



City Council

FY2026 Proposed Budget Presentation

May 19, 2025

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Assistant Director





VISION



From Vision to Victory



Infrastructure



Homelessness



Reduce Crime



Quality of Life



Public Safety



Transparency and Accountability

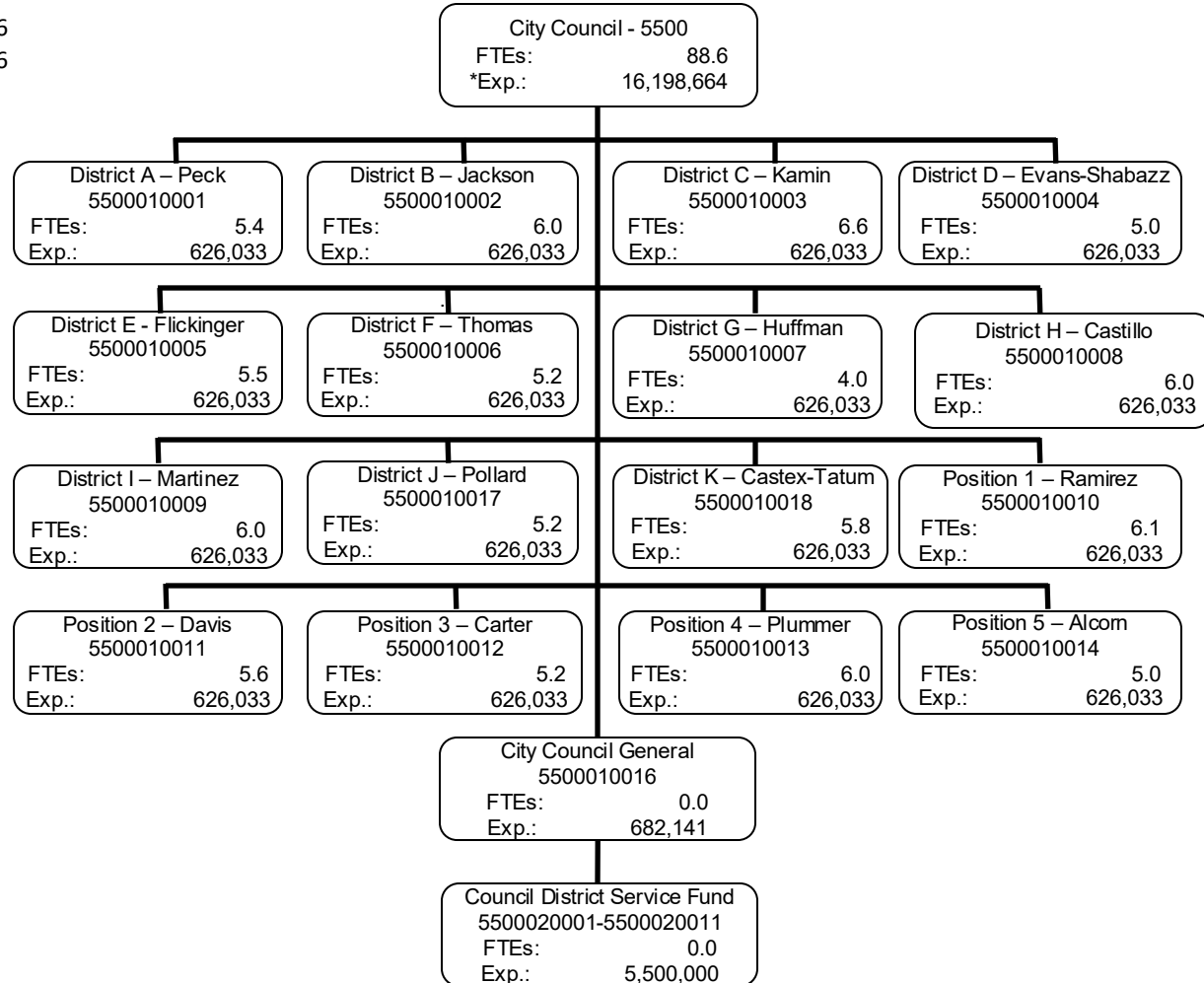
The Houston City Council's vision is to adopt guiding principles and goals that reflect the priorities of our constituents while aligning with the Mayor's initiatives. The goal-setting process fosters consensus among Council members on policies and projects that affect residents, businesses, and the broader community in the city.



CITY COUNCIL'S ORGANIZATION CHART

FTE's for FY25 – 84.6

FTE's for FY26 – 88.6

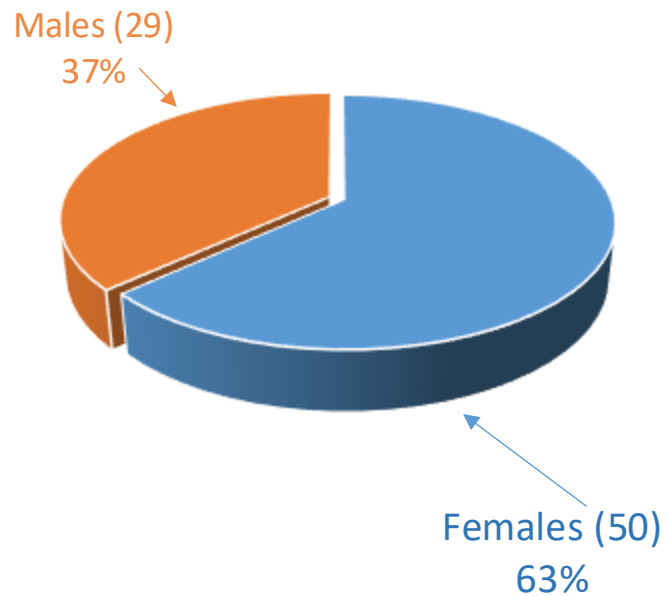


**Total may reflect slight variance due to rounding.*

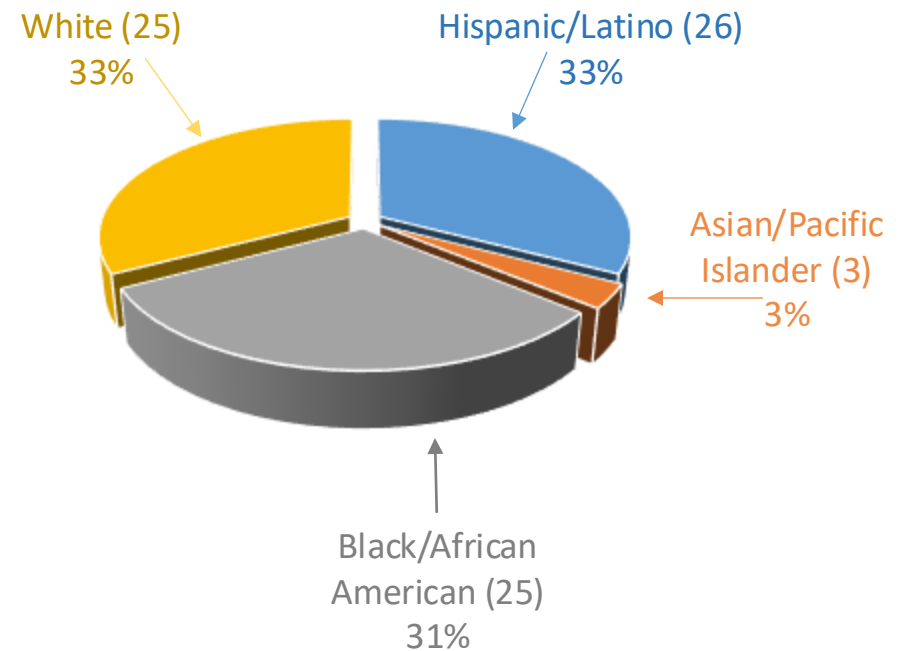


FY25 DEMOGRAPHICS

GENDER



ETHNICITY



BUDGET COMPARISON (FY25 TO FY26)



☐ **Proposed FY25 Budget is \$15,249,500**

- FY25 Council Operating Budget (\$568,787/Office)	9,073,812
- FY25 Council District Service Fund Budget	5,500,000
- FY25 Health Benefits Budget	675,688
	<hr/>
	\$15,249,500

☐ **Current/Projected FY25 Current Budget is \$19,089,809**

- HOPE Adjustment	291,161
- Restricted Account Adjustments	2,600
- FY24 Council District Service Fund (CDSF) Carry Forward	3,519,753
- Health Benefit Civilian Adjustment	728
- VMERPO – Voluntary Municipal Employee Retirement Payment Option	26,067
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	\$3,840,309

☐ **Proposed FY26 Budget is \$16,198,664**

- FY26 Council Operating Budget (\$626,033/Office)	10,016,523
- FY26 Council District Service Fund Budget	5,500,000
- FY26 Health Benefits Budget	682,141
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	\$16,198,664



FY26 INCREASES

- ❑ HOPE FY2025 Remaining Full-Time Allowance - \$96,454
- ❑ HOPE FY2026 Full-Time Allowance - \$246,073
- ❑ HOPE FY2025 Remaining Part-Time Allowance - \$66,433
- ❑ HOPE FY2026 Part-Time Allowance - \$282,202
- ❑ Municipal Pension FY25 (8.51%) – FY26 (8.54%) - \$1,560
- ❑ Application Services - \$6,218
- ❑ Data Services - \$43,763
- ❑ EGIS Revolving Fund Services - \$4,529

Note:

Houston Information Technology Services – Increases are due to updates to the various chargeback models and metrics



FY26 DECREASES

- ☐ Voluntary Municipal Employee Retirement Payment Option (VMERPO) – (\$26,067)
- ☐ Municipal Pension Legacy FY25 (20.60%) – FY26 (18.96%) – (\$85,379)
- ☐ Voice Services – (\$6,836)
- ☐ Voice Labor – (\$1,079)
- ☐ Voice Services – Wireless – (\$4,748)
- ☐ KRONOS – (\$240)

Note:

Houston Information Technology Services – Decreases are due to updates to the various chargeback models and metrics

Council District Service Fund (CDSF) (FY25 to FY26)



☐ FY24 CDSF Carry Forward

➤ \$3,519,753

☐ Adopted FY25 CDSF - \$5,500,000

➤ \$500,000/District Office (11)

☐ FY25 Current CDSF Carry Forward

➤ Undetermined (Based on pending projects)

☐ Proposed FY26 CDSF - \$5,500,000

➤ \$500,000/District Office (11)

Note:

The Total allocated CDSF is \$11,000,000. It is split between Metro \$5,500,000 (\$500k/per district office) and Operating \$5,500,000 (\$500k/per district office).

FY25 COUNCIL DISTRICT SERVICE FUND MAJOR PROJECTS



- ✓ Sidewalks/Curb repairs/Asphalt Overlays/Speed Cushions/ADA Ramps/Concrete Panel Replacements
- ✓ Ditch Maintenance/Mowing/Pavement Markings/Streetlights/Traffic Lights/Light Poles/Rain Barrels
- ✓ Park Amenities and equipment, Landscaping, Porta potties, CASE for Kids
- ✓ SPARK Parks
- ✓ Police overtime, specialized equipment, and sponsored mounted patrol horses
- ✓ All-Terrain Vehicles/Boat/High-water vehicle/Speed trailers/Drones
- ✓ Neighborhood and Illegal Dumping Cleanups (HOT Teams)
- ✓ Neighborhood matching grants/Neighborhood beautification
- ✓ Public charging stations
- ✓ Library books and equipment
- ✓ Stray animal pick-up/Adoption events/Spay and neuter events
- ✓ Electrical Boxes (Mini-Murals)
- ✓ Fund Part-time employees to work at the neighborhood parks and community centers
- ✓ Numerous projects with Harris County Area on Aging (Meals on Wheels and senior home repairs)
- ✓ Credible Messenger (Mentorship for at-risk youth)
- ✓ BeSuccessful (Second chance program)
- ✓ Bay Area Houston Economic Partnership
- ✓ Recycling Center Event and security
- ✓ Houston Toolbank
- ✓ Latino Museum of Cultural and Visual Arts & Archive Complex (ALMAAHH) professional and planning services funding

FY25 COUNCIL DISTRICT SERVICE FUND MAJOR PROJECTS



- ✓ Mowing homes for Seniors and Veterans
- ✓ Services for emergency responses (debris removal)
- ✓ Safe storage – gun locks
- ✓ Planned Parenthood
- ✓ Pride festival
- ✓ Metro bus shelter improvements
- ✓ Bike racks
- ✓ Good Neighbor Program – Assist the community with various projects.
- ✓ Computer Lab
- ✓ YMCA – Senior nutrition program
- ✓ Senior residential repair
- ✓ Black Expo
- ✓ Air quality monitors
- ✓ Language access coordinator
- ✓ Walking trails
- ✓ City Connections program
- ✓ Monuments
- ✓ Gang prevention



Program Details



Program 1

Priority:	City Council Offices
FY2026 FTE Count:	88.6

Program Description

Serves as a legislative body with power to enact all ordinances and resolutions. The Council Members determine policy, initiate legislation and administer duties set forth in the City Charter.

Significant Budget Items

- Includes funding for health benefits, pension contributions, and municipal employees' contractual pay increases
- Includes funding of \$626,033 for each Council office

FY26 Prop Budget by Fund

Fund 1	\$10,700
Total	\$10,700

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
% of Budget Utilized	91%	69%	100%	100%	Ensure that expenditures remain within the allocated budgeted amount



Program 2

Priority:	Council District Service Program
FY2026 FTE Count:	0.0

Program Description

Council District Service Project Program establishes a method to address minor neighborhood issues. Funding for each district Council Member will be allocated; an equal amount to be utilized based on neighborhood needs and constituents' input.

Significant Budget Items

- Includes funding of \$5,500,000 for the Council District Service Project Program

FY25 Prop Budget by Fund

Fund 1	\$5,500
Total	\$5,500

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
# of CDSF Projects Submitted	311	224	325	N/A	Ensure projects follow polices and are submitted in a timely manner
# of CDSF Projects Completed	117	55	325	N/A	Monitor the progress of projects to assist with timely completion

Voluntary Municipal Employee Retirement Payout Option (VMERPO)



Number Eligible for VMERPO	Number Accepting Option	% Accepting
5	2	40%

Reductions Included in Proposed Budget

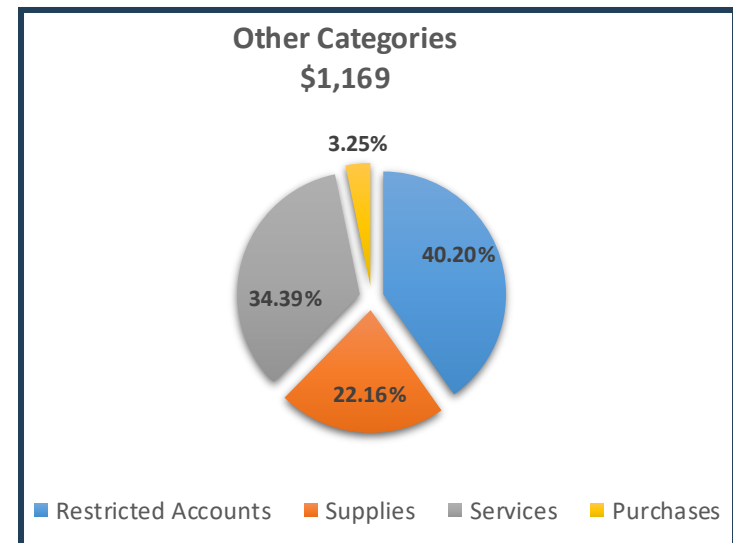
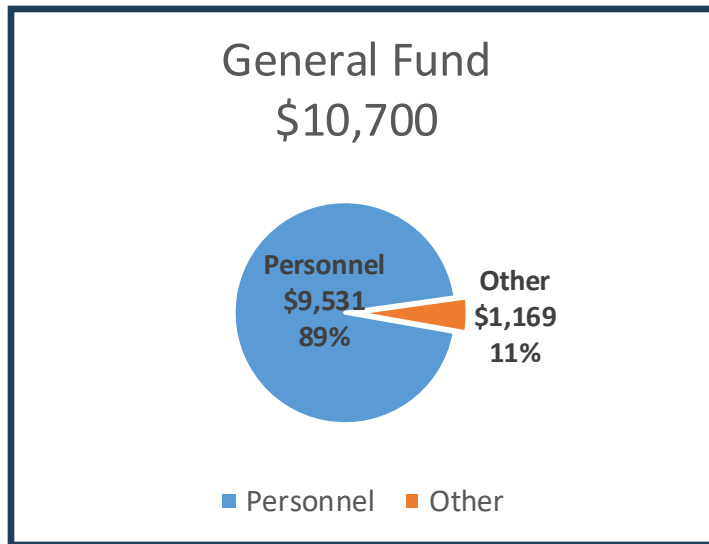
	Number of Employees	Value of Reduction
Critical Positions Accepting Offer before April 20 th	2	\$26,067

Personnel vs. Non-Personnel [in thousands]



Objective

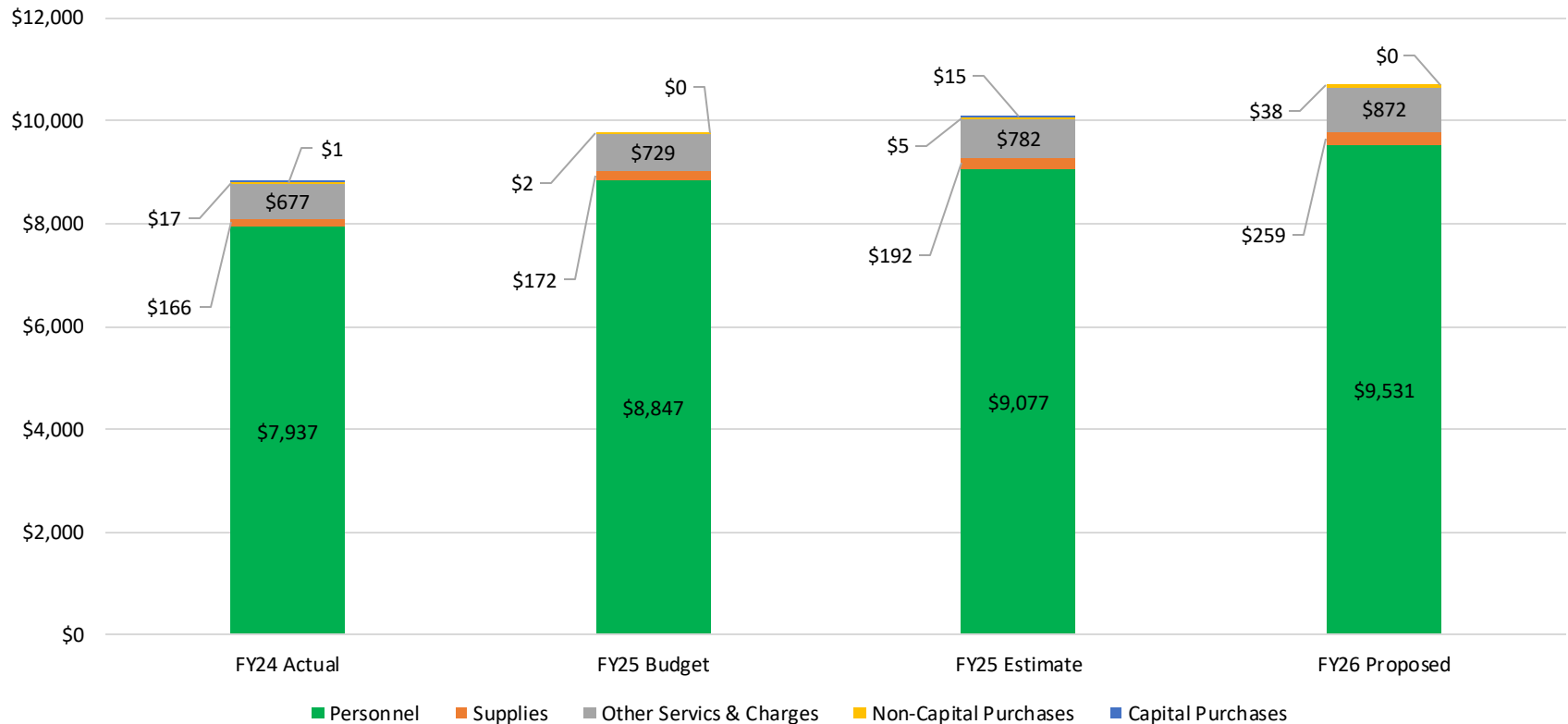
The graphs below are utilized to show how much of the budget is personnel vs. non-personnel. All non-personnel charges are broken out by primary service function.



Other Category Breakdown

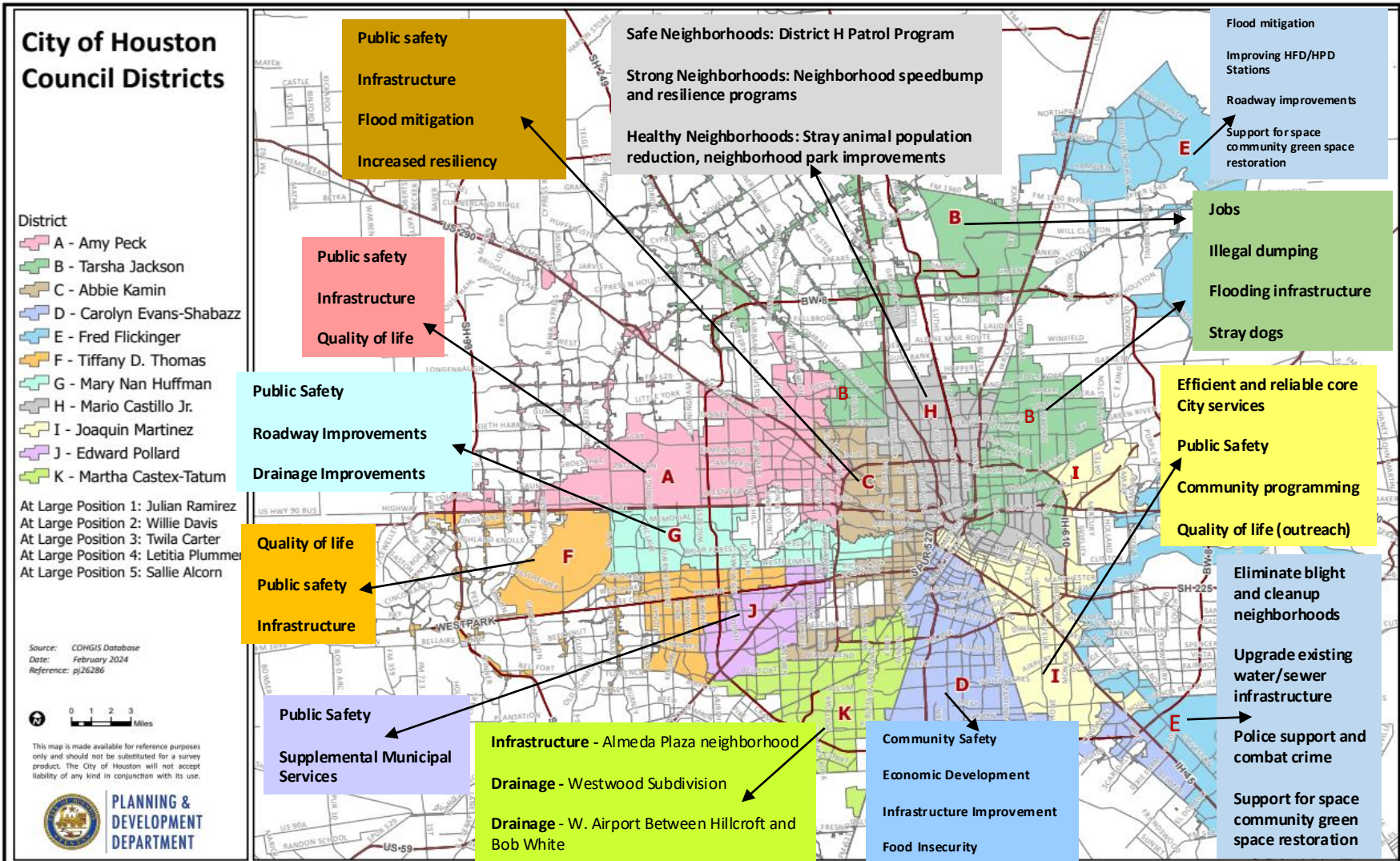
Restricted Accounts	\$ 470
Supplies	\$ 259
Services	\$ 402
Purchases	\$ 38
Total	\$ 1,169

Expenditure by Fund [in Thousands]



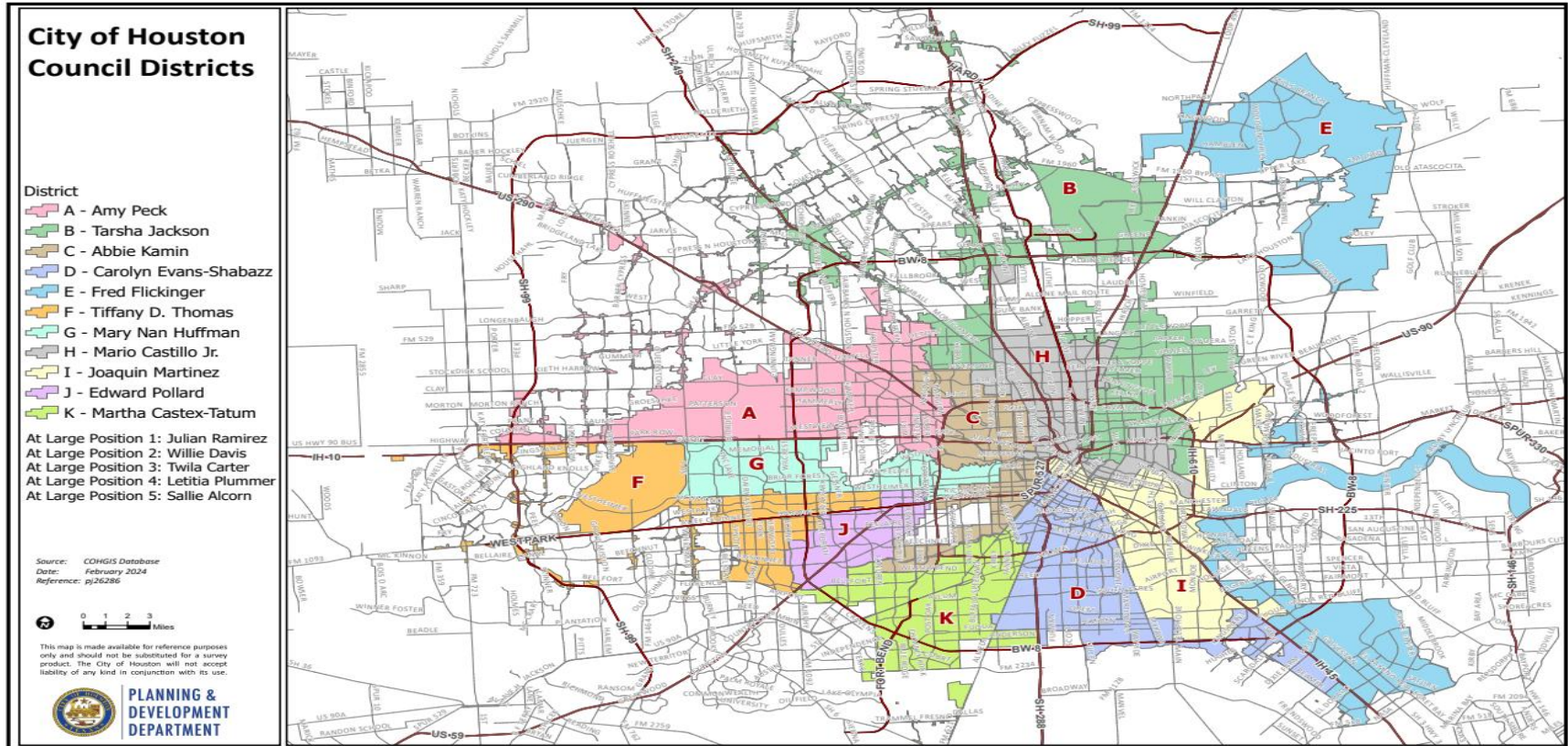


DISTRICT PRIORITIES AND INITIATIVES





AT-LARGE PRIORITIES AND INITIATIVES



At-Large 1

- Public safety (recruitment, human trafficking)
- Quality of life (noise)
- TIRZ reform
- Fiscal responsibility
- Ethics and transparency

At-Large 2

- Crime – focus on communities, creative programs, prevention, police appreciation
- Veterans
- Housing and Community Development.

At-Large 3

- Public Safety
- Quality of life
- Homeless and domestic violence

At-Large 4

- Quality of Life (including apartment habitability)
- Fifth Ward Cancer Cluster
- MWBE and SBE Assistance
- Infrastructure and Drainage

At-Large 5

- Infrastructure (drainage, streets, sidewalks)
- Public safety
- Parks and greenspace
- Enhancing quality of life in neighborhoods



PRIORITIES AND INITIATIVES

- District A – Public safety, infrastructure, and quality of life
- District B – Jobs, Illegal dumping, flooding infrastructure, and stray dogs
- District C – "Protecting Houstonians and preparing for the future: from increasing public safety through infrastructure and additional first responder resources to flood mitigation and increased resiliency"
- District D – Community safety, economic development, infrastructure Improvement, and food insecurity
- District E (North Sector) – Flood mitigation, improving HFD/HPD stations, roadway improvements, and green space restoration
- District E (South Sector) – Eliminate blight and cleanup neighborhoods, upgrade existing water/sewer infrastructure, police support, and support the space community green space restoration
- District F – Quality of life, public safety, and infrastructure
- District G – Public safety, roadway improvements, and drainage improvements
- District H – Safe, strong, and healthy neighborhoods
- District I – Efficient and reliable core City services, public safety, community programming and outreach that supports quality of life
- District J – Public safety and supplemental municipal services
- District K – Infrastructure and drainage



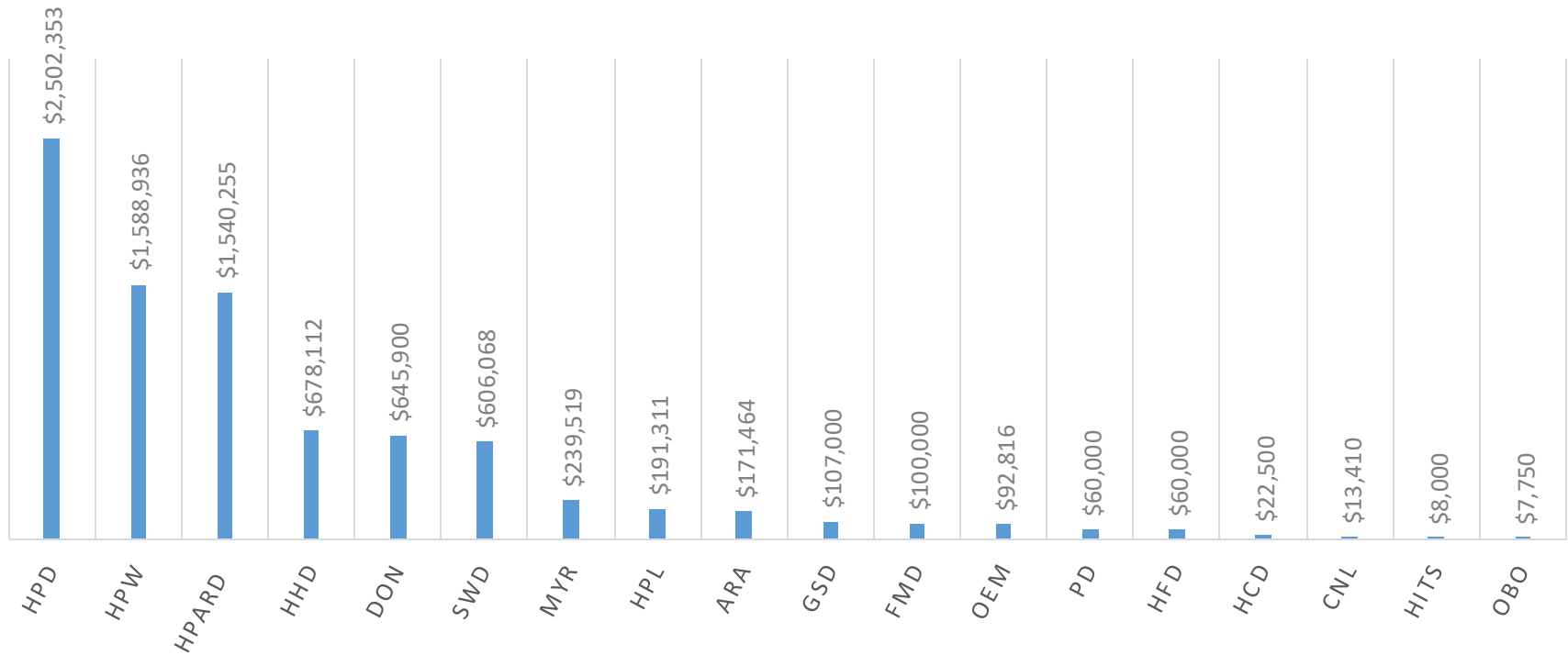
PRIORITIES AND INITIATIVES CON'T.

- At-Large 1 – Public safety (recruitment, human trafficking), quality of life (noise), TIRZ reform, fiscal responsibility, ethics and transparency
- At-Large 2 – Crime, Veterans, and housing and community development
- At-Large 3 - Public safety, quality of life, homeless and domestic violence awareness.
- At-Large 4 – Quality of life, including apartment habitability, Fifth Ward Cancer Cluster, MWBE and SBE Assistance, and infrastructure and drainage.
- At-Large 5 – Infrastructure, public safety, parks/greenspace, and enhancing quality of life in neighborhoods

FY25 COUNCIL DISTRICT SERVICE FUND OVERVIEW - OPERATING



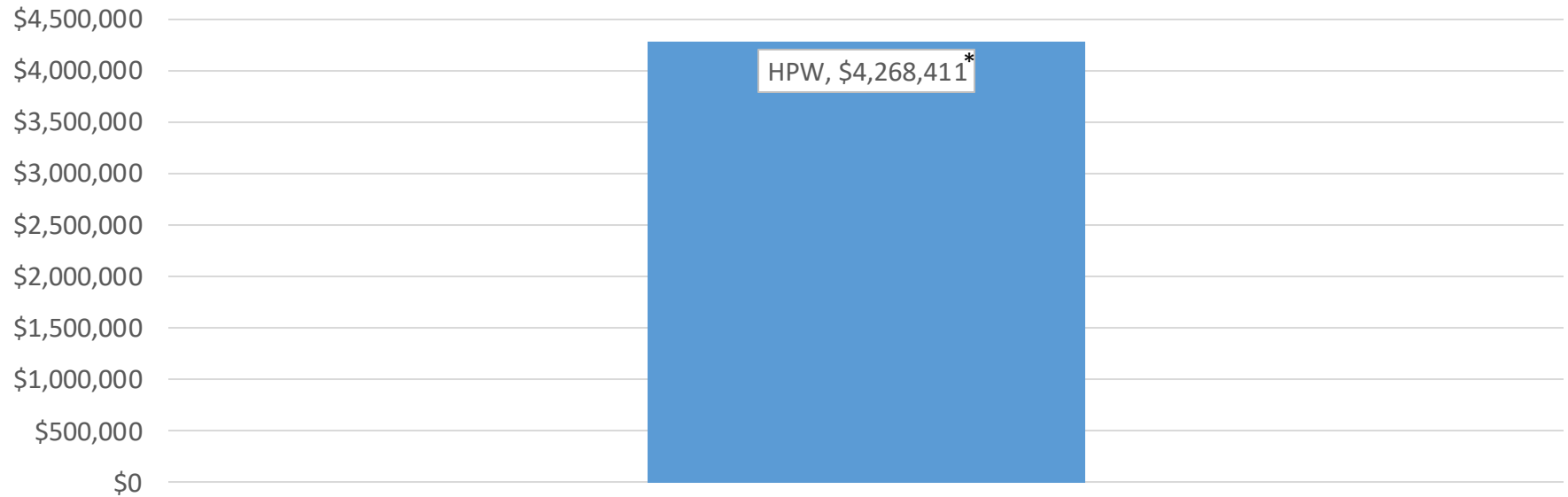
FY25 COUNCIL DISTRICT SERVICE FUND - OPERATING



FY25 COUNCIL DISTRICT SERVICE FUND OVERVIEW - METRO



FY25 COUNCIL DISTRICT SERVICE FUND – METRO



*100% of Metro Funding was allocated to Houston Public Works (HPW). A Total of ~95 projects



Appendix



Restricted Account Details

GENERAL LEDGER ACCOUNT	DESCRIPTION
Interfund Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, eSignature, Project Management, Infor, eDiscovery, Cyber Security, Office software and support, HITS budget support via the Finance Department eSignature
Interfund Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card, industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Interfund Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR). Verizon and Century Link.
Interfund Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling.
Interfund Wireless Services	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund GIS Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
KRONOS Service Chargeback	Software license and maintenance costs associated with the City of Houston's Time and Attendance System (KRONOS)



ANY QUESTIONS?

