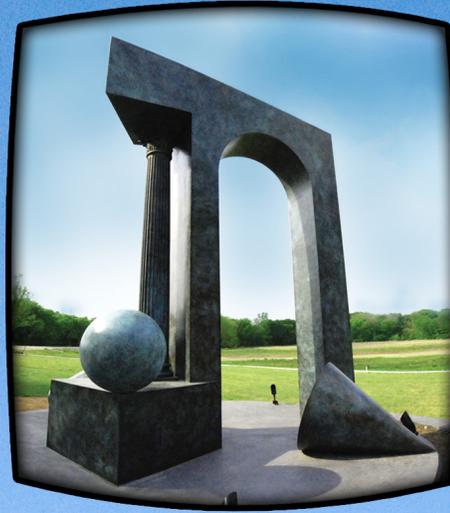


CAFR

Comprehensive Annual Financial Report

For the Year Ended September 30, 2012

City of Wylie, Texas



Teatro XIX
Herk van Tongeren



Voices of Wylie
Po Shu Wang &
Louise Bertelsen

Something Real
Steve Gilman

each Saturday night all would go to town
and get their visiting done

Featuring the Art of Wylie

**CITY OF WYLIE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED
SEPTEMBER 30, 2012**

**AS PREPARED BY THE
FINANCE DEPARTMENT**

**CITY OF WYLIE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012**

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INTRODUCTORY SECTION

January 22, 2013

The Honorable Eric Hogue, Mayor
Members of the City Council
And the Citizens
City of Wylie, Texas

Financial policies of the City of Wylie require that the City's Finance Department prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Accordingly, the Comprehensive Annual Financial Report (CAFR) for the City of Wylie, Texas for the fiscal year ended September 30, 2012, is hereby issued.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial records have been audited by Weaver LLP, Certified Public Accountants, as required by the City Charter. This CAFR has been prepared based upon those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2012, are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2012, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Profile of the City

The City of Wylie is located in the south central portion of Collin County, approximately 23 miles northeast of downtown Dallas. Incorporated in 1887, the City adopted its Home Rule Charter on January 19, 1985, and operates under a council-manager form of government. The City Council is comprised of a Mayor and six council members. All members are elected at-large on a staggered and nonpartisan basis for three-year terms. They are responsible to enact local legislation, provide policy, and annually adopt the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court and members of various boards and commissions. The City Manager, under the oversight of the City Council, is responsible for the proper administration of the daily operations of the City.

The City provides a full range of municipal services including general government, public safety (police, fire, and emergency communications), streets, library, parks and recreation, planning and zoning, code enforcement, animal control, and water and sewer utilities. Sanitation services are provided by the City but are privately contracted. The Wylie Economic Development Corporation (WEDC) is included in the financial statements as a discrete component unit. Its purpose is to aid, promote and further economic development within the City. The Wylie Park and Recreation Facilities Development Corporation (4B Corporation) is also combined within the financial statements of the City. Both WEDC and the 4B Corporation are primarily funded with sales tax revenues. Both corporations are discussed more fully in the notes to the financial statements.

The annual budget of the City serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances and state law. The budget process begins each year with a budget message from the City Manager highlighting the objectives to be used in developing departmental budgets. The departmental budgets are then reviewed by the City Manager and a proposed budget is prepared for presentation to the City Council. The City Council reviews the budget in subsequent work sessions and a formal budget is prepared and made available to the public for review by August 5th each year. Prior to official adoption of the budget by Council, public hearing on the proposed budget is held to allow for public input.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Wylie operates.

Local economy

Fast paced growth has, in recent years, been one of the identifying characteristics of the City. However, the growth has slowed in accordance with current economic conditions. The 2012 population of the City has been estimated at about 42,804. This represents a 3% growth over the previous year. The continuation of a slower paced growth is also evidenced in residential construction. Despite the increase in population, residential construction permits decreased by 4% from the previous year total of 223 permits. For the year ending September 30, 2012, the City issued 213 permits. However, this is an improvement from Fiscal Year 2011 which saw a 23% decrease in permits issued over the previous fiscal year. The economy appears to be showing slight improvement. This is also evidenced in the tax base. When both residential and commercial growth is considered our total tax base increased by 1.8% over the previous year. Our freeze adjusted taxable assessed value this year, as provided by the Collin Central Appraisal District, Dallas Central Appraisal District and Rockwall Central Appraisal District, was \$2,235,696,487.

While the City's growth rate has declined, the City still maintains a favorable economic environment. During Fiscal Year 2012 the City saw the opening of additional retail stores and restaurants in

Woodbridge Crossing such as Ross Dress for Less, Rack Room Shoes and Rosa's Café. Other retail businesses have also opened during 2012. Developments currently in progress which began during Fiscal Year 2012 include B&B Theatre, which will have the largest movie screen in Collin County, Kroger Marketplace, and Wylie Medical Plaza, which will house a 24-hour emergency care center in addition to imaging and diagnostic facilities.

Long-term financial planning

In 2006, the City developed a long-range financial plan. The plan included street and park improvements, a new city hall, library, fire station, recreation center and sidewalks. The voters of the City of Wylie authorized the City to issue \$73,950,000 in General Obligation Bonds to fund this capital improvement program. The first series of General Obligation bonds were sold in late March of 2006 and the remaining bonds were sold in August of 2008. In July 2012, the City issued \$7,005,000 in General Obligation Refunding Bonds and \$1,565,000 in Public Property Finance Contractual Obligations. The Contractual Obligations were issued to fund the purchase of two quints for the Fire Department.

Fiscal year 2012 saw the opening of the City's Public Works Service Center. Work on several road construction projects also continued, some of which consisted of joint efforts with financial participation by Collin County. Construction is currently underway to widen Brown Street both east and west of State Highway 78. Road projects are very important to help our citizens get in and around the city. Construction was also completed at Community Park which saw the renovation of ball fields, concession stands and restroom facilities.

Currently renovations and improvements to the Public Safety Building are in progress to adapt the former City Hall for better use by the Police Department, Fire Administration and Courts. Other roadway construction continues to accommodate the growth of the City.

Relevant financial policies

During Fiscal Year 2012, the City Council approved the revised Financial Management Policies. Changes made to the previous policies included updates to the use of 4B sales tax revenue, contingency fund budgeting and usage, vacancy funds and purchasing authorization levels.

Financial policies state that, "It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council." In FY2012, a budgeted reduction of reserves was done to fund both new and replacement fleet and equipment and a transfer of funds to the debt service fund for debt payments.

Major initiatives

In addition to construction projects, the City noted a continuation of initiatives in its public arts program. The mural in Olde City Park was commissioned to be redone and will reflect both the past and present of the City of Wylie. Designs for a sculpture to be installed at Community Park were also developed. The City of Wylie celebrated its 125th birthday as it was incorporated in 1887. The City began a program of utilizing excess fund balance above policy requirements for one time purchases of new and or replacement vehicles and equipment.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wylie for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2011. The City has participated in the program for many years and has been awarded the Certificate numerous times. In order to be awarded a Certificate of Achievement, the government must publish an easily readable

and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Finance Department. We would also like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Acknowledgement is also given to representatives of Weaver, LLP, Certified Public Accountants for their dedicated assistance in producing this report.

Special acknowledgement is given to the City Manager, Mayor and the members of the City Council for their support for maintaining the highest standards of professionalism in the management of the City of Wylie finances.

Respectively submitted,



Linda Bantz
Finance Director



Melissa Beard
Assistant Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wylie
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



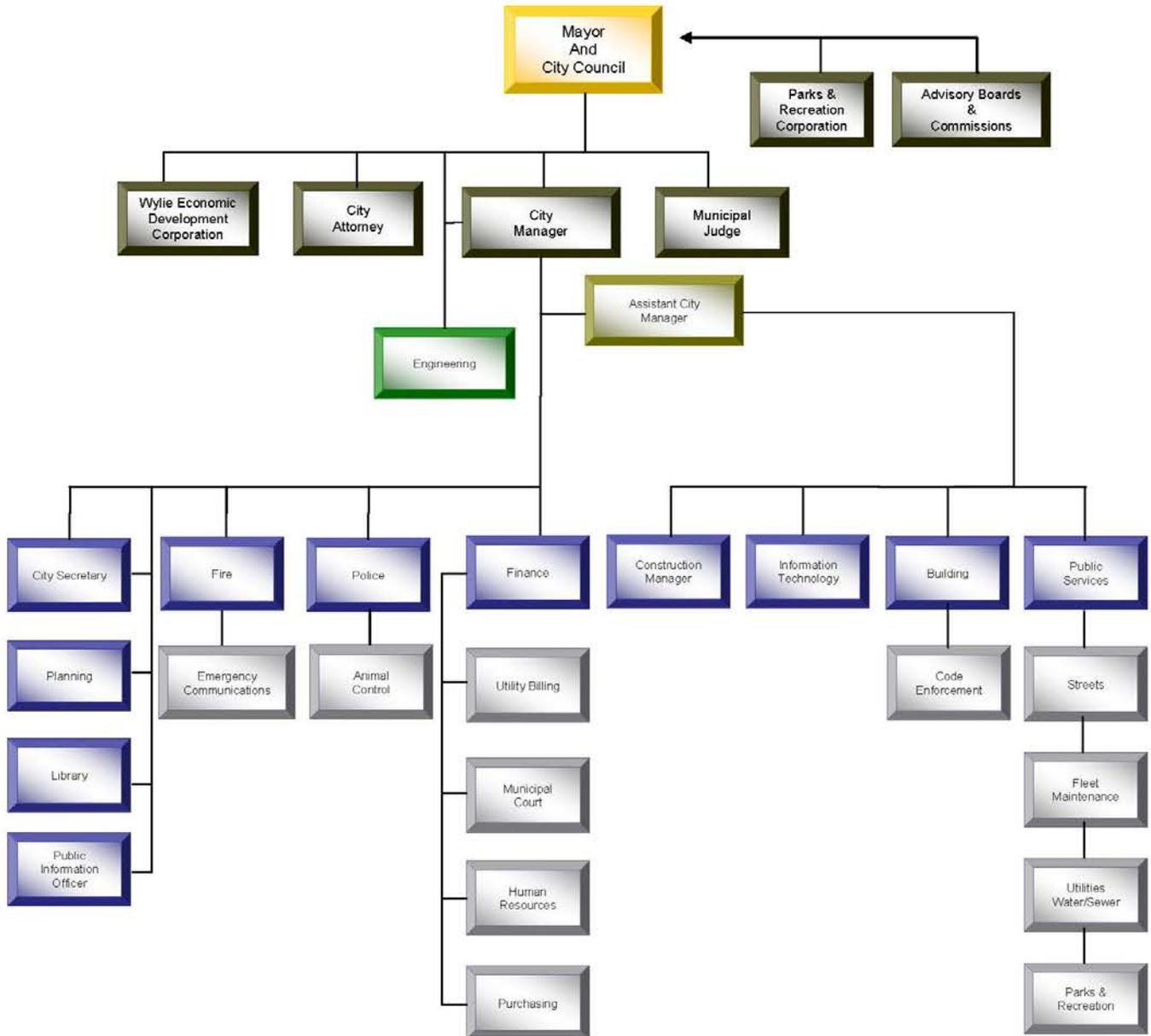
Christopher P. Morrell

President

Jeffrey R. Egan

Executive Director

FY 2012 CITY OF WYLIE
ORGANIZATIONAL CHART



CITY OF WYLIE, TEXAS

PRINCIPAL OFFICIALS

September 30, 2012

City Council

Eric Hogue, Mayor
Kathy Spillyards, Mayor Pro Tem
David Goss, Councilmember
Nathan Scott, Councilmember
Bennie Jones, Councilmember
Rick White, Councilmember
Diane Culver, Councilmember

City Staff

Mindy Manson, City Manager
Jeff Butters, Assistant City Manager
Carole Ehrlich, City Secretary
Linda Bantz, Director of Finance
John Duscio, Police Chief
Randy Corbin, Fire Chief
Chris Holsted, City Engineer
Mike Sferra, Public Services Director
Rachel Orozco, Library Director
Dwight Lancaster, Building Director
Renaë' Ollie, Planning Director
Sam Satterwhite, WEDC Director

Other Appointed Officials

Weaver, LLP, Auditors
Abernathy, Roeder, Boyd & Joplin, PC, City Attorney
Fulbright & Jaworski, LLP, Bond Counsel
First Southwest Company, Financial Advisors



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Members of the City Council
City of Wylie, TX

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wylie (the City) as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's administration. Our responsibility is to express opinions on these basic financial statements based on our audit.

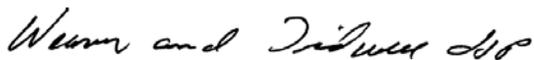
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 54 through 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wylie's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 16, 2013

City of Wylie, Texas Management's Discussion and Analysis September 30, 2012

As management of the City of Wylie, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages one through four of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the fiscal year ended September 30, 2012, by \$175,730,269 (net assets). Of this amount, \$33,423,695 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$4,718,580. The increase is attributable to increases in revenues, particularly ad valorem taxes and County funding for road construction projects.
- The City's governmental funds reported combined ending fund balances of \$45,249,454, an increase of \$642,911 in comparison to the previous year.
- The unassigned portion of the General Fund fund balance at the end of the year was \$11,286,328 or 43% of total General Fund expenditures and transfers out.
- Total debt of the City decreased by \$2,225,041 during the fiscal year due to payments on bonded debt.
- Net assets increased in the Utility Fund by \$885,363 in comparison to the previous year. Water and sewer impact fee revenue accounts for the most of the increase.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Wylie's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Assets and the Statement of Activities, are utilized to provide this financial overview.

The Statement of Net Assets presents information on all of the City's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide statements distinguish between governmental activities and business-type activities. Governmental activities basically account for those activities supported by taxes and intergovernmental revenues. On the other hand, business-type activities are basically supported by user fees and charges. Most City services are reported in governmental activities while business-type activities are reported in the Enterprise Fund.

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

The government-wide statements include not only the City but also a discrete component unit, the Wylie Economic Development Corporation (WEDC). Although legally separate, WEDC is financially accountable to the City.

Fund financial statements. The City, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-two individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the General Obligation Debt Service Fund. All Capital Projects Funds are combined for a single, aggregated presentation. Data from the other non-major funds are also combined and reported in a single column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail.

Notes to the financial statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements.

Government-Wide Financial Analysis

At the end of fiscal year 2012, the City's net assets (assets exceeding liabilities) totaled \$175,730,269. This analysis focuses on the net assets (Table 1) and changes in net assets (Table 2).

Net Assets. The largest portion of the City's net assets, \$138,352,394, or 78.73%, reflects its investment in capital assets (land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to its citizens, consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets, \$3,954,180, or 2.25% represents resources that are subject to external restrictions on how they may be used. The unrestricted net assets of \$33,423,695 (19.02%) may be used to meet the government's ongoing obligations to citizens and creditors.

Table 1
Condensed Statement of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 50,690,005	\$ 50,056,539	\$ 19,174,004	\$ 23,673,874	\$ 69,864,009	\$ 73,730,413
Capital assets	177,073,934	175,111,843	49,451,471	44,632,284	226,525,405	219,744,127
Total Assets	227,763,939	225,168,382	68,625,475	68,306,158	296,389,414	293,474,540
Long term liabilities	104,983,345	106,302,871	10,045,642	10,951,157	115,028,987	117,254,028
Other liabilities	4,131,148	4,049,282	1,499,010	1,159,541	5,630,158	5,208,823
Total liabilities	109,114,493	110,352,153	11,544,652	12,110,698	120,659,145	122,462,851
Net Assets:						
Invested in capital assets net of related debt	95,243,831	96,233,296	43,108,563	37,576,095	138,352,394	133,809,391
Restricted for debt service	403,355	290,576	-	-	403,355	290,576
Restricted for capital projects	-	-	3,550,825	4,260,021	3,550,825	4,260,021
Unrestricted	23,002,260	18,292,357	10,421,435	14,359,344	33,423,695	32,651,701
Total Net Assets	\$ 118,649,446	\$ 114,816,229	\$ 57,080,823	\$ 56,195,460	\$ 175,730,269	\$ 171,011,689

Changes in Net Assets. The net assets of the City increased by \$4,718,580 for the fiscal year ended September 30, 2012.

Governmental Activities. Governmental activities increased the City's net assets by \$3,833,217 from the prior year. This was generated primarily by increased ad valorem tax revenue and County funding for road construction projects.

Business-type Activities. Net assets from business-type activities increased by \$885,363 from the prior year. Increased utility revenues from the growth of our customer base and a larger volume of water sold due to extremely dry weather conditions were primarily responsible for this increase in net assets.

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

**Table 2
Changes in Net Assets**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 5,251,489	\$ 4,983,023	\$12,826,991	\$12,580,923	\$ 18,078,480	\$ 17,563,946
Operating grants and contributions	1,622,466	217,790	-	-	1,622,466	217,790
Capital grants and contributions	3,538,027	1,663,223	393,140	-	3,931,167	1,663,223
General revenues:						
Ad valorem taxes	21,220,640	20,706,218	-	-	21,220,640	20,706,218
Sales taxes	4,879,854	4,632,860	-	-	4,879,854	4,632,860
Other taxes and fees	2,538,708	2,278,805	-	-	2,538,708	2,278,805
Interest	62,408	94,894	128,932	141,682	191,340	236,576
Gain (loss) disposal of capital assets	-	18,526	-	6,663	-	25,189
Miscellaneous	419,715	536,216	131,820	96,740	551,535	632,956
Total revenues	39,533,307	35,131,555	13,480,883	12,826,008	53,014,190	47,957,563
Expenses:						
General Government	6,118,269	3,621,127	-	-	6,118,269	3,621,127
Public Safety	13,329,862	13,694,425	-	-	13,329,862	13,694,425
Urban Development	1,285,496	1,254,722	-	-	1,285,496	1,254,722
Streets	2,515,998	5,493,677	-	-	2,515,998	5,493,677
Community Service	9,435,014	4,965,762	-	-	9,435,014	4,965,762
Interest on long-term debt	4,692,448	4,795,423	-	-	4,692,448	4,795,423
Water and sewer operations	-	-	10,918,523	10,566,621	10,918,523	10,566,621
Total expenses	37,377,087	33,825,136	10,918,523	10,566,621	48,295,610	44,391,757
Increase in net assets before transfers	2,156,220	1,306,419	2,562,360	2,259,387	4,718,580	3,565,806
Transfers	1,676,997	904,435	(1,676,997)	(904,435)	-	-
Increase in net assets	3,833,217	2,210,854	885,363	1,354,952	4,718,580	3,565,806
Net assets - October 1	114,816,229	112,605,375	56,195,460	54,840,508	171,011,689	167,445,883
Net assets - September 30	\$118,649,446	\$ 114,816,229	\$57,080,823	\$56,195,460	\$ 175,730,269	\$ 171,011,689

Government-Wide Financial Analysis

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined fund balances of \$45,249,454.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance was \$11,286,328. The unassigned fund balance of the General Fund increased by \$1,190,571 during the current fiscal year. The increase was primarily due to increases in all the major revenue categories: ad valorem taxes, sales taxes and franchise fees. This was accompanied by a small overall decrease in expenditures.

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

The General Obligation Debt Service Fund had an increase of \$110,721 in fund balance. These funds are specifically restricted for the payment of debt service. The Capital Projects Fund decreased \$718,333 due to the expenditures made on capital projects. Non-major governmental funds' combined fund balances increased \$161,453.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide statements, but in more detail.

Unrestricted net assets of the Utility Fund at the end of the year amounted to \$10,421,435. This represents a decrease of \$3,937,909 from the previous year due to budgeted use of reserves for capital projects such as the Public Works Service Center and the Twin Lakes Sewer Project. This year's operating income was \$1,705,674. This decrease of \$729,555 from last year's operating income is attributable to a slight decrease in water revenue and water and sewer tap fees.

General Fund Budgetary Highlights. In FY2012 the General Fund expenditure budget was increased by \$1,507,869 over the 2011 budget. Each year the City performs a mid-year review of the budget. If the City Manager determines that funds are available certain amendments are proposed to the City Council for their review and approval. Expenditures were amended throughout the year with the majority occurring during mid-year reviews. These amendments decreased General Fund appropriations by \$172,895 or 0.65%.

In the General Fund, the actual revenue received in comparison to the final budget was over by \$929,934. This positive variance is most noticeable in franchise fees, service fees and licenses and permits. General Fund expenditures had a final budget to actual variance of \$991,755 prior to other financing sources/uses. This amount is attributable to intentional savings made by all departments in order to increase reserves. Personnel savings due to turnover and unfilled vacancies were also a factor.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2012, amounts to \$226,525,405 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, and construction in progress. The total increase in the City's investment in capital assets for the current year was 3.1%.

**Table 3
Capital Assets at Year-end
Net of Accumulated Depreciation (000's)**

Asset	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 31,172	\$ 30,525	\$ 111	\$ 111	\$ 31,283	\$ 30,636
Other non-depreciable assets	720	720	-	-	720	720
Buildings	42,776	4,870	121	130	42,897	5,000
Improvements	78,239	62,866	44,410	36,890	122,649	99,756
Machinery and equipment	5,919	5,843	263	237	6,182	6,080
Construction in progress	18,248	70,288	4,546	7,264	22,794	77,552
	<u>\$ 177,074</u>	<u>\$ 175,112</u>	<u>\$ 49,451</u>	<u>\$ 44,632</u>	<u>\$ 226,525</u>	<u>\$ 219,744</u>

Additional information on the City's capital assets can be found in the notes to the financial statements on pages 38-39.

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

Debt Administration. At the end of the current fiscal year, the City of Wylie had total bonded debt outstanding of \$113,227,593. Of this amount, \$112,697,593 comprises bonded debt backed by the full faith and credit of the City in addition to unamortized premiums and net deferred losses on refundings. \$530,000 represents debt backed by sales tax revenues.

**Table 4
Outstanding Debt at Year End (000's)**

Type of Debt	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
General Obligation	\$ 82,985	\$ 83,255	\$ 3,510	\$ 3,650	\$ 86,495	\$ 86,905
Combination Tax & Revenue	18,225	20,750	6,405	6,710	24,630	27,460
Contractual Obligations	1,640	787	131	610	1,771	1,397
Loans Payable/PPFCO	-	-	-	-	-	-
Sales Tax Revenue	530	645	-	-	530	645
Water & Sewer Revenue	-	-	-	-	-	-
Unamortized premium (discount)	764	297	(34)	(44)	730	253
Deferred loss (gain) on refunding	(855)	(476)	(73)	(73)	(928)	(549)
Total	<u>\$ 103,289</u>	<u>\$ 105,258</u>	<u>\$ 9,939</u>	<u>\$ 10,853</u>	<u>\$ 113,228</u>	<u>\$ 116,111</u>

The City issued \$7,005,000 General Obligation Refunding Bonds during the fiscal year. In addition, \$1,565,000 Public Property Finance Contractual Obligations were issued for the purchase of two quints for the Fire Department. The City continues to maintain favorable ratings from bond rating agencies. The current General Obligation, Combination Tax and Revenue Certificates of Obligation, and Revenue Bonds ratings are as follows.

	Moody's <u>Investors Service</u>	Standard & Poor's
General obligation bonds	Aa3	A+
Certificates of obligation	Aa3	A+
Revenue bonds	A1	A+

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 41-46.

Economic Factors and Next Years's Budgets and Rates

During FY2012, 213 building permits were issued. Although the community has grown substantially in recent years, the growth has experienced a marked slowdown in accordance with current economic conditions. Slight improvement continues with the upward trend in freeze adjusted taxable property values reflecting a small increase of \$34,769,113 from FY2012 to FY2013. Our growth pattern is projected to continue into FY2013 at the more modest rate evident in recent years. The current slow-down and small increase in assessed property valuation had a significant impact in the development of the FY2013 operating budget.

**City of Wylie, Texas
Management's Discussion and Analysis
September 30, 2012**

In FY2013, General Fund revenues and expenditures are budgeted to increase by 3.50% and 5.48 % prior to other financing sources and transfers out, respectively, over FY2012 revenues and expenditures. This will provide a 30% estimated fund balance at FY2013 year-end which is larger than the 25% normally targeted.

Utility Fund operating revenues are budgeted to increase by 7.4% over FY2012 revenues and operating expenses are projected to increase by 13.9% from FY2012.

In the Utility Fund, water and sewer rates were adjusted for the 2013 budget year to compensate for increased water and sewer charges from North Texas Municipal Water District.

During FY2006, voters authorized the City to issue \$73,950,000 in bonds. \$35,325,000 was issued in 2006 with the remaining \$38,625,000 issued in 2008. The issuance of these bonds was expected to cause an increase in the I & S tax rate to cover the principal and interest payments on the additional debt. However, the total tax rate went unchanged from FY2009 through FY2012 and for FY2013 the tax rate was reduced \$0.01.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 300 Country Club Road, Wylie, Texas, 75098.



BASIC FINANCIAL STATEMENTS



**CITY OF WYLIE, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2012**

EXHIBIT A-1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 46,502,638	\$ 13,316,192	\$ 59,818,830	\$ 1,330,462
Receivables (net of allowance for uncollectibles)	2,971,254	2,071,488	5,042,742	6,364,212
Inventories	164,390	34,473	198,863	2,423,964
Prepaid items	415,350		415,350	42,682
Restricted assets:				
Cash and cash equivalents		1,188,435	1,188,435	-
Receivables	-	2,362,390	2,362,390	-
Deferred charges	636,373	201,026	837,399	-
Capital assets (net of accumulated depreciation):				
Land	31,171,617	110,845	31,282,462	-
Other non-depreciable assets	720,002	-	720,002	-
Construction in progress	18,248,917	4,546,234	22,795,151	-
Buildings	42,775,298	121,707	42,897,005	-
Improvement other than buildings	78,238,948	44,409,967	122,648,915	-
Machinery and equipment	5,919,152	262,718	6,181,870	-
Total Assets	227,763,939	68,625,475	296,389,414	10,161,320
LIABILITIES				
Accounts payable and other current liabilities	3,417,213	1,123,683	4,540,896	113,224
Unearned revenue	-	-	-	142,897
Accrued interest payable	605,590	46,776	652,366	1,130
Due to other governments	108,345	-	108,345	-
Liabilities payable from restricted assets	-	328,551	328,551	-
Non current liabilities:				
Due within one year	5,027,215	1,046,011	6,073,226	388,240
Due in more than one year:	99,956,130	8,999,631	108,955,761	4,749,331
Total Liabilities	109,114,493	11,544,652	120,659,145	5,394,822
NET ASSETS				
Invested in capital assets (net of related debt)	95,243,831	43,108,563	138,352,394	-
Restricted for:				
Debt service	403,355	-	403,355	-
Capital projects	-	3,550,825	3,550,825	-
Unrestricted	23,002,260	10,421,435	33,423,695	4,766,498
Total Net Assets	\$ 118,649,446	\$ 57,080,823	\$ 175,730,269	\$ 4,766,498

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 6,118,269	\$ 2,247,927	\$ 1,401,750	\$ -
Public safety	13,329,862	1,425,766	172,602	11,902
Urban development	1,285,496	690,237	-	-
Streets	2,515,998	-	-	3,518,080
Community service	9,435,014	887,559	48,114	8,045
Interest on long-term debt	4,692,448	-	-	-
Total governmental activities	37,377,087	5,251,489	1,622,466	3,538,027
Business-type activities:				
Utility	10,918,523	12,826,991	-	393,140
Total business-type activities	10,918,523	12,826,991	-	393,140
Total primary government	\$ 48,295,610	\$ 18,078,480	\$ 1,622,466	\$ 3,931,167
Component unit:				
Wylie Economic Development Corp	\$ 1,618,423	\$ 65,300	\$ -	\$ -
General revenues:				
Ad valorem taxes				
Sales taxes				
Franchise taxes				
Unrestricted investment earnings				
Miscellaneous income				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - Beginning				
Net assets - Ending				

The accompanying notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (2,468,592)	\$ -	\$ (2,468,592)	\$ -
(11,719,592)	-	(11,719,592)	-
(595,259)	-	(595,259)	-
1,002,082	-	1,002,082	-
(8,491,296)	-	(8,491,296)	-
(4,692,448)	-	(4,692,448)	-
<u>(26,965,105)</u>	<u>-</u>	<u>(26,965,105)</u>	<u>-</u>
-	2,301,608	2,301,608	-
-	2,301,608	2,301,608	-
<u>\$ (26,965,105)</u>	<u>\$ 2,301,608</u>	<u>\$ (24,663,497)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,553,123)</u>
21,220,640	-	21,220,640	-
4,879,854	-	4,879,854	1,605,130
2,538,708	-	2,538,708	-
62,408	128,932	191,340	127,964
419,715	131,820	551,535	104,560
1,676,997	(1,676,997)	-	-
<u>30,798,322</u>	<u>(1,416,245)</u>	<u>29,382,077</u>	<u>1,837,654</u>
3,833,217	885,363	4,718,580	284,531
114,816,229	56,195,460	171,011,689	4,481,967
<u>\$ 118,649,446</u>	<u>\$ 57,080,823</u>	<u>\$ 175,730,269</u>	<u>\$ 4,766,498</u>

**CITY OF WYLIE, TEXAS
BALANCE SHEET-GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012**

	<u>General Fund</u>	<u>General Obligation Debt Service</u>
ASSETS		
Cash and cash equivalents	\$ 11,552,837	\$ 909,364
Receivables (net of allowance for uncollectibles):		
Ad valorem taxes	224,175	99,581
Franchise taxes	959,236	-
Sales taxes	598,713	-
Accounts	359,337	-
Other	427,487	-
Due from other funds	-	-
Inventories, at cost	164,390	-
Prepaid items	17,475	-
	<u>14,303,650</u>	<u>1,008,945</u>
Total assets	\$ 14,303,650	\$ 1,008,945
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts payable	\$ 887,683	\$ -
Other payables and accruals	676,111	-
Retainage payable	-	-
Due to other funds	-	-
Due to other governments	108,345	-
Accrued interest payable	-	31,232
Deferred revenue	1,163,318	84,070
	<u>2,835,457</u>	<u>115,302</u>
Total liabilities	2,835,457	115,302
FUND BALANCES:		
Nonspendable		
Inventory	164,390	-
Prepays	17,475	-
Restricted		
Debt service	-	893,643
Capital projects	-	-
Economic development	-	-
Municipal court technology	-	-
Municipal court security	-	-
Tourism	-	-
Committed		
Park acquisition and improvement	-	-
Fire training	-	-
Fire development	-	-
Recreation	-	-
Unassigned	11,286,328	-
	<u>11,468,193</u>	<u>893,643</u>
Total fund balances	11,468,193	893,643
Total liabilities and fund balances	\$ 14,303,650	\$ 1,008,945

The accompanying notes to the basic financial statements are an integral part of this statement.

EXHIBIT A-3

<u>Capital Projects Fund</u>	<u>Non major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 30,055,431	\$ 3,985,006	\$ 46,502,638
-	-	323,756
-	-	959,236
-	294,792	893,505
-	-	359,337
-	7,933	435,420
-	150,344	150,344
-	-	164,390
<u>397,875</u>	<u>-</u>	<u>415,350</u>
<u>\$ 30,453,306</u>	<u>\$ 4,438,075</u>	<u>\$ 50,203,976</u>
\$ 1,423,966	\$ 68,936	\$ 2,380,585
-	40,228	716,339
320,289	-	320,289
-	150,344	150,344
-	-	108,345
-	-	31,232
<u>-</u>	<u>-</u>	<u>1,247,388</u>
<u>1,744,255</u>	<u>259,508</u>	<u>4,954,522</u>
-	-	164,390
-	-	17,475
-	199,442	1,093,085
28,709,051	-	28,709,051
-	1,404,544	1,404,544
-	45,230	45,230
-	146,842	146,842
-	164,849	164,849
-	622,121	622,121
-	152,752	152,752
-	1,157,162	1,157,162
-	285,625	285,625
<u>-</u>	<u>-</u>	<u>11,286,328</u>
<u>28,709,051</u>	<u>4,178,567</u>	<u>45,249,454</u>
<u>\$ 30,453,306</u>	<u>\$ 4,438,075</u>	<u>\$ 50,203,976</u>

**CITY OF WYLIE, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2012**

EXHIBIT A-4

Total fund balance-governmental funds balance sheet	\$ 45,249,454
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	177,073,934
Revenues earned but not available within sixty days of the fiscal year-end are not recognized as revenue in the fund financial statements.	1,247,388
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.	(574,358)
Costs associated with the issuance of governmental long-term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide financial statements.	636,373
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the fund financial statements.	<u>(104,983,345)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES - statement of net assets	<u>\$ 118,649,446</u>

The accompanying notes to the basic financial statements
are an integral part of this statement.

**CITY OF WYLIE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT A-5

	General Fund	General Obligation Debt Service	Capital Projects Fund	Non major Governmental Funds	Total Governmental Funds
REVENUES					
Ad valorem taxes	\$ 14,182,395	\$ 7,049,928	\$ -	\$ -	\$ 21,232,323
Sales taxes	3,219,312	-	-	1,660,542	4,879,854
Franchise fees	2,475,389	-	-	-	2,475,389
Licenses and permits	569,396	-	1,287,294	-	1,856,690
Intergovernmental	726,306	-	3,632,536	5,000	4,363,842
Service fees	2,904,578	-	-	707,768	3,612,346
Court fees	279,929	-	-	13,211	293,140
Interest income	18,217	3,508	35,673	5,010	62,408
Miscellaneous income	534,538	-	-	169,217	703,755
Total revenues	<u>24,910,060</u>	<u>7,053,436</u>	<u>4,955,503</u>	<u>2,560,748</u>	<u>39,479,747</u>
EXPENDITURES					
Current:					
General government	6,925,023	-	-	-	6,925,023
Public safety	12,409,867	-	-	79,821	12,489,688
Urban development	1,282,284	-	-	-	1,282,284
Streets	1,499,966	-	-	-	1,499,966
Community service	3,114,732	-	-	1,943,570	5,058,302
Capital outlay	-	-	8,319,958	-	8,319,958
Debt service:					
Principal	-	3,367,780	-	350,000	3,717,780
Interest and fiscal charges	-	4,482,690	-	218,099	4,700,789
Bond issue costs	-	80,328	28,117	-	108,445
Total expenditures	<u>25,231,872</u>	<u>7,930,798</u>	<u>8,348,075</u>	<u>2,591,490</u>	<u>44,102,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(321,812)</u>	<u>(877,362)</u>	<u>(3,392,572)</u>	<u>(30,742)</u>	<u>(4,622,488)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	2,027,102	900,000	-	1,528,295	4,455,397
Transfers out	(735,105)	-	(500,000)	(1,543,295)	(2,778,400)
Proceeds from capital lease	119,385	-	-	207,195	326,580
Reimbursement from other funds	-	-	1,107,001	-	1,107,001
Issuance of long-term debt	-	6,645,000	1,565,000	-	8,210,000
Proceeds from note	-	-	438,621	-	438,621
Premium (discount) on bonds issued	-	423,753	63,117	-	486,870
Payment to refunded bond escrow agent	-	(6,980,670)	-	-	(6,980,670)
Total other financing sources (uses)	<u>1,411,382</u>	<u>988,083</u>	<u>2,673,739</u>	<u>192,195</u>	<u>5,265,399</u>
Net change in fund balances	<u>1,089,570</u>	<u>110,721</u>	<u>(718,833)</u>	<u>161,453</u>	<u>642,911</u>
Fund balances, October 1, 2011	<u>10,378,623</u>	<u>782,922</u>	<u>29,427,884</u>	<u>4,017,114</u>	<u>44,606,543</u>
Fund balances, September 30, 2012	<u>\$ 11,468,193</u>	<u>\$ 893,643</u>	<u>\$ 28,709,051</u>	<u>\$ 4,178,567</u>	<u>\$ 45,249,454</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT A-6

Net change in fund balances- total governmental funds.	\$ 642,911
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period, less developer contributions.	8,685,866
Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(6,330,745)
Reimbursement for the transfer of capital assets increases fund balance of governmental funds; but in the government-wide statements, it is reported as a change in assets.	(1,107,001)
The repayment of the principal of long term debt consumes the current financial resources of governmental funds, but has no effect on net assets. The amortization of bond issuance costs, bond premiums, and deferred gain/loss on refunding of long term debt is reported in statement of activities but does not require the use of current financial resources. Therefore the effect of the amortization of these various items are not reported in the statement of revenues, expenses, and changes in fund balance. This amount represents the net effect of the following items:	
o Bond proceeds (8,210,000)	
o Note proceeds (438,621)	
o Debt issuance costs 108,445	
o Bond premiums (486,870)	
o Repayments 10,301,059	
o Deferred loss on refunding 431,465	
o Amortization of premium on bonds, 20,773, less the amortization of debt issue costs (257,885) and deferred loss on refunding (52,965)	1,415,401
Governmental funds reflect the proceeds of capital leases as other financing sources and payments as expenditures. However, in the government-wide statements, the proceeds and payments are reflected as changes in liabilities. This amount represents the difference between the proceeds (326,580) and payments (122,273).	(204,307)
Current year changes in accrued interest payable does not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	5,916
Current year changes in the long-term liability for compensated absences do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	(41,007)
Governmental funds do not recognize assets contributed by developers. However, in the statement of activities, the fair market value of those assets is recognized as revenue, then allocated over the useful life of the assets and reported as depreciation expense.	713,973
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.	<u>52,210</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES - statement of activities	<u>\$ 3,833,217</u>

The accompanying notes to the basic financial statements are an integral part of this statement.



**CITY OF WYLIE , TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2012**

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 13,316,192
Accounts receivables (net of allowances for uncollectibles)	2,057,805
Other receivables	13,683
Inventories, at cost	34,473
Restricted assets	
Cash and cash equivalents	1,188,435
Accounts receivable	2,362,390
	<hr/>
Total current assets	18,972,978
	<hr/>
Non-current assets	
Deferred charges	201,026
Capital assets:	
Land	110,845
Buildings	268,801
Waterworks system	33,901,588
Sewer system	29,819,928
Machinery and equipment	1,016,467
Construction in progress	4,546,234
Accumulated depreciation	(20,212,392)
	<hr/>
Total capital assets (net of accumulated depreciation)	49,451,471
	<hr/>
Total non-current assets	49,652,497
	<hr/>
Total assets	\$ 68,625,475
	<hr/> <hr/>

The accompanying notes to the basic financial statements are an integral part of this statement.

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 932,986
Other payables and accruals	190,697
Compensated absences payable - current	85,151
General obligation bonds payable - current	515,000
Combination bonds - tax and revenue - current	445,860
Accrued interest payable	46,776
Payable from restricted assets	
Customer deposits	<u>328,551</u>
Total current liabilities	<u>2,545,021</u>
Non-current liabilities:	
Compensated absences payable	21,451
General obligation bonds payable	2,995,000
Combination bonds - tax and revenue	<u>5,983,180</u>
Total noncurrent liabilities	<u>8,999,631</u>
Total liabilities	<u>11,544,652</u>
NET ASSETS	
Invested in capital assets, net of related debt	43,108,563
Restricted for construction	3,550,825
Unrestricted	<u>10,421,435</u>
Total net assets	<u>\$ 57,080,823</u>

**CITY OF WYLIE, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET ASSETS – PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT A-8

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
OPERATING REVENUES	
Water	\$ 6,402,867
Sewer	5,516,873
Penalties	186,034
Water taps	46,754
Sewer taps	10,170
Reconnect fees	71,615
	<u>12,234,313</u>
Total operating revenues	
OPERATING EXPENSES	
Water purchases	2,045,827
Sewer treatment	3,672,071
Utility administration	277,000
Water department	1,024,143
Sewer department	539,764
Utility billing	596,760
Engineering	413,291
Combined services	450,391
Depreciation and amortization	1,509,392
	<u>10,528,639</u>
Total operating expenses	
Operating income	<u>1,705,674</u>
NON-OPERATING REVENUES (EXPENSES)	
Investment revenue	128,932
Miscellaneous income	131,820
Water and sewer impact fee revenue	592,678
Interest expense	(389,884)
	<u>463,546</u>
Total non-operating revenues (expenses)	
Net income before transfers	<u>2,169,220</u>
TRANSFERS	
Capital contributions	393,140
Transfers out	(1,676,997)
	<u>(1,283,857)</u>
Total transfers	
Change in net assets	885,363
Net assets, October 1	<u>56,195,460</u>
Net assets, September 30	<u><u>\$ 57,080,823</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT A-9

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 13,065,394
Cash payments to employees for services	(1,241,365)
Cash payments to other suppliers for goods and services	<u>(7,273,537)</u>
Net cash provided by operating activities	<u>4,550,492</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers to other funds	<u>(1,676,997)</u>
Net cash used in non-capital financing activities	<u>(1,676,997)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from capital debt	360,000
Principal and interest paid	(1,688,081)
Bond issue costs	1,765
Acquisition or construction of capital assets	<u>(5,924,476)</u>
Net cash used in capital and related financing activities	<u>(7,250,792)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends on investments	<u>128,932</u>
Net cash provided by investing activities	<u>128,932</u>
Net decrease in cash and cash equivalents	(4,248,365)
Cash and cash equivalents at beginning of year	<u>18,752,992</u>
Cash and cash equivalents at end of year	<u>\$ 14,504,627</u>
RECONCILIATION TO STATEMENT OF NET ASSETS	
Cash and cash equivalents	\$ 13,316,192
Restricted cash and cash equivalents	<u>1,188,435</u>
Total cash and cash equivalents	<u>\$ 14,504,627</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	<u>\$ 1,705,674</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,509,392
Miscellaneous income	131,820
Water and sewer impact fee revenue	592,678
Effects of changes in assets and liabilities:	
Decrease (increase) in receivables	99,048
Decrease (increase) in inventories	6,192
Decrease (increase) in restricted receivables	133,537
Increase (decrease) in accounts payable	308,298
Increase (decrease) in other payables and accruals	55,635
Increase (decrease) in compensated absences	8,184
Increase (decrease) in customer deposits	7,535
Increase (decrease) in accounts payable from restricted assets	<u>(7,501)</u>
Total adjustments	<u>2,844,818</u>
Net cash provided by operating activities	<u>\$ 4,550,492</u>
NONCASH ITEMS	
Developer contributions of capital assets	<u>\$ 393,140</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wylie (the City) was incorporated in 1887. The City operates under a Council-Manager form of government as a duly incorporated home rule city as authorized under the constitution of the State of Texas, and provides the following services: public safety (police and fire), streets, water, sewer and sanitation, public improvements, culture, planning and zoning, parks and recreation, and general administrative services.

The City reports in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the notes are organized to provide concise explanation, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the City's financial activities for the fiscal year ended September 30, 2012.

A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GASB Statement No. 34, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component unit on the statement of net assets and statement of activities. Significantly, the City's statement of net assets includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expenses on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City also presents Management's Discussion and Analysis, which includes an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended General Fund budget with actual results.

B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. In evaluating how to define the government for financial reporting purposes, management has considered all entities for which the City is considered to be financially accountable. The City is a home rule municipality governed by an elected Mayor and six-member City Council, who appoint a City Manager. As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Financial Reporting Entity – Continued

Blended Component Unit

The Wylie Park and Recreation Facilities Development Corporation (“the 4B Corporation”) is presented in the basic financial statements as a blended component unit of the City. The 4B Corporation’s board is substantively the same as the City Council. All members of the 4B Corporation other than the board are City employees. The City Manager is the Chief Executive Operating Officer of the 4B Corporation. The purpose of the 4B Corporation, which is financed with a voter-approved half-cent sales tax, is to promote economic development within the City through the construction of park and recreation facilities. The 4B Corporation has a September 30 year-end. The 4B Corporation’s financial budget, treasury, and personnel functions are totally integrated with the City’s. All of the 4B Corporation’s financial information is presented in the basic and combining financial statements along with the notes to these financial statements. The 4B Corporation does not issue separate financial statements.

Discretely Presented Component Unit

The Wylie Economic Development Corporation (WEDC) is a discretely presented component unit in the combined financial statements. The governing body of the WEDC is appointed by the City Council and the WEDC’s operating budget is subject to approval of the City Council. The WEDC’s board is not substantially the same as the City Council. The purpose of the WEDC, which is financed with a voter-approved half-cent City sales tax, is to aid, promote and further the economic development within the City. The WEDC is presented as a governmental fund type and has a September 30 year-end. Under a contract with the WEDC, the financial, budget, treasury and personnel functions of the WEDC are integrated with the City. All of WEDC’s financial information is presented in the combined and combining financial statements along with the notes to these financial statements. There are no separately issued financial statements of the WEDC.

C. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support. Additionally, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Urban Development, etc.) or program are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or program. Program revenues include: a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, b) grants and contributions that are restricted to meeting the operational requirements of a particular function or program, or c) grants and contributions that are restricted to meeting the capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues rather than as program revenues.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Government-Wide and Fund Financial Statements – Continued

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund, the general obligation debt service fund, and the capital projects fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures /expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The non-major funds are detailed in the combining section of the financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The government-wide and proprietary fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board and all pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989. The City has elected not to follow subsequent private-sector guidance.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The governmental fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board.

Property taxes, franchise fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales taxes collected and held by the State and merchants at year-end on behalf of the City are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Accounting

The following major funds are used by the City:

1. Governmental Funds:

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 (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than on net income determination. The following is a description of the major Governmental Funds of the City:

- a. The **General Fund** is the operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.
- b. The **General Obligation Debt Service Fund** is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general obligation long-term debt paid from taxes levied by the City.
- c. The **Capital Projects Fund** is used to account for the acquisition or construction of capital facilities, except those being financed by proprietary funds.

In addition, the City reports the following non-major governmental funds.

- a. **4B Sales Tax Revenue Fund** accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.
- b. **Parks Acquisition and Improvement Fund** accounts for the development and improvement of City parks.
- c. **Fire Training Center Fund** accounts for First Responder fees specifically designated for the construction of the Fire Training Center.
- d. **Fire Development Fees Fund** accounts for contributions specifically designated for use of the fire department.
- e. **Municipal Court Technology Fund** accounts for court fines specifically designated for improvements in court technology.
- f. **Municipal Court Building Security Fund** accounts for court fines specifically designated for additions/improvements to court security.
- g. **Hotel Tax Fund** accounts for occupancy taxes charged to hotels.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Accounting – continued

- h. **Recreation Fund** accounts for fees charged for recreational services.
- i. **4B Debt Service Funds** account for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996 and 2005.

Governmental funds with legally adopted annual budgets include the General Fund, the General Obligation Debt Service Fund, two (2) 4B Debt Service Funds, and all special revenue funds.

2. Proprietary Funds:

Proprietary Funds are accounted for using an economic resources measurement focus. The accounting objectives are a determination of net income, financial position, and changes in cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its statement of net assets.

The proprietary funds are financed and operated in a manner similar to private business enterprise. The costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. Periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The following is a description of the major proprietary fund of the City:

The Utility Fund is used to account for the operations of the water distribution system, wastewater pumping stations and collection systems. The City contracts with North Texas Municipal Water District for wastewater treatment.

E. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligation, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or (B) secured by obligations that are described by (1), pledged with third party selected or approved by the City, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

F. Inventories, Prepaid Items and Deferred Charges

Inventory is valued at cost (first-in, first-out). The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Reported inventories are equally offset by non-spendable fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of fund balance. The City is not required to maintain a minimum level of inventory. Inventories in the Proprietary Funds consist of supplies and are recorded at the lower of cost or market.

Prepaid balances are for payments made by the City for which benefits extend beyond September 30, 2012, and the non-spendable fund balance has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Deferred Charges reported at the government-wide level and in proprietary funds are comprised of the balance of unamortized debt issuance costs. Issuance costs are amortized over the life of the related debt using a straight-line method.

G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

H. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements.

Customer deposits received for water and wastewater service are, by law, considered to be restricted assets. These balances are included in the Utility Fund.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$15,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

**CITY OF WYLIE, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

I. Capital Assets – Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	20 - 30
Improvements other than buildings	20 - 50
Machinery and equipment	5 - 20

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A percentage of accrued sick leave is payable on a longevity basis at the time of termination. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Equity

The City has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing government fund type definitions. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54 are Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

L. Fund Equity – Continued

balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In accordance with GASB 54, the City classifies governmental fund balances as follows:

Nonspendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. (i.e. inventories, prepaid items)

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. (i.e. debt service, capital projects, economic development, municipal court security, municipal court technology, tourism)

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal resolution passed by the city council. Commitments may be changed or lifted only by the passing of another council resolution.

Assigned fund balance – comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Order of Expenditure of Funds – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Minimum General Fund Unassigned Fund Balance – It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

M. Subsequent Events

The City has evaluated all events or transactions that occurred after September 30, 2012 up through January 16, 2013, the date the financial statements were issued. During this period, there were no subsequent events requiring disclosure.

NOTE 2. CASH AND INVESTMENTS

At year end, the carrying amount of the City's deposits was \$5,826,682 and the bank balance was \$6,189,436. All of the bank balance was covered by federal deposit insurance and collateralized by the pledging financial institution's City's safekeeping account at the Federal Reserve.

Cash and investments as of September 30, 2012 consist of and are classified in the accompanying financial statements as follows:

Statement of net assets:

Primary Government	
Cash and cash equivalents	\$ 59,818,830
Restricted cash and cash equivalents	<u>1,188,435</u>
Total Primary Government	61,007,265
Component Unit	
Cash and cash equivalents	<u>1,330,462</u>
Total cash and investments	<u><u>\$ 62,337,727</u></u>
Deposits with financial institution	
Investments	<u>\$ 5,826,682</u>
Total cash and investments	<u><u>\$ 62,337,727</u></u>

The table below identifies the investment types that are authorized for the City by the Public Funds Investment Act. (Government Code Chapter 2256) The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury obligations	5 years	100%	None
U.S. Agency obligations	5 years	100%	None
Certificates of deposit	18 months	25%	None
Direct repurchase agreements	2 years	100%	None
Investment pools	90 days	None	None

Disclosures relating to interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 2. CASH AND INVESTMENTS – CONTINUED

Disclosures relating to interest rate risk – Continued

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolio to less than three years.

As of September 30, 2012, the City had the following investments:

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity</u>
TexPool	\$ 41,486,122	41 Days
TexStar	15,024,923	46 Days
	<u>\$ 56,511,045</u>	

Disclosures relating to credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>
TexPool	\$ 41,486,122	N/A	AAA-m
TexStar	15,024,923	N/A	AAA-m
	<u>\$ 56,511,045</u>		

Concentration of credit risk

The City's investment policy does not allow for an investment in any one issuer (other than investment pools) that is in excess of five percent of the fair value of the City's total investments.

Custodial credit risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 2. CASH AND INVESTMENTS – CONTINUED

Custodial credit risk – Continued

The City requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the City's depository in the City's name and held by the depository's agent.

As of September 30, 2012 the City deposits with financial institutions in excess of federal depository insurance limits were fully collateralized.

The City is a voluntary participant in TexPool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2A7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than the market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

NOTE 3. PROPERTY TAXES

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and certain personal property located within the City. Appraised values are established by the Collin County Central Appraisal District at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value upon which the tax year 2011 levy was based was \$2,339,073,005. Taxes are due on October 1 and are delinquent after the following January 31.

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. The combined tax rate to finance general governmental services including the payment of principal and interest on long-term debt for the year ended September 30, 2012 was 0.8889 per \$100 of assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values.

The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the tax rate of the previous year.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 4. RECEIVABLES

Year-end receivables balances for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds	General	General Obligation Debt Service	Non Major Governmental Funds	Utility
Receivables				
Property taxes	\$ 280,229	\$ 124,482	\$ -	\$ -
Franchise taxes	959,236	-	-	-
Sales taxes	598,713	-	294,792	-
Accounts	507,480	-	-	2,929,704
Other	439,404	-	7,933	14,751
Gross receivables	2,785,062	124,482	302,725	2,944,455
Less: allowance	(216,114)	(24,901)	-	(872,967)
Net total receivables	<u>\$ 2,568,948</u>	<u>\$ 99,581</u>	<u>\$ 302,725</u>	<u>\$ 2,071,488</u>

The Enterprise Fund accounts receivable balance includes unbilled charges for services rendered of \$1,272,501 at September 30, 2012.

Receivables in the discretely presented component unit consist of \$294,792 sales taxes receivable due from the State; \$5,828,592 direct financing lease payments receivable, net of unearned income, and \$240,828 in loans receivable from private businesses. If certain contractual obligations are met by some of these private businesses at a future date, a portion and/or all of the amounts owed from the private businesses may be forgiven.

Direct-Financing Lease

WEDC leases certain Corporation-owned property to a company for use in its business. This lease is classified as a direct-financing lease and expires in 2026. The following are the components of the WEDC's net investment in direct financing leases as of September 30, 2012:

Total minimum lease payments to be received	\$ 6,712,530
less: unearned income	(883,938)
Net investment in direct financing leases	<u>\$ 5,828,592</u>

At September 30, 2012, minimum lease payments for each of the five succeeding fiscal years are as follows:

Fiscal Year	
2013	\$ 488,184
2014	488,184
2015	488,184
2016	488,184
2017	488,184
2018-2022	2,440,920
2023-2026	1,830,690
	<u>\$ 6,712,530</u>

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2012 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 30,525,088	\$ 637,529	\$ -	\$ 9,000	\$ 31,171,617
Other non-depreciable assets	720,002	-	-	-	720,002
Construction in progress	70,288,380	7,863,273	(1,107,003)	(58,795,733)	18,248,917
Total capital assets, not being depreciated	<u>101,533,470</u>	<u>8,500,802</u>	<u>(1,107,003)</u>	<u>(58,786,733)</u>	<u>50,140,536</u>
Capital assets being depreciated:					
Buildings	7,588,023	-	-	39,473,970	47,061,993
Improvements other than buildings	107,996,331	611,055	-	18,727,450	127,334,836
Machinery and equipment	9,146,473	287,982	-	585,313	10,019,768
Total capital assets being depreciated	<u>124,730,827</u>	<u>899,037</u>	<u>-</u>	<u>58,786,733</u>	<u>184,416,597</u>
Less accumulated depreciation for:					
Buildings	(2,717,818)	(1,568,877)	-	-	(4,286,695)
Improvements other than buildings	(45,130,839)	(3,965,049)	-	-	(49,095,888)
Machinery and equipment	(3,303,797)	(796,819)	-	-	(4,100,616)
Total accumulated depreciation	<u>(51,152,454)</u>	<u>(6,330,745)</u>	<u>-</u>	<u>-</u>	<u>(57,483,199)</u>
Total capital assets being depreciated, net	<u>73,578,373</u>	<u>(5,431,708)</u>	<u>-</u>	<u>58,786,733</u>	<u>126,933,398</u>
Governmental activities capital assets, net	<u>\$ 175,111,843</u>	<u>\$ 3,069,094</u>	<u>\$ (1,107,003)</u>	<u>\$ -</u>	<u>\$ 177,073,934</u>

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 110,595	\$ 250	\$ -	\$ -	\$ 110,845
Construction in progress	7,263,566	5,845,440	-	(8,562,772)	4,546,234
Total capital assets, not being depreciated	<u>7,374,161</u>	<u>5,845,690</u>	<u>-</u>	<u>(8,562,772)</u>	<u>4,657,079</u>
Capital assets being depreciated:					
Buildings	268,801	-	-	-	268,801
Water system	28,942,433	178,700	-	4,780,455	33,901,588
Sewer system	25,822,292	258,314	-	3,739,322	29,819,928
Machinery and equipment	938,560	34,912	-	42,995	1,016,467
Total capital assets being depreciated	<u>55,972,086</u>	<u>471,926</u>	<u>-</u>	<u>8,562,772</u>	<u>65,006,784</u>
Less accumulated depreciation for:					
Buildings	(138,134)	(8,960)	-	-	(147,094)
Water system	(8,687,396)	(777,463)	-	-	(9,464,859)
Sewer system	(9,186,956)	(659,734)	-	-	(9,846,690)
Machinery and equipment	(701,477)	(52,272)	-	-	(753,749)
Total accumulated depreciation	<u>(18,713,963)</u>	<u>(1,498,429)</u>	<u>-</u>	<u>-</u>	<u>(20,212,392)</u>
Total capital assets being depreciated, net	<u>37,258,123</u>	<u>(1,026,503)</u>	<u>-</u>	<u>8,562,772</u>	<u>44,794,392</u>
Business-type activities capital assets, net	<u>\$ 44,632,284</u>	<u>\$ 4,819,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,451,471</u>

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 5. CAPITAL ASSETS – CONTINUED

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:		
General government		\$ 722,335
Public safety		791,359
Streets		539,759
Community service		<u>4,277,292</u>
Total depreciation expense - governmental activities		<u>\$ 6,330,745</u>
Business-type activities:		
Water and Sewer		<u>\$ 1,498,429</u>

Construction Commitments

The City has active construction projects as of September 30, 2012. The projects include construction, park improvements, and drainage improvements.

Commitments for construction in progress are composed of the following:

Project	Funding Source	Project Budget Appropriation	Spent-to-date	Remaining Commitment
Hooper Bridge (Maxwell Creek)	(D)	\$ 1,093,235	\$ 1,049,397	\$ 43,838
FM 1378	(A)	12,100,000	10,806,148	1,293,852
Brown Street West	(A)	8,946,550	3,690,417	5,256,133
Brown Street East	(A)	6,034,870	4,785,049	1,249,821
Ballard Street	(B)	3,713,509	3,653,427	60,082
Sidewalks	(A)	950,000	614,503	335,497
Fire Station 3	(A)	3,500,000	3,496,434	3,566
Library	(A)	13,892,200	13,055,918	836,282
City Hall	(A)	15,120,480	15,099,294	21,186
Recreation Center	(A)	12,658,340	12,657,783	557
Founders Park	(A)	5,880,614	5,880,614	-
Community Park	(A)	2,807,883	2,703,081	104,802
Twin Lakes Relief Sewer	(C)	4,210,000	2,909,036	1,300,964
Public Safety Building	(E)	783,333	22,051	761,282
Public Works Building	(F)	3,500,000	3,332,153	167,847
Total		<u>\$ 95,191,014</u>	<u>\$ 83,755,305</u>	<u>\$ 11,435,709</u>

- (A) Funded by general obligation bond proceeds.
- (B) Funded by general obligation bonds and water impact fees.
- (C) Funded by water impact fees.
- (D) Funded by thoroughfare impact fees.
- (E) Funded by Certificate of Obligations.
- (F) Funded by Utility Fund - Fund Balance.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 6. TRANSFERS AND INTERFUND RECEIVABLES AND PAYABLES

Transfers are used to provide funds for debt service, contributions for capital construction, cost allocations and other operational costs as determined by the City's annual budget. Transfers between funds during the year were as follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 2,027,102	\$ 735,105
General Obligation Debt Service	900,000	-
Capital Projects Fund	-	500,000
Nonmajor Governmental Funds:		
4B Sales Tax Revenue	-	1,388,616
Recreation	818,616	-
Hotel Tax Fund	-	15,000
4B Debt Service 2005	709,679	139,679
Total Nonmajor Governmental Funds	1,528,295	1,543,295
Utility Fund	-	1,676,997
Total	\$ 4,455,397	\$ 4,455,397

Due to/from other funds at September 30, 2012 of \$150,344 represent amounts due to the recreation fund from the 4B sales tax revenue fund for its allocated portion of sales taxes receivable.

NOTE 7. DEFERRED REVENUE

Governmental funds report *deferred revenue* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	General Fund	General Obligation Debt Service	Total
Property taxes	\$ 194,638	\$ 84,070	\$ 278,708
Court fines	9,444	-	9,444
Franchise fees	959,236	-	959,236
Total	\$ 1,163,318	\$ 84,070	\$ 1,247,388

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 8. LONG-TERM DEBT

General Obligation Bonds, Certificates of Obligation and Contractual Obligations

The City of Wylie issues general obligation bonds, certificates of obligation bonds, and contractual obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These issues are direct obligations and pledge the full faith and credit of the City.

<u>General Obligation Bonds</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business-Type</u>
\$10,320,000 Series 2005 Improvements and Refunding	2025	3.0 - 4.5%	\$ 4,645,000	\$ 620,000
\$35,525,000 Series 2006 Improvements	2027	4.00 - 4.5%	27,175,000	-
\$4,815,000 Series 2007 Improvements and Refunding	2020	4.75 - 5.25%	3,230,000	455,000
\$38,625,000 Series 2008 Improvements	2028	4.00 - 5.50%	33,660,000	-
\$10,160,000 Series 2010 Refunding	2028	2.00 - 4.00%	7,630,000	2,075,000
\$7,005,000 Series 2012 Refunding	2029	2.00 - 3.25%	6,645,000	360,000
Total General Obligation Bonds			<u>\$ 82,985,000</u>	<u>\$ 3,510,000</u>

<u>Combination Tax and Revenue Bonds</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business-Type</u>
\$6,215,000 Series 2005 Improvements	2025	3.00 - 5.00%	\$ 4,575,000	\$ -
\$2,000,000 Series 2007B Improvements	2028	4.40%	75,000	-
\$7,680,000 Series 2007 Improvements	2027	3.62 - 4.50%	-	6,405,000
\$15,000,000 Series 2008 Improvements	2028	4.10 - 5.50%	13,070,000	-
\$525,000 Series 2010 Improvements	2025	2.00 - 4.00%	505,000	-
Total Combination Tax and Revenue Bonds			<u>\$ 18,225,000</u>	<u>\$ 6,405,000</u>

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 8. LONG-TERM DEBT - CONTINUED

General Obligation Bonds, Certificates of Obligation and Contractual Obligations – Continued

<u>Contractual Obligations</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business-Type</u>
\$2,110,000 Series 2005 Improvements	2016	4.55%	\$ 29,878	\$ 130,861
\$750,000 Series 2007 Improvements	2022	4.86%	45,000	-
\$1,565,000 Series 2012 Improvements	2032	2.00 - 3.25%	1,565,000	-
Total Contractual Obligation Bonds			<u>\$ 1,639,878</u>	<u>\$ 130,861</u>

Revenue Bonds

The City issues revenue bonds where the City pledges income derived from the acquired or constructed assets, or sales tax to pay the debt service.

Revenue bonds outstanding as of September 30, 2012 are as follows:

<u>Sales Tax and Revenue Bonds</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business-Type</u>
\$1,710,000 Series 1996 Improvements	2016	5.35 - 5.55%	\$ 530,000	\$ -
Total Sales Tax and Revenue Bonds			<u>\$ 530,000</u>	<u>\$ -</u>

Notes Payable

Notes payable as of September 30, 2012 are as follows:

<u>Payee</u>	<u>Description</u>	<u>Balance 9/30/2012</u>
American National Bank (Park Lighting)	\$438,621, payable to bank, made April 2012, payable in monthly installments of \$9,707 through May 1, 2016, including interest at 2.99%.	\$ 404,547
		<u>\$ 404,547</u>

During the year ended September 30, 2012, the City issued \$7,005,000 General Obligation Refunding Bonds, Series 2012. Net proceeds from the sale of the bonds totaled \$7,462,803. Of these proceeds, \$7,342,643 was placed with an escrow agent to provide for all future debt payments of the refunded bonds.

This refunding resulted in an increase in the City's debt service payments of \$1,610,493, which resulted in an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of \$144,676. As a result of this transaction, \$6,903,308 of general obligation and revenue bonds were refunded and are considered legally defeased, and are no longer included as liabilities in the City's basic financial statements.

During the year ended September 30, 2012, the City issued \$1,565,000 Contractual Obligations of Obligation, Series 2012. Proceeds from the sale of the Contractual Obligations will be used for the purpose of (i) purchasing fire department equipment; and (ii) professional services rendered in connection therewith.

During the year ended September 30, 2012, the City issued a 48 month note payable agreement with a third party, with proceeds from the note totaling \$438,621. The proceeds from the note were used for the purchase of park lighting.

During the year ended September 30, 2012, the City entered into two capital leases, the proceeds of which were used to purchase \$258,520 of recreation equipment and \$119,385 of computer equipment

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 8. LONG-TERM DEBT – CONTINUED

Changes in Long-term Liabilities:

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2012, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due within One year
Governmental activities:					
General obligation bonds	\$ 83,255,000	\$ 6,645,000	\$ (6,915,000)	\$ 82,985,000	\$ 2,830,000
Combination tax and revenue bonds	20,750,000	-	(2,525,000)	18,225,000	915,000
Contractual obligations	786,862	1,565,000	(711,985)	1,639,877	129,878
Sales tax and revenue bonds	645,000	-	(115,000)	530,000	120,000
Unamortized bond premium (discount)	297,510	486,870	(20,773)	763,607	-
Deferred loss (gain) on refunding	(476,431)	(431,465)	52,965	(854,931)	-
Total bonds payable	105,257,941	8,265,405	(10,234,793)	103,288,553	3,994,878
Notes payable	-	438,621	(34,074)	404,547	105,680
Capital leases	36,499	326,580	(122,273)	240,806	88,392
Compensated absences	1,008,431	877,111	(836,103)	1,049,439	838,265
Total governmental activities	\$ 106,302,871	\$ 9,907,717	\$ (11,227,243)	\$ 104,983,345	\$ 5,027,215

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due within One year
Business-type activities:					
General obligation bonds	\$ 3,650,000	\$ 360,000	\$ (500,000)	\$ 3,510,000	\$ 515,000
Combination tax and revenue bonds	6,710,000	-	(305,000)	6,405,000	315,000
Contractual obligations	610,067	-	(479,206)	130,861	130,860
Unamortized bond premium (discount)	(44,513)	7,431	2,986	(34,096)	-
Deferred loss (gain) on refunding	(72,813)	(7,870)	7,958	(72,725)	-
Total bonds payable	10,852,741	359,561	(1,273,262)	9,939,040	960,860
Compensated absences	98,416	126,356	(118,170)	106,602	85,151
Total business-type activities	\$ 10,951,157	\$ 485,917	\$ (1,391,432)	\$ 10,045,642	\$ 1,046,011

The annual aggregate maturities for each bond type are as follows:

General Obligation Bonds

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 2,830,000	\$ 3,595,781	\$ 6,425,781	\$ 515,000	\$ 91,113	\$ 606,113
2014	3,250,000	3,434,185	6,684,185	690,000	72,763	762,763
2015	3,510,000	3,281,835	6,791,835	705,000	52,763	757,763
2016	3,765,000	3,126,210	6,891,210	425,000	37,413	462,413
2017	4,020,000	3,232,747	7,252,747	370,000	26,838	396,838
2018-2022	24,450,000	11,902,398	36,352,398	805,000	36,233	841,233
2023-2027	32,015,000	5,575,721	37,590,721	-	-	-
2028-2032	9,145,000	233,406	9,378,406	-	-	-
Total	\$ 82,985,000	\$ 34,382,283	\$ 117,367,283	\$ 3,510,000	\$ 317,123	\$ 3,827,123

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 8. LONG-TERM DEBT – CONTINUED

Changes in Long-term Liabilities – Continued

Combination Tax and Revenue Bonds

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 915,000	\$ 838,836	\$ 1,753,836	\$ 315,000	\$ 261,875	\$ 576,875
2014	880,000	797,261	1,677,261	330,000	248,975	578,975
2015	920,000	755,461	1,675,461	345,000	235,475	580,475
2016	960,000	711,761	1,671,761	355,000	221,475	576,475
2017	1,005,000	669,411	1,674,411	370,000	206,975	576,975
2018-2022	5,845,000	2,623,026	8,468,026	2,095,000	791,863	2,886,863
2023-2027	6,560,000	1,044,638	7,604,638	2,595,000	295,625	2,890,625
2028-2032	1,140,000	28,500	1,168,500	-	-	-
Total	\$ 18,225,000	\$ 7,468,894	\$ 25,693,894	\$ 6,405,000	\$ 2,262,263	\$ 8,667,263

Contractual Obligations

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 129,878	\$ 50,866	\$ 180,744	\$ 130,861	\$ 4,482	\$ 135,343
2014	60,000	44,125	104,125	-	-	-
2015	60,000	42,925	102,925	-	-	-
2016	65,000	41,675	106,675	-	-	-
2017	65,000	40,050	105,050	-	-	-
2018-2022	355,000	169,500	524,500	-	-	-
2023-2027	420,000	108,813	528,813	-	-	-
2028-2032	484,999	37,538	522,537	-	-	-
Total	\$ 1,639,877	\$ 535,492	\$ 2,175,369	\$ 130,861	\$ 4,482	\$ 135,343

Sales Tax and Revenue Bonds

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 120,000	\$ 26,085	\$ 146,085	\$ -	\$ -	\$ -
2014	130,000	19,148	149,148	-	-	-
2015	135,000	11,794	146,794	-	-	-
2016	145,000	4,024	149,024	-	-	-
Total	\$ 530,000	\$ 61,050	\$ 591,050	\$ -	\$ -	\$ -

Notes Payable

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 105,680	\$ 10,799	\$ 116,479	\$ -	\$ -	\$ -
2014	108,929	7,551	116,480	-	-	-
2015	112,278	4,202	116,480	-	-	-
2016	77,660	893	78,553	-	-	-
Total	\$ 404,547	\$ 23,445	\$ 427,992	\$ -	\$ -	\$ -

Capital Leases Payable

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 88,392	\$ 5,687	\$ 94,079	\$ -	\$ -	\$ -
2014	91,090	2,989	94,079	-	-	-
2015	35,988	858	36,846	-	-	-
2016	25,336	64	25,400	-	-	-
Total	\$ 240,806	\$ 9,598	\$ 250,404	\$ -	\$ -	\$ -

CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012

NOTE 8. LONG-TERM DEBT – CONTINUED

In previous years, the City has legally defeased certain outstanding general obligation debt by placing funds into irrevocable trusts pledged to pay all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City's long-term debt.

Series	Type	Amount
2002	General obligation bonds	\$ 1,555,000
2005	Contractual obligations	548,208
2006	General obligation bonds	2,730,000
2007B	Contractual obligations	1,655,000
2007	Contractual obligations	415,100
2006	General obligation bonds	2,100,000
		\$ 9,003,308

Compensated Absences

Compensated absences represent the estimated liability for employees' accrued sick and vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General Fund and Enterprise Funds based on the assignment of an employee at termination.

Discretely presented component unit – Wylie Economic Development Corporation (WEDC)

WEDC Loans Payable as of September 30, 2012 are as follows:

Description	Balance 9/30/2012
\$340,000, payable to an individual, made July 25, 2006, payable in monthly installments of \$3,775 through July 25, 2016, including interest at 6.00%.	\$ 153,599
\$448,571, payable to bank, made November 2010, payable in monthly installments of \$8,455 through November 22, 2015, including interest at 4.95%.	289,748
\$4,920,939, payable to bank, made November 2010, payable in monthly installments of \$40,682 through December 1, 2026, including interest at 5.75%.	4,645,741
	\$ 5,089,088

Annual debt service requirements to maturity for WEDC debt is:

Year	Principal	Interest	Total
2013	\$ 349,513	\$ 284,242	\$ 633,755
2014	369,359	264,396	633,755
2015	390,338	243,417	633,755
2016	310,106	223,835	533,941
2017	281,723	206,458	488,181
2018-2022	1,682,313	758,595	2,440,908
2023-2026	1,705,736	206,313	1,912,049
Total	\$ 5,089,088	\$ 2,187,256	\$ 7,276,344

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 8. LONG-TERM DEBT – CONTINUED

Discretely presented component unit – Wylie Economic Development Corporation (WEDC) – Continued

The following is a summary of WEDC long-term transactions for the year ended September 30, 2012:

Description	Balance 9/30/2011	Increases	Decreases	Balance 9/30/2012	Due Within One Year
Loans payable	\$ 5,419,042	\$ -	\$ 329,954	\$ 5,089,088	\$ 349,513
Compensated absences	47,003	9,350	7,870	48,483	38,727
Total long-term liabilities	<u>\$ 5,466,045</u>	<u>\$ 9,350</u>	<u>\$ 337,824</u>	<u>\$ 5,137,571</u>	<u>\$ 388,240</u>

NOTE 9. PENSION PLAN

A. Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City- financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and city matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained by writing to TMRS, P.O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on TMRS's website at www.TMRS.com.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 9. PENSION PLAN – CONTINUED

B. Contributions

The contribution rate for employees is 7%, with the City's matching ratio being 2 to 1, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases. Both the employees and the City make contributions monthly. Because the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect (i.e. December 31, 2010 valuation is effective for rates beginning January 2012.)

Schedule of Actuarial Liabilities and Funding Progress:

Actuarial Valuation Date	12/31/11	12/31/10	12/31/09
Actuarial Value of Assets	\$ 25,444,331	\$ 21,948,981	\$ 15,801,341
Actuarial Accrued Liability	35,959,617	32,535,491	25,444,844
Percentage Funded	70.8%	67.5%	62.1%
Unfunded (Over-funded) Actuarial Accrued Liability (UAAL)	10,515,286	10,586,510	9,643,503
Annual Covered Payroll	13,422,814	12,951,767	13,046,672
UAAL as a Percentage of Covered Payroll	78.3%	81.7%	73.9%
Net Pension Obligation (NPO) at the Beginning of Period	-	-	-
Annual Pension Cost:			
Annual required contribution (ARC)	1,731,834	1,529,496	1,397,441
Interest on NPO	-	-	-
Adjustment to the ARC	-	-	-
	<u>1,731,834</u>	<u>1,529,496</u>	<u>1,397,441</u>
Contributions Made	1,731,834	1,529,496	1,397,441
Increase in NPO	-	-	-
NPO at the end of the period	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Actuarial assumptions are as follows:

Actuarial cost method	Projected Unit Credit
Amortization method	Level Percent of Payroll
Remaining amortization	26.3 Years - Closed Period
Asset valuation method	10-Year Smoothed Market
Investment rate of return	7.0%
Projected salary increases	Varies by age and service
Inflation rate	3%
COL adjustments	2.1% (3% CPI)

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 10. NORTH TEXAS MUNICIPAL WATER DISTRICT

The District is a conservation and reclamation district and political subdivision of the State of Texas, created and functioning under Chapter 62, Acts of 1951, 52nd Legislature, Regular Session, as amended, originally compiled as Vernon's Article 8270-141 (the Act), pursuant to Article 16, Section 59 of the Texas Constitution. The District comprises all of the territory of its member cities, viz., Allen, Garland, Princeton, Plano, Mesquite, Wylie, Rockwall, Farmersville, McKinney, Richardson, Forney and Royse City (the "Member Cities"). The District was created for the purpose of providing a source of water supply for municipal, domestic and industrial use and for the treatment processing and transportation of such water to its Member Cities and to its other customers located in North Central Texas, all within the Dallas Standard Metropolitan Statistical Area.

Under the Act, including specifically Section 27 thereof, and under the Constitution and Statutes of the State of Texas, the District has broad powers to (1) impound, control, store, preserve, treat, transmit, and use storm and flood water, the water of rivers and streams and underground water, for irrigation, power and all other useful purposes and to supply water for municipal, domestic, power, industrial and commercial uses and purposes and all other beneficial uses and purposes; and (2) collect, transport, process, treat, dispose of, and control all municipal, domestic, industrial or commercial waste whether in fluid, solid or composite state, including specifically the control, abatement or reduction of all types of pollution. The City retains no ongoing financial interest equity investments and/or responsibilities for the District other than the contractual arrangements discussed more fully herein.

NOTE 11. MUDDY CREEK REGIONAL WASTEWATER SYSTEM

In May 1999, the Cities of Wylie and Murphy in Collin County entered into a contract with the District to provide for the acquisition, construction, improvement, operation, and maintenance of the Regional Muddy Creek Wasterwater System (System) for the purpose of providing facilities to adequately receive, transport, treat, and dispose of wastewater. The District will own the System with Wylie and Murphy as the initial participants. The District will issue approximately \$20 million in bonds to construct this new facility. Budget calculations for operating costs and debt service for the System on the service commencement date is based on the following estimated flow ratio: City of Wylie – 2/3 and Murphy – 1/3. "Service Commencement Date" means the first date upon which the System is available to treat wastewater from the participants. Wylie's long-term commitment to the System's debt service component is approximately \$13.3 million.

The District will send each participant a letter detailing the annual requirement necessary to operate the System each year. The annual requirement budget will include an operation and maintenance component and a bond service component. The budgeting ratio described earlier is only valid for the first year of System operations. In subsequent years, budgets and year-end audits will be based on actual flow ratios. For example, if the flow measurements indicate that 60% of the flow is produced by Wylie and 40% by Murphy, then the next year's operating and debt service components would be allocated using a 60/40 split. If in the future, additional participants are added, then the flow ratios will be adjusted using the above method.

The contract with the District has a clause for "Credit for Payments Relating to the System." This clause states: "Each participant shall be entitled to a credit in an amount equal to any funds advanced by such Participant with the approval of the District for land, engineering, construction or other costs related to the System and/or the financing thereof". All credits for advance made prior to the Service Commencement Date shall bear interest from the date of such advance at a rate equal to the net effective interest rate on the initial issue of the bonds hereunder. The City of Wylie has four such credits at this time. All credits for advances made prior to the Service Commencement Date shall be amortized over a period of twenty years, with such amortization to commence on October 1 of the Fiscal Year following the Service Commencement Date. At September 30, 2005, the City recorded \$3,188,849 as a restricted accounts receivable. This amount is being amortized over a twenty-year period commencing with fiscal year 2006. The amortization was \$133,537 for 2012.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 12. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City periodically is a defendant in various lawsuits. At September 30, 2012, after consultation with the City's attorney, the City is not aware of any pending litigation.

As described in Note 8 above, the general revenues of the City are contingently liable for the \$3,510,000 payable in General Obligation Bonds which are currently outstanding and recorded as obligations of the Enterprise Fund.

The City contracts for garbage disposal with a third party. Under the terms of the agreement the City bills and collects the residential billing and remits that amount to the contracting party. The contractor bills the commercial customers and remits a franchise fee to the City based on total revenues received from the contract

The Wylie Economic Development Corporation provides monetary incentives to companies to relocate within the City of Wylie. At September 30, 2012, these commitments totaled approximately \$816,000.

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City purchases commercial insurance to indemnify it in event of loss. For the past three years, settlements did not exceed coverage.

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

**NOTE 14. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED
COMPONENT UNIT**

Following is selected condensed financial statement information for the fund basis financial statements of the Wylie Economic Development Corporation:

<u>Balance Sheet</u>	<u>WEDC</u>
Assets	
Cash and equivalents	\$ 1,330,462
Receivables	7,248,150
Inventory	2,423,964
Prepays	<u>42,682</u>
Total Assets	<u>\$ 11,045,258</u>
Liabilities	
Current liabilities	\$ 113,224
Accrued liabilities	<u>6,855,437</u>
Total Liabilities	<u>6,968,661</u>
Fund Balance	<u>4,076,597</u>
Total Liabilities and Fund Balance	<u>\$ 11,045,258</u>

<u>Statement of Revenues, Expenditures and Changes in Fund Balance</u>	<u>WEDC</u>
Revenues:	
Sales tax revenue	\$ 1,605,130
Interest income	127,964
Miscellaneous income	<u>169,860</u>
Total Revenues	1,902,954
Expenditures:	
Expenditures	<u>1,945,819</u>
Other financing sources (uses)	
Lease principal payments	<u>362,072</u>
Net change in fund balance	319,207
Fund balance 10/1/2011	<u>3,757,390</u>
Fund balance 9/30/2012	<u>\$ 4,076,597</u>

**CITY OF WYLIE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2012**

NOTE 14. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNIT – CONTINUED

Following are reconciliations between the government-wide financial statements and the fund basis financial statements for WEDC:

Reconciliation of fund balance to net assets:

Total fund balance	\$ 4,076,597
Revenues earned but not available within sixty days of the fiscal year-end are not recognized as revenue in the fund financial statements.	5,828,602
Payables for compensated absences	(48,483)
Accrued interest payable	(1,130)
Payable for loan principal not currently due	<u>(5,089,088)</u>
Net assets	<u>\$ 4,766,498</u>

Reconciliation of change in fund balance to change in net assets:

Change in fund balance	\$ 319,207
Change in payables for compensated absences	(1,480)
Change in accrued interest payable	(1,130)
Receipt of lease principle payments	(362,072)
Change in deferred revenue	52
Payment of loan principal	<u>329,954</u>
Change in net assets	<u>\$ 284,531</u>

NOTE 15. LAND ACQUISITION

The discrete component unit owns property with a carrying value of \$2,423,964. This property is held as an incentive to attract businesses.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS

The GASB has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions", which provides guidance on all aspects of OPEB reporting by employers. The City has evaluated the impact of the standard on its financial statements and has determined that it is immaterial.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WYLIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

EXHIBIT A-10

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
REVENUES				
Ad valorem taxes	\$ 14,043,720	\$ 14,043,720	\$ 14,182,395	\$ 138,675
Non-property taxes	3,026,000	3,300,545	3,219,312	(81,233)
Franchise fees	2,241,000	2,241,000	2,475,389	234,389
Licenses and permits	411,000	411,000	569,396	158,396
Intergovernmental	582,000	582,000	726,306	144,306
Services fees	2,679,272	2,679,272	2,904,578	225,306
Court fees	307,000	307,000	279,929	(27,071)
Interest income	19,200	19,200	18,217	(983)
Miscellaneous income	390,500	396,389	534,538	138,149
Total revenues	23,699,692	23,980,126	24,910,060	929,934
EXPENDITURES				
Current				
General government				
City council	82,681	95,681	80,834	14,847
City manager	697,500	699,100	681,247	17,853
City secretary	250,004	250,004	244,269	5,735
City attorney	70,000	110,000	101,162	8,838
Finance	893,164	893,164	880,404	12,760
Building and fleet maintenance	467,109	467,109	277,241	189,868
Municipal court	279,959	279,959	238,812	41,147
Human resources	200,933	200,933	197,527	3,406
Purchasing	118,314	151,365	137,161	14,204
Information technology	980,411	1,002,066	891,403	110,663
Combined services/general	3,585,219	3,315,874	3,194,963	120,911
Total general government	7,625,294	7,465,255	6,925,023	540,232
Public safety				
Police	5,658,953	5,454,208	5,422,242	31,966
Fire	5,771,480	5,734,944	5,712,163	22,781
Emergency communications	1,150,663	1,136,996	963,243	173,753
Animal control	326,081	322,106	312,219	9,887
Total public safety	12,907,177	12,648,254	12,409,867	238,387
Urban development				
Planning	470,460	470,219	455,130	15,089
Building inspection	679,298	665,438	611,391	54,047
Code enforcement	253,471	250,548	215,763	34,785
Total urban development	1,403,229	1,386,205	1,282,284	103,921
Streets				
Streets	1,306,972	1,567,725	1,499,966	67,759
Total streets	1,306,972	1,567,725	1,499,966	67,759

**CITY OF WYLIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

**EXHIBIT A-10
(CONCLUDED)**

Community service				
Parks	\$ 1,561,359	\$ 1,549,080	\$ 1,557,747	\$ (8,667)
Recreation	205,760	205,760	174,363	31,397
Library	1,386,731	1,401,348	1,382,622	18,726
Total community service	3,153,850	3,156,188	3,114,732	41,456
Total expenditures	26,396,522	26,223,627	25,231,872	991,755
Excess (deficiency) of revenues over expenditures	(2,696,830)	(2,243,501)	(321,812)	1,921,689
OTHER FINANCING SOURCES (USES)				
Transfers in	1,691,997	1,691,997	2,027,102	335,105
Transfers out	(400,000)	(400,000)	(735,105)	335,105
Proceeds from capital lease	-	-	119,385	119,385
Total other financing sources (uses)	1,291,997	1,291,997	1,411,382	119,385
Net change in fund balances	(1,404,833)	(951,504)	1,089,570	2,041,074
Fund balances, October 1	10,378,623	10,378,623	10,378,623	-
Fund balances, September 30	\$ 8,973,790	\$ 9,427,119	\$ 11,468,193	\$ 2,041,074

**CITY OF WYLIE, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The City follows the following procedures in establishing the budgetary date reflected in the financial statements:

1. Public hearings are conducted to obtain taxpayer comments.
2. Prior to October 1, the budget is legally enacted through passage of an ordinance.
3. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Therefore the fund level is the legal level of control.
4. Budgeted amounts are as originally adopted or as amended by the City Council. During 2012, individual amendments were not material in relation to the original appropriations. All budget appropriations automatically lapse at year-end.
5. Formal budgetary integration is employed as a management control device during the year. The legally adopted budget is adopted on a basis consistent with generally accepted accounting principles.

**COMBINING STATEMENTS AND BUDGETARY COMPARISON
SCHEDULES**

**CITY OF WYLIE, TEXAS
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
GENERAL OBLIGATION DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT A-11

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget -
				Positive (Negative)
REVENUES				
Ad valorem taxes	\$ 6,990,890	\$ 6,990,890	\$ 7,049,928	\$ 59,038
Interest income	5,500	5,500	3,508	(1,992)
Total revenues	6,996,390	6,996,390	7,053,436	57,046
EXPENDITURES				
Debt service				
Principal	3,367,780	3,367,780	3,367,780	-
Interest and fiscal charges	4,488,308	4,488,308	4,482,690	5,618
Bond issuance costs	-	-	80,328	(80,328)
Total debt service	7,856,088	7,856,088	7,930,798	(74,710)
Excess (deficiency) of revenue over (under) expenditures	(859,698)	(859,698)	(877,362)	(17,664)
Other financing sources (uses)				
Transfers in	900,000	900,000	900,000	-
Issuance of long-term debt	-	-	6,645,000	6,645,000
Premium on bonds issued	-	-	423,753	423,753
Payment to refunded bond escrow agent	-	-	(6,980,670)	(6,980,670)
Total other financing sources (uses)	900,000	900,000	988,083	88,083
Net change in fund balances	40,302	40,302	110,721	70,419
Fund balances, October 1	782,922	782,922	782,922	-
Fund balances, September 30	\$ 823,224	\$ 823,224	\$ 893,643	\$ 70,419



NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

4B SALES TAX REVENUE FUND

Accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.

PARKS ACQUISITION AND IMPROVEMENT FUND

Accounts for the development and improvement of City Parks.

FIRE TRAINING CENTER FUND

Accounts for First Responder fees specifically designated for the construction of the Fire Training Center.

FIRE DEVELOPMENT FEES FUND

Accounts for contributions specifically designated for use of the fire department.

MUNICIPAL COURT TECHNOLOGY FUND

Accounts for court fines specifically designated for improvements in court technology.

MUNICIPAL COURT BUILDING SECURITY FUND

Accounts for court fines specifically designated for additions/improvements to court security.

HOTEL TAX FUND

Accounts for occupancy taxes charged to hotels.

RECREATION FUND

Accounts for fees charged for recreational services.

DEBT SERVICE FUND

4B DEBT SERVICE FUND 1996

Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996.

4B DEBT SERVICE FUND 2005

Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 2005.



**CITY OF WYLIE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012**

	SPECIAL REVENUE FUNDS				
	4B Sales Tax Revenue	Park Acquisition and Improvement	Fire Training Center	Fire Development Fees	Municipal Court Technology
ASSETS					
Cash and cash equivalents	\$ 1,286,172	\$ 625,021	\$ 149,022	\$ 1,157,162	\$ 45,230
Receivables: (net of allowances for uncollectibles)					
Other	-	-	3,730	-	-
Due from other funds					
Sales tax	294,792	-	-	-	-
Total assets	\$ 1,580,964	\$ 625,021	\$ 152,752	\$ 1,157,162	\$ 45,230
LIABILITIES AND FUND BALANCES					
Accounts payable	\$ 13,267	\$ 2,900	\$ -	\$ -	\$ -
Other payables and accruals	12,809	-	-	-	-
Due to other funds	150,344	-	-	-	-
Total liabilities	176,420	2,900	-	-	-
FUND BALANCES					
Restricted					
Debt service	-	-	-	-	-
Economic development	1,404,544	-	-	-	-
Municipal court technology	-	-	-	-	45,230
Municipal court security	-	-	-	-	-
Tourism	-	-	-	-	-
Committed					
Park acquisition and improvement	-	622,121	-	-	-
Fire training	-	-	152,752	-	-
Fire development	-	-	-	1,157,162	-
Recreation	-	-	-	-	-
Total fund balances	1,404,544	622,121	152,752	1,157,162	45,230
Total liabilities and fund balances	\$ 1,580,964	\$ 625,021	\$ 152,752	\$ 1,157,162	\$ 45,230

EXHIBIT B-1

DEBT SERVICE FUNDS					
Municipal Court Building Security	Hotel Tax	Recreation	4B Debt Service 1996	4B Debt Service 2005	Total Nonmajor Governmental Funds
\$ 146,842	\$ 160,646	\$ 215,469	\$ 179,249	\$ 20,193	\$ 3,985,006
-	4,203	-	-	-	7,933
-	-	150,344	-	-	150,344
-	-	-	-	-	294,792
<u>\$ 146,842</u>	<u>\$ 164,849</u>	<u>\$ 365,813</u>	<u>\$ 179,249</u>	<u>\$ 20,193</u>	<u>\$ 4,438,075</u>
\$ -	\$ -	52,769	\$ -	\$ -	\$ 68,936
-	-	27,419	-	-	40,228
-	-	-	-	-	150,344
-	-	80,188	-	-	259,508
-	-	-	179,249	20,193	199,442
-	-	-	-	-	1,404,544
-	-	-	-	-	45,230
146,842	-	-	-	-	146,842
-	164,849	-	-	-	164,849
-	-	-	-	-	622,121
-	-	-	-	-	152,752
-	-	-	-	-	1,157,162
-	-	285,625	-	-	285,625
<u>146,842</u>	<u>164,849</u>	<u>285,625</u>	<u>179,249</u>	<u>20,193</u>	<u>4,178,567</u>
<u>\$ 146,842</u>	<u>\$ 164,849</u>	<u>\$ 365,813</u>	<u>\$ 179,249</u>	<u>\$ 20,193</u>	<u>\$ 4,438,075</u>

**CITY OF WYLIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

	SPECIAL REVENUE FUNDS				
	4B Sales Tax Revenue	Park Acquisition and Improvement	Fire Training Center	Fire Development Fees	Municipal Court Technology
REVENUES					
Sales taxes	\$ 1,605,130	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Service fees	-	-	51,810	-	-
Court fees	-	-	-	-	7,549
Interest income	1,664	851	191	1,370	57
Miscellaneous income	-	-	950	168,267	-
Total revenues	1,606,794	851	52,951	169,637	7,606
EXPENDITURES					
Current:					
Public safety	-	-	75,668	-	4,153
Community service	443,991	74,063	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	443,991	74,063	75,668	-	4,153
Excess (deficiency) of revenues over (under) expenditures	1,162,803	(73,212)	(22,717)	169,637	3,453
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	(1,388,616)	-	-	-	-
Proceeds from capital lease	-	-	-	-	-
Total other financing sources (uses)	(1,388,616)	-	-	-	-
Net change in fund balances	(225,813)	(73,212)	(22,717)	169,637	3,453
Fund balances, October 1	1,630,357	695,333	175,469	987,525	41,777
Fund balances, September 30	\$ 1,404,544	\$ 622,121	\$ 152,752	\$ 1,157,162	\$ 45,230

EXHIBIT B-2

DEBT SERVICE FUNDS

Municipal Court Building Security	Hotel Tax	Recreation	4B Debt Service 1996	4B Debt Service 2005	Total Nonmajor Governmental Funds
\$ -	\$ 55,412	\$ -	\$ -	\$ -	\$ 1,660,542
-	-	5,000	-	-	5,000
-	-	655,958	-	-	707,768
5,662	-	-	-	-	13,211
187	179	108	79	324	5,010
-	-	-	-	-	169,217
<u>5,849</u>	<u>55,591</u>	<u>661,066</u>	<u>79</u>	<u>324</u>	<u>2,560,748</u>
-	-	-	-	-	79,821
-	-	1,425,516	-	-	1,943,570
-	-	-	115,000	235,000	350,000
-	-	-	33,322	184,777	218,099
-	-	1,425,516	148,322	419,777	2,591,490
<u>5,849</u>	<u>55,591</u>	<u>(764,450)</u>	<u>(148,243)</u>	<u>(419,453)</u>	<u>(30,742)</u>
-	-	818,616	288,679	421,000	1,528,295
-	(15,000)	-	-	(139,679)	(1,543,295)
-	-	207,195	-	-	207,195
-	(15,000)	1,025,811	288,679	281,321	192,195
5,849	40,591	261,361	140,436	(138,132)	161,453
140,993	124,258	24,264	38,813	158,325	4,017,114
<u>\$ 146,842</u>	<u>\$ 164,849</u>	<u>\$ 285,625</u>	<u>\$ 179,249</u>	<u>\$ 20,193</u>	<u>\$ 4,178,567</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 4B SALES TAX REVENUE FUND
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-1

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Sales taxes	\$ 738,920	\$ 806,184	\$ 1,605,130	\$ 798,946
Interest income	2,500	2,500	1,664	(836)
Total revenues	741,420	808,684	1,606,794	798,110
EXPENDITURES				
Current				
Community service				
4B Parks	258,537	258,537	243,976	14,561
4B Recreation	224,807	235,807	200,015	35,792
Total community service	483,344	494,344	443,991	50,353
Total expenditures	483,344	494,344	443,991	50,353
Excess of revenues over expenditures	258,076	314,340	1,162,803	848,463
Other financing uses				
Transfers out	(570,000)	(570,000)	(1,388,616)	(818,616)
Total other financing uses	(570,000)	(570,000)	(1,388,616)	(818,616)
Net change in fund balances	(311,924)	(255,660)	(225,813)	29,847
Fund balances, October 1	1,630,357	1,630,357	1,630,357	-
Fund balances, September 30	<u>\$ 1,318,433</u>	<u>\$ 1,374,697</u>	<u>\$ 1,404,544</u>	<u>\$ 29,847</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 PARK ACQUISITION AND IMPROVEMENT
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-2

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Interest income	\$ -	\$ -	\$ 851	\$ 851
Total revenues	<u>-</u>	<u>-</u>	<u>851</u>	<u>851</u>
EXPENDITURES				
Current				
Community service				
Park acquisition - west zone	30,000	30,000	21,734	8,266
Park acquisition - central zone	20,000	20,000	19,911	89
Park acquisition - east zone	63,000	63,000	32,418	30,582
Total expenditures	<u>113,000</u>	<u>113,000</u>	<u>74,063</u>	<u>38,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(113,000)</u>	<u>(113,000)</u>	<u>(73,212)</u>	<u>39,788</u>
Net change in fund balances	(113,000)	(113,000)	(73,212)	39,788
Fund balances, October 1	<u>695,333</u>	<u>695,333</u>	<u>695,333</u>	<u>-</u>
Fund balances, September 30	<u>\$ 582,333</u>	<u>\$ 582,333</u>	<u>\$ 622,121</u>	<u>\$ 39,788</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 FIRE TRAINING CENTER
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-3

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Service fees	\$ 31,500	\$ 31,500	\$ 51,810	\$ 20,310
Interest income	-	-	191	191
Miscellaneous income	-	-	950	950
Total revenues	<u>31,500</u>	<u>31,500</u>	<u>52,951</u>	<u>21,451</u>
EXPENDITURES				
Current				
Public safety				
Fire training center	<u>84,010</u>	<u>84,010</u>	<u>75,668</u>	<u>8,342</u>
Total public safety	<u>84,010</u>	<u>84,010</u>	<u>75,668</u>	<u>8,342</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(52,510)</u>	<u>(52,510)</u>	<u>(22,717)</u>	<u>29,793</u>
Net change in fund balances	<u>(52,510)</u>	<u>(52,510)</u>	<u>(22,717)</u>	<u>29,793</u>
Fund balances, October 1	<u>175,469</u>	<u>175,469</u>	<u>175,469</u>	<u>-</u>
Fund balances, September 30	<u>\$ 122,959</u>	<u>\$ 122,959</u>	<u>\$ 152,752</u>	<u>\$ 29,793</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 FIRE DEVELOPMENT FEES
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-4

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Interest income	\$ 1,500	\$ 1,500	\$ 1,370	\$ (130)
Miscellaneous income	130,000	130,000	168,267	38,267
Total revenues	<u>131,500</u>	<u>131,500</u>	<u>169,637</u>	<u>38,137</u>
Excess of revenues over expenditures	<u>131,500</u>	<u>131,500</u>	<u>169,637</u>	<u>38,137</u>
Net change in fund balances	131,500	131,500	169,637	38,137
Fund balances, October 1	<u>987,525</u>	<u>987,525</u>	<u>987,525</u>	-
Fund balances, September 30	<u><u>\$ 1,119,025</u></u>	<u><u>\$ 1,119,025</u></u>	<u><u>\$ 1,157,162</u></u>	<u><u>\$ 38,137</u></u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 MUNICIPAL COURT TECHNOLOGY FUND
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-5

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Court fees	\$ 10,000	\$ 10,000	\$ 7,549	\$ (2,451)
Interest income	75	75	57	(18)
Total revenues	<u>10,075</u>	<u>10,075</u>	<u>7,606</u>	<u>(2,469)</u>
EXPENDITURES				
Current				
Public safety	19,600	19,600	4,153	15,447
Total public safety	<u>19,600</u>	<u>19,600</u>	<u>4,153</u>	<u>15,447</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,525)</u>	<u>(9,525)</u>	<u>3,453</u>	<u>12,978</u>
Net change in fund balances	(9,525)	(9,525)	3,453	12,978
Fund balances, October 1	<u>41,777</u>	<u>41,777</u>	<u>41,777</u>	<u>-</u>
Fund balances, September 30	<u>\$ 32,252</u>	<u>\$ 32,252</u>	<u>\$ 45,230</u>	<u>\$ 12,978</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 MUNICIPAL COURT BUILDING SECURITY FUND
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-6

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Court fees	\$ 7,000	\$ 7,000	\$ 5,662	\$ (1,338)
Interest income	200	200	187	(13)
Total revenues	<u>7,200</u>	<u>7,200</u>	<u>5,849</u>	<u>(1,351)</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,200</u>	<u>7,200</u>	<u>5,849</u>	<u>(1,351)</u>
Net change in fund balances	7,200	7,200	5,849	(1,351)
Fund balances, October 1	<u>140,993</u>	<u>140,993</u>	<u>140,993</u>	<u>-</u>
Fund balances, September 30	<u><u>\$ 148,193</u></u>	<u><u>\$ 148,193</u></u>	<u><u>\$ 146,842</u></u>	<u><u>\$ (1,351)</u></u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 HOTEL TAX FUND
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-7

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Sales taxes	\$ 40,000	\$ 40,000	\$ 55,412	\$ 15,412
Interest income	150	150	179	29
Total revenues	<u>40,150</u>	<u>40,150</u>	<u>55,591</u>	<u>15,441</u>
EXPENDITURES				
Current				
Public safety				
Fire training center	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>40,150</u>	<u>40,150</u>	<u>55,591</u>	<u>15,441</u>
Other financing uses				
Transfers out	(15,000)	(15,000)	(15,000)	-
Total other financing uses	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Net change in fund balances	<u>25,150</u>	<u>25,150</u>	<u>40,591</u>	<u>15,441</u>
Fund balances, October 1	<u>124,258</u>	<u>124,258</u>	<u>124,258</u>	<u>-</u>
Fund balances, September 30	<u>\$ 149,408</u>	<u>\$ 149,408</u>	<u>\$ 164,849</u>	<u>\$ 15,441</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 RECREATION FUND
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT C-8

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Service fees	\$ 1,351,580	\$ 1,421,589	\$ 660,958	\$ (760,631)
Interest income	-	-	108	108
Total revenues	<u>1,351,580</u>	<u>1,421,589</u>	<u>661,066</u>	<u>(760,523)</u>
EXPENDITURES				
Current				
Community service				
Recreation center	<u>1,318,262</u>	<u>1,358,262</u>	<u>1,425,516</u>	<u>(67,254)</u>
Total community service	<u>1,318,262</u>	<u>1,358,262</u>	<u>1,425,516</u>	<u>(67,254)</u>
Excess of revenues over expenditures	<u>33,318</u>	<u>63,327</u>	<u>(764,450)</u>	<u>(827,777)</u>
Other financing sources (uses)				
Transfers in	-	-	818,616	818,616
Proceeds from capital lease	-	-	207,195	207,195
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,025,811</u>	<u>1,025,811</u>
Net change in fund balances	<u>33,318</u>	<u>63,327</u>	<u>261,361</u>	<u>198,034</u>
Fund balances, October 1	<u>24,264</u>	<u>24,264</u>	<u>24,264</u>	<u>-</u>
Fund balances, September 30	<u>\$ 57,582</u>	<u>\$ 87,591</u>	<u>\$ 285,625</u>	<u>\$ 198,034</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 4B DEBT SERVICE 1996 FUND
 DEBT SERVICE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT D-1

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget -
				Positive (Negative)
REVENUES				
Interest income	\$ -	\$ -	\$ 79	\$ 79
Total revenues	-	-	79	79
EXPENDITURES				
Debt service				
Principal	115,000	115,000	115,000	-
Interest and fiscal charges	33,326	33,326	33,322	4
Total debt service	148,326	148,326	148,322	4
Total expenditures	148,326	148,326	148,322	4
Excess (deficiency) of revenues over (under) expenditures	(148,326)	(148,326)	(148,243)	83
Other financing sources				
Transfers in	149,000	149,000	288,679	139,679
Total other financing sources	149,000	149,000	288,679	139,679
Net changes in fund balances	674	674	140,436	139,762
Fund balances, October 1	38,813	38,813	38,813	-
Fund balances, September 30	<u>\$ 39,487</u>	<u>\$ 39,487</u>	<u>\$ 179,249</u>	<u>\$ 139,762</u>

**CITY OF WYLIE, TEXAS
 BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
 4B DEBT SERVICE 2005 FUND
 DEBT SERVICE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2012**

EXHIBIT D-2

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Interest income	\$ -	\$ -	\$ 324	\$ 324
Total revenues	-	-	324	324
EXPENDITURES				
Debt service				
Principal	235,000	235,000	235,000	-
Interest and fiscal charges	184,778	184,778	184,777	1
Total debt service	419,778	419,778	419,777	1
Total expenditures	419,778	419,778	419,777	1
Deficiency of revenues under expenditures	(419,778)	(419,778)	(419,453)	325
Other financing sources (uses)				
Transfers in	421,000	421,000	421,000	-
Transfers out	-	-	(139,679)	(139,679)
Total other financing sources (uses)	421,000	421,000	281,321	(139,679)
Net changes in fund balances	1,222	1,222	(138,132)	(139,354)
Fund balances, October 1	158,325	158,325	158,325	-
Fund balances, September 30	\$ 159,547	\$ 159,547	\$ 20,193	\$ (139,354)

STATISTICAL SECTION

**CITY OF WYLIE, TEXAS
 STATISTICAL SECTION
 TABLE OF CONTENTS**

This is part of the City of Wylie's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Table #s</u>
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-5
Revenue Capacity These tables contain information to help the reader assess the City's two most significant local revenue sources, the property and sales taxes.	6-12
Debt Capacity These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	13-17
Economic and Demographic Information These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	18-19
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.	20-22

Source: Unless otherwise noted, the information in these labels is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003: tables pressing government-wide information include information beginning in that year.

**CITY OF WYLIE, TEXAS
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ 55,109,795	\$ 62,317,301	\$ 72,335,440	\$ 73,959,342
Restricted	7,714,394	4,103,955	6,412,687	9,702,583
Unrestricted	(962,448)	7,178,450	7,914,730	5,266,581
Total Governmental Activities Net Assets	61,861,741	73,599,706	86,662,857	88,928,506
Business-type Activities				
Invested in Capital Assets, Net of Related Debt	18,425,639	20,801,795	25,207,269	31,205,119
Restricted	9,750,823	12,626,787	12,739,448	11,926,132
Unrestricted	3,300,191	3,680,724	5,175,119	6,181,593
Total Business-type Activities Net Assets	31,476,653	37,109,306	43,121,836	49,312,844
Primary Government				
Invested in Capital Assets, Net of Related Debt	73,535,434	83,119,096	97,542,709	105,164,461
Restricted	17,465,217	16,730,742	19,152,135	21,628,715
Unrestricted	2,337,743	10,859,174	13,089,849	11,448,174
Total Primary Government Net Assets	93,338,394	110,709,012	129,784,693	138,241,350

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

TABLE 1

2007	2008	2009	2010	2011	2012
\$ 80,156,749	\$ 81,535,501	\$ 87,367,632	\$ 92,652,726	\$ 96,233,296	\$ 95,243,831
4,748,476	-	-	157,135	290,576	403,355
<u>11,225,518</u>	<u>16,778,998</u>	<u>18,364,466</u>	<u>19,795,514</u>	<u>18,292,357</u>	<u>23,002,260</u>
<u>96,130,743</u>	<u>98,314,499</u>	<u>105,732,098</u>	<u>112,605,375</u>	<u>114,816,229</u>	<u>118,649,446</u>
36,564,901	37,155,724	37,166,408	38,013,180	37,576,095	43,108,563
8,738,654	7,460,624	7,338,139	5,470,351	4,260,021	3,550,825
<u>7,424,351</u>	<u>9,393,691</u>	<u>9,820,167</u>	<u>11,356,977</u>	<u>14,359,344</u>	<u>10,421,435</u>
<u>52,727,906</u>	<u>54,010,039</u>	<u>54,324,714</u>	<u>54,840,508</u>	<u>56,195,460</u>	<u>57,080,823</u>
116,721,650	118,691,225	124,534,040	130,665,906	133,809,391	138,352,394
13,487,130	7,460,624	7,338,139	5,627,486	4,550,597	3,954,180
<u>18,649,869</u>	<u>26,172,689</u>	<u>28,184,633</u>	<u>31,152,491</u>	<u>32,651,701</u>	<u>33,423,695</u>
<u>148,858,649</u>	<u>152,324,538</u>	<u>160,056,812</u>	<u>167,445,883</u>	<u>171,011,689</u>	<u>175,730,269</u>

**CITY OF WYLIE, TEXAS
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
Governmental Activities:				
General Government	\$ 2,946,474	\$ 3,360,719	\$ 3,490,621	\$ 4,144,882
Public Safety	4,868,978	5,898,710	7,437,298	8,003,798
Urban development	723,553	839,258	958,368	862,184
Streets	2,888,760	3,507,891	4,012,471	4,578,339
Community service	1,866,710	2,118,200	2,348,580	2,651,744
Interest on Long-Term Debt	897,371	836,290	1,030,375	1,751,355
Total Governmental Activities Expenses	<u>14,191,846</u>	<u>16,561,068</u>	<u>19,277,713</u>	<u>21,992,302</u>
Business-type Activities				
Utility	5,294,510	5,155,675	7,926,463	8,843,954
Total Business-type Activities Expenses	<u>5,294,510</u>	<u>5,155,675</u>	<u>7,926,463</u>	<u>8,843,954</u>
Total Primary Government Expenses	<u>\$ 19,486,356</u>	<u>\$ 21,716,743</u>	<u>\$ 27,204,176</u>	<u>\$ 30,836,256</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 1,130,651	\$ 1,399,332	\$ 1,522,104	\$ 1,862,104
Public safety	592,041	779,785	1,071,140	946,408
Urban development	2,150,919	1,986,683	1,689,979	1,748,000
Community service	115,180	107,242	130,434	221,299
Operating Grants and Contributions	67,139	42,088	61,271	37,731
Capital Grants and Contributions	339,992	10,902,894	12,462,144	8,411,904
Total Governmental Activities Program Revenues	<u>4,395,922</u>	<u>15,218,024</u>	<u>16,937,072</u>	<u>13,227,446</u>
Business-type Activities:				
Charges for Services:				
Utility	5,864,532	6,776,232	7,876,859	8,832,061
Capital Grants and Contributions	3,763,980	3,863,745	5,945,267	5,148,706
Total Business-type Activities Program Revenues	<u>9,628,512</u>	<u>10,639,977</u>	<u>13,822,126</u>	<u>13,980,767</u>
Total Primary Government Programs Revenues	<u>14,024,434</u>	<u>25,858,001</u>	<u>30,759,198</u>	<u>27,208,213</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (9,795,924)	\$ (1,343,044)	\$ (2,340,641)	\$ (8,764,856)
Business-type Activities	4,334,002	5,484,302	5,895,663	5,136,813
Total Primary Government Net Expense	<u>(5,461,922)</u>	<u>4,141,258</u>	<u>3,555,022</u>	<u>(3,628,043)</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

TABLE 2

2007	2008	2009	2010	2011	2012
\$ 4,027,017	\$ 5,861,991	\$ 3,485,356	\$ 6,479,482	3,621,127	\$ 6,118,269
10,029,670	10,502,873	11,585,582	11,859,042	13,694,425	13,329,862
1,083,316	1,061,318	1,178,655	1,193,068	1,254,722	1,285,496
4,631,177	4,871,088	6,761,308	4,263,064	5,493,677	2,515,998
3,074,976	3,248,168	3,325,813	3,292,045	4,965,762	9,435,014
2,795,083	3,068,061	4,872,366	5,163,908	4,795,423	4,692,448
<u>25,641,239</u>	<u>28,613,499</u>	<u>31,209,080</u>	<u>32,250,609</u>	<u>33,825,136</u>	<u>37,377,087</u>
9,495,460	10,219,481	10,338,152	10,494,419	10,566,621	10,918,523
<u>9,495,460</u>	<u>10,219,481</u>	<u>10,338,152</u>	<u>10,494,419</u>	<u>10,566,621</u>	<u>10,918,523</u>
<u>\$ 35,136,699</u>	<u>\$ 38,832,980</u>	<u>\$ 41,547,232</u>	<u>\$ 42,745,028</u>	<u>\$ 44,391,757</u>	<u>\$ 48,295,610</u>
\$ 2,176,853	\$ 2,192,056	\$ 2,164,172	\$ 2,255,866	\$ 2,221,163	\$ 2,247,927
1,034,296	1,011,893	1,257,771	1,257,540	1,376,734	1,425,766
1,400,515	1,043,266	558,461	652,839	637,805	690,237
209,254	313,050	252,003	250,086	747,321	887,559
372,503	405,557	264,209	474,576	217,790	1,622,466
5,958,047	2,200,423	5,731,359	6,494,706	1,663,223	3,538,027
<u>11,151,468</u>	<u>7,166,245</u>	<u>10,227,975</u>	<u>11,385,613</u>	<u>6,864,036</u>	<u>10,411,982</u>
8,041,284	9,508,602	10,172,309	11,088,925	12,580,923	12,826,991
4,019,494	1,154,027	51,500	-	-	393,140
<u>12,060,778</u>	<u>10,662,629</u>	<u>10,223,809</u>	<u>11,088,925</u>	<u>12,580,923</u>	<u>13,220,131</u>
<u>23,212,246</u>	<u>17,828,874</u>	<u>20,451,784</u>	<u>22,474,538</u>	<u>19,444,959</u>	<u>23,632,113</u>
\$ (14,489,771)	\$ (21,447,254)	\$ (20,981,105)	\$ (20,864,996)	\$ (26,961,100)	\$ (26,965,105)
2,565,318	443,148	(114,343)	594,506	2,014,302	2,301,608
<u>(11,924,453)</u>	<u>(21,004,106)</u>	<u>(21,095,448)</u>	<u>(20,270,490)</u>	<u>(24,946,798)</u>	<u>(24,663,497)</u>

**CITY OF WYLIE, TEXAS
GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
Net (Expense)/Revenue				
Governmental Activities	\$ (9,795,924)	\$ (1,343,044)	\$ (2,340,641)	\$ (8,764,856)
Business-type Activities	4,334,002	5,484,302	5,895,663	5,136,813
Total Primary Government Net Expense	<u>(5,461,922)</u>	<u>4,141,258</u>	<u>3,555,022</u>	<u>(3,628,043)</u>
Governmental Revenues and Other Changes in Net Assets				
Governmental Activities:				
Taxes				
Property Taxes	6,748,379	8,226,158	9,744,962	11,232,673
Sales Taxes	1,513,254	2,130,573	2,668,983	3,308,755
Franchise Taxes	1,363,395	1,712,695	1,454,975	1,941,805
Unrestricted Investment Earnings	188,379	146,679	439,481	1,406,561
Miscellaneous Income	35,914	25,698	558,401	469,580
Gain (loss) on disposal of capital assets	6,207	-	-	-
Transfers	492,125	570,239	479,942	447,137
Total Governmental Activities	<u>10,347,653</u>	<u>12,812,042</u>	<u>15,346,744</u>	<u>18,806,511</u>
Business-type Activities:				
Investment Earnings	227,486	191,258	441,638	821,375
Miscellaneous Income	61,564	131,494	129,796	315,329
Gain (loss) on disposal of capital assets	-	-	193,305	-
Transfers	(492,125)	(570,239)	(479,942)	(447,137)
Total Business-type Activities	<u>(203,075)</u>	<u>(247,487)</u>	<u>284,797</u>	<u>689,567</u>
Total Primary Government	\$ 10,144,578	\$ 12,564,555	\$ 15,631,541	\$ 19,496,078
Change in Net Assets				
Governmental Activities	\$ 551,729	\$ 11,468,998	\$ 13,006,103	\$ 10,041,655
Business-type Activities	4,130,927	5,236,815	6,180,640	5,826,380
Total Primary Government	<u>\$ 4,682,656</u>	<u>\$ 16,705,813</u>	<u>\$ 19,186,743</u>	<u>\$ 15,868,035</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

TABLE 3

2007	2008	2009	2010	2011	2012
\$ (14,489,771)	\$ (21,447,254)	\$ (20,981,105)	\$ (20,864,996)	\$ (26,961,100)	\$ (26,965,105)
2,565,318	443,148	(114,343)	594,506	2,014,302	2,301,608
<u>(11,924,453)</u>	<u>(21,004,106)</u>	<u>(21,095,448)</u>	<u>(20,270,490)</u>	<u>(24,946,798)</u>	<u>(24,663,497)</u>
13,100,185	15,540,800	20,391,128	20,649,388	20,706,218	21,220,640
3,575,795	3,892,994	3,933,650	4,086,686	4,632,860	4,879,854
1,739,883	1,963,797	2,391,509	2,226,420	2,278,805	2,538,708
2,687,320	1,926,928	924,047	212,547	94,894	62,408
152,518	215,192	297,601	118,547	536,216	419,715
(13,693)	34,396	10,769	(5,315)	18,526	-
450,000	450,000	450,000	450,000	904,435	1,676,997
<u>21,692,008</u>	<u>24,024,107</u>	<u>28,398,704</u>	<u>27,738,273</u>	<u>29,171,954</u>	<u>30,798,322</u>
1,125,117	786,986	299,563	169,925	141,682	128,932
174,627	40,082	579,455	201,363	96,740	131,820
-	-	-	-	6,665	0
<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>(904,437)</u>	<u>(1,676,997)</u>
849,744	377,068	429,018	(78,712)	(659,350)	(1,416,245)
<u>\$ 22,541,752</u>	<u>\$ 24,401,175</u>	<u>\$ 28,827,722</u>	<u>\$ 27,659,561</u>	<u>\$ 28,512,604</u>	<u>\$ 29,382,077</u>
\$ 7,202,237	\$ 2,576,853	\$ 7,417,599	\$ 6,873,277	\$ 2,210,854	\$ 3,833,217
3,415,062	820,216	314,675	515,794	1,354,952	885,363
<u>\$ 10,617,299</u>	<u>\$ 3,397,069</u>	<u>\$ 7,732,274</u>	<u>\$ 7,389,071</u>	<u>\$ 3,565,806</u>	<u>\$ 4,718,580</u>

**CITY OF WYLIE, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			(1)
	2003	2004	2005	2006
General Fund				
Reserved	\$ 27,156	\$ 27,156	\$ 66,650	\$ 193,791
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Unreserved	3,358,463	3,358,463	4,426,413	5,923,979
Total General Fund	<u>\$ 3,385,619</u>	<u>\$ 3,385,619</u>	<u>\$ 4,493,063</u>	<u>\$ 6,117,770</u>
All Other Governmental Funds				
Reserved	\$ 652,595	\$ 652,595	\$ 799,229	\$ 1,193,142
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Unreserved, Reported in:				
Special Revenue Funds	923,291	923,291	1,651,712	1,619,655
Debt Service Funds	-	-	-	-
Capital Projects Funds	7,124,117	7,124,117	5,565,400	39,960,132
Total All Other Governmental Funds	<u>\$ 8,700,003</u>	<u>\$ 8,700,003</u>	<u>\$ 8,016,341</u>	<u>\$ 42,772,929</u>

(1) The increase in fund balance was due to unspent bond proceeds from an issuance during the periods indicated for capital projects.

(2) The City implemented GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" which impacted both the classifications of funds and classification of and balances within funds.

TABLE 4

	(1)		(2)			
	2007	2008	2009	2010	2011	2012
\$	541,028	\$ 188,255	\$ 146,428	\$ 153,389	\$ -	\$ -
	-	-	-	-	154,354	181,865
	-	-	-	-	-	-
	-	-	-	-	128,512	-
	-	-	-	-	10,095,757	11,286,328
	<u>7,486,053</u>	<u>8,878,326</u>	<u>9,917,733</u>	<u>8,305,011</u>	-	-
	<u>\$ 8,027,081</u>	<u>\$ 9,066,581</u>	<u>\$ 10,064,161</u>	<u>\$ 8,458,400</u>	<u>\$ 10,378,623</u>	<u>\$ 11,468,193</u>
\$	319,576	\$ 634,477	\$ 595,319	\$ 656,402	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	32,345,329	31,563,601
	-	-	-	-	1,882,591	2,217,660
	-	-	-	-	-	-
	2,363,046	2,861,942	3,845,934	5,308,220	-	-
	-	-	-	194,986	-	-
	<u>35,075,726</u>	<u>85,908,035</u>	<u>67,875,143</u>	<u>44,082,553</u>	-	-
	<u>\$ 37,758,348</u>	<u>\$ 89,404,454</u>	<u>\$ 72,316,396</u>	<u>\$ 50,242,161</u>	<u>\$ 34,227,920</u>	<u>\$ 33,781,261</u>

**CITY OF WYLIE, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
Revenues				
Ad valorem taxes	\$ 6,789,129	\$ 8,173,918	\$ 9,754,037	\$ 11,207,753
Sales taxes	1,513,254	2,130,572	2,668,983	3,308,755
Franchise fees	1,062,766	1,382,731	1,407,351	1,893,383
Licenses and permits	1,708,903	1,522,039	1,260,963	1,319,956
Intergovernmental	360,135	532,857	773,875	443,124
Service fees	1,563,150	1,964,910	2,094,474	2,322,030
Court fees	426,637	419,272	427,892	617,288
Interest income	188,379	146,679	439,481	1,406,562
Miscellaneous income	353,940	143,896	840,676	859,269
Total Revenues	13,966,293	16,416,874	19,667,732	23,378,120
Expenditures				
General Government	3,067,478	3,380,349	3,767,483	4,169,819
Public Safety	4,761,956	5,773,019	7,751,414	8,892,087
Urban development	707,450	827,281	953,570	859,697
Streets	721,335	1,213,454	1,345,498	1,548,675
Community Service	1,906,459	2,094,914	8,554,999	2,789,512
Capital Outlay	1,479,178	3,865,797	4,178,917	2,190,857
Debt Service				
Principal	1,190,889	1,326,449	1,404,888	1,554,007
Interest and fiscal charges	875,384	850,877	769,876	1,109,257
Bond issuance costs	-	-	176,219	154,417
Total Expenditures	14,710,129	19,332,140	28,902,864	23,268,328
Excess of Revenues Over (Under) Expenditures	(743,836)	(2,915,266)	(9,235,132)	109,792
Other Financing Sources (Uses)				
Transfers In	1,149,708	1,011,756	1,188,604	1,293,280
Transfers Out	(909,784)	(690,465)	(943,847)	(1,546,049)
Issuance of long-term debt	-	-	13,798,337	36,229,000
Premium on bonds issued	-	-	160,796	200,697
Discount on bonds issued	-	-	(84,614)	-
Payment to refunded bond escrow agent	-	-	-	-
Proceeds from capital lease	-	-	-	-
Proceeds from note	-	-	-	-
Reimbursement from other funds	-	-	-	-
Sale of capital assets	6,207	-	(1,866,358)	-
Total Other Financing Sources (Uses)	246,131	321,291	12,252,918	36,176,928
Net Change in Fund Balances	\$ (497,705)	\$ (2,593,975)	\$ 3,017,786	\$ 36,286,720
Debt Service as a Percentage of Noncapital Expenditures	15.6%	14.1%	9.5%	13.4%

TABLE 5

	2007	2008	2009	2010	2011	2012
\$	13,094,757	\$ 15,530,285	\$ 20,310,022	\$ 20,649,075	\$ 20,746,031	\$ 21,232,323
	3,575,794	3,892,994	3,933,650	4,086,686	4,632,860	4,879,854
	1,908,984	2,045,205	2,136,664	2,060,000	2,280,283	2,475,389
	1,056,919	1,857,614	1,060,595	1,083,184	1,354,135	1,856,690
	784,350	1,558,929	2,485,357	6,765,997	1,595,509	4,363,842
	2,557,315	2,767,258	2,670,068	2,786,282	3,325,419	3,612,346
	587,250	547,987	427,246	425,439	342,592	293,140
	2,687,318	1,882,079	913,799	210,314	94,894	62,408
	1,361,511	644,793	562,751	439,558	781,392	703,755
	<u>27,614,198</u>	<u>30,727,144</u>	<u>34,500,152</u>	<u>38,506,535</u>	<u>35,153,115</u>	<u>39,479,747</u>
	11,542,571	6,927,392	5,442,300	5,794,116	7,071,914	6,925,023
	9,357,139	10,244,272	11,042,607	12,991,765	13,170,413	12,489,688
	1,080,324	1,026,260	1,135,299	1,161,850	1,247,257	1,282,284
	1,470,049	1,587,208	1,620,193	1,189,434	1,033,150	1,499,966
	3,026,580	3,303,805	3,117,542	2,893,696	4,433,358	5,058,302
	873,016	5,924,706	19,900,621	30,662,779	15,891,919	8,319,958
	1,511,412	1,975,248	3,627,903	3,458,337	3,375,238	3,717,780
	3,324,640	2,725,301	5,156,180	5,091,403	4,853,660	4,700,789
	75,387	247,318	-	225,807	-	108,445
	<u>32,261,118</u>	<u>33,961,510</u>	<u>51,042,645</u>	<u>63,469,187</u>	<u>51,076,909</u>	<u>44,102,235</u>
	<u>(4,646,920)</u>	<u>(3,234,366)</u>	<u>(16,542,493)</u>	<u>(24,962,652)</u>	<u>(15,923,794)</u>	<u>(4,622,488)</u>
	2,951,221	2,834,249	2,597,809	4,019,027	4,761,221	4,455,397
	(2,123,361)	(2,384,249)	(2,147,809)	(3,569,027)	(2,972,489)	(2,778,400)
	4,793,155	55,625,000	-	8,264,548	-	8,210,000
	34,739	238,069	-	3,892	-	486,870
	(34,364)	-	-	-	-	-
	(3,971,472)	-	-	(7,435,784)	-	(6,980,670)
	-	-	-	-	-	326,580
	-	-	-	-	-	438,621
	-	-	-	-	-	1,107,001
	<u>(13,693)</u>	<u>-</u>	<u>2,015</u>	<u>-</u>	<u>41,044</u>	<u>-</u>
	1,636,225	56,313,069	452,015	1,282,656	1,829,776	5,265,399
\$	<u>(3,010,695)</u>	<u>\$ 53,078,703</u>	<u>\$ (16,090,478)</u>	<u>\$ (23,679,996)</u>	<u>\$ (14,094,018)</u>	<u>\$ 642,911</u>
	15.6%	17.6%	32.9%	27.3%	25.2%	23.8%

**CITY OF WYLIE, TEXAS
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 6

<u>Fiscal Year</u>	<u>Ad Valorem Taxes</u>	<u>Sales Taxes</u>	<u>Franchise Taxes</u>	<u>Total</u>
2003	\$ 6,789,129	\$ 1,513,254	\$ 1,062,766	\$ 9,365,149
2004	8,173,918	2,130,572	1,382,731	11,687,221
2005	9,754,037	2,668,983	1,407,351	13,830,371
2006	11,207,753	3,308,755	1,893,383	16,409,891
2007	13,094,757	3,575,794	1,908,984	18,579,535
2008	15,530,285	3,892,994	2,045,205	21,468,484
2009	20,310,022	3,933,650	2,136,664	26,380,336
2010	20,649,075	4,086,686	2,060,000	26,795,761
2011	20,746,031	4,632,860	2,280,283	26,795,761
2012	21,232,323	4,879,854	2,475,389	28,587,566
Percent Change 2003-2012	\$ 14,443,194 212.7%	\$ 3,366,600 222.5%	\$ 1,412,623 132.9%	\$ 19,222,417 205.3%

TABLE 7

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

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2003	908,488,917	238,191,077	71,440,440	61,618,003	1,156,502,431	0.7050
2004	1,150,987,305	278,236,963	68,178,047	67,507,524	1,429,894,791	0.6950
2005	1,337,824,710	318,619,349	60,064,348	76,422,118	1,640,086,289	0.6950
2006	1,542,236,827	263,505,829	136,669,956	84,931,166	1,857,481,446	0.7068
2007	1,764,303,848	288,951,716	146,785,364	89,947,174	2,110,093,754	0.7333
2008	1,851,412,088	320,559,885	154,813,362	94,519,658	2,232,265,677	0.8989
2009	1,681,490,233	317,876,320	159,911,022	98,352,452	2,060,925,123	0.8989
2010	1,849,191,950	350,209,595	121,853,139	98,637,590	2,222,617,094	0.8989
2011	1,878,899,878	301,701,482	109,890,564	94,582,252	2,195,909,672	0.8989
2012	1,906,900,883	362,556,519	112,905,366	111,897,168	2,270,465,600	0.8889

**CITY OF WYLIE, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 8

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct & Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Wylie Independent School District	Community Independent School District	Collin County	Collin County Community College District	
2003	0.534042	0.170958	0.705000	1.6100	1.5375	0.2500	0.0920	4.1945
2004	0.555908	0.139092	0.695000	1.7200	1.6200	0.2500	0.0919	4.3769
2005	0.561947	0.133053	0.695000	1.8000	1.6700	0.2500	0.0906	4.5056
2006	0.561950	0.144830	0.706780	1.7250	1.5400	0.2400	0.0878	4.2996
2007	0.561950	0.171300	0.733250	1.3900	1.4950	0.2425	0.0877	3.9484
2008	0.561950	0.336950	0.898900	1.5100	1.4950	0.2425	0.0865	4.2329
2009	0.550220	0.348680	0.898900	1.5100	1.4950	0.2425	0.0865	4.2329
2010	0.600850	0.298050	0.898900	1.6400	1.4950	0.2425	0.0863	4.3627
2011	0.600153	0.298747	0.898900	1.6400	1.4950	0.2400	0.0863	4.3602
2012	0.590620	0.298280	0.888900	1.6400	1.4950	0.2400	0.0863	4.3502

(1) Source: Central Appraisal District of Collin County web site (www.collincad.org).

(2) Although the Community Independent School District is included in the above presentation, less than one per cent of the City of Wylie lies within this taxing jurisdiction.

(3) Basis for property tax rate is per \$100 of taxable valuation.

**CITY OF WYLIE, TEXAS
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND TEN YEARS AGO (UNAUDITED)**

TABLE 9

Taxpayer	2012			2002		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Sanden International	\$ 42,516,300	1	1.87%	\$ 43,560,329	1	4.94%
Woodbridge Dallas Associates LLC	24,499,183	2	1.08%	-		
Woodbridge Crossing LP	20,526,326	3	0.90%	-		
Oncor Electric Delivery Company	17,390,936	4	0.77%	-		
Sanden International (USA) Inc.	15,000,000	5	0.66%	-		
Wal-Mart Real Estate Business	14,294,138	6	0.63%	-		
Target Corporation	13,998,400	7	0.62%	19,937,311	2	2.26%
Holland Hitch of Tx Inc.	12,671,384	8	0.56%	-		
Carlisle Coating & Waterproofing Inc	10,824,044	9	0.48%	-		
Yes Companies LLC	10,810,733	10	0.48%	-		
Atrium Companies Inc.	10,259,550	11	0.45%	10,279,103	3	1.16%
Cascades Apartments LTD	10,000,000	12	0.44%	-		
Best Circuit Boards Inc.	9,687,597	13	0.43%	3,153,506	10	0.36%
GTE Southwest Inc.	8,807,450	14	0.39%	-		
Sooners Group LP	8,093,126	15	0.36%	-		
Windough (DE) LP	7,486,024	16	0.33%	-		
Wal-Mart Stores Texas Inc.	6,610,615	17	0.29%	-		
SRB Partners	5,773,585	18	0.25%	-		
Target Corporation	5,657,753	19	0.25%	-		
Westdale Rustic Oaks LTD	5,266,333	20	0.23%	-		
Total	\$ 260,173,477			\$ 76,930,249		

(1) Source: Central Appraisal District of Collin County.

**CITY OF WYLIE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 10

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 6,900,461	\$ 6,567,156	95.17%	\$ 136,594	\$ 6,703,750	97.15%
2004	8,229,415	8,029,289	97.57%	74,574	8,103,863	98.47%
2005	10,041,005	9,524,055	94.85%	159,178	9,683,233	96.44%
2006	11,161,901	10,989,996	98.46%	157,412	11,147,408	99.87%
2007	12,963,905	12,821,056	98.90%	1	12,821,057	98.90%
2008	15,262,086	15,241,892	99.87%	1	15,241,893	99.87%
2009	20,125,509	19,783,368	98.30%	120,195	19,903,563	98.90%
2010	20,597,372	20,304,072	98.58%	168,467	20,472,539	99.39%
2011	20,462,978	19,981,812	97.65%	103,598	20,085,410	98.15%
2012	20,899,610	20,997,467	100.47%	111,418	21,108,885	101.00%

**CITY OF WYLIE, TEXAS
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS (UNAUDITED)**

TABLE 11

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Construction	\$ 66,974	\$ 83,892	\$ 197,405	\$ 263,942	\$ 237,532	\$ 262,065	\$ 245,608	\$ 254,197	\$ 261,823	\$ 303,295
Manufacturing	120,075	149,177	143,017	125,161	35,303	39,580	167,054	172,896	178,083	206,291
Transportation, Communications	117,531	412,117	381,744	520,844	574,246	502,877	449,408	465,124	488,077	565,387
Wholesale Trade	29,525	29,152	23,060	87,671	129,301	216,300	82,703	85,595	88,038	101,983
Retail Trade	921,521	1,068,919	1,201,192	1,364,324	1,756,930	1,591,815	1,980,495	2,049,752	2,176,245	2,520,955
Other	843,448	1,187,665	1,735,330	2,155,410	2,113,517	2,698,777	2,268,075	2,347,389	2,350,324	2,722,608
Total	\$ 2,099,074	\$ 2,930,922	\$ 3,681,748	\$ 4,517,352	\$ 4,846,829	\$ 5,311,414	\$ 5,193,344	\$ 5,374,954	\$ 5,542,590	\$ 6,420,519

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of revenue. The tax liability includes the City sales tax rate of one percent and the blended component unit rate of one-half percent.

**CITY OF WYLIE, TEXAS
 DIRECT AND OVERLAPPING SALES TAX REVENUE
 LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 12

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Wylie Economic Development Corporation</u>	<u>Collin County</u>
2003	1.50%	0.50%	0.00%
2004	1.50%	0.50%	0.00%
2005	1.50%	0.50%	0.00%
2006	1.50%	0.50%	0.00%
2007	1.50%	0.50%	0.00%
2008	1.50%	0.50%	0.00%
2009	1.50%	0.50%	0.00%
2010	1.50%	0.50%	0.00%
2011	1.50%	0.50%	0.00%
2012	1.50%	0.50%	0.00%

Note: The City sales tax rate includes the City sales tax rate of one percent and the blended component unit rate of one-half percent

**CITY OF WYLIE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 13

Fiscal Year	General Bonded Debt			Other Governmental Activities Debt				Total Primary Government (1)	Percentage of Personal Income	Per Capita (2)
	General Obligation Bonds	Combination Tax/Revenue Bonds	Certificates of Obligation	Tax Revenue Bonds	Contractual Obligations	Loans and Obligation	Capital Leases			
2003	14,490,946	1,281,580	270,000	1,335,000	-	285,000	-	-	-	
2004	13,656,341	1,049,736	170,000	1,265,000	-	195,000	-	-	-	
2005	19,325,556	6,225,000	65,000	1,190,000	-	100,000	33,064	-	-	
2006	53,613,889	6,010,000	-	1,115,000	841,659	-	16,097	-	-	
2007	52,738,155	5,790,000	-	1,035,000	1,462,690	-	-	-	-	
2008	89,883,965	22,560,000	-	945,000	1,286,832	-	-	-	-	
2009	87,287,620	21,855,000	-	850,000	1,055,074	-	-	-	-	
2010	85,590,000	21,590,000	-	750,000	882,101	-	71,677	-	-	
2011	83,255,000	20,750,000	-	645,000	786,862	-	36,499	-	-	
2012	82,985,000	18,225,000	-	530,000	1,639,878	404,547	240,806	-	-	

Fiscal Year	Business-type Activities			Contractual Obligations	Capital Leases	Total Primary Government (1)	Percentage of Personal Income	Per Capita (2)
	General Obligation Bonds	Water Revenue Bonds	Combination Tax/Revenue Bonds					
2003	3,074,072	5,603,420	-	-	522,578	26,862,596	4.50%	1,258
2004	2,903,677	5,155,264	-	-	360,724	24,755,742	3.30%	947
2005	3,699,444	3,615,000	-	-	356,890	34,609,954	3.91%	1,161
2006	3,226,111	3,460,000	-	1,157,710	185,000	69,625,466	6.70%	2,110
2007	2,836,845	3,300,000	7,680,000	1,057,000	-	75,899,690	7.55%	2,300
2008	2,391,234	3,125,000	7,550,000	930,964	-	128,672,995	10.24%	3,354
2009	2,047,381	2,940,000	7,280,000	844,002	-	124,159,077	9.51%	3,242
2010	4,125,000	-	7,000,000	729,665	-	120,738,443	10.14%	3,096
2011	3,650,000	-	6,710,000	610,067	-	116,443,428	9.07%	2,811
2012	3,510,000	-	6,405,000	130,861	-	114,071,092	8.79%	2,711

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(2) See the Demographic and Economic Statistics table on page 98 for population data.

**CITY OF WYLIE, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 14

Fiscal Year	General Bonded Debt Outstanding			Percentage Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Total		
2002	17,565,018	270,000	\$ 17,835,018	1.70%	804
2003	16,560,018	170,000	\$ 16,730,018	1.28%	648
2004	23,025,000	65,000	\$ 23,090,000	1.80%	742
2005	56,840,000	-	\$ 56,840,000	3.51%	1,796
2006	55,575,000	-	\$ 55,575,000	2.50%	1,485
2007	92,275,199	-	\$ 92,275,199	4.03%	2,343
2008	89,335,001	-	\$ 89,335,001	3.87%	2,333
2009	89,715,000	-	\$ 89,715,000	3.85%	2,300
2010	86,905,000	-	\$ 86,905,000	4.26%	2,260
2011	86,495,000	-	\$ 86,495,000	3.81%	2,021

**CITY OF WYLIE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)**

TABLE 15

Governmental Unit (3)	Debt Outstanding	(4) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid with Property Taxes			
Wylie Independent School District	\$ 298,645,693 (1)	56.47%	\$ 168,645,223
Community Independent School District	11,245,618 (1)	0.42%	47,232
Collin County	379,573,287 (1)	2.67%	10,134,607
Collin County	39,724,842 (1)	2.67%	1,060,653
Subtotal, Overlapping Debt			<u>179,887,715</u>
City Direct Debt	(2)		82,985,000
Total Direct and Overlapping Debt			<u><u>262,872,715</u></u>
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			11.58%
Per Capita Direct and Overlapping Debt			\$ 6,141

(1) Source: First Southwest Company

(2) Excludes self supported debt

(3) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Wylie, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the various government's taxable assessed value that is within the government's boundaries and dividing it by the total taxable assessed value.

**CITY OF WYLIE, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$ 155,220,182	\$ 184,161,840	\$ 234,374,571	\$ 790,054,078	\$ 790,054,078	\$ 790,054,078	\$ 790,054,078	\$ 790,054,078	\$ 790,054,078	\$ 790,054,078
Total Net Debt Applicable to Limit	15,833,191	14,515,653	25,077,022	53,613,889	53,613,889	53,613,889	87,287,620	85,590,000	83,255,000	82,985,000
Legal Debt Margin	<u>139,386,991</u>	<u>169,646,187</u>	<u>209,297,549</u>	<u>736,440,189</u>	<u>736,440,189</u>	<u>736,440,189</u>	<u>702,766,458</u>	<u>704,464,078</u>	<u>706,799,078</u>	<u>707,069,078</u>
Total Net Debt Applicable to the Limit As a percentage of Debt Limit	10.20%	7.88%	10.70%	6.79%	6.79%	6.79%	11.05%	10.83%	10.54%	10.50%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 2,235,696,487
Debt Limit (10% of Assessed Value)	223,569,649
Debt Applicable to Limit:	
General Obligation Bonds	82,985,000
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>(6,975,798)</u>
Total Net Debt applicable to Limit	<u>76,009,202</u>
Legal Debt Margin	<u>\$ 147,560,447</u>

(1) Under state law, the City of Wylie, Texas' outstanding general obligation debt should not exceed ten percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by the amount set aside for repaying general obligation bonds.

**CITY OF WYLIE, TEXAS
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 17

Fiscal Year	Water Revenue Bond	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Total	Coverage
	Utility Service Charges (1)			Principal	Interest		
2003	5,864,531	3,833,370	2,031,161	135,000	203,808	338,808	6.00
2004	6,776,234	3,674,258	3,101,976	140,000	198,981	338,981	9.15
2005	7,876,858	6,411,920	1,464,938	145,000	190,322	335,322	4.37
2006	8,832,060	6,925,231	1,906,829	155,000	181,339	336,339	5.67
2007	8,041,284	7,614,530	426,754	160,000	657,090	817,090	0.52
2008	9,508,602	8,217,466	1,291,136	175,000	712,223	887,223	1.46
2009	10,172,309	8,380,779	1,791,530	185,000	582,293	767,293	2.33
2010	11,088,925	8,588,542	2,500,383	195,000	534,756	729,756	3.43
2011	12,580,923	8,713,780	3,867,143	290,000	420,927	710,927	5.44
2012	12,234,313	9,019,247	3,215,066	315,000	261,875	576,875	5.57

(1) Includes total operating revenue of the Utility Enterprise Fund

(2) Includes operating expenses of the Utility Enterprise Fund, less depreciation expense.

(3) Debt service requirements includes principal and interest payments on revenue bonds.

**CITY OF WYLIE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Population (1)	21,350	26,150	29,800	33,000
Personal Income	\$ 67,215	\$ 70,049	\$ 72,570	\$ 75,181
Per Capita Personal Income	\$ 27,951	\$ 28,716	\$ 29,738	\$ 31,511
Median Age	32.8	32.8	33.0	33.6
Education Level in Years of Schooling (2)				
Less than high school graduate	14.2%	14.2%	14.2%	14.2%
High school graduate (or equivalent)	26.6%	26.6%	26.6%	26.6%
Some college/associate's degree	37.4%	37.4%	37.4%	37.4%
Bachelor's degree	17.0%	17.0%	17.0%	17.0%
Masters, professional, or doctorate	4.8%	4.8%	4.8%	4.8%
School Enrollment	6,266	7,903	8,948	9,800
Unemployment (3)	6.9%	5.2%	4.3%	4.5%

(1) Population estimate from North Central Texas Council of Governments, as modified by City staff estimates.

(2) Education per the 2010 U.S. Census.

(3) Unemployment rates from the Texas Workforce Commission website (www.twc.state.tx.us).

TABLE 18

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
35,400	38,360	38,300	39,000	41,427	42,084
\$ 77,624	\$ 79,962	\$ 83,476	\$ 85,002	\$ 84,101	\$ 85,656
\$ 31,813	\$ 32,771	\$ 34,082	\$ 30,534	\$ 30,983	\$ 30,847
33.9	32.3	33.7	34.3	32.3	32.3
14.2%	14.2%	14.2%	14.2%	16.1%	16.1%
26.6%	26.6%	26.6%	26.6%	23.5%	23.5%
37.4%	37.4%	37.4%	37.4%	28.5%	28.5%
17.0%	17.0%	17.0%	17.0%	24.5%	24.5%
4.8%	4.8%	4.8%	4.8%	6.7%	6.7%
10,739	11,369	11,349	11,970	12,549	12,913
3.6%	5.2%	8.3%	7.2%	7.9%	6.8%

**CITY OF WYLIE, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)**

TABLE 19

Employer	2012			2003		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wylie ISD	1,623	1	21.50%	853	2	15.22%
NTMWD	506	2	6.70%	1,100	1	19.63%
Sanden International	401	3	5.31%	260	4	4.64%
Wal-Mart	380	4	5.03%	400	3	7.14%
City of Wylie	300	5	3.97%	103	-	1.84%
Extruders	280	6	3.71%	120	6	2.14%
Target	223	7	2.95%	-	-	0.00%
Holland USA	156	8	2.07%	-	-	0.00%
Global Innovation	148	9	1.96%	-	-	0.00%
Garnet Hill Rehab & Skilled Nursing	132	10	1.75%	150	5	2.68%
Total	<u>4,149</u>		<u>54.95%</u>	<u>2,986</u>		<u>53.29%</u>

**CITY OF WYLIE, TEXAS
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 20

Function/Program	Full-Time Equivalent Employees as of Year End									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Management Services	7	8	8	10	12	13	13	13	13	13
Finance	6	6	6	5	5	5	5	5	8	9
Development Services	-	-	-	-	-	-	-	-	-	-
Planning	3	3	3	3	4	4	4	4	5	5
Building	7	8	9	9	9	9	8	8	8	8
Other	3	3	4	4	5	6	7	7	7	7
Police										
Officers	26	28	35	38	43	47	49	49	48	48
Civilian	4	5	5	5	7	7	5	5	7	7
Fire										
Firefighters and Officers	27	29	30	30	36	42	41	41	41	47
Civilians	1	1	2	2	2	2	2	2	3	3
Animal Control	2	3	3	4	4	4	4	4	4	5
Dispatch	7	8	10	10	12	12	12	12	11	11
Streets	8	8	11	11	11	11	11	11	11	11
Other Public Works										
Engineering	3	3	4	4	4	4	4	4	3	3
Other	11	11	13	13	13	13	13	13	13	11
Parks and Recreation	18	20	23	23	23	24	27	29	38	38
Library	6	6	7	8	8	9	12	12	21	21
Water	11	10	11	11	11	11	11	11	11	15
Wastewater	-	4	5	5	5	5	5	5	5	6
EDC	1	1	1	1	2	2	2	2	2	2
Total	151	165	190	196	216	230	234	237	258	262

**CITY OF WYLIE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)**

Function/Program	2003	2004	2005	2006
General Government				
Building Permits Issued	1,430	1,282	1,203	1,100
Building Permits Value (thousands)	\$ 189,835	\$ 173,349	\$ 145,748	\$ 170,732
Police				
Physical Arrests	720	741	706	923
Violations Issued	4,301	3,966	3,044	6,068
Warrants Issued	230	378	1,664	1,062
Fire				
Emergency Responses	1,658	1,698	1,935	2,107
Fires Extinguished	138	164	209	172
Inspections	445	596	527	549
Other Public Works				
Street Resurfacing (miles)	4	5	-	5
Potholes Repaired	-	-	216	240
Parks and Recreation				
Athletic Field Permits Issued	-	25	34	18
Community Center Admissions	14,280	19,044	20,349	14,173
Baseball/Softball Fields	8	8	9	9
Soccer/Football Fields	14	14	16	16
Library				
Volumes in Collection	46,166	47,251	49,393	50,393
Water				
New Connections	1,430	1,282	1,020	1,100
Water Main Breaks	26	17	16	24
Average Daily Consumption (gallons)	3,049,411	3,487,193	4,076,730	3,991,080

TABLE 21

2007	2008	2009	2010	2011	2012
703	500	253	291	241	211
\$ 127,663	\$ 102,151	\$ 150,000	\$ 254,669	\$ 210,487	\$ 224,244
1,536	1,280	1,215	1,121	1,197	1,281
5,681	4,917	3,492	3,555	2,479	2,653
1,287	1,235	575	841	636	681
2,502	2,607	2,723	2,960	2,871	2,771
51	126	78	71	69	66
1,203	1,275	905	1,111	1,078	1,083
5	4	2	2	1	2
170	50	50	50	221	137
41	-	106	220	213	208
15,351	14,273	14,987	14,630	14,451	14,326
9	10	18	18	18	18
16	16	20	20	20	20
49,951	47,708	47,507	47,417	47,417	49,153
711	240	104	104	269	248
5	18	19	19	13	9
3,738,551	3,682,780	3,760,000	4,007,763	4,600,000	4,647,781

**CITY OF WYLIE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 22

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Function/Program										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	3	3	3	3
Other Public Works										
Streets (miles)	114	114	127	127	133	135	136	136	187	194
Alleys (miles)	6	6	12	12	12	13	13	13	40	41
Traffic Signals	10	10	10	10	10	11	14	14	14	14
Parks and Recreation										
Acreage	224	239	279	541	621	632	672	668	668	668
Playgrounds	8	9	11	11	11	11	12	12	12	12
Community Centers	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	8	108	110	110	116	119	119	119	145	157
Fire Hydrants	1,084	1,242	1,242	1,242	1,388	1,464	1,500	1,500	1,500	1,500
Number of service connections	7,901	8,841	9,645	9,645	10,155	10,395	10,500	10,500	11,984	11,946
Wastewater										
Sanitary Sewers (miles)	114	114	123	130	136	141	141	141	165	173
Education Wylie ISD										
Campuses in Wylie	9	11	12	13	17	17	18	18	19	19