



Mayor's Office

FY2026 Proposed Budget Presentation

May 19, 2025

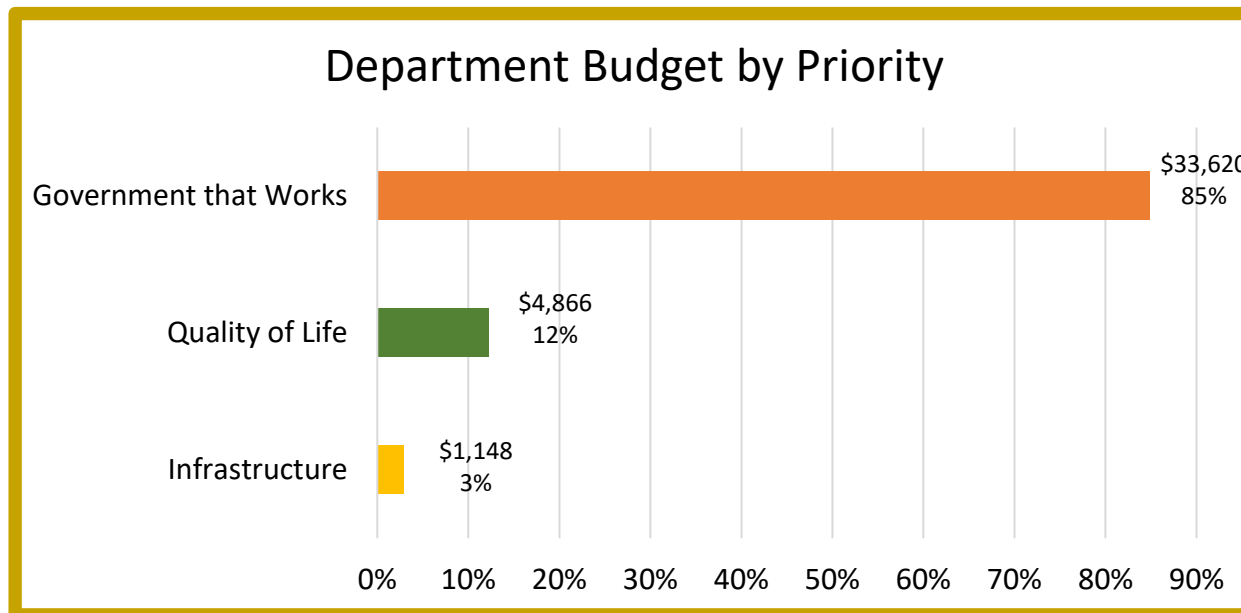


Strategic Guidance Alignment

Objective

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

Government that Works	Quality of Life	Infrastructure
Executive Oversight	Cable Television	Economic Development
Tourism Promotion		
Debt Service and Interfund Transfers		



Voluntary Municipal Employee Retirement Payout Option (VMERPO)



Objective

Use this slide to discuss the reductions taken by the department

Program	FTEs Filled	FTEs Vacant	Personnel Cost	Other Cost	Total Approved Reduction
Executive Oversight-VMERPO	3.0	0.0	\$ 429,554	\$ -	\$ 429,554
Tourism Promotion-VMERPO	2.0	0.0	\$ 305,447	\$ -	\$ 305,447
Cable Television-VMERPO	3.0	0.0	\$ 303,483	\$ -	\$ 303,483
Total	8.0	0.0	\$ 1,038,484	\$ -	\$ 1,038,484



Proposed Department Restructure

FOR GUIDANCE ONLY – PLEASE DELETE

Use this slide to discuss how the department will address span of control, streamline operations, and create clearer career pathways for employees. Highlight job families that will see the most impact within your respective departments.

- Span of Control – Table Should Include Info Below
- Streamline Operations – Use a bulleted/narrative format
- Clearer Career Pathways – Use Table

	Current State	Proposed State
Average Span of Control	3	5
% Managers/Supervisors with 1-3 Direct Reports	71%	35%
Layers of Management	4	3



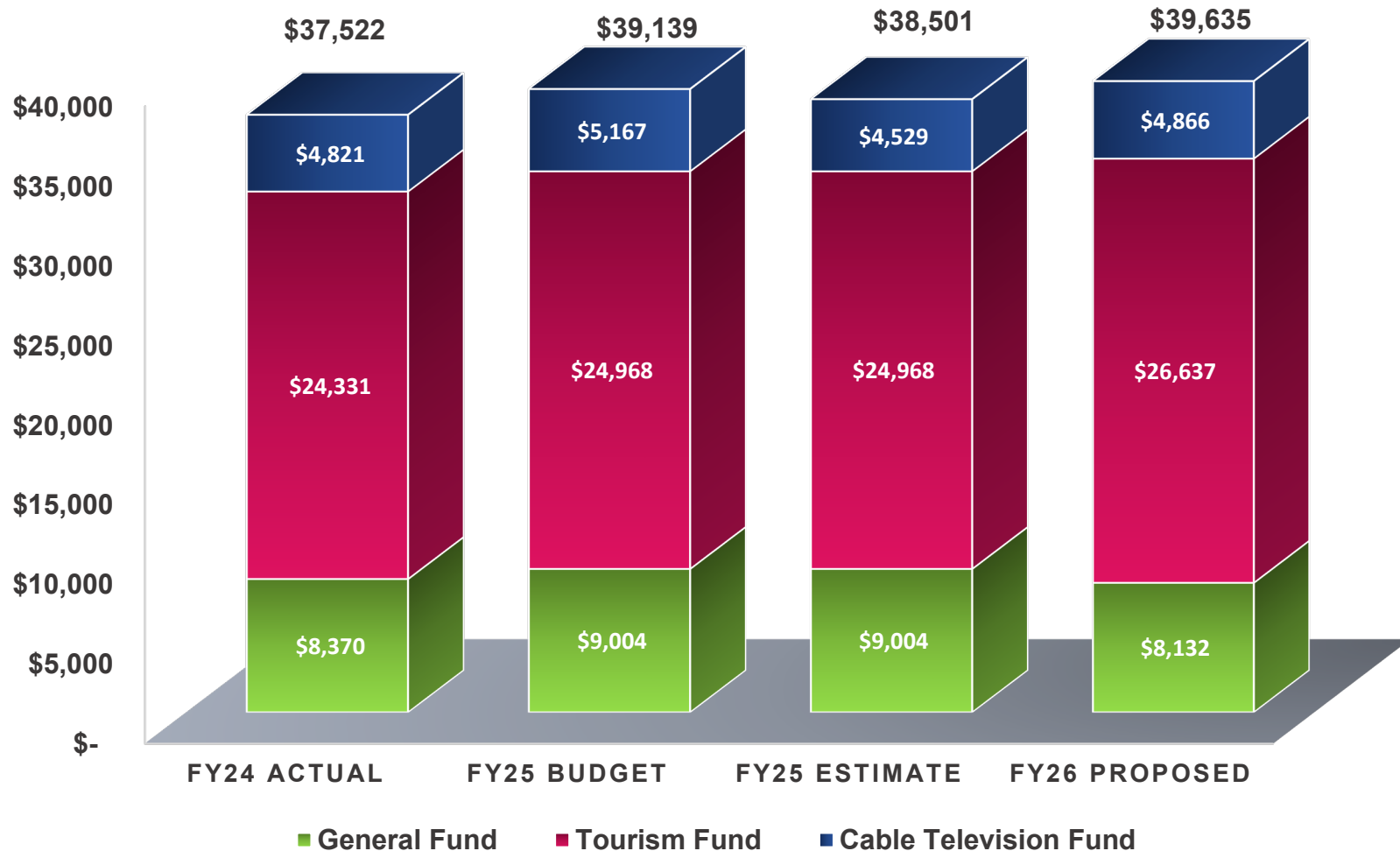
Expenditures by Fund [in thousands]

Objective

List 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	\$ 8,370	\$ 9,004	\$ 9,004	\$ 8,132	\$ (872)	-9.7%
Cable Television	\$ 4,821	\$ 5,167	\$ 4,529	\$ 4,866	\$ (301)	-5.8%
Tourism Promotion	\$ 24,331	\$ 24,968	\$ 24,968	\$ 26,637	\$ 1,669	6.7%
Total	\$ 37,522	\$ 39,139	\$ 38,501	\$ 39,635	\$ 496	1.3%

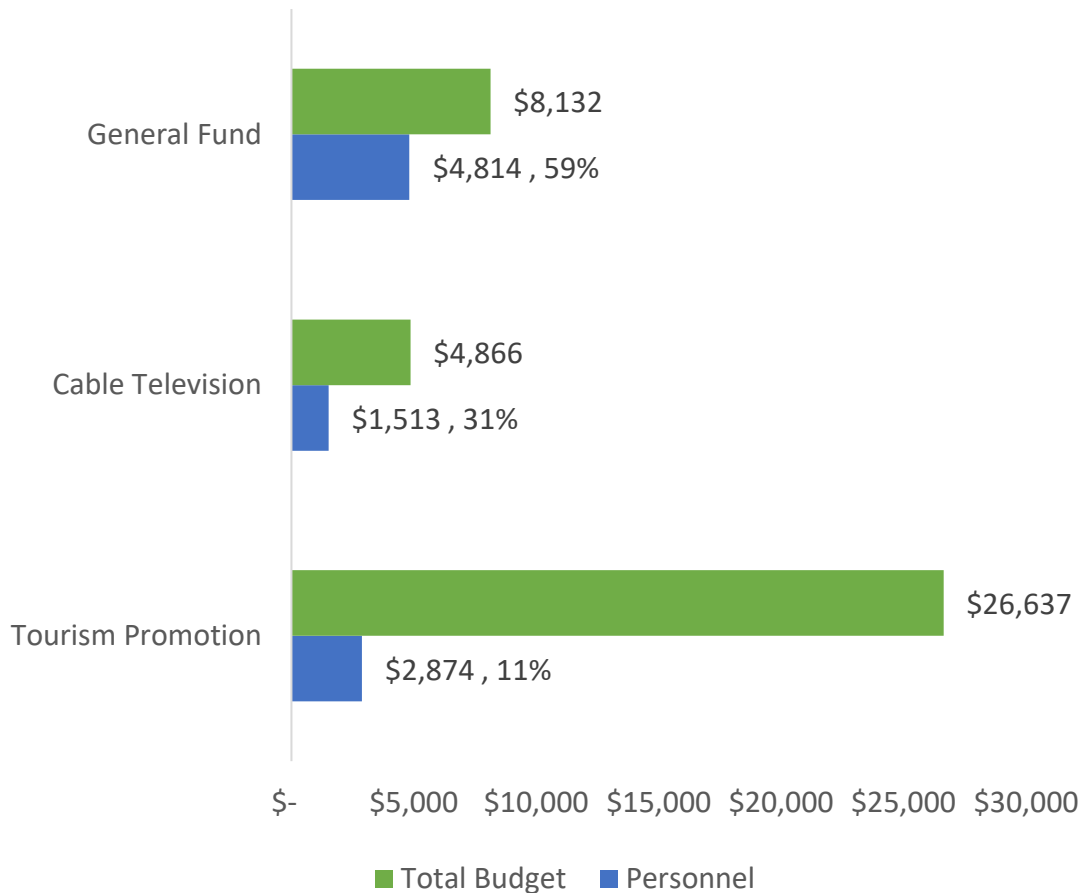
Expenditures By Fund (in thousands)



Personnel vs Non-Personnel (in thousands)



Personnel Breakdown



Non-Personnel Breakdown

General Fund

Supplies	\$ 32	0%
Services	\$ 364	4%
Transfer	\$ 2,239	28%
Restricted	\$ 683	8%
Total	\$ 3,318	41%

Houston Cable Fund

Supplies	\$ 13	0%
Services	\$ 1,785	37%
Capital	\$ 1,221	25%
Restricted	\$ 334	7%
Total	\$ 3,353	69%

Tourism Promotion Fund

Supplies	\$ 86	0%
Services	\$ 2,098	8%
HHa Paym	\$ 21,304	80%
Restricted	\$ 275	1%
Total	\$ 23,763	89%



Expenditures by Program (in thousands)

Objective

List program 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
Cable Television	\$ 4,820	\$ 5,167	\$ 4,529	\$ 4,866	\$ (301)	-6%
Debt Service and Interfund Transfers	\$ 2,343	\$ 2,459	\$ 2,465	\$ 2,538	\$ 79	3%
Economic Development	\$ 1,117	\$ 1,010	\$ 1,010	\$ 1,148	\$ 138	14%
Executive Oversight	\$ 5,210	\$ 5,836	\$ 5,830	\$ 4,745	\$ (1,091)	-19%
Tourism Promotion	\$ 24,031	\$ 24,669	\$ 24,668	\$ 26,337	\$ 1,668	7%
Total	\$ 37,521	\$ 39,140	\$ 38,502	\$ 39,634	\$ 494	1%



Cable Television (in thousands)

Priority:	Quality of Life
FY2026 FTE Count:	14.7

Program Description

Effectively communicate to the public relevant information concerning municipal and related governmental and community services.

Significant Budget Items

- Includes funding for municipal employees' contractual pay increases
- Includes funding for equipment integration in the HTV terminal control facility and other capital upgrades

FY26 Prop Budget by Fund

Cable TV Fund	\$17
State Cable Franchise	\$4,849
Total	\$4,866

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
# of community programs broadcast	61	778	6	6	Measures the number of new community programming created
Increase production services clientele	27	19	12	12	Measures the number of external clientele expansion
Increase Set Top Box viewership (Roku, Apple TV, Firestick & Chrome Cast)	5,812	7,011	3,500	3,500	Measures how engaged citizens are with HTV's programming on streaming platforms



Economic Development (in thousands)

Priority:	Infrastructure
FY2026 FTE Count:	5.9

Program Description

Develops, implements, and manages citywide policies and procedures for encouraging growth and attracting domestic and international investments to make Houston a more globally competitive city of diverse core industries.

Significant Budget Items

- Includes funding for municipal employees' contractual pay increases

FY26 Prop Budget by Fund

General Fund	\$1,148
Total	\$1,148

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
# of digital kiosks deployed and activated per contract	93	109	125	125	Measures the number of digital kiosks per IKE contract
# of Green Stormwater Infrastructure and Leadership in Energy and Environmental Design applications submitted to City Council for approval	0	1	4	4	Measures the number of applications meeting ordinance requirements
# of opportunities for training and deployment for TIRZ board members	7	1	2	2	Measures interest in TIRZ development within Houston communities
# of TIRZ program policies developed and implemented	6	4	5	5	Increases policy knowledge and regulation compliance



Executive Oversight (in thousands)

Priority: Government that Works

FY2026 FTE Count: 23.3

Program Description

This program oversees departmental activities and provides support functions to departments such as managing agenda items, internal and external correspondence, promoting access to equitable education, developing policies and strategies to optimize city's position, and managing communications operations.

Significant Budget Items

- Includes funding for municipal employees' contractual pay increases

FY26 Prop Budget by Fund

General Fund	\$4,745
Total	\$4,745

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
# of Boards & Commissions Board Appointees	N/A	0	N/A	250	Number of individuals appointed to Boards and Commissions
Constituent Case Resolution Time (Days)	22.4	11	14	14	Number of days to respond to constituents



Tourism Promotion (in thousands)

Priority:	Government that Works
FY2026 FTE Count:	22.0

Program Description

This program promotes Houston's culture and image by building international diplomatic ties, attracting foreign investment and assisting businesses seeking markets abroad.

Significant Budget Items

- Includes funding municipal employees' contractual pay increases
- Budget includes HAA contractual payment obligation

FY26 Prop Budget by Fund

Tourism Promotion Fund	\$26,337
Total	\$26,337

Performance

Measure Name	FY24 Actual	FY25 Progress (Q3)	FY25 Target	FY26 Target	Target Context
# of arts and businesses engaged or receiving Civic Art Program funds	134	0	30	30	Measures level of engagement form cultural entities
# of events/ event days	898/2,292	493/1,211	616/2,182	616/2,182	Measures cultural artistic and entertainment options to attract residents and tourists.
# of high level foreign government and trade delegation visits to Houston	37	41	45	45	Measures increase in exposure to attract tourism/business to the city
# of international companies expanding in, creating new offices in, or relocating to Houston	10	25	10	10	Measures economic development in the city, directly related to increases in municipal revenue
% increase in foreign business and leisure travelers	13.6%	14%	10.0%	10.0%	Measures the economic impact of tourism



Debt Service and Interfund Transfers (in thousands)

Priority:	Government that Works
FY2026 FTE Count:	0.0

Program Description

Budget allocations include in this section reflect debt service payments and/or interfund transfers.

Significant Budget Items

- Includes funding for the transfer to Special Events from the General Fund
- Includes funding for the transfer to Cable Television Fund from Tourism and Promotion Fund

FY26 Prop Budget by Fund

General Fund	\$2,238
Tourism Promotion Fund	\$300
Total	\$2,538



FY2026 Revenue Highlights

General Fund:

- ❑ **Digital Network** budget is \$241K higher than the FY2025 estimate due an increase in the kiosk units to be in service in FY2026.

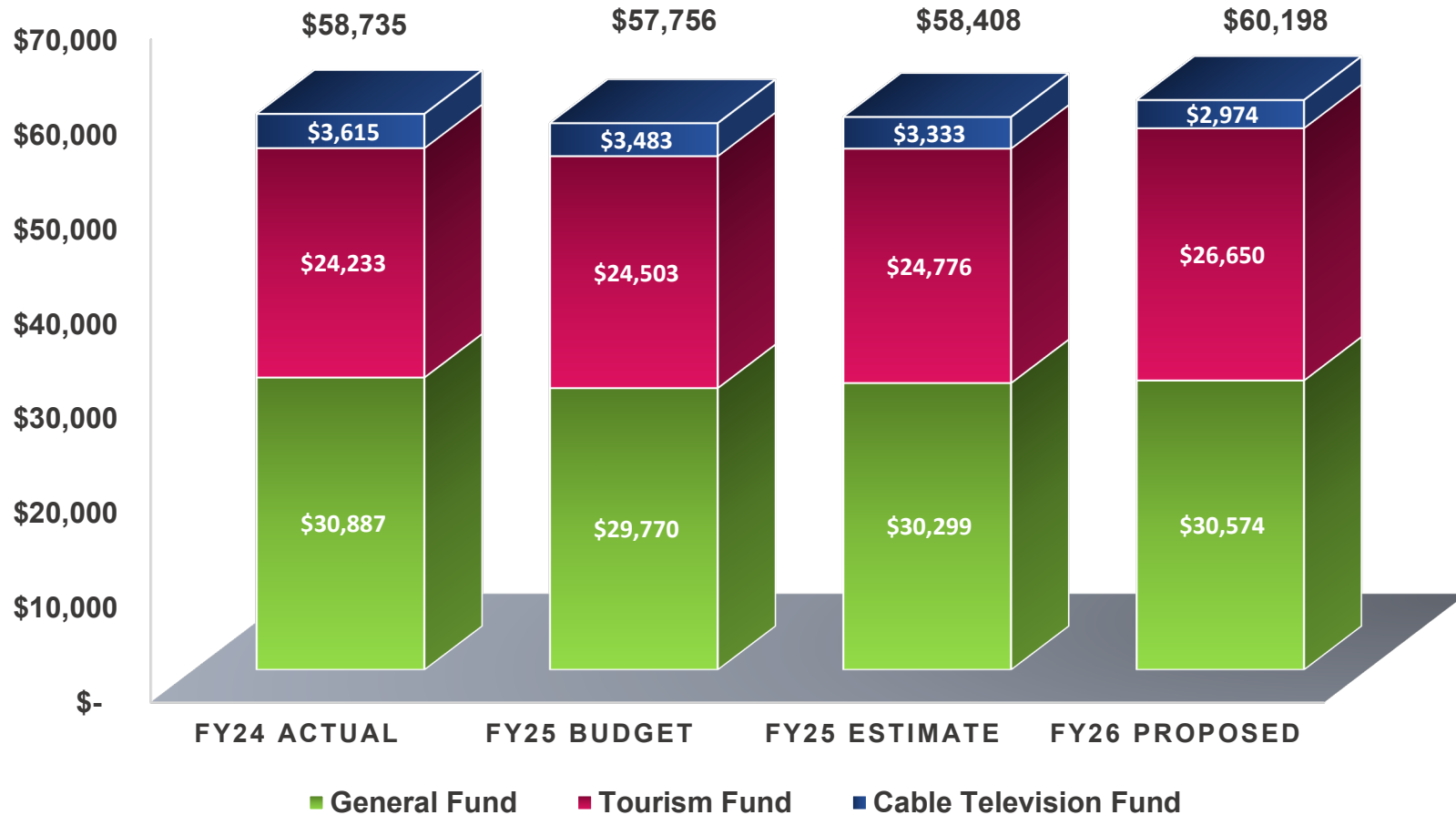
Cable Television:

- ❑ **PEG Contributions – State Franchises** budget is \$348K lower than the FY2025 estimate due to the decline of cable PEG fees offset by the increase in production revenue for services provided for other City departments.

Tourism Promotion:

- ❑ **Contributions From Other** budget is \$1.9M higher than the FY2025 estimate primarily due to projected increase of the revenue received from HoustonFirst, which is based on 19.3% of the total Hotel Occupancy Tax (HOT) gross receipts, is projected to be higher.

Revenues By Fund (in thousands)





Revenues by Fund [in thousands]

Objective

List total revenues by fund in thousands – FY25 Estimate vs FY26 Proposed (in thousands)

Category	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Estimate	% Change
General Fund	\$ 30,887	\$ 29,770	\$ 30,299	\$ 30,574	\$ 275	0.9%
Cable Television	\$ 3,615	\$ 3,483	\$ 3,333	\$ 2,974	\$ (359)	-12.1%
Tourism Promotion	\$ 24,233	\$ 24,503	\$ 24,776	\$ 26,650	\$ 1,874	7.0%
Total	\$ 58,735	\$ 57,756	\$ 58,408	\$ 60,198	\$ 1,790	3.0%



Revenues by Program (in thousands)

Objective

List program budgets for FY25 Estimate vs FY26 Proposed (in thousands)

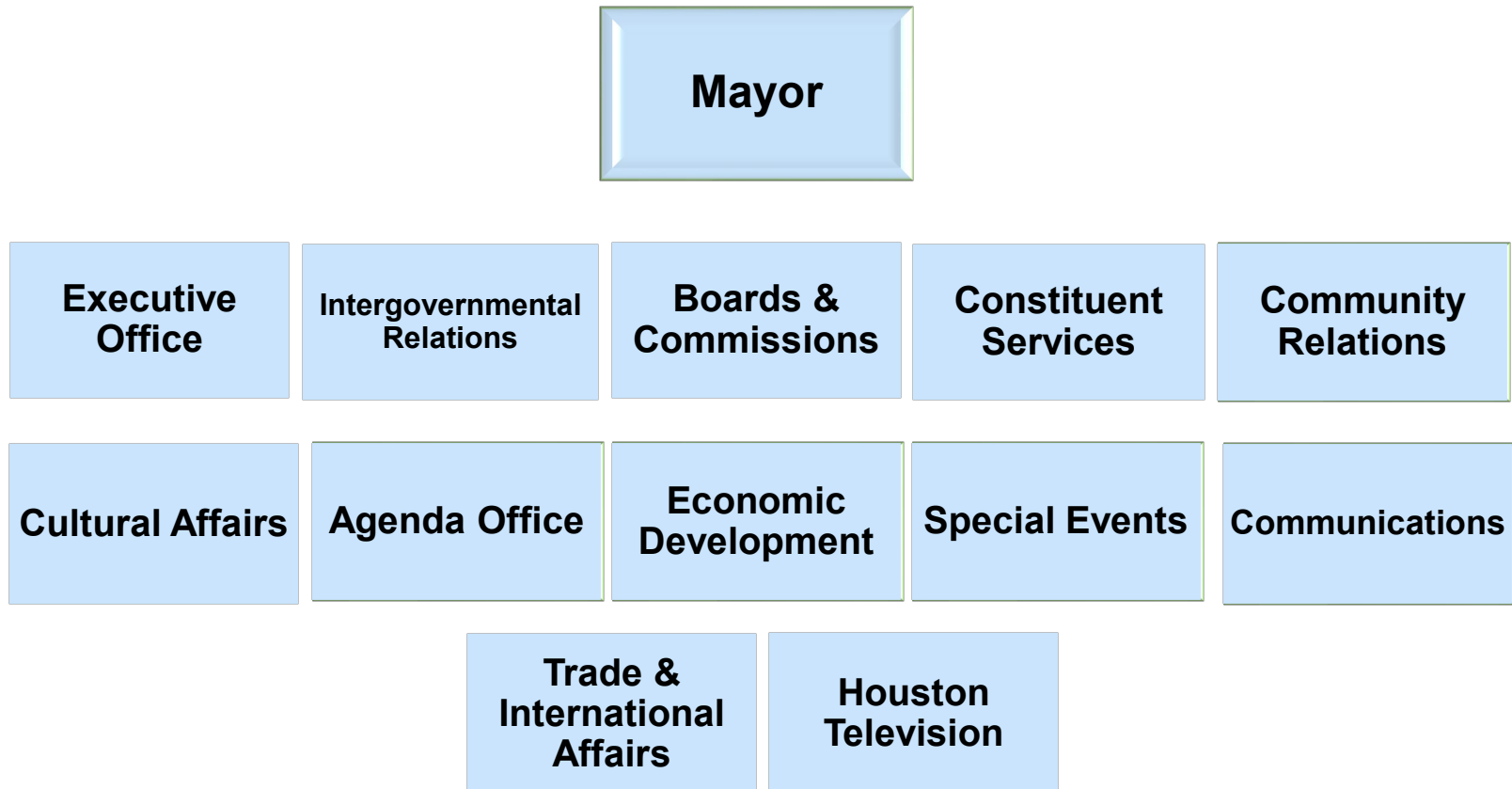
Program	FY24 Actual	FY25 Budget	FY25 Estimate	FY26 Proposed	Variance FY26 Proposed/ FY25 Est	% Change
Cable Television	\$ 3,614	\$ 3,483	\$ 3,333	\$ 2,974	\$ (359)	-11%
Economic Development	\$ 30,823	\$ 29,770	\$ 30,298	\$ 30,573	\$ 275	1%
Executive Oversight	\$ 64	\$ 1	\$ 1	\$ 1	\$ -	0%
Tourism Promotion	\$ 24,233	\$ 24,503	\$ 24,776	\$ 26,650	\$ 1,874	8%
Total	\$ 58,734	\$ 57,756	\$ 58,408	\$ 60,198	\$ 1,790	3%



Questions



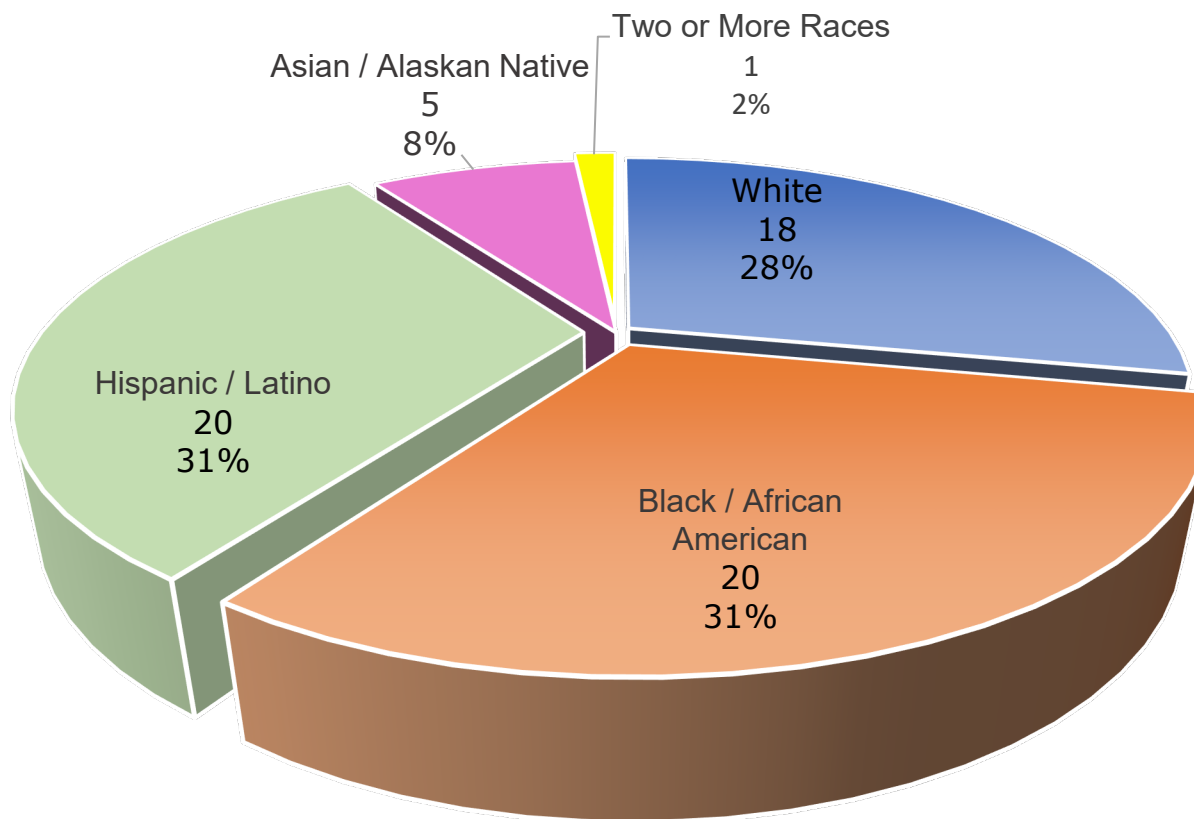
Organizational Chart





Mayor's Office Demographics

As of 4/21/2025



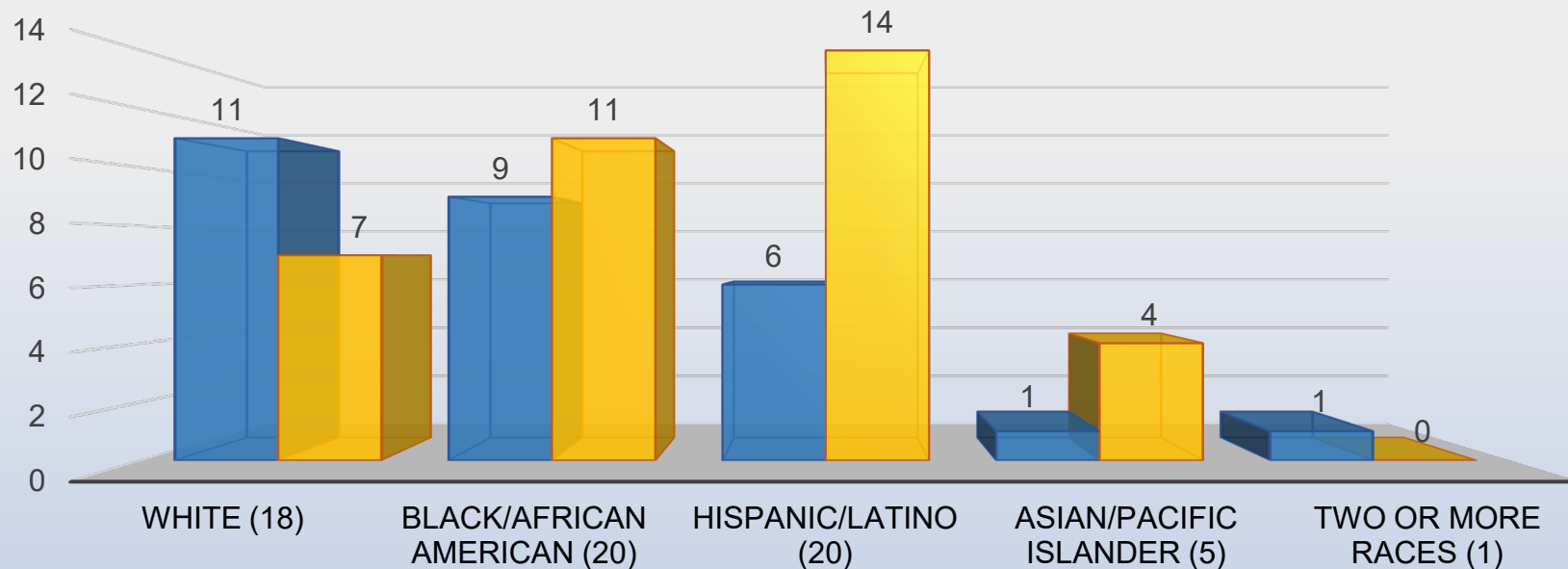
Total Employees = 64

General Fund = 32 Special Revenue Funds = 32



Race & Gender Distribution

As of 4/21/2025



Total: 28 Males & 36 Females
General Fund: 11 Males & 21 Females
Special Revenue Funds: 17 Males & 15 Females

■ Male ■ Female



Mayor's Office FY2025 Accomplishments

- List any headline accomplishments...



MYR 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.