

**Houston Downtown Management District  
Governmental Fund Balance Sheets and  
Statement of Net Assets  
August 31, 2016 and August 31, 2015**

	2016				2015			
	HDMD Operating Year to Date	HDMD Capital Year to Date	GreenLink Year to Date	Total (Memo Only)	HDMD Operating Year to Date	HDMD Capital Year to Date	GreenLink Year to Date	Total (Memo Only)
<b>Assets</b>								
Cash	\$ 9,150,947	\$ 2,463,245	\$ 1,417,222	\$ 13,031,414	\$ 6,017,862	\$ 3,142,528	\$ 1,320,105	\$ 10,480,495
Assessments Due, Net	-	-	-	-	-	-	-	-
Accounts Receivable	50,152	-	112,500	162,652	46,335	-	187,500	233,835
Prepaid Expense	118,250	-	-	118,250	99,250	-	-	99,250
Inventory	-	-	104,564	104,564	-	-	104,564	104,564
Property & Equipment, Net	82,310	7,724	1,937,034	2,027,068	89,907	18,533	2,186,975	2,295,415
Intercompany Rec/Pay	(4,163)	4,163	-	-	1,399	(1,399)	-	-
<b>Total Assets</b>	<u>\$ 9,397,496</u>	<u>\$ 2,475,132</u>	<u>\$ 3,571,321</u>	<u>\$ 15,443,949</u>	<u>\$ 6,254,753</u>	<u>\$ 3,159,662</u>	<u>\$ 3,799,144</u>	<u>\$ 13,213,559</u>
<b>Liabilities</b>								
Accounts Payable & Accrued Expenses	\$ 590,821	\$ 215,304	\$ 95,058	\$ 901,183	\$ 407,346	\$ 156,667	\$ 68,700	\$ 632,714
Deferred Revenue & Reserve for Refunds	1,185,900	150,630	225,000	1,561,529	-	-	281,250	281,250
<b>Total Liabilities &amp; Deferred Revenue</b>	<u>1,776,720</u>	<u>365,934</u>	<u>320,058</u>	<u>2,462,713</u>	<u>407,346</u>	<u>156,667</u>	<u>349,950</u>	<u>913,964</u>
<b>Fund Balances</b>								
Unreserved, Undesignated	6,820,775			6,820,775	5,047,406			5,047,406
Unreserved, Designated for Catastrophy	800,000			800,000	800,000			800,000
Reserved for Capital Projects		2,109,199	3,251,262	5,360,461		3,002,995	3,449,194	6,452,190
	<u>7,620,775</u>	<u>2,109,199</u>	<u>3,251,262</u>	<u>12,981,236</u>	<u>5,847,406</u>	<u>3,002,995</u>	<u>3,449,194</u>	<u>12,299,596</u>
<b>Total Liabilities, Deferred Revenue &amp; Fund Balances</b>	<u>\$ 9,397,496</u>	<u>\$ 2,475,132</u>	<u>\$ 3,571,321</u>	<u>\$ 15,443,949</u>	<u>\$ 6,254,753</u>	<u>\$ 3,159,662</u>	<u>\$ 3,799,144</u>	<u>\$ 13,213,559</u>

**Houston Downtown Management District  
Statement of Activities  
Eight Months Ended August 31, 2016**

	<u>Operating YTD Actual</u>	<u>Capital YTD Actual</u>	<u>Total YTD Actual</u>	<u>YTD Budget</u>	<u>Fav (Unfav) Variance</u>
<b>Revenues</b>					
Assessments, Net	\$ 11,737,260	\$ 1,491,220	\$ 13,228,480	\$ 13,196,895	\$ 31,584
Operations Revenue	185,190	-	185,190	270,000	(84,810)
Project Revenue	94,304	68,420	162,724	385,500	(222,776)
Salary Reimbursements	50,906	-	50,906	20,000	30,906
Interest Income	39,904	7,197	47,101	7,500	39,601
<b>Total Revenues</b>	<b>\$ 12,107,565</b>	<b>\$ 1,566,836</b>	<b>\$ 13,674,401</b>	<b>\$ 13,879,895</b>	<b>\$ (205,494)</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,239,225	\$ -	\$ 1,239,225	\$ 1,491,630	\$ 252,405
Reduced Presence of Homeless & Street Persons	309,871	-	309,871	316,667	6,796
Downtown Sidewalks are Comfortably Lighted	80,676	-	80,676	63,333	(17,343)
Downtown Clean & Well-Kept Appearance	1,721,999	-	1,721,999	1,759,800	37,801
Remove Signs of Disorder in Downtown	20,778	-	20,778	37,067	16,289
Prepare for Emergencies	55,760	-	55,760	76,667	20,907
	3,428,308	-	3,428,308	3,745,164	316,855
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	73,573	-	73,573	191,667	118,094
Public Spaces Managed, Programmed, & Delightful	352,416	-	352,416	482,000	129,584
Place of Civic Celebration	673,860	-	673,860	682,667	8,807
	1,099,849	-	1,099,849	1,356,334	256,484
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	6,827	-	6,827	6,667	(161)
Convenient Circulation Without Personal Vehicle	328,605	-	328,605	313,333	(15,272)
Easy To Find Way Around	39,116	-	39,116	73,333	34,217
Connect Neighbors & Districts Inside/Outside Downtown	67,129	-	67,129	60,000	(7,129)
Convenient, Understandable & Managed Parking	14,153	-	14,153	35,000	20,847
	455,831	-	455,831	488,334	32,502
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	144,328	-	144,328	144,333	5
Exciting Neighborhoods to Live In	105,612	-	105,612	59,667	(45,945)
Competitive Shopping Place	145,075	-	145,075	162,667	17,592
Remarkable Destination for Visitors	6,382	-	6,382	6,667	284
	401,397	-	401,397	373,333	(28,064)
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	533,768	-	533,768	613,667	79,899
Promote Downtown's Ease of Use	14,345	-	14,345	14,000	(345)
Vision/Development Framework Understood By All	185,910	-	185,910	500,333	314,423
Tools to Assist Continued Redevelopment	58,769	-	58,769	60,000	1,231
Develop & Maintain Information to Support Downtown	30,771	-	30,771	38,800	8,029
	823,563	-	823,563	1,226,800	403,237
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	393,101	-	393,101	429,567	36,465
Communications to Owners, Tenants & Others	4,482	-	4,482	9,667	5,185
Preservation of Districts' Capital Assets	31,547	-	31,547	39,350	7,803
	429,130	-	429,130	478,583	49,454
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	20,000	20,000	40,000	20,000
Public Realm is Charming, Inviting, & Beautiful	-	217,104	217,104	407,500	190,396
Accessible to Region & Easy to Get Around	-	675,990	675,990	2,238,000	1,562,010
Vibrant, Sustainable Mixed-Use Place	-	30,707	30,707	166,667	135,960
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	(18,081)	(18,081)	269,500	287,581
	-	925,720	925,720	3,121,667	2,195,947
<b>Total Expenses</b>	<b>\$ 6,638,079</b>	<b>\$ 925,720</b>	<b>\$ 7,563,798</b>	<b>\$ 10,790,214</b>	<b>\$ 3,226,415</b>
Depreciation Expense	15,416	7,207	22,623	24,127	1,503
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ 5,454,070</b>	<b>\$ 633,910</b>	<b>\$ 6,087,980</b>	<b>\$ 3,065,555</b>	<b>\$ 3,022,425</b>

**Houston Downtown Management District  
Statement of Activities  
Eight Months Ended August 31, 2016 and August 31, 2015**

	<b>Operating YTD Actual</b>	<b>Capital YTD Actual</b>	<b>2016 Total YTD Actual</b>	<b>2015 Total YTD Actual</b>	<b>Fav (Unfav) Variance</b>
<b>Revenues</b>					
Assessments, Net	\$ 11,737,260	\$ 1,491,220	\$ 13,228,480	\$ 8,862,501	\$ 4,365,979
Operations Revenue	185,190	-	185,190	162,319	22,872
Project Revenue	94,304	68,420	162,724	102,506	60,218
Salary Reimbursements	50,906	-	50,906	36,762	14,144
Interest Income	39,904	7,197	47,101	7,392	39,709
<b>Total Revenues</b>	<b>\$ 12,107,565</b>	<b>\$ 1,566,836</b>	<b>\$ 13,674,401</b>	<b>\$ 9,171,480</b>	<b>\$ 4,502,921</b>
<b>Expenses</b>					
<b>Downtown Feels Safe &amp; Comfortable at All Times</b>					
Collaboration to Maintain Low Crime Rate	\$ 1,239,225	\$ -	\$ 1,239,225	\$ 455,550	\$ (783,675)
Reduced Presence of Homeless & Street Persons	309,871	-	309,871	379,985	70,114
Downtown Sidewalks are Comfortably Lighted	80,676	-	80,676	54,018	(26,658)
Downtown Clean & Well-Kept Appearance	1,721,999	-	1,721,999	1,401,908	(320,091)
Remove Signs of Disorder in Downtown	20,778	-	20,778	1,005	(19,773)
Prepare for Emergencies	55,760	-	55,760	50,953	(4,807)
	3,428,308	-	3,428,308	2,343,418	(1,084,891)
<b>Public Realm is Charming, Inviting, Beautiful &amp; Celebrates the Life of the City</b>					
Key Pedestrian Streets are Inviting	73,573	-	73,573	140,162	66,589
Public Spaces Managed, Programmed, & Delightful	352,416	-	352,416	163,947	(188,469)
Place of Civic Celebration	673,860	-	673,860	205,875	(467,985)
	1,099,849	-	1,099,849	509,985	(589,864)
<b>Accessible to Region &amp; Easy to Get Around</b>					
Effective Transit Access More Places, More Hours	6,827	-	6,827	6,560	(267)
Convenient Circulation Without Personal Vehicle	328,605	-	328,605	308,323	(20,283)
Easy To Find Way Around	39,116	-	39,116	28,539	(10,577)
Connect Neighbors & Districts Inside/Outside Downtown	67,129	-	67,129	43,626	(23,503)
Convenient, Understandable & Managed Parking	14,153	-	14,153	17,200	3,047
	455,831	-	455,831	404,248	(51,584)
<b>Vibrant, Sustainable Mixed-Use Place</b>					
Best Place to Work in Region	144,328	-	144,328	154,000	9,672
Exciting Neighborhoods to Live In	105,612	-	105,612	53,054	(52,558)
Competitive Shopping Place	145,075	-	145,075	138,486	(6,589)
Remarkable Destination for Visitors	6,382	-	6,382	2,625	(3,758)
	401,397	-	401,397	348,164	(53,233)
<b>Downtown's Vision &amp; Offering Understood By All</b>					
Market to Region	533,768	-	533,768	349,002	(184,766)
Promote Downtown's Ease of Use	14,345	-	14,345	13,505	(840)
Vision/Development Framework Understood By All	185,910	-	185,910	184,032	(1,878)
Tools to Assist Continued Redevelopment	58,769	-	58,769	49,412	(9,357)
Develop & Maintain Information to Support Downtown	30,771	-	30,771	19,773	(10,998)
	823,563	-	823,563	615,725	(207,838)
<b>District Governance &amp; Service Known for Excellence</b>					
Engage Stakeholders in Decision Making	393,101	-	393,101	445,407	52,306
Communications to Owners, Tenants & Others	4,482	-	4,482	11,605	7,123
Preservation of Districts' Capital Assets	31,547	-	31,547	30,315	(1,232)
	429,130	-	429,130	487,326	58,197
<b>Capital Improvement &amp; Expenditures</b>					
Downtown Feels Safe & Comfortable	-	20,000	20,000	112,464	92,464
Public Realm is Charming, Inviting, & Beautiful	-	217,104	217,104	40,000	(177,103)
Accessible to Region & Easy to Get Around	-	675,990	675,990	1,165,037	489,047
Vibrant, Sustainable Mixed-Use Place	-	30,707	30,707	-	(30,707)
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	(18,081)	(18,081)	153,340	171,421
	-	925,720	925,720	1,470,842	545,123
<b>Total Expenses</b>	<b>\$ 6,638,079</b>	<b>\$ 925,720</b>	<b>\$ 7,563,798</b>	<b>\$ 6,179,708</b>	<b>\$ (1,384,090)</b>
Depreciation Expense	15,416	7,207	22,623	28,952	6,329
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b>\$ 5,454,070</b>	<b>\$ 633,910</b>	<b>\$ 6,087,980</b>	<b>\$ 2,962,820</b>	<b>\$ 3,125,160</b>

**Greenlink-Downtown Circulator Fund**  
**Statement of Activities**  
**Eight Months Ended August 31, 2016**

	<u>Operating YTD Actual</u>	<u>Capital YTD Actual</u>	<u>Total YTD Actual</u>	<u>YTD Budget</u>	<u>Fav (Unfav) Variance</u>
<b>Revenues</b>					
HDMD Operations Sponsorship	\$ 268,750	\$ -	\$ 268,750	\$ 250,000	\$ 18,750
Houston First Operations Sponsorship	268,750		268,750	250,000	18,750
BG Group Operations Sponsorship	156,250		156,250	250,000	(93,750)
Advertising Revenue	-		-	-	-
Interest Income	4,540		4,540	800	3,740
<b>Total Revenues</b>	<b><u>\$ 698,290</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 698,290</u></b>	<b><u>\$ 750,800</u></b>	<b><u>\$ (52,510)</u></b>
<b>Expenses</b>					
Vehicle Operator Expense	600,500		600,500	796,000	195,500
Fuel Expense	62,200		62,200	76,500	14,300
Marketing Expense	15,604		15,604	106,000	90,396
Operating Administrative Expense	44,970		44,970	40,000	(4,970)
Miscellaneous Expense	-		-	-	-
	<u>723,274</u>	<u>-</u>	<u>723,274</u>	<u>1,018,500</u>	<u>295,226</u>
<b>Total Expenses</b>	<b><u>\$ 723,274</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 723,274</u></b>	<b><u>\$ 1,018,500</u></b>	<b><u>\$ 295,226</u></b>
Depreciation Expense	166,626		166,626	166,624	(2)
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b><u>\$ (191,610)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (191,610)</u></b>	<b><u>\$ (434,324)</u></b>	<b><u>\$ 242,714</u></b>

**Greenlink-Downtown Circulator Fund**  
**Statement of Activities**  
**Eight Months Ended August 31, 2016 and August 31, 2015**

	<u>Operating YTD Actual</u>	<u>Capital YTD Actual</u>	<u>2016 Total YTD Actual</u>	<u>2015 Total YTD Actual</u>	<u>Fav (Unfav) Variance</u>
<b>Revenues</b>					
HDMD Operations Sponsorship	\$ 268,750		\$ 268,750	\$ 250,000	\$ 18,750
Houston First Operations Sponsorship	268,750		268,750	250,000	18,750
BG Group Operations Sponsorship	156,250		156,250	250,000	(93,750)
Advertising Revenue	-		-	-	-
Interest Income	4,540		4,540	652	3,888
<b>Total Revenues</b>	<b><u>\$ 698,290</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 698,290</u></b>	<b><u>\$ 750,652</u></b>	<b><u>\$ (52,362)</u></b>
<b>Expenses</b>					
Vehicle Operator Expense	600,500		600,500	521,500	(79,000)
Fuel Expense	62,200		62,200	38,800	(23,400)
Marketing Expense	15,604		15,604	14,994	(610)
Operating Administrative Expense	44,970		44,970	30,983	(13,987)
Miscellaneous Expense	-		-	-	-
	<u>723,274</u>	<u>-</u>	<u>723,274</u>	<u>606,277</u>	<u>(116,997)</u>
<b>Total Expenses</b>	<b><u>\$ 723,274</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 723,274</u></b>	<b><u>\$ 606,277</u></b>	<b><u>\$ (116,997)</u></b>
Depreciation Expense	166,626		166,626	166,624	(2)
<b>Excess of Revenue Over Expenses GAAP Basis</b>	<b><u>\$ (191,610)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (191,610)</u></b>	<b><u>\$ (22,249)</u></b>	<b><u>\$ (169,361)</u></b>

# **Houston Downtown Management District**

## **Variance Analysis**

### **Eight Months Ended August 31, 2016**

#### **Operating Budget**

- 1) Revenue-Assessment collections \$32K ahead of budget, bus stop cleaning and trash program operations revenue behind budget (\$84K), marketing partnerships behind budget (\$55K), project revenue behind (\$169K) due to delay in International Coffee Building with offsetting ahead of budget in expenditures, ahead in personnel reimbursements \$31K (flagging) and interest income \$40K.
- 2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget \$59K on program for Off-Duty HPD Officers-program not fully staffed up, some allocated to PITT team. Under budget \$190K on Safety Guide Salaries due to early transfer to Block by Block of DPSGs.
- 3) Goal 1c-Downtown Sidewalks Comfortably Lighted-Over budget (\$17K) in street light maintenance, will even out over the year.
- 4) Goal 1d-Downtown Clean & Well-Kept Appearance-Over budget (\$197K) on Street Team cleaning and (\$19K) in facilities due to new lease/telecomm improvements, ahead of budget \$90K on paver repairs, \$146K on landscaping and tree maintenance, and \$18K in irrigation maintenance and repairs.
- 5) Goal 1e-Remove Signs of Disorder-Ahead of budget \$16K on graffiti abatement.
- 6) Goal 1f-Prepare for Emergencies-Ahead of budget \$21K on emergency expenditures.
- 7) Goal 2a-Key Pedestrian Streets are Inviting-Ahead of budget \$119K on accent planting due to timing.
- 8) Goal 2b-Public Spaces Managed, Programmed-Ahead of budget \$92K on Main Street Square fountain maintenance, ahead of budget \$15K on Market Square Park Maintenance, ahead \$15K in programming.
- 9) Goal 3b-Convenient Circulation Without Personal Vehicle-Behind budget (\$15K) due to increased contribution to Greenlink Circulator.
- 10) Goal 3c-Easy to Find Way Around-Ahead of budget \$25K on wayfinding maintenance, new above and below maps in development.
- 11) Goal 3e-Convenient, Understandable, Managed Parking-Ahead of budget \$25K on parking program expenditures.
- 12) Goal 4b-Exciting Neighborhoods to Live In-Behind budget (\$45K) Skyhouse DLI payment originally budgeted as an offset to revenue, created new expense line to track DLI rebates here.
- 13) Goal 4c-Competitive Shopping Place-Ahead of budget \$18K retail shopping programs due to timing of Fransen Company invoices.
- 14) Goal 5a-Market to Region-Ahead of budget \$80K on media & advertising expenditures.
- 15) Goal 5c-Vision/Development Framework Understood by All-Ahead of budget \$317K on planning consulting expenditures.
- 16) Goal 6a-District Governance Known for Excellence-Ahead of budget \$28K in g & a expenses and \$7K on property insurance (actual cost less than estimate at budget).

#### **Capital Budget**

- 17) Under budget \$20K landscaping/tree projects not started yet.
- 18) Over budget (\$66K) in storefront/streetscape project grants, these were budgeted in 2015 but approved in January 2016, delay in International Coffee Building \$169K, ahead \$22K in banners-full expenditures not in as of yet, ahead \$65K on festoon lighting-delay in project.
- 19) Ahead of budget \$1,168K in wayfinding projects due to delays in completion of the projects, ahead \$150K due to delay in food cart purchase for Main Street Square, \$80K in bicycle projects and \$30K due to delay in Market Square Park lighting project, ahead \$134K timing on Main Street fountain.
- 20) Ahead \$136K in catalytic retail project grants, no new projects identified.
- 21) Ahead of budget \$287K in capital replacement expenditures.