WATAUGA
TEXAS

PROPOSED BUDGET

FOR

FISCAL YEAR ENDING SEPTEMBER 30, 2007

As Submitted By:

KERRY LACY
CITY MANAGER

And

JANINA JEWELL
FINANCE DIRECTOR

As Adopted on SEPTEMBER 11, 2006

THE WATAUGA CITY COUNCIL

Mayor HENRY J. JEFFRIES
Council Member Place 1, ERNIE KOONTZ
Council Member Place 2, RICHARD HELMICK
Mayor Pro Tem Council Member Place 3, MIKE STEELE
Council Member Place 4, PETE BEIERSCHMITT
Council Member Place 5, SETH THOMAS
Council Member Place 6, LEE GRIFFIN
Council Member Place 7, JERRY ADAMS

City of Watauga: 7105 Whitley Road • Watauga, TX 76148 • (817) 514-5800 • Metro: (817) 498-3408 • Fax: (817) 281-1991

Users Guide to this Budget Document

The Document

This is the budget document for the City of Watauga, Texas for the fiscal year beginning October 1, 2006 and ending September 30, 2007. 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. Such a document is meant to be used by a wide variety of users. It should be used by City Management as a guide for operations as approved by the City Council for the fiscal year. It should be used by City Council as a communication devise to staff and citizens for objectives, goals, and mission of the City. It should be used by staff to inform City Council and citizens of accomplishments and services. This document should also be used by current and prospective citizens and businesses to learn about the City and where it is going.

Introductory Information

The Table of Contents should aid a user of this document in the detailed organization of this book. The Introductory Section of the book is just that. This section provides a detailed look at the City of Watauga, its mission and goals, requirements during the budget process, the overall financial structure and layout of the City, demographic and graphical information about the City, as well as the City Manager's message. The City Manager's message should be reviewed before expecting to understand decisions made during the long budget process.

Financial Summaries

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 types. The City uses a general fund, special revenue funds, proprietary funds, capital project funds, and 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 objectives, goals, staffing, organizational structures, and accomplishments by division. 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.

The 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.

The Budget Ordinances

The budget ordinance section provides actual policy passed by the City Council implementing this budget as well as some required publications.

On the Cover

The cover of this document is the architectural drawing of the new City of Watauga Animal Services Center, which is a 3,000 square foot facility that should open October of 2006.

Users with further questions or comments are welcome to contact the City of Watauga at 7105 Whitley Road Watauga, Texas, 76148, or call (817) 514-5800. More information can be obtained through the Internet at www.ci.watauga.tx.us.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Watauga

Texas

For the Fiscal Year Beginning

October 1, 2005

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, 2005. 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.

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.

CITY OF WATAUGA, TEXAS
ANNUAL BUDGET FOR FY 2006-07
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CITY OF WATAUGA
2006-07 BUDGET
BUDGET OVERVIEW

The City of Watauga 2006-07 fiscal year budget document continues a focus that represents service and goals that the City Council wishes to achieve for the City. Fiscal year 2006-07 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.

CITY OF WATAUGA MISSION STATEMENT

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

CITY OF WATAUGA CUSTOMER SERVICE STATEMENTS

1. ***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.

2. ***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.

3. ***Parks and Recreation***

Citizens benefit from activities and facilities that maximize the availability of options when seeking entertainment outside their own home.

4. ***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.

5. ***Quality Service***

Citizens benefit from value and quality of service delivered in an economical manner and at a reasonable tax rate.

6. ***Civic Pride***

Increased Civic Pride results from well-planned residential, commercial and municipal areas.

CITY OF WATAUGA GOALS

1. Provide a safe and secure City.
2. Improve Watauga's infrastructure.
3. Develop a strategy to make the City more physically attractive.
4. Provide diverse park facilities, recreational and cultural opportunities for citizens of all ages.
5. Provide a high level of customer service with staff that is appropriately trained and compensated.
6. Improve both internal and external communication in the City.
7. Provide services that enhance the ongoing educational endeavors of all citizens.
8. Reduce the tax rate.
9. Develop a strategy to be more business friendly to current and prospective businesses.
10. Increase volunteer participation.

These goals will be noted in individual division performance measures as COW#.

CITY OF WATAUGA - 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 a total of approximately four square miles. Watauga's population as determined by the 1990 Census was 20,009. Current population is estimated to be 24,100.

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, 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 32nd anniversary in 2006, covers approximately twenty-eight square miles and represents one of the largest facilities of its kind in the world.

At September 30, 2006, there were 8,202 water service connections in the City of Watauga.

GOVERNMENT ORGANIZATION AND SERVICES

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

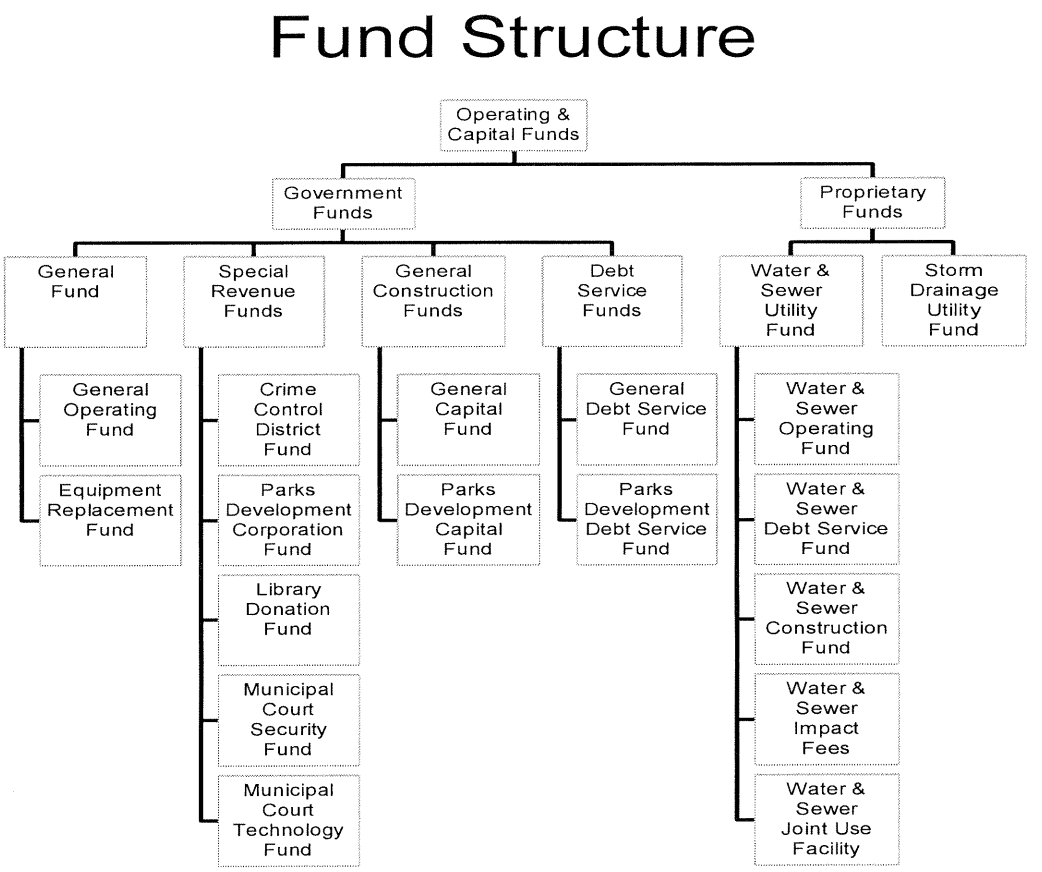
The City Manager is appointed by the Council and is responsible for appointing and supervising employees of the City (except those appointed by the Council), and for preparing and administering the annual budget and capital improvements program.

The City Council also appoints the City Attorney, the Municipal Court Judge, and the members of the various boards and commissions. The Council adopted Ordinance 655 on October 25, 1993, creating a Court of Record 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 six functional areas each of which is supervised by a department head level employee. These areas include administration, public safety (fire, police and emergency medical services), public works (including code enforcement, storm drain, water and sewer field operations), recreation, parks, and community service, library services and finance (including general financing functions, purchasing, water and sewer billing and collection, and Municipal Court). Certain non-departmental activities are supervised directly by the City Manager. This includes fleet services, facilities, public information, human resources, and management information systems. 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. Fiscal Year 1998-99 began the water and sewer operations by the City of Watauga. A franchise has been granted to a privately owned firm for solid waste collection and disposal services.

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 the following fund types and account groups, which are shown graphically and then, defined:



Governmental Fund Types

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. 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 accounted for in this fund. The General Fund records the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

Special Revenue Fund - 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.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition of 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:

Enterprise Fund

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.

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.

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

The governmental fund types 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 (for example outstanding purchase orders) are budgeted as expenses during the fiscal year they are issued.

The proprietary fund type uses 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 the governmental fund types budgets and the accrual basis of accounting is used for the proprietary fund budgets. Each of these methods of accounting is described above.

Fund Revenues

Major sources of revenue in the City's General Fund include the following:

Ad valorem taxes - Comprise 42% of estimated General Fund revenue in fiscal year 2006-07. This includes current and delinquent tax payments as well as penalty and interest. Increases in ad valorem taxes have been attributable to increased property valuations and to the additional residential and commercial establishments within the City. Principal taxpayers in the City include Inland Western LP, Watauga 377 Retail Development, Dayton Hudson Corporation, Watauga Town Center, Southwestern Bell, TXU Electric Delivery, Park Vista Townhomes, ABS Tx Investor, HMAC Watauga Center, and Pierson Watauga LTD.

Sales tax - City's 1% share of all local taxable sales are remitted by merchants to the State and then distributed to the City on a monthly basis. This represents approximately 24% of total revenue to the General Fund. Sales tax revenue increases are due to the addition of commercial establishments within the City.

Utility franchise taxes - A percentage of local gross receipts remitted to the City by each of the privately owned utilities providing services to Watauga citizens, 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.

Other taxes - Include taxes on the sale of alcoholic beverages. New commercial establishments within the City will be selling alcoholic beverages; therefore, this revenue continues to increase over time.

Licenses and permits - Include construction permit fees, animal licenses, electrical licenses and other licenses and permits. Over the last few years, this revenue increased; however, as the City is approximately 95% built out, this revenue has begun to decrease as construction permits decline.

Intergovernmental revenue - Intergovernmental revenue consists of a payment-in-lieu-of-tax from the enterprise funds based on a percentage of revenues from the water and sewer utility system and a grant program for police services.

Charges for services - Include recreation fees, fees paid by developers as reimbursements for City services, charges for emergency medical service and various other service charges.

Municipal court fines and library fines - Include fines collected on citations issued and on overdue books. These revenues should increase over the next few years as increased code and traffic enforcement bring in additional revenues.

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

Other Fund Revenues

Anticipated Water & Sewer revenues include charges for water and sewer sales, penalty revenues and EPA assessment charges. EPA assessment charges were implemented in January 1998 to assist with sewer repairs mandated by an Administrative Order (AO) from the Environmental Protection Agency (EPA). Once the AO has been satisfied, the EPA assessment charges can be eliminated.

Ad valorem taxes are also used to help finance annual debt service requirements, with a portion of the total tax levy allocated to the Debt Service Fund each year. In addition, interest earnings from the investment of cash temporarily available in the Debt Service Fund are also used to help finance annual debt service requirements.

Sales Tax revenues are also collected in the Watauga Parks Development Corporation Sales Tax Fund and the Crime Control and Prevention District Fund. Each of these funds receive ½ cent of all local taxable sales remitted by merchants to the State and then distributed to the City on a monthly basis.

Storm Drain Utility Fund collects a fee from each premise within the City based on the acreage of the premise. Each residence is assessed a $72 per year that is charged $6 per month on the utility bill. Commercial establishments have a variable fee based on the size of the paved area of their property. This fee pays for the operations and maintenance of the Storm Drain Utility fund.

BUDGETARY SYSTEM AND PROCESS

Charter requires the City Manager to submit a proposed budget for the fiscal year beginning 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 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 draw down of fund balance within guidelines discussed below.

Consistent with these mandated deadlines, the City's calendar for preparing and adopting the 2006-07 follows this overview section.

Following adoption of the budget by the City Council, the City Manager and department heads 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 of an ordinance by the City Council. If a departmental appropriation is exceeded at any time during the year, the budget must be amended and a supplemental 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.

FINANCIAL POLICY GUIDELINES

Numerous financial policy guidelines are followed for the fiscal management of the City and enable the City to maintain financial stability. The policies were adopted in fiscal year 1997-98 to provide guidelines for current decision-making processes and future plans. Some of the most significant guidelines pertaining to the budget are as follows:

1. Revenues: Design, maintain and administer revenues that will ensure reliable, equitable and sufficient amounts to support desired services. 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, reducing the probability of actual revenues being short of budget estimates.
2. Expenditures: Prioritize services, establish appropriate levels of service and administer the resources to ensure that fiscal stability is attained and that services are delivered in an effective, efficient manner.
3. 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.
4. Capital Expenditures and Improvements: Review and monitor the condition of capital equipment and infrastructure establish priorities for a replacement and repair based on needs and availability of resources.

Investment Policies

Investments made by the City will be in conformance to policies contained in the City of Watauga Investment Policy, reviewed on February 27, 2006. All investments address safety, liquidity, and yield. Interest earned from investment of available funds is included in the annual budget. The Investment policy is available on-line at www.cowtx.org.

Other Revenue Policies

1. Utility Rates: The City will adopt utility rates that will generate revenues adequate to cover operating expenses and meet the legal requirements of bond covenants.
2. Other Fees and Services: The City of Watauga continually strives to obtain additional major revenue sources as a means to balance the budget. User fees and charges are reviewed periodically to ensure that they are comparable to the cost of providing services.

Debt Management Policies

Watauga's primary objective in debt management is to keep the level of indebtedness within available resources and it is imperative to keep the debt at a minimum cost to the taxpayer. It is the intent of this governing body to 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. 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. The decision to assume new debt is based on the costs and benefits plus the ability to assume new debt without detriment to the City and of its citizens. No laws set specific limits on debt issuance.

Debt Service Fund Summary

At the start of fiscal year 2006-07, City of Watauga's outstanding general obligation debt totaled

$12,625,000, allocated as follows:

Series 2005, Certificates of Obligation Issued August 1, 2005	$ 4,930,000
Series 2004, G.O Refunding issued April 1, 2004	$ 735,000
Series 2003, Certificates of Obligation issued July 1, 2003	$ 1,700,000
Series 2001, G.O Refunding issued July 1, 2001	$ 390,000
Series 1999, issued November 15, 1999	$ 3,370,000
Series 1998, issued February 12, 1998	$ 1,500,000

The total combined debt service requirements on this outstanding debt in fiscal year 2007 is $1,865,583 (including estimated paying agent fees) which is to be financed with the following revenue sources in the Debt Service Fund:

Ad valorem taxes (based on a tax rate of $.179298 per $100 for debt purposes)	$ 1,709,952
Ad valorem delinquent taxes and penalties	$ 32,691
Interest earned on Debt Service Fund cash balances	$ 14,011
Transfer from Drainage Impact Fees	$ 155,715

Based on budget projections, this will leave a fund balance in the Debt Service Fund at September 30, 2007 of $121,127.

Other Debt

The City of Watauga also has the following outstanding debt funded by sources other than ad valorem taxes.

Series 2004 Sales Tax Revenue Refunding Bonds (issued April 14, 2004)	$ 1,845,000
Series 1996 Water and Sewer Certificates of Obligation (issued September 1, 1997)	$ 565,000
Series 2005 General Obligation Refunding Bonds (issued March 1, 2005)	$ 6,985,000
Series 1996 Water and Sewer Revenue Bonds (issued September 1, 1996)	$ 2,875,000
Series 2002 Water and Sewer Certificates of Obligation (issued January 15, 2002)	$ 1,050,000

The total combined debt service requirements on this outstanding debt in fiscal year 2006-07 is

$1,723,007 (excluding paying agent fees) to be financed from the following revenue sources in the appropriate debt service funds:

Watauga Parks Development Corporation one-half cent sales tax	$ 217,386
Water and Sewer Revenues	$ 1,505,621

2006-07 POLICY ISSUES, GOALS AND OBJECTIVES

The 2006-07 budget is designed to continue the City's program to (a) provide efficient operations, (b) maintain basic and essential service levels and (c) achieve Customer Service Statements and City Council Goals. Specifically, the following policies are to be observed:

1. Essential government services are to be provided at a level equal to or better than the level previously provided.
2. 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 and City Council goals are achieved, performance-based programs were implemented in fiscal year 1998-99. 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 fiscal year 2006-07 proposed balanced budget does have some planned draw down of fund balance within the guidelines of the financial policy guidelines. All funds are planned to carry sufficient levels to protect the creditworthiness of the City and financial position from emergencies. Two funds have more specific requirements as to reserve levels. The General Fund has an imposed target of 15% of operating expenses. Although we are decreasing by a little more than $666,000 for one-time capital purchases and capital construction, the General Fund should end at a 42% fund balance level. This is good since too high of a reserve implies over taxation or too high of rates. Too low of reserves are also not favorable since the City could be placed in a difficult situation that recovery would be difficult. The Water and sewer Fund has a required 20% level of reserves. Fiscal year 2006-07 plans to end with a 51% reserve.

Some budgetary issues the City is facing includes our discussion in this budget document of the 95% built out factor we are facing. City Council has made economic development and promotion a high matter of importance in the upcoming budgets which can be seen with the implementation of the Economic Development / Revitalization division last fiscal year and its continued funding.

FY2006-07 Budget Calendar

Date	Group Effected	Action Needed	Requirement
Crime Control District			
24-Apr-2006	Directors / FD	Baseline Budgets and New & Expanded Requests Submitted	
15-May-2006	FD	Finance Department submits budget requests to CMO	
9-Jun-2006	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.
19-Jun-2006	CCD	Public Hearing	Sec. 363.204(a) Local Government Code - Not later that the 100th day before the date each fiscal year begins, the board shall hold a public hearing on the proposed annual budget.
19-Jun-2006	CCD	Budget Adoption	Sec. 363.204(d) Local Government Code - Not later that 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.
26-Jun-2006	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.
29-Jul-2006	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.
8-Aug-2006	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.
8-Aug-2006	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			
24-Apr-2006	Directors / FD	Baseline Budgets and New & Expanded Requests Submitted	
15-May-2006	FD	Finance Department submits budget requests to CMO	
20-Jun-2006	CMO / PDC	Discussion of Budget	
7-Jul-2006	CSO for PDC	Publish Notice of Public Hearing	
18-Jul-2006	PDC	Public Hearing	
18-Jul-2006	PDC	Budget Adoption	
24-Jul-2006	CC	Budget Acceptance	
11-Aug-2006	CSO for CC	Publish Notice of Public Hearing	
28-Aug-2006	CC	Public Hearing	
11-Sep-2006	CC	Budget Adoption	
City Wide Budget			
29-Mar-2006	Directors / FD / CMO	Budget Instruction Distribution	
24-Apr-2006	Directors / FD	Baseline Budgets Submitted	
15-May-2006	TAD / FD	Preliminary TAD Taxable Values	
22-May-2006	Directors / FD	New & Expanded Requests Due	
12-Jun-2006	FD	Preliminary Revenue Estimates	
12-Jun-2006	FD / CMO	Finance Department submits budget requests to CMO	
19-Jun-2006	CM/ CC	Pre-Budget Workskhop - City Council directs City Manager on Budget Objectives for FY07	
Jun 12-19, 2006	CMO	Budget Review	
Jun 20-30, 2006	Directors / FD / CMO	Budget Request Discussions	
25-Jul-2006	FD / CMO	Certified TAD Taxable Values	
26-Jul-2006	TAD / FD	Revenue Estimates Updated	

26-Jul-2006	CMO	Final Decisions & Budget Message Prepared	
1-Aug-2006	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.
2-Aug-2006	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 Sec9.02C. 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.
2-Aug-2006	CSO for CC	Publish Effective and Rollback Tax Rates	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.
8-Aug-2006	Directors/FD/CMO/CC	Budget Work Session	
8-Aug-2006	CC	Meeting of governing body 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.	
12-Aug-2006	CSO for CC	"Notice of Public Hearing on Tax Increase" (1st quarter page notice in newspaper an on TV and Website, if available) published at least seven days before public hearing.	Chapter26 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 18-point or larger type.
21-Aug-2006	CC	Public Hearing Tax Rate/Budget	Not less than 7 days after notice of public hearing is published.
28-Aug-2006	CC	Special public hearing on proposed tax rate, which is a separate meeting from regular public hearings on proposed budget; schedule and announce meeting to adopt tax rate 3-14 days from this date.	Chapter26Sec.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 owed building or, if a suitable publicly owed 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. Chapter26 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".
1-Sep-2006	CSO for CC	"Notice of Vote on Tax Rate" (2nd quarter-page notice in newspaper before meeting and on TV and Website, if available, at least seven days before meeting) published before meeting to adopt tax rate.	Chapter26 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".
11-Sep-2006	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 October 1, or within 60 days of 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. Chapter26 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.
1-Oct-2006	ALL	Budget Implementation	

WELCOME TO THE CITY OF WATAUGA, TEXAS

Brief History of Watauga

Many years prior to the white man, Cherokee Indians first settled 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 the 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 24,100.

Tarrant Utility Company deeded Lot 9, Block 1 (5633 Linda Drive) in April 1958, to the City for the purpose of 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.

There have been eleven mayors to serve the City. There were 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.

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 will open its first Animal Service Center as shown on the cover of this budget document.

Education

The Birdville and Keller Independent School Districts provide elementary and secondary education services within the City. There are four campuses located within the City, with over 2,600 students enrolled and over 190 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, 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, are all

located within a 35 mile radius of the City.

Medical

Columbia North Hills Medical Center is a modern, private 144-bed hospital with over 200 active medical doctors and 6 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, there are three other main health systems that serve the area. They are the Harris Methodist System, All Saints Episcopal Hospital and county funded John Peter Smith Hospital.

Culture

Within a 30-minute drive of the city are the Kimbell Art Museum, Modern Art Museum of Fort Worth, Amon Carter Museum and the Fort Worth Museum of Science and History.

Entertainment

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, 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 areas first horse racing 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 mile from Watauga, the City of North Richland Hills established the State of Texas' first municipally owned water park NRH2O.

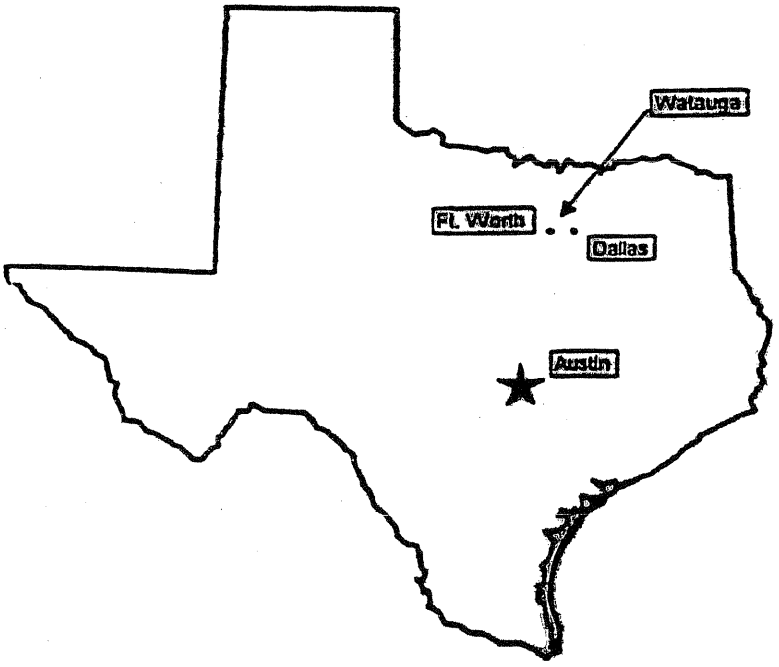
Churches

The 14 churches located in Watauga represent a variety of denominations.

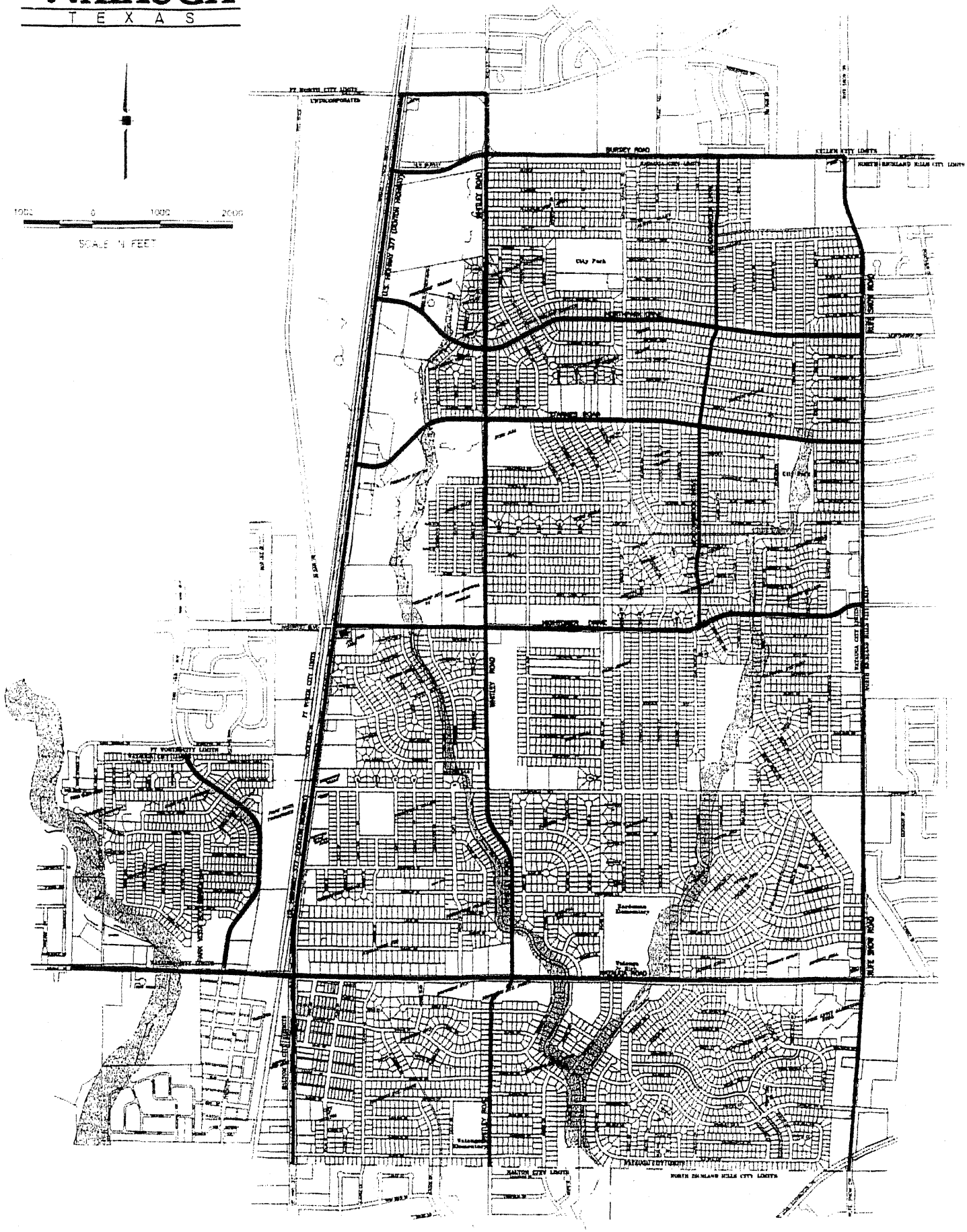
Miscellaneous

Population (Estimated Jan 06)	24,100
Area (Square Miles)	4
Percent Developed	95%
Percent Undeveloped	5%
Unemployment Rate (September 2006)	
Tarrant County	4.5%
State	4.8%
Median Age (2000 Census)	31.6
Average Household Size (2000 Census)	3.04

Educational Level (%) (2000 Census)	
No High School Diploma	13.9%
High School Diploma	71.3%
Post High School Degree	14.8%
Mean Household Income (2000 Census)	$56,751
Average Parcel Value (Tarrant Appraisal District September 2006)	$97,201
Percent Owner Occupied (2000 Census)	85.4%
Percent Renter Occupied (2000 Census)	14.6%
Industry Employment Profile (%) (2000 Census)	
Tech, Sales, Admin. Support	33.2%
Service Occupations/Agriculture	11.3%
Manager and Professional	28.0%
All others	27.5%
City Property Tax Rate (Per $100)	$0.580763
Property Tax Revenue Projection (2006-07)	$5,679,174
Sales Tax Revenue Projection General Fund (2006-07)	$2,320,205
Operating Budgets (2006-07)	$29,629,959



WATAUGA
TEXAS



CITY MANAGER'S BUDGET MESSAGE FOR FISCAL YEAR 2007

(October 1, 2006 through September 30, 2007)

INTRODUCTION

Budget documents are simply an estimated financial plan for the upcoming year. It is a fluid document that is changing and moving on a constant basis that 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 these are developed, we then evaluate existing costs associated with the present levels of service along with the new and expanded costs necessary to increase the level of service. The proposed estimated costs are then adjusted to fit within the limited resources available to achieve a proposed balanced budget. The budget document, even after adoption, is still an estimated financial plan for the year it is adopted and is always subject to change by amendment. More often than not, elements within the body of the document will change throughout the year. These changes can be caused by economic downturns, project overruns and emergency situations. The budget document outlines specific goals and objectives set by Council authorization and directives.

OUTLINE OF SIGNIFICANT CHANGES AND POLICY DIRECTION

- The ad valorem tax rate is proposed to remain flat due to the increased valuations. The proposed rate for 2006-07 fiscal year is $0.580763 per $100 valuation.

- Sales taxes will not increase at the levels seen in previous years due to a lack of expanding commercial property available within the City. Therefore, we have proposed this revenue to remain flat with no increase.

- Permit fees continue to decrease due to a reduction in construction. We do expect some funds to be generated in fiscal year 2006-07 mainly for ongoing permitting needs with some new permitting for residential.

- Proposed franchise fees are projected relatively flat with fewer new homes being developed and continued decreases in the number of cable customers within the City.

- Projections for interest income are looking better for the next fiscal year. Expectations are for better interest rates.

- There are eight (8) new positions totaling eight (8) full-time equivalents being requested in this budget. Five (5) positions are needed for Firefighter/Paramedics. Staff is working for a grant request to come through and fund these positions. If the grant funding is not secured, the City will have the total expense of the new positions for fiscal year 2006-07. The Police Division has three (3) of the other positions. One (1) for a dispatcher, one (1) for an added Police Officer, and the final one (1) as an Animal Services Supervisor.

- Some other personnel changes include the reduction of two positions. One being the Administrative Intern, and the other the PIO/Web Page Assistant. The duties of the PIO/Web Page Assistant will be added to the existing Executive Assistant position, and the Administrative Intern duties will be handled by the City Secretary and her staff.

- Strong continued funding for the Capital Projects Fund was made from the General Fund for various overlay projects and construction/ reconstruction of sidewalks.

- Other major projects are also included in the Capital Projects Fund. Prior issuance of Certificates of Obligation will fund the DPS facility upgrade and reconstruction of Starnes Road from Pebblebrook to Highway 377.

- New and expanded departmental requests were reduced from the requests submitted.

- The PDC Budget will see completion of the Indian Springs Soccer Fields within the addition of a restroom/storage facility.

- The CCD Budget will purchase four pursuit vehicles, RIMS Bar Coding System, and continuance of the motorcycle lease program.

- The 2007 proposed budget is designed to increase our levels of service with the limited resources available.

- Sufficient funds have been budgeted to allow for a predicted four percent (4%) increase in insurance premiums. During fiscal year 2003-04, the City implemented a merit based plan. This budget will allow up to a three percent (3%) merit increase on the employment or promotion anniversary date of the employee, based on performance for employees not on a step plan. The prior approved step plan for DPS will be used for these employees, as well as the approved step plan for Civil Service Employees.

GENERAL FUND

Revenues

Overall, the General Fund revenue estimates are conservative based on a slowing of the new development within the City. The proposed revenues for the General Fund are $9,145,742 with an additional $456,485 budgeted in transfers along with the beginning fund balance of $4,905,984 which brings the proposed available resources for the General Fund to $14,508,211 for fiscal year 2007. Compared to $13,021,044 for fiscal year 2006, there is $1,487,167 more in resources available for fiscal year 2007.

Expenditures

The operating expenditures for the General Fund are proposed at $10,268,565. This includes a transfer of $825,000 to the Capital Projects Fund for the continued overlay program and for various other projects. Also in the General Fund expenditure total is $100,000 of contingency funds for unseen or emergency purchases during the year and $535,237 in new and expanded items. This proposed budget represents a $4,239,646 ending Fund Balance, which is over the minimum target 15% of operations that equal $1,510,754.

Tax Rate

A combined tax rate of $0.580763 per $100 valuation is proposed for the 2007 budget. The proposed debt service rate will be $0.179298 with the operations and maintenance rate proposed at $0.401465. The unchanged tax rate will not necessarily keep property owners tax payment the same. New values that are assigned property owners may contribute to an increased tax burden even with the same rate. Total property tax exemptions for tax year 2006 are 29,532,866. Of that $28,234,866 is for property owners over 65 years of age and $1,298,000 for disabled veteran exemptions. The frozen taxable ceiling totals $261,996.57 for this year.

General Obligation Debt Service Fund

Projections are for a debt service requirement of 1,865,583. Fiscal year 2006-07 will continue to drawdown the amount remaining from the Bunker Hill Impact Fees and more will be transferred to meet the needs of funding the 1998 Certificates.

Capital Projects

Continued funding of CDBG projects and the ongoing overlay programs are proposed in the General Capital Project Funds. Starnes reconstruction, sidewalk reconstruction/construction, and the Department of Public Safety facility remodel are the major activities proposed for 2006-07. Total expenses for this fund are proposed at $4,048,496 with an estimated remaining fund balance of $773,038.

PARKS DEVELOPMENT CORPORATION

Revenues

Sales tax revenues are proposed to remain flat. The total revenue estimate is $1,148,544.

Expenditures

The propose budget for this fund includes all park items. The proposed budget also allows for the transferring of $190,316 to the Parks Development Construction Fund for the completion of the Indian Spring Soccer Field project. Other one-time purchases include additional lighting improvements and continual park maintenance. The proposed budget of $1,237,747 would provide for a strong ending fund balance of $472,257.

Park Development Debt Service Fund

Total debt requirements for fiscal year 2006-07 for the Parks Development Corporation are $218,386 with an ending balance of $239,515.

Capital Projects Fund

As mentioned above, funding for the completion of the Indian Spring Soccer Field project is proposed for fiscal year 2007 to total $250,000. This will leave the Capital Project Fund with a fund balance estimated at $474,125, which is the amount of the prior PDC land sale along with estimated accrued interest earnings.

STORM DRAINAGE FUND

Revenues

Income levels are proposed at $692,700 for fiscal year 2007 charges. No change is proposed in this utility rate.

Expenditures

The proposed budget of $712,609 includes the development of an emergency action plan for dam failure at Capp Smith Lake.

BUNKER HILL CAPITAL PROJECTS FUND

Revenues

We are only expecting $14,608 in impact fee collections for fiscal year 2007.

Expenditures

Expenditures for fiscal year 2006-07 of $155,715 is a transfer to the General Obligation Debt Service Fund for the amount to cover this year's need for the 1998 Obligation. This fund will continue this transfer as long as funds are available and then this issue will need to be tax supported.

CRIME CONTROL & PREVENTION DISTRICT

Revenues

Sales tax revenues budgeted is projected to remain flat in this fund due to less new business construction. Total revenue expectations are for $1,116,703.

Expenditures

The fiscal year 2006-07 budget of $1,136,304 provides for four (4) police pursuit vehicles and additional ammunition. Other newly added on-going expenses include specialized training needs, annual laptop costs, and various supplies.

LIBRARY DONATION FUND

Revenues

Estimated revenues for this fund are expected to be $16,500 through Library donations given through payment of utility bills and interest income.

Expenditures

The proposed budget expenditure of $19,000 will leave an estimated ending fund balance of $4,250.

MUNICIPAL COURT SECURITY FUND

Revenues

The proposed revenues are to be fairly flat at approximately a four-year collection average.

Expenditures

This pays for 16.7% of the Warrant Officer/Bailiff and needed security improvements for the Court office. The total budget is for $20,157.

MUNICIPAL COURT TECHNOLOGY FUND

Revenues

The proposed revenues are projected at the last four-year collection average.

Expenditures

The proposed budget of $80,298 would allow for various technology need for the Court area including additional handheld electronic ticket writers.

WATER AND SEWER FUND

Revenues

Revenues were better than expected along with a higher yield on investments.

Expenditures

I continue to be very conservative when budgeting for this fund, never knowing what the rainfall may be. One-time purchases include those for a network printer, work space station, tandem dump truck, asphalt repairs, and a new video camera for sewer. The estimated ending retained earnings total $3,614,976, which is above required retained earnings of 20% of operations that would equal $1,413,600.

WATER AND SEWER FUND DEBT FUND

Revenues

Revenues will be transferred from the Water and Sewer Operating Account to meet our debt service requirements.

Expenditures

Debt service requirements have decreased by $6,154 for fiscal year 2007 to a total of $1,508,621. The Debt Service Reserve Fund remains compliant with legal requirements.

WATER AND SEWER FUND CAPITAL PROJECTS

Revenues

A total of $415,060 is proposed as a transfer from the Operating Fund in order to provide for $379,467 of available resources that will fund the proposed projects for fiscal year 2007.

Expenditures

The fiscal year 2006-07 budget of $150,000 is to maintain SSES repairs and the maintenance of water and sewer mains. Other projects are listed as W12, W20, W23 and W26 CIP water projects in a total amount of $202,985 and CDBG sewer project for $25,482.

WATER AND SEWER IMPACT FEES

Overall

During fiscal year 2004-05 impact fees for water and sewer were eliminated for the City. Pass through fees are still due to the City of Fort Worth. The water impact fees fund will cease to exist after fiscal year 2004-05 and the sewer impact fees fund will have an estimated fund balance of $8,868 for future projects.

SUMMARY

The proposed budget is detailed with explanations for proposed expenditures and revenue line items contained within the body of the document. It is our intent to develop a proposed 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.

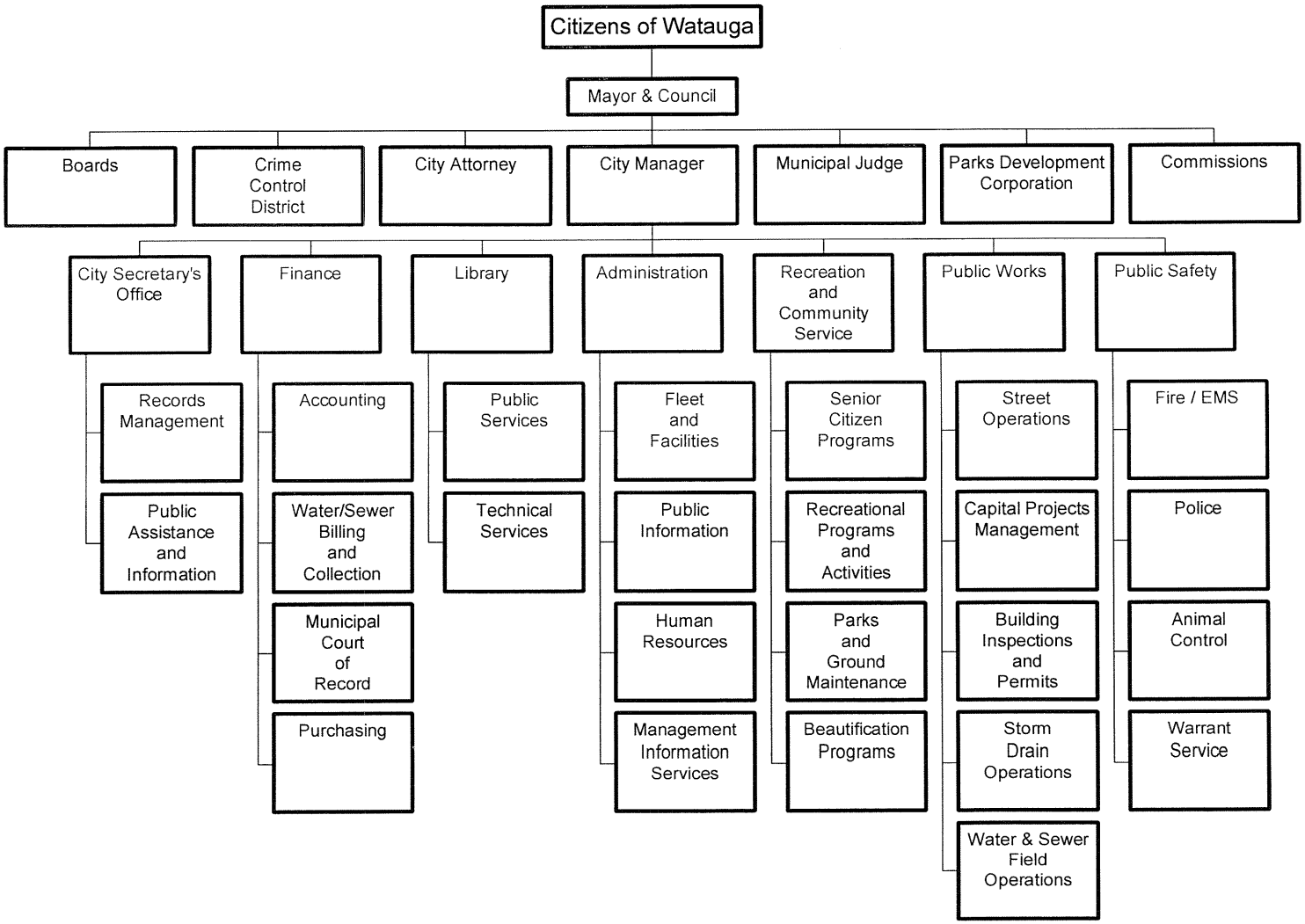
The budget document indicates that there is $42,468,990 in total available resources for all funds combined. This is an increase in all funds available resources of $2,251,966 in relation to the prior year's $40,217,024. All fund expenses equal $29,629,959 with a proposed spending increase of $260,317 over the prior fiscal year amended budget of $29,369,642. The proposed total of all funds ending balance from $10,847,382 will increase by $1,991,649 over the prior year amended budget and is estimated at $12,839,031.

Sincerely,

Kerry Lacy
City Manager

Janina Jewell
Director of Finance

CITY OF WATAUGA ORGANIZATIONAL CHART



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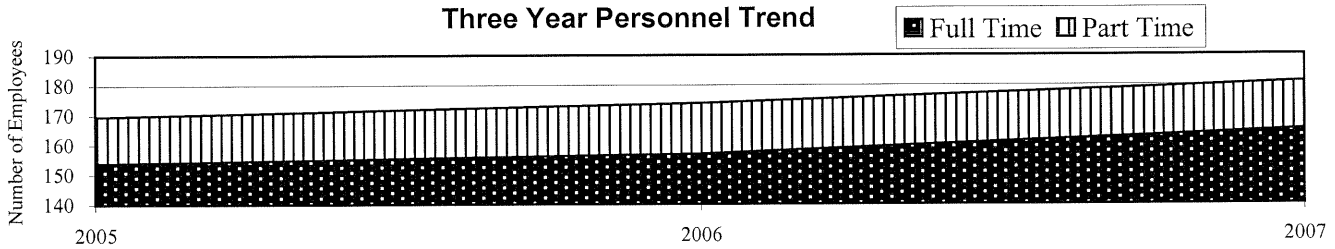
PERSONNEL POSITIONS

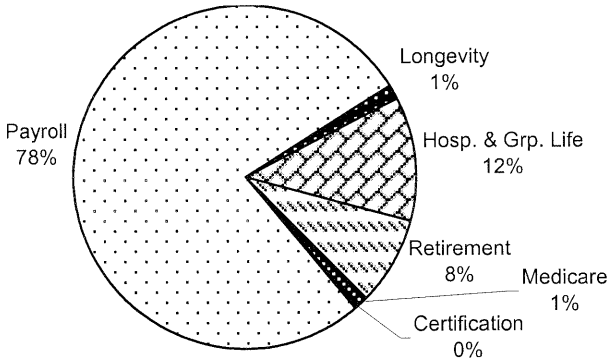
	FY 2004-05		FY 2005-06		FY 2006-07	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
GENERAL FUND						
Administration	5.50	0.50	4.50	1.00	4.50	-
Human Resources	1.50	-	1.50	-	1.50	-
Finance	7.58	0.50	8.08	0.50	7.25	0.50
M.I.S.	1.50	-	1.50	-	1.50	-
Library	8.00	4.25	8.00	4.75	8.00	4.75
Recreation and Community Services	5.50	5.00	5.50	5.00	5.50	5.00
DPS - Police Division	38.00	2.75	38.50	3.75	42.33	3.75
DPS - Fire / EMS Division	14.00	1.00	15.50	1.00	20.50	1.00
Public Works	13.50	-	13.50	-	13.50	-
Fleet Services	2.00	-	3.00	-	3.00	-
Buildings	5.00	-	6.00	-	6.00	-
Total General Fund	**102.08**	**14.00**	**105.58**	**16.00**	**113.58**	**15.00**
ENTERPRISE FUNDS						
Drainage Utility	8.50	1.25	8.50	1.00	8.50	1.00
Water/Sewer Fund						
Administration	1.75	-	1.75	-	1.75	-
Billing and Collections	6.50	-	7.00	-	7.00	-
M.I.S.	0.50	-	0.50	-	0.50	-
Water Distribution	7.25	-	7.25	-	7.25	-
Sewer Collections	7.75	-	7.75	-	7.75	-
Total Water/Sewer Fund	23.75	-	24.25	-	24.25	-
Total Enterprise Funds	**32.25**	**1.25**	**32.75**	**1.00**	**32.75**	**1.00**
REVENUE FUNDS						
Parks Development Corp	10.50	-	10.50	-	10.50	-
Crime Control District	9.00	0.50	8.00	-	8.00	-
Municipal Court Security	-	-	0.17	-	0.17	-
Total Revenue Funds	**19.50**	**0.50**	**18.67**	**-**	**18.67**	**-**
GRAND TOTAL*	**153.83**	**15.75**	**157.00**	**17.00**	**165.00**	**16.00**
Est. Population	23,850		23,950		24,100	
Personnel Per Capita	0.0071		0.0073		0.0075	

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

Three Year Personnel Trend



Personnel Budget Breakdown



COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL CITY FUNDS
FISCAL YEAR 2006-07

	General Fund	W/S Utility Fund	PDC Sales Tax Fund	Crime Control District Sales Tax Fund	Storm Drain Utility Fund	W/S Rev. Bond Debt Reserve	Capital Projects Fund*	W/S Construction Fund*	Equipment Replacement Fund	W/S Joint Use Replacement
Est. Beginning Resources	**$4,905,984**	**$4,097,014**	**$561,460**	**$959,715**	**$388,294**	**$381,113**	**$3,809,611**	**($36,593)**	**$405,061**	**$458,885**
Estimated Current Year Revenues and Resources										
Taxes	$4,040,972									
Sales Tax	$2,345,205		$1,122,193	$1,055,685						
Licenses and Permits	$115,707									
Franchise Fees	$937,017									
Intergovt Revenue	$412,760			$25,000						
Charges for Service	$437,100	$6,518,000			$692,700				$57,854	
Fines & Forfeitures	$472,002									
Interest on Investments	$243,210	$137,182	$26,351	$36,018	$19,305	$13,162	$186,923	$1,000	$14,023	$17,078
Miscellaneous	$141,769	$374,511								
Operating Transfer In	$456,485	$9,140	$0				$825,000	$415,060	$57,120	$83,000
Total Current Year Revenues	$9,602,227	$7,038,833	$1,148,544	$1,116,703	$712,005	$13,162	$1,011,923	$416,060	$128,997	$100,078
Total Available Resources	**$14,508,211**	**$11,135,847**	**$1,710,004**	**$2,076,418**	**$1,100,299**	**$394,275**	**$4,821,534**	**$379,467**	**$534,058**	**$558,963**
Estimated Current Year Expenditures										
Administration	$288,151	$174,588								
Building	$640,250									
Human Resources	$106,139									
City Beautification	$5,000									
Revitalization/Redevelopmnt	$50,000									
Finance	$553,776									
Library	$747,795									
Recreation & Community Serv	$574,855									
Parks	$0		$727,715							
Public Safety - Police	$2,652,163			$1,115,190						
Public Safety - Fire / EMS	$1,540,475									
Public Works	$709,533				$568,030					
Fleet Services	$145,316									
Non-Departmental	$1,238,101	$640,766	$46,220		$52,824					
Management Info Systems	$192,011	$52,408								
Billing & Collection		$387,712								
Water Operations		$2,216,536								
Sewer Operations		$1,700,554								
Operating Transfer Out	$825,000	$2,348,307	$463,812	$21,114	$91,755	$0	$0	$0		$9,140
Sub Total Operating	$10,268,565	$7,520,871	$1,237,747	$1,136,304	$712,609	$0	$0	$0	$0	$9,140
Capital Projects							$4,048,496	$378,467	$0	$200,000
Debt Service										
Principal Payments										
Interest Payments										
Fiscal Agent Fees										
Sub Total Debt Service	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Current Year Expenditures	$10,268,565	$7,520,871	$1,237,747	$1,136,304	$712,609	$0	$4,048,496	$378,467	$0	$209,140
Fund Balance Effect Increase/(Decrease)	($666,338)	($482,038)	($89,203)	($19,601)	($604)	$13,162	($3,036,573)	$37,593	$128,997	($109,062)
Est. Ending Resources	**$4,239,646**	**$3,614,976**	**$472,257**	**$940,114**	**$387,690**	**$394,275**	**$773,038**	**$1,000**	**$534,058**	**$349,823**

COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL CITY FUNDS
FISCAL YEAR 2006-07

	PDC Capital Projects*	Bunker Hill Drainage Fund	Library Donation Fund	W/S Impact Fee Funds	Municipal Court Funds	GO Debt Service Fund	PDC Sales Tax Revenue Bond Debt Service	W/S Rev. Bond Debt Service	W/S Certificates of Obligation	Combined Total All Funds
Est. Beginning Resources	**$507,716**	**$189,738**	**$6,750**	**$8,515**	**$89,307**	$74,341	**$237,505**	**$35,155**	**$170,996**	**$17,250,567**
Estimated Current Year Revenues and Resources										
Taxes						$1,742,643				$5,783,615
Sales Tax										$4,523,083
Licenses and Permits										$115,707
Franchise Fees										$937,017
Intergovt Revenue										$437,760
Charges for Service		$14,608								$7,720,262
Fines & Forfeitures					$28,000					$500,002
Interest on Investments	$26,093	$2,130	$500	$353	$4,156	$14,011	$3,010	$2,200	$7,149	$753,854
Miscellaneous			$16,000							$532,280
Operating Transfer In	$190,316					$155,715	$217,386	$357,290	$1,148,331	$3,914,843
Total Current Year Revenues	$216,409	$16,738	$16,500	$353	$32,156	$1,912,369	$220,396	$359,490	$1,155,480	$25,218,423
Total Available Resources	**$724,125**	**$206,476**	**$23,250**	**$8,868**	**$121,463**	**$1,986,710**	**$457,901**	**$394,645**	**$1,326,476**	**$42,468,990**
Estimated Current Year Expenditures										
Administration										$462,739
Building										$640,250
Human Resources										$106,139
City Beautification										$5,000
Revitalization/Redevelopment										$50,000
Finance					$100,455					$654,231
Library			$19,000							$766,795
Recreation & Community Serv.										$574,855
Parks										$727,715
Public Safety										$3,767,353
Ambulance Services										$1,540,475
Public Works										$1,277,563
Fleet Services										$145,316
Non-Departmental										$1,977,911
Management Info Systems										$244,419
Billing & Collection										$387,712
Water Operations										$2,216,536
Sewer Operations										$1,700,554
Operating Transfer Out		$155,715								$3,914,843
Sub Total Operating	$0	$155,715	$19,000	$0	$100,455	$0	$0	$0	$0	$21,160,406
Capital Projects	$250,000			$0						$4,876,963
Debt Service										
Principal Payments						$1,345,000	$165,000	$230,000	$800,000	$2,540,000
Interest Payments						$515,698	$52,386	$127,290	$348,331	$1,043,705
Fiscal Agent Fees						$4,885	$1,000	$1,500	$1,500	$8,885
Sub Total Debt Service	$0	$0	$0	$0	$0	$1,865,583	$218,386	$358,790	$1,149,831	$3,592,590
Total Current Year Expenditures	$250,000	$155,715	$19,000	$0	$100,455	$1,865,583	$218,386	$358,790	$1,149,831	$29,629,959
Fund Balance Effect Increase/(Decrease)	($33,591)	($138,977)	($2,500)	$353	($68,299)	$46,786	$2,010	$700	$5,649	($4,411,536)
Est. Ending Resources	**$474,125**	**$50,761**	**$4,250**	**$8,868**	**$21,008**	$121,127	**$239,515**	**$35,855**	**$176,645**	**$12,839,031**

* Funds not used in Capital funds during the current year that were appropriated for a specific project may be rolled to next fiscal year.

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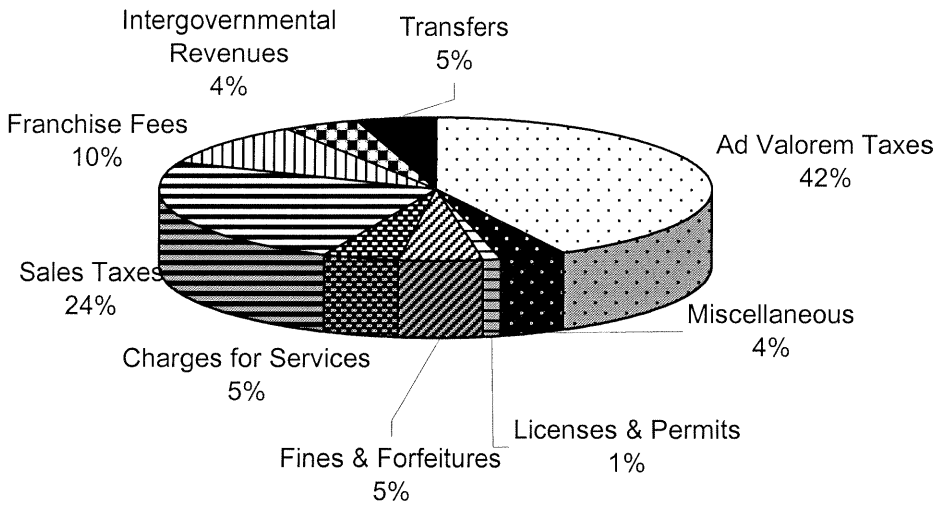
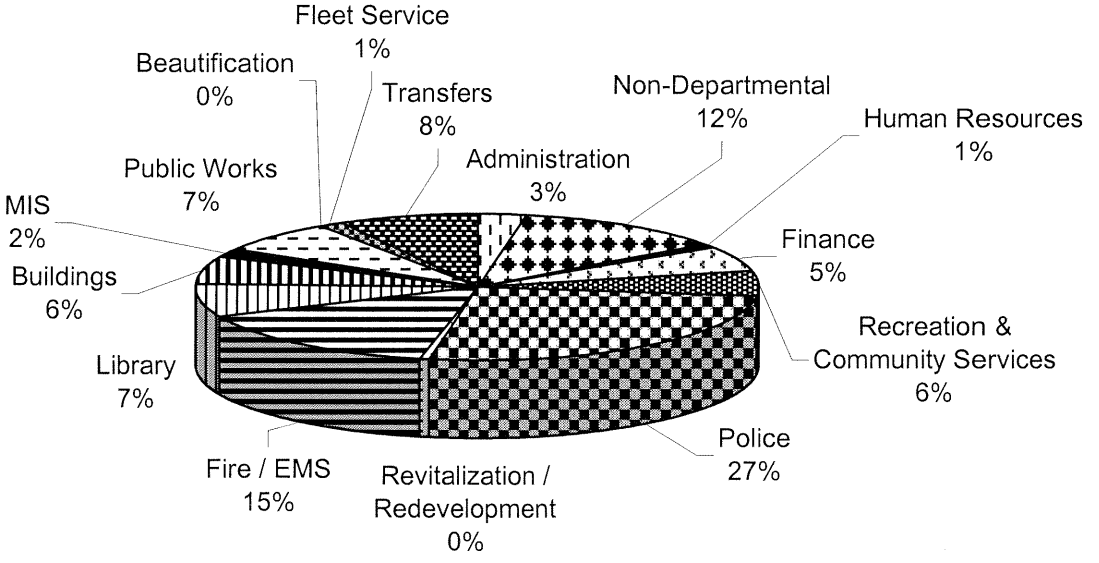
General Fund

The General Fund is a Governmental Fund which means that it is generally used to account for tax-supported activities. 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.

Where Does the Money Come From:



Where Does the Money Go:



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GENERAL FUND
Budget Summary

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1	**$4,213,729**	**$4,830,980**	**$5,414,237**	**$3,852,841**	**$4,003,877**	**$4,905,984**
Revenues:						
Taxes	5,365,120	6,037,391	6,149,089	6,273,363	6,410,281	6,386,177
Permits and Licenses	380,363	259,682	244,598	129,500	195,739	115,707
Fines & Forfeitures	409,589	459,645	524,103	445,300	489,873	472,002
Charges for Services	416,354	482,154	440,153	407,260	410,280	437,100
Franchise Fees	916,165	945,407	941,827	928,000	961,447	937,017
Intergovernmental Revenue	410,981	289,545	414,034	537,093	399,137	412,760
Miscellaneous	150,181	255,929	335,656	221,150	390,336	384,979
Operating Revenues	$8,048,753	$8,729,753	$9,049,460	$8,941,666	$9,257,093	$9,145,742
Operating Transfers-In:						
From PDC Operating Tax Fund	18,000	49,173	51,658	56,624	56,624	56,110
From CCD	16,380	18,050	49,242	20,801	20,801	21,114
From Impact Fee Fund	0	3,000	0	0	0	0
From Storm Drain Utility Fund	25,588	34,250	34,500	34,600	34,600	34,635
From W/S Operating Fund	133,630	200,944	158,140	114,512	114,512	344,626
	$193,598	$305,417	$293,540	$226,537	$226,537	$456,485
Total Available Resources	**$ 12,456,080**	**$ 13,866,150**	**$ 14,757,237**	**$ 13,021,044**	**$ 13,487,507**	**$ 14,508,211**
Expenditures:						
Administration	345,219	301,916	314,246	338,137	291,706	288,151
Non-Departmental	913,067	1,273,205	1,138,387	1,342,102	889,750	1,238,101
Human Resources	104,835	70,325	82,246	94,572	84,349	106,139
City Beautification	0	0	18,134	0	0	5,000
Revitalization / Redevelopment	0	0	0	50,000	50,000	50,000
Finance	407,270	500,320	519,474	576,955	513,935	553,776
MIS	171,651	161,765	166,598	176,194	172,342	192,011
Library	585,274	624,084	668,553	738,319	711,808	747,795
Recreation & Community Serv.	401,523	522,677	460,053	582,060	538,077	574,855
Parks	48,845	43,072	22,532	0	0	0
DPS - Police Division	2,419,150	2,623,932	2,263,713	2,398,206	2,187,071	2,652,163
DPS - Fire / EMS	487,242	509,584	981,878	1,301,958	1,166,689	1,540,475
Public Works	704,639	621,959	684,929	720,237	666,442	709,533
Fleet Maintenance	74,663	97,829	96,172	129,634	102,193	145,316
Buildings	361,722	439,085	520,482	629,634	609,114	640,250
Operating Expenditures	$7,025,100	$7,789,753	$7,937,397	$9,078,008	$7,983,476	$9,443,565
Operating Transfers-Out						
Capital Reserve / City Hall	0	0	1,951,251	0	0	0
To Capital Projects Fund	600,000	662,160	864,712	598,047	598,047	825,000
	$600,000	$662,160	$2,815,963	$598,047	$598,047	$825,000
Fund Balance, September 30	**$4,830,980**	**$5,414,237**	**$4,003,877**	**$3,344,989**	**$4,905,984**	**$4,239,646**

Fund Balance Target @ 15% of Budgeted Operating Expenditures **$1,510,754**

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
01 -GENERAL FUND						
REVENUES						
TAXES						
000-3001 AD VALOREM TAXES - M & O	3,447,815	3,626,706	3,793,628	3,971,363	3,983,784	3,969,222
000-3002 DELINQUENT TAXES - M & O	37,198	38,349	42,969	34,000	41,443	40,000
000-3003 PENELTY & INTEREST	28,667	31,158	32,191	28,000	35,000	31,750
000-3005 OVERPAYMENT OF TAXES	22,634	0	1,232	0	1,414	0
000-3006 TAX ATTORNEY FEES	0	0	283	0	0	0
000-3007 SECTION 25.25 PENALTY	53	107	667	0	463	0
000-3008 CHPT 22.28 RENDITION PENALTY	0	0	1,930	0	1,814	0
000-3050 SALES TAX - MIX BEVERAGE	22,783	20,499	23,749	20,000	26,158	25,000
000-3051 SALES TAX	1,805,968	2,320,572	2,252,441	2,220,000	2,320,205	2,320,205
TAXES	5,365,120	6,037,391	6,149,089	6,273,363	6,410,281	6,386,177
PERMITS & LICENSES						
000-3150 BUILDING PERMITS	279,433	143,994	153,184	50,000	111,292	34,707
000-3151 ALARM PERMITS	14,585	17,569	11,001	15,000	15,000	15,000
000-3152 ELECTRICAL PERMIT	8,686	7,675	6,094	4,500	5,200	5,000
000-3153 PLUMBING PERMITS	10,420	10,692	8,571	6,500	7,978	6,000
000-3154 MECHANICAL PERMITS	7,011	8,468	7,729	4,500	7,219	6,500
000-3155 OTHER PERMIT FEES	35,811	47,962	35,052	30,000	30,000	30,000
000-3156 ANIMAL LICENSES	2,925	2,230	2,386	2,500	2,790	2,500
000-3157 ANIMAL BOARDING NRH	35	10	100	0	120	0
000-3158 ZONING PERMITS	2,986	1,775	2,415	1,500	1,000	1,000
000-3159 SUBDIVISION PLATT FEES	685	2,020	1,585	0	140	0
000-3161 LICENSES FEES	17,788	17,287	16,482	15,000	15,000	15,000
PERMITS & LICENSES	380,363	259,682	244,598	129,500	195,739	115,707
FINES & FORFEITURES						
000-3200 FINES AND FORFEITS	322,875	350,503	422,407	350,000	392,223	372,002
000-3205 TEEN COURT ADMIN. FEE	1,800	1,577	1,652	1,500	1,500	1,500
000-3210 10% COLLECTION FEE	11,553	24,580	17,968	20,000	20,000	20,000
000-3215 TEEN COURT SCHOLARSHIP	1,275	0	0	0	0	0
000-3250 ARREST FEE	28,751	31,497	33,814	30,000	26,797	30,000
000-3252 JUDICIAL FEE - CITY $.60 -JFCI	0	0	0	0	953	1,200
000-3255 WARRANT FEES	23,642	28,246	23,248	24,000	23,800	24,000
000-3265 LIBRARY	14,161	16,007	17,190	14,000	16,500	15,800
000-3270 LIBRARY LOST/DAMAGED MAT.	1,854	2,199	2,400	1,800	2,500	2,500
000-3275 TIME PAYMENT FEE	3,678	5,036	5,426	4,000	5,600	5,000
FINES & FORFEITURES	409,589	459,645	524,103	445,300	489,873	472,002
CHARGES FOR SERVICES						
000-3301 TAX SEARCHES	0	0	0	0	0	0
000-3312 GARBAGE COLLECTION	104,965	118,456	127,723	120,000	132,000	132,000
000-3350 AMBULANCE SERVICE	213,755	241,196	180,787	175,000	176,500	200,000
000-3355 FALSE ALARM FEES	14,410	11,718	5,815	5,000	1,500	1,500
000-3364 NON-RESIDENT LIBRARY FEE	19	0	0	0	0	0
000-3365 VITAL STATISTICS	1,715	0	0	0	0	0
000-3366 LIBRARY COPIER REVENUE	5,400	6,887	6,806	4,500	6,740	6,200
000-3373 PROGRAM FEES	1,202	1,290	265	1,000	217	200
000-3374 SPORT CAMP FEES	-40	0	100	0	630	0
000-3375 CLASS ENROLLMENT FEES	11,017	33,274	47,554	35,000	30,500	35,000
000-3376 MEMBERSHIP FEES	45,947	46,700	44,961	45,000	35,015	37,000
000-3377 REC. WALK-IN USE FEES	3,764	7,811	11,211	9,500	11,744	10,000
000-3378 PRE-SCHOOL FEES	8,785	10,325	10,125	9,000	5,040	7,000
000-3379 LEAGUE FEES	2,850	4,390	4,405	3,200	9,892	8,000
000-3380 PID ADMIN FEE	2,500	0	0	0	0	0
000-3385 NOTARY FEES	66	108	402	60	502	200
CHARGES FOR SERVICES	416,354	482,154	440,153	407,260	410,280	437,100
FRANCHISE FEES						
000-3401 ELECTRICAL	623,009	629,639	640,097	630,000	641,936	630,500
000-3402 TELEPHONE	135,314	136,927	127,341	134,000	126,488	131,517
000-3404 GAS	39,050	56,378	53,166	49,000	65,882	53,000
000-3405 SOLID WASTE	42,213	47,269	50,877	48,000	53,106	52,000
000-3406 CABLE TV	76,578	75,194	70,346	67,000	74,035	70,000
FRANCHISE FEES	916,165	945,407	941,827	928,000	961,447	937,017
INTERGOVERNMENTAL REVENUE						
000-3505 PAYMENT IN LIEU OF TAXES	367,575	235,194	350,780	353,623	353,623	379,260
000-3510 N.E. TARRANT TASK FORCE	43,407	54,351	63,254	0	0	0
000-3520 GRANT / OTHER REVENUES	0	0	0	183,470	45,514	33,500
INTERGOVERNMENTAL REVENUE	410,981	289,545	414,034	537,093	399,137	412,760

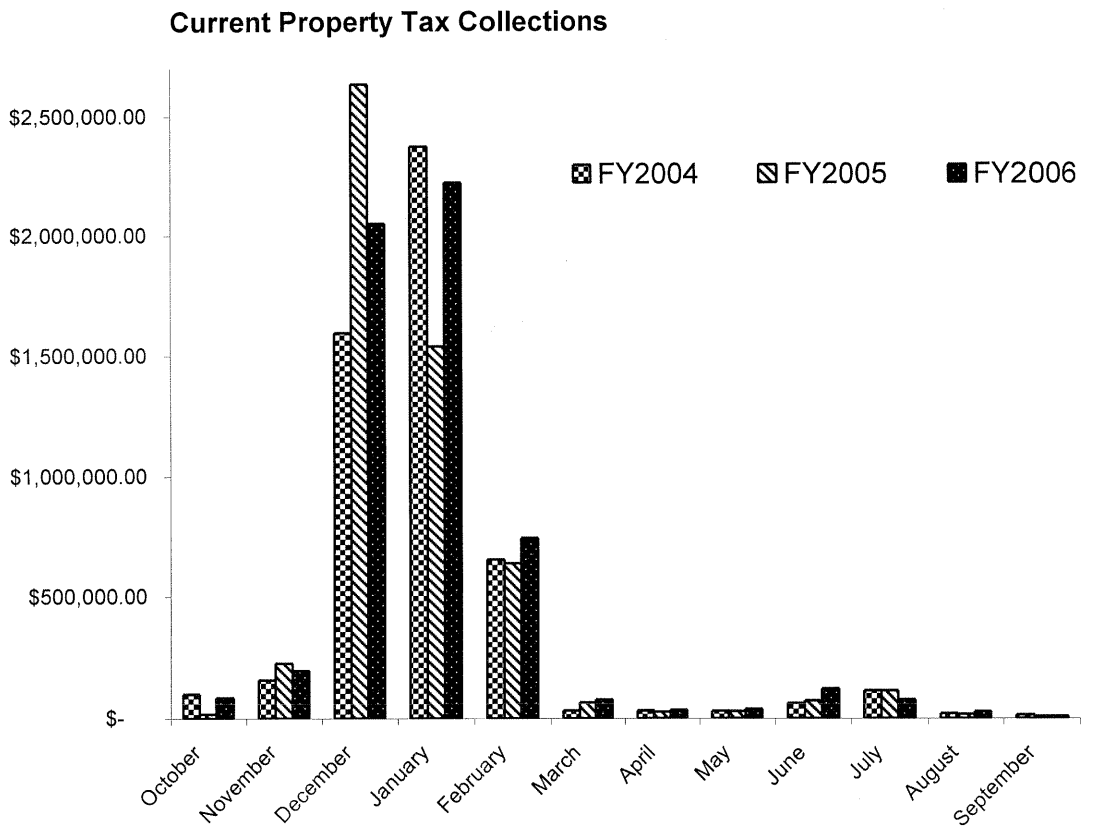
Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
MISCELLANEOUS						
000-3610 CONTRIBUTIONS/DONATIONS	-5	0	0	0	0	0
000-3615 LIBRARY DONATIONS	0	1	0	0	3	0
000-3620 SUMMER REC.PROGRAM	18,897	19,249	16,746	20,000	20,280	20,000
000-3621 SENIOR MEAL DONATIONS	1,954	4,742	4,394	0	0	0
000-3622 PARK & REC. CONTRIBUTION	2,429	4,003	3,419	2,000	6,883	5,000
000-3625 WATAUGAFEST REVENUE	7,300	15,096	924	16,000	10,721	10,000
000-3626 PARKS & REC. REIMBURSEMENT	148	2,535	1,480	100	2,230	100
000-3660 INTEREST EARNINGS	69,805	65,826	143,738	141,050	242,000	243,210
000-3660-INT EARNINGS NARC FORFEITURES	525	502	694	0	917	0
000-3670 OTHER REVENUE	36,130	125,651	150,501	30,000	95,617	93,669
000-3671 CASH OVER/UNDER	-37	-100	48	0	0	0
000-3675 RENTAL OF REC. FACILITIES	3,438	8,315	7,876	7,000	11,271	8,000
000-3680 SALE OF ASSETS	9,598	10,110	5,836	5,000	414	5,000
MISCELLANEOUS	150,181	255,929	335,656	221,150	390,336	384,979
TRANSFERS						
000-3904 TRANS. FROM PDC SALES TAX	18,000	49,173	51,658	56,624	56,624	56,110
000-3906 TRANS. FROM CRIME PREVENTION	16,380	18,050	49,242	20,801	20,801	21,114
000-3909 TRANS. FROM STORM DRAINAGE	25,588	34,250	34,500	34,600	34,600	34,635
000-3911 TRANS. FROM W/S OPERATING	133,630	200,944	158,140	114,512	114,512	344,626
000-3920 TRANS FROM WASTEWATER IMPACT	0	3,000	0	0	0	0
TRANSFERS	193,598	305,417	293,540	226,537	226,537	456,485
***** TOTAL REVENUES *****	**8,242,351**	**9,035,171**	**9,343,001**	**9,168,203**	**9,483,630**	**9,602,227**

GENERAL FUND
Revenue Assumptions

Ad Valorem Taxes - Current

The certified net taxable value after adjustments for the fiscal year 2006-07 as received from the Tarrant Appraisal District on July 25, 2006 was $999,990,295. Applying the senior / disabled tax freeze and then the proposed maintenance and operating tax rate of $0.401465 per $100 of assessed value and an assumed current tax rate collection rate of 99% results in a current ad valorem tax revenue estimate of $3,969,222. In the past, the increases in this revenue have been dependent upon the increases in the assessed value of property. The city is landlocked and approximately 95% build out; however, we are experiencing small growth in our City of both residential and commercial property. The following is the historical collection cycle of property taxes for the City of Watauga.



Ad Valorem Taxes - Delinquent

It is estimated that delinquent ad valorem taxes at September 30, 2006 will total approximately $41,443. The 2006-07 estimate of delinquent tax revenue is based on conservative prior years' experience.

Ad Valorem Taxes - Penalty and Interest

The assumption is made that 97.5% of the 2006-07 current ad valorem tax levy will be collected at January 31, 2007 and that the overall collection rate on current taxes will be 99% in 2006-07. This leaves 2.5% of the levy to be collected after January 31, 2007, at an assumed average penalty and interest rate of 13%. Other prior year uncollectibles will also be received through lien collections adding to the penalty and interest for current year.

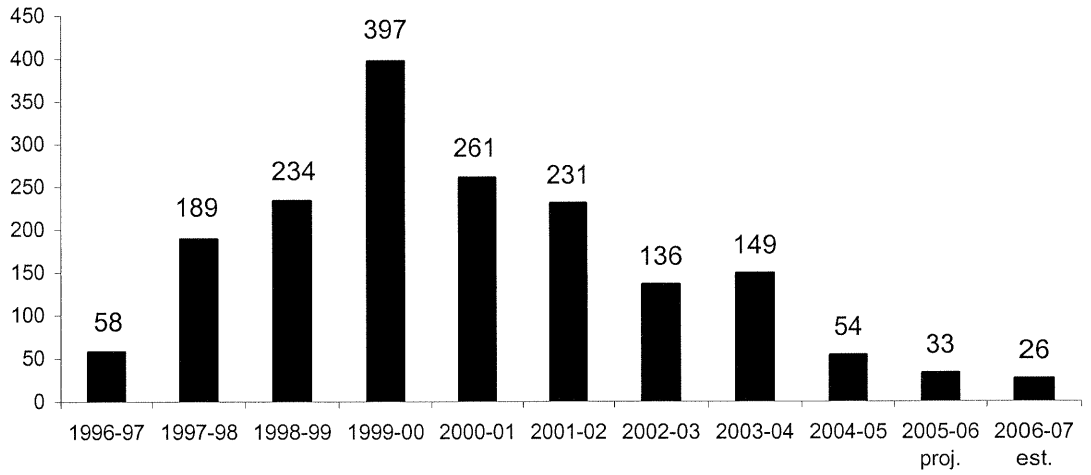
Sales Tax
Sales tax revenue for FY 2006-07 is estimated to be $2,320,205. Our economic outlook is good for the upcoming fiscal year. We projected flat revenues from the projected year-end total. We foresee this line item not expanded much more than this since we have a lack of commercial property available.

Utility Franchise Taxes
Deregulation of the electric providers in the State did take place three fiscal years ago. Fiscal year 2006-07 budget estimates are flat compared to fiscal year 2005-06 budgeted numbers. We will continue to be conservative with this projection since more competition is expected in the market. Gas and telecommunication franchise fee projections are based on a past four-year average. Solid waste is expected to remain relatively flat with year-end estimate since not much new development is expected. Cable franchise fees are expected to continue to decrease from year-end projections.

Other Taxes
Receipts from the alcohol beverage tax in 2006-07 are estimated flat from current budget projections since currently no new restaurants are expected.

Licenses and Permits
Revenues from licenses and permits in fiscal year 2005-06 exceeded the original budget estimates. We do expect for these revenues to start declining due to build out. See the following chart for last ten-year trend with this revenue source and our projection for FY 2006-07.

Commercial and Single Family Residence Building Permits



Intergovernmental Revenue
The payment-in-lieu-of-tax is made from the Water/Sewer Operating and Storm Drainage Funds and are based on 5% of anticipated revenues less interest income. The City is seeking some other funding / grants which are expected to be realized during the fiscal year.

Charges for Service
Revenue from service charges in 2006-07 is estimated at $437,100, which includes a higher estimate of $200,000 for Ambulance services from prior year budget expectations. The City may consider a needed rate increase during the fiscal year for EMS services. Garbage collection revenues are remaining flat for FY2006-07 from prior year-end expected collections.

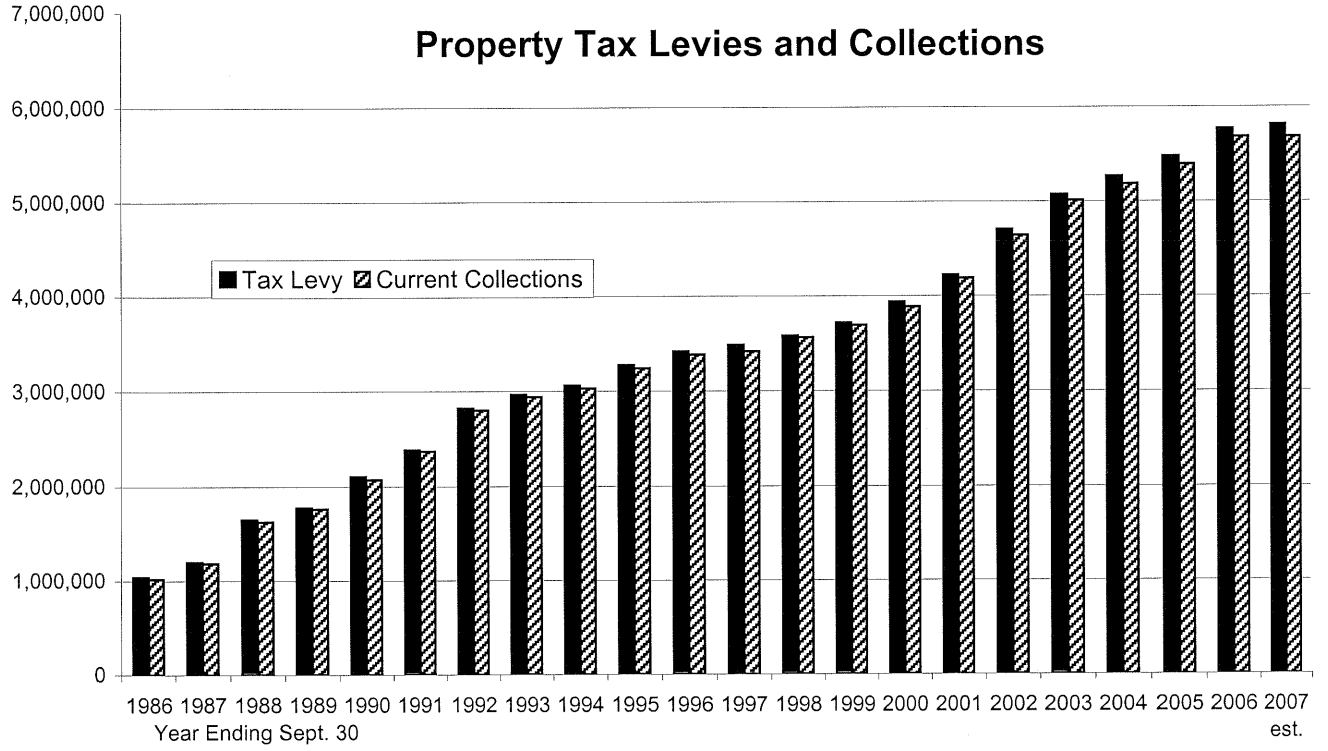
Fines and Forfeitures
Municipal court fines in 2006-07 are projected at $372,002. This is based on an aggressive four-year average collection rate.

Miscellaneous Revenue
Interest earnings from the investment of General Fund cash are estimated at $243,210 in FY 2006-07.

ANALYSIS OF TAX

Levies, Tax Collections and Tax Rates

Year Ending Sept. 30	Assessed Value of Taxable Property (Adjusted)	Tax Rate	Tax Levy	Current Year's Taxes Collected	% Current Levy Collected	Total Delinquent & Current Collections	Total Collections as % of Tax Levy
1986	321,691,310	0.323000	1,039,063	1,019,210	98.09%	1,028,347	98.97%
1987	407,987,325	0.294000	1,199,483	1,185,328	98.82%	1,212,919	101.12%
1988	450,774,742	0.366000	1,649,836	1,626,198	98.57%	1,665,956	100.98%
1989	448,760,610	0.396000	1,777,092	1,762,938	99.20%	1,799,072	101.24%
1990	455,048,902	0.462700	2,105,511	2,070,399	98.33%	2,087,919	99.16%
1991	432,771,823	0.550900	2,384,140	2,370,926	99.45%	2,408,207	101.01%
1992	435,680,064	0.647500	2,821,028	2,802,329	99.34%	2,825,055	100.14%
1993	433,023,704	0.684200	2,962,748	2,939,559	99.22%	2,956,284	99.78%
1994	439,232,002	0.696710	3,060,173	3,027,497	98.93%	3,045,433	99.52%
1995	453,094,514	0.722158	3,272,058	3,238,268	98.97%	3,262,270	99.70%
1996	472,800,013	0.722158	3,414,363	3,381,070	99.02%	3,416,674	100.07%
1997	489,154,767	0.712070	3,483,124	3,413,461	98.00%	3,438,461	98.72%
1998	511,499,212	0.699470	3,577,784	3,561,315	99.54%	3,597,364	100.55%
1999	538,832,680	0.689470	3,715,090	3,691,451	99.36%	3,734,426	100.52%
2000	579,274,738	0.679470	3,935,998	3,884,477	98.69%	3,911,280	99.37%
2001	687,306,408	0.659470	4,219,259	4,186,286	99.22%	4,230,591	100.27%
2002	800,674,010	0.637021	4,703,056	4,641,378	98.69%	4,675,981	99.42%
2003	846,585,043	0.598925	5,070,409	5,009,929	98.81%	5,065,413	99.90%
2004	906,614,299	0.580763	5,265,280	5,184,321	98.46%	5,240,015	99.52%
2005	942,853,767	0.580763	5,475,746	5,389,470	98.42%	5,470,429	99.90%
2006	992,773,636	0.580763	5,765,662	5,678,457	98.49%	5,764,733	99.98%
2007 est.	999,990,295	0.580763	5,807,574	5,679,174	97.79%	5,766,378	99.29%



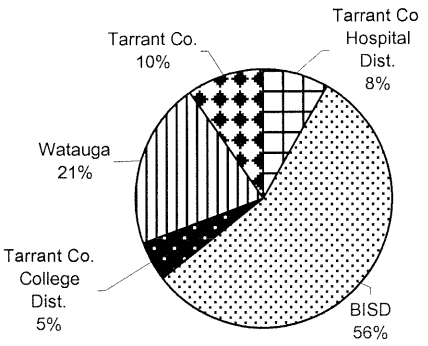
DISTRIBUTION OF TAX RATE
Rate and Analysis Trend

	2003-04 BUDGET	2004-05 BUDGET	2005-06 BUDGET	2006-07 BUDGET
General Fund				
Tax Rate per $100 Valuation	$ 0.40642	$ 0.40880	$ 0.40880	$ 0.40147
Distribution	69.98%	70.39%	70.39%	69.13%
Estimated Collections	$ 3,599,532	$ 3,783,214	$ 3,971,363	$ 3,969,222
Debt Service Fund				
Tax Rate per $100 Valuation	$ 0.17435	$ 0.17197	$ 0.17197	$ 0.17930
Distribution	30.02%	29.61%	29.61%	30.87%
Estimated Collections	$ 1,575,651	$ 1,623,939	$ 1,704,690	$ 1,709,952
Total				
Tax Rate per $100 Valuation	$ 0.58076	$ 0.58076	$ 0.58076	$ 0.58076
Distribution	100%	100%	100%	100%
Estimated Collections	$ 5,175,183	$ 5,407,153	$ 5,676,053	$ 5,679,174

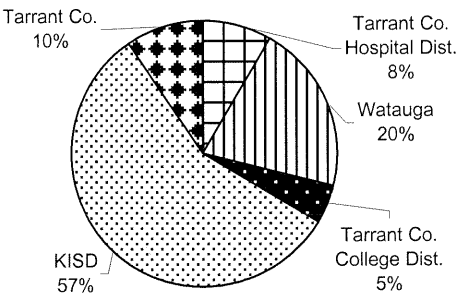
Note: A combined tax rate is adopted each year by the Watauga City Council (a) for the use and support of the City's General Fund (referred to as the maintenance and operations rate) and (b) to finance the City's Debt Service Fund (referred to as interest and sinking fund) for payment of annual principal and interest due on outstanding general indebtedness. The above summary of the distribution of the combined tax rate between each of these purposes reflects the rates adopted each year through approval of the annual tax rate ordinance.

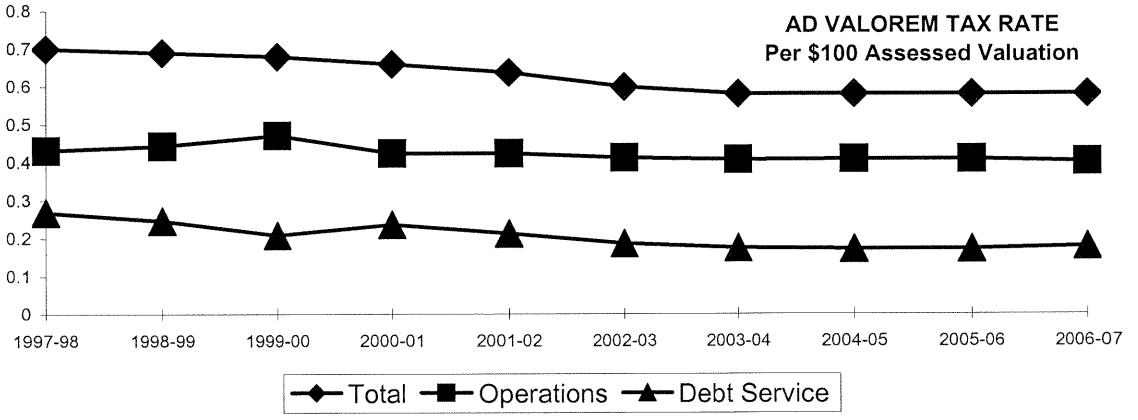
Estimated collections have been computed at approximately 99% of net taxable value for the Maintenance and Operating portion but 100% of Debt collections must be made.

Overlapping Debt for Residents in BISD is $2.792 per $100 Valuation



Overlapping Debt for Residents in KISD is $2.84 per $100 Valuation





GENERAL FUND

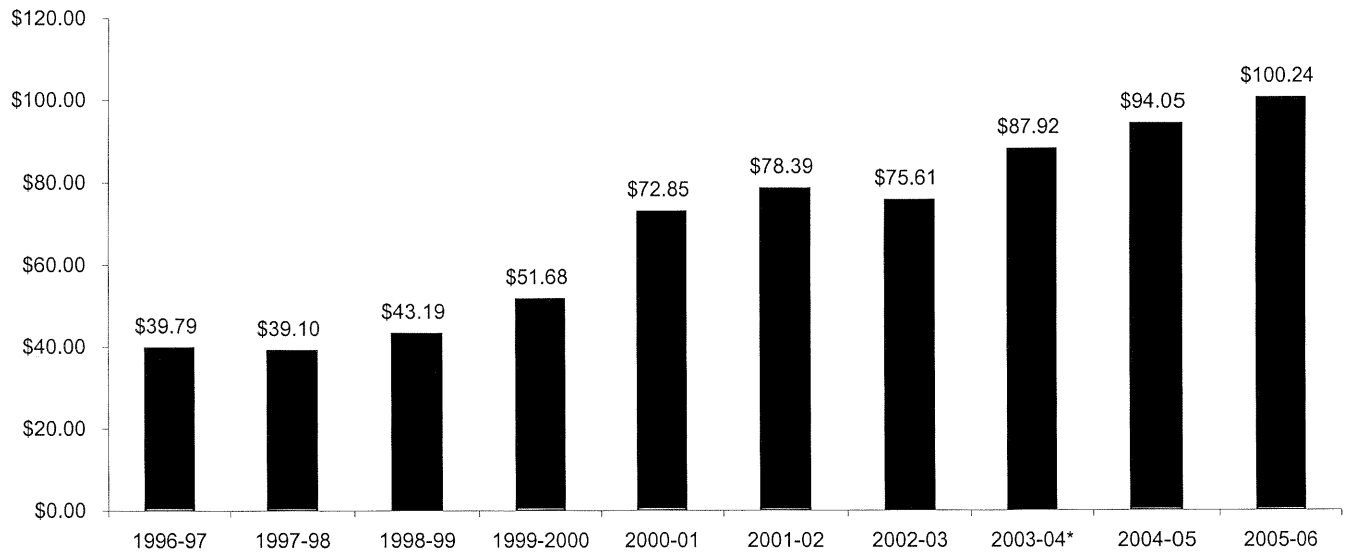
Sales Tax Receipts by Month and Revenue Per Capita

MONTH	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04*	2004-05
October	115,391	115,517	119,484	123,336	169,458	197,847	189,411	207,404	154,986
November	57,385	52,482	60,966	78,074	96,358	138,087	121,275	136,367	172,675
December	40,511	48,840	53,631	68,657	100,505	123,698	125,845	132,851	276,998
January	112,256	115,718	122,563	112,997	202,653	227,131	228,146	250,349	147,465
February	52,844	49,246	56,128	74,531	105,808	122,455	111,463	138,367	161,003
March	56,539	48,128	52,460	65,233	104,451	109,166	113,446	139,956	233,871
April	111,324	103,351	115,139	121,936	176,325	190,974	184,816	226,290	158,853
May	56,460	59,931	62,217	74,722	117,431	125,891	128,631	175,385	165,633
June	49,596	51,318	58,077	80,117	135,812	126,903	131,723	154,312	226,123
July	109,365	108,454	114,747	121,758	181,025	193,931	188,118	218,572	160,663
August	54,849	51,109	63,986	101,404	128,690	124,377	137,335	160,495	140,784
September	46,864	52,293	66,500	108,977	120,702	122,416	135,590	156,465	253,385
Totals	**863,385**	**856,388**	**945,898**	**1,131,741**	**1,639,218**	**1,802,875**	**1,795,798**	**2,096,813**	**2,252,441**
Est. Pop.	**21,700**	**21,900**	**21,900**	**21,900**	**22,500**	**23,000**	**23,750**	**23,850**	**23,950**
Per capital sales tax receipts	**$39.79**	**$39.10**	**$43.19**	**$51.68**	**$72.85**	**$78.39**	**$75.61**	**$87.92**	**$94.05**
Receipts compared to prior	**4.7%**	**-0.8%**	**10.5%**	**19.6%**	**44.8%**	**10.0%**	**-0.4%**	**16.8%**	**7.4%**

* Accounting Accrual Adjustment.

Note: Sales tax receipts reflected above does not include the additional 1/2 cent sales tax imposed for crime control or the 1/2 cent sales tax imposed for park department

Sales Tax Revenue Per Capita



GENERAL FUND
Expenditure Estimates

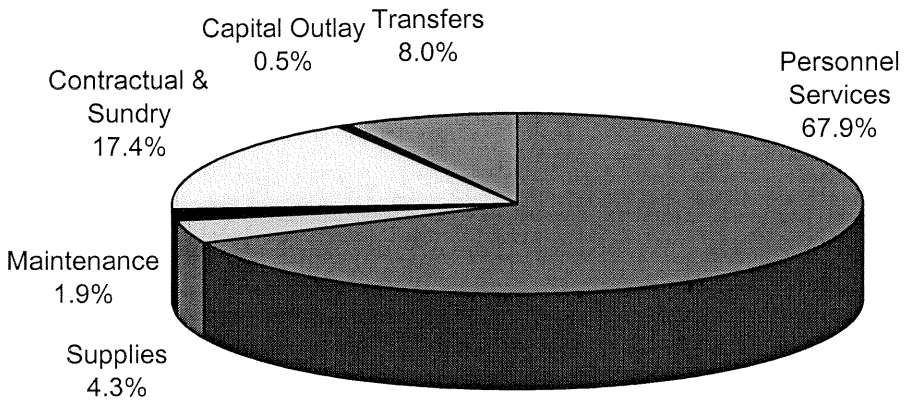
Prior to preparing their budgets, the Department heads were asked to review each program and make a determination whether or not to expand, eliminate, replace or maintain it based on the goals established by Council with citizen input and feed-back. If current service levels could not be maintained, then something should happen to each program and the budget should be adjusted accordingly. The bottom line of each budget should change only if circumstances, such as known price increases/decreases, necessitated the change. In some instances, programs were eliminated because they did not provide the anticipated level of service. In others, programs were enhanced in order to provide a higher level of service.

In the FY 2006-07 Budget for the General Fund, a few major changes have occurred in the budget. Benefit insurance rates continue to increase in all department budgets. Individual Department Summaries will detail other significant changes from prior year budgets. One-time expenses and a transfer to General Capital for $825,000 have also been made for various projects detailed later in this book. In no instance will the fund balance be drawn below the City established 15% operating expenses target.

There are eight (8) new positions totaling eight (8) full-time equivalents added to this budget. Five (5) positions are needed for Firefighter / Paramedics. Staff is working on a grant request to come through to fund these positions. If the grant funding is not secured, the City will have to fund these positions. The Police Division has the other three (3) new positions mentioned above. One (1) for a dispatcher, (1) for an added Police Officer, and one (1) as an Animal Services Supervisor for the new Animal Control Center.

Other personnel changes include the reduction of two positions. One being the Administrative Intern and the other is the Public Information Officer / Web Page Assistant. The existing staff will absorb these two positions. Also in the Non-Departmental Budget is a merit increase of up to 3%.

GENERAL FUND
Expenditures by Classification FY2006-07 Budget

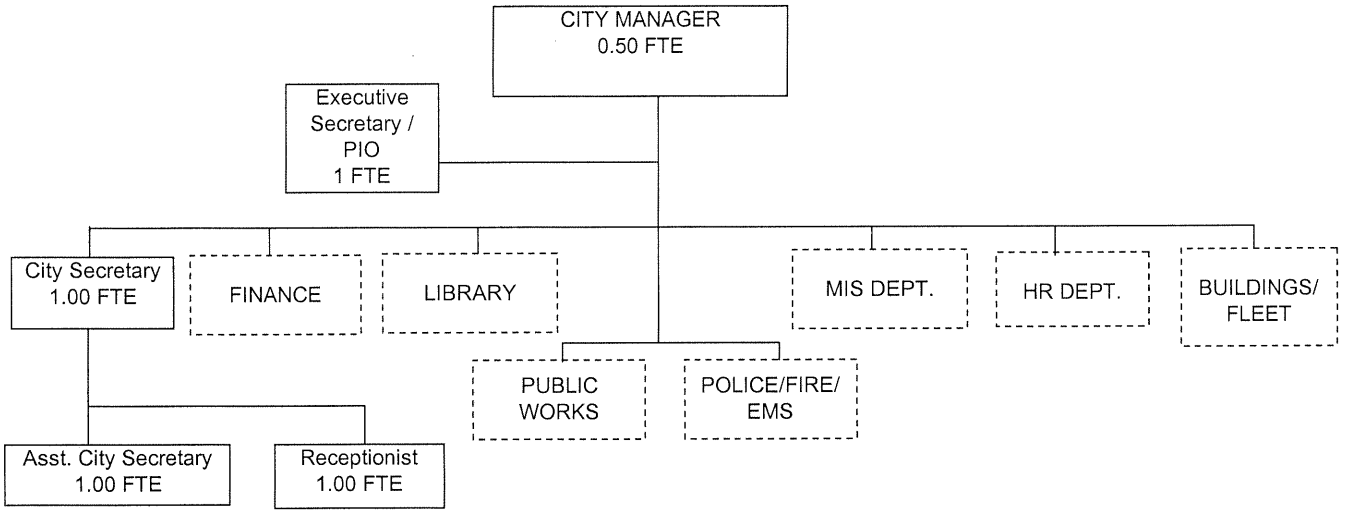


Administration Department

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 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.

FY 2005-2006 ACCOMPLISHMENTS:

Set up new filing system in the vault after the move to the new city hall. Made improvements to information on Web Site and in the newsletter. Went from VHS tapes to CD's for recording information from City Council Meetings. Continued Open Government training.

FY 2006-2007 OBJECTIVES:

Provide the best customer service that is possible to the citizens, City Council, boards and commissions. Continue to improve in records management by better organization of files. Continue scanning of documents for records management.

BUDGETARY ISSUES:

In 2005-2006 City Manager and staff did not attend as many training seminars as normal and do plan to attend in 2006-2007. Training is important to stay current on legislative changes in all areas of municipal government.

Administration Department

Administration

BUDGET SUMMARY:

EXPENDITURE SUMMARY	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
Personnel Services	$298,560	$306,672	$269,101	$261,036
Supplies	$944	$1,900	$2,190	$1,900
Maintenance	$0	$0	$0	$0
Contractual/Sundry	$14,742	$29,565	$20,415	$25,215
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$314,246	$338,137	$291,706	$288,151
PERSONNEL ASSIGNED				
City Manager	0.50	0.50	0.50	0.50
Public Information Officer/ Web page assistant	1.00	1.00	0.00	0.00
Executive Assistant / PIO	1.00	0.50	1.00	1.00
City Secretary	1.00	1.00	1.00	1.00
Assistant City Secretary	1.00	1.00	1.00	1.00
Receptionist	1.00	1.00	1.00	1.00
Intern	0.50	0.50	0.00	0.00
TOTAL	**6.00**	**5.50**	**4.50**	**4.50**

SIGNIFICANT BUDGET CHANGES:

Personnel Services	($45,636.00)
Travel	($2,800.00)
Special Services	($1,500.00)

PERFORMANCE MEASURES:

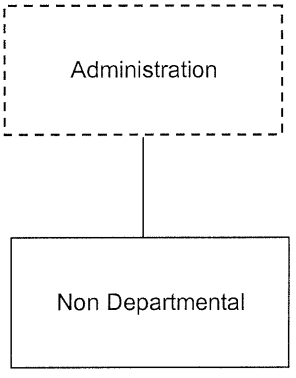
	FY2004-05	FY2005-06	FY2006-07
COW 6&7 Packets completed 3 days prior to meeting	100%	100%	100%
COW 6&7 Open records processed within 10 days	100%	100%	100%
COW 6&7 Newcomer packets updated within 3 days of change	N/A	100%	100%
COW 6&7 Hours spent annually preparing packets	800	600	N/A
COW 6&7 Number of open records processed annually	190	170	N/A
COW 6&7 Updated and compiled newcomer packets	N/A	600	N/A

Administration Department

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 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 2005-2006 ACCOMPLISHMENTS:

Improved records retention with two storage areas in city hall.
Insurance expense was reduced.

FY 2006-2007 OBJECTIVES:

Continue records retention in vault storage and storage area. Strive to keep insurance cost within budget. Work with TML to assure all areas are covered with insurance. Strive to keep liability claims at a minimum.

BUDGETARY ISSUES:

The cost of insurance is always a concern. 2006-2007 All Insurances will increase, Workers' Compensation 46% overall. 2005-2006 General Election cancelled. Election expenses are uncertain for 2006-2007 due to legislative changes.

Administration Department

Non-Departmental

BUDGETARY ISSUES:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$58,194	$255,658	$96,724	$261,994
Supplies	$28,895	$42,850	$40,154	$40,350
Maintenance	$1,685	$4,286	$4,286	$4,286
Contractual/Sundry	$1,004,016	$917,381	$633,614	$883,494
Capital Outlay	$45,598	$121,927	$114,972	$47,977
Total Non-Departmental Expenditures	$1,138,388	$1,342,102	$889,750	$1,238,101
Total Transfers	$2,815,963	$598,047	$598,047	$825,000
PERSONNEL ASSIGNED				
TOTAL	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET HIGHLIGHTS:

(NON-DEPARTMENTAL)

Non-departmental

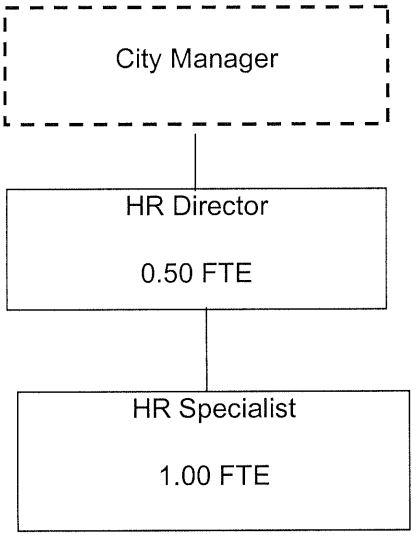
Personnel Services - Includes Raise Package	$6,336
Awards / Recognition	($2,500)
Contingency	($62,511)
Rental of Equipment	$8,890
Dues & Subscriptions	($8,362)
Audit Services	$4,000
Payment to Equipment Replacement Fund	($30,000)
Worker's Compensation	$32,943
Building and Content Insurance	$4,496
Ambulance Billing Costs	$2,000
Arts Program	$2,125
Prior Year Capital	($121,927)
Library HVAC Rooftop Units	$15,000
Misc Computer Hardware and Software	$11,052
Library Shelving	$7,650
Senior Center AC Unit	$4,000
Aerial Work Platform	$9,000
Library Phones	$800
DPS Media Conversion	$475

Administration Department

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. Handles all Worker's Compensation, Unemployment Claims, COBRA, FMLA, light-duty requests and all other regulatory programs. 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. Processes and approves all Personnel/Payroll Authorization forms prior to payroll processing. Responsible for the City's Risk Management and Safety program. 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 2005-2006 ACCOMPLISHMENTS:

Implemented Chapter 143 Civil Service
Hired full-time Human Resources Specialist

FY 2006-2007 OBJECTIVES:

Maintain an effective level of Outstanding Human Resources Service for all employees.
Create an on-line application
Purchase a Human Resources Software Package (Tracking System)

BUDGETARY ISSUES:

None

Administration Department

Human Resources

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$60,408	$72,072	$59,914	$78,639
Supplies	$1,355	$2,184	$2,700	$2,800
Maintenance	$0	$0	$0	$0
Contractual/Sundry	$20,038	$20,316	$21,735	$24,700
Capital Outlay	$445	$0	$0	$0
Total Expenditures	$82,246	$94,572	$84,349	$106,139
PERSONNEL ASSIGNED				
HR Director *(reclassed from Supervisor)*	0.50	0.50	0.50	0.50
HR Specialist	1.00	1.00	1.00	1.00
TOTAL	**1.50**	**1.50**	**1.50**	**1.50**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	$6,567
Advertising	$3,500

PERFORMANCE MEASURES:

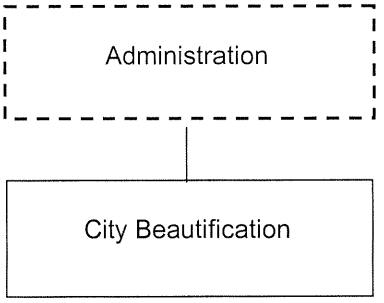
	FY2004-05	FY2005-06	FY2006-07
COW6 Percent of jobs posted within 24 hours of vacancy	96%	97%	97%
COW5 Satisfaction rate of In-house training participants	100%	100%	100%
COW5 Percent of workers' compensation claims processed w/in law requirements	100%	100%	100%
COW6 Number of job opportunity cards mailed out	80	80	75
COW5 Number of positions posted annually	25	24	25
COW5 Employee retention rate annually	87%	83%	81%
COW5 Average number of days a position remains vacant	41	30	23
COW5 Number of employees participating - internal training	160	170	160
COW5 Number of workers' compensation claims processed annually	15	20	25
COW5 Number of hours spent processing workers' compensation claims	125	140	155

Administration Department

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 2005-2006 ACCOMPLISHMENTS:

No activity in this area.

FY 2006-2007 OBJECTIVES:

Addition of another stone entry sign into the City at Rufe Snow and Bursey Road.

BUDGETARY ISSUES:

Administration Department

City Beautification

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$0	$0	$0	$0
Supplies	$0	$0	$0	$0
Maintenance	$0	$0	$0	$0
Contractual/Sundry	$18,134	$0	$0	$5,000
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$18,134	$0	$0	$5,000

SIGNIFICANT BUDGET HIGHLIGHTS:

Entry Sign	$5,000

PERFORMANCE MEASURES:

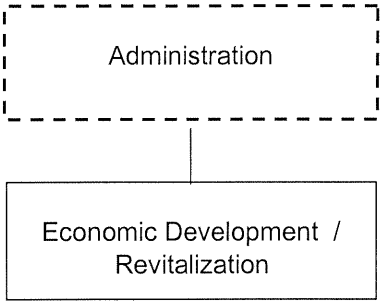
	FY2004-05	FY2005-06	FY2006-07
COW3 Installation of four City entrance signs	100%	N/A	100%

Administration Department

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 2005-2006 ACCOMPLISHMENTS:

- Coordination of Strategic Planning Exercise and Wording of Strategic Plan *Priorities & Objectives*
- Coordination and Wording of Incentives *Guidelines & Criteria*
- Sale of agency Square to Tan Le
- Sale of 2.5 acre site across from Regency Square to Tan Le
- Linking Stan Evans Allstate to available land on Watauga Road
- Preparation of Real Estate Inventory
- Linking prospects to the William Mann Community Development Corporation

FY 2006-2007 OBJECTIVES:

- Facilitating Pei Wei's move into Watauga Pavilion
- Facilitating Allstate purchase of building on Watauga Road
- Facilitating Chef Point purchase of acreage to the north
- Communication with Venture, Cencor re: sale of Super Saver, vitality of Brooks Crossing
- Communication with CB Richard Ellis re: sale of The Marketplace
- Communication with The Retail Connection re: Metro PCS into former auto supply on Rufe Snow Drive

BUDGETARY ISSUES:

Administration Department

Economic Development / Revitalization

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY	$0	$50,000	$50,000	$50,000
RESERVE IN FUND BALANCE	$100,000	$50,000	$50,000	$0

SIGNIFICANT BUDGET HIGHLIGHTS:

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW3/9 Economic development and revitalization issues identified by City Council and funding begun	100%		

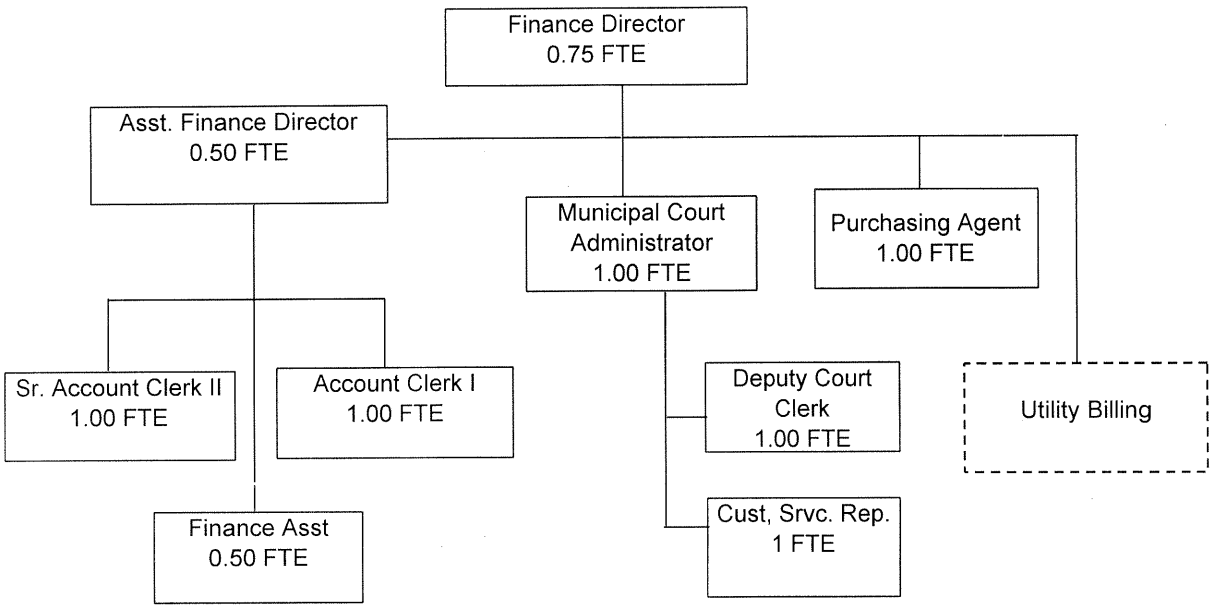
Finance Department

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 data 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 reconciliation's, 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.

FY 2005-2006 ACCOMPLISHMENTS:

Finance Department received its 17th Distinguished Budget Award and its 20th Certificate of Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. The Finance Department also received its second Investment Policy Award from the Government Treasurers Organization of Texas. The Municipal Court implemented an automated ticket-writing program for officers. The Department continued to receive unqualified opinions from external auditors and has placed more focus on internal audit and controls. Purchasing has continued to link with other governments and entities that have made purchasing competitively for the City simpler. Significant RFP's for the Department were issued for audits services and Ambulance Billing Services.

FY 2006-2007 OBJECTIVES:

Objectives for FY2007 include continuing to submit Budget Documents and CAFR's that are worthy of national recognition, receive unqualified opinions from external auditors, further develop an internal audit program, implement more automated ticket-writers, establish an internal cash handling program, continue customer service training for internal and external customers, adopt an updated purchasing policy, and further production of Standard Operating Procedures.

BUDGETARY ISSUES:

Challenge of more and more trials being requested for jury trials rather than Judge trials. This is increasing costs for Municipal Court Judge as well and attorney fees.

Finance Department

Finance / Accounting / Court Services / Purchasing

BUDGET SUMMARY:	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$391,112	$433,440	$373,798	$404,966
Supplies	$4,113	$6,819	$7,206	$6,310
Maintenance	$247	$1,500	$1,500	$1,500
Contractual/Sundry	$124,002	$133,946	$131,431	$141,000
Capital Outlay	$0	$1,250	$0	$0
Total Expenditures	$519,474	$576,955	$513,935	$553,776
PERSONNEL ASSIGNED				
Finance Director	0.75	0.75	0.75	0.75
Assistant Finance Director	0.50	0.50	0.50	0.50
Sr. Account Clerk II	1.00	1.00	1.00	1.00
Account Clerk I	1.00	1.00	1.00	1.00
Municipal Court Administrator	1.00	1.00	1.00	1.00
Deputy Court Clerk	1.00	1.00	1.00	1.00
Customer Service Representative	0.50	1.00	1.00	1.00
Warrant Collections Officer *(fund 17% from Muni Security Fund)*	0.83	0.83	0.83	0.00
Purchasing Agent	1.00	1.00	1.00	1.00
Perm. Part-time Finance Assistant *(added in FY05)*	0.50	0.50	0.50	0.50
TOTAL	**8.08**	**8.58**	**8.58**	**7.75**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services - Includes Transfer of Warrant Off. To DPS	(28,474)
Appraisal Services	1,956
Municipal Judge Services	4,155

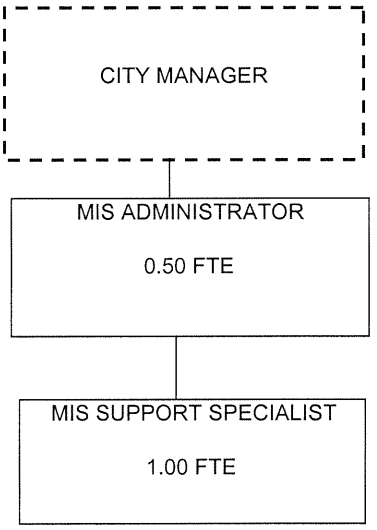
PERFORMANCE MEASURES:	FY2004-05	FY2005-06	FY2006-07
COW5 Percent of citations entered within 24 hours of court filing	85%	95%	100%
COW5 Percent of cash bonds processed by noon of same day	100%	100%	100%
COW5 Percent of payments processed within 24 hours of receipt	100%	100%	100%
COW5 Percent of contested hearings set for trial w/l 60 days of request	100%	100%	100%
COW6 Percent of case notifications to all parties at least 3 weeks prior to trial	100%	100%	100%
COW5 Ratio of correcting journal entries to total entries made annually	1%	1.9%	1%
COW5 Percent of disbursement checks voided due to processing errors	0.25%	0.11%	0.10%
COW6 Percent of G/L reconciliation's completed w/l 7 days of monthly close	100%	95%	100%
COW5 Number of citations entered annually	12,800	15,400	N/A
COW5 Number of payments processed	6,800	8,000	N/A
COW5 Number of contested cases set for trial	850	1,000	N/A
COW5 Number of warrants issued	3,500	4,000	N/A
COW8 Number of formal bids prepared	9	11	15
COW6 Number of P.O.s Issued	4,108	3,747	N/A
COW6 Receive Certificate of Achievement for Excellence in Financial Repo	yes	yes	N/A
COW6 Receive an unqualified audit opinion from external auditors	yes	yes	N/A

Administration Department

Management Information Systems

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

Hours of Operation: 8:00a - 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 2005-2006 ACCOMPLISHMENTS:

City Hall A/V equipment, City Hall cabling installation, City-wide PC replacements, Daily Support, Windows Server Upgrades.

FY 2006-2007 OBJECTIVES:

Enhance the City Web-site to better facilitate the flow of information between City staff and Watauga citizens.

BUDGETARY ISSUES:

Enhancement of the City Web-site without additional staff expenditures.

Administration Department

Management Information Systems

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$85,630	$91,794	$87,902	$96,443
Supplies	$21,651	$19,625	$21,000	$28,410
Maintenance	$46,869	$51,175	$50,500	$51,950
Contractual/Sundry	$12,120	$13,600	$12,940	$15,208
Capital Outlay	$327	$0	$0	$0
Total Expenditures	$166,597	$176,194	$172,342	$192,011
PERSONNEL ASSIGNED				
MIS Administrator	0.50	0.50	0.50	0.50
MIS Support Analyst	1.00	1.00	1.00	1.00
TOTAL	**1.50**	**1.50**	**1.50**	**1.50**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	$4,649
Computer Supplies	$8,610
Rental of Equipment	$1,758

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW5 Survey Satisfaction rate	95%	96%	95%
COW8 Problem resolution/ Repair of systems:			
- % Completed within 1 business day	82%	88%	90%
- % Greater than 1 business day	18%	12%	10%
- % Service calls for priority services closed within 4 hours	99%	97%	99%
COW1 Public Safety Dispatch system up time 7 days/week, 24 hours/day	99%	97%	99%
COW8 Computer systems and networks up time 5 days/week, 10 hrs/day	99%	98%	99%
COW8 Cost per hour of up time	$16.38	$11.94	$11.94
COW8 Cost per work order hour for computers and networks	$39.32	$50.30	$50.30

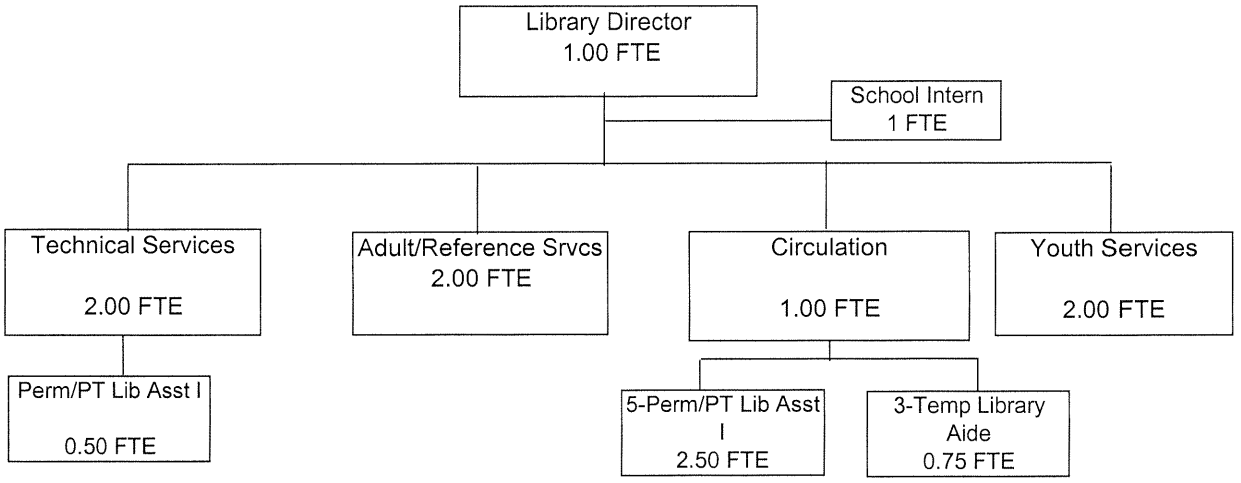
Library Department

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 also provides a Homework Help Center, computer training, exam proctoring, and notary public and fax transmission services.

FY 2005-2006 ACCOMPLISHMENTS:

-- Adult Services Librarian received North Texas Regional Library System's "2006 Library Employee of the Year" award.
-- Received and administered a Texas Reads Grant for 11 local libraries.
-- Presented "One Book, One Community" Book and Author Programs as participant in Northeast Tarrant Reads Project.
-- Awarded an NTRLS Help Grant for Library Building Consultant.
-- Continued Laubach Way to English Tutoring Program.
-- Presented "Imagine That!" -- a special series of programs during Children's Book Week, funded by a Target Stores Community Giving Grant.
-- Awarded a Target Community Giving Grant to fund a series of family programs entitled "Next Stop, The Library."
-- Celebrated 10th Anniversary of the Homework Help Center program.
-- Oversaw largest Summer Reading Club ever with 1,615 participants.
-- Introduced new book discussion group, "Thursday's Book."
-- Implemented Reference and Spanish language web pages.
-- Introduced monthly evening story times for working parents and their children.
-- Presented a variety of informative and entertaining programs for the community, including the Irish musical group BEHAN, "An Evening with Author C.J. Critt", and "Need Help with Medicare D?"
-- Maintained acceptable levels of service during Library expansion project.

FY 2006-2007 OBJECTIVES

Collection:
--Select the best materials to meet the informational and recreational needs of users;
--Catalog and make these materials available quickly;
--Reshelve 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, as well as through Library and City newsletters, the City's website, and in-house publications, brochures, and signage.

BUDGETARY ISSUES:

Increased use of the Library can be seen in statistics maintained for circulation, program attendance, and computer use and assistance. A 5,000 square feet expansion of the Library during FY 05/06 addresses the need for additional space for an expanding collection, as well as expanded space for study and research needs, and special programs and services. Building design and furnishings will be important in facilitating staff's ability to maintain current service levels in a significantly expanded area of service responsibility. In addition, the Library will continue to address service needs brought about by Watauga's changing demographics, including materials and services for those whose first language is not English.

Library Department

Library

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$499,248	$529,699	$501,742	$550,099
Supplies	$110,259	$115,671	$116,473	$126,821
Maintenance	$9,299	$9,533	$9,533	$14,900
Contractual/Sundry	$49,747	$83,416	$84,060	$55,975
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$668,553	$738,319	$711,808	$747,795
PERSONNEL ASSIGNED				
Director	1.00	1.00	1.00	1.00
Librarian/Tech. Services	1.00	1.00	1.00	1.00
Librarian - Youth Services	1.00	1.00	1.00	1.00
Librarian - Adult Services *(reclassed from Reference)*	1.00	1.00	1.00	1.00
Librarian II - Reference *(reclassed from Library Asst II)*	1.00	1.00	1.00	1.00
Library Assistant II - Circulation	1.00	1.00	1.00	1.00
Library Assistant II - Tech Services	1.00	1.00	1.00	1.00
Library Assistant I - Youth	1.00	1.00	1.00	1.00
Library Assistant I (6 Perm. Part time)	3.00	3.00	3.00	3.00
Temporary Help/Library Aide (3)	0.75	0.75	0.75	0.75
Part time School Intern	0.50	1.00	1.00	1.00
TOTAL	**12.25**	**12.75**	**12.75**	**12.75**

SIGNIFICANT BUDGET CHANGES:

Personnel Services	$20,400
Publications	$10,000
Furniture & Fixtures	$4,607
Fort Worth Contract	($31,517)

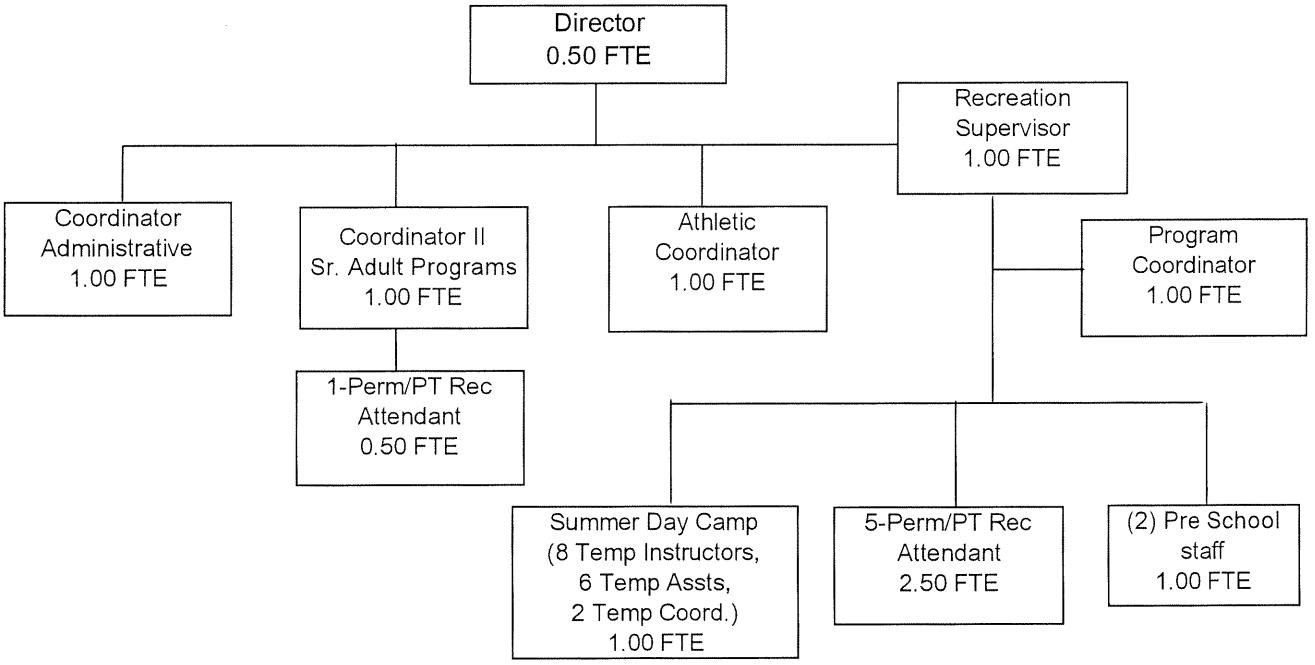
PERFORMANCE MEASURES:

	FY 2004-05	FY 2005-06	FY 2006-07
COW7 Percent increase of materials	15%	13.5%	10%
COW4 Percent of collection weeded	15%	7%	10%
COW4&7 Number of programs offered	350	437	355
COW7 Number of school visits	15	11	8
COW7 Percent of material checked in/shelved w/in a 24 hr period	99%	99%	99%
COW7 Percent of new material ready for circulation within 2 wks	85%	85%	85%

Parks, Recreation & Community Services Department
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 visibility, quality, and public perception related to departmental services for all residents and create a positive city "identity" from a recreational and community services standpoint.

FY 2005-2006 ACCOMPLISHMENTS:

- Increased Senior Citizen participation in meal program by 28%
- Added two (2) Adult athletic programs
- Implemented twelve (12) recreational programs
- Implemented Youth track and Field Program
- Increased levels of participation and registrations from area youth association

FY 2006-2007 OBJECTIVES:

- Increase levels of participation in both youth and adult athletics
- Offer programs related to ecological conservation
- Promote skate park safety

BUDGETARY ISSUES:

Decreasing baseline budget in athletic services to lack of interest in adult softball and a decrease in contract inst. services due to a change in contractual service agreement.

Parks, Recreation & Community Services Department
Recreation & Community Services

BUDGET SUMMARY:

EXPENDITURE SUMMARY	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
Personnel Services	$351,462	$401,493	$380,624	$412,488
Supplies	$27,914	$35,715	$35,155	$36,015
Maintenance	$4,300	$5,752	$6,445	$6,752
Contractual/Sundry	$76,377	$139,100	$115,853	$119,600
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$460,053	$582,060	$538,077	$574,855
PERSONNEL ASSIGNED				
RCS Director	0.50	0.50	0.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00
Coordinator II (Sr. Adult Programs)	1.00	1.00	1.00	1.00
Athletic Coordinator	1.00	1.00	1.00	1.00
Coordinator I (Administrative)	1.00	1.00	1.00	1.00
Fitness Coordinator	1.00	1.00	1.00	1.00
Rec. Attendant (6- Perm. Part time)	3.00	3.00	3.00	3.00
Pre-school Instructors (2 Temp - 1040 hrs ea.)	1.00	1.00	1.00	1.00
Summer Rec Assts. (6- Temp/Seasonal)	0.25	0.25	0.25	0.25
Summer Rec Instructors (8 - Temp/Seasonal)	0.50	0.50	0.50	0.50
Summer Rec. Coord. (2- Temp/Seasonal)	0.25	0.25	0.25	0.25
TOTAL	**10.50**	**10.50**	**10.50**	**10.50**

SIGNIFICANT BUDGET CHANGES:

Personnel Services	$10,995
Contract Instructors	($6,000)
Athletic Contractor Services	($12,000)

PERFORMANCE MEASURES:

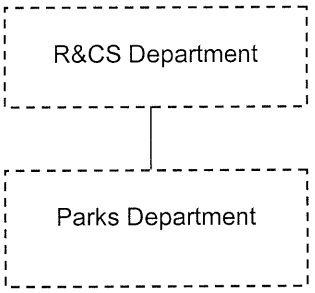
	FY2004-05	FY2005-06	FY2006-07
COW4 Percent customer satisfaction from programs, classes, events, and facilities	95%	96%	95%
COW4 Percent attendance increase in classes, programs, and leagues	64%	63%	20%
COW4 Percent of short term initiatives addressed from department business plan	100%	100%	100%
COW4 Number of short term initiatives addressed from the department business plan	8	8	6
COW4 Number of memberships at the Watauga Community Center	1,600	1,800	1,900
COW4 Attendance in department classes, programs, and leagues	31,982	87,351	45,000

Parks, Recreation and Community Services Department

Parks

Location
7901 Indian Springs Road
Phone Number 817.514.5803

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 and municipal complexes. 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 2005-2006 ACCOMPLISHMENTS:

- Continued Phase II and III of Indian Springs Soccer Fields Construction
- Installation of Handicap Ramp at Senior Center
- Completion of fencing at Foster Village Sports Fields
- Completion of lighting at Capp Smith Park
- Repair of concrete walkway on bridge abutment at Capp Smith Park
- Address safety concerns over the spill way at Capp Smith Park

ALL FUND ARE NOW THROUGH WATAUGA PARKS DEVELOPMENT CORPORATION SALES TAX FUND.

FY 2006-2007 OBJECTIVES:

- Address lighting concerns at Parks throughout the City
- Address irrigation on common areas of Parks and around City facilities
- Implement first aid and cardioresusitation program for all Parks personnel

ALL FUND ARE NOW THROUGH WATAUGA PARKS DEVELOPMENT CORPORATION SALES TAX FUND.

BUDGETARY ISSUES:

Continued funding for chemical programs for high turf maintenance program. Additional funds for small engine equipment for the replacement of older equipment. Funds to address the parking lot light at Capp Smith Park and Park Vista trail. Funds to re surface the playground areas at all Parks

Parks, Recreation & Community Services Department

Parks

BUDGET SUMMARY

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$0	$0	$0	$0
Supplies	$13,705	$0	$0	$0
Maintenance	$7,911	$0	$0	$0
Contractual/Sundry	$916	$0	$0	$0
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$22,532	$0	$0	$0
PERSONNEL ASSIGNED				
TOTAL	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET HIGHLIGHTS:

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW3/4 Percent of developed facilities mowed and maintained weekly	100%	100%	100%
COW3 Percent of Chemical turf maintenance performed quarterly on developed park property	40%	100%	100%
COW Percent of Athletic Ball fields maintained	60%	100%	100%
COW3/4 Number of park land acres maintained	116	116	116
COW3/4 Mow & maintain park land/facilities within a certain number of day - cycles	7	5	7
COW Number of Athletic Fields maintained	5	8	10

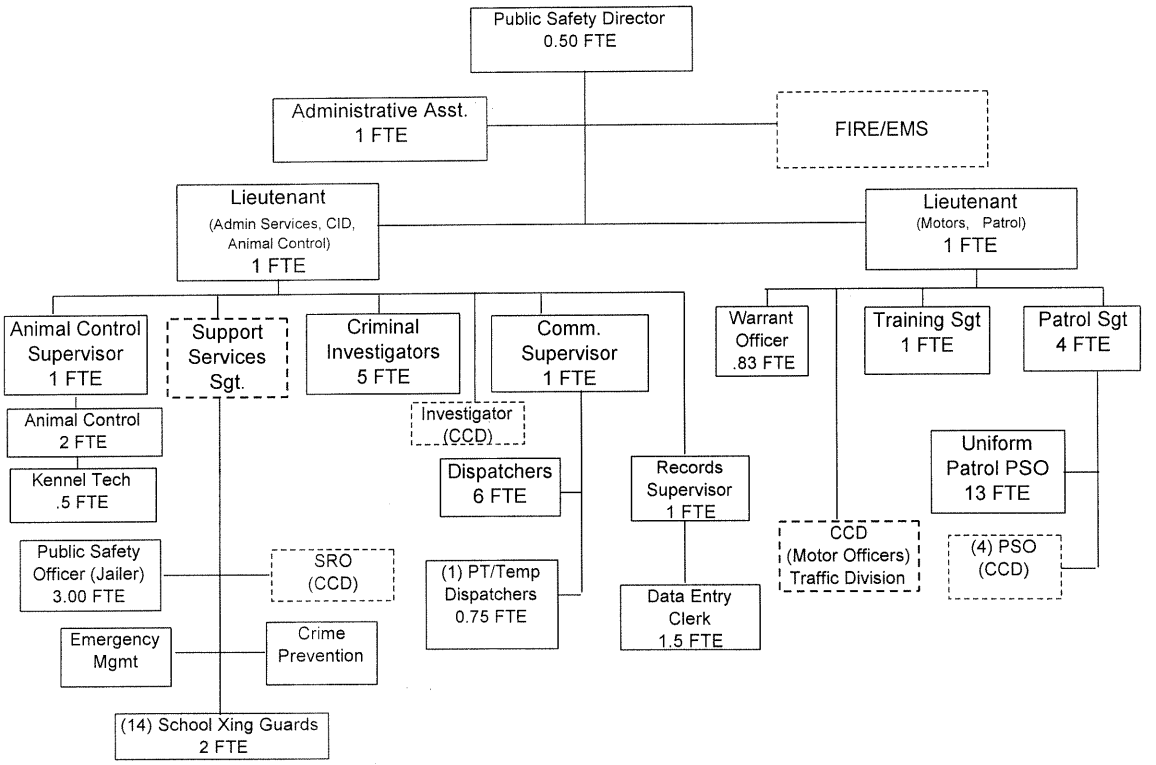
Department of Public Safety

Public Safety - Police Division

Location: 7101 Whitley Road

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 2005-2006 ACCOMPLISHMENTS:

As the result of local elections, complied with Chapter 143 of the Local Government Code (Civil Service); began aggressive community services programs, such as child safety seat inspections and Crime Watch; and completed approximately 90% revision of existing polices and procedures manual. Increased school crossing guards for Watauga schools; reorganized/reclassified several department positions such as Training Sergeant reclassified to Training Officer; One dispatcher position to Communications Supervisor; Communications & Records Supervisor to Records Supervisor; One detective position to Detective Sergeant. Significant professional training accomplishments for entire departmental personnel.

FY 2006-2007 OBJECTIVES:

Provide for greater departmental leadership to all levels with implementation of Captain position. Continue to increase Community Services programs; increase traffic violator contacts; implement bar code inventory of police property room and reduce unnecessary and expired inventory; complete Police Division Policies and Procedures.

REDUCE REPORTABLE MOTOR VEHICLE ACCIDENTS BY 5%, WITHIN BUDGET.

1. Analyze accidents on a monthly basis, increase enforcement in the areas of high accident rates and the contributing factors of those accidents.
2. Educate the public by publishing articles in newspapers, and utilize City of Watauga Cable Channel to inform the public of accident locations and the contributing factors.

CONTINUE CAREER DEVELOPMENT PROGRAMS AT ALL LEVELS.

1. Continue to educate officers in administrative functions and police subject matters.
2. Utilize the training officer to establish professional development goals for each officer.

REDUCE ALCOHOL AND TOBACCO USE AMONG MINORS.

1. Continue to support programs that are designed to educate and reduce alcohol and tobacco use among minors.
2. Utilize undercover officers and vehicles to conduct surveillances on bars, package stores, and suspected party areas.
3. Work with TABC to conduct stings at local bars and stores.

BUDGETARY ISSUES:

Department of Public Safety

Public Safety - Police Division

BUDGET SUMMARY:	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$2,095,450	$2,363,071	$2,156,541	$2,615,029
Supplies	$78,995	$1,500	$1,530	$25,519
Maintenance	$24,725	$0	$0	$1,380
Contractual/Sundry	$62,547	$33,635	$29,000	$10,235
Capital Outlay	$1,996	$0	$0	$0
Total Expenditures	$2,263,713	$2,398,206	$2,187,071	$2,652,163
PERSONNEL ASSIGNED				
Public Safety Director (Chief) *(FY06 Moved 50% to Fire/EMS)*	1.00	0.50	0.50	0.50
Lieutenant	2.00	2.00	2.00	2.00
Sergeant	5.00	5.00	5.00	5.00
Records Supervisor	1.00	1.00	1.00	1.00
Communications Supervisor	0.00	0.00	1.00	1.00
Police Officer	13.50	12.00	12.00	13.00
Detective	4.00	5.00	5.00	5.00
Jailers	2.00	3.00	3.00	3.00
Animal Control Supervisor	0.00	0.00	0.00	1.00
Animal Control Officer	2.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00
Data Entry Clerk	1.00	1.50	1.50	1.50
Communicators/Dispatcher	6.00	6.00	5.00	6.00
Warrant Officer	0.00	0.00	0.00	0.83
School Crossing Guards (14)	1.50	2.00	2.00	2.00
Dispatcher (PT/Temporary)	0.75	0.75	0.75	0.75
Kennel Technician	0.00	0.50	0.50	0.50
TOTAL	40.75	42.25	42.25	46.08

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services - Including addition of Dispatcher, Warrant Officer Transfer, Police Officer Animal Control Supervisor and School Crossing Guards that were moved from Non-Department Expenses in FY06.	$251,958
Equipment for Animal Control Supervisor	$2,399
Advertising Expenses	($8,000)
Emergency Management Operations	$7,000

PERFORMANCE MEASURES:

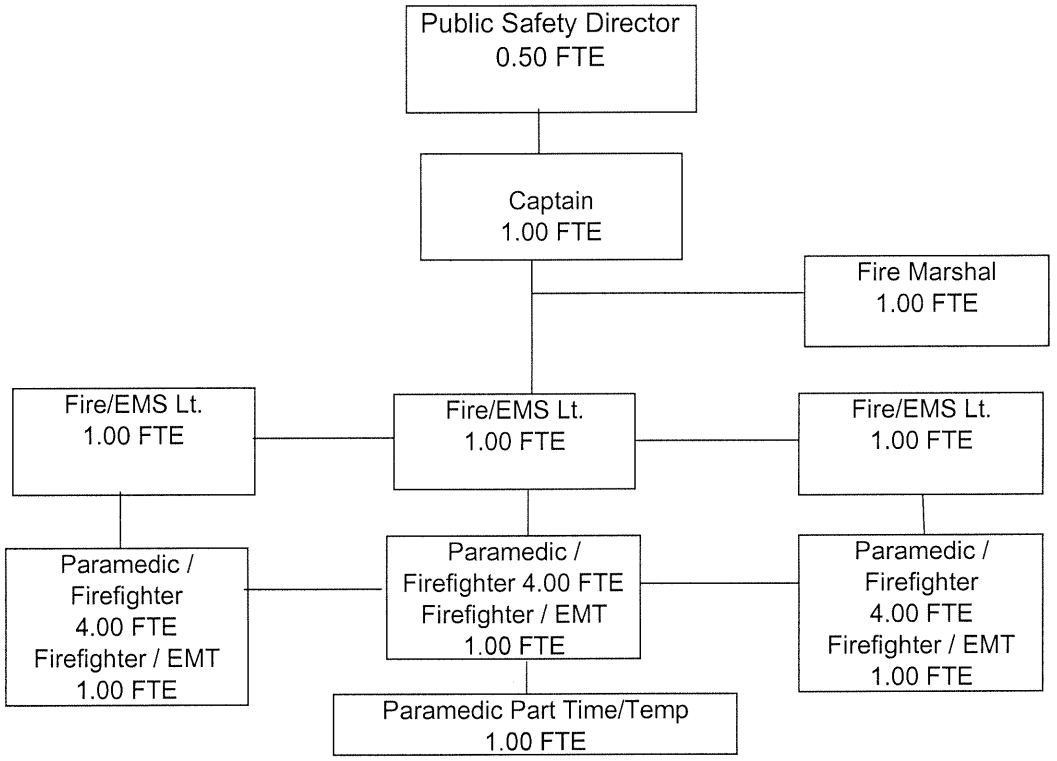
	FY2004-05	FY2005-06 (Est)	FY2006-07 (Est)
Quantity - Calls for Service			
Total Calls for Service			
• Priority 1 Calls for Service	12,796	13,153	13,360
• Priority 2 Calls for Service	4,356	4,548	4,600
• Priority 3 Calls for Service	5,270	5,514	5,631
Response Times - Calls for Service			
• Priority 1 Calls for Service (Minutes)	5	5	6
• Priority 2 Calls for Service (Minutes)	8	9	10
• Priority 3 Calls for Service (Minutes)	10	11	12
Uniform Crime Reporting (UCR) Incidents			
• Violent	229	258	276
• Property	706	709	794
Traffic Collisions			
• Non Injury	271	293	306
• Injury	106	107	112
• Fatality	1	2	2
Traffic Citations			
• Municipal Citations Issued	8,294	9,656	10,468
DWI Enforcement			
• Arrests	24	21	22
Animal Control			
• Animals Confined	430	497	550
• Animal License Issued	553	541	552

Department of Public Safety

Fire/EMS Division

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

FY 2005-2006 ACCOMPLISHMENTS:

CPR/AED classes were taught to City Employees. Automated External Defibrillators were purchased and provided to City Council Chambers, Senior Citizen, and recreation facilities. Larger diameter fire hose was added to reduce suppression time and limit structural damage. New Self Contained Breathing Apparatus was added bringing the total compliment into compliance with the most current NFPA Standard. A new emergency lighting package was installed on E-313 increasing the safety of personnel and the traveling public during fire responses. Fire station personnel trained monthly with surrounding agencies resulting in improved skills and coordination

FY 2006-2007 OBJECTIVES:

Improve fire suppression activities by adding an additional person (total of 2 additional staff) to each shift. Reduce dependency on mutual aid. Increase training and career path opportunities for fire suppression personnel. Replace outdated emergency lighting packages on E-311 and M-318. Increase commercial fire inspections.

BUDGETARY ISSUES:

Need to obtain a new Medical Control Director will cause a significant increase in that line item. Additional personnel are needed so suppression forces can meet minimum state and federal standards. New medications and equipment required by the Medical Control Physician will cause a substantial increase in medical supply and pharmaceutical line items. Business growth has created the need for a Fire Inspector to relieve the work load now shouldered solely by the Fire Marshal.

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$861,276	$1,138,563	$1,013,909	$1,321,153
Supplies	$51,635	$75,485	$72,134	$103,436
Maintenance	$32,555	$35,828	$31,828	$27,160
Contractual/Sundry	$36,413	$52,082	$48,818	$88,726
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$981,879	$1,301,958	$1,166,689	$1,540,475
PERSONNEL ASSIGNED				
Director of Public Safety *(FY06 moved from DPS)*	0.00	0.50	0.50	0.50
Captain	1.00	1.00	1.00	1.00
Fire/EMS Lieutenant	3.00	3.00	3.00	3.00
Fire Marshall	1.00	1.00	1.00	1.00
Firefighter/Paramedic *(FY06 added 3 - grant funded)*	6.00	9.00	7.00	12.00
PSO / Firefighter / EMT	3.00	3.00	3.00	3.00
Paramedic Part time/Temporary (7)	1.00	1.00	1.00	1.00
TOTAL	**15.00**	**18.50**	**16.50**	**21.50**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services - Including addition of 5 Firefighter / Paramedics	182,590
Wearing Apparel	8,650
Vehicle Maintenance & Fuel	7,751
Medical Supplies	7,000
Bunker Gear	4,600
Medications	1,200
Software Maintenance	(6,888)
Communications	3,690
Physical Exams	16,525

FIRE/EMS YEARLY ACTIVITY:

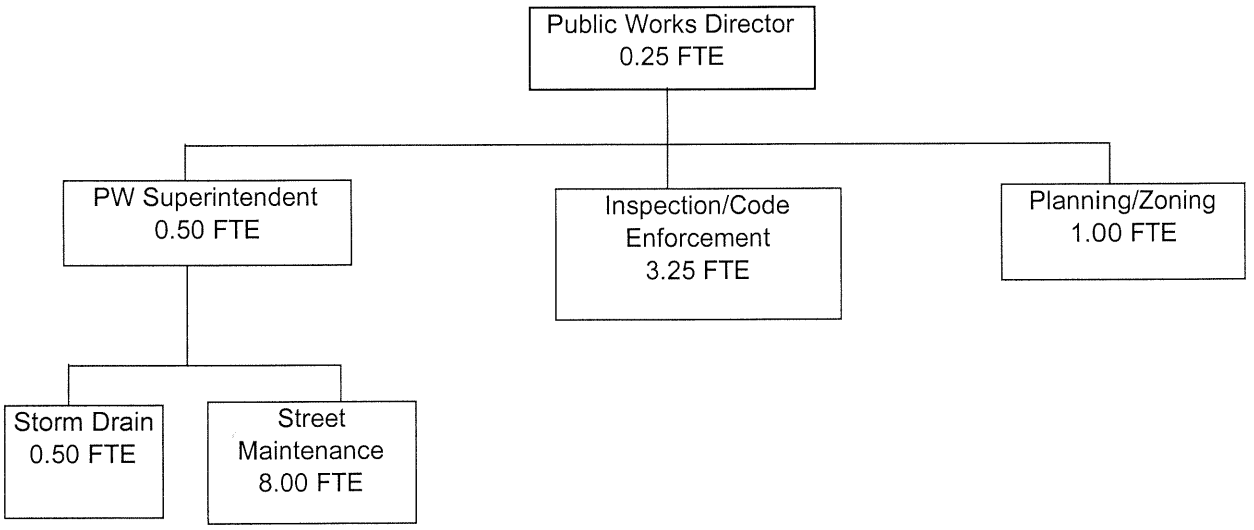
	FY2004-05	FY2005-06	FY2006-07(Est.)
Total Calls For Service	1255	1360	1455
-Fire Calls	237	250	253
-Emergency Medical Services Calls	1018	1110	1202
-Miscellaneous Calls	125	240	355
Ambulance Transports	710	753	806
Mutual Aid Given	46	50	55
Mutual Aid Received	57	55	58
Fire Inspections	55	60	65
Fire Emergency Average Response Time (Min.)	3.6	3.9	4.1
EMS Emergency Average Response Time (Min.)	3.54	3.76	3.97

Public Works Department

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 are officers of the court and ensure the code of ordinances are followed. Engineering ensures all plans are approved and meets the city specifications through plan review and field inspections.

FY 2005-2006 ACCOMPLISHMENTS:

Public Works has maintained 84 miles of roads, 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 improvement projects have met city specifications. New (Overhead Street Signs), were installed on State Hwy. 377 within our city limits. We were also able to create a (Railroad Quiet Zone), at State Hwy. 377 and the Watauga Road railroad crossing. There was 5,582 L.F. of new sidewalk installed at various locations. Twelve streets were overlaid with asphalt during this years budget.

FY 2006-2007 OBJECTIVES:

The Public Works Department will strive to maintain a high level of service to all our citizens and maintain the 84 miles of roads and signage in a cost acceptable manner. Code Enforcement and Engineering will make sure all codes are followed and the city specifications are met.

BUDGETARY ISSUES:

Compliance will reduce the number of poor streets and will increase the number of fair, good and excellent streets. Code compliance will reduce many unsightly areas and improve the general cosmetics of the city.

Public Works Department

Public Works

BUDGET SUMMARY:	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$581,896	$593,441	$539,646	$592,153
Supplies	$37,277	$45,616	$45,616	$45,150
Maintenance	$27,662	$41,850	$41,850	$35,500
Contractual/Sundry	$38,094	$39,330	$39,330	$36,730
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$684,929	$720,237	$666,442	$709,533
PERSONNEL ASSIGNED				
Public Works Director *(moved from Parks)*	0.25	0.25	0.25	0.25
Public Works Superintendent	0.50	0.50	0.50	0.50
PW Foreman	1.00	1.00	1.00	1.00
Inspection Foreman	0.25	0.25	0.25	0.25
Code Enforcement Officer	2.00	2.00	2.00	2.00
Building Inspector	1.00	1.00	1.00	1.00
Maintenance Worker I/Streets	4.00	4.00	4.00	4.00
Maintenance Worker II/ Streets	2.00	2.00	2.00	2.00
Equipment Operator	1.00	1.00	1.00	1.00
Storm Drain Utility Secretary	0.50	0.50	0.50	0.50
PW Plan/Zoning Secretary	1.00	1.00	1.00	1.00
TOTAL	13.50	13.50	13.50	13.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Sign Maintenance	(6,350)
Engineering Services	(2,600)

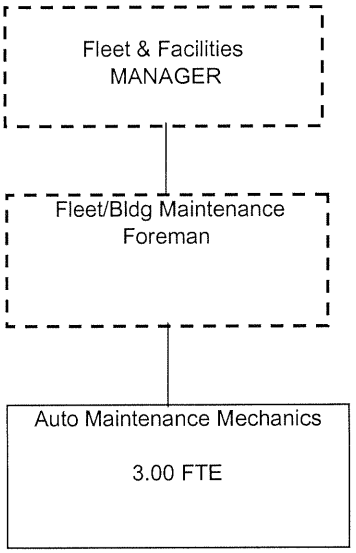
PERFORMANCE MEASURES:	FY2004-05	FY2005-06	FY2006-07
COW2/3 Percent of Right-of-Ways maintained City-wide	100%	100%	100%
COW1/2/3 Percent of Sidewalks repaired within 7 days of complaint issuance	97%	97%	98%
COW1/2/3 Percent of sidewalks repaired within 30 days of annual inspection	97%	100%	100%
COW1/2/3 Percent of potholes repaired within 3 days of complaint issuance	100%	100%	100%
COW2/3 Number of lane miles maintained	84	84	84
COW2/3 Number of miles of curb and gutter maintained	168	168	168
COW1/2/3 Number of miles of roads in GOOD condition	66	69	70
COW1/2/3 Number of miles of roads in AVERAGE condition	14	12	12
COW1/2/3 Number of miles of roads in POOR condition	4	3	2

Administration Department

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.

FY 2005-2006 ACCOMPLISHMENTS:

FY 2006-2007 OBJECTIVES:

BUDGETARY ISSUES:

Administration Department

Fleet Services

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$80,243	$111,884	$84,443	$127,566
Supplies	$8,851	$7,500	$7,500	$7,500
Maintenance	$1,639	$2,700	$2,700	$2,700
Contractual/Sundry	$5,439	$7,550	$7,550	$7,550
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$96,172	$129,634	$102,193	$145,316
PERSONNEL ASSIGNED	2	3	3	3

Auto Maintenance Mechanic *(FY06 Add Prev. Mechanic)*

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	15,682

PERFORMANCE MEASURES:

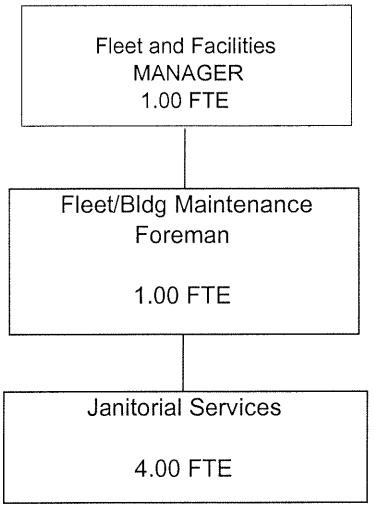
	FY2004-05	FY2005-06	FY2006-07
COW5 Percent of auto repairs performed by in-house staff	85%		
COW5 Percent of auto repairs outsourced	15%		
COW1/8 Average fleet availability	96%		
COW1/8 Average fleet downtime awaiting for parts delivery	4%		
COW5 Average major auto repairs per month	12		
COW8 Average preventive maintenance inspections per month	30		

Administration Department

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.

FY 2005-2006 ACCOMPLISHMENTS:

FY 2006-2007 OBJECTIVES:

BUDGETARY ISSUES:

Administration Department

Buildings

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$208,984	$240,634	$236,411	$254,787
Supplies	$12,647	$13,250	$13,250	$13,250
Maintenance	$52,296	$52,919	$52,919	$51,919
Contractual/Sundry	$246,556	$322,831	$306,534	$320,294
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$520,483	$629,634	$609,114	$640,250
PERSONNEL ASSIGNED				
Fleet/Bldg Maintenance Manager	1.00	1.00	1.00	1.00
Fleet/Bldg Maintenance Foreman	1.00	1.00	1.00	1.00
Janitorial Service Tech	1.00	1.00	1.00	1.00
Janitor	2.00	3.00	3.00	3.00
TOTAL	**5.00**	**6.00**	**6.00**	**6.00**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Services	14,153
Parking Lot Maintenance	(1,000)
Utility Costs	(1,537)
Communications	(1,000)

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW5 Percent of repairs done by staff	70%		
COW5 Percent of repairs done by contractors	30%		
COW1/2 Percent of repairs completed within 24 hours of request	90%		
COW8 Maintenance cost per sq. ft.	$2.50		
COW8 Janitorial cost per sq. ft.	$2.00		

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
01 -GENERAL FUND						
ADMINISTRATION						
PERSONNEL SERVICES						
010-4001 SUPERVISION	164,990	115,156	118,051	119,268	116,475	108,781
010-4002 CLERICAL	62,688	86,023	89,161	65,981	63,514	77,970
010-4010 OVERTIME	765	271	487	1,200	1,200	1,200
010-4020 TEMPORARY/PT TIME HELP	36,416	22,947	26,139	48,689	28,060	0
010-4030 LONGEVITY	6,174	6,120	6,768	7,650	7,512	4,499
010-4035 CAR ALLOWANCE	5,776	4,828	4,970	5,000	5,000	5,000
010-4100 RETIREMENT	26,013	24,874	26,783	25,507	22,078	24,326
010-4101 DEFERRED COMPENSATION	0	0	0	0	0	0
010-4102 HOSPITAL & GROUP LIFE	18,768	22,080	23,283	30,359	22,480	35,628
010-4103 MEDICARE TAX	5,268	3,945	2,917	3,018	2,782	3,632
PERSONNEL SERVICES	326,856	286,243	298,560	306,672	269,101	261,036
SUPPLIES						
010-5201 OFFICE SUPPLIES	1,455	721	749	1,500	1,500	1,500
010-5203 PUBLICATIONS	345	349	195	400	690	400
010-5226 MISC. EQUIPMENT/FURNITURE	236	0	0	0	0	0
SUPPLIES	2,036	1,071	944	1,900	2,190	1,900
CONTRACTUAL/SUNDRY						
010-7401 COMMUNICATIONS	1,241	279	1,182	1,500	900	1,200
010-7404 SPECIAL SERVICES	714	253	314	3,000	1,500	1,500
010-7405 ADVERTISING	447	0	0	0	0	0
010-7406 TRAVEL EXPENSE	2,468	5,071	3,744	7,800	3,500	5,000
010-7407 DUES & SUBSCRIPTIONS	3,527	3,148	2,720	3,765	3,765	3,765
010-7410 TRAINING	2,753	1,897	2,473	4,800	2,000	4,800
010-7419 PRINTING & BINDING	4,795	3,362	4,070	7,750	7,750	8,200
010-7440 EMPLOYEE RELATIONS	381	593	240	950	1,000	750
CONTRACTUAL/SUNDRY	16,327	14,602	14,742	29,565	20,415	25,215
ADMINISTRATION	**345,219**	**301,916**	**314,246**	**338,137**	**291,706**	**288,151**
NON-DEPARTMENTAL						
PERSONNEL SERVICES						
020-4030 LONGEVITY	0	0	0	0	7,260	0
020-4100 RETIREMENT	7,058	15,588	4,857	9,010	8,304	9,333
020-4101 SUPPLEMENTAL COMPENSATION	38,271	38,031	0	0	0	0
020-4102 HOSPITAL & GROUP LIFE	0	77	5,157	0	0	0
020-4103 MEDICARE TAX	823	1,927	575	1,233	1,160	1,233
020-4105 VACATION/COMP TIME	45,104	84,346	43,817	85,000	80,000	85,000
020-4107 SALARY ADJUSTMENTS	0	0	0	160,415	0	166,428
020-4110 EMPLOYEE APPRECIATION PARTY	5,893	4,087	3,334	0	0	0
020-4116 EMPLOYEE RECOGNITION	2,125	1,109	454	0	0	0
PERSONNEL SERVICES	99,274	145,165	58,194	255,658	96,724	261,994
SUPPLIES						
020-5201 OFFICE SUPPLIES	538	20,944	15,054	16,350	16,350	16,350
020-5202 POSTAGE	13,873	16,287	13,101	17,000	17,000	17,000
020-5206 VEHICLES FUEL & LUBRICANTS	718	0	0	0	0	0
020-5210 COPY MACHINE SUPPLIES	1,338	103	504	3,000	3,000	3,000
020-5226 MISC. EQUIPMENT/FURNITURE	0	0	235	0	270	0
020-5232 AWARDS/ RECOGNITION SUPPLIES	0	0	0	6,500	3,534	4,000
SUPPLIES	16,467	37,334	28,895	42,850	40,154	40,350
MAINTENANCE						
020-6301 FURNITURE AND FIXTURES	1,734	0	0	0	0	0
020-6302 OFFICE EQUIPMENT	4,999	545	1,685	4,286	4,286	4,286
MAINTENANCE	6,733	545	1,685	4,286	4,286	4,286
CONTRACTUAL/SUNDRY						
020-7401 COMMUNICATIONS	45,821	44,487	45,022	48,636	48,060	48,636
020-7402 RENTAL OF EQUIPMENT	10,942	18,077	17,669	64,947	64,947	73,837
020-7404 SPECIAL SERVICES	18,521	10,713	7,934	17,150	17,600	17,600
020-7405 ADVERTISING	17,273	20,238	19,330	15,000	15,000	15,000
020-7406 TRAVEL EXPENSE	4,410	6,107	5,565	11,000	5,000	11,000
020-7407 DUES & SUBSCRIPTIONS	19,765	17,490	18,262	25,362	15,234	17,000
020-7409 COUNCIL TRAINING	981	0	0	0	0	0
020-7410 TRAINING	2,567	3,606	2,050	11,000	5,000	11,000
020-7416 BANK CHARGES	6,440	6,158	13,842	15,600	17,682	17,682
020-7418 ELECTION EXPENSE	9,331	7,243	4,133	8,000	0	8,000
020-7419 PRINTING & BINDING	1,194	418	2,877	3,000	2,500	3,000
020-7422 ATTORNEY FEES	41,949	61,168	83,193	81,795	79,800	81,795

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
020-7423 AUDIT	29,603	42,515	33,165	36,000	34,178	40,000
020-7425 ENGINEERING	1	0	0	0	0	0
020-7426 CONSULTANT FEES	0	0	19	0	0	0
020-7434 LITIGATION EXPENSE	414	0	0	3,000	0	3,000
020-7440 EMPLOYEE RELATIONS	107	0	0	0	0	0
020-7443 EMPLOYEE TUITION REIMBURSEMENT	0	136	0	3,000	0	3,000
020-7444 PYMT TO INTERNAL SERVICE FUND	181,000	181,000	131,000	70,000	70,000	50,000
020-7456 WORKERS' COMPENSATION	57,959	69,994	76,517	103,057	36,538	136,000
020-7462 PUBLIC LIABILITY	15,038	17,886	20,997	21,463	19,948	21,463
020-7463 EQUIPMENT/ROLLING STOCK	40,265	43,068	45,406	46,356	34,001	46,356
020-7464 UNEMPLOYMENT INSURANCE	12,928	37,760	7,859	39,000	45,272	39,000
020-7465 BUILDING/CONTENTS	18,194	19,804	21,142	22,304	25,744	26,800
020-7466 SURETY BONDS	1,436	426	1,596	2,000	2,000	2,000
020-7467 PUBL OFFICIAL LIABILITY	15,513	20,742	18,364	24,000	23,158	24,000
020-7468 POLICE LIABILITY	13,036	23,522	14,200	24,000	15,632	24,000
020-7469 AMBULANCE SERVICES	1,817	14,800	14,463	14,000	14,120	16,000
020-7472 ARTS PROGRAM	8,000	8,500	8,500	8,500	8,500	10,625
020-7488 TU RATE REDUCTION	4,643	0	0	0	0	0
020-7494 ECONOMIC DEVELOPMENT	15,082	5,093	5,244	6,000	2,000	6,000
020-7495 NEWSLETTER	12,163	14,940	13,617	15,500	15,500	15,500
020-7496 CONTINGENCY	38,001	152,814	158,377	162,511	1,000	100,000
020-7502 BAD DEBT EXPENSE	574	21,034	210,872	0	0	0
020-7521 HAZARDOUS WASTE CONTRACT	1,400	6,714	2,800	5,200	5,200	5,200
020-7524 Deferral for Compensatable Abs	0	0	0	10,000	10,000	10,000
020-7525 Contribution Expenses	0	3,838	0	0	0	0
CONTRACTUAL/SUNDRY	646,367	880,290	1,004,016	917,381	633,614	883,494
CAPITAL OUTLAY						
020-8503 BUILDING IMPROVEMENTS	17,943	60,257	0	0	0	15,000
020-8504 COMPUTER HARDWARE	51,091	11,716	16,233	6,638	6,638	2,957
020-8505 COMPUTER SOFTWARE	0	9,234	2,876	8,839	8,839	8,095
020-8510 FURNITURE & FIXTURES	0	0	0	6,950	0	7,650
020-8511 OFFICE EQUIPMENT	0	3,758	0	0	0	0
020-8513 MOTOR VEHICLES	20,449	47,010	26,489	42,000	42,000	0
020-8516 RADIOS	0	8,506	0	0	0	0
020-8517 OTHER EQUIPMENT	54,741	69,390	0	57,500	57,495	14,275
CAPITAL OUTLAY	144,225	209,871	45,598	121,927	114,972	47,977
NON-DEPARTMENTAL	**913,067**	**1,273,205**	**1,138,387**	**1,342,102**	**889,750**	**1,238,101**
HUMAN RESOURCES						
PERSONNEL SERVICES						
011-4001 SUPERVISION	23,347	20,751	21,585	30,000	28,989	30,305
011-4002 CLERICAL	35,846	23,097	25,990	25,052	17,524	30,000
011-4010 OVERTIME	128	0	0	250	100	250
011-4020 TEMPORARY/PT HELP	13,207	879	-879	0	0	0
011-4030 LONGEVITY	711	282	144	360	360	144
011-4035 CAR ALLOWANCE	675	0	0	0	0	0
011-4100 RETIREMENT	6,591	5,942	5,240	5,900	4,733	6,665
011-4102 HOSPITAL & GROUP LIFE	5,763	6,561	7,653	9,703	7,527	10,395
011-4103 MEDICARE TAX	1,888	786	674	807	681	880
PERSONNEL SERVICES	88,156	58,297	60,408	72,072	59,914	78,639
SUPPLIES						
011-5201 OFFICE SUPPLIES	97	133	924	500	500	500
011-5203 PUBLICATIONS	839	1,505	313	1,484	2,000	2,100
011-5226 MISC. EQUIPMENT/FURNITURE	0	0	118	200	200	200
SUPPLIES	936	1,638	1,355	2,184	2,700	2,800
MAINTENANCE						
011-6301 FURNITURE & FIXTURES	6,050	0	0	0	0	0
MAINTENANCE	6,050	0	0	0	0	0
CONTRACTUAL/SUNDRY						
011-7401 COMMUNICATIONS	342	-75	339	300	500	500
011-7405 ADVERTISING	2,061	3,857	7,919	6,500	8,000	10,000
011-7406 TRAVEL EXPENSE	1,273	545	1,312	1,500	1,000	1,500
011-7407 DUES & SUBSCRIPTIONS	0	0	509	1,000	960	800
011-7410 TRAINING	744	479	1,030	1,500	1,500	1,500
011-7419 PRINTING & BINDING	0	0	275	0	275	0
011-7440 EMPLOYEE RELATIONS	0	0	66	0	0	0

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
011-7441 DRUG TESTING	1,008	792	0	1,716	2,000	1,500
011-7445 INVESTIGATION EXPENSE	0	1,090	1,761	1,800	1,500	2,900
011-7482 PRE-EMPLOYMENT EXPENSE	4,265	3,701	6,828	6,000	6,000	6,000
CONTRACTUAL/SUNDRY	9,693	10,390	20,038	20,316	21,735	24,700
CAPITAL OUTLAY						
011-8511 OFFICE EQUIPMENT	0	0	445	0	0	0
CAPITAL OUTLAY	0	0	445	0	0	0
HUMAN RESOURCES	**104,835**	**70,325**	**82,246**	**94,572**	**84,349**	**106,139**
CITY BEAUTIFICATION						
CONTRACTUAL/SUNDRY						
012-7523 BEAUTIFICATION	0	0	18,134	0	0	5,000
CONTRACTUAL/SUNDRY	0	0	18,134	0	0	5,000
CITY BEAUTIFICATION	**0**	**0**	**18,134**	**0**	**0**	**5,000**
REVITALIZATION/REDVLPMNT						
CONTRACTUAL/SUNDRY						
013-7436 ECONOMIC DEV. CONSULTANT	0	0	0	50,000	50,000	50,000
CONTRACTUAL/SUNDRY	0	0	0	50,000	50,000	50,000
REVITALIZATION/REDVLPMNT	**0**	**0**	**0**	**50,000**	**50,000**	**50,000**
FINANCE						
PERSONNEL SERVICES						
040-4001 SUPERVISION	93,055	137,134	138,727	137,426	131,211	136,377
040-4002 CLERICAL	140,456	149,909	142,707	154,223	144,148	160,351
040-4003 OPERATIONS	0	24,755	19,600	31,182	11,867	0
040-4010 OVERTIME	2,088	2,114	1,928	3,500	3,000	3,500
040-4020 TEMPORARY/PT TIME HELP	5,865	11,119	13,350	12,984	6,884	12,480
040-4030 LONGEVITY	3,960	5,376	1,998	2,820	3,674	2,844
040-4100 RETIREMENT	25,973	35,200	35,614	36,339	30,356	34,648
040-4102 HOSPITAL & GROUP LIFE	25,384	33,111	32,726	50,005	38,250	50,190
040-4103 MEDICARE TAX	3,853	5,376	4,463	4,961	4,408	4,576
040-4105 VACATION/COMP TIME	568	580	0	0	0	0
PERSONNEL SERVICES	301,203	404,675	391,112	433,440	373,798	404,966
SUPPLIES						
040-5201 OFFICE SUPPLIES	4,325	2,463	3,776	5,230	5,886	5,230
040-5203 PUBLICATIONS	90	564	295	949	425	480
040-5204 WEARING APPAREL	0	964	43	600	350	600
040-5220 COMPUTER SUPPLIES	0	0	0	40	0	0
040-5226 MISC. EQUIPMENT / FURNITURE	0	0	0	0	545	0
SUPPLIES	4,415	3,991	4,113	6,819	7,206	6,310
MAINTENANCE						
040-6302 OFFICE EQUIPMENT	426	0	0	0	0	0
040-6304 VEHICLE	0	0	247	1,500	1,500	1,500
MAINTENANCE	426	0	247	1,500	1,500	1,500
CONTRACTUAL/SUNDRY						
040-7401 COMMUNICATIONS	269	249	307	400	300	400
040-7404 SPECIAL SERVICES	2	803	502	850	600	850
040-7405 ADVERTISING	0	0	0	300	300	300
040-7406 TRAVEL EXPENSE	2,283	2,168	2,780	5,422	3,818	6,728
040-7407 DUES & SUBSCRIPTIONS	1,869	1,428	2,084	2,419	1,771	2,340
040-7410 TRAINING	2,110	1,906	3,624	4,195	2,755	4,101
040-7416 BANK CHARGES	25	0	0	50	0	0
040-7419 PRINTING & BINDING	5,684	5,236	1,054	5,875	6,225	6,725
040-7424 APPRAISAL SERVICES	41,039	25,477	42,714	35,500	35,482	37,456
040-7425 TAX COLLECTION	4,809	382	4,857	5,190	5,000	5,000
040-7427 MUNICIPAL COURT JUDGE	34,200	40,740	50,103	49,845	54,230	54,000
040-7432 COURT REPORTING SERVICES	475	965	930	1,800	950	1,000
040-7481 COURT COST	8,151	12,300	15,048	22,100	20,000	22,100
CONTRACTUAL/SUNDRY	100,914	91,655	124,002	133,946	131,431	141,000
CAPITAL OUTLAY						
040-8504 COMPUTER HARDWARE	0	0	0	1,250	0	0
CAPITAL OUTLAY	310	0	0	1,250	0	0
FINANCE	**407,270**	**500,320**	**519,474**	**576,955**	**513,935**	**553,776**

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
MANAGEMENT INFO SYSTEM						
PERSONNEL SERVICES						
050-4001 SUPERVISION	34,543	34,677	35,088	34,675	34,497	36,428
050-4003 OPERATIONS	45,869	44,686	34,863	37,498	36,271	38,992
050-4030 LONGEVITY	432	1,080	432	648	504	720
050-4100 RETIREMENT	8,736	8,790	7,887	7,719	7,255	8,361
050-4102 HOSPITAL/GROUP INSURANCE	6,815	7,416	6,363	10,198	8,341	10,838
050-4103 MEDICARE	1,137	1,125	997	1,056	1,034	1,104
PERSONNEL SERVICES	97,532	97,774	85,630	91,794	87,902	96,443
SUPPLIES						
050-5201 OFFICE SUPPLIES	461	76	220	500	500	500
050-5220 COMPUTER SUPPLIES	13,865	14,287	13,508	20,300	18,000	24,910
050-5221 EQUIPMENT PARTS/SUPPLIES	10,539	4,096	7,923	2,500	2,500	3,000
050-5351 SOFTWARE	500	0	0	325	0	0
SUPPLIES	25,365	18,459	21,651	23,625	21,000	28,410
MAINTENANCE						
050-6302 EQUIPMENT	2,131	333	485	2,500	2,500	2,500
050-6350 HARDWARE MAINTENANCE	3,509	1,153	7,024	4,200	8,200	8,200
050-6351 SOFTWARE MAINTENANCE	29,858	34,114	39,360	40,475	39,800	41,250
MAINTENANCE	35,498	35,600	46,869	47,175	50,500	51,950
CONTRACTUAL/SUNDRY						
050-7401 COMMUNICATIONS	1,124	959	688	850	840	850
050-7402 RENTAL OF EQUIPMENT	0	0	0	0	0	1,758
050-7404 SPECIAL SERVICES	10,886	8,751	10,993	10,500	9,850	10,000
050-7406 TRAVEL EXPENSE	0	0	69	250	250	600
050-7407 DUES AND SUBSCRIPTIONS	0	0	0	500	500	500
050-7410 TRAINING	1,245	223	370	1,500	1,500	1,500
CONTRACTUAL/SUNDRY	13,255	9,932	12,120	13,600	12,940	15,208
CAPITAL OUTLAY						
050-8504 COMPUTER HARDWARE	0	0	327	0	0	0
CAPITAL OUTLAY	0	0	327	0	0	0
MANAGEMENT INFO SYSTEM	**171,651**	**161,765**	**166,598**	**176,194**	**172,342**	**192,011**
LIBRARY						
PERSONNEL SERVICES						
060-4001 SUPERVISION	97,975	101,175	107,633	109,215	106,644	112,490
060-4002 CLERICAL	198,702	207,464	213,103	213,598	210,214	220,394
060-4020 TEMPORARY/PT TIME HELP	67,714	66,886	88,302	94,664	94,664	97,046
060-4030 LONGEVITY	5,616	6,768	8,880	9,360	8,208	10,944
060-4100 RETIREMENT	37,654	39,592	44,239	42,312	41,000	45,318
060-4102 HOSPITAL & GROUP LIFE	35,885	29,674	29,653	52,593	33,662	55,769
060-4103 MEDICARE TAX	6,705	7,156	7,438	7,957	7,350	8,138
PERSONNEL SERVICES	450,251	458,714	499,248	529,699	501,742	550,099
SUPPLIES						
060-5201 OFFICE SUPPLIES	1,570	1,664	1,549	2,821	2,821	2,321
060-5203 PUBLICATIONS	65,001	66,874	98,411	98,000	98,000	108,000
060-5207 MINOR TOOLS & APPARATUS	2,492	2,315	2,522	2,500	2,500	2,500
060-5210 COPY MACHINE SUPPLIES	919	964	881	1,000	1,000	1,500
060-5213 EVENT REFRESHMENTS / MEALS	0	0	541	550	550	550
060-5216 EDUCATIONAL SUPPLIES	1,966	1,986	1,984	2,147	2,750	3,150
060-5217 LOST/DAMAGE	397	378	406	3,253	3,400	3,400
060-5220 COMPUTER SUPPLIES	5,397	5,286	3,965	5,400	5,400	5,400
060-5227 LIBRARY MATERIALS	0	29,908	0	0	52	0
SUPPLIES	77,741	109,375	110,259	115,671	116,473	126,821
MAINTENANCE						
060-6301 FURNITURE & FIXTURES	6,979	855	1,083	1,083	1,083	5,690
060-6302 OFFICE EQUIPMENT	1,240	1,024	585	850	850	850
060-6310 BOOK REPAIR & PROCESSING	6,009	6,643	7,632	7,600	7,600	8,360
MAINTENANCE	14,228	8,522	9,299	9,533	9,533	14,900
CONTRACTUAL/SUNDRY						
060-7401 COMMUNICATIONS	173	115	0	0	0	0
060-7403 FORT WORTH CONTRACT	18,477	18,477	20,877	48,497	48,496	16,980
060-7404 SPECIAL SERVICES	3,250	3,557	3,910	5,500	5,500	7,000
060-7406 TRAVEL EXPENSE	1,770	1,336	1,502	1,960	1,960	1,960
060-7407 DUES & SUBSCRIPTIONS	16,494	21,840	21,963	25,354	25,354	27,285
060-7410 TRAINING	2,144	1,567	783	1,355	2,000	2,000

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
060-7419 PRINTING & BINDING	747	582	711	750	750	750
CONTRACTUAL/SUNDRY	43,054	47,474	49,747	83,416	84,060	55,975
LIBRARY	**585,274**	**624,084**	**668,553**	**738,319**	**711,808**	**747,795**
RECREATION DEPARTMENT						
PERSONNEL SERVICES						
070-4001 SUPERVISION	51,461	55,566	27,189	27,498	27,085	28,324
070-4002 CLERICAL	107,345	126,088	149,634	151,909	142,009	155,233
070-4010 OVERTIME	5,047	4,017	3,625	5,000	5,000	5,000
070-4011 ADDITONAL OVERTIME	0	0	614	6,000	6,000	6,000
070-4020 TEMPORARY/PT TIME HELP	56,305	103,602	81,962	110,234	110,234	112,289
070-4021 SUMMER REC TEMP/PT	22,978	26,044	23,748	25,800	25,800	25,800
070-4030 LONGEVITY	4,992	1,788	3,402	2,880	3,231	3,672
070-4100 RETIREMENT	22,318	30,211	28,582	29,031	26,176	30,841
070-4102 HOSPITAL & GROUP LIFE	20,319	23,735	26,472	34,928	26,674	37,015
070-4103 MEDICARE TAX	6,079	7,006	6,234	8,213	8,415	8,314
070-4105 VACATION/COMP TIME	0	1,061	0	0	0	0
PERSONNEL SERVICES	296,844	379,117	351,462	401,493	380,624	412,488
SUPPLIES						
070-5201 OFFICE SUPPLIES	1,820	1,196	998	1,500	1,500	1,500
070-5202 POSTAGE	47	36	0	50	50	50
070-5203 PUBLICATIONS	226	32	317	400	400	400
070-5204 WEARING APPAREL	2,374	1,786	1,781	2,000	2,000	2,000
070-5205 VEHICLE PARTS & SUPPLIES	26	0	905	1,000	1,000	1,000
070-5206 VEHICLES FUEL & LUBRICANTS	173	701	737	1,565	1,250	1,565
070-5207 MINOR TOOLS & APPARATUS	27	9	36	100	100	100
070-5208 JANITORIAL SUPPLIES	237	460	351	400	700	700
070-5209 CHEMICALS	64	0	0	0	0	0
070-5210 COPY MACHINE SUPPLIES	411	56	356	1,000	1,000	1,000
070-5211 R&CS SUPPLIES	9,018	2,843	3,168	3,200	3,200	3,200
070-5212 AGRICULTURAL/BOTANICAL SUPPL	0	0	0	0	0	0
070-5213 EVENT REFRESHMENTS / MEALS	15,065	17,587	17,094	8,000	8,000	8,000
070-5216 EDUCATIONAL SUPPLIES	608	0	0	0	0	0
070-5220 COMPUTER SUPPLIES	1,609	2,440	688	2,500	2,500	2,500
070-5221 EQUIPMENT PARTS & SUPPLIES	67	326	1,482	1,500	1,500	1,500
070-5222 EQUIPMENT FUEL/LUBE	0	0	0	0	0	0
070-5232 AWARDS & ATHLETIC SUPPLIES	0	0	0	12,500	11,955	12,500
SUPPLIES	31,770	27,472	27,914	35,715	35,155	36,015
MAINTENANCE						
070-6301 FURNITURE & FIXTURES	474	952	732	1,000	1,000	2,000
070-6304 VEHICLES	79	0	0	0	0	0
070-6309 PARKS/PLAYGROUNDS	0	0	45	0	45	0
070-6330 COMMUNITY CENTER MAINT.	554	2,701	2,535	2,252	2,900	2,252
070-6331 Sr. CENTER MAINTENANCE	0	3,028	781	1,500	1,500	1,500
070-6333 FOSTER VILLAGE REC BLDG MAINT.	0	994	206	1,000	1,000	1,000
MAINTENANCE	1,106	7,676	4,300	5,752	6,445	6,752
CONTRACTUAL/SUNDRY						
070-7401 COMMUNICATIONS	1,355	806	724	1,500	1,050	1,000
070-7402 RENTAL OF EQUIPMENT	4,275	1,083	540	2,000	1,500	1,500
070-7404 SPECIAL SERVICES	18,259	5,938	4,187	6,000	6,000	6,500
070-7405 ADVERTISING	1,612	680	1,021	1,500	1,000	1,250
070-7406 TRAVEL EXPENSE	606	1,527	1,297	2,000	2,200	2,000
070-7407 DUES & SUBSCRIPTIONS	1,040	1,548	655	1,500	800	1,250
070-7410 TRAINING	3,132	1,365	1,695	1,800	1,625	1,800
070-7419 PRINTING & BINDING	2,126	4,929	1,661	5,000	5,000	5,000
070-7420 VAN/BUS DRIVERS	2,369	0	0	0	0	0
070-7421 CONTRACT INSTRUCTORS/SERVICES	10,563	21,680	23,843	32,000	25,000	26,000
070-7470 WATAUGAFEST	14,467	22,838	0	16,000	14,783	15,000
070-7471 HALLOWEEN BASH	5,192	5,107	3,680	3,800	3,500	3,800
070-7475 ATHLETIC CONTRACTOR SERVICES	0	18,026	19,270	39,500	27,000	28,000
070-7476 SUMMER DAY CAMP	0	12,092	11,532	13,000	12,995	13,000
070-7477 PRE-SCHOOL PROGRAMS	0	2,839	2,954	2,500	2,500	2,500
070-7478 NATURE PROGRAMS	0	4,661	0	5,000	4,900	5,000
070-7479 CONTRACTUAL SERVICES	0	0	0	6,000	6,000	6,000
070-7521 BEAUTIFICATION	6,345	2,590	3,318	0	0	0
070-7522 FRI NIGHT YOUTH	0	706	0	0	0	0
CONTRACTUAL/SUNDRY	71,339	108,413	76,377	139,100	115,853	119,600

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
CAPITAL OUTLAY						
070-8510 FURNITURE & FIXTURES	293	0	0	0	0	0
070-8516 RADIOS	170	0	0	0	0	0
CAPITAL OUTLAY	463	0	0	0	0	0
RECREATION DEPARTMENT	**401,523**	**522,677**	**460,053**	**582,060**	**538,077**	**574,855**
PARK DEPARTMENT						
PERSONNEL SERVICES						
075-4001 SUPERVISION	19,838	19,913	0	0	0	0
075-4030 LONGEVITY	360	396	0	0	0	0
075-4100 RETIREMENT	2,252	2,265	0	0	0	0
075-4102 HOSPITAL/GROUP LIFE	1,278	1,247	0	0	0	0
075-4103 MEDICARE	302	301	0	0	0	0
PERSONNEL SERVICES	24,030	24,121	0	0	0	0
SUPPLIES						
075-5201 OFFICE SUPPLIES	77	77	72	0	0	0
075-5204 WEARING APPAREL	2,024	82	14	0	0	0
075-5205 VEHICLE PARTS/SUPPLIES	1,050	165	500	0	0	0
075-5206 VEHICLE FUEL/LUBE	722	3,633	3,593	0	0	0
075-5207 MINOR TOOLS/APP	2,261	1,718	2,436	0	0	0
075-5208 JANITORIAL SUPPLIES	694	730	765	0	0	0
075-5209 CHEMICALS	1,623	858	1,953	0	0	0
075-5212 AGRICULTURAL/BOTANICAL SUPPL	3,167	1,691	3,384	0	0	0
075-5221 EQUIPMENT PARTS/SUPPLIES	1,730	831	988	0	0	0
075-5222 EQUIPMENT FUEL/LUBE	599	0	0	0	0	0
SUPPLIES	13,946	9,784	13,705	0	0	0
MAINTENANCE						
075-6304 VEHICLES	896	0	0	0	0	0
075-6307 MINOR TOOLS & APPARATUS MAINT.	557	386	521	0	0	0
075-6309 PARKS/PLAYGROUNDS	2,459	2,468	2,127	0	0	0
075-6323 SIGN MAINTENANCE	282	348	312	0	0	0
075-6326 FOSTER PARK	3,657	4,143	3,495	0	0	0
075-6327 CAP SMITH PARK	1,451	1,496	1,456	0	0	0
MAINTENANCE	9,301	8,841	7,911	0	0	0
CONTRACTUAL/SUNDRY						
075-7401 COMMUNICATION	375	46	190	0	0	0
075-7402 RENTAL OF EQUIPMENT	360	0	434	0	0	0
075-7404 SPECIAL SERVICES	0	0	103	0	0	0
075-7407 DUES AND SUBSCRIPTIONS	160	160	45	0	0	0
075-7410 TRAINING	672	70	144	0	0	0
075-7419 PRINTING/BINDING	0	50	0	0	0	0
CONTRACTUAL/SUNDRY	1,568	326	916	0	0	0
PARK DEPARTMENT	**48,845**	**43,072**	**22,532**	**0**	**0**	**0**
DPS - POLICE DIVISION						
PERSONNEL SERVICES						
080-4001 SUPERVISION	502,589	508,590	489,699	503,095	463,283	577,591
080-4002 CLERICAL	206,349	239,566	222,529	245,873	223,028	244,841
080-4003 OPERATIONS	978,251	1,094,716	843,417	926,183	862,763	1,007,740
080-4010 OVERTIME	71,952	65,653	46,312	52,357	52,357	52,357
080-4020 TEMPORARY/PT TIME HELP	41,362	41,663	51,246	100,070	104,070	128,350
080-4025 CERTIFICATION	0	0	0	0	11,805	13,401
080-4030 LONGEVITY	51,769	57,835	56,328	40,968	44,412	45,552
080-4100 RETIREMENT	196,647	215,532	186,107	196,472	175,138	214,090
080-4102 HOSPITAL & GROUP LIFE	173,860	186,492	176,655	257,274	193,681	295,606
080-4103 MEDICARE TAX	23,847	25,386	23,159	32,508	26,004	35,501
PERSONNEL SERVICES	2,246,626	2,435,432	2,095,450	2,354,800	2,156,541	2,615,029
SUPPLIES						
080-5201 OFFICE SUPPLIES	1,355	1,598	2,003	0	0	0
080-5203 PUBLICATIONS	0	89	69	0	0	0
080-5204 WEARING APPAREL	5,302	6,311	6,206	0	0	1,019
080-5205 VEHICLES PARTS & SUPPLIES	11,351	7,917	9,301	0	0	0
080-5206 VEHICLES FUEL & LUBRICANTS	38,834	44,753	47,151	0	0	0
080-5207 MINOR TOOLS & APPARATUS	1,441	1,146	1,322	0	0	0
080-5208 JANITORIAL SUPPLIES	362	245	0	0	0	0
080-5209 CHEMICALS	526	1,868	0	0	0	0
080-5213 EVENT REFRESHMENTS / MEALS	174	102	183	0	0	0
080-5214 JAIL SUPPLIES	1,942	4,479	7,292	0	0	0

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
080-5215 ANIMAL CONTROL SUPPLIES	770	753	1,021	1,500	1,500	24,500
080-5216 EDUCATIONAL SUPPLIES	1,213	2,995	0	0	0	0
080-5224 BUNKER GEAR	6,873	17,131	0	0	0	0
080-5225 UNIFORM CLEANING SUPPLIES	0	0	0	0	30	0
080-5226 MISC. EQUIPMENT/ FURNITURE	0	1,081	4,448	0	0	0
SUPPLIES	70,143	90,469	78,995	1,500	1,530	25,519
MAINTENANCE						
080-6301 FURNITURE & FIXTURES	505	403	485	0	0	0
080-6302 OFFICE EQUIPMENT	362	300	160	0	0	0
080-6304 VEHICLES MAINT	9,616	9,336	14,494	0	0	0
080-6305 RADIOS	7,875	7,257	8,933	0	0	1,380
080-6306 EQUIPMENT	454	90	653	0	0	0
080-6307 MINOR TOOLS & APPARATUS MAINT	3,520	3,226	0	0	0	0
MAINTENANCE	22,331	20,613	24,725	0	0	1,380
CONTRACTUAL/SUNDRY						
080-7401 COMMUNICATIONS	3,921	4,172	4,283	0	0	0
080-7405 ADVERTISING	146	777	1,019	8,000	4,000	0
080-7406 TRAVEL EXPENSE	1,501	1,547	1,676	0	0	0
080-7407 DUES & SUBSCRIPTIONS	6,187	6,631	2,123	0	0	100
080-7409 415/ TRAINING	-45	-183	-47	0	0	0
080-7410 TRAINING	10,121	7,675	7,677	0	0	500
080-7411 EMERGENCY MG. OPERATION	0	0	2,096	2,635	2,000	9,635
080-7414 FIRE PERSONNEL STIPEND	640	720	0	0	0	0
080-7419 PRINTING & BINDING	694	925	816	0	0	0
080-7428 LABORATORY TESTING	1,999	2,920	0	0	0	0
080-7430 LEASE/PURCHASE COST	29,635	29,635	0	0	0	0
080-7440 EMPLOYEE RELATIONS	1,736	2,002	0	0	0	0
080-7445 INVESTIGATION EXPENSE	2,381	0	4,950	0	0	0
080-7483 ANIMAL CARE & HOUSING	21,135	20,598	37,953	31,271	23,000	0
CONTRACTUAL/SUNDRY	80,050	77,418	62,547	41,906	29,000	10,235
CAPITAL OUTLAY						
080-8510 FURNITURE & FIXTURES	0	0	1,996	0	0	0
CAPITAL OUTLAY	0	0	1,996	0	0	0
DPS - POLICE DIVISION	**2,419,150**	**2,623,932**	**2,263,713**	**2,398,206**	**2,187,071**	**2,652,163**
DPS - FIRE/EMS DIVISION						
PERSONNEL SERVICES						
085-4001 SUPERVISION	66,546	58,590	222,232	323,800	310,761	326,320
085-4003 OPERATIONS	219,773	247,291	379,493	470,027	383,228	590,600
085-4010 OVERTIME	36,138	38,768	60,875	94,907	94,907	93,561
085-4011 ADDITIONAL OVERTIME	5,699	8,578	11,175	0	0	0
085-4020 TEMPORARY/PT HELP	28,604	34,366	23,074	23,112	23,112	18,000
085-4025 CERTIFICATION	0	0	0	0	7,200	7,801
085-4030 LONGEVITY	4,835	3,773	12,528	16,128	16,740	18,072
085-4100 RETIREMENT	35,747	37,154	76,572	96,672	82,744	111,692
085-4102 HOSPITAL & GROUP LIFE	29,379	32,092	64,988	98,483	82,696	142,096
085-4103 MEDICARE TAX	6,081	6,987	10,339	15,434	12,521	13,011
085-4105 VACATION/COMP TIME	0	607	0	0	0	0
PERSONNEL SERVICES	432,802	468,205	861,276	1,138,563	1,013,909	1,321,153
SUPPLIES						
085-5201 OFFICE SUPPLIES	389	3	292	300	300	300
085-5203 PUBLICATIONS	0	0	0	200	200	200
085-5204 WEARING APPAREL	1,148	1,260	4,434	7,290	7,290	15,940
085-5205 VEHICLES PARTS & SUPPLIES	828	457	3,243	4,145	4,145	6,145
085-5206 VEHICLES FUEL & LUBRICANTS	2,798	4,109	7,354	9,000	9,834	14,751
085-5207 MINOR TOOLS & APPARATUS	504	279	2,350	7,500	7,965	6,000
085-5208 MEDICAL SUPPLIES	18,903	9,523	16,090	20,500	20,000	27,000
085-5209 CHEMICALS	0	0	1,466	2,000	1,000	2,000
085-5211 JANITORIAL SUPPLIES	0	0	460	750	700	700
085-5216 EDUCATIONAL SUPPLIES	0	0	1,269	2,000	2,000	2,000
085-5224 BUNKER GEAR	0	0	7,871	12,300	9,500	17,700
085-5225 UNIFORM CLEANING SUPPLIES	925	577	1,299	1,200	1,200	1,500
085-5226 MISC.EQUIPMENT/ FURNITURE	1,254	1,083	409	1,200	1,200	1,200
085-5228 MEDICATIONS	4,350	4,131	5,097	7,100	6,800	8,000
SUPPLIES	31,098	21,422	51,635	75,485	72,134	103,436
MAINTENANCE						
085-6304 VEHICLE	592	977	22,185	11,000	7,000	11,000
085-6305 RADIOS	0	0	0	1,900	1,900	1,900

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
085-6306 ELECTRICAL EQUIPMENT	2,439	2,476	2,520	8,200	8,200	2,520
085-6307 MINOR TOOLS/APPARATUS MAINT.	499	274	5,151	5,000	5,000	8,000
085-6324 BUILDING MAINTENANCE	0	1,134	1,999	2,000	2,000	2,900
085-6351 SOFTWARE MAINTENANCE	700	700	700	7,728	7,728	840
MAINTENANCE	4,229	5,560	32,555	35,828	31,828	27,160
CONTRACTUAL/SUNDRY						
085-7401 COMMUNICATIONS	593	674	860	1,260	1,260	4,950
085-7404 SPECIAL SERVICES	0	0	0	0	0	18,500
085-7406 TRAVEL EXPENSE	59	0	970	0	0	0
085-7407 DUES & SUBSCRIPTIONS	478	20	6,188	7,920	7,920	8,520
085-7410 TRAINING	2,129	745	8,863	14,536	14,536	14,536
085-7414 FIRE PERSONNEL & STIPEND	0	0	720	1,000	720	1,000
085-7419 PRINTING & BINDING	156	852	0	3,881	3,470	1,400
085-7428 LABORATORY TESTING	0	0	415	1,000	1,000	1,000
085-7490 PERMIT FEES	300	150	870	300	900	870
085-7491 PHYSICAL EXAMS-MEDICAL CONTROL	0	395	0	2,600	0	19,125
085-7510 STATE CERTIFICATION	100	180	320	1,749	1,500	1,500
085-7521 HAZARDOUS WASTE DISPOSAL	0	0	724	825	501	825
085-7525 COMPLIANCE TESTING	0	0	3,447	3,500	3,500	3,500
085-7550 MEDICAL CONTROL	10,498	11,381	13,035	13,511	13,511	13,000
085-7696 CONTINGENCY	4,800	0	0	0	0	0
CONTRACTUAL/SUNDRY	19,112	14,396	36,413	52,082	48,818	88,726
DPS - FIRE/EMS DIVISION	**487,242**	**509,584**	**981,878**	**1,301,958**	**1,166,689**	**1,540,475**
PUBLIC WORKS						
PERSONNEL SERVICES						
090-4001 SUPERVISION	112,348	61,119	97,700	93,581	88,909	94,625
090-4002 CLERICAL	49,211	50,472	51,554	50,837	51,698	53,588
090-4003 OPERATIONS	292,510	283,654	291,199	288,340	266,733	278,107
090-4010 OVERTIME	2,460	3,394	3,620	10,000	3,500	10,000
090-4030 LONGEVITY	7,812	10,788	12,804	10,548	10,584	10,188
090-4100 RETIREMENT	50,691	46,576	51,120	48,050	43,066	49,027
090-4102 HOSPITAL & GROUP LIFE	63,498	58,133	67,590	85,512	69,175	90,144
090-4103 MEDICARE TAX	6,636	5,979	6,309	6,573	5,981	6,474
090-4105 VACATION/COMP TIME	2,877	939	0	0	0	0
PERSONNEL SERVICES	588,042	521,054	581,896	593,441	539,646	592,153
SUPPLIES						
090-5201 OFFICE SUPPLIES	1,609	1,593	685	2,000	2,000	2,000
090-5203 PUBLICATIONS	160	0	0	0	0	0
090-5204 WEARING APPAREL	6,036	4,673	5,048	6,500	6,500	6,500
090-5205 VEHICLES PARTS & SUPPLIES	3,533	5,064	5,468	6,000	6,000	6,000
090-5206 VEHICLES FUEL & LUBRICANTS	7,861	21,329	21,719	26,000	26,000	26,000
090-5207 MINOR TOOLS & APPARATUS	1,162	2,994	1,465	2,116	2,116	1,650
090-5221 EQUIPMENT PARTS & SUPPLIES	2,502	2,386	2,891	3,000	3,000	3,000
090-5222 EQUIPMENT FUEL/LUBE	1,913	0	0	0	0	0
090-5223 VEHICLE DIESEL FUEL	4,791	0	0	0	0	0
SUPPLIES	29,568	38,038	37,277	45,616	45,616	45,150
MAINTENANCE						
090-6304 VEHICLES	7,147	7,550	9,687	10,600	10,600	10,600
090-6305 RADIO MAINTENANCE	263	40	209	400	400	400
090-6307 MINOR TOOLS & APPARATUS MAINT	116	337	300	500	500	500
090-6321 ASPHALT STREETS MAINTENANCE	989	0	0	0	0	0
090-6323 SIGN MAINTENANCE	8,970	10,891	14,432	21,350	21,350	15,000
090-6341 BARRICADE MAINTENANCE	1,886	1,266	1,500	2,000	2,000	2,000
090-6346 TRAFFIC SIGNAL MAINTENANCE	560	2,810	1,282	2,000	2,000	2,000
090-6348 STEET STRIPING	15,196	7,918	252	5,000	5,000	5,000
MAINTENANCE	35,128	30,812	27,662	41,850	41,850	35,500
CONTRACTUAL/SUNDRY						
090-7401 COMMUNICATIONS	1,910	1,310	1,133	1,600	1,600	1,600
090-7402 RENTAL OF EQUIPMENT	0	314	295	500	500	500
090-7405 ADVERTISING	313	0	0	300	300	300
090-7406 TRAVEL EXPENSE	0	260	-150	200	200	200
090-7407 DUES & SUBSCRIPTIONS	213	473	604	700	700	700
090-7410 TRAINING	1,689	1,351	1,856	3,000	3,000	3,000
090-7419 Printing and Binding	2,419	211	5,692	6,530	6,530	6,530
090-7425 ENGINEERING SERVICES	27,398	15,258	15,807	10,000	10,000	7,400
090-7488 DEBRIS DISPOSAL	17,112	12,000	12,000	15,000	15,000	15,000
090-7497 BRUSH CLIPPING	0	0	0	0	0	0

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
090-7498 YARD MOWING	848	880	858	1,500	1,500	1,500
CONTRACTUAL/SUNDRY	51,901	32,056	38,094	39,330	39,330	36,730
PUBLIC WORKS	**704,639**	**621,959**	**684,929**	**720,237**	**666,442**	**709,533**
FLEET MAINTENANCE						
PERSONNEL SERVICES						
097-4003 OPERATIONS	41,737	54,449	60,920	86,252	61,937	93,380
097-4010 OVERTIME	705	3,925	521	1,500	1,500	1,500
097-4030 LONGEVITY	480	288	432	720	1,044	720
097-4100 RETIREMENT	4,658	7,085	7,232	9,542	6,598	10,576
097-4102 HOSPITAL & GROUP LIFE	7,076	10,553	10,209	12,587	12,475	19,993
097-4103 MEDICARE TAX	626	921	929	1,283	889	1,397
PERSONNEL SERVICES	55,281	77,221	80,243	111,884	84,443	127,566
SUPPLIES						
097-5201 OFFICE SUPPLIES	94	114	78	100	100	100
097-5203 PUBLICATIONS	647	0	120	200	200	200
097-5204 WEARING APPAREL	1,933	1,497	1,574	2,200	2,200	2,200
097-5205 VEHICLE PARTS & SUPPLIES	2,125	494	1,409	1,500	1,500	1,500
097-5206 FUEL & LUBE	1,060	1,480	752	1,000	1,000	1,000
097-5207 MINOR TOOLS	769	336	386	1,500	1,500	1,500
097-5221 EQUIP. PARTS & SUPPLIES	2,926	8,898	4,532	1,000	1,000	1,000
SUPPLIES	9,554	12,819	8,851	7,500	7,500	7,500
MAINTENANCE						
097-6304 VEHICLE MAINTENANCE	4,469	986	1,331	1,500	1,500	1,500
097-6305 RADIO MAINTENANCE	0	0	42	200	200	200
097-6307 MINOR TOOLS & EQUIP	1,207	433	266	1,000	1,000	1,000
MAINTENANCE	5,676	1,419	1,639	2,700	2,700	2,700
CONTRACTUAL/SUNDRY						
097-7401 COMMUNICATIONS	90	305	530	650	650	650
097-7402 RENTAL OF EQUIP	95	0	0	150	150	150
097-7405 ADVERTISING	36	0	0	0	0	0
097-7406 TRAVEL	223	591	0	250	250	250
097-7407 DUES & SUBSCRIPTIONS	490	965	1,500	2,000	2,000	2,000
097-7410 TRAINING	1,641	2,059	1,427	2,500	2,457	2,500
097-7499 WASTE DISPOSAL	1,577	2,449	1,982	2,000	2,043	2,000
CONTRACTUAL/SUNDRY	4,151	6,370	5,439	7,550	7,550	7,550
FLEET MAINTENANCE	**74,663**	**97,829**	**96,172**	**129,634**	**102,193**	**145,316**
BUILDING						
PERSONNEL SERVICES						
098-4001 SUPERVISION	39,720	83,713	84,447	84,973	84,748	87,522
098-4003 OPERATIONS	52,497	53,112	76,527	97,434	95,589	98,734
098-4010 OVERTIME	908	2,009	1,389	1,500	1,500	1,500
098-4030 LONGEVITY	864	1,872	4,032	2,448	2,445	3,312
098-4100 RETIREMENT	10,100	13,021	18,896	19,898	18,735	20,979
098-4102 HOSPITAL & GROUP LIFE	13,476	16,688	21,343	31,679	30,802	39,970
098-4103 MEDICARE TAX	1,281	1,598	2,350	2,702	2,592	2,770
PERSONNEL SERVICES	118,845	172,012	208,984	240,634	236,411	254,787
SUPPLIES						
098-5204 WEARING APPAREL	1,371	2,010	1,821	2,700	2,700	2,700
098-5207 MINOR TOOLS & APPARATUS	867	262	703	500	500	500
098-5208 JANITORIAL SUPPLIES	6,652	8,244	9,500	9,300	9,300	9,300
098-5209 CHEMICALS	298	44	74	250	250	250
098-5221 EQUIPMENT PARTS & SUPPLIES	384	1,322	549	500	500	500
SUPPLIES	9,572	11,882	12,647	13,250	13,250	13,250
MAINTENANCE						
098-6306 ELECTRICAL EQUIPMENT	2,517	3,819	3,150	4,000	4,000	4,000
098-6307 MINOR TOOLS & APPARATUS MAINT	478	255	235	300	300	300
098-6324 BUILDING MAINTENANCE	49,358	35,365	38,840	38,119	38,119	38,119
098-6334 HVAC EQUIPMENT	4,581	5,138	5,014	5,000	5,000	5,000
098-6335 PLUMBING EQUIPMENT	2,300	1,860	3,086	3,500	3,500	3,500
098-6343 PARKING LOTS	13,917	1,495	1,970	2,000	2,000	1,000
MAINTENANCE	73,150	47,932	52,296	52,919	52,919	51,919
CONTRACTUAL/SUNDRY						
098-7401 COMMUNICATIONS	1,177	898	1,066	1,900	1,900	900
098-7402 RENTAL OF EQUIPMENT	1,009	1,135	1,137	1,000	1,000	1,000

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
098-7404 SPECIAL SERVICES	373	0	520	1,881	1,881	1,881
098-7408 JANITORIAL SERVICE	4,376	5,901	5,363	6,500	6,500	6,500
098-7410 TRAINING	349	462	27	350	350	350
098-7411 ELECTRICITY	52,414	102,622	174,807	189,000	227,366	238,735
098-7412 GAS	11,195	10,102	8,431	22,000	13,606	14,300
098-7415 STREET LIGHTING	89,261	86,140	55,204	100,200	53,931	56,628
CONTRACTUAL/SUNDRY	160,154	207,260	246,556	322,831	306,534	320,294
BUILDING	**361,722**	**439,085**	**520,482**	**629,634**	**609,114**	**640,250**
TRANSFERS TO OTHER FUNDS						
CONTRACTUAL/SUNDRY						
999-7707 TRANS. TO CAPITAL PROJECTS	600,000	662,160	2,815,963	598,047	598,047	825,000
CONTRACTUAL/SUNDRY	600,000	662,160	2,815,963	598,047	598,047	825,000
TRANSFERS TO OTHER FUNDS	**600,000**	**662,160**	**2,815,963**	**598,047**	**598,047**	**825,000**
***** TOTAL EXPENDITURES *****	**7,625,098**	**8,451,913**	**10,753,359**	**9,676,055**	**8,581,523**	**10,268,565**

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SPECIAL REVENUE FUNDS

Watauga Parks Development Corporation

Watauga Crime Control and Prevention District

Municipal Court Building Security Fee Fund

Municipal Court Technology Fee Fund

Library Donation Fund

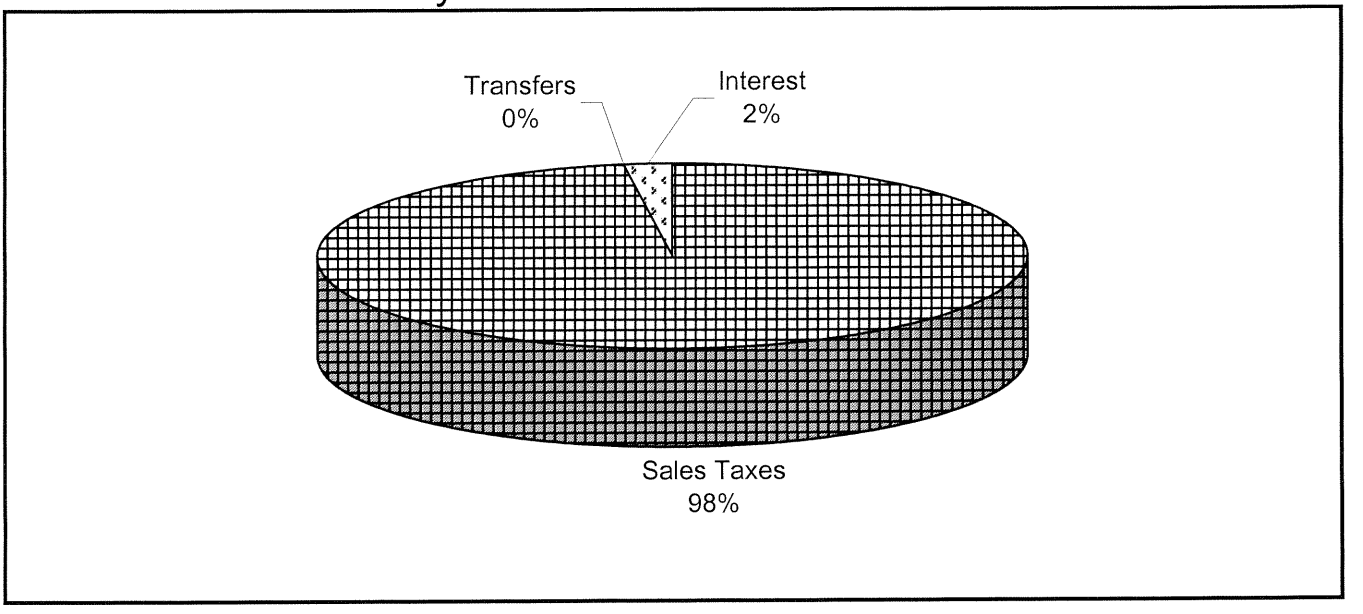
Watauga Parks Development Corporation

Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ 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.

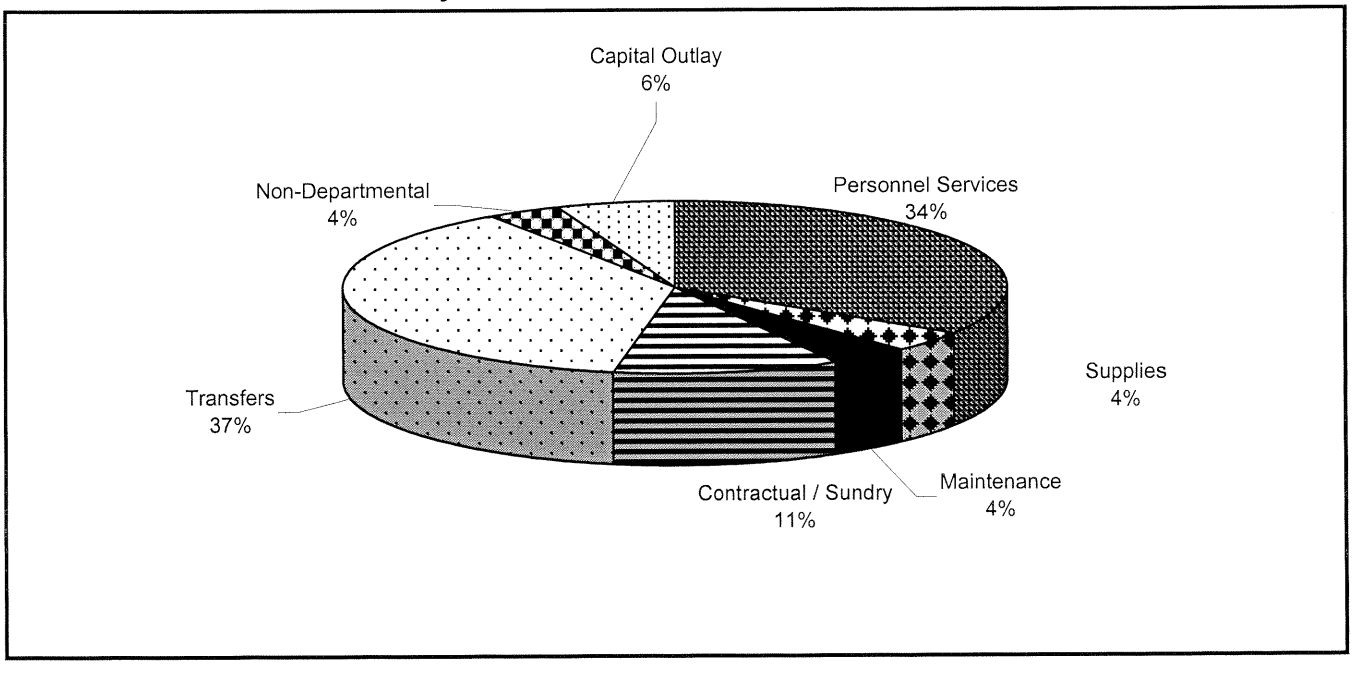
This Special Revenue Fund and is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the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

Sales tax revenue for FY 2006-07 is expected to be flat with year end projections of $1,122,193.

Where Does the Money Come From:



Where Does the Money Go:



Parks Development Corporation

Sales Tax Fund Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1,	**$520,704**	**$610,742**	**$634,264**	**$678,972**	**$561,460**
Revenues:					
Sales Tax Revenue	1,160,286	1,126,220	1,110,000	1,122,193	1,122,193
Transfers In	0	0	22,486	22,486	0
Interest Income	4,901	13,139	15,818	26,138	26,351
Total Revenues:	$1,165,187	$1,139,359	$1,148,304	$1,170,817	$1,148,544
Total Available Resources	**$1,685,891**	**$1,750,101**	**$1,782,568**	**$1,849,789**	**$1,710,004**
Expenditures:					
Non-Departmental	65,000	60,694	84,460	55,000	46,220
Parks Department	574,309	491,244	762,854	698,739	727,715
Total Expenditures:	$639,309	$551,938	$847,314	$753,739	$773,935
Transfers Out:					
Transfer Out - General Fund	49,173	51,658	56,624	56,110	56,110
Transfer Out - PDC Construction	152,466	253,471	262,844	262,844	190,316
Transfer Out - Debt Service	234,200	214,061	215,636	215,636	217,386
Total Transfers:	$435,839	$519,190	$535,104	$534,590	$463,812
Fund Balance, September 30	**$610,742**	**$678,972**	**$400,150**	**$561,460**	**$472,257**

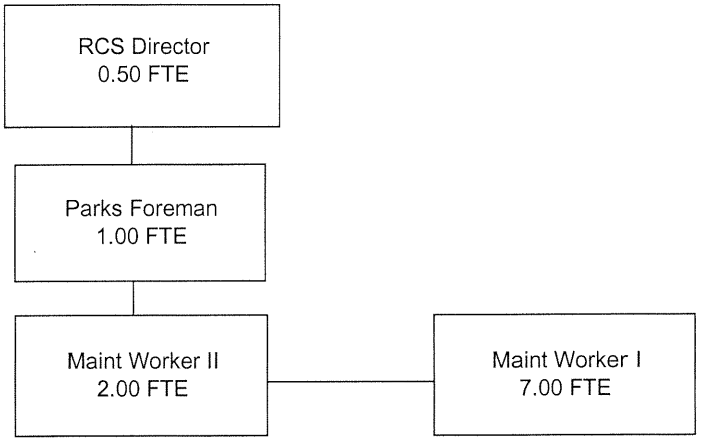
Recreation & Community Services Department

Parks Development Corporation

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, and Capp Smith. 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 2005-2006 ACCOMPLISHMENTS:

- Completion of Phase II and III of Indian Springs Soccer Fields
- Installation of Handicap Ramp at Senior Center
- Completion of fencing at Foster Village Sports Fields
- Completion of fencing around skate park at Indian Springs
- Installation of pavilion at Foster Village Park
- Completion of lighting at Capp Smith Park
- Repair of concrete walkway on bridge abutment at Capp Smith Park
- Address safety concerns over the spill way at Capp Smith Park

FY 2006-2007 OBJECTIVES:

- Address lighting concerns at Parks throughout the City
- Address irrigation on common areas of Parks
- Implement first aid and cardioresusitation program for all Parks personnel

BUDGETARY ISSUES:

Continued funding for chemical programs for high turf maintenance program. Additional funds for small engine equipment for the replacement of older equipment. Funds to address the parking lot lights at Capp Smith Park and Park Vista Trail. Funds to resurface the playground areas at all the Parks.

Recreation & Community Services Department

Parks Development Corporation

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 PROPOSED
EXPENDITURE SUMMARY				
Personnel Services	$371,010	$406,712	$382,708	$423,914
Supplies	$25,370	$49,945	$48,375	$47,250
Maintenance	$21,461	$83,510	$82,950	$48,010
Contractual/Sundry	$642,680	$736,411	$687,221	$648,073
Capital Outlay	$10,606	$105,840	$87,075	$70,500
Total Expenditures	$1,071,127	$1,382,418	$1,288,329	$1,237,747
PERSONNEL ASSIGNED				
RCS Director	0.50	0.50	0.50	0.50
ParkCrewleader/Foreman	1.00	1.00	1.00	1.00
Maintenance Worker II	2.00	2.00	2.00	2.00
Maintenance Worker I	7.00	7.00	7.00	7.00
TOTAL	**10.50**	**10.50**	**10.50**	**10.50**

SIGNIFICANT BUDGET CHANGES:

Payment to Internal Service Fund	($45,000)
Fencing	($34,000)
Electricity	$20,694
Prior Year Capital	($105,840)
Commercial Lawn Equipment	$5,500
CAPP Smith Lighting	$25,000
Park Vista Trail Lighting	$40,000
Reduction of Transfer to Capital	($72,528)

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW1/2/3/4 Mow & maintain developed facilities weekly	100%	100%	100%
COW1/3 Mow & maintain undeveloped facilities monthly	100%	100%	100%
COW Percent of Athletic Ball fields maintained	60%	100%	100%
COW1/2/3/4 Number of park land acres maintained *(sold 47 acres of land in FY02)*	113	113	116
COW1/2/3/4 Mow & maintain park land/facilities within a certain number of days-cycle	7	7	7
COW Number of Athletic Fields maintained	5	8	10

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
04 -PDC SALES TAX FUND						
REVENUES						
TAXES						
000-3051 1/2 CENT SALES TAX	902,984	1,160,286	1,126,220	1,110,000	1,122,193	1,122,193
TAXES	902,984	1,160,286	1,126,220	1,110,000	1,122,193	1,122,193
MISCELLANEOUS						
000-3660 INTEREST EARNINGS	6,709	4,901	12,473	10,075	17,614	17,623
000-3665 INTEREST EARNED DEBT RESERVE	0	0	0	5,743	8,524	8,728
000-3670 OTHER REVENUE	0	0	666	0	0	0
MISCELLANEOUS	6,709	4,901	13,139	15,818	26,138	26,351
TRANSFERS						
000-3905 TRANS. FROM PDC DEBT RESERVE	0	0	0	22,486	22,486	0
TRANSFERS	0	0	0	22,486	22,486	0
***** TOTAL REVENUES *****	**909,693**	**1,165,187**	**1,139,359**	**1,148,304**	**1,170,817**	**1,148,544**
NON-DEPARTMENTAL						
CONTRACTUAL/SUNDRY						
020-7444 PYMT TO INTERNAL SERVICE FUND	65,000	65,000	55,000	45,000	45,000	0
020-7496 CONTINGENCY	67,872	0	5,694	39,460	10,000	46,220
CONTRACTUAL/SUNDRY	132,872	65,000	60,694	84,460	55,000	46,220
NON-DEPARTMENTAL	**132,872**	**65,000**	**60,694**	**84,460**	**55,000**	**46,220**
PARK DEPARTMENT						
PERSONNEL SERVICES						
075-4001 SUPERVISION	77,874	79,714	60,792	61,960	63,486	64,196
075-4003 OPERATIONS	176,310	245,379	219,413	226,214	225,275	233,105
075-4010 OVERTIME	1,443	497	885	2,000	2,000	2,000
075-4030 LONGEVITY	3,576	3,780	5,328	5,184	5,604	7,128
075-4100 RETIREMENT	28,753	36,157	32,031	31,919	31,204	33,646
075-4101 SUPPLEMENTAL COMPENSATION	4,001	5,161	0	0	0	0
075-4102 HOSPITAL/GROUP LIFE	40,820	46,928	48,622	65,109	50,857	69,108
075-4103 MEDICARE	3,814	4,671	3,940	4,366	4,282	4,443
075-4107 SALARY ADJUSTMENTS	0	0	0	9,960	0	10,288
PERSONNEL SERVICES	336,591	422,286	371,010	406,712	382,708	423,914
SUPPLIES						
075-5201 OFFICE SUPPLIES	56	0	100	300	376	300
075-5204 WEARING APPAREL	5,692	5,449	5,368	5,400	4,200	4,200
075-5205 VEHICLE PARTS/SUPPLIES	2,299	2,422	3,498	3,720	3,101	3,000
075-5206 VEHICLE FUEL/LUB	911	5,520	6,883	12,000	11,021	12,000
075-5207 MINOR TOOLS/APP	1,948	3,088	2,543	5,200	5,200	3,500
075-5208 JANITORIAL SUPPLIES	0	0	0	750	750	750
075-5209 CHEMICALS	0	0	0	10,000	9,398	10,000
075-5211 RECREATIONAL SUPPLIES	2,686	0	0	0	0	0
075-5221 EQUIPMENT PARTS/SUPPLIES	1,922	2,205	2,542	2,575	4,329	3,500
075-5222 EQUIPMENT FUEL/LUBE	90	0	0	0	0	0
075-5230 LIVING PLANT SUPPLIES	0	4,885	4,438	10,000	10,000	10,000
SUPPLIES	15,604	23,568	25,370	49,945	48,375	47,250
MAINTENANCE						
075-6302 OFFICE EQUIPMENT	1,096	0	0	0	0	0
075-6304 VEHICLE/EQUIPMENT MAINTENANCE	1,072	1,302	1,255	2,050	2,050	2,050
075-6305 RADIO MAINTENANCE	1,584	80	591	500	1,000	1,000
075-6307 MINOR TOOLS & APPARATUS MAINT.	917	467	467	900	900	900
075-6323 SIGN MAINTENANCE	0	0	0	5,500	5,000	3,500
075-6336 IND SPRG MAINT BLD	13	0	0	0	0	0
075-6337 IND SPRG PARK	2,241	1,274	2,069	0	0	0
075-6339 PARK MAINTENANCE	12,757	10,460	12,358	29,760	29,700	29,760
075-6347 FENCING	0	4,500	0	40,000	39,500	6,000
075-6351 SOFTWARE MAINTENANCE	727	4,497	4,722	4,800	4,800	4,800
MAINTENANCE	20,406	22,580	21,461	83,510	82,950	48,010
CONTRACTUAL/SUNDRY						
075-7401 COMMUNICATIONS	630	625	593	1,000	1,000	1,000
075-7402 RENTAL OF EQUIPMENT	0	0	0	500	100	500
075-7404 SPECIAL SERVICES	400	0	250	30,500	0	30,500
075-7405 ADVERTISING	370	127	165	300	300	300
075-7406 TRAVEL	0	0	0	250	250	750
075-7407 DUES & SUBSCRIPTIONS	120	0	0	250	250	250
075-7410 TRAINING	1,453	1,821	1,480	1,880	1,944	1,880

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
075-7411 ELECTRICITY	27,998	44,922	42,809	62,917	79,611	83,611
075-7419 PRINTING & BINDING	0	0	0	250	0	250
075-7426 CONSULTING/AGENT FEES	0	0	927	1,000	1,000	1,000
075-7456 WORKERS COMPENSATION	0	15,000	16,572	18,000	13,176	18,000
CONTRACTUAL/SUNDRY	30,970	62,495	62,796	116,847	97,631	138,041
CAPITAL OUTLAY						
075-8505 COMPUTER SOFTWARE	35,761	0	0	0	0	0
075-8511 OFFICE EQUIPMENT	5,500	0	0	0	0	0
075-8513 MOTOR VEHICLE	25,037	20,206	0	14,000	13,380	0
075-8517 OTHER EQUIPMENT	44,930	2,623	8,321	90,340	71,451	5,500
075-8521 PLAYGROUND & PARK EQUIPMENT	2,902	20,551	2,285	1,500	2,244	0
075-8549 PRACTICE FIELDS / PARKS	0	0	0	0	0	65,000
CAPITAL OUTLAY	114,130	43,380	10,606	105,840	87,075	70,500
PARK DEPARTMENT	**517,701**	**574,309**	**491,244**	**762,854**	**698,739**	**727,715**
TRANSFERS TO OTHER FUNDS						
CONTRACTUAL/SUNDRY						
999-7701 TRANS. TO GENERAL FUND	18,000	49,173	51,658	56,624	56,110	56,110
999-7703 TRANS. TO PDC CONSTRUCTION	0	152,466	253,471	262,844	262,844	190,316
999-7710 TRANS. TO PDC DEBT SERVICE	235,250	234,200	214,061	215,636	215,636	217,386
CONTRACTUAL/SUNDRY	253,250	435,839	519,190	535,104	534,590	463,812
TRANSFERS TO OTHER FUNDS	**253,250**	**435,839**	**519,190**	**535,104**	**534,590**	**463,812**
***** TOTAL EXPENDITURES *****	**903,823**	**1,075,148**	**1,071,128**	**1,382,418**	**1,288,329**	**1,237,747**

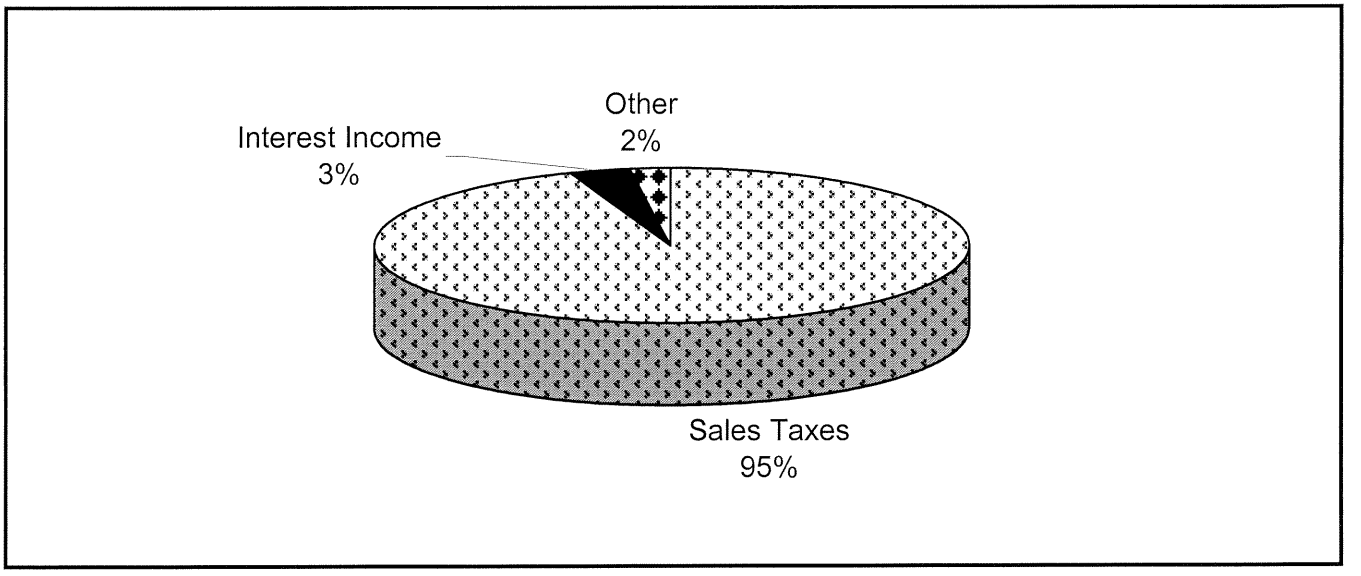
Watauga Crime Control and Prevention District

The Crime Control and Prevention District was established to account for a ½ 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.

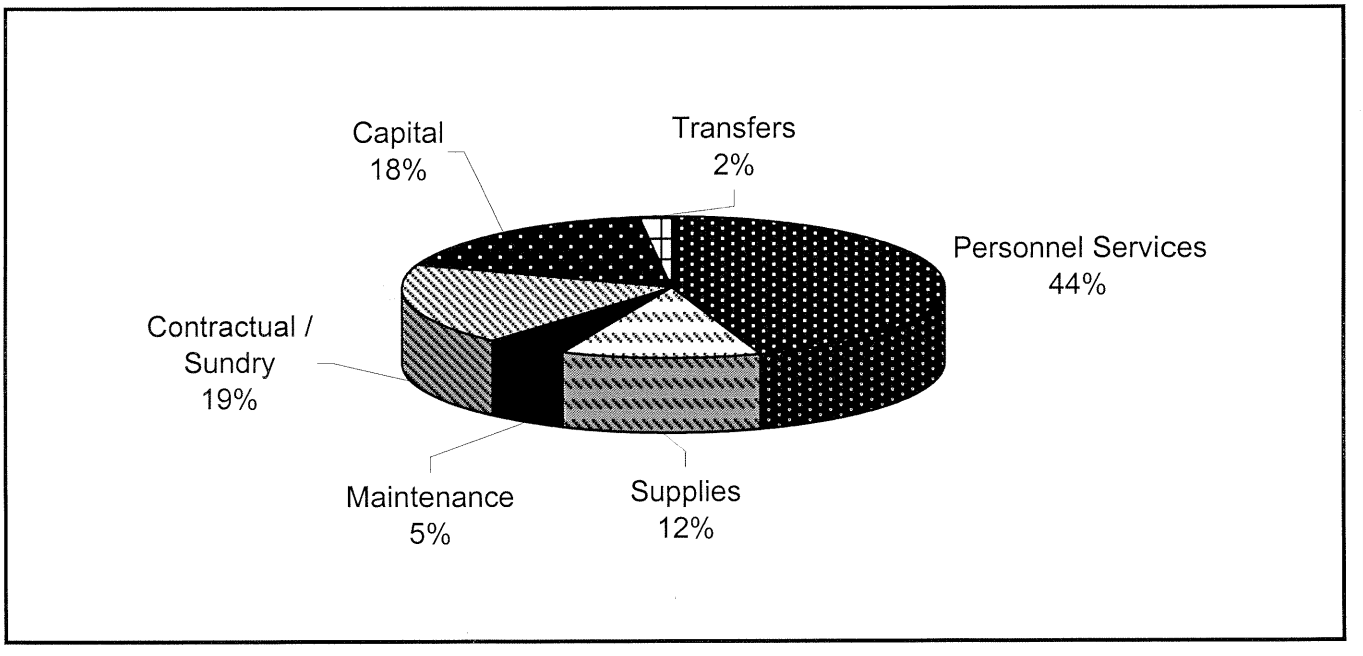
This is a Special Revenue Fund and is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when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

Sales tax revenue for FY 2006-07 is expected to be $1,055,685. It is a lower estimate than the Watauga Park Development Corporation sales tax revenues due to legal restriction of this tax.

Where Does the Money Come From:



Where Does the Money Go:



Crime Control and Prevention Fund Summary

Budget Summary

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1,	**$655,634**	**$738,202**	**$1,008,323**	**$875,221**	**$1,024,927**	**$959,715**
Revenues:						
Operating Revenues	831,646	1,073,458	1,044,772	1,040,070	1,055,685	1,055,685
Grant Proceeds	0	0	0	0	0	0
Escrow Interest	0	0	0	0	0	0
Other	0	9,710	3,200	0	3,500	25,000
Interest Earnings	8,373	9,078	22,846	15,020	36,000	36,018
Total Revenues:	$840,019	$1,092,246	$1,070,818	$1,055,090	$1,095,185	$1,116,703
Total Available Resources	**$1,495,653**	**$1,830,448**	**$2,079,141**	**$1,930,311**	**$2,120,112**	**$2,076,418**
Expenditures:						
Expenditures	701,071	764,075	964,972	1,248,300	1,099,596	1,115,190
Transfer Out	56,380	58,050	89,242	60,801	60,801	21,114
Total Expenditures:	$757,451	$822,125	$1,054,214	$1,309,101	$1,160,397	$1,136,304
Fund Balance, September 30	**$738,202**	**$1,008,323**	**$1,024,927**	**$621,210**	**$959,715**	**$940,114**

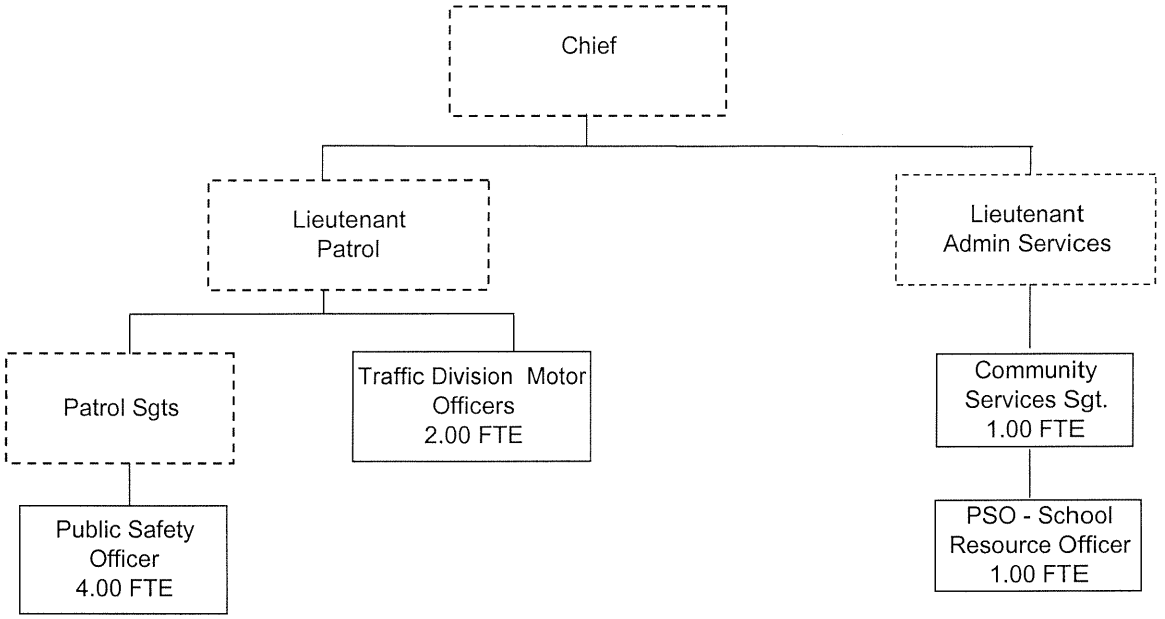
Department of Public Safety

Crime Control District

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 provides funds that allow the Department of Public Safety 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 2005-2006 ACCOMPLISHMENTS:

The Police Division of the Department of Public Safety successfully installed mobile data computers in all marked patrol vehicles whereas officers are provided a method of checking for stolen vehicles or checking driver's license status, as well as the ability of writing reports while remaining "in the field"; implemented computerized traffic citation's for motorcycle officers; acquired patrol rifles for eight patrol vehicles; conducted two Citizen's Police Academy's; as the result of local elections, complied with Chapter 143 of the Local Government Code (Civil Service); began aggressive community services programs, such as child safety seat inspections and Crime Watch; and completed approximately 90% revision of existing polices and procedures manual.

FY 2006-2007 OBJECTIVES:

Continue to increase Community Services programs; increase traffic violator contacts; implement bar code inventory of police property room and reduce unnecessary and expired inventory; complete Police Division Policies and Procedures. Continued replacement of over-extended patrol vehicles by purchasing four police pursuit units, with better gas mileage than previous units, including laptops and supply replacement parts to service weapons.

BUDGETARY ISSUES:

A strong momentum exists within the Department of Public Safety with quality improvement and overall productivity. These funds requested will assist in "doing more with less" and increasing law enforcement services. Without additional funding, service level will become stagnant and officer safety would not be improved.

Department of Public Safety

Crime Control District

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 PROPOSED
EXPENDITURE SUMMARY				
Personnel Services	$545,775	$567,935	$500,569	$509,028
Supplies	$37,384	$125,507	$115,807	$135,082
Maintenance	$5,604	$43,931	$40,351	$57,473
Contractual/Sundry	$157,624	$259,181	$262,624	$231,387
Capital Outlay	$307,828	$312,547	$241,046	$203,334
Total Expenditures	$1,054,215	$1,309,101	$1,160,397	$1,136,304
PERSONNEL ASSIGNED				
Public Safety Officer	4.00	4.00	4.00	4.00
Community Services Sergeant WCCD Special Services	1.00	1.00	1.00	1.00
Traffic Enforcement Officer WCCD Special Services	2.00	2.00	2.00	2.00
Detective *(move to General Fund)*	1.00	0.00	0.00	0.00
School Resource Officer WCCD Special Services	1.00	1.00	1.00	1.00
Perm. PT Data Entry Clerk *(move to General Fund)*	0.50	0.00	0.00	0.00
TOTAL	9.50	8.00	8.00	8.00

SIGNIFICANT BUDGET CHANGES:

Personnel Services including insurance increase expectation of 10%, less officer tenure, less overtime allotted.	$	(58,907)
Vehicle Parts and Supplies	$	(6,000)
Vehicle Fuel	$	8,750
Educational Supplies for Neighborhood Watch Program	$	2,000
Weapons and Ammunition Supplies	$	5,023
Refurbish Two CUPI Units	$	20,000
Outside Vehicle Maintenance	$	(5,775)
Communications	$	3,780
Teen Court Expenses	$	780
Motor Cycle Lease Cost	$	2,000
Contingency Calculation	$	1,979
Prior Year Capital	$	(312,547)
Computer Hard Ware	$	31,200
Computer Software	$	20,450
Motor Vehicle Packages	$	151,684
Payment to Internal Service Fund	$	(40,000)

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
18 -CRIME PREVENTION FUND						
REVENUES						
TAXES						
000-3051 1/2 CENT SALES TAX	831,646	1,073,458	1,044,772	1,040,070	1,055,685	1,055,685
TAXES	831,646	1,073,458	1,044,772	1,040,070	1,055,685	1,055,685
MISCELLANEOUS						
000-3660 INTEREST INCOME	8,373	9,078	22,846	15,020	36,000	36,018
000-3670 OTHER REVENUES	0	3,210	0	0	0	25,000
000-3680 SALE OF ASSETS	0	6,500	3,200	0	3,500	0
MISCELLANEOUS	8,373	18,789	26,046	15,020	39,500	61,018
***** TOTAL REVENUES *****	**840,020**	**1,092,247**	**1,070,818**	**1,055,090**	**1,095,185**	**1,116,703**
DEPARTMENT OF PUBLIC SAFETY						
PERSONNEL SERVICES						
080-4001 SUPERVISION	87,569	57,786	41,634	57,800	56,117	57,800
080-4003 OPERATIONS	336,459	334,104	367,025	318,257	308,446	300,982
080-4010 OVERTIME	11,833	16,437	13,258	60,267	29,592	30,000
080-4020 TEMPORARY/PT HELP	0	2,606	12,919	0	0	0
080-4025 CERTIFICATION DPS	0	0	0	0	1,558	1,800
080-4030 LONGEVITY	8,076	5,616	6,624	3,744	4,560	2,736
080-4100 RETIREMENT	48,701	45,908	49,366	46,699	43,357	45,973
080-4101 SUPPLEMENTAL COMPENSATION	3,201	2,635	0	0	0	0
080-4102 HOSPITAL & GROUP LIFE	35,437	40,242	48,902	60,099	50,845	56,392
080-4103 MEDICARE TAX	5,326	5,123	6,047	6,387	6,094	6,071
080-4105 VACATION/COMP TIME	0	997	0	0	0	0
080-4107 SALARY ADJUSTMENTS	0	0	0	14,682	0	7,274
PERSONNEL SERVICES	536,602	511,456	545,775	567,935	500,569	509,028
SUPPLIES						
080-5201 OFFICE SUPPLIES	470	281	372	3,100	2,634	2,500
080-5203 PUBLICATIONS	0	106	230	700	366	700
080-5204 WEARING APPAREL	13,103	13,544	10,950	30,400	21,000	21,000
080-5205 VEHICLE PARTS & SUPPLIES	170	43	2,830	12,000	6,000	6,000
080-5206 VEHICLE FUEL & LUBE	0	0	2,715	35,000	36,542	43,750
080-5207 MINOR TOOLS/APPARATUS	3,040	3,986	2,914	6,898	5,898	6,500
080-5213 EVENT REFRESHMENTS / MEALS	0	0	0	817	817	817
080-5214 JAIL SUPPLIES	0	0	0	10,500	8,958	10,500
080-5216 EDUCATIONAL SUPPLIES	2,610	1,143	4,842	8,000	8,000	10,000
080-5225 UNIFORM CLEANING SUPPLIES	9,630	11,116	10,099	11,500	12,500	12,500
080-5226 MISC EQUIPMENT/ FURNITURE	3,852	3,330	2,433	0	0	0
080-5233 WEAPONS/AMMUNITION SUPPLIES	0	0	0	15,792	13,092	20,815
SUPPLIES	32,874	33,549	37,384	134,707	115,807	135,082
MAINTENANCE						
080-6301 FURNITURE & FIXTURES	340	17	300	2,000	2,284	1,000
080-6302 OFFICE EQUIPMENT	4,668	5,251	4,216	6,468	5,369	5,268
080-6304 VEHICLE MAINTENANCE	3,015	2,192	538	23,075	21,690	37,300
080-6305 RADIOS	0	0	0	11,008	10,008	11,005
080-6306 ELECTRICAL EQUIPMENT	2,189	0	550	2,580	1,000	2,900
080-6307 MINOR TOOLS & APPARATUS	3,282	1,591	0	0	0	0
MAINTENANCE	13,493	9,052	5,604	45,131	40,351	57,473
CONTRACTUAL/SUNDRY						
080-7401 COMMUNICATIONS	0	0	0	18,494	18,494	22,274
080-7403 SUNDRY	21,065	21,011	21,055	21,282	21,282	24,266
080-7404 SPECIAL SERVICES	3,259	0	419	14,600	11,310	15,000
080-7405 ADVERTISING	0	0	5	1,750	1,750	2,500
080-7406 TRAVEL EXPENSE	371	1,415	2,500	5,000	5,000	5,000
080-7407 DUES/SUPSCRIPTIONS	10,155	10,305	10,100	14,440	14,440	14,440
080-7409 ADMINISTRATIVE TRAINING	0	0	3,426	3,500	3,500	3,500
080-7410 TRAINING	7,043	8,049	7,735	29,550	40,350	40,350
080-7419 PRINTING & BINDING	364	368	293	2,200	1,700	1,700
080-7430 LEASE/PURCHASE COSTS	0	0	0	7,130	8,630	10,630
080-7445 INVESTIGATION EXPENSE	0	0	0	7,500	7,500	7,500
080-7456 WORKERS COMP	10,271	15,000	16,572	18,000	13,177	18,000
080-7482 PRE-EMPLOYMENT	925	1,100	1,750	2,000	2,000	2,000
080-7496 CONTINGENCY	344	19,101	4,527	52,690	52,690	43,113
CONTRACTUAL/SUNDRY	53,796	76,349	68,382	198,136	201,823	210,273
CAPITAL OUTLAY						
080-8503 BUILDING IMPROVEMENTS	0	0	0	42,830	22,886	0
080-8504 COMPUTER HARDWARE	6,843	0	103,305	5,000	5,000	31,200

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
080-8505 COMPUTER SOFTWARE	0	0	90,420	86,400	45,000	20,450
080-8510 FURNITURE & FIXTURES	0	0	3,200	0	0	0
080-8513 MOTOR VEHICLES	52,462	111,865	107,312	114,950	114,950	151,684
080-8515 OTHER CAPITAL OUTLAY	0	0	0	10,500	10,500	0
080-8516 RADIOS	0	21,804	3,590	10,711	10,711	0
080-8517 OTHER EQUIPMENT	5,000	0	0	32,000	32,000	0
CAPITAL OUTLAY	64,305	133,669	307,828	302,391	241,047	203,334
DEPARTMENT OF PUBLIC SAFETY	**701,071**	**764,075**	**964,972**	**1,248,300**	**1,099,597**	**1,115,190**
TRANSFERS						
CONTRACTUAL/SUNDRY						
999-7701 TRANS. TO GENERAL FUND	16,380	18,050	49,242	20,801	20,801	21,114
999-7722 TRANS. TO INTERNAL SERVICE	40,000	40,000	40,000	40,000	40,000	0
CONTRACTUAL/SUNDRY	56,380	58,050	89,242	60,801	60,801	21,114
TRANSFERS	**56,380**	**58,050**	**89,242**	**60,801**	**60,801**	**21,114**
***** TOTAL EXPENDITURES *****	**757,451**	**822,125**	**1,054,214**	**1,309,101**	**1,160,398**	**1,136,304**

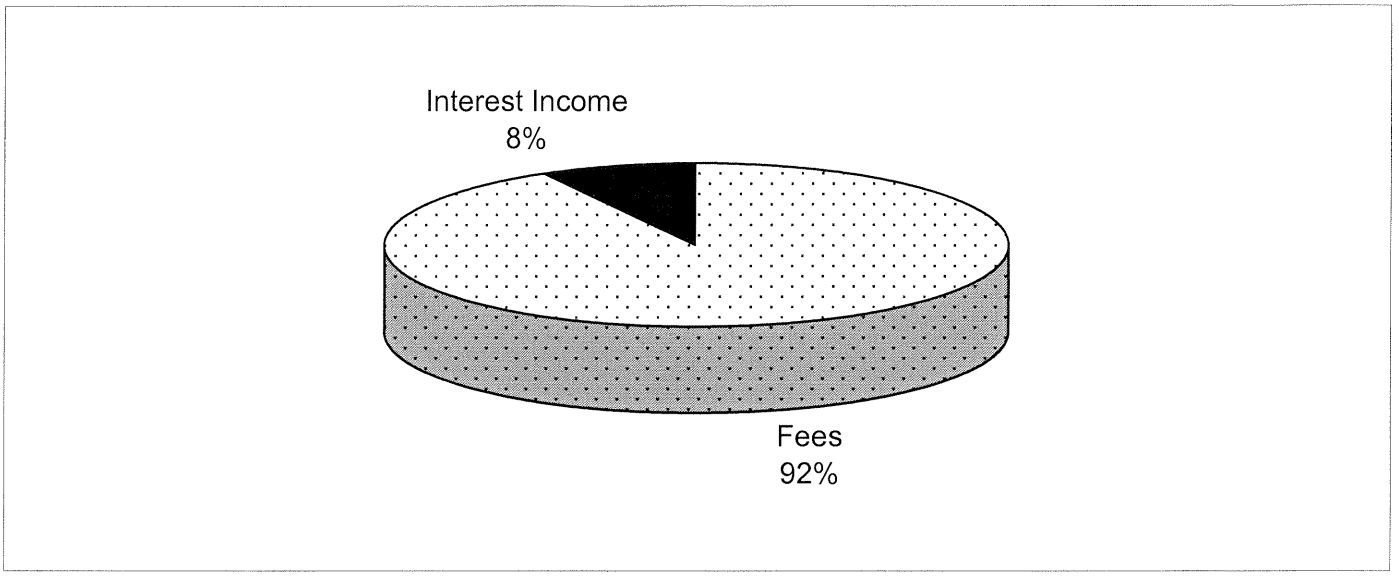
Municipal Court Security Fund

Budget Summary

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.

Where Does the Money Come From:



	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1*	**$34,344**	**$44,660**	**$45,129**	**$16,017**	**$18,386**	**$20,542**
Revenues:						
Municipal Bldg Security Fees	10,495	12,355	13,841	11,200	12,159	12,000
Interest Earnings	515	521	1,308	940	1,030	1,035
Total Revenues	$11,010	$12,876	$15,149	$12,140	$13,189	$13,035
Total Available Resources	**$45,354**	**$57,536**	**$60,278**	**$28,157**	**$31,575**	**$33,577**
Expenditures:						
Personnel	450	6,950	6,098	18,044	8,873	18,062
Supplies	0	1,004	165	45	45	500
Contractual/Sundry	244	1,024	629	715	715	1,595
Capital	0	3,429	35,000	1,400	1,400	0
Total Expenditures	$694	$12,407	$41,892	$20,204	$11,033	$20,157
Fund Balance, September 30	**$44,660**	**$45,129**	**$18,386**	**$7,953**	**$20,542**	**$13,420**

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

Municipal Court Technology Fund

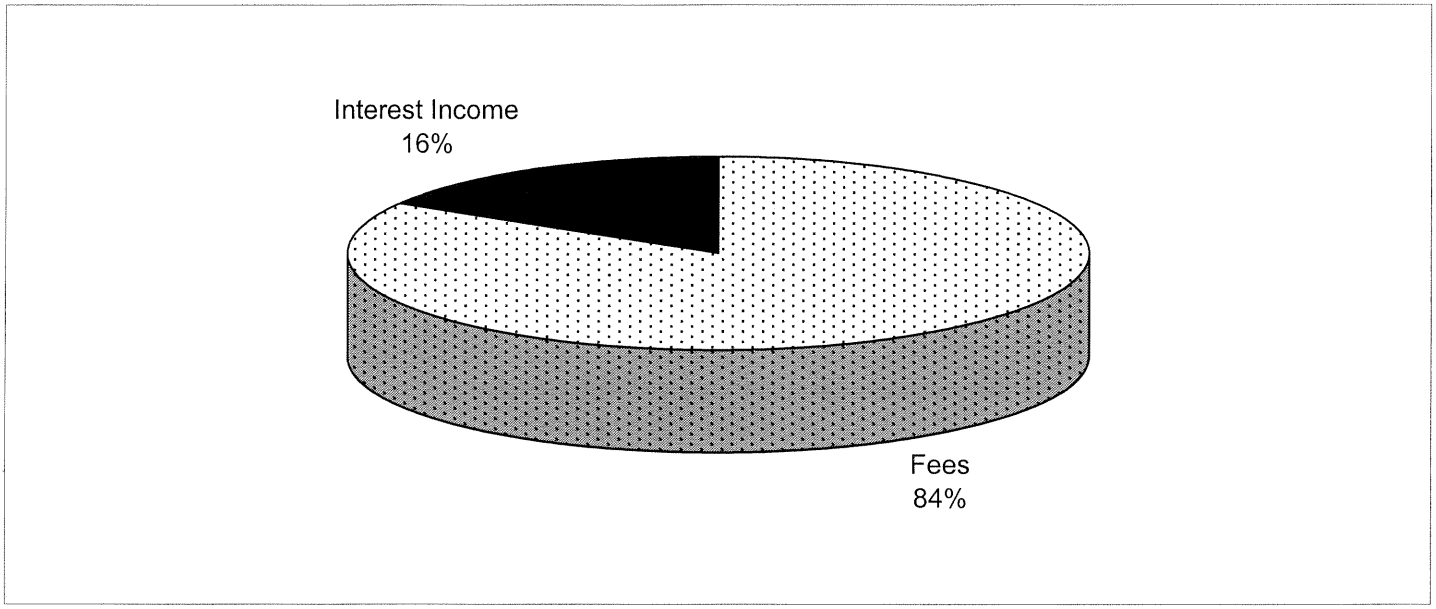
Budget Summary

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.

Significant changes to this fund for FY 2006-07 include an appropriation for more handheld ticket writers and software to make that technology faster for citation entry.

Where Does the Money Come From:



	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1*	**$41,455**	**$53,991**	**$68,907**	**$51,772**	**$88,132**	**$68,765**
Revenues:						
Municipal Court Technology Fee	13,978	16,453	18,451	15,738	16,212	16,000
Interest Earnings	628	692	2,099	1,859	3,106	3,121
Total Revenues	$14,606	$17,145	$20,550	$17,597	$19,318	$19,121
Total Available Resources	**$56,061**	**$71,136**	**$89,457**	**$69,369**	**$107,450**	**$87,886**
Expenditures:						
	2,070	2,229	1,325	44,785	38,685	80,298
Total Expenditures	$2,070	$2,229	$1,325	$44,785	$38,685	$80,298
Fund Balance, September 30	**$53,991**	**$68,907**	**$88,132**	**$24,584**	**$68,765**	**$7,588**

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

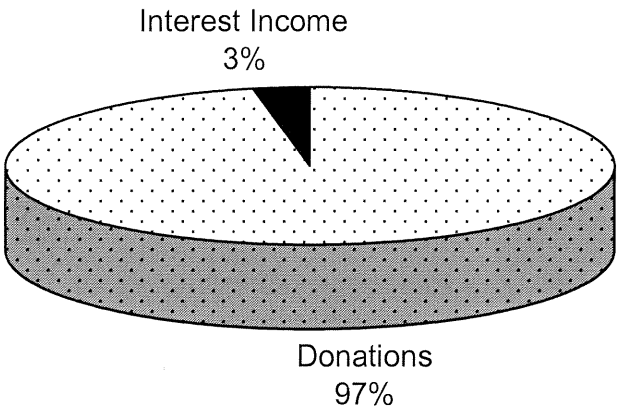
Library Donation Fund

Budget Summary

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. The collections had increased in each of the past fiscal years until A change in the utility billing format may have cause some citizens to overlook this donation decreasing donations significantly. Therefore, a budget adjustment was made during Fiscal Year 2003-04 from contingency funds to the Library in the General Fund to help make up the difference. Donations appear to have returned with other means of request.

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



	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Fund Balance, October 1	**$8,510**	**$10,385**	**$11,845**	**$12,475**	**$6,750**
Revenue:					
Operating Revenues	13,816	16,800	16,200	16,072	16,000
Interest Income	117	388	360	763	500
Total Revenue	$13,933	$17,188	$16,560	$16,835	$16,500
Total Available Resources	**$22,443**	**$27,573**	**$28,405**	**$29,310**	**$23,250**
Expenditures:					
Total Expenditures	$12,058	$15,098	$22,560	$22,560	$19,000
Fund Balance, September 30	**$10,385**	**$12,475**	**$5,845**	**$6,750**	**$4,250**

PROPRIETARY FUNDS

Water and Sewer Utility Enterprise Fund

Storm Drainage Utility Enterprise Fund

Impact Fee Funds

Internal Service Fund

Water and Sewer Utility Operating Fund

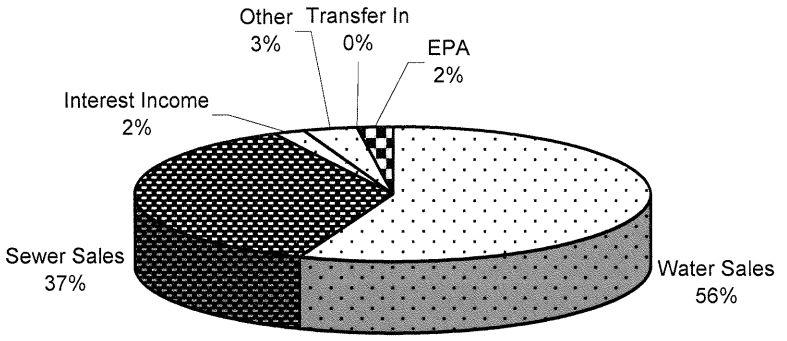
The Water and Sewer Utility Fund is one of two enterprise funds of the City. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that cost of providing services to the general public on a continuing 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 once again 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 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.

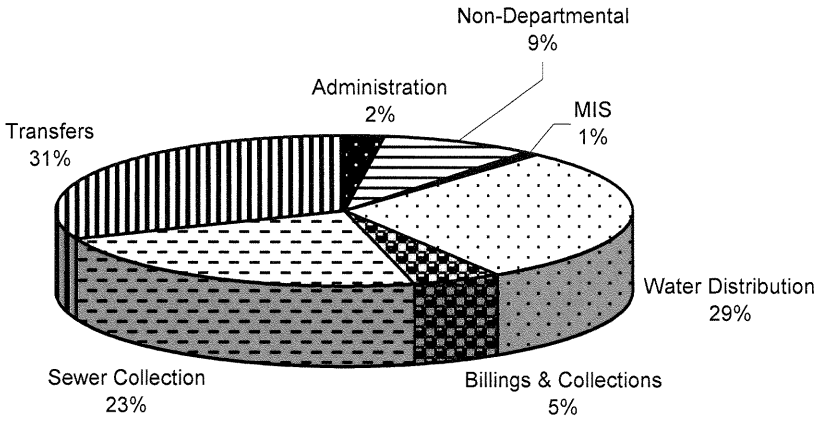
Accounting records for the Water and Sewer Utility Fund are maintained on the accrual basis.

No rate changes for the City's portion of the rates are expected in FY 2006-07.

Where Does the Money Come From:



Where Does the Money Go:



Water and Sewer Utility Operating Fund

Budget Summary

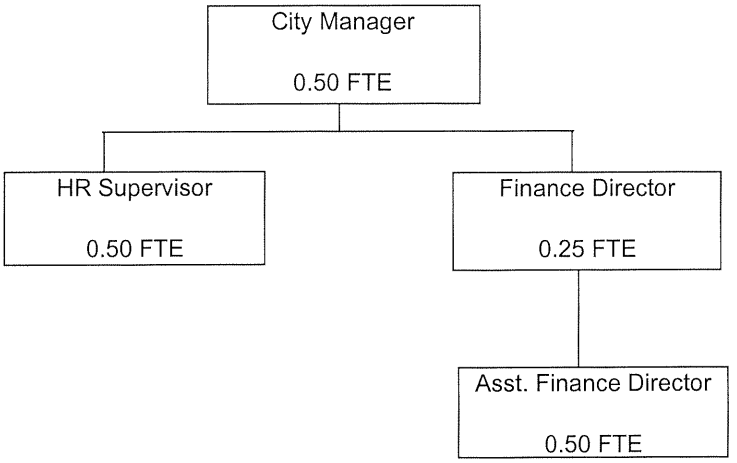
	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Retained Earnings, October 1	**$2,223,673**	**$2,618,941**	**$2,773,909**	**$3,236,644**	**$4,097,014**
Revenue					
Water Sales	3,561,893	3,984,920	3,500,000	4,500,000	3,929,000
Sewer Sales	2,559,300	2,561,085	2,530,000	2,700,000	2,589,000
Penalty Revenue	172,985	142,851	142,348	147,789	164,411
Other Revenue	597	1,853	0	0	0
Water Taps	13,070	16,900	17,010	11,550	7,950
Sewer Taps	2,700	4,223	4,725	3,075	1,950
Service Charges	44,660	46,055	30,000	74,000	45,000
EPA Revenues	154,587	159,501	155,200	154,548	155,200
Water Inspection Fees	5,663	1,454	0	0	0
Sewer Inspection Fees	4,768	385	0	1,340	0
Transfer In	347,401	130,681	3,532	3,508	9,140
Interest Income	23,308	69,207	62,100	136,500	137,182
Total Revenue	$ 6,890,932	$ 7,119,115	$ 6,444,915	$ 7,732,310	$ 7,038,833
Total Available Resources	**$9,114,605**	**$9,738,056**	**$9,218,824**	**$10,968,954**	**$11,135,847**
Expenditures:					
Administration	159,049	162,027	176,448	171,380	174,588
Non-Departmental	373,747	428,654	499,695	446,720	640,766
Billing & Collections	319,025	291,881	372,073	332,295	387,712
Mg Information Systems	42,235	42,765	47,964	50,078	52,408
Water Distribution	1,937,232	2,140,501	2,101,918	2,396,151	2,216,536
Sewer Collection	1,551,239	1,655,383	1,677,679	1,742,269	1,700,554
Total Expenditures	$4,382,527	$4,721,211	$4,875,777	$5,138,893	$5,172,564
Net Income	**$2,508,405**	**$2,397,904**	**$1,569,138**	**$2,593,417**	**$1,866,269**
Transfer Out:					
General Fund	200,944	158,140	114,512	114,512	344,626
W/S Reimbursement	0	0	0	0	0
Joint Use Facilities Fund	76,552	43,828	143,000	91,878	83,000
Capital Projects Fund	100,000	0	0	0	0
Internal Service Fund	0	0	0	0	0
Cert. of Obligation Debt Service	980,194	1,200,931	1,155,145	1,155,145	1,148,331
Revenue Bond Debt Service	588,106	355,340	356,630	356,630	357,290
W/S Construction	167,341	21,962	14,882	14,882	415,060
W/S Revenue Bond Reserve	0	0	0	0	0
Other Sources(Uses)	$2,113,137	$1,780,201	$1,784,169	$1,733,047	$2,348,307
Retained Earnings September 30	**$2,618,941**	**$3,236,644**	**$2,558,878**	**$4,097,014**	**$3,614,976**
Retained Earnings Required @ 20%					**$1,413,600**

Water and Sewer Fund

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 2005-2006 ACCOMPLISHMENTS:

Implemented new and expanded projects as approved.

FY 2006-2007 OBJECTIVES:

To implement any new and expanded projects as approved.

BUDGETARY ISSUES:

Water and Sewer Fund

Administration

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$161,486	$175,698	$171,380	$174,468
Supplies	$426	$750	$0	$0
Maintenance	$0	$0	$0	$0
Contractual/Sundry	$115	$0	$0	$120
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$162,027	$176,448	$171,380	$174,588
PERSONNEL ASSIGNED				
City Manager	0.50	0.50	0.50	0.50
Finance Director	0.25	0.25	0.25	0.25
Personnel Director	0.50	0.50	0.50	0.50
Assistant Finance Director	0.50	0.50	0.50	0.50
TOTAL	**1.75**	**1.75**	**1.75**	**1.75**

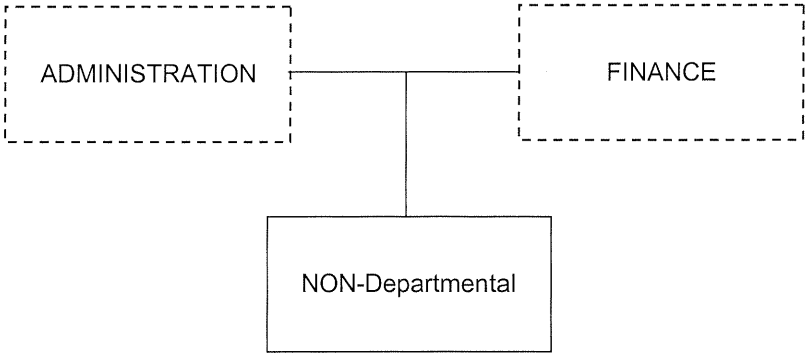
SIGNIFICANT BUDGET HIGHLIGHTS:

Water and Sewer Fund

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 2005-2006 ACCOMPLISHMENTS:

Implemented any new and expanded projects as approved.

FY 2006-2007 OBJECTIVES:

To implement any new and expanded projects as approved.

BUDGETARY ISSUES:

Administration Department

Non-Departmental

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$2,797	$28,436	$0	$29,224
Supplies	$0	$0	$0	$0
Maintenance	$285	$714	$350	$400
Contractual/Sundry	$425,572	$397,545	$373,370	$428,332
Capital Outlay	$0	$73,000	$73,000	$182,810
Total Non-Departmental Expenditures	$428,654	$499,695	$446,720	$640,766
Transfers	$1,780,202	$1,784,169	$1,733,047	$2,348,307
PERSONNEL ASSIGNED				
TOTAL	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET HIGHLIGHTS: (NON-DEPARTMENTAL)

Payment in Lieu of Taxes	25,603
Bank Charges & Fees	8,220
Motor Vehicles	102,000
Other Equipment	7,110

SIGNIFICANT BUDGET CHANGES: (TRANSFERS OUT)

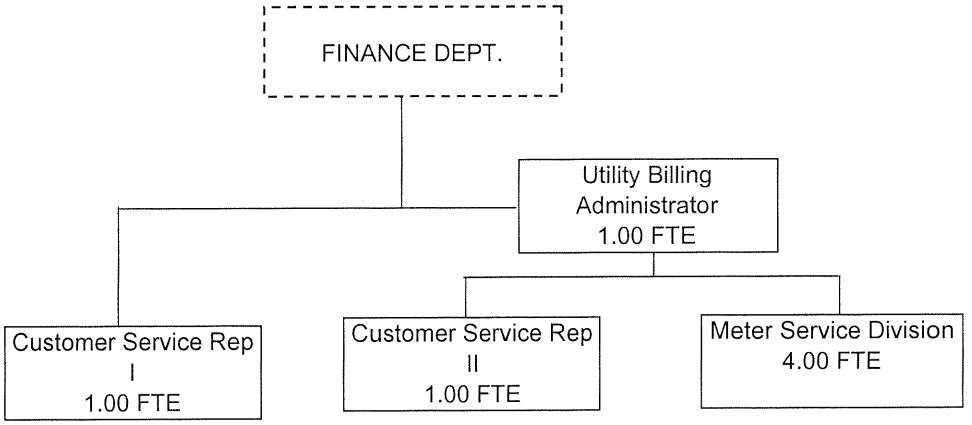
General and Administrative Charges Return to Previous 5% Level	230,114
Transfer to CO Debt Service	(6,814)
Transfer to Construction Fund	400,178
Transfer to Joint Use Facility	(60,000)

Water and Sewer Fund

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 2005-2006 ACCOMPLISHMENTS:

Making the move to the new City Hall without delay while maintaining the high level of customer service. Making use of the new GEM cars to help with gas costs and the environment.

FY 2006-2007 OBJECTIVES:

To cross train the field employees with the Public Works Water Department.

BUDGETARY ISSUES:

Water and Sewer Fund

Utility Billing and Collections

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$218,914	$263,718	$236,882	$277,027
Supplies	$45,644	$71,195	$62,600	$70,535
Maintenance	$2,370	$6,200	$2,950	$6,200
Contractual/Sundry	$24,954	$30,960	$29,863	$33,950
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$291,882	$372,073	$332,295	$387,712
PERSONNEL ASSIGNED				
Utility Billing Administrator	1.00	1.00	1.00	1.00
Customer Service Rep. II	1.00	1.00	1.00	1.00
Customer Service Rep. I *(add 50% FTE FY06)*	0.50	1.00	1.00	1.00
Water Service Rep	2.00	2.00	2.00	2.00
Meter Reader	2.00	2.00	2.00	2.00
TOTAL	**6.50**	**7.00**	**7.00**	**7.00**

SIGNIFICANT BUDGET HIGHLIGHTS:

Personnel Costs	$13,309
Billing Costs	$3,172

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW5 Same day service percentage	98%	98%	99%
COW5 Read accuracy percentage	100%	100%	100%
COW5 Revenues recorded within 24 hours	99%	99%	99%
COW5 Complaints resolved/addressed within 3 days	98%	99%	99%
Cost per bill	<$1	<$1	<$1
COW 2 & 5 Percent of billings that go to bad debt	2%	1%	1%
COW5 Completed service orders (annually)	6,550	6,336	6,600
COW 2 & 5 Meters read per year	98,885	98,976	98,990
COW2 Number of Meters exchanged	950	850	1,000

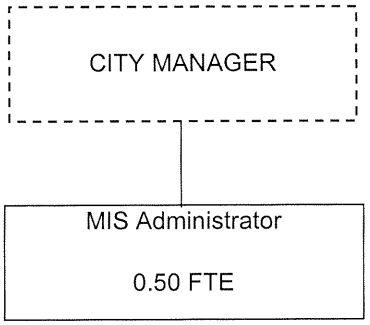
Water and Sewer Fund

Management Information Systems

Location: 7105 Whitley Road

Phone Number: 817-514-5800 x 4700

Hours of Operation: 8:00a - 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 2005-2006 ACCOMPLISHMENTS:

City Hall A/V equipment, City Hall cabling installation, City-wide PC replacements, Daily Support, Windows Server Upgrades.

FY 2006-2007 OBJECTIVES:

Enhance the City Web-site to better facilitate the flow of information between City staff and Watauga citizens.

BUDGETARY ISSUES:

Enhancement of the City Web-site without additional staff expenditures.

Water and Sewer Fund

Management Information Systems

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$42,656	$43,124	$44,038	$45,548
Supplies	$109	$500	$500	$1,260
Maintenance	$0	$4,340	$5,540	$5,600
Contractual/Sundry	$0	$0	$0	$0
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$42,765	$47,964	$50,078	$52,408
PERSONNEL ASSIGNED				
MIS Administrator	0.50	0.50	0.50	0.50
TOTAL	**0.50**	**0.50**	**0.50**	**0.50**

SIGNIFICANT BUDGET HIGHLIGHTS:

Salary Adjustments	$2,424
Supplies for Network Printer	$760
Software Maintenance	$1,260

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW 5 Survey Satisfaction rate	95%	96%	95%
COW8 Problem resolution/ Repair of systems:			
- % Completed within 1 business day	82%	88%	90%
- % Greater than 1 business day	18%	12%	10%
- % Service calls for priority services closed within 4 hours	99%	97%	99%
COW1 Public Safety Dispatch system up time 7 days/wk, 24 hrs/day	99%	97%	99%
COW8 Computer systems and networks up time 5 days/wk, 10 hrs/dy	99%	98%	99%
COW8 Cost per hour of up time	$16.38	$11.94	$11.94
COW8 Cost per work order hour for computers and networks	$39.32	$50.30	$50.30

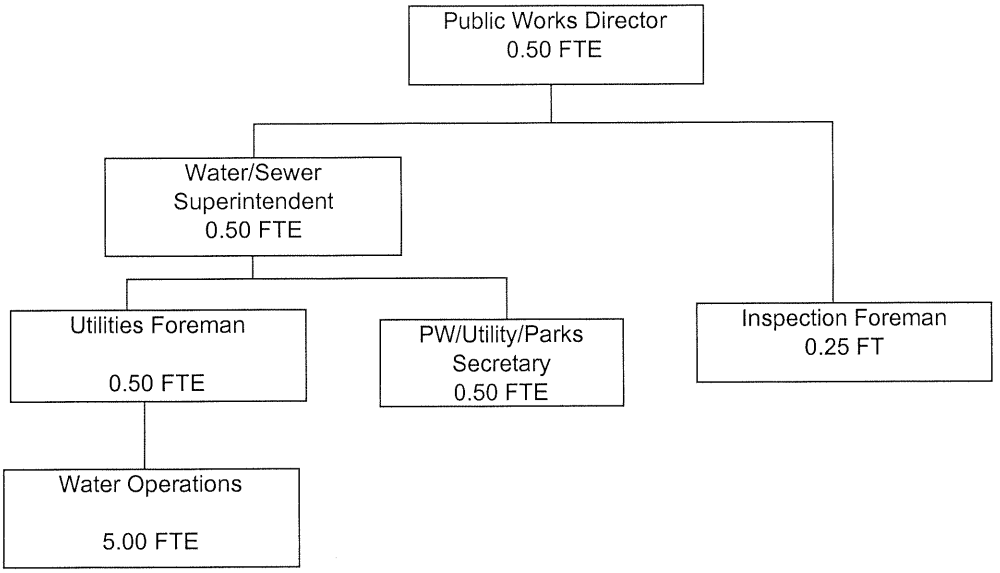
Water and Sewer Fund

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 through testing monthly for bacteria and flushing of mains. Meets or exceeds requirements by The Texas Commission on Environmental Quality. Repairs leaks on mains and service lines to prevent loss of water and revenues. Provides customer service to citizens.

FY 2005-2006 ACCOMPLISHMENTS:

The Water Department collected 310 Bacteriological water samples required by the Texas Commission on Environmental Quality (TCEQ). The Utility Department has met or exceeded water quality regulations required be TCEQ and are in compliance with all regulations. The Water Department maintained 85 miles of water mains through repair and replacement. Flushed dead end water mains and exercised water main valves monthly. Provided customer service.

FY 2006-2007 OBJECTIVES:

The City of Watauga's Superior Water System is regulated by the Texas Commission on Environmental on Quality (TCEQ). Compliance with the regulations will be through continued bacteriological water samples, dead end 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 remain in compliance with 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 losses.

Water and Sewer Fund

Water Distribution

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$296,932	$352,885	$337,318	$353,970
Supplies	$32,429	$37,410	$37,410	$37,410
Maintenance	$41,949	$51,000	$58,500	$56,000
Contractual/Sundry	$1,758,505	$1,595,623	$1,932,923	$1,699,156
Capital Outlay	$10,686	$65,000	$30,000	$70,000
Total Expenditures	$2,140,501	$2,101,918	$2,396,151	$2,216,536
PERSONNEL ASSIGNED				
PW Director	0.50	0.50	0.50	0.50
Utility Superintendent	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25
PW Utilities Foreman	0.50	0.50	0.50	0.50
Maintenance Worker I	3.00	3.00	3.00	3.00
Equipment Operator (2)	1.00	1.00	1.00	1.00
Maint. Worker II	1.00	1.00	1.00	1.00
PW/Utility Secretary	0.50	0.50	0.50	0.50
TOTAL	**7.25**	**7.25**	**7.25**	**7.25**

SIGNIFICANT BUDGET HIGHLIGHTS:

Street Maintenance Costs	5,000
Water Costs to Wholesaler	103,533
Water Tower Maintenance Savings	5,000

PERFORMANCE MEASURES:

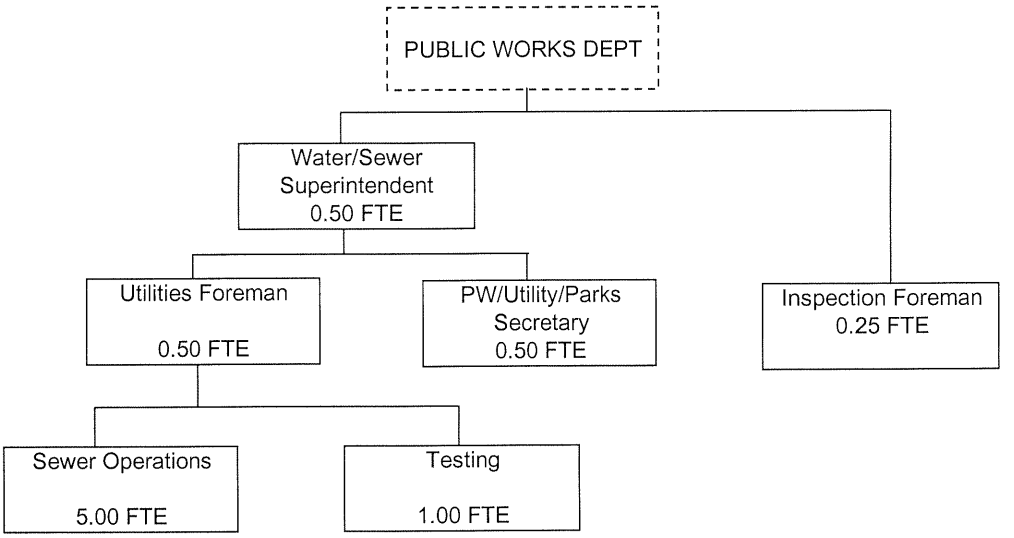
	FY2004-05	FY2005-06	FY2006-07
COW8 Percent of water unaccounted for (water loss rate)	16%	15%	14%
COW2 Percent of dead-end lines flushed monthly	100%	100%	100%
COW1/2 Percent of fire hydrants, inspected, lubricated, and tested	90%	90%	90%
COW1/5 Percent of emergency shut-off/on calls responded within 30 minutes	100%	100%	100%
COW5 Percent of non-emergency calls responded within 1 hour	100%	100%	100%
COW5 Percent of surveys completely satisfied w/ above mentioned services	100%	100%	100%
COW2 Miles of water lines maintained	84	85	85

Sewer Collection

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. Replace and repair sewer mains and service lines. Provides customer services to citizens on a daily basis. Performs video inspections and smoke testing to locate deficiencies for repair or replacement. Inspection of sewer mains installed by contractors. Provide customer service.

FY 2005-2006 ACCOMPLISHMENTS:

The Sewer Department cleaned 51,000 feet of sewer mains to prevent blockages and overflows. Video inspected 5,000 feet to locate problem areas for repair or replacement. Replaced and repaired numerous customer service lines in the right of ways and streets. Inspected man holes monthly to locate Inflow / Infiltration and repaired where necessary. The Sewer Department inspects grease and grit traps monthly to ensure grease generators are cleaning their traps as per ordinance # 1060 to prevent excessive BOD and TSS. Rehabilitated eight (8) sewer man holes. Provided customer service.

FY 2006-2007 OBJECTIVES:

The Sewer Department will continue video inspections, smoke testing and preventive maintenance cleaning 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. Inspect man holes and grease traps monthly. Continue to provide customer service.

BUDGETARY ISSUES:

The Sewer Department must remain in compliance with the Texas Commission on Environmental Quality (TCEQ) regulations. Sewer main cleaning to prevent blockages and unauthorized bypass of sewage. Video inspection and smoke testing to locate problem areas needing repair or replacement. Man hole inspection to prevent Inflow and Infiltration. Grease trap inspections to ensure customer remain in compliance with city ordinance # 1060. Provide customer service.

Public Works Department

Sewer Collection

BUDGET SUMMARY:

	2004-05 BUDGET	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$319,237	$345,129	$337,369	$351,154
Supplies	$32,471	$35,650	$35,650	$35,650
Maintenance	$7,253	$10,000	$10,000	$10,000
Contractual/Sundry	$1,296,421	$1,286,900	$1,359,250	$1,303,750
Capital Outlay	$0	$0	$0	$0
Total Expenditures	$1,655,382	$1,677,679	$1,742,269	$1,700,554
PERSONNEL ASSIGNED				
Utility Superintendent	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25
PW Utilities Foreman	0.50	0.50	0.50	0.50
Maintenance Worker I	2.00	2.00	2.00	2.00
Equipment Operator (2)	1.00	1.00	1.00	1.00
Jet Vac Operator	1.00	1.00	1.00	1.00
Maint. Worker II	1.00	1.00	1.00	1.00
PW/Utility Secretary	0.50	0.50	0.50	0.50
Wastewater Technician	1.00	1.00	1.00	1.00
TOTAL	**7.75**	**7.75**	**7.75**	**7.75**

SIGNIFICANT BUDGET CHANGES:

Personnel Expenses	$6,025
Sewer Costs from Wholesaler	$16,850

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW2 Maintain an accurate inventory of all manholes	500	1,339	1,339
COW1 Percent of backup calls responded to within 30 minutes	100%	100%	100%
COW8 Average BOD strength	195	240	190
COW8 Average TSS strength	234	318	200
COW5 Percent of surveys completely satisfied with sewer-related services	100%	100%	100%
COW2 Miles of sewer lines maintained	87	88	88
COW2 Amount of sewer line (linear feet) fully inspected	15,000	5,136	10,000

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
40 -WATER AND SEWER FUND						
REVENUES						
MISCELLANEOUS						
000-3660 INTEREST EARNINGS	24,804	23,308	69,207	62,100	136,500	137,182
000-3670 OTHER REVENUE	4,615	597	0	0	0	0
000-3680 SALE OF ASSETS	1,006	0	1,945	0	0	0
MISCELLANEOUS	30,426	23,905	71,152	62,100	136,500	137,182
WATER SEWER REVENUE						
000-3800 WATER SALES	3,669,576	3,561,893	3,984,920	3,500,000	4,500,000	3,929,000
000-3801 PENALTY REVENUE	194,017	172,985	142,851	142,348	147,789	164,411
000-3820 SEWER SALES	2,535,731	2,559,300	2,561,085	2,530,000	2,700,000	2,589,000
000-3830 WATER TAPS	29,950	13,070	16,900	17,010	11,550	7,950
000-3835 SEWER TAPS	5,325	2,700	4,223	4,725	3,075	1,950
000-3845 EPA REVENUE	156,612	154,587	159,501	155,200	154,548	155,200
000-3870 WATER INSPECTION FEES	9,711	5,663	1,454	0	0	0
000-3875 SEWER INSPECTION FEES	5,117	4,768	385	0	1,340	0
000-3890 SERVICE CHARGES	31,994	44,660	46,055	30,000	74,000	45,000
000-3892 METER TESTING CHARGES	0	0	-92	0	0	0
WATER SEWER REVENUE	6,638,033	6,519,626	6,917,282	6,379,283	7,592,302	6,892,511
TRANSFERS						
000-3911 TRANS FROM REV BOND RESERVE	0	0	130,681	0	0	0
000-3918 TRANS. FROM JUF	0	28,961	0	3,532	3,508	9,140
000-3919 TRANS FROM WATER IMPACT FEE	0	318,440	0	0	0	0
TRANSFERS	0	347,401	130,681	3,532	3,508	9,140
***** TOTAL REVENUES *****	**6,668,459**	**6,890,932**	**7,119,115**	**6,444,915**	**7,732,310**	**7,038,833**
ADMINISTRATIVE						
PERSONNEL SERVICES						
010-4001 SUPERVISION	100,290	130,105	129,657	138,979	139,686	136,903
010-4030 LONGEVITY	891	642	540	792	1,386	756
010-4035 CAR ALLOWANCE	2,397	4,962	4,970	5,000	5,000	5,000
010-4100 RETIREMENT	11,245	12,303	15,142	15,346	15,065	15,664
010-4101 SUPPLEMENTAL COMPENSATION	457	769	0	0	0	0
010-4102 HOSPITAL & GROUP LIFE	6,081	8,612	9,283	13,482	8,166	14,076
010-4103 MEDICARE TAX	1,465	1,608	1,894	2,099	2,077	2,069
PERSONNEL SERVICES	122,826	159,001	161,486	175,698	171,380	174,468
SUPPLIES						
010-5201 OFFICE SUPPLIES	0	0	426	750	0	0
SUPPLIES	0	0	426	750	0	0
CONTRACTUAL/SUNDRY						
010-7407 DUES & SUBSCRIPTIONS	16	48	0	0	0	0
010-7410 TRAINING	100	0	115	0	0	120
CONTRACTUAL/SUNDRY	116	48	115	0	0	120
ADMINISTRATIVE	**122,942**	**159,049**	**162,027**	**176,448**	**171,380**	**174,588**
NON-DEPARTMENTAL						
PERSONNEL SERVICES						
020-4102 HOSPITAL AND GROUP LIFE	0	0	2,797	0	0	0
020-4107 SALARY ADJUSTMENTS	0	0	0	28,436	0	29,224
PERSONNEL SERVICES	0	0	2,797	28,436	0	29,224
MAINTENANCE						
020-6302 OFFICE EQUIPMENT	0	0	285	714	350	400
MAINTENANCE	0	0	285	714	350	400
CONTRACTUAL/SUNDRY						
020-7402 RENTAL OF EQUIPMENT	0	1,762	1,972	1,982	2,092	2,092
020-7404 SPECIAL SERVICES	843	248	0	1,000	0	1,000
020-7406 TRAVEL EXPENSE	0	33	0	0	0	0
020-7416 BANK CHARGES	2,223	13,192	20,062	17,040	25,260	25,260
020-7425 ENGINEERING SERVICES	14,991	0	0	0	0	0
020-7441 DOT DRUG TESTING	0	0	0	500	0	500
020-7444 PYMT TO INTERNAL SERVICE FUND	86,000	57,333	11,000	11,000	11,000	7,854
020-7456 WORKERS' COMPENSATION	15,069	22,000	20,316	22,000	15,995	22,000
020-7496 CONTINGENCY	3,423	10,675	21,495	25,000	0	25,000
020-7502 BAD DEBT EXPENSE	22,255	59,482	34,447	0	0	0
020-7515 PAYMENT IN LIEU OF TAXES	334,075	200,944	316,280	319,023	319,023	344,626
CONTRACTUAL/SUNDRY	478,878	365,669	425,572	397,545	373,370	428,332

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
CAPITAL OUTLAY						
020-8502 Buildings	0	7,478	0	0	0	0
020-8510 FURNITURE & FIXTURES	0	0	0	0	0	700
020-8513 MOTOR VEHICLES	25,541	600	0	28,000	28,000	130,000
020-8517 OTHER EQUIPMENT	8,571	0	0	45,000	45,000	52,110
CAPITAL OUTLAY	34,111	8,077	0	73,000	73,000	182,810
NON-DEPARTMENTAL	**512,989**	**373,747**	**428,654**	**499,695**	**446,720**	**640,766**
BILLING & COLLECTIONS						
PERSONNEL SERVICES						
045-4001 SUPERVISION	43,856	44,921	45,881	45,916	47,688	46,836
045-4002 CLERICAL	44,278	45,460	46,277	57,164	57,712	62,380
045-4003 OPERATIONS	85,033	89,738	76,572	91,585	80,100	90,844
045-4010 OVERTIME	559	2,718	1,113	2,000	2,000	2,000
045-4030 LONGEVITY	2,568	3,732	2,268	2,520	2,484	3,312
045-4100 RETIREMENT	19,318	20,494	19,265	21,186	19,331	22,550
045-4101 SUPPLEMENTAL COMPENSATION	2,515	1,977	0	0	0	0
045-4102 HOSPITAL & GROUP LIFE INS	24,589	24,787	25,047	40,459	24,837	46,127
045-4103 MEDICARE TAX	2,490	2,571	2,491	2,888	2,730	2,978
045-4105 VACATION/COMP TIME	0	948	0	0	0	0
PERSONNEL SERVICES	225,205	237,346	218,914	263,718	236,882	277,027
SUPPLIES						
045-5201 OFFICE SUPPLIES	12,941	453	1,010	4,650	3,100	4,150
045-5202 POSTAGE	39,393	32,536	32,136	37,740	37,000	37,740
045-5203 PUBLICATIONS	389	606	87	750	550	590
045-5204 WEARING APPAREL	92	1,870	295	3,500	2,250	3,500
045-5205 VEHICLE PARTS/SUPPLIES	0	2,635	1,415	4,305	3,000	4,305
045-5206 VEHICLE GAS FUEL/LUB	3,589	5,664	6,765	10,250	8,200	10,250
045-5207 MINOR TOOLS/APP	5,136	10,452	3,934	10,000	8,500	10,000
SUPPLIES	61,540	54,215	45,644	71,195	62,600	70,535
MAINTENANCE						
045-6302 OFFICE EQUIPMENT MAINTENANCE	159	165	182	200	182	200
045-6304 VEHICLE	458	0	0	2,500	1,000	2,500
045-6305 RADIOS	216	0	0	1,000	0	1,000
045-6310 METER READING SYSTEM	1,917	2,109	2,188	2,500	1,768	2,500
MAINTENANCE	2,750	2,274	2,370	6,200	2,950	6,200
CONTRACTUAL/SUNDRY						
045-7401 COMMUNICATIONS	257	279	335	400	633	450
045-7404 SPECIAL SERVICES	5,526	20,604	21,492	26,260	26,000	29,432
045-7406 TRAVEL EXPENSES	761	673	535	1,000	950	1,190
045-7407 DUES AND SUBSCRIPTIONS	614	451	478	500	480	678
045-7410 TRAINING	1,072	717	1,180	1,500	1,300	1,500
045-7419 PRINTING & BINDING	2,600	651	935	1,200	500	600
045-7484 EMPLOYEE PHYSICALS	0	88	0	100	0	100
CONTRACTUAL/SUNDRY	10,829	23,463	24,954	30,960	29,863	33,950
CAPITAL OUTLAY						
045-8517 OTHER EQUIPMENT	0	1,728	0	0	0	0
CAPITAL OUTLAY	0	1,728	0	0	0	0
BILLING & COLLECTIONS	**300,325**	**319,025**	**291,881**	**372,073**	**332,295**	**387,712**
MANAGEMENT INFO SYSTEMS						
PERSONNEL SERVICES						
050-4001 SUPERVISION	0	0	0	34,675	36,558	36,429
050-4003 OPERATIONS	33,787	34,677	35,088	0	0	0
050-4030 LONGEVITY	288	360	432	504	504	576
050-4100 RETIREMENT	3,733	3,829	3,977	3,729	3,792	4,063
050-4101 SUPPLEMENTAL COMPENSATION	229	220	0	0	0	0
050-4102 HOSPITAL/GROUP INSURANCE	2,345	2,340	2,644	3,706	2,646	3,943
050-4103 MEDICARE	497	508	516	510	538	537
PERSONNEL SERVICES	40,879	41,933	42,656	43,124	44,038	45,548
SUPPLIES						
050-5220 COMPUTER SUPPLIES	196	302	109	500	500	1,260
SUPPLIES	196	302	109	500	500	1,260
MAINTENANCE						
050-6351 SOFTWARE MAINTENANCE	0	0	0	4,340	5,540	5,600
MAINTENANCE	0	0	0	4,340	5,540	5,600

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
CONTRACTUAL/SUNDRY						
050-7410 TRAINING	22	0	0	0	0	0
CONTRACTUAL/SUNDRY	22	0	0	0	0	0
MANAGEMENT INFO SYSTEMS	**41,096**	**42,235**	**42,765**	**47,964**	**50,078**	**52,408**
WATER DISTRIBUTION						
PERSONNEL SERVICES						
093-4001 SUPERVISION	59,853	61,504	95,968	96,171	99,915	98,892
093-4002 CLERICAL	11,932	13,758	14,063	14,043	14,545	14,323
093-4003 OPERATIONS	128,234	123,985	101,411	132,197	117,968	126,250
093-4010 OVERTIME	19,517	19,374	18,029	31,467	31,467	27,250
093-4030 LONGEVITY	2,100	2,448	3,732	3,528	3,528	4,788
093-4100 RETIREMENT	24,882	26,180	26,879	29,449	27,395	29,811
093-4101 SUPPLEMENTAL COMPENSATION	3,086	2,526	0	0	0	0
093-4102 HOSPITAL/GROUP LIFE INS	26,041	30,752	33,234	42,000	38,648	48,719
093-4103 MEDICARE TAX	3,272	3,416	3,408	4,030	3,852	3,937
093-4105 VACATION/COMP TIME	3,145	0	208	0	0	0
PERSONNEL SERVICES	282,063	283,943	296,932	352,885	337,318	353,970
SUPPLIES						
093-5201 OFFICE SUPPLIES	1,047	485	192	1,000	1,000	1,000
093-5203 PUBLICATIONS	80	64	0	250	250	250
093-5204 WEARING APPAREL	4,167	2,893	3,467	3,600	3,600	3,600
093-5205 VEHICLE PARTS & SUPPLIES	2,437	4,149	4,003	5,000	5,000	5,000
093-5206 VEHICLE FUEL & LUBRICANTS	5,650	11,460	16,244	18,200	18,200	18,200
093-5207 MINOR TOOLS & APPARTUS	3,400	2,831	2,969	3,000	3,000	3,000
093-5209 CHEMICAL SUPPLIES	506	648	424	500	500	500
093-5221 EQUIPMENT PARTS & SUPPLIES	2,580	3,901	5,129	5,860	5,860	5,860
093-5222 EQUIPMENT FUEL/LUBE	1,991	0	0	0	0	0
093-5223 VEHICLE DIESEL FUEL	5,640	0	0	0	0	0
SUPPLIES	27,498	26,430	32,429	37,410	37,410	37,410
MAINTENANCE						
093-6304 VEHICLE MAINTENANCE	3,338	0	782	4,000	4,000	4,000
093-6305 RADIO MAINTENANCE	108	38	301	500	500	500
093-6307 MINOR TOOLS & APPARTUS MAINT	1,453	1,615	1,497	1,500	1,500	1,500
093-6321 STREET MAINTENANCE	21,555	26,778	27,899	37,500	35,000	32,500
093-6323 SIGN MAINTENANCE	0	0	0	500	500	500
093-6341 BARRICADE MAINTENANCE	1,486	1,250	1,811	2,000	2,000	2,000
093-6350 JUF MAINTENANCE	3,500	0	0	5,000	5,000	5,000
093-6361 VALVES & HYDRANTS	9,981	9,812	9,659	10,000	10,000	10,000
MAINTENANCE	41,422	39,493	41,949	61,000	58,500	56,000
CONTRACTUAL/SUNDRY						
093-7401 COMMUNICATIONS	3,347	2,132	1,904	3,500	3,500	3,500
093-7402 RENTAL OF EQUIPMENT	2,060	1,110	711	1,500	1,500	1,500
093-7404 SPECIAL SERVICES	0	1,700	727	1,000	1,000	1,000
093-7405 ADVERTISING	0	0	0	300	300	300
093-7406 TRAVEL EXPENSE	424	-236	309	1,000	1,000	1,000
093-7407 DUES & SUBSCRIPTIONS	502	379	293	700	700	700
093-7410 TRAINING	2,794	1,706	1,955	2,000	2,000	2,000
093-7411 ELECTRICITY	44,054	65,510	50,162	62,373	72,373	72,373
093-7419 PRINTING AND BINDING	314	300	96	250	250	250
093-7425 ENGINEERING SERVICES	2,200	10,000	0	0	0	0
093-7428 TESTING FEES	5,994	8,681	7,244	8,000	8,000	8,000
093-7505 WATER PURCHASES	1,407,844	1,493,255	1,695,105	1,505,000	1,842,300	1,608,533
CONTRACTUAL/SUNDRY	1,469,535	1,584,536	1,758,505	1,585,623	1,932,923	1,699,156
CAPITAL OUTLAY						
093-8503 BUILDING IMPROVEMENTS	0	0	0	15,000	0	20,000
093-8516 RADIOS	0	530	0	0	0	0
093-8517 OTHER EQUIPMENT	0	2,300	0	0	0	0
093-8605 WATER METERS	-3,969	1	10,686	50,000	30,000	50,000
CAPITAL OUTLAY	-3,969	2,830	10,686	65,000	30,000	70,000
WATER DISTRIBUTION	**1,816,548**	**1,937,232**	**2,140,501**	**2,101,918**	**2,396,151**	**2,216,536**
SEWER COLLECTIONS						
PERSONNEL SERVICES						
094-4001 SUPERVISION	40,450	41,591	54,927	55,190	56,948	56,688
094-4002 CLERICAL	11,932	13,758	14,064	14,043	14,545	14,323
094-4003 OPERATIONS	124,420	159,898	156,676	164,359	162,179	163,521
094-4010 OVERTIME	18,048	22,662	22,064	27,250	27,250	27,250

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
094-4030 LONGEVITY	1,548	2,772	4,428	3,744	4,464	4,788
094-4100 RETIREMENT (TMRS)	21,402	24,065	27,436	28,046	27,207	29,269
094-4101 SUPPLEMENTAL COMPENSATION	2,515	2,855	0	0	0	0
094-4102 HOSPITAL/GROUP LIFE	31,216	36,055	36,245	48,661	41,011	51,450
094-4103 MEDICARE	2,782	3,051	3,397	3,836	3,765	3,865
PERSONNEL SERVICES	254,314	306,708	319,237	345,129	337,369	351,154
SUPPLIES						
094-5201 OFFICE SUPPLIES	257	41	88	250	250	250
094-5203 PUBLICATIONS	80	0	0	0	0	0
094-5204 WEARING APPAREL	5,628	4,072	5,019	5,200	5,200	5,200
094-5205 VEHICLE PARTS/SUPP	2,232	1,137	3,845	3,000	3,000	3,000
094-5206 VEHICLE GAS FUEL/LUB	4,541	10,645	15,333	18,700	18,700	18,700
094-5207 MINOR TOOLS/APP	2,374	2,453	2,494	2,500	2,500	2,500
094-5209 CHEMICAL SUPPLIES	1,417	1,497	1,491	1,500	1,500	1,500
094-5221 EQUIPMENT PARTS & SUPPLIES	3,759	1,910	4,201	4,500	4,500	4,500
094-5222 EQUIPMENT FUEL/LUBE	1,986	0	0	0	0	0
094-5223 VEHICLE DIESEL FUEL	4,778	0	0	0	0	0
SUPPLIES	27,051	21,755	32,471	35,650	35,650	35,650
MAINTENANCE						
094-6302 EQUIPMENT MAINT	0	6,595	2,510	4,000	4,000	4,000
094-6304 VEHICLE	2,838	3	2,204	3,000	3,000	3,000
094-6305 RADIOS	424	0	176	500	500	500
094-6307 MINOR TOOLS/APP	885	995	953	1,000	1,000	1,000
094-6341 BARRICADE	2,396	0	1,410	1,500	1,500	1,500
MAINTENANCE	6,543	7,593	7,253	10,000	10,000	10,000
CONTRACTUAL/SUNDRY						
094-7401 COMMUNICATIONS	1,248	786	634	1,500	1,500	1,500
094-7402 RENTAL OF EQUIPMENT	1,430	1,313	133	1,500	1,500	1,500
094-7407 DUES/SUBSCRIPTIONS	44	0	0	0	0	0
094-7410 TRAINING	1,645	1,039	1,777	1,750	1,750	1,750
094-7426 SEWAGE DISPOSAL FEES	1,360	910	1,170	2,000	2,000	2,000
094-7428 LABORATORY TESTING	2,290	2,350	1,750	2,500	2,500	2,500
094-7506 SEWER COSTS	1,290,827	1,208,786	1,290,958	1,277,650	1,350,000	1,294,500
CONTRACTUAL/SUNDRY	1,298,845	1,215,183	1,296,421	1,286,900	1,359,250	1,303,750
CAPITAL OUTLAY						
094-8516 RADIOS	361	0	0	0	0	0
CAPITAL OUTLAY	361	0	0	0	0	0
SEWER COLLECTIONS	**1,587,114**	**1,551,239**	**1,655,383**	**1,677,679**	**1,742,269**	**1,700,554**
TRANSFER						
CONTRACTUAL/SUNDRY						
999-7701 TRANS. TO GENERAL FUND	133,630	200,944	158,140	114,512	114,512	344,626
999-7707 TRANS. TO CAPITAL PROJECTS	0	100,000	0	0	0	0
999-7713 TRANS. TO W/S REV BD I&S '96	591,653	588,106	355,340	356,630	356,630	357,290
999-7714 TRANS. TO W/S C.O. I&S '96	982,394	980,194	1,200,931	1,155,145	1,155,145	1,148,331
999-7716 TRANS. TO W/S REV BD RESERVE	100,000	0	0	0	0	0
999-7717 TRANS. TO W/S CONSTRUCTION	131,100	167,341	21,962	14,882	14,882	415,060
999-7720 TRANS. TO JSF REPLACEMENT FD	50,341	76,552	43,828	143,000	91,878	83,000
CONTRACTUAL/SUNDRY	1,989,117	2,113,137	1,780,202	1,784,169	1,733,047	2,348,307
TRANSFER	**1,989,117**	**2,113,137**	**1,780,202**	**1,784,169**	**1,733,047**	**2,348,307**
***** TOTAL EXPENDITURES *****	**6,370,132**	**6,495,664**	**6,501,413**	**6,659,946**	**6,871,940**	**7,520,871**

Storm Drain Utility Enterprise Fund

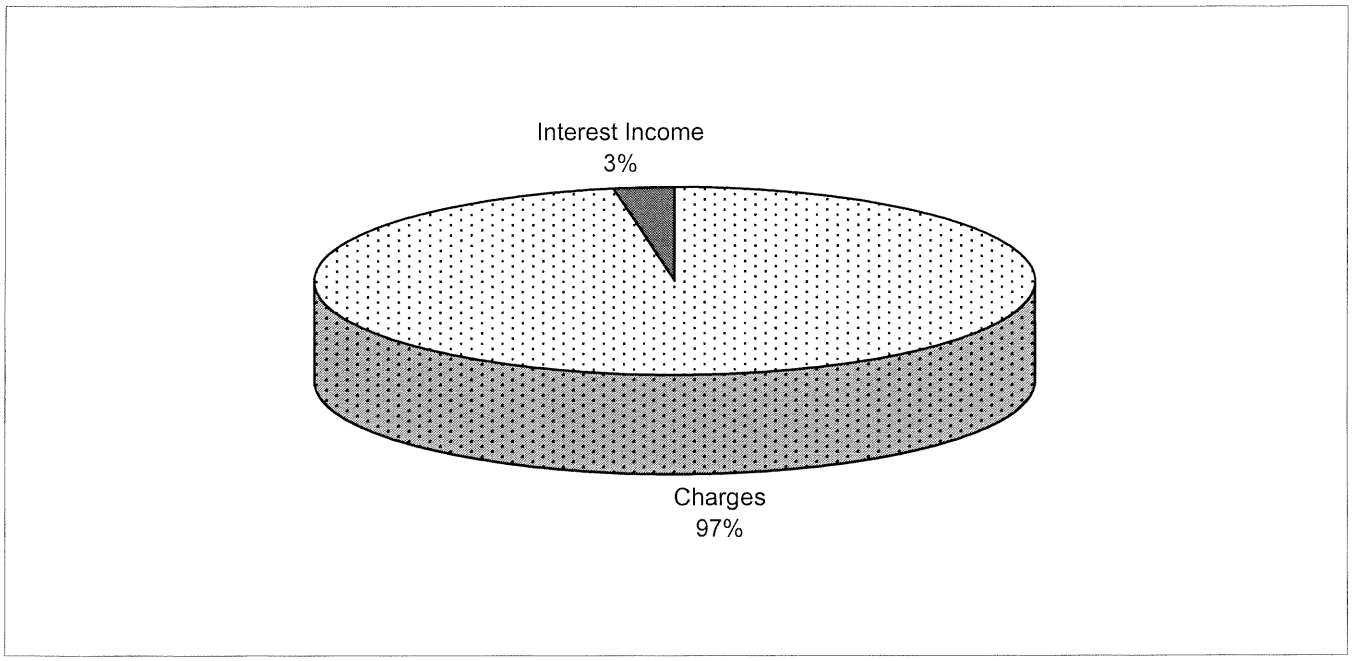
The Storm Drain Utility Enterprise Fund is a proprietary fund. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the City Council is that cost of providing services to the general public on a continuing basis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

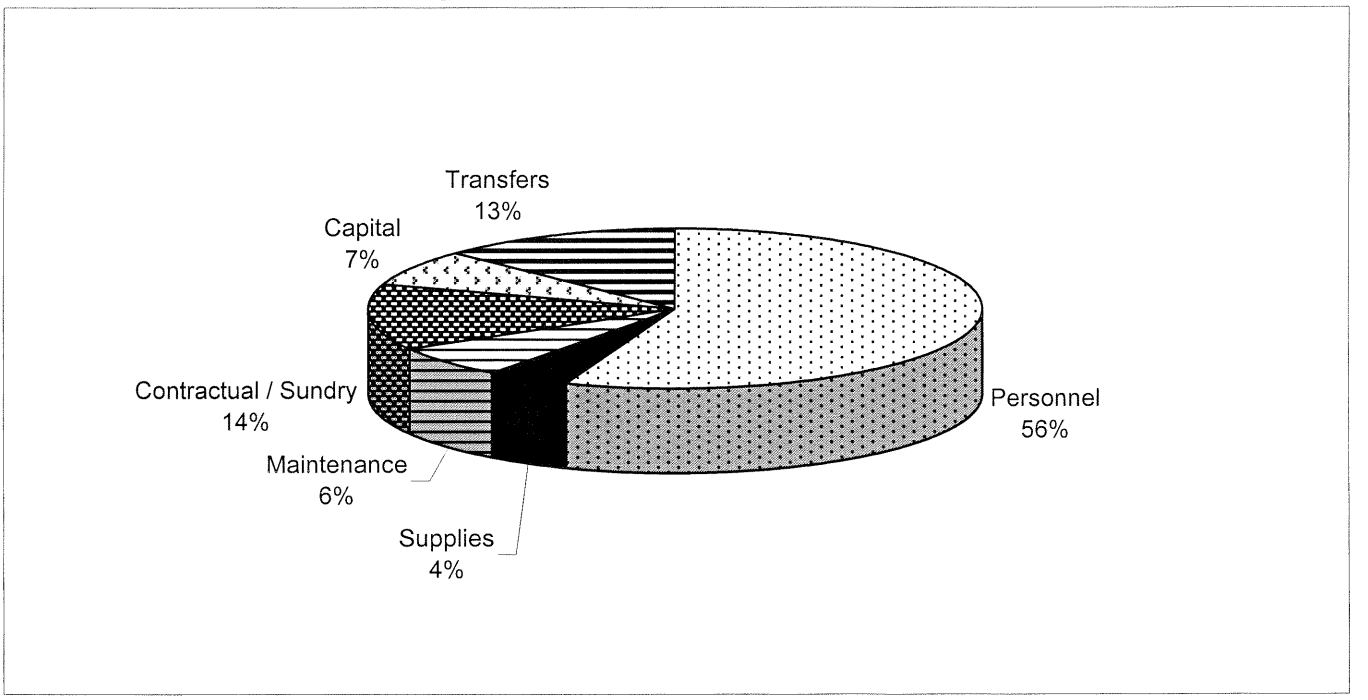
Accounting records for the Storm Drain Utility Fund are maintained on the accrual basis.

The most significant change to this fund for FY 2006-07 is the proposal for a New & Expanded program for a Capp Smith Park Breach Analysis and Emergency Action Plan.

Where Does the Money Come From:



Where Does the Money Go:



Storm Drain Utility Enterprise Fund

Budget Summary

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Working Capital, October 1	**$ 317,921**	**$ 252,340**	**$ 295,886**	**$ 292,959**	**$ 405,803**	**$ 388,294**
Revenue:						
Operating Revenues	691,143	693,401	693,076	692,000	692,701	692,700
Interest Income	3,283	3,904	10,123	8,792	19,209	19,305
Transfers In	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
Total Revenue	$694,426	$697,305	$703,199	$700,792	$711,910	$712,005
Total Available Resources	**$1,012,347**	**$949,645**	**$999,085**	**$993,751**	**$1,117,713**	**$1,100,299**
Expenditures:						
Personnel	363,125	372,177	375,865	401,597	343,709	398,280
Supplies	22,751	27,824	34,989	39,499	39,560	31,500
Maintenance	28,030	26,650	25,109	44,450	44,450	44,450
Contractual/Sundry	71,624	86,730	40,162	60,707	57,400	96,624
Capital Outlay *(Depr. Exp.)*	357,963	347,829	389,410	129,700	129,700	50,000
Transfers Out	105,588	114,250	114,500	114,600	114,600	91,755
Total Expenditures	$949,081	$975,460	$980,035	$790,553	$729,419	$712,609
Working Capital, September 30	**$ 63,266**	**$ (25,815)**	**$ 19,050**	**$ 203,198**	**$ 388,294**	**$ 387,690**
20% Working Capital Target						**$116,582**

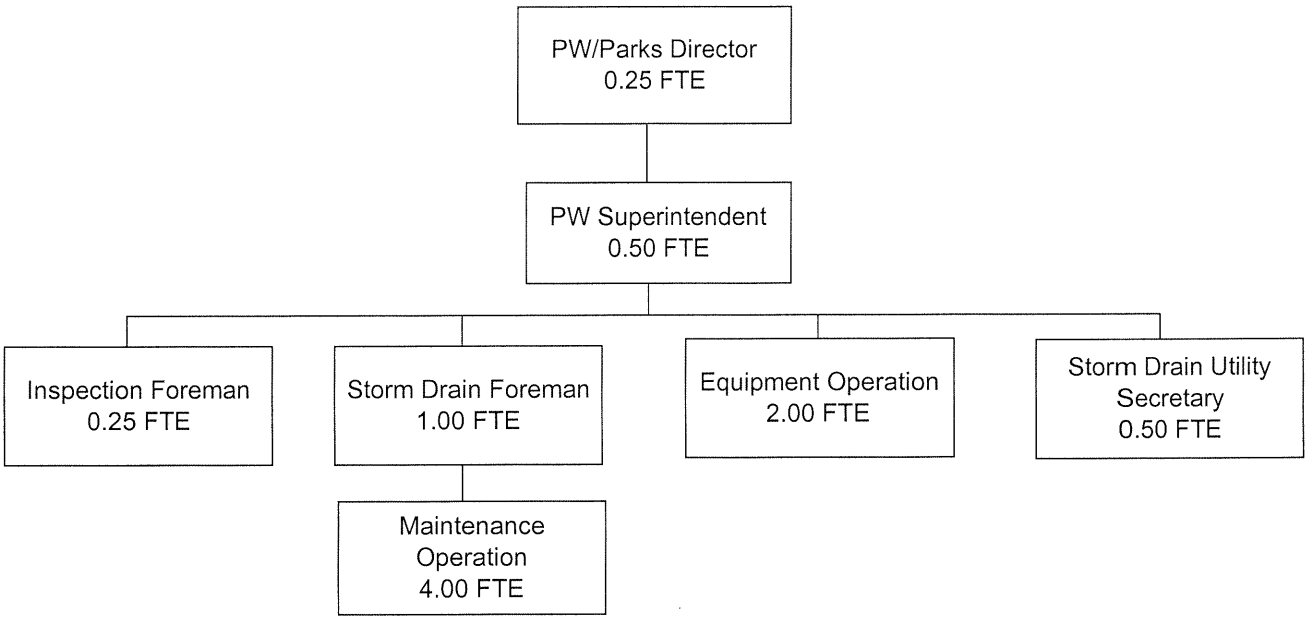
* Working Capital adjusted to CAFR first of year.

Department of Public Works

Storm Drain Utility

Location
7800 Virgil Anthony Sr. Blv.
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 2005-2006 ACCOMPLISHMENTS:

All city channels were maintained by mowing and weedeating. All channel earth work performed to maintain flowlines and grades within Watauga, to prevent homes from flooding.We have completed about 80% of our bridge maintenance (crack sealing, sidewalk and bridge road maintenance). We replaced 2,343 LF of curb and gutter on various streets to facilitate water flow.

FY 2006-2007 OBJECTIVES:

To maintain all channels, storm drains, and ditches. This will protect our city from liability due to damage from flooding.

BUDGETARY ISSUES:

The City of Watauga must maintain our channels, storm drains, and ditches by mowing, weed eating, and erosion control. This may save the city from possible liability due to flooding.

Department of Public Works

Storm Drain Utility

BUDGET SUMMARY:

	2004-05 ACTUAL	2005-06 BUDGET	2005-06 ESTIMATE	2006-07 BUDGET
EXPENDITURE SUMMARY				
Personnel Services	$375,865	$401,597	$343,709	$398,280
Supplies	$34,989	$39,499	$39,560	$31,500
Maintenance	$25,109	$44,450	$44,450	$44,450
Contractual/Sundry	$40,162	$60,707	$57,400	$96,624
Capital Outlay	$389,410	$129,700	$129,700	$50,000
Transfers	$114,500	$114,600	$114,600	$91,755
Total Expenditures	$980,035	$790,553	$729,419	$712,609
PERSONNEL ASSIGNED				
PW Director	0.25	0.25	0.25	0.25
PW Superintendent	0.50	0.50	0.50	0.50
Inspection Foreman	0.25	0.25	0.25	0.25
Storm Drain Utility Secretary	0.50	0.50	0.50	0.50
Maintenance Foreman	1.00	1.00	1.00	1.00
Maintenance Worker II	1.00	1.00	1.00	1.00
Maintenance Worker I	3.00	3.00	3.00	3.00
Equipment Operator	1.00	1.00	1.00	1.00
Sweeper Operator	1.00	1.00	1.00	1.00
Summer Help	1.25	1.00	1.00	1.00
TOTAL	9.75	9.50	9.50	9.50

SIGNIFICANT BUDGET HIGHLIGHTS:

Capp Smith Park Breach Analysis and Emergency Action Plan	31,000
Backhoe and Scagg Mower	($79,700)
Reduced Payment for Equipment Replacement Fund	($22,880)

PERFORMANCE MEASURES:

	FY2004-05	FY2005-06	FY2006-07
COW 1/3 Mow and weed a percentage of channels on a monthly basis	100%	100%	100%
COW 2 Complete a percent of storm drain structural repair projects within a month	100%	100%	100%
COW 1/2/3 Clean a percentage of curbs and gutters on a monthly basis	100%	100%	100%
COW 1/2 Reestablish a percentage of grade & flow lines within 3 months of construction	100%	100%	100%
COW 1/3/9 Hours spent mowing and cutting weeds *(purchase of new equipment - faster results)*	5,090	5,000	5,000
COW 1/3/9 Number of weed-abated sites	27	27	27
COW 1/3/9 Hours spent in repairing rock, rubble, debris, and repairs	80	160	90

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
15 -STORM DRAIN UTILITY FUND						
REVENUES						
TAXES						
000-3015 USERS FEE	691,143	693,401	693,076	692,000	692,701	692,700
TAXES	691,143	693,401	693,076	692,000	692,701	692,700
MISCELLANEOUS						
000-3660 INTEREST INCOME	3,283	3,904	10,123	8,792	19,209	19,305
MISCELLANEOUS	3,283	3,904	10,123	8,792	19,209	19,305
***** TOTAL REVENUES *****	**694,426**	**697,305**	**703,199**	**700,792**	**711,910**	**712,005**
NON-DEPARTMENTAL						
CONTRACTUAL/SUNDRY						
020-7496 CONTINGENCY	0	5,720	2,515	13,307	10,000	18,189
020-7515 PAYMENT IN LIEU OF TAXES	33,500	34,250	34,500	34,600	34,600	34,635
CONTRACTUAL/SUNDRY	33,500	39,970	37,015	47,907	44,600	52,824
NON-DEPARTMENTAL	**33,500**	**39,970**	**37,015**	**47,907**	**44,600**	**52,824**
PUBLIC WORKS						
PERSONNEL SERVICES						
090-4001 SUPERVISION	91,627	93,326	98,629	94,371	81,091	92,216
090-4002 CLERICAL	16,170	16,601	16,784	16,727	16,733	17,400
090-4003 OPERATIONS	159,575	160,534	162,071	167,079	145,600	159,372
090-4010 OVERTIME	2,836	1,171	954	4,000	4,000	4,000
090-4020 TEMP/PART TIME	13,490	16,620	6,881	17,680	17,680	17,680
090-4030 LONGEVITY	3,156	4,068	7,740	5,220	3,924	5,436
090-4100 RETIREMENT	30,245	30,810	32,052	30,464	25,503	30,132
090-4101 SUPPLEMENTAL COMPENSATION	3,887	3,294	0	0	0	0
090-4102 HOSPITAL & GROUP LIFE	37,263	39,839	46,323	54,006	44,315	56,774
090-4103 MEDICARE TAX	4,875	5,150	4,431	5,520	4,863	5,390
090-4105 VACATION/COMP TIME	0	764	0	0	0	0
090-4107 SALARY ADJUSTMENTS	0	0	0	6,530	0	9,880
PERSONNEL SERVICES	363,125	372,177	375,865	401,597	343,709	398,280
SUPPLIES						
090-5201 OFFICE SUPPLIES	548	165	156	250	311	275
090-5204 WEARING APPAREL	3,436	4,737	4,015	5,400	5,400	5,400
090-5205 VEHICLE PARTS & SUPPLIES	1,376	1,207	2,412	2,000	2,000	2,000
090-5206 VEHICLE GAS FUEL/LUBE	4,701	12,914	17,907	21,349	21,349	13,325
090-5207 MINOR TOOLS & APPARATUS	3,528	1,632	5,071	4,700	4,700	4,700
090-5212 AGRICULTURAL SUPPLIES	486	500	485	500	500	500
090-5219 FLOOD CONTROL	294	292	298	300	300	300
090-5221 EQUIPMENT PARTS & SUPPLIES	1,506	6,376	4,646	5,000	5,000	5,000
090-5222 EQUIPMENT FUEL/LUBE	1,535	0	0	0	0	0
090-5223 VEHICLE DIESEL FUEL	5,340	0	0	0	0	0
SUPPLIES	22,751	27,824	34,989	39,499	39,560	31,500
MAINTENANCE						
090-6304 VEHICLE MAINTENANCE	14,710	10,397	12,279	17,500	17,500	17,500
090-6305 RADIO MAINTENANCE	60	43	206	350	350	350
090-6307 MINOR TOOL & APPARATUR MAINT.	124	216	521	750	750	750
090-6320 STORM SEWERS & DRAINAGE MAINT.	12,431	15,890	11,782	25,000	25,000	25,000
090-6341 BARRICADE MAINTENANCE	204	76	236	350	350	350
090-6347 FENCES	501	29	85	500	500	500
MAINTENANCE	28,030	26,650	25,109	44,450	44,450	44,450
CONTRACTUAL/SUNDRY						
090-7401 COMMUNICATIONS	521	406	408	1,100	1,100	1,100
090-7402 RENTAL OF EQUIPMENT	0	171	417	800	800	800
090-7404 SPECIAL SERVICES	0	42,500	0	0	0	31,000
090-7410 TRAINING	981	543	740	1,000	1,000	1,000
090-7425 ENGINEERING FEES	11,226	0	0	2,000	2,000	2,000
090-7428 LABORATORY TESTING	0	0	0	500	500	500
090-7496 CONTINGENCY	19,840	0	0	5,000	5,000	5,000
090-7502 BAD DEBT EXPENSE	1,299	3,141	1,583	0	0	0
090-7680 COG STORM WATER PHII	4,256	0	0	2,400	2,400	2,400
CONTRACTUAL/SUNDRY	38,124	46,760	3,147	12,800	12,800	43,800
CAPITAL OUTLAY						
090-8506 DEPRECIATION EXPENSE	357,963	347,035	339,410	0	0	0
090-8514 HEAVY EQUIPMENT	0	0	0	79,700	79,700	0
090-8516 RADIOS	0	794	0	0	0	0

Line Item Budget Detail

	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 CURRENT BUDGET	2005-2006 PROJECTED YEAR END	2006-2007 PROPOSED BUDGET
090-8567 STORM DRAIN IMPROVEMENTS	0	0	50,000	50,000	50,000	50,000
CAPITAL OUTLAY	357,963	347,829	389,410	129,700	129,700	50,000
PUBLIC WORKS	**809,992**	**821,241**	**828,521**	**628,046**	**570,219**	**568,030**
TRANSFERS TO OTHER FUNDS						
CONTRACTUAL/SUNDRY						
999-7701 TRANS. TO GENERAL FUND	25,588	34,250	34,500	34,600	34,600	34,635
999-7715 TRANS. TO INTERNAL SERVICE	80,000	80,000	80,000	80,000	80,000	57,120
CONTRACTUAL/SUNDRY	105,588	114,250	114,500	114,600	114,600	91,755
TRANSFERS TO OTHER FUNDS	**105,588**	**114,250**	**114,500**	**114,600**	**114,600**	**91,755**
***** TOTAL EXPENDITURES *****	**949,080**	**975,460**	**980,036**	**790,553**	**729,419**	**712,609**

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.

The significant change for the FY 2006-07 Budget is the expected receipt of some revenues in the Bunker Hill Drainage Fund for the construction of 'garden offices' that are effected by this impact fee. 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

Budget Summary

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1	**$316,861**	**$385,234**	**$392,434**	**$315,520**	**$315,603**	**$189,738**
Revenues:						
Impact Fees	63,853	2,797	0	0	20,000	14,608
Penalty & Late Fees	0	0	0	0	0	0
Interest Income	4,520	4,403	9,096	4,500	10,026	2,130
Total Revenue	$68,373	$7,200	$9,096	$4,500	$30,026	$16,738
Total Available Resources	**$385,234**	**$392,434**	**$401,530**	**$320,020**	**$345,629**	**$206,476**
Transfers Out:						
GO Debt Service (98 Bond)	0	0	85,927	155,891	155,891	155,715
Total Transfers Out	$0	$0	$85,927	$155,891	$155,891	$155,715
Fund Balance, September 30	**$385,234**	**$392,434**	**$315,603**	**$164,129**	**$189,738**	**$50,761**

Water Impact Fees

Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Working Capital, October 1*	**$309,345**	**$0**	**$0**	**$0**	**$0**
Revenue:					
Impact Fees	23,925	1,810	0	0	0
Transfer	0	0	0	0	0
Interest Earnings	5,210	4,146	0	0	0
Total Revenue	$29,135	$5,956	$0	$0	$0
Total Available Resources	**$338,480**	**$5,956**	**$0**	**$0**	**$0**
Debt Service Requirements:					
Contingency	0	9,077	0	0	0
Study / Construction Costs	338,480	0	0	0	0
Total Expenditures	$338,480	$9,077	$0	$0	$0
Working Capital, September 30	**$0**	**-$3,121**	**$0**	**$0**	**$0**

*FY2003 $162,145 Auditor adjustment for sale of asset to another fund does not need to be performed since aggregated. Negative cash balance will offset transfer to Capital Fund.

Close Out FY06

Sewer Impact Fees

Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Working Capital, October 1	**$121,963**	**$8,164**	**$8,473**	**$8,164**	**$8,515**
Revenue:					
Sewer Impact Fees	7,017	635	0	0	0
Interest Earnings	1,322	220	0	351	353
Total Resources	$8,339	$855	$0	$351	$353
Total Available Resources	**$130,302**	**$9,019**	**$8,473**	**$8,515**	**$8,868**
Expenditures:					
Contingency / Construction Costs	104,618	0	0	0	0
Engineering	17,520	730	0	0	0
Total Expenditures	$122,138	$730	$0	$0	$0
Working Capital, September 30	**$8,164**	**$8,289**	**$8,473**	**$8,515**	**$8,868**

Internal Service Fund

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.

No new one-time funding is in the FY 2006-07 Internal Service Fund budget. All other funds handled their own one-time purchasing for the year. Internal Services is being converted in 2007 to be an equipment replacement fund with its remaining fund balances.

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Revenues:						
Pmt from General Fund	181,000	181,000	131,000	70,000	70,000	50,000
Pmt from PDC Sales Tax Fund	65,000	65,000	55,000	45,000	45,000	0
Pmt from Capital Proj Fund	65,000	65,000	30,000	0	0	0
Pmt from W/S Operating Fund	86,000	57,333	11,000	11,000	11,000	7,854
Pmt from W/S Construction Fund	25,000	16,667	0	0	0	0
Pmt from CCD	40,000	40,000	40,000	40,000	40,000	0
Pmt from Storm Drain	80,000	80,000	80,000	80,000	80,000	57,120
Pmt from Municipal Tech Fee	0	0	0	0	3,000	0
Rental of Facilities	13,462	17,706	14,496	0	0	0
Total Charges for Service:	$555,462	$522,706	$361,496	$246,000	$249,000	$114,974
Other Revenues:						
Interest Income	2,591	2,739	7,248	2,000	13,953	14,023
Total Other Revenue	$ 2,591	$ 2,739	$ 7,248	$ 2,000	$ 13,953	$ 14,023
Total Revenues:	$558,053	$525,445	$368,744	$248,000	$262,953	$128,997
Expenditures:						
Lease Purchase Costs (FY00-01)	0	0	0	0	0	0
Lease Purchase Costs (FY01-02)	0	0	(1,342)	239,113	235,000	0
Operating Expense	1,654	1,654	1,655	0	0	0
Interest Expense	28,072	38,591	18,937	15,000	4,113	0
Contingency	0	0	0	173,137	0	0
Computer Hardware	11,655	0	0	15,000	0	0
Computer Software	5,233	0	0	0	0	0
Other Equipment*	56,268	0	0	0	0	0
Depreciation Expense	210,956	214,749	213,443	0	0	0
Total Expenditures:	$313,838	$254,994	$232,693	$442,250	$239,113	$0
Revenues Over(Under) Expenses	**$244,215**	**$270,451**	**$136,051**	**($194,250)**	**$23,840**	**$128,997**

Actual Adjusted for Capitalization

CAPITAL PROJECTS FUNDS

General Capital Fund

Watauga Parks Development Capital Fund

Water and Sewer Capital Fund

Capital Projects

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 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 toward 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 the City forces normal operating and maintenance on subgrade repair, milling, and overlay. Both street projects and normal operating and maintenance 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 being implemented immediately 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.

It is the goal of the City of Watauga to have a Capital Improvements Program that is focused on adding value and extend 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.

GENERAL CAPITAL PROJECTS
Budget Summary

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Beginning Fund Balance*	**$1,217,220**	**$2,790,527**	**$2,232,578**	**$623,602**	**$6,831,193**	**$3,809,611**
Revenues:						
Transfer from General Fund	600,000	662,160	2,815,963	598,047	598,047	825,000
Transfer from Water/Sewer Construction	187,190	14,158	0	0	0	0
Transfer from Water/Sewer Operations	0	100,000	0	0	0	0
Note Proceeds	2,300,000	0	5,049,531	5,000,000	0	0
Developer Reimbursement	0	0	0	0	0	0
Interest Income / Misc.	27,121	60,481	87,466	35,000	244,168	186,923
Total Revenue:	$3,114,311	$836,799	$7,952,960	$5,633,047	$842,215	$1,011,923
Total Available Resources	**$4,331,531**	**$3,627,326**	**$10,185,538**	**$6,256,649**	**$7,673,408**	**$4,821,534**
Expenditures:						
Flemming	223,286	0	0	0	0	0
North Park (Pebblebrook to Rufe Snow)	27,219	159,330	0	0	0	0
Engineering	4,551	130	0	401,000	205,000	0
Asphalt Maintenance	114,357	95,070	120,346	125,000	125,000	125,000
Channel Improvements	0	0	0	0	0	0
Sidewalk Replacement	39,272	44,991	49,158	100,000	100,000	100,000
Traffic Signal Bursey @ Rufe Snow	0	0	0	0	40,000	0
Traffic Signal Starnes & 377	116,525	0	0	0	0	0
Starnes	0	164,941	215,457	1,100,000	91,677	1,068,496
Watauga Rd Patsy/Saramac/Stardust	10,217	0	0	0	0	0
Whitley & Starnes Intersection	0	4,234	1,817	0	0	0
Contingency	0	0	30,000	30,000	0	30,000
Bond Issuance	42,522	0	104,339	100,000	0	0
Pmt to NRH for Rufe Snow	22,589	19,785	19,785	85,000	85,000	85,000
CDBG 32nd Year	0	0	0	0	0	65,000
CDBG 28th Year ConstructionADA Sidewalks	0	1,610	0	0	0	0
CDBG 31st Year Dream Lane(was 24th Yr)	0	0	0	65,000	65,000	0
CDBG 30th Year Avalon	0	0	44,129	0	0	0
Avalon - CDBG 29th Year	0	0	68,447	0	0	0
Street Overlays	679,071	637,579	447,714	500,000	500,000	550,000
Payment to Internal Service Fund	65,000	65,000	30,000	0	0	0
Street Light Replacement Program	0	0	0	25,000	0	25,000
Indian Springs	3,764	0	0	0	0	0
Foster Village	146,596	0	10,445	0	0	0
Building Improvements	0	86,160	23,977	2,121,933	1,726,301	2,000,000
City Hall	46,035	115,918	2,188,731	925,819	925,819	0
Total Fund Expenditures:	$1,541,004	$1,394,748	$3,354,345	$5,578,752	$3,863,797	$4,048,496
Ending Fund Balance	**$2,790,527**	**$2,232,578**	**$6,831,193**	**$677,897**	**$3,809,611**	**$773,038**

* $501,483 Due from another fund booked by auditors on CAFR but not a real receivable.

Parks Development Corporation

Capital Projects Fund Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Fund Balance, October 1	**$92,067**	**$200,344**	**$528,514**	**$671,599**	**$507,716**
Revenue:					
Interest Earnings	1,703	11,134	8,000	26,080	26,093
Proceeds From the Sale of Assets	0	431,858	0	0	0
Transfer From PDC Sales Tax Fund	152,466	253,471	262,844	262,844	190,316
Other Financing Sources	4,358	0	0	0	0
Matching Grants	0	0	0	0	0
Total Revenues:	$158,527	$696,463	$270,844	$288,924	$216,409
Total Available Resources	**$250,594**	**$896,807**	**$799,358**	**$960,523**	**$724,125**
Expenditures:					
Non-Departmental	0	(549)	0	0	0
Indian Springs Park	23,250	176,393	413,158	398,157	250,000
Virgil Anthony Sr. Park (formerly Kiker)	0	0	0	0	0
Capp Smith	0	6,650	0	0	0
Contingency (Non-Departmental)	0	0	0	0	0
Foster Village Park	0	42,714	70,000	54,650	0
Indian Springs Community Center	7,000	0	0	0	0
Total Expenditures:	$30,250	$225,208	$483,158	$452,807	$250,000
Other Expenditures:					
Transfer to G. O. Debt Service	20,000	0	0	0	0
Total Other Sources (Uses):	$20,000	$0	$0	$0	$0
Fund Balance, September 30	**$200,344**	**$671,599**	**$316,200**	**$507,716**	**$474,125**

Water & Sewer Fund Capital Projects

Budget Summary

	2005-06 Budget	2005-06 Estimated	2006-07 Proposed
Cash Balance, at October 1	**$133,618**	**$98,525**	**($36,593)**
Revenue:			
Bond Proceeds	0	0	0
Interest Income	1,500	0	1,000
Transfer from Water Sewer Operating	14,882	14,882	415,060
Transfer from Other Funds	0		0
Total Revenue/Other Sources	$16,382	$14,882	$416,060
Total Available Resources	**$150,000**	**$113,407**	**$379,467**
Expenditures:			
Water Distribution	0	0	0
Sewer Collection	0	0	0
Watauga Rd/RS S. Develop	0	0	0
Water Line Replacement	0	0	118,485
Water & Sewer Mains	90,000	90,000	90,000
Rufe Snow 12" fr Ridgetop/Fair Meadows	0	0	0
Rufe Snow 12" fr. Starnes/Valley View	0	0	0
Locking Valve/Rufe Snow/Ridgetop	0	0	0
Meter Station/Starnes - 16" Line	0	0	0
Meter Station/Hightower - 16" Line	0	0	0
Meter Station/Watauga Rd. - 12" Line	0	0	0
Cut, Plg and Blk E/W/Rufe Snow 6"-10"	0	0	0
SSES Repairs	60,000	60,000	60,000
Engineering & Constr. Contingency	0	0	0
Computer Software	0	0	0
Upgrade INCODE applications	0	0	0
Bond Issuance	0	0	0
Major Tools & Apparatus	0	0	0
CDBG Year 31	0	0	109,982
City Hall	0	0	0
Total Expenditures	$150,000	$150,000	$378,467
Transfers:			
Transfer to Revenue Bond Reserves	0	0	0
Transfer to GO Capital Reserve for City Hall	0	0	0
Transfer to Internal Service	0	0	0
Transfer to W/S Revenue Debt Service	0	0	0
Total Transfers	$0	$0	$0
Cash Balance, September 30	**$0**	**($36,593)**	**$1,000**

CIP 2006 - 2011	BUILDINGS & PARKS		FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
				Phase I	Phase II	Phase III	Phase IV	Phase V
TYPE BUILDING	Size	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
PSD Remodeling	9,000 s.f.	$2,000,000	Existing C.O. Bonds	*				
Library Addition	5,000 s.f.	$1,396,000	Existing C.O. Bonds	*				
Park Improvements (Restroom/Storage)	1,000 s.f.	$ 250,000	PDC Funds	*				
	Total	$3,646,000		$3,646,000	$ - 0 -	$ - 0 -	$ - 0 -	$ - 0 -

Annual Operating Budgetary Issues:

PSD Remodel:	Personnel Services:	N/A	
	Supplies:	Jail Cleaning Supplies	$0
	Contractual / Sundry	Electricity	$1,500
Library Addition:	Personnel Services:	N/A	
	Supplies:	Library Materials (Friends / Donations)	$10,000
	Contractual / Sundry:	Electricity & Gas Services	$3,000
Park Improvements:	Personnel Services:	N/A	
	Supplies:	Chemicals and Living Plants	$500
	Contractual / Sundry:	Water & Electric Services	$1,000

CIP 2006 - 2011		STREET PROJECTS				FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
							Phase I	Phase II	Phase III	Phase IV	Phase V
Page	Streets	Locations	Width	Length	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
S03	Whitley Rd. – South	Watauga Rd. to South City Limit	32'	2,188	$ 528,000	C.O. Bonds					*
S04	Nola Dr.	Nola Court to Summit	31'	460	$ 104,000	Revenues			*		
S05	Yorkston	Chesapeake to Constitution Dr.	32'	1,970	$ 563,000	Revenues					*
S06	Starnes Rd. (½ City – ½ County)	US 377 to Pebblebrook	17' x 42'	4,320	$2,320,346	City/County Funds	*				
S09	Whitley Rd. – North	Old Whitley Rd. to Haney Dr.	42'	2,480	$ 498,500	C.O. Bonds					*
S10	Bursey Rd. – West	Whitley Rd. to Willis Ln.	42'	2,290	$ 802,000	C.O. Bonds					*
S11	Bursey Rd. – East	Willis Ln. to Rufe Snow	42'	2,550	$ 893,000	C.O. Bonds					*
S12	Whitley Rd. – North	Hightower to Starnes Rd.	42'	2,868	$ 866,136	C.O. Bonds					*
S13	Starnes Rd. – Phase IV	Starnes Rd. – Phase IV	42'	1,890	$ 570,800	C.O. Bonds			*		
S15	Whitley Rd. – Connection	Watauga Rd. to Haney Dr.	42'	550	$ 166,100	C.O. Bonds					*
S16	Dream Lane (CDBG)	Stardust Dr. to Avalon Dr.	32'	1,226	$ 672,295	cdbg		*	*	*	*
S18	Carousel Drive	Stardust Dr. to Perdido Dr.	32'	1,684	$ 508,568	C.O. Bonds					*
S19	Perdido Dr. (CDBG)	Carousel Dr. to Summit Ridge Dr.	32'	2,062	$ 622,724	C.D.B.G.					*
S20	Route 66	Summertime La. to Summit Ridge Dr.	32'	1,254	$ 378,708	C.O. Bonds					*
				Total	$9,494,177		$2,320,346	$168,074	$842,874	$168,074	$5,994,809

Annual Operating Budgetary Issues:

All Projects: Personnel Services: Inspector Time Regular Operating Hours Expected

CIP 2006 - 2011 STREET OVERLAYS		FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
			Phase I	Phase II	Phase III	Phase IV	Phase V
STREETS	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Need basis justification (determined annually) (includes $50,000 slurry seal)	$ 550,000	Revenues	*				
Need basis justification (determined annually)	$ 300,000	Revenues		*			
Need basis justification (determined annually)	$ 300,000	Revenues			*		
Need basis justification (determined annually)	$ 300,000	Revenues				*	
Need basis justification (determined annually)	$ 300,000	Revenues					*
Total	$1,750,000		$550,000	$300,000	$300,000	$300,000	$300,000

Annual Operating Budgetary Issues:

All Projects: Personnel Services: Inspector Time Regular Operating Hours Expected

CIP 2006 - 2011	TRAFFIC SIGNALIZATION PROJECTS		FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
				Phase I	Phase II	Phase III	Phase IV	Phase V
Page	Signal Location	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
T01	Whitley Road at New Bursey	$ 83,000	Revenues			*		
T02	Hightower Road at Whitley Road	$100,000	Revenues		*			
T03	Watauga Road at Maurie Dr.	$115,000	Revenues				*	
	Total	$298,000		$ - 0 -	$100,000	$83,000	$115,000	$ - 0 -

Annual Operating Budgetary Issues:

All Signals: Contractual / Sundry Electrical Services $500

CIP 2006 - 2011	DRAINAGE PROJECTS			FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
					Phase I	Phase II	Phase III	Phase IV	Phase V
Page	Drainage Channel Location	Length	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
D01	Bunker Hill	1,940	$1,824,000	G.O. Bonds				*	
D04	Whitley Road Improvements	1,320	$ 290,000	Revenues		*			
		Total	$2,114,000		$ - 0 -	$290,000	$ - 0 -	$1,824,000	$ - 0 -

Annual Operating Budgetary Issues:

All Projects: Unknown at this Time

CIP 2006 - 2011	WATER LINE PROJECTS					FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
							Phase I	Phase II	Phase III	Phase IV	Phase V
Page	Water Line	Location	Length	Size	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
W11	US Hwy. 377 – Ph II	Shipp Dr. to Watauga Rd.	2,510	8"	$ 188,200	Revenues					*
W12	Browning Heights North	Haney Dr. to Watauga Rd.	520	8"	$ 31,200	Revenues	*				
W13	Rufe Snow Drive–Ph VI	Sunset Rd. past Watauga Rd.	2,060	12"	$ 250,000	Revenues					*
W14	Rufe Snow Drive–Ph V	Hightower Rd. to Sunset Rd.	3,125	12"	$ 375,000	Revenues				*	
W17	Bursey Road–Ph II	April Lane to Rufe Snow Dr.	1,270	12"	$ 114,300	Revenues			*		
W20	Meadowbrook Drive	Starnes Rd. to Ridglea Dr.	289	8"	$ 18,785	Revenues	*				
W21	Rufe Snow Drive-Ph VII	Fair Meadow Dr. to Starnes Rd.	798	12"	$ 87,780	Revenues			*		
W23	Dream Lane	Stardust Dr. to Avalon Dr.	1,253	8"	$ 84,500	Revenues	*				
W24	Saramac	Lalagray La. to Morris Blvd.	1,009	8"	$ 65,585	Revenues		*			
W25	Johnnie Street Easement	Johnnie St. to Patsy Lane	1,195	8"	$ 77,675	Revenues		*			
W26	Watauga Road	Denton Hwy. to Johnnie St.	928	8"	$ 68,500	Revenues	*				
W27	Watauga Road	Easement to Linda Drive	855	8"	$ 55,575	Revenues		*			
			Total		$1,417,100		$202,985	$198,835	$202,080	$375,000	$438,200

Annual Operating Budgetary Issues:

All Projects: Unknown at this Time

CIP 2006 - 2011		WASTE WATER LINE PROJECTS				FUNDING SOURCE	YEAR OF PROPOSED CONSTRUCTION				
							Phase I	Phase II	Phase III	Phase IV	Phase V
Page	Sewer Line	Location	Length	Size	Cost		2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
SS08	Watauga Road	Linda Dr. at Hwy. 377	807	8"	$ 56,000	Revenues		*			
SS09	Shipp Drive	To Bowie St. at Hwy. 377	1,064	8"	$ 75,000	Revenues			*		
SS10	Dream Lane	Stardust Dr. to Avalon Dr.	1,253	8"	$ 107,705	CDBG	*				
SS11	Allen at 377	Bonnie to Shipp	1,000	8"	$ 70,000	Revenues		*			
			Total		$308,705		$107,705	$126,000	$75,000	$ - 0 -	$ - 0 -

Annual Operating Budgetary Issues:

All Projects: Unknown at this Time

DEBT SERVICE FUNDS

General Debt Service Fund

Watauga Parks Development Debt Service Fund

Water and Sewer Certificates of Obligation Debt Service Fund

Water and Sewer Revenue Bond Debt Service Fund

Debt Service Fund

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 $0.179298 funds the property tax share of the 2006-2007 debt payment. This is 30.87% 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 current year transfer from the Bunker Hill Drainage Impact Fee fund covers current year needs for the Series 1998 debt service requirements.

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.

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.

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 advanced 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.

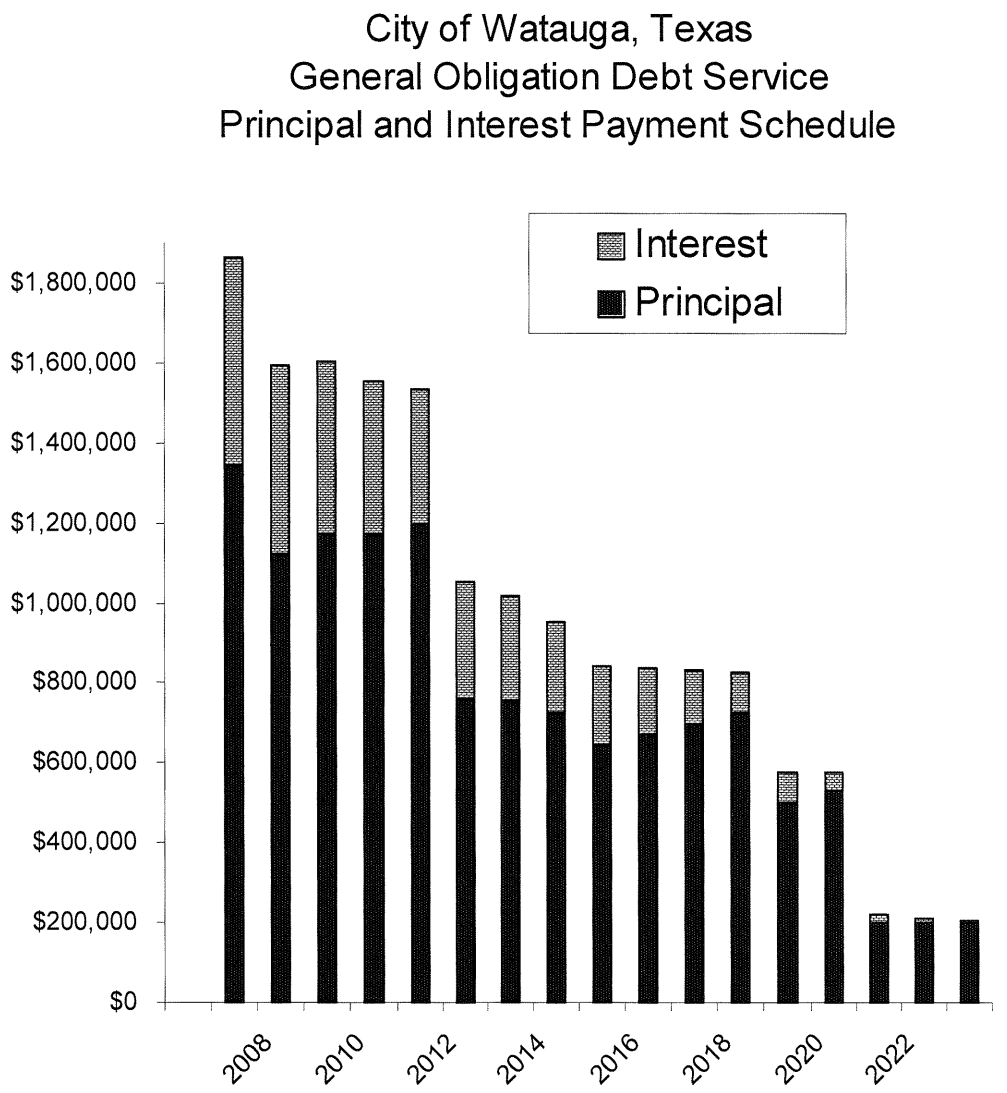
The focus for future budgets will be on phasing in portions of the bond program and adopting a combination of bond issuance and cash financing to fit within budgetary (tax rate) constraints. Special consideration will be given to the leveling of City Debt. The City will experience a drop in total obligations in 2007 and a substantial drop in 2008. Current obligations retire in 2023. City Net General Obligation Debt per Capita is $523.86 and Net General Obligation Debt to Assessed Taxable Valuation is 1.26%. More needed capital projects are being considered as current 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.

The rating continued to reflect the City's:

- Stabled, yet gradually diversifying, residential property tax base;
- 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.



General Obligation Debt Service

Budget Summary

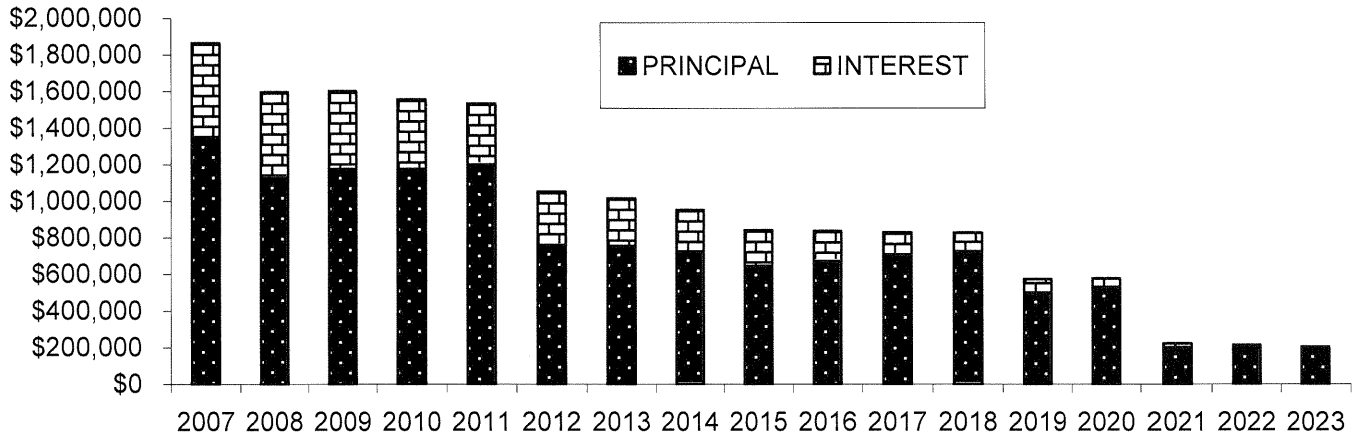
	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1*	**$582,986**	**$492,970**	**$235,427**	**$60,711**	**$83,669**	**$74,341**
Revenues:						
Ad Valorem Taxes	1,562,114	1,557,616	1,594,511	1,704,690	1,675,131	1,709,952
Delinquent Taxes	18,386	17,344	19,668	14,500	18,561	18,490
Penalty & Interest	13,694	13,736	13,414	12,000	15,959	14,201
Interest Income	9,031	12,999	8,354	8,161	13,942	14,011
Transfer from Drainage Impact Fees	0	0	85,927	155,891	155,891	155,715
Transfer from Drainage Impact Fees (Rsrvd)	0	0	0	0	0	0
Transfer from Capital Projects	0	0	0	0	0	0
Transfer from PDC Construction	20,000	20,000	0	0	0	0
Overpayment of Taxes	12,181	0	161	0	0	0
Proceed From Bond Sales	0	1,080,000	0	0	0	0
Current Year Resources	$1,635,406	$2,701,695	$1,722,035	$1,895,242	$1,879,484	$1,912,369
Total Available Resources	**$ 2,218,392**	**$ 3,194,665**	**$ 1,957,462**	**$ 1,955,953**	**$ 1,963,153**	**$ 1,986,710**
Debt Service Requirements:						
2003 Certificate of Obligation:						
Principal	0	300,000	225,000	75,000	75,000	100,000
Interest	0	80,300	68,300	62,675	62,675	60,050
1992 / 2001General Obligation Refund:						
Principal	680,000	710,000	730,000	760,000	760,000	390,000
Interest	107,965	84,490	58,560	30,425	30,425	7,898
1994 / 2004 General Obligation Refund:						
Principal	375,000	150,000	170,000	175,000	175,000	180,000
Interest	67,395	39,623	24,863	20,563	20,563	16,125
1998 Certificates of Obligation						
Principal	70,000	75,000	80,000	85,000	85,000	90,000
Interest	$84,623	$80,091	$75,248	$70,091	$70,091	$64,915
1999 General Obligation						
Principal	$125,000	$135,000	$145,000	$150,000	$150,000	$160,000
Interest	$213,954	$206,766	$294,337	$190,666	$186,354	$177,441
2005 Certificates of Obligation						
Principle	$0	$0	$0	$0	$70,000	$425,000
Interest	$0	$0	$0	$273,875	$198,819	$189,269
Payment to Escrow	0	1,066,695	0	0	0	0
Issuance Costs	0	29,305	0	0	0	0
Fiscal Agent Charges	1,485	1,968	2,485	5,000	4,885	4,885
Total Debt Service Requirement	$1,725,422	$2,959,238	$1,873,793	$1,898,295	$1,888,812	$1,865,583
Fund Balance, September 30	**$492,970**	**$235,427**	**$83,669**	**$57,658**	**$74,341**	**$121,127**

G.O. Debt Service Requirements to Maturity

as of October 1, 2007

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	INTEREST	TOTAL
2007	$12,625,000	$1,345,000	$520,298	$1,865,298
2008	$11,280,000	$1,125,000	$471,690	$1,596,690
2009	$10,155,000	$1,175,000	$427,601	$1,602,601
2010	$8,980,000	$1,175,000	$381,491	$1,556,491
2011	$7,805,000	$1,200,000	$333,469	$1,533,469
2012	$6,605,000	$760,000	$293,294	$1,053,294
2013	$5,845,000	$755,000	$260,554	$1,015,554
2014	$5,090,000	$725,000	$227,818	$952,818
2015	$4,365,000	$645,000	$196,742	$841,742
2016	$3,720,000	$670,000	$166,749	$836,749
2017	$3,050,000	$695,000	$135,802	$830,802
2018	$2,355,000	$725,000	$103,226	$828,226
2019	$1,630,000	$500,000	$74,275	$574,275
2020	$1,305,000	$530,000	$48,688	$578,688
2021	$600,000	$200,000	$21,650	$221,650
2022	$400,000	$200,000	$13,050	$213,050
2023	$200,000	$200,000	$4,375	$204,375
		$12,625,000	$3,680,769	$16,305,769

	Year	Total	Principal	Interest
This Year's Requirement	2007	$1,865,298	$1,345,000	$ 520,298
Maximum Requirement	2007	$1,865,298	$1,345,000	$520,298



General Obligation Debt Service Fund

Annual Debt Service Requirement
Series 1998 ($2,000,000)

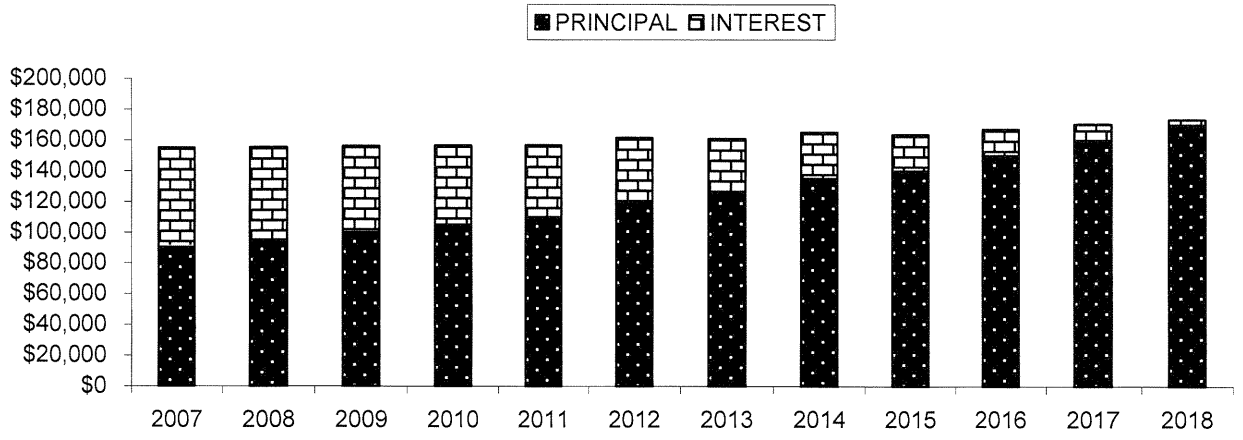
YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$1,500,000	$90,000	5.60%	$64,915	$154,915
2008	$1,410,000	$95,000	4.30%	$60,353	$155,353
2009	$1,315,000	$100,000	4.40%	$56,110	$156,110
2010	$1,215,000	$105,000	4.40%	$51,600	$156,600
2011	$1,110,000	$110,000	4.50%	$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
		$1,500,000		$442,723	$1,942,723

	Year	Total	Principal	Interest
This Year's Requirement	2007	$154,915	$90,000	$64,915
Maximum Requirement	2018	$173,613	$170,000	$3,613

Total Outstanding Note	$1,500,000
Total Original Note	$2,000,000
Issue Date	02/12/1998
Call Date	02/01/2008

**Not to be paid from property tax levy.

Constructing, improving and equipping municipal parks, including Capp Smith Lake (drainage concerns), and for paying legal, fiscal and engineering fees in connection with this project.



General Obligation Debt Service Fund

Annual Debt Service Requirement

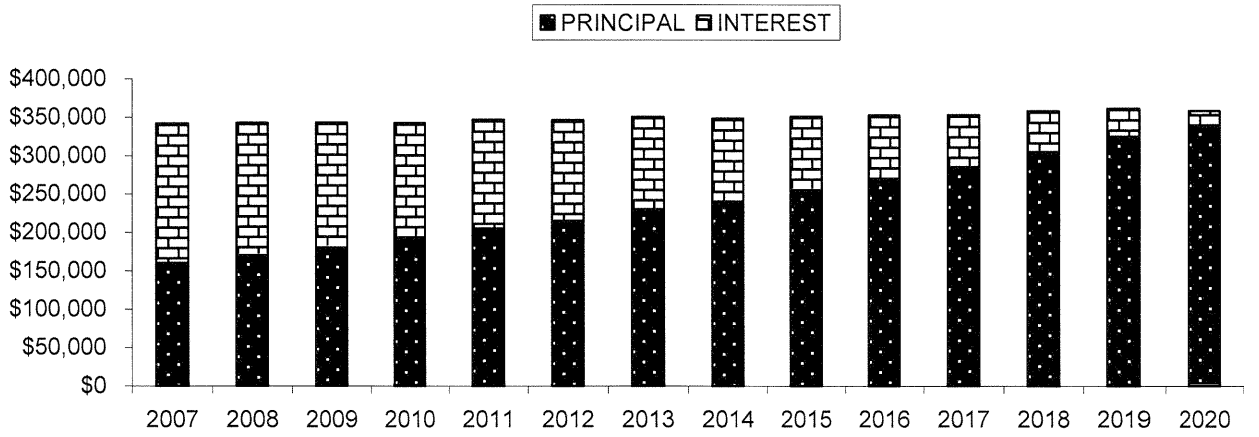
Series 1999 ($4,060,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$3,370,000	$160,000	5.75%	$182,041	$342,041
2008	$3,210,000	$170,000	5.75%	$172,841	$342,841
2009	$3,040,000	$180,000	5.75%	$163,066	$343,066
2010	$2,860,000	$190,000	5.75%	$152,716	$342,716
2011	$2,670,000	$205,000	5.00%	$141,791	$346,791
2012	$2,465,000	$215,000	5.10%	$131,541	$346,541
2013	$2,250,000	$230,000	5.13%	$120,576	$350,576
2014	$2,020,000	$240,000	5.25%	$108,789	$348,789
2015	$1,780,000	$255,000	5.30%	$96,189	$351,189
2016	$1,525,000	$270,000	5.30%	$82,674	$352,674
2017	$1,255,000	$285,000	5.38%	$68,364	$353,364
2018	$970,000	$305,000	5.40%	$53,045	$358,045
2019	$665,000	$325,000	5.50%	$36,575	$361,575
2020	$340,000	$340,000	5.50%	$18,700	$358,700
		$3,370,000		$1,528,908	$4,898,908

	Year	Total	Principal	Interest
This Year's Requirement	2007	$342,041	$160,000	$182,041
Maximum Requirement	2019	$361,575	$325,000	$36,575

Total Outstanding Note	$3,370,000
Total Original Note	$4,060,000
Issue Date	11/15/1999
Call Date	04/01/2010

For payment of public improvements, street improvements (including utilities repair, replacement, & relocation), storm water drainage improvements, materials/equipment/supplies/machinery/land for authorized needs relating to street improvements, traffic signalization, storm drain improvements, and utility system improvements.



General Obligation Debt Service Fund

Annual Debt Service Requirement

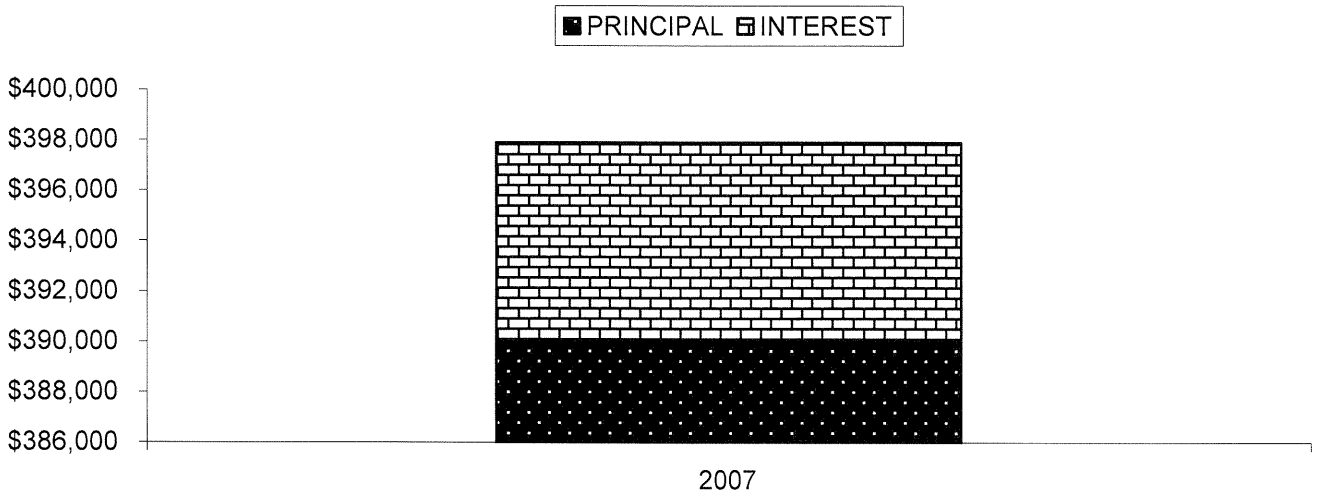
Series 2001 Refunding ($3,890,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$390,000	$390,000	4.05%	$7,898	$397,898
		$390,000		$7,898	$397,898

	Year	Total	Principal	Interest
This Year's Requirement	2007	$397,898	$390,000	$7,898
Maximum Requirement	2007	$397,898	$390,000	$7,898

Total Outstanding Bonds	$390,000
Total Original Issue	$3,890,000
Issue Date	07/01/2001
No Call Date	

To refund Series 1992 refunding bonds and pay related costs of issuance.



General Obligation Debt Service Fund

Annual Debt Service Requirement

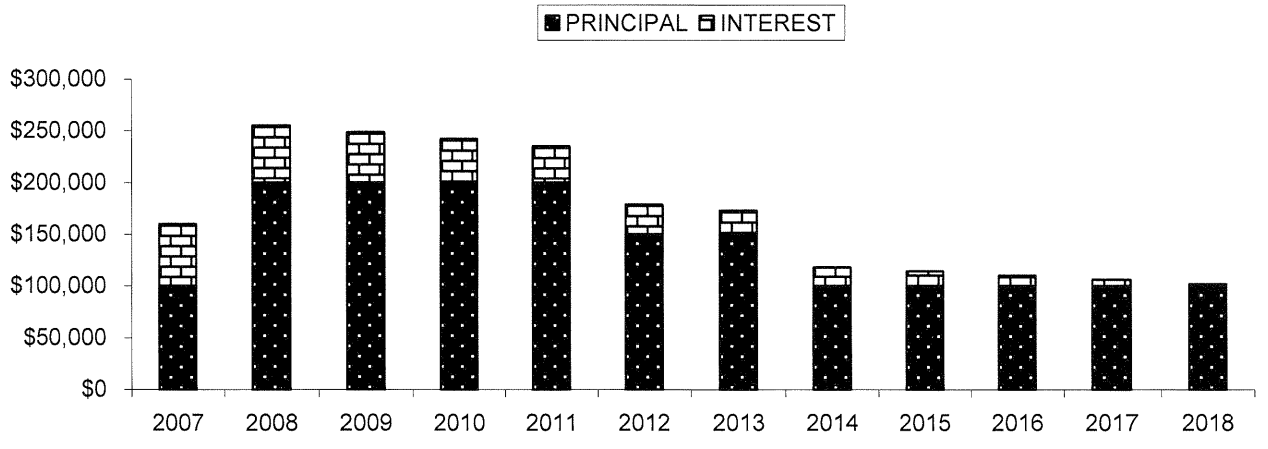
Series 2003 Certificate of Obligation ($2,300,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$ 1,700,000	$100,000	3.00%	$60,050	$160,050
2008	$ 1,600,000	$200,000	3.25%	$55,300	$255,300
2009	$ 1,400,000	$200,000	3.25%	$48,800	$248,800
2010	$ 1,200,000	$200,000	3.25%	$42,300	$242,300
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
		$1,700,000		$344,700	$2,044,700

	Year	Total	Principal	Interest
This Year's Requirement	2007	$160,050	$100,000	$60,050
Maximum Requirement	2008	$255,300	$200,000	$55,300

Total Outstanding Bonds	$1,700,000
Total Original Issue	$2,300,000
Issue Date	07/01/2003
Call Date	2/1/2013

Projected Certificate of Obligation sale for Fall 2003 for construction of a city hall and animal shelter, as well as street reconstruction money.



General Obligation Debt Service Fund

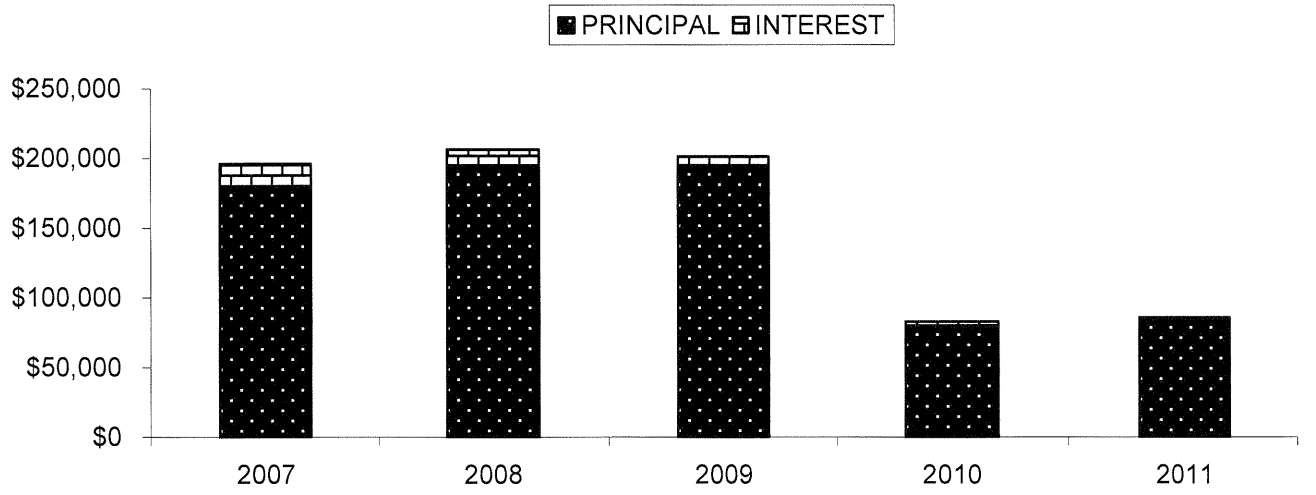
Annual Debt Service Requirement
Series 2004 Refunding ($1,080,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$735,000	$180,000	2.50%	$16,125	$196,125
2008	$555,000	$195,000	2.50%	$11,438	$206,438
2009	$360,000	$195,000	2.50%	$6,563	$201,563
2010	$165,000	$80,000	2.50%	$3,125	$83,125
2011	$85,000	$85,000	2.50%	$1,063	$86,063
		$735,000		$38,313	$773,313

	Year	Total	Principal	Interest
This Year's Requirement	2007	$196,125	$180,000	$16,125
Maximum Requirement	2008	$206,438	$195,000	$11,438

Total Outstanding Bonds	$735,000
Total Original Issue	$1,080,000
Issue Date	04/01/2004
No Call Date	

To refund Series1994 Refunding G.O. Bonds, and pay related costs of issuance. The Series 1994 Bonds refunded Series 1978, Series 1989, & Series 1991 G.O. Bonds.



General Obligation Debt Service Fund

Annual Debt Service Requirement

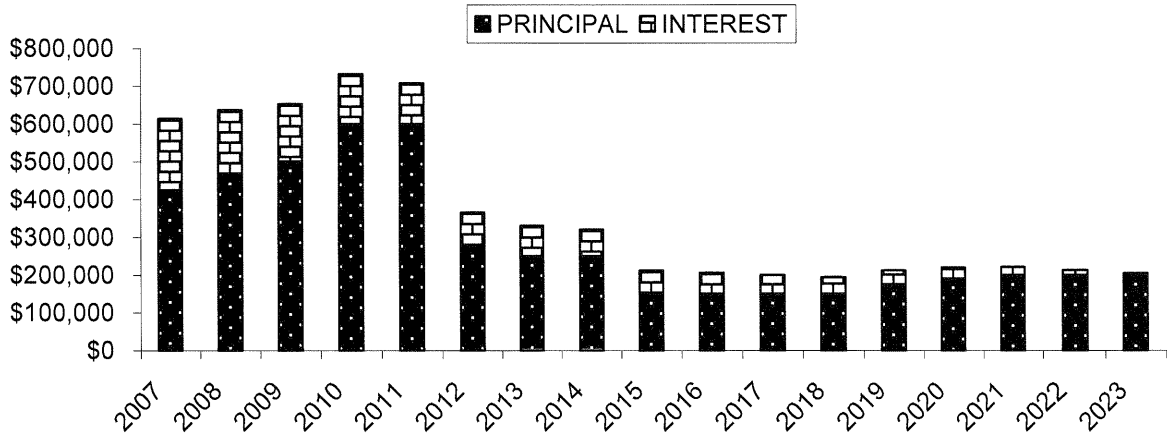
Series 2005 Certificates of Obligation ($5,000,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$4,930,000	$425,000	4.000%	$189,269	$614,269
2008	$4,505,000	$465,000	3.875%	$171,759	$636,759
2009	$4,040,000	$500,000	3.875%	$153,063	$653,063
2010	$3,540,000	$600,000	3.875%	$131,750	$731,750
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
		$4,930,000			$6,248,228

	Year	Total	Principal	Interest
This Year's Requirement	2007	$614,269	$425,000	$189,269
Maximum Requirement	2010	$731,750	$600,000	$131,750

Total Outstanding Bonds	$4,930,000
Total Original Issue	$5,000,000
Issue Date	08/01/2005

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.



Watauga Parks Development Corporation
Debt Service Fund

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.

Debt Management

During FY 1998-99, the PDC received $3,552,150 for the sale of land purchased in FY 1995-96 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 Fiscal Year 2002 and the new City Community Center was completed during Fiscal Year 2003. During FY 2004 the PDC was able to take advantage of low interest rates in an advanced refunding arraignment. The originally issued 1994 Series Revenue Bonds was defeased during FY 2005.

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.

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1*	**$250,567**	**$251,882**	**$252,343**	**$257,991**	**$237,505**
Revenues:					
Interest Income	$3,554	$7,646	$973	$3,000	$3,010
Expenditures:					
Principal	115,000	150,000	160,000	160,000	165,000
Interest	92,342	64,061	55,636	55,636	52,386
Issuance Costs	71,655	0	0	0	0
Payment to Escrow	1,983,198	0	0	0	0
Miscellaneous	8,607	0	22,486	22,486	0
Bank Charges	636	1,536	1,000	1,000	1,000
Total Expenditures:	$2,271,438	$215,597	$239,122	$239,122	$218,386
Other Financing Sources:					
Bond Sale Proceeds	$2,035,000	$0	$0	$0	$0
Transfer In	$234,200	$214,061	$215,636	$215,636	$217,386
Fund Balance, September 30	**$251,882**	**$257,991**	**$229,830**	**$237,505**	**$239,515**

* Includes PDC Debt Service Reserve Fund.

Watauga P.D.C. Debt Service Fund

Annual Debt Service Requirement

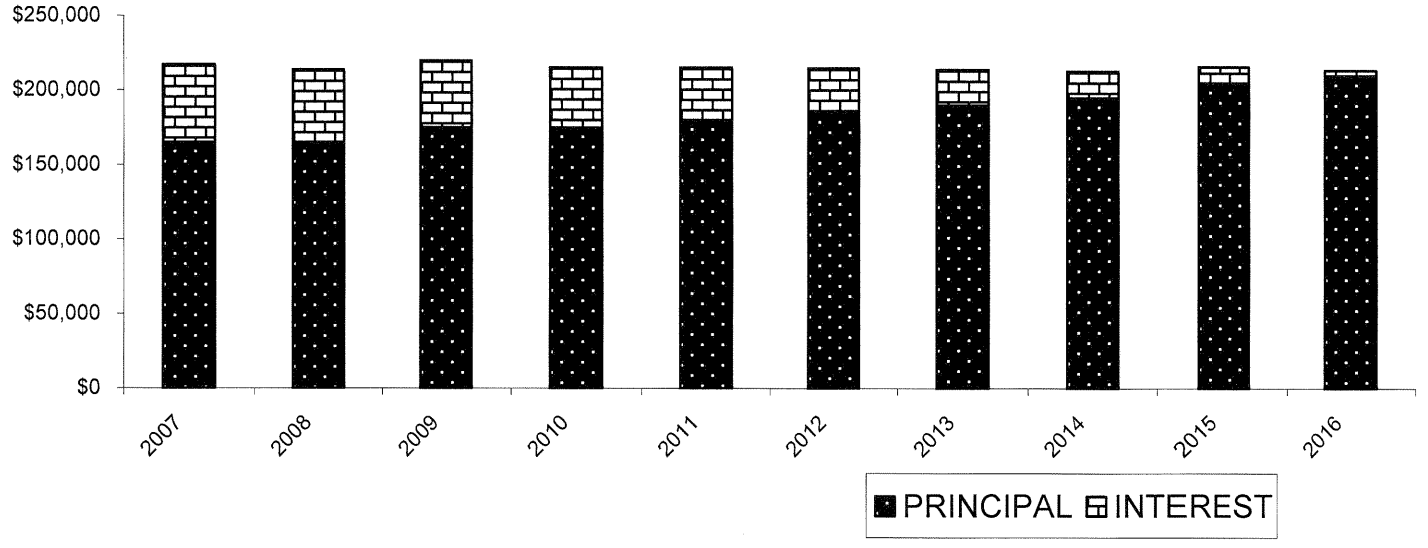
Series 2004 Refunding ($2,035,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$1,845,000	$165,000	2.00%	$52,386	$217,386
2008	$1,680,000	$165,000	2.25%	$48,880	$213,880
2009	$1,515,000	$175,000	2.375%	$44,946	$219,946
2010	$1,340,000	$175,000	2.75%	$40,461	$215,461
2011	$1,165,000	$180,000	3.00%	$35,355	$215,355
2012	$985,000	$185,000	3.00%	$29,880	$214,880
2013	$800,000	$190,000	3.125%	$24,136	$214,136
2014	$610,000	$195,000	3.30%	$17,950	$212,950
2015	$415,000	$205,000	3.55%	$11,094	$216,094
2016	$210,000	$210,000	3.55%	$3,728	$213,728
		$1,845,000		$308,816	$2,153,816

Total Outstanding Bonds	$1,845,000
Total Original Issue	$2,805,000
Issue Date	04/14/2004

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 the bonds.

	Year	Total	Principal	Interest
This Year's Requirement	2007	$217,386	$165,000	$52,386
Maximum Requirement	2009	$219,946	$175,000	$44,946



Water and Sewer Certificates of Obligation Debt Service Fund

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. As noted in previous budget documents, in July of 2001 City Engineers with Knowlton – English – Flower, Inc. produced a Capital Improvement Plan. Over $2.8 million in water and wastewater needs where 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.

Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1	**$30,555**	**$37,769**	**$42,153**	**$163,896**	**$170,996**
Revenue:					
Transfer from W/S Operating	980,194	1,200,931	1,155,145	1,155,145	1,148,331
Transfer from W/S Construction	0	0	0	0	0
Interest income	3,500	6,413	5,928	8,100	7,149
Total Revenue	$983,694	$1,207,344	$1,161,073	$1,163,245	$1,155,480
Total Available Resources	**$1,014,249**	**$1,245,113**	**$1,203,226**	**$1,327,141**	**$1,326,476**
Debt Service Requirements:					
Series 1996 CO					
Principal	475,000	680,000	760,000	760,000	800,000
Interest	500,923	400,660	395,145	395,145	348,331
Fiscal Agent Charges	557	557	1,500	1,000	1,500
Total Debt Service Requirements	$976,480	$1,081,217	$1,156,645	$1,156,145	$1,149,831
Fund Balance, September 30	**$37,769**	**$163,896**	**$46,581**	**$170,996**	**$176,645**

General Obligation Debt Service Fund

Annual Debt Service Requirement

Series 2005 Refunding ($7,025,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2007	$6,985,000	$45,000	3.00%	$290,356	$335,356
2008	$6,940,000	$640,000	3.375%	$278,881	$918,881
2009	$6,300,000	$670,000	3.50%	$256,356	$926,356
2010	$5,630,000	$695,000	3.625%	$232,034	$927,034
2011	$4,935,000	$725,000	3.75%	$205,844	$930,844
2012	$4,210,000	$760,000	4.75%	$174,200	$934,200
2013	$3,450,000	$800,000	4.00%	$140,150	$940,150
2014	$2,650,000	$835,000	4.00%	$107,450	$942,450
2015	$1,815,000	$880,000	5.00%	$68,750	$948,750
2016	$935,000	$935,000	5.00%	$23,375	$958,375
		$6,985,000		$1,777,396	$8,762,396

Total Outstanding Bonds	$7,025,000
Total Original Issue	$11,370,000
Issue Date	03/01/2005

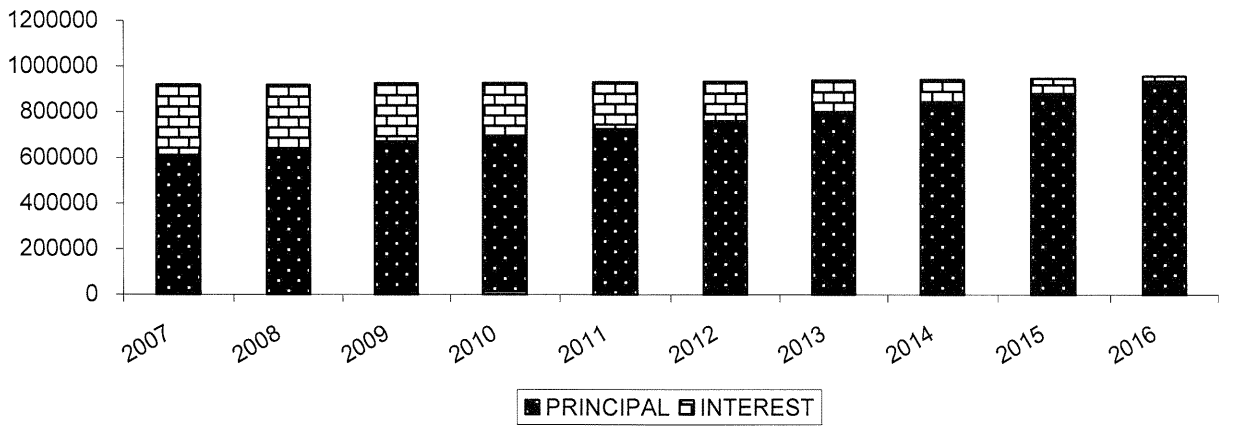
To refund in advance Series 1996, Water and Sewer Certificates of Obligation and related costs of issuance. Series 1996 C.O.'s were used to acquire, improve and extend the water/sewer system as well as pay for professional services related to the construction and financing of City's water and sewer system.

Series 1996 Water/Sewer Certificates of Obligation Remaining ($11,370,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	Interest Rates	INTEREST	TOTAL
2007	$565,000	$565,000	7.00%	$19,775	$584,775
		$565,000		$19,775	$584,775

To pay for acquisition, improvements and extensions to the Water/Sewer System and payment of professional services related to the construction and financing of the Water/Sewer System.

	Year	Total	Principal	Interest
This Year's Requirement	2007	$920,131	$610,000	$310,131
Maximum Requirement	2016	$958,375	$935,000	$23,375



W/S Revenue / C.O. Bond Debt Service

Annual Debt Service Requirement
Series 2002 ($1,750,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	Interest Rates	INTEREST	TOTAL
2007	$1,050,000	$190,000	4.00%	$38,200	$228,200
2008	$860,000	$200,000	4.00%	$30,400	$230,400
2009	$660,000	$210,000	4.00%	$22,200	$232,200
2010	$450,000	$220,000	4.00%	$13,600	$233,600
2011	$230,000	$230,000	4.00%	$4,600	$234,600
		$1,050,000		$109,000	$1,159,000

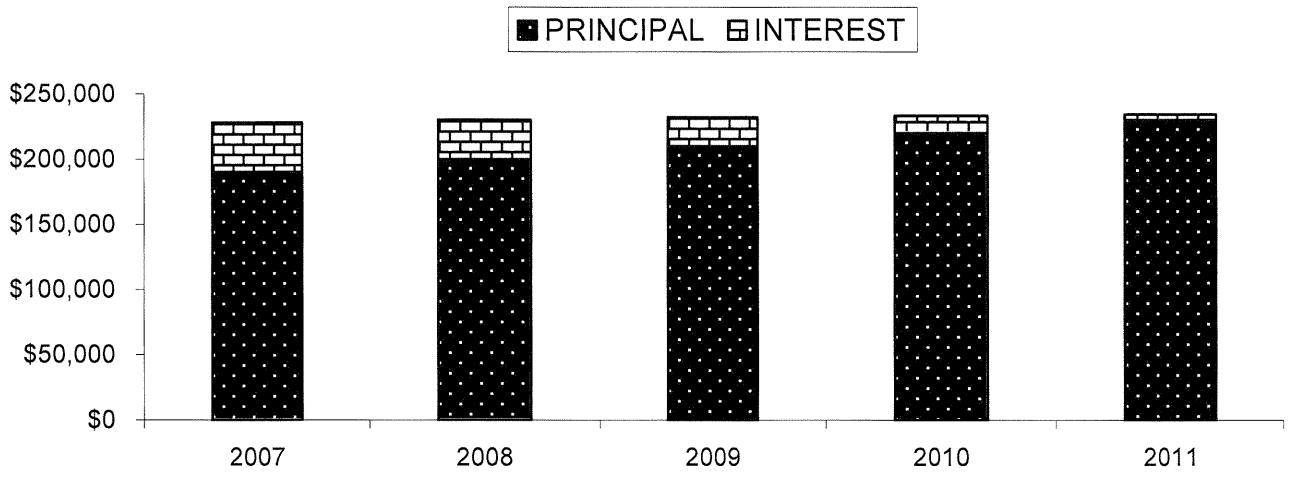
	Year	Total	Principal	Interest
This Year's Requirement	2007	$228,200	$190,000	$38,200
Maximum Requirement	2011	$234,600	$230,000	$4,600

Total Outstanding Bonds	$1,050,000
Total Original Issue	$1,750,000
Issue Date	01/15/2002
No Call Date	

**Total issue $2,650,000*

Note - Paid interest in 2002 - $36,090

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.



Water and Sewer Revenue Bond Debt Service Fund

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.

Debt Management

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

Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Fund Balance, October 1	**$23,530**	**$28,055**	**$28,712**	**$28,055**	**$35,155**
Revenue:					
Transfer from Construction	0		0	0	0
Transfer from Operating	588,106	355,340	356,630	356,630	357,290
Interest income	1,750	2,430	2,174	8,600	2,200
Total Revenue	$589,856	$357,770	$358,804	$365,230	$359,490
Total Available Resources	**$613,386**	**$385,825**	**$387,516**	**$393,285**	**$394,645**
Debt Service Requirements:					
Principal	375,000	210,000	220,000	220,000	230,000
Interest	209,384	144,640	136,630	136,630	127,290
Fiscal Agent Charges	947	1,477	1,500	1,500	1,500
Total Debt Service Requirements	$585,331	$356,117	$358,130	$358,130	$358,790
Fund Balance, September 30	**$28,055**	**$29,708**	**$29,386**	**$35,155**	**$35,855**

W/S Revenue Bond Debt Service Fund

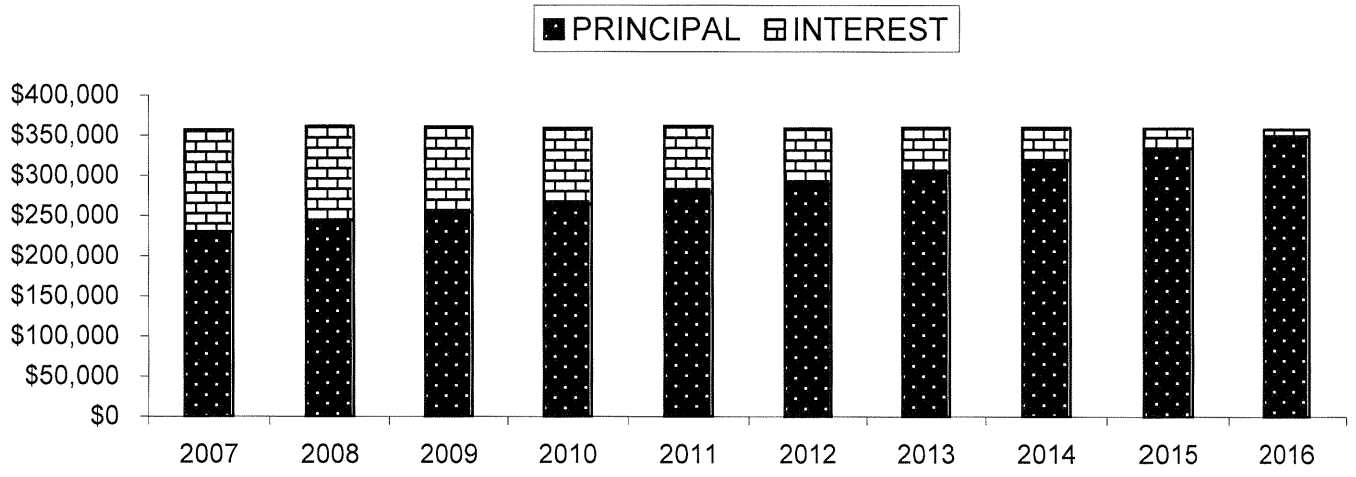
Annual Debt Service Requirement
Series 1996 ($4,580,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	Interest Rates	INTEREST	TOTAL
2007	$2,875,000	$230,000	4.20%	$127,290	$357,290
2008	$2,645,000	$245,000	4.30%	$117,193	$362,193
2009	$2,400,000	$255,000	4.40%	$106,315	$361,315
2010	$2,145,000	$265,000	4.50%	$94,743	$359,743
2011	$1,880,000	$280,000	4.60%	$82,340	$362,340
2012	$1,600,000	$290,000	4.65%	$69,158	$359,158
2013	$1,310,000	$305,000	4.70%	$55,248	$360,248
2014	$1,005,000	$320,000	4.75%	$40,480	$360,480
2015	$685,000	$335,000	4.80%	$24,840	$359,840
2016	$350,000	$350,000	4.80%	$8,400	$358,400
		$2,875,000		$726,005	$3,601,005

	Year	Total	Principal	Interest
This Year's Requirement	2007	$357,290	$230,000	$127,290
Maximum Requirement	2011	$362,340	$280,000	$82,340

Total Outstanding Bonds	$2,875,000
Total Original Issue	$4,580,000
Issue Date	09/01/1996
Call Date	03/01/2007

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.



Water and Sewer Debt Service Reserve Fund

Budget Summary

	2003-04 Actual	2004-05 Actual	2005-06 Budget	2005-06 Estimate	2006-07 Proposed
Balance, October 1	**$504,933**	**$510,661**	**$367,900**	**$368,016**	**$381,113**
Revenues					
Interest Income	$5,728	$11,074	$11,040	$13,097	$13,162
Other Financing Sources					
Transfer from W/S Construction	0	0	0	0	0
Transfer from W/S Operating	0	0	0	0	0
Total from Other Financing Sources	$0	$0	$0	$0	$0
Total Available Resources	**$510,661**	**$521,735**	**$378,940**	**$381,113**	**$394,275**
Expenditures	$0	$153,719	$0	$0	$0
Balance, September 30	**$510,661**	**$368,016**	**$378,940**	**$381,113**	**$394,275**

Required reserve for Water and Sewer Revenues Bonds and must equal the Average Annual Debt.
Average Annual Debt for 2007 equals: $360,101

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Glossary of Key Budget 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 assess 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.

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. There are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

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.

Glossary of Key Budget Terms (Continued)

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 acquisitions 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 $1,000 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 policymaking body of the City.

Comprehensive Annual Financial Report (CAFR): This report is published 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.

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.

Delinquent Taxes: Taxes that remain unpaid on and after the date 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: 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 intent is to generate a rate that produces approximately the same revenue as the year before. 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 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 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, machinery and equipment.

Franchise Fee: A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.

Fund: An accounting entity with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balances, revenues and expenditures.

Glossary of Key Budget Terms (Continued)

Fund Balance: The assets of a fund less liabilities, as determined at the end of each fiscal year. 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, Financial Accounting Standards Board, 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: 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: See Debt Service Fund.

Interest Earnings: The earnings from available funds invested during the year in U.S. Treasury Bonds, Governmental agencies and Certificates of Deposits.

Interfund Transfer: Amounts transferred from one fund to another.

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.

Glossary of Key Budget Terms (Continued)

Long-term Debt: Debt with a maturity of more than one year after the date earmarked for its retirement.

(M)aintenance & (O)perations: Represents the portion of taxes assessed for the maintenance and operations of the 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.

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 within a government must bear of the debts of other local governments located wholly or in part within the geographic boundaries of the reporting government.

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 capital 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 in operations to the organization.

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

Glossary of Key Budget Terms (Continued)

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.

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, 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 so many cents per $100 of assessed property.

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 state wide Texas Municipal Retirement System.

Utility Franchise Tax: A tax paid by the utilities 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.

Abbreviations in the Budget Document

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.D.	Crime Control and Prevention District
C.I.D.	Criminal Investigation Division
C.O.	Certificate of Obligation
C.O.W.	City of Watauga
C.O.W. #	City of Watauga Goals as Defined on Budget Overview
D.P.S.	Department of Public Safety
E.M.S.	Emergency Medical Support
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 Officer's Association
G.O.	General Obligation
H.V.A.C.	Heating Ventilation and Air Conditioning
I & S	Interest and Sinking
J.S.F.	Joint Use Facilities
K-9	Canine
L.O.M.R.	Letter of Map Revisions
M & O	Maintenance and Operations
M.I.S.	Management Information Services
N.C.T.C.O.G.	North Central Texas Council of Governments
N.E.	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
U.C.R.	Uniform Crime Report
W/S	Water and Sewer

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BUDGET ORDINANCES

Ordinance Number 1264 – Transferring Funds Between Budgets for Fiscal Year 2005-2006 for Unneeded Patrol Lieutenant

Ordinance Number 1283 – Appropriating Funds Within General Capital Fund Budget for Fiscal Year 2005-2006 Building Improvements

Resolution 06-09-11-03 – Tax Assessment Roll

Ordinance Number 1289 - October 1, 2006 Budget Adoption

Resolution 06-09-11-04 – Fiscal Year 2006-2007 Continuation of Park Vista Public Improvement District

Ordinance Number 1290 – Fiscal Year 2006-2007 Levy Park Vista Public Improvement Assessment Fee

Ordinance Number 1295 – Fiscal Year 2006-2007 Ad Valorem Tax Levy

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1264

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS TRANSFERRING FUNDS BETWEEN FUND BUDGETS; 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, Section 9.04(D) of the Home Rule Charter for the City of Watauga provides that, upon written request of the City Manager, the City Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another; and

WHEREAS, in the Fiscal Year 2005-2006 Budget, a second Patrol Lieutenant Position was approved; and

WHEREAS, the need for this position has been determined not to be needed.

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

I.

The current approved position of a second Patrol Lieutenant be removed and eliminated from the 2005-2006 Fiscal Year Budget.

II.

A transfer is hereby approved and made from the account budget designated as

01-080-4001	$62,511	Supervision Salary

with said transfer made to the following accounts as listed below:

01-020-7496	$62,511	Contingency

III.

This 2005-2006 City of Watauga Budget is hereby amended to reflect the appropriation transfers and changes listed above.

IV.

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 the 27th day of February 2006.

APPROVED:

Henry J. Jeffries

Henry J. Jeffries, Mayor

ATTEST:

Nancy J. Meadows

Nancy J. Meadows, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel

Mark G. Daniel, City Attorney

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1283

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS APPROPRIATING FUNDS; 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, Section 9.04(D) of the Home Rule Charter for the City of Watauga provides that, upon written request of the City Manager, the City Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another; and

WHEREAS, in the Fiscal Year 2005-2006 Budget reserves are expected in the General Capital Fund; and

WHEREAS, the City wishes to begin expansion of the Watauga Public Library.

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

I.

A budget appropriation be made in the General Capital Fund to account 07-090-8503 Building Improvements in the amount of $1,396,000.00.

II.

The 2005-2006 City of Watauga Budget is hereby amended to reflect the appropriation as listed above.

III.

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 the 24th day of July, 2006.

APPROVED:

Henry J. Jeffries, Mayor

ATTEST:

Kathleen Wedell, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel, City Attorney

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 06-09-11-03

A RESOLUTION APPROVING THE TAX ASSESSMENT ROLL FOR 2006

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 governing 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 2006 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, and publication hereof as prescribed by law.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 11th day of September 2006.

APPROVED:

Henry J. Jeffries

HENRY J. JEFFRIES, MAYOR

ATTEST:

Kathleen Wedell

KATHLEEN WEDELL, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel

MARK G. DANIEL, CITY ATTORNEY

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1289

AN ORDINANCE ADOPTING AND APPROVING A BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2006 AND ENDING SEPTEMBER 30, 2007, 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 AND CALLING FOR AN EFFECTIVE DATE.

WHEREAS, an annual budget for the fiscal year beginning October 1, 2006, and ending September 30, 2007, was duly presented to the City Council by the City Manager in accordance with the City Charter; and

WHEREAS, a public hearing was ordered by the City Council and a public notice of said hearing 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:

Subject to applicable provisions of the City Charter, the budget for the fiscal year beginning October 1, 2006, and ending September 30, 2007, is hereby approved and adopted, and appropriations are made as follows:

1.	General Fund Operating Appropriation	$ 10,268,565
2.	General Obligation Interest & Sinking (Debt Service) Fund	$ 1,865,583
3.	Storm Drain Utility Enterprise Fund	$ 712,609
4.	Parks Development Corporation Fund	$ 1,237,747
5.	Capital Projects (Plus Prior Appropriations)	$ 4,048,496
6.	Crime Control and Prevention District	$ 1,136,304
7.	Park Development Corporation Debt Service Fund	$ 218,386
8.	Park Development Corporation Capital Projects (Plus Prior Appropriations)	$ 250,000

9.	Water Impact Fee	$ 0
10.	Sewer Impact Fee	$ 0
11.	Water/Sewer Joint Use Facilities	$ 209,140
12.	Water/Sewer Capital Projects (Plus Prior Appropriations)	$ 378,467
13.	Water and Sewer Operating Fund	$ 7,520,871
14.	Internal Service Fund	$ 0
15.	Water and Sewer Certificates of Obligation Debt Service Fund Summary	$ 1,149,831
16.	Water and Sewer Revenue Bond Debt Service Fund	$ 358,790
17.	Water and Sewer Debt Reserve Fund	$ 0
18.	Library Donation Fund	$ 19,000
19.	Bunker Hill Drainage Fund	$ 155,715
20.	Municipal Building Security Fee	$ 20,157
21.	Municipal Court Technology Fund	$ 80,298

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 11th day of September, 2006.

APPROVED:

Henry J. Jeffries

HENRY J. JEFFRIES, MAYOR

ATTEST:

Kathleen Wedell

KATHLEEN WEDELL, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel

MARK G. DANIEL, CITY ATTORNEY

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 06-09-11-04

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 No. 05-09-12-02 on September 12, 2005, adopting a service plan and budget for Fiscal Year 2005-2006.

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 11, 2006 hereby makes the following findings:

(a) It is advisable for the Park Vista Public Improvement District to continue to provide services during the fiscal year 2006-07.

(b) The general nature of the proposed services to be provided by Park Vista Public Improvement District shall include:

(1) A continued maintenance program consisting of the planting and maintenance of special supplemental landscaping, and the maintenance of special supplemental irrigation systems along Park Vista Boulevard.

(2) An improvement district management program to provide for the establishment, administration, management, and operation of Park Vista Public Improvement District.

The proposed services would be a supplemental to the standard existing level of city improvements and/or services and would constitute an added increment to the improvements and/or services normally provided to the taxpayers generally. The City would continue to 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.

According to the Plan of services and Budget which is hereby approved and adopted by the City Council, the cost of the improvements and/or services of the Park Vista Public Improvement District during fiscal year 2006-2007.

TOTAL COST FOR FISCAL YEAR 2006-2007

(1) Cost of Maintenance & Operating Expense	$18,110.00
Total	$18,110.00

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 if 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.

(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 probable 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 Public 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 Public 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 2006-2007 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 2006-2007 is hereby adopted by the 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.

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 if the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 11th day of September, 2006.

APPROVED:

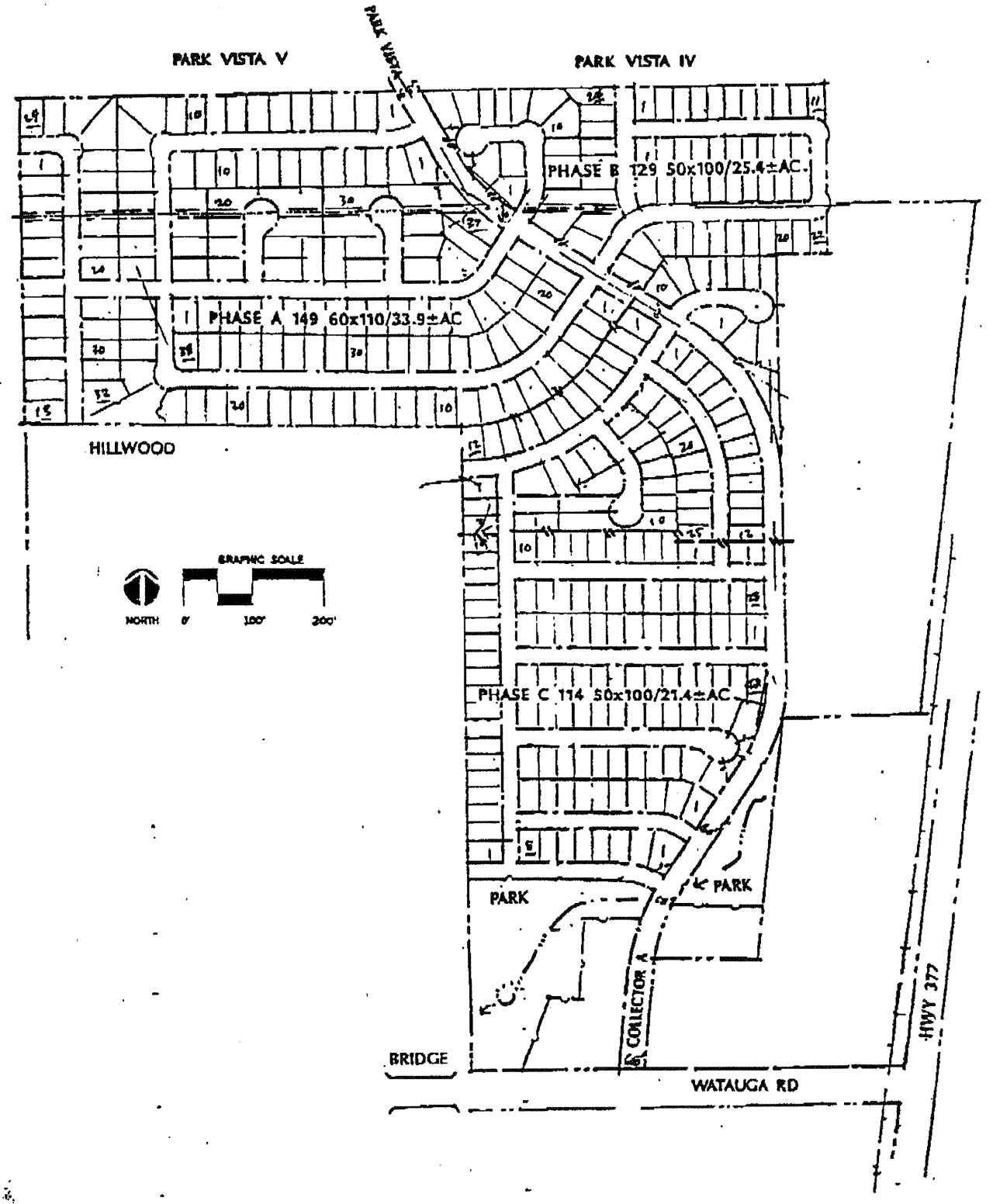
Henry J. Jeffries, Mayor

ATTEST:

Kathleen Wedell, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel, City Attorney



WATAUGA 80.7 ACRES ALTERNATE PLAN A-1D

392± LOTS IN 80.7± ACRES

71050 4-27-98 R

EXHIBIT A

LEGAL DESCRIPTION

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;

EXHIBIT B

THENCE S 89°33'46"W, 140.00 feet;

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.

EXHIBIT B CONTINUED

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1290

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 2006-2007 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 finds it necessary to levy the assessment rate of $0.03 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 2006-2007 fiscal year, upon all real

property within the Park Vista Public Improvement District subject to taxation, an assessment of $0.03 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 2006-2007 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.

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 11th day of September, 2006.

APPROVED:

Henry J. Jeffries

Henry J. Jeffries, Mayor

ATTEST:

Kathleen Wedell

Kathleen Wedell, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel

Mark G. Daniel, City Attorney

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 1295

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF WATAUGA, TEXAS FOR THE 2006-2007 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 Property Tax Code, a statement is required since this year's tax levy to fund maintenance and operations expenditures exceeds last year's maintenance and operations tax levy. Also, this year's M&O tax rate is higher than the effective maintenance and operations tax rate.

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

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 2006-2007 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), $.401465 on each $100.00 valuation of property; and

2. For the Interest and Sinking Fund, $.179298 on each $100.00 valuation of property.

II.

Taxes levied under the Ordinance shall be due October 1, 2006, and if not paid on or before January 31, 2007, 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 2006-2007 fiscal year the rates and amounts herein levied and when such taxes are collected, to distribute the collections in accordance with this ordinance.

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 14th day of September, 2006.

APPROVED:

Henry J. Jeffries

HENRY J. JEFFRIES, MAYOR

ATTEST:

Kathleen Wedell

KATHLEEN WEDELL, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

Mark G. Daniel

MARK G. DANIEL, CITY ATTORNEY

SPECIAL PUBLIC NOTICES

2006 Effective Tax Rate Calculation

Notice of Public Hearing on Tax Increase

Notice of Vote on Tax Rate

2006 Property Tax Rates in City of Watauga, Texas

This notice concerns 2006 property tax rates for City of Watauga, Texas. 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	$3,863,923
Last year's debt taxes	$1,625,412
Last year's total taxes	$5,489,335
Last year's tax base	$945,193,650
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)	$5,480,397
÷ This year's adjusted tax base (after subtracting value of new property)	$947,757,948
= This year's effective tax rate	0.578248 /$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, and/or enhanced indigent health care expenditures)	$3,857,562
÷ This year's adjusted tax base	$947,757,948
= This year's effective operating rate	0.407020 /$100
x 1.08 = this year's maximum operating rate	0.439581 /$100
+ This year's debt rate	0.179298 /$100
= This year's total rollback rate	0.618879 /$100

Statement of Increase/Decrease

If City of Watauga, Texas adopts a 2006 tax rate equal to the effective tax rate of $0.578248 per $100 of value, taxes would increase compared to 2005 taxes by $25,079.

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
Unreserved Debt Service Fund Blalance	$74,341
Unreserved General Fund Balance	$4,874,139

Schedule B - 2006 Debt Service

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	$90,000	$64,915	$716	$155,631
1999 GO	$160,000	$177,441	$769	$338,210
2001 GO	$390,000	$7,898	$1,000	$398,898
2003 CO	$100,000	$60,050	$600	$160,650
2004 GO	$180,000	$16,125	$800	$196,925
2005 CO	$425,000	$189,269	$1,000	$615,269
Total Required for 2006 Debt Service				$1,865,583

- Amount (if any) paid from funds listed in Schedule A	$0
- Amount (if any) paid from other resources	$155,715
- Excess collections last year	$0
= Total to be paid from taxes in 2006	$1,709,868
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2006	$0
= Total Debt Levy	$1,709,868

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, Texas 76148.

Name of person preparing this notice: Betsy Price

Title: Tarrant County Tax Assessor - Collector

Date Prepared: July 31, 2006

Notice of Public Hearing on Tax Increase

The City of Watauga, Texas will hold a public hearing on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by 0.43 percent (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax calculated under Chapter 26, Tax Code). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

The public hearing will be held on August 21, 2006 at 6:30 PM and August 28, 2006 at 6:30 PM at City Hall 7105 Whitley Road Watauga, Texas 76148.

The members of the governing body voted on the proposal to consider the tax increase as follows:

FOR:	Council Member Place 1, Ernie Koontz	Council Member Place 2, Richard Helmick
	Mayor Pro Tem Place 3, Mike Steele	Council Member Place 5, Seth Thomas
	Council Member Place 6, Lee Griffin	Council Member Place 7, Jerry Adams
AGAINST:	None	
PRESENT and not voting:	Mayor Henry J. Jeffries	
ABSENT:	Council Member Place 4, Pete Beierschmitt	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

Maintenance and operations	6.12%	increase
Debt service	(1.72)%	(decrease)
Total expenditures	4.84%	increase

Total Appraised Value and Total Taxable Value as calculated under section 26.04, Tax Code

	Preceding Tax Year	Current Tax Year
Total appraised value* of all property	$1,071,813,530	$1,091,362,169
Total appraised value* of new property**	$30,548,992	$5,883,789
Total taxable value*** of all property	$992,773,636	$999,990,295
Total taxable value*** of new property**	$29,207,992	$4,087,789

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness $12,625,000

Tax Rates

Adopted tax rate for the preceding tax year	$0.580763	per $100 in value
Proposed tax rate for the current tax year	$0.580763	per $100 in value
Difference in the proposed tax rate and the adopted tax rate for the preceding tax year	$0.000000	per $100 in value
Percentage increase or decrease in the proposed tax rate and the adopted tax rate for the preceding tax year	0.00 %	Increase

These tax rate figures are not adjusted for changes in the taxable value of property.

Comparison of Residence Homestead Values

Average appraised and taxable values on residence homesteads are compared from the preceding tax year and the current tax year.

	Preceding Tax Year	Current Tax Year
Average residence homestead appraised value	$96,789	$97,218
Homestead exemption amount for the taxing unit (excluding special exemptions for persons 65 years of age or older or disabled)	$0	$0
Average taxable value of a residence homestead (excluding special exemptions for persons 65 years of age or older or disabled)	$96,789	$97,218

Comparison of Residence Homestead Taxes

The taxes that would have been imposed in the preceding tax year on a residence homestead at the average appraised value (excluding special exemptions for persons 65 years of age or older or disabled) are estimated to be $562.11. The taxes that would be imposed in the current tax year on a residence homestead appraised at the average appraised value in the current tax year (excluding special exemptions for persons 65 years of age or older or disabled), if the proposed tax rate is adopted, are estimated to be $564.61. The difference between the amount of taxes on the average residence homestead in the current tax year, if the proposed tax rate is adopted, and the preceding tax year would be an increase of $2.50 in taxes.

* "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

** "New property" is defined by Section 26.012(17), Tax Code.

*** "Taxable value" is defined by Section 1.04(10), Tax Code.

Notice
of Vote on Tax Rate

The City of Watauga, Texas

conducted public hearings on a proposal to

increase the total tax revenues of the

City of Watauga, Texas

from properties on the tax roll in the preceding

year by 0.43 percent

on August 21, 2006 at 6:30 PM and August 28, 2006 at

6:30 PM.

The City of Watauga

is scheduled to vote on the tax rate that

will result in that tax increase at a public

meeting to be held

on September 11, 2006, at 6:30 PM

at City Hall 7105 Whitley Road Watauga, Texas 76148.

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