	

Change in Fund Balance by Fund Type					
Change in fund balance - General Fund	\$	118,547	\$ 211,865	\$ 93,318	
Change in fund balance - Gulf Coast Regional 911		1,007,662	1,057,943	50,281	
Change in fund balance - Enterprise Fund		343,992	1,373,855	1,029,863	
Total Change in Fund Balances	\$	1,470,201	\$ 2,643,663	\$ 1,173,462	

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 \$ 1,320,380 increase toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$ 53,475 increase to the Enterprise fund balance.

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For the Eleven Months Ended November 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	121,000	125,526	4,526	4%
Cooperative Purchasing fees	4,500,000	4,125,000	4,351,288	226,288	5%
Gulf Coast Regional 911 fees (a)	3,291,717	3,017,407	3,298,795	281,388	9%
Interest Income	115,000	105,417	174,102	68,685	65%
Other (b)	2,869,913	2,630,754	2,208,247	(422,507)	-16%
Total General and Enterprise Fund revenues	\$ 11,304,168	\$ 10,395,116	\$ 10,547,916	\$ 152,800	1%
Special Revenue Fund					
Federal Grants	\$ 1,019,450	\$ 934,496	\$ 616,930	\$ (317,566)	-34%
State Grants (c)	339,223,280	310,954,673	292,162,511	(18,792,162)	-6%
Total Special Revenue Fund revenues	\$ 340,242,730	\$ 311,889,169	\$ 292,779,441	\$ (19,109,728)	-6%
Total Revenues	\$ 351,546,898	\$ 322,284,285	\$ 303,327,357	\$ (18,956,927)	-6%
Expenditures					
Personnel (d)	\$ 23,847,850	\$ 21,860,529	\$ 21,027,242	\$ (833,287)	-4%
Pass-through funds - grant	310,397,769	284,531,288	267,258,979	(17,272,310)	-6%
Consultant and contract services	9,820,602	9,002,219	7,297,594	(1,704,625)	-19%
Lease of office space	1,645,731	1,508,587	1,497,857	(10,730)	-1%
Equipment	484,924	444,514	486,926	42,412	10%
Travel (e)	635,597	582,631	327,759	(254,871)	-44%
Other expense (f)	4,251,886	3,897,562	2,787,337	(1,110,226)	-28%
Total Expenditures	\$ 351,084,359	\$ 321,827,329	\$ 300,683,694	\$ (21,143,635)	-7%
Excess of Revenues over(under) Expenditures	\$ 462,539	\$ 456,956	\$ 2,643,663	\$ 2,186,707	

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.