

**Houston Downtown Management District
Governmental Fund Balance Sheets and
Statement of Net Assets
November 30, 2016 and November 30, 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)
Assets								
Cash	\$ 6,928,591	\$ 1,487,129	\$ 1,441,520	\$ 9,857,240	\$ 4,203,439	\$ 2,779,534	\$ 1,462,606	\$ 8,445,579
Assessments Due, Net	-	-	-	-	-	-	-	-
Accounts Receivable	48,231	-	-	48,231	78,508	-	93,750	172,258
Prepaid Expense	118,250	-	-	118,250	99,250	-	-	99,250
Inventory	-	-	104,564	104,564	-	-	104,564	104,564
Property & Equipment, Net	76,412	5,022	1,874,549	1,955,983	81,753	15,830	2,124,491	2,222,074
Intercompany Rec/Pay	(4,303)	4,303	-	-	-	-	-	-
Total Assets	<u>\$ 7,167,181</u>	<u>\$ 1,496,454</u>	<u>\$ 3,420,634</u>	<u>\$ 12,084,268</u>	<u>\$ 4,462,950</u>	<u>\$ 2,795,364</u>	<u>\$ 3,785,412</u>	<u>\$ 11,043,725</u>
Liabilities								
Accounts Payable & Accrued Expenses	\$ 573,024	\$ 140,304	\$ 106,001	\$ 819,329	\$ 380,494	\$ 238,106	\$ 69,395	\$ 687,994
Deferred Revenue & Reserve for Refunds	1,058,259	134,450	225,000	1,417,709	-	-	281,250	281,250
Total Liabilities & Deferred Revenue	<u>1,631,283</u>	<u>274,754</u>	<u>331,001</u>	<u>2,237,038</u>	<u>380,494</u>	<u>238,106</u>	<u>350,645</u>	<u>969,244</u>
Fund Balances								
Unreserved, Undesignated	4,735,898			4,735,898	3,282,456			3,282,456
Unreserved, Designated for Catastrophy	800,000			800,000	800,000			800,000
Reserved for Capital Projects		1,221,700	3,089,632	4,311,332		2,557,258	3,434,767	5,992,025
	<u>5,535,898</u>	<u>1,221,700</u>	<u>3,089,632</u>	<u>9,847,230</u>	<u>4,082,456</u>	<u>2,557,258</u>	<u>3,434,767</u>	<u>10,074,481</u>
Total Liabilities, Deferred Revenue & Fund Balances	<u>\$ 7,167,181</u>	<u>\$ 1,496,454</u>	<u>\$ 3,420,634</u>	<u>\$ 12,084,268</u>	<u>\$ 4,462,950</u>	<u>\$ 2,795,364</u>	<u>\$ 3,785,412</u>	<u>\$ 11,043,725</u>

**Houston Downtown Management District
Statement of Activities
Eleven Months Ended November 30, 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>
Revenues					
Assessments, Net	\$ 11,746,066	\$ 1,491,360	\$ 13,237,426	\$ 13,196,895	\$ 40,530
Operations Revenue	285,930	-	285,930	375,000	(89,070)
Project Revenue	110,913	165,271	276,184	572,250	(296,066)
Salary Reimbursements	70,135	-	70,135	20,000	50,135
Interest Income	53,901	10,582	64,482	10,313	54,170
Total Revenues	\$ 12,266,945	\$ 1,667,212	\$ 13,934,157	\$ 14,174,458	\$ (240,301)
Expenses					
Downtown Feels Safe & Comfortable at All Times					
Collaboration to Maintain Low Crime Rate	\$ 1,666,407	\$ -	\$ 1,666,407	\$ 2,038,133	\$ 371,725
Reduced Presence of Homeless & Street Persons	444,258	-	444,258	435,417	(8,842)
Downtown Sidewalks are Comfortably Lighted	100,967	-	100,967	87,083	(13,883)
Downtown Clean & Well-Kept Appearance	2,396,737	-	2,396,737	2,411,100	14,363
Remove Signs of Disorder in Downtown	28,367	-	28,367	50,967	22,599
Prepare for Emergencies	74,296	-	74,296	105,417	31,121
	4,711,033	-	4,711,033	5,128,116	417,083
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City					
Key Pedestrian Streets are Inviting	107,985	-	107,985	263,542	155,557
Public Spaces Managed, Programmed, & Delightful	471,900	-	471,900	662,750	190,850
Place of Civic Celebration	854,328	-	854,328	953,667	99,338
	1,434,213	-	1,434,213	1,879,959	445,746
Accessible to Region & Easy to Get Around					
Effective Transit Access More Places, More Hours	9,391	-	9,391	9,167	(224)
Convenient Circulation Without Personal Vehicle	461,717	-	461,717	430,833	(30,884)
Easy To Find Way Around	80,698	-	80,698	91,458	10,760
Connect Neighbors & Districts Inside/Outside Downtown	93,876	-	93,876	82,500	(11,376)
Convenient, Understandable & Managed Parking	18,282	-	18,282	38,750	20,468
	663,965	-	663,965	652,709	(11,256)
Vibrant, Sustainable Mixed-Use Place					
Best Place to Work in Region	178,910	-	178,910	196,208	17,298
Exciting Neighborhoods to Live In	126,634	-	126,634	82,042	(44,593)
Competitive Shopping Place	159,848	-	159,848	176,417	16,569
Remarkable Destination for Visitors	8,984	-	8,984	9,167	183
	474,377	-	474,377	463,833	(10,543)
Downtown's Vision & Offering Understood By All					
Market to Region	634,475	-	634,475	890,417	255,942
Promote Downtown's Ease of Use	20,144	-	20,144	19,250	(894)
Vision/Development Framework Understood By All	254,722	-	254,722	687,958	433,236
Tools to Assist Continued Redevelopment	81,755	-	81,755	82,500	745
Develop & Maintain Information to Support Downtown	41,784	-	41,784	53,350	11,566
	1,032,880	-	1,032,880	1,733,475	700,594
District Governance & Service Known for Excellence					
Engage Stakeholders in Decision Making	522,824	-	522,824	583,092	60,268
Communications to Owners, Tenants & Others	5,600	-	5,600	16,792	11,191
Preservation of Districts' Capital Assets	31,547	-	31,547	39,350	7,803
	559,971	-	559,971	639,233	79,262
Capital Improvement & Expenditures					
Downtown Feels Safe & Comfortable	-	20,000	20,000	65,000	45,000
Public Realm is Charming, Inviting, & Beautiful	-	314,510	314,510	586,250	271,740
Accessible to Region & Easy to Get Around	-	1,268,842	1,268,842	2,608,000	1,339,158
Vibrant, Sustainable Mixed-Use Place	-	30,707	30,707	229,167	198,460
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	276,833	276,833	361,000	84,167
	-	1,910,892	1,910,892	3,849,417	1,938,525
Total Expenses	\$ 8,876,438	\$ 1,910,892	\$ 10,787,331	\$ 14,346,741	\$ 3,559,410
Depreciation Expense	21,314	9,909	31,224	33,174	1,950
Excess of Revenue Over Expenses GAAP Basis	\$ 3,369,192	\$ (253,589)	\$ 3,115,603	\$ (205,457)	\$ 3,321,060

**Houston Downtown Management District
Statement of Activities
Eleven Months Ended November 30, 2016 and November 30, 2015**

	Operating YTD Actual	Capital YTD Actual	2016 Total YTD Actual	2015 Total YTD Actual	Fav (Unfav) Variance
Revenues					
Assessments, Net	\$ 11,746,066	\$ 1,491,360	\$ 13,237,426	\$ 8,867,004	\$ 4,370,422
Operations Revenue	285,930	-	285,930	235,641	50,290
Project Revenue	110,913	165,271	276,184	151,697	124,487
Salary Reimbursements	70,135	-	70,135	56,468	13,667
Interest Income	53,901	10,582	64,482	10,630	53,853
Total Revenues	\$ 12,266,945	\$ 1,667,212	\$ 13,934,157	\$ 9,321,439	\$ 4,612,718
Expenses					
Downtown Feels Safe & Comfortable at All Times					
Collaboration to Maintain Low Crime Rate	\$ 1,666,407	\$ -	\$ 1,666,407	\$ 736,251	\$ (930,156)
Reduced Presence of Homeless & Street Persons	444,258	-	444,258	491,796	47,537
Downtown Sidewalks are Comfortably Lighted	100,967	-	100,967	92,277	(8,690)
Downtown Clean & Well-Kept Appearance	2,396,737	-	2,396,737	1,816,423	(580,314)
Remove Signs of Disorder in Downtown	28,367	-	28,367	1,005	(27,363)
Prepare for Emergencies	74,296	-	74,296	65,714	(8,582)
	4,711,033	-	4,711,033	3,203,465	(1,507,567)
Public Realm is Charming, Inviting, Beautiful & Celebrates the Life of the City					
Key Pedestrian Streets are Inviting	107,985	-	107,985	193,194	85,209
Public Spaces Managed, Programmed, & Delightful	471,900	-	471,900	217,430	(254,470)
Place of Civic Celebration	854,328	-	854,328	345,072	(509,257)
	1,434,213	-	1,434,213	755,696	(678,517)
Accessible to Region & Easy to Get Around					
Effective Transit Access More Places, More Hours	9,391	-	9,391	9,023	(368)
Convenient Circulation Without Personal Vehicle	461,717	-	461,717	427,084	(34,633)
Easy To Find Way Around	80,698	-	80,698	39,592	(41,106)
Connect Neighbors & Districts Inside/Outside Downtown	93,876	-	93,876	62,045	(31,831)
Convenient, Understandable & Managed Parking	18,282	-	18,282	42,265	23,983
	663,965	-	663,965	580,009	(83,956)
Vibrant, Sustainable Mixed-Use Place					
Best Place to Work in Region	178,910	-	178,910	186,876	7,966
Exciting Neighborhoods to Live In	126,634	-	126,634	77,294	(49,340)
Competitive Shopping Place	159,848	-	159,848	150,753	(9,095)
Remarkable Destination for Visitors	8,984	-	8,984	3,610	(5,374)
	474,377	-	474,377	418,533	(55,844)
Downtown's Vision & Offering Understood By All					
Market to Region	634,475	-	634,475	600,838	(33,637)
Promote Downtown's Ease of Use	20,144	-	20,144	19,011	(1,132)
Vision/Development Framework Understood By All	254,722	-	254,722	305,859	51,137
Tools to Assist Continued Redevelopment	81,755	-	81,755	67,542	(14,214)
Develop & Maintain Information to Support Downtown	41,784	-	41,784	27,472	(14,313)
	1,032,880	-	1,032,880	1,020,721	(12,159)
District Governance & Service Known for Excellence					
Engage Stakeholders in Decision Making	522,824	-	522,824	588,956	66,132
Communications to Owners, Tenants & Others	5,600	-	5,600	16,432	10,831
Preservation of Districts' Capital Assets	31,547	-	31,547	30,315	(1,232)
	559,971	-	559,971	635,703	75,731
Capital Improvement & Expenditures					
Downtown Feels Safe & Comfortable	-	20,000	20,000	137,398	117,398
Public Realm is Charming, Inviting, & Beautiful	-	314,510	314,510	94,939	(219,571)
Accessible to Region & Easy to Get Around	-	1,268,842	1,268,842	1,408,915	140,073
Vibrant, Sustainable Mixed-Use Place	-	30,707	30,707	46,501	15,794
Downtown's Vision & Offering Understood By All	-	-	-	-	-
Capital Replacement Expenditure	-	276,833	276,833	227,619	(49,214)
	-	1,910,892	1,910,892	1,915,372	4,480
Total Expenses	\$ 8,876,438	\$ 1,910,892	\$ 10,787,331	\$ 8,529,498	\$ (2,257,832)
Depreciation Expense	21,314	9,909	31,224	39,809	8,585
Excess of Revenue Over Expenses GAAP Basis	\$ 3,369,192	\$ (253,589)	\$ 3,115,603	\$ 752,132	\$ 2,363,471

Greenlink-Downtown Circulator Fund
Statement of Activities
Eleven Months Ended November 30, 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>
Revenues					
HDMD Operations Sponsorship	\$ 381,250	\$ -	\$ 381,250	\$ 343,750	\$ 37,500
Houston First Operations Sponsorship	381,250		381,250	343,750	37,500
BG Group Operations Sponsorship	156,250		156,250	343,750	(187,500)
Advertising Revenue	-		-	-	-
Interest Income	6,715		6,715	1,100	5,615
Total Revenues	<u>\$ 925,465</u>	<u>\$ -</u>	<u>\$ 925,465</u>	<u>\$ 1,032,350</u>	<u>\$ (106,885)</u>
Expenses					
Vehicle Operator Expense	891,250		891,250	1,114,000	222,750
Fuel Expense	87,950		87,950	106,500	18,550
Marketing Expense	17,074		17,074	112,000	94,926
Operating Administrative Expense	53,320		53,320	55,000	1,680
Miscellaneous Expense	-		-	-	-
	<u>1,049,594</u>	<u>-</u>	<u>1,049,594</u>	<u>1,387,500</u>	<u>337,906</u>
Total Expenses	<u>\$ 1,049,594</u>	<u>\$ -</u>	<u>\$ 1,049,594</u>	<u>\$ 1,387,500</u>	<u>\$ 337,906</u>
Depreciation Expense	229,111		229,111	229,108	(3)
Excess of Revenue Over Expenses GAAP Basis	<u>\$ (353,240)</u>	<u>\$ -</u>	<u>\$ (353,240)</u>	<u>\$ (584,258)</u>	<u>\$ 231,018</u>

Greenlink-Downtown Circulator Fund
Statement of Activities
Eleven Months Ended November 30, 2016 and November 30, 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>
Revenues					
HDMD Operations Sponsorship	\$ 381,250		\$ 381,250	\$ 343,750	\$ 37,500
Houston First Operations Sponsorship	381,250		381,250	343,750	37,500
BG Group Operations Sponsorship	156,250		156,250	343,750	(187,500)
Advertising Revenue	-		-	-	-
Interest Income	6,715		6,715	1,144	5,571
Total Revenues	<u>\$ 925,465</u>	<u>\$ -</u>	<u>\$ 925,465</u>	<u>\$ 1,032,394</u>	<u>\$ (106,929)</u>
Expenses					
Vehicle Operator Expense	891,250		891,250	708,500	(182,750)
Fuel Expense	87,950		87,950	66,336	(21,614)
Marketing Expense	17,074		17,074	14,994	(2,080)
Operating Administrative Expense	53,320		53,320	50,133	(3,187)
Miscellaneous Expense	-		-	-	-
	<u>1,049,594</u>	<u>-</u>	<u>1,049,594</u>	<u>839,963</u>	<u>(209,631)</u>
Total Expenses	<u>\$ 1,049,594</u>	<u>\$ -</u>	<u>\$ 1,049,594</u>	<u>\$ 839,963</u>	<u>\$ (209,631)</u>
Depreciation Expense	229,111		229,111	229,108	(3)
Excess of Revenue Over Expenses GAAP Basis	<u>\$ (353,240)</u>	<u>\$ -</u>	<u>\$ (353,240)</u>	<u>\$ (36,677)</u>	<u>\$ (316,563)</u>

Houston Downtown Management District Variance Analysis Eleven Months Ended November 30, 2016

Operating Budget

1) Revenue-Assessment collections \$41K ahead of budget, bus stop cleaning and trash program operations revenue behind budget (\$89K), marketing partnerships behind budget (\$105K), project revenue behind (\$191K) due to delay in International Coffee Building with offsetting ahead of budget in expenditures, ahead in personnel reimbursements \$50K (flagging) and interest income \$54K.

2) Goal 1a-Collaboration to Maintain Low Crime Rate-Under budget \$100K on program for Off-Duty HPD Officers-program not fully staffed up, some allocated to PITT team. Under budget \$75K on Safety Guide Salaries due to early transfer to Block by Block and under \$196K due to open positions of DPSGs.

3) Goal 1c-Downtown Sidewalks Comfortably Lighted-Over budget (\$14K) in street light maintenance.

4) Goal 1d-Downtown Clean & Well-Kept Appearance-Over budget (\$225K) on Street Team cleaning and (\$42K) in facilities due to new lease/telecomm improvements, ahead of budget \$87K on paver repairs, \$166K on landscaping and tree maintenance, and \$28K in irrigation maintenance and repairs.

5) Goal 1e-Remove Signs of Disorder-Ahead of budget \$22K on graffiti abatement.

6) Goal 1f-Prepare for Emergencies-Ahead of budget \$31K on emergency expenditures.

7) Goal 2a-Key Pedestrian Streets are Inviting-Ahead of budget \$156K on accent planting due to timing.

8) Goal 2b-Public Spaces Managed, Programmed-Ahead of budget \$132K on Main Street Square fountain maintenance, ahead of budget \$31K on Market Square Park Maintenance, ahead \$27K in programming.

9) Goal 2c-Place of Civic Celebration-Ahead of budget \$93K due to timing on holiday expenditures.

10) Goal 3b-Convenient Circulation Without Personal Vehicle-Behind budget (\$30K) due to increased contribution to Greenlink Circulator.

11) Goal 3e-Convenient, Understandable, Managed Parking-Ahead of budget \$20K 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 \$17K retail shopping programs due to timing of Fransen Company invoices.

14) Goal 5a-Market to Region-Ahead of budget \$220K on media & advertising expenditures and \$36K on magazine expenditures.

15) Goal 5c-Vision/Development Framework Understood by All-Ahead of budget \$433K on planning consulting expenditures.

16) Goal 6a-District Governance Known for Excellence-Ahead of budget \$53K in g & a expenses and \$7K on property insurance (actual cost less than estimate at budget).

Capital Budget

17) Under budget \$45K 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 \$191K, ahead \$22K in banners-full expenditures not in as of yet, ahead \$125K on festoon lighting-delay in project.

19) Ahead of budget \$1,042K in wayfinding projects due to delays in completion of the projects, ahead \$150K due to delay in food cart purchase for Main Street Square, \$117K in bicycle projects and \$30K due to delay in Market Square Park lighting project.

20) Ahead \$198K in catalytic retail project grants, no new projects identified.

21) Ahead of budget \$84K in capital replacement expenditures.