

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:** October 28, 2008

**Subject:** September 2008  
Financial Report

Attached is the Monthly Financial and Operations Report for the period ending September 30, 2008.

**GENERAL FUND**

We are currently projecting a shortfall of \$55 million. This is down by about \$11 million from last month. The change is due almost entirely to an \$11.5 million increase in our overall revenue projection. The projection for Property Tax revenues is up by \$9.4 million to account for a higher than expected tax roll. There are also increases of \$750,000 in Intergovernmental revenues for additional TIRZ service fees and an increase of \$2 million in Misc/Other revenues to reflect receipt of a settlement payment from Republic Waste. Our projection for Sales Tax is down by \$710,000 due to lower consumer spending in August. This line item is extremely sensitive to economic conditions and will require careful scrutiny over the next three months.

There are no changes in our total General Fund expenditure projections. Preliminary Hurricane Ike projections are reported on page 5. The reimbursements are estimates, pending FEMA approval.

The FY 09 budget adopted by City Council anticipated drawing down the fund balance by \$51 million. This is not reflected in our projections, which is part of the reason we are projecting such a large shortfall.

**ENTERPRISE FUNDS**

The projection for Aviation Department Operating Revenue has decreased \$10.8 million, primarily in Building and Ground Area fees and Parking and Concession fees, reflecting not only Hurricane Ike's effect, but also a lower than expected passenger volume attributed to the slowdown in the economy. Our projection for Operating Expenses increased \$908,000. This is tied to higher costs for electricity and natural gas. Finally, our projection for Interest Income is down \$1.5 million due to lower than anticipated interest rates.

In the Convention & Entertainment Facilities (CEF) Operating fund we have decreased our revenue projection for Facility Rentals by \$250,000 to account for event cancellations due to Hurricane Ike. Higher electricity and natural gas costs are the reason for an increase of \$588,000 in our projection for the Services line item.

Our projection for Combined Utility System (CUS) Operating Expenses is up by \$4 million. This is for Equipment Services and Equipment Acquisition. This is offset by a decrease of \$4 million in Operating Transfers for equipment acquisition.

**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. The City plans to refund approximately \$400M of its GO Commercial paper next month. Plans to refund its Airport System commercial paper and \$250 million of Airport's auction rate debt have been on hold pending improvements in market conditions. Convention and Entertainment maintains a higher percentage of variable rate debt due to agreements with the Hotel Corporation.

At September 30, 2008, the ratio for each type of outstanding debt was:

General Obligation	21.0%
Combined Utility System	7.9%
Aviation	23.4%
Convention and Entertainment	29.2%

Respectfully submitted,



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Annise D. Parker  
City Controller

**City of Houston, Texas**  
**Swap Agreements Disclosure**  
**September 30, 2008**

**I. General Obligation Swap**

On February 20, 2004 the City entered into a basis swap referred to as a synthetic reduced variance coupon swap with RFPC, LLC ("RFPC"). This swap was a negotiated transaction.

Objective. The objective of the swap is to reduce the City's fixed rate debt service costs through a swap structure that takes on basis risk.

Terms. On a notional value of \$200 million, the City pays an amount equal to the market standard SIFMA Index rate divided by .667, up to a maximum of 10%, and receives the taxable six-month US Dollar LIBOR rate plus a constant of 69 basis points. Payments will be received or made every six months based on indices for the prior budget period. The agreement is effective from March 1, 2004 to March 1, 2025. Starting in fiscal year 2017, the notional value of the swap declines as the principal amount of the associated debt is repaid in varying amounts until the debt is retired in 2023.

Receipts. From inception to date the City has received \$3.6 million from the swap. To date, the City has always been a net recipient. Revenue for fiscal year 2009 will be \$2.1 million. Future payments will be received or made every six months based on the indices for the prior budget period.

Fair value. The estimated fair value of the swap was negative \$4.3 million on September 30, 2008. The value was calculated using the zero coupon method.

Credit risk. The City is exposed to credit risk when the swap has a positive fair market value. RFPC has not been rated by the rating agencies. To mitigate the potential credit risk, the City required RFPC to purchase a surety bond from Ambac Assurance Corporation, ("Ambac"). Ambac also insures the City's obligations under the swap. As of September 30, 2008, Ambac was rated Aa3 by Moody's and AA by Standard and Poor's. Should Ambac's ratings decline in the future and fair value reaches certain positive thresholds, RFPC will be required to post collateral for the City's benefit.

Interest rate risk. The City has exposure to interest rate risk because it is paying a variable rate on the swap. However, this risk is mitigated because the payment formula has a SIFMA-based variable component that is offset by subtracting a LIBOR variable component.

Basis risk. The City is exposed to basis risk based on changes in the relationship between the taxable six-month US Dollar LIBOR index and the tax-exempt SIFMA index. The City entered into the swap in anticipation of savings that would be produced based on the historical trading patterns of SIFMA and LIBOR in different interest rate, tax, and economic environments over the past two decades. If, however, future trading patterns prove to be significantly different from historical ones, the City's anticipated savings could fail to materialize, and it could be exposed to additional costs. Among the factors that could cause this trading relationship to change would be market changes in the indices, a major reduction in marginal income tax rates, repeal of the tax-exemption for municipal bond interest, or other changes in federal policy that would reduce the benefit that municipal bonds currently enjoy in comparison to taxable investments.

Termination risk. The City may terminate the swap for any reason. RFPC may terminate the swap if both the City and the City's insurer fail to perform under the terms of the contract. If the swap has a negative fair value at the time of termination, the City will be liable to RFPC for that payment. The City's termination risk is significantly mitigated by a provision in the swap agreement that allows the City to make the termination payment in equal annual installments from time of termination up to the termination date of the agreement in 2025.

## II. Combined Utility System Swaps

### A. Combined Utility System Synthetic Fixed Rate Swap

On June 10, 2004 the City entered into three pay-fixed, receive-variable rate swap agreements ("the 2004B Swaps") related to the Combined Utility System 2004B auction rate variable interest bonds ("the 2004B Bonds"). The City pre-qualified six firms to submit competitive bids on the swaps. The three firms selected all matched the lowest fixed rate bid of 3.78%. As of April 14, 2008 the City has converted all the 2004B bonds from auction rate to variable rate demand bonds.

Objective. The objective of the swaps is to hedge against the potential of rising interest rates associated with the 2004B Bonds and to achieve a lower fixed rate than the market rate for traditional fixed rate debt at time of issuance of the 2004B Bonds. The City's goal is that its variable receipts under these swaps equal the variable payments made on the bonds, leaving the fixed payment on the swap, plus dealer and liquidity fees, as its net interest cost.

Terms. The notional amounts of the swap agreements total \$653.3 million, the principal amount of the associated 2004B Bonds. The City's swap agreements contain scheduled reductions to outstanding notional amounts that follow anticipated payments of principal of the 2004B Bonds in varying amounts during the years 2028 to 2034.

Under the terms of the swaps, the City will pay a fixed rate of 3.78% and receive a floating rate equal to 57.6% of One-Month US Dollar LIBOR plus 37 basis points. All agreements were effective June 10, 2004, the date of issuance of the 2004B Bonds. The termination date is May 15, 2034.

Receipts and Payments. For the quarter ended September 30, 2008, the City earned \$3.0 million in swap revenue for its 2004B swaps and paid \$3.9 million of interest on the underlying securities. The contractual rate for the City's swap payment is 3.78%. The average effective rate for the 2004B bonds, including interest for the Series 2004B bonds, the City's swap payments, and its dealer and liquidity fees, reduced by swap receipts, was 4.20%. In contrast, the comparable fixed rate the City paid on its Combined Utility System Series 2004A bonds, was 5.08%.

Fair value. Because interest rates have changed, the swaps had an estimated negative fair value of \$65.6 million on September 30, 2008. This value was calculated using the zero-coupon method.

Credit risk. As of this date, the City was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the City would be exposed to credit risk on the swap in the amount of its fair value. The City's swap policy generally requires that swap counterparties be rated double-A or better by at least one nationally recognized rating agency. As of this date, the ratings of the three swap counterparties all met this standard (see below). Also, under the agreements, if a counterparty's credit rating falls below double-A, collateral must be posted in varying amounts depending on the credit rating and swap fair value. No collateral has been required to date.

<u>Counterparty</u>	<u>Notional Amount</u>	<u>Fair Value</u>	<u>Counterparty Credit Rating (Moody's/S&amp;P/Fitch)</u>
Goldman Sachs Capital Markets Inc.	\$ 353,325,000	\$ (35,451,000)	Aa3 /AA- /AA-
JP Morgan	150,000,000	(15,050,000)	Aa2 / AA- / --
UBS AG	150,000,000	(15,050,000)	Aa2 /AA- /AA-
	<u>\$ 653,325,000</u>	<u>\$ (65,551,000)</u>	

Basis risk. The City is exposed to basis risk on the swaps because the variable payment received is based on a different taxable index from the tax-exempt rate paid by the City on the bonds. Should the relationship between taxable LIBOR and tax-exempt rates move to convergence (because of reductions in tax rates, for example), the expected cost savings may not be realized. As a result of disruptions in the credit markets, expenses on the underlying variable rate demand bonds increased significantly. For the quarter ended September 30, 2008 the average variable rate paid on the underlying tax-exempt bonds was 2.32%, 0.53% higher than the average 1.79% LIBOR-based rate received for the swap. At September 30, 2008, the interest rate in effect for the underlying bonds was 7.89%, 6.09% higher than the 1.80% rate in effect for the swap receipts. Interest rates on the underlying bonds have since declined to 4.5%.

Remarketing risk. The City faces a risk that the remarketing agent will not be able to sell the variable rate demand bonds at a competitive rate. Rates may vary considerably as investors shift in and out of the tax-exempt variable rate sector.

Termination risk. The City may terminate for any reason. A counterparty may terminate a swap if the City fails to perform under the terms of the contract. The City's on-going payment obligations under the swap (and to a limited extent, its termination payment obligations) are insured, and counterparties cannot terminate so long as the insurer does not fail to perform. If a swap is terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates. Also, if the swap has a negative fair value at termination, the City would be liable to the counterparty for a payment equal to the swap's fair value.

## **B. Combined Utility System Forward Rate Lock/Synthetic Fixed Rate Swap**

On November 1, 2005 the City priced a floating to fixed interest rate exchange agreement swap with Royal Bank of Canada ("RBC") on a forward basis. The City pre-qualified eight firms to submit competitive bids, and RBC submitted the lowest bid of 3.761%.

Objective. The objective of the swap is to hedge against the potential of rising interest rates associated with its Combined Utility System Series 2008A Bonds ("the 2008A Bonds") and to achieve a lower fixed rate than the market rate for traditional fixed rate debt. This swap was originally assigned to \$249.1 million of the 2004C auction rate bonds, which were refunded by the 2008A variable rate demand bonds in May 2008. The City's goal is that its variable receipts under these swaps equal the variable payments made on the bonds, leaving the fixed payment on the swap, plus dealer and liquidity fees, as its net interest cost.

Terms. The notional amount of the swap is \$249.1 million with the underlying bonds being the Series 2008A Bonds. The swap agreement contains scheduled reductions to the outstanding notional amount that follows anticipated payments of principal of the 2008A Bonds during the years 2028 to 2034.

Under terms of the swap, the City pays a fixed rate of 3.761% and receives a floating rate equal to 70% of One-Month US Dollar LIBOR. The agreement became effective December 3, 2007 with a termination date of May 15, 2034.

Receipts and Payments. Since inception the City has earned \$4.8 million in swap revenue for this swap and paid \$8.3 million interest on the underlying securities. The contractual rate for the City's swap payment is 3.761%. The average effective rate for the bonds, including interest for the bonds, the City's swap payments, and its dealer and liquidity fees reduced by swap receipts, was 4.29%.

Fair value. Because interest rates have changed, the swap had an estimated negative fair value of \$17.0 million on September 30, 2008. This value was calculated using the zero-coupon method.

Credit risk. The City's swap policy generally requires that swap counterparties be rated double-A or better by at least one nationally recognized rating agency. As of this date, RBC met this requirement with ratings of Aaa/AA-/AA. Also, under the agreement, if RBC's credit rating falls below double-A, collateral must be posted in varying amounts depending on the credit rating and swap fair value. No collateral has been required to date.

Basis risk. The City will be exposed to basis risk on the swap because the variable payment received is based on a taxable index other than the tax-exempt rate paid by the City on the bonds. In the future, if tax-exempt rates move to convergence with the taxable LIBOR index (because of reductions in tax rates, for example), the expected cost savings may not be realized, resulting in a higher synthetic rate. As a result of disruptions in the credit markets, interest rates on the underlying bonds have increased. For the quarter ended September 30, 2008 the average variable rate paid on the underlying tax-exempt bonds was 2.33%, 0.60% higher than the average 1.73% LIBOR-based rate received for the swap. At September 30, 2008, the interest rate in effect for the underlying bonds was 7.25%, 5.51 % higher than the 1.74% rate in effect for the swap receipts. Higher interest rates on the underlying bonds have been partially offset by increases in the Libor-based receipt rates. By mid-October 2008 rates on the underlying bonds had declined to 3.25%.

Termination risk. The City may terminate for any reason. RBC may terminate a swap if the City fails to perform under the terms of the contract. The City's on-going payment obligations under the swap (and to a limited extent, its

termination payment obligations) are insured, and RBC cannot terminate so long as the insurer does not fail to perform. If a swap is terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates. Also, if the swap has a negative fair value at termination, the City would be liable to the counterparty for a payment equal to the swap's fair value.

### **C. Combined Utility System Constant Maturity Swap**

On September 16, 2008, the City elected to terminate this swap. The City received a termination payment of \$7 million. The original terms of the transaction are listed below.

Objective. This swap essentially traded receipts on the swap with RBC for receipts based on a longer index from Goldman Sachs. The objective of the swap was to minimize interest expense associated with the 2004C Bonds.

Terms. The notional amount of the swap was \$249.1 million with the underlying bonds being part of the 2004-C2 Bonds that converted to tax-exempt status in December 2007.

Under terms of the swap, the City paid a variable rate of 70% of One-Month LIBOR (equal to its receipts on the RBC forward rate lock swap) and received a variable rate equal to 64.29% of Ten-Year US Dollar LIBOR. The agreement became effective December 3, 2007.

Receipts and Payments. Revenue earned on the constant maturity swap totaled \$8.2 million including a \$7 million termination payment to the City.



# CITY OF HOUSTON

Finance Department

## Interoffice

Correspondence

To: Mayor Bill White  
Members of City Council

From: Michelle Mitchell, Director  
Finance

Date: October 24, 2008

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

Attached is the Monthly Financial and Operations Report for the period ending September 30, 2008.

### **General Fund**

Our projection for the General Fund revenue is \$8.8 million higher than last month mainly due to the following:

- Property tax revenues are estimated to be \$887 million, an increase of \$8.7 million over the budgeted amount. Harris County Appraisal District's estimates of net taxable values are \$1.8 billion higher than the values estimated when the budget was adopted.  
Property values for commercial property forms the basis for the increase in values. The values in the tax increment zones are higher by 1%.
- We have decreased our sales tax projection by \$2.7 million due to the current economic outlook.
- Our projection for Intergovernmental increased by \$750,000 due to Municipal Service fees for TIRZ Southwest Houston and Uptown.
- Miscellaneous/Other revenue increased by \$2 million as a result of a judgment recovery from Republic Waste for the recycling program.

Our projection for General Fund expenditures remained unchanged from last month.

We are projecting the ending unreserved undesignated fund balance of approximately \$212 million, which is 12.5% of estimated expenditures less debt service. This does not include the sign abatement fund. The total unreserved fund balance is estimated to be approximately \$214 million.

### **Enterprise Funds**

Operating revenues for Aviation decreased \$10.8 million as a result of the rates and charges being lower than anticipated by \$5.3 million for building and grounds. Parking and concession revenues decreased \$6 million due to Hurricane Ike. The current market conditions influenced a lower projection of interest income in the amount of \$1.5 million. Operating expenditures increased by \$900,000 mainly due to higher electricity and natural gas estimates.

Operating revenues for Convention & Entertainment decreased by \$250,000 due to events being canceled in the aftermath of Hurricane Ike. Operating expenditures increased by \$588,000 mainly due to higher electricity estimates.

Operating expenditures for Combined Utility System increased approximately \$4 million as a result of increased costs in equipment services. Operating transfers decreased by \$4 million in equipment acquisition to fund equipment services expenditures.

October 24, 2008

**Special Revenue and Other Funds**

There are no significant changes from the prior month in these funds.

**Katrina Aid & Recovery Fund**

The audit of the Interim Housing Program by the Governors Division of Emergency Management (GDEM) is completed and the written audit report is being prepared by the GDEM. The Interim Housing Program consisted of fifteen Project Worksheets totaling about \$235 million. A positive audit report is anticipated. The final version of the three Project Worksheets totaling \$210,000 for Controllers was finally obligated by FEMA with all requested funds being approved for reimbursement.

**Hurricane Ike Aid & Recovery Fund**

The City has retained James Lee Witt Associates to assist the City in working with FEMA and GDEM to secure all eligible reimbursements for Hurricane Ike costs incurred by the City. The timeframe for 100% reimbursement of eligible cost has been extended by 30 days to October 26, 2008. Advancement of approximately \$48 million of eligible debris removal costs (Category A) has been approved by FEMA for payment to the City. FEMA is in the process of sampling the Police overtime worksheets to expedite approval of the initial Police Department Project Worksheet which totaled approximately \$18 million for both actual and projected costs. We expect this to be completed the week of October 27, 2008. The City is working to submit additional requests for reimbursement.

Please let me know if you have any questions.

  
Michelle Mitchell, Director

General Fund  
Comparative Projections  
Controller's Office and Finance  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	FY2009						Variance
	Unaudited Preliminary FY2008	Adopted Budget	Current Budget	% of Budget	Controller's Projection	Finance Projection	Controller and Finance
<b>Revenues</b>							
General Property Taxes	\$ 829,283	\$ 878,486	\$ 878,486	48%	\$ 887,917	\$ 887,228	(689)
Industrial Assessments	17,500	18,500	18,500	1%	17,500	18,500	1,000
Sales Tax	492,000	526,723	526,723	29%	515,284	521,850	6,566
Other Taxes	10,225	11,157	11,157	1%	10,400	11,157	757
Electric Franchise	98,080	99,298	99,298	5%	99,298	99,298	0
Telephone Franchise	49,000	48,700	48,700	3%	47,500	48,700	1,200
Gas Franchise	21,507	21,276	21,276	1%	21,277	21,276	(1)
Other Franchise	19,600	20,025	20,025	1%	20,000	20,025	25
Licenses and Permits	21,000	17,722	17,722	1%	17,722	17,722	0
Intergovernmental	34,325	32,520	32,520	2%	33,270	33,270	0
Charges for Services	40,346	41,311	41,311	2%	41,000	41,311	311
Direct Interfund Services	44,355	48,340	48,340	3%	48,340	48,340	0
Indirect Interfund Services	11,146	14,643	14,643	1%	14,643	14,643	0
Municipal Courts Fines and Forfeits	36,900	38,519	38,519	2%	37,500	37,500	0
Other Fines and Forfeits	3,993	3,810	3,810	0%	4,000	3,810	(190)
Interest	15,000	13,000	13,000	1%	12,500	13,000	500
Miscellaneous/Other	11,100	10,344	10,344	1%	12,000	12,344	344
<b>Total Revenues</b>	<u>1,755,360</u>	<u>1,844,374</u>	<u>1,844,374</u>	<u>100%</u>	<u>1,840,151</u>	<u>1,849,974</u>	<u>9,823</u>
<b>Expenditures</b>							
Administration & Regulatory Affairs	19,655	23,200	23,200	1%	23,200	23,200	0
Affirmative Action	2,131	2,576	2,576	0%	2,576	2,576	0
City Council	4,994	5,220	5,220	0%	5,220	5,220	0
City Secretary	625	835	835	0%	835	835	0
Controller	6,476	7,396	7,396	0%	7,396	7,396	0
Convention & Entertainment	1,155	1,194	1,194	0%	1,194	1,194	0
Finance	8,145	10,250	10,450	1%	10,450	10,450	0
Fire	386,705	423,806	423,806	22%	423,806	423,806	0
General Services	43,845	48,441	48,150	2%	48,150	48,150	0
Health and Human Services	51,024	56,330	56,330	3%	56,330	56,330	0
Housing and Community Dev.	537	516	516	0%	516	516	0
Houston Emergency Center	10,742	11,210	11,210	1%	11,210	11,210	0
Human Resources	2,456	3,244	3,244	0%	3,244	3,244	0
Information Technology	17,273	17,647	17,647	1%	17,647	17,647	0
Legal	13,848	15,732	15,732	1%	15,732	15,732	0
Library	34,626	39,755	39,755	2%	39,755	39,755	0
Mayor's Office	2,703	3,060	3,060	0%	3,060	3,060	0
Municipal Courts - Administration	15,973	17,720	17,720	1%	17,720	17,720	0
Municipal Courts - Justice	4,776	5,555	5,555	0%	5,555	5,555	0
Parks and Recreation	63,954	69,871	70,162	4%	70,162	70,162	0
Planning and Development	7,947	8,829	8,829	0%	8,829	8,829	0
Police	618,251	665,633	665,633	34%	665,633	665,633	0
Public Works and Engineering	88,779	98,660	98,660	5%	98,660	98,660	0
Solid Waste Management	74,258	76,742	76,742	4%	76,742	76,742	0
<b>Total Departmental Expenditures</b>	<u>1,480,878</u>	<u>1,613,422</u>	<u>1,613,622</u>	<u>84%</u>	<u>1,613,622</u>	<u>1,613,622</u>	<u>0</u>
General Government	79,250	82,814	82,614	4%	81,519	81,519	0
<b>Total Expenditures Other Than Debt</b>	<u>1,560,128</u>	<u>1,696,236</u>	<u>1,696,236</u>	<u>88%</u>	<u>1,695,141</u>	<u>1,695,141</u>	<u>0</u>
Budgeted Debt Service	229,600	251,700	251,700	13%	251,700	251,700	0
Transfer of Equipment to Departments	(20,250)	(18,250)	(18,250)	-1%	(18,250)	(18,250)	0
Allocation to Public Safety & Drainage	13,500	0	0	0	0	0	0
Debt Service Transfer	222,850	233,450	233,450	0	233,450	233,450	0
<b>Total Expenditures and Other Uses</b>	<u>1,782,978</u>	<u>1,929,686</u>	<u>1,929,686</u>	<u>100%</u>	<u>1,928,591</u>	<u>1,928,591</u>	<u>0</u>
<b>Net Current Activity</b>	<u>(27,618)</u>	<u>(85,312)</u>	<u>(85,312)</u>		<u>(88,440)</u>	<u>(78,617)</u>	<u>9,823</u>
Transfers from other funds	10,686	7,595	7,595		7,595	7,595	
Pension Bond Proceeds	35,000	20,000	20,000		20,000	20,000	
Transfers to other funds			(20,000)		(20,000)	(20,000)	
Proceeds from Contracts	-						
Amount Needed to Balance the Budget					54,605		
Sale of Capital Assets	4,523	6,240	6,240		6,240	6,240	
Change in Misc Other Reserves	-						
Unreserved Fund Balance, Beginning of Year	256,609	279,200	279,200		279,200	279,200	
Unreserved Fund Balance, End of Year	<u>\$ 279,200</u>	<u>\$ 227,723</u>	<u>\$ 207,723</u>		<u>\$ 259,200</u>	<u>\$ 214,418</u>	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)		(2,070)	(2,070)	
Designated for Rainy Day Fund	(20,000)	(20,000)	0		-	-	
Undesignated Fund Balance, End of Year	<u>\$ 257,130</u>	<u>\$ 205,653</u>	<u>\$ 205,653</u>		<u>\$ 257,130</u>	<u>\$ 212,348</u>	

General Fund  
Controller's Office  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	FY2009							
	Unaudited Preliminary FY2008	Adopted Budget	Current Budget	Current Month	YTD	Controller's Projection	Variance from Current Budget	% Variance
<b>Revenues</b>								
General Property Taxes	\$ 829,283	\$ 878,486	\$ 878,486	\$ 2,760	\$ 15,348	\$ 887,917	\$ 9,431	1.1%
Industrial Assessments	17,500	18,500	18,500	0	3,071	17,500	(1,000)	-5.4%
Sales Tax	492,000	526,723	526,723	47,303	128,232	515,284	(11,439)	-2.2%
Other Taxes	10,225	11,157	11,157	0	83	10,400	(757)	-6.8%
Electric Franchise	98,080	99,298	99,298	8,201	24,500	99,298	0	0.0%
Telephone Franchise	49,000	48,700	48,700	4,058	12,175	47,500	(1,200)	-2.5%
Gas Franchise	21,507	21,276	21,276	1,771	5,314	21,277	1	0.0%
Other Franchise	19,600	20,025	20,025	1,696	4,976	20,000	(25)	-0.1%
Licenses and Permits	21,000	17,722	17,722	957	3,348	17,722	0	0.0%
Intergovernmental	34,325	32,520	32,520	69	662	33,270	750	2.3%
Charges for Services	40,346	41,311	41,311	2,500	8,478	41,000	(311)	-0.8%
Direct Interfund Services	44,355	48,340	48,340	2,624	3,948	48,340	0	0.0%
Indirect Interfund Services	11,146	14,643	14,643	115	2,059	14,643	0	0.0%
Municipal Courts Fines and Forfeits	36,900	38,519	38,519	2,305	7,702	37,500	(1,019)	-2.6%
Other Fines and Forfeits	3,993	3,810	3,810	(293)	446	4,000	190	5.0%
Interest	15,000	13,000	13,000	552	2,287	12,500	(500)	-3.8%
Miscellaneous/Other	11,100	10,344	10,344	634	1,694	12,000	1,656	16.0%
<b>Total Revenues</b>	<b>1,755,360</b>	<b>1,844,374</b>	<b>1,844,374</b>	<b>75,252</b>	<b>224,323</b>	<b>1,840,151</b>	<b>(4,223)</b>	<b>-0.2%</b>
<b>Expenditures</b>								
Administration & Regulatory Affairs	19,655	23,200	23,200	1,894	5,082	23,200	0	0.0%
Affirmative Action	2,131	2,576	2,576	167	510	2,576	0	0.0%
City Council	4,994	5,220	5,220	421	1,267	5,220	0	0.0%
City Secretary	625	835	835	49	149	835	0	0.0%
Controller	6,476	7,396	7,396	527	1,547	7,396	0	0.0%
Convention & Entertainment	1,155	1,194	1,194	301	308	1,194	0	0.0%
Finance	8,145	10,250	10,450	543	1,607	10,450	0	0.0%
Fire	386,705	423,806	423,806	32,693	101,571	423,806	0	0.0%
General Services	43,845	48,441	48,150	2,976	9,362	48,150	0	0.0%
Health and Human Services	51,024	56,330	56,330	4,259	12,466	56,330	0	0.0%
Housing and Community Dev.	537	516	516	18	78	516	0	0.0%
Houston Emergency Center	10,742	11,210	11,210	2,801	2,801	11,210	0	0.0%
Human Resources	2,456	3,244	3,244	189	604	3,244	0	0.0%
Information Technology	17,273	17,647	17,647	1,599	3,779	17,647	0	0.0%
Legal	13,848	15,732	15,732	1,191	3,523	15,732	0	0.0%
Library	34,626	39,755	39,755	2,710	7,759	39,755	0	0.0%
Mayor's Office	2,703	3,060	3,060	239	723	3,060	0	0.0%
Municipal Courts - Administration	15,973	17,720	17,720	1,494	4,158	17,720	0	0.0%
Municipal Courts - Justice	4,776	5,555	5,555	400	1,228	5,555	0	0.0%
Parks and Recreation	63,954	69,871	70,162	5,226	16,176	70,162	0	0.0%
Planning and Development	7,947	8,829	8,829	680	1,992	8,829	0	0.0%
Police	618,251	665,633	665,633	67,615	169,694	665,633	0	0.0%
Public Works and Engineering	88,779	98,660	98,660	7,498	19,006	98,660	0	0.0%
Solid Waste Management	74,258	76,742	76,742	6,172	20,300	76,742	0	0.0%
<b>Total Departmental Expenditures</b>	<b>1,480,878</b>	<b>1,613,422</b>	<b>1,613,622</b>	<b>141,662</b>	<b>385,690</b>	<b>1,613,622</b>	<b>0</b>	<b>0.0%</b>
General Government	79,250	82,814	82,614	6,931	10,299	81,519	1,095	1.3%
<b>Total Expenditures Other Than Debt</b>	<b>1,560,128</b>	<b>1,696,236</b>	<b>1,696,236</b>	<b>148,593</b>	<b>395,989</b>	<b>1,695,141</b>	<b>1,095</b>	<b>0.1%</b>
Budgeted Debt Service	229,600	251,700	251,700	0	0	251,700	0	0.0%
Transfer of Equipment to Departments	(20,250)	(18,250)	(18,250)	0	0	(18,250)	0	0.0%
Allocation to Public Safety & Drainage	13,500	0	0	0	0	0	0	0.0%
Debt Service Transfer	222,850	233,450	233,450	0	0	233,450	0	0.0%
<b>Total Expenditures and Other Uses</b>	<b>1,782,978</b>	<b>1,929,686</b>	<b>1,929,686</b>	<b>148,593</b>	<b>395,989</b>	<b>1,928,591</b>	<b>1,095</b>	<b>0.1%</b>
<b>Net Current Activity</b>	<b>(27,618)</b>	<b>(85,312)</b>	<b>(85,312)</b>	<b>(73,341)</b>	<b>(171,666)</b>	<b>(88,440)</b>	<b>(3,128)</b>	
Transfers from other funds	10,686	7,595	7,595	0	-	7,595	0	
Pension Bond Proceeds	35,000	20,000	20,000	0	-	20,000	0	
Transfers to other funds	-	-	(20,000)	-	-	(20,000)	-	
Proceeds from Contracts	-	-	-	-	-	-	-	
Amount Needed to Balance the Budget	-	-	-	-	-	54,605	-	
Sale of Capital Assets	4,523	6,240	6,240	47	1,000	6,240	0	
Change in Misc Other Reserves	-	-	-	-	-	-	-	
Unreserved Fund Balance, Beg. of Year	256,609	279,200	279,200	279,200	279,200	279,200	0	
Unreserved Fund Balance, End of Year	279,200	227,723	207,723	205,906	108,534	259,200	(3,128)	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)	-	-	(2,070)	0	
Designated for Rainy Day Fund	(20,000)	(20,000)	-	-	-	-	0	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 257,130</b>	<b>\$ 205,653</b>	<b>\$ 205,653</b>	<b>\$ 205,906</b>	<b>\$ 108,534</b>	<b>\$ 257,130</b>	<b>\$ 51,477</b>	

General Fund  
Finance  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	FY2009							
	Unaudited Preliminary FY2008	Adopted Budget	Current Budget	Current Month	YTD	Finance Projection	Variance from Current Budget	% Variance
<b>Revenues</b>								
General Property Taxes	\$ 829,283	\$ 878,486	878,486	\$ 2,760	\$ 15,348	\$ 887,228	8,742	1.0%
Industrial Assessments	17,500	18,500	18,500	0	3,071	18,500	0	0.0%
Sales Tax	492,000	526,723	526,723	47,303	128,232	521,850	(4,873)	-0.9%
Other Taxes	10,225	11,157	11,157	0	83	11,157	0	0.0%
Electric Franchise	98,080	99,298	99,298	8,201	24,500	99,298	0	0.0%
Telephone Franchise	49,000	48,700	48,700	4,058	12,175	48,700	0	0.0%
Gas Franchise	21,507	21,276	21,276	1,771	5,314	21,276	0	0.0%
Other Franchise	19,600	20,025	20,025	1,696	4,976	20,025	0	0.0%
Licenses and Permits	21,000	17,722	17,722	957	3,348	17,722	0	0.0%
Intergovernmental	34,325	32,520	32,520	69	662	33,270	750	2.3%
Charges for Services	40,346	41,311	41,311	2,500	8,478	41,311	0	0.0%
Direct Interfund Services	44,355	48,340	48,340	2,624	3,948	48,340	0	0.0%
Indirect Interfund Services	11,146	14,643	14,643	115	2,059	14,643	0	0.0%
Municipal Courts Fines and Forfeits	36,900	38,519	38,519	2,305	7,702	37,500	(1,019)	-2.6%
Other Fines and Forfeits	3,993	3,810	3,810	(293)	446	3,810	0	0.0%
Interest	15,000	13,000	13,000	552	2,287	13,000	0	0.0%
Miscellaneous/Other	11,100	10,344	10,344	634	1,694	12,344	2,000	19.3%
<b>Total Revenues</b>	<b>1,755,360</b>	<b>1,844,374</b>	<b>1,844,374</b>	<b>75,252</b>	<b>224,323</b>	<b>1,849,974</b>	<b>5,600</b>	<b>0.3%</b>
<b>Expenditures</b>								
Administration & Regulatory Affairs	19,655	23,200	23,200	1,894	5,082	23,200	0	0.0%
Affirmative Action	2,131	2,576	2,576	167	510	2,576	0	0.0%
City Council	4,994	5,220	5,220	421	1,267	5,220	0	0.0%
City Secretary	625	835	835	49	149	835	0	0.0%
Controller	6,476	7,396	7,396	527	1,547	7,396	0	0.0%
Convention & Entertainment	1,155	1,194	1,194	301	308	1,194	0	0.0%
Finance	8,145	10,250	10,450	543	1,607	10,450	0	0.0%
Fire	386,705	423,806	423,806	32,693	101,571	423,806	0	0.0%
General Services	43,845	48,441	48,150	2,976	9,362	48,150	0	0.0%
Health and Human Services	51,024	56,330	56,330	4,259	12,466	56,330	0	0.0%
Housing and Community Dev.	537	516	516	18	78	516	0	0.0%
Houston Emergency Center	10,742	11,210	11,210	2,801	2,801	11,210	0	0.0%
Human Resources	2,456	3,244	3,244	189	604	3,244	0	0.0%
Information Technology	17,273	17,647	17,647	1,599	3,779	17,647	0	0.0%
Legal	13,848	15,732	15,732	1,191	3,523	15,732	0	0.0%
Library	34,626	39,755	39,755	2,710	7,759	39,755	0	0.0%
Mayor's Office	2,703	3,060	3,060	239	723	3,060	0	0.0%
Municipal Courts - Administration	15,973	17,720	17,720	1,494	4,158	17,720	0	0.0%
Municipal Courts - Justice	4,776	5,555	5,555	400	1,228	5,555	0	0.0%
Parks and Recreation	63,954	69,871	70,162	5,226	16,176	70,162	0	0.0%
Planning and Development	7,947	8,829	8,829	680	1,992	8,829	0	0.0%
Police	618,251	665,633	665,633	67,615	169,694	665,633	0	0.0%
Public Works and Engineering	88,779	98,660	98,660	7,498	19,006	98,660	0	0.0%
Solid Waste Management	74,258	76,742	76,742	6,172	20,300	76,742	0	0.0%
<b>Total Departmental Expenditures</b>	<b>1,480,878</b>	<b>1,613,422</b>	<b>1,613,622</b>	<b>141,662</b>	<b>385,690</b>	<b>1,613,622</b>	<b>0</b>	<b>0.0%</b>
General Government	79,250	82,814	82,614	6,931	10,299	81,519	1,095	1.3%
<b>Total Expenditures Other Than Debt</b>	<b>1,560,128</b>	<b>1,696,236</b>	<b>1,696,236</b>	<b>148,593</b>	<b>395,989</b>	<b>1,695,141</b>	<b>1,095</b>	<b>0.1%</b>
Budgeted Debt Service	229,600	251,700	251,700	0	0	251,700	0	0.0%
Transfer of Equipment to Departments	(20,250)	(18,250)	(18,250)	0	0	(18,250)	0	0.0%
Allocation to Public Safety & Drainage	13,500	0	0	0	0	0	0	0.0%
Debt Service Transfer	222,850	233,450	233,450	0	0	233,450	0	0.0%
<b>Total Expenditures and Other Uses</b>	<b>1,782,978</b>	<b>1,929,686</b>	<b>1,929,686</b>	<b>148,593</b>	<b>395,989</b>	<b>1,928,591</b>	<b>1,095</b>	<b>0.1%</b>
<b>Net Current Activity</b>	<b>(27,618)</b>	<b>(85,312)</b>	<b>(85,312)</b>	<b>(73,341)</b>	<b>(171,666)</b>	<b>(78,617)</b>	<b>6,695</b>	
Transfers from other funds	10,686	7,595	7,595	-	-	7,595	0	
Pension Bond Proceed	35,000	20,000	20,000	-	-	20,000	0	
Transfers to other funds	-	-	(20,000)	-	-	(20,000)	0	
Proceeds from Contracts	-	-	-	-	-	-	-	
Sale of Capital Assets	4,523	6,240	6,240	47	1,000	6,240	0	
Change in Misc Other Reserves	-	-	-	-	-	-	-	
Unreserved Fund Balance, Beg of Year	256,609	279,200	279,200	279,200	279,200	279,200	0	
Unreserved Fund Balance, End of Year	279,200	227,723	207,723	205,906	108,534	214,418	6,695	
Designated for Sign Abatement	(2,070)	(2,070)	(2,070)	-	-	(2,070)	-	
Designated for Rainy Day Fund	(20,000)	(20,000)	-	-	-	-	-	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 257,130</b>	<b>\$ 205,653</b>	<b>\$ 205,653</b>	<b>\$ 205,906</b>	<b>\$ 108,534</b>	<b>\$ 212,348</b>	<b>\$ 6,695</b>	

General Fund  
General Government  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	FY2009							
	Unaudited Preliminary FY2008	Adopted Budget	Current Budget	Current Month	YTD	YTD as % of Current Budget	Controller's Projection	Finance Projection
Non-Dept. Exp. and Other Uses								
General Government								
Insurance-Civilian (Retirees)	18,467	19,858	19,858	1,507	4,525	22.8%	19,858	19,858
Total Personnel Services	<u>18,467</u>	<u>19,858</u>	<u>19,858</u>	<u>1,507</u>	<u>4,525</u>	22.8%	<u>19,858</u>	<u>19,858</u>
Accounting and Auditing Svcs	15	0	176	0	0	0.0%	176	176
Advertising Svcs	183	225	225	42	59	26.2%	225	225
Miscellaneous Support Services	0	0	100	38	38	38.0%	100	100
Legal Services	1,028	1,785	1,785	21	52	2.9%	1,785	1,785
Management Consulting Svcs.	415	183	183	167	165	90.2%	183	183
Real Estate Lease	4,676	4,978	4,978	431	1,272	25.6%	4,978	4,978
METRO Commuter Passes	583	600	600	53	53	8.8%	600	600
Limited Purpose Annexation Pmts.	24,000	28,825	28,825	2,764	0	0.0%	27,730	27,730
Tax Appraisal Fees	6,320	7,434	7,434	1,833	3,685	49.6%	7,434	7,434
Elections	1,820	0	0	0	0	0.0%	0	0
Claims and Judgments	8,934	7,500	7,500	0	0	0.0%	7,500	7,500
Contingency/Reserve	0	4,000	3,524	0	0	0.0%	3,524	3,524
Misc Other Services and Charges	1,256	1,298	1,298	45	54	4.2%	1,298	1,298
Membership and Professional Fees	710	745	745	0	40	5.4%	745	745
Total Other Services and Charges	<u>49,940</u>	<u>57,573</u>	<u>57,373</u>	<u>5,394</u>	<u>5,418</u>	9.4%	<u>56,278</u>	<u>56,278</u>
Other Financing Uses								
Debt Service-Interest	4,514	5,000	5,000	0	250	5.0%	5,000	5,000
Transfers to Conv & Entertain	329	383	383	30	106	27.7%	383	383
Transfer to Fleet/Equipment	6,000	0	0	0	0	0.0%	0	0
Total Other Financing Uses	<u>10,843</u>	<u>5,383</u>	<u>5,383</u>	<u>30</u>	<u>356</u>	6.6%	<u>5,383</u>	<u>5,383</u>
 Total General Government	 <u>79,250</u>	 <u>82,814</u>	 <u>82,614</u>	 <u>6,931</u>	 <u>10,299</u>	 12.5%	 <u>81,519</u>	 <u>81,519</u>

**HURRICANE IKE RESPONSE AND RECOVERY  
ESTIMATED COSTS AND REIMBURSEMENTS  
FROM INSURANCE AND FEMA  
(amounts expressed in thousands)**

DEPARTMENT/FUND	EST. REIMBURSABLE EXPENDITURES (1)				EST. EQUIPMENT USE (5)			EXPENDED/ INCURRED 10/10/08 (6)	STRAIGHT TIME CITY EMPLOYEES (7)
	INSURED (2) +	FEMA ELIGIBLE 75% (3)	FEMA ELIGIBLE 100% (4) =	TOTAL	FEMA REIMB 75% +	FEMA REIMB 100% +	TOTAL		
<b>GENERAL FUND</b>									
Administration and Regulatory Affairs	\$0	\$515	\$0	\$515	\$0	\$0	\$0	\$1,487	\$0
Affirmative Action (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
Fire	\$0	\$0	\$2,500	\$2,500	\$0	\$0	\$0	\$1,511	\$0
General Services	\$20,465	\$4,340	\$0	\$24,805	\$701	\$0	\$701	\$4,410	\$0
Health and Human Services	\$0	\$487	\$0	\$487	\$0	\$0	\$0	\$675	\$800
Houston Emergency Center	\$0	\$397	\$0	\$397	\$0	\$0	\$0	\$585	\$139
Human Resources	\$0	\$7	\$0	\$7	\$0	\$0	\$0	\$1	\$36
Information Technology (1)	\$0	\$151	\$0	\$151	\$0	\$0	\$0	\$151	\$0
Legal	\$0	\$4	\$0	\$4	\$0	\$0	\$0	\$0	\$8
Library (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$243	\$0
Municipal Courts Admin	\$0	\$106	\$0	\$106	\$0	\$0	\$0	\$81	\$49
Parks & Recreation	\$950	\$2,344	\$1,580	\$4,874	\$100	\$1,185	\$1,285	\$3,702	\$2,500
Planning & Development (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
Police (1)	\$0	\$0	\$21,500	\$21,500	\$0	\$800	\$800	\$21,615	\$0
Public Works & Engineering (1)	\$0	\$10,596	\$3,829	\$14,425	\$800	\$300	\$1,100	\$4,240	\$8,029
Solid Waste Management	\$0	\$8,500	\$112,104	\$120,604	\$0	\$2,556	\$2,556	\$37,373	\$0
<b>Subtotal General Fund</b>	<b>\$21,415</b>	<b>\$27,447</b>	<b>\$141,513</b>	<b>\$190,375</b>	<b>\$1,601</b>	<b>\$4,841</b>	<b>\$6,442</b>	<b>\$76,102</b>	<b>\$11,561</b>
<b>OTHER FUNDS</b>									
Airport Systems	\$18,270	\$1,229	\$0	\$19,499	\$48	\$0	\$48	\$1,985	\$3,850
Convention & Entertainment	\$0	\$1,080	\$0	\$1,080	\$0	\$0	\$0	\$710	\$0
Housing and Community Development	\$0	\$213	\$0	\$213	\$12	\$0	\$12	\$2	\$504
Combined Utility System Fund (1)	\$14,895	\$3,942	\$0	\$18,837	\$300	\$0	\$300	\$17,796	\$2,649
<b>Subtotal Other Funds</b>	<b>\$33,165</b>	<b>\$6,464</b>	<b>\$0</b>	<b>\$39,629</b>	<b>\$360</b>	<b>\$0</b>	<b>\$360</b>	<b>\$20,493</b>	<b>\$7,003</b>
<b>ALL FUNDS TOTAL</b>	<b>\$54,580</b>	<b>\$33,911</b>	<b>\$141,513</b>	<b>\$230,004</b>	<b>\$1,961</b>	<b>\$4,841</b>	<b>\$6,802</b>	<b>\$96,595</b>	<b>\$18,564</b>

**NOTES:**

(1) "Estimated Reimbursable Cost" includes estimates provided by departments September 25th except as noted. Affirmative Action, Information Technology, Library, and Planning & Development reported no estimated cost on September 25th but are reporting expenditures in "burn report". Police's expenditures in "burn report" have exceeded original estimate of \$19 million. PWE's estimated costs reported by division have been split into General Fund and CUS.

(2) "Insured" expenditures include estimated cost of damage to city facilities: buildings, water and sewer facilities, and airport properties. The city's policy is based on a deductible (3% or 5%) of the covered replacement value of each facility with a per incident citywide cap of \$20 million.

(3) "FEMA Eligible" - 75%" includes storm preparation and remediation after the storm with the exception of debris.

(4) "FEMA Eligible - 100%" includes debris collection and disposal through October 27th. City force overtime and equipment are covered. The amounts shown assume 85% of debris is collected by October 27th.

(5) "Estimated Equipment Use" is based on FEMA schedules for use of city owned equipment. This represents cost, but not actual expense in the General Fund. FEMA reimbursement reduces the amount of out-of-pocket cost to the City as shown in the "City Share" line of the Funding Estimate.

(6) "Expended/Incurred" is based on "burn report" totals as of the date shown.

(7) "Straight Time City Employees" includes all straight time costs and are shown as unreimbursable under federal regulations. If straight time is deemed related to permanent repairs to city facilities, it will be reimbursable.

**KATRINA AID & RECOVERY  
MONTHLY FINANCIAL & OPERATING REPORT  
As of September 30, 2008**

Amounts in Whole Dollars

<u>RECOVERIES &amp; REIMBURSEMENT</u>	<u>Received</u>	<u>Receivable (Payable)</u>	<u>Total I-T-D Thru Sept '08 (A)</u>	<u>Projected Nov '08 - EOP</u>	<u>Total I-T-D Thru EOP</u>	<u>% of Total</u>
<b>FEMA Grants:</b>						
Housing	\$296,677,849	(\$12,655,731)	\$284,022,118	(\$20,173)	\$284,001,945	92.6%
Non-Housing	\$21,122,200	\$84,607	\$21,206,807	\$15,069	\$21,221,877	6.9%
<b>FEMA Grant Administration Fees:</b>						
Housing	\$202,555	\$1,233,806	\$1,436,361	(\$101)	\$1,436,260	0.5%
Non-Housing	\$105,323	\$22,062	\$127,385	(\$1,526)	\$125,859	0.0%
<b>Subtotal FEMA Reimbursements</b>	<u>\$318,107,926</u>	<u>(\$11,315,256)</u>	<u>\$306,792,670</u>	<u>(\$6,731)</u>	<u>\$306,785,940</u>	<u>100.0%</u>
<b>TOTAL RECOVERIES &amp; REIMBURSEMENT</b>	<u>\$318,107,926</u>	<u>(\$11,315,256)</u>	<u>\$306,792,670</u>	<u>(\$6,731)</u>	<u>\$306,785,940</u>	<u>100.0%</u>

<u>EXPENDITURES - HOUSING</u>	<u>Actual Paid Inception to Date</u>	<u>Other Expended/ Incurred (B)</u>	<u>Total I-T-D Thru Sept '08</u>	<u>Projected Nov '08 - EOP (C)</u>	<u>Total I-T-D Thru EOP</u>	<u>% of Total</u>
<b>Direct Assistance - Housing</b>						
Rent	\$154,367,041	\$712,868	\$155,079,909	\$0	\$155,079,909	54.4%
Utilities	\$40,732,981	\$353,120	\$41,086,100	\$0	\$41,086,100	14.4%
Furniture	\$36,613,864	\$0	\$36,613,864	\$0	\$36,613,864	12.9%
Household Goods	\$1,597,993	\$0	\$1,597,993	\$0	\$1,597,993	0.6%
Subtotal Direct Assistance	<u>\$233,311,879</u>	<u>\$1,065,988</u>	<u>\$234,377,867</u>	<u>\$0</u>	<u>\$234,377,867</u>	<u>82.3%</u>
Program Delivery & Management	\$50,037,679	(\$23,251)	\$50,014,427	(\$0)	\$50,014,427	17.6%
Other Materials & Services	\$479,076	\$0	\$479,076	\$0	\$479,076	0.2%
<b>Total Housing Expenses</b>	<u>\$283,828,634</u>	<u>\$1,042,737</u>	<u>\$284,871,370</u>	<u>(\$0)</u>	<u>\$284,871,370</u>	<u>100.0%</u>
<b>EXPENDITURES - NON HOUSING</b>						
<b>City Dept Personnel Costs</b>						
City Personnel - Labor & Benefits (S/T)	\$182,021	\$11,411	\$193,432	\$0	\$193,432	0.8%
City Personnel - Labor & Benefits (O/T)	\$6,638,322	\$6,071,563	\$12,709,885	\$0	\$12,709,885	53.4%
Subtotal City Personnel	<u>\$6,820,343</u>	<u>\$6,082,974</u>	<u>\$12,903,317</u>	<u>\$0</u>	<u>\$12,903,317</u>	<u>54.2%</u>
<b>Other City Dept Costs</b>						
Materials & Supplies	\$335,888	\$33,524	\$369,412	\$0	\$369,412	1.6%
Force Equipment	\$180,037	\$1,025,542	\$1,205,579	\$0	\$1,205,579	5.1%
Rentals - Equipment & Other	\$531,541	\$0	\$531,541	\$0	\$531,541	2.2%
Contract Services	\$6,459,808	\$0	\$6,459,808	\$0	\$6,459,808	27.2%
Professional Services	\$0	\$0	\$0	\$0	\$0	0.0%
Subtotal City Depts	<u>\$14,327,617</u>	<u>\$7,142,040</u>	<u>\$21,469,657</u>	<u>\$0</u>	<u>\$21,469,657</u>	<u>90.2%</u>
<b>Katrina Administration Costs</b>						
PW Administration	\$1,139,490	\$0	\$1,139,490	\$0	\$1,139,490	4.8%
Financial & Operations Management	\$1,118,212	\$41,944	\$1,160,156	\$20,973	\$1,181,129	5.0%
Subtotal Katrina Administration	<u>\$2,257,702</u>	<u>\$41,944</u>	<u>\$2,299,646</u>	<u>\$20,973</u>	<u>\$2,320,619</u>	<u>9.8%</u>
<b>Total Non Housing Expenses</b>	<u>\$16,585,319</u>	<u>\$7,183,984</u>	<u>\$23,769,303</u>	<u>\$20,973</u>	<u>\$23,790,276</u>	<u>100.0%</u>
<b>Grand Total Housing &amp; Non Housing</b>	<u>\$300,413,953</u>	<u>\$8,226,721</u>	<u>\$308,640,673</u>	<u>\$20,972</u>	<u>\$308,661,646</u>	

Excess (deficiency) of FEMA reimbursements over expenses - Housing	(\$849,253)	(\$869,426)
Excess (deficiency) of FEMA reimbursements over expenses - Non Housing	(\$998,750)	(\$1,006,280)
<b>Total Excess (Deficiency) of FEMA Reimbursements</b>	<u>(\$1,848,003)</u>	<u>(\$1,875,706)</u>
<b>Other Receipts and Sources of Funding</b>		
Advance from Fund 405	\$10,000,000	\$10,000,000
Transfer Back to General Fund	(\$2,200,000)	(\$7,100,000)
Transfer to Community Health and Assessment Fund	(\$1,000,000)	(\$1,000,000)
Transfer to Limited Use Roadway and Mobility Fund	(\$1,900,000)	(\$1,900,000)
<b>Net Fund 405 Advance Available to Katrina Fund</b>	<u>\$4,900,000</u>	<u>\$0</u>
Interest Earned on Pooled Investments	\$3,524,989	\$3,694,989
Interest Repaid/Repayable to FEMA	(\$2,278,493)	(\$2,378,493)
Interest Attributable to Fund 405 Advance & Contributions	(\$1,246,497)	(\$1,316,497)
<b>Net Interest Available to Katrina Fund</b>	<u>\$0</u>	<u>\$0</u>
<b>Contributions from Others</b>	<u>\$1,030,050</u>	<u>\$1,030,050</u>

**REFERENCES**

- (A) Non Housing FEMA Grants include \$7,142,038 recorded in the General Fund  
 (B) includes expenses through month end that have been invoiced and not yet paid, or expenses incurred that have not yet been invoiced. Other Expended/Incurred amount includes \$7,142,038 of expenses recorded in General Fund.  
 (C) Includes expenses to be incurred after the month of the report

Disaster Recovery Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	<u>Inception To Date</u>	<u>Finance Projection</u>
<b>Revenues</b>		
Recoveries and Refund		
Insurance	\$ 32,724 (1)	\$ 32,724 (2)
FEMA	22,511	22,511
Miscellaneous	38	38
Interest Income	<u>3,519</u>	<u>3,751</u>
Total Revenues	<u>58,792</u>	<u>59,024</u>
<b>Expenditures</b>		
Personnel	1,986	1,986
Supplies	1,113	1,113
Contracts	51,150	52,102
Equipment	<u>1,648</u>	<u>1,648</u>
Total Expenditures	<u>55,897</u>	<u>56,849 (3)</u>
Net Current Activity	<u>2,895</u>	<u>2,175</u>
<b>Other financing sources</b>		
Advances:		
ALP Fund	25,000	25,000
Convention and Entertainment	17,165	17,165
Other Funds	<u>-</u>	<u>47</u>
Total other financing sources	42,165	42,212
<b>Other uses</b>		
Transfers out:		
General Fund	15,000	15,000
Convention and Entertainment	17,185 (1)	17,185
Police Special Services	600	600
Water/Sewer	1,020	1,020
Capital Equipment Acquisition	4,000	4,000
Future Available	<u>-</u>	<u>6,582 (4)</u>
Total other uses	<u>37,805</u>	<u>44,387</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other (uses)	<u>\$ 7,255</u>	<u>\$ -</u>

(1) Includes \$2.406 million FEMA reimbursement for Business Interruption claims for Convention and Entertainment and transferred out to Convention and Entertainment.

(2) Final settlement on insurance claims.

(3) Assumes current damage estimates are correct when final repairs completed.

(4) Assumed available when FEMA claims are final.

**About the Fund:**

The Disaster Recovery Fund was established to separately account for all cost associated with flood damage and recovery resulting from Tropical Storm Allison.

General Fund  
Statement of Cash Transactions  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Month Ended	FY2009 YTD
Cash Balance, Beginning of Month	\$ 177,435	\$ 202,287
<b>RECEIPTS:</b>		
Balance Sheet Transactions	4,135	30,025
TRANS Proceeds	-	81,021
Short-term Borrowings	-	-
Taxable Note Proceeds	-	-
Ad Valorem Tax	2,784	15,344
Industrial Assessments	-	358
Sales Tax	42,397	129,653
Bingo Tax	-	56
Mixed Beverage Tax	-	2,785
Electric Franchise Fees	51	24,841
Telephone Franchise Fees	-	12,346
Natural Gas Franchise Fees	-	5,314
Other Franchise Fees	0	5,248
Licenses and Permits	880	3,139
Intergovernmental	69	3,506
Charge for Services	2,806	8,802
Direct Interfund Services	2,634	7,918
Indirect Interfund Services	115	(3,634)
Municipal Courts Fines	2,305	9,113
Interfund - Pension Bond Proceeds	-	-
Interfund - Disaster Recovery Fund	-	-
Interfund - all other funds	-	-
Other Fines & Forfeitures	(51)	801
Interest Apportionment	552	3,395
Other	669	2,590
<b>Total Receipts - F&amp;A</b>	<u>59,347</u>	<u>342,620</u>
<b>DISBURSEMENTS:</b>		
Balance Sheet Transactions	(3,823)	(17,024)
Vendor Payment	(14,206)	(42,181)
Payroll Expenses	(106,905)	(348,110)
Workers' Compensation	(1,001)	(3,259)
Operating Transfer Out	(3,130)	(3,588)
Supplies	(1,561)	(7,008)
Contract Services	(1,944)	(5,188)
Rental & Leasings	(484)	(1,552)
Utilities	(4,795)	(13,343)
TRANS/BORROWING Repayment	-	-
Taxable Note Principal and Interest	-	-
TIRZ Payment	-	-
Interfund - Transfer to Rainy Day Fund	-	-
Interfund - Transfer to Debt Service	-	-
Interfund - all other funds	(80)	(616)
Capital Outlay	-	-
Other	(4)	(4,189)
<b>Total Disbursements - F&amp;A</b>	<u>(137,933)</u>	<u>(446,059)</u>
Net Increase (Decrease) in Cash	(78,586)	(103,439)
Cash Balance, End of Month	<u>\$ 98,848</u>	<u>\$ 98,848</u>

Note: Totals may not add up exactly due to rounding

**General Fund**  
**Five Year History and Current Year Projection**  
(amounts expressed in thousands)

	FY2004		FY2005		FY2006	
	Actual	% of Total	Actual	% of Total	Actual	% of Total
<b>Revenues</b>						
General Property Taxes	\$ 660,999	47.2%	\$ 671,294	46.3%	\$ 705,952	45.4%
Industrial Assessments	15,167	1.1%	14,635	1.0%	14,314	0.9%
Sales Tax	347,982	24.9%	370,583	25.6%	422,598	27.2%
Other Taxes	0		0		9,279	
Electric Franchise	76,394	5.5%	77,759	5.4%	97,274	6.3%
Telephone Franchise	52,926	3.8%	49,714	3.4%	50,167	3.2%
Gas Franchise	16,535	1.2%	18,520	1.3%	21,866	1.4%
Other Franchise	15,524	1.1%	16,269	1.1%	17,200	1.1%
License and Permits	15,271	1.1%	17,692	1.2%	18,086	1.2%
Intergovernmental	19,524	1.4%	27,493	1.9%	26,989	1.7%
Charges for Services	39,876	2.8%	39,933	2.8%	41,115	2.6%
Direct Interfund Services	57,056	4.1%	61,234	4.2%	39,497	2.5%
Indirect Interfund Services	14,647	1.0%	11,031	0.8%	14,895	1.0%
Muni Courts Fines and Forfeits	45,005	3.2%	48,827	3.4%	45,319	2.9%
Other Fines and Forfeits	2,131	0.2%	2,424	0.2%	3,681	0.2%
Interest	5,130	0.4%	6,414	0.4%	8,600	0.6%
Miscellaneous/Other	16,046	1.1%	16,253	1.1%	17,016	1.1%
<b>Total Revenues</b>	<b>1,400,213</b>	<b>100.0%</b>	<b>1,450,075</b>	<b>100.0%</b>	<b>1,553,848</b>	<b>99.4%</b>
<b>Expenditures</b>						
Administration & Regulatory Affairs						
Affirmative Action	1,668	0.1%	1,714	0.1%	1,650	0.1%
City Council	3,920	0.3%	4,266	0.3%	4,404	0.3%
City Secretary	821	0.1%	626	0.0%	627	0.0%
Controller	5,786	0.4%	5,959	0.4%	5,863	0.4%
Convention & Entertainment			0	0.0%	1,825	0.1%
Finance						
Fire	281,525	20.5%	291,352	20.5%	327,323	21.6%
General Services	24,629	1.8%	24,632	1.7%	39,376	2.6%
Health and Human Services	51,121	3.7%	50,311	3.5%	43,851	2.9%
Housing and Community Dev.	0	0.0%	0	0.0%	0	0.0%
Houston Emergency Center	0	0.0%	0	0.0%	0	0.0%
Human Resources	2,351	0.2%	2,217	0.2%	2,405	0.2%
Information Technology	12,562	0.9%	12,278	0.9%	11,807	0.8%
Legal	11,121	0.8%	10,675	0.8%	11,056	0.7%
Library	32,456	2.4%	33,222	2.3%	29,603	2.0%
Mayor's Office	1,859	0.1%	1,849	0.1%	2,113	0.1%
Municipal Courts - Admin	16,275	1.2%	16,350	1.1%	16,812	1.1%
Municipal Courts - Justice	3,949	0.3%	4,213	0.3%	4,271	0.3%
Parks and Recreation	43,186	3.1%	47,592	3.3%	49,161	3.2%
Planning and Development	13,986	1.0%	7,155	0.5%	6,839	0.5%
Police	473,223	34.5%	498,187	35.0%	535,502	35.3%
Public Works and Engineering	86,938	6.3%	89,193	6.3%	75,552	5.0%
Solid Waste Management	61,673	4.5%	66,989	4.7%	68,417	4.5%
<b>Total Departmental</b>	<b>1,129,049</b>	<b>82.3%</b>	<b>1,168,780</b>	<b>82.2%</b>	<b>1,238,457</b>	<b>81.6%</b>
General Government	65,056	4.7%	88,314	6.2%	91,224	6.0%
Debt Service Transfer	178,000	13.0%	165,000	11.6%	188,000	12.4%
Operating Transfer	0	0.0%	0	0.0%	0	0.0%
<b>Total Expenditures</b>	<b>1,372,105</b>	<b>100.0%</b>	<b>1,422,094</b>	<b>100.0%</b>	<b>1,517,681</b>	<b>100.0%</b>
<b>Net Current Activity</b>	<b>28,108.00</b>		<b>27,981</b>		<b>36,167</b>	
<b>Change in Reserve for Working Capital</b>	<b>0</b>				<b>0</b>	
<b>Transfers from other funds</b>	<b>34,440</b>		<b>6,800</b>		<b>1,029</b>	
<b>Transfers to other funds</b>						
<b>Other Fin. Sources/Expen. Reductions</b>						
<b>Pension Bond Proceed</b>	<b>0</b>				<b>48,600</b>	
<b>Sale of Capital Assets</b>					<b>0</b>	
<b>Disaster Recovery Fund Transfer</b>	<b>15,000</b>				<b>0</b>	
<b>Change in Misc. Other Reserves</b>	<b>(2,594)</b>		<b>(835)</b>		<b>0</b>	
<b>Unreserved Fund Balance, Beg. of Year</b>	<b>85,282</b>		<b>105,101</b>		<b>139,047</b>	
<b>Unreserved Fund Balance, End of Year</b>	<b>160,236</b>		<b>139,047</b>		<b>224,843</b>	
<b>Designated for Sign Abatement</b>	<b>(2,074)</b>		<b>(2,074)</b>		<b>(2,070)</b>	
<b>Designated for Rainy Day Fund</b>	<b>(20,000)</b>		<b>(20,000)</b>		<b>(20,000)</b>	
<b>Designated for Capital Projects</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Designated for PIP</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$138,162</b>		<b>\$ 116,973</b>		<b>\$ 202,773</b>	

**General Fund**  
**Five Year History and Current Year Projection (cont'd)**  
(amounts expressed in thousands)

	FY2007		FY2008		FY2009	
	Actual	% of Total	Projection	% of Total	Projection	% of Total
<b>Revenues</b>						
General Property Taxes	748,792	45.2%	829,283	47.2%	887,228	48.0%
Industrial Assessments	15,823	1.0%	17,500	1.0%	18,500	1.0%
Sales Tax	461,417	27.9%	492,000	28.0%	521,850	28.2%
Other Taxes	9,992	0.6%	10,225	0.6%	11,157	0.6%
Electric Franchise	99,534	6.0%	98,080	5.6%	99,298	5.4%
Telephone Franchise	50,434	3.0%	49,000	2.8%	48,700	2.6%
Gas Franchise	20,790	1.3%	21,507	1.2%	21,276	1.2%
Other Franchise	18,793	1.1%	19,600	1.1%	20,025	1.1%
License and Permits	18,637	1.1%	21,000	1.2%	17,722	1.0%
Intergovernmental	41,576	2.5%	34,325	2.0%	33,270	1.8%
Charges for Services	44,844	2.7%	40,346	2.3%	41,311	2.2%
Direct Interfund Services	42,052	2.5%	44,355	2.5%	48,340	2.6%
Indirect Interfund Services	12,712	0.8%	11,146	0.6%	14,643	0.8%
Muni Courts Fines and Forfeits	44,936	2.7%	36,900	2.1%	37,500	2.0%
Other Fines and Forfeits	5,362	0.3%	3,993	0.2%	3,810	0.2%
Interest	15,059	0.9%	15,000	0.9%	13,000	0.7%
Miscellaneous/Other	4,529	0.3%	11,100	0.6%	12,344	0.7%
<b>Total Revenues</b>	<b>1,655,282</b>	<b>100.0%</b>	<b>1,755,360</b>	<b>100.0%</b>	<b>1,849,974</b>	<b>100.0%</b>
<b>Expenditures</b>						
Administration & Regulatory Affairs	18,763	1.1%	19,655	1.1%	23,200	1.2%
Affirmative Action	1,641	0.1%	2,131	0.1%	2,576	0.1%
City Council	4,084	0.2%	4,994	0.3%	5,220	0.3%
City Secretary	652	0.0%	625	0.0%	835	0.0%
Controller	6,125	0.4%	6,476	0.4%	7,396	0.4%
Convention & Entertainment	5,816	0.3%	1,155	0.1%	1,194	0.1%
Finance	4,771		8,145	0.5%	10,450	0.5%
Fire	360,542	21.6%	386,705	21.7%	423,806	22.0%
General Services	41,917	2.5%	43,845	2.5%	48,150	2.5%
Health and Human Services	47,248	2.8%	51,024	2.9%	56,330	2.9%
Housing and Community Dev.	826	0.0%	537	0.0%	516	0.0%
Houston Emergency Center	9,728	0.6%	10,742	0.6%	11,210	0.6%
Human Resources	2,449	0.1%	2,456	0.1%	3,244	0.2%
Information Technology	12,920	0.8%	17,273	1.0%	17,647	0.9%
Legal	12,921	0.8%	13,848	0.8%	15,732	0.8%
Library	32,257	1.9%	34,626	1.9%	39,755	2.1%
Mayor's Office	3,061	0.2%	2,703	0.2%	3,060	0.2%
Municipal Courts - Admin	14,165	0.8%	15,973	0.9%	17,720	0.9%
Municipal Courts - Justice	4,586	0.3%	4,776	0.3%	5,555	0.3%
Parks and Recreation	60,633	3.6%	63,954	3.6%	70,162	3.6%
Planning and Development	7,545	0.5%	7,947	0.4%	8,829	0.5%
Police	581,811	34.9%	618,251	34.7%	665,633	34.5%
Public Works and Engineering	83,914	5.0%	88,779	5.0%	98,660	5.1%
Solid Waste Management	70,702	4.2%	74,258	4.2%	76,742	4.0%
<b>Total Departmental</b>	<b>1,389,077</b>	<b>81.9%</b>	<b>1,480,878</b>	<b>82.0%</b>	<b>1,613,622</b>	<b>82.5%</b>
General Government	69,998	4.2%	79,250	4.4%	81,519	4.2%
Debt Service Transfer	209,000	12.5%	222,850	12.5%	233,450	12.1%
Operating Transfer	0	0.0%	0	0.0%	0	0.0%
<b>Total Expenditures</b>	<b>1,668,075</b>	<b>98.6%</b>	<b>1,782,978</b>	<b>98.9%</b>	<b>1,928,591</b>	<b>98.8%</b>
<b>Net Current Activity</b>	<b>(12,793)</b>		<b>(27,618)</b>		<b>(78,617)</b>	
<b>Change in Reserve for Working Capital</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Transfers from other funds</b>	<b>4,542</b>		10,686		7,595	
<b>Transfers to other funds</b>					(20,000)	
<b>Other Fin. Sources/Expen. Reductions</b>			<b>0</b>		<b>0</b>	
<b>Pension Bond Proceed</b>	<b>63,000</b>		35,000		20,000	
<b>Sale of Capital Assets</b>	<b>4,757</b>		4,523		6,240	
<b>Disaster Recovery Fund Transfer</b>	<b>0</b>					
<b>Change in Misc. Other Reserves</b>	<b>(801)</b>		<b>0</b>		<b>0</b>	
<b>Unreserved Fund Balance, Beg. of Year</b>	<b>197,904</b>		256,609		279,200	
<b>Unreserved Fund Balance, End of Year</b>	<b>256,609</b>		<b>279,200</b>		<b>214,418</b>	
<b>Designated for Sign Abatement</b>	<b>(2,070)</b>		(2,070)		(2,070)	
<b>Designated for Rainy Day Fund</b>	<b>(20,000)</b>		(20,000)		0	
<b>Designated for Capital Projects</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Designated for PIP</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Undesignated Fund Balance, End of Year</b>	<b>\$ 234,539</b>		<b>\$ 257,130</b>		<b>\$ 212,348</b>	

Aviation Operating Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Landing Area	\$ 99,017	\$ 95,003	\$ 95,003	\$ 25,768	\$ 95,544	\$ 95,544
Bldg and Ground Area	211,786	202,087	202,087	55,993	196,803	196,803
Parking and Concession	131,747	134,126	134,126	32,529	128,070	128,070
Other	4,204	4,205	4,205	781	4,215	4,215
Total Operating Revenues	<u>446,754</u>	<u>435,421</u>	<u>435,421</u>	<u>115,071</u>	<u>424,632</u>	<u>424,632</u>
<b>Operating Expenses</b>						
Personnel	91,183	96,127	96,127	23,840	96,429	96,429
Supplies	6,449	8,281	7,706	1,409	7,157	7,157
Services	119,653	138,670	139,225	31,505	140,477	140,477
Non-Capital Outlay	956	1,733	1,753	85	1,656	1,656
Total Operating Expenses	<u>218,241</u>	<u>244,811</u>	<u>244,811</u>	<u>56,839</u>	<u>245,719</u>	<u>245,719</u>
Operating Income (Loss)	<u>228,513</u>	<u>190,610</u>	<u>190,610</u>	<u>58,232</u>	<u>178,913</u>	<u>178,913</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	30,229	28,000	28,000	6,731	26,500	26,500
Other	434	0	0	128	128	128
Total Nonoperating Rev (Exp)	<u>30,663</u>	<u>28,000</u>	<u>28,000</u>	<u>6,859</u>	<u>26,628</u>	<u>26,628</u>
Income (Loss) Before Operating Transfers	<u>259,176</u>	<u>218,610</u>	<u>218,610</u>	<u>65,091</u>	<u>205,541</u>	<u>205,541</u>
<b>Operating Transfers</b>						
Interfund Transfer - Oper Reserve	1,021	2,000	2,000	0	2,000	2,000
Debt Service Principal	46,005	47,890	47,890	12,425	47,890	47,890
Debt Service Interest	92,615	99,367	99,367	16,656	99,367	99,367
Renewal and Replacement	0	4,322	4,322	0	4,322	4,322
Capital Improvement	119,535	65,031	65,031	22,613	51,962	51,962
Total Operating Transfers	<u>259,176</u>	<u>218,610</u>	<u>218,610</u>	<u>51,694</u>	<u>205,541</u>	<u>205,541</u>
Net Income (Loss)						
Operating Fund Only	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	<u>13,397</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 September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controllers Projection	Finance Projection
<b>Operating Revenues</b>						
Facility Rentals	\$ 6,467	\$ 6,249	\$ 6,249	\$ 1,030	\$ 5,999	\$ 5,999
Parking	9,858	10,505	10,505	1,626	10,505	10,505
Food and Beverage Concessions	5,010	4,471	4,471	1,792	4,471	4,471
Contract Cleaning	461	216	216	44	216	216
Total Operating Revenues	<u>21,796</u>	<u>21,441</u>	<u>21,441</u>	<u>4,492</u>	<u>21,191</u>	<u>21,191</u>
<b>Operating Expenses</b>						
Personnel	9,210	9,904	9,904	2,473	9,909	9,909
Supplies	1,050	780	785	193	835	835
Services	27,643	32,871	33,129	4,604	34,160	34,160
Total Operating Expenses	<u>37,903</u>	<u>43,555</u>	<u>43,818</u>	<u>7,270</u>	<u>44,904</u>	<u>44,904</u>
Operating Income (Loss)	<u>(16,107)</u>	<u>(22,114)</u>	<u>(22,377)</u>	<u>(2,778)</u>	<u>(23,713)</u>	<u>(23,713)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Hotel Occupancy Tax						
Current	63,023	58,000	58,000	17,521	58,000	58,000
Delinquent	693	1,165	1,165	158	1,165	1,165
Advertising Services	(14,495)	(13,340)	(13,340)	(1)	(13,340)	(13,340)
Promotion Contracts	(12,164)	(11,194)	(11,194)	0	(11,194)	(11,194)
Contracts/Sponsorships	(1,962)	(2,555)	(2,555)	(463)	(2,555)	(2,555)
Net Hotel Occupancy Tax	<u>35,095</u>	<u>32,076</u>	<u>32,076</u>	<u>17,215</u>	<u>32,076</u>	<u>32,076</u>
Interest Income	2,547	2,447	2,447	641	2,447	2,447
Capital Outlay	(1,567)	(3,091)	(2,780)	(92)	(2,780)	(2,780)
Non-Capital Outlay	(52)	(272)	(320)	(1)	(320)	(320)
Other Interest	(1,741)	(1,611)	(1,611)	(101)	(1,611)	(1,611)
Other	6,646	992	992	60	992	992
Total Nonoperating Rev (Exp)	<u>40,928</u>	<u>30,541</u>	<u>30,804</u>	<u>17,722</u>	<u>30,804</u>	<u>30,804</u>
Income (Loss) Before Operating Transfers	<u>24,821</u>	<u>8,427</u>	<u>8,427</u>	<u>14,944</u>	<u>7,091</u>	<u>7,091</u>
<b>Operating Transfers</b>						
Transfers for Interest	6,591	8,449	8,449	1,803	8,449	8,449
Transfers for Principal	8,105	10,412	10,412	2,443	10,412	10,412
Transfers to Capital Projects	60	0	0	0	0	0
Interfund Transfers Out	1,146	528	528	0	528	528
Miller Outdoor Theater Transfer	(1,304)	(1,194)	(1,194)	(298)	(1,194)	(1,194)
Transfers to(from) Special	0	(100)	(100)	(3,000)	(3,100)	(3,100)
Total Operating Transfers	<u>14,598</u>	<u>18,095</u>	<u>18,095</u>	<u>948</u>	<u>15,095</u>	<u>15,095</u>
Net Income (Loss)						
Operating Fund Only	<u>\$ 10,223</u>	<u>\$ (9,668)</u>	<u>\$ (9,668)</u>	<u>\$ 13,996</u>	<u>\$ (8,004)</u>	<u>\$ (8,004)</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: Jesse H. Jones Hall, Bayou Place, Houston Center for The Arts, Gus S. Wortham Center, George R. Brown Convention Center, Tranquility Park garage and Civic Center garage.

Parking Management Operating Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controllers Projection	Finance Projection
<b>Operating Revenues</b>						
Parking Violations	7,566	\$ 7,600	\$ 7,600	\$ 1,632	\$ 7,600	\$ 7,600
Residential Parking Permit	25	27	27	3	27	27
Boot Fees	234	140	140	50	140	140
Metered Parking	3,675	3,131	3,131	665	3,000	3,000
Surface Lot Parking	1,250	1,200	1,200	158	1,100	1,100
Contract Parking Fees	531	400	400	140	400	400
Valet Parking Operator Permit Fee	27	25	25	7	25	25
Commercial Vehicle Permit Fee	265	225	225	25	225	225
Newsrack Permit and Decal Fee	9	10	10	1	10	10
Total Operating Revenues	<u>13,582</u>	<u>12,758</u>	<u>12,758</u>	<u>2,681</u>	<u>12,527</u>	<u>12,527</u>
<b>Operating Expenses</b>						
Personnel	2,534	3,174	3,077	468	3,038	3,038
Supplies	129	302	309	9	288	288
Services	576	2,381	2,442	97	2,254	2,254
Total Operating Expenses	<u>3,239</u>	<u>5,857</u>	<u>5,828</u>	<u>574</u>	<u>5,580</u>	<u>5,580</u>
Operating Income (Loss)	<u>10,343</u>	<u>6,901</u>	<u>6,930</u>	<u>2,107</u>	<u>6,947</u>	<u>6,947</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	107	50	50	39	125	125
Capital Outlay	(149)	(380)	(398)	0	(398)	(398)
Non-Capital Outlay	(6)	(44)	(55)	(18)	(55)	(55)
Other	5	0	0	0	0	0
Total Nonoperating Rev (Exp)	<u>(43)</u>	<u>(374)</u>	<u>(403)</u>	<u>21</u>	<u>(328)</u>	<u>(328)</u>
Income (Loss) Before Operating Transfers	<u>10,300</u>	<u>6,527</u>	<u>6,527</u>	<u>2,128</u>	<u>6,619</u>	<u>6,619</u>
<b>Operating Transfers</b>						
Transfers for Interest	67	396	396	0	396	396
Transfers for Principal	0	0	0	0	0	0
Interfund Transfers Out	6,000	6,500	6,500	0	6,500	6,500
Transfers to(from) Special	1,107	553	553	0	553	553
Total Operating Transfers	<u>7,174</u>	<u>7,449</u>	<u>7,449</u>	<u>0</u>	<u>7,449</u>	<u>7,449</u>
Net Income (Loss)						
Operating Fund Only	<u>3,126</u>	<u>\$ (922)</u>	<u>\$ (922)</u>	<u>\$ 2,128</u>	<u>\$ (830)</u>	<u>\$ (830)</u>

**About the Fund:**

The Parking Management Facilities Operating Fund is an enterprise fund that accounts for the operation of the City's on-street parking management program which, includes metered parking and curb space management. The Parking Management Division of the General Services Department manages this fund. It is the Division's goal to provide safe and sufficient parking to residents, businesses and guests.

Combined Utility System Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Water Sales	\$ 331,938	\$ 355,401	\$ 355,401	\$ 98,912	\$ 355,401	\$ 355,401
Sewer Sales	304,464	328,731	328,731	86,207	328,731	328,731
Penalties	7,760	8,400	8,400	1,830	8,400	8,400
Other	6,098	6,956	6,956	1,397	6,956	6,956
Total Operating Revenues	<u>650,260</u>	<u>699,488</u>	<u>699,488</u>	<u>188,346</u>	<u>699,488</u>	<u>699,488</u>
<b>Operating Expenses</b>						
Personnel	129,321	146,182	146,117	35,426	146,117	146,117
Supplies	37,614	34,467	34,479	11,593	48,213	48,213
Electricity and Gas	68,706	71,679	71,679	13,607	74,207	74,207
Contracts & Other Payments	109,218	97,626	100,005	11,954	100,005	100,005
Non-Capital Equipment	1,672	2,648	2,628	36	2,628	2,628
Total Operating Expenses	<u>346,531</u>	<u>352,602</u>	<u>354,908</u>	<u>72,616</u>	<u>371,170</u>	<u>371,170</u>
Operating Income (Loss)	<u>303,729</u>	<u>346,886</u>	<u>344,580</u>	<u>115,730</u>	<u>328,318</u>	<u>328,318</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	21,371	22,000	22,000	4,586	22,000	22,000
Sale of Property, Mains and Scrap	4,136	12,009	12,009	55	12,009	12,009
Other	10,206	8,171	8,171	1,967	8,171	8,171
Impact Fees	27,134	25,000	25,000	10,351	21,090	21,090
HAWC	0	0	0	0	0	0
CWA & TRA Contracts (P & I)	(32,642)	(28,103)	(28,103)	(11,694)	(28,103)	(28,103)
Total Nonoperating Rev (Exp)	<u>30,205</u>	<u>39,077</u>	<u>39,077</u>	<u>5,265</u>	<u>35,167</u>	<u>35,167</u>
Income (Loss) Before Operating Transfers	<u>333,934</u>	<u>385,963</u>	<u>383,657</u>	<u>120,995</u>	<u>363,485</u>	<u>363,485</u>
<b>Operating Transfers</b>						
Debt Service Transfer	270,312	309,155	309,155	37,111	309,155	309,155
Transfer to PIB - Water & Sewer	25,804	28,419	28,419	3,722	28,419	28,419
Discretionary Debt-Stormwater	0	0	0	0	0	0
Pension Liability Interest	4,566	4,566	4,566	0	4,566	4,566
Equipment Acquisition	9,176	23,965	21,659	239	19,459	19,459
Transfer to Stormwater	36,540	39,437	39,437	5,423	39,437	39,437
Total Operating Transfers	<u>346,398</u>	<u>405,542</u>	<u>403,236</u>	<u>46,495</u>	<u>401,036</u>	<u>401,036</u>
Net Current Activity						
Operating Fund Only	<u>\$ (12,464)</u>	<u>\$ (19,579)</u>	<u>\$ (19,579)</u>	<u>\$ 74,500</u>	<u>\$ (37,551)</u>	<u>\$ (37,551)</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 September 30, 2008  
(amounts expressed in thousands)

	Unaudited		FY2009			
	Preliminary FY2008	Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Miscellaneous	\$ 77	\$ 70	\$ 70	\$ 9	\$ 70	\$ 70
Total Revenues	<u>77</u>	<u>70</u>	<u>70</u>	<u>9</u>	<u>70</u>	<u>70</u>
<b>Expenditures</b>						
Personnel	18,227	19,940	19,940	5,221	19,940	19,940
Supplies	2,762	2,714	2,714	850	2,714	2,714
Other Services	9,918	11,603	11,603	1,573	11,603	11,603
Capital Outlay	1,295	1,897	1,897	0	1,897	1,897
Total Expenditures	<u>32,202</u>	<u>36,154</u>	<u>36,154</u>	<u>7,644</u>	<u>36,154</u>	<u>36,154</u>
<b>Other Financing Sources (Uses)</b>						
Interest Income	251	200	200	33	200	200
Transfers In - CUS	36,540	39,437	39,437	5,423	39,437	39,437
Transfers In - CIP	0	2,300	2,300	0	2,300	2,300
Transfer Out - Pension Liability Interest	(666)	(666)	(666)	0	(666)	(666)
Transfer Out - Discretionary Debt Stormwater	(3,976)	(6,900)	(6,900)	0	(6,900)	(6,900)
Total Other Financing Sources (Uses)	<u>32,149</u>	<u>34,371</u>	<u>34,371</u>	<u>5,456</u>	<u>34,371</u>	<u>34,371</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)						
	24	(1,713)	(1,713)	(2,179)	(1,713)	(1,713)
<b>Pension Bond Proceeds</b>						
	0	0	0	0	0	0
Fund Balance, Beginning of Year	<u>3,352</u>	<u>3,376</u>	<u>3,376</u>	<u>3,376</u>	<u>3,376</u>	<u>3,376</u>
Fund Balance, End of Year	<u>\$ 3,376</u>	<u>\$ 1,663</u>	<u>\$ 1,663</u>	<u>\$ 1,197</u>	<u>\$ 1,663</u>	<u>\$ 1,663</u>

The Stormwater Fund provides for the maintenance and repair of 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.

Fleet/Equipment Internal Service Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
<b>Expenditure</b>						
Non-Capital Purchase	0	10	600	182	600	600
Capital Purchase	1,733	8,221	7,631	1,480	7,631	7,631
<b>Total Operating Expenditure</b>	<u>1,733</u>	<u>8,231</u>	<u>8,231</u>	<u>1,662</u>	<u>8,231</u>	<u>8,231</u>
<b>Non-Operating Transfers Revenues (Expenditures)</b>						
Sale of Property, Mains and Scrap	874	900	900	230	900	900
Interest Income	246	150	150	78	150	150
Transfer from General Fund	27,292	22,250	22,250	0	22,250	22,250
Transfer from Spec. Rev.	1,297	0	0	0	0	0
Transfer to PIB Debt Service	(20,250)	(22,250)	(22,250)	0	(22,250)	(22,250)
Other	0	0	0	0	0	0
<b>Total Non-Operating Transfers Revenues (Expenditures)</b>	<u>9,459</u>	<u>1,050</u>	<u>1,050</u>	<u>308</u>	<u>1,050</u>	<u>1,050</u>
Net Current Activity	7,726	(7,181)	(7,181)	(1,354)	(7,181)	(7,181)
Fund Balance, Beginning of Year	0	7,726	7,726	7,726	7,726	7,726
Fund Balance, End of Year	<u>\$ 7,726</u>	<u>\$ 545</u>	<u>\$ 545</u>	<u>\$ 6,372</u>	<u>\$ 545</u>	<u>\$ 545</u>

**About the Fund:**

The Equipment Acquisition Revolving Fund is a Internal Service Fund that was created in the FY2008 Budget. This Fund allocates and collects the full costs of operations, maintenance, depreciation and financing cost of equipments to the departments.

Health Benefits Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
City Medical Plans	\$ 249,716	\$ 283,229	\$ 283,229	\$ 67,516	\$ 283,229	\$ 283,229
City Dental Plans	7,793	7,973	7,973	1,997	7,973	7,973
City Life Insurance Plans	6,206	6,454	6,454	1,666	6,454	6,454
Health Flexible Spending Account	532	1,000	1,000	199	1,000	1,000
Dependent Care Reimbursement	160	175	175	43	175	175
<b>Operating Revenues</b>	<u>264,407</u>	<u>298,831</u>	<u>298,831</u>	<u>71,421</u>	<u>298,831</u>	<u>298,831</u>
<b>Operating Expenses</b>						
City Medical Plan Claims	249,214	281,911	281,785	67,462	281,785	281,785
City Dental Plan Claims	7,792	7,973	7,973	2,000	7,973	7,973
City Life Insurance Plans	6,201	6,454	6,454	1,641	6,454	6,454
Administrative Costs	3,257	4,083	4,209	681	4,209	4,209
Health Flexible Spending Account	460	1,000	1,000	168	1,000	1,000
Dependent Care	160	175	175	43	175	175
<b>Operating Expenses</b>	<u>267,084</u>	<u>301,596</u>	<u>301,596</u>	<u>71,995</u>	<u>301,596</u>	<u>301,596</u>
Operating Income (Loss)	(2,677)	(2,765)	(2,765)	(574)	(2,765)	(2,765)
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	600	550	550	114	550	550
Prior Year Expense Recovery	0	0	0	0	0	0
Medicare Part D - Subsidy	1,611	1,608	1,608	(87)	1,608	1,608
Medicare Part D - Distribution	(1,611)	(1,608)	(1,608)	0	(1,608)	(1,608)
<b>Nonoperating Revenues (Expenses)</b>	<u>600</u>	<u>550</u>	<u>550</u>	<u>27</u>	<u>550</u>	<u>550</u>
Pension Bond Proceeds	0	0	0	0	0	0
Net Income (Loss)	(2,077)	(2,215)	(2,215)	(547)	(2,215)	(2,215)
Net Assets, Beginning of Year	5,728	3,651	3,651	3,651	3,651	3,651
Net Assets, End of Year	\$ <u>3,651</u>	\$ <u>1,436</u>	\$ <u>1,436</u>	\$ <u>3,104</u>	\$ <u>1,436</u>	\$ <u>1,436</u>

**About the Fund:**

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Preferred Provider (PPO) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.

Long-Term Disability Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Contributions	\$ 2,090	\$ 1,235	\$ 1,235	\$ 393	\$ 1,235	\$ 1,235
<b>Operating Revenues</b>	<u>2,090</u>	<u>1,235</u>	<u>1,235</u>	<u>393</u>	<u>1,235</u>	<u>1,235</u>
<b>Operating Expenses</b>						
Management Consulting Services	11	12	12	0	12	12
Claims Payment Services	123	170	170	34	170	170
Employee Medical Claims	1,282	2,555	2,555	639	2,555	2,555
<b>Operating Expenses</b>	<u>1,416</u>	<u>2,737</u>	<u>2,737</u>	<u>673</u>	<u>2,737</u>	<u>2,737</u>
Operating Income (Loss)	674	(1,502)	(1,502)	(280)	(1,502)	(1,502)
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	451	450	450	110	450	450
Prior Year Expense Recovery	0	0	0	0	0	0
<b>Nonoperating Revenues (Expenses)</b>	<u>451</u>	<u>450</u>	<u>450</u>	<u>110</u>	<u>450</u>	<u>450</u>
Net Income (Loss)	1,125	(1,052)	(1,052)	(170)	(1,052)	(1,052)
Net Assets, Beginning of Year	<u>1,870</u>	<u>2,995</u>	<u>2,995</u>	<u>2,995</u>	<u>2,995</u>	<u>2,995</u>
Net Assets, End of Year	<u>\$ 2,995</u>	<u>\$ 1,943</u>	<u>\$ 1,943</u>	<u>\$ 2,825</u>	<u>\$ 1,943</u>	<u>\$ 1,943</u>

**About the Fund:**

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an internal service fund. Established in 1985 and revised in 1996 as part of the Income Protection Plan (IPP) (renamed the Compensable Sick Leave Plan (CSL) in October 1996), the plan provides paid long-term sick leave for City employees.

Property and Casualty Fund  
For the Period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Interfund Legal Services	\$ 22,611	\$ 34,219	\$ 34,219	\$ 110	\$ 34,219	\$ 34,219
Recoveries, Prior and Misc.	0	0	0	0	0	0
<b>Operating Revenues</b>	<u>22,611</u>	<u>34,219</u>	<u>34,219</u>	<u>110</u>	<u>34,219</u>	<u>34,219</u>
<b>Operating Expenses</b>						
Personnel	2,419	2,937	2,937	661	2,937	2,937
Supplies	119	92	92	5	92	92
Services:						
Insurance Fees/Adm.	9,731	11,528	11,528	4	11,528	11,528
Claims and Judgments	6,887	14,371	14,371	1,248	14,371	14,371
Other Services	3,455	5,291	5,291	343	5,291	5,291
Capital Outlay	0	0	0	0	0	0
<b>Operating Expenses</b>	<u>22,611</u>	<u>34,219</u>	<u>34,219</u>	<u>2,261</u>	<u>34,219</u>	<u>34,219</u>
Operating Income (Loss)	0	0	0	(2,151)	0	0
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	2	0	0	0	0	0
<b>Nonoperating Revenues (Expenses)</b>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Net Income (Loss)	2	0	0	(2,151)	0	0
Net Assets, Beginning of Year	81	83	83	83	83	83
Net Assets, End of Year	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ (2,068)</u>	<u>\$ 83</u>	<u>\$ 83</u>

**About the Fund:**

The Property and Casualty Fund was established to monitor the financial requirements of the Property and Risk Management Programs. This activity is primarily self-funded. The revenue is generated from assessed premiums to the other funds. These premiums are based upon projected expenditures. All risk to the City's assets (except Workers Compensation, Life, Health Benefits, and Long Term Disability) fall within the scope of this fund.

Workers' Compensation Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Contributions	\$ 19,780	23,052	\$ 23,052	\$ 4,666	\$ 23,052	23,052
<b>Operating Revenues</b>	<u>19,780</u>	<u>23,052</u>	<u>23,052</u>	<u>4,666</u>	<u>23,052</u>	<u>23,052</u>
<b>Operating Expenses</b>						
Personnel	2,047	2,612	2,612	507	2,612	2,612
Supplies	47	68	68	4	68	68
Current Year Claims	16,883	19,727	19,727	3,467	19,727	19,727
Services	862	745	745	39	745	745
Capital Outlay	42	0	0	0	0	0
Non-Capital Outlay	2	0	0	0	0	0
<b>Operating Expenses</b>	<u>19,883</u>	<u>23,152</u>	<u>23,152</u>	<u>4,017</u>	<u>23,152</u>	<u>23,152</u>
Operating Income (Loss)	(103)	(100)	(100)	649	(100)	(100)
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	99	95	95	23	95	95
Other	4	5	5	1	5	5
<b>Nonoperating Revenues (Expenses)</b>	<u>103</u>	<u>100</u>	<u>100</u>	<u>24</u>	<u>100</u>	<u>100</u>
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Net Income (Loss)	0	0	0	673	0	0
Net Assets, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 673</u>	<u>\$ 0</u>	<u>\$ 0</u>

**About the Fund:**

The Workers' Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Accident Prevention, Loss Control and Workers' Compensation.

### **Asset Forfeiture (Fund 2202,2203,2204)**

The Houston Police Department receives asset forfeiture proceeds under guidelines set forth by the U.S. Department of Justice, the U.S. Treasury Department, and the State of Texas. These forfeiture proceeds are generated as a result of law enforcement efforts against illegal and criminal activity. Proceeds received under the various guidelines must be used for law enforcement purposes.

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### **Auto Dealers (Fund 2200)**

The Auto Dealers Division of the Houston Police Department issues licenses to automotive businesses and vehicle/used parts salesmen. The Auto Dealers Division also monitors private storage facilities/salvage yards, auctions abandoned motor vehicles, and investigates complaints against automotive businesses/salesmen. The revenues generated from the fees are placed in the Auto Dealers Fund.

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### **Building Inspection (Fund 2301)**

The Public Works and Engineering Department administers the Building Inspection Special Revenue Fund, which ensures that buildings and structures constructed and maintained within the City adhere to the standards set by the City of Houston's Building Code. Permits and Licenses revenue make up approximately 75% of the revenue in this fund. This revenue is derived from the issuance of electrical, plumbing, AC and Boiler and construction permits.

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### **Building Security (Fund 2206)**

The Building Security Fund began in FY1997 generating revenue from a \$3.00 fee charged to defendants convicted of a misdemeanor offense. The purpose of the fund is to aid in ensuring the safety of civilians and civil service employees while conducting business in Municipal Courts buildings.

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### **Cable TV (Fund 2401)**

Operation of the Municipal Access Channel and its facilities is the responsibility of the Cable Communications Division of the Mayor's Office. The mission of the division is to effectively communicate to the public relevant information concerning municipal and related governmental and community services. The Cable Television Fund is supported through contributions of the cable television companies in Houston. The contributions are based upon a rate per subscriber and support public, educational, and municipal programming Houston.

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### **Child Safety Fund (Fund 2209)**

The Child Safety Fund was established to account for monies collected for public, parochial, and private school crossing guard programs. Revenues to the fund come from an assessment of a Municipal Court fee of \$5.00 on non-criminal municipal violations and an additional \$1.50 fee for each vehicle registration authorized by Harris County. If there is a surplus of funds, the City is allowed to keep 10% of the funds received for administrative fees. If a surplus exists after the payment of all covered contract expenses, the excess can be used to pay for programs designed to enhance child safety, health, or nutrition and administration costs of these programs.

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### **Digital Automated Red Light Enforcement Program Fund (2212)**

The Digital Automated Red Light Enforcement Program Fund (DARLEP), established in FY2009, tracks the financial and accounting balances from all penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system.

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### **Digital Houston Fund (2422)**

EarthLink has been chosen by the City of Houston to build a citywide wireless broadband network, pending contract negotiations. The Wi-Fi mesh network will provide affordable high-speed Internet access for residents of and visitors to Houston. It will also enable municipal employees to work in the field without having to return to the office to use traditional landlines to complete their task. The fund will be necessary to receive payments from EarthLink and to allow the City to fund inclusion programs for low income and other individuals.

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### **Houston Emergency Center (Fund 2205)**

The City of Houston's Neutral Public Safety Answering Point is one of the thirty-seven answering stations in the appropriate emergency agency, such as police, fire, and ambulance services. Calls are also referred to Harris county agencies such as Juvenile Crisis Hotline., Poison Control and Emergency Management Operations. The City of Houston is reimbursed from the special district for salaries, fringe benefits and other operating expenses for the answering station.

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### **Houston Transtar Center (Fund 2402)**

Houston TranStar Center formerly known as the Greater Houston Transportation & Emergency Management Center. The Houston TranStar Center was built through a cooperative effort among the City of Houston, Harris County, Metropolitan Transit Authority (METRO) and the Texas Department of Transportation (TxDOT). The center houses personnel responsible for and/or involved with transportation and emergency management planning and operations in the Houston/Harris County area. Funding for the center is received from each member agency and is prorated based on occupancy and use of center facilities.

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### **Juvenile Case Manager Fund (2211)**

The Juvenile Case Manager Fund was established under Article 45.056 of the Texas Code of Criminal procedure to assess a juvenile case manager fee for each defendant convicted of a fine-only misdemeanor offense and may only be used to finance the salary and benefits of the juvenile case manager. This is also a new budgeted fund in FY2009.

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### **Mobility Response Team Fund (Fund 2304)**

The mission of the Mobility Response Team will be responding to and mitigating significant traffic congestion resulting from malfunctioning traffic signals, accidents, and other mobility issues throughout the City. The team is a partnership between the Police and Public Works and Engineering (PWE) Departments. Dedicated resources will be deployed 5:00 AM - 9:00 PM. They will specifically 1) respond to and mitigate acute traffic congestion throughout the City, 2) be dispatched via personnel at TranStar to identified areas, 3) Traffic Engineering staff will diagnose and provide solutions to operational and design problems, and 4) work together with PWE engineers to develop long term traffic management solutions.

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### **Parks Special Revenue Fund (Fund 2100)**

The Parks and Recreation Department administers the Parks Special Revenue Fund. The Fund receives revenue from the following activities: Seven municipal golf courses, rental of park facilities, and three tennis centers.  
"fun runs", parade and festivals.

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### **Police Special Services Fund (Fund 2201)**

The Police Special Services Fund was created to properly account for funds received from other agencies or organizations to reimburse HPD for cost of services for specific law enforcement purposes. These special services include HPD participation in joint police operations, security, traffic control for activities such as "fun runs", parade and festivals.

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### **Sign Administration (Fund 2300)**

The Public Works and Engineering Department administers the Sign Administration Special Revenue Fund. The Fund oversees sign codes within both the Houston city limits and the City's extra-territorial jurisdiction (ETJ). The code requires the licensing of sign contractors, construction permits for new signs including examination/plan approval, operating permits for new and existing signs, and the impoundment and confiscation of signs found located on the public rights-of-way.

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### **Supplemental Environmental Protection Fund (Fund 2404)**

Environmental Investigations or Rat-On-a-Rat (ROAR) use Supplemental Environmental Funds for the advancement of the goals of clean air, water, and to enhance the community environment impacted by criminal environmental violators.

### **Technology Fee Fund (2207)**

The Technology Fee Fund was established in FY2001 to account for revenue generated from a \$4.00 technology fee for convictions on all traffic and non-traffic misdemeanor offenses occurring on or after June 26, 2000. The purpose of the fund is to finance technological enhancements for the Municipal Courts including computer systems, networks, hardware, software, imaging systems, electronic ticket-writers and docket management systems.

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Asset Forfeiture Special Revenue Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Confiscations	\$ 5,776	\$ 6,320	\$ 6,320	\$ 2,130	\$ 6,320	\$ 6,320
Interest Income	303	210	210	49	210	210
Other	0	0	0	0	0	0
Total Revenues	<u>6,079</u>	<u>6,530</u>	<u>6,530</u>	<u>2,179</u>	<u>6,530</u>	<u>6,530</u>
<b>Expenditures</b>						
Personnel	2,230	2,599	2,599	64	2,599	2,599
Supplies	1,579	1,760	1,760	141	1,760	1,760
Other Services	1,829	2,482	2,470	353	2,470	2,470
Transfers/Debt Service	1,297	1,297	1,097	0	1,297	1,297
Non-Capital Purchases	155	262	262	2	262	262
Capital Purchases	1,023	400	612	5	412	412
Total Expenditures	<u>8,113</u>	<u>8,800</u>	<u>8,800</u>	<u>565</u>	<u>8,800</u>	<u>8,800</u>
Net Current Activity	(2,034)	(2,269)	(2,270)	1,614	(2,270)	(2,270)
Fund Balance, Beginning of Year	<u>5,895</u>	<u>3,861</u>	<u>3,861</u>	<u>3,861</u>	<u>3,861</u>	<u>3,861</u>
Fund Balance, End of Year	<u>\$ 3,861</u>	<u>\$ 1,592</u>	<u>\$ 1,591</u>	<u>\$ 5,475</u>	<u>\$ 1,591</u>	<u>\$ 1,591</u>

Auto Dealers  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Auto Dealers Licenses	\$ 1,341	\$ 1,203	\$ 1,203	243	\$ 1,203	\$ 1,203
Vehicle Storage Notification	333	320	320	79	320	320
Vehicle Auction Fees	397	400	400	76	400	400
Interest Income	80	72	72	14	72	72
Other	1,856	1,750	1,750	301	1,750	1,750
Total Revenues	<u>4,007</u>	<u>3,745</u>	<u>3,745</u>	<u>713</u>	<u>3,745</u>	<u>3,745</u>
<b>Expenditures</b>						
Personnel	2,158	2,543	2,543	558	2,453	2,453
Supplies	195	208	208	0	208	208
Other Services	493	825	825	158	825	825
Capital Outlay	0	0	0	0	0	0
Transfer Out	1,186	1,095	1,095	0	1,095	1,095
Total Expenditures	<u>4,032</u>	<u>4,671</u>	<u>4,671</u>	<u>716</u>	<u>4,581</u>	<u>4,581</u>
Net Current Activity	(25)	(926)	(926)	(3)	(836)	(836)
Fund Balance, Beginning of Year	<u>1,048</u>	<u>1,023</u>	<u>1,023</u>	<u>1,023</u>	<u>1,023</u>	<u>1,023</u>
Fund Balance, End of Year	<u>\$ 1,023</u>	<u>\$ 97</u>	<u>\$ 97</u>	<u>1,020</u>	<u>\$ 187</u>	<u>\$ 187</u>

Building Inspection Special Revenue Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary 2008	Adopted Budget	Current Budget	FY2009		
				YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Permits and Licenses	\$ 36,697	\$ 36,367	\$ 36,367	\$ 8,076	\$ 36,367	\$ 36,367
Charges for Services	7,198	8,131	8,131	1,455	8,131	8,131
Other	738	706	706	187	706	706
Interest Income	792	744	744	221	744	744
Total Revenues	<u>45,425</u>	<u>45,948</u>	<u>45,948</u>	<u>9,939</u>	<u>45,948</u>	<u>45,948</u>
<b>Expenditures</b>						
Personnel	27,942	31,623	31,623	7,635	31,623	31,623
Supplies	754	1,020	1,020	177	1,020	1,020
Other Services	4,746	9,598	9,598	731	9,598	9,598
Capital Outlay	961	3,515	3,515	42	3,515	3,515
Non-Capital Outlay	466	125	125	36	125	125
Total Expenditures	<u>34,869</u>	<u>45,881</u>	<u>45,881</u>	<u>8,621</u>	<u>45,881</u>	<u>45,881</u>
Net Current Activity	<u>10,556</u>	<u>67</u>	<u>67</u>	<u>1,318</u>	<u>67</u>	<u>67</u>
<b>Other financing sources (uses)</b>						
Operating Transfers Out	(968)	(1,115)	(1,115)	0	(1,115)	(1,115)
Total other financing sources (uses)	<u>(968)</u>	<u>(1,115)</u>	<u>(1,115)</u>	<u>0</u>	<u>(1,115)</u>	<u>(1,115)</u>
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Net Current Activity	9,588	(1,048)	(1,048)	1,318	(1,048)	(1,048)
Fund Balance, Beginning of Year	<u>10,771</u>	<u>20,359</u>	<u>20,359</u>	<u>20,359</u>	<u>20,359</u>	<u>20,359</u>
Fund Balance, End of Year	<u>\$ 20,359</u>	<u>\$ 19,311</u>	<u>\$ 19,311</u>	<u>\$ 21,677</u>	<u>\$ 19,311</u>	<u>\$ 19,311</u>

Building Security Fund  
For the period ending September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary 2008	Adopted Budget	Current Budget	FY2009		
				YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Current Revenues	\$ 1,017	\$ 986	\$ 986	\$ 211	\$ 986	\$ 986
Total Revenues	<u>1,017</u>	<u>986</u>	<u>986</u>	<u>211</u>	<u>986</u>	<u>986</u>
<b>Expenditures</b>						
Personnel	856	1,028	1,028	238	1,010	1,010
Supplies	4	5	7	1	7	7
Other Services	133	476	474	170	474	474
Equipment	0	60	60	0	60	60
Total Expenditures	<u>993</u>	<u>1,569</u>	<u>1,569</u>	<u>409</u>	<u>1,551</u>	<u>1,551</u>
Net Current Activity	24	(583)	(583)	(198)	(565)	(565)
Fund Balance, Beginning of Year	<u>639</u>	<u>663</u>	<u>663</u>	<u>663</u>	<u>663</u>	<u>663</u>
Fund Balance, End of Year	<u>\$ 663</u>	<u>\$ 80</u>	<u>\$ 80</u>	<u>\$ 465</u>	<u>\$ 98</u>	<u>\$ 98</u>

Cable TV  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Current Revenues	\$ 1,892	\$ 2,622	\$ 2,622	\$ 650	\$ 2,622	\$ 2,622
Total Revenues	<u>1,892</u>	<u>2,622</u>	<u>2,622</u>	<u>650</u>	<u>2,622</u>	<u>2,622</u>
<b>Expenditures</b>						
Maintenance and Operations	1,642	2,373	2,538	643	2,538	2,538
Equipment	0	151	151	0	151	151
TOTAL EXPENDITURES	<u>1,642</u>	<u>2,524</u>	<u>2,689</u>	<u>643</u>	<u>2,689</u>	<u>2,689</u>
Net Current Activity	250	98	(67)	7	(67)	(67)
Fund Balance, Beginning of Year	<u>364</u>	<u>614</u>	<u>614</u>	<u>614</u>	<u>614</u>	<u>614</u>
Fund Balance, End of Year	<u>\$ 614</u>	<u>\$ 712</u>	<u>\$ 547</u>	<u>\$ 621</u>	<u>\$ 547</u>	<u>\$ 547</u>

Child Safety Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Interest on Investments	\$ 93	\$ 80	\$ 80	14	\$ 80	80
Municipal Courts Collections	941	3,000	3,000	167	3,000	3,000
Harris County Collections	2,354	900	900	577	900	900
Total Revenues	<u>3,388</u>	<u>3,980</u>	<u>3,980</u>	<u>758</u>	<u>3,980</u>	<u>3,980</u>
<b>Expenditures</b>						
School Crossing Guard Program	3,037	5,043	5,043	0	4,493	4,493
Miscellaneous Parts and Supplies	3	3	3	0	3	3
Total Expenditures	<u>3,040</u>	<u>5,046</u>	<u>5,046</u>	<u>0</u>	<u>4,496</u>	<u>4,496</u>
Net Current Activity	348	(1,066)	(1,066)	758	(516)	(516)
Fund Balance, Beginning of Year	<u>168</u>	<u>516</u>	<u>516</u>	<u>516</u>	<u>516</u>	<u>516</u>
Fund Balance, End of Year	<u>\$ 516</u>	<u>\$ (550)</u>	<u>\$ (550)</u>	<u>1,274</u>	<u>\$ 0</u>	<u>\$ 0</u>

Digital Automated Red Light Enforcement Program Fund  
For the period ending September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Red Light Enforcement Revenue	\$ -	\$ 7,580	\$ 7,580	\$ 4,501	\$ 10,500	\$ 10,500
Interest Income	-	150	150	24	150	150
Total Revenues	-	7,730	7,730	4,525	10,650	10,650
<b>Expenditures</b>						
Personnel	-	4,944	3,932	234	4,952	4,952
Supplies	-	7	10	10	10	10
Other Services	-	3,853	3,853	530	5,047	5,047
Non-Capital Equipment	-	1,376	2,385	159	2,386	2,386
Capital Equipment	-	500	500	-	500	500
State of Texas' Share	-	-	-	-	2,919	2,919
Total Expenditures	-	10,680	10,680	933	15,814	15,814
<b>Other Financing Sources (Uses)</b>						
Transfer In	-	2,950	2,950	2,950	5,164	5,164
Total Other Financing Sources	-	2,950	2,950	2,950	5,164	5,164
Net Current Activity	-	-	-	6,542	-	-
Fund Balance, Beginning of Year	-	-	-	0	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ 6,542	\$ -	\$ -

Digital Houston Fund  
For the period ending September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
WIFI Revenues	\$ 5,000	\$ -	\$ -	\$ (4)	\$ -	\$ -
Interest Income	175	200	200	46	200	200
Total Revenues	5,175	200	200	42	200	200
<b>Expenditures</b>						
Personnel	49	168	168	28	168	168
Supplies	1	23	30	7	30	30
Other Services	300	1,116	1,084	37	1,084	1,084
Equipment	-	800	800	-	800	800
Capital Purchases	-	-	25	9	25	25
Total Expenditures	350	2,107	2,107	81	2,107	2,107
Net Current Activity	4,825	(1,907)	(1,907)	(39)	(1,907)	(1,907)
Fund Balance, Beginning of Year	-	4,825	4,825	4,825	4,825	4,825
Fund Balance, End of Year	\$ 4,825	\$ 2,918	\$ 2,918	\$ 4,786	\$ 2,918	\$ 2,918

Houston Emergency Center  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Current Revenues	\$ 20,147	\$ 22,293	\$ 22,293	\$ 3,140	\$ 22,293	\$ 22,293
Total Revenues	<u>20,147</u>	<u>22,293</u>	<u>22,293</u>	<u>3,140</u>	<u>22,293</u>	<u>22,293</u>
<b>Expenditures</b>						
Maintenance and Operations	20,088	22,435	22,435	4,769	22,435	22,435
Total Expenditures	<u>20,088</u>	<u>22,435</u>	<u>22,435</u>	<u>4,769</u>	<u>22,435</u>	<u>22,435</u>
Net Current Activity	59	(142)	(142)	(1,629)	(142)	(142)
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Fund Balance, Beginning of Year	<u>109</u>	<u>168</u>	<u>168</u>	<u>168</u>	<u>168</u>	<u>168</u>
Fund Balance, End of Year	<u>\$ 168</u>	<u>\$ 26</u>	<u>\$ 26</u>	<u>\$ (1,461)</u>	<u>\$ 26</u>	<u>\$ 26</u>

Houston Transtar Center  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Other Grant Awards	\$ 1,326	\$ 1,466	\$ 1,466	\$ 371	\$ 1,466	\$ 1,466
Other Service Charges	572	639	639	188	639	639
Misc. Revenue	3	0	0	0	0	0
Interest Income	29	12	12	6	12	12
Total Revenues	<u>1,930</u>	<u>2,117</u>	<u>2,117</u>	<u>565</u>	<u>2,117</u>	<u>2,117</u>
<b>Expenditures</b>						
Maintenance and Operations	1,556	2,723	2,723	391	2,723	2,723
Total Expenditures	<u>1,556</u>	<u>2,723</u>	<u>2,723</u>	<u>391</u>	<u>2,723</u>	<u>2,723</u>
Net Current Activity	374	(606)	(606)	174	(606)	(606)
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Fund Balance, Beginning of Year	<u>352</u>	<u>726</u>	<u>726</u>	<u>726</u>	<u>726</u>	<u>726</u>
Fund Balance, End of Year	<u>\$ 726</u>	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 900</u>	<u>\$ 120</u>	<u>\$ 120</u>

Juvenile Case Manager  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Current Revenues	\$ 282	\$ 250	\$ 250	\$ 195	\$ 816	\$ 816
Total Revenues	<u>282</u>	<u>250</u>	<u>250</u>	<u>195</u>	<u>816</u>	<u>816</u>
	0					
<b>Expenditures</b>						
Personnel	0	233	233	0	233	233
Supplies	0	7	7	0	7	7
Other Services and Charges	0	37	37	0	37	37
Total Expenditures	<u>0</u>	<u>278</u>	<u>278</u>	<u>0</u>	<u>278</u>	<u>278</u>
Net Current Activity	282	(28)	(28)	195	538	538
Fund Balance, Beginning of Year	0	282	282	282	282	282
Fund Balance, End of Year	<u>\$ 282</u>	<u>\$ 254</u>	<u>\$ 254</u>	<u>\$ 477</u>	<u>\$ 820</u>	<u>\$ 820</u>

Mobility Response Team Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Police Services	\$ 1	\$ 600	\$ 600	\$ -	\$ 600	\$ 600
Interest Income	465	400	400	98	400	400
Total Revenues	<u>466</u>	<u>1,000</u>	<u>1,000</u>	<u>98</u>	<u>1,000</u>	<u>1,000</u>
<b>Expenditures</b>						
Personnel	1,443	2,214	2,214	420	2,214	2,214
Supplies	55	84	84	1	84	84
Other Services	147	960	960	230	960	960
Non-Capital Purchases	16	-	-	-	-	-
Capital Purchases	457	176	176	134	176	176
Total Expenditures	<u>2,118</u>	<u>3,434</u>	<u>3,434</u>	<u>785</u>	<u>3,434</u>	<u>3,434</u>
<b>Other Financing Sources (Uses)</b>						
Transfer In	950	-	-	-	-	-
Total Other Financing Sources	<u>950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Current Activity	(702)	(2,434)	(2,434)	(687)	(2,434)	(2,434)
Fund Balance, Beginning of Year	10,195	9,493	9,493	9,493	9,493	9,493
Fund Balance, End of Year	<u>\$ 9,493</u>	<u>\$ 7,059</u>	<u>\$ 7,059</u>	<u>\$ 8,806</u>	<u>\$ 7,059</u>	<u>\$ 7,059</u>

Parks Special Revenue Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Concessions	\$ 1,680	\$ 1,657	\$ 1,657	\$ 398	\$ 1,657	\$ 1,657
Facility/Admissions/User Fees	54	60	60	9	60	60
Program Fees	461	400	400	132	400	400
Rental of Property	1,568	1,452	1,452	397	1,452	1,452
Licenses and Permits	182	142	142	40	142	142
Interest Income	176	100	100	41	100	100
Golf and Tennis	3,551	3,437	3,437	792	3,437	3,437
Other	143	126	126	40	126	126
<b>Total Revenues</b>	<u>7,815</u>	<u>7,374</u>	<u>7,374</u>	<u>1,850</u>	<u>7,374</u>	<u>7,374</u>
<b>Expenditures</b>						
Personnel	4,078	4,853	4,843	1,113	4,843	4,843
Supplies	1,600	1,295	1,290	205	1,290	1,290
Other Services	1,189	1,268	1,263	227	1,263	1,263
Capital Outlay	824	376	396	0	396	396
Non-Capital Outlay	0	0	0	0	0	0
<b>Total Expenditures</b>	<u>7,691</u>	<u>7,792</u>	<u>7,792</u>	<u>1,544</u>	<u>7,792</u>	<u>7,792</u>
<b>Operating Transfers</b>						
Operating Transfers In	0	0	0	0	0	0
Operating Transfers Out	(287)	(425)	(425)	0	(425)	(425)
<b>Total Operating Transfers Out</b>	<u>(287)</u>	<u>(425)</u>	<u>(425)</u>	<u>0</u>	<u>(425)</u>	<u>(425)</u>
Net Current Activity	(164)	(843)	(843)	306	(843)	(843)
Fund Balance, Beginning of Year	3,748	3,585	3,585	3,585	3,585	3,585
Fund Balance, End of Year	<u>\$ 3,585</u>	<u>\$ 2,742</u>	<u>\$ 2,742</u>	<u>\$ 3,890</u>	<u>\$ 2,742</u>	<u>\$ 2,742</u>

Police Special Services Fund  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Police Fees	\$ 20,722	\$ 13,818	\$ 13,818	\$ 2,415	\$ 13,818	\$ 13,818
Interest Income	487	200	200	141	200	200
Other	269	5	5	2	5	5
Interfund Transfers	1,497	1,156	1,156	0	1,156	1,156
<b>Total Revenues</b>	<u>22,975</u>	<u>15,179</u>	<u>15,179</u>	<u>2,558</u>	<u>15,179</u>	<u>15,179</u>
<b>Expenditures</b>						
Personnel	7,585	10,713	10,713	1,692	10,713	10,713
Supplies	1,637	3,038	2,229	29	2,229	2,229
Other Services	5,797	3,998	3,834	396	3,834	3,834
Non-Capital Purchases	109	22	382	(2)	308	308
Capital Purchases	1,060	3,021	3,634	228	3,708	3,708
State of Texas' 50% Share	3,713	0	0	0	0	0
Interfund Transfers	0	2,950	2,950	2,950	5,164	5,164
<b>Total Expenditures</b>	<u>19,901</u>	<u>23,742</u>	<u>23,742</u>	<u>5,293</u>	<u>25,956</u>	<u>25,956</u>
<b>Pension Bond Proceeds</b>	0	0	0	0	0	0
Net Current Activity	3,074	(8,563)	(8,563)	(2,735)	(10,777)	(10,777)
Fund Balance, Beginning of Year	9,759	12,833	12,833	12,833	12,833	12,833
Fund Balance, End of Year	<u>\$ 12,833</u>	<u>\$ 4,270</u>	<u>\$ 4,270</u>	<u>\$ 10,098</u>	<u>\$ 2,056</u>	<u>\$ 2,056</u>

Sign Administration  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Sign and Permit Fees	\$ 2,970	\$ 2,947	\$ 2,947	\$ 682	\$ 2,947	\$ 2,947
Interest Income	102	104	104	24	104	104
Miscellaneous	2	2	2	1	2	2
Total Revenues	<u>3,074</u>	<u>3,053</u>	<u>3,053</u>	<u>707</u>	<u>3,053</u>	<u>3,053</u>
<b>Expenditures</b>						
Maintenance and Operations	<u>2,756</u>	<u>3,581</u>	<u>3,581</u>	<u>705</u>	<u>3,581</u>	<u>3,581</u>
Total Expenditures	<u>2,756</u>	<u>3,581</u>	<u>3,581</u>	<u>705</u>	<u>3,581</u>	<u>3,581</u>
Net Current Activity	<u>318</u>	<u>(528)</u>	<u>(528)</u>	<u>2</u>	<u>(528)</u>	<u>(528)</u>
Fund Balance, Beginning of Year	<u>1,727</u>	<u>2,045</u>	<u>2,045</u>	<u>2,045</u>	<u>2,045</u>	<u>2,045</u>
Fund Balance, End of Year	<u>\$ 2,045</u>	<u>\$ 1,517</u>	<u>\$ 1,517</u>	<u>\$ 2,047</u>	<u>\$ 1,517</u>	<u>\$ 1,517</u>

Supplemental Environmental Protection  
For the period ended September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Revenues</b>						
Current Revenues	\$ 30	\$ 30	\$ 30	\$ 1	\$ 30	\$ 30
Interest Income	26	20	20	4	20	20
Total Revenues	<u>56</u>	<u>50</u>	<u>50</u>	<u>5</u>	<u>50</u>	<u>50</u>
<b>Expenditures</b>						
Supplies	47	25	25	0	25	25
Other Services	43	63	41	5	41	41
Non-Capital Purchases	72	0	0	0	0	0
Capital Purchases	40	190	212	0	212	212
Total Expenditures	<u>202</u>	<u>278</u>	<u>278</u>	<u>5</u>	<u>278</u>	<u>278</u>
Net Current Activity	<u>(146)</u>	<u>(228)</u>	<u>(228)</u>	<u>0</u>	<u>(228)</u>	<u>(228)</u>
Fund Balance, Beginning of Year	<u>563</u>	<u>417</u>	<u>417</u>	<u>417</u>	<u>417</u>	<u>417</u>
Fund Balance, End of Year	<u>\$ 417</u>	<u>\$ 189</u>	<u>\$ 189</u>	<u>\$ 417</u>	<u>\$ 189</u>	<u>\$ 189</u>

Technology Fee Fund  
For the period ending September 30, 2008  
(amounts expressed in thousands)

	Unaudited Preliminary FY2008	FY2009				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
<b>Revenues</b>						
Municipal Court Fines	\$ 1,564	\$ 1,306	\$ 1,306	\$ 279	\$ 1,306	\$ 1,306
Interest Income	161	170	170	39	170	170
Total Revenues	<u>1,725</u>	<u>1,476</u>	<u>1,476</u>	<u>318</u>	<u>1,476</u>	<u>1,476</u>
<b>Expenditures</b>						
Personnel	244	379	379	95	379	379
Supplies	-	-	-	44	-	-
Other Services	534	1,851	2,012	-	1,851	2,012
Equipment	-	-	-	-	-	-
Debt Service	275	1,074	1,074	-	1,074	1,074
Capital Purchases	-	400	239	-	400	239
Total Expenditures	<u>1,053</u>	<u>3,703</u>	<u>3,703</u>	<u>139</u>	<u>3,703</u>	<u>3,703</u>
Net Current Activity	672	(2,228)	(2,228)	179	(2,228)	(2,228)
Fund Balance, Beginning of Year	<u>3,131</u>	<u>3,803</u>	<u>3,803</u>	<u>3,803</u>	<u>3,803</u>	<u>3,803</u>
Fund Balance, End of Year	<u>\$ 3,803</u>	<u>\$ 1,576</u>	<u>\$ 1,576</u>	<u>\$ 3,982</u>	<u>\$ 1,576</u>	<u>\$ 1,576</u>

**City of Houston, Texas**  
**Commercial Paper Issued and Available**  
**as of September 30, 2008**  
**(amounts expressed in millions)**

<b>COMMERCIAL PAPER</b>	<b>Draws FY09</b>	<b>Draws Month</b>	<b>Refunded FY09</b>	<b>Amount Available to be Drawn</b>	<b>Amount Outstanding</b>
<b>General Obligation</b>					
Voter Authorized 2001 Election					
<i>Series D</i>	15.00	0.00	0.00	15.00	424.45
<i>Series G</i>	16.00	10.00	0.00	237.00	39.00
Voter Authorized 2006 Election					
<i>Series D</i>	0.00	0.00	0.00	65.55	0.00
<i>Series E Equipment and Capital</i>					
<i>Equipment &amp; Capital Series E1</i>	0.00	0.00	0.00	68.00	104.07
<i>Miscellaneous Land Series E1</i>	0.00	0.00	0.00	0.00	7.93
<i>Equipment &amp; Capital Series E2</i>	0.00	0.00	0.00	55.00	0.00
<i>Metro Street Projects Series E2</i>	0.00	0.00	10.00	53.00	37.00
<i>Cotswold Project</i>	0.00	0.00	0.00	0.00	0.00
<i>West Eleventh Street Park</i>	0.00	0.00	0.00	0.00	0.00
<i>Friends of Libraries</i>	0.00	0.00	0.00	0.00	0.00
<i>Series F: Drainage</i>	<u>5.00</u>	<u>5.00</u>	<u>0.00</u>	<u>101.00</u>	<u>39.50</u>
<b>Total General Obligation</b>	36.00	15.00	10.00	594.55	651.95
<b>Combined Utility System</b> <i>(Series A)</i>	60.00	0.00	0.00	683.50	216.50
<b>Airport System</b> <i>(Series A, B, &amp; C)</i>	10.00	10.00	0.00	217.00	93.00
<b>Convention &amp; Entertainment</b> <i>(Series A)</i>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>31.20</u>	<u>43.80</u>
<b>Totals</b>	<u>\$ 106.00</u>	<u>\$ 25.00</u>	<u>\$ 10.00</u>	<u>\$ 1,526.25</u>	<u>\$ 1,005.25</u>

**City of Houston, Texas**  
**Summarized Construction/Bond Fund Status Report**  
**For the period ended September 30, 2008**  
**(amounts expressed in thousands)**

<b>Purpose</b>	<b>Available for Appropriation</b>
<b>Dangerous Buildings</b>	
Total Dangerous Buildings Funds	\$ 2,506
<b>Equipment Acquisition and Other Capital</b>	
Total Equipment Acquisition and Other Capital	70,130
<b>Public Improvement</b>	
Total Fire Department	3,276
Total Housing	3,737
Total General Improvement	12,586
Total Public Health and Welfare	901
Total Public Library	7,577
Total Parks and Recreation	3,919
Total Police Department	15,161
Total Solid Waste	4,197
Total Storm Sewer	28,777
Total Street & Bridge except Metro	71,693
Street & Bridge - Metro Projects	2,803
Total Public Improvement	154,627
<b>Airport</b>	
Total Airport	321,060
<b>Convention and Entertainment Facilities</b>	
Total Convention and Entertainment	22,974
<b>Combined Utility System</b>	
Total Combined Utility System - Any Purpose	58,435
Combined Utility System - Restricted Purposes	50,135
Total Combined Utility System	108,570
<b>Total All Purposes</b>	\$ 679,867

City of Houston, Texas  
Construction & Bond Status Report  
For the period ended September 30, 2008  
(amounts expressed in thousands)

Fund No.	Fund Name	Original Amount	Cash/ Investments	Draw down Available	Net Resources Available	Unexpended (a) Appropriation	Available for Appropriation
<b>Dangerous Buildings</b>							
1801D3	Dangerous Bldg General Fund Advance	3,500	101	0	101	0	101
1801D4	Dangerous Building Demolition Series 2007B	9,000	53	0	53	0	53
1801	Dangerous Bldg. Consolidations	n/a	7,083	n/a	7,037	4,685	2,352
	<b>Total Dangerous Building Funds</b>	<b>12,500</b>	<b>7,237</b>	<b>0</b>	<b>7,191</b>	<b>4,685</b>	<b>2,506</b>
<b>Equipment and Other Capital</b>							
1800D1	Series E-1 Equipment & Capital Consolidating	172,067	0	67,997	0	0	0
1800D3	Series E-2 Equipment & Capital Consolidating	55,000	0	55,000	52,500	0	52,500
1800	Equipment Acquisition Consolidated Fund	n/a	6,895	n/a	64,174	51,652	12,522
1850	Reimbursable of Equipment/Projects to Debt Service	n/a	364	0	13,379	8,271	5,107
	<b>Total Equipment Acquisition Funds</b>	<b>227,067</b>	<b>7,259</b>	<b>122,997</b>	<b>130,053</b>	<b>59,923</b>	<b>70,130</b>
<b>Public Improvement</b>							
4017	Fire Dept. Emergency Alerting System	n/a	1,623	0	1,442	413	1,030
4803C	Fire Dept CP Series G 2001 Election	18,580	0	7,880	0	0	0
4804C	Fire CP Series D 2006 Election	3,000	0	3,000	0	0	0
4500	Fire Bond Consolidated	n/a	2,051	n/a	13,129	10,882	2,247
	<b>Total Fire Department</b>	<b>21,580</b>	<b>3,674</b>	<b>10,880</b>	<b>14,571</b>	<b>11,294</b>	<b>3,276</b>
4801P	Housing CP Series D 2001 Election	8,270	2,420	850	0	0	0
4803P	Housing CP Series G 2001 Election	11,730	0	11,730	0	0	0
4804P	Housing CP Series D 2006 Election	1,000	0	1,000	0	0	0
4501	Housing Consolidated Fund	n/a	248	0	15,852	12,115	3,737
	<b>Total Housing</b>	<b>21,000</b>	<b>2,668</b>	<b>13,580</b>	<b>15,852</b>	<b>12,115</b>	<b>3,737</b>
4801D	Perm. & Gen. Imprv. CP Series D 2001 Election	33,037	257	0	0	0	0
4803D	General Improvemt CP Series G 2001 Election	22,963	0	22,963	0	0	0
4804D	General Improvemt CP Series D 2006 Election	6,550	0	6,550	0	0	0
4509	General Improvement Consolidated Fund	n/a	700	0	29,967	22,323	7,644
4023	Certificates of Obligation Series 2001A (Cotswold)	12,200	733	0	733	82	651
4025	MUD Series 2001A	9,235	3,468	0	3,468	326	3,142
4026	Certificates of Obligation Series 2002A (Cotswold)	12,400	727	0	727	637	90
4028	MUD PIBS Series 2003A-1	2,100	1,070	0	1,060	0	1,060
	<b>Total General Improvement</b>	<b>98,485</b>	<b>6,955</b>	<b>29,513</b>	<b>35,955</b>	<b>23,368</b>	<b>12,586</b>
4801H	Public Health CP Series D 2001 Election	9,295	0	0	0	0	0
4803H	Public Health CP Series G 2001 Election	2,705	0	1,205	0	0	0
4804H	Public Health CP Series D 2006 Election	5,000	0	5,000	0	0	0
4508	Public Health Consolidated Fund	n/a	1,687	0	7,031	6,130	901
	<b>Total Public Health &amp; Welfare</b>	<b>17,000</b>	<b>1,687</b>	<b>6,205</b>	<b>7,031</b>	<b>6,130</b>	<b>901</b>
4018	Library Capital Projects Fund	n/a	3,481	0	3,276	7,279	(4,003)
4033	Friends of Libraries Series E (06)	0	22	0	22	22	(1)
4801E	Public Library CP Series D 2001 Election	26,500	1,000	0	0	0	0
4803E	Public Library CP Series G 2001 Election	13,500	0	13,500	0	0	0
4804E	Public Library CP Series D 2006 Election	12,000	0	12,000	0	0	0
4507	Public Library Consolidated Fund	n/a	1,135	0	26,058	14,478	11,581
	<b>Total Public Library</b>	<b>52,000</b>	<b>5,637</b>	<b>25,500</b>	<b>29,356</b>	<b>21,779</b>	<b>7,577</b>
4011	Parks Capital Project Fund	n/a	653	0	649	550	99
4012	Parks Special Fund	n/a	1,223	0	1,194	1,568	(374)
4038	Land Acquisition - Soccer Series E	7,932	316	3	19	1	18
4801F	Parks & Recreation CP Series D 2001 Election	35,498	0	0	0	0	0
4803F	Parks & Recreation CP Series G 2001 Election	16,900	0	10,100	0	0	0
4804F	Parks & Recreation CP Series D 2006 Election	9,000	0	9,000	0	0	0
4502	Parks Consolidated Fund	n/a	1,835	0	20,825	16,649	4,176
	<b>Total Parks and Recreation</b>	<b>69,330</b>	<b>4,027</b>	<b>19,103</b>	<b>22,687</b>	<b>18,768</b>	<b>3,919</b>
4801G	Police CP Series D 2001 Election	5,320	0	0	0	0	0
4803G	Police CP Series G 2001 Election	23,680	0	13,880	0	0	0
4804G	Police CP Series D 2006 Election	20,500	0	20,500	0	0	0
4504	Police Consolidated Fund	n/a	476	0	34,161	19,001	15,161
	<b>Total Police Department</b>	<b>95,560</b>	<b>476</b>	<b>34,380</b>	<b>34,161</b>	<b>19,001</b>	<b>15,161</b>
4001	Solid Waste Special Revenue Fund	n/a	369	0	369	0	369
4803L	Solid Waste Mgt. CP Series G (06)	9,022	0	5,322	0	0	0
4503	Solid Waste Consolidated Fund	n/a	1,055	0	6,143	2,315	3,828
	<b>Total Solid Waste</b>	<b>9,022</b>	<b>1,423</b>	<b>5,322</b>	<b>6,512</b>	<b>2,315</b>	<b>4,197</b>
4801R	Storm Sewer CP Series D 2001 Election	61,800	0	2,150	0	0	0
4505	Storm Sewer Consolidated Fund	n/a	717	0	2,676	2,350	326
4030	Series F Drainage Improvement Commercial Paper	139,500	12,624	100,000	108,056	79,993	28,063
4024	Series C Commercial Paper Storm & Overlay Fund	19,100	2,076	0	2,024	1,636	388
	<b>Total Storm Sewer</b>	<b>220,400</b>	<b>15,416</b>	<b>102,150</b>	<b>112,756</b>	<b>83,979</b>	<b>28,777</b>

City of Houston, Texas  
Construction & Bond Status Report  
For the period ended September 30, 2008  
(amounts expressed in thousands)

Fund No.	Fund Name	Original Amount	Cash/ Investments	Draw down Available	Net Resources Available	Unexpended (a) Appropriation	Available for Appropriation
4801N	St., Bridges & Traf. CP Series D 2001 Election	247,730	628	0	0	0	0
4803N	St., Bridges & Traf. CP Series G 2001 Election	156,920	6,500	150,420	0	0	0
4804N	St., Bridges & Traf. CP Series D 2006 Election	8,500	0	8,500	0	0	0
4506	Street & Bridge Consolidated Fund	n/a	5,733	0	168,716	144,794	23,922
4006	Street & Bridge Construction Fund	n/a	4,639	0	4,245	541	3,705
4034	Limited Use Roadway & Mobility Capital Fund	26,000	29,761	0	29,654	3,248	26,405
2304	Mobility Response Team	10,000	9,048	0	8,905	189	8,716
4010	MTA Construction Fund	n/a	2,101	0	2,101	156	1,945
4801S	St. Bridges Utility Relocation Set-Aside	7,000	0	7,000	7,000	0	7,000
	Total Street and Bridge without Metro	456,150	58,410	165,920	220,621	148,928	71,693
4027	Metro Street Fund Series E (04)	90,000	5,849	53,000	56,124	53,322	2,803
	Total Public Improvement	1,150,527	106,222	465,553	555,626	400,999	154,627
<b>Airport</b>							
8201A1	Airport System Construction 2002A (AMT)	129,120	5,510	0	53	0	53
8201	Airport System Consolidated 2001 (AMT)	200,000	556	n/a	5,811	5,322	489
	Sub-Total	329,120	6,066	0	5,863	5,322	541
8202A2	Airport System 2002B (Non-AMT) Const.	213,347	63	0	1	0	1
8202	Airport System Consolidated 2001 (Non-AMT)	100,000	8,156	0	8,579	4,900	3,679
	Sub-Total	313,347	8,219	0	8,579	4,900	3,679
8200A1	Airport System Commercial Paper AMT		0	0	0	0	0
8200A2	Airport System RevBd 2000A (AMT)	327,225	4,731	0	45	0	45
8200	Airport System Consolidated Const 2000 (AMT)	n/a	1,156	0	5,174	8,189	(3,015)
	Sub-Total	327,225	5,888	0	5,219	0	(2,969)
8203A1	Airport System Commercial Paper 2004 (AMT)	200,000	10	151,000	0	0	0
8203	Airport System Consolidated Const. 2004 (AMT)	n/a	11,345	0	156,717	140,594	16,123
	Sub-Total	200,000	11,356	151,000	156,717	140,594	16,123
8204A1	Airport System Commercial Paper 2004 (Non-AMT)	0	0	0	0	0	0
8204A2	Airport System Commercial Paper 2008 (Non-AMT)	100,000	0	56,000	0	0	0
8204	Airport System Consolidated Const. 2004 (Non-AMT)	n/a	535	0	55,681	55,459	222
	Sub-Total	100,000	535	56,000	55,681	55,459	222
	Total Airport Consolidated Funds	1,269,692	32,064	207,000	232,060	206,275	17,596
8006	Airport System Rev Bd fund - 1998B (AMT)	395,643	10,058	0	8,614	9,936	(1,322)
8007	Airport System Rev Bd fund - 1998C (Non-AMT)	99,028	0	0	0	0	0
8008	Airport System RevBd 2000B (Non-AMT) Const.	269,240	3,549	0	3,534	2,143	1,391
8010	Airport System R & R Fund	n/a	12,903	0	12,893	12	12,881
8011	Airport System Improvement Fund	n/a	492,686	0	491,026	200,513	290,513
	Total Other Funds	763,911	519,195	0	516,067	212,604	303,463
	Total Airport	2,033,603	551,260	207,000	748,127	418,879	321,060
<b>Convention &amp; Entertainment Facilities</b>							
8800A1	GRB Construction Fund Ser. 2001A&B	137,516	0	0	0	0	0
8800	GRB Consolidated Construction Fund	n/a	1,902	n/a	1,437	1,462	(25)
	Total GRB Construction Funds	137,516	1,902	0	1,437	1,462	(25)
8614	Convention & Ent. Comm. Paper-Ser A - 2003	53,500	0	31,000	31,000	0	31,000
8632	Convention & Ent. Underground Parking	21,500	147	200	9,896	21,500	(11,604)
8603	Theater District R&R	n/a	0	0	0	0	0
8611	C & E Construction Fund	n/a	4,287	0	4,287	683	3,604
	Total Civic Center	212,516	6,337	31,200	46,619	23,645	22,974
<b>Combined Utility System - Unrestricted</b>							
8500A2	Water & Sewer TWDB Available Funds	n/a	0	0	0	0	0
8500A1	Combined Utility System CP Fund	898,000	42	681,500	42	0	42
8500	W&S Consolidated Construction	n/a	1,116	0	677,848	619,456	58,393
	Total Combined Utility System Consolidated Fund	898,000	1,158	681,500	677,891	619,456	58,435
<b>Restricted Bond and Capital Money</b>							
8502	Water & Sewer Utility Relocation Set-Aside	2,000	0	2,000	2,000	0	2,000
8319	Water Contributed Capital Fund	n/a	147,753	0	151,454	107,426	44,028
8327	Sewer Reg Cap Recovery Fd	n/a	5,456	0	5,456	0	5,456
8339	Water & Sewer Bond Project Trust Account 04 A1	84,385	0	0	0	0	0
8340	Water & Sewer Bond Project Trust Account 04 A2	96,705	2,117	0	68	0	68
8374	Water & Sewer TWDB Bond Trust Account 2006	61,545	14	0	14	1,765	(1,751)
8375	Water & Sewer TWDB Bond Trust Account 2006A	69,595	9,946	0	334	0	334
	Total Restricted TWDB and Other	314,230	165,287	2,000	159,327	109,191	50,135
	Total Combined Utility System	1,212,230	166,446	683,500	837,217	728,647	108,570
	Total All Funds	\$ 4,848,443	\$ 844,761	\$ 1,510,250	\$ 2,324,834	\$ 1,636,778	\$ 679,867

Net Resources Available is equal to Current Assets less Current Liabilities.  
Negative balances have been referred to departments for corrections  
Commercial Paper drawn on 2/1/08.

City of Houston, Texas  
Commercial Paper (CP) Notes Status Report  
For the period ended September 30, 2008  
(amounts expressed in thousands)

Fund No.	Fund Name	Authorized Amount	CP Notes Issued	Authorized but Unissued	Available for Appropriation	Combined Available for Appropriation
<b>General Obligation</b>						
4801G	Police CP Series D 2001 Election	5,320	5,320	0		
4803G	Police CP Series G 2001 Election	23,680	9,800	13,880	0	
4804G	Police CP Series D 2006 Election	20,500	0	20,500	15,161	15,161
4801F	Parks & Recreation CP Series D 2001 Ele	35,498	35,498	0		
4803F	Parks & Recreation CP Series G 2001 Ele	16,900	6,800	10,100	(4,824)	
4804F	Parks & Recreation CP Series D 2006 Ele	9,000	0	9,000	9,000	4,176
4038	Land Acquisition - Soccer Series E	7,932	7,929	3	18	18
4803C	Fire Dept CP Series G 2001 Election	18,580	10,700	7,880	0	
4804C	Fire CP Series D 2006 Election	3,000	0	3,000	2,247	2,247
4803L	Solid Waste Mgt. CP Series G (06)	9,022	3,700	5,322	3,828	3,828
4801E	Public Library CP Series D 2001 Election	26,500	26,500	0	0	
4803E	Public Library CP Series G 2001 Election	13,500	0	13,500	(419)	
4804E	Public Library CP Series D 2006 Election	12,000	0	12,000	12,000	11,581
4801D	Perm. & Gen. Imprv. CP Series D 2001 El	33,037	33,037	0	0	
4803D	General Improvemt CP Series G 2001 Ele	22,963	0	22,963	1,094	
4804D	General Improvemt CP Series D 2006 Ele	6,550	0	6,550	6,550	7,644
4801N	St., Bridges & Traf. CP Series D 2001 Ele	247,730	247,730	0	0	0
4803N	St., Bridges & Traf. CP Series G 2001 Ele	156,920	6,500	150,420	15,422	
4804N	St., Bridges & Traf. CP Series D 2006 Ele	8,500	0	8,500	8,500	23,922
4801S	St. Utility Relocation Set-Aside Series D	7,000	0	7,000	7,000	7,000
4027	Metro Street Projects, Series E	90,000	37,000	53,000	2,803	2,803
4801H	Public Health CP Series D 2001 Election	9,295	9,295	0	0	
4803H	Public Health CP Series G 2001 Election	2,705	1,500	1,205	0	
4804H	Public Health CP Series D 2006 Election	5,000	0	5,000	901	901
4801R	Storm Sewer CP Series D 2001 Election	61,800	59,650	2,150	326	326
4030	Drainage Projects Series F	139,500	39,500	100,000	28,063	28,063
4801P	Housing CP Series D 2001 Election	8,270	7,420	850	0	
4803P	Housing CP Series G 2001 Election	11,730	0	11,730	2,737	
4804P	Housing CP Series D 2006 Election	1,000	0	1,000	1,000	3,737
1800D1	Equipment Acquisition, Series E-1	172,067	104,070	67,997	12,522	12,522
1800D3	Equipment & Capital, Series E-2	55,000	0	55,000	57,607	57,607
	<b>Total General Obligation CP Notes</b>	<b>1,240,499</b>	<b>651,949</b>	<b>588,550</b>	<b>181,536</b>	<b>181,536</b>
<b>Airport</b>						
8203A1	Airport System 2004 (AMT)	200,000	49,000	151,000	16,123	16,123
8204A2	Airport System 2008 (Non-AMT)	100,000	44,000	56,000	222	222
		<u>300,000</u>	<u>93,000</u>	<u>207,000</u>	<u>16,345</u>	<u>16,345</u>
<b>Convention and Entertainment</b>						
8614	Equipment Acquisition, C&E	53,500	22,500	31,000	31,000	31,000
8632	Convention & Ent. Underground Parking	21,500	21,300	200	(11,604)	(11,604)
		<u>75,000</u>	<u>43,800</u>	<u>31,200</u>	<u>19,395</u>	<u>19,395</u>
<b>Combined Utility System</b>						
8500A1	Combined Utility System CP	898,000	216,500	681,500	58,393	58,393
8502	Water & Sewer Utility Relocation Set-Asid	2,000	0	2,000	2,000	2,000
		<u>900,000</u>	<u>216,500</u>	<u>683,500</u>	<u>60,393</u>	<u>60,393</u>
	<b>Total All Commercial Paper</b>	<b>\$ 2,515,499</b>	<b>\$ 1,005,249</b>	<b>\$ 1,510,250</b>	<b>\$ 277,669</b>	<b>\$ 277,669</b>

**City of Houston, Texas**  
**Total Outstanding Debt**  
**September 30, 2008 and September 30, 2007**  
**(amounts expressed in thousands)**

	September 30, 2008	September 30, 2007
<b>Payable from Ad Valorem Taxes</b>		
Public Improvement Bonds <sup>(a)</sup>	\$ 1,798,150	\$ 1,760,090
GO Commercial Paper Notes <sup>(b)</sup>	651,950	586,600
Pension Obligations	567,481	515,933
Certificates of Obligations <sup>(c)</sup>	89,000	82,412
Subtotal	3,106,581	2,945,035
<b>Payable from Sources Other Than Ad Valorem Taxes</b>		
Combined Utility System		
Combined Utility System Revenue Bonds	4,145,405	4,052,865
Combined Utility System Commercial Paper Notes <sup>(d)</sup>	216,500	70,000
Water and Sewer System Revenue Bonds <sup>(e)</sup>	942,654	958,366
Airport System		
Airport System Revenue Bonds	2,090,905	2,133,030
Airport System Sr. Lien Commercial Paper Notes <sup>(f)</sup>	93,000	52,000
Airport System Inferior Lien Contracts <sup>(g)</sup>	45,820	49,700
Airport Special Facilities Revenue Bonds <sup>(h)</sup>	585,440	590,710
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds <sup>(i)</sup>	600,515	611,259
Hotel Occupancy Tax Commercial Paper <sup>(j)</sup>	43,800	41,500
Contract Revenue Obligations - CWA, TRA	184,645	206,115
Subtotal	8,948,684	8,765,545
<b>Total Debt Payable by the City</b>	<b>\$ 12,055,265</b>	<b>\$ 11,710,579</b>

- (a) In November 2001 the voters authorized \$776 million in tax bonds. In November 2006 voters authorized an additional \$625 million in tax bonds, including \$66 million authorized as Series D commercial paper.
- (b) The City has authorized maximum issuance of General Obligation Commercial Paper Programs Series D: \$500 million, E: \$325 million, F: \$139.5 million, and G: \$276 million. As of the date above, these amounts were outstanding: Series D: \$424.45 million, E: \$149.0 million, F: \$39.5 million, and G: \$39.0 million.
- (c) Includes \$2.4 million accreted value of capital appreciation certificates at this date and \$2.1 million last year.
- (d) The City has authorized issuance of \$900 million Combined Utility System Commercial Paper Notes.
- (e) Includes \$172.4 million accreted value of capital appreciation bonds at this date and \$171.6 million last year.
- (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 \$45.8 million for Series 1997A Special Facilities Bonds. See footnote (g).
- (i) Includes \$57.4 million accreted value of capital appreciation bonds at this date and \$48.0 million last year.
- (j) The City has authorized \$75 million Subordinate Lien Hotel Occupancy Tax and Parking Revenue Commercial Paper.

**FY2009 FULL TIME EQUIVALENT (FTE) REPORT**  
**(1 FTE Equals 2,088 Hours per year)**

	FY2008 Actual	FY2009 Budget	FY2009 (1) September	FY2009 (1) YTD AVG.	Overtime FY2008 Actual	Overtime FY2009 Budget	Overtime (1) FY2009 YTD
<b>ENTERPRISE FUNDS</b>							
Aviation	1,531.8	1,618.0	1,586.6	1,572.6	55.4	51.6	79.5
Convention and Entertainment Facilities	119.7	125.6	121.7	124.7	4.6	2.4	5.0
GSD - Parking Management	53.6	65.0	48.3	53.6	0.4	0.3	0.4
PW & E - Combined Utility System	2,154.6	2,364.6	2,181.4	2,146.3	134.3	118.5	198.2
<b>TOTAL ENTERPRISE FUNDS</b>	<b>3,859.7</b>	<b>4,173.2</b>	<b>3,938.0</b>	<b>3,897.2</b>	<b>194.7</b>	<b>172.8</b>	<b>283.1</b>
<b>GENERAL FUND</b>							
<b>GENERAL FUND MUNICIPAL</b>							
Administration and Regulatory Affairs	262.3	296.9	280.4	274.7	1.8	1.0	4.2
City Secretary	11.1	14.0	10.9	10.9	0.0	0.0	0.0
Controller's Office	74.6	80.5	75.5	73.8	0.1	0.0	0.0
Convention and Entertainment Facilities	0.4	0.0	0.5	3.5	0.0	0.0	0.0
Council Office	71.4	75.7	74.6	74.8	0.0	0.0	0.0
Finance Department	54.9	89.7	65.0	64.4	0.0	0.0	0.0
Fire Department	261.0	281.5	262.4	258.6	9.2	9.5	12.6
General Services	227.8	234.9	229.3	227.8	10.0	9.1	17.8
Health & Human Services	666.6	782.7	698.5	692.8	17.9	9.0	18.8
Housing & Community Development	1.3	3.0	2.0	2.0	0.0	0.0	0.0
Human Resources	39.1	45.1	37.5	37.0	0.0	0.0	0.2
Information Technology	140.0	156.3	150.2	149.5	0.3	0.0	1.4
Legal	158.7	170.8	161.2	159.4	0.0	0.0	0.0
Library	493.8	581.0	504.4	495.1	3.5	5.7	8.1
Mayor's Affirmative Action	32.4	40.5	33.7	33.8	0.0	0.0	0.0
Mayor's Office	39.6	38.8	37.2	37.1	0.0	0.0	0.1
Municipal Courts - Administration	261.6	276.6	285.0	283.4	0.6	1.0	1.8
Municipal Courts - Justice	49.4	56.0	48.7	49.0	0.0	0.0	0.0
Parks & Recreation	802.9	935.1	803.6	900.6	12.9	11.9	27.2
Planning & Development	97.1	109.6	103.0	103.7	0.0	0.0	0.0
Police Department	1,208.0	1,540.9	1,377.0	1,364.7	81.5	53.4	134.3
Public Works and Engineering	504.9	533.6	517.6	513.9	51.8	24.7	80.0
Solid Waste Management	603.0	635.4	603.3	601.3	52.0	45.6	48.4
<b>SUBTOTAL MUNICIPAL</b>	<b>6,061.9</b>	<b>6,978.6</b>	<b>6,361.5</b>	<b>6,411.8</b>	<b>241.6</b>	<b>170.9</b>	<b>354.9</b>
<b>GENERAL FUND CADETS</b>							
Fire Department	113.5	107.4	104.3	138.9	0.0	0.0	0.0
Police Department	176.8	263.4	203.5	178.9	0.0	0.0	0.0
<b>SUBTOTAL CADETS</b>	<b>290.3</b>	<b>370.8</b>	<b>307.8</b>	<b>317.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FY2009 FULL TIME EQUIVALENT (FTE) REPORT**  
**(1 FTE Equals 2,088 Hours per year)**

	FY2008 Actual	FY2009 Budget	FY2009 (1) September	FY2009 (1) YTD AVG.	Overtime FY2008 Actual	Overtime FY2009 Budget	Overtime (1) FY2009 YTD
<b>GENERAL FUND CLASSIFIED</b>							
Fire Department	3,822.8	3,908.1	3,877.3 (2)	3,840.0 (2)	174.7 (2)	213.3 (2)	244.2 (2)
Police Department	4,862.5	4,983.4	5,007.0	4,981.9	520.2 (3)	271.4 (3)	854.6 (3)
<b>SUBTOTAL CLASSIFIED</b>	<b>8,685.3</b>	<b>8,891.5</b>	<b>8,884.3</b>	<b>8,821.9</b>	<b>694.9</b>	<b>484.7</b>	<b>1,098.8</b>
<b>TOTAL GENERAL FUND</b>	<b>15,037.5</b>	<b>16,240.9</b>	<b>15,553.6</b>	<b>15,551.5</b>	<b>936.5</b>	<b>655.6</b>	<b>1,453.7</b>
<b>GRANTS &amp; SPECIAL FUNDS</b>							
Administration and Regulatory Affairs	4.9	5.0	6.0	5.9	0.0	0.0	0.0
General Services	66.6	75.0	71.3	71.1	0.0	0.3	0.3
Health & Human Services	482.4	0.0	500.8	487.3	8.5	0.0	9.1
Housing & Community Development	136.8	0.0	147.0	145.8	0.1	0.0	0.1
Houston Emergency Center	243.4	266.1	250.6	246.6	21.2	11.8	49.8
Human Resources	69.7	85.3	69.3	67.1	0.2	0.3	0.0
Information Technology	3.3	4.9	2.5	2.5	0.0	0.0	0.0
Legal	43.4	37.0	41.0	39.5	0.0	0.0	0.0
Library	9.8	2.0	28.7	26.1	0.0	0.0	0.1
Mayor's Office	24.1	11.0	22.8	22.0	0.1	0.2	0.1
Municipal Courts	24.4	26.9	26.1	25.5	0.0	0.1	0.2
Municipal Courts - Justice	0.0	4.4	0.0	0.0	0.0	0.0	0.0
Parks & Recreation	100.4	118.0	98.0	118.6	6.6	5.2	8.3
Planning	3.4	12.0	5.7	4.5	0.0	0.0	0.0
Police Department - Classified	31.2	113.0	21.0	21.3	5.8	116.7	5.0
Police Department - Municipal	106.7	54.1 (4)	85.8	85.7	7.1	1.4	5.4
Public Works and Engineering	1,272.0	1,434.2	1,302.9	1,286.2	90.2	67.0	122.7
<b>TOTAL GRANTS &amp; SPECIAL FUNDS</b>	<b>2,622.5</b>	<b>2,248.9</b>	<b>2,679.5</b>	<b>2,655.7</b>	<b>139.8</b>	<b>203.0</b>	<b>201.1</b>
<b>CITY-WIDE TOTAL</b>	<b>21,519.7</b>	<b>22,663.0</b>	<b>22,171.1</b>	<b>22,104.4</b>	<b>1,271.0</b>	<b>1,031.4</b>	<b>1,937.9</b>

(1) Includes FTEs from Hurricane IKE. YTD numbers measure the periods 07/01/2008 through 9/30/2008.

(2) Fire FTEs have been adjusted to reflect 46.7 hours per work week.

(3) Includes overtime hours from the Asset Forfeiture and Police Special Funds.

(4) FY2009 Budget does not include Grant FTEs.

CITY OF HOUSTON

**RETIREE MEDICAL UNFUNDED ACCRUED LIABILITIES**

9/30/2008  
(amount expressed in millions)

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	<u>Date of Most Recent Valuation or Estimate</u>	<u>Present Value of Benefits (2)</u>	<u>Unfunded Accrued Liabilities</u>	<u>Annual Required Contribution</u>
Entry Age Normal (1)	6/30/2006	4,718.9	3,237.7	326.5

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Note (1) :Entry Age Normal is a cost method used to identify the value of benefits for the fiscal year 2007  
Present Value of Benefits is a measure of total liability or obligation  
Both medical and life benefits are included; however, life benefits account for only 0.7% of the total liability

Note (2) :Total present value of all expected future benefits, based on actuarial assumptions

CITY OF HOUSTON

**PENSION FUND PAYMENTS AND  
UNFUNDED LIABILITY SUMMARY**

9/30/2008

**PAYMENTS**

	FY08	FY 09			
	Unaudited Preliminary (\$1,000)	City Payment Rate	Employee Payment Rate	Annual Payment (\$1,000)	Year to Date (\$1,000)
Firefighters Plan					
General Fd. & Other Fds.	53,981	29.4%	9.00%	69,438	17,840
Total Firefighters Plan	53,981			69,438	17,840
Police Plan					
General Fd. & Other Fds.	28,000	Note 1	9.00% / 10.25%	48,000	15,692
Pension Bonds	35,000			20,000	0
Total Police Plan	63,000			68,000	15,692
Municipal Plan					
General Fund	35,723	Note 2	5% / None	39,764	10,706
Other Funds	39,277	Note 2	5% / None	38,736	10,429
Total Municipal Plan (Note 2)	75,000			78,500	21,135
Total All Three Plans	191,981			215,938	54,667

**UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS**

	Date of Most Recent Valuation or Estimate	Unfunded Accrued Liability (\$ millions)	Assets as % of Liabilities
Firefighters Plan	7/1/2007	258.7	91%
Police Plan	7/1/2007	852.8	78%
Municipal Plan	7/1/2007	935.0	70%

Note 1: City contribution based on Meet and Confer Agreement with Houston Police Officers Pension System

(Agreement Between Houston Police Officers' Pension System and City of Houston, Article II - Change in Member Contributions, September 18, 2004).

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

(Fourth Amendment, June 27, 2007 - Change in Member Contributions effective January 1, 2008, for new hires).

**CITY OF HOUSTON PERFORMANCE REPORT  
FOR THE MONTH ENDING SEPTEMBER 30, 2008 (25% OF FISCAL YEAR)**

Department Performance Measure	FY2008			FY2009		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>AFFIRMATIVE ACTION</b>						
Applications Processed	1,953	487	24.9%	1,400	424	30.3%
Days to Process New Applicants	25	23	92.0%	45	41	116.9%
Field Audits	1,525	360	23.6%	1,450	347	23.9%
Payrolls Audited	13,643	2,960	21.7%	10,000	4,210	42.1%
SBE/MWDBE Owners Trained	8,806	1,379	15.7%	3,000	1,024	34.1%
City Employees Trained	6,318	2,081	32.9%	4,000	863	21.6%
MOPD Citizens Assistance Request	5,123	1,563	30.5%	4,000	1,279	32.0%
OSBC Getting Started Packets Distributed	7,315	2,020	27.6%	7,500	1,727	23.0%
MWBE Monitoring Correspondence	157,986	46,218	29.3%	150,000	26,858	17.9%
<b>AVIATION</b>						
Passenger Enplanements	52,268,000	9,416,000	18.0%	51,460,000	12,434,000	24.2%
Cargo Tonnage	864,759,000	141,264,000	16.3%	828,870,000	202,214,000	24.4%
Cost per Enplanement	\$7.58	\$7.37	97.2%	<\$8.38	\$8.14	97.1%
Non-Airline Revenue/Enplaned Passenger (\$)	\$5.41	\$5.39	99.6%	>\$4.70	\$5.35	113.8%
Maintain fleet in service ratio of 99%	99%	99%	100.0%	99%	99%	100.0%
<b>GENERAL SERVICES</b>						
<b>Design &amp; Construction</b>						
Days to issue Notice to Proceeds (NTP)	30.0	30.0	100.0%	30	30.0	100.0%
Property Mgmt. (Work Orders Compl.)	43,420	10,851	25.0%	42,000	8,883	21.2%
<b>Security Management</b>						
Number of Reported Incidents Investigated upon Receipts	782	167	21.4%	850	250	29.4%
<b>CONVENTION &amp; ENTERTAINMENT FACILITIES</b>						
Days Booked-GRB Convention Center	2,932	674	23.0%	2,783	441	15.8%
Days Booked-Wortham Theatre Center	536	123	22.9%	525	115	21.9%
Days Booked-Jones Hall	324	106	32.7%	300	66	22.0%
Occupancy Days-GRB Convention Center	2,237	464	20.7%	2,465	500	20.3%
Occupancy Days-Wortham Theatre Center	591	102	17.3%	578	111	19.2%
Occupancy Days-Jones Hall	262	39	14.9%	246	41	16.7%
Occupancy Days-Theatre District Parks Hall	163	38	23.3%	120	12	10.0%
Customer Satisfaction (Periodic)-GRB Convention Center	92.0%	87.3%	94.9%	98%	92.0%	93.9%
Customer Satisfaction (Periodic)-Wortham Theatre Center	95.2%	97.4%	102.3%	97%	95.2%	98.7%
Customer Satisfaction (Periodic)-Jones Hall	99.2%	96.0%	96.8%	99%	99.2%	99.9%
Customer Satisfaction (Periodic)-Theater District Parking	N/A	Not Available	N/A	73%	Not Available	0.0%
<b>FINANCE/ADMINISTRATION &amp; REGULATORY AFFAIRS</b>						
Avg Days to Award Procurement Contracts	118.50	119.92	101.2%	120	141.03	117.5%
3-1-1 Avg Time Customer in Queue (seconds)	70.53	77.50	109.9%	30.00	88.63	295.4%
Liens Collections	\$3,829,160	\$1,336,369	34.9%	\$3,829,160	\$711,613	18.6%
Ambulance Revenue per Transport	\$207.48	\$196.35	94.6%	\$200.00	\$195.13	97.6%
Cable Company Complaints	302	86	28.5%	300	92	30.7%
Deferred Compensation Participation	70.16%	70.65%	100.7%	80.00%	70.11%	87.6%
Audits Completed	40	29	72.5%	50	12	24.0%
<b>FIRE DEPARTMENT</b>						
First Response Time (Minutes)	7.5	8.4	N/A	7.2	8.0	NA
First Response Time-EMS (Minutes)	8.1	8.2	N/A	9.3	8.4	NA
Ambulance Response Time (Minutes)	10.2	10.2	N/A	10.1	10.4	NA
<b>HEALTH &amp; HUMAN SERVICES</b>						
Environmental Inspections	96,696	22,459	23.2%	100,000	19,083	19.1%
First Trimester Prenatal Enrollment	26.2%	26.2%	100.0%	42.0%	Pending	0.0%
WIC Client Satisfaction	93.7%	95.0%	101.4%	95.0%	94.6%	0.0%
Immunization Compliance (2 Yr. Olds)	75.9%	0.0%	0.0%	75.0%	71.2%	0.0%
TB Therapy Completed	92.1%	91.0%	98.8%	90.0%	95.2%	0.0%

**CITY OF HOUSTON PERFORMANCE REPORT  
FOR THE MONTH ENDING SEPTEMBER 30, 2008 (25% OF FISCAL YEAR)**

Department Performance Measure	FY2008			FY2009		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>HOUSING</b>						
Housing Units Assisted	3,980	1,289	32.4%	2,939	953	32.4%
Council Actions on HUD Projects	145	46	31.7%	150	22	14.7%
Annual Spending (Millions)	\$4	\$93	2325.0%	\$50	\$14	28.0%
<b>HUMAN RESOURCES</b>						
Total Jobs Filled - (As Vacancies Occur)	3,162	864	27.3%	4,000	972	24.3%
Days to Fill Jobs	55	60	109.1%	60	45	75.0%
Training Courses Conducted <sup>(1)</sup>	1,249	21	1.7%	140	26	18.6%
Lost Time Injuries (As They Occur)	591	128	21.7%	500	138	27.6%
<b>LEGAL</b>						
Deed Restriction Complaints Received	913	249	27.3%	828	150	18.1%
Deed Restriction Lawsuits Filed	29	5	17.2%	34	4	11.8%
Deed Restriction Warning Letters Sent	442	149	33.7%	415	56	13.5%
<b>LIBRARY</b>						
Total Circulation	5,786,476	1,414,633	24.4%	7,000,000	1,414,123	20.2%
Juvenile Circulation	2,912,558	663,223	22.8%	3,200,000	713,248	22.3%
Customer Satisfaction(Three/Year)	86%	Not Available	N/A	Not Available	Not Available	0.0%
Reference Questions Answered	881,454	225,669	25.6%	1,109,300	205,389	18.5%
In-House Computer Users	1,168,539	278,231	23.8%	1,497,100	314,553	21.0%
Public Computer Training Classes Held	1,626	345	21.2%	1,400	326	23.3%
Public Computer Training Attendance	9,629	2,130	22.1%	9,500	1,998	21.0%
<b>MUNICIPAL COURTS</b>						
Total Case Filings	1,110,295	240,284	21.6%	1,064,885	275,363	25.9%
Total Dispositions	1,078,318	228,974	21.2%	1,189,649	506,477	42.6%
Cost per Disposition	\$14.45	\$14.80	N/A	\$14.89	\$8.21	NA
Average Time Defendant Spends in Court - Trial By Judge	42 minutes	41.1 minutes	N/A	45 min. <		N/A
Average Time Defendant Spends in Court - Trial By Jury	3.16 hours	3.2 hours	N/A	3.25 Hrs <		N/A
Average Time Officer Spends in Court	4.03 hours	4.0 hours	N/A	4.25 Hrs <		N/A
<b>PARKS &amp; RECREATION</b>						
Registrants in Youth Sports Programs	22,791	4,389	19.3%	20,100	3,729	18.6%
Registrants in Adult Fitness & Craft Programs	4,136	1,100	26.6%	4,443	1,014	22.8%
Number of Teams Registered in Adult Sports Programs	5,013	286	5.7%	1,400	264	18.9%
Summer Enrichment Program	NA	NA	NA	2,250	650	28.9%
Lee and Joe Jamail Skate Park	NA	NA	NA	8,000	7,642	95.5%
Golf Rounds Played at Privatized Courses	72,677	19,190	26.4%	62,500	23,876	38.2%
Golf Rounds Played at COH - Operated Courses	160,309	32,748	20.4%	106,575	41,383	38.8%
Work Orders Completed-Parks and Comm. Ctr Facilities	21,195	5,327	25.1%	22,000	5,675	25.8%
<b>Vehicle Downtime-Days out of Service (avg):</b>						
Light Duty	17	5	29.1%	14	17	119.3%
Tractors	30	8	27.1%	14	20	140.7%
Small/Heavy Equipment	42	9	21.3%	28	37	130.7%
Mower	21	8	38.6%	7	12	167.1%
Parts	11	3	28.0%	5	13	256.0%
Kelly	14	3	22.1%	10	9	86.0%
<b>Grounds Maintenance Cycle-Days:</b>						
Esplanades	14	3	21.1%	10	9	92.0%
Parks & Plazas	13	3	22.9%	10	9	89.0%
Bikes & Hikes Trails	12	2	16.3%	10	9	89.0%
<b>PLANNING &amp; DEVELOPMENT</b>						
Development Plats	1,105	255	23.1%	1,200	242	20.2%
Plats Recorded	1,391	375	27.0%	1,390	177	12.7%
Subdivision Plats Reviewed	3,690	1,138	30.8%	2,054	711	34.6%
Develop Houston Hope Plans	0	0	0.0%	0	0	0.0%
Houston Hope Committee Meetings	0	0	0.0%	0	0	0.0%

**CITY OF HOUSTON PERFORMANCE REPORT  
FOR THE MONTH ENDING SEPTEMBER 30, 2008 (25% OF FISCAL YEAR)**

Department Performance Measure	FY2008			FY2009		
	Actual	YTD	% Actual	Objective	YTD	% Objective
<b>HOUSTON POLICE</b>						
Response Time (Code 1)-Minutes	4.9	5.1	104.1%	4.9	4.8	102.1%
Violent Crime Clearance Rate	32.2%	22.5%	69.9%	38.8%	32.5%	83.8%
Crime Lab Cases Completed	N/A	7.1%	0.0%	90.0%	N/A	0.0%
Fleet Availability	90.0%	91.0%	101.1%	90.0%	94.0%	104.4%
Complaints - Total Cases	393	81	20.6%	300	75	25.0%
Total Cases Reviewed by Citizens Review Committee	116	23	19.8%	200	36	18.0%
Records Processed	592,653	130,719	22.1%	663,276	188,295	28.4%
<b>PUBLIC WORKS AND ENGINEERING</b>						
<b>Maintenance and Right-of-Way</b>						
Asphalt For Potholes/Skin Patches (Tons)	16,647	4,924	29.6%	16,000	3,505	21.9%
Roadside Ditch Regrading/Cleaned (Miles)	356	89	25.0%	315	60	19.0%
Storm Sewers Cleaned (Miles)	364	57	15.7%	350	N/A	0.0%
Storm Sewer Inlets/Manholes Cleaned/Inspected	140,654	27,366	19.5%	130,900	N/A	0.0%
In-House Overlay (Lane Miles)	276	64	23.2%	230	40	17.4%
<b>ECRE</b>						
Storm/Street Annual Appropriation as of % of CIP	96.4%	7.4%	7.7%	100.0%	15.3%	15.3%
Waste/Wastewater Annual Appropriation as of % of CIP	108.0%	13.5%	12.5%	100.0%	22.3%	22.3%
Safe Sidewalk Program - PAR -% completed in 180 days	N/A	N/A	0.0%	N/A	N/A	0.0%
Safe Sidewalk Program - Schools/Thourghfares -% completed in 18 months	N/A	N/A	0.0%	N/A	N/A	0.0%
Overlay of thourghfares (Lane miles, by contract)	N/A	N/A	0.0%	N/A	N/A	0.0%
<b>Traffic and Transportation</b>						
Traffic Signal Maintenance Completed within 72 hours	98.40%	98.7%	100.3%	95.0%	99.5%	104.7%
Roadway & Sidewalk Obstruction Permits processed within 10 days	96.70%	97.1%	100.4%	100.0%	96.9%	96.9%
<b>Water and Sewer - Utility Maintenance</b>						
Rehabilitate/renew 950,000 linear feet (3%) of collection system annually	885,181	232,882	26.3%	950,000	219,800	23.1%
Rehabilitate or renew 1000 fire hydrants (2%) annually	1,458	245	16.8%	1,500	351	23.4%
Water repairs completed within 12 days for calls received from 311	95.0%	96.2%	101.3%	90.0%	88.2%	98.0%
Wastewater repairs completed within 15 days for calls received from 311	92.0%	89.6%	97.4%	90.0%	84.0%	93.3%
Percent of meters read and located monthly	88.4%	91.1%	103.1%	97.0%	84.1%	86.7%
Collection Rate	99.9%	100.9%	101.0%	99.0%	92.5%	93.4%
<b>Planning &amp; Development</b>						
Complete Plan Review on new single family residence in 7 days	99.0%	99.0%	0.0%	90.0%	99.0%	110.0%
Average number of Re-submittals in Plan Review	3	3	0.0%	3	3	107.4%
Customer service rating (Scale of 1-5)	3	3	0.0%	3	3	114.4%
<b>SOLID WASTE MANAGEMENT</b>						
Cost per Unit Served-Excludes Recycling and Special Collections Programs	\$14.91	\$15.38	103.2%	\$14.24	\$14.24	100.0%
Units with Recycling	162,000	162,000	100.0%	162,000	162,000	100.0%
Tires Disposed	65,511	12,549	19.2%	75,000	17,812	23.7%

Note: (1) In FY2008 E. B. Cape Center counts a class as a course, while in FY2009 each individual course is counted as a course.

**HOUSTON POLICE DEPARTMENT  
FOR THE MONTH ENDING SEPTEMBER 30, 2008 (25.00% OF FISCAL YEAR)  
DIGITAL AUTOMATED RED LIGHT ENFORCEMENT PROGRAM**

**PROGRAM MEASUREMENTS**

<b>Notice Disposition</b>	<b>September</b>	<b>FY2009</b>
Notices Issued	12,362	50,219
Notices Dismissed / Undeliverable-Admin or Hearing	3	72
Notices Paid	1,902	18,464
Notices Outstanding	10,457	31,683
Percentage of Notices Paid	15%	37%

<b>Funds</b>	<b>September</b>	<b>FY2009</b>
Collections	\$903,849	\$3,172,759
Expenses paid	\$283,058	\$1,014,546
FY2009 Program Total	\$620,791	\$2,158,213
State of Texas' 50% Share <sup>(1)</sup>	\$310,396	\$1,079,107
City's Share <sup>(2)</sup>	\$310,396	\$1,079,107

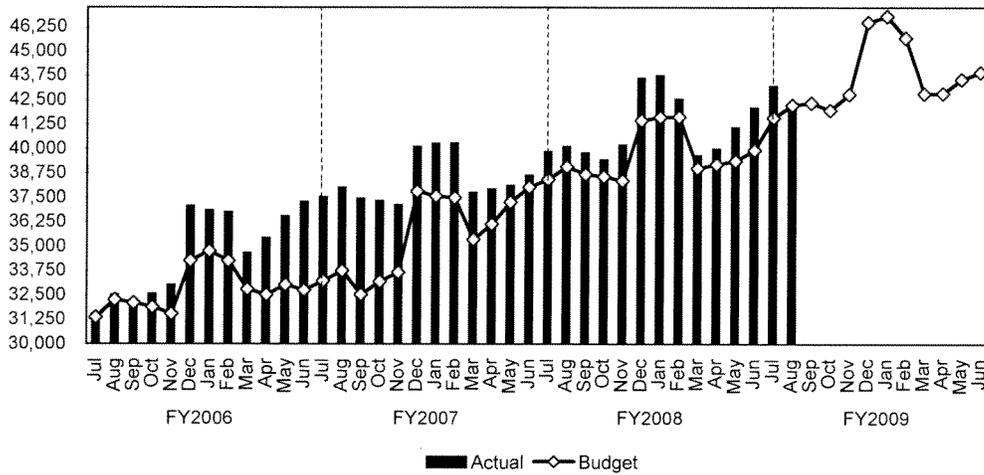
(1) Beginning Sept 2007, State receives 50% of collections after expenses.  
(2) Proceeds after Sept 1, 2007 may be used only to fund traffic safety programs.

<b>Issuances</b>	<b>September</b>	<b>FY2009</b>
Average (weighted) events for all individual sites per month	138	612

<b>Events Per Site</b>	<b>September</b>	<b>FY2009</b>
Highest avg. events per site (year-to-date): Southbound SW Freeway W Service Rd @ Bellaire		1,771
Lowest avg. events per site (year-to-date): Northbound Brazos @ Elgin Street		50
Highest avg. events per site this month: Northbound Wilcrest @ Southwest Freeway, East Service Road	509	
Lowest avg. events per site this month : East FM 2351 @ Gulf Freeway West Service Road	1	

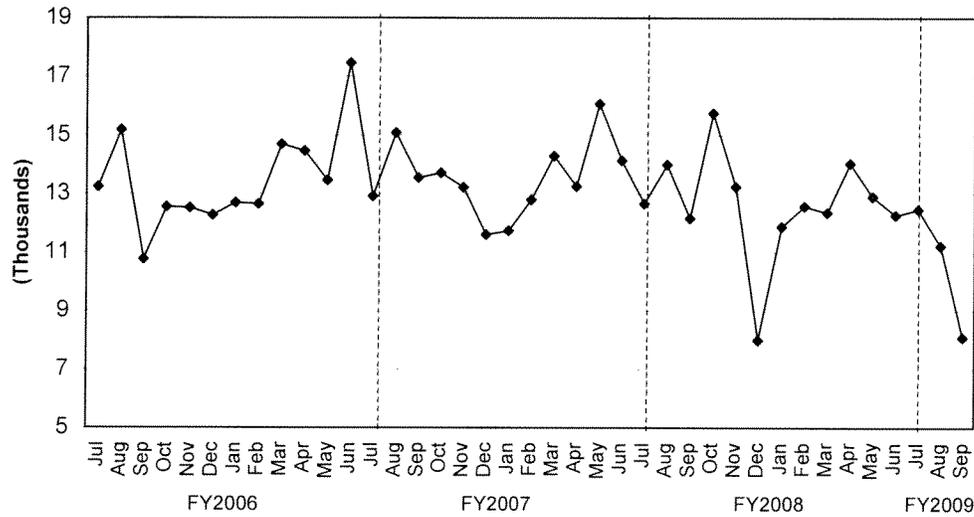
# TREND INDICATORS - LOCAL ECONOMY

## Sales Tax - Three-Month Rolling Average



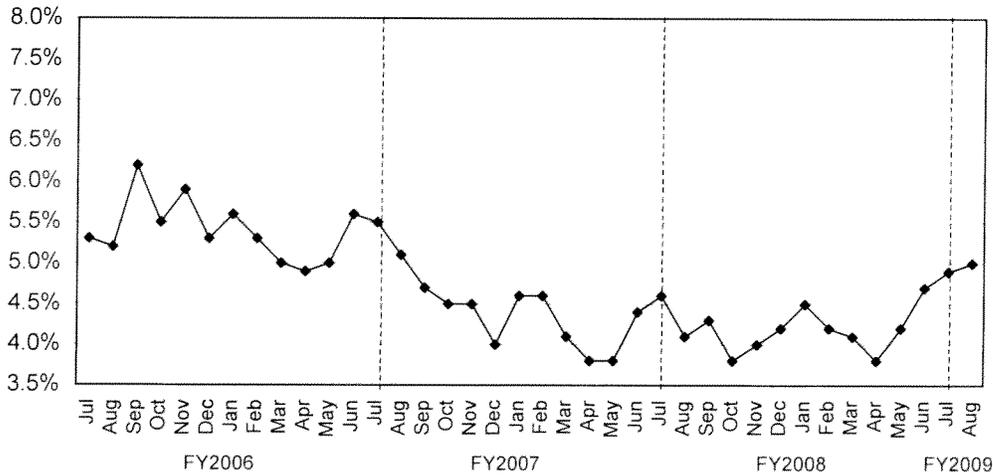
Source: Office of State Comptroller

## Building Permits Issued



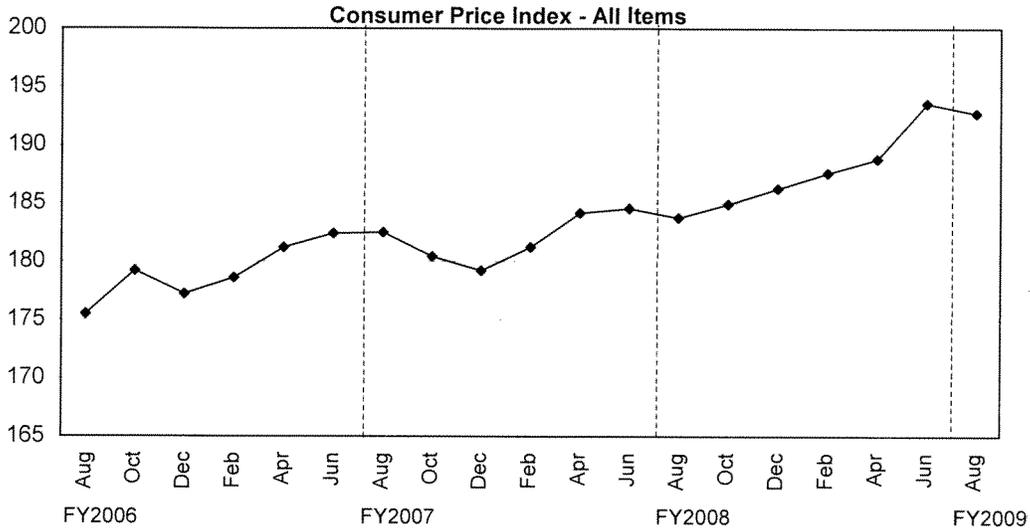
Source: City of Houston Planning and Development Department

## Unemployment Rate

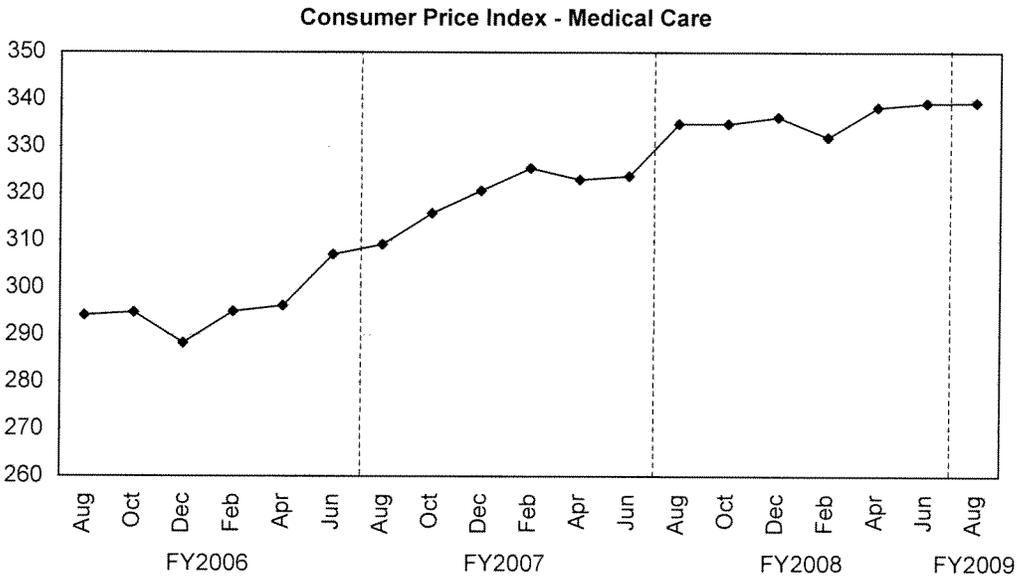


Source: Databook Houston; University of Houston Center for Public Policy; not seasonally adjusted

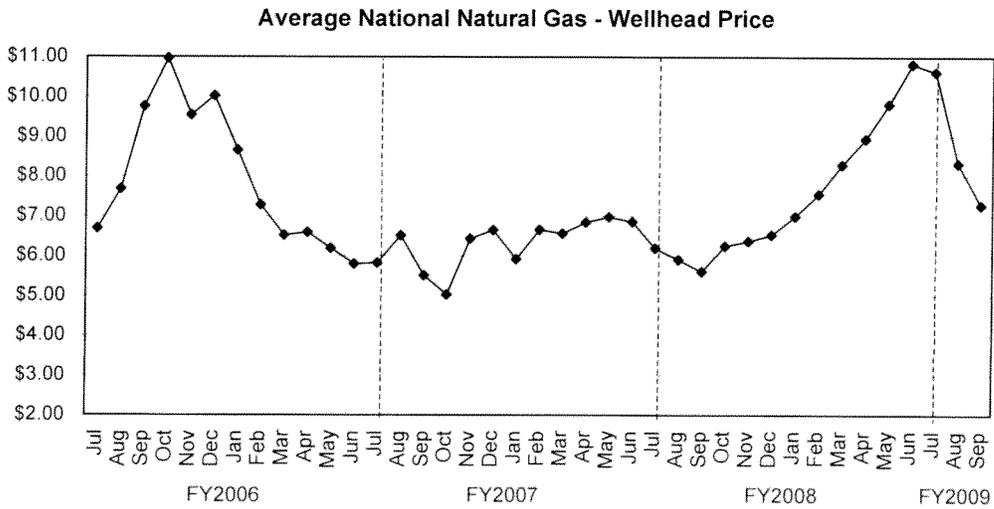
## TREND INDICATORS - LOCAL ECONOMY



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

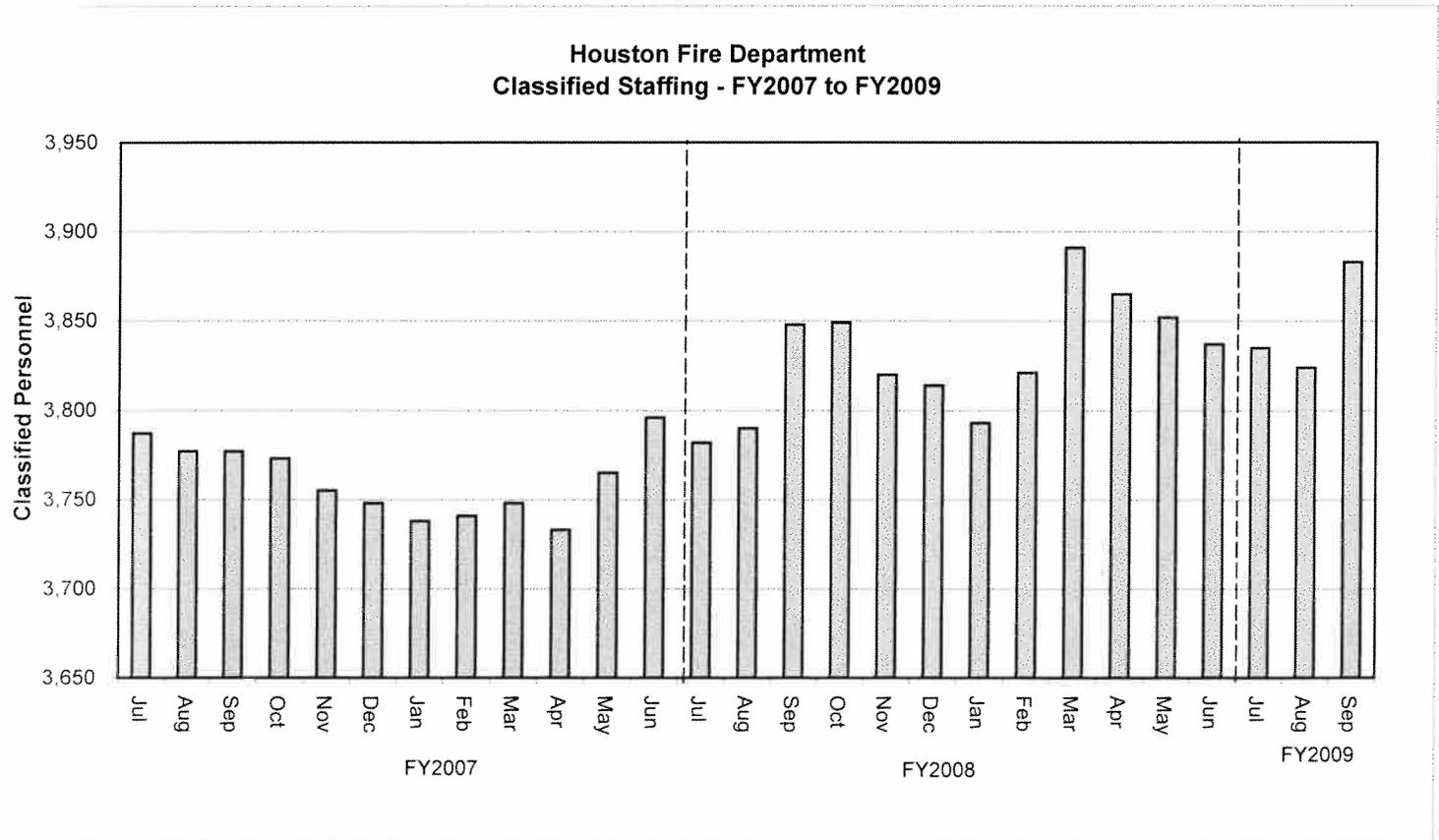
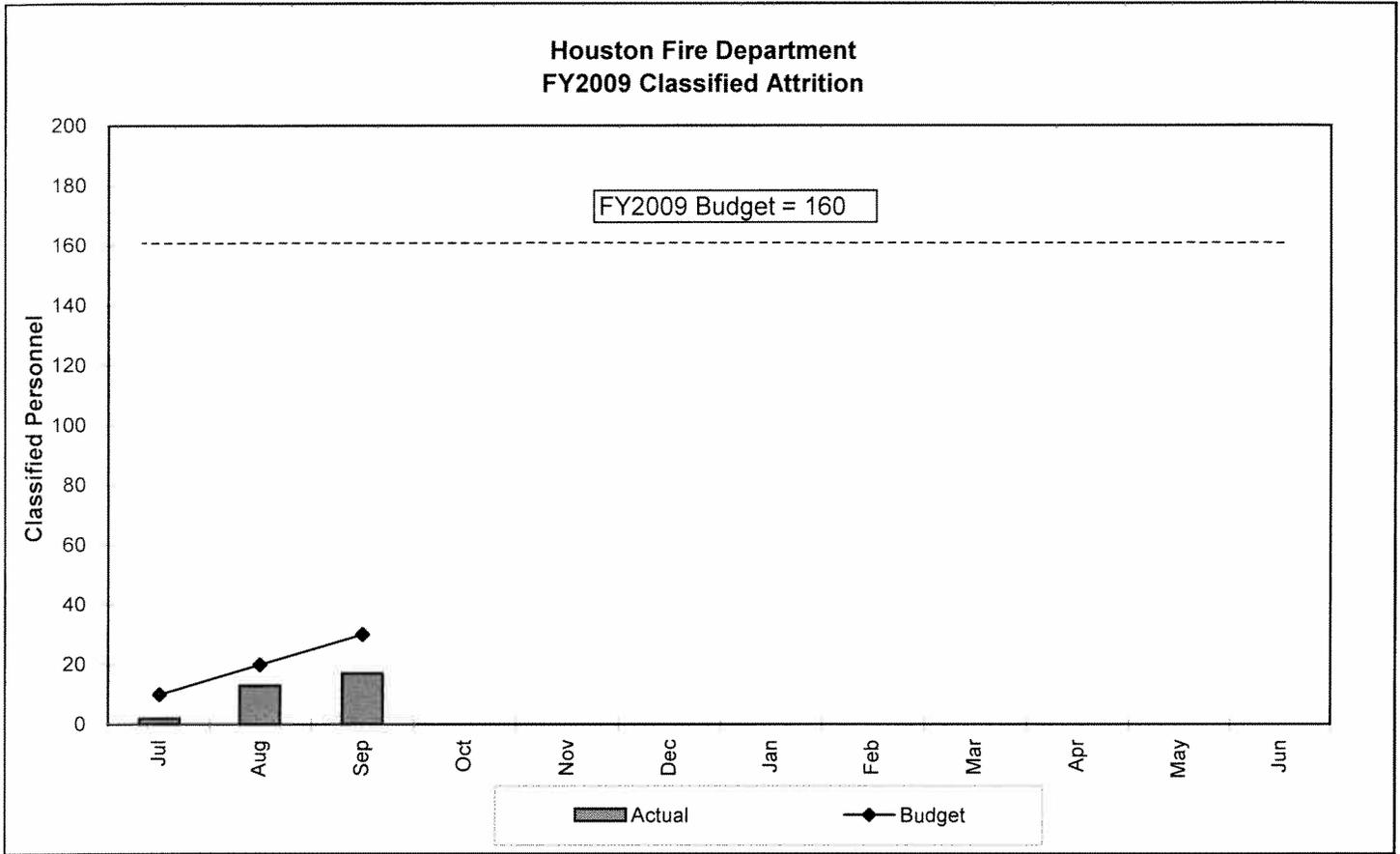


Source: Bureau of Labor Statistics - Houston, Galveston, Brazoria TX



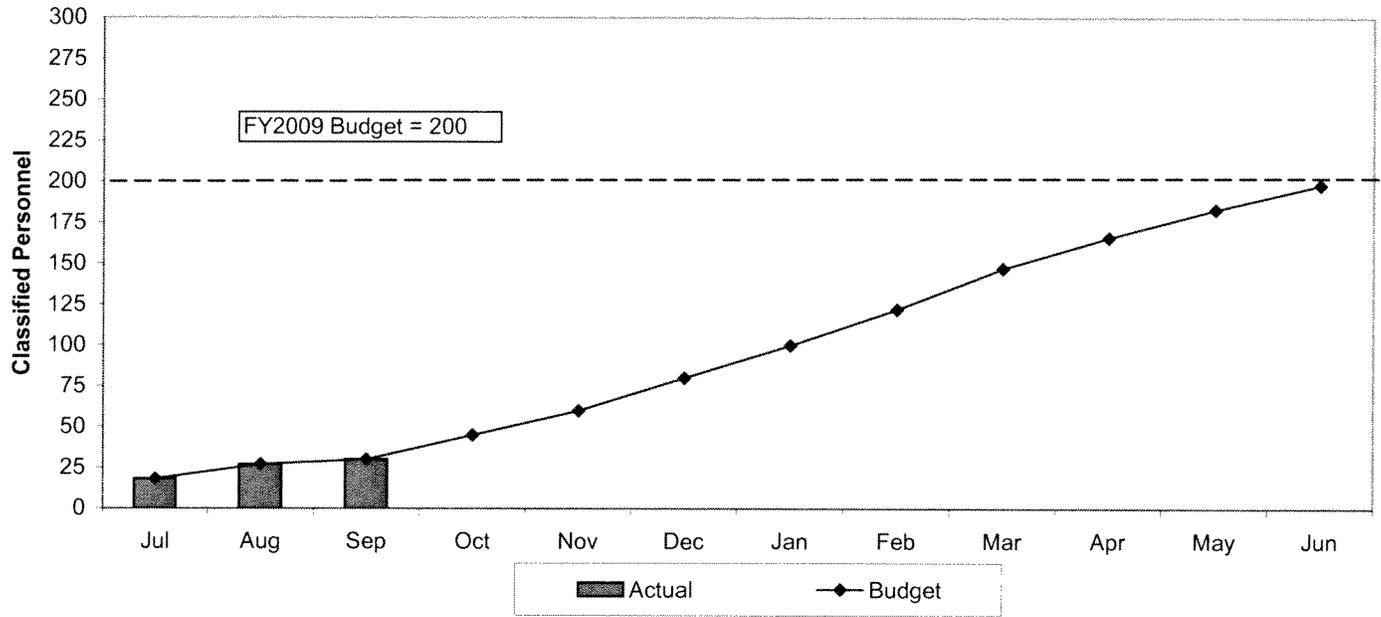
Source: Energy Information Administration/Natural Gas Monthly

# TREND INDICATORS - RETIREMENTS

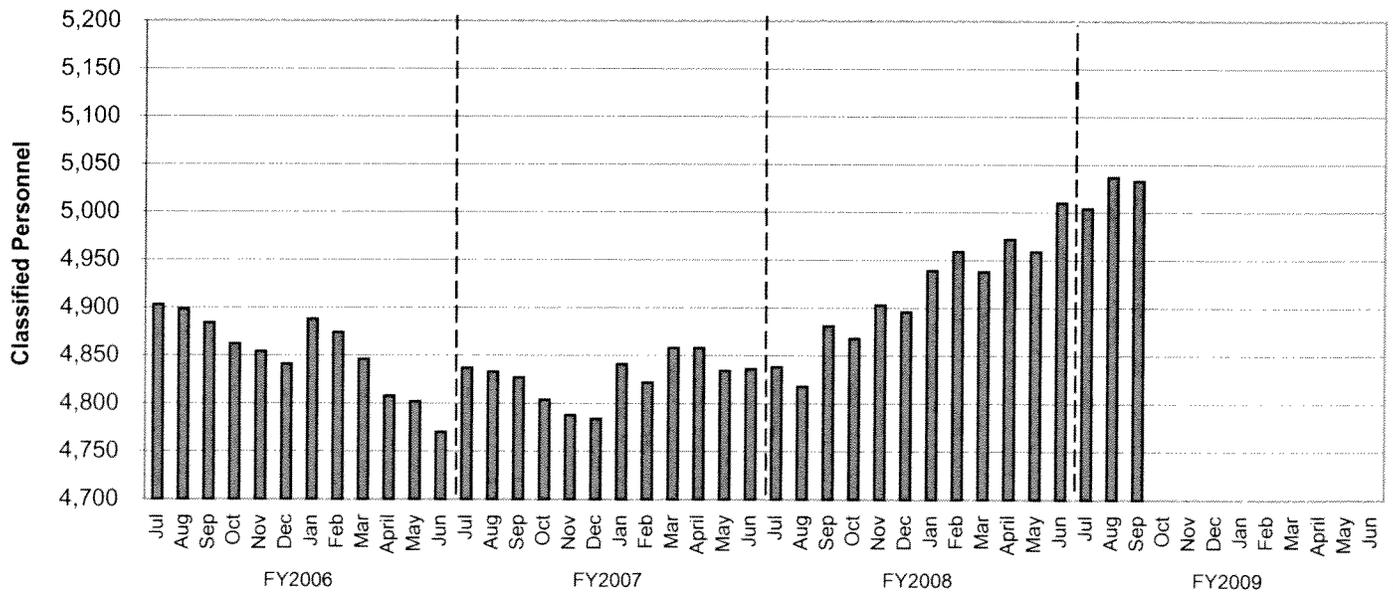


## TREND INDICATORS - HIRING AND RETIREMENTS

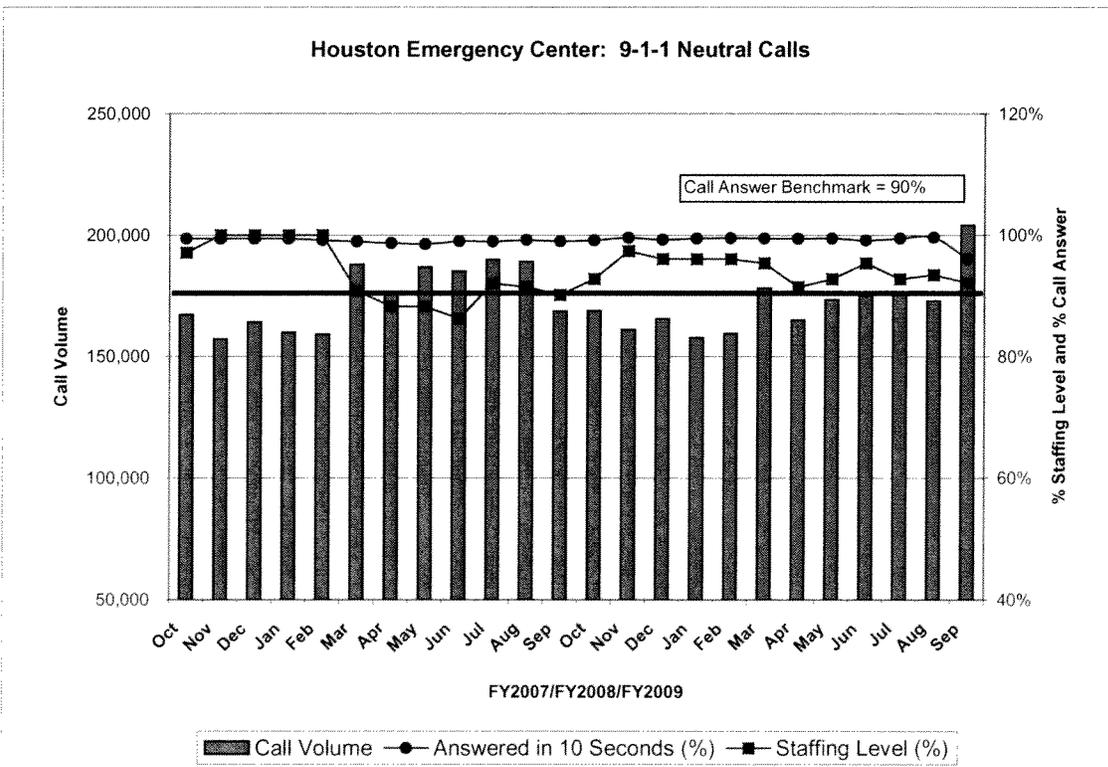
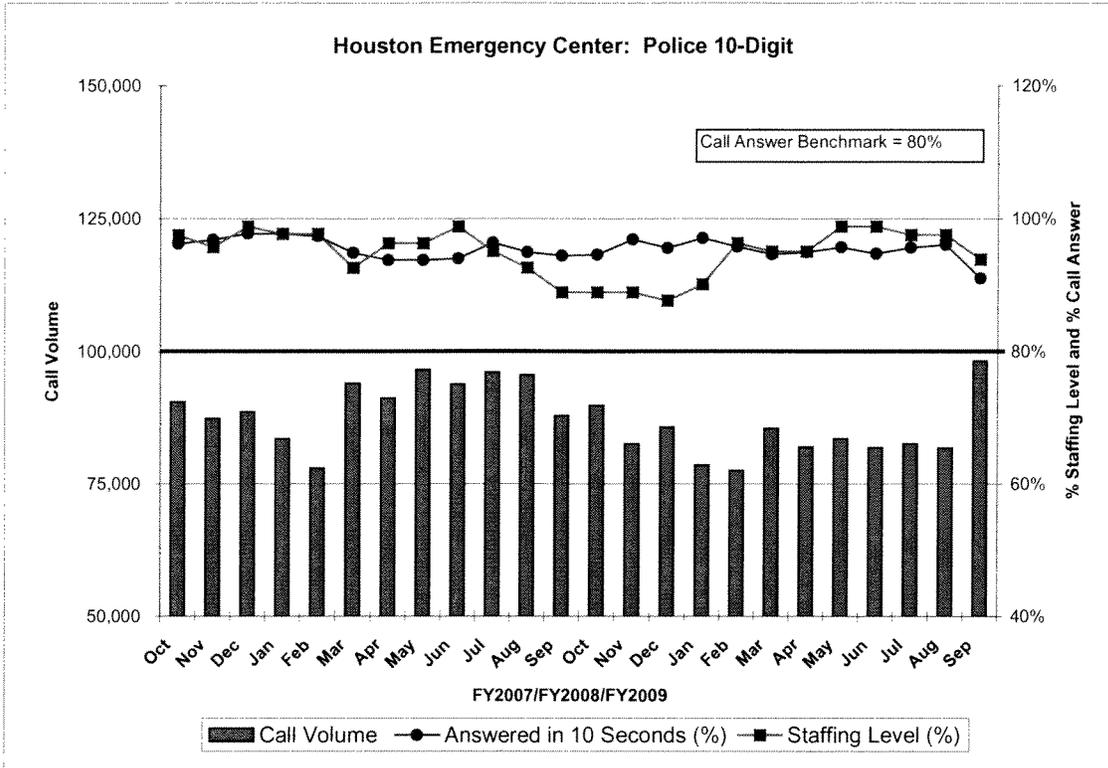
**Houston Police Department  
FY2009 Classified Attrition**



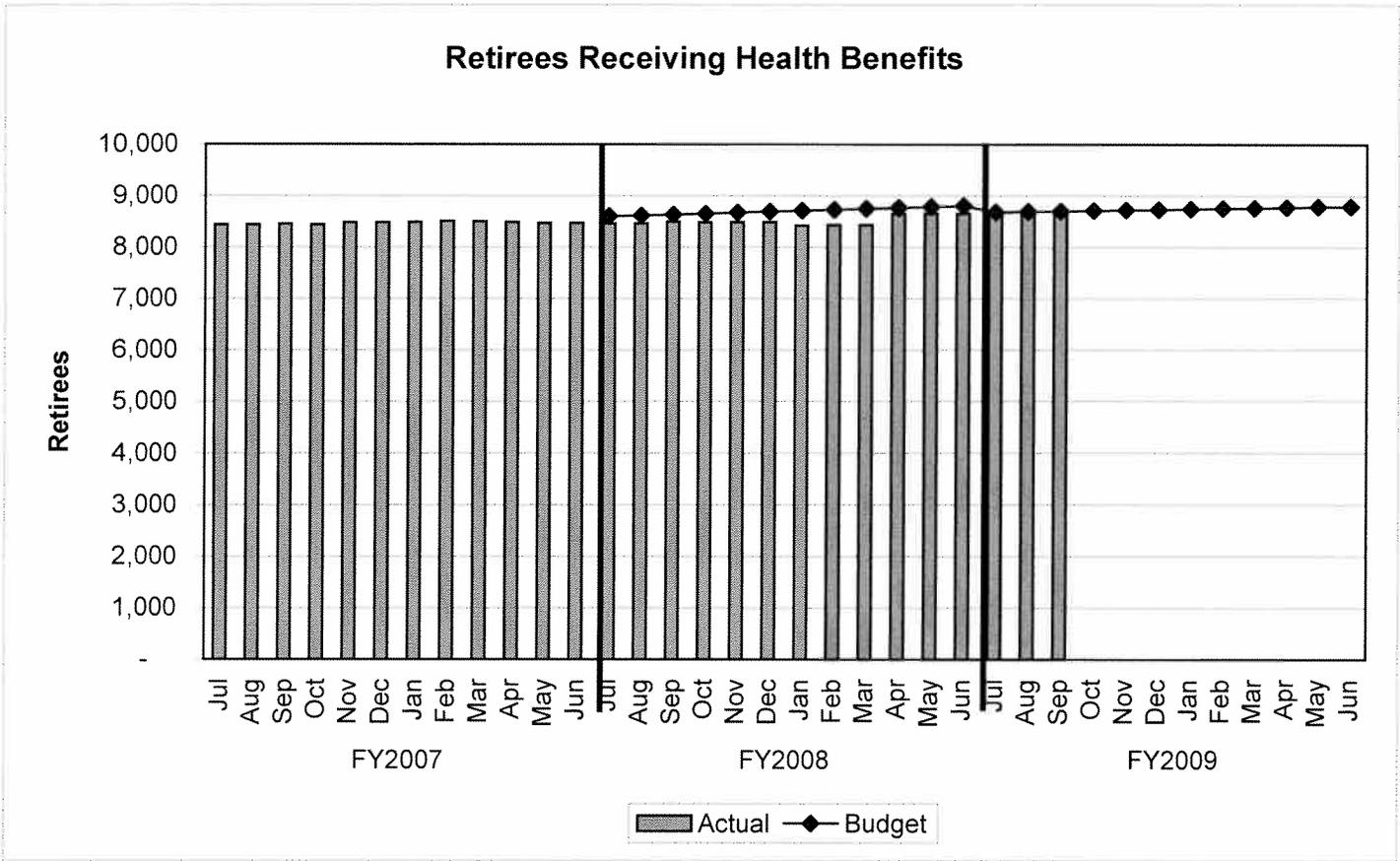
**Houston Police Department  
Classified Staffing - FY2006 to FY2009**



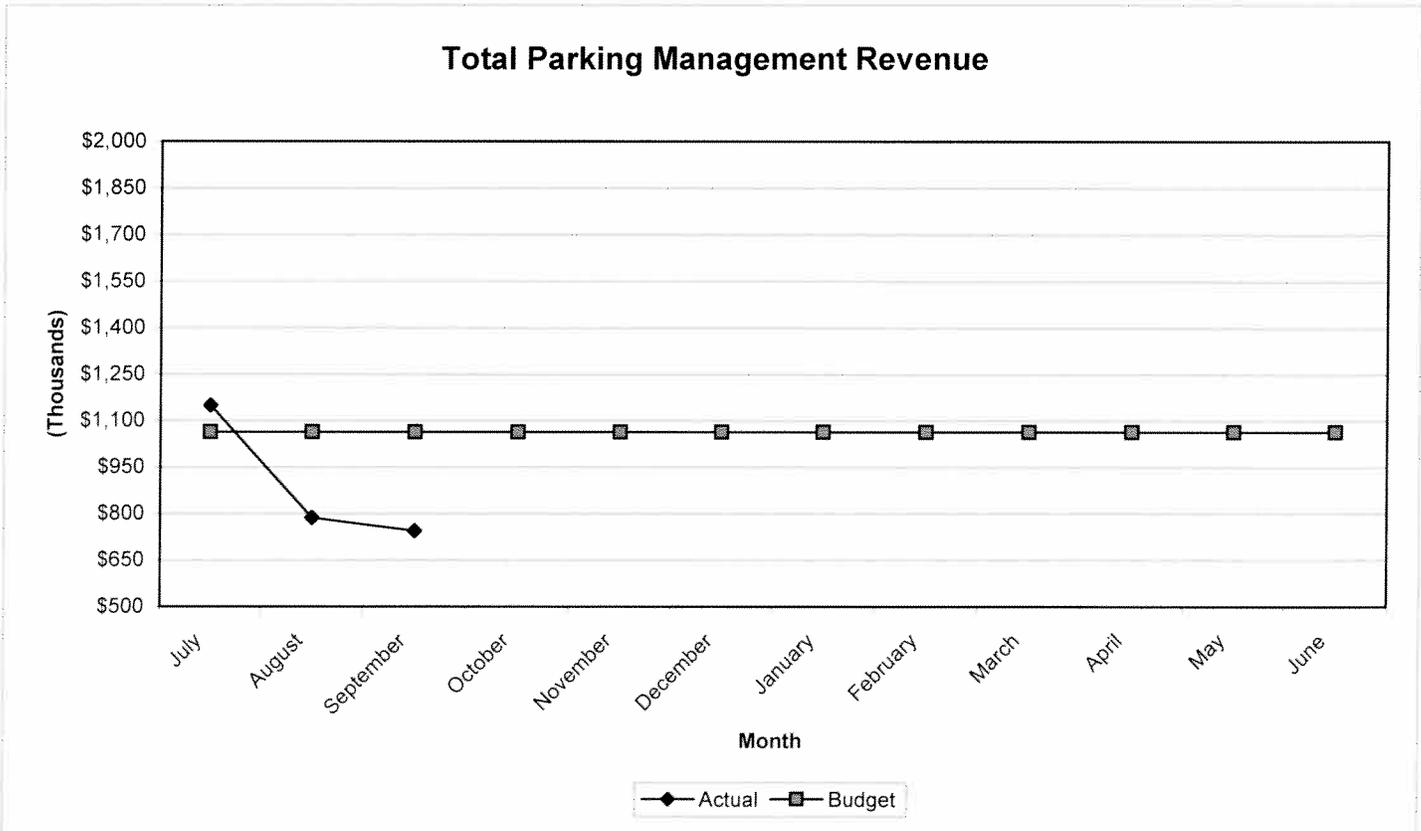
## TREND INDICATORS - HOUSTON EMERGENCY CENTER



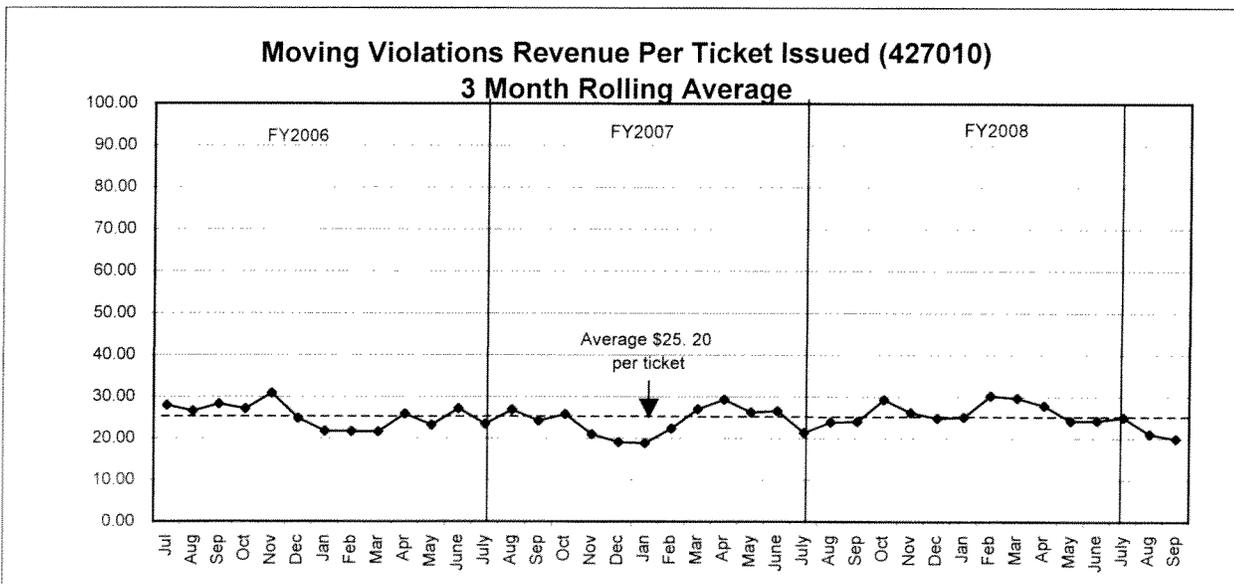
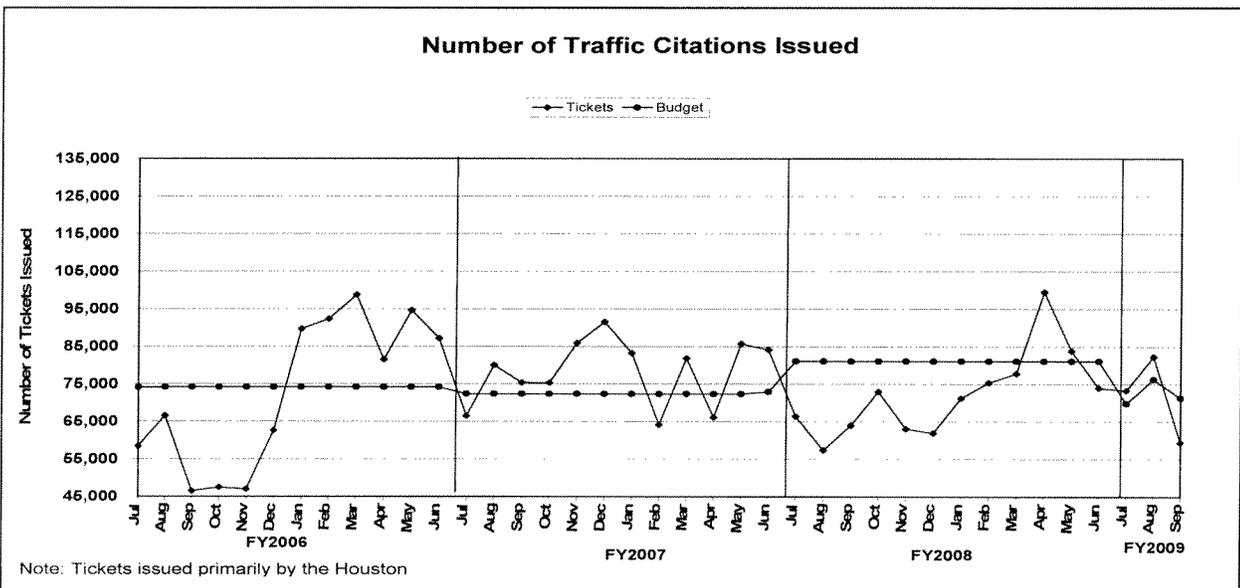
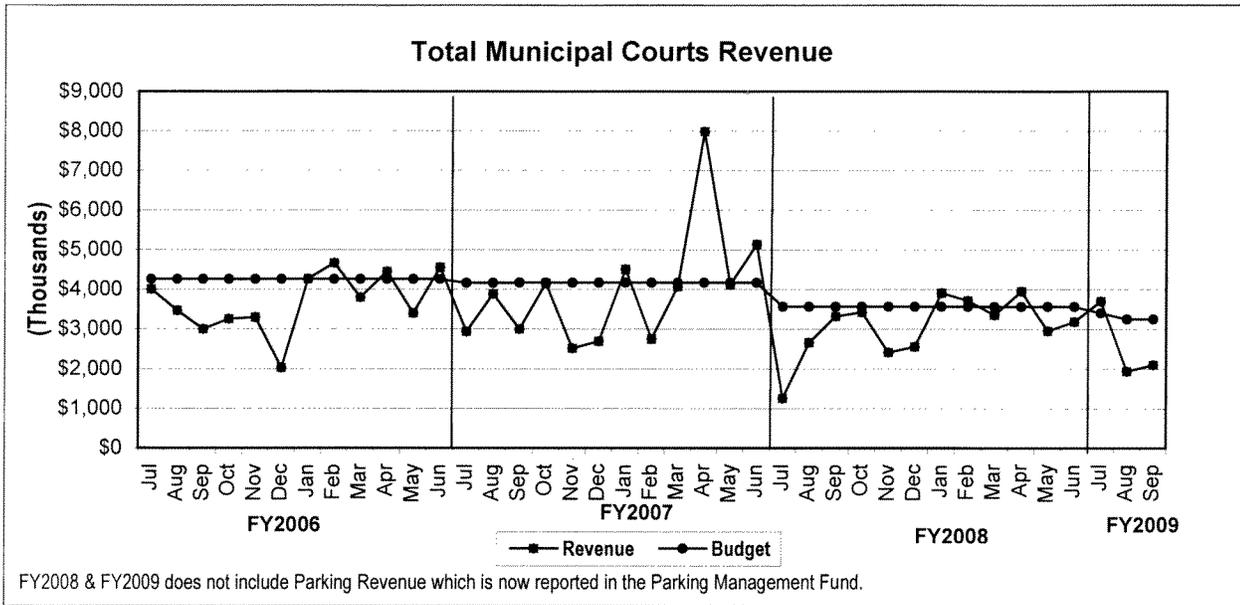
## TREND INDICATORS - RETIREMENTS



## TREND INDICATORS - PARKING MANAGEMENT

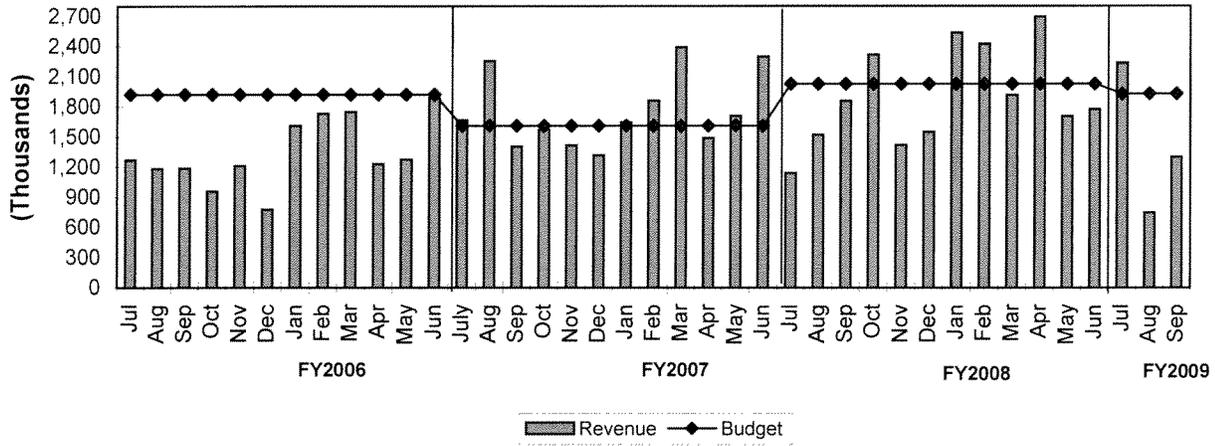


# TREND INDICATORS - MUNICIPAL COURTS

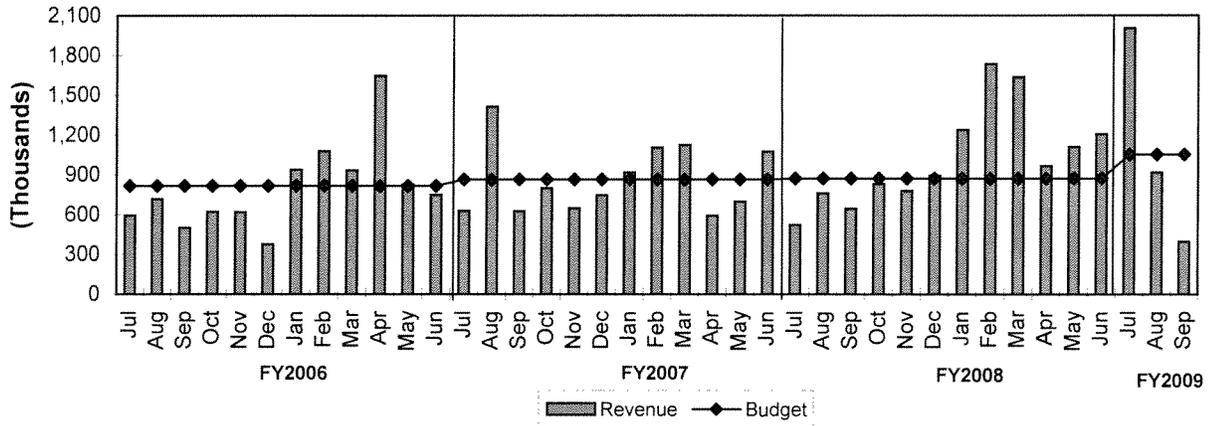


# TREND INDICATORS - MUNICIPAL COURTS

## Moving Violations Collections vs Budget

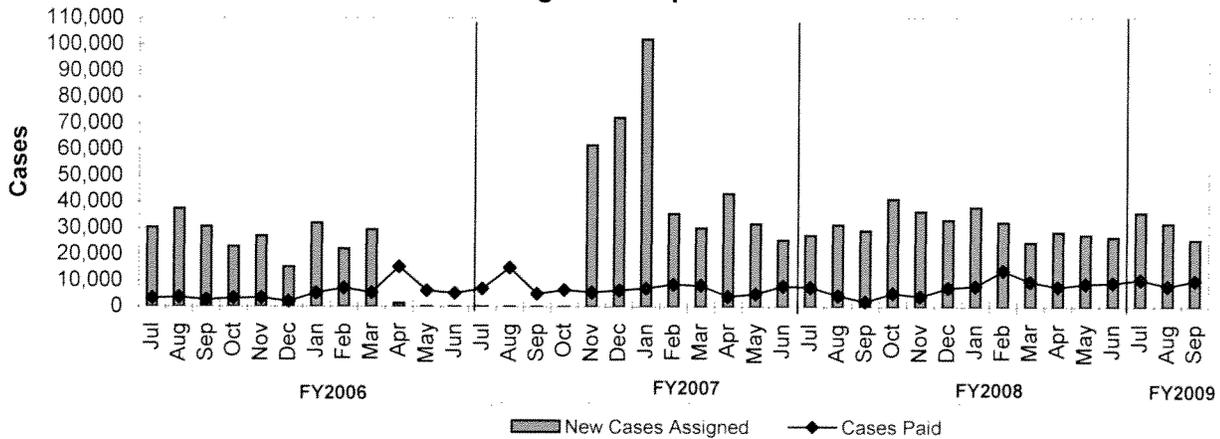


## Total Delinquent Collections vs Budget\*



\*Net of fees and expenses paid to Linebarger

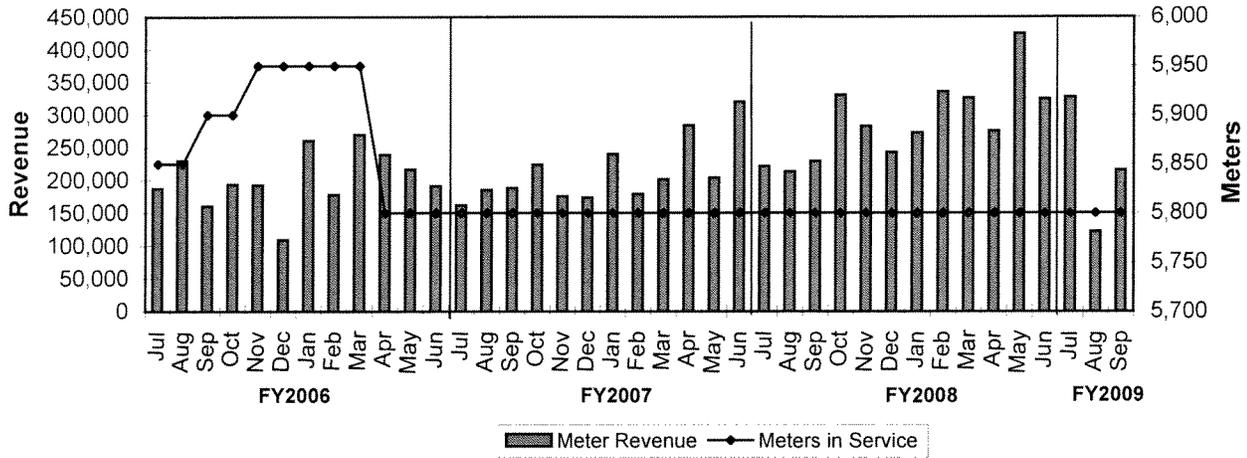
## Traffic, Non-Traffic & Failure to Appear Linebarger Delinquent Collection Rates



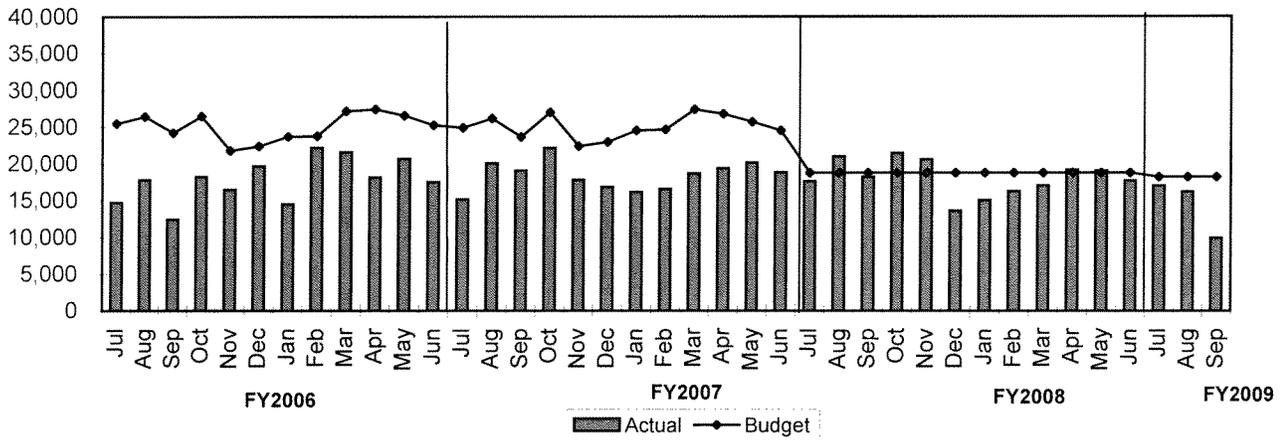
\*Excludes Delinquent Parking Collections

# TREND INDICATORS - MUNICIPAL COURTS

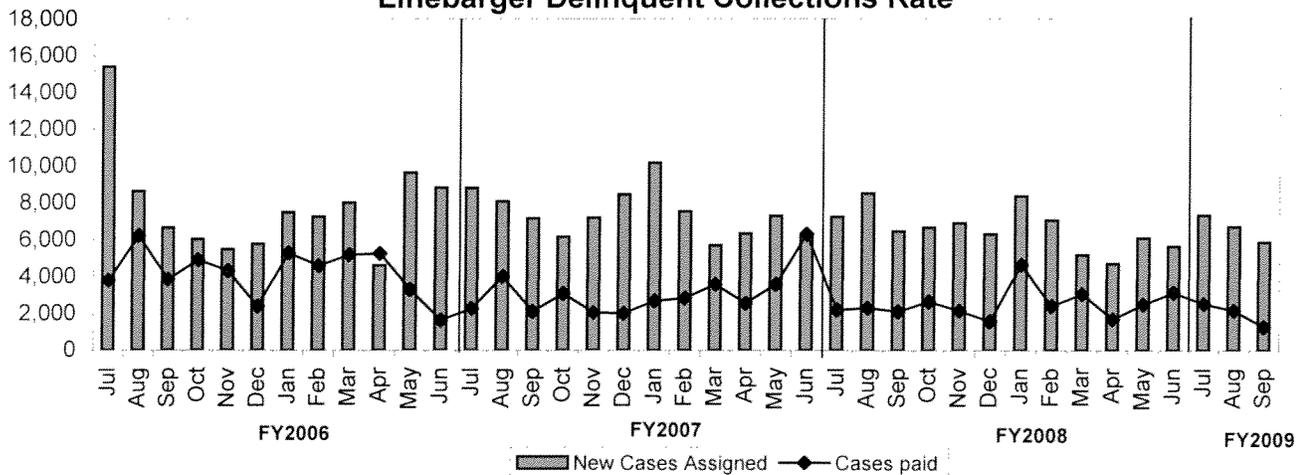
## Meter Revenue vs # Meters in Service



## Parking Violations vs Budget



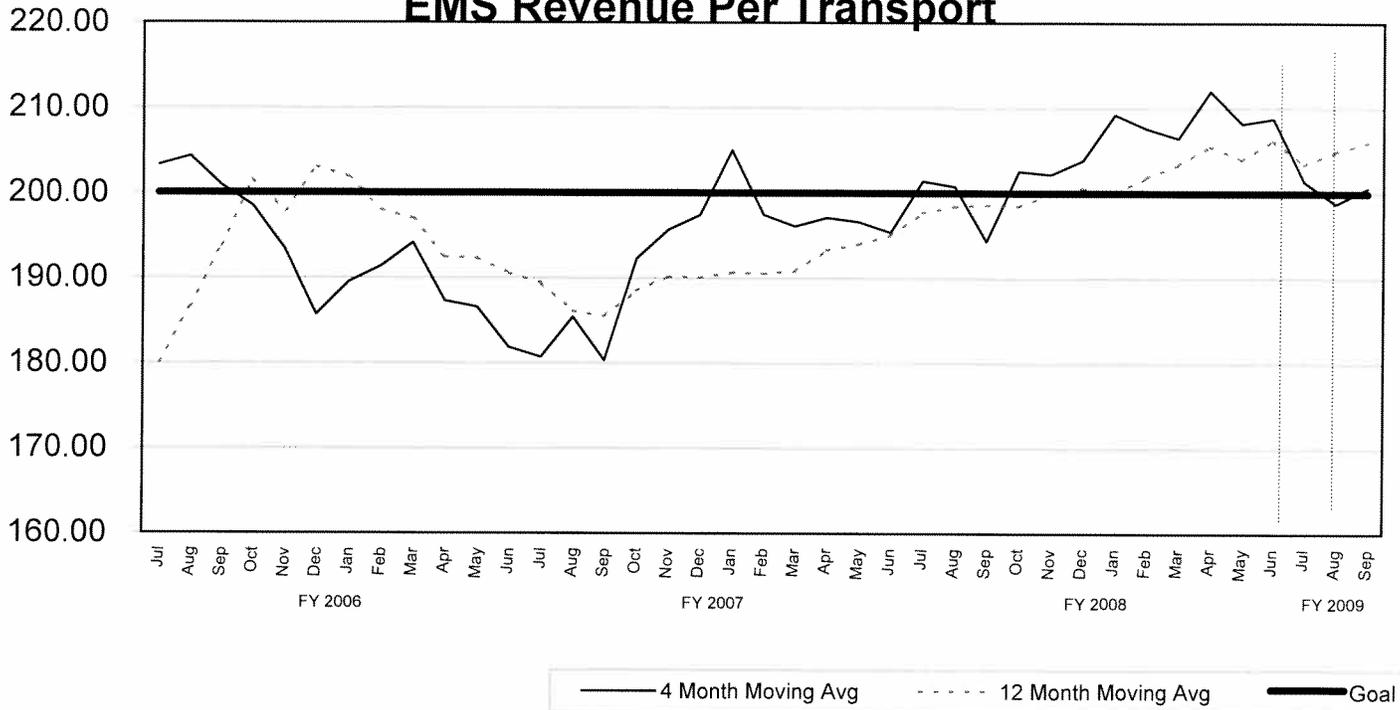
## Parking Meter Violations Linearger Delinquent Collections Rate



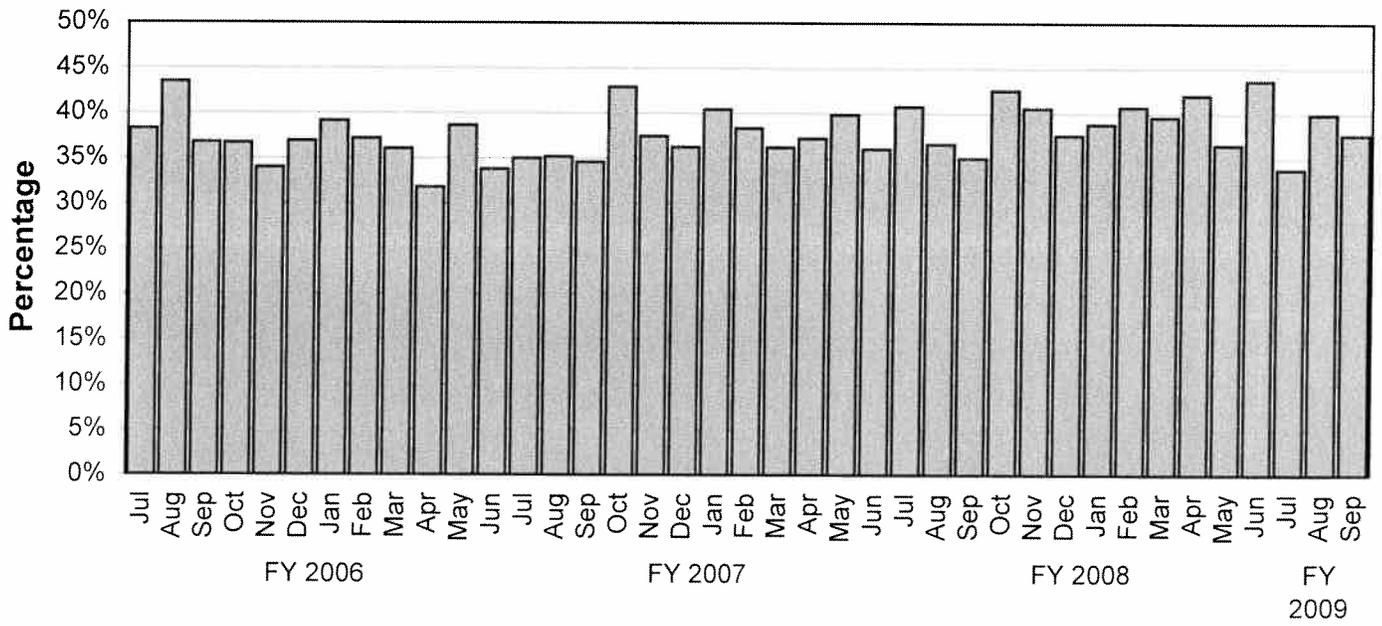


# TREND INDICATORS - AMBULANCE SERVICES

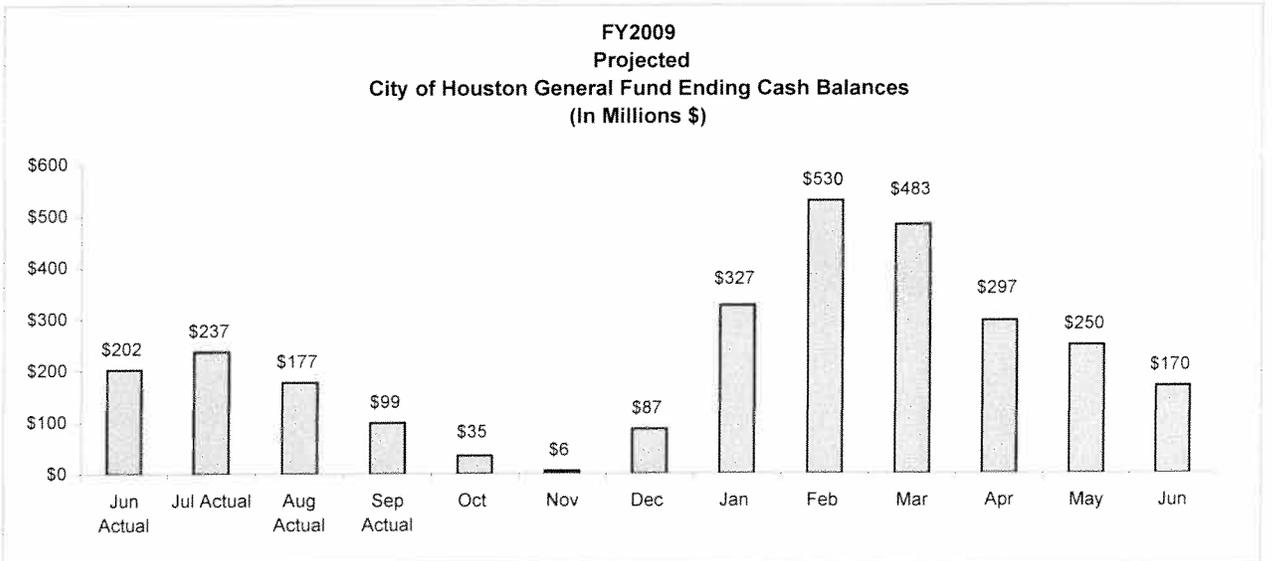
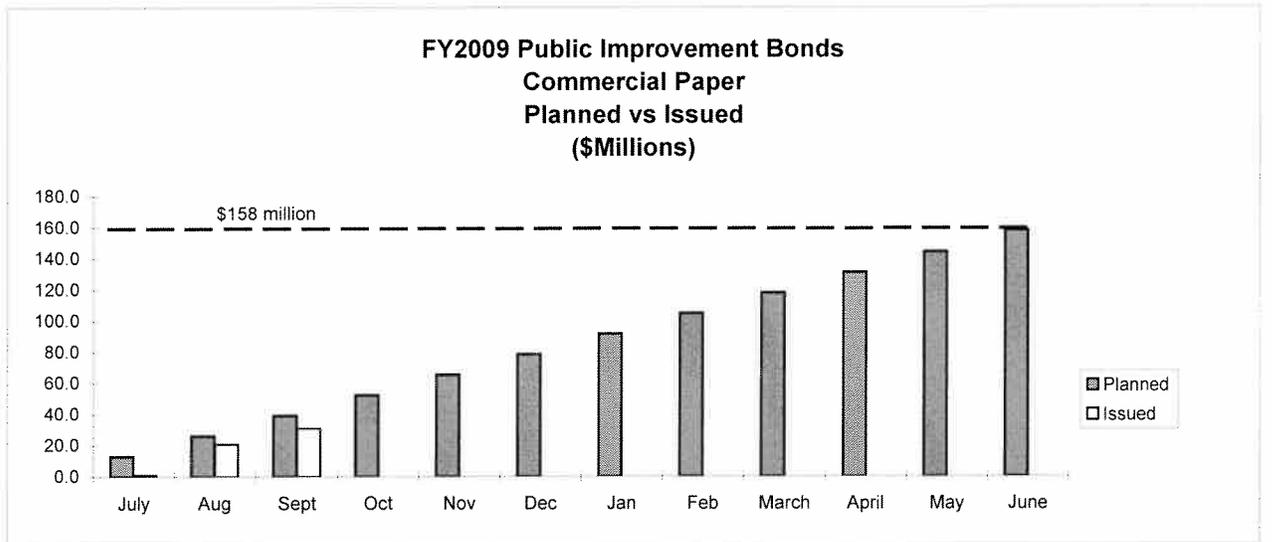
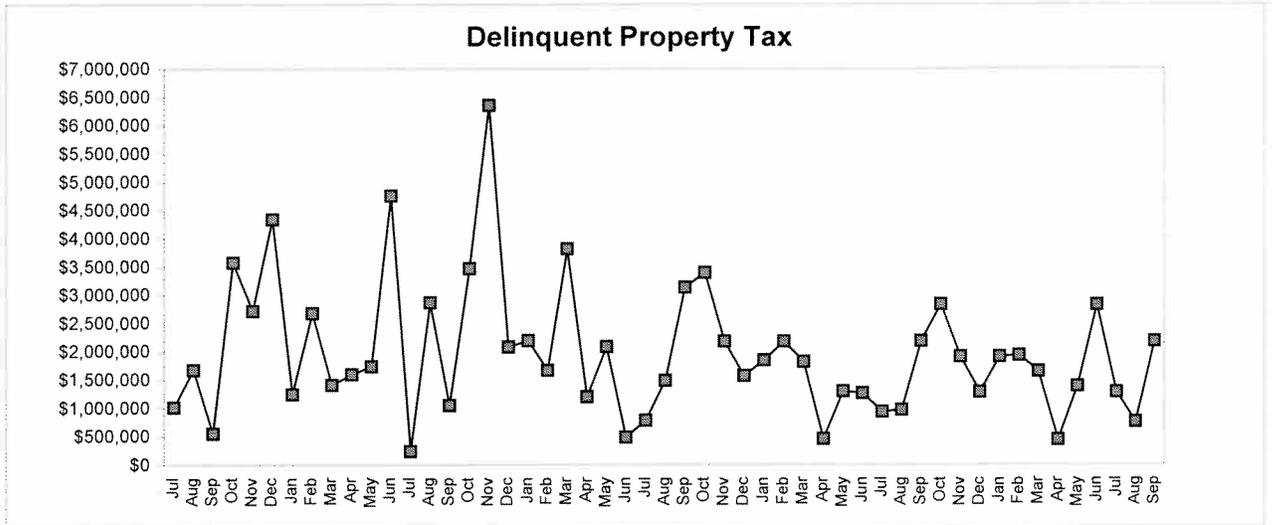
## 4 Month and 12 Month Moving Average EMS Revenue Per Transport



## EMS - Gross Collection Percentage

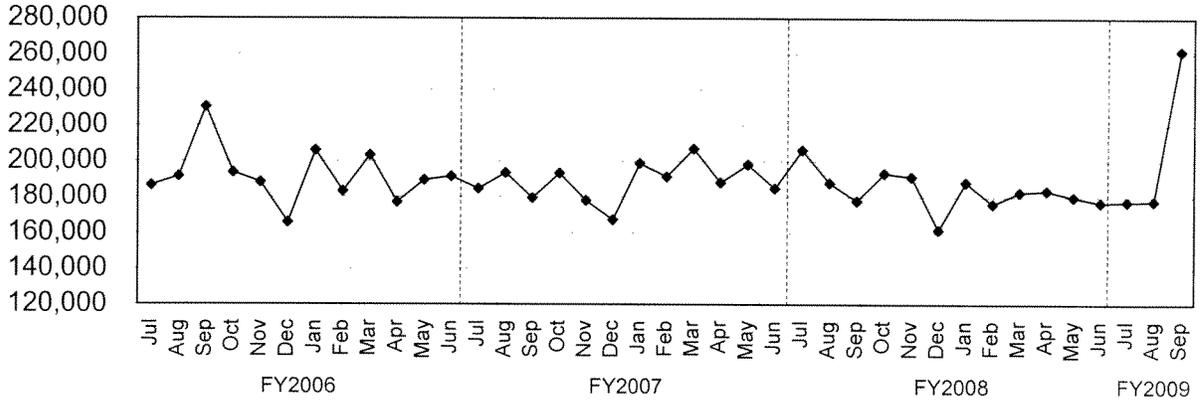


# TREND INDICATORS - MISCELLANEOUS



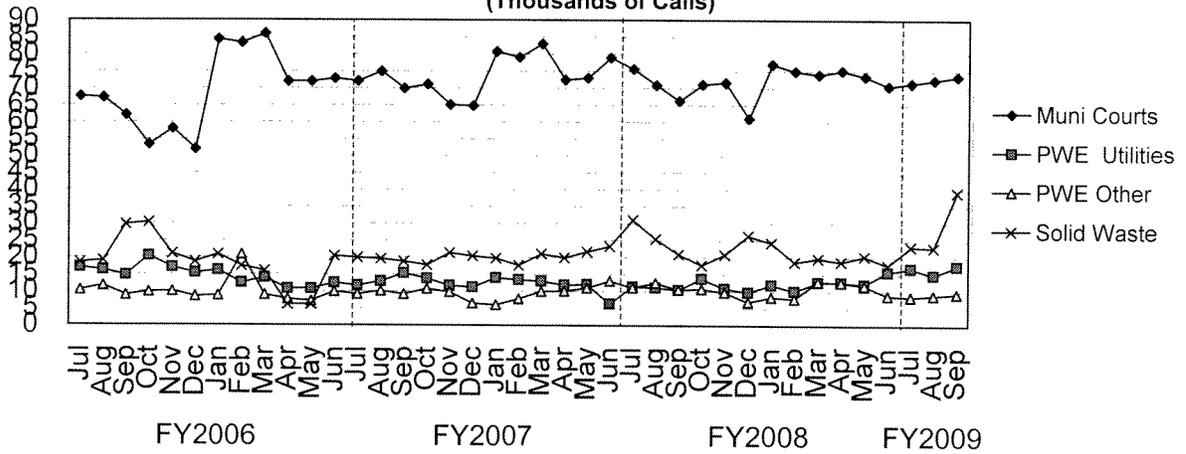
# TREND INDICATORS - MISCELLANEOUS

## 3-1-1 Call Volume



3-1-1 became fully operational in August 2001

## Operator Assisted 3-1-1 Call Distribution (Thousands of Calls)



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