

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: September 30, 2005

Subject: August 2005 Financial Report

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

GENERAL FUND

We currently project a \$6.4 million shortfall for the general fund in fiscal year 2006, or \$10.5 million less than the shortfall reported last month. The major factor in this change is a \$10.8 million increase in our projection for property taxes. This is due to higher than expected property values from the Appraisal District. There was also an increase in our projection for Gas Franchise Fees of \$1.7 million due to increased projections from CenterPoint Energy.

Projected expenditures have increased \$5.4 million due to higher electricity costs for Public works and Engineering. This increase is offset by a \$3.5 million decrease in police expenditures related to personnel costs, for an anticipated net increase in expenditures of \$1.9 million.

ENTERPRISE FUND

There are no changes this month in our projections for the Aviation and Convention and Entertainment departments.

The Combined Utility System Fund shows an increase of \$1.1 million in income before transfers. This increase is due to an increase in interest earnings projections for the fiscal year.

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	18.9%
Combined Utility System	21.7%
Aviation	21.7%
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
Finance and Administration

Date: September 30, 2005

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

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

General Fund Revenues

- Our projection for FY06 General Fund revenues is \$2.98 million more than projected last month.
- We have received the Certified Tax Roll for FY2006, which is slightly higher than budgeted corresponding to an increase of \$732 thousand in our projection for Property Tax Revenue. This is approximately 2.9% above the FY2005 revenue level, and well under the Proposition 1 capped growth rate of 3.69%.
- We are increasing our projection for Natural Gas Franchise Fees by \$3.2 million as a result of a projected Gas Cost Adjustment rate increase by CenterPoint. These increases are offset by a projected \$960 thousand decrease in Telephone Franchise Fees.

General Fund Expenditures

- Our projection for FY06 General Fund expenditures is approximately \$2.04 million higher than last month.
- Police department expenditures are projected to be approximately \$3.5 million lower than budgeted, since the number of classified staff at the start of the fiscal year was 42 fewer than the assumption used when the budget was prepared.
- We are projecting Public Works and Engineering expenditures to be approximately \$5.4 million higher than last month's projection as a result of a projected increase in electricity costs due to the dramatic increase in the price of natural gas.


General Fund Ending Fund Balance

We are projecting an ending unreserved undesignated fund balance of \$119.6 million, which is slightly less than 8.7% of estimated expenditures less debt service.

Combined Utility System

All other funds are projected at budget for both revenues and expenditures except for Interest Income for the Combined Utility System, which is projected to be approximately \$1 million higher than last month.

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 August 31, 2005
(amounts expressed in thousands)

	Unaudited Preliminary FY2005	Adopted Budget	Current Budget	FY2006 % of Budget	Controller's Projection	F & A Projection	Variance between Controller and F&A
Revenues							
General Property Taxes	\$ 668,652	\$ 690,246	\$ 690,246	46%	\$ 691,316	\$ 690,978	(338)
Industrial Assessments	14,454	13,830	13,830	1%	13,830	13,830	0
Sales Tax	371,921	395,845	395,845	26%	393,583	394,554	971
Electric Franchise	77,657	88,100	88,100	6%	88,100	88,100	0
Telephone Franchise	50,940	48,960	48,960	3%	49,074	48,000	(1,074)
Gas Franchise	18,299	18,767	18,767	1%	20,000	21,975	1,975
Other Franchise	16,358	15,801	15,801	1%	15,728	15,801	73
Licenses and Permits	17,692	19,073	19,073	1%	17,522	19,073	1,551
Intergovernmental	28,515	36,432	36,432	2%	33,187	36,432	3,245
Charges for Services	38,790	43,490	43,490	3%	40,671	43,490	2,819
Direct Interfund Services	60,367	44,345	44,345	3%	44,345	44,345	0
Indirect Interfund Services	11,031	14,887	14,887	1%	14,887	14,887	0
Municipal Courts Fines and Forfeits	47,156	47,806	47,806	3%	48,005	47,806	(199)
Other Fines and Forfeits	2,424	2,768	2,768	0%	4,179	4,268	89
Interest	6,414	6,500	6,500	0%	6,000	6,500	500
Miscellaneous/Other	16,175	12,764	12,764	1%	12,599	12,764	165
Total Revenues	1,446,845	1,499,614	1,499,614	100%	1,493,026	1,502,803	9,777
Expenditures							
Affirmative Action	1,724	1,637	1,637	0%	1,637	1,637	0
Building Services	24,687	27,731	33,117	2%	33,117	33,117	0
City Council	4,262	4,498	4,498	0%	4,498	4,498	0
City Secretary	655	727	727	0%	727	727	0
Controller	5,958	6,054	6,054	0%	6,054	6,054	0
Finance and Administration	19,718	20,820	20,887	1%	20,887	20,887	0
Fire	291,243	323,502	323,502	21%	323,502	323,502	0
Health and Human Services	50,262	50,780	45,344	3%	45,344	45,344	0
Human Resources	2,215	2,371	2,371	0%	2,371	2,371	0
Information Technology	12,380	12,653	12,653	1%	12,653	12,653	0
Legal	10,705	11,435	11,428	1%	11,428	11,428	0
Library	33,234	29,641	29,641	2%	29,641	29,641	0
Mayor's Office	1,865	1,928	1,928	0%	1,928	1,928	0
Municipal Courts - Administration	16,338	16,780	16,780	1%	16,780	16,780	0
Municipal Courts - Justice	4,171	4,284	4,284	0%	4,284	4,284	0
Parks and Recreation	47,441	47,613	47,603	3%	47,603	47,603	0
Planning and Development	7,149	7,417	7,417	0%	7,417	7,417	0
Police	501,621	542,379	543,534	35%	540,082	540,082	0
Public Works and Engineering	88,992	70,966	70,966	5%	76,405	76,405	0
Solid Waste Management	67,166	69,031	66,831	4%	66,831	66,831	0
Total Departmental Expenditures	1,191,786	1,252,247	1,251,202	80%	1,253,189	1,253,189	0
Non-Departmental Expenditures and Other Uses							
General Government	87,943	123,367	124,412	8%	122,279	122,279	0
Debt Service Transfer	188,000	195,000	195,000	12%	195,000	195,000	0
Total Non-Dept. Exp. and Other Uses	275,943	318,367	319,412	20%	317,279	317,279	0
Total Expenditures and Other Uses	1,467,729	1,570,614	1,570,614	100%	1,570,468	1,570,468	0
Net Current Activity	(20,884)	(71,000)	(71,000)		(77,442)	(67,665)	9,777
Amount Needed to Balance the Budget					6,442		
Transfers from other funds	1,028	-	-		-	-	
Pension Bond Proceeds	47,905	71,000	71,000		71,000	71,000	
Disaster Recovery Fund Transfer	-	-	-		-	-	
Change in Misc Other Reserves	-	-	-		-	-	
Unreserved Fund Balance, Beginning of Year	110,260	138,309	138,309		138,309	138,309	
Unreserved Fund Balance, End of Year	\$ 138,309	\$ 138,309	\$ 138,309		\$ 138,309	\$ 141,644	
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	\$ 116,235	\$ 116,235	\$ 116,235		\$ 116,235	\$ 119,570	

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

	Unaudited Preliminary FY2005	Adopted Budget	Current Budget	Current Month	FY2006		Controller's Projection	Variance from Current Budget	% Variance
					YTD				
Revenues									
General Property Taxes	\$ 668,652	\$ 690,246	\$ 690,246	\$ 7,183	\$ 12,552	\$ 691,316	\$ 1,070		0.2%
Industrial Assessments	14,454	13,830	13,830	1,035	2,305	13,830	0		0.0%
Sales Tax	371,921	395,845	395,845	30,543	59,785	393,583	(2,262)		-0.6%
Electric Franchise	77,657	88,100	88,100	8,273	16,164	88,100	0		0.0%
Telephone Franchise	50,940	48,960	48,960	3,459	8,211	49,074	114		0.2%
Gas Franchise	18,299	18,767	18,767	1,061	2,121	20,000	1,233		6.6%
Other Franchise	16,358	15,801	15,801	1,138	2,648	15,728	(73)		-0.5%
Licenses and Permits	17,692	19,073	19,073	1,398	2,612	17,522	(1,551)		-8.1%
Intergovernmental	28,515	36,432	36,432	126	184	33,187	(3,245)		-8.9%
Charges for Services	38,790	43,490	43,490	(35)	3,112	40,671	(2,819)		-6.5%
Direct Interfund Services	60,367	44,345	44,345	5,637	5,715	44,345	0		0.0%
Indirect Interfund Services	11,031	14,887	14,887	798	841	14,887	0		0.0%
Municipal Courts Fines and Forfeits	47,156	47,806	47,806	3,245	7,042	48,005	199		0.4%
Other Fines and Forfeits	2,424	2,768	2,768	121	322	4,179	1,411		51.0%
Interest	6,414	6,500	6,500	664	1,285	6,000	(500)		-7.7%
Miscellaneous/Other	16,175	12,764	12,764	910	1,491	12,599	(165)		-1.3%
Total Revenues	1,446,845	1,499,614	1,499,614	65,556	126,390	1,493,026	(6,588)		-0.4%
Expenditures									
Affirmative Action	1,724	1,637	1,637	142	280	1,637	0		0.0%
Building Services	24,687	27,731	33,117	2,886	4,387	33,117	0		0.0%
City Council	4,262	4,498	4,498	365	749	4,498	0		0.0%
City Secretary	655	727	727	50	107	727	0		0.0%
Controller	5,958	6,054	6,054	425	863	6,054	0		0.0%
Finance and Administration	19,718	20,820	20,887	1,516	3,112	20,887	0		0.0%
Fire	291,243	323,502	323,502	25,708	49,431	323,502	0		0.0%
Health and Human Services	50,262	50,780	45,344	3,743	6,892	45,344	0		0.0%
Human Resources	2,215	2,371	2,371	183	354	2,371	0		0.0%
Information Technology	12,380	12,653	12,653	812	1,516	12,653	0		0.0%
Legal	10,705	11,435	11,428	929	1,807	11,428	0		0.0%
Library	33,234	29,641	29,641	2,490	4,801	29,641	0		0.0%
Mayor's Office	1,865	1,928	1,928	297	476	1,928	0		0.0%
Municipal Courts - Administration	16,338	16,780	16,780	1,471	2,869	16,780	0		0.0%
Municipal Courts - Justice	4,171	4,284	4,284	343	722	4,284	0		0.0%
Parks and Recreation	47,441	47,613	47,603	4,249	8,333	47,603	0		0.0%
Planning and Development	7,149	7,417	7,417	516	1,052	7,417	0		0.0%
Police	501,621	542,379	543,534	41,807	87,518	540,082	3,452		0.6%
Public Works and Engineering	88,992	70,966	70,966	6,729	9,595	76,405	(5,439)		-7.7%
Solid Waste Management	67,166	69,031	66,831	5,922	11,508	66,831	0		0.0%
Total Departmental Expenditures	1,191,786	1,252,247	1,251,202	100,583	196,372	1,253,189	(1,987)		-0.2%
Non-Departmental Expenditures and Other Uses									
General Government	87,943	123,367	124,412	6,989	12,082	122,279	2,133		1.7%
Debt Service Transfer	188,000	195,000	195,000	0	0	195,000	0		0.0%
Total Non-Dept. Exp. And Other Uses	275,943	318,367	319,412	6,989	12,082	317,279	2,133		0.7%
Total Expenditures and Other Uses	1,467,729	1,570,614	1,570,614	107,572	208,454	1,570,468	146		0.0%
Net Current Activity	(20,884)	(71,000)	(71,000)	(42,016)	(82,064)	(77,442)	(6,442)		
Amount Needed to Balance the Budget						6,442			
Transfers from other funds	1,028	-	-	0	-	-	0		
Pension Bond Proceeds	47,905	71,000	71,000	0	-	71,000	0		
Disaster Recovery Fund Transfer	-	-	-	0	-	-			
Change in Misc. Other Reserves	-	-	-	0	-	-			
Unreserved Fund Balance, Beg. of Year	110,260	138,309	138,309	138,309		138,309	0		
Unreserved Fund Balance, End of Year	138,309	138,309	138,309	96,293	(82,064)	138,309	(6,442)		
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	\$ 116,235	\$ 116,235	\$ 116,235	\$ 96,293	\$ (82,064)	\$ 116,235	\$ -		

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

	Unaudited Preliminary FY2005	Adopted Budget	Current Budget	Current Month	FY2006		Variance from Current Budget	% Variance
					YTD	F & A Projection		
Revenues								
General Property Taxes	\$ 668,652	\$ 690,246	690,246	\$ 7,183	\$ 12,552	\$ 690,978	732	0.1%
Industrial Assessments	14,454	13,830	13,830	1,035	2,305	13,830	0	0.0%
Sales Tax	371,921	395,845	395,845	30,543	59,785	394,554	(1,291)	-0.3%
Electric Franchise	77,657	88,100	88,100	8,273	16,164	88,100	0	0.0%
Telephone Franchise	50,940	48,960	48,960	3,459	8,211	48,000	(960)	-2.0%
Gas Franchise	18,299	18,767	18,767	1,061	2,121	21,975	3,208	17.1%
Other Franchise	16,358	15,801	15,801	1,138	2,648	15,801	0	0.0%
Licenses and Permits	17,692	19,073	19,073	1,398	2,612	19,073	0	0.0%
Intergovernmental	28,515	36,432	36,432	126	184	36,432	0	0.0%
Charges for Services	38,790	43,490	43,490	(35)	3,112	43,490	0	0.0%
Direct Interfund Services	60,367	44,345	44,345	5,637	5,715	44,345	0	0.0%
Indirect Interfund Services	11,031	14,887	14,887	798	841	14,887	0	0.0%
Municipal Courts Fines and Forfeits	47,156	47,806	47,806	3,245	7,042	47,806	0	0.0%
Other Fines and Forfeits	2,424	2,768	2,768	121	322	4,268	1,500	54.2%
Interest	6,414	6,500	6,500	664	1,285	6,500	0	0.0%
Miscellaneous/Other	16,175	12,764	12,764	910	1,491	12,764	0	0.0%
Total Revenues	1,446,845	1,499,614	1,499,614	65,556	126,390	1,502,803	3,189	0.2%
Expenditures								
Affirmative Action	1,724	1,637	1,637	142	280	1,637	0	0.0%
Building Services	24,687	27,731	33,117	2,886	4,387	33,117	0	0.0%
City Council	4,262	4,498	4,498	365	749	4,498	0	0.0%
City Secretary	655	727	727	50	107	727	0	0.0%
Controller	5,958	6,054	6,054	425	863	6,054	0	0.0%
Finance and Administration	19,718	20,820	20,887	1,516	3,112	20,887	0	0.0%
Fire	291,243	323,502	323,502	25,708	49,431	323,502	0	0.0%
Health and Human Services	50,262	50,780	45,344	3,743	6,892	45,344	0	0.0%
Human Resources	2,215	2,371	2,371	183	354	2,371	0	0.0%
Information Technology	12,380	12,653	12,653	812	1,516	12,653	0	0.0%
Legal	10,705	11,435	11,428	929	1,807	11,428	0	0.0%
Library	33,234	29,641	29,641	2,490	4,801	29,641	0	0.0%
Mayor's Office	1,865	1,928	1,928	297	476	1,928	0	0.0%
Municipal Courts - Administration	16,338	16,780	16,780	1,471	2,869	16,780	0	0.0%
Municipal Courts - Justice	4,171	4,284	4,284	343	722	4,284	0	0.0%
Parks and Recreation	47,441	47,613	47,603	4,249	8,333	47,603	0	0.0%
Planning and Development	7,149	7,417	7,417	516	1,052	7,417	0	0.0%
Police	501,621	542,379	543,534	41,807	87,518	540,082	3,452	0.6%
Public Works and Engineering	88,992	70,966	70,966	6,729	9,595	76,405	(5,439)	-7.7%
Solid Waste Management	67,166	69,031	66,831	5,922	11,508	66,831	0	0.0%
Total Departmental Expenditures	1,191,786	1,252,247	1,251,202	100,583	196,372	1,253,189	(1,987)	-0.2%
Non-Departmental Expenditures and Other Uses								
General Government	87,943	123,367	124,412	6,989	12,082	122,279	2,133	1.7%
Debt Service Transfer	188,000	195,000	195,000	0	0	195,000	0	0.0%
Total Non-Dept. Exp. and Other Uses	275,943	318,367	319,412	6,989	12,082	317,279	2,133	0.7%
Total Expenditures and Other Uses	1,467,729	1,570,614	1,570,614	107,572	208,454	1,570,468	146	0.0%
Net Current Activity	(20,884)	(71,000)	(71,000)	(42,016)	(82,064)	(67,665)	3,335	
Transfers from other funds	1,028	-	-	-	-	-	0	
Pension Bond Proceed	47,905	71,000	71,000	-	-	71,000	0	
Disaster Recovery Fund Transfer	-	-	-	-	-	-	-	
Change in Misc. Other Reserves	-	-	-	-	-	-	-	
Unreserved Fund Balance, Beg. of Year	110,260	138,309	138,309	138,309		138,309	0	
Unreserved Fund Balance, End of Year	138,309	138,309	138,309	96,293	(82,064)	141,644	3,335	
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	\$ 116,235	\$ 116,235	\$ 116,235	\$ 96,293	\$ (82,064)	\$ 119,570	\$ 3,335	

General Fund
General Government
For the period ended August 31, 2005
(amounts expressed in thousands)

	Unaudited Preliminary FY2005	FY2006						F&A Projection
		Adopted Budget	Current Budget	Current Month	YTD	YTD as % of Current Budget	Controller's 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	1,532	3,063	13.3%	22,963	22,963
Pension-Police	0	0	0	0	0	0.0%	0	0
Insurance-Classified (Retirees)	15,565	26,377	26,377	2,010	4,031	15.3%	26,377	26,377
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>3,542</u>	<u>7,094</u>	<u>14.4%</u>	<u>49,340</u>	<u>49,340</u>
Insurance Fees	1,153	1,283	1,283	18	19	1.5%	1,283	1,283
Accounting and Auditing Svcs	890	865	865	161	171	19.8%	865	865
Advertising Svcs	278	225	225	7	7	3.1%	225	225
Legal Services	2,282	1,356	1,356	305	305	22.5%	1,356	1,356
Management Consulting Svcs.	334	233	233	7	7	3.0%	233	233
Misc Support Svcs	280	250	250	(105)	(105)	-42.0%	250	250
Real Estate Lease	9,000	8,069	8,069	1,005	1,005	12.5%	8,069	8,069
Parking Space Rental	1	0	0	0	16	0.0%	0	0
METRO Commuter Passes	516	600	600	0	276	46.0%	600	600
Electricity	0	5,816	5,816	0	0	0.0%	5,816	5,816
Other Interfund Services	0	0	0	0	0	0.0%	0	0
Limited Purpose Annexation Pmts.	10,237	15,686	15,686	1,044	1,044	6.7%	15,686	15,686
Print Shop Services	4	0	0	0	0	0.0%	0	0
Printing and Reproduction Svcs.	2	0	0	0	0	0.0%	0	0
Tax Appraisal Fees	5,003	5,140	5,140	0	0	0.0%	5,140	5,140
Tax Refunds	0	0	0	0	0	0.0%	0	0
Billing and Collection Svcs	750	750	750	0	245	32.7%	750	750
Elections	1,334	2,400	2,400	0	0	0.0%	2,400	2,400
Claims and Judgments	5,813	5,000	5,000	386	386	7.7%	5,000	5,000
Contingency/Reserve	0	0	2,133	0	0	0.0%	0	0
Zoo Contract	7,494	7,687	7,687	640	1,281	16.7%	7,687	7,687
Misc Other Services and Charges	1,792	2,136	2,136	(78)	14	0.7%	2,136	2,136
Membership and Professional Fees	656	733	733	0	0	0.0%	733	733
Mgmt Initiative Savings	0	0	0	0	0	0.0%	0	0
Total Other Services and Charges	<u>47,819</u>	<u>58,229</u>	<u>60,362</u>	<u>3,390</u>	<u>4,671</u>	<u>7.7%</u>	<u>58,229</u>	<u>58,229</u>
Other Financing Uses								
Debt Service-Interest	3,194	6,100	5,012	0	210	4.2%	5,012	5,012
Transfers to General Fund	0	0	0	0	0	0.0%	0	0
Transfers to Conv & Entertain	274	1,428	1,428	57	107	0.0%	1,428	1,428
Transfers to Special Revenues	7,659	8,270	8,270	0	0	0.0%	8,270	8,270
Total Other Financing Uses	<u>11,127</u>	<u>15,798</u>	<u>14,710</u>	<u>57</u>	<u>317</u>	<u>2.2%</u>	<u>14,710</u>	<u>14,710</u>
Total General Government	<u>87,943</u>	<u>123,367</u>	<u>124,412</u>	<u>6,989</u>	<u>12,082</u>	<u>9.7%</u>	<u>122,279</u>	<u>122,279</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>	<u>0.0%</u>	<u>195,000</u>	<u>195,000</u>
Total Non-Dept. Exp and Other Uses	<u>\$ 275,943</u>	<u>\$ 318,367</u>	<u>\$ 319,412</u>	<u>\$ 6,989</u>	<u>\$ 12,082</u>	<u>3.8%</u>	<u>\$ 317,279</u>	<u>\$ 317,279</u>

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

	Unaudited Preliminary FY2005	Adopted Budget	Current Budget	FY2006 YTD	Controller's Projection	F&A Projection
Operating Revenues						
Landing Area	\$ 102,159	\$ 105,185	\$ 105,185	21,039	\$ 105,185	\$ 105,185
Bldg and Ground Area	152,541	183,241	183,241	31,697	183,241	183,241
Parking and Concession	98,255	105,349	105,349	17,941	105,349	105,349
Other	2,335	1,274	1,274	386	1,274	1,274
Total Operating Revenues	<u>355,290</u>	<u>395,049</u>	<u>395,049</u>	<u>71,063</u>	<u>395,049</u>	<u>395,049</u>
Operating Expenses						
Personnel	71,884	79,376	79,376	12,722	79,376	79,376
Supplies	5,717	6,449	6,449	846	6,449	6,449
Services	103,418	118,633	118,633	16,831	118,633	118,633
Non-Capital Outlay	581	1,010	1,010	89	1,010	1,010
Total Operating Expenses	<u>181,600</u>	<u>205,468</u>	<u>205,468</u>	<u>30,488</u>	<u>205,468</u>	<u>205,468</u>
Operating Income (Loss)	<u>173,690</u>	<u>189,581</u>	<u>189,581</u>	<u>40,575</u>	<u>189,581</u>	<u>189,581</u>
Nonoperating Revenues (Expenses)						
Interest Income	10,243	9,500	9,500	2,385	9,500	9,500
Other	148	0	0	1	0	0
Other Financing Sources - Pension Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Rev (Exp)	<u>10,391</u>	<u>9,500</u>	<u>9,500</u>	<u>2,386</u>	<u>9,500</u>	<u>9,500</u>
Income (Loss) Before Operating Transfers	<u>184,081</u>	<u>199,081</u>	<u>199,081</u>	<u>42,961</u>	<u>199,081</u>	<u>199,081</u>
Operating Transfers						
Interfund Transfer - Oper Reserve	2,842	3,000	3,000	0	3,000	3,000
Debt Service Principal	26,690	31,727	31,727	5,288	31,727	31,727
Debt Service Interest	56,788	93,122	93,122	18,014	93,122	93,122
Renewal and Replacement	0	500	500	0	500	500
Capital Improvement	45,037	70,732	70,732	5,084	70,732	70,732
Total Operating Transfers	<u>131,357</u>	<u>199,081</u>	<u>199,081</u>	<u>28,386</u>	<u>199,081</u>	<u>199,081</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 52,724</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>14,575</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 August 31, 2005
(amounts expressed in thousands)

	Unaudited Preliminary FY2005	Adopted Budget	Current Budget	FY2006 YTD	Controllers Projection	F & A Projection
Operating Revenues						
Facility Rentals	\$ 6,154	\$ 5,951	\$ 5,951	\$ 655	\$ 5,951	\$ 5,951
Parking	8,312	9,252	9,252	658	9,252	9,252
Food and Beverage Concessions	3,372	2,788	2,788	266	2,788	2,788
Contract Cleaning	247	192	192	22	192	192
Total Operating Revenues	<u>18,085</u>	<u>18,183</u>	<u>18,183</u>	<u>1,601</u>	<u>18,183</u>	<u>18,183</u>
Operating Expenses						
Personnel	6,556	7,068	7,068	1,203	7,068	7,068
Supplies	562	682	682	52	682	682
Services	21,076	25,304	25,304	1,532	25,304	25,304
Total Operating Expenses	<u>28,194</u>	<u>33,054</u>	<u>33,054</u>	<u>2,787</u>	<u>33,054</u>	<u>33,054</u>
Operating Income (Loss)	<u>(10,109)</u>	<u>(14,871)</u>	<u>(14,871)</u>	<u>(1,186)</u>	<u>(14,871)</u>	<u>(14,871)</u>
Nonoperating Revenues (Expenses)						
Hotel Occupancy Tax						
Current	41,943	45,000	45,000	11,979	45,000	45,000
Delinquent	1,169	900	900	166	900	900
Advertising Services	(9,892)	(10,350)	(10,350)	0	(10,350)	(10,350)
Promotion Contracts	(7,969)	(8,550)	(8,550)	0	(8,550)	(8,550)
Contracts/Sponsorships	(1,745)	(2,577)	(2,577)	(185)	(2,577)	(2,577)
Net Hotel Occupancy Tax	<u>23,506</u>	<u>24,423</u>	<u>24,423</u>	<u>11,960</u>	<u>24,423</u>	<u>24,423</u>
Interest Income	1,042	1,000	1,000	216	1,000	1,000
Capital Outlay	(8,521)	(2,969)	(2,969)	0	(2,969)	(2,969)
Non-Capital Outlay	(57)	(128)	(128)	1	(128)	(128)
Other Interest	(244)	(900)	(900)	(153)	(900)	(900)
Other	4,638	2,162	2,162	60	2,162	2,162
Other Financing Sources - Pension Bonds	185	0	0	0	0	0
Total Nonoperating Rev (Exp)	<u>20,549</u>	<u>23,588</u>	<u>23,588</u>	<u>12,084</u>	<u>23,588</u>	<u>23,588</u>
Income (Loss) Before Operating Transfers	<u>10,440</u>	<u>8,717</u>	<u>8,717</u>	<u>10,898</u>	<u>8,717</u>	<u>8,717</u>
Operating Transfers						
Transfers for Interest	6,538	8,633	8,633	1,254	8,633	8,633
Transfers for Principal	6,548	7,230	7,230	1,155	7,230	7,230
Interfund Transfers Out	1,644	0	0	0	0	0
Miller Outdoor Theater Transfer	(442)	(1,119)	(1,119)	0	(1,119)	(1,119)
Transfers to Special	(2,500)	(1,700)	(1,700)	0	(1,700)	(1,700)
Total Operating Transfers	<u>11,788</u>	<u>13,044</u>	<u>13,044</u>	<u>2,409</u>	<u>13,044</u>	<u>13,044</u>
Net Income (Loss)						
Operating Fund Only	\$ <u>(1,348)</u>	\$ <u>(4,327)</u>	\$ <u>(4,327)</u>	\$ <u>8,489</u>	\$ <u>(4,327)</u>	\$ <u>(4,327)</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 August 31, 2005
(amounts expressed in thousands)

	Unaudited Preliminary FY2005	FY2006				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
Operating Revenues						
Water Sales	\$ 304,459	\$ 313,361	\$ 313,361	\$ 60,500	\$ 313,361	\$ 313,361
Sewer Sales	288,459	302,653	302,653	54,451	302,653	302,653
Penalties	4,605	4,005	4,005	942	4,005	4,005
Other	4,583	4,078	4,078	848	4,078	4,078
Total Operating Revenues	<u>602,106</u>	<u>624,097</u>	<u>624,097</u>	<u>116,741</u>	<u>624,097</u>	<u>624,097</u>
Operating Expenses						
Personnel	114,034	130,480	130,480	19,340	130,480	130,480
Supplies	29,072	29,107	29,107	3,860	29,107	29,107
Electricity and Gas	50,108	52,421	52,421	7,832	52,421	52,421
Contracts & Other Payments	77,730	100,583	100,564	6,497	100,583	100,583
Non-Capital Equipment	1,011	1,468	1,487	32	1,468	1,468
Total Operating Expenses	<u>271,955</u>	<u>314,059</u>	<u>314,059</u>	<u>37,561</u>	<u>314,059</u>	<u>314,059</u>
Operating Income (Loss)	<u>330,151</u>	<u>310,038</u>	<u>310,038</u>	<u>79,180</u>	<u>310,038</u>	<u>310,038</u>
Nonoperating Revenues (Expenses)						
Interest Income	10,560	5,300	5,300	2,825	13,127	13,127
Sale of Property, Mains and Scrap	1,035	808	808	75	808	808
Other	9,525	7,614	7,614	1,122	7,614	7,614
Other Financing Sources - Pension Bonds	0	0	0	0	0	0
Gain on escrow restructure	31,838	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	0	14,000	14,000
CIP Salary Recovery	0	3,140	3,140	0	3,140	3,140
HAWC	(1,677)	(9,075)	(9,075)	0	(9,075)	(9,075)
CWA & TRA Contracts (P & I)	<u>(31,546)</u>	<u>(32,219)</u>	<u>(32,219)</u>	<u>(8,411)</u>	<u>(32,219)</u>	<u>(32,219)</u>
Total Nonoperating Rev (Exp)	<u>35,232</u>	<u>(10,432)</u>	<u>(10,432)</u>	<u>(4,389)</u>	<u>(2,605)</u>	<u>(2,605)</u>
Income (Loss) Before Operating Transfers	<u>365,383</u>	<u>299,606</u>	<u>299,606</u>	<u>74,791</u>	<u>307,433</u>	<u>307,433</u>
Operating Transfers						
Debt Service Transfer	188,270	232,730	232,730	21,356	232,730	232,730
Transfer to PIB - Water & Sewer	27,822	26,282	26,282	5,254	26,282	26,282
Discretionary Debt - Stormwater	0	1,605	1,605	0	1,605	1,605
Equipment Acquisition	11,090	13,357	13,357	885	13,357	13,357
Transfer to Stormwater	30,000	31,300	31,300	0	31,300	31,300
Total Operating Transfers	<u>257,182</u>	<u>305,274</u>	<u>305,274</u>	<u>27,495</u>	<u>305,274</u>	<u>305,274</u>
Net Current Activity						
Operating Fund Only	\$ <u>108,201</u>	\$ <u>(5,668)</u>	\$ <u>(5,668)</u>	\$ <u>47,296</u>	\$ <u>2,159</u>	\$ <u>2,159</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 August 31, 2005
(amounts expressed in thousands)

	FY2004 Actual	Adopted Budget	Current Budget	FY2005		
				YTD	Controller's Projection	F&A Projection
Revenues						
Other Interfund Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	\$ 45	\$ 50	\$ 50	\$ 14	\$ 50	\$ 50
Total Revenues	<u>45</u>	<u>50</u>	<u>50</u>	<u>14</u>	<u>50</u>	<u>50</u>
Expenditures						
Personnel	16,271	18,010	18,010	2,578	18,010	18,010
Supplies	1,556	1,347	1,347	192	1,347	1,347
Other Services	10,438	13,429	13,429	1,034	13,429	13,429
Capital Outlay	410	2,445	2,445	1	2,445	2,445
Total Expenditures	<u>28,675</u>	<u>35,231</u>	<u>35,231</u>	<u>3,805</u>	<u>35,231</u>	<u>35,231</u>
Other Financing Sources (Uses)						
Interest Income	120	100	100	21	100	100
Operating Transfers In	30,000	31,300	31,300	0	31,300	31,300
Operating Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>30,120</u>	<u>31,400</u>	<u>31,400</u>	<u>21</u>	<u>31,400</u>	<u>31,400</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	1,490	(3,781)	(3,781)	(3,770)	(3,781)	(3,781)
Pension Bond Proceeds	436	1,000	1,000	0	1,000	1,000
Fund Balance, Beginning of Year	<u>1,692</u>	<u>3,781</u>	<u>3,781</u>	<u>3,618</u>	<u>3,781</u>	<u>3,781</u>
Fund Balance, End of Year	<u>\$ 3,618</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ (152)</u>	<u>\$ 1,000</u>	<u>\$ 1,000</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 August 31, 2005
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY06 (millions)	Draws during Month (millions)	Amount Available to be Drawn (millions)	Amount Outstanding (millions)
General Obligation <i>(Series A & B)</i>				
<i>Public Improvement Bonds</i>	\$ 5.00	\$ 0.00	\$ 32.00	\$ 212.80
<i>(Series D)</i>	15.00	15.00	200.00	185.00
<i>(Series E)</i>				
<i>Equipment</i>	10.00	10.00	46.70	41.29
<i>Metro Street Projects</i>	0.00	0.00	39.89	23.11
<i>Cotswold Project</i>	0.00	0.00	2.01	2.00
<i>(Series F) Drainage</i>	<u>8.00</u>	<u>8.00</u>	<u>125.00</u>	<u>14.50</u>
Total General Obligation	38.00	33.00	445.60	478.70
Combined Utility System <i>(Series A)</i>	20.00	20.00	700.00	200.00
Airport System <i>(Series A,B, & C)</i>	0.00	0.00	251.50	48.50
Convention & Entertainment <i>(Series A)</i>	<u>0.00</u>	<u>0.00</u>	<u>52.50</u>	<u>22.50</u>
Totals	\$ <u>58.00</u>	\$ <u>53.00</u>	\$ <u>1,449.60</u>	\$ <u>749.70</u>

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

<u>Purpose</u>	<u>Available for Appropriation</u>
Equipment and Miscellaneous	
Total Dangerous Building Funds	\$ 29
Total Equipment Acquisition Funds	6,522
Certificates of Obligation Lamar Terrace 2000A	47
Total Equipment and Miscellaneous	<u>6,598</u>
Public Improvement	
Total Fire Department	5,511
Total Housing	3,562
Total General Improvement	3,560
Total Public Health and Welfare	2,390
Total Public Library	4,995
Total Parks and Recreation	11,058
Total Police Department	837
Total Solid Waste	1,948
Total Storm Sewer	51,244
Total Street & Bridge	55,010
Total Public Improvement	<u>140,115</u>
Airport	
Total Airport	<u>471,386</u>
Convention and Entertainment Facilities	
Total Convention and Entertainment	<u>56,666</u>
Combined Utility System	
Total Combined Utility System	<u>178,111</u>
Total All Purposes	<u><u>\$ 852,876</u></u>

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

	August 31, 2005	August 31, 2004
Payable from Ad Valorem Taxes		
Public Improvement Bonds (a)	\$ 1,654,545	\$ 1,557,800
GO Commercial Paper Notes (b)	478,700	465,800
Pension Obligations	357,165	0
Certificates of Obligations (c)	28,288	33,519
Assumed Bonds	11,650	12,420
Subtotal	<u>2,530,348</u>	<u>2,069,539</u>
Payable from Sources Other Than Ad Valorem Taxes		
Combined Utility System Bonds		
Combined Utility System Revenue Bonds	3,029,170	3,029,170
Combined Utility System Commercial Paper Notes (d)	200,000	10,000
Water and Sewer System Revenue Bonds (e)	1,033,433	1,045,499
Airport System Bonds		
Airport System Revenue Bonds	2,148,055	2,172,515
Airport System Commercial Paper Notes (f)	48,500	25,000
Airport System Inferior Lien Contracts (g)	56,810	0
Airport Special Facilities Revenue Bonds (h)	594,380	675,795
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds (i)	607,730	614,320
Hotel Occupancy Tax Commercial Paper (j)	22,500	22,500
Contract Revenue Obligations - CWA, HAWC, TRA	375,270	352,345
Subtotal	<u>8,115,848</u>	<u>7,947,144</u>
Total Debt Payable by the City	<u><u>\$ 10,646,196</u></u>	<u><u>\$ 10,016,683</u></u>

- (a) Tax bonds authorized by voters in 1997 but unissued total \$32.0 million of which \$32.0 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 \$200 million is authorized commercial paper that has not been drawn (Series D).
- (b) The City has authorized a maximum issuance of General Obligation Commercial Paper Programs Series A: \$219.0 million, B: \$25.8 million, D: \$385.0 million, E: \$155.0 million, and F: \$139.5 million. As of the date above, the following amounts were outstanding: Series A: \$206.8 million, B: \$6.0 million, D: \$185 million, E: \$66.4 million, and F: \$14.5 million.
- (c) Excludes \$1.4 million accreted value of capital appreciation certificates, or 4.7% of face value.
- (d) The City authorized issuance of \$900 million Combined Utility System Commercial Paper Notes as of June 10, 2004.
- (e) Excludes \$159.5 million accreted value of capital appreciation bonds, or 15.4% of face value.
- (f) 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.
- (g) Under a sublease agreement, the City has agreed to make sublease payments equal to the debt service payments on the Series 1997A Special Facilities Bonds that financed the Automated People Mover ("APM") at George Bush Intercontinental Airport. The City assumed responsibility for operations and debt service payments for the APM in January 2005. These sublease payments constitute "Inferior Lien Bonds" 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 \$27.8 million accreted value of capital appreciation bonds, or 4.6% of face value.
- (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

8/31/2005

PAYMENTS

	FY05 Actual (\$1,000)	FY 06			
		City Payment Rate	Employee Payment Rate	Annual Payment (\$1,000)	Year to Date (\$1,000)
Firefighters Plan					
General Fd. & Other Fds.	32,455	23.8%	9.0%	31,290	6,447
Pension Bonds	0			12,000	0
Total Firefighters Plan	32,455			43,290	6,447
Police Plan					
General Fd. & Other Fds.	13,780	Note 1	9.0%	23,000	5,930
Pension Bonds	22,865			30,000	0
Total Police Plan	36,645			53,000	5,930
Municipal Plan					
General Fund	9,865	Note 2	5.0%	4,934	715
Other Funds	23,135	Note 2	5.0%	31,066	4,500
Pension Bonds	33,000			33,000	0
Total Municipal Plan (Note 2)	66,000			69,000	5,215
Total All Three Plans	135,100			165,290	17,592

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(adopted)	47.0	97%
(Note 3)	7/1/2004(draft)	271.7	88%
Police Plan (Note 4)	7/1/2004	534.8	82%
Municipal Plan (Note 5)	7/1/2004	1,133.0	57%

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: Assumption changes under discussion by Firefighters trustees may change these results

Note 4: Towers Perrin estimate dated 9/15/2004

Note 5: Estimate based on experience study prepared by Gabriel, Roeder, Smith & Company, dated 4/20/05

**DEPARTMENTAL PERFORMANCE MEASURES
FOR THE MONTH ENDING AUGUST 31, 2005 (16.67% OF FISCAL YEAR)**

Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
AFFIRMATIVE ACTION						
Applications Processed	1,847	314	17.0%	1,700	335	19.7%
Days to Process New Applicants	63	48	76.2%	90	23	391.3%
Field Audits	1,931	244	12.6%	1,520	183	12.0%
Payrolls Audited	15,093	2,239	14.8%	11,300	1,005	8.9%
SBE/MWDBE Owners Trained	7,600	991	13.0%	4,100	280	6.8%
City Employees Trained	3,503	516	14.7%	1,600	324	20.3%
MOPD Citizens Assistance Request	4,306	795	18.5%	3,000	794	26.5%
OSBC Getting Started Packets Distributed	6,957	1,187	17.1%	7,500	1,371	18.3%
MWBE Monitoring Correspondence	115,640	8,736	7.6%	125,000	30,210	24.2%
AVIATION						
Passenger Enplanements	46,315,000	6,859,000	14.8%	48,269,000	9,013,000	18.7%
Cargo Tonnage	774,579,000	126,011,000	16.3%	799,736,000	125,500,000	15.7%
Cost per Enplanement	\$7.61	\$14.32	NA	< \$8.00	\$6.72	N/A
Passenger Processing Time Index	N/A New Performance Measure for FY2006			2.5 - 3.0	2.0	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	47	14.9%
# Customer Info. Portals (communication/productivity)	N/A New Performance Measure for FY2006			10	7.0	70.0%
BUILDING SERVICES						
Design & Construction						
Days to Issue Notice to Proceeds (NTP)	39.6	41.0	96.6%	30	30.0	100.0%
Property Mgmt. (Work Orders Compl.)	22,273	2,613	11.7%	32,000	4,203	13.1%
Security Management						
Number or Reported Incidents						
Investigated upon Receipts	424	52	12.3%	350	124	35.4%
CONVENTION & ENTERTAINMENT FACILITIES						
Days Booked-GRB Convention Center	2,955	748	25.3%	2,900	993	34.2%
Days Booked-Wortham Theatre Center	528	48	9.1%	535	7	1.3%
Days Booked-Jones Hall	368	19	5.2%	295	1	0.3%
Occupancy Days-GRB Convention Center	2,093	341	16.3%	2,079	153	7.4%
Occupancy Days-Wortham Theatre Center	638	30	4.7%	593	32	5.4%
Occupancy Days-Jones Hall	258	14	5.4%	265	14	5.3%
Occupancy Days-Theatre District Parks Hall	183	20	10.9%	166	11	6.6%
Customer Satisfaction (Periodic)-GRB Convention Center	92.6%	96.8%	NA	92.0%	89.1%	N/A
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.6%	93.8%	NA	94.0%	89.9%	N/A
Customer Satisfaction (Periodic)-Jones Hall	95.7%	100.0%	NA	95.0%	100.0%	N/A
Customer Satisfaction (Periodic)-Houston Center	96.5%	97.7%	NA	100.0%	96.5%	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
FINANCE & ADMINISTRATION						
Avg Days to Award Procurement Contracts	138	164	NA	130	105	NA
3-1-1 Avg Time Customer in Queue (seconds)	67.64	157.00	NA	30.00	39.25	NA
Liens Collections	\$4,085,166	\$988,165	24.2%	\$2,568,000	\$677,061	26.4%
Ambulance Revenue per Transport	\$174.84	\$138.89	79.4%	\$198.57	\$209.43	105.5%
Cable Company Complaints	850	142	16.7%	737	173	23.5%
Deferred Compensation Participation	71.30%	64.60%	NA	75.00%	71.55%	N/A
Audits Completed	25	4	16.0%	25	2	8.0%

**DEPARTMENTAL PERFORMANCE MEASURES
FOR THE MONTH ENDING AUGUST 31, 2005 (16.67% OF FISCAL YEAR)**

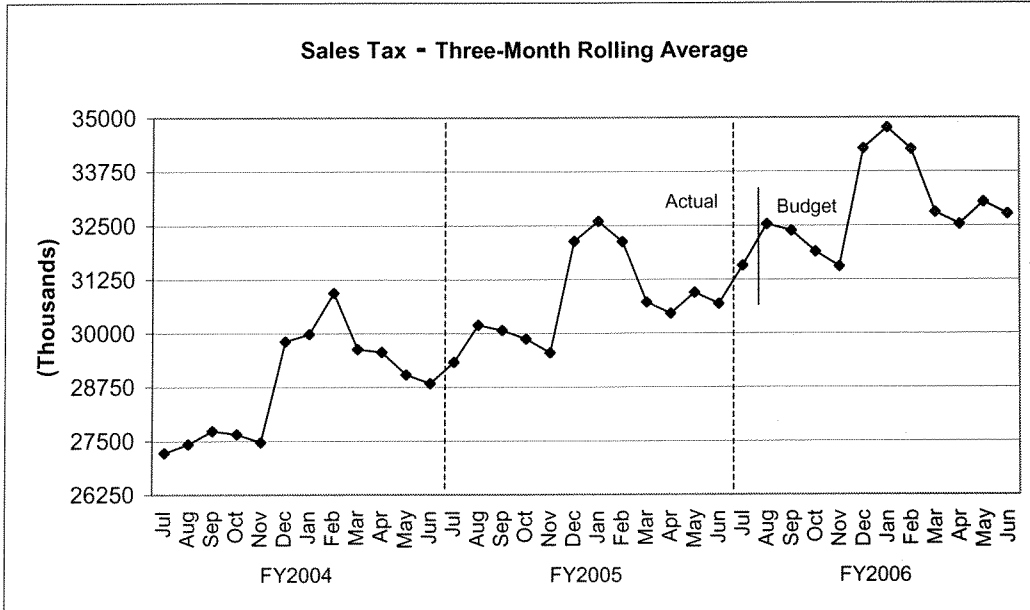
Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
FIRE DEPARTMENT						
First Response Time (Minutes)	8.1	7.9	N/A	7.5	7.6	N/A
First Response Time-EMS (Minutes)	8.5	8.5	N/A	9.5	8.5	N/A
Ambulance Response Time (Minutes)	10.4	10.4	N/A	10.0	10.4	N/A
HEALTH & HUMAN SERVICES						
Environmental Inspections	69,702	12,271	17.6%	69,702	8,421	12.1%
First Trimester Prenatal Enrollment	45.4%	37.0%	N/A	42.0%	42.0%	N/A
WIC Client Satisfaction	95.0%	95.0%	N/A	95.0%	86.6%	N/A
Immunization Compliance (2 Yr. Olds)	87.0%	88.0%	N/A	87.0%	87.0%	N/A
TB Therapy Completed	90.5%	92.1%	N/A	90.5%	91.0%	N/A
HOUSING						
Housing Units Assisted	4,396	769	17.5%	5,000	575	11.5%
Council Actions on HUD Projects	142	19	13.4%	75	19	25.3%
Annual Spending (Millions)	\$53	\$7	13.2%	\$55	\$7	12.7%
HUMAN RESOURCES						
Total Jobs Filled - (As Vacancies Occur)	4,206	882	21.0%	4,500	356	7.9%
Days to Fill Jobs	60	60	100.0%	60	60	100.0%
Training Courses Conducted	151	15	9.9%	135	12	8.9%
Lost Time Injuries (As They Occur)	218	55	25.2%	280	19	6.8%
LEGAL						
Deed Restriction Complaints Received	1,154	90	7.8%	944	132	14.0%
Deed Restriction Lawsuits Filed	39	-	0.0%	33	15	45.5%
Deed Restriction Warning Letters Sent	721	73	10.1%	483	89	18.4%
LIBRARY						
Total Circulation	5,875,231	1,029,099	17.5%	5,685,707	1,097,851	19.3%
Juvenile Circulation	2,954,979	519,083	17.6%	3,036,291	554,075	18.2%
Customer Satisfaction(Three/Year)	88%	83%	94.3%	88%	N/A	N/A
Reference Questions Answered	3,890,267	328,993	8.5%	3,068,282	511,376	16.7%
In-House Computer Users	1,461,133	207,533	14.2%	1,330,282	221,714	16.7%
Public Computer Training Classes Held	822	118	14.4%	740	148	20.0%
Public Computer Training Attendance	7,021	974	13.9%	6,544	1,273	19.5%
MUNICIPAL COURTS						
Total Case Filings	1,326,341	200,996	15.2%	1,441,937	197,161	13.7%
Total Disposition	1,035,435	181,205	17.5%	871,860	145,310	16.7%
Cost per Disposition	\$15.58	\$15.71	N/A	\$16.36	\$19.75	N/A
Incomplete Docket Reduction (Cases/Day)	33.05	15.45	N/A	13	32.55	N/A
PARKS & RECREATION						
Registrants in Youth Sports Programs	20,891	5,071	24.3%	20,100	2,611	13.0%
Registrants in Adult Fitness & Craft Programs	4,358	655	15.0%	5,200	374	7.2%
Number of Teams in Adult Sports Programs	1,087	221	20.3%	1,400	267	19.1%
Vehicle Downtime-Days out of Service (avg)	16	14	NA	20	14	NA
Golf Rounds Played at Privatized Courses	87,559	16,385	18.7%	93,500	14,633	15.7%
Golf Rounds Played at COH - Operated Courses	173,366	30,603	17.7%	175,386	29,196	16.6%
Work Orders Completed-Parks and Comm. Ctr Facilities	20,481	3,222	15.7%	21,900	3,872	17.7%
Grounds Maintenance Cycle-Days:						
Esplanades	13	15	NA	10	8	NA
Parks & Plazas	12	14	NA	10	8	NA
Bikes & Hikes Trails	12	16	NA	10	9	NA

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

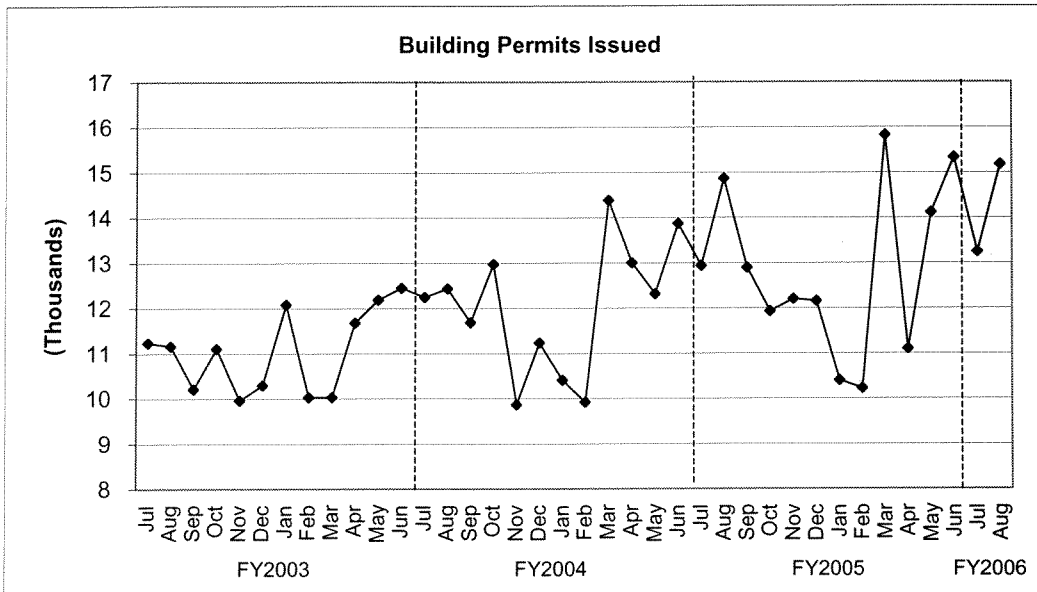
**DEPARTMENTAL PERFORMANCE MEASURES
FOR THE MONTH ENDING AUGUST 31, 2005 (16.67% OF FISCAL YEAR)**

Department Performance Measure	FY2005			FY2006		
	Actual	YTD	% Actual	Objective	YTD	% Objective
PLANNING & DEVELOPMENT						
Development Plats	N/A	N/A	0.0%	1,100	230	20.9%
Plats Recorded	N/A	N/A	0.0%	1,500	236	15.7%
Subdivision Plats Reviewed	4,467	295	6.6%	2,450	811	33.1%
Develop Houston Hope Plans	N/A	N/A	0.0%	6	N/A	0.0%
Houston Hope Committee Meetings	N/A	N/A	0.0%	12	N/A	0.0%
HOUSTON POLICE						
Response Time (Code 1)-Minutes	4.7	4.6	97.9%	4.9	5.0	102.0%
Violent Crime Clearance Rate	25.4%	26.7%	105.1%	38.8%	24.9%	64.2%
Crime Lab Cases Completed	87.7%	82.0%	93.5%	90.0%	36.1%	40.1%
Fleet Availability	96.7%	96.0%	99.3%	90.0%	95.7%	106.3%
Complaints - Total Cases	415	94	22.7%	878	22	2.5%
Tot. Cases Reviewed by Citizens Rev. Com.	173	47	27.2%	564	31	5.5%
Records Processed	534,765	718,424	134.3%	663,276	486,116	73.3%
PUBLIC WORKS AND ENGINEERING						
Maintenance and Right-of-Way						
Potholes/Skin Patches (Tons)	18,272	3,044	16.7%	16,000	2,285	14.3%
Roadside Ditch Regrading/Cleaned (Miles)	307	63	20.5%	305	62	20.2%
Storm Sewers Cleaned (Miles)	384	60	15.5%	350	66	18.9%
Storm Sewer Inlets/Manholes Cleaned/Inspected	135,053	21,012	15.6%	130,900	16,717	12.8%
In-House Overlay (Lane Miles)	285	48	16.8%	280	72	25.6%
ECRE						
Storm/Street Annual Appropriation as of % of CIP	80.3%	3.2%	4.0%	100.0%	7.3%	7.3%
Waste/Wastewater Annual Appropriation as of % of CIP	110.8%	3.0%	2.7%	100.0%	1.6%	1.6%
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%
Traffic and Transportation						
Traffic Signal Maintenance Completed within 72 hours	97.6%	N/A	0.0%	95.0%	97.4%	102.5%
Roadway & Sidewalk Obstruction Permits processed within 7 days	99.5%	N/A	0.0%	100.0%	99.9%	99.9%
Water and Sewer - Utility Maintenance						
Rehabilitate/renew 950,000 linear feet (3%) of collection system annually	1,039,000	N/A	0.0%	950,000	160,712	16.9%
Rehabilitate or renew 1000 fire hydrants (2%) annually	1,075	12	1.1%	1,000	173	17.3%
Rehabilitate or replace 8 storage tanks (5%) annually	8	0	0.0%	8	0	0.0%
Water repairs completed within 12 days for calls received from 311	95.0%	98.0%	103.2%	90.0%	92.0%	102.2%
Wastewater repairs completed within 15 days for calls received from 311	80.0%	86.0%	107.5%	90.0%	79.0%	87.8%
Utility Customer Service						
Percent of meters read and located monthly	95.0%	95.0%	100.0%	97.0%	94.9%	97.8%
Collection Rate	101.3%	102.7%	101.4%	99.0%	96.5%	97.5%
Planning & Development						
Complete Plan Review on new single family residence in 7 days	70.4%	N/A	0.0%	90.0%	99.0%	110.0%
Average number of Re-submittals in Plan Review	1.92	N/A	0.0%	2	3	157.0%
Customer service rating (Scale of 1-5)	3.45	N/A	0.0%	4	3	68.3%
SOLID WASTE MANAGEMENT						
Cost per Unit Served-Excludes Recycling and Special Collections Programs	\$13.87	\$13.49	97.3%	\$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	8,437	3.5%	220,000	4,443	2.0%

TREND INDICATORS - LOCAL ECONOMY



Source: Office of State Comptroller

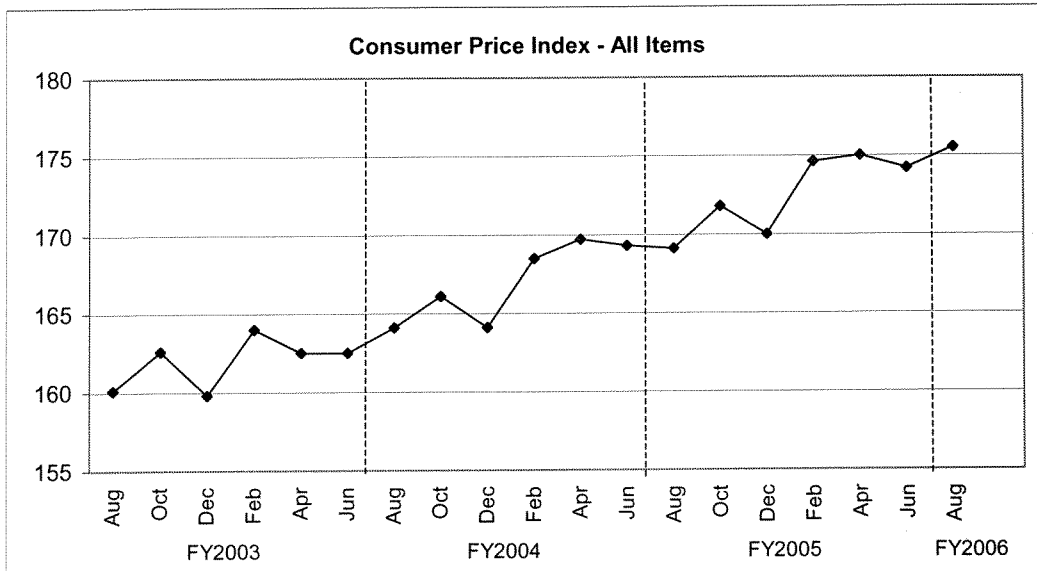


Source: City of Houston Planning and Development Department

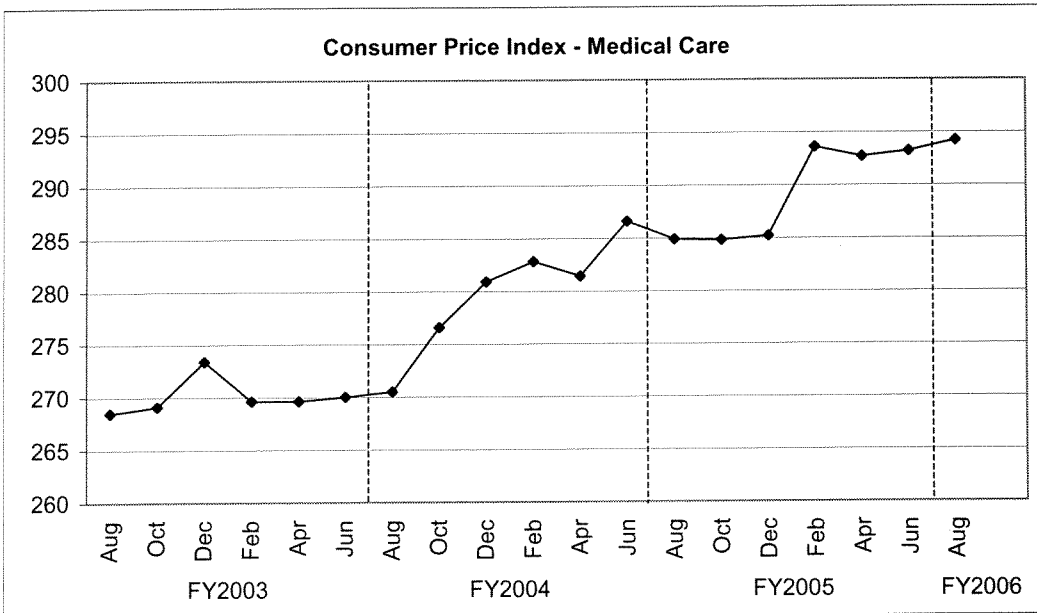


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

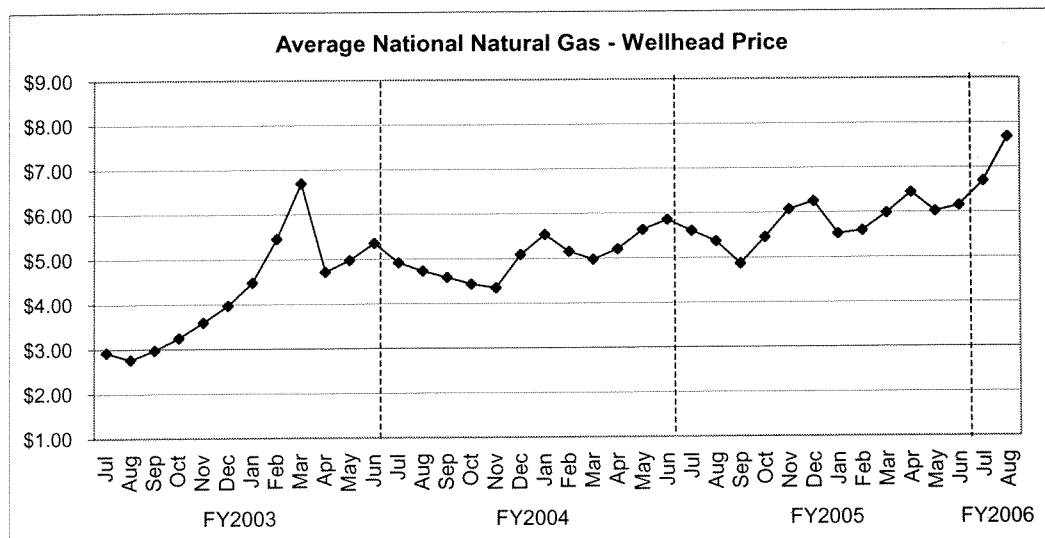
TREND INDICATORS - LOCAL ECONOMY



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

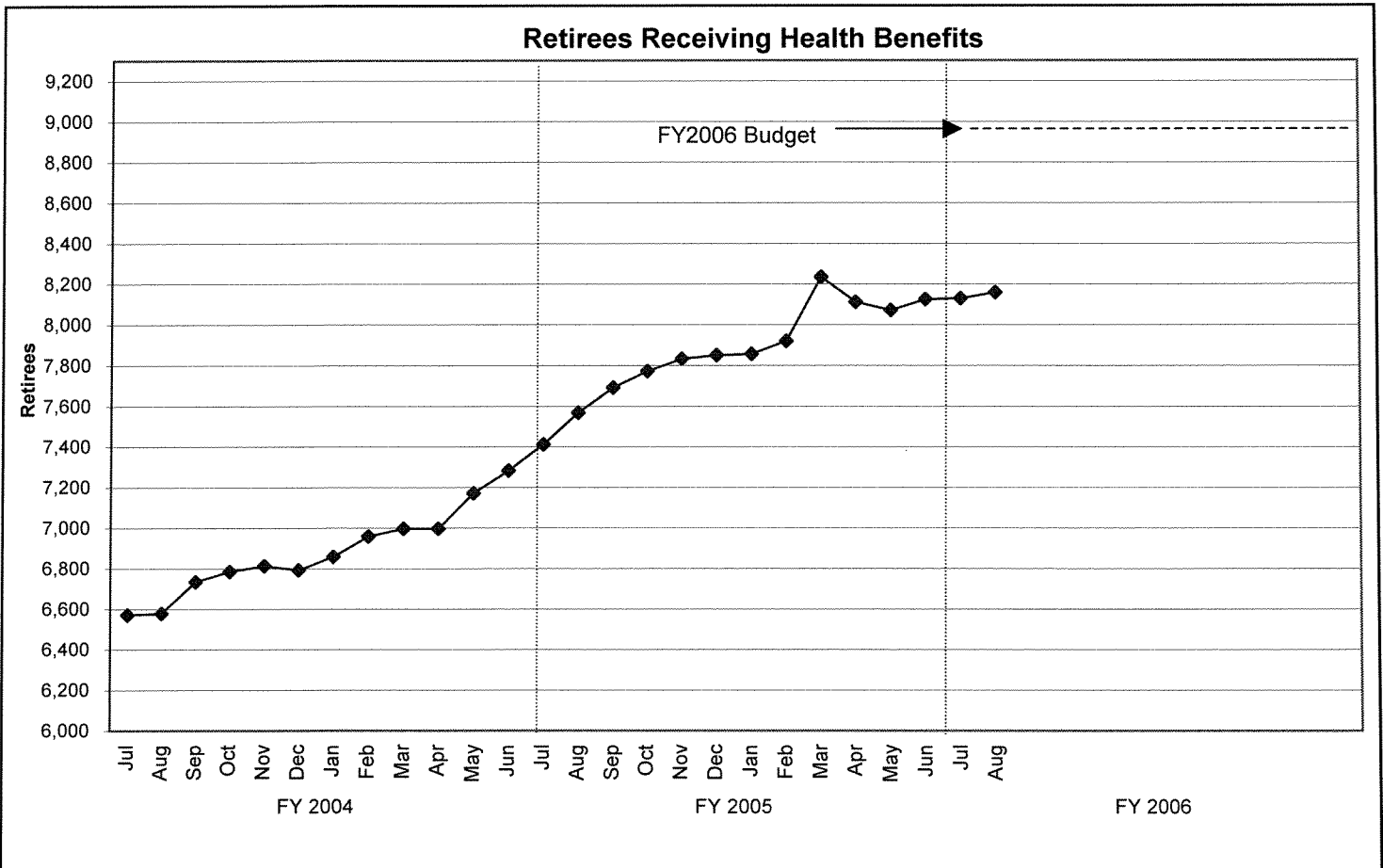
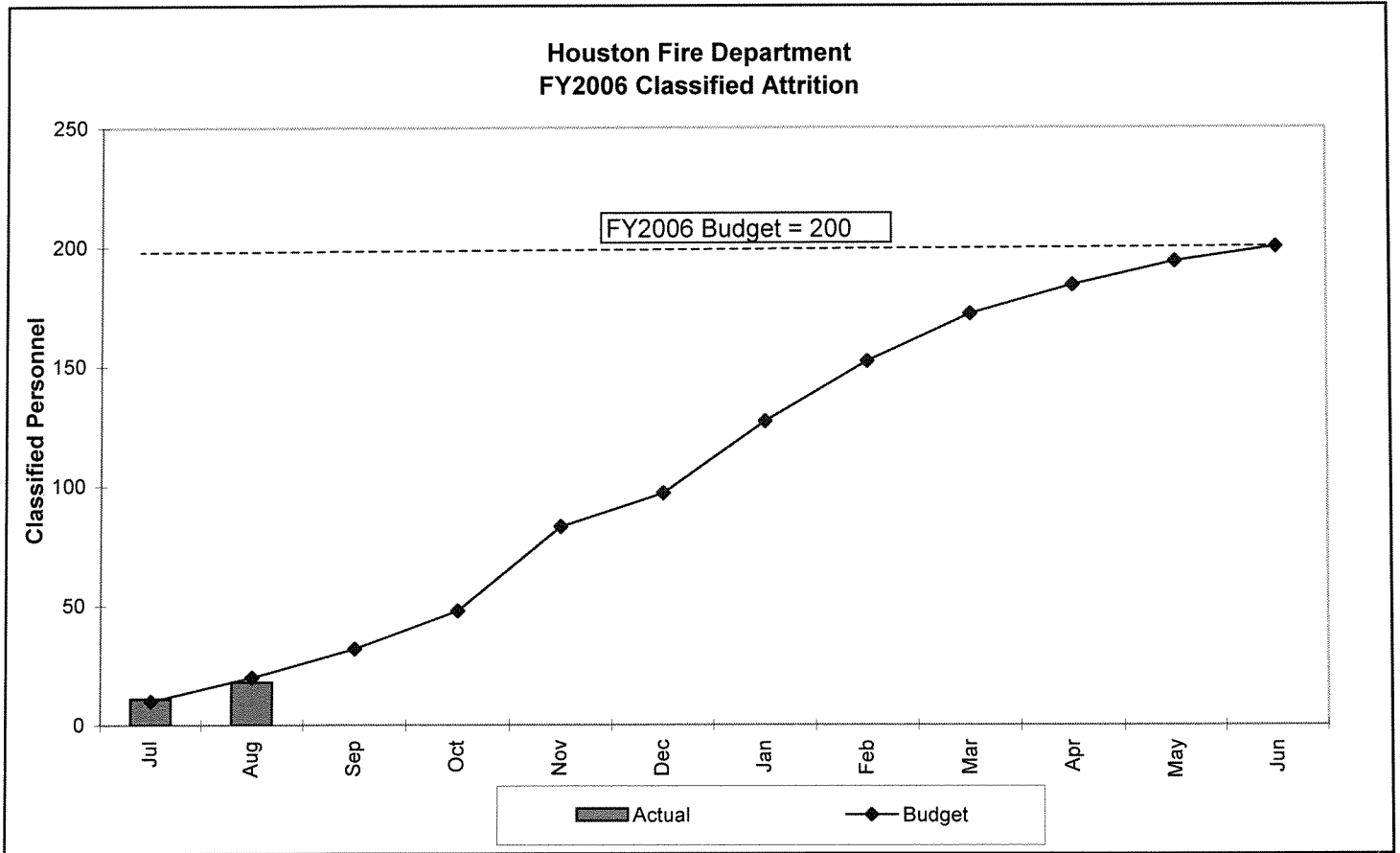


Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX



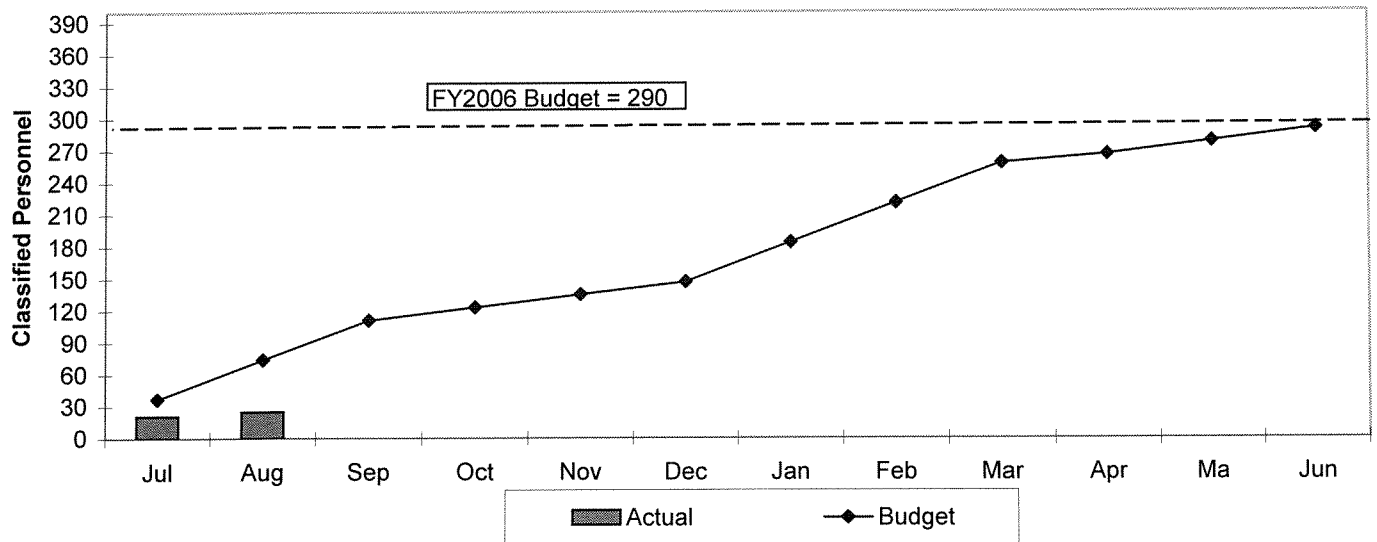
Source: Energy Information Administration/Natural Gas Monthly

TREND INDICATORS - RETIREMENTS

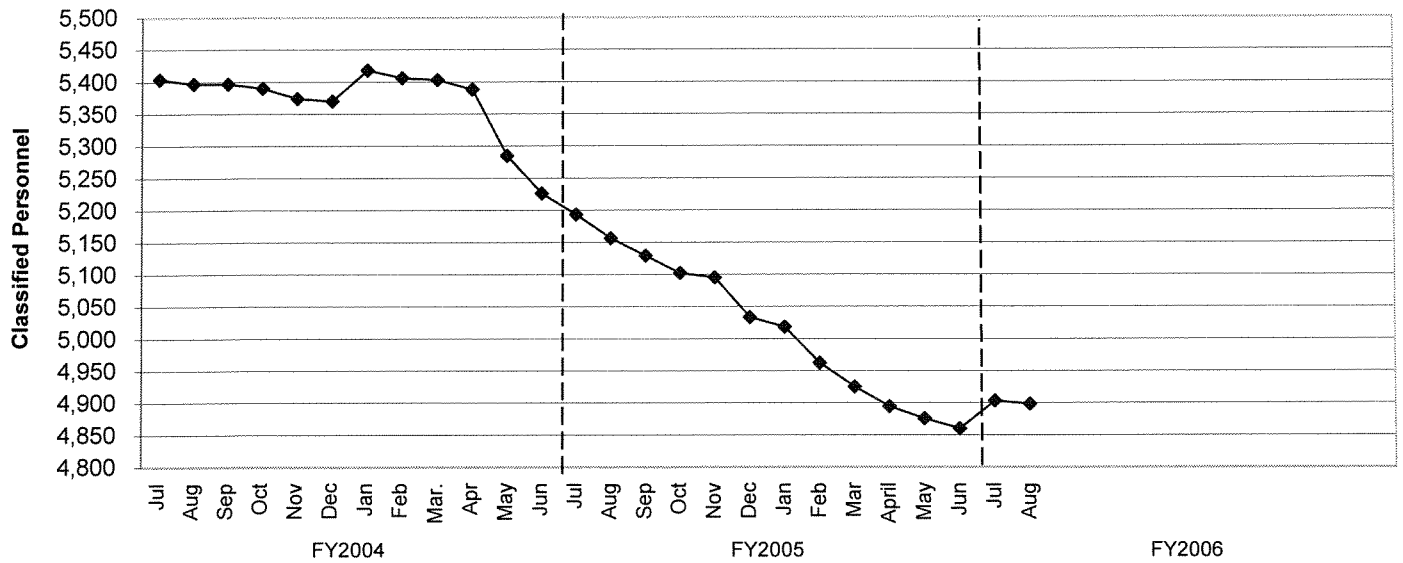


TREND INDICATORS - HIRING AND RETIREMENTS

**Houston Police Department
FY2006 Classified Attrition**

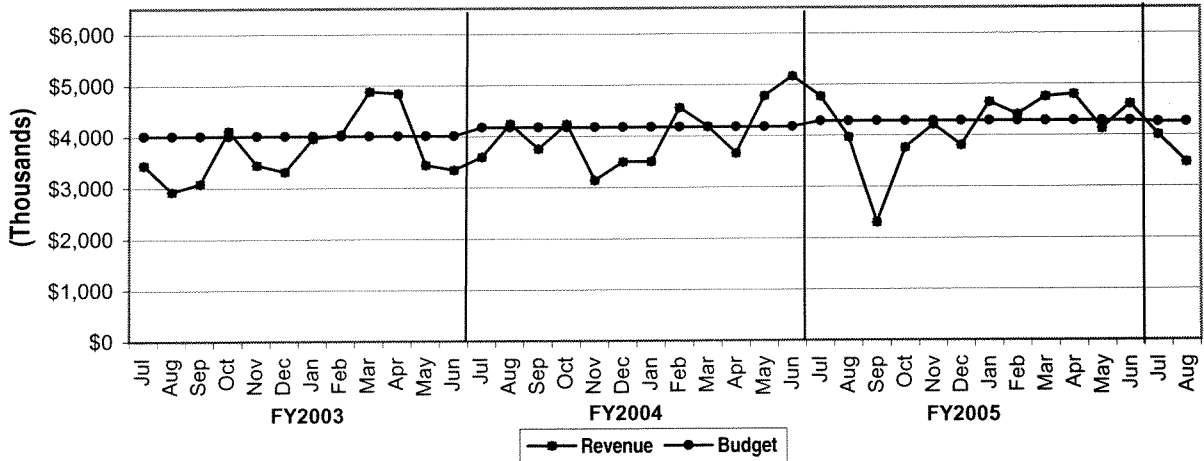


**Houston Police Department
Classified Staffing - FY2004 to FY2006**

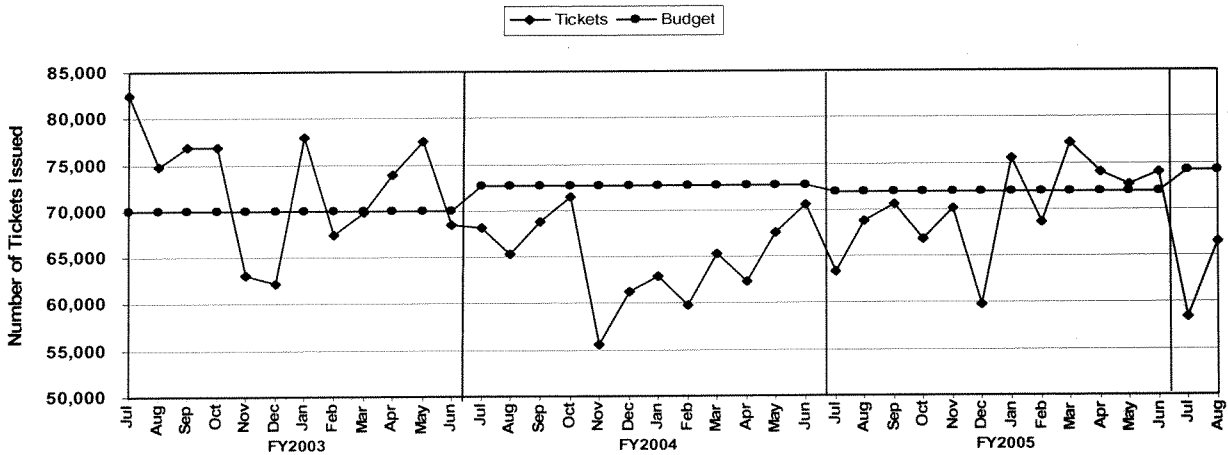


TREND INDICATORS - MUNICIPAL COURTS

Total Municipal Courts Revenue

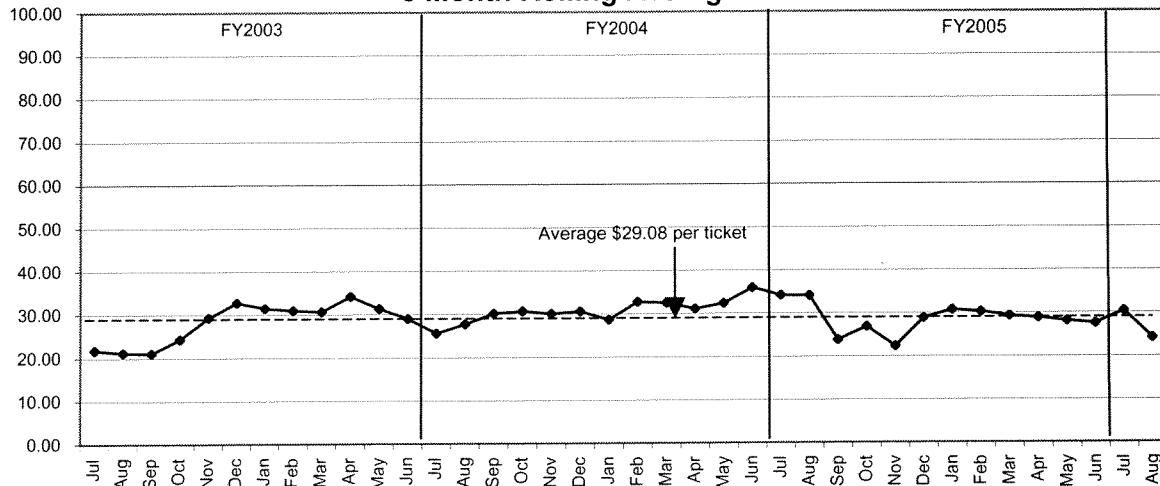


Number of Traffic Citations Issued



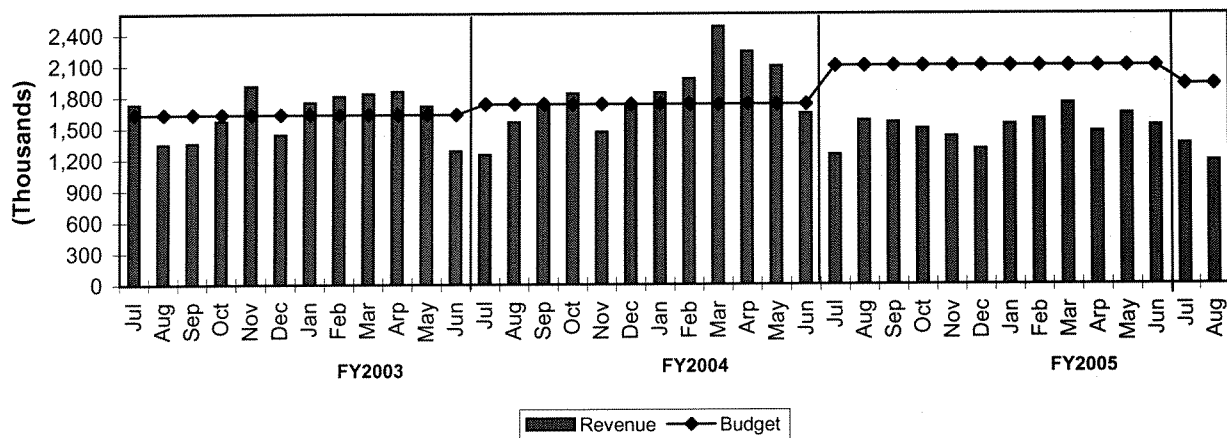
Note: Tickets issued primarily by the Houston Police Department.

**Moving Violations Revenue Per Ticket Issued (\$100)
3 Month Rolling Average**

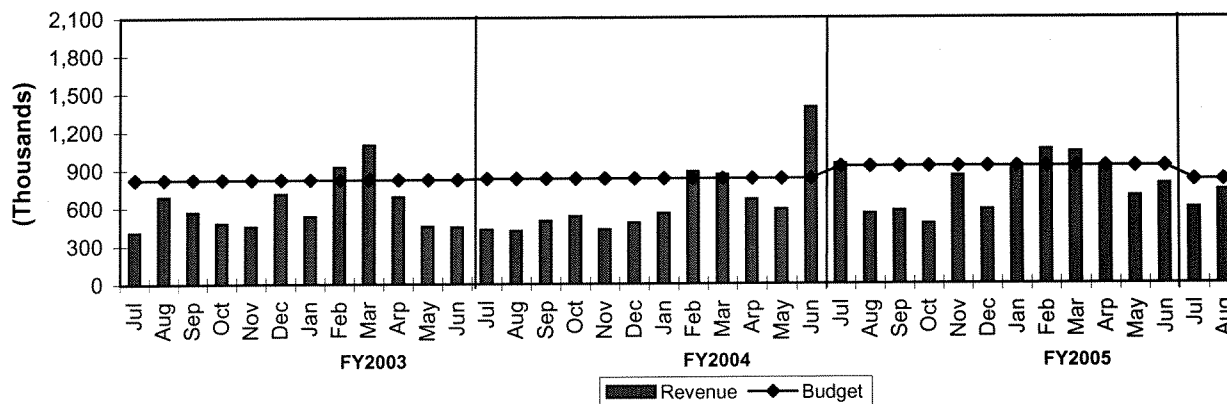


TREND INDICATORS - MUNICIPAL COURTS

Moving Violations Collections vs Budget

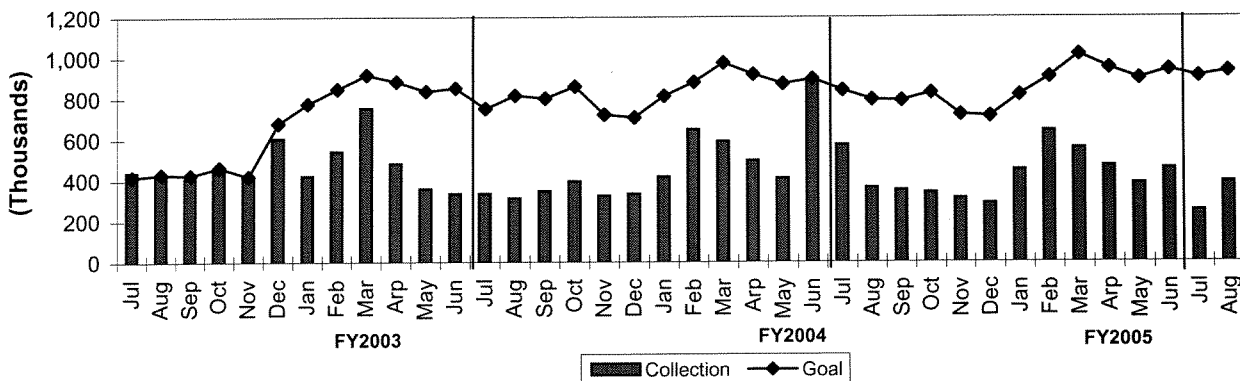


Total Delinquent Collections vs Budget*



*Net of fees and expenses paid to Linebarger

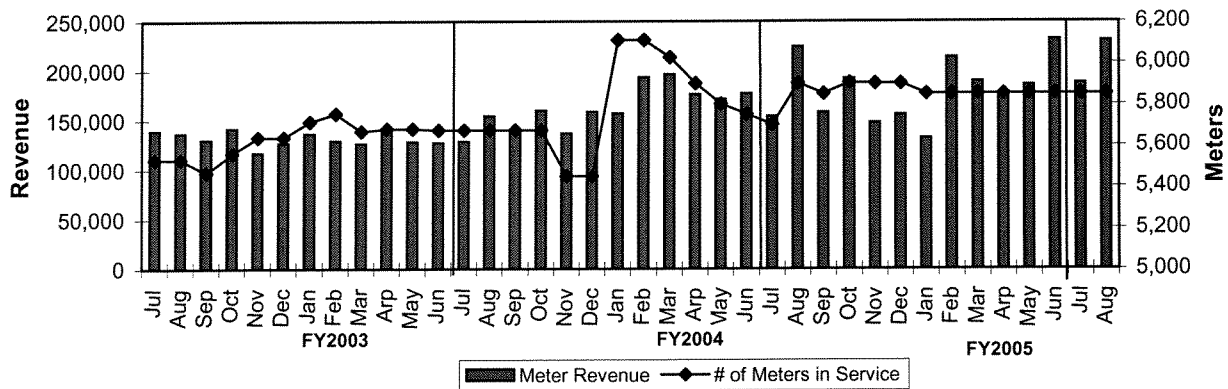
Delinquent Traffic/Non-Traffic Collection* vs Delinquent Goal Amount FY2003 thru FY2005 YTD



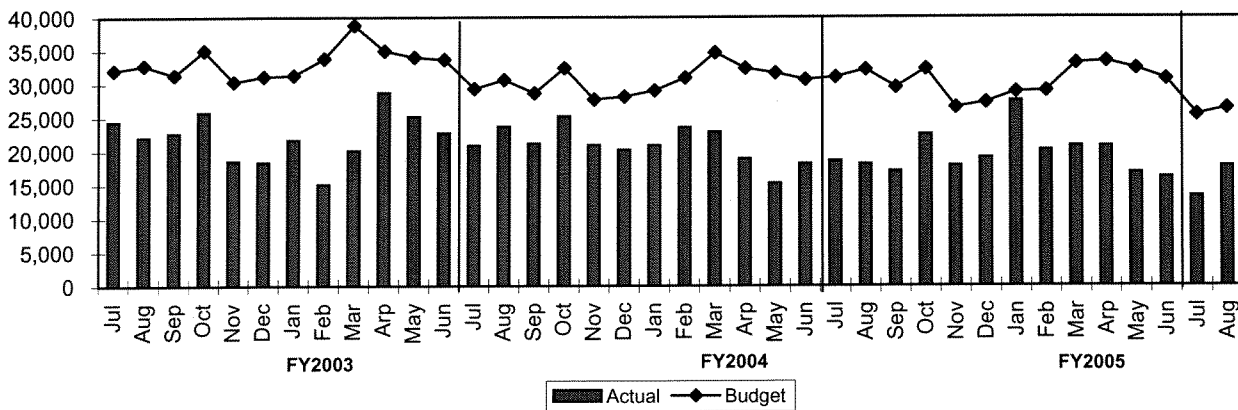
*Excludes Delinquent Parking Collections

TREND INDICATORS - MUNICIPAL COURTS

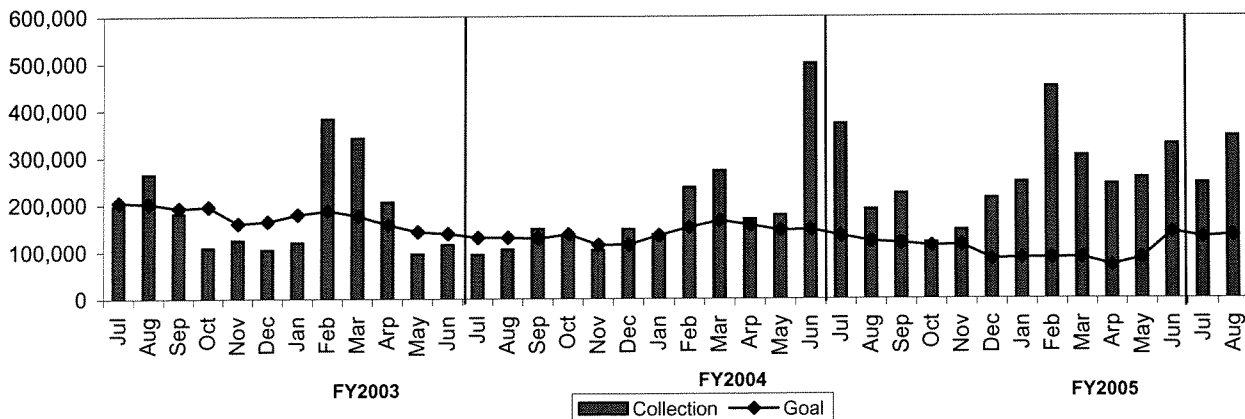
Meter Revenue vs # Meters in Service



Parking Violations vs Budget

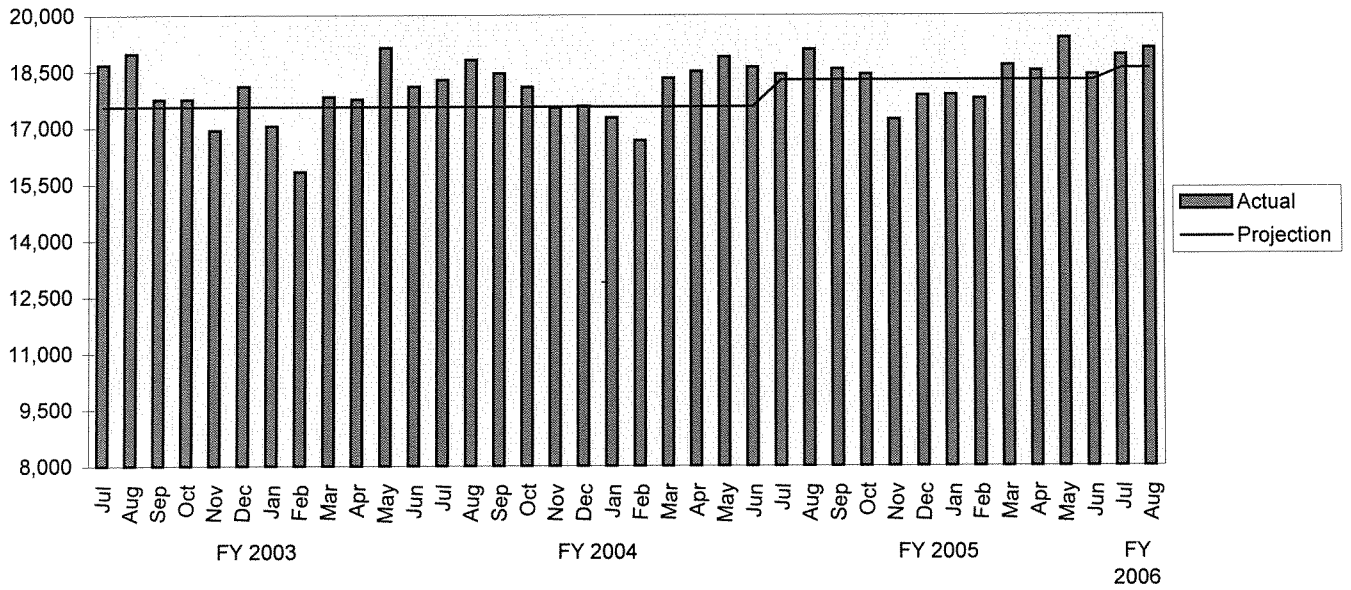


Delinquent Parking Collections vs Delinquent Goal Amount

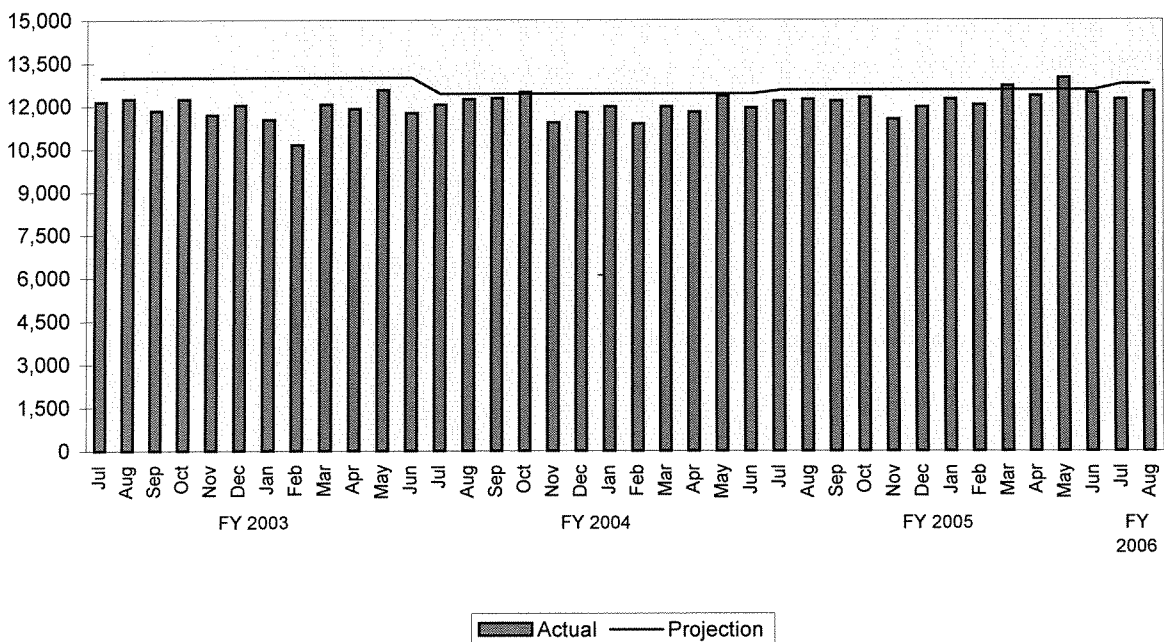


TREND INDICATORS - AMBULANCE SERVICES

EMS Incidents

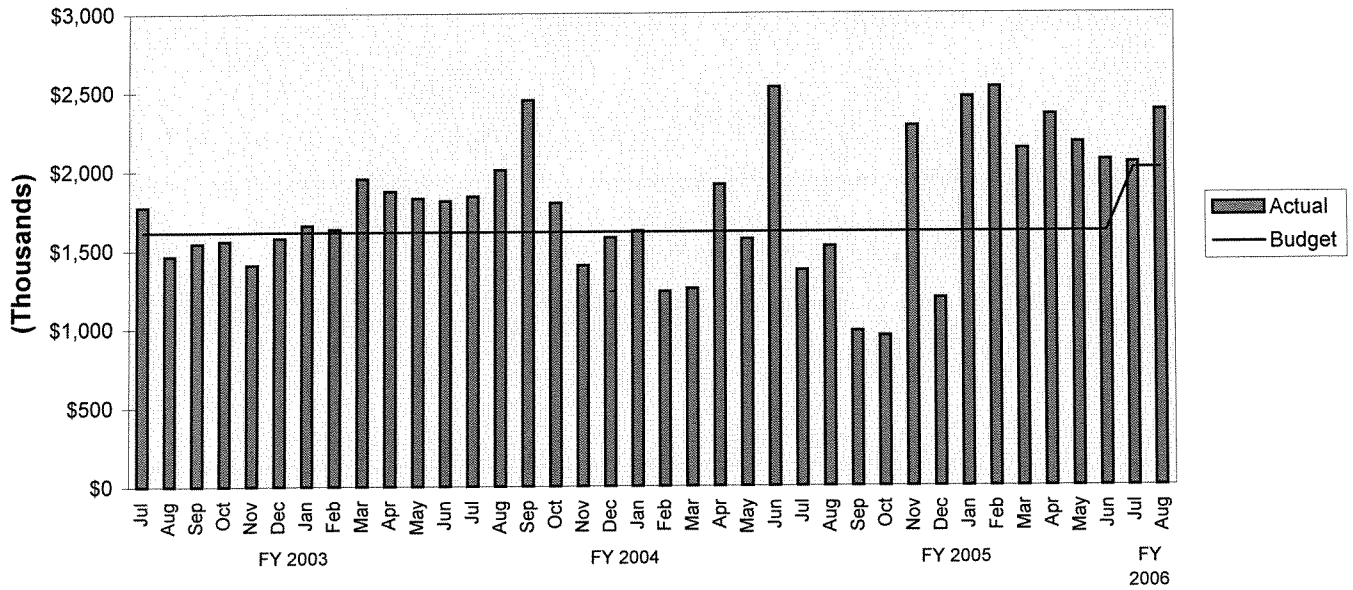


EMS Transports

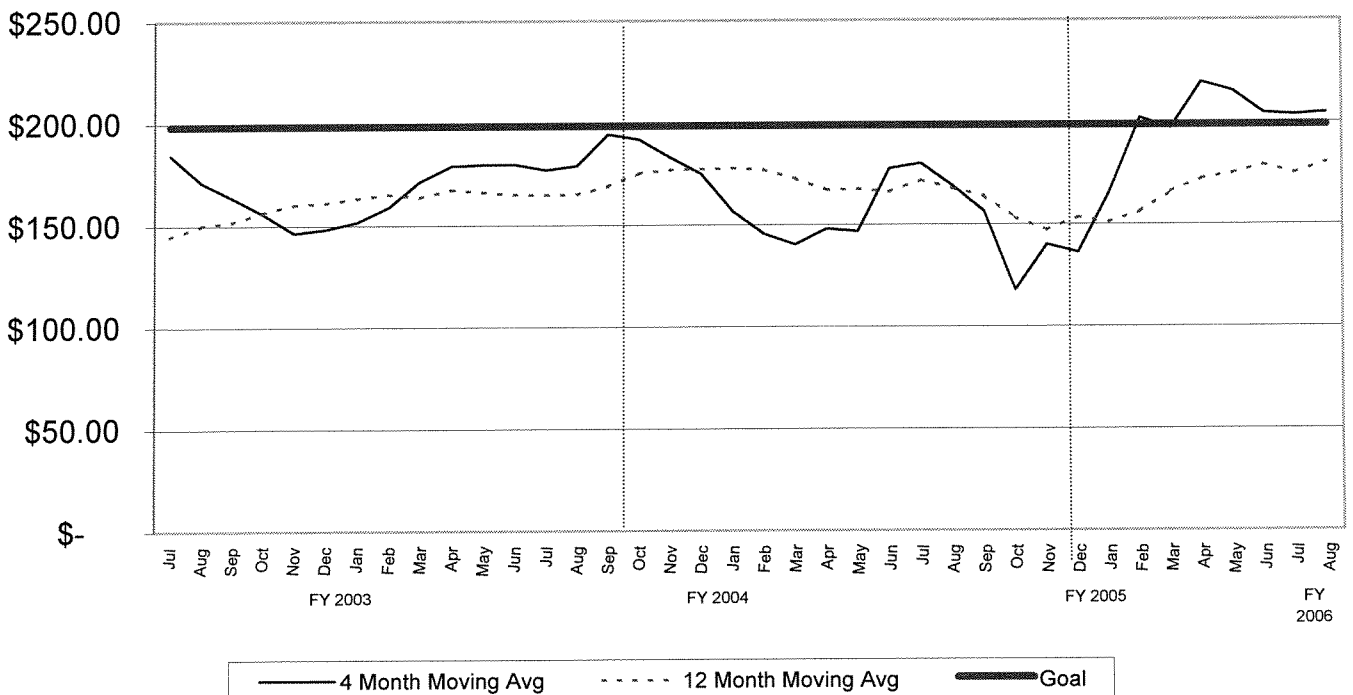


TREND INDICATORS - AMBULANCE SERVICES

EMS Revenue (Net Collections)

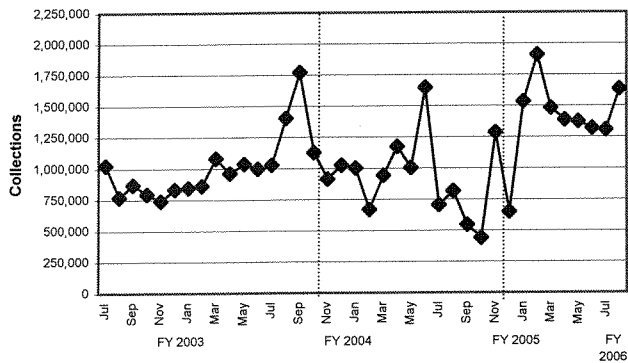


4 Month and 12 Month Moving Average EMS Revenue Per Transport

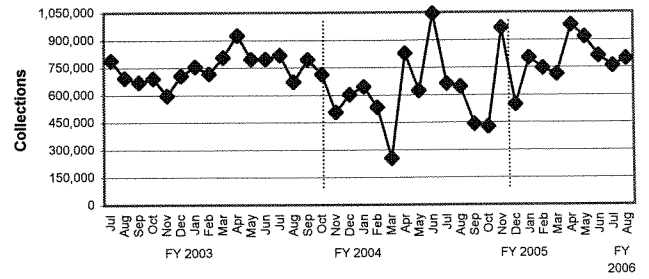


TREND INDICATORS - AMBULANCE SERVICES

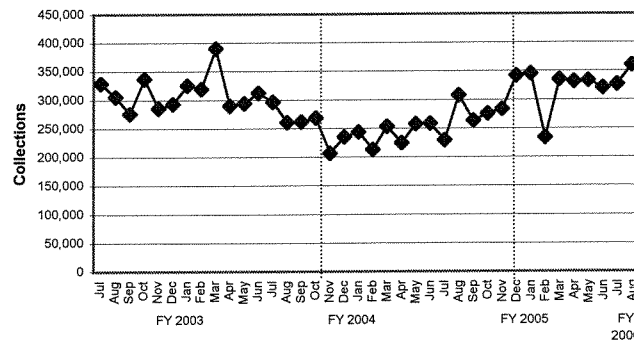
EMS - Gross Medicare/Caid Revenue



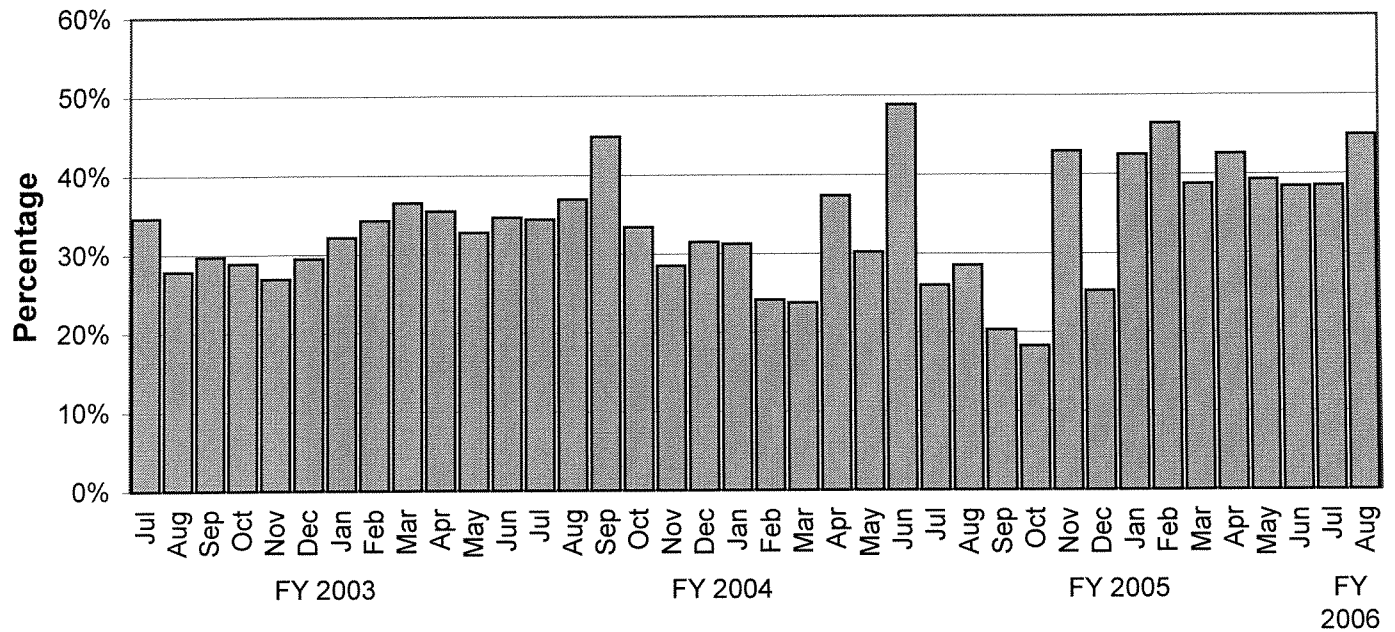
EMS - Gross Private Insurance Revenue



EMS - Gross Self-Pay Revenue

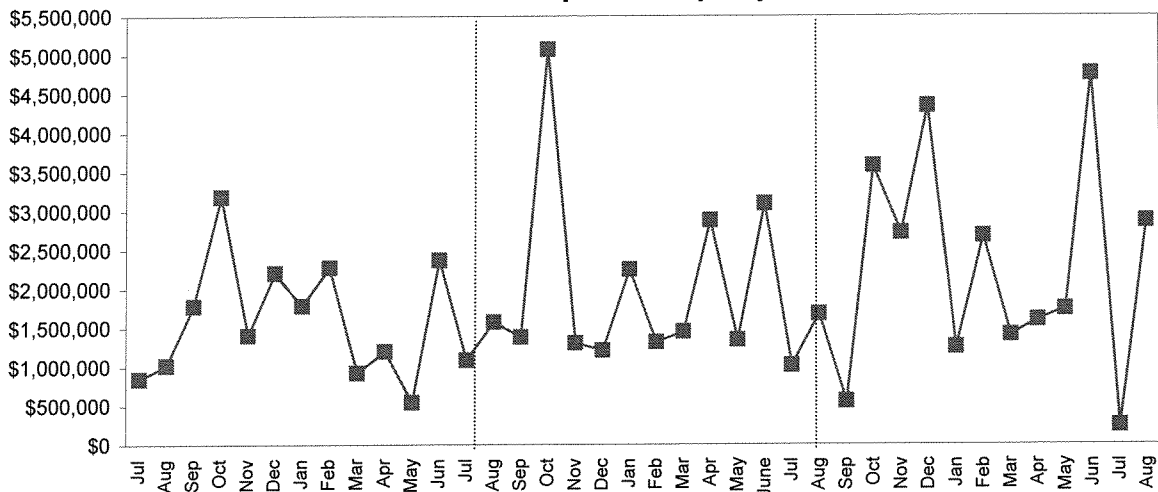


EMS - Gross Collection Percentage



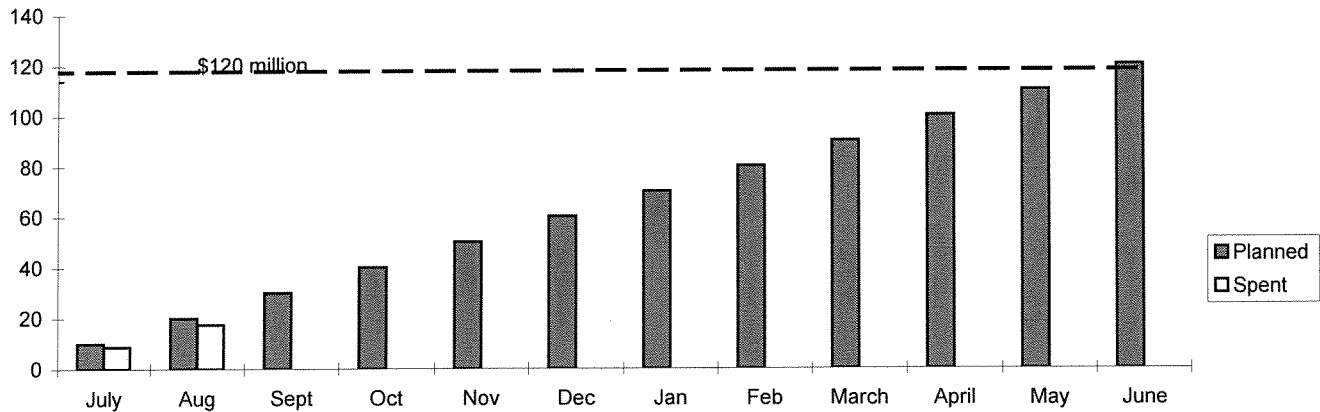
TREND INDICATORS - MISCELLANEOUS

Delinquent Property Tax

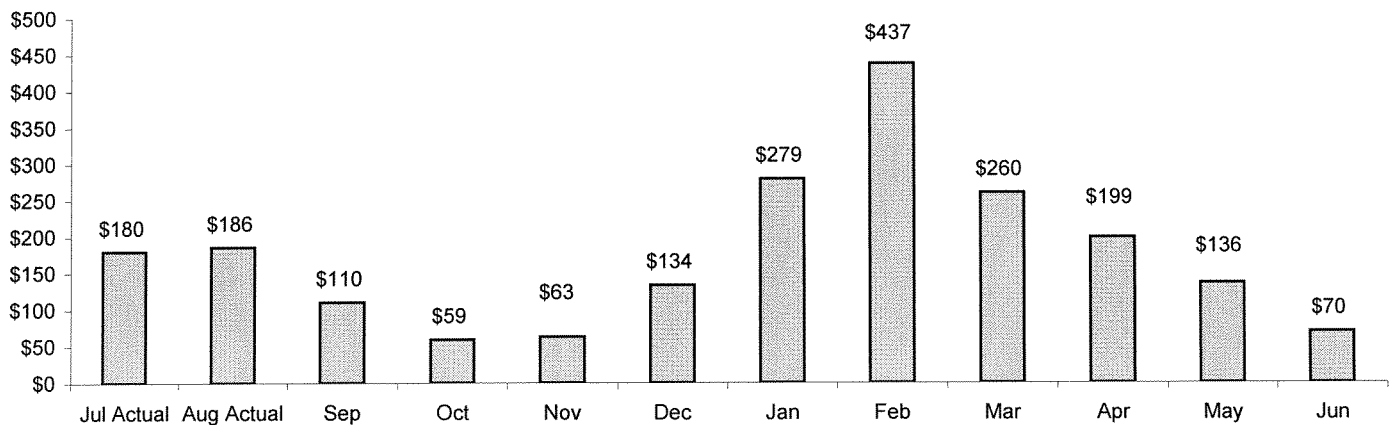


FY06 Budget is \$24,954,000

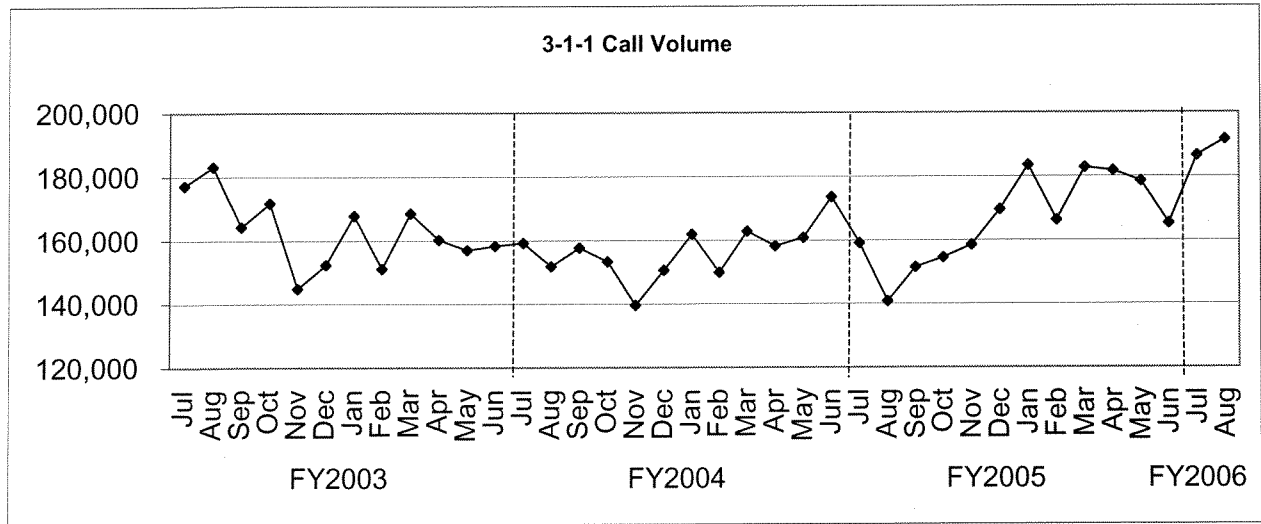
FY2006 Public Improvement Bonds Commercial Paper Planned vs Spent (\$Millions)



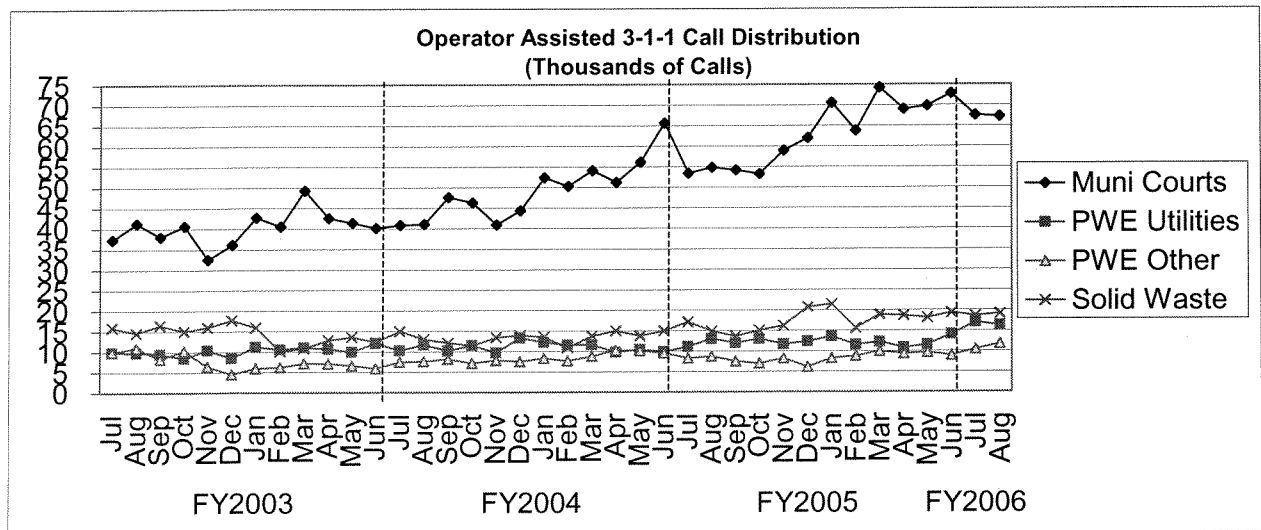
FY2006 Projected City of Houston General Fund Ending Cash Balances (In Millions \$)



TREND INDICATORS - MISCELLANEOUS



3-1-1 became fully operational in August 2001



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