

OFFICE OF THE CITY CONTROLLER

**CITY OF HOUSTON
INTEROFFICE CORRESPONDENCE**

To: Mayor Bill White
City Council Members

From: Annise D. Parker
City Controller

Date: September 29, 2006

Subject: August 2006 Financial Report

Attached is the Monthly Financial and Operations Report for the period ending August 31, 2006.

GENERAL FUND

We are projecting a shortfall of \$22.8 million for fiscal 2007 or \$819 thousand less than the shortfall reported last month. The change is due to an adjustment in debt service interest to reflect the actual cost for the TRANS borrowing.

ENTERPRISE FUNDS

We are currently projecting the Aviation Operating Fund, Convention and Entertainment Facilities Operating Fund, Combined Utility System, and Stormwater Fund at budget.

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	20.9%
Combined Utility System	20.2%
Aviation	22.5%
Convention and Entertainment	28.1%

Respectfully submitted,



Annise D. Parker
City Controller