# Bond Case Briefs

*Municipal Finance Law Since 1971*

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## Houston, Texas: Fitch New Issue Report

Revenue Framework: ‘aa’: Revenue growth prospects remain solid, as the recent healthy growth trend is expected to continue. Revenue-raising ability is high relative to historically modest revenue volatility despite certain city charter and state law constraints. Expenditure Framework: ‘a’: The pace of spending is expected to be above revenue growth, primarily due to increasing public safety and benefit-related spending, absent policy actions. Carrying costs are elevated and ongoing firefighter pay disputes could hinder expenditure flexibility. Long-Term Liability Burden: ‘aa’: Fitch Ratings expects the combined overall debt and pension burden to remain at the low end of the moderate range as a percentage of total personal income. Operating Performance: ‘aa’: Fitch expects that currently sound reserve levels and a demonstrated ability to make budgetary adjustments will allow the city to maintain a high level of financial flexibility through future economic downturns.

ACCESS REPORT

Mon 02 Oct, 2023