

## CITY CONTROLLER

### Department Description and Mission

The mission of the Office of the City Controller is to protect the financial integrity of Houston's City government by:

- Accurately and timely reporting on the City's current financial condition.
- Assessing the City's future financial condition with accurate forecasts of projected revenues and expenses.
- Certifying to City Council that funds are available for all appropriations, commitments, and keeping accurate books of account to reflect these commitments.
- Auditing the operational and financial activities of City departments.
- Certifying that vendors with City contracts are not delinquent on City taxes.
- Ensuring that every City dollar is fully and wisely invested at all times.
- Serving as the financial voice for City government, and informing the citizens about important financial issues.

#### Department Short Term Goals:

- Institutionalize transparency in government spending website.
- Work to implement paperless approval of City invoices.
- Complete the Annual Comprehensive Financial Report (ACFR) by December 15.
- Automate the City's Annual Comprehensive Financial Report (subject to hiring outside consultants).
- Retain AAA rating from Fitch Ratings for the City's investment portfolio.
- Continue ongoing monitoring of financial markets and pursue debt refinancing options when conditions are favorable.
- Continue Bank on Houston program to reduce number of unbanked residents in Houston.
- Continue work with local non-profits to increase financial literacy among low-income Houstonians.
- Continue to offer support to non-profit effort to increase number of Houstonians taking advantage of volunteer income tax preparation.

#### Department Long Term Goals:

- Work to implement paperless approval of City invoices.
- Resume expansion of the Audit Division.
- Maintain an effective quality control system to ensure the Audit Division operates using applicable auditing standards.
- Complete paperless workflow system for financial data.

**FISCAL YEAR 2025 BUDGET**

**Business Area Program Summary**

Business Area: City Controller  
 Bus. Area No : 6000

**Budget By Program (\$ in thousands):**

Program	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Audit	0	1,204	0	2,126	0	2,867
Executive Oversight	0	841	0	1,098	0	1,194
Financial Reporting	0	1,559	0	1,781	0	1,675
Operations	0	2,995	0	3,295	0	3,361
Treasury	0	1,265	0	1,342	0	1,456
<b>Total</b>	<b>0</b>	<b>7,864</b>	<b>0</b>	<b>9,642</b>	<b>0</b>	<b>10,553</b>

**FTEs by Program:**

Program	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Audit	6.9	0.0	11.8	0.0	16.1	0.0
Executive Oversight	3.1	0.0	5.5	0.0	7.5	0.0
Financial Reporting	10.0	0.0	10.7	0.0	9.6	0.0
Operations	19.6	0.0	21.9	0.0	21.9	0.0
Treasury	7.0	0.0	6.6	0.0	7.6	0.0
<b>Total:</b>	<b>46.6</b>	<b>0.0</b>	<b>56.5</b>	<b>0.0</b>	<b>62.7</b>	<b>0.0</b>

**FISCAL YEAR 2025 BUDGET**

**Business Area Program Detail**

**Business Area : City Controller**

**Bus Area No. : 6000**

**Audit**

**Description:**

Performs audits and projects focused on risk assessment, contract compliance, performance and efficiency, process reviews, ongoing monitoring, and consideration of fraud, waste or abuse.

**Goal:**

Execute the Audit plan by the end of the fiscal year. Increase the number of short and long-term audits. Assess efficiency, effectiveness and ensure compliance and accountability of City of Houston departments and programs. Enhance transparency and ensure the public trust.

**Mayor's Priority:** Government that Works

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,204	0	2,126	0	2,867

**Staffing:**

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	6.9	0.0	11.8	0.0	16.1	0.0

**Performance Measure:**

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Average number of engagements completed by each FTE	N/A	N/A	N/A	2.75
Dollar amount of cost/revenue opportunities identified	N/A	N/A	N/A	\$1.6M
Maximum business days to take appropriate action related to fraud, waste, and abuse hotline reports	N/A	N/A	N/A	1
Percentage of findings agreed to by department	N/A	N/A	N/A	80%

**FISCAL YEAR 2025 BUDGET**

**Business Area Program Detail**

**Business Area : City Controller**

**Bus Area No. : 6000**

**Executive Oversight**

**Description:**

Sets policy for the City Controller's Office; increases accountability by holding City government to the highest standards of integrity and efficiency, and by working to eliminate fraud, waste, and abuse; serves as the independent financial voice for the City of Houston; increases transparency by putting important information about the City's finances, operations, and services at the fingertips of every Houstonian in a language and format they can understand; and brings new ideas and best practices to every City department so that critical services can be delivered to Houstonians at the high standard we all deserve.

**Goal:**

Through increased accountability, transparency, and innovation, advance a solutions-oriented dialogue on how to enhance service delivery and quality of life for all Houstonians while charting a path toward fiscal sustainability.

**Mayor's Priority:** Government that Works

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	841	0	1,098	0	1,194

**Staffing:**

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	3.1	0.0	5.5	0.0	7.5	0.0

**Performance Measure:**

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Annual external newsletter distribution	N/A	N/A	N/A	4
Annual website visitors	N/A	N/A	N/A	70,000
Community events hosted	N/A	N/A	N/A	7
Median response time to media inquiries	N/A	N/A	N/A	3 hrs
Median response time to public inquiries	N/A	N/A	N/A	1 business day



**FISCAL YEAR 2025 BUDGET**

**Business Area Program Detail**

**Business Area : City Controller**

**Bus Area No. : 6000**

**Financial Reporting**

**Description:**

Serves as a trusted custodian of financial information, dedicated to promoting transparency, integrity, and accountability in the city's financial operations. By delivering accurate, timely, and comprehensive financial reports, we empower stakeholders with the information they need to make informed decisions and ensure the responsible stewardship of public resources for the benefit of all residents.

**Goal:**

To consistently achieve and uphold the highest standards of accuracy in our Annual Comprehensive Financial Report (ACFR), Monthly Financial Reports, and comprehensive financial analysis, ensuring that all financial data and insights provided are reliable, transparent, and reflective of the City of Houston's fiscal position and performance.

**Mayor's Priority:** Government that Works

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,559	0	1,781	0	1,675

**Staffing:**

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	10.0	0.0	10.7	0.0	9.6	0.0

**Performance Measure:**

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Number of audit findings related to the ACFR	N/A	N/A	N/A	0
Number of days to complete the ACFR once the soft period closes	N/A	N/A	N/A	80
Expenditures Adopted Budget vs Actual Utilization	88%	98%	107%	98%

**FISCAL YEAR 2025 BUDGET**

**Business Area Program Detail**

**Business Area : City Controller**

**Bus Area No. : 6000**

**Operations**

**Description:**

Ensures the availability of funds for city contracts; ensures city invoices and payment requests meet applicable city policies and best practices; maintains the integrity of city records for financial transactions and contracts; maintains internal controls by reconciling cash disbursement against the city's book of accounts; and ensures City vendors do not owe back taxes. Provides the Office of the City Controller with services in human resources, budget, purchasing, and administrative processes to maximize staff productivity.

**Goal:**

Create efficiency as it relates to turnaround time in processing invoices, certifying contracts, and other financial transactions. Ensure all aspects of Human Resources activities and purchasing functions are completed in a timely fashion.

**Mayor's Priority:** Government that Works

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	2,995	0	3,295	0	3,361

**Staffing:**

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	19.6	0.0	21.9	0.0	21.9	0.0

**Performance Measure:**

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Early payment discounts secured	\$862,785	\$905,924	\$862,785	\$951,220
Maximum business days to prepare purchase orders and requisitions after request	N/A	N/A	N/A	5
Number of paper checks remitted	34,958	33,210	34,958	32,210
Percent of contracts routed within 3 days of receipt	100%	100%	100%	100%
Percent of ordinance certification processes completed prior to relevant City Council date	100%	100%	100%	100%

**FISCAL YEAR 2025 BUDGET**

**Business Area Program Detail**

**Business Area : City Controller**

**Bus Area No. : 6000**

**Treasury**

**Description:**

Manages the entire City investment portfolio related to the three accounts - General Pool, Tax-Exempt, and HUD Section 108. Ensures that all investments comply with the Texas Public Fund Investment Act. Responsible for the entire City debt portfolio, consisting of each City credit - Airport, Convention & Entertainment, Combined Utility, and General Obligation. Manages the City's commercial paper program. Manages the City's depository banking system.

**Goal:**

Ensure that the City's investments follow the four pillars - safety, liquidity, return, and legal requirements. Ensure that each debt managed generates present-value savings. Support the payment of all debt service.

**Mayor's Priority:** Government that Works

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
General Fund	0	1,265	0	1,342	0	1,456

**Staffing:**

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
General Fund	7.0	0.0	6.6	0.0	7.6	0.0

**Performance Measure:**

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
City's investment portfolio credit rating maintained with Fitch Ratings	N/A	N/A	AAAf	AAAf
City's total return on investment over the Merrill Lynch Custom Benchmark (which consists of Treasury, T-Bill, and Agency)	N/A	N/A	N/A	5 basis points
Percent of City debt service paid on a timely basis	100%	100%	100%	100%
Weighted average interest rate of all City's letter of credit commercial paper draws	N/A	N/A	N/A	< 5%

**FISCAL YEAR 2025 BUDGET**

**Business Area Budget Summary**

<b>Fund Name</b> :		<b>General Fund</b>			
<b>Business Area</b> :		<b>City Controller</b>			
<b>Fund No. /Bus. Area No.</b> :		<b>1000 / 6000</b>			
		<b>FY2023</b>	<b>FY2024</b>	<b>FY2024</b>	<b>FY2025</b>
		<b>Actual</b>	<b>Current Budget</b>	<b>Estimate</b>	<b>Budget</b>
Expenditures	Personnel Services	6,936,958	8,352,141	8,117,115	9,018,321
	Supplies	27,290	89,468	89,006	58,858
	Other Services and Charges	899,263	1,424,457	1,424,919	1,476,045
	Equipment	0	10,682	10,682	0
	Total M & O Expenditures	<u>7,863,511</u>	<u>9,876,748</u>	<u>9,641,722</u>	<u>10,553,224</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>7,863,511</u>	<u>9,876,748</u>	<u>9,641,722</u>	<u>10,553,224</u>
Revenues		0	0	0	0
Staffing	Full-Time Equivalents - Civilian	46.6	58.3	56.5	62.7
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	46.6	58.3	56.5	62.7
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> <li>o The FY2025 Budget provides funding for health benefits and pension contributions.</li> <li>o The FY2025 Budget includes funding to support the performance audit and communication engagement programs.</li> </ul>				

**General Fund  
City Controller  
Year over Year Expenditure Change**

