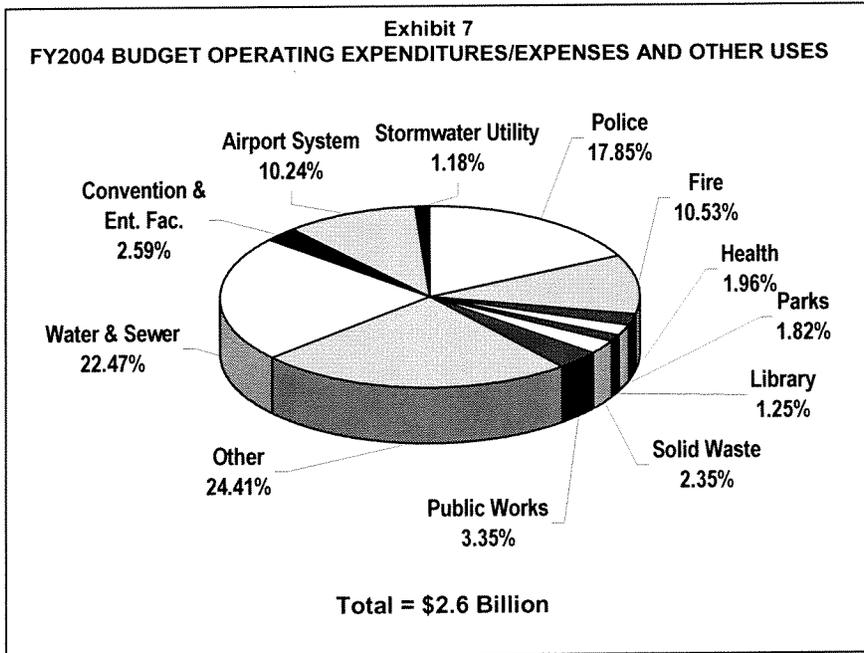
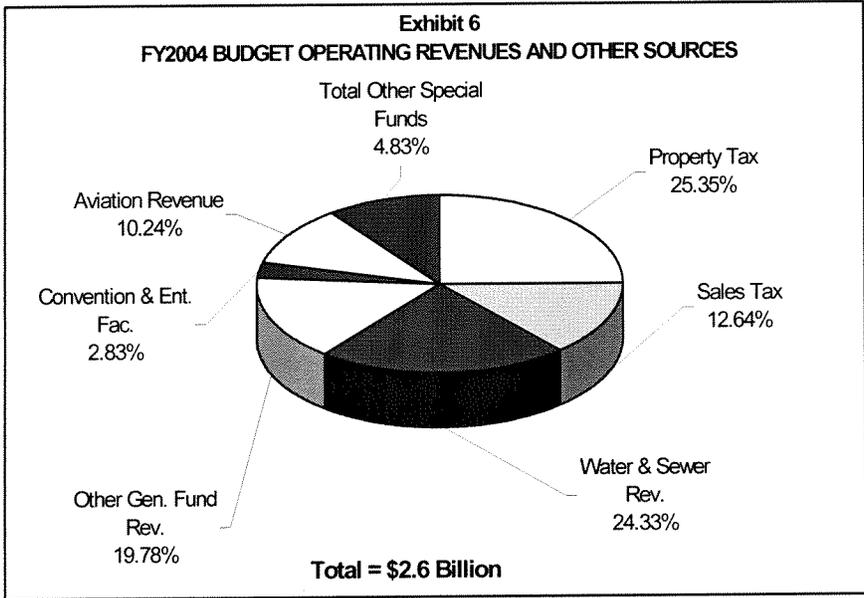


FUND EXHIBITS

Exhibits 6-11 present budget information in either graphical or table form by fund type, combined funds or in total as indicated on the graph or table. Exhibit 6 provides total resources, including beginning fund balance, by source for all operating funds (General Fund, Enterprise Funds, and Special Revenue Funds). The three major revenue sources are Water and Sewer Sales, Taxes and Charges for Services. Charges for Services includes user fee revenue from the Aviation, Convention & Entertainment and Special Revenue Funds. The FY2002 Budgeted Operating Expenditures/Expenses and Other Uses Chart, Exhibit 7, presents expenditures/expenses, and other uses by functional category for all operating funds. These exhibits are consistent with the Exhibit 8 totals.

Exhibit 8 presents operating budget summaries by fund and Exhibit 9 presents a consolidated summary of all resources, all expenditures and other uses. Exhibit 9 also includes FY2002 Actual, FY2003 Budget and Estimate as well as the FY2004 Budget.



FISCAL YEAR 2004 BUDGET

**EXHIBIT 8
(\$Thousands)**

BUDGET SUMMARY BY FUND

	<u>General</u>	<u>Airport System</u>	<u>Child Safetv</u>	<u>Conven. & Entertain. Facilities</u>	<u>Houston Emergency Center</u>	<u>Cable TV</u>
Beginning Fund Balance	104,772	0	405	12,730	313	227
Revenues and Other Sources	1,404,658	268,578	3,310	65,546	19,620	1,651
Disaster Recovery Fund Transfer	0	0	0	0	0	0
Total Available Resources	<u>1,509,430</u>	<u>268,578</u>	<u>3,715</u>	<u>78,276</u>	<u>19,933</u>	<u>1,878</u>
Maintenance & Operating Expenditures/Expenses						
Personnel Services	1,007,540	54,769	0	5,543	16,981	541
Supplies And Services	215,854	105,018	3,310	47,582	2,639	1,069
Capital Equipment	5,097	821	0	1,423	0	25
Total Maintenance & Operating Expenditures/Expense	<u>1,228,491</u>	<u>160,608</u>	<u>3,310</u>	<u>54,548</u>	<u>19,620</u>	<u>1,635</u>
Debt Service	2,404	0	0	0	0	0
Total Expenditures/Expenses	<u>1,230,895</u>	<u>160,608</u>	<u>3,310</u>	<u>54,548</u>	<u>19,620</u>	<u>1,635</u>
Other Uses Interfund Transfers						
Revenue Debt Service	0	102,970	0	13,400	0	0
Public Improvement Bonds Debt Service	147,850	0	0	0	0	0
Certificates of Obligation Debt Service	17,150	0	0	0	0	0
Other Funds	0	5,000	0	0	0	0
Operating Transfer	10,763	0	0	0	0	0
Capital Improvement Funds	0	0	0	0	0	0
Total Other Uses	<u>175,763</u>	<u>107,970</u>	<u>0</u>	<u>13,400</u>	<u>0</u>	<u>0</u>
Total Expenditures/Expenses & Other Uses	<u>1,406,658</u>	<u>268,578</u>	<u>3,310</u>	<u>67,948</u>	<u>19,620</u>	<u>1,635</u>
Ending Fund Balance	<u>102,772</u>	<u>0</u>	<u>405</u>	<u>10,328 *</u>	<u>313</u>	<u>244</u>
Amount Designated for						
"Rainy Day" Cash Reserve	(20,000)	0	0	0	0	0
Sign Abatement	(2,074)	0	0	0	0	0
Ending Fund Balance - Undesignated	<u>80,698</u>	<u>0</u>	<u>405</u>	<u>10,328</u>	<u>313</u>	<u>244</u>
Total Budget	<u><u>1,509,430</u></u>	<u><u>268,578</u></u>	<u><u>3,715</u></u>	<u><u>78,276</u></u>	<u><u>19,933</u></u>	<u><u>1,878</u></u>

*The ending fund balance includes a \$3,992,000 restricted amount in Fund 601, C & E, that became unrestricted as of 12/30/03.

Totals may reflect slight variances due to rounding.

FISCAL YEAR 2004 BUDGET

**EXHIBIT 8
(\$Thousands)**

BUDGET SUMMARY BY FUND

	<u>Houston TranStar Center</u>	<u>Municipal Building Security</u>	<u>Municipal Technology Fee</u>	<u>Parks Special</u>	<u>Police Asset Forfeit.</u>	<u>Police Auto Dealers</u>	<u>Police Special Service</u>
Beginning Fund Balance	26	766	2,898	2,557	100	495	4,622
Revenues and Other Sources	1,705	515	1,474	6,406	6,000	2,268	11,828
Disaster Recovery Fund Transfer	0	0	0	0	0	0	0
Total Available Resources	<u>1,731</u>	<u>1,281</u>	<u>4,373</u>	<u>8,963</u>	<u>6,100</u>	<u>2,763</u>	<u>16,450</u>
			0				
Maintenance & Operating Expenditures/Expenses							
Personnel Services	416	0	0	3,639	3,633	1,803	11,595
Supplies And Services	1,225	300	1,358	2,661	2,231	811	2,028
Capital Equipment	90	950	1,182	181	237	110	1,175
Total Maintenance & Operating Expenditures/Expense	<u>1,731</u>	<u>1,250</u>	<u>2,540</u>	<u>6,481</u>	<u>6,100</u>	<u>2,724</u>	<u>14,798</u>
Debt Service	0	0	0	0	0	0	0
Total Expenditures/Expenses	<u>1,731</u>	<u>1,250</u>	<u>2,540</u>	<u>6,481</u>	<u>6,100</u>	<u>2,724</u>	<u>14,798</u>
			0				
Other Uses Interfund Transfers							
Revenue Debt Service	0	0	0	0	0	0	0
Public Improvement Bonds Debt Service	0	0	0	0	0	0	0
Certificates of Obligation Debt Service	0	0	150	0	0	0	400
Other Funds	0	0	0	0	0	0	0
Operating Transfer	0	0	0	0	0	0	0
Capital Improvement Funds	0	0	0	0	0	0	0
Total Other Uses	<u>0</u>	<u>0</u>	<u>150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>400</u>
Total Expenditures/Expenses & Other Uses	<u>1,731</u>	<u>1,250</u>	<u>2,690</u>	<u>6,481</u>	<u>6,100</u>	<u>2,724</u>	<u>15,198</u>
Ending Fund Balance	<u>0</u>	<u>31</u>	<u>1,682</u>	<u>2,482</u>	<u>0</u>	<u>39</u>	<u>1,252</u>
Amount Designated for							
"Rainy Day" Cash Reserve	0	0	0	0	0	0	0
Sign Abatement	0	0	0	0	0	0	0
Ending Fund Balance - Undesignated	<u>0</u>	<u>31</u>	<u>1,682</u>	<u>2,482</u>	<u>0</u>	<u>39</u>	<u>1,252</u>
Total Budget	<u><u>1,731</u></u>	<u><u>1,281</u></u>	<u><u>4,373</u></u>	<u><u>8,963</u></u>	<u><u>6,100</u></u>	<u><u>2,763</u></u>	<u><u>16,450</u></u>

Totals may reflect slight variances due to rounding.

FISCAL YEAR 2004 BUDGET

**EXHIBIT 8
(\$Thousands)**

BUDGET SUMMARY BY FUND

	<u>Planning Building Inspection</u>	<u>Planning Sign Admin.</u>	<u>PW&E Storm- water Utility</u>	<u>PW&E TxDOT Sign.</u>	<u>PW&E Water & Sewer</u>	<u>TOTAL GEN. FUND ENTERPRISE & SPECIAL</u>
Beginning Fund Balance	\$ 6,146	912	18,004	0	38,198	193,172
Revenues and Other Sources	19,109	1,650	12,729	748	589,410	2,417,204
Disaster Recovery Fund Transfer	0	0	0	0	0	0
Total Available Resources	<u>25,255</u>	<u>2,562</u>	<u>30,733</u>	<u>748</u>	<u>627,608</u>	<u>2,610,376</u>
	0					
Maintenance & Operating Expenditures/Expenses						
Personnel Services	16,504	1,857	16,239	387	116,360	1,257,806
Supplies And Services	7,355	201	12,564	356	181,300	587,862
Capital Equipment	598	309	1,530	0	0	13,727
Total Maintenance & Operating Expenditures/Expense	<u>24,457</u>	<u>2,367</u>	<u>30,333</u>	<u>743</u>	<u>297,659</u>	<u>1,859,394</u>
Debt Service	0	0	0	0	0	2,404
Total Expenditures/Expenses	<u>24,457</u>	<u>2,367</u>	<u>30,333</u>	<u>743</u>	<u>297,659</u>	<u>1,861,798</u>
	0					
Other Uses Interfund Transfers						
Revenue Debt Service	0	0	0	0	218,343	334,713
Public Improvement Bonds Debt Servi	0	0	0	0	0	147,850
Certificates of Obligation Debt Service	0	0	0	5	0	17,705
Other Funds	0	0	0	0	73,408	78,408
Operating Transfer	0	0	400	0	0	11,163
Capital Improvement Funds	0	0	0	0	0	0
Total Other Uses	<u>0</u>	<u>0</u>	<u>400</u>	<u>5</u>	<u>291,751</u>	<u>589,839</u>
Total Expenditures/Expenses & Other Uses	<u>24,457</u>	<u>2,367</u>	<u>30,733</u>	<u>748</u>	<u>589,410</u>	<u>2,451,638</u>
Ending Fund Balance	<u>798</u>	<u>195</u>	<u>0</u>	<u>0</u>	<u>38,198</u>	<u>158,738</u> *
Amount Designated for "Rainy Day" Cash Reserve	0	0	0	0	0	(20,000)
Sign Abatement	0	0	0	0	0	(2,074)
Ending Fund Balance - Undesignated	<u>798</u>	<u>195</u>	<u>0</u>	<u>0</u>	<u>38,198</u>	<u>136,664</u>
Total Budget	<u>\$ 25,255</u>	<u>2,562</u>	<u>30,733</u>	<u>748</u>	<u>627,608</u>	<u>2,610,376</u>

* The ending fund balance includes a \$3,992,000 restricted amount that became un-restricted as of 12/30/03.
Totals may reflect slight variances due to rounding.
Totals do not include interfund eliminations.

FISCAL YEAR 2004 BUDGET

**EXHIBIT 9
(\$ Thousands)**

**Consolidated Summary for the General Fund,
Enterprise Funds and Special Revenue Funds**

	FY2002 Actual	FY2003 Budget	FY2003 Estimate	FY2004 Budget
Beginning Fund Balance	157,884	175,771	175,771	193,172
Revenues/Resources				
Transfer From Other Fund	0	0	15,000	0
Disaster Recovery Fund	0	14,712	0	0
Taxes	954,786	1,009,057	959,246	992,398
Ind. Dist. Assessment	15,642	16,000	16,000	16,350
Electric Franchise	91,456	78,200	78,200	79,764
Telephone Franchise	58,695	58,458	59,458	60,944
Gas Franchise	13,740	13,550	14,463	17,000
Other Franchise	11,469	13,612	13,012	15,897
Licenses & Permits	12,559	18,061	18,689	15,334
Intergovernmental	20,028	20,468	23,473	21,168
Water & Sewer Sales	553,741	581,473	557,960	589,410
Charges for Services	501,231	481,376	454,893	463,001
Direct Interfund Services	62,590	74,457	60,857	62,616
Indirect Interfund Services	15,095	15,373	15,273	14,393
Fines & Forfeits	35,208	44,940	43,607	46,255
Other Fines & Forfeits	2,379	2,397	2,317	2,815
Interest	8,395	8,500	6,500	6,750
Miscellaneous	35,093	12,008	43,851	13,109
Total Revenues/Other Sources	2,392,107	2,462,642	2,382,799	2,417,204
Total Available Resources	2,549,991	2,638,413	2,558,570	2,610,376
Expenditures/Expense - M & O				
Personnel Services	1,164,810	1,237,224	1,202,174	1,257,806
Supplies and Services	511,815	598,659	558,625	587,862
Capital/Equipment	10,701	20,122	12,870	13,727
Total Maintenance & Operating Expenditures/Expense	1,687,326	1,856,005	1,773,669	1,859,395
Debt Service	74,545	4,650	3,220	2,404
Total Expenditures/Expense	1,761,871	1,860,655	1,776,889	1,861,799
Other Uses				
Revenue Bonds Debt Service	342,461	351,540	319,547	334,713
Public Improvement Bonds Debt	151,850	160,850	160,850	147,850
Certificates of Obligation Debt	19,082	17,645	17,634	17,705
Other Funds	101,427	70,819	81,249	78,408
Operating Transfer-Out	(2,471)	8,263	9,229	11,163
Capital Improvements Funds	0	0	0	0
Total Other Uses	612,349	609,117	588,509	589,839
Total Expenditures/Expense and Other Uses	2,374,220	2,469,772	2,365,398	2,451,638
Ending Fund Balance	175,771	168,641	193,172	158,738
Amounts Designated for Capital Projects				
Sign Abatement	(2,074)	(2,074)	(2,074)	(2,074)
"Rainy Day" Cash Reserve	(5,000)	(19,712)	(20,000)	(20,000)
Ending Fund Balance-Undesignated	173,697	148,929	171,098	136,664
Total Budget	2,549,991	2,638,413	2,558,570	2,610,376

Totals may reflect slight variance due to rounding.

Exhibit 10 presents budget summaries for Enterprise-related funds, Internal Services funds, Revolving funds, the Tax Increment Reinvestment Zones (TIRZs) and the General Debt Service Fund.

- Airport Capital and Public Utility Capital Outlay funds are Enterprise-related funds. The expenditures for these funds are supported by revenues generated by Enterprise funds and are used for the purchase of capital equipment.
- The Internal Services funds include Health Benefits and Long Term Disability. These funds are supported by reimbursements from various funds and are used to provide City employees health care, life insurance benefits and long-term disability coverage.
- Revolving funds include Central Services, Fire Reconstruction, Fleet Management, Property and Casualty and Workers Compensation. These funds provide goods and services to operating departments and costs are charged to the departments after the delivery of goods and services.
- Tax Increment Reinvestment Zones are reinvestment zones created by the City. The taxes generated by the increase in value attributed to the improvements in each zone are captured in separate funds set up for each TIRZ and are used to pay for approved project costs.
- The General Debt Service Fund is established for the principal and interest payments on the City's tax-supported debt. The obligations include public improvement bonds, certificates of obligation, annexed district bonds, and commercial paper notes. The budget for this fund provides for the payment of debt issued to fund projects in the annual Capital Improvement Plan (CIP). The fund also accounts for debt issued for equipment purchases, demolition of dangerous buildings, claims and judgments and debt assumed through annexation. Property tax receipts and amounts reimbursed by the Water and Sewer Revenue Fund for annexed district debt or sewer related debt are transferred to this fund to cover the debt service requirements.

These funds are not included in Exhibit 8 and 9. The chart below shows total expenditures for the funds in Exhibit 10.

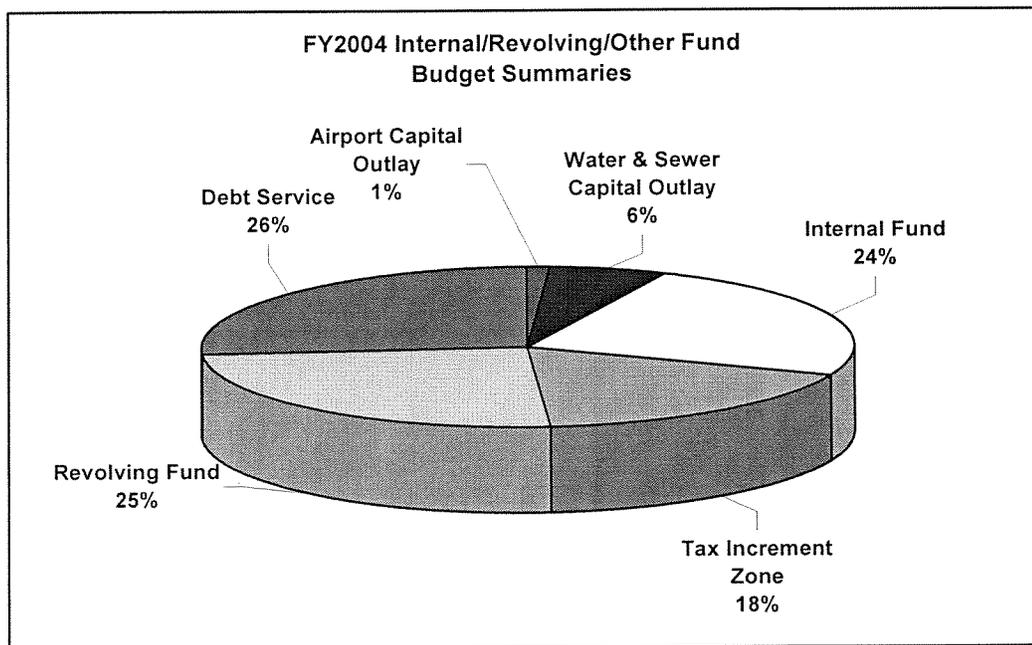


EXHIBIT 10
(\$ Thousands)

BUDGET SUMMARY BY FUND
Enterprise Related/Internal Service/
Revolving/TIRZ/Debt Service

	<u>Airport Capital Outlay</u>	<u>PW&E Water\Sewer Capital Outlay</u>	<u>Health Benefits</u>	<u>Long Term Disability</u>	<u>Central Services</u>	<u>Fire Recon- struction</u>
Beginning Fund Balance	0	0	1,596	35	0	0
Revenues and Other Sources	6,282	46,709	189,183	1,210	132,706	2,122
Total Available Resources	<u>6,282</u>	<u>46,709</u>	<u>190,779</u>	<u>1,245</u>	<u>132,706</u>	<u>2,122</u>
Maintenance & Operating Expenditures/Expenses	0	0	0	0	0	0
Personnel Services	0	0	2,115	0	803	1,002
Supplies and Services	0	0	186,708	1,225	131,903	1,074
Capital Equipment	6,282	16,688	359	0	0	46
Total Maintenance & Operating Expenditures/Expenses	<u>6,282</u>	<u>16,688</u>	<u>189,182</u>	<u>1,225</u>	<u>132,706</u>	<u>2,122</u>
Debt Service	0	0	0	0	0	0
Total Expenditures/Expenses	<u>6,282</u>	<u>16,688</u>	<u>189,182</u>	<u>1,225</u>	<u>132,706</u>	<u>2,122</u>
Other Uses Interfund Transfers						
Revenue Debt Service	0	0	0	0	0	0
Public Improvement Bonds	0	30,021	0	0	0	0
Certificates of Obligation	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0
Operating Transfers	0	0	0	0	0	0
Capital Improvement Funds	0	0	0	0	0	0
Total Other Uses	<u>0</u>	<u>30,021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures/Expenses & Other Uses	<u>6,282</u>	<u>46,709</u>	<u>189,182</u>	<u>1,225</u>	<u>132,706</u>	<u>2,122</u>
Ending Fund Balance	0	0	1,597	20	0	0
Total Budget	<u><u>6,282</u></u>	<u><u>46,709</u></u>	<u><u>190,779</u></u>	<u><u>1,245</u></u>	<u><u>132,706</u></u>	<u><u>2,122</u></u>

EXHIBIT 10
(\$ Thousands)

BUDGET SUMMARY BY FUND
Enterprise Related/Internal Service/
Revolving/TIRZ/Debt Service

	PW&E Fleet Maint.	Property & Casualty	Workers Comp	TIRZ	General Debt Service	Total ⁽¹⁾
Beginning Fund Balance	(756)	62	31,743	71,937	101,125	173,999
Revenues and Other Sources	9,732	24,984	0	134,016	198,675	777,362
Total Available Resources	8,976	25,046	31,743	205,953	299,800	951,361
Maintenance & Operating Expenditures/Expenses	0	0	0	0	0	0
Personnel Services	5,311	2,343	2,029	0	0	13,603
Supplies and Services	4,308	22,641	29,701	16,793	0	394,353
Capital Equipment	111	0	13	0	0	23,499
Total Maintenance & Operating Expenditures/Expenses	9,730	24,984	31,743	16,793	0	431,455
Debt Service	0	0	0	22,409	213,352	235,761
Total Expenditures/Expenses	9,730	24,984	31,743	39,202	213,352	667,216
Other Uses Interfund Transfers						
Revenue Debt Service	0	0	0	0	0	0
Public Improvement Bonds	0	0	0	0	0	30,021
Certificates of Obligation	0	0	0	0	0	0
Other Funds	0	0	0	1,068	0	1,068
Operating Transfers	0	0	0	102,138	0	102,138
Capital Improvement Funds	0	0	0	0	0	0
Total Other Uses	0	0	0	103,206	0	133,227
Total Expenditures/Expenses & Other Uses	9,730	24,984	31,743	142,408	213,352	800,443
Ending Fund Balance	(754)	62	0	63,545	86,448	150,918
Total Budget	8,976	25,046	31,743	205,953	299,800	951,361

(1) Does not include interfund eliminations.
Totals may reflect slight variances due to rounding.