



BILL WHITE
MAYOR

OFFICE OF THE MAYOR
CITY OF HOUSTON
TEXAS

May 16, 2006

Members of City Council
Houston, Texas

**Re: Highlights of Proposed Fiscal Year 2007
Budget for the City of Houston**

Dear Colleagues,

The Administration's proposed FY2007 budget provides significantly more City services to the public without an increase in property tax rates. The City is in sound financial condition because of the reforms and discipline implemented over the last two and one-half years.

The proposed budget gives its priority to the public safety functions of the City budget, with 64.6% of general fund expenditures, net of debt service, devoted to Police, Fire and EMS services. This budget also provides overdue, additional resources for vital civilian functions.

Among the highlights in the budget are the following:

- Funding for six new police classes, putting about 420 new officers in service.
- Creation of a new Traffic Management Force of uniformed traffic officers with special training to provide quick response to help alleviate traffic bottlenecks.
- Providing an extension of the NETT police program, paid for by federal grant funding, deploying the equivalent of 150 additional, select officers at crime hotspots.

- Increasing Fire pay by 6%, consistent with the terms of the contract, and technology upgrades for the life safety bureau.
- Funding more aggressive programs for removing graffiti and arresting graffiti vandals.
- A 24% increase in the budget for books and other library materials, reversing two decades of declining real investment in library materials.
- Creating new positions in the health department, allowing the City to be better prepared for epidemics.
- Funding for an average 2% pay increase for civilian employees, to assist in recruiting and retention of a qualified workforce.
- Funding the public sector share of budgets allowing development of a new downtown park by the Conservancy and the 5,000-acre new Lake Houston Park.
- Reducing taxes for tens of thousands of citizens on fixed incomes with an increase of \$5,324 per household in the senior exemption for city property taxes.
- Significant progress on the 2004 plan for reducing unfunded pension liabilities and the rate of increase in health benefit costs.
- Doubling the staff of the FAST unit, to help crack down on irresponsible practices which make certain apartments and other locations magnets for crime.

Respectfully,



Bill White

Mayor

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