



**Mayor's Office**  
**FY2025 Proposed Budget Presentation**

**Christopher Newport, Chief of Staff**

**May 23, 2024**



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# Strategic Guidance Alignment

## Objective

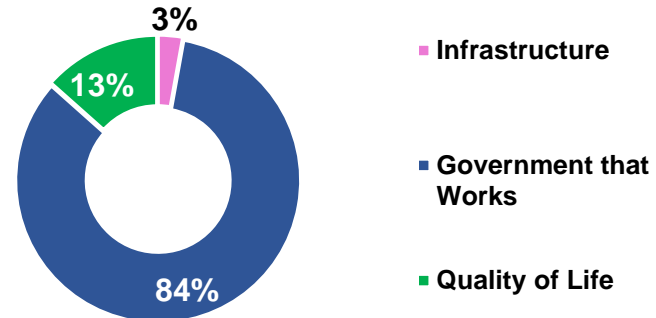
The tables below summarize the department’s alignment to the Mayor’s defined Priorities and Initiatives as defined in his strategic guidance. All programs align to a mayoral priority and the overall department budget is broken down as such.

Government that Works	Quality of Life	Infrastructure
Executive Oversight	Cable Television	Economic Development
Tourism Promotion		
Debt Service and Interfund Transfers		

### ALIGNED INITIATIVES

- Strong Leadership
- Promote Fiscal Transparency
- Community Engagement
- Deliver Efficient City Services

DEPARTMENT BUDGET BY PRIORITY





# Expenditures by Program (in thousands)

## Objective

List program budgets for FY24 Current Budget vs FY25 Proposed (in thousands)

Program	FY23 Actual	FY24 Budget	FY24 Estimate	FY25 Proposed	Variance FY25 Proposed/ FY24 Budget	% Change
Cable Television	\$ 3,815	\$ 6,136	\$ 4,652	\$ 5,168	\$ (967)	-16%
Debt Service and Interfund Transfers	\$ 2,269	\$ 2,343	\$ 2,343	\$ 2,418	\$ 75	3%
Economic Development	\$ 1,095	\$ 1,093	\$ 1,077	\$ 1,092	\$ (2)	0%
Executive Oversight	\$ 4,884	\$ 5,448	\$ 5,463	\$ 5,485	\$ 37	1%
Tourism Promotion	\$ 21,677	\$ 22,599	\$ 22,599	\$ 24,309	\$ 1,710	8%
<b>Total</b>	<b>\$ 33,741</b>	<b>\$ 37,619</b>	<b>\$ 36,134</b>	<b>\$ 38,472</b>	<b>\$ 853</b>	<b>2%</b>



# Revenues by Program (in thousands)

## Objective

List program budgets for FY24 Estimate vs FY25 Proposed (in thousands)

Program	FY23	FY24	FY24	FY25	Variance FY25 Proposed/ FY24 Est	%
	Actual	Budget	Estimate	Proposed		Change
Cable Television	\$ 3,871	\$ 3,727	\$ 3,562	\$ 3,483	\$ (78)	-2%
Economic Development	\$ 28,926	\$ 27,366	\$ 29,462	\$ 29,770	\$ 307	1%
Executive Oversight	\$ 0	\$ 41	\$ 64	\$ 1	\$ (63)	-99%
Tourism Promotion	\$ 20,694	\$ 21,451	\$ 22,479	\$ 24,502	\$ 2,023	9%
<b>Total</b>	<b>\$ 53,491</b>	<b>\$ 52,585</b>	<b>\$ 55,567</b>	<b>\$ 57,756</b>	<b>\$ 2,189</b>	<b>4%</b>



# Cable Television (in thousands)

<b>Priority:</b>	Quality of Life
<b>FY2025 FTE Count:</b>	14.7

## Program Description

Effectively communicate to the public relevant information concerning municipal and related governmental and community services.

## Significant Budget Items

- Includes funding for personnel pension obligations
- Includes funding for Houston Media Source

## FY25 Prop Budget by Fund

Cable TV Fund	\$17
State Cable Franchise	\$5,151
<b>Total</b>	<b>\$5,168</b>

## Performance

Measure Name	FY23 Actual	FY24 Target	FY24 Estimate	FY25 Target	Target Context
# of community programs broadcast	2	5	6	6	Measures the number of new community programming created
Increase production services clientele	18	30	10	12	Measures the number of external clientele expansion
Increase Set Top Box viewership (Roku, Apple TV, Firestick & Chrome Cast)	369	200	2,000	3,500	Measures how engaged citizens are with HTV's programming on streaming platforms



# Economic Development (in thousands)

<b>Priority:</b>	Infrastructure
<b>FY2025 FTE Count:</b>	5.9

**Program Description**

Develops, implements, and manages citywide policies and procedures for encouraging growth and attracting domestic and international investments to make Houston a more globally competitive city of diverse core industries.

- Significant Budget Items**
- Includes funding for personnel pension obligations

**FY25 Prop Budget by Fund**

General Fund	\$1,092
<b>Total</b>	<b>\$1,092</b>

## Performance

Measure Name	FY23 Actual	FY24 Target	FY24 Estimate	FY25 Target	Target Context
# of digital kiosks deployed and activated per contract	71	100	100	125	Measures the number of digital kiosks per IKE contract
# of Green Stormwater Infrastructure and Leadership in Energy and Environmental Design applications submitted to City Council for approval	0	6	3	4	Measures the number of applications meeting ordinance requirements
# of opportunities for training and deployment for TIRZ board members	1	2	2	2	Measures interest in TIRZ development within Houston communities
# of TIRZ program policies developed and implemented	8	5	5	5	Increases policy knowledge and regulation compliance



# Executive Oversight (in thousands)

<b>Priority:</b>	Government that Works
<b>FY2025 FTE Count:</b>	29.6

## Program Description

This program oversees departmental activities and provides support functions to departments such as managing agenda items, internal and external correspondence, promoting access to equitable education, developing policies and strategies to optimize city's position, and managing communications operations.

## Significant Budget Items

- Includes funding for personnel pension obligations

## FY25 Prop Budget by Fund

General Fund	\$5,485
<b>Total</b>	<b>\$5,485</b>

## Performance

Measure Name	FY23 Actual	FY24 Target	FY24 Estimate	FY25 Target	Target Context
# of Boards & Commissions Fair attendees	117	50	116	150	Measures level of community engagement in the City
# of homeless encampments decommissioned	48	55	14	24	Measures the number of outdoor living spaces made inoperative
# of homeless individuals housed	4,194	2,712	2,226	2,000	Measures the number of individuals moved to alternative housing
# of participants for Veterans Business EXPO	N/A	N/A	160	175	Number of participants
# of summer job opportunities for youth	20,080	24,223	25,000	25,000	Number of Hire Houston Youth partners
# of veterans and military members supported and needs met through resources accessibility	N/A	N/A	950	1,100	Number of military members supported
# of veterans community events hosted/attended	N/A	N/A	415	525	Number of events hosted/attended
# of youth supported & needs met through resource accessibility	5,833	7,582	8,000	10,000	Number of community partners and providers for financial literacy, mental health, and resource accessibility
Constituent Case Resolution Time (Days)	N/A	N/A	22.4	14	Number of days to respond to constituents





# Tourism Promotion (in thousands)

<b>Priority:</b>	Government that Works
<b>FY2025 FTE Count:</b>	25.7

**Program Description**

This program promotes Houston's culture and image by building international diplomatic ties, attracting foreign investment and assisting businesses seeking markets abroad.

- Significant Budget Items**
- Includes funding for personnel pension obligations
  - Budget includes HAA payment.

**FY25 Prop Budget by Fund**

Tourism Promotion Fund	\$24,309
<b>Total</b>	<b>\$24,309</b>

**Performance**

Measure Name	FY23 Actual	FY24 Target	FY24 Estimate	FY25 Target	Target Context
# of arts and businesses engaged or receiving Civic Art Program funds	110	30	25	30	Measures level of engagement form cultural entities
# of events/ event days	801/2,416	616/2,182	707/2,078	616/2,182	Measures cultural artistic and entertainment options to attract residents and tourists.
# of high level foreign government and trade delegation visits to Houston	42	45	45	45	Measures increase in exposure to attract tourism/business to the city
# of international companies expanding in, creating new offices in, or relocating to Houston	5	5	8	10	Measures economic development in the city, directly related to increases in municipal revenue
% increase in foreign business and leisure travelers	30.0%	2%	10.0%	10.0%	Measures the economic impact of tourism



# Debt Service and Interfund Transfers (in thousands)

<b>Priority:</b>	Government that Works
<b>FY2025 FTE Count:</b>	0.0

## Program Description

Budget allocations include in this section reflect debt service payments and/or interfund transfers.

## Significant Budget Items

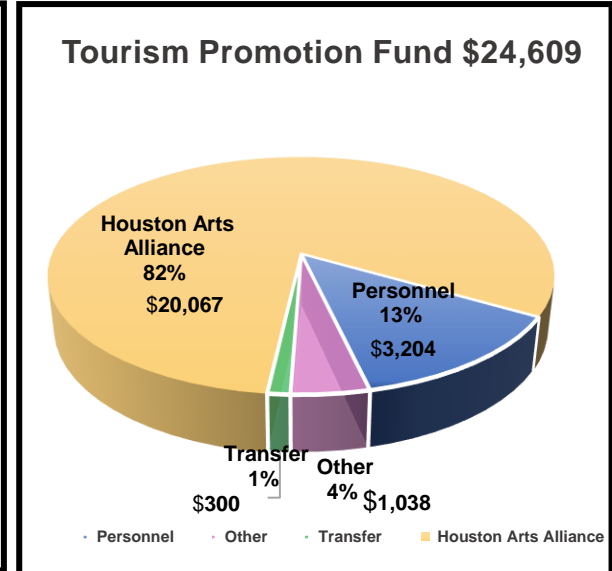
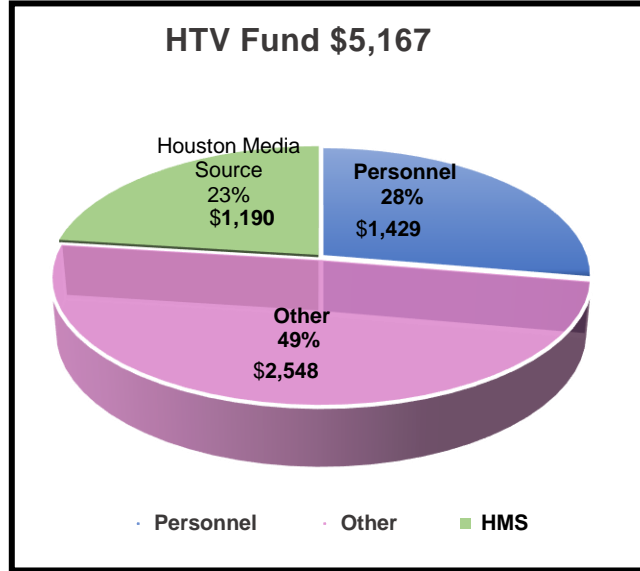
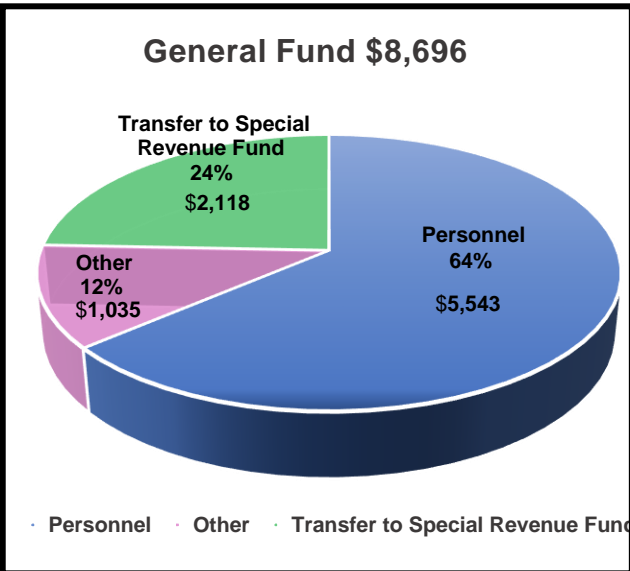
- Includes funding for the transfer to Special Events from the General Fund
- Includes funding for the transfer to Cable Television Fund from Tourism and Promotion Fund

## FY25 Prop Budget by Fund

General Fund	\$2,118
Tourism Promotion Fund	\$300
<b>Total</b>	<b>\$2,418</b>



# FY2025 Personnel vs Non-Personnel General Fund & Special Revenue Funds (in thousands)



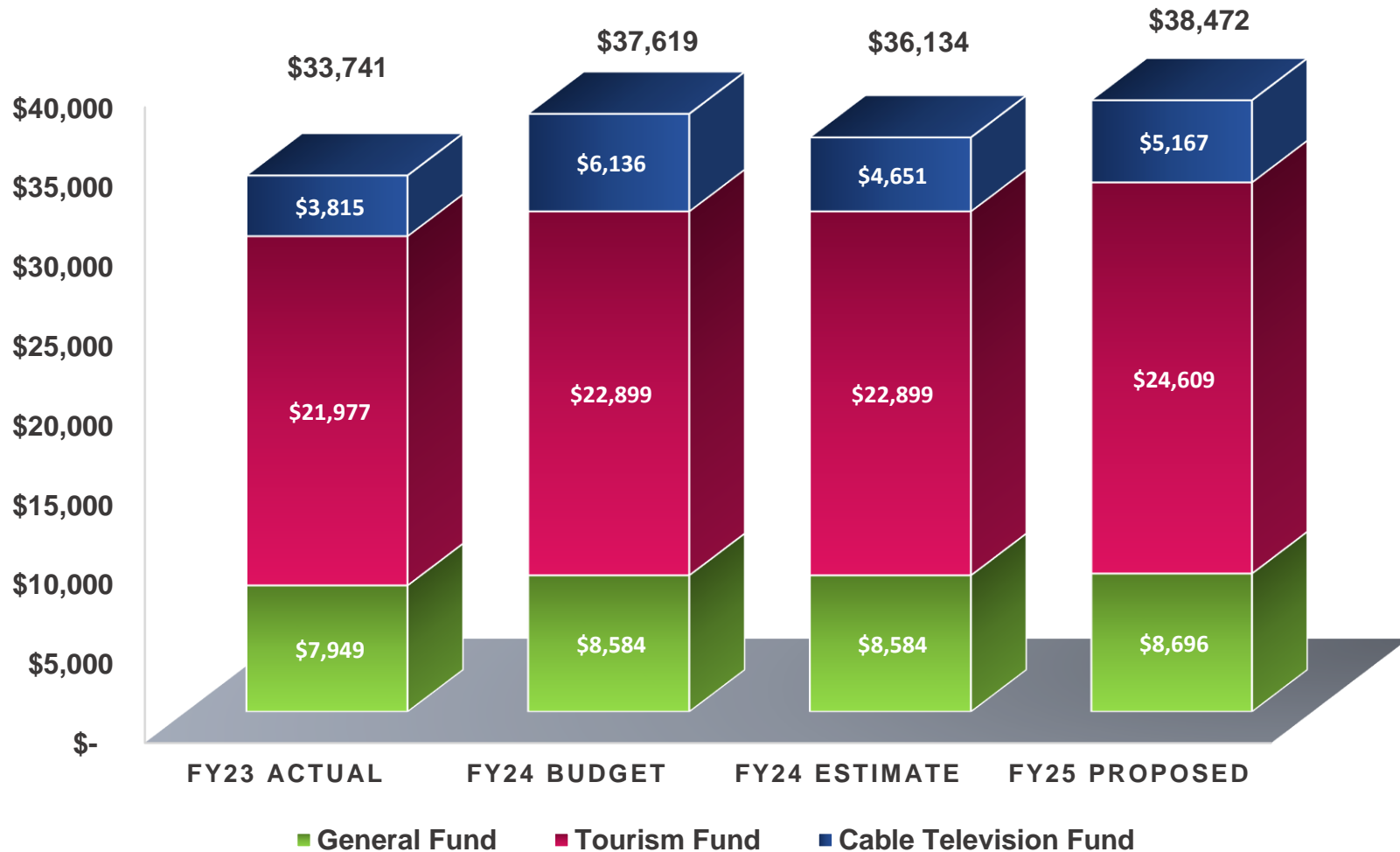
## Other Category Breakdown

Restricted Accounts	\$	695
Supplies	\$	36
Services	\$	304
<b>Total</b>	<b>\$</b>	<b>1,035</b>

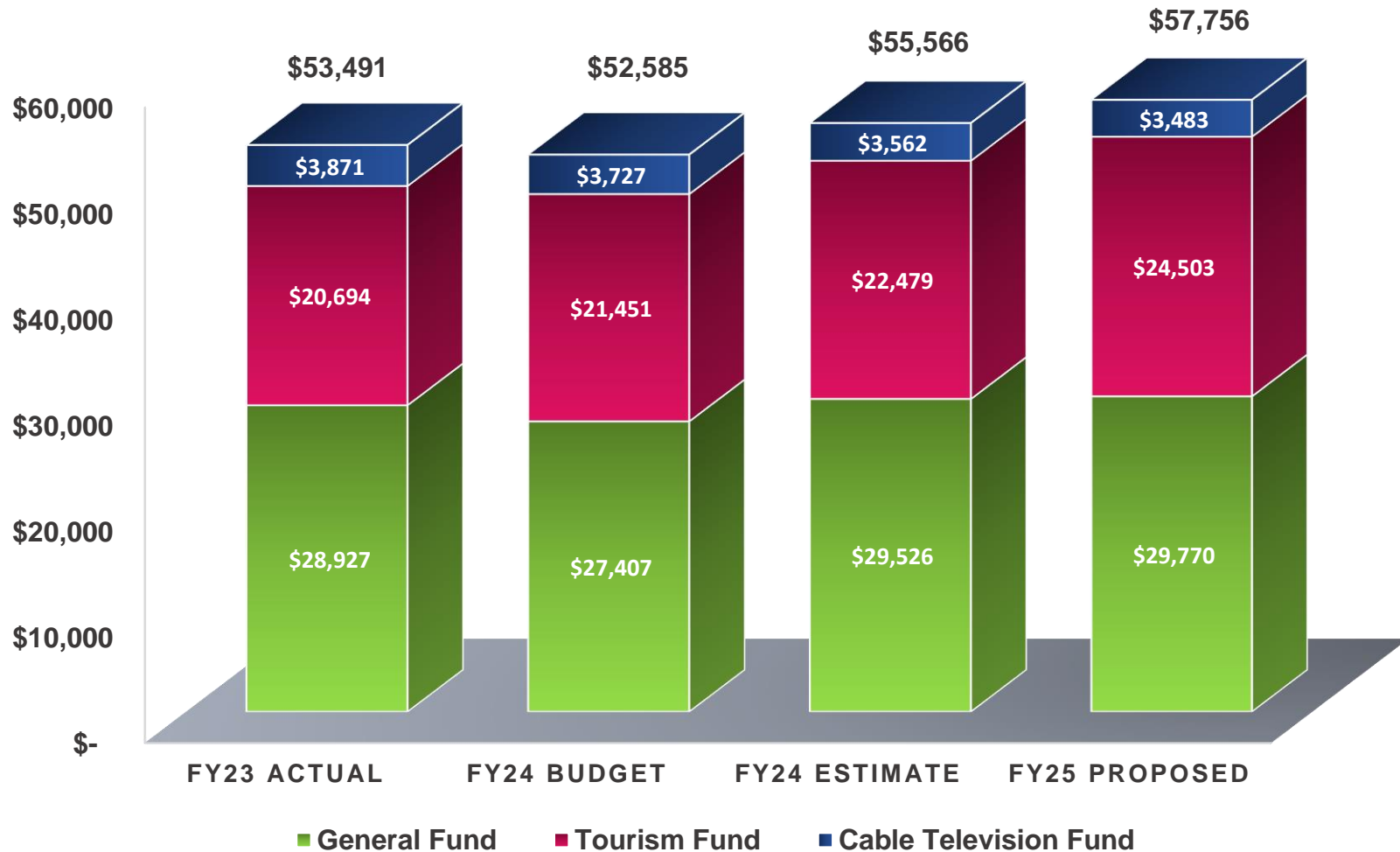
Restricted Accounts	\$	315
Supplies	\$	23
Services	\$	735
Equipment	\$	1,475
<b>Total</b>	<b>\$</b>	<b>2,548</b>

Restricted Accounts	\$	268
Supplies	\$	86
Services	\$	684
<b>Total</b>	<b>\$</b>	<b>1,038</b>

# Expenditures By Fund (in thousands)



# Revenues By Fund (in thousands)





# FY2025 Revenue Highlights

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## General Fund:

- ❑ **Digital Network** budget is \$261K higher than the FY2024 estimate due an increase in the kiosk units to be in service in FY2025.
- ❑ **City Election Fees** is \$63K lower than FY2024 estimate due to no City of Houston elections in FY2025.

## Cable Television:

- ❑ **PEG Contributions – State Franchises** budget is \$240K lower than the FY2024 estimate due to the decline of cable PEG fees offset by the increase in production revenue for services provided for other City departments.

## Tourism Promotion:

- ❑ **Contributions From Other** budget is \$1.9M higher than the FY2024 estimate primarily due to the revenue received from HoustonFirst, which is based on 19.3% of the total Hotel Occupancy Tax (HOT) gross receipts, is projected to be higher.

# Appendix

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# Organizational Chart



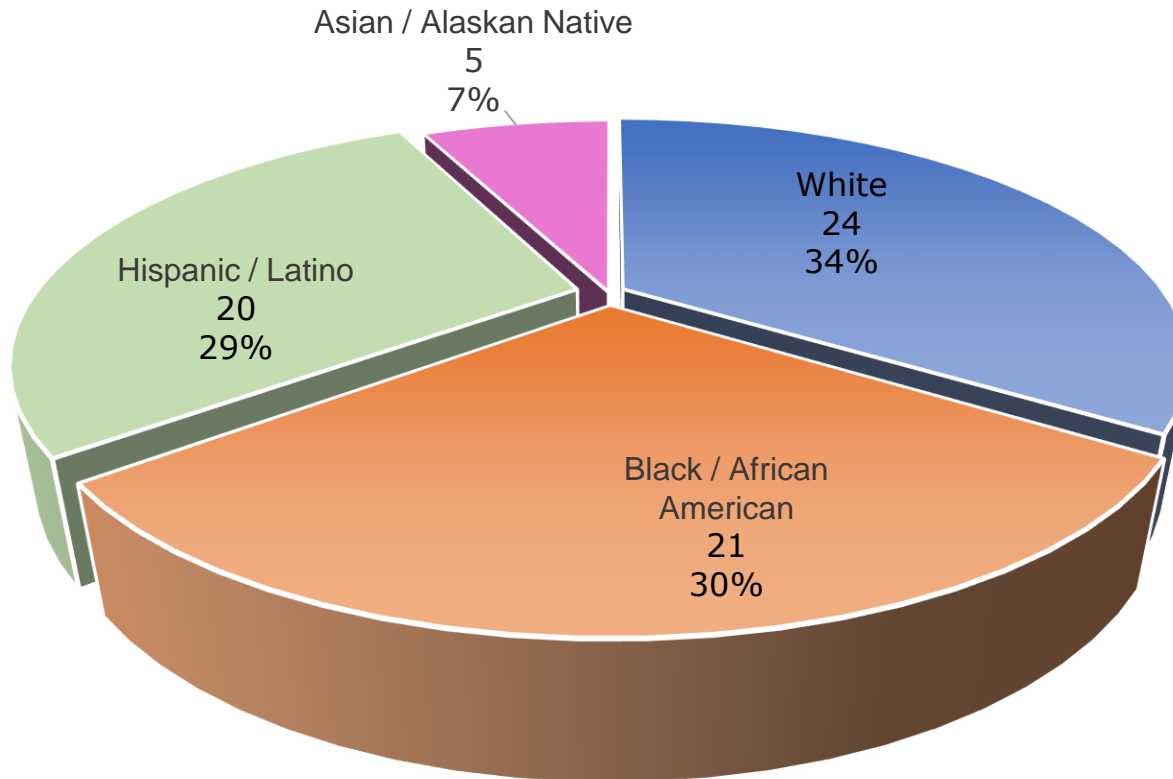
**Mayor**

<b>Executive Office</b>	<b>Education</b>	<b>Boards &amp; Commissions</b>	<b>Constituent Services</b>	<b>Community Relations</b>
<b>Council Relations</b>	<b>Agenda Office</b>	<b>Economic Development</b>	<b>Special Events</b>	<b>Inter-govt Relations</b>
<b>Cultural Affairs</b>	<b>Veterans Affairs</b>	<b>Communications</b>	<b>Trade &amp; International Affairs</b>	<b>Houston Television</b>



# Mayor's Office Demographics

## As of 4/26/2024



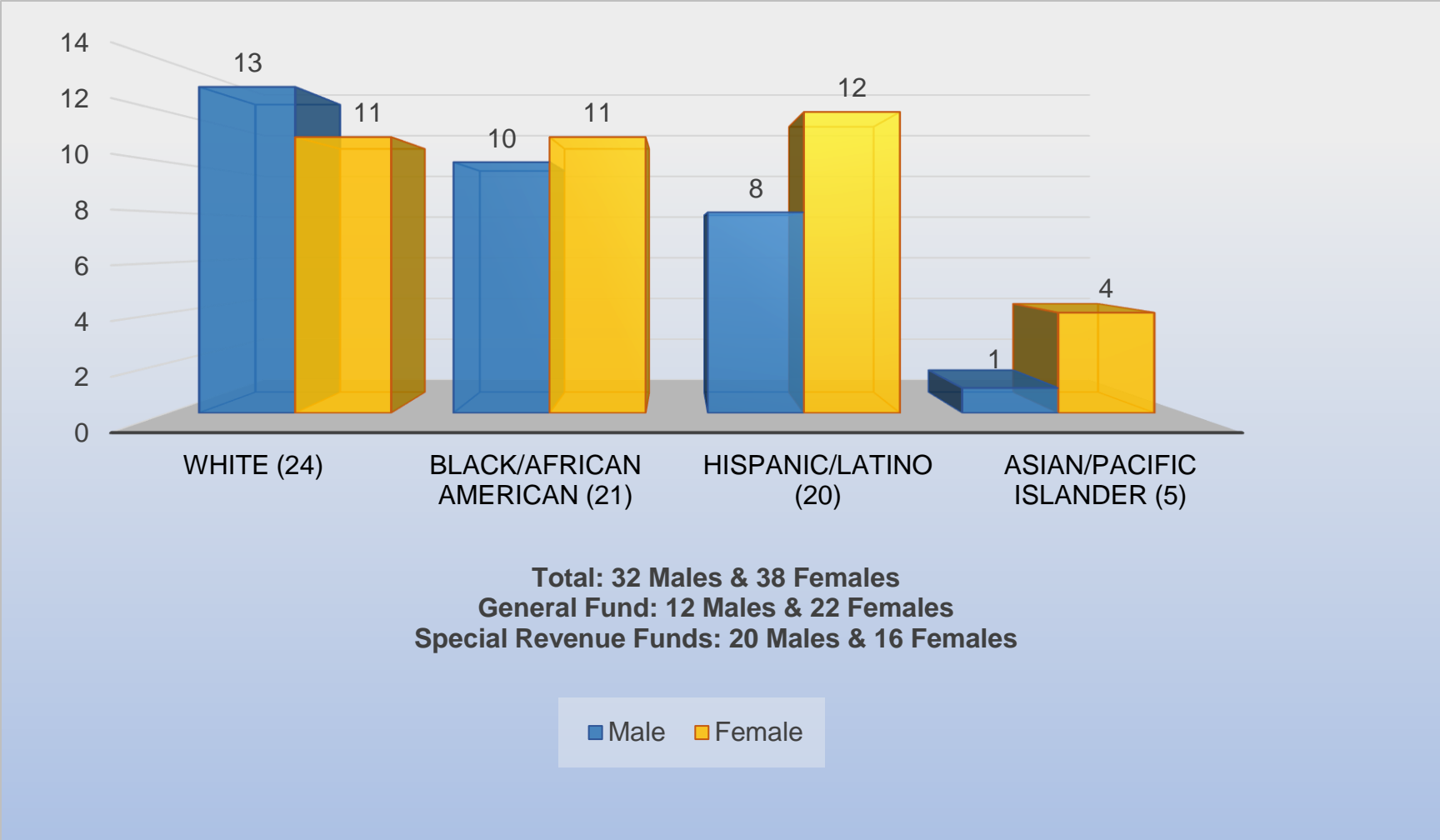
**Total Employees = 70**

**General Fund = 34 Special Revenue Funds = 36**



# Race & Gender Distribution

## As of 4/26/2024





# Expenditures by Fund [in thousands]

## Objective

List total expenditures by fund in thousands – FY24 Current Budget vs FY25 Proposed (in thousands)

Category	FY23 Actual	FY24 Budget	FY24 Estimate	FY25 Proposed	Variance FY25 Proposed/ FY24 Budget	% Change
General Fund	\$ 7,949	\$ 8,584	\$ 8,584	\$ 8,696	\$ 112	1.3%
Cable Television	\$ 3,815	\$ 6,136	\$ 4,651	\$ 5,167	\$ (968)	-15.8%
Tourism Promotion	\$ 21,977	\$ 22,899	\$ 22,899	\$ 24,609	\$ 1,710	7.5%
<b>Total</b>	<b>\$ 33,741</b>	<b>\$ 37,619</b>	<b>\$ 36,134</b>	<b>\$ 38,472</b>	<b>\$ 853</b>	<b>2.3%</b>



# Revenues by Fund [in thousands]

## Objective

List total revenues by fund in thousands – FY24 Estimate vs FY25 Proposed (in thousands)

Category	FY23 Actual	FY24 Budget	FY24 Estimate	FY25 Proposed	Variance FY25 Proposed/ FY24 Estimate	% Change
General Fund	\$ 28,927	\$ 27,407	\$ 29,526	\$ 29,770	\$ 244	0.8%
Cable Television	\$ 3,871	\$ 3,727	\$ 3,562	\$ 3,483	\$ (78)	-2.3%
Tourism Promotion	\$ 20,694	\$ 21,451	\$ 22,479	\$ 24,503	\$ 2,024	8.3%
<b>Total</b>	<b>\$ 53,491</b>	<b>\$ 52,585</b>	<b>\$ 55,566</b>	<b>\$ 57,756</b>	<b>\$ 2,190</b>	<b>3.8%</b>



# MYR Restricted Account Details

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing.
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature.
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS).
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.