

CITY OF WEST UNIVERSITY PLACE 2009 ANNUAL BUDGET

INTRODUCTION

This document has been prepared to help you learn and understand issues affecting the community of West University Place. The most obvious function of a City Budget is to provide a **financial plan** for the coming year. West University Place's Budget is no exception and as such contains financial schedules and statistics. Financial plans cannot be prepared without defining what the organization intends to accomplish and how it intends to go about reaching its goals. Therefore, the *2009 Annual Operating Budget* serves as a **policy document** that presents the major policies governing the management of the City. It is also an **action plan** to give the public, elected officials and City staff information about what the City is doing and how efficiently. Finally, the *2009 Annual Operating Budget* functions as a tool, formally communicating the City's financial and operating plan for the coming year.

FORMAT

The *2009 Annual Operating Budget* is grouped first by fund and then by department. Like most other local governments, the City uses funds to account for its financial activities. A fund is simply a device to segregate and account for public resources. Financial statements, including the adopted 2009 budget, are presented for every fund. Like the checking account statement you monthly receive from your bank, the statements show beginning balances, revenues, expenditures and ending balances for the year. Accompanying the statements are narrative discussions of each fund's financial activity for the prior year and the expected activity for 2009. Graphs, schedules, and tables are provided to help illustrate and clarify certain points.

Funds are divided into departments or projects. Each department is presented with a brief statement describing what the department intends to accomplish in 2009. Detailed schedules compare the department's finances over several years, plus information about staffing.

The appendices detail the City's debt and revenues and include tables and schedules that present historical information about the City's finances, the Budget Ordinance and an explanatory glossary of terms.

CITY OF WEST UNIVERSITY PLACE 2009 OPERATING BUDGET

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October 8, 2008

Honorable Mayor Bob Kelly
City Council Members
City of West University Place
3800 University Boulevard
West University Place, Texas 77005

Dear Mayor Kelly and City Council Members:

In compliance with State law, the City's Charter, and good management practices, I am pleased to submit the *Proposed 2009 Annual Operating Budget* for the City of West University Place. The goal of this Budget is to enable City staff to continue providing the wide range and high level of services needed to sustain and enhance the quality of life our residents expect and enjoy.

The Budget is a policy, management, and planning document. It is also a financial report and a means of communicating with the citizens of West University Place. In addition to reviewing previous accomplishments, it anticipates future needs, addresses the coming year's objectives and goals, and identifies resources for achieving those needs, objectives and goals.

This Budget provides a strong financial plan for providing superior municipal services. Staff is confident that, while conservative, the Budget projections and estimates reasonably and accurately anticipate the City's revenues and requirements. This Budget builds upon our foundation of consistent work over the past half-decade to improve the efficiency and effectiveness of our operations. This Budget increases service in prioritized areas and addresses major capital needs for public safety and emergency operations, yet reduces the overall property tax rate for the fourth consecutive year.

For the first time in two years we are not recommending a tax rate *below* the Effective Tax Rate, which means that many citizens will see their property tax bills increase. The resulting additional revenues are allocated to employee compensation in response to a long-standing City financial policy:

The City is a service organization. The most important asset of any service organization is its trained, motivated, and properly-led employees.

Recently the City engaged Waters Consulting Group to perform a comprehensive review of its compensation program. The purpose of the review was to insure that the City's compensation system was market-based, financially efficient and effective, competitive and designed to enable the City to attract and retain qualified, high performing talent for all positions.

The results of the study indicated that our existing compensation plan is below the market by approximately six percent. This Budget includes a plan to begin a new compensation program designed to address this market shortfall.

2009 BUDGET SUMMARY

The 2009 Budget anticipates approximately \$30.0 million in revenues and other incoming sources, with approximately \$33.4 million in expenditures, which will be balanced by reducing built-up reserves. Revenue of \$14.0 million from property taxes will be \$1 million, or 7.6% more, than the prior year's Revised Budget. Revenues from Sales and Franchise Taxes which are the principal components of Other Taxes are expected to be \$1.9 million in 2009, down from 2008 because of a one-time adjustment due to renegotiating a franchise agreement with Center Point Energy. User fees are expected to be slightly higher in 2009, due to a water rate increase of 1% needed to keep pace with the City of Houston's rate increases. Other revenues, which are largely consist of Grants and Investment Income, are expected to decline dramatically because of two significant grants received in 2008. In 2008, Harris County provided a \$1.4 million grant to help fund the Transportation Improvement Fund. Additionally, the City realized \$3.8 million grant from METRO to fund the same project.

Total 2009 projected expenditures of \$33.4 million are down \$3.4 million from the 2008 Revised Budget, due to a sharp decrease in capital spending. They include operating expenditures of \$17.2 million, spending on capital improvement projects of \$8.2 million, and debt repayment of \$8.1 million.

SOURCES

This Budget projects income sources, not including inter-fund transfers, of \$29.8 million to be available to fund 2009 operations and projects. This is about \$835,000 million, or 2.7 percent, less than the current year's revised estimate. General Fund revenues, projected at about \$12.8 million, are approximately 4.2% above the current year's revised estimate.

	2008 Estimated	2009 Budget	Change	% Change
Property Taxes	\$ 13,047,550	\$ 14,037,980	\$ 990,430	7.6%
Other Taxes	2,155,210	1,954,750	(200,460)	-9.3%
Licenses and Permits	492,170	504,500	12,330	2.5%
Fees for Services	7,741,810	7,965,470	223,660	2.9%
Other Revenues	7,149,345	2,487,940	(4,661,405)	-65.2%
Debt	-	2,800,000	2,800,000	0.0%
Total	\$ 30,586,085	\$ 29,750,640	\$ (835,445)	-2.7%

Property Taxes

Due to the levels of increased assessed valuation, this Budget recommends reducing the City's *ad valorem* property tax rate to 35.9 cents from 36.6 cents per \$100 assessed valuation, which is 5.4% above the current Effective Tax Rate of 34.01 cents.

The City's tax rate comprises two components. One covers maintenance and operations, while the other pays debt service. An 11.4 percent growth in assessed valuation and new home construction will provide sufficient funds for expected increases in maintenance and operations costs at the proposed tax rate of 18.6 cents per \$100 assessed valuation.

City of West University Place, Texas					
Comparison of Property Taxes: 2009 vs. 2008					
	2009		2008		
	Levy Rate/ \$100	Monthly Cost / Typical Family	Levy Rate/ \$100	Monthly Cost / Typical Family	Monthly Increase/ (Decrease)
Operating levy	\$0.1860	\$115.15	\$0.1860	\$100.60	\$14.55
Debt service levy	\$0.1730	\$107.10	\$0.1800	\$97.35	\$9.75
	\$0.3590	\$222.24	\$0.3660	\$197.95	\$24.30
Average home value	\$742,877		\$649,000		

The debt service tax rate will decrease .7 cents to 17.3 cents per \$100 assessed valuation, also due to the growth in assessed valuations. Current debt service requirements have stabilized, and as assessed values grow with new home construction, the tax rate needed to support these payments is expected to decline.

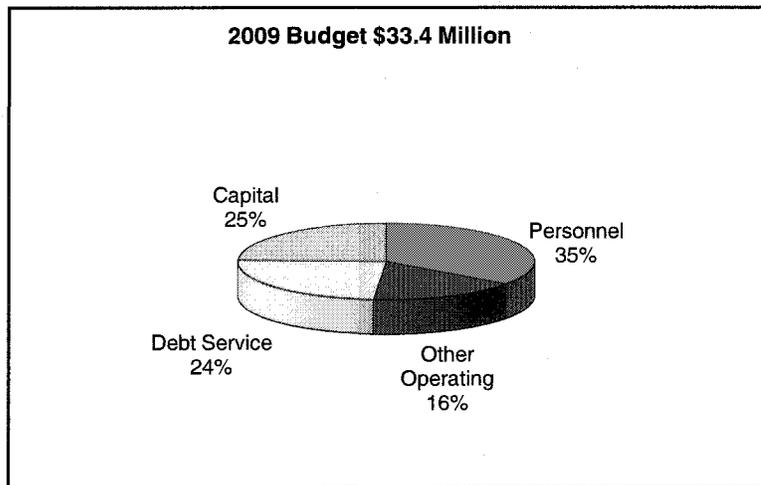
Fees and Charges

Complying with the City's financial policy, staff continuously monitors, reviews, and adjusts all applicable fees and charges to assure equitable coverage of service costs. In 2007 all fees and charges were subjected to an intensive internal review and many were adjusted based on that review. This budget does not recommend any further increases

Water and Sewer Rates - The City's revenue bond covenants require net revenues (operating revenues plus interest) to equal at least 110 percent of the principal and interest requirements for that year. Due to shortfalls in the Water and Sewer Fund's net revenues, the City increased rates in December 2003 and 2004. In early 2007, the City of Houston announced a water rate increase of 20 percent, in addition to a 3.6 percent increase already scheduled. In order to pass along and recover these increases, as well as another increase expected in early 2008, Council increased rates by 10 percent in October 2007.

A more normal summer in 2008 sent water and sewer revenues back to expected levels. A one percent fee increase is recommended in 2009 to keep pace with the City of Houston's anticipated rate increases, which are tied to the consumer price index.

Solid Waste Service Fees - Currently collection of solid waste uses three rear-loading trucks, four drivers, a crew chief, and two



equipment operators. As in past practice, temporary labor will be used to collect the solid waste. For the seventh straight year, we are *not* recommending a rate increase, but this could change in the future if the amount or value of recyclables collected and sold decreases. As it stands, the sale of recyclables is providing more than 30% of the revenue used to support the cost of operations. A rate increase *may* be needed in the future to offset inflationary increases or a downturn in the amount or value of recyclables collected.

EXPENDITURES

The 2009 Budget proposes total expenditures of \$33.1 million. It devotes \$17.2 million, or 51.9 percent, to operating expenditures, \$7.9 million, or 23.7 percent, to capital improvements, and \$8.1 million, or 24.3 percent, to debt service on the City’s outstanding bonds.

Overall, the 2009 Budget is \$3.7 million, or 10.1 percent, less than the prior year, a decrease that primarily reflects the completion of capital projects. Increased costs for personnel and fuel contributed to the increase in operating costs.

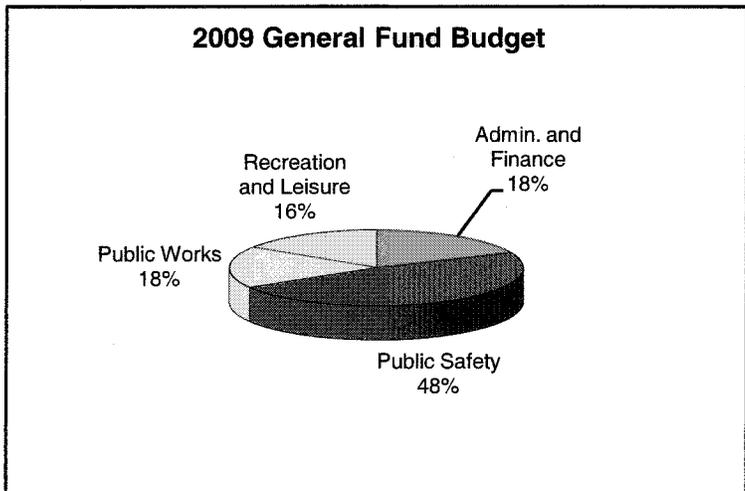
Operating Budget

The City Operating Budget contains four funds: the General Fund, the Debt Service Fund, the Water and Sewer Fund and the Solid Waste Fund.

	2008 Budget	2009 Budget	Change	% Change
Personnel	\$ 10,778,260	\$ 11,748,160	\$ 969,900	9.0%
Other Operating	5,151,230	5,432,200	280,970	5.5%
Total Operating	15,929,490	17,180,360	1,250,870	7.9%
Capital Outlay	12,833,503	7,853,050	(4,980,453)	-38.8%
Debt Service	8,074,590	8,093,340	18,750	0.2%
Total Expenditures	\$ 36,837,583	\$ 33,126,750	\$ (3,710,833)	-10.1%

General Fund – The proposed General Fund budget of \$12.8 million (excluding transfers) is about \$776,000, or 6.5 percent, above its 2008 Budget. This increase reflects the cost of fuel and higher personnel costs. Public Safety (Police and Fire) continues to receive a large share of the General Fund Budget, with combined expenditures totaling \$6.1 million. Police and Fire services account for 46.1 percent of all General Fund expenditures.

Debt Service Fund – As in the past several years, the City will pay \$6.8 million in principal, interest and fiscal agent’s fees in 2009. Increased assessed values and consistent collection rates enabled a tax rate decrease to 17.3 cents per \$100 of assessed value. This tax rate is expected to decline for the next several years, as assessed values rise.



Water Utility Fund – The Water Utility Fund’s total budget of \$5.4 million is \$141,200, or 2.6 percent, greater than 2008’s appropriation. Personnel costs increased 12.6 percent and other operating costs increased \$114,580 due to the increased cost of surface water purchased from the City of Houston. Revenues are expected to increase slightly to \$5.6 million, as a result of a recommended rate increase in 2009.

Solid Waste Fund – The direct cost of collecting and disposing of solid waste is expected to increase \$352,380, or 27 percent, more than the 2008 budget, due to allocating \$257,500 for repairs and renovations at the Recycling Center, increased personnel costs, and increased disposal costs.

Internal Service Funds

Internal Service Funds provide accounting and budgetary controls for expenditures common to all funds. West U has established three such Internal Service Funds.

Employee Benefit Fund - The Employee Benefit Fund was recently created to facilitate accounting and oversight over the cost of employee benefits, particularly the cost of health care. In 2009 the City will transfer \$1.7 million to this fund, 17.3 percent, more than the \$1.5 million budgeted in 2008. Expenditures are expected to increase 22.6 percent due to significant increase in health care premiums which took effect in September, 2008.

Equipment Replacement Fund - The Equipment Replacement Fund receives funds from operations to purchase equipment routinely used to provide City services. In 2009, expected expenditures of \$307,000 include purchase of two police patrol vehicles, two sedans and three large construction trucks.

Technology Management Fund - The management of the City’s funding of critical technology is financed through the Technology Management Fund. In 2009, managing, supporting and replacing computers, networks, and communication equipment are expected to cost \$810,830. As for all of the Internal Service Funds, the Technology Management Fund is financed by changes to operating funds.

Employee Staffing

This Budget maintains current staffing levels of 119 Full Time Equivalent (FTE) employees. Overall, the City’s population and its number of FTEs have remained relatively unchanged.

We constantly strive to make our services more effective and efficient, whether through using new technology, or by reclassifying or reassigning existing employees. The chart below demonstrates that we have remained relatively stable in the number of employees since 2000. Through outsourcing, we have been able to maintain or reduce operating costs, while sustaining or sometimes increasing our level of service.

As a routine practice, we will continue to evaluate the allocation of personnel to determine and achieve the most efficient and effective use of the community’s resources. Below is a summary of the changes being proposed in 2009:

City of West Unviersity Place									
Full-Time Equivalent (FTE) Position Summary: 2000 to 2007									
Department	2001	2002	2003	2004	2005	2006	2007	2008	2008
Administration	4.00	4.00	4.00	4.00	4.50	4.00	4.00	4.00	5.00
Finance	10.00	9.00	9.00	9.00	9.00	8.00	8.00	8.00	7.00
Police	35.00	36.00	35.00	33.00	32.00	32.00	32.00	32.00	32.00
Fire	20.00	20.00	23.00	24.00	24.50	25.00	24.00	24.00	24.00
Parks & Recreation	6.00	6.00	6.00	8.00	8.00	8.00	10.00	10.00	10.00
Public Works	22.00	23.00	23.00	21.00	21.00	21.00	20.00	19.00	19.00
Technology Fund	0.00	0.00	0.00	0.00	0.00	0.00	2.00	3.00	3.00
Water Fund	14.00	15.00	14.00	14.00	14.00	14.00	14.00	12.00	12.00
Solid Waste Fund	10.00	10.00	10.00	7.00	7.00	7.00	7.00	7.00	7.00
Total City FTEs	121.00	123.00	124.00	120.00	120.00	119.00	121.00	119.00	119.00

Finance Department

A vacant Accounting Specialist position was deleted. In 2008 the City contracted with Harris County to assess and collect its property taxes, eliminating the need for this position.

Administration Department

A secretary position was added. Funded by the savings realized by outsourcing the collection of property taxes, this position will provide assistance to the Human Resources Manager and some support to the administration department in general.

Wages and Benefits

As mentioned earlier, this Budget proposes a new compensation system, as recommend by the Waters Consulting Group. In 2009, most employees will receive a pay increase of at least 3 percent increase; many will receive more, depending on their length of service as well as the market average for their current compensation and position. Section 2.022 of the City Code requires the City Manager to conduct a separate annual review of public safety salary structures and to maintain those salaries at 105 percent of the market rate.

Employee benefit cost increases also are anticipated.

CAPITAL IMPROVEMENTS

This Budget proposes \$13 million to cover three capital improvement projects. Those are:

College Street/Bellaire Boulevard Transportation Improvements: This Budget includes \$6.5 million to construct improvements to Bellaire Boulevard and \$1.5 million to provide upstream retention, to mitigate the additional discharge into Brays Bayou. This project is currently funded through a \$4.3 million grant from METRO, a \$1.4 million grant from Harris County and a \$2.3 million advance from the General Fund that will have to be financed from a future bond issue.

When the construction phase of this project is complete, the City may have to commit additional funds to the Harris County Flood Control District. This budget includes \$1.5 million for the anticipated cost of detention ponds to mitigate discharge into Brays Bayou from the reconstruction of the bridge over Poor Farm Ditch.

Emergency Power Generation: The 2009 Budget includes funding to continue a project to provide electrical generators with sufficient capacity to power the City's facilities during emergency operations.

Phase II of Streetlight Replacement Project: This Budget transfers \$259,000 from the METRO to complete the financing of the second phase of the Streetlight Replacement Project, which is scheduled for completion in 2009.

Acquisition and Development of Parks: In 2006, the voters authorized \$2 million to be spent acquiring and developing Parks in targeted areas of West U. In 2007, \$420,000 of the acquisition set-aside was used to acquire property on Corondo Court, however this is subject to change based on future Council decisions.

ECONOMIC CONDITION AND OUTLOOK

West U continues to enjoy an enviably stable outlook, with property values approaching \$3.9 billion, up an astounding 150 percent since 1993. Among reasons for this strength is West U's convenient location to the Texas Medical Center, downtown Houston, the Rice Village and Rice University, as well as the Galleria area.

The City continues to benefit from a relatively low crime rate, a great parks system, new roadways, and improved water, storm, and sewer lines. All of these factors have put West U at the top of the list of desirable places in America to live, to raise a family and to retire.

These factors, plus consistent and conservative financial management led Standard and Poor's to grant the City a AAA credit rating in 2008. This extremely good credit rating will help the City in these very uncertain financial times.

SUMMARY

This Budget is sound and builds upon the carefully established financial policies of the City. This Budget is the policy statement for the City and was created from these perspectives:

The City is a service organization. The most important asset of any service organization is its trained, motivated, and properly led employees.

This Budget recognizes the need to recruit, train, and retain a workforce capable of delivering services at the quality and level West U citizens expect. The 2009 Budget provides for:

- At least a 3 percent increase in salaries for all employees, with employees being moved into new salary ranges as recommended by the study completed by Waters Consulting Group..
- A 1% increase in the contribution rate to the Texas Municipal Retirement System.

The City's current services to citizens are to be given priority. Increases or decreases in service levels should be clearly, prominently and separately communicated.

The Budget uses baseline funding for all departments. That means each department used last year's Budget as a starting point for preparing this year's Budget. There are no major changes to the baseline Budget for 2009.

All fee schedules, user charges, and charges for utility services must be reviewed and adjusted to ensure that rates are both equitable and sufficient to cover the cost of the provided service as deemed appropriate by the City Council.

As discussed above, the City's fee schedule was completely reviewed and adjustments were recommended to assure rates were both equitable and sufficient in late 2007. Another comprehensive review of fees for services will be undertaken in 2009. In addition, a recent initiative by other surface water customers of the city of Houston will ensure that West U has a seat at the table in future rate design studies and/or water rate increases.

The City will avoid budget and accounting procedures that balance the current Budget at the expense of future Budgets.

This means avoiding postponement of necessary operating expenditures, using short-term debt to finance operating expenditures (personnel, supplies, operating charges), or accruing future years' revenues. The 2009 Budget meets this key standard.

The City will follow long-range plans for capital improvements. A long-range plan for capital improvements must be prepared and updated each year. This plan may include initially unfunded projects that carry out the City's long-term goals, but after the first year, all projects would require approval of funding. (A recent example is the emergency repair to Wesleyan St.)

In addition to the major improvement to recreational facilities in the City, which is pending a decision by the voters, future capital improvements currently under consideration include expansion/renovation of the City's public safety facilities, the addition of an Emergency Operations Center, and streetlight system improvements.

The City will maintain reserves adequate to ensure that resources are available annually for the replacement of service vehicles and equipment.

The City's current equipment replacement reserves are sufficient to replace necessary vehicles and equipment on an annual basis.

The City will maintain financial reserves adequate to protect the community against unforeseen events. General Fund Reserves will be maintained at 20 percent of the estimated revenue for the current Annual Budget: 10 percent for unforeseen events and 10 percent for unexpected revenue shortfalls. All other operating fund reserves will be maintained at 10 percent of the estimated revenue for the Current Budget.

Based upon this policy, the Budget recommends transferring \$511,000 of excess General Fund Reserves to the Capital Reserve Fund. All operating reserves are at, or above, the target established by this policy.

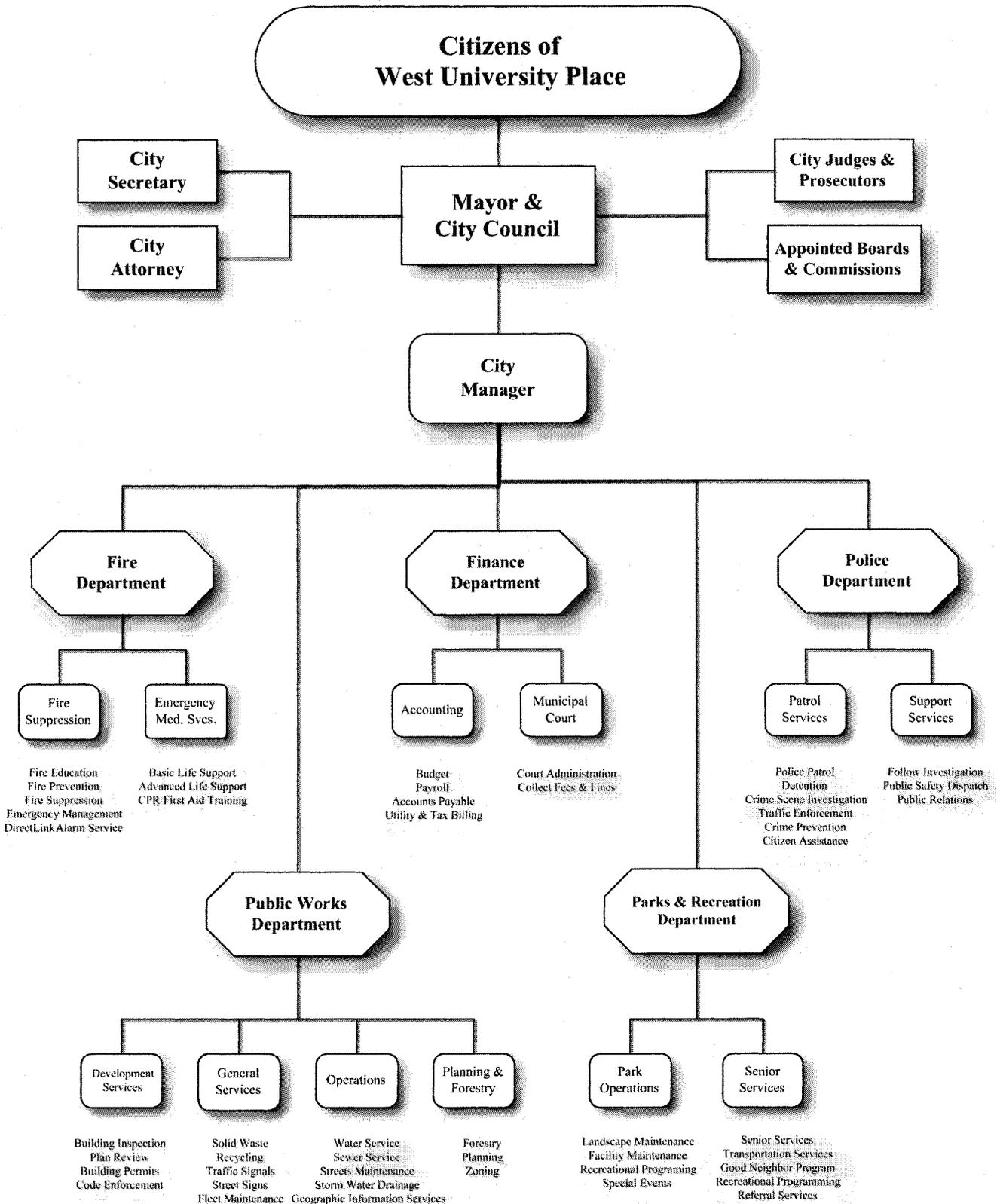
I commend the City staff for their many hours of diligence, dedication, and work in preparing this document. I further appreciate the determination and effort of the City Council in providing direction and parameters essential to this budgeting process. Through this collaborative effort, we are able to assure and maintain the quality of life that the citizens of West University Place have come to expect and enjoy.

Respectfully submitted,

A handwritten signature in cursive script that reads "Michael Ross".

Michael Ross
City Manager

The City of West University Place, Texas



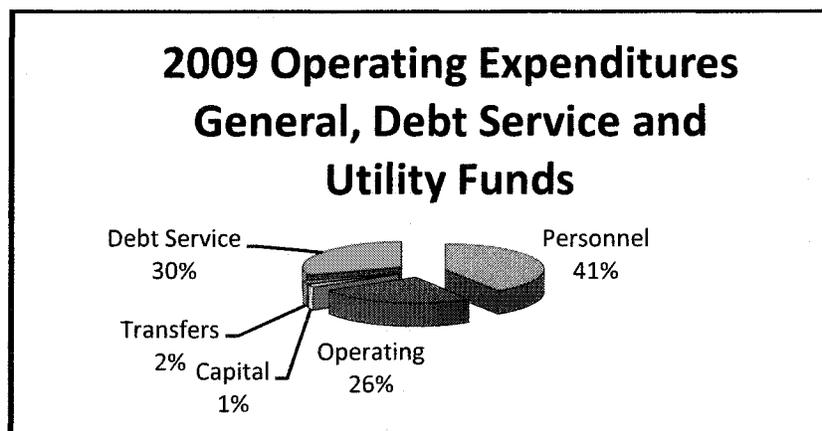
**CITY OF WEST UNIVERSITY PLACE
2009 BUDGET AT A GLANCE**

	General Fund	Debt Service Fund	Water Utility	Solid Waste	Total
Revenues					
Property Taxes	\$ 7,291,180	\$ 6,746,800	\$ -	\$ -	\$ 14,037,980
User Fees	479,000	-	5,565,000	940,000	6,984,000
Other	4,987,930	75,000	15,000	450,000	5,527,930
Total Revenues	\$12,758,110	\$ 6,821,800	\$ 5,580,000	\$ 1,390,000	\$ 26,549,910

Operating Expenditures					
Personnel	\$ 9,437,180	\$ -	\$ 991,820	\$ 686,860	\$ 11,115,860
Operating	3,205,890	-	3,090,540	712,370	7,008,800
Capital	113,300	-	82,500	257,500	453,300
Transfers	511,240	-	-	-	511,240
Debt Service	-	6,805,270	1,268,250	-	8,073,520
Total Expenditures	\$13,267,610	\$ 6,805,270	\$ 5,433,110	\$ 1,656,730	27,162,720

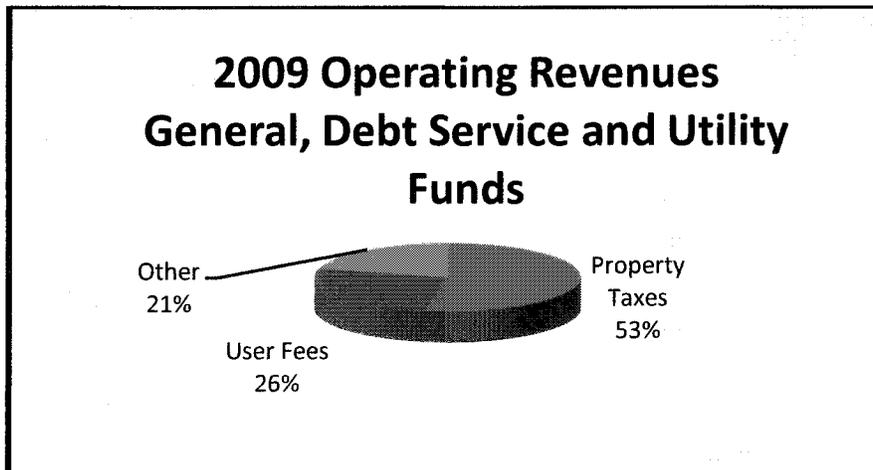
Capital Improvements

Recreation Center	\$ 1,061,000
Parks	1,605,000
Sidewalk Replacement	180,000
Streetlight Improvements	1,200,000
Transportation and Drainage Improvements	3,001,500
General	450,000
	<u>\$ 7,497,500</u>



Budget 2009
Combined Summary of Revenues and Expenditures

	Beginning Balance	Sources				Expenditures and Transfers	Ending Balance
		Property Taxes	Fees	Other	Total		
General Fund	\$ 3,261,174	\$ 7,291,180	\$ 1,460,470	\$ 4,006,460	\$ 12,758,110	\$ 13,267,610	\$ 2,751,674
Debt Service Fund	891,335	6,746,800	-	75,000	6,821,800	6,825,090	888,045
Water and Sewer Fund	1,876,514	-	5,565,000	15,000	5,580,000	5,433,110	2,023,404
Solid Waste Fund	562,238	-	940,000	450,000	1,390,000	1,656,730	295,508
Capital Project Fund	8,559	-	-	2,475,000	2,475,000	2,475,000	8,559
Infrastructure Replacement Fund	47,750	-	-	-	-	47,250	500
Sidewalk Construction Fund	-	-	-	180,000	180,000	180,000	-
Transportation Improvement Fund	701,497	-	-	2,300,003	2,300,003	3,001,500	-
Streetlight Improvement Fund	941,026	-	-	259,000	259,000	1,200,000	26
Capital Reserve Fund	659,000	-	-	511,240	511,240	1,170,240	-
Water and Sewer Capital Reserve	556,557	-	-	-	-	548,000	8,557
Employee Benefit Fund	690	-	-	2,009,830	2,009,830	2,003,140	7,380
Equipment Replacement Fund	140,821	-	-	356,100	356,100	307,000	189,921
Technology Fund	7,767	-	-	811,170	811,170	810,830	8,107
Parks Fund	13,094	-	-	6,200	6,200	11,500	7,794
Court Technology Fund	8,855	-	-	6,530	6,530	15,000	385
Metro Grant Fund	7,151	-	-	259,000	259,000	259,000	7,151
Court Security Fund	6,661	-	-	3,500	3,500	10,000	161
Tree Replacement Fund	68,455	-	-	21,500	21,500	65,000	24,955
Recreation Center Grant Fund	467,147	-	-	900,000	900,000	1,061,000	306,147
Police Forfeited Property Fund	19,965	-	-	5,000	5,000	22,000	2,965
Fire Training Fund	8,647	-	-	1,000	1,000	6,000	3,647
Police Training Fund	11,088	-	-	-	-	10,000	1,088
Good Neighbor Fund	2,366	-	-	-	-	2,400	(34)
Total All Funds	\$ 10,268,357	\$ 14,037,980	\$ 7,965,470	\$ 14,651,533	\$ 36,654,983	\$ 40,387,400	\$ 6,535,940



GENERAL FUND

The General Fund accounts for revenues, expenditures, and transfers associated with municipal services not directly supported or for which other funds do not account.

GENERAL FUND

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

Revenue Projections for 2008 The 2008 Budget forecasts a revenue total of \$12.1 million to finance the General Fund's services. Based on collections and data available on August 31, 2008, revenues appear likely to reach \$12.2 million.

Sales taxes, franchise taxes, alarm-monitoring, and investment earnings are all expected to exceed their original projections. Altogether, revenues are expected to exceed 2008 targets by 0.9 percent, or \$104,250.

Expenditures Estimated for 2008 The original 2008 Budget appropriated \$12.0 million. Based on expenditures through August 31, 2008, it appears that total actual expenditures will fall below the appropriated amount by 2.3 percent, or \$277,800.

Financial Position in 2008 - The City of West University Place's General Fund should close 2008 in sound fiscal condition. The balance estimated available for appropriation will approximate \$3 million. This amount represents 23 percent of proposed 2009 expenditures.

The City's Financial Policies require that General Fund reserves be maintained at 20 percent of the revenue budget for the coming year. The primary purpose of thus reserving fund balance is to buffer unforeseen events and to provide a cushion against revenue shortfalls.

The General Fund's unencumbered reserves likely will close 2008 above that target by \$511,240. This excess will be transferred to the Council's Capital Reserve according to Financial Policies.

2009 BUDGET

Projected 2009 Revenues. The City's General Fund Revenues for fiscal 2009 are forecast to increase 5.1 percent over 2008's budgeted revenues. Total 2009 revenues are expected to be approximately \$12.8 million.

Revenues from property taxes will grow by \$658,550, a 9.9 percent increase. The *ad valorem* tax rate dedicated to operations is proposed to remain at 18.6 cents per \$100 of assessed value. Taxable value in West University Place increased 9.9 percent to \$3.90 billion. New construction accounted for \$84.6 million of this increase, and the enhanced marketability of West U property added the balance.

Revenue generated by the City's one-cent sales tax is budgeted at \$964,600, 11.6 percent, over the \$864,600 budgeted in 2008. Collections of sales tax in 2008 are expected to be \$975,540.

As in the prior year, franchise taxes are expected to provide approximately 8.0 percent of the City's General Fund revenues.

Because of lower interest rates and reduced reserves, earnings on the City's investments are forecast to provide \$239,000 in revenues, below the \$250,000 projected in 2008.

Revenue sources budgeted under the Fees for Services category include ambulance-service billing, alarm-monitoring billing and other service-related fees. Growth in revenues from alarm-monitoring are slowing but are still expected to increase 3.2 percent to \$322,000, bringing the total amount budgeted for this category to \$479,000.

As in previous budgets, 2009's anticipates payments from the Water and Sewer Utility Enterprise Fund (\$660,000) and the Solid Waste Collection Fund (\$280,000). These payments cover administrative costs. Meter reading, billing, accounting, legal, data processing, fuel and insurance are all

GENERAL FUND (Continued)

budgeted through the General Fund in order to centralize controlling their costs.

Expenditures in 2009. The 2009 Budget appropriates \$13,267,610, including the transfer of \$511,240 of fund balance to the Capital Reserve Fund, for the General Fund, up 10.7 percent from the 2008 General Fund's \$11,979,980 adopted budget.

Personnel costs - Personnel costs, including benefits, will amount to \$9.4 million, or 74 percent of the budget, and a 9.5 percent increase over the corresponding 2008 budget. Health care costs are projected to total \$1,123,490, up 15.3 percent over the 2008 Budget due to sharp premium increases in 2007 and 2008. Required contributions to the Texas Municipal

Retirement System are budgeted at \$1,078,490, up 11.8% due to changes in the actuarial assumptions used to amortize the City's pension benefit obligation.

The 2009 Budget for employee salaries and wages is \$5,661,190, up 5.8 percent over 2008. The Budget provides for the implementation of a revised compensation plan developed by the Waters Consulting Group. Waters completed a study of the City's compensation plan which included a comparison of West U's compensation with competing municipalities. Based on that study, Waters recommended that employees with five or more years of experience be moved to the mid-point of the salary ranges established by the study.

GENERAL FUND						
SCHEDULE OF EXPENDITURES BY TYPE						
	2007	2007	2008	2008	2009	2009
	Actual	Percent	Estimate	Percent	Budget	Percent
Personnel						
Compensation	\$ 5,451,098	50.31%	\$ 5,985,270	51.15%	\$ 6,329,740	49.62%
Benefits	2,278,720	21.03%	2,480,570	21.20%	2,959,640	23.20%
Human resources	15,202	0.14%	15,000	0.13%	12,000	0.09%
Training	81,491	0.75%	101,530	0.87%	105,000	0.82%
Dues and publications	28,569	0.26%	30,700	0.26%	30,800	0.24%
Total Personnel	7,855,080	72.50%	8,613,070	73.60%	9,437,180	73.98%
Operating Charges						
Communication	122,825	1.13%	128,260	1.10%	127,800	1.00%
Community Relations	44,804	0.41%	36,000	0.31%	38,900	0.30%
Services	936,966	8.65%	852,050	7.28%	966,350	7.58%
Insurance	137,212	1.27%	139,800	1.19%	144,530	1.13%
Maintenance and repairs	303,666	2.80%	245,150	2.09%	293,900	2.30%
Internal charges	577,038	5.33%	777,450	6.64%	820,460	6.43%
Supplies	186,205	1.72%	266,400	2.28%	246,870	1.94%
Fuel	137,169	1.27%	125,000	1.07%	150,000	1.18%
Utilities	351,784	3.25%	330,000	2.82%	365,100	2.86%
Other	69,620	0.64%	49,505	0.42%	51,980	0.41%
Total Operating Charges	2,867,289	26.47%	2,949,615	25.21%	3,205,890	25.13%
Capital outlay	111,707	1.03%	139,500	1.19%	113,300	0.89%
Total General Fund Operating	\$ 10,834,076	100.00%	\$ 11,702,185	100.00%	\$ 12,756,370	100.00%
Transfers to other funds	2,325,000	-	164,490	-	511,240	-
Total General Fund	\$ 13,159,076	-	\$ 11,866,675	-	\$ 13,267,610	-

**GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Property taxes	\$ 5,865,156	\$ 6,219,953	\$ 6,637,550	\$ 7,291,180
Franchise taxes	1,000,929	948,844	1,179,670	990,150
Sales taxes	1,043,742	1,041,958	975,540	964,600
Licenses and Permits	554,263	548,000	492,170	504,500
Fees for service	409,139	445,624	424,500	479,000
Other fees	214,595	213,100	196,480	204,340
Recreation fees	639,853	724,859	715,830	777,130
Fines and court costs	250,849	183,581	138,440	136,410
Investment earnings	268,377	388,778	290,000	239,000
Other revenues	153,215	237,843	251,000	231,800
Interfund transactions	870,000	940,000	940,000	940,000
TOTAL REVENUES	11,270,118	11,892,540	12,241,180	12,758,110
EXPENDITURES BY DEPARTMENT:				
Administration	911,548	850,153	915,560	908,290
Finance	1,469,606	1,462,706	1,432,890	1,447,840
Police	2,707,128	2,653,823	2,975,700	3,363,590
Fire	2,321,400	2,277,224	2,537,340	2,753,720
Public Works	1,557,955	1,926,432	2,001,230	2,262,380
Parks and Recreation	1,467,726	1,663,738	1,839,460	2,020,550
Transfers and emergencies	-	2,325,000	164,490	511,240
TOTAL EXPENDITURES	10,435,363	13,159,076	11,866,670	13,267,610
NET REVENUE (EXPENDITURE)	834,755	(1,266,536)	374,510	(509,500)
BEGINNING BALANCE	3,318,445	4,153,200	2,886,664	3,261,174
ENDING BALANCE	4,153,200	2,886,664	3,261,174	2,751,674
RESERVED FOR ENCUMBRANCES¹	210,000	210,000	210,000	210,000
UNRESERVED FUND BALANCE	\$ 3,943,200	\$ 3,523,903	\$ 3,051,174	\$ 2,541,674

¹Reserved for City Manger's Contract

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY PURPOSE**

	2007 Actual	2007 Percent	2008 Estimated	2008 Percent	2009 Budget	2009 Percent
Administration						
City Management	850,153	7.85%	915,560	7.82%	908,290	7.12%
Finance	1,462,706	13.50%	1,432,890	12.24%	1,447,840	11.35%
Total Administration	2,312,859	21.35%	2,348,450	20.07%	2,356,130	18.47%
Public Safety						
Police	2,653,823	24.50%	2,975,700	25.43%	3,363,590	26.37%
Fire	2,277,224	21.02%	2,537,340	21.68%	2,753,720	21.59%
Total Public Safety	4,931,047	45.51%	5,513,040	47.11%	6,117,310	47.95%
Public Works	1,926,432	17.78%	2,001,230	17.10%	2,262,380	17.74%
Recreation and Leisure	1,663,738	15.36%	1,839,460	15.72%	2,020,550	15.84%
Total General Fund Operations	10,834,076	100.00%	11,702,180	100.00%	12,756,370	100.00%
Transfers and Emergencies	2,325,000	-	164,490	-	511,240	-
Total General Fund	\$ 13,159,076	-	\$ 11,866,670	-	\$ 13,267,610	-

ADMINISTRATION DEPARTMENT

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

ADMINISTRATION DEPARTMENT MISSION

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

ADMINISTRATION DEPARTMENT DIVISIONS

City Council – Costs directly associated with the City Council, including council salaries, legal fees and election expenditures. (2009 Budget \$122,180)

Administration – The City Manager, the City Secretary, and the Human Resources Director together with their support staff, are all compensated in the Administration Division's budget. The cost of printing the *West University Place Currents* is also funded in this budget. (2009 Budget \$786,110)

ADMINISTRATION DEPARTMENT 2009 GOALS

- * Continue progress towards City Council Goals
- * Conduct 2009 General Election.
- * Coordinate with departments the destruction of records that have passed the required retention date.
- * Continue improving the records retention program by monitoring usage of the records management software and providing training as needed.
- * Implement the new *Employee Policy Handbook* and conduct re-orientation sessions for all employees.
- * Implement new salary administration program.
- * Maintain positive recruitment and retention program.
- * Maintain wellness program.
- * Improve citizen service request tracking system.
- * Update citywide record retention program and provide appropriate training for departments.
- * Complete citywide transfer to computerized record retention (Laser Fiche) and provide for universal sharing of public record files.

BUDGET HIGHLIGHTS

- * Authorized full-time employees – 5 (2008 authorized full-time employees – 4).
- * Legal fees – 2009 Budget - \$85,000; 2008 Budget \$115,000
- * Technology Management Fund charges assessed - \$69,800.
- * Total budget - \$980,290 (2008 total budget - \$868,380).

ADMINISTRATION DEPARTMENT

Administration Department Summary Comparison Budget					
Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Administration</i>					
Personnel	\$ 482,080	\$ 504,656	\$ 526,536	\$ 600,980	\$ 604,310
Operating charges	67,169	3,235	83,282	178,590	181,800
Capital	4,749	-	793	-	-
Total	553,998	507,891	610,611	779,570	786,110
<i>Council</i>					
Personnel	4,545	4,536	10,300	16,540	15,530
Operating charges	208,129	319,121	229,242	119,450	106,650
Total	212,674	323,657	239,542	135,990	122,180
Total Department	\$ 766,672	\$ 831,548	\$ 850,153	\$ 915,560	\$ 908,290

Administration Department Staffing Schedule (General Fund)					
POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
<i>Administration</i>					
City Manager	V	1	1	130,864	176,666
City Secretary	I	1	1	72,302	97,607
HR Director	II	1	1	79,532	107,368
Executive Assistant	206	1	1	38,576	54,006
Secretary	203	-	1	31,198	43,677
Total Administration Department		4	5		

ADMINISTRATION DEPARTMENT

Administration Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 337,036	\$ 353,739	\$ 346,897	\$ 365,680	\$405,640	\$397,880
Overtime	67	-	18	-	1,500	1,000
Longevity	1,223	1,260	1,483	1,940	1,790	1,120
Auto allowance	9,640	9,600	11,080	11,370	17,720	18,890
Part-time/temporary	2,616	5,760	1,056	15,100	-	-
Retirement contribution	53,796	58,328	59,264	61,900	72,560	74,530
Social security cont.	23,449	23,703	23,757	27,790	32,020	31,670
Health care benefits	27,496	32,360	44,470	34,780	39,480	55,700
Workers' compensation	1,208	907	876	900	830	900
Other benefits	4,194	6,780	2,933	4,540	3,640	5,620
Employee relations	21,355	12,219	19,500	10,800	10,800	5,000
Recruiting and hiring ¹	-	-	15,202	10,000	15,000	12,000
Personnel	482,080	504,656	526,536	544,800	600,980	604,310
Communications costs	21,534	28,023	32,177	30,000	30,000	30,000
Community relations	2,414	4,662	4,706	5,000	3,500	2,500
Consultants	-	10,912	-	-	-	-
Professional dues	7,140	8,571	6,581	7,000	7,000	5,000
Publications	5,067	3,438	3,305	4,000	3,300	4,000
Technology	-	-	-	55,920	64,590	69,800
Equipment maintenance	1,862	55	17	-	-	-
Equipment lease/rent	8,038	5,734	8,503	7,500	6,000	5,000
Office supplies	9,147	4,039	6,681	5,300	3,200	4,000
Travel and training	11,967	17,801	16,078	18,000	16,000	16,500
Contingeny ¹	-	-	5,234	45,000	45,000	45,000
Operating charges	67,169	83,235	83,282	177,720	178,590	181,800
Data processing hardware	4,749	-	793	-	-	-
Capital	4,749	-	793	-	-	-
Division Total	\$ 553,998	\$ 587,891	\$ 610,611	\$ 722,520	\$779,570	\$786,110

¹Transferred from Finance Department City-Wide Budget in 2007

ADMINISTRATION DEPARTMENT

City Council Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 4,216	\$ 4,200	\$ 9,566	\$ 14,400	\$ 14,400	\$ 14,400
Social security cont.	322	320	732	1,110	1,110	1,110
Workers' compensation	7	16	2	200	30	20
Employee relations	-	-	-	1,000	1,000	-
Personnel	4,545	4,536	10,300	16,710	16,540	15,530
Communication costs	-	-	-	5,000	5,000	2,500
Community relations	2,776	1,427	3,341	3,200	2,500	3,200
Legal	196,443	301,199	210,173	115,000	100,000	85,000
Professional dues	-	-	2,511	2,150	2,150	2,150
Election expense	6,972	14,227	9,154	-	6,000	10,000
Travel and training	1,938	2,268	4,063	3,800	3,800	3,800
Operating charges	208,129	319,121	229,242	129,150	119,450	106,650
Total	\$ 212,674	\$ 323,657	\$ 239,542	\$ 145,860	\$135,990	\$ 122,180

FINANCE DEPARTMENT

The Finance Department provides a wide range of financial and administrative services to citizens and to other City Departments including: utility billing, purchasing, budgeting, cash management, payroll, accounts payable and financial reporting. The Finance Department directs the administration of the City's Municipal Court. Finally, expenditures and transfers that cannot be allocated to other departments in a satisfactory way are included in the Finance Department budget

FINANCE DEPARTMENT MISSION

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

FINANCE DEPARTMENT DIVISIONS

Finance – Provides utility billing services and the traditional accounting, accounts payable and payroll functions. (2009 Budget - \$867,320)

Municipal Court – Administers the City's municipal court. (2009 Budget - \$214,890)

Non-departmental – Provides for expenditures, such as insurance and utilities, which cannot be allocated to other departments in a satisfactory way, and for transfers to other funds. (2009 Budget - \$365,630)

FINANCE DEPARTMENT 2009 GOALS

- * Work with Information Technology convert administrative software from an in-house server to using H.T.E as an application service provider.
- * Retrain and cross train Finance Department staff.

FINANCE DEPARTMENT BUDGET HIGHLIGHTS

- * Authorized full-time employees – 7 (2008 authorized full-time employees – 8).
- * Total budget - \$1,447,840 (2008 total budget - \$1,488,870).
- * Outsourced billing *ad valorem* property taxes to Harris County – saving more than \$50,000.
- * Increased audit fees due to changes in auditing standards - \$6,000.

FINANCE DEPARTMENT

Finance Department Summary Comparison Budget

Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Finance</i>					
Personnel	\$ 468,774	\$ 492,883	\$ 471,591	\$ 487,480	\$ 448,000
Operating charges	368,256	376,117	463,677	410,350	419,320
Capital	2,576	-	-	-	-
Total	839,606	869,000	935,268	897,830	867,320
<i>Municipal Court</i>					
Personnel	123,012	124,466	162,203	200,810	207,960
Operating charges	7,243	6,970	9,335	8,450	6,930
Capital	-	-	-	-	-
Total	130,255	131,436	171,538	209,260	214,890
<i>City-Wide Charges</i>					
Operating charges	509,602	469,170	355,900	325,800	365,630
Total	509,602	469,170	355,900	325,800	365,630
Total Department	\$ 1,479,463	\$ 1,469,606	\$ 1,462,706	\$ 1,432,890	\$ 1,447,840

Finance Department Staffing Schedule

POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
<i>Finance</i>					
<i>Accounting</i>					
Finance Director	III	1	1	87,485	118,105
Assistant Finance Director	112	1	1	59,446	83,224
Revenue Manager	109	1	1	39,087	54,721
Accounting Specialists	204	3	2	33,382	46,734
<i>Municipal Court</i>					
Deputy Court Clerk	208	1	1	46,677	65,347
Sr. Court/Collection Clerk	204	1	1	33,382	46,734
Total Finance		8	7		

FINANCE DEPARTMENT

Finance Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 301,594	\$ 304,872	\$ 309,819	\$ 331,890	\$ 320,150	\$ 299,910
Overtime	12,137	11,413	9,145	7,460	14,160	6,210
Longevity	3,032	2,813	3,030	2,870	3,050	2,620
Auto allowance	3,615	3,600	3,650	4,800	9,150	6,860
Part-time/temporary	29,418	31,779	857	-	2,700	-
Retirement contribution	48,940	51,867	54,271	59,130	59,280	56,810
Social Security	23,090	25,621	24,146	26,430	26,020	24,140
Health care benefits	42,124	50,364	60,650	63,800	44,600	40,750
Workers' Compensation	969	819	788	1,070	620	970
Other benefits	2,477	7,770	3,888	6,120	6,650	8,630
Employee relations	1,377	1,965	1,347	1,100	1,100	1,100
Total Personnel	468,773	492,883	471,591	504,670	487,480	448,000
Communications costs	52,043	45,701	47,302	45,000	45,000	45,000
Other contracted svcs ¹	274,227	284,627	226,643	203,000	214,000	246,400
Professional dues	3,105	1,875	1,895	2,500	2,500	2,000
Publications	677	4,135	219	750	750	500
Technology ²	-	551	145,000	96,200	111,100	91,870
Equipment maintenance	147	146	616	1,000	1,000	750
Equipment lease/rental	9,010	6,744	9,304	9,000	9,000	8,000
Facilities	6,263	14,118	10,514	8,000	8,000	8,000
Office supplies	5,689	6,163	11,007	7,000	7,000	7,000
Operating supplies	7,568	4,329	7,689	5,000	5,000	3,500
Travel and training	9,527	7,728	3,488	7,000	7,000	6,300
Total Operating	368,256	376,117	463,677	384,450	410,350	419,320
Data processing equipment	2,576	-	-	-	-	-
Total Capital	2,576	-	-	-	-	-
Finance Division Total	\$ 839,605	\$ 869,000	\$ 935,268	\$ 889,120	\$ 897,830	\$ 867,320

² Transfer to the Technology Fund

¹ Other Contract Services (Detail)	
Harris County Appraisal District	\$ 115,000
Audit Fees	30,000
Water meter reading	45,000
Banking/Merchant Banking fees	32,400
Property tax assessing/collecting	10,000
Cash receipts processing	14,000
	\$ 246,400

FINANCE DEPARMENT

Municipal Court Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 91,771	\$ 96,194	\$ 117,444	\$ 138,260	\$ 143,030	\$ 144,730
Overtime	4,331	3,238	5,936	3,440	6,220	4,820
Longevity	856	910	1,113	900	1,640	1,680
Part-time/temporary	-	-	-	-	-	-
Retirement contribution	8,197	8,034	12,647	14,970	20,860	18,150
Social Security	6,640	7,498	9,086	11,010	11,040	11,540
Health care benefits	10,281	4,088	14,400	17,440	16,470	22,060
Workers' Compensation	293	234	297	2,570	280	2,920
Other benefits	643	4,270	1,280	1,980	1,270	2,060
Total Personnel	123,012	124,466	162,203	190,570	200,810	207,960
Communication costs	3,356	2,111	861	2,700	2,500	1,500
Other contracts svcs	594	809	2,289	750	750	750
Professional dues	225	350	441	500	500	500
Publications	454	50	488	500	500	500
Equipment maintenance	-	85	648	200	200	200
Office supplies	563	1,521	1,374	1,800	1,800	1,500
Travel and training	2,051	2,044	3,234	2,200	2,200	1,980
Total Operating	7,243	6,970	9,335	8,650	8,450	6,930
Data processing equipment	-	-	-	-	-	-
Total-Capital	-	-	-	-	-	-
Municipal Court Division Total	\$ 130,255	\$ 131,436	\$ 171,538	\$ 199,220	\$ 209,260	\$ 214,890

FINANCE DEPARTMENT

City-Wide Division Budget Detail by Line Item

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Insurance						
General liability ins	\$ 31,570	\$ 21,910	\$ 17,878	\$ 18,000	\$ 18,000	\$ 18,000
Auto liability	27,655	26,992	29,096	30,000	30,000	30,000
Auto physical damage	12,116	16,211	14,378	16,500	14,000	16,500
Errors and omissions	18,639	27,365	25,418	28,230	26,000	28,230
Real and personal prop.	31,618	30,368	35,092	36,000	36,000	36,000
Crime & fidelity bond	1,672	1,650	1,751	1,800	1,800	1,800
Property	8,914	-	-	-	-	-
Other ²	50,420	34,830	-	-	-	-
Utilities						
Electricity	163,822	184,784	169,669	270,000	200,000	235,100
Telephone ³	72,792	44,993	61,205	-	-	-
Computer network maint. ³	60,554	60,041	1,413	-	-	-
City Mgr's contingency ¹	29,830	20,026	-	-	-	-
City-wide Division Total	\$ 509,602	\$ 469,170	\$ 355,900	\$ 400,530	\$ 325,800	\$ 365,630

¹ Transferred to Administration Budget

² Transferred to Employee Benefit Fund

³ Budgeted in the Technology Management Fund

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POLICE DEPARTMENT

The Police Department is responsible for preserving the peace and enforcing the law in the City.

POLICE DEPARTMENT MISSION

To preserve the peace and to protect life and property by enforcing local, state, and federal laws.

POLICE DEPARTMENT DIVISIONS

Police – Provides patrol, enforcement and investigation services. (2009 Budget - \$2,751,070)

Communication – Provides emergency dispatch for both Police and Fire departments and monitors alarm systems that are serviced by the City's Direct Link alarm monitoring service. (2009 Budget - \$612,520)

POLICE DEPARTMENT 2009 GOALS

- * Continue implementation of proactive patrol initiatives utilizing inter-local agreements with other law enforcement agencies.
- * Provide first-line supervision training through Houston Community College.
- * Provide command staff training through the Institute for Law Enforcement Administration.

POLICE DEPARTMENT BUDGET HIGHLIGHTS

- * Authorized full-time employees – 32 (2008 authorized full-time employees – 32)
- * Total budget - \$3,363,590 (2008 total budget - \$3,113,280)
- * Increased transfer to the Technology Management Fund due to reallocation - \$104,460.

POLICE DEPARTMENT

Police Department Summary Comparison Budget

Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Police</i>					
Personnel	\$ 1,805,315	\$ 1,863,411	\$ 1,826,110	\$ 2,059,750	\$ 2,307,730
Operating charges	262,683	291,872	245,954	362,330	443,340
Capital	17,348	16,931	10,093	10,000	-
Total	2,085,346	2,172,214	2,082,157	2,432,080	2,751,070
<i>Communications</i>					
Personnel	439,148	530,625	567,898	541,820	610,220
Operating charges	6,965	5,289	3,768	1,800	2,300
Capital	-	-	-	-	-
Total	446,113	535,914	571,666	543,620	612,520
Total Department	\$ 2,531,459	\$ 2,708,128	\$ 2,653,823	\$ 2,975,700	\$ 3,363,590

Police Department Staffing Schedule

POSITION	2008 GRADE	2009 BUDGET	2009 BUDGET	SALARY RANGE	
				MINIMUM	MAXIMUM
<i>Police Department</i>					
<i>Police</i>					
Police Chief	III	1	1	87,485	118,105
Patrol Lieutenant	P-5	2	2	71,774	96,895
Police Sergeant	P-4	4	4	59,684	80,573
Police Officer	P-2	16	16	46,102	62,238
<i>Communications</i>					
Administrative Assistant	205	1	1	35,718	50,006
Emergency Dispatcher	P-1	8	8	33,585	47,019
Total Police		32	32		

POLICE DEPARTMENT

Police Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 1,155,704	\$ 1,174,376	\$ 1,143,795	\$ 1,337,690	\$ 1,225,380	\$ 1,398,920
Overtime	123,565	142,748	120,943	140,340	181,390	146,890
Longevity	11,444	11,510	9,588	12,350	9,890	8,450
Auto allowance	3,615	3,600	4,850	6,600	9,760	8,920
Retirement contribution	202,074	213,866	212,768	255,090	245,310	281,370
Social security cont.	95,028	98,585	94,815	113,340	109,180	117,730
Health care benefits	151,888	160,541	188,658	227,370	216,730	264,690
Workers' compensation	45,338	35,431	33,176	41,140	33,630	42,690
Other benefits	14,602	20,118	14,673	25,330	25,980	35,070
Employee relations	2,057	2,636	2,844	3,000	2,500	3,000
Total - Personnel	1,805,315	1,863,411	1,826,110	2,162,250	2,059,750	2,307,730
Communications costs	4,838	7,158	1,920	8,000	1,500	6,000
Community relations	2,525	1,674	2,050	3,000	2,000	1,500
Consultants	1,750	14,750	1,750	2,000	2,000	2,000
Professional dues	1,365	1,915	2,174	1,850	1,850	1,850
Publications	1,476	992	1,791	2,000	2,000	2,000
Law enforcement liab.	11,834	13,137	13,599	14,000	14,000	14,000
Equip. replacement	70,548	82,000	82,000	73,800	73,800	73,800
Technology	-	-	46,870	172,030	198,680	276,490
Equipment maint.	52,348	72,080	18,959	12,000	12,000	12,000
Vehicle maintenance	126	1,497	-	-	-	-
Apprehension & jailing	2,727	1,689	2,709	3,500	3,500	3,500
Equipment lease/rental	9,870	3,735	3,141	5,000	5,000	5,000
Facilities rent	15,549	14,627	15,896	16,000	-	-
Office supplies	4,828	4,897	6,524	5,400	6,000	5,400
Operating supplies	32,125	19,014	30,823	20,000	20,000	20,000
Fuel ¹	32,670	38,082	135	-	-	-
Travel and training	18,104	14,625	15,613	22,000	20,000	19,800
Total - Operating Chrg	262,683	291,872	245,954	360,580	362,330	443,340
Other Capital Outlay	15,560	12,784	-	10,000	10,000	-
Data proc. hardware	1,788	4,147	10,093	-	-	-
Total - Capital	17,348	16,931	10,093	10,000	10,000	-
Total	\$ 2,085,346	\$ 2,172,214	\$ 2,082,157	\$ 2,532,830	\$ 2,432,080	\$ 2,751,070

¹ Transferred to Public Works/General Services

POLICE DEPARTMENT

Communications Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 277,880	\$ 330,019	\$ 336,623	\$ 344,910	\$ 323,410	\$ 351,000
Overtime	36,999	46,891	50,632	47,340	38,640	47,630
Longevity	2,385	2,785	2,703	2,840	2,410	2,750
Retirement contribution	49,411	60,673	64,649	67,320	75,240	72,250
Social security cont.	23,964	28,437	29,038	29,640	25,630	30,180
Health care benefits	39,953	54,826	77,669	86,220	67,080	93,250
Workers' compensation	942	864	914	830	640	830
Other benefits	7,614	6,130	5,670	8,850	8,770	12,330
Total - Personnel	439,148	530,625	567,898	587,950	541,820	610,220
Communications costs	3,831	4,405	-	-	-	-
Other contract services	304	-	-	-	-	-
Equipment maintenance	1,301	194	1,871	500	-	500
Office supplies	-	-	-	-	-	-
Travel and training	1,529	690	1,897	2,000	1,800	1,800
Total - Operating Chrg	6,965	5,289	3,768	2,500	1,800	2,300
Total	\$ 446,113	\$ 535,914	\$ 571,666	\$ 590,450	\$ 543,620	\$ 612,520

FIRE DEPARTMENT

The Fire Department is responsible for protecting our citizens from the ravages of fire and other disasters, whether natural or man made, and providing the highest quality emergency medical services.

FIRE DEPARTMENT MISSION

To preserve lives and property.

FIRE DEPARTMENT DIVISIONS

Fire – Provides fire inspections, fire prevention, fire suppression and emergency medical service. Also administers the City's alarm monitoring service, Direct Link. (2009 Budget - \$2,753,720).

FIRE DEPARTMENT 2009 GOALS

- * Provide assistance with planning the Emergency Operations/Public Safety Project.
- * Assess the City's response and recovery efforts to Hurricane Ike.

FIRE DEPARTMENT BUDGET HIGHLIGHTS

- * Authorized full-time employees – 24 (2008 authorized full-time employees – 24).
- * Total budget - \$2,753,720 (2008 total budget - \$2,528,310).

FIRE DEPARTMENT

Fire Department Summary Comparison Budget					
Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Fire</i>					
Personnel	\$ 2,001,687	\$ 2,104,287	\$ 2,062,324	\$ 2,266,850	\$ 2,502,300
Operating charges	189,094	169,863	172,744	227,490	227,920
Capital	46,368	47,250	42,156	43,000	23,500
Total Department	\$ 2,237,149	\$ 2,321,400	\$ 2,277,224	\$ 2,537,340	\$ 2,753,720

Fire Department Staffing Schedule					
POSITION	GRADE	2008 BUDGET	2009 BUDGET	SALARY RANGE	
				MINIMUM	MAXIMUM
<i>Fire Department</i>					
Fire Chief	III	1	1	87,485	118,105
Fire Marshal/Assistant Chief	F-5	1	1	78,246	98,530
Fire Captain	F-4	3	3	70,728	89,117
Fire Lieutenant	F-3	3	3	62,398	81,117
Firefighter/Paramedic	F-1	15	15	44,101	59,537
Administrative Assistant	205	1	1	35,718	50,006
Total Fire Department		24	24		

FIRE DEPARTMENT

Fire Department Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 1,329,235	\$ 1,400,534	\$ 1,351,446	\$ 1,438,700	\$ 1,466,720	\$ 1,561,210
Overtime	86,544	87,479	63,306	88,780	86,520	66,140
Longevity	19,176	20,408	19,148	21,030	18,530	21,200
Auto allowance	3,615	3,600	4,300	5,400	9,380	8,920
Part-time/temporary	2,407	-	-	-	-	-
Retirement contribution	222,656	241,294	236,881	261,190	259,870	293,900
Social Security	107,098	112,022	105,916	116,490	112,840	120,330
Health care benefits	170,457	198,599	232,861	271,350	253,860	348,450
Workers' Compensation	35,129	25,123	29,496	34,190	23,640	36,480
Other benefits	23,028	13,068	16,682	26,490	33,990	43,470
Employee relations	2,342	2,160	2,288	1,500	1,500	2,200
Total Personnel	2,001,687	2,104,287	2,062,324	2,265,120	2,266,850	2,502,300
Communications costs	7,644	8,245	6,263	7,470	6,500	5,000
Community relations	4,772	5,794	4,096	6,000	5,000	5,000
Other contracted svcs	70,356	53,873	14,000	16,800	16,800	18,200
Professional dues	1,873	2,541	1,886	2,000	2,000	2,000
Publications	176	224	60	500	500	500
Equipment Replacement	14,028	14,338	34,745	25,300	25,300	25,300
Technology ¹	-	-	35,000	85,620	98,890	85,620
Equipment maintenance	10,556	11,346	9,598	11,000	6,000	14,000
Vehicle maintenance	17,989	12,072	15,482	15,000	7,000	15,000
Office supplies	4,174	2,476	3,008	3,000	3,000	3,000
Operating supplies	28,343	29,473	33,917	35,000	35,000	35,000
Fuel ²	8,042	8,512	8	-	-	-
Travel and training	21,141	20,969	14,681	21,500	21,500	19,300
Total Operating	189,094	169,863	172,744	229,190	227,490	227,920
Data processing hardware	3,713	-	-	-	9,000	3,500
Other equipment ²	42,655	47,250	42,156	34,000	34,000	20,000
Total - Capital	46,368	47,250	42,156	34,000	43,000	23,500
Fire Department Total	\$ 2,237,149	\$ 2,321,400	\$ 2,277,224	\$ 2,528,310	\$ 2,537,340	\$ 2,753,720

¹ Transfer to Technology Fund

² Transferred to Public Works - General Services

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PUBLIC WORKS DEPARTMENT

The Public Works Department is responsible for the City's civil engineering, utility, and internal maintenance services. This diverse department encompasses planning, maintaining streets and drainage, enforcing building codes, and maintaining city vehicles.

PUBLIC WORKS DEPARTMENT MISSION

To maintain the City's streets at a level consistent with a modern urban area's; maintain the City's drainage system to maximize storm water removal consistent with the system's design; maintain the City's fleet of motor vehicles to the highest standards of safety and efficiency; and enforce the City's building, plumbing, and electrical codes to insure the construction and maintenance of safe residential and commercial structures.

PUBLIC WORKS DEPARTMENT DIVISIONS

Administration – Provides management and leadership for the entire Department's Divisions and is responsible for contract administration and managing the City's Capital Improvement Program. (2009 Budget - \$379,970)

Building Services – Enforces the City's building, plumbing and electrical codes to insure the construction and maintenance of safe residential and commercial structures. (2009 Budget - \$425,310)

General Services – Provides fleet maintenance service and maintains the City's traffic control systems. (2009 Budget - \$886,040)

Operations – Maintains the City's streets and storm water drainage system. (2009 Budget - \$261,890)

Planning – Enforces the City's zoning ordinances. (2009 Budget - \$309,170)

PUBLIC WORKS DEPARTMENT 2008 GOALS

- * Complete sidewalks along Kirby per the Inter-Local agreement with the City of Houston.
- * Continue monitoring and weekly reporting of the City of Houston's Kirby Drive infrastructure reconstruction projects to minimize disruptive impact on West U.
- * Continue construction of College Avenue and Bellaire Boulevard transportation and drainage feature improvements.
- * Implement a storm water pollution prevention program for residential construction sites..
- * Complete proposed Urban Forester code amendments and present to City Council in ordinance form.

PUBLIC WORKS DEPARTMENT BUDGET HIGHLIGHTS

- * Authorized full-time employees – 19 (2008 authorized full-time employees – 19)
- * Total budget - \$2,262,380 (2008 total budget - \$2,064,360)

PUBLIC WORKS DEPARTMENT

Public Works Department Summary Comparison Budget

Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Administration</i>					
Personnel	\$ 242,306	\$ 242,747	\$ 269,756	\$ 269,810	\$ 300,560
Operating charges	63,740	45,119	125,777	74,920	78,510
Capital	-	-	5,100	-	900
Total	306,046	287,866	400,633	344,730	379,970
<i>Development Services</i>					
Personnel	358,048	375,685	444,163	333,040	399,610
Operating charges	35,774	38,173	32,362	26,800	25,700
Capital	19,857	(3,000)	-	-	-
Total	413,679	410,858	476,525	359,840	425,310
<i>General Services-General Fund</i>					
Personnel	322,565	298,928	313,061	393,280	452,810
Operating charges	137,787	162,290	381,249	390,800	417,330
Capital	-	-	34,502	35,000	15,900
Total	460,352	461,218	728,812	819,080	886,040
<i>Operations-General Fund</i>					
Personnel	151,896	166,869	84,120	126,360	147,540
Operating charges	63,312	86,762	48,746	60,650	91,350
Operating charges	-	-	-	-	23,000
Total	215,208	253,631	132,866	187,010	261,890
<i>Planning</i>					
Personnel	142,458	94,068	130,634	229,470	240,170
Operating charges	43,349	50,314	56,962	61,100	69,000
Capital	1,500	-	-	-	-
Total	187,307	144,382	187,596	290,570	309,170
Total Department	\$ 1,582,592	\$ 1,557,955	\$ 1,926,432	\$ 2,001,230	\$ 2,262,380

PUBLIC WORKS DEPARTMENT

Public Works Staffing Schedule (General Fund)

POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
<i>Public Works</i>					
<i>Public Works Administration</i>					
Asst. City Manager\Public Works I	IV	1	1	96,234	129,915
Office Coordinator	206	1	1	38,576	54,006
Secretary	203	1	1	31,198	43,677
<i>Development Services</i>					
Chief Building Official	112	1	1	59,446	83,224
Plans Examiner	206	1	-	38,576	54,006
Building Inspector	206	1	2	38,576	54,006
Permit Technician	204	2	2	33,382	46,734
<i>Planning</i>					
City Planner	112	1	1	59,446	83,224
Code Enforcement/ACO	205	1	1	35,718	50,006
Planning Assistant	204	1	1	33,382	50,006
<i>General Services</i>					
General Service Superintendent	112	1	1	59,446	83,224
Crew Leader	205	1	1	35,718	50,006
Lead Traffic Technician	206	1	1	38,576	54,006
Mechanic	204	1	1	33,382	46,734
Driver/Equipment Operator	203	1	1	31,198	43,677
Traffic Technician	203	1	1	31,198	43,677
<i>Operations</i>					
Maintenance Worker III	204	1	1	33,382	46,734
Maintenance Worker I	202	1	1	29,157	40,820
Total Public Works		19	19		

PUBLIC WORKS DEPARTMENT

Administration Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 155,923	\$ 166,419	\$ 182,168	\$ 189,210	\$ 185,770	\$ 203,110
Overtime	3,519	1,277	380	1,000	730	2,280
Longevity	899	868	848	1,030	530	1,310
Auto allowance	3,615	3,301	4,050	5,400	6,720	6,860
Part-time/temporary	6,200	-	108	1,400	-	-
Retirement contribution	25,646	27,637	31,053	33,660	33,040	38,440
Social security cont.	11,883	12,749	13,508	15,110	14,650	16,340
Health care benefits	20,066	20,386	30,700	27,200	23,270	23,650
Workers' compensation	4,253	2,093	608	670	490	670
Other Benefits	2,657	2,262	1,990	3,140	2,110	3,300
Employee relations	7,645	5,755	4,343	5,200	2,500	4,600
Total Personnel	242,306	242,747	269,756	283,020	269,810	300,560
Communications costs	6,817	3,098	304	1,100	1,100	1,200
Community relations	2,148	3,515	2,257	2,200	1,100	1,500
Consultants ¹	27,860	13,995	32,246	27,500	14,000	20,000
Other contracted svcs	-	-	-	1,000	-	1,000
Professional dues	831	1,171	1,600	1,200	1,200	1,200
Publications	658	20	-	500	500	500
Technology ²	-	-	70,000	29,890	34,520	26,600
Equipment maintenance	1,140	965	768	1,000	800	1,250
Equipment lease/rental	9,544	7,609	7,185	7,700	7,700	7,700
Office supplies	3,890	4,688	3,281	5,000	4,500	5,000
Operating supplies	6,574	7,048	5,252	7,700	6,500	7,700
Travel and training	4,278	3,010	2,884	5,000	3,000	4,860
Total Operating Charges	63,740	45,119	125,777	89,790	74,920	78,510
Data processing hardware	-	-	5,100	-	-	900
Total Capital	-	-	5,100	-	-	900
Administration Division Tot:	\$ 306,046	\$ 287,866	\$ 400,633	\$ 372,810	\$ 344,730	\$ 379,970

¹Traffic engineer

²Transfer to Technology Fund

PUBLIC WORKS DEPARTMENT

Development Services Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 235,190	\$ 249,899	\$ 293,143	\$ 245,720	\$ 215,520	\$ 253,840
Overtime	16,371	26,510	17,776	6,900	5,960	8,970
Longevity	1,537	1,630	1,878	1,910	1,840	2,180
Allowances	-	-	400	600	100	600
Part-time/temporary	11,875	-	-	-	-	-
Retirement contribution	38,951	41,934	52,548	43,470	37,440	47,700
Social security cont.	18,711	19,587	23,499	19,520	16,440	20,270
Health care benefits	27,765	25,432	48,111	51,060	45,390	54,540
Workers' compensation	2,113	1,882	2,177	1,400	2,260	1,440
Other Benefits	5,535	8,811	4,631	5,040	8,090	10,070
Total Personnel	358,048	375,685	444,163	375,620	333,040	399,610
Communications costs	3,374	2,678	1,785	2,500	2,000	1,000
Community relations	335	626	917	1,000	900	1,000
Other contracted svcs	-	-	-	-	-	-
Professional dues	1,370	1,715	1,318	1,500	800	800
Publications	958	1,091	522	-	-	500
Equipment replacement	8,628	10,730	13,000	6,400	6,400	6,400
Equipment maintenance	733	344	1,759	2,000	1,700	1,500
Vehicle maintenance	-	-	-	-	-	-
Office supplies	2,486	2,869	3,250	2,000	2,000	1,500
Operating supplies	7,060	5,933	5,685	8,000	6,000	6,500
Fuel	4,355	4,950	36	-	-	-
Travel and training	6,475	7,237	4,090	7,000	7,000	6,500
Total Operating Charges	35,774	38,173	32,362	30,400	26,800	25,700
Data processing hardware	3,497	-	-	-	-	-
Other Equipment	16,360	(3,000)	-	-	-	-
Total Capital	19,857	(3,000)	-	-	-	-
Building Division Total	\$ 413,679	\$ 410,858	\$ 476,525	\$ 406,020	\$ 359,840	\$ 425,310

PUBLIC WORKS DEPARTMENT

Operation Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 80,158	\$ 81,990	\$ 26,504	\$ 62,730	\$ 61,920	\$ 70,440
On call	-	2,325	300	480	970	480
Overtime	20,259	28,589	6,458	7,850	15,260	12,870
Longevity	653	830	-	140	60	190
Part-time/temporary	1,352	-	25,493	7,500	8,190	7,500
Retirement contribution	15,794	18,235	5,529	12,130	13,340	15,120
Social security cont.	7,485	8,419	2,403	5,450	5,900	7,000
Health care benefits	19,849	21,015	15,117	29,420	16,910	28,150
Workers' compensation	4,109	3,409	1,001	2,280	2,000	2,690
Other benefits	2,237	1,830	525	1,950	1,810	2,600
Employee relations	-	227	790	-	-	500
Total Personnel	151,896	166,869	84,120	129,930	126,360	147,540
Communications costs	-	-	-	-	-	1,000
Community relations	1,275	3,011	684	2,000	500	1,000
Other contracted services	-	10,246	5,247	10,000	5,000	5,000
Publications	-	-	-	300	300	250
Equipment replacement	8,508	8,510	8,510	14,400	14,400	14,400
Equipment maintenance	4,161	7,605	3,237	12,000	7,000	6,000
Vehicle maintenance	-	-	-	-	-	-
Drainage maintenance	28,303	22,937	14,291	20,000	15,000	30,000
Street maintenance	14,372	27,251	13,991	20,000	15,000	30,000
Traffic control	-	393	-	-	-	-
Office supplies	430	825	85	200	150	200
Operating supplies	4,445	2,694	2,536	3,000	3,000	3,000
Fuel	1,668	3,078	-	-	-	-
Travel and training	150	212	165	500	300	500
Utilities	-	-	-	-	-	-
Total Operating Charges	63,312	86,762	48,746	82,400	60,650	91,350
Other equipment ¹	-	-	-	-	-	23,000
Total Capital	-	-	-	-	-	23,000
Operations Division Total	\$ 215,208	\$ 253,631	\$ 132,866	\$ 212,330	\$ 187,010	\$ 261,890

¹ Breaker for excavator

PUBLIC WORKS DEPARTMENT

General Services Division Line Item Budget						
Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 217,900	\$ 205,071	\$ 201,916	\$ 251,920	\$ 251,300	\$ 278,240
Overtime	8,352	3,409	5,759	4,080	11,100	7,090
Longevity	2,515	2,773	1,698	1,980	2,620	2,110
Allowances	-	-	400	600	3,110	2,060
Part-time/temporary	-	-	-	-	-	-
Retirement contribution	35,747	33,927	34,895	44,520	44,320	52,110
Social security cont.	17,074	15,610	15,520	19,900	19,290	22,150
Health care benefits	31,925	28,716	45,110	59,250	51,850	70,460
Workers' compensation	6,875	4,925	4,667	5,260	4,260	9,990
Other benefits	2,177	3,780	3,096	5,940	5,430	7,800
Employee relations		717	-	-	-	800
Total Personnel	322,565	298,928	313,061	393,450	393,280	452,810
Communications costs	1,389	1,520	2,699	2,400	2,000	1,500
Community relations	-	-	1,079	1,400	1,000	1,000
Other contracted svcs	17,657	15,191	11,037	50,000	10,000	40,000
Publications	390	1,010	1,109	3,000	1,200	2,300
Equipment replacement	5,988	6,000	6,000	47,400	47,400	47,400
Technology ²	-	-	102,210	-	-	-
Equipment maintenance	6,893	5,571	6,538	10,000	7,500	10,000
Vehicle maintenance	68,354	73,320	71,291	80,000	65,000	80,000
Traffic control	12,013	35,999	31,174	17,000	25,000	17,000
Equipment lease/rent	1,441	-	307	-	-	-
Office supplies	399	254	631	500	-	500
Operating supplies	4,718	6,685	5,699	7,100	7,100	8,000
Fuel ¹	11,830	12,946	136,990	150,000	220,000	205,400
Travel and training	2,311	3,794	4,485	4,000	4,600	4,230
Utilities	4,404	-	-	-	-	-
Total Operating Charges	137,787	162,290	381,249	372,800	390,800	417,330
Other equipment	-	-	34,502	-	-	14,000
Data processing equipmen	-	-	-	4,500	35,000	1,900
Total Capital	-	-	34,502	4,500	35,000	15,900
General Services						
Division Total	\$ 460,352	\$ 461,218	\$ 728,812	\$ 770,750	\$ 819,080	\$ 886,040

¹ All fuel budgets transferred and consolidated to this line

² Transfer to Technology Fund

³ Deleted one position

PUBLIC WORKS DEPARTMENT

Planning Division Line Item Budget						
Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 100,674	\$ 66,896	\$ 88,506	\$ 159,030	\$ 158,970	\$ 163,940
Overtime	2,194	2,280	3,006	3,000	2,810	4,450
Longevity	1,007	513	440	980	990	1,190
Allowances	-	-	400	600	600	610
Retirement contribution	16,284	11,183	15,358	28,210	27,540	30,630
Social security cont.	7,284	5,169	6,913	12,710	12,180	12,980
Health care benefits	12,665	6,432	14,703	22,340	23,150	21,140
Workers' compensation	319	163	231	1,110	300	1,110
Other Benefits	2,031	1,432	1,077	3,120	2,930	4,120
Total Personnel	142,458	94,068	130,634	231,100	229,470	240,170
Communications costs	634	169	1,769	5,100	3,500	2,500
Community relations	4,942	5,521	6,807	2,000	1,500	1,500
Other contracted svcs ¹	26,017	39,018	40,995	42,000	42,000	45,000
Professional dues	576	474	621	2,100	1,000	1,000
Publications	632	93	441	1,500	500	1,000
Equipment replacement	948	960	960	5,800	5,800	5,800
Equipment maintenance	-	-	-	-	-	-
Office supplies	2,220	1,288	2,331	3,000	2,500	2,000
Operating supplies	2,614	1,468	1,288	2,850	1,800	3,000
Fuel	-	-	-	-	-	-
Travel and training	4,766	1,323	1,750	7,000	2,500	7,200
Total Operating Charge	43,349	50,314	56,962	71,350	61,100	69,000
Data processing hardware	1,500	-	-	-	-	-
Other Equipment	-	-	-	-	-	-
Total Capital	1,500	-	-	-	-	-
Planning Division Total	\$ 187,307	\$ 144,382	\$ 187,596	\$ 302,450	\$ 290,570	\$ 309,170

¹ Urban forester.

PARKS AND RECREATION DEPARTMENT

The Parks and Recreation Department is responsible for planning, implementing and evaluating a variety of recreational and leisure activities for all ages. The Department also oversees maintenance and janitorial service for other City facilities and Departments.

PARKS AND RECREATION DEPARTMENT MISSION

To provide City residents of all ages and varied interests quality leisure programs and activities in safe, well-maintained parks and recreation facilities.

PARKS AND RECREATION DEPARTMENT DIVISIONS

Community Building – Provides management and leadership for all of the Department's Divisions and funds the programs located at the City's Community Building. (2009 Budget - \$733,340)

Senior Services – Provides leisure and social services for older citizens of West University Place. (2009 Budget - \$207,370)

Recreation Center – Cost center for the operation of the pool, gymnasium and recreation facilities at the City's Recreation Center. (2009 Budget - \$139,420)

Facility Management – Maintains the City's buildings and landscaping. (2009 Budget - \$607,920)

Colonial Park – Accounts for the operation of the pool and recreation facilities at Colonial Park. (2009 Budget - \$332,500)

PARKS AND RECREATION DEPARTMENT 2009 GOALS

- * Develop plans and schedules to either redevelop or renovate the Recreation Center and Colonial Park depending on election results.
- * Redevelop Huffington Park playground and construct a picnic pavilion at Judson Park.
- * Develop and initiate "Operation Sparkle" – a comprehensive park and playground maintenance program.
- * Plan and implement a municipal facilities lighting and HVAC maintenance program.

PARKS AND RECREATION DEPARTMENT BUDGET HIGHLIGHTS

- * Authorized full-time employees – 10 (2008 authorized full-time employees – 10)
- * Total budget - \$2,020,550. (2008 total budget - \$1,906,780)

PARKS AND RECREATION DEPARTMENT

Parks and Recreation Department Comparison Budget					
Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Community Bldg.</i>					
Personnel	\$ 273,874	\$ 263,894	\$ 313,671	\$ 361,820	\$ 408,460
Operating charges	174,741	177,250	201,945	316,070	324,880
Capital	-	1,326	-	-	-
Total	448,615	442,470	515,616	677,890	733,340
<i>Senior Services</i>					
Personnel	117,036	122,963	130,534	132,340	156,180
Operating charges	24,307	38,451	48,495	47,840	51,190
Capital	7,632	-	-	1,500	-
Total	148,975	161,414	179,029	181,680	207,370
<i>Recreation Center</i>					
Personnel	24,476	35,700	28,926	32,250	37,970
Operating charges	45,935	42,136	70,159	73,200	101,450
Capital	-	-	-	-	-
Total	70,411	77,836	99,085	105,450	139,420
<i>Facility Management</i>					
Personnel	119,819	132,195	173,416	162,120	210,140
Operating charges	303,478	370,411	395,575	373,550	397,780
Capital	-	-	-	-	-
Total	423,297	502,606	568,991	535,670	607,920
<i>Colonial Park</i>					
Personnel	206,233	227,581	229,727	266,120	251,890
Operating charges	69,450	52,034	57,465	67,650	75,610
Capital	2,336	3,785	13,825	5,000	5,000
Total	278,019	283,400	301,017	338,770	332,500
Total Department	\$ 1,369,317	\$ 1,467,726	\$ 1,663,738	\$ 1,839,460	\$ 2,020,550

Parks and Recreation Department Staffing Schedule

POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
<i>Parks and Recreation</i>					
<i>Parks and Recreation</i>					
Parks and Recreation Director	III	1	1	87,485	118,105
Administrative Manager	111	1	1	51,692	72,369
Friends of West U Parks Director	109	1	1	39,807	54,721
Recreation Specialist	205	1	1	35,718	50,006
<i>Senior Services</i>					
Senior Services Manager	111	1	1	51,692	72,389
Recreation Specialist	205	1	1	35,718	50,006
<i>Facility Maintenance</i>					
Parks and Facility Maint. Manager	111	1	1	51,692	72,389
Crew Leader	205	1	1	35,718	50,006
Parks Technician	201	1	1	27,249	38,149
<i>Colonial Park</i>					
Recreation Manager	111	1	1	51,692	72,389
Total Parks and Recreation Department		10	10		

Recreation Center Division Line Item Budget

West U Rec Center Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Part-time/temporary	\$ 22,385	\$ 33,086	\$ 26,893	\$ 34,290	\$ 30,000	\$ 34,300
Social security cont.	1,691	2,518	1,955	3,630	2,200	3,630
Workers' compensation	400	94	78	200	50	40
Total Personnel	24,476	35,698	28,926	38,120	32,250	37,970
Communication	152	334	59	200	100	200
Leisure class instructors	22,002	27,702	51,574	40,000	57,000	80,000
Building and grounds	66	-	-	-	-	-
Swimming pool maint	2,618	2,242	5,149	4,000	3,500	5,500
Office supplies	527	474	443	600	600	750
Operating supplies	7,209	6,914	6,930	8,500	7,000	8,500
Treatment chemicals	2,522	5,484	6,004	5,000	5,000	6,500
Electricity	10,839	-	-	-	-	-
Total Operating Charges	45,935	43,150	70,159	58,300	73,200	101,450
Recreation Center Division						
Total	\$ 70,411	\$ 78,848	\$ 99,085	\$ 96,420	\$ 105,450	\$ 139,420

PARKS AND RECREATION DEPARTMENT

Community Building Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 180,830	\$ 162,655	\$ 183,203	\$ 212,250	\$ 230,470	\$ 242,530
Overtime	2,980	2,003	2,249	2,170	2,060	2,430
Longevity	741	788	908	940	860	1,350
Auto allowance	3,669	3,600	4,700	6,000	4,750	7,460
Part-time/temporary	10,695	22,836	33,000	34,540	34,100	34,540
Retirement contribution	28,335	27,128	31,876	37,720	32,730	45,680
Social security cont.	14,545	14,108	16,362	19,580	15,910	22,060
Health care benefits	23,139	22,775	37,119	46,850	35,270	44,590
Workers' compensation	3,331	582	567	890	610	980
Other benefits	2,620	6,360	2,171	4,080	4,260	5,840
Employee relations	2,989	1,059	1,516	1,000	800	1,000
Total Personnel	273,874	263,894	313,671	366,020	361,820	408,460
Communications costs	18,907	19,503	21,375	23,800	23,800	25,000
Community relations	3,694	4,236	3,319	3,700	2,500	3,700
Tri-Sports	30,002	40,000	40,000	80,000	80,000	80,000
Leisure class instructors	81,274	93,473	90,534	95,000	90,000	96,500
Professional dues	1,321	1,080	1,021	1,620	1,500	1,400
Technology ¹	-	-	16,500	72,100	83,270	83,680
Equipment maintenance	677	-	6,595	-	-	-
Building and grounds ²	20,292	-	-	-	-	-
Equipment lease/rental	5,956	3,626	3,920	4,700	3,500	3,900
Office supplies	2,533	2,180	2,671	2,400	2,000	2,400
Operating supplies	6,519	9,046	10,247	23,800	23,800	23,800
Travel and training	3,566	4,106	5,763	5,000	5,700	4,500
Total Operating Charges	174,741	177,250	201,945	312,120	316,070	324,880
Data processing hardware	-	-	-	-	-	-
Other equipment	-	1,326	-	-	-	-
Total Capital	-	1,326	-	-	-	-
Community Building						
Division Total	\$ 448,615	\$ 442,470	\$ 515,616	\$ 678,140	\$ 677,890	\$ 733,340

¹ Transfer to Technology Fund.

² Transferred to other Parks and Recreation Divisions.

PARKS AND RECREATION DEPARTMENT

Senior Services Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 82,173	\$ 80,108	\$ 84,108	\$ 88,100	\$ 82,020	\$ 95,950
Overtime	189	371	-	1,070	-	1,050
Longevity	66	135	255	420	230	350
Part-time/temporary	5,798	12,732	13,744	16,380	16,310	16,870
Retirement contribution	11,767	12,788	14,027	15,270	14,240	17,520
Social security cont.	6,737	7,097	7,446	8,110	7,340	8,740
Health care benefits	7,944	7,721	9,062	9,920	9,820	12,140
Workers' compensation	742	609	646	810	430	820
Other benefits	1,620	1,402	1,246	1,980	1,950	2,740
Total Personnel	117,036	122,963	130,534	142,060	132,340	156,180
Communication costs	2,426	3,654	4,778	4,060	4,060	4,600
Community relations	3,557	12,111	13,434	12,900	12,000	13,000
Boards & committees	1,482	1,288	2,114	3,500	3,500	4,000
Leisure class instructors	2,557	7,431	12,025	15,500	15,500	16,000
Professional dues	-	124	246	300	250	300
Equipment replacement	5,988	6,088	12,070	7,000	7,000	7,000
Equipment lease/rental	2,338	377	482	800	800	800
Office supplies	1,228	821	865	1,200	1,000	1,200
Operating supplies	1,282	1,986	1,461	2,000	2,000	2,560
Fuel ¹	2,644	3,442	-	-	-	-
Travel and training	805	1,129	1,020	1,730	1,730	1,730
Total Operating Charges	24,307	38,451	48,495	48,990	47,840	51,190
Furniture & equipment	7,632	-	-	-	1,500	-
Total Capital	7,632	-	-	-	1,500	-
Senior Services						
Division Total	\$ 148,975	\$ 161,414	\$ 179,029	\$ 191,050	\$ 181,680	\$ 207,370

¹ Consolidated in Public Works General Services

PARKS AND RECREATION DEPARTMENT

Facility Management Division Line Item Budget						
Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 75,908	\$ 83,609	\$ 108,776	\$ 117,750	\$ 103,260	\$ 126,990
Overtime	2,592	3,214	4,701	5,230	2,520	2,700
Longevity	650	702	825	1,080	890	1,210
Allowances	-	-	400	600	350	600
Part-time/temporary	2,903	6,025	-	-	-	-
Retirement contribution	12,089	14,119	19,151	21,080	18,200	23,670
Social security cont.	6,103	7,014	8,697	9,540	8,090	10,060
Health care benefits	14,617	13,317	26,845	22,220	23,680	37,830
Workers' compensation	3,354	2,905	3,205	4,090	2,360	4,310
Other benefits	1,603	1,290	816	2,950	2,770	2,770
Total Personnel	119,819	132,195	173,416	184,540	162,120	210,140
Communications costs	909	679	930	960	500	-
Other contracted svcs ¹	158,624	174,837	171,728	188,620	175,000	193,500
Equipment replacement	2,508	4,815	4,173	6,300	6,300	6,300
Equipment maintenance	-	1,018	611	700	700	700
Vehicle maintenance	-	-	-	-	-	-
Building and grounds maint. ²	56,414	47,834	93,605	56,250	56,250	60,000
Office supplies	-	108	118	400	300	400
Operating supplies	3,712	9,600	2,715	4,950	3,500	4,950
Fuel	222	604	-	-	-	-
Travel and training	41	747	785	1,370	1,000	1,930
Utilities	81,048	130,169	120,910	150,000	130,000	130,000
Total - Operating Charges	303,478	370,411	395,575	409,550	373,550	397,780
Other equipment	-	-	-	-	-	-
Total Capital	-	-	-	-	-	-
Facility Management Total	\$ 423,297	\$ 502,606	\$ 568,991	\$ 594,090	\$ 535,670	\$ 607,920

¹ Janitorial, landscaping, and pest control contracts.

² Maintenance and repairs to Buildings.

PARKS AND RECREATION DEPARTMENT

Colonial Park Division Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 83,729	\$ 47,725	\$ 49,842	\$ 50,900	\$ 53,580	\$ 58,100
Overtime	-	114	51	-	-	-
Longevity	409	33	93	180	170	230
Allowances	-	-	400	600	650	610
Part-time/temporary	97,797	148,743	146,891	174,930	174,800	150,000
Retirement contribution	3,611	7,732	8,316	8,810	9,200	10,610
Social security cont.	13,891	15,011	15,061	17,320	17,530	17,880
Health care benefits	1,793	3,861	4,710	4,960	5,410	6,090
Workers' compensation	4,188	3,622	3,722	5,130	3,770	6,170
Other benefits	815	740	641	1,010	1,010	2,200
Total Personnel	206,233	227,581	229,727	263,840	266,120	251,890
Communications costs	389	632	653	1,300	700	800
Leisure class instructors	34,012	23,240	26,725	37,000	30,000	37,000
Professional dues	320	-	340	550	400	550
Equipment maintenance	4,114	2,812	1,249	3,040	1,500	3,000
Building and grounds	3,189	2,919	-	-	-	-
Swimming pool maint	9,559	4,911	6,217	6,500	20,000	6,500
Office supplies	525	907	809	750	150	900
Operating supplies	8,396	6,766	9,784	11,500	2,500	11,500
Treatment chemicals	8,452	8,199	10,193	9,000	9,000	11,210
Travel and training	494	1,648	1,495	3,400	3,400	4,150
Total Operating Charges	69,450	52,034	57,465	73,040	67,650	75,610
Parks and rec equipment ¹	2,336	3,785	13,825	10,200	5,000	5,000
Total Capital	2,336	3,785	13,825	10,200	5,000	5,000
Colonial Park Division						
Total	\$ 278,019	\$ 283,400	\$ 301,017	\$ 347,080	\$ 338,770	\$ 332,500

¹ Aerobic exercise equipment.

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DEBT SERVICE FUND

The Debt Service Fund is established by ordinances authorizing the issuance of general obligation bonds. These same ordinances call for levying an *ad valorem* (property) tax to provide the funds to pay the principal and interest due on the City's general obligation bonds and certificates of obligation. In simpler terms, the Fund accounts for the repayment of borrowed money and the payment of interest that lenders charge the City to borrow.

DEBT SERVICE FUND

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

In 2009, the Debt Service Fund will finance \$6,825,090 of debt service, virtually the same as 2008.

Funding debt service payments requires an *ad valorem* tax rate of 17.3 cents per \$100 of assessed value in 2008, a decrease of 0.7 cents per \$100. This marks the seventh consecutive year that the tax rate dedicated to debt service has declined, because assessed value of property in WestU continues to increase.

The City Charter limits the City's bonded debt to no more than 5% of the assessed property values. Since the projected assessed value for the City in 2008 is \$3.9 billion, the current debt limit under this provision is \$195 million. As of January 1, 2010 the City will owe a total of \$70.2 million to bondholders for all outstanding bonds. Of this total, the Debt Service Fund, using property taxes, will provide \$57.7 million.

The most recent Standard and Poor's Investor Services bond ratings for West University Place's General Obligation Bonds were that agency's highest rating, AAA. Steady growth in assessed values, the political stability of the community, and the underlying strength in the Houston Area economy have kept the City's credit ratings high despite its significant debt load.

FUTURE ACTIVITY

Annual debt service on the current outstanding bonds will remain at \$6.8 million until 2021, when all current outstanding bonds will be retired. During the recent period of historically low interest rates, the City refunded all bonds that were available for refunding, significantly reducing interest that the City had to pay. With most outstanding bonds at interest rates below the current market, future refunding seems unlikely.

The 2009 Operating Budget includes issuing Certificates of Obligation (COs) totaling \$2.3 million to complete transportation improvements, currently under construction. Additionally, the voters authorized up to \$2.0 million to fund the purchase of park land in targeted areas of the City. The debt service for these bonds will have no impact on the 2009 Budget.

Debt Service Payable from Ad Valorem Taxes				
	2008	2009	2009	2009
	Outstanding	Retirements	Outstanding	Interest
2003 Certificates of Obligation	\$ 9,370,000	\$ 170,000	\$ 9,200,000	\$ 342,798
Fire Truck Financing	294,896	94,515	200,381	11,652
1998 Permanent Imp. and Ref. Bonds	4,000,000	1,000,000	3,000,000	175,023
2000 Permanent Imp. Bonds	1,235,000	555,000	680,000	64,631
2002 Permanent Imp. Bonds	19,000,000	2,010,000	16,990,000	881,810
2002 YMCA Cos	2,755,000	110,000	2,645,000	118,800
2005 Permanent Imp. Bonds	25,000,000	30,000	24,970,000	1,240,856
	\$ 61,654,896	\$ 3,969,515	\$ 57,685,381	\$ 2,835,570

DEBT SERVICE FUND (continued)

DEBT SERVICE FUND STATEMENT OF REVENUES AND EXPENDITURES				
	2006	2007	2008	2009
	Actual	Actual	Estimated	Budget
REVENUES:				
Ad valorem taxes	\$ 6,748,355	\$ 6,738,071	\$ 6,410,900	\$ 6,746,800
Interest on investments	118,730	102,472	75,000	75,000
TOTAL REVENUES	6,867,085	6,840,543	6,485,900	6,821,800
EXPENDITURES:				
Debt service -principal	3,375,000	3,612,472	3,780,922	3,969,520
Debt service - interest and fiscal fees	3,319,913	3,188,875	3,021,938	2,855,570
TOTAL EXPENDITURES	6,694,913	6,801,347	6,802,860	6,825,090
NET REVENUES	172,172	39,196	(316,960)	(3,290)
BEGINNING BALANCE	996,927	1,169,099	1,208,295	891,335
ENDING BALANCE	\$ 1,169,099	\$ 1,208,295	\$ 891,335	\$ 888,045

WATER UTILITY FUND

The Water Utility Fund is an enterprise fund and, as business enterprises in the private sector, meant to be self-supporting. The Water Utility Fund accounts for the revenue, expenditures and transfers associated with the operation of the water and sanitary sewer systems. User fees finance the systems and their services.

WATER AND SEWER UTILITY FUND

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

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

Water and sewer systems are capital-intensive and expensive to construct. Operating costs are insignificant when compared to expenditures made to acquire and repair other capital assets. The City has approximately \$55 million invested in capital assets associated with the water and sewer utility. Put another way, the City could operate the water and sewer utility for ten years on the cash it has invested in the system's capital assets.

In order for the Water Fund to be self-supporting, the water and sewer service fees must reflect both the cost of operations and the cost of capital, or else the system will deteriorate. Typically, the cost of capital is reflected in the water and sewer rates by charging a rate sufficient to cover the operating costs plus the debt service costs associated with major capital maintenance.

FUND FINANCIAL ACTIVITY:

2008 Financial Activity. 2008 marked a return to a more normal pattern in West University Place. As a result, the sale of

water to consumers soared. Gross revenues are expected to reach the \$5.5 million targeted in the 2008 Budget. The dryer summer of 2008 will help return the Water and Sewer to a strong financial footing.

The State of Texas requires that 80 percent of the water supplied to West U's customers be surface water and the City of Houston is the only source of surface water in the region. The City of Houston added to the Water and Sewer Utility Fund's financial woes by announcing a 20 percent increase in the rate it charges West U for surface water, which took effect on September 1, 2007. In an effort to maintain the Water Fund's financial stability, City Council immediately countered this increase by increasing Water and Sewer rates by 10 percent.

Operating expenditures in 2008 are expected to exceed \$3.1 million provided in the 2008 Budget by almost \$50,000. Debt service and administrative costs will add \$2.1 million more. Altogether, Water Fund 2008 expenditures may total \$5.4 million.

The 2009 Budget. The 2009 Budget anticipates total Water and Sewer Utility Fund revenues of \$5.6 million.

All bonds needed to provide funds for the recently completed infrastructure replacement program that are to be supported by water and sewer revenues have been issued. The total debt service for those bonds will remain constant at just under \$1.3 million until the final payment on February 1, 2022.

Budgeted total expenditures of \$5,433,110 will rise 2.6 percent over the 2008 Budget. System operations are expected to cost \$4,104,860, including the \$660,000 budgeted to reimburse the General Fund for costs it incurs on behalf of the Water Fund. The balance of the total adds \$1,268,250 to pay the debt service (principal, interest and fiscal agent fees) on outstanding revenue bonds.

WATER AND SEWER UTILITY FUND (Continued)

For the Future. The Water and Sewer Utility Fund is the most difficult of all of the City's funds to predict. Water usage can vary dramatically with the weather. All projections and budgets are based on averages and likely to differ considerably from actual results. Most costs also vary as revenues fluctuate, but are generally expected to increase about 4% a year for the next five years. While much of the system's delivery and collection infrastructure is new, some key

components are aging dramatically; Lift stations, elevated towers and water wells all will need major overhauls in the foreseeable future.

A small rate increase in 2009 (less than 1%) will be needed to keep pace with the City of Houston's rate increase for treated water. Future rate increases may be required to fund capital projects that were not considered part of the City's recently completed infrastructure replacement program.

**WATER AND SEWER UTILITY FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006	2007	2008	2009
	Actual	Actual	Estimated	Budget
REVENUES:				
Service Charges	\$ 4,800,028	\$ 4,702,577	\$ 5,465,000	\$ 5,565,000
Interest Income	42,314	27,062	20,000	15,000
TOTAL REVENUES	4,842,342	4,729,639	5,485,000	5,580,000
EXPENDITURES:				
Operations	2,737,998	2,882,001	3,161,170	3,504,860
Administration	645,000	660,000	660,000	660,000
Debt Service	1,272,295	1,260,114	1,268,820	1,268,250
Transfer to Capital Reserve	-	-	250,000	-
TOTAL EXPENDITURES	4,655,293	4,802,115	5,339,990	5,433,110
NET REVENUES (EXPENDITURES)	187,049	(72,476)	145,010	146,890
BEGINNING BALANCE	1,616,931	1,803,980	1,731,504	1,876,514
ENDING BALANCE	\$ 1,803,980	\$ 1,731,504	\$ 1,876,514	\$ 2,023,404

PUBLIC WORKS DEPARTMENT (WATER FUND)

The Public Works Department responsibilities include operating West University Place's water and sewer systems.

PUBLIC WORKS DEPARTMENT MISSION (WATER FUND)

To meet the City's demand for potable water and to dispose of wastewater in compliance with state and federal regulations and environmental considerations.

PUBLIC WORKS DEPARTMENT DIVISIONS (WATER FUND)

Operations – Operates and maintains the City's water and sewer systems. (2009 Budget - \$3,504,860 - 2008 Budget \$3,112,590)

PUBLIC WORKS DEPARTMENT (WATER FUND) 2009 GOALS

- * Implement a comprehensive preventative maintenance program for Water and Sewer Facilities.
- * Rehabilitate and repaint the Wakeforest elevated water storage tank.
- * Replace one Belt Press at Wastewater Treatment Plant.

PUBLIC WORKS DEPARTMENT (WATER FUND) BUDGET HIGHLIGHTS

- * Authorized full-time employees – 12 (2008 authorized full-time employees – 12)
- * Total budget - \$3,504,860 (2008 total budget - \$3,112,590)
- * Purchase of surface water from the City of Houston - \$1,340,000 (2008 Budget - \$1,250,000)

PUBLIC WORKS DEPARTMENT (WATER FUND)

Public Works Department (Water Fund) Summary Comparison Budget					
Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
<i>Operations-Water Utility Fund</i>					
Personnel	855,116	828,155	853,223	824,080	991,820
Operating charges	1,898,435	1,846,662	1,991,627	2,337,090	2,430,540
Capital	27,113	42,551	10,093	-	82,500
Total Department	\$ 2,780,664	\$ 2,717,368	\$ 2,854,943	\$ 3,161,170	\$ 3,504,860

Public Works Department Staffing Schedule (Water Fund)					
POSITION	GRADE	BUDGET		SALARY RANGE	
		2008	2009	MINIMUM	MAXIMUM
Water Fund					
Operations Superintendent	112	1	1	59,446	83,224
Contract Administrator	110	1	1	44,950	62,929
Field Service Supervisor	207	1	1	42,433	59,407
Plant Supervisor	207	1	1	42,433	59,407
Maintenance Worker II	203	1	1	31,198	43,677
Maintenance Worker I	202	1	1	29,157	40,820
Driver/Equipment Operator	203	1	1	31,198	43,677
Crew Leader	205	3	3	35,718	50,006
Plant Operator	204	2	2	33,382	46,734
Total Water Fund		12	12		

PUBLIC WORKS DEPARTMENT (WATER FUND)

Operations Division (Water Utility Fund) Line Item Budget					
Account Description	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 405,418	\$ 446,960	\$ 457,640	419,760	532,810
Allowances	-	-	-	2,240	2,060
On-call	14,055	16,080	16,500	17,070	16,500
Overtime	58,514	66,871	71,400	70,530	79,280
Longevity	4,854	4,425	5,100	4,590	6,170
Part-time/temporary	87,951	30,793	30,000	51,620	5,000
Retirement contribution	77,287	88,808	98,090	90,840	108,510
Social security cont.	35,443	39,340	44,040	39,050	48,720
Health care benefits	108,968	139,524	127,880	106,230	158,210
Workers' compensation	10,281	12,140	16,830	8,010	18,720
Other benefits	22,080	7,066	12,010	12,940	13,340
Employee relations	3,304	1,216	2,000	1,200	2,500
Total Personnel	828,155	853,223	881,490	824,080	991,820
Communications costs	14,705	8,196	11,800	9,000	13,300
Community relations	16,960	15,589	15,900	15,900	18,500
Surface water contract	933,224	1,132,806	1,250,000	1,400,000	1,340,000
Sludge removal	73,069	54,027	83,600	60,000	90,000
Other contracted svcs	75,556	69,227	60,000	60,000	54,100
Professional dues	988	1,473	1,500	1,500	1,500
Equipment Replacement	65,800	65,800	60,900	60,900	60,900
Technology	-	45,000	128,400	148,290	114,340
Equipment maintenance	34,281	26,481	40,000	30,000	45,000
Vehicle maintenance	78	-	-	-	-
Building and grounds	14,217	10,257	12,500	10,000	12,500
Water system maint.	71,171	56,816	60,000	60,000	65,000
Sewer system maint.	103,047	70,939	60,000	60,000	100,500
Office supplies	3,226	892	4,000	3,000	3,000
Operating supplies	27,553	27,108	28,000	28,000	29,750
Fuel	13,919	1	-	-	-
Treatment chemicals	43,209	35,160	44,000	40,000	57,400
Travel and training	19,646	21,888	20,500	20,500	24,750
Electricity	336,013	349,967	350,000	330,000	400,000
Total Operating Charges	1,846,662	1,991,627	2,231,100	2,337,090	2,430,540
Data processing equipment	25,697	10,093	-	-	30,000
Other equipment	37,484	27,058	-	-	52,500
Total Capital	63,181	37,151	-	-	82,500
Operations Division Total	\$ 2,737,998	\$ 2,882,001	\$ 3,112,590	3,161,170	3,504,860

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SOLID WASTE FUND

The Solid Waste Fund is an enterprise fund and, as business enterprises in the private sector, meant to be self-supporting. The Solid Waste Fund accounts for the revenue, expenditures and transfers associated with the collection and recycling or disposal of solid waste.

SOLID WASTE FUND

Financial Activity in 2008. For the year ending December 31, 2008, the Solid Waste Fund is expected to have billed about \$940,000 for solid waste services. In addition to fees for solid waste collection, the Fund is expected to realize another \$500,000 from the sale of recyclable materials. Revenue from the sale of recyclable materials increased dramatically in 2007 because a new source of demand emerged. In 2008 the sales of recyclable materials has remained strong. The demand for recyclable material fluctuates widely and typically supply rises very quickly to meet demands to drive the revenues down.

The direct cost of providing solid waste services in 2008 is expected to be \$1,253,740, up \$54,756 over the 2007 cost due to increased equipment replacement charges and increased disposal costs.

Direct costs include personnel, capital equipment, supplies and services directly related to the solid waste collection and disposal service. Of these, the largest single cost is the fee for disposal of solid waste. Disposal fees have been stable since 1998 due to a combination of factors, including recycling and relatively modest increases in

dumping fees. For 2009 our disposal costs are expected to increase 5.8 percent to \$271,000, because of higher costs. Other costs are more difficult to quantify. Administration, risk management, and equipment depreciation are examples of indirect costs associated with providing solid waste services. The Solid Waste Fund reimbursed the General Fund \$280,000 for these indirect costs, bringing estimated 2008 total costs of service to \$1,253,740.

The 2009 Budget. Solid Waste Fund revenues in 2009 are expected to be very similar to those in estimated for 2008. No fee increases are proposed.

Expenditures are expected to total \$1,656,730, including the payment of \$280,000 to the General Fund and \$257,500 set aside for improvements at the Recycling Center.

For the Future. The cost of collecting and disposing of solid waste is expected to increase over next several years due to higher fuel and personnel costs. Those increases coupled with fluctuating demand for recyclable materials could well result in future fee increases.

SOLID WASTE FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimated	2009 Budget
REVENUES:				
Solid Waste Collection	944,897	930,705	940,000	940,000
Sales of Recyclables	134,850	362,559	500,000	420,000
Interest	30,304	12,111	30,000	30,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	1,110,051	1,305,375	1,470,000	1,390,000
EXPENDITURES:				
Operations	1,028,695	918,984	973,740	1,376,730
Administration	225,000	280,000	280,000	280,000
TOTAL EXPENDITURES	1,253,695	1,198,984	1,253,740	1,656,730
NET REVENUES (EXPENDITURES)	(143,644)	106,391	216,260	(266,730)
BEGINNING BALANCE	383,231	239,587	345,978	562,238
ENDING BALANCE	\$ 239,587	\$ 345,978	\$ 562,238	\$ 295,508

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PUBLIC WORKS DEPARTMENT (SOLID WASTE FUND)

The Public Works Department responsibilities include collecting and recycling or disposing of solid waste in West University Place.

PUBLIC WORKS DEPARTMENT MISSION (SOLID WASTE FUND)

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

PUBLIC WORKS DEPARTMENT DIVISIONS (SOLID WASTE FUND)

General Services – Collects and recycles or disposes of solid waste. (2009 Budget - \$1,656,730)

PUBLIC WORKS DEPARTMENT 2009 GOALS (SOLID WASTE FUND)

- * Complete major renovations at Recycle Express.

PUBLIC WORKS DEPARTMENT BUDGET HIGHLIGHTS (SOLID WASTE FUND)

- * Authorized full-time employees – 7 (2008 authorized full-time employees – 7)
- * Total budget - \$1,656,730 (2008 total budget - \$1,304,350)
- * Fees for disposal of solid waste - \$271,000 (2008 budget - \$256,000)
- * Payment to the General Fund - \$280,000 (2008 budget - \$280,000)

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PUBLIC WORKS DEPARTMENT (SOLID WASTE FUND)

Public Works Department Summary Comparison Budget

Account Description	2005 Actual	2006 Actual	2007 Actual	2008 Estimated	2009 Budget
<i>General Services Solid Waste Fund</i>					
Personnel	\$ 483,662	\$ 507,977	\$ 554,368	\$ 602,060	\$ 686,860
Operating charges	365,345	320,175	354,271	371,680	432,370
Capital	-	15,046	200,543	-	257,500
Admin charge	200,000	225,000	225,000	280,000	280,000
Total Department	\$ 1,049,007	\$ 1,068,198	\$ 1,334,182	\$ 1,253,740	\$ 1,656,730

Public Works Department Staffing Schedule (Solid Waste Fund)

POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
Solid Waste Fund					
Crew Chief	206	1	1	38,576	38,576
Driver-Solid Waste	203	6	6	31,198	43,677
Total Solid Waste Fund		7	7		

PUBLIC WORKS DEPARTMENT (SOLID WASTE FUND)

CITY OF WEST UNIVERSITY PLACE

General Services Division (Solid Waste Fund) Line Item Budget

Account Description	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Estimate 2008	Budget 2009
Salaries and wages	\$ 192,010	\$ 219,605	\$ 228,373	\$ 241,600	\$ 248,160	\$ 280,490
Overtime	22,992	10,185	12,849	14,390	25,190	16,860
Longevity	3,787	3,895	3,708	4,250	3,970	3,800
Part-time/temporary labor	149,129	142,200	163,342	172,780	177,040	195,000
Retirement contribution	34,110	38,563	40,899	44,350	45,650	51,310
Social security	15,940	16,961	18,031	19,910	20,230	23,040
Health care benefits	48,059	62,509	71,367	74,080	67,430	92,230
Worker compensation	12,400	11,667	11,809	12,680	9,660	17,770
Other benefits	5,235	2,392	3,990	4,360	4,730	6,360
Total Personnel	483,662	507,977	554,368	588,400	602,060	686,860
Communications costs	826	1,298	11,779	1,600	1,000	1,950
Community relations	1,628	672	532	11,800	1,000	15,900
Landfill tipping fees	190,560	186,082	235,000	256,000	235,000	271,000
Other contracted svcs	5,809	6,707	5,686	7,200	6,700	13,000
Technology ¹	-	-	5,000	5,350	6,180	4,770
Equipment replacement	107,268	60,000	60,000	88,800	88,800	88,800
Equipment maintenance	7,288	10,650	24,951	10,000	20,000	15,900
Vehicle maintenance	267	75	119	-	-	-
Operating supplies	7,392	9,049	8,858	11,300	10,000	18,650
Fuel ²	42,817	43,418	-	-	-	-
Travel and training	507	344	211	2,400	1,200	2,400
Electricity	983	1,872	2,135	3,000	1,800	-
Total Operating Charges	365,345	320,167	354,271	397,450	371,680	432,370
Capital and equipment	15,046	200,543	10,345	38,500	-	257,500
Total Capital	15,046	200,543	10,345	38,500	-	257,500
Administrative charge	225,000	225,000	280,000	280,000	280,000	280,000
General Services Division	\$ 1,089,053	\$ 1,253,687	\$ 1,198,984	\$ 1,304,350	\$ 1,253,740	\$ 1,656,730

¹ Transfer to Technology Fund

² All fuel budgets transferred and consolidated into Public Works General Services Division in the General Fund

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the purchase or construction of equipment, property and buildings. Capital projects accounted for in these funds are characterized by their cost (normally exceeding \$25,000), relatively long operational life of each asset and their impact on a department's operating budget. These funds are usually created to account for a single project or a related group of projects and are closed when the projects are completed. West University Place has seven active Capital Project Funds.

CAPITAL PROJECT FUND

The Capital Project Fund is used to account for projects associated with the City's Capital Improvement Program. Funding for projects financed in this fund comes from transfers of surplus General Fund balances, contributions, grants, and issuing debt.

INFRASTRUCTURE REPLACEMENT FUND

The Infrastructure Replacement Fund accounts for the major capital projects undertaken to replace the City's streets, drainage, water distribution system and wastewater collection system.

SIDEWALK CONSTRUCTION FUND

The Sidewalk Construction Fund accounts for projects to rehabilitate, replace, or construct the City's sidewalks.

TRANSPORTATION IMPROVEMENT FUND

The Transportation Improvement Fund accounts for a major capital project to reconstruct a portion of Bellaire Boulevard including the bridge over Poor Farm Ditch.

STREETLIGHT IMPROVEMENT FUND

The Streetlight Improvement Fund accounts for a project to replace the City's streetlights with improved lighting fixtures.

CAPITAL RESERVE FUND

The Capital Reserve Fund accounts for funds set aside by the City Council to help finance for future capital projects.

WATER AND SEWER CAPITAL RESERVE FUND

The Water and Sewer Capital Reserve Fund accounts for funds set aside by the City Council to be used for Capital Projects related to the Water and Sewer Utility.

CAPITAL PROJECT FUND

The City's Capital Project Fund's (CPF) 2008 Budget estimated revenues of \$2,515,000, including a \$500,000 transfer from the Capital Reserve Fund, and \$2,000,000 from issuing debt to finance the acquisition of park property. The CPF began 2008 with \$43,929 on hand.

Expenditures in 2008 include \$50,000 for emergency power generators, \$50,000 for records retention software and hardware, and \$85,000 for renovation of City Hall. In total, 2008 expenditures are expected to be \$325,370 and leave a Capital Project Fund Balance of \$8,559.

2009 Appropriations.

Appropriations for 2008 include continued funding for a project already in progress in the current 2008 fiscal year and provide funding for the acquisition of park land, should opportunity arise.

Project Continued from 2008.

Emergency Power Generators

The City's emergency power generator is inadequate. This project will purchase and install power generators to supply electricity to the EOC and to critical utilities.

CAPITAL PROJECT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Financing Contract (Debt)	\$ 473,285	\$ -	\$ -	\$ -
Certificates of Obligation			-	2,000,000
Friends of West U Parks Fund	23,852	100,000	-	-
Other	150,000	420,000	-	-
Transfer from Capital Reserve	-	-	280,000	475,000
Transfer from General Fund	-	264,000	-	-
Interest	15,091	7,135	10,000	-
TOTAL REVENUES	662,228	791,135	290,000	2,475,000
EXPENDITURES:				
	205,056	1,316,774	325,370	2,475,000
BEGINNING BALANCE	\$ 112,396	\$ 569,568	\$ 43,929	\$ 8,559
ENDING BALANCE	\$ 569,568	\$ 43,929	\$ 8,559	\$ 8,559

CAPITAL PROJECT FUND (Continued)

Estimated Expenditures

	Total Project Cost	Through 2006	2007 Actual	2008 Estimated	2009 Budget
<i>Active Projects</i>					
Rice Pocket Park/Courtyard	\$ 444,850	\$ 25,063	\$ 383,463	\$ 37,500	\$ -
Acquisition of Park Property	2,000,000	-	413,807	6,870	2,000,000
Fire Truck ¹	483,333	-	483,333	-	-
EOC/Public Safety (pre-design)	26,500	9,895	17,000	-	-
Document Imaging	50,000	-	-	50,000	-
Masterplan Update	47,171	-	19,171	28,000	-
<i>New Projects</i>					
Consolidate Computer Servers	-	-	-	68,000	-
Renovation of City Hall	85,000	-	-	85,000	-
Emergency Power Generation	500,000	-	-	50,000	450,000
Contingencies	25,000	-	-	-	25,000
Total Project Costs	\$ 3,925,000	\$ 34,958	\$ 1,316,774	\$ 325,370	\$ 2,475,000

¹*Completed projects*

INFRASTRUCTURE REPLACEMENT FUND

The Infrastructure Replacement Program is complete. During 2007, almost all funds remaining in the Infrastructure Replacement Fund were consolidated into the Sidewalk Replacement Fund. The Fund reserved \$50,000

against completing all arbitrage rebate reporting to the Federal Government. Arbitrage arises when the City earns more interest by investing borrowed funds than it pays on the borrowed funds.

INFRASTRUCTURE REPLACEMENT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimated	2009 Budget
REVENUES				
Transfer from METRO Fund	\$ -	\$ -	\$ -	\$ -
Interest earned	165,039	34,936	500	-
Bond Proceeds	-	-	-	-
Other	1,173,668	12,565	-	-
TOTAL REVENUES	1,338,707	47,501	500	-
EXPENDITURES				
Infrastructure Projects	3,336,197	890,010	-	-
Arbitrage Rebate Calculations	-	-	2,750	47,250
Arbitrage Rebate	-	-	-	-
Contingency	-	-	-	-
Transfer to Sidewalk Fund	-	111,328	-	-
Transfer to METRO Fund	667,783	-	-	-
TOTAL EXPENDITURES	4,003,980	1,001,338	2,750	47,250
BEGINNING BALANCE	\$ 3,669,110	\$ 1,003,837	\$ 50,000	\$ 47,750
ENDING BALANCE	\$ 1,003,837	\$ 50,000	\$ 47,750	\$ 500

SIDEWALK CONSTRUCTION FUND

During 2008, the Sidewalk Construction Fund is expected to spend \$365,375, completely exhausting funds allocated to sidewalk reconstruction and substantially completing all projects approved by Council

under the Master Sidewalk Program. In 2009 the sidewalk on Kirby Drive will be completed using funds furnished by the City of Houston and the Fund will be closed.

SIDEWALK CONSTRUCTION FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES				
Transfer from Infrastructure Fund	\$ 52,682	\$ 111,328	\$ -	\$ -
Contribution from City of Houston	-	-	-	176,000
Transfer from METRO Fund	-	663,000	259,000	-
Grants from METRO	490,356	-	-	-
Interest earned on investments	110,859	25,213	11,000	4,000
TOTAL REVENUES	653,897	799,541	270,000	180,000
EXPENDITURES				
Sidewalk Construction	3,173,697	1,245,641	365,375	180,000
TOTAL EXPENDITURES	3,173,697	1,245,641	365,375	180,000
BEGINNING BALANCE	3,061,275	541,475	95,375	-
ENDING BALANCE	\$ 541,475	\$ 95,375	\$ -	\$ -

TRANSPORTATION IMPROVEMENT FUND

During 2006, preliminary engineering for transportation improvements which included re-constructing the Bellaire Boulevard bridge over Poor Farm Ditch was initiated. In 2007, Council approved transferring \$1,850,000 from the General Fund and authorized reimbursement of that amount from the proceeds of a future Bond issue.

A METRO grant of \$4,333,000 was completely funded in 2008 and Harris County approved a grant of \$1,450,000 allowing the \$1,850,000 advanced from the

General Fund to be transferred to the Capital Reserve Fund.

In 2009 the reconstruction project will be completed, but the City will likely be required to fund drainage retention on Bray's Bayou before the Harris County Drainage District will allow the increased outflow from Poor Farm Ditch. In anticipation of this, a \$1.5 million budget is provided with a funding source identified as bonded debt.

TRANSPORTATION IMPROVEMENT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES				
METRO Grant	\$ -	\$ 488,500	\$ 3,841,500	\$ -
Transfer from General Fund	-	1,850,000	-	-
Grant from Harris County	-	-	1,450,000	-
Debt	-	-	-	2,300,000
Interest earned	-	-	4,500	3
TOTAL REVENUES	-	2,338,500	5,296,000	2,300,003
EXPENDITURES				
Transportation improvements	97,023	141,890	4,848,630	1,500,000
Drainage mitigation/retention	-	-	-	1,500,000
Transfer to Capital Reserve	-	-	1,850,000	1,500
TOTAL EXPENDITURES	97,023	141,890	6,698,630	3,001,500
BEGINNING BALANCE	4,540	(92,483)	2,104,127	701,497
ENDING BALANCE	\$ (92,483)	\$ 2,104,127	\$ 701,497	\$ -

STREETLIGHT IMPROVEMENT FUND

Created in 2007 Budget, the Streetlight Improvement Fund accounts for funds set aside to improve and replace streetlights in the City. The first phase of the project is expected to cost \$800,000. Funding for Phase 1 was provided by transferring \$211,000 from General Fund reserves and allocating \$589,000 from the METRO Grant

Fund.

The second phase is targeted to cost \$1,200,000, \$941,000 of which will be provided by a transfer of funds reserved for Capital Projects and the balance (\$259,000) will be funded by the 2009 METRO grant.

STREETLIGHT IMPROVEMENT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES				
METRO Grant Fund	\$ -	\$ 589,000	\$ -	\$ 259,000
Transfer from Capital Reserve	-	-	941,000	-
Transfer from General Fund	-	211,000	-	-
Interest earned	-	26	-	-
TOTAL REVENUES	-	800,026	941,000	259,000
EXPENDITURES				
Streelight Improvements	-	-	800,000	1,200,000
TOTAL EXPENDITURES	-	-	800,000	1,200,000
BEGINNING BALANCE	-	-	800,026	941,026
ENDING BALANCE	\$ -	\$ 800,026	\$ 941,026	\$ 26

CAPITAL RESERVE FUND

The Capital Reserve Fund accounts for funds set aside by Council to be used for Capital Projects. The City targets operating and emergency reserves in its operating funds and transfers any surplus to the Capital Reserve Fund.

In 2008 the initial transfer from the General Fund is expected to provide \$1,850,000. Of this, \$941,000 was appropriated to the

Streetlight Improvement Fund and \$280,000 was transferred to the Capital Projects Fund.

In 2009 a transfer of \$511,240 is expected and \$475,000 is to be transferred to the Capital Projects Fund and \$40,000 transferred to the Technology Fund for capital projects.

CAPITAL RESERVE FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES				
Transfer from Transportation Improvement Fund	\$ -	\$ -	\$ 1,850,000	\$ 1,500
Transfer from General Fund	-	-	-	511,240
TOTAL REVENUES	-	-	1,850,000	512,740
EXPENDITURES				
Transfer to Streetlight Improvement Fund	-	-	941,000	-
Transfer to Capital Improvement Fund	-	-	280,000	475,000
Transfer to Technology Fund	-	-	-	40,000
Any Purpose Authorized by Council	-	-	-	625,240
TOTAL EXPENDITURES	-	-	1,221,000	1,140,240
BEGINNING BALANCE	-	-	-	629,000
ENDING BALANCE	\$ -	\$ -	\$ 629,000	\$ 1,500

WATER AND SEWER CAPITAL RESERVE FUND

The Water and Sewer Capital Reserve Fund accounts for funds set aside by Council to be used for Capital Projects related to the City's Water and Sewer Utility. In 2007 this fund was dormant. In 2008 \$250,000 will be transferred from the Water and Sewer

Fund bringing the reserve to \$556,567. Two projects are proposed for 2009, painting the Wakeforest elevated storage tank and replacing the belt press at the wastewater treatment plant.

**WATER AND SEWER CAPITAL RESERVE FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES				
Transfer from Water and Sewer Fund	\$ -	\$ -	\$ 250,000	\$ -
TOTAL REVENUES	-	-	250,000	-
EXPENDITURES				
Water and sewer system projects	309,094	-	-	548,000
TOTAL EXPENDITURES	309,094	-	-	548,000
BEGINNING BALANCE	615,661	306,567	306,567	556,567
ENDING BALANCE	\$ 306,567	\$ 306,567	\$ 556,567	\$ 8,567

INTERNAL SERVICE FUNDS

Internal Service Funds provide accounting and budgetary control over expenditures that are common to all funds furthermore they centralize the budget authority over costs that can vary significantly from year to year. The City of West University Place has established three Internal Service Funds:

EMPLOYEE BENEFIT FUND

The Employee Benefit Fund provides a systematic approach to accumulating the funds needed for employee benefits. Each City operating fund contributes to the Employee Benefit Fund on the basis of the estimated cost of each employee benefit.

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund finances the purchase of equipment routinely used in providing the City's services. Trucks, automobiles, tractors, trailers, ambulances and vans are examples of the types of equipment this fund finances for other funds. Each City Department makes contributions to the Equipment Replacement Fund based on the estimated life and replacement cost of the equipment it uses. The Equipment Replacement Fund purchases equipment when a combination of age and repair cost indicates that the machine has reached the end of its service life.

TECHNOLOGY MANAGEMENT FUND

The management of the City's funding of technology is financed through the Technology Management Fund. Technology is integral to the City's ability to provide efficient and necessary services to citizens. The cost of implementing new technology and maintaining the City's existing computer hardware, software and networks has grown into a major expenditure. The Technology Fund was created to centralize those expenditures, consolidate the management of the resources needed to maintain existing information technology systems, and to deploy new solutions.

EMPLOYEE BENEFIT FUND

The Employee Benefit Fund facilitates accounting and oversight for the cost of health care, Worker Compensation, dental plans, employee tuition, and other benefits.

2008 Financial Activity

The City's Employee Benefit Fund's 2008 Budget provided \$1,633,430 to fund employee benefits. Charges to Operating Funds were to provide \$1,678,660 and the balance of \$186,100 was to come from employee contributions and interest. Expenditures

are expected to be \$1,455,340, below appropriations, due to vacancies. Revenues are projected to be \$1,459,540 resulting in net revenues of \$4,200.

2009 Appropriations.

A transfer of \$1,751,180 is expected from operating funds, plus \$258,650 from employee contributions. Pushed by increased cost for health benefits, expenditures for benefits are expected to be \$2,003,140 a 23 percent increase over the amount budgeted in 2008.

EMPLOYEE BENEFIT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Charges to Operating Funds	\$ 59,721	\$ 1,217,384	\$ 1,290,880	\$ 1,751,180
Employee contributions	-	165,210	168,380	258,650
Other revenues	11,378	-	280	-
TOTAL REVENUES	71,099	1,382,594	1,459,540	2,009,830
EXPENDITURES				
Health Care - active employees	-	1,066,159	1,030,000	1,508,430
Health Care - retired employees	-	68,002	61,000	119,610
Health Care - separated employees	-	16,284	12,000	8,000
Dental Insurance	-	15,388	27,000	30,000
Direct Dental Plan	-	15,531	15,600	-
Wellness program	-	7,438	15,000	30,000
Third party administrator	-	12,610	60,000	33,300
Vision Care	-	7,171	8,400	7,500
Worker Compensation	-	90,407	85,840	138,100
Life and Accidental Death	-	19,377	24,000	27,000
Retirement benefit	56,132	45,698	100,000	50,000
Unemployment	289	3,713	3,000	12,000
Employee relations - events	-	11,297	13,500	23,000
Tuition benefit	1,257	10,269	-	1,200
Incentive pay	-	9,205	-	15,000
Other benefits	1,100	2,058	-	-
TOTAL EXPENDITURES	58,778	1,400,607	1,455,340	2,003,140
NET REVENUES (EXPENDITURES)	12,321	(18,013)	4,200	6,690
BEGINNING BALANCE	2,182	14,503	(3,510)	690
ENDING BALANCE	\$ 14,503	\$ (3,510)	\$ 690	\$ 7,380

EQUIPMENT REPLACEMENT FUND

City equipment in service has cost more than \$1.6 million. Replacing this equipment would likely cost over \$2.8 million.

The Fund began 2008 with a balance of \$207,236. Transfers from other funds are expected to provide \$286,900 more. Expenditures are expected to be \$169,700. In 2007, a complete review of

the estimated lives and replacement costs was undertaken. As a result of this review, charges for fleet replacement were increased \$49,200 to \$336,100.

Requested 2009 expenditures total \$307,000, including three vehicles for the Police Department, a small sedan and three trucks.

EQUIPMENT REPLACEMENT FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimated	2009 Budget
REVENUES:				
Transfers:				
From General Fund	\$132,000	\$161,100	\$161,380	\$186,400
From Water and Sewer Fund	65,799	65,800	66,000	60,900
From Solid Waste Fund	60,000	60,000	60,000	88,800
Other revenues	18,343	6,320	1,800	10,000
Interest	8,526	14,316	20,000	10,000
TOTAL REVENUES	284,668	307,536	309,180	356,100
TOTAL EXPENDITURES	139,389	165,131	518,000	307,000
BEGINNING BALANCE	61,957	207,236	349,641	140,821
ENDING BALANCE	\$207,236	\$349,641	\$140,821	\$189,921

DETAILED EQUIPMENT REPLACEMENT FUND PURCHASES

	Quantity	Police	Fire	Public Works	Parks and Recreation	Total
Automobiles	4	\$ 97,000	\$ -	\$ 18,500	\$ -	\$ 115,500
Heavy trucks	3	-	-	191,500	-	191,500
		\$ 97,000	\$ -	\$ 210,000	\$ -	\$ 307,000

TECHNOLOGY MANAGEMENT FUND

Technology plays a major role in the efficient, cost effective delivery of all City services. The Technology Management Fund was created to centralize costs and standardize the City's technology infrastructure.

2008 Financial Activity

In 2008 transfers from other funds are expected to amount to \$760,520 and total revenues are projected to be \$765,020.

Expenditures are expected to reach \$724,200.

2009 Budget

The 2009 Budget projects transfers from other funds amounting to \$758,170 and a \$50,000 allocation from the Capital Reserve Fund. Expenditures for operations is budgeted to be \$810,830.

ADMINISTRATION DEPARTMENT

The Administration Department is responsible to the City Council for the efficient delivery of City services. The City Manager serves as the chief administrative officer and has day-to-day responsibility for the conduct of all City activities.

ADMINISTRATION DEPARTMENT (TECHNOLOGY MANAGEMENT) MISSION

Provide support, direction, and funding to integrate technological solutions into the City's effort and ability to deliver services.

ADMINISTRATION DEPARTMENT (TECHNOLOGY MANAGEMENT) DIVISIONS

Technology Management – Directs, supports and funds the City's to use of technology to provide services. (2009 Budget - \$810,830).

ADMINISTRATION DEPARTMENT (TECHNOLOGY MANAGEMENT) 2009 GOALS

- * Replace 25 personal computers, one server and two switches that have exceeded their useful lives or became obsolete.
- * Continue virtualization of server resources and implement related Information Technology Recovery Plan.

ADMINISTRATION DEPARTMENT (TECHNOLOGY MANAGEMENT) BUDGET HIGHLIGHTS

- * Authorized full-time employees – 3 (2008 authorized full-time employees – 3).
- * Total budget - \$810,830 (2008 total Budget - \$641,910).

TECHNOLOGY FUND (continued)

POSITION	GRADE	2008	2009	SALARY RANGE	
		BUDGET	BUDGET	MINIMUM	MAXIMUM
Technology Management Fund					
Information Technology Manager	II	1	1	79,532	107,368
GIS Technician	205	1	1	35,718	50,006
I T Technician	209	1	1	51,344	71,882
Total Technology Management		3	3		

**TECHNOLOGY FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006	2007	2008	2009
	Actual	Actual	Estimated	Budget
REVENUES:				
Transfers from other funds	\$ -	\$ 465,210	\$ 760,520	753,170
Other revenues	-	-	-	50,000
Interest	-	5,878	4,500	8,000
TOTAL REVENUES	-	471,088	765,020	811,170
EXPENDITURES				
Salaries and wages	-	134,900	210,960	222,920
Longevity	-	1,742	2,110	2,250
Allowances	-	700	6,920	6,860
Retirement Contribution	-	22,861	36,650	41,750
Social Security	-	9,847	16,430	17,740
Health care benefit	-	22,578	34,970	41,880
Workers' Compensation	-	332	390	600
Other benefits	-	1,338	2,170	3,230
Total Personnel	-	194,298	310,600	337,230
Replacements	-	38,590	36,800	39,600
Maintenance and repairs	-	33,818	60,000	50,000
Software licenses	-	43,518	1,800	1,800
Software maintenance contracts	-	122,041	180,000	206,000
Support consultants	-	48,205	25,000	25,000
Telephone and Internet	-	16,021	102,000	102,000
Travel and training	-	7,650	8,000	9,200
Capital outlay	-	-	-	40,000
Total Operating	-	309,843	413,600	473,600
TOTAL EXPENDITURES	-	504,141	724,200	810,830
BEGINNING BALANCE	-	-	(33,053)	7,767
ENDING BALANCE	\$ -	\$ (33,053)	\$ 7,767	\$ 8,107

SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds from specific revenue sources that are restricted to expenditures for specific purposes. The City has five active Special Revenue Funds in 2007:

THE PARKS FUND - The Parks Fund accounts for donations made by citizens for West University Place parks.

THE COURT TECHNOLOGY FUND - The Court Technology Fund accounts for a \$4.00 fee added to traffic tickets issued in West University Place. State law restricts the use of the revenue generated by this fee to technology used to support the City's Municipal Court.

THE METRO GRANT FUND - The Metropolitan Transit Authority of Harris County (METRO) has provided West University Place a multiyear transportation grant, which is accounted for in the METRO Grant Fund.

THE COURT SECURITY FUND - Similar to the Court Technology Fund, the Court Security Fund accounts for a \$3.00 fee added to traffic tickets issued in West University Place. Revenues generated by this fee can be used only to provide security for the building housing the Court.

THE TREE REPLACEMENT FUND - City ordinances require that trees that are damaged, destroyed or removed during construction to be replaced. The Tree Replacement Fund accounts for funds paid by builders in lieu of planting replacement trees.

THE RECREATION CENTER GRANT FUND - The Friends of West University Place Parks Fund, Inc (FWUP) is the recipient of a matching grant of \$500,000 from the Lewis Foundation. The Recreation Center Grant Fund restricts using the funds received from the grant, and the \$500,000 FWUP matching funds, to funding improvements to the Recreation Center.

POLICE FORFEITED PROPERTY FUND – Certain property used in the commission of crimes or proceeds from criminal activity is subject to forfeiture. Funds generated from the sale of this property are set aside for the use of the Police Department.

FIRE TRAINING FUND – Accounts for grants, donations and other funds set aside for training Firefighters.

POLICE TRAINING FUND-Accounts for grants, donations and other funds set aside for training Police Officers.

GOOD NEIGHBOR FUND – The City receives donations to fund the activities of the Good Neighbor Team, specifically “Handy Man” home repairs for resident senior citizens. The Good Neighbor Fund restricts the use of those donations to that specific activity.

SPECIAL REVENUE FUNDS

PARKS FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Donations	\$ 15,310	\$ 6,182	\$ 5,600	\$ 5,600
Interest	784	721	700	600
TOTAL REVENUES	16,094	6,903	6,300	6,200
EXPENDITURES:				
Parks and Recreation Department	11,309	11,302	4,400	11,500
TOTAL EXPENDITURES	11,309	11,302	4,400	11,500
NET REVENUES (EXPENDITURES)	4,785	(4,399)	1,900	(5,300)
BEGINNING BALANCE	10,808	15,593	11,194	13,094
ENDING BALANCE	\$ 15,593	\$ 11,194	\$ 13,094	\$ 7,794

COURT TECHNOLOGY FUND STATEMENT OF REVENUES AND EXPENDITURES

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Fines	\$ 8,243	\$ 16,760	\$ 7,500	\$ 6,500
Interest	99	225	25	30
TOTAL REVENUES	8,342	16,985	7,525	6,530
EXPENDITURES:				
Finance Department - Municipal Court	4,500	17,121	4,970	15,000
TOTAL EXPENDITURES	4,500	17,121	4,970	15,000
NET REVENUES (EXPENDITURES)	3,842	(136)	2,555	(8,470)
BEGINNING BALANCE	2,594	6,436	6,300	8,855
ENDING BALANCE	\$ 6,436	\$ 6,300	\$ 8,855	\$ 385

SPECIAL REVENUE FUNDS (Continued)

METRO GRANT FUND				
STATEMENT OF REVENUES AND EXPENDITURES				
	2006	2007	2008	2009
	Actual	Actual	Estimate	Budget
REVENUES:				
METRO Grant	\$ 259,000	\$ 259,000	\$ 259,000	\$ 259,000
Transfer unused METRO Grant				
Funds from other funds	465,101	-	-	-
Interest	-	16,550	500	-
TOTAL REVENUES	724,101	275,550	259,500	259,000
EXPENDITURES:				
Any purposed authorized by the				
Grant	5,271	1,252,000	259,000	259,000
TOTAL EXPENDITURES	5,271	1,252,000	259,000	259,000
NET REVENUES (EXPENDITURES)	718,830	(976,450)	500	-
BEGINNING BALANCE	264,271	983,101	6,651	7,151
ENDING BALANCE	\$ 983,101	\$ 6,651	\$ 7,151	\$ 7,151

COURT SECURITY FUND				
STATEMENT OF REVENUES AND EXPENDITURES				
	2006	2007	2008	2009
	Actual	Actual	Estimate	Budget
REVENUES:				
Fines	\$ 1,020	\$ 5,157	\$ 3,500	\$ 3,500
TOTAL REVENUES	1,020	5,157	3,500	3,500
EXPENDITURES:				
Finance Department - Municipal				
Court	-	-	10,000	10,000
TOTAL EXPENDITURES	-	-	10,000	10,000
NET REVENUES (EXPENDITURES)	1,020	5,157	(6,500)	(6,500)
BEGINNING BALANCE	6,984	8,004	13,161	6,661
ENDING BALANCE	\$ 8,004	\$ 13,161	\$ 6,661	\$ 161

SPECIAL REVENUE FUNDS (Continued)

TREE REPLACEMENT FUND				
STATEMENT OF REVENUES AND EXPENDITURES				
	2006	2007	2008	2009
	Actual	Actual	Estimate	Budget
REVENUES:				
Fees	\$ 27,012	\$ 30,875	\$ 20,000	\$ 20,000
Interest	-	1,175	1,500	1,500
TOTAL REVENUES	27,012	32,050	21,500	21,500
EXPENDITURES:				
Public Works -Building Services	1,298	16,440	3,500	65,000
TOTAL EXPENDITURES	1,298	16,440	3,500	65,000
NET REVENUES (EXPENDITURES)	25,714	15,610	18,000	(43,500)
BEGINNING BALANCE	9,131	34,845	50,455	68,455
ENDING BALANCE	\$ 34,845	\$ 50,455	\$ 68,455	\$ 24,955

RECREATION CENTER GRANT FUND				
STATEMENT OF REVENUES AND EXPENDITURES				
	2006	2007	2008	2009
	Actual	Actual	Estimate	Budget
REVENUES:				
Grant from Friends of WestU Parks	\$ 111,812	\$ 314,336	\$ -	\$ 563,850
Interest	3,611	7,388	20,000	20,000
TOTAL REVENUES	115,423	321,724	20,000	583,850
EXPENDITURES:				
Improvements to Recreation Center	-	-	-	1,050,997
TOTAL EXPENDITURES	-	-	-	1,050,997
NET REVENUES (EXPENDITURES)	115,423	321,724	20,000	(467,147)
BEGINNING BALANCE	10,000	125,423	447,147	467,147
ENDING BALANCE	\$ 125,423	\$ 447,147	\$ 467,147	\$ -

SPECIAL REVENUE FUNDS (Continued)

POLICE FORFEITED PROPERTY STATEMENT OF REVENUES AND EXPENDITURES				
	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Fines and forfeits	\$ -	\$ -	\$ 5,000	\$ 5,000
Interest	-	-	-	-
TOTAL REVENUES	-	-	5,000	5,000
EXPENDITURES:				
Police department	-	-	5,000	22,000
TOTAL EXPENDITURES	-	-	5,000	22,000
NET REVENUES (EXPENDITURES)	-	-	-	(17,000)
BEGINNING BALANCE	19,965	19,965	19,965	19,965
ENDING BALANCE	\$ 19,965	\$ 19,965	\$ 19,965	\$ 2,965

FIRE TRAINING STATEMENT OF REVENUES AND EXPENDITURES				
	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Grants	\$ -	\$ -	\$ 1,000	\$ 1,000
Interest	-	-	-	-
TOTAL REVENUES	-	-	1,000	1,000
EXPENDITURES:				
Fire departments	-	-	-	6,000
TOTAL EXPENDITURES	-	-	-	6,000
NET REVENUES (EXPENDITURES)	-	-	1,000	(5,000)
BEGINNING BALANCE	7,647	7,647	7,647	8,647
ENDING BALANCE	\$ 7,647	\$ 7,647	\$ 8,647	\$ 3,647

SPECIAL REVENUE FUNDS (Continued)

**POLICE TRAINING FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Donations	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Parks and Recreation	-	-	1,000	10,000
TOTAL EXPENDITURES	-	-	1,000	10,000
NET REVENUES (EXPENDITURES)	-	-	(1,000)	(10,000)
BEGINNING BALANCE	11,088	11,088	11,088	10,088
ENDING BALANCE	\$ 11,088	\$ 11,088	\$ 10,088	\$ 88

**GOOD NEIGHBOR FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2006 Actual	2007 Actual	2008 Estimate	2009 Budget
REVENUES:				
Donations	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Parks and Recreation	-	-	-	2,400
TOTAL EXPENDITURES	-	-	-	2,400
NET REVENUES (EXPENDITURES)	-	-	-	(2,400)
BEGINNING BALANCE	2,366	2,366	2,366	2,366
ENDING BALANCE	\$ 2,366	\$ 2,366	\$ 2,366	\$ (34)

APPENDICES

APPENDIX A BONDED DEBT

Most cities use long-term debt to finance the construction or purchase of major capital assets, and the City of West U is not an exception. Since its incorporation in 1925, the City has used such debt to finance the construction of streets, drainage, water and sewer assets.

When the City became “built out” in the 1950s, the need for new debt declined and by 1983 the City had only \$1.1 million in outstanding bonded debt, but the City was on the brink of momentous change.

In 1983 the assessed value of taxable property in the City totaled \$424,360,000. Twenty-six years later in 2008, assessed values increased by almost **\$3.5 billion** to approximately \$3,905,000,000. This tremendous increase in value came as the result of an economic and social trend - that is still under way.

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

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

The City’s next bond sale wasn’t until 1992. The need to reconstruct the City’s infrastructure was becoming acute. This bond sale marked the beginning of a program to replace almost all of the City’s streets, drainage, water and wastewater systems.

In November 1995, the citizens approved a plan calling for long-term debt to be used in reconstructing the City’s entire infrastructure by the year 2006. This plan called for the City to issue \$63 million of bonds. All of the proceeds of these bonds were to be applied to infrastructure. By 2003, it became apparent that, due to changes in the specifications for drainage systems and unexpected increases in the cost of construction materials, it would be necessary for the City to raise an additional \$9.9 million by issuing Certificates of Obligation in order to complete funding the infrastructure replacement plan.

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

Outstanding Bonded Indebtedness December 31, 2009	
Bonded Indebtedness Payable from Ad Valorem Taxes	
1998 Permanent Imp Bonds	\$ 3,000,000
2000 Permanent Imp Bonds	680,000
2002 Permanent Imp Bonds	16,990,000
2002 YMCA Certificates	2,645,000
2003 Certificates of Obligation	9,200,000
2005 Permanent Improvement Bonds	24,970,000
Bonded Indebtedness Payable from Ad Valorem Taxes	
	57,485,000
Bonded Indebtedness Payable from Water and Sewer Revenue	
2001A Water and Sewer System Imp Bonds	3,110,000
2005 Water and Sewer Revenue Refunding	6,885,000
2001B Water and Sewer System Imp Bonds	2,515,000
Bonded Indebtedness Payable from Water and Sewer Revenues	
	12,510,000
Total Bonded Indebtedness	
	\$ 69,995,000

APPENDIX A (Continued)
BONDED DEBT

During 2005, the City took advantage of historically low interest rates by issuing refunding bonds. Most bonds issued in 1996 and 1998 were recalled and replaced by bonds bearing lower interest rates.

The City Charter limits the City's bonded debt to 5% of the assessed value. Since the projected assessed value for the City in 2008 was \$3.9 billion, the debt limit under this provision was \$195,000,000. As of January 1, 2009 the City will owe a total of \$74.5 million to bondholders. Of this total, the amount to be financed by the Debt Service Fund using property taxes will be \$61.4

million. All of the City current bonded debt will be completely amortized by 2022.

Future Activity - In November 2006 the voters approved issuing \$2 million to add parkland to the City's system. The timetable for issuing this debt is uncertain, because the property to be acquired has not been selected.

In addition to voter approved debt, the 2009 *Operating Budget* anticipates raising up to \$2.3 million by issuing Certificates of Obligation to fund the portion of the College Street/Bellaire Boulevard Improvement Project not financed by Grants.

Debt Service To Maturity		
	Tax Supported	Revenue Supported
2009	6,805,085	1,266,748
2010	6,801,191	1,268,445
2011	6,802,952	1,277,802
2012	6,700,969	1,280,671
2013	6,702,778	1,272,383
After 2013	47,191,579	10,029,378
Debt Service to Maturity	81,004,554	16,395,427

APPENDIX B REVENUE SOURCES

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

PROPERTY TAXES:

Property (*ad valorem*) taxes attach as an enforceable lien on property as of each January 1 for all real and business personal property located within the City. Taxes are levied when the City Council adopts a budget for the next year, but no earlier than October 1. Taxes are due January 31 and considered delinquent paid after that date. Property tax revenues are based on three major factors: assessed or estimated value, the rate of collection of outstanding balances, and the property tax rate.

The Harris County Appraisal District (HCAD) is responsible for appraising the values of property sited within Harris County. State law requires HCAD to appraise all property in its jurisdiction at least every five years at 100% of the estimated market value. The oversight of this process is vested in the Appraisal Review Board. Residential property accounts for more than 98 percent of all property value in the City. The ratio of residential property value to total value has grown steadily for the past five years, while commercial and utility property values continue to decline as a component of total value. This trend will continue into the future.

Tax Rate Comparison	
Jurisdiction	Tax Rate
Bellaire	0.3775
Houston	0.6388
Southside Place	0.3478
Jersey Village	0.7425
Spring Valley	0.5487
Seabrook	0.5884

The City establishes the tax rate, assesses, and levies the tax. State law provides that if the City raises the rate more than 8% (after certain adjustments) above the previous year's rate, the voters can petition for an election to determine whether to limit the

Property Tax Rates			
Fiscal Year	General Fund	Debt Service Fund	Total Tax Rate
1996	0.2100	0.1600	0.3700
1997	0.2100	0.1700	0.3800
1998	0.2100	0.1900	0.4000
1999	0.2100	0.2100	0.4200
2000	0.2000	0.2100	0.4100
2001	0.2050	0.2150	0.4200
2002	0.1950	0.2250	0.4200
2003	0.1900	0.2400	0.4300
2004	0.1976	0.2500	0.4476
2005	0.2000	0.2400	0.4400
2006	0.2010	0.2290	0.4300
2007	0.1920	0.2100	0.4020
2008	0.1860	0.1800	0.3660
2009	0.1860	0.1730	0.3590

tax rate to no more than 8% above the last year's rate. Taxes are applicable to the year subsequent to the one in which they are levied.

In the past, the City's property tax policies have been to maintain the amount of property taxes dedicated to maintenance and operations, plus increasing the portion dedicated to paying debt service in order to accommodate the rapid growth in debt service. Since 1991, when the debt service component of property taxes amounted to less than 25 percent of the total tax rate, debt service payments rose to consume more than 55 percent of total tax revenues in 2005. Since debt service requirements peaked in 2006 and should remain level into the future, the percentage of the total tax rate allocated to debt service will decline.

APPENDIX B
REVENUE SOURCES (Continued)

Tax revenue dedicated to debt service reached \$6.7 million annually and is expected to remain stable into the foreseeable future.

The monthly fee is \$8.00 for citizens over 65 years of age. These fees have been stable since 2001 and are expected to generate \$910,000 in 2009.

The City's 2008 property tax revenue is based on an estimated assessed value of \$3.9 billion and a 99.5% collection rate. The estimated market value of taxable property has grown explosively since 2000. In the past five years alone the taxable value of property has grown more than \$1.4 billion. The property tax rate in 2008 – which finances the 2009 Budget - will be 35.9 cents per \$100 valuation, .7 cents less than last year's rate. Increased assessed values and stable debt service enabled this decrease.

SALES TAX:

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

In 2009 West University Place expects to collect \$964,600 from the sales tax.

UTILITY FEES:

Water and sewer service fees: The City provides water and sewer services to

approximately 5,880 customers. Of this total, about 97 percent are residential and 3 percent are commercial.

The City increased its water and sewer rates 10 percent in 2007. A small rate increase (1%) is likely in 2009 due to higher cost of purchased surface water.

Solid Waste Fees: The City collects and disposes of solid waste for its citizens. This service is provided twice weekly at curbside. Additionally, the City operates a curbside recycling program for the convenience of its citizens. A \$15.75 monthly fee funds these services for citizens under 65 years of age.

Residential Water and Sewer Rates		
	Water	Sewer
Base charge	\$8.62	\$4.99
0 - 3,000 gallons	\$3.41 per 1,000 gallons	\$2.72 per 1,000 gallons
3001 - 9,000 gallons	\$4.14 per 1,000 gallons	\$2.72 per 1,000 gallons
9001 - 15,000 gallons	\$4.92 per 1,000 gallons	\$2.72 per 1,000 gallons
15,001 gallons and up	\$5.85 per 1,000 gallons	\$2.72 per 1,000 gallons

FRANCHISE FEES:

The City maintains non-exclusive franchise agreements with utility companies that use the City's roadway rights-of-way to conduct their businesses. Besides defining the responsibilities of the utilities in maintaining their assets, the agreements contain a franchise fee clause requiring the utilities to compensate the City for the use of the rights-of-way. Generally, these fees are based on a the utilities sales of services to customers located within the City's corporate limits. Franchise fees are expected to generate \$990,150 in 2009.

APPENDIX B
REVENUE SOURCES (Continued)

GENERAL FUND REVENUES

	Actual 2005	Actual 2006	Actual 2007	Estimated 2008	Estimated 2009
Property Taxes					
Current year collections	\$ 5,472,895	\$ 5,819,369	\$ 6,171,043	\$ 6,591,100	\$ 7,250,880
Prior year collections	38,007	41,744	48,836	41,350	40,300
Collection Fees	8,794	4,043	74	5,100	-
	5,519,696	5,865,156	6,219,953	6,637,550	7,291,180
Franchise Taxes					
Telecommunications	137,635	177,274	134,350	137,000	130,000
Electrical	514,326	525,065	503,345	780,000	550,150
Cable T.V.	160,810	182,304	201,628	200,000	200,000
Gas	101,228	116,287	109,521	62,670	110,000
	913,999	1,000,930	948,844	1,179,670	990,150
Sales Tax					
	761,176	1,043,742	1,041,958	975,540	964,600
Licenses and Permits					
Business Licenses					
Electrical Cont. Lic.	7,720	7,640	6,290	5,740	5,940
Contractor Registration	23,590	30,267	29,230	25,370	25,650
Other	1,753	1,813	2,513	1,000	1,000
Non-Business Licenses					
Building Permits	293,639	274,096	265,032	227,500	229,000
New Service Connect	-	-	-	20,000	20,000
Electrical Permits	30,120	29,609	31,212	26,300	27,500
Heating and A/C Permits	27,673	26,378	29,012	25,000	24,500
Plumbing Permits	72,966	74,253	75,492	57,750	65,000
Fence & Sidewalk Permits	54,336	48,768	37,226	41,300	41,160
Tree Disposition Fee	32,075	31,650	36,690	27,690	30,000
Other	24,446	29,789	35,303	34,520	34,750
	568,318	554,263	548,000	492,170	504,500

APPENDIX B
REVENUE SOURCES (Continued)

GENERAL FUND REVENUES (Continued from previous page)

Fees for service					
Street Light Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance Service	118,237	132,917	132,718	102,500	131,000
Alarm Monitoring	234,037	276,222	312,906	322,000	348,000
	<u>352,274</u>	<u>409,139</u>	<u>445,624</u>	<u>424,500</u>	<u>479,000</u>
Other Charges and Fees					
Plan Check Fees	136,391	118,363	130,601	107,260	122,400
Re-inspection fee	48,365	46,855	41,110	40,300	38,000
Other Building Related	24,123	21,672	16,482	19,430	13,915
Pet Regulation	5,989	7,213	3,990	4,730	5,290
Child Safety Seat	15,894	16,795	16,054	17,400	16,800
Other	3,784	3,697	4,863	7,360	7,935
	<u>234,546</u>	<u>214,595</u>	<u>213,100</u>	<u>196,480</u>	<u>204,340</u>
Recreation Fees					
Aquatic Classes	81,249	100,340	105,177	113,150	105,650
Membership Fees	75,483	79,192	87,684	77,940	90,000
Swimming Fees	43,428	53,031	64,334	64,700	72,600
Other	25,723	46,627	82,547	73,640	76,000
Rents	36,891	82,420	102,817	95,400	99,650
Class Fees	301,855	278,243	282,300	291,000	333,230
	<u>564,629</u>	<u>639,853</u>	<u>724,859</u>	<u>715,830</u>	<u>777,130</u>
Fines and Court Costs	178,601	250,849	183,581	138,440	136,410
Earnings on Investments	109,372	268,377	388,778	290,000	239,000
Miscellaneous					
Rents					
Bellaire	14,080	11,280	31,750	33,000	33,000
Westpark	12,000	7,234	45,370	54,000	50,400
Southside expense sharing	131,969	106,969	85,052	113,000	113,400
Intergovernmental	-	-	-	-	-
Other Revenues	54,634	27,732	75,671	51,000	35,000
	<u>212,683</u>	<u>153,215</u>	<u>237,843</u>	<u>251,000</u>	<u>231,800</u>
Internal Charges					
Water Fund	\$ 645,000	\$ 645,000	\$ 660,000	\$ 660,000	\$ 660,000
Solid Waste Fund	225,000	225,000	280,000	280,000	280,000
	<u>870,000</u>	<u>870,000</u>	<u>940,000</u>	<u>940,000</u>	<u>940,000</u>
TOTAL GENERAL FUND	\$ 10,285,294	\$ 11,270,119	\$ 11,892,540	\$ 12,241,180	\$ 12,758,110

**City of West University Place
Harris County, Texas**

Ordinance No. 1881

AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING DECEMBER 31, 2009; APPROPRIATING FUNDS FOR SUCH BUDGET; AMENDING THE BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2008 AND ENDING DECEMBER 31, 2008 AND CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, as required by the City Charter and state law, the City Manager has prepared and submitted to the City Council a budget with estimates of expenditures and revenues of all city departments and activities for the year beginning January 1, 2009 and ending December 31, 2009; and

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

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

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

WHEREAS, it is found and determined that changes in the current budget are necessary for municipal purposes and that amendments are necessary for emergencies of the kind contemplated by state law, and it is formally determined and declared that such emergencies exist;

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

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

Section 2. The document entitled "City of West University Place Budget, For the Fiscal Year Beginning January 1, 2009 and Ending December 31, 2009" ("Budget") is hereby approved and adopted. A true copy of the Budget is attached to and made a part of this ordinance as Exhibit A. Funds in the amounts indicated in such Budget for each fund are appropriated for the purposes and projects described in such Budget.

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

Section 4. That the budget of the City of West University Place for the 12 month period beginning January 1, 2008 and ending December 31, 2008 as heretofore adopted be, and it is hereby amended as shown in Exhibit B attached.

Section 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 6. If any word, phrase, clause, sentence, paragraph, section or other part of this ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section, or other part of this ordinance to any other persons or circumstances, shall be affected thereby.

Section 7. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this ordinance was discussed, considered, or acted upon was given in the manner required by the Open Meetings Act, Chapter 551, Texas Local Government Code, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

Section 8. After adoption of the Budget, the City Manager shall provide for the filing of a true copy of the Budget (and each amendment) in the office of the County Clerk of Harris County, Texas.

Section 9. The public importance of this measure and the requirements of the law create an emergency and an urgent public necessity requiring that this Ordinance be passed and take effect as an emergency measure, and a state of emergency is hereby declared, and this Ordinance is accordingly passed as an emergency measure and shall take effect immediately upon adoption and signature.

PASSED, APPROVED ADOPTED AND SIGNED ON, this 27th day of October 2008.

Voting Aye: *Kelly, Fey, Johanchik, Stofky*
Voting Nay: *None*
Absent: *Cohen*

SIGNED:

Bob Kelly

Bob Kelly, Mayor

ATTEST:

Thelma Lenz

Thelma Lenz, City Secretary



RECOMMENDED:

Michael Ross

Michael Ross, City Manager

REVIEWED:

Alan Petrov

Alan Petrov, City Attorney

Exhibit "A"
2009 Budget

CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009

	2007 Actual	2008 Estimated	2009 Budget
GENERAL FUND			
BEGINNING BALANCE	4,153,200	2,886,664	3,261,174
REVENUES			
Ad Valorem Taxes	6,219,953	6,637,550	7,291,180
Franchise Fees	948,844	1,179,670	990,150
City Sales Tax	1,041,958	975,540	964,600
Licenses and Permits	548,000	492,170	504,500
Fees for Services	445,624	424,500	479,000
Other Charges and Fees	213,100	196,480	204,340
Recreation Fees	724,859	715,830	777,130
Fines and Court Costs	183,581	138,440	136,410
Investment earnings	388,778	290,000	239,000
Other Revenues	237,843	251,000	231,800
Interfund Transfers	940,000	940,000	940,000
TOTAL REVENUES	11,892,540	12,241,180	12,758,110
EXPENDITURES			
Administration	850,153	915,560	908,290
Finance	1,462,706	1,432,890	1,447,840
Police	2,653,823	2,975,700	3,363,590
Fire	2,277,224	2,537,340	2,753,720
Public Works	1,926,432	2,001,230	2,262,380
Parks and Recreation	1,663,738	1,839,460	2,020,550
Emergency Repair to Wesleyan	-	164,490	-
Transfer to Transportation Improvement Fund	1,850,000	-	511,240
Transfer to Capital Improvement Fund	264,000	-	-
Transfer to Streetlight Improvement Fund	211,000	-	-
TOTAL EXPENDITURES	13,159,076	11,866,670	13,267,610
NET REVENUES (EXPENDITURES)	(1,266,536)	374,510	(509,500)
NET ENDING BALANCE	2,886,664	3,261,174	2,751,674

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

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
DEBT SERVICE FUND			
BEGINNING BALANCE	\$ 1,169,099	\$ 1,208,295	\$ 891,335
REVENUES			
Ad Valorem Taxes	6,738,071	6,410,900	6,746,800
Interest	102,472	75,000	75,000
Proceeds from refunding bonds	-	-	-
TOTAL REVENUES	6,840,543	6,485,900	6,821,800
EXPENDITURES			
Debt Service and Fees	6,801,347	6,802,860	6,825,090
TOTAL EXPENDITURES	6,801,347	6,802,860	6,825,090
NET REVENUES (EXPENDITURES)	39,196	(316,960)	(3,290)
NET ENDING BALANCE	\$ 1,208,295	\$ 891,335	\$ 888,045

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
WATER FUND			
BEGINNING BALANCE	\$ 1,803,980	\$ 1,731,504	\$ 1,876,514
REVENUES			
Service Charges	4,702,577	5,465,000	5,565,000
Interest	27,062	20,000	15,000
Other	-	-	-
TOTAL REVENUES	4,729,639	5,485,000	5,580,000
EXPENDITURES			
Public Works	2,882,001	3,161,170	3,504,860
Non-Departmental	1,920,114	2,178,820	1,928,250
TOTAL EXPENDITURES	4,802,115	5,339,990	5,433,110
NET REVENUES (EXPENDITURES)	(72,476)	145,010	146,890
NET ENDING BALANCE	\$ 1,731,504	\$ 1,876,514	\$ 2,023,404

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
SOLID WASTE FUND			
BEGINNING BALANCE	\$ 239,587	\$ 345,978	\$ 562,238
REVENUES			
Service Charges	930,705	940,000	940,000
Sales of Recyclable Material	362,559	500,000	420,000
Interest	12,111	30,000	30,000
TOTAL REVENUES	1,305,375	1,470,000	1,390,000
EXPENDITURES			
Operations	918,984	973,740	1,119,230
Capital	-	-	257,500
Administration	280,000	280,000	280,000
TOTAL EXPENDITURES	1,198,984	1,253,740	1,656,730
NET REVENUES (EXPENDITURES)	106,391	216,260	(266,730)
NET ENDING BALANCE	\$ 345,978	\$ 562,238	\$ 295,508

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
CAPITAL PROJECTS FUND			
BEGINNING BALANCE	\$ 569,568	\$ 43,929	\$ 8,559
REVENUES			
Transfers from:			
Capital reserve	-	280,000	475,000
General Fund	264,000	-	-
Interest	7,135	10,000	-
Friends of West U Parks	100,000	-	-
Debt	420,000	-	2,000,000
TOTAL REVENUES	791,135	290,000	2,475,000
EXPENDITURES			
Rice Pocket Park/Courtyard	382,283	37,500	-
Acquisition of Parks	413,807	6,870	1,580,000
Emergency power generators	-	50,000	450,000
Records Management	-	50,000	-
Consolidate Computer Servers	-	68,000	-
Renovation of City Hall	-	85,000	-
Master plan Update	19,171	28,000	-
Repayment of General Fund	-	-	420,000
Completed projects	501,513	-	-
Fiscal Year 2006 Contingency	-	-	25,000
TOTAL EXPENDITURES	1,316,774	325,370	2,475,000
NET REVENUES (EXPENDITURES)	(525,639)	(35,370)	-
NET ENDING BALANCE	\$ 43,929	\$ 8,559	\$ 8,559

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
INFRASTRUCTURE REPLACEMENT FUND			
BEGINNING BALANCE	\$ 1,003,837	\$ 50,000	\$ 47,750
REVENUES			
Interest	34,936	500	-
Other	12,565	-	-
TOTAL REVENUES	47,501	500	-
EXPENDITURES			
Area 10 & 11B	890,010	-	-
Arbitrage Rebate Calculations	-	2,750	47,250
Transfer to sidewalk fund	111,328	-	-
TOTAL EXPENDITURES	1,001,338	2,750	47,250
NET REVENUES (EXPENDITURES)	(953,837)	(2,250)	(47,250)
NET ENDING BALANCE	\$ 50,000	\$ 47,750	\$ 500

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
SIDEWALK CONSTRUCTION FUND			
BEGINNING BALANCE	\$ 541,475	\$ 95,375	\$ -
REVENUES			
Interest	25,213	11,000	4,000
Contribution from City of Houston	-	-	176,000
Metro Allocation	663,000	259,000	-
Transfer from Infrastructure	111,328	-	-
TOTAL REVENUES	799,541	270,000	180,000
EXPENDITURES			
Sidewalk Construction	1,245,641	365,375	180,000
TOTAL EXPENDITURES	1,245,641	365,375	180,000
NET REVENUES (EXPENDITURES)	(446,100)	(95,375)	-
NET ENDING BALANCE	\$ 95,375	\$ -	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
TRANSPORTATION IMPROVEMENT FUND			
BEGINNING BALANCE	\$ (92,483)	\$ 2,104,127	\$ 701,497
REVENUES			
METRO Transportation Grant	488,500	3,841,500	-
Grant from Harris County	-	1,450,000	-
Transfer from the General Fund	1,850,000	-	-
Interest on investments	-	4,500	3
Debt	-	-	2,300,000
TOTAL REVENUES	2,338,500	5,296,000	2,300,003
EXPENDITURES			
Transfer to Capital Reserve	-	1,850,000	1,500
Drainage mitigation/retention	-	-	1,500,000
Transportation Improvements	141,890	4,848,630	1,500,000
TOTAL EXPENDITURES	141,890	6,698,630	3,001,500
NET REVENUES (EXPENDITURES)	2,196,610	(1,402,630)	(701,497)
NET ENDING BALANCE	\$ 2,104,127	\$ 701,497	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
STREELIGHT IMPROVEMENT FUND			
BEGINNING BALANCE	\$ -	\$ 800,026	\$ 941,026
REVENUES			
Allocation from METRO Grant Fund	589,000	-	259,000
Transfer from General Fund	211,000	-	-
Transfer from Capital Reserve	-	941,000	-
Interest	26	-	-
TOTAL REVENUES	800,026	941,000	259,000
EXPENDITURES			
Streetlight improvements	-	800,000	1,200,000
TOTAL EXPENDITURES	-	800,000	1,200,000
NET REVENUES (EXPENDITURES)	800,026	141,000	(941,000)
NET ENDING BALANCE	800,026	941,026	26

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
CAPITAL RESERVE FUND			
BEGINNING BALANCE	\$ -	\$ -	\$ 659,000
REVENUES			
Transfer from General Fund	-	-	511,240
Transfer from Transportation Improvement Fund	-	1,850,000	-
TOTAL REVENUES	-	1,850,000	511,240
EXPENDITURES			
Transfer to Streetlight Improvement Fund	-	941,000	-
Transfer to Technology Fund	-	-	50,000
Transfer to Capital Improvement Fund	-	250,000	475,000
Any purpose authroized by Council	-	-	645,240
TOTAL EXPENDITURES	-	1,191,000	1,170,240
NET REVENUES (EXPENDITURES)	-	659,000	(659,000)
NET ENDING BALANCE	\$ -	\$ 659,000	\$ -

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
WATER AND SEWER CAPITAL RESERVE FUND			
BEGINNING BALANCE	\$ 306,557	\$ 306,557	\$ 556,557
REVENUES			
Transfer from Water Fund	-	250,000	-
TOTAL REVENUES	-	250,000	-
EXPENDITURES			
Water and sewer system improvements	-	-	548,000
TOTAL EXPENDITURES	-	-	548,000
NET REVENUES (EXPENDITURES)	-	250,000	(548,000)
NET ENDING BALANCE	\$ 306,557	\$ 556,557	\$ 8,557

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
EMPLOYEE BENEFIT FUND			
BEGINNING BALANCE	\$ 14,503	\$ (3,510)	\$ 690
REVENUES			
Interest on investments	-	200	500
Transfer from other funds	1,382,394	1,290,960	1,750,680
Employee contributions	-	168,380	258,650
Other revenues	200	-	-
TOTAL REVENUES	1,382,594	1,459,540	2,009,830
EXPENDITURES			
Benefits	1,400,607	1,455,340	2,003,140
TOTAL EXPENDITURES	1,400,607	1,455,340	2,003,140
NET REVENUES (EXPENDITURES)	(18,013)	4,200	6,690
NET ENDING BALANCE	\$ (3,510)	\$ 690	\$ 7,380

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
EQUIPMENT REPLACEMENT FUND			
NET BEGINNING BALANCE	\$ 207,236	\$ 349,641	\$ 140,821
REVENUES			
Transfers from other Funds	286,900	277,180	336,100
Other Revenues	6,320	20,000	10,000
Interest	14,316	12,000	10,000
TOTAL REVENUES	307,536	309,180	356,100
EXPENDITURES			
Replacement Equipment	165,131	518,000	307,000
TOTAL EXPENDITURES	165,131	518,000	307,000
NET REVENUES (EXPENDITURES)	142,405	(208,820)	49,100
NET ENDING BALANCE	\$ 349,641	\$ 140,821	\$ 189,921

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
TECHNOLOGY MANAGEMENT FUND			
BEGINNING BALANCE	\$ -	\$ (33,053)	\$ 7,767
REVENUES			
Transfers from other Funds	465,210	760,520	758,170
Other Revenues	-	-	50,000
Interest	5,878	4,500	3,000
TOTAL REVENUES	471,088	765,020	811,170
EXPENDITURES			
Administration/Technology	504,141	724,200	810,830
TOTAL EXPENDITURES	504,141	724,200	810,830
NET REVENUES (EXPENDITURES)	(33,053)	40,820	340
NET ENDING BALANCE	(33,053)	7,767	8,107

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
PARKS FUND			
BEGINNING BALANCE	\$ 15,593	\$ 11,194	\$ 13,094
REVENUES			
Contributions	6,182	5,600	5,600
Interest	721	700	600
TOTAL REVENUES	6,903	6,300	6,200
EXPENDITURES			
Parks and Recreation	11,302	4,400	11,500
TOTAL EXPENDITURES	11,302	4,400	11,500
NET REVENUES (EXPENDITURES)	(4,399)	1,900	(5,300)
NET ENDING BALANCE	\$ 11,194	\$ 13,094	\$ 7,794

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
COURT TECHNOLOGY FUND			
BEGINNING BALANCE	\$ 6,436	\$ 6,300	\$ 8,855
REVENUES			
Interest on investments	225	25	30
Court Fees	16,760	7,500	6,500
TOTAL REVENUES	16,985	7,525	6,530
EXPENDITURES			
Data Processing Equipment	17,121	4,970	15,000
TOTAL EXPENDITURES	17,121	4,970	15,000
NET REVENUES (EXPENDITURES)	(136)	2,555	(8,470)
NET ENDING BALANCE	\$ 6,300	\$ 8,855	\$ 385

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
METRO GRANT FUND			
BEGINNING BALANCE	\$ 983,101	\$ 6,651	\$ 7,151
REVENUES			
Interest on investments	16,550	500	-
METRO Grant	259,000	259,000	259,000
TOTAL REVENUES	275,550	259,500	259,000
EXPENDITURES			
Any purpose authorized by Grant	1,252,000	259,000	259,000
TOTAL EXPENDITURES	1,252,000	259,000	259,000
NET REVENUES (EXPENDITURES)	(976,450)	500	-
NET ENDING BALANCE	\$ 6,651	\$ 7,151	\$ 7,151

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
COURT SECURITY FUND			
BEGINNING BALANCE	\$ 8,024	\$ 13,161	\$ 6,661
REVENUES			
Court Fees	5,137	3,500	3,500
TOTAL REVENUES	5,137	3,500	3,500
EXPENDITURES			
Building Security	-	10,000	10,000
TOTAL EXPENDITURES	-	10,000	10,000
NET REVENUES (EXPENDITURES)	5,137	(6,500)	(6,500)
NET ENDING BALANCE	\$ 13,161	\$ 6,661	\$ 161

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
TREE REPLACEMENT FUND			
BEGINNING BALANCE	\$ 34,845	\$ 50,455	\$ 68,455
REVENUES			
Interest on investments	1,175	1,500	1,500
Fees	30,875	20,000	20,000
TOTAL REVENUES	32,050	21,500	21,500
EXPENDITURES			
Public works	16,440	3,500	65,000
TOTAL EXPENDITURES	16,440	3,500	65,000
NET REVENUES (EXPENDITURES)	15,610	18,000	(43,500)
NET ENDING BALANCE	\$ 50,455	\$ 68,455	\$ 24,955

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
RECREATION CENTER GRANT			
BEGINNING BLANCE	\$ 125,423	\$ 447,147	\$ 467,147
REVENUES			
Interest on investments	7,388	20,000	20,000
Grants	314,336	-	880,000
TOTAL REVENUES	321,724	20,000	900,000
EXPENDITURES			
Public works	-	-	1,367,150
TOTAL EXPENDITURES	-	-	1,367,150
NET REVENUES (EXPENDITURES)	\$ 321,724	\$ 20,000	\$ (467,150)
NET ENDING BALANCE	\$ 447,147	\$ 467,147	\$ (3)

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
POLICE FORFEITED PROPERTY			
BEGINNING BALANCE	\$ 19,965	\$ 19,965	\$ 19,965
REVENUES			
Interest on investments	-	-	-
Fines and forfeits	-	5,000	5,000
TOTAL REVENUES	-	5,000	5,000
EXPENDITURES			
Police Department	-	5,000	22,000
TOTAL EXPENDITURES	-	5,000	22,000
NET REVENUES (EXPENDITURES)	-	-	(17,000)
NET ENDING BALANCE	\$ 19,965	\$ 19,965	\$ 2,965

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
FIRE TRAINING			
BEGINNING BALANCE	\$ 7,647	\$ 7,647	\$ 8,647
REVENUES			
Interest on investments	-	-	-
Grants	-	1,000	1,000
TOTAL REVENUES	-	1,000	1,000
EXPENDITURES			
Fire Department Training	-	-	6,000
TOTAL EXPENDITURES	-	-	6,000
NET REVENUES (EXPENDITURES)	-	1,000	(5,000)
NET ENDING BALANCE	\$ 7,647	\$ 8,647	\$ 3,647

**CITY OF WEST UNIVERSITY PLACE BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009 AND ENDING
DECEMBER 31, 2009**

	2007 Actual	2008 Estimated	2009 Budget
GOOD NEIGHBOR FUND			
BEGINNING BALANCE	\$ 2,366	\$ 2,366	\$ 2,366
REVENUES			
Interest on investments	-	-	-
Donations	-	-	-
TOTAL REVENUES	-	-	-
EXPENDITURES			
Parks and recreation	-	-	2,400
TOTAL EXPENDITURES	-	-	2,400
NET REVENUES (EXPENDITURES)	-	-	(2,400)
NET ENDING BALANCE	2,366	2,366	(34)

CITY OF WEST UNIVERSITY PLACE, TEXAS BUDGET AMENDMENT
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	2008 Original Budget	Amendment October 27, 2008	2008 Amended Budget
GENERAL FUND			
REVENUES			
Ad Valorem Taxes	6,632,630		6,632,630
City Sales Tax	961,000		961,000
Franchise Fees	864,600		864,600
Licenses and Permits	693,070		693,070
Fees for Services	447,000	-	447,000
Other Charges and Fees	221,140		221,140
Recreation Fees	659,330		659,330
Fines and Court Costs	248,200		248,200
Investment Earnings	250,000	-	250,000
Other Revenues	219,960	-	219,960
Interfund Transfers	940,000	-	940,000
TOTAL REVENUES	12,136,930	-	12,136,930
Administration	868,380	51,620	920,000
Finance	1,488,870	-	1,488,870
Police	3,123,280	-	3,123,280
Fire	2,528,310	9,030	2,537,340
Public Works	2,064,360	-	2,064,360
Parks and Recreation	1,906,780	-	1,906,780
Emergency repair to Wesleyan	-	164,490	164,490
TOTAL EXPENDITURES	11,979,980	225,140	12,205,120
NET REVENUES (EXPENDITURES)	156,950	(225,140)	(68,190)
BEGINNING FUND BALANCE	4,058,052	-	4,058,052
ENDING FUND BALANCE	4,215,002	(225,140)	3,989,862

**City of West University Place
Harris County, Texas**

Ordinance No. 1880

AN ORDINANCE LEVYING AND ASSESSING AD VALOREM TAXES FOR TAX YEAR 2008; CONFIRMING AND GRANTING EXEMPTIONS; CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EMERGENCY.

WHEREAS, the City of West University Place Texas (the "City") has bonds outstanding which are payable from ad valorem taxes; and

WHEREAS, although the ordinances authorizing such bonds contain general levies of taxes, it is necessary for the City Council to fix a specific rate of tax for tax year 2008, based on the City's appraisal rolls for tax year 2008 which have been prepared, reviewed and certified by the Harris County Appraisal District; and

WHEREAS, the tax rate for tax year 2008 must not only provide funds sufficient for debt service on the City's bonds, but must also provide for maintenance and operation of the City;

WHEREAS, the assessor and collector of the City ("Assessor") has certified an anticipated collection rate to the City Council, has performed the calculations required by Section 26.04 of the Texas Tax Code, has reported the tax rate and other information required to be reported to the City Council and has published the information required to be published, having been designated to do so by the City Council; and

WHEREAS, all other preparatory steps for the adoption of a tax rate have been taken, as required by law:

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

Section 1. The matters and facts set out in the preamble of this ordinance are found and determined to be true and correct, and the City Council adopts, confirms, and ratifies all of the calculations, publications, notices, and other preparatory steps preceding the consideration of this ordinance.

Section 2. The City Council hereby levies, assesses and adopts the following tax rate per \$100 valuation for tax year 2008, such tax being levied and assessed upon all property subject to taxation by the City:

\$0.1860	For the purposes of maintenance and operations
<u>0.1730</u>	For the purposes of debt service
<u>\$0.3590</u>	Total tax rate

Section 3. Such tax is hereby levied and assessed in accordance with the terms and provisions of Article VIII of the City Charter and the Constitution and laws of the State of Texas, and such levy and assessment are made to provide funds for the 2009 budget of the City for the purposes indicated, including maintenance, operations and debt service for that budget period. However, this section does not prohibit the use of tax proceeds for other lawful purposes.

Section 4. The Assessor is hereby directed to assess and collect taxes on all property subject to taxation by the City on the basis of 100% of the assessed valuation thereof at the rate set by this ordinance. The taxes levied hereby shall be delinquent after January 31, 2009.

Section 5. The Revenue Manager for the City of West University Place is hereby appointed auditor of any refunds of overpayments or erroneous payments under the terms of Section 31.11(a) of the *Texas Property Tax Code*.

Section 6. The City Council hereby confirms and re-grants the following exemptions, subject to the legal requirements applicable to each exemption:

- (A) \$185,000.00 of the appraised value of the residence homestead of an individual who is disabled or who is 65 years of age or older.
- (B) The statutory exemption for each disabled veteran.

Section 7. All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 8. If any word, phrase, clause, sentence, paragraph, section or other part of this ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section, or other part of this ordinance to any other persons or circumstances, shall be affected thereby.

Section 9. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this ordinance was discussed, considered, or acted upon was given in the manner required by the Open Meetings Act, Chapter 551, Texas Local Government Code, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

Section 10. The public importance of this measure and the requirements of the law create an emergency and an urgent public necessity requiring that this Ordinance be passed and take effect as an emergency measure, and a state of emergency is hereby declared, and this Ordinance is accordingly passed as an emergency measure and shall take effect immediately upon adoption and signature.

PASSED, APPROVED, ADOPTED AND SIGNED, on this 27th day of October 2008.

Voting Aye: *Kelly, Fry, Zaharchuk, Suffry*

Voting Nay: *None*

Absent: *Cohen*

SIGNED:

Bob Kelly

Bob Kelly, Mayor

ATTEST:

Thelma Lenz

Thelma Lenz, City Secretary



RECOMMENDED:

Michael Ross

Michael Ross, City Manager

REVIEWED:

Alan Petrov

Alan Petrov, City Attorney

GLOSSARY OF TERMS

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

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

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

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

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

ASSESSED VALUATION: A value of real estate or other property established by a government as a basis for levying taxes.

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

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

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

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

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

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

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

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

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

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

CERTIFICATES OF OBLIGATION (CO'S): A debt instrument that is not secured by a pledge to raise property tax revenues sufficient to repay the maturing debt (see *GENERAL OBLIGATION BONDS below*). Certificates of Obligation may be issued without voter approval.

C.P.I: Abbreviation for the federal Consumer Price Index. The Consumer Price Index is often used as an indication of inflation. It is computed by the U.S. Department of Commerce.

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

CURRENT LIABILITIES: Debt or other legal obligations arising from past transactions that must be liquidated, renewed or refunded within one year.

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

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

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

ENCUMBRANCES: Obligations in the form of purchase orders or contracts charged to an appropriation that reserves the funds until payment must be made.

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

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

FRANCHISE: A special privilege granted by a governments grant to permit the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

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

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

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

GENERAL OBLIGATION BONDS: Bonds pledging payment backed by the full faith and credit of the issuing government. In issuing its general obligation bonds, the City of West University Place pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

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

-L- LEVEL OF CONTROL: The Budget Ordinance establishes appropriations for Departments within Funds. City Management can transfer funds between line items, and across divisions, but may not move appropriations between Departments, thus the level of control is at the Fund/Department level.

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

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

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

PURCHASE ORDER: A document that authorizes the delivery of specified merchandise or the rendering of certain services and establishing or agreeing a charge for them.

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

RESERVES: Fund balance that is set aside for a specific purpose. The City has formally established General Fund Reserves totaling 20% of projected General Fund revenues.

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

-T- TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

TAX RATE: The amount of tax levied for each \$100 of assessed valuation of real or personal property.

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

