



Finance Department

Presentation to the City of Houston Budget and Fiscal Affairs Committee

Upcoming Financial Transactions

March 3, 2026

Presented By:
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Agenda

- **General Obligation (GO)**
 - a) Commercial Paper Program, Series K-1



GO Variable Rate Exposure Summary

Liquidity Type	Series	Size (\$ millions)	Bank	Expiration	Requires Bank Facility
Commercial Paper	E-1	100	State Street	07/10/2026	Y
	E-2	100	Wells Fargo	04/22/2027	Y
	G-1	75	TD Bank	04/09/2027	Y
	G-2	125	Bank of America	11/2/2028	Y
	H-2	100	TD Bank	09/27/2028	Y
	J	125	State Street	05/21/2026	Y
	K-1	200	RBC ⁽¹⁾	02/02/2030	N
	K-2	200	RBC ⁽¹⁾	02/02/2030	N
Total		1,025			
Total GO Debt Outstanding⁽²⁾ \$3,754.7					
Total GO Commercial Paper Outstanding⁽²⁾ \$32.0			GO Current Variable Rate Exposure 0.85%		

⁽¹⁾ The RBC facilities K-1 and K-2 are Forward Bond Purchase Agreements.

⁽²⁾ As of January 31, 2026, Monthly Financial Report.

Note: This presentation constitutes the written recommendation of the Finance Working Group



GO Commercial Paper Program, Series K-1

Background:

- The City has two appropriation-only facilities each in the amount of \$200 million, for a total of \$400 million.
 - Series K-1
 - Series K-2
- Together, the forward bond purchase agreements are utilized to support the dedicated pay-as-you-go fund to help maintain and improve the City's drainage and street infrastructure. It has proven to be a cost-effective method of providing appropriation capacity.
- The City has reached out to the current provider and recommends amending the existing series K-1 program to provide for a total of \$500 million of appropriation capacity, for a total increase of \$300 million not-to-exceed with no drawing intention.
- This action allows the appropriation to a not to exceed amount of \$500 million to ensure adequate financing capacity for Council approval drainage and street improvements. No draws have been made on this line, and this action does not authorize or anticipate drawing on the line.

Next Steps:

- An RCA is expected to be presented to City Council on March 18, 2026.



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Questions?