

RULE 15c2-12 FILING COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board (MSRB), Nationally Recognized Municipal Securities Information Repositories (NRMSIRs), and any applicable State Information Depository (SIDs) pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: City of Duncanville, Texas

Issue(s):

- \$ 11,760,000 General Obligation Refunding and Improvement Bonds, Series 1998
 - 1,450,000 Tax and Waterworks and Sewer System Limited Pledge Revenue Certificates of Obligation, Series 1999
 - 1,979,605 General Obligation Refunding Bonds, Series 2001
 - 5,435,000 General Obligation Refunding Bonds, Series 2002
 - 4,246,915 Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2002
 - 4,265,000 Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds, Series 2002

Filing Format electronic paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):

Nine-digit number(s) (see following page(s)):

Six-digit number if information filed relates to all securities of the issuer

* * *

Financial & Operating Data Disclosure Information (Financial information should not be filed with the MSRB)

- Annual Financial Report or CAFR
- Financial Information & Operating Data
- Other (describe)

Fiscal Period Covered: FYE 2005

Monthly Quarterly Annual Other:

* * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: 

Name: Frank Trando Title: Director of Finance

Employer: City of Duncanville, Texas

Voice Telephone Number: (972) 780-5005

Email Address: frando@ci.duncanville.tx.us

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

General Obligation Refunding and Improvement Bonds, Series 1998

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/07	\$ 2,155,000	265111 ZF4
02/15/08	1,445,000	265111 ZG2
02/15/09	1,320,000	265111 YF5
02/15/10	1,385,000	265111 YG3
02/15/11	180,000	265111 YH1
02/15/12	190,000	265111 YJ7
02/15/13	195,000	265111 YK4
	<u>\$ 6,870,000</u>	

Tax and Waterworks and Sewer System Limited Pledge Revenue Certificates of Obligation, Series 1999

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/07	\$ 300,000	265111 YL2
08/15/08	1,150,000	265111 YM0
	<u>\$ 1,450,000</u>	

General Obligation Refunding Bonds, Series 2001

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/09	\$ 991,273	265111 YN8
08/15/10	940,872	265111 YP3
08/15/11	47,460	265111 YQ1
	<u>\$ 1,979,605</u>	

General Obligation Refunding Bonds, Series 2002

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/06	\$ 1,695,000	265111 ZU1
	<u>\$ 1,695,000</u>	

Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2002

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/11	\$ 942,685	265111 ZV9
08/15/12	895,622	265111 ZW7
08/15/13	848,474	265111 ZX5
08/15/14	801,546	265111 ZY3
08/15/15	758,589	265111 ZZ0
	<u>\$ 4,246,915</u>	

Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds, Series 2002

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/07	\$ 130,000	265147NZ7
02/15/08	235,000	265147PA0
02/15/09	240,000	265147PB8
02/15/10	250,000	265147PC6
02/15/11	260,000	265147PD4
02/15/12	270,000	265147PE2
02/15/13	280,000	265147PF9
02/15/16	910,000	265147PJ1
02/15/17	330,000	265147PK8
02/15/18	345,000	265147PL6
02/15/19	360,000	265147PM4
02/15/20	130,000	265147PN2
	<u>\$ 3,740,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2005

CITY OF DUNCANVILLE, TEXAS

GENERAL OBLIGATION DEBT



FINANCIAL STATEMENTS

The audited financial statements for the City for the fiscal year ended September 30, 2005 are being separately filed with each Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, either directly or through the Central Post Office, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

SIGNATURE OF ISSUER

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

CITY OF DUNCANVILLE, TEXAS



Frank Trando

Director of Finance

Approved for Submission:

Date

CERTIFICATE OF SUBMISSION OF ANNUAL REPORT

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Duncanville, Texas with respect to the issues listed on the report cover was submitted to each National Recognized Municipal Securities Information Repository (“NRMSIR”) listed below as well as to any applicable State Information Depository (“SID”) either directly or through the Central Post Office.

NRMSIR’s

Bloomberg Municipal Repository
DPC Data, Inc.
FT Interactive Data
Standard & Poor’s Securities Evaluations, Inc.

First Southwest Company

Signed by:

/s/ Stephen Cardenas

Date Filed:

CITY OF DUNCANVILLE, TEXAS
2006 GENERAL OBLIGATION DEBT REPORT

TABLE 1 – VALUATION, EXEMPTION AND TAX SUPPORTED DEBT

2005/06 Market Valuation Established by Dallas Central Appraisal District (excluding totally exempt property)		\$ 1,757,002,310
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead Exemptions / Over 65	\$ 57,338,688	
Disabled Persons	5,199,790	
Disabled Veterans	2,700,500	
Capped Loss	3,282,078	
Agricultural Use Reductions	2,024,276	
Pollution Control	8,992	70,554,324
2005/06 Taxable Assessed Valuation		\$ 1,686,447,986
General Obligation Debt Payable from Ad Valorem Taxes (as of 12/31/2005) ⁽¹⁾		\$ 20,731,519
Less Self-Supporting Debt		
Series 2002 Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds ⁽²⁾	\$ 3,865,000	
Series 1998 General Obligation Refunding and Improvement Bonds ⁽³⁾	1,350,000	5,215,000
Net General Obligation Debt (as of 12/31/2005)		\$ 15,516,519
General Obligation Interest and Sinking Fund (as of 12/31/2005)		1,120,636
Total General Obligation Debt Payable from Ad Valorem Taxes		\$ 14,395,883
Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation		0.85%

2006 Estimated Population - 37,814
Per Capita Taxable Assessed Valuation - \$44,599
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$381

- (1) Includes \$1,979,604 principal amount of the City’s General Obligation Refunding Bonds, Series 2001, and \$4,246,914 principal amount of the City’s Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2002, which accrue and pay interest only at maturity. See Table 8, “General Obligation Debt Service Requirements” herein for a schedule of the debt service payments on the City’s outstanding indebtedness payable from as valorem taxes.
- (2) Self-Supporting Debt, in the amounts shown, for which repayment is expected to be provided from revenues of the City’s Waterworks and Sewer System. However, if revenues of the City’s Waterworks and Sewer System are not sufficient to provide for the payment of such obligations, the City will be required to levy and collect ad valorem taxes sufficient to provide for the payment of the principal and interest on such obligations.
- (3) Self-Supporting Debt, in the amount shown, for which repayment is provided from Drainage Revenues. The amount of self-supporting debt is based on the Drainage revenue support as shown in Table 10.

TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2005		2005		2004	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,249,688,350	71.13%	\$ 1,221,789,150	71.74%	\$ 1,184,148,350	71.45%
Real, Residential, Multi-Family	72,595,410	4.13%	61,995,540	3.64%	65,757,900	3.97%
Real, Vacant Lots/Tracts	28,490,280	1.62%	24,977,170	1.47%	21,470,520	1.30%
Real, Acreage (Land Only)	2,263,530	0.13%	1,518,620	0.09%	1,351,220	0.08%
Real, Commercial	222,173,440	12.65%	218,994,250	12.86%	212,657,790	12.83%
Real, Industrial	23,090,780	1.31%	17,065,330	1.00%	17,192,430	1.04%
Real and Tangible Personal, Utilities	26,770,930	1.52%	26,670,640	1.57%	28,744,080	1.73%
Tangible Personal, Commercial	73,259,920	4.17%	78,602,430	4.62%	82,864,220	5.00%
Tangible Personal, Industrial	48,859,520	2.78%	42,343,980	2.49%	34,203,940	2.06%
Special Inventory	9,810,150	0.56%	9,007,480	0.53%	8,994,850	0.54%
Total Appraised Value Before Exemptions	\$ 1,757,002,310	100.00%	\$ 1,702,964,590	100.00%	\$ 1,657,385,300	100.00%
Less: Total Exemptions/Reductions	(70,554,324)		(70,514,362)		(73,369,029)	
Adjustments	-		49,941,278		47,860,427	
Taxable Assessed Value	<u>\$ 1,686,447,986</u>		<u>\$ 1,682,391,506</u>		<u>\$ 1,631,876,698</u>	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2003		2002	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,130,609,280	70.41%	\$ 1,033,959,440	68.33%
Real, Residential, Multi-Family	62,893,640	3.92%	58,419,210	3.86%
Real, Vacant Lots/Tracts	21,082,830	1.31%	21,001,030	1.39%
Real, Acreage (Land Only)	1,351,220	0.08%	1,439,950	0.10%
Real, Commercial	210,236,730	13.09%	205,155,380	13.56%
Real, Industrial	17,278,760	1.08%	16,911,290	1.12%
Real and Tangible Personal, Utilities	29,686,770	1.85%	32,914,760	2.18%
Tangible Personal, Commercial	85,545,920	5.33%	88,211,410	5.83%
Tangible Personal, Industrial	38,186,110	2.38%	46,356,810	3.06%
Real Property, Inventory	8,952,330	0.56%	8,846,780	0.58%
Total Appraised Value Before Exemptions	\$ 1,605,823,590	100.00%	\$ 1,513,216,060	100.00%
Less: Total Exemptions/Reductions	(37,275,302)		(86,953,203)	
Adjustments	-		-	
Taxable Assessed Value	<u>\$ 1,568,548,288</u>		<u>\$ 1,426,262,857</u>	

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TABLE 3 – VALUATION AND TAX SUPPORTED DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year ⁽³⁾	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Tax Debt Per Capita
2002	36,300	\$ 1,426,262,857	\$ 39,291	\$ 23,441,520	1.64%	\$ 646
2003	36,300	1,568,548,288	43,211	25,406,519	1.62%	700
2004	36,302	1,631,876,698	44,953	23,106,519	1.42%	637
2005	36,500	1,682,391,506	46,093	20,731,519	1.23%	568
2006	37,814	1,686,447,986	44,599	18,286,519 ⁽⁴⁾	1.08%	484

(1) Based on estimates by City officials.

(2) As reported by the Dallas County Appraisal District; subject to change during the ensuing year.

(3) Includes self-supporting debt.

(4) Projected.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2002	\$ 0.7180	\$ 0.569000	\$ 0.149000	\$ 10,240,569	98.7%	101.0%
2003	0.7180	0.572012	0.145988	10,968,827	97.5%	99.5%
2004	0.7180	0.574278	0.143722	11,352,972	97.9%	100.3%
2005	0.7180	0.576474	0.141526	11,717,214	97.3%	99.2%
2006	0.7180	0.576277	0.141723	12,108,697	41.0%	45.2% ⁽¹⁾

(1) Collections through December 31, 2005.

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TABLE 5 – TOP TEN TAXPAYERS

Name of Taxpayer	Nature of Property	2005/06	% of Total
		Taxable Assessed	Taxable Assessed
		Valuation	Valuation
Texwood Industries	Wholesale Cabinetry	\$ 34,512,320	2.05%
CH Guenther & Son	Wholesale Food Products	19,349,660	1.15%
Southwestern Bell	Telephone Utility	14,144,370	0.84%
Frankel Family Trust	Retail Estate	13,380,000	0.79%
Texas Utilities Electric Company	Utility	12,545,240	0.74%
Wal-Mart Corp.	Retail	9,898,600	0.59%
Deford Lumber LTD	Retail	8,991,680	0.53%
Apple Reit Limited	Apartments	8,111,610	0.48%
TT Duncanville LTD	Retail	6,374,880	0.38%
Texas Custom Bakers Inc.	Wholesale Food Products	4,799,950	0.28%
		<u>\$ 132,108,310</u>	<u>7.83%</u>

TABLE 6 – TAX ADEQUACY

2006 Net Principal and Interest Requirements	\$	2,556,218
\$0.1547 Tax Rate at 98% Collection Produces		2,556,756
Maximum Net Principal and Interest Requirements (2010)	\$	2,638,856
\$0.1597 Tax Rate at 98% Collection Produces		2,639,392
Net Average Annual Principal and Interest Requirements, 2006-2015	\$	1,318,057
\$0.0798 Tax Rate at 98% Collection Produces		1,318,870

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TABLE 8 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ending 9/30	Outstanding Debt Service			Less: Self- Supporting Utility Fund & Drainage Fund	Total Net Debt Service Requirements	% of Principal Retired
	Principal	Interest	Total			
2006	\$ 2,445,000	\$ 593,758	\$ 3,038,758	\$ 482,540	\$ 2,556,218	
2007	2,585,000	488,856	3,073,856	481,831	2,592,026	
2008	2,830,000	385,774	3,215,774	578,611	2,637,163	
2009	2,551,273	663,207	3,214,480	577,893	2,636,587	
2010	2,575,872	639,440	3,215,311	576,456	2,638,856	62.64%
2011	1,430,145	548,813	1,978,958	578,958	1,400,000	
2012	1,355,622	554,371	1,909,993	579,993	1,330,000	
2013	1,323,474	581,304	1,904,778	574,778	1,330,000	
2014	1,091,546	606,916	1,698,461	373,461	1,325,000	
2015	1,063,589	637,600	1,701,189	376,189	1,325,000	92.86%
2016	315,000	58,402	373,402	373,402	-	
2017	330,000	44,686	374,686	374,686	-	
2018	345,000	29,791	374,791	374,791	-	
2019	360,000	14,015	374,015	374,015	-	
2020	130,000	2,958	132,958	132,958	-	100.00%
	<u>\$ 20,731,519</u>	<u>\$ 5,849,890</u>	<u>\$ 26,581,409</u>	<u>\$ 6,810,561</u>	<u>\$ 19,770,848</u>	

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/06		\$ 2,556,218
Interest and Sinking Fund, Fiscal Year Ending 9/30/05	\$ 342,461	
Interest and Sinking Fund Tax Levy	2,341,218	
Delinquent Taxes, Penalties, and Interest	100,000	
Estimated Interest Earnings	20,000	2,803,679
Estimated Balance, Fiscal Year Ending 9/30/06		<u>\$ 247,461</u>

TABLE 10 - COMPUTATION OF SELF-SUPPORTING DEBT

	<u>Water and Sewer</u>	<u>Drainage</u>
Net Revenue Available for Debt Service, FYE 2005	\$ 2,472,344	\$ 282,608
Less: Revenue Bond Requirement, Fiscal Year Ending 9/30/06	-	-
Balance Available for Other Purposes	\$ 2,472,344	\$ 282,608
System General Obligation Bond Requirements, Fiscal Year Ending 9/30/06	<u>275,686</u>	<u>206,854</u>
Ending Fund Balance	<u>\$ 2,196,658</u>	<u>\$ 75,754</u>
Percentage of System General Obligation Bonds Self-Supporting	100.00%	100.00%

TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

Purpose	Date Authorized	Amount Authorized	Amount	
			Previously Issued	Unissued Balance
Sewer ⁽¹⁾	6/13/1959	\$ 180,000	\$ 155,000	\$ 25,000
Waterworks ⁽¹⁾	6/30/1962	120,000	57,000	63,000
Sewer ⁽¹⁾	6/30/1962	150,000	50,000	100,000
City Hall & Police Building ⁽¹⁾	11/20/1971	200,000	60,000	140,000
Waterworks	11/16/1974	2,000,000	1,500,000	500,000
Street Improvements	1/27/1990	9,300,000	9,299,000	1,000
Drainage	1/27/1990	5,700,000	5,426,000	274,000
		<u>\$ 17,650,000</u>	<u>\$ 16,547,000</u>	<u>\$ 1,103,000</u>

(1) It is unlikely that bonds authorized for Water and Sewer improvements will be issued due to the age of the authorization and the utilization of revenue bonds for these improvements. The City has been advised by Bond Counsel that bonds authorized on November 20, 1971, for the City Hall and Police Station Building not be issued due to a change in circumstances under which the authorization was voted.

TABLE 12 – OTHER OBLIGATIONS

As of September 30, 2005, the City has no unfunded debt outstanding.

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TABLE 13A – CHANGE IN NET ASSETS

	<u>Fiscal Year Ended September 30,</u>	
	<u>2005</u>	<u>2004</u>
<u>REVENUES:</u>		
Program Revenues:		
Charges for Services	\$ 3,060,042	\$ 3,708,453
Operating Grants and Contributions	245,357	233,729
Capital Grants and Contributions	1,559,812	1,066,945
General Revenues:	11,746,407	
Ad Valorem Taxes	7,059,240	11,476,537
Other Taxes	372,513	6,971,715
Investment Income	755,889	190,079
Other	-	938,256
Total Revenues	<u>\$ 24,799,260</u>	<u>\$ 24,585,714</u>
<u>EXPENSES:</u>		
General Government	\$ 1,843,301	\$ 1,815,776
Finance	1,013,884	1,017,176
Community Services	3,688,927	3,122,149
Police	6,646,338	6,958,226
Public Works	4,748,203	3,749,228
Fire	4,801,545	4,501,238
Interest and Fiscal Charges	817,745	883,919
Water and Sewer	-	-
Solid Waste	-	-
Total Expenses	<u>\$ 23,559,943</u>	<u>\$ 22,047,712</u>
Increase in Net Assets Before Transfers	1,239,317	2,538,002
Transfers	892,061	1,105,768
Increase in Net Assets	<u>2,131,378</u>	<u>3,643,770</u>
Beginning Net Assets	31,856,663	23,098,767
Ending Net Assets	<u>\$ 33,988,041</u>	<u>\$ 26,742,537</u>

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TABLE 13 – GENERAL FUND REVENUE AND EXPENDITURE HISTORY

	Fiscal Years Ended September 30,				
	2005	2004	2003	2002	2001
Revenues:					
Taxes	\$ 16,242,063	\$ 15,928,812	\$ 15,602,328	\$ 15,184,743	\$ 14,371,644
Licenses and Permits	1,244,966	1,306,737	1,069,501	887,082	896,729
Municipal Court and Library	702,995	1,090,081	698,657	602,230	800,906
Intergovernmental	289,487	298,342	308,467	807,313	321,601
Interest	215,657	100,691	95,350	120,012	240,948
Other	642,252	536,626	703,989	706,988	583,564
Enterprise Fund Payment for Services	-	-	-	-	-
Total Revenues	\$ 19,337,420	\$ 19,261,289	\$ 18,478,292	\$ 18,308,368	\$ 17,215,392
Expenditures:					
General Government	\$ 1,116,091	\$ 1,073,773	\$ 1,139,841	\$ 993,769	\$ 1,121,121
Finance	1,006,480	980,758	947,288	940,979	914,211
Community Service	3,770,938	2,560,513	2,776,118	2,708,741	2,781,033
Police	6,758,239	6,391,613	6,216,588	5,860,654	5,686,658
Public Works	3,640,205	3,288,540	3,307,461	3,176,456	3,197,037
Fire	4,536,541	4,222,834	4,161,790	4,252,786	3,897,142
Non-Departmental	257,255	323,031	444,438	608,136	234,152
Less-Expenditures Allocated to Enterprise Fund for Services Rendered	-	-	-	(857,300)	(791,804)
Total Expenditures	\$ 21,085,749	\$ 18,841,062	\$ 18,993,524	\$ 17,684,221	\$ 17,039,550
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,748,329)	\$ 420,227	\$ (515,232)	\$ 624,147	\$ 175,842
Total Other Sources (Uses)	854,026	824,393	811,774	3,214	172,590
Net Increase (Decrease)	\$ (894,303)	\$ 1,244,620	\$ 296,542	\$ 627,361	\$ 348,432
Beginning Fund Balance	5,933,275	4,688,655	4,392,113	3,764,752	3,416,320
Equity Transfer In/(Out)	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-
Ending Fund Balance	\$ 5,038,972	\$ 5,933,275	\$ 4,688,655	\$ 4,392,113	\$ 3,764,752

TABLE 14 – MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 9/30	Total Collected ⁽¹⁾⁽²⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽³⁾
2002	\$ 6,675,866	65.19%	\$ 0.4681	\$ 183.91
2003	6,306,858	57.50%	0.4021	173.74
2004	6,459,827	56.90%	0.3959	177.95
2005	6,461,459	55.15%	0.3841	177.03
2006	1,681,393 ⁽⁴⁾	13.89%	0.0997	44.46

(1) Includes the sales tax for ad valorem tax relief and economic development, a total of 2 cents.

(2) Collections are based on a twelve month period from December through November.

(3) Based on population estimates by City officials.

(4) Collections through February 28, 2006.

TABLE 15 – CURRENT INVESTMENTS

As of December 31, 2005, the City's funds are invested as follows:

Description	% of Portfolio	Market Value	Book Value
LOGIC	20.28%	\$ 4,316,327	\$ 4,316,327
Federated	2.43%	516,874	516,874
TexPool	49.81%	10,601,194	10,601,194
FMCDN	4.54%	965,486	991,000
FMCDN	4.53%	964,604	983,700
FNMA	4.62%	983,676	988,750
FNMA	4.67%	993,380	991,880
FHLMC	4.63%	985,947	988,530
FMCDN	4.50%	956,759	960,300
Totals	100.00%	\$ 21,284,249	\$ 21,338,556

TABLE 16 – HISTORICAL WATER CONSUMPTION (IN 000'S OF GALLONS)

Fiscal Year Ended 30-Sep	Average Daily Usage in Gallons	Peak Daily Usage in Gallons	Total Water Treated and Purchased
2001	6,113	14,500	2,240,629
2002	5,926	11,301	2,165,850
2003	5,542	11,544	2,023,284
2004	5,139	8,138	1,875,701
2005	5,341	9,786	1,949,562

TABLE 17 – TEN LARGEST WATER CUSTOMERS (BASED ON GALLONS CONSUMED)

Customer	Water Usage Gallons	Water Revenue
Duncanville Independent School District	40,622,000	\$ 221,220
Wimberly Park Apartments	27,744,000	107,219
City of Duncanville	23,961,000	151,908
CH Guenther & Son (Pioneer Bakery)	19,928,000	78,428
Center Ridge Apartments	19,027,000	74,080
Fairmeadows Apartments (NCHP)	18,979,000	74,752
Vista Ridge Apartments	14,018,000	54,510
Main Park Apartments	11,902,000	45,276
Irwin Rose Co.	10,080,000	39,486
Holiday Inn (Motor Southwestern Hotel)	9,607,000	37,732
Total	195,868,000	\$ 884,611

TABLE 18 – MONTHLY WATER AND WASTEWATER RATES

Residential

First 1000 gallons is included in the base amount

<u>New Rates (Effective 10/1/05)</u>		<u>Old Rates (Effective 10/1/03)</u>	
3/4" Meter	\$ 7.00	3/4" Meter	\$ 7.00
1" Meter	\$ 7.00	1" Meter	\$ 7.00
1 1/2" Meter	\$ 7.00	1 1/2" Meter	\$ 7.00
2" Meter	\$ 7.00	2" Meter	\$ 7.00
3" Meter	\$ 7.00	3" Meter	\$ 7.00
4" Meter	\$ 7.00	4" Meter	\$ 7.00
6" Meter	\$ 7.00	6" Meter	\$ 7.00
8" Meter	\$ 7.00	8" Meter	\$ 7.00
10" Meter	\$ 7.00	10" Meter	\$ 7.00
Volume Charge per 1,000 for 2,000 - 9,000	\$ 2.75	Volume Charge per 1,000 for 2,000 - 9,000	\$ 2.57
Volume Charge per 1,000 for 10,000 - 20,000	\$ 3.52	Volume Charge per 1,000 for 10,000 - 20,000	\$ 3.36
Volume Charge per 1,000 for over 21,000	\$ 4.29	Volume Charge per 1,000 for over 21,000	\$ 4.15

Irrigation

First 1000 gallons is included in the base amount

<u>New Rates (Effective 10/1/05)</u>	
3/4" Meter	\$ 7.00
1" Meter	\$ 7.00
1 1/2" Meter	\$ 7.00
2" Meter	\$ 7.00
3" Meter	\$ 7.00
4" Meter	\$ 7.00
6" Meter	\$ 7.00
8" Meter	\$ 7.00
10" Meter	\$ 7.00
Volume Charge per 1,000 for 2,000 - 9,000	\$ 2.82
Volume Charge per 1,000 for 10,000 - 20,000	\$ 3.61
Volume Charge per 1,000 for over 21,000	\$ 4.39

(Remainder of page intentionally left blank.)

Multi-Family

First 1000 gallons is included in the base amount and is multiplied by the number of units

New Rates (Effective 06/21/2005)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Old Rates (Effective 10/1/03)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Volume Charge per 1,000 for 2,000 - 9,000	\$	2.45
Volume Charge per 1,000 for 10,000 - 20,000	\$	3.20
Volume Charge per 1,000 for over 21,000	\$	3.95

Volume Charge per 1,000 for 2,000 - 9,000	\$	2.45
Volume Charge per 1,000 for 10,000 - 20,000	\$	3.20
Volume Charge per 1,000 for over 21,000	\$	3.95

Commercial / Construction Meters

First 1000 gallons is included in the base amount

New Rates (Effective 10/1/03)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Old Rates (Effective 10/1/02)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Volume Charge per 1,000 for 2,000 - 9,000	\$	2.45
Volume Charge per 1,000 for 10,000 - 20,000	\$	3.20
Volume Charge per 1,000 for over 21,000	\$	3.95

Volume Charge per 1,000 for 2,000 - 9,000	\$	2.45
Volume Charge per 1,000 for 10,000 - 20,000	\$	3.20
Volume Charge per 1,000 for over 21,000	\$	3.95

Municipal Government

First 1000 gallons is included in the base amount

New Rates (Effective 10/1/03)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Old Rates (Effective 10/1/02)

3/4" Meter	\$	7.00
1" Meter	\$	7.00
1 1/2" Meter	\$	7.00
2" Meter	\$	7.00
3" Meter	\$	7.00
4" Meter	\$	7.00
6" Meter	\$	7.00
8" Meter	\$	7.00
10" Meter	\$	7.00

Volume Charge per 1,000 for 2,000 - 9,000	\$	4.85
Volume Charge per 1,000 for 10,000 - 20,000	\$	5.60
Volume Charge per 1,000 for over 21,000	\$	6.35

Volume Charge per 1,000 for 2,000 - 9,000	\$	1.00
Volume Charge per 1,000 for 10,000 - 20,000	\$	1.75
Volume Charge per 1,000 for over 21,000	\$	2.50

Schools

First 1000 gallons is included in the base amount

<u>New Rates (Effective 10/1/04)</u>		<u>Old Rates (Effective 10/1/03)</u>	
3/4" Meter	\$ 7.00	3/4" Meter	\$ 7.00
1" Meter	\$ 7.00	1" Meter	\$ 7.00
1 1/2" Meter	\$ 7.00	1 1/2" Meter	\$ 7.00
2" Meter	\$ 7.00	2" Meter	\$ 7.00
3" Meter	\$ 7.00	3" Meter	\$ 7.00
4" Meter	\$ 7.00	4" Meter	\$ 7.00
6" Meter	\$ 7.00	6" Meter	\$ 7.00
8" Meter	\$ 7.00	8" Meter	\$ 7.00
10" Meter	\$ 7.00	10" Meter	\$ 7.00
Volume Charge per 1,000 for 2,000 - 9,000	\$ 4.10	Volume Charge per 1,000 for 2,000 - 9,000	\$ 2.57
Volume Charge per 1,000 for 10,000 - 20,000	\$ 4.85	Volume Charge per 1,000 for 10,000 - 20,000	\$ 3.36
Volume Charge per 1,000 for over 21,000	\$ 5.60	Volume Charge per 1,000 for over 21,000	\$ 4.15

Sewer:

<u>User Class</u>	<u>Effective Date</u>	<u>Fixed Rate</u>	<u>Variable Rate</u>	<u>Additional Notes</u>
Residential	10/1/2005	\$8.35 per connection	\$3.45	(Winter Avg. Max of 20,000 gallons)
Multi-Family	10/1/2005	\$4.20 per living unit	\$4.25	(90% of Water Consumption)
Commercial	10/1/2005	\$4.20 per connection	\$4.25	(85% of Water Consumption)

TABLE 19 – CONDENSED STATEMENT OF OPERATIONS

	<u>Fiscal Year Ended September 30,</u>				
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<u>Revenues</u>					
Water Sales	\$ 6,138,920	\$ 5,355,308	\$ 5,420,091	\$ 5,331,440	\$ 5,660,577
Sewer Services	4,336,906	4,421,961	4,324,003	4,348,122	4,389,475
Investment Income	53,303	35,957	66,234	88,890	272,796
Service Fees and Miscellaneous	153,915	144,947	215,398	124,868	155,404
Total Revenues	<u>\$ 10,683,044</u>	<u>\$ 9,958,173</u>	<u>\$ 10,025,726</u>	<u>\$ 9,893,320</u>	<u>\$ 10,478,252</u>
<u>Expenses</u>					
Water Services	\$ 3,759,118	\$ 3,612,731	\$ 3,971,461	\$ 4,112,771	\$ 3,954,915
Wastewater Treatment	3,516,337	3,303,576	3,427,016	3,491,543	3,138,764
Administration and Fiscal	935,245	843,063	968,209	1,620,575	1,585,966
Total Expenses	<u>\$ 8,210,700</u>	<u>\$ 7,759,370</u>	<u>\$ 8,366,686</u>	<u>\$ 9,224,889</u>	<u>\$ 8,679,645</u>
Net Available for Debt Service	<u>\$ 2,472,344</u>	<u>\$ 2,198,803</u>	<u>\$ 1,659,040</u>	<u>\$ 668,431</u>	<u>\$ 1,798,607</u>
Water Customers	12,055	12,013	12,024	12,036	12,023
Sewer Customers	10,828	10,802	10,845	10,861	10,863