

Monthly Financial and Operations Report  
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**OFFICE OF CITY CONTROLLER**  
**CITY OF HOUSTON**  
**INTER OFFICE CORRESPONDENCE**

<b>To</b>	Mayor Bill White City Council Members	<b>From</b>	Annise D. Parker City Controller
		<b>Date</b>	March 25, 2005
		<b>Subject</b>	<b>February 2005 Financial Report</b>

Attached is the Monthly Financial and Operations Report for the period ending February 28, 2005.

**GENERAL FUND**

We are currently projecting a \$10.4 million shortfall for the general fund in FY05, or \$3.9 million less than predicted in January. Overall, we are projecting a \$2 million increase in revenues and transfers and a \$1.9 million decrease in expenditures. The more significant changes can be summarized as follows:

**Revenues**

- Estimates for transfers to Tax Increment Reinvestment Zones (TIRZs) have decreased, resulting in a \$1 million increase in general property tax revenues.
- The legal issues relative to the transfer of money from the Auto Dealers fund have been resolved. We have increased our projection by \$1 million based on HPD's estimate of the amount that will be available for transfer in this fiscal year.

**Expenditures**

While many of the general fund departmental expenditure projections have changed due to departments "truing up" their projections as we get nearer to year-end, the most significant changes include:

- An increase of \$723 thousand in projected expenditures for Building Services primarily due to the move toward in-house monitoring of CIP projects that has resulted in a need for increased staff.
- A decrease of \$817 thousand in general government expenditures due to a decrease in insurance costs for retirees, and decreases in both insurance and tax appraisal fees.
- A decrease of \$658 thousand in Health and Human Services expenditures due to a more accurate assessment of which expenditures will be funded through grants vs. the general fund.

**ENTERPRISE FUNDS**

There are no significant changes in the Aviation Fund or in the Convention and Entertainment Facilities Fund this month.

The Combined Utility System (CUS) has a projected \$21.9 million increase in revenues and a \$5.4 million increase in expenses, with the net amount reflected as a \$16.5 million increase in operating transfers. Operating revenues for the CUS increased by \$5.2 million due to the 3.5 % increase in water and sewer rates effective April 1, 2005. Non-operating revenues for the CUS increased by \$16.7 million of which \$13.9 million was due to a gain on escrow restructuring and \$2.6 million was due to an increase in interest earnings. Operating expenses increased by \$5.4 million due to increases in costs for personnel, supplies and interfund services. Operating transfers for the CUS General Purpose Fund increased by \$11.6 million and equipment acquisition transfers increased by \$4.9 million.

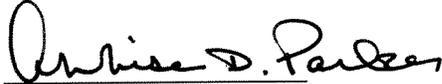
**Mayor Bill White  
City Council Members  
February 2005 Monthly Financial and Operations Report**

**COMMERCIAL PAPER AND BONDS**

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure. At month-end, the ratio for each type of outstanding debt was:

General Obligation	15.5%
Combined Utility System	19.5%
Aviation	17.7%
Convention and Entertainment	27.4%

Respectfully submitted,



Annise D. Parker  
City Controller



**CITY OF HOUSTON**  
Finance and Administration  
Department

**Interoffice**

Correspondence

To: Mayor Bill White  
Members of City Council

From: Judy Gray Johnson, Director

Date: March 25, 2005

Subject: **FEBRUARY MONTHLY FINANCIAL  
AND OPERATIONS REPORT**

Attached are the Monthly Financial and Operations Report for the period ending February 28, 2005.

**General Fund Revenue**

Our revenue estimates for the General Fund are unchanged from last month. We expect revenues to be \$1.3 million better than budget.

The March sales tax receipt was 8.01% higher than March 2004. Fiscal year to date revenues are 8.09% above the same period last year.

We have decreased transfers from other funds by \$500 thousand to recognize lower than expected transfers from the Auto Dealer fund for the \$10 administrative fee assessed on non-consent tows within the City.

**General Fund Expenditures**

We have updated our projections of departmental spending. Most departments are projected to be at or below budgeted levels.

City Council will consider the FY05 General appropriations and budget amendment ordinance next week. This will recognize the impact of the pension bond proceeds and properly allocate the pension costs to each department. This ordinance will also allocate the compensation adjustments, health benefits savings to the General Fund departments, and increase the Solid Waste Department's budget to cover increased fuel and disposal costs.

If you have any questions, please let me know.

  
\_\_\_\_\_  
Judy Gray Johnson, Director  
Finance and Administration Department

General Fund  
Comparative Projections  
Controller's Office and Finance and Administration  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005			Controller's Projection	F & A Projection	Variance between Controller and F&A
		Adopted Budget	Current Budget	% of Budget			
<b>Revenues</b>							
General Property Taxes	\$ 660,999	\$ 671,553	\$ 671,553	46%	\$ 670,265	\$ 672,000	1,735
Industrial Assessments	15,167	14,406	14,406	1%	14,400	14,406	6
Sales Tax	347,982	371,548	371,548	26%	370,100	373,000	2,900
Electric Franchise	76,394	77,384	77,384	5%	77,672	77,750	78
Telephone Franchise	52,926	51,000	51,000	4%	51,000	51,000	0
Gas Franchise	16,535	16,568	16,568	1%	18,800	19,000	200
Other Franchise	15,524	15,447	15,447	1%	15,500	15,518	18
Licenses and Permits	15,271	15,355	15,355	1%	16,575	17,072	497
Intergovernmental	19,524	30,664	30,664	2%	30,000	30,564	564
Charges for Services	39,875	41,534	41,534	3%	37,100	38,879	1,779
Direct Interfund Services	57,056	65,961	65,961	5%	63,287	63,287	0
Indirect Interfund Services	14,647	10,419	10,419	1%	10,419	10,419	0
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	3%	45,589	46,101	512
Other Fines and Forfeits	2,131	4,540	4,540	0%	2,248	4,300	2,052
Interest	5,130	5,000	5,000	0%	5,200	5,000	(200)
Miscellaneous/Other	16,046	11,939	11,939	1%	14,107	13,967	(140)
Total Revenues	<u>1,400,212</u>	<u>1,450,919</u>	<u>1,450,919</u>	<u>100%</u>	<u>1,442,262</u>	<u>1,452,263</u>	<u>10,001</u>
<b>Expenditures</b>							
Affirmative Action	1,668	1,632	1,585	0%	1,642	1,642	0
Building Services	24,629	23,253	22,942	2%	23,460	23,460	0
City Council	3,920	4,203	4,203	0%	4,203	4,203	0
City Secretary	821	707	707	0%	693	693	0
Controller	5,786	5,837	5,837	0%	5,837	5,837	0
Finance and Administration	18,631	19,806	20,087	1%	19,562	19,562	0
Fire	281,525	292,942	292,942	20%	292,788	292,788	0
Health and Human Services	51,121	49,430	49,430	3%	49,567	49,567	0
Human Resources	2,351	2,287	2,287	0%	2,293	2,293	0
Information Technology	12,562	12,394	12,424	1%	12,129	12,129	0
Legal	11,125	10,798	10,798	1%	10,761	10,761	0
Library	32,456	32,891	32,891	2%	32,570	32,570	0
Mayor's Office	1,859	1,768	1,852	0%	1,852	1,852	0
Municipal Courts - Administration	16,274	16,217	16,217	1%	15,998	15,998	0
Municipal Courts - Justice	3,949	3,992	3,992	0%	4,097	4,097	0
Parks and Recreation	43,186	46,993	46,956	3%	47,239	47,239	0
Planning and Development	13,986	13,456	7,230	0%	7,125	7,125	0
Police	473,222	516,003	522,229	36%	521,473	521,473	0
Public Works and Engineering	86,938	88,671	88,671	6%	85,240	85,240	0
Solid Waste Management	61,673	61,130	61,130	4%	66,161	66,161	0
Total Departmental Expenditures	<u>1,147,682</u>	<u>1,204,410</u>	<u>1,204,410</u>	<u>83%</u>	<u>1,204,690</u>	<u>1,204,690</u>	<u>0</u>
<b>Non-Departmental Expenditures and Other Uses</b>							
General Government	88,314	62,497	62,497	4%	85,767	85,767	0
Debt Service Transfer	165,000	188,000	188,000	13%	188,000	188,000	0
Total Non-Dept. Exp. and Other Uses	<u>253,314</u>	<u>250,497</u>	<u>250,497</u>	<u>17%</u>	<u>273,767</u>	<u>273,767</u>	<u>0</u>
Total Expenditures and Other Uses	<u>1,400,996</u>	<u>1,454,908</u>	<u>1,454,908</u>	<u>100%</u>	<u>1,478,457</u>	<u>1,478,457</u>	<u>0</u>
Net Current Activity	(784)	(3,989)	(3,989)		(36,195)	(26,194)	<u>10,001</u>
Amount Needed to Balance the Budget	-	-	-		10,419	-	
Transfers from other funds	6,800	3,500	3,500		3,000	3,000	
Pension Bond Proceeds	-	-	-		22,776	22,776	
Disaster Recovery Fund Transfer	-	-	-		-	-	
Change in Misc Other Reserves	(339)	-	-		-	-	
Unreserved Fund Balance, Beginning of Year	105,101	110,778	110,778		110,778	110,778	
Unreserved Fund Balance, End of Year	<u>\$ 110,778</u>	<u>\$ 110,289</u>	<u>\$ 110,289</u>		<u>\$ 110,778</u>	<u>\$ 110,360</u>	
Designated for Sign Abatement	(2,119)	(2,074)	(2,074)		(2,119)	(2,074)	
Designated for Rainy Day Fund	(20,473)	(20,000)	(20,000)		(20,473)	(20,000)	
Undesignated Fund Balance, End of Year	<u>\$ 88,186</u>	<u>\$ 88,215</u>	<u>\$ 88,215</u>		<u>\$ 88,186</u>	<u>\$ 88,286</u>	

General Fund  
 Controller's Office  
 For the period ended February 28, 2005  
 (amounts expressed in thousands)

	FY2004 Actual	FY2005						Variance from Current Budget	% Variance
		Adopted Budget	Current Budget	Current Month	YTD	Controller's Projection			
<b>Revenues</b>									
General Property Taxes	\$ 660,999	\$ 671,553	\$ 671,553	\$ 295,856	\$ 647,706	\$ 670,265	\$ (1,288)	-0.2%	
Industrial Assessments	15,167	14,406	14,406	1,201	9,836	14,400	(6)	0.0%	
Sales Tax	347,982	371,548	371,548	29,347	243,747	370,100	(1,448)	-0.4%	
Electric Franchise	76,394	77,384	77,384	5,766	53,833	77,672	288	0.4%	
Telephone Franchise	52,926	51,000	51,000	2,121	33,601	51,000	0	0.0%	
Gas Franchise	16,535	16,568	16,568	2,253	12,114	18,800	2,232	13.5%	
Other Franchise	15,524	15,447	15,447	1,472	10,883	15,500	53	0.3%	
Licenses and Permits	15,271	15,355	15,355	1,380	11,138	16,575	1,220	7.9%	
Intergovernmental	19,524	30,664	30,664	202	5,403	30,000	(664)	-2.2%	
Charges for Services	39,875	41,534	41,534	3,400	23,514	37,100	(4,434)	-10.7%	
Direct Interfund Services	57,056	65,961	65,961	5,140	34,857	63,287	(2,674)	-4.1%	
Indirect Interfund Services	14,647	10,419	10,419	247	6,001	10,419	0	0.0%	
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	4,169	29,801	45,589	(2,012)	-4.2%	
Other Fines and Forfeits	2,131	4,540	4,540	186	1,533	2,248	(2,292)	-50.5%	
Interest	5,130	5,000	5,000	951	3,000	5,200	200	4.0%	
Miscellaneous/Other	16,046	11,939	11,939	1,626	8,245	14,107	2,168	18.2%	
<b>Total Revenues</b>	<b>1,400,212</b>	<b>1,450,919</b>	<b>1,450,919</b>	<b>355,317</b>	<b>1,135,212</b>	<b>1,442,262</b>	<b>(8,657)</b>	<b>-0.6%</b>	
<b>Expenditures</b>									
<b>Departmental</b>									
Affirmative Action	1,668	1,632	1,585	132	1,125	1,642	(57)	-3.6%	
Building Services	24,629	23,253	22,942	2,021	14,999	23,460	(518)	-2.3%	
City Council	3,920	4,203	4,203	269	2,706	4,203	0	0.0%	
City Secretary	821	707	707	47	422	693	14	2.0%	
Controller	5,786	5,837	5,837	450	3,731	5,837	0	0.0%	
Finance and Administration	18,631	19,806	20,087	1,554	12,805	19,562	525	2.6%	
Fire	281,525	292,942	292,942	22,230	187,609	292,788	154	0.1%	
Health and Human Services	51,121	49,430	49,430	3,620	32,649	49,567	(137)	-0.3%	
Human Resources	2,351	2,287	2,287	154	1,446	2,293	(6)	-0.3%	
Information Technology	12,562	12,394	12,424	991	8,082	12,129	295	2.4%	
Legal	11,125	10,798	10,798	830	6,896	10,761	37	0.3%	
Library	32,456	32,891	32,891	2,300	21,459	32,570	321	1.0%	
Mayor's Office	1,859	1,768	1,852	141	1,330	1,852	0	0.0%	
Municipal Courts - Administration	16,274	16,217	16,217	1,248	10,218	15,998	219	1.4%	
Municipal Courts - Justice	3,949	3,992	3,992	304	2,742	4,097	(105)	-2.6%	
Parks and Recreation	43,186	46,993	46,956	3,857	30,183	47,239	(283)	-0.6%	
Planning and Development	13,986	13,456	7,230	508	4,651	7,125	105	1.5%	
Police	473,222	516,003	522,229	37,224	355,316	521,473	756	0.1%	
Public Works and Engineering	86,938	88,671	88,671	8,170	54,164	85,240	3,431	3.9%	
Solid Waste Management	61,673	61,130	61,130	6,172	44,854	66,161	(5,031)	-8.2%	
<b>Total Departmental Expenditures</b>	<b>1,147,682</b>	<b>1,204,410</b>	<b>1,204,410</b>	<b>92,222</b>	<b>797,387</b>	<b>1,204,690</b>	<b>(280)</b>	<b>0.0%</b>	
<b>Non-Departmental Expenditures and Other Uses</b>									
General Government	88,314	62,497	62,497	8,573	52,881	85,767	(23,270)	-37.2%	
Debt Service Transfer	165,000	188,000	188,000	131,361	131,361	188,000	0	0.0%	
<b>Total Non-Dept. Exp. And Other Uses</b>	<b>253,314</b>	<b>250,497</b>	<b>250,497</b>	<b>139,934</b>	<b>184,242</b>	<b>273,767</b>	<b>(23,270)</b>	<b>-9.3%</b>	
<b>Total Expenditures and Other Uses</b>	<b>1,400,996</b>	<b>1,454,908</b>	<b>1,454,908</b>	<b>232,156</b>	<b>981,629</b>	<b>1,478,457</b>	<b>(23,550)</b>	<b>-1.6%</b>	
<b>Net Current Activity</b>	<b>(784)</b>	<b>(3,989)</b>	<b>(3,989)</b>	<b>123,161</b>	<b>153,583</b>	<b>(36,195)</b>	<b>(32,206)</b>		
<b>Amount Needed to Balance the Budget</b>						<b>10,419</b>			
Transfers from other funds	6,800	3,500	3,500	0	-	3,000	(500)		
Pension Bond Proceeds	-	-	-	22,776	22,776	22,776	(22,776)		
Disaster Recovery Fund Transfer	-	-	-	-	-	-	-		
Change in Misc. Other Reserves	(339)	-	-	-	-	-	-		
Unreserved Fund Balance, Beg. of Year	105,101	110,778	110,778	110,778	110,778	110,778	0		
Unreserved Fund Balance, End of Year	110,778	110,289	110,289	256,715	287,137	110,778	(55,482)		
Designated for Sign Abatement	(2,119)	(2,074)	(2,074)	-	-	(2,119)	(45)		
Designated for Rainy Day Fund	(20,473)	(20,000)	(20,000)	-	-	(20,473)	(473)		
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 88,186</b>	<b>\$ 88,215</b>	<b>\$ 88,215</b>	<b>\$ 256,715</b>	<b>\$ 287,137</b>	<b>\$ 88,186</b>	<b>\$ (29)</b>		

General Fund  
Finance and Administration  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2005							Variance from Current Budget	% Variance
	FY2004 Actual	Adopted Budget	Current Budget	Current Month	YTD	F & A Projection			
<b>Revenues</b>									
General Property Taxes	\$ 660,999	\$ 671,553	671,553	\$ 295,856	\$ 647,706	\$ 672,000	447	0.1%	
Industrial Assessments	15,167	14,406	14,406	1,201	9,836	14,406	0	0.0%	
Sales Tax	347,982	371,548	371,548	29,347	243,747	373,000	1,452	0.4%	
Electric Franchise	76,394	77,384	77,384	5,766	53,833	77,750	366	0.5%	
Telephone Franchise	52,926	51,000	51,000	2,121	33,601	51,000	0	0.0%	
Gas Franchise	16,535	16,568	16,568	2,253	12,114	19,000	2,432	14.7%	
Other Franchise	15,524	15,447	15,447	1,472	10,883	15,518	71	0.5%	
Licenses and Permits	15,271	15,355	15,355	1,380	11,138	17,072	1,717	11.2%	
Intergovernmental	19,524	30,664	30,664	202	5,403	30,564	(100)	-0.3%	
Charges for Services	39,875	41,534	41,534	3,400	23,514	38,879	(2,655)	-6.4%	
Direct Interfund Services	57,056	65,961	65,961	5,140	34,857	63,287	(2,674)	-4.1%	
Indirect Interfund Services	14,647	10,419	10,419	247	6,001	10,419	0	0.0%	
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	4,169	29,801	46,101	(1,500)	-3.2%	
Other Fines and Forfeits	2,131	4,540	4,540	186	1,533	4,300	(240)	-5.3%	
Interest	5,130	5,000	5,000	951	3,000	5,000	0	0.0%	
Miscellaneous/Other	16,046	11,939	11,939	1,626	8,245	13,967	2,028	17.0%	
Total Revenues	<u>1,400,212</u>	<u>1,450,919</u>	<u>1,450,919</u>	<u>355,317</u>	<u>1,135,212</u>	<u>1,452,263</u>	<u>1,344</u>	<u>0.1%</u>	
<b>Expenditures</b>									
<b>Departmental</b>									
Affirmative Action	1,668	1,632	1,585	132	1,125	1,642	(57)	-3.6%	
Building Services	24,629	23,253	22,942	2,021	14,999	23,460	(518)	-2.3%	
City Council	3,920	4,203	4,203	269	2,706	4,203	0	0.0%	
City Secretary	821	707	707	47	422	693	14	2.0%	
Controller	5,786	5,837	5,837	450	3,731	5,837	0	0.0%	
Finance and Administration	18,631	19,806	20,087	1,554	12,805	19,562	525	2.6%	
Fire	281,525	292,942	292,942	22,230	187,609	292,788	154	0.1%	
Health and Human Services	51,121	49,430	49,430	3,620	32,649	49,567	(137)	-0.3%	
Human Resources	2,351	2,287	2,287	154	1,446	2,293	(6)	-0.3%	
Information Technology	12,562	12,394	12,424	991	8,082	12,129	295	2.4%	
Legal	11,125	10,798	10,798	830	6,896	10,761	37	0.3%	
Library	32,456	32,891	32,891	2,300	21,459	32,570	321	1.0%	
Mayor's Office	1,859	1,768	1,852	141	1,330	1,852	0	0.0%	
Municipal Courts - Administration	16,274	16,217	16,217	1,248	10,218	15,998	219	1.4%	
Municipal Courts - Justice	3,949	3,992	3,992	304	2,742	4,097	(105)	-2.6%	
Parks and Recreation	43,186	46,993	46,956	3,857	30,183	47,239	(283)	-0.6%	
Planning and Development	13,986	13,456	7,230	508	4,651	7,125	105	1.5%	
Police	473,222	516,003	522,229	37,224	355,316	521,473	756	0.1%	
Public Works and Engineering	86,938	88,671	88,671	8,170	54,164	85,240	3,431	3.9%	
Solid Waste Management	61,673	61,130	61,130	6,172	44,854	66,161	(5,031)	-8.2%	
Total Departmental Expenditures	<u>1,147,682</u>	<u>1,204,410</u>	<u>1,204,410</u>	<u>92,222</u>	<u>797,387</u>	<u>1,204,690</u>	<u>(280)</u>	<u>0.0%</u>	
<b>Non-Departmental Expenditures and Other Uses</b>									
General Government	88,314	62,497	62,497	8,573	52,881	85,767	(23,270)	-37.2%	
Debt Service Transfer	165,000	188,000	188,000	131,361	131,361	188,000	0	0.0%	
Total Non-Dept. Exp. and Other Uses	<u>253,314</u>	<u>250,497</u>	<u>250,497</u>	<u>139,934</u>	<u>184,242</u>	<u>273,767</u>	<u>(23,270)</u>	<u>-9.3%</u>	
Total Expenditures and Other Uses	<u>1,400,996</u>	<u>1,454,908</u>	<u>1,454,908</u>	<u>232,156</u>	<u>981,629</u>	<u>1,478,457</u>	<u>(23,550)</u>	<u>-1.6%</u>	
Net Current Activity	(784)	(3,989)	(3,989)	123,161	153,583	(26,194)	(22,206)		
Transfers from other funds	6,800	3,500	3,500	-	-	3,000	500		
Pension Bond Proceed	-	-	-	22,776	22,776	22,776	22,776		
Disaster Recovery Fund Transfer	-	-	-	-	-	-	-		
Change in Misc. Other Reserves	(339)	-	-	-	-	-	-		
Unreserved Fund Balance, Beg. of Year	105,101	110,778	110,778	110,778	110,778	110,778	0		
Unreserved Fund Balance, End of Year	110,778	110,289	110,289	256,715	287,137	110,360	1,070		
Designated for Sign Abatement	(2,119)	(2,074)	(2,074)	-	-	(2,074)	-		
Designated for Rainy Day Fund	(20,473)	(20,000)	(20,000)	-	-	(20,000)	-		
Undesignated Fund Balance, End of Year	<u>\$ 88,186</u>	<u>\$ 88,215</u>	<u>\$ 88,215</u>	<u>\$ 256,715</u>	<u>\$ 287,137</u>	<u>\$ 88,286</u>	<u>\$ 71</u>		

General Fund  
General Government  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005						
		Adopted Budget	Current Budget	Current Month	YTD	YTD as % of Current Budget	Controller's Projection	F&A Projection
Non-Dept. Exp. and Other Uses								
General Government								
Pension-Civilian	0	(14,595)	(14,595)	0	0	0.0%	(14,595)	(14,595)
Insurance-Civilian (Active)	(101)	0	0	0	0	0.0%	0	0
Insurance-Civilian (Retirees)	11,965	13,667	13,667	1,170	9,137	66.9%	13,742	13,742
Pension-Police	0	(22,905)	(22,905)	0	0	0.0%	0	0
Insurance-Classified (Retirees)	14,705	16,042	16,042	1,338	10,525	65.6%	15,745	15,745
Long Term Disability	12	0	0	0	0	0.0%	0	0
Compensation Contingency	0	7,600	7,600	0	0	0.0%	7,600	7,600
Total Personnel Services	<u>26,581</u>	<u>(191)</u>	<u>(191)</u>	<u>2,508</u>	<u>19,662</u>	<u>-10294.2%</u>	<u>22,492</u>	<u>22,492</u>
Insurance Fees	1,191	1,470	1,470	6	64	4.4%	1,263	1,263
Accounting and Auditing Svcs	865	608	608	52	834	137.2%	826	826
Advertising Svcs	167	200	200	8	177	88.5%	200	200
Legal Services	2,412	2,262	2,262	276	1,120	49.5%	2,262	2,262
Management Consulting Svcs.	1,106	372	372	11	171	46.0%	372	372
Misc Support Svcs	236	280	280	0	42	15.0%	260	260
Real Estate Lease	9,069	9,228	9,228	813	5,449	59.0%	9,228	9,228
Parking Space Rental	1	0	0	15	30	0.0%	0	0
METRO Commuter Passes	541	645	645	20	489	75.8%	638	638
Electricity	0	500	500	0	0	0.0%	500	500
Other Interfund Services	0	0	0	0	0	0.0%	0	0
Limited Purpose Annexation Pmts.	9,131	13,128	13,128	2,700	6,176	47.0%	13,128	13,128
Print Shop Services	0	0	0	0	4	0.0%	4	4
Printing and Reproduction Svcs.	8	0	0	1	1	0.0%	0	1
Tax Appraisal Fees	5,082	5,489	5,489	0	2,505	45.6%	5,100	5,100
Tax Refunds	0	0	0	0	0	0.0%	1	0
Billing and Collection Svcs	750	750	750	0	750	100.0%	750	750
Elections	3,440	1,000	1,000	473	1,328	132.8%	1,400	1,400
Claims and Judgments	4,550	6,000	6,000	685	3,177	53.0%	5,500	5,500
Contingency/Reserve	0	0	0	0	0	0.0%	0	0
Zoo Contract	7,372	7,494	7,494	624	4,996	66.7%	7,494	7,494
Misc Other Services and Charges	3,372	2,473	2,473	529	808	32.7%	2,347	2,347
Membership and Professional Fees	649	780	780	178	553	70.9%	747	747
Mgmt Initiative Savings	0	0	0	0	0	0.0%	0	0
Total Other Services and Charges	<u>49,942</u>	<u>52,679</u>	<u>52,679</u>	<u>6,391</u>	<u>28,674</u>	<u>54.4%</u>	<u>52,020</u>	<u>52,020</u>
Other Financing Uses								
Debt Service-Interest	1,793	2,000	2,000	0	261	13.1%	3,246	3,246
Transfers to General Fund	0	0	0	0	0	0.0%	0	0
Transfers to Conv & Entertain	163	350	350	(326)	92	26.3%	350	350
Transfers to Special Revenues	9,835	7,659	7,659	0	4,192	54.7%	7,659	7,659
Total Other Financing Uses	<u>11,791</u>	<u>10,009</u>	<u>10,009</u>	<u>(326)</u>	<u>4,545</u>	<u>45.4%</u>	<u>11,255</u>	<u>11,255</u>
Total General Government	<u>88,314</u>	<u>62,497</u>	<u>62,497</u>	<u>8,573</u>	<u>52,881</u>	<u>84.6%</u>	<u>85,767</u>	<u>85,767</u>
Debt Service Transfers								
Transfers to PIB Debt Svc	147,850	184,000	184,000	128,227	128,227	69.7%	184,000	184,000
Transfers to CO Debt Svc	17,150	4,000	4,000	3,134	3,134	78.4%	4,000	4,000
Total Debt Service Transfers	<u>165,000</u>	<u>188,000</u>	<u>188,000</u>	<u>131,361</u>	<u>131,361</u>	<u>69.9%</u>	<u>188,000</u>	<u>188,000</u>
Total Non-Dept. Exp and Other Uses	<u>\$ 253,314</u>	<u>\$ 250,497</u>	<u>\$ 250,497</u>	<u>\$ 139,934</u>	<u>\$ 184,242</u>	<u>73.6%</u>	<u>\$ 273,767</u>	<u>\$ 273,767</u>

Aviation Operating Fund  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				F&A Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
<b>Operating Revenues</b>						
Landing Area	\$ 57,011	\$ 97,754	\$ 97,754	48,647	\$ 97,754	\$ 97,754
Bldg and Ground Area	115,777	146,739	146,739	87,397	146,739	146,739
Parking and Concession	94,537	92,128	92,128	63,461	92,128	92,128
Other	3,088	1,289	1,289	1,368	1,368	1,368
Total Operating Revenues	<u>270,413</u>	<u>337,910</u>	<u>337,910</u>	<u>200,873</u>	<u>337,989</u>	<u>337,989</u>
<b>Operating Expenses</b>						
Personnel	65,312	69,217	70,097	46,569	70,097	70,097
Supplies	4,516	5,932	5,932	3,484	5,932	5,932
Services	98,253	112,555	112,555	57,396	112,555	112,555
Non-Capital Outlay	842	830	830	438	830	830
Total Operating Expenses	<u>168,923</u>	<u>188,534</u>	<u>189,414</u>	<u>107,887</u>	<u>189,414</u>	<u>189,414</u>
Operating Income (Loss)	<u>101,490</u>	<u>149,376</u>	<u>148,496</u>	<u>92,986</u>	<u>148,575</u>	<u>148,575</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	7,562	8,700	8,700	6,196	8,700	8,700
Other	128	0	0	49	49	49
Total Nonoperating Rev (Exp)	<u>7,690</u>	<u>8,700</u>	<u>8,700</u>	<u>6,245</u>	<u>8,749</u>	<u>8,749</u>
Income (Loss) Before Operating Transfers	<u>109,180</u>	<u>158,076</u>	<u>157,196</u>	<u>99,232</u>	<u>157,324</u>	<u>157,324</u>
<b>Operating Transfers</b>						
Interfund Transfer - Oper Reserve	3,726	3,000	3,000	0	3,000	3,000
Debt Service Principal	18,865	25,165	25,165	16,777	25,165	25,165
Debt Service Interest	24,257	84,802	84,802	27,006	84,802	84,802
Renewal and Replacement	0	500	500	0	628	628
Capital Improvement	66,297	44,609	43,729	30,928	43,729	43,729
Total Operating Transfers	<u>113,145</u>	<u>158,076</u>	<u>157,196</u>	<u>74,711</u>	<u>157,324</u>	<u>157,324</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ (3,965)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>24,520</u>	<u>\$ 0</u>	<u>\$ 0</u>

**About the Fund:**

The Aviation Operating Fund is an enterprise fund which accounts for operation of the City's airport system. The airport system is comprised of the George Bush Intercontinental Airport/Houston, William P. Hobby Airport, and Ellington Field. Activities of the department include: operations, maintenance, planning and construction, public service and administration. The Department coordinates its activities with the Federal Aviation Administration (FAA), other federal and state agencies, the airlines, and tenants of the airport facilities.

Convention and Entertainment Facilities Operating Fund  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2005					
	FY2004 Actual	Adopted Budget	Current Budget	YTD	Controllers Projection	F & A Projection
<b>Operating Revenues</b>						
Facility Rentals	\$ 5,804	\$ 5,094	\$ 5,094	\$ 4,001	\$ 5,094	\$ 5,094
Parking	9,325	10,499	10,499	4,892	9,745	9,745
Food and Beverage Concessions	1,840	2,346	2,346	1,536	2,346	2,346
Contract Cleaning	176	246	246	124	246	246
Total Operating Revenues	<u>17,145</u>	<u>18,185</u>	<u>18,185</u>	<u>10,553</u>	<u>17,431</u>	<u>17,431</u>
<b>Operating Expenses</b>						
Personnel	6,640	6,010	6,096	4,225	6,096	6,096
Supplies	468	533	495	343	495	495
Services	19,799	23,295	23,333	11,762	23,333	23,333
Total Operating Expenses	<u>26,907</u>	<u>29,838</u>	<u>29,924</u>	<u>16,330</u>	<u>29,924</u>	<u>29,924</u>
Operating Income (Loss)	<u>(9,762)</u>	<u>(11,653)</u>	<u>(11,739)</u>	<u>(5,777)</u>	<u>(12,493)</u>	<u>(12,493)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Hotel Occupancy Tax						
Current	44,993	44,000	44,000	30,534	44,000	44,000
Delinquent	1,149	900	900	727	900	900
Advertising Services	(9,545)	(10,120)	(10,120)	(5,003)	(10,120)	(10,120)
Promotion Contracts	(7,885)	(8,360)	(8,360)	(4,133)	(8,360)	(8,360)
Contracts/Sponsorships	(3,184)	(2,192)	(2,192)	(1,083)	(2,192)	(2,192)
Net Hotel Occupancy Tax	<u>25,528</u>	<u>24,228</u>	<u>24,228</u>	<u>21,042</u>	<u>24,228</u>	<u>24,228</u>
Interest Income	480	1,050	1,050	658	1,050	1,050
Capital Outlay	(105)	(5,379)	(12,034)	(8,303)	(12,034)	(12,034)
Non-Capital Outlay	15	(59)	(83)	(20)	(83)	(83)
Other Interest	(104)	(550)	(550)	0	(550)	(550)
Other	2,550	60	60	4,489	4,489	4,489
Total Nonoperating Rev (Exp)	<u>28,364</u>	<u>19,350</u>	<u>12,671</u>	<u>17,866</u>	<u>17,100</u>	<u>17,100</u>
Income (Loss) Before Operating Transfers	<u>18,602</u>	<u>7,697</u>	<u>932</u>	<u>12,089</u>	<u>4,607</u>	<u>4,607</u>
<b>Operating Transfers</b>						
Transfers for Interest	6,064	7,100	7,000	4,317	7,000	7,000
Transfers for Principal	6,536	6,900	6,900	4,238	6,900	6,900
Interfund Transfers	1,531	0	1,309	1,309	1,309	1,309
Transfers to Special	(3,591)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Total Operating Transfers	<u>10,540</u>	<u>11,500</u>	<u>12,709</u>	<u>7,364</u>	<u>12,709</u>	<u>12,709</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 8,062</u>	<u>\$ (3,803)</u>	<u>\$ (11,777)</u>	<u>\$ 4,725</u>	<u>\$ (8,102)</u>	<u>\$ (8,102)</u>

**About the Fund:**

The Convention and Entertainment Facilities operating fund is an enterprise fund that accounts for the operation of the City's six major entertainment centers and City-owned parking garages. These centers include the following: Jesse H. Jones Hall; Bayou Place; Houston Center for The Arts; Gus S. Wortham Center; George R. Brown Convention Center and the Tranquility Park and Civic Center garages.

Combined Utility System Fund  
For the period ended February 28, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Water Sales	\$ 265,272	\$ 311,068	\$ 311,068	\$ 201,012	\$ 296,706	\$ 296,706
Sewer Sales	257,224	299,253	299,253	190,948	291,190	291,190
Penalties	4,150	3,741	3,741	3,248	3,875	3,875
Other	4,562	4,360	4,360	3,006	4,418	4,418
Total Operating Revenues	<u>531,208</u>	<u>618,422</u>	<u>618,422</u>	<u>398,214</u>	<u>596,189</u>	<u>596,189</u>
<b>Operating Expenses</b>						
Personnel	124,054	122,241	122,241	76,972	117,000	117,000
Supplies	23,141	26,007	26,007	17,774	28,000	28,000
Electricity and Gas	35,200	47,169	47,169	29,858	47,048	47,048
Contracts & Other Payments	84,323	92,013	92,013	42,596	81,000	81,000
Total Operating Expenses	<u>266,718</u>	<u>287,430</u>	<u>287,430</u>	<u>167,200</u>	<u>273,048</u>	<u>273,048</u>
Operating Income (Loss)	<u>264,490</u>	<u>330,992</u>	<u>330,992</u>	<u>231,014</u>	<u>323,141</u>	<u>323,141</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	6,889	5,161	5,161	5,809	7,827	7,827
Sale of Property, Mains and Scrap	664	508	508	768	794	794
Other	9,934	7,863	7,863	5,258	7,632	7,632
Gain on escrow restructure	0	0	0	15,113	29,013	29,013
Gross Revenue Contrib. from Water Auth.	60,687 *					
Impact Fees	15,580	14,000	14,000	7,056	14,000	14,000
HAWC	(6,391)	(4,608)	(4,608)	(1,677)	(4,608)	(4,608)
CWA & TRA Contracts (P & I)	<u>(31,454)</u>	<u>(32,317)</u>	<u>(32,317)</u>	<u>(25,968)</u>	<u>(32,317)</u>	<u>(32,317)</u>
Total Nonoperating Rev (Exp)	<u>55,909</u>	<u>(9,393)</u>	<u>(9,393)</u>	<u>6,359</u>	<u>22,341</u>	<u>22,341</u>
Income (Loss) Before Operating Transfers	<u>320,399</u>	<u>321,599</u>	<u>321,599</u>	<u>237,373</u>	<u>345,482</u>	<u>345,482</u>
<b>Operating Transfers</b>						
Debt Service Principal	67,492	12,675	12,675	8,906	12,675	12,675
Debt Service Interest	154,238	179,902	179,902	110,388	179,902	179,902
Discretionary Debt	29,572	28,934	28,934	27,546	28,934	28,934
Other Contractual Obligations	0	474	474	0	474	474
Equipment Acquisition	8,145	17,862	17,862	3,476	17,862	17,862
CUS General Purpose Fund	46,752	49,752	49,752	0	73,635	73,635
Transfer to General Fund	4,100	2,000	2,000	0	2,000	2,000
Transfer to Combined Utility System	0	0	0	0	0	0
Transfer to Stormwater	10,100	30,000	30,000	20,000	30,000	30,000
Total Operating Transfers	<u>320,399</u>	<u>321,599</u>	<u>321,599</u>	<u>170,316</u>	<u>345,482</u>	<u>345,482</u>
Net Current Activity						
Operating Fund Only	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 67,057</u>	<u>\$ 0</u>	<u>\$ 0</u>

\*Note: For CAFR purposes, this amount is treated as deferred revenues and is presented here to make it more comparable to the budgetary accounting basis used in the MFOR.

**About the Fund:**

The Combined Utility System Fund is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receive and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.

Stormwater Fund  
For the period ending February 28, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				F&A Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
<b>Revenues</b>						
Miscellaneous	\$ 164	\$ 145	\$ 145	\$ 29	\$ 50	\$ 50
Total Revenues	<u>164</u>	<u>145</u>	<u>145</u>	<u>29</u>	<u>50</u>	<u>50</u>
<b>Expenditures</b>						
Personnel	15,129	17,492	17,492	10,825	16,090	16,090
Supplies	1,226	1,290	1,290	853	1,290	1,290
Other Services	10,010	11,142	11,142	4,801	11,142	11,142
Capital Outlay	862	131	131	123	131	131
Total Expenditures	<u>27,227</u>	<u>30,055</u>	<u>30,055</u>	<u>16,602</u>	<u>28,653</u>	<u>28,653</u>
<b>Other Financing Sources (Uses)</b>						
Interest Income	(123)	310	310	61	95	95
Operating Transfers In	10,100	30,000	30,000	20,000	30,000	30,000
Operating Transfers Out	0	(400)	(400)	0	(400)	(400)
Total Other Financing Sources (Uses)	<u>9,977</u>	<u>29,910</u>	<u>29,910</u>	<u>20,061</u>	<u>29,695</u>	<u>29,695</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)						
	(17,086)	0	0	3,488	1,092	1,092
Fund Balance, Beginning of Year	<u>18,778</u>	<u>1,692</u>	<u>1,692</u>	<u>1,692</u>	<u>1,692</u>	<u>1,692</u>
Fund Balance, End of Year	<u>\$ 1,692</u>	<u>\$ 1,692</u>	<u>\$ 1,692</u>	<u>\$ 5,180</u>	<u>\$ 2,784</u>	<u>\$ 2,784</u>

The Stormwater Fund provides for the maintenance and repair of streets, rights-of-way and drainage infrastructure, such as storm sewers and roadside ditches. The City undertook a major restructuring of its water, sewer and drainage financing at the end of FY2004. This restructuring created a new Combined Utility System with the capacity to transfer funds from its surplus amounts to the Stormwater Fund to support stormwater drainage operations and maintenance.

Note: The Stormwater Fund is not technically an enterprise fund, but is grouped with the Combined Utility System for clarity.

**City of Houston, Texas**  
**Commercial Paper Issued and Available**  
**For the period ended February 28, 2005**  
(amounts expressed in millions)

<b>COMMERCIAL PAPER</b>	<b>Draws FY05</b>	<b>Draws during Month</b>	<b>(Refunded) Increased Authorization</b>	<b>Amount Available to be Drawn</b>	<b>Amount Outstanding</b>
	(millions)	(millions)	(millions)	(millions)	(millions)
<b>General Obligation</b>					
<i>(Series A &amp; B)</i>					
<i>Public Improvement Bonds</i>	\$ 12.50	0.00	\$ (133.50)	\$ 43.50	\$ 201.30
<i>(Series D)</i>	60.00	0.00	110.00	255.00	130.00
<i>(Series E)</i>					
<i>Equipment</i>	20.00	0.00	(25.80)	71.70	16.29
<i>Metro Street Projects</i>	8.00	0.00	(3.30)	53.79	9.21
<i>Cotswold Project</i>	1.00	0.00	(3.49)	3.01	1.00
<i>Downtown Streetscape</i>	0.00	0.00	(5.41)	0.00	0.00
<i>(Series F) Drainage</i>	0.00	0.00	0.00	139.50	0.00
<b>Total General Obligation</b>	101.50	0.00	(61.50)	566.50	357.80
<b>Combined Utility System</b>	85.00	0.00	(40.00)	815.00	85.00
<i>(Series A)</i>					
<b>Airport System</b>	23.00	8.00	0.00	257.00	43.00
<i>(Series A,B, &amp; C)</i>					
<b>Convention &amp; Entertainment</b>	0.00	0.00	0.00	52.50	22.50
<i>(Series A)</i>					
<b>Totals</b>	\$ <u>209.50</u>	\$ <u>8.00</u>	\$ <u>(101.50)</u>	\$ <u>1,691.00</u>	\$ <u>508.30</u>

**City of Houston, Texas**  
**Summarized Construction/Bond Fund Status Report**  
**For the period ended February 28, 2005**  
**(amounts expressed in thousands)**

<b>Purpose</b>	<b>Available for Appropriation</b>
<b>Equipment and Miscellaneous</b>	
Total Dangerous Building Funds	\$ 65
Total Equipment Acquisition Funds	14,485
Certificates of Obligation Lamar Terrace 2000A	46
Total Equipment and Miscellaneous	14,595
<b>Public Improvement</b>	
Total Fire Department	11,648
Total Housing	4,420
Total General Improvement	11,927
Total Public Health and Welfare	7,434
Total Public Library	12,553
Total Parks and Recreation	14,724
Total Police Department	5,972
Total Solid Waste	2,925
Total Storm Sewer	115,258
Total Street & Bridge	119,236
Total Public Improvement	306,096
<b>Airport</b>	
Total Airport	463,673
<b>Convention and Entertainment Facilities</b>	
Total Convention and Entertainment	57,400
<b>Combined Utility System</b>	
Total Combined Utility System	405,824
<b>Total All Purposes</b>	<b>\$ 1,247,589</b>

**City of Houston, Texas**  
**Total Outstanding Debt**  
**February 28, 2005 and February 28, 2004**  
**(amounts expressed in thousands)**

	February 28, 2005	February 29, 2004
<b>Payable from Ad Valorem Taxes</b>		
Tax Bonds (a)		
Public Improvement Bonds	\$ 1,734,730	\$ 1,655,230
GO Commercial Paper Notes (b)	357,800	373,800
Judgment Bonds	0	1,365
Pension Obligations Bonds	322,900	0
Certificates of Obligations (c)	33,519	41,739
Assumed Bonds	11,975	15,226
Subtotal	\$ 2,460,924	\$ 2,087,360
<b>Payable from Sources Other Than Ad Valorem Taxes</b>		
Combined Utility System Bonds		
Combined Utility System Revenue Bonds	\$ 3,029,170	\$ 0
Combined Utility System Commercial Paper Notes (d)	85,000	0
Water and Sewer System Revenue Bonds (e)	1,031,468	3,373,041
Water and Sewer System Commercial Paper Notes (f)	0	605,250
Airport System Bonds		
Airport System Revenue Bonds	2,172,515	2,191,380
Airport System Commercial Paper Notes (g)	43,000	0
Airport Special Facilities Revenue Bonds	673,640	679,065
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds (h)	607,730	614,320
Hotel Occupancy Tax Commercial Paper (i)	22,500	22,500
Contract Revenue Obligations - CWA, HAWC, TRA	376,270	353,345
Subtotal	\$ 8,041,293	\$ 7,838,901
<b>Total Debt Payable by the City</b>	<b>\$ 10,502,217</b>	<b>\$ 9,926,261</b>

- (a) As of the date above, the amount of tax bonds authorized by voters in 1997 but unissued totals \$43.5 million of which \$43.5 million is authorized commercial paper that has not been drawn (Series A&B). In November 2001 the voters authorized \$776 million in tax bonds of which \$255 million is authorized commercial paper that has not been drawn (Series D).
- (b) The City has authorized a maximum issuance of General Obligation Commercial Paper Programs Series A: \$219.0 million, B: \$25.8 million, D: \$385.0 million, E: \$155.0 million, and F: \$139.5 million. As of the date above, the following amounts were outstanding: Series A: \$200.3 million, B: \$1.0 million, D: \$130 million, E: \$26.5 million, and F: \$0.
- (c) Excludes \$1.4 million accreted value of capital appreciation certificates, or 4.1% of face value.
- (d) The City authorized issuance of \$900 million Combined Utility System Commercial Paper Series A Notes as of June 10, 2004.
- (e) Excludes \$149.9 million accreted value of capital appreciation bonds, or 14.5% of face value.
- (f) The City discontinued Water and Sewer Commercial Paper programs on June 10, 2004 at creation of the Combined Utility System.
- (g) City Council made the following authorizations for issuances of Airport System Commercial Paper: October 21, 1993: \$100 million Senior Lien Series A and B; October 1, 1998: \$50 million Inferior Lien Series C; December 28, 1999: additional \$100 million Inferior Lien Series C; January 19, 2000: additional \$50 million Senior Lien Series A&B.
- (h) Excludes \$23.9 million accreted value of capital appreciation bonds, or 3.9% of face value.
- (i) The City has authorized \$75 million Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper, Series A.

CITY OF HOUSTON

**PENSION FUND PAYMENTS AND  
UNFUNDED LIABILITY SUMMARY**

2/28/2005

**PAYMENTS**

	FY04 Actual (\$1,000)	FY 05			Year to Date (\$1,000)
		City Payment Rate	Employee Payment Rate	Annual Payment (\$1,000)	
Firefighters Plan	28,325	18.0%	9.0%	32,176	21,358
Police Plan					
General Fd. & Other Fds.	36,645	Note 1	9.0%	13,780	13,780
Pension Bonds		Note 1		22,865	22,865
	<u>36,645</u>			<u>36,645</u>	<u>36,645</u>
Municipal Plan					
General Fund	31,915	Note 2	5.0%	10,550	10,550
Other Funds	26,148	Note 2	5.0%	22,450	17,055
Pension Bonds				33,000	
Total Municipal Plan (Note 2)	<u>58,063</u>			<u>66,000</u>	<u>27,605</u>
Total All Three Plans	<u>123,033</u>			<u>134,821</u>	<u>85,608</u>

**UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS**

	Date of Most Recent Valuation or Estimate	Unfunded Accrued Liability (\$ millions)	Assets as % of Liabilities
Firefighters Plan	7/1/2002	47.0	97%
Police Plan (Note 3)	7/1/2004	534.8	82%
Municipal Plan (Note 4)	7/1/2004	852.0	62%

Note 1: City contribution based on Meet and Confer Agreement with Houston Police Officers Pension System; interim pension note closed and funds delivered to HPOPS on 12/21/2004

Note 2: City contribution based on Meet and Confer Agreement with Houston Municipal Employees Pension System

Note 3: Towers Perrin estimate dated 9/15/2004

Note 4: Estimate based on information generated by Gabriel, Roeder, Smith & Company, prepared 9/2004

**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2005 (66.67% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>AFFIRMATIVE ACTION</b>						
Applications Processed	1,950	1,214	62.3%	2,100	1,160	55.2%
Days to Process New Applicants	40	42	105.0%	21	72	N/A
Field Audits	1,711	1,229	71.8%	2,300	1,255	54.6%
Payrolls Audited	26,449	16,521	62.5%	14,300	10,953	76.6%
SBE/MWDBE Owners Trained	7,107	2,040	28.7%	4,100	3,294	80.3%
City Employees Trained	3,659	2,441	66.7%	1,500	2,084	138.9%
MOPD Citizens Assistance Request	3,771	2,340	62.1%	3,000	2,943	98.1%
OSBC Getting Started Packets Distributed	8,350	5,670	67.9%	8,500	4,474	52.6%
MWBE Monitoring Correspondence	NA	NA	NA	20,000	37,965	189.8%
<b>AVIATION</b>						
Passenger Enplanements	21,768,074	14,409,933	66.2%	21,567,000	25,070,000	116.2%
Cargo Tonnage	771,715,260	498,684,244	64.6%	778,913,000	504,283,000	64.7%
Cost per Enplanement	\$7.35	\$7.37	NA	\$7.24	\$8.62	N/A
Complaints per 100,000 Enplanements	0.85	0.85	NA	0.80	Data not available	N/A
<b>BUILDING SERVICES</b>						
<b>Design &amp; Construction</b>						
Days to issue Notice to Proceed (NTP)	20.0	16.1	80.5%	18	39.6	220.0%
<b>Property Mgmt. (Work Orders Compl.)</b>	17,745	11,548	65.1%	17,700	15,461	87.4%
<b>Security Management</b>						
Number of Reported Incidents Investigated upon Receipt	295	207	70.2%	350	273	78.0%
<b>CONVENTION &amp; ENTERTAINMENT FACILITIES</b>						
Days Booked-GRB Convention Center	1,835	1,149	62.6%	2,430	2,545	104.7%
Days Booked-Wortham Theatre Center	518	399	77.0%	485	438	90.3%
Days Booked-Jones Hall	338	240	71.0%	290	253	87.2%
Occupancy Days-GRB Convention Center	1,640	1,196	72.9%	1,965	1,476	75.1%
Occupancy Days-Wortham Theatre Center	467	262	56.1%	444	370	83.3%
Occupancy Days-Jones Hall	254	154	60.6%	247	171	69.2%
Occupancy Days-Theatre District Parks Hall	168	115	68.5%	166	110	66.3%
Customer Satisfaction (Periodic)-GRB Convention Center	94.3%	94.6%	NA	94.0%	92.6%	N/A
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.9%	95.5%	NA	94.0%	95.7%	N/A
Customer Satisfaction (Periodic)-Jones Hall	97.9%	100.0%	NA	95.0%	100.0%	N/A
Customer Satisfaction (Periodic)-Houston Center	93.4%	93.5%	NA	97.0%	97.0%	N/A
Customer Satisfaction (Periodic)- Fannin Garage	0.0%	79.7%	NA	80.0%	NA	N/A
Customer Satisfaction (Periodic)-Theater District Parking	74.7%	74.8%	NA	80.0%	NA	N/A

**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2005 (66.67% OF FISCAL YEAR)**

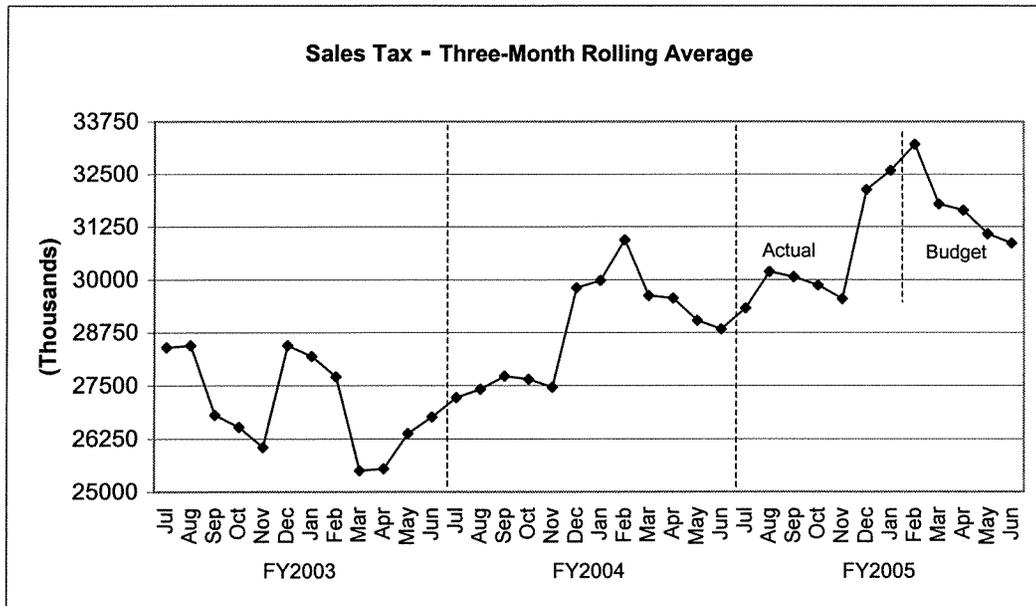
Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>FINANCE &amp; ADMINISTRATION</b>						
Avg Days to Award Procurement Contracts	158	155	NA	160	126	NA
3-1-1 Avg Time Customer in Queue (seconds)	66.83	63.00	NA	95.00	84.83	NA
Liens Collections	\$2,579,385	\$1,643,272	63.7%	\$2,419,501	\$2,666,375	110.2%
Ambulance Revenue per Transport	\$173.90	\$172.17	99.0%	\$198.57	\$160.25	80.7%
Cable Company Complaints	734	365	49.7%	682	538	78.9%
Deferred Compensation Participation	63.72%	61.97%	NA	66.00%	71.42%	N/A
Audits Completed	17	10	58.8%	23	16	69.6%
<b>FIRE DEPARTMENT *</b>						
Fire Response Time (Minutes)	8.2	8.2	N/A	7.6	Data not available	N/A
First Response Time-EMS (Minutes)	8.6	8.6	N/A	8.5	Data not available	N/A
Ambulance Response Time (Minutes)	11.3	11.3	N/A	11.0	Data not available	N/A
<b>HEALTH &amp; HUMAN SERVICES</b>						
Environmental Inspections	74,281	48,551	65.4%	72,740	45,560	62.6%
First Trimester Prenatal Enrollment	40.6%	41.0%	N/A	41.0%	41.8%	N/A
WIC Client Satisfaction	95.0%	92.9%	N/A	95.0%	94.6%	N/A
Immunization Compliance (2 Yr. Olds)	88.0%	85.0%	N/A	90.0%	87.0%	N/A
TB Therapy Completed	92.1%	92.1%	N/A	91.4%	92.1%	N/A
<b>HOUSING</b>						
Housing Units Assisted	5,000	5,345	106.9%	5,000	3,818	76.4%
Council Actions on HUD Projects	75	76	101.3%	75	84	112.0%
Annual Spending (Millions)	\$55	\$35	63.6%	\$55	\$32	58.2%
<b>HUMAN RESOURCES</b>						
Total Jobs Filled-(As Vacancies Occur)	4,206	2,571	61.1%	4,500	3,358	74.6%
Days to Fill Jobs	60	60	100.0%	60	60	100.0%
Training Courses Conducted	151	89	58.9%	150	67	44.7%
Lost Time Injuries (As They Occur)	218	140	64.2%	447	194	43.4%
<b>LEGAL</b>						
Deed Restriction Complaints Received	734	363	49.5%	701	648	92.4%
Deed Restriction Lawsuits Filed	26	19	73.1%	32	10	31.3%
Deed Restriction Warning Letters Sent	245	153	62.4%	236	362	153.4%
<b>LIBRARY</b>						
Total Circulation	5,929,474	3,717,790	62.7%	5,380,003	3,776,294	70.2%
Juvenile Circulation	2,975,755	1,976,240	66.4%	2,784,085	1,901,548	68.3%
Customer Satisfaction (Three/Year)	83%	83%	100.0%	85%	88%	103.5%
Reference Questions Answered	2,881,992	1,877,983	65.2%	2,428,267	2,085,514	85.9%
In-house Computer Users	1,224,800	831,696	67.9%	1,278,676	926,648	72.5%
Public Computer Training Classes Held	638	435	68.2%	550	480	87.3%
Public Computer Training Attendance	5,678	4,047	71.3%	5,675	4,144	73.0%
<b>MUNICIPAL COURTS</b>						
Total Case Filings	1,240,552	819,532	66.1%	1,299,551	866,367	66.7%
Total Dispositions	1,096,377	692,659	63.2%	869,348	579,565	66.7%
Cost per Disposition	\$14.67	\$15.28	N/A	\$16.36	\$17.60	N/A
Incomplete Docket Reduction (Cases/Day)	15.52	11.70	N/A	13	23.10	N/A

\* = FY04 YTD is as of 8/31/03.

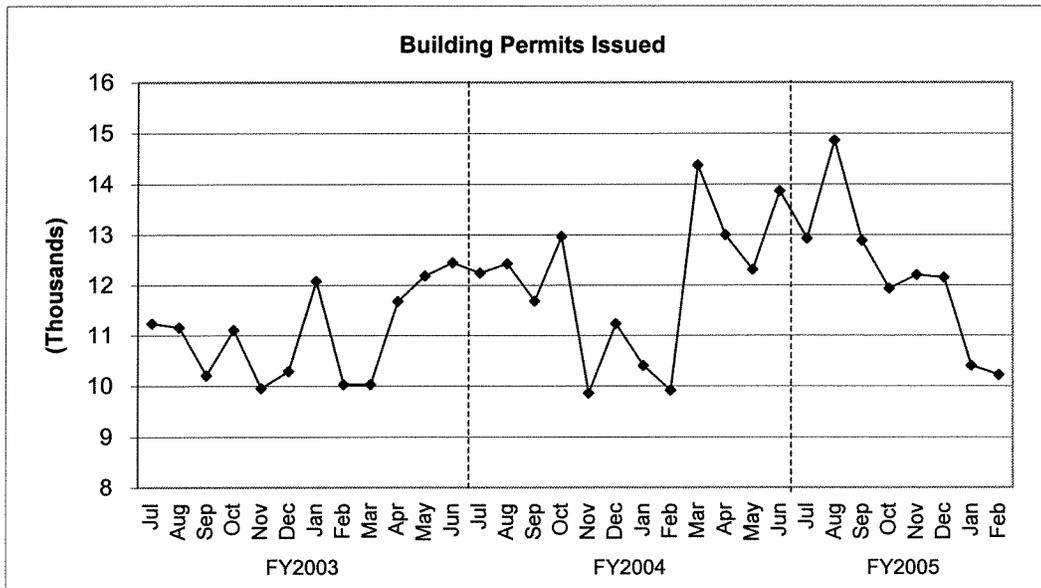
**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2005 (66.67% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>PARKS &amp; RECREATION</b>						
Registrants in Youth Sports Programs	19,512	12,341	63.2%	20,100	11,257	56.0%
Registrants in Adult Fitness & Craft Programs	NA	NA	NA	5,200	3,070	59.0%
Number of Teams in Adult Sports Programs	1,052	NA	NA	1,400	552	39.4%
Vehicle Downtime-Days out of Service (avg)	20	19	NA	20	17	NA
Golf Rounds Played at Privatized Courses	98,155	65,916	67.2%	93,500	57,119	61.1%
Golf Rounds Played at COH - Operated Courses	159,744	98,365	61.6%	164,400	101,121	61.5%
Work Orders Completed-Parks and Community Ctr Facilities	21,931	13,897	63.4%	21,900	12,967	59.2%
<b>Grounds Maintenance Cycle-Days:</b>						
Esplanades	NA	NA	NA	14	14	NA
Parks & Plaazs	NA	NA	NA	10	13	NA
Bikes & Hikes Trails	NA	NA	NA	14	14	NA
<b>PLANNING &amp; DEVELOPMENT</b>						
Subdivision Plats Reviewed	2,448	2,631	107.5%	2,448	2,448	100.0%
TIRZ Management Portfolio	0	0	0.0%	22	22	100.0%
DB's Corrected (by Owner/City)	300	433	144.3%	500	228.0	45.6%
Rail Corridor Master Plan	0	0	0.0%	2	0	0.0%
Number of Permits Sold	130,000	90,740	69.8%	130,000	97,599	75.1%
No. of Inspections Per Day Per Inspector	18	21	116.7%	15	20	133.3%
Violation Investigations	14,000	7,850	56.1%	14,000	4,152	29.7%
<b>HOUSTON POLICE</b>						
Response Time (Code 1)-Minutes	4.7	4.6	97.9%	4.9	4.7	95.9%
Violent Crime Clearance Rate	30.6%	30.1%	98.4%	38.8%	24.8%	63.9%
Crime Lab Cases Completed	96.6%	93.7%	97.0%	90.0%	88.3%	98.1%
Fleet Availability	96.6%	96.4%	99.8%	90.0%	96.9%	107.7%
Complaints - total cases	878	573	65.3%	861	385	44.7%
Tot. Cases Reviewed by Citizens Rev. Com.	564	337	59.8%	248	132	53.2%
Records Processed	728,329	714,245	98.1%	663,276	644,058	97.1%
<b>PUBLIC WORKS AND ENGINEERING</b>						
<b>Maintenance and Right-of-Way</b>						
In-House Overlay (Lane Miles)	284	171	60.2%	280	185	66.1%
Potholes/Skin Patches (Tonnage)	18,879	12,465	66.0%	18,000	13,319	74.0%
Roadside Ditch Regraded/Cleaned (Miles)	321	207	64.4%	250	204	81.4%
Storm Sewers Cleaned (Miles)	382	245	64.2%	350	226	64.7%
Storm Sewer Inlets/Manholes Cleaned/Inspected	143,074	94,717	66.2%	130,900	93,555	71.5%
<b>ECRE</b>						
PIB Appropriations as % of CIP	109.1%	43.9%	40.2%	100.0%	28.6%	28.6%
W/S Appropriations as % of CIP	88.6%	25.4%	28.7%	100.0%	41.1%	41.1%
Awarded Overlay Under Contract (Lane Miles)	221	30	13.6%	200	0	0.0%
Sidewalk Program (Miles Awarded - Design & Construction)	41	32	78.4%	50	6	12.0%
Street Light Installations Authorized	1,820	1,156	63.5%	1,700	535	31.5%
<b>Water and Sewer</b>						
No. of Water Repairs Completed	10,326	7,281	70.5%	12,000	7,110	59.3%
No. of Sewer Repairs Completed	3,348	2,135	63.8%	4,000	1,662	41.6%
<b>SOLID WASTE MANAGEMENT</b>						
Cost per Unit Served-Excludes Recycling and Special Collections Programs	\$13.23	\$13.48	101.9%	\$12.81	\$12.81	100.0%
Units with Recycling	152,080	152,080	100.0%	162,000	152,080	93.9%
Tires Disposed	219,232	112,116	51.1%	150,000	144,165	96.1%

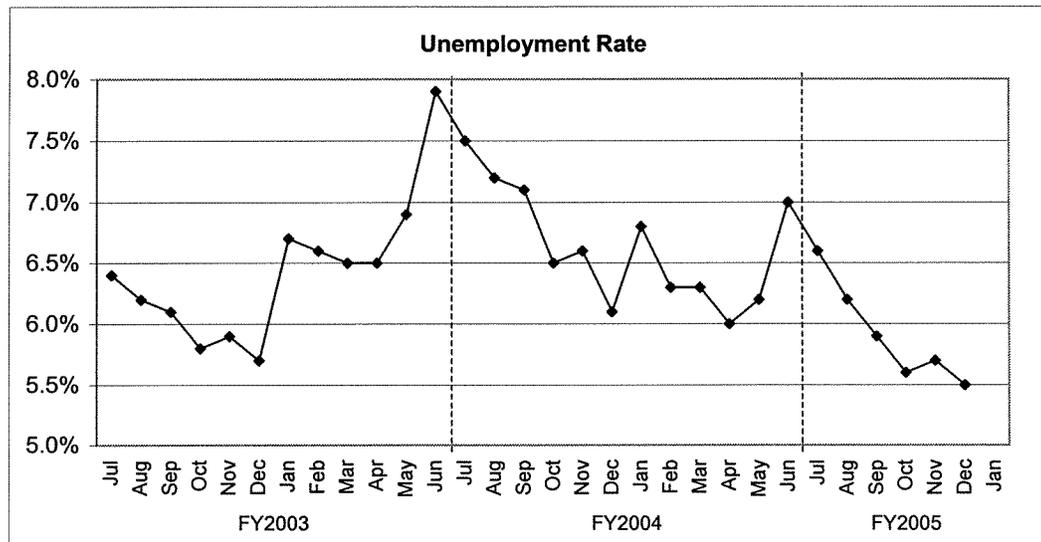
## TREND INDICATORS - LOCAL ECONOMY



Source: Office of State Comptroller

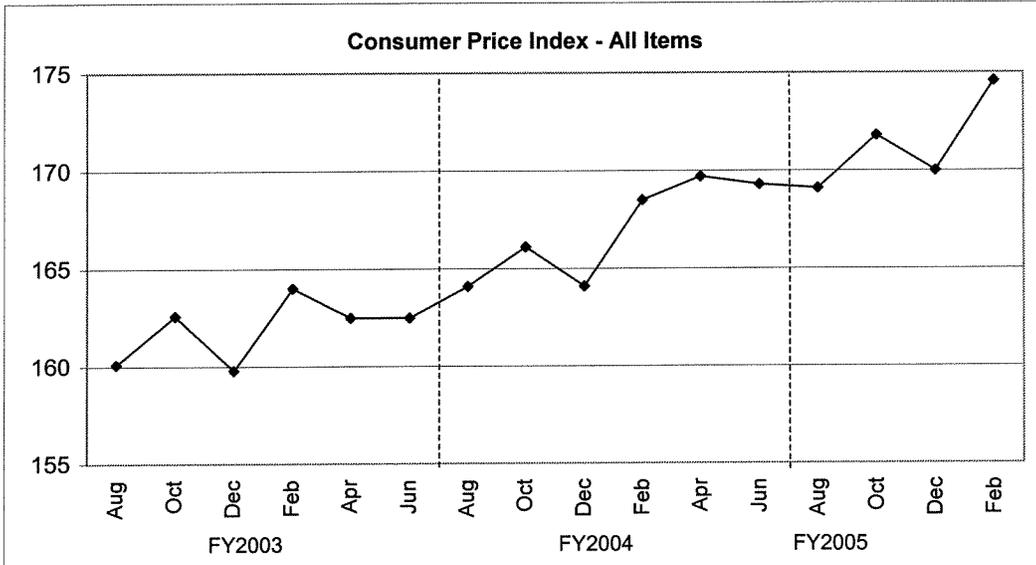


Source: City of Houston Planning and Development Department

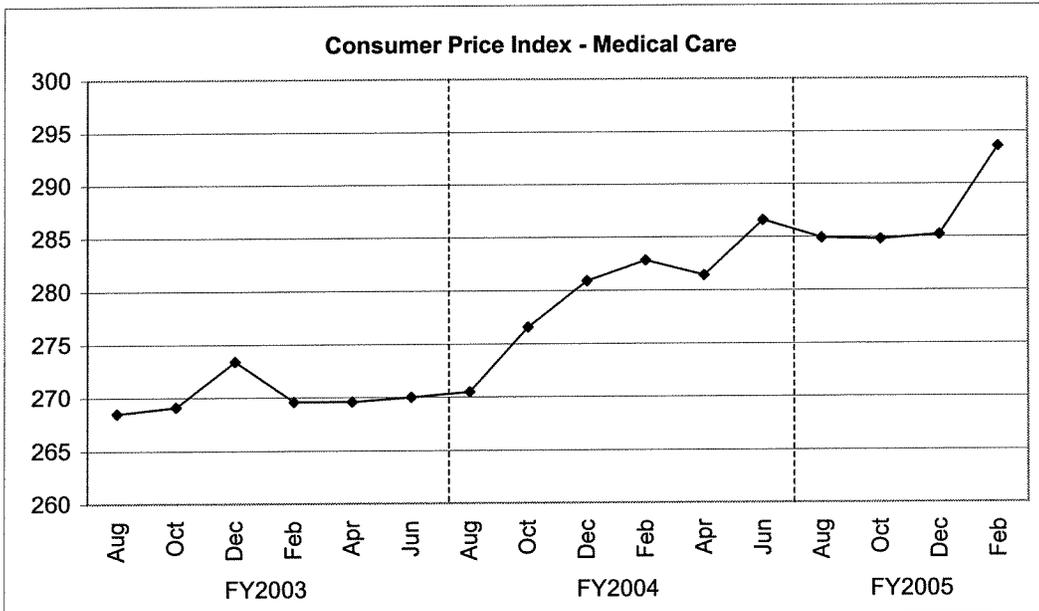


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

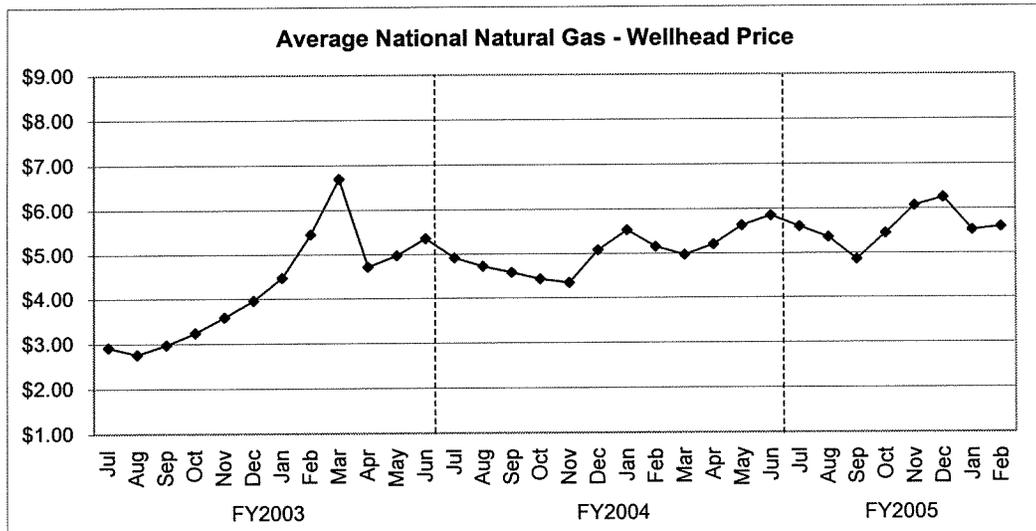
## TREND INDICATORS - LOCAL ECONOMY



Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX

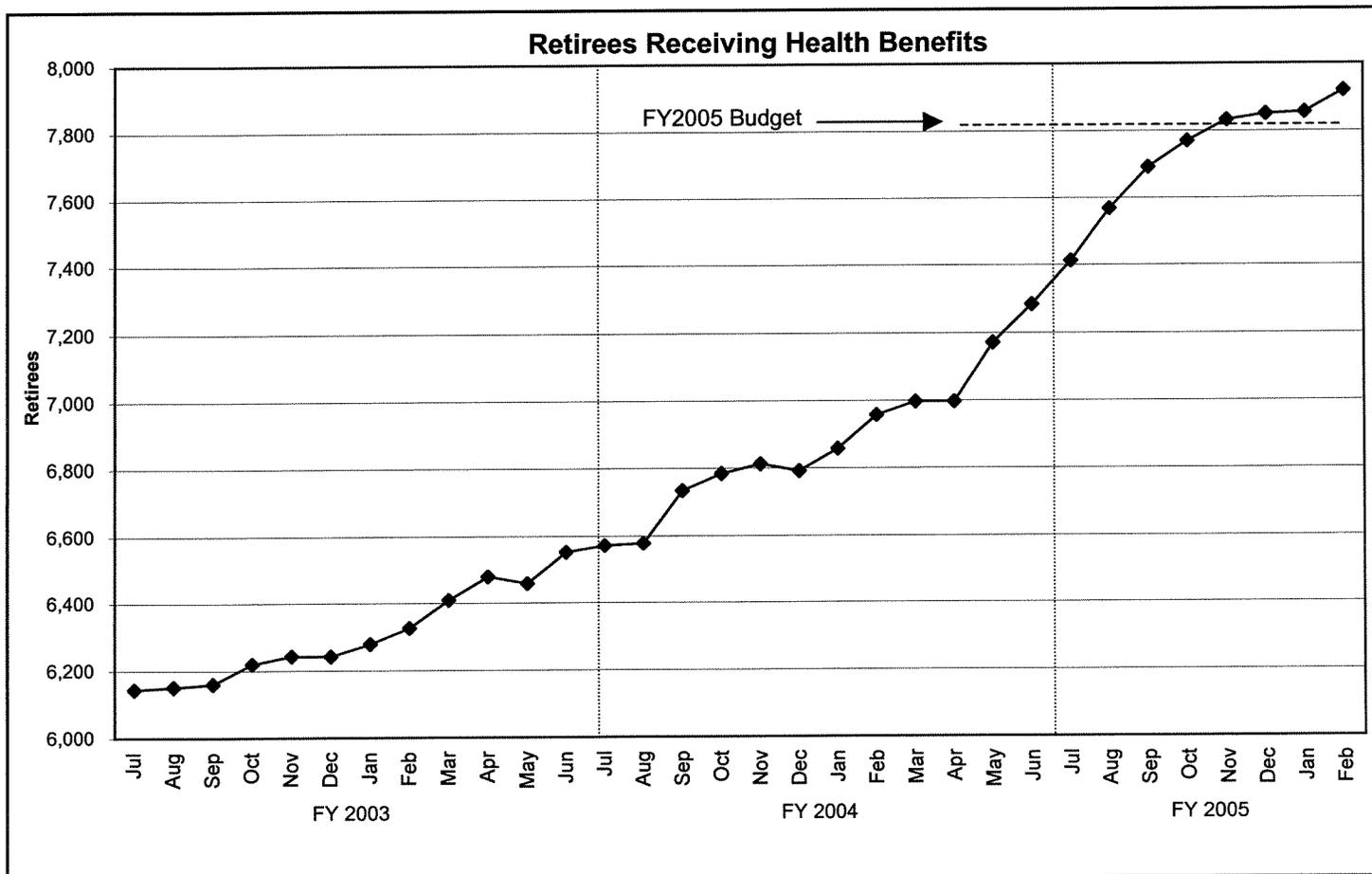
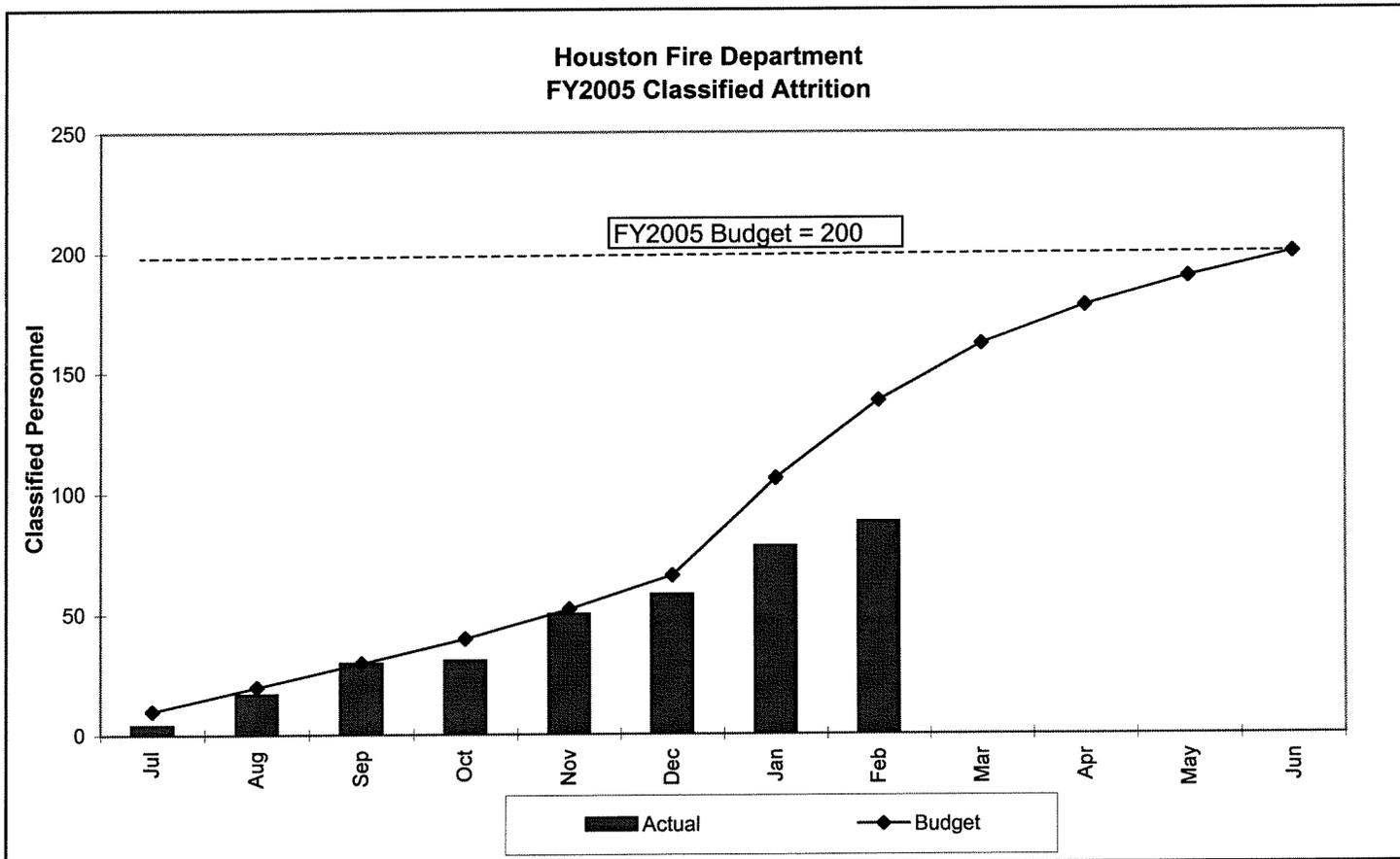


Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX

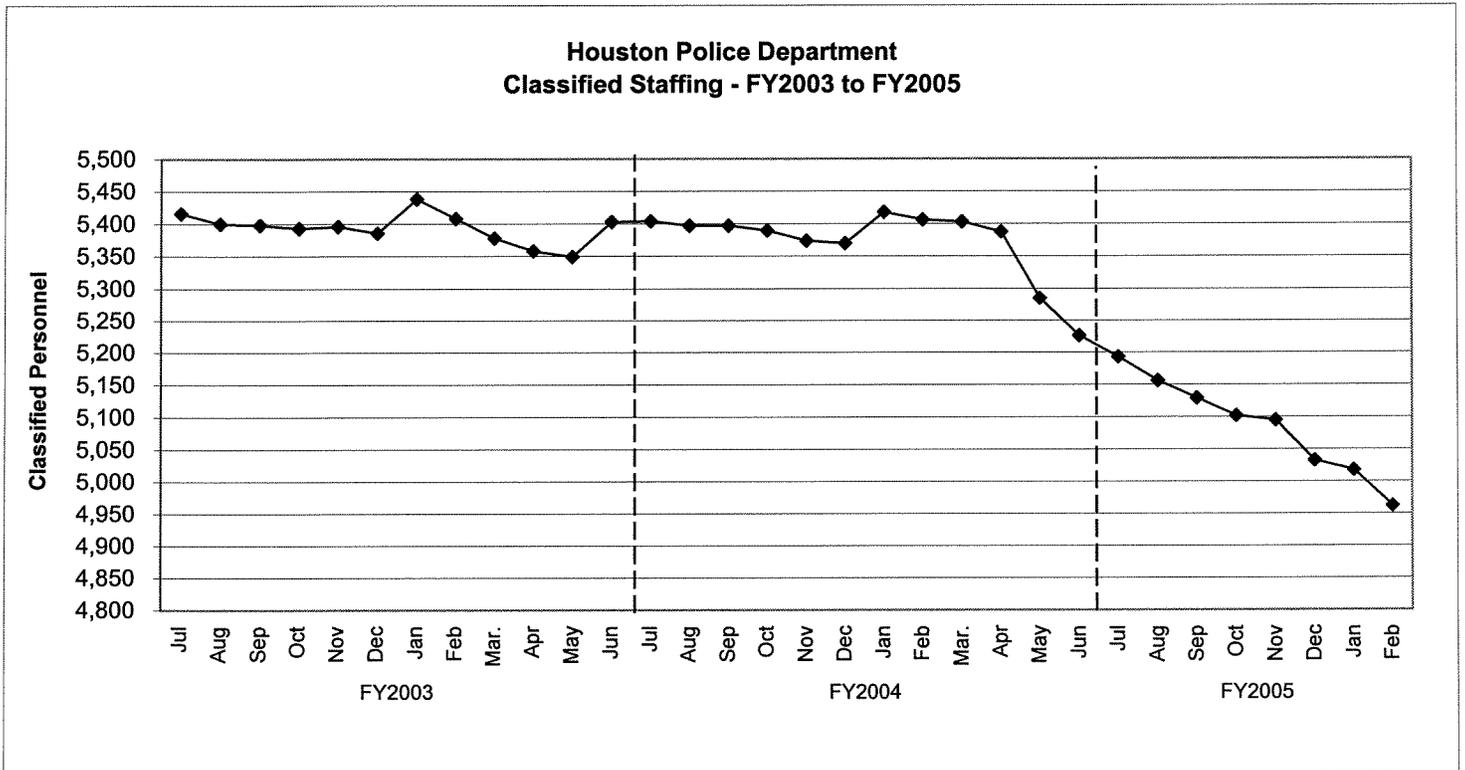
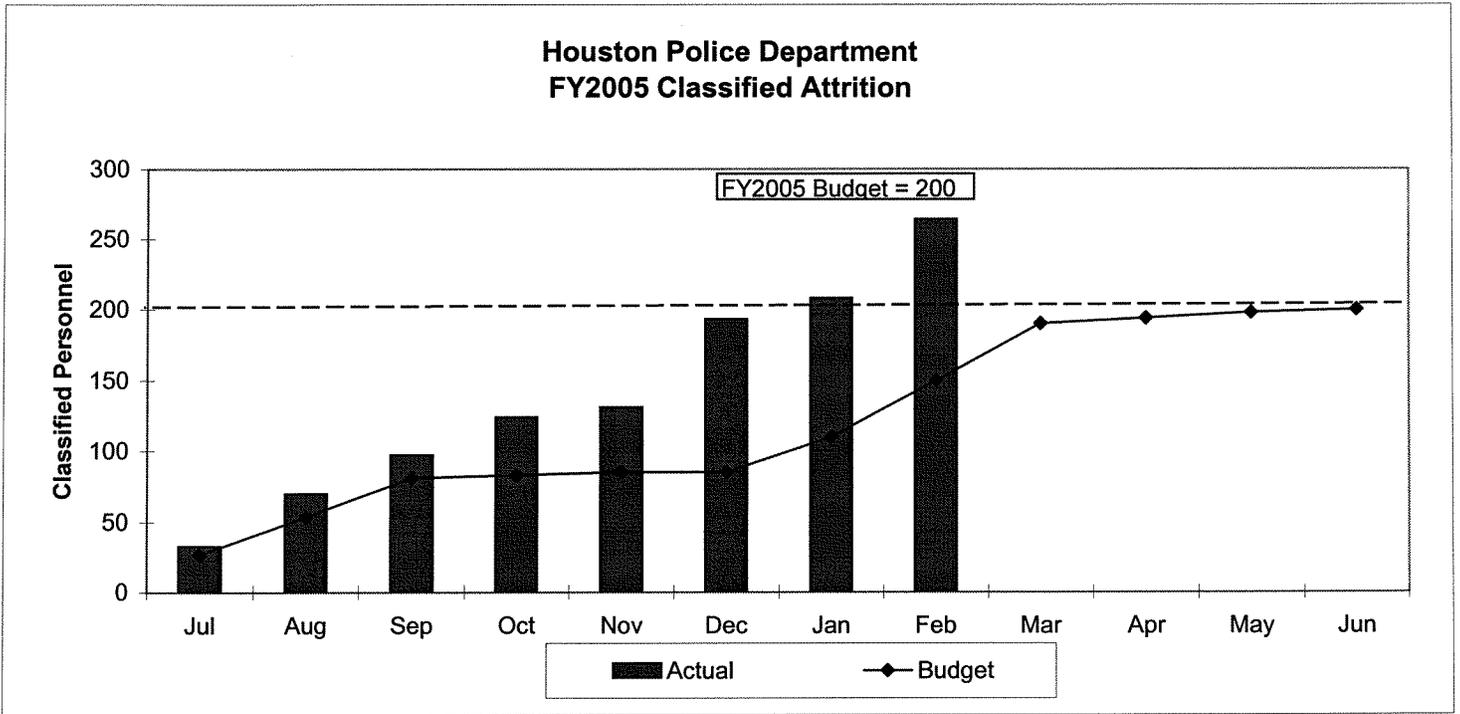


Source: Energy Information Administration/Natural Gas Monthly

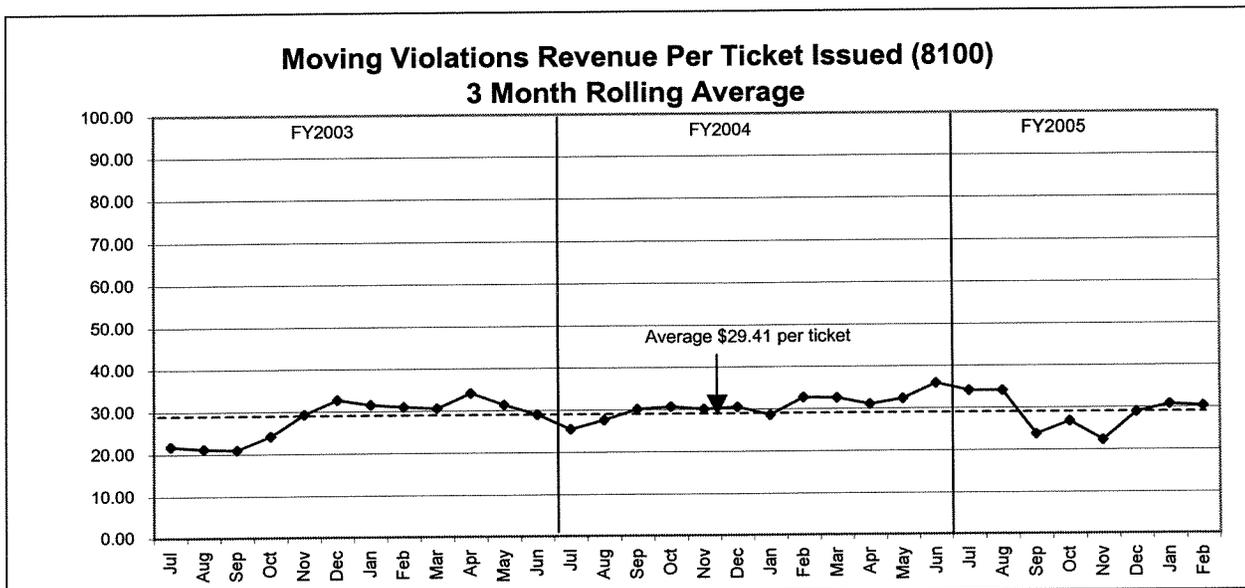
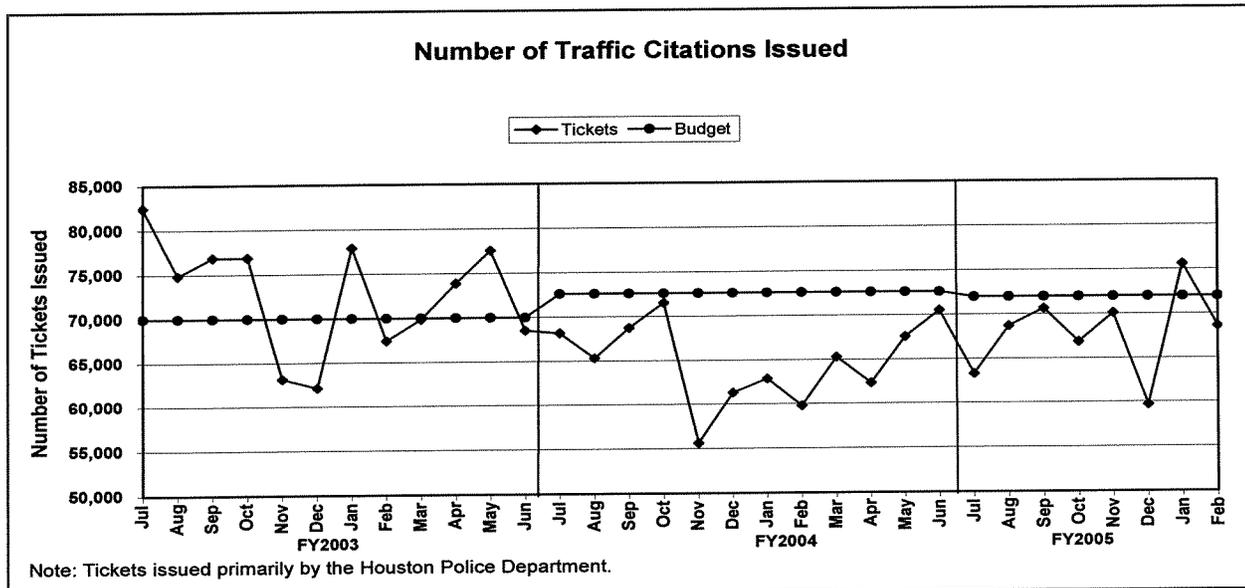
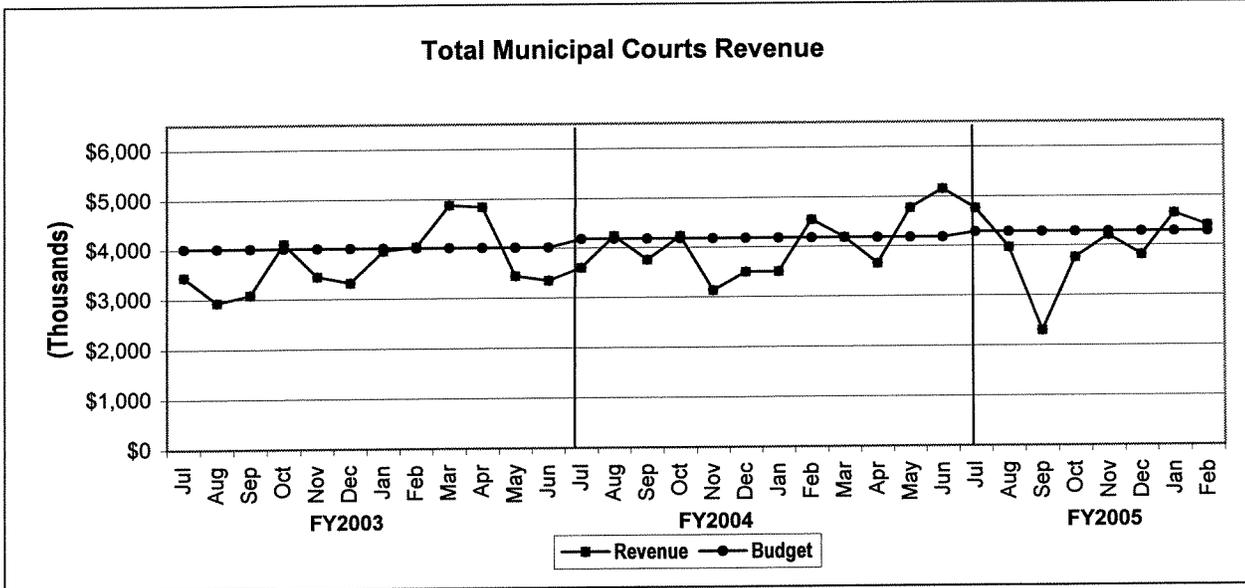
# TREND INDICATORS - RETIREMENTS



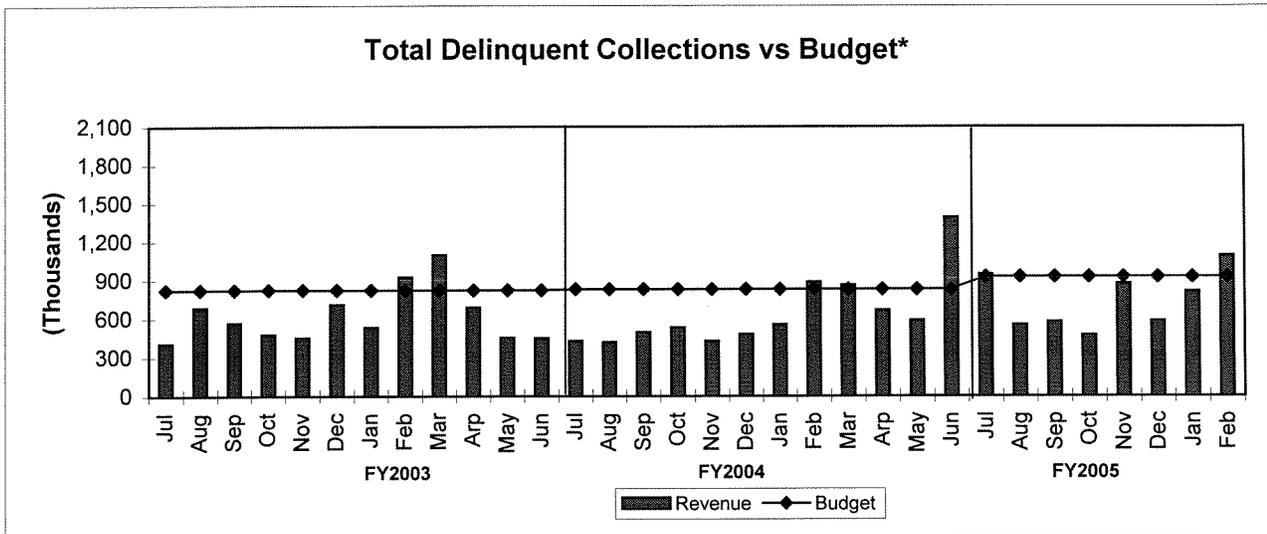
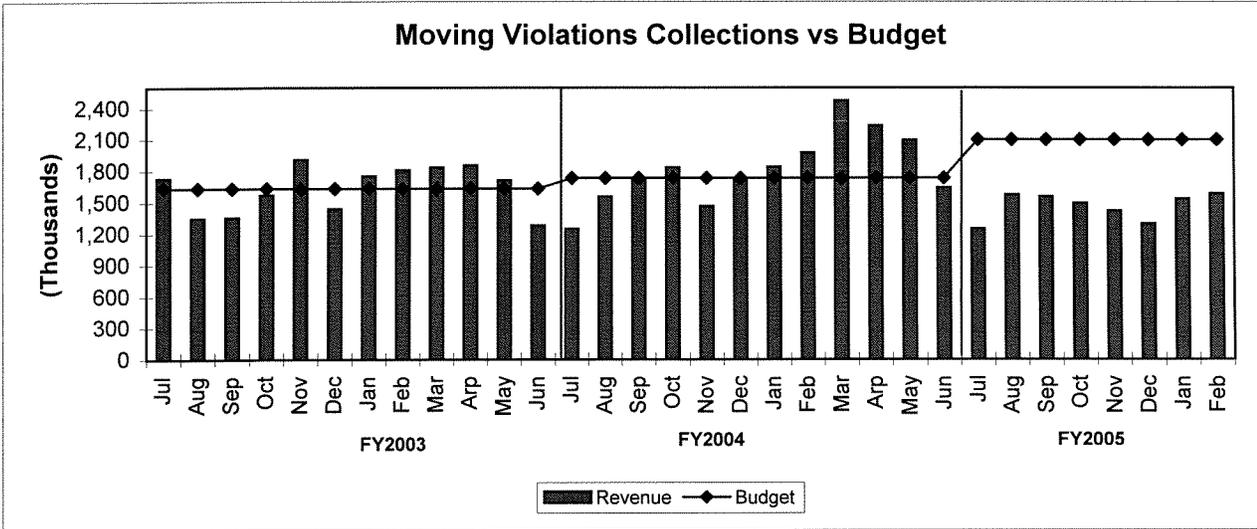
## TREND INDICATORS - HIRING AND RETIREMENTS



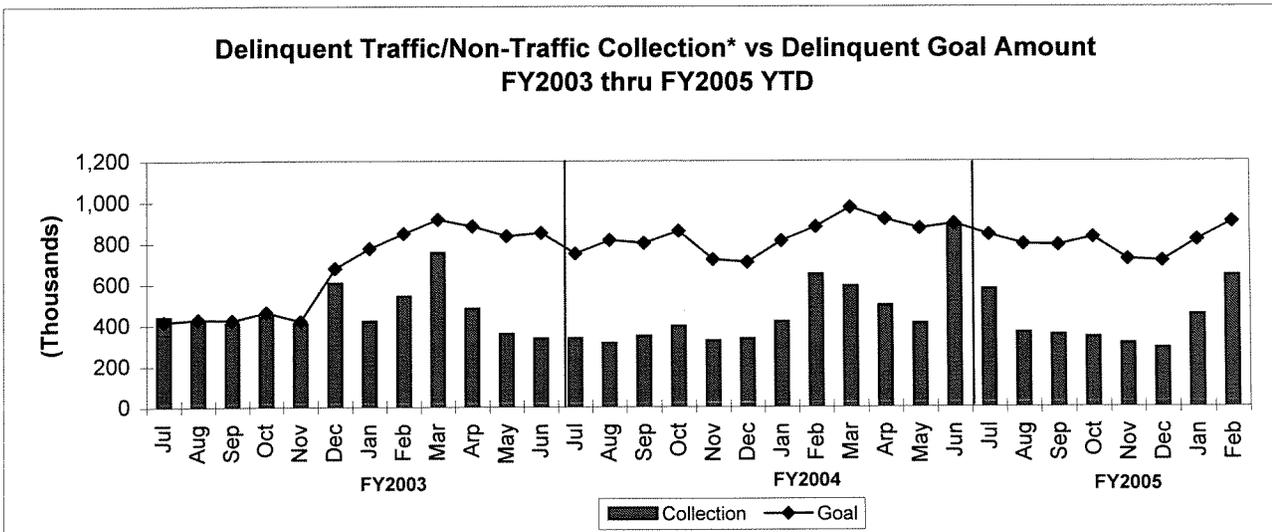
# TREND INDICATORS - MUNICIPAL COURTS



# TREND INDICATORS - MUNICIPAL COURTS

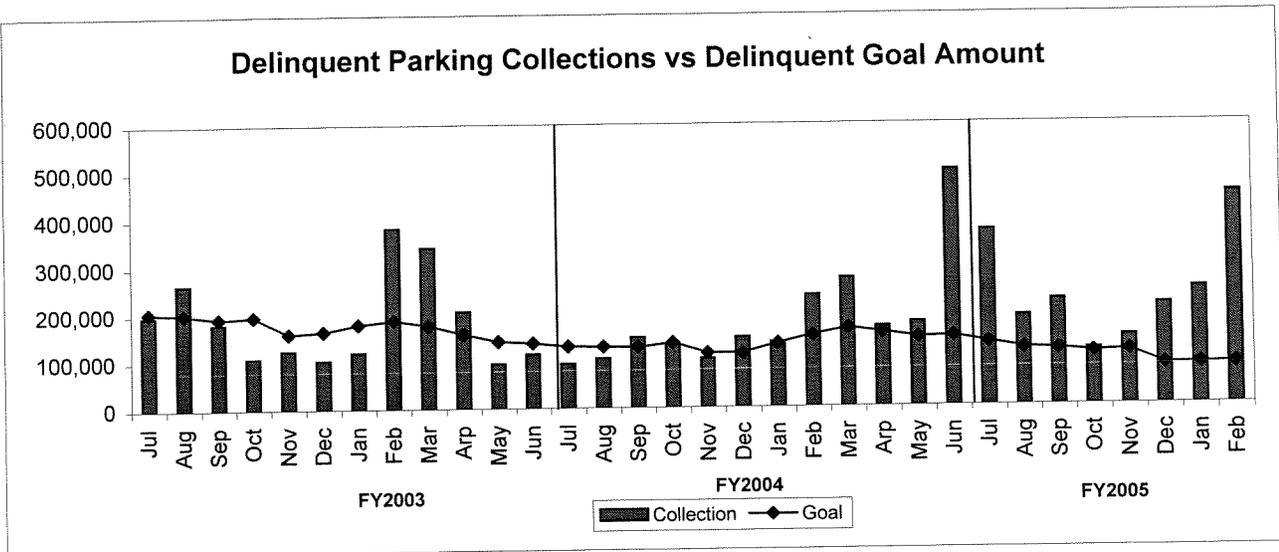
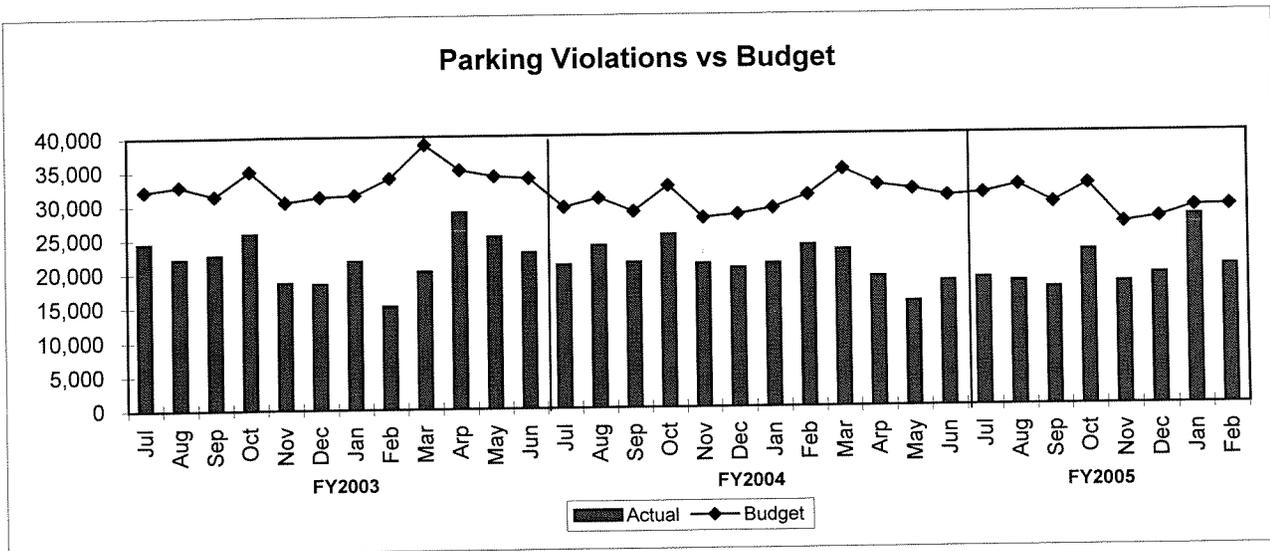
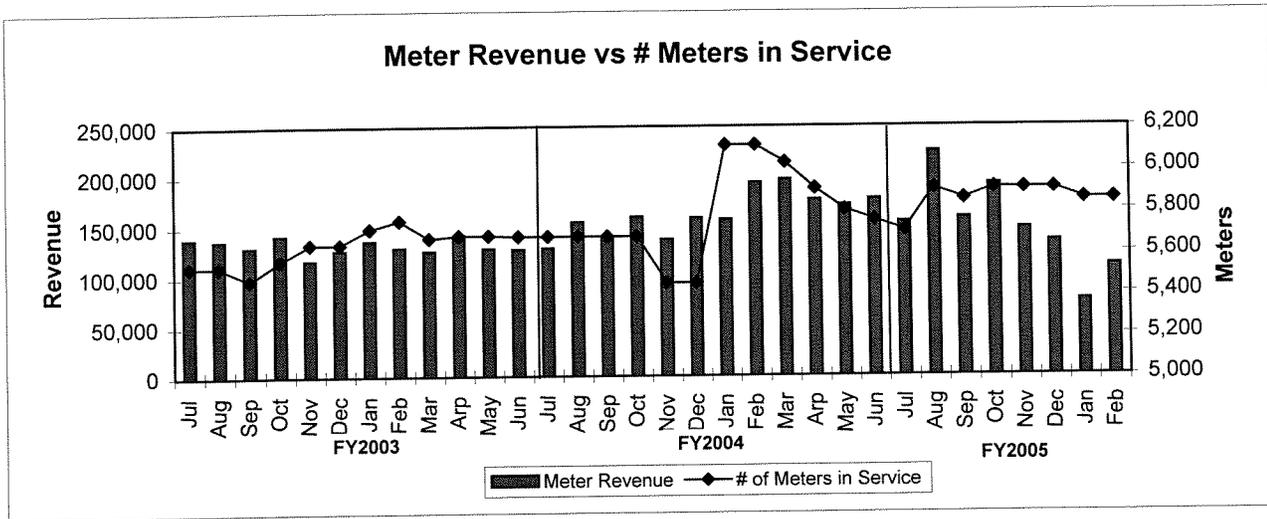


\*Net of fees and expenses paid to Linebarger



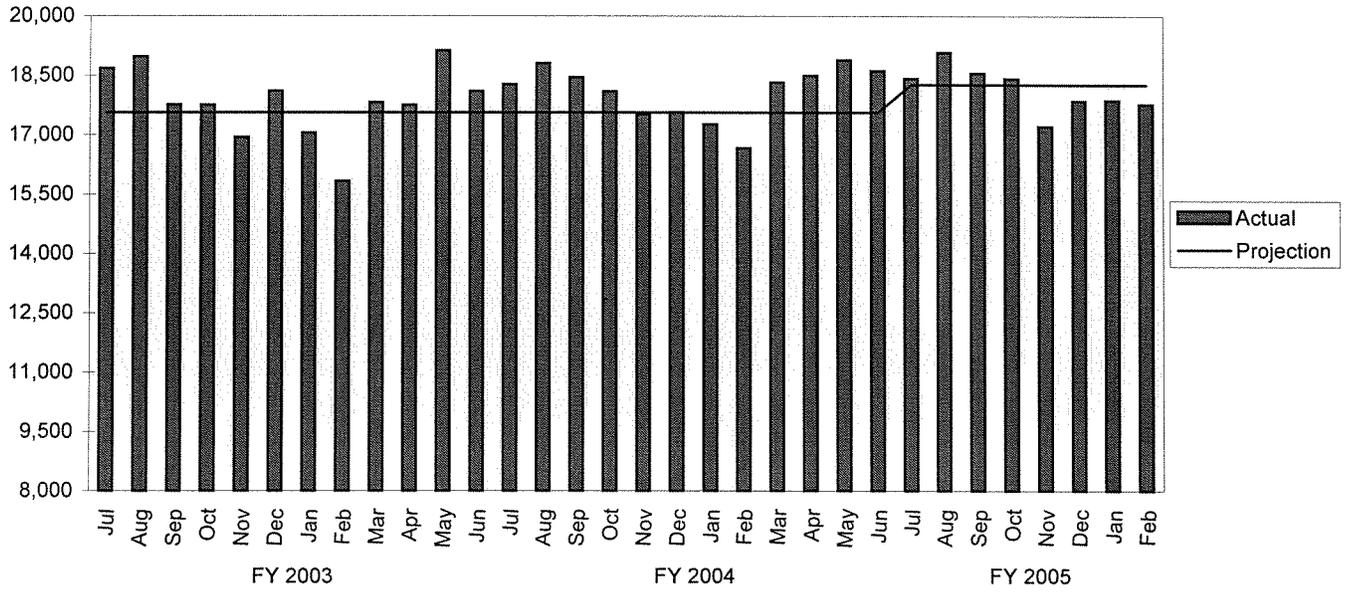
\*Excludes Delinquent Parking Collections

## TREND INDICATORS - MUNICIPAL COURTS

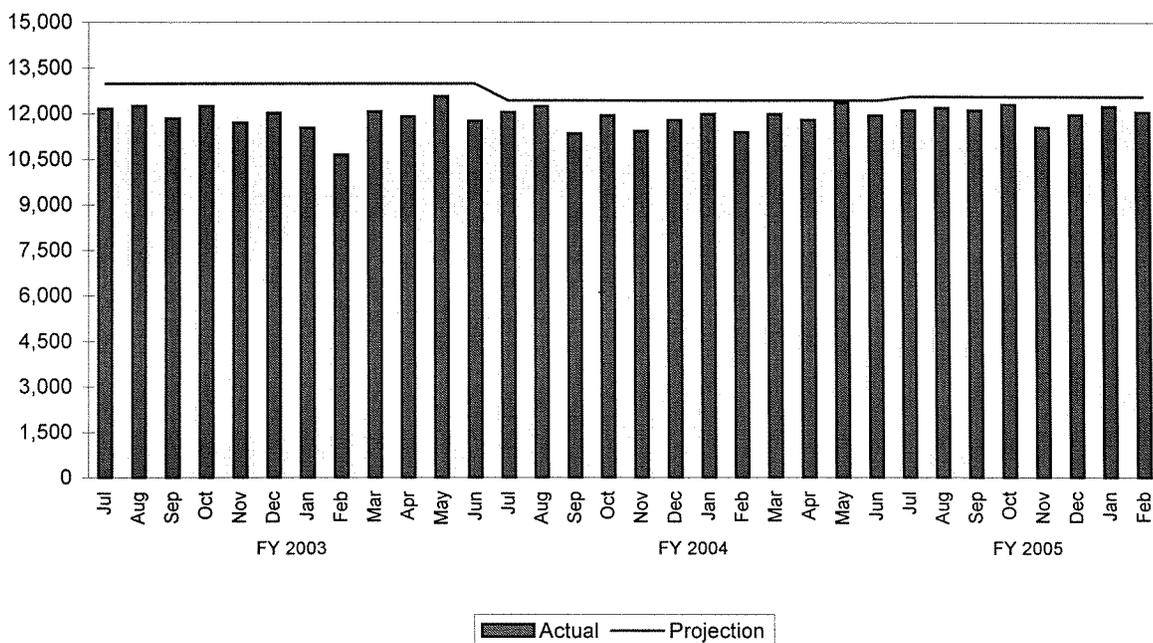


# TREND INDICATORS - AMBULANCE SERVICES

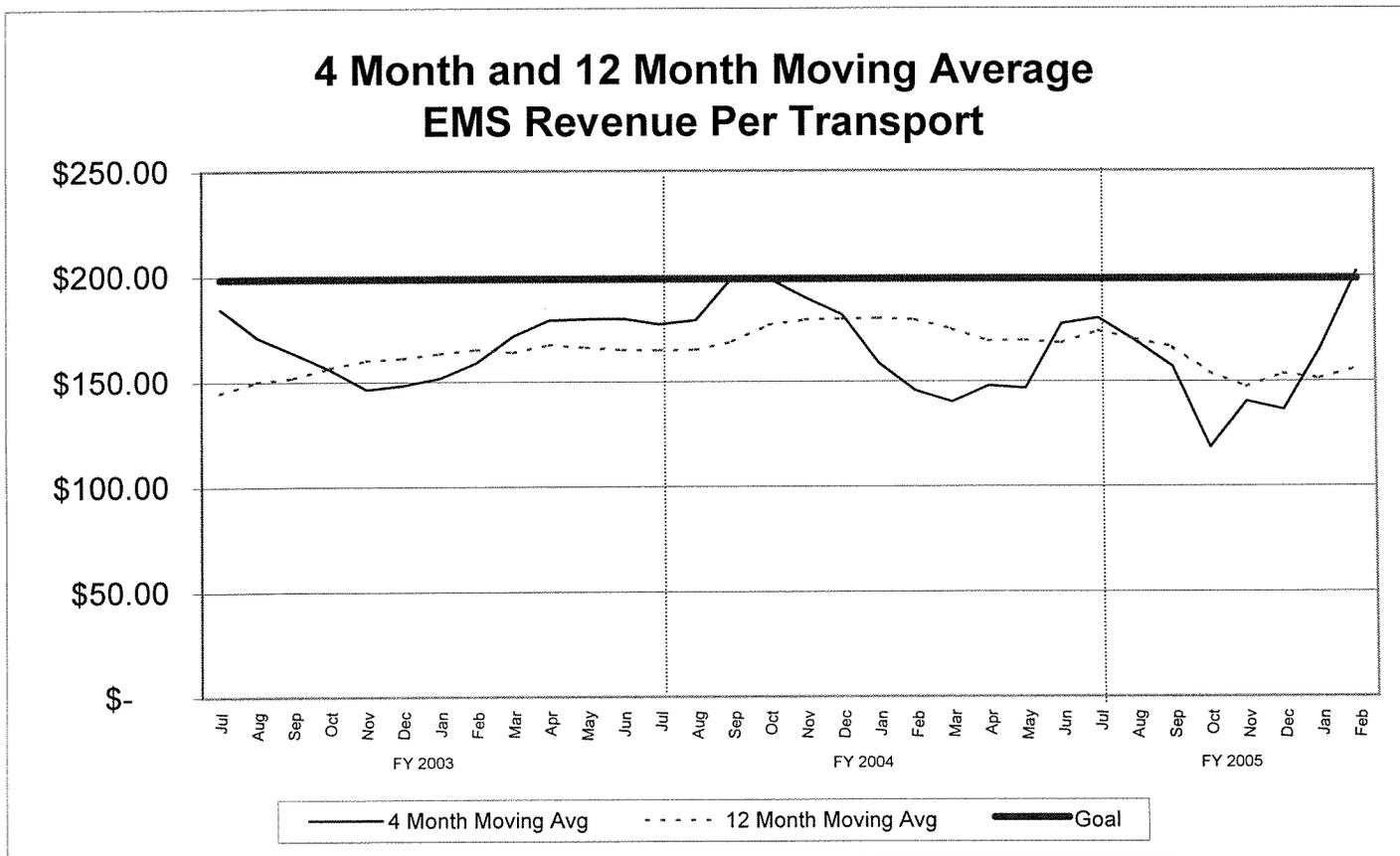
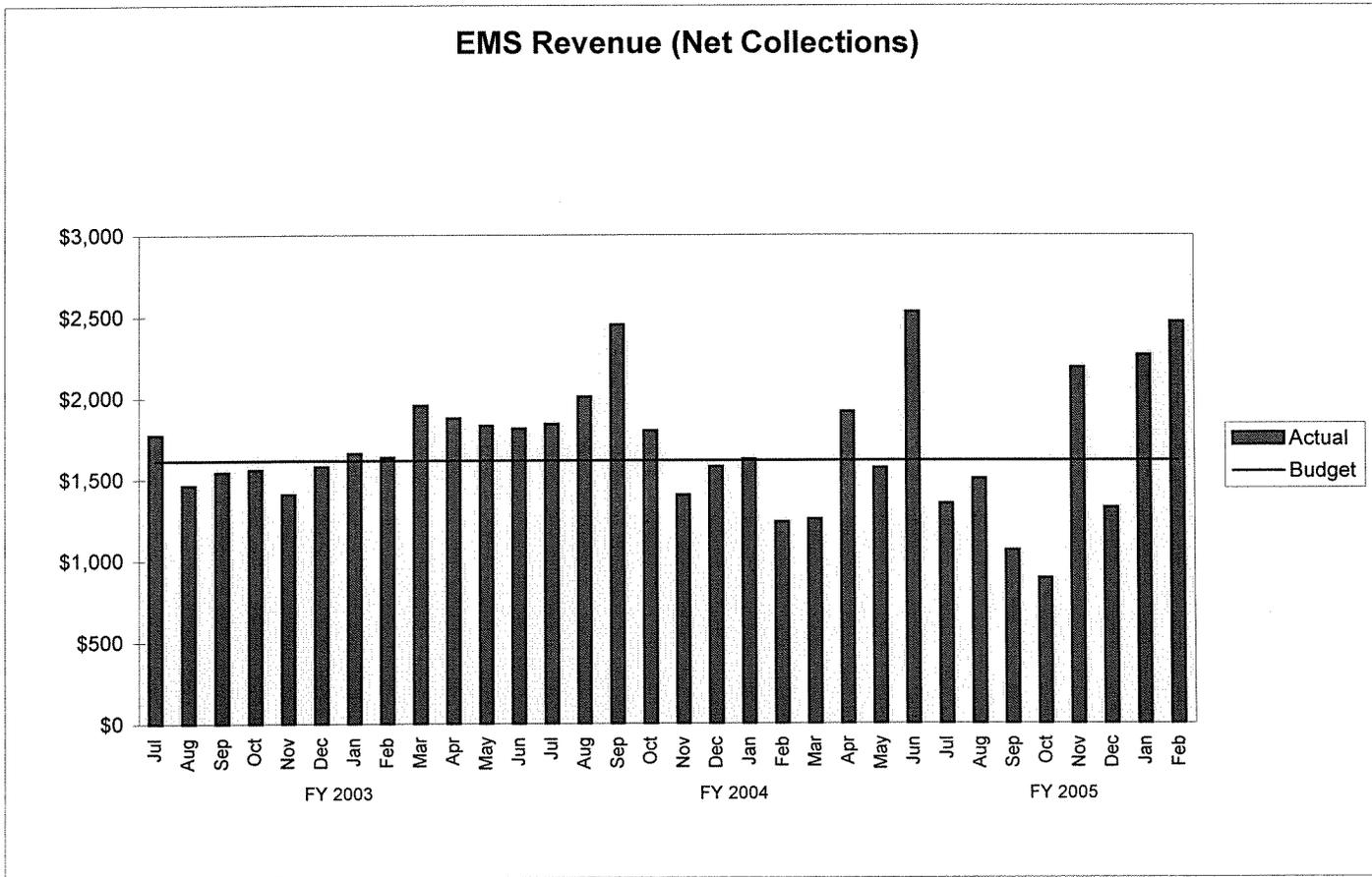
## EMS Incidents



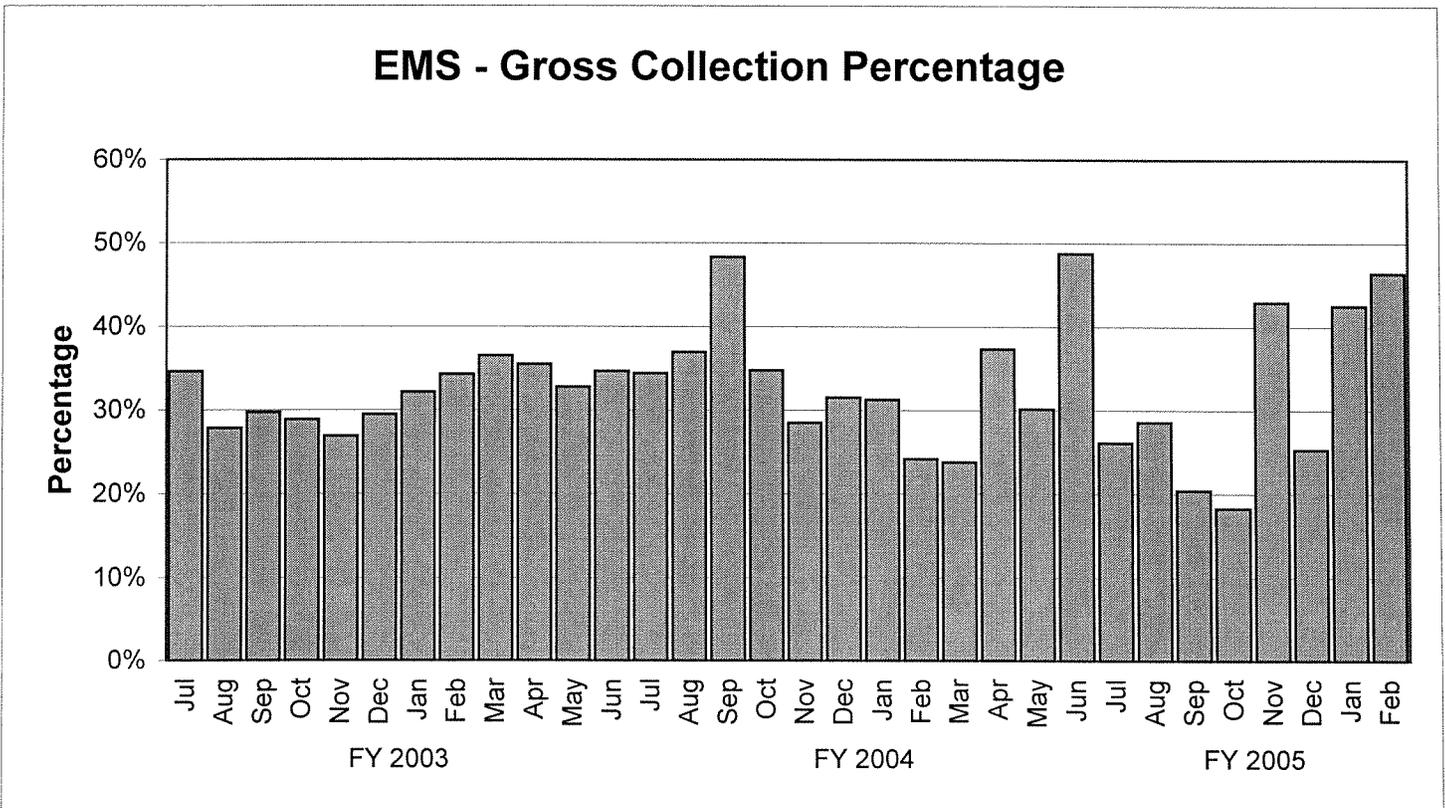
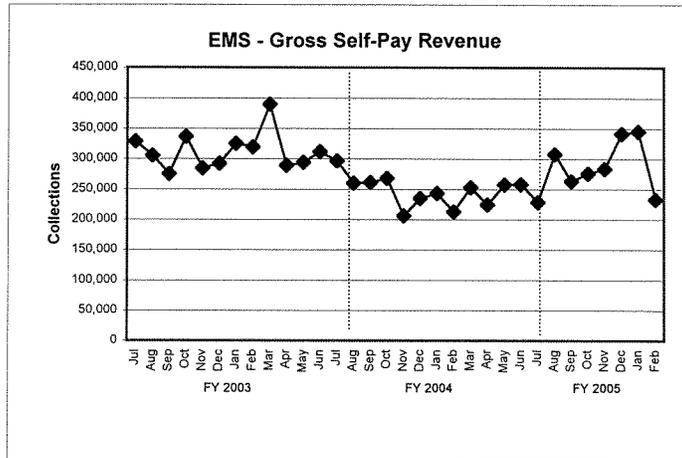
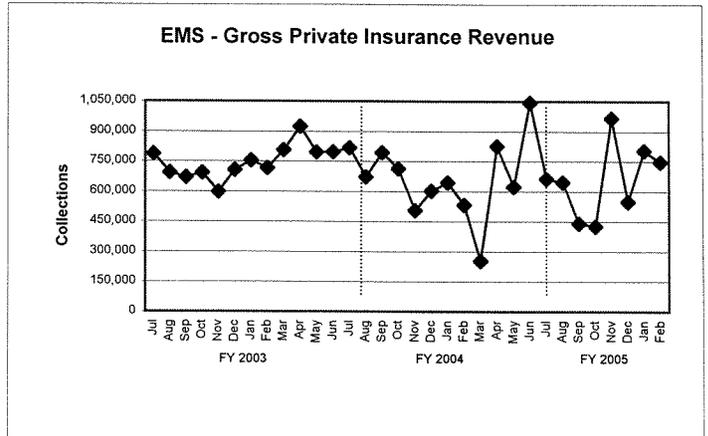
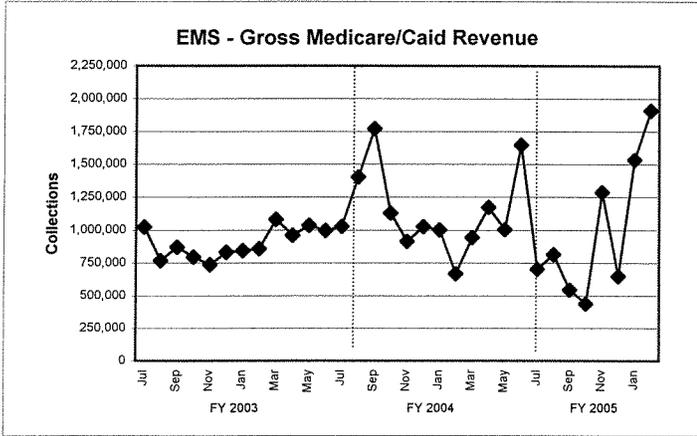
## EMS Transports



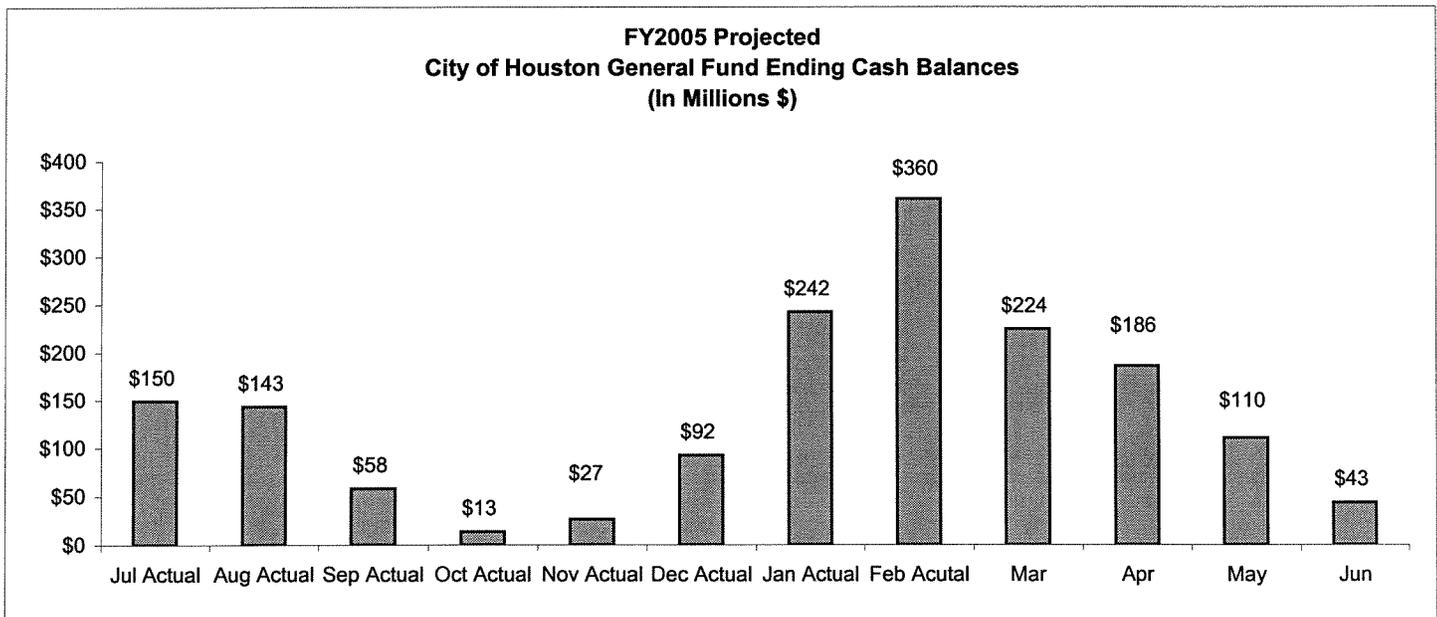
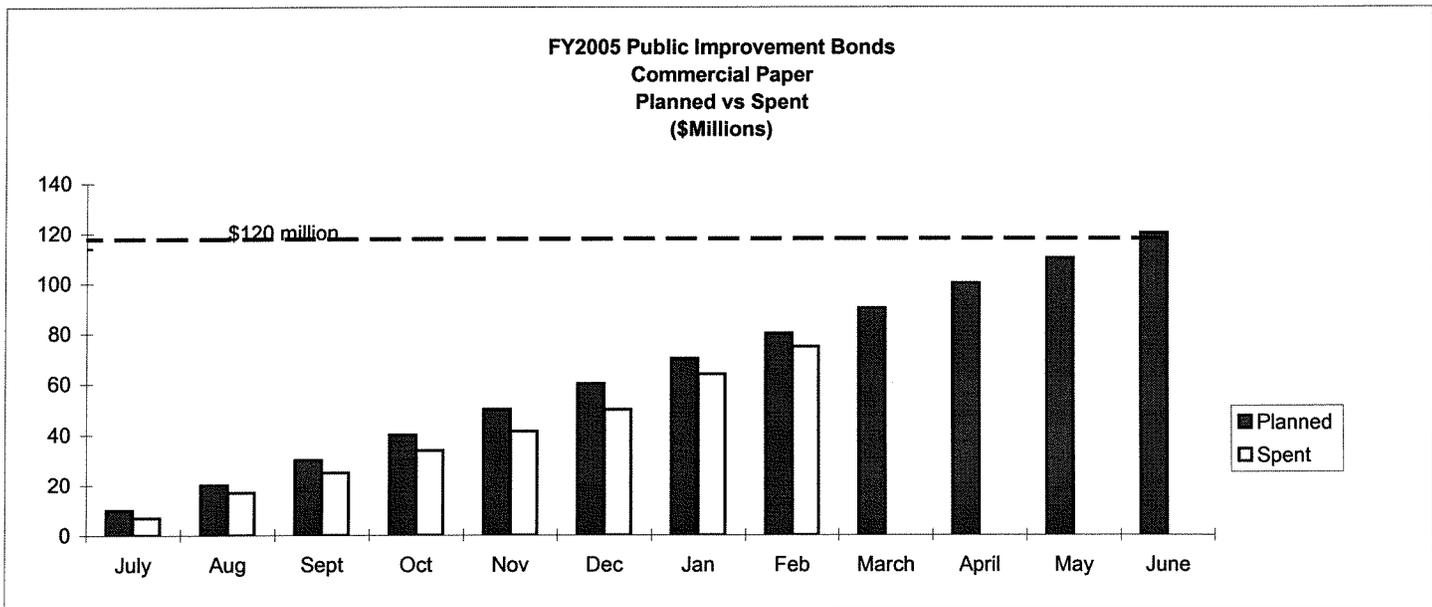
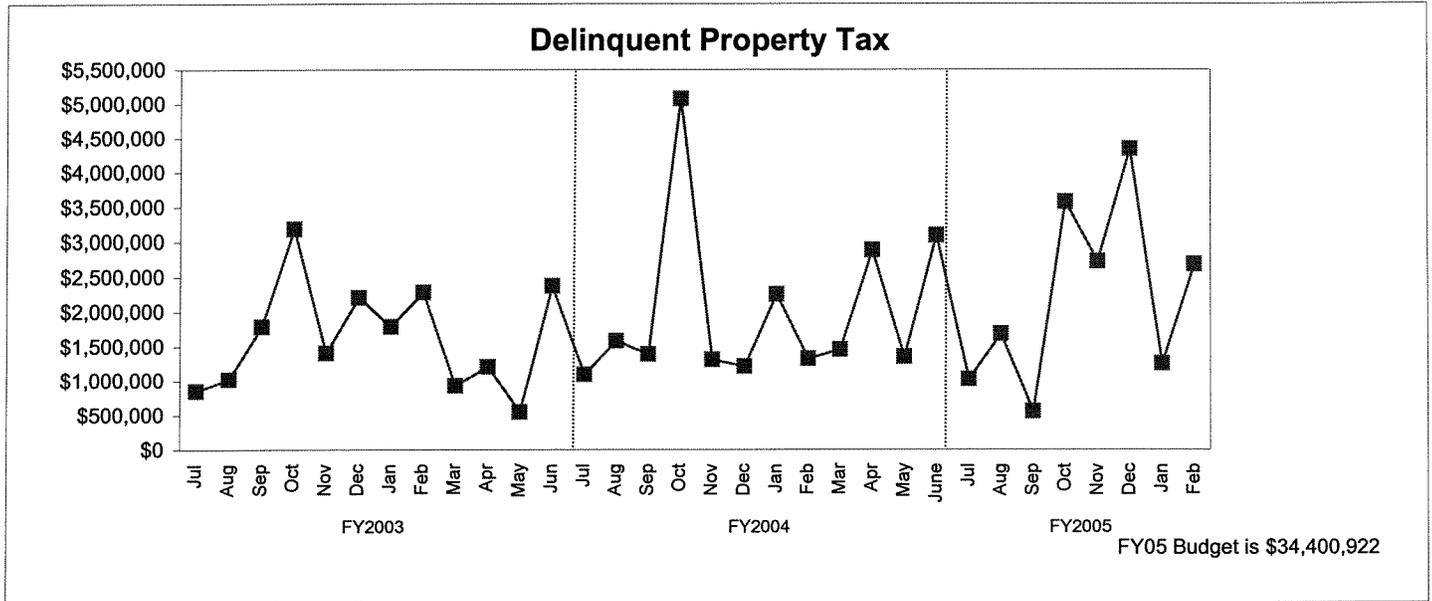
# TREND INDICATORS - AMBULANCE SERVICES



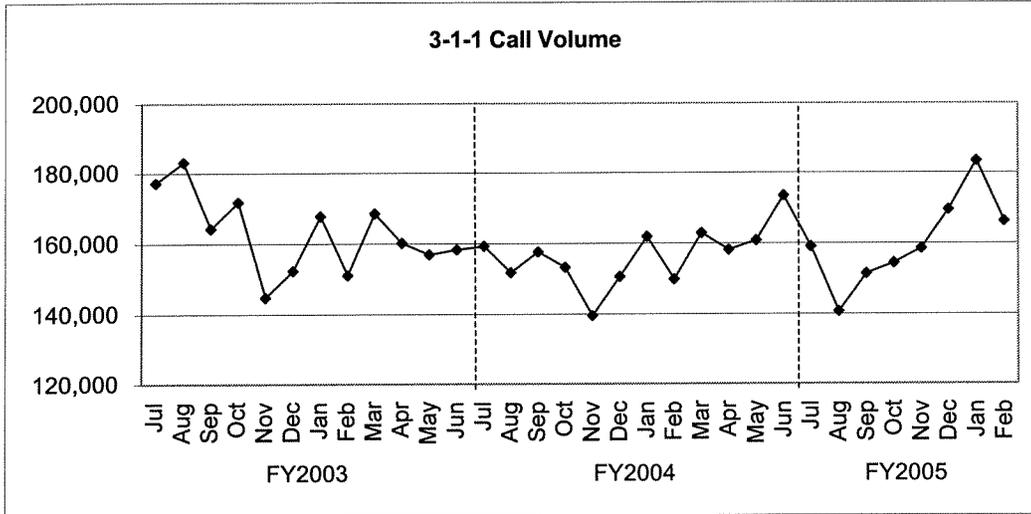
# TREND INDICATORS - AMBULANCE SERVICES



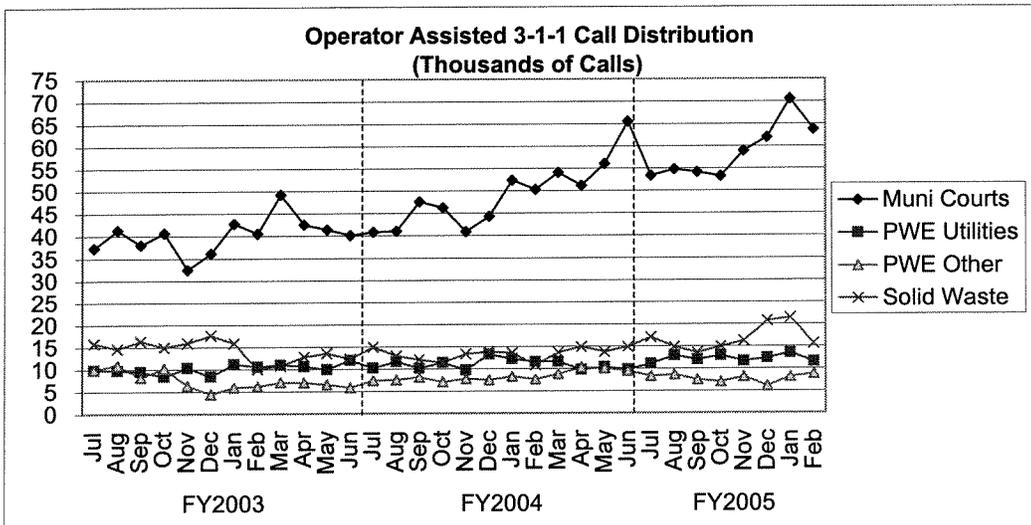
# TREND INDICATORS - MISCELLANEOUS



## TREND INDICATORS - MISCELLANEOUS



3-1-1 became fully operational in August 2001



4 largest users of operator assisted 3-1-1 calls.