



OFFICE OF THE CITY CONTROLLER  
CITY OF HOUSTON  
TEXAS

CHRIS B. BROWN

**To:** Mayor Sylvester Turner  
City Council Members

**From:** Chris B. Brown  
City Controller

**Date:** September 29, 2023

**Subject:** August 2023 Monthly Financial Report

Attached is the Monthly Financial Report for the month ended August 31, 2023.

**GENERAL FUND**

The Controller’s Office is projecting an ending fund balance of \$420.4 million for FY2024. This is \$45.8 million lower than the projection of the Finance Department. The difference is due to a \$45.8 million lower revenue projection than the Finance Department. Based on our current projections, the fund balance will be approximately \$237.3 million above the City’s target of holding 7.5% of total expenditures, excluding debt service and Pay As You Go (PAYGO), in reserve. The FY2024 beginning fund balance is \$41.4 million higher than the FY2023 ending fund balance reported in the June 30, 2023, Monthly Financial Report. This increase is due to year-end adjustments to revenues and expenditures that will not be final until the FY2023 Annual Comprehensive Financial Report is published.

Our projections are unchanged from the July 2023 Monthly Financial Report.

**ENTERPRISE FUNDS**

We are projecting no changes from the Adopted Budget amounts in the Aviation Operating Fund, Combined Utility System Fund, Convention and Entertainment Operating Fund, the Storm Water Fund, or the Dedicated Drainage and Street Renewal Funds this month.

**COMMERCIAL PAPER AND BONDS**

The City’s practice has been to maintain no more than 20 percent of the total outstanding debt for each type of debt in a variable rate structure. As of August 31, 2023, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation.....	8.87%
Combined Utility System.....	1.33%
Aviation .....	0.00%
Convention and Entertainment .....	3.83%

Respectfully submitted,

Chris B. Brown  
City Controller



# CITY OF HOUSTON

Finance Department

**Sylvester Turner**

Mayor

Finance Department  
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Houston, Texas 77251-1562

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**To:** Mayor Sylvester Turner  
City Council Members

**Date:** September 29, 2023

**Subject:** 2+10 Financial Report

Attached is the 2+10 Financial Report for the period ending August 31, 2023. Fiscal Year 2024 projections are based on two months of actual results and ten months of projections.

## **General Fund**

Both our revenue and expenditure projections remain unchanged from the Adopted Budget and 1+11 report.

### **General Fund Revenues (amounts expressed in thousands)**

<b>Category</b>	<b>Unaudited Preliminary FY2023</b>	<b>FY24 Adopted Budget</b>	<b>FY24 Current Projection</b>	<b>FY24 Variance Over/(Under)</b>
Property Tax	\$1,295,496	\$1,376,668	\$1,376,668	-
Sales Tax	889,039	865,593	865,593	-
Franchise Fees	148,159	149,179	149,179	-
Other	519,793	508,836	508,836	-
<b>Total</b>	<b>\$2,852,487</b>	<b>\$2,900,276</b>	<b>\$2,900,276</b>	<b>-</b>

### **General Fund Expenditures (amounts expressed in thousands)**

<b>Category</b>	<b>Unaudited Preliminary FY2023</b>	<b>FY24 Adopted Budget</b>	<b>FY24 Current Projection</b>	<b>FY24 Variance Over/(Under)</b>
Police	\$978,994	\$1,011,273	\$1,011,273	-
Fire	554,146	593,315	593,315	-
Other Departments	754,141	836,731	836,731	-
Debt Service/PAYGO	434,890	475,303	475,303	-
<b>Total</b>	<b>\$2,722,171</b>	<b>\$2,916,622</b>	<b>\$2,916,622</b>	<b>-</b>

We are currently projecting the ending fund balance of \$466.2 million, which is \$14.8 million higher than the 1+11 Report and 19.1% of estimated expenditures less debt service and pay-as-you-go (PAYGO).

**Fund Balance (amounts expressed in thousands)**

Category	Unaudited Preliminary FY2023	FY24 Adopted Budget*	FY24 Current Projection	FY24 Variance Over/(Under)
Fund Balance - Beginning of Year	\$356,331	\$420,482	\$483,868	63,386
Changes to Designated Fund Balance	(3,087)	(1,327)	(1,327)	-
Budgeted Increase/(Decrease) in Fund Balance	130,316	(16,346)	(16,346)	0
Change in Inventory/Prepaid Items/Imprest Cash	308	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$483,868</b>	<b>\$402,809</b>	<b>\$466,195</b>	<b>\$63,386</b>
% of Expenditures Less Debt Service and PAYGO	21.2%	16.5%	19.1%	2.6%

\* The estimated beginning fund balance at the time of budget adoption.

A summary of all variances from the Adopted Budget that have been reported year to date is included in the attachment to this letter.

**Enterprise, Special Revenue and Other Funds**

We are projecting no forecast changes in Enterprise Funds, Special Revenue Funds and other funds from the 1+11 Report.

Sincerely,

DocuSigned by:

*William Jones*

William Jones

Director of Finance





**General Fund (Fund 1000)**  
(amounts expressed in thousands)

**Finance - Major Variances from Adopted Budget**

<u>Revenues</u>		Variance Over/(Under)*
Month Reported	Revenue Detail	
	<b>Total Revenues</b>	-
	<b>Fund Balance</b>	
	Additional Beginning Fund Balance	63,386
	<b>Total Financial Resources</b>	<b>63,386</b>

<u>Expenditures</u>		
Month Reported	Expenditure Detail	
	<b>Total Expenditures</b>	-

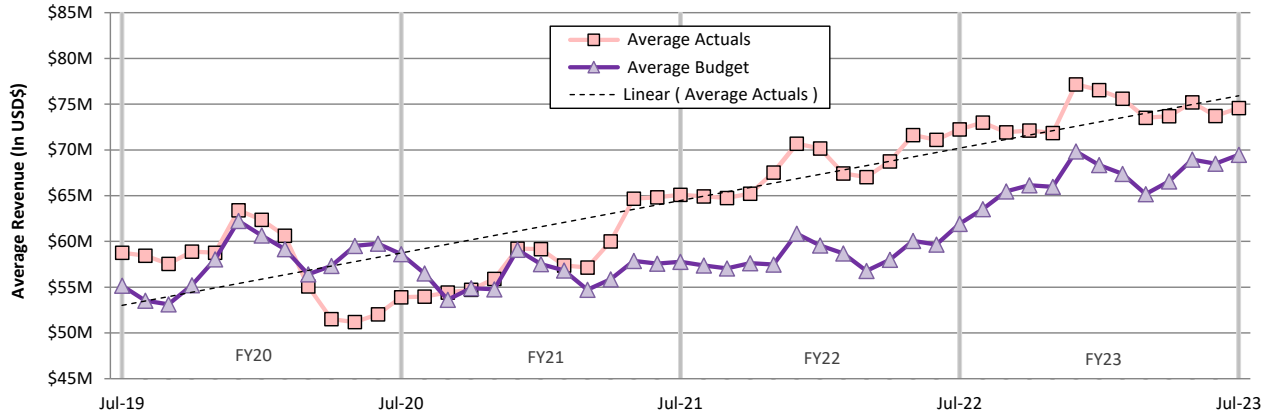
\*Total may reflect slight variances due to rounding.



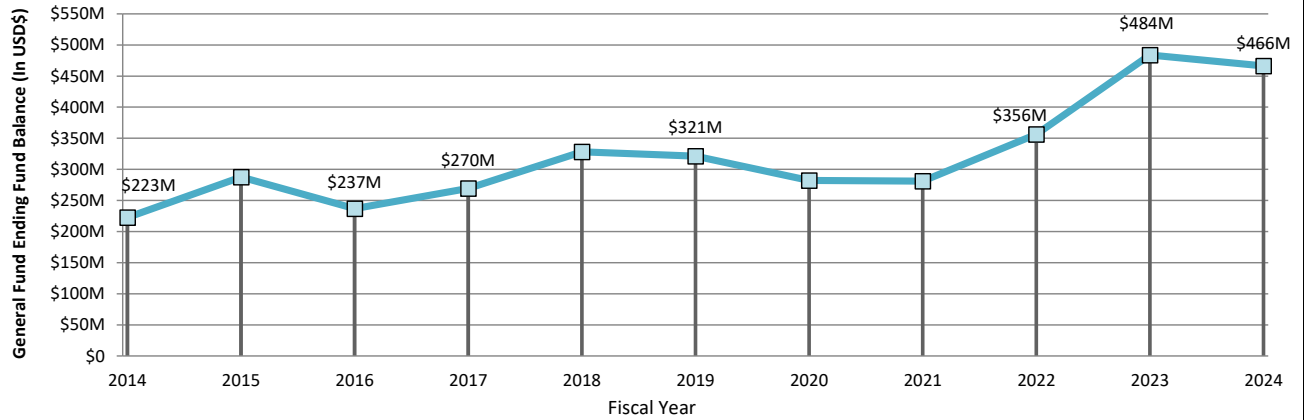
## General Fund (Fund 1000)

# Sales Tax Growth and Comparative Fund Balance

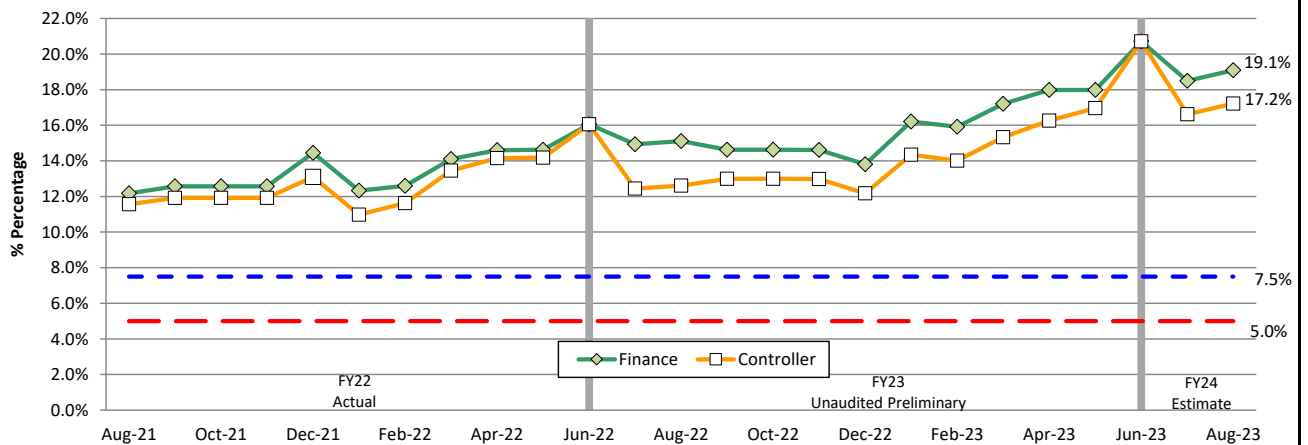
### Sales Tax - Three-month Rolling Average



### Historical Unassigned Ending Fund Balance



### General Fund Comparative Fund Balance Annual Projected Ending Fund Balance as % of Expenditures Less Debt\*



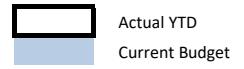
\*According to the financial policies, Ordinance 2014-1078, the City is required to maintain an ending fund balance equal to 7.5% of expenditures before debt service and pay-as-you-go (PAYGO).



**General Fund (Fund 1000)**

For the period ended August 31, 2023

(amounts expressed in thousands)



	FY2024						Controller - Finance Variance	Finance	Controller
	Unaudited Preliminary FY2023	Adopted Budget	Current Budget	Controller's Projection	Finance Projection	Actual YTD			
<b>Revenues</b>									
General Property Taxes	1,295,496	1,376,668	1,376,668	1,376,663	1,376,668	10,097	(5)		✓
Industrial Assessments	28,021	25,281	25,281	24,000	25,281	-	(1,281)		✓
Sales Tax	889,039	865,593	865,593	830,000	865,593	136,122	(35,593)		✓
Other Taxes	23,607	24,896	24,896	23,800	24,896	-	(1,096)		✓
Electric Franchise	95,728	98,482	98,482	96,000	98,482	16,227	(2,482)		✓
Telephone Franchise	18,203	16,170	16,170	16,000	16,170	-	(170)		✓
Gas Franchise	13,048	14,593	14,593	14,000	14,593	2,430	(593)		✓
Other Franchise	21,180	19,934	19,934	19,000	19,934	-	(934)		✓
Licenses and Permits	33,673	33,392	33,392	33,000	33,392	5,222	(392)		✓
Intergovernmental	208,176	199,545	199,545	199,545	199,545	59,969	-		✓
Charges for Services	76,166	72,693	72,693	72,000	72,693	14,320	(693)		✓
Direct Interfund Services	65,846	70,845	70,845	70,845	70,845	11,117	-		✓
Indirect Interfund Services	22,801	26,079	26,079	26,079	26,079	1,559	-		✓
Municipal Courts Fines and Forfeits	17,318	16,134	16,134	16,000	16,134	2,586	(134)		✓
Other Fines and Forfeits	3,371	3,089	3,089	3,000	3,089	224	(89)		✓
Interest	12,518	9,533	9,533	9,000	9,533	1,678	(533)		✓
Miscellaneous/Other	15,479	13,873	13,873	12,100	13,873	1,303	(1,773)		✓
<b>Total Revenues</b>	<b>2,839,670</b>	<b>2,886,800</b>	<b>2,886,800</b>	<b>2,841,032</b>	<b>2,886,800</b>	<b>262,854</b>	<b>(45,768)</b>		✓
<b>Expenditures</b>									
Administration & Regulatory Affairs	31,186	34,877	34,877	34,877	34,877	2,986	-		✓
City Council	13,164	15,173	15,173	15,173	15,173	1,457	-		✓
City Secretary	809	955	955	955	955	140	-		✓
Controller	7,863	9,024	9,024	9,024	9,024	1,291	-		✓
Finance	19,639	23,435	23,435	23,435	23,435	3,293	-		✓
Fire	554,146	593,315	593,315	593,315	593,315	89,026	-		✓
General Services	43,425	47,461	47,461	47,461	47,461	4,170	-		✓
Housing and Community Development	1,126	1,693	1,693	1,693	1,693	325	-		✓
Houston Emergency Center	10,071	10,155	10,155	10,155	10,155	(2)	-		✓
Houston Health Department	61,238	55,897	55,897	55,897	55,897	6,646	-		✓
Houston Public Works	23,281	26,301	26,301	26,301	26,301	168	-		✓
Human Resources	957	1,500	1,500	1,500	1,500	882	-		✓
Legal	17,731	19,855	19,855	19,855	19,855	2,912	-		✓
Library	48,711	52,307	52,307	52,307	52,307	7,524	-		✓
Mayor's Office	7,948	8,571	8,571	8,571	8,571	992	-		✓
Municipal Courts	27,874	31,399	31,399	31,399	31,399	4,120	-		✓
Neighborhoods	11,792	14,592	14,592	14,592	14,592	2,002	-		✓
Office of Business Opportunity	4,411	5,553	5,553	5,553	5,553	873	-		✓
Parks and Recreation	84,772	91,734	91,734	91,734	91,734	11,845	-		✓
Planning and Development	3,248	4,817	4,817	4,817	4,817	426	-		✓
Police	978,994	1,011,273	1,011,273	1,011,273	1,011,273	152,840	-		✓
Solid Waste Management	97,288	97,116	97,116	97,116	97,116	6,082	-		✓
<b>Total Departmental Expenditures</b>	<b>2,049,674</b>	<b>2,157,003</b>	<b>2,157,003</b>	<b>2,157,003</b>	<b>2,157,003</b>	<b>299,998</b>	<b>-</b>		✓
General Government	237,607	284,316	284,316	284,316	284,316	35,595	-		✓
<b>Total Expenditures Other Than Debt</b>	<b>2,287,281</b>	<b>2,441,319</b>	<b>2,441,319</b>	<b>2,441,319</b>	<b>2,441,319</b>	<b>335,593</b>	<b>-</b>		✓
Captured Revenue Transfer to DDSRF	76,179	123,150	123,150	123,150	123,150	-	-		✓
Debt Service Transfer	358,711	352,153	352,153	352,153	352,153	-	-		✓
<b>Total Expenditures and Other Uses</b>	<b>2,722,171</b>	<b>2,916,622</b>	<b>2,916,622</b>	<b>2,916,622</b>	<b>2,916,622</b>	<b>335,593</b>	<b>-</b>		✓
<b>Net Current Activity</b>	<b>117,499</b>	<b>(29,822)</b>	<b>(29,822)</b>	<b>(75,590)</b>	<b>(29,822)</b>	<b>(72,739)</b>	<b>(45,768)</b>		✓
<b>Other Financing Sources (Uses)</b>									
Transfers from Other Funds	10,044	10,721	10,721	10,721	10,721	1,988	-		✓
Sale of Capital Assets	2,773	2,755	2,755	2,755	2,755	561	-		✓
<b>Total Other Financing Sources (Uses)</b>	<b>12,817</b>	<b>13,476</b>	<b>13,476</b>	<b>13,476</b>	<b>13,476</b>	<b>2,549</b>	<b>-</b>		✓
<b>Fund Balances</b>									
Fund Balance - Beginning of Year	356,331	483,868	483,868	483,868	483,868	483,868	-		✓
Changes to Designated Fund Balance*	(3,087)	(1,327)	(1,327)	(1,327)	(1,327)	-	-		✓
Budgeted Increase/(Decrease) in Fund Balance	130,316	(16,346)	(16,346)	(16,346)	(16,346)	(70,190)	-		✓
Change in Inventory/Prepaid Items/Imprest Cash	308	-	-	-	-	-	-		✓
(Budgeted Gap)/Increase in Fund Balance**	-	-	-	(45,768)	-	-	(45,768)		✓
<b>Fund Balance, End of Year***</b>	<b>483,868</b>	<b>466,195</b>	<b>466,195</b>	<b>420,427</b>	<b>466,195</b>	<b>413,678</b>	<b>(45,768)</b>		✓

\*The total designation for the Budget Stabilization Fund is approximately \$24.4 million.

\*\*A negative number in the Controller or Finance projections represents a gap between sources and uses of funds that was not included in the adopted budget. If this gap was not addressed by decreasing uses or increasing the sources of funds, it would require a drawdown of fund balance in order to balance the budget. A positive number represents a projected increase in fund balance.

\*\*\*According to the financial policies, Ordinance 2014-1078, the City is required to maintain an ending fund balance equal to 7.5% of expenditures less Debt Service and Pay-As-You-Go (PAYGO) which is \$183,099 based on current projections. The City will be \$237,328 above 7.5% based on the Controller's Projections for FY2024.

† Indicates projection exceeds 5% or \$5M of budget expenditures or projected revenues are 5% or \$5M less than current budget.

Total may reflect slight variances due to rounding.



## Fund Summary - Other Funds

For the period ended August 31, 2023

(amounts expressed in thousands)

	Beginning of FY2024 Fund Balance	Revenues*				Controller's Projection	Finance Projection	Finance	Controller
		Unaudited Preliminary FY2023	FY2024 Current Budget	FY2024 Actual YTD					
<b>Enterprise</b>									
Aviation		619,934	591,441	108,125		591,441	591,441	✓	✓
Convention and Entertainment Facilities		102,628	105,719	31,075		105,719	105,719	✓	✓
Combined Utility System		1,610,302	1,835,607	336,689		1,835,607	1,835,607	✓	✓
DDSRF-Ad Valorem**	85,436	77,269	124,150	349		124,150	124,150	✓	✓
DDSRF-Drainage Charge**	198,674	119,200	122,693	21,563		122,693	122,693	✓	✓
DDSRF-Metro ET AL**	(19,797)	48,698	89,096	25		89,096	89,096	✓	✓
Storm Water**	12,116	62,132	64,480	5,019		64,480	64,480	✓	✓
<b>Risk Management</b>									
Health Benefits	40,863	410,196	430,176	71,010		430,176	430,176	✓	✓
Long-Term Disability	8,908	1,403	1,360	248		1,360	1,360	✓	✓
Property and Casualty	(42)	45,325	66,253	986		66,253	66,253	✓	✓
Workers' Compensation	-	32,605	43,665	5,168		43,665	43,665	✓	✓
<b>Special Revenue</b>									
Asset Forfeiture Fund	6,933	4,879	2,022	401		2,022	2,022	✓	✓
Auto Dealers Special Revenue Fund	10,222	12,130	10,616	1,510		10,616	10,616	✓	✓
BARC Special Revenue Fund	1,582	13,160	14,147	236		14,147	14,147	✓	✓
Bayou Greenway 2020 Fund	1,570	1,063	1,088	167		1,088	1,088	✓	✓
Building Inspection Special Fund	20,679	99,412	98,298	17,725		98,298	98,298	✓	✓
Cable Television Special Fund	6,330	3,871	3,727	31		3,727	3,727	✓	✓
Child Safety Fund	51	3,231	3,256	265		3,256	3,256	✓	✓
Container Lease Fund	1,687	4,767	4,727	844		4,727	4,727	✓	✓
Contractors Responsibility Fund	1,503	1,124	922	238		922	922	✓	✓
Essential Public Health Services Fund	48,088	26,369	9,613	206		9,613	9,613	✓	✓
Forensic Transition Special Fund	13	319	344	(25)		344	344	✓	✓
Health Special Revenue Fund	6,301	7,184	7,816	939		7,816	7,816	✓	✓
Historic Preservation Fund	1,961	251	220	59		220	220	✓	✓
Houston Emergency Center Fund	5,023	27,738	29,804	1,100		29,804	29,804	✓	✓
Houston Opioid Abatement Fund	-	-	-	-		-	-	✓	✓
Houston Transtar Center Fund	3,847	3,272	2,650	44		2,650	2,650	✓	✓
Laboratory Operations & Maintenance Fund	404	444	445	61		445	445	✓	✓
Local Truancy Prevention & Diversion Fund	1,277	704	619	114		619	619	✓	✓
Maintenance Renewal & Replacement Fund	1,959	32,248	43,627	74		43,627	43,627	✓	✓
Municipal Court Building Security Fund	590	651	570	106		570	570	✓	✓
Municipal Court Technology Fee Fund	1,591	777	717	94		717	717	✓	✓
Municipal Jury Fund	35	13	11	2		11	11	✓	✓
Parks Golf Special Fund	1,965	7,887	7,856	1,363		7,856	7,856	✓	✓
ParkHouston Special Revenue Fund	(4,495)	18,578	21,344	2,381		21,344	21,344	✓	✓
Parks Special Revenue Fund	3,951	3,573	3,126	379		3,126	3,126	✓	✓
Planning & Development Special Rev. Fund	10,344	10,050	10,230	1,627		10,230	10,230	✓	✓
Police Special Services Fund	7,436	8,802	7,724	255		7,724	7,724	✓	✓
Recycling Revenue Fund	3,974	1,414	4,306	71		4,306	4,306	✓	✓
Special Waste Transportation & Inspection Fund	2,293	4,505	4,919	525		4,919	4,919	✓	✓
Swimming Pool Safety Fund	1,213	1,391	1,447	289		1,447	1,447	✓	✓
Tourism Promotion Special Revenue Fund	2,390	20,694	21,451	151		21,451	21,451	✓	✓

\* Revenues include non-operating revenues

\*\* Dedicated Drainage Fund and Storm Water Fund are not technically Enterprise Funds, but are grouped with the Combined Utility System for clarity

⚠ Indicates projected revenues are 5% or \$5M less than Current Budget





**Fund Summary - Other Funds**  
 For the period ended August 31, 2023  
 (amounts expressed in thousands)

	Expenditures*					Net Current Activity (Proj.)	End of FY2024 Fund Balance (Proj.)	Finance	Controller
	Unaudited Preliminary FY2023	FY2024 Current Budget	FY2024 Actual YTD	Controller's Projection	Finance Projection				
<b>Enterprise</b>									
Aviation	650,391	591,441	102,247	591,441	591,441	-		✓	✓
Convention and Entertainment Facilities	107,180	108,184	31,036	108,184	108,184	(2,465)		✓	✓
Combined Utility System	1,566,956	1,780,359	293,500	1,780,359	1,780,359	55,248		✓	✓
DDSRF-Ad Valorem**	87,129	124,150	9,887	124,150	124,150	-	85,436	✓	✓
DDSRF-Drainage Charge**	70,080	127,462	9,273	127,462	127,462	(4,769)	193,905	✓	✓
DDSRF-Metro ET AL**	70,472	92,037	9,561	92,037	92,037	(2,941)	(22,738)	✓	✓
Storm Water**	58,938	76,063	5,008	76,063	76,063	(11,583)	533	✓	✓
<b>Risk Management</b>									
Health Benefits	389,899	432,110	74,700	432,110	432,110	(1,934)	38,929	✓	✓
Long-Term Disability	1,047	1,201	156	1,201	1,201	159	9,067	✓	✓
Property and Casualty	45,367	66,253	3,199	66,253	66,253	-	(42)	✓	✓
Workers' Compensation	32,605	43,665	5,120	43,665	43,665	-	-	✓	✓
<b>Special Revenue</b>									
Asset Forfeiture Fund	3,565	6,300	322	6,300	6,300	(4,278)	2,655	✓	✓
Auto Dealers Special Revenue Fund	8,901	12,624	1,867	12,624	12,624	(2,008)	8,214	✓	✓
BARC Special Revenue Fund	13,414	15,693	1,955	15,693	15,693	(1,546)	36	✓	✓
Bayou Greenway 2020 Fund	980	1,270	186	1,270	1,270	(182)	1,388	✓	✓
Building Inspection Special Fund	97,235	108,302	18,202	108,302	108,302	(10,004)	10,675	✓	✓
Cable Television Special Fund	3,459	6,136	313	6,136	6,136	(2,409)	3,921	✓	✓
Child Safety Fund	3,180	3,256	-	3,256	3,256	-	51	✓	✓
Container Lease Fund	3,080	3,622	113	3,622	3,622	1,105	2,792	✓	✓
Contractors Responsibility Fund	1,036	992	29	992	992	(70)	1,433	✓	✓
Essential Public Health Services Fund	11,561	22,043	1,739	22,043	22,043	(12,430)	35,658	✓	✓
Forensic Transition Special Fund	324	344	57	344	344	-	13	✓	✓
Health Special Revenue Fund	4,875	10,624	949	10,624	10,624	(2,808)	3,493	✓	✓
Historic Preservation Fund	134	475	2	475	475	(255)	1,706	✓	✓
Houston Emergency Center Fund	27,117	33,007	3,808	33,007	33,007	(3,203)	1,820	✓	✓
Houston Opioid Abatement Fund	-	-	-	-	-	-	-	✓	✓
Houston Transtar Center Fund	3,381	3,427	434	3,427	3,427	(777)	3,070	✓	✓
Laboratory Operations & Maintenance Fund	326	549	4	549	549	(104)	300	✓	✓
Local Truancy Prevention & Diversion Fund	234	838	42	838	838	(219)	1,058	✓	✓
Maintenance Renewal & Replacement Fund	34,804	41,859	2,404	41,859	41,859	1,768	3,727	✓	✓
Municipal Court Building Security Fund	444	489	2	489	489	81	671	✓	✓
Municipal Court Technology Fee Fund	978	1,320	210	1,320	1,320	(603)	988	✓	✓
Municipal Jury Fund	-	-	-	-	-	11	46	✓	✓
Parks Golf Special Fund	7,698	8,762	1,181	8,762	8,762	(906)	1,059	✓	✓
ParkHouston Special Revenue Fund	25,276	23,015	1,674	23,015	23,015	(1,671)	(6,166)	✓	✓
Parks Special Revenue Fund	2,015	4,091	352	4,091	4,091	(965)	2,986	✓	✓
Planning & Development Special Rev. Fund	8,382	13,370	1,019	13,370	13,370	(3,140)	7,204	✓	✓
Police Special Services Fund	9,553	9,075	485	9,075	9,075	(1,351)	6,085	✓	✓
Recycling Revenue Fund	3,025	3,992	5	3,992	3,992	314	4,288	✓	✓
Special Waste Transportation & Inspection Fund	3,500	6,031	609	6,031	6,031	(1,112)	1,181	✓	✓
Swimming Pool Safety Fund	1,525	2,748	271	2,748	2,748	(1,301)	(88)	✓	✓
Tourism Promotion Special Revenue Fund	21,977	21,839	1,018	21,839	21,839	(388)	2,002	✓	✓

\* Expenditures include non-operating expenditures

\*\* Dedicated Drainage Fund and Storm Water Fund are not technically Enterprise Funds, but are grouped with the Combined Utility System for clarity

⚠ Indicates projection exceeds 5% or \$5M of budget expenditures

**City of Houston, Texas**  
**Commercial Paper Issued and Available**  
**For the period end August 31, 2023**  
**(amounts expressed in millions)**

<b>COMMERCIAL PAPER</b>	<b>Draws FY24</b>	<b>Draws Month</b>	<b>Refunded FY24</b>	<b>Amount Available to be Drawn</b>	<b>Amount Outstanding</b>
<b>General Obligation</b>					
<i><u>Voter Authorized 2001; 2006; 2012 and 2017 Elections</u></i>					
Series G-1	0.00	0.00	0.00	75.00	0.00
Series G-2	10.00	10.00	0.00	21.00	104.00
Series H-2	0.00	0.00	0.00	6.00	94.00
Series J	0.00	0.00	0.00	125.00	0.00
<i><u>Non-Voter Authorized</u></i>					
Series E1-Equipment & Capital	0.00	0.00	0.00	17.60	82.40
Series E2- Equipment & Capital	0.00	0.00	0.00	65.00	5.00
Series E2- Metro Street Projects	0.00	0.00	0.00	30.00	0.00
Series K-1	0.00	0.00	0.00	200.00	0.00
Series K-2	0.00	0.00	0.00	200.00	0.00
<b>Total General Obligation</b>	<b>10.00</b>	<b>10.00</b>	<b>0.00</b>	<b>739.60</b>	<b>285.40</b>
<b>Combined Utility System</b>					
Series B-1	90.00	65.00	0.00	10.00	90.00
Series B-2	0.00	0.00	0.00	275.00	0.00
Series B-3	0.00	0.00	0.00	75.00	0.00
Series B-4	0.00	0.00	0.00	100.00	0.00
Series B-5	0.00	0.00	0.00	250.00	0.00
Series B-6	0.00	0.00	0.00	100.00	0.00
Series B-7	0.00	0.00	0.00	100.00	0.00
<b>Total Combined Utility System</b>	<b>90.00</b>	<b>65.00</b>	<b>0.00</b>	<b>910.00</b>	<b>90.00</b>
<b>Airport System</b>					
Series A&B	0.00	0.00	350.00	350.00	0.00
<b>Total Airport System</b>	<b>0.00</b>	<b>0.00</b>	<b>350.00</b>	<b>350.00</b>	<b>0.00</b>
<b>Convention &amp; Entertainment</b>					
Series A	0.00	0.00	0.00	55.00	20.00
Series B	0.00	0.00	0.00	50.00	0.00
<b>Total Convention and Entertainment</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>105.00</b>	<b>20.00</b>
<b>Totals</b>	<b>\$100.00</b>	<b>\$75.00</b>	<b>\$350.00</b>	<b>\$2,104.60</b>	<b>\$395.40</b>

**City of Houston, Texas**  
**Total Outstanding Debt**  
**For the period end August 31, 2023**  
**(amounts expressed in thousands)**

	August 31, 2023	August 31, 2022
<b>Payable from Ad Valorem Taxes</b>		
Public Improvement Bonds <sup>(a)</sup>	1,481,110	1,682,020
Commercial Paper Notes <sup>(b)</sup>	285,400	183,000
Pension Obligations	1,438,420	1,469,410
Certificates of Obligations	10,985	12,365
<b>Subtotal</b>	<b>3,215,915</b>	<b>3,346,795</b>
<b>Payable from Sources Other Than Ad Valorem Taxes</b>		
<b><u>Combined Utility System</u></b>		
Combined Utility System Revenue Bonds	6,057,355	6,324,050
Combined Utility System Commercial Paper Notes <sup>(c)</sup>	90,000	-
Water and Sewer System Revenue Bonds <sup>(d)</sup>	135,042	145,017
Contract Revenue Obligations - CWA	44,570	48,870
Combined Utility System Subordinate Lien	432,490	445,115
<b><u>Airport System</u></b>		
Airport System Subordinate Lien	2,493,320	2,055,965
Airport System Sr. Lien Commercial Paper Notes <sup>(e)</sup>	0	220,000
Airport Special Facilities Revenue Bonds <sup>(f)</sup>	1,116,920	1,153,100
<b><u>Hotel Occupancy Tax and Civic Parking</u></b>		
Facilities Revenue Bonds <sup>(g)</sup>	522,423	552,359
Hotel Occupancy Tax And Parking Revenue		
Flexible Rate Notes, Series A&B <sup>(h)</sup>	20,000	27,000
<b>Subtotal</b>	<b>10,912,120</b>	<b>10,971,476</b>
<b>Total Debt Payable by the City</b>	<b>\$14,128,035</b>	<b>\$14,318,271</b>

- (a) In November 2001, voters authorized \$776 million in tax bonds. In November 2006, voters authorized \$625 million in tax bonds. In November 2012, voters authorized \$410 million in tax bonds. In November 2017, voters authorized \$495 million in tax bonds.
- (b) The City has authorized maximum issuance of General Obligation Commercial Paper Programs Series E-1: \$100 million, E-2: \$100 million, G-1: \$75 million, G-2: \$125 million, H-2: \$100 million, J: \$125 million, K1: \$200 million and K2: \$200 million.
- (c) The City has authorized \$1,000 billion in Combined Utility System Commercial Paper Notes.
- (d) As of August 31, 2023, total outstanding includes \$100.07 million accreted value of capital appreciation bonds.
- (e) The City authorized the increase of Airport Senior Lien Commercial Paper Notes Series A&B from \$150 million to \$350 million. In May 2016, the Airport Inferior Lien appropriation facilities was also increased from \$225 million to \$450 million.
- (f) The City of Houston is not legally obligated for payment of the debt service for the Special Facilitated Revenue Bonds. All Special Facility Revenue Bonds are secured solely from Special Facility Lease Revenues.
- (g) As of August 31, 2023, total outstanding includes \$165.8 million accreted value of capital appreciation bonds.
- (h) The City authorized \$75 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Flexible Rate Notes, Series A in October 2017, and authorized \$50 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Flexible Rate Notes, Series B in May 2019.

**City of Houston, Texas**  
**Voter-Authorized Obligations**  
**For the period end August 31, 2023**  
**(amounts expressed in thousands)**

<u>Purposes</u>	<u>Voter Authorized</u>	<u>Approved by City Council for Issuance as Commercial Paper Notes</u>	<u>Commercial Paper Issued <sup>(a)</sup></u>	<u>Commercial Paper Notes Approved by City Council but Unissued</u>	<u>All Voter Authorized but Unissued</u>
<b>November 2006 Election</b>					
Streets, Bridges, Traffic Control <sup>(c)</sup>	\$ 320,000	\$ 219,950	\$ 97,248	\$ 122,702	\$ 222,752
Parks and Recreation	55,000	55,000	55,000	-	-
Public Safety	135,000	135,000	135,000	-	-
Permanent and General Improvements <sup>(b)</sup>	60,000	60,000	60,000	-	-
Public Libraries	37,000	37,000	37,000	-	-
Low Income Housing	18,000	18,000	10,731	7,269	7,269
<b>Total</b>	<b>625,000</b>	<b>524,950</b>	<b>394,979</b>	<b>129,971</b>	<b>230,021</b>
<b>November 2012 Election</b>					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	166,000	143,332	22,668	22,668
Public Safety	144,000	144,000	144,000	-	-
Permanent and General Improvements <sup>(b)</sup>	57,000	57,000	55,078	1,922	1,922
Public Libraries	28,000	28,000	28,000	-	-
Low Income Housing	15,000	10,188	5,248	4,940	9,752
<b>Total</b>	<b>410,000</b>	<b>405,188</b>	<b>375,658</b>	<b>29,530</b>	<b>34,342</b>
<b>November 2017 Election</b>					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	104,000	53,918	15,000	38,918	89,000
Public Safety	159,000	159,000	46,005	112,995	112,995
Permanent and General Improvements <sup>(b)</sup>	109,000	92,634	61,094	31,540	47,906
Public Libraries	123,000	52,799	39,934	12,865	83,066
Low Income Housing	-	-	-	-	-
<b>Total</b>	<b>495,000</b>	<b>358,351</b>	<b>162,033</b>	<b>196,318</b>	<b>332,967</b>
<b>Combined Total (2006, 2012 and 2017 Elections)</b>	<b>\$ 1,530,000</b>	<b>\$ 1,288,489</b>	<b>\$ 932,670</b>	<b>\$ 355,819</b>	<b>\$ 597,330</b>

(a) As of August 31, 2023

(b) Includes Public Health and Solid Waste Management

(c) FIF Loan Addition: PIB2021D \$10,100 and PIB2021E \$8,583.

Note: This schedule sets forth the categories of bond authorization approved by the voters in elections held in November of 2006 (the "2006 Election"), and November of 2012 (the "2012 Election"), and November of 2017 (the "2017 Election") the amount of each such authorization approved by City Council for issuance as Commercial Paper Notes, the amount of commercial paper issued as of year-end, and the amount of commercial paper approved but unissued. The City has issued all bonds authorized at the election held in November of 1997.

## Fund Descriptions

### General Fund (1000)

General Revenues (i.e. property taxes, sales taxes, franchise fees, municipal courts fines, etc.) are budgeted and received in the General Fund for the support of most basic City services. Operations and services for public safety, financial services, libraries, solid waste management, health, most parks and recreation services, street traffic control, esplanade mowing, and citywide administration are included in the General Fund.

### Enterprise Funds

#### **Aviation Operating Fund (8001)**

The Aviation Operating Fund is an enterprise fund which accounts for operation of the City's airport system. The airport system is comprised of the George Bush Intercontinental Airport/Houston, William P. Hobby Airport, and Ellington Airport. Activities of the department include: operations, maintenance, planning and construction, public service and administration. The Department coordinates its activities with the Federal Aviation Administration (FAA), other federal and state agencies, the airlines, and tenants of the airport facilities.

#### **Convention and Entertainment Facilities Operating Fund (8601)**

The Convention and Entertainment Facilities Operating Fund is an enterprise fund that accounts for the operation of the City's five major entertainment centers and city-owned parking garages: Jesse H. Jones Hall, Bayou Place, Gus S. Wortham Center, George R. Brown Convention Center and Theater District Garage.

#### **Combined Utility System Fund (8300, 8301, 8305)**

The Combined Utility System is composed of three separate funds: the Water and Sewer System Operating Fund, the Combined Utility System Operating Fund and the Combined Utility System General Purpose Fund. The fund provides for the operation of the City's treated and untreated water, as well as, receives and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers. This fund is administered by the Houston Public Works Department.

#### **Dedicated Drainage & Street Renewal Fund - Drainage Charge Fund (2310)**

The Dedicated Drainage & Street Renewal Fund (DDSRF) funds group provides a dedicated, pay-as-you-go fund for enhancement, improvement and ongoing renewal of Houston's drainage and streets, as well as traffic control operations. This fund is funded by the Drainage Fee and is administered by the Houston Public Works Department. The DDSRF funds group is not technically an enterprise fund but is grouped with the Combined Utility System for clarity.

#### **Dedicated Drainage & Street Renewal Fund - Ad Valorem Tax Fund (2311)**

Prior to FY2021, this fund was a part of DDSRF Fund 2310. The DDSRF funds group provides a dedicated, pay-as-you-go fund for enhancement, improvement and ongoing renewal of Houston's drainage and streets, as well as traffic control operations. This fund is funded by Ad Valorem Tax and is administered by the Houston Public Works Department. The DDSRF funds group is not technically an enterprise fund but is grouped with the Combined Utility System for clarity.

#### **Dedicated Drainage & Street Renewal Fund - Metro ET AL Fund (2312)**

Prior to FY2021, this fund was a part of DDSRF Fund 2310. The DDSRF funds group provides a dedicated, pay-as-you-go fund for enhancement, improvement and ongoing renewal of Houston's drainage and streets, as well as traffic control operations. This fund is primarily funded by reimbursements under the Metro General Mobility Program and is administered by the Houston Public Works Department. The DDSRF funds group is not technically an enterprise fund but is grouped with the Combined Utility System for clarity.

#### **Storm Water Fund (2302)**

This fund receives revenue from the Combined Utility System Fund and Dedicated Drainage and Street Renewal Fund. Funds are transferred to this fund to support storm water drainage operation and maintenance activities. The core purpose is to provide the best level of maintenance to the storm water infrastructure with the resources provided and to maintain flow of storm water free of debris and foreign objects that cause flooding.

## **Risk Management Funds**

### **Health Benefits Fund (9000)**

The Health Benefits Fund, an Internal Service Fund administered by the Human Resources Department, was established in 1984 to centralize the financial transactions for the City's benefit plans. Health Benefits Effective May 1, 2011, the City elected to be substantially self-insured and awarded CIGNA a three-year contract with two (2) one-year renewal options for 4 new health plans. The new health benefits model is composed of four (4) plans, all of which have heavy emphasis on a wellness component, and includes; 1) a limited network HMO-type plan, 2) an open access PPO-type plan with no out-of-network coverage, 3) a consumer driven high deductible Health Plan (CDHP), partnered with a health reimbursement account, and 4) a specific plan for retirees, mostly those under age 65, who live outside the limited network service area but who live in Texas. Effective 08/01/11, all 65+ Medicare eligible retirees must enroll in the 6 MA plans or opt out. These plans are supported by contributions from the city and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.

### **Long Term Disability Fund (9001)**

This fund is used to account for the long-term sick leave benefits for eligible City employees. The LTO Fund is funded solely by the City through premiums charged to the departments based on the number of employees covered by the plan. Such premiums cover the cost of all benefits (claims) to the employees and third party administrative fees. This fund is administered by the Human Resources Department.

### **Property and Casualty Fund (1004)**

This fund records the transactions of the City's self-insurance program for lost and personnel action claims. The Administration and Regulatory Affairs Department oversees the insurance functions while the Legal Department administers the claims portion. Revenue is generated from premiums assessed to other funds; premiums are based on projected expenditures.

### **Workers' Compensation Fund (1011)**

This fund was established to collect and report all costs of compliance to statutes related to Workers Compensation. The revenues are derived through charging the departments an administrative premium semi-monthly per employee plus all direct costs related to claim expenditures, which includes indemnity, medical and disability payments. This fund is administered by the Human Resources Department. The Workers' Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Accident Prevention, Loss Control and Workers' Compensation.

## **Special Revenue Funds**

### **Asset Forfeiture Fund (2202, 2203, 2204)**

This fund is administered by the Houston Police Department (HPD). The City receives forfeited funds resulting from HPD's role in drug-related seizures. This fund provides resources beyond HPD's General Fund budget for crime enforcement. Specifically, this fund is used to address the drug problem in a manner consistent with the department's Comprehensive Narcotics Plan.

### **Auto Dealers Special Revenue Fund (2200)**

This fund is budgeted to collect the license fees paid by tow truck drivers and various automotive sales, repair, storage and salvage dealers to finance a portion of the Houston Police Department's enforcement efforts regarding privately owned storage lots. This fund is also administered by the Houston Police Department.

### **BARC Special Revenue Fund (2427)**

BARC (Bureau of Animal Regulation and Care) is authorized to receive funds from any source for the purpose of supporting the maintenance and operation of the City's animal shelter facilities and programs. This fund is administered by the Administration and Regulatory Affairs Department.

### **Bayou Greenway 2020 Fund (2106)**

This fund is administered by the Houston Parks and Recreation Department (HPARD). This fund was created to manage the HPARD's maintenance of the White Oak Bayou Trail based upon the Bayou Greenways 2020 initiative agreement entered between the City of Houston and the Houston Parks Board, Inc. in December 2013.

### **Building Inspection Special Fund (2301)**

This fund includes all construction and building permit revenues and expenditures for inspections and permitting activities. Outdoor sign license fees are received in this fund for enforcement of the City's sign ordinance. This fund is administered by the Houston Public Works (HPW) Department.

**Cable Television Special Fund (2401, 2428)**

This fund, under certain cable television franchise agreements with the City, receives contributions on a subscriber basis. This fund is used for public access cable television programming and related costs. The Mayor's Office is responsible for administering this fund.

**Child Safety Fund (2209)**

This fund is used to account for monies received for public, parochial and private school crossing guard programs. Revenues to the fund come from an assessment of Municipal Court fees on non-criminal municipal violations and a portion of each vehicle registration authorized by Harris County. The Houston Police Department administers this fund.

**Container Lease Fund (2313)**

The fund was created in FY2023 and is administered by the Solid Waste Management Department. This fund was created to receive the revenues from container lease fees which are to be used exclusively for both black and green containers purchase and maintenance, parts, and tools replacement, rolling stock, and personnel to support deliveries in the four solid waste operations quadrants.

**Contractor Responsibility Fund (2424)**

This fund is managed by the Office of Business Opportunity (OBO) and governed by Executive Order 1-7. Funds are collected through the implementation of the Pay or Play Program, which is administered by OBO. The revenue collected in the Contractor Responsibility Fund is used to offset the cost of uninsured citizens in the Houston and Harris County area.

**Essential Public Health Services Fund (2010)**

This fund was created for the purpose of offsetting costs associated with the administration of Medicaid Transformation Waiver projects and to perform other essential public health services as defined by Chapter 121 of the Texas Health and Safety Code. This fund is administered by the Houston Health Department.

**Forensic Transition Special Fund (2213)**

The Forensic Transition Special Fund was created for the transition of forensic operations from the Houston Police Department to the independent Houston Forensics Science Local Government Corporation (LGC). The funds budget covers City of Houston employees that provide services to the Houston Forensic Science LGC.

**Health Special Revenue Fund (2002)**

This fund includes several programs that are supported by ordinances including ambulance permits, food and drug, vital statistics, international travel immunizations, Geriatric Dental Program and specific public health purposes. This fund is administered by the Houston Health Department.

**Historic Preservation Fund (2306)**

This fund is administered by the Planning and Development Department and the Houston Public Library. This fund was established in FY2010 to utilize funds set aside from the sale of historic fire stations by the City in FY2009. This fund is used to promote historic preservation programs. It utilizes City funds as seed money to encourage private investment, attract grant funds, and support educational programs that will further preservation efforts in Houston. This fund also provides future funding for the maintenance needs of the historic Julia Ideson Building.

**Houston Emergency Center Fund (2205)**

This fund consolidates the City's four separate emergency services (Police, Fire/EMS computer Aided Dispatch System, Radio System and Records Management Systems) into one state of the art facility. This fund is administered by the Houston Emergency Center Department.

**Houston Opioid Abatement Fund (2216)**

This fund was established in FY2024 for the receipt of monies obtained under a statewide opioid settlement agreement and distributed by the Texas Opioid Abatement Fund Council and the Texas Opioid Abatement Trust Company to the City of Houston for the purpose of addressing the public health emergency pertaining to the opioid crisis. This fund is administered by the Houston Health Department.

**Houston TranStar Center Fund (2402)**

This fund was established for planning, design, operation and maintenance of transportation and emergency management operations within the greater Houston area. Funding is derived from revenue received from member agencies and is prorated based on occupancy and use of center facilities. This fund is administered by the Houston Public Works Department.

**Laboratory Operations and Maintenance Fund (2008)**

This fund is solely designated for laboratory operations and maintenance for the retention of all revenue from laboratory fees. It pertains to Ordinance Amending Chapter 21 of the Code of Ordinance relating to laboratory fee. This fund is administered by the Houston Health Department.

**Local Truancy Prevention and Diversion Fund (2211)**

This fund was formerly named the "Juvenile Case Manager Fee Fund" created in FY2009 and administered by the Municipal Courts Department (MCD). The name change occurred in January of FY2020 and continues to be administered by MCD. The fund includes expenditures for the salary, benefits, and operational costs related to the staff. Revenue is generated from the funds portion of the local consolidated fee dictated by section 134.103 of the Texas Local Government Code. The mission of the fund is to partner with school districts within the City of Houston in an effort to increase school attendance and reduce truancy through early identification, assessment and prevention services to enhance the accountability of the students and families, and to limit a juvenile's exposure to the criminal justice system.

**Maintenance Renewal and Replacement Fund (MRR) (2105)**

This fund is to provide funds needed to maintain and replace systems in buildings and assets, as well as to protect the City of Houston's investments. This fund recognizes the shared responsibility of the City and its departments to maintain, upgrade, or replace building systems as they approach the end of their life cycle. This fund also addresses development and maintenance of the physical infrastructure of these facilities. This fund is administered, in partnership, by General Services Department and Parks and Recreation Department.

**Municipal Court Building Security Fund (2206)**

This Fund was established in FY 1997 and is administered by the Municipal Courts Department. The fund includes all security related contractual expenditures and additional security enhancements for the courts. Revenue is generated from the funds portion of the local consolidated fee dictated by section 134.103 of the Texas Local Government Code. The mission of the Municipal Court Building Security Fund is to protect the health and welfare of civilians and employees by ensuring that adequate equipment, procedure, and personnel are present at all court facilities.

**Municipal Jury Fund (2215)**

The fund was created in January of FY2020 and is administered by the Municipal Courts Department. Revenue is generated from the funds portion of the local consolidated fee dictated by section 134.103 of the Texas Local Government Code. Funds shall only be used to fund juror reimbursements and otherwise finance jury services.

**Municipal Court Technology Fee Fund (2207)**

This fund was established in FY 2001 and is administered by the Municipal Courts Department. Revenue is generated from the funds portion of the local consolidated fee dictated by section 134.103 of the Texas Local Government Code. The purpose of the fund is to finance technological enhancements for the Municipal Courts and maintain systems to operate in an efficient manner.

**ParkHouston Special Revenue Fund (8700)**

This Fund was formerly named the "Parking Management Fund". This fund is responsible for managing and providing on-street parking alternatives to the citizens in the Greater Houston area. This fund is administered by the Administration and Regulatory Affairs Department.

**Parks Golf Special Revenue Fund (2104)**

This fund was created to receive the revenues derived from all golf facilities, whether operated by the City or private entities, including all related concession fee revenues which are to be used exclusively for the maintenance, operation and improvement to any or all such golf courses.

**Parks Special Revenue Fund (2100)**

This is a Parks and Recreation Department fund for revenue from revenue generating activities and certain expenditures related to operations of the City's municipal tennis centers. As well as supplementing youth programs.

**Planning and Development Special Revenue Fund (2308)**

This fund was established in FY2016 to support development-related services such as: subdivision plat review, permit review and one half of the lot size/minimum building line program. The fund is administered by the Planning and Development Department.



**Police Special Services Fund (2201)**

This fund is used to account for activities that are not covered under the General Fund Budget. The activities include: joint police operations, security and traffic control, undercover support services and use of Houston Police Department facilities. The Houston Police Department administers this fund.

**Recycling Revenue Fund (2305)**

This fund was created to allocate dedicated funds to be used for the expansion and implementation of the City's Recycling Programs. Efforts include citywide tree waste recycling, additional neighborhood depository sites, curbside recycling and increased education and outreach. These efforts allow the City to improve its current landfill diversion rate. This fund is administered by the Solid Waste Management Department.

**Special Waste Transportation and Inspection Fund (2423)**

The purpose of this fund is to prevent the infiltration of fats, oils, and grease into the sanitary sewer system, and to assure that the City's infrastructure and health of the citizens are protected. All fees collected are expended only for the costs of permitting, inspecting, monitoring, controlling, educating and enforcing any violation pertaining to the management and disposal of the City-regulated waste. This fund is administered by the Houston Health Department.

**Swimming Pool Safety Fund (2009)**

This fund receives proceeds from enforcing municipal, state and federal pool and spa safety standards. State and federal pool and safety standards apply to all pools and spas serving more than two dwellings; in accordance with the requirements, operators of pool and spas at apartment or condominium projects are required to obtain permits and to comply with the standards. The fees collected in pursuant of swimming pool and spa safety are used for the purposes of activities related to permitting, inspecting, monitoring, abating, controlling, educating and enforcement of municipal, state and federal standards. This fund is administered by the Houston Health Department.

**Tourism Promotion Special Revenue Fund (2429)**

Previously known as the Houston Civic Events Fund, this fund is administered by the Mayor's Office. This fund was created to promote tourism through management and coordination of the civic celebration program, city's art and cultural plan, promote business travel and hotel occupancy in the City of Houston, as well as protocol services.

