

# HOUSTON FIRST CORPORATION

## Financial Management and Accountability Report

Report 7-2015 - For the Period Ending July 31, 2015 (58% of 2015)

### Dashboard - UPDATED

#### YEAR TO DATE HOTEL OCCUPANCY TAX COLLECTIONS(\$1,000)

|                | 2014 Actual | 2015 Budget | 2015 Actual | Over(Under)<br>Budget | Note |
|----------------|-------------|-------------|-------------|-----------------------|------|
| First Quarter  | \$ 20,099   | \$ 22,838   | \$ 21,742   | -4.8%                 | 1    |
| Two Quarters   | \$ 42,798   | \$ 48,530   | \$ 46,054   | -5.1%                 | 1    |
| Three Quarters | \$ 67,591   | \$ 74,512   | \$ 69,479   | -6.8%                 | 1    |
| Full Year      |             | \$ 98,000   |             |                       |      |

#### HOTEL STATISTICS (Year to Date)

|                      | Prior year |        | Current Year |        | Over(Under)<br>Budget |   |
|----------------------|------------|--------|--------------|--------|-----------------------|---|
|                      | Actual     | Budget | Actual       | Budget |                       |   |
| Citywide (thru July) |            |        |              |        |                       |   |
| Occupancy            | 74.10%     |        | 71.20%       |        | -3.9%                 | 1 |
| Average Daily Rate   | \$ 108.01  |        | \$ 110.72    |        | 2.5%                  |   |
| RevPAR               | \$ 80.00   |        | \$ 78.86     |        | -1.4%                 | 1 |

#### MAJOR REVENUES (Year to Date)

|                               | 2014 Actual | 2015 Budget  | 2015 Actual  | Over(Under)<br>Budget |   |
|-------------------------------|-------------|--------------|--------------|-----------------------|---|
| GRB Facility Rental           | \$2,910,437 | \$ 2,224,910 | \$ 2,358,758 | 6.0%                  |   |
| GRB Food and Beverage Revenue | \$4,587,613 | \$ 3,124,353 | \$ 2,121,740 | -32.1%                | 3 |
| Parking Revenue               | \$8,118,449 | \$ 7,239,281 | \$ 7,311,195 | 1.0%                  |   |

#### MAJOR EXPENDITURES (Year to Date)

|   | 2014 Actual | 2015 Budget   | 2015 Actual   | Over(Under)<br>Budget |   |
|---|-------------|---------------|---------------|-----------------------|---|
| Personnel Cost *                        | \$6,803,513 | \$ 12,647,446 | \$ 11,802,839 | -6.7%                 |   |
| Security Contract Payments              | \$2,170,377 | \$ 2,598,275  | \$ 2,345,693  | -9.7%                 | 4 |
| Bldg Maintenance Contract(TDI) Payments | \$2,739,566 | \$ 2,845,275  | \$ 2,485,161  | -12.7%                | 5 |
| Parking Contract Payments               | \$1,567,190 | \$ 2,185,000  | \$ 1,706,399  | -21.9%                | 4 |
| Janitorial Contract Payments            | \$1,944,413 | \$ 1,815,263  | \$ 2,176,643  | 19.9%                 | 6 |

\* 2014 Actual represents HFC employees prior to GHCVB realignment

#### CAPITAL IMPROVEMENT SPENDING (Year to Date)

|  | 2015 Budget  | 2015 Actual  | % Spent |   |
|--|--------------|--------------|---------|---|
| George R. Brown Convention Center        | \$ 5,922,000 | \$ 352,463   | 6.0%    | 7 |
| Theater District Venues                  | \$ 8,077,000 | \$ 2,265,443 | 28.0%   |   |
| Hilton Americas-Houston Hotel (thru Jul) | \$ 7,455,133 | \$ 1,447,407 | 19.4%   |   |

#### NOTES

- Oil price decline deeper and longer than anticipated; still positive increase over same time last year
- Despite small negative variances, Hilton year to date net income is above budget
- Caused by unanticipated additional costs for client event; will be largely mitigated through developing business later in the year
- Full year budgeted for Tundra Garage but not acquired until 7/1
- Timing difference; special projects budgeted but deferred to later in the year
- Increase in rate for new contract greater than amount anticipated in budget; budget will be adjusted using Contingency
- GRB Chiller project (approx. \$4MM) approved by Board in June

| KEY                              |  |
|----------------------------------|--|
| positive variance                |  |
| negative variance less than 10%  |  |
| negative variance 10% or greater |  |
| inconclusive or unavailable data |  |