

**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>	February 25, 2005
		<b>Subject</b>	<b>January 2005 Financial Report</b>

Attached is the Monthly Financial and Operations Report for the period ending January 31, 2005.

**GENERAL FUND**

We are currently projecting a \$14.3 million shortfall for the general fund in FY05, or \$2.9 million less than predicted in December 2004. Overall, we are projecting a net \$2.9 increase in revenues, while expenditures remain substantially unchanged. The more significant changes can be summarized as follows:

**Revenues**

- Property tax revenues have decreased by \$420 thousand due to updated estimates on TIRZ transfers.
- Franchise revenues have increased by \$872 thousand due to higher than anticipated receipts.
- Miscellaneous other revenues have increased by \$2.2 million. This is based primarily on recoveries and refunds from Enterprise Funds for electricity owed from 2002 to 2004.

**Expenditures**

- The Solid Waste Management expenditure projection increased by \$3.1 million to reflect the costs of fuel and dumpsters. However, this is offset by anticipated decreases in other departments and in General Government.

**ENTERPRISE FUNDS**

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

Non-operating revenues for the Combined Utility System Fund increased by \$15.1 million due to a gain on escrow restructuring. Also, planned capital acquisitions were reduced by \$4.9 million based on PWE's current plans for such purchases.

Personnel expenses were increased by \$1 million in the Aviation Fund. This amount was offset by a decrease of \$1 million in capital improvements.

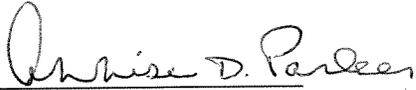
**Mayor Bill White  
City Council Members  
January 2005 Monthly Financial and Operations Report**

**COMMERCIAL PAPER AND BONDS**

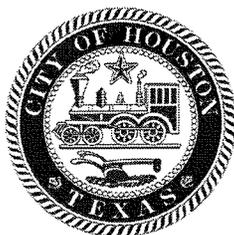
The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure. At month-end, the ratio for each type of outstanding debt was:

General Obligation	15.5%
Combined Utility System	19.5%
Aviation	17.4%
Convention and Entertainment	27.4%

Respectfully submitted,



Annise D. Parker  
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: February 25, 2005

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

Attached is the Monthly Financial and Operations Report for the period ending January 31, 2005.

### **General Fund Revenue**

Our revenue estimates for the General Fund are virtually unchanged from last month. Some revenue projections have increased while others have declined. Highlights of our revenue estimates are as follows:

#### **Property Tax**

Our current estimate is \$804 thousand less than the last month due to revised estimates for TIRZ assessed value.

#### **Sales Taxes**

Sales tax revenues continue to be strong, with receipts in February 7.2% higher than February 2004. Fiscal year to date revenues are 8.1% above the same period last year. Approximately 1.74% is due to the increased limited purpose annexations.

#### **Electric Franchise**

We have increased our estimates of electric franchise revenues by \$366 thousand, due to a higher than anticipated 2<sup>nd</sup> quarter receipt.

#### **Natural Gas Franchise**

Natural gas franchise revenues are record levels, up by \$300 thousand, due to continued higher prices for natural gas.

#### **Licenses and Permits**

License and permit revenues are up by \$477 thousand, primarily due to increased collections of special fire permits and fire alarm permits.

### **Charges for Services**

The January ambulance collections were \$2.8 million, the best month of the fiscal year. We estimate that February's collections, while very good, will be about \$400 thousand below January. The improvement will probably not be enough to maintain our estimate from last month and we have reduced our estimates by \$900 thousand. We have increased our estimate for miscellaneous service charges by \$141 thousand.

### **Direct Interfund Services**

We have reduced our estimated revenues for direct interfund services for the Public Works and Engineering Department by \$345 thousand.

### **Municipal Courts Fines and Forfeits**

We lowered our estimate by \$500 thousand for other fines and forfeitures.

### **Miscellaneous/Other**

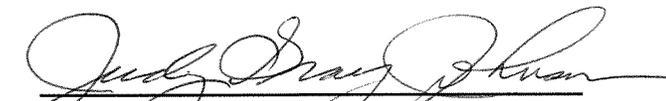
Miscellaneous revenues are up \$1.4 million primarily due to prior year corrections of franchise revenues.

### **General Fund Expenditures**

We have updated our projections of departmental spending. A number of departments are spending below budgeted levels, while others could be over budget based on current levels of expenditures. Health benefit costs that are lower than originally budgeted have been incorporated into these projections. A significant contribution to the projected overrun in certain departments is the municipal pension costs. This coming month City Council will be asked to approve budget transfers from General Government that will cover the additional compensation and pension costs in the departments.

The most significant projected overrun is for the Solid Waste department. Projected fuel costs, expanded enforcement of dumpster permits, and disposal contract payment disputes lead us to project potential overrun of \$5.4 million.

If you have any questions, please let me know.

  
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Judy Gray Johnson, Director  
Finance and Administration Department

General Fund  
Comparative Projections  
Controller's Office and Finance and Administration  
For the period ended January 31, 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%	\$ 669,265	\$ 672,000	2,735
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)
<b>Total Revenues</b>	<b>1,400,212</b>	<b>1,450,919</b>	<b>1,450,919</b>	<b>100%</b>	<b>1,441,262</b>	<b>1,452,263</b>	<b>11,001</b>
<b>Expenditures</b>							
Affirmative Action	1,668	1,632	1,585	0%	1,681	1,681	0
Building Services	24,629	23,253	22,942	2%	22,737	22,737	0
City Council	3,920	4,203	4,203	0%	4,203	4,203	0
City Secretary	821	707	707	0%	691	691	0
Controller	5,786	5,837	5,837	0%	5,837	5,837	0
Finance and Administration	18,631	19,806	20,087	1%	19,750	19,750	0
Fire	281,525	292,942	292,942	20%	293,009	293,009	0
Health and Human Services	51,121	49,430	49,430	3%	50,225	50,225	0
Human Resources	2,351	2,287	2,287	0%	2,341	2,341	0
Information Technology	12,562	12,394	12,424	1%	12,129	12,129	0
Legal	11,125	10,798	10,798	1%	11,017	11,017	0
Library	32,456	32,891	32,891	2%	32,547	32,547	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%	16,153	16,153	0
Municipal Courts - Justice	3,949	3,992	3,992	0%	4,101	4,101	0
Parks and Recreation	43,186	46,993	46,956	3%	47,328	47,328	0
Planning and Development	13,986	13,456	7,229	0%	6,905	6,905	0
Police	473,222	516,002	522,229	36%	521,103	521,103	0
Public Works and Engineering	86,938	88,671	88,671	6%	85,621	85,621	0
Solid Waste Management	61,673	61,130	61,130	4%	66,504	66,504	0
<b>Total Departmental Expenditures</b>	<b>1,147,682</b>	<b>1,204,409</b>	<b>1,204,409</b>	<b>83%</b>	<b>1,205,734</b>	<b>1,205,734</b>	<b>0</b>
<b>Non-Departmental Expenditures and Other Uses</b>							
General Government	88,314	62,497	62,497	4%	86,584	86,584	0
Debt Service Transfer	165,000	188,000	188,000	13%	188,000	188,000	0
<b>Total Non-Dept. Exp. and Other Uses</b>	<b>253,314</b>	<b>250,497</b>	<b>250,497</b>	<b>17%</b>	<b>274,584</b>	<b>274,584</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>1,400,996</b>	<b>1,454,907</b>	<b>1,454,907</b>	<b>100%</b>	<b>1,480,318</b>	<b>1,480,318</b>	<b>0</b>
<b>Net Current Activity</b>	<b>(784)</b>	<b>(3,988)</b>	<b>(3,988)</b>		<b>(39,056)</b>	<b>(28,055)</b>	<b>11,001</b>
Amount Needed to Balance the Budget	-	-	-		14,280	-	
Transfers from other funds	6,800	3,500	3,500		2,000	3,500	
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	
<b>Unreserved Fund Balance, End of Year</b>	<b>\$ 110,778</b>	<b>\$ 110,290</b>	<b>\$ 110,290</b>		<b>\$ 110,778</b>	<b>\$ 108,999</b>	
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)	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 88,186</b>	<b>\$ 88,216</b>	<b>\$ 88,216</b>		<b>\$ 88,186</b>	<b>\$ 86,925</b>	

General Fund  
Controller's Office  
For the period ended January 31, 2005  
(amounts expressed in thousands)

	FY2005							
	FY2004 Actual	Adopted Budget	Current Budget	Current Month	YTD	Controller's Projection	Variance from Current Budget	% Variance
<b>Revenues</b>								
General Property Taxes	\$ 660,999	\$ 671,553	\$ 671,553	\$ 185,793	\$ 351,850	\$ 669,265	\$ (2,288)	-0.3%
Industrial Assessments	15,167	14,406	14,406	1,200	8,635	14,400	(6)	0.0%
Sales Tax	347,982	371,548	371,548	28,927	214,400	370,100	(1,448)	-0.4%
Electric Franchise	76,394	77,384	77,384	6,167	48,067	77,672	288	0.4%
Telephone Franchise	52,926	51,000	51,000	5,820	31,480	51,000	0	0.0%
Gas Franchise	16,535	16,568	16,568	3,042	9,861	18,800	2,232	13.5%
Other Franchise	15,524	15,447	15,447	1,560	9,411	15,500	53	0.3%
Licenses and Permits	15,271	15,355	15,355	2,053	9,758	16,575	1,220	7.9%
Intergovernmental	19,524	30,664	30,664	2,242	5,201	30,000	(664)	-2.2%
Charges for Services	39,875	41,534	41,534	4,120	20,114	37,100	(4,434)	-10.7%
Direct Interfund Services	57,056	65,961	65,961	3,832	29,717	63,287	(2,674)	-4.1%
Indirect Interfund Services	14,647	10,419	10,419	295	5,754	10,419	0	0.0%
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	4,581	25,632	45,589	(2,012)	-4.2%
Other Fines and Forfeits	2,131	4,540	4,540	243	1,347	2,248	(2,292)	-50.5%
Interest	5,130	5,000	5,000	450	2,049	5,200	200	4.0%
Miscellaneous/Other	16,046	11,939	11,939	2,226	6,619	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>252,551</b>	<b>779,895</b>	<b>1,441,262</b>	<b>(9,657)</b>	<b>-0.7%</b>
<b>Expenditures</b>								
<b>Departmental</b>								
Affirmative Action	1,668	1,632	1,585	194	993	1,681	(96)	-6.1%
Building Services	24,629	23,253	22,942	2,165	12,978	22,737	205	0.9%
City Council	3,920	4,203	4,203	373	2,437	4,203	0	0.0%
City Secretary	821	707	707	98	375	691	16	2.3%
Controller	5,786	5,837	5,837	518	3,281	5,837	0	0.0%
Finance and Administration	18,631	19,806	20,087	1,687	11,251	19,750	337	1.7%
Fire	281,525	292,942	292,942	25,273	165,379	293,009	(67)	0.0%
Health and Human Services	51,121	49,430	49,430	4,675	29,029	50,225	(795)	-1.6%
Human Resources	2,351	2,287	2,287	193	1,292	2,341	(54)	-2.4%
Information Technology	12,562	12,394	12,424	1,118	7,091	12,129	295	2.4%
Legal	11,125	10,798	10,798	1,034	6,066	11,017	(219)	-2.0%
Library	32,456	32,891	32,891	3,157	19,159	32,547	344	1.0%
Mayor's Office	1,859	1,768	1,852	261	1,189	1,852	0	0.0%
Municipal Courts - Administration	16,274	16,217	16,217	1,444	8,970	16,153	64	0.4%
Municipal Courts - Justice	3,949	3,992	3,992	463	2,438	4,101	(109)	-2.7%
Parks and Recreation	43,186	46,993	46,956	3,938	26,326	47,328	(372)	-0.8%
Planning and Development	13,986	13,456	7,229	624	4,143	6,905	324	4.5%
Police	473,222	516,002	522,229	61,642	318,092	521,103	1,126	0.2%
Public Works and Engineering	86,938	88,671	88,671	5,738	45,994	85,621	3,050	3.4%
Solid Waste Management	61,673	61,130	61,130	6,382	38,682	66,504	(5,374)	-8.8%
<b>Total Departmental Expenditures</b>	<b>1,147,682</b>	<b>1,204,409</b>	<b>1,204,409</b>	<b>120,977</b>	<b>705,165</b>	<b>1,205,734</b>	<b>(1,325)</b>	<b>-0.1%</b>
<b>Non-Departmental Expenditures and Other Uses</b>								
General Government	88,314	62,497	62,497	7,481	44,308	86,584	(24,087)	-38.5%
Debt Service Transfer	165,000	188,000	188,000	0	0	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>7,481</b>	<b>44,308</b>	<b>274,584</b>	<b>(24,087)</b>	<b>-9.6%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,400,996</b>	<b>1,454,907</b>	<b>1,454,907</b>	<b>128,458</b>	<b>749,473</b>	<b>1,480,318</b>	<b>(25,412)</b>	<b>-1.7%</b>
<b>Net Current Activity</b>	<b>(784)</b>	<b>(3,988)</b>	<b>(3,988)</b>	<b>124,093</b>	<b>30,422</b>	<b>(39,056)</b>	<b>(35,068)</b>	
<b>Amount Needed to Balance the Budget</b>						14,280		
Transfers from other funds	6,800	3,500	3,500	0	-	2,000	(1,500)	
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	110,290	110,290	257,647	163,976	110,778	(59,344)	
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>\$ 88,216</b>	<b>\$ 88,216</b>	<b>\$ 257,647</b>	<b>\$ 163,976</b>	<b>\$ 88,186</b>	<b>\$ (30)</b>	

General Fund  
Finance and Administration  
For the period ended January 31, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005						Variance from Current Budget	% Variance
		Adopted Budget	Current Budget	Current Month	YTD	F & A Projection			
<b>Revenues</b>									
General Property Taxes	\$ 660,999	\$ 671,553	671,553	\$ 185,793	\$ 351,850	\$ 672,000	447	0.1%	
Industrial Assessments	15,167	14,406	14,406	1,200	8,635	14,406	0	0.0%	
Sales Tax	347,982	371,548	371,548	28,927	214,400	373,000	1,452	0.4%	
Electric Franchise	76,394	77,384	77,384	6,167	48,067	77,750	366	0.5%	
Telephone Franchise	52,926	51,000	51,000	5,820	31,480	51,000	0	0.0%	
Gas Franchise	16,535	16,568	16,568	3,042	9,861	19,000	2,432	14.7%	
Other Franchise	15,524	15,447	15,447	1,560	9,411	15,518	71	0.5%	
Licenses and Permits	15,271	15,355	15,355	2,053	9,758	17,072	1,717	11.2%	
Intergovernmental	19,524	30,664	30,664	2,242	5,201	30,564	(100)	-0.3%	
Charges for Services	39,875	41,534	41,534	4,120	20,114	38,879	(2,655)	-6.4%	
Direct Interfund Services	57,056	65,961	65,961	3,832	29,717	63,287	(2,674)	-4.1%	
Indirect Interfund Services	14,647	10,419	10,419	295	5,754	10,419	0	0.0%	
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	4,581	25,632	46,101	(1,500)	-3.2%	
Other Fines and Forfeits	2,131	4,540	4,540	243	1,347	4,300	(240)	-5.3%	
Interest	5,130	5,000	5,000	450	2,049	5,000	0	0.0%	
Miscellaneous/Other	16,046	11,939	11,939	2,226	6,619	13,967	2,028	17.0%	
<b>Total Revenues</b>	<b>1,400,212</b>	<b>1,450,919</b>	<b>1,450,919</b>	<b>252,551</b>	<b>779,895</b>	<b>1,452,263</b>	<b>1,344</b>	<b>0.1%</b>	
<b>Expenditures</b>									
<b>Departmental</b>									
Affirmative Action	1,668	1,632	1,585	194	993	1,681	(96)	-6.1%	
Building Services	24,629	23,253	22,942	2,165	12,978	22,737	205	0.9%	
City Council	3,920	4,203	4,203	373	2,437	4,203	0	0.0%	
City Secretary	821	707	707	98	375	691	16	2.3%	
Controller	5,786	5,837	5,837	518	3,281	5,837	0	0.0%	
Finance and Administration	18,631	19,806	20,087	1,687	11,251	19,750	337	1.7%	
Fire	281,525	292,942	292,942	25,273	165,379	293,009	(67)	0.0%	
Health and Human Services	51,121	49,430	49,430	4,675	29,029	50,225	(795)	-1.6%	
Human Resources	2,351	2,287	2,287	193	1,292	2,341	(54)	-2.4%	
Information Technology	12,562	12,394	12,424	1,118	7,091	12,129	295	2.4%	
Legal	11,125	10,798	10,798	1,034	6,066	11,017	(219)	-2.0%	
Library	32,456	32,891	32,891	3,157	19,159	32,547	344	1.0%	
Mayor's Office	1,859	1,768	1,852	261	1,189	1,852	0	0.0%	
Municipal Courts - Administration	16,274	16,217	16,217	1,444	8,970	16,153	64	0.4%	
Municipal Courts - Justice	3,949	3,992	3,992	463	2,438	4,101	(109)	-2.7%	
Parks and Recreation	43,186	46,993	46,956	3,938	26,326	47,328	(372)	-0.8%	
Planning and Development	13,986	13,456	7,229	624	4,143	6,905	324	4.5%	
Police	473,222	516,002	522,229	61,642	318,092	521,103	1,126	0.2%	
Public Works and Engineering	86,938	88,671	88,671	5,738	45,994	85,621	3,050	3.4%	
Solid Waste Management	61,673	61,130	61,130	6,382	38,682	66,504	(5,374)	-8.8%	
<b>Total Departmental Expenditures</b>	<b>1,147,682</b>	<b>1,204,409</b>	<b>1,204,409</b>	<b>120,977</b>	<b>705,165</b>	<b>1,205,734</b>	<b>(1,325)</b>	<b>-0.1%</b>	
<b>Non-Departmental Expenditures and Other Uses</b>									
General Government	88,314	62,497	62,497	7,481	44,308	86,584	(24,087)	-38.5%	
Debt Service Transfer	165,000	188,000	188,000	0	0	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>7,481</b>	<b>44,308</b>	<b>274,584</b>	<b>(24,087)</b>	<b>-9.6%</b>	
<b>Total Expenditures and Other Uses</b>	<b>1,400,996</b>	<b>1,454,907</b>	<b>1,454,907</b>	<b>128,458</b>	<b>749,473</b>	<b>1,480,318</b>	<b>(25,412)</b>	<b>-1.7%</b>	
<b>Net Current Activity</b>	<b>(784)</b>	<b>(3,988)</b>	<b>(3,988)</b>	<b>124,093</b>	<b>30,422</b>	<b>(28,055)</b>	<b>(24,068)</b>		
Transfers from other funds	6,800	3,500	3,500	-	-	3,500	-		
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	110,290	110,290	257,647	163,976	108,999	(1,292)		
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)	-		
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 88,186</b>	<b>\$ 88,216</b>	<b>\$ 88,216</b>	<b>\$ 257,647</b>	<b>\$ 163,976</b>	<b>\$ 86,925</b>	<b>\$ (1,291)</b>		

General Fund  
General Government  
For the period ended January 31, 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
<b>Non-Dept. Exp. and Other Uses</b>								
<b>General Government</b>								
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	1,159	7,967	58.3%	13,667	13,667
Pension-Police	0	(22,905)	(22,905)	0	0	0.0%	0	0
Insurance-Classified (Retirees)	14,705	16,042	16,042	1,330	9,187	57.3%	16,042	16,042
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
<b>Total Personnel Services</b>	<b>26,581</b>	<b>(191)</b>	<b>(191)</b>	<b>2,489</b>	<b>17,154</b>	<b>-8981.2%</b>	<b>22,714</b>	<b>22,714</b>
Insurance Fees	1,191	1,470	1,470	15	58	3.9%	1,470	1,470
Accounting and Auditing Svcs	865	608	608	301	782	128.6%	826	826
Advertising Svcs	167	200	200	5	169	84.5%	200	200
Legal Services	2,412	2,262	2,262	5	844	37.3%	2,262	2,262
Management Consulting Svcs.	1,106	372	372	7	160	43.0%	372	372
Misc Support Svcs	236	280	280	15	42	15.0%	260	260
Real Estate Lease	9,069	9,228	9,228	0	4,636	50.2%	9,228	9,228
Parking Space Rental	1	0	0	(61)	15	0.0%	0	0
METRO Commuter Passes	541	645	645	148	469	72.7%	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	948	3,476	26.5%	13,128	13,128
Print Shop Services	0	0	0	0	4	0.0%	4	4
Printing and Reproduction Svcs.	8	0	0	0	0	0.0%	0	0
Tax Appraisal Fees	5,082	5,489	5,489	0	2,505	45.6%	5,489	5,489
Tax Refunds	0	0	0	0	0	0.0%	0	0
Billing and Collection Svcs	750	750	750	0	750	100.0%	750	750
Elections	3,440	1,000	1,000	0	855	85.5%	1,400	1,400
Claims and Judgments	4,550	6,000	6,000	432	2,492	41.5%	5,500	5,500
Contingency/Reserve	0	0	0	0	0	0.0%	0	0
Zoo Contract	7,372	7,494	7,494	625	4,372	58.3%	7,494	7,494
Misc Other Services and Charges	3,372	2,473	2,473	78	279	11.3%	2,347	2,347
Membership and Professional Fees	649	780	780	141	375	48.1%	747	747
Mgmt Initiative Savings	0	0	0	0	0	0.0%	0	0
<b>Total Other Services and Charges</b>	<b>49,942</b>	<b>52,679</b>	<b>52,679</b>	<b>2,659</b>	<b>22,283</b>	<b>42.3%</b>	<b>52,615</b>	<b>52,615</b>
<b>Other Financing Uses</b>								
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	418	418	0.0%	350	350
Transfers to Special Revenues	9,835	7,659	7,659	1,915	4,192	54.7%	7,659	7,659
<b>Total Other Financing Uses</b>	<b>11,791</b>	<b>10,009</b>	<b>10,009</b>	<b>2,333</b>	<b>4,871</b>	<b>48.7%</b>	<b>11,255</b>	<b>11,255</b>
<b>Total General Government</b>	<b>88,314</b>	<b>62,497</b>	<b>62,497</b>	<b>7,481</b>	<b>44,308</b>	<b>70.9%</b>	<b>86,584</b>	<b>86,584</b>
<b>Debt Service Transfers</b>								
Transfers to PIB Debt Svc	147,850	184,000	184,000	0	0	0.0%	184,000	184,000
Transfers to CO Debt Svc	17,150	4,000	4,000	0	0	0.0%	4,000	4,000
<b>Total Debt Service Transfers</b>	<b>165,000</b>	<b>188,000</b>	<b>188,000</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>188,000</b>	<b>188,000</b>
<b>Total Non-Dept. Exp and Other Uses</b>	<b>\$ 253,314</b>	<b>\$ 250,497</b>	<b>\$ 250,497</b>	<b>\$ 7,481</b>	<b>\$ 44,308</b>	<b>17.7%</b>	<b>\$ 274,584</b>	<b>\$ 274,584</b>

Aviation Operating Fund  
For the period ended January 31, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Landing Area	\$ 57,011	\$ 97,754	\$ 97,754	37,050	\$ 97,754	\$ 97,754
Bldg and Ground Area	115,777	146,739	146,739	74,093	146,739	146,739
Parking and Concession	94,537	92,128	92,128	56,551	92,128	92,128
Other	3,088	1,289	1,289	1,267	1,289	1,289
Total Operating Revenues	<u>270,413</u>	<u>337,910</u>	<u>337,910</u>	<u>168,961</u>	<u>337,910</u>	<u>337,910</u>
<b>Operating Expenses</b>						
Personnel	65,312	69,217	70,097	40,734	70,097	70,097
Supplies	4,516	5,932	5,932	3,052	5,932	5,932
Services	98,253	112,555	112,555	56,115	112,555	112,555
Non-Capital Outlay	842	830	830	378	830	830
Total Operating Expenses	<u>168,923</u>	<u>188,534</u>	<u>189,414</u>	<u>100,279</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>68,682</u>	<u>148,496</u>	<u>148,496</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	7,562	8,700	8,700	5,322	8,700	8,700
Other	128	0	0	49	0	0
Total Nonoperating Rev (Exp)	<u>7,690</u>	<u>8,700</u>	<u>8,700</u>	<u>5,371</u>	<u>8,700</u>	<u>8,700</u>
Income (Loss) Before Operating Transfers	<u>109,180</u>	<u>158,076</u>	<u>157,196</u>	<u>74,053</u>	<u>157,196</u>	<u>157,196</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	14,680	25,165	25,165
Debt Service Interest	24,257	84,802	84,802	22,151	84,802	84,802
Renewal and Replacement	0	500	500	0	500	500
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>67,759</u>	<u>157,196</u>	<u>157,196</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ (3,965)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>6,294</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 January 31, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				
		Adopted Budget	Current Budget	YTD	Controllers Projection	F & A Projection
<b>Operating Revenues</b>						
Facility Rentals	\$ 5,804	\$ 5,094	\$ 5,094	\$ 3,709	\$ 5,088	\$ 5,088
Parking	9,325	10,499	10,499	4,097	9,745	9,745
Food and Beverage Concessions	1,840	2,346	2,346	1,056	2,352	2,352
Contract Cleaning	176	246	246	116	246	246
Total Operating Revenues	<u>17,145</u>	<u>18,185</u>	<u>18,185</u>	<u>8,978</u>	<u>17,431</u>	<u>17,431</u>
<b>Operating Expenses</b>						
Personnel	6,640	6,010	6,096	3,719	6,096	6,096
Supplies	468	533	494	313	494	494
Services	19,799	23,295	23,300	10,179	23,300	23,300
Total Operating Expenses	<u>26,907</u>	<u>29,838</u>	<u>29,890</u>	<u>14,211</u>	<u>29,890</u>	<u>29,890</u>
Operating Income (Loss)	<u>(9,762)</u>	<u>(11,653)</u>	<u>(11,705)</u>	<u>(5,233)</u>	<u>(12,459)</u>	<u>(12,459)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Hotel Occupancy Tax						
Current	44,993	44,000	44,000	26,705	44,000	44,000
Delinquent	1,149	900	900	638	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>17,124</u>	<u>24,228</u>	<u>24,228</u>
Interest Income	480	1,050	1,050	570	1,050	1,050
Capital Outlay	(105)	(5,379)	(12,088)	(8,181)	(12,088)	(12,088)
Non-Capital Outlay	15	(59)	(63)	(19)	(63)	(63)
Other Interest	(104)	(550)	(550)	0	(550)	(550)
Other	2,550	60	60	4,484	4,484	4,484
Total Nonoperating Rev (Exp)	<u>28,364</u>	<u>19,350</u>	<u>12,637</u>	<u>13,978</u>	<u>17,061</u>	<u>17,061</u>
Income (Loss) Before Operating Transfers	<u>18,602</u>	<u>7,697</u>	<u>932</u>	<u>8,745</u>	<u>4,602</u>	<u>4,602</u>
<b>Operating Transfers</b>						
Transfers for Interest	6,064	7,100	7,000	3,691	7,000	7,000
Transfers for Principal	6,536	6,900	6,900	3,660	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>6,160</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>2,585</u>	\$ <u>(8,107)</u>	\$ <u>(8,107)</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 January 31, 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	\$ 179,495	\$ 294,093	\$ 294,093
Sewer Sales	257,224	299,253	299,253	169,460	288,626	288,626
Penalties	4,150	3,741	3,741	2,879	3,841	3,841
Other	4,562	4,360	4,360	2,606	4,418	4,418
Total Operating Revenues	<u>531,208</u>	<u>618,422</u>	<u>618,422</u>	<u>354,440</u>	<u>590,978</u>	<u>590,978</u>
<b>Operating Expenses</b>						
Personnel	124,054	122,241	122,241	67,786	115,000	115,000
Supplies	23,141	26,007	26,007	15,639	26,700	26,700
Electricity and Gas	35,200	47,169	47,169	25,809	47,048	47,048
Contracts & Other Payments	84,323	92,013	92,013	40,336	78,925	78,925
Total Operating Expenses	<u>266,718</u>	<u>287,430</u>	<u>287,430</u>	<u>149,570</u>	<u>267,673</u>	<u>267,673</u>
Operating Income (Loss)	<u>264,490</u>	<u>330,992</u>	<u>330,992</u>	<u>204,870</u>	<u>323,305</u>	<u>323,305</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	6,889	5,161	5,161	4,939	5,261	5,261
Sale of Property, Mains and Scrap	664	508	508	666	693	693
Other	9,934	7,863	7,863	4,209	7,510	7,510
Gain on escrow restructure	0	0	0	0	15,113	15,113
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>(24,763)</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>(9,570)</u>	<u>5,652</u>	<u>5,652</u>
Income (Loss) Before Operating Transfers	<u>320,399</u>	<u>321,599</u>	<u>321,599</u>	<u>195,300</u>	<u>328,957</u>	<u>328,957</u>
<b>Operating Transfers</b>						
Debt Service Principal	67,492	12,675	12,675	7,960	12,675	12,675
Debt Service Interest	154,238	179,902	179,902	90,583	179,902	179,902
Discretionary Debt	29,572	28,934	28,934	5,626	28,934	28,934
Other Contractual Obligations	0	474	474	0	474	474
Equipment Acquisition	8,145	17,862	17,862	2,537	12,960	12,960
CUS General Purpose Fund	46,752	49,752	49,752	71,094	62,012	62,012
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	17,500	30,000	30,000
Total Operating Transfers	<u>320,399</u>	<u>321,599</u>	<u>321,599</u>	<u>195,300</u>	<u>328,957</u>	<u>328,957</u>
Net Current Activity						
Operating Fund Only	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</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 January 31, 2005  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Revenues</b>						
Miscellaneous	\$ 164	\$ 145	\$ 145	\$ 29	\$ 145	\$ 100
Total Revenues	<u>164</u>	<u>145</u>	<u>145</u>	<u>29</u>	<u>145</u>	<u>100</u>
<b>Expenditures</b>						
Personnel	15,129	17,492	17,492	9,504	17,492	16,855
Supplies	1,226	1,290	1,290	733	1,290	1,290
Other Services	10,010	11,142	11,142	4,320	11,142	11,142
Capital Outlay	862	131	131	120	131	131
Total Expenditures	<u>27,227</u>	<u>30,055</u>	<u>30,055</u>	<u>14,677</u>	<u>30,055</u>	<u>29,418</u>
<b>Other Financing Sources (Uses)</b>						
Interest Income	(123)	310	310	49	310	100
Operating Transfers In	10,100	30,000	30,000	17,500	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>17,549</u>	<u>29,910</u>	<u>29,700</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(17,086)	0	0	2,901	0	382
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>\$ 4,593</u>	<u>\$ 1,692</u>	<u>\$ 2,074</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 January 31, 2005**  
**(amounts expressed in millions)**

<b>COMMERCIAL PAPER</b>	<b>Draws FY05 (millions)</b>	<b>Draws during Month (millions)</b>	<b>(Refunded) Increased Authorization (millions)</b>	<b>Amount Available to be Drawn (millions)</b>	<b>Amount Outstanding (millions)</b>
<b>General Obligation</b>					
<i>(Series A &amp; B)</i>					
<i>Public Improvement Bonds</i>	\$ 12.50	4.00	\$ (132.70)	\$ 43.50	\$ 202.10
<i>(Series D)</i>	60.00	20.00	110.00	255.00	130.00
<i>(Series E)</i>					
<i>Equipment</i>	20.00	0.00	(25.80)	71.61	16.29
<i>Metro Street Projects</i>	8.00	4.00	(3.30)	53.79	9.21
<i>Cotswold Project</i>	1.00	1.00	(3.49)	3.01	1.00
<i>Downtown Streetscape</i>	0.00	0.00	(5.41)	0.09	0.00
<i>(Series F) Drainage</i>	<u>0.00</u>	<u>0.00</u>	<u>          </u>	<u>139.50</u>	<u>0.00</u>
<b>Total General Obligation</b>	101.50	29.00	(60.70)	566.50	358.60
<b>Combined Utility System</b>	85.00		(40.00)	815.00	85.00
<i>(Series A)</i>					
<b>Airport System</b>	15.00	0.00		265.00	35.00
<i>(Series A,B, &amp; C)</i>					
<b>Convention &amp; Entertainment</b>	<u>0.00</u>	<u>0.00</u>	<u>          </u>	<u>52.50</u>	<u>22.50</u>
<i>(Series A)</i>					
<b>Totals</b>	<u>\$ 201.50</u>	<u>\$ 29.00</u>	<u>\$ (100.70)</u>	<u>\$ 1,699.00</u>	<u>\$ 501.10</u>

**City of Houston, Texas**  
**Summarized Construction/Bond Fund Status Report**  
**For the period ended January 31, 2005**  
**(amounts expressed in thousands)**

Purpose	Available for Appropriation
<b>Equipment and Miscellaneous</b>	
Total Dangerous Building Funds	\$ 61
Total Equipment Acquisition Funds	34,987
Certificates of Obligation Lamar Terrace 2000A	329
Total Equipment and Miscellaneous	35,377
<b>Public Improvement</b>	
Total Fire Department	11,633
Total Housing	4,420
Total General Improvement	11,900
Total Public Health and Welfare	7,434
Total Public Library	12,604
Total Parks and Recreation	15,451
Total Police Department	5,971
Total Solid Waste	2,925
Total Storm Sewer	120,986
Total Street & Bridge	126,853
Total Public Improvement	320,178
<b>Airport</b>	
Total Airport	439,956
<b>Convention and Entertainment Facilities</b>	
Total Convention and Entertainment	55,597
<b>Combined Utility System</b>	
Total Combined Utility System	355,644
<b>Total All Purposes</b>	\$ 1,206,752

**City of Houston, Texas**  
**Total Outstanding Debt**  
**January 31, 2005 and January 31, 2004**  
**(amounts expressed in thousands)**

	January 31, 2005	January 31, 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)	358,600	371,800
Judgment Bonds	0	1,365
Pension Obligations Bonds	322,900	
Certificates of Obligations (c)	33,519	41,739
Assumed Bonds	11,975	15,226
Subtotal	\$ 2,461,724	\$ 2,085,360
<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)	35,000	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	\$ 8,033,293	\$ 7,838,901
<b>Total Debt Payable by the City</b>	<b>\$ 10,495,017</b>	<b>\$ 9,924,261</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: \$219.8 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: \$201.1 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**

1/31/2005

	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	18,967
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	15,785
Pension Bonds				33,000	
Total Municipal Plan (Note 2)	<u>58,063</u>			<u>66,000</u>	<u>26,335</u>
Total All Three Plans	<u>123,033</u>			<u>134,821</u>	<u>81,947</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 JANUARY 31, 2005 (58.33% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>AFFIRMATIVE ACTION</b>						
Applications Processed	1,950	1,070	54.9%	2,100	1,039	49.5%
Days to Process New Applicants	40	41	102.5%	21	70	N/A
Field Audits	1,711	1,093	63.9%	2,300	984	42.8%
Payrolls Audited	26,449	14,213	53.7%	14,300	8,616	60.3%
SBE/MWDBE Owners Trained	7,107	1,817	25.6%	4,100	3,110	75.9%
City Employees Trained	3,659	1,958	53.5%	1,500	1,662	110.8%
MOPD Citizens Assistance Request	3,771	2,051	54.4%	3,000	2,605	86.8%
OSBC Getting Started Packets Distributed	8,350	4,974	59.6%	8,500	3,852	45.3%
MWBE Monitoring Correspondence	NA	NA	NA	20,000	35,461	177.3%
<b>AVIATION</b>						
Passenger Enplanements	21,768,074	12,795,934	58.8%	21,567,000	22,043,000	102.2%
Cargo Tonnage	771,715,260	437,684,285	56.7%	778,913,000	444,788,000	57.1%
Cost per Enplanement	\$7.35	\$7.35	NA	\$7.24	\$9.11	N/A
Complaints per 100,000 Enplanements	0.85	0.86	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	14.9	74.5%	18	39.6	220.0%
<b>Property Mgmt. (Work Orders Compl.)</b>	17,745	10,009	56.4%	17,700	12,747	72.0%
<b>Security Management</b>						
Number of Reported Incidents Investigated upon Receipt	295	172	58.3%	350	234	66.9%
<b>CONVENTION &amp; ENTERTAINMENT FACILITIES</b>						
Days Booked-GRB Convention Center	1,835	1,016	55.4%	2,430	2,351	96.7%
Days Booked-Wortham Theatre Center	518	266	51.4%	485	339	69.9%
Days Booked-Jones Hall	338	238	70.4%	290	203	70.0%
Occupancy Days-GRB Convention Center	1,640	987	60.2%	1,965	1,253	63.8%
Occupancy Days-Wortham Theatre Center	467	261	55.9%	444	303	68.2%
Occupancy Days-Jones Hall	254	129	50.8%	247	146	59.1%
Occupancy Days-Theatre District Parks Hall	168	116	69.0%	166	107	64.5%
Customer Satisfaction (Periodic)-GRB Convention Center	94.3%	96.8%	NA	94.0%	92.7%	N/A
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.9%	93.8%	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%	97.7%	NA	97.0%	97.0%	N/A
Customer Satisfaction (Periodic)-Fannin Garage	0.0%	N/A	NA	80.0%	N/A	N/A
Customer Satisfaction (Periodic)-Theater District Parking	74.7%	N/A	NA	80.0%	N/A	N/A

**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING JANUARY 31, 2005 (58.33% OF FISCAL YEAR)**

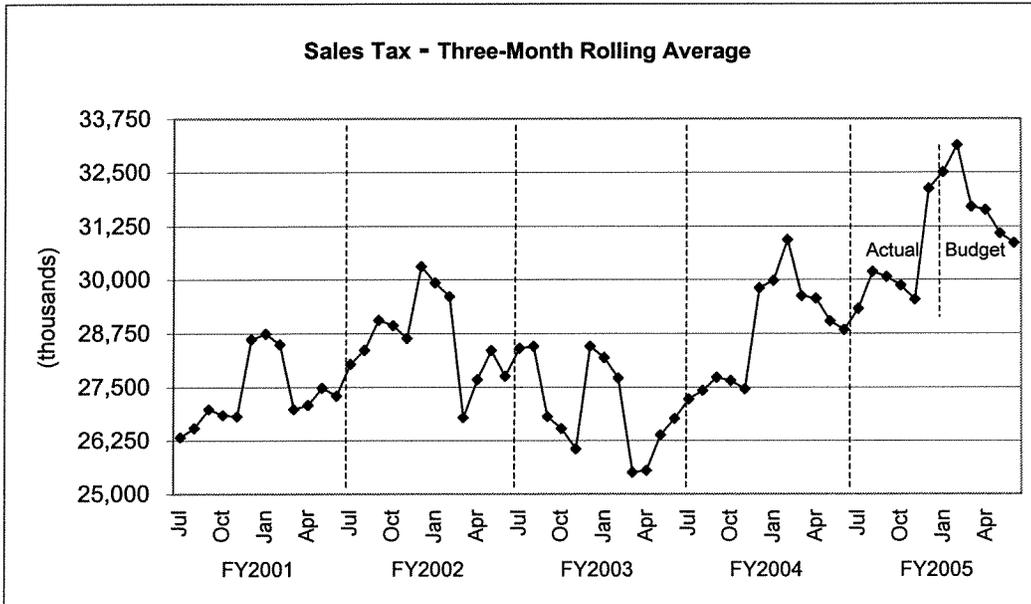
Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>FINANCE &amp; ADMINISTRATION</b>						
Avg Days to Award Procurement Contracts	158	151	NA	160	126	NA
3-1-1 Avg Time Customer in Queue (seconds)	66.83	65.71	NA	95.00	93.23	NA
Liens Collections	\$2,579,385	\$1,523,982	59.1%	\$2,419,501	\$2,402,201	99.3%
Ambulance Revenue per Transport	\$173.90	\$179.02	102.9%	\$198.57	\$150.72	75.9%
Cable Company Complaints	734	318	43.3%	682	375	55.0%
Deferred Compensation Participation	63.72%	61.85%	NA	66.00%	71.49%	N/A
Audits Completed	17	10	58.8%	23	14	60.9%
<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	41,696	56.1%	72,740	40,115	55.1%
First Trimester Prenatal Enrollment	40.6%	40.6%	N/A	41.0%	40.9%	N/A
WIC Client Satisfaction	95.0%	92.9%	N/A	95.0%	94.7%	N/A
Immunization Compliance (2 Yr. Olds)	88.0%	85.0%	N/A	90.0%	87.0%	N/A
TB Therapy Completed	92.1%	91.4%	N/A	91.4%	92.1%	N/A
<b>HOUSING</b>						
Housing Units Assisted	5,000	5,030	100.6%	5,000	3,798	76.0%
Council Actions on HUD Projects	75	72	96.0%	75	75	100.0%
Annual Spending (Millions)	\$55	\$31	56.4%	\$55	\$28	50.9%
<b>HUMAN RESOURCES</b>						
Total Jobs Filled-(As Vacancies Occur)	4,206	2,291	54.5%	4,500	2,926	65.0%
Days to Fill Jobs	60	60	100.0%	60	60	100.0%
Training Courses Conducted	151	73	48.3%	150	55	36.7%
Lost Time Injuries (As They Occur)	218	129	59.2%	447	176	39.4%
<b>LEGAL</b>						
Deed Restriction Complaints Received	734	363	49.5%	701	565	80.6%
Deed Restriction Lawsuits Filed	26	17	65.4%	32	8	25.0%
Deed Restriction Warning Letters Sent	245	140	57.1%	236	284	120.3%
<b>LIBRARY</b>						
Total Circulation	5,929,474	3,490,062	58.9%	5,380,003	3,308,698	61.5%
Juvenile Circulation	2,975,755	1,749,628	58.8%	2,784,085	1,671,544	60.0%
Customer Satisfaction (Three/Year)	83%	83%	100.0%	85%	88%	103.5%
Reference Questions Answered	2,881,992	1,633,129	56.7%	2,428,267	1,944,299	80.1%
In-house Computer Users	1,224,800	727,734	59.4%	1,278,676	810,817	63.4%
Public Computer Training Classes Held	638	345	54.1%	550	409	74.4%
Public Computer Training Attendance	5,678	3,287	57.9%	5,675	3,582	63.1%
<b>MUNICIPAL COURTS</b>						
Total Case Filings	1,240,552	721,413	58.2%	1,286,666	750,555	58.3%
Total Dispositions	1,096,377	598,012	54.5%	859,908	501,613	58.3%
Cost per Disposition	\$14.67	\$15.64	N/A	\$16.36	\$17.88	N/A
Incomplete Docket Reduction (Cases/Day)	15.52	13.35	N/A	13	49.90	N/A

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

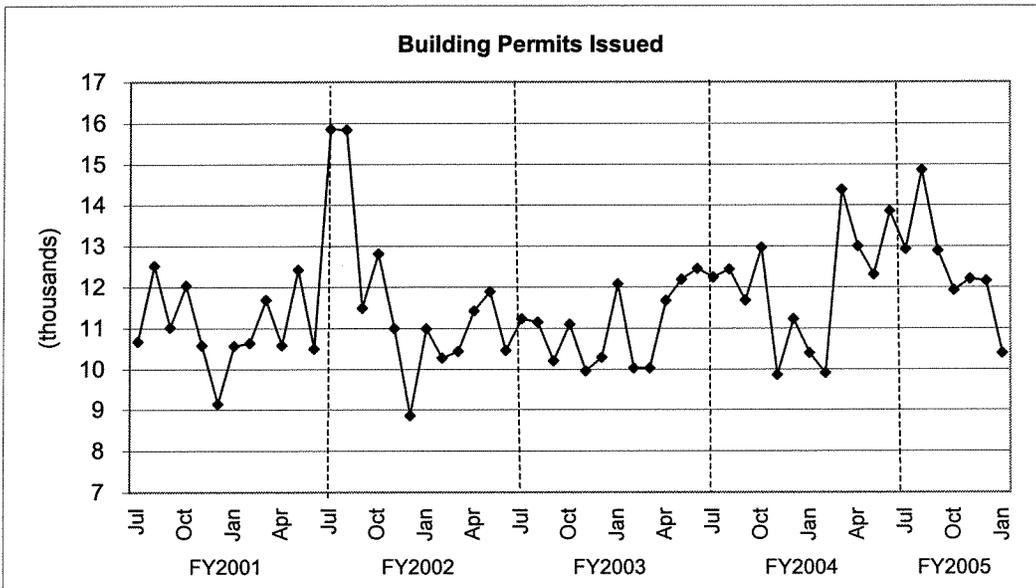
**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING JANUARY 31, 2005 (58.33% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>PARKS &amp; RECREATION</b>						
Registrants in Youth Sports Programs	19,512	11,530	59.1%	20,100	9,291	46.2%
Registrants in Adult Fitness & Craft Programs	NA	NA	NA	5,200	2,869	55.2%
Number of Teams in Adult Sports Programs	1,052	NA	NA	1,400	328	23.4%
Vehicle Downtime-Days out of Service (avg)	20	20	NA	20	18	NA
Golf Rounds Played at Privatized Courses	98,155	60,153	61.3%	93,500	51,469	55.0%
Golf Rounds Played at COH - Operated Courses	159,744	87,635	54.9%	164,400	90,560	55.1%
Work Orders Completed-Parks and Community Ctr Facilities	21,931	12,154	55.4%	21,900	11,357	51.9%
<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	2,257	92.2%	2,448	2,448	100.0%
TIRZ Management Portfolio	0	0	0.0%	22	22	100.0%
DB's Corrected (by Owner/City)	300	371	123.7%	500	213.0	42.6%
Rail Corridor Master Plan	0	0	0.0%	2	0	0.0%
Number of Permits Sold	130,000	80,825	62.2%	130,000	76,978	59.2%
No. of Inspections Per Day Per Inspector	18	21	116.7%	15	20	133.3%
Violation Investigations	14,000	6,994	50.0%	14,000	2,726	19.5%
<b>HOUSTON POLICE</b>						
Response Time (Code 1)-Minutes	4.7	5.3	112.8%	4.9	4.9	100.0%
Violent Crime Clearance Rate	30.6%	28.9%	94.4%	38.8%	28.7%	74.0%
Crime Lab Cases Completed	96.6%	93.5%	96.8%	90.0%	88.7%	98.6%
Fleet Availability	96.6%	95.7%	99.1%	90.0%	95.6%	106.2%
Complaints - total cases	878	512	58.3%	861	389	45.2%
Tot. Cases Reviewed by Citizens Rev. Com.	564	259	45.9%	248	118	47.6%
Records Processed	728,329	712,815	97.9%	663,276	657,859	99.2%
<b>PUBLIC WORKS AND ENGINEERING</b>						
<b>Maintenance and Right-of-Way</b>						
In-House Overlay (Lane Miles)	284	152	53.5%	280	163	58.1%
Potholes/Skin Patches (Tonnage)	18,879	11,714	62.0%	18,000	11,986	66.6%
Roadside Ditch Regraded/Cleaned (Miles)	321	186	57.9%	250	193	77.4%
Storm Sewers Cleaned (Miles)	382	204	53.5%	350	194	55.4%
Storm Sewer Inlets/Manholes Cleaned/Inspected	143,074	78,004	54.5%	130,900	84,032	64.2%
<b>ECRE</b>						
PIB Appropriations as % of CIP	109.1%	29.1%	26.7%	100.0%	16.9%	16.9%
W/S Appropriations as % of CIP	88.6%	19.9%	22.5%	100.0%	36.6%	36.6%
Awarded Overlay Under Contract (Lane Miles)	221	30	0.0%	200	0	0.0%
Sidewalk Program (Miles Awarded - Design & Construction)	41	28	68.6%	50	6	12.0%
Street Light Installations Authorized	1,820	1,156	63.5%	1,700	506	29.8%
<b>Water and Sewer</b>						
No. of Water Repairs Completed	10,326	6,545	63.4%	12,000	6,464	53.9%
No. of Sewer Repairs Completed	3,348	1,814	54.2%	4,000	1,453	36.3%
<b>SOLID WASTE MANAGEMENT</b>						
Cost per Unit Served-Excludes Recycling and Special Collections Programs	\$13.50	\$13.48	99.9%	\$12.81	\$12.81	100.0%
Units with Recycling	152,080	152,080	100.0%	162,000	152,080	93.9%
Tires Disposed	133,500	99,038	74.2%	150,000	120,834	80.6%

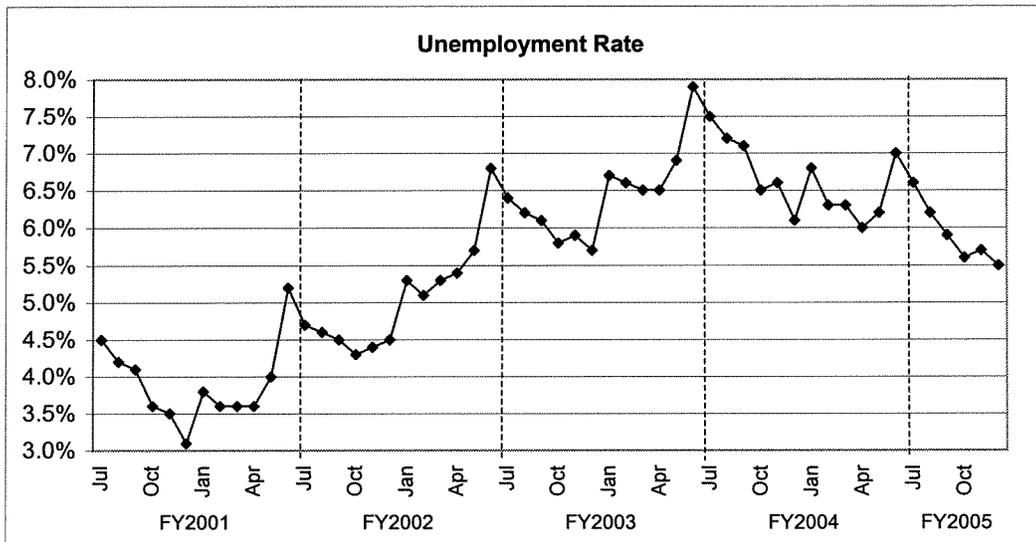
**TREND INDICATORS - LOCAL ECONOMY**



Source: Office of State Comptroller

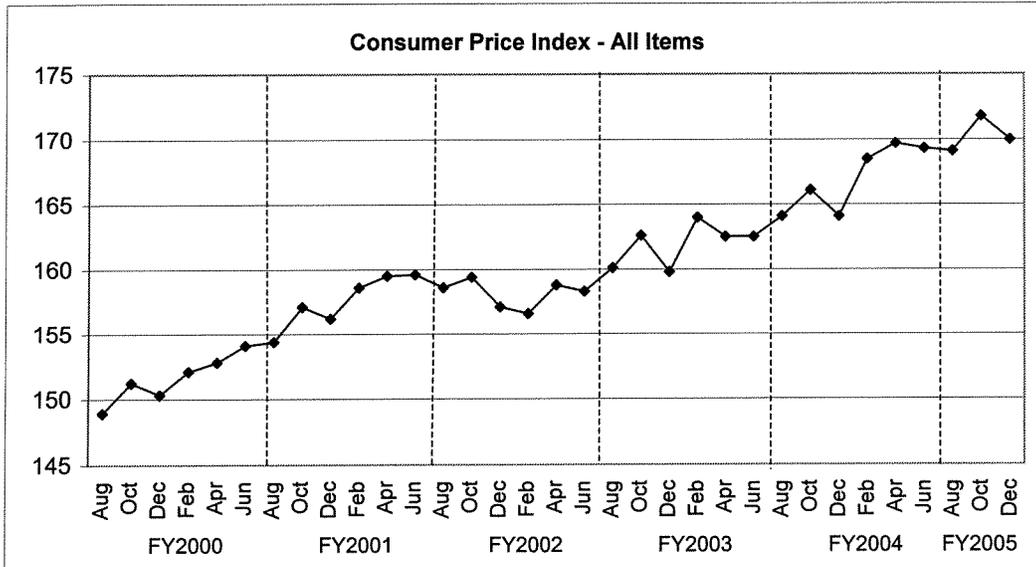


Source: City of Houston Planning and Development Department

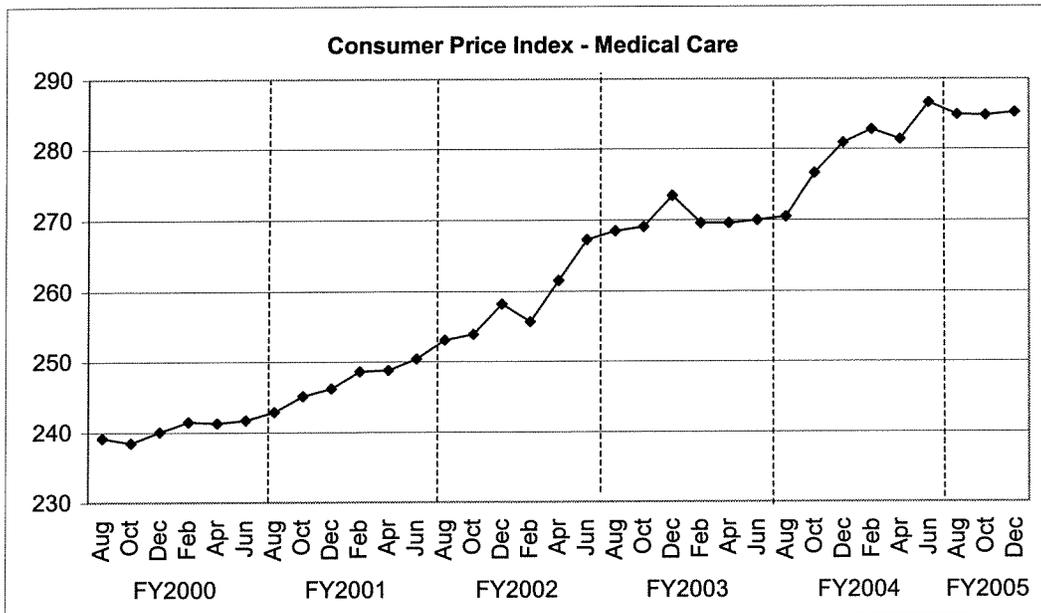


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

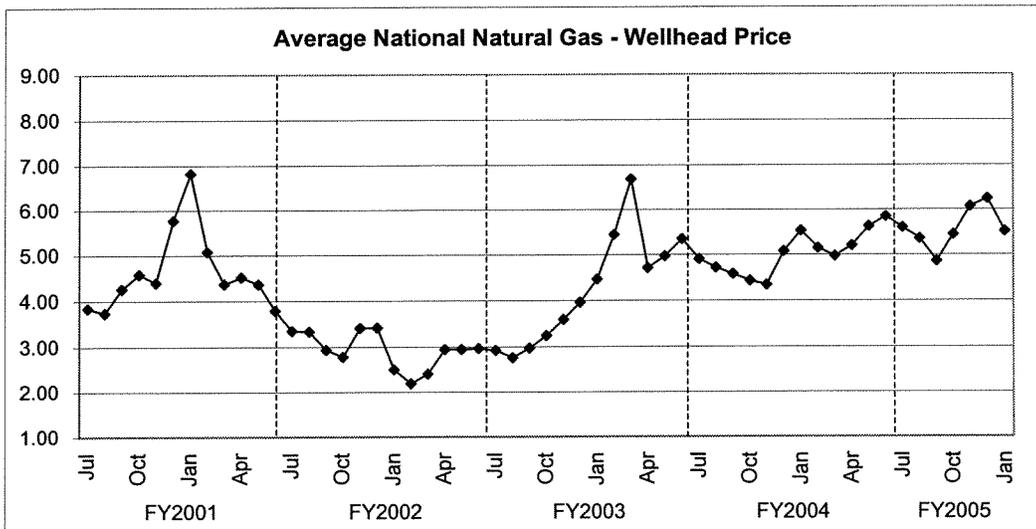
## TREND INDICATORS - LOCAL ECONOMY



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



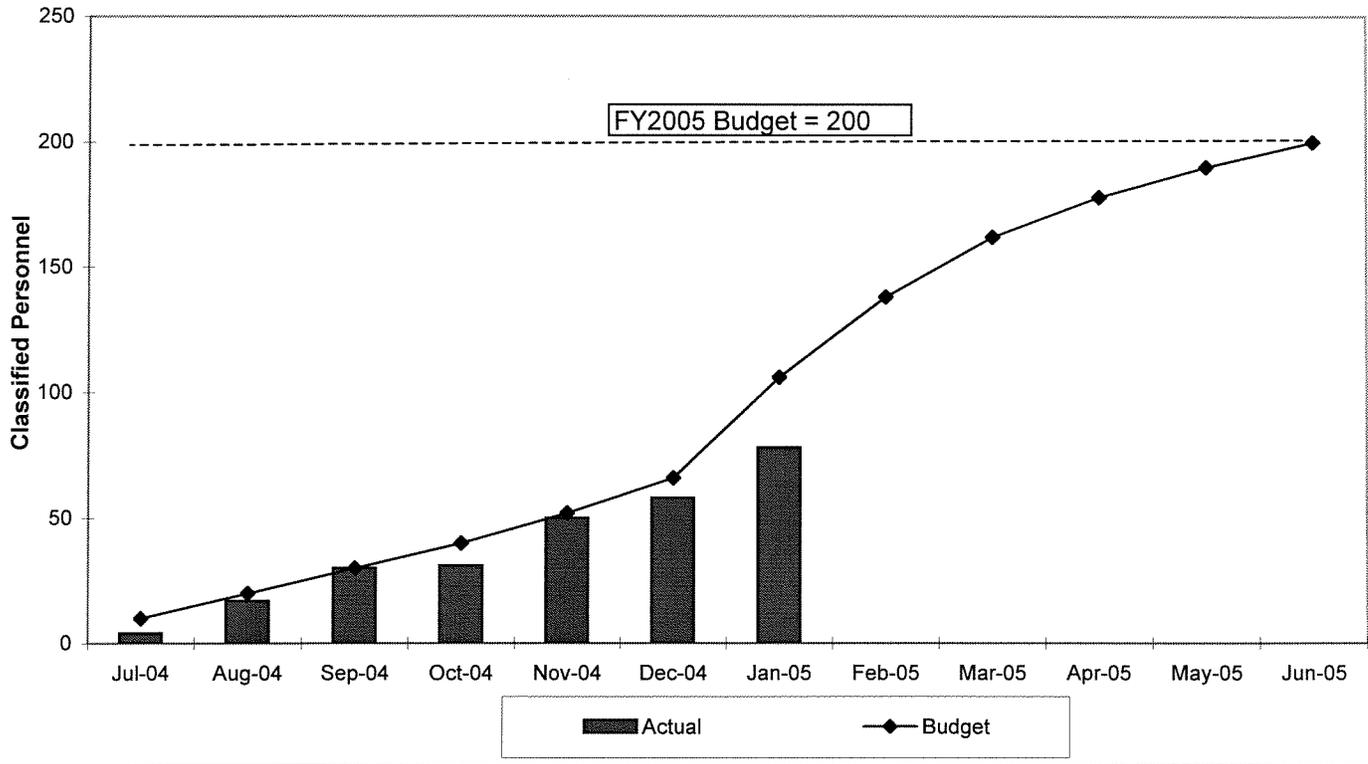
Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX



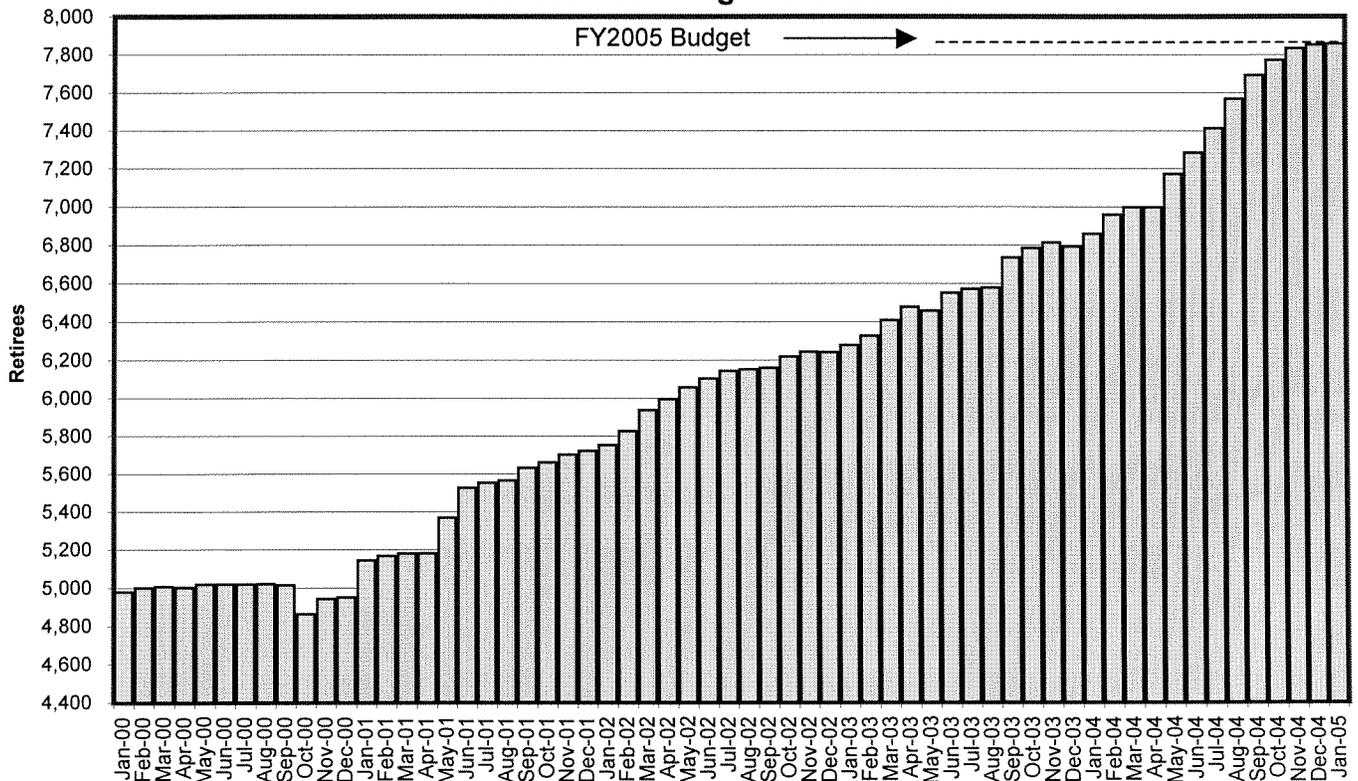
Source: Energy Information Administration/Natural Gas Monthly

# TREND INDICATORS - RETIREMENTS

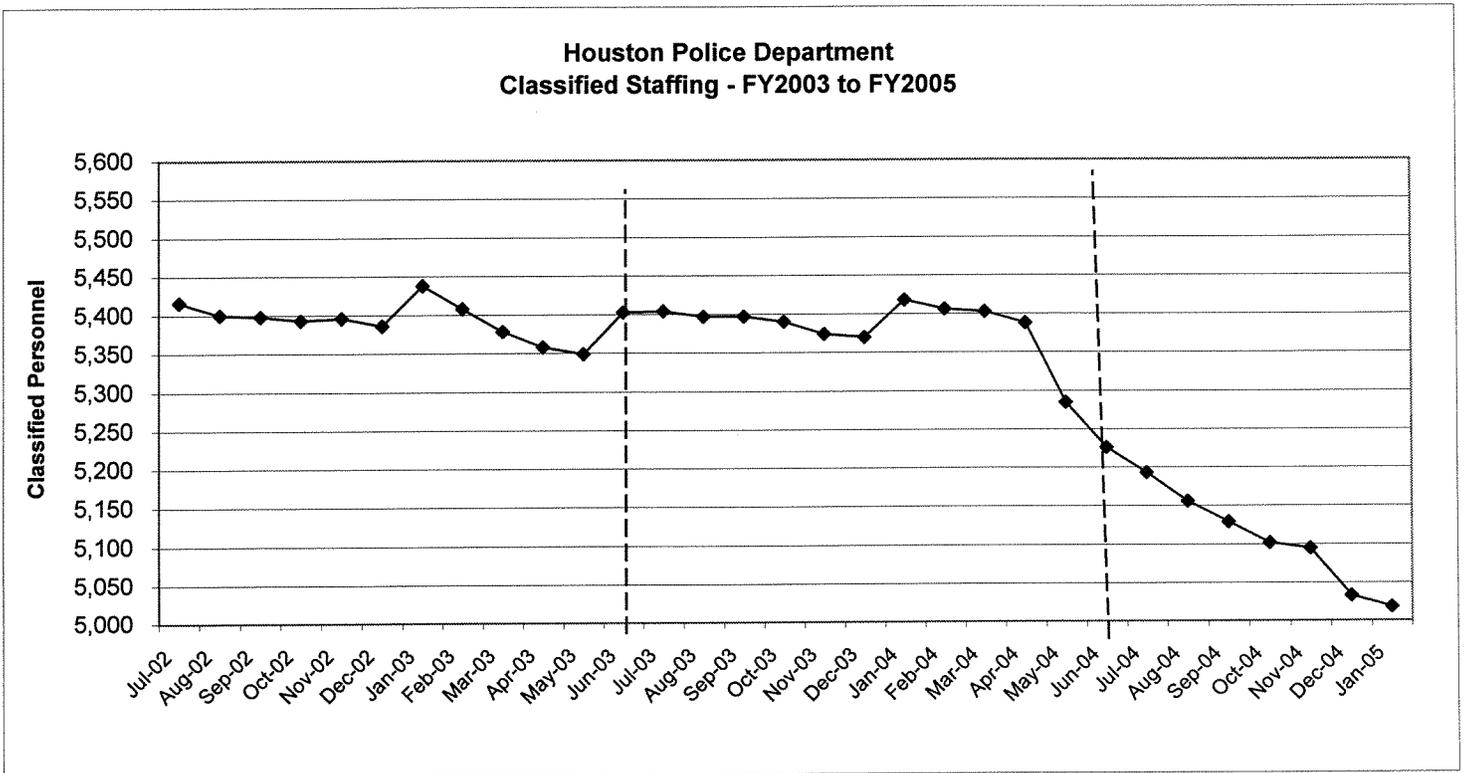
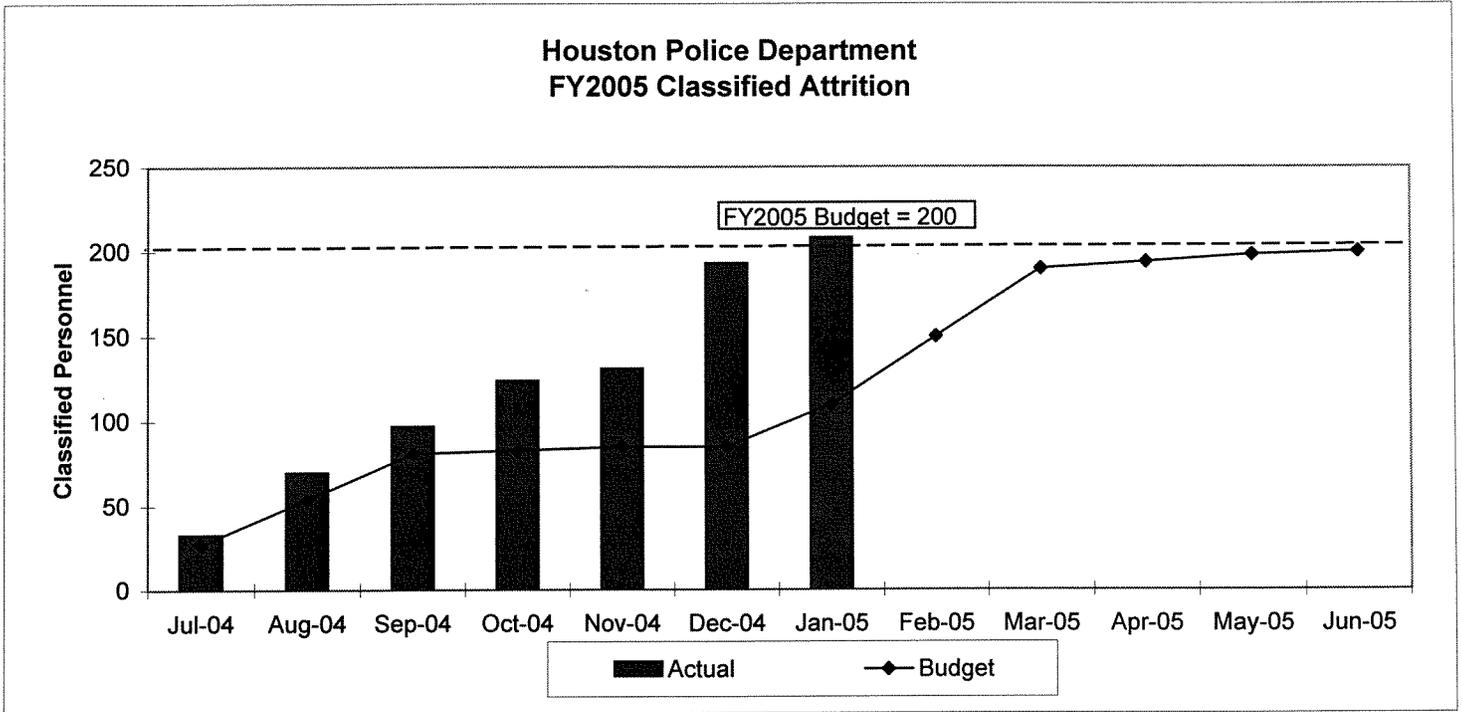
Houston Fire Department  
FY2005 Classified Attrition



Retirees Receiving Health Benefits

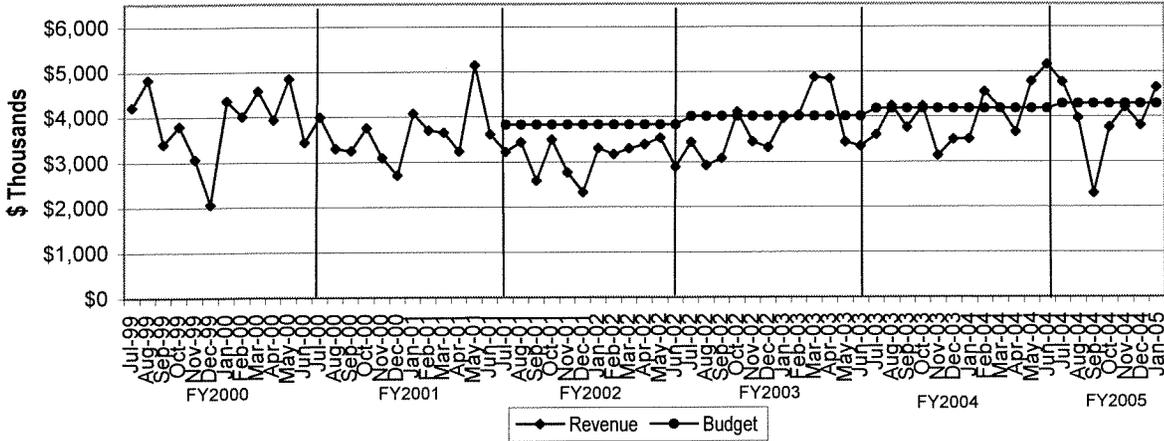


## TREND INDICATORS - HIRING AND RETIREMENTS

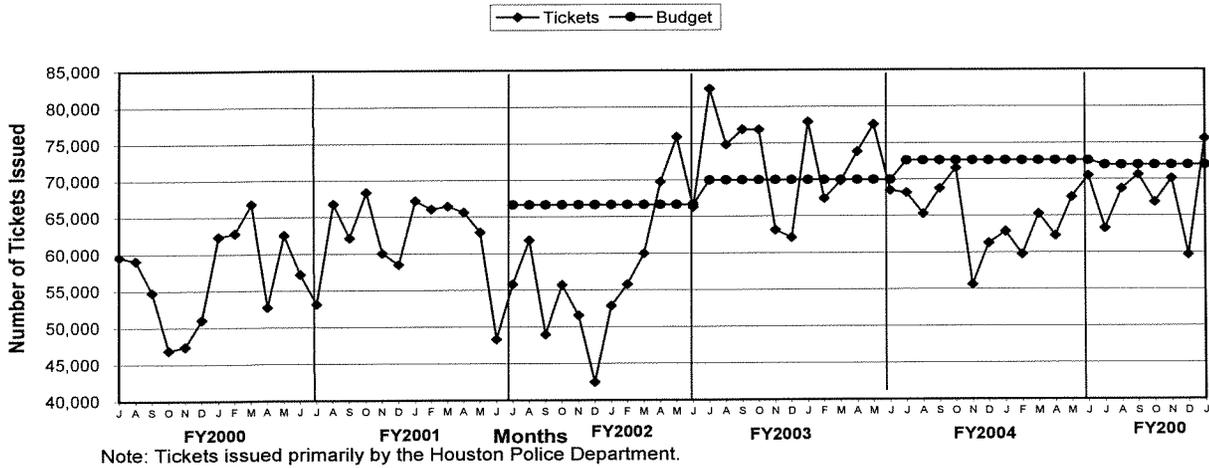


# TREND INDICATORS - MUNICIPAL COURTS

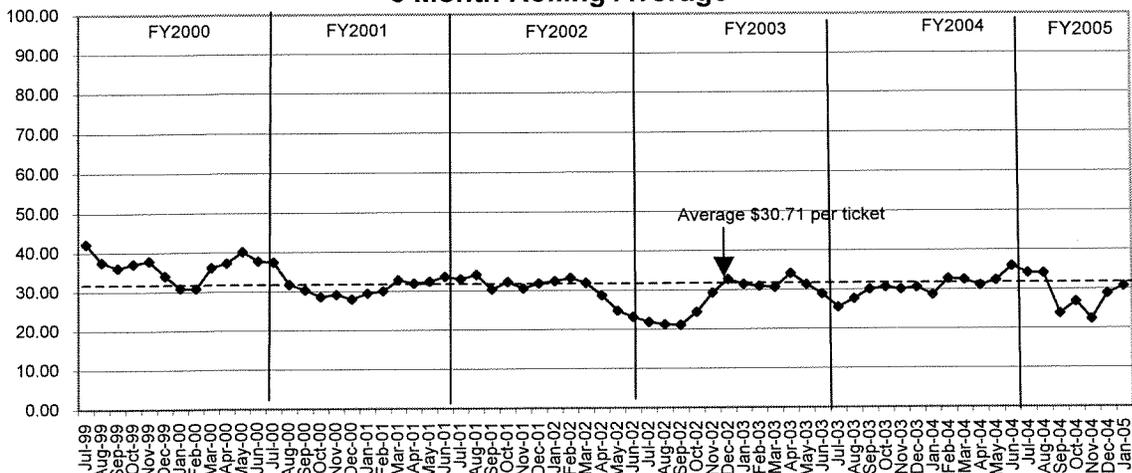
## Total Municipal Courts Revenue



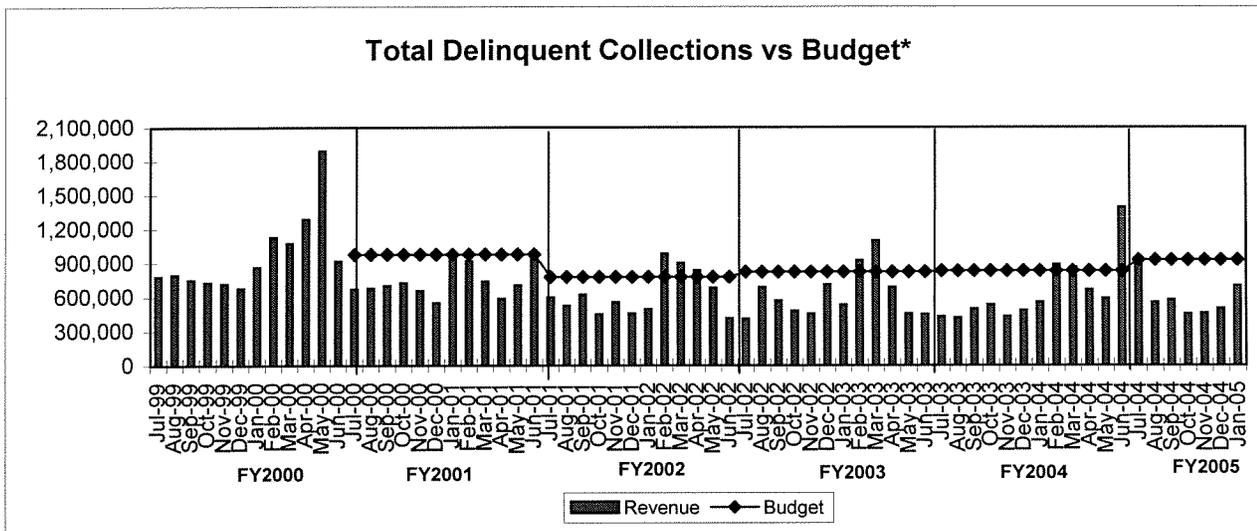
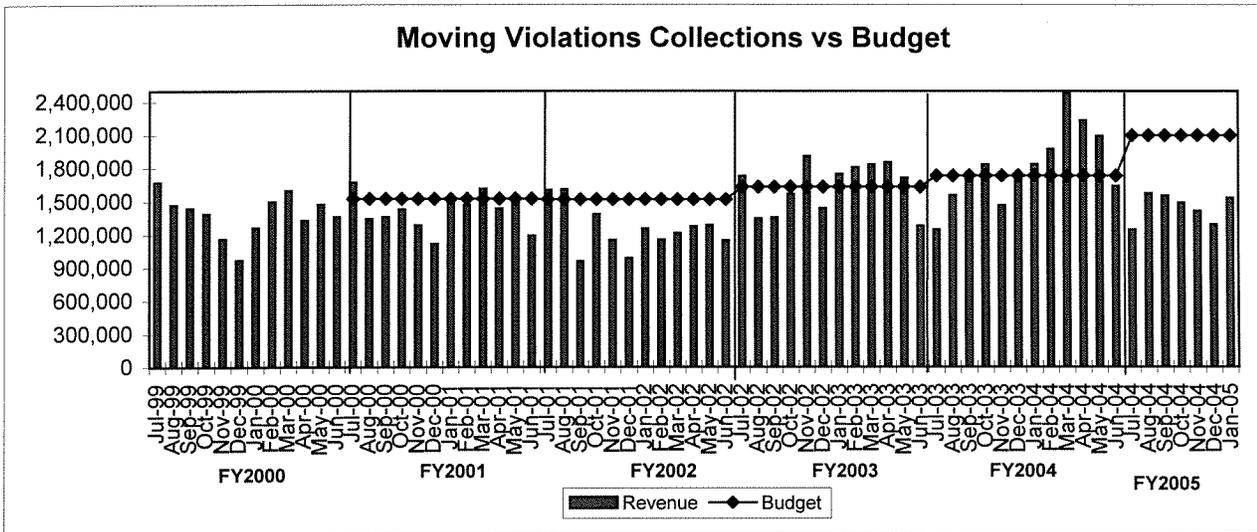
## Number of Traffic Citations Issued



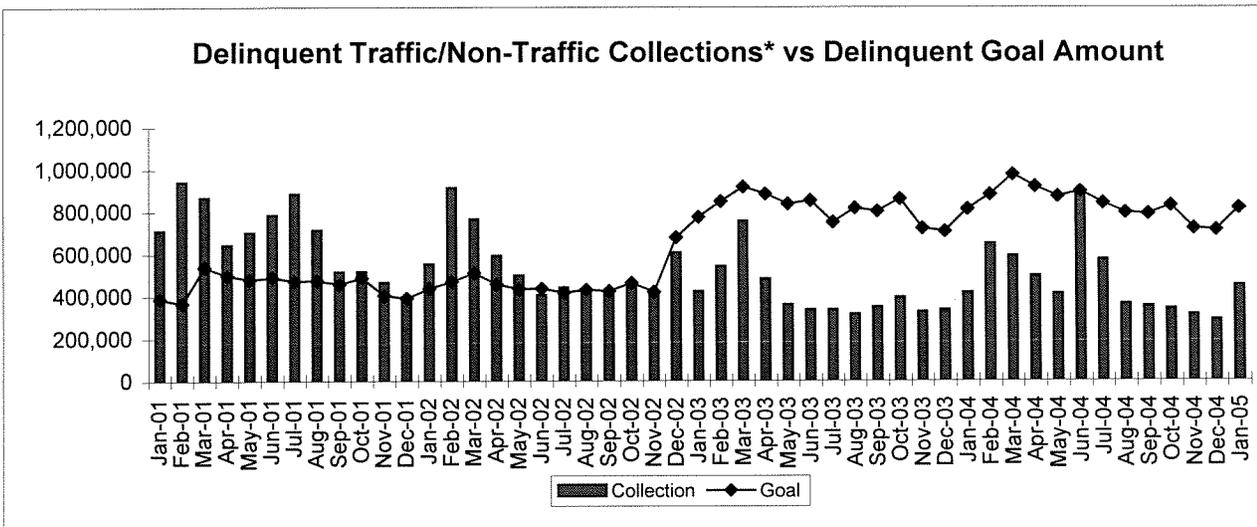
## Moving Violations Revenue Per Ticket Issued (8100) 3 Month Rolling Average



# TREND INDICATORS - MUNICIPAL COURTS

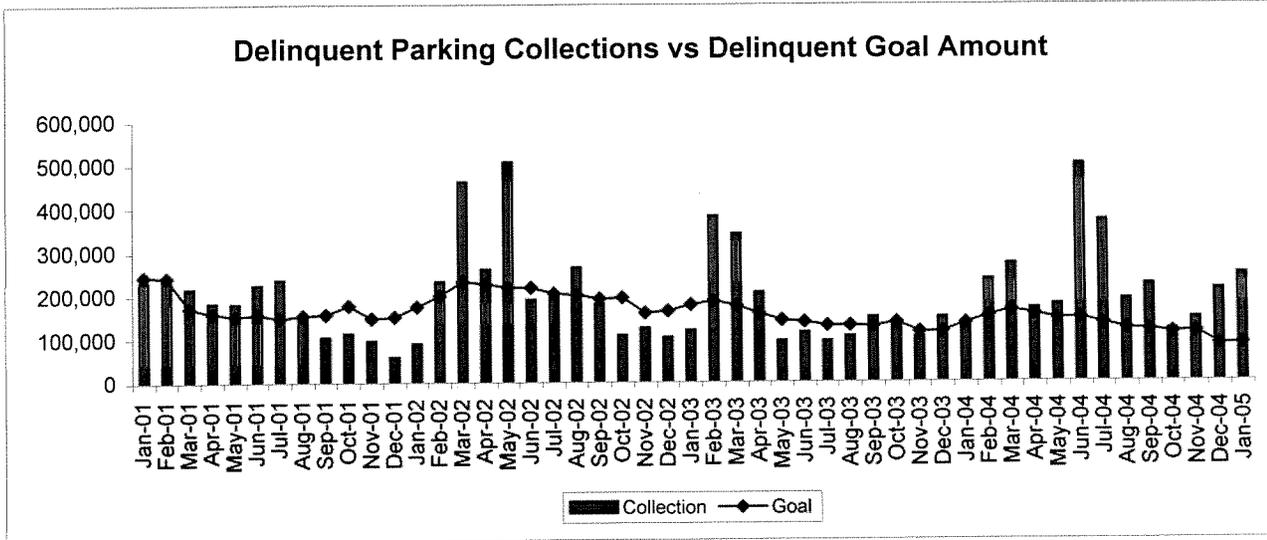
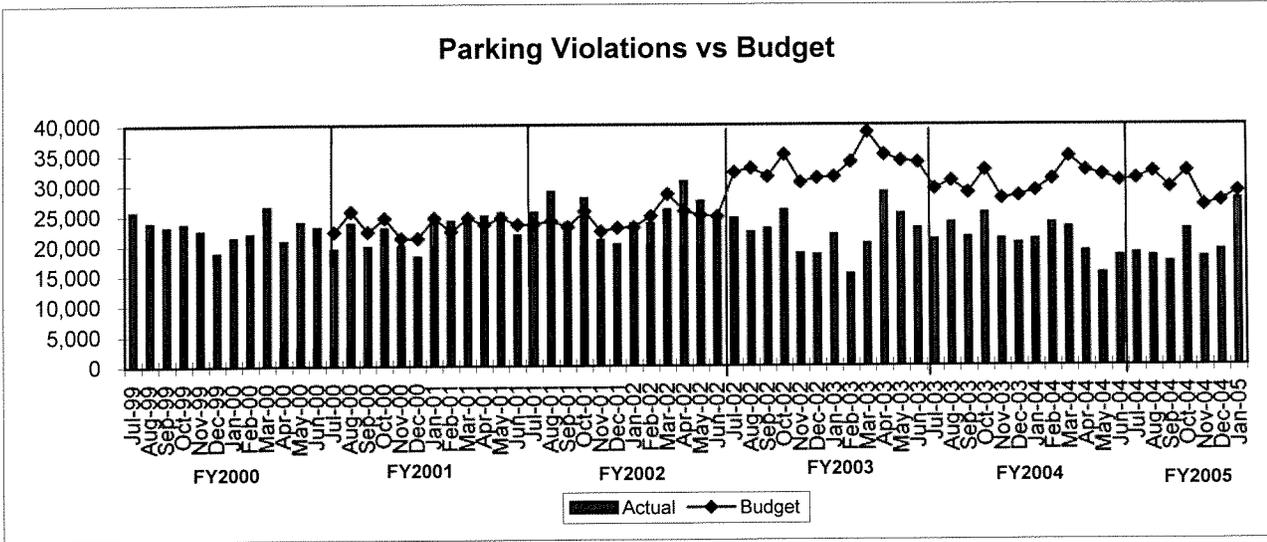
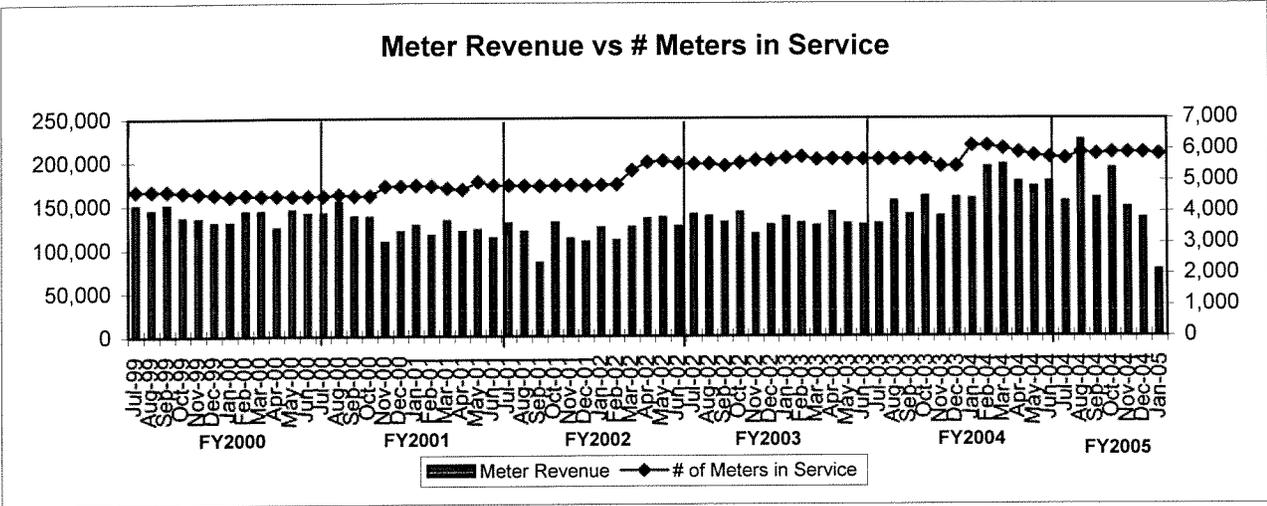


\*Net of fees and expenses paid to Linebarger

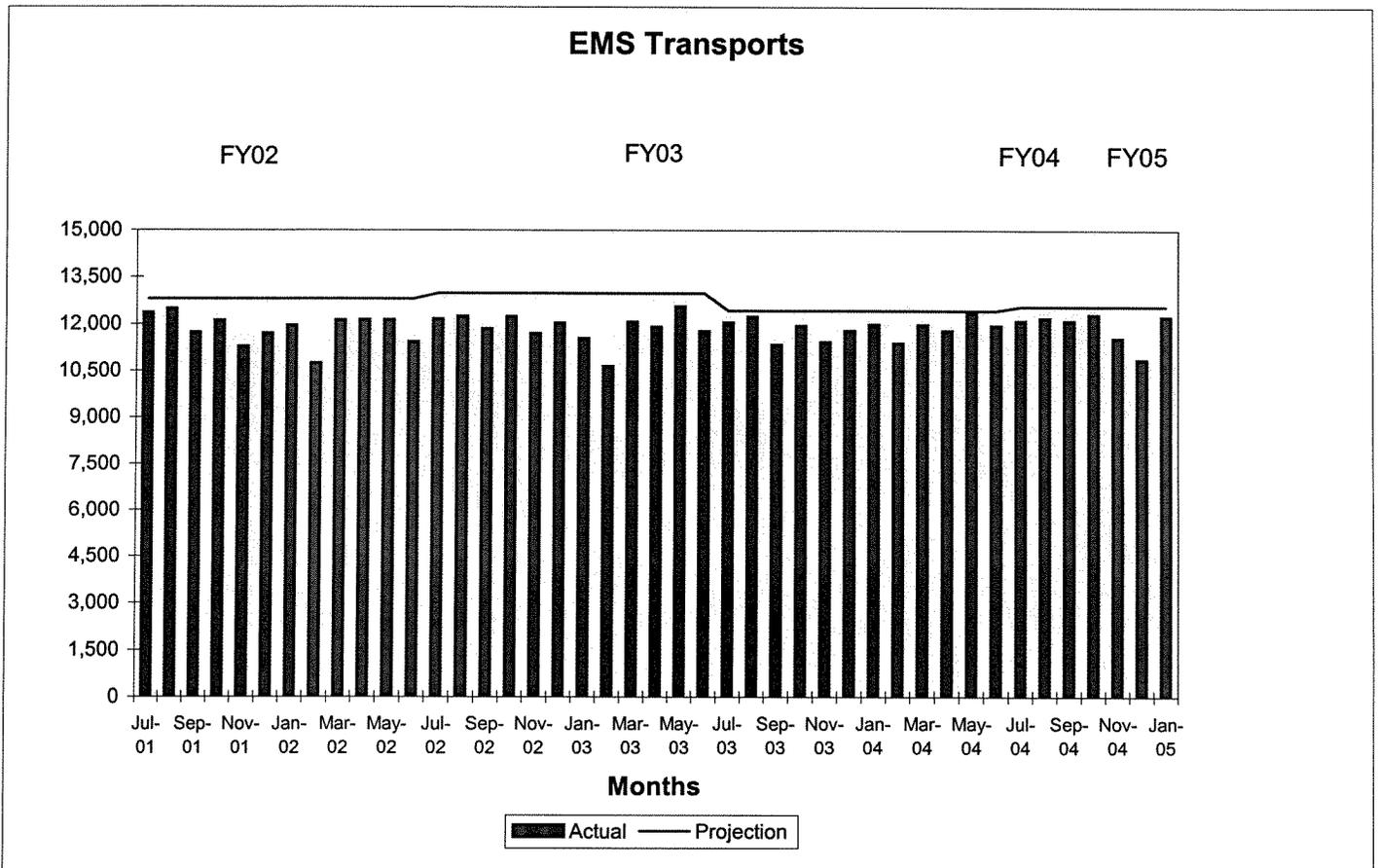
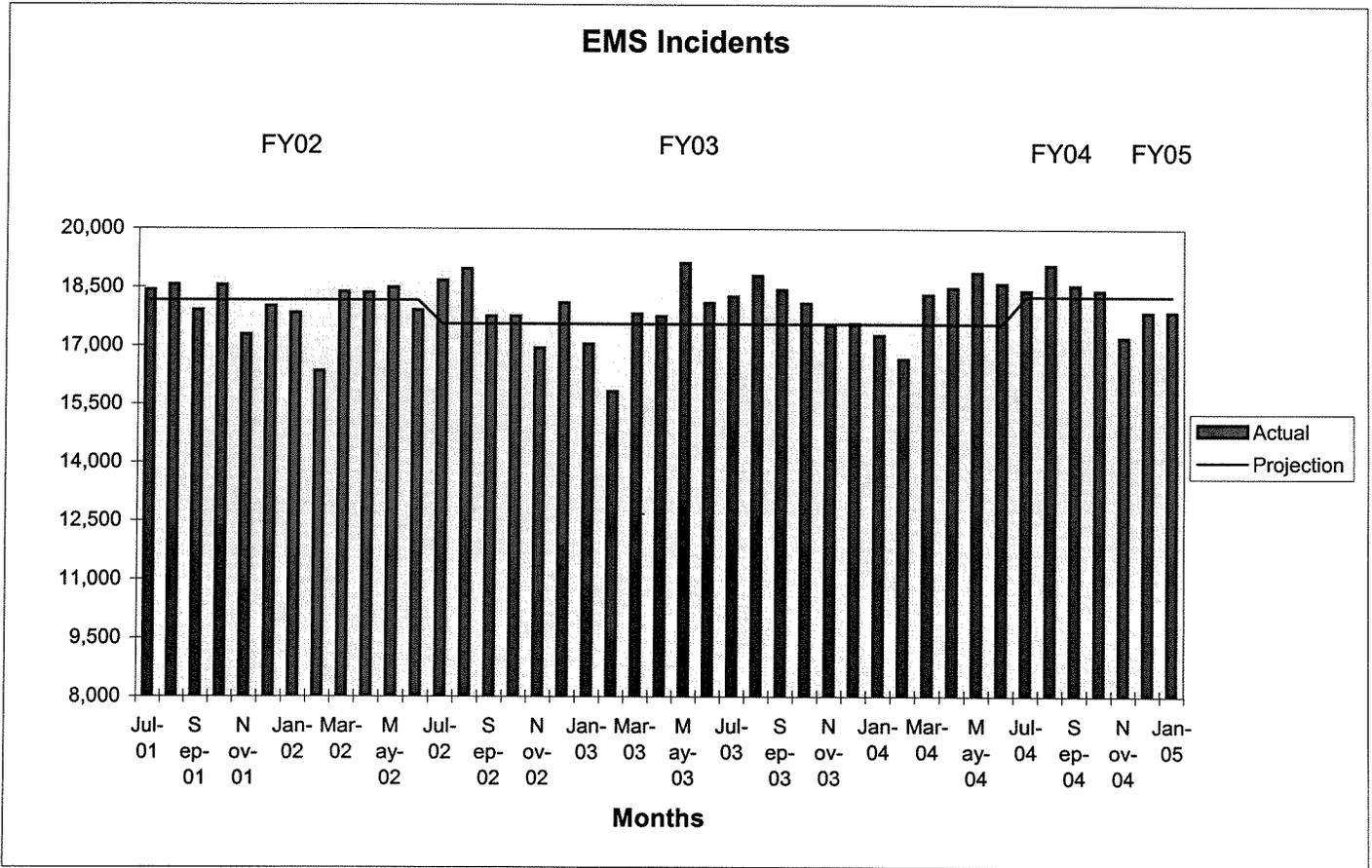


\*Excludes Delinquent Parking Collections

# TREND INDICATORS - MUNICIPAL COURTS

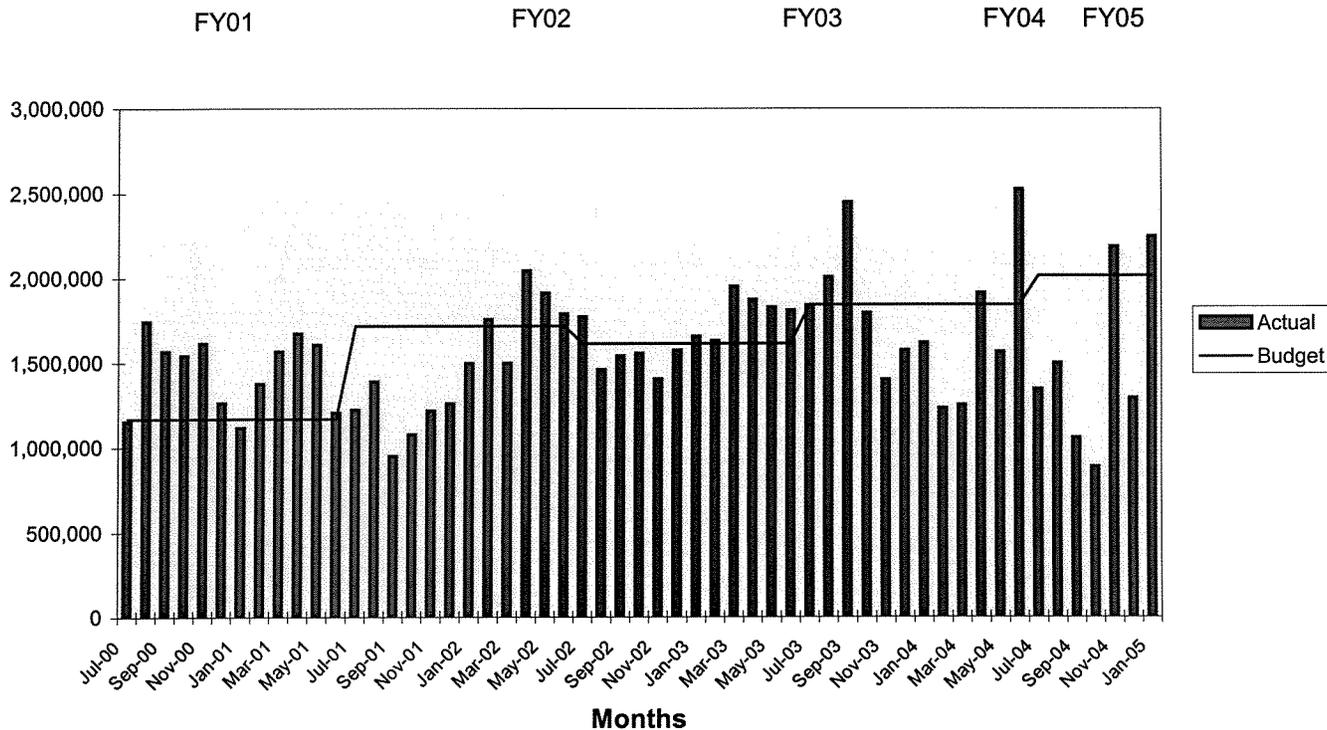


# TREND INDICATORS - AMBULANCE SERVICES

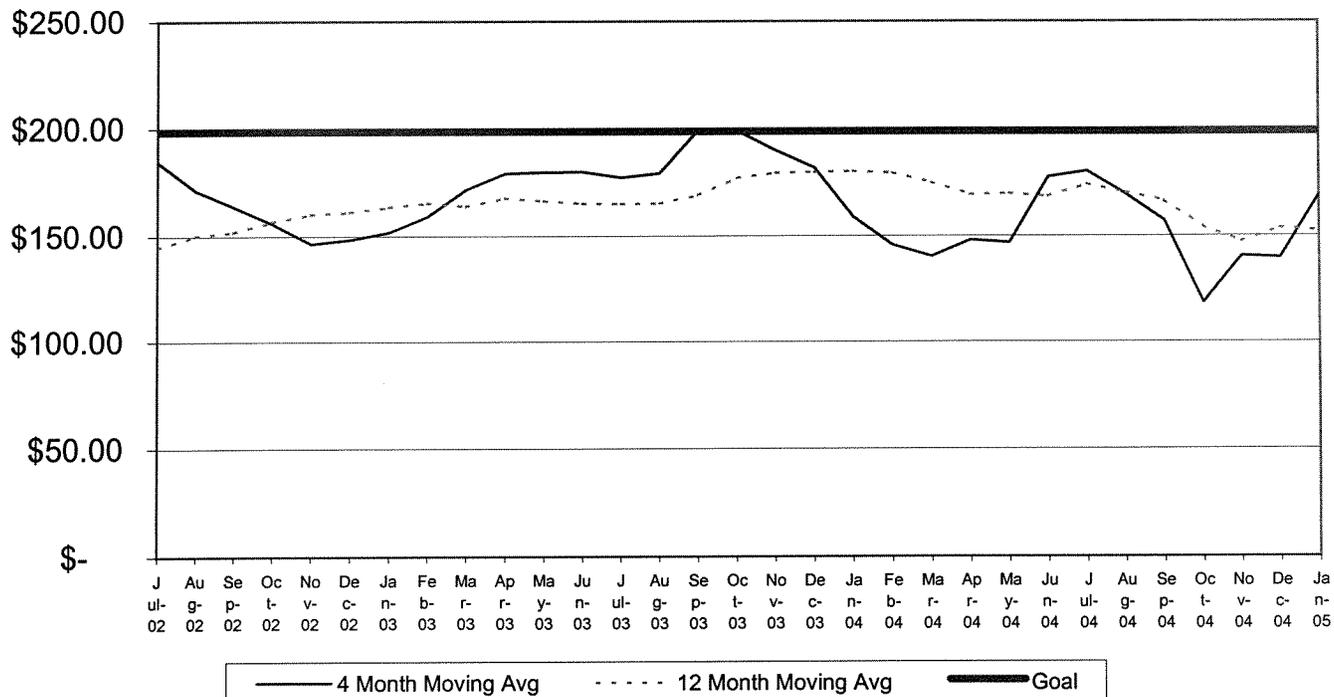


# TREND INDICATORS - AMBULANCE SERVICES

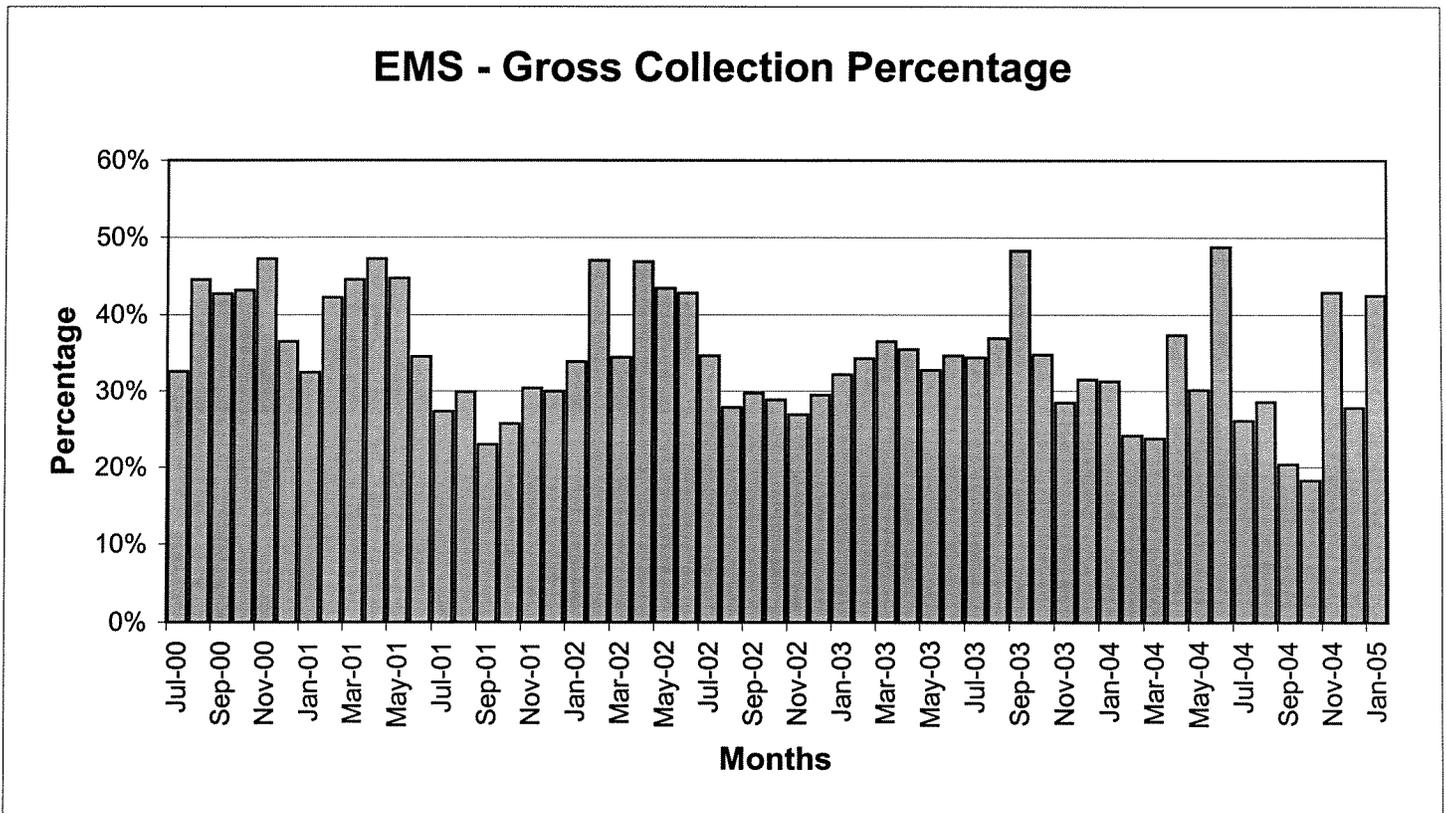
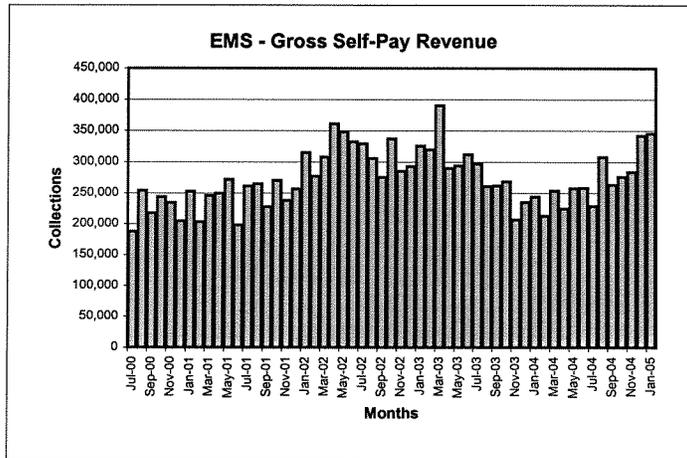
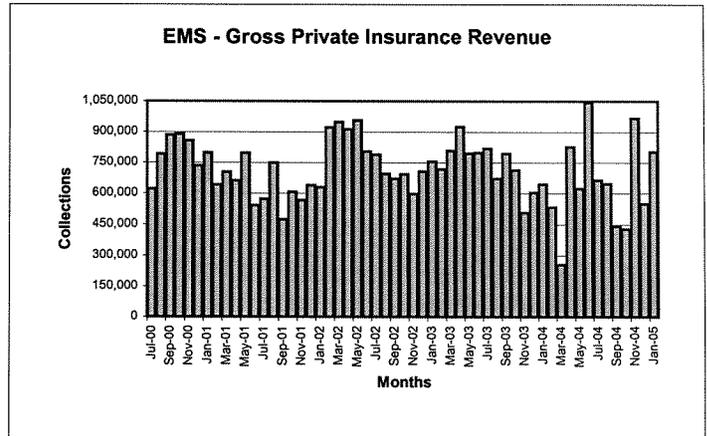
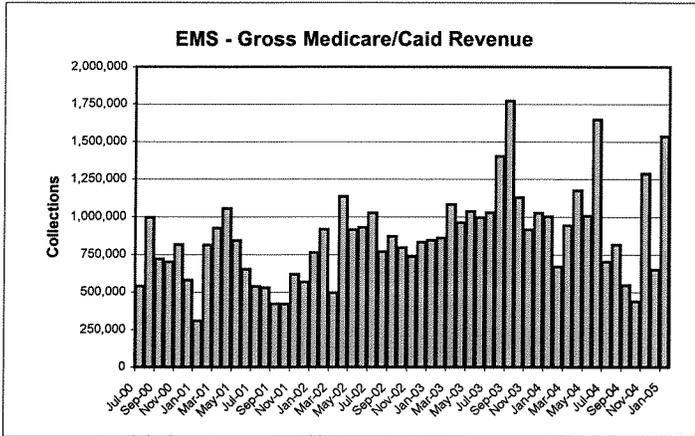
## EMS Revenue (Net Collections)



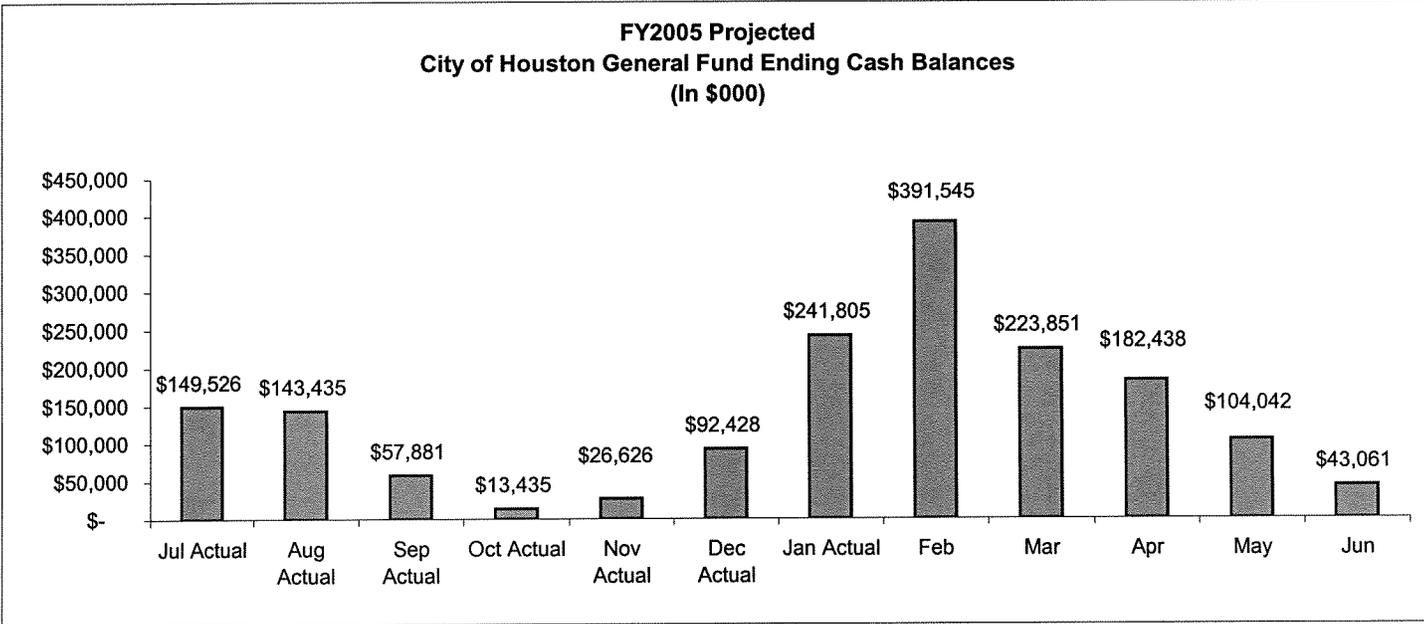
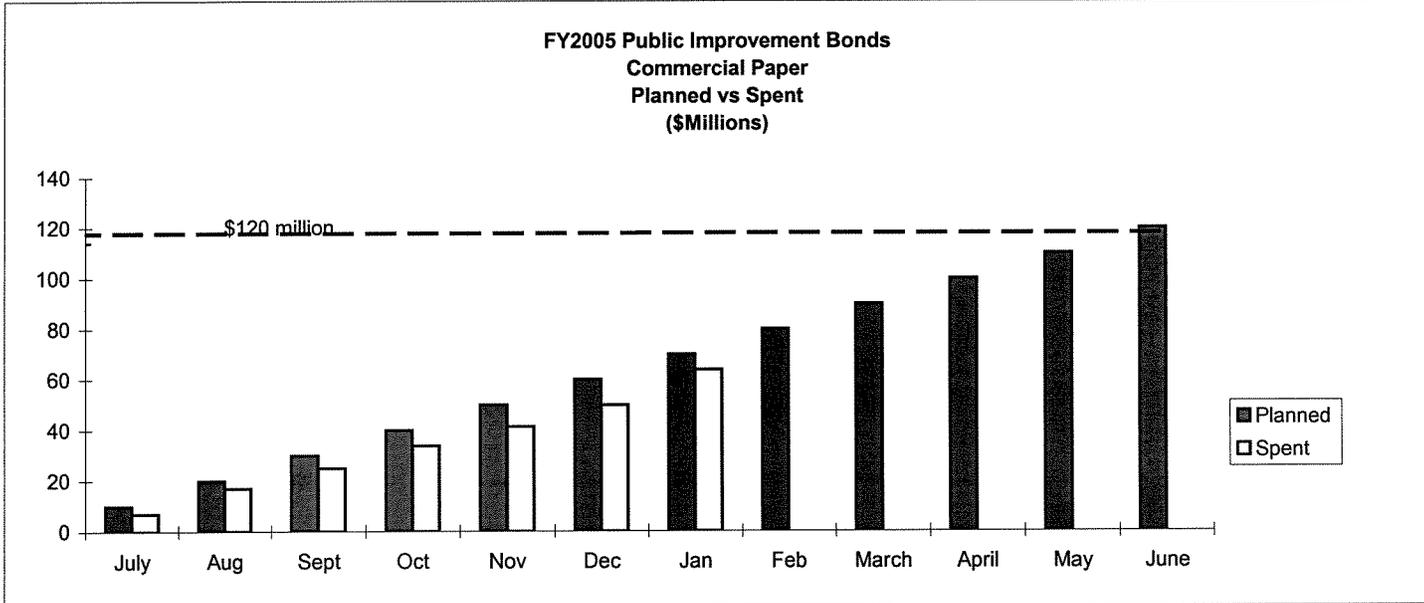
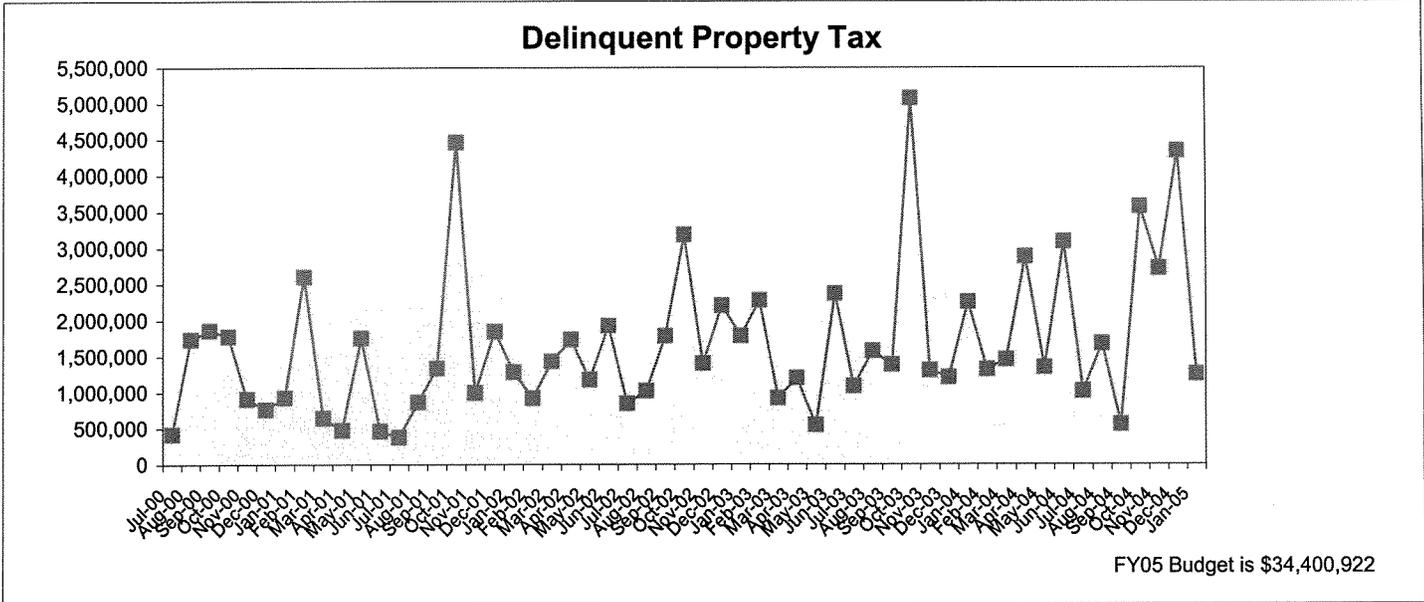
## 4 Month and 12 Month Moving Average EMS Revenue Per Transport



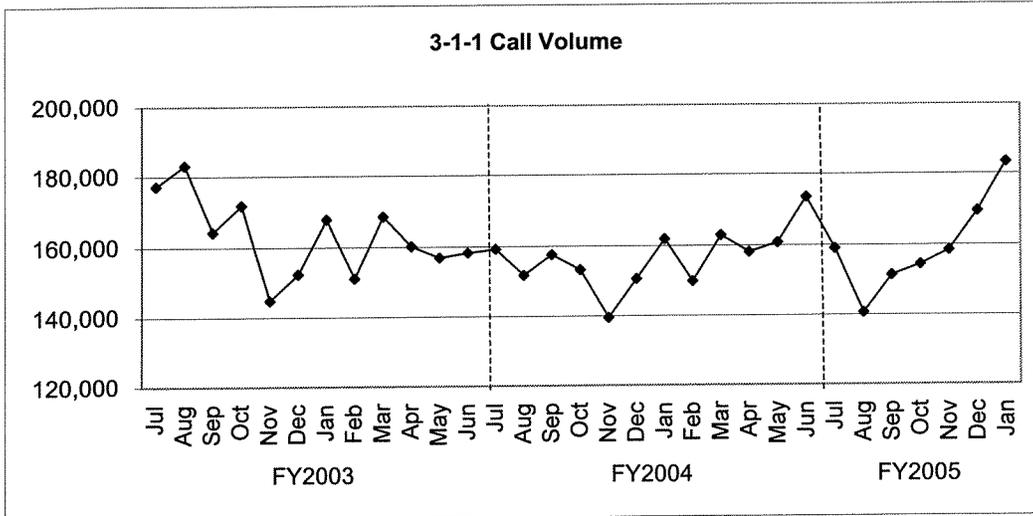
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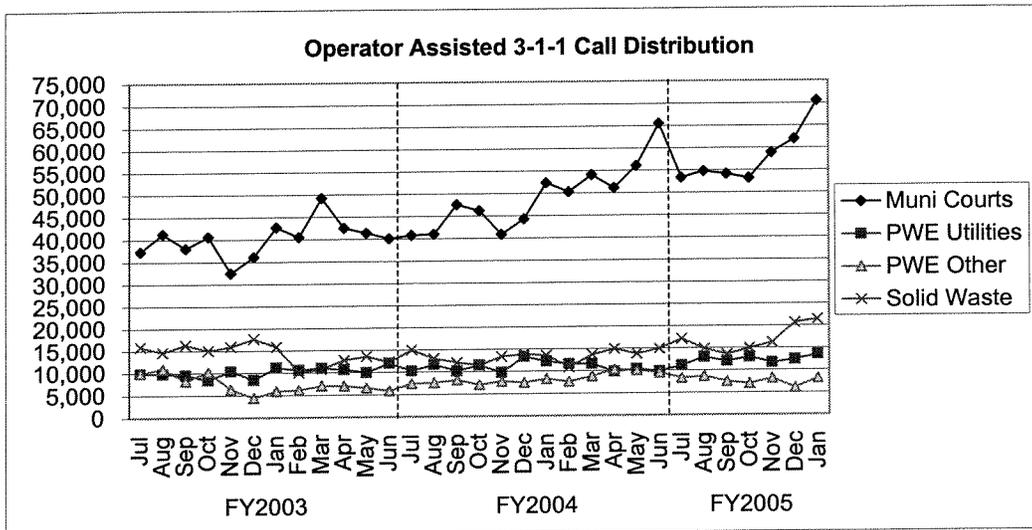
# TREND INDICATORS - MISCELLANEOUS



### TREND INDICATORS - MISCELLANEOUS



3-1-1 became fully operational in August 2001



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