



Section 102.007(d) of the Texas Local Government Code requires any budget adopted after September 2013 to include the following language on a cover page:

“This budget will raise more revenue from property taxes than last year’s budget by an amount of \$76,886,916, which is a 5.39 percent increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$27,323,397.”

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Connecting Budget to Strategy

Strategic Guidance Summary

Strategic Guidance provides direction during budget formulation on the Mayor’s Priorities and Initiatives which department programs and enhancements should support and advance. The Mayor’s Priorities for the City of Houston are **Public Safety, Infrastructure, Government that Works, and Quality of Life**. These priorities will guide the strategic direction of City operations through Mayor Whitmire’s administration.

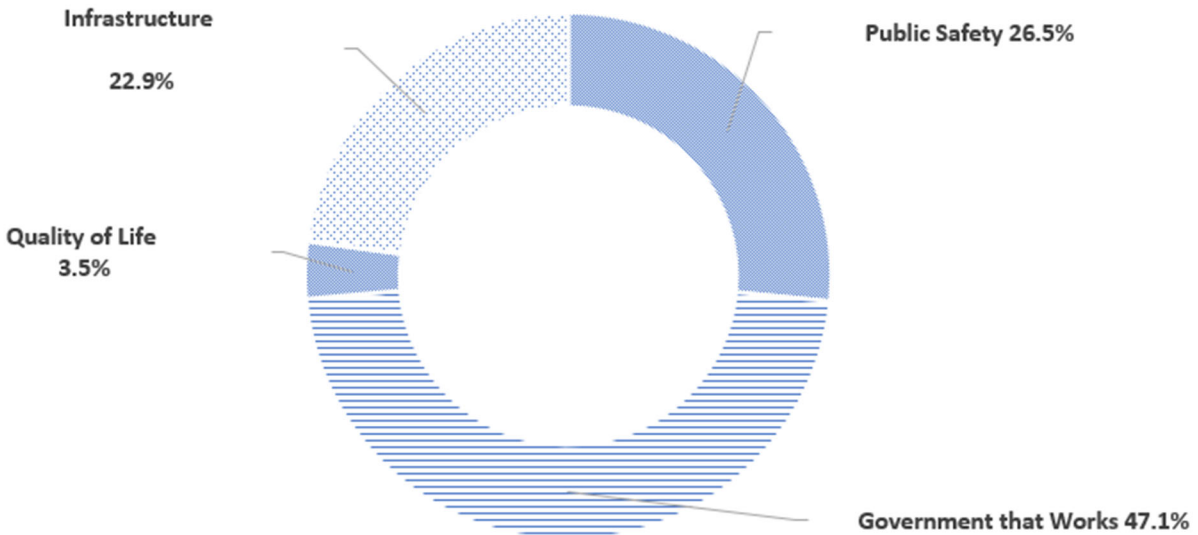
Budget Summary by Mayor’s Priority

The chart and table below show the operating budget (all funds) broken out by Mayor’s Priority.

All Funds (\$ in thousands)

Priority	FY24 Actual	FY25 Budget	FY26 Proposed	Variance FY26 Proposed/ FY25 Budget	% Change
Public Safety	1,640,712	1,826,341	1,849,686	23,345	1.3%
Government that Works	2,782,455	3,230,941	3,291,983	61,042	1.9%
Quality of Life	218,594	273,306	248,158	(25,148)	-9.2%
Infrastructure	1,197,785	1,501,745	1,604,586	102,840	6.8%
Total Mayor Priorities	5,839,547	6,832,333	6,994,412	162,080	2.4%

*Totals include interfund elimination.



Connecting Budget to Strategy

Mayor’s Priority: Public Safety

Mayor Whitmire is committed to ensuring that safety and security of everyone that lives, works, and visits the City of Houston. With the overarching goals of preventing crime and superior response to emergencies, this year’s budget will support efforts geared towards 1) improving collaboration with key stakeholders, 2) addressing systemic issues within department operations, and 3) recruiting and retaining talent. The City seeks to employ multifaceted approaches to address concerns around mental health, substance abuse, and rehabilitation, which each have an impact on public safety.

The strategic objectives for the Public Safety priority are to:

1. Increase the number of police officers and firefighters
2. Strengthen Houston’s Community Policing Programs
3. Improve police officer and firefighter retention and attrition rates
4. Equip first responders with the skill to better address mental health situations
5. Provide second change programs that integrate former offenders back into the community
6. Increase the use of technology to enhance crime fighting capabilities
7. Collaborate with schools, nonprofits and businesses to increase youth engagement outside of the classroom

Allocation by Department (\$ in Thousands)	FY2026 Budget
Administration and Regulatory Affairs	\$20,592
Fire Department	\$591,871
General Services	\$13,287
Houston Airport System	\$3,351
Houston Emergency Center	\$32,098
Houston Health Department	\$47,657
Legal	\$7,257
Municipal Courts Department	\$13,289
Parks and Recreation	\$3,685
Police Department	\$1,116,599
Totals	\$1,849,686

Allocation by Fund (\$ in Thousands)	FY2026 Budget
Asset Forfeiture Fund - Justice	\$5,376
Asset Forfeiture Fund - State	\$3,339
Asset Forfeiture Fund - Treasury	\$1,025
Auto Dealers Special Revenue Fund	\$10,611
BARC Special Revenue Fund	\$15,549
Essential Public Health Services Fund	\$7,645
Forensic Transition Special Fund	\$300
General Fund	\$1,717,878
HAS-Revenue Fund	\$3,351

Connecting Budget to Strategy

Allocation by Fund (\$ in Thousands)	FY2026 Budget
Health Special Revenue Fund	\$5,379
Houston Emergency Center Fund	\$32,098
Houston Opioid Abatement Fund	\$2,362
Laboratory Operations and Maintenance Fund	\$600
Local Youth Diversion Fund	\$785
Maintenance Renewal and Replacement Fund	\$2,607
Police Special Services Fund	\$32,066
Special Waste Transportation and Inspection Fund	\$7,159
Swimming Pool Safety Fund	\$1,554
Totals	\$1,849,686

Mayor’s Priority: Infrastructure

As the fourth largest city in our nation and one of the fastest growing cities, it is important that the City of Houston’s infrastructure is able to sustain its growing population. To mitigate the impact of natural disasters and chronic stressors such as the City’s aging infrastructure, air quality, and flooding, the City plans to enhance existing efforts and seek opportunities for internal and external partnerships to address these efforts. As a city of opportunity, the programming that supports this priority helps the city become more attractive to industries and people looking to call Houston home.

The strategic objectives for Infrastructure are to:

1. Repairing the City’s aging water mains
2. Reduce traffic congestion and fix City streets
3. Ensure that City’s infrastructure accommodates growth and meets community needs
4. Ensure the City is equitable, resilient, inclusive, and affordable
5. Remains a leader in climate adaptation and mitigation
6. Continue to grow our economy

Allocation by Department (\$ in Thousands)	FY2026 Budget
Administration and Regulatory Affairs	\$-
Finance Department	\$611
General Services	\$52,652
Houston Airport System	\$327,226
Houston Public Works	\$1,204,410
Human Resources	\$1,425
Mayor’s Office	\$1,148
Office of Business Opportunity	\$469
Parks and Recreation	\$3,959
Planning & Development	\$11,469
Solid Waste Management	\$1,216
Totals	\$1,604,586

Connecting Budget to Strategy

Allocation by Fund (\$ in Thousands)	FY2026 Budget
Building Inspection Special Fund	\$111,528
Combined Utility System Gen Pur Fund	\$127,495
DDSRF - Ad Valorem Tax	\$17,291
DDSRF - Drainage Charge	\$8,504
DDSRF - Metro ET AL	\$100,178
General Fund	\$24,954
HAS-Revenue Fund	\$327,226
Houston TranStar Center Fund	\$3,596
Maintenance Renewal and Replacement Fund	\$36,391
Planning and Development Special Revenue Fund	\$11,120
Storm Water Fund	\$116,518
Water and Sewer Operating Fund	\$719,300
Park Special Revenue Fund	\$484
Totals	\$1,604,586

Mayor’s Priority: Government that Works

Mayor Whitmire believes that all Houstonians should receive top-tier services, performed at the highest ethical standards. He considers the best government is to be the one that a taxpayer does not have to think about because it works as it should. This warrants that the operations of the local government be performed with fiscal transparency, accountability, and resiliency. As the City matures in its implementation of OBB, the City will be able to maximize its resources to achieve desired outcomes.

The strategic objectives for the Government that Works are to:

1. Move towards a structurally balanced budget by identifying expenditure reductions and new recurring revenue sources
2. Continue to reduce long-term liabilities
3. Effectively manage and leverage state and federal grant dollars and partnerships
4. Maintain a strong credit rating
5. Promote the growth of minority and women owned businesses
6. Embrace innovation in the delivery of City services

Allocation by Department (\$ in Thousands)	FY2026 Budget
Administration and Regulatory Affairs	\$43,070
City Controller	\$10,978
City Council	\$16,199
City Secretary	\$812
Convention & Entertainment	\$133,597

Connecting Budget to Strategy

Allocation by Department (\$ in Thousands)	FY2026 Budget
Department of Neighborhoods	\$3,320
Finance Department	\$22,438
Fire Department	\$67,169
General Debt Service	\$508,000
General Government	\$260,489
General Services	\$19,296
Housing & Community Development	\$1,610
Houston Airport System	\$408,126
Houston Emergency Center	\$8,822
Houston Health Department	\$23,602
Houston Public Works	\$1,597,832
Legal	\$9,015
Library	\$9,192
Mayor's Office	\$33,621
Municipal Courts Department	\$14,709
Office of Business Opportunity	\$5,312
Parks and Recreation	\$38,772
Planning & Development	\$1,370
Police Department	\$39,153
Solid Waste Management	\$15,481
Totals	\$3,291,983

Allocation by Fund (\$ in Thousands)	FY2026 Budget
Asset Forfeiture Fund - Justice	\$170
Asset Forfeiture Fund - State	\$50
Auto Dealers Special Revenue Fund	\$2,750
Building Inspection Special Fund	\$11,303
C&E - Facility Operating Fund	\$133,597
Child Safety Fund	\$3,124
Combined Utility System Gen Pur Fund	\$510,010
Combined Utility System Operating Fund	\$553,261
Contractor Responsibility Fund	\$940
DDSRF - Ad Valorem Tax	\$153,099
DDSRF - Drainage Charge	\$122,923
DDSRF - Metro ET AL	\$59,237
Essential Public Health Services Fund	\$4,235
General Fund	\$1,092,041
HAS-Revenue Fund	\$408,126
Health Special Revenue Fund	\$412
Municipal Court Building Security Fund	\$514
Municipal Court Technology Fee Fund	\$1,563

Connecting Budget to Strategy

Allocation by Fund (\$ in Thousands)	FY2026 Budget
ParkHouston Special Revenue Fund	\$19,808
Parking Benefit District Fund	\$52
Parks Golf Special Revenue Fund	\$704
Police Special Services Fund	\$100
Recycling Revenue Fund	\$489
Storm Water Fund	\$29,854
Tourism Promotion Special Revenue Fund	\$26,637
Water and Sewer Operating Fund	\$156,985
Totals	\$3,291,983

Mayor's Priority: Quality of Life

Throughout Mayor Whitmire's career, he has been a champion for equity. He understands that equity is the glue needed to bring Houston together. It is important to the City to create an environment where: 1) individuals, families, and businesses thrive and 2) visitors feel welcomed. The programming that supports this priority will place emphasis on endeavors that speak to the vibrancy of the City's cultural scenes, promote access to care, and foster strong community relationships.

The strategic objectives for the Quality of Life are to:

1. Protecting the laws and ordinances that encourage diversity and equity
2. Ensure quality affordable housing options
3. Provide vibrant and enjoyable activity, parks, and recreation centers
4. Promote healthy, safe, livable, and connected neighborhoods

Allocation by Department (\$ in Thousands)	FY2026 Budget
Department of Neighborhoods	\$4,163
Houston Health Department	\$24,145
Houston Public Works	\$951
Legal	\$2,015
Library	\$41,154
Mayor's Office	\$4,866
Municipal Courts Department	\$893
Parks and Recreation	\$61,047
Planning & Development	\$2,514
Police Department	\$14,077
Solid Waste Management	\$92,332
Totals	\$248,158

Connecting Budget to Strategy

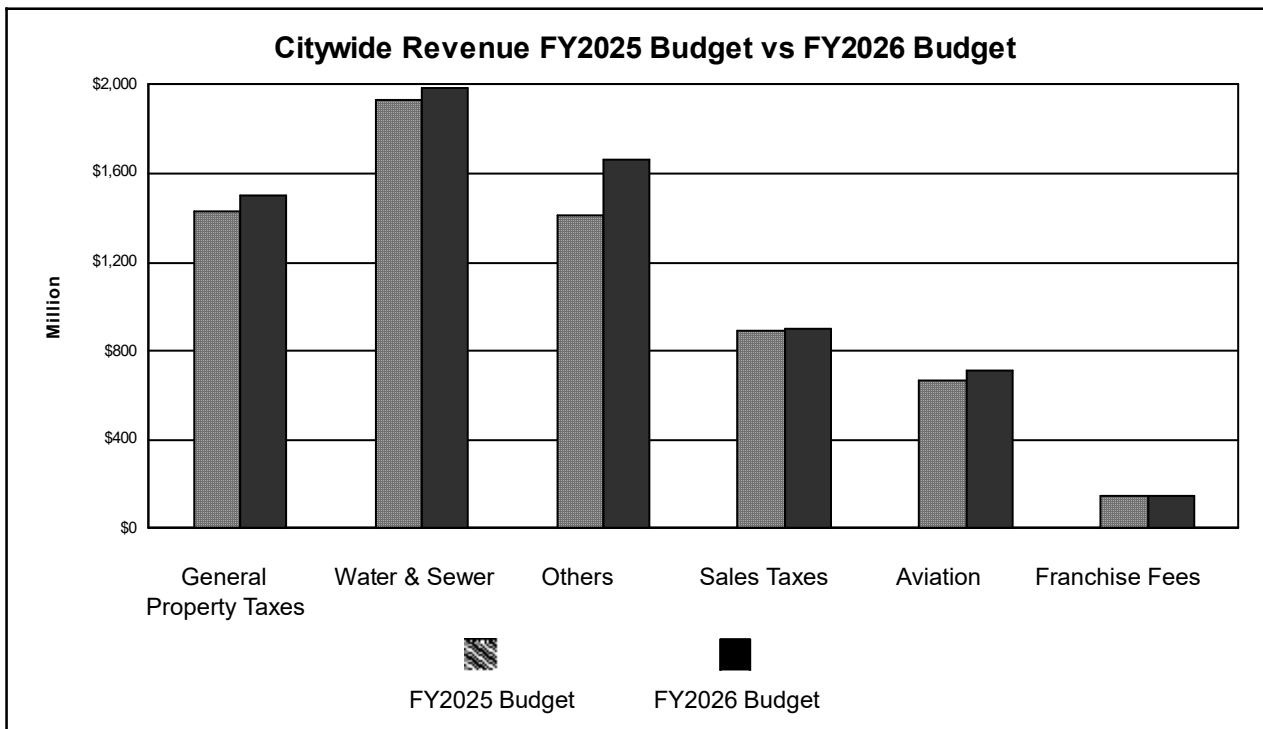
Allocation by Fund (\$ in Thousands)	FY2026 Budget
Asset Forfeiture Fund - Justice	\$40
Bayou Greenway 2020 Fund	\$1,267
Cable Television Special Fund	\$17
Container Lease Fund	\$3,973
DDSRF - Ad Valorem Tax	\$75
DDSRF - Metro ET AL	\$876
Essential Public Health Services Fund	\$11,624
General Fund	\$199,176
Health Special Revenue Fund	\$4,412
Historic Preservation Fund	\$439
Maintenance Renewal and Replacement Fund	\$4,927
Parks Golf Special Revenue Fund	\$8,505
Planning and Development Special Revenue Fund	\$997
Police Special Services Fund	\$10
Recycling Revenue Fund	\$3,165
State Cable TV Franchise Fee	\$4,849
Park Special Revenue Fund	\$3,804
Totals	\$248,158

CITYWIDE REVENUE SUMMARY

Listed below are the resources for all City funds by category. All City funds include General, Special, and Enterprise, as well as interfund eliminations. Totals do not include Service Chargeback and Internal Service Funds. The largest revenue source for the City is collection from the City's Combined Utility System for water and sewer charges, which are projected to increase by approximately 2.91%. The second largest source of revenues is general property taxes, which are projected to increase by approximately 5.40%. Together these two sources account for approximately 50.48% of all City revenues.

CITYWIDE REVENUE BY SUMMARY (\$ in Millions)						
Revenue Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget	FY2026 vs FY2025 Budget	% of Total
Water & Sewer	1,645	1,927	1,820	1,983	2.91%	28.70%
General Property Taxes	1,366	1,427	1,381	1,504	5.40%	21.78%
Sales Taxes	883	893	893	902	1.01%	13.05%
Aviation	593	669	669	712	6.43%	10.30%
Other	418	429	531	571	33.10%	8.26%
Charges for Services	287	287	305	318	10.80%	4.60%
Intergovernmental	318	153	196	198	29.41%	2.87%
Franchise Fees	150	151	152	147	-2.65%	2.13%
Other Tax	130	136	137	146	7.35%	2.11%
Licenses and Permits	129	130	133	133	2.31%	1.92%
Interfund Services	111	116	116	126	8.62%	1.82%
Interest Income	124	99	120	108	9.09%	1.56%
Fines and Forfeits	33	32	32	34	6.25%	0.49%
Industrial Assessment	28	27	28	28	3.70%	0.41%
Total Revenue	6,215	6,476	6,513	6,910	6.70%	100.00%

Total may reflect slight variances due to rounding.

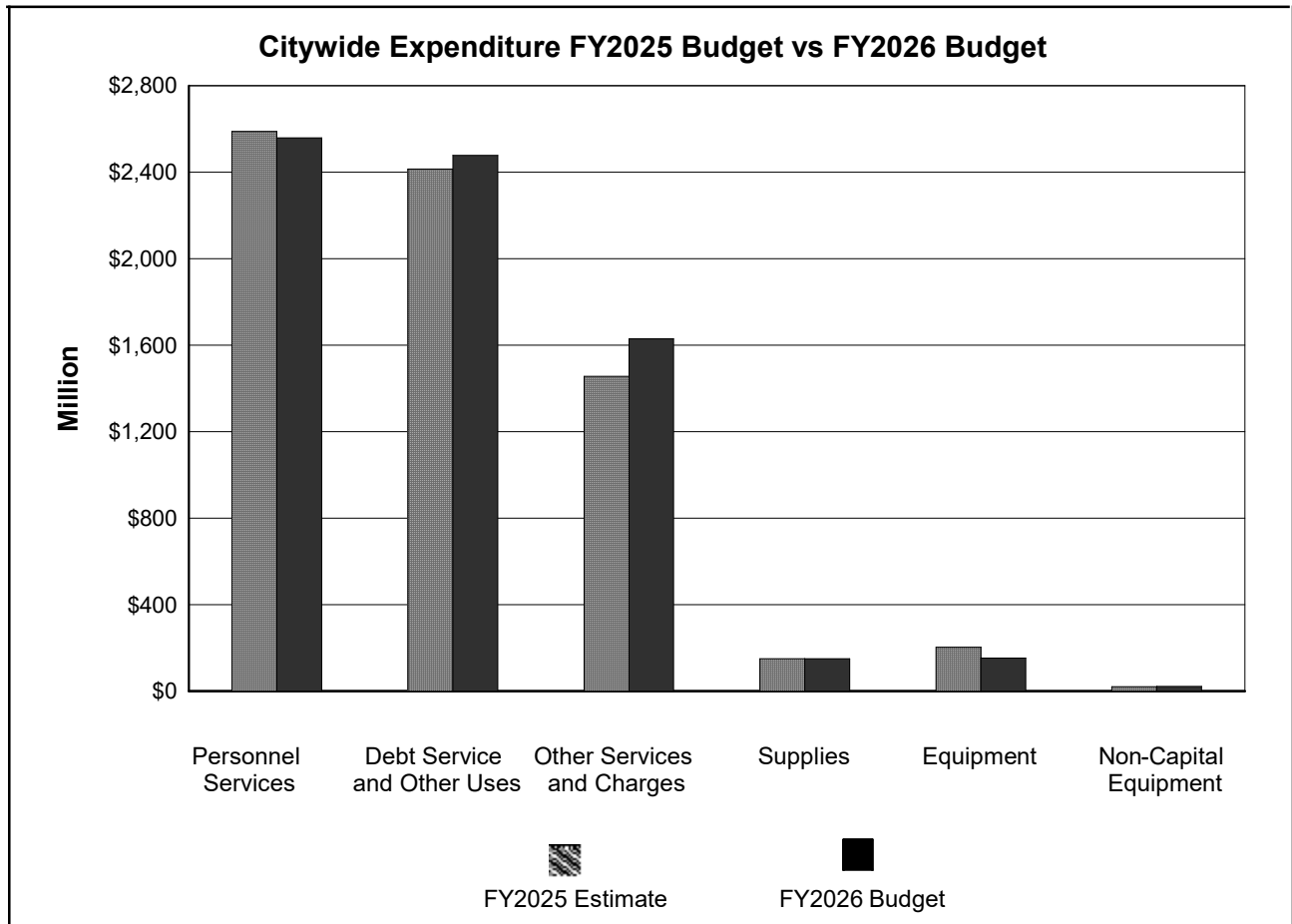


CITYWIDE EXPENDITURE SUMMARY

Listed below are the expenditures for all City funds by category. All City funds include General, Special, and Enterprise, as well as interfund eliminations. Totals do not include Service Chargeback and Internal Service Funds. Personnel services, accounting for less than 50%, is the largest expenditure category projected at 36.59%. The second largest City expenditure is payment of principal and interest on long-term debt, which is 35.43% of total expenditures. Together these two categories account for approximately 72.02% of all City expenditures.

CITYWIDE EXPENDITURE BY CATEGORY (\$ in Millions)						
Expenditure Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget	FY2026 vs FY2025 Budget	% of Total
Personnel Services	2,328	2,588	2,568	2,559	-1.08%	36.59%
Debt Service and Other Uses	2,076	2,414	2,440	2,478	2.65%	35.43%
Other Services and Charges	1,223	1,456	1,455	1,630	11.95%	23.31%
Equipment	78	204	136	154	-24.51%	2.20%
Supplies	127	150	150	151	0.67%	2.16%
Non-Capital Equipment	8	21	19	22	4.76%	0.31%
Total Expenditure	5,840	6,833	6,768	6,994	2.36%	100.00%

Total may reflect slight variances due to rounding.



FISCAL YEAR 2026 BUDGET

CITYWIDE PERSONNEL SUMMARY

Fund / Business Area	Full-Time Equivalents (FTEs)				Overtime FTEs		
	FY2025				FY2025		
	FY2024 Actual	Current Budget	FY2025 Estimate	FY2026 Budget	FY2024 Actual	Current Budget	FY2026 Budget
GENERAL FUND							
Public Safety							
Fire/Cadets	92.6	88.2	88.2	190.6	0.0	0.0	0.0
Fire/Civilian	93.2	87.4	87.4	94.2	1.1	1.1	1.2
Fire/Classified	3,619.5	3,748.0	3,748.0	3,754.9	523.6	804.7	364.8
Municipal Courts Department	243.2	225.5	225.5	190.8	0.0	0.0	0.0
Police/Cadets	161.9	138.9	138.9	164.1	0.0	0.0	0.0
Police/Civilian	827.0	870.5	870.5	762.7	40.8	37.8	13.3
Police/Classified	4,945.4	5,213.9	5,213.9	5,522.4	381.0	262.8	112.7
Total Public Safety	9,982.8	10,372.4	10,372.4	10,679.7	946.5	1,106.4	492.0
Development & Maintenance Services							
General Services	145.3	138.0	138.0	116.5	2.9	2.4	0.8
Houston Public Works	7.9	9.0	9.0	8.0	0.0	0.0	0.0
Planning & Development	19.0	19.4	19.4	16.7	0.0	0.0	0.0
Solid Waste Management	393.0	432.2	432.2	432.4	101.1	99.6	55.2
Total Development & Maintenance Services	565.2	598.6	598.6	573.6	104.0	102.0	56.0
Human & Cultural Services							
Housing & Community Development	0.3	0.2	0.2	0.2	0.0	0.0	0.0
Houston Health Department	338.8	335.0	335.0	303.4	3.1	4.5	2.7
Library	449.4	478.4	478.4	438.2	1.2	0.0	0.0
Neighborhoods	77.0	76.8	76.8	39.7	0.2	0.7	0.0
Parks & Recreation	559.2	660.3	660.3	588.5	30.6	40.8	4.3
Total Human & Cultural Services	1,424.7	1,550.7	1,550.7	1,370.0	35.1	46.0	7.0
Administrative Services							
Administration and Regulatory Affairs	161.1	173.6	173.6	92.9	2.8	3.2	0.4
City Secretary	7.8	7.8	7.8	6.3	0.8	0.0	0.0
Finance Department	116.8	119.4	119.4	114.1	0.0	0.0	0.0
Human Resources	50.5	38.2	38.2	36.2	0.0	0.0	0.0
Legal	97.5	96.3	96.3	86.8	0.0	0.0	0.0
Office of Business Opportunity	34.5	40.0	40.0	36.9	0.0	0.0	0.0
Total Administrative Services	468.2	475.3	475.3	373.2	3.6	3.2	0.4
Elected Officials							
City Controller	51.5	58.7	58.7	59.7	0.0	0.0	0.0
City Council	74.7	80.0	80.0	88.6	0.0	0.0	0.0
Mayor's Office	35.0	35.5	35.5	29.2	0.0	0.0	0.0
Total Elected Officials	161.2	174.2	174.2	177.5	0.0	0.0	0.0
Total GENERAL FUND	12,602.1	13,171.2	13,171.2	13,174.0	1,089.2	1,257.6	555.4

FISCAL YEAR 2026 BUDGET

CITYWIDE PERSONNEL SUMMARY

Fund / Business Area	Full-Time Equivalents (FTEs)				Overtime FTEs		
	FY2025				FY2025		
	FY2024 Actual	Current Budget	FY2025 Estimate	FY2026 Budget	FY2024 Actual	Current Budget	FY2026 Budget
ENTERPRISE FUNDS							
Aviation	1,244.6	1,414.2	1,414.2	1,361.3	74.9	62.6	38.1
HPW - Combined Utility System	2,023.7	2,412.8	2,229.2	2,109.9	224.7	135.2	213.8
Total Enterprise Funds	3,268.3	3,827.0	3,643.4	3,471.2	299.6	197.8	251.9
SPECIAL REVENUE FUNDS							
ARA - BARC Special Revenue Fund	106.0	109.5	111.0	108.8	3.0	0.4	0.3
ARA - ParkHouston Special Revenue Fund	68.3	87.1	87.1	85.0	2.8	3.0	2.0
GSD - Maintenance Renewal & Replacement	66.0	69.4	69.4	74.0	2.2	3.9	2.8
HEC - Houston Emergency Center Fund	195.8	259.0	217.6	241.1	33.3	17.3	18.8
HHD - Essential Public Health Services Fund	103.1	179.3	123.6	178.5	0.2	0.0	0.0
HHD - Health Special Revenue Fund	65.3	58.2	50.6	42.1	2.9	0.6	1.7
HHD - Houston Opioid Abatement Fund	0.1	3.7	0.3	4.7	0.0	0.0	0.0
HHD - Special Waste Transportation & Inspection	44.6	48.5	42.1	57.1	3.2	2.1	2.0
HHD - Swimming Pool Safety Fund	19.3	16.9	15.0	11.3	0.4	0.3	0.6
HPD - Asset Forfeiture Fund/Classified	0.0	0.0	0.0	0.0	0.0	23.5	24.3
HPD - Auto Dealers Special Revenue/Civilians	7.6	10.0	9.4	10.0	0.9	0.8	1.0
HPD - Auto Dealers Special Revenue/Classified	20.7	22.0	21.2	22.0	4.5	4.7	5.2
HPD - Forensic Transition Special Fund/Civilians	3.0	3.0	3.0	2.0	0.1	0.3	0.0
HPD - Police Special Services Fund/Civilians	2.0	2.0	2.0	2.0	0.0	1.5	4.2
HPD - Police Special Services Fund/Classified	0.0	0.0	0.0	0.0	0.0	47.7	197.0
HPW - Building Inspection Special Fund	609.3	613.3	612.4	677.0	37.8	34.1	34.0
HPW - DDSRF-Drainage Charge	21.8	22.0	22.4	21.0	3.4	0.1	3.7
HPW - DDSRF-Metro ET AL	377.7	464.5	407.5	466.3	42.8	31.5	28.7
HPW - Houston TranStar Center Fund	7.6	10.0	7.9	10.0	0.0	0.0	0.0
HPW - Storm Water Fund	282.9	415.2	346.4	426.9	21.0	19.4	18.7
MCD - Local Youth Diversion Fund	4.5	9.0	4.4	8.0	0.0	0.0	0.0
MYR - Cable Television Special Fund	14.4	14.4	14.0	14.7	0.0	0.0	0.0
MYR - Tourism Promotion Special Revenue Fund	23.6	23.5	23.5	22.0	0.3	0.4	0.2
OBO - Contractor Responsibility Fund	1.9	2.0	2.0	2.0	0.0	0.0	0.0
PD - Planning & Development Special Revenue	54.3	64.5	54.7	62.5	0.1	1.3	1.0
PRD - Bayou Greenway 2020 Fund	12.1	16.8	15.6	16.8	0.6	0.1	0.0
PRD - Maintenance Renewal & Replacement	9.7	17.0	14.2	14.0	0.8	0.1	0.1
PRD - Park Special Revenue Fund	13.7	19.0	18.4	18.0	0.0	0.0	0.0
PRD - Parks Golf Special Revenue Fund	44.0	63.5	52.4	59.4	6.5	2.9	2.7
SWD - Container Lease Fund	6.4	8.0	8.0	8.0	1.6	2.6	2.6
SWD - Recycling Revenue Fund	3.0	5.0	5.0	3.0	0.2	0.2	0.3
Total Special Revenue Funds	2,188.7	2,636.3	2,361.1	2,668.2	168.6	198.8	351.9
Total General, Enterprise and Special Funds	18,059.1	19,634.5	19,175.7	19,313.4	1,557.4	1,654.2	1,159.2

FISCAL YEAR 2026 BUDGET

CITYWIDE PERSONNEL SUMMARY

Fund / Business Area	Full-Time Equivalents (FTEs)				Overtime FTEs		
	FY2025			FY2026 Budget	FY2025		
	FY2024 Actual	Current Budget	Estimate		FY2024 Actual	Current Budget	FY2026 Budget
INTERNAL SVC./SERVICE CHARGEBACK							
ARA - Central Svc Revolving	0.0	0.0	0.0	175.9	0.0	0.0	5.7
ARA - Property and Casualty	5.0	6.0	5.0	4.0	0.0	0.0	0.0
FIN - Central Svc Revolving	51.5	60.2	60.2	171.9	0.0	0.0	0.0
FMD - Fleet Management	336.8	370.8	370.3	336.9	43.3	45.8	24.8
GSD - Project Cost Recovery	44.3	52.2	50.9	50.0	0.0	0.0	0.0
HITS - Central Svc Revolving	183.5	212.2	199.9	311.9	3.7	2.7	2.8
HPW - Project Cost Recovery	320.5	392.5	344.8	449.1	3.0	1.9	5.5
HR - Central Svc Revolving	183.1	195.0	195.0	218.0	0.0	0.0	0.0
HR - Health Benefits	39.7	47.0	43.0	45.0	0.0	0.0	0.0
HR - Workers' Compensation	50.6	70.0	63.0	62.0	0.0	0.0	0.0
LGL - Property and Casualty	57.0	62.2	62.2	62.7	0.0	0.0	0.0
LGL - Workers' Compensation	2.0	2.0	2.0	2.0	0.0	0.0	0.0
PD - Central Svc Revolving	10.4	11.5	10.2	8.5	0.0	0.0	0.0
Total Internal Svc./Service Chargeback	1,284.4	1,481.6	1,406.5	1,897.9	50.0	50.4	38.8
Total FTEs	19,343.5	21,116.1	20,582.2	21,211.3	1,607.4	1,704.6	1,198.0

General Fund Reserves

The following table shows the ending unassigned fund balance, the actual year end maintenance and operating costs for preceding fiscal years, the estimated year-end costs for the current fiscal year, and the proposed year-end costs for the subsequent fiscal year.

**Historical Data FY2000 – FY2026
General Fund Available Fund Balances
(\$ thousands)**

<u>Fiscal Year</u>	<u>Unassigned Ending Fund Balance</u>	<u>M&O Expenditures</u>
FY2000	66,590	1,064,160
FY2001	79,432	1,105,408
FY2002	80,335	1,206,160
FY2003	83,027	1,199,766
FY2004	88,659	1,235,994
FY2005	120,042	1,279,879
FY2006	175,832	1,368,746
FY2007	234,535	1,459,076
FY2008	253,514	1,567,484
FY2009	236,275	1,668,700
FY2010	165,383	1,676,367
FY2011	129,040	1,680,038
FY2012	171,677	1,590,044
FY2013	202,842	1,705,450
FY2014	222,620	1,821,588
FY2015	287,842	1,964,412
FY2016	236,946	2,001,911
FY2017	269,558	2,026,297
FY2018	328,346	2,931,146
FY2019	321,436	2,072,672
FY2020	282,068	2,063,529
FY2021	281,202	2,050,824
FY2022	356,331	2,219,090
FY2023	485,383	2,286,200
FY2024 Actual	566,726	2,420,540
FY2025 Estimate	380,798	2,590,816
FY2026 Budget	318,711	2,526,049

FISCAL YEAR 2026 BUDGET

GENERAL FUND SUMMARY

Fund Name: General Fund
Fund No. : 1000

	FY2024 Actual	FY2025 Adopted	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Beginning Fund Balance - Unassigned \$	485,383,495	467,775,932	566,725,633	566,725,633	380,797,520
Revenue and Other Sources					
General Property Taxes	1,365,606,822	1,427,474,993	1,427,474,993	1,381,231,225	1,504,361,909
Industrial Assessment	27,884,637	27,277,052	27,277,052	27,650,972	27,685,183
Sales Taxes	883,132,217	893,382,118	893,382,118	893,382,118	902,315,939
Other Tax	23,802,437	24,895,585	24,895,585	23,955,000	23,955,000
Electric Franchise	98,625,348	100,445,069	100,445,069	100,181,200	98,620,231
Telephone Franchise	15,988,515	14,859,522	14,859,522	14,929,342	12,264,020
Gas Franchise	14,597,809	16,210,318	16,210,318	16,210,318	16,777,389
Other Franchise	19,940,491	19,030,458	19,030,458	19,708,414	18,484,018
Licenses and Permits	35,146,303	33,736,207	33,736,207	35,534,026	35,396,786
Intergovernmental	219,112,314	50,247,774	50,247,774	70,978,694	31,511,945
Charges for Services	90,153,362	81,308,735	81,308,735	101,173,629	87,722,252
Direct Interfund Services	69,382,461	75,061,216	75,061,216	75,876,166	80,214,983
Indirect Interfund Services	25,984,469	24,870,640	24,870,640	24,870,640	30,563,968
Municipal Courts Fines and Forfeits	17,206,309	17,063,363	17,063,363	16,904,384	19,018,745
Other Fines and Forfeits	3,729,354	3,043,414	3,043,414	3,505,408	2,354,385
Interest	22,502,881	20,993,000	20,993,000	20,993,020	21,893,000
Miscellaneous/Other	19,026,757	13,709,082	13,709,082	16,856,936	12,680,990
Total Revenue and Other Sources	2,951,822,486	2,843,608,546	2,843,608,546	2,843,941,492	2,925,820,743
Other Resources					
Sale of Capital Assets	10,732,005	2,752,000	2,752,000	40,718,488	2,500,000
Transfers From Other Funds	15,420,280	7,781,450	7,781,450	37,921,929	43,602,288
Total Other Resources	26,152,285	10,533,450	10,533,450	78,640,417	46,102,288
Total Available Resources	3,463,358,266	3,321,917,928	3,420,867,629	3,489,307,542	3,352,720,551
Expenditures and Other Uses					
Public Safety					
Fire Department	585,368,596	636,190,676	690,597,131	690,597,131	659,040,388
Houston Emergency Center	10,156,993	10,154,992	9,395,161	9,395,161	8,822,493
Municipal Courts Department	29,750,261	30,122,831	31,022,429	31,022,429	26,029,257
Police Department	1,017,472,902	1,043,608,386	1,074,329,778	1,074,329,778	1,110,867,520
Public Safety	1,642,748,752	1,720,076,885	1,805,344,499	1,805,344,499	1,804,759,658
Development & Maintenance Services					
General Services	48,864,711	46,898,858	49,147,686	49,147,686	46,236,689
Houston Public Works	1,246,176	22,970,540	1,248,284	1,248,284	1,159,156
Planning & Development	4,143,906	3,485,848	3,044,734	3,044,734	3,085,508
Solid Waste Management	104,119,121	99,562,391	107,294,200	107,294,200	101,401,749
Development & Maintenance Services	158,373,914	172,917,637	160,734,904	160,734,904	151,883,102

FISCAL YEAR 2026 BUDGET

GENERAL FUND SUMMARY

Fund Name: General Fund

Fund No. : 1000

	FY2024 Actual	FY2025 Adopted	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Human & Cultural Services					
Department of Neighborhoods	12,179,948	14,418,410	14,621,163	14,621,163	7,482,226
Housing & Community Development	2,246,605	1,653,736	2,300,162	2,300,162	1,609,795
Houston Health Department	54,413,829	54,138,359	57,204,062	57,204,062	50,020,317
Library	49,424,004	51,757,663	53,948,385	53,948,385	50,056,632
Parks and Recreation	94,452,889	89,120,327	92,376,255	92,376,255	87,773,097
Human & Cultural Services	212,717,275	211,088,495	220,450,027	220,450,027	196,942,067
Administrative Services					
Administration and Regulatory Affairs	33,882,861	35,485,833	37,549,165	37,549,165	28,252,261
City Secretary	896,298	943,853	1,079,435	1,079,435	812,463
Finance Department	21,439,213	24,021,401	23,182,279	23,182,279	23,049,105
Human Resources	1,343,529	1,424,732	1,424,732	1,424,732	1,424,732
Legal	19,043,808	19,112,782	19,180,956	19,180,956	18,286,565
Office of Business Opportunity	5,082,114	5,588,425	4,815,429	4,815,429	4,841,896
Administrative Services	81,687,823	86,577,026	87,231,996	87,231,996	76,667,022
Elected Officials					
City Controller	8,822,587	10,553,224	10,860,874	10,860,874	10,978,429
City Council (1)	14,342,252	15,249,500	19,089,809	19,089,809	16,198,664
Mayor's Office	8,370,244	8,691,646	9,004,059	9,004,059	8,131,570
Elected Officials	31,535,083	34,494,370	38,954,742	38,954,742	35,308,663
Other					
General Government	293,477,222	304,876,235	278,099,662	278,099,662	260,488,874
Total Expenditures Other than Debt / PAYGO	2,420,540,069	2,530,030,648	2,590,815,830	2,590,815,830	2,526,049,386
Debt Service and PAYGO Capital					
Captured Revenue Transfer to DDSRF	123,150,028	135,536,695	135,946,652	135,946,652	183,834,744
Trans to PIB Bonds Debt Service	352,153,276	380,860,426	380,860,426	380,860,426	324,165,004
Debt Service and PAYGO Capital Projects	475,303,304	516,397,121	516,807,078	516,807,078	507,999,748
Total Expenditures and Other Uses	2,895,843,373	3,046,427,769	3,107,622,908	3,107,622,908	3,034,049,134
Fund Balance - Unassigned	567,514,893	275,490,159	313,244,721	381,684,634	318,671,417
Total Budget	3,463,358,266	3,321,917,928	3,420,867,629	3,489,307,542	3,352,720,551
Changes to Unassigned Fund Balance	(1,325,392)	(887,114)	(887,114)	(887,114)	39,813
Prepaid Items and Imprest Cash	536,132	0	0	0	0
Ending Fund Balance - Unassigned	566,725,633	274,603,045	312,357,607	380,797,520	318,711,230
Amount Assigned for:					
Budget Stabilization Fund Reserve (2)	24,413,192	25,300,306	2,300,306	2,300,306	14,260,493
Ending Fund Balance - Unassigned	566,725,633	274,603,045	312,357,607	380,797,520	318,711,230
Total Ending Fund Balance	\$ 591,138,825	299,903,351	314,657,913	383,097,826	332,971,723

(1) City Council budget includes funding for Council District Service Project Program.

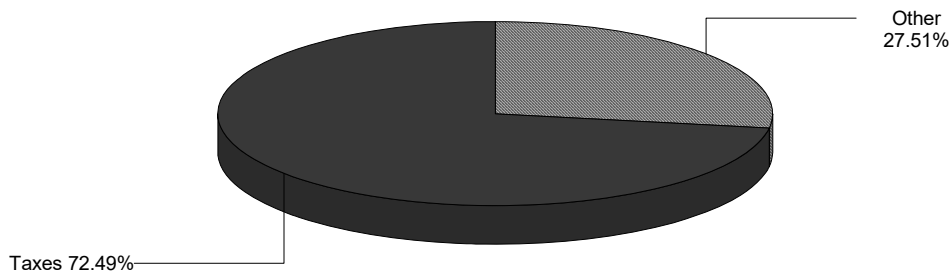
(2) The FY2026 Budget Stabilization Fund Reserve Target is \$25.3 million representing an amount not less than the greater of (a) 1% of expenditures excluding debt service and PAYGO payment or (b) 20 million. In FY2025, \$23 million was transferred to the Disaster Recovery Fund (Fund 5303) for Derecho and Hurricane Beryl. \$12 million will be replenished in FY2026 and the remaining will be replenished in FY2027 to be in compliance with Financial Policies.

The General Fund Summary in some cases may not agree with some of the departmental totals due to prior year restatements.

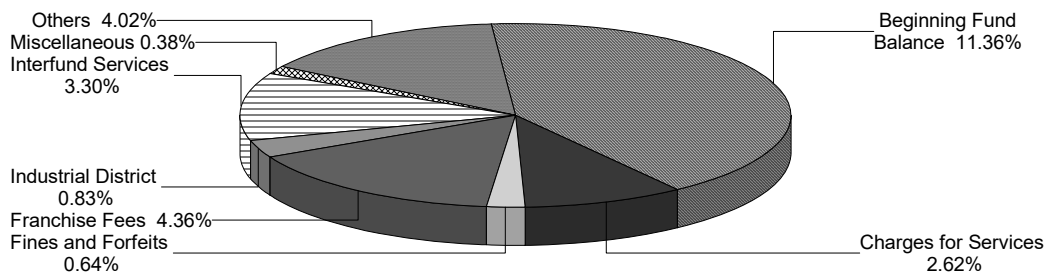
GENERAL FUND RESOURCES SUMMARY

The General Fund is the City of Houston's largest operating fund. With total resources of \$3.4 billion budgeted in FY2026, this fund relies heavily on various forms of revenue to finance its operations. As illustrated below, approximately 72% percent of the total resources in the General Fund are from taxes, mainly property and sales taxes.

GENERAL FUND RESOURCES FY2026 BUDGET



COMPOSITION OF OTHER (ABOVE)



FISCAL YEAR 2026 BUDGET

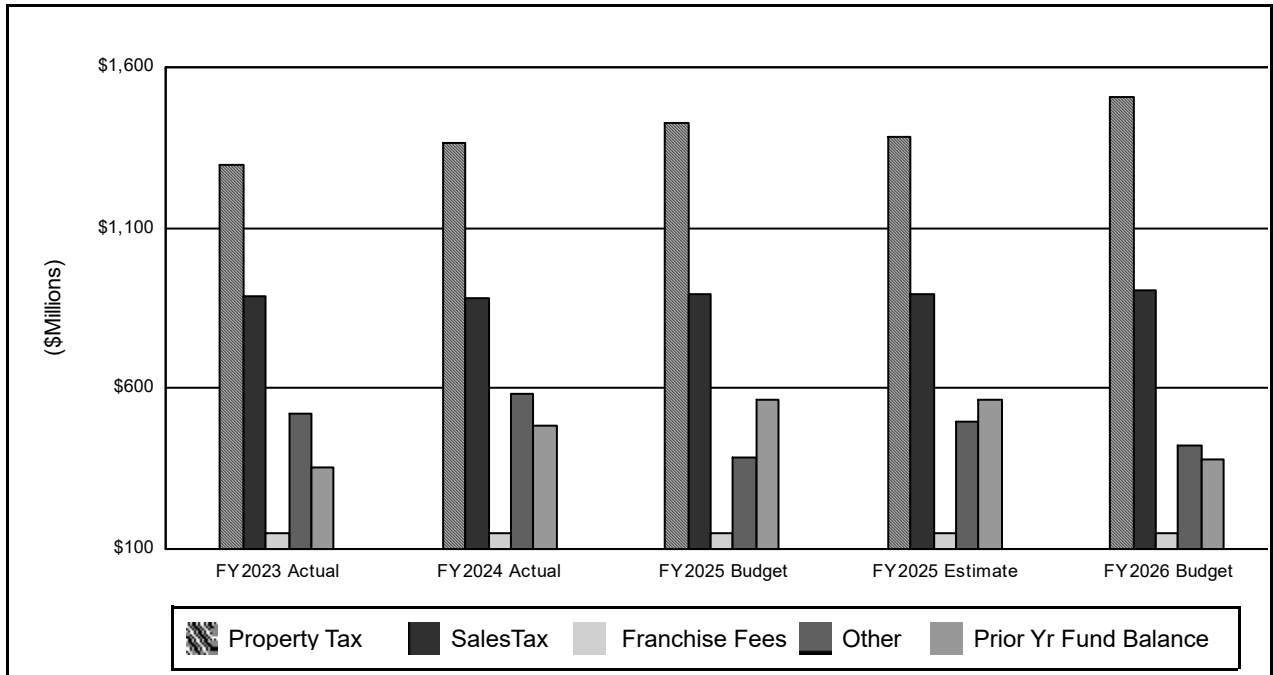
The composition of the FY2026 General Fund resources is listed below:

RESOURCE CATEGORIES	RESOURCE FY2026 BUDGET*	% OF TOTAL BUDGET
Taxes:		
Property Taxes	1,504,362	44.87%
Sales Taxes	902,316	26.91%
Other Tax	23,955	0.71%
Franchise Fees	146,146	4.36%
Industrial District	27,685	0.83%
Licenses and Permits	35,397	1.06%
Intergovernmental	31,512	0.94%
Charges for Services	87,722	2.62%
Interfund Services	110,779	3.30%
Fines and Forfeits	21,373	0.64%
Interest	21,893	0.65%
Miscellaneous/Other	12,681	0.38%
Total Revenue	2,925,821	87.27%
Sale of Capital Assets	2,500	0.07%
Transfers In	43,602	1.30%
Beginning FY2026 Fund Balance	380,798	11.36%
TOTAL RESOURCES	3,352,721	100.00%

* 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
FY2023 THROUGH FY2026**



Total General Fund Revenue

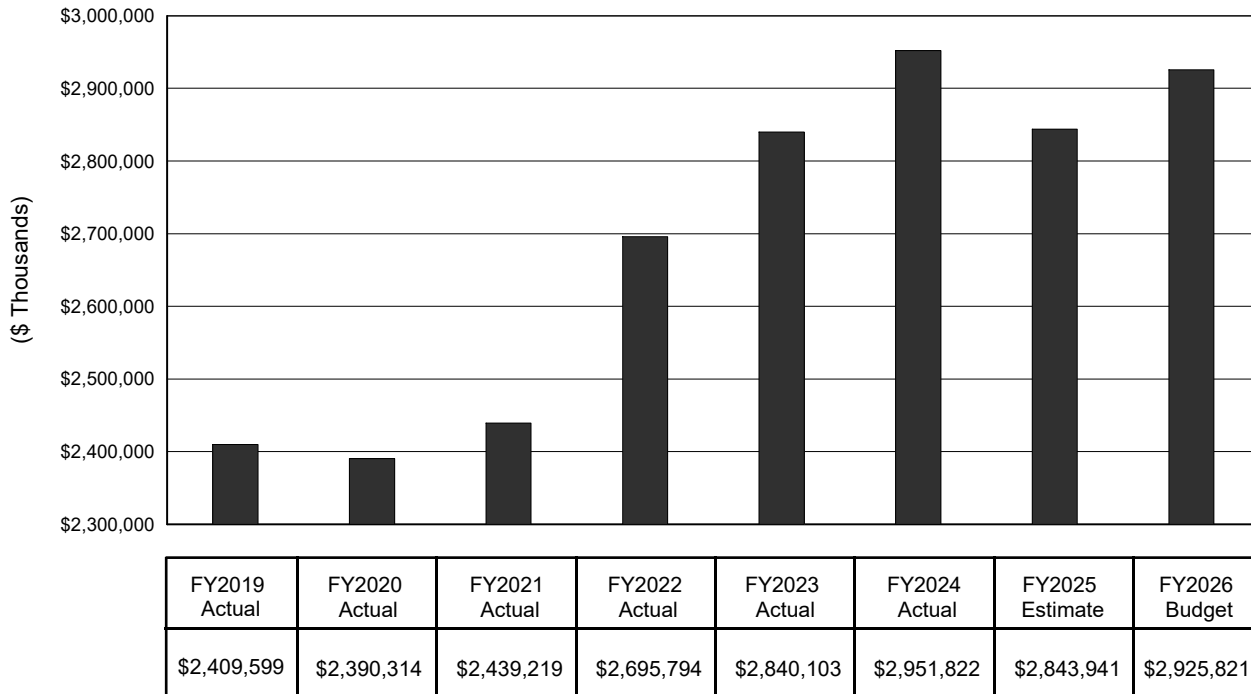


Table I below provides the FY2026 General Fund revenue budget by categories. As shown, the total revenue is expected to be \$2.9 billion or \$81.9 million higher than the projected FY2025 revenue.

**Table I
FY2026 Revenue Budget
Compared with FY2025 Estimate**

Category	Projected Revenue (\$ Thousands)		
	FY2025 Estimate	FY2026 Budget	Increase / (Decrease)
General Property Taxes	1,381,231	1,504,362	123,131
Industrial Assessment	27,651	27,685	34
Sales Taxes	893,382	902,316	8,934
Other Tax	23,955	23,955	0
Electric Franchise	100,181	98,620	(1,561)
Telephone Franchise	14,929	12,264	(2,665)
Gas Franchise	16,210	16,777	567
Other Franchise	19,708	18,484	(1,224)
Licenses and Permits	35,534	35,397	(137)
Intergovernmental	70,979	31,513	(39,466)
Charges for Services	101,174	87,722	(13,452)
Direct Interfund Services	75,876	80,215	4,339
Indirect Interfund Services	24,871	30,564	5,693
Municipal Courts Fines and Forfeits	16,904	19,019	2,115
Other Fines and Forfeits	3,505	2,354	(1,151)
Interest	20,993	21,893	900
Miscellaneous/Other	16,857	12,681	(4,176)
Total	2,843,940	2,925,821	81,881

FISCAL YEAR 2026 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	256,575	28,592	285,167
2024	2023	286,883	32,133	319,016
2025	2024	289,657	34,425	324,082
2026	2025	295,301	35,096	330,397*

*County Appraisal District Certified Estimates, as of April 30, 2025.

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 FY2026 property tax revenue estimate is derived according to Proposition 1 and Proposition H. The Finance Department applied the 2024 inflation rate of 2.4641% and population estimates as of July 1, 2024 of 3.28% to arrive to a new revenue estimate of \$1.50 billion. This revenue is an increase of \$123.1 million or 8.91% from the estimated FY2025 revenue of \$1.38 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 2026 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	2,302,878 + 0.6393%	2022	258.660 + 8.2373%
July 1, 2023	2,314,157 + 0.4898%	2023	267.607 + 3.4590%
July 1, 2024	2,390,125 + 3.2828%	2024	274.201 + 2.4641%

Proposition 1	(\$ In Thousand)
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%

FISCAL YEAR 2026 BUDGET

CPI Increase 2018	<u>2.3883%</u>
FY2020 CAP	\$1,125,687
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 Increase 2022	0.6393%
CPI Increase 2022	<u>8.2373%</u>
FY2024 CAP	\$ 1,286,668
Population Increase 2023	0.4898%
CPI Increase 2023	<u>3.4590%</u>
FY2025 CAP	\$1,337,475
Population Increase 2024	3.2828%
CPI Increase 2024	<u>2.4641%</u>
FY2026 CAP (3)	\$1,414,362

Proposition H	<u>\$90,000</u>
FY2026 CAP (4a)	\$1,504,362

FY2025 Estimate	\$ 1,381,231
FY2026 CAP (4b)	\$ 1,533,411
Final FY2026 CAP (the Lower FY2026 CAP)	\$ 1,504,362

- (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) Includes amounts resulting from termination of or reduced participation in tax increment reinvestment zones and annexations.
- (4) 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 FY2025 Estimate plus the balance of Prop H supplement.

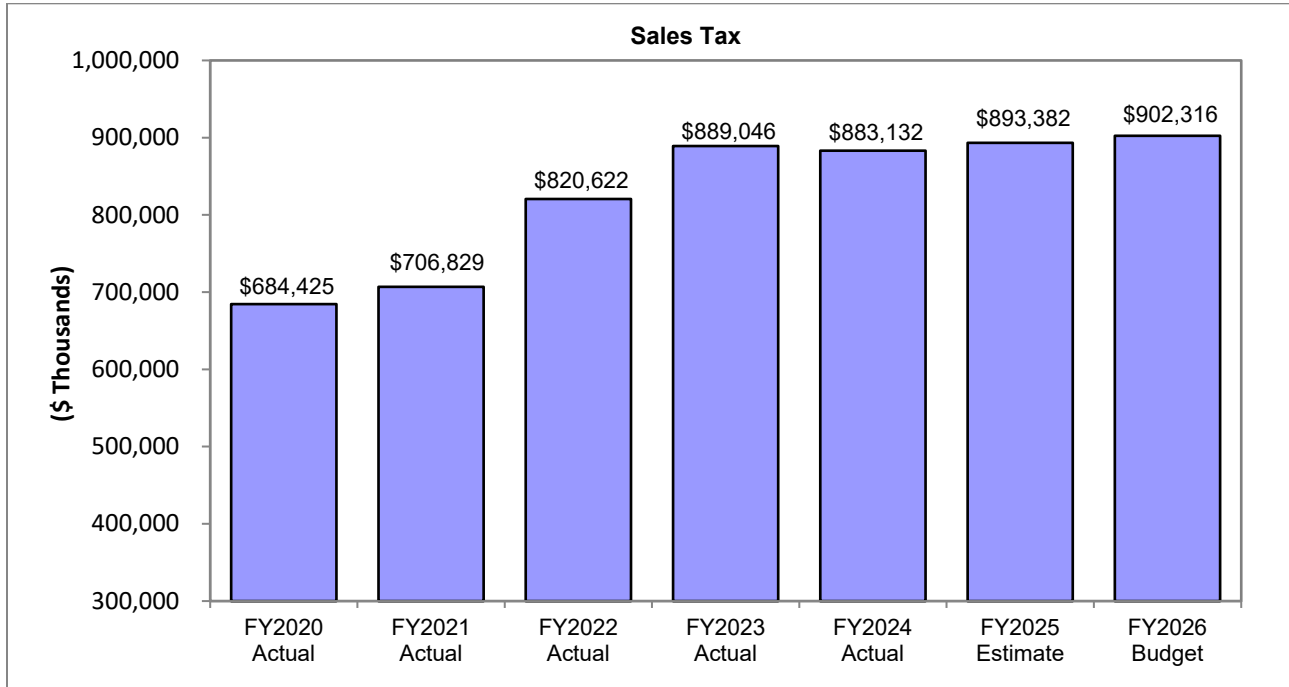
Sales Tax

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 FY2026 budget amount of \$902.3 million assumes a 1.00% increase from the FY2025 estimate of \$893.4 million. Our forecast for the upcoming fiscal year remains conservative due to much economic uncertainty brought by the proposed policy changes of the new federal administration, along with recent slowdowns in consumer spending and employment levels in the region. Oil prices are expected to remain close to \$65 per barrel for the remainder of the calendar year. Needless to say, consumer spending, employment levels, and oil prices play an integral role in Houston's sale tax revenue collections.

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 \$27.7 million in FY2026.

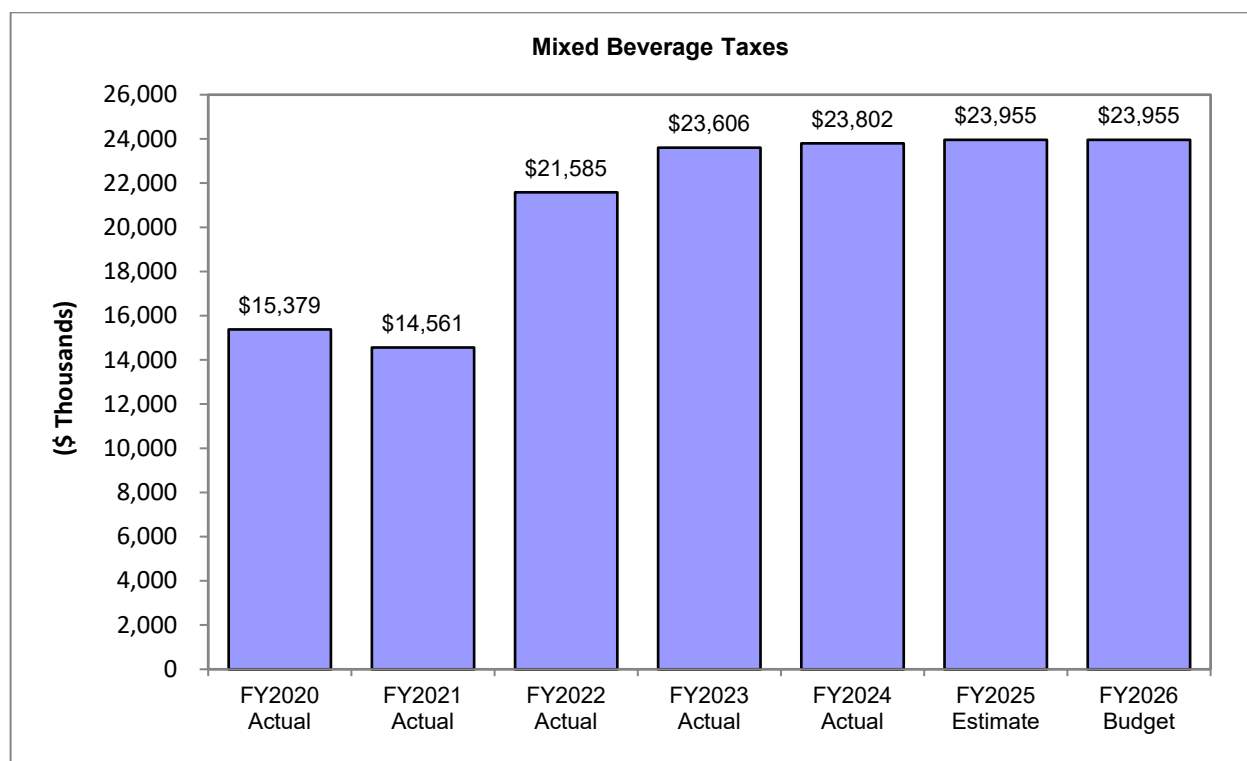
Mixed Beverage Tax

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 FY2026 budget is \$24 million, which is flat from FY2025 estimate of \$24 million. FY2026 budget reflects a slowdown in collections received in FY2025.

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 \$98.9 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 FY2025 electric franchise fee estimate is \$99.0 million. The FY2026 electric franchise fee estimate of \$97.5 million is approximately 1.5% lower than the FY2025 estimate. The decrease in revenue reflects a decrease of 1.48% Kilowatt hour consumption for calendar year 2024 from 2023 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

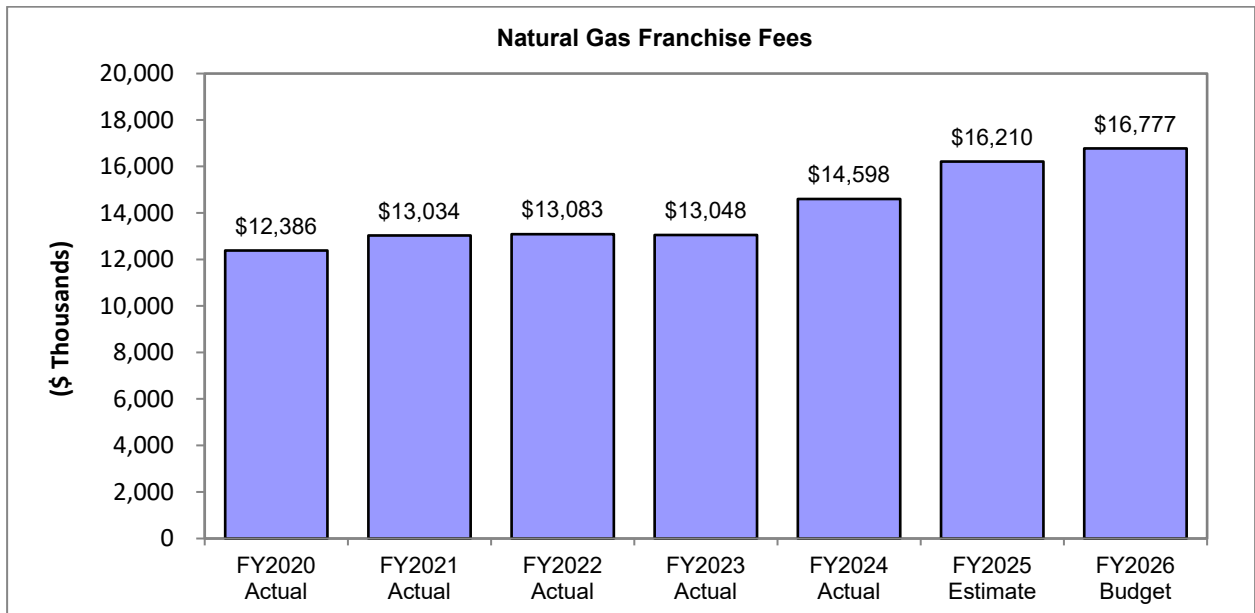
Like electric franchise fees, natural gas franchise fees are paid by utilities that use the City's rights-of-way for the transportation, delivery, sale and distribution of natural gas to customers in the City.

There are three companies in Houston that pay natural gas franchise fees: CenterPoint Energy Resources Corporation ("CenterPoint" – formerly Entex), SiEnergy L.P. and Universal Natural Gas. CenterPoint pays approximately 99.9% of the natural gas franchise fees paid to the City, which represents approximately \$16.21 million per year.

CenterPoint's fees are paid monthly and are based on 5% of gross receipts on a rolling 3-year average. For FY2026, franchise fees are based on CenterPoint's 2022, 2023 and 2024 gross revenues.

The estimate for FY2025 natural gas franchise fees is approximately \$16.2 million. The FY2026 natural gas franchise fee estimate is \$16.8 million, a 3.7% increase. CenterPoint's calendar year 2024 revenues were \$306.2 million compared to calendar year 2021's revenues of \$272.4 million, an increase of 12.4%. All of the account revenues were higher in 2024 compared with 2021. Residential, Commercial and Industrial account revenues in 2024 reflect the highest increases of 12.74%, 13.71% and 65.28%, respectively, compared to 2021's accounts.

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



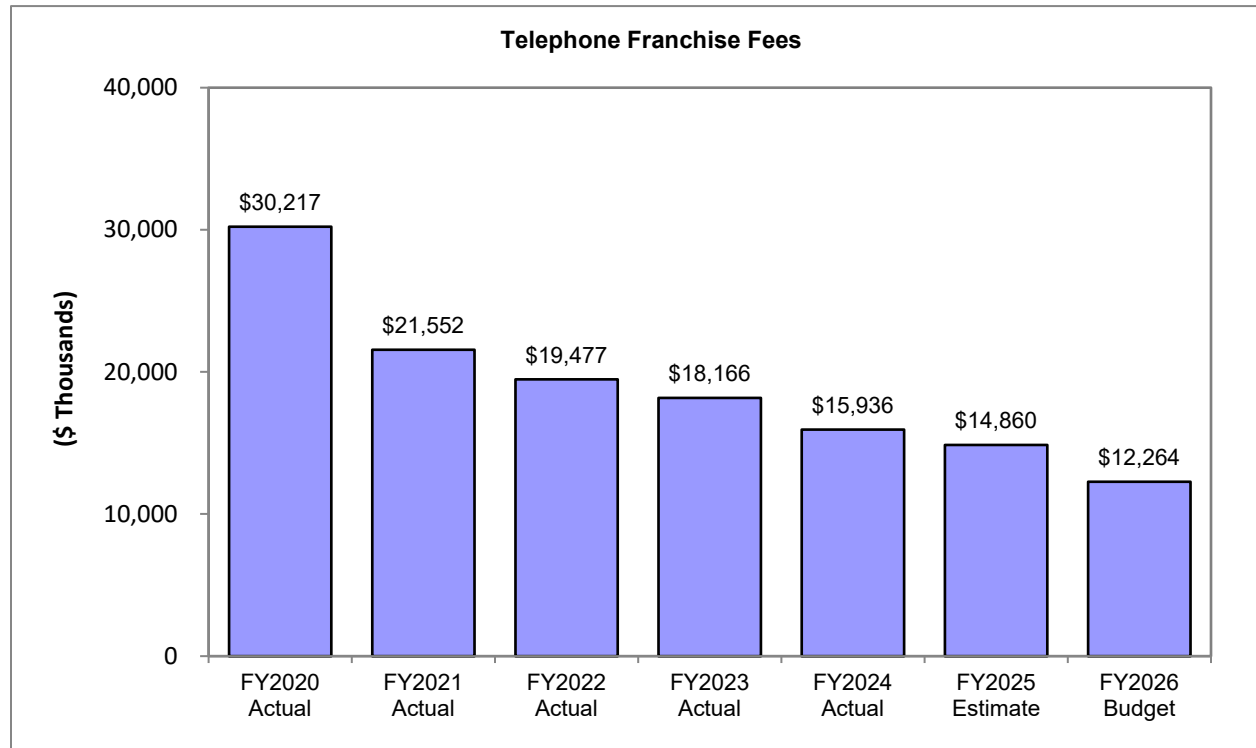
The City of Houston exercises original jurisdiction over the rates, operations and services of these natural gas utilities for the Houston area.

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 in effect during FY2026 are as follows: residential (\$2.12); non-residential (\$7.09); and point-to-point (\$19.94).

The FY2025 estimate for telephone franchise fee is \$14.9 million. The FY2026 projection of \$12.3 million is a 17.5% decrease from FY2025 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 franchisees is Comcast, which accounts for approximately 96.6% of the total cable franchise revenue projection for FY2026. The FY2026 projection of \$8.2 million reflects a 10.9% decrease from the FY25 estimate.

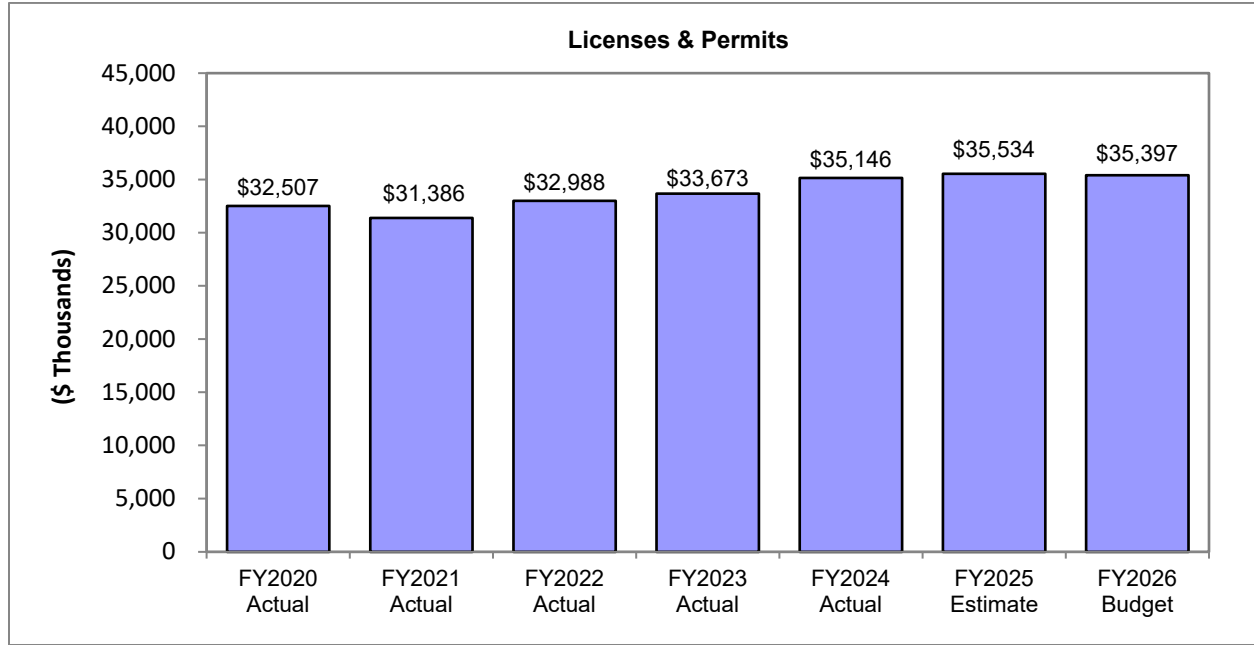
Solid Waste Hauler Franchise Fees

Solid waste haulers pay fees to compensate the City for the use of City streets. Approximately 101 active solid waste hauler franchisees pay 4% of gross revenues from transporting commercial solid and industrial wastes that originate within the City limits. The FY2026 estimate of \$10.3 million reflects a 3.0% increase from the FY2025 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 FY2026 revenue is estimated at \$35.4 million, which is 0.4% lower than the FY2025 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 FY2026 is \$68.6 million. This is \$13,278,889 lower than the FY2025 estimate of \$81.8 million.

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 FY2026 revenues projection is \$19.1 million, which is \$0.2 million lower than the FY2025 estimate of \$19.3 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 FY2026 projection of \$43.8 million is \$1.4 million higher than the FY25 estimate.

The Aviation Enterprise Fund also pays for fire protection provided by the Fire Department to the Houston Airport System. The FY2026 projection of \$27.4 million is \$1.9 million higher than the FY2025 estimate of \$25.5 million.

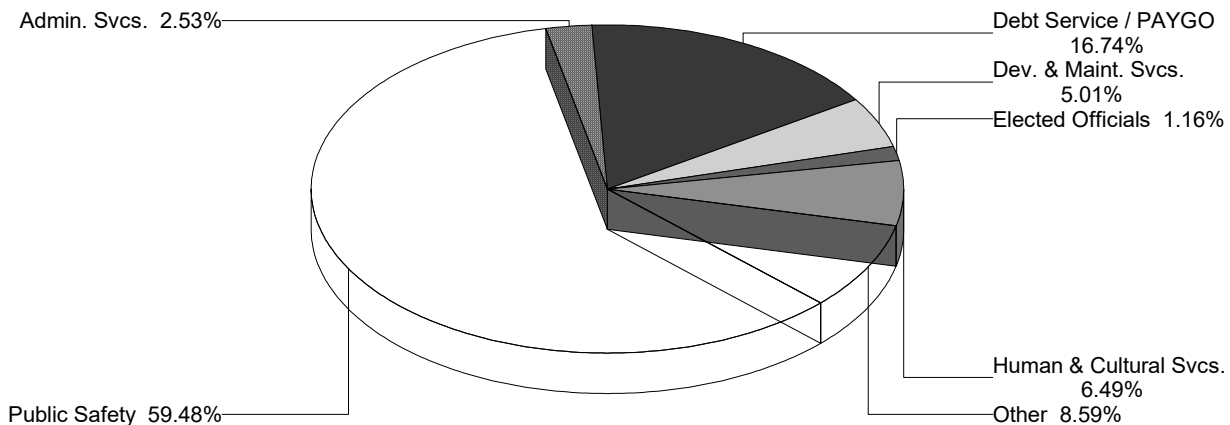
Payments received for other direct services performed by the General Fund are recovered throughout the year. The FY2026 projection of \$9 million is \$1 million higher than the FY2025 estimate of \$8 million.

GENERAL FUND EXPENDITURES/OTHER USES SUMMARY

General Fund Expenditures and other uses make up the largest portion of the City's FY2026 Budget. These expenditures and other uses are funded by revenues from property and sales taxes, franchise fees, licenses and permits, charges for services, miscellaneous categories, and other sources. (For a detailed explanation, see the General Fund Resources Summary).

FY2026 General Fund expenditures and other uses are allocated among twenty-three (23) departments and six (6) functional areas; the functional areas include: Public Safety, Development and Maintenance Services, Human and Cultural Services, Administrative Services, Elected Officials, and Other. The following graph illustrates the allocation of these expenditures and other uses. Please note that the Public Safety and Human and Cultural Services categories are supported by expenditures in all other categories.

GENERAL FUND EXPENDITURES/OTHER USES FY2026 BUDGET



Total = \$3,034,049,134

OVERVIEW

The largest single category of expenditures and other uses in FY2026 is Public Safety (59.48%), followed by Debt Service/PAYGO (16.74%), Other (8.59%), Human and Cultural Services (6.49%), Development and Maintenance Services (5.01%), Administrative Services (2.53%), and Elected Officials (1.16%).

The General Fund is dominated by public safety costs. While the public safety category makes up a majority of the total costs, it is important to note that other expenditure categories such as debt, general government, maintenance, and administrative services provide support for public safety activities. Those public safety activities could not operate without the support. Further, it is widely recognized that many of the human and cultural services the City provides indirectly reduce crime by actively engaging at-risk groups. In many ways those services are public safety costs as well.

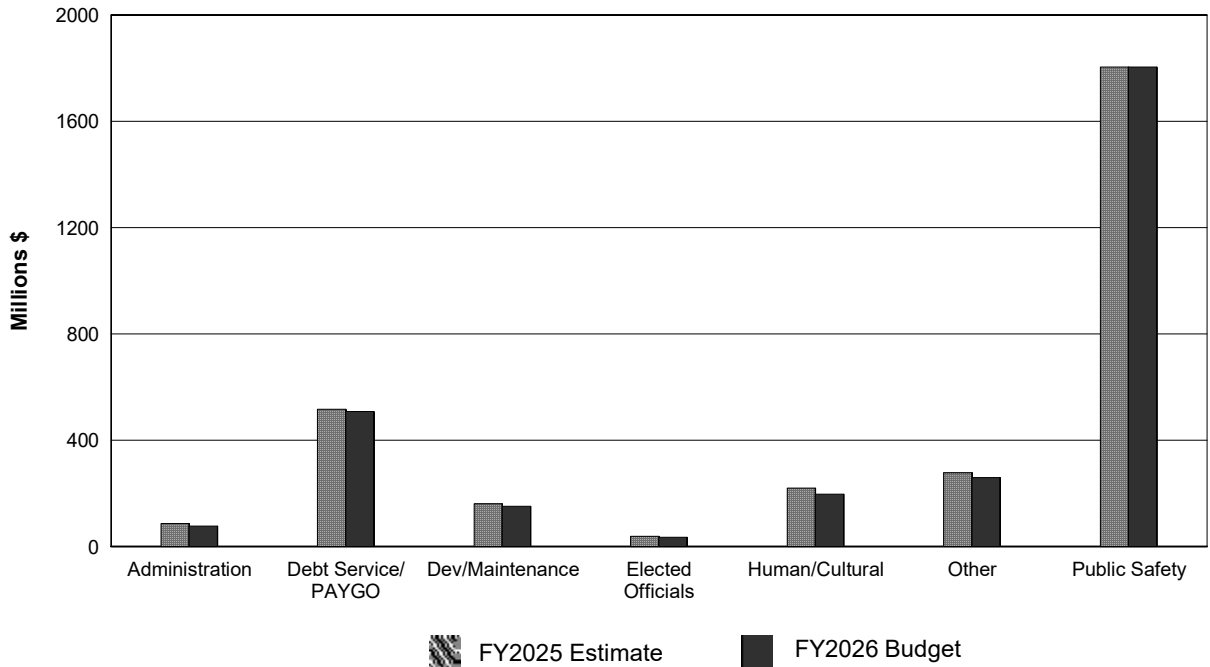
Section 140.0045 of the Texas Local Government Code mandates that local governments are to report expenditures for (1) directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action that these expenditures must be listed as a line-item in the political subdivision’s proposed budget, and (2) notices required by law to be published in a newspaper by political subdivision.

Costs for lobbying contract services are included in the General Fund Budget, which is recorded under the legal services account. Lobbying contract services are managed by the Mayor’s Office Intergovernmental Relations. The scope of services for the contract(s) includes, but is not limited to, identifying and preparing potential proactive legislation, assisting in tracking adverse legislation, advocating and advancing the City’s position on legislation. The FY2026 Budget includes an estimated cost of \$150,000, a decrease of \$500,000 from FY2025 Estimate of \$650,000 due to the ending of the 89th legislative session.

Additionally, the FY2026 Budget includes \$550,000 for advertising services, no change compared to the FY2025 Estimate of \$550,000. Advertising services includes costs such as notices required by law to be published in a newspaper.

The following graph compares the FY2025 Estimate and FY2026 Budget grouped by function.

General Fund Expenditures/Other Uses FY2025 Estimate vs. FY2026 Budget



The FY2026 Budget for General Fund expenditures/other uses of \$3,034 million is \$73.6 million lower than the FY2025 Estimate of \$3,108 million.

FISCAL YEAR 2026 BUDGET

Program Staffing Summary						
Business Area : Fire Department						
Business Area No. : 1200						
Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
Administrative Services						
Civilian	5.8		6.8		5.9	
Classified	7.4		16.3		12.0	
Cadets	0.0		0.0		0.0	
Total	<u>13.3</u>	<u>56,699,152</u>	<u>23.1</u>	<u>62,852,832</u>	<u>17.9</u>	<u>63,537,254</u>
Community Fire Prevention and Risk Reduction						
Civilian	18.5		13.8		21.3	
Classified	195.5		221.9		176.4	
Cadets	0.0		0.0		0.0	
Total	<u>214.0</u>	<u>31,220,681</u>	<u>235.7</u>	<u>34,535,490</u>	<u>197.7</u>	<u>33,405,045</u>
Emergency Response and Rescue						
Civilian	49.5		45.3		48.1	
Classified	3,384.3		3,460.2		3,527.4	
Cadets	92.6		88.2		190.6	
Total	<u>3,526.3</u>	<u>487,185,732</u>	<u>3,593.7</u>	<u>577,885,616</u>	<u>3,766.2</u>	<u>546,561,112</u>
Executive Services						
Civilian	8.5		11.6		8.0	
Classified	25.7		38.5		30.3	
Cadets	0.0		0.0		0.0	
Total	<u>34.2</u>	<u>6,010,425</u>	<u>50.0</u>	<u>7,615,186</u>	<u>38.3</u>	<u>7,069,770</u>
Firefighter Health and Safety						
Civilian	10.9		9.9		10.9	
Classified	6.5		11.2		8.7	
Cadets	0.0		0.0		0.0	
Total	<u>17.5</u>	<u>4,252,606</u>	<u>21.1</u>	<u>5,232,590</u>	<u>19.6</u>	<u>4,835,531</u>
Debt Service and Interfund Transfers						
Civilian	0.0		0.0		0.0	
Classified	0.0		0.0		0.0	
Cadets	0.0		0.0		0.0	
Total	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>2,475,417</u>	<u>0.0</u>	<u>3,631,676</u>
Grand Total						
Civilian	93.2		87.4		94.2	
Classified	3,619.5		3,748.0		3,754.9	
Cadets	92.6		88.2		190.6	
Grand Total	<u>3,805.3</u>	<u>585,368,596</u>	<u>3,923.6</u>	<u>690,597,131</u>	<u>4,039.7</u>	<u>659,040,388</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Fire Department

Bus. Area No : 1200

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	3,594	56,699	2,232	62,853	1,525	63,537
Community Fire Prevention and Risk Reduction	16,101	31,221	15,604	34,535	14,767	33,405
Emergency Response and Rescue	101,794	487,186	108,941	577,886	98,117	546,561
Executive Services	2,519	6,010	2,675	7,615	2,275	7,070
Firefighter Health and Safety	8	4,253	0	5,233	0	4,835
Debt Service and Interfund Transfers	0	0	0	2,475	0	3,632
Total	124,016	585,369	129,452	690,597	116,684	659,040

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	13.3	0.2	23.1	5.3	17.9	0.1
Community Fire Prevention and Risk Reduction	214.0	34.0	235.7	44.2	197.7	22.6
Emergency Response and Rescue	3,526.3	488.2	3,593.7	751.2	3,766.2	341.6
Executive Services	34.2	1.9	50.0	4.3	38.3	1.3
Firefighter Health and Safety	17.5	0.4	21.1	0.8	19.6	0.4
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	3,805.3	524.7	3,923.6	805.8	4,039.7	366.0

Business Area Program Detail

Business Area : Fire Department

Bus Area No. : 1200

Emergency Response and Rescue

Description:

This program includes Emergency Operations, Emergency Medical Services, Dispatch, and Special Emergency Operations. Emergency Operations and Emergency Medical Services provides structural fire suppression and basic and advanced life support emergency medical aid and transportation. Dispatch manages the infrastructure and equipment for communication between responders, emphasizing the expert coordination and swift movement of both fire and emergency medical service units. Special Operations focuses on technical rescue, hazardous materials mitigation, and airport rescue fire fighting services.

Goal:

The goal of this program is to ensure that there are adequate resources and personnel to operate an effective, efficient, and safe emergency response program. This includes operation of an EMS program with a designated level of out-of-hospital emergency medical care that meets the needs of the community, and an effective, efficient, and safe fire suppression program directed toward controlling and/or extinguishing fires to protect people from injury or death and reduce property loss.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	101,794	487,186	108,941	577,886	98,117	546,561

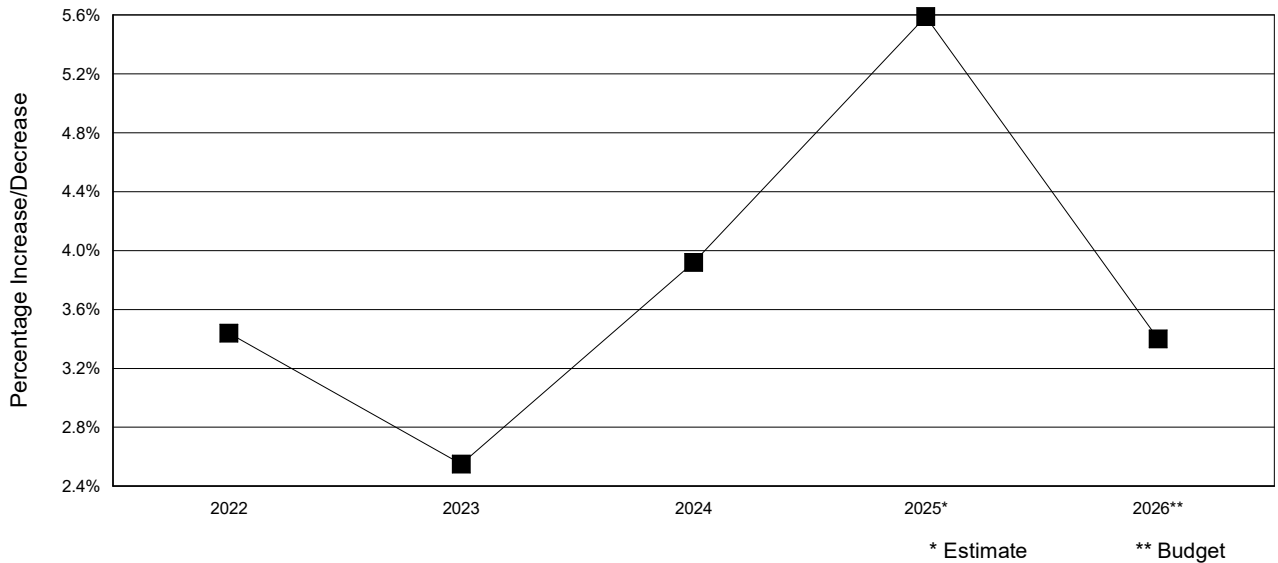
Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	3,526.3	488.2	3,593.7	751.2	3,766.2	341.6

FISCAL YEAR 2026 BUDGET

Business Area Budget Summary					
Fund Name : General Fund					
Business Area : Police Department					
Fund No. /Bus. Area No. : 1000 / 1000					
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	921,344,523	973,040,959	973,040,959	984,211,820
	Supplies	8,154,919	6,542,700	6,542,700	5,320,385
	Other Services and Charges	86,398,245	93,723,792	93,723,792	121,275,315
	Equipment	117,892	340,000	340,000	40,000
	Non-Capital Equipment	1,377,565	682,327	682,327	20,000
	Total M & O Expenditures	<u>1,017,393,144</u>	<u>1,074,329,778</u>	<u>1,074,329,778</u>	<u>1,110,867,520</u>
	Debt Service & Other Uses	79,758	0	0	0
Total Expenditure	<u>1,017,472,902</u>	<u>1,074,329,778</u>	<u>1,074,329,778</u>	<u>1,110,867,520</u>	
Revenues		71,876,091	50,557,110	77,493,352	79,117,890
Staffing	Full-Time Equivalents - Civilian	827.0	870.5	870.5	762.7
	Full-Time Equivalents - Classified	4,945.4	5,213.9	5,213.9	5,522.4
	Full-Time Equivalents - Cadets	<u>161.9</u>	<u>138.9</u>	<u>138.9</u>	<u>164.1</u>
	Total	<u>5,934.3</u>	<u>6,223.3</u>	<u>6,223.3</u>	<u>6,449.2</u>
	Full-Time Equivalents - Overtime	421.8	300.6	300.6	126.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal and classified employees contractual pay increases. o The FY2026 Budget includes funding for five cadet classes as well as continued annualized costs of prior-year cadet classes as they transition to full-time police officers. o The FY2026 budget reflects the consolidation of non-classified personnel in the following divisions-removing them from HPD and placing them under their respective city departments: the Office of Budget & Finance with the Finance Department, the Technology Services Division with HITS, and the Employee Services Division with Central Human Resources. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. 				

**General Fund
Police Department
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : Auto Dealers Special Revenue Fund
Business Area : Police Department
Fund No. /Bus. Area No. : 2200 / 1000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	4,696,789	5,358,970	5,334,970	5,486,707
	Supplies	411,257	439,200	473,700	477,700
	Other Services and Charges	2,343,641	2,414,287	2,403,684	2,746,234
	Equipment	0	2,317,000	1,900,000	1,900,000
	Total M & O Expenditures	<u>7,451,687</u>	<u>10,529,457</u>	<u>10,112,354</u>	<u>10,610,641</u>
	Debt Service & Other Uses	2,200,000	2,950,000	2,800,000	2,750,000
	Total Expenditure	<u>9,651,687</u>	<u>13,479,457</u>	<u>12,912,354</u>	<u>13,360,641</u>

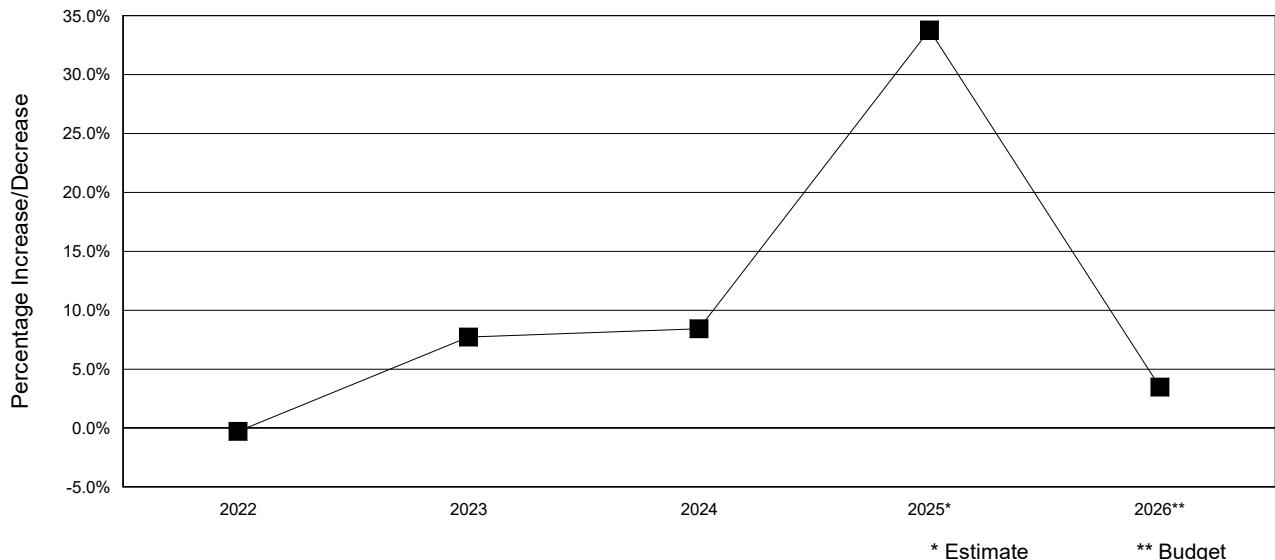
Revenues		13,674,635	14,226,300	13,049,100	12,591,300
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Staffing	Full-Time Equivalents - Civilian	7.6	10.0	9.4	10.0
	Full-Time Equivalents - Classified	20.7	22.0	21.2	22.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>28.3</u>	<u>32.0</u>	<u>30.6</u>	<u>32.0</u>
	Full-Time Equivalents - Overtime	5.4	5.5	5.9	6.2

Significant Budget Changes and Highlights

- o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal and classified employees contractual pay increases.
- o The FY2026 Budget includes funding totaling \$332,900 for rent and shared services for Auto Dealers personnel that are located at the Houston Permitting Center.
- o The FY2026 Budget includes funding totaling \$1.4 million for the purchase of new vehicles that may not be received in FY2025.

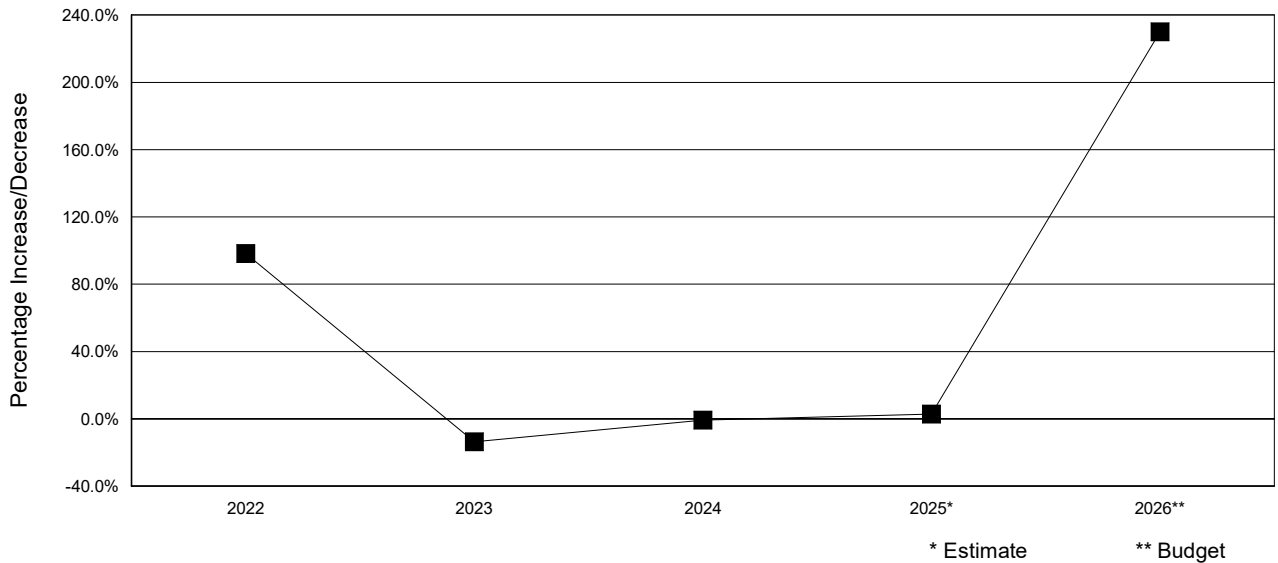
**Auto Dealers Special Revenue Fund
Police Department
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Budget Summary					
Fund Name : Police Special Services Fund					
Business Area : Police Department					
Fund No. /Bus. Area No. : 2201 / 1000					
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	6,874,924	7,119,165	6,367,030	28,649,448
	Supplies	382,684	335,308	329,252	463,258
	Other Services and Charges	2,080,104	2,724,336	3,011,223	3,051,817
	Equipment	138,791	20,000	19,500	0
	Non-Capital Equipment	0	21,750	21,581	12,000
	Total M & O Expenditures	<u>9,476,503</u>	<u>10,220,559</u>	<u>9,748,586</u>	<u>32,176,523</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>9,476,503</u>	<u>10,220,559</u>	<u>9,748,586</u>	<u>32,176,523</u>
Revenues		8,710,408	9,623,200	9,806,687	31,082,170
Staffing	Full-Time Equivalents - Civilian	2.0	2.0	2.0	2.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
	Full-Time Equivalents - Overtime	0.0	49.2	43.8	201.2
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget includes funding for the continuation of the Human Trafficking Unit. o The FY2026 Budget continues FY2025 service levels with associated accounting for: <ul style="list-style-type: none"> - Law Enforcement Officers Standards in Education (LEOSE) – Funds received by the State and designated for training of police personnel. - Donations and contributions from private companies to designated divisions/commands. - Tax Increment Reinvestment Zones (TIRZ) - Main Street/Market Square Redevelopment Authority – Municipal Service Fee per agreement to defray some of the costs incurred for district programs. - Reimbursements from outside law enforcement agencies for participation in joint police operations. o The FY2026 Budget includes funding for the 2026 World Cup matches and associated events. 				

**Police Special Services Fund
Police Department
Year over Year Expenditure Change**



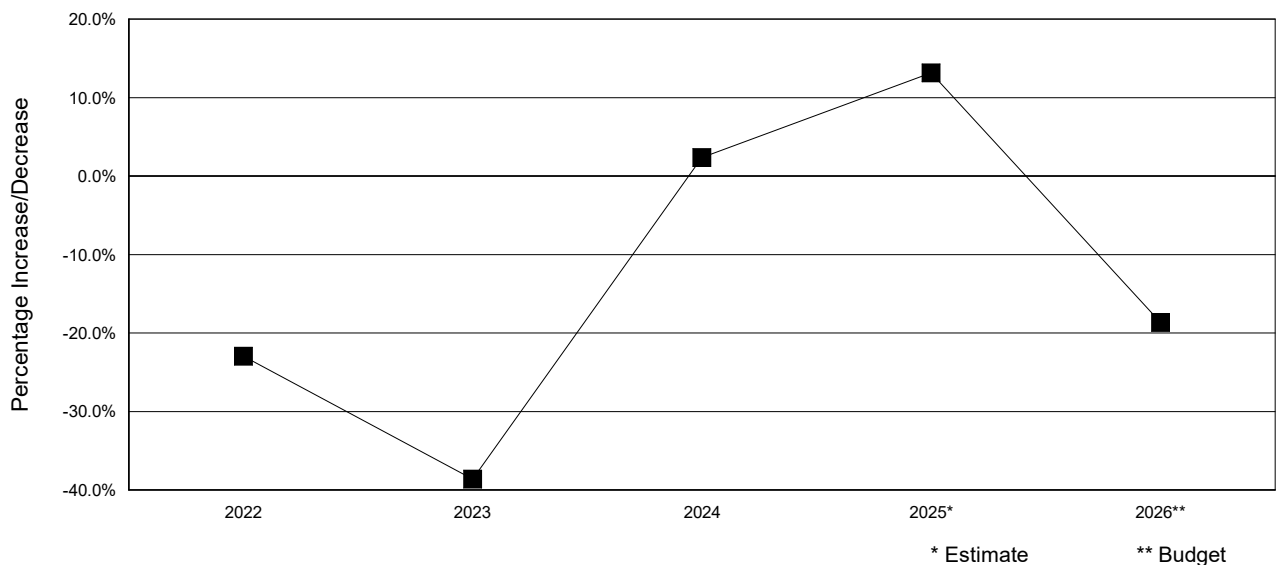
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : Forensic Transition Special Fund
Business Area : Police Department
Fund No. /Bus. Area No. : 2213 / 1000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	321,661	363,334	363,324	295,165
	Other Services and Charges	4,575	5,840	5,850	5,179
	Total M & O Expenditures	<u>326,236</u>	<u>369,174</u>	<u>369,174</u>	300,344
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>326,236</u>	<u>369,174</u>	<u>369,174</u>	300,344
Revenues		370,516	369,174	369,174	300,344
Staffing	Full-Time Equivalents - Civilian	3.0	3.0	3.0	2.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	0.0
	Total	3.0	3.0	3.0	2.0
	Full-Time Equivalents - Overtime	0.1	0.3	0.2	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. o Continues to provide technical and analytical expertise in the identification of controlled substances, analysis of firearms, forensic serology, DNA testing, toxicology, computer forensics, latent prints, and crime scene services. o Manages and maintains proficiency testing, audits, certifications, inspections, and performance. o Continues to manage caseload in a timely manner while mitigating any backlogs in various forensic discipline through the proper management of personnel processes and utilization of technology. 				

**Forensic Transition Special Fund
Police Department
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Program Staffing Summary						
Business Area : Police Department						
Business Area No. : 1000						
Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
Administrative Services						
Civilian	104.5		108.0		64.4	
Classified	78.6		80.8		69.0	
Cadets	0.0		0.0		0.0	
Total	183.1	42,630,470	188.8	36,261,527	133.4	36,403,046
Airport Systems						
Civilian	28.3		38.0		33.7	
Classified	169.1		174.0		180.0	
Cadets	0.0		0.0		0.0	
Total	197.4	34,911,660	212.0	37,276,108	213.7	40,038,874
Community Outreach & Victim Services						
Civilian	50.9		48.5		57.4	
Classified	48.7		51.0		48.0	
Cadets	0.0		0.0		0.0	
Total	99.6	13,653,103	99.5	14,561,657	105.4	14,077,447
Employee Services/Wellness						
Civilian	38.1		35.9		19.8	
Classified	35.9		37.0		35.0	
Cadets	0.0		0.0		0.0	
Total	74.0	63,189,312	72.9	67,159,939	54.8	66,061,952
Homeland Security/Special Events						
Civilian	29.7		27.4		29.3	
Classified	248.6		253.7		253.0	
Cadets	0.0		0.0		0.0	
Total	278.3	56,688,187	281.1	56,228,072	282.3	74,934,052
Investigations						
Civilian	98.9		111.3		114.4	
Classified	1,192.4		1,239.1		1,287.0	
Cadets	0.0		0.0		0.0	
Total	1,291.3	211,943,133	1,350.4	231,769,405	1,401.4	234,966,775
Joint Processing Center Unit						
Civilian	12.3		12.7		0.0	
Classified	56.7		58.9		0.0	
Cadets	0.0		0.0		0.0	
Total	69.0	24,773,864	71.6	20,102,704	0.0	15,500,000
Mental Health						
Civilian	2.0		2.0		2.0	
Classified	42.8		43.0		40.0	
Cadets	0.0		0.0		0.0	
Total	44.8	6,732,357	45.0	6,989,639	42.0	7,226,888

FISCAL YEAR 2026 BUDGET

Program Staffing Summary

Business Area : Police Department

Business Area No. : 1000

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
Police Patrol						
Civilian	79.9		84.7		82.0	
Classified	2,580.0		2,787.4		3,049.4	
Cadets	0.0		0.0		0.0	
Total	<u>2,659.9</u>	<u>385,834,592</u>	<u>2,872.1</u>	<u>407,539,092</u>	<u>3,131.4</u>	<u>441,240,828</u>
Strategic Operations						
Civilian	343.7		366.8		322.8	
Classified	225.2		217.2		279.0	
Cadets	0.0		0.0		0.0	
Total	<u>568.9</u>	<u>137,599,946</u>	<u>584.0</u>	<u>156,159,675</u>	<u>601.8</u>	<u>168,704,938</u>
Traffic Enforcement						
Civilian	31.5		29.5		30.0	
Classified	133.7		137.0		145.0	
Cadets	0.0		0.0		0.0	
Total	<u>165.2</u>	<u>25,438,406</u>	<u>166.5</u>	<u>27,282,385</u>	<u>175.0</u>	<u>27,264,091</u>
Training						
Civilian	19.8		20.1		20.9	
Classified	154.4		156.0		159.0	
Cadets	161.9		138.9		164.1	
Total	<u>336.1</u>	<u>37,469,684</u>	<u>315.0</u>	<u>40,806,909</u>	<u>344.0</u>	<u>40,660,469</u>
Debt Service and Interfund Transfers						
Civilian	0.0		0.0		0.0	
Classified	0.0		0.0		0.0	
Cadets	0.0		0.0		0.0	
Total	<u>0.0</u>	<u>2,279,758</u>	<u>0.0</u>	<u>2,800,000</u>	<u>0.0</u>	<u>2,750,000</u>
Grand Total						
Civilian	839.6		884.9		776.7	
Classified	4,966.1		5,235.1		5,544.4	
Cadets	161.9		138.9		164.1	
Grand Total	<u><u>5,967.6</u></u>	<u><u>1,043,144,472</u></u>	<u><u>6,258.9</u></u>	<u><u>1,104,937,112</u></u>	<u><u>6,485.2</u></u>	<u><u>1,169,829,360</u></u>

FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Police Department

Business Area No. : 1000

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	6,660,058	8,457,138	6,143,779	28,567,006
Direct Interfund Services	37,969,703	41,590,514	42,440,054	43,794,759
Indirect Interfund Services	1,426,951	1,303,600	1,303,600	1,379,490
Interest	926,339	560,068	1,104,955	839,484
Intergovernmental	26,138,168	313,332	26,353,157	306,364
Licenses and Permits	3,137,108	3,006,000	3,269,435	3,256,394
Miscellaneous/Other	21,602,176	19,729,360	21,547,286	18,063,860
Other Fines and Forfeits	918,595	821,500	821,747	826,400
Other Resources	3,451,725	4,160,000	5,263,331	31,223,091
Grand Total	<u>102,230,823</u>	<u>79,941,512</u>	<u>108,247,344</u>	<u>128,256,848</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Police Department

Bus. Area No : 1000

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	3,748	42,629	3,547	36,262	3,493	36,404
Airport Systems	38,239	34,912	42,440	37,276	43,795	40,039
Community Outreach & Victim Services	3	13,654	4	14,562	4	14,077
Employee Services/Wellness	0	63,189	0	67,160	1	66,062
Homeland Security/Special Events	2,822	56,688	3,381	56,228	24,092	74,934
Investigations	25,241	211,943	26,136	231,769	23,241	234,968
Joint Processing Center Unit	0	24,774	0	20,103	0	15,500
Mental Health	296	6,732	427	6,990	426	7,227
Police Patrol	1,670	385,835	1,759	407,539	1,768	441,241
Strategic Operations	3,996	137,600	4,065	156,159	3,786	168,705
Traffic Enforcement	25,438	25,438	25,671	27,282	27,264	27,264
Training	778	37,470	817	40,807	387	40,660
Debt Service and Interfund Transfers	0	2,280	0	2,800	0	2,750
Total	102,231	1,043,144	108,247	1,104,937	128,257	1,169,831

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	183.1	7.2	188.8	24.8	133.4	1.1
Airport Systems	197.4	29.5	212.0	38.5	213.7	48.0
Community Outreach & Victim Services	99.6	6.4	99.5	3.2	105.4	0.7
Employee Services/Wellness	74.0	1.5	72.9	0.7	54.8	0.7
Homeland Security/Special Events	278.3	27.4	281.1	65.4	282.3	178.6
Investigations	1,291.3	91.3	1,350.4	60.3	1,401.4	52.6
Joint Processing Center Unit	69.0	1.4	71.6	2.2	0.0	0.0
Mental Health	44.8	4.6	45.0	1.9	42.0	1.8
Police Patrol	2,659.9	183.3	2,872.1	109.7	3,131.4	53.5
Strategic Operations	568.9	36.4	584.0	43.2	601.8	15.4
Traffic Enforcement	165.2	33.3	166.5	11.0	175.0	2.9
Training	336.1	5.0	315.0	4.6	344.0	2.4
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	5,967.6	427.3	6,258.9	365.5	6,485.2	357.7

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Administrative Services

Description:

The Administrative Services program provides support for leadership and executive support from the Office of Budget and Finance, Legal Services, Risk Management, GSD Liaison, and Organizational Development.

Goal:

Provide operational support and adequate resources and maintain sound financial governance to each division within HPD.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Asset Forfeiture Fund - Justice	0	15	0	13	0	170
Asset Forfeiture Fund - State	0	-3	0	70	0	50
Child Safety Fund	3,175	3,166	3,124	3,183	3,124	3,124
General Fund	368	39,326	150	32,881	159	32,960
Police Special Services Fund	205	125	273	115	210	100
Total	3,748	42,629	3,547	36,262	3,493	36,404

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Asset Forfeiture Fund - Justice	0.0	0.0	0.0	0.0	0.0	0.0
Asset Forfeiture Fund - State	0.0	0.0	0.0	0.0	0.0	0.0
Child Safety Fund	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	183.1	7.2	188.8	24.8	133.4	1.1
Police Special Services Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	183.1	7.2	188.8	24.8	133.4	1.1

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Maintain public information request response time of 10 business days or less.	11.71	10	7.05	10
Perform divisional process audits annually	74	50	67	50
Expenditures Adopted Budget vs. Actual Utilization	100%	98%	103%	98%
Revenues Adopted Budget vs. Actual Utilization	144%	100%	135%	100%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Airport Systems

Description:

For the Airport Systems program, the Airport-IAH Division is based at the George Bush Intercontinental Airport (IAH) and the Airport-Hobby Division is based at William P. Hobby (HOU) Airport. Operations for both divisions consist of 24/7 police support by patrolling passenger screening checkpoints, boarding gates, and anywhere else in the terminals where there might be a breach of security, weapons, bomb threat or other threat to safety and security.

Goal:

Maintain a safe environment for both domestic and international travelers in and around IAH and HOU airports.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	38,239	34,912	42,440	37,276	43,795	40,039

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	197.4	29.5	212.0	38.5	213.7	48.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Decrease annual auto thefts and burglaries on airport and surrounding properties	481	400	325	300
Decrease response time to Priority 3 calls (suspicious package/person/vehicle, non-hazardous property, disturbances, missing persons, parole violators, trespassers, etc.) at IAH (minutes)	11.9	6.0 to 18.0	12.5	6.0 to 18.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Community Outreach & Victim Services

Description:

Community Outreach & Victim Services programs are relational policing initiatives designed to facilitate public safety throughout greater Houston. Victim services programs provide resources and referrals that facilitate healing and restoration for crime victims, based on their specific needs. Outreach programs focus on crime prevention, community service, youth services, and encourage positive interactions between law enforcement and the greater Houston community.

Goal:

Build safer and stronger communities, HPD will implement community-oriented policing strategies that encourage positive interaction between law enforcement and the communities they proudly serve.

Mayor's Priority: Quality of Life

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Asset Forfeiture Fund - Justice	0	0	0	0	0	40
Asset Forfeiture Fund - State	0	41	0	40	0	0
Asset Forfeiture Fund - Treasury	0	0	0	109	0	0
General Fund	0	13,609	0	14,408	0	14,027
Police Special Services Fund	3	4	4	5	4	10
Total	3	13,654	4	14,562	4	14,077

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Asset Forfeiture Fund - Justice	0.0	0.0	0.0	0.0	0.0	0.0
Asset Forfeiture Fund - State	0.0	0.0	0.0	0.3	0.0	0.2
Asset Forfeiture Fund - Treasury	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	99.6	6.4	99.5	2.9	105.4	0.5
Police Special Services Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	99.6	6.4	99.5	3.2	105.4	0.7

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Increase community outreach program participation (annual participants)	155,103	100,000	175,000	200,000
Increase Domestic Abuse Response Team (DART) service calls	4,943	4,500	4,500	5,000
Increase Positive Interaction Program (PIP) participation (annual participants)	10,400	800	5,500	6,000

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Employee Services/Wellness

Description:

The Employee Services/Wellness program is responsible for job postings, hiring and promotions, processing performance evaluations, managing employee benefits, psychological evaluations, and department-wide employee wellbeing. In addition, this program also includes the Phase Down which provides officers an option to receive cash distribution of paid time off, sick, vacation, and compensatory time leave balances.

Goal:

Effectively care for the behavioral and emotional health and welfare for the workforce and their families. Creating and maintaining a culture of wellness by promoting, supporting, and advocating a wellness program organization.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	63,189	0	67,160	1	66,062

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	74.0	1.5	72.9	0.7	54.8	0.7

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Increase Peer Support mentors annually	210	210	198	198
Increase Psychological Service appointments for employee wellness	7,354	6,000	8,500	9,000
Maintain number of volunteers for Police and Clergy Alliance (PACA) annually	79	85	85	85

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Homeland Security/Special Events

Description:

The Homeland Security/Special Events Program leads planning and coordination of all department activities associated with preventing, protecting against, responding to, and recovering from intentional acts of terrorism and accidental/natural catastrophic incidents. This program operates in conjunction with other local, state, and federal law enforcement partners, other local government officials, emergency responders from all disciplines in the Houston metropolitan region, and private sector critical infrastructure stakeholders. In addition, this program coordinates all special events within the City of Houston and staffs police resources for all city-sponsored special events.

Goal:

Provide a safe environment for special events and freedom of assembly activity in the City of Houston. In addition, to prevent both domestic and foreign threats to the Houston area; respond to and mitigate all public safety concerns surrounding catastrophic events to include natural disasters.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	221	54,075	1,269	54,096	0	50,899
Police Special Services Fund	2,601	2,613	2,112	2,132	24,092	24,035
Total	2,822	56,688	3,381	56,228	24,092	74,934

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	278.3	27.4	281.1	47.0	282.3	12.3
Police Special Services Fund	0.0	0.0	0.0	18.4	0.0	166.3
Total	278.3	27.4	281.1	65.4	282.3	178.6

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Increase mounted patrol community service events annually	286	310	230	N/A
Maintain response capabilities to special events annually	405	400	300	350
Maintain ship channel patrol hours annually	1,014	1,150	1,000	1,150
Number of mounted patrol deployments and community service events annually	N/A	N/A	350	400

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Investigations

Description:

The Investigations Program has citywide responsibility for delivering a diverse array of specialized investigative police services to Houston and the surrounding area. In addition to combining the Criminal Investigations and Special Investigations Commands, this program is also responsible for the review and verification of all gang-related crimes in Houston (Gang Division) and investigates allegations of misconduct against HPD employees by acting as a fact-finding entity with a three-fold purpose to protect the public, protect the department, and to protect the employee (Internal Affairs Division).

Goal:

Conduct proactive and reactive investigations to solve crimes committed in the City of Houston.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Asset Forfeiture Fund - Justice	2,514	319	2,185	820	0	2,181
Asset Forfeiture Fund - State	1,770	2,148	2,141	2,170	2,041	2,710
Asset Forfeiture Fund - Treasury	140	33	78	50	0	470
Auto Dealers Special Revenue Fund	13,675	7,452	13,050	10,112	12,591	10,611
Forensic Transition Special Fund	371	326	369	369	300	300
General Fund	3,603	198,186	4,090	214,075	4,105	213,707
Police Special Services Fund	3,168	3,479	4,223	4,173	4,204	4,989
Total	25,241	211,943	26,136	231,769	23,241	234,968

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Asset Forfeiture Fund - Justice	0.0	0.0	0.0	4.4	0.0	6.7
Asset Forfeiture Fund - State	0.0	0.0	0.0	3.4	0.0	7.3
Asset Forfeiture Fund - Treasury	0.0	0.0	0.0	0.0	0.0	0.0
Auto Dealers Special Revenue Fund	28.3	5.4	30.6	5.9	32.0	6.2
Forensic Transition Special Fund	3.0	0.1	3.0	0.2	2.0	0.0
General Fund	1,258.0	85.8	1,314.8	29.7	1,365.4	10.3
Police Special Services Fund	2.0	0.0	2.0	16.7	2.0	22.1
Total	1,291.3	91.3	1,350.4	60.3	1,401.4	52.6

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Mental Health

Description:

The Mental Health Program provides assistance to consumers through various programs, some of which include, the Crisis Intervention Response Team, Homeless Outreach Team, Crisis Intervention Training, Clinician Officer Remote Evaluation, and the Chronic Consumer Stabilization Initiative.

Goal:

Better address mental health issues in the City of Houston in collaboration with the community and non-profit organizations.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	6,242	0	6,485	0	6,799
Police Special Services Fund	296	490	427	505	426	428
Total	296	6,732	427	6,990	426	7,227

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	44.8	4.6	45.0	0.4	42.0	0.4
Police Special Services Fund	0.0	0.0	0.0	1.5	0.0	1.4
Total	44.8	4.6	45.0	1.9	42.0	1.8

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Increase daily outreach to homeless communities and individuals. Counts the number of daily contacts annually	8,060	9,000	9,000	9,500
Increase number of calls taken relating to Citywide mental health crisis (CIT) annually	6,198	5,000	6,600	7,000
Reduce number of chronic consumer repeat calls annually	226	100	60	50
Reduce number of officer responses to non-law-enforcement events annually	4,551	3,000	4,000	4,000

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Police Patrol

Description:

The Police Patrol Program is comprised of HPD's Patrol Regions 1, 2, and 3 Commands. Each command is responsible for the oversight and operations of patrol within the City of Houston, pertaining to each command's region. Police Patrol plays an important role in public service by responding to incidents, and also deterring and preventing crimes throughout the City of Houston.

Goal:

Enhance the quality of life in the City of Houston by working cooperatively with the public to prevent crime, enforce the laws, preserve the peace, and provide a safe environment. Furthermore, expeditiously respond to calls for service and build trust within the community.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Asset Forfeiture Fund - Justice	0	331	0	1,080	0	3,196
Asset Forfeiture Fund - State	0	0	0	42	0	629
Asset Forfeiture Fund - Treasury	0	0	0	0	0	555
General Fund	0	383,713	0	404,656	0	435,094
Police Special Services Fund	1,670	1,791	1,759	1,761	1,768	1,767
Total	1,670	385,835	1,759	407,539	1,768	441,241

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Asset Forfeiture Fund - Justice	0.0	0.0	0.0	1.9	0.0	10.1
Asset Forfeiture Fund - State	0.0	0.0	0.0	5.0	0.0	0.0
Asset Forfeiture Fund - Treasury	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	2,659.9	183.3	2,872.1	95.9	3,131.4	32.5
Police Special Services Fund	0.0	0.0	0.0	6.9	0.0	10.9
Total	2,659.9	183.3	2,872.1	109.7	3,131.4	53.5

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Maintain Average Response Time (Minutes) for Police Calls for Service (Priority 1 Calls)	6.1	6	5.5	5.5
Maintain Average Response Time (Minutes) for Police Calls for Service (Priority 2 Calls)	11.5	12.0	11.9	11.5

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Strategic Operations

Description:

The Strategic Operations Program is responsible for ensuring the effective and efficient operation and use of resources across its divisions. It involves organizing, directing, coordinating, developing, and implementing management strategies that promote efficient and effective solutions, ranging from day-to-day operations to critical support needs. Divisions included in this program are Records, Technology Services, Planning and Data Governance, Organization Support Command, Investigative Operations, Professional Development Command, Emergency Communications, Patrol Operations, Command Center, Property & Detention, and Fleet Management.

Goal:

Provide administrative, analytical and logistical support to allow the efficient use of department resources to support the department's goals and mission.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Asset Forfeiture Fund - Justice	0	168	0	0	0	0
General Fund	3,996	136,773	3,865	155,550	3,786	168,351
Police Special Services Fund	0	659	200	609	0	354
Total	3,996	137,600	4,065	156,159	3,786	168,705

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Asset Forfeiture Fund - Justice	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	568.9	36.4	584.0	43.2	601.8	15.4
Police Special Services Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	568.9	36.4	584.0	43.2	601.8	15.4

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Maintain error rate below 3% on all police reports submitted in National Incident-Base Reporting System (NIBRS)	1.01%	3%	0.50%	1%
Maintain percentage of property submitted in under 30 minutes	94%	90%	92%	95%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Traffic Enforcement

Description:

The Traffic Enforcement Program works to protect the safety of the public by enforcing laws to curtail unsafe/illegal driving practices. Units include the DWI Task Force, Mobility Response Team, Motorcycle Detail, Radar Task Force, and Highway Interdiction.

Goal:

Enhance mobility and roadway safety through enforcement and education to combat unsafe driving, DWI, fatalities and aggressive road rage behaviors.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	25,438	25,438	25,671	27,282	27,264	27,264

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	165.2	33.3	166.5	11.0	175.0	2.9

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Increase highway interdictions to reduce criminal activity annually	40	90	65	75
Increase traffic enforcement and mobility management in high-incident areas	39,039	100,000	38,000	50,000
Reduce percentage vehicle, bicycle and pedestrian fatalities	60.41%	25%	7.00%	N/A

Business Area Program Detail

Business Area : Police Department

Bus Area No. : 1000

Training

Description:

The Training Program is responsible for directing, supervising, counseling, and managing cadets during their training at the Police Academy. In addition, this program is also responsible for recruiting applicants, conducting background investigations, and making recommendations to the Chief of Police regarding the suitability of applicants; continuing education through in-service training for current employees.

Goal:

Provide training for all HPD personnel to ensure that all employees can safely, effectively, and constitutionally serve the public and City of Houston.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	10	37,156	8	40,358	8	40,166
Police Special Services Fund	768	314	809	449	379	494
Total	778	37,470	817	40,807	387	40,660

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	336.1	5.0	315.0	4.3	344.0	1.9
Police Special Services Fund	0.0	0.0	0.0	0.3	0.0	0.5
Total	336.1	5.0	315.0	4.6	344.0	2.4

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Maximize police cadet class count (percent of classes filled)	95%	100%	65%	100%
Meet percentage of Texas Commission on Law Enforcement (TCOLE) legally required pass rate on all attempts for police cadets	95%	85%	99%	98%
Percentage completion of mandated courses according to defined training mandate for all HPD personnel annually	71%	100%	90%	100%

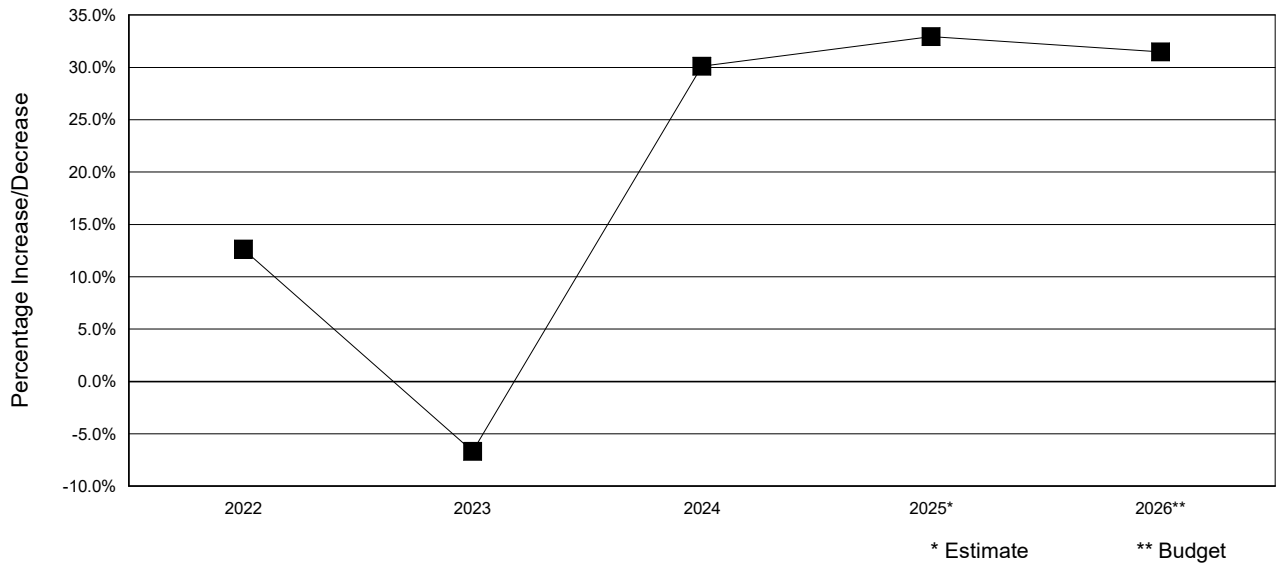
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : DDSRF - Metro ET AL
Business Area : Houston Public Works
Fund No. /Bus. Area No. : 2312 / 2000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	36,549,858	39,867,232	39,867,232	45,825,344
	Supplies	13,751,593	11,906,183	11,906,183	11,909,573
	Other Services and Charges	40,652,484	69,185,296	69,185,296	74,852,292
	Equipment	28,224,037	764,122	764,122	250,000
	Non-Capital Equipment	89,682	188,650	188,650	191,950
	Total M & O Expenditures	<u>119,267,654</u>	<u>121,911,483</u>	<u>121,911,483</u>	133,029,159
	Debt Service & Other Uses	<u>(27,568,968)</u>	<u>0</u>	<u>0</u>	27,263,091
Total Expenditure	<u>91,698,686</u>	<u>121,911,483</u>	<u>121,911,483</u>	160,292,250	
Revenues		92,858,151	98,404,331	120,772,482	160,363,091
Staffing	Full-Time Equivalents - Civilian	377.7	464.5	407.5	466.3
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	0.0
	Total	<u>377.7</u>	<u>464.5</u>	<u>407.5</u>	466.3
	Full-Time Equivalents - Overtime	42.8	31.5	38.7	28.7
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. o FY2026 Budget includes \$28.8 million for street and signal light electricity costs. o FY2026 Budget Includes \$876,000 transfer from Building Inspection Fund Mayor's Office for People with Disabilities. o Continuation of METRO reimbursements to cover the costs of asphalt skin patches, street resurfacing, street maintenance, concrete repair, bridge maintenance, signal maintenance, signal engineering, and traffic operation (\$131 million from Metro). 				

**DDSRF - Metro ET AL
Houston Public Works
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Houston Public Works

Business Area No. : 2000

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	1,772,333,699	2,057,673,500	1,950,840,150	2,116,521,326
Direct Interfund Services	58,395,564	70,092,051	64,457,086	82,346,489
Indirect Interfund Services	6,822,800	9,035,200	9,035,200	8,563,900
Interest	57,187,352	42,595,000	61,060,600	57,615,000
Intergovernmental	94,254,116	98,686,179	120,813,661	160,973,871
Licenses and Permits	82,488,650	83,428,862	84,406,562	85,696,600
Miscellaneous/Other	47,255,217	35,411,442	49,167,354	36,594,820
Other Fines and Forfeits	207,929	156,900	162,100	1,028,900
Other Franchise	510,342	455,600	472,900	505,200
Other Resources	675,483,488	796,277,195	718,069,411	901,898,544
Grand Total	<u>2,794,939,157</u>	<u>3,193,811,929</u>	<u>3,058,485,024</u>	<u>3,451,744,650</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Houston Public Works

Bus. Area No : 2000

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	673,294	154,124	621,159	219,095	722,972	203,714
Engineering and Construction	45,461	40,187	52,196	47,596	77,410	66,312
Houston Permitting Center	101,324	88,479	104,027	100,618	134,234	123,383
Houston TranStar	3,223	3,086	2,888	3,304	3,248	3,596
Houston Water	1,595,391	508,568	1,788,759	689,785	1,955,461	792,228
Mayor's Office for People with Disabilities	0	625	0	963	0	951
Transportation & Drainage Operations	376,233	163,300	489,456	191,127	558,420	212,882
Utility Billing	13	55,543	0	77,243	0	68,895
Debt Service and Interfund Transfers	0	1,550,017	0	1,784,370	0	1,969,013
Total	2,794,939	2,563,929	3,058,485	3,114,101	3,451,745	3,440,974

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	327.2	0.5	377.2	0.9	389.8	1.3
Engineering and Construction	257.6	3.0	283.5	2.7	385.9	6.1
Houston Permitting Center	592.5	37.9	603.3	33.6	589.0	29.8
Houston TranStar	7.6	0.0	7.9	0.0	10.0	0.0
Houston Water	1,434.0	190.7	1,510.7	147.3	1,616.5	191.7
Mayor's Office for People with Disabilities	4.7	0.0	5.1	0.0	6.0	0.0
Transportation & Drainage Operations	651.2	63.7	744.2	48.5	867.7	47.3
Utility Billing	376.6	36.9	447.7	27.8	303.3	28.2
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	3,651.4	332.7	3,979.6	260.8	4,168.2	304.4

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Public Works

Bus Area No. : 2000

Administrative Services

Description:

Provides support to HPW, including financial services, debt and asset management, information technology services, administrative and payroll services, emergency management, internal audit, and facility management.

Goal:

Ensure continued operations of Houston Public Works by providing administrative, financial, information technology, and other support services.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Building Inspection Special Fund	0	5,624	0	5,770	0	5,352
Combined Utility System Gen Pur Fund	2,141	23,064	8,141	62,512	8,155	14,808
Combined Utility System Operating Fund	522,043	0	476,956	0	553,261	0
DDSRF - Ad Valorem Tax	0	11,519	0	0	0	0
DDSRF - Drainage Charge	0	3	0	3	0	3
DDSRF - Metro ET AL	11,838	13,492	96	28,326	27,352	31,974
General Fund	2,872	1,073	7,382	1,248	2,931	1,159
Project Cost Recovery Fund	4,313	9,347	7,092	10,867	6,507	14,022
Storm Water Fund	0	1,033	0	1,361	0	1,777
Water and Sewer Operating Fund	130,087	88,969	121,492	109,008	124,766	134,619
Total	673,294	154,124	621,159	219,095	722,972	203,714

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Building Inspection Special Fund	18.5	0.0	11.0	0.0	8.0	0.0
Combined Utility System Gen Pur Fund	0.0	0.0	0.0	0.0	0.0	0.0
Combined Utility System Operating Fund	0.0	0.0	0.0	0.0	0.0	0.0
DDSRF - Ad Valorem Tax	0.0	0.0	0.0	0.0	0.0	0.0
DDSRF - Drainage Charge	0.0	0.0	0.0	0.0	0.0	0.0
DDSRF - Metro ET AL	4.0	0.0	4.0	0.0	6.0	0.0
General Fund	7.9	0.0	9.0	0.0	8.0	0.0
Project Cost Recovery Fund	53.5	0.0	54.9	0.0	71.2	0.0
Storm Water Fund	1.0	0.0	1.0	0.0	2.5	0.0
Water and Sewer Operating Fund	242.3	0.5	297.3	0.9	294.1	1.3
Total	327.2	0.5	377.2	0.9	389.8	1.3

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Public Works

Bus Area No. : 2000

Debt Service and Interfund Transfers

Description:

Budget allocations included in this section reflect debt service payments and/or interfund transfers. Major transfers include internal transfers between Combined Utility System funds to pay for debt service and consent decree obligations, transfers to CIP funds to pay for infrastructure projects, and transfers to Stormwater fund to cover O&M costs for maintenance of the City's drainage system.

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Building Inspection Special Fund	0	10,342	0	4,932	0	5,951
Combined Utility System Gen Pur Fund	0	406,228	0	526,995	0	552,813
Combined Utility System Operating Fund	0	518,820	0	540,014	0	553,261
DDSRF - Ad Valorem Tax	0	72,266	0	123,161	0	153,099
DDSRF - Drainage Charge	0	74,157	0	135,520	0	122,920
DDSRF - Metro ET AL	0	-27,569	0	0	0	27,263
Storm Water Fund	0	16,602	0	19,607	0	28,078
Water and Sewer Operating Fund	0	479,171	0	434,141	0	525,628
Total	0	1,550,017	0	1,784,370	0	1,969,013

Business Area Program Detail

Business Area : Solid Waste Management

Bus Area No. : 2100

Illegal Dumping

Description:

The SWM Illegal Dumping Program, in accordance with "One Clean Houston" program, addresses illegal dumping, and focuses on three key areas of impact: Rapid clean-up, Better enforcement, and Prevention and education. This program takes action against the pervasive problem that negatively impacts the health, safety, and quality of many communities throughout the City of Houston.

Goal:

Prioritize and utilize mechanisms to enhance clean-up efforts and combats illegal dumping by third parties and reduce blight in distressed communities, as well as implement enhanced efforts to prevent and reduce illegal dumping by utilizing video surveillance and code enforcement officers to aggressively pursue violators and issue fines.

Mayor's Priority: Quality of Life

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	0	0	1,317	0	1,546

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	0.0	0.0	15.0	1.3	16.4	0.6

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Average Days to Resolve Cases	29	10	10	10
Illegal Dumping Cases Investigated	N/A	19,776	9,776	9,776
Illegal Dumping Cases Resolved	6,685	5,830	5,830	5,830

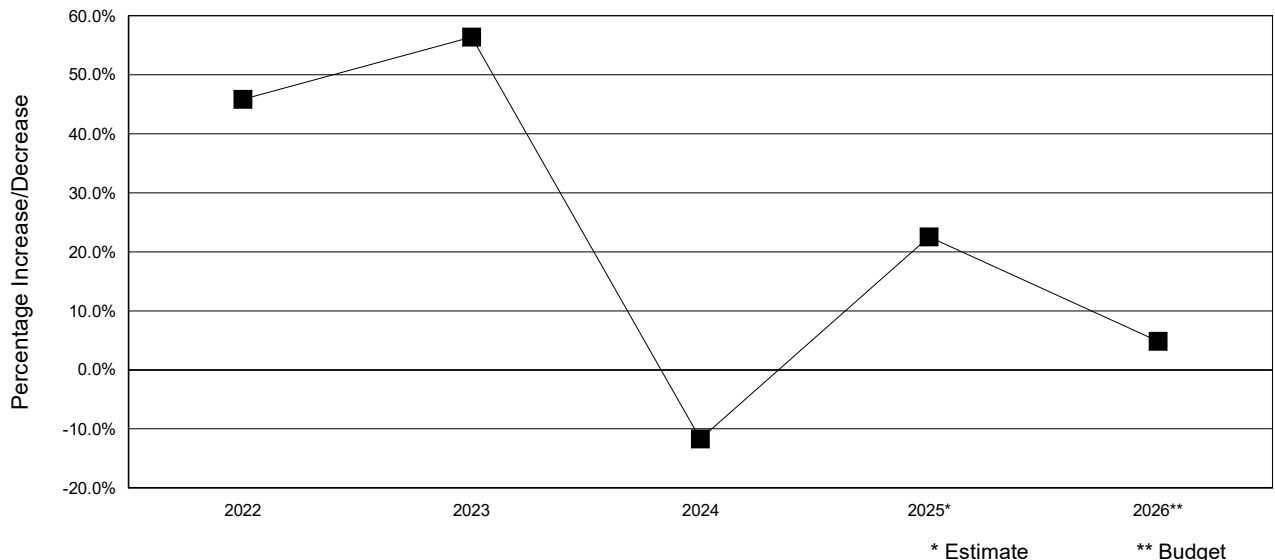
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : HAS-Revenue Fund
Business Area : Houston Airport System
Fund No. /Bus. Area No. : 8001 / 2800

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	142,571,245	152,800,076	152,800,076	149,788,871
	Supplies	9,278,624	10,001,223	10,001,223	9,964,964
	Other Services and Charges	203,440,888	222,975,429	222,975,429	313,728,047
	Non-Capital Equipment	2,033,165	3,070,527	3,070,527	3,497,561
	Total M & O Expenditures	<u>357,323,922</u>	<u>388,847,255</u>	<u>388,847,255</u>	476,979,443
	Debt Service & Other Uses	217,796,527	315,811,291	315,811,291	261,723,843
	Total Expenditure	<u>575,120,449</u>	<u>704,658,546</u>	<u>704,658,546</u>	738,703,286
Revenues		634,640,627	704,658,546	704,658,546	738,703,286
Staffing	Full-Time Equivalents - Civilian	1,244.6	1,414.2	1,414.2	1,361.3
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>1,244.6</u>	<u>1,414.2</u>	<u>1,414.2</u>	1,361.3
	Full-Time Equivalents - Overtime	74.9	62.6	62.6	38.1
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. o The FY2026 Budget provides funding to secure our airport system, to provide world class customer service, grow our non-airline revenues, and plan for the modernization and expansion of our facilities. o The FY2026 Budget includes funding for the debt service of \$185 million. The debt service expense is also anticipated to be funded from Passenger Facility Charges (PFCs). o Funding for Parking Service and SkyWay contracts will be funded in Fund (8001) instead of Airport Improvement Fund (8011). 				

**HAS-Revenue Fund
Houston Airport System
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Houston Airport System

Bus. Area No : 2800

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	57,308	74,973	46,646	87,761	46,611	90,259
Commercial Development	129,185	10,979	137,825	12,467	144,821	59,353
Finance	0	0	0	0	0	3,351
Infrastructure	168	106,383	109	111,215	90	130,750
Marketing, Air Service Development & Communications	0	3,428	0	3,805	0	4,796
Operations Management	23	105,226	0	113,627	0	131,964
Terminal Management	464,198	71,277	530,910	70,804	567,463	76,788
Debt Service and Interfund Transfers	0	217,797	0	315,811	0	261,724
Total	650,882	590,063	715,490	715,490	758,985	758,985

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	210.6	0.9	212.7	1.6	192.9	0.7
Commercial Development	29.8	0.1	37.0	0.2	34.4	0.1
Finance	0.0	0.0	0.0	0.0	22.1	0.0
Infrastructure	323.3	16.5	369.0	14.1	343.9	10.4
Marketing, Air Service Development & Communications	16.9	0.0	22.5	0.0	19.5	0.0
Operations Management	282.7	24.2	341.0	18.6	328.5	12.4
Terminal Management	381.3	33.2	432.0	28.1	420.0	14.5
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	1,244.6	74.9	1,414.2	62.6	1,361.3	38.1

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Airport System

Bus Area No. : 2800

Operations Management

Description:

Comprised of airside, landside, and security groups at IAH, HOU and EFD. Operations ensures that the airfield, taxiways, and traffic is safe for passengers and the public.

Goal:

Provide a safe, secure, and efficient environment at all three airports.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
HAS-AIF Capital Outlay	23	5,447	0	1,981	0	9,660
HAS-Revenue Fund	0	99,779	0	111,646	0	122,304
Total	23	105,226	0	113,627	0	131,964

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
HAS-AIF Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0
HAS-Revenue Fund	282.7	24.2	341.0	18.6	328.5	12.4
Total	282.7	24.2	341.0	18.6	328.5	12.4

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
HOU - Overall Monthly Roadway Travel Congestion	N/A	N/A	N/A	<=0.5%
IAH -Overall Monthly Roadway Travel Congestion	N/A	N/A	N/A	<=0.5%
Number of Federal Airport Regulation 139 discrepancies at HOU	0	0	0	N/A
Number of Federal Airport Regulation 139 discrepancies at EFD	0	0	0	N/A
Number of Federal Airport Regulation 139 discrepancies at IAH	0	0	0	N/A

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Airport System

Bus Area No. : 2800

Debt Service and Interfund Transfers

Description:

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

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
HAS-Revenue Fund	0	217,797	0	315,811	0	261,724

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Parks and Recreation

Bus. Area No : 3600

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Adaptive Sports and Recreation	5	776	6	809	6	885
Administrative Services	5,656	26,149	1,527	22,293	1,570	21,440
Aquatic Centers Operation	0	2,232	0	3,154	0	3,338
Community Center Operations	263	10,698	227	12,359	240	11,136
Executive Oversight	348	1,760	1,038	1,919	1,037	1,637
Facilities Maintenance	14,253	17,430	5,847	14,888	4,969	14,867
Golf Operations	8,366	7,886	8,444	8,660	8,799	8,505
Grounds Maintenance	1,498	18,056	1,571	20,102	1,535	17,439
Lake Houston Wilderness Park	395	1,305	413	1,205	452	1,376
Natural Resources Management	0	438	0	570	0	562
Park Development and Renovation	241	1,044	0	762	0	752
Park Safety and Security	0	3,496	0	3,938	0	3,685
Recreation and Fitness	706	2,313	647	2,602	680	2,589
Tennis Operations	282	1,032	267	1,231	304	1,536
Urban Forestry	0	2,531	0	1,991	0	2,022
Debt Service and Interfund Transfers	0	24,488	0	15,138	0	15,695
Total	32,013	121,634	19,987	111,621	19,592	107,464

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Parks and Recreation

Bus Area No. : 3600

Administrative Services

Description:

Provides financial and administrative support for HPARD which include: overseeing the operations of all aspects of accounting (developing, monitoring, preparing, and recording the budget, accounts payable/receivables, and grants), purchasing, information technology services; and liaisons for HR, Payroll, and Worker's Compensation. This program also includes departmental overhead such as, utilities, HR, Fleet and other interfund chargebacks.

Goal:

Ensure administrative support, and leadership to all functions of HPARD divisions. Supports the budget process through development, monitoring, and reporting along with (accounts payable/receivables, grants accounting, and auditing) receiving and procuring goods and services needed to efficiently and effectively operate the department, and IT Services (desktop and mobile).

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	4,152	26,137	0	22,293	0	21,440
Park Special Revenue Fund	1,504	12	1,527	0	1,570	0
Total	5,656	26,149	1,527	22,293	1,570	21,440

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	20.4	0.0	16.5	0.0	11.0	0.0
Park Special Revenue Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	20.4	0.0	16.5	0.0	11.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Expenditures Adopted Budget vs Actual Utilization	110%	98%	103%	98%
Revenues Adopted Budget vs Actual Utilization	179%	100%	110%	100%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Parks and Recreation

Bus Area No. : 3600

Park Development and Renovation

Description:

Improves and upgrades parks through HPARD Communities initiative. These improvements include new playground equipment, new furnishings, sidewalk upgrades, fencing improvements, and landscaping.

Goal:

Complete several parks upgrades each year.

Mayor's Priority: Quality of Life

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	241	1,044	0	762	0	752

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	0.0	0.0	0.0	0.0	0.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of Park Renovation Projects Completed (Facilities)	42	85	87	12

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Parks and Recreation

Bus Area No. : 3600

Debt Service and Interfund Transfers

Description:

Budget allocations included in this section reflect debt service payments and/or interfund transfers. This program also includes the expenditure transfer to the Houston Zoo (FY2026 Budget \$13,911,446).

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	18,088	0	14,434	0	14,991
Park Special Revenue Fund	0	6,200	0	0	0	0
Parks Golf Special Revenue Fund	0	200	0	704	0	704
Total	0	24,488	0	15,138	0	15,695

ADMINISTRATIVE SERVICES DEPARTMENTS

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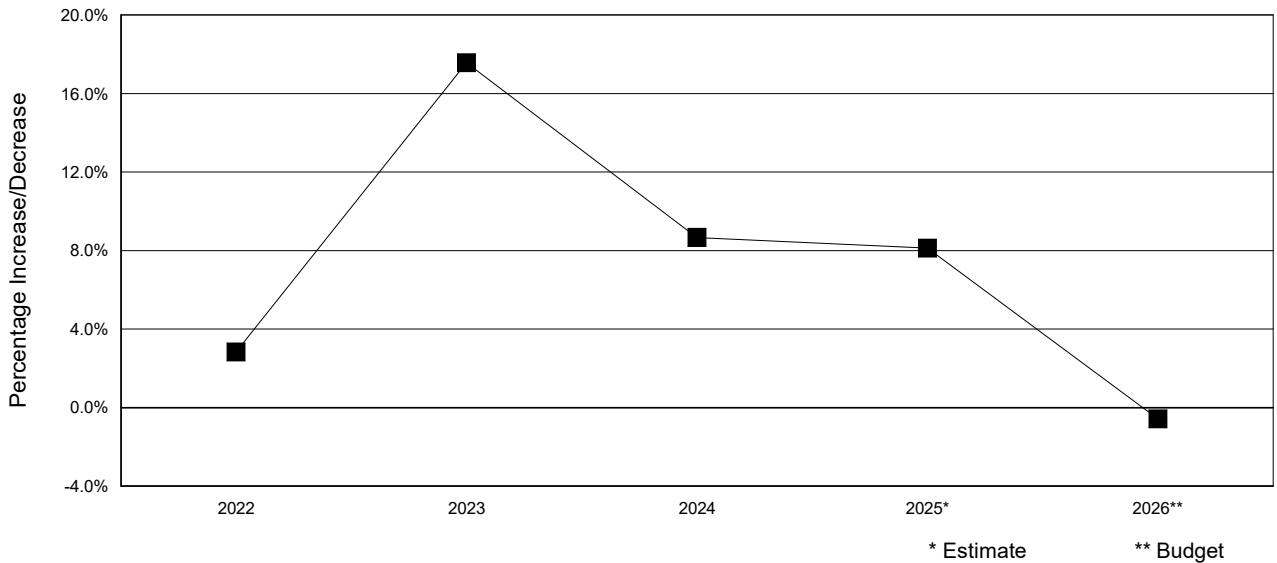
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : Finance Department
Fund No. /Bus. Area No. : 1000 / 6400

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	16,460,359	17,886,192	17,886,192	17,917,517
	Supplies	87,015	70,347	70,347	82,243
	Other Services and Charges	4,851,425	5,202,369	5,202,369	5,049,345
	Equipment	32,580	23,371	23,371	0
	Non-Capital Equipment	7,834	0	0	0
	Total M & O Expenditures	<u>21,439,213</u>	<u>23,182,279</u>	<u>23,182,279</u>	<u>23,049,105</u>
	Debt Service & Other Uses	0	0	0	0
Total Expenditure	<u>21,439,213</u>	<u>23,182,279</u>	<u>23,182,279</u>	<u>23,049,105</u>	
Revenues		2,297,231,661	2,368,614,026	2,321,721,946	2,455,548,836
Staffing	Full-Time Equivalents - Civilian	116.8	119.4	119.4	114.1
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>116.8</u>	<u>119.4</u>	<u>119.4</u>	<u>114.1</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget includes a reduction of \$987,776 for department savings initiatives. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. 				

**General Fund
Finance Department
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Finance Department

Business Area No. : 6400

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	98,024	84,053	84,053	77,160
Direct Interfund Services	6,875,253	8,029,640	8,321,913	23,682,838
General Property Taxes	1,365,606,822	1,427,474,993	1,381,231,225	1,504,361,909
Interest	22,502,822	20,993,000	20,993,000	21,893,000
Miscellaneous/Other	2,085,726	1,799,330	1,799,330	2,265,000
Other Fines and Forfeits	81,613	39,000	39,000	27,000
Other Tax	23,802,437	24,895,585	23,955,000	23,955,000
Sales Taxes	883,132,217	893,382,118	893,382,118	902,315,939
Grand Total	<u>2,304,184,914</u>	<u>2,376,697,719</u>	<u>2,329,805,639</u>	<u>2,478,577,846</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Finance Department

Bus. Area No : 6400

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Accounting and Financial Reporting	3,471	7,687	4,022	9,001	4,943	9,392
Administrative Services	0	1,670	0	1,867	0	1,989
Capital Projects and Debt Management	346	1,288	393	1,528	416	1,620
Citywide Procurement and Contract Management	1,654	9,106	2,209	9,457	6,832	12,830
Disaster Cost Recovery Management	0	525	0	600	0	611
Energy Management	359	359	396	396	403	403
Financial Management Services	1,660	2,563	2,091	2,882	12,331	13,148
Financial Planning & Budgetary Services	0	2,206	0	2,201	0	2,718
Grants Management	78	696	84	1,113	77	1,048
Performance Improvement	0	438	0	309	0	387
Treasury	2,296,617	1,854	2,320,611	1,912	2,453,576	1,932
Total	2,304,185	28,392	2,329,806	31,266	2,478,578	46,078

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Accounting and Financial Reporting	46.3	0.0	51.3	0.0	53.6	0.0
Administrative Services	3.7	0.0	3.6	0.0	4.0	0.0
Capital Projects and Debt Management	8.7	0.0	11.0	0.0	10.9	0.0
Citywide Procurement and Contract Management	63.4	0.0	60.4	0.0	89.2	0.0
Disaster Cost Recovery Management	4.1	0.0	3.7	0.0	4.3	0.0
Energy Management	2.2	0.0	3.0	0.0	2.0	0.0
Financial Management Services	14.7	0.0	18.7	0.0	92.8	0.0
Financial Planning & Budgetary Services	12.6	0.0	14.4	0.0	15.1	0.0
Grants Management	6.7	0.0	7.8	0.0	7.4	0.0
Performance Improvement	2.4	0.0	1.8	0.0	2.7	0.0
Treasury	3.5	0.0	3.9	0.0	4.0	0.0
Total:	168.3	0.0	179.6	0.0	286.0	0.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Finance Department

Bus Area No. : 6400

Financial Planning & Budgetary Services

Description:

Develop and manage the City's Operating Budget, long-range financial planning, monthly financial reporting, and ad-hoc financial analysis.

Goal:

To improve the City's financial position by providing recommendations based on comprehensive financial analysis.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	2,206	0	2,201	0	2,718

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	12.6	0.0	14.4	0.0	15.1	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Citywide General Fund Expenditures Adopted Budget vs Actual Utilization	99%	98%	102%	98%
Citywide General Fund Revenues Adopted Budget vs Actual Utilization	103%	100%	102%	100%
Unassigned Fund Balance as % of General Fund Expenditures less Debt Service and PAYGO	23.4%	16.5%	14.7%	12.6%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Finance Department

Bus Area No. : 6400

Treasury

Description:

Forecast all City taxes (property, sales, and mixed beverage) based on economic modeling. Collect and account for revenues in SAP. Ensure compliance with all applicable state laws. Perform the annual Truth in Taxation and setting of the property tax rate within 60 days of receipt of the certified roll as provided by state statute. Research, analyze, and provide recommendations of proposed tax laws and ensuring compliance with passed laws. Monitor the General Fund cash flows and ensure sufficient funds are available for day-to-day operations. Manage the merchant services contract for handling of payments via point of sale or web.

Goal:

To provide accurate forecasting on Tax Revenues by ensuring estimate is within +/- 2%. Adherence to state statutes on the adoption of the property tax rate and the Truth in Taxation process. Provide accurate recommendations on proposed legislative changes.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	2,296,617	1,854	2,320,611	1,912	2,453,576	1,932

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	3.5	0.0	3.9	0.0	4.0	0.0

Performance Measure:

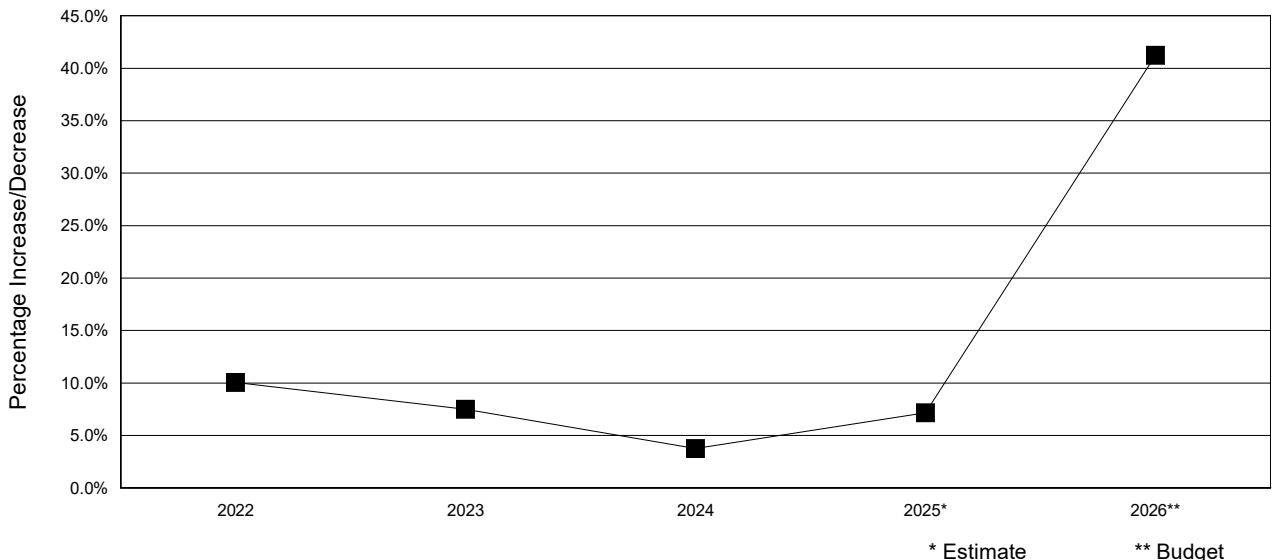
Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Variance of Mixed Beverage Tax Budget to Actual/Estimate	-4.4%	2.0%	2.0%	1.1%
Variance of Property Tax Budget to Actual/Estimate	-0.8%	0.0%	0.0%	0.1%
Variance of Sales Tax Budget to Actual/Estimate	2.0%	7.6%	0.0%	6.4%

FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name :		Central Service Revolving Fund			
Business Area :		Houston Information Technology Services			
Fund No. /Bus. Area No. :		1002 / 6800			
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	27,255,693	31,153,620	29,791,524	45,917,446
	Supplies	350,970	556,306	507,015	938,001
	Other Services and Charges	65,303,978	70,151,929	71,350,504	90,039,748
	Equipment	581,365	1,485,088	1,505,451	8,786,134
	Total M & O Expenditures	93,492,006	103,346,943	103,154,494	145,681,329
	Debt Service & Other Uses	2,782,000	0	0	0
	Total Expenditure	96,274,006	103,346,943	103,154,494	145,681,329
Revenues		96,274,006	103,346,943	103,154,494	145,681,329
Staffing	Full-Time Equivalents - Civilian	183.5	212.2	199.9	311.9
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	183.5	212.2	199.9	311.9
	Full-Time Equivalents - Overtime	3.7	2.7	3.3	2.8
Significant Budget Changes and Highlights	o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases.				
	o The FY2026 Budget includes a reduction of \$4,016,293 for department savings initiatives.				
	o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions.				
	o The FY2026 Budget includes the remaining consolidation of the LGL IT, a partial consolidation of HPW IT, and the full consolidation of HPD IT and HPRD IT.				
	o The FY2026 Budget includes an increase in FTEs to support the Houston Fire Department technology.				

**Central Service Revolving Fund
Houston Information Technology Services
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Houston Information Technology Services

Business Area No. : 6800

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	1,496,913	1,462,105	1,412,011	1,462,105
Direct Interfund Services	94,777,020	101,884,838	101,742,483	144,219,224
Miscellaneous/Other	73	0	0	0
Grand Total	<u>96,274,006</u>	<u>103,346,943</u>	<u>103,154,494</u>	<u>145,681,329</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Houston Information Technology Services

Bus. Area No : 6800

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	8,617	5,835	7,938	7,938	5,847	5,847
Citywide Customer Service Request -311 Program	1,043	1,043	1,247	1,247	1,455	1,455
Community Development and Regulation Applications Program	1,175	1,175	1,377	1,377	1,490	1,490
Cybersecurity Program	5,563	5,563	5,278	5,278	7,904	7,904
Data Center Services Program	8,992	8,992	9,483	9,483	10,447	10,447
End User Compute Services Program	10,553	10,553	11,037	11,037	12,131	12,131
Enterprise Applications Program	20,234	20,234	22,784	22,784	24,439	24,439
Houston Emergency Center Support Program	4,519	4,519	4,599	4,599	4,569	4,569
Houston Fire Department IT Support Program	2,212	2,212	2,429	2,429	3,793	3,793
Houston Police Department IT Support Program	0	0	0	0	36,014	36,014
Houston Public Works IT Support Program	338	338	462	462	2,075	2,075
Legal IT Support Program	93	93	111	111	460	460
Municipal Courts Technology Support Program	1,171	1,171	942	942	1,357	1,357
Network Services Program	4,588	4,588	6,948	6,948	5,605	5,605
Parks and Recreation IT Support Program	0	0	0	0	483	483
Project Management Program	2,161	2,161	2,306	2,306	2,504	2,504
Public Safety Radio Communications Program	6,640	6,640	7,515	7,515	7,617	7,617
Telecommunications Support Services Program	18,375	18,375	18,698	18,698	17,491	17,491
Debt Service and Interfund Transfers	0	2,782	0	0	0	0
Total	96,274	96,274	103,154	103,154	145,681	145,681

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Houston Information Technology Services

Bus. Area No : 6800

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	14.7	0.0	16.9	0.0	19.8	0.0
Citywide Customer Service Request -311 Program	2.0	0.0	2.0	0.0	2.0	0.0
Community Development and Regulation Applications Program	2.2	0.0	3.0	0.0	3.0	0.0
Cybersecurity Program	6.0	0.0	5.9	0.0	5.9	0.0
Data Center Services Program	12.0	0.0	12.5	0.0	11.2	0.0
End User Compute Services Program	26.4	0.3	27.5	0.2	25.7	0.4
Enterprise Applications Program	29.6	0.0	34.0	0.0	37.4	0.0
Houston Emergency Center Support Program	17.1	0.4	14.3	0.1	13.8	0.3
Houston Fire Department IT Support Program	8.4	0.0	10.0	0.0	16.0	0.0
Houston Police Department IT Support Program	0.0	0.0	0.0	0.0	90.6	0.0
Houston Public Works IT Support Program	0.0	0.0	1.0	0.0	9.8	0.0
Legal IT Support Program	0.9	0.0	1.0	0.0	3.0	0.0
Municipal Courts Technology Support Program	6.7	0.0	7.0	0.0	7.0	0.0
Network Services Program	9.5	0.2	13.6	0.2	10.5	0.3
Parks and Recreation IT Support Program	0.0	0.0	0.0	0.0	4.0	0.0
Project Management Program	11.2	0.0	12.0	0.0	13.1	0.0
Public Safety Radio Communications Program	26.7	2.8	28.6	2.8	29.4	1.8
Telecommunications Support Services Program	10.1	0.0	10.6	0.0	9.7	0.0
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	183.5	3.7	199.9	3.3	311.9	2.8

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Administrative Services

Description:

Provides support for the HITS department through the facilitation of procurements, contract renewals, quotations, council actions and correspondences, and general daily operational support.

Goal:

Ensure the efficient management of resources allocated to the HITS department in support of enterprise and department specific functions.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	8,617	5,835	7,938	7,938	5,847	5,847

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	14.7	0.0	16.9	0.0	19.8	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Expenditures Adopted Budget vs Actual Utilization	97%	98%	100%	98%
Revenues Adopted Budget vs Actual Utilization	97%	98%	100%	98%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Cybersecurity Program

Description:

This program is responsible for Enterprise Cybersecurity policy, vulnerability management & incident response.

Goal:

Reduce cybersecurity-related risk to the confidentiality, integrity, and availability of City systems, data and information.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	5,563	5,563	5,278	5,278	7,904	7,904

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	6.0	0.0	5.9	0.0	5.9	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
# of threat groups tracked (output)	42	41	41	41
% of vulnerabilities remediated within specified timeframe	35%	75%	75%	75%

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

End User Compute Services Program

Description:

Provides enterprise end user compute services, including desktop management, patching and support services, Office 365 Collaboration services and service desk support.

Goal:

Maximize end user productivity of employees utilizing City provided computers and utilizing collaboration services to support departmental and City initiatives. Provide excellent customer service to end users with their device needs and service desk support to quickly resolve issues.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	10,553	10,553	11,037	11,037	12,131	12,131

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	26.4	0.3	27.5	0.2	25.7	0.4

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
# of computers supported by HITS (output)	7,686	7,178	7,178	7,178
% of tickets resolved within defined service levels	86%	85%	85%	85%
Customer Satisfaction Surveys	85%	5%	5%	5%

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Enterprise Applications Program

Description:

Technology applications that are foundational to City operations which serve all City functions such as the City website, ERP, the help desk application, document management, productivity tools, database management, data analytics and GIS systems.

Goal:

Ensure system availability and uptime. Promote technology investment adoption and standards to improve efficiency and create economies of scale.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	20,234	20,234	22,784	22,784	24,439	24,439

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	29.6	0.0	34.0	0.0	37.4	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
# of major enterprise applications managed (output)	38	38	38	38
% of system uptime and availability	99.95%	98%	98%	98%

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Houston Police Department IT Support Program

Description:

Program responsible for providing application and infrastructure support to first responders at Houston Police Department.

Goal:

Ensure system availability, capacity, and uptime. Program goals to be achieved through proper maintenance, updates, and services.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	0	0	0	0	36,014	36,014

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	0.0	0.0	0.0	0.0	90.6	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Performance Measures are in development for this new program	N/A	N/A	N/A	N/A

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Houston Public Works IT Support Program

Description:

Application and Informationa technology that supports Houston Public Works operations.

Goal:

Ensure system availability and uptime. Promote Houston Public Works operational efficiencies and business process automation through technology enhancements.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	338	338	462	462	2,075	2,075

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	0.0	0.0	1.0	0.0	9.8	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Performance Measures are in development for this new program	N/A	N/A	N/A	N/A

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Legal IT Support Program

Description:

Application and Information technology that supports the Legal Department operations.

Goal:

Ensure system availability and uptime. Promote the City's Legal operational efficiencies and business process automation through technology enhancements.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	93	93	111	111	460	460

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	0.9	0.0	1.0	0.0	3.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Performance Measures are in development for this new program	N/A	N/A	N/A	N/A

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Municipal Courts Technology Support Program

Description:

Application and technology that supports Municipal Court Case Management operations.

Goal:

Ensure system availability and uptime. Promote Municipal Court operational efficiencies and business process automation through technology enhancements.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	1,171	1,171	942	942	1,357	1,357

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	6.7	0.0	7.0	0.0	7.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
% of system uptime and availability	99.92%	98%	98%	98%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Network Services Program

Description:

Provides data network design, administration, maintenance and support services citywide. Includes firewall administration and VPN.

Goal:

Ensure efficient and reliable connectivity throughout the data network infrastructure, with external entities/cloud services, and with the internet as a whole.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	4,588	4,588	6,948	6,948	5,605	5,605

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	9.5	0.2	13.6	0.2	10.5	0.3

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
% of network uptime and availability	99.9%	98%	98%	98%
% of tickets resolved within defined service levels	90.1%	85%	85%	85%

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Parks and Recreation IT Support Program

Description:

Application and Information technology that supports the Parks and Recreation Department operations.

Goal:

Ensure system availability and uptime. Promote the Parks and Recreation Department's operational efficiencies and business process automation through technology enhancements.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	0	0	0	0	483	483

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	0.0	0.0	0.0	0.0	4.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Performance Measures are in development for this new program	N/A	N/A	N/A	N/A

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Project Management Program

Description:

Program responsible for managing technology program and project delivery across City departments.

Goal:

Deliver committed projects according to agreed upon scope, quality, budget and schedule. Communicate project priority and status. Identify risk, issue, and actions on projects.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	2,161	2,161	2,306	2,306	2,504	2,504

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	11.2	0.0	12.0	0.0	13.1	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
% of projects meeting established targets	72%	75%	75%	75%

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Public Safety Radio Communications Program

Description:

Program responsible for providing first responder radio system coverage throughout the Houston Metro area.

Goal:

Ensure system availability, capacity, and uptime. Program goals to be achieved through proper maintenance, updates, and services.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	6,640	6,640	7,515	7,515	7,617	7,617

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	26.7	2.8	28.6	2.8	29.4	1.8

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
# of external partners accessing the radio network (output)	34	35	35	35
% of system uptime and availability	99.92	100%	100%	100%
Size of radio fleet managed by program (output)	22,832	21,054	21,054	21,054

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Telecommunications Support Services Program

Description:

Provides voice and communications services including Voice over IP (VoIP), call center platforms, facsimile and other analog and digital communication technologies.

Goal:

Maximize system availability and uptime to enable reliable and flexible voice communications in support of City operations and to enable public engagement.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	18,375	18,375	18,698	18,698	17,491	17,491

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	10.1	0.0	10.6	0.0	9.7	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
# of wireless devices managed (output)	26,625	26,029	26,029	26,029
% of tickets resolved within defined service levels	98.9%	85%	85%	85%
Enterprise phone system availability	99.94%	98%	98%	98%

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Houston Information Technology Services

Bus Area No. : 6800

Debt Service and Interfund Transfers

Description:

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

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	0	2,782	0	0	0	0

HUMAN RESOURCES

Department Description and Mission

The Human Resources (HR) Department is a customer service driven support branch of the City of Houston that recruits highly qualified employees to serve Houston residents every day. We provide opportunities for transformational public service careers that create a meaningful impact on the job and in the community. HR embraces technology and strives for continual improvement to streamline procedures and enhance efficiency of service delivery, while safeguarding employee data. HR values transparency, encourages innovation, and recognizes achievement within our workforce.

HR recruits and staffs Municipal and Classified Fire personnel; administers the onboarding, background verification and drug testing for all City employees; processes personnel actions; facilitates organizational management; administers the Family Medical Leave program; ensures compliance with city policies to foster positive and professional working relationships; and develops and administers all Fire examinations and Police entrance examinations.

HR develops, implements, and maintains the City's classification and compensation programs to attract and retain a competent, competitive workforce. We provide employees with a process to air concerns and grievances and coordinate the activities of the Civil Service Commissions. HR works with all departments to inform, engage and recognize the city's workforce, keeping employees up-to-date on benefits, wellness, safety and other initiatives. Through learner-focused programming and partnerships, HR implements a learning and organizational development strategy that promotes a culture of an engaged workforce while providing career development training.

HR manages the City's robust suite of Benefit programs that is competitive with other employers, including Wellness, the Employee Assistance Program (EAP) and benefit plans supporting more than 56,000 active and retired employees and covered dependents. HR provides oversight and direction for the City's Safety and Workers' Compensation programs, fostering a culture of safety awareness, accountability, and collaborating with departments to reduce injuries, costs, and loss of work productivity.

Additionally, HR manages the Grow Your Own Workforce initiative, which administers the Summer Jobs Program, and hosts an annual career expo and college fair for high school students, as well as other programs that expose youth to municipal careers.

Mission

Our mission is to be a strategic partner by providing Human Resources programs that attract, develop, retain, and engage a skilled and diverse workforce.

Vision

To be universally recognized for Human Resources excellence as a premier employer.

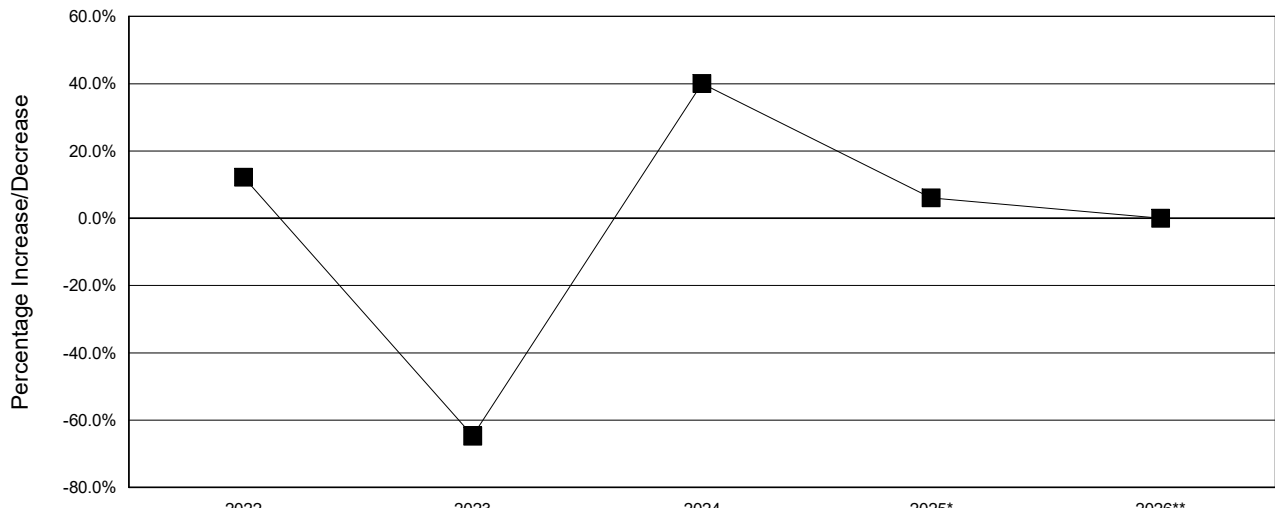
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : Human Resources
Fund No. /Bus. Area No. : 1000 / 8000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	1,236,733	1,397,583	1,397,583	1,415,782
	Supplies	8,801	9,967	9,967	8,150
	Other Services and Charges	97,995	17,182	17,182	800
	Total M & O Expenditures	<u>1,343,529</u>	<u>1,424,732</u>	<u>1,424,732</u>	<u>1,424,732</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>1,343,529</u>	<u>1,424,732</u>	<u>1,424,732</u>	<u>1,424,732</u>
Revenues		2,910	0	0	0
Staffing	Full-Time Equivalents - Civilian	50.5	38.2	38.2	36.2
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>50.5</u>	<u>38.2</u>	<u>38.2</u>	<u>36.2</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget allocates funding for the Summer Jobs Program, which will provide opportunities to 362 interns, aged 16 to 24 to work across various City departments for 8 weeks. While the overall budget remains flat, it eliminated the program's career coaches and associated expenses. This adjustment allows for an increase in the intern hourly pay rate to \$14 per hour. 				

**General Fund
Human Resources
Year over Year Expenditure Change**



* Estimate

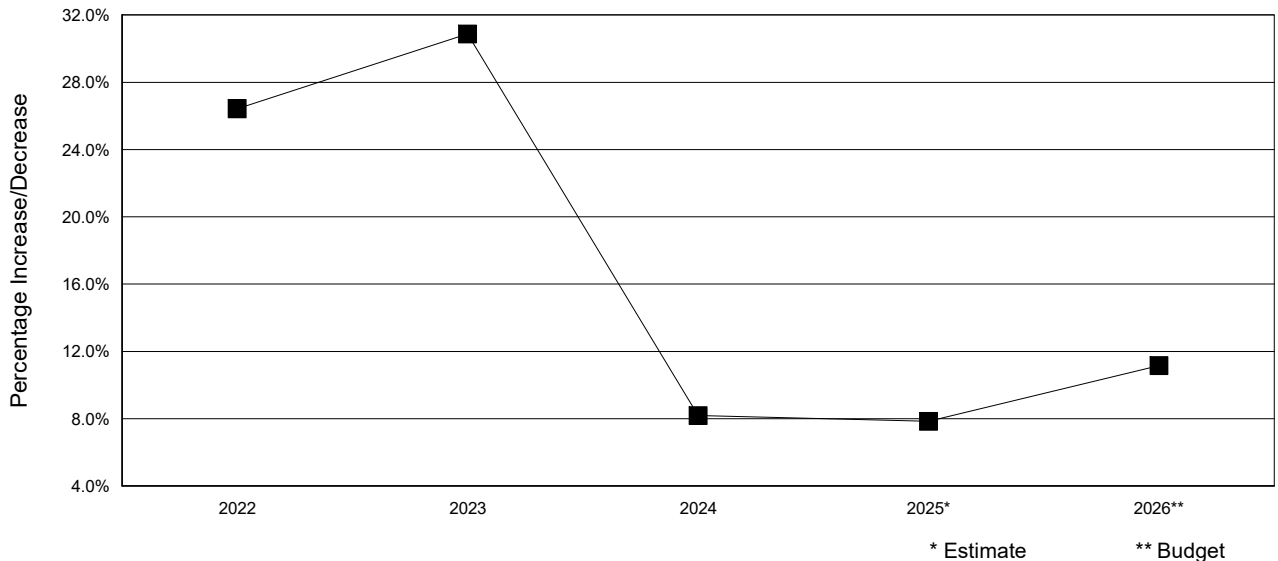
** Budget

FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : Central Service Revolving Fund					
Business Area : Human Resources					
Fund No. /Bus. Area No. : 1002 / 8000					
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	20,253,502	22,371,547	22,105,381	25,881,997
	Supplies	120,177	232,018	178,947	62,869
	Other Services and Charges	22,223,367	27,846,568	23,631,733	25,161,065
	Equipment	20,757	30,802	35,826	8,925
	Non-Capital Equipment	17,412	33,301	30,005	250
	Total M & O Expenditures	<u>42,635,215</u>	<u>50,514,236</u>	<u>45,981,892</u>	<u>51,115,106</u>
	Debt Service & Other Uses	0	0	0	0
Total Expenditure	<u>42,635,215</u>	<u>50,514,236</u>	<u>45,981,892</u>	<u>51,115,106</u>	
Revenues		42,635,215	50,514,236	45,981,892	51,115,106
Staffing	Full-Time Equivalents - Civilian	183.1	195.0	195.0	218.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	183.1	195.0	195.0	218.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases.				
	o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout option (VMERPO) accepted non-critical positions.				
	o The FY2026 Budget includes a reduction of \$2,284,561 for department savings initiatives.				
	o The FY2026 Budget includes funding increases of \$1.9 million for consolidation of HPD human resources functions, \$1.4 million for consolidation of Houston Public Works' learning and development function and \$0.4 million for rent expense due to relocation of the Office of Talent & Organizational Development.				
	o The FY2026 Budget provides funding of \$17.6 million for two contingent workforce contracts.				

**Central Service Revolving Fund
Human Resources
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

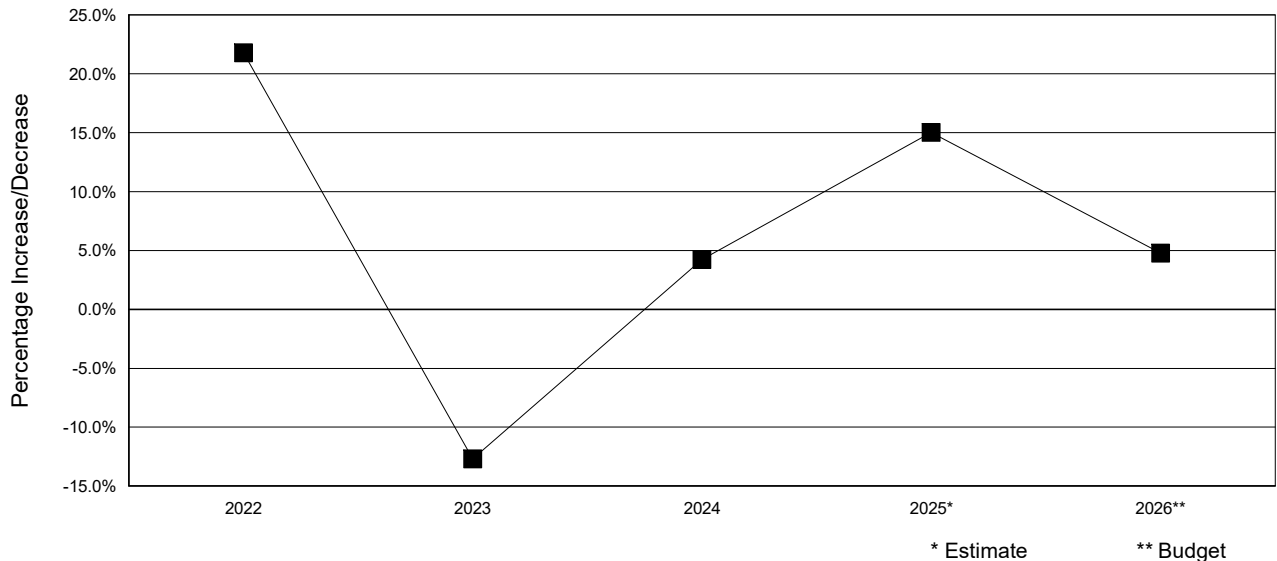
Business Area Budget Summary

Fund Name : Workers' Compensation Fund
Business Area : Human Resources
Fund No. /Bus. Area No. : 1011 / 8000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	5,893,871	8,414,262	7,731,061	7,559,271
	Supplies	72,505	72,999	45,124	52,665
	Other Services and Charges	27,994,600	32,113,913	30,943,617	33,020,119
	Equipment	20,172	353,050	373,189	331,605
	Non-Capital Equipment	4,262	4,942	945	0
	Total M & O Expenditures	<u>33,985,410</u>	<u>40,959,166</u>	<u>39,093,936</u>	<u>40,963,660</u>
	Debt Service & Other Uses	0	0	0	0
Total Expenditure	<u>33,985,410</u>	<u>40,959,166</u>	<u>39,093,936</u>	<u>40,963,660</u>	
Revenues		34,306,127	41,332,836	39,467,606	41,353,237
Staffing	Full-Time Equivalents - Civilian	50.6	70.0	63.0	62.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>50.6</u>	<u>70.0</u>	<u>63.0</u>	<u>62.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

- Significant Budget Changes and Highlights
- o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases.
 - o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions.
 - o The FY2026 Personnel Budget includes consolidating the Parks & Recreation (2 FTEs) and Houston Public Library (1 FTE) safety team into the HR.
 - o The FY2026 Budget includes an increase of 2.1% or \$0.9 million in services, supplies, non-capital and capital mostly due to increases in incident trends for historical and new claims, 35% OTOD rent share offset by decreases in software and TPA contractual expenses. FY2026 Budget also includes funding for seven safety vehicles.
 - o The Workers' Compensation Fund's administrative rate (per employee per pay period) is based on all projected program administrative costs including third-party administrative fees. The proposed FY2026 rate will continue to be \$16.46 per employee.

**Workers' Compensation Fund
Human Resources
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

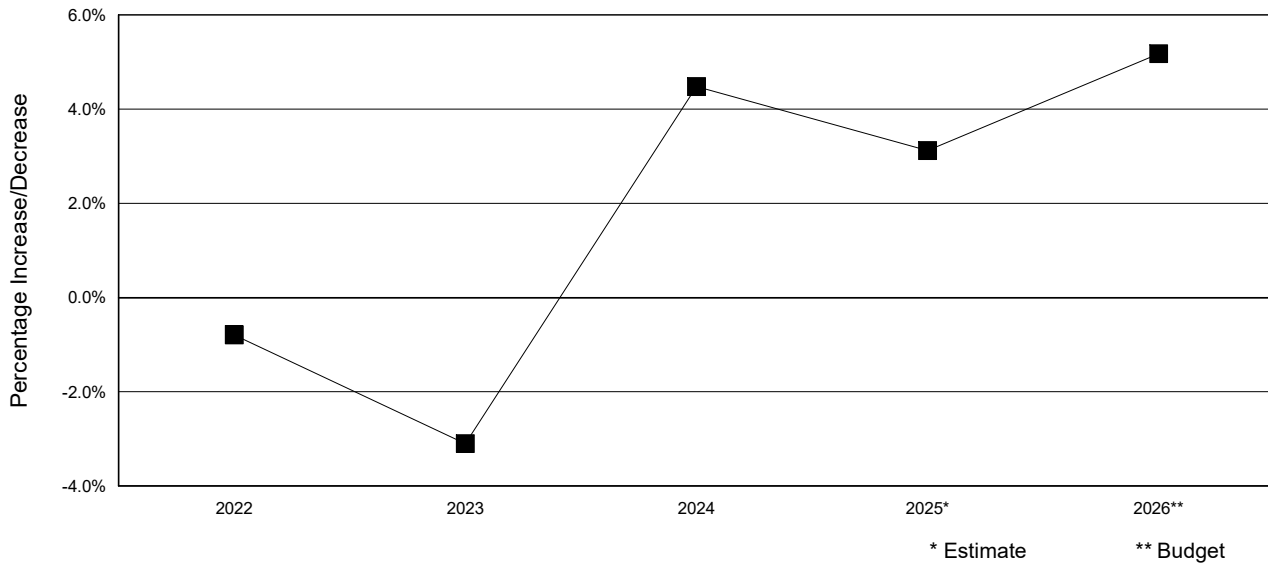
Fund Name : Health Benefits Fund
Business Area : Human Resources
Fund No. /Bus. Area No. : 9000 / 8000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	4,363,823	5,460,062	5,094,072	5,416,564
	Supplies	79,893	72,160	89,656	73,130
	Other Services and Charges	402,877,144	430,960,659	414,817,346	436,302,982
	Equipment	25,075	22,420	13,340	7,140
	Non-Capital Equipment	4,678	37,806	33,202	2,000
	Total M & O Expenditures	<u>407,350,613</u>	<u>436,553,107</u>	<u>420,047,616</u>	<u>441,801,816</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>407,350,613</u>	<u>436,553,107</u>	<u>420,047,616</u>	<u>441,801,816</u>
Revenues		404,583,839	434,114,166	425,133,868	437,166,882
Staffing	Full-Time Equivalents - Civilian	39.7	47.0	43.0	45.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	<u>39.7</u>	<u>47.0</u>	<u>43.0</u>	<u>45.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases.
- o The Active and Retiree subscriber rates will remain flat at the start of the new plan year on May 1, 2025. Effective July 1, 2025, the City departments' contribution rates will increase by 1.9%. The FY2026 medical insurance contribution split is 20% employee / 80% City.
- o The FY2026 Budget reflects funding increase of \$5.2 million compared to the FY2025 Budget primarily from the following:
 - \$2.9 million increase in medical insurance for active employees and retirees largely due to anticipated Medicare Advantage Plan rate increases,
 - \$2.7 million increase in supplemental insurance, such as dental, life, vision, and flexible spending accounts,
 - Partially offset by \$0.3 million decrease in Health Benefits Administration expenses in alignment with citywide efforts to reduce spending.

**Health Benefits Fund
Human Resources
Year over Year Expenditure Change**



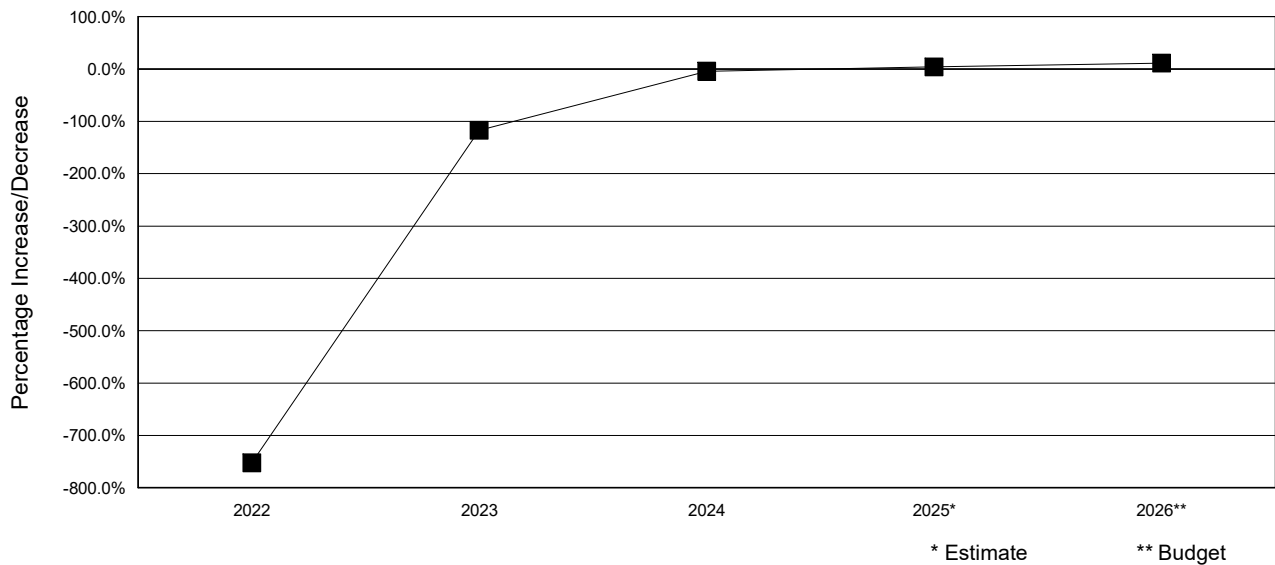
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : Long Term Disability Fund
Business Area : Human Resources
Fund No. /Bus. Area No. : 9001 / 8000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Other Services and Charges	1,003,574	1,150,119	1,043,996	1,160,130
	Total M & O Expenditures	1,003,574	1,150,119	1,043,996	1,160,130
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	1,003,574	1,150,119	1,043,996	1,160,130
Revenues		1,541,324	1,512,865	1,567,917	1,551,365
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget increase of \$10,011, or 0.9%, compared to the FY2025 Current Budget is due to higher monthly claim payments (\$886/claimant FY2026 Budget vs. \$841/claimant FY2025 Budget). o The proposed FY2026 Long Term Disability rate remains flat at \$6.80 per employee per month. 				

**Long Term Disability Fund
Human Resources
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Human Resources

Business Area No. : 8000

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	22,530,320	26,763,582	25,201,705	28,074,635
Direct Interfund Services	55,560,652	66,297,832	61,417,219	65,591,825
Interest	3,446,678	1,895,275	3,081,175	3,050,000
Miscellaneous/Other	401,531,765	432,517,414	422,451,184	434,470,130
Grand Total	<u>483,069,415</u>	<u>527,474,103</u>	<u>512,151,283</u>	<u>531,186,590</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Human Resources

Bus. Area No : 8000

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Contingent Workforce Management	18,172	18,172	18,163	18,163	18,017	18,017
Employee Benefits Administration	404,584	407,351	425,134	420,048	437,167	441,802
HR Client Services	22,410	22,455	24,963	24,963	27,616	27,614
Long Term Disability Program	1,541	1,004	1,568	1,044	1,551	1,160
Risk Management	34,306	33,985	39,468	39,094	41,353	40,964
Summer Jobs Program	0	1,295	0	1,425	0	1,425
Talent & Organizational Development	2,056	2,056	2,855	2,855	5,483	5,483
Total	483,069	486,318	512,151	507,592	531,187	536,465

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Contingent Workforce Management	1.3	0.0	2.0	0.0	2.0	0.0
Employee Benefits Administration	39.7	0.0	43.0	0.0	45.0	0.0
HR Client Services	165.7	0.0	172.0	0.0	187.0	0.0
Long Term Disability Program	0.0	0.0	0.0	0.0	0.0	0.0
Risk Management	50.6	0.0	63.0	0.0	62.0	0.0
Summer Jobs Program	50.5	0.0	38.2	0.0	36.2	0.0
Talent & Organizational Development	16.1	0.0	21.0	0.0	29.0	0.0
Total:	323.9	0.0	339.2	0.0	361.2	0.0

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Contingent Workforce Management

Description:

This program is utilized by all departments as a vital component of the staffing strategy for peak load, pilot programs, grants, citywide events, and special needs. The City uses more than 500 temporary employees at any given time in diverse classifications (professional/technical, IT, administrative, and service/maintenance). Workforce Management is a strategic initiative designed to deliver cost and process efficiencies by automating the acquisition of contract labor.

Goal:

Provide continuity of operations to City departments for special projects that require temporary staffing.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	18,172	18,172	18,163	18,163	18,017	18,017

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	1.3	0.0	2.0	0.0	2.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Monthly program run rate for special projects requiring contingent workers	\$1,508,317	\$1,743,120	\$1,498,696	N/A
Number of Contingent Workers hired	1,002	1,600	700	N/A

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Employee Benefits Administration

Description:

Design, procure, implement, maintain, communicate, administer, and monitor all benefits plans, with comprehensive oversight of the Healthcare Delivery System that has an annual budget that exceeds \$400 million for 65,000 active and retired employees and covered dependents. The Benefits programs include health, dental, vision, long-term disability, life insurance, dependent care reimbursement, healthcare flexible spending account, accrued leave donation, and other benefits.

Goal:

Facilitate multiple Request for Proposals (RFPs) for health benefits services and administer the related contracts, promote wellness initiatives, enhance analytical reporting and self-insured accounting, reporting, and internal controls in the fiscal aspects of the plan, and educate members on plan designs and use.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Health Benefits Fund	404,584	407,351	425,134	420,048	437,167	441,802

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Health Benefits Fund	39.7	0.0	43.0	0.0	45.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of EAP employee training attendees (employee attendance)	6,359	7,000	3,500	N/A
Number of wellness events (Health Education Series, Wellness on Wheels, Departmental Classes/ events, Health Fair & Tabling Events)	514	175	1,000	N/A
Percentage of employee participation in Wellness Program for discounted rate	70%	75%	73%	N/A
Percentage of employees who engage in preventive care programs (e.g., annual physical exams, screenings).	N/A	N/A	N/A	75%
Percentage of spousal participation in Wellness Program for discounted rate (participation in health maintenance activities defined as completion of health assessment and physical exam)	58%	65%	76%	N/A

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

HR Client Services

Description:

A program that originates and leads Human Resources practices and objectives by facilitating the acquisition and maintenance of an experienced, competitive workforce and by providing employee relations, medical separation, recruiting, position reconciliation, drug testing, ADA, FMLA, onboarding, offboarding, background investigations, classified testing, and others.

Goal:

Ensure compliance with all applicable laws, regulations, and codes so that they City of Houston is able to acquire and maintain a competitive and experienced work force as well as ensuring timely processing of all new hires, promotions, transfers, demotions, and any salary actions. Track applicants and analyze staffing trends. Develop and administer classified promotional exams for Fire and Police Chapter 143 positions in 120 days of receipt of the source material. Assist Fire and Police in timely hiring of trainees through cooperative efforts in scheduling and administering entrance exams.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	22,407	22,407	24,963	24,963	27,616	27,614
General Fund	3	48	0	0	0	0
Total	22,410	22,455	24,963	24,963	27,616	27,614

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	165.7	0.0	172.0	0.0	187.0	0.0
General Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	165.7	0.0	172.0	0.0	187.0	0.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

HR Client Services

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Adoption and Usage - % of technical job classifications used in job postings within 12 months of implementation	N/A	N/A	N/A	80%
Department Time in Hiring Stages: Average Number of Calendar Days for Municipal Candidates to Complete Interview and Selection Process	N/A	N/A	N/A	<15 days
Employee Retention Rate	N/A	N/A	N/A	>90%
HR Time in Hiring Stages: Average Number of Calendar Days for Municipal Candidates to Complete the Hiring Process.	N/A	N/A	N/A	< 30 days
Time to fill (days) - Average number of days from requisition posting to job offer for a fiscal year	110	<90	<90	N/A
Turnover rate - Percentage of employees that separated during the twelve month period	10.46%	<10%	<10%	N/A

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Long Term Disability Program

Description:

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an internal service fund. Established in 1985 and revised in 1996 as a part of the Income Protection Plan (renamed the Compensable Sick Leave Plan (CSL) in October, 1996), the plan provides paid long-term sick leave for City employees. Employees hired after September 1, 1985 are automatically covered under CSL. In October 1985, employees hired prior to September 1, 1985 had an opportunity to select the LTD plan or stay with Modified Sick Plan (MSP). Effective September 1, 2001 the Meet and Confer Agreement established Paid Time Off (PTO) for police classified officers. This replaces their participation in the LTD plan.

Goal:

This plan is paid for by the City in order to protect the income of employees who become disabled.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Long Term Disability Fund	1,541	1,004	1,568	1,044	1,551	1,160

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Long Term Disability Fund	0.0	0.0	0.0	0.0	0.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Average number of claimants per month (Employees on Long Term Disability receiving claim payments)	89	99	85	N/A

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Risk Management

Description:

Risk Management provides oversight and direction to Workers' Compensation (WC) and Safety programs by administering salary continuation program; reviewing injury leave in accordance with the Work Ability Guidelines; monitoring claims data; coordinating accident prevention activities; identifying the training requirements as well as the best training methodologies that help reduce both frequency and severity of injuries of the City of Houston employees; inspect workplaces and job sites to eliminate safety hazards, compile reports to meet requirements of state law, and train employees in all areas of safety.

Goal:

Train departments in Work Ability Guidelines, Medical Disability Guidelines, and WC. Maintain employee/employer relationship by contacting injured workers telephonically and by letters; facilitate earliest return to work (RTW) possible and supervise this process to ensure success; advise department personnel regarding modifications for transitional return to work. Process and monitor incurred claim losses. Reduce the number and severity of employee/vehicle accidents as well as increase employee awareness and behavior by enhancing ZIP program.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Workers' Compensation Fund	34,306	33,985	39,468	39,094	41,353	40,964

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Workers' Compensation Fund	50.6	0.0	63.0	0.0	62.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Facility safety inspections and work site observations to identify and ensure the remediation of safety hazards	2,986	1,600	1,967	N/A
Fiscal Year Reinjury Rate	N/A	N/A	N/A	<15%
Return to work within 7 days of injury - percentage of employees with a Workers' Compensation case that return to work within seven days of a Workers' Compensation injury	83%	85%	82%	N/A
Return to work within maximum disability guideline - percentage of employees with a Workers' Compensation case that return to work within the maximum disability	85%	77%	83%	N/A

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Summer Jobs Program

Description:

Citywide program that offers youth workforce development, training, experience, and resources to successfully navigate the educational, business, and neighborhood systems. It empowers youth to enter and succeed in Houston's dynamic economy.

Goal:

Continue to actively support a summer youth employment program that provides educational opportunities that connect them to the local workforce and career exploration, so they can make informed choices about their future career path in Houston's dynamic economy.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,295	0	1,425	0	1,425

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	50.5	0.0	38.2	0.0	36.2	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Job-readiness training completion	86%	100%	100%	N/A
Summer Jobs Program interns hired as of the end of summer session	359	375	362	N/A

Business Area Program Detail

Business Area : Human Resources

Bus Area No. : 8000

Talent & Organizational Development

Description:

A strategic development and employee performance improvement program that offers comprehensive training solutions that significantly affect performance and institutional outcomes.

Goal:

Become a nationally recognized learning center for its diverse educational excellence and its commitment to adapting the workforce to a dynamic environment.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Central Service Revolving Fund	2,056	2,056	2,855	2,855	5,483	5,483

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Central Service Revolving Fund	16.1	0.0	21.0	0.0	29.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Employee Engagement Score based on Involved & Evolve Leaders Pulse Survey Results	N/A	N/A	N/A	85%
Learning Application: learners 'likely' or 'very likely' to apply their new learning to their job based on the standard learning evaluation survey responses	97%	99%	97%	N/A
Learning Engagement: learners 'agree' or 'strongly agree' that their learning needs were met based on the standard learning evaluation survey responses	97%	99%	97%	N/A
Learning Hours Facilitated per year	2656	2800	2800	N/A
Likelihood to Recommend	N/A	90%	96%	N/A
Number of Organizational Development sessions (Engage with and provide support for departments on their employee engagement action plan)	107	50	80	N/A

LEGAL

Department Description and Mission

The mission of the Legal Department is to provide the City of Houston with the highest quality municipal legal services and to facilitate the operations of the City and protect its interests. The department has created eleven programs that focus on the Mayor's key priorities for the City. The programs focus on the ten areas of substantive law in which the Department is organized except for the Administrative Staff/Services program which primarily focuses on administrative matters. The practice area programs include: Claims & Subrogation, Contracts, General Counsel, General Litigation, Labor Employment & Civil Service, Municipal Prosecution, Neighborhood Services, Office of the Inspector General, Real Estate, and Torts & Civil Rights. The Legal Department's work is funded primarily from the General Fund (Fund 1000) and the Property and Casualty Fund (Fund 1004). Additionally, some legal services related to workers' compensation benefits are funded out of the Workers' Compensation Fund (Fund 1011). In addition, legal services provided to the Housing and Community Development Department are funded out of grant funds (Fund 5000) and legal services provided to the Houston Airport System and Houston Public Works are paid out of the Aviation Fund and Combined Utility System, respectively.

The central duties of the portions of the Legal Department funded from the General Fund include: the preparation of City ordinances and resolutions, research and drafting of legal opinions, preparation of contracts, bond issue representation, deed restriction enforcement, support for the dangerous buildings demolition project, prosecution of violators of City ordinances, and utility regulation. The central duties of the Property Casualty Fund sections include: claims resolution, personnel actions, and representing the City in tort, commercial, and employment litigation.

Department Short Term Goals

- Reorganization and restructure of the Department based on the EY Efficiency Study
- Defending the City in litigation regarding City programs
- Preparation of ordinances related to quality of life issues
- Implementation of legislative mandates affecting the City

Department Long Term Goals

- Implementation of AI assisted software to improve response time and strategic handling of workload
- Working with departments to implement better workflows and proactively identify legal issues
- Recruit and retain high quality professionals
- Improved communication with departments and stakeholders to preempt adverse outcomes

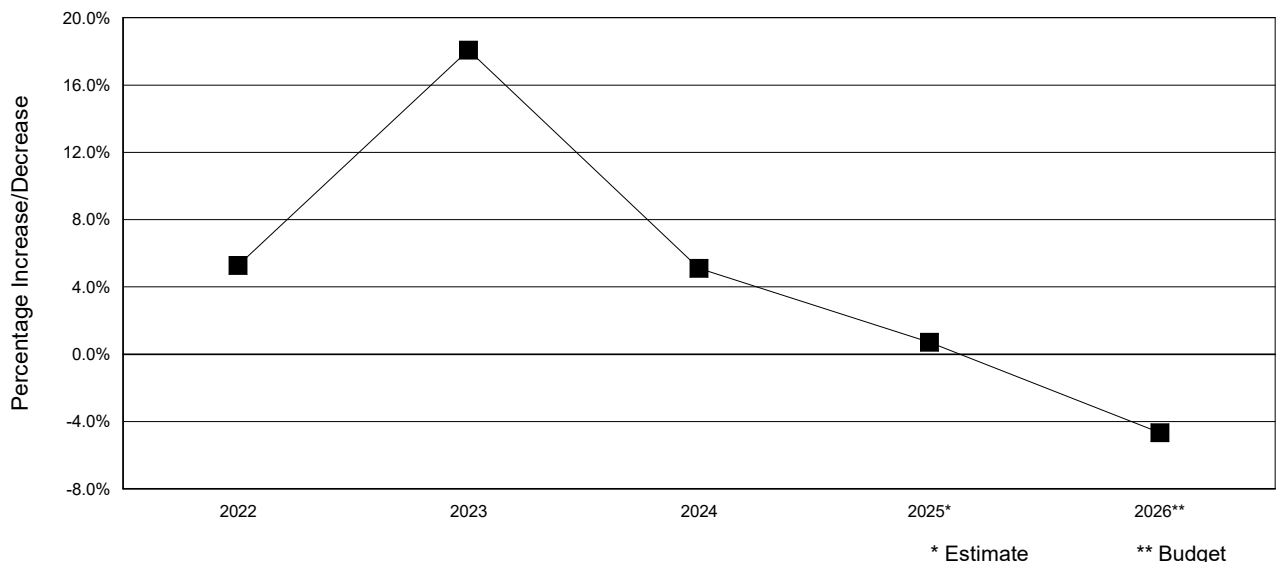
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : Legal
Fund No. /Bus. Area No. : 1000 / 9000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	16,247,329	17,265,345	17,265,345	15,949,071
	Supplies	131,778	143,325	143,325	116,560
	Other Services and Charges	2,646,936	1,772,286	1,772,286	2,220,934
	Equipment	17,765	0	0	0
	Total M & O Expenditures	<u>19,043,808</u>	<u>19,180,956</u>	<u>19,180,956</u>	<u>18,286,565</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>19,043,808</u>	<u>19,180,956</u>	<u>19,180,956</u>	<u>18,286,565</u>
Revenues		508,508	626,405	626,605	630,998
Staffing	Full-Time Equivalents - Civilian	97.5	96.3	96.3	86.8
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	97.5	96.3	96.3	86.8
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget includes a reduction of \$943,877 for department savings initiatives. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. 				

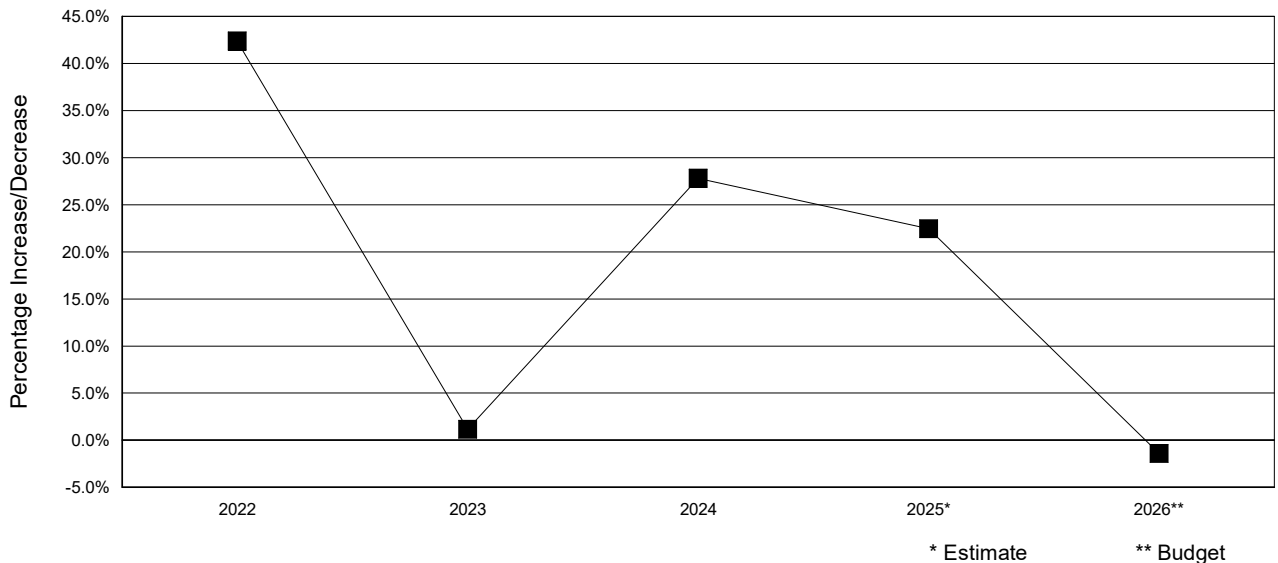
**General Fund
Legal
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Budget Summary					
Fund Name : Property and Casualty Fund					
Business Area : Legal					
Fund No. /Bus. Area No. : 1004 / 9000					
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	9,604,365	10,917,453	10,917,453	11,299,649
	Supplies	136,343	110,525	110,525	110,525
	Other Services and Charges	14,187,033	18,275,535	18,275,535	17,484,133
	Total M & O Expenditures	<u>23,927,741</u>	<u>29,303,513</u>	<u>29,303,513</u>	<u>28,894,307</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>23,927,741</u>	<u>29,303,513</u>	<u>29,303,513</u>	<u>28,894,307</u>
Revenues		23,927,741	29,303,513	29,303,513	28,894,307
Staffing	Full-Time Equivalents - Civilian	57.0	62.2	62.2	62.7
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	<u>57.0</u>	<u>62.2</u>	<u>62.2</u>	<u>62.7</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget for claims, settlements and judgments is approximately \$9.4 million, which represents 32% of the total budget. o The FY2026 Budget includes a reduction of \$1,273,864 for department savings initiatives. 				

**Property and Casualty Fund
Legal
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : Workers' Compensation Fund
Business Area : Legal
Fund No. /Bus. Area No. : 1011 / 9000

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	294,622	346,773	346,773	361,301
	Supplies	1,729	10,040	10,040	10,040
	Other Services and Charges	24,366	16,857	16,857	18,236
	Total M & O Expenditures	<u>320,717</u>	<u>373,670</u>	<u>373,670</u>	<u>389,577</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>320,717</u>	<u>373,670</u>	<u>373,670</u>	<u>389,577</u>

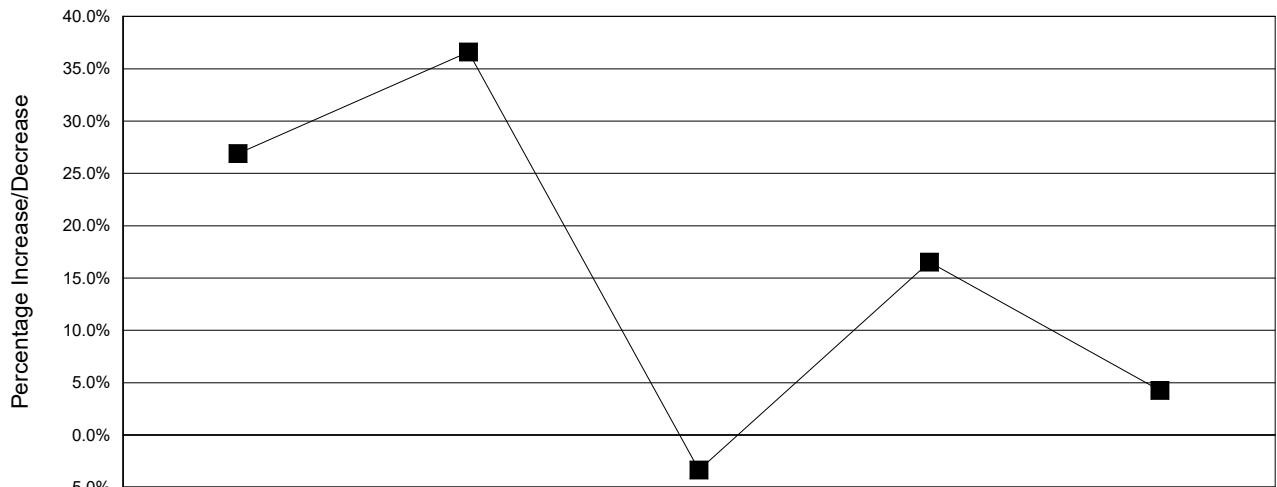
Revenues	0	0	0	0
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Staffing	Full-Time Equivalents - Civilian	2.0	2.0	2.0	2.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	2.0	2.0	2.0	2.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases.

**Workers' Compensation Fund
 Legal
 Year over Year Expenditure Change**



* Estimate

** Budget

FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Legal

Business Area No. : 9000

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	128	1,500	1,500	1,500
Direct Interfund Services	24,417,759	29,903,118	29,896,858	29,498,505
Miscellaneous/Other	18,362	25,300	31,760	25,300
Grand Total	<u>24,436,249</u>	<u>29,929,918</u>	<u>29,930,118</u>	<u>29,525,305</u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Legal

Bus. Area No : 9000

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	18	4,865	33	3,975	27	4,062
Claims & Subrogation	5,123	5,446	6,353	6,727	6,150	6,540
Contracts	0	2,079	0	2,464	0	2,175
General Counsel	0	2,564	0	2,586	0	2,558
General Litigation	6,971	6,966	8,318	8,318	8,481	8,481
Labor, Employment & Civil Service	5,267	5,270	6,629	6,629	6,515	6,515
Municipal Prosecution	0	3,922	0	4,212	0	4,188
Neighborhood Services	0	1,951	0	1,992	0	1,850
Office of the Inspector General (OIG)	685	1,904	648	1,971	400	1,619
Real Estate	385	2,307	385	2,410	385	2,015
Torts & Civil Rights	5,987	6,018	7,564	7,574	7,567	7,567
Total	24,436	43,292	29,930	48,858	29,525	47,570

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	11.8	0.0	11.0	0.0	7.0	0.0
Claims & Subrogation	12.6	0.0	12.4	0.0	13.0	0.0
Contracts	13.0	0.0	14.5	0.0	12.5	0.0
General Counsel	15.8	0.0	14.4	0.0	15.2	0.0
General Litigation	18.3	0.0	20.6	0.0	20.4	0.0
Labor, Employment & Civil Service	10.6	0.0	11.2	0.0	12.0	0.0
Municipal Prosecution	21.9	0.0	23.7	0.0	22.9	0.0
Neighborhood Services	14.4	0.0	11.1	0.0	11.0	0.0
Office of the Inspector General (OIG)	9.6	0.0	10.0	0.0	8.0	0.0
Real Estate	12.7	0.0	12.6	0.0	10.2	0.0
Torts & Civil Rights	15.8	0.0	19.0	0.0	19.3	0.0
Total:	156.5	0.0	160.5	0.0	151.5	0.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Administrative Services

Description:

Provides the administrative and IT support to the Legal department by opening case files, assigning subpoenas, supporting procurement actions, handling litigation support, and attending other IT and administrative matters.

Goal:

Facilitate efficient and seamless departmental operations within the given fiscal year.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	18	4,865	33	3,975	27	4,062

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	11.8	0.0	11.0	0.0	7.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of eDiscovery matters handled	117	125	66	65
Number of subpoenas assigned	259	175	171	170
Number of Torts and Civil Rights cases opened	245	200	256	250

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Claims & Subrogation

Description:

Handles liability tort claims, property and workers' compensation subrogation claims, workers' compensation litigation, and general affirmative collection claims (alarm fees, hazardous material discharge claims, and paving and special assessment claims)

Goal:

Expediently resolve pre-litigation claims against the City related to workers' compensation, personal injury, and property damage matters, while minimizing the City's financial exposure for those claims for which it is not legally responsible or liable. Seek reimbursement for damage to City property.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Property and Casualty Fund	5,123	5,125	6,353	6,353	6,150	6,150
Workers' Compensation Fund	0	321	0	374	0	390
Total	5,123	5,446	6,353	6,727	6,150	6,540

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Property and Casualty Fund	10.6	0.0	10.4	0.0	11.0	0.0
Workers' Compensation Fund	2.0	0.0	2.0	0.0	2.0	0.0
Total	12.6	0.0	12.4	0.0	13.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of liability claims processed	1,231	950	1,348	1,300
Number of liability claims with no payment	1,589	750	921	900
Percentage of liability claims with no litigation	89%	75%	85%	80%

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Contracts

Description:

Prepares, reviews, and negotiates City contracts. Provides legal opinions when requested related to contracting, procurement, and competitive bidding matters. Drafts and interprets commercial documents, ordinances, and policies and procedures related to procurement and contracting. Advises City departments on insurance requirements for contractors. Reviews federal and state grants and prepares subrecipient agreements. Advises City departments on procurement protests. Represents the City in a variety of matters involving enforcement of and compliance with local, state and federal laws. Provides specialized expertise in the following subject areas: risk analysis and risk mitigation, invoicing and other contractual disputes, water and wastewater, non-real estate aviation matters, information technology and copyright, health law, design and construction, and civic art and public events.

Goal:

Facilitate the City's goods and services contracting within the given fiscal year.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	2,079	0	2,464	0	2,175

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	13.0	0.0	14.5	0.0	12.5	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of contracts handled	983	1,100	1,115	1,100
Number of opinions issued	95	100	121	100
Number of ordinances prepared	151	200	166	200

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

General Counsel

Description:

Draft ordinances and opinions, advises City departments and elected officials on a wide variety of topics, including: elections, public information requests, the Texas open meetings act, ethics and conflicts of interest, redistricting, public finance, ad valorem taxation and utility regulation and franchising.

Goal:

Provide timely legal advice to further City departments' and elected officials' understanding of, and compliance with, local and statutory requirements and ethics standards.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	2,564	0	2,586	0	2,558

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	15.8	0.0	14.4	0.0	15.2	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Percent of legal reviews provided on the use of Council District Service Funds within 7 business days of receiving the request and all information and details necessary to evaluate the request	100%	95%	100%	95%
Percent of requests processed for public information (TPIA) in conformance with statutory deadlines	100%	95%	99.8%	95%
Percent of responses to requests for legal opinion on ethics or conflict of interest matters within 7 business days of receiving the request and all information and details necessary to opine on the request	100%	95%	100%	95%

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

General Litigation

Description:

Defends the City and its officers and employees in litigation involving claims against the City for breach of contract, copyright infringement, inverse condemnation, construction law, election contests, and miscellaneous other cases. This section is also responsible for initiating litigation to recover money owed to the City in actions involving breach of contract and damage to City property, and for acquiring property through eminent domain proceedings.

Goal:

File condemnation lawsuits, defend the City in lawsuits filed against us, prepare ordinances of public convenience and necessity, and file appellate briefs.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Property and Casualty Fund	6,971	6,966	8,318	8,318	8,481	8,481

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Property and Casualty Fund	18.3	0.0	20.6	0.0	20.4	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of appellate briefs prepared and filed	105	40	155	40
Number of condemnation lawsuits prepared and filed	18	15	13	15
Number of public convenience and necessity ordinances prepared	15	10	9	10

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Labor, Employment & Civil Service

Description:

Represents the City at Civil Service Commission hearings, pretermination proceedings and arbitrations, and works with all City departments on any issues related to discipline and employee related policies. Responds to Equal Employment Opportunity Commission (EEOC) matters, provides advice and prepares ordinances related to personnel matters, represents the City in litigation arising from federal and state employment related claims such as Chapter 143, Title VII, the American Disabilities Act and defense of Section 1983 claims. Reviews and/or recommends policies and procedures for implementing new employment related legislation.

Goal:

Successfully defend against all EEOC/TWC (Texas Workforce Commission) discrimination charges, EEOC/TWC lawsuits, Chapter 143 grievances and lawsuits, and negotiate a Meet & Confer Agreement for Houston Police and Fire Fighters.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Property and Casualty Fund	5,267	5,270	6,629	6,629	6,515	6,515

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Property and Casualty Fund	10.6	0.0	11.2	0.0	12.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of EEOC and TX Workforce Commission Civil Rights division matters	21	21	20	N/A
Number of indefinite suspension processing	98	110	125	N/A
Number of medical separation reviews	38	45	25	N/A
Response Time to Client Requests for Employment Law Advice	N/A	N/A	N/A	90%
Training on Employment & Labor Law Matters	N/A	N/A	N/A	min. rating of 3

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Municipal Prosecution

Description:

Represents the State and City in most cases filed in the Houston Municipal Courts including traffic, non-traffic, all ordinance violations, property disposition hearings, dangerous dog hearings and appeals, and scire facias matters. Appears in Justice or County Courts on behalf of the State of Texas and/or the City in Cruelly Treated Animal hearings, tow hearings and the appeals from those hearings. Conducts citizen intake regarding direct filing of non-traffic misdemeanors. Advises, assists, and educates police and City inspectors regarding statutory and code enforcement. Drafts search and arrest warrants. Works directly with the chief clerk and presiding judge to solve problems and establish policy for the Municipal Courts. Responds to questions and problems from citizens. Performs numerous special assignments including drafting appellate briefs, assisting with drafting and reviewing ordinances, complaint preparation, legislative analysis, bond forfeitures, and legal research.

Goal:

Achieve just outcomes for the overall betterment of the citizens of the City of Houston.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	3,922	0	4,212	0	4,188

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	21.9	0.0	23.7	0.0	22.9	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of adjudications facilitated for the various civil cases handled by City Prosecutors in Houston Municipal Courts and Harris County Courts	59	45	45	45
Number of discovery requests analyzed and reviewed related to Municipal prosecution cases pursuant to statutory requirements	3,881	3,000	3,000	3,000
Number of trainings provided pertaining to criminal law and enforcement in Municipal Courts to various City enforcement officials	11	6	6	6

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Neighborhood Services

Description:

Interfaces directly with neighborhood associations and citizens in order to prosecute nuisances and violations that negatively affect the preservation and protection of neighborhoods and the general quality of life in the community. Responsible for crime-based nuisance abatement, deed restriction enforcement, dangerous buildings abatement, T.A.B.C. (Texas Alcohol Beverage Commission) protests, and the title work to support these activities.

Goal:

Continue serving neighborhoods by maintaining or increasing the number of actions taken by NS (Neighborhood Services) in three main areas of services - deed restriction enforcement, dangerous building rulings, and nuisance lawsuits.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,951	0	1,992	0	1,850

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	14.4	0.0	11.1	0.0	11.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of dangerous building orders and emergency review approvals presented to the Building Standard Commission or Hearing official	387	400	400	400
Number of deed restrictions reviewed and enforced	494	550	550	550
Number of nuisance lawsuits handled	8	10	10	10

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Office of the Inspector General (OIG)

Description:

Executive Order 1-39 established OIG to investigate and provide legal advice in connection with allegations of employee and other misconduct, with special emphasis on violations of the law. Employee misconduct within the scope of the order is an act by a covered employee relating directly or indirectly to the employee's employment with the City, and violating a state or federal law, a City Ordinance, an Executive Order, an Administrative Procedure, or a Mayor's Policy. The Office of Policing Reform and Accountability is a branch of OIG which acts to execute the plans of the Independent Police Oversight Board in connection with complaints of misconduct against police officers.

Goal:

Investigate and provide legal advice to correct and deter wrongdoing, respond to allegations of misconduct, and provide legal support to the Independent Police Oversight Board.

Mayor's Priority: Public Safety

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,221	0	1,323	0	1,219
Property and Casualty Fund	685	683	648	648	400	400
Total	685	1,904	648	1,971	400	1,619

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	6.8	0.0	7.0	0.0	6.0	0.0
Property and Casualty Fund	2.8	0.0	3.0	0.0	2.0	0.0
Total	9.6	0.0	10.0	0.0	8.0	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of citizen initiated complaints received by the OPRA office	N/A	40	90	100
Number of confirmations for OIG cases received	461	400	400	400
Number of investigations of fraud, waste, discrimination and retaliation, and documentation	461	400	400	400
Number of Office of Police Reform and Accountability (OPRA) engagements in community outreach	50	N/A	N/A	N/A
Percent of citizens who feel safe in their neighborhood	N/A	75%	75%	75%

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Real Estate

Description:

Provides services related to land sales and acquisitions, leases, abandonments of City easements, encroachments, rights of entry, abstract/title research, easements and related matters; prepares grant and loan agreements for state and federal housing and community development programs and advises the Housing and Community Development Department on compliance with federal and state regulations related to the programs. Handles legal matters related to planning and development issues, including land development regulations, historic preservation, tax increment reinvestment zones created by the City, and economic development agreements negotiated by the City. Represents the City in a variety of matters involving enforcement of and compliance with local, state and federal environmental and airport laws.

Goal:

Facilitate the City's required real estate transactions within the given fiscal year.

Mayor's Priority: Quality of Life

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	385	2,307	385	2,410	385	2,015

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	12.7	0.0	12.6	0.0	10.2	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of agreements prepared that support Homeless and Single-Family Housing initiatives	145	92	92	92
Number of development-related easement dedications reviewed and approved	291	300	300	300
Number of real estate transactions facilitated	1,076	1,000	1,000	1,000

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Legal

Bus Area No. : 9000

Torts & Civil Rights

Description:

Defends the City and its employees on a wide variety of lawsuits, including claims brought pursuant to Chapter 101 of the Texas Civil Practices and Remedies Code and civil rights claims, including 42 U.S.C. Section 1983, that are filed in state and federal courts. Advises various City departments about legal issues.

Goal:

Balance financial risks and exposures to the City concerning lawsuits and settlements.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	105	134	208	220	219	219
Property and Casualty Fund	5,882	5,884	7,355	7,355	7,348	7,348
Total	5,987	6,018	7,563	7,575	7,567	7,567

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	1.1	0.0	2.0	0.0	2.0	0.0
Property and Casualty Fund	14.7	0.0	17.0	0.0	17.3	0.0
Total	15.8	0.0	19.0	0.0	19.3	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Conservative estimated revenue savings	N/A	N/A	N/A	\$1,500,000
Number of civil rights cases defended on behalf of the City of Houston	27	28	28	28
Number of dispositions by motion (granted, non-suit, & voluntary non-suit)	N/A	45	45	45
Number of settlements for torts and civil right cases on behalf of the City of Houston	71	60	60	60
Number of torts cases	188	390	390	390



OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

Office of Business Opportunity's vision is to eliminate systemic barriers to prosperity and economic opportunity in the Greater Houston region. The Office of Business Opportunity (OBO) is committed to cultivating an inclusive and competitive economic environment in the City of Houston by promoting the success of small businesses and developing Houston's workforce, with a special emphasis on historically underutilized businesses and disenfranchised individuals. The department creates a culture of efficiency, transparency, and cooperation amongst all stakeholders while executing its mission with an eye towards conscientious fair play. The ultimate goal of these efforts is to reduce internal and external barriers in contracting and access to other opportunities.

OBO strives to execute its mission by:

- Attracting an array of applicants for local and federal certification in various industries.
- Administering reputable Certification and Hire Houston First Programs while providing unparalleled service delivery.
- Ensuring that prime contractors consistently meet and exceed Minority, Women, Small, and Disadvantaged Business Enterprises (MWSDBE) goals on contracts as well as comply with other contractual regulatory requirements.
- Providing measurable and impactful small business development services and capacity building programs.
- Facilitating workforce development initiatives to address the needs of the unemployed and hard to employ individuals in Houston.

The primary services offered by OBO comprise of:

Administration Services

This program sets and implements the strategic direction, policy, and long-term goals of the department, manages all budget and personnel matters, analytics, Title VI compliance, and directly engages with the Administration, City Council, and the public in the execution of OBO's mission.

Certification and Designations Division

This program certifies businesses for participation on City and federally funded projects. Certification types include Minority, Women, Small Business Enterprises (MWSBE), Persons with Disabilities Business Enterprises (PDBE), Disadvantaged Business Enterprises (DBE), and Airport Concession Disadvantaged Business Enterprises (ACDBE), collectively, "certified firms." As a result of their certification, these businesses may be eligible to participate for MWSBE, DBE, or ACDBE goal credit on goal-oriented and regulated City contracts. Additionally, the Division facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas. The Division also designates businesses as a part of the Hire Houston First Program so that they may be eligible for a local preference in the awarding of City contracts.

Contract Compliance Division

This program enforces local, state, and federal labor standards and prompt payment requirements on contracts in addition to monitoring contracts with MWSBE and DBE goals to ensure compliance with the City's written Good Faith Efforts policy. It ensures maximum contractor compliance with governing requirements, resulting in their employees being paid properly and fulfillment of the committed percentages for engagement of certified small businesses on City contracts. Members of this team are present at pre-construction conferences and meetings for construction and goal-oriented contracts to explain the compliance guidelines to contractors and to answer compliance related questions. The team collaborates with City departments in the final evaluation of all City contracts.

Department Services Unit

OBO's Department Services Unit evaluates MWSDBE goal waivers, proposed contract MWSDBE goals, and pre-award MWSDBE Participation Plans. This Unit assists departments with setting contract-specific goals based on market availability of certified firms and divisible work on each project. The Department Services team also facilitates the Department Services Training Institute, which provides departments with information about common compliance issues and best practices. Along with OBO's Contract Compliance Division, the Unit provides periodic training to the contracting community. This team plays a major role in making the City's procurement process as competitive and diverse as possible.

External Affairs Division: OBO Solutions Center, Business and Workforce Development

This program:

- Raises awareness of OBO's services and City contracting opportunities through regular presentations to the public at targeted events, bimonthly newsletters, and weekly email notifications. This Division provides one-on-one business development assistance to certified firms. The OBO Solutions Center, with the assistance of community partners, provides free assistance including business development counseling, financial advice, legal counseling, business resource guides, and business training workshops to businesses in all stages of development that would like to obtain information on how to start, own, operate and/or grow their own businesses.
- Assists in the success of small businesses and entrepreneurs by providing impactful business development and capacity building programs, as well as business support services that include general business guidance and connections to business development organizations and community partner organizations.
- Administers OBO's workforce development initiative which includes coordinating resource fairs, connecting individuals to wrap-around services, and facilitating legal clinics. The initiative also includes the development of a workforce inclusion plan focused on augmenting the local workforce through targeted employment-ready training programs for underemployed and hard to employ individuals and connecting those individuals to tangible opportunities.

Title VI Compliance

OBO is responsible for overseeing citywide compliance with Title VI of the Civil Rights Act of 1964, ensuring that on a departmental level, there is equitable access to the City's programs, activities, and services so that every citizen has the greatest opportunity to achieve and obtain the foundations necessary for self-sufficiency and success. All City departments are responsible for ensuring that no person is subjected to discrimination, excluded from participation in or denied the benefits of its services on the basis of race, color, national origin, sex, age, creed, disability, or English language proficiency.

Department Short Term Goals

- Operationalize the results of the 2023 Disparity Study.
- Execute a comprehensive workforce development program geared toward assisting MWSDBE certified firms with hiring and upskilling needs.
- Enhance and expand existing capacity building initiatives to meet the identified needs of the business community.
- Develop additional strategic partnerships with local organizations to increase program visibility and patronage of our services by the business community.
- Decrease the certification application time frame by focusing on minimizing staff attrition.

- Continue existing efforts to reengineer the process, policies, and procedures for Contract Compliance monitoring to enhance operational efficiencies, and to ensure that expectations are clear for all stakeholders, with an eye towards quality and customer service.
- Leverage technology to create additional efficiencies.
- Conduct refresher trainings for City departments' staff and the community on program requirements.
- Explore new revenue sources, including whether fees should be charged to businesses for select OBO services.

Department Long Term Goals

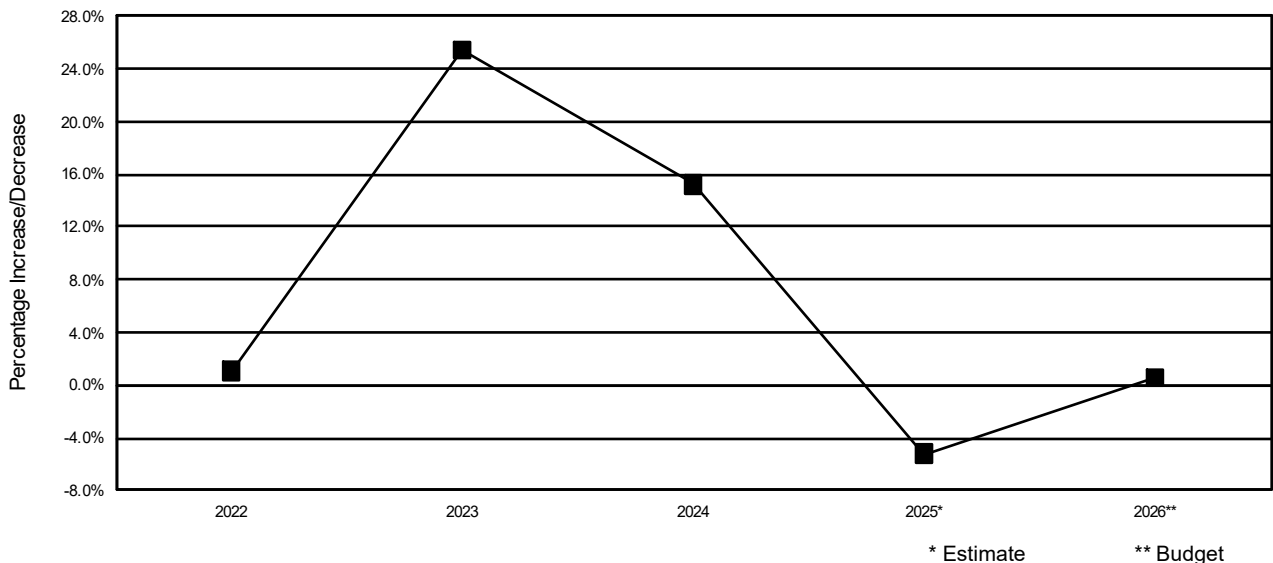
- Stay abreast of industry best practices to maximize the efficacy and impact of OBO's services and programs.
- Leverage technology options to create efficiencies via automation and build out of dynamic reporting capabilities, thereby improving work performance.
- Align staffing levels with volume of service demands.

FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name		General Fund			
Business Area		Office of Business Opportunity			
Fund No. /Bus. Area No. : 1000 / 5100		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	3,789,203	3,455,305	3,455,305	4,080,856
	Supplies	16,512	27,248	27,248	36,439
	Other Services and Charges	1,264,114	1,330,676	1,330,676	722,401
	Non-Capital Equipment	12,285	2,200	2,200	2,200
	Total M & O Expenditures	5,082,114	4,815,429	4,815,429	4,841,896
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	5,082,114	4,815,429	4,815,429	4,841,896
Revenues		1,082,550	1,063,878	1,113,039	1,322,144
Staffing	Full-Time Equivalents - Civilian	34.5	40.0	40.0	36.9
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	34.5	40.0	40.0	36.9
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget includes a reduction of \$345,356 for department savings initiatives. o The FY2026 Budget reflects elimination of Voluntary Municipal Employee Retirement Payout Option (VMERPO) accepted non-critical positions. 				

**General Fund
Office of Business Opportunity
Year over Year Expenditure Change**

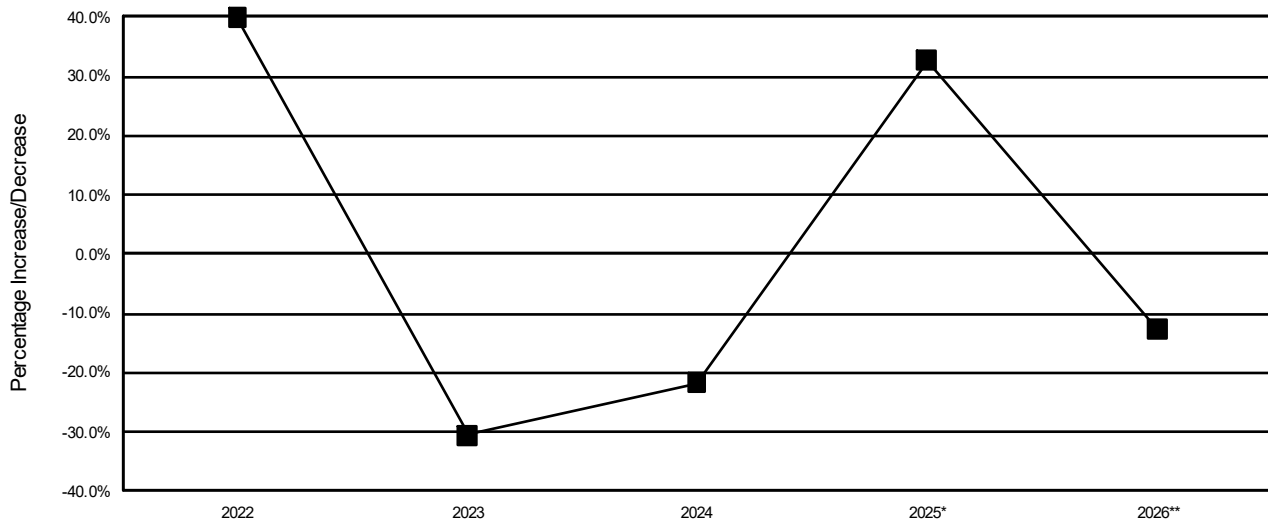


FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name		Contractor Responsibility Fund			
Business Area		Office of Business Opportunity			
Fund No. /Bus. Area No. :		2424 / 5100			
		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	158,153	171,342	171,342	189,822
	Supplies	0	500	500	500
	Other Services and Charges	252,616	273,684	273,684	119,256
	Total M & O Expenditures	410,769	445,526	445,526	309,578
	Debt Service & Other Uses	400,000	630,000	630,000	630,000
	Total Expenditure	810,769	1,075,526	1,075,526	939,578
Revenues		1,433,022	1,246,475	1,272,475	1,321,195
Staffing	Full-Time Equivalents - Civilian	1.9	2.0	2.0	2.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	1.9	2.0	2.0	2.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2026 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. o The FY2026 Budget includes funding to maintain an electronic management system to effectively track all Pay or Play (POP) activities. o The FY2026 Budget continues to support the Contractor Responsibility Fund initiatives such as the Client Access Program and the Crisis Call Diversion Program. 				

**Contractor Responsibility Fund
Office of Business Opportunity
Year over Year Expenditure Change**



* Estimate

** Budget

FISCAL YEAR 2026 BUDGET

Business Area Revenues Summary

Business Area : Office of Business Opportunity

Business Area No. : 5100

Category	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Charges for Services	87	311	365	0
Direct Interfund Services	991,800	1,043,567	1,062,674	1,247,144
Interest	64,164	39,000	65,000	65,000
Miscellaneous/Other	1,459,521	1,227,475	1,257,475	1,331,195
Grand Total	<u><u>2,515,572</u></u>	<u><u>2,310,353</u></u>	<u><u>2,385,514</u></u>	<u><u>2,643,339</u></u>

FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: Office of Business Opportunity

Bus. Area No : 5100

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administration Services	0	2,124	0	2,067	0	1,426
Business Support and Development	0	524	0	416	0	376
Certification and Designations	0	1,001	0	1,046	0	1,359
Contract Compliance	2,416	1,340	2,279	1,332	2,518	1,668
Department Services	99	213	106	183	125	229
Workforce Development	0	131	0	104	0	94
Debt Service and Interfund Transfers	0	560	0	744	0	631
Total	2,515	5,893	2,385	5,892	2,643	5,783

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administration Services	6.0	0.0	9.0	0.0	5.5	0.0
Business Support and Development	4.7	0.0	4.9	0.0	3.4	0.0
Certification and Designations	10.5	0.0	12.1	0.0	13.1	0.0
Contract Compliance	12.0	0.0	12.8	0.0	13.9	0.0
Department Services	2.0	0.0	2.0	0.0	2.2	0.0
Workforce Development	1.2	0.0	1.2	0.0	0.8	0.0
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	36.4	0.0	42.0	0.0	38.9	0.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Administration Services

Description:

This program sets and implements the strategic direction, policy, and long-term goals of the department, manages all budget and personnel matters, analytics, and Title VI compliance, and directly engages with the Mayoral Administration, City Council, and the general public in the execution of OBO's mission.

Goal:

Ensure OBO services are delivered efficiently, effectively, and in the most cost effective manner, resulting in impactful services to Houston's historically underutilized businesses and disenfranchised individuals.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
General Fund	0	2,124	0	2,067	0	1,426

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	6.0	0.0	9.0	0.0	5.5	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
MWSBE contract participation - Goods	N/A	N/A	N/A	15%
MWSBE contract participation - goods and services	11%	11%	11%	N/A
MWSBE contract participation - professional services	24%	24%	24%	26%
MWSBE Other Services	N/A	N/A	N/A	19%
MWSDBE contract participation - construction	34%	34%	34%	34%
Percentage of citywide compliance with Title VI requirements	100%	100%	100%	100%
Expenditures Adopted Budget vs Actual Utilization	90%	98%	88%	98%
Revenues Adopted Budget vs Actual Utilization	131%	100%	103%	100%

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Business Support and Development

Description:

The OBO Solutions Center serves as an information clearinghouse for Houstonians wishing to start, operate, or grow a business, regardless of certification.

Goal:

Ensure the success of small businesses and aspiring entrepreneurs by providing impactful business support services that include general business guidance and connection to business development resources, and community partners.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
General Fund	0	524	0	416	0	376

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	4.7	0.0	4.9	0.0	3.4	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Conduct a Customer Satisfaction Survey for the cohort-based business development and capacity building programs. The goal is to have 100% satisfaction.	N/A	100%	100%	100%
Number of small businesses and aspiring entrepreneurs assisted by the OBO Solutions Center	3,075	3,000	2,200	2,500

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Certification and Designations

Description:

- Measure the total number of firms that apply for the City's designation for participation in the City's Hire Houston First local preference program.
- Measure number of new applicant firms approved as MWSBE/DBE/ACDBE firms to be added to the COH's certified directory increasing a robust pipeline of small businesses.
- Measure the number of MWSBE/DBE/ACDBE certification updates processed for continued participation in the certification program ensuring the preservation of a pipeline of small businesses.

Goal:

- Increase participation in the Hire Houston First Program to support the inclusion of local businesses in City procurement.
- Increase the number of certified firms in the MWSBE/DBE/ACDBE programs to provide goods and services to the City of Houston and support development of the small business pipeline.
- Maintain eligible and compliant MWSBE/DBE/ACDBE firms through renewal review processing for continued listing in the certification directory that support meaningful participation towards established contract goals.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
General Fund	0	1,001	0	1,046	0	1,359

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	10.5	0.0	12.1	0.0	13.1	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of firms approved in the Hire Houston First designations Program	N/A	N/A	N/A	300
Number of firms participating in the Hire Houston First designations Program	486	300	300	N/A
Number of new certified firms	N/A	N/A	N/A	1,000
Number of days to process certification for MWSDBE	149	120	120	N/A
Number of firms renewed	N/A	N/A	N/A	1,400

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Contract Compliance

Description:

This program monitors and audits Prime contractor performance relating to Labor Standards and MWSDBE compliance.

Goal:

Reduce 'unsatisfactory' ratings for Labor Standard compliance for construction contracts. Increase 'satisfactory' or 'outstanding' ratings for MWSDBE compliance.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
Contractor Responsibility Fund	1,433	251	1,272	331	1,321	309
General Fund	983	1,089	1,007	1,001	1,197	1,359
Total	2,416	1,340	2,279	1,332	2,518	1,668

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Contractor Responsibility Fund	1.9	0.0	2.0	0.0	2.0	0.0
General Fund	10.1	0.0	10.8	0.0	11.9	0.0
Total	12.0	0.0	12.8	0.0	13.9	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Percentage of closed construction contracts meeting Labor Standards requirements	40%	100%	100%	75%
Percentage of closed construction contracts meeting or exceeding the awarded contract goal and/or providing the requisite "Good Faith Efforts"	85%	100%	85%	85%
Percentage of new and existing contracts in which vendors choose the "PLAY" option to provide health benefits to employees in a manner that satisfies the City's requirements for the PAY or PLAY Program	77%	100%	100%	80%

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Department Services

Description:

This program facilitates compliance with the MWSDBE program by City departments and the contracting community in the award of MWSDBE goal-oriented contracts by offering training, guidance, and technical assistance to city department procurement teams and prime contractors

Goal:

Ensure meaningful participation by MWSDBEs in City contracting by decreasing the number of requests for OBO's review of Pre-Bid Good Faith Effort and Pre-Award Good Faith Effort requests from prime contractors that will result in reduced participation goals.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
General Fund	99	213	106	183	125	229

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	2.0	0.0	2.0	0.0	2.2	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of Pre-Bid Good Faith Effort and Pre-Award Good Faith Effort reviews	65	45	45	N/A
Reduction in the number of rejected participation plans submitted by the departments due to department and/or prime contractor error	N/A	N/A	N/A	45

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Workforce Development

Description:

OBO's Workforce Development Initiatives are held bi-annually to support employment efforts by Prime Contractors and Certified Firms.

Goal:

Provide opportunities for employment and direct connections to resources in the community for chronically unemployed and hard to employ individuals in the Houston Area.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
General Fund	0	131	0	104	0	94

Staffing:

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	1.2	0.0	1.2	0.0	0.8	0.0

Performance Measure:

Performance	FY2024 Actual	FY2025 Target	FY2025 Estimate	FY2026 Target
Number of attendees at the workforce development events	608	1,000	1,000	1,000
Percentage of attendees receiving job offers and supportive services at workforce development events	N/A	N/A	N/A	30%
Percentage of attendees receiving supportive services at workforce development events	N/A	20%	20%	N/A

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : Office of Business Opportunity

Bus Area No. 5100

Debt Service and Interfund Transfers

Description:

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

Goal:

Effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exp	Revs	Exps	Revs	Exps
Contractor Responsibility Fund	0	560	0	744	0	631



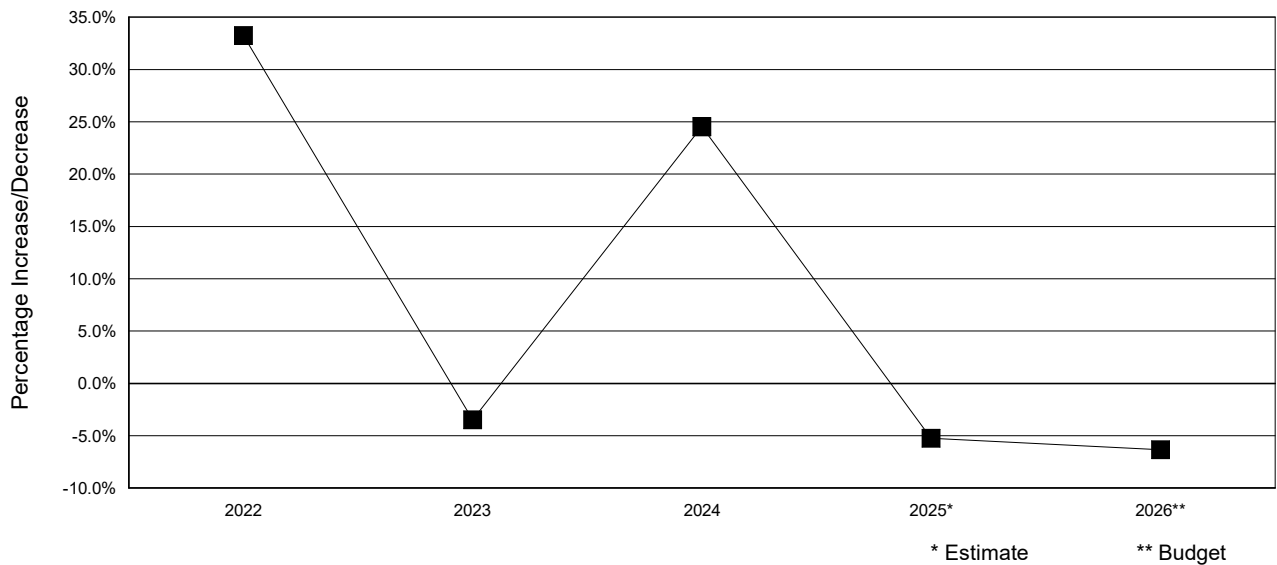
FISCAL YEAR 2026 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : General Government
Fund No. /Bus. Area No. : 1000 / 9900

		FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Expenditures	Personnel Services	11,860,765	13,867,202	13,867,202	14,507,062
	Other Services and Charges	134,980,498	140,969,167	140,969,167	123,136,889
	Total M & O Expenditures	146,841,263	154,836,369	154,836,369	137,643,951
	Debt Service & Other Uses	146,635,959	123,263,293	123,263,293	122,844,923
	Total Expenditure	293,477,222	278,099,662	278,099,662	260,488,874
Revenues		228,967,435	77,700,382	134,981,848	72,216,880
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<p>The FY2026 Budget includes:</p> <ul style="list-style-type: none"> o Limited Purpose Annexation Sales Tax payments of \$84.5 million. o Transfer of \$50.1 million to the Maintenance Renewal and Replacement Special Revenue Fund (Fund 2105). o \$32.1 million for 380 payments (\$12 million Bayou Greenways 2020). o Transfer of \$33.9 million to the Houston Forensic Science Local Government Corporation (LGC). o Lease payments of \$6.8 million for 611 Walker. o \$8.5 million for energy contingency (\$2 million fuel, \$6.5 million electricity). 				

**General Fund
General Government
Year over Year Expenditure Change**



FISCAL YEAR 2026 BUDGET

Business Area Program Summary

Business Area: General Government

Bus. Area No : 9900

Budget By Program (\$ in thousands):

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Administrative Services	228,967	131,980	134,982	137,456	72,217	120,124
Outside Consulting Professional Services	0	3,000	0	3,513	0	3,013
Post-Employment Benefits	0	11,861	0	13,867	0	14,507
Debt Service and Interfund Transfers	0	146,636	0	123,263	0	122,845
Total	228,967	293,477	134,982	278,099	72,217	260,489

FTEs by Program:

Program	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Administrative Services	0.0	0.0	0.0	0.0	0.0	0.0
Outside Consulting Professional Services	0.0	0.0	0.0	0.0	0.0	0.0
Post-Employment Benefits	0.0	0.0	0.0	0.0	0.0	0.0
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	0.0	0.0	0.0	0.0	0.0	0.0

FISCAL YEAR 2026 BUDGET

Business Area Program Detail

Business Area : General Government

Bus Area No. : 9900

Debt Service and Interfund Transfers

Description:

Budget allocations included in this section reflect debt service payments and/or interfund transfers. Includes transfers for the MRR Fund, Chapter 380 Agreements, Houston Forensic Science Local Government Corporation, and Houston Recovery Center.

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2024 Actual		FY2025 Estimate		FY2026 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	146,636	0	123,263	0	122,845

FISCAL YEAR 2026 BUDGET

Fund Summary

Fund Name : HAS-Revenue Fund
Business Area : Houston Airport System
Fund No./Bus. Area No. : 8001 / 2800

	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Beginning Fund Balance	0	0	0
Current Revenues	704,658,546	704,658,546	738,703,286
Total Available Resources	704,658,546	704,658,546	738,703,286
Maintenance and Operations	388,847,255	388,847,255	476,979,443
Debt Services	147,012,124	147,012,124	184,771,142
Renewal / Replacement Cap. Exps.	35,000,000	35,000,000	15,000,000
System Improvements	133,519,710	133,519,710	61,643,748
Other Interest	279,457	279,457	308,953
Total Expenditures	704,658,546	704,658,546	738,703,286
Planned Ending Fund Balance	0	0	0
Total Budget	704,658,546	704,658,546	738,703,286

FISCAL YEAR 2026 BUDGET

Fund Summary

Fund Name : DDSRF - Metro ET AL
Business Area : Houston Public Works
Fund No./Bus. Area No. : 2312 / 2000

	<u>FY2025</u> <u>Current Budget</u>	<u>FY2025</u> <u>Estimate</u>	<u>FY2026</u> <u>Budget</u>
Beginning Fund Balance	4,534,308	4,534,308	3,395,307
Current Revenues	98,404,331	120,772,482	160,363,091
Total Available Resources	<u>102,938,639</u>	<u>125,306,790</u>	163,758,398
Maintenance and Operations	121,911,483	121,911,483	133,029,159
Operating Transfers	0	0	27,263,091
Total Expenditures	<u>121,911,483</u>	<u>121,911,483</u>	160,292,250
Planned Ending Fund Balance	<u>(18,972,844)</u>	<u>3,395,307</u>	3,466,148
Total Budget	<u><u>102,938,639</u></u>	<u><u>125,306,790</u></u>	<u>163,758,398</u>
 <u>Fund Balance Distribution</u>			
Non-Spendable	0	0	0
Restricted	0	3,395,307	3,466,148
Committed	0	0	0
Assigned	0	0	0
Unassigned	(18,972,844)	0	0

The above summarizes the FY2025 Budget, the FY2025 Estimate and the FY2026 Budget for the Dedicated Drainage and Street Renewal Fund-Metro Et Al. Also included are the beginning and ending fund balances, total revenues and total expenditures.

This fund is to administer the Build Houston Forward initiative in accordance with City of Houston Charter Article IX, Section 22, and Ordinance 2010-879 to enhance quality of life by minimizing flooding and improving mobility, street and bridge infrastructure, public safety, and economic vitality. Dedicated Drainage and Street Renewal Fund-Metro Et Al was established in FY2020 (Ordinance 2020-0284) to receive certain revenues from third-party contracts earmarked and dedicated to drainage or streets, including but not limited to, the Metropolitan Transit Authority of Harris County, Texas ("Metro") under its General Mobility Program, and establishes the sources and uses of the funds therein for drainage or streets, beginning with FY2021.

Short Term Goals

- Continue to expand Pavement Management Information System.
- Continue to implement an advanced intelligent transportation system that enables the Transportation and Drainage Operations Service Line to provide real-time traveler information, optimize traffic signal operations, and place in action effective traffic system responses to mitigate congestion.
- Begin analysis of worst corridors in the High Injury Network to identify and implement safety enhancements.
- Apply for Highway Safety Improvement Program grant from FHwa Highway Safety Programs.
- Continue to increase Community/Stakeholder involvement through Adopt-a-ROW (Right of way) and Input on Street and Drainage projects.

Long Term Goals

- Implement pavement treatment to mitigate urban heat island effect in historically underserved communities
- Foster opportunities to improve infrastructure by means of prioritization, standards and intergovernmental relationships.
- Advance traffic maintenance operations by closely coordinating emerging traffic control solutions including automatic vehicle counting, increasing the existing bluetooth enabled traffic flow monitoring, and installing video cameras and digital signage.
- Implement an advanced intelligent transportation system that provides real-time traveler information, optimizes traffic signal operations, and place in action effective traffic system responses to mitigate congestion.

FISCAL YEAR 2026 BUDGET

Fund Summary

Fund Name : Auto Dealers Special Revenue Fund
Business Area : Police Department
Fund No./Bus. Area No. : 2200 / 1000

	<u>FY2025</u> <u>Current Budget</u>	<u>FY2025</u> <u>Estimate</u>	<u>FY2026</u> <u>Budget</u>
Beginning Fund Balance	14,244,382	14,244,382	14,381,128
Current Revenues	14,226,300	13,049,100	12,591,300
Total Available Resources	<u>28,470,682</u>	<u>27,293,482</u>	<u>26,972,428</u>
Maintenance and Operations	10,529,457	10,112,354	10,610,641
Debt Services	2,950,000	2,800,000	2,750,000
Total Expenditures	<u>13,479,457</u>	<u>12,912,354</u>	<u>13,360,641</u>
Planned Ending Fund Balance	<u>14,991,225</u>	<u>14,381,128</u>	<u>13,611,787</u>
Total Budget	<u><u>28,470,682</u></u>	<u><u>27,293,482</u></u>	<u><u>26,972,428</u></u>
 <u>Fund Balance Distribution</u>			
Non-Spendable	0	0	0
Restricted	14,991,225	14,381,128	13,611,787
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2025 Budget, the FY2025 Estimate and the FY2026 Budget for the Auto Dealers Special Revenue Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Auto Dealers Fund was established to account for the funds that the Houston Police Department (HPD) receives during its enforcement of Chapter 8 of the City's Code of Ordinances. This ordinance was passed in compliance with Texas Senate Bill 226 of the 45th Regular Session. This bill gives cities the right to enact laws regulating automotive dealers and to fix penalties for the violation of these laws. The Auto Dealers' Division is also responsible for coordinating the licensing of tow truck drivers and regulating storage lots.

Senate Bill 226 also requires that "all sums collected from such dealers shall be used by the City for the enforcement, hereof, and for the enforcement of all provisions of the law regulating the sale, theft, or exchange of motor vehicles or parts, or accessories thereto and for no other purpose."

FISCAL YEAR 2026 BUDGET

Fund Summary

Fund Name : Forensic Transition Special Fund
Business Area : Police Department
Fund No./Bus. Area No. : 2213 / 1000

	<u>FY2025</u> <u>Current Budget</u>	<u>FY2025</u> <u>Estimate</u>	<u>FY2026</u> <u>Budget</u>
Beginning Fund Balance	44,280	44,280	44,280
Current Revenues	369,174	369,174	300,344
Total Available Resources	<u>413,454</u>	<u>413,454</u>	<u>344,624</u>
Maintenance and Operations	369,174	369,174	300,344
Total Expenditures	<u>369,174</u>	<u>369,174</u>	<u>300,344</u>
Planned Ending Fund Balance	<u>44,280</u>	<u>44,280</u>	<u>44,280</u>
Total Budget	<u><u>413,454</u></u>	<u><u>413,454</u></u>	<u><u>344,624</u></u>

Fund Balance Distribution

Non-Spendable	0	0	0
Restricted	0	0	0
Committed	44,280	44,280	44,280
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2025 Budget, the FY2025 Estimate and the FY2026 Budget for the Forensic Transition Special Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Forensic Transition Special Fund was created in FY2014 for the transition of forensic operations from the Houston Police Department to the independent Houston Forensics Science Local Government Corporation. The fund's budget covers City of Houston employees that provide services to the corporation. The corporation reimburses the City for services provided. The goal of this fund is to transition to zero full-time employees.

The Forensic Transition Special Fund resources will be used to receive, analyze, and preserve physical evidence while adhering to the highest standards of quality, objectivity, and ethics. Expert testimony that is impartial and scientifically reliable will be provided. The Forensic Transition Special Fund consists of the Crime Laboratory and Identification Divisions. Forensic examination covers multiple scientific disciplines, including Biology/Serology, Controlled Substances, Firearms, Toxicology, Computer Forensics, Crime Scene Unit, Audio-Video, and Latent Prints.

FISCAL YEAR 2026 BUDGET

Fund Summary

Fund Name : Central Service Revolving Fund
Fund No./Bus. Area No. : 1002 / 2500 / 6400 / 6500 / 6800 / 7000 / 8000

	<u>FY2025</u> <u>Current Budget</u>	<u>FY2025</u> <u>Estimate</u>	<u>FY2026</u> <u>Budget</u>
Beginning Fund Balance	0	0	0
Current Revenues	284,380,154	268,964,668	386,380,118
Total Available Resources	<u>284,380,154</u>	<u>268,964,668</u>	<u>386,380,118</u>
Maintenance and Operations	284,380,154	268,964,668	386,380,118
Operating Transfers	0	0	0
Total Expenditures	<u>284,380,154</u>	<u>268,964,668</u>	<u>386,380,118</u>
Planned Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget	<u><u>284,380,154</u></u>	<u><u>268,964,668</u></u>	<u><u>386,380,118</u></u>
 <u>Fund Balance Distribution</u>			
Non-Spendable	0	0	0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2025 Budget, the FY2025 Estimate and the FY2026 Budget for the Central Service Revolving Fund. Also included are the beginning and ending fund balances, total revenues, and total expenditures.

The Central Service Revolving Fund provides budgetary accounts for a centralized service function that provides for the purchase of goods and/or services for citywide operating departments. This method allows for the purchase of large quantities of goods and services for many departments in a planned and well-managed manner. In addition, it provides for the efficient and effective audit of billings for such purchases.

Appropriations for these accounts are made from the respective operating departmental budgets as a part of the general appropriations ordinance. Sufficient appropriations are authorized from each department to allow for minimal encumbrance balances in each supply and service account in the Central Service Revolving Fund. After the delivery of goods and services, the actual cost is billed to the operating departments. At the end of each fiscal year, the fund is treated as a sub-fund of the General Fund and is not shown as a separate entity in the Annual Comprehensive Financial Report.

The Finance Department is responsible for administering the electricity and natural gas accounts for the City. They are also responsible for providing funding for financial, procurement, and accounts payable and receivable support to client departments within the City. The role of Energy Management is the responsibility of the General Services Department. The Administration and Regulatory Affairs Department manages the reprographics and office services accounts. The communications and data services fees and city-wide copier services are administered by the Houston Information Technology Services Department. The Planning and Development Department provides a centralized service for geographic information system purchases. The Human Resources Department administers the accounts for Contingent Workforce Services (formerly known as Temporary Personnel Services), Human Resources Client Relations Division, and Learning and Development Center. The revenue and expenditure summaries include: General Services, Administration and Regulatory Affairs, Houston Information Technology Services, Planning and Development, Human Resources, and Finance.

FISCAL YEAR 2026 BUDGET

General Fund Revenues by Category

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Taxes					
General Property Taxes					
411020	Current Property Tax	1,285,282,554	1,346,892,258	1,301,875,067	1,418,319,515
411030	Current Year Delinquent Property Tax	83,168,355	81,133,066	78,279,926	84,966,163
411040	Delinquent Property Tax - Prior Years	405,820	6,396	(388,174)	(388,174)
411041	Prior Year Delinquent Property Tax-2014	70,524	1,205	(73,134)	0
411042	Prior Year Delinquent Property Tax-2015	82,158	2,186	(132,661)	(73,134)
411043	Prior Year Delinquent Property Tax-2016	183,306	2,740	(166,262)	(132,661)
411044	Prior Year Delinquent Property Tax-2017	146,583	3,273	(198,627)	(166,262)
411045	Prior Year Delinquent Property Tax-2018	120,731	3,976	(241,297)	(198,627)
411046	Prior Year Delinquent Property Tax-2019	344,832	5,102	(309,621)	(241,297)
411047	Prior Year Delinquent Property Tax-2020	(842,374)	8,889	(539,460)	(309,621)
411048	Prior Year Delinquent Property Tax-2021	(2,174,544)	6,227	(377,898)	(539,460)
411049	Prior Year Delinquent Property Tax-2022	(14,941,621)	4,074	(247,225)	(377,898)
411050	Prior Year Delinquent Property Tax-2023	0	(12,212)	741,153	(247,225)
411051	Delinq Prop Tax-2024	0	0	0	741,152
411178	Prior Year Delinquent Property Tax-2012	(9,928)	0	0	0
411179	Prior Year Delinquent Property Tax-2013	63,387	0	0	0
411180	Penalty & Interest - Current Delinquent	6,548,992	68,017	1,389,842	1,389,842
411190	Penalty&Interest-Delinq. Property Tax	7,462,316	116,796	2,386,596	2,386,596
411210	Property Tax Rebates	(304,269)	(767,000)	(767,000)	(767,000)
	Subtotal General Property Taxes	1,365,606,822	1,427,474,993	1,381,231,225	1,504,361,909
412010	Sales Tax	883,132,217	893,382,118	893,382,118	902,315,939
Other Tax					
413010	Mixed Beverage Tax	23,802,437	24,895,585	23,955,000	23,955,000
	Subtotal Other Tax	23,802,437	24,895,585	23,955,000	23,955,000
	Total Taxes	2,272,541,476	2,345,752,696	2,298,568,343	2,430,632,848
Industrial District Assessment					
415010	Industrial District Assessment	27,884,637	27,277,052	27,650,972	27,685,183
	Total Industrial District Assessment	27,884,637	27,277,052	27,650,972	27,685,183
Franchise Fees					
Electric Franchise					
416010	Electricity Franchise Tax	97,488,155	98,962,208	98,998,339	97,481,521
416020	Miscellaneous Franchise Fee	1,137,193	1,482,861	1,182,861	1,138,710
	Subtotal Electric Franchise	98,625,348	100,445,069	100,181,200	98,620,231
Telephone Franchise					
417010	Telephone Franchise Tax	15,936,401	14,859,522	14,859,522	12,264,020
419090	Telecomm Franchise Fees - Prior Year	52,114	0	69,820	0
	Subtotal Telephone Franchise	15,988,515	14,859,522	14,929,342	12,264,020
Gas Franchise					
418010	Natural Gas Franchise Tax	14,597,809	16,210,318	16,210,318	16,777,389
Other Franchise					
419010	Cable TV Franchise Tax	10,214,078	9,180,553	9,050,553	8,159,676
419040	Solid Waste Hauler Franchise Fee	9,442,276	9,806,079	10,000,000	10,280,398
419050	Spur Track Franchise Fee	0	20,426	20,426	20,426
419070	Fiber Optics Franchise Fee	18,815	23,400	23,142	23,518
419110	Cable TV Franchise Fees-Prior Year	66,311	0	0	0
419120	Solid Waste Franchise Fees-Prior Year	199,011	0	614,293	0
	Subtotal Other Franchise	19,940,491	19,030,458	19,708,414	18,484,018
	Total Franchise Fees	149,152,163	150,545,367	151,029,274	146,145,658
Licenses and Permits					
421010	Special Food Permits	2,118,276	2,093,300	2,113,300	2,543,200
421020	Food Dealers Permits	4,892,953	5,190,100	5,190,100	5,379,700
421030	Food Managers Permits	346,301	241,900	304,900	406,000
421040	Mobile Food Vendor Licenses	834,744	839,000	869,000	934,500

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General Fund Revenues by Category

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
421100	Occupation Licenses	111,733	122,481	119,454	118,974
421110	Sexually Oriented Business Permits	33,539	19,738	22,515	21,884
421130	Decals for Coin-Ope.Amusement Machines	159,128	157,943	165,585	165,248
421140	Dance Licenses	23,129	23,843	24,478	24,832
421150	Liquor Licenses	1,818,968	1,440,857	1,801,398	1,653,258
421170	Burglar Alarm Permits	8,652,646	8,728,952	8,511,640	8,444,895
421180	Special Fire Permits	8,460,595	7,500,000	8,200,000	7,600,000
421200	Other Building & Construction Permits	489	217	217	0
421210	Fire Alarm Permits	503,292	485,000	500,000	518,661
421220	School Bus Licenses & Permits	30,872	27,314	29,032	30,170
421225	Wheelchair Accessible Svc Pvr	13	0	26	0
421230	Taxicab Licenses & Permits	275,097	275,563	275,563	275,837
421270	City Election Fees	62,250	0	0	0
421280	Other Licenses & Permits	186,388	154,641	189,186	186,040
421320	Dumpster Permits	1,837,791	2,209,000	2,070,000	2,330,000
421570	Limousine Permits	1,292,622	933,790	1,522,458	1,273,122
421580	Charter Bus Permits	157,841	147,850	200,000	148,338
421590	Right-of-way Fee - Permit Ordinances	322,684	280,000	280,000	283,000
421600	Jitney Permit & Inspection Fees	0	0	13	0
421610	Low Speed Shuttle Permit/Inspection Fees	15,386	5,223	12,584	6,291
421620	Pedicab Permits & Inspection Fees	57,239	30,903	90,000	43,147
421630	Administrative Fee - Licenses & Permits	2,952,327	2,828,592	3,042,577	3,009,689
Total Licenses and Permits		35,146,303	33,736,207	35,534,026	35,396,786
Intergovernmental					
422010	Medicaid Title XIX	55,660	50,000	75,000	70,000
422080	US HHS Grants	(440)	0	0	0
422122	Municipal Service Fees - TIRZ	12,827,407	23,518,487	15,098,336	15,598,336
422141	Intergovernmental Revenue - TIRZ	10,846,553	12,279,287	11,551,508	12,443,609
422150	Intergovernmental Revenue - Metro	25,436,236	0	25,670,943	0
422230	Ambulance Services Supplemental Reimburs	9,944,573	4,000,000	3,477,242	3,400,000
422231	Intergov Rev - ARPA	160,000,000	10,400,000	15,105,665	0
423010	Other Grant Awards	2,325	0	0	0
Total Intergovernmental		219,112,314	50,247,774	70,978,694	31,511,945
Charges for Services					
Direct Interfund Services					
424040	Interfund 311	373,134	373,376	186,166	0
424050	Interfund Fire Protection Services	23,044,962	25,456,334	25,456,334	27,399,241
424060	Interfund Airport Police Services	37,969,703	41,590,514	42,440,054	43,794,759
424070	Interfund Legal Services	490,018	599,605	593,345	604,198
424080	Interfund Payroll Services	812,644	845,968	845,968	892,219
424110	Other Interfund Services	2,256,313	1,229,360	1,369,133	1,975,354
424111	Interfund Building Maintenance	3,115,176	3,590,792	3,590,792	3,870,868
424140	Interfund Inventory	5,811	0	0	0
424160	Interfund Office of Business Opportunity	991,800	1,043,567	1,062,674	1,247,144
457010	Interfund Land Disposition	322,900	331,700	331,700	431,200
Subtotal Direct Interfund Services		69,382,461	75,061,216	75,876,166	80,214,983
Indirect Interfund Services					
425010	Indirect Cost Recovery - Aviation	3,049,731	3,456,729	3,456,729	5,888,458
425030	Indirect Cost Recovery - Combined Utility	8,418,837	9,219,958	9,219,958	11,414,317
425050	Indirect Cost Recovery - Auto Dealers	1,399,338	1,277,600	1,277,600	1,353,490
425060	Indirect Cost Recovery - Public TV	154,647	164,106	164,106	167,796
425070	Indirect Cost Recovery - Building Inspection	1,492,681	1,655,099	1,655,099	1,976,663
425080	Indirect Cost Recovery - Street & Drainage	838,064	876,142	876,142	1,012,930
425090	Indirect Cost Recovery - 911 Emergency	150,000	150,000	150,000	150,000
425100	Indirect Cost Recovery-Other	5,475,764	5,071,006	5,071,006	5,600,314
425110	Indirect Cost Recovery-Grants	5,005,407	3,000,000	3,000,000	3,000,000
Subtotal Indirect Interfund Services		25,984,469	24,870,640	24,870,640	30,563,968
Charges for Services					

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General Fund Revenues by Category

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
419130	Network Nodes	1,281,521	1,544,052	1,330,120	1,373,400
421490	Plan Review Fees	1,865,821	1,600,000	1,348,898	1,465,000
426010	Hazardous Materials Response	118,425	110,000	110,000	110,000
426020	Hazardous Materials Permit	500	0	0	0
426030	Ambulance Fees	70,154,561	61,812,000	81,840,835	68,561,946
426040	Library Service Charges	3,857	3,500	4,000	6,000
426055	External Radio Parts	5,750	13,349	10,000	41,200
426057	External Radio Labor	145,570	79,501	177,500	90,125
426058	Digital Network	2,687,214	2,290,475	2,369,108	2,609,920
426059	External Radio Site Rental	140,685	164,531	220,000	226,600
426090	Demolition Fees	720,614	645,831	645,831	0
426100	Non-Resident Garbage Fee	709,189	740,000	700,000	752,000
426110	Extra Container Garbage Fee	2,347,307	2,333,000	2,340,000	2,542,000
426120	Weed Cutting Fees	643,423	867,243	604,232	0
426130	Dental Fees	1,927	3,000	3,000	2,500
426151	Passport Service Fee	812,969	750,000	900,000	900,000
426240	Limousine Inspection Fees	151,536	105,163	184,273	158,043
426260	Police Services	331,851	848,000	60,000	50,000
426290	Other Service Charges	286,345	158,719	495,334	550,392
426300	Certified Copies Fees	1,921,379	1,699,000	2,030,000	1,932,500
426330	Miscellaneous Copies Fees	20,029	21,811	24,881	20,000
426340	Public Safety Reports Fees	895,570	908,000	975,500	950,000
426350	Fire Fighting Services	806,485	805,000	606,105	805,000
426370	Training Services	10,471	7,500	7,500	7,500
426410	Collection Fees	0	0	75,000	80,000
426420	Building Space Rental Fees	788,183	811,799	771,799	757,381
426430	Facility Rental Fees	237,986	246,638	251,638	250,076
426480	Securing/Boarding - Nuisance Abatement	8,136	15,652	10,652	0
426485	Visual Blight - Nuisance Abatement	0	254	254	0
426520	External Radio System Fees	2,009,124	1,736,268	1,953,240	1,953,240
442071	Short - Term Rentals	0	0	0	550,000
443160	Vending Machine Concessions	350,419	281,341	331,441	291,544
445050	Cell Tower Revenue	487,376	502,108	497,231	515,885
447020	Garage Parking Revenue	209,139	205,000	188,220	170,000
456165	New Customer Fees	0	0	107,037	0
Subtotal Charges for Services		90,153,362	81,308,735	101,173,629	87,722,252
Total Charges for Services		185,520,292	181,240,591	201,920,435	198,501,203
Fines and Forfeits					
Municipal Courts Fines and Forfeits					
427010	Moving Violations	9,298,046	9,799,850	9,099,839	11,300,000
427030	MCTP Monthly Time Payment Disc	149,809	120,819	120,819	150,000
427040	Non-Traffic Fines	2,489,436	2,077,000	2,177,000	2,300,000
427050	Failure to Appear Fines	965,571	1,045,000	1,045,000	970,000
427060	Scire Facias Forfeitures	53,581	43,598	43,598	52,000
427080	Municipal Courts Technology	24	0	0	0
427100	Local Court Costs	258,348	270,000	270,000	270,000
427110	Driver Safety Administration Fees	643,909	636,139	636,139	630,000
427130	Local Arrest Fees	652,562	656,537	656,537	646,000
427160	Warrant Fees	7,430	13,860	7,860	8,000
427210	Court Costs/Jury Costs	57	31	63	75
427211	Municipal Jury Revenue	1	0	0	0
427220	Suspended Sentence Fees	2,209,727	1,950,182	2,340,182	2,210,670
427250	Registration Denial Fee	130,099	150,000	150,000	132,000
427260	Dismissal Fees	234,937	201,500	238,500	235,000
427280	In-House Collection Fee	112,742	98,847	118,847	115,000
427291	Local Truancy Prevention and Diversion	30	0	0	0
Subtotal Municipal Courts Fines and Forfeits		17,206,309	17,063,363	16,904,384	19,018,745
Other Fines and Forfeits					
428020	Library Fines	162,847	0	0	0

FISCAL YEAR 2026 BUDGET

General Fund Revenues by Category

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
428030	Release of Liens	142,118	180,579	140,579	12,000
428050	False Alarm Penalties	2,535,356	1,925,867	2,629,528	2,257,685
428080	Returned Check Charges	2,658	3,915	3,559	3,700
428090	Miscellaneous Fines & Forfeitures	200,111	61,000	86,742	66,000
428100	Interest on Liens - COH	65,471	25,000	25,000	15,000
428105	Interest on Liens - Contractor	620,793	847,053	620,000	0
Subtotal Other Fines and Forfeits		3,729,354	3,043,414	3,505,408	2,354,385
Total Fines and Forfeits		20,935,663	20,106,777	20,409,792	21,373,130
Interest					
428060	Other Interest Income	2,573,196	1,000,000	1,000,020	1,900,000
432010	Interest on Pooled Investments	19,929,685	19,993,000	19,993,000	19,993,000
Total Interest		22,502,881	20,993,000	20,993,020	21,893,000
Miscellaneous/Other					
414010	Bingo Fees	213,149	171,000	210,000	200,000
431020	Contributions from Others	645,675	608,961	545,805	544,985
434150	Streets & Bridges Assessments	45,903	20,000	20,000	15,000
434205	Sale of Scrap Metal	57,446	15,000	15,000	15,000
434225	Sale of Non-Capital Equip. & Merchandise	226,544	190,000	200,000	190,000
434305	Judgments & Claims	21,558	116,000	30,860	116,000
434330	Subrogations	96,721	75,000	90,000	75,000
434340	Cashier Overages	178	303	448	240
434505	Prior Year Expenditure Recovery	4,352,626	50,000	(2,881,559)	50,000
434510	Prior Year Revenue	6,651	160,289	3,794,018	160,289
452020	Recoveries & Refunds	5,661,330	6,286,810	8,003,384	4,504,100
452030	Miscellaneous Revenue	7,454,210	5,825,719	6,563,104	6,544,300
452040	Payment in Lieu of Taxes	244,859	190,000	266,076	266,076
453133	E-Billing Credit	(93)	0	(200)	0
Total Miscellaneous/Other		19,026,757	13,709,082	16,856,936	12,680,990
Other Resources					
434235	Sale of Capital Assets	2,220	50,000	50,000	50,000
434240	Sale of Capital Assets-Land/Streets	10,140,545	2,450,000	40,625,000	2,450,000
434245	Sale of Capital Assets - Vehicles	589,240	252,000	43,488	0
490020	Transfer from Special Revenue Fund	8,939,658	2,950,000	2,800,000	30,013,091
490060	Transfer from Civic Center	1,521,450	1,521,450	1,521,450	1,521,450
490100	Transfer from Combined Utility General	0	0	3,152,728	0
490110	Transfer from Grant	165,385	0	1,253,331	0
490135	Transfer from Trust Fund	0	0	25,184,420	8,567,747
490140	Transfer from Parking Management	4,793,787	3,310,000	4,010,000	3,500,000
Total Other Resources		26,152,285	10,533,450	78,640,417	46,102,288
Grand Total		2,977,974,771	2,854,141,996	2,922,581,909	2,971,923,031

FISCAL YEAR 2026 BUDGET

General Fund Expenditure Summary

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
500010	Salary Base Pay - Civilian	225,649,725	234,974,809	234,974,809	225,918,910
500015	HOPE Union Business Leave	0	1,100	1,100	1,100
500020	Salary Base Pay - Classified	696,134,620	747,474,302	747,474,302	810,889,555
500030	Salary Part Time - Civilian	4,397,894	5,365,044	5,428,016	6,135,466
500040	Salary Assignment Pay - Classified	7,878,288	13,275,707	13,275,707	13,800,426
500045	Patrol Incentive Pay	2,871,322	2,967,966	2,967,966	4,098,624
500048	Investigator Pay	687,221	968,923	968,923	1,380,250
500049	Crime Suppression Team Pay	202,184	208,000	208,000	356,910
500050	Sal-Edu/Incen-Classfd	18,869,512	22,693,656	22,693,656	21,683,319
500060	Overtime - Civilian	12,781,777	12,955,503	12,955,532	5,870,994
500070	Overtime - Classified	102,608,617	123,699,569	123,699,569	58,277,383
500090	Premium Pay - Civilian	839,415	8,117,399	8,117,399	542,221
500110	Bilingual Pay - Civilian	401,845	710,612	710,612	736,675
500120	Bilingual Pay - Classified	4,061,502	4,182,631	4,182,631	3,924,166
500130	Equipment Allowance-Classified	10,004,159	10,192,854	10,192,854	10,850,081
500150	Shift Differential Pay-Classified	3,666,212	3,685,833	3,685,833	5,584,442
500160	Training Incent.-Classified	26,922,051	27,295,111	27,295,111	28,628,305
500170	Weekend Prem Pay-Classified	3,299,005	3,361,000	3,361,000	4,576,891
500180	Temporary Employees	2,358,591	2,283,616	2,220,002	3,075,304
500190	Temporary Higher Class Pay	1,133,224	1,731,361	1,731,361	1,027,979
500210	Pay for Performance-Municipal	90,033	26,411	26,411	25,000
500240	Interfund HOPE Community Service Usage	0	2,000	2,000	2,000
500250	Interfund HOPE Union Business Usage	158,661	114,545	114,545	21,437
501020	Clothing Allowance - Classified	1,507,892	1,596,400	1,596,400	1,539,360
501050	Employee Awards	392	5,500	5,500	21,500
501070	Pension - Civilian	19,157,169	20,044,135	20,044,135	19,292,667
501075	Pension Legacy-Civilian	44,516,865	47,312,056	47,312,056	42,877,252
501080	Pension - Fire	76,609,576	87,735,102	87,735,102	90,393,362
501090	Pension - Police	160,346,513	168,000,000	168,000,000	158,373,308
501100	Phase Down Classified	22,662,956	27,596,083	27,596,083	27,942,384
501105	HFD Deferred Cash Out	0	0	0	1,900,000
501110	Strategic Staffing-Classified	710,591	757,000	757,000	725,000
501120	Termination Pay - Civilian	5,096,083	10,456,093	10,456,093	1,617,606
501130	Termination Pay - Classified	9,167,146	12,357,677	12,357,677	3,046,171
501140	Third Party Disability B-Classified	3,676,150	3,850,000	3,850,000	3,955,779
501150	Trainees for Classified Service - Cadets	10,255,861	14,600,000	14,600,000	15,493,701
501160	Vehicle Allowance - Civilian	73,177	72,079	72,079	74,160
501170	Vehicle Allowance - Classified	226,800	227,111	227,111	220,000
502010	FICA - Civilian	18,587,970	21,251,429	21,251,429	19,602,106
502020	FICA - Classified	13,418,395	15,142,326	15,142,326	14,323,919
503010	Health Ins-Act Civilian	33,792,197	40,007,248	40,007,248	34,094,175
503015	Basic Life Insurance - Active Civilian	128,647	144,402	144,402	138,348
503020	Health Ins.Act-Classified	112,396,764	131,529,844	131,529,844	130,936,855
503025	Basic Life Insurance - Active Classified	403,183	454,655	454,655	485,804
503040	Health/Life Ins.Ret-Classified	37,393,850	33,871,510	33,871,510	35,665,842
503050	Health/Life Insurance - Retiree Civilian	11,878,451	13,867,202	13,867,202	14,507,062
503060	Long Term Disability-Civilian	304,945	331,391	331,391	300,446
503061	Long Term Disability-Classified	300,667	300,242	300,242	309,833
503070	Municipal Pension-Other Classified	7,447	8,638	8,638	100,804
503080	Workers Compensation-Classified-Admin	2,844,907	3,722,008	3,722,008	3,823,172
503090	Workers Compensation-Civilian-Admin	1,235,295	1,685,942	1,685,942	1,552,594
503100	Workers Compensation-Civilian-Claim	3,069,472	3,044,160	3,044,160	1,148,651

FISCAL YEAR 2026 BUDGET

General Fund Expenditure Summary

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
503110	Workers Compensation-Classified-Claim	16,900,632	17,400,470	17,400,470	15,835,911
504030	Unemployment Claims - Administration	309,854	517,407	518,020	323,544
504040	Res For Police Enhanc.-Classified	1,004,550	1,960,000	1,960,000	1,275,000
504060	HFD Health Benefits	0	609,000	609,000	615,350
Total	Personnel Services	1,733,000,255	1,906,745,062	1,906,745,062	1,849,919,104
511010	Chemical, Gases & Sp	531,085	462,939	462,939	512,139
511015	Cleaning & Sanitary	682,126	636,220	636,220	630,173
511020	Construction Materia	860,590	635,727	635,727	491,078
511025	Electrical Hardware	450,306	535,559	535,559	615,742
511030	Mechanical Hardware	531,995	748,955	748,955	526,333
511035	Meters Hydrants & PI	192,685	202,447	202,447	224,200
511040	Audiovisual Supplies	77,019	52,009	52,009	57,171
511045	Computer Supplies	907,985	1,102,046	1,102,046	717,406
511050	Paper & Printing Sup	175,866	213,290	213,290	410,446
511055	Publications & Print	217,623	312,611	312,611	264,643
511060	Postage	331,970	265,264	265,264	254,264
511070	Misc Office Supplies	1,666,821	1,577,691	1,577,691	1,466,373
511075	Library Circulation Supplies	30,000	30,000	30,000	30,000
511080	General Laboratory Supplies	265,513	347,450	347,450	381,250
511085	Drugs & Medical Chemicals	1,106,948	1,372,498	1,372,498	1,659,301
511090	Medical & Surgical Supplies	1,819,835	2,248,046	2,248,046	2,133,116
511095	Small Technical & Scientific Equipment	226,448	376,269	376,269	267,988
511100	Veterinary & Animal Supplies	207,274	181,953	181,953	223,718
511110	Fuel	(68,428)	(32,222)	(32,222)	2,800
511115	Vehicle Repair & Maintenance Supplies	1,886,929	770,861	770,861	400,157
511120	Clothing	4,717,385	4,959,442	4,959,442	4,216,985
511125	Food Supplies	446,685	641,531	641,531	273,094
511130	Weapons Munitions & Supplies	1,300,768	1,521,640	1,521,640	1,728,855
511135	Recreational Supplies	114,787	433,703	433,703	351,892
511140	Landscaping & Gardening Supplies	69,544	243,944	243,944	166,200
511145	Small Tools & Minor Equipment	458,831	758,268	758,268	582,952
511150	Miscellaneous Parts & Supplies	1,045,394	1,417,937	1,417,937	1,337,970
511160	Protective Gear	934,200	1,359,350	1,359,350	955,540
511164	Breathing Apparatus Repair Supplies	389,537	382,256	382,256	415,987
511165	Fire Fighting Equipment	475,534	554,000	554,000	529,000
Total	Supplies	22,053,255	24,311,684	24,311,684	21,826,773
520100	Temporary Personnel	6,148,596	5,811,701	5,811,701	3,259,111
520101	Janitorial Services	7,623,383	7,500,802	7,500,802	6,660,011
520102	Security Services	8,338,137	9,017,545	9,017,545	5,116,740
520103	Subrecipient Contrac	14,826	41,000	41,000	50,600
520105	Accounting & Auditing Services	2,374,355	2,835,138	2,835,138	2,631,511
520106	Architectural Services	289,704	87,229	87,229	53,300
520107	Computer Info/Contr	11,563,048	12,134,300	12,134,300	456,741
520108	Information Resource Services	436,570	281,083	281,083	287,483
520109	Medical, Dental & Laboratory Services	425,879	465,964	465,964	622,442
520110	Management Consultin	3,588,489	4,328,798	4,328,798	2,836,505
520111	Real Estate Services	79,121	70,302	70,302	77,037
520112	Banking Services	135,260	444,187	444,187	357,625
520113	Photographic Services	3,480	6,822	6,822	24,200
520114	Miscellaneous Suppor	4,346,562	4,409,452	4,409,452	4,023,017
520115	Real Estate Lease/Office Rental	9,684,474	11,942,527	11,942,527	9,964,793

FISCAL YEAR 2026 BUDGET

General Fund Expenditure Summary

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
520116	Parking Services Contract	1,483	9,311	9,311	7,800
520117	Security Equipment Services	0	56,271	56,271	58,050
520118	Refuse Disposal	18,954,277	20,561,458	20,561,458	17,727,058
520119	Computer Eq/SW Mnt	993,466	1,166,123	1,166,123	1,502,776
520120	Communications Equipment Services	84,467	73,948	73,948	83,546
520121	Application Services	859,997	1,027,213	1,027,213	990,000
520122	Office Equipment Services	97,978	126,653	126,653	195,000
520123	Vehicle & Motor Equipment Services	973,485	1,013,181	1,013,181	806,705
520124	Other Equipment Serv	516,170	709,506	709,506	538,683
520126	Construction Site Work Services	1,330,690	368,780	368,780	60,872
520127	Structural Construction Work Services	42,464	408,100	408,100	9,947
520128	Other Construction Work Services	2,653,413	813,200	813,200	15,363
520132	Contracts/Sponsorships	5,928,684	3,270,000	3,270,000	3,166,000
520136	Billing & Collection Services	5,238,272	5,687,859	5,687,859	4,957,054
520138	Zoo Contract	11,717,172	12,324,505	12,324,505	12,491,712
520139	Motor Pool Charges	659,218	593,115	593,115	633,966
520141	Engineering Services	112,615	157,750	157,750	80,312
520142	Classified C.S. Arbitration Cost	121,057	70,333	70,333	70,333
520144	Limited Purpose Annexation Payment	72,794,285	83,709,904	83,709,904	84,547,003
520145	Criminal Intelligence Services	172,955	163,100	163,100	306,149
520146	Contract Instructor Sports	71,479	106,200	106,200	88,435
520152	Telemetry Services	1,972,695	1,800,000	1,800,000	2,208,134
520153	Protective Gear Cleaning Services	953,391	936,000	936,000	936,000
520157	Computer Software Ma	1,733,858	1,872,840	1,872,840	1,465,219
520159	Non-Sub-recipient Gr	831,931	726,225	726,225	952,239
520510	Mail/Delivery Servic	257,731	253,448	253,448	257,410
520515	Print Shop Services	5,381	13,105	13,105	24,326
520520	Printing & Reproduction Services	352,914	272,786	272,786	295,094
520605	Advertising Services	802,228	673,789	673,789	674,459
520710	State/Federal Inspection Fees	27,765	2,780	2,780	2,780
520721	Intergov Exp-JPC	14,000,000	14,000,000	14,000,000	15,500,000
520725	Assessments - Other Governments	865,166	556,018	556,018	576,729
520730	Tax Appraisal Fees	12,397,233	14,341,424	14,341,424	14,771,667
520740	Document Recording/Filing Fees	120,240	103,632	103,632	8,500
520745	Third Party Collection Fees	173,013	541,526	541,526	590,000
520750	Elections	7,375,603	1,000,000	1,000,000	0
520755	Contingency	681,836	1,013,765	1,013,765	691,610
520761	Contributions to Joint Projects	4,352,624	14,000	14,000	14,000
520765	Membership & Profess	481,818	735,133	735,133	759,830
520780	Juror Compensation	50,826	65,000	65,000	65,000
520805	Education & Training	695,608	904,020	904,020	996,228
520806	Paramedic/EMT Continuing Edu	76,669	96,100	96,100	101,658
520807	Initial/Recert EMS Training	618,000	1,600,000	1,600,000	1,483,044
520815	Tuition Reimbursement	1,624,074	1,366,901	1,366,901	1,253,777
520905	Travel - Training Re	953,965	945,620	945,620	730,455
520910	Travel - Non-Trainin	662,341	616,039	616,511	621,202
521320	Early Payment Discount	(332,571)	(218,036)	(218,036)	0
521404	HVAC Repair and Replacement	185,085	148,656	148,656	165,580
521405	Building Maintenance Services	5,448,747	3,852,438	3,852,438	3,179,144
521406	Roofing Repair and Replacement	5,771	236,700	236,700	102,775
521407	Elevator Repair and	(1,294)	12,895	12,895	8,431
521408	Roll Up Doors Repair and Replacement	10,409	23,267	23,267	0

FISCAL YEAR 2026 BUDGET

General Fund Expenditure Summary

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
521409	Fire Alarms and Extinguishers	287,713	375,000	375,000	334,045
521410	Sewer Services	4,185,204	4,425,501	4,425,501	4,489,973
521411	Generator Repair and Maintenance	76,519	72,715	72,715	7,980
521412	Plumbing Repair and Maintenance	88	15,000	15,000	70,400
521413	Pest Control Service	0	0	0	200,166
521415	Land and Grounds Maintenance	3,256,261	4,038,437	4,038,437	2,069,487
521420	Infrastructure Maintenance Service	670,207	0	0	0
521435	Water Services	39,877	47,366	47,366	44,000
521505	Electricity	20,541	9,655	9,655	18,000
521510	Natural Gas	0	4,000	4,000	0
521610	Voice Services	0	150,300	150,300	0
521635	Voice Services -Wireless	5,297,246	5,828,305	5,828,305	0
521705	Equipment Rental	2,610,208	2,049,727	2,049,727	1,472,448
521715	Office Equipment Rental	29,940	65,048	65,048	75,718
521720	Computer Equipment Rental	32,062	28,202	28,202	28,202
521725	Other Rental	1,022,596	1,291,734	1,291,060	1,479,071
521726	Ice Machine Rental	231,631	234,808	234,808	295,874
521730	Parking Space Rental	414,370	361,830	361,830	368,880
521905	Legal Services	1,657,078	1,717,675	1,717,675	1,217,675
522305	Freight Charges	30,513	49,336	49,336	28,446
522405	Management Savings	0	0	0	(17,150,000)
522410	Cashier Shortages	156	0	0	0
522420	Petty Cash/Change Special Fund	54	500	500	500
522425	Miscellaneous Pool Expense/Expenditures	4,973	8,452	8,452	5,980
522430	Misc Other Services	16,697,770	16,366,334	16,366,334	10,633,416
522431	EMS Equipment Maint	277,218	377,674	377,674	377,674
522432	Life Safety Equipment Maintenance	794,930	911,229	911,229	910,420
522435	Interest Charges Past Due Accounts	65,669	10,358	10,358	9,400
522715	Interfund Electricity	10,823,619	17,129,446	17,129,446	24,317,638
522720	Interfund Payroll Services	(151,244)	(74,279)	(74,279)	0
522721	Interfund HR Client Services	11,259,139	12,885,904	12,885,904	15,066,404
522722	Interfund KRONOS Service Chargeback	1,028,718	944,252	944,252	964,681
522723	Interfund Drainage Chrg	1,443,299	1,442,800	1,442,800	1,442,800
522724	Interfund - Application Services Exp	25,147,614	25,460,548	25,460,548	26,835,418
522725	Interfund Postage	217,574	244,592	244,794	168,173
522726	Interfund - Data Services Exp	13,903,251	13,513,534	13,513,534	14,413,121
522727	Interfund - Voice Services Exp	5,812,460	6,636,967	6,636,967	5,622,261
522728	Interfund - Wireless Services Exp	2,594,269	2,802,880	2,802,880	2,167,984
522729	Interfund - Voice Labor Exp	271,433	269,152	269,152	311,253
522730	Interfund Engineering Services	6,099	0	0	1,398
522731	Interfund Vehicle Accidents	2,420,402	3,884,525	3,884,525	3,671,305
522733	Interfund HR Onboard	592,453	734,939	734,939	642,012
522734	Interfund Other-HITS	0	2,746,375	2,746,375	41,672,590
522735	Interfund Parking - HF	591,984	727,440	727,440	587,998
522760	Interfund Billing & Collection Service	13,198	17,000	17,000	0
522765	Interfund Legal Services	22,544,430	16,715,129	16,715,129	16,715,129
522775	Intfd Parking - Hobb	221,549	230,217	230,217	149,456
522780	Interfund Metro Pass	268,215	321,000	321,000	324,768
522795	Other Interfund Services	7,630,639	4,605,982	4,605,982	14,631,043
522805	Interfund Network Services	925,915	878,282	878,282	907,644
522815	Intfd Print Shop Ser	274,798	280,354	280,354	216,939
522821	Interfund Permit Ctr Point of Sale Chgb	421,594	445,100	445,100	518,300

FISCAL YEAR 2026 BUDGET

General Fund Expenditure Summary

Commit Item	Description	FY2024 Actual	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
522822	Interfund Insurance	5,671,062	5,591,692	5,591,692	6,610,293
522830	Interfund GIS Services	1,682,264	1,865,441	1,865,441	2,265,146
522840	Interfund Permitting Center Rent Chargeback	720,000	745,300	745,300	651,800
522844	Interfund Vehicle Services - Tires	5,798,668	6,496,745	6,496,745	6,316,969
522845	Interfund Vehicle Services	46,124,290	51,338,278	51,338,278	51,261,571
522846	Interfund Vehicle Fuel	22,757,057	23,392,486	23,392,486	22,976,752
522847	Interfund Natural Gas	734,418	591,705	591,705	334,832
522850	Interfund Radio System Access	6,136,060	6,732,762	6,732,762	7,202,435
522865	Interfund HR Risk Management Services	545,137	480,705	480,705	435,705
Total	Other Services and Charges	471,891,756	488,815,870	488,815,870	489,584,744
560120	Capital Exp-Building & Bldg Improvement	0	0	0	50,000
560210	Cap Exp - Furniture Fixtures and Equipment	294,828	575,956	575,956	204,000
560220	Cap Exp - Vehicles	211,793	669,898	669,898	83,800
560230	Cap Exp - Computer Hdw & Sfwr	111,237	132,326	132,326	0
560240	Cap Exp - Communication Equipment	0	15,172	15,172	0
560810	Cap Exp-Controlled Equipment	140,952	93,780	93,780	48,500
561140	Depr - Improvements other than Buildings	5,191,083	0	0	0
561210	Depr - Furniture Fixtures and Equipment	16,844	0	0	0
561220	Depr - Vehicles	29,826	0	0	0
561230	Depr - Computer HW and Developed SW	56,475	0	0	0
561810	Low Value Asset Expense Bk1	28,741	0	0	0
561980	Depr - Construction in Progress	2,266,685	0	0	0
Total	Equipment	8,348,464	1,487,132	1,487,132	386,300
551010	Non-Capital Office Furniture & Equipment	437,114	380,655	380,655	215,738
551015	Non-Capital Computer Equipment	162,135	165,921	165,921	94,000
551020	Non-Capital Communication Equipment	102,795	59,065	59,065	112,200
551025	Non-Capital Scientific/Medical Equipment	0	0	0	73,700
551030	Non-Capital Machinery & Equipment	0	0	0	24,000
551035	Non-Capital Library books	6,508,151	6,500,000	6,500,000	5,926,981
551040	Non-Capital Other	1,650,465	1,177,919	1,177,919	0
581981	Capital AUC Settlement	(7,477,552)	0	0	0
Total	Non-Capital Equipment	1,383,108	8,283,560	8,283,560	6,446,619
531085	Other Interest	0	1,977,873	1,977,873	2,477,873
532005	Transfers to General Fund	79,758	0	0	0
532020	Transfers to Capital Projects	32,607,576	9,486,497	9,486,497	0
532025	Transfers to Special Revenues	91,730,435	77,578,939	77,578,939	80,388,827
532030	Transfers to Trans Debt Service	0	4,384,590	4,384,590	3,494,885
532035	Transf-Spec Nonrecr Project	115,432	0	0	0
532040	Transfers to Component Unit	33,618,258	36,408,416	36,408,416	39,370,696
532050	Trans to PIB Bonds Debt Service	352,153,276	380,860,426	380,860,426	324,165,004
532135	Ch.380 - Transfers to Other Funds	25,711,772	31,336,207	31,336,207	32,153,565
532140	Captured Revenue Transfer to DDSRF	123,150,028	135,946,652	135,946,652	183,834,744
Total	Debt Service and Other Uses	659,166,535	677,979,600	677,979,600	665,885,594
Grand Total Expenditures		2,895,843,373	3,107,622,908	3,107,622,908	3,034,049,134

FISCAL YEAR 2026 BUDGET

BUDGET SUMMARY BY FUND
(\$ Thousands)

	<u>General Fund</u>	<u>Airport System*</u>	<u>Conven. & Entertain. Facilities*</u>	<u>Houston Emergency Center</u>
Beginning Fund Balance - Unassigned	380,798	0	36,091	2,680
Revenues and Other Sources	2,971,923	738,703	133,815	29,619
Total Available Resources	<u>3,352,721</u>	<u>738,703</u>	<u>169,906</u>	<u>32,299</u>
Maintenance & Operating Expenditures/Expenses				
Personnel Services	1,849,919	149,789	205	24,541
Supplies	21,827	9,965	0	93
Other Services and Charges	489,585	313,728	112	7,464
Equipment	386	0	0	0
Non-Capital Equipment	6,447	3,498	0	0
Total Maintenance & Operating Expenditures/Expenses	<u>2,368,164</u>	<u>476,980</u>	<u>317</u>	<u>32,098</u>
Debt Service & Other Uses	665,885	261,723	133,280	0
Total Expenditures/Expenses & Other Uses	<u>3,034,049</u>	<u>738,703</u>	<u>133,597</u>	<u>32,098</u>
Fund Balance - Unassigned	<u>318,672</u>	<u>0</u>	<u>36,309</u>	<u>201</u>
Total Budget	<u><u>3,352,721</u></u>	<u><u>738,703</u></u>	<u><u>169,906</u></u>	<u><u>32,299</u></u>
Changes to Unassigned Fund Balance	40	0	0	0
Ending Fund Balance - Unassigned	<u><u>318,712</u></u>	<u><u>0</u></u>	<u><u>36,309</u></u>	<u><u>201</u></u>

* Denotes Beginning Operating Fund Balance

Totals include interfund eliminations and may reflect slight variances due to rounding

FISCAL YEAR 2026 BUDGET

BUDGET SUMMARY BY FUND
(\$ Thousands)

	<u>Municipal Building Security</u>	<u>Municipal Technology Fee</u>	<u>Local Youth Diversion</u>	<u>Police Auto Dealers</u>
Beginning Fund Balance - Unassigned	1,077	970	1,886	14,381
Revenues and Other Sources	592	870	706	12,591
Total Available Resources	<u>1,669</u>	<u>1,840</u>	<u>2,592</u>	<u>26,972</u>
Maintenance & Operating Expenditures/Expenses				
Personnel Services	16	0	730	5,487
Supplies	0	10	15	478
Other Services and Charges	498	1,423	39	2,746
Equipment	0	130	0	1,900
Non-Capital Equipment	0	0	1	0
Total Maintenance & Operating Expenditures/Expenses	<u>514</u>	<u>1,563</u>	<u>785</u>	<u>10,611</u>
Debt Service & Other Uses	0	0	0	2,750
Total Expenditures/Expenses & Other Uses	<u>514</u>	<u>1,563</u>	<u>785</u>	<u>13,361</u>
Fund Balance - Unassigned	<u>1,155</u>	<u>277</u>	<u>1,807</u>	<u>13,611</u>
Total Budget	<u>1,669</u>	<u>1,840</u>	<u>2,592</u>	<u>26,972</u>
Changes to Unassigned Fund Balance	0	0	0	0
Ending Fund Balance - Unassigned	<u>1,155</u>	<u>277</u>	<u>1,807</u>	<u>13,611</u>

Totals include interfund eliminations and may reflect slight variances due to rounding

FISCAL YEAR 2026 BUDGET

BUDGET SUMMARY BY FUND
(\$ Thousands)

	<u>Police Special Services</u>	<u>Police Asset Forfeit</u>	<u>Forensic Transition Special</u>	<u>Police Child Safety</u>
Beginning Fund Balance - Unassigned	6,728	8,320	44	0
Revenues and Other Sources	31,082	2,041	300	3,124
Total Available Resources	<u>37,810</u>	<u>10,361</u>	<u>344</u>	<u>3,124</u>
Maintenance & Operating Expenditures/Expenses				
Personnel Services	28,650	3,140	295	0
Supplies	463	498	0	0
Other Services and Charges	3,052	945	5	3,124
Equipment	0	0	0	0
Non-Capital Equipment	12	5,417	0	0
Total Maintenance & Operating Expenditures/Expenses	<u>32,177</u>	<u>10,000</u>	<u>300</u>	<u>3,124</u>
Debt Service & Other Uses	0	0	0	0
Total Expenditures/Expenses & Other Uses	<u>32,177</u>	<u>10,000</u>	<u>300</u>	<u>3,124</u>
Fund Balance - Unassigned	<u>5,633</u>	<u>361</u>	<u>44</u>	<u>0</u>
Total Budget	<u><u>37,810</u></u>	<u><u>10,361</u></u>	<u><u>344</u></u>	<u><u>3,124</u></u>
Changes to Unassigned Fund Balance	0	0	0	0
Ending Fund Balance - Unassigned	<u><u>5,633</u></u>	<u><u>361</u></u>	<u><u>44</u></u>	<u><u>0</u></u>

Totals include interfund eliminations and may reflect slight variances due to rounding

FISCAL YEAR 2026 BUDGET

BUDGET SUMMARY BY FUND
(\$ Thousands)

	<u>Municipal Jury Fund</u>	<u>DDSRF Ad Valorem Tax</u>	<u>DDSRF Metro ET AL</u>	<u>Total Gen. Fund Enterprise & Special</u>
Beginning Fund Balance - Unassigned	64	123,127	3,395	2,256,471
Revenues and Other Sources	14	184,835	160,363	6,910,327
Total Available Resources	<u>78</u>	<u>307,962</u>	<u>163,758</u>	<u>9,166,798</u>
Maintenance & Operating Expenditures/Expenses				
Personnel Services	0	0	45,825	2,559,175
Supplies	0	1,350	11,910	151,379
Other Services and Charges	0	2,608	74,852	1,629,486
Equipment	0	13,407	250	154,291
Non-Capital Equipment	0	0	192	21,811
Total Maintenance & Operating Expenditures/Expenses	<u>0</u>	<u>17,365</u>	<u>133,029</u>	<u>4,516,142</u>
Debt Service & Other Uses	0	153,099	27,263	2,478,269
Total Expenditures/Expenses & Other Uses	<u>0</u>	<u>170,464</u>	<u>160,292</u>	<u>6,994,411</u>
Fund Balance - Unassigned	<u>78</u>	<u>137,498</u>	<u>3,466</u>	<u>2,172,387</u>
Total Budget	<u>78</u>	<u>307,962</u>	<u>163,758</u>	<u>9,166,798</u>
Changes to Unassigned Fund Balance	0	0	0	40
Ending Fund Balance - Unassigned	<u>78</u>	<u>137,498</u>	<u>3,466</u>	<u>2,172,427</u>

Totals include interfund eliminations and may reflect slight variances due to rounding