

**CITY OF LAKE WORTH, TEXAS
2004 GENERAL OBLIGATION REPORT**

TABLE 1 – VALUATION, EXEMPTION AND TAX SUPPORTED DEBT

2003/04 Market Valuation Established by the Tarrant Appraisal District (excluding totally exempt property)		\$ 260,995,943
Less Exemptions/Reductions at 100% Market Value:		
Over 65 and Disabled Homestead Exemptions	\$ 3,977,800	
Disabled Veteran's Exemptions	484,500	
Pollution Control Exemptions	11,651	
Agricultural Exemptions	14,067	
Cases Before Arbitration	4,092,856	
Nominal Value Exemptions	1,497	8,582,371
2003/04 Taxable Assessed Valuation		\$ 252,413,572
Total Debt Payable from Ad Valorem Taxes as of 1/31/04		\$ 10,650,000
Less Self-Supporting Debt ⁽¹⁾		7,586,667
Net Funded Debt Payable from Ad Valorem Taxes		\$ 3,063,333
Interest and Sinking Fund as of 1/31/04		\$ 270,381
Ratio Total Debt to Taxable Assessed Valuation		4.22%
Ratio Net Debt to Taxable Assessed Valuation		1.21%

2004 Estimated Population - 4,824
Per Capita Taxable Assessed Valuation - \$52,325
Per Capita Total Funded Debt - \$2,208
Per Capita Net Funded Debt - \$635

- (1) General obligation debt in the amounts shown for which repayment is provided from either sales tax revenues or Waterworks and Sewer System revenues. The amount of self-supporting debt is based on the sales tax and Waterworks and Sewer System revenue support as shown in Table 9. It is the City's current policy to provide these payments from such revenues; this policy is subject to change in the future and, if changed to reduce the amount of such revenue support for general obligation debt, the City would be required to increase its debt service tax to compensate for the reduction in sales tax revenue support.

TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2004		2003		2002	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 104,910,501	40.20%	\$ 95,661,693	38.70%	\$ 83,593,168	40.10%
Real, Residential, Multi-Family	497,843	0.19%	549,404	0.22%	682,112	0.33%
Real, Vacant Lots/Tracts	6,281,454	2.41%	8,795,094	3.56%	11,154,810	5.35%
Real, Acreage (Land Only)	8,799,599	3.37%	10,062,751	4.07%	4,204,427	2.02%
Real, Farm and Ranch Improvements	0	0.00%	0	0.00%	0	0.00%
Real, Commercial	92,935,544	35.61%	87,068,332	35.23%	72,238,426	34.65%
Real and Tangible, Personal Utilities	6,504,231	2.49%	6,802,619	2.75%	7,157,263	3.43%
Tangible Personal, Commercial	39,732,921	15.22%	37,553,434	15.19%	28,844,079	13.84%
Tangible Personal, Industrial	174,828	0.07%	118,735	0.05%	114,533	0.05%
Tangible Personal, Mobile Homes	386,855	0.15%	385,328	0.16%	488,522	0.23%
Tangible Personal, Other	772,167	0.30%	162,000	0.07%	0	0.00%
Total Appraised Value Before Exemptions	\$ 260,995,943	100.00%	\$ 247,159,390	100.00%	\$ 208,477,340	100.00%
Less: Total Exemptions/Reductions	8,582,371		15,590,208		7,025,471	
Taxable Assessed Value	\$ 252,413,572		\$ 231,569,182		\$ 201,451,869	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2001		2000	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 75,548,020	40.25%	\$ 71,288,419	41.47%
Real, Residential, Multi-Family	520,853	0.28%	512,635	0.30%
Real, Vacant Lots/Tracts	10,238,094	5.45%	10,837,671	6.30%
Real, Acreage (Land Only)	2,012,603	1.07%	2,880,512	1.68%
Real, Farm and Ranch Improvements	85,700	0.05%	85,700	0.05%
Real, Commercial	65,592,906	34.95%	56,426,985	32.83%
Real and Tangible, Personal Utilities	6,991,735	3.73%	6,237,758	3.63%
Tangible Personal, Commercial	26,299,246	14.01%	23,440,488	13.64%
Tangible Personal, Industrial	101,500	0.05%	33,754	0.02%
Tangible Personal, Mobile Homes	295,462	0.16%	154,494	0.09%
Tangible Personal, Other	0	0.00%	487	0.00%
Total Appraised Value Before Exemptions	\$ 187,686,119	100.00%	\$ 171,898,903	100.00%
Less: Total Exemptions/Reductions	5,142,623		4,334,789	
Taxable Assessed Value	\$ 182,543,496		\$ 167,564,114	

TABLE 3 – VALUATION AND TAX SUPPORTED DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	Tax Supported Debt Outstanding at End of Year ⁽³⁾	Ratio of Tax Supported Debt to Taxable Assessed Valuation	Tax Supported Debt Per Capita
2000	4,600	\$ 167,564,114	\$ 36,427	\$ 7,500,000	4.48%	\$ 1,630
2001	4,600	182,543,496	39,683	11,395,000	6.24%	2,477
2002	4,616	201,451,869	43,642	11,075,000	5.50%	2,399
2003	4,616	231,569,182	50,167	10,650,000	4.60%	2,307
2004	4,824	252,413,572	52,325	10,205,000	4.04% ⁽⁴⁾	2,115 ⁽⁴⁾

(1) Source: North Central Texas Council of Governments and City officials.

(2) As reported by the Tarrant County Appraisal District on City's annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) Includes self-supporting debt; excludes notes payable and leases.

(4) Projected.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2000	\$0.318900	\$ 0.281000	\$0.037900	\$ 529,760	97.42%	100.22%
2001	0.312028	0.279459	0.032569	562,840	97.84%	100.87%
2002	0.312028	0.281618	0.030410	628,586	97.35%	101.26%
2003	0.312000	0.257300	0.054700	752,551	93.89%	97.12%
2004	0.314029	0.255946	0.058083	792,652	17.15% ⁽¹⁾	17.41% ⁽¹⁾

(1) Collections through December 31, 2003.

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2003/04 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Wal-Mart Stores, Inc.	Retail	\$ 18,286,673	7.24 %
Home Depot	Retail	11,935,338	4.73
Ritchie Bros. Properties	Auctioneers	6,511,721	2.58
Albertsons, Inc.	Grocery Store	6,130,943	2.43
Star Village LP	Real Estate/Development	5,915,748	2.34
Cheste Dix Lake Corp.	Real Estate/Development	5,261,816	2.08
Lake Worth Center Ltd.	Shopping Center	4,435,000	1.76
Applestap, LLC	Land/Improvements	4,211,699	1.67
Southwestern Bell	Telephone Utility	3,365,588	1.33
Walgreen Co.	Retail	2,853,989	1.13
		<u>\$ 68,908,515</u>	<u>27.30 %</u>

TABLE 7 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ending 9/30	Outstanding Debt			Less: Self-Supporting Debt	Total Tax Supported Debt Less Self Supporting Debt	% of Principal Retired
	Principal	Interest	Total			
2004	\$ 445,000	\$ 512,579	\$ 957,579	\$ 696,783	\$ 260,796	
2005	470,000	491,005	961,005	699,199	261,806	
2006	500,000	467,211	967,211	703,487	263,725	
2007	525,000	441,819	966,819	701,635	265,184	
2008	550,000	415,508	965,508	700,740	264,767	23.38%
2009	585,000	388,371	973,371	707,438	265,933	
2010	605,000	360,254	965,254	699,853	265,400	
2011	640,000	331,379	971,379	704,814	266,565	
2012	675,000	300,411	975,411	708,163	267,248	
2013	700,000	267,663	967,663	701,820	265,842	53.47%
2014	740,000	233,005	973,005	705,708	267,298	
2015	770,000	196,123	966,123	699,613	266,510	
2016	810,000	156,909	966,909	699,321	267,588	
2017	855,000	115,205	970,205	702,155	268,050	
2018	570,000	80,219	650,219	371,681	278,537	88.64%
2019	595,000	52,298	647,298	387,608	259,689	
2020	300,000	30,750	330,750	220,500	110,250	
2021	315,000	15,750	330,750	220,500	110,250	100.00%
	<u>\$ 10,650,000</u>	<u>\$ 4,856,456</u>	<u>\$ 15,506,456</u>	<u>\$ 11,031,018</u>	<u>\$ 4,475,438</u>	

TABLE 8 – INTEREST AND SINKING FUND BUDGET PROJECTION

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/04		\$ 988,206
Interest and Sinking Fund, 9/30/03	\$ 186,049	
2003-04 Budgeted Interest and Sinking Fund Tax Levy	148,255	
Budgeted Transfers from Economic Development Corporation	435,986	
Budgeted Transfers from General Fund	146,669	
Budgeted Transfers from Waterworks and Sewer System	260,796	
Estimated Investment Income	<u>3,000</u>	\$ 1,180,755
Estimated Balance, 9/30/04		<u>\$ 192,549</u>

TABLE 9 - COMPUTATION OF SELF-SUPPORTING DEBT

FY 2002/03 4B Economic Development Corporation Sales Tax Revenue Available ⁽¹⁾	\$ 1,122,742
FY 2003/04 Debt Service Requirements for Self-Supported Debt	\$ 435,986
Percentage of Self-Supported General Obligation Debt Self-Supporting	100%

⁽¹⁾ Certain costs of projects constructed by the City are paid by the Lake Worth Economic Development Corporation in accordance with an agreement between the City and the Corporation (see Table 13 - "Sales Tax History").

FY 2002/03 Net Waterworks and Sewer System Revenue Available for Debt Service	\$ 517,716
Deduct: Direct System Revenue Debt	-
Revenue Available for Self-Supporting Debt	<u>\$ 517,716</u>
FY 2003/04 Debt Service Requirements for Self-Supported Debt	\$ 260,796
Percentage of System Tax Debt Self-Supporting	100%

TABLE 10 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

As of September 30, 2003, the City has no authorized but unissued debt.

TABLE 11 – OTHER OBLIGATIONS

The following is a schedule of annual requirements of the Water and Sewer notes payable and capital leases as of September 30, 2003:

Year Ending 9/30	Principal		Interest	Total
	Notes Payable	Capital Leases		
2004	\$ 13,897	\$ 82,910	\$ 4,694	\$ 101,501
2005	0	36,237	1,693	37,930
Totals	<u>\$ 13,897</u>	<u>\$ 119,147</u>	<u>\$ 6,387</u>	<u>\$ 139,431</u>

TABLE 12 – GENERAL FUND REVENUE AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2003	2002	2001	2000	1999
Revenues:					
Taxes	\$ 3,277,984	\$ 3,189,316	\$ 2,648,120	\$ 2,372,693	\$ 2,235,247
Licenses and Permits	55,521	106,325	148,022	148,184	106,828
Fines and forfeits, etc.	140,614	396,137	422,019	150,176	391,518
Charges for services	461,440	151,944	150,464	413,794	150,803
Miscellaneous	307,309	298,942	302,023	347,968	329,287
Total Revenues	\$ 4,242,868	\$ 4,142,664	\$ 3,670,648	\$ 3,432,815	\$ 3,213,683
Expenditures:					
Mayor and Council	\$ 38,156	\$ 11,724	\$ 8,711	\$ 5,733	\$ 8,482
General Expense	767,746	509,234	560,493	471,399	435,421
Police Department	1,489,342	1,522,679	1,399,664	1,326,620	1,358,284
Fire Department	510,845	408,770	363,359	270,780	283,048
Street Department	828,220	667,119	527,251	382,267	394,477
Tax Department	-	-	4,133	5,268	5,379
Sanitation Department	-	-	139,672	133,684	135,493
Library	139,909	131,668	111,704	103,153	98,576
Recreation Department	192,284	234,132	91,074	81,110	67,948
Maintenance Department	122,315	123,645	113,923	73,689	61,506
Senior Citizens Program	49,844	47,972	53,111	51,324	42,905
Inspections and Permits	170,108	210,149	143,338	38,733	57,688
Municipal Court	157,468	103,785	123,297	86,552	77,372
Animal Control	48,794	52,253	48,318	76,409	56,231
Emergency Management	4,191	2,350	905	1,312	-
Total Expenditures	\$ 4,519,222	\$ 4,025,480	\$ 3,688,953	\$ 3,108,033	\$ 3,082,810
Excess of Revenues Over/(Under) Expenditures	\$ (276,354)	\$ 117,184	\$ (18,305)	\$ 324,782	\$ 130,873
Other Financing Sources (Uses):					
Transfers In ⁽¹⁾	\$ 547,652	\$ 516,963	\$ 277,340	\$ 8,177	\$ 105,748
Transfers (Out)	(268,417)	(259,050)	(147,235)	(150,784)	-
Total Other Financing Sources (Uses)	\$ 279,235	\$ 257,913	\$ 130,105	\$ (142,607)	\$ 105,748
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Uses	\$ 2,881	\$ 375,097	\$ 111,800	\$ 182,175	\$ 236,621
Beginning Fund Balance	1,753,486	1,402,677	1,290,877	1,108,702	872,081
Residual Equity Transfer/GAAP Adjustments	(150,000)	(24,288)	-	-	-
Ending Fund Balance	\$ 1,606,367	\$ 1,753,486	\$ 1,402,677	\$ 1,290,877	\$ 1,108,702

(1) Includes lease proceeds.

TABLE 13 – MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 9/30	1% City Sales & Use Tax				4B EDC Sales Tax
	Total	% of	Equivalent of	Per	Total
	Collected ⁽¹⁾	Ad Valorem Tax Levy	Ad Valorem Tax Rate	Capita ⁽²⁾	Collected
2000	\$ 1,546,179	292%	\$ 0.9227	\$ 336	\$ 766,989
2001	1,788,078	318%	0.9795	389	894,189
2002	2,179,161	347%	1.0817	472	1,089,581
2003	2,250,483	299%	0.9718	488	1,125,242
2004	972,127 ⁽³⁾	123%	0.3851	202	486,064 ⁽³⁾

- (1) Excludes the ½ cent sales tax for economic development, the ¼ cent sales tax for Crime Control and the ¼ cent sales tax for street maintenance.
(2) Based on population estimates of the North Central Texas Council of Governments and City Officials.
(3) Partial collections through January 31, 2004.

TABLE 14 – CURRENT INVESTMENTS

As of December 31, 2003, the City’s investable funds were invested in the following:

Description	Percentage of Portfolio	Book Value	Market Value
TexPool	49.6%	\$ 2,621,564	\$ 2,621,564
Lone Star Investment Pool	48.1%	2,541,664	2,541,664
Money Market/Checking Accounts	2.2%	117,793	117,793
	<u>100.0%</u>	<u>\$ 5,281,022</u>	<u>\$ 5,281,022</u>