

Monthly Financial and Operations Report  
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**OFFICE OF THE CITY CONTROLLER**

**CITY OF HOUSTON  
INTEROFFICE CORRESPONDENCE**

**TO:** Mayor Bill White  
City Council Members

**From:** Annise D. Parker  
City Controller

**Date:** March 31, 2006

**Subject:** **February 2006  
Financial Report**

Attached is the Monthly Financial and Operations Report for the period ending February 28, 2006.

**GENERAL FUND**

We are currently projecting a \$7.5 million surplus for the General Fund for Fiscal Year 2006.

**Revenues**

Collection of delinquent Property Tax Revenues is coming in higher than anticipated. As a result, we have increased our projection in this revenue category by \$4 million. We have also increased our projection of Interest Income by \$1 million to reflect higher interest earnings. True-ups in several other sources of revenue accounted for another \$200,000 increase in revenues, for a total increase in our revenue projections of \$5.2 million.

**Expenditures**

Our overall expenditure projection increased by \$600,000. This is the net increase after \$1.9 million in higher electricity costs in Building Services and Public Works are offset by a \$1.3 million decline in anticipated insurance costs for retirees.

**ENTERPRISE FUND**

The Aviation Operating Fund reflects a \$1.9 million increase in Income Before Operating Transfers. This is the net impact of a \$2.8 million increase in interest earnings, \$600,000 of increased electricity costs and an overall reduction of \$300,000 in Operating Revenues due to various revenue true-ups.

The Convention and Entertainment Operating Fund shows an increase of \$8.7 million in Income Before Operating Transfers. The defining factor in this increase is a reduction in Service Expenditures of \$3.4 million and a decline in Capital Outlay of \$1.3 million, which is attributed to delays in several projects. We are also projecting an increase of \$2.1 million in Hotel Occupancy Taxes due to actual revenues being higher than expected. The rest of the increase is due to various true-ups in both Operating Revenues and Non-operating revenue categories.

The Combined Utility System Operating Fund shows an increase of \$5.6 million in Income Before Operating Transfers, due in large part to increased water sales caused by the ongoing drought. Reduced staffing levels and decreased overtime have helped lower spending on personnel by \$1.6 million. Another \$1.6 million decrease in anticipated expenditures is attributed to lower costs for chemicals. These changes are offset by a \$1.8 million increase in electricity and gas consumption, a \$630,000 increase in property insurance rates and a reduction in CIP Recovery revenues of \$1.3 million, which is attributed to the program being discontinued.

**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	18.3%
Combined Utility System	20.4%
Aviation	21.7%
Convention and Entertainment	28.0%

Respectfully submitted,



Annise D. Parker  
Annise D. Parker  
City Controller



# CITY OF HOUSTON

(insert Department name here)

## Interoffice

Correspondence

To: Mayor Bill White  
Members of City Council

From: Judy Gray Johnson, Director  
Finance and Administration

Date: March 31, 2006

CC:

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

Attached is the Monthly Financial and Operations Report for the period ending February 28, 2006.

### General Fund Revenues

Our projection for FY06 General Fund revenues is \$3.8 million higher than last month.

- The projection for Property Tax Revenue has been increased by \$4.5 million due to collections on delinquent accounts trending higher than expected.
- The projection for Sales Tax Revenue has been increased by \$1.4 million. The payment for January sales was 11.31%, or \$3.2 million higher than the same month last year. The new projection of \$404.3 million assumes that the remaining months in FY2006 will return to the previously budgeted levels.
- The projection for Interest Revenue has been increased by \$500 thousand due to the increase in interest rates.
- The projection for License and Permits Revenue has been decreased by approximately \$1 million due to lower than expected issuance of Burglar Alarm and Special Fire permits.
- The projection for Charges for Services has been decreased by approximately \$620 thousand due to the net result of changes several different charges, none of them significant.

### General Fund Expenditures

Our projection for FY06 General Fund expenditures is \$585 thousand higher than last month.

- The projection for electricity expenditures by the Building Service Department and the Public Works and Engineering Department has been increased by approximately \$1.9 million due to higher than budgeted consumption levels.

- The projection for General Government has been decreased by \$1.3 million due to a projected decrease in retiree health benefit costs. The projected FY06 average enrollment for retirees has been reduced to 6,588 from the budgeted average enrollment of 7,183.

### **General Fund Ending Fund Balance**

We are projecting an ending unreserved undesignated fund balance of approximately \$130 million, which is approximately 9.48% of estimated expenditures less debt service. This does not include the rainy day fund or sign abatement fund. The total unreserved fund balance is projected to be \$152 million.

### **Aviation Operating Fund**

- The projection for Interest Income has been increased by \$2.8 million as a result of the increase in interest rates.
- The projection for Parking and Concession Revenue has been increased by \$1.5 million as year-to-date revenue is higher than budgeted.
- The projection for Landing Area Revenue has been increased by \$1.4 million as a result of higher landing weights for the first 7 months of FY2006.
- The projection for Building and Ground Area Revenue has been decreased by \$3.2 million as the rates and charges applied to airline arrivals and departures that were set during the fiscal year are lower than budgeted.
- The projection for Services Expense has been increased by approximately \$3 million based on year-to-date electricity consumption.
- The projection for Debt Service Principal payments has been increased by approximately \$1.6 million for unbudgeted debt service principal payments.
- The projection for Interest Expense has been reduced by \$2 million due to lower than anticipated commercial paper issuance and lower interest rates than budgeted.

### **Convention & Entertainment Facilities Operating Fund**

- The projection for Hotel Occupancy Tax Revenue has been increased by \$2 million due to room rates and occupancy rates being higher than budgeted.
- The projection for Food, Beverage, and Other Concessions Revenue has been increased by \$984 thousand due to unplanned events serviced by Aramark.
- The projection for Services Expense has been decreased by \$3.2 million as expenditures related to several capital construction projects (design, consulting,

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engineering, legal, etc.) that will not be completed by the end of FY06. These projects include the Houston Center air chiller, the Jones Hall foundation, and flood door mitigation.

- The projection for Capital Outlay has been decreased by \$1.4 million for a flood mitigation project that will not be completed in FY06.

### **Combined Utility System Fund**

- The projection for Water Sales Revenue has been increased by \$5.9 million due to the increase in usage resulting from the continued lack of rain.
- The projection for Capital Improvement Plan Salary Recovery has been reduced by \$1.4 million as employees assigned to this program are working on maintenance and operations projects for the Combined Utility System.
- The projection for Personnel Expense has been reduced by \$1.6 million as a result of vacant positions and reduced expenditures on overtime and termination pay.
- The projection for Supplies Expense has been reduced by \$1.6 million due to lower than budgeted expenditures on chemicals for waste water treatment.
- The projection for Electricity and Gas projection Expense has been increased by \$1.8 million based on year-to-date electricity consumption.
- The projection for Contracts and Other Payments has increased by \$634 thousand due to an increase in property insurance premiums.
- The projection for Equipment Acquisition projection has been reduced by \$5.3 million due to vehicles that will be purchased next fiscal year.

### **Stormwater Fund**

- The projection for Other Services has been decreased by approximately \$926 thousand due to a delay in executing a citywide ditching contract.
- The projection for the Capital Outlay Equipment Acquisition has been decreased by \$2 million due to vehicles that will be purchased next fiscal year.

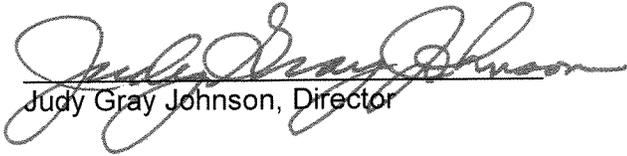
### **Katrina Aid & Recovery Fund**

FEMA has extended the Katrina Housing Public Assistance Program (sponsored by the City of Houston) through the end of March and has approved additional funding in the amount of \$40 million. This additional funding increases the total FEMA funding commitment to \$185.5 million.

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Beginning April 1st, it is expected that responsibility for paying rents to landlords and the overall management of the program will transfer from the City of Houston to FEMA through the Individual Assistance Program. The City is working diligently with FEMA to develop a sound transition plan.

Please let me know if you have any questions.



Judy Gray Johnson, Director

General Fund  
Comparative Projections  
Controller's Office and Finance and Administration  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2005 Actual	FY2006			Controller's Projection	F & A Projection	Variance between Controller and F&A
		Adopted Budget	Current Budget	% of Budget			
<b>Revenues</b>							
General Property Taxes	\$ 671,294	\$ 690,246	\$ 690,246	46%	\$ 692,894	\$ 692,943	49
Industrial Assessments	14,635	13,830	13,830	1%	13,830	13,830	0
Sales Tax	370,583	395,845	395,845	26%	403,000	404,298	1,298
Electric Franchise	77,760	88,100	88,100	6%	88,100	88,100	0
Telephone Franchise	49,714	48,960	48,960	3%	48,000	48,000	0
Gas Franchise	18,520	18,767	18,767	1%	23,200	21,975	(1,225)
Other Franchise	16,269	15,801	15,801	1%	16,052	16,002	(50)
Licenses and Permits	17,692	19,073	19,073	1%	18,400	18,013	(387)
Intergovernmental	27,571	36,432	36,432	2%	38,856	39,636	780
Charges for Services	39,856	43,490	43,490	3%	40,671	41,990	1,319
Direct Interfund Services	61,233	44,345	44,345	3%	43,998	43,998	0
Indirect Interfund Services	11,031	14,887	14,887	1%	14,887	14,887	0
Municipal Courts Fines and Forfeits	48,827	47,806	47,806	3%	43,300	44,067	767
Other Fines and Forfeits	2,424	2,768	2,768	0%	2,500	2,391	(109)
Interest	6,414	6,500	6,500	0%	9,000	9,500	500
Miscellaneous/Other	16,253	12,764	12,764	1%	20,799	20,574	(225)
<b>Total Revenues</b>	<b>1,450,076</b>	<b>1,499,614</b>	<b>1,499,614</b>	<b>100%</b>	<b>1,517,487</b>	<b>1,520,204</b>	<b>2,717</b>
<b>Expenditures</b>							
Affirmative Action	1,714	1,637	1,637	0%	1,637	1,637	0
Building Services	24,632	27,731	33,161	2%	34,784	34,784	0
City Council	4,266	4,498	4,533	0%	4,533	4,533	0
City Secretary	626	727	727	0%	727	727	0
Controller	5,959	6,054	6,054	0%	6,054	6,054	0
Convention & Entertainment	0	0	1,838	0%	1,838	1,838	0
Finance and Administration	19,431	20,820	20,732	1%	20,732	20,732	0
Fire	291,352	323,502	323,502	21%	323,502	323,502	0
Health and Human Services	50,311	50,780	45,344	3%	45,344	45,344	0
Human Resources	2,217	2,371	2,371	0%	2,371	2,371	0
Information Technology	12,278	12,653	12,643	1%	12,643	12,643	0
Legal	10,675	11,435	11,428	1%	11,428	11,428	0
Library	33,222	29,641	29,454	2%	29,454	29,454	0
Mayor's Office	1,849	1,928	2,163	0%	2,163	2,163	0
Municipal Courts - Administration	16,350	16,780	14,942	1%	16,558	16,558	0
Municipal Courts - Justice	4,213	4,284	4,284	0%	4,284	4,284	0
Parks and Recreation	47,592	47,613	47,813	3%	47,933	47,933	0
Planning and Development	7,155	7,417	7,417	0%	7,417	7,417	0
Police	497,867	542,379	543,662	35%	543,662	543,662	0
Public Works and Engineering	88,865	70,966	70,966	5%	79,844	79,844	0
Solid Waste Management	66,989	69,031	68,241	4%	66,322	66,322	0
<b>Total Departmental Expenditures</b>	<b>1,187,563</b>	<b>1,252,247</b>	<b>1,252,912</b>	<b>80%</b>	<b>1,263,230</b>	<b>1,263,230</b>	<b>0</b>
<b>Non-Departmental Expenditures and Other Uses</b>							
General Government	91,654	123,367	122,702	8%	110,737	110,737	0
Debt Service Transfer	188,000	195,000	195,000	12%	195,000	195,000	0
<b>Total Non-Dept. Exp. and Other Uses</b>	<b>279,654</b>	<b>318,367</b>	<b>317,702</b>	<b>20%</b>	<b>305,737</b>	<b>305,737</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>1,467,217</b>	<b>1,570,614</b>	<b>1,570,614</b>	<b>100%</b>	<b>1,568,967</b>	<b>1,568,967</b>	<b>0</b>
<b>Net Current Activity</b>	<b>(17,141)</b>	<b>(71,000)</b>	<b>(71,000)</b>		<b>(51,480)</b>	<b>(48,763)</b>	<b>2,717</b>
Amount Needed to Balance the Budget					0		
Transfers from other funds	1,028	-	-		-	-	
Pension Bond Proceeds	48,599	71,000	71,000		59,000	59,000	
Disaster Recovery Fund Transfer	-	-	-		-	-	
Change in Misc Other Reserves	(660)	-	-		-	-	
Unreserved Fund Balance, Beginning of Year	110,286	142,112	142,112		142,112	142,112	
Unreserved Fund Balance, End of Year	\$ 142,112	\$ 142,112	\$ 142,112		\$ 149,632	\$ 152,349	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)		(2,070)	(2,070)	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)		(20,000)	(20,000)	
Undesignated Fund Balance, End of Year	\$ 120,042	\$ 120,042	\$ 120,042		\$ 127,562	\$ 130,279	

General Fund  
Controller's Office  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2005 Actual	FY2006						
		Adopted Budget	Current Budget	Current Month	YTD	Controller's Projection	Variance from Current Budget	% Variance
<b>Revenues</b>								
General Property Taxes	\$ 671,294	\$ 690,246	\$ 690,246	\$ 268,673	\$ 672,997	\$ 692,894	\$ 2,648	0.4%
Industrial Assessments	14,635	13,830	13,830	1,152	9,268	13,830	0	0.0%
Sales Tax	370,583	395,845	395,845	30,455	264,866	403,000	7,155	1.8%
Electric Franchise	77,760	88,100	88,100	7,977	64,845	88,100	0	0.0%
Telephone Franchise	49,714	48,960	48,960	2,931	31,962	48,000	(960)	-2.0%
Gas Franchise	18,520	18,767	18,767	3,211	15,468	23,200	4,433	23.6%
Other Franchise	16,269	15,801	15,801	2,713	12,481	16,052	251	1.6%
Licenses and Permits	17,692	19,073	19,073	1,704	11,264	18,400	(673)	-3.5%
Intergovernmental	27,571	36,432	36,432	174	26,081	38,856	2,424	6.7%
Charges for Services	39,856	43,490	43,490	2,918	22,104	40,671	(2,819)	-6.5%
Direct Interfund Services	61,233	44,345	44,345	3,283	24,869	43,998	(347)	-0.8%
Indirect Interfund Services	11,031	14,887	14,887	595	6,647	14,887	0	0.0%
Municipal Courts Fines and Forfeits	48,827	47,806	47,806	4,446	26,457	43,300	(4,506)	-9.4%
Other Fines and Forfeits	2,424	2,768	2,768	142	1,173	2,500	(268)	-9.7%
Interest	6,414	6,500	6,500	1,725	5,346	9,000	2,500	38.5%
Miscellaneous/Other	16,253	12,764	12,764	1,306	14,454	20,799	8,035	63.0%
<b>Total Revenues</b>	<b>1,450,076</b>	<b>1,499,614</b>	<b>1,499,614</b>	<b>333,405</b>	<b>1,210,282</b>	<b>1,517,487</b>	<b>17,873</b>	<b>1.2%</b>
<b>Expenditures</b>								
Affirmative Action	1,714	1,637	1,637	116	1,082	1,637	0	0.0%
Building Services	24,632	27,731	33,161	3,134	25,275	34,784	(1,623)	-4.9%
City Council	4,266	4,498	4,533	317	2,967	4,533	0	0.0%
City Secretary	626	727	727	49	421	727	0	0.0%
Controller	5,959	6,054	6,054	480	3,601	6,054	0	0.0%
Convention & Entertainment	0	0	1,838	310	946	1,838	0	0.0%
Finance and Administration	19,431	20,820	20,732	1,493	12,747	20,732	0	0.0%
Fire	291,352	323,502	323,502	25,609	213,571	323,502	0	0.0%
Health and Human Services	50,311	50,780	45,344	3,548	27,998	45,344	0	0.0%
Human Resources	2,217	2,371	2,371	197	1,445	2,371	0	0.0%
Information Technology	12,278	12,653	12,643	850	7,276	12,643	0	0.0%
Legal	10,675	11,435	11,428	873	7,219	11,428	0	0.0%
Library	33,222	29,641	29,454	2,051	18,722	29,454	0	0.0%
Mayor's Office	1,849	1,928	2,163	141	1,120	2,163	0	0.0%
Municipal Courts - Administration	16,350	16,780	14,942	1,110	10,938	16,558	(1,616)	-10.8%
Municipal Courts - Justice	4,213	4,284	4,284	330	2,786	4,284	0	0.0%
Parks and Recreation	47,592	47,613	47,813	3,370	32,138	47,933	(120)	-0.3%
Planning and Development	7,155	7,417	7,417	512	4,378	7,417	0	0.0%
Police	497,867	542,379	543,662	42,510	355,525	543,662	0	0.0%
Public Works and Engineering	88,865	70,966	70,966	6,585	49,855	79,844	(8,878)	-12.5%
Solid Waste Management	66,989	69,031	68,241	3,528	46,466	66,322	1,919	2.8%
<b>Total Departmental Expenditures</b>	<b>1,187,563</b>	<b>1,252,247</b>	<b>1,252,912</b>	<b>97,113</b>	<b>826,476</b>	<b>1,263,230</b>	<b>(10,318)</b>	<b>-0.8%</b>
<b>Non-Departmental Expenditures and Other Uses</b>								
General Government	91,654	123,367	122,702	7,946	61,514	110,737	11,965	9.8%
Debt Service Transfer	188,000	195,000	195,000	0	0	195,000	0	0.0%
<b>Total Non-Dept. Exp. And Other Uses</b>	<b>279,654</b>	<b>318,367</b>	<b>317,702</b>	<b>7,946</b>	<b>61,514</b>	<b>305,737</b>	<b>11,965</b>	<b>3.8%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,467,217</b>	<b>1,570,614</b>	<b>1,570,614</b>	<b>105,059</b>	<b>887,990</b>	<b>1,568,967</b>	<b>1,647</b>	<b>0.1%</b>
<b>Net Current Activity</b>	<b>(17,141)</b>	<b>(71,000)</b>	<b>(71,000)</b>	<b>228,346</b>	<b>322,292</b>	<b>(51,480)</b>	<b>19,520</b>	
Amount Needed to Balance the Budget						0	0	
Transfers from other funds	1,028	-	-	0	-	-	0	
Pension Bond Proceeds	48,599	71,000	71,000	0	-	59,000	12,000	
Disaster Recovery Fund Transfer	-	-	-	0	-	-	-	
Change in Misc. Other Reserves	(660)	-	-	0	-	-	-	
Unreserved Fund Balance, Beg. of Year	110,286	142,112	142,112	142,112	142,112	142,112	0	
Unreserved Fund Balance, End of Year	142,112	142,112	142,112	370,458	464,404	149,632	31,520	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)	-	-	(2,070)	0	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)	-	-	(20,000)	0	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 120,042</b>	<b>\$ 120,042</b>	<b>\$ 120,042</b>	<b>\$ 370,458</b>	<b>\$ 464,404</b>	<b>\$ 127,562</b>	<b>\$ 7,520</b>	

General Fund  
Finance and Administration  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2006							
	FY2005 Actual	Adopted Budget	Current Budget	Current Month	YTD	F & A Projection	Variance from Current Budget	% Variance
<b>Revenues</b>								
General Property Taxes	\$ 671,294	\$ 690,246	690,246	\$ 268,673	\$ 672,997	\$ 692,943	2,697	0.4%
Industrial Assessments	14,635	13,830	13,830	1,152	9,268	13,830	0	0.0%
Sales Tax	370,583	395,845	395,845	30,455	264,866	404,298	8,453	2.1%
Electric Franchise	77,760	88,100	88,100	7,977	64,845	88,100	0	0.0%
Telephone Franchise	49,714	48,960	48,960	2,931	31,962	48,000	(960)	-2.0%
Gas Franchise	18,520	18,767	18,767	3,211	15,468	21,975	3,208	17.1%
Other Franchise	16,269	15,801	15,801	2,713	12,481	16,002	201	1.3%
Licenses and Permits	17,692	19,073	19,073	1,704	11,264	18,013	(1,060)	-5.6%
Intergovernmental	27,571	36,432	36,432	174	26,081	39,636	3,204	8.8%
Charges for Services	39,856	43,490	43,490	2,918	22,104	41,990	(1,500)	-3.4%
Direct Interfund Services	61,233	44,345	44,345	3,283	24,869	43,998	(347)	-0.8%
Indirect Interfund Services	11,031	14,887	14,887	595	6,647	14,887	0	0.0%
Municipal Courts Fines and Forfeits	48,827	47,806	47,806	4,446	26,457	44,067	(3,739)	-7.8%
Other Fines and Forfeits	2,424	2,768	2,768	142	1,173	2,391	(377)	-13.6%
Interest	6,414	6,500	6,500	1,725	5,346	9,500	3,000	46.2%
Miscellaneous/Other	16,253	12,764	12,764	1,306	14,454	20,574	7,810	61.2%
<b>Total Revenues</b>	<b>1,450,076</b>	<b>1,499,614</b>	<b>1,499,614</b>	<b>333,405</b>	<b>1,210,282</b>	<b>1,520,204</b>	<b>20,590</b>	<b>1.4%</b>
<b>Expenditures</b>								
Affirmative Action	1,714	1,637	1,637	116	1,082	1,637	0	0.0%
Building Services	24,632	27,731	33,161	3,134	25,275	34,784	(1,623)	-4.9%
City Council	4,266	4,498	4,533	317	2,967	4,533	0	0.0%
City Secretary	626	727	727	49	421	727	0	0.0%
Controller	5,959	6,054	6,054	480	3,601	6,054	0	0.0%
Convention & Entertainment	0	0	1,838	310	946	1,838	0	0.0%
Finance and Administration	19,431	20,820	20,732	1,493	12,747	20,732	0	0.0%
Fire	291,352	323,502	323,502	25,609	213,571	323,502	0	0.0%
Health and Human Services	50,311	50,780	45,344	3,548	27,998	45,344	0	0.0%
Human Resources	2,217	2,371	2,371	197	1,445	2,371	0	0.0%
Information Technology	12,278	12,653	12,643	850	7,276	12,643	0	0.0%
Legal	10,675	11,435	11,428	873	7,219	11,428	0	0.0%
Library	33,222	29,641	29,454	2,051	18,722	29,454	0	0.0%
Mayor's Office	1,849	1,928	2,163	141	1,120	2,163	0	0.0%
Municipal Courts - Administration	16,350	16,780	14,942	1,110	10,938	16,558	(1,616)	-10.8%
Municipal Courts - Justice	4,213	4,284	4,284	330	2,786	4,284	0	0.0%
Parks and Recreation	47,592	47,613	47,813	3,370	32,138	47,933	(120)	-0.3%
Planning and Development	7,155	7,417	7,417	512	4,378	7,417	0	0.0%
Police	497,867	542,379	543,662	42,510	355,525	543,662	0	0.0%
Public Works and Engineering	88,865	70,966	70,966	6,585	49,855	79,844	(8,878)	-12.5%
Solid Waste Management	66,989	69,031	68,241	3,528	46,466	66,322	1,919	2.8%
<b>Total Departmental Expenditures</b>	<b>1,187,563</b>	<b>1,252,247</b>	<b>1,252,912</b>	<b>97,113</b>	<b>826,476</b>	<b>1,263,230</b>	<b>(10,318)</b>	<b>-0.8%</b>
<b>Non-Departmental Expenditures and Other Uses</b>								
General Government	91,654	123,367	122,702	7,946	61,514	110,737	11,965	9.8%
Debt Service Transfer	188,000	195,000	195,000	0	0	195,000	0	0.0%
<b>Total Non-Dept. Exp. and Other Uses</b>	<b>279,654</b>	<b>318,367</b>	<b>317,702</b>	<b>7,946</b>	<b>61,514</b>	<b>305,737</b>	<b>11,965</b>	<b>3.8%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,467,217</b>	<b>1,570,614</b>	<b>1,570,614</b>	<b>105,059</b>	<b>887,990</b>	<b>1,568,967</b>	<b>1,647</b>	<b>0.1%</b>
<b>Net Current Activity</b>	<b>(17,141)</b>	<b>(71,000)</b>	<b>(71,000)</b>	<b>228,346</b>	<b>322,292</b>	<b>(48,763)</b>	<b>22,237</b>	
Transfers from other funds	1,028	-	-	-	-	-	0	
Pension Bond Proceed	48,599	71,000	71,000	-	-	59,000	(12,000)	
Disaster Recovery Fund Transfer	-	-	-	-	-	-	-	
Change in Misc. Other Reserves	(660)	-	-	-	-	-	-	
Unreserved Fund Balance, Beg. of Year	110,286	142,112	142,112	142,112	142,112	142,112	0	
Unreserved Fund Balance, End of Year	142,112	142,112	142,112	370,458	464,404	152,349	10,237	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)	-	-	(2,070)	-	
Designated for Rainy Day Fund	(20,000)	(20,000)	(20,000)	-	-	(20,000)	-	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 120,042</b>	<b>\$ 120,042</b>	<b>\$ 120,042</b>	<b>\$ 370,458</b>	<b>\$ 464,404</b>	<b>\$ 130,279</b>	<b>\$ 10,237</b>	

General Fund  
General Government  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2006							
	FY2005 Actual	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	0	0	0	0	0.0%	0	0
Insurance-Civilian (Active)	(12)	0	0	0	0	0.0%	0	0
Insurance-Civilian (Retirees)	13,486	22,963	22,963	1,464	12,156	52.9%	18,154	18,154
Pension-Police	0	0	0	0	0	0.0%	0	0
Insurance-Classified (Retirees)	15,565	26,377	26,377	1,966	16,130	61.2%	24,186	24,186
Long Term Disability	(42)	0	0	0	0	0.0%	0	0
Compensation Contingency	0	0	0	0	0	0.0%	0	0
Total Personnel Services	<u>28,997</u>	<u>49,340</u>	<u>49,340</u>	<u>3,430</u>	<u>28,286</u>	57.3%	<u>42,340</u>	<u>42,340</u>
Insurance Fees	1,153	1,283	1,283	5	66	5.1%	1,856	1,856
Accounting and Auditing Svcs	890	865	865	14	599	69.2%	960	960
Advertising Svcs	278	225	225	8	72	32.0%	225	225
Legal Services	2,282	1,356	1,356	10	777	57.3%	1,450	1,450
Management Consulting Svcs.	334	232	232	51	182	78.4%	265	265
Misc Support Svcs	280	250	250	21	(15)	-6.0%	150	150
Real Estate Lease	9,000	8,069	8,069	991	5,969	74.0%	6,744	6,744
Parking Space Rental	1	0	0	61	61	0.0%	0	0
METRO Commuter Passes	516	600	600	103	535	89.2%	600	600
Electricity	0	5,816	5,816	0	0	0.0%	0	0
Other Interfund Services	0	0	0	0	0	0.0%	0	0
Limited Purpose Annexation Prmts.	12,654	15,686	15,686	1,460	6,710	42.8%	17,686	17,686
Print Shop Services	4	0	0	0	0	0.0%	0	0
Printing and Reproduction Svcs.	2	0	0	0	1	0.0%	1	1
Tax Appraisal Fees	5,003	5,140	5,140	0	2,544	49.5%	5,140	5,140
Tax Refunds	0	0	0	0	0	0.0%	0	0
Billing and Collection Svcs	750	750	750	0	451	60.1%	750	750
Elections	1,334	2,400	2,400	299	1,204	50.2%	2,400	2,400
Claims and Judgments	5,813	5,000	5,000	284	3,278	65.6%	5,000	5,000
Contingency/Reserve	0	0	550	0	0	0.0%	0	0
Zoo Contract	7,494	7,687	7,687	641	5,125	66.7%	7,687	7,687
Misc Other Services and Charges	1,946	2,136	2,009	171	365	18.2%	2,147	2,147
Membership and Professional Fees	656	734	734	79	287	39.1%	665	665
Mgmt Initiative Savings	0	0	0	0	0	0.0%	0	0
Total Other Services and Charges	<u>50,390</u>	<u>58,229</u>	<u>58,652</u>	<u>4,198</u>	<u>28,211</u>	48.1%	<u>53,726</u>	<u>53,726</u>
Other Financing Uses								
Debt Service-Interest	3,194	6,100	5,012	0	210	4.2%	4,992	4,992
Transfers to TRANS Debt Service	620	0	0	0	0	0.0%	0	0
Transfers to Conv & Entertain	442	1,428	1,428	318	672	47.1%	1,408	1,408
Transfers to Special Revenues	7,659	8,270	8,270	0	4,135	50.0%	8,270	8,270
Transfers to Capital Projects	352	0	0	0	0	0.0%	0	0
Total Other Financing Uses	<u>12,267</u>	<u>15,798</u>	<u>14,710</u>	<u>318</u>	<u>5,017</u>	34.1%	<u>14,670</u>	<u>14,670</u>
Total General Government	<u>91,654</u>	<u>123,367</u>	<u>122,702</u>	<u>7,946</u>	<u>61,514</u>	50.1%	<u>110,737</u>	<u>110,737</u>
Debt Service Transfers								
Transfers to PIB Debt Svc	184,000	190,000	190,000	0	0	0.0%	190,000	190,000
Transfers to CO Debt Svc	4,000	5,000	5,000	0	0	0.0%	5,000	5,000
Total Debt Service Transfers	<u>188,000</u>	<u>195,000</u>	<u>195,000</u>	<u>0</u>	<u>0</u>	0.0%	<u>195,000</u>	<u>195,000</u>
Total Non-Dept. Exp and Other Uses	<u>\$ 279,654</u>	<u>\$ 318,367</u>	<u>\$ 317,702</u>	<u>\$ 7,946</u>	<u>\$ 61,514</u>	19.4%	<u>\$ 305,737</u>	<u>\$ 305,737</u>

Katrina Aid & Recovery Fund  
For the period ended February 28, 2006  
(amounts expressed in thousands)

<b>Revenues</b>	<u>From Inception To 02/28/06</u>
Recoveries and Refund	
FEMA Grants - Received	\$ 125,444
FEMA Grants - Receivable	20,105
FEMA Grants - Admin Fees Received	250
FEMA Grants - Admin Fees Receivable	514
FEMA Grants - Subtotal	<u>146,313</u>
Contributions from Others	1,040
Interest on Pooled Investments	698
Total Revenue	<u>\$ 148,051</u>
<b>Expenditures</b>	
City Personnel (O/T) & Equipment	
City Personnel - Labor Costs (O/T)	\$ 9,004
City Department - Other Costs	5,999
Total Dept. Costs (PW's):	<u>\$ 15,003</u>
Contracts	
Housing Costs:	
Rent	\$ 85,851
Furniture	38,898
Household Goods	1,065
Utilities	20,023
Professional services	10,803
Other Costs:	
Materials	59
Services	3,763
Total Housing & Other:	<u>\$ 160,462</u>
Grand Total:	<u>175,465</u>
<b>Net Current Activity</b>	<u>\$ (27,414)</u>
<b>Other financing sources</b>	
Advances:	
Fund 405	\$ 10,000
Total other Funding:	<u>\$ 10,000</u>
<b>Other uses</b>	
None	-
Total other uses	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ (17,414)</u>

Aviation Operating Fund  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2005 Actual	FY2006				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Landing Area	\$ 102,072	\$ 105,185	\$ 105,185	71,748	\$ 106,626	\$ 106,626
Bldg and Ground Area	151,417	183,241	183,241	117,321	180,033	180,033
Parking and Concession	97,286	105,349	105,349	69,765	106,818	106,818
Other	2,866	1,274	1,274	2,701	3,002	3,002
Total Operating Revenues	<u>353,641</u>	<u>395,049</u>	<u>395,049</u>	<u>261,535</u>	<u>396,479</u>	<u>396,479</u>
<b>Operating Expenses</b>						
Personnel	113,892	79,376	79,376	51,641	79,376	79,376
Supplies	5,710	6,449	6,449	4,558	6,449	6,449
Services	103,654	118,633	118,633	76,604	121,977	121,977
Non-Capital Outlay	716	1,010	1,010	545	1,010	1,010
Total Operating Expenses	<u>223,972</u>	<u>205,468</u>	<u>205,468</u>	<u>133,348</u>	<u>208,812</u>	<u>208,812</u>
Operating Income (Loss)	<u>129,669</u>	<u>189,581</u>	<u>189,581</u>	<u>128,187</u>	<u>187,667</u>	<u>187,667</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	10,435	9,500	9,500	10,685	17,300	17,300
Other	4,175	0	0	1,405	1,405	1,405
<b>Other Financing Sources - Pension Bonds</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Rev (Exp)	<u>14,610</u>	<u>9,500</u>	<u>9,500</u>	<u>12,090</u>	<u>18,705</u>	<u>18,705</u>
Income (Loss) Before Operating Transfers	<u>144,279</u>	<u>199,081</u>	<u>199,081</u>	<u>140,277</u>	<u>206,372</u>	<u>206,372</u>
<b>Operating Transfers</b>						
Interfund Transfer - Oper Reserve	2,842	3,000	3,000	0	3,000	3,000
Debt Service Principal	28,182	31,727	31,727	23,335	33,362	33,362
Debt Service Interest	58,743	93,122	93,122	60,072	90,101	90,101
Renewal and Replacement	0	500	500	0	500	500
Capital Improvement	54,561	70,732	70,732	62,752	79,409	79,409
Total Operating Transfers	<u>144,328</u>	<u>199,081</u>	<u>199,081</u>	<u>146,159</u>	<u>206,372</u>	<u>206,372</u>
Net Income (Loss) Operating Fund Only	<u>\$ (49)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(5,882)</u>	<u>\$ 0</u>	<u>\$ 0</u>

**About the Fund:**

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

Convention and Entertainment Facilities Operating Fund  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2005 Actual	FY2006				F & A Projection
		Adopted Budget	Current Budget	YTD	Controllers Projection	
<b>Operating Revenues</b>						
Facility Rentals	\$ 6,673	\$ 5,951	\$ 5,951	\$ 3,403	\$ 5,673	\$ 5,673
Parking	8,882	9,252	9,252	4,974	9,352	9,352
Food and Beverage Concessions	3,373	2,788	2,788	1,763	3,608	3,608
Contract Cleaning	248	192	192	129	306	306
Total Operating Revenues	<u>19,176</u>	<u>18,183</u>	<u>18,183</u>	<u>10,269</u>	<u>18,939</u>	<u>18,939</u>
<b>Operating Expenses</b>						
Personnel	10,672	7,068	6,983	4,757	7,234	7,234
Supplies	562	682	636	380	649	649
Services	21,284	25,304	25,463	13,250	22,085	22,085
Total Operating Expenses	<u>32,518</u>	<u>33,054</u>	<u>33,082</u>	<u>18,387</u>	<u>29,968</u>	<u>29,968</u>
Operating Income (Loss)	<u>(13,342)</u>	<u>(14,871)</u>	<u>(14,899)</u>	<u>(8,118)</u>	<u>(11,029)</u>	<u>(11,029)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Hotel Occupancy Tax						
Current	40,850	45,000	45,000	36,640	47,000	47,000
Delinquent	1,416	900	900	865	1,200	1,200
Advertising Services	(9,892)	(10,350)	(10,350)	(5,430)	(10,350)	(10,350)
Promotion Contracts	(8,172)	(8,550)	(8,550)	(4,485)	(8,550)	(8,550)
Contracts/Sponsorships	(1,745)	(2,577)	(2,547)	(1,342)	(1,912)	(1,912)
Net Hotel Occupancy Tax	<u>22,457</u>	<u>24,423</u>	<u>24,453</u>	<u>26,248</u>	<u>27,388</u>	<u>27,388</u>
Interest Income	1,028	1,000	1,000	927	1,400	1,400
Capital Outlay	(1)	(2,969)	(3,009)	(808)	(1,615)	(1,615)
Non-Capital Outlay	(57)	(128)	(140)	(61)	(140)	(140)
Other Interest	(276)	(900)	(900)	(640)	(900)	(900)
Other	4,518	2,162	2,162	4,092	4,092	4,092
<b>Other Financing Sources - Pension Bonds</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Rev (Exp)	<u>27,669</u>	<u>23,588</u>	<u>23,566</u>	<u>29,758</u>	<u>30,225</u>	<u>30,225</u>
Income (Loss) Before Operating Transfers	<u>14,327</u>	<u>8,717</u>	<u>8,667</u>	<u>21,640</u>	<u>19,196</u>	<u>19,196</u>
<b>Operating Transfers</b>						
Transfers for Interest	6,538	8,633	8,583	5,439	8,836	8,836
Transfers for Principal	6,548	7,230	7,230	5,408	7,230	7,230
Interfund Transfers Out	1,644	0	0	11	1,402	1,402
Miller Outdoor Theater Transfer	(442)	(1,119)	(1,119)	(559)	(1,119)	(1,119)
Transfers to(from) Special	(2,500)	(1,700)	(1,700)	0	(1,700)	(1,700)
Total Operating Transfers	<u>11,788</u>	<u>13,044</u>	<u>12,994</u>	<u>10,299</u>	<u>14,649</u>	<u>14,649</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 2,539</u>	<u>\$ (4,327)</u>	<u>\$ (4,327)</u>	<u>\$ 11,341</u>	<u>\$ 4,547</u>	<u>\$ 4,547</u>

**About the Fund:**

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

Combined Utility System Fund  
For the period ended February 28, 2006  
(amounts expressed in thousands)

	FY2006					
	FY2005 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Water Sales	\$ 301,227	\$ 313,361	\$ 313,361	\$ 224,766	\$ 332,847	\$ 332,847
Sewer Sales	288,459	302,653	302,653	206,114	303,653	303,653
Penalties	4,605	4,005	4,005	3,621	5,343	5,343
Other	4,583	4,078	4,078	2,882	4,281	4,281
Total Operating Revenues	<u>598,874</u>	<u>624,097</u>	<u>624,097</u>	<u>437,383</u>	<u>646,124</u>	<u>646,124</u>
<b>Operating Expenses</b>						
Personnel	176,786	130,480	126,403	77,493	117,522	117,522
Supplies	29,313	29,107	28,832	18,473	28,773	28,773
Electricity and Gas	49,825	52,421	55,624	46,947	60,145	60,145
Contracts & Other Payments	75,865	100,583	100,809	53,303	94,554	94,554
Non-Capital Equipment	1,011	1,468	1,487	849	1,487	1,487
Total Operating Expenses	<u>332,800</u>	<u>314,059</u>	<u>313,155</u>	<u>197,065</u>	<u>302,481</u>	<u>302,481</u>
Operating Income (Loss)	<u>266,074</u>	<u>310,038</u>	<u>310,942</u>	<u>240,318</u>	<u>343,643</u>	<u>343,643</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	7,872	5,300	5,300	9,820	14,127	14,127
Sale of Property, Mains and Scrap	1,035	808	808	5,089	5,869	5,869
Other	0	7,614	7,614	7,060	8,258	8,258
<b>Other Financing Sources - Pension Bonds</b>	0	0	0	0	0	0
Gain on escrow restructure	0	0	0	0	0	0
Gross Revenue Contrib. from Water Auth.	0	0	0	0	0	0
Impact Fees	15,497	14,000	14,000	6,395	15,558	15,558
CIP Salary Recovery	0	3,140	3,140	0	0	0
HAWC	(1,677)	(9,075)	(9,075)	(3,261)	(6,355)	(6,355)
CWA & TRA Contracts (P & I)	(31,546)	(32,219)	(32,219)	(27,551)	(32,219)	(32,219)
Total Nonoperating Rev (Exp)	<u>(8,819)</u>	<u>(10,432)</u>	<u>(10,432)</u>	<u>(2,448)</u>	<u>5,238</u>	<u>5,238</u>
Income (Loss) Before Operating Transfers	<u>257,255</u>	<u>299,606</u>	<u>300,510</u>	<u>237,870</u>	<u>348,881</u>	<u>348,881</u>
<b>Operating Transfers</b>						
Debt Service Transfer	188,270	232,730	232,730	121,352	232,730	232,730
Transfer to PIB - Water & Sewer	27,822	26,282	26,282	25,977	26,257	26,257
Discretionary Debt	0	1,605	1,605	3,986	5,516	5,516
Equipment Acquisition	0	13,357	14,261	4,400	8,969	8,969
Transfer to Stormwater	30,000	31,300	31,300	17,300	31,300	31,300
Total Operating Transfers	<u>246,092</u>	<u>305,274</u>	<u>306,178</u>	<u>173,015</u>	<u>304,772</u>	<u>304,772</u>
Net Current Activity						
Operating Fund Only	<u>\$ 11,163</u>	<u>\$ (5,668)</u>	<u>\$ (5,668)</u>	<u>\$ 64,855</u>	<u>\$ 44,109</u>	<u>\$ 44,109</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 February 28, 2006  
(amounts expressed in thousands)

	FY2006					
	FY2005 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Revenues</b>						
Other Interfund Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	\$ 45	\$ 50	\$ 50	\$ 139	\$ 160	\$ 160
Total Revenues	<u>45</u>	<u>50</u>	<u>50</u>	<u>139</u>	<u>160</u>	<u>160</u>
<b>Expenditures</b>						
Personnel	16,134	18,010	18,010	10,742	16,568	16,568
Supplies	1,556	1,347	1,547	1,108	1,778	1,778
Other Services	10,438	13,429	12,692	6,946	11,766	11,766
Capital Outlay	123	2,445	2,982	843	844	844
Total Expenditures	<u>28,251</u>	<u>35,231</u>	<u>35,231</u>	<u>19,639</u>	<u>30,956</u>	<u>30,956</u>
<b>Other Financing Sources (Uses)</b>						
Interest Income	106	100	100	42	63	63
Operating Transfers In	30,000	31,300	31,300	17,300	31,300	31,300
Operating Transfers Out	0	0	0	0	(545)	(545)
Total Other Financing Sources (Uses)	<u>30,106</u>	<u>31,400</u>	<u>31,400</u>	<u>17,342</u>	<u>30,818</u>	<u>30,818</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)						
	1,900	(3,781)	(3,781)	(2,158)	22	22
<b>Pension Bond Proceeds</b>						
	436	1,000	1,000	0	1,000	1,000
Fund Balance, Beginning of Year	<u>1,692</u>	<u>4,028</u>	<u>4,028</u>	<u>4,028</u>	<u>4,028</u>	<u>4,028</u>
Fund Balance, End of Year	<u>\$ 4,028</u>	<u>\$ 1,247</u>	<u>\$ 1,247</u>	<u>\$ 1,870</u>	<u>\$ 5,050</u>	<u>\$ 5,050</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**  
**February 28, 2006**  
(amounts expressed in millions)

<b>COMMERCIAL PAPER</b>	<b>Draws FY06</b>	<b>Draws Month</b>	<b>Refunded FY06</b>	<b>Amount Available to be Drawn</b>	<b>Amount Outstanding</b>
<b>General Obligation</b>					
<i>(Series A &amp; B)</i>					
<i>Public Improvement Bonds</i>	\$ 19.00	\$ 2.50	\$ (101.80)	\$ 18.00	\$ 125.00
<i>(Series D)</i>	70.00	25.00	0.00	260.00	240.00
<i>(Series E)</i>					
<i>Equipment</i>	29.00	10.00	0.00	70.70	60.29
<i>Metro Street Projects</i>	18.50	0.00	(21.10)	66.99	23.01
<i>Cotswold Project</i>	0.50	0.00	0.00	1.50	2.50
<i>(Series F) Drainage</i>	43.00	20.00	(7.20)	94.70	44.80
<b>Total General Obligation</b>	180.00	57.50	(130.10)	511.89	495.60
<b>Combined Utility System</b>	195.00	60.00	(200.00)	725.00	175.00
<i>(Series A)</i>					
<b>Airport System</b>	0.00	0.00	0.00	251.50	48.50
<i>(Series A,B, &amp; C)</i>					
<b>Convention &amp; Entertainment</b>	0.00	0.00	0.00	52.50	22.50
<i>(Series A)</i>					
<b>Totals</b>	\$ <u>375.00</u>	\$ <u>117.50</u>	\$ <u>(330.10)</u>	\$ <u>1,540.89</u>	\$ <u>741.60</u>

**City of Houston, Texas**  
**Summarized Construction/Bond Fund Status Report**  
**For the period ended February 28, 2006**  
**(amounts expressed in thousands)**

<b>Purpose</b>	<b>Available for Appropriation</b>
<b>Equipment Acquisition and Other</b>	
Total Dangerous Buildings Funds	\$ 298
Total Equipment Acquisition Funds	22,914
Certificates of Obligation Lamar Terrace 2000A	11
Total	23,223
 <b>Public Improvement</b>	
Total Fire Department	9,871
Total Housing	7,421
Total General Improvement	15,975
Total Public Health and Welfare	1,381
Total Public Library	5,879
Total Parks and Recreation	10,984
Total Police Department	9,162
Total Solid Waste	4,224
Total Storm Sewer	24,357
Total Street & Bridge	69,578
Total Public Improvement	158,831
 <b>Airport</b>	
Total Airport	391,313
 <b>Convention and Entertainment Facilities</b>	
Total Convention and Entertainment	35,217
 <b>Combined Utility System</b>	
Total Combined Utility System	354,449
<b>Total All Purposes</b>	<b>\$ 963,034</b>

**City of Houston, Texas**  
**Total Outstanding Debt**  
**February 28, 2006 and February 28, 2005**  
**(amounts expressed in thousands)**

	February 28, 2006	February 28, 2005
<b>Payable from Ad Valorem Taxes</b>		
Public Improvement Bonds (a)	\$ 1,750,285	\$ 1,734,730
GO Commercial Paper Notes (b)	495,600	357,800
Pension Obligations	373,868	322,900
Certificates of Obligations (c)	81,733	33,519
Assumed Bonds	11,180	11,975
Subtotal	2,712,666	2,460,924
<b>Payable from Sources Other Than Ad Valorem Taxes</b>		
Combined Utility System		
Combined Utility System Revenue Bonds	3,424,940	3,029,170
Combined Utility System Commercial Paper Notes (d)	175,000	85,000
Water and Sewer System Revenue Bonds (e)	799,832	1,031,468
Airport System		
Airport System Revenue Bonds	2,148,055	2,172,515
Airport System Sr. Lien Commercial Paper Notes (f)	48,500	43,000
Airport System Inferior Lien Contracts (g)	56,810	0
Airport Special Facilities Revenue Bonds (h)	592,845	673,640
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds (i)	594,050	607,730
Hotel Occupancy Tax Commercial Paper (j)	22,500	22,500
Contract Revenue Obligations - CWA, HAWC, TRA	357,765	376,270
Subtotal	8,220,297	8,041,293
<b>Total Debt Payable by the City</b>	<b>\$ 10,932,963</b>	<b>\$ 10,502,217</b>

- (a) Tax bonds authorized by voters in 1997 but unissued total \$18.0 million of which \$18.0 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 \$260 million is authorized commercial paper that has not been drawn (Series D).
- (b) The City has authorized maximum issuance of General Obligation Commercial Paper Programs Series A: \$117.2 million, B: \$25.8 million, D: \$500.0 million, E: \$225.0 million, and F: \$139.5 million. As of the date above, the following amount were outstanding: Series A: \$115.5 million, B: \$9.5 million, D: \$240.0 million, E: \$85.8 million, and F: \$44.8 million.
- (c) Excludes \$1.6 million accreted value of capital appreciation certificates, or 5.5% of face value as of this date.
- (d) The City has authorized issuance of \$900 million Combined Utility System Commercial Paper Notes.
- (e) Excludes \$158.2 million accreted value of capital appreciation bonds, or 15.4% of face value as of this date.
- (f) City Council has authorized \$150 million Airport Senior Lien Commercial Paper Notes Series A and B and \$150 million Inferior Lien Commercial Paper Notes Series C.
- (g) Under a sublease agreement, the City has agreed to make sublease payments that include the debt service payments on the Series 1997A Special Facilities Bonds that financed the Automated People Mover ("APM") at George Bush Airport. These sublease payments constitute Inferior Lien Obligations under the Airport bond ordinances.
- (h) All Special Facility Revenue Bonds are secured solely from Special Facility Lease Revenues. Does not include \$56,810,000 for Series 1997A Special Facilities Bonds. See footnote (g).
- (i) Excludes \$31.9 million accreted value of capital appreciation bonds, or 5.3% of face value as of this date.
- (j) The City has authorized \$75 million Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper.

## CITY OF HOUSTON

# PENSION FUND PAYMENTS AND UNFUNDED LIABILITY SUMMARY

2/28/2006

## PAYMENTS

	FY05 Actual (\$1,000)	FY 06			Year to Date (\$1,000)
		City Payment Rate	Employee Payment Rate	Annual Payment (\$1,000)	
<b>Firefighters Plan</b>					
General Fd. & Other Fds.	32,455	23.8%	9.0%	43,290	30,715
Pension Bonds	0			0	0
<b>Total Firefighters Plan</b>	<u>32,455</u>			<u>43,290</u>	<u>30,715</u>
<b>Police Plan</b>					
General Fd. & Other Fds.	13,780	Note 1	9.0%	23,000	23,000
Pension Bonds	22,865			30,000	0
<b>Total Police Plan</b>	<u>36,645</u>			<u>53,000</u>	<u>23,000</u>
<b>Municipal Plan</b>					
General Fund	9,865	Note 2	5.0%	4,934	3,208
Other Funds	23,135	Note 2	5.0%	31,066	20,198
Pension Bonds	33,000			33,000	0
<b>Total Municipal Plan (Note 2)</b>	<u>66,000</u>			<u>69,000</u>	<u>23,406</u>
<b>Total All Three Plans</b>	<u><u>135,100</u></u>			<u><u>165,290</u></u>	<u><u>77,121</u></u>

## UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS

	Date of Most Recent Valuation or Estimate	Unfunded Accrued Liability (\$ millions)	Assets as % of Liabilities
Firefighters Plan	7/1/2004	266.5	88%
Police Plan	7/1/2004	873.2	74%
Municipal Plan	7/1/2005	947.6	65%

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

**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2006 (66.66% OF FISCAL YEAR)**

Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>AFFIRMATIVE ACTION</b>						
Applications Processed	1,847	1,160	62.8%	1,700	977	57.5%
Days to Process New Applicants	63	72	114.3%	90	26	326.4%
Field Audits	1,931	1,255	65.0%	1,520	888	58.4%
Payrolls Audited	15,093	10,953	72.6%	11,300	3,945	34.9%
SBE/MWDBE Owners Trained	7,600	3,294	43.3%	4,100	2,681	65.4%
City Employees Trained	3,503	2,084	59.5%	1,600	2,794	174.6%
MOPD Citizens Assistance Request	4,306	2,943	68.3%	3,000	3,185	106.2%
OSBC Getting Started Packets Distributed	6,957	4,474	64.3%	7,500	4,584	61.1%
MWBE Monitoring Correspondence	115,640	37,965	32.8%	125,000	133,029	106.4%
<b>AVIATION</b>						
Passenger Enplanements	46,315,000	25,070,000	54.1%	48,269,000	Unavailable	N/A
Cargo Tonnage	774,579,000	504,283,000	65.1%	799,736,000	Unavailable	N/A
Cost per Enplanement	\$7.61	\$8.62	NA	< \$8.00	\$9.30	N/A
Passenger Processing Time Index	N/A New Performance Measure for FY2006			2.5 - 3.0	2.3	N/A
Environmental Index (discharges, noise, etc.)	N/A New Performance Measure for FY2006			2.5 - 3.0	2.9	N/A
Third Party Incidents (accident/injury to 3rd party)	N/A New Performance Measure for FY2006			< 315	131	41.6%
# Customer Info. Portals (communication/productivity)	N/A New Performance Measure for FY2006			10	7.0	70.0%
<b>BUILDING SERVICES</b>						
<b>Design &amp; Construction</b>						
Days to Issue Notice to Proceeds (NTP)	39.6	39.6	100.0%	30	30.0	100.0%
Property Mgmt. (Work Orders Compl.)	22,273	15,461	69.4%	32,000	15,559	48.6%
<b>Security Management</b>						
Number or Reported Incidents Investigated upon Receipts	424	273	64.4%	350	475	135.7%
<b>CONVENTION &amp; ENTERTAINMENT FACILITIES</b>						
Days Booked-GRB Convention Center	2,955	2,545	86.1%	2,900	1,751	60.4%
Days Booked-Wortham Theatre Center	528	438	83.0%	535	328	61.3%
Days Booked-Jones Hall	368	253	68.8%	295	225	76.3%
Occupancy Days-GRB Convention Center	2,093	1,476	70.5%	2,079	1,132	54.4%
Occupancy Days-Wortham Theatre Center	638	370	58.0%	593	307	51.8%
Occupancy Days-Jones Hall	258	171	66.3%	265	151	57.0%
Occupancy Days-Theatre District Parks Hall	183	110	60.1%	166	89	53.6%
Customer Satisfaction (Periodic)-GRB Convention Center	92.6%	92.6%	NA	92.0%	88.6%	N/A
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.6%	95.7%	NA	94.0%	90.6%	N/A
Customer Satisfaction (Periodic)-Jones Hall	95.7%	100.0%	NA	95.0%	98.0%	N/A
Customer Satisfaction (Periodic)-Houston Center	96.5%	97.0%	NA	100.0%	N/A	N/A
Customer Satisfaction (Periodic)- Fannin Garage	N/A	N/A	NA	82.0%	46.0%	N/A
Customer Satisfaction (Periodic)-Theater District Parking	N/A	N/A	NA	77.0%	N/A	N/A
<b>FINANCE &amp; ADMINISTRATION</b>						
Avg Days to Award Procurement Contracts	138	126	NA	130	97	NA
3-1-1 Avg Time Customer in Queue (seconds)	67.64	84.83	NA	30.00	67.96	NA
Liens Collections	\$4,085,166	\$2,666,375	65.3%	\$2,568,000	\$2,600,315	101.3%
Ambulance Revenue per Transport	\$174.84	\$160.25	91.7%	\$198.57	\$195.28	98.3%
Cable Company Complaints	850	538	63.3%	737	1,643	222.9%
Deferred Compensation Participation	71.30%	71.42%	NA	75.00%	71.24%	N/A
Audits Completed	25	16	64.0%	25	8	32.0%

**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2006 (66.66% OF FISCAL YEAR)**

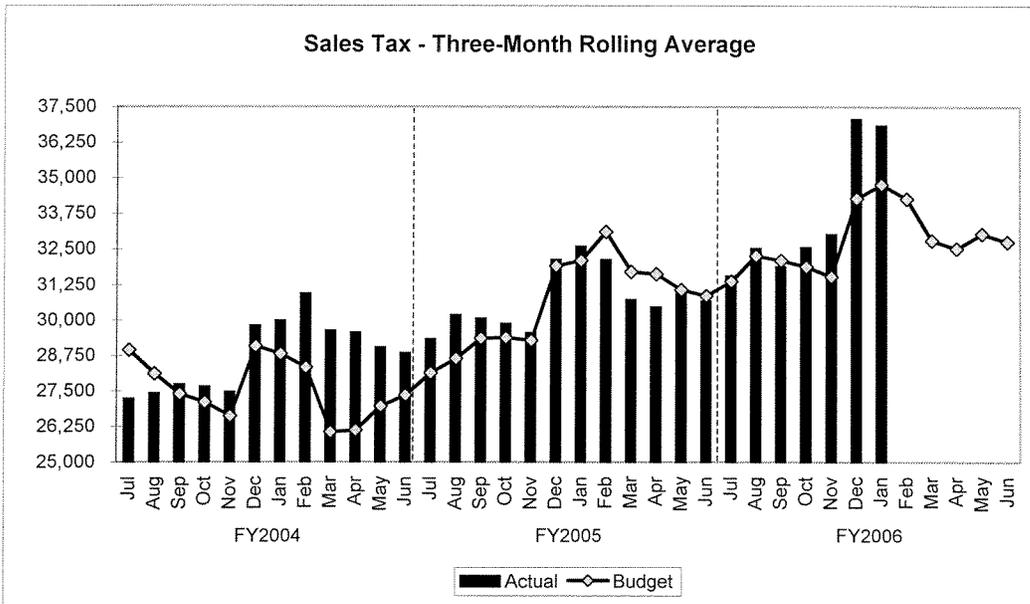
Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>FIRE DEPARTMENT *</b>						
First Response Time (Minutes)	8.1	7.9	N/A	7.5	7.8	N/A
First Response Time-EMS (Minutes)	8.5	8.5	N/A	9.5	8.5	N/A
Ambulance Response Time (Minutes)	10.4	10.4	N/A	10.0	10.3	N/A
<b>HEALTH &amp; HUMAN SERVICES</b>						
Environmental Inspections	69,702	45,560	65.4%	72,740	30,795	42.3%
First Trimester Prenatal Enrollment	45.4%	41.8%	N/A	42.0%	37.8%	N/A
WIC Client Satisfaction	95.0%	64.6%	N/A	95.0%	86.6%	N/A
Immunization Compliance (2 Yr. Olds)	88.0%	87.0%	N/A	87.0%	65.5%	N/A
TB Therapy Completed	92.1%	92.1%	N/A	90.5%	94.0%	N/A
<b>HOUSING</b>						
Housing Units Assisted	4,396	3,818	86.9%	5,000	782	15.6%
Council Actions on HUD Projects	142	84	59.2%	75	15	20.0%
Annual Spending (Millions)	\$53	\$32	60.4%	\$55	\$34	61.8%
<b>HUMAN RESOURCES</b>						
Total Jobs Filled - (As Vacancies Occur)	4,206	3,358	79.8%	4,500	3,045	67.7%
Days to Fill Jobs	60	60	100.0%	60	60	100.0%
Training Courses Conducted	151	67	44.4%	135	84	62.2%
Lost Time Injuries (As They Occur)	218	194	89.0%	280	132	47.1%
<b>LEGAL</b>						
Deed Restriction Complaints Received	1,154	648	56.2%	944	574	60.8%
Deed Restriction Lawsuits Filed	39	10	25.6%	33	31	93.9%
Deed Restriction Warning Letters Sent	721	362	50.2%	483	265	54.9%
<b>LIBRARY</b>						
Total Circulation	5,875,231	3,776,294	64.3%	5,685,707	3,880,917	68.3%
Juvenile Circulation	2,954,979	1,901,548	64.4%	3,036,291	1,869,355	61.6%
Customer Satisfaction(Three/Year)	88%	88%	100.0%	88%	82%	93.2%
Reference Questions Answered	3,890,267	2,085,514	53.6%	3,068,258	2,311,315	75.3%
In-House Computer Users	1,461,133	926,648	63.4%	1,330,282	871,361	65.5%
Public Computer Training Classes Held	822	480	58.4%	740	585	79.1%
Public Computer Training Attendance	7,021	4,144	59.0%	6,544	5,337	81.6%
<b>MUNICIPAL COURTS</b>						
Total Case Filings	1,326,341	866,367	65.3%	1,217,099	790,452	64.9%
Total Disposition	1,035,435	579,565	56.0%	926,679	617,786	66.7%
Cost per Disposition	\$15.58	\$17.60	N/A	\$16.12	\$17.72	N/A
Incomplete Docket Reduction (Cases/Day)	33.05	23.10	N/A	14	44.00	N/A
<b>PARKS &amp; RECREATION</b>						
Registrants in Youth Sports Programs	20,891	11,257	53.9%	20,100	11,057	55.0%
Registrants in Adult Fitness & Craft Programs	4,358	3,070	70.4%	5,200	2,759	53.1%
Number of Teams in Adult Sports Programs	1,087	552	50.8%	1,400	706	50.4%
Vehicle Downtime-Days out of Service (avg)	16	17	NA	20	21	NA
Golf Rounds Played at Privatized Courses	87,559	57,119	65.2%	93,500	51,808	55.4%
Golf Rounds Played at COH - Operated Courses	173,366	101,121	58.3%	175,386	108,024	61.6%
Work Orders Completed-Parks and Comm. Ctr Facilities	20,481	12,967	63.3%	21,900	12,240	55.9%
<b>Grounds Maintenance Cycle-Days:</b>						
Esplanades	13	14	NA	10	13	NA
Parks & Plazas	12	13	NA	10	12	NA
Bikes & Hikes Trails	12	14	NA	10	9	NA

\*=FY05 YTD is as of 3/31/05

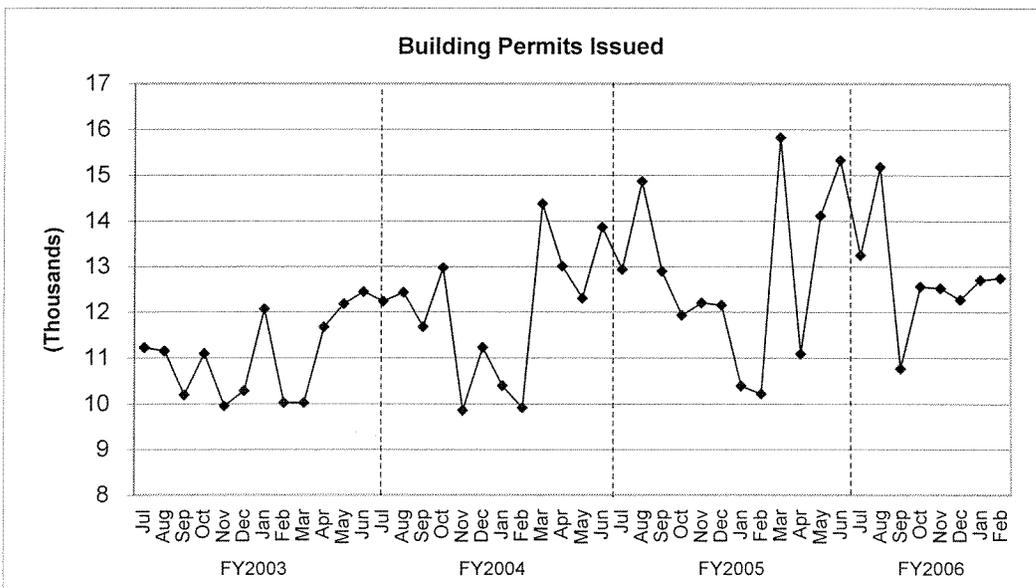
**DEPARTMENTAL PERFORMANCE MEASURES  
FOR THE MONTH ENDING FEBRUARY 28, 2006 (66.66% OF FISCAL YEAR)**

Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>PLANNING &amp; DEVELOPMENT</b>						
Development Plats	1,189	N/A	0.0%	1,100	830	75.5%
Plats Recorded	1,499	N/A	0.0%	1,500	984	65.6%
Subdivision Plats Reviewed	4,467	2,448	54.8%	2,450	2,931	119.6%
Develop Houston Hope Plans	N/A	N/A	0.0%	6	0	0.0%
Houston Hope Committee Meetings	N/A	N/A	0.0%	12	0	0.0%
<b>HOUSTON POLICE</b>						
Response Time (Code 1)-Minutes	4.7	4.7	100.0%	4.9	5.0	102.0%
Violent Crime Clearance Rate	25.4%	24.8%	97.6%	38.8%	23.5%	60.6%
Crime Lab Cases Completed	87.7%	88.3%	100.7%	90.0%	67.9%	75.4%
Fleet Availability	96.7%	96.9%	100.2%	90.0%	94.0%	104.4%
Complaints - Total Cases	415	385	92.8%	878	74	8.4%
Tot. Cases Reviewed by Citizens Rev. Com.	173	132	76.3%	564	87	15.4%
Records Processed	534,765	644,058	120.4%	663,276	385,993	58.2%
<b>PUBLIC WORKS AND ENGINEERING</b>						
<b>Maintenance and Right-of-Way</b>						
Asphalt For Potholes/Skin Patches (Tons)	18,272	13,319	72.9%	16,000	11,087	69.3%
Roadside Ditch Regrading/Cleaned (Miles)	307	204	66.4%	305	214	70.2%
Storm Sewers Cleaned (Miles)	384	226	58.9%	350	254	72.6%
Storm Sewer Inlets/Manholes Cleaned/Inspected	135,053	93,555	69.3%	130,900	96,817	74.0%
In-House Overlay (Lane Miles)	285	185	64.9%	280	237	84.6%
<b>ECRE</b>						
Storm/Street Annual Appropriation as of % of CIP	80.3%	N/A	0.0%	100.0%	45.9%	45.9%
Waste/Wastewater Annual Appropriation as of % of CIP	110.8%	N/A	0.0%	100.0%	41.2%	41.2%
Safe Sidewalk Program - PAR -% completed in 180 days	N/A	N/A	0.0%	90.0%	0	0.0%
Safe Sidewalk Program - Schools/Thourghfares -% completed in 18 months	N/A	N/A	0.0%	90.0%	0	0.0%
Overlay of thourghfares (Lane miles, by contract)	N/A	N/A	0.0%	200	0	0.0%
<b>Traffic and Transportation</b>						
Traffic Signal Maintenance Completed within 72 hours	97.6%	N/A	0.0%	95.0%	97.1%	102.2%
Roadway & Sidewalk Obstruction Permits processed within 7 days	99.5%	N/A	0.0%	100.0%	100.0%	100.0%
<b>Water and Sewer - Utility Maintenance</b>						
Rehabilitate/renew 950,000 linear feet (3%) of collection system annually	1,039,000	696,055	67.0%	950,000	645,597	68.0%
Rehabilitate or renew 1000 fire hydrants (2%) annually	1,075	486	45.2%	1,000	957	95.7%
Rehabilitate or replace 8 storage tanks (5%) annually	8	6	75.0%	8	6	75.0%
Water repairs completed within 12 days for calls received from 311	95.0%	96.0%	101.1%	90.0%	90.0%	100.0%
Wastewater repairs completed within 15 days for calls received from 311	80.0%	81.0%	101.3%	90.0%	89.0%	98.9%
<b>Utility Customer Service</b>						
Percent of meters read and located monthly	95.0%	95.0%	100.0%	97.0%	94.0%	96.9%
Collection Rate	101.3%	98.2%	96.9%	99.0%	96.4%	97.4%
<b>Planning &amp; Development</b>						
Complete Plan Review on new single family residence in 7 days	70.4%	N/A	0.0%	90.0%	100.0%	111.1%
Average number of Re-submittals in Plan Review	1.92	N/A	0.0%	2	3	166.5%
Customer service rating (Scale of 1-5)	3.45	N/A	0.0%	4	4	96.0%
<b>SOLID WASTE MANAGEMENT</b>						
Cost per Unit Served-Excludes Recycling and Special Collections Programs	\$13.77	\$12.81	93.0%	\$15.05	\$13.87	92.2%
Units with Recycling	162,000	152,080	93.9%	162,000	162,000	100.0%
Tires Disposed	238,614	144,165	60.4%	220,000	66,348	30.2%

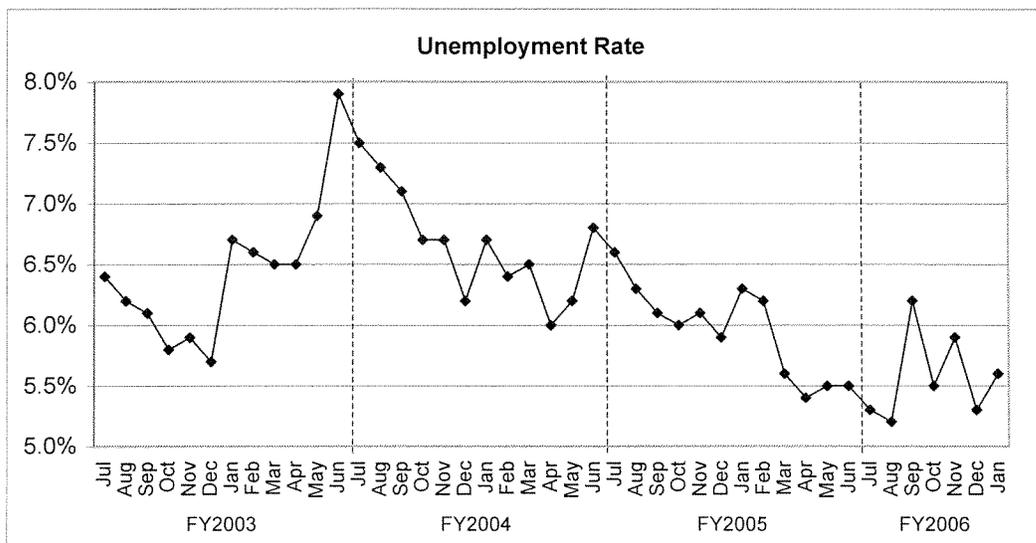
## TREND INDICATORS - LOCAL ECONOMY



Source: Office of State Comptroller

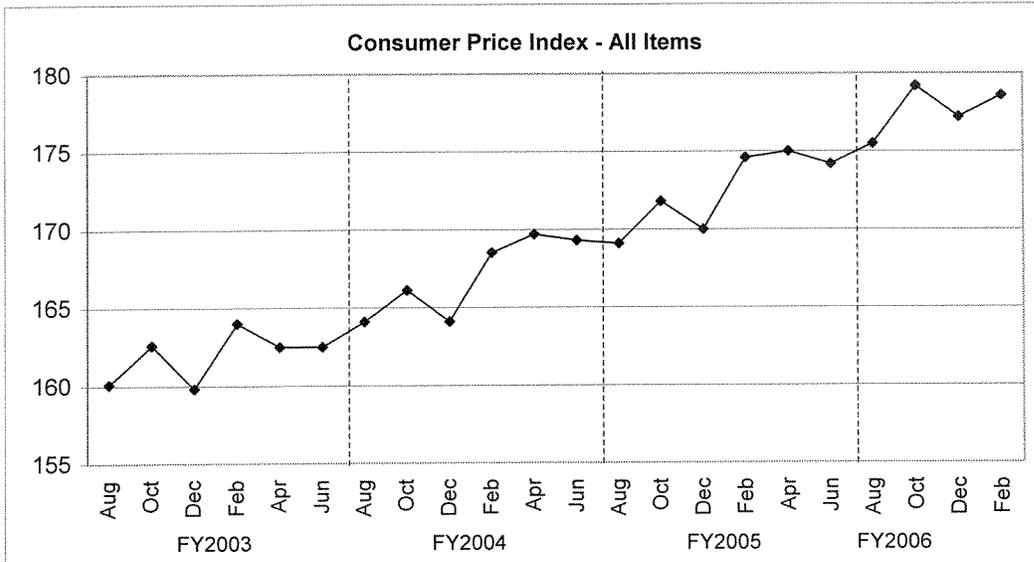


Source: City of Houston Planning and Development Department

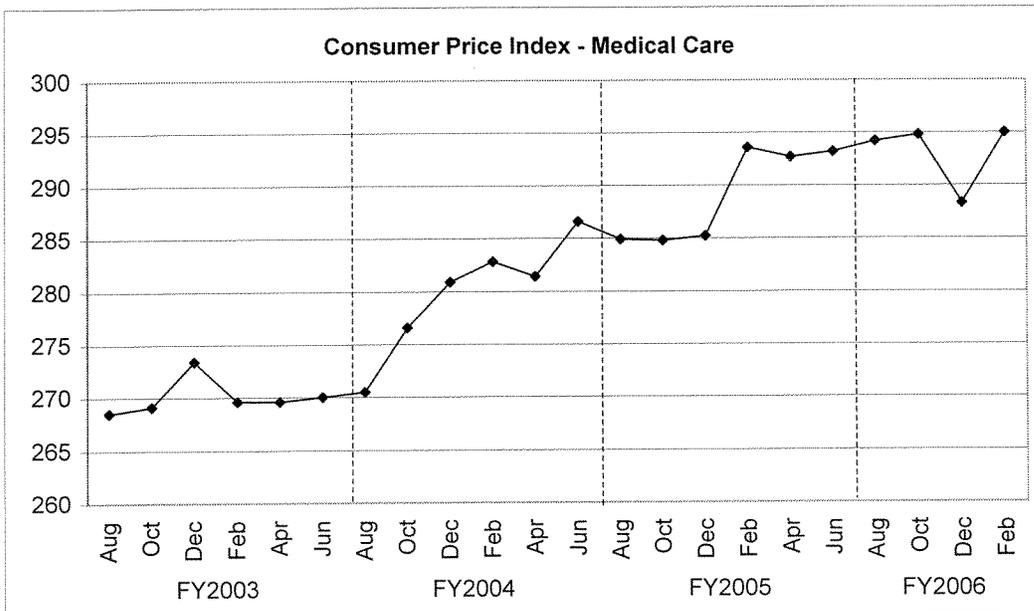


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

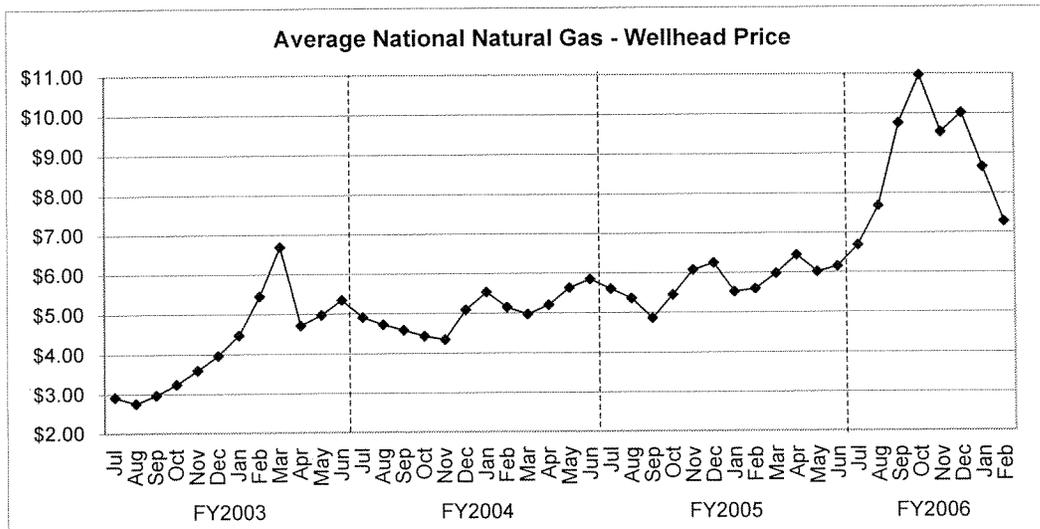
## TREND INDICATORS - LOCAL ECONOMY



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

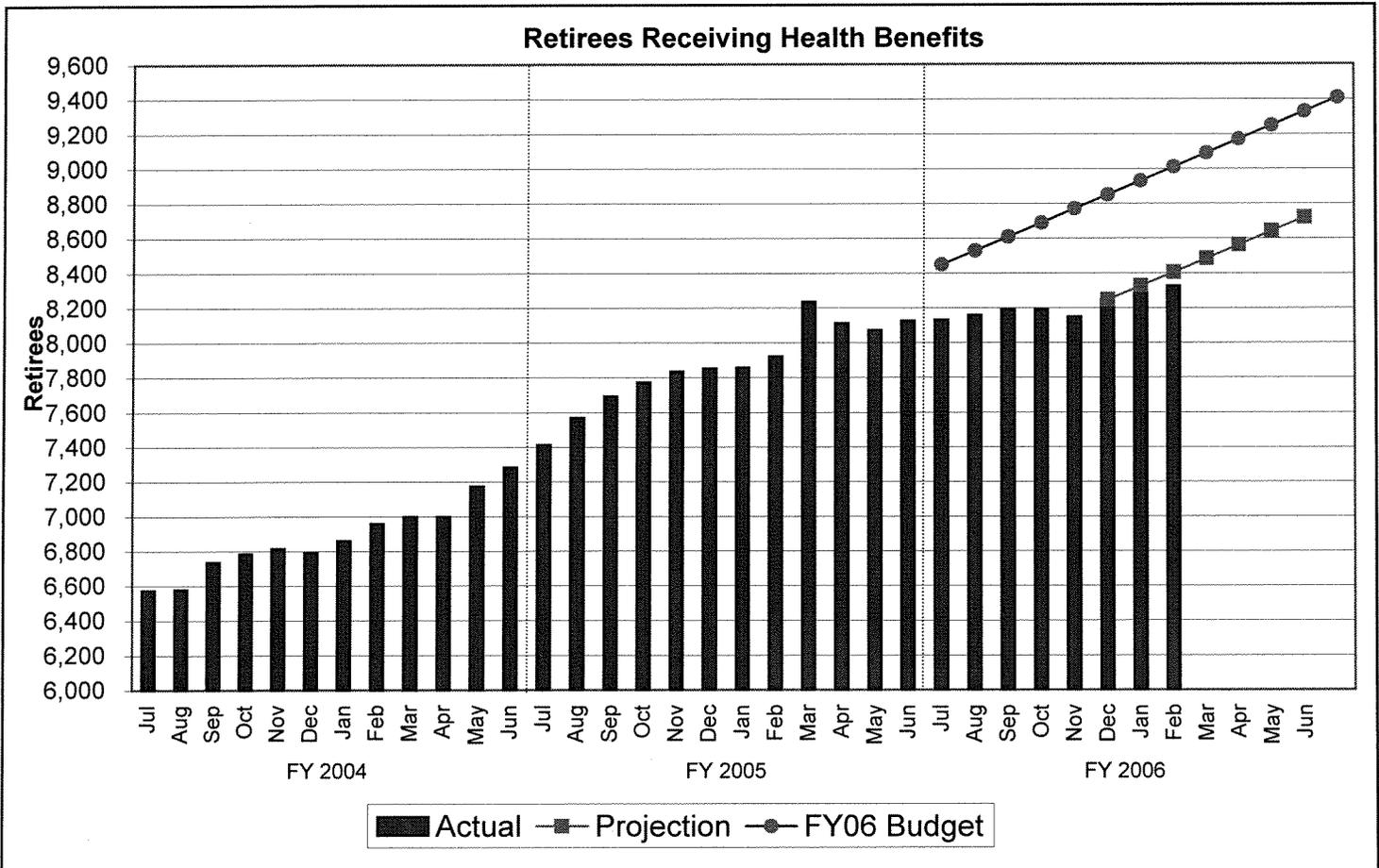
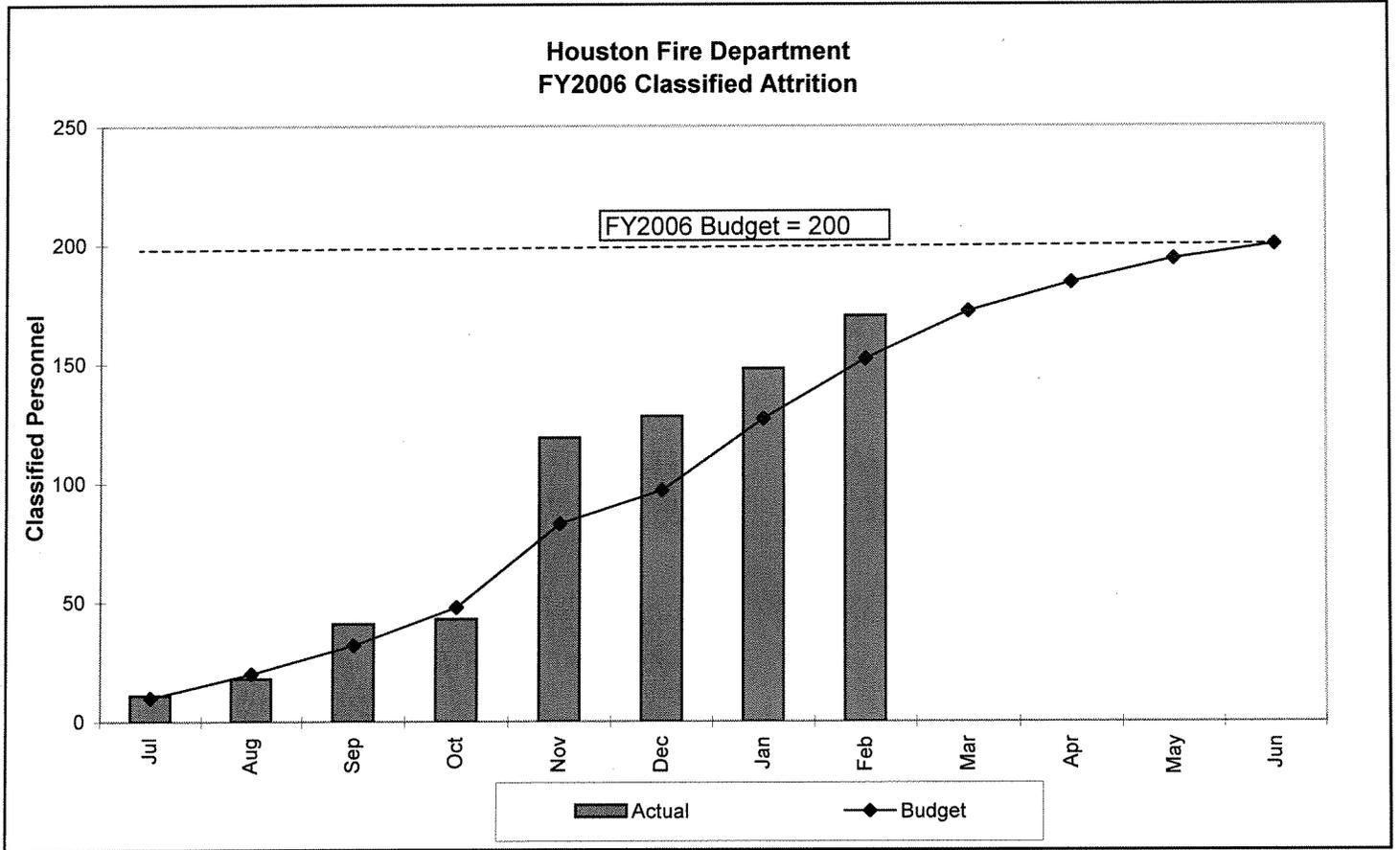


Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX



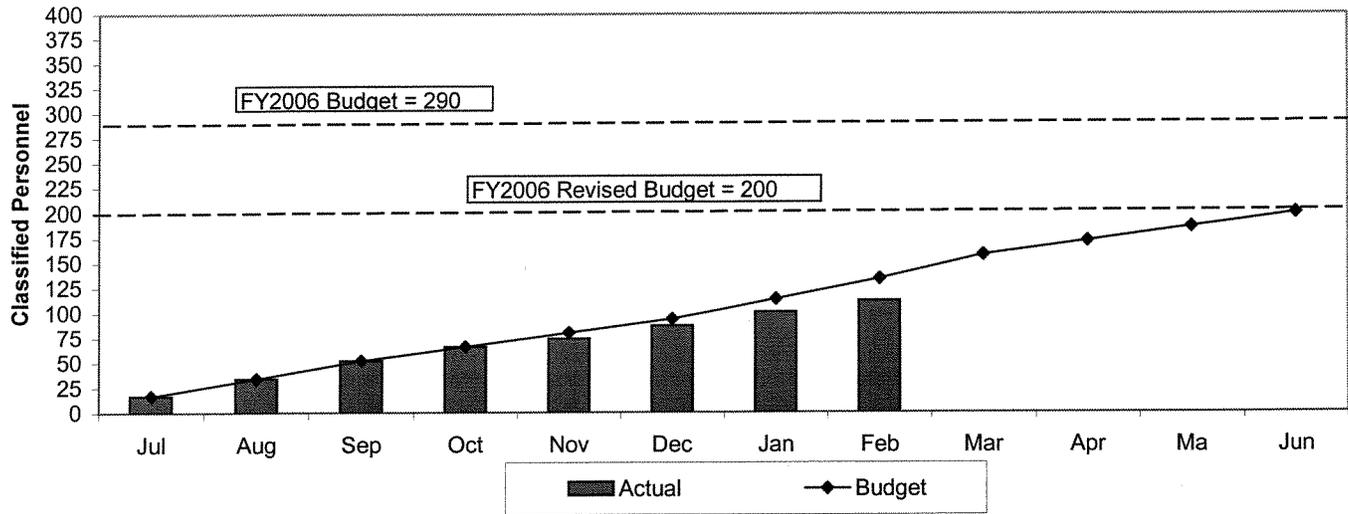
Source: Energy Information Administration/Natural Gas Monthly

# TREND INDICATORS - RETIREMENTS

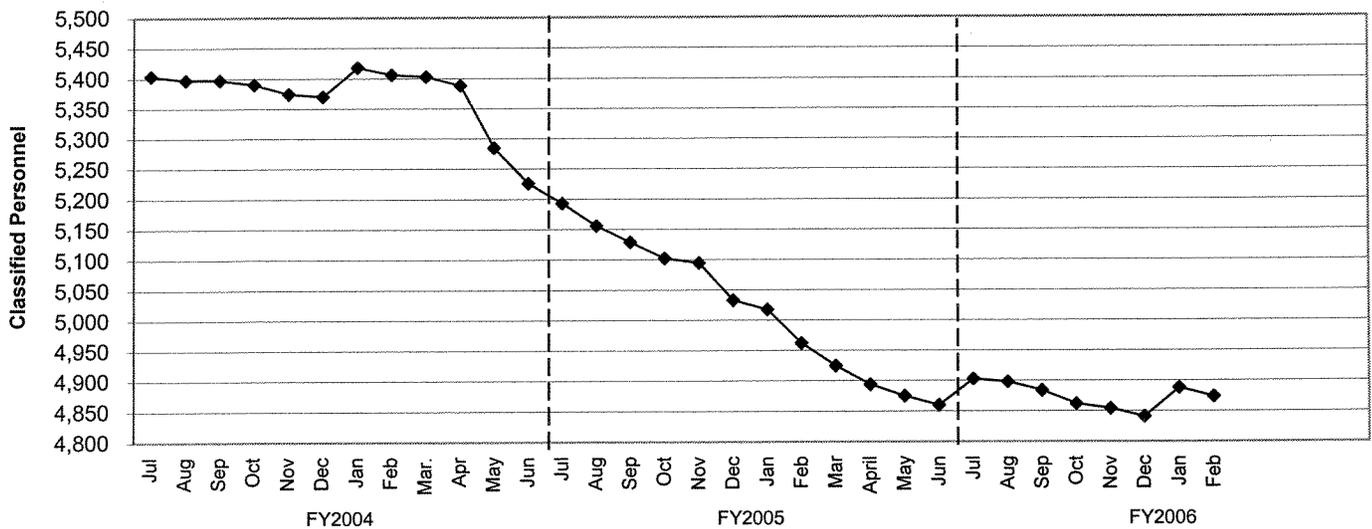


## TREND INDICATORS - HIRING AND RETIREMENTS

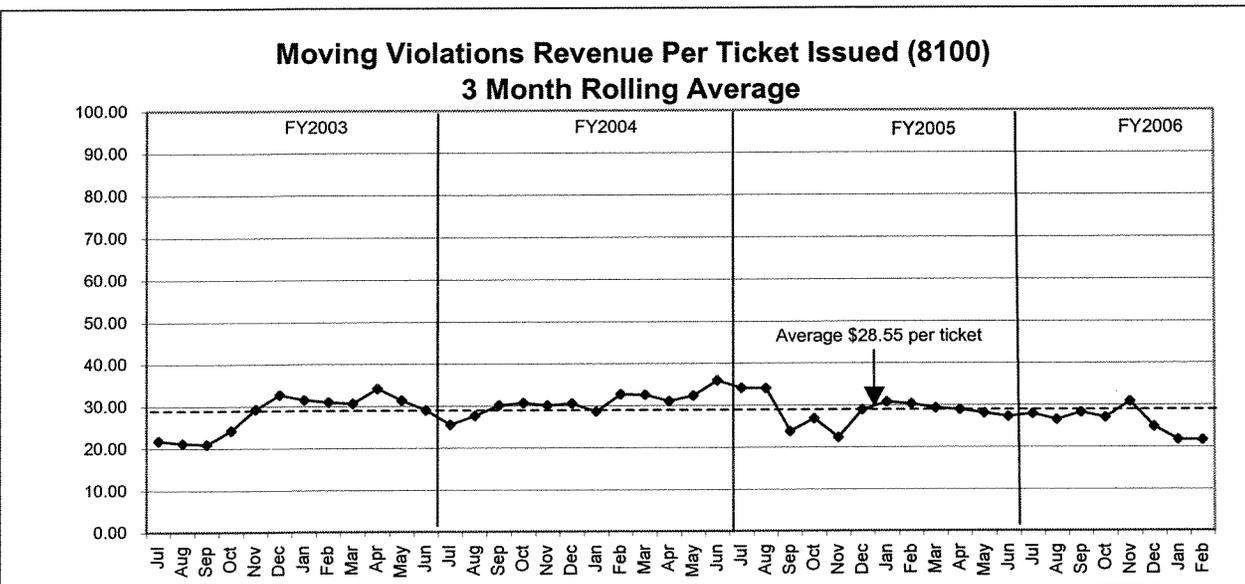
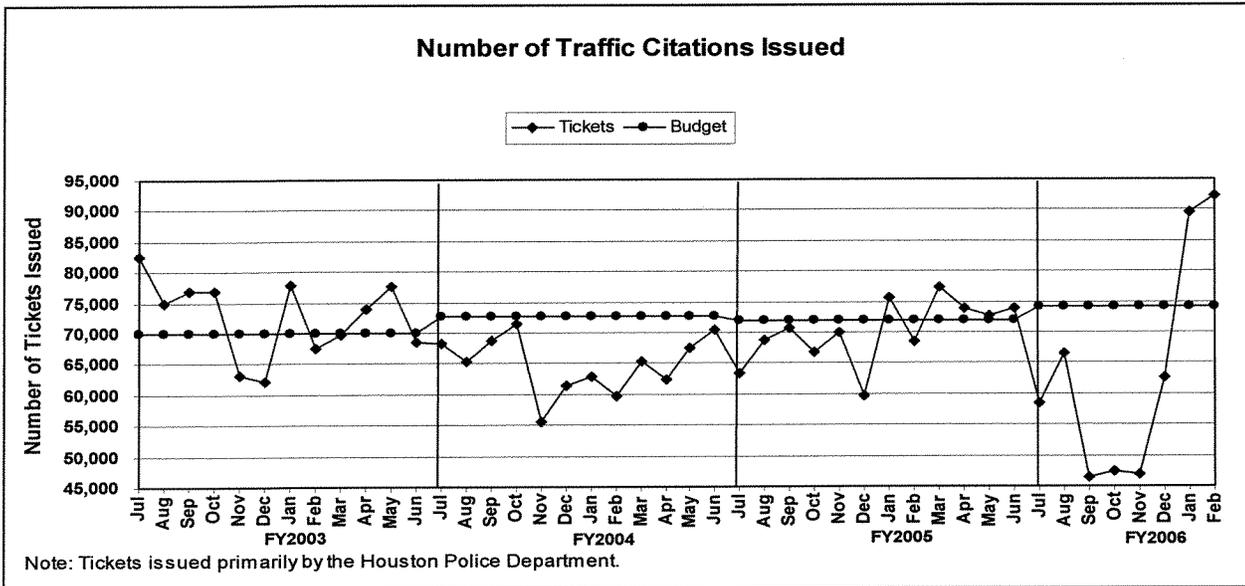
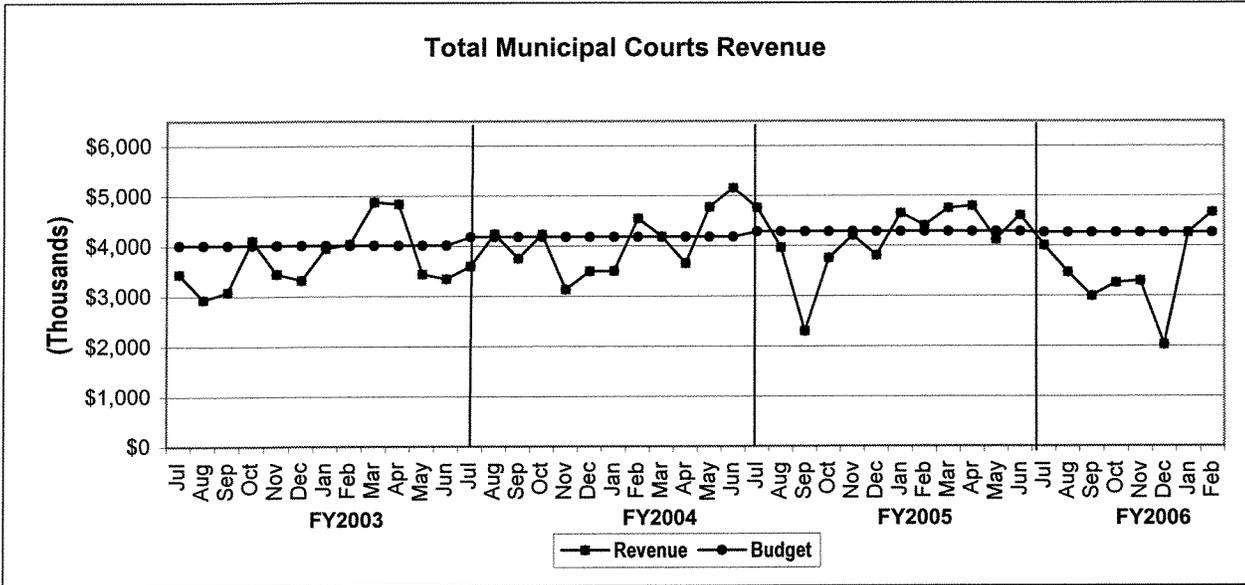
**Houston Police Department  
FY2006 Classified Attrition**



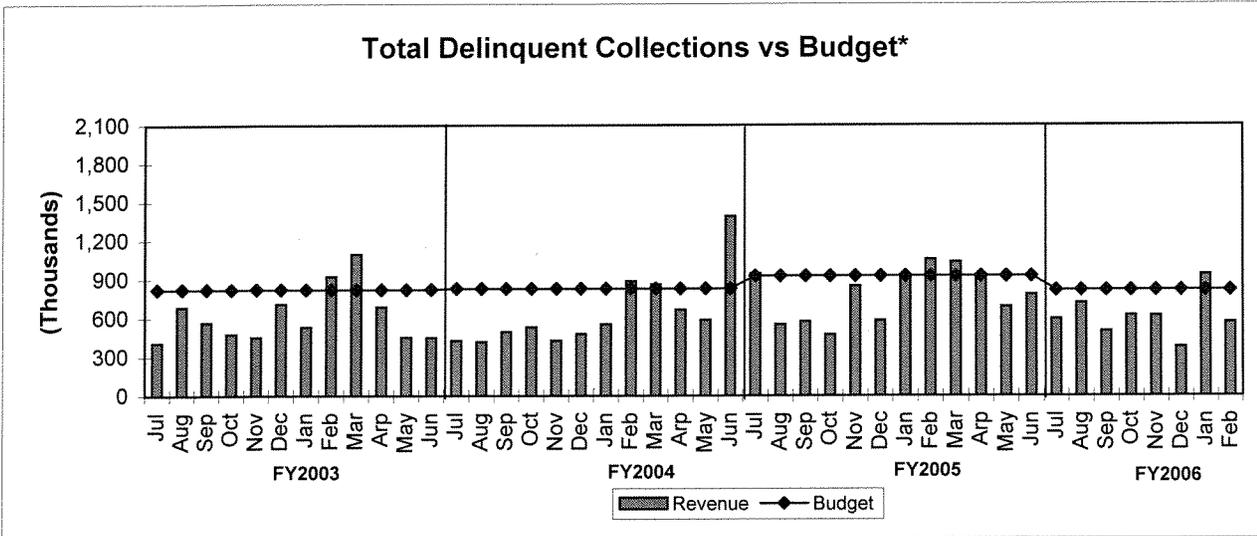
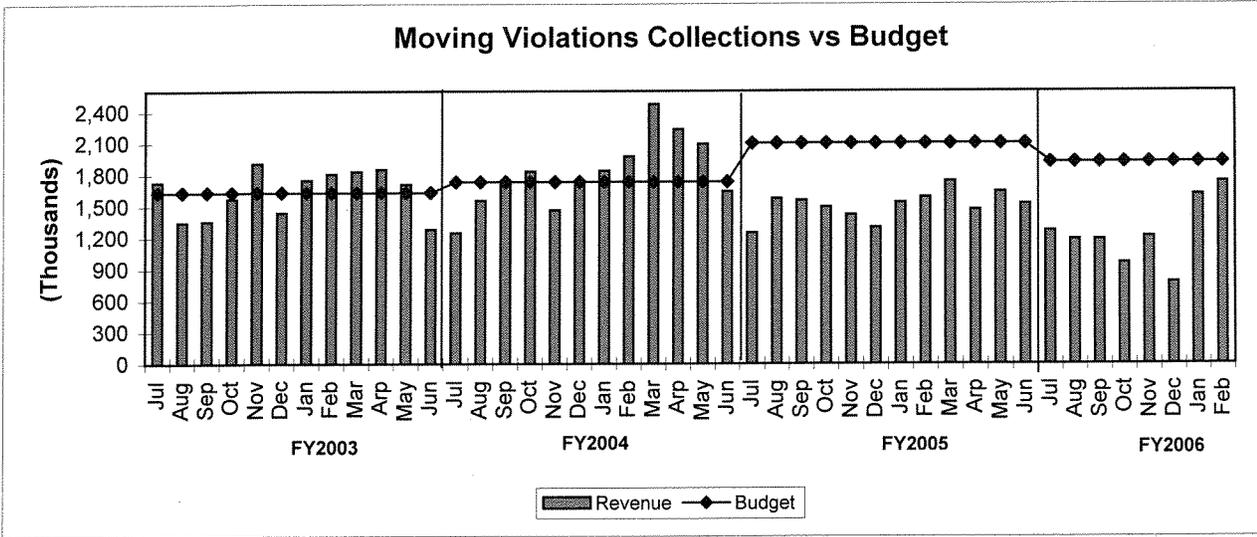
**Houston Police Department  
Classified Staffing - FY2004 to FY2006**



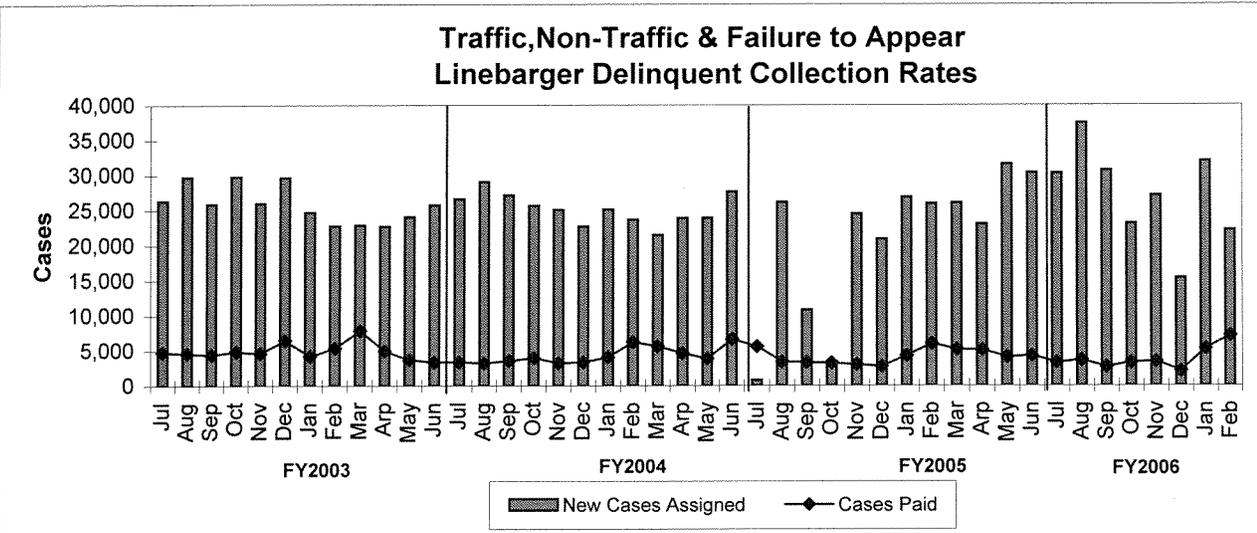
# TREND INDICATORS - MUNICIPAL COURTS



# TREND INDICATORS - MUNICIPAL COURTS

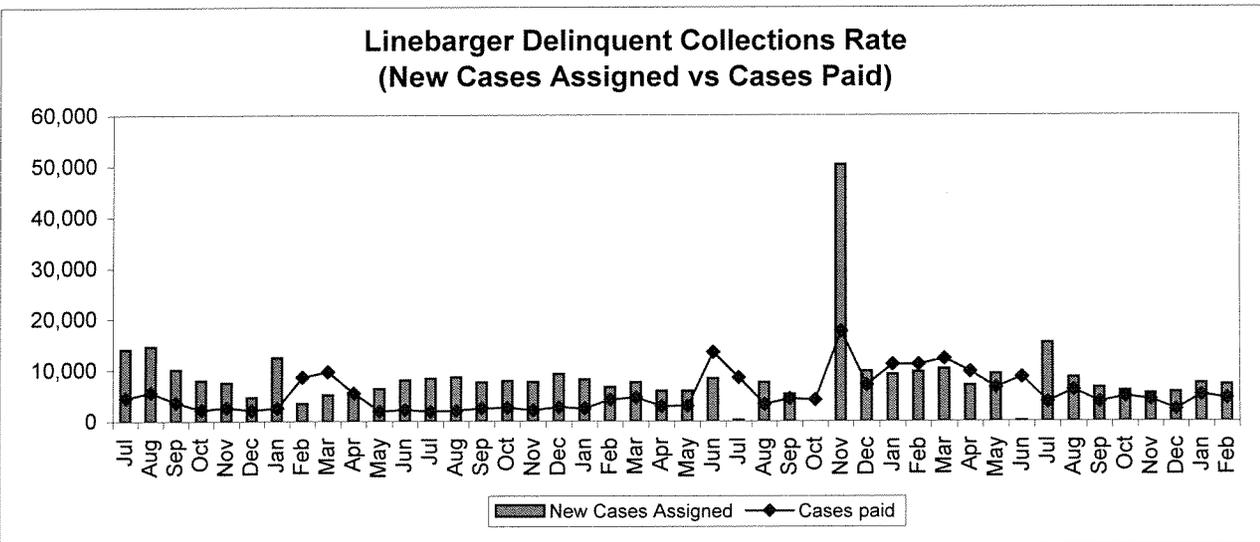
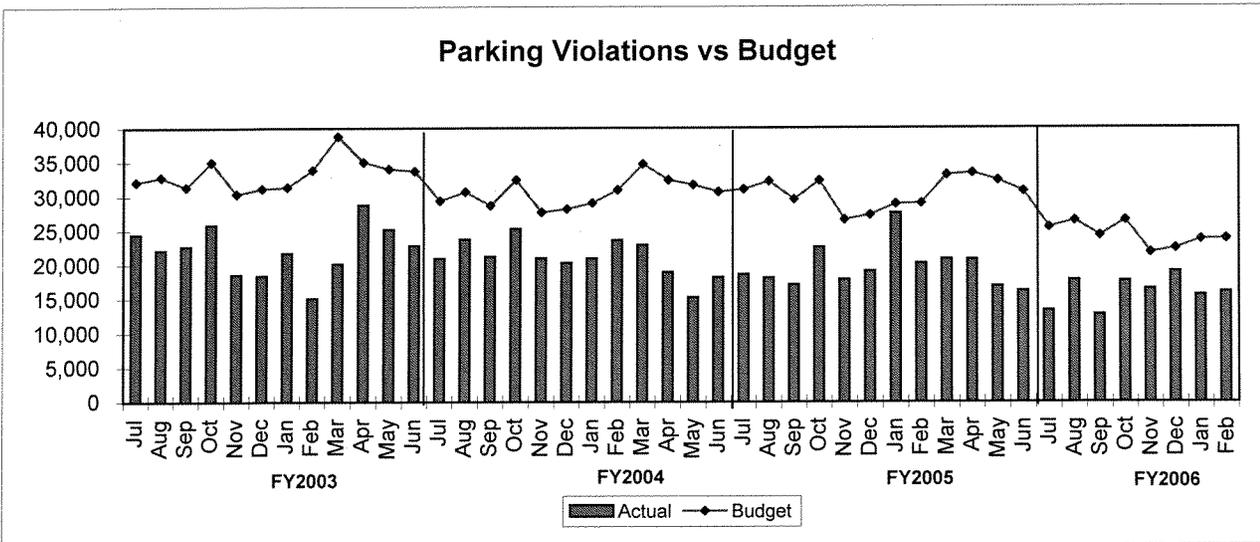
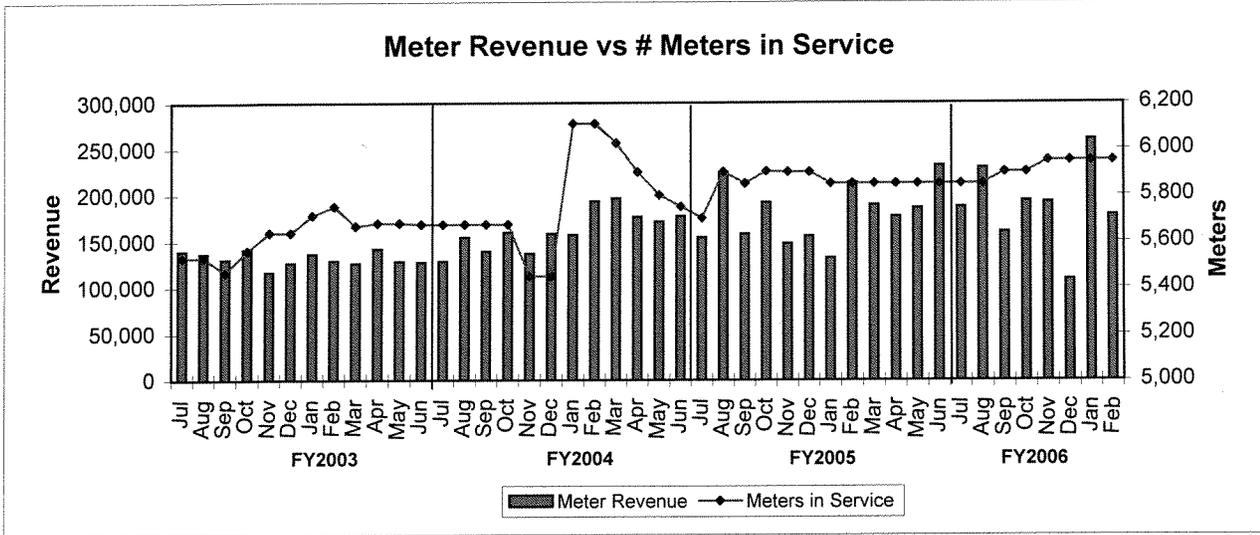


\*Net of fees and expenses paid to Linebarger



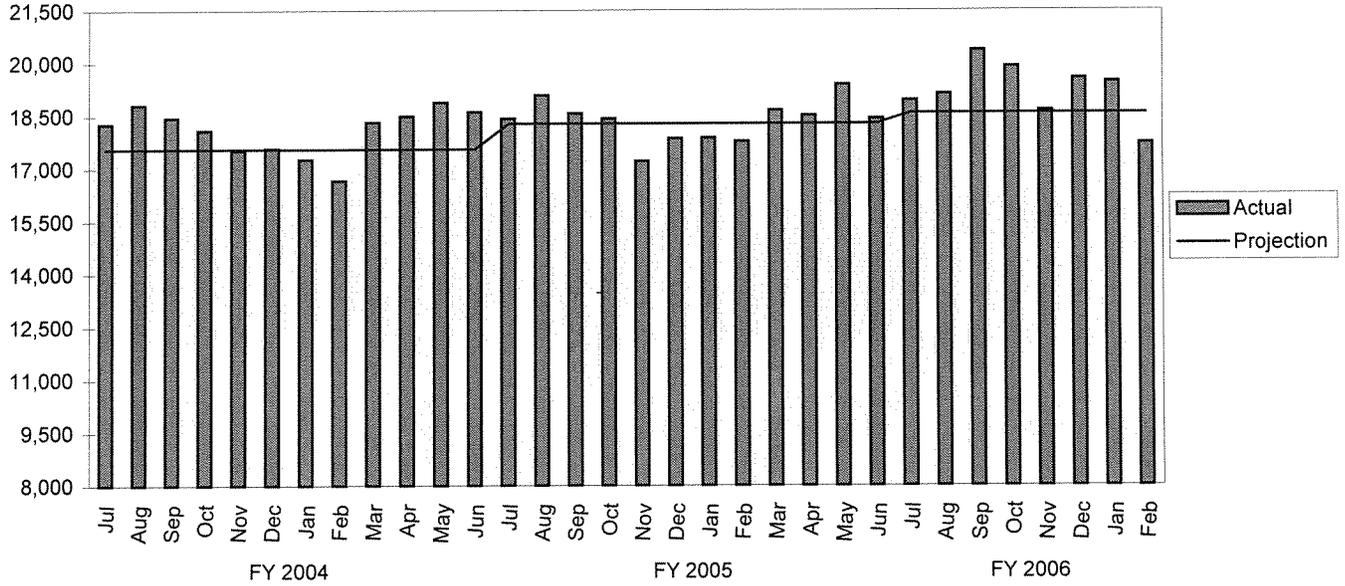
\*Excludes Delinquent Parking Collections

# TREND INDICATORS - MUNICIPAL COURTS

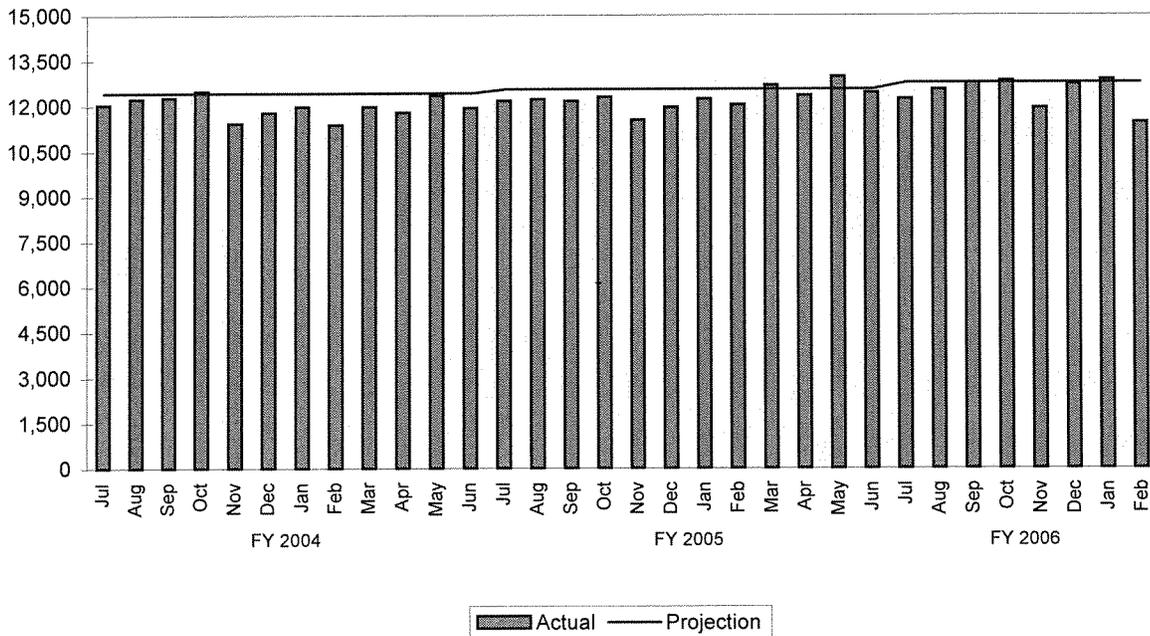


# TREND INDICATORS - AMBULANCE SERVICES

## EMS Incidents

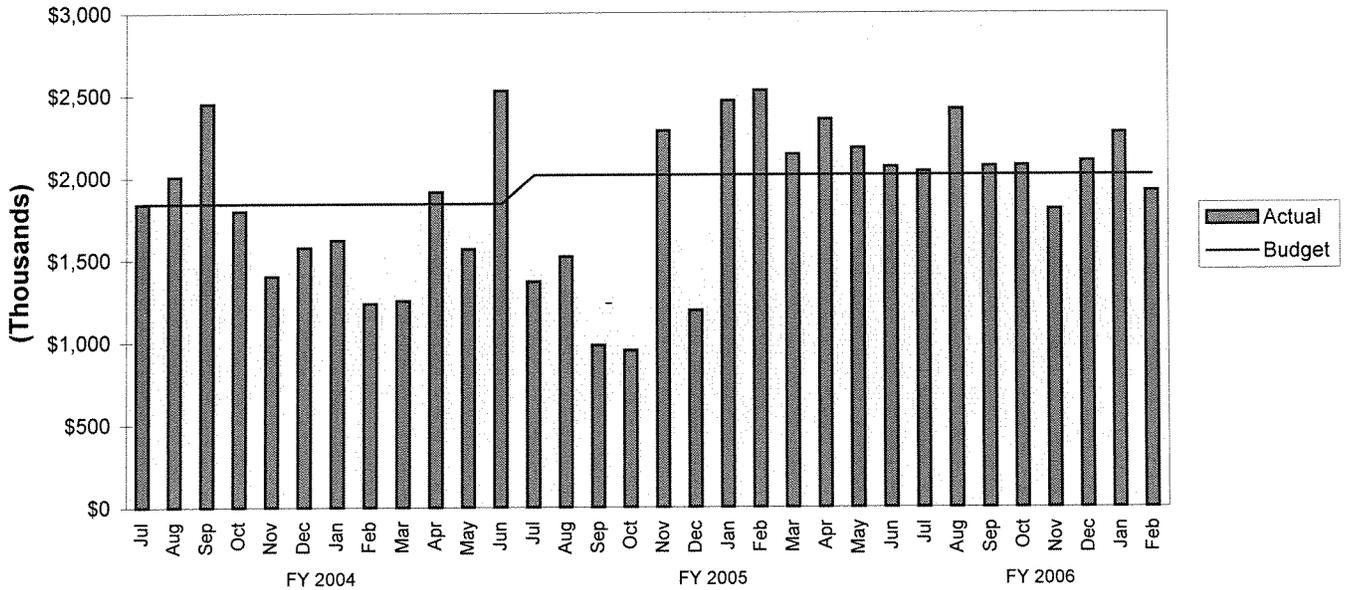


## EMS Transports

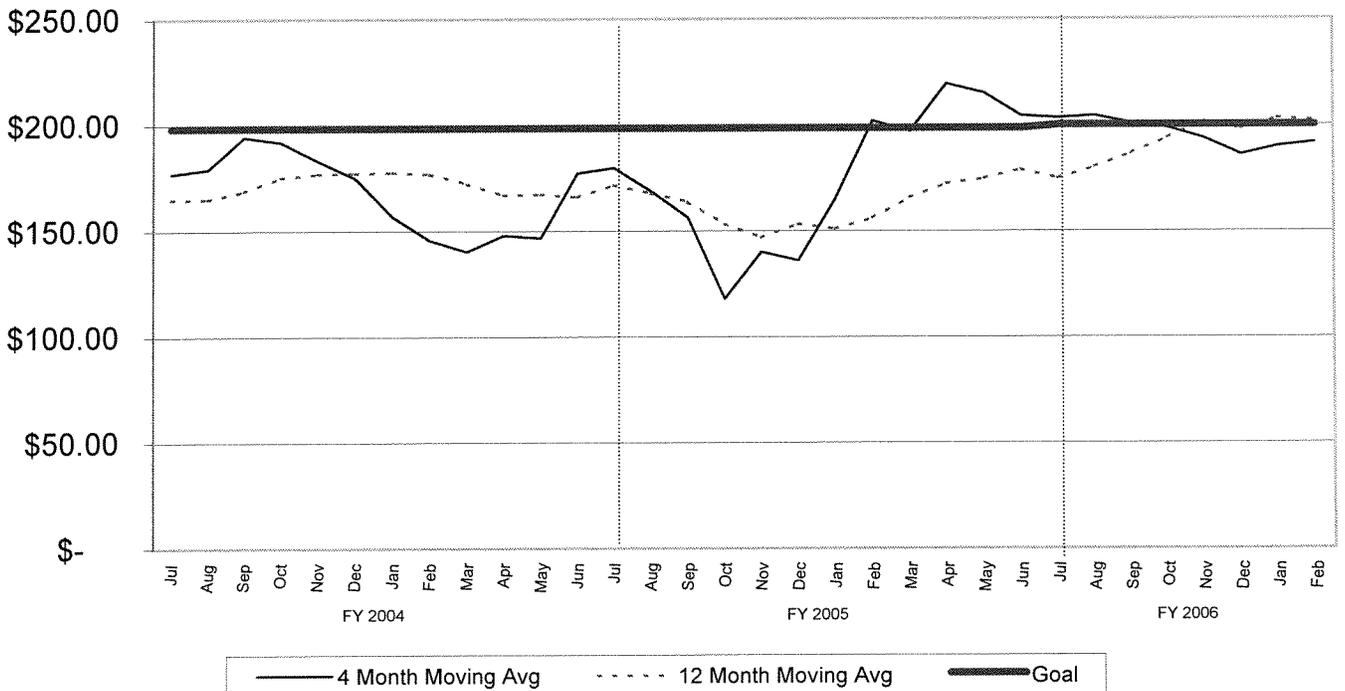


# TREND INDICATORS - AMBULANCE SERVICES

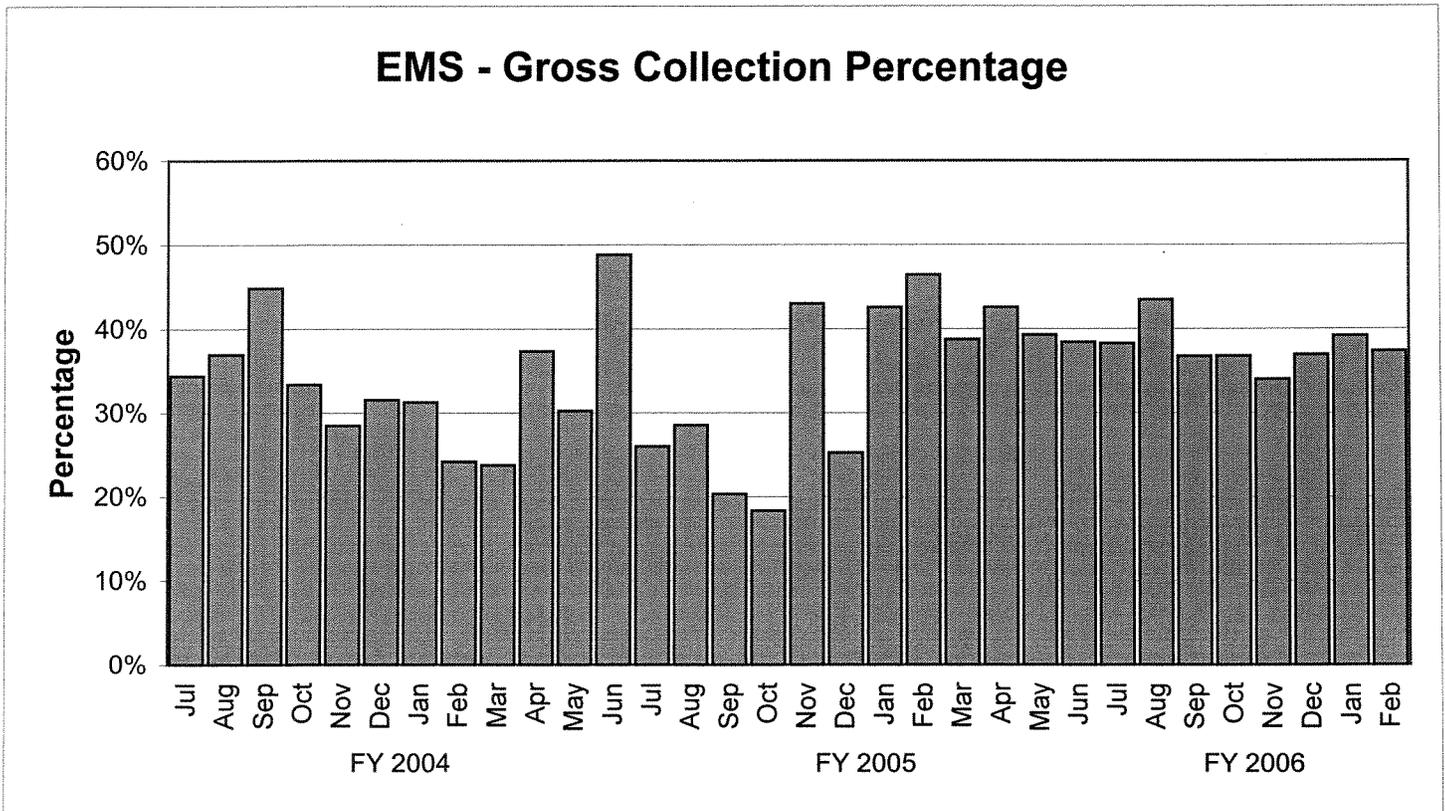
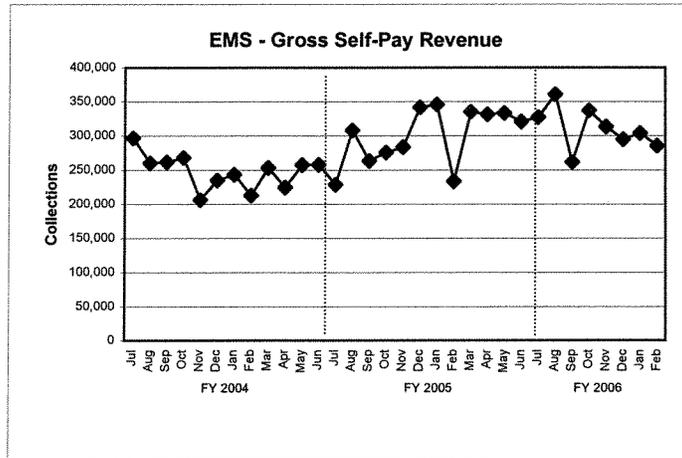
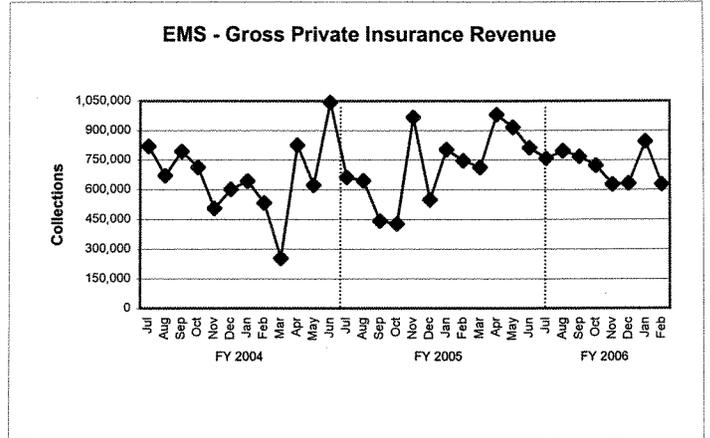
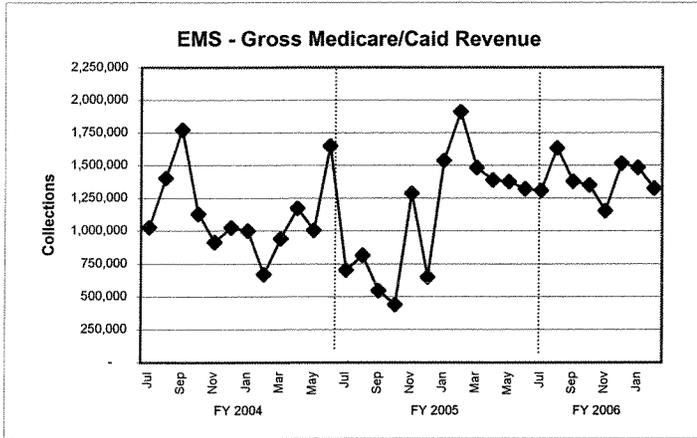
## EMS Revenue (Net Collections)



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

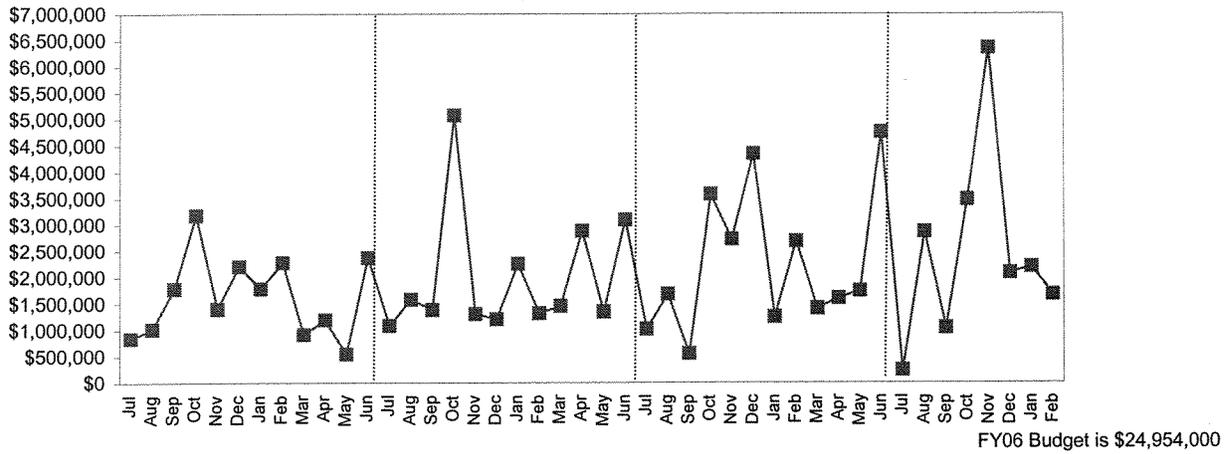


# TREND INDICATORS - AMBULANCE SERVICES

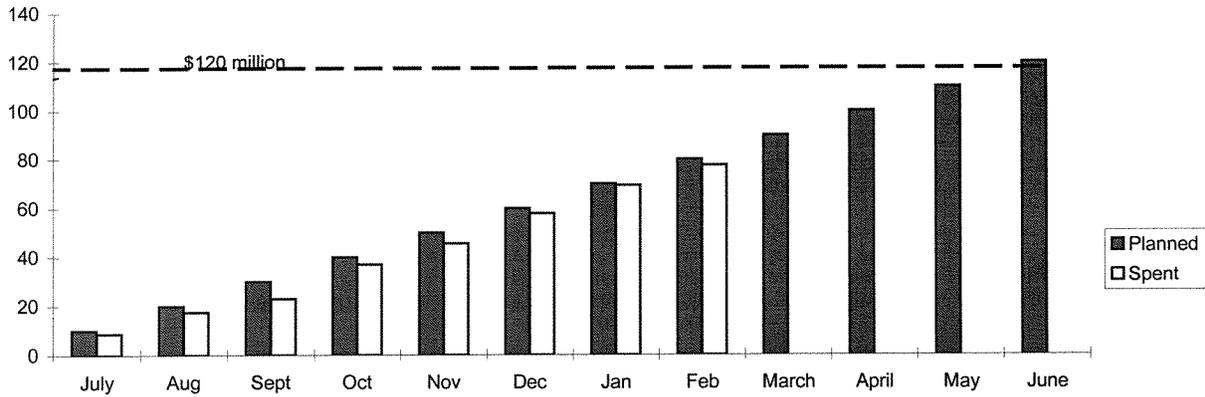


# TREND INDICATORS - MISCELLANEOUS

## Delinquent Property Tax



## FY2006 Public Improvement Bonds Commercial Paper Planned vs Spent (\$Millions)



## FY2006 Projected City of Houston General Fund Ending Cash Balances (In Millions \$)

