



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: December 29, 2023

Subject: November 2023 Monthly Financial Report

Attached is the Monthly Financial Report for the month ended November 30, 2023.

GENERAL FUND

The Controller’s Office is projecting an ending fund balance of \$370.0 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 \$182.9 million above the City’s target of holding 7.5% of total expenditures, excluding debt service and Pay As You Go (PAYGO), in reserve.

Our revenue projections are unchanged from the October 2023 report.

Expenditure estimates increased by \$10.9 million from the October 2023 report due to an increase of \$10.9 million in General Government for the MacGregor Park Development Project, the Sharpstown Community Center Project, and the Buffalo Bayou Downtown Gateway North Park.

ENTERPRISE FUNDS

There are no projection changes for the Enterprise and Special Revenue Funds.

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 November 30, 2023, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation.....	0.35%
Combined Utility System.....	2.68%
Aviation	0.00%
Convention and Entertainment	4.15%

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: December 29, 2023

Subject: 5+7 Financial Report

Attached is the 5+7 Financial Report for the period ending November 30, 2023. Fiscal Year 2024 projections are based on five months of actual results and seven months of projections.

General Fund

Our revenue projection is \$1.9 million higher than the Adopted Budget and remains unchanged from 4+8 Report.

General Fund Revenues (amounts expressed in thousands)

Category	FY2023 Actual	FY24 Adopted Budget	FY24 Current Projection	FY24 Variance Over/(Under)
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	520,226	508,836	510,780	1,944
Total	\$2,852,920	\$2,900,276	\$2,902,220	1,944

Our expenditure projection is \$53.9 million higher than the Adopted Budget and \$10.9 million higher than the 4+8 Report. The variance from prior month's projections is due to an increase in General Government to reflect funding for MacGregor Park Development project, Sharpstown Community Center project, and Buffalo Bayou Downtown Gateway North project.

General Fund Expenditures (amounts expressed in thousands)

Category	FY2023 Actual	FY24 Adopted Budget	FY24 Current Projection	FY24 Variance Over/(Under)
Police	\$979,049	\$1,011,273	\$1,014,175	2,902
Fire	554,188	593,315	593,946	631
Other Departments	752,943	836,731	887,107	50,376
Debt Service/PAYGO	434,890	475,303	475,303	-
Total	\$2,721,070	\$2,916,622	\$2,970,531	53,909

We are currently projecting the ending fund balance of \$415.8 million, which is \$9.4 million lower than the 4+8 Report and 16.7% of estimated expenditures less debt service and pay-as-you-go (PAYGO).

Fund Balance (amounts expressed in thousands)

Category	FY2023 Actual	FY24 Adopted Budget*	FY24 Current Projection	FY24 Variance Over/(Under)
Fund Balance - Beginning of Year	\$356,331	\$420,482	\$485,402	64,920
Changes to Designated Fund Balance	(3,087)	(1,327)	(1,327)	-
Budgeted Increase/(Decrease) in Fund Balance	131,850	(16,346)	(68,310)	(51,964)
Change in Inventory/Prepaid Items/Imprest Cash	308	-	-	-
Fund Balance, End of Year	\$485,402	\$402,809	\$415,765	\$12,956
% of Expenditures Less Debt Service and PAYGO	21.2%	16.5%	16.7%	0.2%

* 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 the following forecast changes in Enterprise Funds, Special Revenue Funds and other funds from the 4+8 Report.

Parks Special Revenue Fund

Revenues and Expenditures increased by \$10 million to reflect funding for MacGregor Park Development project and Sharpstown Community Center project.

Sincerely,

DocuSigned by:

 55EE0EFFF65924CZ
 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	
September	Intergovernmental	
	Increase to reflect higher than anticipated Charity Care Program reimbursement	1,945
	Total Revenues	1,945
	Fund Balance	
	Additional Beginning Fund Balance	64,920
	Total Financial Resources	66,865

<u>Expenditures</u>		
Month Reported	Expenditure Detail	
September	Public Safety	
	Increase in Police Department for the purchase of in-car camera system	2,100
	Increase in Fire Department primarily due to Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) detection specialized vehicle purchases	602
October	Increase in Police Department to reflect overtime for higher than anticipated protests	700
	Total Public Safety	3,402
	Other Adjustments	
September	Increase in General Government to reflect funding for the Sidewalk Program, renovations for the Bethune Empowerment Center and Jones Hall, repair decorative lights on Southwest Freeway, and Resilience Hub implementation	14,120
	Increase in Solid Waste Department due to citywide Illegal Dumping Program, higher than anticipated temporary personnel services, Rubicon vehicle tracking services, and truck scale replacement purchase	6,598
	Increase in Parks and Recreation Department to support Mayor's Loves Our Parks Complete Communities Initiative	5,500
	Increase in Houston Public Library primarily to support the new Freedmen's Town Visitors Center	679
	Increase in Planning Department to reflect Houston BCycle transition program	500
	Other Adjustments	154
October	Increase in General Government to reflect funding transfer to the Fifth Ward Voluntary Relocation Fund, Velasco Incinerator Site Cleanup project and Urban Prairie Resilience project	6,050
	Increase in City Council to reflect prior year unutilized Council District Service Funds	3,564
	Increase in General Service Department due to improvement for Latino Learning Center facility	1,500
	Increase in various departments to reflect unspent City Council funding from prior year	410
	Increase in Municipal Courts Department for personnel realignment	306
	Other Adjustments	200
November	Increase in General Government to reflect funding for MacGregor Park Development project, Sharpstown Community Center project, and Buffalo Bayou Downtown Gateway North project	10,925
	Total Other Adjustments	50,506
	Total Expenditures	53,908

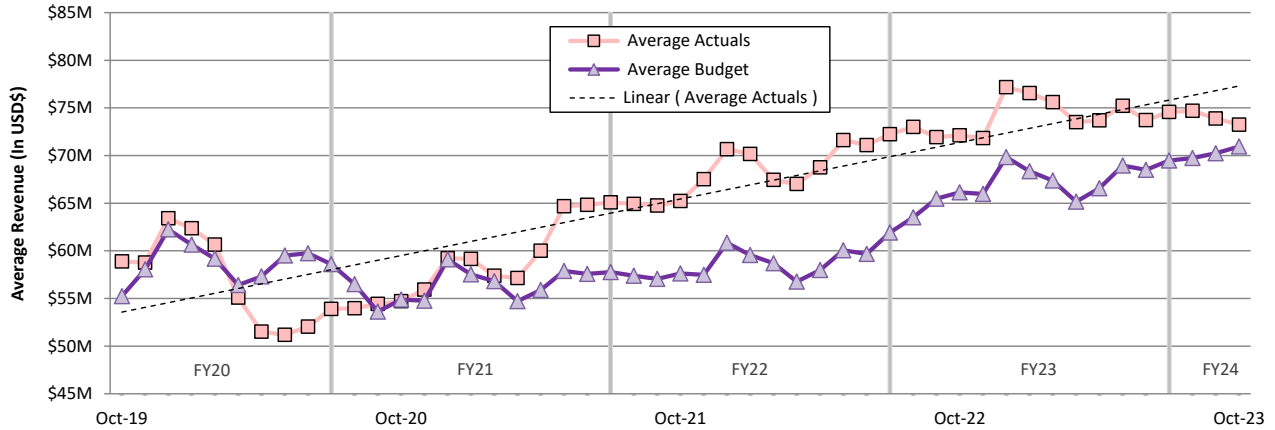
*Total may reflect slight variances due to rounding.



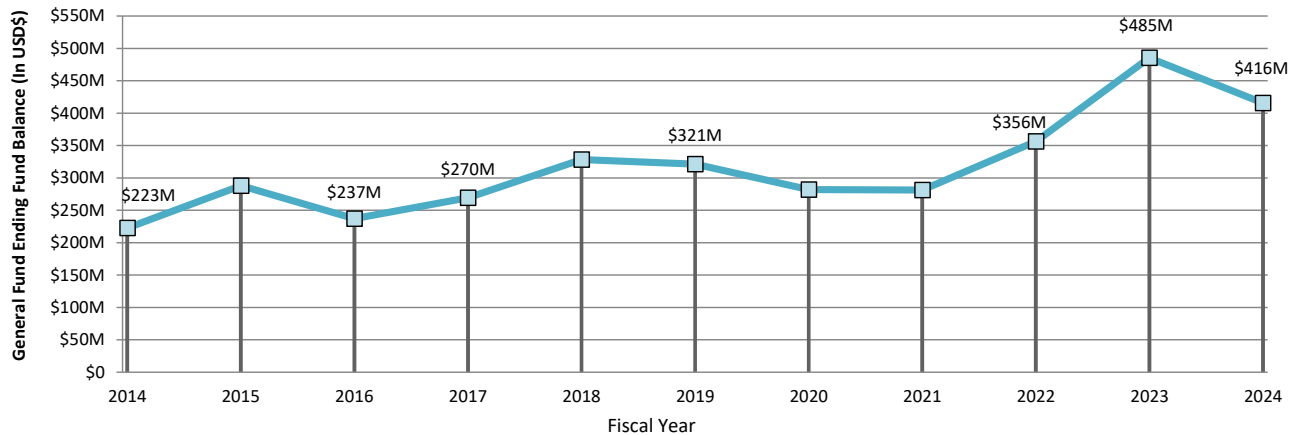
General Fund (Fund 1000)

Sales Tax Growth and Comparative Fund Balance

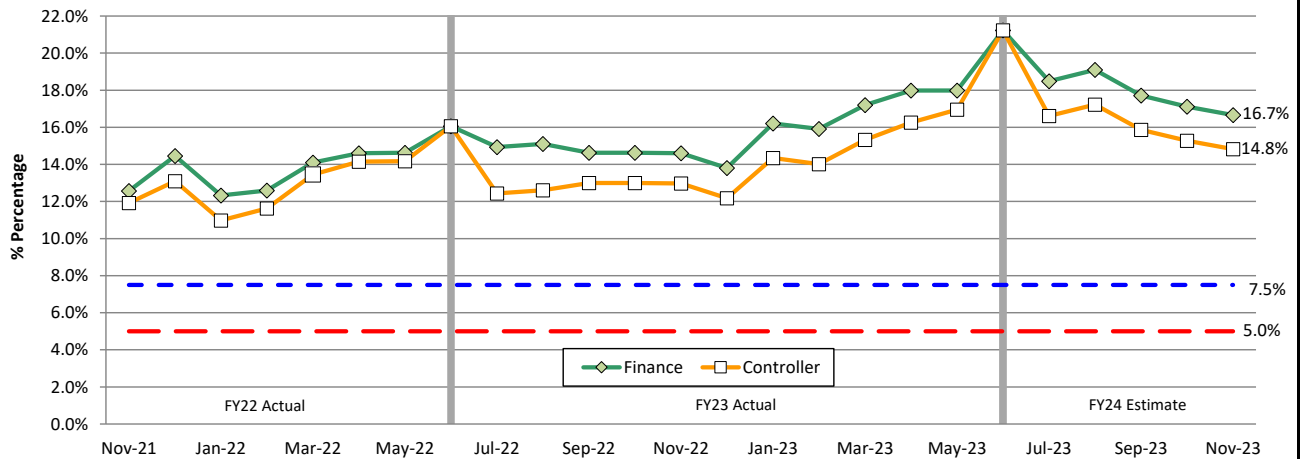
Sales Tax - Three-month Rolling Average



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 November 30, 2023

(amounts expressed in thousands)

Actual YTD
Current Budget

	FY2024						Controller - Finance	Controller - Finance	
	FY2023 Actual	Adopted Budget	Current Budget	Controller's Projection	Finance Projection	Actual YTD	Variance	Finance	Controller
Revenues									
General Property Taxes	1,295,496	1,376,668	1,376,668	1,376,663	1,376,668	10,169	(5)	✓	✓
Industrial Assessments	28,021	25,281	25,281	24,000	25,281	80	(1,281)	✓	⚠
Sales Tax	889,039	865,593	865,593	830,000	865,593	357,826	(35,593)	✓	⚠
Other Taxes	23,607	24,896	24,896	23,800	24,896	5,941	(1,096)	✓	✓
Electric Franchise	95,728	98,482	98,482	96,000	98,482	40,960	(2,482)	✓	✓
Telephone Franchise	18,203	16,170	16,170	16,000	16,170	4,297	(170)	✓	✓
Gas Franchise	13,048	14,593	14,593	14,000	14,593	6,074	(593)	✓	✓
Other Franchise	21,180	19,934	19,934	19,000	19,934	4,585	(934)	✓	✓
Licenses and Permits	33,673	33,392	33,392	33,000	33,392	13,353	(392)	✓	✓
Intergovernmental	208,176	199,545	199,545	201,489	201,489	170,026	-	✓	✓
Charges for Services	76,166	72,693	72,693	72,000	72,693	33,984	(693)	✓	✓
Direct Interfund Services	65,845	70,845	70,845	70,845	70,845	26,084	-	✓	✓
Indirect Interfund Services	22,801	26,079	26,079	26,079	26,079	7,915	-	✓	✓
Municipal Courts Fines and Forfeits	17,318	16,134	16,134	16,000	16,134	6,745	(134)	✓	✓
Other Fines and Forfeits	3,371	3,089	3,089	3,000	3,089	1,076	(89)	✓	✓
Interest	12,518	9,533	9,533	9,000	9,533	3,896	(533)	✓	⚠
Miscellaneous/Other	15,913	13,873	13,873	12,100	13,873	4,294	(1,773)	✓	⚠
Total Revenues	2,840,103	2,886,800	2,886,800	2,842,976	2,888,744	697,305	(45,768)	✓	⚠
Expenditures									
Administration & Regulatory Affairs	31,261	34,877	34,877	35,031	35,031	11,655	-	✓	✓
City Council	13,164	15,173	18,737	18,737	18,737	4,096	-	✓	✓
City Secretary	809	955	955	955	955	367	-	✓	✓
Controller	7,864	9,024	9,024	9,024	9,024	3,178	-	✓	✓
Finance	19,729	23,435	23,516	23,516	23,516	8,085	-	✓	✓
Fire	554,188	593,315	593,345	593,946	593,946	239,765	-	✓	✓
General Services	43,524	47,461	47,469	48,969	48,969	16,988	-	✓	✓
Housing and Community Development	1,126	1,693	1,716	1,716	1,716	758	-	✓	✓
Houston Emergency Center	10,072	10,155	10,155	10,155	10,155	2,537	-	✓	✓
Houston Health Department	61,269	55,897	55,928	55,928	55,928	19,658	-	✓	✓
Houston Public Works	23,281	26,301	26,301	26,301	26,301	10,038	-	✓	✓
Human Resources	960	1,500	1,500	1,500	1,500	884	-	✓	✓
Legal	18,120	19,855	19,855	19,855	19,855	7,307	-	✓	✓
Library	48,711	52,307	52,337	53,016	53,016	18,964	-	✓	✓
Mayor's Office	7,949	8,571	8,571	8,571	8,571	3,070	-	✓	✓
Municipal Courts	27,874	31,399	31,399	31,705	31,705	11,285	-	✓	✓
Neighborhoods	11,792	14,592	14,597	14,597	14,597	4,969	-	✓	✓
Office of Business Opportunity	4,411	5,553	5,553	5,553	5,553	1,983	-	✓	✓
Parks and Recreation	84,778	91,734	91,764	97,264	97,264	33,468	-	⚠	⚠
Planning and Development	3,260	4,817	4,817	5,317	5,317	1,475	-	⚠	⚠
Police	979,049	1,011,273	1,011,375	1,014,175	1,014,175	410,062	-	✓	✓
Solid Waste Management	97,332	97,116	97,116	103,715	103,715	35,372	-	⚠	⚠
Total Departmental Expenditures	2,050,523	2,157,003	2,160,909	2,179,548	2,179,548	845,965	-	⚠	⚠
General Government	235,657	284,316	285,411	315,680	315,680	121,415	-	⚠	⚠
Total Expenditures Other Than Debt	2,286,180	2,441,319	2,446,319	2,495,228	2,495,228	967,380	-	⚠	⚠
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	-	-	✓	✓
Total Expenditures and Other Uses	2,721,070	2,916,623	2,921,623	2,970,531	2,970,531	967,380	-	⚠	⚠
Net Current Activity	119,033	(29,823)	(34,823)	(127,555)	(81,786)	(270,072)	(45,769)	✓	✓
Other Financing Sources (Uses)									
Transfers from Other Funds	10,044	10,721	10,721	10,721	10,721	2,685	-	✓	✓
Sale of Capital Assets	2,773	2,755	2,755	2,755	2,755	2,053	-	✓	✓
Total Other Financing Sources (Uses)	12,817	13,476	13,476	13,476	13,476	4,738	-	✓	✓
Fund Balances									
Fund Balance - Beginning of Year	356,331	485,402	485,402	485,402	485,402	485,402	-	✓	✓
Changes to Designated Fund Balance*	(3,087)	(1,327)	(1,327)	(1,327)	(1,327)	-	-	✓	✓
Budgeted Increase/(Decrease) in Fund Balance	131,850	(16,346)	(21,346)	(21,346)	(21,346)	(265,335)	-	✓	✓
Change in Inventory/Prepaid Items/Imprest Cash	308	-	-	-	-	-	-	✓	✓
(Budgeted Gap)/Increase in Fund Balance**	-	-	-	(92,732)	(46,964)	-	(45,768)	✓	✓
Fund Balance, End of Year***	485,402	467,729	462,729	369,997	415,765	220,067	(45,768)	✓	✓

*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 \$187,142 based on current projections. The City will be \$182,855 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 November 30, 2023
(amounts expressed in thousands)

	Beginning of FY2024 Fund Balance	Revenues*				Finance	Controller
		FY2023 Actual	FY2024 Current Budget	FY2024 Actual YTD	Controller's Projection		
Enterprise							
Aviation		595,213	591,441	267,460	591,441	591,441	✓ ✓
Convention and Entertainment Facilities		115,884	105,719	60,162	105,719	105,719	✓ ✓
Combined Utility System		1,610,302	1,835,607	856,543	1,835,607	1,835,607	✓ ✓
DDSRF-Ad Valorem**	85,436	77,269	124,150	797	124,150	124,150	✓ ✓
DDSRF-Drainage Charge**	198,674	119,200	122,693	52,689	122,693	122,693	✓ ✓
DDSRF-Metro ET AL**	3,375	71,875	89,096	17,550	89,096	89,096	✓ ✓
Storm Water**	12,081	62,101	64,480	19,436	64,480	64,480	✓ ✓
Risk Management							
Health Benefits	41,938	410,193	430,176	177,479	430,176	430,176	✓ ✓
Long-Term Disability	8,956	1,403	1,360	622	1,360	1,360	✓ ✓
Property and Casualty	-	45,381	66,253	6,710	66,253	66,253	✓ ✓
Workers' Compensation	-	32,937	43,665	13,672	43,665	43,665	✓ ✓
Special Revenue							
Asset Forfeiture Fund	6,933	4,879	2,022	1,366	2,107	2,107	✓ ✓
Auto Dealers Special Revenue Fund	10,222	12,130	10,616	4,750	10,616	10,616	✓ ✓
BARC Special Revenue Fund	1,517	13,095	14,147	4,080	14,301	14,301	✓ ✓
Bayou Greenway 2020 Fund	1,570	1,063	1,088	418	1,088	1,088	✓ ✓
Building Inspection Special Fund	20,715	99,402	98,298	42,325	98,367	98,367	✓ ✓
Cable Television Special Fund	5,974	3,871	3,727	743	3,727	3,727	✓ ✓
Child Safety Fund	51	3,231	3,256	1,059	3,272	3,272	✓ ✓
Container Lease Fund	1,687	4,767	4,727	2,116	4,727	4,727	✓ ✓
Contractors Responsibility Fund	1,503	1,124	922	567	922	922	✓ ✓
Essential Public Health Services Fund	48,088	26,369	9,613	527	9,638	9,638	✓ ✓
Forensic Transition Special Fund	18	319	344	57	367	367	✓ ✓
Health Special Revenue Fund	6,301	7,184	7,816	2,463	7,816	7,816	✓ ✓
Historic Preservation Fund	1,961	251	220	166	223	223	✓ ✓
Houston Emergency Center Fund	5,021	27,736	29,804	8,554	29,804	29,804	✓ ✓
Houston Opioid Abatement Fund	-	-	2,204	2,218	2,236	2,236	✓ ✓
Houston Transtar Center Fund	3,847	3,272	2,650	288	2,650	2,650	✓ ✓
Laboratory Operations & Maintenance Fund	404	444	445	162	445	445	✓ ✓
Local Youth Diversion Fund	1,277	704	619	291	619	619	✓ ✓
Maintenance Renewal & Replacement Fund	1,959	32,248	43,627	10,873	43,627	43,627	✓ ✓
Municipal Court Building Security Fund	594	655	570	271	570	570	✓ ✓
Municipal Court Technology Fee Fund	1,591	777	717	237	732	732	✓ ✓
Municipal Jury Fund	35	13	11	6	11	11	✓ ✓
Parks Golf Special Fund	1,965	7,887	7,856	3,393	7,856	7,856	✓ ✓
ParkHouston Special Revenue Fund	2,295	18,578	21,344	7,206	21,344	21,344	✓ ✓
Parks Special Revenue Fund	3,951	3,573	3,126	1,029	13,126	13,126	✓ ✓
Planning & Development Special Rev. Fund	10,344	10,050	10,230	4,214	10,230	10,230	✓ ✓
Police Special Services Fund	7,436	8,802	7,724	1,327	7,724	7,724	✓ ✓
Recycling Revenue Fund	3,974	1,414	4,306	474	4,306	4,306	✓ ✓
Special Waste Transportation & Inspection Fund	2,293	4,505	4,919	1,634	4,919	4,919	✓ ✓
Swimming Pool Safety Fund	1,213	1,391	1,447	621	1,447	1,447	✓ ✓
Tourism Promotion Special Revenue Fund	2,390	20,694	21,451	6,387	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 November 30, 2023

(amounts expressed in thousands)

	Expenditures*					Net Current Activity (Proj.)	End of FY2024 Fund Balance (Proj.)	Finance	Controller
	FY2023 Actual	FY2024 Current Budget	FY2024 Actual YTD	Controller's Projection	Finance Projection				
Enterprise									
Aviation	651,357	591,441	209,951	591,441	591,441	-		✓	✓
Convention and Entertainment Facilities	117,190	108,184	60,181	108,184	108,184	(2,465)		✓	✓
Combined Utility System	1,567,122	1,780,359	734,546	1,842,068	1,842,068	(6,461)		!	!
DDSRF-Ad Valorem**	87,129	124,150	33,501	124,150	124,150	-	85,436	✓	✓
DDSRF-Drainage Charge**	70,080	127,462	32,691	127,462	127,462	(4,769)	193,905	✓	✓
DDSRF-Metro ET AL**	70,477	92,037	28,026	92,037	92,037	(2,941)	434	✓	✓
Storm Water**	58,942	76,063	19,546	76,063	76,063	(11,583)	498	✓	✓
Risk Management									
Health Benefits	389,899	432,110	171,587	432,110	432,110	(1,934)	40,004	✓	✓
Long-Term Disability	1,047	1,201	403	1,201	1,201	159	9,115	✓	✓
Property and Casualty	45,381	66,253	8,668	66,253	66,253	-	-	✓	✓
Workers' Compensation	32,937	43,665	13,621	43,665	43,665	-	-	✓	✓
Special Revenue									
Asset Forfeiture Fund	3,565	6,300	953	6,300	6,300	(4,193)	2,740	✓	✓
Auto Dealers Special Revenue Fund	8,901	12,624	4,381	12,624	12,624	(2,008)	8,214	✓	✓
BARC Special Revenue Fund	13,414	15,693	5,669	15,847	15,847	(1,546)	(29)	✓	✓
Bayou Greenway 2020 Fund	980	1,270	450	1,270	1,270	(182)	1,388	✓	✓
Building Inspection Special Fund	97,189	108,302	44,370	108,371	108,371	(10,004)	10,711	✓	✓
Cable Television Special Fund	3,815	6,136	1,712	6,136	6,136	(2,409)	3,565	✓	✓
Child Safety Fund	3,180	3,256	545	3,272	3,272	-	51	✓	✓
Container Lease Fund	3,080	3,622	355	3,622	3,622	1,105	2,792	✓	✓
Contractors Responsibility Fund	1,036	992	152	992	992	(70)	1,433	✓	✓
Essential Public Health Services Fund	11,561	22,043	4,870	22,043	22,043	(12,405)	35,683	✓	✓
Forensic Transition Special Fund	319	344	137	367	367	-	18	!	!
Health Special Revenue Fund	4,875	10,624	2,731	10,624	10,624	(2,808)	3,493	✓	✓
Historic Preservation Fund	134	475	47	475	475	(252)	1,709	✓	✓
Houston Emergency Center Fund	27,117	33,007	12,100	33,007	33,007	(3,203)	1,818	✓	✓
Houston Opioid Abatement Fund	-	2,204	6	2,204	2,204	32	32	✓	✓
Houston Transtar Center Fund	3,381	3,427	1,255	3,427	3,427	(777)	3,070	✓	✓
Laboratory Operations & Maintenance Fund	326	549	55	549	549	(104)	300	✓	✓
Local Youth Diversion Fund	234	838	129	838	838	(219)	1,058	✓	✓
Maintenance Renewal & Replacement Fund	34,804	41,859	9,779	41,859	41,859	1,768	3,727	✓	✓
Municipal Court Building Security Fund	444	489	6	489	489	81	675	✓	✓
Municipal Court Technology Fee Fund	978	1,320	600	1,320	1,320	(588)	1,003	✓	✓
Municipal Jury Fund	-	-	-	-	-	11	46	✓	✓
Parks Golf Special Fund	7,698	8,762	3,540	8,762	8,762	(906)	1,059	✓	✓
ParkHouston Special Revenue Fund	18,486	23,015	4,993	23,015	23,015	(1,671)	624	✓	✓
Parks Special Revenue Fund	2,015	4,091	829	14,091	14,091	(965)	2,986	!	!
Planning & Development Special Rev. Fund	8,382	13,370	3,481	14,054	14,054	(3,824)	6,520	!	!
Police Special Services Fund	9,553	9,075	2,540	9,075	9,075	(1,351)	6,085	✓	✓
Recycling Revenue Fund	3,025	3,992	311	3,992	3,992	314	4,288	✓	✓
Special Waste Transportation & Inspection Fund	3,500	6,031	1,527	6,031	6,031	(1,112)	1,181	✓	✓
Swimming Pool Safety Fund	1,525	2,748	700	2,748	2,748	(1,301)	(88)	✓	✓
Tourism Promotion Special Revenue Fund	21,977	21,839	7,274	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 November 30, 2023
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY24	Draws Month	Refunded FY24	Amount Available to be Drawn	Amount Outstanding
General Obligation					
<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	0.00	104.00	125.00	0.00
Series H-2	0.00	0.00	94.00	100.00	0.00
Series J	0.00	0.00	0.00	125.00	0.00
<i><u>Non-Voter Authorized</u></i>					
Series E1-Equipment & Capital	10.00	0.00	71.30	88.90	11.10
Series E2- Equipment & Capital	0.00	0.00	5.00	70.00	0.00
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
Total General Obligation	20.00	0.00	274.30	1,013.90	11.10
Combined Utility System					
Series B-1	90.00	0.00	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	90.00	0.00	0.00	10.00	90.00
Series B-7	0.00	0.00	0.00	100.00	0.00
Total Combined Utility System	180.00	0.00	0.00	820.00	180.00
Airport System					
Series A&B	0.00	0.00	350.00	350.00	0.00
Total Airport System	0.00	0.00	350.00	350.00	0.00
Convention & Entertainment					
Series A	0.00	0.00	0.00	55.00	20.00
Series B	0.00	0.00	0.00	50.00	0.00
Total Convention and Entertainment	0.00	0.00	0.00	105.00	20.00
Totals	\$200.00	\$0.00	\$624.30	\$2,288.90	\$211.10

City of Houston, Texas
Total Outstanding Debt
For the period end November 30, 2023
(amounts expressed in thousands)

	<u>November 30,</u> <u>2023</u>	<u>November 30,</u> <u>2022</u>
Payable from Ad Valorem Taxes		
Public Improvement Bonds ^(a)	1,752,410	1,682,020
Commercial Paper Notes ^(b)	11,100	201,700
Pension Obligations	1,438,420	1,469,410
Certificates of Obligations	2,595	12,365
Subtotal	<u>3,204,525</u>	<u>3,365,495</u>
Payable from Sources Other Than Ad Valorem Taxes		
<u>Combined Utility System</u>		
Combined Utility System Revenue Bonds	5,924,220	6,194,825
Combined Utility System Commercial Paper Notes ^(c)	180,000	-
Water and Sewer System Revenue Bonds ^(d)	136,882	146,993
Contract Revenue Obligations - CWA	44,570	48,870
Combined Utility System Subordinate Lien	419,695	432,490
<u>Airport System</u>		
Airport System Subordinate Lien	2,493,320	2,055,965
Airport System Sr. Lien Commercial Paper Notes ^(e)	0	242,000
Airport Special Facilities Revenue Bonds ^(f)	1,116,920	1,153,100
<u>Hotel Occupancy Tax and Civic Parking</u>		
Facilities Revenue Bonds ^(g)	481,879	512,880
Hotel Occupancy Tax And Parking Revenue		
Flexible Rate Notes, Series A&B ^(h)	20,000	21,000
Subtotal	<u>10,817,486</u>	<u>10,808,123</u>
Total Debt Payable by the City	<u><u>\$14,022,011</u></u>	<u><u>\$14,173,618</u></u>

- (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 November 30, 2023, total outstanding includes \$102.5 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 November 30, 2023, total outstanding includes \$151.56 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 November 30, 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 ^(a)</u>	<u>Commercial Paper Notes Approved by City Council but Unissued</u>	<u>All Voter Authorized but Unissued</u>
November 2006 Election					
Streets, Bridges, Traffic Control ^(c)	\$ 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 ^(b)	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
Total	625,000	524,950	394,979	129,971	230,021
November 2012 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	166,000	159,632	6,368	6,368
Public Safety	144,000	144,000	144,000	-	-
Permanent and General Improvements ^(b)	57,000	57,000	54,378	2,622	2,622
Public Libraries	28,000	28,000	28,000	-	-
Low Income Housing	15,000	10,188	5,248	4,940	9,752
Total	410,000	405,188	391,258	13,930	18,742
November 2017 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	104,000	53,918	15,000	38,918	89,000
Public Safety	159,000	159,000	49,405	109,595	109,595
Permanent and General Improvements ^(b)	109,000	92,634	59,394	33,240	49,606
Public Libraries	123,000	52,799	42,634	10,165	80,366
Low Income Housing	-	-	-	-	-
Total	495,000	358,351	166,433	191,918	328,567
Combined Total (2006, 2012 and 2017 Elections)	\$ 1,530,000	\$ 1,288,489	\$ 952,670	\$ 335,819	\$ 577,330

(a) As of November 30, 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 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 fees. This fund is administered by the Houston Health Department.

Local Youth Diversion Fund (2211)

This fund was formerly named the "Local Truancy Prevention and Diversion Fund" and "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 the General Services Department and the 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.

