

WATAUGA

T E X A S

WATAUGA - A GREAT PLACE TO LIVE!



ANNUAL BUDGET

FOR FISCAL YEAR

OCTOBER 1, 2010 - SEPTEMBER 30, 2011

This budget will raise less total property taxes than last year's budget by **\$305,938** or **5.69%**. Tax revenue to be raised from new property added to the tax roll this year is \$16,358

In a recent study, CNNMoney.com rated Watauga as 2nd in the nation "Where homes are affordable." The study stated that the median home price was \$117,000, with a median family income of \$73,203.

Details of the study can be found at

http://money.cnn.com/galleries/2008/moneymag/0807/gallery.bplive_affhomes.moneymag/2.html



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DISTINGUISHED BUDGET PRESENTATION AWARD

Presented to the City of Watauga
For the Budget Fiscal Year Beginning October 1, 2009



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Watauga
Texas**

For the Fiscal Year Beginning
October 1, 2009

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Watauga, Texas for its annual budget for the fiscal year beginning October 1, 2009. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This is the twenty-first consecutive year that the City has received this Award. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. The City has received this award every year since 1989.

BUDGET

for

FISCAL YEAR ENDING SEPTEMBER 30, 2011

SUBMITTED BY:

**KERRY LACY, ICMA-CM
CITY MANAGER**

AND

**SCOTT R. NEILS, DIBA, MBA, CPA, CMA, CGFO
MANAGING DIRECTOR OF FINANCE, BUDGET DEVELOPMENT, UTILITY
ADMINISTRATION, & MUNICIPAL COURT**

AS ADOPTED ON SEPTEMBER 8, 2010

THE WATAUGA CITY COUNCIL

MAYOR HENRY J. JEFFRIES

MAYOR PRO TEM COUNCIL MEMBER PLACE 2:	BRANDON KRAUSSE
COUNCIL MEMBER PLACE 1:	ROBERT DAVIS
COUNCIL MEMBER PLACE 3:	MIKE STEELE
COUNCIL MEMBER PLACE 4:	MARK HUTCHINSON
COUNCIL MEMBER PLACE 5:	LARRY E. IRVING, SR.
COUNCIL MEMBER PLACE 6:	VACANT

WATAUGA CITY COUNCIL

Mayor Jeffries 2011



Mayor Pro Tem Krausse 2012



Council Member Davis 2012



Council Member Steele 2011



Council Member Hutchinson 2011



Council Member Irving 2011



Council Member 2012

**Currently Vacant
Election in November 2010**

Council Member Nickerson 2012

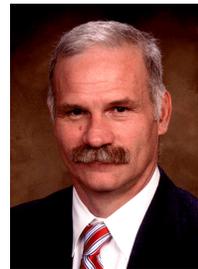


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THE PURPOSE OF THIS BUDGET DOCUMENT

The Document

This is the budget document for the City of Watauga, Texas for the fiscal year beginning October 1, 2010 and ending September 30, 2011. The FY 2011 Proposed Budget for the City of Watauga is intended to serve four purposes:

1. **The Budget as a Policy Document**

This document should serve as a policy document, a financial plan, and an operations guide to our City, as well as a communication device to our readers. We designed this document to be a reference for a wide variety of users. As approved by the City Council for the fiscal year, City Management may use this document as a guide for operations. The City Council may use this document as a communication medium to staff and citizens to describe objectives, goals, and mission of the City. City staff may use this document to inform City Council and citizens of accomplishments and services. Current and prospective citizens and businesses may use this document to learn about the City and its plans for the future.

As a policy document, the budget indicates what services the City will provide during the twelve-month period beginning October 1, 2010 and why. The Budget Message, in the Introductory Section, summarizes the challenges facing the City and how the budget addresses them.

2. **The Budget as an Operations Guide**

As an operations guide, the budget indicates how services will be delivered to the community. The Personnel Positions Schedule outlines the number of proposed authorized full-time and part-time employees. Specific budgetary information related to each department is provided for each Fund, as appropriate.

3. **The Budget as a Financial Plan**

As a financial plan, the budget outlines how much City services will cost and how they will be funded. The Introductory Section provides a Budget Message, an overview of the budget, including information about the City, financial structure, major revenue and expenditure categories for each Fund, financial policies, and Budget Calendar.

The next five sections of this document include the detailed financial information of the City of Watauga budget. These sections are broken down by fund type. The City uses the following funds: General Fund, Special Revenue Funds, Proprietary Funds, Capital Project Funds, and, finally, Debt Service Funds. Each fund section will provide financial summaries, general information, and management assumptions in the budget preparation. A few of the major operating funds are more detailed in showing

THE PURPOSE OF THIS BUDGET DOCUMENT

objectives, goals, staffing, organizational structures, and accomplishments by division. City of Watauga (COW) goals are identified by COW#'s. These numbers are also included in the accomplishments by specific divisions, which relate back to the City's Goals detailed in the Budget Overview section. At the request of City Management, we have also included a line item budget for these same major operating funds. The capital project funds detail current and future projects. The Debt Service Fund section also provides individual debt service reimbursement schedules.

More detail can be found in the separately published Comprehensive Annual Financial Report (CAFR).

4. The Budget as a Communications Device

The budget is designed to be user friendly with summary information in text, tables, and graphs. A Glossary of Budget Terms is included for your reference. Should you have any questions about the City budget that this document does not answer, please feel free to call the Finance Office at 817-541-8521. Copies of this document are available for review at the City Secretary's Office, City Hall Front Desk, and City library. It can also be accessed through the Internet at <http://www.cowtx.org/finance/Docs/City of Watauga Budget for FY 2011.pdf>

Introductory Information

The Table of Contents should aid a user of this document as a guide to the organization of this book. The Budget Message should be read first as an introduction to the more detailed budget presentation. The Introductory Section provides a detailed description of the City of Watauga, its mission and goals, requirements during the budget process, the overall financial structure, and layout of the City, and demographic and graphical information about the City.

Glossary

The glossary section of the book provides both a glossary of terms and an abbreviation guide to aid users with technical terms as well as industry jargon that appear in the document.

Budget Ordinances

The budget ordinance section provides the Budget Resolutions and Ordinances passed by the City Council implementing this budget, as well as some required publications.

THE PURPOSE OF THIS BUDGET DOCUMENT

To contact the City of Watauga, write to 7105 Whitley Road, Watauga, Texas, 76148-2024, or call (817) 514-5800. More information may be obtained by visiting the City web site at www.ci.watauga.tx.us.

BUDGET MESSAGE FOR FY 2011

BUDGET MESSAGE FOR FY 2011

(October 1, 2010 through September 30, 2011)

INTRODUCTION

This budget document outlines specific goals and objectives set by Council authorization and directives. The budget is a fluid document that is changing and moving on a constant basis and serves as a guide for the following twelve-month period. We utilize past history, present conditions, and expected future trends in preparing estimated revenues. Once revenues are developed, we then evaluate costs associated with the delivery of existing service, any new and expanded costs or programs, and new programs established by Council. Within the limited resources available, we adjust the costs to achieve a proposed balanced budget. The budget document, even after adoption, is still an estimated financial plan and is always subject to change by amendment. More often than not, elements within the body of the document will change throughout the year. Changes in economic conditions, new projects, project overruns, and emergencies can necessitate a budget amendment.

The City of Watauga, as well as Texas and the nation, continues to experience difficult times during this economic downturn. The financial and trade markets continue to be in flux, creating uncertainty for all. Our citizens are facing the same issues and concerns as the City. Thus, these issues affect how we operate the City of Watauga. While we have seen some recovery, we are presenting a conservative budget for this year.

This budget document and financial plan for FY 2011 has been developed and constructed in such a way as to utilize Fund Balances, when needed. These balances throughout the various City Fund Accounts are used to provide as much economic relief to our citizens as possible, while still providing a financially sound and strong municipal organization. We continue to strive toward our goal of providing quality services at the lowest cost possible and best possible outcome.

OUTLINE OF SIGNIFICANT BUDGET ASSUMPTIONS AND POLICY DIRECTION

- The FY 2011 proposed budget is a balanced budget and is designed to maintain our levels of service with the limited resources available.
- The ad valorem tax rate is proposed to remain unchanged due to the utilization of fund balances. The proposed rate for the 2011 Fiscal Year is \$0.580763/\$100 of valuation. The City has maintained this rate since 2004. The rate is distributed as follows – Maintenance & Operations (M&O) at \$0.409617/\$100 and Interest & Sinking (I&S) at

BUDGET MESSAGE FOR FY 2011

\$0.171146/\$100. The allocation for last year was \$0.419540/\$100 for M&O and \$0.161223 for I&S.

- Property values in Watauga have declined about five percent, leading to a reduction of approximately \$300,000 in Ad Valorem tax receipts compared to prior year.
- The decline in sales tax revenues appears to have stabilized and the trend reversed. Thus, we are forecasting a slight increase in Sales Tax revenues of one-percent (1%) over prior year receipts.
- General Fund Fines & Forfeitures are expected to increase about \$50,000 over prior year.
- With limited open space (we are about 96% built-out), revenues for new permits and permitting needs in upcoming years are expected to be minimal.
- Proposed franchise fees are projected to be slightly down from last year.
- Interest income projections remains minimal and reflect historically low investment rates. We do not expect rates to increase significantly in the next year.
- There is one new position funded in this budget – Special Assistant to Finance Director. This person will be Purchasing/Customer Service backup and projects coordinator.
- Capital Projects funding of \$438,000 was made from the General Fund for the 36th Year CDBG street project and other asphalt repaving projects.
- There is a three (3) percent wage adjustment proposed for Fiscal Year 2011 for all full-time general employees employed 12-months or longer and a one (1) step increase for Civil Service employees. In addition, the number of pay-scale steps is being increased by one (1) from ten (10) to eleven (11). The projected total cost across funds for this adjustment is \$302,400.
- General Fund Non-Departmental Special Services account includes \$40,000 for professional fees related to upcoming City Manager search.
- Additional line item accounts have been included in all funds to cover expenses related to vacation buy-back, sick, comp-time, and longevity leave as follows: General Fund - \$60,000; Water/Sewer Fund - \$50,000; Storm Drain Fund - \$20,000; Parks Development Corporation Fund - \$20,000; Crime Control District Fund - \$20,000.
- TMRS rate is forecast to be 14%, which is up from the prior year rate of 13.18%
- Health Insurance budget has been increased ten percent (10%).
- No New and Expanded departmental requests were submitted for approval this year.

BUDGET MESSAGE FOR FY 2011

- The PDC Capital Fund Budget includes \$600,000 for a new parking lot and restroom facility for Capp Smith Park.
- The CCD Budget includes purchase of two (2) vehicles, laptop replacements, and continuance of the motorcycle lease program.

GENERAL FUND-01; DEBT SERVICE FUND-03; CAPITAL PROJECTS FUND - 07

Revenues

General Fund revenue estimates are conservative based on reduced property taxes and slowing sales tax. The proposed operating revenues for the General Fund are \$9,917,564, including \$457,200 in transfers. Total available resources for the General Fund are \$15,691,783. When compared to \$16,568,778 budgeted for prior year, a reduction of \$876,995 in resources available is expected.

Expenditures

The operating expenditures for the General Fund are proposed at \$11,220,692. This includes a transfer of \$438,000 to the Capital Projects Fund for the CDBG and street maintenance programs and for various other projects. In addition, the General Fund expenditures include \$100,000 of contingency funds for unseen or emergency purchases during the year. Proposed for this year is a utilization of fund balance of \$1,303,128. Even with this utilization, Fund Balance is proposed as \$4,471,091, which is above the minimum target of fifteen-percent (15%) of operations or \$1,681,379.

Tax Rate

A combined tax rate of \$0.580763 per \$100 valuation is proposed for the Fiscal Year 2011 budget. The proposed Maintenance and Operations rate is \$0.409617/\$100 of valuation with a debt service rate of \$0.171146/\$100. Because of lower property valuations and related tax revenues, the portion of tax receipts allocated to debt service increased significantly from \$0.161223/\$100 last year to \$0.171146/\$100 this year, or a change of \$0.009923/\$100.

The \$0.580763 tax rate will not necessarily keep property owner's tax payment the same. The Tarrant Appraisal District prepares an annual evaluation of all property in Watauga. The assigned values may be higher or lower than the prior year. This may cause a change to the property owner's tax liability even with the same Ad Valorem tax rate. In addition, overlapping tax rates from local school districts and other taxing entities will have an impact on total property tax liability.

BUDGET MESSAGE FOR FY 2011

General Obligation Debt Service Fund

Projections for principal and interest debt service payments for Fiscal Year 2011 are \$1,782,316. We have used \$225,000 of debt service fund balance to reduce the amount of tax receipts necessary to meet debt service. Thus, the I&S tax rate is based on debt service requirements from tax payments of \$1,557,316. Ending Fund Balance is \$56,922.

Capital Projects

For the General Capital Project Fund, we propose continued funding of CDBG projects and ongoing street maintenance. Construction of the new Fire Station began in February 2010 and is expected to be completed in the third quarter of FY 2011 (April 2011). Fire Station costs are estimated to be \$3.8 million and were approved and appropriated in the prior year. Total non-fire station capital expenses for this year are proposed at \$438,000. Fund Balance is forecast to be \$340,322.

PARKS DEVELOPMENT CORPORATION (PDC)

PDC FUND – 04; PDC CAPITAL PROJECTS FUND – 05; PDC DEBT RESERVE FUND – 06; PDC DEBT SERVICE FUND - 08

Revenues

Sales tax revenues are proposed to increase approximately one percent (1%), or \$12,800, from the prior year. The total sales tax revenue estimate is \$1,292,800.

Expenditures

The proposed budget for this fund includes all park items and maintenance expenditures, which are proposed at \$1,065,391. Ending Fund Balance is projected to be \$1,689,287. Established minimum fund balance requirement is fifteen-percent (15%) of expenditures or \$159,809.

Parks Development Debt Service Funds

Total debt requirement for the year is \$216,355, leaving an ending fund balance of \$234,783. There is a minimum required reserve of \$219,946 for this fund.

BUDGET MESSAGE FOR FY 2011

Capital Projects Fund

A capital expenditure program of \$600,000 is proposed for improvements to Capp Smith Park, including a parking lot and restroom. Projected fund balance is \$435,722.

STORM DRAINAGE FUND - 15

Revenues

Total resources available are proposed at \$1,674,738, which includes \$694,000 for service charges. No rate changes are proposed, but rates may be adjusted based on rate changes by Fort Worth.

Expenditures

The proposed budget is \$712,648, which includes \$616,088 for operations and installment payments to the Internal Services Fund. Proposed fund balance is \$962,090, well above the target twenty-percent (20%) minimum of \$142,530.

BUNKER HILL CAPITAL PROJECTS FUND - 16

Overall

We are projecting no revenue or expense for this Fund in Fiscal Year 2011.

CRIME CONTROL & PREVENTION DISTRICT FUND - 18

Revenues

Sales tax revenues are expected to be \$1,090,000. Total revenues are forecast to be \$1,125,747, generating total available resources of \$2,227,594.

Expenditures

The Fiscal Year FY 2011 budget is \$1,225,818, which includes two (2) police pursuit vehicles. Ending Fund Balance is projected to be \$1,001,776.

BUDGET MESSAGE FOR FY 2011

LIBRARY DONATION FUND - 23

Revenues

Estimated revenues for this fund are expected to be \$13,040. Revenues represent donations made by customers through payment of utility bills.

Expenditures

The proposed budget expenditure of \$13,130 will leave an estimated ending fund balance of \$2,340.

MUNICIPAL COURT SECURITY FUND - 25, TECHNOLOGY FUND - 26, JUVENILE CASE MANAGER FUND -27

Revenues

Revenues for the Security Fund, Technology Fund, and Juvenile Case Manager Fund come from a \$3.00, \$4.00, and \$5.00 fee, respectively, on each citation for which there is a conviction. Forecast revenues are \$47,250, which are approximately the same as last year.

Expenditures

Expenses are for security and technology improvements for the Court office and a portion of the Juvenile Case Manager salary. The total budget for this year is \$46,254, leaving combined fund balances of \$115,977.

PUBLIC IMPROVEMENT DISTRICT FUND - 30

Revenues

No revenues for this fund are projected, other than a \$260 transfer.

Expenditures

There are no expenditures in this Fund. The City's Public Works crews have absorbed the prior outsourced maintenance tasks and related expenses.

BUDGET MESSAGE FOR FY 2011

WATER AND SEWER FUND - 40

Revenues

Total charges for services are forecast to be \$6,300,000, with total revenues of \$6,713,042. Total available resources are proposed to be \$9,697,355. Projections are based on historical averages and will fluctuate with usage and weather.

Expenditures

Expenditures for water purchases and treatment services also vary based on customer usage and weather. Total expenses are estimated as \$7,802,162, resulting in an ending Fund Balance of \$1,895,193. Included in the expenses is an increase of \$10,000 for expected January 2011 postage rate increase to \$0.46 from \$0.44.

WATER AND SEWER FUND DEBT FUNDS 42, 43, 44

Revenues

Our debt service requirement for this year is \$1,509,576 and will be funded by a transfer from Water/Sewer operating fund. Total available resources are \$1,762,176.

Expenditures

Debt service requirements are \$1,512,076, leaving total combined fund balances of \$250,100. A Debt Service Reserve is no longer required for these funds.

WATER AND SEWER FUND CAPITAL PROJECTS FUND - 45

Revenues

Total available resources are \$209,394.

Expenditures

The budget of \$208,984 is for estimated SSES and water and sewer main repairs and maintenance. Ending Fund Balance is forecast to be \$410.

BUDGET MESSAGE FOR FY 2011

JOINT USE FACILITY FUND 46

Overall

The City and City of North Richland Hills jointly maintain a transfer station for water/sewer. A maintenance reserve of \$75,000 per year is scheduled. Reserves are used for pump replacements and other maintenance, as necessary. Projected Fund Balance is \$739,526.

WATER AND SEWER IMPACT FEES FUNDS 47, 48

Overall

The City eliminated impact fees for water and sewer during FY 2005. Pass-through fees are still due to the City of Fort Worth. Combined fund balance is proposed to be \$2,562.

EQUIPMENT REPLACEMENT FUND - 22

Overall

The City maintains an equipment replacement fund for use in purchase of large pieces of equipment. This fund purchases equipment and then charges the acquiring fund a prorated amount based on the useful life of the equipment. Forecast Fund Balance is \$377,184.

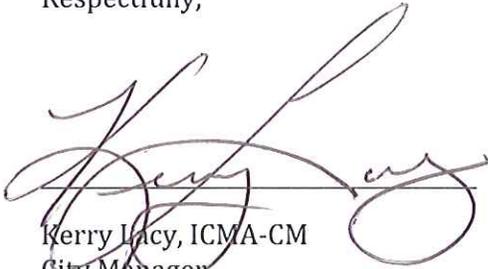
SUMMARY

It is our intent to present a proposed balanced budget that is easy to understand, provides detailed information, gives justification for proposals, and provides the City Council with a sound financial plan for consideration.

The proposed budget document contains detailed explanations for revenue and expenditure line items. The budget document indicates that total available resources are \$39,445,719, with total fund expenditures of \$26,870,426. This represents a proposed decrease in the expense budget of approximately \$3,402,617 or 11.20% compared to the prior year. The primary difference is related to the capital expenditure for the new Fire Station in the prior year budget. The Ending Fund Balance for all funds combined is proposed to be \$12,575,293, or \$925,225 less than the prior year.

BUDGET MESSAGE FOR FY 2011

Respectfully,



Kerry Lacy, ICMA-CM
City Manager



Scott R. Neils, DIBA, MBA, CPA, CMA, CGFO
Managing Director of Finance, Budget
Development, Utility Administration, and
Municipal Court

SPECIAL MESSAGE FROM THE CITY MANAGER

Due to my planned retirement on April 22, 2011, this will be the last budget document I prepare for the City of Watauga. I wish to thank my staff for their dedication, integrity, and professionalism. Through our combined efforts, we have made significant improvements in the City during my tenure as City Manager. I would also like to express my deep appreciation to Dr. Scott Neils, Sandra Morgan, and the Finance Staff, for their untiring efforts in maintaining the City of Watauga's financially sound position.

It has been a pleasure and honor to have served this City and her citizens as the City Manager for the past eight years.

BUDGET OVERVIEW

The City of Watauga Fiscal Year 2011 budget document continues a focus that represents service and goals the City Council wishes to achieve for the City. FY 2011 budget preparation focused on services provided by the City. This presentation of those efforts is divided into groupings by funds for a clear description of services, accomplishments, objectives, assumptions, highlights, staffing levels, organization, and resources. This section will provide assistance with understanding this organization by explaining the different fund types. This year's presentation does include an upper management request for a line item budget.

MISSION STATEMENT

Our mission is to establish and maintain an environment wherein Watauga provides the highest quality municipal services possible within established fiscal constraints.

CUSTOMER SERVICE STATEMENTS (CSS)

CUSTOMER SERVICE STATEMENTS (CSS)	
Health and Public Safety	Citizens of Watauga are entitled to an environment in which they can reside with minimal risk to health, minimal potential for accident, and highest degree of public safety.
Transportation/Mobility	Maximum access to transportation services is essential to ensure that all residents have adequate mobility while providing for the welfare of their household.
Parks and Recreation	Citizens benefit from activities and facilities that maximize the availability of options when seeking entertainment outside their own home.
Education/Information	Citizens who are informed on a timely basis about broad-based matters affecting their lives are better prepared to make decisions that determine their level of satisfaction.
Quality Service	Citizens benefit from value and quality of service delivered in an economical manner and at a reasonable tax rate.
Civic Pride	Increased Civic Pride results from well-planned residential, commercial, and municipal areas.

BUDGET OVERVIEW

CITY OF WATAUGA GOALS (COWs)*	
Provide a safe and secure City.	Improve both internal and external communication in the City.
Improve Watauga's infrastructure.	Provide services that enhance the ongoing educational endeavors of all citizens.
Develop a strategy to make the City more physically attractive.	Reduce the tax rate.
Provide diverse park facilities, recreational, and cultural opportunities for citizens of all ages.	Develop a strategy to be more business-friendly to current and prospective businesses.
Provide a high level of customer service with staff that is appropriately trained and compensated.	Increase volunteer participation.

*These goals will be noted in areas through this budget document as COW#.

COMMUNITY PROFILE AND GENERAL INFORMATION

The City of Watauga is located in Tarrant County, approximately 10 miles northeast of downtown Fort Worth and 25 miles northwest of downtown Dallas. The City's corporate boundary comprises approximately four square miles. Watauga's population as determined by the 2000 Census was 21,908. Current population is estimated to be 24,250.

The City of Watauga is part of the "Southwest Metroplex" of north-central Texas, which includes the cities of Fort Worth and Dallas and has a total estimated population of nearly 5,000,000 people. The economy of the area is based upon diversified manufacturing, service, and agricultural industries. The nine-county Dallas-Fort Worth Metroplex has been designated as one Consolidated Metropolitan Statistical Area (CMSA), and constitutes the second largest inland metro area in the world.

Economic conditions in the Metroplex continue to be influenced by the development and operation of the Dallas-Fort Worth International Airport which is located only ten miles southeast of Watauga. The airport, which celebrated its 36th anniversary in 2010, covers approximately twenty-eight square miles and represents one of the largest facilities of its kind in the world.

BUDGET OVERVIEW

GOVERNMENT ORGANIZATION AND SERVICES

The City of Watauga operates as a Texas Home Rule municipal government under a Mayor-Council-Manager form, with the City Council comprised of the Mayor and seven other Council members. All seven Council members are elected by place number and all are elected at large. The Mayor and Council members serve two-year terms, which are staggered. City Council members receive no compensation for services performed.

The City Manager is appointed by the Council and is responsible for appointing and supervising employees of the City (except those appointed by the Council), and for preparing and administering the annual budget and capital improvements program (CIP).

The City Council also appoints the City Attorney, the Municipal Court Judge, and the members of the various boards and commissions. A Court of Record was created by the City Council when it adopted Ordinance 655 on October 25, 1993, and with a Special Election held on January 14, 1994. The City Attorney and Judge of the Municipal Court are compensated with funds provided in the Non-Departmental and Finance Department budgets respectively. Under the City Manager's general direction, there are eight functional areas, each of which is supervised by a department-head level employee. These areas include City Secretary; Finance (including general financing functions, purchasing, water and sewer billing and collection, and Municipal Court); Library; Administration (including Fleet Services, Facilities, Public Information, Human Resources, and Management Information Services); Recreation and Community Service; Public Works (including code enforcement, storm drain, water and sewer field operations); Police; and Fire and Emergency Medical Services. Services provided by the City include police and fire protection, emergency medical services, street maintenance, building inspection services, library services, recreation, parks operation and maintenance, maintenance and operation of City-owned buildings, and storm drain maintenance and construction. In Fiscal Year 1999, the City of Watauga began the water and sewer operations, but does not own treatment facilities. A franchise has been granted to a privately owned firm for solid waste collection and disposal services.

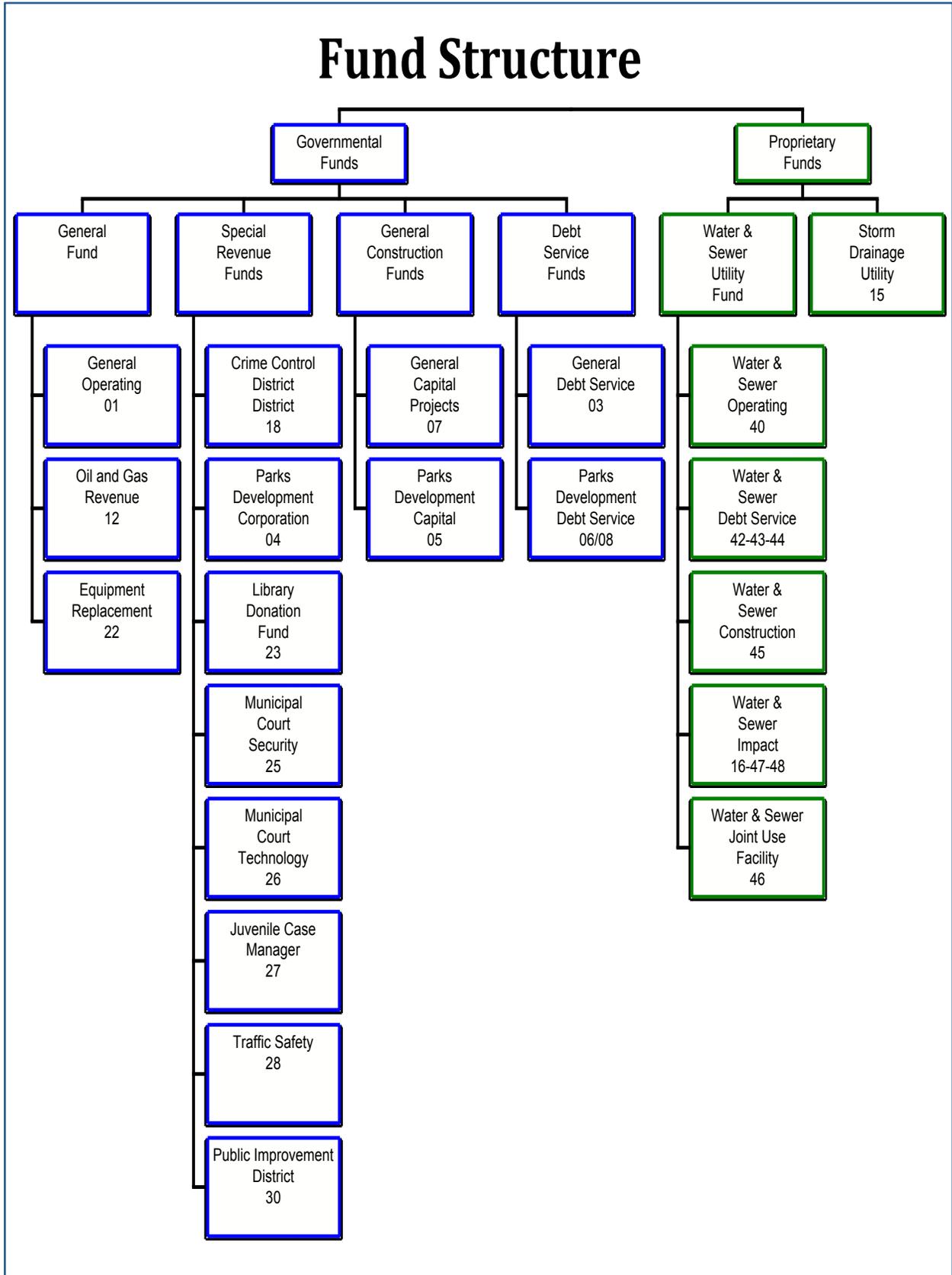
The City operates on a fiscal year basis, with October 1 as the beginning of a new year.

FINANCIAL STRUCTURE

Funds and Account Groups

For financial reporting purposes, the accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The City uses and appropriates annually for the following fund types, which are shown graphically and then, defined:

BUDGET OVERVIEW



BUDGET OVERVIEW

Governmental Fund Types

Governmental Funds are those that fund most governmental functions of the City. Governmental funds also account for the acquisition, use, and balances of the City's expendable financial resources and the related liabilities. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental funds:

General Fund

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not restricted by law or contractual agreements to some other fund are recorded in this fund. The General Fund also records the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

Special Revenue Funds

There are two major Special Revenue Funds. The Parks Development Corporation Sales Tax Fund was established to account for a ½ cent sales tax increase approved by the voters in May 1994. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation.

The Crime Control and Prevention District was established to account for a ½ cent sales tax increase approved by voters in March 1996. The purpose of the increase in sales tax is to enhance law enforcement in the area. In 2001 voters approved a ten-year extension of this tax. A ten-year extension proposal is on the ballot for November 2010.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities and equipment. Financing is provided primarily by the sale of general obligation and contractual obligation bonds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general and contractual obligation bonds, interest, and related costs.

Proprietary Fund Type

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance. The City's proprietary fund type consists of:

BUDGET OVERVIEW

Enterprise Funds

The Water and Sewer Utility Enterprise Fund is a proprietary fund used to account for revenues and expenses related to the operations and maintenance of the City's water and sewer utility system including, but not limited to, administration, operations, maintenance, billing, and collections.

The Storm Drainage Utility Enterprise Fund is a proprietary fund used to account for revenues and expenses related to the operations and maintenance of the City's drainage utility system. Costs of the system are recovered through drainage utility fees, which are levied against all developed property within the City.

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. The following are the City's account groups:

General Fixed Assets Account Group - This account group is established to account for all general fixed assets of the City, other than those accounted for in the proprietary fund.

General Long-term Debt Account Group - This account group is established to account for all general long-term debt of the City, other than those accounted for in the proprietary fund.

Basis of Accounting and Budgeting

Governmental funds follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The obligations of the city (e.g., outstanding purchase orders) are budgeted as expenses during the fiscal year they are issued.

Proprietary funds use the accrual basis of accounting. Under this method, revenues are recorded when earned (for example, drainage utility fees are recognized as revenue when bills are produced) and expenses are recorded when a commitment is made (e.g., through a purchase order).

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). The City prepares its budget on the GAAP basis except for the treatment of depreciation expense (which is not shown in the budget, although the full purchase price of equipment is shown as a capital outlay). The modified accrual basis of accounting is used for governmental fund budgets and the accrual basis of accounting is used for proprietary fund budgets.

Balanced Budget

BUDGET OVERVIEW

It is the policy of the City to prepare a balanced budget. A balanced budget is one where proposed expenses are less than or equal to estimated revenues. A balanced budget may also include situations where the Council approves the use of reserves or fund balance to offset revenue shortfalls. If, during the year, the revenues received or expected to be received are less than estimated, the City Manager will recommend a revised or amended expense appropriation for Council approval that will again balance the budget.

REVENUE SOURCES

The following information is a general description of the major revenue sources for the City of Watauga's major operating funds and the assumptions used to project those revenues for this budget. Most projected revenues are based on assumptions of historical data with increases and decreases associated with economic conditions and rate changes.

General Fund

Ad Valorem taxes – Ad Valorem taxes comprise about 38% of estimated General Fund revenue in FY 2011. This includes current and delinquent tax payments as well as penalties and interest. The City calculates its ad valorem tax rate based on the certified appraisal roles provided by the Tarrant Appraisal District (TAD). A combined tax rate is adopted each year by the Watauga City Council (a) for the use and support of the City's General Fund (referred to as the maintenance and operations rate) and (b) to finance the City's Debt Service Fund (referred to as interest and sinking fund) for payment of annual principal and interest due on outstanding general indebtedness.

TAX RATE DISTRIBUTION HISTORY

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011*
M & O						
Tax Rate per \$100	\$0.408797	\$0.401465	\$0.400644	\$0.399918	\$0.419540	\$0.409617
Chg from Prior Year		(\$0.00733)	(\$0.00083)	(\$0.00073)	\$0.01963	(\$0.009923)
Distribution	70.39%	69.13%	68.99%	68.86%	72.24%	70.53%
Estimated Collections	\$3,971,363	\$3,969,222	\$4,038,521	\$3,962,380	\$4,077,100	\$3,764,889
I & S						
Tax Rate per \$100	\$0.171966	\$0.179298	\$0.180119	\$0.180845	\$0.161223	\$0.171146
Chg from Prior Year		\$0.00733	\$0.00083	\$0.00073	(\$0.01963)	\$0.009923
Distribution	29.61%	30.87%	31.01%	31.14%	27.76%	29.47%
Estimated Collections	\$1,704,690	\$1,709,952	\$1,833,894	\$1,791,818	\$1,566,772	\$1,573,045
Total						
Tax Rate per \$100	\$0.580763	\$0.580763	\$0.580763	\$0.580763	\$0.580763	\$0.580763
Chg from Prior Year		\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
Distribution	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Estimated Collections	\$5,676,053	\$5,679,174	\$5,872,415	\$5,754,198	\$5,643,872	\$5,337,934

* Please see Budget Ordinances and Notices section for computation of tax rates.

BUDGET OVERVIEW

Estimated collections for the current year have been computed at approximately 99% of net taxable value for the Interest and Sinking (I&S) portion of the tax rate. This allows for a slightly higher tax component to ensure that adequate funds are received to pay debt.

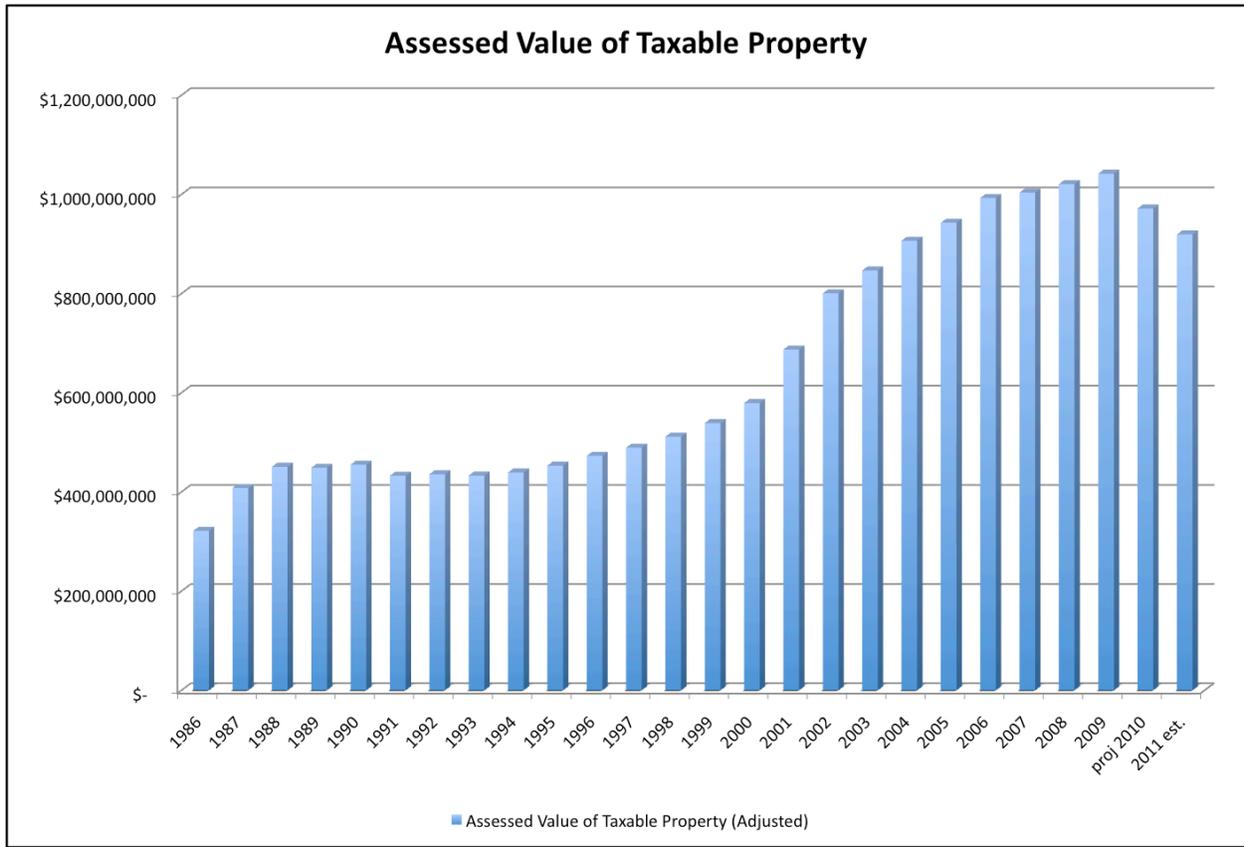
There is an approximate five-percent decrease in ad valorem taxes this year, which can be attributed to decreased property valuations for residential and commercial establishments within the City.

Principal taxpayers in the City include Inland Western Watauga LP, Watauga 377 LLC, Dayton Hudson Corp, SCI Watauga Town Center Fund ETAL, Park Vista Townhomes ETAL, Southwestern Bell, ONCOR Electric Delivery Co LLC, Watauga All Storage LTD, Target Stores, and Watauga Association.

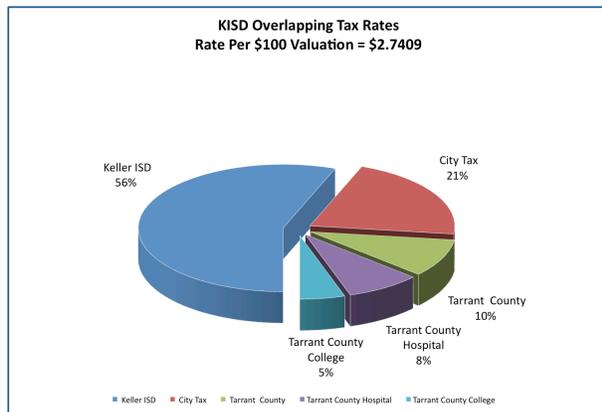
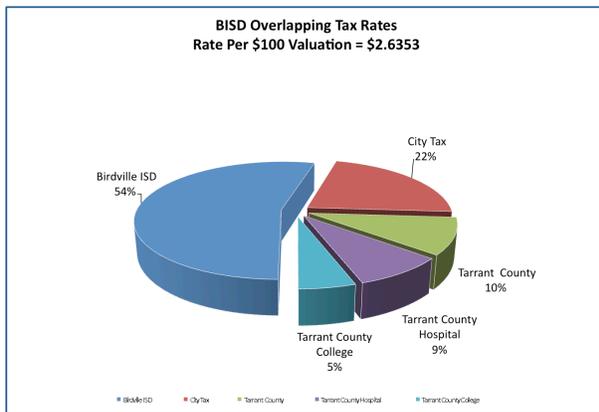
Below is a table of the trends in assessed values, rates, levy, and collection of this ad valorem tax. The combined ad valorem rate has remained flat for the last eight (8) years as shown below.

Year Ending Sept. 30	Assessed Value of Taxable Property (Adjusted)	Tax Rate/\$100 of valuation	Tax Levy	Current Year's Taxes Collected	% Current Levy Collected
1986	\$321,691,310	0.323000	\$1,039,063	\$1,019,210	98.09%
1987	\$407,987,325	0.294000	\$1,199,483	\$1,185,328	98.82%
1988	\$450,774,742	0.366000	\$1,649,836	\$1,626,198	98.57%
1989	\$448,760,610	0.396000	\$1,777,092	\$1,762,938	99.20%
1990	\$455,048,902	0.462700	\$2,105,511	\$2,070,399	98.33%
1991	\$432,771,823	0.550900	\$2,384,140	\$2,370,926	99.45%
1992	\$435,680,064	0.647500	\$2,821,028	\$2,802,329	99.34%
1993	\$433,023,704	0.684200	\$2,962,748	\$2,939,559	99.22%
1994	\$439,232,002	0.696710	\$3,060,173	\$3,027,497	98.93%
1995	\$453,094,514	0.722158	\$3,272,058	\$3,238,268	98.97%
1996	\$472,800,013	0.722158	\$3,414,363	\$3,381,070	99.02%
1997	\$489,154,767	0.712070	\$3,483,124	\$3,413,461	98.00%
1998	\$511,499,212	0.699470	\$3,577,784	\$3,561,315	99.54%
1999	\$538,832,680	0.689470	\$3,715,090	\$3,691,451	99.36%
2000	\$579,274,738	0.679470	\$3,935,998	\$3,884,477	98.69%
2001	\$687,306,408	0.659470	\$4,219,259	\$4,186,286	99.22%
2002	\$800,674,010	0.637021	\$4,703,056	\$4,641,378	98.69%
2003	\$846,585,043	0.598925	\$5,070,409	\$5,009,929	98.81%
2004	\$906,614,299	0.580763	\$5,265,280	\$5,184,321	98.46%
2005	\$942,853,767	0.580763	\$5,475,746	\$5,389,470	98.42%
2006	\$992,773,636	0.580763	\$5,765,662	\$5,678,457	98.49%
2007	\$1,003,759,355	0.580763	\$5,829,463	\$5,710,069	97.95%
2008	\$1,020,772,365	0.580763	\$5,928,268	\$5,846,780	99.56%
2009	\$1,041,983,829	0.580763	\$5,741,775	\$5,835,400	100.16%
2010 Proj	\$971,623,018	0.580763	\$5,642,826	\$5,642,826	100.00%
2011 est.	\$919,307,634	0.580763	\$5,337,934	\$5,612,537	99.00%

BUDGET OVERVIEW



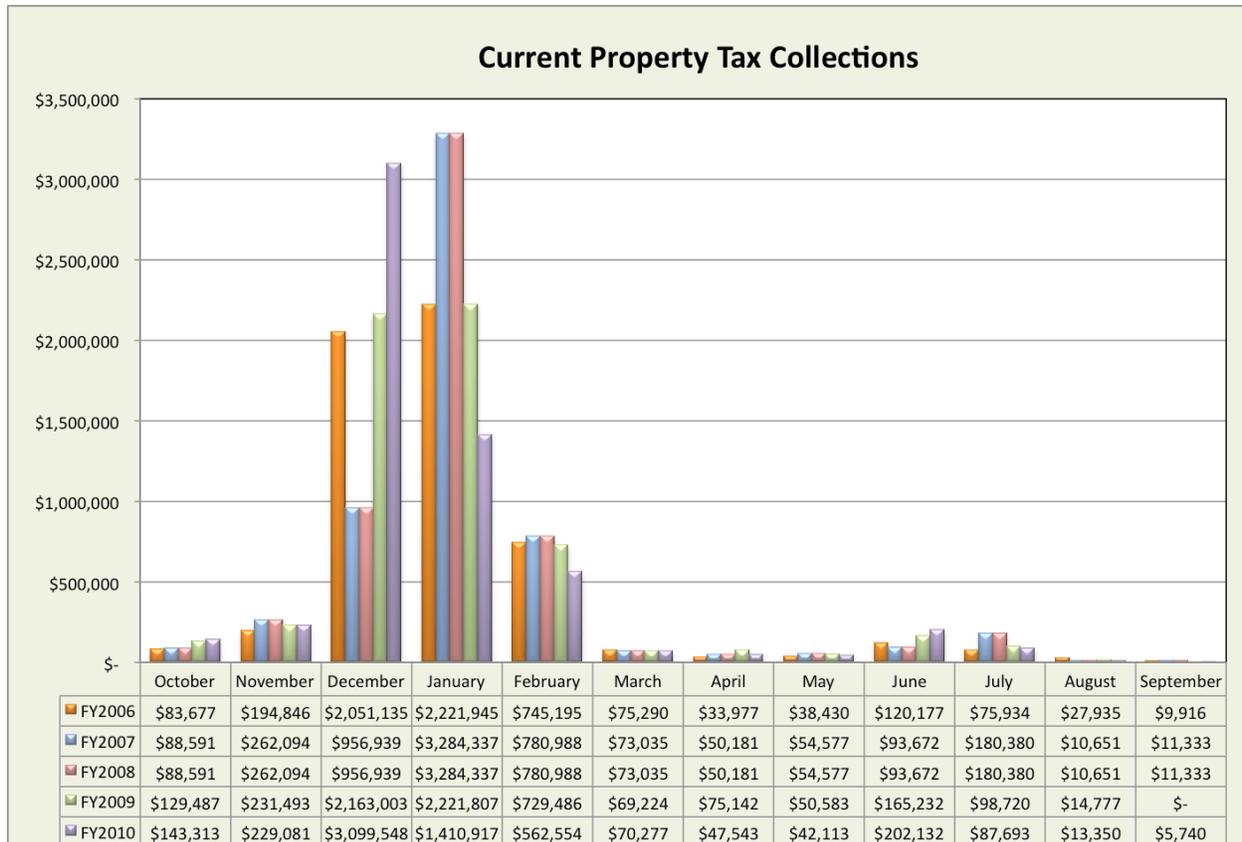
The City is located in two different independent school districts (ISDs); so overlapping property taxes vary by what section of the City in which a property is located. The City's portion has historically been less than one-fourth of the entire property tax bill for the area.



The City offers a \$40,000 senior citizen exemption from assessed values and has incorporated the over-65 and disabled citizen tax freeze. All other exemptions for disabled persons and veterans are as stipulated by State law.

BUDGET OVERVIEW

The City is landlocked and approximately 96% built out; however, there has been limited growth in both our residential and commercial property values. The following graph demonstrates the historic collection cycle of property tax for the City.



Ad valorem taxes are billed October 1 of every year and are due on or before January 31 of the next calendar year. Projections for delinquent tax revenues for those collected after January 31 are based on conservative prior years' experience, as well as interest and penalties on delinquent ad valorem taxes.

Sales tax – The City's 1% share of all local taxable sales are remitted by merchants to the State Comptroller's Office and then distributed to the City on a monthly basis. This represents approximately 26% of total revenue for the General Fund. Our economic outlook is conservative for the upcoming fiscal year. We project a one-percent (1%) increase from the prior year. Sales Tax revenue for the City is subject to the general economic environment of the DFW Metroplex. However, Watauga does not have a large presence of malls, specialty, or up-scale businesses, which are generally more susceptible to fluctuations in sales. Thus, our revenue stream tends to be more stable than other cities in the area.

Other taxes - Include receipts from the operation of bingo halls in the City.

Utility Franchise Fees - A percentage of local gross receipts remitted to the City by

BUDGET OVERVIEW

each privately owned utility (electric, telephone, gas, waste and recycling collections, and cable) providing services to Watauga citizens for their use of the City's right-of-way. This can be the right-of-way used by the companies for their utility lines or the use of our streets for their vehicles. Revenues are based on terms of a franchise agreement between the City and each utility. The majority of franchise revenue is based on a percentage of gross revenues from the utilities.

Projected revenues for these fees are generally based on population estimates. Recently, weather conditions and the economy have been significant factors in a decline of revenues as citizens have been more frugal in utilization of resources, which has led to lower utility revenues. This fee totals 9.5% of General Fund revenues.

Licenses and permits - This includes construction permit fees, animal licenses, electrical and plumbing licenses and other licenses and permits. Over the last few years, this revenue increased; however, as the City is approximately 96% built out, this revenue has begun to decrease as construction permits decline.

Projections are based on the established historical base of issued permits and the expectations of inspectors and economic development staff for new permits and buildings. Given the decline in construction industry this year, this revenue source is only estimated to bring in 2.3% of General Fund revenues for fiscal year 2011.

Intergovernmental revenue - Intergovernmental revenue consists of a payment-in-lieu-of-tax (PILOT) from the enterprise funds based on a percentage of revenues from the water and sewer utility systems. This is similar to the fee charged to other utilities for the use of City right-of-ways except for City-owned utilities. Projections are based solely on revenues projections for those revenue generators. Such funds total 3.7% of General Fund revenues.

Charges for services - These charges include recreation fees, fees paid by developers as reimbursements for City services, charges for emergency medical service (EMS), and various other service charges. Service Charges account for about 6.3% of revenues. Projections are based on historical use of City services as well as rates charged by the City on such services. EMS services have been outsourced to Intermedix, which handles all billing and initial collections.

Fines and Forfeitures - Include fines levied by the Judge for misdemeanor offenses occurring with the City and those collected on citations issued for code enforcement and on overdue books. Other fees are also included in this category for certain items relating to municipal court and library operations. These revenues have increased over the last few years as increased code and traffic enforcement efforts brought in additional revenues. This revenue source makes up approximately 6.8% of General Fund revenues for fiscal year 2011.

Miscellaneous revenue - This includes interest earned on the investment of General Fund cash, proceeds from the sale of surplus City property and other various revenues.

BUDGET OVERVIEW

Transfers In – Moneys transferred from another fund for general and administrative fees or obligations.

Special Revenue Funds

Watauga Parks Development Corporation Sales Tax Revenue - A ½% share of all local taxable sales are remitted by merchants to the State Comptroller's Office and then distributed to the City on a monthly basis. This represents approximately 97.9% of total revenue for the Parks Development Corporation Fund. Sales tax revenue increases are due to the addition of commercial establishments within the City.

Our economic outlook is conservative for the upcoming fiscal year. We project a one-percent (1%) increase over our prior-year projections. We do not expect major changes in this revenue source since we have a lack of commercial property available.

Voters approved this tax under Section 4B of Article 5190.6, Vernon's Texas Civil Statutes with an effective date of October 10, 1994. Funds can only be used to build parks and improve existing parks and are administered under the supervision of the Watauga Parks Development Corporation Board of Directors.

Watauga Crime Control and Prevention District Sales Tax Revenue - A ½% share of local taxable sales, less amounts from public utility providers, are remitted by merchants to the State Comptroller's Office and then distributed to the City on a monthly basis. This represents approximately 96.8% of total revenue for the Watauga Crime Control and Prevention District Fund.

Original budget projections showed a one-percent (1%) decrease from our prior-year projections. Due to the timing of budget preparation for this entity, our revised estimate of a one-percent increase was not reflected in this budget, as it was for the General Fund and Parks Development Corporation Fund.

Under Local Government Code Chapter 363, voters approved this tax for a five-year period, with an effective date of July 1, 1996. The District was again approved in 2001 for a ten-year period. An extension for another ten-year period beginning in 2011 is on the November 2010 ballot. Such funds can only be used to add officers and purchase additional supplies and equipment for law enforcement purposes. This Fund is administered by a Board of Directors, which is made up of the Mayor and all Council Members.

Library Donations – Each month, citizens are given the opportunity to donate \$1 when paying their utility bill to the City. Funds are used to purchase additional library supplies such as books, audio and videotapes, periodicals, and other types of supplies. Projections are based on historical trend of donations. Donated revenues make up approximately 99.7% of the Library Donation Fund's total revenues.

BUDGET OVERVIEW

Municipal Court Security Fee – This fee was adopted on April 26, 1999 under the provisions of the Code of Criminal Procedures, Section 102.017, by Ordinance 910. The Ordinance provides for the collection of \$3 from defendants convicted of a misdemeanor offense. Funds can only be used for purposes that provide security for the operations of the municipal court. Projections are based on traffic citation projections. This revenue source is 100% of the Municipal Court Security revenue stream.

Municipal Court Technology Fee – This fee was adopted on September 27, 1999 under the provisions of the Code of Criminal Procedures, Section 102.0172, by Ordinance 945. The Ordinance provides for collection of \$4 from defendants convicted of a misdemeanor offense. Funds can only be used for purposes that provide or maintain technological enhancements for the operations of the municipal court. Projections are based on traffic citation forecasts. This revenue source is 99.1% of the Municipal Court Security revenue stream.

Juvenile Case Manager Fee – This fee was established in September 2008 under the provisions of the Code of Criminal Procedures, Section 45.056, by Ordinance 1352. Under this provision, the fee was authorized by vote of the City Council to employ a Juvenile Case Manager to handle cases involving juveniles. The City collects \$5.00 for each violation, except parking, to support the Juvenile Case Manager.

Traffic Management Fund – This fund was established to account for funds received from the City's Red Light Traffic Control Program. In 2010, the City Council approved the installation of Red Light Cameras on certain City intersections. The law requires a citizen's committee to review traffic data and make recommendations for the location of the cameras. The committee has met and recommended three cameras be installed on State Hwy 377, which runs North-South at the western boundary of the City. Since this is a State highway, coordination is necessary with the Texas Department of Transportation. This coordination is underway as of the writing of this document. The City does not expect any activity in this account until late in the fiscal year. Thus, no budget has been established for FY 2011.

Miscellaneous revenue - Includes interest earned on the investment of each fund's cash, proceeds from the sale of surplus property from that fund, and other various revenues.

Capital Projects Funds

Transfers In – Moneys transferred from another fund for specific projects or obligations.

Miscellaneous revenue - Includes interest earned on the investment of each fund's

BUDGET OVERVIEW

cash, proceeds from the sale of surplus property from that fund and other various revenues.

Debt Service Funds

Ad Valorem taxes – As discussed in the General Fund section above, this property tax on real and personal property is assessed since a great number of City services are for the public good and are not reasonably allocated among individuals. The City bases its ad valorem tax rate on the certified appraisal roles provided by the Tarrant Appraisal District (TAD).

A combined tax rate is adopted each year by the Watauga City Council (a) for the use and support of the City's General Fund (referred to as the Maintenance and Operations (M&O) rate) and (b) to finance the City's Debt Service Fund (referred to as Interest and Sinking (I&S) rate) for payment of annual principal and interest due on outstanding general indebtedness. This is the portion obligated for debt service payments and is projected on payments as specified in debt obligations.

Transfers In – Moneys transferred from another fund for obligations.

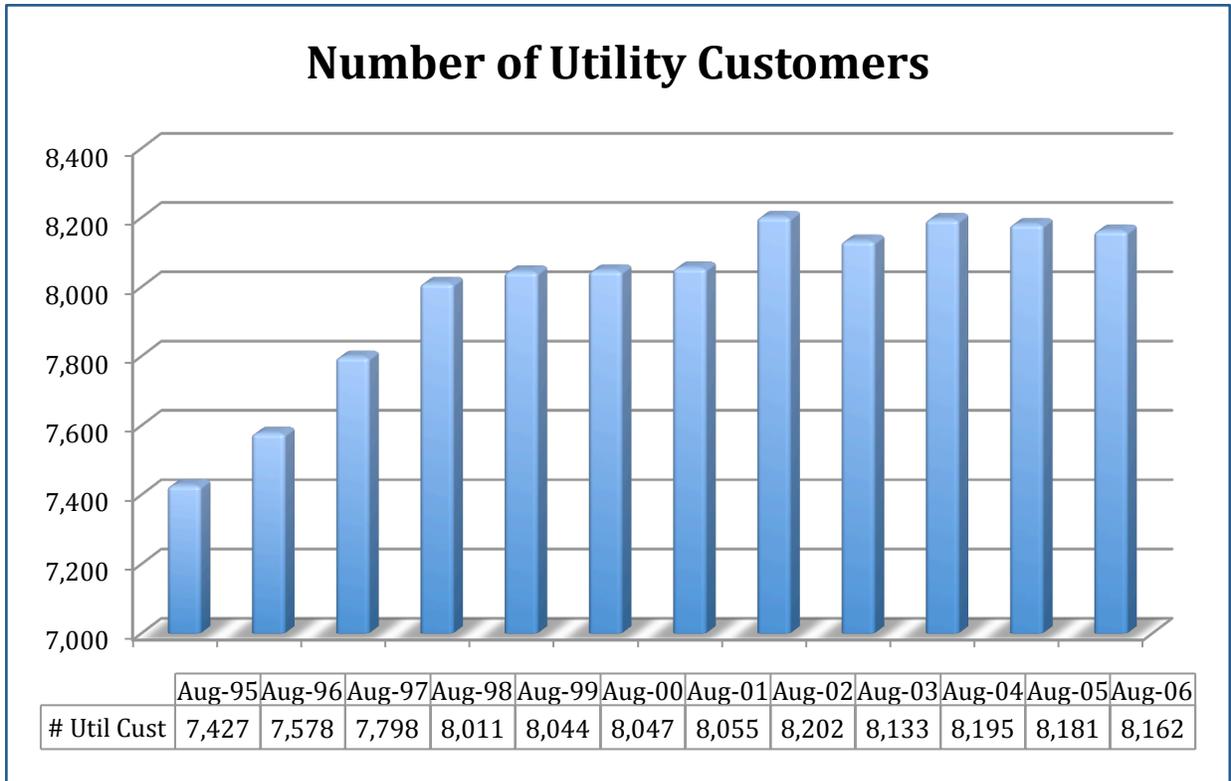
Miscellaneous revenue - Includes interest earned on the investment of each fund's cash and other various revenues.

Proprietary Funds

Water and Sewer Sales Revenues – The Utility Billing Office bills and collects revenues from the sale of potable water and the disposal of sewage discharge for single and multifamily residential buildings and commercial facilities inside the City. Projected revenues for these fees are generally based on population estimates, although weather conditions play a significant factor in revenues actually received. These revenue sources constitute 93.8% of the Water and Sewer Utility Fund revenues.

The following chart shows the City historical trend for utility accounts on which many of the proprietary revenue fees are based or calculated.

BUDGET OVERVIEW



EPA Revenue - Adopted by Ordinance 1026 on August 28, 2000 (amending Ordinance 829) to establish an Environmental Protection Agency (EPA) sewer surcharge of \$1.61 per month for each wastewater connection. Projections are based on the number of active accounts and rate changes. This revenue source is 2.2% of the Water and Sewer Fund revenue stream.

Storm Drain Utility Fee - A \$6 fee per month per utility account was adopted through Code of Ordinances, Appendix A, Section 10.1100, to enhance drainage of properties within the City. This is billed and collected through the Utility Billing Office and is 97.9% of the Storm Drain Utility Fund revenues. Projections are based on the number of active accounts and rate changes.

Miscellaneous revenue - Includes interest earned on the investment of each fund's cash, proceeds from the sale of surplus property from that fund, tap and inspection fees, service fees, impact fees, and other various revenues.

Transfers In - Moneys transferred from another fund for specific projects or obligations.

BUDGET OVERVIEW

EXPENDITURES / EXPENSES

The following information is a general description of the major expenditure / expense types for all of the City's major operating funds.

Personnel Services – Consists of personnel salaries and benefits.

Supplies – Those items necessary for operations including office and janitorial supplies, postage, publications, wearing apparel, vehicle parts and fuel, tools, and living plants.

Maintenance – Those services required to maintain assets of the City – may be paid to outside vendors. This can include vehicle or equipment maintenance, hardware and software maintenance, street striping, plumbing and electrical services, and radio and book repairs.

Contractual/Sundry – Consists primarily of services provided to the City, and other miscellaneous items. Services include bank services, audit and attorney fees, printing and binding, laboratory testing, public utilities, rental of equipment, ambulance billing services, collection agency fees, engineering services, appraisal district expenses, and insurance fees. Miscellaneous expenses include dues and subscriptions, travel, and training. This also includes transfers between funds and debt service payments.

Capital Outlay – The purchase or investment in items that are more than \$5,000 each, that have a life of more than one year, and that will be capitalized or considered a long-term asset of the City. Examples include buildings, furniture, equipment, and vehicles.

BUDGETARY SYSTEM AND PROCESS

The City Charter requires the City Manager to submit a proposed budget for the fiscal year, which begins October 1, to the City Council by August 1 each year, and provides for Council adoption of the budget by September 15; Article IX Section 9.02 F states "The budget shall be finally adopted not later than the last regular Council meeting of the last month of the fiscal year." Prior to August 1, the Finance department prepares a forecast of expected revenues from property taxes, sales taxes, and other fees and transfers. The City Manager and City department heads prepare expenditure estimates for the remainder of the current fiscal year and for the ensuing fiscal year, and these are compared to estimates of revenue for the same periods. Adjustments are made to the departmental expenditure estimates as necessary to ensure that the proposed budget is balanced within total estimated income as required by the City Charter. A **balanced budget** can include a planned drawdown of fund balance within guidelines discussed below.

As part of the general government budget preparation, there is also a simultaneous

BUDGET OVERVIEW

preparation of a budget for both the Crime Control District and the Parks Development Corporation. Due to their separate legal status, the respective boards must approve their budget, which is then sent to the City Council for final approval and appropriation.

Following adoption of the budget by the City Council, the City Manager and department heads, supported by the Finance department, monitor expenditures and revenues throughout the year to ensure that the integrity of the budget is maintained. The Charter allows the City Manager to transfer appropriation balances among programs within a department, and provides for transfer of appropriation balances from one department to another upon approval by the City Council by ordinance. If a departmental appropriation is exceeded at any time during the year, the budget must be amended and a supplemental or transfer appropriation ordinance approved by the City Council.

The City Manager is required to make monthly reports to the Council concerning the financial condition of the City.

The City's calendar for preparing and adopting the FY 2011 budget follows this Budget Overview section.

FINANCIAL POLICY GUIDELINES

These policy statements were prepared to provide a framework for fiscal decision-making to ensure that financial resources are available to meet the present and future needs of the citizens of Watauga.

The benefits of a financial policy are:

- Improve and expedite the decision-making process by allowing elected officials and staff to consider approaches to financial management from a long-term perspective.
- Enhanced credibility with the public, investors, and bond-rating agencies.
- Provide a sense of continuity as changes occur among elected officials and staff.
- Provide a means for dealing with fiscal emergencies.

Financial policies should be reviewed periodically (at least annually) by the City Council and revised and updated as necessary.

The following are the fiscal objectives of this policy:

- **Revenues:** Design, maintain, and administer revenues that will ensure reliable, equitable, and sufficient amounts to support desired services.
 - **Balance and Diversify Revenue Sources:** Maintain a balanced and diversified revenue system to avoid adverse fluctuations in any one source due to changes in economic conditions.

BUDGET OVERVIEW

- Property Tax Revenues: Strive to reduce reliance on property tax revenues by implementation of user fees, economic development, and revenue diversification.
- User fees: Establish and collect fees to recover the costs for services that benefit specific users. When feasible, the City shall recover full direct and indirect costs. These fees should be reviewed on a regular basis to calculate full-cost recovery levels, compare them with current structures, and recommend adjustments when necessary.
- Utility/Enterprise Fund Service Fees: Utility rates shall be set at sufficient levels to recover operating expenditures, meet debt obligations, provide funding for capital improvements, and provide an adequate level of working capital. The City should seek to eliminate all forms of subsidization to utility funds from the General Fund.
- Administrative Service Charges: A method should be established to determine the annual administrative service charges due the General Fund from enterprise funds for overhead and staff support. The enterprise fund shall pay the General Fund for direct services rendered when appropriate.
- Revenue Estimates for Budgeting: A conservative, objective, and analytical approach shall be used when preparing revenue estimates. This should include an analysis of probable economic changes, historical collection rates, and trends in revenues. This should maintain a stable level of services and reduce the probability of actual revenues being short of budget estimates.
- Revenue Collection: The revenue system should be as simple as possible in order to expedite payments. Since revenue should exceed the cost of producing it, administrative costs should be controlled and reduced as much as possible. The City shall pursue, to the full extent allowed by law, all delinquent taxpayers, and others overdue in their payments to the City.
- **Expenditures:** Prioritize services, establish appropriate levels of service, and administer the resources to ensure that fiscal stability is attained and maintained, and that services are delivered in an effective, efficient manner.
 - Current Funding Basis: Expenditures shall be budgeted and controlled to not exceed current revenues plus the planned use of fund balance accumulated through prior year saving. (Use of fund balance is discussed in another section).
 - Operating Deficits: Take immediate corrective action if expenditures are projected to be greater than projected revenues at year-end. Corrective actions could include, but are not limited to, expenditure reductions, fee increases, or use of fund balances. Short-term loans, use of one-time revenue sources, or expenditure deferral to the following fiscal year should be avoided.
 - Capital Asset Maintenance: As resources are available each year, capital assets and infrastructure should be maintained at sufficient levels to minimize future replacement and repair costs, to continue prescribed service levels, and to protect the City's investment in the assets.

BUDGET OVERVIEW

- Program Reviews: Make periodic staff and third-party reviews of programs to ensure efficiency and effectiveness. Consider privatization and contracting with other governmental agencies as alternative approaches for service delivery. Eliminate programs that are determined to be inefficient or ineffective. Use of performance management and performance measurement techniques is encouraged.
- Purchasing: Every effort should be made to maximize discounts offered by vendors. Competitive bidding should be used to receive the most advantageous prices on good and services.
- **Fund Balances:** Maintain fund balances in the various funds at sufficient levels to protect the creditworthiness of the City and protect the financial position from emergencies.
 - General Fund Undesignated Fund Balance: The undesignated fund balance should be maintained at or above 15% of expenditures.
 - Retained Earnings of Other Operating Funds: Positive retained earnings shall be maintained in enterprise operating funds in order to ensure that sufficient reserves are available for emergencies and revenue shortfalls. In the Water and Sewer Enterprise Fund, an operating reserve will be established and maintained at or above 20% of the current year's budget. The reserve is calculated as total budget less debt service and capital project expenditures. Special revenue funds such as Watauga Parks Development Corporation and Crime Control and Prevention District Fund should maintain positive fund balances and each respective Board should approve the amount to be retained each year.
 - Use of Fund Balance/Retained Earnings: Fund Balance/Retained Earnings should be used only for emergencies, major capital purchases, or non-recurring expenditures that cannot be provided by savings in the current year. Should the use reduce the balance below the appropriate level, recommendations will be made by management on how to restore the balance to its designated level.
- **Capital Expenditures and Improvements:** Review and monitor the condition of capital equipment and infrastructure, establish priorities for replacement and repair based on needs and availability of resources.
 - Capital Improvement Program (CIP): An annual review of the need for capital improvements and equipment should be conducted. This review should evaluate the status of infrastructure, its replacement and repair, and any potential new projects. Prioritize all projects, both ongoing and proposed, based on an analysis of current needs and resource availability. All operations, maintenance, and replacement costs should be listed for every capital project.
 - Scheduled Replacement of Capital Assets: An annual schedule shall be prepared for the replacement of non-infrastructure capital assets. As resources are available, these assets shall be replaced according to the schedule.

BUDGET OVERVIEW

- Capital Expenditure Financing: There are three methods of financing capital requirements:
 - Current revenues.
 - Fund balance/retained earnings, as allowed.
 - Debt.

Debt financing includes general obligations bonds, revenue bonds, certificates of obligation, and lease/purchase agreements. Guidelines for assuming debt are described in the Debt section, below.

- Capital Projects Reserve Fund: A fund may be established and maintained to accumulate proceeds from the sale of real property, and transfers from the General Fund undesignated fund balance. This fund should be used to pay for capital improvements and equipment with an expected life of greater than 10 years.
- **Debt:** Establish guidelines for debt financing that will provide capital equipment and infrastructure improvements while minimizing the impact of principal and interest payments on current revenues.
 - Use of Debt Financing: Debt financing, including general obligation bonds, revenue bonds, certificates of obligation, and lease/purchase agreements shall be used only when capital assets cannot be financed from current revenues or when the useful life of the asset or project exceeds the payout schedule of any debt.
 - Assumption of Additional Debt: Additional tax supported debt should not be assumed without conducting an analysis to determine the community's ability and desire to support additional debt service payments.
 - Affordability Targets: An objective analytical approach should be used to determine whether new general-purpose debt could be assumed beyond what is retired each year. Generally Accepted Standards of affordability should be used in the analysis. These include debt per capita, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures, and the level of overlapping net debt of all local taxing jurisdictions. The direct costs and benefits of the proposed expenditures should be examined. The decision to assume new debt should be based on the costs and benefits, plus the ability to assume the new debt without detriment to the City or its citizens.
 - Debt Structure: Debt payments should be structured to ensure level repayment. Level payment schedules improve budget planning and financial management.
 - Debt Limits: Article XI, Section 5, of the State of Texas Constitution does not provide for a statutory debt limit for cities. However, it does state: "Cities may levy, assess and collect such taxes as may be authorized by law or by their charters; but no tax for any purpose shall ever be lawful for any one year, which

BUDGET OVERVIEW

shall exceed two and one-half per cent. [sic] of the taxable property of such city, and no debt shall ever be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating a sinking fund of at least two per cent. [sic] thereon.” See also the Texas Tax Code Section 302.001(c).

City Charter Article X - Taxation, Section 10.02 - Power to Tax states: “The City shall have the power to tax property in accordance with the statutory provision of the Texas Property Tax Code, as now or hereafter amended by the state legislature.”

Thus, the maximum rate of tax for the City is \$2.50/\$100 of value of the taxable property in the municipality. The City Tax rate is \$0.580763/\$100 of valuation and thus well below the state and charter statutory maximum. This tax rate has been in effect each year since 2004.

- **Investments:** Invest the City’s operating cash to ensure its safety, provide for necessary liquidity, and optimize yield in accordance with the City of Watauga Investment Policy. Interest earned from investments shall be distributed to the fund from which the money was provided.
- **Fiscal Monitoring:** Prepare and present regular reports that analyze, evaluate, and forecast the City’s financial performance and economic condition.
 - **Financial Status and Performance Reports:** Monthly reports comparing expenditures and revenues to current budget, projecting expenditures and revenues through the end of the year, noting the status of fund balances to include dollar amounts and percentages, and outlining any remedial actions necessary to maintain the City’s financial position shall be prepared for review by the City Manager and the City Council.
 - **Three-year Forecast of Revenues and Expenditures:** A three-year forecast of revenues and expenditures should be prepared in anticipation of the annual budget process. The forecast should include critical issues facing the City, economic conditions, and the outlook for the upcoming budget year.
 - **Quarterly Status Report on Capital Projects:** A summary report on the contracts awarded, capital projects completed, and the status of the various capital programs should be prepared quarterly and presented to the City Manager and the City Council.
- **Financial Consultants:** Within available resources, employ the assistance of qualified financial advisors and consultants, as needed, in the management and administration of the City’s financial functions.

These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluations, and financial impact modeling.

BUDGET OVERVIEW

Advisors should be selected on a competitive basis using objective questionnaires and requests for proposals based on the scope of the work to be performed.

- **Accounting, Auditing and Financial Reporting:** Comply with prevailing federal, state, and local regulations. Conform to Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

POLICY ISSUES, GOALS AND OBJECTIVES FOR FY 2011

The FY 2011 budget is designed to continue the City's programs to (a) provide efficient operations, (b) maintain basic and essential service levels, and (c) achieve Customer Service Statements (CSS#) and City Council Goals (COW#). Specifically, the following policies are to be observed:

- Essential government services are to be provided at a level equal to or better than the level previously provided.
- All services are to be constantly examined to ensure that they are provided in an efficient and effective manner and that unnecessary services are eliminated.

As a means to ensure that Customer Service Statements (CSS#) and City Council Goals (COW#) are achieved, performance-based programs were implemented in FY 1999. Under this program, each City department head is required to identify several performance objectives consistent with City goals and maintain performance indicators, which will measure progress toward the achievement of stated objectives.

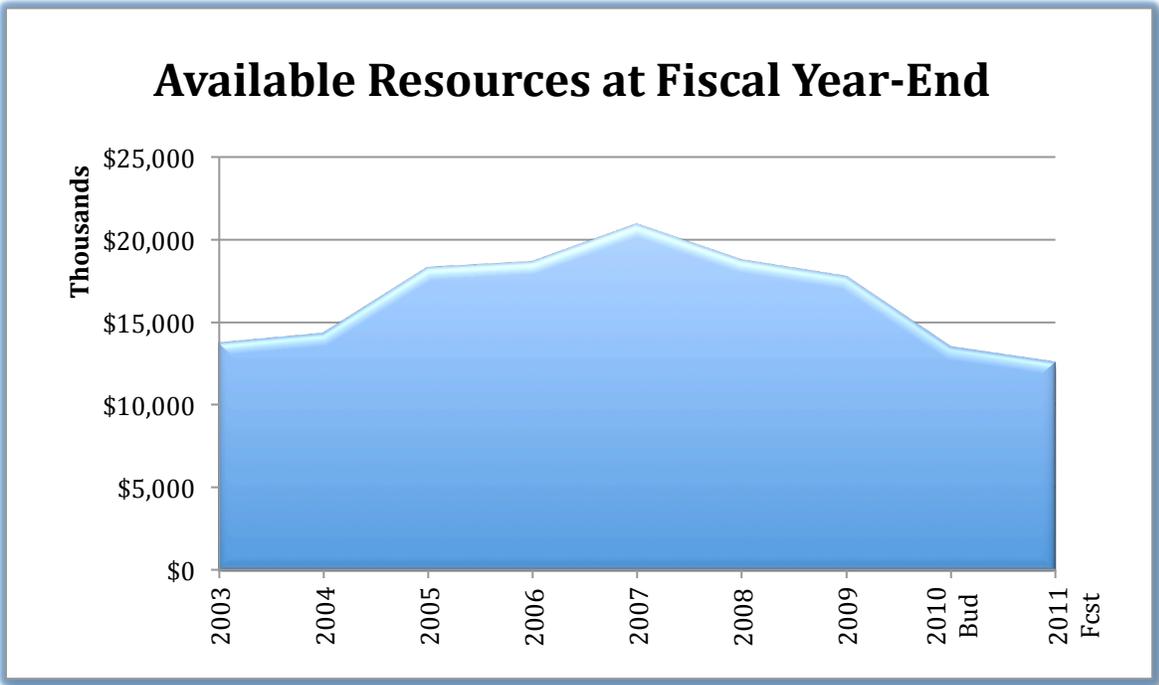
Each department's progress in measuring their goals is reviewed and monitored throughout the budget year.

The FY 2011 proposed balanced budget does have some planned draw down of fund balance within the guidelines of the financial policy. All funds are planned to carry sufficient levels to protect the creditworthiness of the City and financial position from emergencies.

The General Fund has an imposed target of 15% of operating expenses. For fiscal year 2011, the General Fund ending balance is projected to be at 39.8% of operating expenses. The Water and Sewer Fund has a required 20% level of reserves. We expect to end fiscal year 2011 with a balance of 24.3% of operating expenses. Given the economic uncertainty of the next few years, these fund balances provide a level of stability for City operations.

The following graph shows the available resources for all City funds at fiscal year-end for the last six years and estimates for FY 2010 and FY 2011. Fiscal years 2005 and 2007 depict increases due to bond sales followed by decreases as those funds were spent for needed projects.

BUDGET OVERVIEW



The table on the following page depicts the major enhancements to this year’s budget adoption and how they relate to the long-term plans and objectives for the City of Watauga.

BUDGET OVERVIEW

Enhancement in FY 2011 Budget		
Operating Supplemental	One-Time Capital	Policy Direction (CSS# and COW#)
Flat Tax Rate		Citizens benefit from value and quality of service delivered in an economic manner and at a reasonable tax rate (CSS#5). Reduce Tax Rate (COW#8).
Wage Adjustment for all Full-Time employees		Citizens benefit from value and quality of service delivered in an economical manner and at a reasonable tax rate (CSS#5). Provide a high level of customer service with staff that is appropriately trained and compensated (COW#5).
New Finance Position		Citizens benefit from value and quality of service delivered in an economical manner and at a reasonable tax rate (CSS#5). Provide a high level of customer service with staff that is appropriately trained and compensated (COW#5).
	Construction of a New Fire Station/EMS facility (Continuation from prior year)	Citizens of Watauga are entitled to an environment in which they can reside with minimal risk to health, minimal potential for accident and highest degree of public safety (CSS#1). Increased Civic Pride results from well-planned residential, commercial, and municipal areas (CSS#6). Provide a safe and secure City (COW#1).
	Parking Lot and Bathroom Facilities in Capp Smith Park	Citizens benefit from activities and facilities that maximize the availability of options when seeking entertainment outside their own home. (CSS#3) Provide diverse park facilities, recreational, and cultural opportunities for citizens of all ages. (COW#4)

BUDGET CALENDAR

Date	Days	Group Affected	Action Needed	Requirement
City Wide Budget				
Wed, Apr 7, 2010		Directors / FD / CMO	Budget Kick-Off Meeting	
Fri, Apr 30, 2010	23	Directors / FD	Baseline Budgets Submitted	
Fri, May 14, 2010	14	TAD / FD	Preliminary TAD Taxable Values are received. Finance Department begins Effective and Rollback Tax Rate Analysis.	Tarrant Appraisal District submits preliminary tax values to cities
Mon, May 17, 2010	3	Directors / FD	New & Expanded Requests Due	
Mon, May 31, 2010	14	FD	Preliminary Revenue Estimates	
Mon, May 31, 2010	0	FD / CMO	Finance Department submits consolidated budget to CMO	
As Necessary		CM/ CC	Pre-Budget Workshop - City Council directs City Manager on Budget Objectives for FY 2011	
5/31/2010 to 6/7/2010	7	CMO	Budget Review	
6/ 7/2010 to 6/11/2010	5	Directors / FD / CMO	Budget Request Discussions	
Mon, Jul 26, 2010	42	FD / CMO	Finance Department prepares Budget Book for CMO. Certified TAD Taxable Values are received on this day.	Tarrant Appraisal District submits Certified tax values to cities
Tue, Jul 27, 2010	1	TAD / FD	Revenue estimates updated and revisions to the Budget Book are made as necessary.	
Wed, Jul 28, 2010	1	CMO	Final Decisions & Budget Message Prepared	
Fri, Jul 30, 2010	2	FD / CMO	Submit Preliminary Budget to Council	Article IX Sec.9.02B. Home Rule Charter - On or before the first day of August of each year, the City Manager shall submit to the Council a proposed budget and an accompanying message. The Council shall review the proposed budget and revise as deemed appropriate prior to general circulation for public hearing.
Fri, Jul 30, 2010	0	CSO for CC	Publish Notice of Availability of the proposed budget document for public inspection, as well as the time and place of public hearing for the proposed budget.	Article IX Sec.9.02C. Home Rule Charter - The Council shall post in the City Hall and publish in the official newspaper a notice stating 1) the times and places where copies of the message and budget are available for inspection by the public, and 2) the time and place, not less than two (2) weeks after such publication, for a public hearing on the budget.
Wed, Aug 4, 2010	5	Directors/FD/CMO/CC	Budget Work Sessions as necessary	
Wed, Aug 4, 2010	0	CC	Meeting of City Council to discuss tax rate; if proposed tax will exceed the rollback rate or the effective tax rate (whichever is lower), take record vote and schedule public hearing.	
Fri, Aug 6, 2010	2	CSO for CC	Publish Effective and Rollback Tax Rates, statement and schedules; submission to governing body.	Chapter 26 Sec. 26.04 (e) Property Tax Code - By August 7 or as soon thereafter as practicable, the designated officer or employee shall submit the rates to the governing body. He shall deliver by mail to each property owner in the unit or publish in a newspaper in the form prescribed by the controller: 1) the effective tax rate, the rollback tax rate, and an explanation of how they are calculated; 2) the estimated amount of interest and sinking fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding existing debt obligation; 3) a schedule of the unit's debt obligations.
Fri, Aug 6, 2010	0	CSO for CC	Publish "Notice of Public Hearing on Tax Increase" (1st quarter page notice in newspaper and on TV and Website, if available, published at least seven (7) days before public hearing.	Chapter 26 Sec.26.06(b) Property Tax Code - The notice of a public hearing may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper, and the headline on the notice must be in 24-point or larger type. Must be two Public Hearings
Mon, Aug 16, 2010	10	CC	1st Public Hearing on Budget.	Chapter 26 Sec.26.06(a) Property Tax Code - A public hearing required by Section 26.05 may not be held before the seventh day after the date the notice of the public hearing on the tax rate increase is given. The hearing must be on a weekday that is not a public holiday. The hearing must be held inside the boundaries of the unit in a publicly owned building or, if a suitable publicly owned building is not available, in a suitable building to which the public normally has access. At the hearing, the governing body must afford adequate opportunity for proponents and opponents of the tax increase to present their views. Chapter 26 Sec.26.06(d) Property Tax Code - At the public hearing the governing body shall announce the date, time, and place of the meeting at which it will vote on the proposed tax rate. After the hearing the governing body shall give notice of the meeting at which it will vote on the proposed tax rate and the notice shall be in the same form as prescribed by Subsection (b) and (c), except that it must state the following: "NOTICE OF VOTE ON TAX RATE".
Tue, Aug 17, 2010	11	CSO for CC	Publish "Notice of Vote on Tax Rate"	Chapter 26 Sec 26.06(d) Property Tax Code - At the public hearings the governing body shall announce the date, time and place of the meeting at which it will vote on the proposed tax rate. After each hearing the governing body shall give notice of the meeting at which it will vote on the proposed tax rate and the notice shall be in the same form as prescribed by Subsections (b) and (c), except that it must say "NOTICE OF VOTE ON TAX RATE"
Wed, Aug 25, 2010	8	CC	2nd Public Hearing Schedule and announce meeting to adopt tax rate 3-14 days from this date.	
Fri, Aug 27, 2010	2	CSO for CC	"Notice of Vote on Tax Rate"- Published before meeting to adopt tax rate is the 2nd quarter-page notice in newspaper before meeting and published on TV and Website (if available, at least seven days before meeting).	Chapter 26 Sec.26.06(d) Property Tax Code - At the public hearing the governing body shall announce the date, time, and place of the meeting at which it will vote on the proposed tax rate. After the hearing the governing body shall give notice of the meeting at which it will vote on the proposed tax rate and the notice shall be in the same form as prescribed by Subsection (b) and (c), except that it must state the following: "NOTICE OF VOTE ON TAX RATE".

BUDGET CALENDAR

FY 2011 Budget Calendar

Wed, Sep 8, 2010	12	CC	Reading of Ordinance to Adopt Budget. Meeting to adopt tax rate. Meeting is 3-14 days after public hearing. Taxing unit must adopt tax rate by the later of September 29, or the 60th day after receiving certified appraisal roll.	Article IX Sec.9.02E. Home Rule Charter - The Council shall adopt the budget by ordinance as specified in Article III of this Charter before the 15th day of September. Adoption of the budget will require an affirmative vote of at least two-thirds of all of the members of the Council. Adoption of the budget shall constitute appropriations of the amount specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed. Chapter 26 Sec.26.05(a) The governing body of each taxing unit, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, shall adopt a tax rate for the current tax year and shall notify the assessor for the of the tax rate adopted. The tax rate consist of two different components, each of which must be approved separately.
Fri, Oct 1, 2010	23	ALL	Budget Implementation	
Crime Control District				
Fri, Apr 30, 2010		Directors / FD	Baseline Budgets and New & Expanded Requests Submitted	
Mon, May 17, 2010	17	FD	Finance Department submits budget requests to CMO	
Mon, Jun 7, 2010	21	CCD	Crime Board Workshop Meeting (Set the date for Public Hearings on proposed WCCPD Budget)	
Fri, Jun 11, 2010	4	CSO for CCD	Publish Notice of Public Hearing	Sec. 363.204(b) Local Government Code - The board shall publish notice of the hearing in a newspaper with general circulation in the district not later than the 10th day before the date of the hearing.
Mon, Jun 21, 2010	10	CCD	Public Hearing	Sec. 363.204(a) Local Government Code - Not later than the 100th day before the date each fiscal year begins, the board shall hold a public hearing on the proposed annual budget.
Mon, Jun 21, 2010	0	CCD	Budget Adoption	Sec. 363.204(d) Local Government Code - Not later than the 80th day before the date each fiscal year begins, the board shall adopt a budget. The board may make any changes in the proposed budget that in its judgment the interest of the taxpayers demand.
Mon, Jun 28, 2010	7	CC	Budget Acceptance	Sec. 363.204(e) Local Government Code - Not later than the 10th day after the date the budget is adopted, the board shall submit to the governing body of the political subdivision that created the district.
Fri, Aug 6, 2010	39	CSO for CC	Publish Notice of Public Hearing	Sec. 363.205(b) Local Government Code - The governing body must publish notice of the hearing in a newspaper with general circulation in the district not later than the 10th day before the date of the hearing.
Mon, Aug 16, 2010	10	CC	Public Hearing	Sec. 363.205(a) Local Government Code - Not later than the 45th day before the date each fiscal year begins, the governing body of the political subdivision that created the district shall hold a public hearing on the budget adopted by the board and submitted to the governing body.
Wed, Aug 25, 2010	9	CC	Budget Adoption	Sec. 363.205(d) Local Government Code - Not later than the 30th day before the fiscal year begins, the governing body shall approve or reject the budget submitted by the board. The governing body may not amend the budget.
Parks Development Corporation				
Fri, Apr 30, 2010		Directors / FD	Baseline Budgets and New & Expanded Requests Submitted	
Mon, May 17, 2010	17	FD	Finance Department submits budget requests to CMO	
Tue, Jun 15, 2010	29	CMO / PDC	Discussion of Budget	
Fri, Jun 25, 2010	10	CSO for PDC	Publish Notice of Public Hearing	
Tue, Jul 13, 2010	18	PDC	Public Hearing	
Tue, Jul 13, 2010	0	PDC	Budget Adoption	
Mon, Jul 26, 2010	13	CC	Budget Acceptance	
Fri, Aug 13, 2010	18	CSO for CC	Publish Notice of Public Hearing	
Wed, Aug 25, 2010	12	CC	Public Hearing	
Wed, Sep 8, 2010	14	CC	Budget Adoption	
City Council Meeting Dates			Deliverables by Area of Responsibility	
Mon, May 24, 2010			DEPARTMENTAL	
Mon, Jun 28, 2010			CITY SECRETARY	
Mon, Jul 26, 2010			CITY COUNCIL	
Wed, Aug 25, 2010				
Wed, Sep 8, 2010				

THE CITY OF WATAUGA, TEXAS

Brief History of Watauga

The Cherokee Indians were the first settlers in Watauga. Watauga comes from the Cherokee word whose meaning has been lost, but has been variously interpreted as "Village of Many Springs," "River of Plenty," and "Beautiful Water." They were in search of bountiful game, fertile fields, and clear spring waters.

Around 1843, hardy settlers from Tennessee first arrived in the village. Among some of the first settlers were: W.A., Margaret and James Walker, Jane Weir, Willie Potts, William Samual, Martha and Nancy Evans, William, Julia and Mary Carlton, Syrena Stowel, and Sarah Henderson.

On December 14, 1867, Willow Springs Presbyterian Church was the first church organized in Watauga. In 1972, a state historical marker was presented to designate the Church's historical recognition for over one hundred years of service.

In 1876, the railroad came to Texas, linking the two coasts for transporting people and cattle to the Fort Worth area. However, in 1930, the Watauga Depot was moved to Hodge, causing growth to come to a standstill. At this time, Watauga's population was 50. Thirty-four years later, in 1964, the population was 300. However, Watauga grew rapidly in the late 70's and early 1980's, and currently has a population of 24,150.

Tarrant Utility Company deeded Lot 9, Block 1 (5633 Linda Drive) in April 1958, to the City for constructing a fire station and City Hall. The first City Hall and fire station cost \$1,200 in materials and was built entirely by volunteers. On December 6, 1958, a chili pie supper was held to raise funds for a volunteer fire department, and the first volunteer fire department was organized on June 10, 1959.

Eleven mayors have served the City. There are John Ransburger, Farris Jones, John Smith, Mack N. Burke, Jr., Mildred Morris, Noel Meadows, Mrs. Noel Meadows, Virgil R. Anthony, Sr., Anthony W. Girtman, Hector F. Garcia, and presently serving is Henry J. Jeffries, who has served as Mayor since 2001.

Watauga was incorporated on September 24, 1958. The Home Rule Charter was adopted by the citizens of Watauga, Texas at an election held on January 19, 1980 and amended at elections held on January 19, 1985, August 8, 1987, August 11, 1990, January 15, 1994, August 10, 1996, August 8, 1998, September 14, 2002, and May 7, 2005. In June 1980, a new Municipal Complex was opened. The complex was dedicated to the memory of Merle Caudle, Fire Chief, who was killed in the line of duty. On September 10, 1988, the citizens of Watauga passed a bond election for the construction of a Library. In 2003, the City opened a Community and Recreation Center on Indian Springs. During the winter of 2005-2006, the City opened its new City Hall and, in October of 2006, the City opened its first Animal Service Center. The Library received a 5,000 square foot expansion during the summer of 2007. In February 2009, the City opened the renovated police facility, which provided new jail, office, training, and dispatch facilities. The City is currently constructing a new Fire/EMS station, which is expected to be completed in April 2011.

THE CITY OF WATAUGA, TEXAS

Education

The Birdville and Keller Independent School Districts (BISD and KISD) provide elementary and secondary educational services within the City. There are four campuses located within the City, with over 2,700 students enrolled and over 170 classroom teachers. Six elementary, six middle, and two high schools serve Watauga. One private college preparatory school is located in Watauga.

Adult and higher education is available locally through the Tarrant County College System's Northeast Campus. Additionally, located within a 35-mile radius of the City are: Texas Christian University and Texas Wesleyan College in Fort Worth; Southern Methodist University, the University of Texas at Dallas, the Dallas County Community College System, and the University of Dallas in Dallas; the University of Texas at Arlington, and the University of North Texas, and Texas Woman's University in Denton.

Medical

North Hills Medical Center, an affiliate of HCA, is a modern, private 144-bed hospital. Over 250 active medical doctors and six dental doctors serve the cities in the area with a full range of medical, surgical, and dental services, together with 24-hour emergency room services. In addition, three other main health systems serve the area. They are Harris Methodist, a part of Texas Health Resources, Baylor All Saints, a part of Baylor Healthcare, and county-funded John Peter Smith (JPS) Hospital, the only Level-1 Trauma facility in Tarrant County.

Culture and Entertainment

Within a 30-minute drive of the city are the Kimbell Art Museum, Modern Art Museum of Fort Worth, Nancy Lee and Perry R. Bass Performance Hall, Amon Carter Museum, and the Fort Worth Museum of Science and History.

The Fort Worth Cultural District has Casa Manana, Cowtown Segway Tours, Equestrian Center Omni Theater, Sanders Theater, Scott Theater, and the Will Rogers Center, with the Fort Worth Opera opening soon. See <http://www.fwculture.com/entertainment.htm>

A variety of major sporting franchises including the five time Super Bowl champion Dallas Cowboys, the 1998 and 1999 American League West Divisional Champion Texas Rangers, the 2006 Western Conference Champion Dallas Maverick basketball franchise, the 1999 Stanley Cup Champion Dallas Stars hockey club, Dallas Sidekicks soccer, PGA Colonial National Golf Tournament and Byron Nelson Classic are based in the Metroplex area.

In addition, the City of Grand Prairie established the area's first horseracing facility, Lone Star Park.

Watauga is within a 30-mile driving distance to Six Flags Over Texas' amusement park and water park, Hurricane Harbor. Within 5 miles from Watauga, the City of North Richland Hills established the State of Texas' first municipally owned water park, NRH20.

THE CITY OF WATAUGA, TEXAS

Churches

The 15 churches located in Watauga represent a variety of denominations.

Watauga Statistics

Population (Estimated Jan 10)	24,350
Area (Square Miles)	4
Percent Developed/Undeveloped (Estimated 2010)	96%/4%

Unemployment Rate (August 2010)	
Tarrant County	8.40%
State	8.30%

Median Age (2000 Census)	31.6
Average Household Size (2000 Census)	3.04
Mean Household Income (2000 Census)	\$56,751

Educational Level (%) (2000 Census)	
No High School Diploma	13.90%
High School Diploma	71.30%
Post High School Degree	14.80%

Housing	
Number of Housing Units – (2000 Census)	7,145
Estimated Housing Units (Jan 2010)	8,131
Average Household Size (2000 Census)	3.04
Average Parcel Market Value (Tarrant Appraisal District Jul 2010)	\$96,147
Average Parcel Taxable Value (Tarrant Appraisal District Jul 2010)	\$91,183
City Property Tax Rate (Per \$100)	\$0.580763
Percent Owner Occupied (2000 Census)	85.40%
Percent Renter Occupied (2000 Census)	14.60%

Industry Employment Profile (%) (2000 Census)	
Tech, Sales, Admin. Support	33.20%
Service Occupations/Agriculture	11.30%
Manager and Professional	28.00%
All others	27.50%

Sales Tax Revenue Projection General Fund for FY 2011	\$2,595,000
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Operating Budget (2010-2011)	\$26,870,426
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THE CITY OF WATAUGA, TEXAS

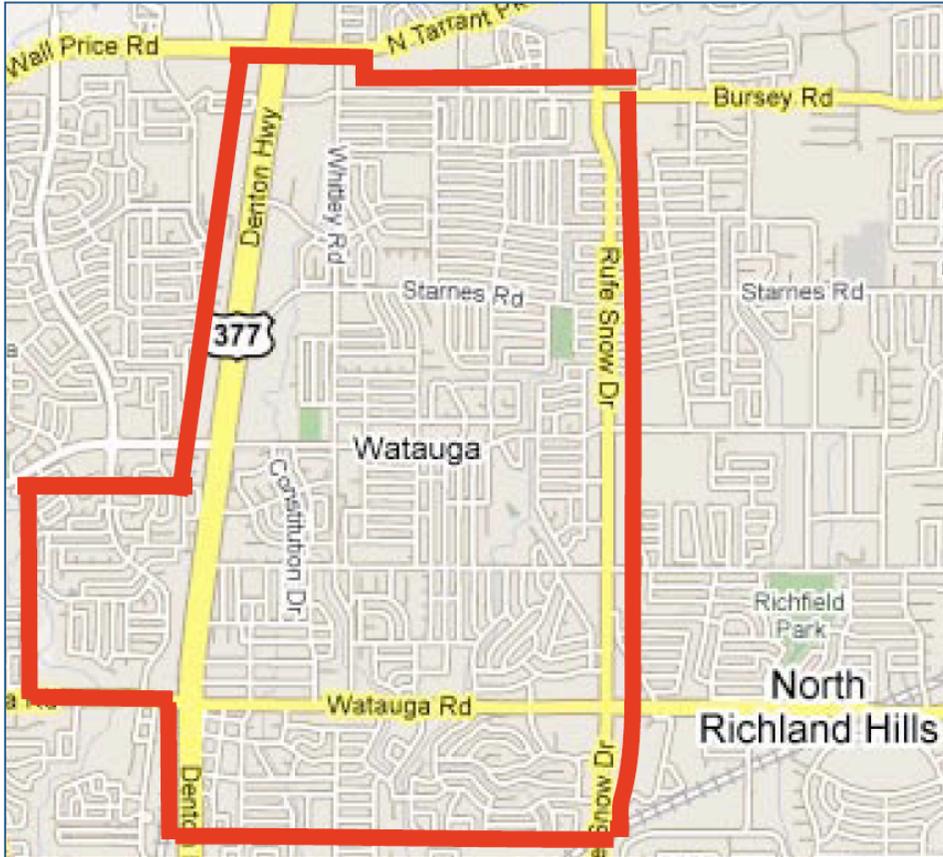
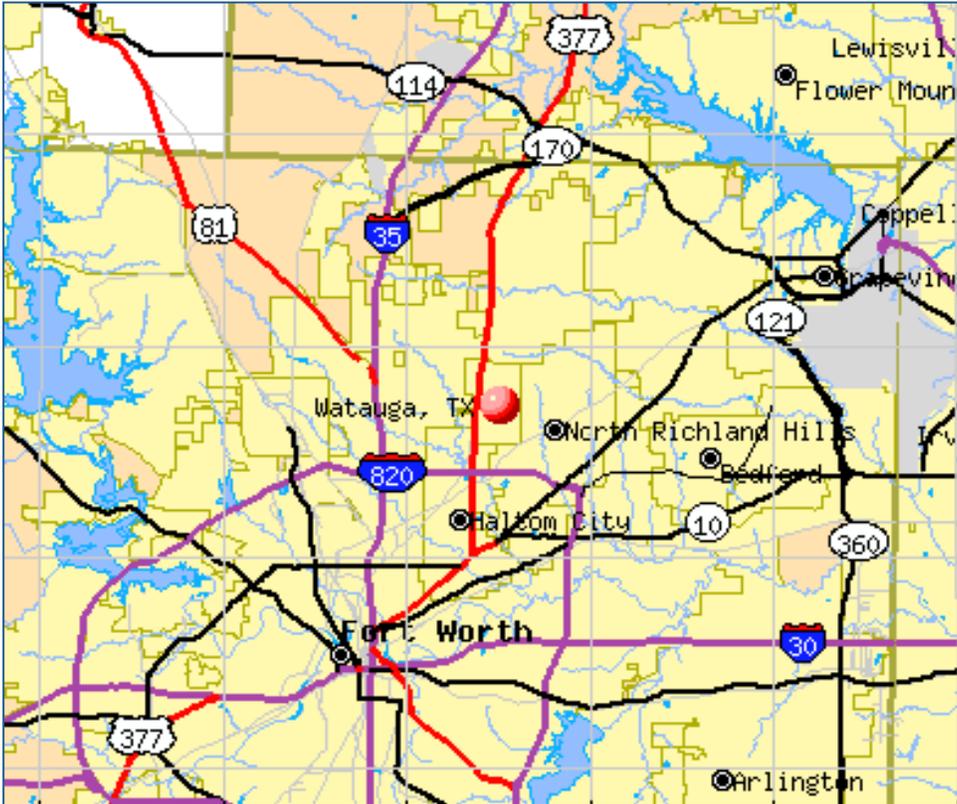
<i>Land Use Data</i>	2005
Total Acres	2,618
Single Family	1,426
Multi-Family	13
Mobile Homes and Group Quarters	8
Industrial	10
Commercial	198
Institutional	106
Infrastructure	577
Parks and Flood Plain	98
Water	3
Under Construction	11
Vacant	168

Source: NCTCOG

<i>Top Ten Employers in 16-County NCTCOG Region</i>	
Name	Employees*
Lockheed Martin Aeronautics Company, Fort Worth	13,500
American Airlines/AMR, DFW Airport	11,709
NAS Fort Worth Joint Reserve Base, Fort Worth	11,350
Texas Instruments, Dallas	9,800
Parkland Health & Hospital System, Dallas	9,178
UT Southwestern Medical Center, Dallas	8,545
University of North Texas, Denton	7,762
American Airlines/AMR, Fort Worth	6,500
Baylor University Medical Center At Dallas, Dallas	5,500
University of Texas At Arlington, Arlington	5,300

* Site Employment - NCTCOG's Major Employers inventory identifies employment establishments in the 16-county North Central Texas region with a minimum of 250 full-time and part-time workers. Given that this employment inventory is based on location rather than company-wide totals, several firms may have multiple listings, one for each site with 250 or more employees. However, large firms that do not have a single location with this minimum employment size are not included in the inventory. An employment establishment may consist of a single building or a collection of adjacent buildings occupied by one employer, such as a college campus or business park.

THE CITY OF WATAUGA, TEXAS

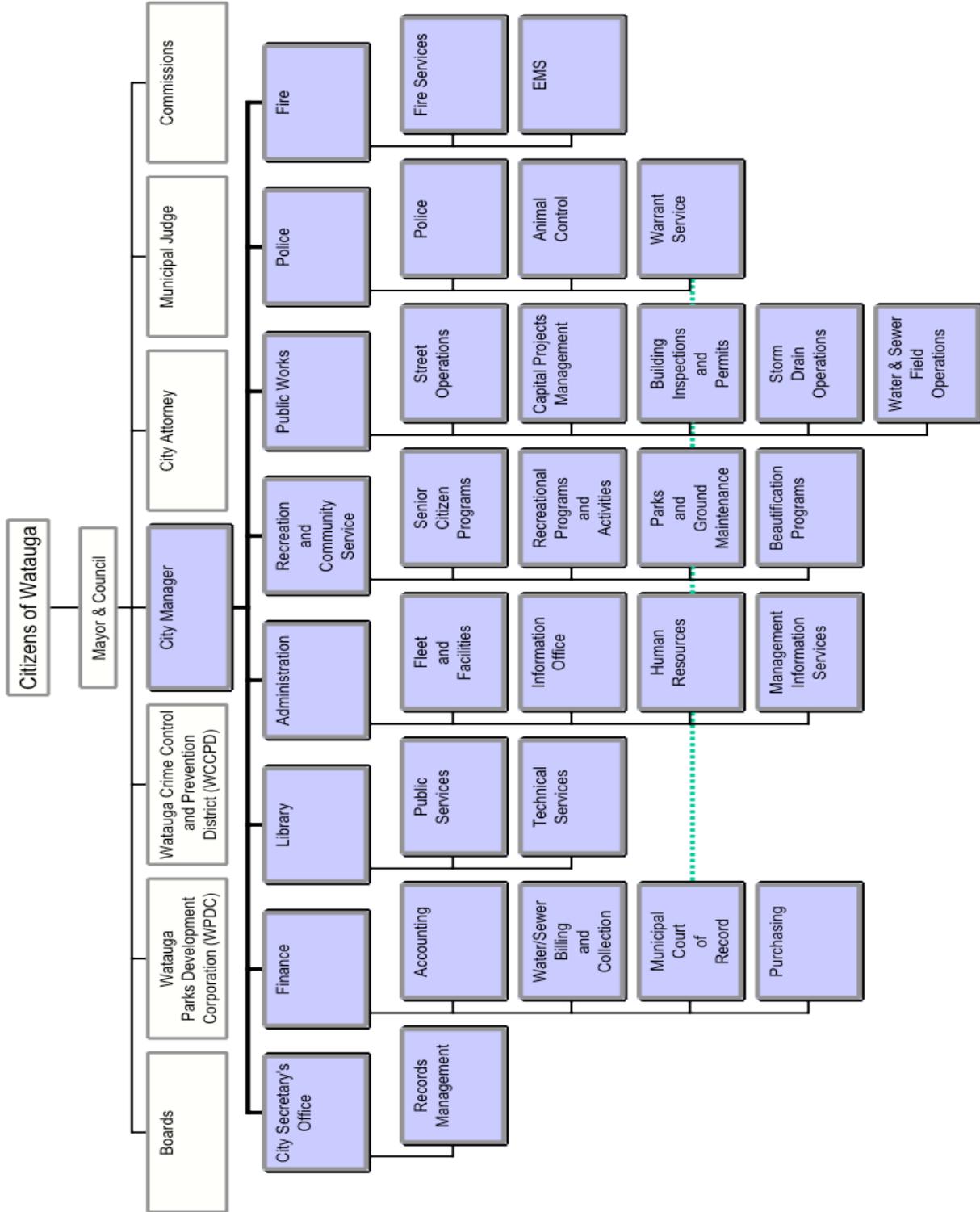


THE CITY OF WATAUGA, TEXAS



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CITY OF WATAUGA ORGANIZATIONAL CHART



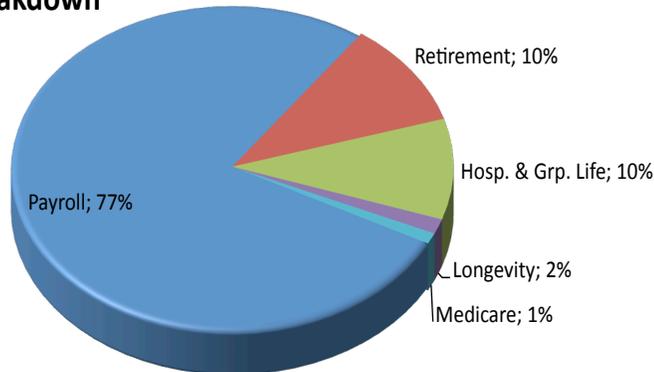
PERSONNEL POSITIONS

	FY 2007		FY 2008		FY 2009		FY 2010		FY 2011	
	Full Time	Part Time								
GENERAL FUND										
Administration - City Manager	4.50	-	4.50	-	1.50		1.50		1.50	
Administration - City Secretary					3.00		3.00		3.00	
Human Resources	1.50	-	1.50	-	1.50		1.50		1.50	
Finance	7.25	0.50	7.25	0.75	7.25	0.75	7.00	0.75	7.50	0.75
M.I.S.	1.50	-	1.50	-	1.50		1.50		1.50	
Library	8.00	4.75	8.00	5.25	8.00	5.25	8.00	5.25	8.00	5.25
Recreation and Community Services	5.50	5.00	5.50	5.00	5.50	5.00	5.50	5.00	5.50	5.00
DPS - Police Division	42.33	3.75	44.83	4.75	45.00	4.75	46.00	4.25	46.00	4.25
DPS - Fire / EMS Division	20.50	1.00	21.00	1.00	21.00	1.00	21.00	1.00	21.00	1.00
Public Works	13.50	-	14.50	-	14.50		14.50		14.50	
Fleet Services	3.00	-	4.00	-	4.00		4.00		4.00	
Buildings	6.00	-	7.00	-	8.00		8.00		8.00	
Total General Fund	113.58	15.00	119.58	16.75	120.75	16.75	121.50	16.25	122.00	16.25
ENTERPRISE FUNDS										
Drainage Utility	8.50	1.00	8.50	1.00	8.50	1.00	8.50	1.00	8.50	1.00
Water/Sewer Fund										
Administration	1.75	-	1.75	-	1.75		1.75		1.75	
Billing and Collections	7.00	-	7.00	-	7.00		7.00		7.50	
M.I.S.	0.50	-	0.50	-	0.50		0.50		0.50	
Water Distribution	7.25	-	7.25	-	7.25		7.25		7.25	
Sewer Collections	7.75	-	7.75	-	7.75		7.75		7.75	
Total Water/Sewer Fund	24.25	-	24.25	-	24.25	-	24.25	-	24.75	-
Total Enterprise Funds	32.75	1.00	32.75	1.00	32.75	1.00	32.75	1.00	33.25	1.00
REVENUE FUNDS										
Parks Development Corp	10.50	-	11.50	-	11.50	-	11.50	-	11.50	-
Crime Control District	8.00	-	9.00	-	9.00	-	9.00	-	9.00	-
Municipal Court Security	0.17	-	0.17	-	-	-	-	-	-	-
Municipal Court Juvenile Case Mgr	-	-	-	-	-	-	0.25	-	0.25	-
Total Revenue Funds	18.67	-	20.67	-	20.50	-	20.75	-	20.75	-
GRAND TOTAL*	165.00	16.00	173.00	17.75	174.00	17.75	175.00	17.25	176.00	17.25
Est. Population	24,100		24,150		24,150		24,150		24,350	
Personnel Per Capita	0.0075		0.0079		0.0079		0.0080		0.0079	

* Does not include part-time temporary Summer Recreation program instructors

Personnel Budget Breakdown

\$11,370,307



COMBINED SUMMARY OF REVENUES AND EXPENDITURES ALL CITY FUNDS

COMBINED SUMMARY OF REVENUES AND EXPENDITURES ALL CITY FUNDS BUDGET FOR FISCAL YEAR 2011

	General Fund/Oil-Gas - 01/12	W/S Utility Fund - 40	PDC Sales Tax Fund 04	Crime Control District Sales Tax Fund 18	Storm Drain Utility Fund 15	Park Vista PID 30	Capital Projects Fund 07	W/S Const Fund 45	Internal Service Fund 22	W/S Joint Use Facility Fund 46
Estimated Beginning Resources	\$5,774,219	\$2,984,313	\$1,433,778	\$1,101,847	\$978,738	(\$255)	\$330,322	(\$362,606)	\$349,684	\$663,526
Estimated Revenues										
Taxes / Assessments	3,829,989					-				
Sales Tax	2,595,000		1,292,800	1,090,000						
Licenses and Permits	229,300									
Franchise Fees	939,700									
Intergovt Revenue	370,075			-						
Charges for Service	629,000	6,300,000			694,000			17,500		
Fines & Forfeitures	677,500									
Interest on Investments	35,000	7,500	3,500	1,500	2,000	-	10,000	-	1,000	1,000
Oil Lease/Royalty Revenue										
Miscellaneous	154,800	386,500		34,247						
Operating Transfer In	457,200	19,042	24,600	-		260	438,000	572,000	9,000	75,000
Total Current Year Revenues	9,917,564	6,713,042	1,320,900	1,125,747	696,000	260	448,000	572,000	27,500	76,000
Total Available Resources	15,691,783	9,697,355	2,754,678	2,227,594	1,674,738	5	778,322	209,394	377,184	739,526
Estimated Expenditures										
Administration	330,908	218,495								
Building	712,695									
Human Resources	123,393									
Finance	645,443									
Library	814,309									
Rec & Comm Svc	604,694									
Parks	-		734,822							
Police	3,086,488			1,203,333						
Fire / EMS	1,814,754									
Public Works	825,948				616,088					
Fleet Services	191,962									
Non-Departmental	1,382,413	537,609	50,574		52,860					
MIS	249,425	58,637								
Billing & Collection		472,192								
Water Operations		2,359,301								
Sewer Operations		1,713,839								
Operating Transfer Out	438,260	2,442,089	279,995	22,485	43,700			68,984		
Sub Total Operating	11,220,692	7,802,162	1,065,391	1,225,818	712,648	-	-	68,984	-	-
Capital Projects							438,000	140,000	-	-
Debt Service										
Principal Payments										
Interest Payments										
Fiscal Agent Fees										
Sub Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	11,220,692	7,802,162	1,065,391	1,225,818	712,648	-	438,000	208,984	-	-
Revenue Over (Under) Expenditures	(10,763,492)	(7,783,120)	(1,040,791)	(1,225,818)	(712,648)	260	-	363,016	9,000	75,000
Est. Ending Resources	\$4,471,091	\$1,895,193	\$1,689,287	\$1,001,776	\$962,090	\$5	\$340,322	\$410	\$377,184	\$739,526

COMBINED SUMMARY OF REVENUES AND EXPENDITURES ALL CITY FUNDS

COMBINED SUMMARY OF REVENUES AND EXPENDITURES ALL CITY FUNDS BUDGET FOR FISCAL YEAR 2011

	PDC Capital Projects 05	Bunker Hill Drainage Fund 16	Library Donation Fund 23	W/S Impact Fee Funds 47/48	Municipal Court Funds 25/26/27	GO Debt Service Fund 03	PDC Sales Tax Revenue Bond Debt Service 06/08	W/S Sewer Debt Service 42/43/44	Combined Total All Funds
Estimated Beginning Resources	\$1,035,222	(\$77)	\$2,430	\$2,562	\$114,981	\$235,238	\$259,233	\$251,100	\$15,154,255
Estimated Revenues									
Taxes / Assessments						1,602,000			5,431,989
Sales Tax									4,977,800
Licenses and Permits									229,300
Franchise Fees									939,700
Intergovt Revenue									370,075
Charges for Service		-							7,640,500
Fines & Forfeitures					47,000				724,500
Interest on Investments	2,500	-	40	-	250	2,000	1,150	1,500	68,940
Oil Lease/Royalty Revenue									-
Miscellaneous			13,000						588,547
Operating Transfer In	-	80				-	215,355	1,509,576	3,320,113
Total Current Year Revenues	2,500	80	13,040	-	47,250	1,604,000	216,505	1,511,076	24,291,464
Total Available Resources	1,037,722	3	15,470	2,562	162,231	1,839,238	475,738	1,762,176	39,445,719
Estimated Expenditures									
Administration									549,403
Building									712,695
Human Resources									123,393
Finance					46,254				691,697
Library			13,130						827,439
Rec & Comm Svc									604,694
Parks									734,822
Police									4,289,821
Fire / EMS									1,814,754
Public Works									1,442,036
Fleet Services									191,962
Non-Departmental	2,000								2,025,456
MIS									308,062
Billing & Collection									472,192
Water Operations									2,359,301
Sewer Operations									1,713,839
Operating Transfer Out		-		-			24,600	-	3,320,113
Sub Total Operating	2,000	-	13,130	-	46,254	-	24,600	-	22,181,679
Capital Projects	600,000	-	-	-	-	-	-	-	1,178,000
Debt Service									
Principal Payments						1,360,000	180,000	1,245,000	2,785,000
Interest Payments						417,401	35,355	264,576	717,332
Fiscal Agent Fees						4,915	1,000	2,500	8,415
Sub Total Debt Service	-	-	-	-	-	1,782,316	216,355	1,512,076	3,510,747
Total Expenditures	602,000	-	13,130	-	46,254	1,782,316	240,955	1,512,076	26,870,426
Revenue Over (Under) Expenditures	(602,000)	80	(13,130)	-	(46,254)	(1,782,316)	(25,600)	(2,500)	(2,578,962)
Est. Ending Resources	\$435,722	\$3	\$2,340	\$2,562	\$115,977	\$56,922	\$234,783	\$250,100	\$12,575,293

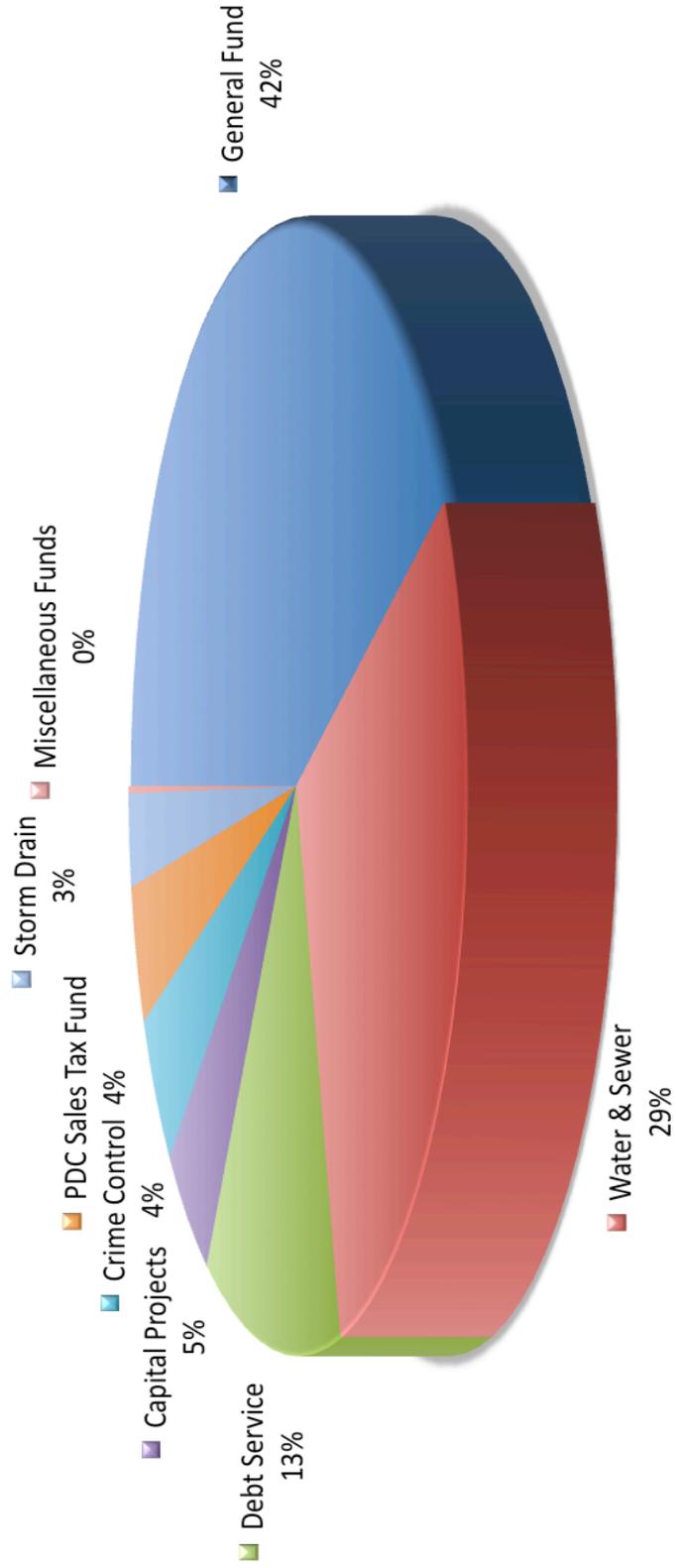
COMBINED SUMMARY OF REVENUES AND EXPENDITURES

COMPARISON OF GOVERNMENTAL AND PROPRIETARY REVENUES AND EXPENDITURES

	Governmental Funds						Proprietary Funds						Combined Funds					
	2008 Actual		2010 Budget		2011 Budget		2008 Actual		2010 Budget		2011 Budget		2008 Actual		2010 Budget		2011 Budget	
REVENUES																		
Taxes	11,200,031	10,997,195	10,703,627	10,409,789	-	-	-	-	-	-	-	11,200,031	10,997,195	10,703,627	10,409,789			
Permits & Licenses	268,656	257,158	219,300	229,300	-	-	-	-	-	-	-	268,656	257,158	219,300	229,300			
Fines & Forfeitures	651,486	702,910	675,000	675,000	-	-	-	-	-	-	-	651,486	702,910	675,000	675,000			
Charges for Services	709,478	703,648	631,000	629,000	7,512,708	7,377,601	7,210,500	7,011,500	-	-	-	-	-	-	-	-	-	-
Franchise Fees	954,692	1,033,043	970,000	939,700	-	-	-	-	-	-	-	954,692	1,033,043	970,000	939,700			
Intergov Revenue	370,387	371,890	379,200	370,075	9,000	-	-	-	-	-	-	379,387	371,890	379,200	370,075			
Miscellaneous	812,968	509,209	1,788,932	1,658,487	218,389	\$121,130	497,846	398,500	-	-	-	-	-	-	-	-	-	-
Transfers	2,510,581	745,649	2,468,562	1,210,495	2,850,994	3,582,088	1,805,158	2,109,618	-	-	-	-	-	-	-	-	-	-
Total Revenues	17,478,279	15,320,702	17,835,621	14,771,846	10,591,091	11,080,819	9,513,504	9,519,618	28,069,370	26,401,521	27,349,125	24,291,441						
EXPENDITURES																		
Administration	292,511	\$313,566	328,670	330,908	190,319	\$200,105	206,451	218,495	482,830	513,671	535,121	549,403						
Non-Departmental	1,217,304	\$947,462	1,119,697	1,434,987	907,054	\$1,144,185	502,760	590,469	2,124,358	2,091,647	1,622,457	2,025,456						
Human Resources	108,956	\$103,849	120,166	123,393	-	-	-	-	108,956	103,849	120,166	123,393						
Finance	605,508	\$600,427	652,095	691,697	-	-	-	-	605,508	600,427	652,095	691,697						
Billing & Collections	-	\$0	-	-	394,714	\$400,003	443,163	472,192	394,714	400,003	443,163	472,192						
MIS	184,406	\$221,573	251,417	249,425	47,156	\$54,571	56,944	58,637	231,562	276,144	308,361	308,062						
Library	767,040	\$769,436	814,315	827,439	-	-	-	-	767,040	769,436	814,315	827,439						
Rec/Comm Services	567,972	\$1,184,604	594,161	604,694	-	-	-	-	567,972	1,184,604	594,161	604,694						
Parks	712,855	\$0	701,387	734,822	-	-	-	-	712,855	-	701,387	734,822						
Police	3,796,945	\$3,944,424	4,137,596	4,289,821	-	-	-	-	3,796,945	3,944,424	4,137,596	4,289,821						
Fire / EMS	1,478,980	\$1,540,459	1,787,672	1,814,754	-	-	-	-	1,478,980	1,540,459	1,787,672	1,814,754						
Public Works	2,320,080	\$3,453,808	804,914	825,948	837,225	\$832,895	599,944	616,088	3,157,305	4,286,703	1,404,858	1,442,036						
Water Distribution	-	-	-	-	2,106,689	\$2,400,496	2,317,738	2,359,301	2,106,689	2,400,496	2,317,738	2,359,301						
Sewer Collection	-	-	-	-	1,824,858	\$1,568,856	1,694,483	1,713,839	1,824,858	1,568,856	1,694,483	1,713,839						
Fleet Maintenance	184,553	\$194,950	185,034	191,962	-	-	-	-	184,553	194,950	185,034	191,962						
Building	670,066	\$712,414	705,815	712,695	-	-	-	-	670,066	712,414	705,815	712,695						
Transfers	2,062,900	\$710,169	2,072,862	765,340	3,291,557	\$2,476,567	2,200,858	2,554,773	5,354,457	3,186,736	4,273,720	3,320,113						
Capital	2,698,006	\$127,574	4,246,844	1,038,000	313,882	(\$5,031)	220,000	140,000	3,011,888	122,543	4,466,844	1,178,000						
Debt	1,779,141	\$2,002,830	2,001,899	1,998,671	411,544	\$1,497,904	1,506,158	1,512,076	2,190,685	3,500,734	3,508,057	3,510,747						
Total Expenditures	19,447,223	16,827,545	20,524,544	16,634,556	10,324,998	10,570,551	9,748,499	10,235,870	29,772,221	27,398,096	30,273,043	26,870,426						

**COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL CITY FUNDS**

TOTAL EXPENDITURE BUDGET - \$26,870,426



Capital Projects includes General Fund, Water/Sewer, and PDC Construction. Enterprise Funds of Water & Sewer and Storm Drain are 32% of total budget. Half-cent sales tax funds of PDC Sales Tax Fund and Crime Control represent 8% of overall budget.

GENERAL FUND



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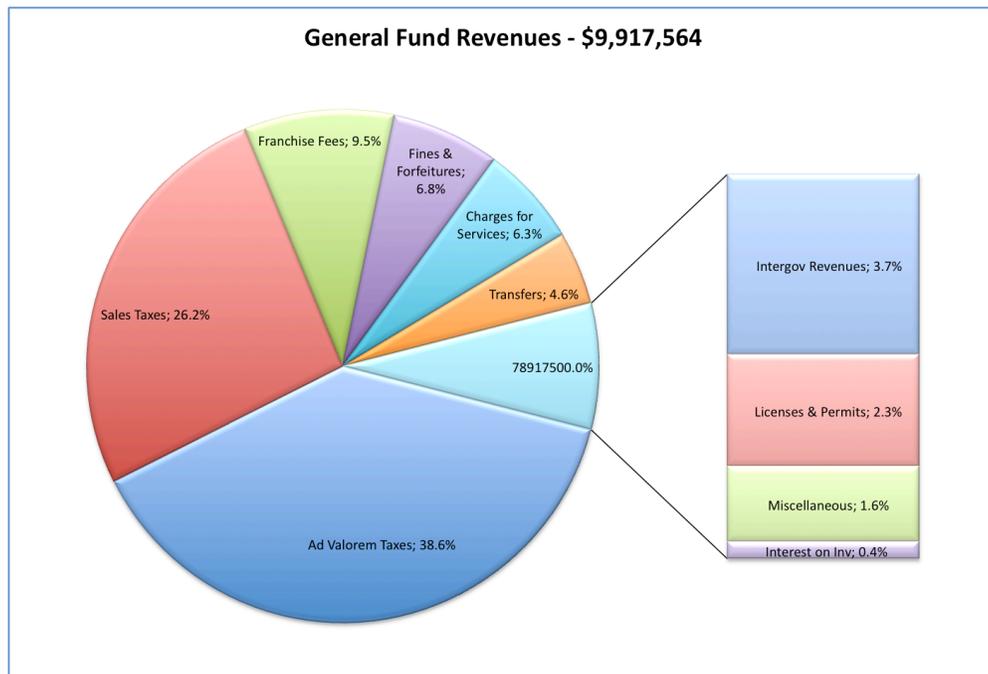
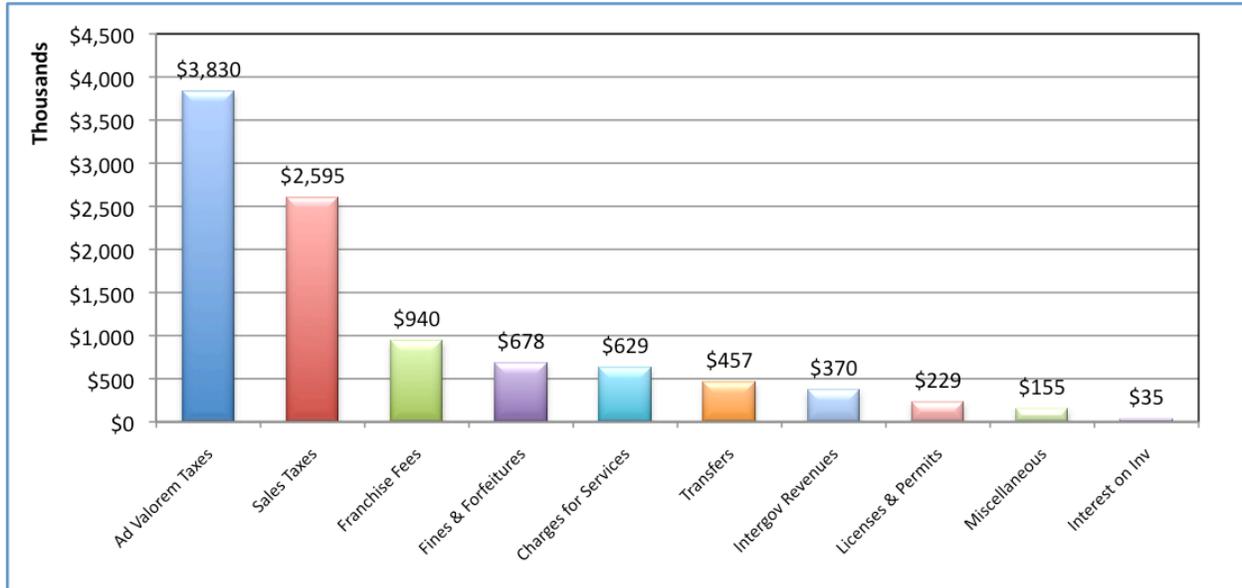
GENERAL FUND

THE GENERAL FUND

GENERAL FUND

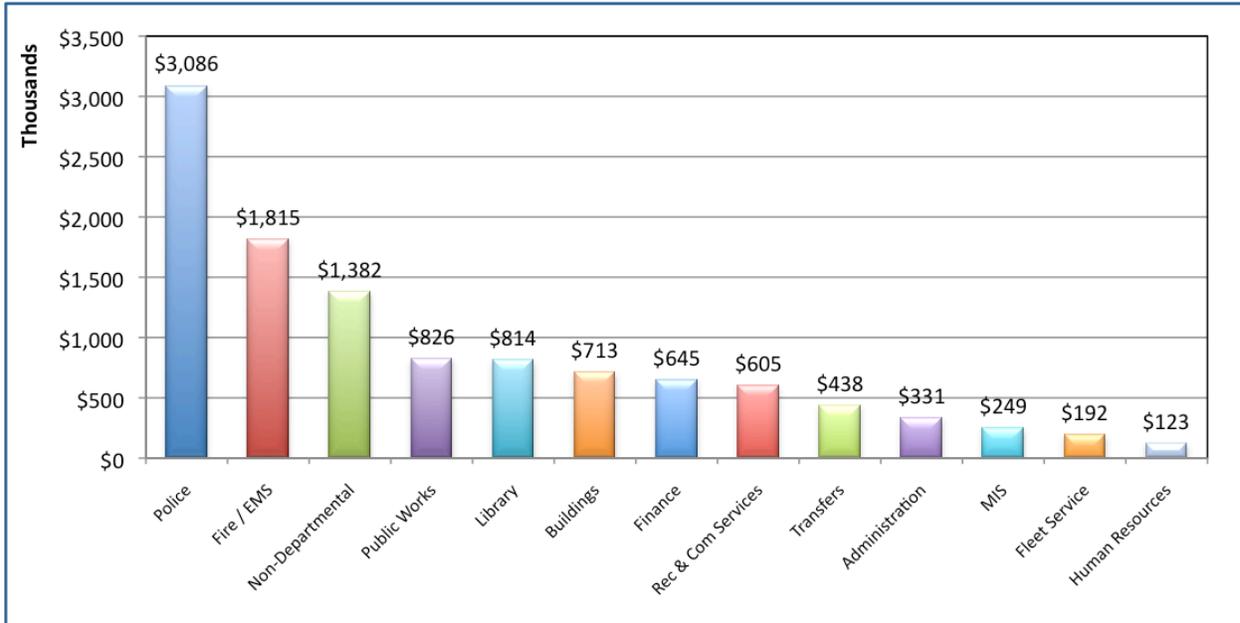
The General Fund is a Governmental Fund, which means that it is used to account for tax-supported activities that benefit all citizens. The General Fund is used to account for all revenues and expenditures not accounted for in other funds. It receives a greater variety and amount of taxes and other revenues and finances a wider range of governmental activities than other funds. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

FY 2011 - Where Does the Money Come From?

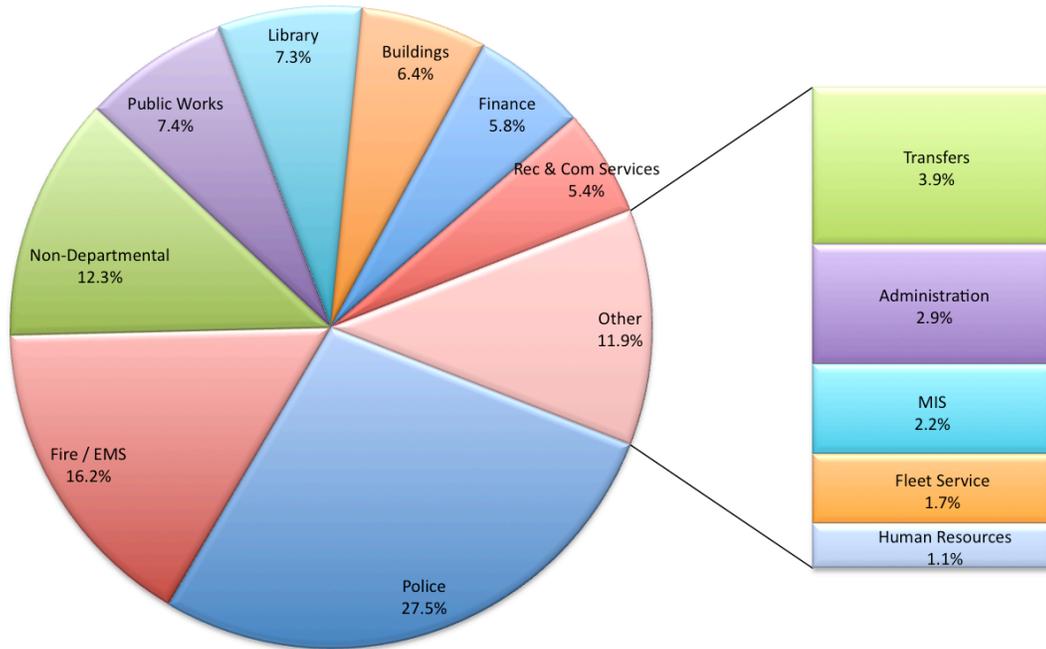


GENERAL FUND

Where Does the Money Go?



General Fund Expenditures - \$11,220,692



GENERAL FUND

GENERAL FUND BUDGET SUMMARY

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed	Proposed	
							\$CHANGE	%CHANGE
Fund Balance, October 1	\$5,258,923	\$6,194,386	\$6,457,507	\$6,282,923	\$6,690,650	\$5,774,219	(\$508,704)	-8.1%
Revenues:								
Taxes	6,581,000	6,813,887	6,716,758	6,717,855	6,899,619	6,441,989	(275,866)	-4.1%
Permits and Licenses	264,952	268,656	257,158	219,300	233,000	229,300	10,000	4.6%
Fines & Forfeitures	542,367	609,945	646,534	629,000	704,950	677,500	48,500	7.7%
Charges for Services	546,760	709,478	701,609	631,000	640,450	629,000	(2,000)	-0.3%
Franchise Fees	940,273	954,692	1,033,043	970,000	897,009	939,700	(30,300)	-3.1%
Intergovernmental Revenue	357,899	370,387	371,890	379,200	374,700	370,075	(9,125)	-2.4%
Lease Revenue (Now Fund 12)	25,774	36,787	0	0	103,348	0	0	0.0%
Miscellaneous	568,763	371,694	312,141	284,800	169,925	172,800	(112,000)	-39.3%
Operating Revenues	9,827,788	10,135,526	10,039,133	9,831,155	10,023,001	9,460,364	(370,791)	-3.8%
Operating Transfers-In:								
From PDC Operating Tax Fund	56,110	63,249	62,370	64,000	64,000	64,640	640	1.0%
From CCD	21,114	23,626	13,497	11,500	11,500	22,485	10,985	95.5%
From Storm Drain Utility Fund	34,635	34,670	34,662	34,700	34,700	34,700	0	0.0%
From W/S Operating Fund	323,264	335,717	0	344,500	340,000	335,375	(9,125)	-2.6%
Total Transfers-In	435,123	457,262	110,529	454,700	450,200	457,200	2,500	0.5%
Total Available Resources	15,521,834	16,787,174	16,607,169	16,568,778	17,163,851	15,691,783	(876,995)	-5.3%
Expenditures:								
Administration - City Secretary	270,056	292,512	162,043	162,847	161,093	168,126	5,279	3.2%
Administration - City Manager			151,523	161,799	161,399	162,782	983	0.6%
Non-Departmental	899,468	982,546	937,895	1,213,112	1,036,982	1,382,413	169,301	14.0%
Human Resources	106,781	108,956	103,849	118,991	106,799	123,393	4,402	3.7%
City Beautification	4,165	0	0	0	0	0	0	0.0%
Revitalization / Redevelopment	38,611	50,334	3,776	0	0	0	0	0.0%
Finance	487,275	557,203	577,930	597,279	585,150	645,443	48,164	8.1%
MIS	177,539	184,406	221,573	250,243	229,967	249,425	(818)	-0.3%
Library	721,810	751,196	756,880	794,924	778,140	814,309	19,385	2.4%
Recreation & Community Serv.	515,525	568,118	563,296	589,856	550,318	604,694	14,838	2.5%
DPS - Police Division	2,541,503	2,704,345	2,958,379	2,954,034	2,945,940	3,086,488	132,454	4.5%
DPS - Fire / EMS	1,407,826	1,478,980	1,540,459	1,777,902	1,752,189	1,814,754	36,852	2.1%
Public Works	642,946	721,452	744,740	793,565	793,565	825,948	32,383	4.1%
Fleet Maintenance	87,171	184,553	194,950	181,903	182,742	191,962	10,059	5.5%
Buildings	601,770	670,066	712,414	700,337	683,948	712,695	12,358	1.8%
Operating Expenditures	8,502,446	9,254,667	9,629,707	10,296,792	9,968,232	10,782,432	485,640	4.7%
Operating Transfers-Out								
To Public Improvement District				1,400	1,400	260	(1,140)	-81.4%
To Capital Projects Fund	825,000	1,075,000	286,812	1,420,000	1,420,000	438,000	(982,000)	-69.2%
	825,000	1,075,000	286,812	1,421,400	1,421,400	438,260	(983,140)	-69.2%
Unencum-Oil/Gas Rec	25,774	36,787	62,688	62,688	166,036	166,036	166,036	264.9%
Unencumbered Funds	6,168,612	6,420,720	6,627,962	4,787,898	5,608,183	4,305,055	(482,843)	-10.1%
Fund Balance, September 30	\$6,194,386	\$6,457,507	\$6,690,650	\$4,850,586	\$5,774,219	\$4,471,091	(\$379,495)	-7.8%
Fund Balance Target @ 15% of Budgeted Operating Expenditures						\$1,681,379		

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
REVENUES									
TAXES									
000-3001	AD VALOREM TAXES - M & O	3,947,209	4,033,559	4,101,583	4,077,100	4,219,000	3,764,889	(312,211)	-7.7%
000-3002	DELINQUENT TAXES - M & O	20,957	45,889	19,508	30,000	25,000	30,000	0	0.0%
000-3003	PENELTY & INTEREST	33,027	40,014	31,089	34,000	33,000	33,000	(1,000)	-2.9%
000-3005	OVERPAYMENT OF TAXES	317	1,468	2,667	0	1,000	0	0	N/A
000-3006	TAX ATTORNEY FEES	0	0	0	0	0	0	0	N/A
000-3007	SECTION 25.25 PENALTY	207	116	681	0	500	0	0	N/A
000-3008	CHPT 22.28 RENDITION PENALTY	1,354	2,113	1,804	2,100	2,000	2,100	0	0.0%
000-3050	SALES TAX - MIX BEVERAGE	37,483	66,791	65,735	70,000	65,000	65,000	(5,000)	-7.1%
000-3051	SALES TAX	2,540,444	2,623,938	2,493,692	2,504,655	2,536,119	2,530,000	25,345	1.0%
000-3052	BINGO ALLOCATION	0	0	0	0	18,000	17,000	17,000	N/A
	TOTAL TAXES	6,581,000	6,813,887	6,716,758	6,717,855	6,899,619	6,441,989	(275,866)	-4.1%
PERMITS & LICENSES									
000-3150	BUILDING PERMITS	145,879	150,641	100,153	91,000	91,000	91,000	0	0.0%
000-3151	ALARM PERMITS	15,333	16,562	16,462	15,000	15,000	15,000	0	0.0%
000-3152	ELECTRICAL PERMIT	4,798	6,568	5,847	5,000	5,000	5,000	0	0.0%
000-3153	PLUMBING PERMITS	9,162	10,295	13,413	11,000	11,000	11,000	0	0.0%
000-3154	MECHANICAL PERMITS	9,378	9,715	8,327	6,000	8,500	6,000	0	0.0%
000-3155	OTHER PERMIT FEES	53,536	49,577	50,296	40,000	50,000	50,000	10,000	25.0%
000-3156	ANIMAL LICENSES	5,679	5,648	5,526	5,000	5,000	5,000	0	0.0%
000-3158	ZONING PERMITS	2,050	1,850	1,075	1,000	1,200	1,000	0	0.0%
000-3159	SUBDIVISION PLATT FEES	250	140	210	300	300	300	0	0.0%
000-3161	LICENSES FEES	18,887	14,361	17,600	15,000	16,000	15,000	0	0.0%
000-3162	RENTAL PROPERTY PERMIT	0	3,300	38,250	30,000	30,000	30,000	0	0.0%
	TOTAL PERMITS & LICENSES	264,952	268,656	257,158	219,300	233,000	229,300	10,000	4.6%
FINES & FORFEITURES									
000-3200	FINES AND FORFEITS	420,724	484,663	503,958	500,000	550,000	550,000	50,000	10.0%
000-3203	CE ADMIN FEE	0	0	3	0	0	0	0	N/A
000-3205	TEEN COURT ADMINISTRATIVE FEE	1,650	1,330	960	1,500	680	0	(1,500)	-100.0%
000-3210	10% COLLECTION FEE	23,314	24,432	26,380	25,000	26,000	25,000	0	0.0%
000-3250	ARREST & TRAFFIC FUND FEE	30,177	28,189	31,711	30,000	30,000	30,000	0	0.0%
000-3252	JUDICIAL FEE - CITY \$.60 -JFCI	2,612	2,525	2,809	2,400	2,400	2,400	0	0.0%
000-3254	LOCAL CHILD SAFETY FND CRT CST	24,485	7,422	10,956	10,000	11,000	10,000	0	0.0%
000-3255	WARRANT FEES	12,121	23,450	29,919	25,000	48,000	25,000	0	0.0%
000-3256	OMNI WARRANT REVENU	0	0	236	100	550	100	0	0.0%
000-3257	CIVIL JUSTICE FEE - \$.01	0	0	0	0	0	0	0	N/A
000-3265	LIBRARY	20,612	27,656	29,641	25,000	26,000	25,000	0	0.0%
000-3270	LIBRARY LOST/DAMAGED MATERIALS	2,555	2,985	2,388	2,700	2,300	2,700	0	0.0%
000-3275	TIME PAYMENT FEE	4,118	7,293	7,574	7,300	8,000	7,300	0	0.0%
	TOTAL FINES & FORFEITURES	542,367	609,945	646,534	629,000	704,930	677,500	48,500	7.7%
CHARGES FOR SERVICES									
000-3312	GARBAGE COLLECTION	140,817	166,154	177,766	160,000	160,000	160,000	0	0.0%
000-3350	AMBULANCE SERVICE	252,909	371,466	346,314	320,000	330,000	320,000	0	0.0%
000-3355	FALSE ALARM FEES	2,400	4,650	1,970	3,000	700	1,000	(2,000)	-66.7%
000-3366	LIBRARY COPIER REVENUE	6,886	8,536	10,247	7,000	8,000	7,000	0	0.0%
000-3373	PROGRAM FEES	612	484	666	700	2,200	700	0	0.0%
000-3374	SPORT CAMP FEES	4,610	2,695	0	0	0	0	0	N/A
000-3375	CLASS ENROLLMENT FEES	33,530	28,165	25,498	34,000	30,000	34,000	0	0.0%
000-3376	MEMBERSHIP FEES	32,993	42,886	48,058	35,000	34,000	35,000	0	0.0%
000-3377	REC. WALK-IN USE FEES	9,105	6,785	5,799	5,000	5,000	5,000	0	0.0%
000-3378	PRE-SCHOOL FEES	11,018	11,752	11,655	9,500	10,000	9,500	0	0.0%
000-3379	LEAGUE FEES	24,394	38,230	42,894	30,000	35,000	30,000	0	0.0%
000-3381	ANIMAL SURRENDER FEE	3,571	3,078	2,860	2,500	2,500	2,500	0	0.0%
000-3382	ANIMAL BOARDING FEE	14,301	13,959	10,463	12,000	9,000	12,000	0	0.0%
000-3383	ANIMAL ADOPTION FEE	9,097	10,200	17,244	12,000	14,000	12,000	0	0.0%
000-3385	NOTARY FEES	516	438	174	300	50	300	0	0.0%
	TOTAL CHARGES FOR SERVICES	546,760	709,478	701,609	631,000	640,450	629,000	(2,000)	-0.3%
FRANCHISE FEES									
000-3401	ELECTRICAL	625,992	606,385	616,621	616,000	568,997	603,000	(13,000)	-2.1%
000-3402	TELEPHONE	120,629	124,610	107,769	125,000	107,000	105,000	(20,000)	-16.0%
000-3404	GAS	54,138	68,254	88,546	89,000	56,012	66,700	(22,300)	-25.1%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
000-3405	SOLID WASTE	56,515	66,262	70,932	65,000	65,000	65,000	0	0.0%
000-3406	CABLE TV	82,999	89,181	149,175	75,000	100,000	100,000	25,000	33.3%
	TOTAL FRANCHISE FEES	940,273	954,692	1,033,043	970,000	897,009	939,700	(30,300)	-3.1%
INTERGOVERNMENTAL REVENUE									
000-3505	PAYMENT IN LIEU OF TAXES	357,899	370,387	371,890	379,200	374,700	370,075	(9,125)	-2.4%
	TOTAL INTERGOVERNMENTAL REVENUE	357,899	370,387	371,890	379,200	374,700	370,075	(9,125)	-2.4%
OIL/GAS LEASE/ROYALTY									
000-3720	OIL/GAS LEASE REVENUE	25,774	36,787	0	0	0	0	0	N/A
	TOTAL OIL/GAS LEASE/ROYALTY	25,774	36,787	0	0	0	0	0	N/A
MISCELLANEOUS									
000-3610	CONTRIBUTIONS/DONATIONS	50,750	16,243	13,522	0	0	0	0	N/A
000-3615	LIBRARY DONATIONS	0	1	2	0	0	0	0	N/A
000-3620	SUMMER REC.PROGRAM	23,939	25,129	32,326	20,000	20,000	20,000	0	0.0%
000-3621	SENIOR MEAL DONATIONS	6	0	0	0	0	0	0	N/A
000-3622	PARK & RECREATION CONTRIBUTION	6,521	7,921	7,692	6,000	7,500	6,000	0	0.0%
000-3624	HALLOWEEN BASH CONTRIBUTIONS	0	366	3,693	0	2,326	0	0	N/A
000-3625	WATAUGAFEST REVENUE	4,405	6,800	12,543	6,000	2,643	6,000	0	0.0%
000-3660	INTEREST EARNINGS	336,107	225,800	136,027	149,000	37,000	35,000	(114,000)	-76.5%
000-3660-INT	EARNINGS NARC FORFEITURES	562	632	678	800	150	800	0	0.0%
000-3670	OTHER REVENUE	101,892	58,275	61,341	60,000	60,000	60,000	0	0.0%
000-3671	CASH OVER/UNDER	(37)	(113)	(133)	0	0	0	0	N/A
000-3672	CONVENIENCE FEE REVENUE	0	8,740	32,114	31,000	32,000	32,000	1,000	3.2%
000-3675	RENTAL OF REC. FACILITIES	16,332	9,026	6,974	7,000	8,000	8,000	1,000	14.3%
000-3680	SALE OF ASSETS	28,287	12,874	5,363	5,000	300	5,000	0	0.0%
000-3685	REIMBURSE W/S ACQUISITION COST	0	0	0	0	6	0	0	N/A
	TOTAL MISCELLANEOUS	568,763	371,694	312,141	284,800	169,925	172,800	(112,000)	-39.3%
TRANSFERS									
000-3904	TRANSFER FROM PDC SALES TAX	56,110	63,249	62,370	64,000	64,000	64,640	640	1.0%
000-3906	TRANSFER FROM CRIME PREVENTION	21,114	23,626	13,497	11,500	11,500	22,485	10,985	95.5%
000-3909	TRANSFER FROM STORM DRAINAGE	34,635	34,670	34,662	34,700	34,700	34,700	0	0.0%
000-3911	TRANSFER FROM W/S OPERATING	323,264	335,717	0	344,500	340,000	335,375	(9,125)	-2.6%
	TOTAL TRANSFERS	435,123	457,262	110,529	454,700	450,200	457,200	2,500	0.5%
*** TOTAL REVENUES ***		10,262,911	10,592,788	10,149,663	10,285,855	10,369,833	9,917,564	(368,291)	-3.6%

GENERAL FUND

DEPARTMENTAL ORGANIZATION CHARTS

**DEPARTMENTAL EXPENDITURE
COMPARISONS**

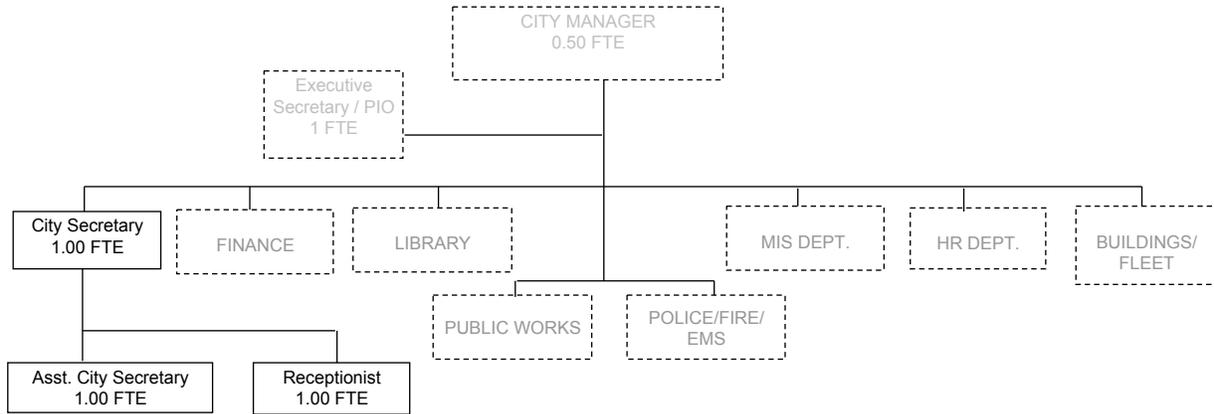
**DEPARTMENTAL BUDGET LINE ITEM
DETAIL**

GENERAL FUND

Administration Department 01-010
Administration - City Secretary

Location
7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:
 Monday - Friday 8:00 a.m.-5:00 p.m.
 Extended hours for meetings and elections.



DESCRIPTION OF SERVICES PROVIDED:

Customer service to the citizens by way of assistance with information, planning, programming, scheduling, management of activities and services provided through the City Manager and administrative staff. Provides administrative support to the City Council and the boards and commissions, prepares and posts agendas and minutes of meetings, administers all city elections, responsible for open records requests, responsible for records management, handles claims, files recording of plats, easements, and deeds with Tarrant County. Assists the Northeast Tarrant Chamber in the coordination of programs, issues alcoholic beverage permits, and maintains and provides public information pursuant to the Public Information Act.

FY 2010 ACCOMPLISHMENTS:

City Secretary and Assistant City Secretary enrolled in the Texas Municipal Clerks Certification Program. Watauga Code of Ordinances recodified. Newcomer Packets reformatted and updated to include more useful information. New webpage created for the City Secretary's Office. Processed ordinances, resolutions and proclamations and maintained index of each. Continuation of updating contract files and vehicle files and maintaining index of each. Open records requests processed.

FY 2011 OBJECTIVES:

Continue coursework towards completion of the Texas Municipal Clerks Certification Program. Create new database to track existing and expired contracts. Evaluate office procedures to streamline and improve where possible.

BUDGETARY ISSUES:

GENERAL FUND

Administration Department 01-010
Administration - City Secretary

BUDGET SUMMARY:

EXPENDITURE SUMMARY	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
Personnel Services	\$257,134	\$271,150	\$152,535	\$151,102	\$149,643	\$156,381
Supplies	\$1,408	\$1,152	\$1,352	\$1,325	\$1,375	\$1,325
Maintenance	\$0	\$136	\$0	\$0	\$0	\$0
Contractual/Sundry	\$11,514	\$20,074	\$8,155	\$10,420	\$10,075	\$10,420
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$270,056	\$292,512	\$162,043	\$162,847	\$161,093	\$168,126
PERSONNEL ASSIGNED						
City Manager	0.50	0.50	0.00	0.00	0.00	0.00
Executive Assistant / PIO	1.00	1.00	0.00	0.00	0.00	0.00
City Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Receptionist	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	4.50	4.50	3.00	3.00	3.00	3.00

SIGNIFICANT BUDGET CHANGES:

Personnel Expenses	\$5,279
- 10% increase in Medical/Dental	
- TMRS Increase to 14%	

PERFORMANCE MEASURES:

	FY 2007	FY 2008	FY 2009	ESTIMATE FY 2010	BUDGET FY2011
COW 6&7 Packets completed 3 days prior to meeting	100%	100%	100%	100%	100%
COW 6&7 Open records processed within 10 days	100%	100%	100%	100%	100%
COW 6&7 Newcomer packets updated within 3 days of change	90%	90%	90%	90%	90%
COW 6&7 Number of open records processed annually	140	128	135	150	150
COW 6&7 Updated and compiled newcomer packets	450	450	450	480	480
COW 7&8 Number of City Council agenda packets prepared	28	19	17	22	22
COW 7&8 Number of Boards & Commissions agenda packets prepared	17	10	14	17	17
COW 7&8 Resolutions/Ordinances Processed	73	78	59	84	84

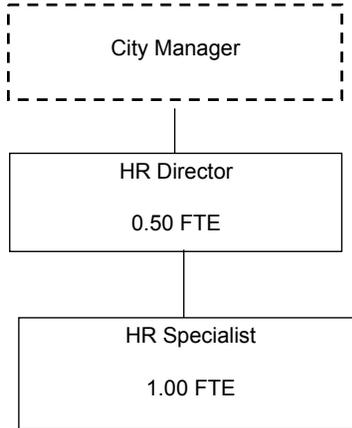
GENERAL FUND

Administration Department 01-011

Human Resources

Location City of Watauga
7105 Whitley Road, Watauga, TX 76148
Phone Number 817 514-5819

Hours of Operation:
8:00 a.m. to 5:00 p.m.
and as needed for accidents, Worker's Compensation,
and for all other employee assistance as requested.



DESCRIPTION OF SERVICES PROVIDED:

Human Resources oversees the equal employment opportunity program, employee orientations, employee relations, recruitment and selection, training, classification, compensation, verification of employment, and employee benefits programs and assistance with benefit problems. It handles all Worker's Compensation, Unemployment Claims, COBRA, FMLA, light-duty requests and all other regulatory programs. HR assists all departments with hiring practices, interviews and testing as requested, in addition to providing assistance with performance evaluation activities and surveys related to job duties, compensation, etc. It processes and approves all Personnel/Payroll Authorization forms prior to payroll processing. HR is responsible for the City's Risk Management and Safety program. It is responsible for the integrity of the City's personnel records and for advising and recommending action on complex personnel issues including disciplinary measures and termination.

FY 2010 ACCOMPLISHMENTS:

Updated City Manager's Administrative Orders to include Volunteers, Inclement Weather and Contagious Temporary Illness policies. Conducted semi-annual audit of all employee medical and life insurance records. Coordinated TMRS and Social Security Administration presentation (held at neighboring cities). Reorganized active and temporary employee files improving record retention practices. Rescheduled Employee Health and Benefits Fair to be held in coordination with Open Enrollment.

FY 2011 OBJECTIVES:

Develop City's Intranet providing employees access to policies, procedures, forms and benefits information. Continue to re-vamp City Safety Program in an effort to reduce Worker's Compensation injuries and lost production time. Update Personnel, Administration and Financial Policies and Procedures Manual as required. Review job descriptions for all city positions as required. Advertise vacancies through at least 3 venues in an effort to obtain a diverse applicant pool and provide at least 25 candidates for hiring managers to select from. Provide mandatory sexual harassment and diversity training to all new and existing employees. Provide advice to department managers and supervisors on policy interpretation and disciplinary issues in an effort to reduce employee turnover, lawsuits, and unemployment claims.

BUDGETARY ISSUES:

None.

GENERAL FUND

Administration Department 01-011
Human Resources

BUDGET SUMMARY:

	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$80,213	\$78,402	\$80,089	\$88,741	\$86,749	\$93,143
Supplies	\$2,748	\$3,687	\$1,917	\$2,050	\$1,850	\$2,050
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Contractual/Sundry	\$23,819	\$26,866	\$21,843	\$28,200	\$18,200	\$28,200
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$106,781	\$108,956	\$103,849	\$118,991	\$106,799	\$123,393
PERSONNEL ASSIGNED						
HR Director <i>(reclassified from Supervisor)</i>	0.50	0.50	0.50	0.50	0.50	0.50
HR Specialist	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	1.50	1.50	1.50	1.50	1.50	1.50

SIGNIFICANT BUDGET HIGHLIGHTS:

PERFORMANCE MEASURES:

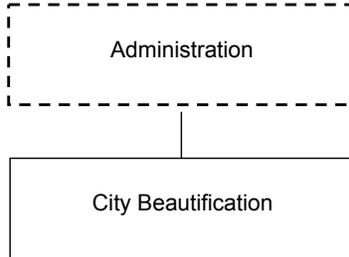
		FY 2007	FY 2008	FY 2009	ESTIMATE FY 2010	BUDGET FY2011
Employee Retention Rate (excl. seasonal)	COW5	81%	75%	78%	92%	90
Job Vacancies Filled	COW5	66	92	68	53	50
Number of internal promotions	COW5	7	14	4	5	5
Number of external new hires	COW5	59	78	64	48	45
Employment Applications Processed	COW5	1197	1094	1945	1500	1500
Number of employees participating in training	COW5	160	165	173	210	240
Number of worker's comp claims processed	COW5	25	25	21	11	15
Number of equipment and vehicle claims processed	COW5	9	8	10	3	3
Number of Family Medical Leave Requests processed	COW5	8	10	30	9	12
Payroll/Benefit Transactions Performed	COW5	1401	1284	710	675	700

GENERAL FUND

Administration Department 01-012
City Beautification

Location City of Watauga
7105 Whitley Road, Watauga, TX 76148
Phone Number 817 514-5818

Hours of Operation:



DESCRIPTION OF SERVICES PROVIDED:

This division was established during the fiscal year 2004-05 budget process to specifically account for beautification efforts made by the City. This was recorded under non-departmental previously. At a minimum, City Council desires for this division to be funded specifically from street bench proceeds that are currently set at the higher of \$10,000 or 40% of street bench proceeds. Funds used will be for those areas deemed by City Council for the beautification of the City of Watauga. This may include City entrance signage, decorative plantings, litter control and abatement or any project or program the City council may determine is needed to enhance and improve the physical image of the City.

FY 2010 ACCOMPLISHMENTS:

FY 2011 OBJECTIVES:

BUDGETARY ISSUES:

Not funded FY2011

GENERAL FUND

Administration Department 01-012
City Beautification

BUDGET SUMMARY:

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY2010 Budget	FY2011 Budget
EXPENDITURE SUMMARY					
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0
Contractual/Sundry	\$4,165	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0
Total Expenditures	<u>\$4,165</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

SIGNIFICANT BUDGET HIGHLIGHTS:

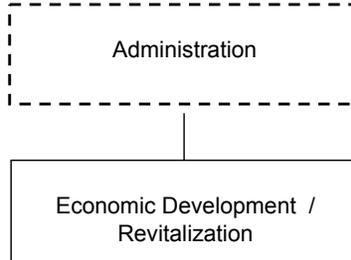
GENERAL FUND

Administration Department 01-013

Economic Development / Revitalization

Location City of Watauga
7105 Whitley Road, Watauga, TX 76148
Phone Number 817 514-5818

Hours of Operation:



DESCRIPTION OF SERVICES PROVIDED:

This reserve was established during Fiscal Year 2004-05 budget process to provide a restricted amount of funds that would possibly be utilized for economic development and revitalization efforts within the City of Watauga. The City Council proposes to develop a plan and methodology on how to expend funds during the fiscal year and no funds are proposed to be expended until a program has been adopted by Council. Council would then have to amend the budget and appropriate these funds as expenditures. These funds will remain in fund balance as restricted until further Council action.

FY 2010 ACCOMPLISHMENTS:

FY 2011 OBJECTIVES:

BUDGETARY ISSUES:

Not funded FY2011

GENERAL FUND

Administration Department 01-013
Economic Development / Revitalization

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY	\$38,611	\$50,334	\$3,776	\$0	\$0	\$0

SIGNIFICANT BUDGET HIGHLIGHTS:

Not funded FY09/10/11

PERFORMANCE MEASURES:

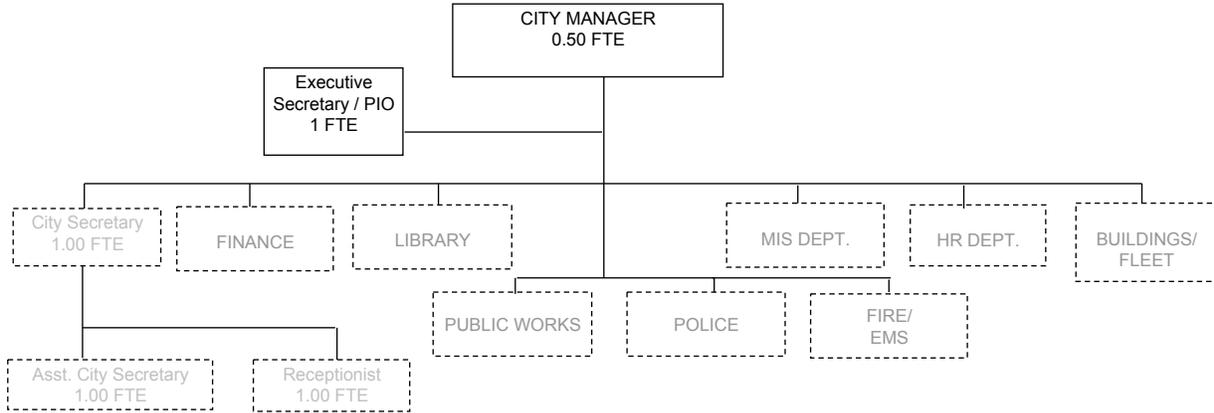
	FY2007	F2008	FY2009
COW3/9 Economic development and revitalization issues identified by City Council and funding begun.			

GENERAL FUND

Administration Department 01-015
Administration - City Manager

Location
7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:
 Monday - Friday 8:00 a.m.-5:00 p.m.
 Extended hours for meetings and elections.



DESCRIPTION OF SERVICES PROVIDED:

Customer service to the citizens by way of assistance with information, planning, programming, scheduling, management of activities and services provided through the City Manager and administrative staff. Provides administrative support to the City Council and the boards and commissions, prepares and posts agendas and minutes of meetings, administers all city elections, responsible for open records request, responsible for records management, handles claims, files recording of plats, easements, and deeds with Tarrant County. Economic Development initiatives, coordination with Northeast Tarrant Chamber programs, oversight of the cable channel and the content of the Web site, issues alcoholic beverage permits and maintains and provides public information pursuant to the Public Information Act. Prepares and administers the City Budget. Enforcement of Ordinances and follows direction of City Council as well as all other areas required by the City Charter, Ordinances, Resolution or Directive.

FY 2010 ACCOMPLISHMENTS:

Provide a 3% COLA for full time employees, began construction process for a new fire station.

FY 2011 OBJECTIVES:

Maintain a "no tax increase" budget, continue to improve the quality of life for citizens, improve benefits and compensation package for employees.

BUDGETARY ISSUES:

Maintain a stable workforce and continue to provide quality service during economically difficult times.

GENERAL FUND

Administration Department 01-015
Administration - City Manager

BUDGET SUMMARY:

EXPENDITURE SUMMARY	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
Personnel Services			\$144,834	\$149,405	\$149,405	\$150,582
Supplies			\$19	\$400	\$100	\$400
Maintenance			\$0	\$0	\$0	\$0
Contractual/Sundry			\$6,669	\$11,994	\$11,994	\$11,800
Capital Outlay			\$0	\$0		\$0
Total Expenditures			\$151,523	\$161,799	\$161,499	\$162,782
PERSONNEL ASSIGNED						
City Manager			0.50	0.50	0.50	0.50
Public Information Officer/ Web page assistant			0.00	0.00	0.00	0.00
Executive Assistant / PIO			1.00	1.00	1.00	1.00
TOTAL			1.50	1.50	1.50	1.50

SIGNIFICANT BUDGET CHANGES:

PERFORMANCE MEASURES:

PERFORMANCE MEASURES:	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATE	FY 2010 BUDGET

GENERAL FUND

Administration Department 01-020

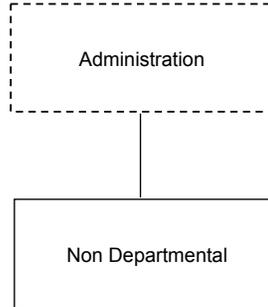
Non-Departmental

Location

7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:

Monday - Friday 8:00 a.m.-5:00 p.m.
Extended hours for meetings and elections



DESCRIPTION OF SERVICES PROVIDED:

This budget provides for expenditures which are not applicable to any specific department, or which cannot be readily allocated to individual departments. The pre-payments on all of the city Liability, Property Coverage and Workers' Compensation insurance coverages are included in this budget. The Administration and Finance Department is responsible for Non-Departmental. Travel and training for the City Council Members are included in this department. Election expenses are included in non-departmental.

FY 2010 ACCOMPLISHMENTS:

FY 2011 OBJECTIVES:

BUDGETARY ISSUES:

GENERAL FUND

Administration Department 01-020

Non-Departmental

BUDGETARY ISSUES:

	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$45,883	\$52,070	\$160,345	\$324,122	\$208,536	\$388,563
Supplies	\$23,678	\$34,576	\$31,886	\$34,600	\$33,013	\$34,600
Maintenance	\$818	\$0	\$0	\$4,300	\$0	\$0
Contractual/Sundry	\$791,306	\$681,649	\$745,478	\$850,090	\$795,433	\$959,250
Capital Outlay	\$37,783	\$214,251	\$186	\$0	\$0	\$0
Total Non-Departmental Expenditures	\$899,468	\$982,546	\$937,895	\$1,213,112	\$1,036,982	\$1,382,413
Total Transfers						
PERSONNEL ASSIGNED						
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET HIGHLIGHTS:

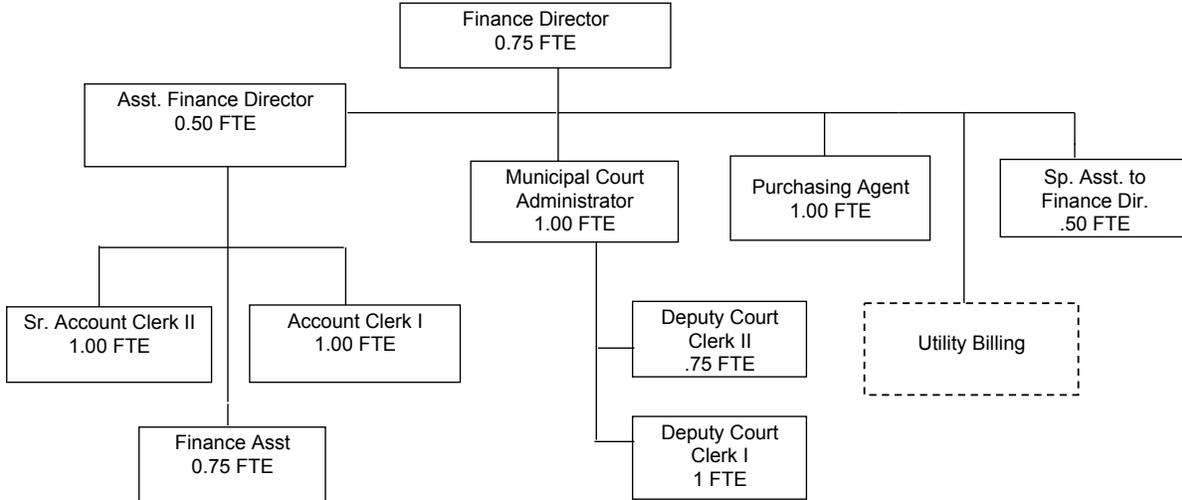
Personnel Increases (from FY2010 Budget)	\$64,441
- 10% increase in Medical	
- 3% Across the Board Wage Adjustments for Non Civil Service FT Employees	
- Funded Civil Service Step Increase	
- Increase Line Item for Retirement/Vacation Buy Back/Comp Time payouts for terminating employees	
Contractual/Sundry	
- Unemployment insurance increases	\$28,000
- Computer Lease for upgrade to City Terminals	\$55,000
- Increased Special Services for possible CM recruitment expenses	\$40,000
Worker's Compensation	
- Decrease budget line item by \$122K and move needed funds to Unemployment Insurance Line Items and Computer Lease upgrade	

GENERAL FUND

Finance Department 01-040
Finance / Accounting / Court Services / Purchasing

Location
7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:
 Monday - Friday 8:00am - 5:00pm



DESCRIPTION OF SERVICES PROVIDED:

To provide the necessary and timely financial services and proactive, comprehensive, and timely reports to management and Council in order that optimal decisions may be made on behalf of the City. To provide fund accounting services that entails journal entries, bank reconciliations, and financial reporting for all City funds. To centralize the accounts payable process by coordinating with other departments/divisions in paying invoices and contractual obligations. To effectively manage the emergency medical billing receivables by collecting revenues at the least possible compliance costs. To provide payroll services for the City. To manage bond and debt service requirements and produce necessary bond documents for new issues. To provide a competent court system with quality service while providing the City with administration for cases filed for enforcement of Class C misdemeanors, provide the public with accurate information regarding their dealings with the court, and maintain effective and efficient court procedures in order to earn a high degree of public confidence. To conduct all purchases in accordance with State and local laws. To develop an understanding and appreciation of sound purchasing practices throughout all departments. To procure the right product at the right time for the lowest total cost of ownership (low bid and best value as defined by state law). To insure competitive bidding. Manage and invest City funds in compliance with Public Funds Investment Act.

FY 2010 ACCOMPLISHMENTS:

The Finance Department continued to become more automated and efficient in the areas of payroll, accounts payable, and month end close and reporting. The Senior Accountant passed two CGFO exams and will continue to work towards certification next year. The Court staff obtained TMCEC training this year and worked towards educating all internal departments regarding the many legislative and process changes they are currently faced with. This year's Warrant Roundup was very successful. The Purchasing department completed purchasing needs for the Police Station expansion project and obtained FEMA certification to meet the City's purchasing needs in the event of an emergency situation.

FY 2011 OBJECTIVES:

This year emphasis will be on training for the entire staff regarding customer service, payroll updates and changes in legislation, continuing education through TMCEC to keep and expand certifications. The Deputy Court Clerk will achieve her level I certification and the Court Administrator will continue working towards the Level III certification program.

BUDGETARY ISSUES:

GENERAL FUND

Finance Department 01-040
Finance / Accounting / Court Services / Purchasing

BUDGET SUMMARY:

	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$361,843	\$411,620	\$424,225	\$429,934	\$427,950	\$478,098
Supplies	\$4,590	\$5,740	\$5,655	\$6,145	\$5,550	\$6,145
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Contractual/Sundry	\$120,843	\$139,843	\$148,049	\$161,200	\$151,650	\$161,200
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$487,276	\$557,203	\$577,929	\$597,279	\$585,150	\$645,443
PERSONNEL ASSIGNED						
Finance Director	0.75	0.75	0.75	0.75	0.75	0.75
Assistant Finance Director	0.50	0.50	0.50	0.50	0.50	0.50
Special Asst. to Finance Director						0.50
Sr. Account Clerk II	1.00	1.00	1.00	1.00	1.00	1.00
Account Clerk I	1.00	1.00	1.00	1.00	1.00	1.00
Municipal Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Court Clerk	1.00	1.00	1.00	0.75	0.75	0.75
Customer Service Representative	1.00	1.00	1.00	1.00	1.00	1.00
Purchasing Agent	1.00	1.00	1.00	1.00	1.00	1.00
Perm. Part-time Finance Assistant	0.50	0.75	0.75	0.75	0.75	0.75
TOTAL	7.75	8.00	8.00	7.75	7.75	8.25

SIGNIFICANT BUDGET HIGHLIGHTS:

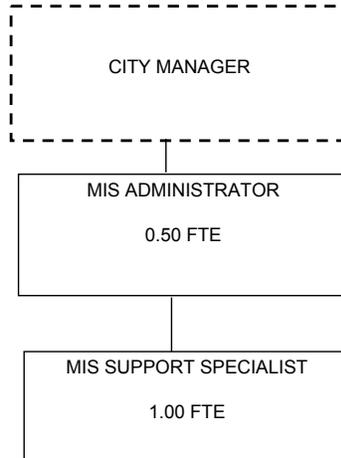
PERFORMANCE MEASURES:	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
COW5 Percent of citations entered within 24 hours of court filing	88%	99%	99%	95%	95%	95%
COW5 Percent of cash bonds processed by noon of same day	93%	97%	99%	95%	95%	95%
COW5 Percent of payments processed within 24 hours of receipt	99%	100%	100%	100%	100%	100%
COW5 Percent of contested hearings set for trial w/ 60 days of request	100%	97%	100%	90%	90%	90%
COW6 Percent of case notifications to all parties at least 3 weeks prior to trial	98%	100%	100%	100%	100%	90%
COW5 Ratio of correcting journal entries to total entries made annually	1.0%	1%	1%	1%	1%	1%
COW5 Percent of disbursement checks voided due to processing errors	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
COW6 Percent of G/L reconciliation's completed w/ 7 days of monthly close	95%	95%	100%	100%	95%	95%
COW5 Number of citations entered annually	12,358	13,500	14,850	15,275	15,275	15,000
COW5 Number of payments processed	6,510	8,370	10,200	13,000	13,000	12,500
COW5 Number of contested cases set for trial	846	1,162	1,400	775	775	700
COW5 Number of warrants issued	2,098	2,200	2,350	3,000	3,000	3,200
COW8 Number of quotes, bids, qualifications prepared	15	70	75	80	60	60
COW6 Number of P.O.s Issued		4,526	4,500	4,000	4,000	4,000
COW6 Receive Certificate of Achievement for Excellence in Financial Reporting	yes	yes	yes	yes	yes	yes
COW6 Receive an unqualified audit opinion from external auditors	yes	yes	yes	yes	yes	yes

GENERAL FUND

Administration Department 01-050 Management Information Systems

**Location: 7105 Whitley Road
Watauga, TX 76148
Phone Number: 817-514-5800 x 4700**

Hours of Operation: 7:00a - 5:00p M-F
On call service 24X7X365



DESCRIPTION OF SERVICES PROVIDED:

Provides and supports all technical aspects of the City's data and voice networks. Designs and maintains the City's Web-Site. Maintains the City's Cable Channel. Provides all City staff daily technical support and training in the usage of PCs, telephones, and other MIS equipment. Supports City Council Laptop usage.

FY 2010 ACCOMPLISHMENTS:

Server upgrades. Fire station start. Video security @ rec center. Cost control.

FY 2011 OBJECTIVES:

Reduce response times. Replace workstations. Update office software. License compliance. Hardware/software standardization.

BUDGETARY ISSUES:

PC workstation age exceeding 5 years. Hard to maintain. Software systems (os, office) out of date or out of support life cycle.

GENERAL FUND

Administration Department 01-050 Management Information Systems

BUDGET SUMMARY:

	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATE	FY 2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$93,951	\$98,726	\$104,563	\$106,293	\$106,293	\$110,925
Supplies	\$26,883	\$26,814	\$32,491	\$36,500	\$35,000	\$36,500
Maintenance	\$46,205	\$47,312	\$62,549	\$79,000	\$70,000	\$77,900
Contractual/Sundry	\$10,500	\$11,449	\$9,304	\$13,000	\$7,500	\$12,600
Capital Outlay	\$0	\$105	\$12,666	\$15,450	\$10,000	\$11,500
Total Expenditures	\$177,539	\$184,406	\$221,573	\$250,243	\$228,793	\$249,425
PERSONNEL ASSIGNED						
MIS Administrator	0.50	0.50	0.50	0.50	0.50	0.50
MIS Support Analyst	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	1.50	1.50	1.50	1.50	1.50	1.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Increase Personnel Expense - TMRS and Insurance	\$4,632
Maintenance	(\$1,100)
Capital Outlay - Computer Software xfer to 01-020	(\$3,950)

PERFORMANCE MEASURES:

	FY 2007	FY2008	FY2009	Estimate FY2010	BUDGET FY 2011
COW5 Survey Satisfaction rate	95%	95%	92%	90%	95%
COW8 Problem resolution/ Repair of systems:					
- % Completed within 1 business day	90%	92%	88%	90%	95%
- % Greater than 1 business day	10%	8%	12%	10%	5%
- % Service calls for priority services closed within 4 hours	98%	98%	97%	98%	98%
COW1 Public Safety Dispatch system up time 7 days/week, 24 hours/day	98%	98%	98%	99%	99%
COW8 Computer systems and networks up time 5 days/week, 10 hrs/day	99%	99%	99%	99%	99%
COW8 Cost per hour of up time	\$21.91	\$22.60	\$29.48	\$26.24	\$26.24
COW8 Cost per work order hour for computers and networks	\$92.31	\$95.15	\$124.17	\$110.51	\$110.51

GENERAL FUND

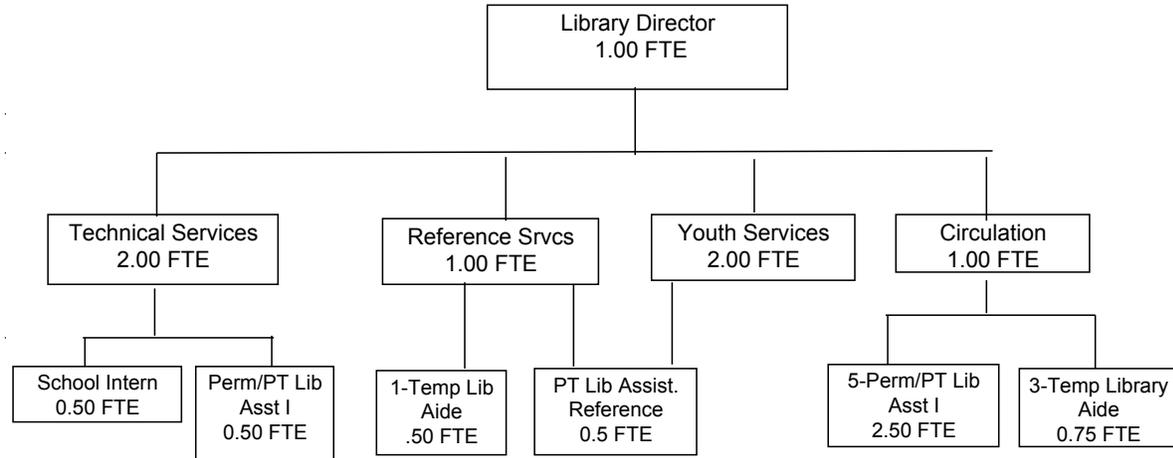
Funds 01-060

Library

Location
7109 Whitley Road
(817) 514-5855

Hours of Operation:

Monday & Thursday 9:00 a.m. to 8:00 p.m.
 Tuesday & Wed. 9:00 a.m. to 6:00 p.m.
 Fri. & Sat. 8:00 a.m. to 5:00 p.m.



DESCRIPTION OF SERVICES PROVIDED:

The Library provides access to a balanced collection of print, multimedia, and online materials, provides reference, readers' advisory, and research assistance, and offers a wide range of programs and activities designed to meet the needs of youth and adults. In addition, the Library provides a Homework Help Center, computer training, literacy tutoring, language tutoring, notary public, and fax transmission services.

FY 2010 ACCOMPLISHMENTS:

- Awarded Libraries for Literacy Grant (\$2,500) from North Texas Regional Library System (NTRLS) for Literacy program.
- Awarded Loan Star Grant (\$14,392) from the Texas State Library and Archives Commission to improve Library service state wide.
- Awarded Target Grant (\$2,500), "T.H.A.N.K.S." (Target Helps All Neighborhood Kids Succeed).
- Awarded Texas Book Festival Grant, Library Technology Grant (\$5,000).
- Awarded Wall Mart Grant (\$1,000).
- Expanded two free after hour Tuesday night classes, "ESL Conversational English" (now also on Thursday night) and "Beginning Computer Skills" (Intermediate & Job Search Computer Skills class on two Friday nights per month).
- Hosted Census Aid service and class in Library.
- Presented 1st annual Accessibility Fair, "Everybody's Library".
- Presented 1st annual Quilt Show.
- Submitted Grant proposal to Dollar General Literacy Foundation, "Learning for Life" (\$16,745) to expand literacy program. Grant announced in May 2010.
- Submitted Grant proposal to Dollar General Summer Reading Program, "Catch the Reading Express at Park Vista Townhouses" (Up to \$3000). Grant announced in May 2010.
- Submitted Grant proposal to "Texas Reads!" Grant (\$3,000) to develop a Watauga Reads! program. Grants announced in August 2010.

FY 2011 OBJECTIVES

- Collection:**
- Select the best materials to meet the informational and recreational needs of users;
 - Catalog and make these materials available quickly;
 - Reshelf them promptly to maximize their use;
 - Continually weed the collection to keep it up-to-date.
- Programs/Publicity:**
- Provide a variety of quality programs for children and adults;
 - Publicize these programs and other services through visits to local schools. Also raise awareness through Library and City newsletters, the City website, as well as other web sites, and in-house publications, brochures, and signage.

BUDGETARY ISSUES:

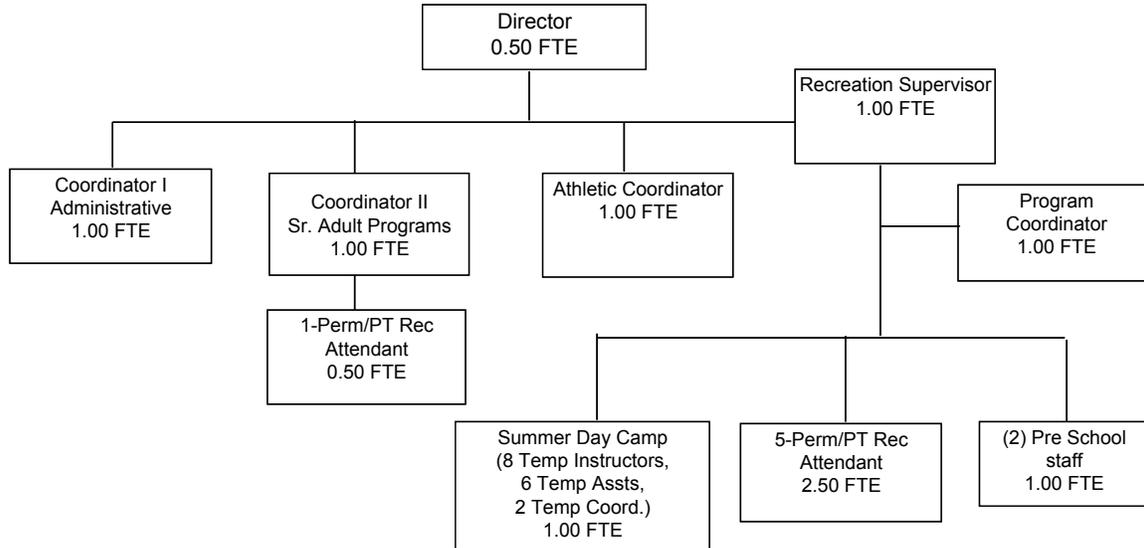
- The increase in this Library's usage can be seen in the statistics. The circulation of all materials from FY 08-09 to FY 09-10 thus far is approximately 21%. Library staffing has not increased at a rate to effectively address this.
- An additional budgetary issue deals with the check-out/security system the Library currently uses. It is an older technology that is being phased out of the market place and replaced by a method of tagging library material (RFID, Radio Frequency Identification). Supplies that support our current system may eventually be not available. The RFID system, which some surrounding libraries are migrating to, when fully implemented increase staff productivity, improve security and inventory control, and speed up turn-around time of materials.

GENERAL FUND

Department 01-070
Recreation & Community Services

Location
7901 Indian Springs Road
Phone Number 817.514.5803

Hours of Operation:
 Monday - Friday 6am - 9pm
 Saturday 8am - 5pm



DESCRIPTION OF SERVICES PROVIDED:

The Recreation and Community Services Department offers various community programs, activities, and special events throughout the year. These services are designed to encourage community involvement, increase citizens sense of community, promote the city of Watauga, and provide recreational outlets. Our mission is to enrich the lives of Watauga citizens through the responsible administration of our resources with the goal of quality customer service, recreational opportunities, and community services. Our vision is to enhance the awareness, quality, and public perception related to departmental services for all residents and create a positive city "identity" from a recreational and community services standpoint.

FY2010 ACCOMPLISHMENTS:

The department has seen an increase in total participation in all program related activities from summer camp, martial arts and dance programs, to adult and youth activities. We continue to strive to provide new and existing programs to our current growing list of activities the City offers its citizens. The department has also seen an increase in the level of participation of our Special Events. Health and fitness education has been incorporated into our Adult Senior programs, and an Organic Garden has been established to provide them with healthy, hearty produce. AARP services have provided defensive driving and tax preparation for our community at no cost.

FY2011 OBJECTIVES:

Add child care for evening activities, increase the number of Fit Pass participants by 10%, involve Seniors in more field trip activities, and re-establish our youth baseball program.

BUDGETARY ISSUES:

GENERAL FUND

Department 01-070
Recreation & Community Services

BUDGET SUMMARY:

	FY2007	FY2008	FY2009	FY2010	FY2010	FY2011
EXPENDITURE SUMMARY	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
Personnel Services	\$373,490	\$418,986	\$419,138	\$432,981	\$397,558	\$447,819
Supplies	\$32,392	\$32,247	\$26,231	\$40,675	\$39,960	\$47,625
Maintenance	\$5,086	\$6,579	\$10,829	\$6,000	\$5,500	\$4,750
Contractual/Sundry	\$104,557	\$110,160	\$98,770	\$110,200	\$107,300	\$104,500
Capital Outlay	\$0	\$0	\$8,328	\$0	\$0	\$0
Total Expenditures	\$515,525	\$567,972	\$563,296	\$589,856	\$550,318	\$604,694
PERSONNEL ASSIGNED						
RCS Director	0.50	0.50	0.50	0.50	0.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Coordinator II (Sr. Adult Programs)	1.00	1.00	1.00	1.00	1.00	1.00
Athletic Coordinator	1.00	1.00	0.00	1.00	1.00	1.00
Recreation Programmer	0.00	0.00	2.00	0.00	0.00	0.00
Coordinator I (Administrative)	1.00	1.00	1.00	1.00	1.00	1.00
Fitness Coordinator	1.00	1.00	0.00	1.00	1.00	1.00
Rec. Attendant (6- Perm. Part time)	3.00	3.00	3.00	3.00	3.00	3.00
Pre-school Instructors (2 Temp - 1040 hrs ea.)	1.00	1.00	1.00	1.00	1.00	1.00
Summer Rec Assts. (6- Temp/Seasonal)	0.25	0.25	0.25	0.25	0.25	0.25
Summer Rec Instructors (8 - Temp/Seasonal)	0.50	0.50	0.50	0.50	0.50	0.50
Summer Rec. Coord. (2- Temp/Seasonal)	0.25	0.25	0.25	0.25	0.25	0.25
TOTAL	10.50	10.50	10.50	10.50	10.50	10.50

SIGNIFICANT BUDGET CHANGES:

Increase Personnel Expense - TMRS and Insurance	\$14,838
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PERFORMANCE MEASURES:

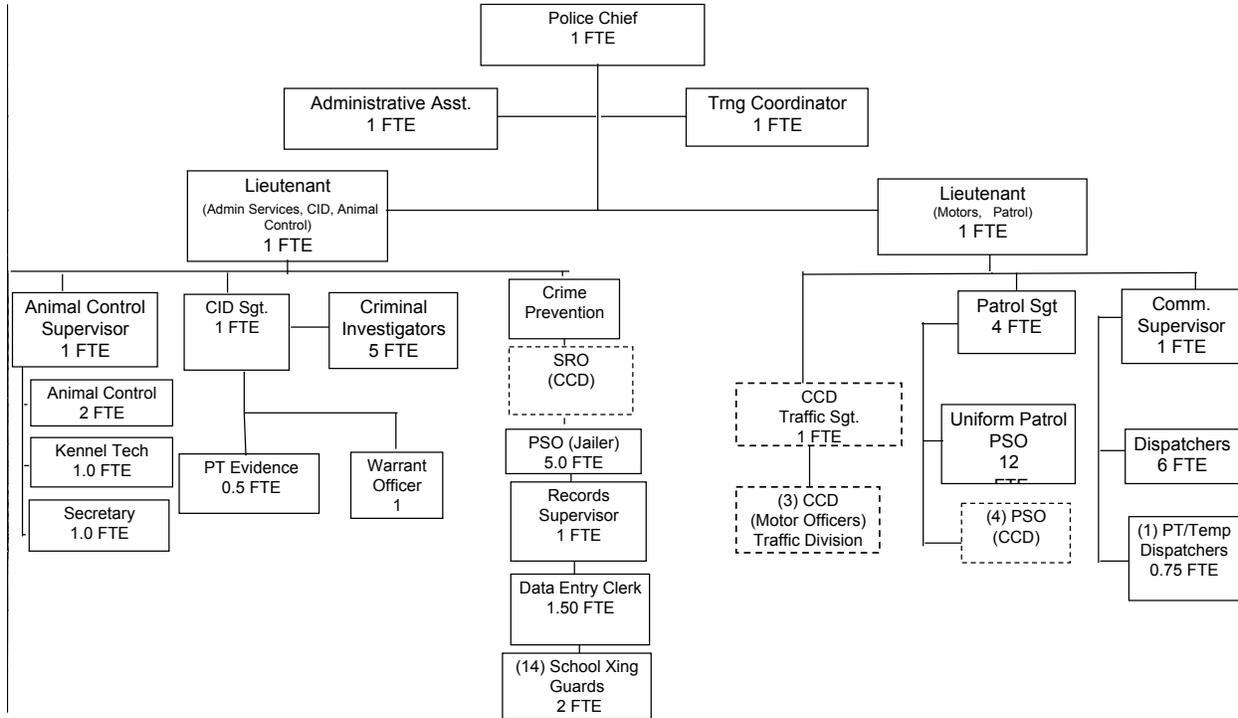
	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW4 % customer satisfaction from programs, classes, events, and facilities	90%	100%	100%	100%	100%
COW4 % attendance increase in classes, programs, and leagues	18%	15%	3.35%	5%	5%
COW4 Number of new memberships	515	900	733	900	900
COW4 Number of active members	2,750	2,800	2,380	2,800	3,000

GENERAL FUND

Fund 01-080
Police Division

Location: 7101 Whitley Road
Watauga, TX 76148
Phone Number: 817.514.5870

Hours of Operation: 24 Hours



DESCRIPTION OF SERVICES PROVIDED:

The General Fund Budget provides funds that allow the Police division of the Watauga Department of Public Safety to provide efficient and professional response in the area of law enforcement thereby reducing loss of life and property to the citizens of Watauga. The division operates with highly trained officers in the areas of Patrol, Criminal Investigation, and Traffic Investigation. The division also maintains a support services unit that provides assistance to the community through Crime Watch and also a School Resource Officer.

FY 2010 ACCOMPLISHMENTS:

The training facility has been opened to outside agencies. The policy manual is now online as well as training on each section so officers are up to date.

FY 2011 OBJECTIVES:

We will continue to operate the Watauga Police Department in a very efficient and professional manner.

BUDGETARY ISSUES:

We continue to feel the strain on the economy. Because of the decline in sales tax, we will limit spending to only necessities.

GENERAL FUND

**Fund 01-080
Police**

BUDGET SUMMARY:	FY2007	FY2008	FY2009	FY2010	FY2010	FY2011
EXPENDITURE SUMMARY	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
Personnel Services	\$2,506,794	\$2,680,995	\$2,927,838	\$2,913,484	\$2,906,040	\$3,045,938
Supplies	\$23,717	\$13,522	\$27,929	\$37,500	\$37,000	\$37,500
Maintenance	\$0	\$901	\$1,194	\$1,300	\$1,300	\$1,300
Contractual/Sundry	\$10,992	\$8,926	\$1,418	\$1,750	\$1,600	\$1,750
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$2,541,503	\$2,704,345	\$2,958,379	\$2,954,034	\$2,945,940	\$3,086,488
PERSONNEL ASSIGNED						
Police Chief (Public Safety Director)	0.50	1.00	1.00	1.00	1.00	1.00
Lieutenant	2.00	2.00	2.00	2.00	2.00	2.00
Sergeant	5.00	5.00	5.00	5.00	5.00	5.00
Records Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Communications Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Training Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Police Officer	13.00	12.00	12.00	12.00	12.00	12.00
Detective	5.00	5.00	5.00	5.00	5.00	5.00
Jailers	3.00	4.00	4.00	4.00	4.00	4.00
Animal Control Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Secretary (1.0 ACO and 1 PT CID)	0.00	1.50	1.50	1.50	1.50	1.50
Data Entry Clerk	1.50	1.50	2.00	1.50	1.50	1.50
Communicators/Dispatcher	6.00	6.00	6.00	6.00	6.00	6.00
Warrant Officer	0.83	0.83	1.00	1.00	1.00	1.00
School Crossing Guards (14)	2.00	2.00	2.00	2.00	2.00	2.00
Dispatcher (PT/Temporary)	0.75	0.75	0.75	0.75	0.75	0.75
Kennel Technician (2 PT/Permanent)	0.50	1.00	1.00	1.00	1.00	1.00
	46.08	49.58	50.25	49.75	49.75	49.75

SIGNIFICANT BUDGET HIGHLIGHTS:

20% Allocation of Dispatch operation to Fire Department 01-085	(\$58,000)
Personnel Expense Increase TMRS and Medical Insurance	\$132,454

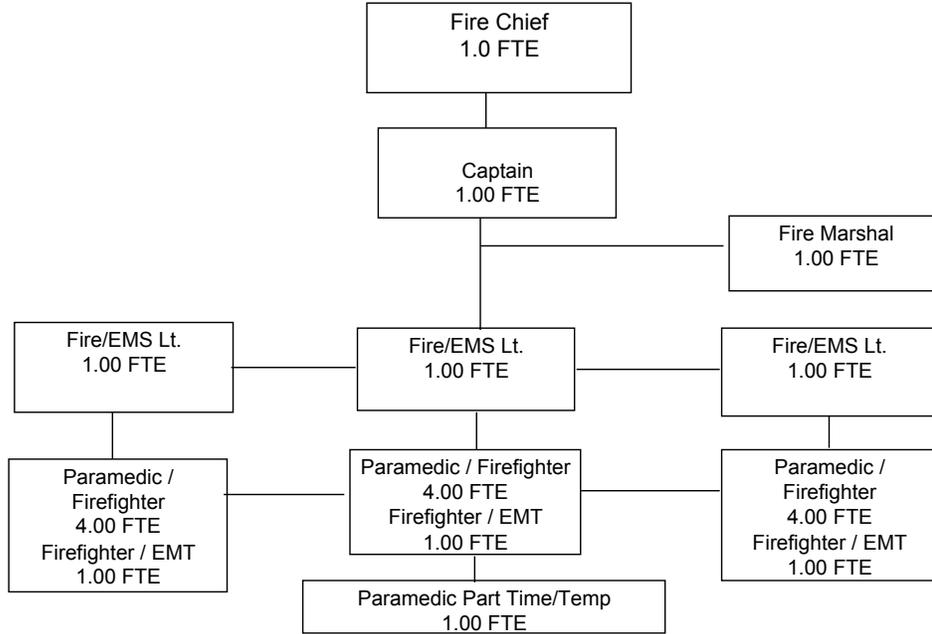
PERFORMANCE MEASURES:	FY2007	FY2008	FY2009	ESTIMATE	BUDGET
<u>Quantity - Calls for Service</u>				FY2010	FY2011
Total Calls for Service					
< Priority 1 Calls for Service	4,578	5,672	3,600	3,700	3,700
< Priority 2 Calls for Service	1,659	1,720	1,456	1,408	1,400
< Priority 3 Calls for Service	4,225	3,967	3,800	3,572	3,600
<u>Response Times - Calls for Service</u>					
< Priority 1 Calls for Service (Minutes)	5	5	6	6	6
< Priority 2 Calls for Service (Minutes)	6	6	7	7	7
< Priority 3 Calls for Service (Minutes)	9	9	8	8	8
<u>Uniform Crime Reporting (UCR) Incidents</u>					
< Violent	72	77	100	111	110
< Property	610	590	512	473	475
<u>Traffic Collisions</u>					
< Non Injury	172	150	88	60	60
< Injury	61	50	60	56	55
< Fatality	1	1	1	1	1
<u>Traffic Citations</u>					
< Municipal Citations Issued	10,939	12,849	10,370	10,817	10,500
<u>DWI Enforcement</u>					
< Arrests	40	57	16	16	16
<u>Animal Control</u>					
< Animals Confined	1,271	1,523	1,048	1,057	1,100
< Animal License Issued	513	617	842	986	975

GENERAL FUND

Fund 01-085
FIRE/EMS Department

Location: 7101 Whitley Road
Watauga, TX 76148
Phone Number: 817-514-5897

Hours of Operation: 24 hours a day.



DESCRIPTION OF SERVICES PROVIDED:

The Fire/EMS department provides emergency response to all reported fire and medical emergencies. The department staffs a MICU capable ambulance and can deliver advanced levels of patient care and transport. The department also operates two Class-A pumpers and a four-wheel drive grass/brush fire unit. The department is staffed by personnel who are specially trained to respond to incidents involving hazardous chemicals, explosives, and weapons of mass destruction. The staff includes FBI Certified Bomb Technicians. The ambulances are equipped to communicate directly with area hospitals, air medical units, and surrounding cities.

FY2010 ACCOMPLISHMENTS:

Fifty percent (50%) of all employees who may drive emergency vehicles have been certified by the Texas Fire Commission as drivers/operators. All shift supervisors have been certified by the Texas Fire Commission as a Fire Officer 1. All shift supervisors have attended numerous classes on management, leadership, and personnel development. Streamlining of certain operations and procedures has improved accountability and regulatory compliance.

FY2011 OBJECTIVES:

Obtain Driver/Operator certification for the remaining personnel. Obtain Fire Officer 2 certification for all shift supervisors. Construct and occupy a new fire facility. Improve time management of routine operations. Reduce dependence on paper forms and documents through a wider use of electronic media outlets.

BUDGETARY ISSUES:

Some emergency equipment used daily is more than ten years old and is no longer supported by the manufacturer. That equipment will have to be replaced if it fails. Stringent regulations on PPE will require the article be replaced after a service life of five years. Texas Fire Commission Regulations will require an increased number of laboratory tests of SCBA breathing air which will create an increase in the monies used for regulatory testing.

GENERAL FUND

Fund 01-085
FIRE/EMS Department

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$1,226,285	\$1,301,332	\$1,361,702	\$1,602,412	\$1,578,708	\$1,636,482
Supplies	\$89,098	\$100,488	\$71,085	\$84,650	\$82,651	\$87,450
Maintenance	\$29,307	\$25,221	\$22,923	\$27,040	\$27,040	\$26,552
Contractual/Sundry	\$63,136	\$51,940	\$56,483	\$63,800	\$63,790	\$64,270
Capital Outlay	\$0	\$0	\$28,267	\$0		\$0
Total Expenditures	\$1,407,826	\$1,478,980	\$1,540,459	\$1,777,902	\$1,752,189	\$1,814,754
PERSONNEL ASSIGNED						
Fire Chief	0.50	1.00	1.00	1.00	1.00	1.00
Captain	1.00	1.00	1.00	1.00	1.00	1.00
Fire/EMS Lieutenant	3.00	3.00	3.00	3.00	3.00	3.00
Fire Marshall	1.00	1.00	1.00	1.00	1.00	1.00
Firefighter/Paramedic <i>(FY06 added 3 - grant fun</i>	12.00	12.00	12.00	12.00	12.00	12.00
PSO / Firefighter / EMT	3.00	3.00	3.00	3.00	3.00	3.00
Paramedic Part time/Temporary (7)	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	21.50	22.00	22.00	22.00	22.00	22.00

SIGNIFICANT BUDGET HIGHLIGHTS:

- TMRS and Medical Insurance Increases
- Allocation of 20% dispatch operation from Police Department 01-080
- Overtime budget reduction
- Vehicle Maintenance budget reduction

FIRE/EMS YEARLY ACTIVITY:

	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>ESTIMATE</u>	<u>BUDGET</u>
				<u>FY2010</u>	<u>FY2011</u>
Total Calls For Service	1,600	1,810	1,697	1,850	1,943
-Fire Calls	250	253	453	500	550
-Emergency Medical Services Calls	1,110	1,202	992	1,100	1,221
-Miscellaneous Calls	240	355	252	250	253
Ambulance Transports	753	806	780	800	820
Mutual Aid Given	50	55	28	28	56
Mutual Aid Received	55	58	138	138	142
Fire Inspections	60	65	60	60	60
Fire Emergency Average Response Time (Min.)	3.9	4.1	4	4.2	4
EMS Emergency Average Response Time (Min.)	3.76	3.97	3.1	3.1	33

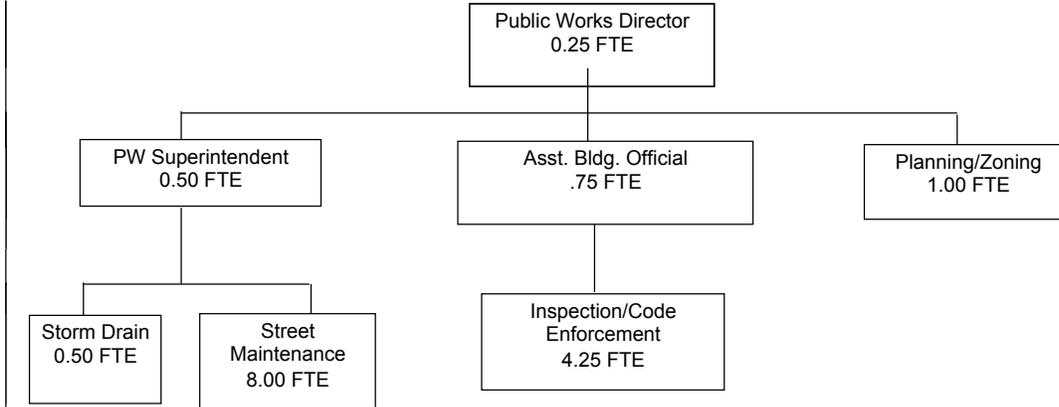
GENERAL FUND

Public Works Department 01-090

Public Works

Location
7800 Virgil Anthony Sr. Blvd.
Phone Number (817) 514-5806

Hours of Operation:
 Office Hours Monday thru Friday 8:00 a.m. to 5:00 p.m.



DESCRIPTION OF SERVICES PROVIDED:

Public Works consists of several different sections which include streets, code enforcement, engineering, and inspections. Public Works streets will strive to maintain and contribute to the welfare, safety, and beautification by ensuring our streets are repaired and maintained in a timely, efficient, and cost effective manner. Code Enforcement personnel are officers of the court and ensure the Code of Ordinances are followed. Engineering ensures all plans are approved and meet the city specifications through plan review and field inspections.

FY 2010 ACCOMPLISHMENTS

Public Works has maintained 88 miles of roads, the city sidewalks, signs and traffic signals to an acceptable manner. Code enforcement and building inspections have maintained a high level of code compliance with the citizens through education and ordinance notification. Engineering has assured construction of all capital projects and that they meet city specification. Public Works will complete the overlay of eight more streets along with 7,567 LF of new curb and gutter.

FY2011 OBJECTIVES

The Public Works Department will strive to maintain a high level of service to all of our citizens and maintain the 88 miles of road and signage to a cost-acceptable manner. Code and Engineering will ensure all codes are followed and the city specifications are met. Public Works will continue to repair our streets and sidewalks and all other maintenance projects within the new budget guidelines.

BUDGETARY ISSUES:

Compliance will maintain a level of good streets and should reduce the level of poor streets to an upgraded level of fair or good. Code compliance will reduce many unsightly areas and improve the general cosmetics of our city. All work will be performed while remaining within the new budget.

GENERAL FUND

Public Works Department 01-090

Public Works

BUDGET SUMMARY:	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$544,281	\$612,760	\$622,987	\$670,825	\$670,825	\$703,208
Supplies	\$38,148	\$50,916	\$39,450	\$63,150	\$63,150	\$63,150
Maintenance	\$34,098	\$32,578	\$35,686	\$26,780	\$26,780	\$26,780
Contractual/Sundry	\$26,419	\$24,989	\$25,978	\$32,810	\$32,810	\$32,810
Capital Outlay	\$0	\$209	\$20,639	\$0	\$0	\$0
Total Expenditures	\$642,946	\$721,452	\$744,740	\$793,565	\$793,565	\$825,948
PERSONNEL ASSIGNED						
Public Works Director <i>(moved from Parks)</i>	0.25	0.25	0.25	0.25	0.25	0.25
Public Works Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
PW Foreman	1.00	1.00	1.00	1.00	1.00	1.00
Inspection Foreman	0.25	0.25	0.25	0.25	0.25	0.25
Code Enforcement Officer	2.00	3.00	3.00	3.00	3.25	3.25
Building Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker I/Streets	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Worker II/ Streets	2.00	2.00	2.00	2.00	2.00	2.00
Equipment Operator	1.00	1.00	1.00	1.00	1.00	1.00
Storm Drain Utility Secretary	0.50	0.50	0.50	0.50	0.50	0.50
PW Plan/Zoning Secretary	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	13.50	14.50	14.50	14.50	14.75	14.75

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel increases in TMRS and Insurance \$32,383

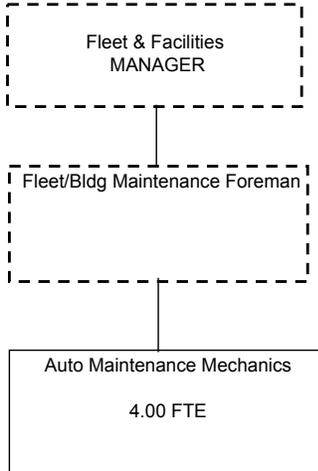
PERFORMANCE MEASURES:	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW2/3 % of Right-of-Ways maintained City-wide	100%	100%	100%	100%	100%
COW1/2/3 % of Sidewalks repaired within 7 days of complaint issuance	98%	98%	98%	98%	98%
COW1/2/3 % of sidewalks repaired within 30 days of annual inspection	100%	100%	100%	100%	100%
COW1/2/3 % of potholes repaired within 3 days of complaint issuance	100%	100%	100%	100%	100%
COW2/3 Number of lane miles maintained	88	88	88	88	88
COW2/3 Number of miles of curb and gutter maintained	176	176	176	176	176
COW1/2/3 Number of miles of roads in GOOD condition	70	69	70	70	71
COW1/2/3 Number of miles of roads in AVERAGE condition	16	17	16	16	15
COW1/2/3 Number of miles of roads in POOR condition	2	2	2	2	2

GENERAL FUND

Administration Department 01-097
Fleet Services

Location
7800 Virgil R. Anthony Sr. Blvd.
817-514-5844

Hours of Operation:
Office Hours Monday thru Friday
7:00 am to 4:00 pm



DESCRIPTION OF SERVICES PROVIDED:

This is a section of the Fleet and Facilities Department. This section repairs, fabricates, and performs preventative maintenance on all city vehicles and equipment for all departments. It is difficult to describe the services provided because one must look close to see where fleet stops and buildings starts. Many building projects are done by the maintenance team consisting of both fleet and building personnel.

FY2010 ACCOMPLISHMENTS:

No overdue payments. 100% availability of fleet 95% of time.

FY2011 OBJECTIVES:

To maintain equal amount of service of fleet.

BUDGETARY ISSUES:

Equipment and facilities aging to where parts and resources are no longer available.

GENERAL FUND

Administration Department 01-097
Fleet Services

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$91,714	\$121,973	\$154,786	\$158,303	\$159,142	\$168,362
Supplies	(\$9,493)	\$52,409	\$32,922	\$13,200	\$13,200	\$13,200
Maintenance	\$1,854	\$2,948	\$1,385	\$3,200	\$3,200	\$3,200
Contractual/Sundry	\$3,095	\$7,223	\$5,856	\$7,200	\$7,200	\$7,200
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$87,171	\$184,553	\$194,950	\$181,903	\$182,742	\$191,962
PERSONNEL ASSIGNED	3	3	4.00	5.00	6.00	6.00

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services Increase in TMRS and Medical Insurance \$10,059

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW5 Percent of auto repairs performed by in-house staff	90%	95%	98%	98%	98%
COW5 Percent of auto repairs outsourced	10%	5%	2%	2%	2%
COW1/8 Average fleet availability	95%	95%	98%	98%	98%
COW1/8 Average fleet downtime awaiting for parts delivery	5%	5%	2%	2%	2%
COW5 Average major auto repairs per month	2	5	2	2	2
COW8 Average preventive maintenance inspections per month	25	35	38	38	38

GENERAL FUND

Administration Department 01-098

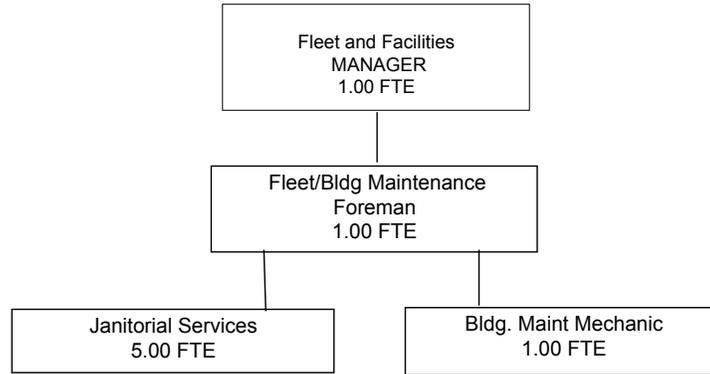
Buildings

Location

7800 Virgil R. Anthony Sr. Blvd.
817-514-5844

Hours of Operation:

Office Hours Monday thru Friday
7:00 am to 4:00 pm



DESCRIPTION OF SERVICES PROVIDED:

Buildings is a section of Fleet and Facilities Department. It provides the maintenance and operation of all city-owned facilities, buildings, and structures, including minor and major remodeling and construction when necessary. Provides an efficient and effective preventative maintenance program to maintain and upgrade city-owned buildings to an acceptable condition compatible with existing city codes. Provides and maintains a pleasant and secure environment for all visitors and city employees in the buildings under city jurisdiction.

FY2010 ACCOMPLISHMENTS:

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FY2011 OBJECTIVES:

To provide same quality service to all city properties and maintain facilities to all satisfaction.

BUDGETARY ISSUES:

Increasing prices on all janitorial services and the fact that all facilities are no longer under contractors' warranties will increase usage of monies set forth for maintenance 4 years ago.

GENERAL FUND

Administration Department 01-098 Buildings

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$270,244	\$293,251	\$301,337	\$298,073	\$290,754	\$310,431
Supplies	\$11,802	\$15,838	\$23,347	\$27,814	\$27,744	\$27,814
Maintenance	\$56,931	\$48,440	\$64,593	\$59,300	\$59,300	\$59,300
Contractual/Sundry	\$262,792	\$312,538	\$323,137	\$315,150	\$306,150	\$315,150
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$601,770	\$670,066	\$712,414	\$700,337	\$683,948	\$712,695
PERSONNEL ASSIGNED						
Fleet/Bldg Maintenance Manager	1.00	1.00	1.00	1.00	1.00	1.00
Fleet/Bldg Maintenance Foreman	1.00	1.00	1.00	1.00	1.00	1.00
Janitorial Service Tech	1.00	1.00	1.00	1.00	1.00	1.00
Janitor	3.00	4.00	4.00	4.00	4.00	4.00
Building Maintenance Mech				1.00	1.00	1.00
TOTAL	6.00	7.00	7.00	8.00	8.00	8.00

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Increase in TMRS and Insurance rates \$ 12,358

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW5 Percent of repairs done by staff	80%	95%	95%	99%	95%
COW5 Percent of repairs done by contractors	20%	5%	5%	1%	5%
COW1/2 % of repairs completed within 24 hours of request	90%	99%	99%	99%	99%
COW8 Maintenance cost per sq. ft.	\$2.50	\$2.50	\$2.50		\$2.50
COW8 Janitorial cost per sq. ft.	\$2.00	\$2.00	\$2.00		\$2.00

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
ADMINISTRATION									
PERSONNEL SERVICES									
010-4001	SUPERVISION	114,823	124,322	56,293	58,625	58,625	58,032	(593)	-1.0%
010-4002	CLERICAL	85,206	86,898	59,492	54,776	54,776	56,410	1,634	3.0%
010-4010	OVERTIME	796	396	119	300	100	300	0	0.0%
010-4030	LONGEVITY	6,984	3,360	3,960	3,168	3,500	4,032	864	27.3%
010-4035	CAR ALLOWANCE	5,000	5,048	0	0	0	0	0	N/A
010-4100	RETIREMENT	21,574	22,946	16,137	14,947	14,947	16,754	1,807	12.1%
010-4101	DEFERRED COMPENSATION	0	2,215	0	0	0	0	0	N/A
010-4102	HOSPITAL & GROUP LIFE	19,803	22,790	14,747	17,591	16,000	19,135	1,544	8.8%
010-4103	MEDICARE TAX	2,949	3,174	1,788	1,695	1,695	1,718	23	1.4%
TOTAL PERSONNEL SERVICES		257,134	271,150	152,535	151,102	149,643	156,381	5,279	3.5%
SUPPLIES									
010-5201	OFFICE SUPPLIES	1,033	1,023	1,124	1,125	1,200	1,125	0	0.0%
010-5203	PUBLICATIONS	375	129	228	200	175	200	0	0.0%
TOTAL SUPPLIES		1,408	1,152	1,352	1,325	1,375	1,325	0	0.0%
CONTRACTUAL/SUNDRY									
010-7401	COMMUNICATIONS	911	1,110	115	200	100	200	0	0.0%
010-7404	SPECIAL SERVICES	621	1,149	213	250	175	250	0	0.0%
010-7405	ADVERTISING	0	0	1,444	0	0	0	0	N/A
010-7406	TRAVEL EXPENSE	3,151	6,494	231	1,000	500	1,000	0	0.0%
010-7407	DUES & SUBSCRIPTIONS	2,809	2,950	220	220	200	220	0	0.0%
010-7410	TRAINING	2,557	2,416	1,426	1,200	1,000	1,200	0	0.0%
010-7419	PRINTING & BINDING	1,185	5,955	4,220	7,150	7,100	7,150	0	0.0%
010-7440	EMPLOYEE RELATIONS	280	0	286	400	1,000	400	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		11,514	20,074	8,155	10,420	10,075	10,420	0	0.0%
TOTAL ADMINISTRATION		270,056	292,376	162,043	162,847	161,093	168,126	5,279	3.2%
ADMIN CITY MANAGER									
PERSONNEL SERVICES									
015-4001	SUPERVISION	0	0	68,401	66,000	66,000	68,000	2,000	3.0%
015-4002	CLERICAL	0	0	37,547	38,250	38,250	34,700	(3,550)	-9.3%
015-4020	TEMPORARY/PT TIME HELP	0	0	1,914	0	0	0	0	N/A
015-4030	LONGEVITY	0	0	1,008	1,225	1,225	720	(505)	-41.2%
015-4035	CAR ALLOWANCE	0	0	4,952	5,000	5,000	5,000	0	0.0%
015-4100	RETIREMENT	0	0	12,624	19,100	17,430	20,723	1,623	8.5%
015-4101	DEFERRED COMPENSATION	0	0	4,807	4,600	4,600	4,721	121	2.6%
015-4102	HOSPITAL & GROUP LIFE	0	0	11,826	13,330	15,000	15,000	1,670	12.5%
015-4103	MEDICARE TAX	0	0	1,756	1,900	1,900	1,718	(182)	-9.6%
TOTAL PERSONNEL SERVICES		0	0	144,834	149,405	149,405	150,582	1,177	0.8%
SUPPLIES									
015-5201	OFFICE SUPPLIES	0	0	19	200	0	200	0	0.0%
015-5203	PUBLICATIONS	0	0	0	200	0	200	0	0.0%
TOTAL SUPPLIES		0	0	19	400	0	400	0	0.0%
CONTRACTUAL/SUNDRY									
015-7401	CITY MANAGER COMMUNICATIONS	0	0	833	800	800	800	0	0.0%
015-7404	SPECIAL SERVICES	0	0	457	500	500	500	0	0.0%
015-7406	TRAVEL EXPENSE	0	0	3,326	3,500	3,500	3,500	0	0.0%
015-7407	DUES & SUBSCRIPTIONS	0	0	1,784	3,000	3,000	3,000	0	0.0%
015-7410	TRAINING	0	0	270	4,194	4,194	4,000	(194)	-4.6%
TOTAL CONTRACTUAL/SUNDRY		0	0	6,669	11,994	11,994	11,800	(194)	-1.6%
TOTAL ADMIN CITY MANAGER		0	0	151,523	161,799	161,399	162,782	983	0.6%
NON-DEPARTMENTAL									
PERSONNEL SERVICES									
020-4100	RETIREMENT	4,323	5,238	5,303	11,213	8,800	8,750	(2,463)	-22.0%
020-4101	SUPPLEMENTAL COMPENSATION	0	0	109	0	165	0	0	N/A

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
020-4103	MEDICARE TAX	553	633	2,017	1,233	1,233	1,813	580	47.0%
020-4105	VACATION/COMP TIME/LIT./RET.	41,008	46,199	152,916	85,000	85,000	145,000	60,000	70.6%
020-4107	SALARY ADJUSTMENTS	0	0	0	226,676	113,338	233,000	6,324	2.8%
TOTAL PERSONNEL SERVICES		45,883	52,070	160,345	324,122	208,536	388,563	64,441	19.9%
SUPPLIES									
020-5201	OFFICE SUPPLIES	869	7,650	6,529	8,500	6,500	8,500	0	0.0%
020-5202	POSTAGE	15,623	16,054	18,452	18,500	18,500	18,500	0	0.0%
020-5203	PUBLICATIONS	0	1,951	1,474	600	1,013	600	0	0.0%
020-5210	COPY MACHINE SUPPLIES	0	0	1,386	3,000	3,000	3,000	0	0.0%
020-5226	MISC. EQUIPMENT/FURNITURE	3,226	5,000	65	0	0	0	0	N/A
020-5232	AWARDS/ RECOGNITION SUPPLIES	3,960	3,921	3,979	4,000	4,000	4,000	0	0.0%
TOTAL SUPPLIES		23,678	34,576	31,886	34,600	33,013	34,600	0	0.0%
MAINTENANCE									
020-6302	OFFICE EQUIPMENT	818	0	0	4,300	0	0	(4,300)	-100.0%
TOTAL MAINTENANCE		818	0	0	4,300	0	0	(4,300)	-100.0%
CONTRACTUAL/SUNDRY									
020-7401	COMMUNICATIONS	45,187	46,142	47,301	47,000	47,000	47,000	0	0.0%
020-7402	RENTAL OF EQUIPMENT	77,922	82,906	57,684	55,000	45,000	117,050	62,050	112.8%
020-7404	SPECIAL SERVICES	8,246	9,692	13,488	15,000	15,000	55,000	40,000	266.7%
020-7405	ADVERTISING	7,697	3,620	812	9,000	4,000	9,000	0	0.0%
020-7406	TRAVEL EXPENSE	4,732	3,116	5,250	5,000	4,000	11,000	6,000	120.0%
020-7407	DUES & SUBSCRIPTIONS	15,144	15,309	13,190	15,500	15,500	15,500	0	0.0%
020-7409	COUNCIL TRAINING	320	0	0	0	0	0	0	N/A
020-7410	TRAINING	1,495	1,033	1,380	7,000	5,000	11,000	4,000	57.1%
020-7416	BANK CHARGES	22,440	23,519	19,369	25,000	25,000	25,000	0	0.0%
020-7418	ELECTION EXPENSE	4,404	15,562	4,466	5,000	4,000	5,000	0	0.0%
020-7419	PRINTING & BINDING	8,436	5,158	1,861	3,000	5,000	3,000	0	0.0%
020-7422	ATTORNEY FEES	83,958	69,484	82,903	82,000	82,000	85,000	3,000	3.7%
020-7423	AUDIT	44,665	43,423	56,750	65,000	65,000	65,000	0	0.0%
020-7434	LITIGATION EXPENSE	5,154	1,688	1,879	4,500	4,000	3,000	(1,500)	-33.3%
020-7440	EMPLOYEE RELATIONS	80	0	236	0	0	0	0	N/A
020-7443	EMPLOYEE TUITION REIMBURSEMENT	6,305	780	840	0	0	0	0	N/A
020-7444	PYMT TO INTERNAL SERVICE FUND	50,000	0	0	0	0	0	0	N/A
020-7456	WORKERS' COMPENSATION	75,705	126,237	153,275	110,768	110,768	90,000	(20,768)	-18.7%
020-7462	PUBLIC LIABILITY	18,378	20,802	3,893	22,213	22,213	24,000	1,787	8.0%
020-7463	EQUIPMENT/ROLLING STOCK	48,667	37,795	58,736	55,820	55,820	60,000	4,180	7.5%
020-7464	UNEMPLOYMENT INSURANCE	9,463	14,664	11,823	27,000	55,000	55,000	28,000	103.7%
020-7465	BUILDING/CONTENTS	24,038	26,734	43,562	37,021	32,939	50,000	12,979	35.1%
020-7466	SURETY BONDS	994	517	1,082	2,000	2,000	2,000	0	0.0%
020-7467	PUBL OFFICIAL LIABILITY	23,497	20,190	26,180	26,242	26,242	28,000	1,758	6.7%
020-7468	POLICE LIABILITY	15,073	21,308	14,942	16,826	16,826	18,000	1,174	7.0%
020-7469	AMBULANCE SERVICES	28,725	45,057	41,758	35,000	35,000	35,000	0	0.0%
020-7472	ARTS PROGRAM	10,625	12,625	12,625	13,000	12,625	13,000	0	0.0%
020-7494	ECONOMIC DEVELOPMENT	2,639	1,680	795	2,000	2,000	2,000	0	0.0%
020-7495	NEWSLETTER	16,159	14,189	14,179	15,500	15,500	15,500	0	0.0%
020-7496	CONTINGENCY	77,556	100,805	35,324	143,500	85,000	100,000	(43,500)	-30.3%
020-7502	BAD DEBT EXPENSE	0	(101,215)	4,306	0	0	0	0	N/A
020-7521	HAZARDOUS WASTE CONTRACT	2,852	2,585	2,068	5,200	3,000	5,200	0	0.0%
020-7524	DEFERRAL FOR COMPENSATABLE ABSENCES	0	0	0	0	0	10,000	10,000	N/A
020-7525	CONTRIBUTION EXPENSES	50,750	16,243	13,522	0	0	0	0	N/A
TOTAL CONTRACTUAL/SUNDRY		791,306	681,649	745,478	850,090	795,433	959,250	109,160	12.8%
CAPITAL OUTLAY									
020-8503	BUILDING IMPROVEMENTS	14,579	0	0	0	0	0	0	N/A
020-8504	COMPUTER HARDWARE	2,848	10,889	186	0	0	0	0	N/A
020-8505	COMPUTER SOFTWARE	6,989	2,749	0	0	0	0	0	N/A
020-8510	FURNITURE & FIXTURES	700	19,400	0	0	0	0	0	N/A
020-8511	OFFICE EQUIPMENT	0	2,191	0	0	0	0	0	N/A
020-8513	MOTOR VEHICLES	0	77,175	0	0	0	0	0	N/A
020-8517	OTHER EQUIPMENT	12,667	101,847	0	0	0	0	0	N/A
TOTAL CAPITAL OUTLAY		37,783	214,251	186	0	0	0	0	N/A
TOTAL NON-DEPARTMENTAL		899,468	982,546	937,895	1,213,112	1,036,982	1,382,413	169,301	14.0%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
HUMAN RESOURCES									
PERSONNEL SERVICES									
011-4001	SUPERVISION	35,300	36,438	37,862	38,150	38,000	39,292	1,142	3.0%
011-4002	CLERICAL	32,049	28,770	29,823	31,304	31,304	32,573	1,269	4.1%
011-4030	LONGEVITY	384	72	252	220	216	432	212	96.4%
011-4100	RETIREMENT	7,117	7,101	8,456	9,215	9,215	10,157	942	10.2%
011-4102	HOSPITAL & GROUP LIFE	4,419	5,087	2,717	8,838	7,000	9,637	799	9.0%
011-4103	MEDICARE TAX	946	935	979	1,014	1,014	1,052	38	3.7%
TOTAL PERSONNEL SERVICES		80,213	78,402	80,089	88,741	86,749	93,143	4,402	5.0%
SUPPLIES									
011-5201	OFFICE SUPPLIES	1,003	581	789	550	550	550	0	0.0%
011-5203	PUBLICATIONS	1,746	190	1,037	900	1,000	1,200	300	33.3%
011-5204	WEARING APPAREL	0	0	0	200	0	0	(200)	-100.0%
011-5226	MISC. EQUIPMENT/FURNITURE	0	2,917	90	400	300	300	(100)	-25.0%
TOTAL SUPPLIES		2,748	3,687	1,917	2,050	1,850	2,050	0	0.0%
MAINTENANCE									
011-6302	OFFICE EQUIPMENT MAINT	0	0	0	600	0	0	(600)	-100.0%
TOTAL MAINTENANCE		0	0	0	600	0	0	(600)	-100.0%
CONTRACTUAL/SUNDRY									
011-7401	COMMUNICATIONS	406	346	308	500	500	500	0	0.0%
011-7405	ADVERTISING	7,195	7,132	3,219	7,300	3,000	8,000	700	9.6%
011-7406	TRAVEL EXPENSE	1,002	159	261	300	1,000	1,000	700	233.3%
011-7407	DUES & SUBSCRIPTIONS	95	1,036	830	900	800	800	(100)	-11.1%
011-7410	TRAINING	697	1,423	1,048	1,700	1,000	1,000	(700)	-41.2%
011-7419	PRINTING & BINDING	0	0	325	400	400	400	0	0.0%
011-7441	DRUG TESTING	261	1,684	1,735	4,000	1,500	4,000	0	0.0%
011-7445	INVESTIGATION EXPENSE	118	2,799	1,636	2,500	2,000	2,500	0	0.0%
011-7482	PRE-EMPLOYMENT EXPENSE	14,045	12,287	12,481	10,000	8,000	10,000	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		23,819	26,866	21,843	27,600	18,200	28,200	600	2.2%
TOTAL HUMAN RESOURCES		106,781	108,956	103,849	118,991	106,799	123,393	4,402	3.7%
REVITALIZATION/REDVLPMNT		38,611	50,334	3,776	0	0	0	0	N/A
FINANCE									
PERSONNEL SERVICES									
040-4001	SUPERVISION	126,625	143,708	144,068	146,000	146,000	150,041	4,041	2.8%
040-4002	CLERICAL	151,120	170,642	173,611	169,450	169,450	192,468	23,018	13.6%
040-4010	OVERTIME	2,527	3,189	1,699	2,000	1,700	2,000	0	0.0%
040-4020	TEMPORARY/PT TIME HELP	9,336	15,705	17,309	19,000	19,000	19,000	0	0.0%
040-4030	LONGEVITY	3,144	2,043	1,818	2,844	2,903	4,391	1,547	54.4%
040-4100	RETIREMENT	30,172	36,332	43,073	44,540	44,000	51,604	7,064	15.9%
040-4102	HOSPITAL & GROUP LIFE	34,884	35,325	37,716	41,203	40,000	53,249	12,046	29.2%
040-4103	MEDICARE TAX	4,035	4,677	4,931	4,897	4,897	5,345	448	9.1%
TOTAL PERSONNEL SERVICES		361,843	411,620	424,225	429,934	427,950	478,098	48,164	11.2%
SUPPLIES									
040-5201	OFFICE SUPPLIES	3,970	4,503	4,814	4,500	4,000	4,500	0	0.0%
040-5203	PUBLICATIONS	298	752	841	845	800	845	0	0.0%
040-5204	WEARING APPAREL	322	485	0	400	400	400	0	0.0%
040-5226	MISC. EQUIPMENT / FURNITURE	0	0	0	400	350	400	0	0.0%
TOTAL SUPPLIES		4,590	5,740	5,655	6,145	5,550	6,145	0	0.0%
CONTRACTUAL/SUNDRY									
040-7401	COMMUNICATIONS	45	0	0	0	0	0	0	N/A
040-7404	SPECIAL SERVICES	597	843	887	900	900	900	0	0.0%
040-7406	TRAVEL EXPENSE	2,665	5,789	6,436	6,500	6,500	6,500	0	0.0%
040-7407	DUES & SUBSCRIPTIONS	1,906	2,125	3,996	3,200	3,200	3,200	0	0.0%
040-7410	TRAINING	3,729	7,182	7,283	7,400	7,200	7,400	0	0.0%
040-7416	BANK CHARGES	0	0	20	0	0	0	0	N/A

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
040-7419	PRINTING & BINDING	4,404	1,487	5,183	6,300	6,300	6,300	0	0.0%
040-7424	APPRAISAL SERVICES	32,199	32,808	36,021	38,000	29,650	38,000	0	0.0%
040-7425	TAX COLLECTION	4,876	4,893	6,052	7,400	7,400	7,400	0	0.0%
040-7427	MUNICIPAL COURT JUDGE	55,065	69,182	60,560	71,000	70,000	71,000	0	0.0%
040-7432	COURT REPORTING SERVICES	270	330	600	500	500	500	0	0.0%
040-7481	COURT COST	15,088	15,205	21,011	20,000	20,000	20,000	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		120,843	139,843	148,049	161,200	151,650	161,200	0	0.0%
TOTAL FINANCE		487,275	557,203	577,930	597,279	585,150	645,443	48,164	8.1%

MANAGEMENT INFO SYSTEM

PERSONNEL SERVICES

050-4001	SUPERVISION	36,933	38,766	40,500	40,579	40,579	41,787	1,208	3.0%
050-4003	OPERATIONS	38,880	40,630	42,142	43,011	43,011	44,304	1,293	3.0%
050-4030	LONGEVITY	720	936	1,152	1,368	1,368	1,584	216	15.8%
050-4100	RETIREMENT	7,970	8,720	10,447	11,198	11,198	12,275	1,077	9.6%
050-4102	HOSPITAL/GROUP INSURANCE	8,382	8,523	9,097	8,905	10,079	9,704	799	9.0%
050-4103	MEDICARE	1,067	1,152	1,225	1,232	1,232	1,271	39	3.2%
TOTAL PERSONNEL SERVICES		93,951	98,726	104,563	106,293	107,467	110,925	4,632	4.4%

SUPPLIES

050-5201	OFFICE SUPPLIES	0	0	497	500	500	500	0	0.0%
050-5220	COMPUTER SUPPLIES	24,235	24,354	25,995	30,000	28,500	30,000	0	0.0%
050-5221	EQUIPMENT PARTS/SUPPLIES	2,648	2,460	5,999	6,000	6,000	6,000	0	0.0%
TOTAL SUPPLIES		26,883	26,814	32,491	36,500	35,000	36,500	0	0.0%

MAINTENANCE

050-6302	EQUIPMENT	459	0	173	2,500	2,000	2,500	0	0.0%
050-6350	HARDWARE MAINTENANCE	6,974	9,305	15,918	18,200	12,000	14,000	(4,200)	-23.1%
050-6351	SOFTWARE MAINTENANCE	38,772	38,006	46,457	58,300	56,000	61,400	3,100	5.3%
TOTAL MAINTENANCE		46,205	47,312	62,549	79,000	70,000	77,900	(1,100)	-1.4%

CONTRACTUAL/SUNDRY

050-7401	COMMUNICATIONS	515	590	534	700	500	700	0	N/A
050-7402	RENTAL OF EQUIPMENT	783	0	0	0	0	0	0	N/A
050-7404	SPECIAL SERVICES	8,658	10,859	8,771	11,000	7,000	11,000	0	0.0%
050-7406	TRAVEL EXPENSE	0	0	0	300	0	150	(150)	-50.0%
050-7407	DUES AND SUBSCRIPTIONS	0	0	0	500	0	250	(250)	-50.0%
050-7410	TRAINING	544	0	0	500	0	500	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		10,500	11,449	9,304	13,000	7,500	12,600	(400)	-3.1%

CAPITAL OUTLAY

050-8504	COMPUTER HARDWARE	0	105	12,666	0	0	0	0	N/A
050-8505	COMPUTER SOFTWARE	0	0	0	15,450	10,000	11,500	(3,950)	-25.6%
TOTAL CAPITAL OUTLAY		0	105	12,666	15,450	10,000	11,500	(3,950)	-25.6%

TOTAL MANAGEMENT INFO SYSTEM

177,539	184,406	221,573	250,243	229,967	249,425	(818)	-0.3%
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LIBRARY

PERSONNEL SERVICES

060-4001	SUPERVISION	114,349	110,631	105,266	106,692	106,000	109,907	3,215	3.0%
060-4002	CLERICAL	224,819	230,598	237,677	239,309	239,309	246,616	7,307	3.1%
060-4010	OVERTIME	0	133	0	500	0	0	(500)	-100.0%
060-4020	TEMPORARY/PT TIME HELP	96,597	110,609	107,487	118,300	116,300	118,300	0	0.0%
060-4030	LONGEVITY	9,360	10,980	10,224	11,376	11,376	12,528	1,152	10.1%
060-4100	RETIREMENT	45,234	47,432	53,470	56,975	56,000	60,812	3,837	6.7%
060-4102	HOSPITAL & GROUP LIFE	34,502	36,516	42,511	47,023	42,000	51,270	4,247	9.0%
060-4103	MEDICARE TAX	6,837	7,702	8,166	7,644	7,600	7,771	127	1.7%
TOTAL PERSONNEL SERVICES		531,698	554,601	564,802	587,819	578,585	607,204	19,385	3.3%

SUPPLIES

060-5201	OFFICE SUPPLIES	2,251	2,343	2,235	2,500	2,000	2,500	0	0.0%
060-5203	PUBLICATIONS	107,702	108,191	105,726	110,000	109,500	111,000	1,000	0.9%
060-5207	MINOR TOOLS & APPARATUS	2,438	2,739	2,155	3,025	2,925	3,025	0	0.0%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
SUPPLIES									
060-5210	COPY MACHINE SUPPLIES	987	1,790	1,797	1,800	1,700	1,800	0	0.0%
060-5213	EVENT REFRESHMENTS / MEALS	384	400	220	550	400	550	0	0.0%
060-5216	EDUCATIONAL SUPPLIES	2,738	3,748	4,242	4,400	4,400	4,400	0	0.0%
060-5217	LOST/DAMAGE	3,394	3,306	3,082	3,400	3,300	3,400	0	0.0%
060-5220	COMPUTER SUPPLIES	5,308	5,653	6,574	6,500	6,400	6,500	0	0.0%
	TOTAL SUPPLIES	125,202	128,170	126,033	132,175	130,625	133,175	1,000	0.8%
MAINTENANCE									
060-6301	FURNITURE & FIXTURES	2,959	2,769	1,428	1,500	1,350	1,500	0	0.0%
060-6302	OFFICE EQUIPMENT	827	1,231	823	1,200	1,150	1,700	500	41.7%
060-6310	BOOK REPAIR & PROCESSING	8,292	7,895	8,353	7,500	7,200	7,500	0	0.0%
	TOTAL MAINTENANCE	12,079	11,895	10,604	10,200	9,700	10,700	500	4.9%
CONTRACTUAL/SUNDRY									
060-7403	FORT WORTH CONTRACT	16,496	18,248	19,312	20,975	20,500	21,900	925	4.4%
060-7404	SPECIAL SERVICES	6,467	6,815	8,285	8,700	8,200	8,700	0	0.0%
060-7406	TRAVEL EXPENSE	988	964	615	2,000	1,000	1,500	(500)	-25.0%
060-7407	DUES & SUBSCRIPTIONS	26,315	28,470	26,748	30,305	27,780	29,080	(1,225)	-4.0%
060-7410	TRAINING	1,853	1,400	179	2,000	1,500	1,300	(700)	-35.0%
060-7419	PRINTING & BINDING	712	633	303	750	250	750	0	0.0%
	TOTAL CONTRACTUAL/SUNDRY	52,832	56,530	55,442	64,730	59,230	63,230	(1,500)	-2.3%
	TOTAL LIBRARY	721,810	751,196	756,880	794,924	778,140	814,309	19,385	2.4%
RECREATION DEPARTMENT									
PERSONNEL SERVICES									
070-4001	SUPERVISION	28,715	36,424	38,096	38,128	38,128	39,271	1,143	3.0%
070-4002	CLERICAL	144,045	171,637	174,075	167,699	167,699	172,715	5,016	3.0%
070-4003	OPERATIONS	28	0	130	0	0	0	0	N/A
070-4010	OVERTIME	5,416	3,707	2,935	3,000	3,000	3,000	0	0.0%
070-4011	ADDITIONAL OVERTIME	5,064	6,728	4,251	5,000	1,556	5,000	0	0.0%
070-4020	TEMPORARY/PT TIME HELP	125,576	113,907	99,050	109,930	109,930	111,422	1,492	1.4%
070-4021	SUMMER REC TEMP/PT	0	21,795	30,534	25,800	25,800	25,800	0	0.0%
070-4030	LONGEVITY	3,816	3,824	4,554	5,040	5,238	5,832	792	15.7%
070-4100	RETIREMENT	29,341	33,601	36,629	40,207	0	43,667	3,460	8.6%
070-4102	HOSPITAL & GROUP LIFE	26,381	20,877	22,013	32,177	40,207	35,092	2,915	9.1%
070-4103	MEDICARE TAX	5,108	6,487	6,873	6,000	6,000	6,020	20	0.3%
	TOTAL PERSONNEL SERVICES	373,490	418,986	419,138	432,981	397,558	447,819	14,838	3.4%
SUPPLIES									
070-5201	OFFICE SUPPLIES	1,290	1,396	1,398	1,500	1,360	1,000	(500)	-33.3%
070-5202	POSTAGE	0	0	0	75	0	75	0	0.0%
070-5203	PUBLICATIONS	180	273	0	300	200	300	0	0.0%
070-5204	WEARING APPAREL	1,912	1,529	1,278	2,000	2,000	1,600	(400)	-20.0%
070-5205	VEHICLE PARTS & SUPPLIES	69	25	0	500	300	500	0	0.0%
070-5206	VEHICLES FUEL & LUBRICANTS	3,598	6,197	448	7,500	7,500	7,500	0	0.0%
070-5207	MINOR TOOLS & APPARATUS	100	0	0	100	100	100	0	0.0%
070-5208	JANITORIAL SUPPLIES	589	220	269	1,000	800	800	(200)	-20.0%
070-5210	COPY MACHINE SUPPLIES	341	0	379	500	500	500	0	0.0%
070-5211	R&CS SUPPLIES	3,215	2,684	3,096	3,200	3,200	12,000	8,800	275.0%
070-5213	EVENT REFRESHMENTS / MEALS	7,251	6,753	6,936	8,000	8,000	8,000	0	0.0%
070-5220	COMPUTER SUPPLIES	739	0	411	1,500	1,500	1,000	(500)	-33.3%
070-5221	EQUIPMENT PARTS & SUPPLIES	1,499	336	149	1,500	1,500	1,250	(250)	-16.7%
070-5232	AWARDS & ATHLETIC SUPPLIES	11,608	12,833	11,866	13,000	13,000	13,000	0	0.0%
	TOTAL SUPPLIES	32,392	32,247	26,231	40,675	39,960	47,625	6,950	17.1%
MAINTENANCE									
070-6301	FURNITURE & FIXTURES	1,984	1,752	5,956	1,500	1,500	1,000	(500)	-33.3%
070-6330	COMMUNITY CENTER MAINTENANCE	714	2,863	2,822	2,000	2,000	2,000	0	0.0%
070-6331	Sr. CENTER MAINTENANCE	1,527	1,382	1,201	1,500	1,500	1,250	(250)	-16.7%
070-6333	FOSTER VILLAGE REC BLDG MAINT.	861	581	850	1,000	500	500	(500)	-50.0%
	TOTAL MAINTENANCE	5,086	6,579	10,829	6,000	5,500	4,750	(1,250)	-20.8%
CONTRACTUAL/SUNDRY									
070-7401	COMMUNICATIONS	885	190	176	1,000	400	600	(400)	-40.0%
070-7402	RENTAL OF EQUIPMENT	848	1,256	114	1,200	1,200	1,200	0	0.0%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
070-7404	SPECIAL SERVICES	6,180	6,350	5,598	6,000	6,000	6,000	0	0.0%
070-7405	ADVERTISING	434	935	765	1,000	1,000	1,000	0	0.0%
070-7406	TRAVEL EXPENSE	1,908	1,992	1,691	1,800	0	1,500	(300)	-16.7%
070-7407	DUES & SUBSCRIPTIONS	570	789	898	1,200	1,200	700	(500)	-41.7%
070-7410	TRAINING	1,562	1,527	1,514	1,600	1,600	1,600	0	0.0%
070-7419	PRINTING & BINDING	4,945	4,700	4,830	4,500	4,500	5,000	500	11.1%
070-7421	CONTRACT INSTRUCTORS/SERVICES	17,288	23,634	19,475	24,000	24,000	20,000	(4,000)	-16.7%
070-7470	WATAUGAFEST	14,059	13,170	13,132	14,000	14,000	14,000	0	0.0%
070-7471	HALLOWEEN BASH	3,724	3,768	3,547	3,500	3,500	3,000	(500)	-14.3%
070-7475	ATHLETIC CONTRACTOR SERVICES	27,094	27,821	27,249	28,000	28,000	28,000	0	0.0%
070-7476	SUMMER DAY CAMP	13,166	12,187	7,553	10,000	10,000	10,000	0	0.0%
070-7477	PRE-SCHOOL PROGRAMS	2,497	2,413	2,397	2,800	2,800	2,800	0	0.0%
070-7478	NATURE PROGRAMS	4,960	4,463	3,613	4,600	4,100	4,100	(500)	-10.9%
070-7479	CONTRACTUAL SERVICES	4,437	4,964	6,216	5,000	5,000	5,000	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		104,557	110,160	98,770	110,200	107,300	104,500	(5,700)	-5.2%
CAPITAL OUTLAY									
070-8517	OTHER EQUIPMENT	0	0	8,328	0	0	0	0	N/A
TOTAL CAPITAL OUTLAY		0	0	8,328	0	0	0	0	N/A
TOTAL RECREATION DEPARTMENT		515,525	567,972	563,296	589,856	550,318	604,694	14,838	2.5%
PARK DEPARTMENT									
SUPPLIES									
075-5206	VEHICLE FUEL/LUBE	0	149	0	0	0	0	0	N/A
TOTAL PARK DEPARTMENT		0	149	0	0	0	0	0	N/A
POLICE DEPARTMENT									
PERSONNEL SERVICES									
080-4001	SUPERVISION	607,959	625,748	674,105	665,598	665,598	695,075	29,477	4.4%
080-4002	CLERICAL	218,296	260,481	277,930	230,833	230,833	233,493	2,660	1.2%
080-4003	OPERATIONS	997,573	1,089,696	1,144,327	1,169,810	1,169,810	1,188,975	19,165	1.6%
080-4010	OVERTIME	70,067	50,161	65,358	70,000	70,000	70,000	0	0.0%
080-4020	TEMPORARY/PT TIME HELP	89,662	105,800	125,924	116,956	116,956	141,000	24,044	20.6%
080-4025	CERTIFICATION	13,569	14,416	14,439	15,000	15,000	15,000	0	0.0%
080-4030	LONGEVITY	41,430	46,545	48,852	56,468	52,107	57,308	840	1.5%
080-4100	RETIREMENT	205,971	230,417	292,761	290,118	290,118	320,774	30,656	10.6%
080-4102	HOSPITAL & GROUP LIFE	234,079	227,172	249,960	267,083	264,000	291,155	24,072	9.0%
080-4103	MEDICARE TAX	28,188	30,558	34,183	31,618	31,618	33,158	1,540	4.9%
TOTAL PERSONNEL SERVICES		2,506,794	2,680,995	2,927,838	2,913,484	2,906,040	3,045,938	132,454	4.5%
SUPPLIES									
080-5204	WEARING APPAREL	2,485	360	31	3,000	2,500	3,000	0	0.0%
080-5205	VEHICLES PARTS & SUPPLIES	0	0	4,792	3,500	3,500	3,500	0	0.0%
080-5206	VEHICLES FUEL & LUBRICANTS	0	0	1,735	6,500	6,500	6,500	0	0.0%
080-5214	JAIL SUPPLIES	0	0	0	0	0	0	0	N/A
080-5215	ANIMAL CONTROL SUPPLIES	21,224	13,162	21,371	24,500	24,500	24,500	0	0.0%
080-5224	BUNKER GEAR	8	0	0	0	0	0	0	N/A
TOTAL SUPPLIES		23,717	13,522	27,929	37,500	37,000	37,500	0	0.0%
MAINTENANCE									
080-6305	RADIOS	0	901	1,194	1,300	1,300	1,300	0	0.0%
TOTAL MAINTENANCE		0	901	1,194	1,300	1,300	1,300	0	0.0%
CONTRACTUAL/SUNDRY									
080-7401	COMMUNICATIONS	243	320	305	500	500	500	0	0.0%
080-7404	SPECIAL SERVICES	648	685	652	650	500	650	0	0.0%
080-7407	DUES & SUBSCRIPTIONS	51	0	0	100	100	100	0	0.0%
080-7409	415/ TRAINING	(15)	(6)	(19)	0	0	0	0	N/A
080-7410	TRAINING	480	388	480	500	500	500	0	0.0%
080-7411	EMERGENCY MANAGEMENT OPERATION	9,584	7,540	0	0	0	0	0	N/A
TOTAL CONTRACTUAL/SUNDRY		10,992	8,926	1,418	1,750	1,600	1,750	0	0.0%
TOTAL POLICE DEPARTMENT		2,541,503	2,704,345	2,958,379	2,954,034	2,945,940	3,086,488	132,454	4.5%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
FIRE/EMS DEPARTMENT									
PERSONNEL SERVICES									
085-4001	SUPERVISION	320,574	341,115	340,089	420,223	355,000	426,455	6,232	1.5%
085-4002	CLERICAL	0	0	0	36,472	36,472	40,296	3,824	10.5%
085-4003	OPERATIONS	550,926	593,420	638,718	685,000	750,000	685,000	0	0.0%
085-4010	OVERTIME	110,446	101,821	90,707	110,000	110,000	110,000	0	0.0%
085-4020	TEMPORARY/PT HELP	2,258	1,260	2,820	6,782	3,000	4,000	(2,782)	-41.0%
085-4025	CERTIFICATION	8,919	8,419	8,820	9,500	9,500	9,500	0	0.0%
085-4030	LONGEVITY	20,214	24,180	18,396	21,888	20,736	24,192	2,304	10.5%
085-4100	HOSPITAL & GROUP LIFE	102,432	116,016	136,499	170,554	155,000	183,743	13,189	7.7%
085-4102	HOSPITAL & GROUP LIFE	97,845	101,579	111,481	124,364	122,000	135,523	11,159	9.0%
085-4103	MEDICARE TAX	12,671	13,521	14,172	17,629	17,000	17,773	144	0.8%
TOTAL PERSONNEL SERVICES		1,226,285	1,301,332	1,361,702	1,602,412	1,578,708	1,636,482	34,070	2.1%
SUPPLIES									
085-5201	OFFICE SUPPLIES	244	250	104	300	300	300	0	0.0%
085-5203	PUBLICATIONS	185	50	119	200	200	200	0	0.0%
085-5204	WEARING APPAREL	13,350	6,905	5,265	6,000	6,000	12,000	6,000	100.0%
085-5205	VEHICLES PARTS & SUPPLIES	5,844	3,015	3,008	4,000	4,000	4,000	0	0.0%
085-5206	VEHICLES FUEL & LUBRICANTS	14,951	22,973	16,423	20,000	18,000	20,000	0	0.0%
085-5207	MINOR TOOLS & APPARATUS	1,927	5,810	3,735	6,000	6,000	6,000	0	0.0%
085-5208	MEDICAL SUPPLIES	21,990	21,342	18,976	24,000	24,000	24,000	0	0.0%
085-5209	CHEMICALS	685	532	1,131	1,000	1,000	1,000	0	0.0%
085-5211	JANITORIAL SUPPLIES	376	547	661	700	700	700	0	0.0%
085-5216	EDUCATIONAL SUPPLIES	6,699	1,827	1,335	2,000	2,000	2,000	0	0.0%
085-5224	BUNKER GEAR	15,287	28,375	10,894	10,000	10,000	7,000	(3,000)	-30.0%
085-5225	UNIFORM CLEANING SUPPLIES	512	241	5	300	300	250	(50)	-16.7%
085-5226	MISC.EQUIPMENT/ FURNITURE	1,728	2,141	1,728	2,150	2,151	2,000	(150)	-7.0%
085-5228	MEDICATIONS	5,320	6,479	7,699	8,000	8,000	8,000	0	0.0%
TOTAL SUPPLIES		89,098	100,488	71,085	84,650	82,651	87,450	2,800	3.3%
MAINTENANCE									
085-6304	VEHICLE	11,607	8,056	6,091	8,500	8,500	8,500	0	0.0%
085-6305	RADIOS	1,153	2,526	2,769	2,800	2,800	2,800	0	0.0%
085-6306	ELECTRICAL EQUIPMENT	2,478	1,980	0	2,000	2,000	2,100	100	5.0%
085-6307	MINOR TOOLS/APPARATUS MAINT.	10,461	9,228	11,655	10,000	10,000	9,712	(288)	-2.9%
085-6324	BUILDING MAINTENANCE	2,872	2,695	1,673	2,900	2,900	2,600	(300)	-10.3%
085-6351	SOFTWARE MAINTENANCE	735	735	735	840	840	840	0	0.0%
TOTAL MAINTENANCE		29,307	25,221	22,923	27,040	27,040	26,552	(488)	-1.8%
CONTRACTUAL/SUNDRY									
085-7401	COMMUNICATIONS	5,298	1,379	1,303	1,800	1,800	1,800	0	0.0%
085-7404	SPECIAL SERVICES	9,600	0	0	0	0	0	0	N/A
085-7406	TRAVEL EXPENSE	0	0	0	0	0	0	0	N/A
085-7407	DUES & SUBSCRIPTIONS	8,041	7,705	6,452	7,500	7,500	7,500	0	0.0%
085-7410	TRAINING	7,462	16,262	14,847	15,000	15,000	15,000	0	0.0%
085-7411	EMERGENCY MANAGEMENT	0	0	9,238	10,000	10,000	10,000	0	0.0%
085-7414	FIRE PERSONNEL & STIPEND	540	340	220	250	240	0	(250)	-100.0%
085-7419	PRINTING & BINDING	793	723	529	500	500	400	(100)	-20.0%
FIRE/EMS DEPARTMENT									
085-7428	LABORATORY TESTING	80	946	788	1,000	1,000	1,000	0	0.0%
085-7490	PERMIT FEES	870	0	770	250	250	770	520	208.0%
085-7491	PHYSICAL EXAMS-MEDICAL CONTROL	13,108	6,870	6,185	10,000	10,000	10,000	0	0.0%
085-7510	STATE CERTIFICATION	1,676	1,795	1,181	1,500	1,500	1,500	0	0.0%
085-7521	HAZARDOUS WASTE DISPOSAL	598	246	196	500	500	500	0	0.0%
085-7525	COMPLIANCE TESTING	2,797	3,252	3,582	3,500	3,500	3,800	300	8.6%
085-7550	MEDICAL CONTROL	12,273	12,423	11,193	12,000	12,000	12,000	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		63,136	51,940	56,483	63,800	63,790	64,270	470	0.7%
CAPITAL OUTLAY									
085-8513	MOTOR VEHICLES	0	0	28,267	0	0	0	0	N/A
TOTAL CAPITAL OUTLAY		0	0	28,267	0	0	0	0	N/A
TOTAL FIRE/EMS DEPARTMENT		1,407,826	1,478,980	1,540,459	1,777,902	1,752,189	1,814,754	36,852	2.1%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
PUBLIC WORKS									
PERSONNEL SERVICES									
090-4001	SUPERVISION	95,833	100,995	103,810	103,817	103,817	108,121	4,304	4.1%
090-4002	CLERICAL	53,458	55,563	57,464	57,882	57,882	59,624	1,742	3.0%
090-4003	OPERATIONS	265,706	309,982	304,166	328,024	328,024	337,941	9,917	3.0%
090-4010	OVERTIME	4,805	8,636	6,566	10,000	10,000	10,000	0	0.0%
090-4030	LONGEVITY	10,836	7,668	9,852	11,700	11,700	13,500	1,800	15.4%
090-4100	RETIREMENT	44,916	52,623	60,589	67,406	67,406	74,086	6,680	9.9%
090-4102	HOSPITAL & GROUP LIFE	62,986	70,556	73,705	84,580	84,580	92,263	7,683	9.1%
090-4103	MEDICARE TAX	5,741	6,738	6,836	7,416	7,416	7,673	257	3.5%
	TOTAL PERSONNEL SERVICES	544,281	612,760	622,987	670,825	670,825	703,208	32,383	4.8%
SUPPLIES									
090-5201	OFFICE SUPPLIES	1,133	2,139	1,552	2,800	2,800	2,800	0	0.0%
090-5204	WEARING APPAREL	5,013	4,363	4,232	7,100	7,100	7,100	0	0.0%
090-5205	VEHICLES PARTS & SUPPLIES	5,941	4,533	5,916	6,000	6,000	6,000	0	0.0%
090-5206	VEHICLES FUEL & LUBRICANTS	21,620	34,969	22,840	42,125	42,125	42,125	0	0.0%
090-5207	MINOR TOOLS & APPARATUS	1,498	1,959	2,001	2,125	2,125	2,125	0	0.0%
090-5221	EQUIPMENT PARTS & SUPPLIES	2,943	2,952	2,910	3,000	3,000	3,000	0	0.0%
	TOTAL SUPPLIES	38,148	50,916	39,450	63,150	63,150	63,150	0	0.0%
MAINTENANCE									
090-6304	VEHICLES	10,564	10,325	12,014	12,100	12,100	12,100	0	0.0%
090-6305	RADIO MAINTENANCE	318	296	351	400	400	400	0	0.0%
090-6307	MINOR TOOLS & APPARATUS MAINT	451	434	363	600	600	600	0	0.0%
090-6323	SIGN MAINTENANCE	14,461	13,467	3,510	5,000	5,000	5,000	0	0.0%
090-6341	BARRICADE MAINTENANCE	1,867	1,921	1,919	2,000	2,000	2,000	0	0.0%
090-6346	TRAFFIC SIGNAL MAINTENANCE	1,650	1,880	15,149	2,000	2,000	2,000	0	0.0%
090-6348	STREET STRIPING	4,788	4,256	2,380	3,000	3,000	3,000	0	0.0%
090-6351	SOFTWARE MAINTENANCE	0	0	0	1,680	1,680	1,680	0	0.0%
	TOTAL MAINTENANCE	34,098	32,578	35,686	26,780	26,780	26,780	0	0.0%
CONTRACTUAL/SUNDRY									
090-7401	COMMUNICATIONS	1,404	1,458	1,148	1,600	1,600	1,600	0	0.0%
090-7402	RENTAL OF EQUIPMENT	500	305	122	500	500	500	0	0.0%
090-7406	TRAVEL EXPENSE	0	62	0	200	200	200	0	0.0%
090-7407	DUES & SUBSCRIPTIONS	236	100	243	700	700	700	0	0.0%
090-7410	TRAINING	2,422	2,605	1,148	2,500	2,500	2,500	0	0.0%
090-7419	PRINTING AND BINDING	937	4,016	7,003	5,000	5,000	5,000	0	0.0%
090-7425	ENGINEERING SERVICES	6,700	3,658	3,650	5,000	5,000	5,000	0	0.0%
090-7441	DOT DRUG TESTING/PHYSICALS	0	60	150	660	660	660	0	0.0%
090-7488	DEBRIS DISPOSAL	12,000	12,000	12,000	15,000	15,000	15,000	0	0.0%
090-7498	YARD MOWING	2,220	725	515	1,650	1,650	1,650	0	0.0%
	TOTAL CONTRACTUAL/SUNDRY	26,419	24,989	25,978	32,810	32,810	32,810	0	0.0%
CAPITAL OUTLAY									
090-8516	RADIOS	0	209	0	0	0	0	0	N/A
090-8517	OTHER EQUIPMENT	0	0	20,639	0	0	0	0	N/A
	TOTAL CAPITAL OUTLAY	0	209	20,639	0	0	0	0	N/A
	TOTAL PUBLIC WORKS	642,946	721,452	744,740	793,565	793,565	825,948	32,383	4.1%

FLEET MAINTENANCE

PERSONNEL SERVICES									
097-4003	OPERATIONS	70,669	99,916	116,579	115,748	115,748	121,495	5,747	5.0%
097-4010	OVERTIME	332	1,367	1,071	1,500	1,500	1,500	0	0.0%
097-4030	LONGEVITY	1,596	192	144	576	888	864	288	50.0%
097-4100	RETIREMENT	7,507	10,918	14,735	15,529	15,686	17,340	1,811	11.7%
097-4102	HOSPITAL & GROUP LIFE	10,613	8,137	20,550	23,241	23,261	25,367	2,126	9.1%
097-4103	MEDICARE TAX	997	1,443	1,707	1,709	2,059	1,796	87	5.1%
	TOTAL PERSONNEL SERVICES	91,714	121,973	154,786	158,303	159,142	168,362	10,059	6.4%
SUPPLIES									
097-5201	OFFICE SUPPLIES	154	101	272	200	200	200	0	0.0%
097-5203	PUBLICATIONS	155	86	74	200	200	200	0	0.0%

GENERAL FUND

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
SUPPLIES									
097-5204	WEARING APPAREL	2,628	2,984	3,651	2,800	2,800	2,800	0	0.0%
097-5205	VEHICLE PARTS & SUPPLIES	1,247	1,528	879	1,000	1,000	1,000	0	0.0%
097-5206	FUEL & LUBE	815	2,524	4,715	2,500	2,500	2,500	0	0.0%
097-5207	MINOR TOOLS	678	3,361	13,144	3,176	5,000	5,000	1,824	57.4%
097-5221	EQUIP. PARTS & SUPPLIES	(15,168)	41,827	10,188	1,500	1,500	1,500	0	0.0%
	TOTAL SUPPLIES	(9,493)	52,409	32,922	11,376	13,200	13,200	1,824	16.0%
MAINTENANCE									
097-6304	VEHICLE MAINTENANCE	1,251	1,704	0	1,500	1,500	1,500	0	0.0%
097-6305	RADIO MAINTENANCE	0	200	0	200	200	200	0	0.0%
097-6307	MINOR TOOLS & EQUIP	603	1,044	1,385	1,500	1,500	1,500	0	0.0%
	TOTAL MAINTENANCE	1,854	2,948	1,385	3,200	3,200	3,200	0	0.0%
CONTRACTUAL/SUNDRY									
097-7401	COMMUNICATIONS	283	947	939	950	950	950	0	0.0%
097-7402	RENTAL OF EQUIP	0	132	671	150	150	150	0	0.0%
097-7405	ADVERTISING	0	0	0	0	250	0	0	N/A
097-7406	TRAVEL	0	293	0	250	2,000	250	0	0.0%
097-7407	DUES & SUBSCRIPTIONS	1,500	1,500	2,566	2,000	2,000	2,000	0	0.0%
097-7410	TRAINING	435	3,408	1,271	3,824	350	2,000	(1,824)	-47.7%
097-7441	DOT DRUG TESTING	0	0	30	350	1,500	350	0	0.0%
097-7499	WASTE DISPOSAL	878	943	380	1,500	0	1,500	0	0.0%
	TOTAL CONTRACTUAL/SUNDRY	3,095	7,223	5,856	9,024	7,200	7,200	(1,824)	-20.2%
	TOTAL FLEET MAINTENANCE	87,171	184,553	194,950	181,903	182,742	191,962	10,059	5.5%
BUILDING									
PERSONNEL SERVICES									
098-4001	SUPERVISION	64,380	58,465	59,760	105,554	105,554	109,180	3,626	3.4%
098-4003	OPERATIONS	142,335	163,029	165,153	115,403	115,403	117,252	1,849	1.6%
098-4010	OVERTIME	1,044	2,325	1,976	1,500	1,500	1,500	0	0.0%
098-4030	LONGEVITY	5,436	1,872	3,168	2,016	3,336	2,448	432	21.4%
098-4100	RETIREMENT	22,300	24,454	28,600	29,586	27,000	32,253	2,667	9.0%
098-4102	HOSPITAL & GROUP LIFE	32,039	40,712	38,942	40,759	34,761	44,457	3,698	9.1%
098-4103	MEDICARE TAX	2,710	2,395	3,736	3,255	3,200	3,341	86	2.6%
	TOTAL PERSONNEL SERVICES	270,244	293,251	301,337	298,073	290,754	310,431	12,358	4.1%
SUPPLIES									
098-5204	WEARING APPAREL	3,369	843	3,270	3,570	3,500	3,570	0	0.0%
098-5207	MINOR TOOLS & APPARATUS	495	466	4,863	3,500	3,500	3,500	0	0.0%
098-5208	JANITORIAL SUPPLIES	7,587	14,074	15,001	19,994	19,994	19,994	0	0.0%
098-5209	CHEMICALS	86	359	204	250	250	250	0	0.0%
098-5221	EQUIPMENT PARTS & SUPPLIES	266	96	9	500	500	500	0	0.0%
	TOTAL SUPPLIES	11,802	15,838	23,347	27,814	27,744	27,814	0	0.0%
MAINTENANCE									
098-6301	FURNITURE AND FIXTURES	0	723	675	0	0	0	0	N/A
098-6306	ELECTRICAL EQUIPMENT	3,409	3,365	903	3,500	3,500	3,500	0	0.0%
098-6307	MINOR TOOLS & APPARATUS MAINT	203	131	162	300	300	300	0	0.0%
098-6324	BUILDING MAINTENANCE	44,779	37,721	58,593	50,000	50,000	50,000	0	0.0%
098-6334	HVAC EQUIPMENT	6,925	5,472	1,815	3,000	3,000	3,000	0	0.0%
098-6335	PLUMBING EQUIPMENT	615	713	644	1,500	1,500	1,500	0	0.0%
098-6343	PARKING LOTS	1,000	315	1,802	1,000	1,000	1,000	0	0.0%
	TOTAL MAINTENANCE	56,931	48,440	64,593	59,300	59,300	59,300	0	0.0%
CONTRACTUAL/SUNDRY									
098-7401	COMMUNICATIONS	603	551	840	900	900	900	0	0.0%
098-7402	RENTAL OF EQUIPMENT	0	99	810	1,000	1,000	1,000	0	0.0%
098-7404	SPECIAL SERVICES	1,796	2,002	1,702	1,900	1,900	1,900	0	0.0%
098-7408	JANITORIAL SERVICE	3,505	5,062	2,006	5,000	5,000	5,000	0	0.0%
098-7410	TRAINING	183	0	2,060	350	350	350	0	0.0%
098-7411	ELECTRICITY	203,948	245,785	248,880	245,000	240,000	245,000	0	0.0%
098-7412	GAS	16,741	16,199	13,632	16,000	22,000	16,000	0	0.0%
098-7415	STREET LIGHTING	36,017	42,840	53,206	45,000	35,000	45,000	0	0.0%
	TOTAL CONTRACTUAL/SUNDRY	262,792	312,538	323,137	315,150	306,150	315,150	0	0.0%

GENERAL FUND

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
	TOTAL BUILDING	601,770	670,066	712,414	700,337	683,948	712,695	12,358	1.8%
	TRANSFERS TO OTHER FUNDS								
	999-7707 TRANSFER TO CAPITAL PROJECTS	825,000	1,075,000	286,812	1,420,000	1,420,000	438,000	(982,000)	-69.2%
	999-7719 TRANSFER TO PUBLIC IMPROV DIST	0	0	0	1,400	1,400	260	(1,140)	-81.4%
	TOTAL TRANSFERS TO OTHER FUNDS	825,000	1,075,000	286,812	1,421,400	1,421,400	438,260	(983,140)	-69.2%
	*** TOTAL EXPENDITURES ***	9,323,281	10,329,535	9,916,517	11,718,193	11,389,632	11,220,692	(497,501)	-4.2%

GENERAL FUND



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SPECIAL REVENUE FUNDS

Watauga Parks Development Corporation (PDC)	Fund 04
Watauga Crime Control and Prevention District (CCD)	Fund 18
Library Donation Fund	Fund 23
Municipal Court Building Security Fee	Fund 25
Municipal Court Technology Fee Fund	Fund 26
Juvenile Case Manager Fund	Fund 27
Traffic Safety Fund	Fund 28
Public Improvement District (PID)	Fund 30

SPECIAL REVENUE FUNDS

WATAUGA PARKS DEVELOPMENT CORPORATION – FUND 04

Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a one-half cent sales tax increase in May 1994 under the 4b Economic Development legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation.

This Special Revenue Fund and is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Sales tax revenue for FY 2011 is expected to be \$1,320,900. A small increase of one percent (1%) over the prior year is forecast due to better economic activity. Although the tax rate is the same as the Crime Control and Prevention District (CCD) sales tax, it is a higher estimate than the CCD tax revenues, as there are some legal restrictions on the CCD tax base.

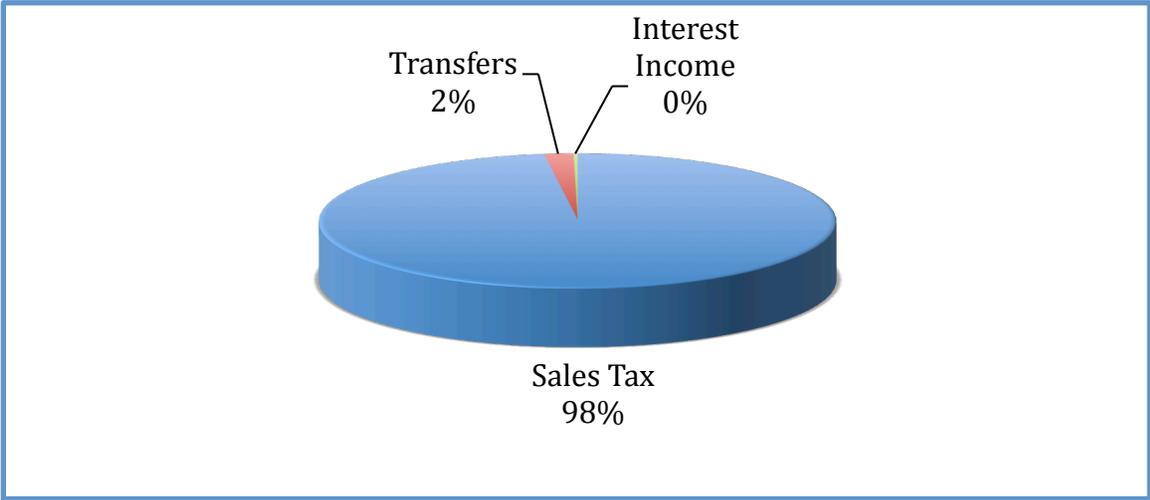
Parks Development Corporation - Fund 04

Sales Tax Fund Budget Summary

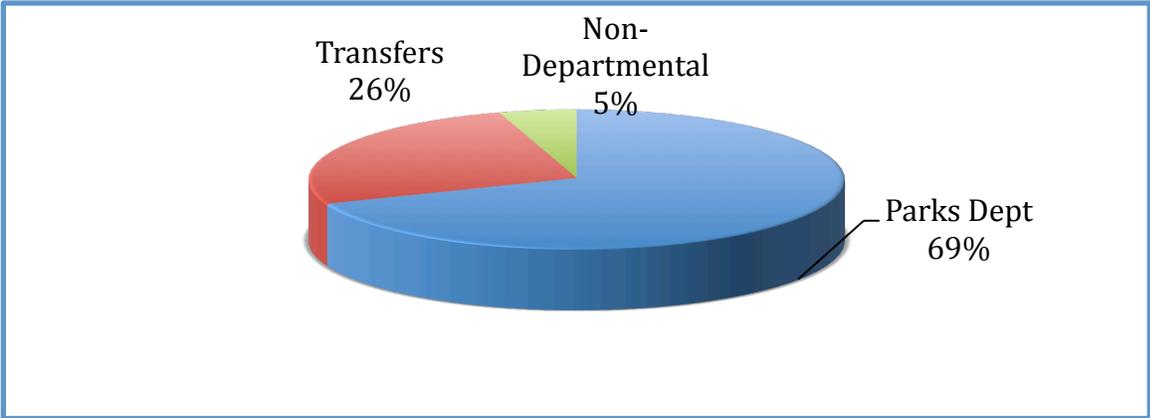
	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2010 Estimate	FY 2011 Proposed
Fund Balance, October 1	\$ 679,486	\$ 894,394	\$ 1,102,420	\$ 1,412,535	\$ 1,418,356	\$ 1,433,778
Revenues						
Sales Tax Revenue	1,270,222	1,311,970	1,246,847	1,280,000	1,280,000	1,292,800
Transfers In	1,127	16,118	-	-	-	24,600
Interest Earnings	27,623	23,782	18,505	11,000	4,000	3,500
Total Revenues	\$ 1,298,972	\$ 1,351,870	\$ 1,265,352	\$ 1,291,000	\$ 1,284,000	\$ 1,320,900
Total Available Resources	\$ 1,978,458	\$ 2,246,264	\$ 2,367,772	\$ 2,703,535	\$ 2,702,356	\$ 2,754,678
Expenditures:						
Non-Departmental	9,225	3,860	5,793	8,151	5,000	50,574
Parks Department	611,027	712,855	621,308	701,387	682,116	734,822
Total Expenditures	\$ 620,252	\$ 716,715	\$ 627,101	\$ 709,538	\$ 687,116	\$ 785,396
Transfers Out						
Transfer Out - General Fund	56,110	63,249	62,370	64,000	64,000	64,640
Transfer Out - PDC Construction	190,316	150,000	40,000	302,000	302,000	-
Transfer Out - Debt Service	217,386	213,880	219,945	215,462	215,462	215,355
Total Transfers	463,812	427,129	322,315	581,462	581,462	279,995
Revenues Over(Under) Expenses	214,908	208,026	315,936	-	15,422	255,509
Fund Balance, September 30	\$ 894,394	\$ 1,102,420	\$ 1,418,356	\$ 1,412,535	\$ 1,433,778	\$ 1,689,287
Target Balance @ 15% of Budgeted Operating Ex						\$ 159,809

SPECIAL REVENUE FUNDS

Where Does the Money Come From?



Where Does the Money Go?



SPECIAL REVENUE FUNDS

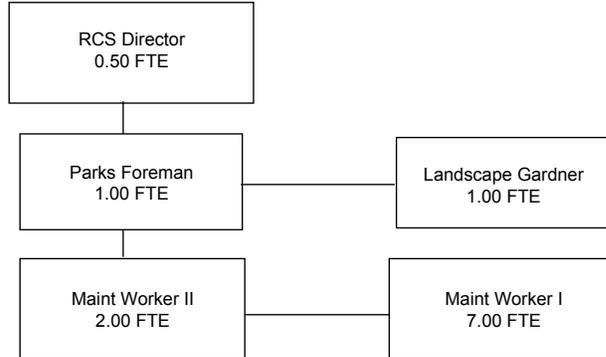
**Recreation & Community Services Department
Parks Development Corporation 04-075**

Location 7901 Indian Springs Road

Phone Number 817/514-5890

Hours of Operation:

Monday - Friday
7:00 a.m.-4:00 p.m.



DESCRIPTION OF SERVICES PROVIDED:

The Parks Department is responsible for providing the citizens of Watauga with the highest possible level of service regarding design, development, operations, and maintenance of the 116 acres of developed and undeveloped park land which includes Virgil Anthony, Hillview, BISD, Foster Village, Capp Smith, and Indian Springs Park. Our vision is to enhance the visibility, quality, and public perception related to departmental services for all residents and visitors and create a positive City "identity" from the parks that are provided and to preserve them for future generations.

FY 2010 ACCOMPLISHMENTS:

The WPDC is continuing with the tree planting program. Incorporation of outside organizations (Boy Scouts) to assist with planting has enabled the department to plant additional trees. New irrigation systems have been installed. An aggressive equipment maintenance program has been initiated to reduce high maintenance costs. On-going personnel training in multiple areas related to job performance has increased staff productivity and effectiveness. Dam repair and maintenance program has been initiated and continued erosion control is in progress in Capp Smith Park.

FY 2011 OBJECTIVES:

To continue beautification projects throughout the Parks. Sports field and turf management upgrade of the south end dam wall to Capp Smith and adding more trees to our Park System.

BUDGETARY ISSUES:

Using existing funds in 05 - Capital Outlay for needed projects in the park.

SPECIAL REVENUE FUNDS

**Recreation & Community Services Department
Parks Development Corporation**

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY 2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$403,786	\$430,977	\$418,767	\$484,062	\$472,786	\$515,792
Supplies	\$43,931	\$54,266	\$54,058	\$57,040	\$55,700	\$57,200
Maintenance	\$42,143	\$44,216	\$52,336	\$60,810	\$59,050	\$60,710
Contractual/Sundry	\$575,204	\$537,011	\$410,082	\$689,088	\$681,042	\$431,689
Capital Outlay	\$18,997	\$77,373	\$14,174	\$0	\$0	\$0
Total Expenditures	\$1,084,062	\$1,143,844	\$949,416	\$1,291,000	\$1,268,578	\$1,065,391
PERSONNEL ASSIGNED						
RCS Director	0.50	0.50	0.50	0.50	0.50	0.50
Park Crewleader/Foreman	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Worker I	7.00	7.00	7.00	7.00	7.00	7.00
Landscape Gardner	0.00	0.00	1.00	1.00	1.00	1.00
TOTAL	10.50	10.50	11.50	11.50	11.50	11.50

SIGNIFICANT BUDGET CHANGES:

Add Vac/Ret/Comp Time Line Item	\$20,000
Increase 10% Med/Dental	\$6,026
Project TMRS 14% from 13.18%	\$5,535
No Transfer to PDC Capital Fund 05	(\$302,000)
Increase Contingency to 5% of budget	\$42,572

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW1/2/3/4 Mow & maintain developed facilities weekly	89%	100%	100%	100%	100%
COW1/3 Mow & maintain undeveloped facilities monthly	80%	100%	100%	100%	100%
COW Percent of Athletic Ball fields maintained	100%	100%	100%	100%	100%
COW Hours of Personnel Training		5	52	72	60
COW Number of Trees Planted		52	46	82	60

SPECIAL REVENUE FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
04 -PDC SALES TAX FUND									
REVENUES									
000-3051	1/2 CENT SALES TAX	1,270,222	1,311,970	1,246,845	1,280,000	1,280,000	1,292,800	12,800	1.0%
000-3660	INTEREST EARNINGS	21,848	23,782	18,505	11,000	4,000	3,500	(7,500)	-68.2%
000-3661	INTEREST FROM SECURITIES	6,186	0	0	0	0	0	0	N/A
000-3662	UNREALIZED GAIN/LOSS MRKT VAL.	(411)	0	0	0	0	0	0	N/A
000-3670	OTHER REVENUE	1,125	0	0	0	0	0	0	N/A
000-3905	TRANSFER FROM PDC DEBT RESERVE	0	16,118	0	0	0	24,600	24,600	N/A
	TRANSFERS	0	16,118	0	0	0	24,600	24,600	N/A
	*** TOTAL REVENUES ***	1,298,971	1,351,870	1,265,350	1,291,000	1,284,000	1,320,900	29,900	2.3%
NON-DEPARTMENTAL									
		9,225	3,860	5,793	8,151	5,000	50,574	42,423	520.5%
PERSONNEL SERVICES									
								0	N/A
075-4001	SUPERVISION	66,473	73,311	74,933	75,943	75,943	79,389	3,446	4.5%
075-4003	OPERATIONS	236,041	252,761	235,655	268,597	268,597	262,404	(6,193)	-2.3%
075-4010	OVERTIME	2,382	1,695	839	2,000	2,000	2,000	0	0.0%
075-4030	LONGEVITY	7,994	6,840	8,310	8,064	7,758	9,576	1,512	18.8%
075-4100	RETIREMENT	32,518	36,693	40,091	46,737	46,737	52,272	5,535	11.8%
075-4101	SUPPLEMENTAL COMPENSATION	0	0	0	0	0	20,000	20,000	N/A
075-4102	HOSPITAL/GROUP LIFE	54,099	54,911	54,334	66,874	61,257	72,900	6,026	9.0%
075-4103	MEDICARE	4,280	4,766	4,606	5,142	5,142	5,414	272	5.3%
075-4107	SALARY ADJUSTMENTS	0	0	0	10,705	5,352	11,837	1,132	10.6%
	TOTAL PERSONNEL SERVICES	403,786	430,977	418,767	484,062	472,786	515,792	31,730	6.6%
SUPPLIES									
075-5201	OFFICE SUPPLIES	362	107	159	300	200	200	(100)	-33.3%
075-5204	WEARING APPAREL	4,030	4,353	3,475	4,740	4,500	4,500	(240)	-5.1%
075-5205	VEHICLE PARTS/SUPPLIES	2,907	2,818	3,942	3,000	3,000	4,000	1,000	33.3%
075-5206	VEHICLE FUEL/LUB	11,305	11,306	13,651	12,000	12,000	12,000	0	0.0%
075-5207	MINOR TOOLS/APP	3,186	3,171	2,941	3,500	3,500	3,500	0	0.0%
075-5208	JANITORIAL SUPPLIES	641	519	1,137	1,000	1,000	1,500	500	50.0%
075-5209	CHEMICALS	8,514	9,848	5,432	9,000	8,000	8,000	(1,000)	-11.1%
075-5221	EQUIPMENT PARTS/SUPPLIES	3,135	3,343	3,404	3,500	3,500	3,500	0	0.0%
075-5230	LIVING PLANT SUPPLIES	9,851	18,803	19,916	20,000	20,000	20,000	0	0.0%
	TOTAL SUPPLIES	43,931	54,266	54,058	57,040	55,700	57,200	160	0.3%
MAINTENANCE									
075-6304	VEHICLE/EQUIPMENT MAINTENANCE	2,268	1,644	1,606	2,050	2,050	2,050	0	0.0%
075-6305	RADIO MAINTENANCE	250	0	80	800	800	400	(400)	-50.0%
075-6307	MINOR TOOLS & APPARATUS MAINT.	550	792	635	900	900	1,200	300	33.3%
075-6323	SIGN MAINTENANCE	953	2,110	388	3,500	3,500	4,000	500	14.3%
075-6339	PARK MAINTENANCE	29,594	31,315	41,829	44,760	43,000	44,760	0	0.0%
075-6347	FENCING	3,807	3,984	3,427	4,000	4,000	3,500	(500)	-12.5%
075-6351	SOFTWARE MAINTENANCE	4,722	4,370	4,370	4,800	4,800	4,800	0	0.0%
	TOTAL MAINTENANCE	42,143	44,216	52,336	60,810	59,050	60,710	(100)	-0.2%
CONTRACTUAL/SUNDRY									
075-7401	COMMUNICATIONS	1,026	881	898	1,000	600	600	(400)	-40.0%
075-7402	RENTAL OF EQUIPMENT	178	291	221	1,000	1,000	1,000	0	0.0%
075-7404	SPECIAL SERVICES	21,712	17,226	1,607	3,000	2,800	3,540	540	18.0%
075-7405	ADVERTISING	0	0	35	300	0	100	(200)	-66.7%
075-7406	TRAVEL	325	370	458	750	550	750	0	0.0%
075-7407	DUES & SUBSCRIPTIONS	0	92	147	250	250	250	0	0.0%
075-7410	TRAINING	1,647	850	1,400	1,880	1,880	1,880	0	0.0%
075-7411	ELECTRICITY	61,714	71,009	60,171	74,000	74,000	74,000	0	0.0%
075-7419	PRINTING & BINDING	35	0	0	0	0	0	0	N/A
075-7426	CONSULTING/AGENT FEES	820	0	500	1,000	500	1,000	0	0.0%
075-7456	WORKERS COMPENSATION	14,711	15,305	16,356	16,295	13,000	18,000	1,705	10.5%
075-7482	PRE-EMPLOYMENT/DOT PHYSICALS	0	0	180	0	0	0	0	N/A
	TOTAL CONTRACTUAL/SUNDRY	102,167	106,023	81,973	99,475	94,580	101,120	1,645	1.7%
CAPITAL OUTLAY									
075-8513	MOTOR VEHICLE	0	0	14,174	0	0	0	0	N/A
075-8517	OTHER EQUIPMENT	5,247	43,873	0	0	0	0	0	N/A
075-8549	PRACTICE FIELDS / PARKS	13,750	33,500	0	0	0	0	0	N/A

SPECIAL REVENUE FUNDS

		LINE ITEM BUDGET DETAILS								
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE		
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent	
	TOTAL CAPITAL OUTLAY	18,997	77,373	14,174	0	0	0	0	N/A	
	TRANSFERS TO OTHER FUNDS									
	999-7701 TRANSFER TO GENERAL FUND	56,110	63,249	62,370	64,000	64,000	64,640	640	1.0%	
	999-7703 TRANSFER TO PDC CONSTRUCTION	190,316	150,000	40,000	302,000	302,000	0	(302,000)	-100.0%	
	999-7710 TRANSFER TO PDC DEBT SERVICE	217,386	213,880	219,946	215,462	215,462	215,355	(107)	0.0%	
	TOTAL TRANSFERS TO OTHER FUNDS	463,812	427,129	322,316	581,462	581,462	279,995	(301,467)	-51.8%	
	*** TOTAL EXPENDITURES ***	1,084,062	1,143,844	949,417	1,291,000	1,268,578	1,065,391	(225,609)	-17.5%	
	*** REVENUES OVER(UNDER) EXPENSES ***	214,908	208,027	315,933	0	15,422	255,509	255,509	N/A	

SPECIAL REVENUE FUNDS

CRIME CONTROL DISTRICT – FUND 18

The Crime Control and Prevention District was established to account for a one-half cent sales tax increase approved by voters on March 23, 1996, for an initial five years. On May 5, 2001, voters extended the sales tax collection for ten more years. The purpose of the increase in sales tax is to enhance law enforcement in Watauga. The additional funding is used to add officers and purchase additional equipment and supplies for law enforcement purposes. A ten-year extension of the sales tax is proposed and will be on the November 2010 ballot.

This is a Special Revenue Fund and is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

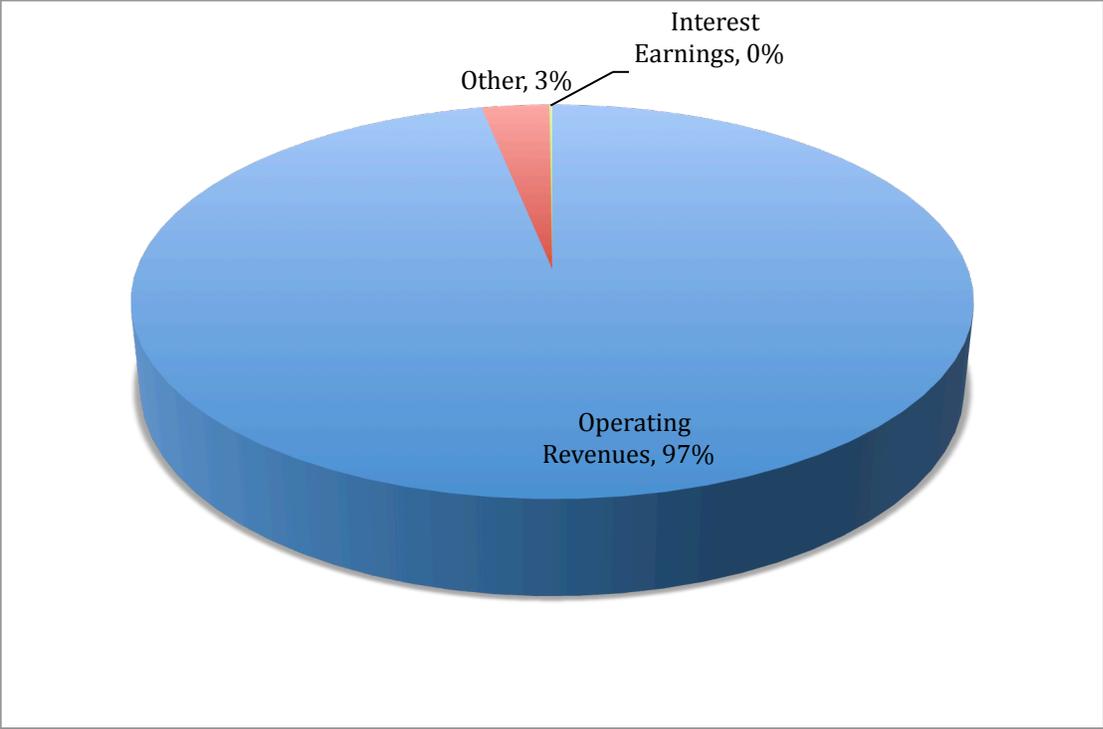
Sales tax revenue for FY 2011 is expected to be \$1,090,000. It is a lower estimate than the Watauga Park Development Corporation sales tax revenues due to legal restriction of taxability for some items within the District.

Crime Control and Prevention Fund Summary Budget Summary

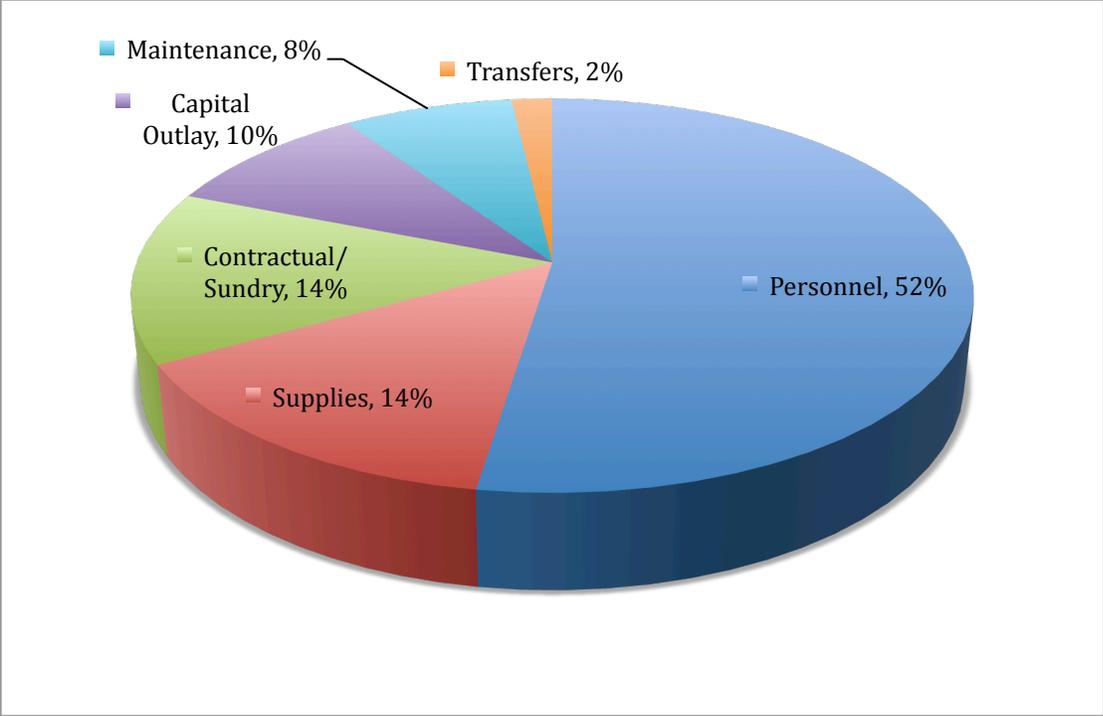
	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2010 Estimate	FY 2011 Proposed
Fund Balance, October 1	\$ 1,046,890	\$ 1,270,119	\$ 917,593	\$ 973,203	\$ 1,102,617	\$1,101,847
Revenues						
Operating Revenues	1,168,925	1,207,252	1,145,622	1,110,000	1,100,000	1,090,000
Grant Proceeds						
Excrow Interest						
Other	52,198	25,150	31,312	43,512	33,000	34,247
Interest Earnings	56,183	31,300	7,632	6,000	1,500	1,500
Total Revenues	1,277,306	1,263,702	1,184,566	1,159,512	1,134,500	1,125,747
Total Available Resources	\$ 2,324,196	\$ 2,533,821	\$ 2,102,159	\$ 2,132,715	\$ 2,237,117	\$2,227,594
Expenditures:						
Expenditures	1,032,963	1,092,602	986,045	1,154,091	1,123,770	1,203,333
Transfer Out	21,114	523,626	13,497	11,500	11,500	22,485
Total Expenditures	\$ 1,054,077	\$ 1,616,228	\$ 999,542	\$ 1,165,591	\$ 1,135,270	\$ 1,225,818
Revenues Over(Under)						
Expenses	223,229	(352,526)	185,024	(6,079)	(770)	(100,071)
Fund Balance, September	\$ 1,270,119	\$ 917,593	\$ 1,102,617	\$ 967,124	\$ 1,101,847	\$1,001,776
Target Balance @ 15% of Budgeted Operating Expenses						\$ 166,398

SPECIAL REVENUE FUNDS

Where Does the Money Come From?



Where Does the Money Go?

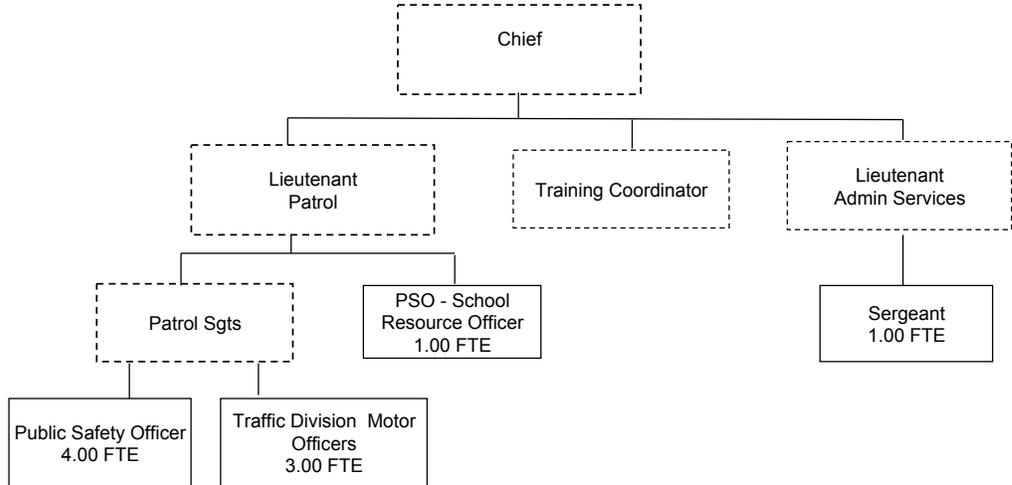


SPECIAL REVENUE FUNDS

Fund 18
Crime Control District 18-080

Location: 7101 Whitley Road
Phone Number 817.514.5870

Hours of Operation: 24 Hours a day



DESCRIPTION OF SERVICES PROVIDED:

The Watauga Crime Control and Prevention District is funded by a 0.5% Sales Tax that allows the Police Department to establish and meet goals to provide efficient and professional response in the field of law enforcement, thereby reducing loss of life and property to the citizens of Watauga.

FY 2010 ACCOMPLISHMENTS:

The WCCPD acquired five portable radios that allow interoperability with surrounding cities. Four automatic defibrillators have been placed in patrol vehicles to respond to sudden cardiac arrest situations. Three new laptops were purchased for patrol vehicles.

FY 2011 OBJECTIVES:

Continue to maintain a high level of quality service to respond to the needs of the citizens in an efficient and professional manner.

BUDGETARY ISSUES:

The strain of the economy continues. Because of the decline in sales tax, spending is limited this year to only basic expenditures.

SPECIAL REVENUE FUNDS

Fund 18
Crime Control District

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$467,064	\$560,512	\$548,290	\$598,363	\$587,525	\$642,883
Supplies	\$165,747	\$216,119	\$165,260	\$176,200	\$174,410	\$176,200
Maintenance	\$88,863	\$58,141	\$74,060	\$94,284	\$91,975	\$93,984
Contractual/Sundry	\$148,692	\$141,102	\$135,178	\$168,744	\$153,860	\$173,766
Capital Outlay	\$162,598	\$116,727	\$63,255	\$116,500	\$116,000	\$116,500
Transfer to Capital Projects	\$0	\$500,000	\$0	\$0	\$0	\$0
Transfer to Internal Service Fund	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to General Fund	\$21,114	\$23,626	\$13,497	\$11,500	\$11,500	\$22,485
Total Expenditures	\$1,054,077	\$1,616,226	\$999,542	\$1,165,591	\$1,135,270	\$1,225,818
PERSONNEL ASSIGNED						
Public Safety Officer	4.00	4.00	4.00	4.00	4.00	4.00
Sergeant WCCD Special Services	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Enforcement Officer WCCD Special Services	2.00	3.00	3.00	3.00	3.00	3.00
School Resource Officer WCCD Special Services	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	8.00	9.00	9.00	9.00	9.00	9.00

SIGNIFICANT BUDGET CHANGES:

Personnel Cost Increases \$42,159

- Includes - \$20K for Vac/Comp/Ret Line Item
 - Step Increase for Civil Service Personnel
 - Includes 10% increase in Medical/Dental Cost
 - TMRS cost estimate from 13.18% to 14%

PERFORMANCE MEASURES:

See 01-080 Police Department

SPECIAL REVENUE FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
18 - CRIME CONTROL DISTRICT FUND									
REVENUES		1,168,923	1,207,252	1,145,624	1,110,000	1,100,000	1,090,000	(20,000)	-1.8%
000-3051	1/2 CENT SALES TAX	1,168,923	1,207,252	1,145,624	1,110,000	1,100,000	1,090,000	(20,000)	-1.8%
000-3660	INTEREST INCOME	50,408	31,300	7,632	6,000	1,500	1,500	(4,500)	-75.0%
000-3661	INTEREST FROM SECURITIES	6,186	0	0	0	0	0	0	N/A
000-3662	UNREALIZED GAIN/LOSS MRKT VAL.	(411)	0	0	0	0	0	0	N/A
000-3670	OTHER REVENUES	48,328	25,151	31,313	43,512	33,000	34,247	(9,265)	-21.3%
000-3680	SALE OF ASSETS	4,860	0	0	0	0	0	0	N/A
*** TOTAL REVENUES ***		1,278,293	1,263,702	1,184,568	1,159,512	1,134,500	1,125,747	(33,765)	-2.9%
PERSONNEL SERVICES									
080-4001	SUPERVISION	58,533	57,742	63,093	63,162	63,162	65,063	1,901	3.0%
080-4003	OPERATIONS	292,981	367,001	350,225	370,000	370,000	376,136	6,136	1.7%
080-4010	OVERTIME	22,594	24,512	20,442	25,000	25,000	25,000	0	0.0%
080-4020	TEMPORARY/PT HELP	0	103	0	0	0	0	0	N/A
080-4025	CERTIFICATION DPS	2,331	2,870	4,075	3,000	4,000	4,000	1,000	33.3%
080-4030	LONGEVITY	2,880	3,312	3,456	3,888	4,356	3,744	(144)	-3.7%
080-4100	RETIREMENT	39,612	49,073	55,300	58,956	58,956	69,012	10,056	17.1%
080-4102	HOSPITAL & GROUP LIFE	42,959	49,554	45,371	52,832	48,000	57,591	4,759	9.0%
080-4103	MEDICARE TAX	5,174	6,344	6,328	6,576	6,576	7,148	572	8.7%
080-4105	VACATION/COMP TIME	0	0	0	0	0	20,000	20,000	N/A
080-4107	SALARY ADJUSTMENTS	0	0	0	14,949	7,475	15,189	240	1.6%
TOTAL PERSONNEL SERVICES		467,064	560,512	548,290	598,363	587,525	642,883	44,520	7.4%
SUPPLIES									
080-5201	OFFICE SUPPLIES	4,424	2,882	4,058	4,840	4,700	4,840	0	0.0%
080-5203	PUBLICATIONS	643	9	443	500	450	500	0	0.0%
080-5204	WEARING APPAREL	34,233	27,866	46,959	33,360	33,360	33,360	0	0.0%
080-5205	VEHICLE PARTS & SUPPLIES	4,820	4,507	2,913	6,000	6,000	6,000	0	0.0%
080-5206	VEHICLE FUEL & LUBE (WAS VIDEO)	70,146	80,217	52,883	68,000	68,000	68,000	0	0.0%
080-5207	MINOR TOOLS/APPARATUS	2,657	21,619	5,309	6,600	6,000	6,200	(400)	-6.1%
080-5213	EVENT REFRESHMENTS / MEALS	842	666	688	800	800	1,200	400	50.0%
080-5214	JAIL SUPPLIES	7,943	8,197	8,800	9,900	9,900	10,900	1,000	10.1%
080-5216	EDUCATIONAL SUPPLIES	7,009	4,169	5,246	8,000	7,000	7,000	(1,000)	-12.5%
080-5225	UNIFORM CLEANING SUPPLIES	12,422	12,209	12,588	13,200	13,200	13,200	0	0.0%
080-5233	WEAPONS/AMMUNITION SUPPLIES	20,608	53,778	25,374	25,000	25,000	25,000	0	0.0%
TOTAL SUPPLIES		165,747	216,119	165,260	176,200	174,410	176,200	0	0.0%
MAINTENANCE									
080-6301	FURNITURE & FIXTURES	752	37	493	500	475	500	0	0.0%
080-6302	OFFICE EQUIPMENT	4,460	7,490	4,556	14,900	13,500	15,000	100	0.7%
080-6304	VEHICLE MAINTENANCE	22,818	19,361	17,052	17,300	17,300	17,300	0	0.0%
080-6305	RADIOS	57,773	31,248	23,437	25,000	25,000	25,000	0	0.0%
080-6306	ELECTRICAL EQUIPMENT	3,060	4	343	1,000	700	700	(300)	-30.0%
080-6351	SOFTWARE MAINTENANCE	0	0	28,179	35,484	35,000	35,484	0	0.0%
TOTAL MAINTENANCE		88,863	58,141	74,060	94,184	91,975	93,984	(200)	-0.2%
CONTRACTUAL/SUNDRY									
080-7401	COMMUNICATIONS	19,137	17,199	14,195	24,000	23,000	23,000	(1,000)	-4.2%
080-7403	SUNDRY	24,266	22,840	24,682	24,682	24,682	24,682	0	0.0%
080-7404	SPECIAL SERVICES	10,717	13,089	11,434	12,000	10,200	12,000	0	0.0%
080-7405	ADVERTISING	0	1,538	1,470	2,000	2,000	2,000	0	0.0%
080-7406	TRAVEL EXPENSE	5,114	3,961	2,668	3,600	3,500	3,500	(100)	-2.8%
080-7407	DUES/SUBSCRIPTIONS	13,419	7,771	13,656	15,910	14,910	15,910	0	0.0%
080-7409	ADMINISTRATIVE TRAINING	3,328	1,480	1,980	2,000	1,975	2,000	0	0.0%
080-7410	TRAINING	31,833	30,908	29,310	25,000	25,000	25,000	0	0.0%
080-7419	PRINTING & BINDING	3,079	1,636	1,658	1,700	1,700	2,000	300	17.6%
080-7430	LEASE/PURCHASE COSTS	9,126	7,770	9,600	15,540	15,540	15,540	0	0.0%
080-7445	INVESTIGATION EXPENSE	8,205	9,849	8,170	9,075	9,075	10,075	1,000	11.0%
080-7456	WORKERS COMP	15,121	15,305	16,356	12,278	12,278	17,000	4,722	38.5%
080-7496	CONTINGENCY	5,346	7,756	0	21,059	10,000	21,059	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		148,692	141,102	135,178	168,844	153,860	173,766	4,922	2.9%
CAPITAL OUTLAY									
080-8504	COMPUTER HARDWARE	427	7,269	0	16,000	16,000	16,000	0	0.0%
080-8505	COMPUTER SOFTWARE	20,420	28,187	0	0	0	0	0	N/A

SPECIAL REVENUE FUNDS

ACCT#	ACCOUNT NAME	LINE ITEM BUDGET DETAILS							CHANGE	
		FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	Amount	Percent	
					CURRENT BUDGET	PROJECTED YEAR END				
	080-8513 MOTOR VEHICLES	142,741	81,271	63,255	100,500	100,000	100,500	0	0.0%	
	TOTAL CAPITAL OUTLAY	163,588	116,727	63,255	116,500	116,000	116,500	0	0.0%	
	TRANSFERS									
	999-7701 TRANSFER TO GENERAL FUND	21,114	23,626	13,497	11,500	11,500	22,485	10,985	95.5%	
	999-7707 TRANSFER TO CAPITAL PROJECTS	0	500,000	0	0	0	0	0	N/A	
	TOTAL TRANSFERS	21,114	523,626	13,497	11,500	11,500	22,485	10,985	95.5%	
	*** TOTAL EXPENDITURES ***	1,055,067	1,616,226	999,542	1,165,591	1,135,270	1,225,818	60,227	5.2%	
	*** REVENUES OVER(UNDER) EXPENSES ***	223,226	(352,524)	185,026	(6,079)	(770)	(100,071)	(93,992)	1546.2%	

SPECIAL REVENUE FUNDS

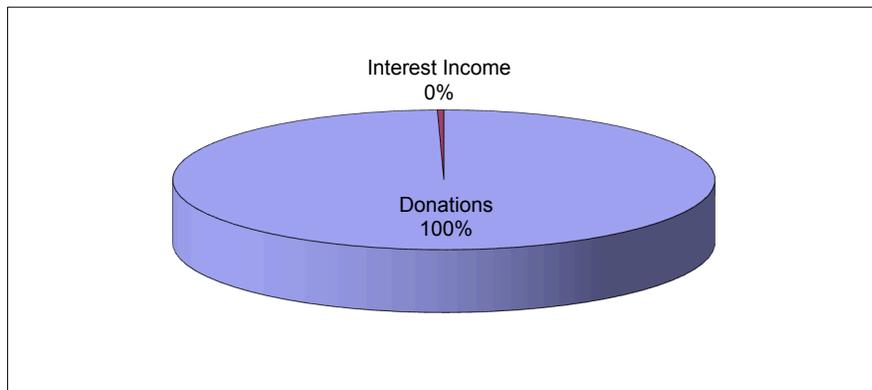
LIBRARY DONATION FUND – FUND 23

The Library Donation Fund is a Special Revenue Fund used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Library Donation Fund was established to give Watauga citizens the opportunity to assist the Library in purchasing supplies. Each month, citizens are given the opportunity to donate \$1 when paying their water and sewer bill.

This money is used to purchase additional library supplies such as books, audio and videotapes, periodicals, and other types of supplies.

BUDGET SUMMARY

LIBRARY DONATIONS - FUND 23



	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Proposed	2009-10 Estimate	2010-2011 Proposed
Fund Balance, October 1	\$6,104	\$2,960	\$1,532	\$692	\$2,760	\$2,430
<u>Revenue:</u>						
Operating Revenues	15,029	14,213	13,667	13,000	13,000	13,000
Interest Income	552	203	117	150	50	40
Total Revenue	15,581	14,416	13,784	13,150	13,050	13,040
Total Available Resources	\$21,685	\$17,376	\$15,316	\$13,842	\$15,810	\$15,470
<u>Expenditures:</u>						
Total Expenditures	\$18,725	\$15,844	\$12,556	\$13,130	\$13,380	\$13,130
Fund Balance, September 30	\$2,960	\$1,532	\$2,760	\$712	\$2,430	\$2,340

SPECIAL REVENUE FUNDS

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
23 - LIBRARY DONATION FUND									
REVENUES									
	000-3615 LIBRARY DONATIONS	15,029	14,213	13,667	13,000	13,000	13,000	0	0.0%
	000-3660 INTEREST INCOME	552	203	117	150	50	40	(110)	-73.3%
	*** TOTAL REVENUES ***	15,581	14,416	13,785	13,150	13,050	13,040	(110)	-0.8%
EXPENDITURE SUMMARY									
	060-4003 OPERATIONS	1,005	1,203	1,296	1,000	1,200	1,000	0	0.0%
	060-4100 RETIREMENT	0	80	164	100	150	100	0	0.0%
	060-4103 MEDICARE	28	22	19	30	30	30	0	0.0%
	060-5227 LIBRARY MATERIALS	17,692	14,538	11,077	12,000	12,000	12,000	0	0.0%
	*** TOTAL EXPENDITURES ***	18,725	15,844	12,556	13,130	13,380	13,130	0	0.0%
	*** REVENUES OVER(UNDER) EXPENSES ***	(3,144)	(1,429)	1,229	20	(330)	(90)	(110)	-550.0%

SPECIAL REVENUE FUNDS



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SPECIAL REVENUE FUNDS

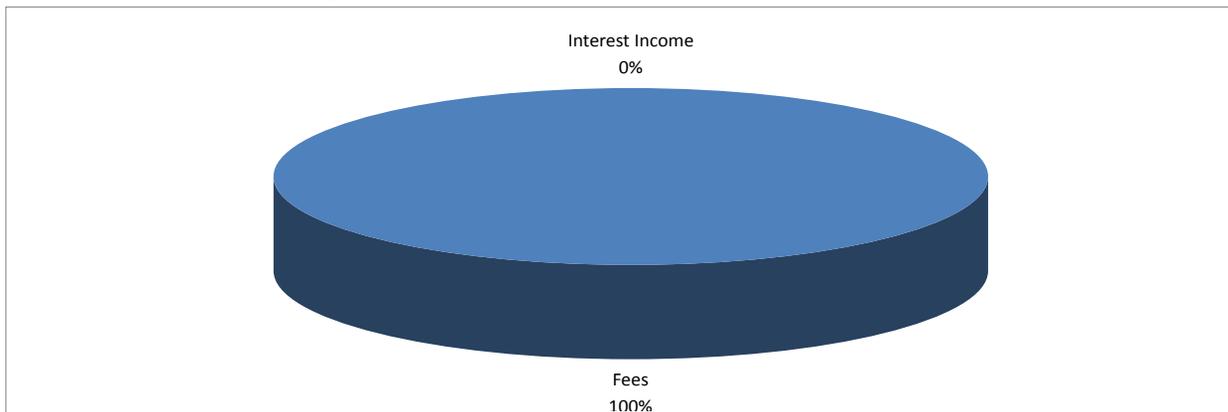
MUNICIPAL COURT SECURITY FUND - FUND 25

The Municipal Court Security Fund Fee was established in the 1997 Texas Legislative Session to allow a \$3 assessment on all court fines paid. This assessment allows municipalities to purchase security equipment such as surveillance cameras, bulletproof glass, and bailiff costs for Municipal Court areas.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Municipal Court Security Fund 25 Budget Summary

Where Does the Money Come From:



	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimated	2010-11 Proposed
Fund Balance, October 1*	\$22,136	\$20,735	\$10,941	\$16,563	\$21,733	\$28,533
<u>Revenues:</u>						
Municipal Bldg Security Fees	13,897	13,657	14,650	13,000	13,000	13,000
Interest Earnings	1,184	538	297	310	100	0
Total Revenues	\$15,081	\$14,195	\$14,947	\$13,310	\$13,100	\$13,000
Total Available Resources	\$37,217	\$34,930	\$25,888	\$29,873	\$34,833	\$41,533
<u>Expenditures:</u>						
Personnel	16,277	23,889	4,155	11,084	5,000	8,000
Supplies	205	0	0	1,400	1,000	1,400
Contractual/Sundry	0	100	0	300	300	300
Capital	0	0	0	0	0	0
Total Expenditures	\$16,482	\$23,989	\$4,155	\$12,784	\$6,300	\$9,700
Fund Balance, September 30	\$20,735	\$10,941	\$21,733	\$17,089	\$28,533	\$31,833

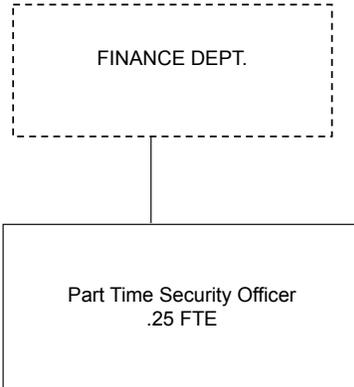
*The Municipal Building Security Fees were assessed beginning May, 1999.

SPECIAL REVENUE FUNDS

Finance Department
Municipal Court Security Fund

Location: 7105 Whitley Road
Watauga, TX 76148
Phone Number 817.514.5831

Hours of Operation: 24 Hours a day



DESCRIPTION OF SERVICES PROVIDED:

[Empty yellow box for description of services provided]

FY 2010 ACCOMPLISHMENTS:

[Empty yellow box for FY 2010 accomplishments]

FY 2011 OBJECTIVES:

[Empty yellow box for FY 2011 objectives]

BUDGETARY ISSUES:

[Empty yellow box for budgetary issues]

SPECIAL REVENUE FUNDS

Finance Department
Municipal Court Security Fund

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$16,277	\$18,695	\$4,155	\$11,084	\$5,000	\$8,000
Supplies	\$204	\$1,400	\$0	\$1,400	\$1,000	\$1,400
Maintenance	\$0	\$0	\$0	\$300	\$300	\$300
Contractual/Sundry	\$0	\$2,345	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$10,000	\$0	\$0	\$0	\$0
Total Expenditures	\$16,482	\$32,440	\$4,155	\$12,784	\$6,300	\$9,700

PERSONNEL ASSIGNED

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
25 - MUNICIPAL SECURITY FUND									
REVENUES									
000-3220	BLDG SECURITY FEE	13,901	13,657	14,650	13,000	13,000	13,000	0	0.0%
000-3660	INTEREST INCOME	1,184	538	297	310	100	0	(310)	-100.0%
*** TOTAL REVENUES ***		15,085	14,195	14,947	13,310	13,100	13,000	(310)	-2.3%
EXPENDITURE SUMMARY									
040-4003	OPERATIONS	11,039	10,468	4,001	5,000	5,000	5,000	0	0.0%
040-4010	OVERTIME	2,962	10,143	0	3,000	0	3,000	0	0.0%
040-4025	CERT PAY	0	35	0	0	0	0	0	N/A
040-4030	LONGEVITY	0	147	0	171	0	0	(171)	-100.0%
040-4100	RETIREMENT	991	1,929	15	1,525	0	0	(1,525)	-100.0%
040-4102	HOSP. & GROUP LIFE	1,049	808	15	1,042	0	0	(1,042)	-100.0%
040-4103	MEDICARE	237	359	123	346	0	0	(346)	-100.0%
040-5204	WEARING APPAREL	0	0	0	400	0	400	0	0.0%
040-5226	MISC. EQUIPMENT/FURNITURE	204	0	0	1,000	1,000	1,000	0	0.0%
040-7410	TRAINING	0	100	0	300	300	300	0	0.0%
*** TOTAL EXPENDITURES ***		16,482	23,989	4,155	12,784	6,300	9,700	(3,084)	-24.1%
*** REVENUES OVER(UNDER) EXPENSES ***		(1,396)	(9,794)	10,792	526	6,800	3,300	2,774	527.4%

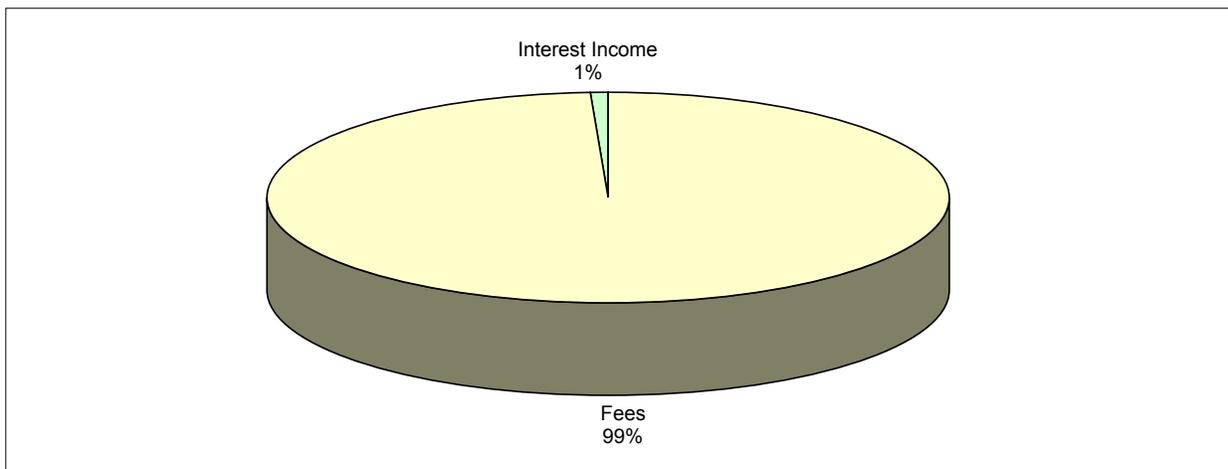
SPECIAL REVENUE FUNDS

MUNICIPAL COURT TECHNOLOGY FUND – 26 Budget Summary

The Municipal Court Technology Fee was established in the 1997 Texas Legislative session to allow a \$4 assessment on all court fines paid. This assessment allows municipalities to purchase and now to maintain technology equipment for the Municipal Court areas. This equipment includes computer hardware and software. In 2003 this fee was updated to include the maintenance of such technological improvements. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Municipal Court Technology Fund - 26 Budget Summary

Where Does the Money Come From:



	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1*	\$68,694	\$20,960	\$32,278	\$38,028	\$51,869	\$46,544
<u>Revenues:</u>						
Municipal Court Technology Fee	18,527	18,171	19,517	17,000	17,000	17,000
Interest Earnings	2,059	896	779	800	175	150
Total Revenues	20,586	19,067	20,296	17,800	17,175	17,150
Total Available Resources	\$89,280	\$40,027	\$52,574	\$55,828	\$69,044	\$63,694
<u>Expenditures:</u>						
Total Expenditures	68,320	7,749	705	26,218	22,500	26,218
Fund Balance, September 30	\$20,960	\$32,278	\$51,869	\$29,610	\$46,544	\$37,476

*The Municipal Court Technology Fees were assessed beginning October, 1999.

SPECIAL REVENUE FUNDS

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
26 - MUNICIPAL TECHNOLOGY FUND									
REVENUES									
	000-3221 TECHNOLOGY FEE	18,529	18,171	19,517	17,000	17,000	17,000	0	0.0%
	000-3660 INTEREST INCOME	2,059	896	779	800	175	150	(650)	-81.3%
	*** TOTAL REVENUES ***	20,588	19,068	20,295	17,800	17,175	17,150	(650)	-3.7%
EXPENDITURE SUMMARY									
	040-5201 SUPPLIES	318	925	0	0	0	0	0	N/A
	040-5226 MISC. EQUIPMENT/FURNITURE	1,170	0	0	500	500	500	0	0.0%
	040-7404 SPECIAL SERVICES	12	3	688	2,000	2,000	2,000	0	0.0%
	040-7463 EQUIPMENT / ROLLING STOCK	0	0	0	3,000	0	3,000	0	0.0%
	040-8517 OTHER EQUIPMENT	66,820	6,821	17	20,718	20,000	20,718	0	0.0%
	*** TOTAL EXPENDITURES ***	68,320	7,749	705	26,218	22,500	26,218	0	0.0%
	*** REVENUES OVER(UNDER) EXPENSES ***	(47,732)	11,318	19,590	(8,418)	(5,325)	(9,068)	(650)	7.7%

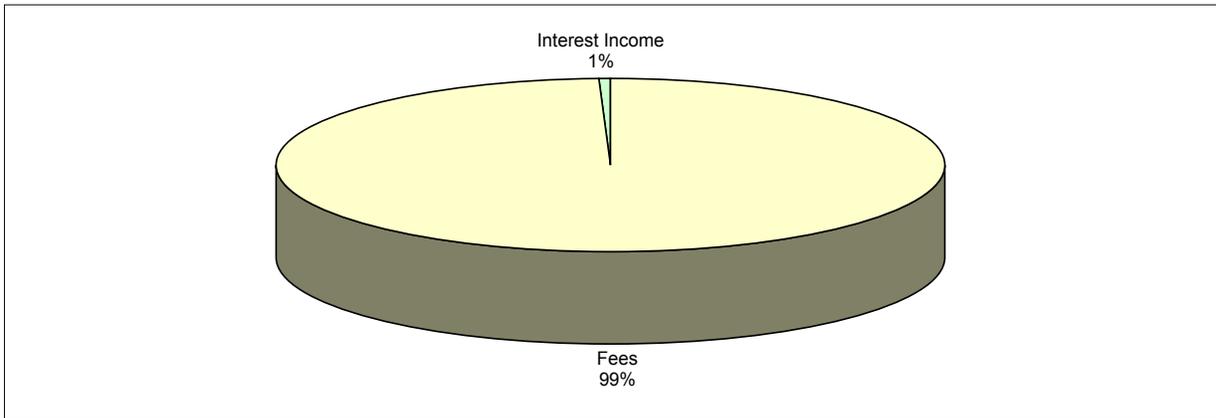
SPECIAL REVENUE FUNDS

MUNICIPAL COURT JUVENILE CASE MANAGER FUND – 27 Budget Summary

The Municipal Court Juvenile Case Manager Fee was established in the Texas Legislative session to allow a \$5 assessment on fines for misdemeanor offenses. This assessment allows municipalities to fund the salaries for a juvenile case manager. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Municipal Court Juvenile Case Manager Fund - 27 Budget Summary

Where Does the Money Come From:



	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Budget	2009-10 Estimate	2010-2011 Proposed
Fund Balance, October 1*	\$0	\$0	\$9,774	\$27,054	\$32,030	\$39,904
Revenues:						
Juvenile Case Manager Fee	-	9,713	22,209	16,000	18,000	17,000
Interest Earnings	-	61	47	400	200	100
Total Revenues	-	9,774	22,256	16,400	18,200	17,100
Total Available Resources	\$0	\$9,774	\$32,030	\$43,454	\$50,230	\$57,004
Expenditures:						
Total Expenditures	0	0	0	10,336	10,326	10,336
	\$0	\$0	\$0	\$10,336	\$10,326	\$10,336
Fund Balance, September 30	\$0	\$9,774	\$32,030	\$33,118	\$39,904	\$46,668

SPECIAL REVENUE FUNDS

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
27 - JUVENILE CASE MANAGER FUND									
REVENUES								0	N/A
	000-3222 JUVENILE CASE MANAGER FEE	0	9,713	22,209	16,000	18,000	17,000	1,000	6.3%
	000-3660 INTEREST EARNINGS	0	61	364	400	200	100	(300)	-75.0%
	*** TOTAL REVENUES ***	0	9,774	22,573	16,400	18,200	17,100	700	4.3%
EXPENDITURE SUMMARY									
	040-4002 CLERICAL	0	0	0	7,504	7,504	7,504	0	0.0%
	040-4030 LONGEVITY	0	0	0	72	72	72	0	0.0%
	040-4100 RETIREMENT	0	0	0	1,000	1,000	1,000	0	0.0%
	040-4102 MEDICAL INSURANCE	0	0	0	1,650	1,650	1,650	0	0.0%
	040-4103 MEDICARE	0	0	0	110	100	110	0	0.0%
	*** TOTAL EXPENDITURES ***	0	0	0	10,336	10,326	10,336	0	0.0%
	*** REVENUES OVER(UNDER) EXPENSES ***	0	9,774	22,573	6,064	7,874	6,764	700	11.5%

SPECIAL REVENUE FUNDS

TRAFFIC SAFETY SPECIAL REVENUE FUND - 28 Budget Summary

In 2010, the City Council approved the installation of Red Light Traffic Control Cameras in the City. The vendor selected was Automated Traffic Systems (ATS) from Phoenix, AZ.

The City will install four systems initially. Three of these systems are located on a major Texas State highway. The necessary permits have been requested; installation is waiting appropriate approvals.

Because we do not know when these systems will be operational, there has not been any revenue forecast for this fund for the budget year.

SPECIAL REVENUE FUNDS

PARK VISTA PUBLIC IMPROVEMENT DISTRICT - FUND 30

The Park Vista Public Improvement District was created by the City Council in 1998 as required by an interlocal agreement with the City of Fort Worth for annexed property on the west side of State Highway 377. The expectation was to close this fund during fiscal year 2005-2006, to either turn over control to a homeowner's association or dissolve the District. However, the majority of citizens in that area that replied to a survey desired to keep assessing this fee with City administration.

Public Improvement District Fund 30 - Park Vista Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1	\$3,313	\$1,241	\$389	(\$1,311)	(\$1,702)	(\$255)
<u>Revenues:</u>						
Assessment Revenue	15,315	15,559	15,457	0	47	0
Transfer from General Fund	0	0	0	1,400	1,400	260
Interest Earnings	365	156	89	0	0	0
Total Revenues	\$15,680	\$15,715	\$15,546	\$1,400	\$1,447	\$260
Total Available Resources	\$18,993	\$16,956	\$15,935	\$89	(\$255)	\$5
<u>Expenditures:</u>						
Total Expenditures	17,752	16,567	17,637	0	0	0
Total Expenditures	\$17,752	\$16,567	\$17,637	\$0	\$0	\$0
Net Change in Fund Balance	(2,072)	(852)	(2,091)	1,400	1,447	260
Fund Balance, September 30	\$1,241	\$389	(\$1,702)	\$89	(\$255)	\$5

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
30 - PUBLIC IMPROVEMENT DISTRICT FUND									
<u>REVENUES</u>									
	000-3008 PID ASSESSMENT REVENUE	15,315	15,559	15,457	0	0	0	0	N/A
	000-3660 INTEREST INCOME	365	156	89	0	0	0	0	N/A
	000-3919 TRANSFER FROM GENERAL FUND	0	0	0	1,400	1,400	0	(1,400)	-100.0%
	*** TOTAL REVENUES ***	15,680	15,715	15,546	1,400	1,400	0	(1,400)	-100.0%
<u>EXPENDITURE SUMMARY</u>									
	040-7402 Contractual Payments	15,252	14,214	17,411	0	0	0	0	N/A
	040-7404 SPECIAL SERVICES	2,500	2,353	226	0	0	0	0	N/A
	*** TOTAL EXPENDITURES ***	17,752	16,567	17,637	0	0	0	0	N/A
	*** REVENUES OVER(UNDER) EXPENSES ***	(2,072)	(851)	(2,091)	1,400	1,400	0	(1,400)	-100.0%

SPECIAL REVENUE FUNDS



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PROPRIETARY FUNDS

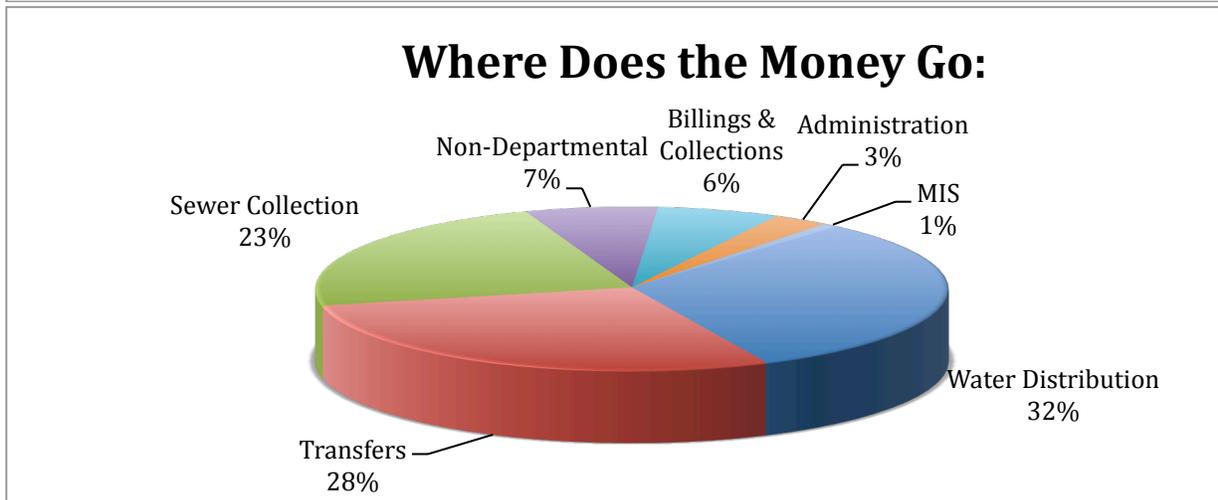
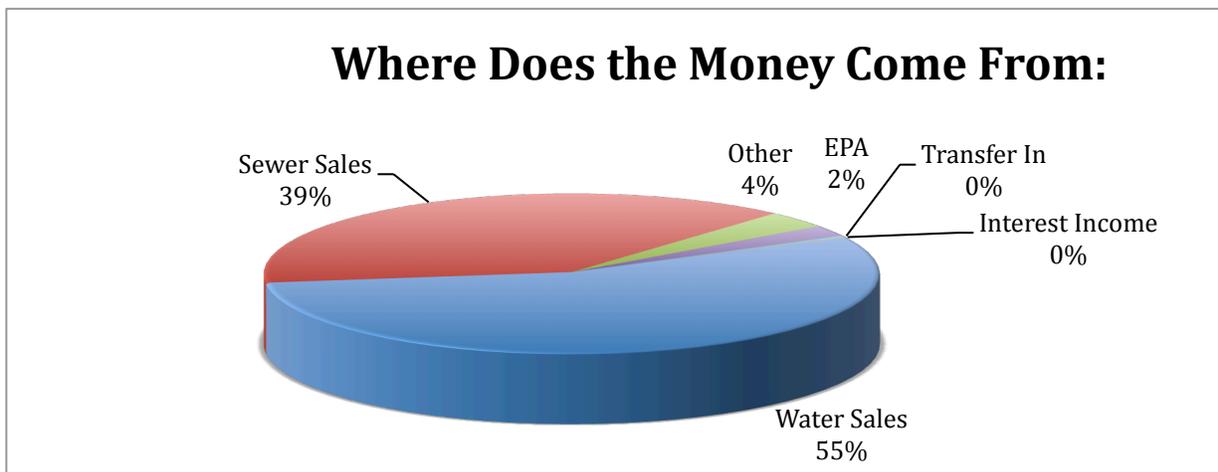
Water and Sewer Utility Enterprise Fund	Fund 40
Storm Drain Fund	Fund 15
Bunker Hill Drainage Fund	Fund 16
Internal Service Fund	Fund 22
Water Impact Fee Fund	Fund 47
Sewer Impact Fee Fund	Fund 48

PROPRIETARY FUNDS

Water and Sewer Utility Operating Fund

The Water and Sewer Utility Fund is one of two enterprise funds of the City. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City Council is that cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Watauga implemented Water and Sewer rates in 1996 as a result of the system purchase from North Richland Hills. Rates were not raised until October 2001 when a tiered rate system was put into effect. Rates were again changed in April 2002 to a flat rate structure due to the difficulty in regulating a tiered rate structure. Sewer rates were also increased during October 2001. A pass-through rate change was also made effective at that time based on actual charges incurred by wholesalers. Therefore, an adjustment is now made every year based on the prior year actual expenses paid to the wholesalers.

This fund is used to account for user fees charged to residential and commercial units located within the City of Watauga. All activities necessary to providing such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collections. Accounting records for the Water and Sewer Utility Fund are maintained on the accrual basis. No rate changes for the City's portion of the rates are expected in FY 2010-2011.



PROPRIETARY FUNDS

Water and Sewer Utility Operating Fund 40 Budget Summary

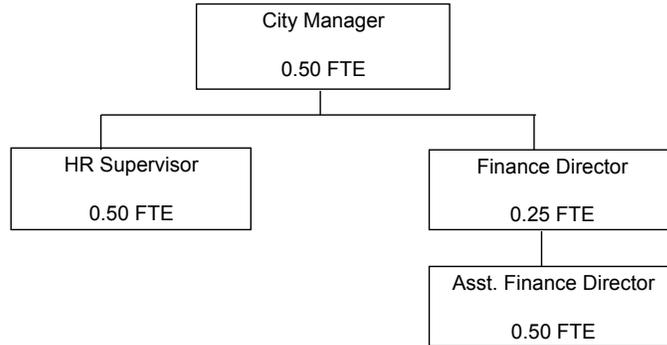
	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-2011 Proposed
Retained Earnings, October 1	\$3,895,761	\$3,632,060	\$3,371,679	\$3,266,662	\$3,428,170	\$2,984,313
<u>Revenue</u>						
Water Sales	3,420,615	3,866,537	3,718,845	3,816,000	3,700,000	3,700,000
Sewer Sales	2,561,745	2,520,118	2,551,494	2,683,000	2,600,000	2,600,000
Penalty Revenue	148,426	155,362	160,087	170,000	160,000	168,000
Other Revenue	-40	17,115	0	9,000	19,878	0
Water Taps	10,250	10,850	3,700	2,000	2,000	2,000
Sewer Taps	2,630	2,325	600	500	500	500
Service Charges	75,325	78,770	62,813	70,000	47,000	60,000
EPA Revenues	153,344	157,858	154,851	156,000	156,000	156,000
Water Inspection Fees	426	0	0	0	200	0
Sewer Inspection Fees	950	0	0	0	500	0
Transfer In	0	0	478,389	72,500	77,709	19,042
Interest Income	208,716	130,907	63,893	58,000	15,000	7,500
Total Revenue	6,582,387	6,939,842	7,194,672	7,037,000	6,778,787	6,713,042
Total Available Resources	10,478,148	10,571,902	10,566,351	10,303,662	10,206,957	9,697,355
<u>Expenditures:</u>						
Administration	169,741	190,319	200,105	206,451	200,451	218,495
Non-Departmental	454,691	468,979	488,131	473,030	429,670	537,609
Billing & Collections	342,067	394,714	400,003	437,585	414,489	472,192
Mg Information Systems	48,467	51,776	54,571	56,552	56,371	58,637
Water Distribution	1,944,622	2,106,689	2,400,496	2,312,064	2,305,497	2,359,301
Sewer Collection	1,584,643	1,824,858	1,568,856	1,688,417	1,677,508	1,713,839
Total Expenditures	4,544,231	5,037,335	5,112,162	5,174,099	5,083,986	5,360,073
Net Income	2,038,156	1,902,507	2,082,510	1,862,901	1,694,801	1,352,969
<u>Transfer Out:</u>						
General Fund	323,264	335,717	0	344,500	340,000	335,375
Joint Use Facilities Fund	57,912	61,176	81,477	75,000	75,000	75,000
Bunker Hill Fund	0	0	0	0	0	80
Cert. of Obligation Debt Service	1,148,331	1,112,057	1,158,556	1,160,634	1,160,634	1,115,502
Revenue Bond Debt Service	357,290	362,193	341,604	343,024	343,024	344,132
W/S Construction	415,060	291,745	444,382	220,000	220,000	572,000
Other Sources(Uses)	2,301,857	2,162,888	2,026,019	2,143,158	2,138,658	2,442,089
Retained Earnings September 30	\$3,632,060	\$3,371,679	\$3,428,170	\$2,986,405	\$2,984,313	\$1,895,193
Retained Earnings Required @ 20%						\$1,560,432

PROPRIETARY FUNDS

**Water and Sewer Fund 40-010
Administration**

Location
7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:
Monday - Friday 8:00 a.m.-5:00 p.m., with extended
hours for meetings



DESCRIPTION OF SERVICES PROVIDED:

Responsible for the planning, development, programming, and management of activities and services provided to the citizens of Watauga through the City Manager's Office, Personnel Director / Public Information Office, HR Coordinator's Office, and Finance Department.

FY 2010 ACCOMPLISHMENTS:

FY 2011 OBJECTIVES:

BUDGETARY ISSUES:

PROPRIETARY FUNDS

**Water and Sewer Fund 40-010
Administration**

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$169,741	\$190,319	\$200,105	\$206,451	\$200,451	\$218,495
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Contractual/Sundry	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$169,741	\$190,319	\$200,105	\$206,451	\$200,451	\$218,495
PERSONNEL ASSIGNED						
City Manager	0.50	0.50	0.50	0.50	0.50	0.50
Finance Director	0.25	0.25	0.25	0.25	0.25	0.25
Personnel Director	0.50	0.50	0.50	0.50	0.50	0.50
Assistant Finance Director	0.50	0.50	0.50	0.50	0.50	0.50
TOTAL	1.75	1.75	1.75	1.75	1.75	1.75

SIGNIFICANT BUDGET HIGHLIGHTS:

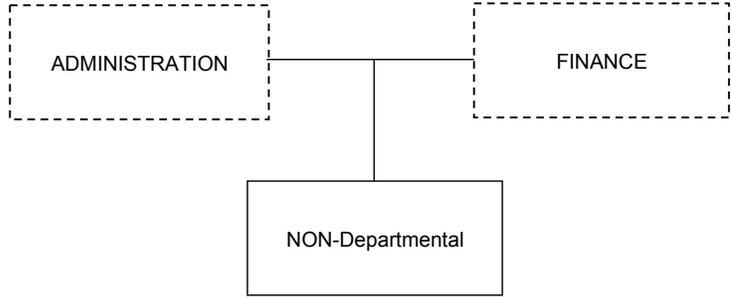
Personnel Services

PROPRIETARY FUNDS

Water and Sewer Fund 40-020
Non-Departmental

Location
7105 Whitley Road, Watauga, TX 76148
Phone Number (817) 514-5800

Hours of Operation:
Monday - Friday 8:00 a.m. - 5:00 p.m.
Extended hours for elections



DESCRIPTION OF SERVICES PROVIDED:

This budget provides for expenditures which are not applicable to any specific department, or which cannot be readily allocated to individual departments. The pre-payments on all of the city real and personal property and liability insurance policies are included in this budget. The administration department is responsible for Non-Departmental.

FY 2010 ACCOMPLISHMENTS:

FY 2011 OBJECTIVES:

BUDGETARY ISSUES:

PROPRIETARY FUNDS

Administration Department 40-020
Non-Departmental

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$0	\$0	\$0	\$29,520	\$14,760	\$81,834
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$261	\$400	\$300	\$400
Contractual/Sundry	\$451,991	\$460,934	\$487,870	\$443,110	\$414,610	\$455,375
Capital Outlay	\$2,700	\$8,045	\$0	\$0	\$0	\$0
Total Non-Departmental Expenditures	\$454,691	\$468,979	\$488,131	\$473,030	\$429,670	\$537,609
Transfers						
PERSONNEL ASSIGNED						
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET HIGHLIGHTS:

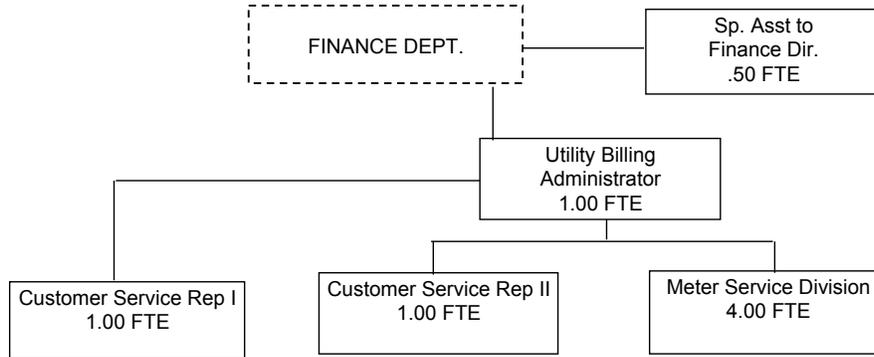
Personnel Service - Add \$50K for vacation buyback/retiring personnel	\$50,000
Increase contingency to \$40K	\$15,000

PROPRIETARY FUNDS

Water and Sewer Fund 40-045 Utility Billing and Collections

Location: 7105 Whitley Road
Watauga, TX 76148
Phone Number 817-514-5820

Hours of Operation: Monday - Friday 8am to 5:00pm



DESCRIPTION OF SERVICES PROVIDED:

The Utility Billing Office's goal is to provide the best customer service, operational efficiency and financial administration of utility billing, meter reading, account turn-ons and-offs, meter maintenance, and meter exchange program.

FY 2010 ACCOMPLISHMENTS:

The Utility Billing Office has maintained meter reading dates while training new people due to loss of two employees.

FY 2011 OBJECTIVES:

The Utility Billing Office's objective is to have all employees in the department crosstrained so that our department can maintain the workload when short staffed.

BUDGETARY ISSUES:

PROPRIETARY FUNDS

Water and Sewer Fund 40-045 Utility Billing and Collections

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2010 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$260,943	\$288,399	\$302,199	\$311,495	\$296,904	\$346,102
Supplies	\$53,543	\$76,797	\$71,654	\$76,590	\$81,100	\$86,590
Maintenance	\$1,916	\$2,991	\$2,358	\$5,400	\$2,900	\$5,400
Contractual/Sundry	\$25,664	\$26,528	\$23,793	\$44,100	\$33,585	\$34,100
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$342,067	\$394,714	\$400,003	\$437,585	\$414,489	\$472,192
PERSONNEL ASSIGNED						
Utility Billing Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Rep. II	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Rep. I	1.00	1.00	1.00	1.00	1.00	1.00
Special Asst. to FD						0.50
Water Service Rep	2.00	2.00	2.00	2.00	2.00	2.00
Meter Reader	2.00	2.00	2.00	2.00	2.00	2.00
TOTAL	7.00	7.00	7.00	7.00	7.00	7.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	\$34,607
- Increase in TMRS & Retirement	
- Add .5 Position for Special Asst. to Finance Director	
Postage Increase due to increased mailouts	\$10,000
Special Services - decrease to move funds to Postage	(\$10,000)

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW5 Same day service percentage	100%	100%	100%	100%	100%
COW5 Read accuracy percentage	98%	99%	99%	99%	99%
COW5 Revenues recorded within 24 hours	99%	100%	100%	100%	100%
COW5 Complaints resolved/addressed within 3 days	99%	99%	100%	100%	100%
COW 2 & 5 Percent of billings that go to bad debt	1%	1%	1%	1%	1%
COW5 Completed service orders (annually)	6,145	5,502	5,600	6,500	5,500
COW 2 & 5 Meters read per year	99,360	99,204	99,320	99,350	99,840

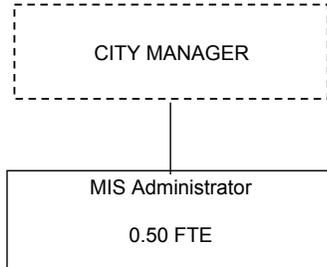
PROPRIETARY FUNDS

Water and Sewer Fund 40-050
Management Information Systems

Location: 7105 Whitley Road

Phone Number: 817-514-5800 x 4700

Hours of Operation: 7:00a - 5:00p M-F
Oncall service 24Hours x 7Days a Week x
365 days a year.



DESCRIPTION OF SERVICES PROVIDED:

Provides and supports all technical aspects of the City's data and voice networks. Designs and maintains the City's Web-Site. Maintains the City's Cable Channel. Provides all City staff daily technical support and training in the usage of PCs, telephones, and other MIS equipment. Supports City Council Laptop usage

FY 2010 ACCOMPLISHMENTS:

Server upgrades. Fire station start. Video security @ rec center. Cost control.

FY 2011 OBJECTIVES:

Reduce response times. Replace workstations. Update office software. License compliance. Hardware/software standardization.

BUDGETARY ISSUES:

PC workstation age exceeding 5 years. Hard to maintain. Software systems (os, office) out of date or out of support life cycle.

PROPRIETARY FUNDS

Water and Sewer Fund 40-050 Management Information Systems

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATED	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$43,238	\$47,156	\$49,036	\$50,452	\$50,271	\$52,537
Supplies	\$189	\$0	\$495	\$500	\$500	\$500
Maintenance	\$5,040	\$4,620	\$5,040	\$5,600	\$5,600	\$5,600
Contractual/Sundry	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$48,467	\$51,776	\$54,571	\$56,552	\$56,371	\$58,637
PERSONNEL ASSIGNED						
MIS Administrator	0.50	0.50	0.50	0.50	0.50	0.50
	0.50	0.50	0.50	0.50	0.50	0.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services \$ 2,085

PERFORMANCE MEASURES:

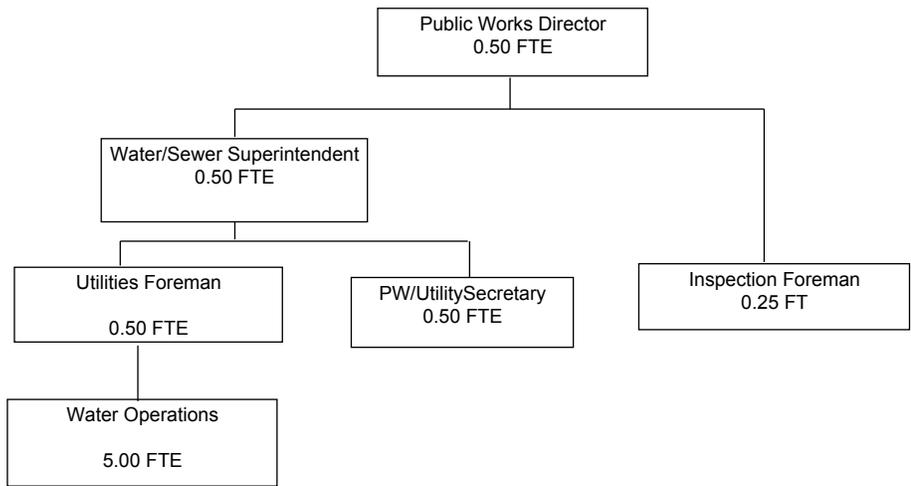
	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW 5 Survey Satisfaction rate	95%	95%	92%	90%	95%
COW8 Problem resolution/ Repair of systems:					
- % Completed within 1 business day	90%	92%	88%	90%	95%
- % Greater than 1 business day	10%	8%	12%	10%	5%
- % Service calls for priority services closed within 4 hours	99%	98%	97%	98%	98%
COW1 Public Safety Dispatch system up time 7 days/wk, 24 hrs/day	99%	98%	98%	99%	99%
COW8 Computer systems and networks up time 5 days/wk, 10 hrs/day	99%	99%	99%	99%	99%
COW8 Cost per hour of up time	\$5.53	\$5.92	\$6.26	\$6.26	\$6.26
COW8 Cost per work order hour for computers	\$23.30	\$24.95	\$26.37	\$26.37	\$26.37

PROPRIETARY FUNDS

Water and Sewer Fund 40-093
Water Distribution

Location - 7800 Virgil Anthony Sr. Blvd
Phone Number - 817/514-5806

Hours of Operation:
 Monday - Friday
 7:00 a.m.-4:00 p.m.



Water Department provides the highest quality and quantity of water to its citizens collecting monthly bacteriological water samples and flushing of mains. Water quality meets or exceeds requirements set forth by The Texas Commission on Environmental Quality (TCEQ). Repairs leaks on mains and service lines to prevent loss of water and revenues. Provides customer service to citizens.

FY 2010 ACCOMPLISHMENTS:

The Water Department collected 300 routine bacteriological water samples, maintained 85 miles of water mains through repair and replacement, flushed the dead end water mains to ensure a high quality of water on dead ends, and exercised the water main valves. Monitored disinfection levels daily as required by the Texas Commission on Environmental Quality. Provided customer service.

FY 2011 OBJECTIVES:

The City of Watauga Superior Water System is regulated by the Texas Commission of Environmental Quality (TCEQ). Compliance with the regulations will be through continued bacteriological water sampling, dead end and water main flushing and valve exercising. Water leaks will be repaired in a timely manner. The Water Department will continue to provide customer service.

BUDGETARY ISSUES:

The Water Department must maintain in compliance with the TCEQ regulations to ensure the citizens of Watauga receive the highest quality and quantity of water possible and to maintain our Superior Water System rating. This will be accomplished through continued water sampling and water main repair to prevent water and revenue loss.

PROPRIETARY FUNDS

Water and Sewer Fund 40-093

Water Distribution

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$292,049	\$305,707	\$338,679	\$367,038	\$360,471	\$375,275
Supplies	\$36,535	\$40,648	\$18,642	\$46,796	\$46,796	\$46,796
Maintenance	\$46,296	\$57,245	\$44,437	\$50,750	\$50,750	\$50,750
Contractual/Sundry	\$1,560,464	\$1,686,111	\$1,984,821	\$1,797,480	\$1,797,480	\$1,836,480
Capital Outlay	\$9,279	\$16,979	\$13,918	\$50,000	\$50,000	\$50,000
Total Expenditures	\$1,944,622	\$2,106,689	\$2,400,496	\$2,312,064	\$2,305,497	\$2,359,301

PERSONNEL ASSIGNED

PW Director	0.50	0.50	0.50	0.50	0.50	0.50
Utility Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25	0.25	0.25
PW Utilities Foreman	0.50	0.50	0.50	0.50	0.50	0.50
Maintenance Worker I	3.00	3.00	3.00	3.00	3.00	3.00
Equipment Operator (2)	1.00	1.00	1.00	1.00	1.00	1.00
Maint. Worker II	1.00	1.00	1.00	1.00	1.00	1.00
PW/Utility Secretary	0.50	0.50	0.50	0.50	0.50	0.50

TOTAL **7.25** **7.25** **7.25** **7.25** **7.25** **7.25**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services

Fuel and Vehicle Supplies

Street Maintenance

Water Quality Testing and Reporting

Electricity

Water Purchases

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW8 Percent of water unaccounted for (water loss rate)	14%	12%	12%	12%	12%
COW2 Percent of dead-end lines flushed monthly	100%	100%	100%	100%	100%
COW1/2 Percent of fire hydrants, inspected, lubricated, and tested	90%	90%	90%	90%	90%
COW1/5 Percent of emergency shut-off/on calls responded within 30 minutes	100%	100%	100%	100%	100%
COW5 Percent of non-emergency calls responded within 1 hour	100%	100%	100%	100%	100%
COW5 Percent of surveys completely satisfied w/ above mentioned services	100%	100%	100%	100%	100%
COW2 Miles of water lines maintained	85	85	88	88	85

PROPRIETARY FUNDS

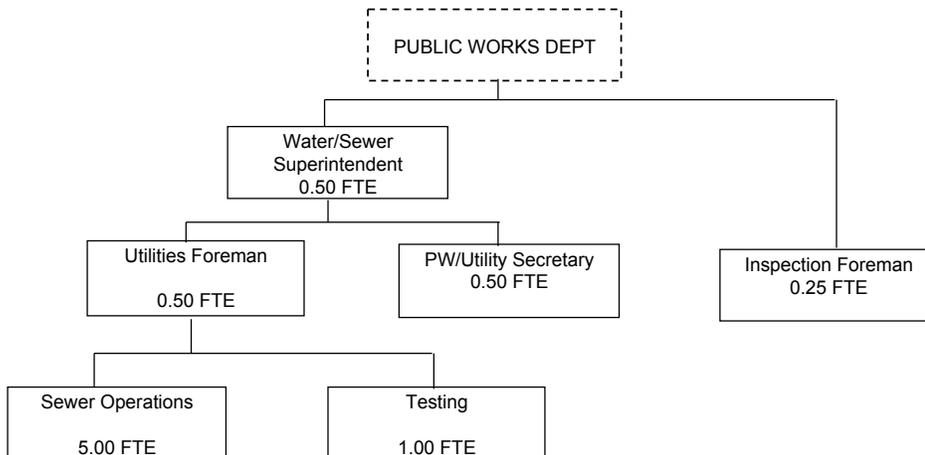
Sewer Collection - Fund 40-094

Location 7800 Virgil Anthony Sr. Blvd

Phone Number - 817/514-5806

Hours of Operation:

Monday - Friday
7:00 a.m.-4:00 p.m.



DESCRIPTION OF SERVICES PROVIDED:

The Sewer Department maintains 88 miles of sewer mains. Complies with the Texas Commission on Environmental Quality regulation in monitoring and reporting overflows. Replaces and repairs sewer mains and service lines. Performs video inspections and smoke testing to locate deficiencies for repair or replacement. Inspection of sewer mains installed by contractors. Inspects grease and grit traps to ensure customers are in compliance with city ordinances. Provides customer service to citizens.

FY 2010 ACCOMPLISHMENTS:

The Sewer Department performed preventative flushing of sewer mains to prevent blockages and unauthorized sewage bypass. Video inspected 3,800 feet of sewer mains to locate problem areas and repair or replace. Repaired and replaced numerous customer service lines in streets or right-of-ways. Inspected manholes monthly to locate inflow/infiltration and repair where necessary. Inspected grease and grit traps to ensure grease generators are cleaning their traps and remain in compliance with City Ordinance #1060 to prevent Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS). Video inspected and repaired sewer mains for street overlay project. Provided customer service.

FY 2011 OBJECTIVES:

The Sewer Department will continue video inspections, manhole inspections, for inflow/infiltration and preventative maintenance flushing of sewer mains to locate problem areas and repair as necessary. Areas with major problems will be listed for inclusion in the capital improvements plan. Grease and grit traps will be inspected monthly to ensure compliance with City ordinances. The Sewer Department will continue replacing old deteriorated sewer mains. Provide customer service.

BUDGETARY ISSUES:

The sewer department must remain in compliance with The Texas Commission on Environmental Quality (TECQ) regulations. Sewer main cleaning to prevent blockages and unauthorized sewage bypass. Video inspection to locate problem areas needing repair or replacement. Manhole inspection to prevent inflow infiltration. Grease and grit trap inspections to ensure customers remain in compliance with City Ordinance #1060. Provide customer service.

PROPRIETARY FUNDS

Public Works Department 40-094
Sewer Collection

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$296,125	\$328,948	\$325,618	\$364,787	\$353,878	\$365,209
Supplies	\$29,307	\$39,558	\$34,223	\$38,850	\$38,850	\$38,850
Maintenance	\$8,797	\$5,910	\$6,301	\$6,000	\$6,000	\$6,000
Contractual/Sundry	\$1,250,415	\$1,450,442	\$1,202,713	\$1,278,780	\$1,278,780	\$1,303,780
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$1,584,643	\$1,824,858	\$1,568,856	\$1,688,417	\$1,677,508	\$1,713,839
PERSONNEL ASSIGNED						
Utility Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25	0.25	0.25
PW Utilities Foreman	0.50	0.50	0.50	0.50	0.50	0.50
Maintenance Worker I	2.00	2.00	2.00	2.00	2.00	2.00
Equipment Operator (2)	1.00	1.00	1.00	1.00	1.00	1.00
Jet Vac Operator	1.00	1.00	1.00	1.00	1.00	1.00
Maint. Worker II	1.00	1.00	1.00	1.00	1.00	1.00
PW/Utility Secretary	0.50	0.50	0.50	0.50	0.50	0.50
Wastewater Technician	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	7.75	7.75	7.75	7.75	7.75	7.75

SIGNIFICANT BUDGET CHANGES:

- Personnel Services
- Fuel and Vehicle Parts
- Sewer Costs

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW2 Maintain an accurate inventory of all manholes	1,339	1,359	1,382	1,382	1,386
COW1 Percent of backup calls responded to within 30 minutes	100%	100%	100%	100%	100%
COW8 Average BOD strength	210	175	187	187	188
COW8 Average TSS strength	220	178	195	195	199
COW5 Percent of surveys completely satisfied with sewer-related services	100%	100%	100%	100%	100%
COW2 Miles of sewer lines maintained	88	88	88	88	88
COW2 Amount of sewer line (linear feet) fully	10,000	2,500	3,500	3,500	3,800

PROPRIETARY FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
40 - WATER/SEWER FUND									
REVENUES									
000-3660	INTEREST EARNINGS	208,716	130,907	63,893	58,000	15,000	7,500	(50,500)	-87.1%
000-3670	OTHER REVENUE	0	0	0	0	19,888	0	0	N/A
000-3671	OVER/SHORT	0	0	0	0	(10)	0	0	N/A
000-3800	WATER SALES	3,420,615	3,866,537	3,718,845	3,816,000	3,700,000	3,700,000	(116,000)	-3.0%
000-3801	PENALTY REVENUE	148,426	155,362	160,087	170,000	160,000	160,000	(10,000)	-5.9%
000-3820	SEWER SALES	2,561,745	2,520,118	2,551,494	2,683,000	2,600,000	2,600,000	(83,000)	-3.1%
000-3830	WATER TAPS	10,250	10,850	3,700	2,000	2,000	2,000	0	0.0%
000-3835	SEWER TAPS	2,630	2,325	600	500	500	500	0	0.0%
000-3837	SEWER IMPACT FEES	(10)	0	0	0	0	0	0	N/A
000-3845	EPA REVENUE	153,344	157,858	154,851	156,000	156,000	156,000	0	0.0%
000-3870	WATER INSPECTION FEES	426	0	150	0	200	0	0	N/A
000-3875	SEWER INSPECTION FEES	960	0	0	0	500	0	0	N/A
000-3890	SERVICE CHARGES	75,325	78,770	53,920	70,000	40,000	60,000	(10,000)	-14.3%
000-3892	METER TESTING CHARGES	(40)	(85)	(131)	0	0	0	0	N/A
000-3893	RETURNED CHECK FEES	0	2,800	3,925	4,000	3,000	3,000	(1,000)	-25.0%
000-3895	DAMAGED / TAMPERING FEES	0	14,400	4,950	5,000	4,000	5,000	0	0.0%
000-3911	TRANS FROM REV BOND RESERVE	0	0	406,886	14,000	14,000	0	(14,000)	-100.0%
000-3912	TRANSFER FROM W/S CONSTRUCTION	0	0	0	0	0	19,042	19,042	N/A
000-3918	TRANSFER FROM JUF	0	0	71,503	55,000	60,209	0	(55,000)	-100.0%
000-3919	TRANS FROM WATER IMPACT FEE	0	0	0	3,500	3,500	0	(3,500)	-100.0%
*** TOTAL REVENUES ***		6,582,387	6,939,842	7,194,672	7,037,000	6,778,787	6,713,042	(323,958)	-4.6%
PERSONNEL SERVICES - ADMINISTRATIVE									
010-4001	SUPERVISION	138,383	154,873	156,113	155,362	155,362	160,016	4,654	3.0%
010-4010	OVERTIME	214	0	0	0	0	0	0	N/A
010-4030	LONGEVITY	996	1,017	864	1,116	1,116	1,368	252	22.6%
010-4035	CAR ALLOWANCE	4,808	5,048	4,952	5,000	5,000	5,000	0	0.0%
010-4100	RETIREMENT	15,095	16,652	19,833	26,000	20,000	29,543	3,543	13.6%
010-4101	SUPPLEMENTAL COMPENSATION	0	2,215	4,807	4,600	4,600	4,721	121	2.6%
010-4102	HOSPITAL & GROUP LIFE	8,246	8,177	11,095	12,032	12,032	15,434	3,402	28.3%
010-4103	MEDICARE TAX	2,000	2,336	2,442	2,341	2,341	2,413	72	3.1%
TOTAL PERSONNEL SERVICES		169,741	190,319	200,105	206,451	200,451	218,495	12,044	5.8%
NON-DEPARTMENTAL									
020-4105	VACATION/COMP TIME/RET/LONG	0	0	0	0	0	50,000	50,000	N/A
020-4107	SALARY ADJUSTMENTS	0	0	0	29,520	14,760	31,834	2,314	7.8%
020-6302	OFFICE EQUIPMENT	0	0	261	400	300	400	0	0.0%
020-7402	RENTAL OF EQUIPMENT	2,293	3,734	6,107	5,000	5,000	5,000	0	0.0%
020-7404	SPECIAL SERVICES	438	0	4,000	500	500	500	0	0.0%
020-7416	BANK CHARGES	33,076	36,159	34,747	34,000	32,000	34,000	0	0.0%
020-7419	PRINTING & BINDING	2,592	0	0	0	0	0	0	N/A
020-7444	PYMT TO INTERNAL SERVICE FUND	7,854	8,000	17,500	17,500	17,500	17,500	0	0.0%
020-7456	WORKERS' COMPENSATION	18,892	18,706	19,888	16,610	16,610	23,000	6,390	38.5%
020-7496	CONTINGENCY	36,996	32,796	40,665	25,000	5,000	40,000	15,000	60.0%
020-7502	BAD DEBT EXPENSE	26,585	25,823	27,735	0	0	0	0	N/A
020-7515	PAYMENT IN LIEU OF TAXES	323,264	335,717	337,228	344,500	338,000	335,375	(9,125)	-2.6%
TOTAL NON-DEPARTMENTAL		451,991	460,934	488,131	473,030	429,670	537,609	64,579	13.7%
40 - WATER/SEWER FUND BILLING & COLLECTIONS									
PERSONNEL SERVICES									
045-4001	SUPERVISION	46,271	51,958	57,854	59,928	56,840	59,928	0	N/A
045-4002	CLERICAL	64,491	65,073	69,700	67,913	71,000	88,723	20,810	30.6%
045-4003	OPERATIONS	85,223	98,357	99,142	101,555	101,000	101,796	241	0.2%
045-4010	OVERTIME	7,644	9,705	3,440	2,000	2,000	2,000	0	0.0%
045-4030	LONGEVITY	4,356	3,324	4,824	4,752	4,464	6,048	1,296	27.3%
045-4100	RETIREMENT	21,459	24,965	29,284	31,124	30,000	36,189	5,065	16.3%
045-4102	HOSPITAL & GROUP LIFE INS	28,655	31,770	34,591	40,799	28,000	47,670	6,871	16.8%
045-4103	MEDICARE TAX	2,844	3,247	3,365	3,424	3,600	3,748	324	9.5%
TOTAL PERSONNEL SERVICES		260,943	288,399	302,199	311,495	296,904	346,102	34,607	11.1%
SUPPLIES									
045-5201	OFFICE SUPPLIES	1,097	1,009	949	2,500	1,800	2,500	0	0.0%

PROPRIETARY FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
SUPPLIES									
045-5202	POSTAGE	36,821	47,355	59,241	50,000	60,000	60,000	10,000	20.0%
045-5203	PUBLICATIONS	108	307	50	590	300	590	0	0.0%
045-5204	WEARING APPAREL	95	1,068	1,139	3,500	1,500	3,500	0	0.0%
045-5205	VEHICLE PARTS/SUPPLIES	987	5,409	250	2,000	2,000	2,000	0	0.0%
045-5206	VEHICLE GAS FUEL/LUB	9,826	13,918	8,886	13,000	13,000	13,000	0	0.0%
045-5207	MINOR TOOLS/APP	4,610	7,731	1,140	5,000	2,500	5,000	0	0.0%
TOTAL SUPPLIES		53,543	76,797	71,654	76,590	81,100	86,590	10,000	13.1%
MAINTENANCE									
045-6302	OFFICE EQUIPMENT MAINTENANCE	0	0	0	200	100	200	0	0.0%
045-6304	VEHICLE	4	3	0	1,000	200	1,000	0	0.0%
045-6305	RADIOS	0	851	8	1,000	100	1,000	0	0.0%
045-6310	METER READING SYSTEM	1,913	2,137	2,350	3,200	2,500	3,200	0	0.0%
TOTAL MAINTENANCE		1,916	2,991	2,358	5,400	2,900	5,400	0	0.0%
CONTRACTUAL/SUNDRY									
045-7401	COMMUNICATIONS	487	419	287	300	260	300	0	0.0%
045-7404	SPECIAL SERVICES	22,962	23,047	22,251	40,000	30,000	30,000	(10,000)	-25.0%
045-7406	TRAVEL EXPENSES	330	414	289	1,100	1,000	1,100	0	0.0%
045-7407	DUES AND SUBSCRIPTIONS	944	610	721	750	525	750	0	0.0%
045-7410	TRAINING	870	1,612	245	1,700	1,700	1,700	0	0.0%
045-7419	PRINTING & BINDING	70	426	0	250	100	250	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		25,664	26,528	23,793	44,100	33,585	34,100	(10,000)	-22.7%
TOTAL BILLING & COLLECTIONS		342,067	394,714	400,003	437,585	414,489	472,192	34,607	7.9%
MANAGEMENT INFO SYSTEMS									
050-4001	SUPERVISION	36,933	38,766	39,564	40,579	40,579	41,788	1,209	3.0%
050-4003	OPERATIONS	(1,360)	0	0	0	0	0	0	N/A
050-4030	LONGEVITY	576	648	720	792	792	864	72	9.1%
050-4100	RETIREMENT	2,624	4,279	5,021	5,453	5,400	5,971	518	9.5%
050-4102	HOSPITAL/GROUP INSURANCE	2,963	2,898	3,142	3,028	3,000	3,296	268	8.9%
050-4103	MEDICARE	503	565	589	600	500	618	18	3.0%
050-5220	COMPUTER SUPPLIES	189	0	495	500	500	500	0	0.0%
050-6351	SOFTWARE MAINTENANCE	5,040	4,620	5,040	5,600	5,600	5,600	0	0.0%
TOTAL MANAGEMENT INFO SYSTEMS		48,467	51,776	54,571	56,552	56,371	58,637	2,085	3.7%
40- WATER/SEWER FUND									
WATER DISTRIBUTION									
PERSONNEL SERVICES									
093-4001	SUPERVISION	95,953	111,899	107,012	108,435	108,435	104,116	(4,319)	-4.0%
093-4002	CLERICAL	12,290	14,799	15,581	15,297	15,297	16,224	927	6.1%
093-4003	OPERATIONS	92,966	97,391	123,922	122,909	130,000	127,902	4,993	4.1%
093-4010	OVERTIME	21,938	10,472	14,519	32,250	20,000	32,250	0	0.0%
093-4030	LONGEVITY	4,446	4,290	3,996	5,112	6,000	5,292	180	3.5%
093-4100	RETIREMENT	23,641	26,007	33,561	36,701	36,701	39,310	2,609	7.1%
093-4102	HOSPITAL/GROUP LIFE INS	37,670	37,496	36,156	42,296	40,000	46,110	3,814	9.0%
093-4103	MEDICARE TAX	3,145	3,352	3,931	4,038	4,038	4,071	33	0.8%
TOTAL PERSONNEL SERVICES		292,049	305,707	338,679	367,038	360,471	375,275	8,237	2.2%
SUPPLIES									
093-5201	OFFICE SUPPLIES	1,066	1,473	856	1,000	1,000	1,000	0	0.0%
093-5203	PUBLICATIONS	0	0	0	250	250	250	0	0.0%
093-5204	WEARING APPAREL	3,357	2,642	2,305	3,600	3,600	3,600	0	0.0%
093-5205	VEHICLE PARTS & SUPPLIES	4,569	5,367	8,377	9,500	9,500	9,500	0	0.0%
093-5206	VEHICLE FUEL & LUBRICANTS	18,505	22,860	1,388	22,500	22,500	22,500	0	0.0%
093-5207	MINOR TOOLS & APPARTUS	2,710	2,950	2,722	3,000	3,000	3,000	0	0.0%
093-5209	CHEMICAL SUPPLIES	478	158	175	500	500	500	0	0.0%
093-5221	EQUIPMENT PARTS & SUPPLIES	5,849	5,197	2,819	6,446	6,446	6,446	0	0.0%
TOTAL SUPPLIES		36,535	40,648	18,642	46,796	46,796	46,796	0	0.0%
MAINTENANCE									
093-6304	VEHICLE MAINTENANCE	3,931	13,135	3,401	2,500	2,500	2,500	0	0.0%
093-6305	RADIO MAINTENANCE	333	209	169	250	250	250	0	0.0%
093-6307	MINOR TOOLS & APPARTUS MAINT	1,190	1,477	1,422	1,000	1,000	1,000	0	0.0%
093-6321	STREET MAINTENANCE	35,463	36,638	33,451	35,000	35,000	35,000	0	0.0%

PROPRIETARY FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
093-6323 SIGN MAINTENANCE									
093-6341	BARRICADE MAINTENANCE	1,675	1,851	1,361	1,500	1,500	1,500	0	0.0%
093-6350	JUF MAINTENANCE	0	0	0	5,000	5,000	5,000	0	0.0%
093-6361	VALVES & HYDRANTS	3,704	3,722	4,633	5,000	5,000	5,000	0	0.0%
TOTAL MAINTENANCE		46,296	57,245	44,437	50,750	50,750	50,750	0	0.0%
CONTRACTUAL/SUNDRY									
093-7401	COMMUNICATIONS	1,266	1,072	959	2,000	2,000	2,000	0	0.0%
093-7402	RENTAL OF EQUIPMENT	917	905	1,069	1,000	1,000	1,000	0	0.0%
093-7404	SPECIAL SERVICES	0	0	0	1,000	1,000	1,000	0	0.0%
093-7406	TRAVEL EXPENSE	437	160	523	1,000	1,000	1,000	0	0.0%
093-7407	DUES & SUBSCRIPTIONS	395	580	370	700	700	700	0	0.0%
093-7410	TRAINING	1,547	973	255	2,000	2,000	2,000	0	0.0%
093-7411	ELECTRICITY	73,188	106,476	80,835	73,000	73,000	73,000	0	0.0%
093-7419	PRINTING AND BINDING	16	6,102	5,602	6,250	6,250	6,250	0	0.0%
093-7428	TESTING FEES	6,894	5,074	7,555	10,000	10,000	10,000	0	0.0%
093-7441	DOT DRUG TESTING / PHYSICALS	0	65	45	530	530	530	0	0.0%
093-7505	WATER PURCHASES	1,475,804	1,564,704	1,887,608	1,700,000	1,700,000	1,739,000	39,000	2.3%
TOTAL CONTRACTUAL/SUNDRY		1,560,464	1,686,111	1,984,821	1,797,480	1,797,480	1,836,480	39,000	2.2%
CAPITAL OUTLAY									
093-8503	BUILDING IMPROVEMENTS	0	0	0	25,000	25,000	25,000	0	0.0%
093-8517	OTHER EQUIPMENT	0	0	5,423	0	0	0	0	N/A
093-8605	WATER METERS	9,279	16,979	8,495	25,000	25,000	25,000	0	0.0%
TOTAL CAPITAL OUTLAY		9,279	16,979	13,918	50,000	50,000	50,000	0	0.0%
TOTAL WATER DISTRIBUTION		1,944,622	2,106,689	2,400,496	2,312,064	2,305,497	2,359,301	47,237	2.0%
40 - WATER/SEWER FUND									
SEWER COLLECTIONS									
PERSONNEL SERVICES									
094-4001	SUPERVISION	54,061	65,806	58,620	60,511	60,511	56,000	(4,511)	-7.5%
094-4002	CLERICAL	12,291	14,799	15,217	15,297	15,297	16,224	927	6.1%
094-4003	OPERATIONS	127,867	144,457	137,677	166,710	160,000	164,835	(1,875)	-1.1%
094-4010	OVERTIME	30,054	32,068	37,207	32,250	30,000	32,250	0	0.0%
094-4030	LONGEVITY	3,642	4,146	3,132	4,176	5,340	4,428	252	6.0%
094-4100	RETIREMENT (TMRS)	23,583	28,817	31,265	36,693	36,693	38,280	1,587	4.3%
094-4102	HOSPITAL/GROUP LIFE	41,519	35,073	38,850	45,113	42,000	49,155	4,042	9.0%
094-4103	MEDICARE	3,109	3,782	3,650	4,037	4,037	4,037	0	0.0%
TOTAL PERSONNEL SERVICES		296,125	328,948	325,618	364,787	353,878	365,209	422	0.1%
SUPPLIES									
094-5201	OFFICE SUPPLIES	106	64	38	200	200	200	0	0.0%
094-5204	WEARING APPAREL	5,075	2,557	2,982	5,200	5,200	5,200	0	0.0%
094-5205	VEHICLE PARTS/SUPP	2,996	3,131	2,689	3,000	3,000	3,000	0	0.0%
094-5206	VEHICLE GAS FUEL/LUB	13,547	27,134	24,070	23,000	23,000	23,000	0	0.0%
094-5207	MINOR TOOLS/APP	1,793	2,387	2,474	1,000	1,000	1,000	0	0.0%
094-5209	CHEMICAL SUPPLIES	1,299	1,060	701	1,500	1,500	1,500	0	0.0%
094-5221	EQUIPMENT PARTS & SUPPLIES	4,492	3,225	1,270	4,950	4,950	4,950	0	0.0%
TOTAL SUPPLIES		29,307	39,558	34,223	38,850	38,850	38,850	0	0.0%
MAINTENANCE									
094-6302	EQUIPMENT MAINT	333	550	1,442	1,500	1,500	1,500	0	0.0%
094-6304	VEHICLE	6,484	2,748	2,463	1,500	1,500	1,500	0	0.0%
094-6305	RADIOS	411	389	115	500	500	500	0	0.0%
094-6307	MINOR TOOLS/APP	534	978	921	1,000	1,000	1,000	0	0.0%
094-6341	BARRICADE	1,035	1,245	1,361	1,500	1,500	1,500	0	0.0%
TOTAL MAINTENANCE		8,797	5,910	6,301	6,000	6,000	6,000	0	0.0%
CONTRACTUAL/SUNDRY									
094-7401	COMMUNICATIONS	500	539	301	1,000	1,000	1,000	0	0.0%
094-7402	RENTAL OF EQUIPMENT	939	753	1,500	1,000	1,000	1,000	0	0.0%
094-7407	DUES/SUBSCRIPTIONS	0	10	0	0	0	0	0	N/A
094-7410	TRAINING	1,072	1,428	529	1,750	1,750	1,750	0	0.0%
094-7426	SEWAGE DISPOSAL FEES	1,405	1,300	1,500	2,000	2,000	2,000	0	0.0%
094-7428	LABORATORY TESTING	1,650	1,725	1,650	2,500	2,500	2,500	0	0.0%

PROPRIETARY FUNDS

		LINE ITEM BUDGET DETAILS								
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE		
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent	
094-7441	DOT DRUG TESTING/PHYSICALS	0	130	45	530	530	530	0	0.0%	
094-7506	SEWER COSTS	1,244,848	1,444,556	1,197,187	1,270,000	1,270,000	1,295,000	25,000	2.0%	
	TOTAL CONTRACTUAL/SUNDRY	1,250,415	1,450,442	1,202,713	1,278,780	1,278,780	1,303,780	25,000	2.0%	
	TOTAL SEWER COLLECTIONS	1,584,643	1,824,858	1,568,856	1,688,417	1,677,508	1,713,839	25,422	1.5%	
	TRANSFERS									
999-7701	TRANSFER TO GENERAL FUND	323,264	335,717	0	344,500	340,000	335,375	(9,125)	-2.6%	
999-7707	TRANSFER TO CAPITAL PROJECTS	0	0	0	0	0	80	80	N/A	
999-7713	TRANSFER TO W/S REV BD I&S '96	357,290	362,193	341,604	343,024	343,024	344,132	1,108	0.3%	
999-7714	TRANSFER TO W/S C.O. I&S '96	1,148,331	1,112,057	1,158,556	1,160,634	1,160,634	1,115,502	(45,132)	-3.9%	
999-7717	TRANSFER TO W/S CONSTRUCTION	415,060	291,745	444,382	220,000	220,000	572,000	352,000	160.0%	
999-7720	TRANSFER TO JSF REPLACEMENT FD	57,912	61,176	81,477	75,000	75,000	75,000	0	0.0%	
	TOTAL TRANSFERS	2,301,857	2,162,887	2,026,019	2,143,158	2,138,658	2,442,089	298,931	13.9%	
***	TOTAL EXPENDITURES ***	6,843,389	7,192,178	7,138,181	7,317,257	7,222,644	7,802,162	484,905	6.6%	
***	REVENUES OVER(UNDER) EXPENSES ***	(261,002)	(252,335)	56,491	(280,257)	(443,857)	(1,089,120)	(808,863)	288.6%	

PROPRIETARY FUNDS

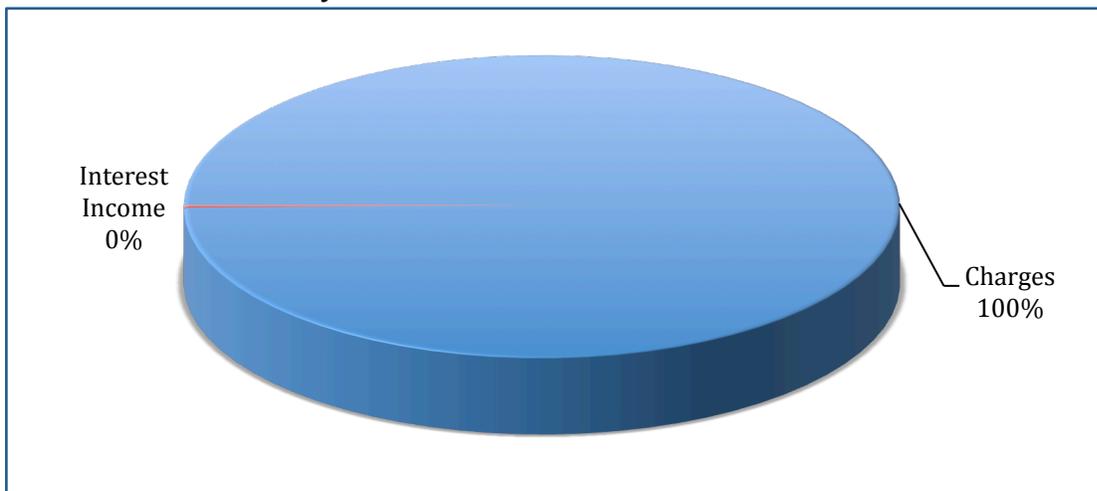
Storm Drain Utility Enterprise Fund 15

The Storm Drain Utility Enterprise Fund is a proprietary fund. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City Council is that cost of providing services to the general public on a continuing basis be financed or recovered primarily through use charges.

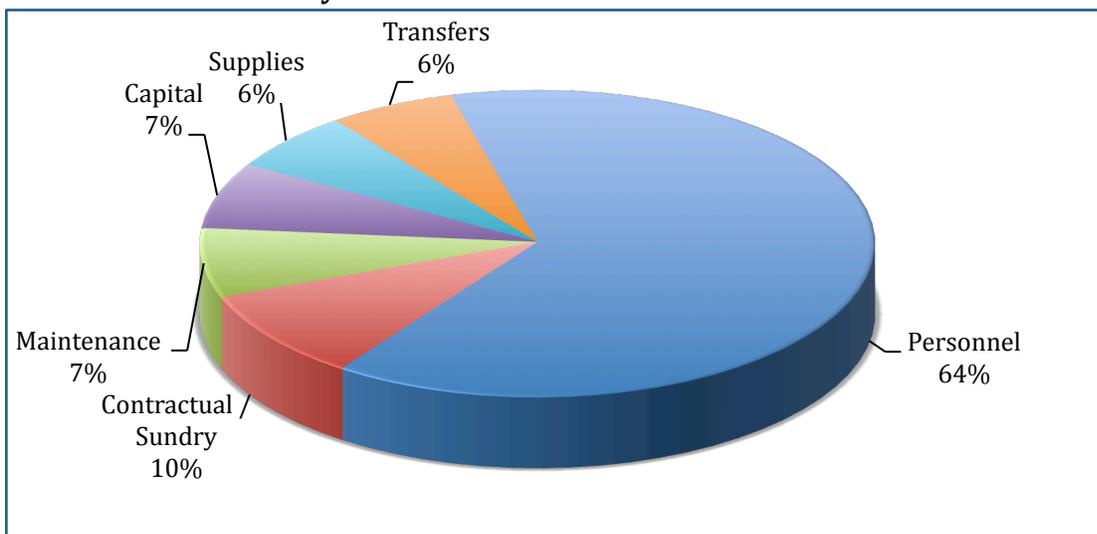
This fund is used to account for user fees charged per residential and commercial unit to enhance drainage of properties within the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations and maintenance.

Accounting records for the Storm Drain Utility Fund are maintained on the accrual basis.

Where Does the Money Come From?



Where Does the Money Go?



PROPRIETARY FUNDS

Storm Drain Utility Enterprise Fund 15

Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Working Capital, October 1	\$ 487,546	\$ 609,643	\$ 767,328	\$ 499,291	\$ 905,458	\$ 978,738
<u>Revenue:</u>						
Operating Revenues	693,611	695,773	698,711	694,000	694,000	694,000
Interest Income	27,968	22,778	15,188	15,088	3,500	2,000
Transfers In	0	0	0	0	0	0
Other Revenues	0	300	0	0	0	0
Total Revenue	\$721,579	\$718,851	\$713,899	\$709,088	\$697,500	\$696,000
Total Available Resources	\$1,209,125	\$1,328,494	\$1,481,227	\$1,208,379	\$1,602,958	\$1,674,738
<u>Expenditures:</u>						
Personnel	365,954	382,517	379,443	410,023	392,743	455,578
Supplies	30,725	47,277	34,952	44,425	44,425	44,425
Maintenance	22,928	50,949	52,610	52,025	52,025	52,025
Contractual/Sundry	159,081	42,077	66,329	66,920	54,760	66,920
Capital Outlay	0	0	12,889	81,567	36,567	50,000
Depreciation	345,300	346,100	345,855	43,700	43,700	43,700
Transfers Out	34,635	43,670	43,662	43,700	43,700	43,700
Total Expenditures	\$958,623	\$912,590	\$935,740	\$698,660	\$624,220	\$712,648
Net Change in Working Capital	(237,044)	(193,739)	(221,841)	10,428	73,280	(16,648)
Working Capital, September 30	\$ 250,502	\$ 415,904	\$ 545,487	\$ 509,719	\$ 978,738	\$ 962,090
20% Working Capital Target						\$132,530

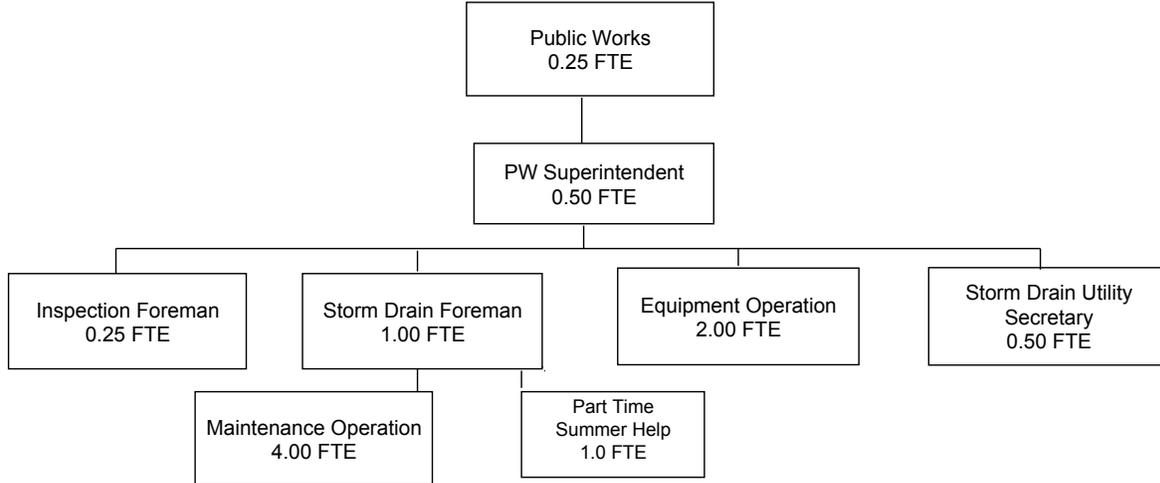
* Working Capital adjusted to CAFR first of year.

PROPRIETARY FUNDS

Fund 15
Storm Drain Utility

Location
7800 Virgil Anthony Sr. Blvd..
Phone Number (817) 514-5806

Hours of Operation:
 Office Hours Monday through Friday 8:00 a.m. to 5:00 p.m.



DESCRIPTION OF SERVICES PROVIDED:

Provide maintenance for concrete and earthen channels, along with the maintenance of ditches on the city owned right-of-ways. We will clean and maintain our curb and gutters, storm drain inlets, junction boxes, and underground system piping.

FY 2010 ACCOMPLISHMENTS:

All city channels were maintained by mowing and weed-eating. All channel earth work was performed to maintain the flow lines and grades within Watauga to prevent flooding. The drainage crew repaired a 350 foot erosion problem (due to the winter rains), in the A-4 channel wall with rock-rubble rip-rap and concrete grout. The drainage crew inspected all the concrete waterways and sealed the cracks to help prevent the deterioration of walls and bottoms. We inspected all new construction sites that are under the Storm Water Phase II Plan for compliance. The drainage crew regulated the repair and new construction of 4,576 linear feet of sidewalk.

FY 2011 OBJECTIVES:

To maintain all channels, storm drains, and ditches. This will protect our city from liability due to damage from flooding. We will continue to maintain our city's sidewalks and the mowing and cleaning of our right-of-ways and city streets.

BUDGETARY ISSUES:

The City of Watauga must maintain our channels, storm drains, and ditches by mowing, weed eating, and erosion control. This will ensure that our citizens are protected from flooding, and our city from possible liability.

PROPRIETARY FUNDS

Fund 15 Storm Drain Utility

BUDGET SUMMARY:

	FY2007 ACTUAL	FY2008 ACTUAL	FY2009 ACTUAL	FY2010 BUDGET	FY2010 ESTIMATE	FY2011 BUDGET
EXPENDITURE SUMMARY						
Personnel Services	\$360,887	\$382,517	\$379,443	\$410,023	\$392,743	\$455,578
Supplies	\$35,792	\$47,277	\$34,952	\$44,425	\$44,425	\$44,425
Maintenance	\$22,928	\$50,949	\$71,264	\$52,025	\$52,025	\$52,025
Contractual/Sundry	\$32,008	\$10,381	\$66,329	\$66,920	\$54,760	\$66,920
Capital Outlay	\$395,300	\$346,100	\$358,744	\$81,567	\$36,567	\$50,000
Transfers	\$91,755	\$43,670	\$43,662	\$43,700	\$43,700	\$43,780
Total Expenditures	\$938,671	\$880,895	\$954,394	\$698,660	\$624,220	\$712,728

PERSONNEL ASSIGNED

PW Director	0.25	0.25	0.25	0.25	0.25	0.25
PW Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25	0.25	0.25
Storm Drain Utility Secretary	0.50	0.50	0.50	0.50	0.50	0.50
Maintenance Foreman	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker I	3.00	3.00	3.00	3.00	3.00	3.00
Equipment Operator	1.00	1.00	1.00	1.00	1.00	1.00
Sweeper Operator	1.00	1.00	1.00	1.00	1.00	1.00
Summer Help	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	9.50	9.50	9.50	9.50	9.50	9.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	45,555
- Increase 10% Medical	
- Increase TMRS 13.18% to 14%	
- Across the board wage adjustment for F I, Non CS Employees	

PERFORMANCE MEASURES:

	FY2007	FY2008	FY2009	ESTIMATE FY2010	BUDGET FY2011
COW 1/3 Mow and weed a percentage of channels on a monthly basis	100%	100%	100%	100%	100%
COW 2 Complete a percent of storm drain structural repair projects within a month	100%	100%	100%	100%	100%
COW 1/2/3 Clean a percentage of curbs and gutters on a monthly basis	100%	100%	100%	100%	100%
COW 1/2 Reestablish a percentage of grade & flow lines within 3 months of construction	100%	100%	100%	100%	100%
COW 1/3/9 Hours spent mowing and cutting weeds (purchase of new equipment - faster results)	4,900	4,900	4,900	4,900	4,900
COW 1/3/9 Number of weed-abated sites	27	27	27	27	27
COW 1/3/9 Hours spent in repairing rock,	160	180	200	180	200

PROPRIETARY FUNDS

LINE ITEM BUDGET DETAILS

ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
15 - STORM DRAIN FUND									
REVENUES		27,968	23,078	15,188	15,088	3,500	2,000	(13,088)	-86.7%
000-3015	USERS FEE	693,611	695,773	698,711	694,000	694,000	694,000	0	0.0%
000-3660	INTEREST INCOME	27,968	22,778	15,188	15,088	3,500	2,000	(13,088)	-86.7%
000-3670	OTHER REVENUE	0	300	0	0	0	0	0	N/A
*** TOTAL REVENUES ***		721,578	718,851	713,899	709,088	697,500	696,000	(13,088)	-1.8%
NON-DEPARTMENTAL									
020-7496	CONTINGENCY	35,318	(2,974)	24,521	18,160	6,000	18,160	0	0.0%
020-7515	PAYMENT IN LIEU OF TAXES	34,635	34,670	34,662	34,700	34,700	34,700	0	0.0%
TOTAL NON-DEPARTMENTAL		69,953	31,696	59,183	52,860	40,700	52,860	0	0.0%
PERSONNEL SERVICES									
090-4001	SUPERVISION	90,817	98,702	100,851	102,036	102,036	104,959	2,923	2.9%
090-4002	CLERICAL	17,270	17,744	17,203	17,575	17,575	18,107	532	3.0%
090-4003	OPERATIONS	156,539	168,699	158,026	160,452	150,000	166,043	5,591	3.5%
090-4010	OVERTIME	4,442	3,662	2,418	4,400	4,400	4,400	0	0.0%
090-4020	TEMP/PART TIME	8,291	10,007	5,874	17,680	17,680	17,680	0	0.0%
090-4030	LONGEVITY	6,252	7,788	4,860	6,228	5,652	7,308	1,080	17.3%
090-4100	RETIREMENT	28,413	31,875	35,590	37,733	37,000	44,298	6,565	17.4%
090-4102	HOSPITAL & GROUP LIFE	44,697	39,424	50,201	49,549	49,000	56,244	6,695	13.5%
090-4103	MEDICARE TAX	4,165	4,616	4,420	5,562	5,000	5,999	437	7.9%
090-4105	VACATION/COMP TIME	0	0	0	0	0	20,000	20,000	N/A
090-4107	SALARY ADJUSTMENTS	0	0	0	8,808	4,400	10,540	1,732	19.7%
TOTAL PERSONNEL SERVICES		360,887	382,517	379,443	410,023	392,743	455,578	45,555	11.1%
SUPPLIES									
090-5201	OFFICE SUPPLIES	257	171	132	275	275	275	0	0.0%
090-5204	WEARING APPAREL	5,068	4,257	3,210	5,400	5,400	5,400	0	0.0%
090-5205	VEHICLE PARTS & SUPPLIES	1,964	1,863	1,921	2,000	2,000	2,000	0	0.0%
090-5206	VEHICLE GAS FUEL/LUBE	18,440	32,154	20,007	26,250	26,250	26,250	0	0.0%
090-5207	MINOR TOOLS & APPARATUS	4,410	3,964	4,478	4,700	4,700	4,700	0	0.0%
090-5212	AGRICULTURAL SUPPLIES	420	439	422	500	500	500	0	0.0%
090-5219	FLOOD CONTROL	300	300	300	300	300	300	0	0.0%
090-5221	EQUIPMENT PARTS & SUPPLIES	4,933	4,129	4,481	5,000	5,000	5,000	0	0.0%
TOTAL SUPPLIES		35,792	47,277	34,952	44,425	44,425	44,425	0	0.0%
MAINTENANCE									
090-6304	VEHICLE MAINTENANCE	17,453	25,280	27,280	25,000	25,000	25,000	0	0.0%
090-6305	RADIO MAINTENANCE	288	296	344	350	350	350	0	0.0%
090-6307	MINOR TOOL & APPARATUR MAINT.	689	728	602	825	825	825	0	0.0%
090-6320	STORM SEWERS & DRAINAGE MAINT.	3,755	24,016	24,203	25,000	25,000	25,000	0	0.0%
090-6341	BARRICADE MAINTENANCE	266	278	0	350	350	350	0	0.0%
090-6347	FENCES	478	351	183	500	500	500	0	0.0%
TOTAL MAINTENANCE		22,928	50,949	52,610	52,025	52,025	52,025	0	0.0%
CONTRACTUAL/SUNDRY									
090-7401	COMMUNICATIONS	396	333	172	1,100	1,100	1,100	0	0.0%
090-7402	RENTAL OF EQUIPMENT	750	605	0	500	500	500	0	0.0%
090-7404	SPECIAL SERVICES	27,500	0	0	0	0	0	0	N/A
090-7410	TRAINING	805	724	132	1,000	1,000	1,000	0	0.0%
090-7425	ENGINEERING FEES	0	1,750	350	2,000	2,000	2,000	0	0.0%
090-7428	LABORATORY TESTING	0	0	0	500	500	500	0	0.0%
090-7441	DOT DRUG TESTING/PHYSICALS	0	130	90	660	660	660	0	0.0%
090-7496	CONTINGENCY	875	4,357	2,378	5,000	5,000	5,000	0	0.0%
090-7502	BAD DEBT EXPENSE	1,682	414	1,108	0	0	0	0	N/A
090-7680	COG STORM WATER PHII	0	2,069	2,916	3,300	3,300	3,300	0	0.0%
TOTAL CONTRACTUAL/SUNDRY		32,008	10,381	7,146	14,060	14,060	14,060	0	0.0%
CAPITAL OUTLAY									
090-8503	BUILDINGS	0	0	0	31,567	31,567	0	(31,567)	-100.0%
090-8506	DEPRECIATION EXPENSE	345,300	346,100	345,855	0	0	0	0	N/A
090-8567	STORM DRAIN IMPROVEMENTS	0	0	12,889	50,000	5,000	50,000	0	0.0%
TOTAL CAPITAL OUTLAY		345,300	346,100	358,744	81,567	36,567	50,000	(31,567)	-38.7%
TRANSFERS TO OTHER FUNDS								0	N/A

PROPRIETARY FUNDS

		LINE ITEM BUDGET DETAILS								
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE		
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent	
999-7701	TRANSFER TO GENERAL FUND	34,635	34,670	34,662	34,700	34,700	34,700	0	0.0%	
999-7708	TRANSFER TO BUNKER HILL DRAIN	0	0	0	0	0	80	80	N/A	
999-7715	TRANSFER TO INTERNAL SERVICE	57,120	9,000	9,000	9,000	9,000	9,000	0	0.0%	
	TOTAL TRANSFERS TO OTHER FUNDS	91,755	43,670	43,662	43,700	43,700	43,780	80	0.2%	
*** TOTAL EXPENDITURES ***		958,624	912,591	935,740	698,660	624,220	712,728	14,068	2.0%	
*** REVENUES OVER(UNDER) EXPENSES ***		(237,046)	(193,740)	(221,841)	10,428	73,280	(16,728)	(27,156)	-260.4%	

PROPRIETARY FUNDS

BUNKER HILL DRAINAGE, WATER, AND SEWER IMPACT FEE FUNDS

Impact fees are charges against new development in order to generate improvements attributable to new development and those charges cannot include facilities that are already in place.

State Law allowed impact fees in 1990. Chapter 395 of the Local Government Code regulates how impact fees are calculated and charged by municipalities.

The City of Watauga drainage impact fees are assessed to developers that build in areas that, when fully developed, will create flooding in existing areas of the City. Water and Sewer impact fees are assessed to developers when construction will create new demands on existing water and sewer lines.

These funds are accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Some development is occurring in the designated area of the Bunker Hill impact fee, which continues to include a few remaining sites for "garden offices" and a new planned development on the corner of Whitley Road and Starnes Road. The City of Watauga has eliminated all water and sewer impact fees that the City charges. Pass through amounts are still collected for our wholesaler. Much of Watauga is built out and very little land remains for new development.

Bunker Hill Drainage Fund 16

Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1	\$185,807	\$39,283	\$6,885	\$2	-\$77	-\$77
<u>Revenues:</u>						
Impact Fees	3,461	3,908	0	0	0	0
Transfer from Water/Sewer	0	0	0	0	0	80
Interest Income	5,730	841	-77	0	0	0
Total Revenue	\$9,191	\$4,749	-\$77	\$0	\$0	\$80
Total Available Resources	\$194,998	\$44,032	\$6,808	\$2	-\$77	\$3
<u>Transfers Out:</u>						
GO Debt Service (98 Bond)	155,715	37,145	6,885	0	0	0
Total Transfers Out	\$155,715	\$37,145	\$6,885	\$0	\$0	\$0
Fund Balance, September 30	\$39,283	\$6,885	-\$77	\$2	-\$77	\$3

PROPRIETARY FUNDS

Water/Sewer Joint Use Facility Fund 46 Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1	\$464,515	\$547,932	\$627,343	\$643,840	\$642,526	\$663,526
<u>Revenue:</u>						
Transfer from W/S Utility Fund	57,912	61,176	81,477	75,000	75,000	75,000
Interest Earnings	25,505	18,235	5,209	5,000	1,000	1,000
Total Revenues:	\$83,417	\$79,411	\$86,686	\$80,000	\$76,000	\$76,000
 Available Resources	 \$547,932	 \$627,343	 \$714,029	 \$723,840	 \$718,526	 \$739,526
<u>Expenditures:</u>						
Engineering		0	0	0	0	0
Construction Costs	0	0	0	0	0	0
Transfers to W/S Operations 40		0	71,503	55,000	55,000	0
Total Expenditures:	0	0	71,503	55,000	55,000	0
 Fund Balance, September 30	 \$547,932	 \$627,343	 \$642,526	 \$668,840	 \$663,526	 \$739,526

		LINE ITEM BUDGET DETAILS								
					FY 2010		FY 2011	CHANGE		
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	CURRENT BUDGET	PROJECTED YEAR END	PROPOSED BUDGET	Amount	Percent	
46 - W/S JUF REPLACEMENT FUND										
<u>REVENUES</u>										
	000-3660 INTEREST EARNINGS	25,505	18,235	5,209	5,000	1,000	1,000	(4,000)	-80.0%	
	000-3911 TRANSFER FROM W/S OPERATING FD	57,912	61,176	81,477	75,000	75,000	75,000	0	0.0%	
	*** TOTAL REVENUES ***	<u>83,417</u>	<u>79,411</u>	<u>86,686</u>	<u>80,000</u>	<u>76,000</u>	<u>76,000</u>	<u>(4,000)</u>	<u>-5.0%</u>	
	999-7711 TRANSFER TO W/S OPERATIONS	0	0	71,503	55,000	55,000	0	(55,000)	-100.0%	
	*** REVENUES OVER(UNDER) EXPENSES ***	<u>83,417</u>	<u>79,411</u>	<u>15,184</u>	<u>25,000</u>	<u>21,000</u>	<u>76,000</u>	<u>51,000</u>	<u>204.0%</u>	

PROPRIETARY FUNDS

WATER IMPACT FEE FUND 47 - SEWER IMPACT FEE FUND 48

Budget Summary

WATER IMPACT FEES	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Working Capital, October 1*	\$5,453	\$0	\$0	\$3,551	\$4,406	\$1,446
<u>Revenue:</u>						
Impact Fees	0	0	1,251	0	0	0
Transfer	0	0	0	0	0	0
Interest Earnings	8,807	1,047	3,155	0	540	0
Total Revenue	\$8,807	\$1,047	\$4,406	\$0	\$540	\$0
Total Available Resources	\$14,260	\$1,047	\$4,406	\$3,551	\$4,946	\$1,446
<u>Debt Service Requirements:</u>						
Contingency	954	0	0	0	0	0
Study / Construction Costs	0	0	0	0	0	0
<u>Transfers</u>						
Transfer to Water/Sewer				3,500	3,500	0
Total Expenditures	\$954	\$0	\$0	\$3,500	\$3,500	\$0
Working Capital, September 30	\$13,306	\$1,047	\$4,406	\$51	\$1,446	\$1,446

Close Out FY07 with accrued interest

SEWER IMPACT FEE	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2009-10 Proposed
Working Capital, October 1	\$9,226	\$9,157	\$9,469	\$1,217	\$1,116	\$1,116
<u>Revenue:</u>						
Sewer Impact Fees	0	0	788	0	0	0
Interest Earnings	483	305	16	0	0	0
Total Resources	\$483	\$305	\$804	\$0	\$0	\$0
Total Available Resources	\$9,709	\$9,462	\$10,273	\$1,217	\$1,116	\$1,116
<u>Expenditures:</u>						
Contingency / Construction Costs	552	0	0	0	0	0
Engineering	0	0	0	0	0	0
Transfer to W/S Capital*			9,157	0	0	0
Total Expenditures	\$552	\$0	\$9,157	\$0	\$0	\$0
Working Capital, September 30	\$9,157	\$9,462	\$1,116	\$1,217	\$1,116	\$1,116

FY09 TRANSFER TO W/S CAPITAL
* ACCOUNT. PROJECTS FOUND
REGARDING BROWNING HEIGHTS THAT
COULD BE TRANSFERRED

PROPRIETARY FUNDS

		LINE ITEM BUDGET DETAILS								
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE		
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent	
47 - WATER IMPACT FEE FUND										
REVENUE										
	000-3660 INTEREST EARNINGS	8,807	1,047	3,155	0	540	0	0	N/A	
	000-3836 WATER IMPACT FEES	0	0	1,251	0	0	0	0	N/A	
	*** TOTAL REVENUES ***	8,807	1,047	4,406	0	540	0	0	N/A	
	999-7711 TRANSFER TO W/S OPERATING FUND	0	0	0	3,500	3,500	0	(3,500)	-100.0%	
	*** REVENUES OVER(UNDER) EXPENSES ***	8,807	1,047	4,406	(3,500)	(2,960)	0	3,500	-100.0%	

		LINE ITEM BUDGET DETAILS								
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE		
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent	
48 - SEWER IMPACT FEE FUND										
REVENUE										
	000-3660 INTEREST EARNINGS	483	305	16	0	3	0	0	N/A	
	000-3837 SEWER IMPACT FEES	0	0	788	0	0	0	0	N/A	
	*** TOTAL REVENUES ***	483	305	804	0	3	0	0	N/A	
	999-7712 TRANSFER TO W/S CONSTRUCTION	0	0	9,157	0	0	0	0	N/A	
	*** REVENUES OVER(UNDER) EXPENSES ***	483	305	(8,353)	0	3	0	0	N/A	

PROPRIETARY FUNDS

Internal Service Fund – 22 Budget Summary

The Internal Service Fund is used to account for the acquisition of various replacement capital items in the City. The objective of the fund is to accumulate sufficient funds to meet the capital needs of the City.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Transfers for capital financing of major equipment purchases continue to be made for a backhoe loader for the Water and Sewer Utility Fund and a tandem dump truck for the Storm Drain Utility Fund. All other funds directly expensed their own one-time purchasing for the year. Internal Services was converted in 2007 to be an equipment replacement fund with its remaining fund balances.

Internal Service Fund - 22

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-2011 Proposed
Working Capital	\$406,475	\$545,816	413,626	347,469	321,984	349,684
Revenues:						
Pmt from General Fund	50,000	0	0	0	0	0
Pmt from PDC Sales Tax Fund	0	0	0	0	0	0
Pmt from Capital Proj Fund	0	0	0	0	0	0
Pmt from W/S Operating Fund	7,854	8,000	17,500	17,500	17,500	17,500
Pmt from W/S Construction Fund	0	0	0	0	0	0
Pmt from CCD	0	0	0	0	0	0
Pmt from Storm Drain	57,120	9,000	9,000	9,000	9,000	9,000
Pmt from Municipal Tech Fee	0	0	0	0	0	0
Rental of Facilities	0	0	0	0	0	0
Total Charges for Service:	\$114,974	\$17,000	\$26,500	\$26,500	\$26,500	\$26,500
Other Revenues:						
Interest Income	24,367	17,616	7,397	7,500	1,200	1,000
Total Other Revenue	\$ 24,367	\$ 17,616	\$ 7,397	\$ 7,500	\$ 1,200	\$ 1,000
Total Revenues:	\$139,341	\$34,616	\$33,897	\$34,000	\$27,700	\$27,500
Expenditures:						
Lease Purchase Costs (FY00-01)	0	0	0	0	0	0
Lease Purchase Costs (FY01-02)	0	0	0	0	0	0
Operating Expense	0	0	0	0	0	0
Interest Expense	0	0	0	0	0	0
Contingency	2	0	0	0	0	0
Computer Hardware	0	0	0	0	0	0
Computer Software	0	0	0	0	0	0
Other Equipment*	0	376	0	0	0	0
Depreciation Expense	165,164	165,248	168,973	0	0	0
Total Expenditures:	\$165,166	\$165,624	\$168,973	\$0	\$0	\$0
Revenues Over(Under) Expenses	(\$25,825)	(\$131,008)	(\$135,076)	\$34,000	\$27,700	\$27,500
Est. Ending Fund Balance	\$545,816	\$413,626	\$321,984	\$381,469	\$349,684	\$377,184
Actual Adjusted for Capitalization						

PROPRIETARY FUNDS

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
22 - INTERNAL SERVICE FUND									
REVENUES									
	000-3302 PYMT FROM GENERAL FUND	50,000	0	0	0	0	0	0	N/A
	000-3305 PYMT FROM WATER/SEWER OP.FUND	7,854	8,000	17,500	17,500	17,500	17,500	0	0.0%
	000-3502 PYMT FROM STORM DRAIN FUND	57,120	9,000	9,000	9,000	9,000	9,000	0	0.0%
	000-3660 INTEREST EARNINGS	24,367	17,616	7,397	7,500	1,200	1,000	(6,500)	-86.7%
	000-3670 OTHER REVENUE	0	0	0	0	0	0	0	N/A
	*** TOTAL REVENUES ***	139,341	34,616	33,897	34,000	27,700	27,500	(6,500)	-19.1%
EXPENDITURE SUMMARY									
	020-8506 DEPRECIATION EXPENSE	165,164	165,248	168,973	0	0	0	0	N/A
	020-8514 HEAVY EQUIPMENT	0	376	0	0	0	0	0	N/A
	*** TOTAL EXPENDITURES ***	165,164	165,624	168,973	0	0	0	0	N/A
	*** REVENUES OVER(UNDER) EXPENSES ***	(25,823)	(131,009)	(135,076)	34,000	27,700	27,500	(6,500)	-19.1%

PROPRIETARY FUNDS



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CIP AND CAPITAL PROJECTS FUNDS

General Capital Fund	Fund 07
Watauga Parks Development Capital Fund	Fund 05
Utility Construction Fund	Fund 45

CIP AND CAPITAL PROJECTS FUNDS

The Capital Projects Fund accounts for the acquisition of and construction or reconstruction of major capital facilities, infrastructure, and equipment. The projects are financed with resources allocated to the General Capital Projects Fund, Watauga Parks Development Corporation Capital Fund, and the Water and Sewer Capital Projects Fund.

The City of Watauga updates its 5-year Capital Improvement Program (CIP) annually. The objective continues to be to match capital expenditures with available resources and that will satisfy City tax rate objectives. The Capital Improvements Program attempts to identify and plan for all major capital needs and deals with capital items that are different from those which are covered under the capital outlay category in each department's budget and in the Internal Service (Equipment Replacement) Fund. Generally, the CIP includes improvements that are relatively expensive, are non-recurring, have a multi-year useful life, and, like capital outlay items, result in fixed assets. Programs the City of Watauga currently identifies include:

Drainage Projects – Such projects include several drainage channels throughout the City that have been identified as known problem areas. All developed property owners within the City pay a monthly drainage utility fee, which is utilized for drainage development, redevelopment, and maintenance. The City has significantly lessened flooding along smaller channels and ditches throughout the City by keeping these facilities free of foliage and debris. These projects are included in the Operating Storm Drainage Fund and any long-term projects can be carried under General Capital or Water and Sewer Capital funds, depending on project goals.

Signalization Projects - Such projects include the construction or redevelopment of traffic light signalization needs for the City. These projects are included in the General Capital Fund.

Special Building Projects – Such projects include the construction or major renovations of special facilities owned by the City. These projects can be included in any of the three capital funds, depending on project purpose.

Street Projects – Such projects include construction or major redevelopment of the 301 current streets in the City. Street projects do not include normal repair and maintenance on sub-grades, milling, and overlay. Both street projects and normal repair and maintenance activities of street are included in the General Capital Fund.

Wastewater Projects – Such projects include improvements, expansions, or construction of wastewater lines in the City. Many of these projects are implemented to stay within EPA Administrative Orders. These projects are included in the Water and Sewer Capital Fund.

Water Projects – Such projects include new waterlines or improvements to existing waterlines for future development or existing customers needs. These projects are included in the Water and Sewer Capital Fund.

CIP AND CAPITAL PROJECTS FUNDS

CAPITAL IMPROVEMENTS PROGRAM (CIP)

It is the goal of the City of Watauga to have a Capital Improvements Program that is focused on adding value and extending the life of City infrastructure with no increase in operating costs or property tax. Consideration is given to debt issuance only if the overall tax rate remains unchanged and to prioritizing projects that will either decrease operational costs or have no operational cost impact.

The funds are accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

The City has been on an aggressive facilities campaign over the last seven years. During this time, we have constructed a new City Hall and Animal Shelter, and upgraded facilities for the Police and Recreation departments, along with upgrades to major streets. We are in the final phases of this campaign with the construction of our new Fire/EMS facility, which is scheduled for completion in April of 2011. In addition, we have upgraded two major streets in the City.

This campaign was funded through CBDG funds and the issuance of \$10,700,000 debt in three issues – See Debt Model on next page:

- \$2,300,000 in 2003
- \$5,000,000 in 2005
- \$3,400,000 in 2007

Upon completion of this campaign, all bond funds will have been expended.

As can be seen on the debt amortization schedule, a major portion of General Fund debt will have been paid off in FY 2011, reducing FY 2012 debt service by just under \$509,000. Depending on circumstances at that time, the City could issue new debt with payments approximating the \$509,000, thus maintaining the same tax rate. At current rates, this payment would support approximately \$6-\$7 million in debt.

For the Utility Fund, there is a similar situation, but with approximately \$200,000 in debt service payments coming off in FY 2012. This would support approximately \$2.5 to \$3.0 million in debt.

In general, City receipts have been trending down over the last couple of years. The CIP program for the current year is funded. However, the overall economy and projections of revenues for subsequent years will have a significant impact on the scope of our projects. While the City has been able to maintain its ad valorem tax rate at the same level for the last seven years, it is not certain that we will be able to do so in the future and continue to provide the services citizens require along with the infrastructure repair and maintenance.

During this time, normal repair and maintenance of streets, sidewalks, water lines and sewer lines was made. However, as can be seen on the CIP summary schedule below, the

CIP AND CAPITAL PROJECTS FUNDS

City must now focus on major infrastructure upgrades. The total five-year estimate for CIP projects is an investment of \$18,435,458. Actual program expenditures may vary depending on changes in priority or addition or deletion of projects or emergencies.

In the current schedule, there are only three projects for FY 2011 totaling \$4,643,000. Included in this amount for the General Fund is \$3,800,000 for completion of the Fire/EMS station and \$243,000 for CGBD street project. The remaining \$600,000 is for a project to be funded through our Parks Development Corporation.

LINE ITEM BUDGET DETAILS									
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
07 - GENERAL CAPITAL PROJECTS FUND									
REVENUES									
000-3660	INTEREST INCOME	96,410	151,649	81,104	50,000	14,000	10,000	(40,000)	-80.0%
000-3661	INTEREST FROM SECURITIES	98,298	8,299	0	0	0	0	0	N/A
000-3662	UNREALIZED GAIN/LOSS MRKT VAL.	5,240	0	0	0	0	0	0	N/A
000-3665	INTEREST INCOME BONDS	118,091	75,702	3,134	0	408	0	0	N/A
000-3901	TRANSFER FROM GENERAL FUND	825,000	1,075,000	286,812	1,420,000	1,420,000	438,000	(982,000)	-69.2%
000-3906	TRANSFER FROM CRIME PREVENTION	0	500,000	0	0	0	0	0	N/A
*** TOTAL REVENUES ***		1,143,040	1,810,650	371,049	1,470,000	1,434,408	448,000	(1,022,000)	-69.5%
EXPENDITURE SUMMARY									
090-6321	ASPHALT MAINTENANCE	121,416	128,490	127,979	100,000	100,000	100,000	0	0.0%
090-7416	BANK CHARGES	0	0	(28,315)	0	0	0	0	N/A
090-7425	ENGINEERING	153,607	2,597	2,500	10,000	10,000	10,000	0	0.0%
090-7445	NRH FOR RS	19,785	272,057	42,349	85,000	44,255	85,000	0	0.0%
090-7446	INTEREST - NRH FOR RS	0	0	40,504	0	38,597	0	0	N/A
090-7448	STARNS PEBBLEBROOK TO 377	136,317	1,043,240	(242,303)	0	0	0	0	N/A
090-7453	CDBG 31st DREAM LN	10,057	0	0	0	0	0	0	N/A
090-7454	CDBG 32nd YEAR	6,773	65,591	0	0	0	0	0	N/A
090-7455	CDBG 33rd YEAR - WAS 26TH YEAR	0	0	88,805	0	0	0	0	N/A
090-7456	CDBG 34TH YEAR - WAS 28TH YEAR	0	62,565	30,566	117,811	118,086	0	(117,811)	-100.0%
090-7462	SCHOOL ZONE	0	0	2,228	0	0	0	0	N/A
090-7496	CONTINGENCY	0	24,088	2,540	20,000	0	20,000	0	0.0%
090-7497	CDGB 35TH YEAR	0	0	0	202,317	202,317	0	(202,317)	-100.0%
090-7498	CDBG 36th YEAR	0	0	0	0	0	243,000	243,000	N/A
090-7522	BOND ISSUANCE	45,846	0	0	0	0	0	0	N/A
090-8503	Building Improvements	1,078,541	2,045,967	2,185,971	3,220,703	3,220,703	0	(3,220,703)	-100.0%
090-8561	SIDEWALKS	96,697	98,312	46,398	100,000	100,000	0	(100,000)	-100.0%
090-8572	OVERLAY MATERIALS	451,995	543,920	409,846	400,000	400,000	0	(400,000)	-100.0%
*** TOTAL EXPENDITURES ***		2,121,034	4,286,827	2,709,068	4,255,831	4,233,958	458,000	(3,797,831)	-89.2%
*** REVENUES OVER(UNDER) EXPENSES ***		(977,994)	(2,476,177)	(2,338,018)	(2,785,831)	(2,799,550)	(10,000)	2,775,831	-99.6%

CIP AND CAPITAL PROJECTS FUNDS

City of Watauga, Texas Debt Model Fiscal Year Ending September 30, 2010 Updated: March 10, 2010

General Fund								
Fiscal Year Ending 9/30	CO's S-1998	CO's S-1999	CO's S-2003	GO Refunding S-2004	CO's S-2005	GO Refunding S-2006	CO's S-2007	Total Payments
2010	\$156,600	\$200,925	\$242,300	\$83,125	\$731,750	\$129,254	\$241,726	\$1,785,679
2011	\$156,815		\$235,300	\$86,063	\$708,500	\$333,321	\$261,691	\$1,781,690
2012	\$161,640		\$178,738		\$366,375	\$329,742	\$236,553	\$1,273,048
2013	\$161,065		\$173,037		\$330,875	\$335,977	\$236,724	\$1,237,678
2014	\$165,085		\$118,225		\$320,719	\$331,652	\$261,176	\$1,196,856
2015	\$163,690		\$114,300		\$212,563	\$337,140	\$259,908	\$1,087,600
2016	\$167,213		\$110,300		\$206,563	\$337,069	\$263,332	\$1,084,476
2017	\$170,625		\$106,250		\$200,563	\$336,625	\$261,448	\$1,075,510
2018	\$173,613		\$102,100		\$194,469	\$345,808	\$259,358	\$1,075,347
2019					\$212,700	\$344,245	\$261,960	\$818,905
2020					\$219,988	\$342,309	\$259,254	\$821,550
2021					\$221,650		\$261,239	\$482,889
2022					\$213,050		\$262,814	\$475,864
2023					\$204,375		\$263,977	\$468,352
2024							\$259,832	\$259,832
2025							\$260,379	\$260,379
2026							\$260,515	\$260,515
2027							\$260,240	\$260,240
Totals:	\$1,476,345	\$200,925	\$1,380,550	\$169,188	\$4,344,138	\$3,503,141	\$4,632,124	\$15,706,410

Utility Fund				
Fiscal Year Ending 9/30	CO's S-2002	GO Refunding S-2005	GO Refunding S-2008	Total Payments
2010	\$233,600	\$927,034	\$343,024	\$1,503,658
2011	\$234,600	\$930,844	\$344,132	\$1,509,576
2012		\$934,200	\$344,928	\$1,279,128
2013		\$940,150	\$345,412	\$1,285,562
2014		\$942,450	\$340,662	\$1,283,112
2015		\$948,750	\$340,678	\$1,289,428
2016		\$958,375	\$345,304	\$1,303,679
Totals:	\$468,200	\$6,581,803	\$2,404,140	\$9,454,143

Parks Development Fund	
Fiscal Year Ending 9/30	Rev. Refunding Bonds S-2004
2010	\$215,461
2011	\$215,355
2012	\$214,880
2013	\$214,136
2014	\$212,950
2015	\$216,094
2016	\$213,728
Totals:	\$1,502,604

CIP AND CAPITAL PROJECTS FUNDS

CIP PROJECT PROJECTION

PROJECT	FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Water Line	Revenues	\$ -	\$ 171,145	\$ 202,080	\$ 375,000	\$ 438,200
Waste Water Line	Revenues	-	75,000	-	-	-
Drainage	Revenues	-	-	1,747,687	914,227	2,683,882
Traffic Signalization	Revenues	-	100,000	83,000	115,000	-
Streets	Revenues/Bonds/CD	243,000	283,724	200,000	1,892,636	3,311,376
Street Overlay	Revenues	-	350,000	250,000	300,000	300,000
Buildings/Parks	Bonds/Revenues	4,400,000				
Total Projects		\$ 4,643,000	\$ 979,869	\$ 2,482,767	\$ 3,596,863	\$ 6,733,458
Cummulative Requirements		\$ 4,643,000	\$ 5,622,869	\$ 8,105,636	\$ 11,702,499	\$ 18,435,957

CIP MASTER SCHEDULE FY 2011 TO FY 2015

Page	Location	Length	Size	PROJECTS	FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
						FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
BP 1	Fire/EMS 12,000 s.f.			\$3,800,000	CO Bonds	\$3,800,000				
BP 2	Parking Lot/restroom			\$600,000	Revenues	\$600,000				
MP1	Bunker Hill	4,667		\$914,227	Revenues			\$914,227		
MP2	Watauga Heights	7,652		\$1,747,687	Revenues		\$1,747,687			
MP3	Astor Heights	7,407		\$1,602,805	Revenues					\$1,602,805
MPA	Sunny Brook South	5,550		\$1,081,077	Revenues					\$1,081,077
S03	Whitley Rd. - South		32'	\$528,000	C.O. Bonds				\$528,000	
S04	Nola Dr.		31'	\$104,000	Revenues		\$104,000			
S05	Yorkston		32'	\$563,000	Revenues					\$563,000
S09	Whitley Rd. - North		42'	\$498,500	C.O. Bonds			\$498,500		
S10	Bursey Rd. - West		42'	\$802,000	C.O. Bonds					\$802,000
S11	Bursey Rd. - East		42'	\$893,000	C.O. Bonds					\$893,000
S12	Whitley Rd. - North		42'	\$866,136	C.O. Bonds			\$866,136		
S15	Whitley Rd. - Connector		42'	\$166,100	C.O. Bonds					\$166,100
S18	Carousel Drive		32'	\$508,568	C.O. Bonds					\$508,568
S19	Perdido Dr. (CDBG)		32'	\$622,724	C.D.B.G.	\$243,000	\$179,724	\$200,000		
S20	Route 66		32'	\$378,708	C.O. Bonds					\$378,708
S0 1	Annual Determination			\$0	Revenues	\$0				
S0 2	Annual Determination			\$350,000	Revenues		\$350,000			
S0 3	Annual Determination			\$250,000	Revenues			\$250,000		
S0 4	Annual Determination			\$300,000	Revenues				\$300,000	
S0 5	Annual Determination			\$300,000	Revenues					\$300,000
SS09	Shipp Drive	1,064	8"	\$75,000	Revenues		\$75,000			
T01	Whitley Road at New Bursey			\$83,000	Revenues			\$83,000		
T02	Hightower Road at Whitley Road			\$100,000	Revenues		\$100,000			
T03	Watauga Road at Maurie Dr.			\$115,000	Revenues				\$115,000	
W11	US Hwy. 377 - Ph II	2,510	8"	\$188,200	Revenues					\$188,200
W12	Browning Heights N	520	8"	\$31,200	Revenues		\$31,200			
W13	Rufe Snow Drive-Ph VI	2,060	12"	\$250,000	Revenues					\$250,000
W14	Rufe Snow Drive-Ph V	3,125	12"	\$375,000	Revenues				\$375,000	
W17	Bursey Road-Ph II	1,270	12"	\$114,300	Revenues			\$114,300		
W20	Meadowbrook Drive	289	8"	\$18,785	Revenues		\$18,785			
W21	Rufe Snow Drive-Ph VII	798	12"	\$87,780	Revenues			\$87,780		
W24	Saramac	1,009	8"	\$65,585	Revenues		\$65,585			
W27	Watauga Road	855	8"	\$55,575	Revenues		\$55,575			
Total				\$18,435,957		\$4,643,000	\$979,869	\$2,482,767	\$3,596,863	\$6,733,458
CDBG						\$243,000	\$179,724	\$200,000	\$0	\$0
CO Bonds						3,800,000	-	-	1,892,636	2,748,376
Revenues						600,000	800,145	2,282,767	1,704,227	3,985,082
Total				\$18,435,957		\$4,643,000	\$979,869	\$2,482,767	\$3,596,863	\$6,733,458

CIP AND CAPITAL PROJECTS FUNDS

CIP 2010-2015						WATER LINE PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
Page	Water Line	Location	Length	Size	Cost	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015						
W11	US Hwy. 377 – Ph II	Shipp Dr. to Watauga Rd.	2,510	8"	\$188,200	Revenues				\$188,200						
W12	Browning Heights North	Haney Dr. to Watauga Rd.	520	8"	\$31,200	Revenues	\$31,200									
W13	Rufe Snow Drive–Ph VI	Sunset Rd. past Watauga Rd.	2,060	12"	\$250,000	Revenues				\$250,000						
W14	Rufe Snow Drive–Ph V	Hightower Rd. to Sunset Rd.	3,125	12"	\$375,000	Revenues			\$375,000							
W17	Bursey Road–Ph II	April Lane to Rufe Snow Dr.	1,270	12"	\$114,300	Revenues		\$114,300								
W20	Meadowbrook Drive	Starnes Rd. to Ridglea Dr.	289	8"	\$18,785	Revenues	\$18,785									
W21	Rufe Snow Drive-Ph VII	Fair Meadow Dr. to Starnes Rd.	798	12"	\$87,780	Revenues		\$87,780								
W24	Saramac	Lalagray La. to Morris Blvd.	1,009	8"	\$65,585	Revenues	\$65,585									
W27	Watauga Road	Easement to Linda Drive	855	8"	\$55,575	Revenues	\$55,575									
Total					\$1,186,425		\$ - 0 -	\$171,145	\$202,080	\$375,000	\$438,200					

CIP 2010-2015						WASTE WATER LINE PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
Page	Sewer Line	Location	Length	Size	Cost	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015						
SS09	Shipp Drive	To Bowie St. at Hwy. 377	1,064	8"	\$75,000	Revenues	\$75,000									
Total					\$75,000		\$ - 0 -	\$75,000	\$ - 0 -	\$ - 0 -	\$ - 0 -					

CIP 2010-2015						DRAINAGE PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
Page	Drainage Channel	Location	Length	Cost	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015							
MP1	Bunker Hill		4,667	\$914,227	Revenues			\$914,227								
MP2	Watauga Heights		7,652	\$1,747,687	Revenues		\$1,747,687									
MP3	Astor Heights		7,407	\$1,602,805	Revenues				\$1,602,805							
MPA	Sunny Brook South		5,550	\$1,081,077	Revenues				\$1,081,077							
Total					\$5,345,796	\$ - 0 -	\$ - 0 -	\$1,747,687	\$914,227	\$2,683,882						

CIP 2010-2015						TRAFFIC SIGNALIZATION PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
Page	Signal	Location	Cost	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015								
T01	Whitley Road	at New Bursey	\$83,000	Revenues		\$83,000										
T02	Hightower Road	at Whitley Road	\$100,000	Revenues	\$100,000											
T03	Watauga Road	at Maurie Dr.	\$115,000	Revenues			\$115,000									
Total					\$298,000	\$ - 0 -	\$100,000	\$83,000	\$115,000	\$ - 0 -						

CIP 2010-2015						STREET PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
Page	Streets	Locations	Width	Length	Cost	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015						
S03	Whitley Rd. – South	Watauga Rd. to South City Limit	32'	2,188	\$ 528,000	C.O. Bonds			\$528,000							
S04	Nola Dr.	Nola Court to Summit	31'	460	\$ 104,000	Revenues	\$104,000									
S05	Yorkston	Chesapeake to Constitution Dr.	32'	1,970	\$ 563,000	Revenues				\$563,000						
S09	Whitley Rd. – North	Old Whitley Rd. to Haney Dr.	42'	2,480	\$ 498,500	C.O. Bonds			\$498,500							
S10	Bursey Rd. – West	Whitley Rd. to Willis Ln.	42'	2,290	\$ 802,000	C.O. Bonds				\$802,000						
S11	Bursey Rd. – East	Willis Ln. to Rufe Snow	42'	2,550	\$ 893,000	C.O. Bonds				\$893,000						
S12	Whitley Rd. – North	Hightower to Starnes Rd.	42'	2,868	\$ 866,136	C.O. Bonds			\$866,136							
S15	Whitley Rd. – Connection	Watauga Rd. to Haney Dr.	42'	550	\$ 166,100	C.O. Bonds				\$166,100						
S18	Carousel Drive	Stardust Dr. to Perdido Dr.	32'	1,684	\$ 508,568	C.O. Bonds				\$508,568						
S19	Perdido Dr. (CDBG)	Carousel Dr. to Summit Ridge Dr.	32'	2,062	\$ 622,724	C.D.B.G.	\$243,000	\$179,724	\$200,000							
S20	Route 66	Summertime La. to Summit Ridge Dr.	32'	1,254	\$ 378,708	C.O. Bonds				\$378,708						
Total					\$5,930,736	\$243,000	\$283,724	\$200,000	\$1,892,636	\$3,311,376						

CIP AND CAPITAL PROJECTS FUNDS

CIP 2010-2015 STREET OVERLAY			FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
				Phase I	Phase II	Phase III	Phase IV	Phase V
STREETS		Cost		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Need basis justification (determined annually)		\$0	Revenues	\$0				
Need basis justification (determined annually)		\$350,000	Revenues		\$350,000			
Need basis justification (determined annually)		\$250,000	Revenues			\$250,000		
Need basis justification (determined annually)		\$300,000	Revenues				\$300,000	
Need basis justification (determined annually)		\$300,000	Revenues					\$300,000
Total		\$1,500,000		\$0	\$350,000	\$250,000	\$300,000	\$300,000

CIP 2010-2015 BUILDINGS & PARKS			FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
				Phase I	Phase II	Phase III	Phase IV	Phase V
TYPE BUILDING	Size	Cost		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Fire Station Construction	12,000 s.f.	\$3,800,000		\$3,800,000				
Parking/Restroom (PDC)	n/a	\$600,000		\$600,000				
Total		\$4,400,000		\$4,400,000	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -

CIP AND CAPITAL PROJECTS FUNDS

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
05 -PDC CONSTRUCTION FUND									
REVENUES									
000-3660	INTEREST EARNINGS	11,816	23,381	14,351	11,000	3,000	2,500	(8,500)	-77.3%
000-3661	INTEREST FROM SECURITIES	23,230	0	0	0	0	0	0	N/A
000-3662	UNREALIZED GAIN/LOSS MRKT VAL.	(1,106)	0	0	0	0	0	0	N/A
000-3904	TRANSFER FROM PDC SALES TAX FD	190,316	150,000	40,000	302,000	302,000	0	(302,000)	-100.0%
*** TOTAL REVENUES ***		224,256	173,381	54,351	313,000	305,000	2,500	(310,500)	-99.2%
CAPITAL OUTLAY									
500-8501	TRAIL SYSTEM IMPROVEMENTS	0	0	0	300,000	0	0	(300,000)	-100.0%
520-8503	BUILDING IMPROVEMENTS	146,606	0	0	0	0	0	0	N/A
520-8549	PRACTICE FIELDS	47,804	0	0	0	0	0	0	N/A
550-8534	DRAINAGE IMPROVEMENTS	0	9,807	91,024	0	0	0	0	N/A
550-8536	CAPP SMITH PARK IMPROVEMENTS	0	0	0	0	0	600,000	600,000	N/A
560-8503	BUILDING IMPROVEMENTS	0	0	36,549	2,000	2,000	2,000	0	0.0%
*** TOTAL EXPENDITURES ***		194,410	9,807	127,574	302,000	2,000	602,000	300,000	99.3%
*** REVENUES OVER(UNDER) EXPENSES ***		29,846	163,574	(73,222)	11,000	303,000	(599,500)	(610,500)	-5550.0%

		LINE ITEM BUDGET DETAILS							
ACCT#	ACCOUNT NAME	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010		FY 2011 PROPOSED BUDGET	CHANGE	
					CURRENT BUDGET	PROJECTED YEAR END		Amount	Percent
45 - UTILITY CONSTRUCTIONS FUND									
REVENUE									
000-3660	INTEREST EARNINGS	(4,647)	(3,432)	1,580	2,300	(1,200)	0	(2,300)	-100.0%
000-3681	PREMIUM ON BONDS SOLD	18,600	18,600	18,600	0	0	0	0	N/A
000-3911	TRANS FROM W/S OPERATING	415,060	291,745	444,382	220,000	220,000	572,000	352,000	160.0%
000-3913	TRANS FROM REV BOND I&S	420,000	445,000	480,000	0	0	0	0	N/A
000-3914	TRANS FROM WS CO I&S FUND	610,000	640,000	670,000	0	0	0	0	N/A
000-3920	TRANS FROM WASTEWATER IMPACT	0	0	9,157	0	0	0	0	N/A
*** TOTAL REVENUES ***		1,459,013	1,391,913	1,623,718	222,300	218,800	572,000	349,700	157.3%
EXPENDITURE SUMMARY									
401-8514	HEAVY EQUIPMENT	0	0	(5,031)	0	0	0	0	N/A
020-7516	DEPRECIATION EXPENSE	321,916	322,119	272,044	0	0	0	0	N/A
020-7521	BOND ISSUANCE FEES	9,451	9,751	9,451	0	0	0	0	N/A
020-7522	BOND ISSUANCE COST	18,338	44,233	16,490	0	0	0	0	N/A
020-7523	LOSS ON REFUNDING	23,502	23,502	23,502	0	0	0	0	N/A
020-8530	WATER/SEWER MAINS	52,623	90,104	56,847	80,000	80,000	80,000	0	0.0%
020-8540	SSES REPAIRS	43,155	58,154	49,565	60,000	60,000	60,000	0	0.0%
020-8619	MISC WATERLINE RECONSTRUCTION	0	0	0	80,000	80,000	0	(80,000)	-100.0%
999-7711	TRANSFER TO W/S OPERATING	0	0	0	0	0	19,042	19,042	N/A
999-7714	TRANSFER TO W/S C.O. I&S	0	0	0	0	0	49,942	49,942	N/A
*** TOTAL EXPENDITURES ***		468,985	547,863	422,867	220,000	220,000	208,984	(11,016)	-5.0%
*** REVENUES OVER(UNDER) EXPENSES ***		990,028	844,050	1,200,851	2,300	(1,200)	363,016	360,716	15683.3%

CIP AND CAPITAL PROJECTS FUNDS



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DEBT SERVICE

General Debt Service Fund	Fund 03
Watauga Parks Development Debt Service Fund	Fund 06/08
Water And Sewer Certificates Of Obligation Debt Service Fund	Fund 44
Water And Sewer Revenue Bond Debt Service Fund	Fund 42/43

DEBT SERVICE

DEBT SERVICE FUND - 03

The Debt Service Fund, also known as General Obligation Interest and Sinking Fund, was established to provide for the payment of bond principal and interest and for the payment of fiscal agent fees as they come due. Property tax rates and tax levy are required to be computed and levied to provide the money required to pay principal and interest as it comes due. Revenues are collected in the General Obligation Interest and Sinking Fund for the payment of general long-term debt, principal, and interest. The General Obligation debt is financed by property taxes and interest earned on investments. Of the approved \$0.580763 tax rate, an amount of \$0.171146 funds the property tax share of the 2010-2011 debt payment. This is 29.5% of the overall tax rate. Debt issuance finances the City's purchase of land, buildings, land improvements, and the construction and reconstruction of streets and drainage facilities.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Debt Management

The Watauga Charter provides that any limitation on the tax rate shall be determined in accordance with the statutory provisions of the Texas Property Tax Code, as now or hereafter amended by the state legislature, but does not set a limitation on the debt component. Prior to 1998, the last debt issuance was in 1994. In 1998, \$2,000,000 was issued to pay for a drainage management lake to control flooding in the southern portion of the city. It was determined that for the first few years of debt payments, funding for this 1998 debt would come from the Bunker Hill Drainage Impact Fee Fund and, in a limited amount, from the Watauga Parks Development Corporation Sales Tax operating fund.

A preliminary Capital Improvements Plan identified approximately \$11,800,000 in unfunded street construction and reconstruction. The preferred position of "pay-as-you-go" was reconsidered due to the number of streets identified and the dollar amount of the projections. As a result of being able to maintain a constant tax rate in FY 1999-2000 and the ability to lower future tax rates, the City issued debt in the amount of \$4,060,000 in December 1999. Lower interest rate did make it possible for the City to refinance the majority of this debt (\$2,855,000) in 2006.

The lowering of interest rates and market conditions in FY 2001 did make conditions possible for the City to refinance Series 1992 General Obligation bonds.

Certificates of Obligation were sold in the amount of \$2,300,000 in 2003 for construction of a city hall and an animal shelter, as well as for additional street reconstruction money. This debt is repayable within fifteen years.

DEBT SERVICE

During FY 2004 the City was once again able to take advantage of low interest rates and refunded the General Obligation Debt Series 1994 and advance refunded the Watauga Parks Development 1995 Sales Tax Revenue Bonds.

During FY 2005 the City issued \$5,000,000 of Certificates of Obligation for construction, purchasing, renovating, and improving the City's public safety facilities, expansion of the City library, and construction or improvements to streets, curbs, and sidewalks within the City.

During FY 2007, the City issued \$3,400,000 of Combination Tax and Limited Pledge Revenue Certificates of Obligation for the purpose of paying contractual obligations for constructing, purchasing, renovating, and improving the City's public safety facilities, including police, fire, and emergency medical services, and constructing street improvements and drainage incidental thereto.

In March 2008, the City refinanced the bonds issued in 1996, which were used to pay for acquisition, improvements, and extensions to the Water/Sewer system including payment for professional services related to the construction and financing of water/sewer improvements. The City was able to reduce interest from 4.783% to 3.12%, while also freeing up \$360,000 from the Bond Reserve Fund, which is no longer required.

The focus for future budgets will be on phasing in portions of the bond program and adopting a combination of bond issuance and cash financing to fit within budgetary (tax rate) constraints. Special consideration will be given to the leveling of City Debt. The City will experience a drop in total obligations in 2012. Current obligations retire in 2027. For FY 2010, the City Net General Obligation Debt per Capita was \$614.70 and Net General Obligation Debt to Assessed Taxable Valuation is 1.45%. More needed capital projects will be considered as levels step down in total outstanding debt.

Current Bond Ratings

August 18, 2005, Standard and Poor's raised its underlying rating on Watauga's General Obligation debt outstanding one notch to 'A+' from 'A' based on the expectation that the City will complete its major identified capital items with the proceeds of the series 2005 issuance, coupled with a moderating debt burden, affording management a greater flexibility to fund future capital expenditures with internally generated cash.

Reflecting the City's continued conservative financial management, Standard & Poor's further increased this rating to "AA" from "A+" on February 8, 2009. In addition, on October 5, 2009, Fitch Rating Agency issued an affirmation of bond rating of "A," and provided a comment of "Stable" for their rating outlook. On April 22, 2010, Moody's upgraded their rating from A3 to A2.

These favorable ratings reflect the City's:

- Stable, yet gradually diversifying, residential property tax base;

DEBT SERVICE

- Location in the Dallas – Fort Worth MSA;
- Sound financial operations with strong reserve levels;
- Moderate overall debt burden given the self-support of certain obligations; and
- Limited capital improvement needs beyond basic infrastructure improvements and maintenance.

The table below shows the detail of City bonded debt for all funds as of September 30, 2010. The slight difference between the schedule below and the detailed disbursement schedule for Fund 03 is a payment due October 1, which is actually disbursed on September 30 to ensure proper posting through ACH.

City of Watauga, Texas
Debt Model
Fiscal Year Ending September 30, 2010
Updated: March 10, 2010

General Fund								
Fiscal Year Ending 9/30	CO's S-1998	CO's S-1999	CO's S-2003	GO Refunding S-2004	CO's S-2005	GO Refunding S-2006	CO's S-2007	Total Payments
2010	\$156,600	\$200,925	\$242,300	\$83,125	\$731,750	\$129,254	\$241,726	\$1,785,679
2011	\$156,815		\$235,300	\$86,063	\$708,500	\$333,321	\$261,691	\$1,781,690
2012	\$161,640		\$178,738		\$366,375	\$329,742	\$236,553	\$1,273,048
2013	\$161,065		\$173,037		\$330,875	\$335,977	\$236,724	\$1,237,678
2014	\$165,085		\$118,225		\$320,719	\$331,652	\$261,176	\$1,196,856
2015	\$163,690		\$114,300		\$212,563	\$337,140	\$259,908	\$1,087,600
2016	\$167,213		\$110,300		\$206,563	\$337,069	\$263,332	\$1,084,476
2017	\$170,625		\$106,250		\$200,563	\$336,625	\$261,448	\$1,075,510
2018	\$173,613		\$102,100		\$194,469	\$345,808	\$259,358	\$1,075,347
2019					\$212,700	\$344,245	\$261,960	\$818,905
2020					\$219,988	\$342,309	\$259,254	\$821,550
2021					\$221,650		\$261,239	\$482,889
2022					\$213,050		\$262,814	\$475,864
2023					\$204,375		\$263,977	\$468,352
2024							\$259,832	\$259,832
2025							\$260,379	\$260,379
2026							\$260,515	\$260,515
2027							\$260,240	\$260,240
Totals:	\$1,476,345	\$200,925	\$1,380,550	\$169,188	\$4,344,138	\$3,503,141	\$4,632,124	\$15,706,410

Utility Fund				
Fiscal Year Ending 9/30	CO's S-2002	GO Refunding S-2005	GO Refunding S-2008	Total Payments
2010	\$233,600	\$927,034	\$343,024	\$1,503,658
2011	\$234,600	\$930,844	\$344,132	\$1,509,576
2012		\$934,200	\$344,928	\$1,279,128
2013		\$940,150	\$345,412	\$1,285,562
2014		\$942,450	\$340,662	\$1,283,112
2015		\$948,750	\$340,678	\$1,289,428
2016		\$958,375	\$345,304	\$1,303,679
Totals:	\$468,200	\$6,581,803	\$2,404,140	\$9,454,143

Parks Development Fund	
Fiscal Year Ending 9/30	Rev. Refunding Bonds S-2004
2010	\$215,461
2011	\$215,355
2012	\$214,880
2013	\$214,136
2014	\$212,950
2015	\$216,094
2016	\$213,728
Totals:	\$1,502,604

DEBT SERVICE



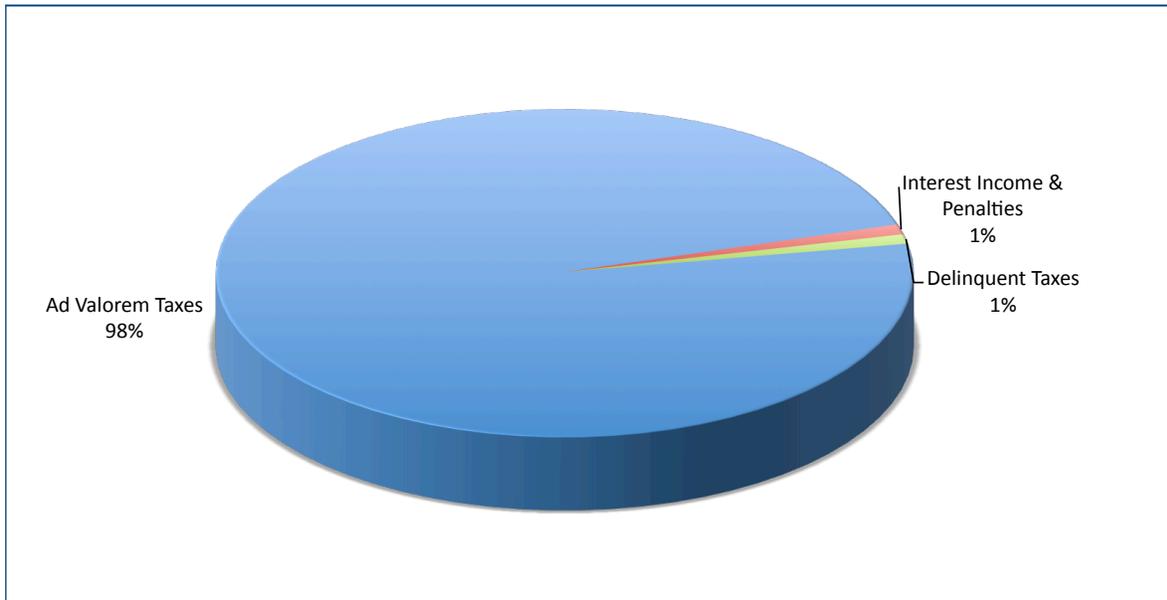
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DEBT SERVICE

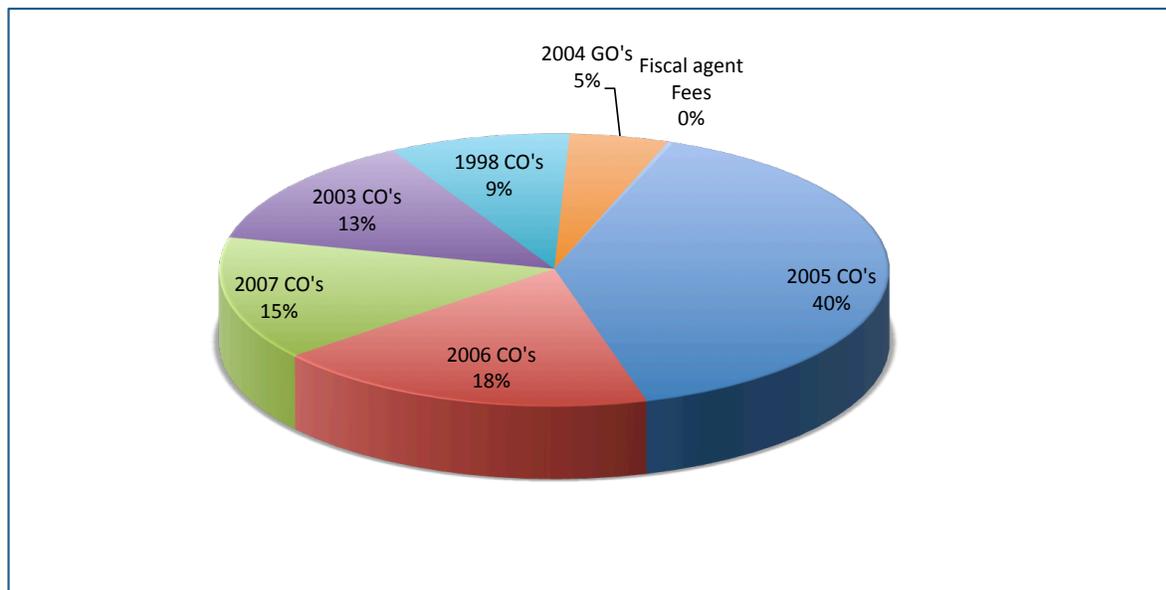
General Obligation Debt Service – Fund 03

Ordinances authorizing the issuance of tax notes, general, and contractual obligation bonds to provide for the payment of bond principal and interest as they come due established the General Obligation Debt Service Fund. This is also referred to as the Interest and Sinking Fund. A property tax is levied and allocated annually to the General Obligation Bond Debt Service Fund in amounts sufficient to service the debt payments. This fund is also used to provide for the payment of fiscal agent fees.

Where Does the Money Come From:



Where Does the Money Go:



DEBT SERVICE

General Obligation Debt Service Fund 03

Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1*	\$77,165	\$192,600	\$316,886	\$352,364	\$425,903	\$235,238
Revenues:						
Ad Valorem Taxes	1,762,860	1,813,382	1,850,175	1,566,772	1,566,772	1,573,000
Delinquent Taxes	8,816	20,571	8,739	15,000	12,000	15,000
Penalty & Interest	13,434	17,409	13,594	14,000	14,000	14,000
Interest Income	19,699	14,919	12,108	9,960	2,000	2,000
Transfer from Drainage Impact Fees	155,715	37,145	6,885	0	0	0
Overpayment of Taxes	0	0	0	0	0	0
Proceed From Bond Sales	2,854,999	0	0	0	0	0
Current Year Resources	\$4,815,523	\$1,903,426	\$1,891,501	\$1,605,732	\$1,594,772	\$1,604,000
Total Available Resources	\$ 4,892,688	\$ 2,096,026	\$ 2,208,387	\$ 1,958,096	\$ 2,020,675	\$ 1,839,238
Debt Service Requirements:						
1992 / 2001 General Obligation Refund:						
Principal	390,000	-				
Interest	7,898	-				
1998 Certificates of Obligation						
Principal	90,000	95,000	100,000	105,000	105,000	110,000
Interest	64,915	60,353	56,110	51,600	51,600	46,815
1999 Certificates of Obligation						
Principal	160,000	170,000	180,000	190,000	190,000	0
Interest	35,650	26,160	16,100	5,463	5,463	0
2003 Certificate of Obligation						
Principal	100,000	200,000	200,000	200,000	200,000	200,000
Interest	60,050	55,300	48,800	42,300	42,300	35,300
1994 / 2004 General Obligation Refunding						
Principal	180,000	195,000	195,000	80,000	80,000	85,000
Interest	16,125	11,424	6,522	3,125	3,125	1,063
2005 Certificates of Obligation						
Principle	425,000	465,000	500,000	600,000	600,000	600,000
Interest	189,269	171,759	153,063	131,750	131,750	108,500
1999 / 2006 Certificates of Obligation Refunding						
Principle	20,000	20,000	20,000	25,000	25,000	230,000
Interest	93,103	105,373	104,627	103,788	103,788	99,032
2007 Certificates of Obligation						
Principle	0	75,000	65,000	110,000	110,000	135,000
Interest	0	127,330	135,322	131,726	131,726	126,691
Payment to Escrow	2,819,932	0	0	0	0	0
Issuance Costs	45,717	0	0	0	0	0
Fiscal Agent Charges	2,441	1,441	1,941	5,685	5,685	4,915
Total Debt Service Requirement	\$4,700,100	\$1,779,140	\$1,782,484	\$1,785,437	\$1,785,437	\$1,782,316
Fund Balance, September 30	\$192,588	\$316,886	\$425,903	\$172,659	\$235,238	\$56,922

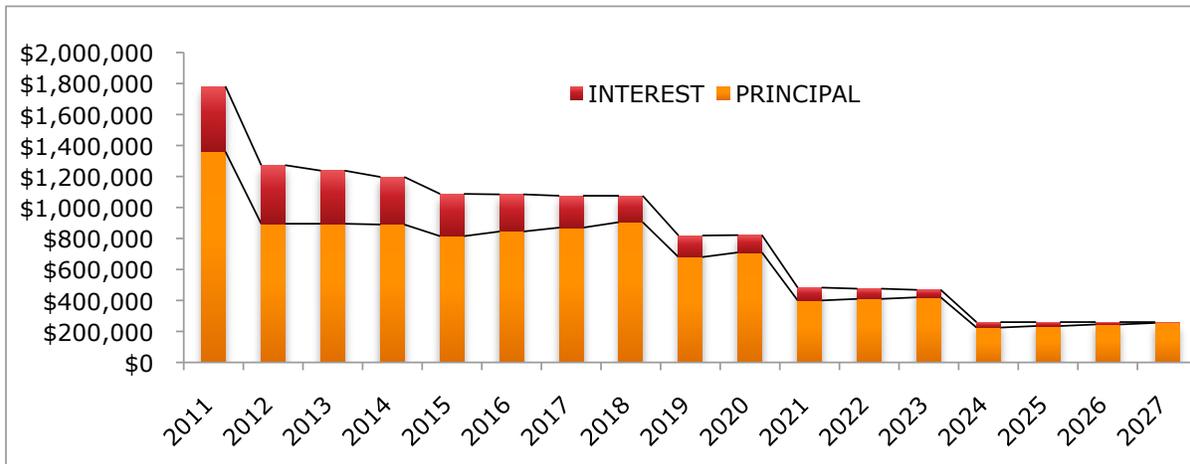
DEBT SERVICE

General Fund Debt Service Requirements to Maturity

as of October 1, 2011

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	INTEREST	TOTAL
2011	\$11,075,000	\$1,360,000	\$421,689	\$1,781,689
2012	\$9,715,000	\$895,000	\$378,048	\$1,273,048
2013	\$8,820,000	\$895,000	\$342,678	\$1,237,678
2014	\$7,925,000	\$890,000	\$306,856	\$1,196,856
2015	\$7,035,000	\$815,000	\$272,600	\$1,087,600
2016	\$6,220,000	\$845,000	\$239,476	\$1,084,476
2017	\$5,375,000	\$870,000	\$205,510	\$1,075,510
2018	\$4,505,000	\$905,000	\$170,347	\$1,075,347
2019	\$3,600,000	\$680,000	\$138,905	\$818,905
2020	\$2,920,000	\$710,000	\$111,550	\$821,550
2021	\$2,190,000	\$400,000	\$82,889	\$482,889
2022	\$1,790,000	\$410,000	\$65,864	\$475,864
2023	\$1,380,000	\$420,000	\$48,352	\$468,352
2024	\$960,000	\$225,000	\$34,832	\$259,832
2025	\$735,000	\$235,000	\$25,379	\$260,379
2026	\$500,000	\$245,000	\$15,515	\$260,515
2027	\$255,000	\$255,000	\$5,240	\$260,240
		\$11,055,000	\$2,865,730	\$13,920,730

	Year	Total	Principal	Interest
This Year's Requirement	2011	\$1,781,689	\$1,360,000	\$ 421,689
Maximum Requirement	2011	\$1,781,689	\$1,360,000	\$421,689

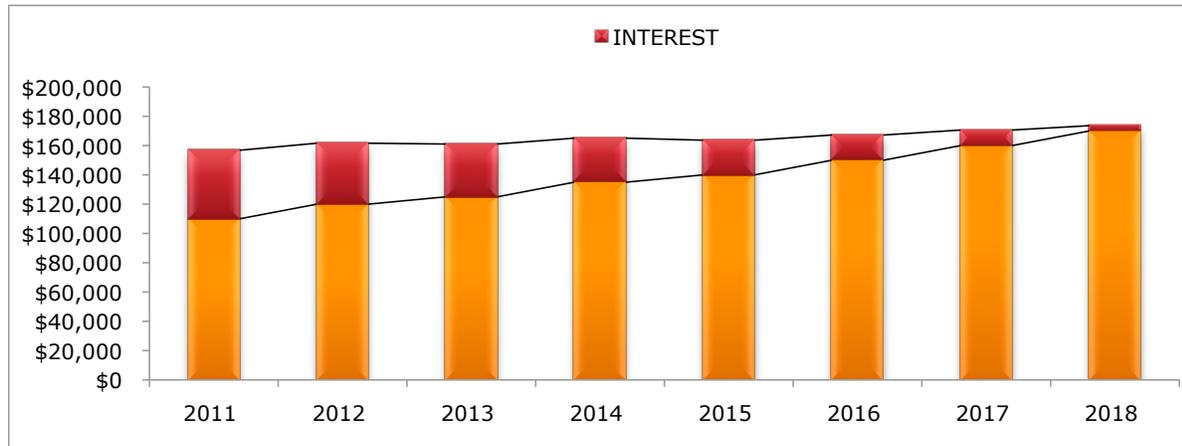


DEBT SERVICE

General Obligation Debt Service Fund Annual Debt Service Requirement Series 1998 (\$2,000,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$1,110,000	\$110,000	4.50%	\$46,815	\$156,815
2012	\$1,000,000	\$120,000	4.50%	\$41,640	\$161,640
2013	\$880,000	\$125,000	4.60%	\$36,065	\$161,065
2014	\$755,000	\$135,000	4.60%	\$30,085	\$165,085
2015	\$620,000	\$140,000	4.70%	\$23,690	\$163,690
2016	\$480,000	\$150,000	4.25%	\$17,213	\$167,213
2017	\$330,000	\$160,000	4.25%	\$10,625	\$170,625
2018	\$170,000	\$170,000	4.25%	\$3,613	\$173,613
		\$1,110,000		\$209,745	\$1,319,745

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$156,815	\$110,000	\$46,815
Maximum Requirement	2018	\$173,613	\$170,000	\$3,613
Total Outstanding Note		\$1,110,000		
Total Original Note		\$2,000,000		
Issue Date		2/12/98		
Call Date		2/1/08		
**Not to be paid from property tax levy.				

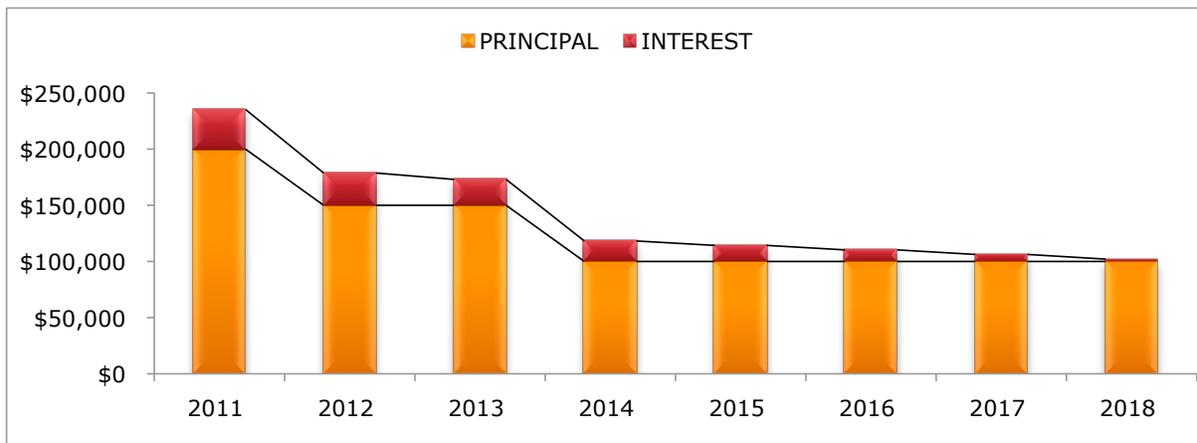


DEBT SERVICE

General Obligation Debt Service Fund Annual Debt Service Requirement Series 2003 (\$2,300,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$ 1,000,000	\$200,000	3.75%	\$35,300	\$235,300
2012	\$ 800,000	\$150,000	3.75%	\$28,738	\$178,738
2013	\$ 650,000	\$150,000	3.85%	\$23,038	\$173,038
2014	\$ 500,000	\$100,000	3.85%	\$18,225	\$118,225
2015	\$ 400,000	\$100,000	4.00%	\$14,300	\$114,300
2016	\$ 300,000	\$100,000	4.00%	\$10,300	\$110,300
2017	\$ 200,000	\$100,000	4.10%	\$6,250	\$106,250
2018	\$ 100,000	\$100,000	4.20%	\$2,100	\$102,100
		\$1,000,000		\$138,250	\$1,138,250

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$235,300	\$200,000	\$35,300
Maximum Requirement	2011	\$235,300	\$200,000	\$35,300
Total Outstanding Bonds		\$1,000,000		
Total Original Issue		\$2,300,000		
Issue Date		7/1/03		
Call Date		2/1/2013		

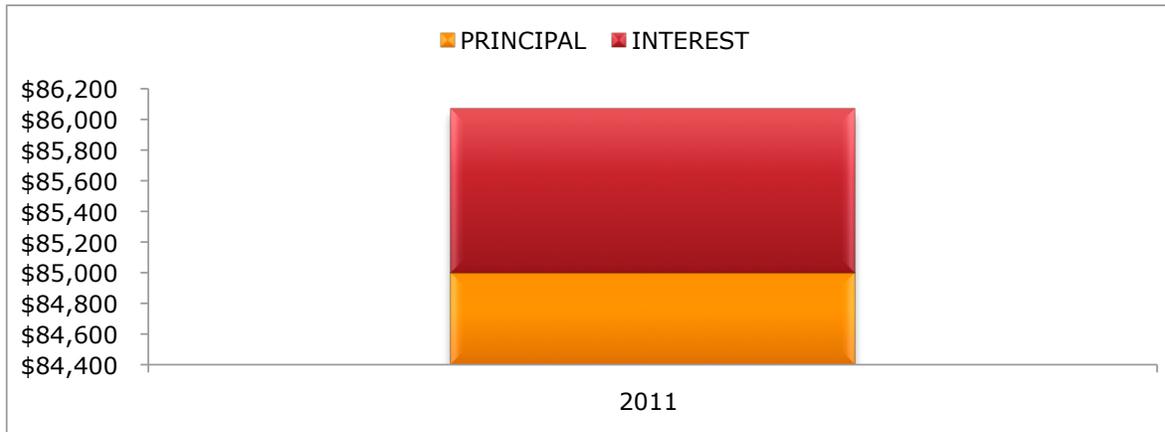


DEBT SERVICE

General Obligation Debt Service Fund Annual Debt Service Requirement Series 2004 Refunding (\$1,080,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$85,000	\$85,000	2.50%	\$1,063	\$86,063
		\$85,000		\$1,063	\$86,063
		<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement		2011	\$86,063	\$85,000	\$1,063
Maximum Requirement		2011	\$86,063	\$85,000	\$1,063
Total Outstanding Bonds		\$85,000			
Total Original Issue		\$1,080,000			
Issue Date		4/1/04			
No Call Date					

To refund Series 1994 Refunding G.O. Bonds, and pay related costs of issuance. The Series 1994 Bonds refunded Series 1978, Series 1989, & Series 1991 G.O. Bonds.



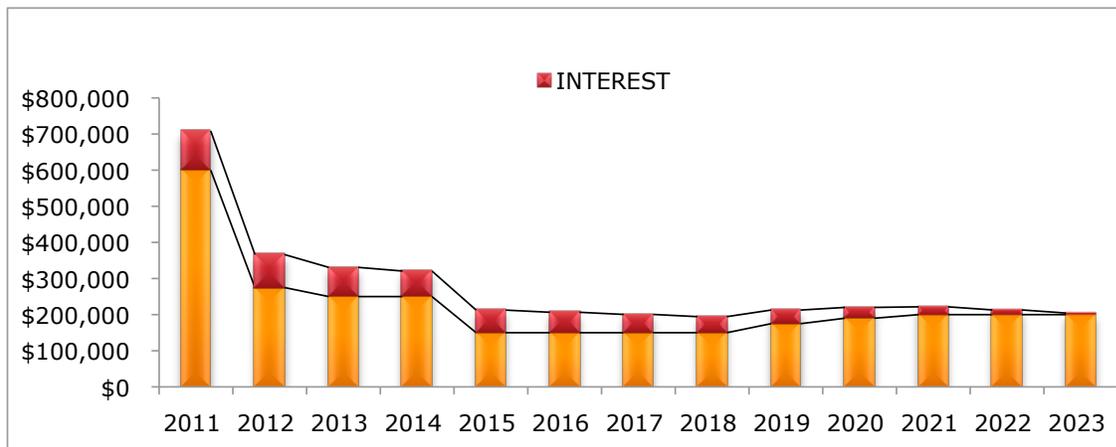
DEBT SERVICE

General Obligation Debt Service Fund Annual Debt Service Requirement Series 2005 Certificates of Obligation (\$5,000,000)

YEAR ENDING SEPT. 30	DEBT		Interest Rate	INTEREST	TOTAL
	OUTSTANDING OCT. 1	PRINCIPAL			
2011	\$2,940,000	\$600,000	3.875%	\$108,500	\$708,500
2012	\$2,340,000	\$275,000	4.000%	\$91,375	\$366,375
2013	\$2,065,000	\$250,000	4.000%	\$80,875	\$330,875
2014	\$1,815,000	\$250,000	4.125%	\$70,719	\$320,719
2015	\$1,565,000	\$150,000	4.000%	\$62,563	\$212,563
2016	\$1,415,000	\$150,000	4.000%	\$56,563	\$206,563
2017	\$1,265,000	\$150,000	4.000%	\$50,563	\$200,563
2018	\$1,115,000	\$150,000	4.125%	\$44,469	\$194,469
2019	\$965,000	\$175,000	4.200%	\$37,700	\$212,700
2020	\$790,000	\$190,000	4.250%	\$29,988	\$219,988
2021	\$600,000	\$200,000	4.300%	\$21,650	\$221,650
2022	\$400,000	\$200,000	4.300%	\$13,050	\$213,050
2023	\$200,000	\$200,000	4.375%	\$4,375	\$204,375
		\$2,940,000		\$672,388	\$3,612,388

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$708,500	\$600,000	\$108,500
Maximum Requirement	2011	\$708,500	\$600,000	\$108,500
Total Outstanding Bonds		\$2,940,000		
Total Original Issue		\$5,000,000		
Issue Date		8/1/05		

Constructing, purchasing, renovating, and improving the City's public safety facilities' for police, fire, emergency medical, and animal control services. To pay for the expansion of the City's library facility, as well as the construction of street, curb, and sidewalk improvements, including utilities repair, replacement, and relocation as well as incidental drainage related to sidewalk construction.



DEBT SERVICE

General Obligation Debt Service Fund

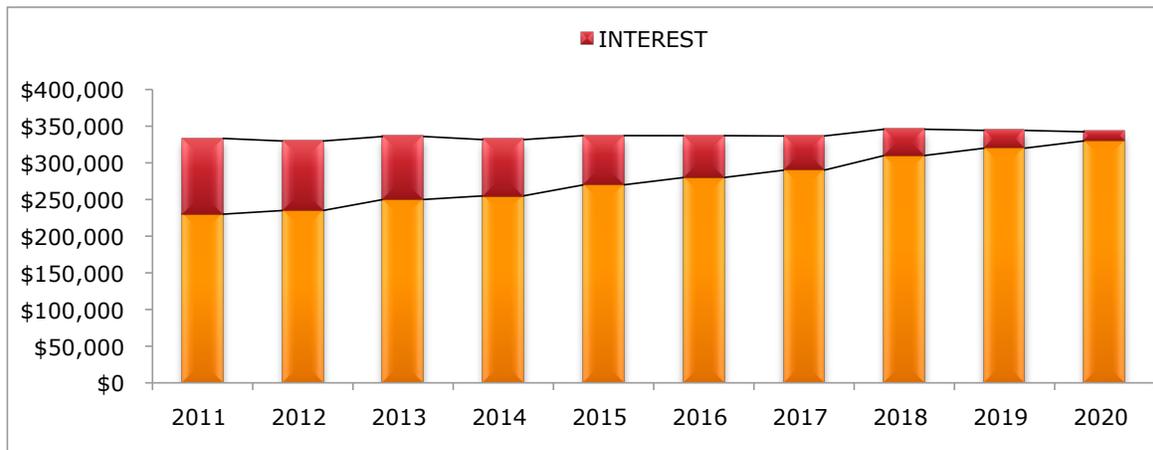
Annual Debt Service Requirement Series 2006 Refunding (\$2,855,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$2,790,000	\$230,000	3.73%	\$103,321	\$333,321
2012	\$2,560,000	\$235,000	3.73%	\$94,742	\$329,742
2013	\$2,325,000	\$250,000	3.73%	\$85,977	\$335,977
2014	\$2,075,000	\$255,000	3.73%	\$76,652	\$331,652
2015	\$1,820,000	\$270,000	3.73%	\$67,140	\$337,140
2016	\$1,550,000	\$280,000	3.73%	\$57,069	\$337,069
2017	\$1,270,000	\$290,000	3.73%	\$46,625	\$336,625
2018	\$980,000	\$310,000	3.73%	\$35,808	\$345,808
2019	\$670,000	\$320,000	3.73%	\$24,245	\$344,245
2020	\$350,000	\$330,000	3.73%	\$12,309	\$342,309
		\$2,770,000		\$603,887	\$3,373,887

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$333,321	\$230,000	\$103,321
Maximum Requirement	2018	\$345,808	\$310,000	\$35,808
Total Outstanding Note		\$2,770,000		
Total Original Note		\$2,855,000		
Issue Date		11/15/06		
No Call Date				

Payments due on 10/01 of each year are budgeted in prior fiscal year since that is the year earned.

To refund Series 1999 Certificates of Obligation.



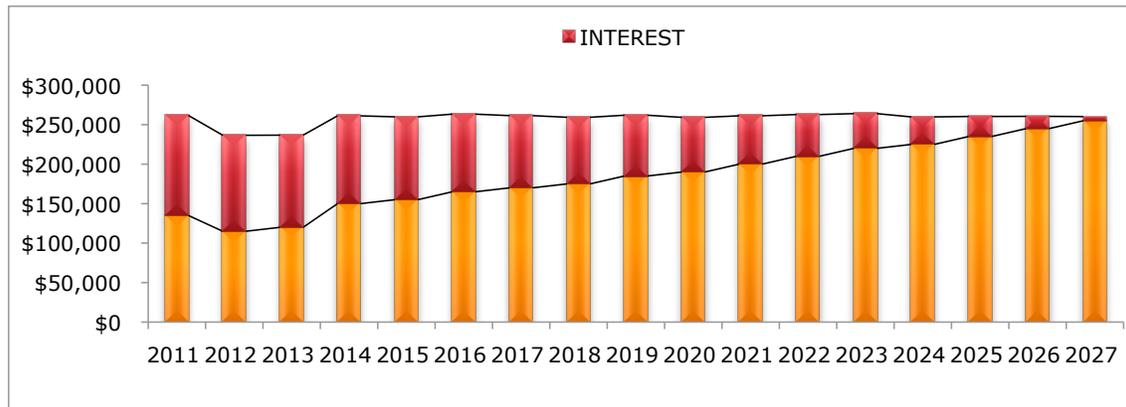
DEBT SERVICE

General Obligation Debt Service Fund Annual Debt Service Requirement Series 2007 Certificate of Obligation (\$3,400,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$ 3,150,000	\$135,000	4.11%	\$126,691	\$261,691
2012	\$ 3,015,000	\$115,000	4.11%	\$121,553	\$236,553
2013	\$ 2,900,000	\$120,000	4.11%	\$116,724	\$236,724
2014	\$ 2,780,000	\$150,000	4.11%	\$111,175	\$261,175
2015	\$ 2,630,000	\$155,000	4.11%	\$104,908	\$259,908
2016	\$ 2,475,000	\$165,000	4.11%	\$98,332	\$263,332
2017	\$ 2,310,000	\$170,000	4.11%	\$91,448	\$261,448
2018	\$ 2,140,000	\$175,000	4.11%	\$84,358	\$259,358
2019	\$ 1,965,000	\$185,000	4.11%	\$76,960	\$261,960
2020	\$ 1,780,000	\$190,000	4.11%	\$69,254	\$259,254
2021	\$ 1,590,000	\$200,000	4.11%	\$61,239	\$261,239
2022	\$ 1,390,000	\$210,000	4.11%	\$52,814	\$262,814
2023	\$ 1,180,000	\$220,000	4.11%	\$43,977	\$263,977
2024	\$ 960,000	\$225,000	4.11%	\$34,832	\$259,832
2025	\$ 735,000	\$235,000	4.11%	\$25,379	\$260,379
2026	\$ 500,000	\$245,000	4.11%	\$15,515	\$260,515
2027	\$ 255,000	\$255,000	4.11%	\$5,240	\$260,240
		\$3,150,000		\$1,240,398	\$4,390,398

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$261,691	\$135,000	\$126,691
Maximum Requirement	2023	\$263,977	\$220,000	\$43,977
Total Outstanding Bonds	\$3,150,000			
Total Original Issue	\$3,400,000			
Issue Date	8/29/07			

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, purchasing, renovating, and improving the City's public safety facilities, including police, fire, and emergency medical services, (2) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (3) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to public safety improvement purposes and street improvement purposes, and (4) the payment of professional services related to the construction and financing of the aforementioned projects.



DEBT SERVICE



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DEBT SERVICE

WATAUGA PARKS DEVELOPMENT CORPORATION Debt Service Fund - 06 and 08

The Watauga Parks Development Corporation (PDC) Sales Tax Special Revenue Debt Service fund is used to account for Sales Tax Revenue Bonds whose principal and interest is payable from a special ½ cent sales tax that was adopted by the City of Watauga in May, 1994. This additional sales tax was passed under the 4b Economic Development legislation for the purpose of funding athletic facilities, tourism and entertainment facilities, parks and public space improvements, public facility improvements, commercial facilities, transportation improvements, infrastructure improvements, and other business related improvements.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

During FY 1999, the PDC received \$3,552,150 for the sale of land purchased in FY 1996 from the proceeds of this debt. The Board of Directors discussed several uses for the funds, including provisions for the retirement of the PDC debt, as well as receiving citizen and Council input on projects to be funded. The Board then decided that adding amenities to Capp Smith Lake, such as a walking trail, picnic areas, and pavilions, plus funding a new City Community Center, were appropriate uses for the proceeds from the sale of land. Capp Smith Park was completed during FY 2002 and the new City Community Center was completed during FY 2003. During FY 2004, the PDC was able to take advantage of low interest rates in an advanced refunding issue. The originally issued 1994 Series Revenue Bonds were defeased during FY 2005.

On November 29, 2007 and again on May 21, 2010, Standard & Poor's reaffirmed their PDC Sales Tax Revenue Refunding Bond, Series 2004, rating of A+.

The existing debt payment schedule is level through 2016 with the issuances final payment. No current plans for Parks Development Corporation bonds are being considered.

DEBT SERVICE

Watauga Parks Development Corporation Debt Service Fund - 06 and 08

Budget Summary

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Proposed
Fund Balance, October 1*	\$246,586	\$260,727	\$253,610	\$257,910	\$258,833	\$259,233
Revenues:						
Interest Income	\$15,041	\$9,901	\$5,623	3,000	1,400	1,150
Expenditures:						
Principal	165,000	165,000	175,000	175,000	175,000	180,000
Interest	52,386	48,880	44,946	40,462	40,462	35,355
Issuance Costs	0	0	0	0	0	0
Payment to Escrow	0	0	0	0	0	0
Transfer to PDC Operating	0	16,118	0	0	0	24,600
Bank Charges	900	900	400	1,000	1,000	1,000
Total Expenditures:	<u>\$218,286</u>	<u>\$230,898</u>	<u>\$220,346</u>	<u>\$216,462</u>	<u>\$216,462</u>	<u>\$240,955</u>
Other Financing Sources:						
Bond Sale Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
Transfer In	\$217,386	\$213,880	\$219,946	215,462	215,462	215,355
Fund Balance, September 30	<u>\$260,727</u>	<u>\$253,610</u>	<u>\$258,833</u>	<u>\$259,910</u>	<u>\$259,233</u>	<u>\$234,783</u>

Official Statement Requirement in Reserve is \$219,946 in Fund 06

DEBT SERVICE

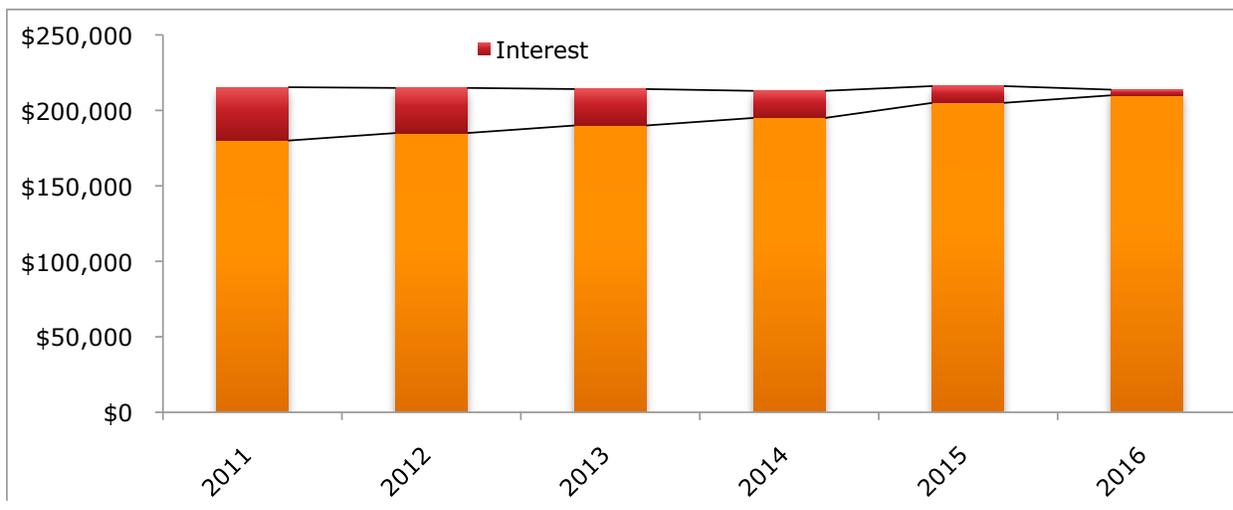
Watauga P.D.C. Debt Service Fund

Annual Debt Service Requirement Series 2004 Refunding (\$2,035,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$1,000,000	\$180,000	3.00%	\$35,355	\$215,355
2012	\$820,000	\$185,000	3.00%	\$29,880	\$214,880
2013	\$635,000	\$190,000	3.125%	\$24,136	\$214,136
2014	\$445,000	\$195,000	3.30%	\$17,950	\$212,950
2015	\$250,000	\$205,000	3.55%	\$11,094	\$216,094
2016	\$45,000	\$210,000	3.55%	\$3,728	\$213,728
		<u>\$1,165,000</u>		<u>\$122,143</u>	<u>\$1,287,143</u>
Total Outstanding Bonds		\$1,165,000			
Total Original Issue		\$2,805,000			
Issue Date		4/14/04			

To refund in advance Series 1995 Sales Tax Revenue Bonds and related costs of issuance. Series 1995 Bonds were used to purchase land and develop neighborhood parks and improvements to existing neighborhood parks, also pay the cost associated with the sale of the bonds.

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$215,355	\$180,000	\$35,355
Maximum Requirement	2015	\$216,094	\$205,000	\$11,094



DEBT SERVICE

W/S Revenue Bonds and Certificate of Obligation

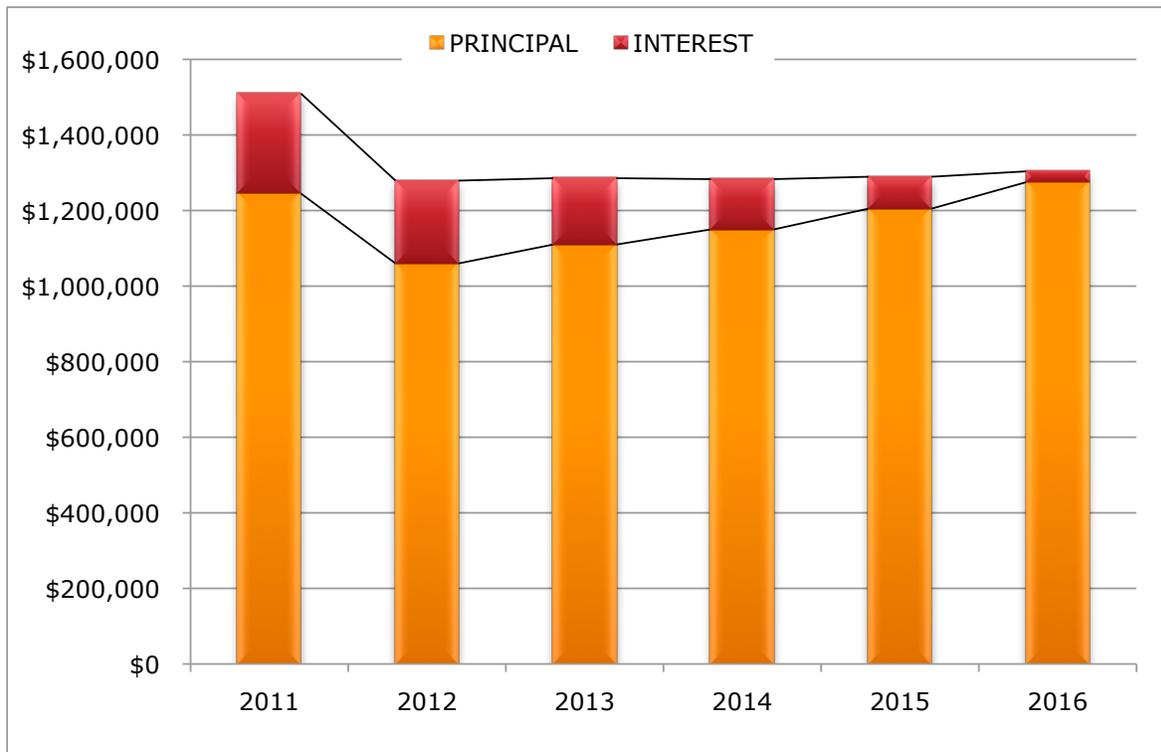
Debt Service Schedule

Requirements to Maturity

All Issues

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	INTEREST	TOTAL
2011	\$7,045,000	\$1,245,000	\$264,576	\$1,509,576
2012	\$5,810,000	\$1,060,000	\$219,128	\$1,279,128
2013	\$4,760,000	\$1,110,000	\$175,562	\$1,285,562
2014	\$3,655,000	\$1,150,000	\$133,112	\$1,283,112
2015	\$2,500,000	\$1,205,000	\$84,428	\$1,289,428
2016	\$1,285,000	\$1,275,000	\$28,679	\$1,303,679
		\$7,045,000	\$905,485	\$7,950,485

	Year	Total	Principal	Interest
This Year's Requirement	2011	\$1,509,576	\$1,245,000	\$264,576
Maximum Requirement	2011	\$1,509,576	\$1,245,000	\$264,576



DEBT SERVICE

WATER AND SEWER REVENUE BOND Debt Service Fund 42

The Water and Sewer Revenue Bond Debt Service fund is used to account for Revenue Bonds whose principal and interest are payable from earnings of the City of Watauga's Water and Sewer Enterprise Fund. The 1996 debt was used to purchase the Wastewater system from the City of North Richland Hills in October 1996, to build the necessary infrastructure, and to purchase the necessary equipment in order to efficiently run the utility system.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

The existing debt payment schedule is level through the retirement of the bonds in 2016. No current plans for other issues are being considered.

Water and Sewer Revenue Bond Budget Summary - Fund 42

	Budget Summary					
	2006-07	2007-08	2008-09	2009-10	2009-10	2010-11
	Actual	Actual	Actual	Budget	Estimate	Proposed
Fund Balance, October 1	\$40,828	\$46,802	\$65,015	\$45,369	\$68,075	\$67,275
Revenue:						
Transfer from Construction Fund	0	0	0	0	0	0
Transfer from Operating Fund	357,290	362,193	341,604	343,024	343,024	344,132
Interest income	6,646	4,616	2,758	2,000	700	500
Total Revenue	\$363,936	\$366,809	\$344,362	\$345,024	\$343,724	\$344,632
Total Available Resources	\$404,764	\$413,611	\$409,377	\$390,393	\$411,799	\$411,907
Debt Service Requirements:						
Principal	230,000	245,000	270,000	280,000	280,000	290,000
Interest	126,485	103,596	70,902	63,024	63,024	54,132
Fiscal Agent Charges	1,477	0	400	1,500	1,500	1,500
Total Debt Service Requirements	\$357,962	\$348,596	\$341,302	\$344,524	\$344,524	\$345,632
Fund Balance, September 30	\$46,802	\$65,015	\$68,075	\$45,869	\$67,275	\$66,275

DEBT SERVICE

General Obligation Debt Service Fund - 42

Annual Debt Service Requirement

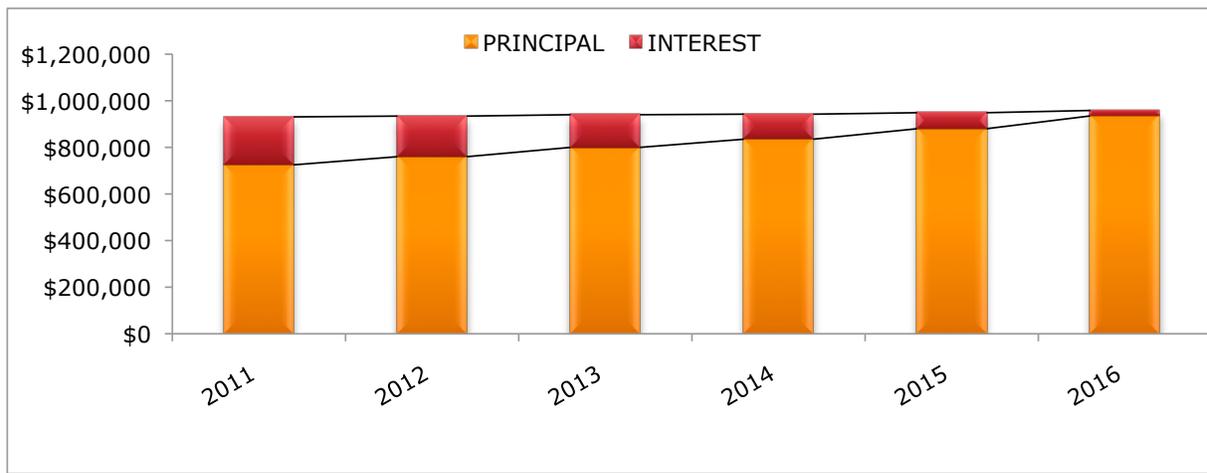
Series 2008 (\$2,430,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2011	\$1,880,000	\$290,000	3.120%	\$54,132	\$344,132
2012	\$1,600,000	\$300,000	3.120%	\$44,928	\$344,928
2013	\$1,310,000	\$310,000	3.120%	\$35,412	\$345,412
2014	\$1,005,000	\$315,000	3.120%	\$25,662	\$340,662
2015	\$685,000	\$325,000	3.120%	\$15,678	\$340,678
2016	\$350,000	\$340,000	3.120%	\$5,304	\$345,304
		\$1,880,000		\$181,116	\$2,061,116

Total Outstanding Bonds	\$1,880,000
Total Original Issue	\$2,430,000
Issue Date	3/24/08

To refinance original bond issued in 1996 to pay for acquisition, improvements, and extensions to the Water/Sewer system including payment for professional services related to the construction and financing of water/sewer improvements. City was able to reduce interest rate from 4.783% to 3.12%, also freeing up \$360,000 from Bond Reserve Fund.

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2011	\$344,132	\$290,000	\$54,135
Maximum Requirement	2016	\$345,304	\$340,000	\$5,304



DEBT SERVICE

Water and Sewer Certificates of Obligation Debt Service Fund 44

The Water and Sewer Certificates of Obligation Debt Service fund is used to account for Certificates of Obligation whose principal and interest are payable from earnings of the City of Watauga's Water and Sewer Enterprise Fund. The debt was used to purchase the Water and Sewer system from the City of North Richland Hills in October 1996, to build the necessary infrastructure, including an elevated water tank, and to purchase the necessary equipment in order to efficiently run the utility system. In July of 2001, City engineers, along with the firm of Knowlton - English - Flowers, Inc., produced a Capital Improvement Plan. Over \$2.8 million in water and wastewater needs were detailed in this plan. Due to the urgency of some of these needs, the City issued revenues bonds during FY 2001-2002 to fund \$1.7 million of these projects and will continue to work on the rest of the projects in a "pay-as-you-go" process. Funds will be taken from operating amounts that are annually transferred to water and sewer capital improvement projects to cover these bonds for ten years. Due to low interest rates, the City was able to refund the 1996 Certificates (years 2008 - 2016) in FY 2004-2005 for significant savings.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Debt Management

The existing debt payment schedule is level through 2016 when the final payment on the certificates is made. No current plans for other certificates are being considered.

Water and Sewer Certificates of Obligation Budget Summary FUND 44

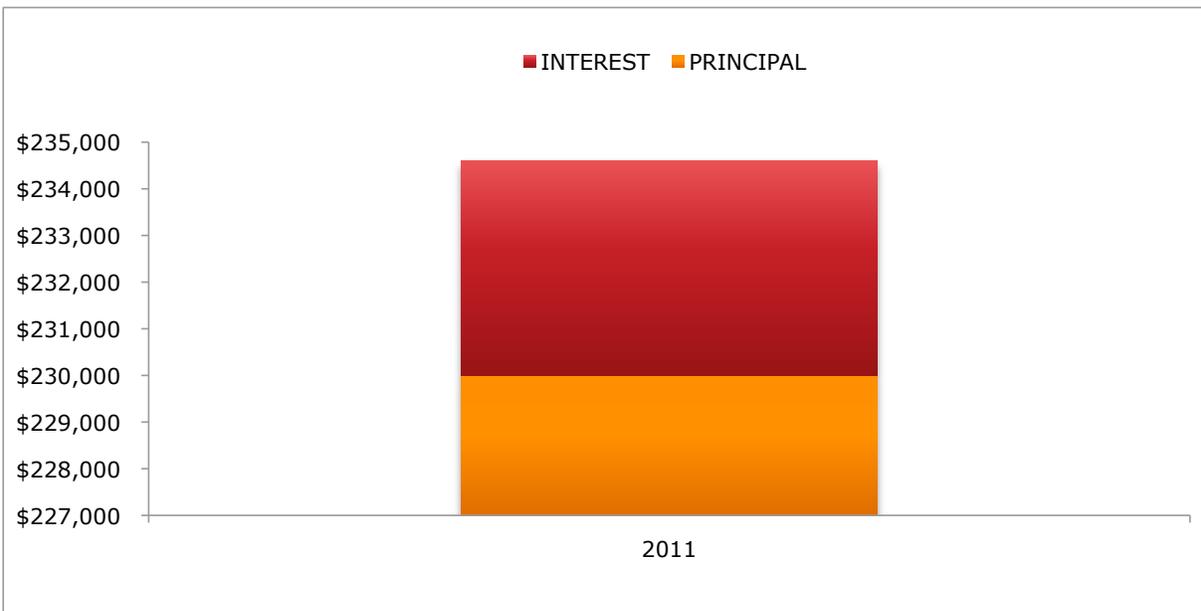
	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Estimate	2010-11 Budget
Fund Balance, October 1	\$166,290	\$196,203	\$173,875	\$166,497	\$183,325	\$183,825
<u>Revenue:</u>						
Transfer from W/S Operating Fund	1,148,331	1,112,057	1,158,556	1,160,634	1,160,634	1,115,502
Transfer from W/S Construction Fund	0	0	0	0	0	49,942
Interest income	17,436	13,563	7,496	5,458	1,500	1,000
Total Revenue	1,165,767	1,125,620	1,166,052	1,166,092	1,162,134	1,166,444
 Total Available Resources	 1,332,057	 1,321,823	 1,339,927	 1,332,589	 1,345,459	 1,350,269
<u>Debt Service Requirements:</u>						
Series 1996 CO						
Principal	800,000	840,000	880,000	915,000	915,000	955,000
Interest	335,054	306,148	275,202	245,634	245,634	210,444
Fiscal Agent Charges	800	1,800	1,400	1,000	1,000	1,000
Total Debt Service Requirements	1,135,854	1,147,948	1,156,602	1,161,634	1,161,634	1,166,444
 Fund Balance, September 30	 \$196,203	 \$173,875	 \$183,325	 \$170,955	 \$183,825	 \$183,825

DEBT SERVICE

W/S Revenue / C.O. Bond Debt Service Annual Debt Service Requirement - Fund 44 Series 2002 (\$1,750,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	Interest Rates	INTEREST	TOTAL
2011	\$230,000	\$230,000	4.00%	\$4,600	\$234,600
		\$230,000		\$4,600	\$234,600
		Year	Total	Principal	Interest
This Year's Requirement		2011	\$234,600	\$230,000	\$4,600
Maximum Requirement		2011	\$234,600	\$230,000	\$4,600
Total Outstanding Bonds		\$230,000			
Total Original Issue		\$1,750,000		<i>*Total issue \$2,650,000</i>	
Issue Date		1/15/02			
No Call Date					

To be used for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes including: (1) constructing renovations and improvements to the City library system; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system; (3) the purchase of materials, supplies, equipment, vehicles, machinery, land, rights-of-way for authorized needs and purposes relating to the utility system, parks and recreation department, City Hall purposes, public safety purposes, community center purposes, and public works department purposes; and, (4) payment of professional services related to the construction and financing of the aforementioned projects.



GLOSSARY OF TERMS

Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

Ad Valorem Tax: A tax assessed against property (land, improvements, and personal property) for the purpose of financing general operations of the City and debt service requirements.

Advanced Refunding: A transaction in which new debt is issued to provide monies to pay interest on old, outstanding debt as it becomes due, and to pay the principal on the old debt either as it matures or at an earlier call date.

Allocation: A part of a lump-sum appropriation, which is designed for expenditures by specific organization units and/or for special purposes, activities, or objects.

Appraised Value: The market value of real and personal property located in the City as of January 1 each year, determined by the Tarrant Appraisal District (TAD).

Appropriation: The maximum level of spending for each fund and for each department as authorized annually by the City Council.

Appropriation Ordinance: The official enactment by the legislative body by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes. The Tarrant Appraisal District establishes property values in Watauga.

Assessment Ratio: The ratio at which tax rate is applied to tax base. State Law currently sets the assessment ratio at 100%.

Assets: Resources owned or held by the City, which have monetary value.

Balanced Budget: A budget where expenditures are equal to income or sometimes where expenditures are less than income. A balanced budget can include a planned draw down of fund balances within set guidelines.

Basis of Accounting: The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date in the future, call the maturity date, together with periodic interest at a specified rate. The most common types of bonds are general obligation and revenue bonds. They are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

GLOSSARY OF TERMS

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

Budget Calendar: The schedule of key dates or milestones, which the City departments follow in the preparation, adoption, and administration of the budget.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.

Budgetary Control: The control or management of a governmental or enterprise fund in accordance with an approved budget to keep expenditures within the limitations of available appropriations of revenue.

Capital Budget: A plan for the financing and completion of designated capital projects, financed for the most part with proceeds from general obligation bond issues. The “capital improvements program” is similar multi-year plan, which includes the year covered by the “capital budget”.

Capital Projects Fund: A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

Capital Outlay: type of expenditure within the budget, which results in the acquisition of an asset which has a value of at least \$5,000 and a useful life of three years or more.

Certificate of Obligation: A type of municipal debt that is unconditionally backed that can be issued without voter approval, usually by a vote of the City Council. Often used for smaller projects.

City Charter: The document of a home rule City similar to a constitution, which established the City’s government structure and provides for the distribution of powers and duties among the various branches of government.

City Council: The Mayor and seven (7) Council members collectively acting as the legislative and policy-making body of the City.

Comprehensive Annual Financial Report (CAFR): This report is published annually to provide to the Council, the representatives of financial institutions, our citizens, and other interested persons, detailed information concerning the financial condition of the City government.

Contractual Services: The cost related to services performed for the City by individuals, business, or utilities.

GLOSSARY OF TERMS

Crime Control and Prevention District: The State Legislature in 1989 allowed certain cities and counties to establish a district and impose a local sales tax to fund its programs. Since that time, eligibility has been extended.

Current Refunding: A refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded.

Current Taxes: Property taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Debt Service Fund: A fund established to account for the accumulation of resources for the payment of principal and interest on long term debt. May also be called Interest and Sinking Fund (I & S).

Delinquent Taxes: Taxes that remain unpaid on and after the date for which penalty for non-payment is attached.

Department: A major administrative organizational unit of the City, which indicates overall management responsibility for one or more divisions.

Depreciation: The portion of the cost of a fixed asset charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Division: A major administrative organizational unit of the City, which indicates overall management responsibility for one or more activities.

Effectiveness: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives.

Effective Tax Rate: The rate that will generate the same revenue as the year before. State law in Texas prescribes a formula for calculating the effective tax rate for cities. The net effect of the formula is to produce a tax rate that decreases when property values rise because of inflation and vice versa. The formula does make adjustments for newly annexed property and newly constructed property for the effective tax rate calculation; however, for notice and hearing requirements, the benefit of new growth is excluded.

Efficiency: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources.

Encumbrances: Obligations in the form of purchase orders and contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved

GLOSSARY OF TERMS

because the goods or services have not been received. When paid, the encumbrance is liquidated.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Two Enterprise Funds are established for Watauga - one for storm drainage maintenance and one for Water and Sewer Operations.

Estimated Revenue: The amount of projected revenues to be collected during the fiscal year.

Expenditure: Decreases in net financial resources. Expenditures include current operating expenses, which may require the present or future use of net current assets, debt service, and capital outlay.

Expenses: This term refers to the outflows or other using up of assets or incurrence of liabilities from rendering services or carrying out other activities that constitute the City's major operations.

Fiduciary Fund: A fund used to report and record assets held in trust or as in an agency capacity for others.

Financial Policies: Financial policies are used to enable the City to achieve a sound financial position. They are in writing and are periodically updated and endorsed.

Fiscal Year: The 12-month period covered by the budget. For the City of Watauga, the fiscal year begins October 1 and ends September 30.

Fixed Assets: Assets of long-term character, which are intended to continue to be held or used, such as buildings, infrastructure, machinery, and equipment.

Franchise Fee: Fees levied by the City in return for granting a privilege, which permits the continual use of public property, such as city streets, in providing their services to the citizens of the community.

Full-Time Equivalent: Refers to the number of full-time employees, plus all part time and seasonal employees pro-rated to full time increments.

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

GLOSSARY OF TERMS

Fund Balance: The assets of a fund less liabilities, as determined at the end of each fiscal period. Any reservations of fund balance are deducted to result in an “unreserved fund balance”.

Fund Type: In governmental accounting, all funds are classified into eight fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GAAP: “Generally Accepted Accounting Principles” as determined through common practice or as promulgated by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), or various other accounting standard setting bodies.

General Fund: The General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, park and recreation, library, public works and general administration.

General Obligation Bonds: Bonds that finance a variety of public projects, which pledge the full faith and credit of the City.

Governmental Accounting Standards Board (GASB): The ultimate authoritative accounting and financial reporting standard – setting body for state and local governments.

Governmental Fund: A fund used to account for mainly tax-supported activities.

Impact Fees: Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

Infrastructure: The underlying permanent foundation or basic framework.

Interest and Sinking Fund (I & S): See Debt Service Fund.

Interest Earnings: The earnings from available funds invested during the year in approved investment vehicles such as U.S. Treasury Bonds, Governmental Agencies, and Certificates of Deposits.

Inter-fund Transfer: Amounts transferred from one fund to another.

Intergovernmental Revenues: Funds received from federal, state, and other local governmental sources in the form of grants, shared revenues, and payments in lieu of taxes (PILOT).

GLOSSARY OF TERMS

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another on a cost reimbursement basis.

Investments: Securities, bonds and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in the normal course of governmental operations.

Joint Use Facility: An agreement between both the City of Watauga and the City of North Richland Hills that establishes the method by which the responsibility to operate and the obligation to provide services related to a particular water facility will be shared until the sole ownership is transferred to the City of Watauga pursuant to the Settlement and Purchase agreement.

Levy: To impose taxes, special assessments, or service charges for the support of the City services.

Liabilities: Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date.

Long-term Debt: Loans and obligations with a maturity of longer than one year; usually accompanied by interest payments; also called funded debt.

Maintenance & Operations (M&O): Represents the portion of taxes assessed for the maintenance and operations of General Fund Services.

Materials and Supplies: Expendable materials and operating supplies necessary to conduct departmental activity.

Modified Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Net Bonded Debt: Gross bonded debt less any cash or other assets available and earmarked for its retirement.

Non-Departmental Expense: Expenses that benefit the fund as a whole rather than a particular department within the fund.

Operating Budget: A financial plan outlining estimated revenues and expenditures and other information for a specified period (usually a fiscal year). The “proposed budget” is the financial plan presented by the City Manager for consideration by the City Council, and the “adopted budget” is the financial plan ultimately approved and authorized by the City Council.

GLOSSARY OF TERMS

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.

Overlapping Debt: Proportionate share that property must bear of the debts of other local governments located wholly or in part within the geographic boundaries of the reporting government. Examples include BISD/KISD School Districts and debts related to County.

Parks Development Corporation (PDC): A corporation established to maintain funds and maintenance of city parks.

Paying (Fiscal) Agent Fee: Fee paid to the financial institution that receives and disburses bond payments made on the City's debt obligations.

Per Capita Costs: The cost of service per person. Per capita costs are based on the population estimates provided by the North Texas Council of Governments.

Performance Measures: Specific quantitative measures of work performed within a City department.

Personnel Services: The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

Proprietary Fund: A fund to account for activities that focus on operating income and cash flows. Such activities are often business-like, whether internal or external to the organization.

Refunding: The issuance of new debt whose proceeds are used to repay previously issued debt.

Reserve: An account used to indicate that a portion of a fund balance is restricted for a specific purpose.

Revenues: All amounts of money earned or received by the City from external sources.

Revenue Bonds: Bonds usually sold for constructing a project that will produce revenue for the governmental entity. All or part of the produced revenue is used to pay the principle and interest of the bond.

Revised Budget: A department's authorized budget as modified by City Council action, through new or decreased appropriation or appropriation transfers from contingency, or

GLOSSARY OF TERMS

transfers from or to another department or fund.

Rollback Rate: A Total Tax Rate that incorporates an eight-percent (8%) increase over the calculated effective M&O rate, plus the I&S rate. Any rate proposed above the Rollback Rate is subject to taxpayer petition to “rollback” the rate to the Rollback Rate.

SCADA: Supervisory Control and Data Acquisition is an automated system that is the normal daily means of water system operation. This automated system records flow data and operates pumps and valves.

Special Revenue Fund: A governmental fund, which is used to account for activities in which a specific revenue source is legally restricted for a specific activity.

Tap Fees: Fees charged to join or to extend an existing utility system.

Tax Anticipation Notes: Short-term, interest bearing note issued by a government in anticipation of tax revenues to be received at a later date.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. The term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

Tax Levy: The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Tax Rate: An amount applied to the taxable value of assessed property, expressed as cents per \$100 of assessed property, e.g. \$0.580763/\$100 of valuation.

Tax Roll: The official list of taxable property for a given tax year and the amount of taxes levied against each taxpayer.

Texas Municipal Retirement System (T.M.R.S.): An agent multiple-employer public retirement system. Watauga provides pension benefits for all permanent employees through a joint contributory plan in the statewide Texas Municipal Retirement System.

Utility Franchise Tax: A tax paid by a utility for a special privilege granted by the Watauga City Council, permitting the continued use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

Warrants: A legal writ authorizing an officer to make an arrest, seizure, or search.

GLOSSARY OF TERMS

A.C.O.	Animal Control Officer
A.V.	Ad Valorem
A/C	Air Conditioning
B.I.S.D.	Birdville Independent School District
C.A.F.R.	Comprehensive Annual Financial Report
C.C.	City Council
C.C.D.	Crime Control and Prevention District
C.I.D.	Criminal Investigation Division
C.M.O.	City Manager's Office
C.O.	Certificate of Obligation
C.O.W.	City of Watauga
C.O.W. #	City of Watauga Goals as Defined in Budget Overview
C.S.O.	City Secretary's Office
C.S.S.	Customer Service Statement
C.S.S.#	Customer Service Statement as Defined in Budget
D.P.S.	Department of Public Safety – See Police or Fire/EMS
E.M.S.	Emergency Medical Support
F.D.	Finance Director
F.T.E.	Full-Time Equivalent
F/T	Full-Time
G.A.A.P.	Generally Accepted Accounting Principles
G.A.S.B.	Governmental Accounting Standards Board
G.F.	General Fund
G.F.O.A.	Government Finance Officers Association
G.F.O.A.T.	Government Finance Officers Association of Texas
G.O.	General Obligation
H.V.A.C.	Heating Ventilation and Air Conditioning
I & S	Interest and Sinking
I.C.M.A.	International City/County Management Association
J.S.F.	Joint Use Facilities
K-9	Canine
K.I.S.D.	Keller Independent School District
L.O.M.R.	Letter of Map Revisions
M&O	Maintenance and Operations

GLOSSARY OF TERMS

M.I.S.	Management Information Services
N.C.T.C.O.G.	North Central Texas Council of Governments
N.E.T.C.	Northeast Tarrant County
N.E.T.S.	Northeast Tarrant Street Crimes Unit
N.R.H.	North Richland Hills
P.D.C.	Parks Development Corporation
P.G.A.	Professional Golf Association
P/T	Part-Time
R.O.W.	Right of Way
T.C.M.A.	Texas City Management Association
U.C.R.	Uniform Crime Report
W/S	Water and Sewer

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

BUDGET RESOLUTIONS

Resolution 10-09-08-02 – Tax Assessment Roll

**Resolution 10-09-08-03 – Fiscal Year 2011 Continuation of Park Vista
Public Improvement District**

BUDGET ORDINANCES

Ordinance Number 1450 – Fiscal Year 2011 Ad Valorem Tax Levy

**Ordinance Number 1451 – Fiscal Year 2011 Levy Park Vista Public
Improvement Assessment Fee**

Ordinance Number 1452 - October 1, 2010 Budget Adoption

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 10-09-08-03

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA AUTHORIZING THE CONTINUATION OF THE PARK VISTA PUBLIC IMPROVEMENT DISTRICT ESTABLISHED JANUARY 1999 AS PROVIDED BY CHAPTER 372 OF THE LOCAL GOVERNMENT CODE; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HEREWITH ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Watauga, Texas, adopted Resolution No. 98-12-14-3 which authorized the establishment of the Park Vista Public Improvement District as provided by Chapter 372 of the Local Government Code on December 14, 1998; and

WHEREAS, the City Council adopted Resolution No. 99-1-19-3 on January 19, 1999 adopting a service plan and budget for Fiscal Years 1998-99 and 1999-2000; and

WHEREAS, the City Council adopted Resolution No. 00-9-25-7 on September 25, 2000 adopting a service plan and budget for Fiscal Years 2000-2001, 2001-2002, and 2002-2003; and

WHEREAS, the City Council adopted Resolution No. 03-09-18-03 on September 18, 2003, adopting a service plan and budget for Fiscal Year 2003-2004; and

WHEREAS, the City Council adopted Resolution No. 04-09-13-04 on September 13, 2004, adopting a service plan and budget for Fiscal Year 2004-2005; and

WHEREAS, the City Council adopted Resolution 05-09-12-02 on September 12, 2005, adopting a service plan and budget for Fiscal Year 2005-2006; and

WHEREAS, the City Council adopted Resolution 06-09-11-04 on September 11, 2006, adopting a service plan and budget for Fiscal Year 2006-2007; and

WHEREAS, the City Council adopted Resolution 07-09-10-05 on September 10, 2007, adopting a service plan and budget for Fiscal Year 2007-2008; and

WHEREAS, the City Council adopted Resolution 08-09-08-02 on September 8, 2008, adopting a service plan and budget for Fiscal Year 2008-2009; and

WHEREAS, the City Council adopted Resolution 09-09-07-03 on September 7, 2009, adopting a service plan and budget for Fiscal Year 2009-2010.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Watauga, Texas as follows:

I.

The City Council for the City of Watauga, after duly considering the evidence and testimony presented at the public hearing on September 8, 2010 hereby makes the following findings:

- (a) It is not advisable for the Park Vista Public Improvement District to continue to provide services during the fiscal year 2010-2011.
- (b) The City will furnish or pay for standard improvements and/or services in Park Vista Public Improvement District at the same level as they would be provided to the taxpayers generally.

TOTAL COST FOR FISCAL YEAR 2010-2011

(1) Cost of Maintenance & Operating Expense	\$0.00
TOTAL	\$0.00

The cost of constructing additional improvements and/or providing additional supplemental services in subsequent years will be determined in the annual service plan to be adopted and amended from time to time by the City Council.

- (c) The boundaries of the Park Vista Public Improvement District are set forth in Exhibits "A" and "B" attached hereto and incorporated by references for all purposes as is set forth at length herein.
- (d) The method of assessment is:
 - (1) A service plan is approved and adopted by the City Council for a period of one year. The plan will be reviewed and updated annually by the City Council to determine the annual budget for improvements and/or services within Park Vista Public Improvement District.
 - (2) The cost of an improvement and/or special services will be assessed against real property within Park Vista Public Improvement District according to value of the property with improvements as determined by the Tarrant Appraisal District.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

- (e) The apportionment of costs between the Park Vista Public Improvement District and the City as a whole shall be:
 - (1) All of the cost of an improvement and/or service shall be paid by special assessments against real property in Park Vista Public Improvement District.
 - (2) The City Council of the City of Watauga will be authorized to establish by Ordinance reasonable classifications and formulas for the apportionment of costs between the City and the property to be assessed.
 - (3) The City as a whole will continue to provide standard improvements and services to Park Vista Public Improvement District at the same level as they are provided to other areas in the City and the taxpayers generally.
- (f) The probably maximum benefits to be conferred on each tract in Park Vista Public Improvement District because of the improvements and/or services shall be greater than the amount of the assessment against such tract and the owners thereof.
- (g) The City Council Resolution of December 14, 1998 and Interlocal Agreement with the City of Fort Worth dated July 13, 1998 authorizing establishment of Park Vista Improvement District provides that the Park Vista Public Improvement District will exist for five (5) years and for an indefinite term thereafter unless the Park Vista Improvement District is terminated as provided by law.
- (h) The City Secretary is hereby directed to give notice of authorization for the Park Vista Public Improvement District to provide services during Fiscal Year 2010-2011 by publishing a copy of this Resolution once in a newspaper of general circulation in the City of Watauga.

II.

The service plan for Fiscal Year 2010-2011 is hereby adopted by the City Council.

III.

The Park Vista Public Improvement District shall be a complete alternate to other methods by which the City of Watauga may finance public improvements and/or special supplemental services by assessing property owners.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

IV.

This Resolution shall be and is hereby cumulative of all other resolutions of the City of Watauga, Texas and this Resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

V.

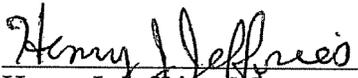
If any section, subsection, sentence, clause, or phrase of this Resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution.

VI.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon approval thereof by the Mayor of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 8th day of September 2010.

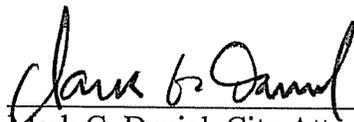
APPROVED:


Henry J. Jeffries, Mayor

ATTEST:

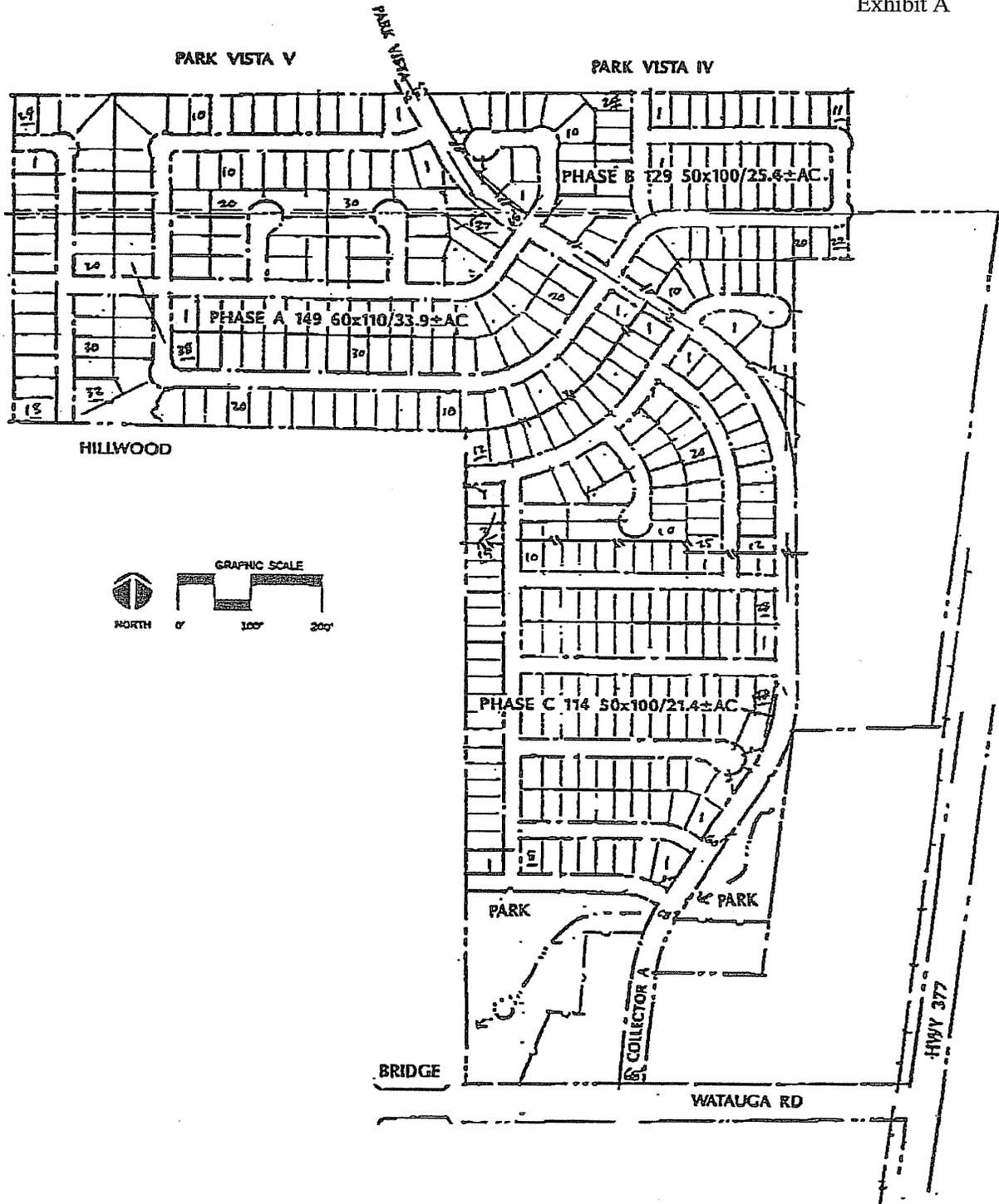

DeeAnna Looney, City Secretary

APPROVED AS TO FORM AND LEGALITY:


Mark G. Daniel, City Attorney

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

Exhibit A



WATAUGA 80.7 ACRES ALTERNATE PLAN A-1D

392± LOTS IN 80.7± ACRES

71050 4-27-98 &

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

LEGAL DESCRIPTION

Exhibit B

BEING a tract of land situated in the William Evans Survey, Abstract No.467 and the David L. Hall Survey, Abstract No.700, Tarrant County, Texas and being a portion of that tract of land as described by deed to Havener Rupert Limited Partnership and recorded in Volume 12415, Page 1824, County Records, Tarrant County, Texas, said tract being more particularly described by metes and bounds as follows:

BEGINNING at the northeast corner of Phase V, Section 2B, Park Glen Addition, an addition to the City of Fort Worth as recorded in Cabinet A, Slide No. 3979, said County Records, said point being the northeast corner of Lot 2, Block 64 of said addition, same being in the southerly line of Phase V, Section 2A, Park Glen Addition as recorded in Cabinet A, Slide No. 3152, said County Records;

THENCE S 89°38'32"E, 2345.71 feet;

THENCE S 00°34'10"W, 348.64 feet to the beginning of a curve to the right;

THENCE 44.86 feet along the arc of said curve, through a central angle of 51°24'08", which radius is 50.00 feet, the long chord of which bears S 07°44'28"W, 43.37 feet;

THENCE S 00°21'28"W, 112.06 feet;

THENCE N 89°38'32"W, 136.05 feet;

THENCE S 01°48'03"W, 583.87 feet to the beginning of a curve to the right;

THENCE 131.17 feet along the arc of said curve, through a central angle of 14°02'52", which radius is 535.00 feet, the long chord of which bears S 05°13'23"E, 130.84 feet;

THENCE S 01°48'03"W, 569.35 feet to the beginning of a curve to the right;

THENCE 109.34 feet along the arc of said curve, through a central angle of 11°31'46", which radius is 543.39 feet, the long chord of which bears S 07°33'56"W, 109.16 feet;

THENCE S 07°33'43"W, 578.71 feet;

THENCE N 88°01'22"W, 274.96 feet to the beginning of a curve to the left;

THENCE 144.49 feet along the arc of said curve, through a central angle of 20°29'32", which radius is 404.00 feet, the long chord of which bears S 17°52'44"W, 143.73 feet;

THENCE S 07°37'58"W, 354.58 feet to the northerly right-of-way line of Watauga Road, the beginning of a curve to the left;

THENCE 60.20 feet along the arc of said curve and along said road, through a central angle of 01°10'46", which radius is 2924.79 feet, the long chord of which bears N 87°04'14"W, 60.20 feet;

THENCE N 07°37'58"E, 359.52 feet leaving said road to the beginning of a curve to the right;

THENCE 105.41 feet along the arc of said curve, through a central angle of 13°01'00", which radius is 464.00 feet, the long chord of which bears N 14°08'28"E, 105.19 feet;

THENCE N 88°01'22"W, 157.00 feet;

THENCE S 06°50'00"W, 255.00 feet;

THENCE N 88°01'22"W, 81.00 feet;

THENCE S 23°38'16"W, 231.54 feet;

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

THENCE S 89°33'46"W, 140.00 feet;

Exhibit B Cont'd

THENCE N 00°41'33"E, 1940.84 feet

THENCE N 88°07'20"W, 1264.63 feet;

THENCE N 00°36'16"E, 975.57 feet to the POINT OF BEGINNING and containing 86.409 acres of land, more or less.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 10-09-08-02

A RESOLUTION APPROVING THE TAX ASSESSMENT
ROLL FOR 2010

WHEREAS, Section 26.09, sub-section (e) of the Texas Property Tax Code, provides that the tax assessor for each taxing unit shall submit the unit's tax assessment roll to the government body for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS that:

I.

The tax assessment roll for 2010 for the City of Watauga, Texas, based on appraised values provided by the Tarrant Appraisal District, is hereby approved.

II.

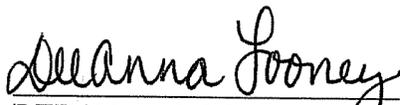
This Resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 8th day of September 2010.

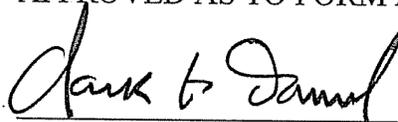
APPROVED:


HENRY J. JEFFRIES, MAYOR

ATTEST:


DEEANNA LOONEY, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:


MARK G. DANIEL, CITY ATTORNEY

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1450

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF WATAUGA, TEXAS FOR THE 2010-2011 FISCAL YEAR; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; PROVIDING FOR A STATEMENT REQUIRED BY SECTION 26.05(b) OF PROPERTY TAX CODE; AND PROVIDING WHEN TAXES SHALL BECOME DELINQUENT IF NOT PAID

WHEREAS, the City of Watauga, Texas has previously complied with all notice, publications and public hearing requirements of the City Charter of the City of Watauga, and with such requirements of the laws of the State of Texas including notice and publication of calculation of the effective tax rate; and

WHEREAS, pursuant to Section 26.05(b) of the Property Tax Code, a statement is not required since this year's tax levy to fund maintenance and operations expenditures does not exceed last year's maintenance and operations tax levy. Also, this year's M&O tax rate is lower than the effective maintenance and operations tax rate.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS:

I.

There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Watauga, Texas, and to provide an Interest and Sinking Fund for the 2010-2011 fiscal year, upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$0.580763 on each \$100.00 valuation of property, said tax being so levied and apportioned to the specific purposes herein set forth:

1. For the maintenance and support of the general government (General Fund), \$0.409617 on each \$100.00 valuation of property; and
2. For the Interest and Sinking Fund, \$0.171146 on each \$100.00 valuation of property.

THIS TAX RATE WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE DECREASED BY 5.69 PERCENT AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$9.92.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

II.

Taxes levied under the Ordinance shall be due October 1, 2010, and if not paid on or before January 31, 2011 shall immediately become delinquent.

III.

All taxes shall become a lien upon the property against which assessed, and the City assessor and collector of the City of Watauga, Texas, shall by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest, and the interest and penalty collected from such delinquent taxes shall be apportioned to the General Fund of the City of Watauga, Texas. All delinquent taxes shall bear interest from the date of delinquency at the rate as prescribed by State Law.

IV.

The City assessor and collector of the City of Watauga, Texas is hereby directed to assess for the 2010-2011 fiscal year the rates and amounts herein levied and when such taxes are collected, to distribute the collections in accordance with this Ordinance.

V.

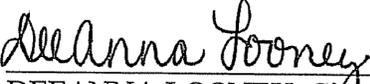
This Ordinance shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor of the City of Watauga, Texas, and publication hereof as prescribed by law.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 8th day of September 2010.

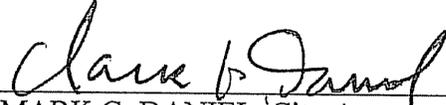
APPROVED:


HENRY D. JEFFRIES, Mayor

ATTEST:


DEEANNA LOONEY, City Secretary

APPROVED AS TO FORM AND LEGALITY:


MARK G. DANIEL, City Attorney

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1451

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS LEVYING ASSESSMENTS FOR USE AND SUPPORT OF THE PARK VISTA PUBLIC IMPROVEMENT DISTRICT OF THE CITY OF WATAUGA, TEXAS FOR THE 2010-2011 FISCAL YEAR; PROVIDING THAT ALL ORDINANCES IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Watauga, Texas adopted Resolution No. 98-12-14-3 which created the Park Vista Public Improvement District on December 14, 1998; and

WHEREAS, the City Council adopted Ordinance No. 1035 on September 25, 2000 levying assessments for use and support of the Park Vista Public Improvement District for the 2000-2001, 2001-2002, and 2002-2003 fiscal years; and

WHEREAS, the City Council adopted Ordinance No. 1166 on September 18, 2003 levying assessments for use and support of the Park Vista Public Improvement District for the 2003-2004 fiscal year; and

WHEREAS, the City Council adopted Ordinance No. 1205 on September 13, 2004 levying assessments for use and support of the Park Vista Public Improvement District for the 2004-2005 fiscal year; and

WHEREAS, the City Council adopted Ordinance No. 1242 on September 12, 2005 levying assessments for use and support of the Park Vista Public Improvement District for the 2005-2006 fiscal year; and

WHEREAS the City Council adopted Ordinance No. 1290 on September 11, 2006 levying assessments for use and support of the Park Vista Public Improvement District for the 2006-2007 fiscal year; and

WHEREAS, the City Council adopted Ordinance No. 1377 on September 10, 2007 levying assessments for use and support of the Park Vista Public Improvement District for the 2007-2008 fiscal year; and

WHEREAS, the City Council adopted Ordinance No. 1388 on September 8, 2008 levying assessments for use and support of the Park Vista Public Improvement District for the 2008-2009 fiscal year; and

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

WHEREAS, the City Council adopted Ordinance No. 1424 on September 7, 2009 levying assessments for use and support of the Park Vista Public Improvement District for the 2009-2010 fiscal year; and

WHEREAS, THE City Council finds it necessary to levy the assessment rate of \$0.00 on each \$100.00 valuation for the use and support of the Park Vista Public Improvement District in the City of Watauga.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Watauga, Texas, as follows:

I.

In accordance with Local Government Code 372.017, there is hereby levied and there shall be collected for the use and support of the Park Vista Public Improvement District in the City of Watauga, Texas, for the 2010-2011 fiscal year, upon all real property within the Park Vista Public Improvement District subject to taxation, an assessment of \$0.00 on each \$100.00 valuation of property, said assessments being so levied and apportioned to the specific purposes set forth in the resolution by the City Council of the City of Watauga, authorizing the establishment of the Park Vista Public Improvement District as provided by Chapter 372 of the Local Government Code.

II.

Assessments levied under the Ordinance shall be due October 1 of the respective year and if not paid on or before January 31 of the respective year, shall immediately become delinquent.

III.

All assessments shall become a lien upon the property against which assessed, and the City assessor and collector of the City of Watauga, Texas, shall by virtue of the tax rolls, fix and establish a lien by levying upon such property for the payment of said assessments, penalty and interest, and the interest and penalty collected from such delinquent assessments shall be apportioned to the Park Vista Public Improvement District. All delinquent assessments shall bear interest from the date of delinquency at the rate as prescribed by state law.

IV.

The City assessor and collector of the City of Watauga, Texas is hereby directed and authorized to assess for the 2010-2011 fiscal year, the rates and amounts herein levied, and when such assessments are collected, and to distribute the collections to the Park Vista Public Improvement District in accordance with this Ordinance.

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

V.

This Ordinance shall be and is hereby cumulative of all other ordinances of the City of Watauga, Texas and this Ordinance shall not operate to repeal or affect any such other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

VI.

If any section, subsection, sentence, clause, or phrase of this Ordinance shall for any reason be held invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

VII.

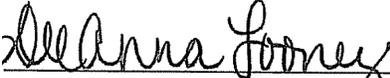
This Ordinance shall become effective and shall be in full force and effect after passage and adoption by the City Council of the City of Watauga, Texas, and upon approval thereof by the Mayor of the City of Watauga, Texas and publication hereof as prescribed by law.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas, this 8th day of September 2010.

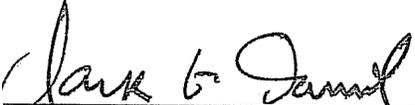
APPROVED:


HENRY U. JEFFRIES, Mayor

ATTEST:


DEEANNA LOONEY, City Secretary

APPROVED AS TO FORM AND LEGALITY:


MARK G. DANIEL, City Attorney

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1452

AN ORDINANCE ADOPTING AND APPROVING A BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011 IN ACCORDANCE WITH THE CHARTER OF THE CITY OF WATAUGA, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH

WHEREAS, an annual budget for the fiscal year beginning October 1, 2010 and ending September 30, 2011 was duly presented to the City Council by the City Manager in accordance with the City Charter; and

WHEREAS, a public hearing notice was published and said public hearing was held, the subject of which was the proposed budget submitted by the City Manager; and

WHEREAS, after full and final consideration, it is the consensus of the City Council that the budget, as hereinafter set forth, should be approved and adopted.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Watauga, Texas, that:

I.

Subject to applicable provisions of the City Charter, the budget for the fiscal year beginning October 1, 2010 and ending September 30, 2011 is hereby approved and adopted, and appropriations are made as follows:

1.	General Fund Operating Appropriations	\$11,220,692
2.	General Obligation Interest & Sinking Fund (Debt Service)	\$1,782,316
3.	Storm Drain Utility Enterprise Fund	\$712,648
4.	Parks Development Corporation Fund	\$1,065,391
5.	Capital Projects (Plus Prior Appropriations)	\$438,000
6.	Crime Control and Prevention District	\$1,225,818
7.	Park Development Corporation Debt Service Fund	\$240,955
8.	Park Development Corporation Capital Projects (Plus Prior Appropriations)	\$602,000

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

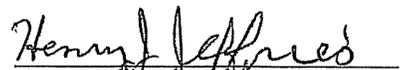
9.	Water Impact Fee	\$0
10.	Sewer Impact Fee	\$0
11.	Water/Sewer Joint Use Facilities	\$0
12.	Water/Sewer Capital Projects (Plus Prior Appropriations)	\$208,984
13.	Water and Sewer Operating Fund	\$7,802,162
14.	Internal Service Fund	\$0
15.	Water and Sewer Certificates of Obligation Debt Service Fund Summary	\$1,166,444
16.	Water and Sewer Revenue Bond Debt Service Fund	\$345,632
17.	Water and Sewer Debt Reserve Fund	\$0
18.	Library Donation Fund	\$13,130
19.	Bunker Hill Drainage Fund	\$0
20.	Municipal Court Security Fee	\$9,700
21.	Municipal Court Technology Fund	\$26,218
22.	Municipal Court Juvenile Fund	\$10,336
23.	Park Vista Public Improvement District	\$0

II.

This Ordinance shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor of the City of Watauga, Texas and publication hereof as prescribed by law.

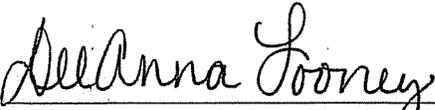
PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 8th day of September 2010.

APPROVED:


HENRY J. JEFFRIES, Mayor

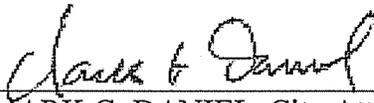
**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

ATTEST:



DEEANNA LOONEY, City Secretary

APPROVED AS TO FORM AND LEGALITY:



MARK G. DANIEL, City Attorney

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

Notice of Adopted 2010 Tax Rate*

2009 Property Tax Rates in City of Watauga

Notice of Tax Revenue Increase

Notice of Public Hearing on Tax Increase

2009 Effective Tax Rate Worksheet

*Texas Property Tax Law, under the Truth in Taxation statutes, requires that whenever a City has an increase in taxes, special notification is required for all property owners. This year, the property taxes have decreased due to lower property valuations. The actual ad valorem tax receipts expected by the City for this fiscal year are \$305,938 less than the previous year, or a decrease of 5.69%.

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Property Tax Rates in City of Watauga

This notice concerns 2010 property tax rates for City of Watauga. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's effective tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$4,083,361
Last year's debt taxes	\$1,569,175
Last year's total taxes	\$5,652,536
Last year's tax base	\$973,294,786
Last year's total tax rate	0.580763 /\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$5,642,826
÷ This year's adjusted tax base (after subtracting value of new property)	\$916,307,634
= This year's effective tax rate	0.615822 /\$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)	\$4,076,347
÷ This year's adjusted tax base	\$916,307,634
= This year's effective operating rate	0.444867 /\$100
x 1.08 = this year's maximum operating rate	0.480456 /\$100
+ This year's debt rate	0.171146 /\$100
= This year's total rollback rate	0.651602 /\$100

Statement of Increase/Decrease

If City of Watauga adopts a 2010 tax rate equal to the effective tax rate of \$0.615822 per \$100 of value, taxes would increase compared to 2009 taxes by \$7,634.

Schedule A - Unencumbered Fund Balances

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	\$4,471,091
Debt Service Fund	\$56,922

Schedule B - 2010 Debt Service

**PROPERTY TAX
RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS**

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
1998 CO	\$110,000	\$46,815	\$0	\$156,815
2003 CO	\$200,000	\$35,300	\$0	\$235,300
2004 GO Refunding	\$85,000	\$1,063	\$0	\$86,063
2005 CO	\$600,000	\$108,500	\$0	\$708,500
2006 CO Refunding	\$230,000	\$99,032	\$0	\$329,032
2007 CO	\$135,000	\$126,691	\$0	\$261,691
Fiscal Agent Charges	\$0	\$0	\$4,915	\$4,915
Total Required for 2010 Debt Service				\$1,782,315
- Amount (if any) paid from funds listed in Schedule A				\$225,000
- Amount (if any) paid from other resources				\$0
- Excess collections last year				\$0
= Total to be paid from taxes in 2010				\$1,557,315
+ Amount added in anticipation that the unit will collect only 99.00% of its taxes in 2010				\$15,730
= Total Debt Levy				\$1,573,045

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 7105 Whitley Road, Watauga, TX 76148.

Name of person preparing this notice: Dr. Scott R. Neils

Title: Director of Finance

Date Prepared: July 26, 2010

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Effective Tax Rate Worksheet

Entity Name: City of Watauga

Date: 07/27/2010

See Chapter 2 of the Texas Comptroller's 2010 Truth-in-Taxation Manual for an explanation of the effective tax rate.

1.	2009 total taxable value. Enter the amount of 2009 taxable value on the 2009 tax roll today. Include any adjustments since last year's certification; exclude Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in line 2) and the captured value for tax increment financing (will deduct taxes in line 14).	\$1,032,809,564
2.	2009 tax ceilings. Counties, Cities and Junior College Districts. Enter 2009 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0" If your taxing units adopted the tax ceiling provision in 2009 or a prior year for homeowners age 65 or older or disabled, use this step.	\$60,326,225
3.	Preliminary 2009 adjusted taxable value. Subtract line 2 from line 1.	\$972,483,339
4.	2009 total adopted tax rate. (/ \$100)	0.580763
5.	2009 taxable value lost because court appeals of ARB decisions reduced 2009 appraised value.	
	A. Original 2009 ARB values:	\$6,474,900
	B. 2009 values resulting from final court decisions:	\$5,663,294
	C. 2009 value loss. Subtract B from A.	\$811,606
6.	2009 taxable value, adjusted for court-ordered reductions. Add line 3 and line 5C.	\$973,294,945
7.	2009 taxable value of property in territory the unit deannexed after January 1, 2009. Enter the 2009 value of property in deannexed territory.	\$0
8.	2009 taxable value lost because property first qualified for an exemption in 2010. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freepport, "goods-in-transit" exemptions or tax abatements.	
	A. Absolute exemptions. Use 2009 market value:	\$373,024
	B. Partial exemptions. 2010 exemption amount or 2010 percentage exemption times 2009 value:	\$1,298,903
	C. Value loss. Add A and B.	\$1,671,927
9.	2009 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2010. Use only properties that qualified in 2010 for the first time; do not use properties that qualified in 2009.	
	A. 2009 market value:	\$0
	B. 2010 productivity or special appraised value:	\$0
	C. Value loss. Subtract B from A.	\$0
10.	Total adjustments for lost value. Add lines 7, 8C and 9C.	\$1,671,927
11.	2009 adjusted taxable value. Subtract line 10 from line 6.	\$971,623,018
12.	Adjusted 2009 taxes. Multiply line 4 by line 11 and divide by \$100.	\$5,642,826

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Effective Tax Rate Worksheet

Entity Name: City of Watauga

Date: 07/27/2010

13.	Taxes refunded for years preceding tax year 2009. Enter the amount of taxes refunded during the last budget year for tax years preceding tax year 2009. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2009. This line applies only to tax years preceding tax year 2009.	\$0
14.	Taxes in tax increment financing (TIF) for tax year 2009. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2010 captured appraised value in Line 16D, enter "0."	\$0
15.	Adjusted 2009 taxes with refunds and TIF adjustments. Add lines 12 and 13, subtract line 14.	\$5,642,826
16.	Total 2010 taxable value on the 2010 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 18). These homesteads includes homeowners age 65 or older or disabled.	
	A. Certified values only:	\$957,220,067
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
	C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property (use this line based on attorney's advice):	\$1,296
	D. Tax increment financing: Deduct the 2010 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2010 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in line 21 below.	\$0
	E. Total 2010 value. Add A and B, then subtract C and D.	\$957,218,771
17.	Total value of properties under protest or not included on certified appraisal roll.	
	A. 2010 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value.	\$12,364,129
	B. 2010 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included at appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value.	\$5,806,484
	C. Total value under protest or not certified. Add A and B.	\$18,170,613

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Effective Tax Rate Worksheet

Entity Name: City of Watauga

Date: 07/27/2010

18.	2010 tax ceilings. Enter 2010 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0." If your taxing units adopted the tax ceiling provision in 2009 or a prior year for homeowners age 65 or older or disabled, use this step.	\$56,265,003
19.	2010 total taxable value. Add lines 16E and 17C. Subtract line 18.	\$919,124,381
20.	Total 2010 taxable value of properties in territory annexed after January 1, 2009. Include both real and personal property. Enter the 2010 value of property in territory annexed.	\$0
21.	Total 2010 taxable value of new improvements and new personal property located in new improvements. "New" means the item was not on the appraisal roll in 2009. An improvement is a building, structure, fixture or fence erected on or affixed to land. A transportable structure erected on its owner's land is also included unless it is held for sale or is there only temporarily. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the unit after January 1, 2009 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2010. New improvements do not include mineral interests produced for the first time, omitted property that is back assessed and increased appraisals on existing property.	\$2,816,747
22.	Total adjustments to the 2010 taxable value. Add lines 20 and 21.	\$2,816,747
23.	2010 adjusted taxable value. Subtract line 22 from line 19.	\$916,307,634
24.	2010 effective tax rate. Divide line 15 by line 23 and multiply by \$100. (/ \$100)	0.615822
25.	COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2010 county effective tax rate. (/ \$100)	

A county, city or hospital district that adopted the additional sales tax in November 2009 or in May 2010 must adjust its effective tax rate. The Additional Sales Tax Rate Worksheet (Appendix 4) on page 35 of the Texas Comptroller's 2010 Truth-in-Taxation Manual sets out this adjustment. Do not forget to complete the Additional Sales Tax Rate Worksheet if the taxing unit adopted the additional sales tax on these dates.

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Rollback Tax Rate Worksheet

Entity Name: City of Watauga

Date: 07/27/2010

See Chapter 3 of the Texas Comptroller's 2010 Truth-In-Taxation Manual for an explanation of the rollback tax rate.

26.	2009 maintenance and operations (M&O) tax rate. (/ \$100)	0.419540
27.	2009 adjusted taxable value. Enter the amount from line 11.	\$971,623,018
28.	2009 M&O taxes.	
	A. Multiply line 26 by line 27 and divide by \$100.	\$4,076,347
	B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2009. Enter amount from full year's sales tax revenue spent for M&O in 2009 fiscal year, if any. Other units, enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0
	C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other units, enter "0."	\$0
	D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another unit by written contract, enter the amount spent by the unit discontinuing the function in the 12 months preceding the month of this calculation. If the unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the unit operated the function. The unit discontinuing the function will subtract this amount in H below. The unit receiving the function will add this amount in H below. Other units, enter 0.	\$0
	E. Taxes refunded for years preceding tax year 2009: Enter the amount of M&O taxes refunded during the last budget year for tax years preceding tax year 2009. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2009. This line applies only to tax years preceding tax year 2009.	\$0
	F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
	G. Taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2010 captured appraised value in Line 16D, enter "0."	\$0
	H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$4,076,347
29.	2010 adjusted taxable value. Enter line 23 from the Effective Tax Rate Worksheet.	\$916,307,634
30.	2010 effective maintenance and operations rate. Divide line 28H by line 29 and multiply by \$100.	0.444867
31.	2010 rollback maintenance and operation rate. Multiply line 30 by 1.08 (/ \$100)	0.480456

PROPERTY TAX RESOLUTIONS, ORDINANCES, REPORTS AND CALCULATIONS

2010 Rollback Tax Rate Worksheet

Entity Name: City of Watauga

Date: 07/27/2010

See Chapter 3 of the Texas Comptroller's 2010 Truth-In-Taxation Manual for an explanation of the rollback tax rate.

32.	<p>Total 2010 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the unit's budget as M&O expenses.</p> <p style="margin-left: 20px;">A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue (or additional sales tax revenue). Do not include appraisal district budget payments. List the debt in "Schedule B: Debt Service".</p> <p style="margin-left: 20px;">B. Subtract unencumbered fund amount used from total debt and list remainder.</p> <p style="margin-left: 20px;">C. Adjust debt.</p>	<p>\$1,782,315</p> <p>\$225,000</p> <p>\$1,557,315</p>
33.	Certified 2009 excess debt collections. Enter the amount certified by the collector.	\$0
34.	Adjusted 2010 debt. Subtract line 33 from line 32(c).	\$1,557,315
35.	Certified 2010 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	99.00%
36.	2010 debt adjusted for collections. Divide line 34 by line 35.	\$1,573,045
37.	2010 total taxable value. Enter the amount on line 19.	\$919,124,381
38.	2010 debt tax rate. Divide line 36 by line 37 and multiply by \$100. (/ \$100)	0.171146
39.	2010 rollback tax rate. Add lines 31 and 38. (/ \$100)	0.651602
40.	COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2010 county rollback tax rate. (/ \$100)	

A taxing unit that adopted the additional sales tax must complete the lines for the Additional Sales Tax Rate. A taxing unit seeking additional rollback protection for pollution control expenses completes the Additional Rollback Protection for Pollution Control.