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GOVERNMENT-WIDE EXPENSES ⁽¹⁾
FISCAL YEAR ENDED 2005 (UNAUDITED)

<u>Year Ended September 30</u>	<u>Administrative Services</u>	<u>Legislative Services</u>	<u>Development 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
2005	2,962,010	419,371	1,405,275	4,716,724	10,469,337	5,859,911

(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
2006-2007 ANNUAL BUDGET

<u>Fire & Emergency Services</u>	<u>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
5,837,480	1,084,012	499,926	11,371,815	4,757,825	23,095,273	72,478,959



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GOVERNMENT-WIDE REVENUES⁽¹⁾
FISCAL YEAR ENDED 2005 (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</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
2005	23,305,727	1,464,153	5,387,647	32,337,776	1,153,236	2,264,813	65,913,352

(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)**

Year Ended September 30	Total Governmental Expenditures ⁽¹⁾	General Government ⁽²⁾	Public Safety- Police	Public Safety- Fire
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
2005	35,439,357	8,221,230	7,642,759	5,721,327

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 Inspections, 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
2006-2007 ANNUAL BUDGET

<u>Community Development ⁽³⁾</u>	<u>Public Works ⁽⁴⁾</u>	<u>Culture and Recreation ⁽⁵⁾</u>	<u>Debt Service</u>
\$ 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
2,401,173	2,212,429	3,639,192	5,601,247

**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>
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
2005	35,439,357	60,450	586.26

Notes:

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

**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
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
2005	38,670,222	23,200,238	3,189,227	5,547,917	93,470

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
2006-2007 ANNUAL BUDGET

<u>Licenses and Permits</u>	<u>Inter- govern- mental</u>	<u>Intra- govern- mental</u>	<u>Charges for Services</u>	<u>Fines and Forfeits</u>	<u>Other Revenue ⁽²⁾</u>
\$ 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
1,377,663	264,300	-	482,829	1,423,906	3,090,672



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**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
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%
2005	38,670,222	60.0%	8.2%	14.3%	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
2006-2007 ANNUAL BUDGET

Licenses and Permits	Intergovernmental	Intragovernmental	Charges for Services	Fines and Forfeits	Other Revenue ⁽²⁾
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%
3.6%	0.7%	0.0%	1.2%	3.7%	8.0%

Town of Flower Mound, Texas
2006-2007 ANNUAL BUDGET

SUMMARY OF TAX COLLECTION ACTIVITY
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(UNAUDITED)

Tax Year	Rate	Assessed Value	Assessed Tax	Balance October 1, 2004	Current Year Taxes	Adjustments	Collections	Balance September 30, 2005
1978	0.6100	\$ 59,265,145	\$ 361,517	\$ 15	\$ -	\$ -	\$ 12	\$ 3
1979	0.3200	120,708,010	386,266	15	-	-	12	3
1980	0.3900	115,029,446	448,615	18	-	-	14	4
1981	0.3900	121,045,778	472,079	18	-	-	14	4
1982	0.3472	196,273,083	681,460	21	-	-	21	-
1983	0.3609	209,655,611	756,647	21	-	-	21	-
1984	0.3734	246,746,846	921,353	139	-	-	22	117
1985	0.4813	361,208,535	1,738,497	237	-	-	70	167
1986	0.4590	508,548,752	2,334,239	736	-	-	101	635
1987	0.4965	597,852,297	2,968,337	759	-	-	110	649
1988	0.5429	635,262,203	3,448,839	2,393	-	-	120	2,273
1989	0.5098	712,297,959	3,631,295	1,262	-	-	113	1,149
1990	0.5238	683,913,387	3,671,465	2,205	-	-	199	2,006
1991	0.5238	724,885,747	3,797,561	2,981	-	-	165	2,816
1992	0.5040	822,767,012	4,270,868	2,729	-	-	158	2,571
1993	0.4812	967,695,664	4,719,881	2,925	-	(755)	264	1,906
1994	0.4570	1,197,390,633	5,472,210	4,462	-	(2,187)	416	1,859
1995	0.4500	1,500,157,193	6,750,713	3,200	-	-	951	2,249
1996	0.4500	1,740,207,111	7,830,976	8,313	-	-	2,017	6,296
1997	0.4500	2,045,069,624	9,120,247	7,232	-	956	1,419	6,769
1998	0.4500	2,387,143,045	10,653,547	15,926	-	3,433	12,858	6,501
1999	0.4500	2,948,590,099	13,162,443	29,670	-	3,484	20,825	12,329
2000	0.4500	3,539,647,836	15,618,951	41,516	-	6,315	34,321	13,510
2001	0.4497	4,076,122,284	18,048,115	47,690	-	6,067	38,912	14,845
2002	0.4497	4,462,284,794	19,636,822	62,036	-	12,838	55,250	19,624
2003	0.4497	4,880,173,018	21,742,394	175,487	-	(1,342)	145,920	28,225
2004	0.4497	5,076,150,138	22,594,735	-	22,594,735	277,803	22,740,677	131,861
				<u>\$ 412,006</u>	<u>\$ 22,594,735</u>	<u>\$ 306,612</u>	<u>\$ 23,054,982</u>	\$ 258,371
								(65,556)
								<u>\$ 192,815</u>

**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>
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%
2005	5,076,150,138	5,076,150,138	100%

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

<u>Year Ended September 30</u>	<u>Adjusted Tax Levy</u>	<u>Current Year's Taxes Collected</u>	<u>Percent of Current Levy Collected</u>	<u>Prior Years' Taxes Collected</u>
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
2005	22,872,538	22,740,677	99.42%	314,305

Town of Flower Mound, Texas
2006-2007 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>
\$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%
23,054,982	100.80%	126,510	0.55%

**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>
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	3,896,612	3.8%	0.088	19.1%	67.90
2004	4,501,844	14.9%	0.092	20.4%	75.85
2005	5,547,917	23.2%	0.109	24.3%	91.78



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**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>
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
2005	1,755,356	491,154	610,069

(1) Water franchise fees are reflected as operating transfers in.

Town of Flower Mound, Texas
2006-2007 ANNUAL BUDGET

<u>Telephone</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Total</u>
\$ 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
187,012	145,636	- (1)	3,189,227

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2005 (UNAUDITED)**

<u>Taxing Body</u>	<u>Bonded Debt ⁽¹⁾</u>	<u>Percentage of Debt Applicable to Town ⁽²⁾</u>	<u>Town of Flower Mound Share of Debt</u>
Direct Debt:			
Town of Flower Mound	\$ 75,220,000	100.00%	\$ 75,220,000
Total Direct Debt	75,220,000		75,220,000
Overlapping Debt:			
Lewisville Independent School District	607,031,571	15.89%	96,457,317
Argyle Independent School District	38,503,840	0.21%	80,858
Denton Independent School District	422,747,578	0.22%	930,045
Northwest Independent School District	246,459,176	1.67%	4,115,868
Denton County	171,657,570	15.12%	25,954,625
Total Overlapping Debt	1,486,399,735		127,538,713
Total Direct and Overlapping Bonded Debt	\$ 1,561,619,735		\$ 202,758,713
Ratio Direct and Overlapping Bonded Debt to Taxable Assessed Valuation (valued at 100% of market value)			3.99%
Per Capita Direct and Overlapping Bonded Debt			\$ 3,354

Sources:

- (1) For net bonded debt, First Southwest Company, September 30, 2005.
- (2) For percentage of debt applicable to Town, Texas Municipal Report prepared by the Municipal Advisory Council of Texas.



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**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>
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
2005	5,076,150,138	75,220,000	9,004,200

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
2006-2007 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>
\$ 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
239,076	65,976,724	1.30%	60,450	1,091

**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
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	2,656,823	4,844,623	29,010,648	16.70%
2002	2,174,600 ⁽¹⁾	3,093,832	5,268,432	30,767,353	17.12%
2003	2,857,400 ⁽¹⁾	2,869,080	5,726,480	33,828,534	16.93%
2004	3,122,000 ⁽¹⁾	2,887,607	6,009,607	35,961,857	16.71%
2005	2,557,000 ⁽¹⁾	3,044,247	5,601,247	35,439,357	15.81%

(1) - 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.

SIX-YEAR GENERAL FUND SUMMARY (UNAUDITED)

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
Beginning Fund Balance	\$ 4,690,447	\$ 5,096,142	\$ 3,542,043	\$ 3,183,277	\$ 4,786,639	\$ 5,133,821
Revenues	21,389,663	22,355,312	24,450,150	27,011,073	27,757,772	32,661,533
Expenditures	(21,079,063)	(24,166,023)	(25,498,921)	(28,070,554)	(29,952,250)	(29,838,110)
Other Funding Sources (Uses)	<u>95,095</u>	<u>385,704</u>	<u>690,005</u>	<u>2,662,843</u>	<u>2,541,660</u>	<u>538,795</u>
Revenue Over (Under) Expenditures	<u>405,695</u>	<u>(1,425,007)</u>	<u>(358,766)</u>	<u>1,603,362</u>	<u>347,182</u>	<u>3,362,218</u>
Net Effect due to prior period adjustment	<u>-</u>	<u>(129,092)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<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>	<u>\$ 8,496,039</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>
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%
2005	7,687,993	29,838,110	25.8%

**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	
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
2005	21,501,323	17,230,372	4,270,951	2,058,438	847,149	2,905,587	1.47

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.

**PRINCIPAL TAXPAYERS
AS CERTIFIED FOR THE TAX ROLL DATED JANUARY 1, 2004
(UNAUDITED)**

<u>Name of Taxpayer</u>	<u>2004 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
1. Hillwood Metro #10 LP, ETAL	\$ 26,552,511	0.52%
2. SWC FM 2499 & FM 407 LTD	20,147,815	0.40%
3. Oncor Electric Delivery Company	18,933,050	0.37%
4. D&K Healthcare	17,086,846	0.34%
5. Bes Lantana Jund III LP	16,484,790	0.32%
6. AMLI Residential Properties LP	15,000,000	0.30%
7. Security Capital Pacific Inc	13,347,626	0.26%
8. CoServ Electric Co-op	12,684,000	0.25%
9. Albertson's Inc	12,118,732	0.24%
10. Target Corporation	11,748,561	0.23%
Total Taxable Value of 10 Largest Taxpayers	164,103,931	3.23%
Total Taxable Value of Other Taxpayers	<u>4,912,046,207</u>	<u>96.77%</u>
Total Taxable Value - All Taxpayers	<u>\$ 5,076,150,138</u>	<u>100.00%</u>

Source: Denton Central Appraisal District

**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
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
2005	412	151,628,822	321	111,489,526	91	40,139,296

Source: Building permits and valuation from Development Services department.

Town of Flower Mound, Texas
2006-2007 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 ⁽³⁾
		Denton County ⁽¹⁾	Electric ⁽²⁾	Water ⁽²⁾	Gas ⁽²⁾	
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
2005	60,450	4.2%	21,554	20,598	18,444	16,760

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.



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**SCHEDULE OF INSURANCE COVERAGES
TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
POLICY PERIOD 10/1/2005 - 9/30/2006 (UNAUDITED)**

TYPE OF COVERAGE	COVERAGE LIMITS		DEDUCTIBLE	PREMIUM
1 Workers' Compensation	N/A	N/A	N/A	\$ 101,021
2 General Liability ¹	\$ 2,000,000	per occurrence	\$ -	\$ 68,962
	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	\$ 41,243
	4,000,000	aggregate		
5 Errors & Omissions Liability ³ (Public Officials)	\$ 3,000,000	wrongful act	\$ 10,000	\$ 80,544
	6,000,000	aggregate		
6 Real & Personal Property ⁴	\$ 76,049,628	blanket repl cost	\$ 500	\$ 105,652
Flood Limit	76,049,628	blanket repl cost	25,000	
Earthquake Limit	76,049,628	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)	\$ 1,860,395	replacement cost	\$ 250	\$ 10,362
8 Boiler & Machinery	inc in R & PP 100,000		\$ 500	incl in R&PP
9 Public Employee Dishonesty (Crime) Theft, Disappearance & Destruction	\$ 150,000	per occurrence	\$ -	\$ 2,161 1,304
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	-	346
Computer Fraud	150,000	per occurrence	-	346
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	\$ -	\$ 47,530
	4,000,000	aggregate		
Medical Payments	25,000	medical payments		
Auto Physical Damage	3,035,321	per occurrence/ACV	500	28,735
Auto Catastrophic	163,874	per occurrence/ACV	10,000	246
TOTAL				\$ 488,452

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

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

³ E & O 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, 2006**

2006 Population Estimate	61,550
<i>Source: North Central Texas Council of Governments</i>	
Registered Voters	41,575
<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	33
<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	347
Miles of Unimproved Streets	4
Miles of Storm Sewer Drains	118
<i>Source: Town of Flower Mound Street Operations Division</i>	
Building Permits (FY 10/1/2005 – 9/30/2006)	
Residential Permits Issued	166
Value	\$75,320,884
Commercial Permits Issued	84
Value	\$94,848,982
<i>Source: Town of Flower Mound Building Inspections Division</i>	

MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2006
(continued)

Municipal Water	
Water Customers	20,986
Sewer Customers	18,421
Average Daily Consumption (gallons)	15,269,353
<i>Source: Town of Flower Mound Utility Billing Division</i>	
Miles of Water Mains	315
<i>Source: Town of Flower Mound Utility Line Maintenance Division</i>	
Fire Protection and Suppression	
Stations	3
Employees (regular)	71
Employees (part-time)	2
Fire Hydrants	2,770
<i>Source: Town of Flower Mound Fire and Emergency Services</i>	
Police Protection	
Employees (regular)	100
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</i>	
Parks and Recreation	
Park Land Acres	610
Total Number of Parks	46
<i>Source: Town of Flower Mound Parks and Recreation Division</i>	



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