

Monthly Financial and Operations Report
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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.

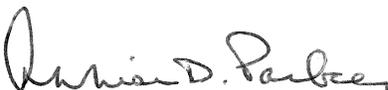
While there is no projected bottom line change for C&E, we are showing an offsetting increase in capital outlay and a decrease in interfund transfers of \$1.2 million for Phase 2 of the flood door project in the Theater District Parking Garage.

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



CITY OF HOUSTON

Finance and Administration
Department

Interoffice

Correspondence

To: Mayor Bill White
Members of City Council

From: Judy Gray Johnson, Director

Date: November 24, 2004

Subject: **October Monthly Financial
and Operations Report**

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

General Fund Revenues

We have made a few changes in our revenue estimates since last month's report.

Sales Taxes

Sales tax revenues continue to be strong. For the fiscal year to date, revenues are up 8.43% above the same period one year ago. We have increased our estimate for sales taxes for the year to \$373 million, an increase of \$1.452 million. We are still estimating the year-over-year revenue growth for the remainder of the year at 5¼%, but are increasing our estimate due to the higher-than-expected amounts already received this year.

Gas Franchise

We have increased our revenue estimate for natural gas franchise fees by \$432 thousand, due to the continued high natural gas prices.

The net effect of these changes is to increase our revenue estimate by \$1.884 million from last month.

There are other revenues we are watching, but have not changed our estimates at this time.

Ambulance revenue collections were very low in October, but have recovered significantly in the first few weeks of November and we think the budgeted revenues for the year can still be met.

Municipal Courts collections are still below budget for this fiscal year, due primarily to lower than expected moving violations. We have not changed the revenue estimate for the year because the significant changes being made in Municipal Courts' processes are expected to increase revenues over the next few months.

General Fund Expenditures

We have changed our expenditure estimates for two departments. Municipal Courts-Justice has a significant liability for termination pay for a judge who is retiring unexpectedly after many years of service and, as a result, could overspend the budget by \$119 thousand.

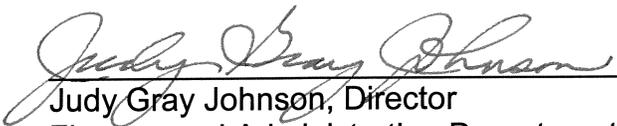
Solid Waste Management is projecting increased costs for fuel and for disposal contracts that have cost escalation factors based on fuel costs, which are projected at \$1.803 million over budget. While it is early in the year, and cost savings may yet occur to offset these increases, we wanted to bring these to the attention of City Council.

General Fund Balance

The changes in our estimates of revenues and expenditures are a net decrease of \$38 thousand. Our estimate of the ending fund balance has increased since last month, from \$85.3 million to \$89.3 million due to an increase in the estimated beginning fund balance for the fiscal year.

There are no significant changes in the other funds since last month.

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 October 31, 2004
(amounts expressed in thousands)

	Unaudited Preliminary FY2004	FY2005				F & A Projection	Variance between Controller and F&A
		Adopted Budget	Current Budget	% of Budget	Controller's Projection		
Revenues							
General Property Taxes	\$ 660,999	\$ 671,553	\$ 671,553	46%	\$ 668,416	\$ 672,804	4,388
Industrial Assessments	15,153	14,406	14,406	1%	14,400	14,406	6
Sales Tax	347,982	371,548	371,548	26%	367,600	373,000	5,400
Electric Franchise	76,394	77,384	77,384	5%	76,000	77,384	1,384
Telephone Franchise	52,926	51,000	51,000	4%	51,200	51,000	(200)
Gas Franchise	16,535	16,568	16,568	1%	16,600	17,000	400
Other Franchise	15,524	15,447	15,447	1%	15,400	15,447	47
Licenses and Permits	15,271	15,355	15,355	1%	15,200	15,355	155
Intergovernmental	19,524	30,664	30,664	2%	30,500	30,664	164
Charges for Services	40,526	41,534	41,534	3%	40,500	41,534	1,034
Direct Interfund Services	57,056	65,961	65,961	5%	65,961	65,961	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%	46,500	47,601	1,101
Other Fines and Forfeits	2,131	4,540	4,540	0%	2,300	4,540	2,240
Interest	5,130	5,000	5,000	0%	5,200	5,000	(200)
Miscellaneous/Other	15,977	11,939	11,939	1%	11,100	11,939	839
Total Revenues	<u>1,400,780</u>	<u>1,450,919</u>	<u>1,450,919</u>	<u>100%</u>	<u>1,437,296</u>	<u>1,454,054</u>	<u>16,758</u>
Expenditures							
Affirmative Action	1,655	1,632	1,632	0%	1,632	1,632	0
Building Services	24,554	23,253	22,942	2%	22,942	22,942	0
City Council	3,916	4,203	4,203	0%	4,203	4,203	0
City Secretary	777	707	707	0%	707	707	0
Controller	5,774	5,837	5,837	0%	5,837	5,837	0
Finance and Administration	18,624	19,806	20,117	1%	20,117	20,117	0
Fire	280,513	292,942	292,942	20%	292,942	292,942	0
Health and Human Services	50,873	49,430	49,430	3%	49,430	49,430	0
Human Resources	2,351	2,287	2,287	0%	2,287	2,287	0
Information Technology	12,443	12,394	12,394	1%	12,394	12,394	0
Legal	11,054	10,798	10,798	1%	10,798	10,798	0
Library	32,382	32,891	32,891	2%	32,891	32,891	0
Mayor's Office	1,822	1,768	1,805	0%	1,805	1,805	0
Municipal Courts - Administration	16,234	16,217	16,217	1%	16,217	16,217	0
Municipal Courts - Justice	3,942	3,992	3,992	0%	4,111	4,111	0
Parks and Recreation	43,050	46,993	46,956	3%	46,956	46,956	0
Planning and Development	13,966	13,456	7,169	0%	7,169	7,169	0
Police	470,865	516,002	522,289	36%	527,689	527,689	0
Public Works and Engineering	86,595	88,671	88,671	6%	88,671	88,671	0
Solid Waste Management	61,401	61,130	61,130	4%	62,933	62,933	0
Total Departmental Expenditures	<u>1,142,791</u>	<u>1,204,409</u>	<u>1,204,409</u>	<u>83%</u>	<u>1,211,731</u>	<u>1,211,731</u>	<u>0</u>
Non-Departmental Expenditures and Other Uses							
General Government	86,909	62,497	62,497	4%	64,412	64,412	0
Debt Service Transfer	165,000	188,000	188,000	13%	188,000	188,000	0
Total Non-Dept. Exp. and Other Uses	<u>251,909</u>	<u>250,497</u>	<u>250,497</u>	<u>17%</u>	<u>252,412</u>	<u>252,412</u>	<u>0</u>
Total Expenditures and Other Uses	<u>1,394,700</u>	<u>1,454,907</u>	<u>1,454,907</u>	<u>100%</u>	<u>1,464,144</u>	<u>1,464,144</u>	<u>0</u>
Net Current Activity	6,080	(3,988)	(3,988)		(26,848)	(10,090)	<u>16,758</u>
Amount Needed to Balance the Budget	-	-	-		24,848	-	
Transfers from other funds	6,800	3,500	3,500		2,000	3,500	
Disaster Recovery Fund Transfer	-	-	-		-	-	
Change in Reserve for Inventory	-	-	-		-	-	
Fund Balance, Beginning of Year	105,101	107,125	107,125		117,981	117,981	
Fund Balance, End of Year	<u>\$ 117,981</u>	<u>\$ 106,637</u>	<u>\$ 106,637</u>		<u>\$ 117,981</u>	<u>\$ 111,391</u>	
Designated for Sign Abatement	(2,074)	(2,074)	(2,074)		(2,074)	(2,074)	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)		(20,000)	(20,000)	
Undesignated Fund Balance, End of Year	<u>\$ 95,907</u>	<u>\$ 84,563</u>	<u>\$ 84,563</u>		<u>\$ 95,907</u>	<u>\$ 89,317</u>	

General Fund
Controller's Office
For the period ended October 31, 2004
(amounts expressed in thousands)

	Unaudited		FY2005					
	Preliminary FY2004	Adopted Budget	Current Budget	Current Month	YTD	Controller's Projection	Variance from Current Budget	% Variance
Revenues								
General Property Taxes	\$ 660,999	\$ 671,553	\$ 671,553	\$ 3,941	\$ 14,192	\$ 668,416	\$ (3,137)	-0.5%
Industrial Assessments	15,153	14,406	14,406	1,215	5,048	14,400	(6)	0.0%
Sales Tax	347,982	371,548	371,548	29,049	117,476	367,600	(3,948)	-1.1%
Electric Franchise	76,394	77,384	77,384	6,059	29,962	76,000	(1,384)	-1.8%
Telephone Franchise	52,926	51,000	51,000	5,307	18,184	51,200	200	0.4%
Gas Franchise	16,535	16,568	16,568	1,537	4,359	16,600	32	0.2%
Other Franchise	15,524	15,447	15,447	1,595	5,370	15,400	(47)	-0.3%
Licenses and Permits	15,271	15,355	15,355	1,138	4,649	15,200	(155)	-1.0%
Intergovernmental	19,524	30,664	30,664	2,174	2,669	30,500	(164)	-0.5%
Charges for Services	40,526	41,534	41,534	2,232	10,511	40,500	(1,034)	-2.5%
Direct Interfund Services	57,056	65,961	65,961	3,139	17,299	65,961	0	0.0%
Indirect Interfund Services	14,647	10,419	10,419	723	3,886	10,419	0	0.0%
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	3,456	13,560	46,500	(1,101)	-2.3%
Other Fines and Forfeits	2,131	4,540	4,540	210	749	2,300	(2,240)	-49.3%
Interest	5,130	5,000	5,000	187	1,246	5,200	200	4.0%
Miscellaneous/Other	15,977	11,939	11,939	894	2,789	11,100	(839)	-7.0%
Total Revenues	1,400,780	1,450,919	1,450,919	62,856	251,949	1,437,296	(13,623)	-0.9%
Expenditures								
Departmental								
Affirmative Action	1,655	1,632	1,632	142	533	1,632	0	0.0%
Building Services	24,554	23,253	22,942	1,940	6,711	22,942	0	0.0%
City Council	3,916	4,203	4,203	344	1,363	4,203	0	0.0%
City Secretary	777	707	707	52	213	707	0	0.0%
Controller	5,774	5,837	5,837	491	1,827	5,837	0	0.0%
Finance and Administration	18,624	19,806	20,117	1,630	6,264	20,117	0	0.0%
Fire	280,513	292,942	292,942	22,402	92,612	292,942	0	0.0%
Health and Human Services	50,873	49,430	49,430	4,354	17,176	49,430	0	0.0%
Human Resources	2,351	2,287	2,287	188	747	2,287	0	0.0%
Information Technology	12,443	12,394	12,394	977	3,708	12,394	0	0.0%
Legal	11,054	10,798	10,798	880	3,313	10,798	0	0.0%
Library	32,382	32,891	32,891	3,525	11,150	32,891	0	0.0%
Mayor's Office	1,822	1,768	1,805	258	730	1,805	0	0.0%
Municipal Courts - Administration	16,234	16,217	16,217	1,349	4,885	16,217	0	0.0%
Municipal Courts - Justice	3,942	3,992	3,992	319	1,293	4,111	(119)	-3.0%
Parks and Recreation	43,050	46,993	46,956	4,043	15,511	46,956	0	0.0%
Planning and Development	13,966	13,456	7,169	(364)	2,964	7,169	0	0.0%
Police	470,865	516,002	522,289	43,023	174,333	527,689	(5,400)	-1.0%
Public Works and Engineering	86,595	88,671	88,671	7,775	26,148	88,671	0	0.0%
Solid Waste Management	61,401	61,130	61,130	5,462	21,291	62,933	(1,803)	-2.9%
Total Departmental Expenditures	1,142,791	1,204,409	1,204,409	98,790	392,772	1,211,731	(7,322)	-0.6%
Non-Departmental Expenditures and Other Uses								
General Government	86,909	62,497	62,497	5,472	21,870	64,412	(1,915)	-3.1%
Debt Service Transfer	165,000	188,000	188,000	0	0	188,000	0	0.0%
Total Non-Dept. Exp. And Other Uses	251,909	250,497	250,497	5,472	21,870	252,412	(1,915)	-0.8%
Total Expenditures and Other Uses	1,394,700	1,454,907	1,454,907	104,262	414,642	1,464,144	(9,237)	-0.6%
Net Current Activity	6,080	(3,988)	(3,988)	(41,406)	(162,693)	(26,848)	22,860	
Amount Needed to Balance the Budget						24,848		
Transfers from other funds	6,800	3,500	3,500	0	-	2,000	85,410	
Disaster Recovery Fund Transfer	-	-	-	-	-	-		
Change in Reserve for Inventory	-	-	-	-	-	-		
Fund Balance, Beginning of Year	105,101	107,125	107,125	117,981	117,981	117,981	10,856	
Fund Balance, End of Year	117,981	106,637	106,637	76,576	(44,712)	117,981	119,126	
Designated for Sign Abatement	(2,074)	(2,074)	(2,074)	-	-	(2,074)	0	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)	-	-	(20,000)	0	
Undesignated Fund Balance, End of Year	\$ 95,907	\$ 84,563	\$ 84,563	\$ 76,576	\$ (44,712)	\$ 95,907	\$ 11,344	

General Fund
Finance and Administration
For the period ended October 31, 2004
(amounts expressed in thousands)

	Unaudited Preliminary FY2004	FY2005						
		Adopted Budget	Current Budget	Current Month	YTD	F & A Projection	Variance from Current Budget	% Variance
Revenues								
General Property Taxes	\$ 660,999	\$ 671,553	671,553	\$ 3,941	\$ 14,192	\$ 672,804	1,251	0.2%
Industrial Assessments	15,153	14,406	14,406	1,215	5,048	14,406	0	0.0%
Sales Tax	347,982	371,548	371,548	29,049	117,476	373,000	1,452	0.4%
Electric Franchise	76,394	77,384	77,384	6,059	29,962	77,384	0	0.0%
Telephone Franchise	52,926	51,000	51,000	5,307	18,184	51,000	0	0.0%
Gas Franchise	16,535	16,568	16,568	1,537	4,359	17,000	432	2.6%
Other Franchise	15,524	15,447	15,447	1,595	5,370	15,447	0	0.0%
Licenses and Permits	15,271	15,355	15,355	1,138	4,649	15,355	0	0.0%
Intergovernmental	19,524	30,664	30,664	2,174	2,669	30,664	0	0.0%
Charges for Services	40,526	41,534	41,534	2,232	10,511	41,534	0	0.0%
Direct Interfund Services	57,056	65,961	65,961	3,139	17,299	65,961	0	0.0%
Indirect Interfund Services	14,647	10,419	10,419	723	3,886	10,419	0	0.0%
Municipal Courts Fines and Forfeits	45,005	47,601	47,601	3,456	13,560	47,601	0	0.0%
Other Fines and Forfeits	2,131	4,540	4,540	210	749	4,540	0	0.0%
Interest	5,130	5,000	5,000	187	1,246	5,000	0	0.0%
Miscellaneous/Other	15,977	11,939	11,939	894	2,789	11,939	0	0.0%
Total Revenues	1,400,780	1,450,919	1,450,919	62,856	251,949	1,454,054	3,135	0.2%
Expenditures								
Departmental								
Affirmative Action	1,655	1,632	1,632	142	533	1,632	0	0.0%
Building Services	24,554	23,253	22,942	1,940	6,711	22,942	0	0.0%
City Council	3,916	4,203	4,203	344	1,363	4,203	0	0.0%
City Secretary	777	707	707	52	213	707	0	0.0%
Controller	5,774	5,837	5,837	491	1,827	5,837	0	0.0%
Finance and Administration	18,624	19,806	20,117	1,630	6,264	20,117	0	0.0%
Fire	280,513	292,942	292,942	22,402	92,612	292,942	0	0.0%
Health and Human Services	50,873	49,430	49,430	4,354	17,176	49,430	0	0.0%
Human Resources	2,351	2,287	2,287	188	747	2,287	0	0.0%
Information Technology	12,443	12,394	12,394	977	3,708	12,394	0	0.0%
Legal	11,054	10,798	10,798	880	3,313	10,798	0	0.0%
Library	32,382	32,891	32,891	3,525	11,150	32,891	0	0.0%
Mayor's Office	1,822	1,768	1,805	258	730	1,805	0	0.0%
Municipal Courts - Administration	16,234	16,217	16,217	1,349	4,885	16,217	0	0.0%
Municipal Courts - Justice	3,942	3,992	3,992	319	1,293	4,111	(119)	-3.0%
Parks and Recreation	43,050	46,993	46,956	4,043	15,511	46,956	0	0.0%
Planning and Development	13,966	13,456	7,169	(364)	2,964	7,169	0	0.0%
Police	470,865	516,002	522,289	43,023	174,333	527,689	(5,400)	-1.0%
Public Works and Engineering	86,595	88,671	88,671	7,775	26,148	88,671	0	0.0%
Solid Waste Management	61,401	61,130	61,130	5,462	21,291	62,933	(1,803)	-2.9%
Total Departmental Expenditures	1,142,791	1,204,409	1,204,409	98,790	392,772	1,211,731	(7,322)	-0.6%
Non-Departmental Expenditures and Other Uses								
General Government	86,909	62,497	62,497	5,472	21,870	64,412	(1,915)	-3.1%
Debt Service Transfer	165,000	188,000	188,000	0	0	188,000	0	0.0%
Total Non-Dept. Exp. and Other Uses	251,909	250,497	250,497	5,472	21,870	252,412	(1,915)	-0.8%
Total Expenditures and Other Uses	1,394,700	1,454,907	1,454,907	104,262	414,642	1,464,144	(9,237)	-0.6%
Net Current Activity	6,080	(3,988)	(3,988)	(41,406)	(162,693)	(10,090)	6,102	
Transfers from other funds	6,800	3,500	3,500	-	-	3,500	-	
Disaster Recovery Fund Transfer	-	-	-	-	-	-	-	
Change in Reserve for Inventory	-	-	-	-	-	-	-	
Fund Balance, Beginning of Year	105,101	107,125	107,125	117,981	117,981	117,981	10,856	
Fund Balance, End of Year	117,981	106,637	106,637	76,576	(44,712)	111,391	16,958	
Designated for Sign Abatement	(2,074)	(2,074)	(2,074)	-	-	(2,074)	-	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)	-	-	(20,000)	-	
Undesignated Fund Balance, End of Year	\$ 95,907	\$ 84,563	\$ 84,563	\$ 76,576	\$ (44,712)	\$ 89,317	\$ 4,754	

General Fund
General Government
For the period ended October 31, 2004
(amounts expressed in thousands)

	Unaudited Preliminary FY2004	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	1,157	4,487	32.8%	13,667	13,667
Pension-Police	0	(22,905)	(22,905)	0	0	0.0%	(22,905)	(22,905)
Insurance-Classified (Retirees)	14,705	16,042	16,042	1,320	5,202	32.4%	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
Total Personnel Services	26,581	(191)	(191)	2,477	9,689	-5072.8%	(191)	(191)
Insurance Fees	1,191	1,470	1,470	30	36	2.4%	1,470	1,470
Accounting and Auditing Svcs	865	608	608	224	224	36.8%	826	826
Advertising Svcs	167	200	200	7	37	18.5%	200	200
Legal Services	2,412	2,262	2,262	25	575	25.4%	2,262	2,262
Management Consulting Svcs.	1,106	372	372	56	101	27.2%	372	372
Misc Support Svcs	236	280	280	0	0	0.0%	280	260
Real Estate Lease	9,069	9,228	9,228	0	0	0.0%	9,228	9,228
Parking Space Rental	1	0	0	16	46	0.0%	0	0
METRO Commuter Passes	541	645	645	18	309	47.9%	645	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	758	1,592	12.1%	13,128	13,128
Print Shop Services	0	0	0	0	0	0.0%	0	0
Printing and Reproduction Svcs.	8	0	0	0	0	0.0%	0	0
Tax Appraisal Fees	5,082	5,489	5,489	0	1,251	22.8%	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	828	834	83.4%	1,600	1,600
Claims and Judgments	4,550	6,000	6,000	308	1,269	21.2%	6,000	6,000
Contingency/Reserve	0	0	0	0	0	0.0%	0	0
Zoo Contract	7,372	7,494	7,494	624	2,498	33.3%	7,494	7,494
Misc Other Services and Charges	1,967	2,473	2,473	0	0	0.0%	2,324	2,351
Membership and Professional Fees	649	780	780	101	131	16.8%	780	780
Mgmt Initiative Savings	0	0	0	0	0	0.0%	0	0
Total Other Services and Charges	48,537	52,679	52,679	2,995	9,653	18.3%	53,348	53,348
Other Financing Uses								
Debt Service-Interest	1,793	2,000	2,000	0	251	12.6%	3,246	3,246
Transfers to General Fund	0	0	0	0	0	0.0%	0	0
Transfers to Conv & Entertain	163	350	350	0	0	0.0%	350	350
Transfers to Special Revenues	9,835	7,659	7,659	0	2,277	29.7%	7,659	7,659
Total Other Financing Uses	11,791	10,009	10,009	0	2,528	25.3%	11,255	11,255
Total General Government	86,909	62,497	62,497	5,472	21,870	35.0%	64,412	64,412
Debt Service Transfers								
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
Total Debt Service Transfers	165,000	188,000	188,000	0	0	0.0%	188,000	188,000
Total Non-Dept. Exp and Other Uses	\$ 251,909	\$ 250,497	\$ 250,497	\$ 5,472	\$ 21,870	8.7%	\$ 252,412	\$ 252,412

Aviation Operating Fund
For the period ended October 31, 2004
(amounts expressed in thousands)

	Preliminary FY2004	FY2005				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
Operating Revenues						
Landing Area	\$ 58,039	\$ 97,754	\$ 97,754	20,831	\$ 97,754	\$ 97,754
Bldg and Ground Area	118,456	146,739	146,739	41,672	146,739	146,739
Parking and Concession	93,973	92,128	92,128	33,397	92,128	92,128
Other	3,175	1,289	1,289	827	1,289	1,289
Total Operating Revenues	<u>273,643</u>	<u>337,910</u>	<u>337,910</u>	<u>96,727</u>	<u>337,910</u>	<u>337,910</u>
Operating Expenses						
Personnel	64,804	69,217	69,217	22,101	69,217	69,217
Supplies	4,516	5,932	5,932	1,764	5,932	5,932
Services	98,253	112,555	112,555	31,545	112,555	112,555
Non-Capital Outlay	401	830	830	203	830	830
Total Operating Expenses	<u>167,974</u>	<u>188,534</u>	<u>188,534</u>	<u>55,613</u>	<u>188,534</u>	<u>188,534</u>
Operating Income (Loss)	<u>105,669</u>	<u>149,376</u>	<u>149,376</u>	<u>41,114</u>	<u>149,376</u>	<u>149,376</u>
Nonoperating Revenues (Expenses)						
Interest Income	8,406	8,700	8,700	2,798	8,700	8,700
Other	48	0	0	33	0	0
Total Nonoperating Rev (Exp)	<u>8,454</u>	<u>8,700</u>	<u>8,700</u>	<u>2,831</u>	<u>8,700</u>	<u>8,700</u>
Income (Loss) Before Operating Transfers	<u>114,123</u>	<u>158,076</u>	<u>158,076</u>	<u>43,945</u>	<u>158,076</u>	<u>158,076</u>
Operating Transfers						
Interfund Transfer - Oper Reserve	3,726	3,000	3,000	0	3,000	3,000
Debt Service Principal	18,865	25,165	25,165	8,388	25,165	25,165
Debt Service Interest	24,257	84,802	84,802	21,630	84,802	84,802
Renewal and Replacement	0	500	500	0	500	500
Capital Improvement	49,317	44,609	44,609	12,951	44,609	44,609
Total Operating Transfers	<u>96,165</u>	<u>158,076</u>	<u>158,076</u>	<u>42,969</u>	<u>158,076</u>	<u>158,076</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 17,958</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>976</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, the Central Business District Heliport, 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 October 31, 2004
(amounts expressed in thousands)

	Unaudited Preliminary 2004	Adopted Budget	Current Budget	FY2005		
				YTD	Controllers Projection	F & A Projection
Operating Revenues						
Facility Rentals	\$ 5,177	\$ 5,094	\$ 5,094	\$ 2,043	\$ 5,088	\$ 5,088
Parking	9,091	10,499	10,499	2,046	9,745	9,745
Food and Beverage Concessions	1,840	2,346	2,346	498	2,352	2,352
Contract Cleaning	176	246	246	71	246	246
Total Operating Revenues	<u>16,284</u>	<u>18,185</u>	<u>18,185</u>	<u>4,658</u>	<u>17,431</u>	<u>17,431</u>
Operating Expenses						
Personnel	6,640	6,010	6,096	2,102	6,096	6,096
Supplies	468	533	494	169	494	494
Services	20,017	23,295	23,210	5,119	23,210	23,210
Total Operating Expenses	<u>27,125</u>	<u>29,838</u>	<u>29,800</u>	<u>7,390</u>	<u>29,800</u>	<u>29,800</u>
Operating Income (Loss)	<u>(10,841)</u>	<u>(11,653)</u>	<u>(11,615)</u>	<u>(2,732)</u>	<u>(12,369)</u>	<u>(12,369)</u>
Nonoperating Revenues (Expenses)						
Hotel Occupancy Tax						
Current	44,993	44,000	44,000	16,014	44,000	44,000
Delinquent	1,149	900	900	372	900	900
Advertising Services	(9,545)	(10,120)	(10,120)	(2,707)	(10,120)	(10,120)
Promotion Contracts	(7,885)	(8,360)	(8,360)	(2,237)	(8,360)	(8,360)
Contracts/Sponsorships	(3,184)	(2,192)	(2,192)	(621)	(2,192)	(2,192)
Net Hotel Occupancy Tax	<u>25,528</u>	<u>24,228</u>	<u>24,228</u>	<u>10,821</u>	<u>24,228</u>	<u>24,228</u>
Interest Income	917	1,050	1,050	308	1,050	1,050
Capital Outlay	(449)	(5,379)	(4,104)	(174)	(4,104)	(4,104)
Non-Capital Outlay	14	(59)	(63)	(3)	(63)	(63)
Other Interest	(104)	(550)	(550)	0	(550)	(550)
Other	(4,572)	60	60	557	557	557
Total Nonoperating Rev (Exp)	<u>21,334</u>	<u>19,350</u>	<u>20,621</u>	<u>11,509</u>	<u>21,118</u>	<u>21,118</u>
Income (Loss) Before Operating Transfers	<u>10,493</u>	<u>7,697</u>	<u>9,006</u>	<u>8,777</u>	<u>8,749</u>	<u>8,749</u>
Operating Transfers						
Transfers for Interest	6,064	7,100	7,100	2,003	7,100	7,100
Transfers for Principal	6,536	6,900	6,900	1,928	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)	0	(2,500)	(2,500)
Total Operating Transfers	<u>10,540</u>	<u>11,500</u>	<u>12,809</u>	<u>5,240</u>	<u>12,809</u>	<u>12,809</u>
Net Income (Loss)						
Operating Fund Only	\$ <u>(47)</u>	\$ <u>(3,803)</u>	\$ <u>(3,803)</u>	\$ <u>3,537</u>	\$ <u>(4,060)</u>	\$ <u>(4,060)</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 October 31, 2004
(amounts expressed in thousands)

	Unaudited	FY2005				
	Preliminary FY2004	Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
Operating Revenues						
Water Sales	\$ 265,272	\$ 311,068	\$ 311,068	\$ 109,999	\$ 311,068	\$ 311,068
Sewer Sales	257,224	299,253	299,253	101,263	299,253	299,253
Penalties	4,150	3,741	3,741	1,712	3,741	3,741
Other	4,562	4,360	4,360	1,548	4,360	4,360
Total Operating Revenues	<u>531,208</u>	<u>618,422</u>	<u>618,422</u>	<u>214,522</u>	<u>618,422</u>	<u>618,422</u>
Operating Expenses						
Personnel	124,193	122,241	122,241	37,978	122,387	122,387
Supplies	23,141	26,007	26,007	8,455	25,922	25,922
Electricity and Gas	35,200	47,169	47,169	13,951	47,108	47,108
Contracts & Other Payments	70,149	92,013	92,013	23,027	92,013	92,013
Total Operating Expenses	<u>252,683</u>	<u>287,430</u>	<u>287,430</u>	<u>83,411</u>	<u>287,430</u>	<u>287,430</u>
Operating Income (Loss)	<u>278,525</u>	<u>330,992</u>	<u>330,992</u>	<u>131,111</u>	<u>330,992</u>	<u>330,992</u>
Nonoperating Revenues (Expenses)						
Interest Income	13,461	5,161	5,161	2,628	5,161	5,161
Sale of Property, Mains and Scrap	596	508	508	407	545	545
Other	70,832	7,863	7,863	713	7,863	7,863
Impact Fees	0	14,000	14,000	7,056	14,000	14,000
HAWC	(2,237)	(4,608)	(4,608)	(1,677)	(4,608)	(4,608)
CWA & TRA Contracts (P & I)	(31,454)	(32,317)	(32,317)	(15,831)	(32,317)	(32,317)
Total Nonoperating Rev (Exp)	<u>51,198</u>	<u>(9,393)</u>	<u>(9,393)</u>	<u>(6,704)</u>	<u>(9,356)</u>	<u>(9,356)</u>
Income (Loss) Before Operating Transfers	<u>329,723</u>	<u>321,599</u>	<u>321,599</u>	<u>124,407</u>	<u>321,636</u>	<u>321,636</u>
Operating Transfers						
Debt Service Principal	67,492	12,675	12,675	4,676	12,675	12,675
Debt Service Interest	154,238	179,902	179,902	22,452	179,902	179,902
Discretionary Debt	29,572	28,934	28,934	5,628	28,934	28,934
Other Contractual Obligations	0	474	474	0	474	474
Equipment Acquisition	8,145	17,862	17,862	1,668	17,862	17,862
CUS General Purpose Fund	0	49,752	49,752	79,983	49,789	49,789
Transfer to General Fund	0	2,000	2,000	0	2,000	2,000
Transfer to Combined Utility System	60,176	0	0	0	0	0
Transfer to Stormwater	10,100	30,000	30,000	10,000	30,000	30,000
Total Operating Transfers	<u>329,723</u>	<u>321,599</u>	<u>321,599</u>	<u>124,407</u>	<u>321,636</u>	<u>321,636</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>

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 October 31, 2004
(amounts expressed in thousands)

	Unaudited Preliminary FY2004	FY2005			
		Adopted Budget	YTD	Controller's Projection	F&A Projection
Revenues					
Miscellaneous	\$ 164	\$ 145	\$ 27	\$ 145	\$ 145
Total Revenues	<u>164</u>	<u>145</u>	<u>27</u>	<u>145</u>	<u>145</u>
Expenditures					
Personnel	14,954	17,492	5,357	17,492	17,492
Supplies	1,226	1,290	402	1,290	1,290
Other Services	10,010	11,142	2,182	11,142	11,142
Capital Outlay	862	131	58	131	131
Total Expenditures	<u>27,052</u>	<u>30,055</u>	<u>7,999</u>	<u>30,055</u>	<u>30,055</u>
Other Financing Sources (Uses)					
Interest Income	221	310	17	310	310
Operating Transfers In	10,100	30,000	10,000	30,000	30,000
Operating Transfers Out	0	(400)	0	(400)	(400)
Total Other Financing Sources (Uses)	<u>10,321</u>	<u>29,910</u>	<u>10,017</u>	<u>29,910</u>	<u>29,910</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)					
	(16,567)	0	2,044	0	0
Fund Balance, Beginning of Year	<u>18,778</u>	<u>2,212</u>	<u>2,211</u>	<u>2,211</u>	<u>2,211</u>
Fund Balance, End of Year	<u>\$ 2,211</u>	<u>\$ 2,212</u>	<u>\$ 4,255</u>	<u>\$ 2,211</u>	<u>\$ 2,211</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 October 31, 2004
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY05 <small>(millions)</small>	Draws in October <small>(millions)</small>	(Refunded) Increased Authorization <small>(millions)</small>	Amount Available to be Drawn <small>(millions)</small>	Amount Outstanding <small>(millions)</small>
General Obligation					
<i>(Series A & B)</i>					
<i>Public Improvement Bonds</i>	\$ 8.50	\$ 4.00	\$ 0.00	\$ 47.50	\$ 330.80
<i>(Series D)</i>	25.00	0.00	110.00	290.00	95.00
<i>(Series E)</i>					
<i>Equipment</i>	20.00	10.00		36.90	42.10
<i>Metro Street Projects</i>	4.00	0.00		54.49	8.51
<i>Cotswold Project</i>	0.00	0.00		4.01	3.49
<i>Downtown Streetscape</i>	0.00	0.00		0.10	5.40
<i>(Series F) Drainage</i>	0.00	0.00		139.50	0.00
Total General Obligation	57.50	14.00	110.00	572.50	485.30
Combined Utility System <i>(Series A)</i>	30.00	20.00	(40.00)	870.00	30.00
Airport System <i>(Series A, B, & C)</i>	5.00	0.00		275.00	25.00
Convention & Entertainment <i>(Series A)</i>	0.00	0.00		52.50	22.50
Totals	\$ <u>92.50</u>	\$ <u>34.00</u>	\$ <u>70.00</u>	\$ <u>1,770.00</u>	\$ <u>562.80</u>

City of Houston, Texas
Summarized Construction/Bond Fund Status Report
For the period ended October 31, 2004
(amounts expressed in thousands)

Purpose	Available for Appropriation
Equipment and Miscellaneous	
Total Dangerous Building Funds	\$ 50
Total Equipment Acquisition Funds	3,028
Certificates of Obligation Lamar Terrace 2000A	329
Total Equipment and Miscellaneous	3,406
 Public Improvement	
Total Fire Department	16,005
Total Housing	3,523
Total General Improvement	11,968
Total Public Health and Welfare	7,607
Total Public Library	12,735
Total Parks and Recreation	16,081
Total Police Department	14,811
Total Solid Waste	3,048
Total Storm Sewer	129,591
Total Street & Bridge	126,909
Total Public Improvement	342,277
 Airport	
Total Airport	408,417
 Convention and Entertainment Facilities	
Total Convention and Entertainment	57,053
 Combined Utility System	
Total Combined Utility System	366,365
Total All Purposes	\$ 1,177,518

City of Houston, Texas
Total Outstanding Debt
October 31, 2004 and October 31, 2003
(amounts expressed in thousands)

	October 31, 2004	October 31, 2003
Payable from Ad Valorem Taxes		
Tax Bonds (a)		
Public Improvement Bonds	\$ 1,556,435	\$ 1,653,675
GO Commercial Paper Notes (b)	485,300	330,800
Judgment Bonds	0	1,365
Certificates of Obligations (c)	33,519	41,738
Assumed Bonds	11,975	17,442
Subtotal	\$ 2,087,229	\$ 2,045,020
Payable from Sources Other Than Ad Valorem Taxes		
Combined Utility System Bonds		
Combined Utility System Revenue Bonds	\$ 3,029,170	\$ 0
Combined Utility System Commercial Paper Notes (d)	30,000	0
Water and Sewer System Revenue Bonds (e)	1,045,499	3,427,569
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)	25,000	0
Airport Special Facilities Revenue Bonds	675,795	680,250
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds (h)	607,730	614,319
Hotel Occupancy Tax Commercial Paper (i)	22,500	22,500
Contract Revenue Obligations - CWA, HAWC, TRA	391,730	367,450
Subtotal	\$ 7,999,939	\$ 7,908,718
Total Debt Payable by the City	\$ 10,087,168	\$ 9,953,738

- (a) As of the date above, the amount of tax bonds authorized by voters in 1997 but unissued totals \$47.5 million of which \$47.5 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 \$290 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: \$279 million; B: \$99.3 million; D: \$385 million; E: \$155 million; and F: \$139.5 million. As of the date above, the following amounts were outstanding: Series A: \$257.3 million, B: \$73.5 million, D: \$95 million, E: \$59.5 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 \$60.1 million accreted value of capital appreciation bonds, or 7.0% of face value.
- (f) The City discontinued Water and Sewer Commercial Paper programs in June 2004 upon 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**

31-Oct-04

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	10,568
Police Plan					
General Fd. & Other Fds.	36,645	Note 1	9.0%	13,780	13,780
Pension Bonds		Note 1		22,865	
	<u>36,645</u>			<u>36,645</u>	<u>13,780</u>
Municipal Plan					
General Fund	31,915	Note 2	5.0%	10,550	10,257
Other Funds	26,148	Note 2	5.0%	22,450	8,498
Pension Bonds				33,000	
Total Municipal Plan (Note 2)	<u>58,063</u>			<u>66,000</u>	<u>18,755</u>
Total All Three Plans	<u>123,033</u>			<u>134,821</u>	<u>43,103</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

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

Note 3: Towers Perrin estimate dated September 15, 2004

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

**DEPARTMENTAL PERFORMANCE MEASURES
FOR THE MONTH ENDING OCTOBER 31, 2004 (33.33% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
AFFIRMATIVE ACTION						
Applications Processed	1,950	712	36.5%	2,100	664	31.6%
Days to Process New Applicants	40	36	90.0%	21	61	N/A
Field Audits	1,711	749	43.8%	2,300	536	23.3%
Payrolls Audited	26,449	7,500	28.4%	14,300	5,135	35.9%
SBE/MWDBE Owners Trained	7,107	1,269	17.9%	4,100	2,217	54.1%
City Employees Trained	3,659	747	20.4%	1,500	913	60.9%
MOPD Citizens Assistance Request	3,771	1,173	31.1%	3,000	1,652	55.1%
OSBC Getting Started Packets Distributed	8,350	3,058	36.6%	8,500	2,366	27.8%
MWBE Monitoring Correspondence	NA	NA	NA	20,000	17,156	85.8%
AVIATION						
Passenger Enplanements	21,768,074	7,465,226	34.3%	21,567,000	12,764,000	59.2%
Cargo Tonnage	771,715,260	244,106,262	31.6%	778,913,000	251,559,000	32.3%
Cost per Enplanement	\$7.35	\$7.06	NA	\$7.24	\$8.72	N/A
Complaints per 100,000 Enplanements	0.85	0.79	NA	0.80	Data not available	N/A
BUILDING SERVICES						
Design & Construction						
Days to issue Notice to Proceed (NTP)	20.0	17.3	86.5%	18	34.3	190.6%
Property Mgmt. (Work Orders Compl.)	17,745	5,239	29.5%	17,700	6,069	34.3%
Security Management						
Number of Reported Incidents Investigated upon Receipt	295	90	30.5%	350	110	31.4%
CONVENTION & ENTERTAINMENT FACILITIES						
Days Booked-GRB Convention Center	1,835	430	23.4%	2,430	1,379	56.7%
Days Booked-Wortham Theatre Center	518	181	34.9%	485	132	27.2%
Days Booked-Jones Hall	338	158	46.7%	290	140	48.3%
Occupancy Days-GRB Convention Center	1,640	543	33.1%	1,965	827	42.1%
Occupancy Days-Wortham Theatre Center	467	108	23.1%	444	137	30.9%
Occupancy Days-Jones Hall	254	49	19.3%	247	77	31.2%
Occupancy Days-Theatre District Parks Hall	168	55	32.7%	166	49	29.5%
Customer Satisfaction (Periodic)-GRB Convention Center	94.3%	94.1%	NA	94.0%	90.5%	N/A
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.9%	94.9%	NA	94.0%	93.8%	N/A
Customer Satisfaction (Periodic)-Jones Hall	97.9%	83.1%	NA	95.0%	100.0%	N/A
Customer Satisfaction (Periodic)-Houston Center	93.4%	92.0%	NA	97.0%	95.7%	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 OCTOBER 31, 2004 (33.33% OF FISCAL YEAR)**

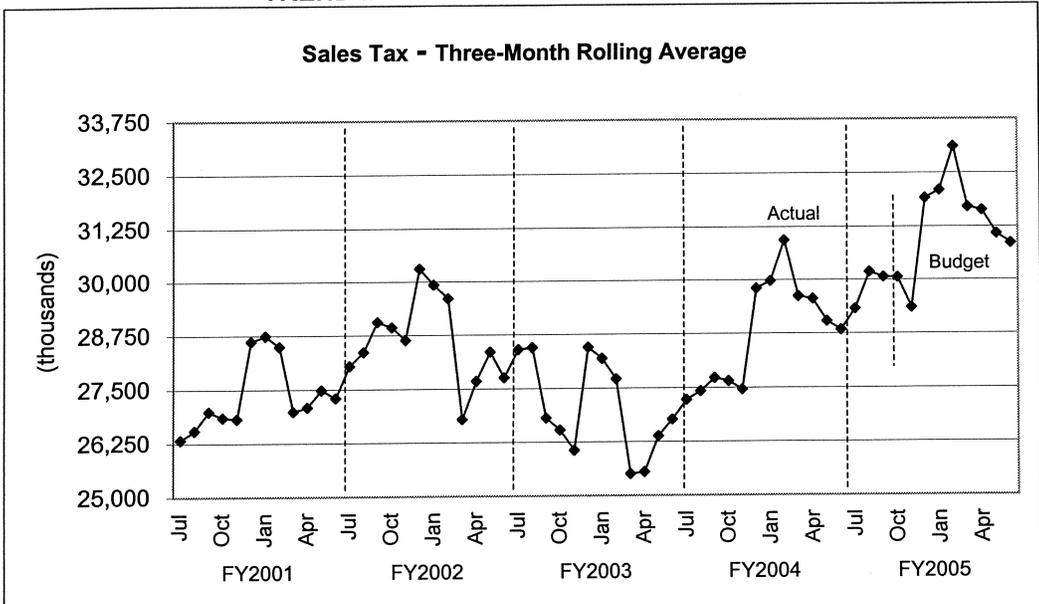
Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
FINANCE & ADMINISTRATION						
Avg Days to Award Procurement Contracts	158	142	NA	160	134	NA
3-1-1 Avg Time Customer in Queue (seconds)	66.83	83.00	NA	95.00	124.00	NA
Liens Collections	\$2,579,385	\$976,355	37.9%	\$2,419,501	\$1,371,258	56.7%
Ambulance Revenue per Transport	\$173.90	\$198.73	114.3%	\$198.57	\$118.50	59.7%
Cable Company Complaints	734	173	23.6%	682	201	29.5%
Deferred Compensation Participation	63.72%	61.08%	NA	66.00%	65.07%	NA
Audits Completed	17	7	41.2%	23	9	39.1%
FIRE DEPARTMENT *						
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
HEALTH & HUMAN SERVICES						
Environmental Inspections	74,281	24,751	33.3%	72,740	23,428	32.2%
First Trimester Prenatal Enrollment	40.6%	45.1%	N/A	41.0%	39.4%	N/A
WIC Client Satisfaction	95.0%	92.9%	N/A	95.0%	95.0%	N/A
Immunization Compliance (2 Yr. Olds)	88.0%	81.0%	N/A	90.0%	88.0%	N/A
TB Therapy Completed	92.1%	91.4%	N/A	91.4%	92.1%	N/A
HOUSING						
Housing Units Assisted	5,000	2,575	51.5%	5,000	1,567	31.3%
Council Actions on HUD Projects	75	28	37.3%	75	33	44.0%
Annual Spending (Millions)	\$55	\$19	34.5%	\$55	\$14	25.5%
HUMAN RESOURCES						
Total Jobs Filled-(As Vacancies Occur)	4,206	1,350	32.1%	4,500	1,722	38.3%
Days to Fill Jobs	60	60	100.0%	60	60	100.0%
Training Courses Conducted	151	43	28.5%	150	36	24.0%
Lost Time Injuries (As They Occur)	218	85	39.0%	447	107	23.9%
LEGAL						
Deed Restriction Complaints Received	734	271	36.9%	701	241	34.4%
Deed Restriction Lawsuits Filed	26	11	42.3%	32	3	9.4%
Deed Restriction Warning Letters Sent	245	76	31.0%	236	146	61.9%
LIBRARY						
Total Circulation	5,929,474	2,115,427	35.7%	5,380,003	1,980,327	36.8%
Juvenile Circulation	2,975,755	1,077,566	36.2%	2,784,085	1,021,661	36.7%
Customer Satisfaction (Three/Year)	83%	81%	97.6%	85%	88%	103.5%
Reference Questions Answered	2,881,992	987,458	34.3%	2,428,267	898,784	37.0%
In-house Computer Users	1,224,800	415,848	34.0%	1,278,676	445,184	34.8%
Public Computer Training Classes Held	638	217	34.0%	550	252	45.8%
Public Computer Training Attendance	5,678	2,200	38.7%	5,675	2,236	39.4%
MUNICIPAL COURTS						
Total Case Filings	1,240,552	430,321	34.7%	1,593,719	411,606	25.8%
Total Dispositions	1,096,377	356,246	32.5%	892,359	297,453	33.3%
Cost per Disposition	\$14.67	\$14.92	N/A	\$16.36	\$16.42	N/A
Incomplete Docket Reduction (Cases/Day)	15.52	8.30	N/A	13	12.05	N/A

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

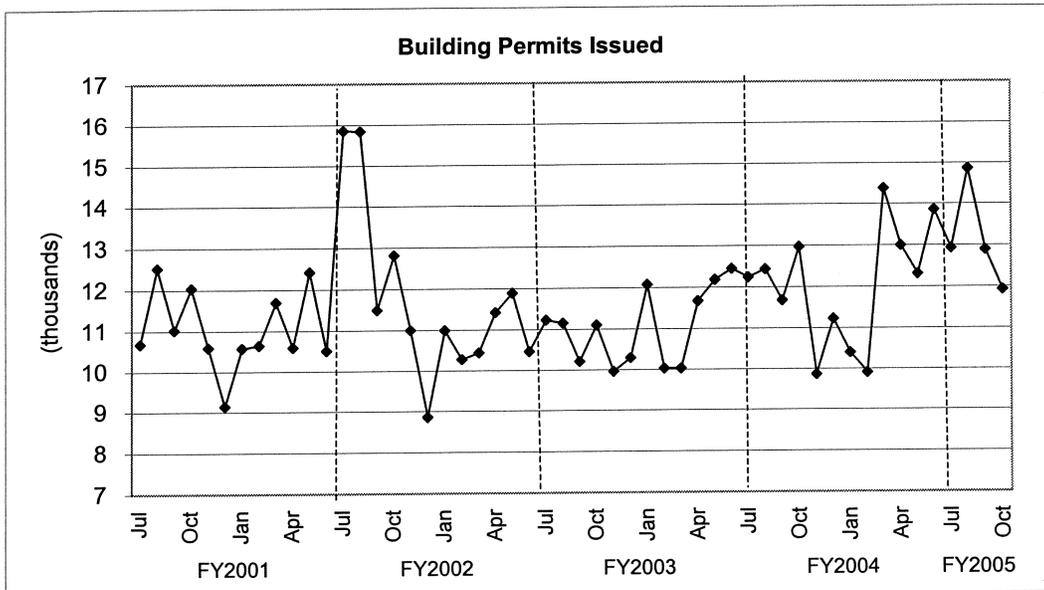
**DEPARTMENTAL PERFORMANCE MEASURES
FOR THE MONTH ENDING OCTOBER 31, 2004 (33.33% OF FISCAL YEAR)**

Department Performance Measure	FY2004			FY2005		
	Actual	YTD	% Actual	Objective	YTD	% Objective
PARKS & RECREATION						
Registrants in Youth Sports Programs	19,512	7,146	36.6%	20,100	7,260	36.1%
Registrants in Adult Fitness & Craft Programs	NA	NA	NA	5,200	1,830	35.2%
Number of Teams in Adult Sports Programs	1,052	NA	NA	1,400	293	20.9%
Vehicle Downtime-Days out of Service (avg)	20	19	NA	20	16	NA
Golf Rounds Played at Privatized Courses	98,155	37,845	38.6%	93,500	32,720	35.0%
Golf Rounds Played at COH - Operated Courses	159,744	49,553	31.0%	164,400	59,759	36.3%
Work Orders Completed-Parks and Community Ctr Facilities	21,931	7,151	32.6%	21,900	6,755	30.8%
Grounds Maintenance Cycle-Days:						
Esplanades	NA	NA	NA	14	14	NA
Parks & Plaazs	NA	NA	NA	10	13	NA
Bikes & Hikes Trails	NA	NA	NA	14	16	NA
PLANNING & DEVELOPMENT						
Subdivision Plats Reviewed	2,448	1,411	57.6%	2,448	930	38.0%
TIRZ Management Portfolio	0	0	0.0%	22	0	0.0%
DB's Corrected (by Owner/City)	300	225	75.0%	500	Data not available	NA
Rail Corridor Master Plan	0	0	0.0%	2	0	0.0%
Number of Permits Sold	130,000	49,330	37.9%	130,000	52,622	40.5%
No. of Inspections Per Day Per Inspector	18	21	116.7%	15	20	133.3%
Violation Investigations	14,000	4,512	32.2%	14,000	1,848	13.2%
HOUSTON POLICE						
Response Time (Code 1)-Minutes	4.7	5.3	112.8%	4.9	4.6	93.9%
Violent Crime Clearance Rate	30.6%	29.4%	96.1%	38.8%	26.4%	68.0%
Crime Lab Cases Completed	96.6%	80.0%	82.8%	90.0%	88.6%	98.4%
Fleet Availability	96.6%	96.1%	99.5%	90.0%	96.4%	107.1%
Complaints - total cases	878	337	38.4%	861	303	35.2%
Tot. Cases Reviewed by Citizens Rev. Com.	564	214	37.9%	248	76	30.6%
Records Processed	728,329	751,061	103.1%	663,276	706,871	106.6%
PUBLIC WORKS AND ENGINEERING						
Maintenance and Right-of-Way						
In-House Overlay (Lane Miles)	284	90	31.7%	280	102	36.4%
Potholes/Skin Patches (Tonnage)	18,879	8,899	47.1%	18,000	7,256	40.3%
Roadside Ditch Regraded/Cleaned (Miles)	321	122	38.0%	250	121	48.4%
Storm Sewers Cleaned (Miles)	382	129	33.8%	350	105	30.1%
Storm Sewer Inlets/Manholes Cleaned/Inspected	143,074	47,698	33.3%	130,900	50,655	38.7%
ECRE						
PIB Appropriations as % of CIP	109.1%	10.4%	9.5%	100.0%	4.8%	4.8%
W/S Appropriations as % of CIP	88.6%	7.1%	8.0%	100.0%	12.3%	12.3%
Awarded Overlay Under Contract (Lane Miles)	221	30	0.0%	200	0	0.0%
Sidewalk Program (Miles Awarded - Design & Construction)	41	0	0.0%	50	0	0.0%
Street Light Installations Authorized	1,820	708	38.9%	1,700	354	20.8%
Water and Sewer						
No. of Water Repairs Completed	10,326	4,049	39.2%	12,000	4,040	33.7%
No. of Sewer Repairs Completed	3,348	1,048	31.3%	4,000	763	19.1%
SOLID WASTE MANAGEMENT						
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	69,672	52.2%	150,000	64,351	42.9%

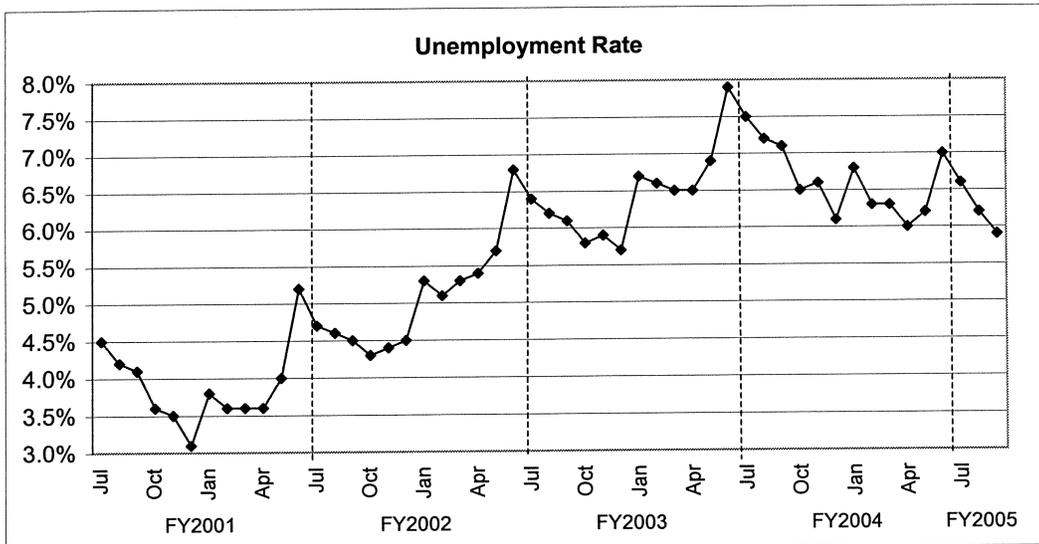
TREND INDICATORS - LOCAL ECONOMY



Source: Office of State Comptroller

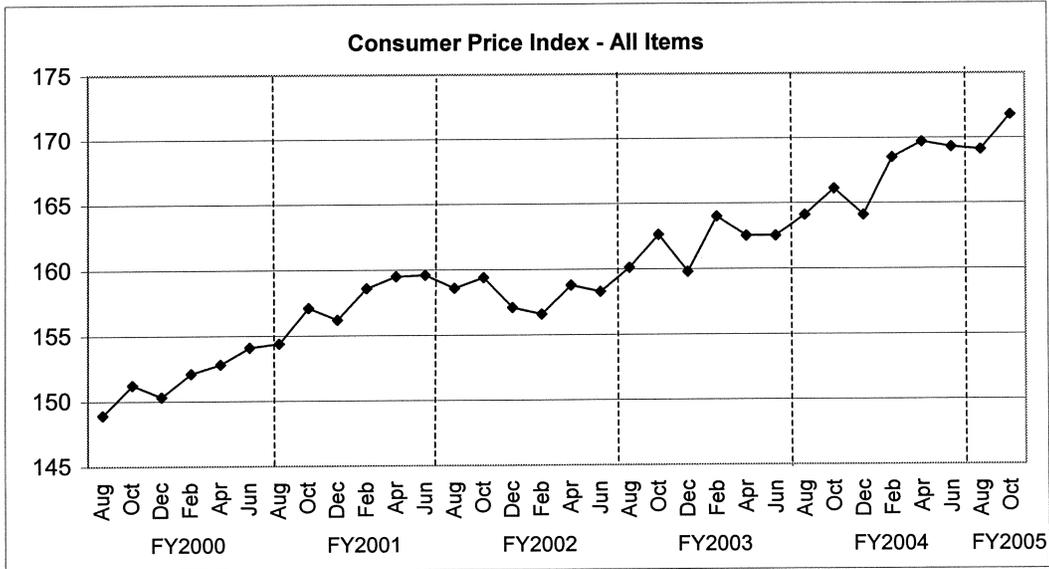


Source: City of Houston Planning and Development Department

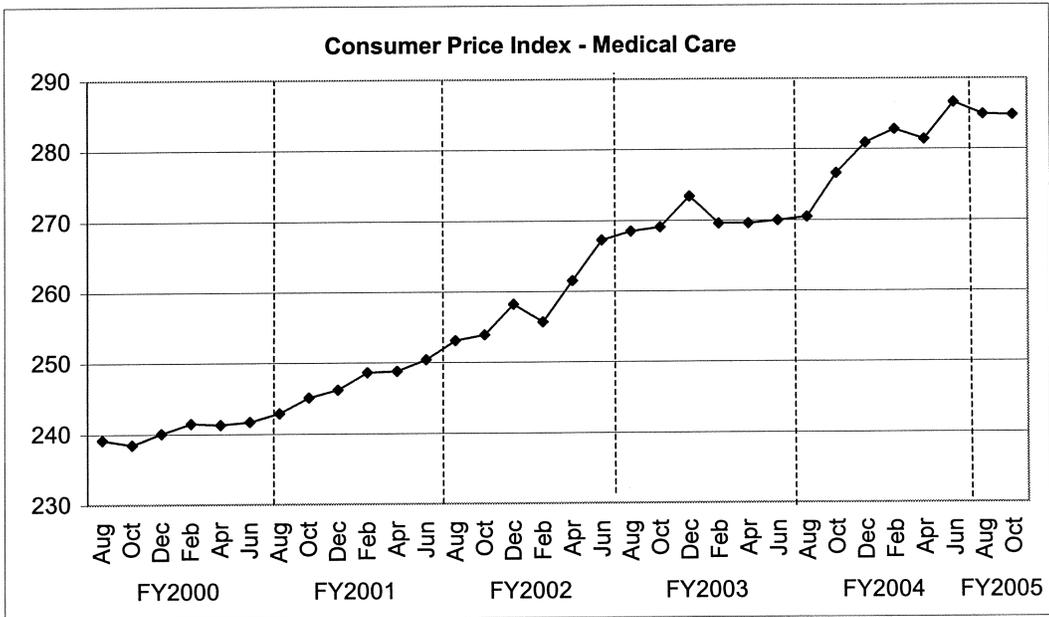


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

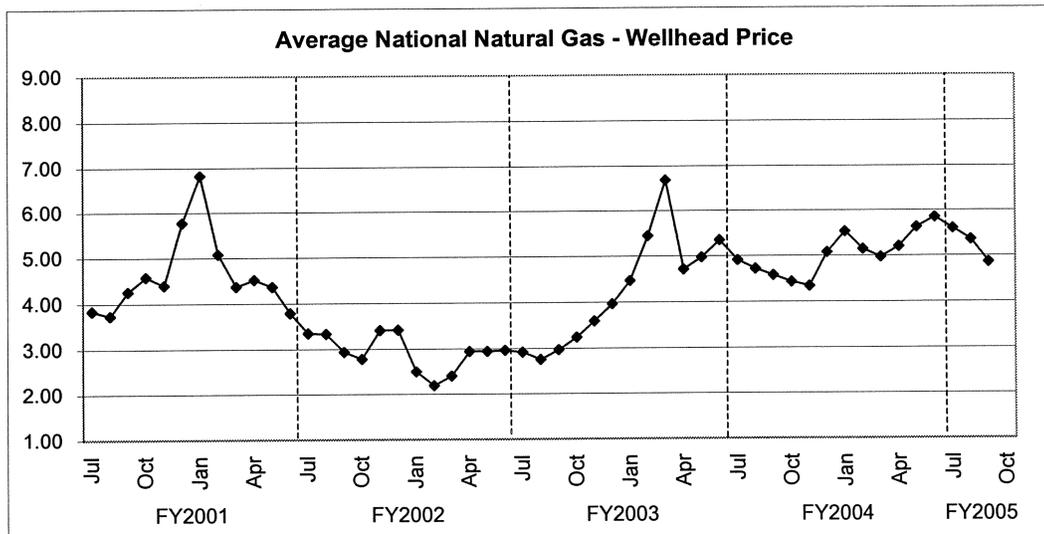
TREND INDICATORS - LOCAL ECONOMY



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



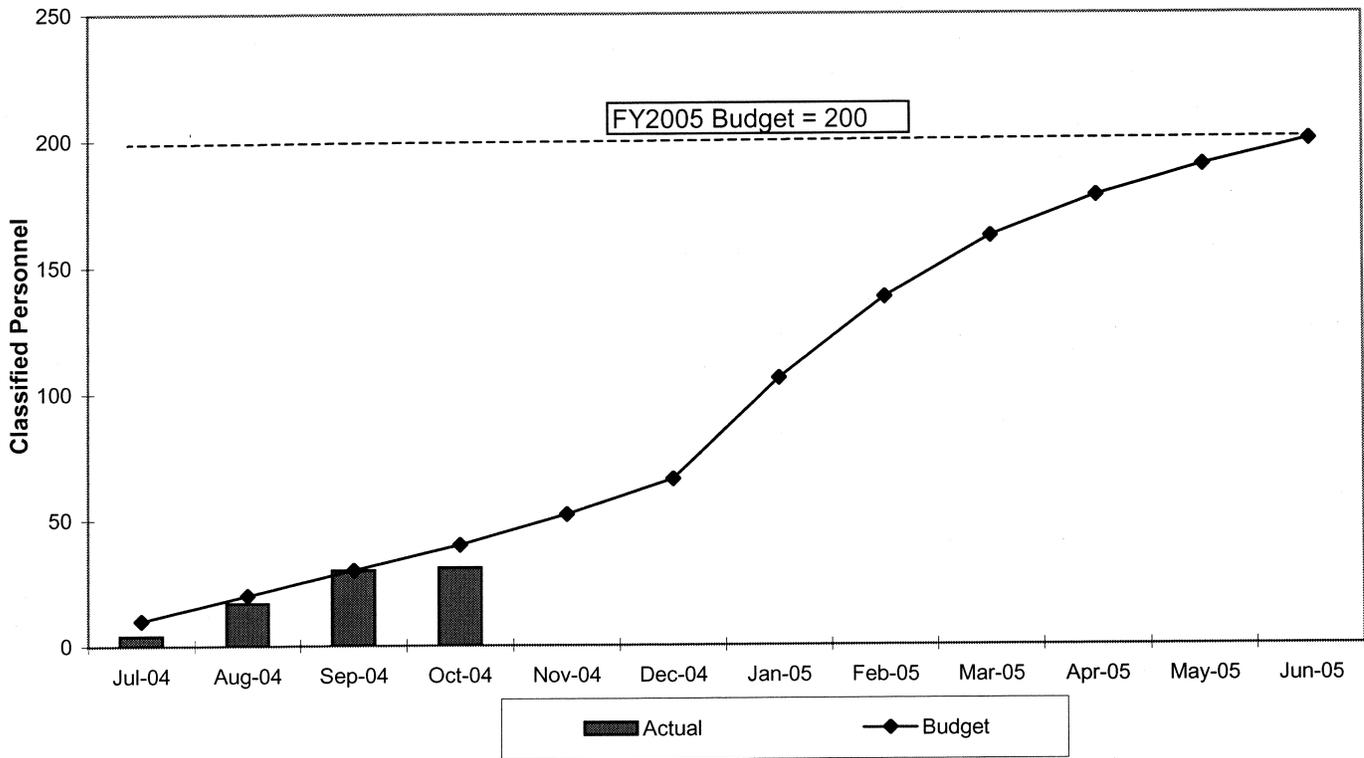
Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX



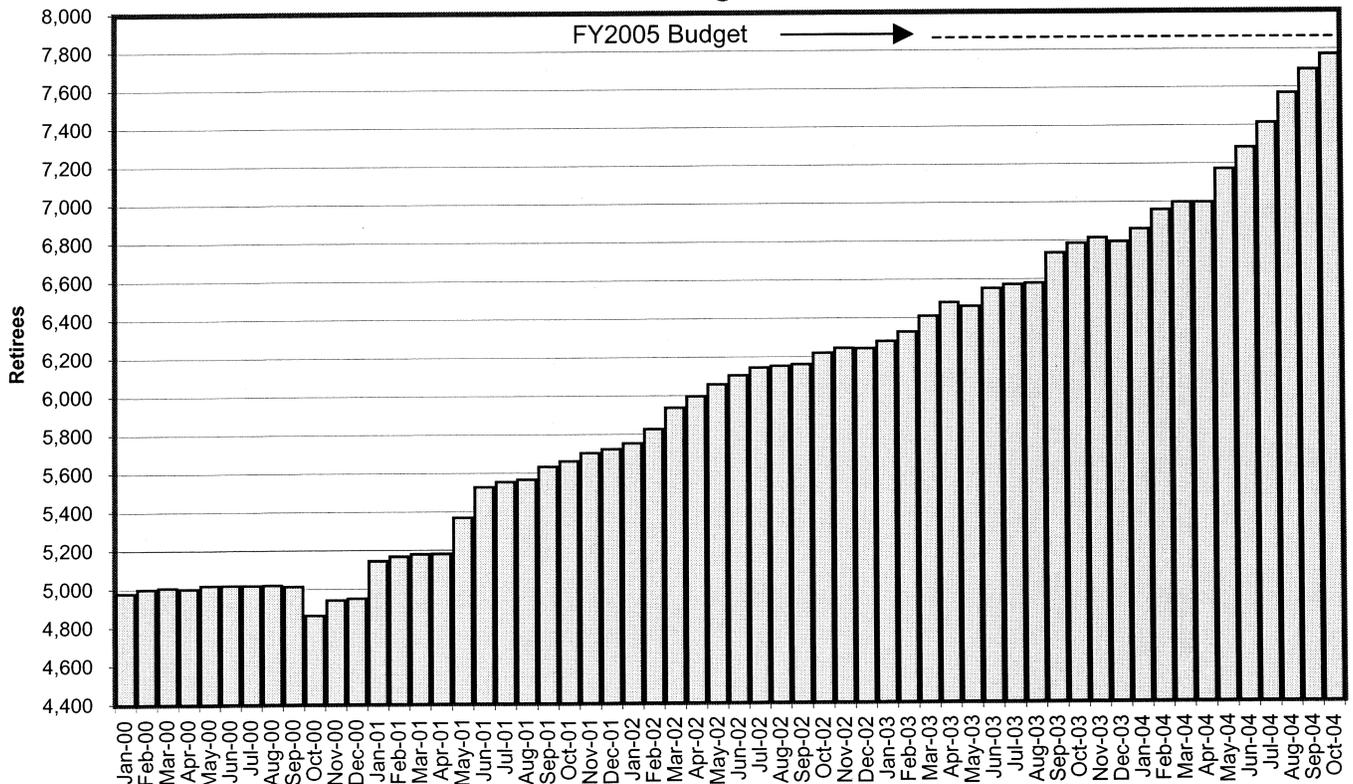
Source: Energy Information Administration/Natural Gas Monthly

TREND INDICATORS - RETIREMENTS

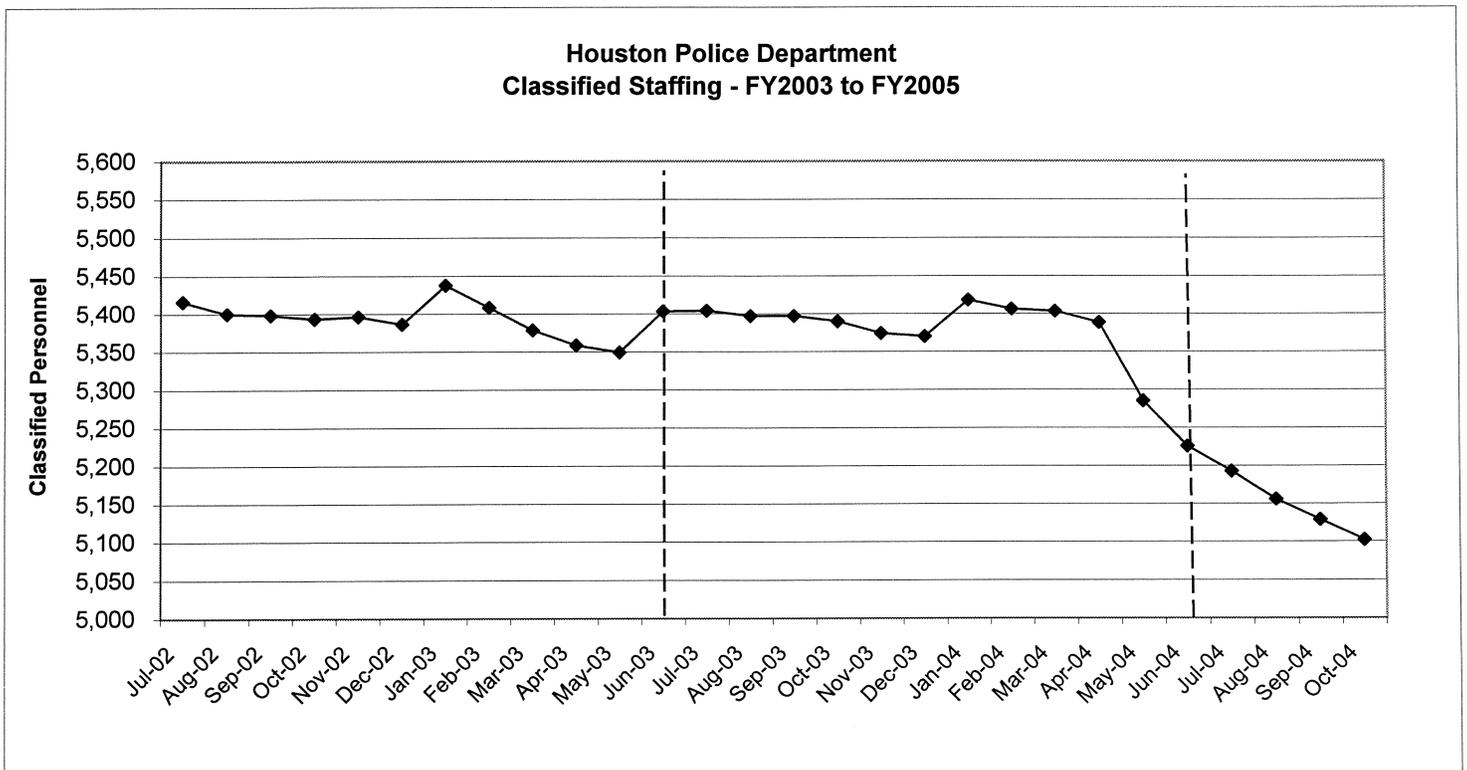
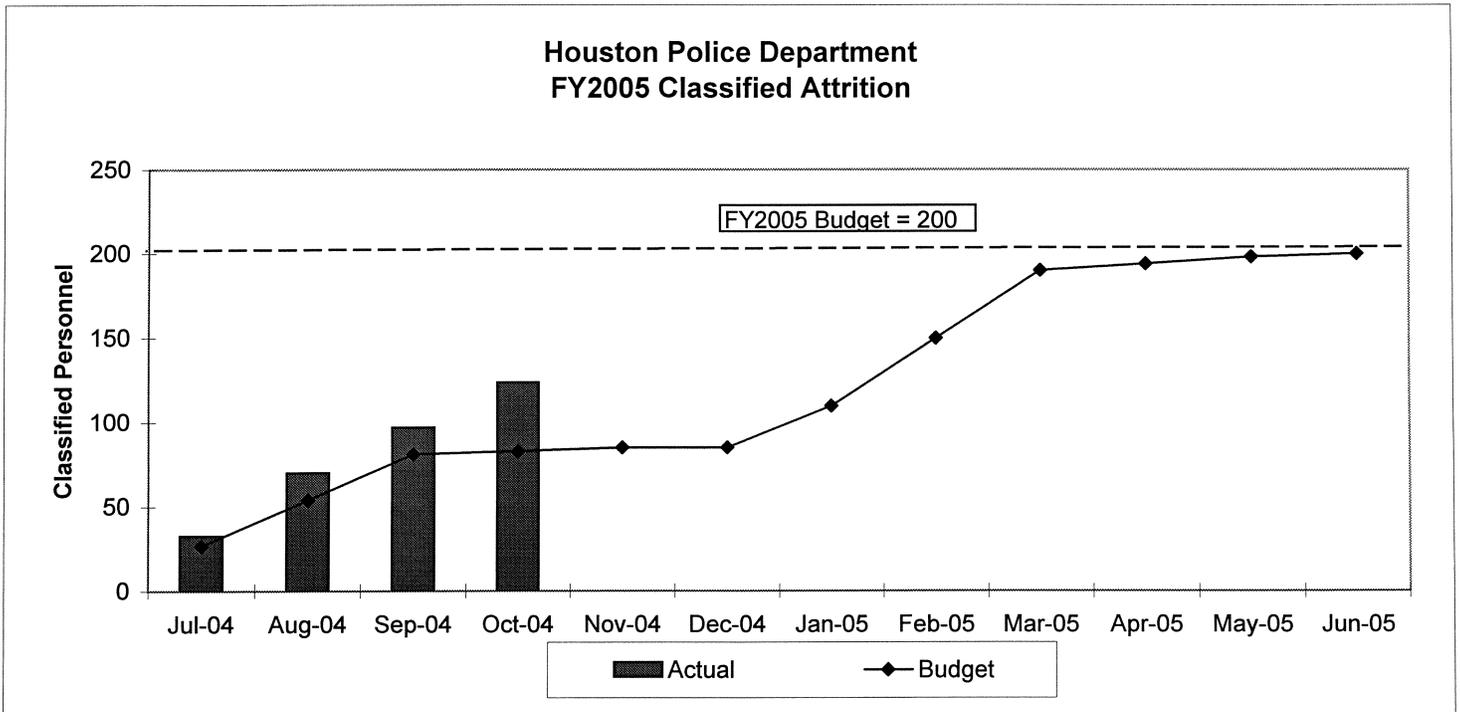
Houston Fire Department
FY2005 Classified Attrition



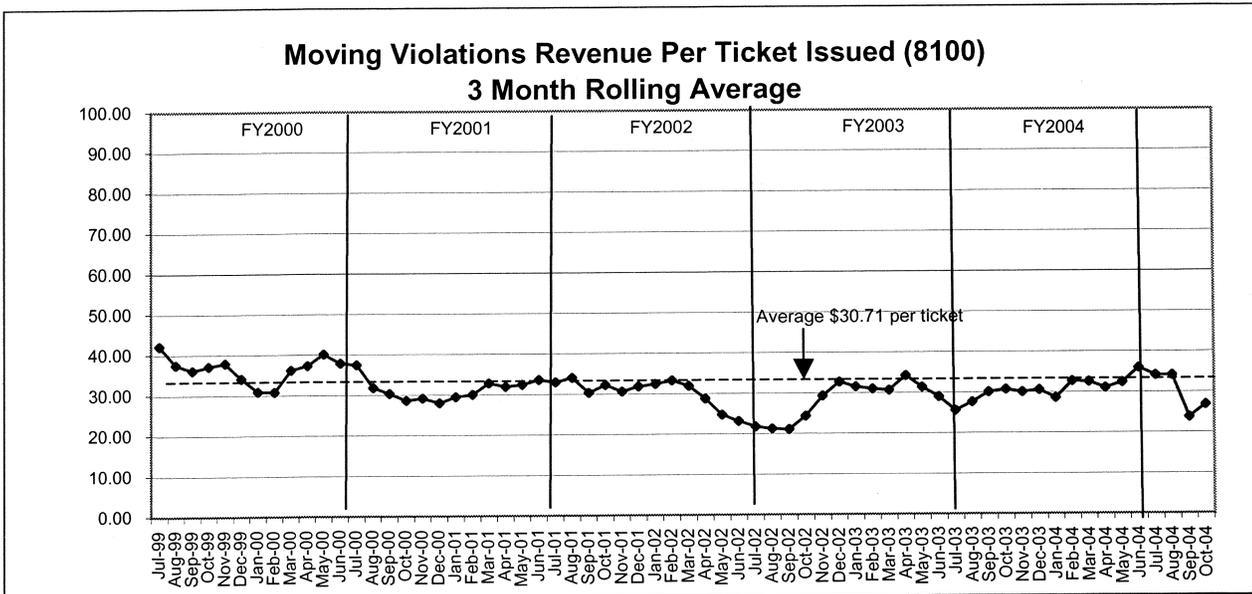
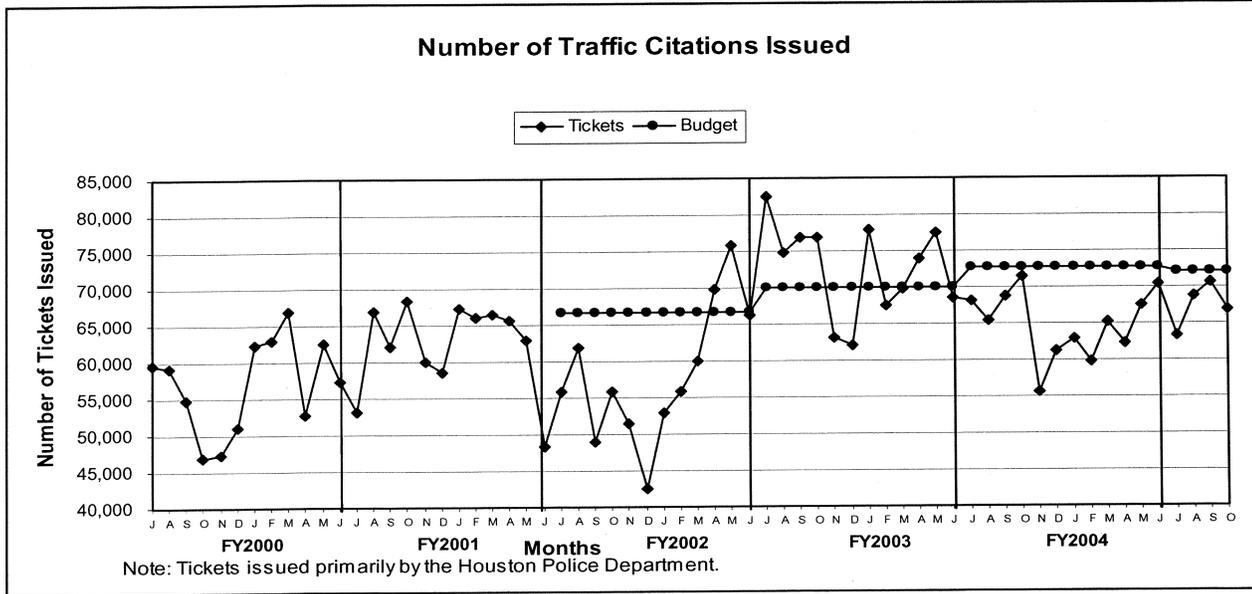
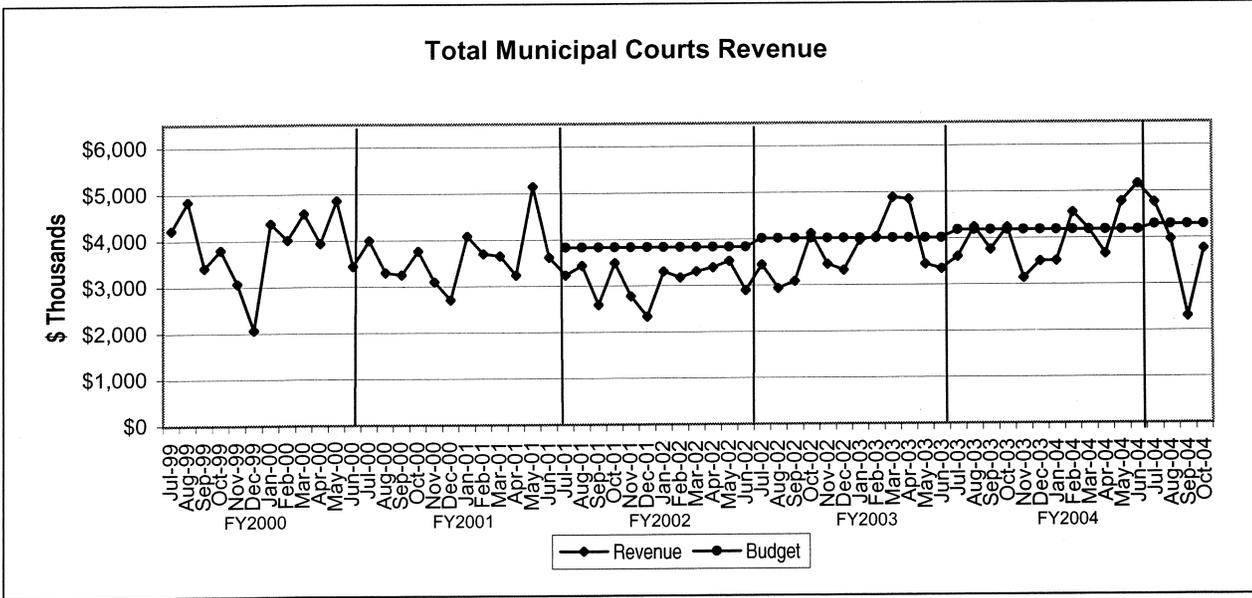
Retirees Receiving Health Benefits



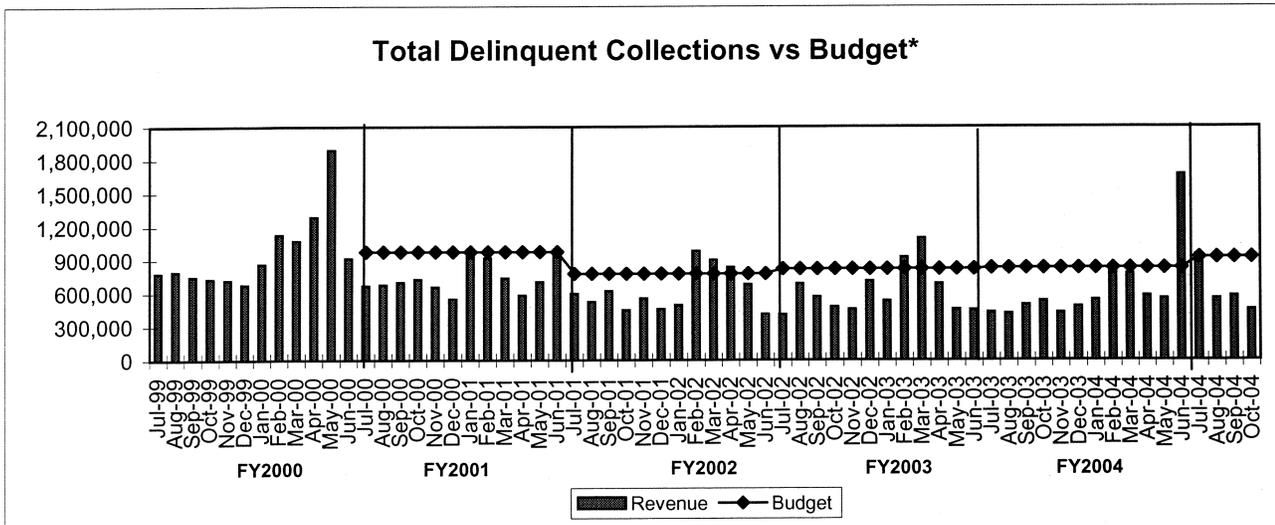
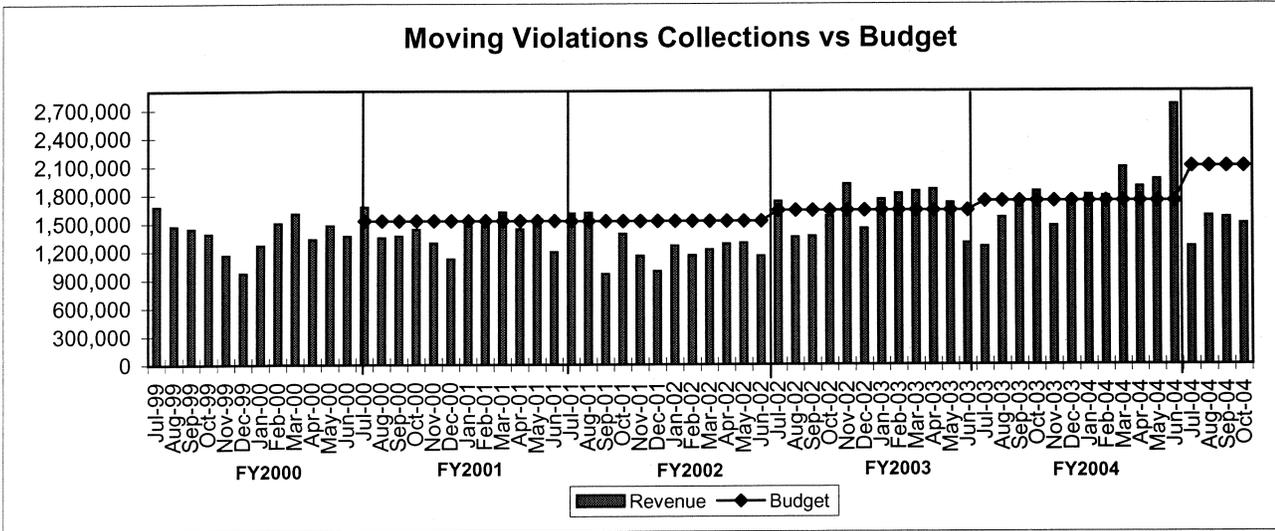
TREND INDICATORS - HIRING AND RETIREMENTS



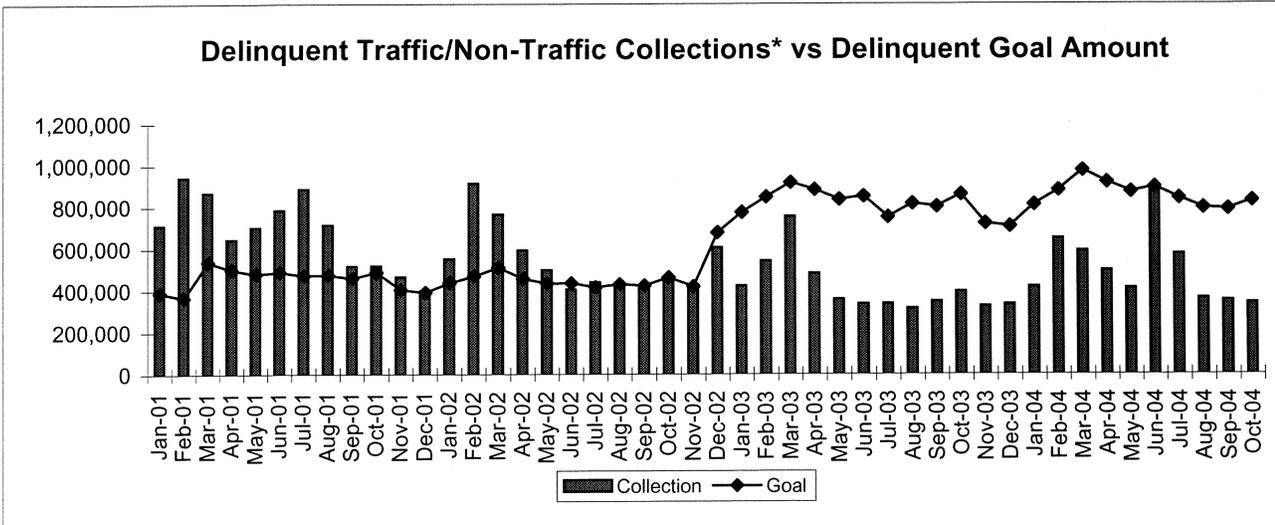
TREND INDICATORS - MUNICIPAL COURTS



TREND INDICATORS - MUNICIPAL COURTS

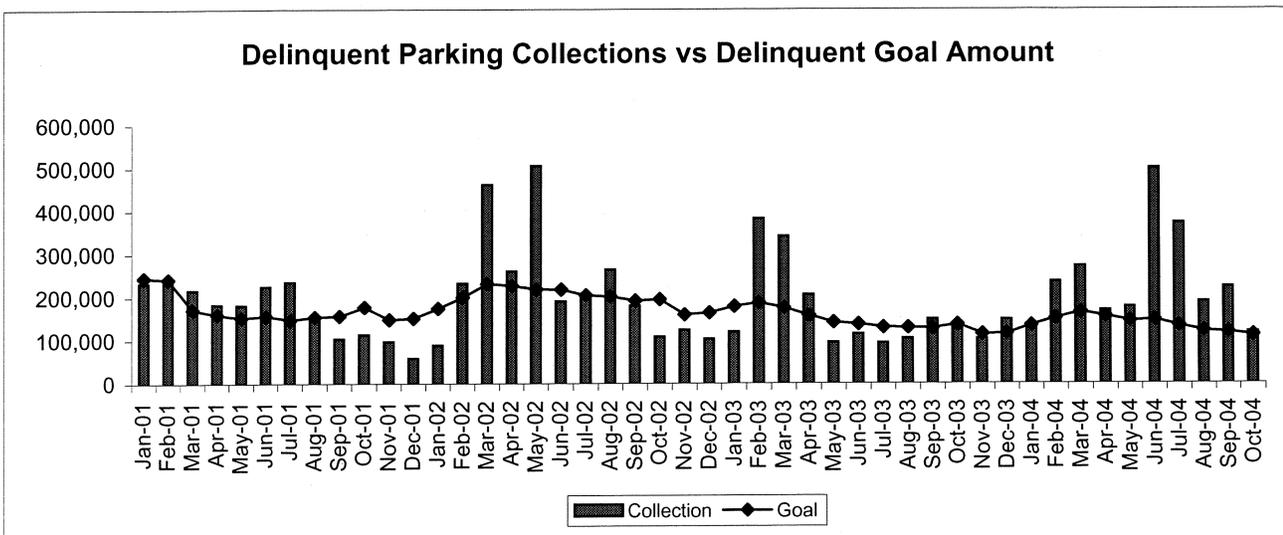
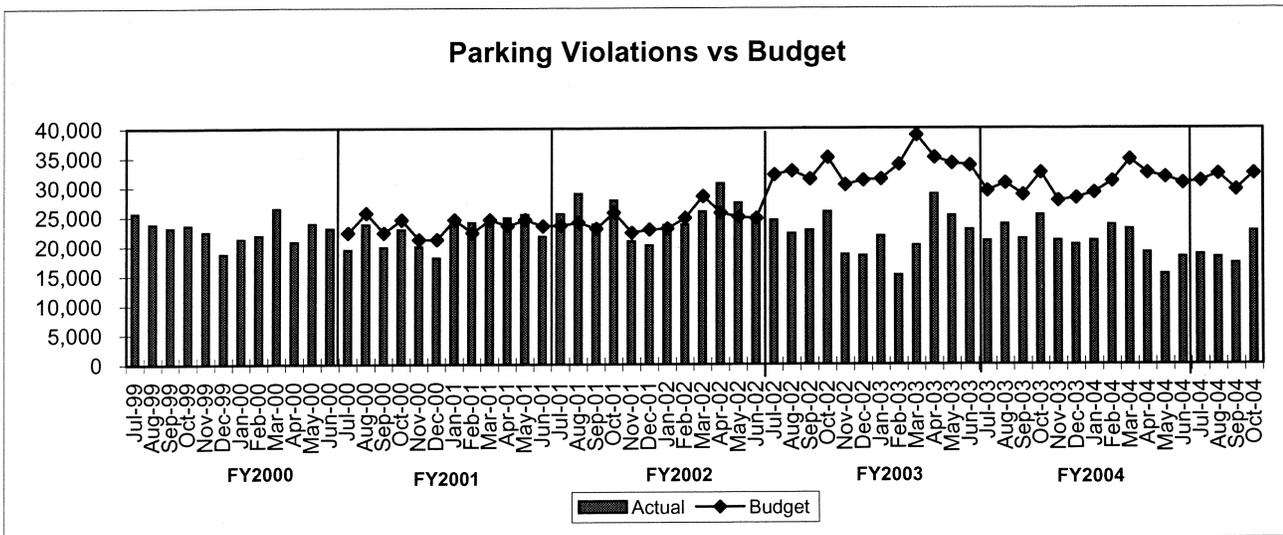
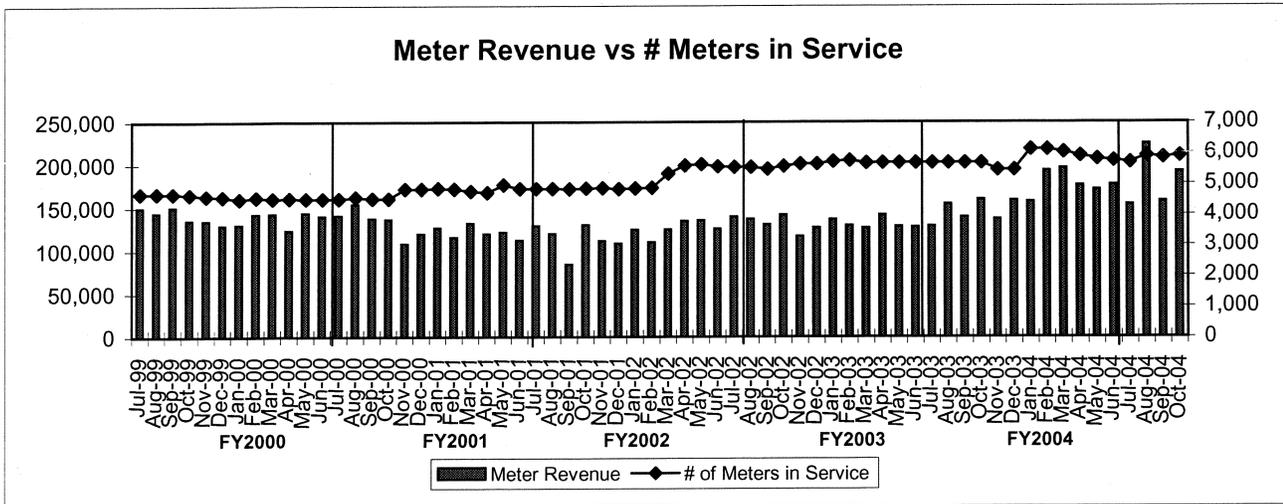


*Net of fees and expenses paid to Linebarger



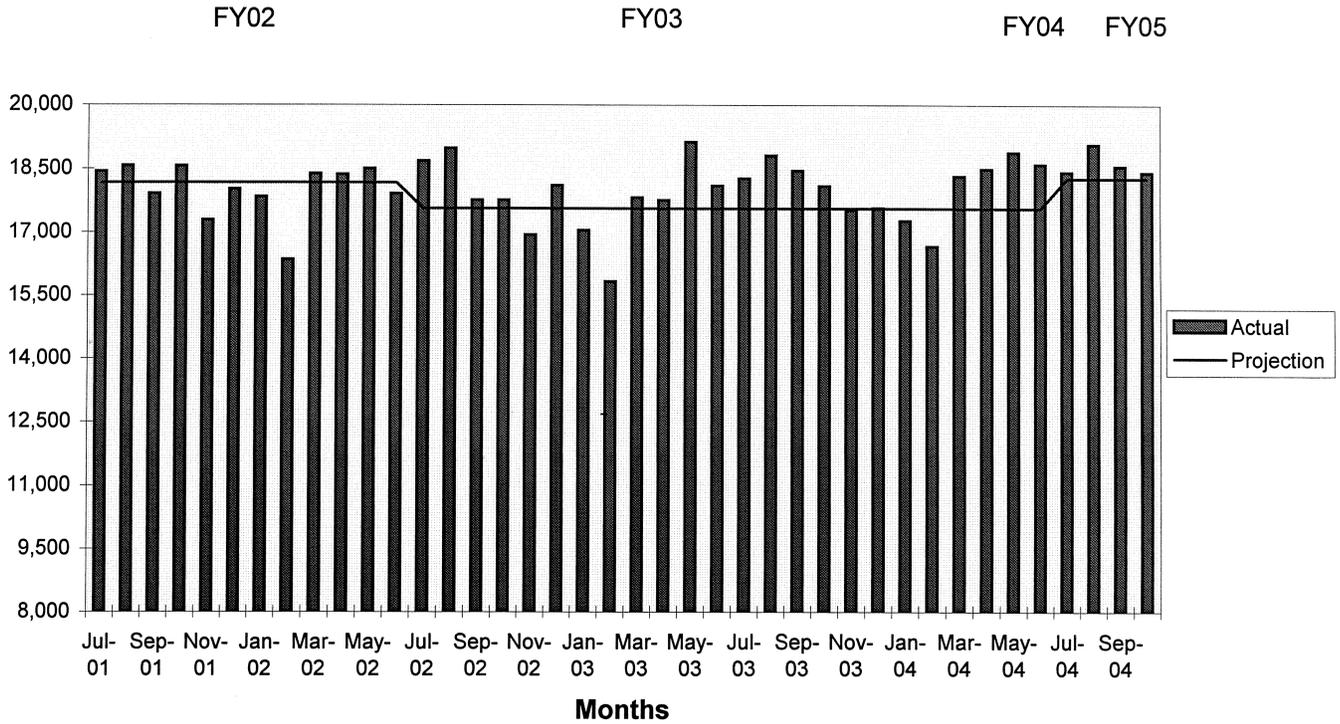
*Excludes Delinquent Parking Collections

TREND INDICATORS - MUNICIPAL COURTS

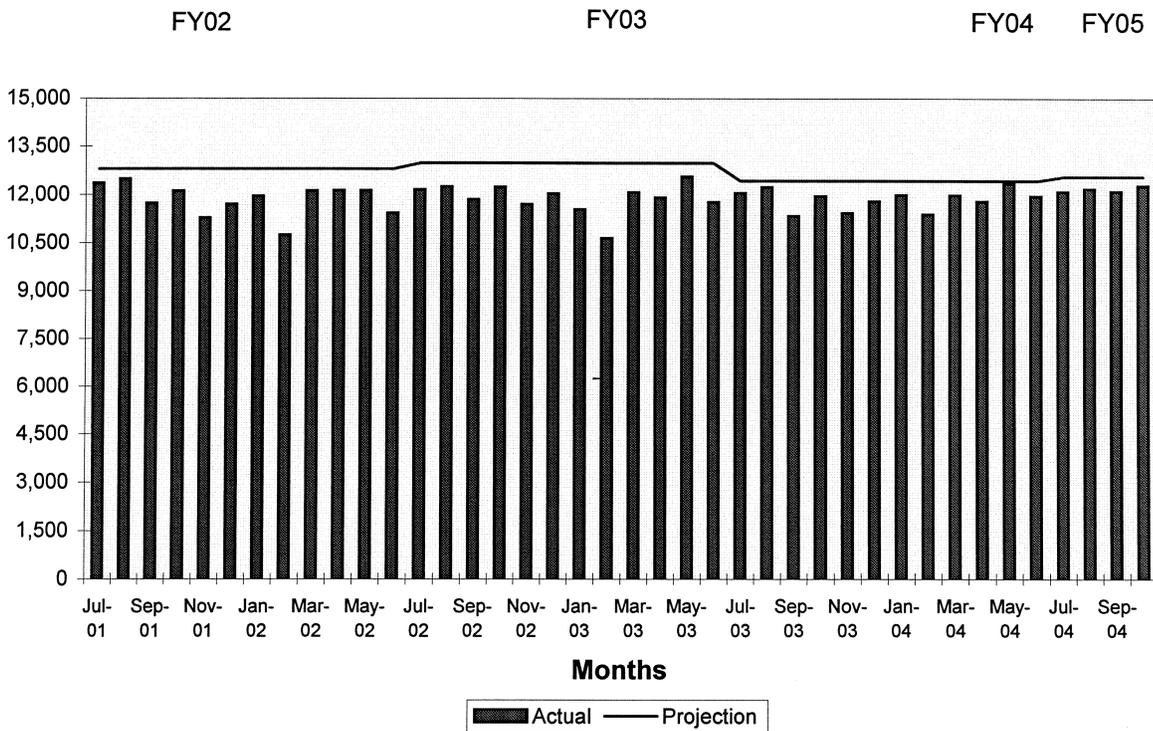


TREND INDICATORS - AMBULANCE SERVICES

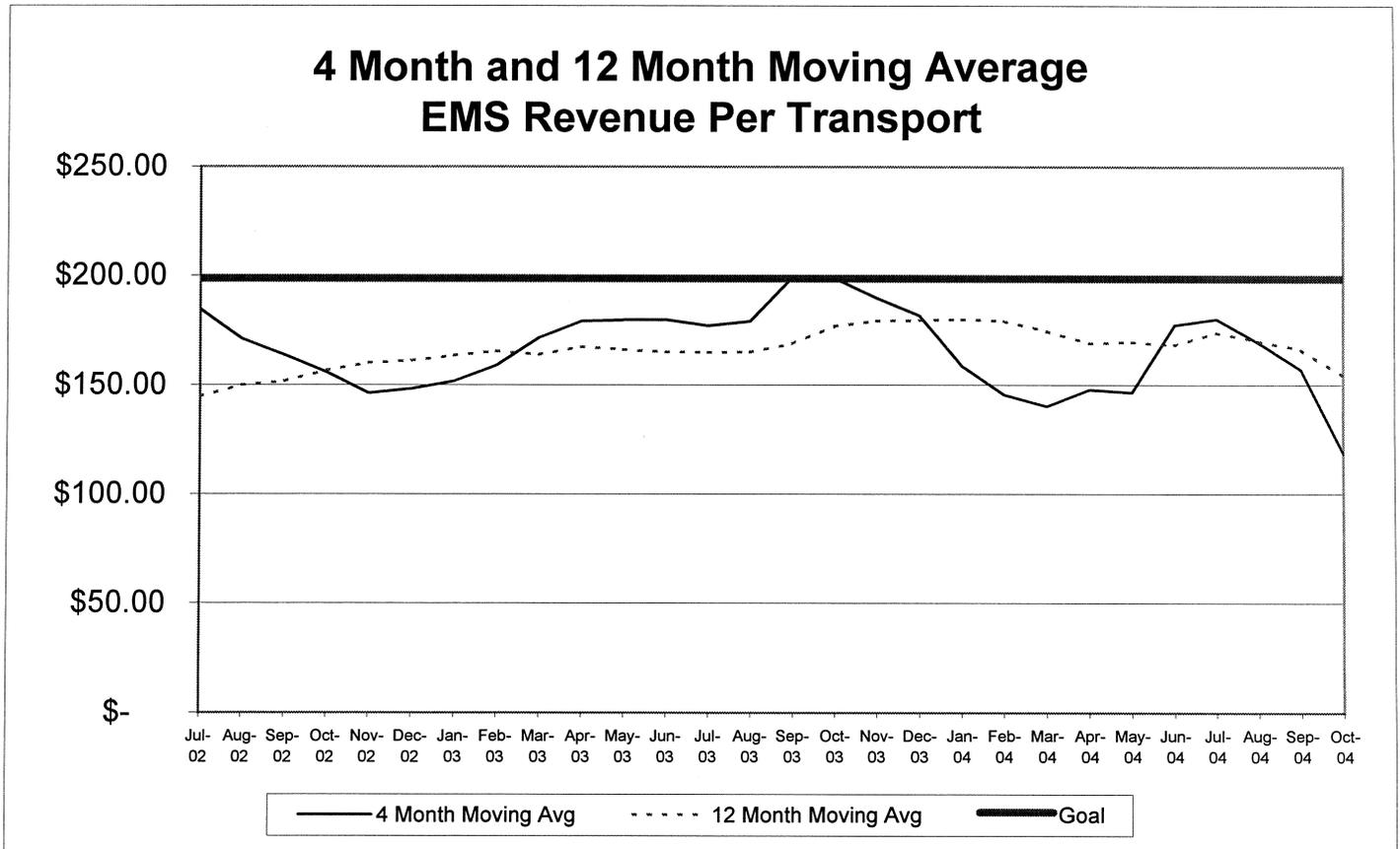
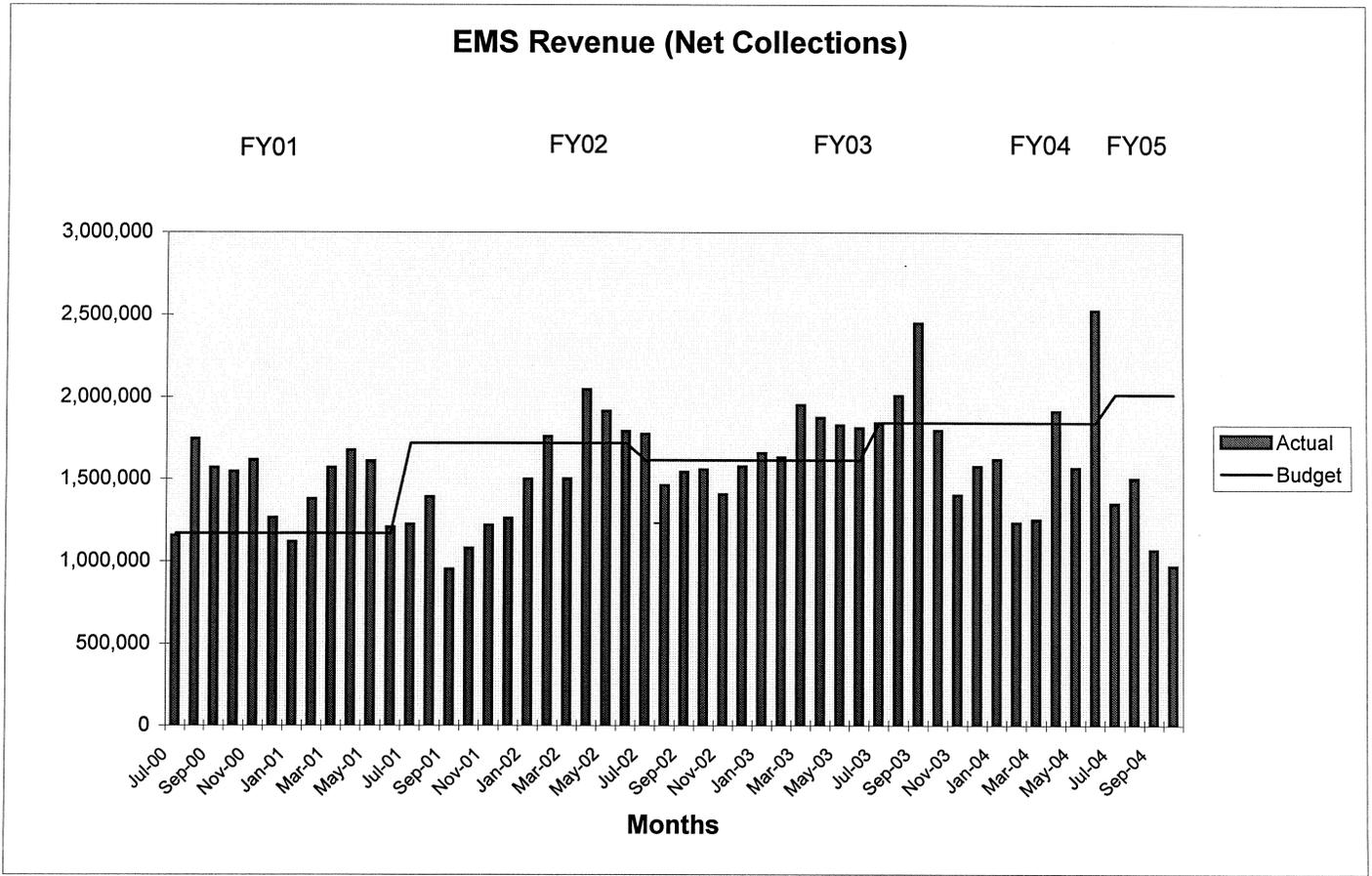
EMS Incidents



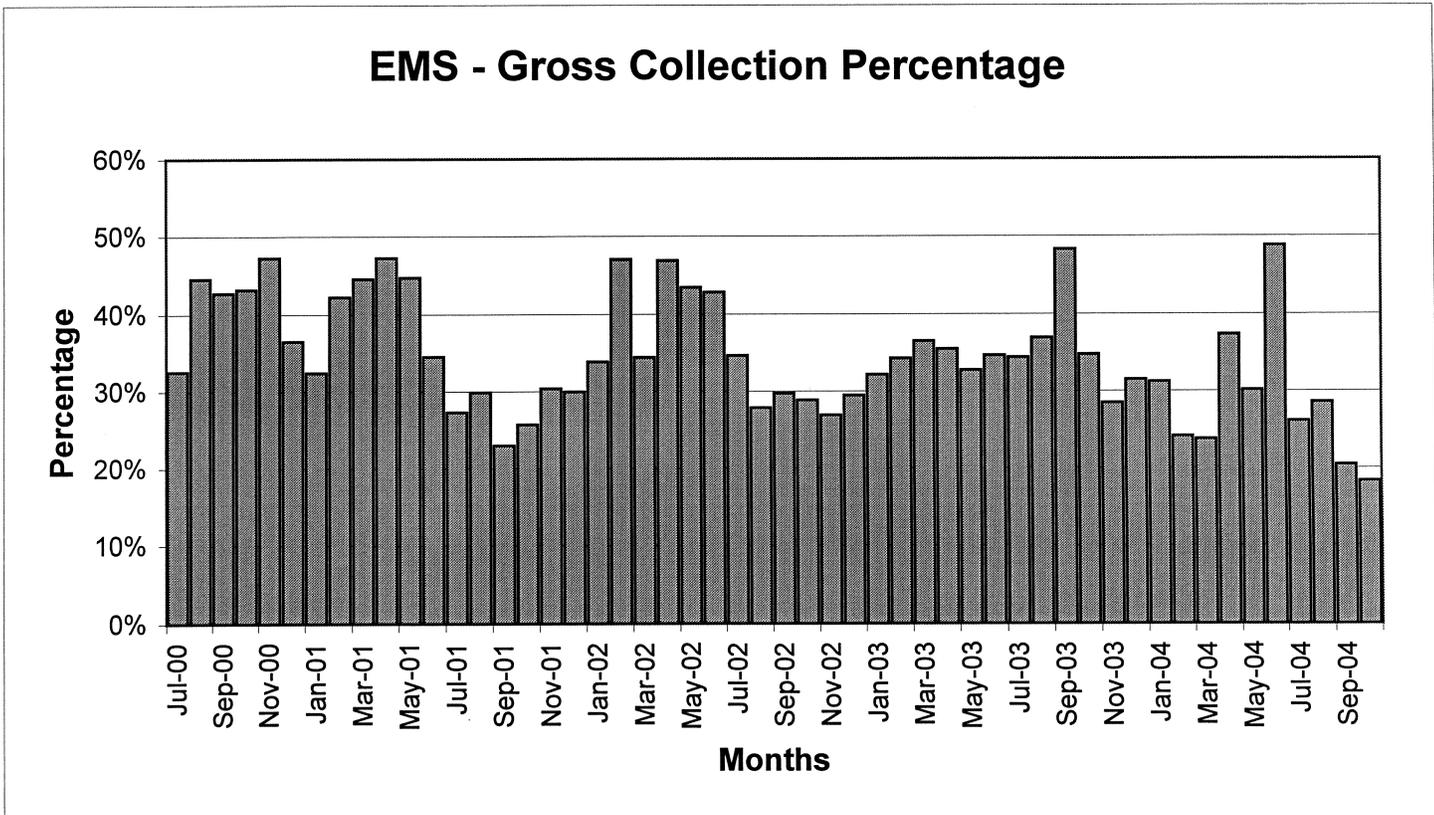
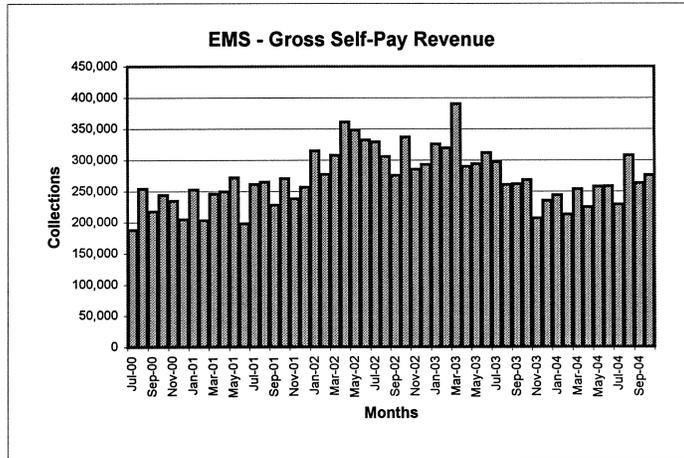
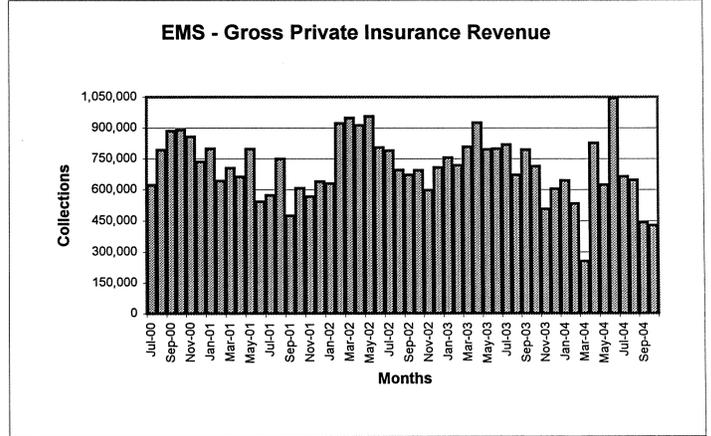
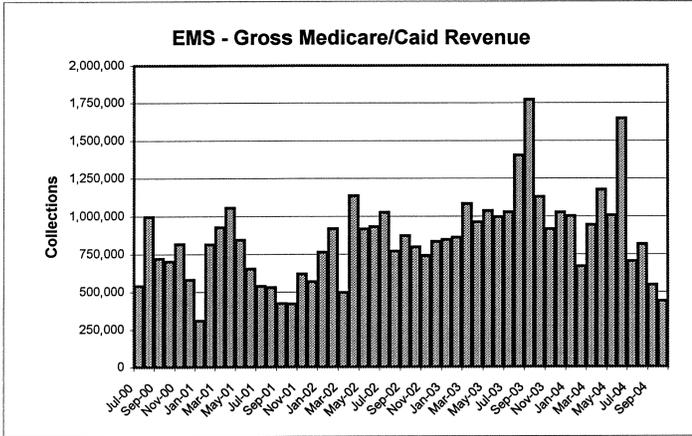
EMS Transports



TREND INDICATORS - AMBULANCE SERVICES

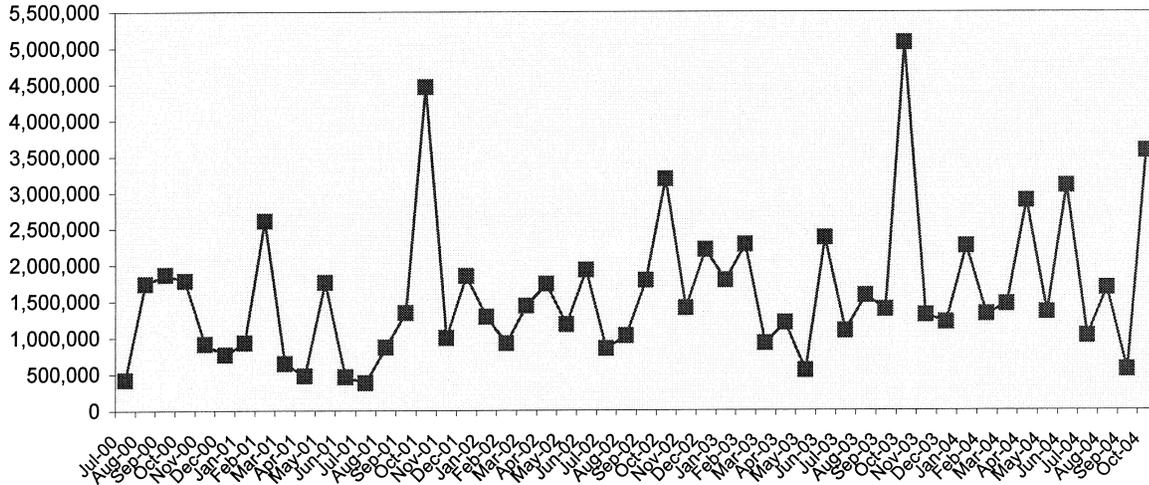


TREND INDICATORS - AMBULANCE SERVICES



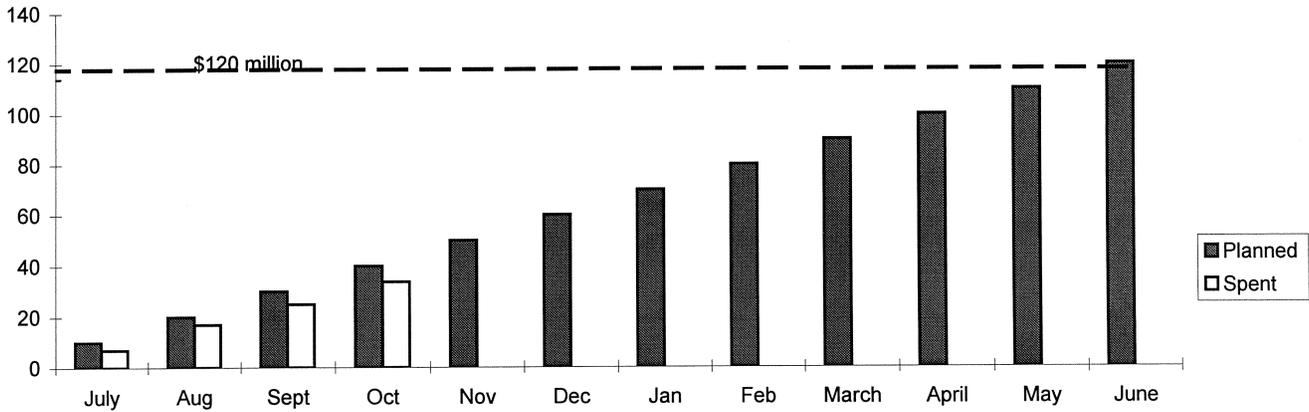
TREND INDICATORS - MISCELLANEOUS

Delinquent Property Tax

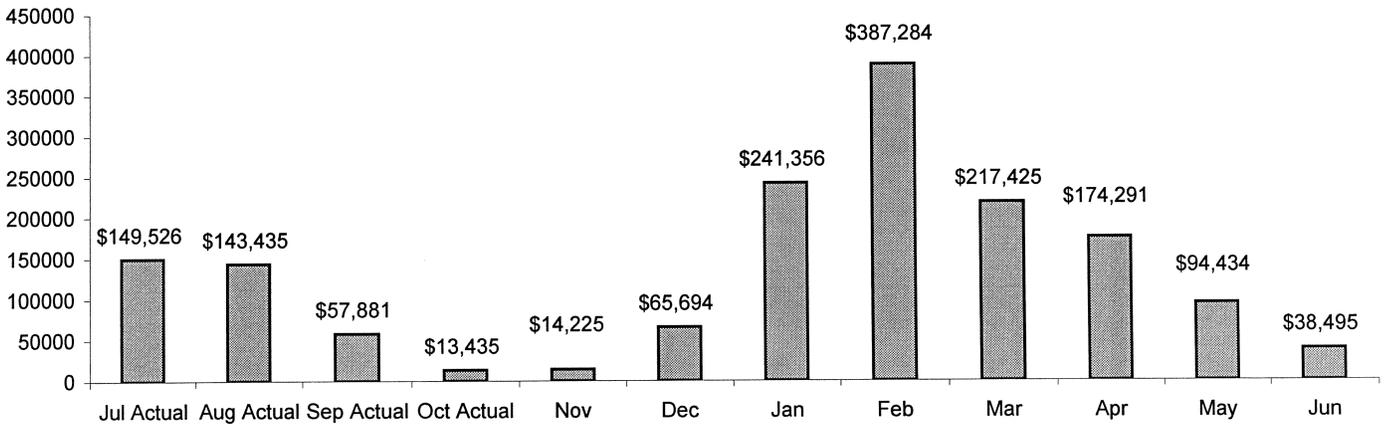


FY05 Budget is \$34,400,922

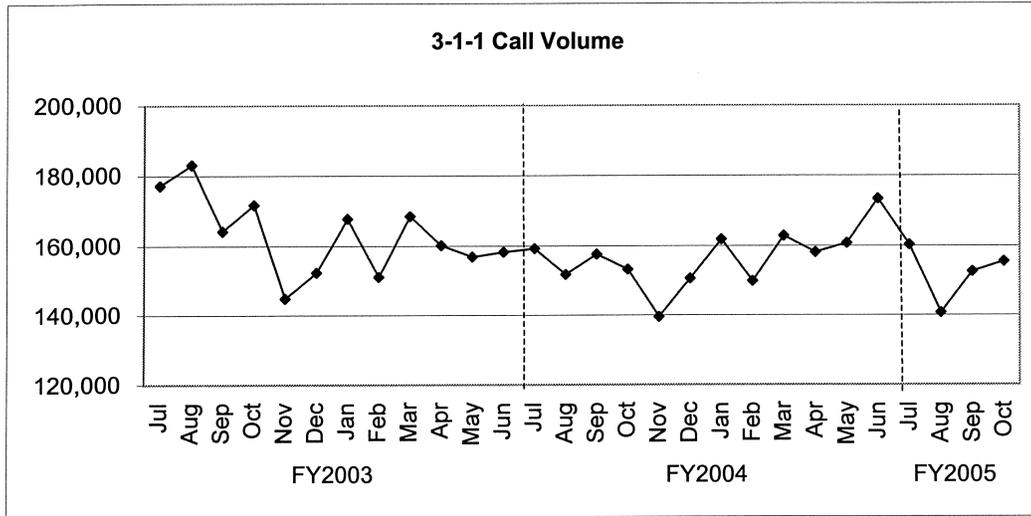
FY2005 Public Improvement Bonds Commercial Paper Planned vs Spent (\$Millions)



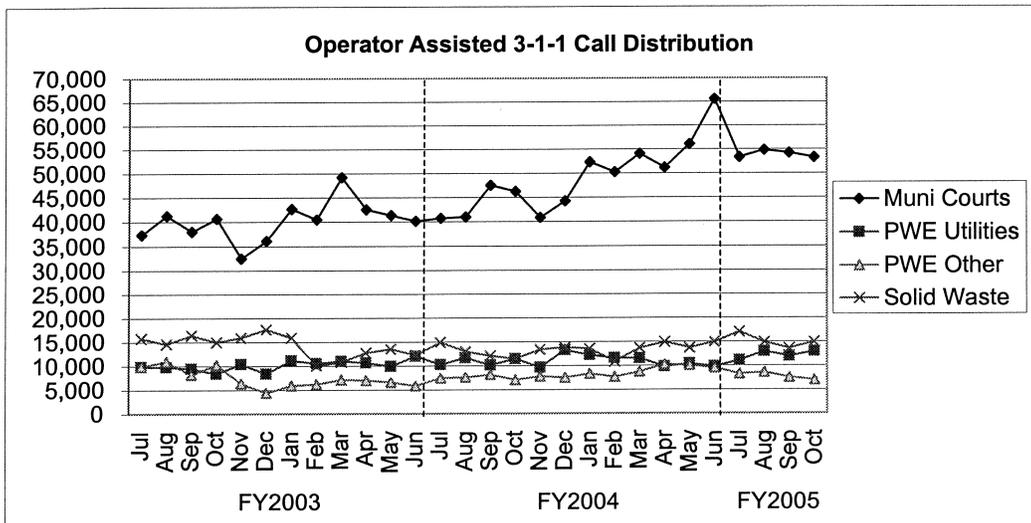
FY2005 Projected City of Houston General Fund Ending Cash Balances (In '000)



TREND INDICATORS - MISCELLANEOUS



3-1-1 became fully operational in August 2001



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