



**The Town of Flower Mound’s Fire Services Emblem:**

The Town of Flower Mound’s emblem for Fire Services was designed by retired Fire Fighter/Paramedic Randy Curtis, approximately seven years ago. It embodies the Texas State Flag and the Maltese Cross, with a “FD” overlay. The Maltese Cross is the symbol of fire service, which tracks back to the crusades, when the Knights of Malta cared for Christian fighters that were burned with boiling oil.

**GENERAL GOVERNMENTAL EXPENDITURES PER CAPITA  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Total Governmental Expenditures (1)</u>	<u>Per Capita Expenditures (2)</u>
1992	\$ 6,228,838	\$ 276.83
1993	7,418,923	299.15
1994	8,825,057	300.17
1995	10,328,560	333.18
1996	11,376,983	336.60
1997	14,823,887	390.62
1998	19,510,882	459.08
1999	23,140,029	462.80
2000	26,007,634	506.97
2001	29,010,648	551.49

**Notes:**

- (1) Total governmental expenditures include the General Fund and Debt Service Fund.
- (2) Based on population estimates.

**GENERAL GOVERNMENTAL ACTUAL  
EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Total Governmental Expenditures (1)</u>	<u>General Government (2)</u>	<u>Public Safety- Police</u>	<u>Public Safety- Fire</u>
1992	\$ 6,228,838	\$ 993,627	\$ 1,770,885	\$ 1,008,565
1993	7,418,923	907,226	2,049,111	1,277,986
1994	8,825,057	983,355	2,336,606	1,572,717
1995	10,328,559	1,043,696	2,903,670	1,673,524
1996	11,376,983	1,248,346	3,230,853	1,834,708
1997	14,823,887	2,261,911	3,199,876	1,956,673
1998	19,510,882	3,101,664	3,961,439	2,810,430
1999	23,140,029	3,843,031	4,149,547	3,311,854
2000	24,143,680	4,532,357	4,463,628	3,541,487
2001	29,010,648	6,361,963	5,718,199	4,346,147

**Notes:**

- (1) Includes General Fund and Debt Service Fund expenditures.
- (2) Expenditures under the column heading "General Government" include those for Legislative Services, Town Manager's Office, Community Services Administration, Financial Services, Human Resources, and Information Technology.
- (3) Expenditures under the column heading "Community Development" include those for Building Inspection, Construction Inspection and Economic Development.
- (4) Public Works expenditures include those for Solid Waste and Street Operations.
- (5) Culture and Recreation includes Parks and Recreation, Library, Facilities Management and Community Support expenditures.

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*Town of Flower Mound, Texas*  
2002-2003 ANNUAL BUDGET

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<u>Community Development (3)</u>	<u>Public Works (4)</u>	<u>Culture and Recreation (5)</u>	<u>Debt Service</u>
\$ 414,945	\$ 565,827	\$ 468,285	\$ 1,006,704
540,572	460,318	1,195,210	988,500
625,075	674,532	1,581,885	1,050,887
769,306	592,258	2,107,555	1,238,550
827,764	1,636,057	1,397,679	1,201,576
1,323,692	2,284,597	2,037,670	1,759,468
1,482,739	2,975,092	2,634,720	2,544,798
1,745,789	3,554,517	3,187,304	3,347,987
1,951,265	1,121,133	3,605,239	4,928,571
1,344,602	2,067,151	4,327,961	4,844,625

**GENERAL REVENUES AND TRANSFERS BY SOURCE  
LAST TEN FISCAL YEARS**

Year Ended September 30	Total Revenue (1)	Taxes			
		General Property Tax	Franchise Tax	Sales Tax	Other Non-Property Taxes
1992	\$ 7,144,971	\$ 3,970,994	\$ 417,783	\$ 525,670	\$ 165,637
1993	8,551,214	4,358,673	494,202	703,167	242,931
1994	9,661,792	4,804,198	627,249	898,337	343,319
1995	11,643,873	5,790,131	743,778	1,093,398	552,966
1996	13,710,322	6,998,710	857,065	1,682,469	304,501
1997	16,168,376	7,964,237	1,087,981	1,614,647	471,500
1998	20,709,791	9,459,109	1,289,684	2,002,001	629,283
1999	22,391,635	11,017,662	2,189,105	2,426,323	350,593
2000	25,826,970	13,504,168	2,556,354	3,034,090	434,060
2001	28,937,715	16,298,089	2,826,951	3,236,393	542,970

**Notes:**

- (1) Includes General Fund and Debt Service Fund revenue.
- (2) Other revenue includes interest earned on investments.

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*Town of Flower Mound, Texas*  
2002-2003 ANNUAL BUDGET

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<u>Licenses and Permits</u>	<u>Inter- govern- mental</u>	<u>Charges for Services</u>	<u>Fines and Forfeits</u>	<u>Other Revenue (2)</u>
\$ 1,088,834	\$ 143,109	\$ 462,869	\$ 116,556	\$ 253,519
1,280,473	120,855	966,856	146,736	237,321
1,351,246	111,592	1,120,761	187,289	217,801
1,459,404	128,975	1,270,257	253,616	351,348
1,508,985	118,870	1,475,343	317,881	446,498
2,135,817	135,401	1,446,461	330,329	982,003
2,735,556	115,213	1,977,889	475,326	2,025,730
2,425,843	147,756	2,206,957	619,057	1,008,339
2,097,023	155,827	2,408,693	639,897	996,858
2,153,165	318,584	406,118	817,436	2,338,009

**RATIO COMPOSITION OF GENERAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**

Year Ended September 30	Total Revenue (1)	Taxes			
		General Property Tax	Franchise Tax	Sales Tax	Other Non-Property Taxes
1992	\$7,144,971	55.6%	5.8%	7.4%	2.3%
1993	8,551,214	51.0%	5.8%	8.2%	2.8%
1994	9,661,792	49.7%	6.5%	9.3%	3.5%
1995	11,643,873	49.7%	6.4%	9.4%	4.8%
1996	13,710,322	51.0%	6.3%	12.3%	2.2%
1997	16,168,376	49.3%	6.7%	10.0%	2.9%
1998	20,709,791	45.7%	6.2%	9.7%	3.0%
1999	22,391,635	49.2%	9.8%	10.8%	1.6%
2000	25,826,970	52.3%	9.9%	11.7%	1.7%
2001	28,937,715	56.3%	9.8%	11.2%	1.9%

**Notes:**

- (1) Includes General Fund and Debt Service Fund revenue.
- (2) Other revenue includes interest earned on investments.

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Town of Flower Mound, Texas  
2002-2003 ANNUAL BUDGET

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<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Charges for Services</u>	<u>Fines and Forfeits</u>	<u>Other Revenue (2)</u>
15.2%	2.0%	6.5%	1.6%	3.5%
15.0%	1.4%	11.3%	1.7%	2.8%
14.0%	1.2%	11.6%	1.9%	2.3%
12.5%	1.1%	10.9%	2.2%	3.0%
11.0%	0.9%	10.8%	2.3%	3.3%
13.2%	0.8%	8.9%	2.1%	6.1%
13.2%	0.6%	9.6%	2.2%	9.8%
10.8%	0.6%	9.9%	2.8%	4.5%
8.1%	0.6%	9.3%	2.5%	3.9%
7.4%	1.1%	1.4%	2.8%	8.1%

**SUMMARY OF TAX COLLECTION ACTIVITY  
FISCAL YEAR ENDED SEPTEMBER 30, 2001**

Tax Year	Rate	Assessed Value	Assessed Tax	Balance October 1, 2000	Current Year Taxes	Adjustments	Collections	Balance September 30, 2001
1975	0.5000	\$ 37,868,765	\$ 189,345	\$ 4	\$ -	\$ -	\$ 4	\$ -
1976	0.5500	38,771,895	213,245	3	-	-	3	0
1977	0.8300	37,851,790	314,170	4	-	-	4	0
1978	0.6100	59,265,145	361,517	19	-	-	5	14
1979	0.3200	120,708,010	386,266	34	-	-	19	15
1980	0.3900	115,029,446	448,615	49	-	-	23	26
1981	0.3900	121,045,778	472,079	55	-	-	23	32
1982	0.3472	196,273,083	681,460	95	-	-	26	69
1983	0.3609	209,655,611	756,647	109	-	-	27	82
1984	0.3734	246,746,846	921,353	230	-	-	28	202
1985	0.4813	361,208,535	1,738,497	524	-	-	42	482
1986	0.4590	508,548,752	2,334,239	1,011	-	-	40	971
1987	0.4965	597,852,297	2,968,337	2,812	-	-	32	2,780
1988	0.5429	635,262,203	3,448,839	4,164	-	-	75	4,089
1989	0.5098	712,297,959	3,631,295	2,155	-	-	33	2,122
1990	0.5238	683,913,387	3,671,465	5,518	-	-	317	5,201
1991	0.5238	724,885,747	3,797,561	6,780	-	-	413	6,367
1992	0.5040	822,767,012	4,270,868	5,321	-	-	345	4,976
1993	0.4812	967,695,664	4,719,881	4,558	-	-	677	3,881
1994	0.4570	1,197,390,633	5,472,210	16,981	-	2,001	13,052	5,930
1995	0.4500	1,500,157,193	6,750,713	17,174	-	30,055	15,257	31,972
1996	0.4500	1,740,207,111	7,830,976	19,701	-	26,084	18,205	27,580
1997	0.4500	2,045,069,624	9,120,247	22,771	-	25,243	19,975	28,039
1998	0.4500	2,387,143,045	10,653,547	34,912	-	26,406	21,888	39,430
1999	0.4500	2,948,590,099	13,162,443	97,410	-	23,753	60,549	60,614
2000	0.4500	3,539,647,836	15,618,951	-	15,618,951	546,455	16,002,781	162,625
				<u>\$ 242,394</u>	<u>\$ 15,618,951</u>	<u>\$ 679,997</u>	<u>\$ 16,153,843</u>	\$ 387,499
								( 50,347)
								<u>\$ 337,152</u>

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE  
OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Assessed Value To Actual Value</u>
1992	\$ 724,885,747	\$ 724,885,747	100%
1993	822,767,012	822,767,012	100%
1994	967,695,664	967,695,664	100%
1995	1,197,390,633	1,197,390,633	100%
1996	1,500,157,193	1,500,157,193	100%
1997	1,740,207,111	1,740,207,111	100%
1998	2,045,069,624	2,045,069,624	100%
1999	2,387,143,045	2,387,143,045	100%
2000	2,948,590,099	2,948,590,099	100%
2001	3,568,031,429	3,568,031,429	100%

**PROPERTY TAX LEVIES AND TAX COLLECTIONS  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Adjusted Tax Levy</u>	<u>Current Years' Taxes Collected</u>	<u>Percent of Current Levy Collected</u>
1992	\$3,848,735	\$3,778,387	98.17%
1993	4,270,868	4,214,390	98.68%
1994	4,719,881	4,684,373	99.25%
1995	5,582,878	5,539,982	99.23%
1996	6,786,579	6,750,713	99.47%
1997	7,881,203	7,831,771	99.37%
1998	9,305,171	9,251,655	99.42%
1999	10,924,718	10,864,142	99.45%
2000	13,368,073	13,270,663	99.27%
2001	16,165,406	16,002,781	98.99%

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Town of Flower Mound, Texas  
2002-2003 ANNUAL BUDGET

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<u>Prior Years' Taxes Collected</u>	<u>Total Collections</u>	<u>Total Collections as Per Cent of Tax Levy</u>	<u>Accumulated Delinquent Taxes</u>	<u>Ratio Accumulated Delinquent Taxes to Current Levy</u>
\$121,743	\$3,900,130	101.34%	\$203,093	5.28%
69,921	4,284,311	100.31%	196,280	4.60%
83,006	4,767,379	101.01%	146,554	3.11%
119,672	5,659,654	101.38%	235,644	4.22%
173,345	6,924,058	102.03%	163,443	2.41%
61,919	7,893,690	100.16%	136,147	1.73%
118,860	9,370,515	100.70%	104,388	1.12%
91,674	10,955,816	100.28%	142,258	1.30%
161,285	13,431,948	100.48%	143,047	1.07%
151,062	16,153,843	99.93%	224,874	1.39%

**ANALYSIS OF SALES TAX REVENUE  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Sales Tax Revenue</u>	<u>Per Cent Change From Prior Year</u>	<u>Equivalent of Ad Valorem Tax Rate</u>	<u>Per Cent of Ad Valorem Tax Levy</u>	<u>Sales Tax Per Capita</u>
1992	\$ 525,670	27.7%	0.073	13.7%	\$ 23.36
1993	703,167	33.8%	0.085	16.5%	28.35
1994	898,337	27.8%	0.093	19.0%	30.56
1995	1,093,398	21.7%	0.091	20.0%	35.27
1996	1,682,469	53.9%	0.112	24.8%	49.78
1997	1,614,647	-4.0%	0.093	20.5%	42.55
1998	2,002,001	24.0%	0.098	21.5%	47.11
1999	2,426,323	21.2%	0.102	22.8%	48.53
2000	3,034,090	25.0%	0.103	22.7%	59.14
2001	3,236,393	6.7%	0.110	20.0%	61.52



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**UTILITY FRANCHISE FEES BY SOURCE  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Electric</u>	<u>Gas</u>	<u>Cable</u>
1992	\$ 284,476	\$ 39,556	\$ 32,230
1993	312,664	43,906	38,948
1994	422,358	61,502	50,055
1995	476,017	66,333	87,083
1996	568,872	77,391	94,547
1997	694,882	91,508	124,936
1998	797,293	109,810	158,968
1999	990,999	99,347	189,837
2000	1,029,216	105,724	255,059
2001	1,248,426	144,879	323,399

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*Town of Flower Mound, Texas*  
2002-2003 ANNUAL BUDGET

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<u>Telephone</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Total</u>
\$ 47,291	\$ 14,230	\$ -	\$ 417,783
64,974	33,710	-	494,202
67,218	26,116	-	627,249
93,772	20,573	-	743,778
91,126	25,129	-	857,065
108,318	68,337	-	1,087,981
137,993	85,620	-	1,289,684
156,838	100,682	651,402	2,189,105
290,094	117,655	758,606	2,556,354
184,250	123,965	802,032	2,826,951

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
SEPTEMBER 30, 2001**

<b>Taxing Body</b>	<b>Net Bonded Debt</b>	<b>Percentage of Debt Applicable to Town</b>	<b>Town of Flower Mound Share of Debt</b>
<b>Direct Debt:</b>			
Town of Flower Mound	\$ 58,295,000	100.00%	\$ 58,295,000
Total Direct Debt	58,295,000		58,295,000
<b>Overlapping Debt:</b>			
Lewisville Independent School District	432,798,650	15.89%	68,771,705
Argyle Independent School District	14,754,481	0.21%	30,984
Denton Independent School District	207,656,653	0.22%	456,845
Northwest Independent School District	116,871,993	1.67%	1,951,762
Denton County	139,412,571	13.79%	19,224,994
Total Overlapping Debt	911,494,348		90,436,290
Total Direct and Overlapping Bonded Debt	\$ 969,789,348		\$ 148,731,290
Ratio Direct and Overlapping Bonded Debt to Taxable Assessed Valuation (valued at 100% of market value)			<u>4.29%</u>
Per Capita Direct and Overlapping Bonded Debt			\$ <u>2,827</u>

**Sources:**

For net bonded debt, First Southwest Company, September 30, 2001.

For percentage of debt applicable to Town, Texas Municipal Report prepared by the Municipal Advisory Council of Texas.

**PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS**

Fiscal Year	Town of Flower Mound	Lewisville Independent School District	Argyle Independent School District	Denton Independent School District	Northwest Independent School District	County Education District	Denton County	Total
1992	\$ 0.5238	\$ 0.4876	\$ 0.6353	\$ 0.6200	\$ 0.5400	\$ 0.8450	\$ 0.2844	\$ 3.94
1993	0.5040	0.4876	0.6403	0.6250	0.5350	0.8405	0.2944	3.93
1994	0.4812	1.3900	1.4800	1.5602	1.4950	-	0.2994	6.71
1995	0.4570	1.4050	1.5723	1.5277	1.5888	-	0.2784	6.83
1996	0.4500	1.4370	1.5500	1.6607	1.6293	-	0.2669	6.83
1997	0.4500	1.5160	1.6400	1.7750	1.6758	-	0.2559	7.31
1998	0.4500	1.6100	1.7700	1.8500	1.6625	-	0.2488	7.59
1999	0.4500	1.5671	1.7400	1.7000	1.7047	-	0.2350	7.40
2000	0.4500	1.6100	1.7760	1.8440	1.6914	-	0.2319	7.60
2001	0.4497	1.6700	1.7545	1.8540	1.8348	-	0.2519	7.81

Source: Representatives of the taxing jurisdictions.

**RATIO OF NET BONDED DEBT  
TO ASSESSED VALUE AND  
NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Assessed Value</u>	<u>Bonded Debt</u>	<u>Less Debt Payable From Utility Revenue</u>
1992	\$ 724,885,747	\$ 7,885,000	\$ -
1993	822,767,012	7,430,000	-
1994	967,695,664	8,650,000	1,471,600
1995	1,197,390,633	9,140,000	1,448,200
1996	1,500,157,193	9,290,000	1,424,800
1997	1,740,207,111	25,445,000	1,401,400
1998	2,045,069,624	31,900,000	1,248,000
1999	2,387,143,045	44,915,000	1,086,800
2000	2,948,590,099	48,945,000	868,400
2001	3,568,031,429	58,295,000	642,200

**Note:**

This schedule was revised to reflect the Bonded Debt to include only General Obligation Bonds, Certificates of Obligations, and the tax supported debt. In the past, all outstanding debt for the Town was included in Bonded Debt (i.e.: Revenue Bonds).

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*Town of Flower Mound, Texas*  
2002-2003 ANNUAL BUDGET

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<u>Less Debt Service Fund Balance</u>	<u>Net Bonded Debt</u>	<u>Ratio Net General Bonded Debt to Assessed Value</u>	<u>Estimated Population</u>	<u>Net General Bonded Debt Per Capita</u>
\$ 249,379	\$ 7,635,621	1.05%	22,500	\$ 339
305,878	7,124,122	0.87%	24,800	287
306,019	6,872,381	0.71%	29,400	234
253,612	7,709,588	0.64%	31,000	249
317,027	7,548,173	0.50%	33,800	223
277,446	23,766,154	1.37%	37,950	626
506,217	30,145,783	1.47%	42,500	709
666,948	43,161,252	1.81%	50,000	863
175,684	47,900,916	1.62%	51,300	934
395,662	57,257,138	1.60%	52,604	1,088

**RATIO OF GENERAL OBLIGATION DEBT SERVICE EXPENDITURES  
TO TOAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest and Fiscal Charges</u>	<u>Total General Obligation Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of General Obligation Debt Service to Total General Expenditures</u>
1992	\$ 370,000	\$ 636,704	\$ 1,006,704	\$ 6,228,838	16.16%
1993	455,000	533,500	988,500	7,418,923	13.32%
1994	529,200	521,687	1,050,887	8,825,057	11.91%
1995	751,600	486,950	1,238,550	10,328,559	11.99%
1996	756,600	444,976	1,201,576	11,376,983	10.56%
1997	1,296,600	442,578	1,759,468	14,823,887	11.87%
1998	936,600	1,604,392	2,544,798	19,510,882	13.04%
1999	1,683,800	1,664,187	3,347,987	23,140,029	14.47%
2000	2,535,600	2,392,971	4,928,571	24,143,680	20.41%
2001	2,187,800 a	2,656,823	4,844,623	29,010,648	16.70%

a - The Certificates of Obligation are payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property within the Town, and (ii) a limited pledge of surplus Net Revenues of the Town's Waterworks and Sewer System not in excess of \$1,000, as provided in the ordinance authorizing the Certificates. A limited pledge of \$1,000 of the Town's Waterworks and Sewer System was applied to the Certificates of Obligation, Series 2000 princial payment in fiscal year 2001.

**TOWN OF FLOWER MOUND, TEXAS**  
**COMPUTATION OF LEGAL DEBT MARGIN**

The Town of Flower Mound operates under a Home Rule Charter as authorized by Article XI, Section 5 of the Texas Constitution. Accordingly, the Town is not limited by the law in the amount of debt it may issue.

Article IX, Section 9.15 of the Home Rule Charter of the Town of Flower Mound provides that:

The Town Council shall have the power under the provisions of the State Law to levy, assess and collect an annual tax upon real and personal property within the Town to the maximum provided by the Constitution and General Laws of the State of Texas.

Under the Texas Constitution, the Town is limited to a total tax rate of \$2.50 per \$100 of assessed valuation for all Town purposes, including payment of principal and interest on general obligation debt, and operations of the General Fund.

The Town of Flower Mound ad valorem tax rate for all purposes at September 30, 2001, was \$.4497 per \$100 of assessed valuation with taxable property assessed at 100% of market value.

**SIX-YEAR GENERAL FUND SUMMARY**

	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>
Beginning Fund Balance \$	1,603,402	\$ 5,862,163	\$ 7,156,434	\$ 6,320,842	\$ 4,690,447	\$ 5,096,142
Revenues	12,445,331	14,448,489	16,951,764	18,882,917	21,389,663	22,355,312
Expenditures	( 10,175,407)	( 13,064,419)	( 16,966,084)	( 19,792,042)	( 21,079,063)	( 24,166,023)
Other Funding Sources (Uses)	<u>1,988,837</u>	<u>( 313,085)</u>	<u>( 821,272)</u>	<u>( 721,270)</u>	<u>95,095</u>	<u>385,704</u>
Revenue Over (Under) Expenditures	<u>4,258,761</u>	<u>1,070,985</u>	<u>( 835,592)</u>	<u>( 1,630,395)</u>	<u>405,695</u>	<u>( 1,425,007)</u>
Net Effect due to change in Accounting method	<u>-</u>	<u>223,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 129,092)</u>
Ending Fund Balance	<u>\$ 5,862,163</u>	<u>\$ 7,156,434</u>	<u>\$ 6,320,842</u>	<u>\$ 4,690,447</u>	<u>\$ 5,096,142</u>	<u>\$ 3,542,043</u>

**GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance as % of Expenditures</u>
1992	\$ 2,416,677	\$ 5,222,134	46.3%
1993	2,030,833	6,430,423	31.6%
1994	1,458,217	7,774,170	18.8%
1995	1,603,402	9,090,009	17.6%
1996	5,862,163	10,175,407	57.6%
1997	7,118,501	13,064,419	54.5%
1998	5,468,473	16,966,084	32.2%
1999	3,978,933	19,792,042	20.1%
2000	4,717,248	21,079,063	22.4%
2001	3,274,975	24,166,023	13.6%

**SUMMARY OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
ENTERPRISE FUND  
LAST TEN FISCAL YEARS**

	1996	1997	1998	1999	2000	2001
Retained Earnings beginning of year	\$ 8,745,296	\$ 10,863,440	\$ 14,427,620	\$ 20,011,119	\$ 23,224,470	\$ 28,270,888
Plus: Operating Revenue	8,388,249	11,320,326	15,518,865	17,328,696	20,608,352	18,159,054
Less: Operating expenses before depreciation	<u>5,492,784</u>	<u>7,010,913</u>	<u>8,505,124</u>	<u>12,245,281</u>	<u>13,722,728</u>	<u>13,780,115</u>
Net operating income before interest and depreciation	2,895,465	4,309,413	7,013,741	5,083,415	6,885,624	4,378,939
Plus: Interest income	621,460	674,486	846,012	864,948	1,422,225	1,561,558
Less: Depreciation	( 1,704,709)	( 1,893,838)	( 2,173,203)	( 2,330,192)	( 2,372,621)	( 3,094,735)
Net interest expense	( 501,579)	( 451,985)	( 416,455)	( 374,784)	( 962,987)	( 1,297,208)
Operating transfers	-	( 71,552)	( 862,619)	( 1,285,551)	( 1,174,410)	( 1,161,943)
(1) Developer's Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,024,387</u>
Net increase (decrease) in retained earnings	1,310,637	2,566,524	4,407,476	1,957,836	3,797,831	2,410,998
Net adjustment to retained earnings	<u>807,507</u>	<u>997,656</u>	<u>1,176,023</u>	<u>1,255,515</u>	<u>1,248,587</u>	<u>1,248,587</u>
Retained earnings end of year	<u>\$ 10,863,440</u>	<u>\$ 14,427,620</u>	<u>\$ 20,011,119</u>	<u>\$ 23,224,470</u>	<u>\$ 28,270,888</u>	<u>\$ 31,930,473</u>

Note (1) - Effective October 1, 2000, the Town will report Developer's Contributions separate from Contributed Capital as in the past.

**SCHEDULE OF DEBT SERVICE COVERAGE  
ENTERPRISE FUND  
LAST TEN FISCAL YEARS**

Year Ended September 30	Total Revenue Available For Debt Service (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1992	\$ 6,448,629	\$ 2,104,414	\$ 4,344,215	\$ 496,938	\$ 706,495	\$ 1,203,433	3.61
1993	7,780,047	2,796,877	4,983,170	488,125	662,544	1,150,669	4.33
1994	8,346,996	3,336,109	5,010,887	548,800	647,450	1,196,250	4.19
1995	9,255,290	4,130,888	5,124,402	588,400	546,229	1,134,629	4.52
1996	10,357,667	5,492,784	4,864,883	642,944	502,951	1,145,895	4.25
1997	11,320,326	7,010,913	4,309,413	688,736	452,541	1,141,277	3.78
1998	15,518,865	8,505,124	7,013,741	614,596	399,821	1,014,417	6.91
1999	17,328,696	12,245,281	5,083,415	666,200	330,122	996,322	5.10
2000	20,608,352	13,722,728	6,885,624	1,078,400	891,970	1,970,370	3.49
2001	18,159,054	13,780,115	4,378,939	1,201,200	1,096,723	2,297,923	1.91

**Notes:**

- (1) Includes amount received in current year from water and sewer impact fees. Does not include interest earned on the investment of Revenue Bond proceeds.
- (2) Does not include depreciation.

**PRINCIPAL TAXPAYERS  
AS CERTIFIED FOR THE TAX ROLL DATED JANUARY 1, 2000**

<u>Name of Taxpayer</u>	<u>2000 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
1. General Telephone Company	\$ 17,189,848	0.50%
2. Albertsons Inc.	14,948,463	0.49%
3. Texas Utilities Electric Co.	14,575,000	0.41%
4. Flower Mound Apt LP P/S	12,271,652	0.40%
5. Security Capital Pacific Inc.	11,992,587	0.35%
6. Communications Services Inc.	10,250,000	0.34%
7. Landing at Arbor PL LTD	10,133,532	0.32%
8. Wellington Land Dev LLC	9,362,413	0.30%
9. Sovereign Tex Homes LTD	8,822,700	0.28%
10. CoServ Electric Co-op	8,378,830	0.00%
Total Taxable Value of 10 Largest Taxpayers	117,925,025	3.98%
Total Taxable Value of Other Taxpayers	<u>2,844,621,711</u>	<u>96.02%</u>
Total Taxable Value - All Taxpayers	<u>\$ 2,962,546,736</u>	<u>100.00%</u>

Source: Denton County Appraisal District

**CONSTRUCTION ACTIVITY  
LAST TEN FISCAL YEARS**

<u>Year Ended September 30</u>	<u>Total Building Permits Issued</u>	<u>Value All Permits</u>	<u>Residential</u>		<u>Commercial/Industrial</u>	
			<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
1992	1,101	\$ 111,803,688	1,095	\$ 101,789,404	6	\$ 10,014,284
1993	1,355	135,123,834	1,351	127,870,796	4	7,253,038
1994	1,326	137,384,918	1,318	128,683,918	8	8,701,000
1995	1,391	154,210,983	1,376	144,192,149	15	10,018,834
1996	1,159	185,721,283	1,121	156,043,151	38	29,678,132
1997	1,410	308,418,779	1,362	259,670,162	48	48,748,617
1998	1,708	432,637,395	1,665	352,775,652	43	79,861,743
1999	1,602	360,304,425	1,499	308,449,493	103	51,854,932
2000	1,186	297,285,143	1,079	270,625,997	107	26,659,146
2001	1,093	315,945,284	990	266,427,598	103	49,517,686

**Notes:**

- (1) Building permits and valuation from Development Services department.

**DEMOGRAPHICS STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Unemployment Rate (September)	Utility Connections			School Enrollment
		Denton County	Electric	Water	Gas	
1992	22,500	6.3%	7,950	6,236	5,082	5,968
1993	24,800	4.2%	9,263	7,538	5,395	6,516
1994	29,400	4.2%	10,673	9,136	7,030	7,823
1995	31,000	3.7%	11,860	10,048	8,661	7,802
1996	33,800	2.4%	13,327	11,206	9,953	7,900
1997	37,950	2.4%	13,344	12,953	11,000	9,768
1998	42,500	2.0%	14,776	15,102	10,767	10,963
1999	50,000	2.0%	17,716	16,565	13,441	12,328
2000	51,300	2.7%	18,719	17,749	14,286	12,754
2001	52,604	3.4%	19,655	18,660	15,103	14,500

Sources:

- (1) Unemployment rates from Texas Employment Commission.
- (2) Utility connections from business office of each utility as of September 30.
- (3) School enrollment data provided by superintendent's office, Lewisville Independent School District.

**Town of Flower Mound, Texas**  
**2002-2003 ANNUAL BUDGET**

**SCHEDULE OF WATER AND SEWER RATES**  
**(EFFECTIVE OCTOBER 1, 1985, unless noted)**

**WATER SERVICE RATES:**

<u>Meter Size</u>	<u>Minimum Monthly Bill Charge Per Expenditures</u>	<u>Additional Charge Per 1,000 Gallons</u>
3/4" or 5/8"	\$14.62	\$2.10
1"	24.61	2.10
1-1/2"	41.26	2.10
2"	61.24	2.10
3"	114.52	2.10
4"	174.46	2.10
6"	340.96	2.10

Note: During the months of June - September, water usage over 15,000 gallons is billed at \$2.88 per 1,000 gallons.

**WATER IMPACT FEES:**

Water Impact Fees \$674.00 (minimum)

**Effective Date: on or after Dec. 18, 2000:**

<u>Meter Size</u>	<u>Residential Fee</u>
5/8" x 3/4"	\$ 1,212
1"	3,030
1 1/2"	6,060
2"	9,696
3"	19,392
4"	30,300
6"	60,600
8"	96,960
10'	139,380

**SEWER SERVICE RATES:**

First 2,000 gallons \$9.92 per month (minimum)  
Over 2,000 gallons \$2.48 per 1,000 gallons

**Residential Customers:**

Monthly bill based on average consumption during winter months of December, January and February. No

**Commercial Customers:**

Monthly bill based on actual metered water use. No maximum.

**SEWER IMPACT FEES:**

\$1,396.00 per residential equivalent unit.

**Effective Date: on or after Dec. 18, 2000:**

<u>Meter Size</u>	<u>Cross Timbers Conserv</u>	<u>Lakeside Business District</u>	<u>Denton Creek District</u>	<u>Long Prairie District</u>
5/8" x 3/4"	\$ -	\$ 978	\$ 1,254	\$ 4,204
1"	-	2,445	3,135	10,510
1 1/2"	-	4,890	6,270	21,020
2"	-	7,824	10,033	33,632
3"	-	15,648	20,066	67,264
4"	-	24,450	31,352	105,100
6"	-	48,900	62,705	210,200
8"	-	78,240	100,328	336,320
10"	-	112,470	144,221	483,460

Commercial Project - rate is reduced to 50% of applicable fees.

Economic Development Project - rate is reduced by 75% of applicable fees.

**SCHEDULE OF INSURANCE COVERAGES**  
**TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL**  
**POLICY PERIOD 10/1/2002 - 9/30/2003**

TYPE OF COVERAGE	COVERAGE LIMITS		DEDUCTIBLE	PREMIUM
1 Worker's Compensation	N/A	N/A	N/A	\$ 94,050
2 General Liability <sup>1</sup>	\$ 2,000,000	per occurrence	\$ -	\$ 38,096
	4,000,000	aggregate	-	-
Fire Damage Limit	50,000	per occu & aggregate	-	-
Medical Expense Limit	5,000	per occu & aggregate	-	-
Employee Benefits Liability	4,000,000	per occu & aggregate	1,000	-
3 Incidental Medical Malpractice	Same as GL		\$ -	\$ incl in GL
4 Law Enforcement Liability <sup>2</sup>	\$ 2,000,000	per occurrence	\$ 2,500	\$ 23,227
	4,000,000	aggregate		
5 Errors & Omissions Liability <sup>3</sup> (Public Officials)	\$ 3,000,000	wrongful act	\$ 10,000	\$ 45,519
	6,000,000	aggregate		
6 Real & Personal Property <sup>4</sup>	\$ 41,549,169	blanket repl cost	\$ 500	\$ 51,853
Flood Limit	41,549,169	blanket repl cost	25,000	
Earthquake Limit	41,549,169	blanket repl cost	25,000	
Valuable Papers	25,000	replacement cost	250	
Accounts Receivable	25,000	replacement cost	250	incl in R&PP
EDP Equipment/Media	50,000	replacement cost	250	
7 Mobile Equipment (Inland Marine) Valuable Papers Accounts Receivable EDP Equipment/Media	\$ 3,567,478	replacement cost	\$ 250	\$ 8,214
8 Boiler & Machinery	\$ 27,193,780	blanket repl cost	\$ 500	incl in R&PP
	1,000,000	accident limit		
9 Public Employee Dishonesty (Crime) Theft, Disappearance & Destruction Inside Premises Outside Premises Forgery or Alteration Computer Fraud	\$ 150,000	per occurrence	\$ -	\$ 1,696
	150,000	per occurrence	-	incl in Crime 1,480
	150,000	per occurrence	-	incl in Crime
	150,000	per occurrence	-	392
	150,000	per occurrence	-	271
10 Public Official - Fidelity Bonds Town Manager Town Secretary Town Treasurer Municipal Court Administrator Cash & Debt Manager	\$ 150,000	per occurrence	\$ -	incl in Crime
	150,000	per occurrence	-	incl in Crime
	150,000	per occurrence	-	incl in Crime
	150,000	per occurrence	-	incl in Crime
	150,000	per occurrence	-	incl in Crime
11 Auto Liability <sup>5,6</sup>	\$ 2,000,000	per occurrence/ACV	\$ -	\$ 32,586
	4,000,000	aggregate		
Medical payments	25,000	medical payments		
Auto Physical Damage	2,217,056	per occurrence/ACV	500	33,259
Auto Catastrophic	163,874	per occurrence/ACV	10,000	251
<b>TOTAL</b>			<b>\$</b>	<b>330,894</b>

<sup>1</sup> Sudden events involving pollution provided at the occurrence limit shown or \$2,000,000, whichever is less.

<sup>2</sup> E & O retroactive date available for 5 years prior to the effective date of coverage at no additional contribution.

<sup>3</sup> LEL retroactive date available for 5 years prior to the effective date of coverage at no additional contribution.

<sup>4</sup> Real and Personal Property deductible is on a per occurrence basis, rather than a per building basis, and there is no coinsurance penalty.

<sup>5</sup> Automobile Medical Payments Coverage is included automatically for all automobiles with a design capacity of six passengers or less.

For larger capacity vehicles, coverage is available subject to an additional contribution. The deductible for Automobile Medical Payments Coverage is the same as the deductible elected for Automobile Liability.

<sup>6</sup> Deductible applies per vehicle, subject to a \$1,000 maximum deductible for any occurrence involving two or more vehicles.

**TOWN OF FLOWER MOUND  
MISCELLANEOUS STATISTICAL DATA  
SEPTEMBER 30, 2002**

2002 Population Estimate 55,700  
*Source: North Central Texas Council of Governments.*

Registered Voters 39,398  
*Source: Denton County Voter Registrar*

Town Government Information  
Date of Incorporation February 25, 1961  
Date Home Rule Charter Adopted November 3, 1981  
Form of Government Council-Manager

Town Employees  
Full Time 383  
Part Time 43  
Volunteers (including Fire and Emergency Services) 20  
*Source: Town of Flower Mound Human Resources Department*

Area of Square Miles 45  
*Source: Town of Flower Mound Development Services Department*

Town Streets  
Miles of Improved Streets 197  
Miles of Unimproved Streets 9  
Miles of Storm Sewer Drains 120  
*Source: Town of Flower Mound Street Operations Division*

Building Permits (FY 10/1/2001 – 9/30/2002)  
Residential Permits Issued 558  
Value \$167,755,303  
Commercial Permits Issued 111  
Value \$68,885,867  
*Source: Town of Flower Mound Building Inspections Division*

**MISCELLANEOUS STATISTICAL DATA**  
**SEPTEMBER 30, 2002**  
(Continued)

Municipal Water	
Water Customers	19,343
Sewer Customers	17,126
Average Daily Consumption (gallons)	10,828,527
<i>Source: Town of Flower Mound Utility Billing Division</i>	
Miles of Water Mains	269
<i>Source: Town of Flower Mound Utility Line Maintenance Division</i>	
Fire Protection and Suppression	
Stations	3
Employees (regular)	68
Employees (volunteer)	0
Fire Hydrants	2,620
<i>Source: Town of Flower Mound Fire and Emergency Services</i>	
Police Protection	
Employees (regular)	94
Employees (part-time)	30
<i>Source: Town of Flower Mound Police Services Department</i>	
Education-Lewisville ISD	
Campuses in Flower Mound	15
Classroom Teachers	873
Students Enrolled	13,553
Percentage of Average Daily Attendance	97.19%
<i>Source: Lewisville Independent School District Communication Office</i>	
Parks and Recreation	
Park Land Acres	521
Total Number of Parks	42
<i>Source: Town of Flower Mound Parks and Recreation Division</i>	