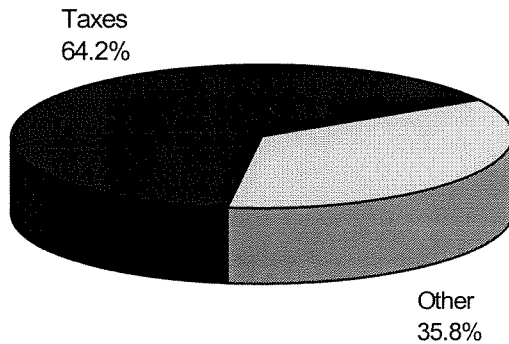


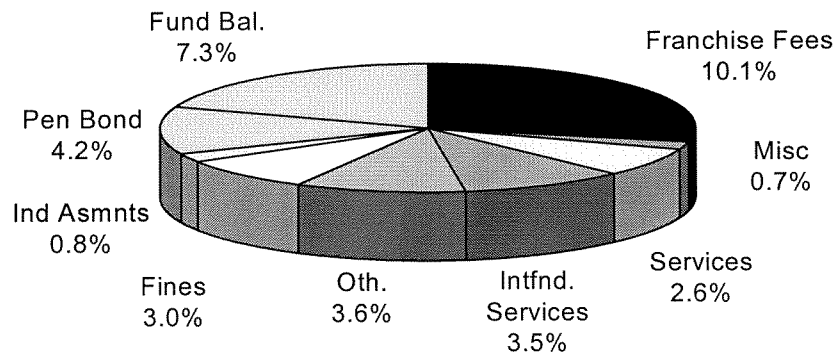
GENERAL FUND RESOURCES SUMMARY

The General Fund is the City of Houston's largest operating fund. With total resources of \$1.693 billion budgeted in FY2006, this fund relies heavily on various forms of revenue to finance its operations. As illustrated below, approximately sixty-four percent of the total resources in the General Fund are from property and sales taxes.

GENERAL FUND RESOURCES FY2006 BUDGET



COMPOSITION OF OTHER (ABOVE)

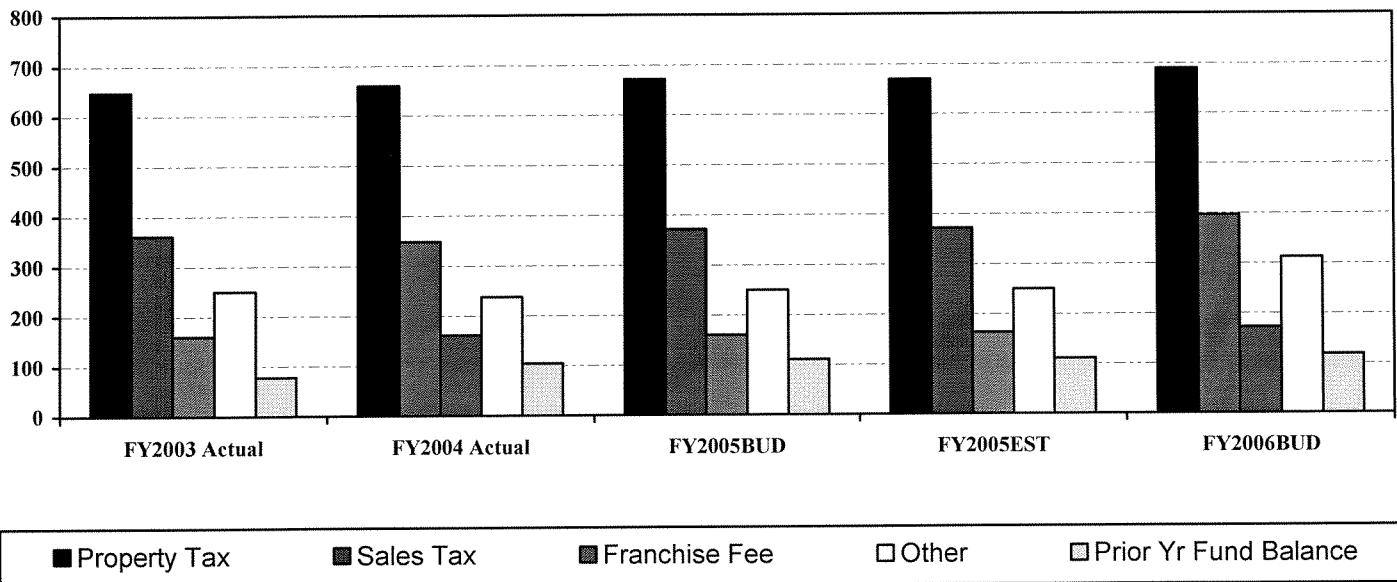


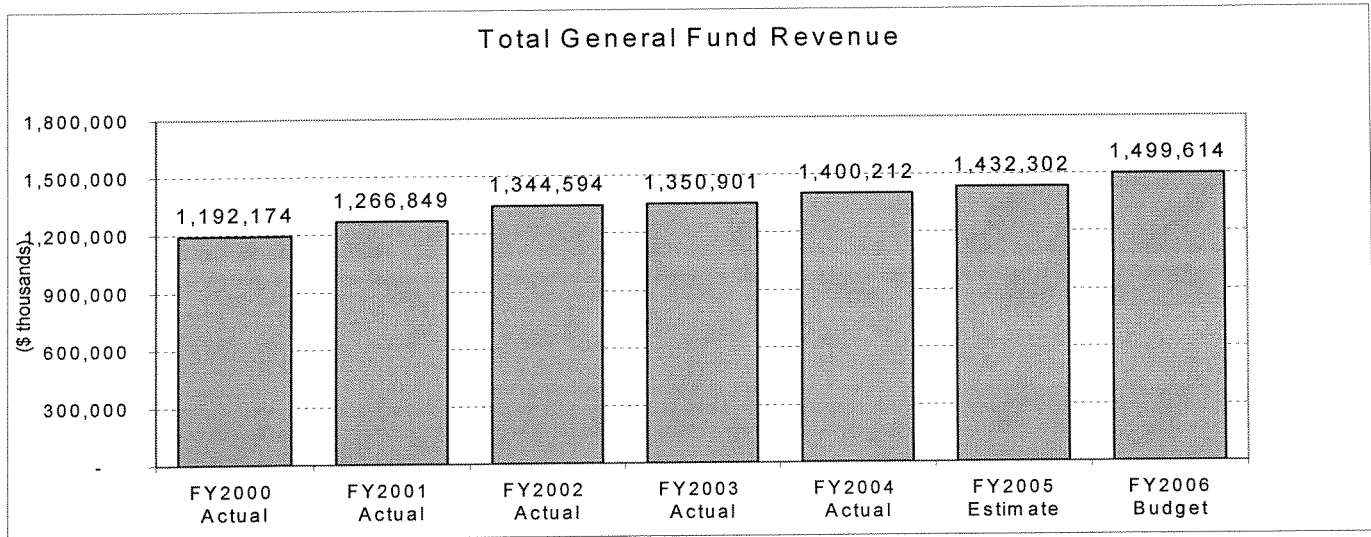
The composition of the FY2006 General Fund resources is listed below:

<u>RESOURCE CATEGORIES</u>	<u>RESOURCES FY2006 BUDGET*</u>	<u>% OF TOTAL BUDGET</u>
Taxes:		
Property Taxes	\$ 690,246	40.8%
Sales Taxes	395,845	23.4%
Franchise Fees	171,628	10.1%
Industrial Districts	13,830	0.8%
Intergovernmental	36,432	2.1%
Charges for Services	43,490	2.6%
Interfund Services	59,232	3.5%
Licenses and Permits	19,073	1.1%
Fines and Forfeits	50,574	3.0%
Interest on Investments	6,500	0.4%
Miscellaneous	12,764	0.7%
Total Revenues	<u>1,499,614</u>	<u>88.5%</u>
Pension Bond Proceeds	71,000	4.2%
Ending FY2005 Fund Balance	<u>122,954</u>	<u>7.3%</u>
TOTAL RESOURCES	\$ <u>1,693,568</u>	<u>100.0%</u>
*Dollars in Thousands		

The graph below provides a four-year comparison of the City's resources in millions of dollars.

**RELATIONSHIP OF GENERAL FUND RESOURCES
FY2003 THROUGH FY2006**





The FY2006 Budget amount in the chart above includes an increase for one extraordinary factor, the gross revenues of Special Purpose annexations (\$4 million). Additionally, these amounts for all years have also been adjusted to reduce Property Tax Revenue by the amounts associated with Property Tax Refunds.

Table I below provides the FY2006 General Fund revenue estimate in the categories that have become traditional. As shown, the total revenue is expected to be \$1.5 billion, or \$67.312 million (4.7%) greater than the projected FY2005 revenue.

Table I

**FY2006 Revenue Estimates
Compared with FY2005 Projections**

<u>Item</u>	<u>Projected Revenue (\$Thousands)</u>		
	<u>FY2005</u>	<u>FY2006</u>	<u>Increase</u>
General Property Taxes	669,824	690,246	20,422
Industrial Assessments	14,406	13,830	(576)
Sales Tax	372,000	395,845	23,845
Electric Franchise	77,750	88,100	10,350
Telephone Franchise	51,000	48,960	(2,040)
Gas Franchise	18,517	18,767	250
Other Franchise	15,602	15,801	199
Licenses and Permits	17,408	19,073	1,665
Intergovernmental	30,615	36,432	5,817
Charges for Services	39,143	43,490	4,347
Direct Interfund Services	43,798	44,345	547
Indirect Interfund Services	10,450	14,887	4,437
Municipal Courts Fines and Forfeitures	46,266	47,806	1,540
Other Fines and Forfeits	4,223	2,768	(1,455)
Interest	5,500	6,500	1,000
Miscellaneous/Other	15,800	12,764	(3,036)
Totals	1,432,302	1,499,614	67,312

Table II provides the revenue estimate for each distinct revenue source that is expected to produce at least \$3 million in FY2006. The remainder of this document describes the projection logic that has been used for each of these items.

Table II

**Revenue Estimates for
Revenue Sources over \$3 Million**

<u>Item</u>	<u>Projected Revenue (\$Thousands)</u>		
	<u>FY2005</u>	<u>FY2006</u>	<u>Increase</u>
Property Tax	669,824	690,246	20,422
Sales Tax	372,000	395,845	23,845
Electric Franchise	77,750	88,100	10,350
Telephone Franchise	51,000	48,960	(2,040)
Traffic Violations	23,867	24,696	829
Ambulance Fees	22,000	24,175	2,175
Interfund Police Protection	18,263	19,125	862
Gas Franchise Fees	18,517	18,767	250
Licenses and Permits	17,408	19,073	1,665
Industrial Assessments	14,406	13,830	(576)
Municipal Courts Fines and Forfeitures			
Other than Moving & Parking Violations	14,534	14,045	(489)
Interfund Fire Protection	12,183	13,188	1,005
Miscellaneous/Other	15,800	12,764	(3,036)
Indirect Cost Recovery	10,450	14,887	4,437
METRO Funding	20,000	22,000	2,000
Cable TV Franchise Fees	10,000	10,200	200
Charges for Services Other than Ambulance, Platting Fees, and Parking Fees	9,002	11,145	2,143
Mixed Beverage Tax	8,200	8,774	574
Parking Violations	7,865	9,065	1,200
Direct Interfund Other than Fire			
Police, Concrete	7,872	5,733	(2,139)
Interfund Concrete Reimbursement	5,481	6,102	621
Platting Fees	5,092	5,092	0
Interest	5,500	6,500	1,000
Solid Waste Hauler Franchise Fee	4,313	4,399	86
Parking Fees	3,264	3,580	316
All Other Revenue	7,711	9,323	1,612
Totals	1,432,302	1,499,614	67,312

Taxes

Property Taxes

General property taxes are ad valorem taxes levied on the assessed valuation of real and personal property. Taxable values for all real and personal property within the City are established by the Harris County Appraisal District (HCAD), based upon market values as of January 1. City Council then approves exemptions such as homestead, 65 and over, disabled as well as Freeport exemptions and then sets a tax rate within the limitations set by state law. The current tax rate for the City of Houston is 65.0 cents per \$100 of assessed valuation.

HCAD notifies taxpayers and taxing jurisdictions of these values during April to May of each year. Taxpayers may protest these values or the exemption status of their property. Hearings of appeals are largely concluded by October, and the Chief Appraiser of HCAD certifies the City's tax roll once 95 percent of the roll is completed.

City Council then sets a tax rate, and bills are sent to taxpayers, usually by early November. Payment is due by January 31 of the next calendar year. Taxes not paid by that date are delinquent and are subject to a seven percent late fee, which increases 2 percent per month until June 30. If an account is certified by the Chief Appraiser so that taxes are not billed before January 10, the taxpayer has at least 21 days, or until the end of the following month, to pay without incurring late fees. Taxpayers who wish to appeal values set by HCAD in state court may do so if they pay taxes on the uncontested value.

Occasionally, taxes are overpaid as the result of errors in appraisal or an overpayment by a taxpayer. The County Tax Office refunds such payments based upon the Texas Property Tax Code and documentation supplied by the taxpayers. Fluctuations in collections reflect changes in assessed property values, collection efforts, and tax rate changes.

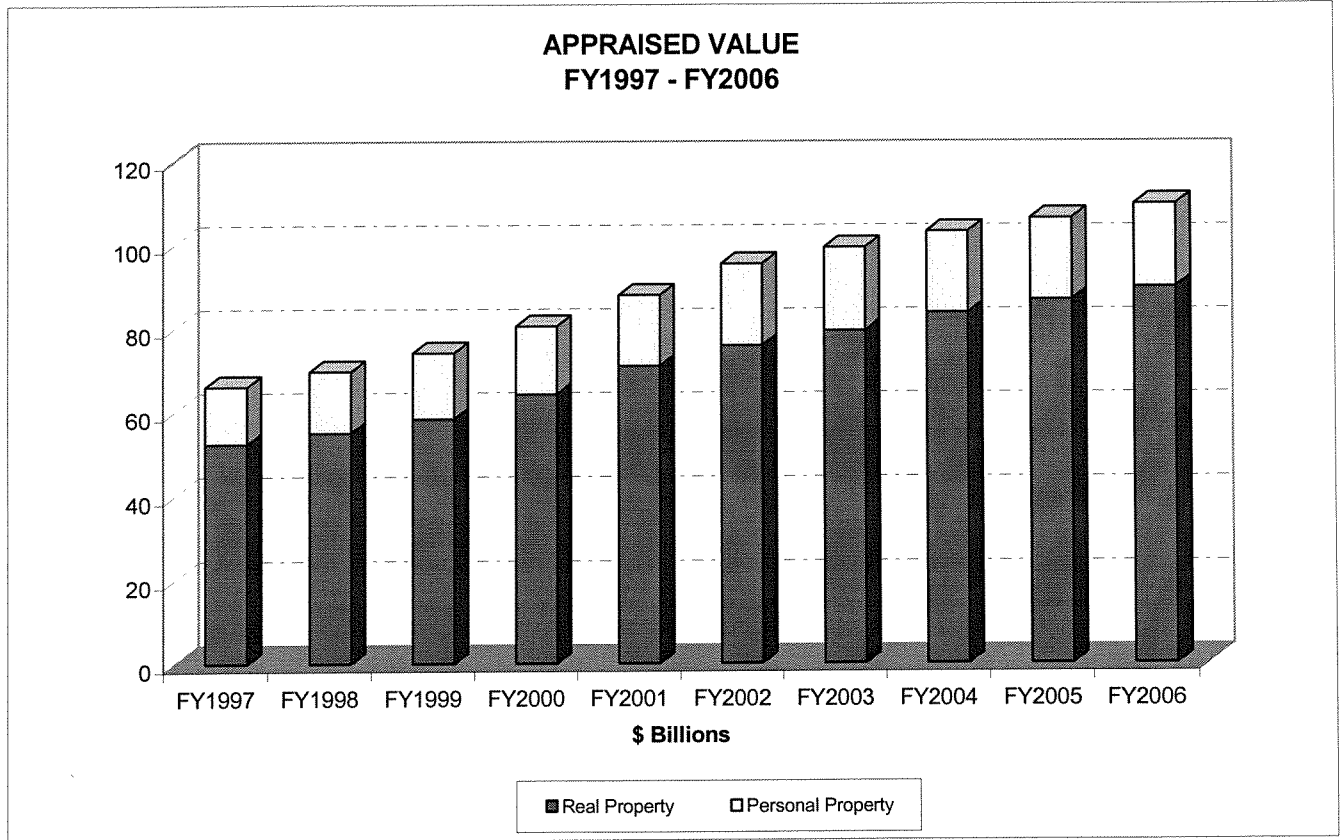
The FY2006 property tax revenue estimate is derived from an HCAD projection provided to the City in late April 2005. HCAD estimated the tax base to be certified in August 2005 would be \$110.1 billion, or approximately 4.0% higher than the FY2005 tax base. For conservatism, the Taxable Value used was \$109.5 billion, the midpoint of the low and mid-range projection. This amount is net of the increased senior/disabled exemption, which was increased from \$48,400 to \$53,240. This is projected to exempt as much as \$462 million in additional taxable value from the tax rolls, reducing revenue by an estimated \$3 million in FY2006. The senior/disabled exemption will increase by 10% in each of the two subsequent fiscal years.

For FY2006, we have modified our projection methodology to reduce the variability from the TIRZ payment, by removing the TIRZ projected taxable values before applying the estimated hearings loss rate. We then added back the base value of the TIRZ, reflecting the true value of revenues to the City from properties in the TIRZ.

The Finance and Administration Department applied an assumed 65.0 cent tax rate to this tax base, along with a 97.18% collection ratio and assumptions for prior year taxes collected (\$38.35 million), Tax Refunds and Rebates (\$12.44 million), to arrive at a net revenue estimate of \$690.246 million.

This revenue is approximately 3.05% higher than the estimated FY2005 revenue of \$669.824 million. This year-to-year revenue growth is significantly less than prior years.

On the following page is a graph showing the ten-year history of appraised property values in Houston, with the \$109.5 million estimate shown for FY2006.



**CITY OF HOUSTON APPRAISED VALUE
(\$ Millions)**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total Value</u>
1997	1996	52,304	13,724	66,028
1998	1997	54,997	14,611	69,608
1999	1998	58,276	15,768	74,044
2000	1999	64,149	16,200	80,349
2001	2000	70,859	16,956	87,815
2002	2001	75,691	19,556	95,247
2003	2002	79,249	19,846	99,096
2004	2003	83,790	19,402	103,192
2005	2004	86,433	19,467	105,900*
2006	2005	89,678	19,775	109,453*

*Harris County Appraisal District Estimate

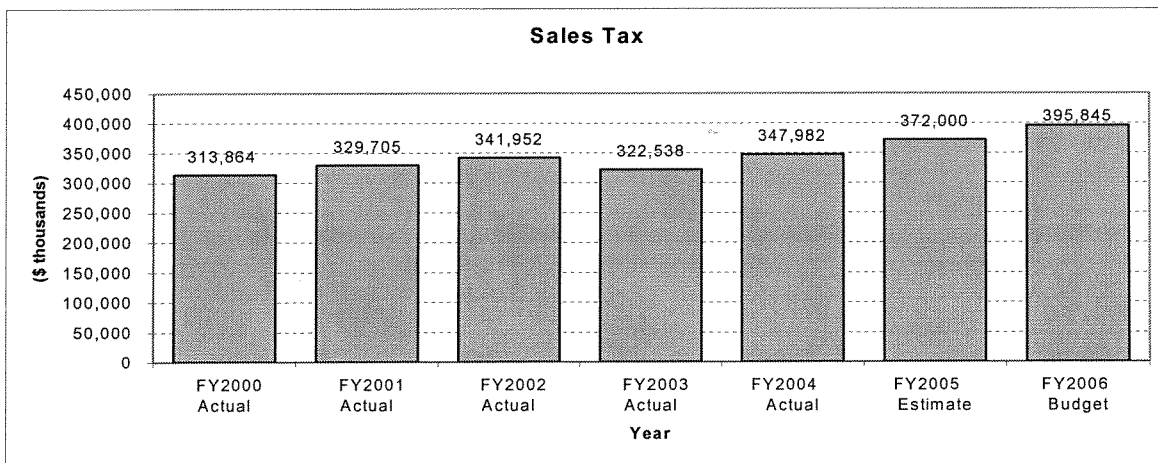
Sales Tax

General sales and use taxes are imposed upon the sale or consumption of certain goods and services at the point of sale. In the City of Houston, a \$.0825 sales and use tax is applied for every dollar of sales. The Metropolitan Transit Authority (METRO) receives \$.01, and the State of Texas receives \$.0625. The State Comptroller remits a \$.01 share to the City, after withholding a 2% service charge.

Due to the favorable economic conditions in Houston, sales tax has become an important factor in the City's overall revenue stream. However, due to its economically sensitive nature, sales tax reacts quickly with changes in the economy. This fact has been to the City's benefit in the last few years as the economy has improved, but in FY2003, the revenue fell along with the economy. In calculating the FY2006 budget, historical data was analyzed, factoring in economic conditions which may impact actual revenues received. In addition, the effect of current laws which exempt certain goods and services from taxation are incorporated into this analysis and are used to modify projections accordingly.

Large fluctuations in sales tax caused the City Council to retain an outside economist to make predictions, beginning in FY2001. Dr. Barton Smith has provided an extension of his analysis for FY2006, which indicates that sales tax will grow 5.91%.

As part of Dr. Smith's March report, he included local employment data which has been re-benchmarked, as well as redefined the Houston Metropolitan Statistical Area (MSA). These changes, combined with the recent reclassification of industrial sectors from Standard Industrial Codes to North American Industrial Codes has made it extremely difficult to link the pre-1990 labor market data with the current series of the labor market components. The FY2006 Budget includes sales tax revenue of \$395.845 million, which is the FY2005 Estimate plus 6.41% (0.5% above Dr. Smith). The graph below provides a seven-year comparison of the City's Sales Tax revenue.



Industrial Assessments

The City of Houston has Industrial District Contract Agreements with a term of fifteen years with 100 plus companies that are located within the Houston Extra-Territorial Jurisdiction (ETJ). A contractually reduced ad valorem assessed valuation fee is calculated and billed annually to each of those companies in lieu of the property being annexed and subject to City of Houston property taxes. The eighth tax year contract fees scheduled for billing and collection in FY2005 will approximate \$14.4 million. Industrial District Assessments are based on current year property values provided by HCAD and may change after receipt of the property value information from HCAD. These are contractual revenues, with the current agreements expiring in 2012. The FY2006 Budget includes a decrease to approximately \$13.8 million. The current decrease is linked to decreased HCAD valuations. HCAD recently identified 100 additional companies in the ETJ that are not currently under contract. Action is currently underway to contact these companies and add them into the contracted Industrial District assessment program. This could increase this revenue by approximately \$1.6 million.

Franchise Fees

Franchise fees are imposed on companies, entities, or persons for the privilege of using public property for private purposes. Franchise agreements have been granted to numerous enterprises including CenterPoint Energy, Southwestern Bell, several cable television firms, and others.

Changes in franchise revenue depend on many factors including economic fluctuations, rate charges, customer usage, franchise agreement changes and legislative actions.

Electric Franchise

Electric franchise fees are paid to the City for the right to conduct an electric light and power business and to use the City rights-of-way for that business. Prior to FY2006, these fees were paid quarterly in November, February, May, and August, of each year, based on an amount over the base year fee (1998) times the ratio of KWH usage to the 1998 usage. That factor was .0026838 \$ /KWH sold.

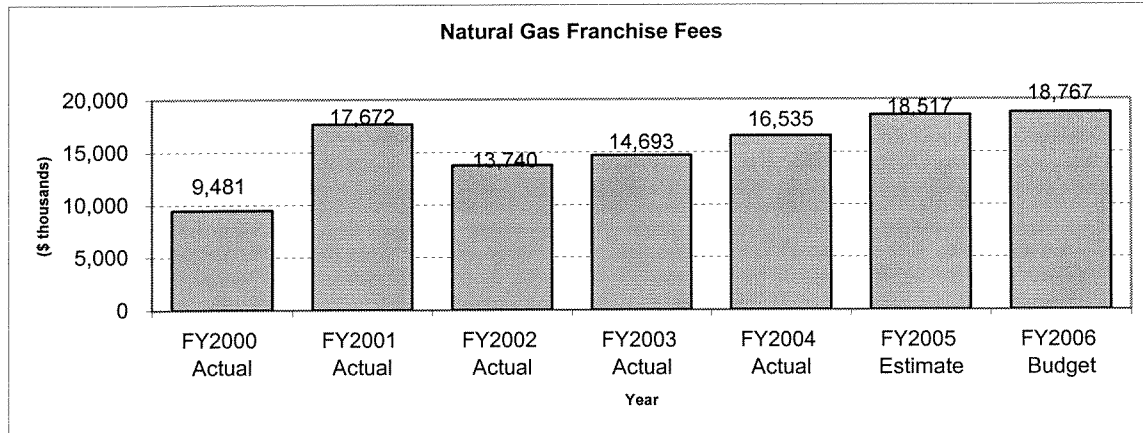
For FY2006, the City has renegotiated this franchise agreement to receive \$88.1 million, which will be paid to the City monthly. This is an increase of 13.3% over the projected amount of \$77.75 million.

Gas Franchise

The Gas Franchise fee is paid in exchange for CenterPoint and Industrial Gas Supply's operation of natural gas distribution business in the public rights-of-way. These fees are paid quarterly in October, January, April, and July and are based on a percentage of gross receipts of 4 percent for small consumers and 3.5 percent for large consumers.

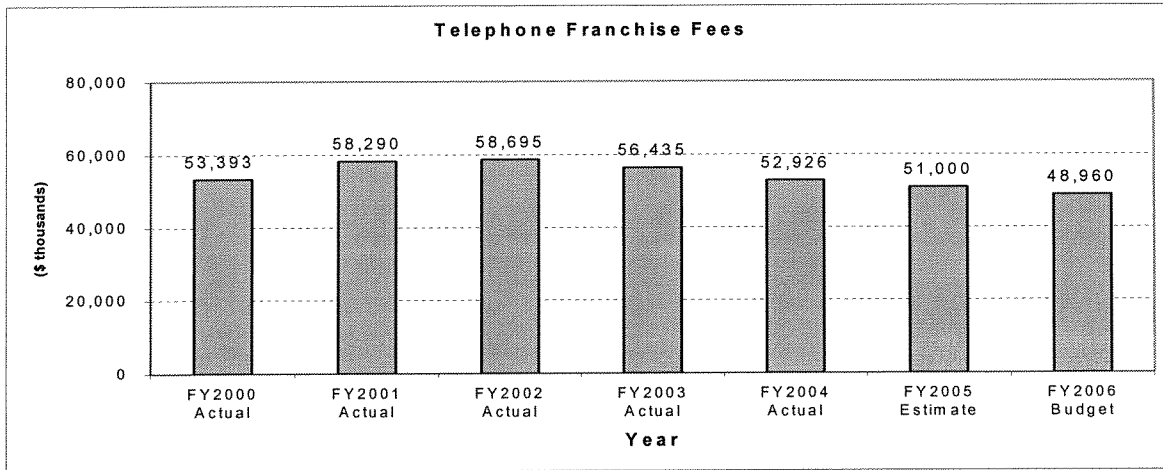
Gas regulation in Texas is overseen by the Texas Railroad Commission. Historically, the purchased gas adjustment (PGA) portion of the gas rate was filed to be effective for six-month periods in February and August of each year. However, beginning last year, the PGA may be changed as frequently as monthly. The PGA currently in effect for the period beginning February 2005 is 77.965 cents for each 100 cubic feet of gas used. (The factor for the same period in 2004 was 76.315 cents). The FY2006 Projection of \$18.7 million is being projected at CenterPoint's projection and estimated Industrial Gas Supply. We will continue to monitor the market price of natural gas, which is what is driving the CenterPoint projection, as well as the actual revenues, along with consumption.

The graph below provides a seven-year comparison of the City's Natural Gas Franchise Fee revenue.



Telephone Franchise

The telephone franchise fee is determined by applying a fixed rate to the number of access lines. Until June 2000, the only primary local exchange providers were SBC (Houston) and GTE Sprint (Kingwood). Now, after HB1777 opened the market for local phone service, there are approximately 112 companies paying telephone franchise fees to the City. Southwestern Bell's portion is about 85%. The fixed rates are: residential \$1.58; non-residential \$5.37; and point-to-point \$15.28 per access line. Since deregulation, the historical growth rate has declined significantly. Recent declines can be attributed to the growth in wireless services, as well as other new technologies. The FY2006 Budget for Telephone Franchise revenues is at \$49 million, which is in line with the most recent trend, and down approximately 4% from the FY2005 estimate of \$51 million. The graph on the next page provides a seven-year comparison of the City's Telephone Franchise Fee revenue.



Cable TV Franchise Fees

Cable TV franchise fees are paid by 7 different cable providers. The rate is 5% of gross revenue. The projection for FY2006 of \$10.2 million is 2% higher than the FY2005 estimate of \$10 million. An FCC ruling that cable modem (internet) connections are not cable services, and are not subject to the cable franchise fee, is currently being appealed.

Solid Waste Hauler Franchise Fees

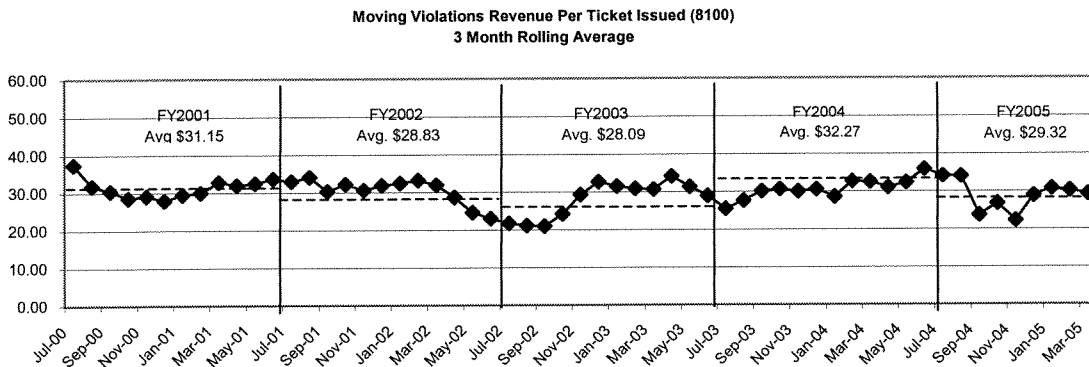
These are fees collected from solid waste haulers to compensate the City for additional wear and tear on the City streets. This is 4% of gross revenues from approximately 91 companies in FY2006. The FY2006 projection of \$4.4 million is up 2.3% from the FY2005 estimate of \$4.3 million.

Interfund Police Protection

HPD provides police service for the Airports. Airport Police was reassigned with HPD to initiate this process. Aviation is an Enterprise Fund and therefore pays HPD for this service. The original contract is an agreed upon billing process, negotiated by the prior Chief of Police, the Mayor and Aviation. The original amount plus any increase or decrease would be calculated onto this original contract amount. The FY2006 projection of \$19.1 million is 4.37% higher than the FY2005 estimate of \$18.3 million.

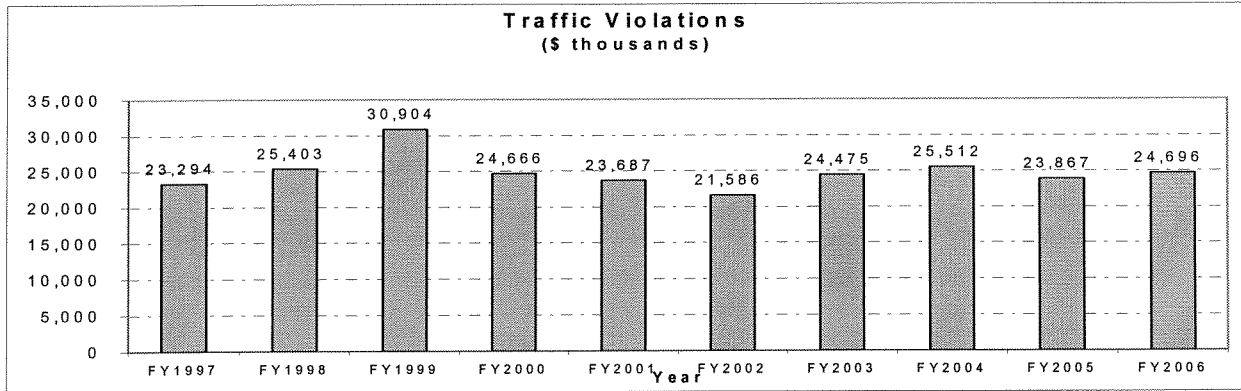
Traffic Violations

In FY2006, we are projecting ticket issuance of 840,000. The budgeted per ticket amount of revenue will be \$29.40, or \$24.7 million, which is 3.48% higher than the FY2005 projection of \$23.87 million.



In FY2005, the Case Management system was implemented for Parking in October 2004, and Traffic/Non-Traffic is projected for October/November 2005. There will be some degradation of service and necessary downtime to successfully convert the millions of cases/records from the mainframe to the new system. These revenue projections have taken these items into account.

The graph below provides a ten-year comparison of the City's Traffic Violations revenue.



Ambulance Fees

Chapter 4 of the City Code provides for the establishment of, and guidelines for, a citywide ambulance service. The base and variable fee structure, as well as the Fire Department and Finance and Administration (F&A) responsibilities, are addressed under Section 4.13. F&A has been charged with the billing and collection services resulting from the transport data provided by the Fire Department. F&A has chosen to contract with a private vendor for these services. The City is currently in the third year of a five-year contract with ACS State and Local Solutions, Inc. (ACS) for billing and collection services as well as installation of new technology including driver's license reader devices in all ambulance units to improve patient records, documentation and billing and collections. As required under the contract, ACS has also established business relationships with major area hospitals to improve collaboration of patient data records under Chapter 241 of the Texas Health and Safety Code and applicable Federal Law. This has been accomplished by implementing electronic HIPAA compliant database connectivity between area hospitals and ACS to share patient data including insurance information for billing and required record keeping purposes.

Due to rate increases in FY2002 and FY2003, the gross collection rate dropped from 36.3% in FY2002 to approximately 31.9% in FY2003. However, in FY2005, steady progress has been made to improve collections with the implementation of new technology and hospital connectivity noted above. These improvements have increased the estimated collection rate in FY2004 to over 34 percent. It is important to note that net revenues to the City have increased each year since FY2001 and the collection rate should stabilize in FY2005 in the mid 30% range. Rate increases cause a decrease in the collection rate because Medicare and Medicaid represent a large proportion of all billings and they both pay a fixed fee. The maximum gross potential collection rate drops for both Medicare and Medicaid as the base fee increases. This is also tempered by the fact that both Medicare and Medicaid require proof of medical necessity before they will authorize payment and many private insurers are beginning to follow these same guidelines. As such, the gross collection rate is not a reliable performance measurement tool since the City does not control what Medicare, Medicaid and many private insurers will pay per billing. The collection rate dilemma is also complicated by the fact that Medicare issued new requirements effective April 2002 requiring additional documentation to prove medical necessity. The new technology is designed to address the issue of additional documentation requirements through standardization and automated features to prompt the Paramedics to enter vital information in the patient record.

Additionally, the overall gross collection rate is impacted by the fact that less than 10% of uninsured individuals pay. The proportion of uninsured ambulance transport patients is high compared to the general population who do not have some form of insurance, but according to the Fire Department, the uninsured population are more likely to utilize emergency services for medical care than the insured. Regardless of this, ACS commits considerable resources at their own expense to collecting all accounts, mailing over 300,000 collection notices annually and placing approximately 2,000 telephone calls per day to unpaid accounts. ACS accepts all major credit cards and will work out any reasonable payment plan arrangement to help patients pay their bill.

Improvements in FY2006 include integrated account noticing to include all transports for a single patient on one billing, transition to a predictive dialer technology to improve the quality and number of outbound telephone collection calls as well as the addition of insurance specialists to provide personal follow-up attention to every unpaid claim billed to either Medicare, Medicaid or private insurance. Additionally, online payment capability is planned for FY2006 so that patients may conveniently pay their bill using any Internet connection.

Assuming consistent transport volume from FY2005 to FY2006, revenue of \$24.175 million (net of collection fees) is projected

Interfund Engineering Services

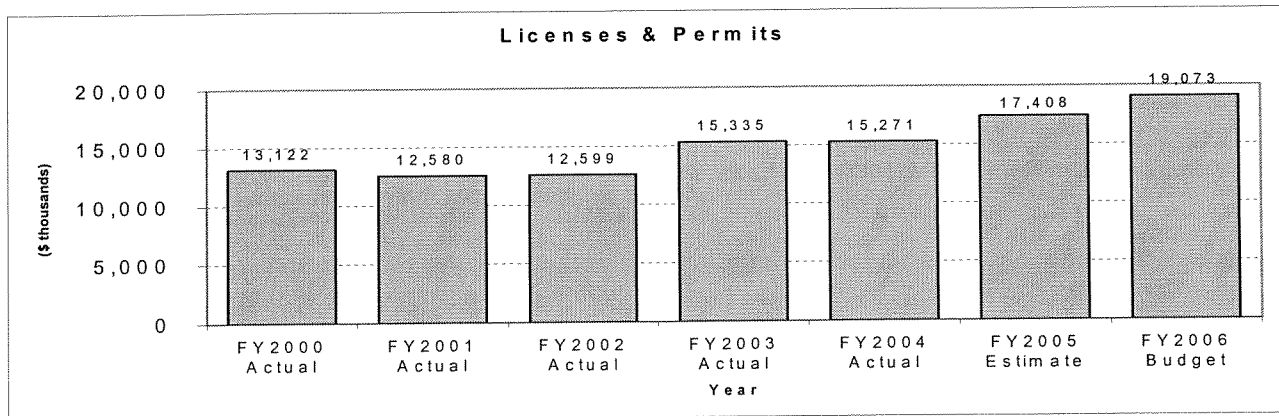
Interfund Engineering Services is the recovery of the costs incurred when the Design and Construction staff of Public Works and Building Services perform services for CIP projects. These salaries are recovered from CIP bond funds. These functions are being moved to a new fund, 10D - CIP Salary Recovery. This revenue source is matched by an expenditure in one of the departments that provide such services. Accordingly, any prediction error in revenues will be offset by a corresponding change in projected expenditures.

Indirect Cost Recovery

Indirect Interfund revenue is a representation of the recovery of the central service cost provided to other funds by the General Fund. These amounts are determined through the preparation of an annual cost allocation plan, which distributes administrative overhead costs to General Fund operating departments and to other funds. For the FY2006, the proposed plan calls for cost recoveries totaling \$14.887 million, a increase of \$4.437 million in indirect interfund revenue from the FY2005 estimate of \$10.450 million. This is mainly due to charges from ECRE that were recovered from the CIP projects, and included in the Direct Interfund Engineering Services in prior years.

Licenses and Permits

The Licenses and Permits category contains such items at burglar alarms, fire alarm, special fire, and many other permits. The FY2005 estimate is \$17.408 million, while the projection for FY2006 is \$19.073 million, an increase of \$1.665 million, or 9.56%. This projected increase is for slightly higher number of permits issued, as well as an increase in Special Fire Permits. The graph on the following page provides a seven-year comparison of the City's Licenses & Permits revenues.



Miscellaneous/Other

This revenue is being projected at \$15.800 million for FY2005 and \$12.764 million for FY2006. This decrease of \$3.036 million is mainly related to a one-time tax abatement defaults and prior year revenue recoveries in FY2005.

Municipal Courts Fines and Forfeitures Other than Moving and Parking Violations

Delinquent collection of Municipal Court Fines and Forfeitures is now largely privatized. It is projected to decrease approximately 3.36%, from \$14.534 million to \$14.045 million for FY2006. The new collection process is expected to increase collections in the future, which could lead to increases in this revenue source.

Interfund Fire Protection

This revenue is for fire protection provided by the Fire Department to the Aviation Department. It includes the actual costs for salaries, workers compensation, pension, and other direct expenses. The service provided includes 114 positions for 4 shifts at a 1.21 staffing factor, along with the salary of the Airport Coordinator and the Training Coordinator, as well as a portion of the indirect costs. The FY2006 projection of \$13.2 million is up approximately \$1 million above the FY2005 estimate, reflecting the increases in compensation.

Interfund Concrete Reimbursement

This revenue is for concrete repair (\$6.1 million), which will be billed to various CIP projects.

Direct Interfund Other than Fire, Police, Concrete

These revenues are payments received for services performed by the General Fund for other funds. In FY2006 the projection of \$5.733 million is lower than the FY2005 estimate of \$7.872 million, mainly due to moving the Interfund Engineering to Fund 10D. This remainder is mainly comprised of IT personnel moved from Enterprise and Special Revenue funds to the General Fund as part of the IT Network Consolidation in FY2004.

Interest

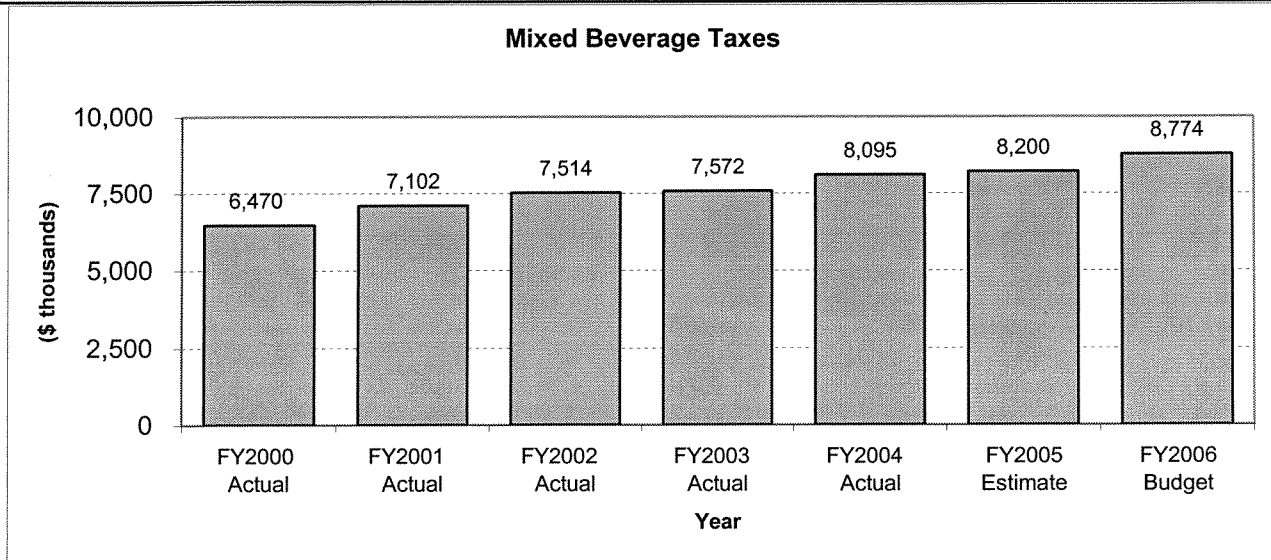
The City aggressively invests surplus balances and retains the earnings in the General Fund. The amount of such earnings depends on the balance available, the general level of interest rates, and the investment policies (tolerance for risk, need for liquidity, etc.) chosen. The FY2006 projection of \$6.5 million assumes higher cash balances and interest rates.

Mixed Beverage Tax

By law, all mixed beverage and private club permit holders remit to the State Comptroller a 14% gross receipts tax on their mixed beverage sales each month. Following the end of each calendar quarter, 10.7143% of the tax paid is allocated to the county where each business is located. For any business located within an incorporated city, another 10.7143% of the tax paid is allocated to the city where it is located. The remaining tax is distributed to the State's General Revenue Fund. Mixed Beverage Tax allocation amounts are dependent upon the timing and accuracy of taxpayer's returns and payments, but generally represent taxes remitted to the Comptroller's Office during the calendar quarter immediately preceding the month the allocation is distributed.

The Mixed Beverage Tax revenue has grown by an average of 7.09% the first 2 quarters of FY2005, and 9.42% over the last 4 quarters, due to the recovering economy. For the FY2006 projection, we are expecting a growth rate of 7% over the estimated FY2005 amount.

The following page shows a graph of the seven-year comparison of the City's Mixed Beverage Tax revenue.



Charges for Services Other than Ambulance, Platting Fees, and Parking Fees

The City performs many services for others. The recipient of these services may be the citizens or various groups that operate in Houston. Examples of the services are: miscellaneous copy fees, public safety report fees, vending machine concessions, vehicle storage, hazardous material response, and many others. The City charges nominal fees for these services. Many of these revenues generally have little or no growth from one year to the next, therefore, the only way in which they would show improvement would be in the event of a fee increase. For FY2006, revenues of \$11.145 million are projected, an increase of \$2.1 million over the FY2005 estimate of \$9 million. This is mainly due to FY2006 containing 2 new revenue sources, Fire Fighting services, and charges to TXDOT for maintenance of freeway lights.

Parking Violations

The Municipal Courts Administration Department is responsible for maintaining parking meters, as well as issuing citations for vehicles illegally parked. In FY2005, Municipal Courts estimates revenues from this source to be \$7.865 million. In FY2006, Municipal Courts will employ additional Parking Enforcement Officers, to enforce the existing signage. This is expected to generate an additional \$1.2 million of revenue in FY2006, and is projected at a total of \$9.065 million.

Parking Fees

This revenue comes from both parking meters and city parking lot usage, excluding those owned by the Convention & Entertainment Department. Downtown construction has reduced the number of parking meters used, but with the increased presence of parking enforcement officers, which thus far has led to more courtroom cases, and introduction of the new meters in FY2002, use of meters and parking lots should increase.

The FY2006 projection of \$3.58 million is \$316 thousand higher than the FY2005 estimate of \$3.264 million, primarily from increases in the number of metered spaces.

Other Categories

The smaller revenue sources were generally predicted by the appropriate departments or were trended by F&A. These smaller revenues are being projected at \$9.3 million for FY2006.

A detailed listing of General Fund revenues by category are presented on the following pages, showing the FY2004 Actual, FY2005 Budget and Estimate, and the FY2006 Budget amounts.

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
<u>Taxes</u>				
Ad Valorem Property Taxes				
Current Property Taxes	597,944,925	607,722,404	603,161,613	622,833,000
Current Yr Delinq Prop Taxes	38,852,921	40,494,674	40,127,387	41,500,000
Delinq Prop Tax-Prior Years	1,798,715	832,713	1,800,000	1,800,000
P Y Delinq Prop Tax-1992	0	25,000	25,000	15,000
P Y Delinq Prop Tax-1993	285,329	150,000	75,000	50,000
P Y Delinq Prop Tax-1994	322,415	183,221	275,000	150,000
P Y Delinq Prop Tax-1995	347,834	219,199	300,000	255,000
P Y Delinq Prop Tax-1996	412,341	256,623	375,000	355,000
P Y Delinq Prop Tax-1997	464,642	320,846	450,000	305,000
P Y Delinq Prop Tax-1998	647,930	395,544	500,000	370,000
P Y Delinq Prop Tax-1999	1,033,689	587,204	700,000	500,000
P Y Delinq Prop Tax-2000	1,733,107	950,201	1,300,000	685,000
P Y Delinq Prop Tax-2001	4,023,134	2,005,184	2,250,000	1,315,000
P Y Delinq Prop Tax-2002	12,937,723	3,705,365	4,500,000	1,835,000
P Y Delinq Prop Tax-2003	0	13,102,061	13,300,000	3,205,000
P Y Delinq Prop Tax-2004	0	0	0	14,114,000
Pen & Int-Cur Delinq Prop Tax	3,303,097	3,242,844	3,750,000	3,850,000
Penalty & Int-Delinq Prop Tax	8,921,691	8,424,917	9,000,000	9,547,000
Property Tax Refunds	(11,755,242)	(10,765,000)	(11,765,000)	(12,129,000)
Property Tax Rebates	(275,080)	(300,000)	(300,000)	(309,000)
Subtotal	<u>660,999,172</u>	<u>671,553,000</u>	<u>669,824,000</u>	<u>690,246,000</u>
Sales Tax	347,982,457	371,548,000	372,000,000	395,845,000
Total Taxes	<u>1,008,981,629</u>	<u>1,043,101,000</u>	<u>1,041,824,000</u>	<u>1,086,091,000</u>
Industrial District Assessment	15,167,087	14,406,000	14,406,000	13,830,000
Total Industrial District Assessment	<u>15,167,087</u>	<u>14,406,000</u>	<u>14,406,000</u>	<u>13,830,000</u>
<u>Franchise Fees</u>				
Electric Franchise				
Electric Franchise Fee	74,224,460	74,934,000	75,300,000	85,600,000
Miscellaneous Franchise Fee	2,169,281	2,450,000	2,450,000	2,500,000
Telephone Franchise				
Telephone Franchise Fee	52,925,678	51,000,000	51,000,000	48,960,000
Gas Franchise				
Natural Gas Franchise Fee	16,534,589	16,568,000	18,517,000	18,767,000
Other Franchise				
Cable TV Franchise Tax	9,875,606	10,000,000	10,000,000	10,200,000

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
Limousine Franchise Tax	484,974	360,000	425,000	400,000
Chart Tours & Sight Franch Tax	123,911	86,000	105,000	100,000
Soild Waste Hauler Francise	4,220,702	4,312,513	4,312,513	4,398,763
Spur Track - Franchise Fees	21,817	21,000	21,000	21,420
Pipeline & Conduits-Fran Fees	290,029	166,000	230,000	169,320
Fiber Optics Franchise Fee	326,982	368,000	375,000	375,360
Encroachment	179,631	133,270	133,270	135,935
Subtotal	<u>15,523,653</u>	<u>15,446,783</u>	<u>15,601,783</u>	<u>15,800,798</u>
Total Franchise Fees	<u>161,377,661</u>	<u>160,398,783</u>	<u>162,868,783</u>	<u>171,627,798</u>
<u>Licenses and Permits</u>				
Special Food Permits	915,628	900,000	840,000	840,000
Food Dealers Permits	3,127,879	3,330,000	3,134,000	3,200,000
Food Managers Permits	442,659	420,000	420,000	420,000
Mobile Food Vendor Licenses	190,190	200,000	185,000	185,000
Liquid Waste Transport Permits	155,107	140,000	147,000	147,000
Misc Health Permits	796,700	815,000	774,000	800,000
Swimming Pool Operating Permit	362,670	350,000	360,000	360,000
Rabies Control Licenses	404,867	440,000	380,000	400,000
Ambulance Permits	34,668	25,000	36,900	36,900
Occupation Licenses	137,518	137,360	137,360	138,734
Sexually Oriented Businesses	122,270	127,125	112,240	112,240
Beer & Wine Licenses	214,436	226,240	226,240	228,502
Late Hour Licenses	124,561	131,300	131,300	132,613
Dance Licenses	141,349	161,600	150,000	150,000
Liquor Licenses	130,442	136,350	136,350	137,714
Mixed Beverage Licenses	342,615	353,500	353,500	357,035
Burglar Alarm Permits	3,239,486	3,400,000	3,000,000	3,400,000
Special Fire Permits	2,688,098	2,300,000	3,500,000	4,500,000
Construction Permits	175	0	0	0
Other Bldg & Construct Permits	17,080	0	20,000	20,000
Fire Alarms Permits	225,015	500,000	200,000	250,000
School Bus Licenses & Permits	60,490	38,000	20,000	25,000
Taxicab Licenses & Permits	1,043,131	898,000	900,000	900,000
Wrecker Licenses & Permits	1,235	0	0	0
Valet Parking Operator Permits	16,000	6,000	14,250	14,250
Bicycle Registration	6,100	6,100	0	0
City Election Fees	42,000	0	0	0
Other Licenses And Permits	261,983	252,500	252,500	255,025
Tower Appl Review Fee	1,515	1,250	1,250	1,250
Mobility Permits	0	0	230,000	315,000
Dumpster Permits	0	0	1,746,400	1,746,400
Total Licenses and Permits	<u>15,245,865</u>	<u>15,295,325</u>	<u>17,408,290</u>	<u>19,072,663</u>
<u>Intergovernmental</u>				
Intergovernmental				
Medicaid Title XX	55,310	200,000	150,000	150,000
MedicaidTTXX	40,682	0	0	0

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
Medicaid Title XX	932,421	1,075,000	1,075,000	1,075,000
Dept Of Transportation Grants	3,909	0	0	0
Fema Grants	148,025	140,000	140,000	140,000
Other Grant Awards	303,224	274,444	274,444	3,493,000
Intergovernment Rev. - Metro	9,427,677	20,000,000	20,000,000	22,000,000
Mixed Beverage Tax	8,095,105	8,200,000	8,200,000	8,774,000
Bingo Tax	252,499	275,000	275,000	300,000
Billings To Grants	413,187	500,000	500,000	500,000
Subtotal	<u>19,672,039</u>	<u>30,664,444</u>	<u>30,614,444</u>	<u>36,432,000</u>
Total Intergovernmental	<u>19,672,039</u>	<u>30,664,444</u>	<u>30,614,444</u>	<u>36,432,000</u>
Charges for Services				
Direct Interfund Services				
Intfd Electrical Maintenance	151,968	110,000	0	0
Intfd Engineering Services	(1,019,175)	825,778	2,160,578	90,000
Interfund 311 Services	1,792,500	1,792,500	1,792,500	1,702,500
Intfd Fire Protection Services	10,864,741	13,042,270	12,183,000	13,188,000
Intfd Airport Police Services	18,120,053	19,049,416	18,262,673	19,125,336
Intfd Legal Services	425,089	500,000	440,000	450,000
Intfd Payroll Services-701	368,472	382,826	382,826	435,397
Intfd Payroll Services-214	38,520	39,099	39,099	0
Intfd Auditing Svcs-601	0	0	0	196,647
Intfd IT Network Services	1,133,655	1,164,953	1,164,953	1,164,953
Other Intfd Services	7,477,410	6,980,500	7,080,500	7,701,414
Intfd Vehicle Fuel	66,603	65,000	68,000	67,000
Intfd Vehicle Repair	192,398	224,000	224,000	224,000
Intfd Inventory	(1,489,815)	0	0	0
Subtotal	<u>38,122,419</u>	<u>44,176,342</u>	<u>43,798,129</u>	<u>44,345,247</u>
Indirect Interfund Services				
Indirect Cost Rec - Aviation	3,087,999	2,388,455	2,388,455	2,388,255
Indirect Cost Rec-Civic Center	666,999	441,983	441,983	554,554
Indirect Cost Rec-Wtr & Swr Fd	4,695,574	1,236,282	1,236,282	2,156,946
Indirect Cost Rec - Halan	288,024	212,460	212,460	124,087
Indirect Cost Rec - Auto Deal	285,601	342,229	308,429	266,439
Indirect Cost Rec - Public Tv	44,986	130,985	130,985	11,286
Indirect Cost Rec-Bldg Inspec	1,169,620	916,308	916,308	892,642
Indirect Cost Rec-St&Drainage	939,261	1,116,719	1,116,719	982,148
Indirect Cost Recovery 911	237,247	235,000	235,000	261,470
Indirect Cost Rec-Other	66,137	0	65,674	3,931,161
Indirect Cost Rec - Grants	3,165,628	3,398,101	3,398,101	3,317,759
Subtotal	<u>14,647,076</u>	<u>10,418,522</u>	<u>10,450,396</u>	<u>14,886,747</u>
Other Charges for Services				
Hazardous Materials Response	122,413	180,500	123,000	124,800
Hazardous Materials Permit	1,625	2,500	2,500	2,500
Ambulance Fees	23,205,832	24,175,000	22,000,000	24,175,000
Library Service Charges	6,330	0	0	0
Animal Control Fees	110,753	126,000	126,000	126,000
Clinical Fees	188,170	204,100	281,700	281,700
Hotel & Motel Ordinance	2,400	6,000	6,000	6,000

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
Demolition Fees	660,018	700,000	813,805	805,000
Non Resident Garbage Fee	198,496	210,600	223,600	226,000
Extra Container Garbage Fee	737,085	781,600	750,350	758,000
Weed Cutting Fees	680,485	600,000	685,000	650,000
Laboratory Fees	226,785	245,000	230,000	235,000
Other Health Services Fees	15	0	0	0
Limousine Inspection Fees	35,397	22,500	35,000	35,000
Platting Fees	5,159,020	5,091,950	5,091,950	5,091,950
Police Services	292,561	390,000	300,496	1,301,600
Legal Fees	5	0	0	0
Other Service Charges	131,556	240,000	116,550	114,150
Certified Copies Fees	1,828,760	1,821,500	1,829,000	2,194,000
City Maps & Related Items	2,396	3,000	1,800	2,200
Miscellaneous Copies Fees	35,774	27,241	37,406	32,284
Public Safety Reports Fees	739,752	869,191	757,843	842,843
Fire Fighting Services	4,000	4,000	5,860	545,860
Training Services	525	700	100,500	100,500
Misc Service To Other Agencies	557,609	532,900	408,073	410,000
Special Events Concessions	0	10,000	15,000	0
Photocopier Concessions	8,514	9,000	9,000	7,000
Pay Phone Concessions	934,543	650,000	650,000	650,000
Vending Machine Concessions	61,364	60,600	199,197	184,500
Metered Parking Revenue	1,944,502	2,300,000	1,509,314	1,825,000
Garage Parking Revenue	1,517,242	1,747,154	1,755,148	1,755,148
Building Space Rental Fees	500,469	475,250	475,250	475,250
Facility Rental Fees	496,255	511,424	579,704	533,001
Park Facility Use Fees	0	23,000	23,600	0
Park Equipment Rental Fees	0	495	0	0
Subtotal	40,390,653	42,021,205	39,142,646	43,490,286
Total Charges for Services	93,160,148	96,616,069	93,391,171	102,722,280
Fines and Forfeits				
Muni. Courts Fines & Forfeits				
Moving Violations	25,512,458	26,804,904	23,867,272	24,695,950
Parking Violations	5,982,009	7,636,995	7,865,337	9,065,337
MCTPMLYTPDS	512,030	575,314	557,561	57,561
Nontraffic Fines	2,196,664	1,713,604	1,659,002	1,659,002
Failure To Appear Fines	3,074,745	2,780,553	3,897,821	3,616,357
Scire Facias Forfeitures	600,000	1,273,093	948,118	948,118
Bond Handling Fees	119,708	97,963	119,413	119,413
Residential Parking Permit	8,462	6,545	12,500	12,500
Local Court Costs	673,136	764,223	655,529	655,529
Driver Safety Admin Fees	812,600	879,508	775,697	775,697
Cash Bond Forfeiture Fees	301,140	252,804	383,639	383,639
Local Arrest Fees	1,625,087	1,662,353	1,593,992	1,593,992
State Arrest Fees	236	167	8,002	8,002
Towing Hearing Filing Fee	4,240	4,129	4,984	4,984
Warrant Fees	353,769	247,565	276,232	276,232
HPD Overtime Fee	4,604	2,954	3,479	3,479
Capias Pro Fine Fee	65,424	77,069	55,264	55,264

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
Empanel Fee	225	135	101	101
Unclaimed Fines & Forfeits	10,149	12,724	5,452	5,452
Bill of Review Fee	0	131	45	0
Court Costs/Jury Costs	11,532	11,407	12,911	12,911
Suspended Sentence Fees	2,562,919	2,271,787	2,941,111	2,941,111
Boot Fees	80,250	79,612	76,801	230,403
Administrative Boot Fees	82,600	81,994	69,548	208,644
Registration Denial Fees	90,695	37,926	123,715	123,715
Dismissal Fees	319,859	325,899	352,765	352,765
Subtotal	45,004,540	47,601,358	46,266,291	47,806,158
Other Fines and Forfeits				
Deposit Forfeitures	46,644	30,000	60,000	60,000
Library Fines	743,140	1,032,000	650,000	720,000
Release Of Liens	261,392	100,000	150,000	150,000
Vehicle Tow-Away Fees	964	3,000	5,500	3,500
False Alarm Penalties	964,403	1,200,000	1,200,000	1,200,000
Other Interest Income	85,490	125,000	107,271	110,000
Returned Check Charges	11,951	21,208	17,948	19,356
Misc Fines & Forfeits	16,819	2,004,000	2,032,000	505,000
Subtotal	2,130,803	4,515,208	4,222,719	2,767,856
Total Fines and Forfeits	47,135,343	52,116,566	50,489,010	50,574,014
Interest				
Interest On Pooled Investments	3,329,475	3,654,000	4,347,750	5,100,000
Interest Apportionment Trans	1,800,239	1,346,000	1,152,250	1,400,000
Total Interest	5,129,714	5,000,000	5,500,000	6,500,000
Miscellaneous/Other				
Streets & Bridges Assessments	1,036,921	1,000,000	1,708,000	1,000,000
Sale Of Scrap Metal	28,957	10,000	23,200	26,000
Sale Of Scrap Oil & Tires	40	500	2,000	1,000
Sale Of Obsolete City Vehicles	489,267	600,000	600,000	600,000
Sale Of Merchandise	281,188	125,000	200,700	469,000
Sale Of Other Assets	425,850	413,664	550,000	550,000
Sale Of Land	651,306	0	0	0
Sale Of Streets	1,211,837	1,500,000	1,500,000	1,500,000
Judgments & Claims	863,809	150,500	176,300	76,300
Overpayments-Grieve Intl	0	0	100	0
Reimbursement Of Court Costs	4,668	1,500	1,500	1,500
Confiscations	340	0	0	0
Subrogations	750	1,000	1,000	1,000
Recoveries & Refunds	4,414,751	4,392,100	6,709,950	4,729,500
RECDAMINFRAS	141,682	0	0	0
Recover damage-infrastructure	0	100,000	140,000	94,000
Prior Year Expend Recovery	4,513,645	350,500	269,300	400,000
Prior Year Revenue	(846,570)	254,450	5,100	104,200

FISCAL YEAR 2006 BUDGET

GENERAL FUND REVENUES BY CATEGORY	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATE	FY2006 BUDGET
Cashier Overages	3,354	11,417	8,644	8,644
Miscellaneous Revenue	319,371	1,300,415	1,974,250	1,203,161
	12	0	0	0
Street Millings Sale Earnings	0	0	250,000	500,000
Pension Oblig Bond Proceeds	0	47,905,334	47,905,334	71,000,000
Transfers From General Fund	574,493	0	0	0
Transfers From Special Revenue	0	1,500,000	1,000,000	0
Transfers From Civic Center	1,500,000	0	0	0
Other Operating Transfers In	5,300,000	2,000,000	2,000,000	0
Contributions From Others	2,432,655	1,680,000	1,680,000	1,500,000
Total Miscellaneous/Other	<u>23,348,325</u>	<u>63,296,380</u>	<u>66,705,378</u>	<u>83,764,305</u>
Grand Total:	<u>1,389,217,811</u>	<u>1,480,894,567</u>	<u>1,483,207,076</u>	<u>1,570,614,060</u>