

CITY OF HOUSTON FISCAL YEAR 2027 BUDGET DEPARTMENT QUESTIONS

**SUBMITTED BY SALLIE ALCORN
HOUSTON CITY COUNCIL MEMBER, AT-LARGE POSTION 5**

When the budget was released on May 5, my team and I got straight to work reviewing and analyzing the data. We scrutinize departmental line items and performance measures and ask a number of questions. Some of these I ask during the budget workshops, and many more I submit in writing via the city’s internal site. In the interest of transparency, I share with you my written budget questions and the departments’ responses. If you are interested in learning more about the responses, please email atlarge5@houstontx.gov or call us at (832) 393-3017.

**** As of May 20, some of the following submitted questions are pending departmental responses. This document will be updated as responses become available.**

TABLE OF CONTENTS

ADMINISTRATION & REGULATORY AFFAIRS	3
AVIATION	7
CONTROLLER’S OFFICE	10
FINANCE	11
FLEET	12
FIRE	14
GENERAL SERVICES	15
HEALTH	17
HUMAN RESOURCES	19
LIBRARIES	26
MAYOR’S OFFICE	28
NEIGHBORHOODS	29
PARKS & RECREATION	32
PLANNING & DEVELOPMENT	37
POLICE	39
PUBLIC WORKS	41
SOLID WASTE	44

ADMINISTRATION & REGULATORY AFFAIRS

1. ParkHouston expenditures – Explain the decrease in funds transferred to the General Fund from \$5.1 million (FY26 estimate) to \$4.2 million (FY27 proposed).

The FY26 end-of-year revenue estimate for ParkHouston includes \$719,000 in FIFA meter revenue that boosts the revenue we have already earned this year, and the amount of the General Fund transfer for FY26. Although we project ParkHouston will also earn FIFA meter revenue for the first two weeks of FY27, other meter revenues are trending down (such as meter revenues for Astros games). Taking that trend into account, and in the interest of not overestimating revenue the General Fund relies upon, ARA lowered the overall revenue projection for ParkHouston for FY27, which also lowers the estimated transfer to the General Fund. If meter revenues at downtown venues rebound during the fiscal year, the FY27 General Fund transfer will increase as well.

2. ParkHouston revenues – Explain the decrease in metered parking revenues from \$7.9 million to \$7.4 million.

As explained above, as we near the end of FY26, we are seeing a downward trend in downtown meter revenues, particularly around events such as Astros games, where meter revenues are usually strongest. For FY26, the projected FIFA meter revenues are expected to offset the decreases, but for FY27, if the trend continues, the FIFA meter revenues that come in at the beginning of the fiscal year will not be enough to offset several months of lower meter revenues

3. Park Houston - Is it possible to break down parking citations by shift?

Yes, this is an analysis ParkHouston frequently performs to evaluate enforcement officer performance. We have also hired an analyst who is mapping the areas of the city where parking meter payment compliance is lowest to redeploy enforcement officers to those areas to raise compliance. Below is the breakdown of parking citations by shift for the period from January 1, 2025 to February 17, 2026.

Shift	Citation_Count	Total_Base_Fine	Percent_of_Total	Avg_Base_Fine
1st	51,303	\$ 2,884,435	23%	\$ 56.22
2nd	73,266	\$ 4,192,120	33%	\$ 57.22
3rd	51,628	\$ 2,849,270	23%	\$ 55.19
4th	45,529	\$ 2,376,320	21%	\$ 52.19

4. BARC – What is the “all in” average salary plus benefits for animal enforcement trainees and animal enforcement officers?

The “all in” average salary plus benefits for animal enforcement trainees and animal enforcement officers is detailed below:

	Base Pay	HOPE Increase	Pension & FICA	Total Cost
Animal Enforcement Officer Trainee	\$46,342.40	\$ 47,964.38	\$ 17,751.62	\$ 65,716.00
Animal Enforcement Officer	\$49,192.00	\$ 50,913.72	\$ 18,843.17	\$ 69,756.89

It is important to note that the cost above reflects only salary plus benefits, and not all the ancillary costs associated with hiring enforcement personnel, such as additional vehicles, uniforms, radios, and other equipment.

5. BARC - FTEs increase from 116 (FY26 estimate) to 117 (FY27 proposed). How many additional animal enforcement trainees / officers are needed in FY27 to improve service response in priority 2 and 3 calls? What are BARC's response rates percentages for priorities 1-5?

BARC's response rate for Priority 1, 2, and 3 calls is always 100% unless the call is cancelled by the requester. For example, for FY26, we are reporting a 98% response rate for priority 1,2, and 3 calls. The main reason it is not 100% is not a matter of resources, but rather that sometimes these calls get cancelled by the requester. For example, HPD may request assistance at a scene and then will call BARC and say they do not need an animal control officer after all because a family member has taken custody of the animal, and BARC does not need to respond. BARC has sufficient resources to respond to all Priority 1, 2, and 3 calls, although response time will vary depending on the degree of urgency of the need.

As a reminder, Priority 1, 2, and 3 calls are those that involve:

- Priority 1:
 - Bite cases, where the victim has been bitten or attacked
 - An animal that has been identified as dangerous or aggressive on school grounds
 - An animal that has not been identified as dangerous, but is roaming freely on elementary school grounds
- Priority 2:
 - A request from law enforcement for assistance in securing an animal when law enforcement has secured the scene
 - An aggressive animal where humans may be in imminent danger
 - An injured or sick animal that is unable to move on its own
 - An ongoing cruelty case where animals are being used for cockfighting, dog fighting, etc.(reported to HPD, and BARC assists HPD)
 - Dangerous or wild animals such as lions, tigers, non-indigenous venomous animals, or exotic animals
- Priority 3:
 - trapped "high-risk" wildlife that are inside a human's living area
 - cases of neglect/abandonment of dogs, cats, or livestock
 - confined animals at places of business or apartment complexes
 - an animal that has not been identified as dangerous and is roaming middle/school or college grounds
 - calls for assistance from postal workers, City Council offices, and other government agencies

BARC's response rate for Priority 4 calls is approximately 30%, and our response rate for Priority 5 calls is approximately 13%. Priority 4 and 5 calls are a lower priority because they do not involve an imminent threat to the health and safety of human beings or animals. In most instances, either the animal is already contained, and the owner or rescuer is calling BARC to pick up the animal, or the animal is roaming as a stray, and by the time a BARC enforcement officer can arrive at the scene, the animal is gone. (NP)

BARC receives more than 50,000 calls for enforcement services per year, and Priority 1, 2, and 3 calls comprise more than 52% of those calls. With a response rate just short of 100% for those calls, BARC's goal is to meet our primary mission to protect public safety and, as resources allow, to also respond to those calls that are less urgent and are not life-threatening. Thanks to the foresight and strategic planning of this and previous Administrations and City Council members, for FY26, BARC is achieving an overall 66% enforcement call response rate – the highest response rate in the history of the BARC animal shelter

6. BARC - Section F page VI-2 in the budget book describes this goal: (f) begin efforts to work with Harris County to achieve economies of scale in procuring items of common use, such as animal medications and shelter supplies. What is the plan for implementation, and how much savings are anticipated?

In March 2026, our BARC Shelter Director began a survey of wellness costs for other municipal shelters and non-profit animal organizations in the Houston area to determine if BARC fees for our wellness services were in line with others. BARC prices for medications and supplies have increased by more than 70% since 2016, but BARC's wellness pricing has not changed to account for those increased costs.

While conducting that survey, we found that Harris County is currently performing its own cost-of-service analysis for wellness service pricing. We also discovered that Harris County is getting better rates than BARC from some suppliers, while BARC is getting better pricing from others. Thus, we are exploring how we might partner with Harris County to leverage buying power and combine orders on a BuyBoard type of contract for items like medical supplies, gloves, syringes, and other shelter necessities. BARC is bringing SPD into that conversation as well.

The conversation just began in March, and we do not have an estimate of potential savings at this time, but as these discussions with the County progress and as our internal cost of service review is completed, we will report the results to the Mayor and City Council.

7. Regulatory Permitting - How many commercial establishments' noise permits have been revoked in FY26?

In FY26, two commercial establishment permits have been revoked, and four commercial establishment permit renewals were denied due to violations of the City's sound ordinance.

8. Regulatory Permitting - Slide 38 in the appendix shows ~5,000 short-term rentals have registered with the program. Does ARA have an estimate of how many additional short-term rentals are operating and at risk of being delisted after January 1, 2027?

Granicus has identified 9,860 unique STR listings within the Houston city limits as of May 12, 2026.

- ARA has sent notices to 7,862 of these listings to date – all the STRs for which complete address information is available from Granicus at this time.
- Of the 9,860 listed STRs, only 6,244 (63.3%) are “active” – in other words, they have had at least one rental in the past 12 months.
- Of the 6,244 “active” STRs, we have received 6,062 applications – or 97%.
- Of the 6,244 “active” STRs, 4,916 – or approximately 79% – have received their certificate of registration from the City of Houston.
- The other 1,146 applications are pending because they have missing information in their applications.

Thus, at this time, 4,944 “listed” STRs are at risk of delisting after January 1, 2027, if they have not applied for registrations from the City of Houston, and they are still listed within the Houston city limits.

9. 311 – FTEs increase from 148 (FY26 estimate) to 183.5 in FY27 budget. Are these additional FTEs call takers?

The FY26 estimate of 148 FTEs is based on total full-time equivalent hours projected for the fiscal year. The 311/WCS call center began the fiscal year with 33 vacancies, including 12 employees who accepted the retirement incentive option. At the time the FY27 budget was prepared, there were 156 full-time and 1 part-time positions filled, and 26 full-time and 2 part-time vacant positions were budgeted. Of the vacant budgeted positions, there are 23 full-time and 2 part-time call-taker positions.

As of May 1, 2026, the consolidated 311/WCS call center has 150 full-time and 1 part-time position on the active roster.

AVIATION

1. The goal of the commercial development division is to grow non-airline revenues. What are the performance measures for this division?

At Commercial Development, we measure performance by tracking monthly Key Performance Indicators (KPIs) against current budget and prior year's results in the following categories:

REVENUE:

- Total Non-Airline Revenue
- Non-Airline Revenue per Enplanement
- AIR SERVICE DEVELOPMENT:
- Passenger enplanements by airport

CONCESSIONS:

- Total Concessions Revenue
- Total Concessions Revenue per enplanement by airport and, in the case of IAH, by Terminals A and D

PARKING:

- Total Parking Revenue
- Total Parking Revenue per space by airport
- Total Parking Revenue per enplanement by airport
- Total Parking Revenue per transaction by airport

In addition, for Concessions, we measure quarterly the performance of concessionaire partners for food & beverage (f&b), retail, coffee, and services by tracking:

- Sales per square foot by Prime Concessionaire and by unit (retail, food & beverage, coffee)
- Safety and Operations scores by unit – provided by internal team
- Mystery Shopper rankings – provided by an external third-party vendor HAS leadership reviews these KPIs monthly.

2. Has the airport system met its goal of 20% managers/supervisors having less than four direct reports?

The goal has been met with more organizational realignments in process to further improve.

3. What are the projected FY27 revenues/expenses attributed to the Houston Spaceport?

For FY27, Spaceport projected revenues are \$5,582,407, and expenditures are projected at \$352,201.

4. What amount in FY27 will HAS pay to the General Fund for services provided by HPD, HFD, HR, IT, Legal, and Water/Sewer?

- HPD \$49.25M
- HFD \$28.25M
- HR \$3.77M
- IT \$ 5.13M
- Legal \$880K
- Water \$2.85M
- Sewer \$3.22M
- Electricity \$17.55M
- Gas \$1.89M
- Property Insurance \$10.39M
- Drainage Fee \$5.07M
- Total Cost of all Interfund charges to HAS in FY27 is \$141.29M

5. Explain the \$4.6 million gap in HOU concession revenue between FY26 budgeted (\$44.6 million) and FY26 estimate (\$40 million).

This variance is primarily driven by a 5% dip in enplanements (0.4 M passengers) at Hobby. This is due to Southwest Airlines' inability to secure B737 Max 7 aircraft from Boeing due to FAA aircraft certification issues. In 2026, Boeing was set to deliver 101 B737 Max 7 aircraft to Southwest to allow Southwest to continue to grow. Certification delays are now anticipated to delay Southwest from receiving its aircraft until sometime in early 2027.

Timing issues in the transition from temporary to permanent food & beverage openings also contributed to variations in anticipated revenue. Additionally, airports have been experiencing ongoing international conflicts, long partial government shutdowns, and other global uncertainties that disrupted typical travel patterns and passenger spending.

Despite the FY26 budget shortfall, concessions revenue is actually up 14% compared to the prior year (\$26.4 M vs \$23.2 M), showing general growth.

6. Explain the increase in spending in Fund 8012 from \$13.3 million (FY26 estimate) to \$22.6 million (FY27 proposed).

The \$9.3 million difference between the FY26 estimate and the FY27 proposed is attributed to \$6.9 million for carryover items, which includes \$3.1 million for two ARFF trucks, and new vehicle and equipment requests, which include \$2.0 million to replace the CCTV at IAH and HOU, and \$0.5 million for custodial equipment and surveying equipment.

7. Misc. other services/HAS-director's office – explain the 79% increase from FY26 estimate to FY27 proposed?

Our compliance budget was increased to acquire consultants to assist HAS in complying with ADA Title II, ADA Title VI, and WCAG, which will prevent potential lawsuits and cancellations of government funding.

- ADA Title II of the Americans with Disabilities Act (ADA) prohibits discrimination based on disability in state and local government services. WCAG (Web Content Accessibility Guidelines) are the technical standards adopted by the U.S. Department of Justice to ensure that websites and mobile apps are accessible to people with disabilities.
- ADA Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs and activities receiving federal financial assistance.

8. How are airports encouraging recycling? What data is available to indicate how much waste HAS is diverting from the landfill?

HAS targets three channels of recycling at the airports. Construction waste recycling is done on a project-by-project basis and can have results like the 98% recycling of the Terminal D garage demolition for ITRP. The other two streams are related: passenger waste and concessionaire waste. We work specifically with the concessionaires on recycling. For passengers, the airports have wastebins that accommodate both general waste and recyclable materials. Those two streams combined into the terminal waste stream that HAS tracks. For FY25, 404 tons of recycled material were collected at both airports. That was a 3% increase when compared to the 391 tons in FY24.

Additionally, for 2025, United Airlines recycled 44 tons of materials in the terminals it manages at IAH .

CONTROLLER'S OFFICE

1. Audit – Describe the \$2.048 million amount of cost/revenue opportunities identified through FY26 audits. Which audits are expected to yield \$2.9 million in cost/revenue opportunities in FY27?

2. Administration – Describe the \$73K management consulting expense budgeted for FY27?

3. Financial Reporting – Describe the \$50K management consulting expense budgeted for FY27?

4. Operations – Describe the \$40K management consulting expense budgeted for FY27?

FINANCE

1. In Strategic Procurement, miscellaneous other services are up 215% -- \$260K in FY26 estimate and \$820K in FY27 budget. Please explain.

2. How much does it cost annually to print the monthly financial reports? What is the cost of printing the large budget books (proposed and adopted)?

3. In General Government legal services, describe the \$500K increase from \$985K in FY26 to \$1.485M in FY27.

4. Does the admin fee for solid waste constitute new revenue for the HFD pay escalator?

5. Disaster Cost Recovery Management - One of the FIN Department's goals is to seek maximum disaster recovery reimbursement from all applicable sources. Does the department do this completely in-house, or are outside consultants specializing in disaster recovery reimbursement engaged to assist?

6. Accounting and Financial Reporting - Explain the increase in cost per invoice from \$41 (FY26 estimate) to \$50 (FY27 proposed).

7. Citywide Procurement and Contract Management – Describe efforts to reduce the average number of calendar days to complete formal Invitation to Bid (ITB) procurement projects, from project acceptance to council award (from 182 days to target 120 days). Also describe efforts to reduce the average number of calendar days to complete formal Requests for Proposals, Requests for Qualifications, and Best Value Bids to Council Award (from 268 days to target 180 days).

8. Citywide Procurement and Contract Management – What are the expected savings in the General Fund and Enterprise Funds from contract management EY efforts in FY27?

9. Energy Management – What is the status of the city’s contract energy and natural gas rate negotiations? Will the city have enough funding in its current \$640 million electricity contract to cover costs through the contract extension period?

10. Performance Management – Provide a few examples of the 164 “turn the curve” plans that have been developed. Have “turn the curve” plans replaced in-house consulting and Lean Six Sigma efforts?

FLEET

1. Fleet Operations – Describe 16% increase in vehicle repair and maintenance tires from \$4.1 million (FY26 estimate) to \$4.8 million (FY27 proposed).

We are not seeing the budget line item with the listed \$4.1M and \$4.8M cost figures. Vehicle maintenance and repair costs are increasing because of several conditions:

- The replacement parts line item “Vehicle Repair & Maintenance Supplies” is increasing by almost 5% because parts costs are increasing. The average part has increased in price by almost 17%. Suppliers are attributing these steep increases to recent changes in import tariffs. Many of our replacement parts are manufactured in Canada and Mexico.
- The cost of tires is increasing by 15% due to increases in tariffs and the cost of raw materials.
- Our outside/contracted services (line item #520123) are increasing by \$2M because we are outsourcing more work, and contractor rates are increasing.

2. Describe the \$2.3 million in departmental savings initiatives.

Reduced labor expenses resulting from the elimination of 26 positions will provide for a savings of \$2.3M.

3. Why is there no target listed for the purchase of electric vehicles?

Our KPIs are a work in progress. The KPIs listed in our presentation are initial submissions to the Administration and EY for review and development through the Turning the Curve process. We have traditionally included a KPI for EV purchases in our budgets, and we can certainly continue the process. The City fleet currently includes 1,020 EVs (BEV+HEV), and deliveries are pending for an additional 151 (POs issued).

4. How many vacant mechanic positions will be filled in FY27?

Ten advanced-level mechanic vacancies will be carried into the new budget year with the intention of filling these positions.

5. Fleet Management – Why the drop in FleetShare vehicle utilization hours from 71,059 (FY26 estimate) to 50,000 (FY27 target)?

The FY27 Target is 75,000

6. Fleet Management – How does the department plan to increase preventive maintenance inspections from 75% to 90% in FY27?

Fleet Management began outsourcing a portion of our light-duty preventive maintenance to Valvoline Oil Change locations in late FY25 for cost savings. There were growing pains as we worked with each department on the process of their employees driving their vehicles to the Valvoline locations for service. Departments have now become comfortable with the process. Valvoline has serviced 4,089 vehicles so far in FY26.

Also, we are collecting much more accurate vehicle mileage as we implement the Samsara GPS system. The better mileage readings have identified additional vehicles in need of preventive maintenance. We are adjusting to this additional work and are now on pace to complete 13,000 preventive maintenance jobs in FY26. This is approximately 1,000 more than FY25.

In short, we are getting better, and we believe we can achieve our FY27 goal.

FIRE

- 1. Operational Services – What comprises miscellaneous revenue, and explain the decrease from \$1.5 million (FY26 estimate) to \$350K (FY27 proposed).**
- 2. Emergency Response – Explain the decrease in revenue from ambulance services’ supplemental reimbursement from \$8.2 million (FY26 estimate) to \$5 million (FY27 proposed).**
- 3. Emergency Response – FY26 classified overtime is estimated to be \$75.2 million, and FY27 budgeted overtime is \$47.9 million. What operational changes is HFD implementing in FY27 to bring down the cost of classified overtime?**
- 4. Emergency Response – Performance measures project attrition to hold steady at 170. Explain why termination pay decreases from \$4.8 million (FY26 estimate) to \$1.9 million (FY27 projected).**
- 5. Emergency Response – Paramedics available for coverage is going from 390 in FY26 to 530 in FY27. Describe how this progress in increasing paramedic coverage has been achieved.**
- 6. Executive Services – Explain the decrease in classified FTEs from 44 (FY26 estimate) to 30.2 (FY27 proposed).**
- 7. Prevention – Explain the decrease in classified FTEs from 228.1 (FY26 estimate) to 168.8 (FY27 proposed).**
- 8. Prevention – Describe the decrease in classified overtime expense from \$5.4 million (FY26 estimate) to \$3.8 million (FY27 proposed).**
- 9. Prevention – Why are smoke alarm installs going from 1200 in FY26 to 500 in FY27?**
- 10. What is HFD’s cost to start training for 340 cadets in FY26 (presentation says 340 cadets and budget book says 490)? What is the cost per cadet for non-certified (long-track) cadet classes? What is the cost per cadet for certified (fast-track) cadet classes?**
- 11. What is HFD’s minimum staffing requirement and average daily headcount? How does HFD address the gap?**
- 12. In the Fire Prevention and Risk Reduction program, consider revising the performance measure related to “inspection activities” and plan review. What is the current number of days it takes for review, and how many rounds of review on average occurred in FY26?**

GENERAL SERVICES

1. What is the total amount of deferred maintenance of city facilities? When was the last facilities condition assessment performed?

The estimated total amount is \$846M. The most recent Facilities Condition Assessment took place in FY22.

2. Maintenance Renewal and Replacement (MRR) – Describe the 24% increase in building maintenance services from \$8.3 million (FY26 estimate) to \$10.3 million (FY27 proposed).

The 24% increase is due to an increase in call-out services and escalation in preventive maintenance contract renewal costs.

3. MRR – Describe the 46% increase in elevator repair from \$853K (FY26 estimate) to \$1.25 million (FY27 proposed).

The budget includes the projected increase for services for the new proposed contract. The rate is projected to increase to industry averages.

4. MRR – Describe the 56% increase in equipment rental from \$547K (FY26 estimate) to \$854K (FY27 proposed).

The increase is due to increased costs for equipment rentals.

5. MRR – Describe the 15% decrease in HVAC repair and replacement from \$13.6 million (FY26 estimate) to \$11.5 million (FY27 proposed).

These funds were moved to Building Maintenance Services. HVAC repairs may be addressed with these funds.

6. GSD Energy Management – Describe the 20% increase in Natural Gas spending from \$5 million (FY26 estimate) to \$6 million (FY27 proposed).

The estimated increase is 17% (Citywide) for the FY27 Natural Gas Budget, which is higher than the FY26 Natural Gas Budget due to increased natural gas rates.

7. GSD Property Management – Describe the 613% increase in pest control service from \$15K (FY26 estimate) to \$92K (FY27 proposed).

The pest control renewal pricing is now based on an hourly rate versus a per-spray rate. SPD made this decision.

8. Budget reductions include window cleaning services (\$114K) and recycling services (8.7K). What are the total budgets for these categories?

520101 Janitorial Services – (includes window cleaning services) \$6,293,631

520118 Refuse Disposal – (includes recycling services) \$1,309,249.25

HEALTH

- 1. Opioid Abatement Fund – What initiatives are planned for FY27’s \$1.3 million in spending in this fund?**
- 2. Laboratory Operations and Maintenance Fund – Describe the increase in total expenditures from \$600K (FY26) to \$1 million (FY27 proposed).**
- 3. Provide an explanation for the move of Consumer Food, Vital Statistics, and Garage Parking revenues and expenditures to the Health Special Revenue Fund and the Essential Public Health Services Fund.**
- 4. Why a decrease in expenditures in the Apartment Compliance Division from \$1.5 (FY 26 estimated) million to \$782K (FY27 proposed)? Similarly, why is staffing down from 10 FTEs to 6.6?**
- 5. Care Coordination – Describe the activities of the Pathways program.**
- 6. Ambulance Safety and Permitting – Explain the decrease in ambulance inspections and consultative visits from 3175 (FY26 estimate) to 2438 (FY27 proposed).**
- 7. Consumer Health/Food Safety – Explain the increase in expenditures in the Health Special Revenue Fund from \$2.8 million (FY26 estimate) to \$7.4 million (FY27 proposed). Similarly, the increase in FTEs in from 37.3 to 60.8.**
- 8. Consumer Health/Food Safety - Why the decrease in number of retail food facility inspections from 34,955 to 27,924?**
- 9. Healthy Families Houston – Explain the decrease in total expenditures (all funds) from \$7.8 million (FY26 estimate) to \$436K (FY27 proposed).**
- 10. The Anti-Human Trafficking program has been retired. Please describe how the activities of this division are being carried out by other city efforts.**
- 11. Multi-Service Centers - Explain the increase in total expenditures (all funds) from \$3.1 million (FY26 estimate) to \$5 million (FY27 proposed).**
- 12. How many individuals are expected to be assisted through the Cloudbreak respite initiative. What additional funds are needed above the \$1.6 reserved for leases at the facility?**
- 13. How do the Health Department’s vital statistics fees charged to residents compare to what the county charges? When were these fees last adjusted. How much additional revenues could be realized if fees more adequately reflected the cost of service provided.**

14. Please describe how more revenues could be generated by moving services provided at the three clinic sites to the multiservice centers.

15. Does the department need to update its charges for services provided at clinics and multiservice centers? When were these fees last adjusted?

HUMAN RESOURCES

1. What is the FY27 “all in” salary plus benefits cost of civilian and classified city employees?

Average	Employer Cost	
	Municipal	Classified
Base Pay ¹	\$71,611	\$95,569
Pension	5,775	25,833
Benefits ²	16,647	16,714
Total	\$94,033	\$138,116

¹Includes Full time and Part Time employees, and HOPE increase

²Includes FICA, Health Insurance, Long-Term Disability, Workers' Compensation, and Life Insurance

2. Provide overall turnover and retention numbers across departments for the past two years, year by year. For each department, provide both numbers and percentages by pay grade, if possible, and include VRPO numbers. Provide the formulas used for calculating both employee retention and employee turnover rates.

Turnover Department Name	Average Headcount		Separations		Turnover	
	2024	2025	2024	2025	2024	2025
Admin. & Regulatory Affairs	356	400	63	71	17.7%	17.8%
Business Opportunity	36	36	11	7	30.6%	19.4%
City Council	63	71	21	26	33.6%	36.9%
City Secretary	8	7	0	3	0.0%	42.9%
Controllers	50	56	8	17	16.0%	30.6%
Department of Neighborhoods	102	69	18	18	17.6%	26.3%
Finance	175	213	15	19	8.6%	8.9%
Fire	4,168	4,334	278	302	6.7%	7.0%
Fleet Management	353	333	41	76	11.6%	22.9%
General Services	255	215	34	85	13.4%	39.5%
Health & Human Services	1,210	1,091	201	219	16.6%	20.1%
Housing & Community Dev.	208	183	32	36	15.4%	19.7%
Houston Airport System	1,317	1,334	213	296	16.2%	22.2%
Houston Emergency Center	214	194	58	61	27.1%	31.5%
Houston Public Works	3,798	3,646	437	690	11.5%	18.9%
Human Resources	287	293	35	51	12.2%	17.4%
Information Technology	204	234	31	42	15.2%	17.9%
Legal	192	174	21	44	11.0%	25.3%
Library	493	476	87	87	17.7%	18.3%
Mayor's Office	92	84	27	35	29.3%	41.9%
Municipal Courts	270	245	37	68	13.7%	27.8%
Parks & Recreation	686	687	116	174	16.9%	25.3%
Planning & Development	85	71	14	25	16.6%	35.2%
Police	6,773	6,701	402	457	5.9%	6.8%
Solid Waste Management	424	411	65	98	15.3%	23.8%
City-wide	23,838	23,575	4,289	5,032	18.0%	21.3%

Excluded Elected and Temps

Turnover Rate = (Number of Separations during the Period ÷ Average Number of Employees during the Period) × 100

Retention		2024			2025		
Department Name	Beg of the year	End of the year	Retention Rate	Beg of the year	End of the year	Retention Rate	
Admin. & Regulatory Affairs	354	308	87%	358	300	84%	
Business Opportunity	40	30	75%	32	27	84%	
City Council	54	46	85%	71	56	79%	
City Secretary	8	8	100%	8	5	63%	
Controllers	47	42	89%	53	43	81%	
Department of Neighborhoods	104	88	85%	100	83	83%	
Finance	174	162	93%	175	157	90%	
Fire	4,104	4,008	98%	4,232	4,096	97%	
Fleet Management	344	312	91%	361	291	81%	
General Services	258	233	90%	248	171	69%	
Health & Human Services	1,244	1,077	87%	1,172	966	82%	
Housing & Community Dev	213	184	86%	201	167	83%	
Houston Airport System	1,258	1,134	90%	1,375	1,139	83%	
Houston Emergency Center	216	177	82%	208	158	76%	
Houston Public Works	3,742	3,400	91%	3,843	3,213	84%	
Human Resources	279	250	90%	295	248	84%	
Information Technology	202	180	89%	206	165	80%	
Legal	188	169	90%	192	153	80%	
Library	488	418	86%	497	417	84%	
Mayor's Office	92	69	75%	95	62	65%	
Municipal Courts	271	247	91%	263	203	77%	
Parks & Recreation	657	579	88%	713	567	80%	
Planning & Development	86	73	85%	83	59	71%	
Police	6,750	6,397	95%	6,793	6,382	94%	
Solid Waste Management	412	370	90%	434	344	79%	
City-wide	21,585	19,961	92%	22,008	19,472	88%	

Excluded Elected and Temps

Retention Rate = (Number of Employees Remained Employed for the Period ÷ Number of Employees at the Start of the Period) × 100

3. Describe the process for reviewing morale at each department.

Administered by the HR-Center for Public Leadership & Learning (HR-CPLL), the Citywide Involve & Evolve Employee Engagement Survey currently serves as the City's primary standardized tool for reviewing employee morale and engagement across departments. The survey is focused on the City's 12 key drivers of Employee Engagement including:

- My Work, My Team, Training & Development, Resources & Workload, Benefits & Wellness, The City's Priorities, Leadership & Managing Change, Department Culture, and My Supervisor.

The survey was previously administered every 18 months and was completed in 2023 and 2025 and will now move to be annual in FY27. Survey results are reviewed to identify trends related to leadership, communication, workplace experience, and employee engagement.

Department Directors and their I&E Champion Catalyst meet with CPLL Organizational Development (OD) Team to review results, share best practices, and recommend strategies for improving their overall Employee Engagement Score and address the key drivers which explore morale. In addition, throughout the year, CPLL OD Driver's Seat webinar series is held monthly to educate Departments on how to strengthen morale and culture.

3a. Detail the triggers that lead to a more in-depth investigation of a morale issue.

Currently, employee engagement survey results serve as the primary indicator for identifying potential morale concerns requiring additional review or support. Areas demonstrating lower engagement trends may prompt further discussion with department leadership to better understand contributing factors and potential support needs.

HR is also working to strengthen the City's overall engagement strategy by expanding feedback opportunities, revitalizing the engagement champions, continuing to revise the leadership pulse survey, and incorporating additional data points to provide more ongoing insight into workforce morale and organizational health.

Since February 2026, CPLL has utilized the monthly Involve & Evolve (I&E) Leadership Pulse Inventory as an additional mechanism to help identify emerging workforce concerns and track the strategies implemented by Departments.

Additional factors that may inform a more in-depth review include recurring employee operational challenges, employee feedback patterns, and information gathered through leadership pulse surveys. Through our CPLL OD team, we provide organizational development services for Departments at no direct cost. These services provide our Thought Partnership consulting sessions to identify workforce challenges associated with employee morale, organizational change, process improvement, leadership & communications, employee engagement, etc. During this process, the OD team conducts an in-depth review through a variety of industry-based OD methodologies including Discovery sessions, Listening Sessions, additional assessments, and more to identify and diagnose triggers. Then the OD team provides a proposal of solutions and strategies to help Departments achieve better outcomes and improve the overall organizational culture and health. HR is always continuing to strengthen and formalize our CPLL OD action-planning approach to better identify and respond to workforce morale concerns.

3b. Are any triggers in place for issues flagged either through exit interviews, high turnover, or complaints that come in through surveys or the public?

Yes.

3c. Explain the follow-up process if issues are flagged.

HR advises the appropriate Department Director of the overall feedback and patterns either through the HR Executive Leader or Client Relations Manager. In addition, HR CPLL provides ongoing training and OD intervention services.

3d. Does department leadership review exit interviews of those leaving their department?

For confidentiality purposes, department leadership may not review full exit interviews; however, issues and patterns are discussed with department leadership.

4. Employee retention and turnover rates are no longer being used as HR performance metrics. What is the reason for this transition?

The HR departmental KPI for turnover has been elevated to one of the Citywide Administrative Services KPI that will be available for Departments to select to monitor in FY28. HR currently continues to monitor turnover daily via Director's Corner. Furthermore, Employee Retention is still a current HR KPI and published in the FY27 budget.

5a. HR describes the city as a people-first culture valuing every employee's journey. What metrics does HR monitor to understand, for each department, issues related to morale, turnover, and retention?

Employee Engagement KPI, Employee Turnover Rate, and Employee Retention Rate available to Department Leadership via the HR Director's Corner.

5b. How is department leadership notified and made aware of any issues related to departmental culture and turnover rates?

HR has multiple ways to keep department leadership informed of any issues via the HR Executive Leadership Team, Employee Relations team, Client Relations Managers, HR CPLL OD team, availability of the I&E Employee Engagement Survey, and access to the Director's Corner.

6. Across COH departments, what is the estimated cost to a department and to the HR department of losing an employee, searching and recruiting to fill the position, and onboarding the new employee? Estimate the loss of work value, time to train a new-hire, and the cost of the search.

The City currently does not maintain a standardized calculation for the loss of work value associated with employee turnover across departments. However, turnover may result in reduced productivity, increased workload distribution among remaining staff, operational delays, and additional supervisory oversight during vacancy and onboarding periods.

Recruiting and search costs include the resources and staff time required by the Talent Acquisition (TA) team to manage the hiring process. Based on current operations, the average time-to-fill is approximately 45 days and involves support from approximately 30 Talent Acquisition staff members across sourcing, screening, interviewing, and hiring coordination activities.

New-hire onboarding and training costs include the time and resources dedicated to the New Employee Experience and New Employee Orientation process, which spans approximately three weeks. This process is supported through CPLL and includes contributions from:

- (1) Senior Talent Acquisition representative
- (2) Talent Coordinators
- (1) Verification team member
- (1) Shared Services team member
- (1) Chief Learning Officer (CLO) representative

In addition to HR-related onboarding costs, departments also incur operational training costs associated with position-specific instruction, supervisory coaching, and the time required for a new employee to achieve full productivity. These costs vary significantly depending on the complexity and classification of the position.

7. With the EY recommendation that all managers supervise 5 or more staff –

7a. What is HR’s pathway for new managers to grow into management leadership? Are all new managers required to manage 5 staff from their first day as a manager?

HR’s pathway for supporting new managers into leadership begins with mandatory New Supervisor Orientation (NSO), facilitated through CPLL in accordance with Administrative Policy AP 3-32. NSO must be completed within 45 days of hire, rehire, or promotion and is designed to provide foundational leadership support in areas such as leadership expectations, professionalism, civility, employee engagement, performance management, delegation, and feedback.

In addition to NSO, CPLL offers Strengthen Your Core (SYC) courses, a series of skill building training courses aligned to the behavioral factors outlined in the City’s HEAR performance plan. These courses are intended to strengthen understanding, application, and proficiency in key leadership and workplace competencies while allowing participants to select learning opportunities based on individual growth and development needs. CPLL continues to expand leadership development opportunities intended to support managers throughout their leadership journey through ongoing training and additional learning resources aligned to organizational and workforce needs.

7. With the EY recommendation that all managers supervise 5 or more staff –

7b. What is HR’s pathway for new managers to grow into management leadership? Are all new managers required to manage 5 staff from their first day as a manager?

Yes, managers and supervisors are responsible for managing the teams assigned to them upon assuming their role, which may include supervising five or more employees depending on the department’s operational structure and staffing model.

8. Central Service Revolving, Client Services Administration – Explain the increase in management consulting from \$279K (FY26 estimate) to \$618K (FY27 proposed).

The \$618K is the FY2027 budget for Compensation Division in HR, which includes \$588K for the citywide compensation study and \$30k for compensation surveys. The FY2026 compensation estimate is \$28K, representing compensation surveys only. The increase in FY2027 is primarily due to the addition of the citywide compensation study.

9. Central Service Revolving, CPLL – Explain the increase in management consulting from \$629K (FY26 estimate) to \$1.1 million (FY27 proposed).

The increase of \$482K is primarily driven by expanded citywide workforce training and upskilling

efforts. This funding will support the initiatives presented at Labor Committee:

- Leadership and learning at every level
- Technical learning, including Digital Literacy & Applications and AI & Copilot
- Specialized learning programs: Staff Analyst Development Program, Communications Hub Development Program, and Military Leadership & Career Development Program

10. Provide details of departmental savings initiatives.

HR contributed \$3.4 million to citywide savings initiative as follows:

- \$3.0 million - Reduction in contingent workforce services across two contracts
- \$0.4 million - Operational savings realized through the partnership with HITS and a shift to virtual professional development, which has significantly reduced travel expenses

11. Describe the timeline and goals of the \$675,000 new consolidated occupational testing contract.

Effective June 1, 2026, the City will transition from Alere to Alliance, which will provide both drug testing and occupational testing services, including Medical Review Officer (MRO) services. This transition supports the City's ongoing efforts to enhance service delivery, strengthen compliance oversight, and streamline pre-employment and employee testing processes.

The new five-year consolidated testing contract's goal is to streamline and improve the City's Drug Testing and Occupational Testing Program by increasing efficiency, consistency, and service quality.

As part of this transition, HR will implement several program enhancements, including:

- Establishing a centralized HR Drug Testing team to coordinate and manage all drug testing activities.
- Transitioning to a fully paperless testing process, with all forms completed electronically through a new online portal.
- Expanding weekday after-hours and weekend scheduling to better accommodate shift based operations. The centralized HR Drug Testing team will be available Monday–Friday from 6:00 a.m. to 10:00 p.m. and Saturday–Sunday from 10:00 a.m. to 7:00 p.m.
- Maintaining Test First availability for on-call test collection after 7:00 p.m. on weekdays and 24 hours on weekends. Test First will also continue providing mobile testing services.
- Discontinuing the use of Concentra for testing and referrals effective May 15, while expanding the collection network from 14 to 27 sites, including CareNow, AFC Urgent Care, Any Lab Test Now, and other providers. A complete list of collection site addresses will be distributed prior to the June 1 launch.
- Providing departments with the option for on-site drug testing based on operational needs and group scheduling.
- Expanding the network of Medical Review Officers (MROs) to support improved responsiveness and service coverage.

LIBRARIES

1. Provide the list of questions used in the 2025 employee engagement survey.
2. Provide the breakdown in circulation numbers between physical materials, e-materials, and database use.
3. How many libraries are expected to reduce opening hours in FY27?
4. What is the annual attendance at the 3 least visited libraries?
5. Administrative Services - Explain the increase in FTEs from 18.1 to 37.1.
57. Administrative Services - Explain the decrease in General Fund revenue from \$926K (FY26 estimate) to \$126K (FY27 proposed).
6. TECHlink - Explain the decrease in FTEs from 45.0 to 28.6.
7. What amount was received from the Houston Public Library Foundation for FY26, and what is projected for FY27? To the extent possible, share the breakdown of this funding, including materials (include breakdown between physical materials, e-books, other digital materials, databases); programming (include breakdown of programming between youth, teen, and adult), staff, and special funds.
8. Share a list of job classifications by division having a pay grade of 31-40. Indicate which positions are on the leadership team and which are occupied by someone having a Master's of Library Science (MLS) or Master's of Library and Information Science (MLIS)?
9. Provide details of the \$1.17 million in department savings initiatives.
10. What was the cost and duration of the Houston Grand Opera teen residency program? How many teens participated? Share the impact on HPL's performance metrics as a result of this expense. Provide the cost-per-person served with this program.
11. Share the number of staff hours and equivalent salary cost per year for HPL employees to staff the HISD DYAD program in FY25-FY26. Did DYAD participation impact HPL programming? Share any payment that HISD made to HPL to provide its staff for this program.
12. Performance Metrics – Noted that Texas Library Accreditation is no longer a metric to track in FY27. Does HPL plan to remain an accredited library?

13. Regarding the FY27 performance measure target of the percentage of employees who are “fully engaged” or “somewhat engaged” in their work, provide an explanation on how this will be determined. In the 2025 Employee Engagement Survey Results, responses are divided into “not engaged,” “somewhat engaged,” and “fully engaged.” What questions and methodology are used to make the determination of engagement?

14. MOAL - In 2021, the Mayor's Office for Adult Literacy (MOAL) and HPL received a grant from the City with federal funds under ARPA’s Coronavirus Local Fiscal Recovery Fund (CLFRF). An amount of approximately \$500,000 was allocated to purchase and outfit mobile technology units for the community to develop the capacity of local adult literacy providers. Provide an update on the use of these funds.

15. MOAL - Provide metrics on MOAL activities over the past year. Include a list of adult literacy provider partners, events led by MOAL, and adults reached through MOAL’s actions.

16. MOAL - Share MOAL’s plans to provide networking and fundraising opportunities for adult literacy providers over the next 12 months.

MAYOR'S OFFICE

1. Economic Development – How does the city plan to allocate the \$2.6 million in digital network revenue in FY27?

2. Economic Development – TIRZ municipal service fees are listed as a revenue category, but no numbers are provided for FY27. How much will the city collect in municipal services fees from TIRZs in FY27? List revenues by TIRZ.

3. Economic Development – Green stormwater infrastructure incentive applications are no longer being tracked as a performance measure. Does the city expect participation in this program in FY27? How is this program marketed, and why are application rates so low?

4. Cable Television – Explain the decrease in revenues from \$2.9 million (FY26 estimate) to \$2.1 million (FY27 proposed).

5. Cable Television – Explain the decrease in expenditures from \$4.8 million (FY26 estimate) to \$3.2 million (FY27 proposed).

6. Tourism Promotion – Explain the decrease in the performance measure - number of arts and businesses engaged or receiving civic art program funds - from 30 (FY26 target) to 5 (FY27 target).

NEIGHBORHOODS

1. Describe \$286K in department savings initiatives.

The reduction includes one vacant Senior Community Liaison position within Cost Center 1100090001, resulting in a personnel savings of \$72,981, which reflects salary, FICA/Medicare, and pension legacy obligations.

In addition to the personnel savings, we identified \$216,059 in non-personnel reductions across several program areas. These include reductions to Super Neighborhoods funding, Veterans program expenses, New Americans software licensing, non-training travel, miscellaneous support services, and department-wide charges.

Together, the personnel and operating adjustments generate a total net cost reduction of \$289,040. These reductions were designed to minimize direct service impacts while ensuring the department remains aligned with fiscal requirements.

2. Describe 13% reduction in community engagement from \$1.5 million (FY26 estimate) to \$1.3 million (FY27 proposed).

The reduction is primarily driven by a \$110,000 decrease to the Super Neighborhoods program, while ensuring that \$170,000 remains available to support ongoing Super Neighborhood projects and administrative needs.

The additional savings result from a department restructuring, in which an FTE was transferred from the Mayor's Assistance Office to the Office of New Americans to help maintain service levels following the loss of a position through the Voluntary Employee Retirement Program.

3. Neighborhood Engagement/Neighborhood Initiatives program - Describe efforts to coordinate and promote volunteerism in the city? Does Volunteer Houston still exist?

Through the Houston Serves partnership, our Volunteer Initiatives Program coordinates with all of the City of Houston departments that offer volunteer opportunities in order to make it easier for residents to get involved in their community. We also partner with Volunteer Houston, which is a program of IM Houston, to promote our volunteer opportunities on their website, volunteerhou.org. This partnership is not only cost-effective but also allows us to connect our volunteer opportunities with an even larger audience. We also host flagship "Days of Service" events on the week of MLK Day, on Global Youth Day of Service, and on the 9-11 National Day of Service. Lastly, every year we recognize the volunteers who have shown incredible dedication and leadership through their volunteer efforts at the Mayor's Volunteer Appreciation Awards.

4. Further describe the difference in the MAO/Community Engagement division and the Office of Neighborhood Engagement/Neighborhood Initiatives programs. The goals and duties are similar.

The Mayor's Assistance Office responds to resident requests for City services, especially when it requires coordination with multiple departments and/or agencies. This division attends community meetings, responds to residents concerns during City Council's public session, collaborates with Super Neighborhood Councils to help them meet the requirements to maintain "recognized" status by the City, disperses the Super Neighborhood administration funds, and collaborates with community groups to connect them with government, nonprofit, school and church partners. When needed, this division also coordinates informational sweeps, conducts neighborhood surveys, site visits, and investigates complaints.

The Office of Neighborhood Engagement creates civic engagement opportunities by partnering with non-profit organizations and agencies to make it easier for residents to participate in local government, volunteer in their communities, and provide free or low-cost legal assistance to families. The Volunteer Initiatives Program coordinates with other City Departments to offer one place for residents to find volunteer opportunities in the City of Houston. The Mayor's Youth Council provides leadership opportunities for Houston youth by developing service-learning initiatives that focus on mental health, educational equity, voter engagement, and civic responsibility. The Legacy Building Legal Hub and our regular Wills Clinics offer informational workshops and events to help residents create wills, estate planning documents, or other civil legal assistance at low cost or no cost. They also manage the Neighborhood Matching Grants program for beautification projects and the Good Neighbor Program that provides lawn care services in partnering City Council Districts for residents who are 65 years of age and older, veterans, or widows/ widowers of veterans and disabled residents in participating Houston Council Districts.

5. Does DON still train volunteers for bandit sign removal?

No, we sunset that program when Inspections and Public Service moved to Houston Public Works and became Community Code Enforcement.

6. MOPD – How many feet of sidewalks were improved or constructed through the city's Pedestrian Accessibility Review (PAR) program in FY26? What is the current backlog of PAR projects?

We have requested a response from Houston Public Works for this question. The Office for People with Disabilities supports the PAR program by promoting it to the community and confirming the eligibility of the PAR request to make sure their applications are complete for HPW's review. Once those steps have been completed, OPD forwards approved applications to HPW for field vetting, assessment, and assignment to a contractor, depending on funding and resource availability.

7. Office of Gang Prevention and Intervention – How does this division collaborate with the Health and Municipal Courts Departments to provide these services? Both of these departments have similar activities and performance measures.

The Department of Neighborhoods collaborates closely with both Municipal Courts and the Houston Health Department through referrals and coordinated support. The Municipal Courts Department Juvenile Case Manager Program primarily focuses on truancy-related issues, and our Office of Gang Prevention and Intervention concentrates on at-risk youth and gang-involved individuals. When we encounter clients who need truancy or diversion services, we refer them to Municipal Courts, and they, in turn, refer youth to us when gang involvement or other at-risk behaviors are identified.

The Houston Health Department Bureau of Youth and Adolescent Health focuses on improving the physical, mental, and behavioral health of youth while also addressing the social determinants of health, like education and workforce needs, as well as violence prevention through systemic and policy changes. Our Office of Gang Prevention and Intervention partners with the Health Department to provide educational workshops focused on substance abuse prevention at Houston ISD campuses and alternative school settings throughout the city. In turn, the Health Department facilitates substance awareness workshops for our staff and clients.

Our three departments meet quarterly to share available resources, discuss client support strategies, and identify opportunities to strengthen our collaboration.

8. MOPD - Provide a status update on the MOPD accessibility plan.

The Citywide ADA Self-Evaluation & Transition Plan has completed the first phase, and the contract for Phase 2 is currently in the strategic purchasing process.

Phase 2 will provide a needs assessment and gap analysis of the City's current IT system to identify challenges in complying with the Department of Justice's web accessibility rule. In coordination with key City stakeholders, including the Legal Department, Procurement, IT, ADA, and Communications teams, a digital accessibility roadmap will be developed to address the needs assessment and gap analysis. Lastly, to support the adoption of the Digital Accessibility Roadmap, communications materials and presentations for leadership and staff will provide guidance for implementation.

PARKS & RECREATION

1. What is the anticipated cost to create GIS data for the Adopt-an-Esplanade program? How many FTEs are required for this work? How can HPARD partner with HPW to produce this data?

HPARD maintains more than 800 miles of medians owned by Houston Public Works (HPW). By partnering with HPW, HPARD can develop and refine GIS data for the Adopt-An-Esplanade Program by leveraging HPW's existing geospatial datasets, mapping infrastructure, and technical expertise. This effort would focus on compiling and standardizing location information, boundary definitions, and program attributes for esplanades city-wide. HPARD estimates that approximately 2.0 FTEs would be required to complete this initial data development and mapping, depending on the level of detail and the number of esplanades included.

The collaboration would include sharing asset data, standardizing GIS formats, and utilizing HPW's enterprise GIS platforms to ensure long-term accuracy, consistency, and maintainability. This partnership would minimize duplication of effort and support a unified, citywide approach for mapping esplanade locations and adoption statuses.

2. What is the cost of administering the Adopt-an-Esplanade program?

Approximately \$130,000 annually

3. What position(s) and functions are impacted by the \$300K management and finance reduction?

No positions are impacted by this reduction. The \$300,000 decrease is the result of lower expenditures in supplies and services.

4. Which park user fees need updating to cover HPARD's cost of service? How much additional revenue could the department bring in for operations if these fees were increased?

HPARD's Fee Schedule was last updated in 1994 and has since only received modest annual Consumer Price Index adjustments, resulting in minimal increases over time. Golf fees were last adjusted in 2010.

Most HPARD programs and service areas rely heavily on General Fund support. While user fees help offset costs, the current fee structure is not designed to fully recover expenses such as personnel, maintenance, utilities, and overhead.

Because operational needs and participation levels vary by program, potential revenue gain from updated fees differs across services. Aligning HPARD fees with those of other major cities is estimated to generate an additional \$4 million annually, which could be used to address deferred maintenance and ongoing greenspace management needs.

5. Administrative services – the numbers for FY26 estimates in the budget book and budget presentation do not match. The presentation shows a decrease in expenditures from \$23.9 million (FY26 estimate) to \$21.3 million (FY27 proposed). The budget book shows an increase from \$20.4 million (FY26 estimate) to \$21.3 million (FY27 proposed). Please explain and describe the decrease (or increase). The number of FTEs in this category goes from 9.3 (FY26 estimate) to 21.5 (FY27 proposed). Briefly describe the functions the additional FTEs will perform.

The Executive Oversight Program was consolidated with the Administrative Services Program, resulting in a net increase of \$1.6 million. The Administrative Services Program now encompasses Management & Finance, the Director's Office, and the Strategic Partnership and Marketing Division. The variance between the FY26 estimate shown in the budget book and the estimate included in the budget presentation reflects the consolidation and realignment of expenditures across these divisions and funds during the budget development process. The FY26 estimate of \$23.903 million represents the finalized, consolidated amount for Administrative Services. The decrease in the FY27 proposed budget is due to a \$1.4 million reduction in restricted accounts and the reallocation of \$1.065 million in debt-related expenses, which are now reflected in the Debt Service and Interfund Transfer Programs.

The increase in FTEs from 9.3 in FY26 to 21.5 in FY27 is primarily the result of transferring and consolidating positions from the Director's Office, Management & Finance, and the Strategic Partnership and Marketing functions into the Administrative Services category. These additional FTEs provide essential support for departmental oversight, financial management, procurement, budgeting, strategic partnerships, marketing, communications, grant coordination, and administrative operations necessary to deliver department-wide services and initiatives.

6. Explain the decrease in FTEs in community center operations from 161.9 (FY26 estimate) to 132.2 FY27 proposed). Will this decrease significantly impact service delivery at the centers?

The decrease in FTEs for Community Center Operations from 161.9 in the FY26 estimate to 132.2 in the FY27 proposed budget is primarily driven by operational realignments, including the consolidation of select positions and increased use of part-time staffing models following the retirement of several full-time supervisory employees. Additionally, some community centers are currently operating as social sites due to lower attendance and operational efficiency considerations, and several of these locations were functioning without assigned supervisors. Despite these staffing adjustments, HPARD does not anticipate any significant impact on core service delivery. The department will continue to prioritize essential programming and community services while managing staffing resources as efficiently as possible.

7. How many pools are expected to open this summer? What are the latest efforts on lifeguard recruitment and training?

HPARD is planning to open and operate all pools for the upcoming summer season. Ten pools are scheduled to open on May 23rd, with the remaining pools opening on June 16th. At this time, HPARD has 144 certified lifeguards awaiting Human Resources processing to support summer operations and staffing needs.

8. What additional funds are needed to improve security at Houston parks? How many urban park rangers are currently with HPARD? How many additional urban park rangers are needed for optimum coverage? What is the average “all-in” salary and benefits cost for an urban park ranger?

HPARD currently has 30 Urban Park Rangers, with an additional 5 vacant positions expected to be filled after July 1. To achieve optimal park coverage and strengthen public safety across the park system, the department estimates that approximately 30 additional Urban Park Rangers would be required. The current average annual salary and benefits cost for an Urban Park Ranger is approximately \$80,280.18, which reflects the upcoming 3.5% across the board increase.

In addition to personnel needs, HPARD estimates that approximately \$5–8 million in additional funding would be necessary to support expanded ranger staffing, enhance security surveillance, and provide equipment, technology, and other resources essential to park safety initiatives.

9. Describe efforts to increase grant funding from 15 applications (FY26 estimate) to 25 (FY27 target).

To support a target of 25 grant submissions in FY27, HPARD is implementing several focused strategies to strengthen its grant development efforts. The department is enhancing internal coordination by improving collaboration among program areas to identify grant-eligible projects earlier in the planning cycle. HPARD is also expanding its grant-seeking capacity by dedicating staff time to identifying new federal, state, local, and philanthropic opportunities and by improving internal tracking tools to monitor deadlines and requirements.

In addition, HPARD is increasing collaboration with external park partners by supporting their grant applications for park-related projects—an area that has not previously been formally tracked. Incorporating this activity into the department’s grant development processes will allow HPARD to fully capture the time and effort devoted to supporting outside grant applications and better reflect the total scope of grant related work.

10. Why are there no performance measures for executive oversight?

The Executive Oversight Program has been consolidated into the Administrative Services Program. The Administrative Services Program now includes the Management & Finance Division, the Strategic Partnership & Marketing Division, and the Director’s Office.

11. Facilities maintenance – Expenditures from the Maintenance Renewal and Replacement Fund are decreasing from \$4.5 million (FY26 estimate) to \$5 million (FY27 proposed). What are the estimated deferred maintenance needs of the department?

Expenditures in the Maintenance Renewal and Replacement program are proposed to decrease from an estimated \$4.9mil in FY26 to \$4.3mil in the FY27 budget, representing a net reduction of \$533,000. This decrease is primarily driven by the conclusion of a one-time \$800,000 funding allocation received in FY26 from property sales associated with the North Houston Highway Improvement Project. The loss of this one-time funding is partially offset in FY2027 by an increase of \$250,000 to support annual repairs and preservation work at the Nichols Rice-Cherry House located at Sam Houston Park. The department’s estimated deferred maintenance needs, including building replacement, systems repair and replacement, and amenities repair and replacement, were last reported at an estimate of \$781 mil.

12. Describe efforts to increase the number of playground inspections from 376 (FY26 estimate) to 600 (FY27 proposed).

HPARD will increase playground inspections through a team-based approach. Our goal is to inspect all playgrounds at least twice a year. Park inspectors will carry out initial assessments at a wide range of sites, ensuring broad coverage. These will be followed by more detailed inspections from our certified playground inspector, who will focus on key amenities and verify compliance with safety standards.

13. Provide FY27 expected golf operation revenues and expenditures (driving range and golf rounds) broken down by golf course.

The estimated revenue and expenditure for HPARD Golf Operations is as follows:

FY27 Estimated Revenue	Rounds	Revenue
Memorial Park Golf Course	73,171	\$ 6,818,300 (including driving range and golf rounds)
Sharpstown Park Golf Course	81860	\$2,036,500
Golf Administration		\$ 328,100 (payments from agreement and vendors)
Total		\$9,182,900
FY27 Proposed Expenditures		Expenses (including personnel, supplies & services)
Memorial Park Golf Course		\$2,569,588
Memorial Park Maintenance		\$3,855,191
Sharpstown Park Golf Course		\$1,639,637
Golf Administration		\$579,424
Brock		\$236,270
Total		\$8,880,110

14. Explain the \$0 in FY27 for the park development and renovation program.

PLANNING & DEVELOPMENT

1. Historic Preservation Services – Describe the increase in miscellaneous support from \$8,500 (FY26 estimate) to \$88,000 (FY27 proposed).

The increase is for the digital archiving of Historic Preservation records.

2. Special Revenue Fund – Describe the 65% increase in management consulting from \$749K (FY26 estimate) to \$1.24 million (FY27 proposed).

The increase is for ongoing costs for Plat Tracker and Historic Preservation Tracker web applications, AI Chat Box, AI Plat Check-In, Legal services at Planning Commission hearings, and the Digital Preservation and workflow modernization project.

3. One of the department’s short-term goals is to implement AI assistance to improve response time and effectiveness to inquiries received through phone and email. Is the department also looking at AI technology to assist with plan review?

AI technology is not yet advanced enough to perform full plan reviews; however, the Department is actively evaluating its use in the application check-in process to verify completeness and document validity. Planners currently dedicate up to two days to checking in plat applications. Integrating AI into this process would allow staff to redirect their time toward applicant consultation and more thorough, higher-quality reviews. We have participated in multiple demonstrations promising significant improvements on the front-end application check-in process.

4. Describe the \$280K in General Fund department savings initiatives.

The 280K reduction in the General Fund is attributable to the elimination of two vacant positions (Deputy Assistant Director and Planner I) submitted as part of the department’s savings initiative

5. Describe the \$99K in Central Savings Revolving Fund department savings initiatives.

The 99K reduction is attributable to the elimination of one vacant position (Senior GIS Analyst) submitted as part of the department’s savings initiative.

6. Development Services - What is the goal for commercial project review? – 60% were reviewed within seven days in FY26, and there is no target for FY27. Please explain.

The designation of the FY27 target as N/A was an oversight. The department has taken the necessary corrective actions to ensure this is properly reflected in the adopted budget. Accordingly, the FY27 target will be formally established at “80% of commercial permit applications reviewed within 7 days”.

7. How many applications for sidewalk fee-in-lieu were processed in FY26?

From July 1, 2025, to May 12, 2026, the department processed a total of 398 sidewalk modification applications; of these applications, 126 were for a fee in lieu.

8. Where are sidewalk FILO funds collected? Does it flow to public works for sidewalk construction? How much has been spent of the \$693K?

The funds are collected by the Planning and Development Department via the Houston Permitting Center.

The money collected resides in the Fee-In-Lieu Fund, which will be available to HPW for building sidewalks once the program criteria are met.

As of today, zero funds have been expended.

POLICE

1. Auto Dealers – What comprises the \$5.9 million of projected miscellaneous revenue in FY27?

2. Police Special Services – Explain the decrease in police services revenues from \$26.2 million (FY26 current) to \$6.9 million (FY26 estimate) to \$4.2 million (FY27 proposed).

3. Police Special Services – Explain the decrease in classified overtime from \$10.3 million (FY26 estimate) to \$6.5 million (FY27 proposed). What operational changes are being implemented to bring down overtime costs?

4. Police Special Services – What are the FY27 costs associated with the Human Trafficking Unit? How are they working with the human trafficking division in the Department of Neighborhoods? Why is this unit not paid for out of the Human Trafficking Response & Recovery Fund?

5. Asset Forfeiture – Explain the increase in total expenditures from \$5.7 million (FY26 estimate) to \$9.1 million (FY27 proposed).

6. Executive Chief’s Command – What comprises “other rental” and why are costs increasing from \$498 (FY26 estimate) to \$452K (FY27 proposed)?

7. Field Operations – Explain the decrease in classified overtime from \$14.3 million (FY26 estimate) to \$8 million (FY27 proposed). What operational changes are being implemented to bring down overtime costs?

8. Strategic Operations – Is \$15.5 million the new payment the city makes to the Joint Processing Center? How many years will \$15.5 million be the amount paid by the city?

9. Strategic Operations – What is planned for the \$365K management consulting expenditure in FY27?

10. Strategic Operations – Explain the decrease in classified overtime from \$13.2 million (FY26 estimate) to \$10.6 million (FY27 proposed). What operational changes are being implemented to bring down overtime costs?

11. Strategic Operations – Explain the decrease in temporary personnel from \$1.2 million (FY26 estimate) to \$47K (FY27 proposed).

12. Strategic Operations – Explain the increase in tuition reimbursement from \$160K (FY26 estimate) to \$1.2 million (FY27 proposed).

14. Administrative Services – Explain the increase in classified FTEs from 126.1 (FY26 estimate) to 165 (FY27 proposed).

15. Investigations – Explain the decrease in classified FTEs from 1352.6 (FY26 estimate) to 1277 (FY27 proposed). What impact will this decrease have on investigations?

16. Training – What is the cost per cadet class for police training? How many cadets will begin training in FY27, and how many are expected to graduate?

17. What is projected classified attrition for FY27?

PUBLIC WORKS

1. METRO DDSRF TDO – Explain the increase in construction materials from \$7.7 million (FY26 estimate) to \$9.3 million (FY27 proposed).
2. DDSRF Drainage HPW Financial Management Services – Explain the decrease in transfer to Stormwater Fund from \$36 million (FY26 estimate) to 0 (FY27 proposed).
3. DDSRF Drainage HPW Financial Management Services – Explain the increase in transfers to capital projects from \$106.4 million (FY26 estimate) to \$149.7 million (FY27 proposed).
4. DDSRF Drainage - Are there plans to adjust the drainage fee rate structure?
5. DDSRF Ad Valorem Financial Management Services – Explain the increase in transfers to capital projects from \$148.1 million (FY26 estimate) to \$224.4 million (FY27 proposed).
6. DDSRF Ad Valorem – What is the amount of street and drainage debt that has been paid down since the Build Houston Forward Program was established? What is the current amount of outstanding debt for streets and drainage?
7. Building Inspection Fund HPW CEC – Which contracts comprise the Management Consulting line item - \$880.6K (FY25 actual), \$2.2 million (FY26 budgeted), \$521K (FY26 estimate), and \$2.1 million (FY27 proposed)? Briefly describe the contract scope.
8. Building Inspection Fund HPW CEC – Explain the increase in miscellaneous support from \$2.8 million (FY26 estimate) to \$4.3 million (FY27 proposed).
9. Building Inspection Fund – A short-term goal is to launch the Metropolitan Multiservice Center expansion plan. Briefly describe what is planned for this center and the proposed timeline for execution.
10. Building Inspection Fund – A long-term goal is to implement HouPermits. What is the timeline for full implementation of this system?
11. Building Inspection Fund – Briefly describe the scope and timeline of the \$2.1 million cost of service study.
12. Building Inspection Fund – FTEs go from 344.8 (FY26 estimate) to 406 (FY27 proposed). Describe which functions the additional FTEs will provide.
13. Water and Sewer Operating ITOP – Explain the increase in other rental from \$2.0 million (FY26 estimate) to \$4.1 million (FY27 proposed).

- 14. Water and Sewer Operating Houston Water – Explain the increase in building maintenance services from \$14.3 million (FY26 estimate) to \$26.5 million (FY27 proposed).**
- 15. Water and Sewer Operating Houston Water – Explain the \$4 million in consent decree stipulated penalties and expenses.**
- 16. Water and Sewer Operating Houston Water – Explain the increase in management consulting from \$20 million (FY26 estimate) to \$30 million (FY27 proposed).**
- 17. Water and Sewer Operating Houston Water – Will subsidizing solid waste and paying right-of-way costs with CUS reserves have any impact on the current rate study and future water rates?**
- 18. Stormwater Fund CEC – How many dangerous buildings fit the established criteria for demolition, and how many of these will be demolished in FY2027 with the \$19.2 million budgeted? Provide a list of properties scheduled for demolition with these funds.**
- 19. Stormwater Fund CEC – Explain the increase in engineering services from \$1.1 (FY 26 estimate) to \$3.7 million (FY27 proposed).**
- 20. Project Cost Recovery – FTEs are increasing from 344.8 to 406. Briefly describe the types of functions these additional staff will perform.**
- 21. CUS General Purpose – What comprises the \$17 million in solid waste-related debt? What is the annual debt service on this?**
- 22. CUS General Purpose – There is \$89 million budgeted for the purchase and buildout of 1600 Smith. What is the timeline for buildout and the projected move date?**
- 23. CUS General Purpose – There is \$224.4 million transferred for CIP street and drainage projects. This is in addition to the \$150 million from DDSRF ad valorem. What additional funding will go toward street and drainage capital improvements?**
- 24. How will the \$100+ million annual payment for right-of-way impact CUS reserves? Should we expect to see commensurate decreases in CUS reserves?**
- 25. What is the status of the \$620K reimbursement to DDSRF-ad valorem for EY work related to TIRZs?**

26. Regarding the drainage settlement, what is the status of the plaintiffs' audit? What is the status of item 10 in the settlement related to project ranking and the delivery process?

27. Planning has received \$600K in sidewalk FILO dollars. How have these funds been allocated?

28. Since HPW owns the assets/esplanades, could staff assist HPARD with the creation of GIS data to create an interactive adopt-an-esplanade map on HPARD's website?

29. Provide modeling for CUS reserves over the next 3 to 5 years. Show projections for total reserves, including the debt coverage ratio and number of days' cash.

SOLID WASTE

1. SWM Administration – Explain the decrease in contracts/sponsorships from \$4.4 million (FY26 estimate General Fund) to \$3.4 million (FY27 proposed water/sewer operating). How many households are currently being covered by the \$6 sponsorship fee for private trash?

The decrease is due to right-sizing the budget based on the latest data. There are currently 47,500 households receiving a \$6 reimbursement per month, which is projected to be around \$3,420,000 annually.

2. SWM Administration – Explain the increase in refuse disposal from \$18 million (FY26 estimate General Fund) to \$23.2 million (FY27 proposed water/sewer).

The FY27 refuse disposal budget was increased to better align with actual disposal cost trends, including landfill disposal costs, tonnage volumes, contract pricing, and other disposal-related expenses. The FY26 estimate was below the level needed to support expected FY27 activity, so the proposed budget reflects a more realistic recurring cost for refuse disposal

3. The \$17 million in solid-waste-related debt is now shown in the CUS General-Purpose Fund. What is the FY27 annual debt service attributable to solid waste debt, and where in the budget is this reflected?

The \$17 million represents the FY27 annual debt service/transfer amount attributable to Solid Waste Management's share of Citywide General Obligation debt, as calculated by the Finance Department. It is budgeted in Fund 8305, cost center 2100010002, GL 532030 – Transfer to Debt Service. This reflects the debt service obligation associated with Solid Waste-related capital assets and is shown in the CUS General Purpose Fund as part of the FY27 restructuring.

4. Why is SWM moving from two collection sectors - NE (\$18.4 million) and South (17.4 million) - in the FY26 budget to three sectors - SW (\$3.9 million), NE (\$13.5 million), and South (\$23 million) - in the FY27 proposed budget?

The FY27 structure reflects the operating model used during FY26, which proved more effective for balancing routes, staffing, and equipment across service areas. Moving to three sectors allows the department to better distribute vehicles and crews, improve daily lineups, reduce service gaps, and respond more efficiently to workload differences across the city. The change is intended to improve operational flexibility and collection reliability.

5. Will the city be exploring charging a Clean City Fee of \$2.56/month to all water customer account holders (as recommended in the Burns & McDonnell report)?

Not at this time. The FY27 proposed budget instead includes a \$5 monthly solid waste administrative fee, along with the restructuring of Solid Waste as part of Houston Public Works. The City will continue to evaluate long-term funding needs and service levels, but the Burns & McDonnell Clean City Fee recommendation is not currently being proposed for FY27.

6. Please confirm the following changes in Solid Waste FTEs between FY26 and FY27, and explain what comprises the new bulk collections division. Is bulk waste what was previously categorized as residential waste? Also, why are no FTEs assigned to illegal dumping and yard waste collection in FY27? Have these been re-categorized?

Heavy Trash has been renamed Bulk Collection to align with industry terminology and to better describe the service, which includes heavy trash and heavy tree waste. Bulk Collection is not the same as regular residential waste collection; it represents the large-item and heavy-debris collection function that was previously reflected under heavy trash and related service categories.

Illegal dumping does not have a separate FY27 service line because those activities are being handled through heavy trash/bulk collection operations and route-based response rather than as a standalone budgeted division. Yard waste also does not show separate FTEs in FY27 because the related personnel and operational resources are reflected within the broader collection structure rather than as separate, standalone service lines.

For Administrative Services, the 449.1 FTE figure includes non-Solid Waste water/sewer administrative FTEs. Of that amount, 41.8 FTEs are budgeted for Solid Waste administrative services in FY27.

Division	FY26 FTEs	FY26 OT FTEs	FY27 FTEs	FY27 OT FTEs
Administrative services	101.7	5.6	449.1*	11.3*
Residential waste	87.2	34.4		
Curbside recycling	36.6	15	45.2	8.7
Heavy trash collection	53.6	12.1	82.8	15.4
Bulk collection			167.8	33.7
Illegal dumping	14.1	0		
Residential drop off	41.7	3.2	49.2	10.3
Yard waste collection	30.1	11.3		

*Administrative services numbers include water/sewer non-SWM-related FTEs. Provide a breakdown of how many Administrative SWM FTEs are budgeted for in the FY27 proposed budget.

41.8 SWM FTE's are budgeted in Administrative Services cost centers for FY27.

7. What are the department's targets for on-time heavy trash collection, recycling collection, yard waste/bulk waste, and residential waste collections in FY27?

The department's FY27 goal is to reach a 99% on-time collection rate across all major service lines, including residential waste, recycling, bulk collection, and yard waste/request-based services. This target aligns with industry-standard service reliability goals and will be supported by improved staffing, equipment availability, routing, and operational oversight.

8. The Burns and McDonnell report states that in order to achieve an industry-standard 99% collection rate across all services, additional vehicles and staff are needed to service 114 additional weekly routes. What specific changes will the department be making to improve on-time collections?

The department will focus on several operational improvements in FY27, including deploying additional vehicles, filling critical vacancies, improving daily crew lineups, better balancing collection routes, using the three-sector model to share resources more effectively, and strengthening route monitoring and service performance reporting. As additional trucks and staff come online, the department expects to reduce missed collections, improve route completion, and move closer to the 99% on-time collection goal.

9. How will the department work to improve recycling contamination rates?

Educational outreach efforts and enforcement strategies will be evaluated and discussed to reduce contamination rates in the green bin program.

10. Describe plans in FY27 for its three transfer stations – Northwest, Southeast, and Southwest. These are not currently operated by the city. Is the city considering taking over operations in order to increase its revenue share as suggested in the Burns and McDonnell report?

In FY27, Republic will still manage Southeast and Southwest. Northwest will be under construction. The department will manage the new Northeast Transfer Station that has a scheduled completion date of September 2026.

11. Is the city planning to explore expanding roll-off services and potentially generating additional revenue?

Yes.

12. How is the city planning to mitigate long drives to the FCC recycling center? Are additional transfer stations for recycling being contemplated?

The department is contemplating adding an additional transfer station dedicated to recycling.

13. Will the city be increasing efforts to obtain more grant funds for recycling and composting?

The department actively reviews opportunities for grants.

14. What are the city’s plans to address landfill capacity concerns in the coming years?

The department is working with industry professionals to receive analysis and feedback on the future capacity of landfills in the area.

15. The Burns and McDonnell report also describes issues for consideration (section 2.5), including the transfer of assets (section 2.5.2). How are these assets and liabilities being transferred?

16. What is the status of the Houston Recycling Collaborative? What is the annual cost of service? Will this program continue with the consolidation? Does the steering team meet monthly and review progress as outlined in the MOU? Are there metrics/KPIs being tracked?