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Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

GOVERNMENT-WIDE EXPENSES (1)
FISCAL YEAR ENDED 2004 (UNAUDITED)

<u>Year Ended September 30</u>	<u>Administrative Services</u>	<u>Legislative Services</u>	<u>Community Services</u>	<u>Police Services</u>	<u>Financial Services</u>
2003	\$ 1,946,526	\$ 377,189	\$ 3,743,591	\$ 7,171,621	\$ 5,400,224
2004	2,261,833	428,527	8,654,904	8,875,669	5,107,135

(1) The Town first applied GASB Statement No. 34 in fiscal year 2003. Government-wide financial information for prior years is unavailable.

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<u>Fire & Emergency Services</u>	<u>Development & Environmental Services</u>	<u>Human Resources</u>	<u>Infrastructure Services</u>	<u>Debt Service</u>	<u>Utilities</u>	<u>Total Government-wide Expenditures</u>
\$ 4,283,073	\$ 2,633,162	\$ 419,289	\$ 12,812,454	\$ 2,834,840	\$ 21,093,328	\$ 62,715,297
5,946,430	2,358,491	462,192	7,016,282	2,923,357	21,429,684	65,464,504



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GOVERNMENT-WIDE REVENUES (1)
FISCAL YEAR ENDED 2004 (UNAUDITED)

<u>Year Ended September 30</u>	<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants & Contributions</u>	<u>Taxes</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total Revenue (1)</u>
2003	\$ 22,623,642	\$ 424,574	\$ 6,459,545	\$ 27,180,707	\$ 978,387	\$ 502,179	\$58,169,034
2004	21,762,822	829,889	5,427,215	29,989,527	501,968	508,364	59,019,785

(1) The Town first applied GASB Statement No. 34 in fiscal year 2003. Government-wide financial information for prior years is unavailable.

**GENERAL GOVERNMENTAL ACTUAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED)**

<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>
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
2002	30,767,353	6,890,354	6,284,285	4,801,907
2003	33,828,534	6,245,102	7,243,623	5,568,184
2004	35,961,857	9,026,744	7,638,640	5,646,238

Notes:

- (1) Includes General Fund and Debt Service Fund expenditures.
- (2) Expenditures under the column heading "General Government" include those for Administrative Services, Legislative Services, Community Services Administration, Financial Services, Human Resources, Purchasing and Information Technology.
- (3) Expenditures under the column heading "Community Development" include those for Building Inspection, Environmental Health Services, Planning Services, Environmental Resources 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 Events expenditures.

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<u>Community Development (3)</u>	<u>Public Works (4)</u>	<u>Culture and Recreation (5)</u>	<u>Debt Service</u>
\$ 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
1,309,887	1,978,451	4,234,037	5,268,432
2,661,331	1,940,979	4,411,335	5,757,980
2,364,352	1,944,549	3,331,727	6,009,607



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Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**GENERAL GOVERNMENTAL EXPENDITURES PER CAPITA
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year Ended September 30</u>	<u>Total Governmental Expenditures (1)</u>	<u>Estimated Population</u>	<u>Per Capita Expenditures (2)</u>
1995	\$ 10,328,560	31,000	\$ 333.18
1996	11,376,983	33,800	336.60
1997	14,823,887	37,950	390.62
1998	19,510,882	42,500	459.08
1999	23,140,029	50,000	462.80
2000	26,007,634	51,300	506.97
2001	29,010,648	52,604	551.49
2002	30,767,353	55,700	552.38
2003	33,828,535	57,700	586.28
2004	35,961,857	59,350	605.93

Notes:

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

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**GENERAL GOVERNMENTAL REVENUE AND TRANSFERS
LAST TEN FISCAL YEARS (UNAUDITED)**

Year Ended September 30	Total Revenue (1)	Taxes			
		General Property Tax	Franchise Tax	Sales Tax	Other Non-Property Taxes
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
2002	31,428,604	18,692,623	2,381,242	3,775,981	609,392
2003	37,293,431	19,863,413	4,107,222	3,917,972	65,341
2004	36,547,562	22,303,174	2,866,246	4,501,844	69,773

Notes:

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

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

Licenses and Permits	Inter- govern- mental	Intra- govern- mental	Charges for Services	Fines and Forfeits	Other Revenue (2)
\$ 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
1,655,528	240,183	-	525,427	1,380,265	2,167,963
1,599,024	239,073	474,553	455,629	1,532,276	5,038,928
1,490,293	280,433	1,009	352,985	1,603,247	3,078,558

**RATIO COMPOSITION OF GENERAL REVENUE AND TRANSFERS IN BY SOURCE
 LAST TEN FISCAL YEARS (UNAUDITED)**

Year Ended September 30	Total Revenue (1)	Taxes			
		General Property Tax	Franchise Tax	Sales Tax	Other Non-Property Taxes
1995	\$ 11,643,873	49.7%	6.4%	9.4%	4.7%
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%
2002	31,428,604	59.5%	7.6%	12.0%	1.9%
2003	37,293,431	53.3%	11.0%	10.5%	0.2%
2004	36,547,562	61.0%	7.8%	12.3%	0.2%

Notes:

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

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Intragovernmental</u>	<u>Charges for Services</u>	<u>Fines and Forfeits</u>	<u>Other Revenue (2)</u>
12.5%	1.1%	0.0%	10.9%	2.2%	3.0%
11.0%	0.9%	0.0%	10.8%	2.3%	3.3%
13.2%	0.8%	0.0%	8.9%	2.0%	6.1%
13.2%	0.6%	0.0%	9.6%	2.3%	9.8%
10.8%	0.7%	0.0%	9.9%	2.8%	4.5%
8.1%	0.6%	0.0%	9.3%	2.5%	3.9%
7.4%	1.1%	0.0%	1.4%	2.8%	8.1%
5.3%	0.8%	0.0%	1.7%	4.4%	6.9%
4.3%	0.6%	1.3%	1.2%	4.1%	13.5%
4.1%	0.8%	0.0%	1.0%	4.4%	8.4%



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Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

SUMMARY OF TAX COLLECTION ACTIVITY
FISCAL YEAR ENDED SEPTEMBER 30, 2004
(UNAUDITED)

Tax Year	Rate	Assessed Value	Assessed Tax	Balance October 1, 2003	Current Year Taxes	Adjustments	Collections	Balance September 30, 2004
1978	0.6100	\$ 59,265,145	\$ 361,517	\$ 15	\$ -	\$ -	\$ -	\$ 15
1979	0.3200	120,708,010	386,266	15	-	-	-	15
1980	0.3900	115,029,446	448,615	18	-	-	-	18
1981	0.3900	121,045,778	472,079	18	-	-	-	18
1982	0.3472	196,273,083	681,460	21	-	-	-	21
1983	0.3609	209,655,611	756,647	27	-	-	6	21
1984	0.3734	246,746,846	921,353	145	-	-	6	139
1985	0.4813	361,208,535	1,738,497	248	-	-	11	237
1986	0.4590	508,548,752	2,334,239	747	-	-	11	736
1987	0.4965	597,852,297	2,968,337	2,345	-	-	1,586	759
1988	0.5429	635,262,203	3,448,839	3,163	-	-	770	2,393
1989	0.5098	712,297,959	3,631,295	1,273	-	-	11	1,262
1990	0.5238	683,913,387	3,671,465	2,358	-	(140)	13	2,205
1991	0.5238	724,885,747	3,797,561	3,099	-	(106)	12	2,981
1992	0.5040	822,767,012	4,270,868	4,259	-	(1,519)	11	2,729
1993	0.4812	967,695,664	4,719,881	3,110	-	(97)	88	2,925
1994	0.4570	1,197,390,633	5,472,210	4,575	-	(104)	9	4,462
1995	0.4500	1,500,157,193	6,750,713	3,307	-	(96)	11	3,200
1996	0.4500	1,740,207,111	7,830,976	8,424	-	(101)	10	8,313
1997	0.4500	2,045,069,624	9,120,247	12,009	-	(101)	4,676	7,232
1998	0.4500	2,387,143,045	10,653,547	17,389	-	7,744	9,207	15,926
1999	0.4500	2,948,590,099	13,162,443	15,898	-	19,324	5,552	29,670
2000	0.4500	3,539,647,836	15,618,951	26,691	-	28,078	13,253	41,516
2001	0.4497	4,076,122,284	18,048,115	41,538	-	31,880	25,728	47,690
2002	0.4497	4,462,284,794	19,636,822	181,460	-	31,949	151,373	62,036
2003	0.4497	4,880,173,018	21,742,394	-	21,742,394	305,899	21,872,806	175,487
				<u>\$ 332,152</u>	<u>\$ 21,742,394</u>	<u>\$ 422,610</u>	<u>\$ 22,085,150</u>	\$ 412,006
								Allowance for uncollectible accounts (54,940)
								Net Taxes Receivable <u>\$ 357,066</u>

**PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year Ended September 30</u>	<u>Adjusted Tax Levy</u>	<u>Current Years' Taxes Collected</u>	<u>Percent of Current Levy Collected</u>	<u>Prior Years' Taxes Collected</u>
1995	\$5,582,878	\$5,539,982	99.23%	\$119,672
1996	6,786,579	6,750,713	99.47%	173,345
1997	7,881,203	7,831,771	99.37%	61,919
1998	9,305,171	9,251,655	99.42%	118,860
1999	10,924,718	10,864,142	99.45%	91,674
2000	13,368,073	13,270,663	99.27%	161,285
2001	16,165,406	16,002,781	98.99%	149,980
2002	18,521,054	18,286,798	98.74%	264,734
2003	20,480,825	20,299,365	99.11%	295,641
2004	22,048,292	21,872,806	99.20%	212,343

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<u>Total Collections</u>	<u>Total Collections as Percent of Tax Levy</u>	<u>Accumulated Delinquent Taxes</u>	<u>Ratio Accumulated Delinquent Taxes to Current Levy</u>
\$5,659,654	101.38%	\$235,644	4.22%
6,924,058	102.03%	163,443	2.41%
7,893,690	100.16%	136,147	1.73%
9,370,515	100.70%	104,388	1.12%
10,955,816	100.28%	142,258	1.30%
13,431,948	100.48%	143,047	1.07%
16,152,761	99.92%	224,874	1.39%
18,551,532	100.16%	161,321	0.87%
20,595,006	100.56%	150,692	0.74%
22,085,149	100.17%	236,519	1.07%



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Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**ANALYSIS OF SALES TAX REVENUE
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year Ended September 30</u>	<u>Sales Tax Revenue</u>	<u>Percent Change From Prior Year</u>	<u>Equivalent of Ad Valorem Tax Rate</u>	<u>Percent of Ad Valorem Tax Levy</u>	<u>Sales Tax Per Capita</u>
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%	0.091	20.0%	61.52
2002	3,775,981	16.7%	0.093	20.4%	67.79
2003	3,917,972	3.8%	0.088	19.1%	67.90
2004	4,501,844	14.9%	0.092	20.4%	75.85

**UTILITY FRANCHISE FEES BY SOURCE
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year Ended September 30</u>	<u>Electric</u>	<u>Gas</u>	<u>Cable</u>
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
2002	627,017	238,384	373,662
2003	2,377,409	171,973	333,080
2004	1,671,968	528,424	328,550

(1) Water Franchise Fees are reflected as Operating Transfers In

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<u>Telephone</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Total</u>
\$ 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
207,145	120,907	814,127	2,381,242
212,348	126,976	- (1)	3,221,786
204,484	132,820	- (1)	2,866,246

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

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

<u>Year Ended September 30</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Assessed Value To Actual Value</u>
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	3,539,647,836	3,568,031,429	101%
2002	4,076,122,284	4,076,122,284	100%
2003	4,462,284,794	4,462,284,794	100%
2004	4,880,173,018	4,880,173,018	100%

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 SEPTEMBER 30, 2004 (UNAUDITED)**

<u>Taxing Body</u>	<u>Bonded Debt</u>	<u>Percentage of Debt Applicable to Town</u>	<u>Town of Flower Mound Share of Debt</u>
<u>Direct Debt:</u>			
Town of Flower Mound (1)	\$ 67,700,000	100.00%	\$ 67,700,000
Total Direct Debt	\$ 67,700,000		\$ 67,700,000
<u>Overlapping Debt:</u>			
Lewisville Independent School District	\$ 582,756,581	15.89%	\$ 92,600,021
Argyle Independent School District	34,618,156	0.21%	72,698
Denton Independent School District	370,087,578	0.22%	814,193
Northwest Independent School District	211,409,084	1.67%	3,530,532
Denton County	130,777,571	15.12%	19,773,569
Total Overlapping Debt	\$ 1,329,648,970		\$ 116,791,013
Total Direct and Overlapping Bonded Debt	\$ 1,397,348,970		\$ 184,491,013
Ratio Direct and Overlapping Bonded Debt to Taxable Assessed Valuation (valued at 100% of market value)			<u>3.78%</u>
Per Capita Direct and Overlapping Bonded Debt			\$ <u>3,109</u>

Sources:

For net bonded debt, First Southwest Company, September 30, 2004.

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



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

Fiscal Year Ended	Town of Flower Mound	Lewisville Independent School District	Argyle Independent School District	Denton Independent School District	Northwest Independent School District	Denton County	Total
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	6.99
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
2002	0.4497	1.7700	1.7552	1.8640	1.8348	0.2490	7.92
2003	0.4497	1.7700	1.8220	1.8640	1.8348	0.2472	7.99
2004	0.4497	1.7700	1.9000	1.8640	1.8193	0.2548	8.06

Source: Representatives of the taxing jurisdictions.

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

<u>Year Ended September 30</u>	<u>Assessed Value</u>	<u>Bonded Debt</u>	<u>Less Debt Payable From Utility Revenue</u>
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	3,539,647,836	58,295,000	642,200
2002	4,076,122,284	55,875,000	398,200
2003	4,462,284,794	59,170,000	1,865,200
2004	4,880,173,018	67,700,000	7,857,200

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).

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

<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>
\$ 253,612	\$ 7,438,188	0.62%	31,000	\$ 240
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	1.62%	52,604	1,088
473,416	55,003,384	1.35%	55,700	987
319,001	56,985,799	1.28%	57,700	988
459,562	59,383,238	1.22%	59,350	1,001

**RATIO OF GENERAL OBLIGATION DEBT SERVICE EXPENDITURES
TO TOTAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	Principal Payments	Interest and Fiscal Charges	Total General Obligation Debt Service	Total Governmental Expenditures	Ratio of General Obligation Debt Service to Total General Expenditures
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	1,739,178	14,823,887	11.73%
1998	936,600	1,604,392	2,540,992	19,510,882	13.02%
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%
2002	2,174,600 a	3,093,832	5,268,432	30,767,353	17.12%
2003	2,857,400 a	2,869,080	5,726,480	33,828,534	16.93%
2004	3,122,000 a	2,887,607	6,009,607	35,961,857	16.71%

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 principal payment in fiscal year 2001.

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

SIX-YEAR GENERAL FUND SUMMARY (UNAUDITED)

	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Beginning Fund Balance	\$ 6,320,842	\$ 4,690,447	\$ 5,096,142	\$ 3,542,043	\$ 3,183,277	\$ 4,786,639
Revenues	18,882,917	21,389,663	22,355,312	24,450,150	27,011,073	27,757,772
Expenditures	(19,792,042)	(21,079,063)	(24,166,023)	(25,498,921)	(28,070,554)	(29,952,250)
Other Funding Sources (Uses)	<u>(721,270)</u>	<u>95,095</u>	<u>385,704</u>	<u>690,005</u>	<u>2,662,843</u>	<u>2,541,660</u>
Revenue Over (Under) Expenditures	<u>(1,630,395)</u>	<u>405,695</u>	<u>(1,425,007)</u>	<u>(358,766)</u>	<u>1,603,362</u>	<u>347,182</u>
Net Effect due to prior period adjustment	<u>-</u>	<u>-</u>	<u>(129,092)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ 4,690,447</u>	<u>\$ 5,096,142</u>	<u>\$ 3,542,043</u>	<u>\$ 3,183,277</u>	<u>\$ 4,786,639</u>	<u>\$ 5,133,821</u>

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

<u>Year Ended September 30</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance as % of Expenditures</u>
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%
2002	2,984,176	25,498,921	11.7%
2003	4,456,361	28,070,554	15.9%
2004	4,379,992	29,952,250	14.6%

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**SUMMARY OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUND
LAST FISCAL YEARS (UNAUDITED)**

	1999	2000	2001	2002	2003	2004
Retained Earnings beginning of year	\$ 20,011,119	\$ 23,224,470	\$ 28,270,888	\$ 31,930,473	\$ 35,703,657	\$ 35,234,534
Plus: Operating Revenue	17,328,696	20,608,352	15,803,997	16,282,529	18,227,622	17,897,364
Less: Operating expenses before depreciation	12,245,281	13,722,728	13,780,115	15,719,816	16,555,810	16,284,697
Net operating income before interest and depreciation	5,083,415	6,885,624	2,023,882	562,713	1,671,812	1,612,667
Plus: Interest income	864,948	1,422,225	1,561,558	1,128,067	460,972	146,354
Less: Depreciation	(2,330,192)	(2,372,621)	(3,094,735)	(1,864,851)	(2,805,548)	(3,353,412)
Net interest expense	(374,784)	(962,987)	(1,297,208)	(2,261,801)	(1,834,588)	(1,942,890)
Operating transfers	(1,285,551)	(1,174,410)	(1,161,943)	(1,277,778)	(2,592,279)	(2,491,621)
Contributions-developers	-	-	2,024,387	3,631,515	2,483,514	1,649,287
Contributions-impact fees	-	-	2,355,057	1,973,333	1,775,106	1,889,951
Contributions-other funds	-	-	-	-	371,888	202,254
Gain on disposition of assets	-	-	-	633,399	-	-
Net increase (decrease) in retained earnings	1,957,836	3,797,831	2,410,998	2,524,597	(469,123)	(2,287,410)
Net adjustment to retained earnings	1,255,515	1,248,587	1,248,587	1,248,587	-	-
Retained earnings end of year	<u>\$ 23,224,470</u>	<u>\$ 28,270,888</u>	<u>\$ 31,930,473</u>	<u>\$ 35,703,657</u>	<u>\$ 35,234,534</u>	<u>\$ 32,947,124</u>

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

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

Year Ended September 30	Total Revenue Available For Debt Service (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Average Debt Service Requirements			Coverage
				Principal	Interest	Total	
1995	\$ 10,216,187	\$ 4,130,888	\$ 6,085,299	\$ 114,545	\$ 87,671	\$ 202,216	30.09
1996	10,979,127	5,492,784	5,486,343	87,000	56,112	143,112	38.34
1997	11,994,812	7,010,913	4,983,899	50,000	27,054	77,054	64.68
1998	16,364,877	8,505,124	7,859,753	557,778	133,629	691,407	11.37
1999	18,193,644	12,245,281	5,948,363	784,250	421,858	1,206,108	4.93
2000	22,030,577	13,722,728	8,307,849	937,000	519,113	1,456,113	5.71
2001	19,720,612	13,780,115	5,940,497	1,998,750	1,160,168	3,158,918	1.88
2002	20,017,328 (3)	15,719,816	4,297,512	2,027,368	1,100,279	3,127,647	1.37
2003	20,463,699	16,477,451	3,986,248	1,928,611	1,042,295	2,970,906	1.34
2004	19,933,669	16,217,062	3,716,607	1,965,588	997,722	2,963,310	1.25

Notes:

- (1) Includes amount received in current year from water and sewer impact fees, and interest income.
- (2) Does not include depreciation.
- (3) Includes one-time revenue from the sale of an asset.

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

PRINCIPAL TAXPAYERS
AS CERTIFIED FOR THE TAX ROLL DATED JANUARY 1, 2003
(UNAUDITED)

Name of Taxpayer	2003 Taxable Value	Percent of Total Taxable Value
1. Hillwood Metro #10 LP, ETAL	\$ 24,579,048	0.50%
2. Oncor Electric Delivery Company	17,882,430	0.37%
3. Parker Prop 800 LTD P/S	15,146,684	0.31%
4. AMLI Residential Properties LP	14,077,500	0.29%
5. Security Capital Pacific Inc	13,280,891	0.27%
6. Albertson's Inc	12,910,328	0.26%
7. Phoenix Meadows LTD P/S	12,454,042	0.26%
8. SWC FM 2499 & FM 407 LTD	11,900,563	0.24%
9. CoServ Electric Co-op	11,819,230	0.24%
10. Landing at Arbor PL LTD	10,916,215	0.22%
 Total Taxable Value of 10 Largest Taxpayers	 144,966,931	 2.97%
 Total Taxable Value of Other Taxpayers	 <u>4,735,206,087</u>	 <u>97.03%</u>
 Total Taxable Value - All Taxpayers	 <u>\$ 4,880,173,018</u>	 <u>100.00%</u>

Source: Denton County Appraisal District

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

**CONSTRUCTION ACTIVITY
 LAST TEN FISCAL YEARS (UNAUDITED)**

Year Ended September 30	Total Building Permits Issued	Value All Permits	Residential		Commercial/Industrial	
			Permits	Value	Permits	Value
1995	1,384	\$ 154,210,983	1376	\$ 144,192,149	8	\$ 10,018,834
1996	1,136	185,721,283	1121	156,043,151	15	29,678,132
1997	1,400	308,418,779	1362	259,670,162	38	48,748,617
1998	1,713	432,637,395	1665	352,775,652	48	79,861,743
1999	1,542	360,304,425	1499	308,449,493	43	51,854,932
2000	1,182	297,285,143	1079	270,625,997	103	26,659,146
2001	1,097	315,945,284	990	266,427,598	107	49,517,686
2002	661	236,641,170	558	167,755,303	103	68,885,867
2003	549	161,279,242	454	135,534,900	95	25,744,342
2004	476	178,852,333	412	122,644,757	64	56,207,576

Notes:

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

Town of Flower Mound, Texas
2005-2006 ANNUAL BUDGET

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

WATER SERVICE RATES:

<u>Meter Size</u>	<u>Minimum Monthly Bill Expenditures</u>	<u>Charge Per Additional 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 March - November, water usage of 15,001-50,000 gallons is billed at \$2.88 per 1,000 gallons and water usage over 50,000 gallons is billed at \$3.00 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 maximum. If no winter average is determined, charge is based on the rates above, not to exceed \$23.04 per month, until average water usage is determined.

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 Conservation District</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.

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Population	Unemployment Rate (September)	Utility Connections			School Enrollment
		Denton County	Electric	Water	Gas	
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	13,426
2002	55,700	4.7%	21,531	19,343	16,512	14,767
2003	57,700	4.9%	20,547	19,795	17,138	15,226
2004	59,350	3.7%	21,380	20,214	17,713	15,728

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.

**SCHEDULE OF INSURANCE COVERAGES
TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
POLICY PERIOD 10/1/2004 - 9/30/2005**

TYPE OF COVERAGE	COVERAGE LIMITS		DEDUCTIBLE	PREMIUM
1 Worker's Compensation	N/A	N/A	N/A	\$ 392,420
2 General Liability ¹	\$ 2,000,000	per occurrence	\$ -	\$ 66,102
	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 ²	\$ 2,000,000	per occurrence	\$ 2,500	\$ 37,200
	4,000,000	aggregate		
5 Errors & Omissions Liability ³ (Public Officials)	\$ 3,000,000	wrongful act	\$ 10,000	\$ 77,202
	6,000,000	aggregate		
6 Real & Personal Property ⁴	\$ 72,561,676	blanket repl cost	\$ 500	\$ 100,863
Flood Limit	72,561,676	blanket repl cost	25,000	
Earthquake Limit	72,561,676	blanket repl cost	25,000	
Valuable Papers & Records Inc. EDP Media	900,000	replacement cost	250	
Accounts Receivable	10,000	replacement cost	250	incl in R&PP
7 Mobile Equipment (Inland Marine)	\$ 1,704,287	replacement cost	\$ 250	\$ 9,493
8 Boiler & Machinery	inc in R & PP	blanket repl cost	\$ 500	incl in R&PP
	100,000	per accident limit		
9 Public Employee Dishonesty (Crime)	\$ 150,000	per occurrence	\$ -	\$ 2,109
Theft, Disappearance & Destruction				1,330
Inside Premises	150,000	per occurrence	-	incl in Crime
Outside Premises	150,000	per occurrence	-	incl in Crime
Forgery or Alteration	150,000	per occurrence	-	487
Computer Fraud	150,000	per occurrence	-	337
10 Public Official - Fidelity Bonds				
Town Manager	\$ 150,000	per occurrence	\$ -	incl in Crime
Town Secretary	150,000	per occurrence	-	incl in Crime
Town Treasurer	150,000	per occurrence	-	incl in Crime
Municipal Court Administrator	150,000	per occurrence	-	incl in Crime
Cash & Debt Manager	150,000	per occurrence	-	incl in Crime
11 Auto Liability ^{5,6}	\$ 2,000,000	per occurrence/ACV	\$ -	\$ 51,000
	4,000,000	aggregate		
Medical payments	25,000	medical payments		
Auto Physical Damage	10,000	per occurrence/ACV	500	27,024
Auto Catastrophic	163,874	per occurrence/ACV	10,000	246
TOTAL				\$ 765,813

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

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

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

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

⁵ 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.

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

**MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2005**

2005 Population Estimate	60,450	
<i>Source: North Central Texas Council of Governments</i>		
Registered Voters	39,965	
<i>Source: Denton County Voter Registrar</i>		
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	419	
Part Time	64	
Volunteers (including Fire and Emergency Services)		18
<i>Source: Town of Flower Mound Human Resources Department</i>		
Area of Square Miles	45	
<i>Source: Town of Flower Mound Development Services Department</i>		
Town Streets		
Miles of Improved Streets	425	
Miles of Unimproved Streets	3	
Miles of Storm Sewer Drains	118	
<i>Source: Town of Flower Mound Street Operations Division</i>		
Building Permits (FY 10/1/2004 – 9/30/2005)		
Residential Permits Issued	321	
Value	\$111,489,526	
Commercial Permits Issued	91	
Value	\$40,139,296	
<i>Source: Town of Flower Mound Building Inspections Division</i>		

MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2005
(continued)

Municipal Water		
Water Customers	20,413	
Sewer Customers	18,111	
Average Daily Consumption (gallons)	11,581,366	
<i>Source: Town of Flower Mound Utility Billing Division</i>		
Miles of Water Mains	309	
<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	2,579	
<i>Source: Town of Flower Mound Fire and Emergency Services</i>		
Police Protection		
Employees (regular)	102	
Employees (part-time)		39
<i>Source: Town of Flower Mound Police Services Department</i>		
Education-Lewisville ISD		
Campuses in Flower Mound	19	
Classroom Teachers	1,127	
Students Enrolled	16,760	
Percentage of Average Daily Attendance	96.81%	
<i>Source: Lewisville Independent School District Communication Office</i>		
Parks and Recreation		
Park Land Acres	545	
Total Number of Parks	45	
<i>Source: Town of Flower Mound Parks and Recreation Division</i>		



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