

Board of Directors



June Finance and Budget Committee

Schedule Tuesday, June 16, 2026 9:00 AM — 10:00 AM CDT
Venue 3555 Timmons Ln. Houston, TX 77027
Organizer Rick Guerrero

Agenda

1. CALL TO ORDER
 2. ROLL CALL
 3. CONFLICTS OF INTEREST
 4. PUBLIC COMMENT
 5. CHAIR'S REMARKS
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ACTION ITEMS

6. MONTHLY FINANCIAL REPORT - APRIL 2026
Request approval of the monthly financial report ending April 31, 2026. (Staff Contact: Shaun Downie)
 7. 2026 H-GAC MID-YEAR BUDGET REVISIONS
Presentation and discussion of H-GAC budget revisions. First reading; no action requested. (Staff Contact: Yvette Gonzalez)
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REPORTS

Board of Directors



8. EXECUTIVE DIRECTOR'S REPORT

Report on current and upcoming H-GAC activities. (Staff contact: Chuck Wemple)

9. ADJOURNMENT



HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY26 Monthly Financial Report

For Month Ending April 30, 2026

Prepared on May 29th, 2026

Esteemed H-GAC Board of Directors and Executive Director Wemple, please find attached the financial report for last month. The information contained within is intended for managerial reporting purposes. All figures are unaudited and subject to change. Should you have any questions, please feel free to reach out to one of the accounting managers. Respectfully submitted, Arathi Nayak - Accounting Manager and Shaun Downie - Senior Accounting Manager.

SUMMARY OF KEY CHANGES

REVENUES

- > The Cooperative Purchasing revenue cycle continues to be atypical. Revenue decreased in April compared to the previous month, from approximately \$907K to \$570K.
- > Interest income is currently at 80% of the year-to-date budget. Interest earnings have declined compared to prior periods, primarily due to the timing of cash inflows and lower prevailing interest rates than those experienced over the past three years.
- > Other revenue is performing well at 85% of the year-to-date budget and 32% of the annual budget, primarily driven by a \$250K EDA program loan funded in February. LDC revenue is showing improvement and is beginning to trend toward expected levels.

EXPENDITURES

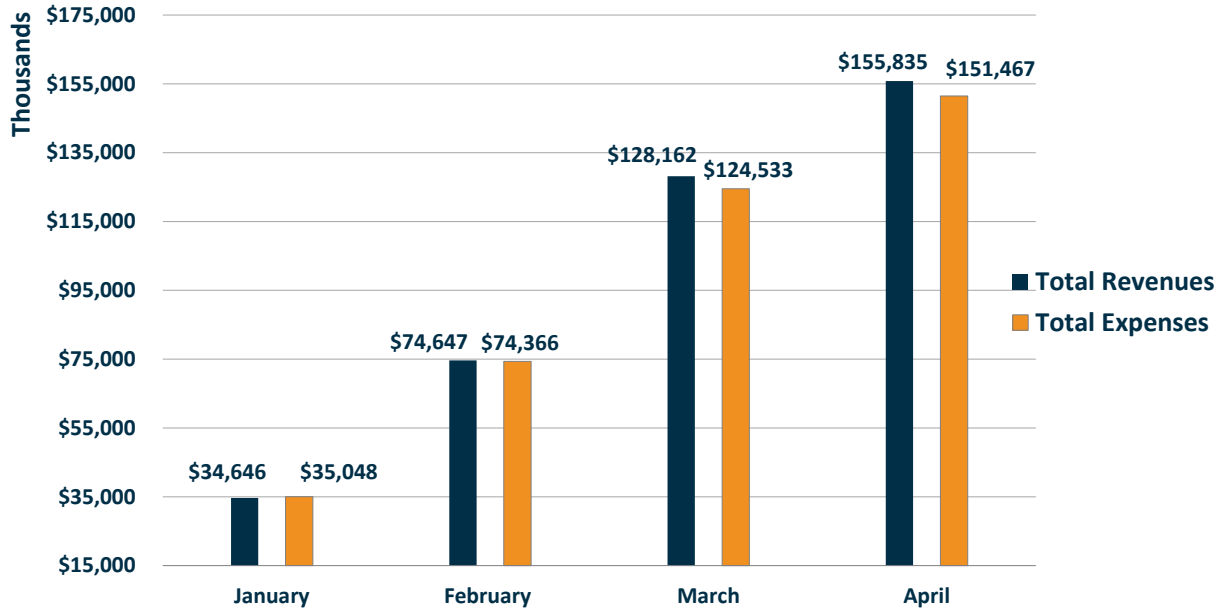
- > Pass-through expenses are at 25% of the annual budget, with spending averaging approximately \$31 million per month. C&E and Transportation expenditures remain below projected levels.
- > Consultant expenses are below projected levels; however, April saw an increase of approximately \$1.3 million, the highest in the past four months. Budget adjustments are made to ensure alignment with expected spending.
- > Equipment expenses increased by \$934K, primarily due to costs related to the renovation of the additional floor as the project nears completion.

*** Please note: the financial activity outlined above and in the report falls within the past trends observed in H-GAC's operations and is not out of the ordinary. ***

The activity (revenues and expenses) included in this report reflect actual amount recorded to date; some billings have not yet been processed or fully recorded. Reported figures are presented on a cumulative Year-to-Date basis and may be adjusted in subsequent periods to reflect finalized amounts.

Monthly Trends Chart

As of April 30, 2026



HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY26 Monthly Trends Report

For Month Ending April 30, 2026

	January 2026	February 2026	March 2026	April 2026
Revenues				
General & Enterprise Fund Revenues				
Membership Dues	\$ 38,083	\$ 249,630	\$61,023	\$ 8,501
HGAC Energy Corporation	3,735	9,939	8,215	2,980
Cooperative Purchasing Fees	199,384	406,185	907,615	570,363
Gulf Coast Regional 911 Fees	319,365	37,540	4,460,648	931,207
Interest Income	33,613	105,697	79,347	78,313
Other Revenues	68,866	392,365	101,900	94,430
General Funds - Local	69,655	129,840	184,352	442,690
Total General & Enterprise Fund Revenues	\$ 732,701	\$ 1,331,196	\$ 5,803,100	\$ 2,128,483
Special Revenue Fund				
Federal Grants	\$ 512,118	\$ 500,931	\$1,171,718	\$ 1,022,904
State Grants	33,401,154	38,168,463	46,540,458	24,521,780
Total Special Revenue Fund Revenues	\$ 33,913,272	\$ 38,669,393	\$ 47,712,176	\$ 25,544,684
Total Revenues	\$ 34,645,973	\$ 40,000,590	\$ 53,515,276	\$ 27,673,166
Expenditures				
Personnel	\$ 4,233,634	\$ 4,360,096	\$5,227,066	\$ 4,335,643
Pass-through Funds - Grant	28,908,852	33,193,949	43,162,096	19,468,024
Consultant and Contract Services	283,688	998,384	690,651	1,345,520
Lease of Office Space	181,274	195,662	200,471	152,829
Equipment	39,967	47,911	341,429	934,520
Travel	15,066	16,492	48,147	37,328
Other Expenses	1,385,364	505,970	496,713	660,450
Total Expenditures	\$ 35,047,845	\$ 39,318,465	\$ 50,166,573	\$ 26,934,313
Excess of Revenues Over(Under) Expenditures	\$ (401,872)	\$ 682,125	\$ 3,348,703	\$ 738,854

HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY26 Budget to Actual Report - All Funds

For Month Ending April 30, 2026

33.33 % of Year Elapsed

	FY26 Annual Budget	FY26 Year-to-Date Budget	FY26 Year-to-Date Actuals	FY26 % of Actuals to Annual Budget	FY26 % of Actuals to YTD Budget
Revenues					
General & Enterprise Fund Revenues					
	FY26 Annual Budget	FY26 Year-to-Date Budget	FY26 Year-to-Date Actuals	FY26 % of Actuals to Annual Budget	FY26 % of Actuals to YTD Budget
Membership Dues	\$ 466,414	\$ 281,696	\$ 357,237	77%	127%
HGAC Energy Purchasing Corporation	135,000	44,675	24,869	18%	56%
Cooperative Purchasing Fees	7,413,865	1,807,883	2,083,547	28%	115%
Gulf Coast Regional 911 Fees	5,175,896	1,653,900	5,748,760	111%	348%
Interest Income	1,200,000	373,405	296,970	25%	80%
Other Revenues	2,033,509	772,534	657,561	32%	85%
General Funds - Local	5,517,184	1,459,765	826,537	15%	57%
Total General & Enterprise Fund Revenues	\$ 21,941,868	\$ 6,393,858	\$ 9,995,480	46%	156%
Special Revenue Fund					
	FY26 Annual Budget	FY26 Year-to-Date Budget	FY26 Year-to-Date Actuals	FY26 % of Actuals to Annual Budget	FY26 % of Actuals to YTD Budget
Federal Grant	\$ 8,116,344	\$ 2,121,792	\$ 3,207,670	40%	151%
State Grants	570,138,869	168,569,247	142,631,854	25%	85%
Total Special Revenue Fund Revenues	\$ 578,255,213	\$ 170,691,039	\$ 145,839,525	25%	85%
Total Revenues	\$ 600,197,081	\$ 177,084,897	\$ 155,835,005	26%	88%
Expenditures					
	FY26 Annual Budget	FY26 Year-to-Date Budget	FY26 Year-to-Date Actuals	FY26 % of Actuals to Annual Budget	FY26 % of Actuals to YTD Budget
Personnel	\$ 60,035,230	\$ 18,820,493	\$ 18,156,440	30%	96%
Pass-through Funds - Grant	491,423,054	145,859,968	124,732,921	25%	86%
Consultant and Contract Services	25,221,377	6,417,548	3,318,243	13%	52%
Lease of Office Space	3,599,393	1,157,940	730,235	20%	63%
Equipment	6,501,726	1,025,780	1,363,827	21%	133%
Travel	1,129,779	224,463	117,033	10%	52%
Other Expenses	12,286,522	3,244,388	3,048,497	25%	94%
Total Expenditures	\$ 600,197,081	\$ 176,750,580	\$ 151,467,196	25%	86%
Excess of Revenues Over(Under) Expenditures	\$ -	\$ 334,317	\$ 4,367,810		
Beginning Fund Balance (all funds) - Jan. 1 (1)	\$ 52,762,360	\$ 46,532,496	\$ 52,762,360		
Ending Fund Balance (all funds) - April. 30 (2)	\$ 52,762,360	\$ 46,866,813	\$ 57,130,170		

(1) All beginning fund balances are as of January 1 of each year. The January 1, 2026 beginning fund balance is based on the 2026 ACFR presented at the May 2026 Board meeting.

(2) All ending fund balances are as of April 30 each year.

The Year-to-Date budget has been calculated using a three-year average spending & earning pattern. Historical monthly expenditure trends were analyzed to determine the proportion of annual spending incurred in each period, and these percentages were applied to the current year's approved budget to derive the YTD budget.

2026 MID-YEAR BUDGET REVISION

Background

H-GAC's budget is a dynamic document. The bulk of H-GAC's revenues derive from intergovernmental contacts with local, state and federal entities. These contracts have various durations and may span more than one H-GAC budget year.

Current Situation

The proposed 2026 revised budget incorporates all known changes in revenues and expenditures, as well as financial results of operations through May. The mid-year budget revisions is presented to the Board of Directors each summer and serves as a true-up of the budget approved in December 2025. Our budget is dynamic with new sources of funding arriving each spring, and some programs experiencing budget reductions. I will provide a detailed review of the revisions during the Finance & Budget Committee Meeting and at the general Board of Directors Meeting.

Funding Source

N/A

Budgeted

Not Applicable

Action Requested

No action required. For information only. We will seek approval during the July 2026 Board of Directors Meeting. (Staff Contact: Chuck Wemple)

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