

HOUSTON-GALVESTON AREA COUNCIL  
FINANCIAL STATUS REPORT  
For the Twelve Months Ended December 31, 2011

	Budget Year to date	Actual Year to date	Variance	
			Dollar	%
<u>Combined Revenues and Expenditures</u>				
Revenues	\$ 293,120,006	\$ 275,721,508	\$ -17,398,498	-6%
Expenditures	-292,784,736	-275,387,065	17,397,671	-6%
<b>Change in Combined Fund Balance</b>	<b>\$ 335,270</b>	<b>\$ 334,443</b>	<b>\$ -827</b>	

Change in Fund Balance by Fund Type

Change in fund balance - General Fund	\$ 86,455	\$ 100,038	\$ 13,583	
Change in fund balance - SRF (grant programs)	0	0	0	
Change in fund balance - Enterprise Fund	248,815	234,405	-14,410	
<b>Total Change in Fund Balances</b>	<b>\$ 335,270</b>	<b>\$ 334,443</b>	<b>\$ -827</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. H-GAC'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 \$210,590 toward the Enterprise fund balance YTD, and the Energy Purchasing Corporation is reflecting a \$23,815 YTD increase to the Enterprise fund balance.

(over)

**HOUSTON-GALVESTON AREA COUNCIL  
FINANCIAL STATUS REPORT  
For the Twelve Months Ended December 31, 2011**

	Annual Budget	Budget Year to Date	Actual Year to Date	Variance Dollar	%
<u>Revenues</u>					
<b>General and Enterprise Fund</b>					
Membership dues	\$ 325,000	\$ 325,000	\$ 323,690	-1,310	0%
HGAC Energy Purchasing Corporation	175,000	175,000	148,128	-26,872	-15%
Cooperative Purchasing fees (a)	3,000,000	3,000,000	2,552,692	-447,308	-15%
Interest Income (b)	40,000	40,000	69,083	29,083	73%
Other (c)	6,875,813	6,875,813	6,726,628	-149,185	-2%
<b>Total General and Enterprise Fund revenues</b>	<b>\$ 10,415,813</b>	<b>\$ 10,415,813</b>	<b>\$ 9,820,221</b>	<b>-595,592</b>	<b>-6%</b>
<b>Special Revenue Fund</b>					
Federal Grants	\$ 3,391,181	\$ 3,391,181	\$ 3,102,654	-288,527	-9%
State Grants	279,313,012	279,313,012	262,798,633	-16,514,379	-6%
<b>Total Special Revenue Fund revenues</b>	<b>\$ 282,704,193</b>	<b>\$ 282,704,193</b>	<b>\$ 265,901,287</b>	<b>-16,802,906</b>	<b>-6%</b>
<b>Total Revenues</b>	<b>\$ 293,120,006</b>	<b>\$ 293,120,006</b>	<b>\$ 275,721,508</b>	<b>-17,398,498</b>	<b>-6%</b>
<u>Expenditures</u>					
Personnel	\$ 18,482,908	\$ 18,482,908	\$ 18,456,168	-26,740	0%
Pass-through funds - grant	258,364,944	258,364,944	244,812,666	-13,552,278	-5%
Consultant and contract services (d)	10,748,721	10,748,721	7,858,089	-2,890,632	-27%
Lease of office space	1,303,980	1,303,980	1,286,471	-17,509	-1%
Equipment	473,673	473,673	470,124	-3,549	-1%
Travel (e)	482,088	482,088	318,500	-163,588	-34%
Other expense (f)	2,928,422	2,928,422	2,185,048	-743,374	-25%
<b>Total Expenditures</b>	<b>\$ 292,784,736</b>	<b>\$ 292,784,736</b>	<b>\$ 275,387,065</b>	<b>-17,397,671</b>	<b>-6%</b>
<b>Excess of Revenues over(under) Expenditures</b>	<b>\$ 335,270</b>	<b>\$ 335,270</b>	<b>\$ 334,443</b>	<b>-827</b>	

**This is the preliminary report for December. Final numbers for December will not be available until March.**

Variations:

- (a) Cooperative Purchasing had a strong December but fell short of the original revenue projection.
- (b) Interest income reflects interest earned on matured investments. We conservatively estimate this figure and met our annual projection.
- (c) Other revenue did not meet expectations. This revenue is largely generated in our small business loan program which had a difficult year due to the economy.
- (d) Consultant and contract services billings are still in process and we expect to be very close to projections.
- (e) Due to budget constraints, H-GAC restricted travel as much as possible, therefore travel expenses were reduced.
- (f) Other expenses include such items as office supplies, employee development, recruiting expense, communication, and postage. H-GAC has done several things during the year to curtail these costs and these cost containment initiatives are reflected in this line.