

OFFICE OF CITY CONTROLLER
CITY OF HOUSTON
INTER OFFICE CORRESPONDENCE

To	Mayor Bill White City Council Members	From	Annise D. Parker City Controller
		Date	November 30, 2004
		Subject	October 2004 Financial Report

Attached is the Monthly Financial and Operations Report for the period ending October 31, 2004.

GENERAL FUND

We are currently projecting a \$25 million shortfall for the general fund in FY05, an increase of \$1.9 million from September 2004. We still believe that it is too early to predict changes on the revenue side. The only changes to the bottom line are in expenditures as follows:

- Municipal Courts – Justice has increased by \$119 thousand to reflect the termination pay related to the retirement of a Judge.
- Solid Waste is increasing by \$1.8 million due to an increase in the disposal contract and an increase in the cost of fuel.

Additionally, Neighborhood Protection's move from the Planning Department to the Police Department is now reflected in each department's Current Budget, with a net zero budget impact from the move.

ENTERPRISE FUNDS

There are no changes this month in our projections for Aviation and the Combined Utility System Fund.

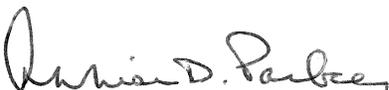
While there is no projected bottom line change for C&E, we are showing an offsetting increase in capital outlay and a decrease in interfund transfers of \$1.2 million for Phase 2 of the flood door project in the Theater District Parking Garage.

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	23.3%
Combined Utility System	18.4%
Aviation	17.1%
Convention and Entertainment	27.4%

Respectfully submitted,



Annise D. Parker
City Controller