

# 2004

## Operating Budget



*City of West University  
Place, Texas  
2004*



# City of West University Place



## 2004 Operating Budget

City Officials

Burt Ballanfant  
Mayor

Members of the City Council

Mike Farley  
Teresa Fogler  
Steven Segal  
Mike Woods

Adopted October 8, 2003  
Ordinance #1752

Michael Ross  
City Manager

Walter Thomas  
Finance Director

## CITY OF WEST UNIVERSITY PLACE 2004 ANNUAL BUDGET

### INTRODUCTION

This document has been prepared to help you learn of the issues affecting the community of West University Place. The most obvious function of a City Budget is to provide a **financial plan** for the coming year. West University Place's Budget is no exception and as such contains financial schedules and statistics. Financial plans cannot be prepared without defining what organization intends to accomplish and how it intends to go about reaching its goals. Because of this the *2004 Annual Operating Budget* serves as a **policy document** that presents the major policies governing the management of the City. It is also an **action plan** that give the public, elected officials and city staff information about what the City is doing and how efficiently it is being done. Finally, the *2004 Annual Operating Budget* is intended to be a communications tool, formally transmitting the City's financial and operating plan for the coming year.

### FORMAT

The *2004 Annual Operating Budget* is divided into three major sections: *Introductory*, *Financial/Operational*, and *Appendices*. The Introductory section contains the City Manger's letter addressed to the City Council that explains the major policies and issues that affected the development of the *2004 Annual Operating Budget*. This section also contains a chart showing the how the City is organized, and a financial schedule summarizing the budgeted financial activity for all of the City's funds.

The Financial/Operational section of the *2004 Annual Operating Budget* is grouped first by fund and then by department. Like most local governments, the City uses funds to account for its financial activities. A Fund is simply a device to segregate and account for public resources. Financial statements, including the adopted 2004 budget are presented for every fund. Like the checking account statement you receive from your bank, the statements show beginning balances, revenues, expenditures and ending balances for each year. Accompanying the statements are narrative discussions of each fund's financial activity for the prior year and the expected activity for 2004. Graphs and schedules have also been provided to help make certain points clearer.

Funds are divided into departments or projects. Each department is presented with a chart showing how it is organized, a brief statement describing the department's mission, a list of the department's accomplishments in 2003, and a discussion of what the department hopes to accomplish in 2004. Detailed schedules showing the department's finances over several years and information about staffing are also provided.

Detailed schedules showing the City's employees along with information about wages and salaries; details about the City's debt and revenues; details of departmental expenditures; and a glossary of terms are presented in the appendices.

Should you have any questions regarding the information presented in this document, please call the Finance Director, or any other staff members; their names and telephone numbers are on the back page.

# CITY OF WEST UNIVERSITY PLACE

## 2004 OPERATING BUDGET

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# City of West University Place

*A Neighborhood City*



October 15, 2003

Honorable Mayor Burt Ballanfant  
City Council Members  
City of West University Place  
3800 University Boulevard  
West University Place, Texas 77005

Dear Mayor Ballanfant and City Council Members:

In compliance with State law, the City's Charter and good management practices, we are pleased to submit the *2004 Annual Operating Budget (Budget)* for the City of West University Place. This budget has been developed with the goal of providing a wide range of quality services to and maintaining the quality of life for the citizens of the City of West University Place.

The Budget is a statement of policy, management and planning document, financial report and a means of communication with the citizens of West University Place. It reviews past accomplishments, identifies future needs, sets objectives for the coming year, and defines the purposes and resources to achieve those objectives.

**Budget Preparation** - Summertime marks the beginning of West University's budget process. In June of each year the City begins preparing the projections and estimates needed to compile the Budget. In July Department Heads meet with the City Manager and the Finance Director to review their goals, objectives and financial needs.

The receipt of the certified tax roll from the Harris County Appraisal District in early August starts the countdown to Council adoption. The City is required by State law to adopt a budget within 60 days of the receipt of the certified tax roll. During August and September Council and staff work together to finalize the Proposed Budget submitted by the City Manager in August. Public Hearings are held to obtain citizen input and finally, the Budget is adopted, usually in the first week of October.

**2004 Budget Summary** – The Budget includes no major changes in baseline city services.

- Property Taxes - The City's *ad valorem* property tax rate will increase \$1.67 cents per \$100 valuation. The City's tax rate is divided into two components, the



- maintenance/operations rate and the debt service rate. In spite of a 5% growth in assessed values, the 2004 Proposed Budget increases the maintenance/operations tax rate from 19.0 cents to 19.67 cents per \$100. Increased costs associated with adding three additional firefighters, employee medical insurance and employee retirement benefits taken together with revenue losses due to lower interest rates and slower building activity account for this increase.

The debt service tax rate increased one-cent from \$0.24 cents per \$100 valuation to \$0.25 cents per \$100 valuation due to higher debt service costs. Debt Service requirements have stabilized

- Fees and Charges - In accordance with the City's Financial Policy, all fees and charges will be reviewed and adjusted to insure that charges are equitable and are covering the cost of the service. The City's revenue bond covenants require that net revenues (operating revenues plus interest) be at least equal to 110% of the principal and interest requirements for that year. In 2002 the Water and Sewer Fund's net revenues fell short of that requirement. During 2003 the City undertook a water rate analysis which recommended that Water and Sewer rates be increased 29%. Council is expected to adopt this increase just as the 2004 Year begins. Solid Waste service fees are projected to remain stable through 2004.
- Infrastructure Replacement Program - In 2003 the City issued \$9.9 million of certificates of obligation to complete the funding of the infrastructure replacement program. This program, the largest public works project in the history of West University, should be completed by 2006.
- Expenditures - Operating expenditures are budgeted to be at or below last year's operating expenditures.

**Economic Condition and Outlook** – The City of West University Place is located in Harris County, Texas. It is a community of homes located near to the Houston Medical Center, one of the world's largest medical complexes and Rice University. Its citizens are mostly professionals who work in downtown Houston or in the Medical Center. The City's original middle class image has been steadily changing as short commuting distance, low crime, nearby cultural and entertainment opportunities and small town ambiance have made West University into Houston's best locations to live.

Because of this trend, the City's economic outlook is very stable. Property values have doubled from \$1.3 billion in 1993 to \$2.6 billion in 2003. The rate of growth is expected to decline in the future, but reconstruction of existing housing should add around \$20 million each year.

**Financial Policies** - An annual budget cannot be prepared without first determining where the organization intends to go and how it intends to get there. The Budget is the City's policy statement in that it represents priorities for the expenditure of public funds. This Budget has been created with these perspectives:

***The City is a service organization. The most important asset of a service organization is trained, motivated, and properly led employees.*** The Budget recognizes the need to recruit, train and keep a workforce that is capable of delivering services at the level the citizens expect. The 2004 Budget includes a 1% increase in personnel costs to offset the reduction in net wages caused by increasing the employee's contribution to the Texas Municipal Retirement System from 6% to 7%. Since the City matches the employee's contribution, the City's contribution will increase 2.05% to 14.62% of compensation.

Health care costs are a major budget issue. Health care costs are expected to rise 20% in 2004, the third consecutive year that this employee benefit has increased more than 15%. Further increases of 20% each year for three more years are expected. A substantial amount of the increase in 2004 is being shifted to the employee. The table below compares the cost of the City's health care benefit and its allocation between the City and employees for 2003 and 2004:

		HMO					
		2003			2004		
		Annual Premium	City Contribution	Employee Contribution	Annual Premium	City Contribution	Employee Contribution
Employee Only		3,054.00	2,745.12	308.88	3,664.80	3,481.56	183.24
		100%	89.89%	10.11%	100%	95.00%	5.00%
Family		8,856.84	7,972.32	884.52	10,628.21	9,033.98	1,594.23
		100%	90.01%	9.99%	100%	85.00%	15.00%
		Point of Service					
		2003			2004		
		Annual Premium	City Contribution	Employee Contribution	Annual Premium	City Contribution	Employee Contribution
Employee Only		3,419.04	2,717.04	702.00	4,102.85	3,481.00	621.85
		100%	79.47%	20.53%	100%	84.84%	15.16%
Family		9,897.48	7,875.72	2,021.76	11,876.98	9,033.98	2,843.00
		100%	79.57%	20.43%	100%	76.06%	23.94%

The 2004 Operating Budget calls for 103 employees to be funded by the City's General Fund, 15 to be funded in the City's Water and Sewer Utility, and 10 to be funded by the Solid Waste Fund for a total of 124, three more than the 2003 Budget. The three new positions were partially funded in 2003.

***The City's current services to citizens are to be given priority. Increases or decreases in service levels should be prominently and separately displayed.*** The Budget used baseline funding for all departments. Each department used last year's budget as a starting point for preparing this year's budget. There are no major changes to the baseline budget in 2004.

***All fee schedules, user charges and charges for utility services should be reviewed and adjusted to ensure that rates are equitable and cover the cost of the service deemed***

*appropriate by the City Council.* As mentioned above a rate increase for Water and Sewer service is expected in 2003 based on the results of a water rate study. The Water and Sewer Fund's expenditures have been steadily increased as debt was issued for infrastructure replacement while rates have been constant.

A fee increase implemented in 2002 for Solid Waste Service is expected to bring solid waste fees in line with the cost of the solid waste services provided.

Other fees and charges will be adjusted as needed to cover the cost of services.

*The City will avoid budget and accounting procedures that balance the current budget at the expense of future budgets.* This means that postponing necessary operating expenditures, using short-term debt to finance operating expenditures (personnel, supplies, operating charges) or accruing future years revenues are to be avoided. The 2004 Proposed Budget meets this standard.

*The City will follow long-range plans for capital improvements. A long-range plan for capital improvement should be prepared and updated each year. This plan may include (in years other than the first year of the plan) "un-funded" projects that carry out the City's long-term goals, but it should identify projects that can be completed with known funding sources.* The following long-term capital improvements are moved from planning to implementation in the 2004 Budget:

Agenda Management Software  
Priority Area 10  
Priority Area 11B

The City does not have a consistent program of funding for capital projects. In the past most projects were funded with fund balances, but in 2003, the City discontinued that practice. Accordingly, funding for Capital Projects is one of the challenges that the City will be facing in coming years.

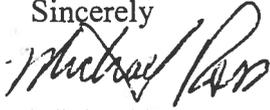
The infrastructure replacement program is in its final phase with completion of work in progress scheduled for 2005.

*The City will maintain reserves adequate to ensure that resources are available annually for the replacement of vehicles and equipment.* Current reserves are adequate, however contributions to the equipment replacement fund were frozen for 2004. Funding for this program should be resumed in 2005.

*The City will maintain reserves that are adequate to protect against unforeseen events.* The City's total reserves are very comfortable for a city the size of West U, but they are not inexhaustible. 2003 marked the end of a planned draw down of the City's reserves, which began in 1997 and the 2004 Budget continues to avoid the use of reserves.

I commend the City Staff, and especially the finance department, for their many hours of work in preparing this proposed document. Also, I appreciate the guidance of the City Council in providing direction and parameters to this budgeting process. All your efforts will help protect the City of West University Place's quality of life. .

Sincerely

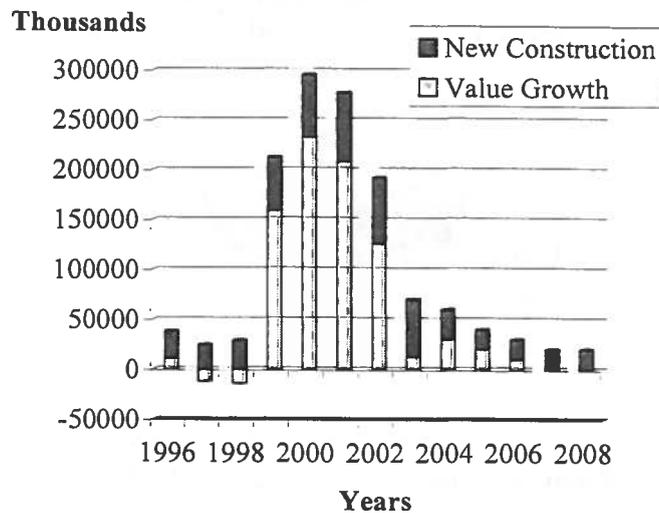
A handwritten signature in black ink, appearing to read "Michael Ross". The signature is written in a cursive style with a large, stylized initial "M".

Michael Ross  
City Manager

**Budget 2004**  
**Combined Summary of Revenues and Expenditures**

	Beginning Balance	Revenues				Expenditures	Ending Balance
		Property Taxes	User Fees	Other	Total		
General Fund	\$ 3,214,512	\$ 5,058,480	\$ 552,000	\$ 3,980,750	\$ 9,591,230	\$ 9,589,040	\$ 3,216,702
Debt Service Fund	640,734	6,366,000	-	10,000	6,376,000	6,429,050	587,684
Water and Sewer Fund	174,240	-	4,500,000	110,000	4,610,000	4,257,800	526,440
Water and Sewer Capital Reserve	117,023	-	-	30,000	30,000	145,000	2,023
Solid Waste Fund	103,673	-	940,000	110,000	1,050,000	1,020,960	132,713
Capital Project Fund	197,949	-	-	895,000	895,000	1,039,180	53,769
Infrastructure Replacement Fund	16,011,238	-	-	609,000	609,000	17,202,690	(582,452)
Sidewalk Construction Fund	4,734,616	-	-	120,000	120,000	4,854,620	(4)
Equipment Replacement Fund	269,641	-	-	180,300	180,300	230,000	219,941
Parks Fund	11,616	-	-	2,200	2,200	13,800	16
Direct Dental Reimbursement	4,041	-	-	15,100	15,100	10,000	9,141
Senior Activity Fund	247	-	2,400	100	2,500	2,500	247
Court Technology Fund	1,604	-	-	14,000	14,000	15,000	604
<b>Total All Funds</b>	<b>\$25,481,134</b>	<b>\$11,424,480</b>	<b>\$5,994,400</b>	<b>\$ 6,076,450</b>	<b>\$23,495,330</b>	<b>\$44,809,640</b>	<b>\$ 4,166,824</b>

**Components of Growth in Assessed Values**



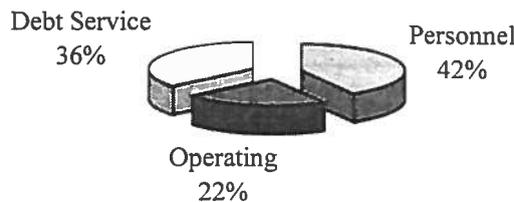
**CITY OF WEST UNIVERSITY PLACE  
2004 BUDGET AT A GLANCE**

	General Fund	Debt Service Fund	Water Utility	Solid Waste	Total
<b><u>Revenues</u></b>					
Property Taxes	\$ 5,058,480	\$ 6,366,000	\$ -	\$ -	\$ 11,424,480
User Fees	552,000	-	4,500,000	940,000	5,992,000
Other	3,980,750	10,000	110,000	110,000	4,210,750
<b>Total Revenues</b>	<b>\$ 9,591,230</b>	<b>\$ 6,376,000</b>	<b>\$ 4,610,000</b>	<b>\$ 1,050,000</b>	<b>\$ 21,627,230</b>
<b><u>Operating Expenditures</u></b>					
Personnel	\$ 7,576,710	\$ -	\$ 852,150	\$ 450,960	\$ 8,879,820
Operating	2,012,330	-	2,125,310	570,000	4,707,640
Debt Service	-	6,429,050	1,280,340	-	7,709,390
<b>Total Expenditures</b>	<b>\$ 9,589,040</b>	<b>\$ 6,429,050</b>	<b>\$ 4,257,800</b>	<b>\$ 1,020,960</b>	<b>21,296,850</b>
<b><u>Capital Improvements</u></b>					
Infrastructure Replacement					\$ 17,202,690
Sidewalk Replacement					4,854,620
General					1,039,180
Water and Sewer					145,000
					<b>\$ 23,241,490</b>

**2004 Operating Revenues  
General, Debt Service and Utility Funds**



**2004 Operating Expenditures  
General, Debt Service and Utility Funds**



## **Goals and Objectives of the 2003-2004 City Council of West University Place**

The City Council met in workshops during July of 2003. During these workshops, staff presented an overview of various projects, goals and objects that were established by the previous council.

The City Council adopted the following goals to be addressed in the 2004 Operating Budget.

- 1.) Remediate Flooding and Drainage in Area 2
  - a. Review previous studies
  - b. Continue preliminary studies/engineering
  - c. Continue work with other entities
  - d. Secure funding (Bonds and/or Grants)
  - e. Prepare bid documents/advertise for bids
  - f. Begin construction process
  - g. End of construction
  
- 2.) Pursue Purchase and Development of Additional Park Space
  - a. Assemble a task force to determine the amount of, location of, and preliminary budget of new parkland
  - b. Secure funding (Gen. Fund/ bonds/ grants)
  - c. Identify specific locations to acquire
  - d. Complete acquisition of new area(s)
  - e. Hire consultants to design layout of new area(s)
  - f. Plan for the budgets/activities needed to develop the new area(s)
  - g. Implement the plan(s)
  - h. Finish development of new area(s)
  
- 3.) Determine Cost and Feasibility of Milton St. Public Works Facilities Relocation
  - a. Examine all previous work done
  - b. Consider any new variables relating to the decision since the previous work was performed
  - c. Staff, under guidance from council, should develop a scope of work outlining specifics in order to receive quotes from outside consultants

## **Goals and Objectives of the 2003-2004 City Council of West University Place**

- d. Proposals should be received and reviewed carefully with the most qualified/responsive proposal being selected to perform the study
  - e. The finished product should be reviewed by staff/council in order to grasp what is needed to implement this program
  - f. A decision must be made as to whether or not to proceed with the project
  - g. If the project is to proceed, a new goal of relocating the facilities must be developed
- 4.) Determine Cost and Feasibility of Police Station Replacement/Relocation
- a. Examine all previous work done
  - b. Consider any new variables relating to the decision since the previous work was performed
  - c. Staff, under guidance from council, should develop a scope of work outlining specifics in order to receive quotes from outside consultants
  - d. Proposals should be received and reviewed carefully with the most qualified/responsive proposal being selected to perform the study
  - e. The finished product should be reviewed by staff/council in order to grasp what is needed to implement this program
  - f. A decision must be made as to whether or not to proceed with the project
  - g. If the project is to proceed, a new goal of replacing or relocating the police station must be developed
- 5.) Streetlight Program Implementation/Completion
- a. Establish a task force to choose a light for the City Center project
  - b. Task force evaluates choices and makes a decision
  - c. The chosen light will be installed in the City Center area
  - d. The City Center light will be evaluated by staff/lighting consultant to determine feasibility of city-wide use
  - e. Public opinion of the City Center light to be used city-wide will be gauged
  - f. The City Center light will then be chosen for use city-wide or a task force will be formed to select a new light for the rest of the city (this task force will repeat the City Center lighting task force's steps)
  - g. Funding sources will be secured and identified based on this selection.
  - h. An implementation plan will be developed based on available funding, a practical construction timeline, and other factors.

## **Goals and Objectives of the 2003-2004 City Council of West University Place**

- i. Installation will begin in designated areas
- j. Installation will be completed city-wide

### **6.) Gateway Signage Implementation/Completion**

- a. Examine and assess previously completed work
- b. Make contact with vendors willing to bid on the project
- c. Issue bid documents that will accomplish the goal
- d. Award bid to most responsive bidder
- e. Work out pre-construction details
- f. Complete construction (consider a ribbon cutting ceremony)
- g. Repeat the process for other signs in the City

### **7.) Retention of Old Stock Housing**

- a. Have city staff prepare a memo outlining specific city statutes that affect or influence decisions regarding the retention of old stock housing
- b. City staff/City Council should review and discuss this memo
- c. If a need is demonstrated, the appropriate board or an appointed task force should review the statutes and make recommendations for appropriate changes
- d. These changes should be open for comment and public scrutiny and should be taken into account in final revisions
- e. Council and/or the appropriate board should adopt the revised statutes

### **8.) Evaluate Rezoning of Commercial Areas to Allow or Facilitate Rebuilding and Remodeling**

- a. Have city staff prepare a memo outlining specific city statutes that affect rebuilding and remodeling in commercial areas
- b. City staff/City Council should review and discuss this memo
- c. If a need is demonstrated, the appropriate board or an appointed task force should review the statutes and make recommendations for appropriate changes
- d. These changes should be open for comment and public scrutiny and should be taken into account in final revisions
- e. Council and/or the appropriate board should adopt the revised statutes

## **Goals and Objectives of the 2003-2004 City Council of West University Place**

- 9.) Review of Building Codes and their Uniformity with the International Building Codes
  - a. Have city staff prepare a memo outlining specific city statutes that are not uniform with the International Building Codes
  - b. City staff/City Council/Appropriate Board should review and discuss this memo
  - c. If a need is demonstrated, the appropriate board or an appointed task force should review the statutes and make recommendations for appropriate changes
  - d. These changes should be open for comment and public scrutiny and should be taken into account in final revisions
  - e. Council and/or the appropriate board should adopt the revised statutes
  
- 10.) Evaluate Side Setbacks and Garage Requirements on Residences
  - a. Have city staff prepare a memo outlining specific city statutes related to the 80% Lot Coverage Rule
  - b. City staff/City Council/Appropriate Board should review and discuss this memo
  - c. If a need is demonstrated, the appropriate board or an appointed task force should review the statutes and make recommendations for appropriate changes
  - d. These changes should be open for comment and public scrutiny and should be taken into account in final revisions
  - e. Council and/or the appropriate board should adopt the revised statutes
  
- 11.) Review of Tree Ordinance, Tree Master Plan, and Tree Fund
  - a. Have staff prepare a memo to council detailing all current tree-related ordinances, statement and status of the tree master plan, and a listing of previous expenditures and current balance of the tree fund.
  - b. Memo to be brought before council where council will decide what changes, if any, are needed
  - c. Provide further information, implement changes, or continue with current procedures
  
- 12.) Evaluate 80% Lot Coverage Rule

## **Goals and Objectives of the 2003-2004 City Council of West University Place**

- a. Have city staff prepare a memo outlining specific city statutes related to the 80% Lot Coverage Rule
- b. City staff/City Council/Appropriate Board should review and discuss this memo
- c. If a need is demonstrated, the appropriate board or an appointed task force should review the statutes and make recommendations for appropriate changes
- d. These changes should be open for comment and public scrutiny and should be taken into account in final revisions
- e. Council and/or the appropriate board should adopt the revised statutes

### 13.) Increase Recycling in the City

- a. Staff/The Appropriate Board should prepare a report summarizing what current policies and procedures could be modified to increase recycling in the City.
- b. Council should review the report, agree on changes to be made, and appropriate funds if needed
- c. Staff should implement the agreed upon changes

### 14.) Review the City's Risk Exposure

- a. City Staff or a hired consultant should prepare an assessment of the City's risk exposure along with recommendations for improvement
- b. Council should be informed of the results of this analysis and any proposed changes
- c. If Council decides to accept any proposed changes, they should be implemented by staff

### 15.) Enforcement of Parking Restrictions on sidewalks

- a. Staff/Task Force should prepare a report on current enforcement, applicable laws, and potential community impacts
- b. Council should review this report and recommend action
- c. Staff should then continually enforce the final decision and degree of enforcement agreed upon by all applicable parties

### 16.) Establishing a Task Force to create a Use Study for the West U. Rec. Center

## **Goals and Objectives of the 2003-2004 City Council of West University Place**

- a. Staff and Council should work to secure qualified candidates for a task force
  - b. If needed, a consultant should be retained to assist the Task Force
  - c. Specific services should be evaluated in relation to the West U. Rec. Center
  - d. Recommendations and assessments regarding usage should be made according to existing facilities, modifying the facilities, and rebuilding the facilities.
  - e. The final report should come to Council where recommendations will be accepted, modified, or dismissed.
  - f. Appropriate funding and/or policies should be implemented to accommodate the agreed upon changes
  - g. Staff should implement these changes as it prepares the West U. Rec. Center for public use.
- 17.) Establish a Bark Park or enter into an agreement with another city for use of the services.
- a. City staff/A task force/A consultant should examine the feasibility of a bark park in West U.
  - b. These findings should be brought before Council for discussion
  - c. Continue with more studies and pursue development in conjunction with the acquisition of park land, OR
  - c. Begin a dialogue with the City of Bellaire to enter into an interlocal agreement whereby residents of West U. would have access to and be welcome in Bellaire's Bark Park
  - d. Implement the chosen policy by either formally signing an agreement with Bellaire or authorizing the City to designate a bark park
- 18.) Development of the Rice Pocket Park
- a. Potential Plans should be reviewed by Staff/the appropriate board or task force/Council
  - b. Modifications to the proposed design should be discussed if needed
  - c. A consultant should be brought in to assist with the final planning process if needed
  - d. A final plan should be brought back to all appropriate parties for approval
  - e. A bid package should be developed to go out for bid

**Goals and Objectives of the 2003-2004  
City Council of West University Place**

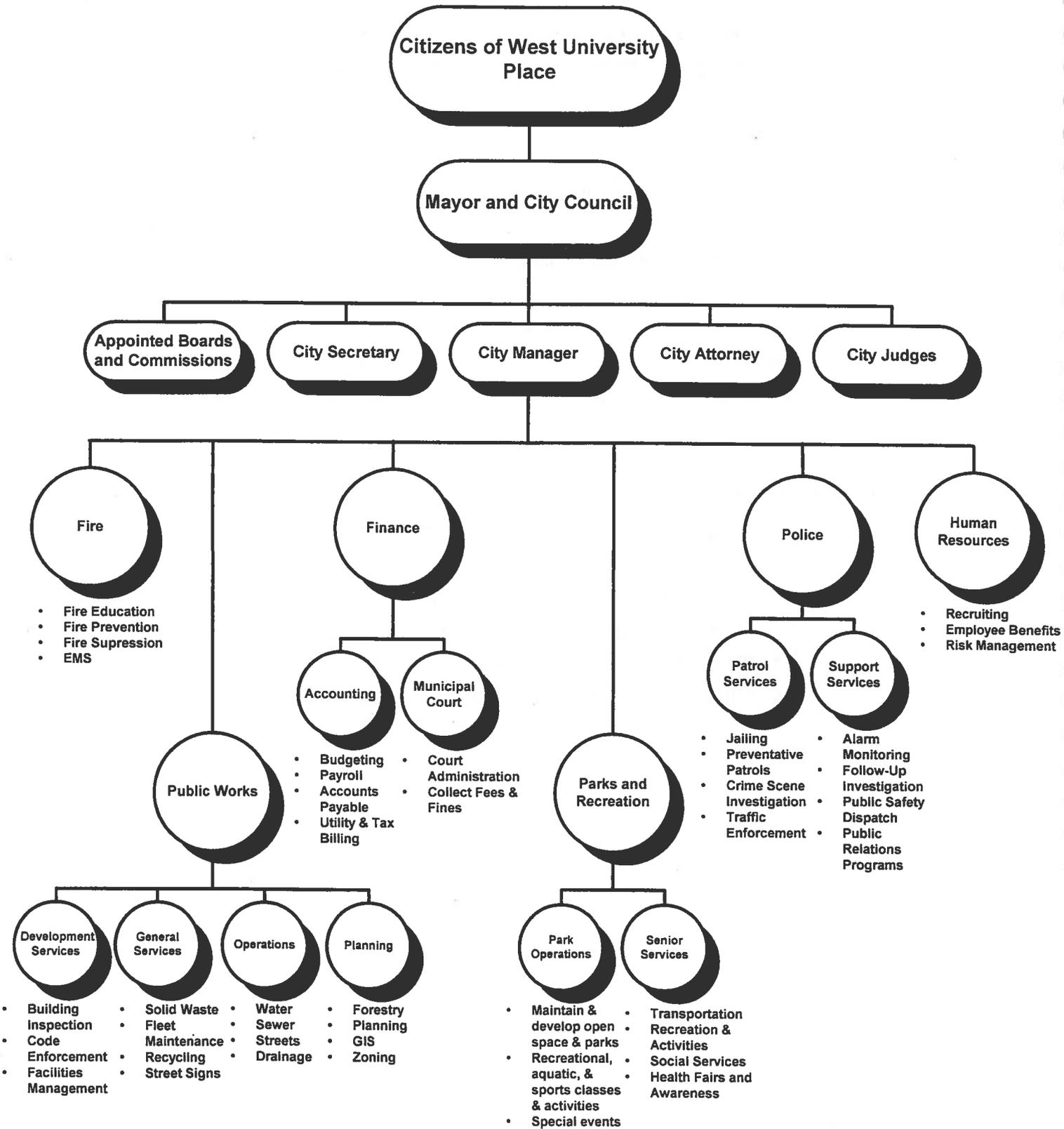
- f. Bids should be received and one firm awarded the job
- g. The project should commence and be completed according to plan

19.) Pursue Regionalism/ Interlocal cooperation

- a. Staff/Council Representative should set up monthly meetings with officials from surrounding municipalities.
- b. Topics of interest should be brought to Staff and Council's attention.
- c. Any opportunities to work together should be pursued as Council/City Manager dictate

20.) Train Noise Reduction/Toll Road Issues

- a. Staff should monitor the developments related to the federal rules on train whistles and any toll road developments.
- b. Staff should inform Council of such developments.
- c. Council/Staff/A Task Force will make and adopt recommendations as developments occur with continual citizen involvement.
- d. Staff will implement any agreed upon recommendations.



## FUND DESCRIPTION:

The General Fund accounts for revenue, expenditures, and transfers associated with municipal services not directly supported or accounted for in other funds.

## FUND FINANCIAL ACTIVITY:

The General Fund finances nearly all of the City's services. Issues such as the *ad valorem* tax rate, fees, objectives, levels of service, the number of employees, salaries and benefits are all determined during the preparation of the General Fund's budget. The General Fund is the source of funds for all six of the City's departments: Police, Fire, Public Works, Parks and Recreation, Finance, and Administration.

**Revenue Projections for 2003** The 2003 Budget forecasted revenues to finance the General Fund's services at \$9.32 million. Based on collections and data available on June 30, 2003, revenues are expected to meet this target.

One time sales tax revenue of \$200,000 resulted from an audit. This one-time revenue offset the loss of interest revenue brought about by lower rates.

**Expenditure Estimated for 2003** The 2003 Budget appropriated \$9.32 million. Through June 30, 2003, it appears that actual expenditures will be below the appropriated amount by about 1.07% or \$100,000.

**Financial Position in 2003** By any standard of measure, the City of West University Place's General Fund will close 2003 in sound fiscal condition. The estimated balance available for appropriation will be approximately \$3.07 million. This amount represents 30% of estimated 2003 revenues. Put another way, the General Fund's Operations could be sustained for almost four months with no additional revenues.

While there is no formal standard of measure established to determine the amount of funds a City should retain in reserve, most analysts agree that it be no less than 25% of a fund's annual revenues. The primary purpose of fund balance is to provide a buffer against unforeseen financial events.

## 2004 BUDGET

**Projected 2004 Revenues.** The City's General Fund Revenues for fiscal 2004 are forecasted to

increase 1.47% over 2003 budgeted revenues. Total revenues are expected to be \$9.59 million.

Revenues from property taxes will grow by \$537,444, a 12% increase. The (*ad valorem*) tax rate dedicated to operations is proposed to be \$0.1967. The rate of growth in assessed values slowed in 2003. Even so, values are up 5% increasing from \$2.5 billion to \$2.6 billion due to new construction and the marketability of WestU property.

Revenues generated by the City's one-cent sales tax are budgeted at \$585,000, slightly higher than the \$560,000 budgeted in 2003. Collections of sales tax improved dramatically in 2003.

Franchise taxes provide \$929,600, or 9.7% of the City's General Fund revenues. This revenue source is expected to increase as the price of electricity regains strength after de-regulation.

A major concern developed in 2003, historically low interest rates reduced estimated interest income earned on investing temporarily idle funds by more than \$130,000. This loss of revenue was carried over into the 2004 projected revenues.

Revenue sources budgeted under the Fees for Services caption include ambulance service billing, alarm monitoring billing and other service related fees.

As in previous years, the 2004 Budget anticipates a payment from the Water and Sewer Utility Enterprise Fund (\$450,000) and the Solid Waste Collection Fund (\$200,000). These payments are reimbursements from the Enterprise Funds for administrative costs. Meter reading, billing, accounting, legal, data processing and insurance are all budgeted in the General Fund in order to centralize these costs.

**Expenditures in 2004.** The 2004 Proposed Budget recommends an appropriation in the amount of \$9.59 million in the General Fund. The General Fund's 2003 Budget was \$9,355,630, so this Budget represents a 2.5% increase in the total budget.

Personnel costs, including benefits, amount to \$7.5 million or 80% of the budget. This cost is expected to increase 4.3% due, in a large part, to increases in health costs. Health care costs are projected to increase a total of 20%, the third

consecutive year that this major Health care costs are projected to increase more than 15%.

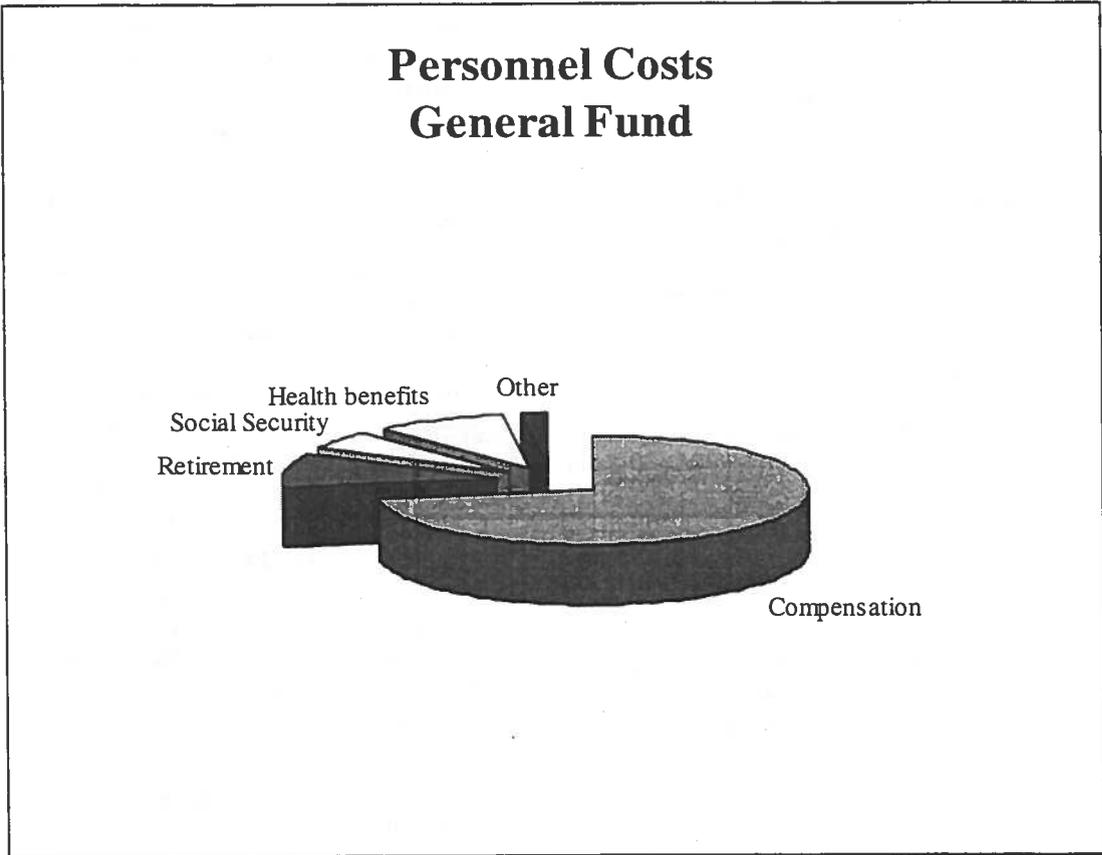
In response to these increases, the City is shifting some of the cost increase to employees. The cost of Family HMO coverage is projected to increase from \$8,856 to \$10,628, a 20% increase. The City currently absorbs \$7,972 or 90% of the cost of this benefit. Purposed changes would decrease the City percentage of the total costs to 85% and increase the employee's share from 10% to 15%. This change would translate into the employee shouldering an additional \$709.71 annually.

Salaries and wages paid directly to employees totaled to \$4.8 million. Salaries and wages are expected to increase 1.3%.

The 2004 Budget includes a \$116,900 increase in retirement benefits. This 2.5% increase, along with a 1% hike to salaries and wages is the only compensation enhancement in 2004.

The growth in personnel costs was partially offset by freezing two police officer positions, which generated a savings of \$135,000.

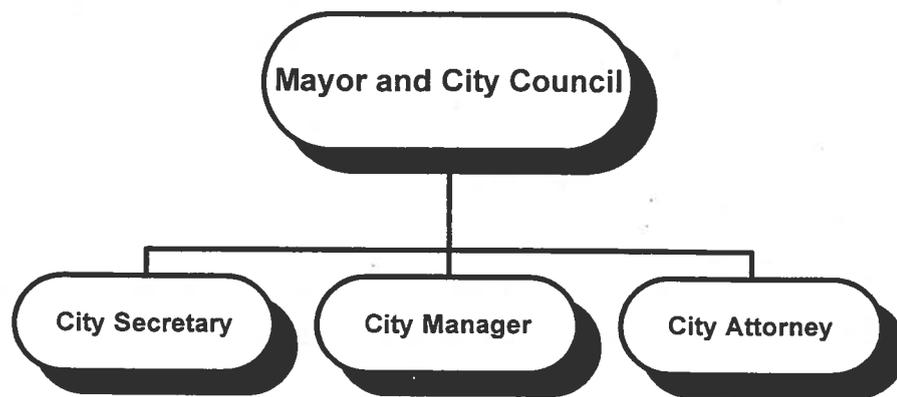
The General Fund normally transfers about \$160,000 to the Equipment Replacement Fund to provide funding to replace equipment as it obsolesces. This transfer was suspended in 2004.



<b>GENERAL FUND</b>				
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Adopted</b>
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>REVENUES:</b>				
Property taxes	\$ 4,166,847	\$ 4,519,428	\$ 4,770,270	\$ 5,058,480
Franchise taxes	896,958	939,577	892,890	929,600
Sales taxes	533,646	877,185	780,000	585,000
Licenses and Permits	472,081	386,124	451,000	467,100
Fees for service	338,277	466,467	485,000	552,000
Other charges and fees	190,629	154,244	187,500	162,950
Recreation fees	372,637	325,209	420,000	417,700
Fines and court costs	274,332	304,811	325,000	340,000
Investment earnings	336,451	113,421	180,000	150,000
Other revenues	50,672	277,447	200,400	218,400
Interfund transactions	631,000	631,000	631,000	710,000
<b>TOTAL REVENUES</b>	<b>8,263,530</b>	<b>8,994,913</b>	<b>9,323,060</b>	<b>9,591,230</b>
<b>EXPENDITURES:</b>				
Administration	575,171	626,888	554,260	632,460
Finance	2,206,318	1,642,914	1,432,520	1,467,800
Police	2,468,250	2,669,209	2,695,735	2,754,430
Fire	1,663,331	1,758,727	1,906,400	2,096,820
Public Works	1,551,836	1,521,344	1,580,598	1,713,590
Parks and Recreation	798,906	842,484	865,630	923,940
<b>TOTAL EXPENDITURES</b>	<b>9,263,812</b>	<b>9,061,566</b>	<b>9,035,143</b>	<b>9,589,040</b>
<b>NET REVENUE (EXPENDITURE)</b>	<b>(1,000,282)</b>	<b>(66,653)</b>	<b>287,917</b>	<b>2,190</b>
<b>BEGINNING BALANCE</b>	<b>3,993,530</b>	<b>2,993,248</b>	<b>2,926,595</b>	<b>3,214,512</b>
<b>ENDING BALANCE</b>	<b>2,993,248</b>	<b>2,926,595</b>	<b>3,214,512</b>	<b>3,216,702</b>
<b>RESERVED FOR ENCUMBRANCES</b>		<b>145,000</b>	<b>145,000</b>	<b>145,000</b>
<b>UNRESERVED FUND BALANCE</b>	<b>\$ 2,993,248</b>	<b>\$ 2,781,595</b>	<b>\$ 3,069,512</b>	<b>\$ 3,071,702</b>



# Administration



## Department Mission

*To effectively and efficiently implement and administer the policies as established by the City Council.*

## ACTIVITY SUMMARY

The Department of Administration is responsible to the City Council for the efficient delivery of City services. The City Manager serves as chief administrative officer and has day-to-day responsibility for the operation of all City activities. The City Secretary is responsible to the City Council for maintaining ordinances, resolutions, meeting minutes, and legally required publications. The City Attorney provides City Council with general counsel, litigation, contract review, and ordinance review.

### Budget Changes:

- \* Projects coordinator is shown in budget with a reimbursement from the Sidewalk Fund.

### Accomplishments in 2003:

- \* Conducted a municipal election.
- \* Sponsored a Charter amendment enhancing purchasing capabilities.
- \* Provided orientation for new City Council Members.
- \* Began implementation of enhancements to City Center as part of the Statewide Transportation Program.

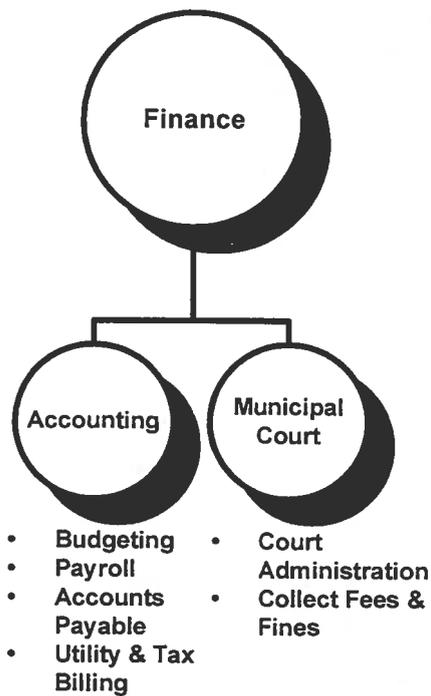
### Goals for 2004:

- \* Replace retiring Personnel/Risk Management Specialist.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Administration</i>						
Personnel	\$ 251,267	\$ 351,345	\$ 360,001	\$ 442,246	\$ 388,010	\$ 461,210
Operating charges	208,151	241,169	214,654	179,545	70,700	71,000
Capital	8,550	4,427	517	5,098	2,000	14,500
Total	467,968	596,941	575,172	626,889	460,710	546,710
<i>Council</i>						
Personnel	-	-	-	-	4,550	4,500
Operating charges	-	-	-	-	89,000	81,250
Capital	-	-	-	-	-	-
Total	-	-	-	-	93,550	85,750
<b>Total Administration</b>	<b>\$ 467,968</b>	<b>\$ 596,941</b>	<b>\$ 575,172</b>	<b>\$ 626,889</b>	<b>\$ 554,260</b>	<b>\$ 632,460</b>

POSITION	GRADE	BUDGET		SALARY RANGE	
		2003	2004	MINIMUM	MAXIMUM
<i>Administration</i>					
City Manager	NC	1	1	115,000 (current)	
City Secretary	NC	1	1	67,000 (current)	
Personnel/Risk Manager	42	1	1	47,440	63,755
Projects Coordinator	39	1	1	40,061	53,839
Assistant to City Manager	39	1	1	40,061	53,839
<b>Total administration</b>		<b>5</b>	<b>5</b>		

# Finance



## DEPARTMENT MISSION

*To provide useful financial management services to other City Departments, timely and accurate billing to citizens, fair and efficient administration of the municipal court, and useful financial reporting to the City's financial stakeholders.*

## ACTIVITY SUMMARY

The City's Finance Department is charged with the responsibility to provide the general supervision to this Department's two divisions. The Finance Department provide a wide range of financial and administrative services to citizens and other City Departments including: utility and tax billing, purchasing, budgeting, risk management, cash management, personnel, payroll, accounts payable, and financial reporting. The Finance Department directs the administration of the City's Municipal Court. Finally, expenditures and transfers that cannot be allocated to other departments in a satisfactory way are included in this budget.

### *Accomplishments in 2003:*

- \* Implemented new Court software, saving annual maintenance and simplifying court administration.

- \* Completed the Annual Audit before April 30, 2003.
- \* Assisted in the sale of \$9.9 million of Certificates of Obligation.
- \* Reorganized, adding one accounting specialist and deleting customer service representative.
- \* Published the 2003 Budget before November 30, 2002.
- \* Transferred Direct Link billing to the monthly utility bill.

### *Goals for 2004:*

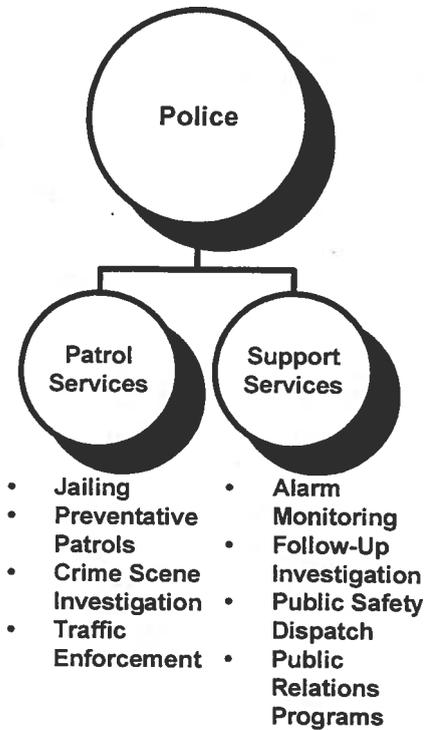
- \* Record the City's fixed assets into the H.T.E. data-base.
- \* Issue the 2003 CAFR in the GASB 34 report-model.

<b>Account Description</b>	<b>Actual 1999</b>	<b>Actual 2000</b>	<b>Actual 2001</b>	<b>Actual 2002</b>	<b>Revised 2003</b>	<b>Budget 2004</b>
<i>Finance</i>						
Personnel	\$ 419,457	\$ 358,109	\$ 389,767	\$ 434,913	\$ 439,510	\$ 463,960
Operating charges	336,346	276,013	343,705	326,572	309,900	298,900
Capital	3,444	4,934	16,291	-	5,500	4,500
<b>Total</b>	<b>759,247</b>	<b>639,056</b>	<b>749,763</b>	<b>761,485</b>	<b>754,910</b>	<b>767,360</b>
<i>Municipal Court</i>						
Personnel	158,823	158,221	156,387	149,711	163,510	167,590
Operating charges	12,628	7,529	20,794	9,087	10,400	10,400
Capital	-	1,302	3,124	-	-	-
<b>Total</b>	<b>171,451</b>	<b>167,052</b>	<b>180,305</b>	<b>158,798</b>	<b>173,910</b>	<b>177,990</b>
<i>City-Wide Charges</i>						
Operating charges	704,369	1,024,209	1,304,938	722,631	503,700	522,450
<b>Total</b>	<b>704,369</b>	<b>1,024,209</b>	<b>1,304,938</b>	<b>722,631</b>	<b>503,700</b>	<b>522,450</b>
<b>Total - Department</b>	<b>\$ 1,635,067</b>	<b>\$ 1,830,317</b>	<b>\$ 2,235,006</b>	<b>\$ 1,642,914</b>	<b>\$ 1,432,520</b>	<b>\$ 1,467,800</b>

POSITION	GRADE	BUDGET	BUDGET	SALARY RANGE	
		2003	2004	MINIMUM	MAXIMUM
<i>Finance</i>					
<i>Accounting</i>					
Finance Director	ER1	1	1	61,198	82,005
Assistant Finance Director	42	1	1	47,440	63,755
Deputy Tax/Assessor Collector	39	1	1	40,061	53,839
Accounting Specialist	37	2	3	29,598	39,778
Customer Service Representative	34	1	-		
Cashier	34	1	1	24,948	33,529
<i>Municipal Court</i>					
Municipal Court Clerk	39	1	1	40,061	53,839
Deputy Court Clerk	34	1	1	24,948	33,529
<b>Total Finance</b>		9	9		



# Police



## DEPARTMENT MISSION

*To preserve the peace and to protect life and property by enforcing State, Federal and local laws.*

## ACTIVITY SUMMARY

The Police Department is responsible for preserving the peace and basic law enforcement in the City. The Department also has assumed responsibility for the operations of the central alarm monitoring system, Direct Link.

### Budget Changes

- \* Two police office positions were frozen.

### Accomplishments in 2003:

- \* Implemented an internal investigation and inspection system to improve operations of the Department.

### Goals for 2004:

- \* Examine the progress towards National Accreditation and either complete the accreditation process or discontinue the effort until adequate staff is in place.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Police</i>						
Personnel	\$ 1,166,693	\$ 1,369,489	\$ 1,727,940	\$ 1,890,250	\$ 1,872,945	\$ 1,906,510
Operating charges	227,939	342,455	315,449	230,061	292,040	205,020
Capital	18,850	34,662	33,021	33,171	-	4,500
<b>Total</b>	<b>1,413,482</b>	<b>1,746,606</b>	<b>2,076,410</b>	<b>2,153,482</b>	<b>2,164,985</b>	<b>2,116,030</b>
<i>Communication</i>						
Personnel	244,359	280,744	325,534	457,152	462,950	573,400
Operating charges	49,554	60,180	66,306	58,574	67,800	65,000
Capital	-	-	-	-	-	-
<b>Total</b>	<b>293,913</b>	<b>340,924</b>	<b>391,840</b>	<b>515,726</b>	<b>530,750</b>	<b>638,400</b>
<b>Total - Department</b>	<b>\$ 1,707,395</b>	<b>\$ 2,087,530</b>	<b>\$ 2,468,250</b>	<b>\$ 2,669,208</b>	<b>\$ 2,695,735</b>	<b>\$ 2,754,430</b>

POSITION	GRADE	BUDGET		SALARY RANGE		
		2003	2004	MINIMUM	MAXIMUM	
<i>Police Department</i>						
<i>Police</i>						
Chief	ER2	1	1	73,437	98,406	
Captain	ER1	1	1	61,198	82,005	
Police Patrol Lieutenant	PL	2	2	57,477	77,244	
Police Patrol Sergeant	PS	5	5	49,980	67,168	
Police Officer	PO	16	16	39,984	53,735	
<i>Communications</i>						
Administrative Assistant	38	1	1	34,249	46,028	
Police Dispatcher	PD	9	9	31,040	41,715	
<b>Total Police</b>		<b>35</b>	<b>35</b>			

# Fire



- Fire Education
- Fire Prevention
- Fire Supression
- EMS

## DEPARTMENT MISSION

*To protect lives and health of the citizens of West University Place and their property from fire, man-made or natural disasters, and contagious diseases.*

## ACTIVITY SUMMARY

The Fire Department is responsible for protecting lives and property from fire and natural disasters. The City's Fire Department provides fire suppression, emergency medical services with advanced life support capability practiced by trained paramedics, fire inspections, and health services.

### Budget Changes:

- \* Three additional firefighters are added starting June 2003. Completely funded in 2004

### Accomplishments in 2003:

- \* Hired three additional fire fighters.

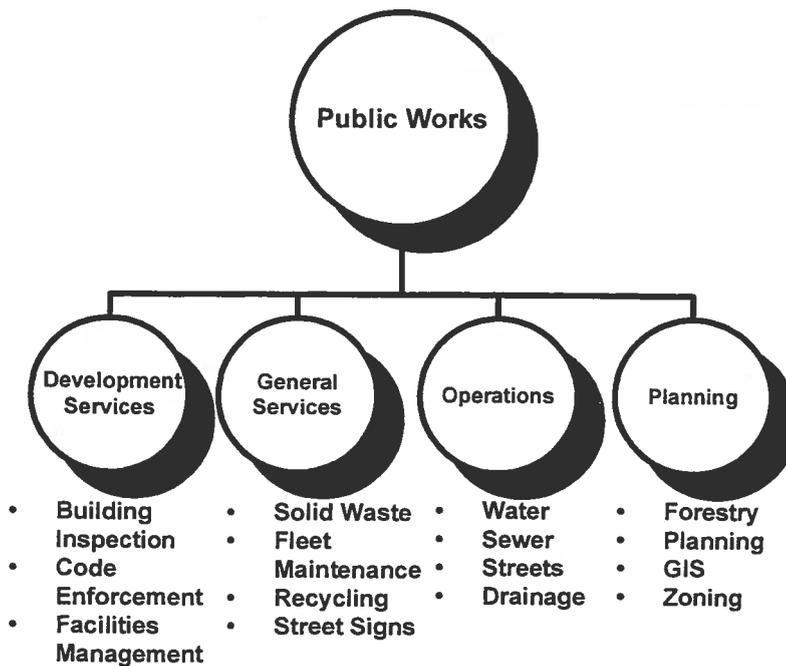
### Goals for 2004

- \* Replace Fire Chief.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Fire</i>						
Personnel	\$ 1,199,364	\$ 1,373,146	\$ 1,494,212	\$ 1,610,418	\$ 1,736,300	\$ 1,977,670
Operating charges	128,622	171,364	154,995	144,750	141,730	114,650
Capital	10,607	39,526	14,124	3,563	28,370	4,500
Total	1,338,593	1,584,036	1,663,331	1,758,731	1,906,400	2,096,820
Total - Department	\$ 1,338,593	\$ 1,584,036	\$ 1,663,331	\$ 1,758,731	\$ 1,906,400	\$ 2,096,820

POSITION	GRADE	BUDGET		SALARY RANGE		
		2003	2004	MINIMUM	MAXIMUM	
<i>Fire Department</i>						
Chief	ER2	1	1	73,437	98,406	
Fire Marshal	FM	1	1	56,515	75,951	
Fire Captain	FC	3	3	56,515	75,951	
Fire Lieutenant	FL	3	3	47,096	63,293	
Firefighter	FF	12	15	36,938	49,641	
Communications Officer/IT Manag	CO	-	1	50,998	68,342	
<i>Total-Fire Department</i>		20	24			

# PUBLIC WORKS



## DEPARTMENT MISSION

*The Department's mission is to provide the following services: (1) maintain the City's streets at a level consistent with a modern urban area; (2) maintain the City's drainage system to insure that storm water is removed at the peak levels for which the system was designed; (3) insure the City's fleet of motor vehicles are maintained at highest standards of safety and efficiency; (4) insure that the City's buildings are maintained to be an attractive and comfortable environment to conduct the City's business; and (5) enforce the City's building, plumbing, and electrical codes to insure the construction and maintenance of safe residential and commercial structures.*

## ACTIVITY SUMMARY

The Public Works Department is responsible for the City's civil engineering, utility, and internal maintenance services. This diverse department encompasses street and drainage maintenance, enforcing building codes, solid waste collection, and maintaining the City's buildings and vehicles.

### *Budget Changes:*

- Department operations were reorganized into five divisions: Administration, Development Services, Planning, General Services, and Operations.

### *Accomplishments in 2003:*

- \* Enhanced the work order/complaint tracking system to report data needed for performance measures.
- \* Developed a GIS timetable and began implementation; trained key staff on GIS/ARCINFO software.

- \* Developed a streamlined plat process.
- \* Completed city-wide sign inventory and implemented a total sign replacement program.
- \* Completed preliminary engineering study for Priority Area 2 drainage.
- \* Initiated data collection and condition database for all storm sewers.

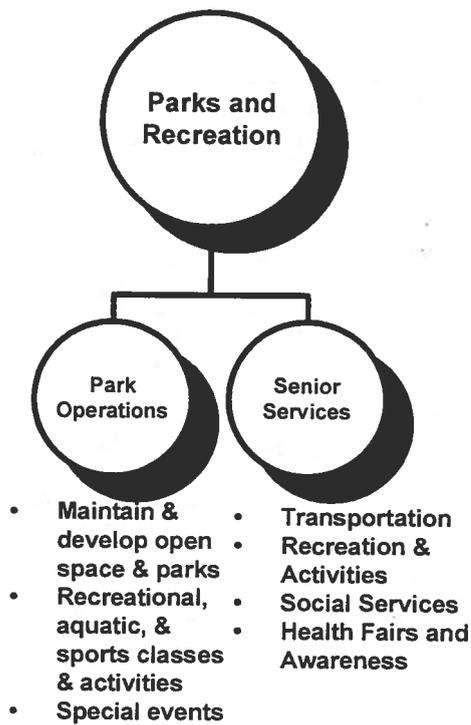
### *Goals for 2004:*

- \* Continue implementation of the GIS program, collecting of additional data layers, creating city-wide desktop availability and promotion usage.
- \* Develop a Tree Master Plan.
- \* Promote, organize and coordinate the Arbor Day and Public Works Week Celebration.
- \* Complete data collection for the City Storm Sewer database in order to create a baseline for storm sewer preventative maintenance.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Administration</i>						
Personnel	234,519	235,438	208,869	170,077	223,720	236,030
Operating charges	121,772	72,962	47,850	48,732	47,198	61,260
Capital	2,794	1,403	1,781	3,000	3,000	-
Total	<u>359,085</u>	<u>309,802</u>	<u>258,500</u>	<u>221,809</u>	<u>273,918</u>	<u>297,290</u>
<i>Development Services-Development Services</i>						
Personnel	269,616	342,210	436,829	490,206	480,320	371,330
Operating charges	103,920	70,944	38,002	78,984	69,950	39,050
Capital	1,050	3,277	1,998	2,955	3,200	-
Total	<u>374,586</u>	<u>416,431</u>	<u>476,829</u>	<u>572,145</u>	<u>553,470</u>	<u>410,380</u>
<i>Development Services - Facility Management</i>						
Personnel	63,991	65,888	77,097	77,892	39,940	65,420
Operating charges	139,709	129,895	168,040	162,056	163,900	160,400
Capital	10,074	11,512	5,665	-	-	-
Total	<u>213,774</u>	<u>207,295</u>	<u>250,802</u>	<u>239,948</u>	<u>203,840</u>	<u>225,820</u>
<i>General Services - General Fund</i>						
Personnel	-	-	-	-	251,480	337,870
Operating charges	-	-	-	-	70,880	73,450
Capital	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,360</u>	<u>411,320</u>
<i>Operations - General Fund</i>						
Personnel	378,095	453,917	398,374	378,300	175,610	174,290
Operating charges	156,127	157,678	289,082	108,288	51,400	29,000
Capital	-	2,911	5,253	851	-	-
Total	<u>534,222</u>	<u>614,507</u>	<u>692,709</u>	<u>487,439</u>	<u>227,010</u>	<u>203,290</u>
<i>Planning</i>						
Personnel	-	-	-	-	-	141,190
Operating charges	-	-	-	-	-	23,100
Capital	-	-	-	-	-	1,200
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,490</u>
Total - Public Works	<u>1,481,667</u>	<u>1,548,034</u>	<u>1,678,840</u>	<u>1,521,341</u>	<u>1,580,598</u>	<u>1,713,590</u>

POSITION	GRADE	BUDGET		SALARY RANGE	
		2003	2004	MINIMUM	MAXIMUM
<i>Public Works</i>					
<i>Public Works Administration</i>					
Asst. City Manager\Public Works I	ER3	1	1	80,781	108,246
Office Manager	39	1	1	40,061	53,839
Public Works Secretary	34	1	1	24,948	33,529
<i>Development Services</i>					
Chief Building Official	43	1	1	50,998	68,342
Plans Examiner	39	1	1	40,061	53,839
Senior Inspector	39	1	1		
Building Inspector	38	1	1	34,249	46,028
Code Enforcement/ACO	38	1	1	34,249	46,028
Development Srvc Secretary	36	2	2	28,016	37,543
<i>Facility Management</i>					
Building Technician II	39	1	1	40,061	53,839
<i>Planning</i>					
City Planner/Forester	43	1	1	50,998	68,342
Planning & Development Assistant	38	1	1	34,249	46,028
<i>General Services</i>					
General Service Supervisor	43	1	1	50,998	68,342
Crew Leader	37	1	1	29,598	39,778
Equipment Operator-Street	35	1	1	27,273	36,652
Traffic Technician	37	1	1	29,598	39,778
Mechanic	36	1	1	28,436	38,216
Laborer	32	-	1	21,461	28,842
<i>Operations</i>					
Equipment Operator	35	2	2	27,273	36,652
Maintenance Worker - Street	32	3	2	21,461	28,842
<b>Total-Public Works</b>		23	23		

# Parks and Recreation



## DEPARTMENT MISSION

*To provide the City residents of every age recreation, health, fitness, and athletic programs.*

## ACTIVITY SUMMARY

The Parks and Recreation Department oversees recreation programs, senior services, special events, grounds and right-of-way maintenance, as well as the development and maintenance of parks.

### *Accomplishments in 2003:*

- \* Made improvements to the Community Building.

- \* Acquired the WestU Recreation Center

### *Goals for 2004:*

- \* Develop WestU Recreation Center plan.
- \* Implement change to Senior Service Transportation Program.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Parks &amp; Recreation</i>						
Personnel	\$ 342,894	\$ 367,983	\$ 391,767	\$ 459,840	\$ 435,480	\$ 458,890
Operating charges	316,504	288,288	243,845	225,141	252,760	283,100
Capital	7,196	10,490	7,888	500	-	4,500
Total	666,594	666,761	643,500	685,481	688,240	746,490
<i>Senior Services</i>						
Personnel	116,820	119,018	123,467	126,348	144,790	154,850
Operating charges	19,736	26,857	25,791	27,093	28,100	22,600
Capital	3,387	-	6,148	3,560	4,500	-
Total	139,943	145,875	155,406	157,001	177,390	177,450
Total - Department	\$ 806,537	\$ 812,636	\$ 798,906	\$ 842,482	\$ 865,630	\$ 923,940

POSITION	GRADE	BUDGET		SALARY RANGE	
		2003	2004	MINIMUM	MAXIMUM
<i>Parks and Recreation</i>					
<i>Parks and Recreation</i>					
Parks and Recreation Director	ER1	1	1	61,198	82,005
Recreation Manager	40	1	1	41,805	56,183
Administrative Assistant	38	1	1	34,249	46,028
Friends of West U Parks Director	NC	1	1	30,000 (current)	
<i>Senior Services</i>					
Senior Services Manager	40	1	1	41,805	56,183
Senior Activity Coordinator	34	1	1	24,948	33,529
Custodian	32	1	1	21,461	28,842
<i>Total-Parks and Recreation</i>		7	7		

## FUND DESCRIPTION

The Debt Service Fund is established by ordinances authorizing the issuance of general obligation bonds. These same ordinances call for an ad valorem (property) tax to be levied in sufficient amount to produce the funds needed to satisfy the City's annual debt service requirements for its general obligation Bonds.

## FUND ACTIVITY

The City of West University Place uses debt financing to fund large capital investments. Streets, drainage, water and waste water systems are all constructed with borrowed funds. The Debt Service Fund does not finance all of the City's bonded debt service. The Water and Sewer Fund also provides funds to repay debt.

In 2004 the Debt Service Fund will finance \$6,429,050 of debt service, a 12 % increase over the amount funded in 2003.

To fund this increase, an ad valorem tax rate of \$0.25 per \$100 will be required in 2004, an increase of 1 cent per \$100.

The City Charter limits the City's bonded debt to 5% of the assessed value. Since the projected assessed value for the City in 2003 is \$2.65 billion, the current debt limit under this provision is \$128,000,000. As of January 1, 2004 the City will owe a total of \$93,300,000 to bondholders of all outstanding tax supported bonds. Of this total amount, the amount to be financed by the Debt Service Fund using property taxes will be \$77,855,000.

The City issued \$9.9 million of Certificates of Obligation in 2003 to provide funding for the

infrastructure replacement projects. This issue is projected to be the final debt sale needed to complete the final priority areas. The need to improve drainage in Priority Area 2 became clear after extensive flooding during tropical storm Allison. These improvements could add up to \$4 million to the total cost of infrastructure improvements and may require a future bond issue.

Steady growth in assessed values, the political stability of the community, and the underlying strength in the Houston Area economy has kept the City's credit ratings high in spite of a significant debt load.

## FUTURE ACTIVITY

The assumptions used to project debt service costs into the future are:

- The City will issue \$4 million in Certificates of Obligation in the latter part of 2009.
- Assessed values will grow by 3% in 2004, 1.5% in 2005, 1% in 2006 and 2007
- New construction will add \$50 million to the appraisal roll in 2004 and decline to \$25 million annually thereafter.

Given these assumptions, the City's Debt Service requirements are expected to remain stable through 2005, then increase to \$6.7 million and stabilize there until 2010. The tax rate necessary to fund the City's debt service is projected to remain stable as the rate of increase in debt service declines. Growth in assessed values should offset debt service requirements of future bond issues.

	(Payable from Ad Valorem Taxes)			
	Outstanding	2004	Outstanding	2004
	December 31, 2003	Retirements	December 31, 2004	Interest
1996 Permanent Imp. Bonds	\$ 2,780,000	\$ 230,000	\$ 2,550,000	\$ 151,900
1998 Permanent Imp. and Ref. Bonds	13,285,000	670,000	12,615,000	631,379
2000 Permanent Imp. Bonds	20,550,000	215,000	20,335,000	1,126,069
2002 Permanent Imp. Bonds	28,100,000	1,480,000	26,620,000	1,256,410
2002 YMCA Certificates	3,240,000	90,000	3,150,000	140,580
2003 Certificates Of Obligation	9,900,000	-	9,900,000	427,712
	\$ 77,855,000	\$ 2,685,000	\$ 75,170,000	\$ 3,734,050

**DEBT SERVICE FUND  
STATEMENT OF REVENUES AND EXPENDITURES**

	Actual 2001	Actual 2002	Revised 2002	Adopted 2004
<b>REVENUES:</b>				
Ad valorem taxes	\$ 4,366,026	\$ 5,198,477	\$ 5,970,000	\$ 6,366,000
Interest on investments	120,834	48,007	50,000	10,000
Other	-	3,900	-	-
<b>TOTAL REVENUES</b>	<b>4,486,860</b>	<b>5,250,384</b>	<b>6,020,000</b>	<b>6,376,000</b>
<b>EXPENDITURES:</b>				
Debt service -principal	1,880,000	2,185,000	2,295,000	2,685,000
Debt service - interest and fiscal fees	2,812,336	3,130,630	3,652,091	3,744,050
<b>TOTAL EXPENDITURES</b>	<b>4,692,336</b>	<b>5,315,630</b>	<b>5,947,091</b>	<b>6,429,050</b>
<b>NET REVENUES</b>	<b>(205,476)</b>	<b>(65,246)</b>	<b>72,909</b>	<b>(53,050)</b>
<b>BEGINNING BALANCE</b>	<b>838,547</b>	<b>633,071</b>	<b>567,825</b>	<b>640,734</b>
<b>ENDING BALANCE</b>	<b>\$ 633,071</b>	<b>\$ 567,825</b>	<b>\$ 640,734</b>	<b>\$ 587,684</b>

## WATER UTILITY FUND

The Water and Sewer Fund is an Enterprise Fund. Enterprise funds are operated and accounted for like business enterprises in the private sector. Specifically, enterprise funds are meant to be self-supporting. The Water and Sewer Fund (Water Fund) accounts for the revenue, expenditures and transfers associated with the operation of the water and sanitary sewer system. User fees finance the system and its services.

To more clearly account for the major capital expenditures necessary to maintain the system, the Budget for the Water Fund has been divided into operating and capital sections. The operating section accounts for system operations, including personnel, supplies, services, and operating capital equipment. The capital section deals with unusual or very large capital projects. These projects generally are to renovate the water delivery or wastewater collection system to keep them in compliance with regulations and laws, safe, and in service.

The Water Fund's Budget is prepared using the modified accrual basis of accounting. Revenues are recognized when they are earned, because they are considered measurable and available to finance current operations. Expenditures are recognized when they are incurred. Debt service is recognized when paid.

In terms of revenue, the Water Fund produces less than a third of the revenues generated in City's General Fund. In spite of the smaller revenue base, the Water Fund's impact in the community may well exceed the General Fund's. Often the initial operation of a City is its Water Utility and, in many cases, the reason for incorporating a City is the need for drinking water and the sanitary disposal of wastewater.

Water and Sewer systems are capital intensive and expensive to construct. Operating costs are insignificant when compared to expenditures made to acquire and repair capital assets. The City has approximately \$50 million invested in capital assets associated with the water and sewer utility. Put another way, the City could operate the water and sewer utility for ten years on the cash it has invested in the system's capital assets.

In order for the Water Fund to be self-supporting, the water and sewer service fees must reflect both the cost of operations and the cost of capital, or else the system will deteriorate. Typically, the cost of capital is reflected in the water and sewer

rates by charging a rate sufficient to cover the operating costs *and the debt service costs associated with major capital maintenance*. Prior to 1995 the City did not follow this practice.

### FUND FINANCIAL ACTIVITY:

**2003 Financial Activity.** By the end of the current fiscal year, an unusually wet year and a delayed rate increase will bring the water fund reserves to their lowest level in recent history. Revenues are expected to be \$3.8 million, well below the targeted \$4.4 million.

Operating expenditures are expected to be very close to the \$2.5 million provided in the 2003 Budget. Debt service and administrative costs are expected to be \$1.7 million.

Altogether, Water Fund expenditures should amount to \$4.3 million.

**The 2004 Budget.** The 2004 Proposed Budget is based on total revenues of \$4.6 million. A rate increase is required to reach this revenue projection. This rate increase will be implemented once a rate study is completed in 2003.

All water and sewer supported bonds have been issued and the debt service for these bonds reached \$1.3 million in 2003 and will remain constant into the future. Budgeted expenditures are \$4,257,800, or 7% less than 2003. System operations are expected to cost \$2,977,460, including the \$450,000 budgeted to reimburse the General Fund for costs it incurs on behalf of the Water Fund, and \$1,280,340 to pay the principal and interest on outstanding revenue bonds.

**For the Future.** The Water and Sewer Fund is the most difficult of all of the City's funds to predict. Water usage can vary dramatically with the weather. On average costs associated with operating the water and sewer utility are expected to increase about 2% a year for the next five years. Much of the system's delivery and collection infrastructure is new and costs should reflect savings associated with lower maintenance. Even so, other component parts of the system are aging; lift stations, elevated towers and water wells are all expected to need major overhauls in the foreseeable future. The cost of surface water purchased from the City of Houston has not increased since the mid-1990s when the contract was initiated. The City of Houston's current financial woes may be the catalyst for an increased

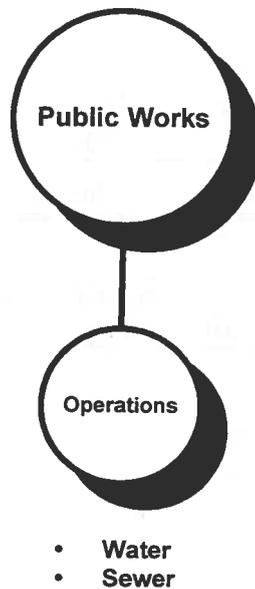
charge for surface water, which would put pressure on WestU's water and sewer rates.

A rate increase in 2003 is required and future rate

increases are likely in order to provide funds for capital projects that were not considered part of the infrastructure replacement program.

<b>WATER AND SEWER UTILITY FUND</b>					
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>					
	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<b>OPERATING REVENUES</b>					
Service Charges	\$ 3,084,122	\$ 3,115,030	\$ 3,115,030	\$ 3,500,000	\$ 4,500,000
Interest Income	343,699	159,309	159,309	150,000	100,000
Other revenues	-	-	119,172	10,000	10,000
<b>TOTAL OPERATING REVENUES</b>	<b>3,427,821</b>	<b>3,274,339</b>	<b>3,393,511</b>	<b>3,660,000</b>	<b>4,610,000</b>
<b>EXPENDITURES</b>					
Operations	2,744,685	2,416,602	2,416,602	2,544,480	2,527,460
Administration	441,000	441,000	441,000	441,000	450,000
Transfers to Other Funds	200,000	-	200,000	-	-
Debt Service	839,452	1,038,500	1,124,629	1,337,050	1,280,340
<b>TOTAL EXPENDITURES</b>	<b>4,225,137</b>	<b>3,896,102</b>	<b>4,182,231</b>	<b>4,322,530</b>	<b>4,257,800</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(797,316)</b>	<b>(621,763)</b>	<b>(788,720)</b>	<b>(662,530)</b>	<b>352,200</b>
<b>BEGINNING BALANCE</b>	<b>3,044,569</b>	<b>2,247,253</b>	<b>1,625,490</b>	<b>836,770</b>	<b>174,240</b>
<b>ENDING BALANCE</b>	<b>\$ 2,247,253</b>	<b>\$ 1,625,490</b>	<b>\$ 836,770</b>	<b>\$ 174,240</b>	<b>\$ 526,440</b>

# OPERATIONS WATER



## DEPARTMENT MISSION

*To meet the Citizen's demand for potable water and dispose of waste water in compliance with regulations and consideration of the environment.*

## ACTIVITY SUMMARY

The City's Water Utility Operations are the responsibility of the Public Works Director.

### Accomplishments in 2003:

- \* Made substantial progress on the Meter Changeout/Audit program.
- \* Continued relocation of water and sewer

mains in Priority Area 6B.

### Goals for 2004:

- \* Complete the Meter Changeout/Audit Program.
- \* Seal all old water and sewer mains in all areas to Priority Area 7B.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>Operations - Water</i>						
Personnel	\$573,429	\$623,886	\$682,935	\$799,545	\$807,751	\$852,150
Operating charges	1,780,569	1,875,058	1,583,151	1,640,254	1,736,726	1,675,310
Capital	7,187	18,740	20,780	17,841	-	-
<b>Total</b>	<b>\$2,361,185</b>	<b>\$2,517,683</b>	<b>\$2,286,866</b>	<b>\$2,457,640</b>	<b>\$2,544,477</b>	<b>\$2,527,460</b>

POSITION	GRADE	BUDGET		SALARY RANGE	
		2003	2004	MINIMUM	MAXIMUM
Water Fund					
Operations Superintendent	43	1	1	50,998	68,342
Utilities Coordinator	38	1	1	34,249	46,028
Field Service Supervisor	39	1	1	40,061	53,839
Plant Supervisor	39	1	1	40,061	53,839
Maintenance Worker-Field Service	33	2	2	22,623	30,403
Equipment Operator	35	1	1	27,273	36,652
Laborer-Field Services	32	1	1	21,461	28,842
Lead Plant Operator	37	-	1	29,598	39,778
Crew Leader	37	3	3	29,598	39,778
Plant Operator	35	4	3	27,273	36,652
<b>Total Water Fund</b>		<b>15</b>	<b>15</b>		

## WATER UTILITY CAPITAL PROJECT FUND

The Water and Sewer Utility Capital Project Reserve Fund accounts for the financing of the major capital projects necessary to maintain the City's Water and Sewer Utility. The Reserve is to ensure that a sufficient fund balance is maintained to adequately finance major maintenance and repair projects.

Projects that cost \$25,000 or less are routinely budgeted in the Water and Sewer Operating Fund. This Fund plans for larger projects, which are unusual in both the size and scope of the work.

## FUND ACTIVITY

The 2003 Budget provided \$260,000 to fund capital repairs and maintenance. During 2003, the City will spend an estimated \$213,860 replacing worn water meters and repairing a lift station.

*New and continued projects* The Meter Replacement Program is a multi-year project that will continue in 2004. A Major repair to a lift station is also included in the 2004 budget.

*For the future:* The Water and Sewer system is developing a backlog of projects that will need funding in the future. Water well reconstruction, repair and repainting elevated storage tanks and repair and reconstruction of equipment used in treating waste water will require a steady flow of funds into the future.

WATER AND SEWER FUND - CAPITAL PROJECTS RESERVE STATEMENT OF REVENUES AND EXPENDITURES					
	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Budget 2004
BEGINNING BALANCE	\$ 196,270	\$ 308,512	\$ 196,443	\$ 325,883	\$ 117,023
REVENUES					
Transfers from:					
Water and Sewer Operating Fund	270,833	-	200,000	-	25,000
Interest	15,849	15,399	6,497	5,000	5,000
<b>TOTAL REVENUES</b>	<b>286,682</b>	<b>15,399</b>	<b>206,497</b>	<b>5,000</b>	<b>30,000</b>
<b>TOTAL AVAILABLE</b>	<b>482,952</b>	<b>323,911</b>	<b>402,940</b>	<b>330,883</b>	<b>147,023</b>
EXPENDITURES					
Meter Replacement Program	-	-	-	129,000	75,000
Lift Station Repair	-	-	-	-	50,000
Paint Wake Forest Tank	-	-	-	-	-
Contingency	-	-	-	84,860	20,000
Completed Projects	174,440	127,468	77,057	-	-
<b>TOTAL EXPENDITURES</b>	<b>174,440</b>	<b>127,468</b>	<b>77,057</b>	<b>213,860</b>	<b>145,000</b>
<b>ENDING BALANCE</b>	<b>\$ 308,512</b>	<b>\$ 196,443</b>	<b>\$ 325,883</b>	<b>\$ 117,023</b>	<b>\$ 2,023</b>



## SOLID WASTE FUND

The City collects and disposes of solid waste for its citizens. The financial activity associated with this service is accounted for in an enterprise fund to insure that the solid waste service is truly fee supported.

### FUND FINANCIAL ACTIVITY

**Financial Activity in 2003.** For the year ended December 31, 2003, the Solid Waste Fund is expected to bill an estimated \$938,000 for solid waste services. A fee increase included in the 2003 Budget was implemented in December of 2002. In addition to fees for solid waste collection the Fund is expected to realize another \$100,000 from the sale of recyclable materials.

The *direct* cost of providing solid waste services in 2003 is expected to amount to \$787,920, about 9% more than 2002. Direct costs include personnel, capital equipment, supplies, and services that can be directly related to the solid waste collection and disposal service. Of these costs the largest single cost is the fee for disposal of solid waste. This cost had been declining steadily due to better control over how the fee was determined and recycling. In 1998 the City spent \$218 thousand for landfill service, in 2003 we are on track to spend \$185 thousand, a

dramatic savings. Disposal fees increased in 2003 for the first time since 1998 due to both increased volume and higher charges resulting using a transfer station to receive the waste. We expect that landfill charges will remain stable in 2004.

There are other costs that are more difficult to quantify. Administrative, risk management, and equipment depreciation are examples of indirect costs associated with the delivery of solid waste services. Primarily, the General Fund pays these costs. \$190,000 was provided toward reimbursing the General Fund for these indirect costs, bringing the total cost of service to \$977,420.

**The 2004 Budget.** The Solid Waste Fund's revenues in 2004 should be very similar to 2003. No fee increases are anticipated. Total revenues are expected to be \$1.05 million.

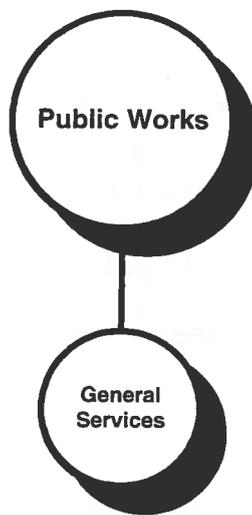
Expenditures are expected to total \$1,020,960 including the \$200,000 payment to the General Fund.

**For the Future.** The cost of collecting and disposing of solid waste is expected to remain stable for the next several years.

<b>SOLID WASTE FUND</b>					
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>					
	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Adopted 2004
<b>OPERATING REVENUES</b>					
Solid Waste Collection	831,259	855,130	864,748	938,000	940,000
Sales of Recyclables	-	-	-	100,000	100,000
Interest	4,788	5,998	1,796	10,000	10,000
Transfers from other funds	-	-	50,000	87,670	-
<b>TOTAL OPERATING REVENUES</b>	<b>836,047</b>	<b>861,128</b>	<b>916,544</b>	<b>1,135,670</b>	<b>1,050,000</b>
<b>EXPENDITURES</b>					
Operations	725,972	747,367	722,263	787,920	820,960
Administration	190,000	190,000	190,000	190,000	200,000
<b>TOTAL EXPENDITURES</b>	<b>915,972</b>	<b>937,367</b>	<b>912,263</b>	<b>977,920</b>	<b>1,020,960</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(79,925)</b>	<b>(76,239)</b>	<b>4,281</b>	<b>157,750</b>	<b>29,040</b>
<b>BEGINNING BALANCE</b>	<b>97,806</b>	<b>17,881</b>	<b>(58,358)</b>	<b>(54,077)</b>	<b>103,673</b>
<b>ENDING BALANCE</b>	<b>\$ 17,881</b>	<b>\$ (58,358)</b>	<b>\$ (54,077)</b>	<b>\$ 103,673</b>	<b>\$ 132,713</b>



# GENERAL SERVICES SOLID WASTE



- Solid Waste

## DEPARTMENT MISSION

*To provide a solid waste collection and disposal service that is effective, efficient and environmentally responsible.*

## ACTIVITY SUMMARY

The Solid Waste Department reports to the City's Public Works Director. The Department collects solid waste from the City's residents and disposes of it; operates the City's recycling center; and collects limbs and other yard waste.

### Major Budget Items:

- Landfill tipping fees (\$184,000).
- Motor Vehicle Maintenance (\$25,000).
- Payments to the General Fund for

administration and insurance (\$200,000).

### Accomplishments in 2003:

- Expanded recycling to include ink/laser jet cartridges, cell phones, and rechargeable batteries.

### Goals for 2004:

- Improve the efficiency of curbside recycling and reduce overtime by rescheduling recycle collection days for some residents.

Account Description	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Budget 2004
<i>General Services - Solid Waste</i>						
Personnel	343,173	370,421	386,076	391,275	406,180	450,960
Operating charges	345,140	355,551	356,795	330,987	378,240	370,000
Capital	-	-	4,500	-	3,000	-
Administrative charge	190,000	190,000	190,000	190,000	190,000	200,000
<b>Total</b>	<b>878,313</b>	<b>915,972</b>	<b>937,371</b>	<b>912,262</b>	<b>977,420</b>	<b>1,020,960</b>

<b>Solid Waste Fund</b>						
Crew Leader		37	-	1	29,598	39,778
Driver-Solid Waste		33	9	8	22,623	30,403
Equipment Operator-Recycling		35	1	1	27,273	36,652
<b>Total Solid Waste Fund</b>			<b>10</b>	<b>10</b>		

## CAPITAL PROJECT FUND

The Capital Project Fund finances the purchase or construction of expensive, highly specialized vehicles; equipment and vehicles having very long service lives; property; and buildings. Capital projects are characterized by their cost (normally exceeding \$25,000), the long operational life of the completed asset, and the impact they would have on a department's operating budget. Capital Projects are financed by debt proceeds, reserves, contributions, and interest earned on investments.

### FUND ACTIVITY

The City's Capital Project Fund's 2003 Budget provided \$2,732,500 to fund projects. The sources of these funds were transfers from the General Fund; lease purchase contracts; grants; interest; and contributions.

The Fund began 2003 with a \$446,450 on hand. During 2003 the Fund is expected to receive \$25,000 from other funds and \$400,000 from the State of Texas under a STEP grant.

Expenditures are expected to be \$737,000 in 2003 leaving a Fund Balance of \$590,900.

*2004 Appropriations.* Appropriations for 2003

include funding for a project underway when the current fiscal year ends on December 31, 2003 and three new projects.

Projects underway on January 1, 2003 include:

*Edloe/downtown.* The Infrastructure in City Center area just east of West U Elementary is being completely renovated. Funds for this project are provided by the City and by an 80/20 matching grant from the State of Texas.

Two completely new projects have been included in the 2004 Budget:

\$35,000 has been provided for agenda management and imaging software.

\$25,000 is included to provide multi-media presentation capability to the City Council Chambers and the Bill Watson Conference Room.

*For the Future.* Many of the City's immediate needs for capital have been met. Drainage improvements, especially in Priority Area 2 are expected to require financing by 2005. A new fire truck will be needed also by 2005. Preliminary plans for a new Police Station and a Recreation Center to be located on the grounds of the YMCA property will be firmed up by 2006.

	Project Schedule			
	Estimated Total Project Cost	Expenditures Through 2002	Estimated Expenditures 2003	Adopted Budget 2004
<i>Active Projects</i>				
Downtown/Edloe Street	\$ 1,077,600	\$ 68,423	\$ 55,000	\$ 954,180
Edloe/Linear Park	8,500	-	8,500	-
ADA Compliance	25,000	-	25,000	-
Gateway Signs	100,000	-	100,000	-
<i>New Projects</i>				
Agenda Management/imaging project	35,000	-	-	35,000
Multi-media presentation for Council	25,000	-	-	25,000
YMCA/West U Community Center	290,000	-	125,000	-
Contingency	25,000	-	-	25,000
<b>Total Project Costs</b>	<b>\$ 1,586,100</b>	<b>\$ 68,423</b>	<b>\$ 313,500</b>	<b>\$ 1,039,180</b>

	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Budget 2004
Beginning Balance	\$ (657,397)	\$ (226,884)	\$ 336,365	\$ 446,449	\$ 197,949
<i>Sources</i>					
Transfers:					
General Fund	900,000	800,000	250,000	-	-
Recycling Fund	52,083	25,000	25,000	25,000	-
Grants					
METRO	-	-	-	-	-
Texas Department of Transportation	-	-	16,498	35,000	835,000
Interest	16,426	17,086	5,247	5,000	35,000
Friends of West University Place Parks			529,111	-	-
Certificates of Obligation		3,325,000	-	-	-
Total Sources and Balances	311,112	3,940,202	1,162,221	511,449	1,067,949
Capital Projects	537,996	3,603,837	715,772	313,500	1,039,180
Ending Balance	<u>\$ (226,884)</u>	<u>\$ 336,365</u>	<u>\$ 446,449</u>	<u>\$ 197,949</u>	<u>\$ 28,769</u>

## INFRASTRUCTURE REPLACEMENT FUND

The Infrastructure Replacement Fund is used to account for the financing of the major capital projects associated with replacing the City's streets, drainage, water and waste water systems. This ambitious program was initiated in the early 1990s.

Easily qualifying as the largest public works program in the history of the City, the infrastructure replacement program is being financed with debt, water and sewer revenues and grants. The program's broad public support was demonstrated in 1995, when the City's voters overwhelmingly approved a \$63,000,000 Bond Program.

The approach to this program is unique. Rather than defining the projects as an individual street project or drainage project, the City was divided into 12 priority areas. All infrastructure replacement within a priority area is undertaken as a single project. This approach allows the contractor economies of scale, which translates into a lower total cost. Additionally, the disruption of City services is minimized.

In 2000 rising assessed values and a strong economic outlook persuaded city leaders to accelerate the pace of the program. The original

plan called for completion of the last priority area in 2011, the accelerated schedule anticipates for the completion of the seven remaining priority areas by 2006.

### PROGRAM FUNDING AND PROGRESS

The Infrastructure Replacement Program is in its final phase. In 2003 work on Priority Area 10 and 11B will get underway. Certificates of Obligation were issued in 2003 to provide the funding needed to complete all construction by 2005.

These bonds will raise property taxes and the cost of water service to West U residents. However these increases are well within the parameters established when the infrastructure program began. Debt service costs associated with this program are projected to reach \$7 million in 2004 and remain relatively constant well into the future.

### FUND ACTIVITY

During 2004, work continued in priority areas 6B and 7A, 7B, 8, 9, 11A and 12. The 2004 budget appropriates funds to nine different areas ranging from area 5 to area 12.

PROJECT SCHEDULE				
	Total Project Cost	Project Costs Through 2002	Estimated 2003	Budget 2004
Area 7A	\$ 7,974,710	\$ 6,918,150	\$ 1,035,360	\$ 21,200
Area 6A - Elementary Phase	1,020,550	-	820,000	200,550
Area 8	10,944,420	7,895,600	2,000,000	1,048,820
Area 9	12,732,180	7,618,040	4,000,000	1,114,140
Area 10	8,756,520	-	2,000,000	6,756,520
Area 11a	6,168,570	4,706,250	750,000	712,320
Area 11b	7,300,120	-	545,200	6,754,920
Issuance costs	150,000	-	150,000	-
Slip Lining Perimeter Sewer Lines	519,220	-	25,000	494,220
Contingency	100,000	-	-	100,000
	<u>55,666,290</u>	<u>27,138,040</u>	<u>11,325,560</u>	<u>17,202,690</u>

<b>INFRASTRUCTURE REPLACEMENT FUND</b>					
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>					
	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Budget 2004
BEGINNING BALANCE	\$ 13,450,438	\$ 24,335,199	\$ 18,945,925	\$ 16,689,468	\$ 16,011,238
REVENUES					
Grants	547,825	259,000	259,000	259,000	259,000
Interest earned on investments	841,753	952,675	469,478	470,000	350,000
Bond Proceeds	16,107,933	6,390,000	12,596,240	9,918,330	-
TOTAL REVENUES	17,497,511	7,601,675	13,324,718	10,647,330	609,000
TOTAL AVAILABLE					
	30,947,949	31,936,874	32,270,643	27,336,798	16,620,238
EXPENDITURES					
Capital Projects	6,612,750	12,990,949	15,581,175	11,325,560	17,202,690
TOTAL EXPENDITURES	6,612,750	12,990,949	15,581,175	11,325,560	17,202,690
ENDING BALANCE	\$ 24,335,199	\$ 18,945,925	\$ 16,689,468	\$ 16,011,238	\$ (582,452)

**SIDEWALK CONSTRUCTION  
FUND**

The Sidewalk Construction Fund is used to account for the cost and financing of the replacing the City's sidewalks.

**FUND ACTIVITY**

During 2003 the Fund is expected to spend \$240,000 leaving a fund balance of \$4,744,616. Expenditures in 2004 are expected to amount to \$4,854,620.

<b>SIDEWALK CONSTRUCTION FUND STATEMENT OF REVENUES AND EXPENDITURES</b>					
	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Budget 2004
BEGINNING BALANCE	\$ -	\$ 4,993,301	\$ 4,975,333	\$ 4,884,616	\$ 4,734,616
REVENUES					
Proceeds from sale of bonds	5,000,000	-	-	-	-
Interest earned on investments	-	-	113,143	100,000	120,000
TOTAL REVENUES	5,000,000	-	113,143	100,000	120,000
TOTAL AVAILABLE	5,000,000	4,993,301	5,088,476	4,984,616	4,854,616
EXPENDITURES					
Sidewalk Construction	6,699	17,968	203,860	250,000	4,854,620
TOTAL EXPENDITURES	6,699	17,968	203,860	250,000	4,854,620
ENDING BALANCE	\$ 4,993,301	\$ 4,975,333	\$ 4,884,616	\$ 4,734,616	\$ (4)



## EQUIPMENT REPLACEMENT FUND

The City uses a wide variety of equipment to provide services to its citizens. The Equipment Replacement Fund finances the purchase of equipment routinely used by the City such as automobiles, trucks, tractors, trailers, and vans. Each City Department contributes to the Equipment Replacement Fund based on the estimated life and replacement value of the equipment used. Equipment is purchased by the Fund when a combination of age and repair cost indicates that the machine has reached the end of its useful life.

### FUND ACTIVITY

The Equipment Replacement Fund was established in the 1998 Budget. Currently, the City has equipment that cost more than \$1.9 million in service. The cost to replace this equipment is estimated to exceed \$2.8 million.

The Fund began 2003 with a balance of \$201,810. Transfers from other funds are expected to provide \$286,310. Expenditures are expected to amount to \$268,850.

In 2004 transfers from the General Fund were frozen. Expenditures are budgeted to be \$230,000 leaving a fund balance of \$169,570.

EQUIPMENT REPLACEMENT FUND STATEMENT OF REVENUES AND EXPENDITURES					
	Actual 2000	Actual 2001	Actual 2002	Revised 2003	Adopted 2004
BEGINNING BALANCES	\$ 105,924	\$ 145,420	\$ 201,810	\$ 252,181	\$ 269,641
REVENUES:					
Transfer from the General Fund	221,759	166,500	148,750	103,110	-
Transfer from the Water and Sewer Fund	69,116	63,800	-	63,700	65,800
Transfer from the Solid Waste Fund	112,992	104,300	107,250	107,250	107,250
Other revenues	4,680	-	14,760	5,000	-
Interest	5,478	14,287	6,335	7,250	7,250
<b>TOTAL REVENUES</b>	<b>414,025</b>	<b>348,887</b>	<b>277,095</b>	<b>286,310</b>	<b>180,300</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>519,949</b>	<b>494,307</b>	<b>478,905</b>	<b>538,491</b>	<b>449,941</b>
<b>TOTAL EXPENDITURES</b>	<b>374,529</b>	<b>292,497</b>	<b>226,724</b>	<b>268,850</b>	<b>230,000</b>
<b>ENDING BALANCE</b>	<b>\$ 145,420</b>	<b>\$ 201,810</b>	<b>\$ 252,181</b>	<b>\$ 269,641</b>	<b>\$ 219,941</b>

**EQUIPMENT REPLACEMENT LIST**

	Actual 2000	Actual 2001	Actual 2002	Estimated 2003	Budget 2004
<i>General Fund</i>					
Administration					
Telephone system	\$ -	\$ -	\$ -	\$ -	\$ 140,000
Police Department					
Automobiles	54,971	18,428	60,362	97,530	90,000
Radios	-	63,554	-	-	-
Alarm Monitoring Equipment	-	-	-	46,320	-
Finance Department					
Central administration data server (AS/400)	-	47,678	19,343	-	-
Fire Department					
Breathing Air Compressor	-	-	-	17,000	-
Public Works Department					
Pickup trucks	-	28,137	147,019	35,000	-
Crew trucks	-	-	-	73,000	-
Radios	49,505	-	-	-	-
Flat bed truck	36,250	-	-	-	-
<i>Water and Sewer Fund</i>					
Public Works Department					
Video Cameras for sewer lines	35,633	-	-	-	-
Jet Truck	78,636	-	-	-	-
<i>Solid Waste Fund</i>					
Solid Waste Truck	119,534	134,700	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 374,529</b>	<b>\$ 292,497</b>	<b>\$ 226,724</b>	<b>\$ 268,850</b>	<b>\$ 230,000</b>

## SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The City has four active special revenue funds and one discontinued fund: the *Parks Fund* accounts for donations made by citizens for the specific purpose of improving the City's parks, the *Senior Citizens Activity Fund* accounts for revenues contributed by senior citizens for programs, the *Court Technology Fund* accounts for the revenues generated by a Court Technology Fee added to each traffic ticket; and the Direct Dental Reimbursement accounts for funds set aside to fund certain benefits.

The *Recycling Fund* accounted for revenues derived from the sale of recyclable materials. In 2003 this fund was incorporated into the Solid Waste Fund.

### THE PARKS FUND

The Parks Fund accounts for donations made by citizens for West U parks. The principal source of revenue is small donations made when paying utility bills. 2004 appropriations in the Parks Fund are \$13,800

#### PARKS FUND STATEMENT OF REVENUE AND EXPENDITURES

Fiscal Year	Beginning Balance	Donations	Interest	Expenditures Park Programs	Ending Balance
1999	3,973	1,367	121	-	5,461
2000	5,461		312		5,773
2001	5,773	1,926	371	-	8,070
2002	8,070	1,156	190	-	9,416
2003	9,416	2,000	200	-	11,616
2004	11,616	2,000	200	(13,800)	16

### THE SENIOR CITIZENS ACTIVITY FUND

The Senior Citizens Activity Fund has been created to account for revenues dedicated to senior citizen's activities. In the past these activities have been accounted for in a separate fund under the control of the Senior Citizens Board. In order to increase the internal controls over these funds and to comply with State and Local laws, accounting for this activity is being transferred to the Finance Department. In 2004 revenues, consisting of activity fees paid by seniors, are expected to amount to \$2,400. Expenditures on these activities are also expected to be \$2,500.

#### SENIOR CITIZENS ACTIVITY FUND STATEMENT OF REVENUE AND EXPENDITURES

Fiscal Year	Beginning Balance	Activity Fees	Donations	Senior Activities	Ending Balance
1999	-	-	-	-	-
2000	-	-	-	-	-
2001	-	2,173	-	(1,251)	922
2002	922	-	271	(946)	247
2003	247	2,400	100	(2,500)	247
2004	247	2,400	100	(2,500)	247

**THE COURT TECHNOLOGY FUND**

The Court Technology was created to account for revenues generated by a four dollar Court Technology Fee charged on every ticket issued in the City of West University Place. The funds generated by this fee may be spent on technology to support the operation of the City's Municipal Court. In 2004 revenues are expected to amount to \$14,000. Expenditures for computers and support are expected to amount to \$15,000.

**COURT TECHNOLOGY FUND  
STATEMENT OF REVENUE AND EXPENDITURES**

Fiscal Year	Beginning Balance	Fines	Interest	Technology	Ending Balance
1999	-	-	-	-	-
2000	-	-	-	-	-
2001	-	2,484	5	-	2,489
2002	2,489	14,576	43	(15,504)	1,604
2003	1,604	14,000	-	(14,000)	1,604
2004	1,604	14,000	-	(15,000)	604

**THE DIRECT DENTAL REIMBURSEMENT FUND**

The Direct Dental Reimbursement Fund was created to account for funds withheld from participating employees and City contributions towards a dental reimbursement benefit. In 2003 revenues are expected to amount to \$15,000. Expenditures for benefits are expected to amount to \$10,000.

**DIRECT DENTAL REIMBURSEMENT FUND  
STATEMENT OF REVENUE AND EXPENDITURES**

Fiscal Year	Beginning Balance	Contributions	Interest	Benefits	Ending Balance
1999	-	-	-	-	-
2000	-	-	-	-	-
2001	-	-	-	-	-
2002	-	24,857	-	(25,916)	(1,059)
2003	(1,059)	15,000	100	(10,000)	4,041
2004	4,041	15,000	100	(10,000)	9,141

## APPENDIX A BONDED DEBT

Most cities use long-term debt to finance the construction or purchase of major capital assets. Since its incorporation 1925, the City has used debt to finance the construction of streets, drainage, water and sewer assets.

As the City became "built out" in the 1950s the need for new debt declined and by 1983 the City had only \$1.1 million in outstanding bonded debt. Even so, the City was on the brink of momentous change. In 1983 the assessed value of taxable property in the City totaled \$424,360,000.

Twenty years later in 2003, assessed values have increased by more than \$2 billion to \$2,635,000,000. This tremendous increase in value came as the result of an economic and social trend - that is still underway.

West University Place's assessed values shot up because it was attractive to managers and professionals who wished to be closer to their work. The City's low crime rate, trees, good public transportation, and convenient access to both the Medical Center and downtown triggered a building boom similar to a new developing City. Older homes were torn down and replaced with new structures at an astonishing rate.

The City began to experience problems similar to those experienced in developing areas. Streets and drainage systems that were already approaching the end of their useful lives were taxed to the breaking point. In 1982 the citizens approved \$3.3 million in bonds to be issued to construct a new police station and reconstruct the most deteriorated street, water, and sewer assets. This bond issue was the first since 1976.

The City next bond sale wasn't until 1992. The need to reconstruct the City's infrastructure was becoming acute. This bond sale marked the beginning of the current program.

Currently the City is following a plan approved by the citizens in November 1995. This plan

calls for long-term debt to be used in reconstructing the City's entire infrastructure by the year 2005. This program called for the City to issue \$63 million of bonds. All of the proceeds of these bonds were to be applied to infrastructure. In addition to the original \$63 million the City issued \$9.9 million of Certificates of Obligation to complete the funding of the infrastructure replacement.

The debt issued to finance this plan is supported by *ad-valorem* taxes and net revenues from the water and sewer utility.

The need to improve drainage in Priority Area 2 became clear after extensive flooding during tropical storm Allison. These improvements could add up to \$4 million to the total cost of infrastructure improvements.

The City Charter limits the City's bonded debt to 5% of the assessed value. Since the projected assessed value for the City in 2001 is \$2.6

<b>Outstanding Bonded Indebtedness December 31, 2003</b>	
<b>Bonded Indebtedness Payable from Ad Valorem Taxes</b>	
1996 Permanent Imp Bonds	\$ 2,780,000
1998 Permanent Imp Bonds	13,285,000
2000 Permanent Imp Bonds	20,550,000
2002 Permanent Imp Bonds	28,100,000
2002 YMCA Certificates	3,240,000
2003 Certificates of Obligation	9,900,000
<b>Bonded Indebtedness Payable from Ad Valorem Tax</b>	<b>77,855,000</b>
<b>Bonded Indebtedness Payable from Water and Sewer Revenues</b>	
1996B Waterworks and Sewer System Imp. Bonds	1,210,000
1996A Waterworks and Sewer System Imp. Bonds	3,835,000
1998 Revenue Bonds	4,440,000
2001A Waterworks and Sewer System Imp Bonds	3,555,000
2001B Waterworks and Sewer System Imp Bonds	2,955,000
<b>Bonded Indebtedness Payable from Water and Sewer</b>	<b>15,995,000</b>
<b>Total Bonded Indebtedness</b>	<b>\$ 93,850,000</b>

billion, the current debt limit under this provision is \$131,750,000. As of January 1, 2003 the City will owe a total of \$93,850,000 to bondholders of all outstanding tax supported bonds. Of this total amount, the amount to be financed by the Debt Service Fund using property taxes will be \$77,855,000.

*Future Activity* - In 2003 the final debt issuance needed to complete the infrastructure

replacement program were sold. There are future projects in planning stages, but these projects are not expected to move from the planning phase to the financing phase until 2005. Accordingly, the property tax rate dedicated to debt service is

expected to be stable for next two to five years. Water and sewer supported debt service is also expected to remain stable for the next several years.

<b>Debt Service To Maturity</b>		
	<b>Tax Supported</b>	<b>Revenue Supported</b>
2004	6,419,050	1,280,339
2005	6,448,138	1,279,227
2006	6,762,154	1,282,577
2007	6,764,572	1,280,587
2008	6,768,081	1,277,550
After 2008	81,558,079	17,831,224
<b>Total</b>	<b>114,720,074</b>	<b>24,231,504</b>

**APPENDIX B  
REVENUE SOURCES**

The City relies on four major sources of revenue to finance its activities.

**PROPERTY TAXES:**

Property (*ad valorem*) taxes attach as an enforceable lien on property as of each January 1 for all real and business personal property located within the City. Taxes are levied when the City Council adopts a budget for the next year, but no earlier than

Fiscal Year	General Fund	Debt Service Fund	Total Tax Rate
1996	0.2100	0.1600	0.3700
1997	0.2100	0.1700	0.3800
1998	0.2100	0.1900	0.4000
1999	0.2100	0.2100	0.4200
2000	0.2000	0.2100	0.4100
2001	0.2050	0.2150	0.4200
2002	0.1950	0.2250	0.4200
2003	0.1900	0.2400	0.4300
2004	0.1976	0.2500	0.4476

October 1. Taxes are due January 31 and are considered delinquent after that date. Property tax revenues are based on three major factors: assessed or estimated value, the rate of collection of outstanding balances, and the property tax rate.

The Harris County Appraisal District (HCAD) is responsible for appraising the values of property sited within Harris County. State law requires HCAD to appraise all property in its jurisdiction

Tax Rate Comparison	
Jurisdiction	Tax Rate
Bellaire	0.4800
Houston	0.6550
Southside Place	0.2153
Jersey Village	0.6750
Spring Valley	0.4066
Sea Brook	0.6000

at least every five years at 100% of the estimated market value. The oversight of this process is vested in the

Appraisal Review Board. Residential property accounts more than 98% of all property value in the City. The ratio of residential property value to total value has grown steadily for the past five years, while commercial and utility property values continue to decline as a component of total value. This trend will continue into the future.

The City establishes the tax rate, assesses, and

	Residential Rates	
	Water	Sewer
0 - 3,000 gallons	\$2.00 per 1,000 gallons	\$1.95 per \$1,000 gallons
3001 - 15,000 gallons	\$2.18 per 1000 gallons	\$1.95 per \$1,000 gallons
15,001 gallons and up	\$2.37 per 1,000 gallons	\$1.95 per \$1,000 gallons

levies the tax. State law provides that if the City raises the rate more than 8% (after certain adjustments) above the previous year's rate, the voters can petition for an election to determine whether to limit the tax rate to no more than 8% above last year's rate. Taxes are applicable to the year subsequent to the one in which they are levied.

The City's property tax policies has been to decrease the amount of property taxes

dedicated to maintenance and operations and increase the portion dedicated to paying debt service. Since 1991 when the debt service component of property taxes amounted to less than 25% of the total tax rate, debt service payments have risen to consume more than 55% of total tax revenues. Tax revenues dedicated to debt service are expected to reach \$6.7 million annually and remain stable into the foreseeable future.

The City's 2004 property tax revenue is based on an estimated assessed value of \$2,635,000 and a 99% collection rate. The estimated market value of taxable property has grown explosively (225%) since 1987. In the past five years the taxable value of property has grown almost \$1 billion. The property tax rate in 2003 will be \$0.43000 per \$100 valuation, 1 cent above last year's rate. Increased debt service requirements caused the need for this increase.

**UTILITY FEES:**

**Water and sewer service fees:** The City provides water and sewer services to approximately 5,880 customers. Of this total, about 97% are residential and 3% are commercial.

The City increased its water and sewer rates in 2001 and expects that further increases will be

needed in 2003. These increases are driven by dramatic increases in debt service expenditures since 1998.

**Solid Waste Fees:** The City collects and disposes of solid waste for its citizens. This service is provided twice weekly at curbside. Additionally, the City operates a curbside recycling program for the benefit of its citizens. A \$15.75 monthly fee funds these services for citizens under 65 years of age. The monthly fee is \$8.00 per month for citizens over 65 years of age. These fees are expected to generate \$910,000 in 2003.

**SALES TAX:**

The sales tax in the City of West University Place is currently 8.25% of goods and services sold within the City. The tax is collected by businesses making the sale and remitted to the State Comptroller of Public Accounts. Of the 8.25%, the State retains 6.25% and, distributes 1% to the Metropolitan Transit Authority, and 1% to the

City. The City's portion of Sales Taxes amounted to \$768,742 in 2002 and is expected to amount to \$900,000 in 2003. Both 2002 and 2003 reflect unusually high revenues due to one-time adjustments resulting from audits. Sales taxes are expected to generate \$585,000 in 2004.

**FRANCHISE FEES:**

The City maintains non-exclusive franchise agreements with utility companies that use the City's roadway rights-of-way to conduct their businesses. Besides defining the responsibilities of the utilities in maintaining their assets, the agreements contain a franchise fee clause requiring the utilities to compensate the City for the use of the rights-of-way. Generally, these fees are based on a percentage of the utilities gross receipts generated by services provided to customers located within the City's corporate limits. Franchise fees are expected to generate \$929,600 in 2004.

<b>Historical and Projected Revenues (not including utility services)</b>						
	1999	2000	2001	2002	2003	2004
Property Taxes	\$ 6,610,664	\$ 7,376,687	\$ 8,532,873	\$ 9,574,400	\$ 10,740,270	\$ 11,394,480
Sales Tax	543,556	824,614	896,958	558,000	780,000	585,000
Franchise Fees	818,326	786,672	533,646	908,560	892,890	929,600
Licenses and Permits	396,484	496,677	472,081	439,000	451,000	467,100
Fines and Forfeitures	307,058	274,001	276,815	300,000	485,000	552,000
Charges for Services	796,763	914,686	901,544	1,025,000	187,500	162,950
Intergovernmental	650,459	1,055,425	259,000	359,000	420,000	417,700
Investment Income	1,288,324	1,015,579	1,720,839	1,092,900	375,000	340,000
Other Revenues	343,348	478,268	389,693	250,400	380,400	368,400
<b>Total</b>	<b>\$ 11,754,982</b>	<b>\$13,222,609</b>	<b>\$13,983,449</b>	<b>\$14,507,260</b>	<b>\$ 14,712,060</b>	<b>\$ 15,217,230</b>

**APPENDIX C  
PAY GRADE SALARY STRUCTURE  
2004 COMPENSATION PLAN**

Pay Grade		Minimum	Mid-Point	Maximum
Civilian				
32		21,890.05	25,654.21	29,418.38
33		23,075.49	27,043.51	31,011.53
34		25,447.46	29,823.36	34,199.25
35		27,818.36	32,601.95	37,385.54
36		29,004.86	33,992.48	38,980.11
37		30,190.31	35,381.78	40,573.25
38		34,934.24	40,941.46	46,948.68
39		40,862.55	47,889.19	54,915.84
40		42,641.25	49,973.77	57,306.28
41		45,013.21	52,753.60	60,493.99
42		48,388.73	56,709.57	65,030.41
43		52,017.88	60,863.41	69,708.94
Exempt				
ER-1	1	62,421.46	73,033.11	83,644.75
ER-2	2	74,095.75	87,639.73	100,373.70
ER-3	3	82,396.31	96,403.69	110,411.07
Police				
Dispatch		31,660.51	37,104.80	42,549.08
Officer		40,783.58	47,796.64	54,809.71
Sergeant		50,979.21	59,745.50	68,511.79
Lieutenant		58,626.39	68,707.67	78,788.96
Fire				
Fire Fighter		37,676.64	44,155.44	50,634.25
Lieutenant		48,037.72	56,298.19	64,558.67
Captain		57,645.26	67,557.83	77,470.41

1. Finance Director, Parks & Recreation Director, Police Captain, Human Resource Manager
2. Police Chief, Fire Chief
3. Assistant City Manager/Public Works Director

## GLOSSARY OF TERMS

**-A- ACCOUNT:** A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance, or fund balance.

**ACCOUNTS PAYABLE:** A liability account reflecting amounts on open account owing to private persons or organizations for goods and services received by a government but not including amounts due to other funds of the same government or to other governments.

**ACCOUNTS RECEIVABLE:** An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

**AD VALOREM:** Latin for "value of". Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

**APPROPRIATION:** A legal authorization granted by a legislative body (City Council) to make expenditures and incur obligations for designated purposes.

**ASSESSED VALUATION:** A valuation set upon real estate or other property by a government as a basis for levying taxes.

**-B- BALANCE SHEET:** The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

**BASIS OF ACCOUNTING:** The modified accrual basis of accounting is followed by Governmental funds, Expendable Trust funds and Agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

Substantially all revenues are considered to be susceptible to accrual. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used for guidance. Intergovernmental revenues are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The City's Proprietary fund is accounted for using the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when liabilities are incurred.

**BOND:** A written promise, generally under seal, to pay a specific amount of money, called the face value, at a fixed time in the future, called the maturity date, and carrying interest at fixed rate, usually paid periodically.

**BUDGET:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**BUDGET ORDINANCE:** The official enactment by the City Council establishing the legal authority for city officials to obligate and expend funds.

**-C- CAPITAL OUTLAYS:** Expenditures which result in the acquisition of or addition to fixed assets which are individually priced more than \$1000.

**CAPITAL IMPROVEMENTS PROGRAM:** A plan for capital expenditures to be incurred each year over a fixed period of several years setting forth each capital project and the amount and method of financing.

**CENTRAL APPRAISAL DISTRICT:** A county-wide district formed by legislature to provide appraisals of property located within the county. These county-wide appraisals are provided to the county, school districts, cities and municipal utility districts for basis of taxation.

**CURRENT ASSETS:** Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year. Some examples are cash, temporary investments and taxes receivable which will be collected within one year.

**CURRENT LIABILITIES:** Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed or refunded within one year.

**-D- DEBT SERVICE:** A cost category which typically reflects the repayment of general long-term debt principle and interest.

**DELINQUENT TAXES:** Property taxes remaining unpaid at the end of the current fiscal year. Although taxes become delinquent and accrue penalties and interest on February 1 of each year, they are carried as current taxes receivable during the current fiscal year.

**-E- EFFECTIVE INTEREST RATE:** The property tax rate set necessary to generate the same tax dollars as the previous tax year.

**ENCUMBRANCES:** Obligations in the form of purchase orders or contracts charged to an appropriation which reserves the funds until it is necessary to pay the bill.

**-F- FISCAL YEAR:** A twelve month period at the end of which the City determines its financial condition and the results of its operations and closes its books.

**FIXED ASSETS:** Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery and equipment.

**FRANCHISE:** A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**FUND BALANCE:** The difference between governmental fund assets and liabilities, also referred to as fund equity.

**-G- GENERAL LEDGER:** A book, file or other device which contains the accounts needed to reflect the financial position and the results of operations of an entity. In double-entry bookkeeping, the debits and credits in the general ledger are equal; therefore, the debit balances equal the credit balances.

**GENERAL OBLIGATION BONDS:** Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of West

University place pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

**GOVERNMENTAL FUNDS:** Those funds through which most governmental functions typically are financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects and Debt Service Funds).

**-M- MODIFIED ACCRUAL BASIS:** This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability and which revenues are not recorded until they are both measurable and available.

**-O- ORDINANCE:** A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

**-P- PERSONAL SERVICES:** The costs associated with compensating employees for their labor.

**PURCHASE ORDER:** A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

**-R- REVENUES:** Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers.

**-S- SPECIAL REVENUE FUND:** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**-T- TAXES:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

**TAX RATE:** The amount of tax levied for each \$100 of assessed valuation.

**-U- USER FEES:** The payment of a fee for a direct receipt of a public service by the party benefiting from the service.

## CITY OF WEST UNIVERSITY PLACE

3800 UNIVERSITY BOULEVARD  
HOUSTON, TEXAS

Telephone: 713.668.4441

### CITY STAFF

City Manager	713.662.5810	<a href="mailto:mross@westu.org">mross@westu.org</a>
City Secretary	713.662.5813	<a href="mailto:kholloway@westu.org">kholloway@westu.org</a>
Finance Director	713.662.5816	<a href="mailto:wthomas@westu.org">wthomas@westu.org</a>
Police Chief	713.662.5861	<a href="mailto:kwalker@westu.org">kwalker@westu.org</a>
Fire Chief	713.662.5836	<a href="mailto:tstevenson@westu.org">tstevenson@westu.org</a>
Public Works Director	713.662.5840	<a href="mailto:rwicker@westu.org">rwicker@westu.org</a>
Parks and Recreation Director	713.662.5892	<a href="mailto:mmailes@westu.org">mmailes@westu.org</a>

### CONSULTANTS

Auditors	Patillo, Brown and Hill	254.772.4901
City Attorney	Jim Dougherty	713.880.8808

### SERVICES

Municipal Court	Gabriele Perez	713.662.5825
Developmental Services	Dennis Mack	713.662.5830
Senior Services	Janiss Stump	713.662.5895
Garbage, Recycling	Charlotte Gonsoulin	713.662.5838
Suggestion and Comments	Alisa Talley	713.662.5812



**ORDINANCE NO. 1752**

**AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING DECEMBER 31, 2004; APPROPRIATING FUNDS FOR SUCH BUDGET; CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EMERGENCY**

**WHEREAS**, as required by the City Charter and state law, the City Manager has prepared and submitted to the City Council a budget with estimates of expenditures and revenues of all city divisions and activities for the year beginning January 1, 2004 and ending December 31, 2004; and

**WHEREAS**, such budget has been timely filed with the City Secretary, the City Council has had sufficient time to review and revise such budget and notice of a public hearing upon such budget has been duly given; and

**WHEREAS**, a public hearing has been held, and all taxpayers and interested persons were provided an opportunity to attend and participate in such hearing; and

**WHEREAS**, public participation, input and suggestions regarding the budget have been received and considered by the City Council, and the City Council has made changes as the City Council considers warranted by law in the best interest of the municipal taxpayers, and the City Council has found and determined that the budget adopted by this ordinance does not allow expenditures during the budget period in excess of funds estimated to be on hand during the same period;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS:**

Section 1. The matters and facts set out in the preamble of this ordinance are found and determined to be true and correct and are hereby approved and adopted by the City Council.

Section 2. The eight page document entitled "City of West University Place Budget, For the Fiscal Year Beginning January 1, 2004 and Ending December 31, 2004" ("Budget") is hereby approved and adopted. A true copy of the Budget is attached to and made a part of this ordinance. Funds in the amounts indicated in such Budget for each fund are appropriated for the purposes and projects described in such Budget.

Section 3. That this ordinance approving and adopting the Budget is made in all things in accordance with the terms and provisions of the City Charter of the City of West University Place, Texas and the laws of the State of Texas and shall be interpreted and construed in compliance therewith.

Section 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 5. If any word, phrase, clause, sentence, paragraph, section or other part of this ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section, or other part of this ordinance to any other persons or circumstances, shall be affected thereby.

Section 6. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this ordinance was discussed, considered, or acted upon was given in the manner required by the Open Meetings Act, Chapter 551, Texas Local Government Code, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

Section 7. After adoption of the Budget, the City Manager shall provide for the filing of a true copy of the Budget (and each amendment) in the office of the County Clerk of Harris County, Texas.

Section 8. The public importance of this measure and the requirements of the law create an emergency and an urgent public necessity requiring that this Ordinance be passed and take effect as an emergency measure, and a state of emergency is hereby

declared, and this Ordinance is accordingly passed as an emergency measure and shall take effect immediately upon adoption and signature.

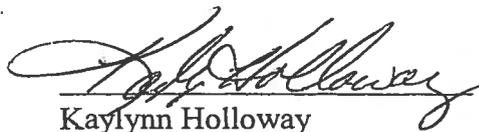
PASSED AND APPROVED AND ADOPTED, this 8th day of October 2003.

Voting Aye: Mayor Pro Tem Segal, Council Members Fogler and Woods

Voting Nay: None

Absent: Mayor Ballanfant and Council Member Farley

ATTEST: (SEAL)



Kaylynn Holloway  
City Secretary

Signed:



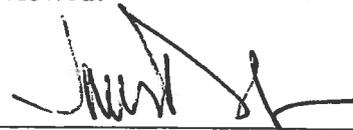
Steven Segal  
Mayor Pro Tem

Recommended:



Michael Ross  
City Manager  
(SEAL)

Reviewed:



Jim Dougherty  
City Attorney

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>GENERAL FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ 4,963,411	\$ 4,388,691	\$ 5,446,754
Less: Obligations	(1,970,163)	(1,607,096)	(2,377,242)
<b>NET BEGINNING BALANCE</b>	<b>2,993,248</b>	<b>2,781,595</b>	<b>3,069,512</b>
<b>REVENUES</b>			
Ad Valorem Taxes	4,519,428	4,770,270	5,058,480
City Sales Tax	939,577	780,000	585,000
Franchise Fees	877,185	892,890	929,600
Licenses and Permits	386,124	451,000	467,100
Fees for Services	466,467	485,000	552,000
Other Charges and Fees	154,244	187,500	162,950
Recreation Fees	325,209	420,000	417,700
Fines and Court Costs	304,811	325,000	340,000
Other Revenues	390,868	380,400	368,400
Interfund Transfers	631,000	631,000	710,000
<b>TOTAL REVENUES</b>	<b>8,994,913</b>	<b>9,323,060</b>	<b>9,591,230</b>
<b>EXPENDITURES</b>			
Administration	771,888	554,260	632,460
Finance	1,642,909	1,432,520	1,467,800
Police	2,669,209	2,695,735	2,754,430
Fire	1,758,732	1,906,400	2,096,820
Public Works	1,521,344	1,580,598	1,713,590
Parks and Recreation	842,484	865,630	923,940
<b>TOTAL EXPENDITURES</b>	<b>9,206,566</b>	<b>9,035,143</b>	<b>9,589,040</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(211,653)</b>	<b>287,917</b>	<b>2,190</b>
<b>NET ENDING BALANCE</b>	<b>2,781,595</b>	<b>3,069,512</b>	<b>3,071,702</b>
Cash	4,388,691	5,446,754	5,071,702
Obligations (1)	\$ (1,607,096)	\$ (2,377,242)	\$ (2,000,000)

(1) Includes \$145,000 for the City Manager's employment contract

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>DEBT SERVICE FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ 633,071	\$ 3,696,119	\$ 3,697,000
Less: Obligations	-	(3,128,294)	(3,056,265)
<b>NET BEGINNING BALANCE</b>	<b>633,071</b>	<b>567,825</b>	<b>640,735</b>
<b>REVENUES</b>			
Ad Valorem Taxes	5,198,477	5,970,000	6,366,000
Interest	51,907	50,000	10,000
<b>TOTAL REVENUES</b>	<b>5,250,384</b>	<b>6,020,000</b>	<b>6,376,000</b>
<b>EXPENDITURES</b>			
Debt Service and Fees	5,315,630	5,951,100	6,429,050
<b>TOTAL EXPENDITURES</b>	<b>5,315,630</b>	<b>5,951,100</b>	<b>6,429,050</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(65,246)</b>	<b>68,900</b>	<b>(53,050)</b>
<b>NET ENDING BALANCE</b>	<b>567,825</b>	<b>636,725</b>	<b>587,685</b>
Cash	3,696,119	3,697,000	3,697,000
Obligations	\$(3,128,294)	\$(3,060,275)	\$(3,109,315)

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>WATER FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ 1,625,490	\$ 836,770	\$ 174,240
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>1,625,490</b>	<b>836,770</b>	<b>174,240</b>
<b>REVENUES</b>			
Service Charges	3,115,030	3,500,000	4,500,000
Interest	159,309	150,000	100,000
Other	119,172	10,000	10,000
<b>TOTAL REVENUES</b>	<b>3,393,511</b>	<b>3,660,000</b>	<b>4,610,000</b>
<b>EXPENDITURES</b>			
Public Works	2,416,602	2,544,480	2,527,460
Non-Departmental	1,765,629	1,778,050	1,730,340
<b>TOTAL EXPENDITURES</b>	<b>4,182,231</b>	<b>4,322,530</b>	<b>4,257,800</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(788,720)</b>	<b>(662,530)</b>	<b>352,200</b>
<b>NET ENDING BALANCE</b>	<b>836,770</b>	<b>174,240</b>	<b>526,440</b>
Cash	11,547	1,990,663	526,440
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>WATER FUND CAPITAL RESERVE</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ 196,443	\$ 347,042	\$ 117,023
Less: Obligations	-	(21,159)	-
<b>NET BEGINNING BALANCE</b>	196,443	325,883	117,023
<b>REVENUES</b>			
Transfers from:			
Water and Sewer Fund	200,000	-	25,000
Interest	6,497	5,000	5,000
<b>TOTAL REVENUES</b>	206,497	5,000	30,000
<b>EXPENDITURES</b>			
Capital Projects			
Meter replacement program	-	129,000	75,000
Water rate study	-	40,000	-
Liftstation repairs	77,057	-	50,000
Fiscal 2002 repair contingency	-	44,860	20,000
<b>TOTAL EXPENDITURES</b>	77,057	213,860	145,000
<b>NET REVENUES (EXPENDITURES)</b>	129,440	(208,860)	(115,000)
<b>NET ENDING BALANCE</b>	325,883	117,023	2,023
Cash	345,796	115,730	20,730
Obligations	\$ (19,913)	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>SOLID WASTE FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ -	\$ 57,814	\$ 103,673
Less: Obligations	(58,358)	(111,891)	-
<b>NET BEGINNING BALANCE</b>	(58,358)	(54,077)	103,673
<b>REVENUES</b>			
Service Charges	864,748	938,000	940,000
Sales of Recyclable Material	-	100,000	100,000
Interest	1,796	10,000	10,000
Transfer from Other Funds	50,000	87,670	-
<b>TOTAL REVENUES</b>	916,544	1,135,670	1,050,000
<b>EXPENDITURES</b>			
Operations	722,263	787,920	820,960
Administration	190,000	190,000	200,000
<b>TOTAL EXPENDITURES</b>	912,263	977,920	1,020,960
<b>NET REVENUES (EXPENDITURES)</b>	4,281	157,750	29,040
<b>NET ENDING BALANCE</b>	(54,077)	103,673	132,713
Cash	57,814	103,673	132,713
Obligations	\$ (111,891)	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>CAPITAL PROJECTS FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$ 336,365	\$ 446,449	\$ 197,949
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>336,365</b>	<b>446,449</b>	<b>197,949</b>
<b>REVENUES</b>			
Transfers from:			
General Fund	250,000	-	-
Recycling Fund	25,000	25,000	-
Grants	16,498	35,000	835,000
Interest	5,222	5,000	35,000
Friends of West U Parks	529,111	-	-
Contributions	25	-	-
<b>TOTAL REVENUES</b>	<b>825,856</b>	<b>65,000</b>	<b>870,000</b>
<b>EXPENDITURES</b>			
Imaging/Agenda Management	-	-	35,000
WestU Recreation Center	-	125,000	-
Downtown/Edloe Project	64,976	55,000	954,180
Multi-media for City Hall	-	-	25,000
Completed projects	650,796	133,500	-
Fiscal Year 2002 Contingency	-	-	25,000
<b>TOTAL EXPENDITURES</b>	<b>715,772</b>	<b>313,500</b>	<b>1,039,180</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>110,084</b>	<b>(248,500)</b>	<b>(169,180)</b>
<b>NET ENDING BALANCE</b>	<b>446,449</b>	<b>197,949</b>	<b>28,769</b>
Cash	429,926	441,426	88,769
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>INFRASTRUCTURE REPLACEMENT FUND</b>			
<b>BEGINNING BALANCE</b>			
Cash	\$18,945,925	\$ 16,689,468	\$ 16,011,238
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>18,945,925</b>	<b>16,689,468</b>	<b>16,011,238</b>
<b>REVENUES</b>			
Grants	259,000	259,000	259,000
Bond Proceeds	12,596,240	9,918,330	-
Interest	469,478	470,000	350,000
<b>TOTAL REVENUES</b>	<b>13,324,718</b>	<b>10,647,330</b>	<b>609,000</b>
<b>EXPENDITURES</b>			
Area 5B/6A	-	820,000	200,550
Pipe Bursting	63,185	25,000	494,220
Area 7B	3,787,685	1,035,360	21,200
Area 8	4,887,359	2,000,000	1,048,820
Area 9	2,697,208	4,000,000	1,114,140
Area 10	35,189	2,000,000	6,756,520
Area 11A	3,607,804	750,000	712,320
Area 11B	15,169	545,200	6,754,920
Area 12	296,148	-	-
Drainage study	45,057	-	-
Completed projects	11,077	-	-
Administrative & Issuance Costs	135,294	150,000	-
Contingency	-	-	100,000
<b>TOTAL EXPENDITURES</b>	<b>15,581,175</b>	<b>11,325,560</b>	<b>17,202,690</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(2,256,457)</b>	<b>(678,230)</b>	<b>(16,593,690)</b>
<b>NET ENDING BALANCE</b>	<b>16,689,468</b>	<b>16,011,238</b>	<b>(582,452)</b>
Cash	16,689,468	15,517,018	-
Obligations	\$ -	\$ -	\$ (486,452)

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>SIDEWALK CONSTRUCTION FUND</b>			
BEGINNING BALANCE			
Cash	\$ 4,975,333	\$ 4,884,616	\$ 4,734,616
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>4,975,333</b>	<b>4,884,616</b>	<b>4,734,616</b>
REVENUES			
Interest	113,143	100,000	120,000
<b>TOTAL REVENUES</b>	<b>113,143</b>	<b>100,000</b>	<b>120,000</b>
EXPENDITURES			
Sidewalk Construction	203,860	250,000	4,854,620
<b>TOTAL EXPENDITURES</b>	<b>203,860</b>	<b>250,000</b>	<b>4,854,620</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(90,717)</b>	<b>(150,000)</b>	<b>(4,734,620)</b>
<b>NET ENDING BALANCE</b>	<b>4,884,616</b>	<b>4,734,616</b>	<b>(4)</b>
Cash	4,975,333	4,624,593	-
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>EQUIPMENT REPLACEMENT FUND</b>			
BEGINNING BALANCE			
Cash	\$ 201,810	\$ 252,181	\$ 269,641
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>201,810</b>	<b>252,181</b>	<b>269,641</b>
REVENUES			
Transfers from other Funds	256,000	279,060	173,050
Other Revenues	14,760	-	-
Interest	6,335	7,250	7,250
<b>TOTAL REVENUES</b>	<b>277,095</b>	<b>286,310</b>	<b>180,300</b>
EXPENDITURES			
Replacement Equipment	226,724	268,850	230,000
<b>TOTAL EXPENDITURES</b>	<b>226,724</b>	<b>268,850</b>	<b>230,000</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>50,371</b>	<b>17,460</b>	<b>(49,700)</b>
<b>NET ENDING BALANCE</b>	<b>252,181</b>	<b>269,641</b>	<b>219,941</b>
Cash	201,810	248,450	238,860
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>PARKS FUND</b>			
BEGINNING BALANCE			
Cash	\$ 8,070	\$ 9,416	\$ 11,616
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>8,070</b>	<b>9,416</b>	<b>11,616</b>
REVENUES			
Contributions	1,156	2,000	2,000
Interest	190	200	200
<b>TOTAL REVENUES</b>	<b>1,346</b>	<b>2,200</b>	<b>2,200</b>
EXPENDITURES			
Parks and Recreation	-	-	13,800
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>13,800</b>
NET REVENUES (EXPENDITURES)	1,346	2,200	(11,600)
NET ENDING BALANCE	\$ 9,416	\$ 11,616	\$ 16
Cash	5,461	1,270	3,470
Obligations	-	-	-

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>SENIOR CITIZENS ACTIVITY FUND</b>			
BEGINNING BALANCE			
Cash	\$ 923	\$ 248	\$ 248
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>923</b>	<b>248</b>	<b>248</b>
REVENUES			
Interest on investments	-	100	100
Senior Citizen's Activity Fees	271	2,400	2,400
<b>TOTAL REVENUES</b>	<b>271</b>	<b>2,500</b>	<b>2,500</b>
EXPENDITURES			
Senior Activities	946	2,500	2,500
<b>TOTAL EXPENDITURES</b>	<b>946</b>	<b>2,500</b>	<b>2,500</b>
NET REVENUES (EXPENDITURES)	(675)	-	-
NET ENDING BALANCE	248	248	248
Cash	264	264	248
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>COURT TECHNOLOGY FUND</b>			
BEGINNING BALANCE			
Cash	\$ 2,489	\$ 1,604	\$ 1,604
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>2,489</b>	<b>1,604</b>	<b>1,604</b>
REVENUES			
Interest on investments	43	-	-
Court Fees	14,576	14,000	14,000
<b>TOTAL REVENUES</b>	<b>14,619</b>	<b>14,000</b>	<b>14,000</b>
EXPENDITURES			
Data Processing Equipment	15,504	14,000	15,000
<b>TOTAL EXPENDITURES</b>	<b>15,504</b>	<b>14,000</b>	<b>15,000</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(885)</b>	<b>-</b>	<b>(1,000)</b>
<b>NET ENDING BALANCE</b>	<b>1,604</b>	<b>1,604</b>	<b>604</b>
Cash	1,604	1,604	10,604
Obligations	\$ -	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET  
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2004 AND ENDING  
DECEMBER 31, 2004**

	2002 Actual	2003 Estimated	2004 Budget
<b>DIRECT DENTAL REIMBURSEMENT FUND</b>			
BEGINNING BALANCE			
Cash	\$ -	\$ (1,059)	\$ 4,041
Less: Obligations	-	-	-
<b>NET BEGINNING BALANCE</b>	<b>-</b>	<b>(1,059)</b>	<b>4,041</b>
REVENUES			
Interest on investments	-	100	100
Contributions	24,857	15,000	15,000
<b>TOTAL REVENUES</b>	<b>24,857</b>	<b>15,100</b>	<b>15,100</b>
<b>NET REVENUES (EXPENDITURES)</b>	<b>(24,857)</b>	<b>(16,159)</b>	<b>(11,059)</b>
EXPENDITURES			
Benefits	25,916	10,000	10,000
<b>TOTAL EXPENDITURES</b>	<b>25,916</b>	<b>10,000</b>	<b>10,000</b>
<b>NET ENDING BALANCE</b>	<b>(1,059)</b>	<b>4,041</b>	<b>9,141</b>
Cash	1,604	1,604	10,604
Obligations	\$ -	\$ -	\$ -

