

*COMPREHENSIVE  
ANNUAL FINANCIAL REPORT*

of the

**CITY OF WEST UNIVERSITY  
PLACE, TEXAS**

For the Year Ended  
December 31, 2013

**Officials Issuing Report:**

**Michael Ross  
City Manager**

**Rhonda Daugherty  
Finance Director**

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

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***INTRODUCTORY SECTION***

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# The City of West University Place

*A Neighborhood City*

May 30, 2014

The Honorable Mayor, City Council  
Members, and Citizens of the  
City of West University Place, Texas:

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of West University Place, Texas (the “City”) for the fiscal year ended December 31, 2013. This report is published to provide the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. Management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

We believe the data presented is accurate in all material respects and is organized in a manner designed to present fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the City’s financial activities have been included.

Belt Harris Pechacek, LLLP, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City’s financial statements for the year ended December 31, 2013. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

The City was incorporated in 1924 and became a Texas Home-Rule City in 1940. The City operates under the Council-Manager form of municipal government. The City Council is comprised of the Mayor and four Council members, who are responsible for passing ordinances, adopting the budget, appointing board and committee members, and appointing the City Manager. The Mayor and Council are elected on an at large, non-partisan basis for two year terms. The City Manager is responsible for carrying out the policies and ordinances of the Mayor and Council, overseeing the day-to-day operations of the City, and appointing department heads.

The City provides a full range of municipal services. These services include police and fire protection, municipal court, streets, drainage, leisure services, water and sewer, solid waste collection and disposal, community development, and general administrative services. Based upon the criterion set forth in



generally accepted accounting principles, the following organizations are included within the City's reporting entity:

<u>Entity</u>	<u>Method of Inclusion</u>
Friends of West University Parks Fund	Blended

### **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing the financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City Charter establishes the fiscal year as January 1 through December 31. The Charter requires the City Manager to submit a proposed budget and accompanying budget message to the Council each year. The proposed budget is reviewed by the Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items within a department within any fund; however, any revisions that alter the total expenditures of any fund or department must be approved by the Council.

Budgetary control has been established at the department level. Monthly financial reports for Council are produced showing budget and actual revenues and expenditures. Individual line items are reviewed and analyzed for budgetary compliance.

### **ECONOMIC CONDITION AND OUTLOOK**

The City encompasses a 1.9 square mile area located a few blocks south of U.S. Highway 59 (the "Southwest Freeway") and approximately five miles from downtown Houston, Texas. The City is an integral part of the Houston metropolitan area and is completely surrounded by the cities of Houston, Bellaire and Southside Place. The City is primarily a residential area whose approximately 15,500 inhabitants are employed throughout the Houston urban area. Rice University and the Texas Medical Center complex are located about one mile east of the City limits in the City of Houston.

There is almost no vacant and/or undeveloped land in the City, so construction generally involves rebuilding and remodeling. The City continues to enjoy a stable outlook, with property values at \$4.3 billion, up 153 percent since 1999. Among reasons for this strength is the City's convenient proximity to the Texas Medical Center, downtown Houston, the Rice Village and Rice University, as well as the Galleria area.

The City's tax rate is one of the lowest in the Houston area and is projected to remain relatively stable into the future due to projected stability in taxable values, the political stability of the community, and the underlying strength in the Houston area economy. In the December 9, 2011 issue of the Houston Business Journal, the City was ranked number one in a study of the best locations for quality of life in the United States. In its April 2013 publication, The Greater Houston Partnership said that "The Houston Metro area continues to set the pace for job growth in the nation, recording a 4.5 percent increase in employment from February 2012 to February 2013, according to data released by the U.S. Bureau of Labor Statistics (BLS)." This will have a positive impact on the City of West University Place.

The City's relative stability is the result of a desire for suburban families to live closer to work. The City's low crime rate and hometown appeal have attracted many of these families. These factors have contributed, and continue to contribute, to the relative stability of property values in the City.

The value of real property in the City is expected to increase in 2014. Expenditures are expected to remain steady with considerations for the continued competitive pressure on personnel costs and potential increases in the cost of employee health benefits.

### **LONG-TERM FINANCIAL PLANNING**

The City Council has adopted a series of financial standards and policies for operating and debt management. Management of the City has made every effort to comply with these standards and policies and believe we are currently in compliance.

The City has recognized the long-term financial implications of its pension and retiree health benefits. Regarding pensions, in an effort to reduce the City's unfunded liability and cost of the Texas Municipal Retirement System, the Council approved the elimination of the recurring cost of living adjustment (COLA) for employees and retirees. For retiree healthcare, at the November 17, 2008 Council meeting, Council adopted a new personnel handbook, modifications which included elimination of City funded healthcare coverage for employees hired January 1, 2009 and thereafter.

The City issued debt in 2009 and 2010 for the purposes of reconstructing the City's recreation facilities and constructing an expansion of the current City Hall for public safety improvement and enhancements. The recreation facilities reconstruction was completed in 2010 and the public safety expansion project was completed in 2011. The City issued debt in 2011 for the purpose of purchasing, constructing, modifying or replacing storm water detention and drainage facilities. Additionally, the City has refunded several outstanding debt obligations in 2010, 2011, 2012 and 2013, resulting in total debt savings of \$3,853,214. No additional new debt issuance is planned in the near future. As the opportunity presents itself, the City will consider refunding additional outstanding debt obligations; however, with most outstanding bonds at interest rates close to the current market rates, future refundings will be rare.

Capital expenditures are funded through annual allocations from either the general fund or the water and sewer fund. The allocations are transferred to the capital reserve fund for general capital projects or to the water and sewer capital reserve fund for water and sewer related projects. Major general capital projects planned for 2014 are the demolition and reconstruction of the animal control shelter, replacement of a heat pump and air handler for senior services, replacement of a portion of the City Hall roof, replacement of the City Hall HVAC blower and water pump assembly, Colonial Park concession area enhancements, updating the insulation in the Community Building, and repaving three blocks of City streets which includes reconstruction of the water and sewer infrastructure, as needed. Additional water and sewer related projects planned in 2014 are a fixed based meter reading project, ground storage tank rehabilitation, and lift station renovations. These projects and other future year's projects are listed specifically by fiscal year in the annual budget for each fiscal year in the capital project funds section.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2012. This was the 23<sup>rd</sup> consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. Appreciation is expressed to all City employees throughout the organization, especially to those who were instrumental in the successful completion of this report. Additionally, we thank the Mayor, Council, and City Manager for their support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

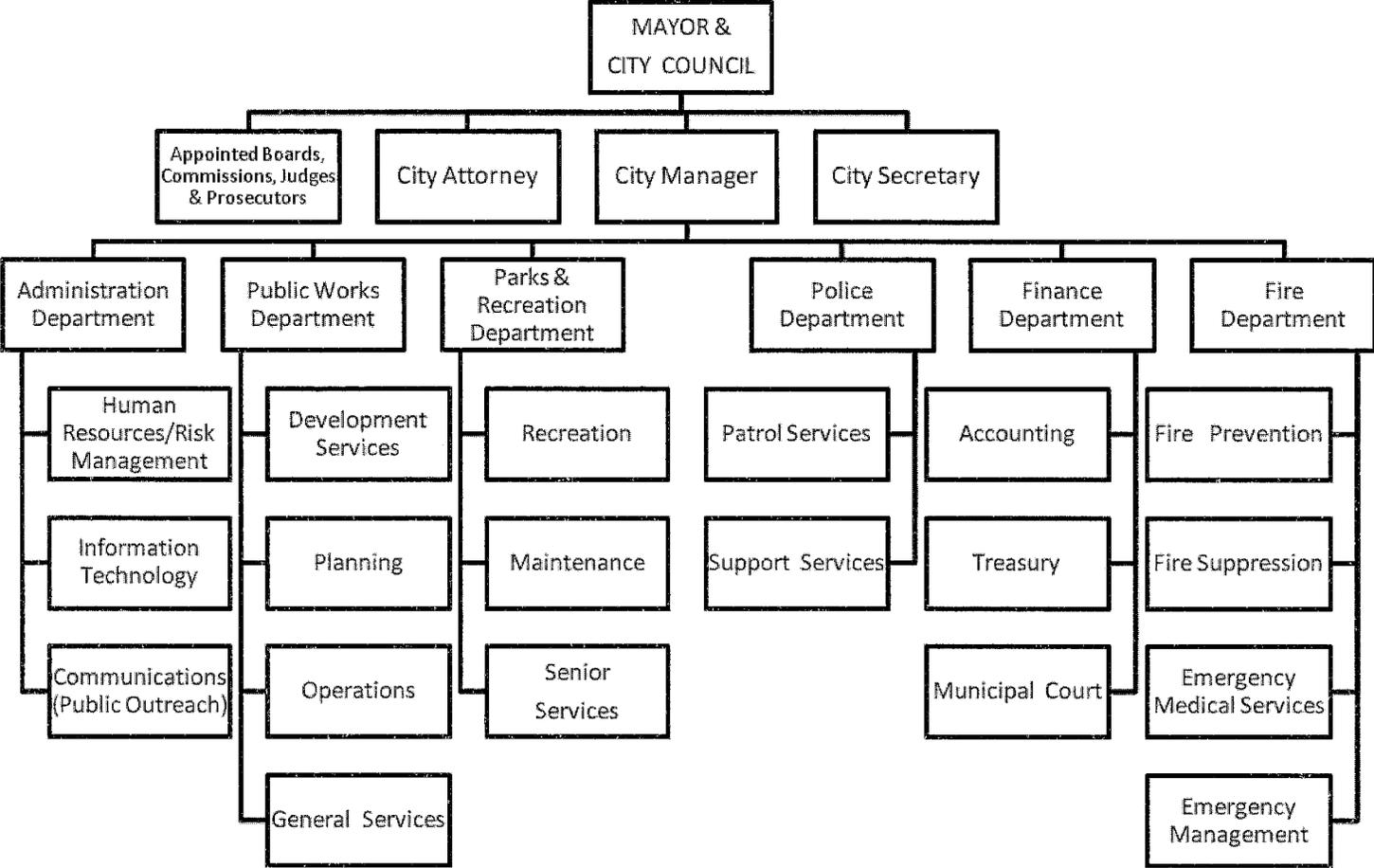
A handwritten signature in cursive script that reads "Rhonda Daugherty". The signature is written in black ink and is positioned above the printed name and title.

Rhonda Daugherty  
Finance Director

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## ORGANIZATIONAL CHART

December 31, 2013



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**CITY OF WEST UNIVERSITY PLACE, TEXAS**

*CERTIFICATE OF ACHIEVEMENT FOR  
EXCELLENCE IN FINANCIAL REPORTING*



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

City of West University Place,  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

December 31, 2012



Executive Director/CEO

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## PRINCIPAL OFFICIALS

December 31, 2013

<u>City Officials</u>	<u>Elective Position</u>	<u>Term Expires</u>
Bob Fry	Mayor	05/2015
Susan Sample	Mayor Pro Tem	05/2015
Ed Heathcott	Council Member	05/2015
Joan Johnson	Council Member	05/2015
Dick Yehle	Council Member	05/2015

<u>Key Staff</u>	<u>Position</u>
Michael Ross	City Manager
Chris Peifer	Assistant City Manager/Public Works Director
Thelma A. Lenz	City Secretary
Alan Petrov	City Attorney
Candelario Elizondo	City Judge
Tim O'Conner	Parks and Recreation Director
Aaron Taylor	Fire Chief
Wendy Standorf	Director of Human Resources
Rhonda Daugherty	Finance Director
Ken Walker	Police Chief

***FINANCIAL SECTION***

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## ***INDEPENDENT AUDITORS' REPORT***

To the Honorable Mayor and  
City Council Members of the  
City of West University Place, Texas:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West University Place, Texas (the "City"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

---

#### **Partners**

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## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and schedules of funding progress, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining statements and schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The combining statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
May 30, 2014

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*MANAGEMENT'S DISCUSSION  
AND ANALYSIS*

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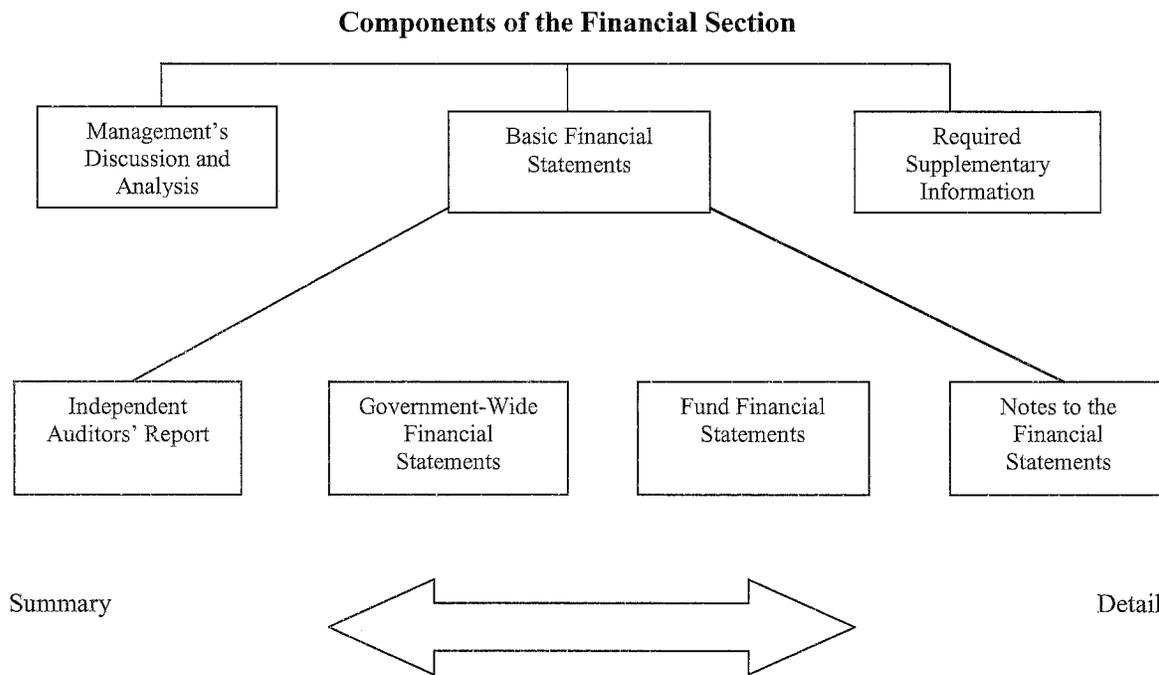
# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2013

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of West University Place, Texas (the "City") for the year ending December 31, 2013. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the City's basic financial statements, which follow this section.

### THE STRUCTURE OF OUR ANNUAL REPORT



The City's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### Government-Wide Statements

The government-wide statements report information for the City as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the City as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the City's financial statements, report information on the City's activities that enable the reader to understand the financial condition of the City. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities divide the City into two classes of activities:

1. *Governmental Activities* – Most of the City's basic services are reported here including general government (administration and finance), public safety (police and fire protection), public works (streets and drainage), and public services (leisure services and community development). Interest payments on the City's tax-supported debt are also reported here. Sales tax, property tax, franchise taxes, municipal court fines and permit fees finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water and sewer services as well as solid waste collection.

The government-wide financial statements can be found after the MD&A.

### FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of City funds are governmental and proprietary.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, which are considered to be major funds for reporting purposes. The City adopts an annual appropriated budget for its general fund, debt service fund, and select special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

# **CITY OF WEST UNIVERSITY PLACE, TEXAS**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)***

**For the Year Ended December 31, 2013**

### **Proprietary Funds**

The City maintains two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water distribution, wastewater collection/treatment, and solid waste operations. The proprietary fund financial statements provide separate information for the water and sewer and solid waste funds. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses internal service funds to account for its vehicle and equipment replacement services and for expenses associated with health benefits and technology management. These internal service funds have been included within governmental activities in the government-wide financial statements.

### **Notes to Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

### **Other Information**

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and schedules of funding progress for Texas Municipal Retirement System and other postemployment benefits for healthcare. The RSI can be found after the basic financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$65,456,811 as of December 31, 2013. This compares with \$61,643,916 from the prior fiscal year. The largest portion of the City's net position, 84 percent, reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

### Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 27,400,148	\$ 24,672,811	\$ 5,876,874	\$ 5,267,350	\$ 33,277,022	\$ 29,940,161
Capital assets, net	102,640,007	105,869,781	24,687,036	26,433,104	127,327,043	132,302,885
<b>Total Assets</b>	<b>130,040,155</b>	<b>130,542,592</b>	<b>30,563,910</b>	<b>31,700,454</b>	<b>160,604,065</b>	<b>162,243,046</b>
Deferred charge on refunding	2,424,957	955,620	65,485	73,670	2,490,442	1,029,290
<b>Total Deferred Outflows of Resources</b>	<b>2,424,957</b>	<b>955,620</b>	<b>65,485</b>	<b>73,670</b>	<b>2,490,442</b>	<b>1,029,290</b>
Long-term liabilities	74,080,164	78,194,458	4,466,577	5,112,399	78,546,741	83,306,857
Other liabilities	2,157,757	1,813,442	567,222	730,107	2,724,979	2,543,549
<b>Total Liabilities</b>	<b>76,237,921</b>	<b>80,007,900</b>	<b>5,033,799</b>	<b>5,842,506</b>	<b>81,271,720</b>	<b>85,850,406</b>
Property taxes	16,365,976	15,778,014	-	-	16,365,976	15,778,014
<b>Total Deferred Inflows of Resources</b>	<b>16,365,976</b>	<b>15,778,014</b>	<b>-</b>	<b>-</b>	<b>16,365,976</b>	<b>15,778,014</b>
<b>Net Position:</b>						
Net investment in						
capital assets	34,881,486	31,464,253	20,285,944	21,320,705	55,167,430	52,784,958
Restricted	2,197,619	2,260,764	675,000	645,000	2,872,619	2,905,764
Unrestricted	2,782,110	1,987,281	4,634,652	3,965,913	7,416,762	5,953,194
<b>Total Net Position</b>	<b>\$ 39,861,215</b>	<b>\$ 35,712,298</b>	<b>\$ 25,595,596</b>	<b>\$ 25,931,618</b>	<b>\$ 65,456,811</b>	<b>\$ 61,643,916</b>

A portion of the City's net position, \$2,872,619 or four percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$7,416,762 or 12 percent, may be used to meet the City's ongoing obligation to citizens and creditors.

The City's total net position increased by \$3,812,895 during the current fiscal year, an increase of six percent in comparison to the prior year. This included an increase of \$4,148,917 in the governmental activities, which primarily was a result of an increase in revenues related to charges for services and ad valorem taxes, as well as a decrease in expenses for general government, public works, and interest and fiscal agent fees on long-term debt. The decrease in business-type activities of \$336,022 is primarily a result of decreased revenue for charges for services attributed to the decrease in water usage due to improved drought conditions during the fiscal year.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

### Statement of Activities:

The following table provides a summary of the City's changes in net position:

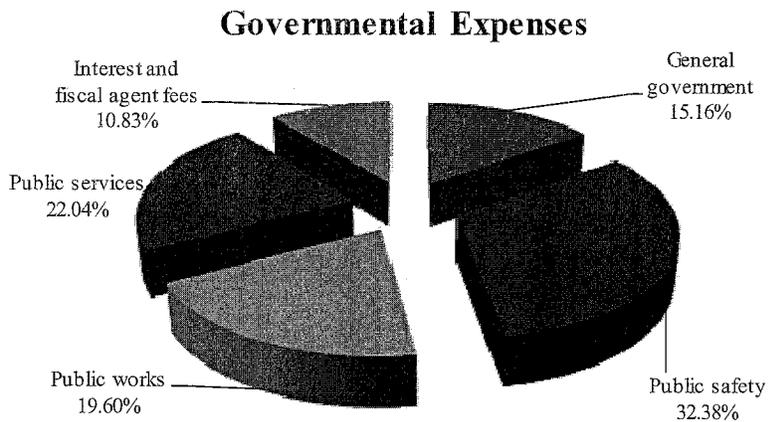
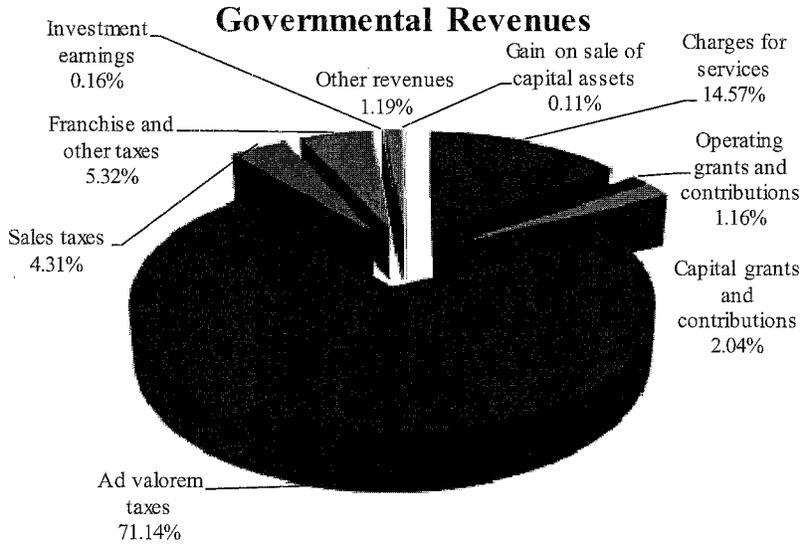
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,274,513	\$ 2,978,910	\$ 9,066,358	\$ 9,289,465	\$ 12,340,871	\$ 12,268,375
Operating grants and contributions	259,000	300,048	-	-	259,000	300,048
Capital grants and contributions	454,115	604,758	-	-	454,115	604,758
General revenues:						
Ad valorem taxes	15,821,018	15,240,424	-	-	15,821,018	15,240,424
Sales taxes	957,658	1,003,897	-	-	957,658	1,003,897
Franchise taxes	1,170,448	1,142,265	-	-	1,170,448	1,142,265
Other taxes	11,546	9,685	-	-	11,546	9,685
Investment earnings	35,087	27,270	9,534	8,027	44,621	35,297
Other revenues	320,123	286,619	-	-	320,123	286,619
Gain on sale of capital asset	23,909	427	-	-	23,909	427
(Loss) on sale of asset held for resale	-	(68,150)	-	-	-	(68,150)
<b>Total Revenues</b>	<b>22,327,417</b>	<b>21,526,153</b>	<b>9,075,892</b>	<b>9,297,492</b>	<b>31,403,309</b>	<b>30,823,645</b>
<b>Expenses</b>						
General government	3,049,656	3,208,930	-	-	3,049,656	3,208,930
Public safety	6,515,194	6,211,784	-	-	6,515,194	6,211,784
Public works	3,944,561	4,240,301	-	-	3,944,561	4,240,301
Public services	4,433,865	4,158,008	-	-	4,433,865	4,158,008
Interest and fiscal agent fees on long-term debt	2,178,324	2,633,700	-	-	2,178,324	2,633,700
Water and sewer	-	-	6,092,231	6,409,131	6,092,231	6,409,131
Solid waste	-	-	1,376,583	1,427,997	1,376,583	1,427,997
<b>Total Expenses</b>	<b>20,121,600</b>	<b>20,452,723</b>	<b>7,468,814</b>	<b>7,837,128</b>	<b>27,590,414</b>	<b>28,289,851</b>
<b>Increase in Net Position Before Transfers</b>	<b>2,205,817</b>	<b>1,073,430</b>	<b>1,607,078</b>	<b>1,460,364</b>	<b>3,812,895</b>	<b>2,533,794</b>
Transfers in (out)	1,943,100	1,861,848	(1,943,100)	(1,861,848)	-	-
<b>Change in Net Position</b>	<b>4,148,917</b>	<b>2,935,278</b>	<b>(336,022)</b>	<b>(401,484)</b>	<b>3,812,895</b>	<b>2,533,794</b>
Beginning net position	35,712,298	32,777,020	25,931,618	26,333,102	61,643,916	59,110,122
<b>Ending Net Position</b>	<b>\$ 39,861,215</b>	<b>\$ 35,712,298</b>	<b>\$ 25,595,596</b>	<b>\$ 25,931,618</b>	<b>\$ 65,456,811</b>	<b>\$ 61,643,916</b>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

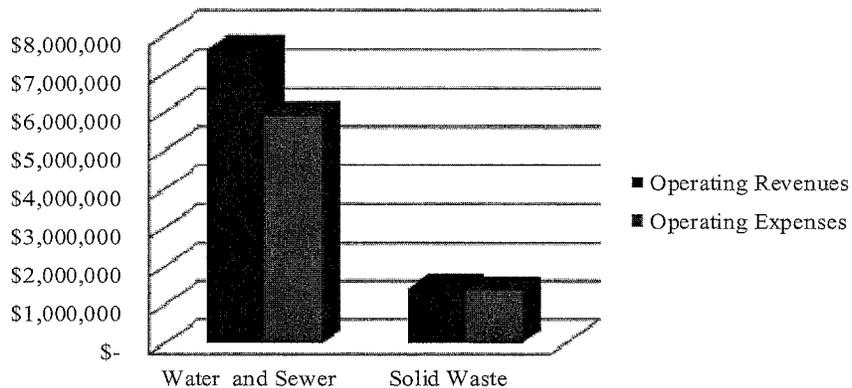
## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the City's activities.



### Business-Type Activities



# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

For the year ended December 31, 2013, revenues from governmental activities totaled \$22,327,417, compared with \$21,526,153 in the prior year. This \$801,264 increase occurred primarily as the result of \$580,594 in additional property tax revenue.

For the year ended December 31, 2013, expenses for governmental activities totaled \$20,121,600, a decrease of \$331,123 or two percent from last year, which is comparable to prior year. The overall decrease is primarily due to decreases in general government expenses, public works expenses and interest and fiscal agent fees, offset slightly by increases in public safety and public services expenses.

Operating revenues for business-type activities decreased by a total of \$221,600. Of this amount, charges for services decreased \$223,107, or two percent, because of a decrease in water usage due to improved drought conditions during the year. Operating expenses for business-type activities decreased by \$368,314. This decrease is primarily due to a decrease in water usage during the year.

### FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

**Governmental Funds** – The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

The City's governmental funds reflect a combined fund balance of \$7,945,038. Of this, \$159,887 is nonspendable, \$95,668 is restricted for debt service, \$33,709 is restricted for enabling legislation, \$877,407 is restricted for capital projects, \$804,201 is restricted for City parks, \$259,197 is restricted for METRO, \$127,437 is restricted for governmental programming, \$210,000 is assigned for City operations, \$120,991 is assigned for tree replacement, and \$1,094,643 is assigned to capital projects funds.

There was an increase in the combined fund balance of \$719,934 compared to the prior year. This is largely attributable to an increase in property tax revenue.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$4,181,880, while total fund balance reached \$4,676,832. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 29 percent of total general fund expenditures, while total fund balance represents 32 percent of the total general fund expenditures. The general fund demonstrated an overall increase of \$412,995 primarily due to an increase in property tax revenue and permits, licenses, and fees revenue.

The debt service fund has a total fund balance of \$95,668, all of which is restricted for the payment of debt service. Expenditures exceeded revenues by \$770,022, with an overall net decrease in fund balance for the year of \$178,295, after transfers and debt issuance. This decrease is due to the bond payments exceeding property taxes collected.

**Proprietary Funds** – The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2013

### GENERAL FUND BUDGETARY HIGHLIGHTS

There had been a planned decrease in budgeted fund balance in the amount of \$734,631 in the general fund. However, fund balance increased by \$412,995, resulting in a positive variance of \$1,147,626 from actual over budgeted as amended.

Actual general fund revenues were greater than the amended budgeted revenues by \$632,884 during 2013. This net variance includes the positive variances of \$434,598 for permits, licenses, and fees and \$282,753 for charges for services.

Actual expenditures were less than budgeted amounts in total by \$514,746 for the fiscal year. This net variance is due to positive variances of \$172,955 for general government, \$77,403 for public safety, \$180,677 for public works, and \$83,711 for public service.

### CAPITAL ASSETS

At the end of fiscal year 2013, the City's governmental activities funds had invested \$102,640,007 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net decrease of \$3,229,774.

Major capital asset events during the year included the following:

- Purchase of six vehicles in the amount of \$365,712
- Purchase of City Hall equipment in the amount of \$105,018
- Purchase of Police department equipment in the amount of \$28,455
- Contribution of a park shade structure in the amount of \$50,637

More detailed information about the City's capital assets is presented in note III.C. to the financial statements.

### LONG-TERM DEBT

At the end of the current year, the City had total bonds and certificates of obligation outstanding of \$74,135,000. Of this amount, \$57,180,000 was general obligation debt, \$4,460,000 was revenue bond debt, and certificates of obligation accounted for \$12,495,000.

During the year, the City had a net decrease in long-term debt of \$5,392,943. The City issued \$16,360,000 of permanent improvement refunding bonds, series 2013 for the purpose of refunding a portion of outstanding permanent improvement refunding bonds, series 2005 in the amount of \$14,980,000.

More detailed information about the City's long-term liabilities is presented in note III.D. to the financial statements.

Current underlying ratings on debt issues are as follows:

	Moody's Investors Service	Standard and Poor's
Water revenue bonds	Aa2	AA

# **CITY OF WEST UNIVERSITY PLACE, TEXAS**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)***

**For the Year Ended December 31, 2013**

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The City Council approved a \$32.8 million operating budget for fiscal year 2014. The budget has a decrease in the property tax rate in the amount of \$0.00011 per \$100 value. The ability to slightly lower the current tax rate was made possible by the diligent efforts of the staff to continue to keep expenditures controlled. The City's tax rate is one of the lowest in the Houston area and is projected to remain relatively stable into the future due to projected stability in taxable values, the political stability of the community, and the underlying strength in the Houston area economy. Growth in assessed values is at almost 11 percent in the last five years (since 2008), with about 3 percent attributable to the last year. For the future, the rate of growth is expected to remain steady with reconstruction continuing to impact the value of property well into the future. In the December 9, 2011 issue of the Houston Business Journal, the City was ranked number one in a study of the best locations for quality of life in the United States. In its April 2013 publication, The Greater Houston Partnership said that "The Houston Metro area continues to set the pace for job growth in the nation, recording a 4.5 percent increase in employment from February 2012 to February 2013, according to data released by the U.S. Bureau of Labor Statistics (BLS)." This will have a positive impact on the City of West University Place.

The water and sewer fund had been a source of concern because of a series of wet years and dramatic increases in debt service which had steadily decreased reserves and pushed the fund into non-compliance with its bond covenants. The City Council took action in late 2003 by increasing water and sewer rates. Since then, the City has carefully monitored the performance of utility services and increased rates as needed. The adopted fiscal 2014 budget maintains the 2013 water and sewer rates, however, the City Council approved an ordinance in March 2014 to increase the water rates due to an increase in the cost of treated water purchased from the City of Houston. Additional revenue from water and sewer sales due to the historical Texas drought in 2011 has been instrumental in allowing the City to set aside funds for high dollar non-recurring expenditures in the near future fiscal years.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to Rhonda Daugherty, Finance Director, 3800 University Boulevard, West University Place, TX, 77005; telephone 713.662.5816; or for general City information, visit the City's website at [www.westutx.gov](http://www.westutx.gov).

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***BASIC FINANCIAL STATEMENTS***



# CITY OF WEST UNIVERSITY PLACE, TEXAS

## STATEMENT OF NET POSITION

December 31, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and equity in pooled cash and investments	\$ 14,033,173	\$ 4,711,960	\$ 18,745,133
Cash with fiscal agent	1,784,161	-	1,784,161
Cash and cash equivalents	591,059	-	591,059
Investments	200,467	-	200,467
Receivables, net of allowances	10,413,142	1,309,382	11,722,524
Internal balances	144,468	(144,468)	-
Inventory	27,289	-	27,289
Prepays	206,389	-	206,389
Capital assets:			
Non-depreciable capital assets	6,298,042	247,733	6,545,775
Depreciable capital assets, net	96,341,965	24,439,303	120,781,268
<b>Total Assets</b>	<b>130,040,155</b>	<b>30,563,910</b>	<b>160,604,065</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	2,424,957	65,485	2,490,442
<b>Liabilities</b>			
Accounts payable and accrued liabilities	1,325,526	489,852	1,815,378
Accrued interest payable	832,231	77,370	909,601
Noncurrent liabilities:			
Due within one year	7,090,500	675,000	7,765,500
Due in more than one year	66,989,664	3,791,577	70,781,241
<b>Total Liabilities</b>	<b>76,237,921</b>	<b>5,033,799</b>	<b>81,271,720</b>
<b>Deferred Inflows of Resources</b>			
Property taxes	16,365,976	-	16,365,976
<b>Net Position</b>			
Net investment in capital assets	34,881,486	20,285,944	55,167,430
Restricted for:			
Capital projects	877,407	-	877,407
Debt service	95,668	675,000	770,668
Enabling legislation	33,709	-	33,709
City parks	804,201	-	804,201
METRO	259,197	-	259,197
Governmental programming	127,437	-	127,437
Unrestricted	2,782,110	4,634,652	7,416,762
<b>Total Net Position</b>	<b>\$ 39,861,215</b>	<b>\$ 25,595,596</b>	<b>\$ 65,456,811</b>

See Notes to Financial Statements.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General government	\$ 3,049,656	\$ -	\$ 259,000	\$ -
Public safety	6,515,194	1,009,760	-	-
Public works	3,944,561	-	-	-
Public services	4,433,865	2,264,753	-	454,115
Interest on long-term debt	2,178,324	-	-	-
<b>Total Governmental Activities</b>	<b>20,121,600</b>	<b>3,274,513</b>	<b>259,000</b>	<b>454,115</b>
<b>Business-Type Activities</b>				
Water and sewer	6,092,231	7,623,233	-	-
Solid waste	1,376,583	1,443,125	-	-
<b>Total Business-Type Activities</b>	<b>7,468,814</b>	<b>9,066,358</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 27,590,414</b>	<b>\$ 12,340,871</b>	<b>\$ 259,000</b>	<b>\$ 454,115</b>

**General Revenues:**

- Ad valorem taxes
- Sales taxes
- Franchise taxes
- Other taxes
- Investment earnings
- Other revenues
- Gain on sale of capital assets
- Transfers

**Total General Revenues and Transfers**

**Change in Net Position**

Beginning net position

**Ending Net Position**

See Notes to Financial Statements.

**Net Revenue (Expense) and Changes in Net Position**

<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (2,790,656)	\$ -	\$ (2,790,656)
(5,505,434)	-	(5,505,434)
(3,944,561)	-	(3,944,561)
(1,714,997)	-	(1,714,997)
(2,178,324)	-	(2,178,324)
<u>(16,133,972)</u>	<u>-</u>	<u>(16,133,972)</u>
-	1,531,002	1,531,002
-	66,542	66,542
<u>-</u>	<u>1,597,544</u>	<u>1,597,544</u>
<u>(16,133,972)</u>	<u>1,597,544</u>	<u>(14,536,428)</u>
15,821,018	-	15,821,018
957,658	-	957,658
1,170,448	-	1,170,448
11,546	-	11,546
35,087	9,534	44,621
320,123	-	320,123
23,909	-	23,909
1,943,100	(1,943,100)	-
<u>20,282,889</u>	<u>(1,933,566)</u>	<u>18,349,323</u>
4,148,917	(336,022)	3,812,895
<u>35,712,298</u>	<u>25,931,618</u>	<u>61,643,916</u>
<u>\$ 39,861,215</u>	<u>\$ 25,595,596</u>	<u>\$ 65,456,811</u>

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

December 31, 2013

	General	Debt Service	Nonmajor Governmental	Total Governmental Funds
<b><u>Assets</u></b>				
Current assets:				
Cash and equity in pooled cash and investments	\$ 7,350,678	\$ 2,451,060	\$ 2,482,938	\$ 12,284,676
Cash with fiscal agent	936,494	847,667	-	1,784,161
Cash and cash equivalents	-	-	591,059	591,059
Investments	-	-	200,467	200,467
Receivables, net	5,597,237	4,696,712	74,893	10,368,842
Due from other funds	401,522	-	-	401,522
Inventory	24,917	-	2,372	27,289
Prepaid costs	132,598	-	-	132,598
<b>Total Assets</b>	<b>\$ 14,443,446</b>	<b>\$ 7,995,439</b>	<b>\$ 3,351,729</b>	<b>\$ 25,790,614</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 1,051,242	\$ 300	\$ 43,140	\$ 1,094,682
Due to other funds	-	-	136,051	136,051
<b>Total Liabilities</b>	<b>1,051,242</b>	<b>300</b>	<b>179,191</b>	<b>1,230,733</b>
<b><u>Deferred Inflow of Resources</u></b>				
Unavailable revenue - property taxes	8,715,372	7,899,471	-	16,614,843
<b><u>Fund Balances</u></b>				
Nonspendable:				
Inventory	24,917	-	2,372	27,289
Prepaid items	132,598	-	-	132,598
Restricted for:				
Debt service	-	95,668	-	95,668
Enabling legislation	-	-	33,709	33,709
Capital projects	-	-	877,407	877,407
City parks	-	-	804,201	804,201
METRO	-	-	259,197	259,197
Governmental programming	127,437	-	-	127,437
Assigned to:				
City operations	210,000	-	-	210,000
Tree replacement	-	-	120,991	120,991
Capital projects funds	-	-	1,094,643	1,094,643
Unassigned:				
General fund	4,181,880	-	-	4,181,880
Special revenue funds	-	-	(19,982)	(19,982)
<b>Total Fund Balances</b>	<b>4,676,832</b>	<b>95,668</b>	<b>3,172,538</b>	<b>7,945,038</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 14,443,446</b>	<b>\$ 7,995,439</b>	<b>\$ 3,351,729</b>	<b>\$ 25,790,614</b>

See Notes to Financial Statements.

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2013**

Total fund balances for governmental funds		\$ 7,945,038
Amounts reported for governmental activities in the Statement of Net Position are different, because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, non-depreciable	6,298,042	
Capital assets, net depreciable	95,454,761	101,752,803
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
		248,867
Internal service funds are used by management to charge the costs of certain capital assets to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.		
		2,401,945
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued interest	(832,231)	
Deferred charge on refunding	2,424,957	
Non-current liabilities due in one year	(7,090,500)	
Non-current liabilities due in more than one year	(66,989,664)	(72,487,438)
		\$ 39,861,215

See Notes to Financial Statements.

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2013**

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Ad valorem taxes	\$ 8,074,151	\$ 7,720,449	\$ -	\$ 15,794,600
Sales taxes	957,658	-	-	957,658
Franchise taxes	1,170,448	-	-	1,170,448
Other taxes	11,546	-	-	11,546
Permits, licenses, and fees	752,098	-	44,464	796,562
Fines and forfeitures	200,248	-	12,950	213,198
Charges for services	2,264,753	-	-	2,264,753
Intergovernmental	-	-	259,000	259,000
Contributions	-	-	454,115	454,115
Investment earnings	20,171	2,402	9,187	31,760
Other revenue	264,729	-	55,394	320,123
<b>Total Revenues</b>	<b>13,715,802</b>	<b>7,722,851</b>	<b>835,110</b>	<b>22,273,763</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	2,519,328	-	63,232	2,582,560
Public safety	6,617,056	-	-	6,617,056
Public works	2,596,798	-	-	2,596,798
Public services	2,745,825	-	297,366	3,043,191
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>209,284</b>	<b>209,284</b>
<b>Debt service:</b>				
Principal	-	5,605,000	-	5,605,000
Interest	-	2,320,806	-	2,320,806
Bond issuance costs	-	217,067	-	217,067
Advance refunding escrow	-	350,000	-	350,000
<b>Total Expenditures</b>	<b>14,479,007</b>	<b>8,492,873</b>	<b>569,882</b>	<b>23,541,762</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(763,205)</b>	<b>(770,022)</b>	<b>265,228</b>	<b>(1,267,999)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,560,000	383,100	846,797	2,789,897
Transfers (out)	(383,800)	-	(626,791)	(1,010,591)
Debt issued	-	16,360,000	-	16,360,000
Payment to refunded bond escrow agent	-	(16,151,373)	-	(16,151,373)
<b>Total Other Financing Sources</b>	<b>1,176,200</b>	<b>591,727</b>	<b>220,006</b>	<b>1,987,933</b>
<b>Net Change in Fund Balances</b>	<b>412,995</b>	<b>(178,295)</b>	<b>485,234</b>	<b>719,934</b>
Beginning fund balances	4,263,837	273,963	2,687,304	7,225,104
<b>Ending Fund Balances</b>	<b>\$ 4,676,832</b>	<b>\$ 95,668</b>	<b>\$ 3,172,538</b>	<b>\$ 7,945,038</b>

See Notes to Financial Statements.



**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2013

Net changes in fund balances - total governmental funds \$ 719,934

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	194,651
Capital contribution	50,637
Disposal of capital assets	(3,402)
Depreciation expense	(3,570,854)

The issuance of long-term debt (e.g., bonds, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.

Principal payments	5,505,000
Amortization of deferred charges	148,720
Bonds issued	(16,360,000)
Payment to refunded bond escrow agent	16,501,373
Accrued interest	310,829

Revenues in the Statement of Activities that does not provide current financial resources are not reported as revenue in the funds. 26,418

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(127,633)
OPEB obligation	(73,319)
TMRS obligation	(10,510)

Internal service funds are used by management to charge the costs of certain capital assets to individual funds. The net revenue (expense) is reported with governmental activities. 837,073

**Change in Net Position of Governmental Activities** \$ 4,148,917

See Notes to Financial Statements.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

STATEMENT OF NET POSITION (Page 1 of 2)

## PROPRIETARY FUNDS

December 31, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Solid Waste	Total Funds	Activities Internal Service Funds
<b>Assets</b>				
Current assets:				
Cash and equity in pooled cash and investments	\$ 4,711,904	\$ 56	\$ 4,711,960	\$ 1,748,497
Accounts receivable, net	1,076,173	233,209	1,309,382	44,300
Prepaid costs	-	-	-	73,791
<b>Total Current Assets</b>	<b>5,788,077</b>	<b>233,265</b>	<b>6,021,342</b>	<b>1,866,588</b>
Noncurrent assets:				
Capital assets:				
Land	193,875	-	193,875	-
Construction in progress	53,858	-	53,858	-
Buildings and improvements	459,625	-	459,625	-
Furniture and equipment	1,986,714	-	1,986,714	2,720,839
Water and sewer system	54,724,622	-	54,724,622	-
Less: accumulated depreciation	(32,731,658)	-	(32,731,658)	(1,833,635)
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>24,687,036</b>	<b>-</b>	<b>24,687,036</b>	<b>887,204</b>
<b>Total Noncurrent Assets</b>	<b>24,687,036</b>	<b>-</b>	<b>24,687,036</b>	<b>887,204</b>
<b>Total Assets</b>	<b>\$ 30,475,113</b>	<b>\$ 233,265</b>	<b>\$ 30,708,378</b>	<b>\$ 2,753,792</b>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## STATEMENT OF NET POSITION (Page 2 of 2)

### PROPRIETARY FUNDS

December 31, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Solid Waste	Total	Internal Service Funds
<b><u>Deferred Outflows of Resources</u></b>				
Deferred charge on refunding	\$ 65,485	\$ -	\$ 65,485	\$ -
<b><u>Liabilities</u></b>				
Current liabilities:				
Accounts payable and accrued liabilities	420,111	69,741	489,852	230,844
Due to other funds	-	144,468	144,468	121,003
Accrued interest payable	77,370	-	77,370	-
Revenue bonds due within one year	675,000	-	675,000	-
<b>Total Current Liabilities</b>	1,172,481	214,209	1,386,690	351,847
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts and premiums)	3,791,577	-	3,791,577	-
<b>Total Noncurrent Liabilities</b>	3,791,577	-	3,791,577	-
<b>Total Liabilities</b>	4,964,058	214,209	5,178,267	351,847
<b><u>Net Position</u></b>				
Net investment in capital assets	20,285,944	-	20,285,944	887,204
Restricted	675,000	-	675,000	-
Unrestricted	4,615,596	19,056	4,634,652	1,514,741
<b>Total Net Position</b>	\$ 25,576,540	\$ 19,056	\$ 25,595,596	\$ 2,401,945

See Notes to Financial Statements.

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**

For the Year Ended December 31, 2013

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water and</u>	<u>Solid</u>	<u>Total Funds</u>	<u>Internal Service</u>
	<u>Sewer</u>	<u>Waste</u>		<u>Funds</u>
<b><u>Operating Revenues</u></b>				
Charges for sales and services	\$ 7,623,233	\$ 1,316,447	\$ 8,939,680	\$ 3,768,850
Other revenues	-	126,678	126,678	20,742
<b>Total Operating Revenues</b>	<b>7,623,233</b>	<b>1,443,125</b>	<b>9,066,358</b>	<b>3,789,592</b>
<b><u>Operating Expenses</u></b>				
Costs of sales and services	2,752,770	895,087	3,647,857	2,820,727
Personnel	1,209,258	481,496	1,690,754	-
Repairs and maintenance	-	-	-	84,449
Depreciation	1,940,867	-	1,940,867	238,373
<b>Total Operating Expenses</b>	<b>5,902,895</b>	<b>1,376,583</b>	<b>7,279,478</b>	<b>3,143,549</b>
<b>Operating Income</b>	<b>1,720,338</b>	<b>66,542</b>	<b>1,786,880</b>	<b>646,043</b>
<b><u>Nonoperating Revenues (Expenses)</u></b>				
Investment earnings	9,502	32	9,534	3,327
Interest expense	(189,336)	-	(189,336)	-
Gain on sale of capital assets	-	-	-	23,909
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(179,834)</b>	<b>32</b>	<b>(179,802)</b>	<b>27,236</b>
<b>Income Before Transfers</b>	<b>1,540,504</b>	<b>66,574</b>	<b>1,607,078</b>	<b>673,279</b>
Transfers in	-	-	-	163,794
Transfers (out)	(1,633,104)	(309,996)	(1,943,100)	-
<b>Change in Net Position</b>	<b>(92,600)</b>	<b>(243,422)</b>	<b>(336,022)</b>	<b>837,073</b>
Beginning net position	25,669,140	262,478	25,931,618	1,564,872
<b>Ending Net Position</b>	<b>\$ 25,576,540</b>	<b>\$ 19,056</b>	<b>\$ 25,595,596</b>	<b>\$ 2,401,945</b>

See Notes to Financial Statements.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total Funds	Internal Service Funds
<b><u>Cash Flows from Operating Activities</u></b>				
Receipts from customers and users	\$ 7,774,395	\$ 1,436,299	\$ 9,210,694	\$ 3,775,130
Payments to suppliers	(2,910,756)	(755,518)	(3,666,274)	(2,901,091)
Payments to employees	(1,209,258)	(481,496)	(1,690,754)	-
<b>Net Cash Provided by Operating Activities</b>	<b>3,654,381</b>	<b>199,285</b>	<b>3,853,666</b>	<b>874,039</b>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>				
Transfers in from other funds	-	-	-	163,794
Transfers to other funds	(1,633,104)	(309,996)	(1,943,100)	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(1,633,104)</b>	<b>(309,996)</b>	<b>(1,943,100)</b>	<b>163,794</b>
<b><u>Cash Flows from Capital and Related Financing Activities</u></b>				
Acquisition and construction of capital assets	(194,799)	-	(194,799)	(337,567)
Principal paid on capital debt	(645,000)	-	(645,000)	-
Interest and fiscal charges	(181,973)	-	(181,973)	-
Proceeds from sale of capital assets	-	-	-	23,909
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(1,021,772)</b>	<b>-</b>	<b>(1,021,772)</b>	<b>(313,658)</b>
<b><u>Cash Flows from Investing Activities</u></b>				
Interest received	9,502	32	9,534	3,327
<b>Net Cash Provided by Investing Activities</b>	<b>9,502</b>	<b>32</b>	<b>9,534</b>	<b>3,327</b>
<b>Net Increase (Decrease) in Cash and Pooled Cash and Investments</b>	<b>1,009,007</b>	<b>(110,679)</b>	<b>898,328</b>	<b>727,502</b>
Beginning cash and equity in pooled cash and investments	3,702,897	110,735	3,813,632	1,020,995
<b>Ending Cash and Equity in Pooled Cash and Investments</b>	<b>\$ 4,711,904</b>	<b>\$ 56</b>	<b>\$ 4,711,960</b>	<b>\$ 1,748,497</b>

See Notes to Financial Statements.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended December 31, 2013

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Total Funds</u>	<u>Internal Service Funds</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating income	\$ 1,720,338	\$ 66,542	\$ 1,786,880	\$ 646,043
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,940,867	-	1,940,867	238,373
<b>Changes in Operating Assets and Liabilities:</b>				
<b>(Increase) Decrease in:</b>				
Accounts receivable	151,162	(6,826)	144,336	(14,462)
Prepaid costs	-	-	-	14,196
<b>Increase (Decrease) in:</b>				
Accounts payable and accrued liabilities	(157,986)	(4,899)	(162,885)	125,310
Due to other funds	-	144,468	144,468	(135,421)
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 3,654,381</u>	<u>\$ 199,285</u>	<u>\$ 3,853,666</u>	<u>\$ 874,039</u>

See Notes to Financial Statements.

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2013

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The City of West University Place, Texas (the "City") was incorporated in 1924. The City has operated under a "Home Rule Charter" since 1940 which provides for a Council-Manager form of government. A Mayor and four Council members are elected by voters of the City at large for two-year terms.

The City Council is the principal legislative body of the City. The City Manager is appointed by a majority vote of the City Council and is responsible to the Council for the administration of all the affairs of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

The City provides the following services: public safety to include police and fire services, municipal court, leisure services, streets, drainage, water and sewer services, solid waste collection and disposal, community development, and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Friends of West University Parks fund, although legally separate, is considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

#### **Blended Component Unit**

##### **Friends of West University Parks Fund**

Friends of West University Parks Fund (the "Corporation") has been included in the reporting entity as a blended component unit. The Corporation is a not-for-profit entity created to solicit private contributions for the beautification, improvement, and maintenance of the City's parkland. The Corporation's Board of Directors is appointed by and serves at the discretion of City Council. City Council approval is required for any projects of the Corporation that exceed \$1,000. In the event of dissolution, any assets of the Corporation will be transferred to the City. The operations

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

of the Corporation are presented as a governmental fund type. Separate financial statements of the Corporation may be obtained from the Finance Department of the City.

### B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

### C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

### D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its blended component unit. Separate statements for each fund category – governmental and proprietary– are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following governmental funds:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, and public service. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on all general obligation bonds and other long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue funds are considered nonmajor funds for reporting purposes.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The capital projects funds are considered nonmajor funds for reporting purposes.

The City reports the following enterprise funds:

The *enterprise funds* are used to account for the operations that provide water and wastewater collection, wastewater treatment operations and solid waste collection and disposal. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The water and sewer fund is considered a major fund for reporting purposes. The solid waste fund is not considered a major fund for reporting purposes, but due to its significance, the City has elected to present it as such.

Additionally, the City reports the following fund type:

*Internal service funds* account for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The vehicle replacement and equipment replacement funds are used to account for vehicle and equipment replacement and maintenance services. The healthcare benefits fund accounts for costs associated with retired or separated employees, as well as healthcare benefits. The technology management fund accounts for technology services.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

### **E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

### **F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

#### **1. Cash and Cash Equivalents**

The City's cash and cash equivalent are considered to be cash on hand, demand deposits, balances in statewide investment pools (TexPool), and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

The City maintains pooled cash and investment accounts. Each fund whose monies are deposited in the pooled cash and investment accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as "cash and equity in pooled cash and investments."

#### **2. Investments**

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. government
- Certificates of deposit that meet certain criteria
- Money market mutual funds that meet certain criteria
- Statewide investment pools

### 3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### 4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings	25 to 50 years
Improvements	5 to 50 years
Equipment	3 to 30 years
Water and sewer system	5 to 60 years
Infrastructure	50 years

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### 5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At the government-wide level, the City reports a deferred inflow of resources for that portion of property taxes that was collected for use in the subsequent period.

### 6. Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits, and compensatory time. Amounts accumulated, up to certain amounts, may be paid to employees upon termination of employment. The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

### 7. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax

# **CITY OF WEST UNIVERSITY PLACE, TEXAS**

## **NOTES TO FINANCIAL STATEMENTS (Continued)**

**For the Year Ended December 31, 2013**

along with the interest earned in the debt service fund. Although a portion of the general obligation debt was directly related to the purchase of water and sewer infrastructure, the debt service expenditures are included in the governmental fund financial statements as they are expected to be paid from debt service tax revenues instead of water system revenues.

Assets acquired under the terms of a capital lease are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the applicable fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

### **8. Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

### **9. Fund Balance Flow Assumptions**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### **10. Fund Balance Policies**

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by approval of a

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

resolution prior to the end of the fiscal year, commit fund balance. Once approved, the limitation imposed by the resolution remains in place until a similar action is taken (the approval of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City's Finance Director to assign fund balance to a specific purpose as approved by the City's fund balance policy. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

It is the City's policy to achieve and maintain an unassigned fund balance in the general fund equal to 20 percent of estimated revenue for the current annual budget. All other operating fund reserves will be maintained at ten percent of the estimated revenue for the current annual budget. Balances of less than the prescribed levels shall only be allowed with specific approval of City Council.

### 11. Post Employment Healthcare Benefits

The City provides post employment healthcare benefits as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by the employees who elect coverage under COBRA and the City incurs no direct costs.

For employees hired prior to January 1, 2009, the City provides continued healthcare coverage for eligible retirees until they become eligible for Medicare or other federal or state health insurance plans or if retirees become employed. The City pays 100 percent of the premium for the retiree. Spouses and dependents are eligible for continued coverage at the retirees' expense.

### 12. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

## G. Revenues and Expenditures/Expenses

### 1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### 2. Property Taxes

Property taxes are levied during October of each year and are due upon receipt of the City's tax bill. Taxes become delinquent, with an enforceable lien on property, on February 1 of the following year.

### 3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except the capital projects funds, which adopt a project length budget. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level in the general fund and all others are the fund level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended December 31, 2013. An annual budget is not adopted for the blended component unit, Friends of West University Parks fund or the emergency grant fund. The parks fund, tree replacement fund, court technology/security fund, and METRO grant fund are all special revenue funds that have adopted budgets.

Encumbrances represent the estimated amount of expenditures ultimately to result when unperformed contracts (in progress at year end) are completed. Such encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

### A. Deficit Fund Balance

At December 31, 2013, the emergency grant fund, a nonmajor governmental fund, reported a deficit fund balance of \$19,982. The reason for the deficit is that the City had liabilities greater than assets. The City plans to transfer money from the general fund to offset the deficit in fiscal year 2014.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### III. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

As of December 31, 2013, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
U.S. agencies	\$ 9,000,000	2.20
TexPool	6,449,920	0.00
Corporation's certificates of deposit	200,467	0.01
<b>Total Fair Value</b>	<b>\$ 15,650,387</b>	
Portfolio weighted average maturity		1.27

*Interest rate risk.* In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

*Credit risk.* The City's policy requires that investment pools must be rated no lower than "AAA" or "AAA-m". United States agency investments must be issued in the United States and carry a rating of "AAA" or "AAAE" as provided by two of the top nationally recognized rating agencies. As of December 31, 2013, the City's investment in TexPool was rated "AAAm" and the City's investment in United States agencies was rated between "AA+" and "AAA" by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency. More specifically, the U.S. agency securities held by the City as of December 31, 2013 consist of a variety of bonds and discount notes issued by the Federal Home Loan Bank, the Federal National Mortgage Association, and the Federal Farm Credit Bank. These investments were rated not less than "AAA" by Moody's and not less than "AA+" by Standard & Poor's.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of December 31, 2013, fair market values of pledged securities and FDIC coverage exceeded bank balances for the City. The Corporation's fair market values of pledged securities and FDIC coverage did not exceed bank balances. The Corporation was under collateralized by \$214,463.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

#### TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the Office of the Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

### B. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund, the debt service fund, the nonmajor governmental funds in the aggregate, and the enterprise funds, including the applicable allowances for uncollectible accounts:

	General	Debt Service	Nonmajor	Internal Service	Water and Sewer	Solid Waste
Ad valorem taxes	\$ 5,176,998	\$ 4,696,712	\$ -	\$ -	\$ -	\$ -
Other taxes	291,317	-	-	-	-	-
Accounts	113,638	-	-	-	1,190,802	266,134
Intergovernmental	-	-	19,498	-	-	-
Other	16,840	-	55,395	44,300	8,960	-
Less allowance	(1,556)	-	-	-	(123,589)	(32,925)
	<u>\$ 5,597,237</u>	<u>\$ 4,696,712</u>	<u>\$ 74,893</u>	<u>\$ 44,300</u>	<u>\$ 1,076,173</u>	<u>\$ 233,209</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### C. Capital Assets

A summary of changes in capital assets for the year end is as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	(Decreases)	
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,298,042	\$ -	\$ -	\$ 6,298,042
Total capital assets not being depreciated	<u>6,298,042</u>	<u>-</u>	<u>-</u>	<u>6,298,042</u>
Other capital assets:				
Buildings and improvements	57,001,912	7,792	-	57,009,704
Machinery and equipment	7,813,159	603,208	(337,746)	8,078,621
Infrastructure	65,287,679	-	-	65,287,679
Total other capital assets	<u>130,102,750</u>	<u>611,000</u>	<u>(337,746)</u>	<u>130,376,004</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,392,173)	(1,745,076)	-	(11,137,249)
Machinery and equipment	(5,456,843)	(758,398)	306,199	(5,909,042)
Infrastructure	(15,681,995)	(1,305,753)	-	(16,987,748)
Total accumulated depreciation	<u>(30,531,011)</u>	<u>(3,809,227)</u>	<u>306,199</u>	<u>(34,034,039)</u>
Other capital assets, net	<u>99,571,739</u>	<u>(3,198,227)</u>	<u>(31,547)</u>	<u>96,341,965</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 105,869,781</u>	<u>\$ (3,198,227)</u>	<u>\$ (31,547)</u>	<u>102,640,007</u>
			Less associated debt	(71,060,885)
			Plus unspent bond proceeds	877,407
			Plus deferred charge on refunding	<u>2,424,957</u>
			<b>Net Investment in Capital Assets</b>	<u>\$ 34,881,486</u>

All capital assets constructed or paid for with funds of the component units are titled in the City's name. Accordingly, component unit capital assets and construction in progress are recorded in the governmental activities totals.

Depreciation was charged to governmental functions as follows:

General government	\$ 534,468
Public safety	100,453
Public works	1,375,350
Public service	1,560,583
Capital assets held by the City's internal service fund	<u>238,373</u>
<b>Total Governmental Activities Depreciation Expense</b>	<u>\$ 3,809,227</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The following is a summary of changes in capital assets for business-type activities for the year end:

	Primary Government			
	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
<b>Business-Type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 193,875	\$ -	\$ -	\$ 193,875
Construction in progress	222,114	90,465	(258,721)	53,858
Total capital assets not being depreciated	415,989	90,465	(258,721)	247,733
Other capital assets:				
Buildings	459,625	-	-	459,625
Water and sewer systems	54,406,562	318,060	-	54,724,622
Machinery and equipment	1,941,719	44,995	-	1,986,714
Total other capital assets	56,807,906	363,055	-	57,170,961
Less accumulated depreciation for:				
Buildings	(363,635)	(18,385)	-	(382,020)
Water and sewer systems	(29,815,792)	(1,819,575)	-	(31,635,367)
Machinery and equipment	(611,364)	(102,907)	-	(714,271)
Total accumulated depreciation	(30,790,791)	(1,940,867)	-	(32,731,658)
Other capital assets, net	26,017,115	(1,577,812)	-	24,439,303
<b>Business-Type Activities Capital Assets, Net</b>	\$ 26,433,104	\$ (1,487,347)	\$ (258,721)	24,687,036
			Less associated debt	(4,466,577)
			Plus deferred charge on refunding	65,485
			<b>Net Investment in Capital Assets</b>	<b>\$ 20,285,944</b>

Depreciation was charged to business-type functions as follows:

Water and sewer	\$ 1,940,867
<b>Total Business-Type Activities Depreciation Expense</b>	<b>\$ 1,940,867</b>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### D. Long-Term Debt

The following is a summary of changes in the City's total governmental long-term liabilities for the year end. In general, the City uses the general and debt service funds to liquidate governmental long-term liabilities.

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences, net pension obligation, and net OPEB obligation are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

	Beginning Balance*	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds, notes and other payables:					
General obligation bonds	\$ 60,875,000	\$ 16,360,000	\$ 20,055,000	\$ 57,180,000 **	\$ 5,405,000
Certificates of obligation	12,925,000	-	430,000	12,495,000 **	745,000
Unamortized refunding items	2,122,127	-	736,242	1,385,885 **	-
Accreted interest	136,654	-	97,341	39,313	-
	<u>76,058,781</u>	<u>16,360,000</u>	<u>21,318,583</u>	<u>71,100,198</u>	<u>6,150,000</u>
Other liabilities:					
Compensated absences	917,367	456,788	329,155	1,045,000	940,500
Net pension obligation	1,096,421	10,510	-	1,106,931	-
Net OPEB obligation	754,716	73,319	-	828,035	-
	<u>754,716</u>	<u>73,319</u>	<u>-</u>	<u>828,035</u>	<u>-</u>
<b>Total Governmental Activities</b>	<u>\$ 78,827,285</u>	<u>\$ 16,900,617</u>	<u>\$ 21,647,738</u>	<u>\$ 74,080,164</u>	<u>\$ 7,090,500</u>

\*Adjusted beginning balances.

Long-term debt due in more than one year \$ 66,989,664

\*\*Debt associated with governmental activities capital assets \$ 71,060,885

### Business-Type Activities:

Revenue bonds	\$ 5,105,000	\$ -	\$ 645,000	\$ 4,460,000 ***	\$ 675,000
(Less) unamortized premiums and/or discounts	7,399	-	822	6,577 ***	-
	<u>7,399</u>	<u>-</u>	<u>822</u>	<u>6,577</u>	<u>-</u>
<b>Total Business-Type Activities</b>	<u>\$ 5,112,399</u>	<u>\$ -</u>	<u>\$ 645,822</u>	<u>\$ 4,466,577</u>	<u>\$ 675,000</u>

Long-term debt due in more than one year \$ 3,791,577

\*\*\*Debt associated with business-type activities capital assets \$ 4,466,577

### Advance Refunding

The City issued \$16,360,000 of permanent improvement refunding bonds, series 2013 to provide resources to purchase United States securities that were placed in an irrevocable trust for the purpose of partially refunding the permanent improvement refunding bonds, series 2005. Accordingly, the

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$1,399,551. This amount is reported as deferred outflows of resources on the Statement of Net Position and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next seven years by \$1,255,247 and resulted in an economic gain of \$1,190,866. At December 31, 2013, \$14,980,000 of permanent improvement refunding bonds, series 2005 was considered defeased related to the 2013 refunding.

Long-term debt at year end was comprised of the following debt issues:

Description	Interest Rates	Balance
<b><u>Governmental Activities</u></b>		
<b>General Obligation Bonds</b>		
Permanent improvement		
Series 2010	2.00-4.00%	\$ 4,945,000
Permanent improvement and refunding		
Series 2005	3.00-5.25%	5,045,000
Series 2009	2.50-4.50%	10,130,000
Series 2010	2.00-4.00%	8,860,000
Series 2011	2.00-3.00%	3,335,000
Series 2012	2.00%	8,505,000
Series 2013	0.34-1.75%	16,360,000
<b>Total General Obligation Bonds</b>		<b>57,180,000</b>
<b>Certificates of Obligation</b>		
Series 2001	4.40%	2,170,000
Series 2009	2.50-4.50%	1,200,000
Series 2010	2.00-4.00%	6,820,000
Series 2010A	1.00-3.00%	1,435,000
Series 2011	2.00-2.25%	870,000
<b>Total Certificates of Obligation</b>		<b>12,495,000</b>
<b>Total Governmental Activities Long-Term Debt</b>		<b>\$ 69,675,000</b>
 <b><u>Business-Type Activities</u></b>		
<b>Revenue Bonds</b>		
Water and sewer, refunding series 2005	3.00-4.375%	\$ 4,460,000
<b>Total Business-Type Activities Long-Term Debt</b>		<b>\$ 4,460,000</b>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The annual requirements to amortize general obligation bonds, certificates of obligation, and revenue bonds outstanding at year ending were as follows:

Year Ending Dec 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2014	\$ 6,150,000	\$ 998,677	\$ 675,000	\$ 172,185	\$ 7,995,862
2015	6,420,000	893,267	695,000	144,351	8,152,618
2016	6,580,000	783,638	725,000	115,516	8,204,154
2017	7,075,000	730,083	380,000	93,226	8,278,309
2018	7,230,000	660,956	405,000	76,931	8,372,887
2019-2023	23,455,000	2,193,449	1,580,000	137,241	27,365,690
2024-2028	12,765,000	826,475	-	-	13,591,475
<b>Total</b>	<b>\$ 69,675,000</b>	<b>\$ 7,086,545</b>	<b>\$ 4,460,000</b>	<b>\$ 739,450</b>	<b>\$ 81,960,995</b>

The City issues a variety of long-term debt instruments in order to acquire and/or construct major capital facilities (streets, drainage, public safety, water and wastewater) and equipment for general government and enterprise fund activities. These instruments include general obligation bonds, certificates of obligation, and revenue bonds. Future ad valorem tax revenues, water and sewer system revenues, or liens on property and equipment secure these debt obligations.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds are from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

### Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

### **E. Interfund Receivable and Payables**

The composition of interfund balances as of year end was as follows:

Due To	Due From	Amounts
General	Internal service	\$ 121,003
General	Solid waste	144,468
General	Nonmajor	136,051
		<u>\$ 401,522</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### F. Interfund Transfers

Transfers between the primary government funds during the year were as follows:

Transfer Out	Transfer In	Amounts
General	Internal service	\$ 84,996
General	Nonmajor	298,804
Nonmajor	Internal service	78,798
Nonmajor	Nonmajor	547,993
Water and sewer	Debt service	383,100
Water and sewer	General	1,250,004
Solid waste	General	309,996
		<u>\$ 2,953,691</u>

Transfers to the general fund were subsidies for administrative expenditures. Other amounts transferred between funds related to amounts collected by the nonmajor governmental funds for various governmental expenditures.

### G. Restatement of Fund Balance/Net Position

The beginning fund balance for the debt service fund has been restated to account for accrued interest payable related to bonds sales issued in prior years. The beginning net position for governmental activities has also been restated to account for the adjustment posted to the debt service fund as noted below.

	Debt Service	Governmental Activities
Beginning fund balance/net position-as reported	\$ 194,809	\$ 35,633,144
Restatement - accrued interest	79,154	79,154
Beginning fund balance/net position-as restated	<u>\$ 273,963</u>	<u>\$ 35,712,298</u>

## IV. OTHER INFORMATION

### A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City participates along with 2,617 other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

### B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The City is a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that resolution of these matters will not have a material adverse effect of the financial condition of the City.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

### C. Pension Plans

#### Texas Municipal Retirement System

##### Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and RSI for TMRS. The report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by TMRS. This report may be obtained from TMRS' website at [www.TMRS.com](http://www.TMRS.com).

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>2013</u>	<u>2012</u>
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI

##### Benefits

Upon retirement, benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. City-financed monetary credits are composed of three sources: prior service credits, current service credits, and updated service credits. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percentage (100%, 150%, or 200%) of the employee's accumulated contributions.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit. This is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence, and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions, with interest, and the employer-financed monetary credits, with interest were used to purchase an annuity.

### Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percentage of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually, and the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the remainder of the plan's 30-year amortization period. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

The annual pension cost and the net pension obligation (asset) are as follows:

Annual required contribution (ARC)	\$	769,635
Interest on Net Pension Obligation (NPO)		76,749
Adjustment to the ARC		<u>(67,430)</u>
Annual Pension Cost (APC)		778,954
Contributions made		<u>(768,444)</u>
Increase in NPO		10,510
NPO-beginning of year		<u>1,096,421</u>
NPO-end of year	\$	<u><u>1,106,931</u></u>

Three-year trend information for the annual pension cost (APC) is as follows:

Fiscal Year	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 1,671,988	\$ 1,158,618	69.30%	\$ 1,085,751
2012	\$ 805,776	\$ 795,106	98.68%	\$ 1,096,421
2013	\$ 778,954	\$ 768,444	98.65%	\$ 1,106,931

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The required contribution rate for fiscal year 2013 was determined as part of the December 31, 2011 actuarial valuation. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level % of Payroll	Level % of Payroll	Level % of Payroll
GASB 25 Equivalent Single Amortization Period	25.2 years- Closed period	26.2 years- Closed period	27.1 years- Closed period
Amortization Period for New Gains/Losses	30 years	30 years	30 years
Asset Valuation Method	10-year smoothed market	10-year smoothed market	10-year smoothed market
Investment Rate of Return	7.0%	7.0%	7.0%
Projected Salary Increases	Varies by age and service	Varies by age and service	Varies by age and service
Includes Inflation at Cost of Living Adjustments	3.00% 0.0%	3.00% 0.0%	3.00% 0.0%

The funded status as of December 31, 2012, the most recent actuarial valuation date, is presented as follows:

	<u>2013</u>
Actuarial Valuation Date	12/31/2012
Actuarial Value of Assets	\$ 33,241,449
Actuarial Accrued Liability	\$ 37,450,723
Percentage Funded	88.8%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 4,209,274
Annual Covered Payroll	\$ 7,764,719
UAAL as a Percentage of Covered Payroll	54.2%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

### D. Other Post Employment Benefits

#### 1. Healthcare Plan

##### Plan Description

The City of West University Place Retiree Health Care Plan (the "Plan") is a single employer defined benefit healthcare plan administered by the City. The Plan provides medical benefits to eligible retirees and their spouses.

##### Employees Hired January 1, 2009 and Thereafter

A retiree and his or her covered dependent(s) may be eligible for continued coverage through COBRA according to regulatory requirements. Retirees may not add dependents after retiring. Retirees are responsible for all costs, including premiums and administrative fees, associated with COBRA benefits. Retiree/dependent COBRA benefits will be terminated if the City (or the City's third party administrator) does not receive the required contributions by the date due.

##### Employees Hired Prior to January 1, 2009

Non-exempt Employees – If a non-exempt employee retires through TMRS and has been employed full-time for the City for at least ten years immediately preceding the date of retirement, the employee may continue coverage with the City's health plan.

Exempt Employees – If an exempt employee retires through TMRS and has a minimum of ten years of service credit with TMRS, of which three years immediately preceding the date of retirement were with the City, the employee may continue to be covered through the City's health plan. The benefit includes basic medical coverage, excluding accidental death, life, disability and dental.

The City pays 100 percent of the premium for the retiree. Spouses and dependents are eligible for continued coverage. Retirees are responsible for all costs associated with spouse and dependent benefits. Surviving spouses of deceased retirees are eligible for continued coverage through COBRA according to regulatory requirements. All benefits terminate when the retiree becomes eligible for Medicare or other federal or state health insurance plans or if the retiree becomes employed.

Employees who retire under a disability retirement are eligible for retiree health benefits if they have met the eligibility for a regular retirement upon their disability. TMRS retirement requirement is five years of service at age 60 or 20 years of service regardless of age.

##### Funding Policy

The contribution requirements of Plan members and the City are established and may be amended by the City Council. Funding is provided on a pay-as-you-go basis.

##### Annual Other Post Employment Employee Benefit Cost

The City's annual Other Post Employment Benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of accrual that

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The annual OPEB cost for the fiscal year ending December 31, 2013 is as follows:

Annual required contribution	\$	356,181
Interest on net OPEB obligation		33,962
Adjustment to annual required contribution		(45,321)
Annual OPEB cost (expense)		344,822
Contributions made		(271,503)
Increase in net OPEB obligation		73,319
Net OPEB obligation-beginning of year		754,716
Net OPEB obligation-end of year		828,035

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal year ending December 31, 2013 and the two preceding fiscal years are as follows:

Fiscal Year	Annual OPEB Cost (APC)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation	
			Beginning	Ending
2011	\$ 309,022	66.40%	\$ 544,800	\$ 648,495
2012	\$ 346,421	69.30%	\$ 648,495	\$ 754,716
2013	\$ 344,822	78.70%	754,716	828,035

As of December 31, 2011, the most recent actuarial valuation date, the City's retiree health care plan was zero percent funded with an estimated actuarial accrued liability exceeding actuarial assets by \$3,349,018. The annual covered payroll as of December 31, 2012 was \$7,764,719 and the ratio of the unfunded actuarial accrued liability to annual covered payroll was 43.1 percent.

### Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the City's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic recognition of the cost of these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

Significant methods and assumptions were as follows:

Actuarial Cost Method	Projected unit credit
Amortization Method	Level dollar
Amortization Period	30 year, open amortization
Investment Rate of Return	4.50%, net of expenses
Inflation rate	3.00% per year
Healthcare Cost Trend Rate	Initial rate of 8.50% declining to an ultimate rate of 4.50% after 8 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress, presented as RSI, provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

## 2. TMRS - Supplemental Death Benefits Fund

### Plan Description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post employment benefit," or OPEB. The obligations of this plan are payable only from the SDBF and are not an obligation of, or a claim against, the Pension Trust Fund. For the year ended December 31, 2013, the City offered the supplemental death benefit to both active and retired employees.

### Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2013

The City's contribution costs to the TMRS SDBF for the fiscal years ended December 31, 2013, 2012, and 2011 were \$3,194, \$3,106, and \$2,994, respectively. The City's contribution rates for the past three years are shown below:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual Req. Contrib. (Rate)	0.04%	0.04%	0.04%
Actual Contribution Made	0.04%	0.04%	0.04%
Percentage of ARC Contrib.	100.00%	100.00%	100.00%

***REQUIRED SUPPLEMENTARY INFORMATION***

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**

For the Year Ended December 31, 2013

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes:				
Ad valorem	\$ 8,109,200	\$ 8,109,200	\$ 8,074,151	\$ (35,049)
Sales	1,011,400	1,011,400	957,658	(53,742)
Franchise	1,164,200	1,164,200	1,170,448	6,248
Other taxes	9,000	9,000	11,546	2,546
Permits, licenses, and fees	317,500	317,500	752,098	434,598
Fines and forfeitures	221,300	221,300	200,248	(21,052)
Charges for services	1,982,000	1,982,000	2,264,753	282,753
Investment earnings	14,000	14,000	20,171	6,171
Other revenues	228,118	254,318	264,729	10,411
<b>Total Revenues</b>	<u>13,056,718</u>	<u>13,082,918</u>	<u>13,715,802</u>	<u>632,884</u>
<b>Expenditures</b>				
General government:				
Administration	1,104,447	1,154,447	1,153,165	1,282
Finance	1,587,836	1,537,836	1,366,163	171,673
Total general government expenditures	<u>2,692,283</u>	<u>2,692,283</u>	<u>2,519,328</u>	<u>172,955</u>
Public safety:				
Police	3,879,543	3,714,543	3,642,159	72,384
Fire	2,788,416	2,979,916	2,974,897	5,019
Total public safety expenditures	<u>6,667,959</u>	<u>6,694,459</u>	<u>6,617,056</u>	<u>77,403</u>
Public works	2,852,475	2,777,475	2,596,798	180,677
Public service	2,853,336	2,829,536	2,745,825	83,711
<b>Total Expenditures</b>	<u>15,066,053</u>	<u>14,993,753</u>	<u>14,479,007</u>	<u>514,746</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,009,335)</u>	<u>(1,910,835)</u>	<u>(763,205)</u>	<u>1,147,630</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,560,004	1,560,004	1,560,000	(4)
Transfers (out)	(285,000)	(383,800)	(383,800)	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,275,004</u>	<u>1,176,204</u>	<u>1,176,200</u>	<u>(4)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (734,331)</u>	<u>\$ (734,631)</u>	412,995	<u>\$ 1,147,626</u>
Beginning fund balance			<u>4,263,837</u>	
<b>Ending Fund Balance</b>			<u>\$ 4,676,832</u>	

Notes to Required Supplementary Information:

- Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## SCHEDULE OF FUNDING PROGRESS

### TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year Ended December 31, 2013

The City's annual covered payroll and pension costs are actuarially valued on a calendar year basis. The information presented below represents the City's schedule of funding progress.

Fiscal Year	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
Actuarial Value of Assets	\$ 33,241,449	\$ 31,698,316	\$ 29,734,410
Actuarial Accrued Liability	\$ 37,450,723	\$ 35,814,690	\$ 34,703,943
Percentage Funded	88.8%	88.5%	85.7%
Unfunded Actuarial			
Accrued Liability (UAAL)	\$ 4,209,274	\$ 4,116,374	\$ 4,969,533
Annual Covered Payroll	\$ 7,764,719	\$ 7,484,612	\$ 7,764,415
UAAL % of Covered Payroll	54.2%	55.0%	64.0%
Net Pension Obligation (NPO)			
at the Beginning of Period	\$ 1,096,421	\$ 1,085,751	\$ 572,381
Annual Pension Cost (APC)	778,954	805,776	1,671,988
Contributions Made	768,444	795,106	1,158,618
<b>NPO at the End of Period</b>	<u>\$ 1,106,931</u>	<u>\$ 1,096,421</u>	<u>\$ 1,085,751</u>

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## *SCHEDULE OF FUNDING PROGRESS*

### *POST EMPLOYMENT HEALTHCARE BENEFITS*

For the Year Ended December 31, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/07	\$ -	\$ 2,875,330	\$ 2,875,330	0.0%	\$ 6,848,075	42.0%
12/31/09	\$ -	\$ 3,300,494	\$ 3,300,494	0.0%	\$ 6,848,075	48.2%
12/31/11	\$ -	\$ 3,349,018	\$ 3,349,018	0.0%	\$ 7,764,719	43.1%

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***COMBINING STATEMENTS  
AND SCHEDULES***

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**

For the Year Ended December 31, 2013

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Ad valorem taxes	\$ 7,748,200	\$ 7,748,200	\$ 7,720,449	\$ (27,751)
Investment earnings	1,000	1,000	2,402	1,402
<b>Total Revenues</b>	7,749,200	7,749,200	7,722,851	(26,349)
<b>Expenditures</b>				
Debt service:				
Principal	5,605,000	5,605,000	5,605,000	-
Interest	2,672,600	2,322,600	2,320,806	1,794
Bond issuance costs	10,000	217,100	217,067	33
Advance refunding escrow	-	350,000	350,000	-
<b>Total Expenditures</b>	8,287,600	8,494,700	8,492,873	1,827
<b>(Deficiency) of Revenues (Under) Expenditures</b>	(538,400)	(745,500)	(770,022)	(24,522)
<b>Other Financing Sources (Uses)</b>				
Transfers in	383,100	383,100	383,100	-
Debt issued	-	16,360,000	16,360,000	-
Payment to refunded bond escrow agent	-	(16,151,400)	(16,151,373)	27
<b>Total Other Financing Sources</b>	383,100	591,700	591,727	27
<b>Net Change in Fund Balance</b>	\$ (155,300)	\$ (153,800)	(178,295)	\$ (24,495)
Beginning fund balance			273,963	
<b>Ending Fund Balance</b>			\$ 95,668	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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# **CITY OF WEST UNIVERSITY PLACE, TEXAS**

## ***NONMAJOR GOVERNMENTAL FUNDS***

December 31, 2013

### **SPECIAL REVENUE FUNDS**

**Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects.

#### **Parks Fund**

This fund is used to account for donations made by citizens for the specific purpose of improving the City's parks.

#### **Friends of West University Parks Fund**

This fund accounts for the financial activity of the Friends of West University Parks. This fund's revenues are restricted to use in improving the City's parks.

#### **Tree Replacement Fund**

This fund is used to account for permits and fines collected to replace trees within the City.

#### **Court Technology/Security Fund**

This fund is used to account for a portion of traffic fines revenue set aside to acquire technology for the municipal court.

#### **METRO Grant Fund**

This fund is used to account for the proceeds of a multi-year transportation grant from METRO.

#### **Emergency Grant Fund**

This fund is used to account for the proceeds for disaster reimbursement.

### **CAPITAL PROJECTS FUNDS**

**Capital Projects Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

#### **Capital Projects Fund**

This fund is used to account for a wide range of construction projects and the acquisition of very costly capital equipment.

#### **Capital Reserve Fund**

This fund is used to hold reserve funds to be spent on capital construction projects in the future.

#### **City Hall/Public Safety Expansion Fund**

This fund is used to account for the certificates of obligation designated to expand and remodel the public safety facilities and certain parts of City Hall.

#### **Drainage Improvement Fund**

This fund is used to account for the cost and financing of a major project to improve City drainage.

#### **2011 Certificates of Obligation**

This fund is used to account for bonds issued to finance the construction for the College Street Transportation Drainage Project.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)

December 31, 2013

	Special Revenue Funds			
	Parks	Friends of the Parks	Tree Replacement	Court Technology/ Security
<b>Assets</b>				
Current assets:				
Cash and equity in pooled cash and investments	\$ 14,606	\$ -	\$ 124,946	\$ 33,709
Cash and cash equivalents	-	591,059	-	-
Investments	-	200,467	-	-
Accounts receivable	55,395	-	-	-
Inventory	-	2,372	-	-
<b>Total Assets</b>	<b>\$ 70,001</b>	<b>\$ 793,898</b>	<b>\$ 124,946</b>	<b>\$ 33,709</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 32,273	\$ -	\$ 3,955	\$ -
Due to other funds	25,053	-	-	-
<b>Total Liabilities</b>	<b>57,326</b>	<b>-</b>	<b>3,955</b>	<b>-</b>
Fund balances:				
Nonspendable:				
Inventory	-	2,372	-	-
Restricted for:				
Enabling legislation	-	-	-	33,709
Capital projects	-	-	-	-
City parks	12,675	791,526	-	-
METRO	-	-	-	-
Assigned to:				
Tree replacement	-	-	120,991	-
Capital projects funds	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>12,675</b>	<b>793,898</b>	<b>120,991</b>	<b>33,709</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 70,001</b>	<b>\$ 793,898</b>	<b>\$ 124,946</b>	<b>\$ 33,709</b>

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>			
<u>METRO Grant</u>	<u>Emergency Grant</u>	<u>Capital Projects</u>	<u>Capital Reserve</u>	<u>City Hall/Public Safety Expansion</u>	<u>Drainage Improvement</u>
\$ 259,197	\$ 71,518	\$ 138,884	\$ 357,718	\$ -	\$ 604,953
-	-	-	-	-	-
-	-	-	-	-	-
-	19,498	-	-	-	-
-	-	-	-	-	-
<u>\$ 259,197</u>	<u>\$ 91,016</u>	<u>\$ 138,884</u>	<u>\$ 357,718</u>	<u>\$ -</u>	<u>\$ 604,953</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,912
-	110,998	-	-	-	-
-	110,998	-	-	-	6,912
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
259,197	-	-	-	-	-
-	-	-	-	-	-
-	-	138,884	357,718	-	598,041
-	(19,982)	-	-	-	-
<u>259,197</u>	<u>(19,982)</u>	<u>138,884</u>	<u>357,718</u>	<u>-</u>	<u>598,041</u>
<u>\$ 259,197</u>	<u>\$ 91,016</u>	<u>\$ 138,884</u>	<u>\$ 357,718</u>	<u>\$ -</u>	<u>\$ 604,953</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)

December 31, 2013

	Capital Projects Funds 2011 Certificates of Obligation	Total Nonmajor Governmental Funds
<b><u>Assets</u></b>		
Current assets:		
Cash and equity in pooled cash and investments	\$ 877,407	\$ 2,482,938
Cash and cash equivalents	-	591,059
Investments	-	200,467
Accounts receivable	-	74,893
Inventory	-	2,372
<b>Total Assets</b>	<b>\$ 877,407</b>	<b>\$ 3,351,729</b>
<b><u>Liabilities and Fund Balances</u></b>		
Liabilities:		
Accounts payable	\$ -	\$ 43,140
Due to other funds	-	136,051
<b>Total Liabilities</b>	<b>-</b>	<b>179,191</b>
Fund balances:		
Nonspendable:		
Inventory	-	2,372
Restricted for:		
Enabling legislation	-	33,709
Capital projects	877,407	877,407
City parks	-	804,201
METRO	-	259,197
Assigned to:		
Tree replacement	-	120,991
Capital projects funds	-	1,094,643
Unassigned	-	(19,982)
<b>Total Fund Balances</b>	<b>877,407</b>	<b>3,172,538</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 877,407</b>	<b>\$ 3,351,729</b>

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)**  
**For the Year Ended December 31, 2013**

	<b>Special Revenue Funds</b>			
	<b>Parks</b>	<b>Friends of the Parks</b>	<b>Tree Replacement</b>	<b>Court Technology/ Security</b>
<b>Revenues</b>				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ 12,950
Permits, licenses, and fees	-	-	44,464	-
Intergovernmental	-	-	-	-
Contributions	3,657	450,458	-	-
Investment earnings	39	3,380	258	88
Other revenue	55,394	-	-	-
<b>Total Revenues</b>	<b>59,090</b>	<b>453,838</b>	<b>44,722</b>	<b>13,038</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	63,232	-	-	-
Public services	-	277,177	20,189	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,330</b>
<b>Total Expenditures</b>	<b>63,232</b>	<b>277,177</b>	<b>20,189</b>	<b>18,330</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(4,142)</b>	<b>176,661</b>	<b>24,533</b>	<b>(5,292)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(4,142)</b>	<b>176,661</b>	<b>24,533</b>	<b>(5,292)</b>
Beginning fund balances	16,817	617,237	96,458	39,001
<b>Ending Fund Balances</b>	<b>\$ 12,675</b>	<b>\$ 793,898</b>	<b>\$ 120,991</b>	<b>\$ 33,709</b>

Special Revenue Funds		Capital Projects Funds			
METRO Grant	Emergency Grant	Capital Projects	Capital Reserve	City Hall/Public Safety Expansion	Drainage Improvement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
259,000	-	-	-	-	-
-	-	-	-	-	-
539	179	370	915	-	1,211
-	-	-	-	-	-
259,539	179	370	915	-	1,211
-	-	-	-	-	-
-	-	-	-	-	-
-	-	154,146	-	-	28,235
-	-	154,146	-	-	28,235
259,539	179	(153,776)	915	-	(27,024)
-	-	265,396	200,004	-	381,397
(381,397)	-	-	(210,271)	(35,123)	-
(381,397)	-	265,396	(10,267)	(35,123)	381,397
(121,858)	179	111,620	(9,352)	(35,123)	354,373
381,055	(20,161)	27,264	367,070	35,123	243,668
\$ 259,197	\$ (19,982)	\$ 138,884	\$ 357,718	\$ -	\$ 598,041

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)**  
For the Year Ended December 31, 2013

	<u>Capital Projects Funds 2011 Certificates of Obligation</u>	<u>Total Nonmajor Governmental Funds</u>
<b><u>Revenues</u></b>		
Fines and forfeitures	\$ -	\$ 12,950
Permits, licenses, and fees	-	44,464
Intergovernmental	-	259,000
Contributions	-	454,115
Investment earnings	2,208	9,187
Other revenue	-	55,394
<b>Total Revenues</b>	<u>2,208</u>	<u>835,110</u>
<b><u>Expenditures</u></b>		
<b>Current:</b>		
General government	-	63,232
Public services	-	297,366
<b>Capital outlay</b>	<u>8,573</u>	<u>209,284</u>
<b>Total Expenditures</b>	<u>8,573</u>	<u>569,882</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(6,365)</u>	<u>265,228</u>
<b><u>Other Financing Sources (Uses)</u></b>		
Transfers in	-	846,797
Transfers (out)	-	(626,791)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>220,006</u>
<b>Net Change in Fund Balances</b>	<u>(6,365)</u>	<u>485,234</u>
Beginning fund balances	<u>883,772</u>	<u>2,687,304</u>
<b>Ending Fund Balances</b>	<u>\$ 877,407</u>	<u>\$ 3,172,538</u>

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
For the Year Ended December 31, 2013

				Parks					
				Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)		
<b>Revenues</b>									
Contributions		\$	-	\$	3,600	\$	3,657	\$	57
Investment earnings			-		-		39		39
Other revenue			-		55,400		55,394		(6)
	<b>Total Revenues</b>		-		59,000		59,090		90
<b>Expenditures</b>									
General government			5,000		64,400		63,232		1,168
	<b>Total Expenditures</b>		5,000		64,400		63,232		1,168
	<b>Net Change in Fund Balance</b>	\$	<u>(5,000)</u>	\$	<u>(5,400)</u>		(4,142)	\$	<u>1,258</u>
	Beginning fund balance						16,817		
	<b>Ending Fund Balance</b>					\$	<u>12,675</u>		

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
For the Year Ended December 31, 2013

**Tree Replacement**

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Permits, licenses, and fees	\$ 8,000	\$ 8,000	44,464	\$ 36,464
Investment earnings	-	-	258	258
<b>Total Revenues</b>	<u>8,000</u>	<u>8,000</u>	<u>44,722</u>	<u>36,722</u>
<b>Expenditures</b>				
Public services	41,000	41,000	20,189	20,811
<b>Total Expenditures</b>	<u>41,000</u>	<u>41,000</u>	<u>20,189</u>	<u>20,811</u>
<b>Net Change in Fund Balance</b>	<u>\$ (33,000)</u>	<u>\$ (33,000)</u>	24,533	<u>\$ 57,533</u>
Beginning fund balance			<u>96,458</u>	
<b>Ending Fund Balance</b>			<u>\$ 120,991</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 2013

		<u>Court Technology/Security</u>			
		<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b><u>Revenues</u></b>					
	Fines and forfeitures	\$ 9,500	\$ 9,500	\$ 12,950	\$ 3,450
	Investment earnings	-	-	88	88
	<b>Total Revenues</b>	<u>9,500</u>	<u>9,500</u>	<u>13,038</u>	<u>3,538</u>
<b><u>Expenditures</u></b>					
	Capital outlay	21,600	21,600	18,330	3,270
	<b>Total Expenditures</b>	<u>21,600</u>	<u>21,600</u>	<u>18,330</u>	<u>3,270</u>
	<b>Net Change in Fund Balance</b>	<u>\$ (12,100)</u>	<u>\$ (12,100)</u>	<u>(5,292)</u>	<u>\$ 6,808</u>
	Beginning fund balance			<u>39,001</u>	
	<b>Ending Fund Balance</b>			<u>\$ 33,709</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
For the Year Ended December 31, 2013

	<u>METRO Grant</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
	<u>Amounts</u>	<u>Amounts</u>	<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
<b><u>Revenues</u></b>				
Intergovernmental	\$ 259,000	\$ 259,000	\$ 259,000	\$ -
Investment earnings	-	-	539	539
<b>Total Revenues</b>	<u>259,000</u>	<u>259,000</u>	<u>259,539</u>	<u>539</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (out)	<u>(259,270)</u>	<u>(381,470)</u>	<u>(381,397)</u>	<u>73</u>
<b>Total Other Financing (Uses)</b>	<u>(259,270)</u>	<u>(381,470)</u>	<u>(381,397)</u>	<u>73</u>
<b>Net Change in Fund Balance</b>	<u>\$ (270)</u>	<u>\$ (122,470)</u>	<u>(121,858)</u>	<u>\$ 612</u>
Beginning fund balance			<u>381,055</u>	
<b>Ending Fund Balance</b>			<u>\$ 259,197</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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# **CITY OF WEST UNIVERSITY PLACE, TEXAS**

## ***INTERNAL SERVICE FUNDS***

December 31, 2013

### **Vehicle Replacement Fund**

This internal service fund is used to account for vehicle replacement and maintenance services to departments or agencies of the City on a cost reimbursement basis.

### **Equipment Replacement Fund**

This internal service fund is used to account for equipment replacement and maintenance services to departments or agencies of the City on a cost reimbursement basis.

### **Healthcare Benefits Fund**

This internal service fund is used to account for the costs associated with health benefits to departments or agencies of the City on a cost reimbursement basis, as well as costs associated with retiring and separating employees.

### **Technology Management Fund**

This internal service fund is used to account for the costs associated with technology management services to departments or agencies of the City on a cost reimbursement basis.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## COMBINING STATEMENT OF NET POSITION

### INTERNAL SERVICE FUNDS

December 31, 2013

	Vehicle Replacement	Equipment Replacement	Healthcare Benefits	Technology Management
<b><u>Assets</u></b>				
Current assets:				
Equity in pooled cash and investments	\$ 982,748	\$ 164,899	\$ 229,893	\$ 370,957
Receivables	-	-	44,300	-
Prepaid costs	-	-	73,791	-
<b>Total Current Assets</b>	982,748	164,899	347,984	370,957
Noncurrent assets:				
Capital assets:				
Machinery and equipment	2,720,839	-	-	-
Less: accumulated depreciation	(1,833,635)	-	-	-
<b>Total Capital Assets (Net of Accumulated Depreciation)</b>	887,204	-	-	-
<b>Total Noncurrent Assets</b>	887,204	-	-	-
<b>Total Assets</b>	1,869,952	164,899	347,984	370,957
<b><u>Liabilities</u></b>				
Current liabilities:				
Accounts payable	3,204	-	119,354	108,286
Due to other funds	-	-	112,299	8,704
<b>Total Current Liabilities</b>	3,204	-	231,653	116,990
<b>Total Liabilities</b>	3,204	-	231,653	116,990
<b><u>Net Position</u></b>				
Net investment in capital assets	887,204	-	-	-
Unrestricted	979,544	164,899	116,331	253,967
<b>Total Net Position</b>	\$ 1,866,748	\$ 164,899	\$ 116,331	\$ 253,967

**Total  
Internal  
Service Funds**

\$ 1,748,497  
44,300  
73,791  
1,866,588

2,720,839  
(1,833,635)

887,204  
887,204  
2,753,792

230,844  
121,003  
351,847  
351,847

887,204  
1,514,741

\$ 2,401,945

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
For the Year Ended December 31, 2013

	<u>Vehicle Replacement</u>	<u>Equipment Replacement</u>	<u>Healthcare Benefits</u>	<u>Technology Management</u>
<b><u>Operating Revenues</u></b>				
Charges for sales and services	\$ 462,591	\$ -	\$ 1,879,951	\$ 1,426,308
Other revenues	-	19,509	1,233	-
<b>Total Operating Revenues</b>	<u>462,591</u>	<u>19,509</u>	<u>1,881,184</u>	<u>1,426,308</u>
<b><u>Operating Expenses</u></b>				
Repairs and maintenance	39,335	-	-	45,114
Costs of sales and services	-	-	1,604,399	1,216,328
Depreciation	238,373	-	-	-
<b>Total Operating Expenses</b>	<u>277,708</u>	<u>-</u>	<u>1,604,399</u>	<u>1,261,442</u>
<b>Operating Income</b>	<u>184,883</u>	<u>19,509</u>	<u>276,785</u>	<u>164,866</u>
<b><u>Nonoperating Revenues (Expenses)</u></b>				
Investment earnings	2,364	316	-	647
Gain on sale of capital assets	23,909	-	-	-
<b>Total Nonoperating Revenues</b>	<u>26,273</u>	<u>316</u>	<u>-</u>	<u>647</u>
<b>Income Before Transfers</b>	211,156	19,825	276,785	165,513
Transfers in	-	84,996	-	78,798
<b>Change in Net Position</b>	211,156	104,821	276,785	244,311
Beginning net position	1,655,592	60,078	(160,454)	9,656
<b>Ending Net Position</b>	<u>\$ 1,866,748</u>	<u>\$ 164,899</u>	<u>\$ 116,331</u>	<u>\$ 253,967</u>

**Total  
Internal  
Service Funds**

\$ 3,768,850  
20,742  
3,789,592

84,449  
2,820,727  
238,373  
3,143,549

646,043

3,327  
23,909  
27,236

673,279  
163,794

837,073  
1,564,872

\$ 2,401,945

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## COMBINING STATEMENT OF CASH FLOWS

### INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2013

	Vehicle Replacement	Equipment Replacement	Healthcare Benefits	Technology Management
<b><u>Cash Flows from Operating Activities</u></b>				
Receipts from customers and users	\$ 462,591	\$ 19,509	\$ 1,866,722	\$ 1,426,308
Payments to suppliers	(103,432)	-	(1,636,829)	(1,160,830)
<b>Net Cash Provided by Operating Activities</b>	<b>359,159</b>	<b>19,509</b>	<b>229,893</b>	<b>265,478</b>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>				
Transfers in	-	84,996	-	78,798
<b>Net Cash Provided by Noncapital Financial Activities</b>	<b>-</b>	<b>84,996</b>	<b>-</b>	<b>78,798</b>
<b><u>Cash Flows from Capital and Related Financing Activities</u></b>				
Acquisition and construction of capital assets	(337,567)	-	-	-
Proceeds from sale of capital assets	23,909	-	-	-
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(313,658)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Cash Flows from Investing Activities</u></b>				
Interest received	2,364	316	-	647
<b>Net Cash Provided by Investing Activities</b>	<b>2,364</b>	<b>316</b>	<b>-</b>	<b>647</b>
<b>Net Increase in Equity in Pooled Cash and Investments</b>	<b>47,865</b>	<b>104,821</b>	<b>229,893</b>	<b>344,923</b>
Beginning equity in pooled cash and investments	934,883	60,078	-	26,034
<b>Ending Equity in Pooled Cash and Investments</b>	<b>\$ 982,748</b>	<b>\$ 164,899</b>	<b>\$ 229,893</b>	<b>\$ 370,957</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating income	\$ 184,883	\$ 19,509	\$ 276,785	\$ 164,866
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	238,373	-	-	-
<b>Changes in Operating Assets and Liabilities:</b>				
<b>(Increase) Decrease in:</b>				
Receivables	-	-	(14,462)	-
Prepaid costs	-	-	401	13,795
<b>Increase (Decrease) in:</b>				
Accounts payable	(64,097)	-	102,590	86,817
Due to other funds	-	-	(135,421)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 359,159</b>	<b>\$ 19,509</b>	<b>\$ 229,893</b>	<b>\$ 265,478</b>

**Total  
Internal  
Service Funds**

\$ 3,775,130  
(2,901,091)

874,039

163,794

163,794

(337,567)  
23,909

(313,658)

3,327  
3,327

727,502  
1,020,995  
\$ 1,748,497

\$ 646,043

238,373

(14,462)  
14,196

125,310  
(135,421)

\$ 874,039

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## **STATISTICAL SECTION**

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the City's overall financial health.

<b>Contents</b>	<b>Page</b>
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Financial Trends	108
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*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

Revenue Capacity	120
------------------	-----

*These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.*

Debt Capacity	130
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*These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Demographic and Economic Information	140
--------------------------------------	-----

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

Operating Information	144
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*These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## NET POSITION BY COMPONENT

Last Ten Years

(accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 8,838,382	\$ 2,285,217	\$ 11,786,607	\$ 17,515,320
Restricted	363,478	8,533,406	3,605,569	4,491,985
Unrestricted	2,435,721	3,003,540	3,976,998	2,566,351
<b>Total Governmental Activities Net Position</b>	<b>\$ 11,637,581</b>	<b>\$ 13,822,163</b>	<b>\$ 19,369,174</b>	<b>\$ 24,573,656</b>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 22,647,508	\$ 21,776,495	\$ 20,924,046	\$ 19,768,267
Restricted	1,532,649	622,627	813,673	1,186,557
Unrestricted	(331,015)	894,473	525,387	186,418
<b>Total Business-Type Activities Net Position</b>	<b>\$ 23,849,142</b>	<b>\$ 23,293,595</b>	<b>\$ 22,263,106</b>	<b>\$ 21,141,242</b>
<b>Primary Government</b>				
Net investment in capital assets	\$ 31,485,890	\$ 24,061,712	\$ 32,710,653	\$ 37,283,587
Restricted	1,896,127	9,156,033	4,419,242	5,678,542
Unrestricted	2,104,706	3,898,013	4,502,385	2,752,769
<b>Total Primary Government Net Position</b>	<b>\$ 35,486,723</b>	<b>\$ 37,115,758</b>	<b>\$ 41,632,280</b>	<b>\$ 45,714,898</b>

\*Restated balances

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>	<u>2012*</u>	<u>2013</u>
\$ 24,421,719	\$ 32,145,988	\$ 25,112,652	\$ 30,510,547	\$ 31,464,253	\$ 34,881,486
6,470,948	2,466,227	1,977,589	1,315,036	2,260,764	2,197,619
1,910,197	1,262,360	5,341,671	872,283	1,987,281	2,782,110
<u>\$ 32,802,864</u>	<u>\$ 35,874,575</u>	<u>\$ 32,431,912</u>	<u>\$ 32,697,866</u>	<u>\$ 35,712,298</u>	<u>\$ 39,861,215</u>
\$ 18,512,926	\$ 17,662,268	\$ 22,196,178	\$ 21,612,826	\$ 21,320,705	\$ 20,285,944
715,000	745,000	785,000	720,000	645,000	675,000
1,640,695	1,841,953	2,343,524	4,000,276	3,965,913	4,634,652
<u>\$ 20,868,621</u>	<u>\$ 20,249,221</u>	<u>\$ 25,324,702</u>	<u>\$ 26,333,102</u>	<u>\$ 25,931,618</u>	<u>\$ 25,595,596</u>
\$ 42,934,645	\$ 49,808,256	\$ 47,308,830	\$ 52,123,373	\$ 52,784,958	\$ 55,167,430
7,185,948	3,211,227	2,762,589	2,035,036	2,905,764	2,872,619
3,550,892	3,104,313	7,685,195	4,872,559	5,953,194	7,416,762
<u>\$ 53,671,485</u>	<u>\$ 56,123,796</u>	<u>\$ 57,756,614</u>	<u>\$ 59,030,968</u>	<u>\$ 61,643,916</u>	<u>\$ 65,456,811</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## CHANGES IN NET POSITION

Last Ten Years

(accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
<b>Expenses</b>				
Governmental activities				
General government	\$ 2,405,983	\$ 2,594,417	\$ 2,706,514	\$ 4,552,568
Public safety	4,826,905	5,109,968	5,187,464	4,904,003
Public works	2,587,621	3,073,735	2,654,368	3,288,626
Public services	1,368,549	1,840,117	1,874,113	1,972,400
Interest and fiscal agent fees on long-term debt	3,377,944	3,501,076	2,984,308	3,169,545
<b>Total Governmental Activities Expenses</b>	<u>14,567,002</u>	<u>16,119,313</u>	<u>15,406,767</u>	<u>17,887,142</u>
Business-type activities				
Water and sewer	4,844,930	5,083,562	5,084,326	5,297,894
Solid waste	676,448	850,366	844,754	918,984
<b>Total Business-Type Activities Expenses</b>	<u>5,521,378</u>	<u>5,933,928</u>	<u>5,929,080</u>	<u>6,216,878</u>
<b>Total Expenses</b>	<u>\$ 20,088,380</u>	<u>\$ 22,053,241</u>	<u>\$ 21,335,847</u>	<u>\$ 24,104,020</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 551,379	\$ 1,530,847	\$ 1,260,376	\$ 3,523,007
Public safety	530,266	186,844	267,609	196,070
Public services	696,804	597,910	580,297	580,869
Operating grants and contributions	342,450	16,915	259,000	843,941
Capital grants and contributions	1,270,704	370,864	-	-
<b>Total Governmental Activities Program Revenues</b>	<u>3,391,603</u>	<u>2,703,380</u>	<u>2,367,282</u>	<u>5,143,887</u>
Business-type activities				
Charges for services				
Water and sewer	4,201,687	5,084,828	4,795,073	4,702,577
Solid waste	1,103,485	926,132	944,897	930,705
<b>Total Business-Type Activities Program Revenues</b>	<u>5,305,172</u>	<u>6,010,960</u>	<u>5,739,970</u>	<u>5,633,282</u>
<b>Total Program Revenues</b>	<u>\$ 8,696,775</u>	<u>\$ 8,714,340</u>	<u>\$ 8,107,252</u>	<u>\$ 10,777,169</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (11,175,399)	\$ (13,415,933)	\$ (13,039,485)	\$ (12,743,255)
Business-type activities	(216,206)	77,032	(189,110)	(583,596)
<b>Total Net Expense</b>	<u>\$ (11,391,605)</u>	<u>\$ (13,338,901)</u>	<u>\$ (13,228,595)</u>	<u>\$ (13,326,851)</u>

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 2,387,061	\$ 2,841,391	\$ 3,150,380	\$ 2,785,502	\$ 3,208,930	\$ 3,049,656
5,593,513	6,217,723	6,287,887	5,870,061	6,211,784	6,515,194
2,925,781	4,046,079	4,549,951	5,176,660	4,240,301	3,944,561
3,894,834	4,421,189	2,734,441	3,858,501	4,158,008	4,433,865
3,195,884	2,860,685	3,453,311	3,351,762	2,633,700	2,178,324
<u>17,997,073</u>	<u>20,387,067</u>	<u>20,175,970</u>	<u>21,042,486</u>	<u>20,452,723</u>	<u>20,121,600</u>
5,752,744	5,686,180	5,415,974	6,927,509	6,409,131	6,092,231
996,582	1,161,724	1,111,560	1,322,082	1,427,997	1,376,583
<u>6,749,326</u>	<u>6,847,904</u>	<u>6,527,534</u>	<u>8,249,591</u>	<u>7,837,128</u>	<u>7,468,814</u>
<u>\$ 24,746,399</u>	<u>\$ 27,234,971</u>	<u>\$ 26,703,504</u>	<u>\$ 29,292,077</u>	<u>\$ 28,289,851</u>	<u>\$ 27,590,414</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
817,411	525,650	734,150	743,486	818,182	1,009,760
1,402,881	4,237,581	1,656,098	1,785,518	2,160,728	2,264,753
1,675,641	360,310	263,780	259,000	300,048	259,000
5,291,500	134,821	369,316	360,741	604,758	454,115
<u>9,187,433</u>	<u>5,258,362</u>	<u>3,023,344</u>	<u>3,148,745</u>	<u>3,883,716</u>	<u>3,987,628</u>
5,912,369	6,151,138	5,917,931	8,986,444	7,777,386	7,623,233
1,452,975	1,096,652	1,486,413	1,787,636	1,512,079	1,443,125
<u>7,365,344</u>	<u>7,247,790</u>	<u>7,404,344</u>	<u>10,774,080</u>	<u>9,289,465</u>	<u>9,066,358</u>
<u>\$ 16,552,777</u>	<u>\$ 12,506,152</u>	<u>\$ 10,427,688</u>	<u>\$ 13,922,825</u>	<u>\$ 13,173,181</u>	<u>\$ 13,053,986</u>
\$ (8,809,640)	\$ (15,128,705)	\$ (17,152,626)	\$ (17,893,741)	\$ (16,569,007)	\$ (16,133,972)
616,018	399,886	876,810	2,524,489	1,452,337	1,597,544
<u>\$ (8,193,622)</u>	<u>\$ (14,728,819)</u>	<u>\$ (16,275,816)</u>	<u>\$ (15,369,252)</u>	<u>\$ (15,116,670)</u>	<u>\$ (14,536,428)</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## CHANGES IN NET POSITION (Continued)

Last Ten Years

(accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities				
Taxes				
Ad valorem taxes, levied for general purposes	\$ 5,134,667	\$ 5,337,999	\$ 5,888,180	\$ 6,219,953
Ad valorem taxes, levied for debt service	6,536,129	6,794,959	6,748,355	6,738,071
Sales taxes	683,572	745,716	1,028,946	1,026,948
Franchise and local taxes	872,221	913,998	1,000,930	933,834
Other taxes	16,021	15,460	14,795	15,010
Contributions	-	268,081	326,656	891,760
Investment earnings	338,969	458,208	695,749	622,787
Other revenues	197,645	222,044	1,828,944	254,997
Gain (loss) on sale of capital assets	-	(25,950)	-	-
(Loss) on sale of asset held for resale	-	-	-	-
Transfers	(1,223,291)	870,000	1,053,941	940,000
<b>Total Governmental Activities</b>	<u>12,555,933</u>	<u>15,600,515</u>	<u>18,586,496</u>	<u>17,643,360</u>
Business-type activities				
Investment earnings	6,896	21,374	72,757	39,173
Other revenues	-	216,047	139,805	362,559
Transfers	1,223,291	(870,000)	(1,053,941)	(940,000)
<b>Total Business-Type Activities</b>	<u>1,230,187</u>	<u>(632,579)</u>	<u>(841,379)</u>	<u>(538,268)</u>
<b>Total Primary Government</b>	<u>\$ 13,786,120</u>	<u>\$ 14,967,936</u>	<u>\$ 17,745,117</u>	<u>\$ 17,105,092</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 1,380,534	\$ 2,184,582	\$ 5,547,011	\$ 4,900,105
Business-type activities	1,013,981	(555,547)	(1,030,489)	(1,121,864)
<b>Total Change in Net Position</b>	<u>\$ 2,394,515</u>	<u>\$ 1,629,035</u>	<u>\$ 4,516,522</u>	<u>\$ 3,778,241</u>

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 6,487,224	\$ 7,319,407	\$ 8,004,202	\$ 7,962,210	\$ 7,527,047	\$ 8,087,360
6,300,879	6,756,375	7,098,065	7,360,224	7,713,377	7,733,658
1,042,096	946,726	1,050,079	997,318	1,003,897	957,658
1,312,260	1,162,420	1,207,429	1,148,390	1,142,265	1,170,448
15,643	12,485	11,144	8,994	9,685	11,546
257,869	306,410	-	-	-	-
394,218	210,481	73,035	33,333	27,270	35,087
288,659	446,112	424,381	347,242	286,619	320,123
-	-	32,466	10,686	427	23,909
-	-	-	-	(68,150)	-
940,000	1,040,000	(4,190,838)	1,517,223	1,861,848	1,943,100
<u>17,038,848</u>	<u>18,200,416</u>	<u>13,709,963</u>	<u>19,385,620</u>	<u>19,504,285</u>	<u>20,282,889</u>
51,361	20,715	7,833	8,369	8,027	9,534
-	-	-	-	-	-
(940,000)	(1,040,000)	4,190,838	(1,517,223)	(1,861,848)	(1,943,100)
(888,639)	(1,019,285)	4,198,671	(1,508,854)	(1,853,821)	(1,933,566)
<u>\$ 16,150,209</u>	<u>\$ 17,181,131</u>	<u>\$ 17,908,634</u>	<u>\$ 17,876,766</u>	<u>\$ 17,650,464</u>	<u>\$ 18,349,323</u>
\$ 8,229,208	\$ 3,071,711	\$ (3,442,663)	\$ 1,491,879	\$ 2,935,278	\$ 4,148,917
(272,621)	(619,399)	5,075,481	1,015,635	(401,484)	(336,022)
<u>\$ 7,956,587</u>	<u>\$ 2,452,312</u>	<u>\$ 1,632,818</u>	<u>\$ 2,507,514</u>	<u>\$ 2,533,794</u>	<u>\$ 3,812,895</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES

Last Ten Years  
(accrual basis of accounting)

Function	Fiscal Year			
	2004	2005	2006	2007
Property	\$ 11,670,796	\$ 12,132,958	\$ 12,636,535	\$ 12,958,024
Sales	667,552	730,156	1,028,946	1,026,948
Franchise	872,221	913,998	1,000,930	933,834
Other taxes	16,020	15,460	14,795	15,010
	<u>\$ 13,226,589</u>	<u>\$ 13,792,572</u>	<u>\$ 14,681,206</u>	<u>\$ 14,933,816</u>

Fiscal Year						Change
2008	2009	2010	2011	2012	2013	2012-2013
\$ 12,788,103	\$ 13,462,911	\$ 15,102,267	\$ 15,322,434	\$ 15,240,424	\$ 15,821,018	3.8%
1,042,096	11,553,199	1,050,079	997,318	1,003,897	957,658	-4.6%
1,312,260	1,659,737	1,207,429	1,148,390	1,142,265	1,170,448	2.5%
15,643	2,400	11,144	8,994	9,685	11,546	19.2%
<u>\$ 15,158,102</u>	<u>\$ 26,678,247</u>	<u>\$ 17,370,919</u>	<u>\$ 17,477,136</u>	<u>\$ 17,396,271</u>	<u>\$ 17,960,670</u>	3.2%

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
<b>General Fund</b>				
Reserved	\$ 2,098,916	\$ 15,504	\$ 15,516	\$ 429,437
Unreserved	936,365	3,357,537	4,187,536	2,457,227
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total General Fund</b>	<b>\$ 3,035,281</b>	<b>\$ 3,373,041</b>	<b>\$ 4,203,052</b>	<b>\$ 2,886,664</b>
<b>All Other Governmental Funds</b>				
Reserved	\$ 782,534	\$ 998,780	\$ 1,658,449	\$ 2,067,501
Unreserved, reported in:				
Capital project funds	9,106,291	6,852,781	1,545,312	178,493
Special revenue funds	233,004	683,698	1,484,935	2,883,727
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 10,121,829</b>	<b>\$ 8,535,259</b>	<b>\$ 4,688,696</b>	<b>\$ 5,129,721</b>

(1) GASB Statement No. 54 requirement for statistical data is ten years with retroactive implementation encouraged; only two fiscal years are available at this time. The City chose not to restate 2004 to 2010.

\*Restated balances

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012*</u>	<u>2013</u>
\$ 430,797	\$ 444,508	\$ 561,038	\$ -	\$ -	\$ -
3,580,317	2,736,833	3,107,736	-	-	-
-	-	-	130,265	134,564	157,515
-	-	-	410,238	95,322	127,437
-	-	-	-	210,000	210,000
-	-	-	3,538,757	3,823,951	4,181,880
<u>\$ 4,011,114</u>	<u>\$ 3,181,341</u>	<u>\$ 3,668,774</u>	<u>\$ 4,079,260</u>	<u>\$ 4,263,837</u>	<u>\$ 4,676,832</u>
\$ 2,745,745	\$ 1,388,198	\$ 1,639,115	\$ -	\$ -	\$ -
3,219,460	1,035,760	4,128,598	-	-	-
281,814	240,926	(20,470)	-	-	-
-	-	-	2,372	2,372	2,372
-	-	-	1,890,177	2,244,596	2,070,182
-	-	-	528,575	734,460	1,215,634
-	-	-	(20,343)	(20,161)	(19,982)
<u>\$ 6,247,019</u>	<u>\$ 2,664,884</u>	<u>\$ 5,747,243</u>	<u>\$ 2,400,781</u>	<u>\$ 2,961,267</u>	<u>\$ 3,268,206</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
<b>Revenues</b>				
Taxes	\$ 13,263,355	\$ 13,803,975	\$ 14,658,182	\$ 14,681,206
Permits, licenses, and fees	577,164	597,910	580,297	580,869
Fines and forfeitures	193,322	186,844	267,609	196,070
Charges for services	974,549	1,165,967	1,260,376	1,381,586
Intergovernmental	1,392,662	387,779	259,000	843,941
Contributions	-	268,081	326,656	891,760
Investment earnings	336,967	457,078	688,893	602,593
Other revenues	451,551	212,924	1,814,311	250,408
<b>Total Revenues</b>	<u>17,189,570</u>	<u>17,080,558</u>	<u>19,855,324</u>	<u>19,428,433</u>
<b>Expenditures</b>				
General government	2,211,183	2,268,862	2,381,154	2,312,853
Public safety	4,616,019	4,769,582	5,028,528	4,931,044
Public works	1,642,867	1,582,592	1,557,955	1,927,231
Public services	1,255,857	1,579,982	1,712,208	1,785,093
Capital outlay	11,882,057	2,569,023	6,840,403	3,738,838
Debt service				
Principal	2,685,000	2,900,000	3,375,000	3,612,472
Interest	3,775,384	3,669,628	3,319,913	3,188,875
Bond issuance costs	-	-	-	-
Advance refunding escrow	-	-	-	-
<b>Total Expenditures</b>	<u>28,068,367</u>	<u>19,339,669</u>	<u>24,215,161</u>	<u>21,496,406</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(10,878,797)	(2,259,111)	(4,359,837)	(2,067,973)
<b>Other Financing Sources (Uses)</b>				
Transfers in	837,000	1,139,000	1,540,713	4,931,336
Transfers out	-	(269,000)	(670,713)	(3,991,336)
Issuance of debt	-	25,075,000	473,285	-
Premium on debt issued	-	1,793,024	-	-
Payment to refunded bond escrow agent	-	(26,751,058)	-	-
Sale of capital assets	-	23,335	-	-
<b>Total Other Financing Sources</b>	<u>837,000</u>	<u>1,010,301</u>	<u>1,343,285</u>	<u>940,000</u>
<b>Net Change in Fund Balances</b>	<u>\$ (10,041,797)</u>	<u>\$ (1,248,810)</u>	<u>\$ (3,016,552)</u>	<u>\$ (1,127,973)</u>
Debt service as a percentage of noncapital expenditures	39.91%	39.17%	38.53%	38.30%

		Fiscal Year									
		2008	2009	2010	2011	2012	2013				
\$	15,471,664	\$	16,197,413	\$	17,362,337	\$	17,469,999	\$	17,380,393	\$	17,934,252
	495,127		351,120		461,419		467,123		609,037		796,562
	322,284		174,530		272,731		276,363		209,145		213,198
	1,402,881		1,186,941		1,656,098		1,785,518		2,160,728		2,264,753
	6,967,141		495,131		263,780		259,000		300,048		259,000
	257,869		306,410		369,316		360,741		604,758		454,115
	379,164		205,371		71,447		31,575		25,035		31,760
	265,397		430,180		394,071		347,242		218,469		320,123
	<u>25,561,527</u>		<u>19,347,096</u>		<u>20,851,199</u>		<u>20,997,561</u>		<u>21,507,613</u>		<u>22,273,763</u>
	2,329,591		2,638,596		2,919,174		2,678,292		2,427,755		2,582,560
	5,242,522		6,091,415		5,956,779		5,492,793		5,615,673		6,617,056
	1,935,450		2,167,936		2,586,314		2,504,438		2,628,156		2,596,798
	3,869,698		3,803,862		2,127,336		2,336,591		2,402,878		3,043,191
	4,113,991		13,290,611		10,645,694		4,244,191		214,662		209,284
	3,780,922		3,969,515		3,903,250		4,671,167		5,305,000		5,605,000
	2,987,603		2,848,046		3,214,201		3,437,756		3,015,941		2,320,806
	-		226,636		419,931		141,802		-		217,067
	-		-		-		-		100,000		350,000
	<u>24,259,777</u>		<u>35,036,617</u>		<u>31,772,679</u>		<u>25,507,030</u>		<u>21,710,065</u>		<u>23,541,762</u>
	1,301,750		(15,689,521)		(10,921,480)		(4,509,469)		(202,452)		(1,267,999)
	4,618,732		4,065,742		2,017,451		3,090,405		2,127,938		2,789,897
	(3,678,732)		(3,075,742)		(1,350,702)		(2,542,851)		(1,419,885)		(1,010,591)
	-		13,035,000		24,630,000		5,700,000		8,555,000		16,360,000
	-		283,639		859,692		191,134		282,219		-
	-		(3,022,444)		(11,546,886)		(4,868,423)		(8,676,911)		(16,151,373)
	-		-		32,466		3,228		-		-
	<u>940,000</u>		<u>11,286,195</u>		<u>14,642,021</u>		<u>1,573,493</u>		<u>868,361</u>		<u>1,987,933</u>
\$	<u>2,241,750</u>	\$	<u>(4,403,326)</u>	\$	<u>3,720,541</u>	\$	<u>(2,935,976)</u>	\$	<u>665,909</u>	\$	<u>719,934</u>
	33.60%		31.35%		33.69%		38.14%		39.18%		36.40%

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES

Last Ten Years

(modified accrual basis of accounting)

Function	Fiscal Year			
	2004	2005	2006	2007
Ad valorem	\$ 11,691,541	\$ 12,128,801	\$ 12,613,511	\$ 12,958,024
Sales	683,573	745,716	1,028,946	1,026,948
Franchise	872,221	913,998	1,000,930	933,834
Other taxes	16,020	15,460	14,796	15,010
	<u>13,263,355</u>	<u>\$ 13,803,975</u>	<u>\$ 14,658,183</u>	<u>\$ 14,933,816</u>

Fiscal Year						Change
2008	2009	2010	2011	2012	2013	2012-2013
\$ 13,101,665	\$ 14,067,200	\$ 15,093,685	\$ 15,315,297	\$ 15,224,546	\$ 15,794,600	3.7%
1,042,096	946,726	1,050,079	997,318	1,003,897	957,658	-4.6%
1,312,260	1,162,420	1,207,429	1,148,390	1,142,265	1,170,448	2.5%
15,643	12,485	11,144	8,994	9,685	11,546	19.2%
<u>\$ 15,471,664</u>	<u>\$ 16,188,831</u>	<u>\$ 17,362,337</u>	<u>\$ 17,469,999</u>	<u>\$ 17,380,393</u>	<u>\$ 17,934,252</u>	3.2%

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
Residential Property	\$ 2,680,629,150	\$ 2,816,526,599	\$ 3,032,378,632	\$ 3,518,127,265
Commercial Property	56,271,940	79,232,269	200,638,039	111,498,007
<b>Less: Tax Exempt Property</b>	<b>(80,402,800)</b>	<b>(128,158,556)</b>	<b>(238,088,255)</b>	<b>(133,439,938)</b>
<b>Total Taxable Assessed Value (1)</b>	<b>\$ 2,656,498,290</b>	<b>\$ 2,767,600,312</b>	<b>\$ 2,994,928,416</b>	<b>\$ 3,496,185,334</b>
<b>Total Direct Tax Rate</b>	0.43000	0.44670	0.43000	0.36600

Source: Harris County Certified / Uncertified Tax Roll

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.  
Tax rates are per \$100 of assessed value.

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 3,835,791,345	\$ 4,287,201,794	\$ 4,173,451,521	\$ 4,106,994,971	\$ 4,335,656,103	\$ 4,497,103,352
129,077,944	125,992,897	203,444,929	278,070,080	205,183,728	219,273,264
<u>(216,954,373)</u>	<u>(158,978,494)</u>	<u>(296,685,633)</u>	<u>(325,525,373)</u>	<u>(323,044,475)</u>	<u>(340,252,719)</u>
<u>\$ 3,747,914,916</u>	<u>\$ 4,254,216,197</u>	<u>\$ 4,080,210,817</u>	<u>\$ 4,059,539,678</u>	<u>\$ 4,217,795,356</u>	<u>\$ 4,376,123,897</u>
0.35900	0.35875	0.37411	0.37411	0.37411	0.37400

**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
 Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
City of West University Place by fund:				
General	\$ 0.20000	\$ 0.20100	\$ 0.19200	\$ 0.18600
Debt service	0.24000	0.22900	0.21000	0.18000
<b>Total Direct Rates</b>	<b>\$ 0.44000</b>	<b>\$ 0.43000</b>	<b>\$ 0.40200</b>	<b>\$ 0.36600</b>
Houston Independent School District	\$ 1.58000	\$ 1.62000	\$ 1.47570	\$ 1.15670
Harris County	0.38800	0.39986	0.40239	0.39239
Harris County Flood Control District	0.04170	0.03322	0.03241	0.03106
Port of Houston Authority	0.02000	0.01474	0.01302	0.01437
Harris County Hospital District	0.19020	0.19216	0.19216	0.19216
Harris County Department of Education	-	0.00629	0.00629	0.00585
Houston Community College	0.09598	0.09577	0.09518	0.09243
<b>Total Direct and Overlapping Rates (1)</b>	<b>\$ 2.75588</b>	<b>\$ 2.79204</b>	<b>\$ 2.61915</b>	<b>\$ 2.25096</b>

Tax rates per \$100 of assessed valuation  
 Source: Harris County Appraisal District

(1) Overlapping rates are those of local and county governments that apply within the City of West University Place.

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 0.18600	\$ 0.18893	\$ 0.19443	\$ 0.18475	\$ 0.19125	\$ 0.19631
0.17300	0.16982	0.17968	0.18936	0.18286	0.17769
<u>\$ 0.35900</u>	<u>\$ 0.35875</u>	<u>\$ 0.37411</u>	<u>\$ 0.37411</u>	<u>\$ 0.37411</u>	<u>\$ 0.37400</u>
\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.15670	\$ 1.18670
0.38923	0.39224	0.38805	0.39117	0.40021	0.41455
0.03086	0.02922	0.29230	0.02809	0.02809	0.02827
0.01773	0.01636	0.02054	0.01856	0.01952	0.01716
0.19216	0.19216	0.19216	0.19216	0.18216	0.17000
0.00584	0.00605	0.00658	0.00658	0.00662	0.00636
0.09243	0.09222	0.09222	0.09722	0.09717	0.09717
<u>\$ 2.24395</u>	<u>\$ 2.24370</u>	<u>\$ 2.52266</u>	<u>\$ 2.26459</u>	<u>\$ 2.26458</u>	<u>\$ 2.29421</u>

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	Fiscal Year					
	2013			2004		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
AT&T	\$ 10,040,648	1	0.23%	\$ -	n/a	-
Southwestern Bell	-	n/a	-	13,795,450	1	0.52%
U West Marketplace Assoc	9,371,823	2	0.21%	3,871,740	3	0.15%
Vincere Village Place LLC	5,897,674	3	0.13%	-	n/a	-
Centerpoint Energy Inc	5,654,250	4	0.13%	4,738,770	2	0.18%
5650 Kirby Partnership	-	n/a	-	3,814,510	4	0.14%
Frank & Lillian Orson	-	n/a	-	2,316,600	6	0.09%
Craig A & Patricia Biggio	4,150,000	5	0.09%	2,627,400	5	0.10%
DKGA/WUC LP	4,136,599	6	0.09%	-	n/a	-
Marc & Krista Hensel	3,788,294	7	0.09%	-	n/a	-
Max & Christine Lukens	-	n/a	-	2,280,600	7	0.09%
James M & Donna P Donnell	3,765,676	8	0.09%	-	n/a	-
Timothy H. & Elaine C. Day	3,735,000	9	0.09%	-	n/a	-
Dolar S. & Shreekant N.	3,732,960	10	0.09%	-	n/a	-
Brian & Carol Kirshon	-	n/a	-	2,263,700	8	0.09%
Kenneth & Kimberly Alo	-	n/a	0.00%	2,172,500	10	0.08%
Charles & Kimberly Yates	-	n/a	0.00%	2,227,360	9	0.08%
Subtotal	\$ 54,272,924		1.24%	\$ 40,108,630		1.51%
Other Taxpayers	4,321,850,973		98.76%	2,616,389,660		98.49%
<b>Total</b>	\$ 4,376,123,897		100.00%	\$ 2,656,498,290		100.00%

Source: Harris County Tax Assessor-Collector's records.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
Tax levy	\$ 11,581,528	\$ 12,192,921	\$ 12,621,201	\$ 12,890,583
Current tax collected	\$ 11,516,657	\$ 12,124,169	\$ 12,539,957	\$ 11,944,071
Percent of current tax collections	99.44%	99.44%	99.36%	92.66%
Delinquent tax collections	<u>\$ 53,913</u>	<u>\$ 50,981</u>	<u>\$ 57,821</u>	<u>\$ 28,776</u>
Total tax collections	<u>\$ 11,570,570</u>	<u>\$ 12,175,150</u>	<u>\$ 12,597,778</u>	<u>\$ 11,972,847</u>
Total collections as a percentage of current levy	99.91%	99.85%	99.81%	92.88%
Outstanding delinquent taxes	\$ 10,958	\$ 17,771	\$ 23,423	\$ 35,850
Outstanding delinquent taxes as percentage of current levy	0.09%	0.15%	0.19%	0.28%

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 13,951,979	\$ 15,031,309	\$ 15,265,103	\$ 15,193,428	\$ 15,778,014	\$ 16,365,976
\$ 13,928,931	\$ 14,979,583	\$ 15,057,751	\$ 15,261,682	\$ 15,193,135	\$ 15,705,681
99.83%	99.66%	98.64%	100.45%	96.29%	95.97%
\$ 28,776	\$ 54,926	\$ 34,256	\$ 42,841	\$ 31,077	\$ 25,738
<u>\$ 13,957,707</u>	<u>\$ 15,034,509</u>	<u>\$ 15,092,007</u>	<u>\$ 15,304,523</u>	<u>\$ 15,224,212</u>	<u>\$ 15,731,419</u>
100.04%	100.02%	98.87%	100.73%	96.49%	96.12%
\$ 81,139	\$ 190,853	\$ 202,537	\$ 206,571	\$ 222,473	\$ 248,867
0.58%	1.27%	1.33%	1.36%	1.41%	1.52%

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
<b>Governmental Activities:</b>				
General obligation bonds	\$ 62,120,000	\$ 59,095,000	\$ 55,945,000	\$ 52,670,000
Certificates of obligation	13,050,000	12,855,000	12,630,000	12,380,000
Capital leases	-	-	473,285	385,823
<b>Subtotal</b>	75,170,000	71,950,000	69,048,285	65,435,823
<b>Business-Type Activities:</b>				
Revenue bonds	15,455,000	15,255,000	14,580,000	13,915,000
<b>Total Primary Government</b>	\$ 90,625,000	\$ 87,205,000	\$ 83,628,285	\$ 79,350,823
 <b>Personal Income (1)</b>	-	-	-	-
 <b>Debt as a Percentage Of Personal Income (1)</b>	-	-	-	-
 <b>Population</b>	14,211	14,211	14,211	14,211
 <b>Debt Per Capita</b>	\$ 6,377	\$ 6,136	\$ 5,885	\$ 5,584

(1) Personal income data is not available.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 49,235,000	\$ 54,380,000	\$ 61,205,000	\$ 57,015,000	\$ 60,875,000	\$ 57,180,000
12,125,000	13,140,000	21,335,000	21,915,000	12,925,000	12,495,000
294,896	200,381	102,131	-	-	-
<u>61,654,896</u>	<u>67,720,381</u>	<u>82,642,131</u>	<u>78,930,000</u>	<u>73,800,000</u>	<u>69,675,000</u>
13,225,000	12,510,000	6,610,000	5,825,000	5,105,000	4,460,000
<u>\$ 74,879,896</u>	<u>\$ 80,230,381</u>	<u>\$ 89,252,131</u>	<u>\$ 84,755,000</u>	<u>\$ 78,905,000</u>	<u>\$ 74,135,000</u>
-	-	-	-	-	-
-	-	-	-	-	-
14,211	14,211	14,787	14,787	15,109	15,221
<u>\$ 5,269</u>	<u>\$ 5,646</u>	<u>\$ 6,036</u>	<u>\$ 5,732</u>	<u>\$ 5,222</u>	<u>\$ 4,871</u>

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## RATIO OF NET BONDED DEBT TO ASSESSED VALUE, NET BONDED DEBT PER CAPITA, AND ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
<b>Net Taxable Assessed Value</b>				
All property	\$ 2,656,498,290	\$ 2,767,600,312	\$ 2,994,928,416	\$ 3,496,185,334
<b>Net Bonded Debt</b>				
Gross bonded debt	\$ 75,170,000	\$ 71,950,000	\$ 68,575,000	\$ 65,050,000
Less debt service funds	(782,534)	(1,169,072)	(1,169,072)	(1,208,268)
<b>Net Bonded Debt</b>	<u><u>\$ 74,387,466</u></u>	<u><u>\$ 70,780,928</u></u>	<u><u>\$ 67,405,928</u></u>	<u><u>\$ 63,841,732</u></u>
<b>Ratio of Net Bonded Debt To Assessed Value</b>	2.80%	2.56%	2.25%	1.83%
<b>Population</b>	14,211	14,211	14,211	14,211
<b>Net Bonded Debt Per Capita</b>	<u><u>\$ 5,234</u></u>	<u><u>\$ 4,981</u></u>	<u><u>\$ 4,743</u></u>	<u><u>\$ 4,492</u></u>

**Fiscal Year**

<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
\$ 3,747,914,916	\$ 4,254,216,197	\$ 4,080,210,817	\$ 4,059,539,678	\$ 4,217,795,356	\$ 4,376,123,897
\$ 61,360,000 (975,765)	\$ 67,520,000 (954,687)	\$ 61,205,000 (992,033)	\$ 57,015,000 (446,094)	\$ 60,875,000 (273,963)	\$ 57,180,000 (95,668)
<u>\$ 60,384,235</u>	<u>\$ 66,565,313</u>	<u>\$ 60,212,967</u>	<u>\$ 56,568,906</u>	<u>\$ 60,601,037</u>	<u>\$ 57,084,332</u>
1.61%	1.56%	1.50%	1.39%	1.44%	1.30%
14,211	14,211	14,787	14,787	15,109	15,221
<u>\$ 4,249</u>	<u>\$ 4,684</u>	<u>\$ 4,300</u>	<u>\$ 3,826</u>	<u>\$ 4,011</u>	<u>\$ 3,750</u>

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# CITY OF WEST UNIVERSITY PLACE, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2013

	Net Bonded Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
<b>Debt Repaid with Property Taxes</b>			
<b>Governmental Unit</b>			
Harris County	\$ 2,415,028,704	1.45%	\$ 35,017,916
Harris County Dept of Education	7,410,000	1.45%	107,445
Harris County Flood Control District	129,525,000	1.45%	1,878,113
Harris County Toll Road	432,540,000	1.45%	6,271,830
Houston Community College	661,385,000	3.18%	21,032,043
Houston ISD	2,377,863,638	3.76%	89,407,673
Port of Houston Authority	717,624,397	1.45%	10,405,554
Subtotal, overlapping debt	\$ 6,741,376,739		\$ 164,120,573
<b>City Direct Debt</b>	\$ 69,675,000	100.00%	69,675,000
		<b>Total Direct and Overlapping Debt</b>	<b>\$ 233,795,573</b>

Source: Municipal Advisory Council of Texas

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## LEGAL DEBT MARGIN INFORMATION

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
Debt limit	\$ 125,873,705	\$ 144,787,943	\$ 153,627,947	\$ 174,809,267
Total net debt applicable to limit	74,387,466	70,953,073	67,405,928	63,841,732
Legal debt margin	\$ 51,486,239	\$ 73,834,870	\$ 86,222,019	\$ 110,967,535
Total net debt applicable to the limit as a percentage of debt limit	59.10%	49.00%	43.88%	36.52%

### Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 4,376,123,897
Debt limit (5% of assessed value)	218,806,195
Debt applicable to limit:	
General obligation bonds	69,675,000
Less: amount set aside for repayment of general obligation debt	(95,668)
Total net debt applicable to limit	69,579,332
Legal debt margin	\$ 149,226,863

Note: The City's Home Rule Charter (1983), Section 7.07 limits all bonded debt to no more than five percent of the assessed valuation.

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 194,317,845	\$ 212,710,810	\$ 204,010,541	\$ 202,976,984	\$ 210,889,768	\$ 218,806,195
<u>64,074,235</u>	<u>60,212,967</u>	<u>60,212,967</u>	<u>56,568,906</u>	<u>73,605,191</u>	<u>69,579,332</u>
<u>\$ 130,243,610</u>	<u>\$ 152,497,843</u>	<u>\$ 143,797,574</u>	<u>\$ 146,408,078</u>	<u>\$ 137,284,577</u>	<u>\$ 149,226,863</u>
32.97%	28.31%	29.51%	27.87%	34.90%	31.80%

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## *PLEDGED-REVENUE COVERAGE*

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
Gross Revenues (1)	\$ 4,204,407	\$ 5,098,008	\$ 4,842,481	\$ 4,702,577
Operating Expenses (2)	2,565,022	2,780,664	2,737,998	4,673,933
Net Revenues Available for Debt Service	\$ 1,639,385	\$ 2,317,344	\$ 2,104,483	\$ 28,644
Debt Service Requirements (3)				
Principal	\$ 540,000	\$ 565,000	\$ 675,000	\$ 690,000
Interest	740,339	714,225	597,295	601,873
<b>Total</b>	<b>\$ 1,280,339</b>	<b>\$ 1,279,225</b>	<b>\$ 1,272,295</b>	<b>\$ 1,291,873</b>
Coverage	1.28	1.81	1.65	0.02

(1) Total revenues including interest, excluding tap fees

(2) Total operating expenses less depreciation

(3) Includes revenue bonds only

**Fiscal Year**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 5,912,369	\$ 6,151,138	\$ 5,917,931	\$ 8,986,455	\$ 7,777,386	\$ 7,623,233
<u>5,114,579</u>	<u>5,141,913</u>	<u>5,003,479</u>	<u>4,802,445</u>	<u>4,293,010</u>	<u>3,962,028</u>
<u>\$ 797,790</u>	<u>\$ 1,009,225</u>	<u>\$ 914,452</u>	<u>\$ 4,184,010</u>	<u>\$ 3,484,376</u>	<u>\$ 3,661,205</u>
\$ 715,000	\$ 745,000	\$ 785,000	\$ 720,000	\$ 645,000	\$ 675,000
577,813	523,446	255,154	225,323	198,585	172,185
<u>\$ 1,292,813</u>	<u>\$ 1,268,446</u>	<u>\$ 1,040,154</u>	<u>\$ 945,323</u>	<u>\$ 843,585</u>	<u>\$ 847,185</u>
0.62	0.80	0.88	4.43	4.13	4.32

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Fiscal Year Ended Dec 31	Population (1)	Personal Income (4)	Per Capita Personal Income (5)	Median Age	School Enrollment (2)	Unemployment Rate (3) (6)
2004	14,211	-	-	39.30	951	4.60%
2005	14,211	-	-	39.30	972	N/A
2006	14,211	-	-	39.30	981	N/A
2007	14,211	-	-	39.30	981	N/A
2008	14,211	-	-	39.30	980	N/A
2009	14,211	-	-	39.30	1,272	N/A
2010	14,787	-	-	39.30	1,165	N/A
2011	14,787	-	-	39.30	1,215	N/A
2012	15,109	-	-	41.40	1,225	N/A
2013	15,221	-	-	41.40	1,210	N/A

Data sources:

- (1) Bureau of the Census
- (2) The school enrollment reflects enrollment in schools located within the City limits.
- (3) Texas Workforce Commission
- (4) Personal income data are not available.
- (5) Per capita personal income data not available.
- (6) Beginning 2005 and after, cities with population under 25,000 do not have unemployment information available.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## *PRINCIPAL EMPLOYERS* <sup>(2) (3)</sup>

Current Year <sup>(1)</sup> and Seven Years Ago

Employer	Fiscal Year	
	2013	2006
	Rank	Rank
AT&T	1	N/A
West University Elementary School	2	2
City of West University Place	3	3
Southwestern Bell	N/A	1

Note: The residents of the City of West University Place are primarily employed outside of the City limits.

(1) The requirement is for the current year and nine years ago, only the current year and seven years ago are available at this time.

(2) The number of employees of each of the employers is currently unavailable.

(3) The percentage of total employment is currently unavailable.

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**CITY OF WEST UNIVERSITY PLACE, TEXAS**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
 Last Ten Years

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b><u>General Fund:</u></b>										
Administration	4	4.5	4	4	4	5	5	5	5	5
Finance	9	9	8	8	8	7	7	6	6	6
Police Department	35	34	32	32	32	32	32	32	35	35
Fire Department	24	24.5	25	24	24	24	24	24	23	23
Public Works	21	21	21	20	19	19	21	20	20	20
Parks & Recreation	8	8	8	10	10	10	11	11	11	11
<b>General Fund Total</b>	101	101	98	98	97	97	100	98	100	100
<b><u>Enterprise Fund:</u></b>										
Water	14	14	14	14	12	12	12	14	14	14
Solid Waste	10	7	7	7	7	7	7	8	8	8
<b>Enterprise Fund Total</b>	24	21	21	21	19	19	19	22	22	22
<b><u>Internal Service Fund:</u></b>										
Administration	-	-	-	2	3	3	3	3	3	3
<b>Internal Service Fund Total</b>	-	-	-	2	3	3	3	3	3	3
<b>Total City Positions</b>	<u>125</u>	<u>122</u>	<u>119</u>	<u>121</u>	<u>119</u>	<u>119</u>	<u>122</u>	<u>123</u>	<u>125</u>	<u>125</u>

**Notes:**

Around 20-35 temporary and seasonal employees are hired during the summer months as camp counselors, pool personnel and front desk. This count is not reflected above.

Around 6 contract personnel are used year round to augment solid waste crews. This count is not reflected above.

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## OPERATING INDICATORS BY FUNCTION

Last Ten Years

Function/Program	Fiscal Year			
	2004	2005	2006	2007
<b>Police</b>				
Arrests	321	366	432	287
Accident reports	139	138	123	116
Citations	3,675	3,583	3,581	2,940
Offense reports	1,018	1,027	1,040	794
Calls for service	11,353	13,688	25,790	36,260
<b>Fire</b>				
Emergency responses	659	624	686	698
Average response time	3:08	3:08	3:06	4:29
Fire incidents	655	776	740	840
<b>Water</b>				
New accounts	915	760	860	854
Source:				
Water	80	80	80	80
Sewer	20	20	20	20
Average daily consumption (millions of gallons)	2.17	2.28	2.15	1.89
Number of million gallons of surface water pumped	674.71	735.62	687.97	569.34
Number of million gallons of well water pumped	117.39	101.46	87.84	120.30
Total consumption (millions of gallons)	792.09	837.08	784.50	689.65
Peak daily consumption (millions of gallons)	5.99	8.64	4.98	4.30
<b>Sewer</b>				
Average daily sewage treatment (millions of gallons)	1.42	1.27	1.36	1.43
Total consumption (millions of gallons)	-	452.62	495.25	523.06
Peak daily consumption (millions of gallons)	5.12	4.68	6.71	5.31

Source: Various City departments

**Fiscal Year**

<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
230	342	325	294	231	323
137	137	99	121	142	127
2,411	2,479	4,830	3,379	2,260	2,779
650	823	669	583	609	695
22,367	27,029	29,148	25,964	24,844	26,835
644	489	581	660	659	683
4:24	4:00	3:49	4:25	4:45	4:34
857	673	774	765	734	663
744	724	724	678	669	665
80	80	80	80	80	80
20	20	20	20	20	20
2.16	2.36	2.22	2.79	2.38	2.31
690.74	400.44	357.42	658.80	530.06	466.25
99.09	461.41	452.95	359.55	335.24	375.06
789.83	861.85	810.37	1018.34	869.48	841.31
6.27	5.62	4.34	5.10	4.89	5.36
1.16	1.21	1.25	1.10	1.18	1.09
421.32	448.57	455.02	402.36	430.12	397.30
3.43	4.32	4.63	2.66	4.85	4.04

# CITY OF WEST UNIVERSITY PLACE, TEXAS

## CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2004	2005	2006	2007
<b>Function/Program</b>				
<b>Police</b>				
Stations	1	1	1	1
Patrol units	9	7	7	7
Fire stations	1	1	1	1
<b>Other public works</b>				
Streets (miles - centerlines)	43	43	43	43
Streetlights	690	690	690	747
<b>Parks and recreation</b>				
Parks	9	9	9	9
Parks acreage	12.6	12.6	12.6	12.6
Swimming pools	2	2	2	2
Baseball / softball diamonds	6	6	6	6
Tennis courts	5	5	5	5
Racquetball/handball courts	2	2	2	2
Gymnasiums	1	1	1	1
Basketball courts	2	2	2	2
<b>Water</b>				
Water mains (miles)	40	40	40	40
Fire hydrants	357	357	357	357
Storage capacity (millions of gallons)	3.65	3.65	3.65	3.65
<b>Sewer</b>				
Sanitary sewers (miles)	40	40	40	40
Storm sewers (miles)	32	32	32	32
Open ditch / creek / canal drainage (miles)	1.32	1.32	1.32	1.32
Treatment capacity (millions of gallons)	2	2	2	2

Source: Various City departments

**Fiscal Year**

2008	2009	2010	2011	2012	2013
1	1	1	1	1	1
7	7	7	7	7	7
1	1	1	1	1	1
43	43	43	43	43	46
690	1,694	1,694	1,687	1,687	1,687
9	9	9	9	9	9
12.6	14.0	14.0	13.7	13.7	13.7
2	2	2	2	2	2
6	6	6	6	7	7
5	5	5	5	5	5
2	2	2	2	2	2
1	-	-	-	-	-
2	2	2	2	2	2
40	40	40	40	40	40
357	357	357	357	357	357
3.65	3.65	3.65	3.65	3.65	3.65
40	40	40	40	40	40
32	32	32	32	32	32
1.32	1.32	1.32	1.32	1.32	1.32
2	2	2	2	2	2

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