



OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

CHRIS HOLLINS

To: Mayor John Whitmire
City Council Members

From: Chris Hollins
City Controller

Date: March 27, 2026

Subject: February 2026 Monthly Financial Report

Attached is the Monthly Financial Report for the month ended February 28, 2026.

GENERAL FUND

The Controller's Office is projecting an ending fund balance of \$307.0 million, or 11.7 percent of expenditures less debt service and Pay-As-You-Go, for FY2026. This is \$16.9 million lower than the projection of the Finance Department. The difference is due to a lower revenue projection than the Finance Department. Based on our current projections, the fund balance will be approximately \$110.7 million above the City's target of holding 7.5 percent of total expenditures, excluding debt service and Pay-As-You-Go, in reserve.

We have increased our revenue projection by \$39.0 million from the January 2026 report to reflect the following:

- Sales Tax increased by \$21.9 million due to higher than anticipated sales tax receipts.
- Charges for Services increased by \$13.9 million primarily due to stronger-than-expected ambulance fees.
- Miscellaneous/Other increased by \$2.3 million primarily due to higher recoveries and refunds from Verizon.
- Transfer from Other funds increased by \$1.8 million due to higher transfer from ParkHouston Special Revenue Fund.
- Sales of Capital assets increased by \$0.3 million due to higher than anticipated land sales.
- Intergovernmental decreased by \$0.7 million due to lower Tax Increment Reinvestment Zones (TIRZs) administrative fee collection.
- Direct Interfund decreased by \$0.7 million due to lower than anticipated direct services recovered.

We have increased our expenditure projection by \$68.0 million from the January 2026 report with significant changes as follows:

- An increase of \$50.6 million in the Fire Department primarily due to classified overtime, termination pay, firefighting equipment supplies, and IT restricted accounts.
- An increase of \$15.6 million in the Police Department due to classified overtime and IT cost overage.
- An increase of \$4.5 million in various departments to reflect health benefits overage.

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- An increase of \$1.6 million in General Government to reflect additional funding for the Houston Forensic Science Center and consulting services for the Enterprise Risk Assessment.
- A decrease of \$3.4 million in various departments to reflect vacancy savings.
- A decrease of \$0.8 million in various departments to reflect savings in service chargeback costs.

ENTERPRISE FUNDS

- Aviation Operating Fund
 - Operating Revenues decreased by \$26.8 million due to lower-than-anticipated terminal space rental fees and retail concessions offset by an increase in signatory landing fees.
 - Operating Expenses decreased by \$5.1 million driven by lower supplies and services costs and delays in non-capital equipment purchases partially offset by higher personnel costs.
 - Non-Operating Revenues increased by \$12.3 million due to higher interest income.
 - Operating Transfer to the Airport Improvement Fund decreased by \$9.3 million.
- Combined Utility System Fund
 - Operating Revenues decreased by \$74.2 million due to a decrease in water and sewer revenues.
 - Operating Expenses increased by \$1.6 million primarily due to an accounting adjustment for interfund 311 services partially offset by personnel savings, contract implementation delays, and lower water authority contract debt payments.
 - Non-Operating Revenues increased by \$36.8 million due to higher-than-anticipated impact fee collections, judgments and claims, and recoveries and refunds.
 - Operating Transfers decreased by \$83.5 million primarily due to lower-than-anticipated transfer to the Storm Water Fund, an accounting adjustment for 311 services, and delays in capital equipment purchases.
- Dedicated Drainage & Street Renewal Fund – Ad Valorem Tax
 - Expenditures decreased by \$0.7 million to reflect lower payments to the Chapter 380 Program.
- Dedicated Drainage & Street Renewal Fund – Metro ET AL
 - Revenues decreased by \$5.4 million due to lower reimbursement for street and traffic operating cost from the Metro Mobility Program.
 - Expenditures decreased by \$2.3 million due to lower service chargebacks for vehicle fuel and purchases for construction materials and capital equipment.

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- Storm Water Fund
 - Revenues decreased by \$37.0 million due to lower transfers needed from the Combined Utility System.
 - Expenditures decreased by \$19.7 million primarily due to lower-than-anticipated demolition services.

We are projecting no material changes from the previous month's amounts for the Convention and Entertainment Operating Fund or the other Dedicated Drainage and Street Renewal Funds.

COMMERCIAL PAPER AND BONDS

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure, which is in line with rating agency guidance of 25%. From time to time, the City's enterprise credits have exceeded this threshold on an interim basis as they have undertaken large capital improvement projects or major expansions.

As of February 28, 2026, the ratio of unhedged variable debt for each type of outstanding debt was:

General Obligation.....	1.12%
Combined Utility System.....	0.00%
Aviation.....	1.51%
Convention and Entertainment	62.26%

Respectfully submitted,



Chris Hollins
City Controller



CITY OF HOUSTON

Finance Department

John Whitmire

Mayor

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To: Mayor John Whitmire
City Council Members

Date: March 27, 2026

Subject: 8+4 Financial Report

Attached is the 8+4 Financial Report for the period ending February 28, 2026. Fiscal Year 2026 projections are based on eight months of actual results and four months of projections.

General Fund

Our revenue projection is \$3.5 million lower than the Adopted Budget and \$38.4 million higher than the 7+5 Report. The variance from the prior month's projections is due to:

- \$18.3 million increase in Sales Tax due to higher than anticipated sales tax receipts,
- \$14.2 million increase in Charges for Services primarily due to higher than anticipated ambulance fees,
- \$4.5 million increase in Miscellaneous/Other primarily due to higher than anticipated reimbursement from CenterPoint Energy and Verizon rebate,
- \$2.6 million increase in Other Franchise due to higher than anticipated cable TV franchise fees and solid waste hauler franchise fees,
- \$1.8 million increase in Transfer from Other Funds due to higher than anticipated transfer from ParkHouston Fund,
- \$456,000 increase in Sale of Capital Assets to reflect higher than anticipated land sale,
- \$1.5 million decrease in Licenses and Permits due to lower than anticipated special food permits, mobile food vendor licenses and food managers permits,
- \$833,000 decrease in Interest due to lower than anticipated interest earnings,
- \$728,000 decrease in Intergovernmental due to lower than anticipated reimbursement from Tax Increment Reinvestment Zones (TIRZ) for administrative fee, and
- \$721,000 decrease in Direct Interfund Services due to lower than anticipated personnel cost.

General Fund Revenues (amounts expressed in thousands)

Category	FY2025 Actual	FY26 Adopted Budget	FY26 Current Projection	FY26 Variance Over/(Under)
Property Tax	\$1,420,881	\$1,504,362	\$1,451,749	(52,613)
Sales Tax	919,289	902,316	920,598	18,282
Franchise Fees	151,137	146,146	148,855	2,710
Other	484,813	419,100	447,212	28,113
Total	\$2,976,120	\$2,971,923	\$2,968,414	(3,509)

Our expenditure projection is \$77.6 million higher than the Adopted Budget and \$68 million higher than the 7+5 Report. The variance from the prior month's projections is due to:

- \$50.6 million increase in Fire Department to reflect classified overtime, equipment for new cadets, termination pay, phase down, and billing collections,
- \$15.6 million in Police Department to reflect classified overtime and higher HPD IT related costs,
- \$4.5 million increase in various departments to reflect health benefits overage,
- \$1.6 million increase in General Government to reflect funding for Houston Forensic Science Center and Enterprise Risk Assessment consulting services,
- \$1.2 million increase in various departments to reflect interfund fleet chargeback overage,
- \$752,000 increase in various departments to reflect interfund HR client services overage,
- \$3.4 million decrease in various departments to reflect vacancy savings,
- \$1.4 million decrease in various departments to reflect interfund electricity chargeback savings, and
- \$1.3 million decrease in various departments to reflect interfund insurance chargeback savings.

General Fund Expenditures (amounts expressed in thousands)

Category	FY2025 Actual	FY26 Adopted Budget	FY26 Current Projection	FY26 Variance Over/(Under)
Police	\$1,064,519	\$1,110,813	\$1,131,191	20,378
Fire	680,374	659,035	710,103	51,068
Other Departments	798,513	769,922	776,054	6,132
Debt Service/PAYGO	516,807	508,000	508,003	3
Total	\$3,060,213	\$3,047,770	\$3,125,351	77,581

We are currently projecting the ending fund balance of \$323.8 million, which is \$29.7 million lower than the 7+5 Report and 12.4% of estimated expenditures less debt service and pay-as-you-go (PAYGO).

Fund Balance (amounts expressed in thousands)

Category	FY2025 Actual	FY26 Adopted Budget*	FY26 Current Projection	FY26 Variance Over/(Under)
Fund Balance - Beginning of Year	\$566,720	\$380,798	\$480,860	100,062
Changes to Designated Fund Balance	(887)	(97)	(97)	-
Budgeted Increase/(Decrease) in Fund Balance	(84,093)	(75,847)	(156,937)	(81,090)
Change in Inventory/Prepaid Items/Imprest Cash	(880)	-	-	-
Fund Balance, End of Year	\$480,860	\$304,853	\$323,826	\$18,973
% of Expenditures Less Debt Service and PAYGO	18.9%	12.0%	12.4%	0.4%

* 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 7+5 Report.

Aviation

Operating Revenues decreased by \$26.8 million primarily due to lower than anticipated terminal space rental fees, retail and auto rental concessions. Operating Expenses decreased by \$5.1 million due to lower than anticipated electricity, insurance fees and building maintenance services. Non-Operating Revenues increased by \$12.3 million due to higher than anticipated interest on pooled investment. As a result, Operating Transfers decreased by \$9.3 million.

Combined Utility System

Operating Revenues decreased by \$74.2 million due to decrease in water and sewer revenues. Operating Expenditures increased by \$7.6 million due to an accounting adjustment, offset by vacancy savings and IT contract implementation delays. Non-Operating Revenues increased by \$36.8 million due to higher impact fees, judgement and claims, uncovered meter revenue and recoveries and refunds. Non-Operating Expenditures decreased by \$6 million due to lower than anticipated water authority contract debt payments. Operating Transfers decreased by \$83.5 million due to lower transfer to Storm Water Fund, capital equipment purchase delays and the recognition of an accounting adjustment.

Dedicated Drainage & Street Renewal Fund - Ad Valorem Tax Fund

Expenditures decreased by \$652,000 due to lower than anticipated incentive payments through Chapter 380 Program.

Dedicated Drainage & Street Renewal Fund – Metro ET AL Fund

Revenues decreased by \$5.4 million due to lower reimbursement from Metro Mobility Program to cover street and traffic operating and maintenance costs. Expenditures decreased by \$2.3 million due to savings in supplies and services.

Storm Water Fund

Expenditures decreased by \$20.1 million due to delays in demolition services. Operating Transfers-In decreased by \$37 million due to less funding needed from the CUS Fund attributable to Storm Water's expenditure savings.

Health Benefits Fund

Revenues decreased by \$3.4 million due to lower enrollment. Expenditures increased by \$10.9 million primarily due to higher than anticipated claims.

Long Term Disability Fund

Revenues decreased by \$648,000 due to lower than anticipated claims.

Property and Casualty Fund

Revenues and Expenditures decreased by \$6.2 million due to lower insurance premiums.

Workers' Compensation Fund

Revenues and Expenditures decreased by \$2.3 million primarily due to lower than anticipated claims and personnel savings.

Asset Forfeiture Fund

Revenues increased by \$587,000 due to higher than anticipated confiscations. Expenditures decreased by \$4.3 million due to delay in non-capital computer equipment purchases.

Bayou Greenway 2020 Fund

Revenues decreased by \$913,000 as the Houston Parks Board's White Oak Bayou Trail maintenance contract has ended.

Building Inspection Fund

Expenditures decreased by \$5.4 million due to savings in personnel, services and delays in vehicle purchases.

Essential Public Health Services Fund

Expenditures decreased by \$4.4 million due to personnel savings.

Health Special Revenue Fund

Revenues decreased by \$1.3 million due to lower consumer food and ambulance permits, and delays in funding for the Veterans Affairs Program and Medicaid Administration claims. Expenditures decreased by \$1.3 million due to delays in Veteran's Affairs program spending.

Houston Emergency Center Fund

Expenditures decreased by \$667,000 due to savings in personnel and services.

ParkHouston Special Revenue Fund

Revenues increased by \$1.2 million due to higher than anticipated parking violations and metered parking revenues. Expenditure increased by \$1.5 million due to higher Transfer to General Fund.

Planning and Development Special Revenue Fund

Revenues decreased by \$1.5 million due to lower than anticipated platting fees. Expenditures decreased by \$3.1 million due to savings in personnel and services.

Police Special Revenue Fund

Revenues decreased by \$18.9 million due to lower than anticipated police services as FY2026 FIFA World Cup expenses will be transferred to FIFA Grant Fund. Expenditures decreased by \$19.6 million primarily due to FIFA World Cup related police overtime expenses will be transferred to FIFA Grant Fund.

Special Waste Transportation and Inspection Fund

Expenditures decreased by \$1.4 million due to personnel savings.

Sincerely,



Melissa Dubowski
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	Transfer from Other Funds Increase to reflect FEMA reimbursement for Derecho Category B disaster costs	1,253
October	General Property Taxes Decrease due to lower than anticipated taxable value	(52,613)
	Intergovernmental Increase due to higher than anticipated Charity Care Program reimbursement	4,860
	Miscellaneous/Other Increase due to higher than anticipated reimbursement from CenterPoint Energy	2,045
November	Intergovernmental Increase to reflect the utilization of unallocated ARPA funds for revenue replacement	2,589
February	Sales Tax Increase due to higher than anticipated sales tax receipts	18,282
	Other Franchise Increase due to higher than anticipated cable TV franchise fees and solid waste hauler franchise fees	2,635
	Licenses and Permits Decrease due to lower than anticipated special food permits, mobile food vendor licenses and food managers permits	(1,538)
	Intergovernmental Decrease due lower than anticipated reimbursement from TIRZ for administrative fees	(728)
	Charges for Services Increase mainly due to higher than anticipated ambulance fees	14,192
	Direct Interfund Services Decrease due to lower than anticipated personnel cost	(721)
	Interest Decrease due to lower than anticipated interest earnings	(833)
	Miscellaneous/Other Increase mainly due to higher than anticipated reimbursement from CenterPoint Energy and Verizon rebate	4,524
	Transfer from Other Funds Increase due to higher than anticipated transfer from ParkHouston Fund	1,837
	Sale of Capital Assets Increase to reflect higher than anticipated land sale	456
	Other Adjustments	251
	Total Revenues	(3,509)
	Fund Balance Additional Beginning Fund Balance	100,062
Total Financial Resources		96,553

<u>Expenditures</u>		
Month Reported	Expenditure Detail	
November	Public Safety Increase in Police Department to restore critical positions	1,295
February	Increase in Fire Department to reflect classified overtime, equipment for new cadets, termination pay, phase down, and billing collections	50,606
	Increase in Police Department to reflect classified overtime and higher HPD IT related costs	15,633
	Total Public Safety	67,533
September	Other Adjustments Increase in General Services Department and Administrative & Regulatory Affairs Department for security services at libraries and BARC	1,530
	Increase in Houston Public Library to support Freedmen's Town Visitors Center	250
	Other Adjustments	140
October	Increase in City Council to reflect prior year unutilized Council District Service Funds	3,323
	Increase in various departments to reflect unspent City Council funds from prior year	555
	Increase in Finance Department for comprehensive cost of service fees study	250
	Other Adjustments	100



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

Finance - Major Variances from Adopted Budget

November	Increase in Solid Waste Management Department for heavy trash pickup services	2,000
	Other Adjustments	91
February	Decrease in various departments to reflect vacancy savings	(3,354)
	Decrease in various departments to reflect interfund electricity chargeback savings	(1,425)
	Decrease in various departments to reflect interfund insurance chargeback savings	(1,302)
	Increase in various departments to reflect health benefits overage	4,511
	Increase in General Government to reflect funding for Houston Forensic Science Center and Enterprise Risk Assessment consulting services	1,560
	Increase in various departments to reflect interfund fleet chargeback overage	1,216
	Increase in various departments to reflect interfund HR client services overage	752
	Other Adjustments	(151)
	Total Other Adjustments	10,048
	Total Expenditures	77,581

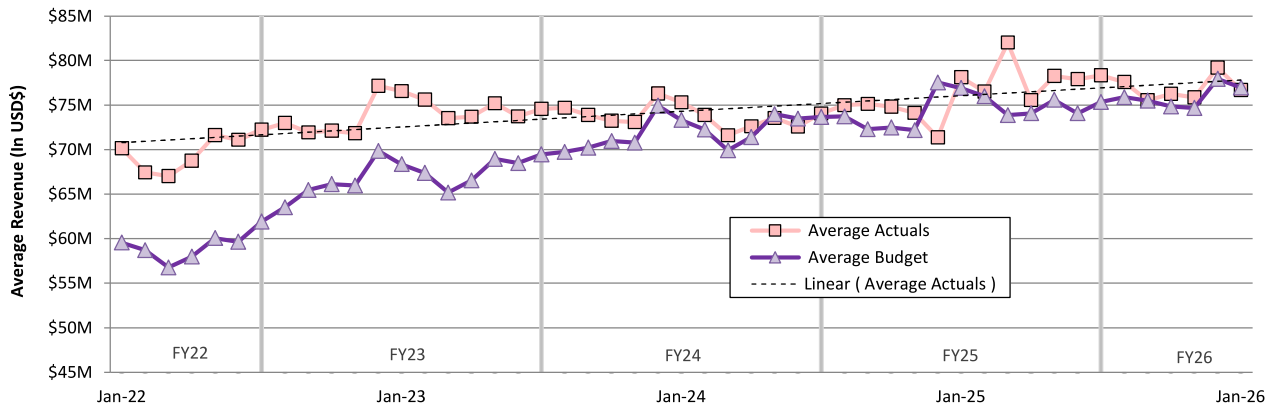
**Total may reflect slight variances due to rounding.*



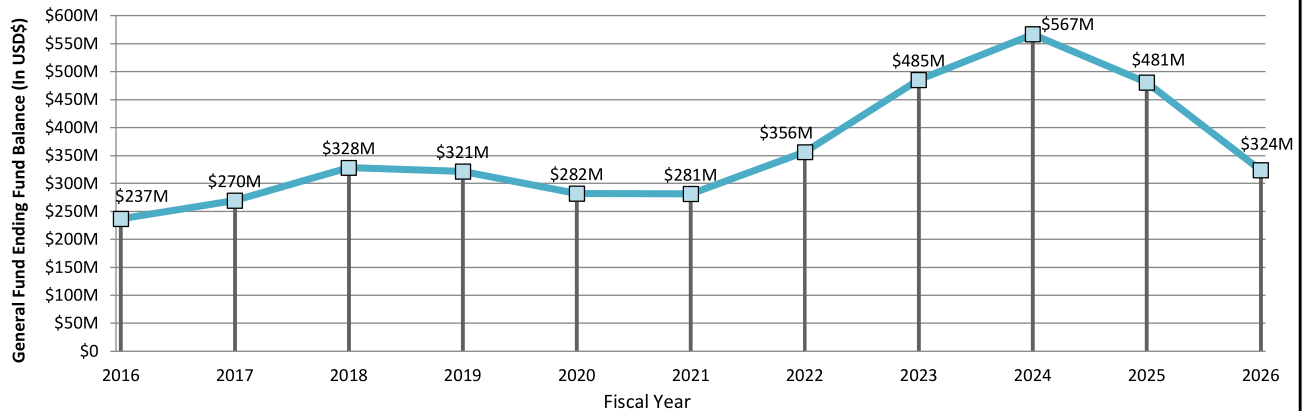
General Fund (Fund 1000)

Sales Tax Growth and Comparative Fund Balance

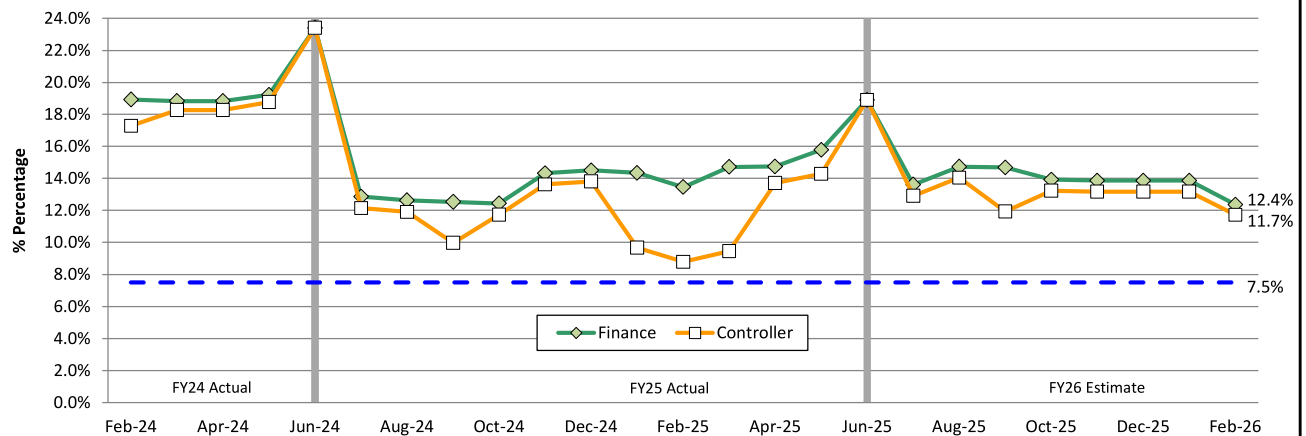
Sales Tax - Three-month Rolling Average



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 February 28, 2026

(amounts expressed in thousands)

	FY2026									
	FY2025 Actual	Adopted Budget	Current Budget	Controller's Projection	Finance Projection	Actual YTD	Controller - Finance Variance	Finance - Adopted Budget Variance	Finance	Controller
Revenues										
General Property Taxes	1,420,881	1,504,362	1,504,362	1,451,766	1,451,749	1,568,322	17	(52,613)	⬆️	⬆️
Industrial Assessments	30,456	27,685	27,685	25,281	27,685	866	(2,404)	-	⬆️	⬆️
Sales Tax	919,289	902,316	902,316	912,891	920,598	615,468	(7,707)	18,282	⬆️	⬆️
Other Taxes	23,695	23,955	23,955	23,800	23,955	11,507	(155)	-	⬆️	⬆️
Electric Franchise	100,070	98,620	98,620	98,238	98,613	65,611	(375)	(8)	⬆️	⬆️
Telephone Franchise	13,918	12,264	12,264	12,229	12,346	6,210	(117)	82	⬆️	⬆️
Gas Franchise	16,232	16,777	16,777	16,777	16,777	11,213	-	-	⬆️	⬆️
Other Franchise	20,917	18,484	18,484	18,579	21,119	10,568	(2,540)	2,635	⬆️	⬆️
Licenses and Permits	36,112	35,397	35,397	35,227	33,859	23,842	1,368	(1,538)	⬆️	⬆️
Intergovernmental	75,940	31,512	31,512	38,232	38,232	10,956	-	6,720	⬆️	⬆️
Charges for Services	103,880	87,722	87,722	101,873	101,914	70,555	(41)	14,192	⬆️	⬆️
Direct Interfund Services	76,971	80,215	80,215	79,494	79,494	49,442	-	(721)	⬆️	⬆️
Indirect Interfund Services	25,848	30,564	30,564	30,564	30,564	15,414	-	-	⬆️	⬆️
Municipal Courts Fines and Forfeits	17,016	19,019	19,019	18,263	19,019	11,771	(756)	-	⬆️	⬆️
Other Fines and Forfeits	3,440	2,354	2,354	2,335	2,531	1,444	(196)	177	⬆️	⬆️
Interest	22,048	21,893	21,893	19,400	21,060	9,112	(1,660)	(833)	⬆️	⬆️
Miscellaneous/Other	15,650	12,681	12,681	17,060	19,250	10,760	(2,190)	6,569	⬆️	⬆️
Total Revenues	2,922,363	2,925,821	2,925,821	2,902,010	2,918,766	2,493,062	(16,756)	(7,056)	⬆️	⬆️
Expenditures										
Administration & Regulatory Affairs	36,439	28,885	28,910	28,231	28,231	15,880	-	(654)	⬆️	⬆️
City Council	15,049	19,246	22,570	22,567	22,567	12,145	-	3,321	⬆️	⬆️
City Secretary	1,051	812	812	739	739	476	-	(73)	⬆️	⬆️
Controller	10,394	10,978	10,978	10,942	10,942	6,841	-	(36)	⬆️	⬆️
Finance	21,815	23,049	23,049	23,341	23,341	14,889	-	293	⬆️	⬆️
Fire	680,374	659,035	659,047	710,103	710,103	467,127	-	51,068	⬆️	⬆️
General Services	48,050	46,233	46,233	46,507	46,507	24,957	-	274	⬆️	⬆️
Housing and Community Development	2,312	1,610	1,610	1,867	1,867	1,204	-	257	⬆️	⬆️
Houston Emergency Center	9,395	8,822	8,822	8,822	8,822	4,411	-	-	⬆️	⬆️
Houston Health Department	58,865	50,013	50,137	51,501	51,501	31,401	-	1,488	⬆️	⬆️
Houston Public Works	1,195	1,159	1,159	1,153	1,153	735	-	(6)	⬆️	⬆️
Human Resources	1,187	1,425	1,425	1,425	1,425	736	-	-	⬆️	⬆️
Legal	19,016	18,662	18,662	17,582	17,582	10,423	-	(1,080)	⬆️	⬆️
Library	53,056	50,057	50,058	50,223	50,223	30,561	-	166	⬆️	⬆️
Mayor's Office	8,693	8,129	8,129	8,065	8,065	4,834	-	(64)	⬆️	⬆️
Municipal Courts	30,316	26,029	26,029	25,148	25,148	15,545	-	(881)	⬆️	⬆️
Neighborhoods	13,024	7,480	7,488	6,421	6,421	3,811	-	(1,059)	⬆️	⬆️
Office of Business Opportunity	4,759	4,842	4,859	4,587	4,587	2,845	-	(255)	⬆️	⬆️
Parks and Recreation	93,057	89,068	89,098	88,056	88,056	53,429	-	(1,012)	⬆️	⬆️
Planning and Development	2,945	3,086	3,086	2,274	2,274	1,108	-	(812)	⬆️	⬆️
Police	1,064,519	1,110,813	1,110,921	1,131,191	1,131,191	742,217	-	20,378	⬆️	⬆️
Solid Waste Management	109,027	101,401	101,401	103,515	103,515	60,712	-	2,114	⬆️	⬆️
Total Departmental Expenditures	2,284,538	2,270,834	2,274,479	2,344,261	2,344,261	1,506,291	-	73,427	⬆️	⬆️
General Government	258,868	268,937	265,291	273,087	273,087	148,150	-	4,150	⬆️	⬆️
Total Expenditures Other Than Debt	2,543,406	2,539,771	2,539,771	2,617,348	2,617,348	1,654,441	-	77,577	⬆️	⬆️
Captured Revenue Transfer to DDSRF	135,947	183,835	183,835	183,835	183,835	-	-	-	⬆️	⬆️
Debt Service Transfer	380,860	324,165	324,165	324,168	324,168	324,165	-	3	⬆️	⬆️
Total Expenditures and Other Uses	3,060,213	3,047,770	3,047,770	3,125,351	3,125,351	1,978,606	-	77,580	⬆️	⬆️
Net Current Activity	(137,850)	(121,950)	(121,950)	(223,341)	(206,586)	514,455	(16,756)	(84,636)	⬆️	⬆️
Other Financing Sources (Uses)										
Transfers from Other Funds	12,389	43,602	43,602	46,693	46,693	4,707	-	3,090	⬆️	⬆️
Proceeds from Issuance of Debt	-	-	-	-	-	-	-	-	⬆️	⬆️
Sale of Capital Assets	41,368	2,500	2,500	2,849	2,956	2,767	(107)	456	⬆️	⬆️
Total Other Financing Sources (Uses)	53,757	46,102	46,102	49,542	49,649	7,474	(107)	3,546	⬆️	⬆️
Fund Balances										
Fund Balance - Beginning of Year	566,720	480,860	480,860	480,860	480,860	480,860	-	-	⬆️	⬆️
Changes to Designated Fund Balance*	(887)	(97)	(97)	(97)	(97)	-	-	-	⬆️	⬆️
Budgeted Increase/(Decrease) in Fund Balance	(84,093)	(75,847)	(75,847)	(75,847)	(75,847)	521,930	-	-	⬆️	⬆️
Change in Inventory/Prepaid Items/Imprest Cash	(880)	-	-	-	-	-	-	-	⬆️	⬆️
(Budgeted Gap)/Increase in Fund Balance**	-	-	-	(97,952)	(81,090)	-	(16,862)	(81,090)	⬆️	⬆️
Fund Balance, End of Year***	480,860	404,915	404,915	306,963	323,826	1,002,790	(16,862)	(81,090)	⬆️	⬆️

*The total designation for the Budget Stabilization Fund is approximately \$14.4 million by the end of FY2026. In FY2025, \$23 million was transferred to Disaster Recovery Fund (Fund 5303) for May 2024 Derecho and Hurricane Beryl. \$12 million will be replenished in FY2026 and the remaining will be replenished in FY2027.

**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 \$196,301 based on current projections. The City will be \$110,661 above 7.5% based on the Controller's Projections, and \$127,525 above 7.5% based on Finance's Projections for FY2026.

⬆️ 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 February 28, 2026

(amounts expressed in thousands)

	Beginning of FY2026 Fund Balance	Revenues*					Finance	Controller
		FY2025 Actual	FY2026 Current Budget	FY2026 Actual YTD	Controller's Projection	Finance Projection		
<u>Enterprise</u>								
Aviation		680,960	738,703	524,520	744,441	744,441	✓	✓
Convention and Entertainment Facilities		123,412	133,815	85,095	133,815	133,815	✓	✓
Combined Utility System		1,793,789	2,078,406	1,367,338	2,041,001	2,041,001	✓	✓
DDSRF-Ad Valorem**	174,823	146,755	184,835	3,841	188,835	188,835	✓	✓
DDSRF-Drainage Charge**	269,858	118,833	121,020	84,580	125,020	125,020	✓	✓
DDSRF-Metro ET AL **	5,658	112,015	160,363	50,863	154,706	154,706	✓	✓
Storm Water**	12,323	103,423	164,554	49,759	127,818	127,818	⚠	⚠
<u>Risk Management</u>								
Health Benefits	43,634	419,276	437,167	289,786	434,141	434,141	✓	✓
Long-Term Disability	9,464	974	1,551	1,044	967	967	✓	✓
Property and Casualty	-	49,230	61,706	9,241	55,470	55,470	⚠	⚠
Workers' Compensation	-	37,437	41,353	23,078	39,093	39,093	✓	✓
<u>Special Revenue</u>								
Asset Forfeiture Fund	8,868	4,935	2,041	3,303	3,878	3,878	✓	✓
Auto Dealers Special Revenue Fund	16,642	13,028	12,591	7,108	12,591	12,591	✓	✓
BARC Special Revenue Fund	1,822	16,006	14,826	7,687	14,826	14,826	✓	✓
Bayou Greenway 2020 Fund	1,492	777	959	30	46	46	✓	✓
Building Inspection Special Fund	13,814	104,026	118,608	71,633	114,525	114,525	✓	✓
Cable Television Special Fund	3,609	3,241	2,974	1,086	2,974	2,974	✓	✓
Child Safety Fund	129	3,253	3,124	1,872	3,269	3,269	✓	✓
Container Lease Fund	6,133	5,207	5,744	3,777	5,655	5,655	✓	✓
Contractors Responsibility Fund	2,335	1,190	1,321	945	1,346	1,346	✓	✓
Essential Public Health Services Fund	44,647	10,587	9,030	1,015	9,361	9,361	✓	✓
Forensic Transition Special Fund	45	347	300	33	37	37	✓	✓
Health Special Revenue Fund	2,314	7,584	7,799	3,573	6,548	6,548	✓	✓
Historic Preservation Fund	2,531	588	430	474	607	607	✓	✓
Houston Emergency Center Fund	3,049	29,627	29,620	15,651	29,620	29,620	✓	✓
Houston Opioid Abatement Fund	4,421	2,196	503	109	578	578	✓	✓
Houston Transtar Center Fund	4,539	3,291	3,248	1,671	3,248	3,248	✓	✓
Human Trafficking Response and Recovery Fund	-	-	-	197	214	214	✓	✓
Laboratory Operations & Maintenance Fund	504	513	522	451	572	572	✓	✓
Local Youth Diversion Fund	1,925	733	706	531	810	810	✓	✓
Maintenance Renewal & Replacement Fund	6,893	44,872	50,229	25,406	50,435	50,435	✓	✓
Municipal Court Building Security Fund	1,147	679	592	496	744	744	✓	✓
Municipal Court Technology Fee Fund	1,297	680	870	411	670	670	✓	✓
Municipal Jury Fund	63	14	14	11	16	16	✓	✓
Parks Golf Special Fund	1,773	8,589	8,799	5,762	8,979	8,979	✓	✓
ParkHouston Special Revenue Fund	2,280	20,205	20,232	11,833	21,391	21,391	✓	✓
Park Special Revenue Fund	3,912	3,519	3,502	1,683	3,715	3,715	✓	✓
Planning & Development Special Rev. Fund	6,871	9,060	9,409	5,257	7,886	7,886	✓	✓
Police Special Services Fund	7,022	8,717	31,082	3,748	12,157	12,157	⚠	⚠
Recycling Revenue Fund	4,832	1,874	5,048	558	5,020	5,020	✓	✓
Special Waste Transportation & Inspection Fund	3,886	4,614	5,181	3,026	5,181	5,181	✓	✓
Swimming Pool Safety Fund	638	1,356	1,239	887	1,202	1,202	✓	✓
Tourism Promotion Special Revenue Fund	2,327	24,576	26,650	10,954	26,660	26,660	✓	✓

* 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 February 28, 2026

(amounts expressed in thousands)

Enterprise

	FY2025 Actual	FY2026 Current Budget	FY2026 Actual YTD	Controller's Projection	Finance Projection	Net Current Activity (Proj.)	End of FY2026 Fund Balance (Proj.)	Finance	Controller
Aviation	707,488	738,703	465,492	744,441	744,441	-		⚠	⚠
Convention and Entertainment Facilities	122,593	133,639	186,661	133,639	133,639	176		✓	✓
Combined Utility System	1,756,669	2,067,791	1,181,457	1,963,377	1,963,377	77,624		✓	✓
DDSRF-Ad Valorem**	88,126	170,464	43,523	164,607	164,607	24,228	199,051	✓	✓
DDSRF-Drainage Charge**	88,198	151,429	66,530	151,040	151,040	(26,020)	243,838	✓	✓
DDSRF-Metro ET AL**	110,892	160,363	67,653	154,167	154,167	539	6,197	✓	✓
Storm Water**	91,100	166,444	47,982	134,679	134,679	(6,861)	5,462	✓	✓

Risk Management

Health Benefits	413,735	441,802	299,921	452,743	452,743	(18,602)	25,032	⚠	⚠
Long-Term Disability	956	1,160	599	946	946	21	9,485	✓	✓
Property and Casualty	49,230	61,706	15,098	55,470	55,470	-	-	✓	✓
Workers' Compensation	37,437	41,353	23,050	39,093	39,093	-	-	✓	✓

Special Revenue

Asset Forfeiture Fund	4,374	10,000	2,163	5,714	5,714	(1,836)	7,032	✓	✓
Auto Dealers Special Revenue Fund	10,631	13,360	8,239	13,237	13,237	(646)	15,996	✓	✓
BARC Special Revenue Fund	15,564	16,033	10,211	15,943	15,943	(1,117)	705	✓	✓
Bayou Greenway 2020 Fund	998	1,267	579	907	907	(861)	631	✓	✓
Building Inspection Special Fund	108,452	123,022	68,285	114,252	114,252	273	14,087	✓	✓
Cable Television Special Fund	4,401	4,866	1,233	4,855	4,855	(1,881)	1,728	✓	✓
Child Safety Fund	3,183	3,124	1,465	3,397	3,397	(128)	1	⚠	⚠
Container Lease Fund	1,941	3,973	1,040	3,782	3,782	1,873	8,006	✓	✓
Contractors Responsibility Fund	980	940	446	937	937	409	2,744	✓	✓
Essential Public Health Services Fund	14,237	23,499	12,364	21,555	21,555	(12,194)	32,453	✓	✓
Forensic Transition Special Fund	347	300	33	37	37	-	45	✓	✓
Health Special Revenue Fund	8,800	10,203	4,790	8,848	8,848	(2,300)	14	✓	✓
Historic Preservation Fund	257	439	72	340	340	267	2,798	✓	✓
Houston Emergency Center Fund	30,497	32,098	18,049	31,431	31,431	(1,811)	1,238	✓	✓
Houston Opioid Abatement Fund	291	2,360	250	1,950	1,950	(1,372)	3,049	✓	✓
Houston Transtar Center Fund	2,736	3,596	1,648	3,230	3,230	18	4,557	✓	✓
Human Trafficking Response and Recovery Fund	-	-	-	-	-	214	214	✓	✓
Laboratory Operations & Maintenance Fund	402	600	161	600	600	(28)	476	✓	✓
Local Youth Diversion Fund	434	785	349	552	552	258	2,183	✓	✓
Maintenance Renewal & Replacement Fund	39,389	43,925	15,520	43,925	43,925	6,510	13,403	✓	✓
Municipal Court Building Security Fund	466	514	113	514	514	230	1,377	✓	✓
Municipal Court Technology Fee Fund	990	1,563	1,105	1,569	1,569	(899)	398	✓	✓
Municipal Jury Fund	-	-	-	-	-	16	79	✓	✓
Parks Golf Special Fund	9,061	9,209	5,481	8,968	8,968	11	1,784	✓	✓
ParkHouston Special Revenue Fund	20,276	19,860	9,582	21,369	21,369	22	2,302	⚠	⚠
Park Special Revenue Fund	2,936	4,288	1,126	4,039	4,039	(324)	3,588	✓	✓
Planning & Development Special Rev. Fund	9,633	12,117	4,736	9,017	9,017	(1,131)	5,740	✓	✓
Police Special Services Fund	8,364	32,172	5,602	12,589	12,589	(432)	6,590	✓	✓
Recycling Revenue Fund	2,139	3,653	308	3,453	3,453	1,567	6,399	✓	✓
Special Waste Transportation & Inspection Fund	3,942	7,159	3,034	5,732	5,732	(551)	3,335	✓	✓
Swimming Pool Safety Fund	1,729	1,553	825	1,410	1,410	(208)	430	✓	✓
Tourism Promotion Special Revenue Fund	24,541	26,634	11,682	26,630	26,630	30	2,357	✓	✓

* 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

**Derecho (DR 4781) and Beryl (DR 4798) Monthly Report
February 2026**

DESCRIPTION	Estimates			Actuals Inception to Date as of 02/28/2026		
	DR 4781	DR 4798	Combined	DR 4781	DR 4798	Combined
INFLOWS						
FEMA Reimbursement*	\$ 24,341,650	\$ 39,639,347	\$ 63,980,997	\$ 19,442,525	\$ 3,526,809	\$ 22,969,334
FEMA Advance	\$ 12,541,738	\$ 52,448,433	\$ 64,990,171	\$ 12,541,738	\$ 52,637,297	\$ 65,179,035
State Reimbursement	\$ 10,043,998	\$ 16,932,603	\$ 26,976,601	\$ 9,032,755	\$ 15,572,995	\$ 24,605,750
Budget Stabilization Fund (BSF)	\$ 19,000,000	\$ 4,000,000	\$ 23,000,000	\$ 19,000,000	\$ 4,000,000	\$ 23,000,000
Total Inflows	\$ 65,927,385	\$ 113,020,383	\$ 178,947,769	\$ 60,017,018	\$ 75,737,101	\$ 135,754,119
OUTFLOWS**						
<i>Emergency Protective Measures:</i>						
Category A	\$ 40,175,992	\$ 67,730,412	\$ 107,906,405	\$ 35,314,732	\$ 63,191,116	\$ 98,505,848
Category B	\$ 5,297,823	\$ 25,502,662	\$ 30,800,485	\$ 2,385,650	\$ 17,313,915	\$ 19,699,565
<i>Permanent Work:</i>						
Categories C-G	\$ 3,704,035	\$ 29,550,632	\$ 33,254,667	\$ -	\$ -	\$ -
Sub Total - Disaster Costs All Categories	\$ 49,177,850	\$ 122,783,707	\$ 171,961,557	\$ 37,700,382	\$ 80,505,031	\$ 118,205,413
<i>Other:</i>						
BSF Replenishment	\$ 19,000,000	\$ 4,000,000	\$ 23,000,000	\$ -	\$ -	\$ -
Total Outflows	\$ 68,177,850	\$ 126,783,707	\$ 194,961,557	\$ 37,700,382	\$ 80,505,031	\$ 118,205,413
NET ACTIVITY	\$ (2,250,464)	\$ (13,763,324)	\$ (16,013,788)	\$ 22,316,636	\$ (4,767,930)	\$ 17,548,706

*FEMA Reimbursement is based on a Federal Share of 75%

**Outflows are based on preliminary cost estimates and are very fluid/subject to change

Inception to date, only Category A expenditures have hit the Disaster Recovery Fund. Expenditures for all other categories are currently incurred in departments' operating budgets and will be transferred to the disaster recovery fund once determined eligible and funds come available.

City of Houston, Texas
Commercial Paper Issued and Available
For the period end February 28, 2026
(amounts expressed in millions)

COMMERCIAL PAPER	Draws FY26	Draws Month	Refunded FY26	Amount Available to be Drawn	Amount Outstanding
General Obligation					
<u>Voter Authorized 2001; 2006; 2012,2017 and 2022 Elections</u>					
Series G-1	0.00	0.00	0.00	75.00	0.00
Series G-2	15.00	0.00	50.00	115.00	10.00
Series H-2	37.00	10.00	65.00	68.00	32.00
Series J	0.00	0.00	0.00	125.00	0.00
<u>Non-Voter Authorized</u>					
Series E1-Equipment & Capital	45.00	0.00	100.00	100.00	0.00
Series E2- Equipment & Capital	90.00	0.00	100.00	100.00	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	187.00	10.00	315.00	983.00	42.00
Combined Utility System					
Series B-1	0.00	0.00	0.00	100.00	0.00
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
Total Combined Utility System	0.00	0.00	0.00	1,000.00	0.00
Airport System					
Series A&B	112.00	0.00	34.20	272.20	77.80
Total Airport System	112.00	0.00	34.20	272.20	77.80
Convention & Entertainment					
Series B	0.00	0.00	0.00	50.00	0.00
Series C-1	60.00	60.00	0.00	65.00	60.00
Series C-2	122.50	0.00	0.00	0.00	200.00
Total Convention and Entertainment	182.50	60.00	0.00	115.00	260.00
Totals	\$481.50	\$70.00	\$349.20	\$2,370.20	\$379.80

City of Houston, Texas
Total Outstanding Debt
For the period end February 28, 2026
(amounts expressed in thousands)

	February 28, 2026	February 28, 2025
Payable from Ad Valorem Taxes		
Public Improvement Bonds ^(a)	2,355,340	2,253,915
Commercial Paper Notes ^(b)	42,000	90,000
Pension Obligations	1,367,370	1,404,470
Certificates of Obligations	-	2,595
Subtotal	3,764,710	3,750,980
Payable from Sources Other Than Ad Valorem Taxes		
Combined Utility System		
Combined Utility System Revenue Bonds	5,738,275	5,764,905
Combined Utility System Commercial Paper Notes ^(c)	-	-
Water and Sewer System Revenue Bonds ^(d)	95,546	107,922
Contract Revenue Obligations - CWA	50,305	60,320
Combined Utility System Subordinate Lien	393,540	406,720
Subtotal	6,277,666	6,339,867
Airport System		
Airport System Subordinate Lien	2,943,900	2,370,395
Airport System Sr. Lien Commercial Paper Notes ^(e)	77,800	-
Rental Car Special Facilities Revenue Bonds	23,570	34,015
Conduit debt: Special Facilities Revenue Bonds ^(f)	2,091,885	2,135,015
Subtotal	5,137,155	4,539,425
Hotel Occupancy Tax and Civic Parking		
Facilities Revenue Bonds ^(g)	417,606	452,075
Hotel Occupancy Tax And Parking Revenue		
Flexible Rate Notes, Series A&B	-	34,000 ⁽ⁱ⁾
Flexible Rate Notes, Series C1&C2 ^(h)	260,000	-
Subtotal	677,606	486,075
Total City Debt	\$15,857,137	\$15,116,347

- (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. In November 2022, voters authorized \$478 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 maximum issuance of Combined Utility System Commercial Paper Notes.
Series B-1: \$100 million, B-2: \$275 million, B-3: \$75 million, B-4: \$100 million
B-5: \$250 million, B-6: \$100 million, B-7: \$100 million.
- (d) As of February 28, 2026, total outstanding includes \$74.33 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 February 28, 2026, total outstanding includes \$139.79 million accreted value of capital appreciation bonds.
- (h) The City authorized \$125 million of the Subordinate Lien Hotel Occupancy Tax and Parking Revenue Flexible Rate Notes, Series C-1 and \$200 million of the Subordinate Lien Hotel Occupancy Tax and Parking Revenue Flexible Rate Notes Series C-2
- (i) The City authorized \$75 million of Subordinate Lien Hotel Occupancy Tax and Parking Revenue Flexible Rate Notes, Series A in 2017. Flexible Rate Notes, Series B \$50MM in May 2019. Series A is no longer outstanding and Series B is still outstanding and set to expire on May 2026.

City of Houston, Texas
Voter-Authorized Obligations
For the period end February 28, 2026
(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	\$ 95,248	\$ 124,702	\$ 224,752
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	14,106	3,894	3,894
Total	\$ 625,000	\$ 524,950	\$ 396,354	\$ 128,596	\$ 228,646
November 2012 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	166,000	166,000	166,000	-	-
Public Safety	144,000	144,000	144,000	-	-
Permanent and General Improvements ^(b)	57,000	57,000	57,000	-	-
Public Libraries	28,000	28,000	28,000	-	-
Low Income Housing	15,000	15,000	5,248	9,752	9,752
Total	\$ 410,000	\$ 410,000	\$ 400,248	\$ 9,752	\$ 9,752
November 2017 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	104,000	104,000	26,235	77,765	77,765
Public Safety	159,000	159,000	152,075	6,925	6,925
Permanent and General Improvements ^(b)	109,000	109,000	80,672	28,328	28,328
Public Libraries	123,000	123,000	61,799	61,201	61,201
Low Income Housing	-	-	-	-	-
Total	\$ 495,000	\$ 495,000	\$ 320,781	\$ 174,219	\$ 174,219
November 2022 Election					
Streets, Bridges, Traffic Control	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	60,000	60,000	-	60,000	60,000
Public Safety	277,000	272,000	36,587 ^(d)	235,413	240,413
General Improvements	29,000	29,000	-	29,000	29,000
Solid Waste	6,000	6,000	-	6,000	6,000
Public health	33,000	33,000	1,700	31,300	31,300
Public Libraries	26,000	26,000	-	26,000	26,000
BARC	47,000	47,000	-	47,000	47,000
Low Income Housing	-	-	-	-	-
Total	\$ 478,000	\$ 473,000	\$ 38,287	\$ 434,713	\$ 439,713
Combined Total (2006, 2012, 2017 and 2022 Elections)	\$ 2,008,000	\$ 1,902,950	\$ 1,155,670	\$ 747,280	\$ 852,330

(a) As of February 28, 2026.

(b) Includes Public Health and Solid Waste Management.

(c) TWBD FIF Loan Addition to the City: PIB2021D \$10,100 and PIB2021E \$8,583. Payments are associated with Taylor Gully Flood and Wynnewood Acres Flood Mitigation. Note: This schedule sets forth the categories of bond authorization approved by the voters in elections held in November of 2001 (the "2001 Election") and November of 2006 (the "2006 Election"), and November of 2012 (the "2012 Election"), November of 2017 (the "2017 Election"), and the November of 2022 (the "2022 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.

(d) The City issue \$5M out of Voter Authorization of 2023A Bond which is reflected in Voter Election 2022 using this capacity.

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 LTD 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.

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.

Human Trafficking Response and Recovery Fund (2217)

The City receives forfeited funds resulting from HPD's role in human trafficking seizures. The fund provides supplemental resources beyond HPD's general budget to assist with the human trafficking victims as the first step to recovery.

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 changed 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 FY1997 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 FY2001 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.

Park 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.