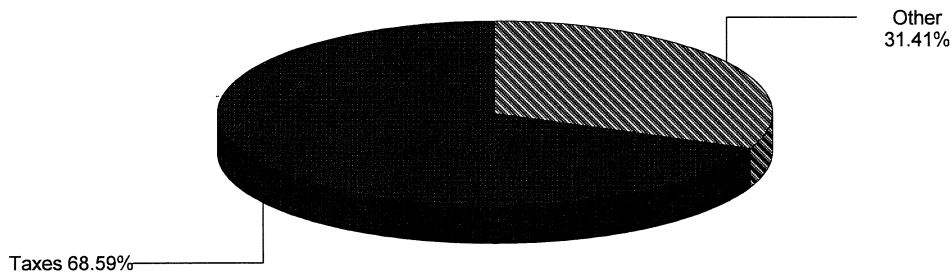


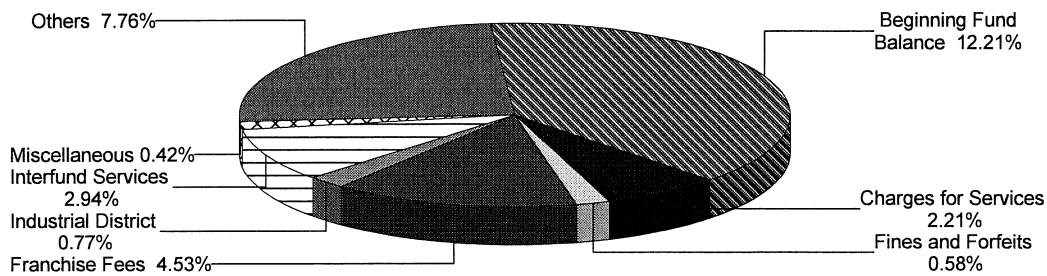
GENERAL FUND RESOURCES SUMMARY

The General Fund is the City of Houston's largest operating fund. With total resources of \$3.3 billion budgeted in FY2024, this fund relies heavily on various forms of revenue to finance its operations. As illustrated below, approximately 69% percent of the total resources in the General Fund are from taxes, mainly property and sales taxes.

GENERAL FUND RESOURCES FY2024 BUDGET



COMPOSITION OF OTHER (ABOVE)



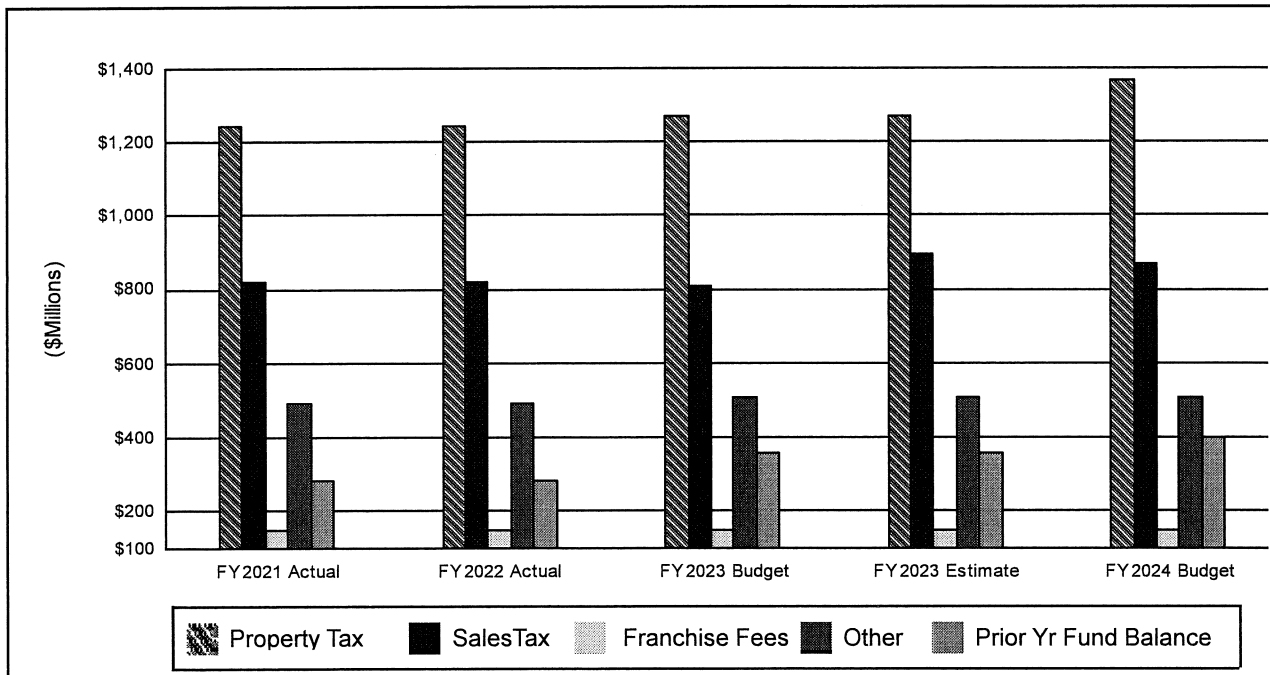
FISCAL YEAR 2024 BUDGET

The composition of the FY2024 General Fund resources is listed below:

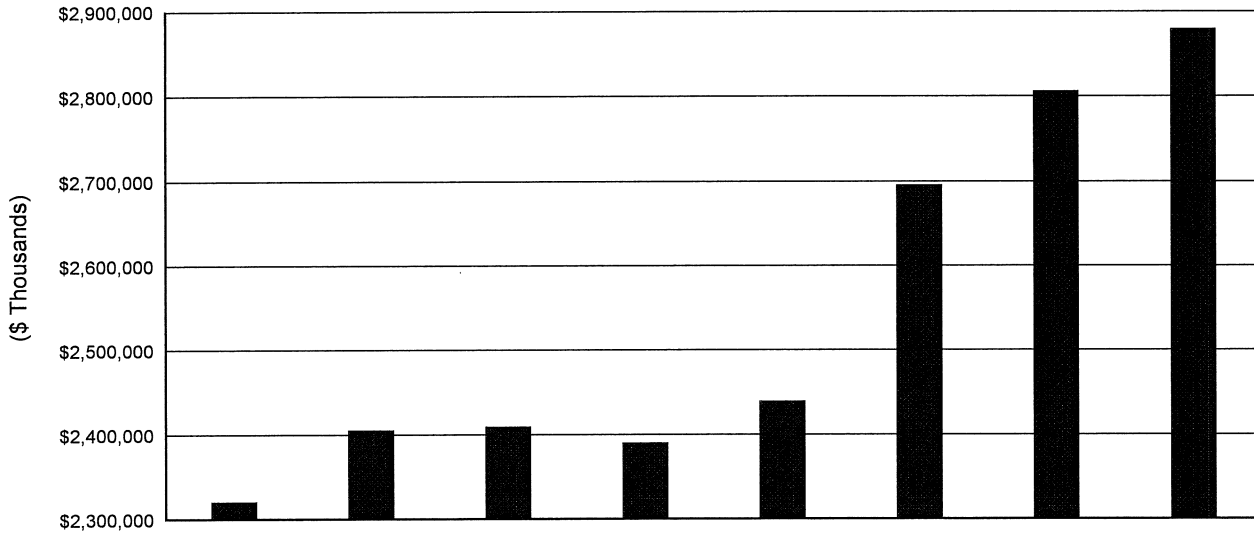
| <u>RESOURCE CATEGORIES</u> | <u>RESOURCE FY2024 BUDGET*</u> | <u>% OF TOTAL BUDGET</u> |
|--|------------------------------------|------------------------------|
| Taxes: | | |
| Property Taxes | 1,369,114 | 41.56% |
| Sales Taxes | 865,593 | 26.27% |
| Other Tax | 24,896 | 0.76% |
| Franchise Fees | 149,180 | 4.53% |
| Industrial District | 25,281 | 0.77% |
| Licenses and Permits | 33,392 | 1.01% |
| Intergovernmental | 199,546 | 6.06% |
| Charges for Services | 72,694 | 2.21% |
| Interfund Services | 96,924 | 2.94% |
| Fines and Forfeits | 19,223 | 0.58% |
| Interest | 9,533 | 0.29% |
| Miscellaneous/Other | 13,873 | 0.42% |
| Total Revenue | <u>2,879,249</u> | <u>87.40%</u> |
| Sale of Capital Assets | 2,755 | 0.08% |
| Transfers In | 10,721 | 0.33% |
| Beginning FY2024 Fund Balance | 402,254 | 12.21% |
| TOTAL RESOURCES | <u>3,294,979</u> | <u>100.00%</u> |
| * Dollars in Thousands | | |
| Total may reflect slight variances due to rounding | | |

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

**RELATIONSHIP OF GENERAL FUND RESOURCES
FY2021 THROUGH FY2024**



Total General Fund Revenue



| FY2017 Actual | FY2018 Actual | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Estimate | FY2024 Budget |
|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|
| \$2,320,612 | \$2,405,535 | \$2,409,599 | \$2,390,314 | \$2,439,219 | \$2,695,794 | \$2,806,048 | \$2,879,246 |

Table I below provides the FY2024 General Fund revenue budget by categories. As shown, the total revenue is expected to be \$2.9 billion or \$73.2 million higher than the projected FY2023 revenue.

**Table I
FY2024 Revenue Budget
Compared with FY2023 Estimate**

| Category | Projected Revenue (\$ Thousands) | | |
|-------------------------------------|----------------------------------|------------------|--------------------------|
| | FY2023 Estimate | FY2024 Budget | Increase / (Decrease) |
| General Property Taxes | 1,271,768 | 1,369,114 | 97,346 |
| Industrial Assessment | 24,393 | 25,281 | 888 |
| Sales Taxes | 892,150 | 865,593 | (26,557) |
| Other Tax | 23,956 | 24,896 | 940 |
| Electric Franchise | 95,767 | 98,482 | 2,715 |
| Telephone Franchise | 17,795 | 16,170 | (1,625) |
| Gas Franchise | 13,056 | 14,593 | 1,537 |
| Other Franchise | 20,917 | 19,934 | (983) |
| Licenses and Permits | 33,051 | 33,392 | 341 |
| Intergovernmental | 210,013 | 199,545 | (10,468) |
| Charges for Services | 72,071 | 72,693 | 622 |
| Direct Interfund Services | 67,117 | 70,845 | 3,728 |
| Indirect Interfund Services | 22,619 | 26,079 | 3,460 |
| Municipal Courts Fines and Forfeits | 16,134 | 16,134 | 0 |
| Other Fines and Forfeits | 3,192 | 3,089 | (103) |
| Interest | 8,459 | 9,533 | 1,074 |
| Miscellaneous/Other | 13,588 | 13,873 | 285 |
| Total | 2,806,046 | 2,879,246 | 73,200 |

Table II provides the revenue estimate for each distinct revenue source that is expected to produce at least \$3 million in FY2024. 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**

| Item | Projected Revenue (\$ Thousands) | | |
|--|----------------------------------|------------------|---------------------------|
| | FY2023 Estimate | FY2024 Budget | Increase / (Decrease) |
| General Property Taxes | 1,271,768 | 1,369,114 | 97,346 |
| Sales Taxes | 892,150 | 865,593 | (26,557) |
| Industrial Assessment | 24,393 | 25,281 | 888 |
| Mixed Beverage Tax | 23,956 | 24,896 | 940 |
| Electric Franchise | 94,691 | 97,463 | 2,772 |
| Telephone Franchise | 17,772 | 16,170 | (1,602) |
| Gas Franchise | 13,056 | 14,593 | 1,537 |
| Cable TV Franchise Fees | 11,241 | 10,657 | (584) |
| Solid Waste Hauler Franchise Fee | 9,391 | 9,237 | (154) |
| Licenses and Permits | 33,051 | 33,392 | 341 |
| TIRZ Funding | 28,193 | 31,431 | 3,238 |
| Intergovernmental Revenue - ARPA | 162,575 | 160,000 | (2,575) |
| Ambulance Fees | 54,000 | 54,750 | 750 |
| Ambulance Fee Supplemental Reimbursement | 11,134 | 8,000 | (3,134) |
| Other Charges for Services | 18,071 | 17,943 | (128) |
| Interfund Police Protection | 37,344 | 38,942 | 1,598 |
| Interfund Fire Protection | 21,883 | 23,256 | 1,373 |
| Other Direct Interfund | 7,891 | 8,647 | 756 |
| Indirect Cost Recovery | 22,619 | 26,079 | 3,460 |
| Moving Violations | 9,442 | 9,442 | 0 |
| Other Municipal Courts Fines and Forfeitures | 6,692 | 6,692 | 0 |
| Interest | 8,459 | 9,533 | 1,074 |
| Miscellaneous/Other | 13,588 | 13,873 | 285 |
| All Other Revenues | 5,179 | 4,262 | (917) |
| Total | 2,798,539 | 2,879,246 | 80,707 |

Taxes

Property Taxes

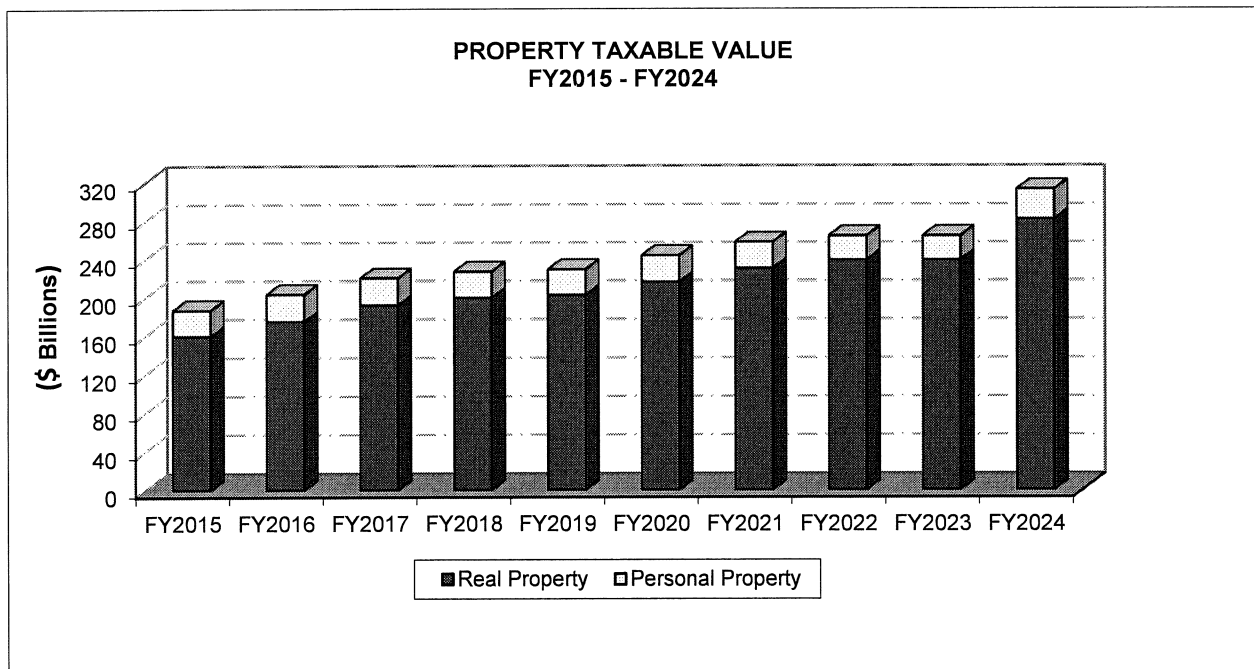
General property taxes are ad valorem taxes levied on the assessed valuation of real and personal property. Taxable values for all real and personal property within the City, depending on their locations, are established by the Harris County Appraisal District (HCAD), Montgomery County Appraisal District (MCAD) or Fort Bend County Appraisal District (FBCAD), collectively County Appraisal Districts (CAD), based upon market values as of January 1st. City Council approves exemptions such as homestead, 65 and over, disabled as well as Freeport exemptions and then sets a tax rate according to the state law. The current tax rate for Tax Year 2022 (FY2023) for the City of Houston is 53.364 cents per \$100 of taxable value.

Based upon the adopted tax rate set by Council and taxable value as assessed by CAD, tax bills are generated and sent to taxpayers by the Harris County Tax Office around mid-November. Payment is due by January 31st of the following year. Taxes not paid by the due date are delinquent and subject to penalties and interest charges. Taxpayers who wish to appeal values set by CAD may do so if taxes on the uncontested value are paid timely.

Occasionally, taxes are overpaid as a result of errors in appraisal or an overpayment by a taxpayer. The Harris 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.

The FY2024 property tax value is based on the Certified Estimate provided by CAD to the City on April 28, 2023. FY2024 value is \$313.2 billion, which is net of the current senior/disabled exemption of \$260,000. The estimated taxable value is then reduced by the estimated incremental value of properties within the Tax Increment Reinvestment Zones (TIRZ). The taxable value net of TIRZ is estimated at \$267.6 billion.

Below is a graph showing the ten-year history of property taxable values in Houston, with the \$313.2 billion estimate shown for FY2024.



FISCAL YEAR 2024 BUDGET

**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> |
|--------------------|-----------------|----------------------|--------------------------|--------------------|
| 2005 | 2004 | 86,433 | 19,467 | 105,900 |
| 2006 | 2005 | 91,827 | 19,293 | 111,120 |
| 2007 | 2006 | 99,483 | 20,858 | 120,341 |
| 2008 | 2007 | 112,241 | 23,214 | 135,455 |
| 2009 | 2008 | 125,982 | 23,645 | 149,628 |
| 2010 | 2009 | 125,999 | 24,094 | 150,093 |
| 2011 | 2010 | 120,546 | 22,360 | 142,905 |
| 2012 | 2011 | 122,747 | 22,279 | 145,026 |
| 2013 | 2012 | 128,081 | 23,670 | 151,752 |
| 2014 | 2013 | 141,684 | 25,714 | 167,398 |
| 2015 | 2014 | 160,088 | 26,956 | 187,043 |
| 2016 | 2015 | 175,512 | 28,267 | 203,779 |
| 2017 | 2016 | 192,510 | 28,023 | 220,533 |
| 2018 | 2017 | 200,189 | 27,131 | 227,319 |
| 2019 | 2018 | 203,040 | 26,474 | 229,514 |
| 2020 | 2019 | 216,505 | 27,494 | 243,999 |
| 2021 | 2020 | 230,615 | 27,376 | 257,990 |
| 2022 | 2021 | 239,372 | 25,372 | 264,744 |
| 2023 | 2022 | 261,329 | 27,700 | 287,545 |
| 2024 | 2023 | 281,892 | 31,299 | 313,191* |

*County Appraisal District Certified Estimates, as of April 28, 2023.

Property Tax Collections

In November 2004, Proposition No. 1 was passed amending the City Charter to limit the annual increase in total ad valorem tax revenues. The increase is capped at the lower of the increase in Consumer Price Index (CPI) plus the growth in population or 4.5% over the prior fiscal year. In addition, in November 2006, Proposition H was passed to further increase the applicable revenue limitations by \$90 million.

The FY2024 property tax revenue estimate is derived according to Proposition 1 and Proposition H. Population data from the U.S. Census Bureau as of July 1, 2022, has yet to be received. Therefore, the Finance Department applied the 2022 inflation rate of 8.2373% and 0% for population growth for purposes of calculating Proposition 1. This results in a net revenue estimate of \$1.37 billion. This revenue is an increase of \$97.3 million or 7.65% from the estimated FY2023 revenue of \$1.27 billion. The property tax rate will be adjusted accordingly to levy revenues no higher than the Proposition 1 and Proposition H limitation and the limitations imposed by Senate Bill 2.

The Proposition 1 and Proposition H revenue limitation is calculated with the following assumptions.

| <u>Population (1)</u> | | <u>CPI (2)</u> | |
|-----------------------|---------------------|----------------|-------------------|
| July 1, 2003 | 2,009,669 | 2003 | 163.7 |
| July 1, 2004 | 2,012,626 + 0.1471% | 2004 | 169.5 + 3.5431% |
| July 1, 2005 | 2,076,189 + 3.1582% | 2005 | 175.6 + 3.5988% |
| July 1, 2006 | 2,144,491 + 3.2898% | 2006 | 180.6 + 2.8474% |
| July 1, 2007 | 2,208,180 + 2.9699% | 2007 | 183.8 + 1.7929% |
| July 1, 2008 | 2,244,615 + 1.6500% | 2008 | 189.967 + 3.3339% |
| July 1, 2009 | 2,257,926 + 0.5930% | 2009 | 190.495 + 0.2779% |
| July 1, 2010 | 2,099,451 - 7.0186% | 2010 | 194.172 + 1.9302% |
| July 1, 2011 | 2,145,146 + 2.1765% | 2011 | 200.495 + 3.2564% |

FISCAL YEAR 2024 BUDGET

| | | | |
|------------------|---------------------|------|-------------------|
| July 1, 2012 | 2,160,821 + 0.7307% | 2012 | 204.213 + 1.8544% |
| July 1, 2013 | 2,195,914 + 1.6241% | 2013 | 207.574 + 1.6458% |
| July 1, 2014 | 2,239,558 + 1.9875% | 2014 | 213.365 + 2.7898% |
| July 1, 2015 | 2,296,224 + 2.5302% | 2015 | 213.039 - 0.1528% |
| July 1, 2016 | 2,303,482 + 0.3161% | 2016 | 216.414 + 1.5842% |
| July 1, 2017 | 2,312,717 + 0.4009% | 2017 | 220.657 + 1.9606% |
| July 1, 2018 | 2,325,502 + 0.5528% | 2018 | 225.927 + 2.3883% |
| July 1, 2019 | 2,320,268 - 0.2251% | 2019 | 228.799 + 1.2712% |
| July 1, 2020 | 2,304,580 - 0.6761% | 2020 | 229.161 + 0.1582% |
| July 1, 2021 | 2,288,250 - 0.7086% | 2021 | 238.975 + 4.2826% |
| July 1, 2022 (3) | TBD | 2022 | 258.660 + 8.2373% |

| | |
|--------------------------|-------------------------|
| Proposition 1 | <u>(\$ In Thousand)</u> |
| FY2005 Actual | \$671,294 |
| Population Increase 2004 | 0.1471% |
| CPI Increase 2004 | <u>3.5431%</u> |
| FY2006 CAP | \$696,066 |
| Population Increase 2005 | 3.1582% |
| CPI Increase 2005 | <u>3.5988%</u> |
| FY2007 CAP | \$743,100 |
| Population Increase 2006 | 3.2898% |
| CPI Increase 2006 | <u>2.8474%</u> |
| FY2008 CAP | \$788,705 |
| Population Increase 2007 | 2.9699% |
| CPI Increase 2007 | <u>1.7929%</u> |
| FY2009 CAP | \$826,269 |
| Population Increase 2008 | 1.6500% |
| CPI Increase 2008 | <u>3.3339%</u> |
| FY2010 CAP | \$867,450 |
| Population Increase 2009 | 0.5930% |
| CPI Increase 2009 | <u>0.2779%</u> |
| FY2011 CAP | \$875,005 |
| Population Decrease 2010 | -7.0186% |
| CPI Increase 2010 | <u>1.9302%</u> |
| FY2012 CAP | \$875,005 |
| Population Increase 2011 | 2.1765% |
| CPI Increase 2011 | <u>3.2564%</u> |
| FY2013 CAP | \$922,543 |
| Population Increase 2012 | 0.7307% |
| CPI Increase 2012 | <u>1.8544%</u> |
| FY2014 CAP | \$946,392 |
| Population Increase 2013 | 1.6241% |
| CPI Increase 2013 | <u>1.6458%</u> |
| FY2015 CAP | \$977,338 |
| Population Increase 2014 | 1.9875% |
| CPI Increase 2014 | <u>2.7898%</u> |
| FY2016 CAP | \$1,024,029 |
| Population Increase 2015 | 2.5302% |
| CPI Decrease 2015 | <u>-0.1528%</u> |
| FY2017 CAP | \$1,048,375 |
| Population Increase 2016 | 0.3161% |
| CPI Increase 2016 | <u>1.5842%</u> |
| FY2018 CAP | \$1,068,297 |
| Population Increase 2017 | 0.4009% |
| CPI Increase 2017 | <u>1.9606%</u> |
| FY2019 CAP | \$1,093,525 |
| Population Increase 2018 | 0.5528% |
| CPI Increase 2018 | <u>2.3883%</u> |
| FY2020 CAP | \$1,125,687 |

FISCAL YEAR 2024 BUDGET

| | |
|--------------------------|----------------|
| Population Decrease 2019 | -0.2251% |
| CPI Increase 2019 | <u>1.2712%</u> |
| FY2021 CAP | \$1,140,985 |
| Population Decrease 2020 | -0.6761% |
| CPI Increase 2020 | <u>0.1582%</u> |
| FY2022 CAP | \$ 1,140,985 |
| Population Decrease 2021 | -0.7086% |
| CPI Increase 2021 | <u>4.2826%</u> |
| FY2023 CAP | \$ 1,181,768 |
| Population 2022 | TBD |
| CPI Increase 2022 | <u>8.2373%</u> |
| FY2024 CAP (4) | \$ 1,279,113 |

| | |
|------------------------|--------------------|
| Proposition H | <u>\$90,000</u> |
| FY2024 CAP (5a) | \$1,369,113 |

| | |
|--|---------------------|
| FY2023 Estimate | \$ 1,271,768 |
| FY2024 CAP (4), (5b) | \$ 1,418,997 |
| Final FY2024 CAP (the Lower FY2024 CAP) | \$ 1,369,113 |

- (1) Population numbers based upon the US Census Bureau estimate most recently published when deciding limits of each respective year's property tax revenue budget increase.
- (2) CPI increase based on the change in the CPI-U for Houston-The Woodlands-Sugar Land, Texas as published by the Bureau of Labor Statistics, for the preceding calendar year.
- (3) Population number from U.S. Census Bureau has yet to be received.
- (4) Includes amounts resulting from annexations in Tax Year 2022.
- (5) The revenue cap is calculated:
 - a. In accordance with Proposition H, to increase the applicable revenue limitation by \$90 million.
 - b. Based on 4.5% increase from FY2023 Estimate plus the balance of Prop H supplement.

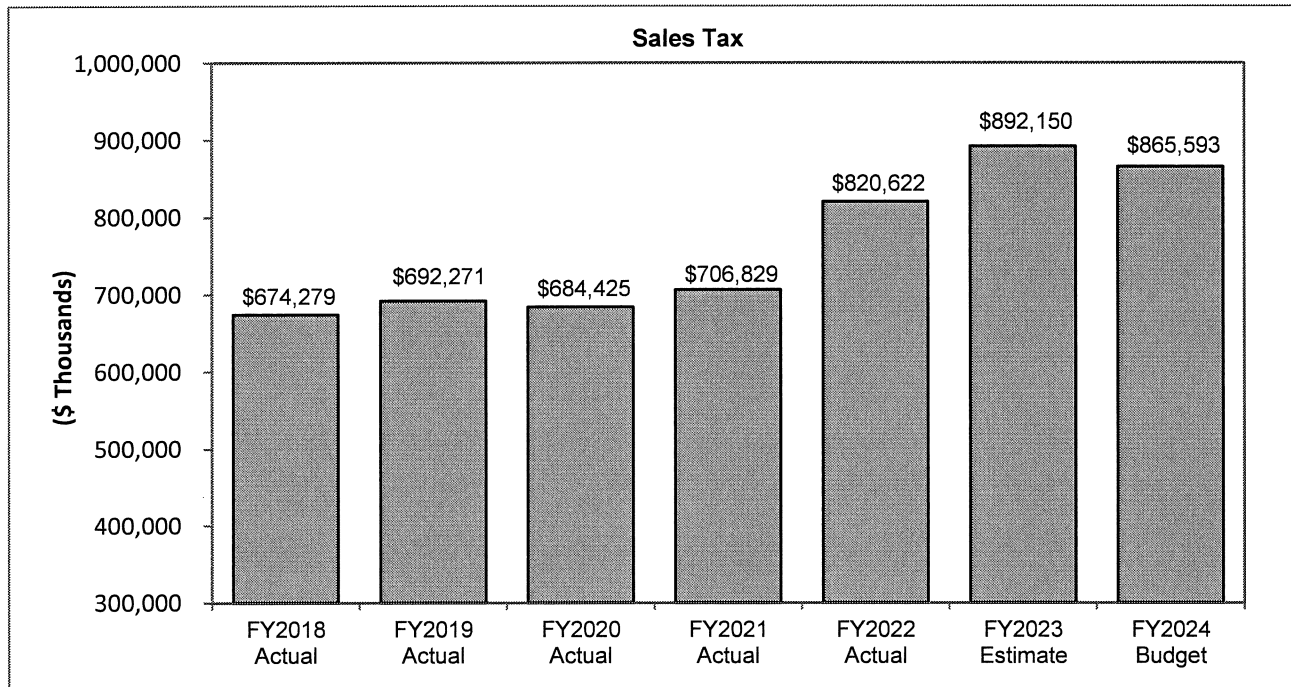
Sales Tax

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 \$0.0825 sales and use tax is applied for every dollar of sales. The Metropolitan Transit Authority (METRO) receives \$0.01, and the State of Texas receives \$0.0625. The State Comptroller remits a \$0.01 share to the City, after withholding a 2% service charge.

The sales tax projections are derived from econometric models which take into account the sectors of the Houston economy and estimates of employment, income, oil prices, population, and Primary Metropolitan Statistical Area (PMSA) retail sales.

The FY2024 budget amount of \$865.6 million assumes a 2.98% decrease from the FY2023 estimate of \$892.2 million. Employment levels in our region have continued to grow, however there are many other economic factors to consider. Dr. Gilmer indicates a U.S. economic slowdown or modest recession in the near future. Houston's economy is heavily influenced by oil prices; it plays an important role in employment rates which in turn affects consumer spending. Russia's invasion of Ukraine heightened oil prices in 2022, however the price of oil seems to have returned to normal. As the invasion of Ukraine continues one year later, we proceed with caution as so much uncertainty remains. The Federal government's increase of interest rates is expected to stabilize inflation rates, subsequently impacting spending patterns. As we continue to move further away from the impacts of COVID on the economy, we proceed with a conservative outlook for the coming year.

The following graph provides a seven-year comparison of the City's Sales Tax revenue.



Industrial District Assessments

The City of Houston has Industrial District Contract Agreements with more than 100 companies located within the Houston Extra-Territorial Jurisdiction (ETJ), for a period of fifteen years. A contractually reduced ad valorem assessed valuation fee is calculated and billed annually to each company in lieu of the property being annexed and subject to City of Houston property taxes. Industrial District Assessments are based on current year property values provided by HCAD. The City expects to collect \$25.3 million in FY2024.

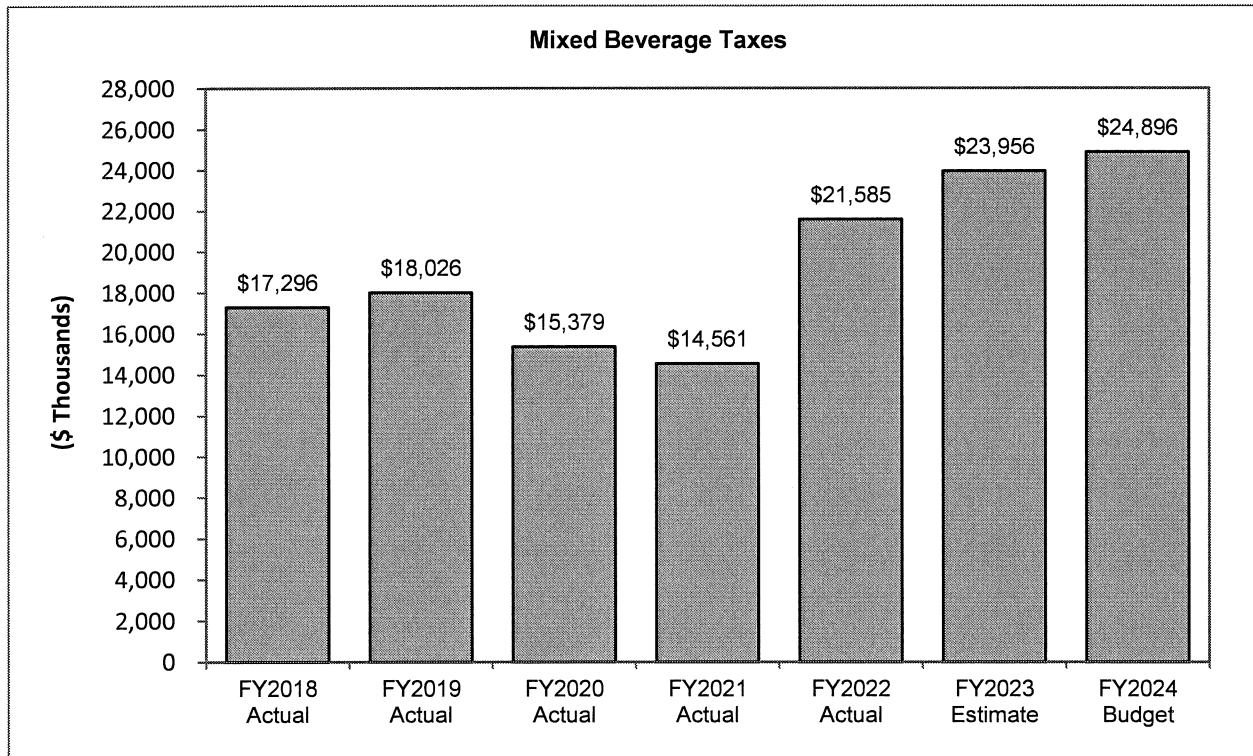
Mixed Beverage Tax

Following the end of each calendar month, the State Comptroller allocates 10.7143% of the mixed beverage tax received to the counties and cities.

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 month, immediately preceding the month the allocation is distributed.

The FY2024 budget is \$24.9 million. This is approximately \$939,585 or 3.92% higher than FY2023 estimate. FY2024 budget reflects the COVID-19 recovery from the low collection received in FY2021 as bars and restaurants are fully re-opened.

The following graph shows the seven-year comparison of the City’s mixed beverage tax revenue.



Franchise Fees

Franchise fees are paid by companies, entities, or persons for the privilege of using public property for private purposes. Franchise agreements have been granted to numerous utilities and other enterprises, either directly by the City of Houston or by the State of Texas, including CenterPoint Energy, AT&T, 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. In FY2020, franchise revenue for cable and telephone decreased as a result of Texas Senate Bill 1152. This continues to impact the amount of compensation the local municipalities receive from companies that are occupying the rights-of-way to provide both cable/video services and telecommunications services by allowing these providers to pay only one fee.

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’s rights-of-way for that business.

There are two companies in Houston that pay electric franchise fees: CenterPoint Energy Houston Electric (“CenterPoint”) and Entergy. CenterPoint pays approximately 99.9% of the electric franchise fees paid to the City, which represents approximately \$94.7 million per year.

Prior to electric deregulation, which became effective on January 1, 2002, electricity franchise payments were calculated as a percentage of the electric company’s gross revenues from sales to customers located within the City limits. Under this payment formula, electric franchise fees to the City fluctuated from \$80 million to as much as \$90 million per year.

From January 2002 through June 2005, franchise payments were no longer calculated based on a percentage of gross revenues, but instead were based on kilowatt hour consumption by customers within the City limits. During this period, electric franchise revenues dropped significantly, averaging \$75 million each year.

In July 2005, the City and CenterPoint entered into a new franchise agreement for a term of 30 years. The new agreement establishes a base franchise fee to the City of approximately \$96 million per fiscal year, payable monthly, which is adjusted annually based on kilowatt hours delivered in the City.

The FY2023 electric franchise fee estimate is \$94.7 million. The FY2024 electric franchise fee estimate of \$97.5 million is approximately 2.93% higher than the FY2023 estimate. The increase in revenue reflects an increase of 5.51% Kilowatt hour consumption for calendar year 2022 from 2021 due to weather and usage.

The City of Houston exercises original jurisdiction over the rates, operations and services of these electric utilities for the Houston area.

Natural Gas Franchise

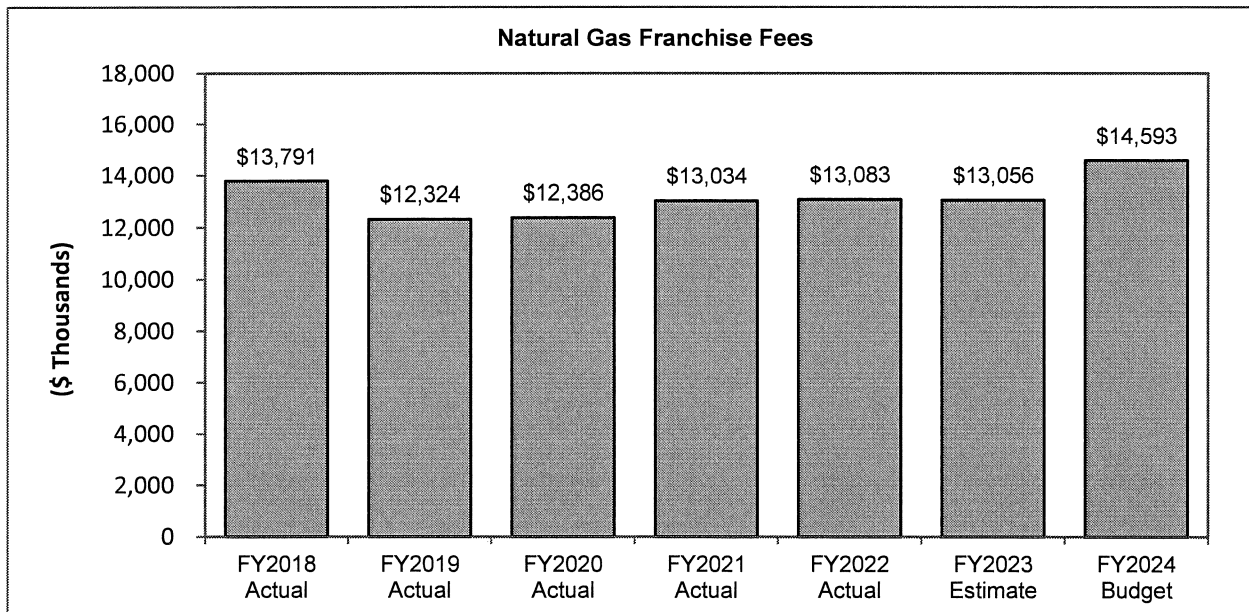
Like electric franchise fees, natural gas franchise fees are paid by utilities that use the City’s rights-of-way for the transportation, delivery, sale and distribution of natural gas to customers in the City.

There are two companies in Houston that pay natural gas franchise fees: CenterPoint Energy Resources Corporation (“CenterPoint” – formerly Entex) and SiEnergy L.P. CenterPoint pays approximately 99.9% of the natural gas franchise fees paid to the City, which represents approximately \$14.0 million per year.

CenterPoint’s fees are paid monthly and are based on 5% of gross receipts on a rolling 3-year average. For FY2024, franchise fees are based on CenterPoint’s 2020, 2021 and 2022 gross revenues.

The estimate for FY2023 natural gas franchise fees from CenterPoint is approximately \$13.1 million. The FY2024 natural gas franchise fee estimate is \$14.6 million, an 11.77% increase. CenterPoint’s calendar year 2022 revenues were \$363.8 million compared to calendar year 2019’s revenues of \$271.3 million, an increase of 34.1%. All of the account revenues were higher in 2022 compared with 2019. Residential, Commercial and Industrial account revenues in 2022 reflect the highest increases of 34.85%, 45.49% and 17.36%, respectively, compared to 2019’s accounts.

The graph below provides a seven-year comparison of the City’s natural gas franchise fee revenue.



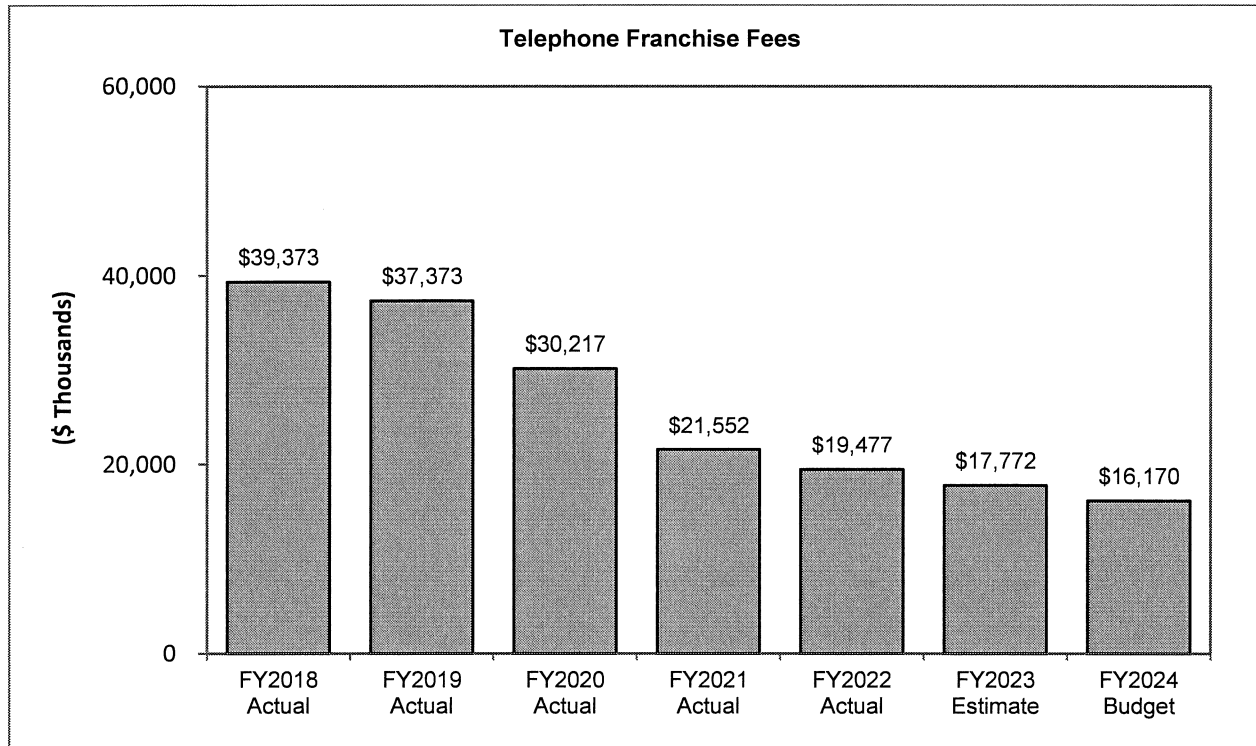
The City of Houston exercises original jurisdiction over the rates, operations and services of these natural gas utilities for the Houston area.

Telephone Franchise

Since deregulation of this industry in 2000, the telephone franchise fee paid to municipalities in Texas is derived by applying an "access line rate," assigned by the Public Utilities Commission of Texas (PUCT) and adjusted annually for inflation. The access line rates that is in effect during FY2024 are as follows: residential (\$2.03); non-residential (\$6.82); and point-to-point (\$19.20).

The FY2023 estimate for telephone franchise fee is \$17.8 million. The FY2024 projection of \$16.2 million is a 9.0% decrease from FY2023 estimate due to the continued impact of SB 1152 and the long-term decline in access lines sold by the industry to consumers.

The following graph below provides a seven-year comparison of the City's telephone franchise fee revenue.



Cable TV Franchise Fees

Currently, Comcast Cable and Suddenlink are the cable television/video service-providers operating in Houston under state-issued certificates of franchise authority that pay the City of Houston 5% of their gross revenues from sales to Houston customers under the terms of the state franchise. The largest of these franchises is Comcast, which accounts for approximately 96.4% of the total cable franchise revenue projection for FY2024. The FY2024 projection of \$10.7 million reflects a 5.19% decrease from the FY23 estimate.

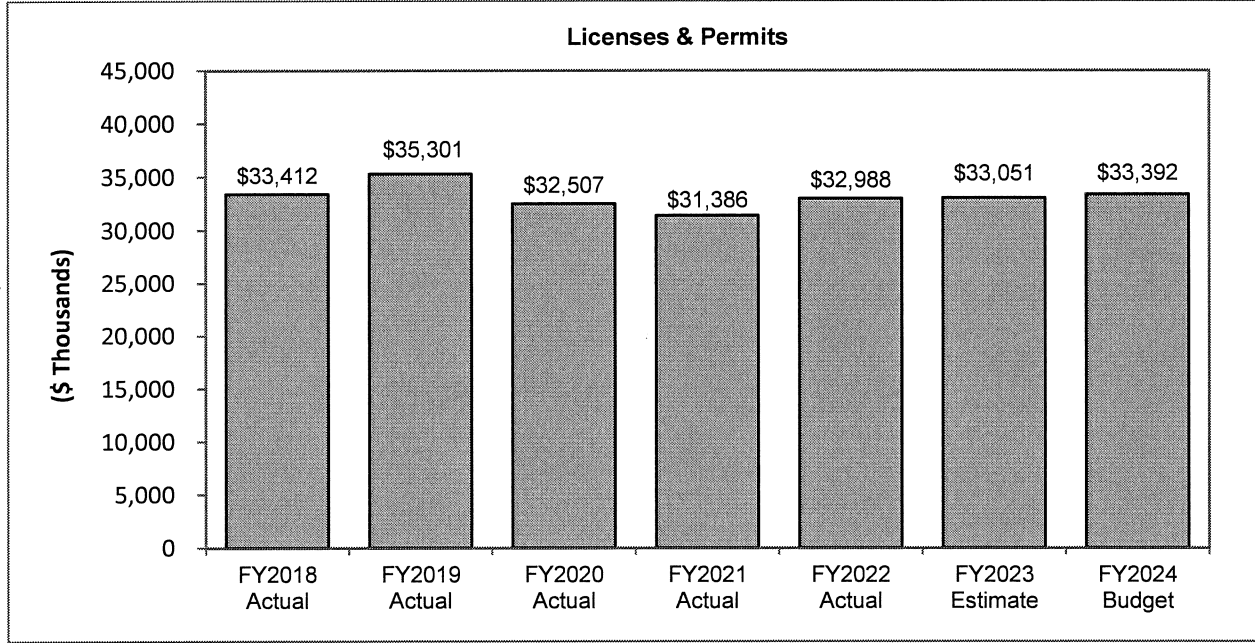
Solid Waste Hauler Franchise Fees

Solid waste haulers pay fees to compensate the City for the use of City streets. Approximately 125 active solid waste hauler franchises pay 4% of gross revenues from transporting commercial solid and industrial wastes that originate within the City limits. The FY2024 estimate of \$9.2 million reflects a 1.63% decrease from the FY2023 estimate.

Other Revenues

Licenses and Permits

The Licenses and Permits category includes such items as special fire, food dealer, burglar alarm, dumpster permits, and many other permits. The FY2024 revenue is estimated at \$33.4 million, which is 1.0% higher than the FY2023 estimate.



Ambulance Fees

City of Houston Code of Ordinance Chapter 4 permits the City to provide Emergency Medical Services including ambulance transport to the public and permits the City to partially recover the cost of providing those services. The base and variable fee structure is addressed under Section 4.13.

The City contracts with a third-party vendor for the billing and collection of Emergency Medical Services. The revenue projection for Emergency Medical Services provided by the City of Houston for FY2024 is \$54.8 million. This is \$750,000 higher than the FY2023 estimate of \$54.0 million.

Intergovernmental Revenue - ARPA

The FY2024 Budget includes funds for the provision of government services relative to revenue reduction due to the COVID-19 public health emergency in the amount of \$160 million funded under the American Rescue Plan Act (ARPA).

Other Charges for Services

Other charges for services include miscellaneous copy fees, public safety report fees, vending machine concessions, vehicle storage, hazardous material response, and others. The FY2024 revenues is \$17.9 million, which is \$0.1 million lower than the FY2023 estimate of \$18.1 million.

Interfund Direct Charges

The General Fund charges the Houston Airport System for airport police service, which is the responsibility of Houston Police Department (HPD). The FY2024 projection of \$38.9 million is \$1.6 million higher than the FY23 estimate.

The Aviation Enterprise Fund also pays for fire protection provided by the Fire Department to the Houston Airport System. The FY2024 projection of \$23.3 million is \$1.4 million higher than the FY2023 estimate of \$21.9 million.

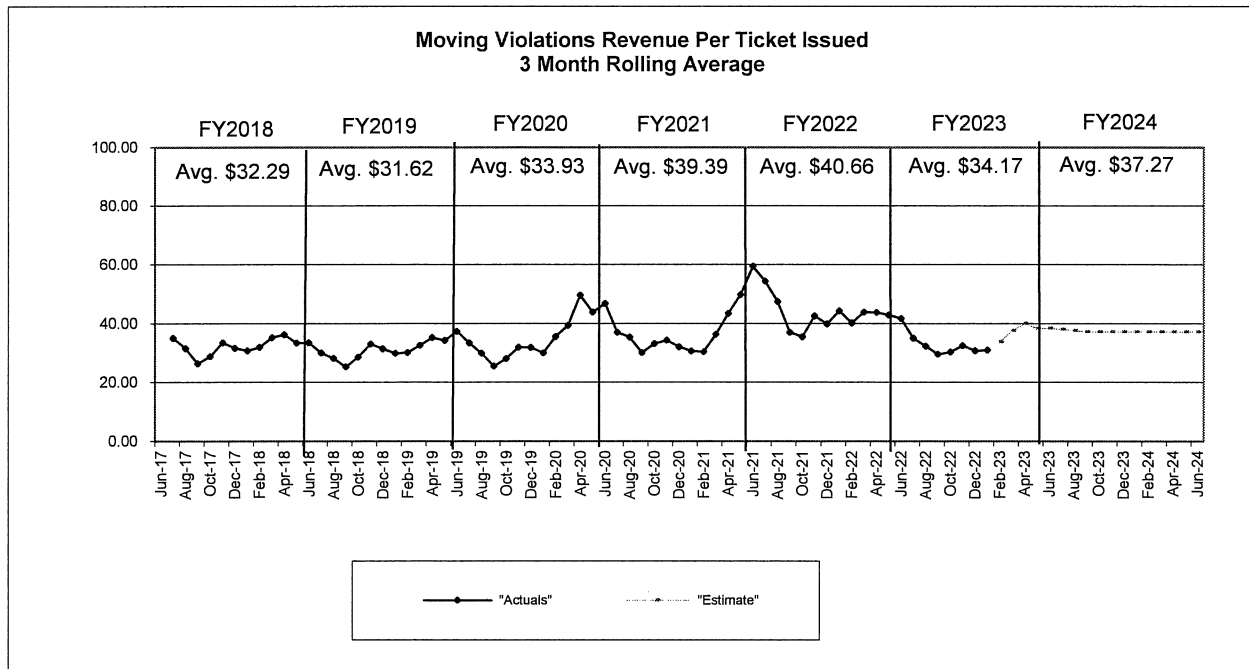
Payments received for other direct services performed by the General Fund are recovered throughout the year. The FY2024 projection of \$8.6 million is \$0.7 million higher than the FY2023 estimate of \$7.9 million.

Indirect Cost Recovery

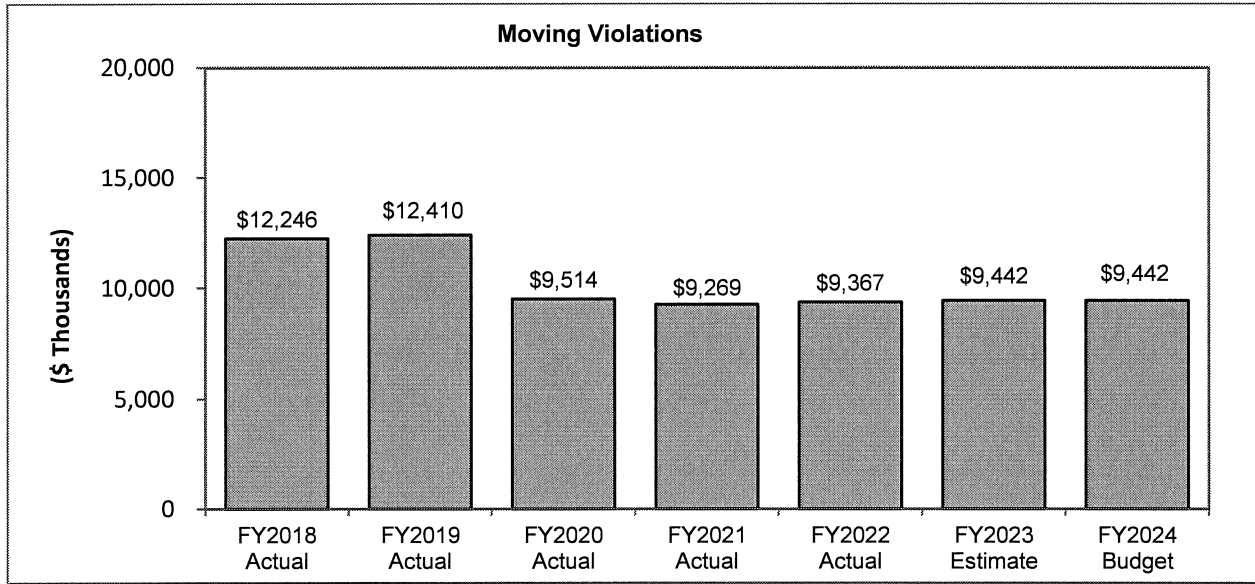
The General Fund provides citywide central support services and recovers the cost of these services through allocation of indirect costs. These amounts are determined through the preparation of an annual cost allocation plan, which distributes administrative overhead costs to General Fund operating departments and to other funds. For FY2024, the proposed plan calls for cost recoveries totaling \$26.1 million, an increase of \$3.5 million in indirect interfund revenue from the FY2023 estimate of \$22.6 million.

Moving Violations

In FY2024, we project 253,350 Moving Violations to be issued. Total Moving Violations revenue budgeted is \$9.4 million, which results in an average of \$37.27 for each Moving Violation in FY2024.



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



Other Municipal Courts Fines and Forfeitures

The FY2024 Other Municipal Court Fines and Forfeitures are projected at \$6.7 million.

Miscellaneous/Other

The FY2024 revenue is estimated at \$13.9 million, which is approximately \$0.3 million higher than FY2023 estimate of \$13.6 million. This is primarily due to an increase in Verizon rebate.

All Other Revenues

Estimated revenues in remaining categories have been calculated using simple trend analysis, as well as operational and collections information from the collecting department. These revenues are estimated at \$4.3 million in FY2024.

A detailed listing of General Fund revenues by category are presented in the appendices.