



FY 2026 BUDGET

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OPERATIONAL SERVICE LINES



**ENGINEERING &
CONSTRUCTION**



**UTILITY
BILLING**



**HOUSTON
PERMITTING
CENTER**



**HOUSTON
WATER**



**TRANSPORTATION
AND DRAINAGE
OPERATIONS**

FY2025 FINANCIAL HIGHLIGHTS

FY2025 HPW FINANCIAL HIGHLIGHTS

Houston Public Works (HPW) remains committed and resilient in meeting evolving public needs. The department has made a significant impact, generating value and demonstrating financial and operational efficiency through the following milestones:



Strategic Funding for Water Infrastructure: In the process of securing approximately \$1 billion in low-cost financing from the Texas Water Development Board for the East Water Purification Plant Enhancement. By 2026, HPW is targeting to secure an additional \$2 billion of potential WIFIA funding.



Strategic Debt Management Yields \$53M in Savings: Through proactive bond refunding, HPW secured \$53 million in net present value savings beginning in FY 25—demonstrating strong financial stewardship while supporting long-term infrastructure investment.



Over \$65 Million in Grant Awards Executed in FY25: Secured \$65 million in grant funding to advance transportation and drainage projects—enhancing safety, mobility, and flood resilience.



Procured Over \$400 Million in Goods and Services to Support Department Operations: To sustain operations and uphold community priorities, the department successfully procured a high volume of contract services, supplies, and goods through reliable and efficient procurement practices—ensuring the successful delivery of key outcomes.

FY2026 PERFORMANCE- BASED MEASURES



MAYOR'S PRIORITY ALIGNMENTS

Mayor's Priority Alignment ensures that all departmental efforts contribute directly to the administration's key objectives for citywide improvement. Each Key Performance Indicator (KPI) reflects measurable goals that support Houston's infrastructure, quality of life, and government efficiency, aligning city services with strategic priorities to enhance community impact.



Infrastructure - Focuses on maintaining and improving essential public systems, including water, drainage, roads, and utilities. KPIs under this category ensure the timely repair, replacement, and enhancement of city infrastructure to promote resilience, safety, and sustainability.



Government That Works - Aims to improve efficiency, accountability, and service delivery in city operations. KPIs under this priority ensure timely permit reviews, inspections, and project completions, promoting economic growth, public safety, and operational effectiveness.



Quality of Life - Prioritizes public health, environmental sustainability, and service responsiveness to enhance residents' everyday experiences. KPIs in this category target wastewater management, sanitary sewer overflows, and service request resolutions to safeguard community well-being.

KEY PERFORMANCE INDICATORS (KPIs)



Mayor's Priority Alignment: Infrastructure

KPI	DIVISION
Annual replacement of 3% of 7,199 miles of transmission and distribution lines to improve service reliability and reduce water loss.	Houston Water
Rehabilitate 1,000 lane miles of roads annually to improve overall roadway quality.	Engineering and Construction
Re-establish 500 miles of roadside ditches annually (450 miles in Northeast Houston, 50 miles in remaining areas) annually to improve drainage capacity, reduce flood risks, and enhance neighborhood infrastructure resilience.	Transportation & Drainage Operations
Replace 25,000 meters that include smart devices within one year, targeting at least 90% completion using a contractor proven through pilot testing to ensure performance and scalability.	Utility Billing

KEY PERFORMANCE INDICATORS (KPIs)



Mayor's Priority Alignment: Government That Works

KPI	DIVISION
Achieve and maintain a target of reviewing at least 80% of construction plans within 7 business days to ensure timely project delivery, support economic growth, and uphold building safety standards.	Houston Permitting Center
Award Notice to Proceeds (NTPs) within 30 Days.	Engineering and Construction
Complete at least 90% of construction projects within the approved work authorization timeframe to ensure timely project delivery, cost efficiency, and minimal disruption to the traffic flow.	Engineering and Construction

KEY PERFORMANCE INDICATORS (KPIs)



Mayor's Priority Alignment: Quality of Life

KPI	DIVISION
Percentage of Water Line Repairs Completed Within the 7-Day Service Level Agreement (SLA).	Houston Water
Resolve 95% of Sanitary Sewer Overflows (SSOs) service requests within 48-hours of initiation to reduce environmental and health impacts.	Houston Water
Assess 10% of wastewater lines annually to identify and address issues through cleaning and repairs as needed, aiming to achieve a 5% reduction in Sanitary Sewer Overflows (SSOs) from baseline levels.	Houston Water

EFFICIENCY STUDY

EFFICIENCY STUDY: STRATEGIC RESPONSE PLAN



Organizational Efficiency:

1. Ensure a clearly defined reporting hierarchy that outlines divisions, branches, and subfunctions to enhance clarity, efficiency, and opportunities for improvement.
2. Flatten Organizational Charts, aim for no more than six layers deep.
3. Maximizing Span of Control, aim for no less than six direct reports per supervisor role.



Operational Efficiency:

1. Identify and organize Key Performance Measures (KPIs) tracked by service lines into internal metrics (operational performance) and community impact metrics (public perception and value-based outcomes).
2. Maximize the Quality of Operational Outcomes that demonstrate a continuous improvement practice of performance and accountability.



Financial Efficiency:

1. Sustain effective oversight and streamline budgeting activities to enhance and continuously assess HPW's financial performance.

ORGANIZATIONAL EFFICIENCY:

Proposed Improvement Impact

Divisions & Support Functions	Supervisors per Division			Supervisors with 0-3 Direct Reports		
	Pre-Efficiency Study	Post-Efficiency Study*	Percentage Improved %	Pre-Efficiency Study	Post-Efficiency Study*	Percentage Improved %
Management Support Branch	7	4	43%	6	0	100%
Information Technology**	26	13	50%	18	0	100%
Transportation and Drainage Operations	160	122	24%	75	26	65%
Utility Billing	64	35	45%	21	15	29%
Engineering and Construction	111	84	24%	81	64	21%
Houston Water	451	286	37%	268	113	58%
Financial Management Services	24	23	4%	17	10	41%
Director's Office	16	14	13%	10	6	40%
Houston Permitting Center	117	98	16%	39	28	28%
Proposed Organizational Efficiency Totals:	976	690	30%	535	262	51%

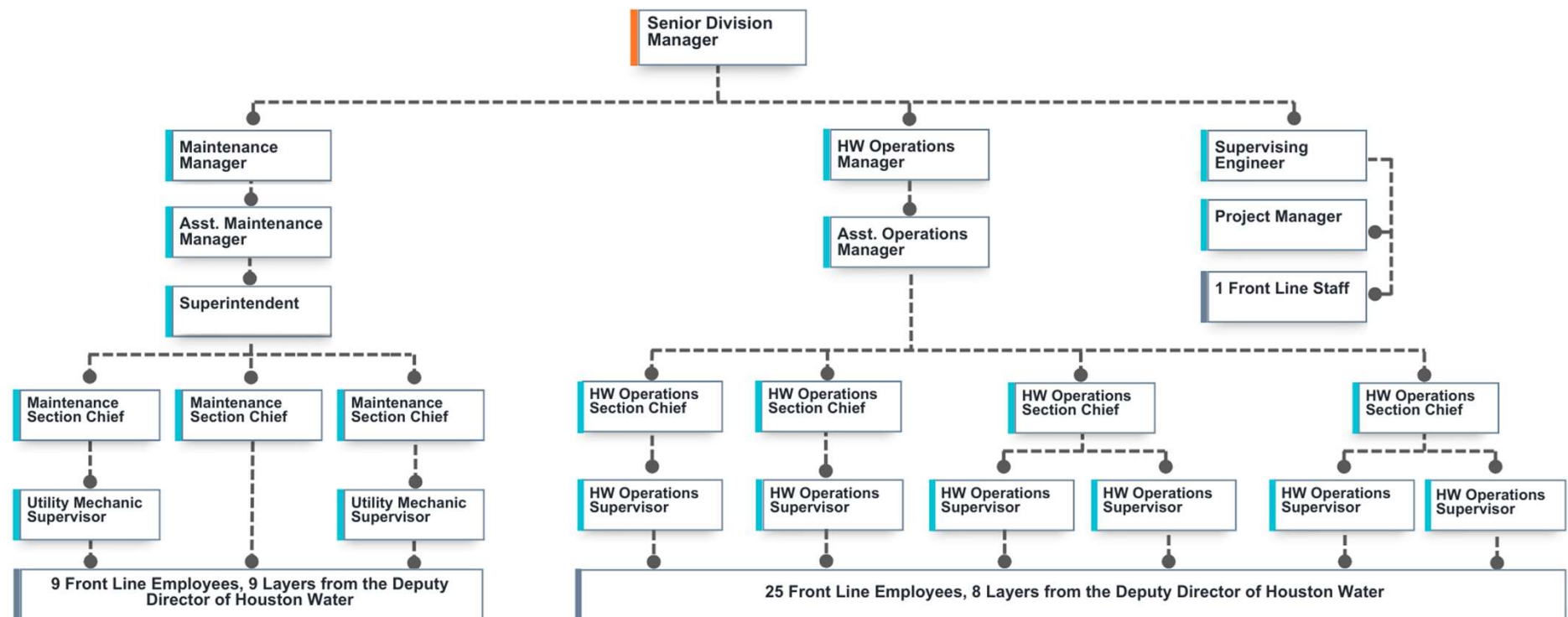
* Post-study, the number of supervisors per division will decrease as the department plans to work with HR to transition some roles to non-supervisory positions after further evaluation.

**HPW Technology Division reorganization aligns with the Federated IT framework

ORGANIZATIONAL EFFICIENCY:

Flattening the Org with a Span of Control Model

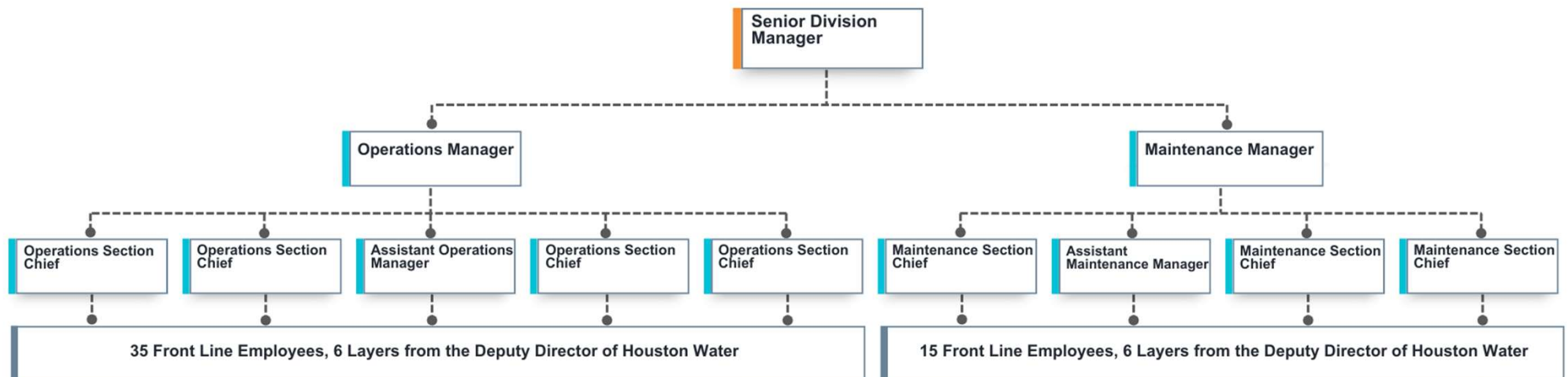
(Existing) Northeast Water Purification Plant Org



ORGANIZATIONAL EFFICIENCY:

Flattening the Org with a Span of Control Model

(Proposed) Northeast Water Purification Plant Org



VOLUNTARY MUNICIPAL EMPLOYEE RETIREMENT PAYOUT OPTION

VOLUNTARY MUNICIPAL EMPLOYEE RETIREMENT PAYOUT OPTION (VMERPO)*

Number Eligible for VMERPO	Number Accepting Option	% Accepting
1,003	304	30%
Non-Critical Reductions Included in Proposed Budget		
Fund	Number of Employees	Total Reduction
General Fund 1000	1	\$78,649
Project Cost Recovery 1001	29	\$4,024,325
Building Inspection Fund 2301	31	\$3,695,136
Stormwater Fund 2302	6	\$536,260
Dedicated Drainage and Street Renewal-Drainage Charge 2310	1	\$83,160
Dedicated Drainage and Street Renewal – Metro et al 2312	22	\$2,465,372
Combined Utility System 8300	128	\$14,184,336
Total	218	\$25,067,238

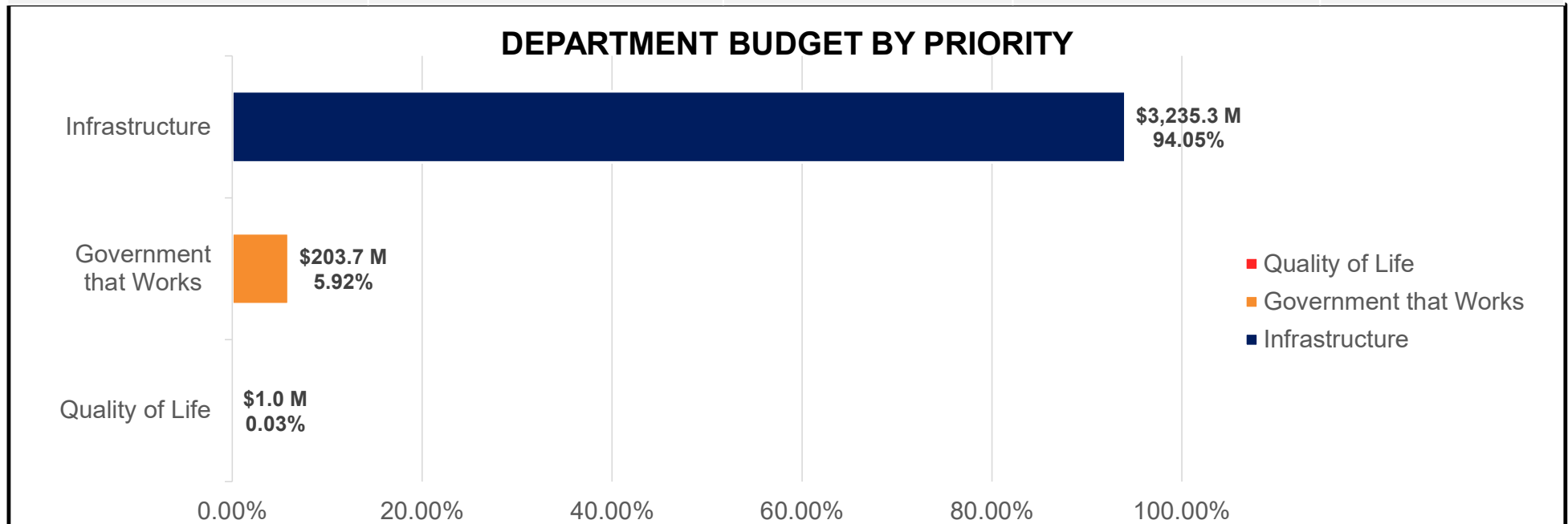
*Data as of 4/20/2025, prior to the official FY26 budget cutoff. Figures may not reflect subsequent updates.

OUTCOME BASED BUDGET

STRATEGIC GUIDANCE ALIGNMENT

Government that Works	Quality of Life	Infrastructure		Public Safety
Administrative & Support Services	Mayor's Office for People with Disabilities	Engineering and Construction	Transportation & Drainage Operations	Houston TranStar
		Houston Water	Houston Permitting Center	
		Utility Billing	Debt Services and Interfund Transfers	

DEPARTMENT BUDGET BY PRIORITY



EXPENDITURE BY PROGRAM

Program	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Budget	% Change
Administrative Services	154,124	231,203	226,970	203,715	(27,488)	-12%
Debt Service and Interfund Transfers	1,550,017	1,843,503	1,776,494	1,968,021	124,518	7%
Engineering and Construction	41,221	53,334	48,554	66,312	12,978	24%
Houston Permitting Center	88,479	101,413	100,618	123,383	21,970	22%
Houston TranStar	3,086	3,527	3,304	3,596	69	2%
Houston Water	507,534	738,105	688,828	792,229	54,124	7%
Mayor's Office for People with Disabilities	625	1,081	963	951	(130)	-12%
Transportation & Drainage Operations	163,301	203,007	191,127	212,881	9,874	5%
Utility Billing	55,543	81,926	77,244	68,896	(13,031)	-16%
Total	2,563,929	3,257,099	3,114,102	3,439,983	182,884	6%

(\$ in thousands)

ADMINISTRATION AND SUPPORT SERVICES

Priority:	Government that Works
FY2026 FTE Count:	389.8

Program Description

- Provides support to HPW
- Financial services
- Debt and asset administration
- Information technology services
- Administrative and payroll services
- Emergency management
- Internal audit
- Facility management

Significant Budget Items

- Buildout of new warehouse in FY26
- Includes consolidation of the Office of Emergency Management

FY26 Proposed Budget by Fund

1000	\$1,159,156
1001	\$14,022,427
2301	\$5,352,274
2302	\$1,776,570
2310	\$2,800
2312	\$31,974,276
8300	\$134,619,100
8305	\$14,808,000
Total	\$203,714,603

HOUSTON WATER

Priority:	Infrastructure
FY2026 FTE Count:	1,616.5

Program Description	Significant Budget Items	FY26 Proposed Budget by Fund	
<ul style="list-style-type: none">Ensures safe drinking water and effective wastewater management through rigorous treatment processes and environmental safeguards.Maintains critical infrastructure, monitors water sources, educates residents on conservation, and collaborates with agencies to protect public health and the environment.	<ul style="list-style-type: none">Includes additional funding for operational needsIncludes funding for additional capital equipment	1001	\$11,625,029
		8300	\$672,542,200
		8305	\$108,061,400
		Total	\$792,228,629

Performance				
Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Annual Replacement of 3% of 7,199 miles of transmission and distribution lines to improve service reliability and reduce water loss	N/A	N/A	1%	3%
Assess 10% of wastewater lines annually to identify and address issues through cleaning and repairs as needed, aiming to achieve a 5% reduction in Sanitary Sewer Overflows (SSOs) from baseline levels	N/A	N/A	100%	100%
Percentage of water line repairs completed within the 7-Day Service Level Agreement (SLA)	N/A	N/A	75%	100%
Resolve 95% of SSO service requests within 7 days of initiation to reduce environmental and health impacts	N/A	N/A	100%	95%

UTILITY BILLING

Priority:	Infrastructure
FY2026 FTE Count:	303.3

Program Description	Significant Budget Items	FY26 Prop Budget by Fund	
<ul style="list-style-type: none">Manages billing, payments, credits, and collections for Houston’s water services, ensuring accurate, transparent charges.Oversees meter services, automated readings, and billing improvements for efficiency and customer satisfaction.Installs, maintains, and repairs water meters for accurate usage tracking and reliable billing.	<ul style="list-style-type: none">Utility Billing contact center has been transferred to 311 in ARA.	2310	\$2,811,371
		8300	\$46,757,900
		8305	\$19,326,300
		Total	\$68,895,571

Performance				
Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Replace 25,000 meters with smart meters within one year, targeting at least 90% completion using a contractor proven through pilot testing to ensure performance and scalability	N/A	N/A	N/A	25,000

TRANSPORTATION & DRAINAGE OPERATIONS

Priority:	Infrastructure
FY2026 FTE Count:	867.7

Program Description

- Maintains and improves the city's transportation and drainage infrastructure.
- Includes the Build Houston Forward program.

Significant Budget Items

- Includes additional funding for ditch re-establishment program.
- Includes additional funding for traffic detection devices and signal battery backup systems.

FY26 Proposed Budget by Fund

2302	\$89,719,540
2310	\$5,692,800
2311	\$17,290,500
2312	\$100,178,474
Total	\$212,881,314

Performance

Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Re-Establish 500 lane miles of roadside ditches annually to improve drainage capacity, reduce flood risks, and enhance neighborhood infrastructure resilience	219	350	568	500

ENGINEERING AND CONSTRUCTION

Priority:	Infrastructure
FY2026 FTE Count:	385.9

Program Description

Manages and delivers large scale reconstruction and new construction CIP projects of City of Houston’s existing roadways, drainage, water and wastewater infrastructure.

Significant Budget Items

- Includes funding for the Office of the City Engineer.

<u>FY26 Proposed Budget by Fund</u>	
1001	\$51,260,933
2301	\$14,943,501
8305	\$107,300
Total	\$66,311,734

<u>Performance</u>				
Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Award Notice to Proceed (NTP) in 30 Days	N/A	N/A	38	30
Complete at least 90% of construction projects within the approved work authorization timeframe to ensure timely project delivery, cost efficiency, and minimal disruption to the traffic flow.	N/A	N/A	88%	90%
Rehabilitate 1,000 lane miles of roads annually to improve overall roadway quality	N/A	N/A	227	1,000

HOUSTON PERMITTING CENTER

Priority:	Infrastructure
FY2026 FTE Count:	589.0

<u>Program Description</u>	<u>Significant Budget Items</u>	<u>FY26 Proposed Budget by Fund</u>		
<ul style="list-style-type: none">Facilitates efficient processing of permits and licenses, ensuring compliance with building codes, safety regulations, and environmental standards.Supports construction, business operations, and infrastructure development through streamlined approvals, digital tools, and customer-focused services.	<ul style="list-style-type: none">Includes funding to cover the cost of merging with the Department of Neighborhoods.Includes funding for cost-of-service study of \$700K.	2301	\$96,584,869	
		2302	\$26,798,174	
		Total	\$123,383,043	
<u>Performance</u>				
Measure Name	FY24 Actual	FY25 Target	FY25 Estimate*	FY26 Target
Achieve and maintain a target of reviewing at least 80% of commercial plans within 7 business days to ensure timely project delivery, support economic growth, and uphold building safety standards	N/A	N/A	70%	80%

*based on last 3 months of activity

HOUSTON TRANSTAR

Priority:	Public Safety
FY2026 FTE Count:	10.0

Program Description	Significant Budget Items	FY26 Prop Budget by Fund	
<ul style="list-style-type: none">Provides coordinated, innovative transportation and emergency management services to the region.	<ul style="list-style-type: none">Includes funding for additional building maintenance for the TranStar facility.	2402	\$3,596,021
		Total	\$3,596,021

MAYOR'S OFFICE FOR PEOPLE WITH DISABILITIES

Priority:	Quality of Life
FY2026 FTE Count:	6.0

Program Description	Significant Budget Items	FY26 Prop Budget by Fund	
<ul style="list-style-type: none">Serves as the primary advocate for needs and rights of residents and visitors with disabilities by providing constituent services, accessible program support, accessible infrastructure development and communications.	<ul style="list-style-type: none">Includes funding for ADA Transition Plan.	2311	\$75,000
		2312	\$876,409
		Total	\$951,409

Performance				
Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Linear feet of sidewalks improved through the Pedestrian Accessibility Review (PAR) program	N/A	26,893	18,494	22,694

DEBT SERVICE & INTERFUND TRANSFERS

Priority:	Infrastructure
FY2026 FTE Count:	0.0

<u>Program Description</u>	<u>Significant Budget Items</u>	<u>FY26 Proposed Budget by Fund</u>	
<ul style="list-style-type: none">• Debt service payments and interfund transfers.• Major transfers include internal transfers between Combined Utility System funds to pay for debt service and consent decree obligations, Transfers to CIP funds to pay for infrastructure projects, and Transfers to Stormwater fund to cover O&M costs for maintenance of the City’s drainage system.	<ul style="list-style-type: none">• Transfers to CIP for street and drainage projects.• Debt service payments for all of HPW.• Internal transfers for CUS.	2301	\$5,951,220
		2302	\$28,077,581
		2310	\$122,920,000
		2311	\$153,098,500
		2312	\$26,272,304
		8300	\$525,627,500
		8301	\$553,261,200
		8305	\$552,812,600
		Total	\$1,968,020,905

REVENUE BY PROGRAM

Program	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY26 Budget	% Change
Administrative Services	\$673,295	\$696,321	\$621,158	\$721,981	\$25,660	4%
Engineering and Construction	\$45,461	\$57,385	\$52,197	\$77,410	\$20,026	35%
Houston Permitting Center	\$101,324	\$102,786	\$104,027	\$134,234	\$31,449	31%
Houston TranStar	\$3,223	\$2,738	\$2,888	\$3,248	\$510	0%
Houston Water	\$1,595,391	\$1,878,493	\$1,788,759	\$1,955,461	\$76,968	4%
Mayor's Office for People with Disabilities	\$0	\$0	\$0	\$0	\$0	0%
Transportation & Drainage Operations	\$376,232	\$456,089	\$489,456	\$558,420	\$102,330	22%
Utility Billing	\$13	\$0	\$0	\$0	\$0	0%
Total	\$2,794,939	\$3,193,812	\$3,058,485	\$3,450,754	\$256,942	8%

(\$ in thousands)

BUDGET SUMMARY BY FUND

BUDGET SUMMARY | ALL FUNDS

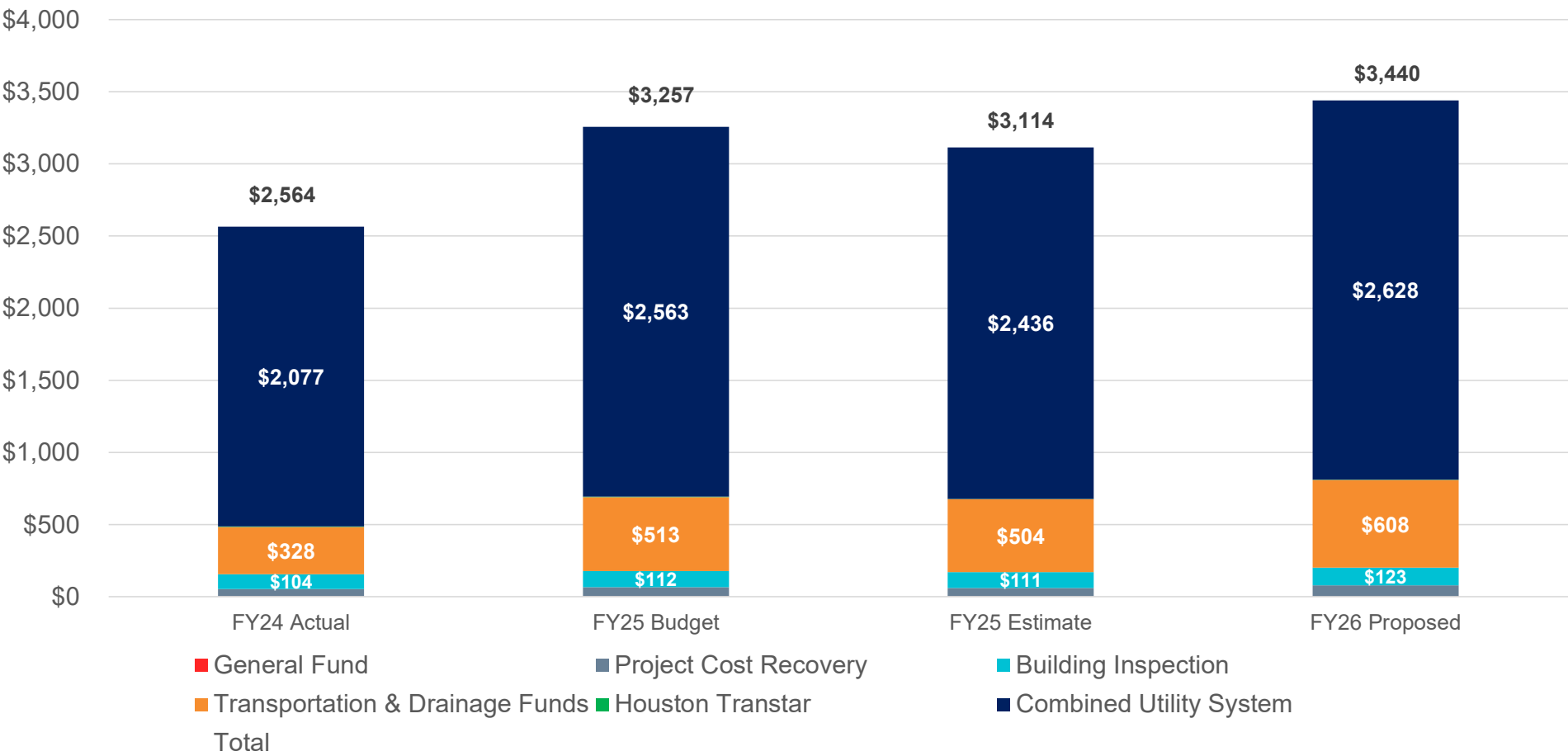
FUND	NAME	REVENUES				EXPENDITURES			
		FY25 Budget ¹	FY26 Proposed	Variance	Change	FY25 Budget ¹	FY26 Proposed	Variance	Change
1000	General Fund	\$2.9	\$2.9	\$0.0	0.0%	\$1.2	\$1.2	\$0.0	0.0%
1001	Project Cost Recovery	\$64.5	\$76.9	\$12.4	19.2%	\$64.5	\$76.9	\$12.4	19.2%
2301	Building Inspection	\$102.8	\$118.6	\$15.8	15.4%	\$112.0	\$122.8	\$10.8	9.7%
2302	Stormwater Fund	\$100.0	\$144.6	\$44.6	44.6%	\$99.5	\$146.4	\$46.9	47.1%
2310	DDSRF-Drainage Charge ²	\$121.0	\$121.0	\$0.0	0.0%	\$144.3	\$131.4	(\$12.9)	(8.9%)
2311	DDSRF-Ad Valorem Tax	\$136.5	\$184.8	\$48.3	35.4%	\$146.9	\$170.5	\$23.6	16.1%
2312	DDSRF-Metro Et Al	\$98.4	\$159.4	\$61.0	62.0%	\$121.9	\$159.3	\$37.4	30.7%
2402	Houston TranStar	\$2.7	\$3.2	\$0.5	18.5%	\$3.5	\$3.6	\$0.1	2.9%
8300	Water & Sewer	\$2,007.9	\$2,077.9	\$70.0	3.5%	\$1,342.4	\$1,379.5	\$37.1	2.8%
8301	CUS Operating	\$548.9	\$553.3	\$4.4	0.8%	\$545.0	\$553.3	\$8.3	1.5%
8305	CUS General Purpose	\$8.1	\$8.2	\$0.1	1.2%	\$675.8	\$695.1	\$19.3	2.9%
TOTAL		\$3,192.7	\$3,450.8	\$257.1	8.0%	\$3,257.0	\$3,440.0	\$183.0	5.6%

1) FY25 Budget refers to Current Budget.

2) Fund 2310 was split into 3 funds in FY21 per ordinance 2020-0284.

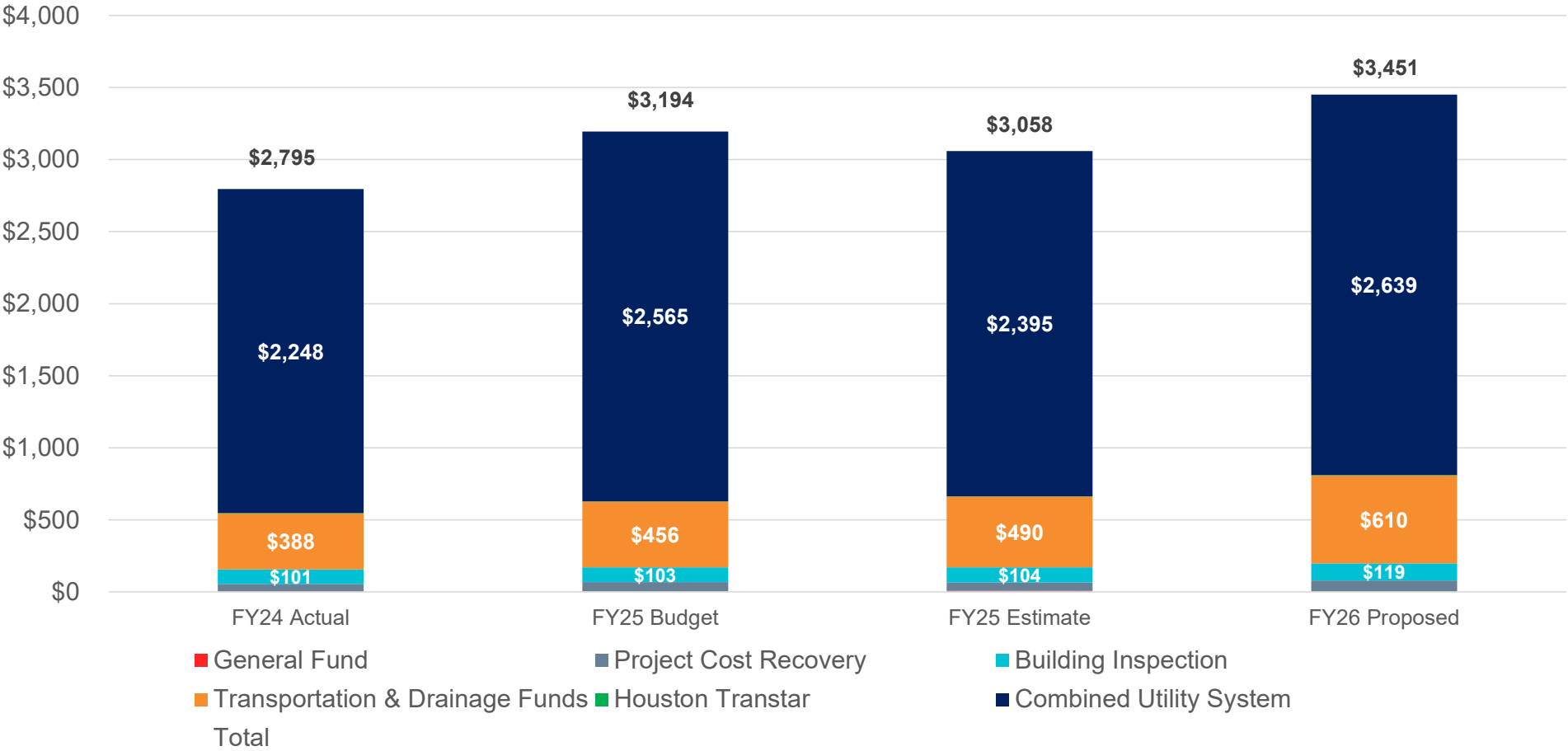
(\$ in millions)

EXPENDITURES BY FUND



(\$ in millions)

REVENUES BY FUND



(\$ in millions)

GENERAL FUND 1000

GENERAL FUND | EXPENDITURES BY CATEGORY

CATEGORY	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATES	FY26 PROPOSED	VARIANCE FY26 PROJECTED BUDGET/FY25 CURRENT BUDGET	%CHANGE
Personnel	\$947.1	\$1,086.4	\$1,086.4	\$1,024.1	(\$62.3)	(5.7%)
Supplies	\$0.0	\$2.5	\$2.5	\$2.5	\$0.0	0.0%
Restricted Accounts	\$304.4	\$163.4	\$163.4	\$138.2	(\$25.2)	(15.4%)
Services	\$82.8	\$75.2	\$75.2	\$82.0	\$6.9	9.2%
TOTAL	\$1,334.3	\$1,327.4	\$1,327.4	\$1,246.8	(\$80.6)	(6.1%)

GENERAL FUND | REVENUES OVERVIEW

CATEGORY	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATES	FY26 PROPOSED	VARIANCE FY26 PROPOSED BUDGET/FY25 CURRENT BUDGET	%CHANGE
Recoveries & Refunds	\$155.2	\$111.2	\$102.8	\$102.8	(\$8.4)	(8.2%)
Sale of Capital Assets - Land/Streets	\$2,611.0	\$2,500.0	\$3,150.0	\$2,500.0	\$0.0	0.0%
Interfund Land Disposition	\$310.2	\$322.9	\$322.9	\$331.7	\$8.8	2.7%
Miscellaneous	\$0.5	\$0.0	\$0.5	\$0.5	\$0.5	100.0%
TOTAL	\$3,076.8	\$2,934.1	\$3,576.2	\$2,935.0	\$0.9	0.03%

PROJECT COST RECOVERY

1001



PROJECT COST RECOVERY | 1001

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES							
1001	Project Cost Recovery	\$51,344.4	\$64,455.5	\$59,288.7	\$76,908.4	\$12,452.9	19.3%
EXPENDITURES							
1001	Project Cost Recovery	\$51,344.4	\$64,455.5	\$59,288.7	\$76,908.4	\$12,452.9	19.3%

(\$ in thousands)

BUILDING INSPECTION FUND

2301



BUILDING INSPECTION FUND | 2301

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES							
2301	Building Inspection	\$101,324.1	\$102,785.8	\$104,027.4	\$118,607.9	\$15,822.1	15.4%
EXPENDITURES							
2301	Building Inspection	\$103,802.5	\$111,966.2	\$110,825.9	\$122,831.9	\$10,865.6	9.7%

(\$ in thousands)

TRANSPORTATION & DRAINAGE

2302, 2310, 2311, 2312



TRANSPORTATION & DRAINAGE | 2302, 2310, 2311, 2312

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES							
2302	Stormwater	\$52,147.4	\$100,025.1	\$99,873.4	\$144,553.5	\$44,528.4	44.5%
2310	DDSRF-Drainage Charge	\$118,317.7	\$121,019.8	\$122,458.8	\$121,019.8	\$0.0	0.0%
2311	DDSRF-Ad Valorem Tax	\$124,582.6	\$136,536.7	\$146,446.7	\$184,834.7	\$48,298.0	35.4%
2312	DDSRF-Metro Et Al	\$92,858.2	\$98,404.3	\$120,772.5	\$159,372.3	\$60,968.0	62.0%
TOTAL		\$387,905.8	\$455,985.9	\$489,551.4	\$609,780.3	\$153,794.4	33.7%

TRANSPORTATION & DRAINAGE | 2302, 2310, 2311, 2312

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
EXPENDITURES							
2302	Stormwater	\$64,226.4	\$99,524.6	\$97,826.9	\$146,371.9	\$46,847.3	47.1%
2310	DDSRF-Drainage Charge	\$77,767.4	\$144,276.0	\$144,271.8	\$131,427.0	(\$12,849.0)	(8.9%)
2311	DDSRF-Ad Valorem Tax	\$93,825.6	\$146,932.6	\$139,513.7	\$170,464.0	\$23,531.4	16.0%
2312	DDSRF-Metro Et Al	\$91,698.7	\$121,911.5	\$121,911.5	\$159,301.5	\$37,390.0	30.7%
TOTAL		\$327,518.0	\$512,644.7	\$503,523.9	\$607,564.3	\$94,919.6	18.5%



HOUSTON TRANSTAR | 2402

TRANSTAR | 2402

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES							
2402	Houston TranStar	\$3,223.5	\$2,738.1	\$2,887.6	\$3,247.8	\$509.7	18.6%
EXPENDITURES							
2402	Houston TranStar	\$3,086.0	\$3,526.7	\$3,304.1	\$3,596.0	\$69.3	2.0%

COMBINED UTILITY SYSTEM

8300, 8301, 8305



COMBINED UTILITY SYSTEM | 8300, 8301, 8305

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES							
8300	Water & Sewer	\$1,723,558.0	\$2,007,856.8	\$1,910,250.2	\$2,077,861.5	\$70,004.7	3.5%
8301	CUS Operating	\$522,043.1	\$548,913.7	\$476,956.4	\$553,261.2	\$4,347.5	0.8%
8305	CUS General Purpose	\$2,503.5	\$8,141.1	\$8,141.1	\$8,155.0	\$13.9	0.2%

COMBINED UTILITY SYSTEM | 8300, 8301, 8305

FUND	FUND NAME	FY24 ACTUAL	FY25 CURRENT BUDGET	FY25 ESTIMATE	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
EXPENDITURES							
8300	Water & Sewer	\$1,103,903.5	\$1,342,391.5	\$1,245,818.6	\$1,379,546.7	\$37,155.2	2.8%
8301	CUS Operating	\$518,820.2	\$545,037.2	\$540,013.7	\$553,261.2	\$8,224.0	1.5%
8305	CUS General Purpose	\$454,208.3	\$675,829.1	\$650,078.9	\$695,115.6	\$19,286.5	2.9%

(\$ in thousands)

COMBINED UTILITY SYSTEM | 8300, 8301, 8305

(Net of Internal Transfers)

FUND	FY25 CURRENT BUDGET	FY26 PROPOSED	VARIANCE TO FY25 BUDGET	CHANGE
REVENUES				
Combined Utility System Funds Group	\$2,007,126,642	\$2,078,406,126	\$71,279,484	3.55%
EXPENDITURES				
Combined Utility System Funds Group	\$2,005,472,797	\$2,067,051,900	\$61,579,103	3.07%
NET Operating Funds				
Combined Utility System Funds Group	\$1,653,845	\$11,354,226		

thank you!



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APPENDIX



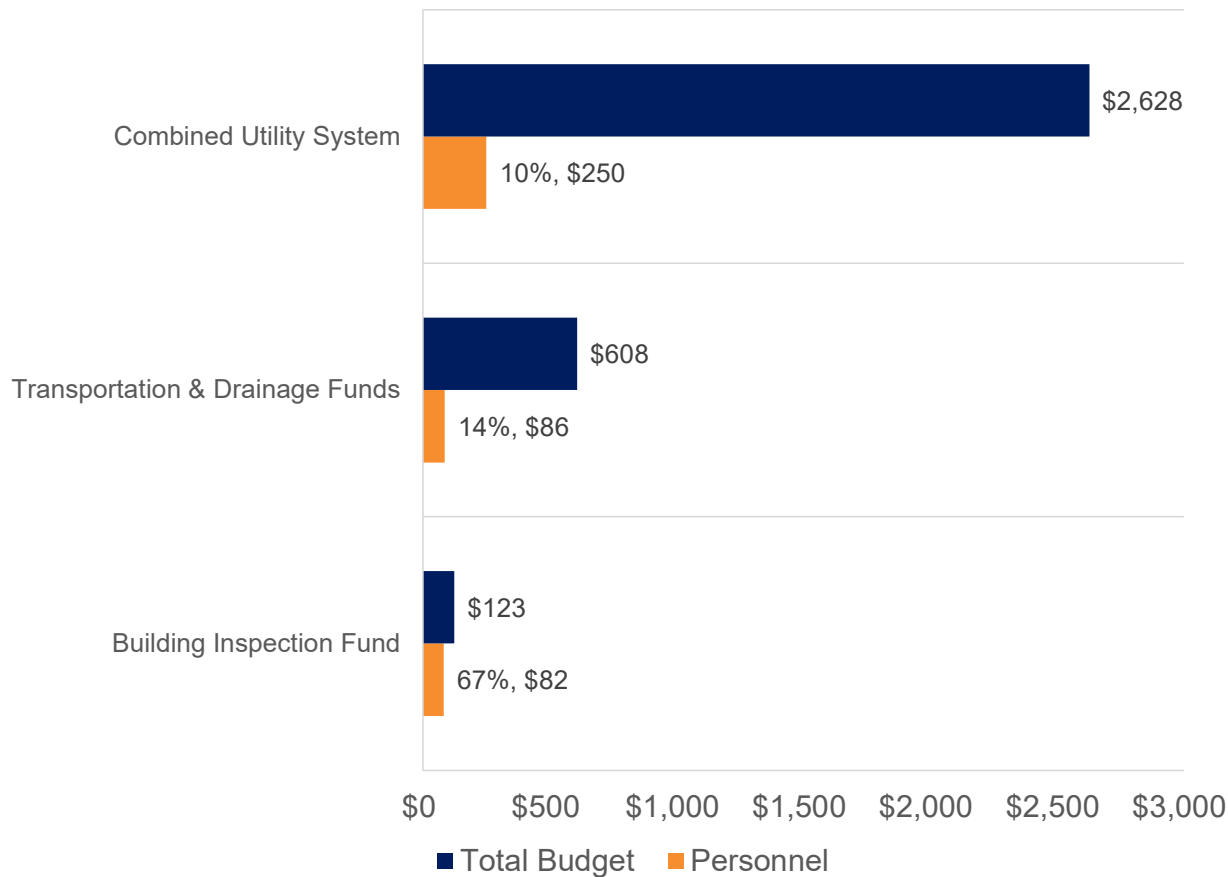
RESTRICTED ACCOUNT DETAILS

GL DESCRIPTION	JUSTIFICATION AND COST DRIVERS
Interfund Vehicle Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
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, CSMART (Court System Management & Resource Technology) (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.
Interfund 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.
Interfund 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.
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.

RESTRICTED ACCOUNT DETAILS

GL DESCRIPTION	JUSTIFICATION & COST DRIVERS
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. The sole vendor is Selrico.
Interfund GIS Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Interfund Wireless-Services	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.
Interfund 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 lease cost increase.
Interfund Permit Ctr Point of Sale Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee.
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.

PERSONNEL VS NON-PERSONNEL



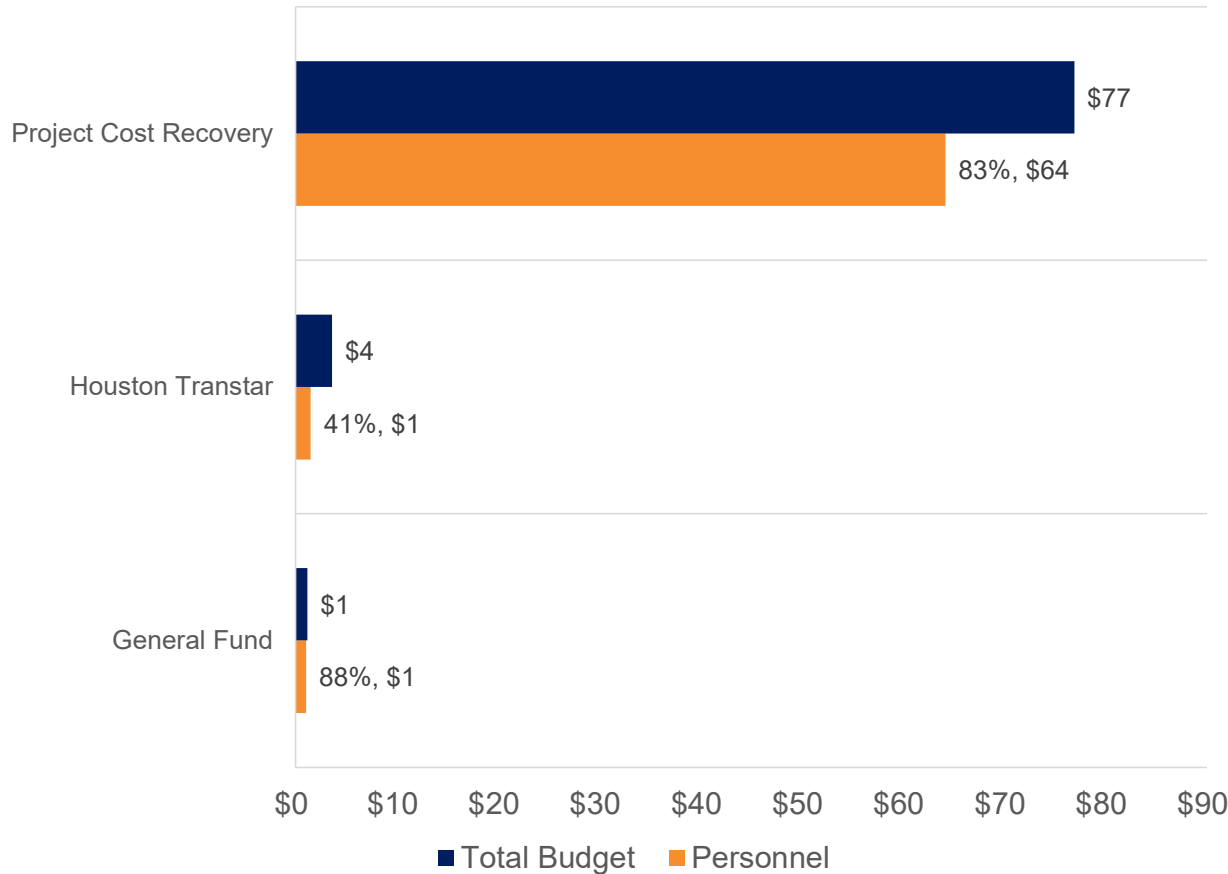
Supplies	\$	96	4%
Services	\$	395	15%
Restricted	\$	128	5%
Debt Service	\$	626	24%
Transfers	\$	1,005	38%
Non-Capital	\$	3	0%
Capital	\$	124	5%
Total	\$	2,378	90%

Supplies	\$	14	2%
Services	\$	101	17%
Restricted	\$	54	9%
Debt Service	\$	16	3%
Transfers	\$	315	52%
Capital	\$	22	4%
Total	\$	521	86%

Services	\$	21	17%
Restricted	\$	10	8%
Transfers	\$	6	5%
Capital	\$	4	3%
Total	\$	40	33%

(\$ in millions)

PERSONNEL VS NON-PERSONNEL (CONT.)



Services	\$	6	7%
Restricted	\$	6	7%
Capital	\$	1	1%
Total	\$	12	16%

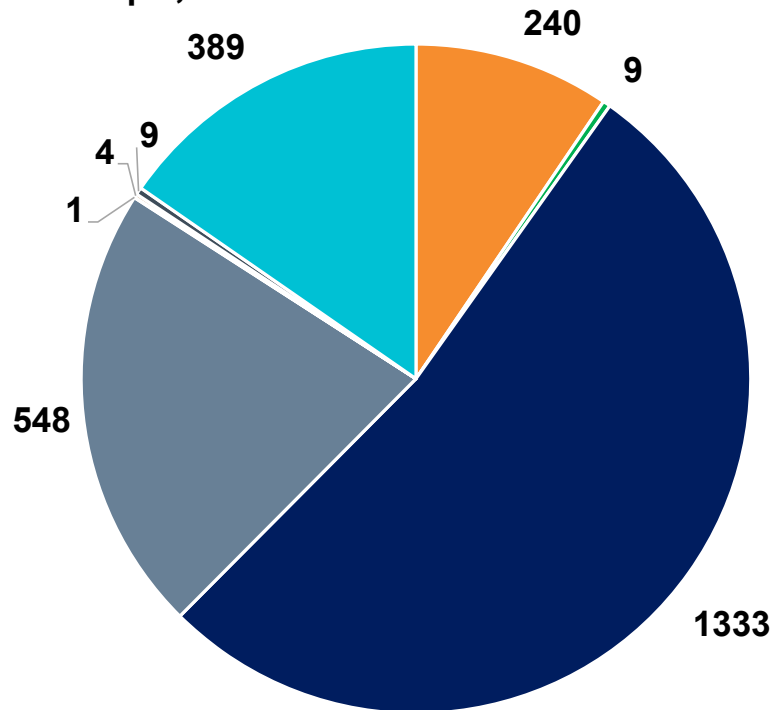
Supplies	\$	0.1	2%
Services	\$	1.5	42%
Restricted	\$	0.3	10%
Non-Capital	\$	0.2	5%
Total	\$	2.1	59%

Services	\$	0.1	8%
Restricted	\$	0.04	4%
Total	\$	0.1	11%

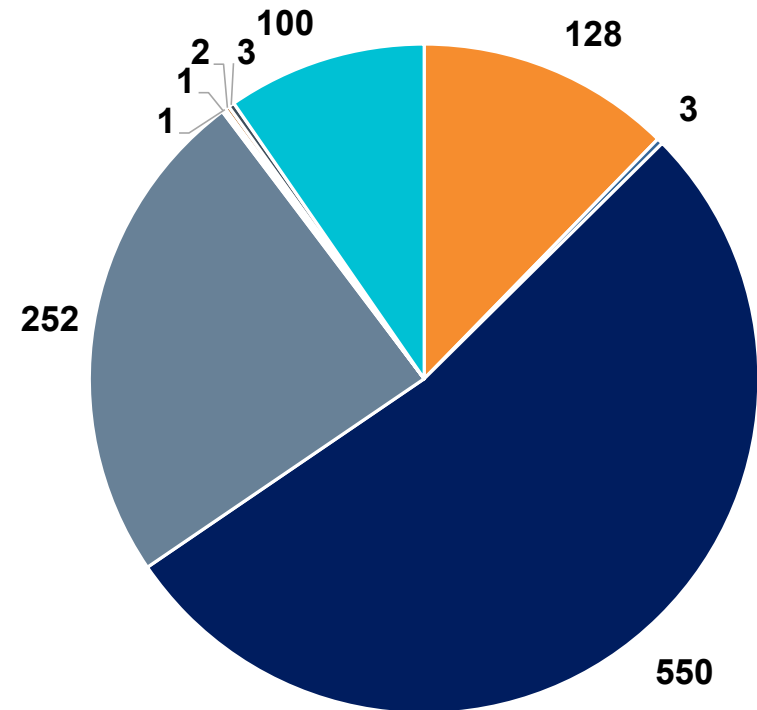
(\$ in millions)

ETHNICITY

MALES | 2,533



FEMALES | 1,040

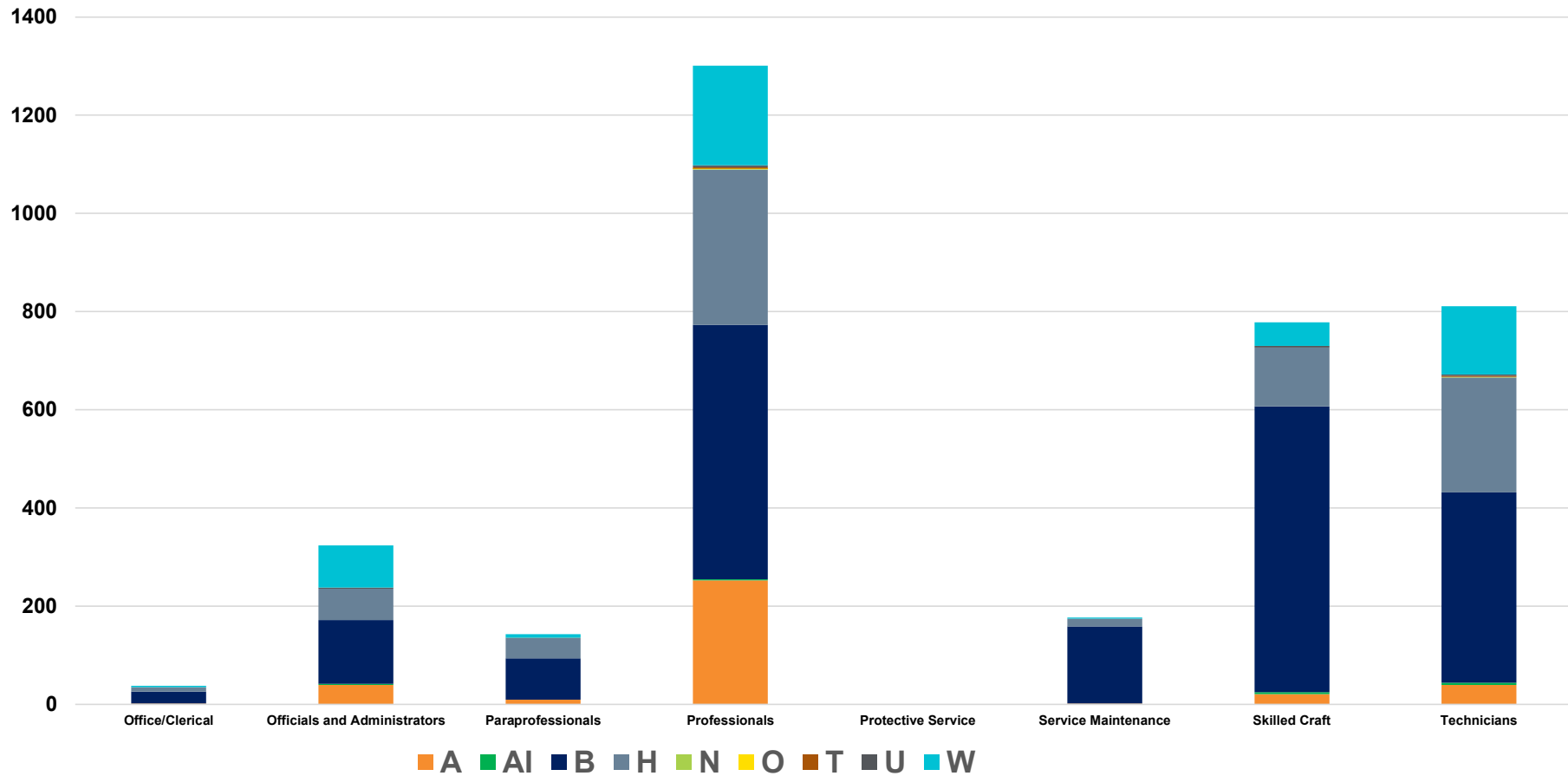


A AI B H N O T U W

A AI B H N O T U W

AI – American Indian, A – Asian, B – Black, H – Hispanic, NH – Native Hawaiian, O – Other Pacific Islander, T – Two or More Races, U – Unlisted, W – White

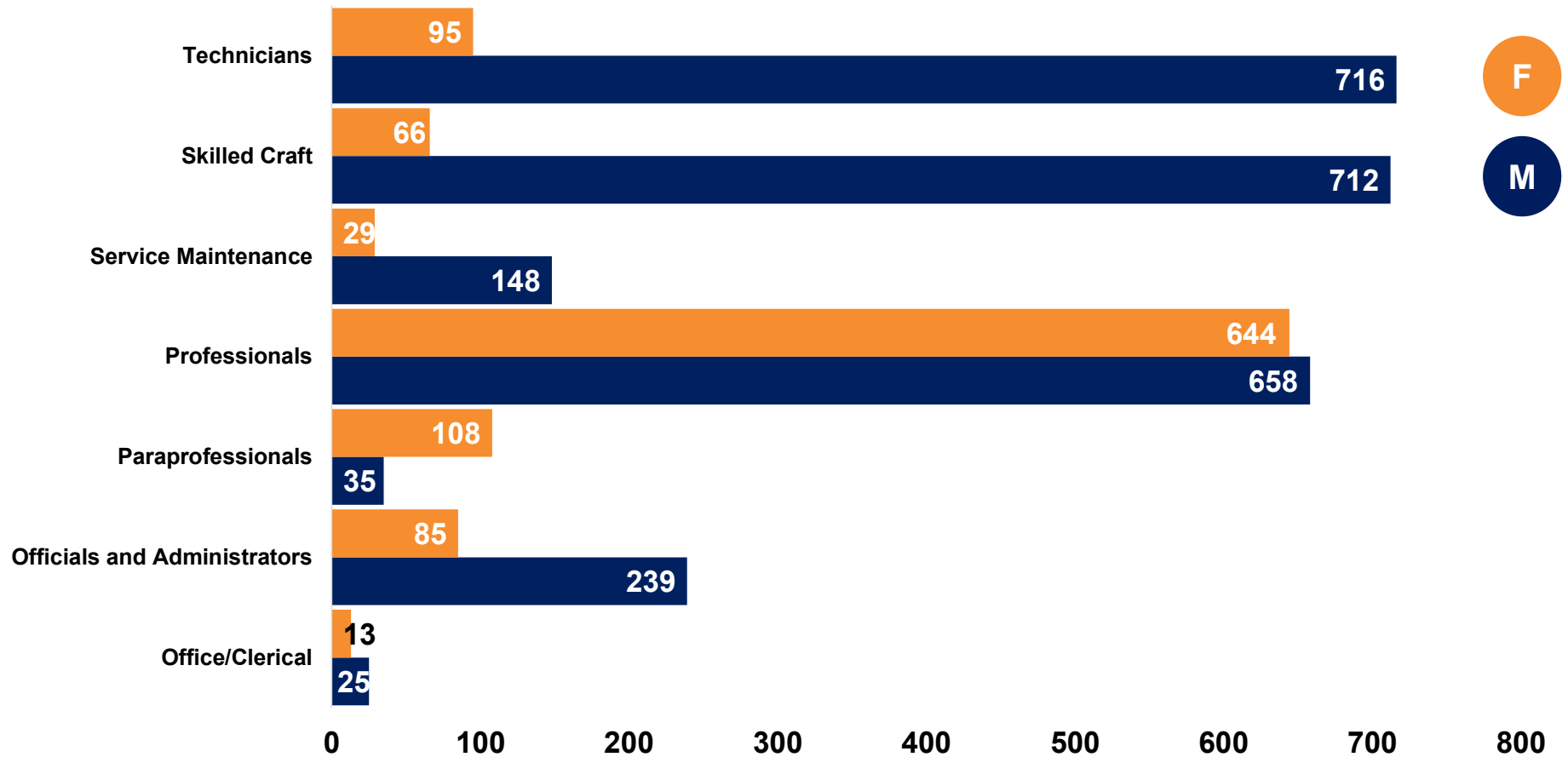
ETHNICITY BY JOB



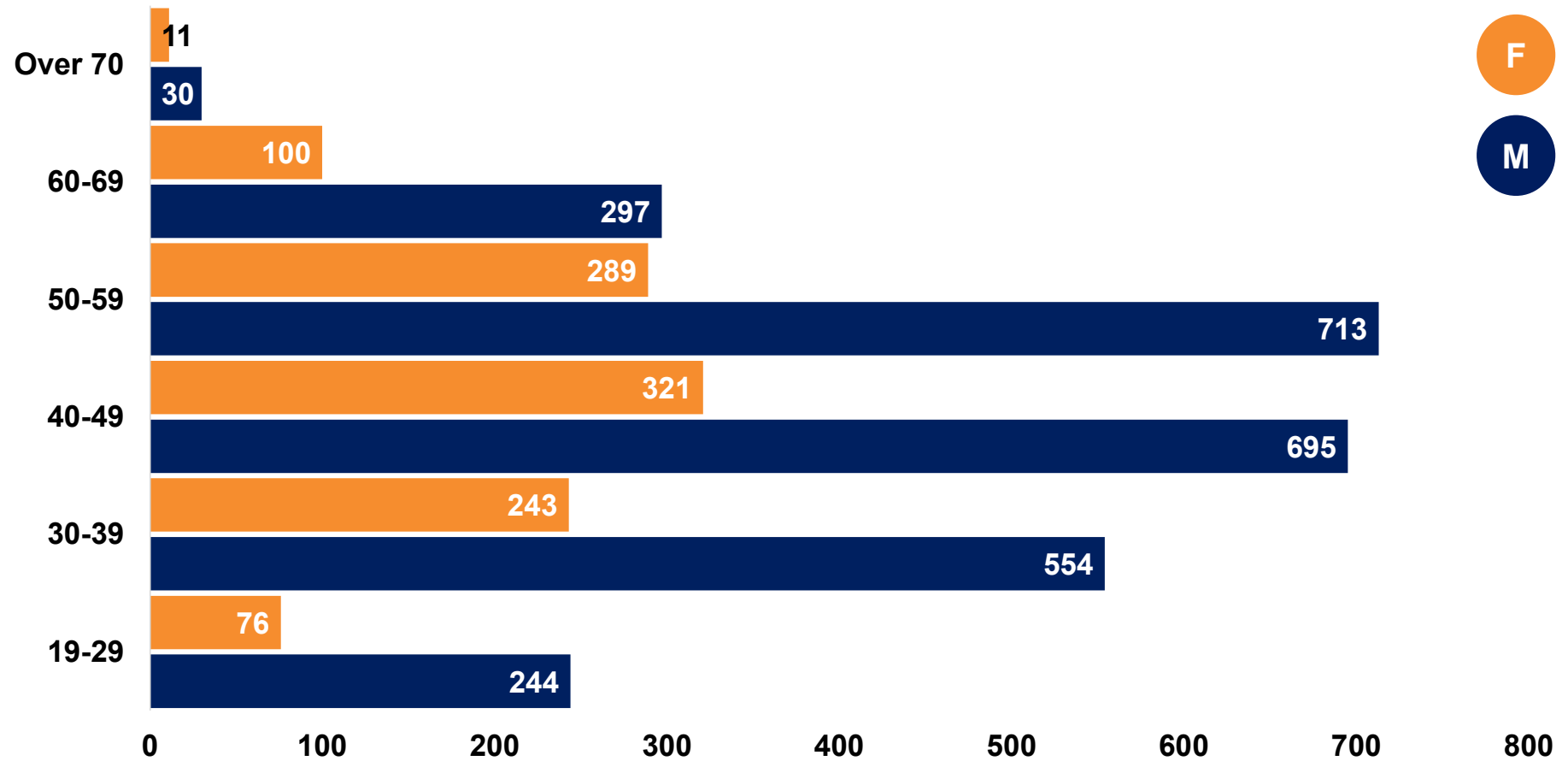
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As of 5/9/25

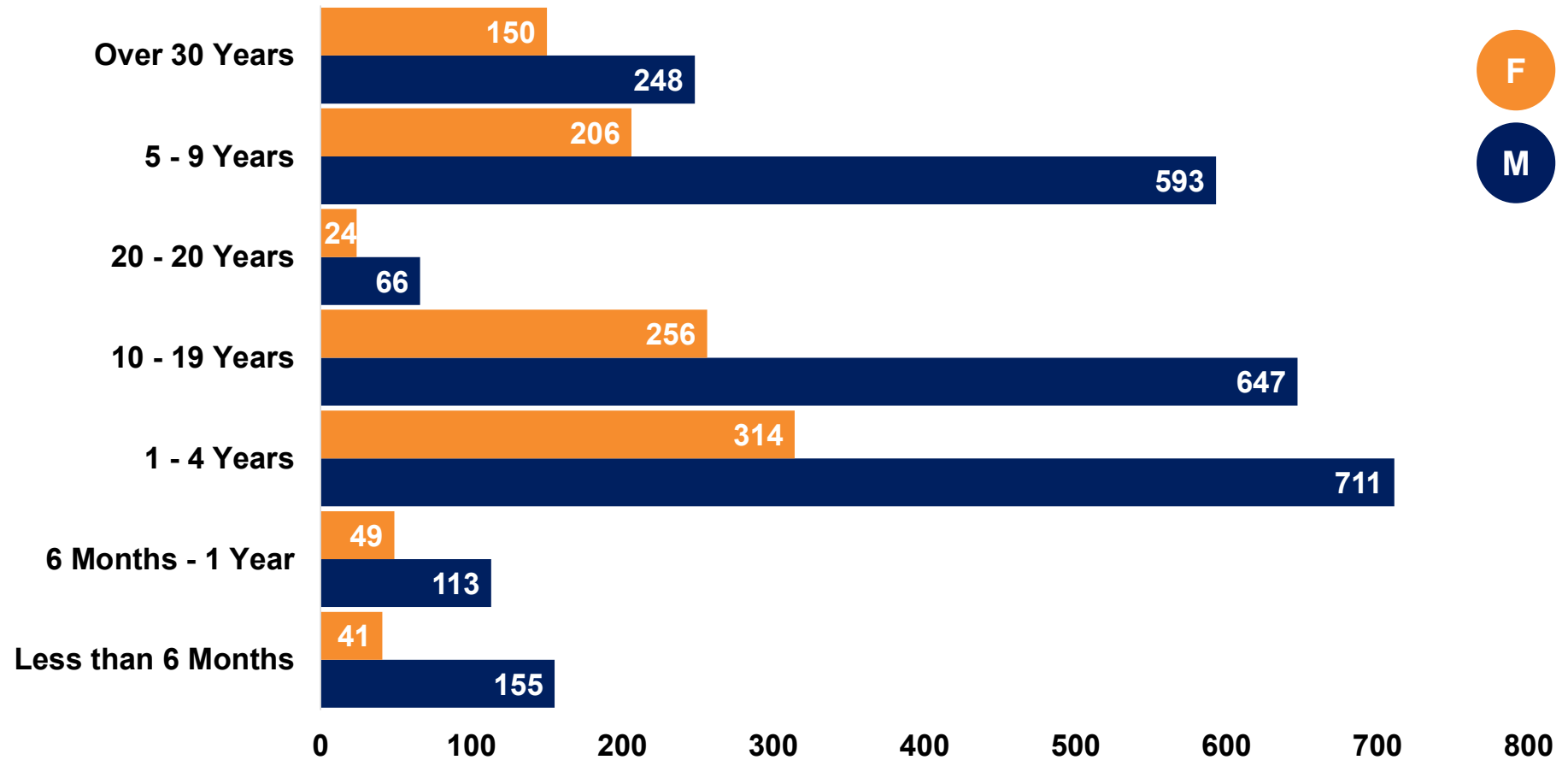
GENDER



AGE



TENURE



OTHER KPIS

Program	Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Houston Transtar	Number of stalled vehicles towed for free under the Tow and Go Program	37,766	39,415	39,415	39,415
Houston Transtar	Number of Website/Map views per year	N/A	150,000,000	150,000,000	150,000,000
Mayor's Office for People with Disabilities	Number of constituents provided with information and referral services	595	620	620	700
Mayor's Office for People with Disabilities	Number of constituents reached through trainings and presentations	11,381	2,500	2,790	3,000
Mayor's Office for People with Disabilities	Number of pedestrian accessibility review program/sidewalk repair applications reviewed and processed	119	100	100	120

DEPRECATED KPI's

Program	Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Administrative Services	Value of Real Estate Actions Recorded for the Joint Referral Committee	\$2,547,165	\$2,450,000	\$2,450,000	N/A
Engineering & Construction	Percentage of construction projects completed on schedule	80%	91%	91%	N/A
Engineering & Construction	Percentage of construction projects completed within budget	87%	92%	92%	N/A
Engineering & Construction	Percentage of Council District Service Fund Program projects completed within 90 days	90%	90%	90%	N/A
Houston Permitting Center	Number of residential building plan reviews completed	19,370	N/A	N/A	N/A
Houston Permitting Center	Residential plan reviews completed -10 business days	63%	N/A	N/A	N/A
Houston Permitting Center	Total plans reviewed (including all other plans - remodel, additions, etc.)	87,395	N/A	N/A	N/A
Houston Permitting Center	Public infrastructure plan reviews completed - 10 business days	52%	N/A	N/A	N/A
Houston Permitting Center	Number of commercial building plan reviews completed	33,535	N/A	N/A	N/A
Houston Permitting Center	Code Enforcement/City Engineer - Average number of days to complete Residential review	N/A	4	4	N/A
Houston Permitting Center	Code Enforcement/City Engineer - Average number of days to complete Commercial review	N/A	7	7	N/A
Houston Permitting Center	Percentage of plans reviewed after hours by city staff vs. Staff Augmentation	N/A	22% / 15%	22% / 15%	N/A
Houston Permitting Center	Resubmission Rate - All Departments	N/A	12%	12%	N/A
Houston Permitting Center	Average Project Cycle - All Departments	N/A	2	2	N/A
Houston Permitting Center	Number of occupancy inspections completed	54,359	N/A	N/A	N/A
Houston Permitting Center	Number of electrical inspections completed	154,978	N/A	N/A	N/A

DEPRECATED KPI's

Program	Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Houston Permitting Center	Number of plumbing inspections completed	199,787	N/A	N/A	N/A
Houston Permitting Center	Number of mechanical inspections completed	76,262	N/A	N/A	N/A
Houston Permitting Center	Number of structural inspections completed	243,235	N/A	N/A	N/A
Houston Permitting Center	Complete Occupancy programmatic inspections scheduled	N/A	100%	100%	N/A
Houston Permitting Center	Flood Elevation Certificates	N/A	95%	95%	N/A
Houston Permitting Center	Respond & Complete 95% of all 311 investigations of unpermitted work within 7 days	N/A	100%	100%	N/A
Houston Permitting Center	Total Building Code Enforcement Trade Inspections	N/A	765,000	765,000	N/A
Houston Permitting Center	Total Building Code Enforcement & Office of City Engineer Regulatory Inspections	N/A	135,000	135,000	N/A
Houston Permitting Center	Daily Inspections per Inspector - Building Code Enforcement Trades	N/A	15	15	N/A
Houston Water	Percentage of water service requests investigated within next business day	74%	97%	97%	N/A
Houston Water	Percentage of water quality questions responded within 2 Business Days	78%	100%	100%	N/A
Houston Water	Percentage of water main breaks repaired within 10 business days	38%	95%	95%	N/A
Houston Water	Percentage of wastewater repairs completed within 14 days (excluding restoration)	54%	100%	100%	N/A
Houston Water	Linear feet of wastewater-pipe cleaning completed (millions)	7.5	4.6	4.6	N/A
Houston Water	Linear feet of wastewater-pipe renewal completed	559,285	800,000	800,000	N/A
Houston Water	Percentage of sanitary sewer overflows confirmed within 4 hours of notification	N/A	100%	100%	N/A

DEPRECATED KPI's

Program	Measure Name	FY24 Actual	FY25 Target	FY25 Estimate	FY26 Target
Transportation & Drainage Operations	Curb miles of gutters swept	33,310	21,525	21,525	N/A
Transportation & Drainage Operations	Number of potholes repaired	57,099	63,000	63,000	N/A
Transportation & Drainage Operations	Number of asphalt repairs / skin patches completed	13,066	9,765	9,765	N/A
Transportation & Drainage Operations	Lane miles of asphalt surface overlaid	123	125	125	N/A
Transportation & Drainage Operations	Number of concrete panel replacements	804	650	650	N/A
Utility Billing	Utility billing accuracy rate	98.90%	N/A	N/A	N/A
Utility Billing	Utility customer calls answered within 5 minutes	97.00%	70.00%	70.00%	N/A