

From Bob Lemer, Houston accountant who exposed Houston's billion dollar deficit  
Subject: Simple Message For All Houston Fiscal Conservatives---Republican or Democrat

According to its own audited financial statements for fiscal year ended June 30, 2008, the City of Houston had a **\$1.2 BILLION deficiency** in unrestricted assets at June 30, 2008---as a result of operating losses totaling \$1.5 BILLION for the five fiscal years ended June 30, 2008. Thus **the City was financially broke BEFORE the recession even hit.**

And the City has no earthly idea what has happened to its finances since June 30, 2008 and commencement of the recession, since it converts its books to the real (accrual) basis of accounting only once a year at annual financial statement time and no telling when the next audited financial statements will be out.

The politicians talk only about the general fund, which essentially is on the cash basis of accounting. The cash balance in the general fund, right now, is there TOTALLY as a result of depositing therein the proceeds of pension plan bonds, which, by law, should have gone directly into the pension plans.

The City's sales tax revenues are dropping and so will the property tax revenues after the next annual property valuations.

**The City is in an unsolvable financial crisis and the next mayor is going to have to captain the City ship through bankruptcy proceedings---that is an inescapable fact.**

AND **ROY MORALES IS THE ONLY MAYORAL CANDIDATE WHO HAS THE GUTS TO EVEN TALK ABOUT THE SUBJECT!**

WHY ON GOD'S GREEN EARTH ARE YOU CONSERVATIVES (REPUBLICANS, DEMOCRATS, LIBERTARIANS OR WHATEVER) SITTING ON YOUR HANDS? GET OFF YOUR DUFFS AND GET BEHIND ROY!

**SPREAD THE WORD!**

**ROY MORALES**

**Houston's Conservative Choice for MAYOR!!!**