

GENERAL SERVICES DEPARTMENT

FY2026

PROPOSED BUDGET WORKSHOP PRESENTATION



C.J. MESSIAH, JR.
DIRECTOR

MAY 13, 2025

DEPARTMENT CORE VALUES



INTEGRITY FIRST

SERVICE BEFORE SELF

EXCELLENCE IN ALL WE DO

GENERAL SERVICES DEPARTMENT

DEPARTMENT EXECUTIVE TEAM



C.J. MESSIAH, JR.

DIRECTOR



Enid Howard



Richard Vella



Anzil Ellison



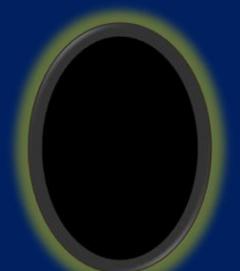
James Waltmon



Darnesha Davis-Callier



Shelli Carter



Chief Financial Officer (Vacant)

GENERAL SERVICES DEPARTMENT



DEPARTMENT ORGANIZATION CHART

C.J. MESSIAH, JR.
DIRECTOR

Mayor's
Director of Communications

Yvette Burton
Public Information Officer
(PIO)

Shantra Wilson
Contract Compliance Officer
(CTCD)

Enid Howard
Chief of Staff
Council Liaison

Stephanie Lake
Administrative Specialist

Finance
Department

Property / Environmental
Management

Capital Design and
Construction / Real Estate

Security Management

Financial Management
Services

Training &
Development

Energy Resilience
Management

Anzil Ellison

Richard Vella

James Waltmon

Vacant

Darnesha Davis-Callier

Shelli Carter

GENERAL SERVICES DEPARTMENT



DEPARTMENT CORE SERVICES



Property / Environmental Management

Capital Design and Construction / Real Estate

Security Management

Administrative, Financial and Energy Resilience Management

- Janitorial / Operations
- Preventive, Corrective and Predictive Maintenance
- Routine and Emergency Repairs
- HVAC, Mechanical, Electrical and Plumbing Repairs
- Contract Compliance
- Environmental Services
- Asbestos/Lead/Mold/Soil Remediation
- Abatement/Demolition

- CIP Planning
- Design & Construction Projects
- Civic Art Administration
- Job Order Contracting
- Task Order Contracting
- In-House Planning, Design and Renovation
- Real Estate
- Acquisition
- Disposition
- Leasing

- Access Control
- Badging
- CCTV
- Investigations
- Security Guard Services
- Security Assessments
- Preventive Maintenance
- Cyber-Lock Electronic Key Program

- Administrative Services
- Director's Office
- Energy Resilience Management and Oversight
- Financial Services
- Budgeting
- Payables
- Reporting
- Employee Training and Development

GENERAL SERVICES DEPARTMENT

STRATEGIC GUIDANCE ALIGNMENT



Objective

The tables below summarize GSD's alignment with the Mayor's Priorities and Initiatives as defined in his strategic guidance. All programs align with a mayoral priority and the overall department budget is broken down in accordance with those priorities.

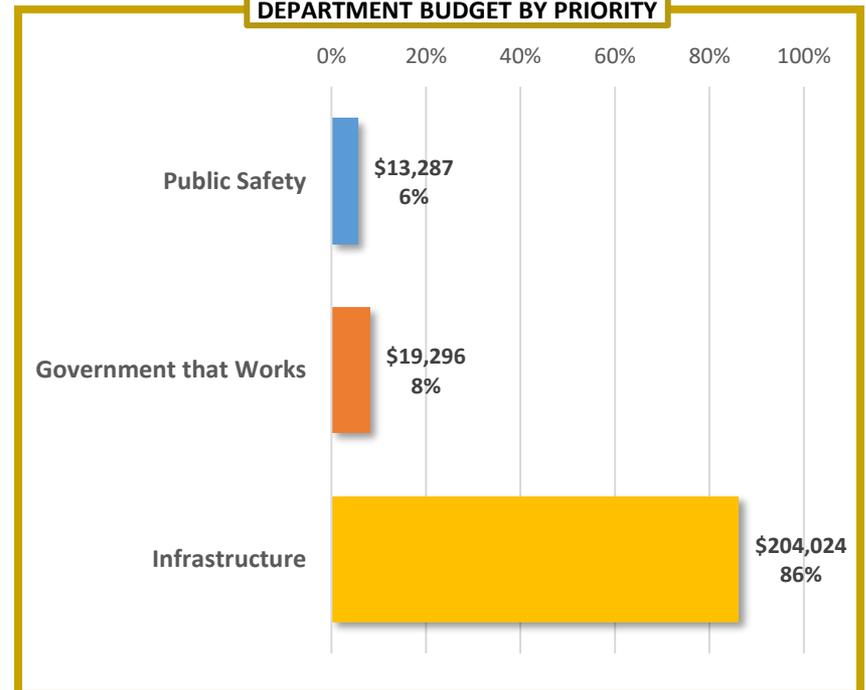
Government that Works	Infrastructure	Public Safety	Total
19,296	204,024	13,608	236,607

ALIGNED INITIATIVES

Mayor's Priorities	FY26 Proposed Budget
Government that Works	19,296
Infrastructure	204,024
Public Safety	13,287
Grand Total	236,607

Mayor's Priorities	Program	Budget	Percentages
Government that Works	Administrative Services	19,296	8.16%
Infrastructure	Energy Management	143,445	60.63%
Infrastructure	Facilities Design and Construction	8,367	3.54%
Infrastructure	Facilities Maintenance	51,698	21.85%
Infrastructure	Real Estate Management	515	0.22%
Public Safety	Facilities Environmental Management	2,187	0.92%
Public Safety	Facilities Security	11,100	4.69%
Grand Total		236,607	100%

DEPARTMENT BUDGET BY PRIORITY





DEPARTMENT EXPENDITURE BY PROGRAM

[in thousands]

Program	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Budget	% Change
Administrative Services	14,811	14,073	14,073	17,616	3,544	25.2%
Energy Management	92,681	115,578	105,066	143,445	27,867	24.1%
Facilities Design and Construction	7,125	8,532	8,525	8,367	(165)	(1.9%)
Facilities Environmental Management	1,444	1,550	1,550	2,187	637	41.1%
Facilities Maintenance	55,808	54,169	54,169	51,698	(2,471)	(4.6%)
Facilities Security	13,049	14,445	14,445	11,100	(3,345)	(23.2%)
Real Estate Management	317	357	357	515	158	44.2%
Debt Service and Interfund Transfers	2,439	2,439	2,439	1,680	(759)	(31.1%)
Total	\$ 187,674	\$ 211,142	\$ 200,623	\$ 236,607	\$ 25,465	12.1%

- Admin Services – The increase are due primarily to the increases to the Restricted accounts which is calculated by the Finance Department.
- Energy Management – The increase is due to the rising cost of electricity and natural gas prices.
- Facilities Design & Construction – The decreases is due to one position being moved to the appropriate cost center and a reduction in services and supplies.
- Facilities Environmental Management – The Increase is due to the need to fully fund the Oil/Water Separator, and Grease/Grit Trap program, as well as lead remediation at HPD firing ranges.
- Facilities Maintenance – This decreased is a result of the approved budget reductions.
- Facilities Security – This decreased is a result of the approved budget reductions in contract services.
- Real Estate Management – The increase is the result of the assistant real estate manager being moved to the appropriate cost center.

ADMINISTRATIVE SERVICES



Priority:	<i>Government that Works</i>
FY26 FTE Count:	6.0

Administrative Services

This program provides support for leadership and executive support which includes development, monitoring and recording of the department's budgets, employee's training and development, accounts receivables and payables, and procurement of goods and services for the department.

Significant Budget Items

- Includes funding for restricted accounts, electricity and natural gas, charged to GSD
- Employee Parking/Transportation
- Employee Training and Development

FY26 Prop Budget by Fund

Fund 1000	17,616
Total	17,616

ENERGY MANAGEMENT



Priority:	<i>Infrastructure</i>
FY26 FTE Count:	0.0

Energy Management

This program manages the energy and natural gas costs of the City of Houston. This process includes but is not limited to contract energy and natural gas rates negotiations with companies, monitoring of the respective markets, and annual projections. Additionally, the program supports the City's efforts to increase investments in renewable energy and restore the Houston area's natural resources.

Significant Budget Items

- Includes funding for City wide electricity and natural gas payments

FY26 Prop Budget by Fund

Fund 1002	143,445
Total	143,445

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Increase Electricity production of solar panels at City Hall Annex and Houston Permitting Center through restoration of existing panels	148,000kWh	150,000kWh	150,000kWh	150K (kWH)
Reduce energy consumption at City Hall, City Hall Annex and Houston Permitting Center through LED Lighting Retrofits	22%	10%	12%	10%

FACILITIES DESIGN AND CONSTRUCTION



Priority:	<i>Infrastructure</i>
FY26 FTE Count:	51.0

Facilities Design and Construction

Provides Capital Improvement Project planning; manages the design and construction of City facilities for all departments except HAS; facilitates tenant improvements; manages construction and coordinates moves; and provides in-house planning and design services.

Significant Budget Items

- Includes funding for CIP planning and management

FY26 Prop Budget by Fund

Fund 1000	440
Fund 1001	7,927
Total	8,367

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Number of projects per Project Manager	8	8	12	8
Number of Job Order/Task Order projects completed	400	200	134	200
Percentage of vacant Project Manager positions	16%	10%	16%	10%

FACILITIES ENVIRONMENTAL MANAGEMENT



Priority:	<i>Public Safety</i>
FY26 FTE Count:	4.0

Facilities Environmental Management

Provides general environmental consultation services including managing contracts for mold, asbestos, lead, sampling, remediation, and demolition. Disinfecting facilities, maintaining and monitoring oil/water separators, grease and grit traps, and the removal and replacement of old underground fuel storage tanks including soil and groundwater remediation and testing.

Significant Budget Items

- Includes funding for the Oil/Water Separator and Grit and Grease trap program
- Includes funding for lead remediation at the HPD Firing Ranges

FY26 Prop Budget by Fund

Fund 1000	2,187
Total	2,187

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Number of dangerous buildings inspected before demolished	300	100	100	100
Number of Environmental projects completed	450	450	400	450

FACILITIES MAINTENANCE



Priority:	<i>Infrastructure</i>
FY26 FTE Count:	138.5

Facilities Maintenance

Provides operational services to Police, Fire, Health, Library, ARA, and Municipal Courts. Services include, but are not limited to, janitorial, land and ground maintenance, pest control, and alarm monitoring.

Significant Budget Items

- Includes funding for repair and replacement of HVAC units at various Fire Stations.
- Includes funding for contractual services for City owned facilities.

FY26 Prop Budget by Fund

Fund 1000	15,307
Fund 2105	36,391
Total	51,698

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Expenditures Adopted Budget vs. Actual Utilization	98%	98%	98%	98%
Number of contract amendments	5	7	7	7
Number of maintenance work orders completed	18,000	23,000	30,000	23,000
Revenue Adopted Budget vs. Actual Utilization	100%	100%	100%	100%

FACILITIES SECURITY



Priority:	<i>Public Safety</i>
FY26 FTE Count:	38.0

Facilities Security

Manages physical security of all City facilities including closed circuit TV, access control, and intrusion alarm systems; manages citywide security services contract; investigates City lost/stolen assets and employee policy violations. Also provide support and training in workplace security related topics (active shooter, workplace violence prevention, situational awareness, etc.).

Significant Budget Items

- Includes funding for Security Guard services
- Includes funding for maintenance on scanners and X-ray machines in City owned buildings

FY26 Prop Budget by Fund

Fund 1000	8,494
Fund 2105	2,607
Total	11,101

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Card Access changes processed	14,00	20,000	17,000	20,000
City identification badges processed	10,000	10,000	8,000	10,000
Number of major security projects completed	15	15	30	15
Number of investigations	180	180	180	180
Number of security Incidents	120	120	100	120
Number of special events requiring security staffing	75	75	75	75

REAL ESTATE MANAGEMENT



Priority:	<i>Infrastructure</i>
FY26 FTE Count:	3.0

Real Estate Management

Manages the city's real estate portfolio in terms of net present value of real estate, building/facility management and legal considerations. Also reviews cases concerning water and utility easements and eminent domain services, and handles acquisition, disposition and the leasing of the City's real estate portfolio.

Significant Budget Items

- Includes funding for land surveys associated with purchase of land for the City

FY26 Prop Budget by Fund

Fund 1000	515
Total	515

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Rental checks received every month	18	18	20	18

DEBT SERVICE AND INTERFUND TRANSFERS



Priority:	Government that Works
FY26 FTE Count:	0.0

Debt Service and Interfund Transfers

Budget allocations included in this section reflect debt service payments and/or interfund transfers. General Services Department is committed to effectively manage these debt service payments and interfund transfers.

Significant Budget Items

- Includes funding for debt service payments made by Finance

FY26 Prop Budget by Fund

Fund 1000	1,680
Total	1,680

EXPENDITURES BY FUND

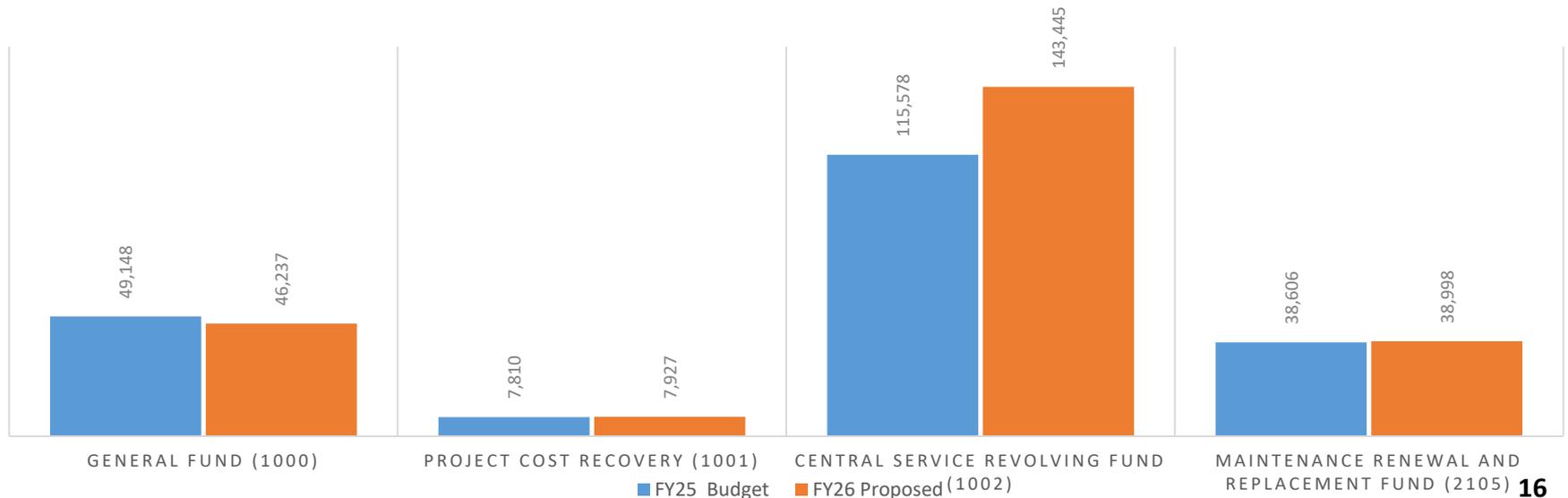
[IN THOUSANDS]



Objective

Lists total expenditures by fund in thousands – FY25 Current Budget vs FY26 Proposed (in thousands)

Category	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Budget	% Change
General Fund (1000)	48,865	49,148	49,148	46,237	-2,911	(5.9%)
Project Cost Recovery (1001)	6,518	7,810	7,803	7,927	116	1.5%
Central Service Revolving Fund (1002)	92,681	115,578	105,066	143,445	27,867	24.1%
Maintenance Renewal and Replacement Fund (2105)	39,611	38,606	38,606	38,998	393	1.0%
Total	187,674	211,142	200,623	236,607	25,465	12.06%



PERSONNEL VS. NON-PERSONNEL

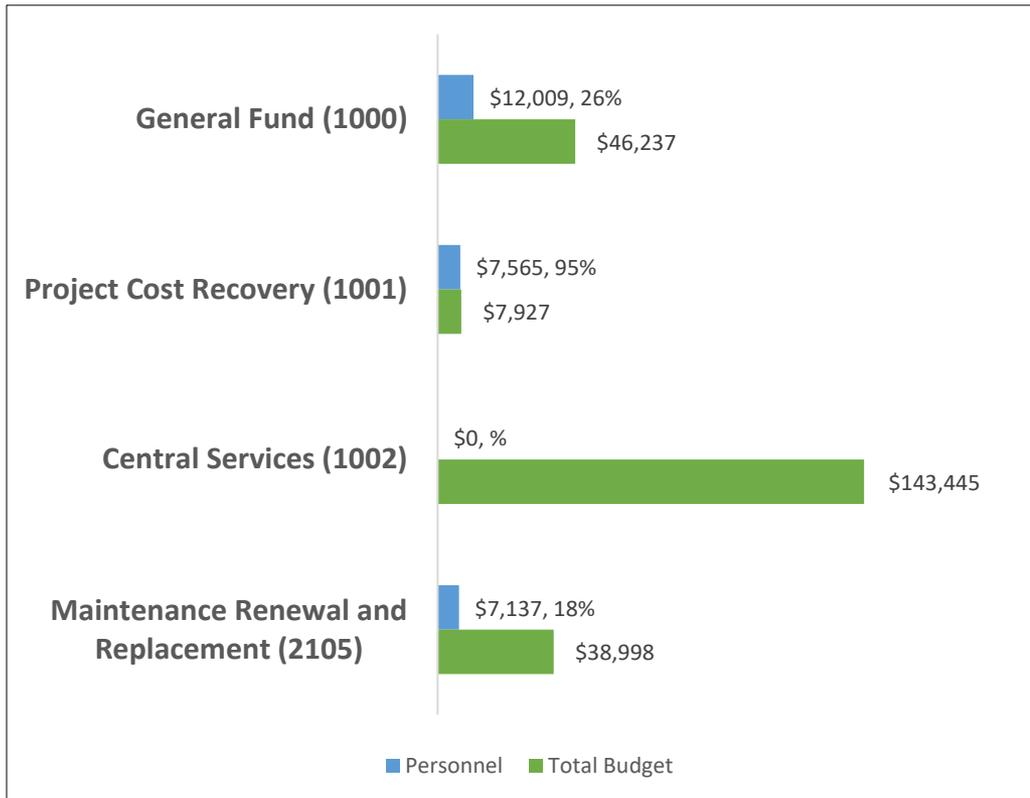
[IN THOUSANDS]



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.

Personnel Breakdown



Other Category Breakdown

General Fund (1000)

Supplies	\$ 309	1%
Services	\$ 17,935	39%
Restricted Account	\$ 15,982	35%
Total	\$ 34,226	74%

Project Cost Recovery (1001)

Services	\$ 53	1%
Restricted Account	\$ 309	4%
Total	\$ 362	5%

Central Services (1002)

Services	\$ 143,445	100%
Total	\$ 143,445	100%

Maintenance Renewal and Replacement (2105)

Supplies	\$ 772	2%
Services	\$ 30,681	79%
Restricted Account	\$ 407	1%
Total	\$ 31,860	82%

REVENUE BY PROGRAM

[IN THOUSANDS]



Objective

List of program revenue budgets for FY25 Current Budget vs FY26 Proposed in thousands

Program	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Budget	% Change
Administrative Services	(90)	-	49	-	-	-
Energy Management	92,681	115,578	105,066	143,445	27,867	24.1%
Facilities Design and Construction	6,518	7,810	7,803	7,927	116	1.5%
Facilities Maintenance	38,536	38,532	38,774	44,408	5,876	15.2%
Facilities Security	4,409	4,729	4,695	5,202	473	10.0%
Real Estate Management	147	151	145	148	(3)	(2.0%)
Total	142,201	166,801	156,532	201,130	34,329	20.6%

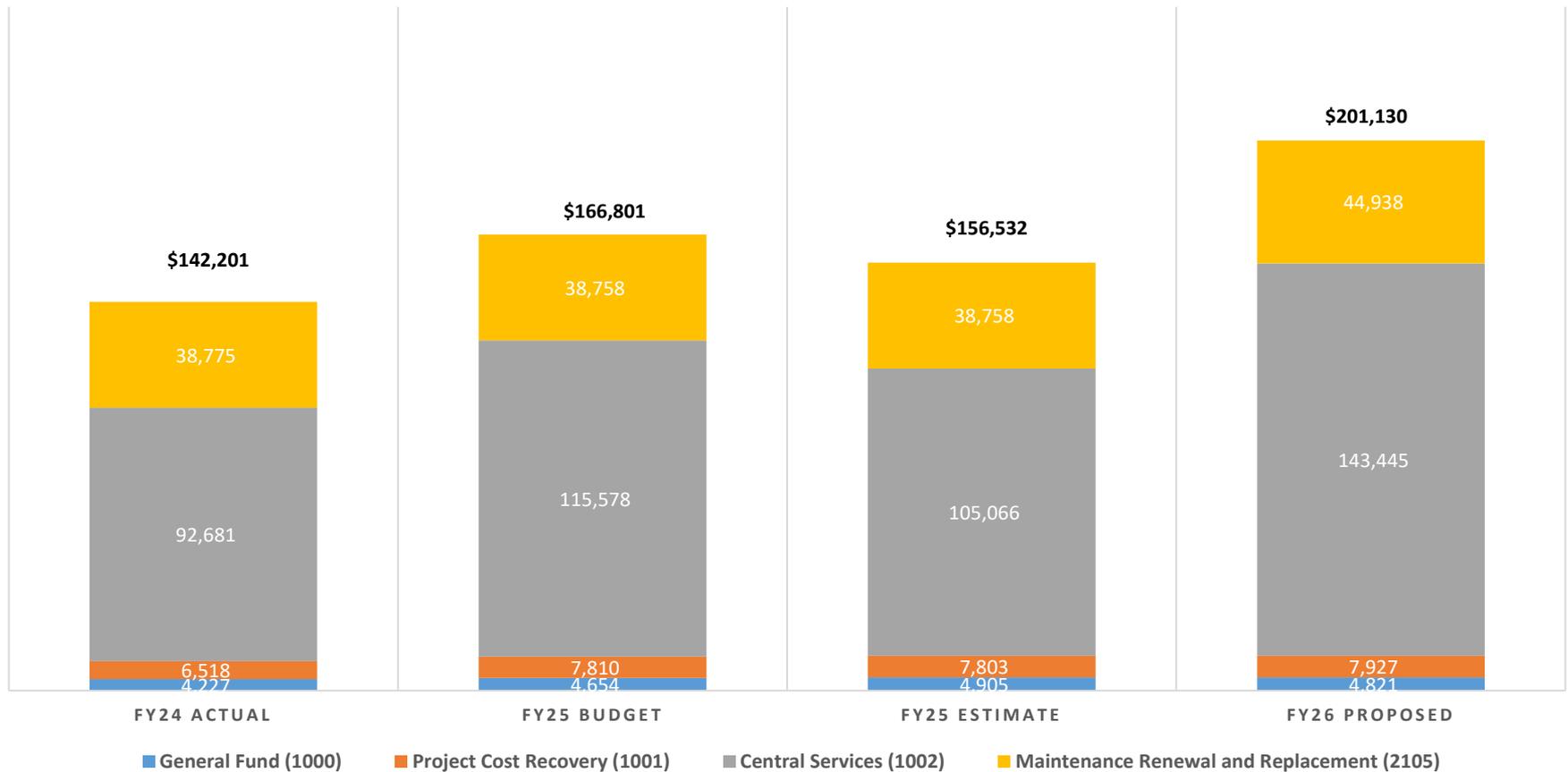
REVENUE BY FUND

[IN THOUSANDS]



Objective

List of revenue budgets by Fund for FY25 Current Budget vs FY26 Proposed in thousands



REVENUE HIGHLIGHTS

[IN THOUSANDS]



Revenue Highlights

Describe any significant revenue changes from FY25 Estimates – FY26 Proposed and provide context to the financial figures presented.

- The MRR Fund \$6M increases were due to the recalculation of the Asset Replacement Values and the required transfer allocation percentage of 1.75% to 2% in MRR revenues.
- Fund 1002 (Central Service Revolving Fund) increased is based on the higher energy cost for electricity and natural gas. Facility electricity and natural gas payments are charged back to City departments.



Plans to Eliminate the Gap (PEG)

FY2026 Approved Budget Reductions

Department support of shared sacrifice in balancing the FY2026 budget.

Personnel Impacts:

Position Title	FTEs Vacant	FT/PT	Salary	Fica/Med	Ins	Pension/ Pension Legacy	Term Pay	Personnel Total
Custodian	5.00	FT	\$181,395	\$13,877	\$43,375	\$52,804		\$291,451
Maintenance Mechanic I	1.00	FT	\$39,333	\$3,009	\$8,675	\$11,450		\$62,467
Financial Analyst II	1.00	FT	\$65,250	\$4,992	\$8,675	\$18,994		\$97,911
TOTAL:	7.00		\$285,978	\$21,877	\$60,725	\$83,248	\$0	\$451,829

Contractual Impacts:

Service Reductions	Other Total
Made modification to several contract services at variances City facilities.	\$2,531,201
Reduction in TDI staff working at some City facilities	\$237,438
Reduction in the frequency of pest control services.	\$23,470
TOTAL:	\$2,792,109

NET COST REDUCTION: \$3,243,938

Voluntary Municipal Employee Retirement Payout Option (VMERPO)



Fund	Total Eligible	Total Accepted	% Accepted	Reduced number of employees	Value of Reduction
General Fund (1000)	52	28	53.80%	20	2,000,477
Project Cost Recovery (1001)	7	2	28.60%	2	257,239
Maintenance Renewal and Replacement (2105)	25	15	60.00%	11	1,095,829
Grand Total	84	45	53.57%	33	3,353,545

Reductions Included in Proposed Budget		
	Number of Employees	Value of Reduction
Non-Critical Positions Accepting Offer before April 20 th	33	\$ 3,353,545

Proposed Department Restructure



Span of Control

	Current State	Proposed State
Average Span of Control	4.6	6
% Managers/Supervisors with Less Than 4 Direct Reports	42%	3.3%
Layers of Management	7	3

The 40% reduction in the maintenance workforce will be the most significant impact the Department's maintenance efforts in FY2026.



Questions



Appendix

Restricted Account Details



GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
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, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
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.
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.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

GENERAL SERVICES DEPARTMENT



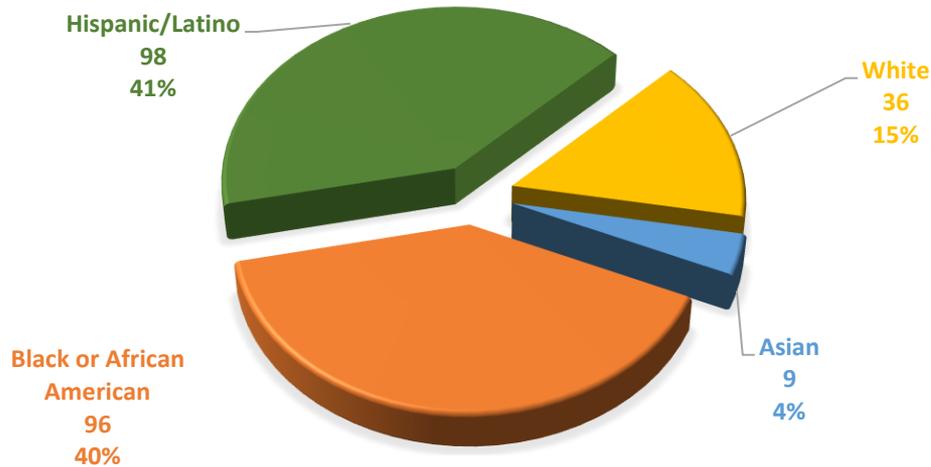
RESTRICTED ACCOUNT DETAILS

THE RESTRICTED ACCOUNTS BUDGET INCLUDES SERVICE CHARGEBACK ACCOUNTS FOR ITEMS SUCH AS FUEL, ELECTRICITY, NATURAL GAS, IT SERVICE ACCOUNTS, HUMAN RESOURCE SERVICES, ETC.. THE BUDGET PROJECTIONS ARE PROVIDED BY THE FINANCE DEPARTMENT.

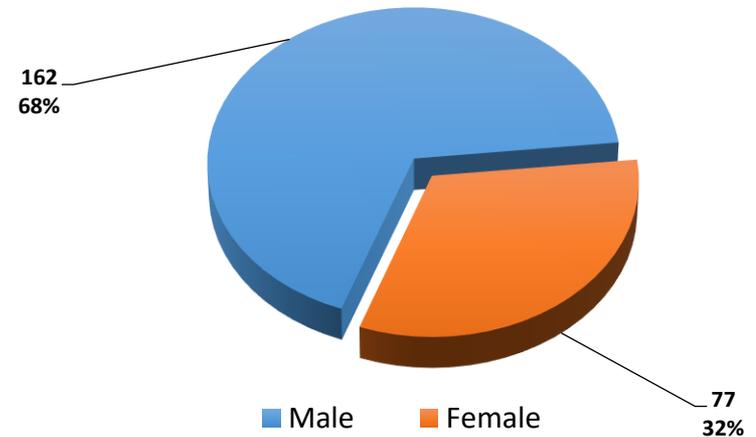
Appendix
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DEPARTMENT DEMOGRAPHIC

EMPLOYEE ETHNICITY PROFILE



EMPLOYEE GENDER PROFILE



EMPLOYEE ETHNICITY AND GENDER PROFILE

