



**NOTICE OF A SPECIAL MEETING OF  
THE BRENHAM CITY COUNCIL  
THURSDAY JUNE 5, 2014 AT 8:30 A.M.  
SECOND FLOOR CITY HALL  
CONFERENCE ROOM 2-A  
200 W. VULCAN  
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Fiscal Year 2014-15 Pre-Budget Planning**

**Page 1-29**

**Adjourn**

**Executive Sessions:** The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiations.

***CERTIFICATION***

I certify that a copy of the June 5, 2014 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on May 30, 2014 at **10:55 AM**.

***Amanda Klehm***

Deputy City Secretary

**Disability Access Statement:** This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the \_\_\_\_\_ day of \_\_\_\_\_, 2014 at \_\_\_\_\_ AM PM.

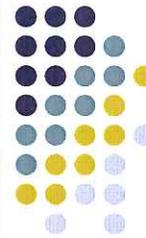
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

# Pre-Budget Workshop

Current Performance & 5-Year Forecast

City of Brenham  
June 5, 2014



## Vision Statement

### Leadership/Ethics

- Proactive leadership
- Open communications
- Employing high ethical standards

### Proactive Government

- Open and responsive
- Accessible, efficient, fair and accountable

### Heritage

- Diversity
- Friendly hometown atmosphere

### Balanced Economy

- Strong economic climate
- Maintain beautiful, clean & safe environment

### Professionalism

- Safe & stable work environment
- Both employees & citizens treated with high level of care and respect



Source: New Council Orientation, June 2008

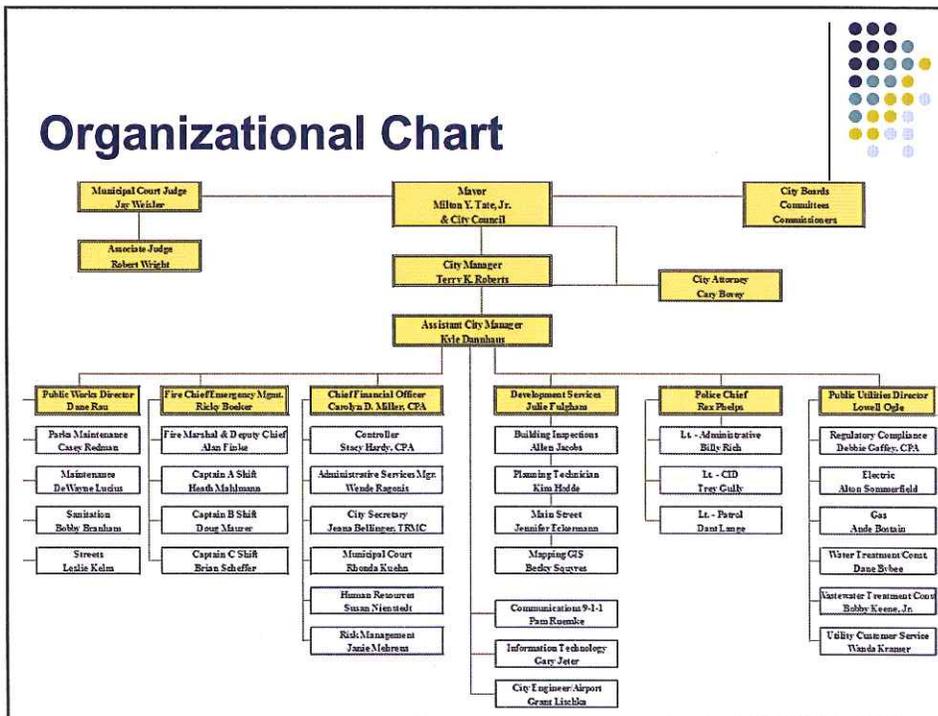


## Strategic Objectives

- Economic Development
- City Services
- Transportation
- Financial Structure
- Human Resources
- Inter-agency Cooperation

Source: New Council Orientation, June 2006

## Organizational Chart



# State of the FY13-14 Budget



## General Fund RAE Projected Financial Performance



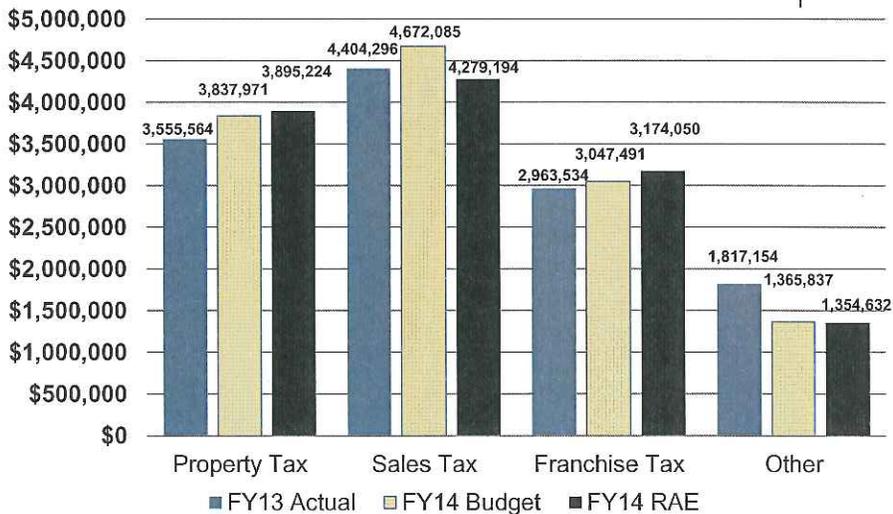
	Amended Budget	Projected Performance	Variance
Total Revenues - Over/(Under)	\$ 15,853,058	\$ 15,444,374	\$(408,684)
Total Expenditures - (Over)/Under	15,738,917	15,298,234	440,683
<b>Revenues over Expenditures</b>	<b>\$ 114,141</b>	<b>\$ 146,140</b>	
<u>Need for 90-Day Reserve Requirement</u>		(114,141)	
<b>ABNR (Above Net Revenue)</b>		<b>\$ 31,999</b>	
<b>Revenues</b>			
Property, Sales and Franchise Tax		\$(209,079)	
Licenses, Permits and Fees		(36,826)	
Miscellaneous Revenue		(162,779)	
		<b>\$(408,684)</b>	
<b>Expenditures by Category</b>			
Personnel		\$ 338,157	
Supplies		28,209	
Maintenance		(15,828)	
Services		93,427	
Sundries		99,443	
Interlocal Agreements		(26,994)	
Non-Capital		(1,205)	
Capital		(74,526)	
		<b>\$ 440,683</b>	

These figures do not include the County's one-time money of \$371,359.

# General Fund



## Revenue by Source



Source: FY13 DAFR



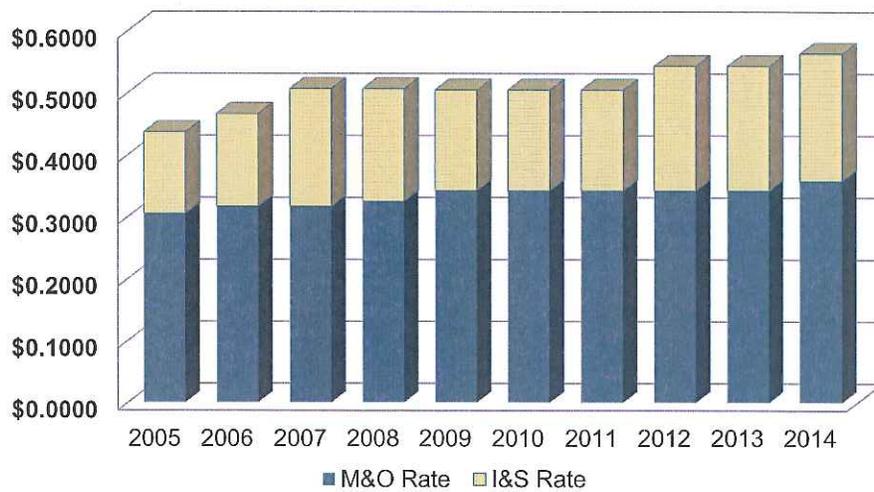
## Property Tax Rate History

Fiscal Year	Tax Year	Maintenance & Operation (M&O) Rate	Interest & Sinking (I&S) Rate	Total Tax Rate	Valuations
2005	2004	0.3051	0.1311	0.4362	\$ 705,780,613
2006	2005	0.3165	0.1497	0.4662	\$ 742,477,961
2007	2006	0.3165	0.1898	0.5063	\$ 797,156,826
2008	2007	0.3245	0.1818	0.5063	\$ 879,817,843
2009	2008	0.3420	0.1622	0.5042	\$ 945,811,445
2010	2009	0.3420	0.1622	0.5042	\$ 982,776,938
2011	2010	0.3420	0.1622	0.5042	\$ 975,919,507
2012	2011	0.3420	0.2012	0.5432	\$ 997,362,133
2013	2012	0.3420	0.2012	0.5432	\$ 1,029,480,016
2014	2013	0.3579	0.2053	0.5632	\$ 1,080,568,292

Source: FY2013-14 Adopted Budget

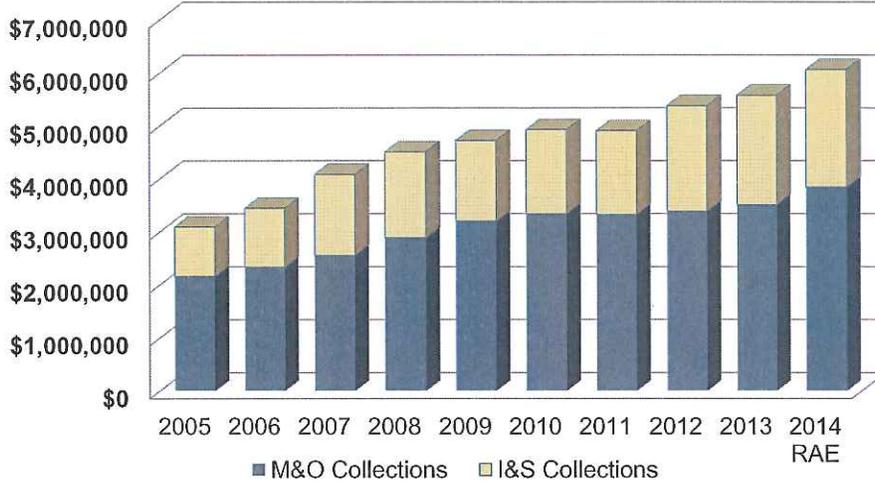


## Property Tax Rate History



Source: FY2013-14 Adopted Budget

## Property Tax Revenue



Source: FY2013-14 Adopted Budget

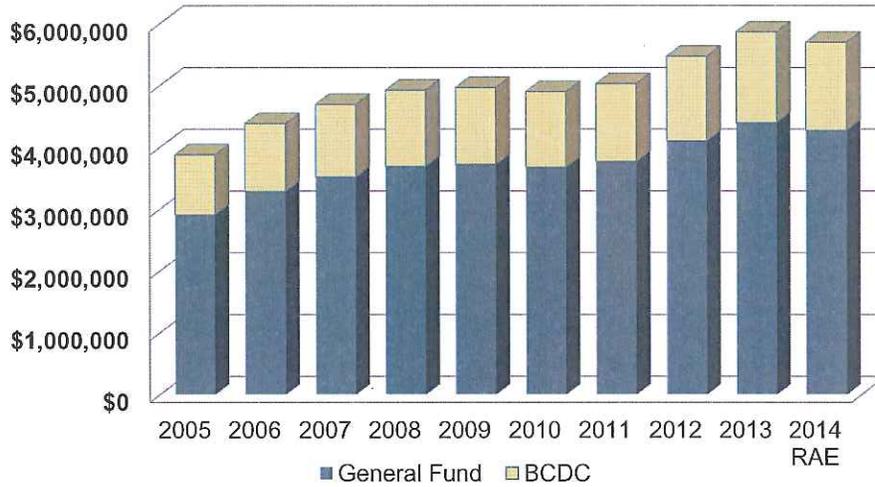
## Sales Tax History



Fiscal Year	General Fund	Brenham Community Development Corporation	Total Sales Tax
2005	\$2,910,902	\$970,001	\$3,881,202
2006	\$3,290,760	\$1,096,920	\$4,387,680
2007	\$3,524,009	\$1,174,670	\$4,698,678
2008	\$3,696,762	\$1,232,254	\$4,929,016
2009	\$3,727,329	\$1,242,443	\$4,969,772
2010	\$3,678,707	\$1,226,236	\$4,904,942
2011	\$3,774,894	\$1,258,298	\$5,033,192
2012	\$4,107,558	\$1,369,186	\$5,476,744
2013	\$4,404,296	\$1,468,099	\$5,872,394
2014 RAE	\$4,279,194	\$1,426,398	\$5,705,592

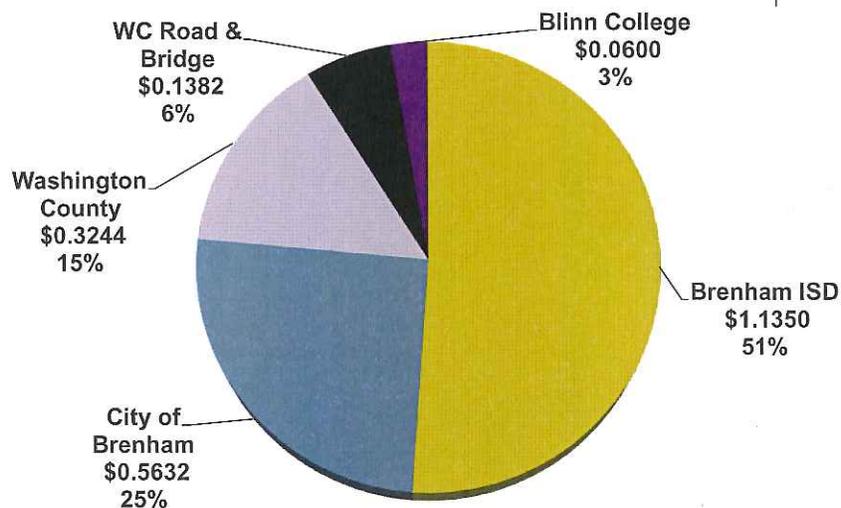
Source: FY2013-14 Adopted Budget

## Sales Tax History



Source: FY2013-14 Adopted Budget

## Distribution of Local Property Tax Burden



Source: Washington County Appraisal District

## 5-Year General Fund Revenue Forecast



	FY 2014 Budget	FY 2014 RAE	FY 2015	FY 2016	FY 2017	FY 2018
<b>Revenues</b>						
Property Tax	\$ 3,837,971	\$ 3,895,223	\$ 3,908,162	\$ 4,025,407	\$ 4,146,169	\$ 4,270,554
Sales Tax	4,672,085	4,279,194	4,343,382	4,408,533	4,474,661	4,541,781
Utilities Franchise Tax	2,689,491	2,798,154	2,798,154	2,798,154	2,798,154	2,798,154
Municipal Court Fees & Fines	652,545	620,655	626,862	633,130	639,461	645,856
Other Sources	1,071,292	1,109,874	1,120,973	1,132,182	1,143,504	1,154,939
<b>Total Revenues</b>	<b>\$ 12,923,384</b>	<b>\$ 12,703,100</b>	<b>\$ 12,797,532</b>	<b>\$ 12,997,406</b>	<b>\$ 13,201,949</b>	<b>\$ 13,411,284</b>
<b>Transfers In</b>						
Utilities Shared Services	\$ 3,187,196	\$ 3,016,274	\$ 3,177,196	\$ 3,177,196	\$ 3,177,196	\$ 3,177,196
Other Transfers In (BCDC, Hotel/Motel)	246,000	267,000	156,000	116,000	76,000	76,000
<b>Total Transfers In</b>	<b>\$ 3,433,196</b>	<b>\$ 3,283,274</b>	<b>\$ 3,333,196</b>	<b>\$ 3,293,196</b>	<b>\$ 3,253,196</b>	<b>\$ 3,253,196</b>
<b>Assumptions FY 2014-FY 2018</b>						
Property Tax	No Tax Rate Increase % Growth: 3% per year					
Sales Tax	% Growth: 1.5% per year					
Utilities Franchise Tax	Maintain current funding level					
Municipal Court Fees & Fines	% Growth: 1% per year					
Other Sources	% Growth: 1% per year					
Utilities Shared Services Transfer In	No Change					
Other Transfers In (BCDC, Hotel/Motel)	\$40,000 annual reduction of BCDC Aquatic Center support thru year 3					

Source: Finance 5-Year Revenue Forecast

## 5-Year General Fund Expenditure Forecast



	FY 2014 Budget	FY 2014 RAE	FY 2015	FY 2016	FY 2017	FY 2018
<b>Expenditures</b>						
Personnel	\$ 11,112,247	\$ 10,774,090	\$ 11,312,795	\$ 11,878,434	\$ 12,472,356	\$ 13,095,974
Supplies	985,515	958,306	977,472	997,022	1,016,962	1,037,301
Maintenance	755,130	777,878	793,436	809,304	825,490	842,000
Services	2,271,873	2,189,526	2,233,317	2,277,983	2,323,543	2,370,013
Non-Capital & Capital	156,100	221,831	245,000	245,000	245,000	245,000
Sundry	846,977	738,534	745,919	753,379	760,912	768,521
Interlocal Agreements	(388,925)	(361,931)	(277,825)	(277,825)	(277,825)	(277,825)
ILA Reimb	-	(371,359)	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 15,738,917</b>	<b>\$ 14,926,875</b>	<b>\$ 16,030,113</b>	<b>\$ 16,683,296</b>	<b>\$ 17,366,438</b>	<b>\$ 18,080,985</b>
<b>Transfers Out</b>						
Equipment Fund	\$ (503,522)	\$ (542,000)	\$ (369,000)	\$ (369,000)	\$ (369,000)	\$ (369,000)
Debt Svc. Fund - ILA Reimb	-	(371,359)	-	-	-	-
<b>Total Transfers Out</b>	<b>\$ (503,522)</b>	<b>\$ (913,359)</b>	<b>\$ (369,000)</b>	<b>\$ (369,000)</b>	<b>\$ (369,000)</b>	<b>\$ (369,000)</b>
<b>Assumptions</b>						
Personnel	% Growth: 5% per year starting with FY15					
Supplies	% Growth: 2% per year starting with FY15					
Maintenance	% Growth: 2% per year starting with FY15					
Services	% Growth: 2% per year starting with FY15					
Non-Capital & Capital	FY15-FY18 include 4 year average.					
Sundry	% Growth: 1% per year starting with FY15					
Total Transfers Out	FY15-FY18 include 5 year average.					

Source: Finance 5-Year Expenditure Forecast

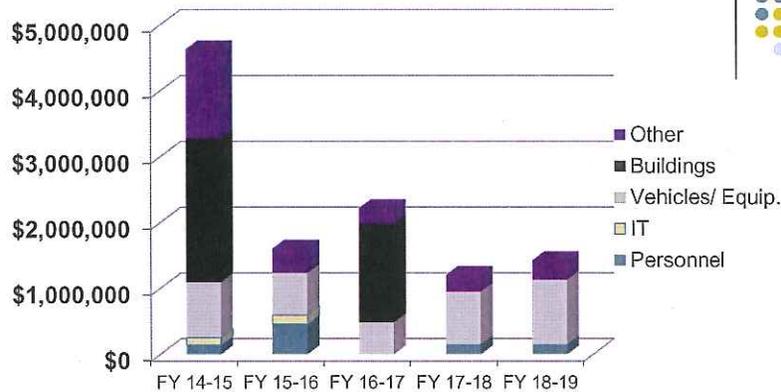
# 5-Year General Fund Capacity



	FY 2014 Budget	FY 2014 RAE	FY 2015	FY 2016	FY 2017	FY 2018
Revenue Projections	\$ 16,356,580	\$ 15,986,374	\$ 16,130,728	\$ 16,290,602	\$ 16,455,145	\$ 16,664,480
Expense Projections	16,242,439	15,840,234	16,399,113	17,052,296	17,735,438	18,449,985
<b>General Fund Capacity</b>	<b>\$ 114,141</b>	<b>\$ 146,140</b>	<b>\$ (268,385)</b>	<b>\$ (761,694)</b>	<b>\$ (1,280,293)</b>	<b>\$ (1,785,505)</b>
Capacity	\$ 114,141	\$ 146,140	\$ -	\$ -	\$ -	\$ -
Less 90-Day Reserve Requirement	(114,141)	(114,141)				
<b>Capacity to Fund Capital</b>	<b>\$ -</b>	<b>\$ 31,999</b>				

Source: Finance 5-Year Expenditure Forecast

# 5-Year General Fund Capital Plan



	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Personnel	\$ 142,754	\$ 458,770	\$ -	\$ 153,180	\$ 153,180
IT	109,500	136,500	-	-	-
Vehicles/ Equip.	845,745	638,250	487,313	796,618	978,299
Buildings	2,180,000	-	1,500,000	-	-
Other	1,359,200	374,125	233,000	256,000	296,000
<b>TOTAL</b>	<b>\$ 4,637,199</b>	<b>\$ 1,607,645</b>	<b>\$ 2,220,313</b>	<b>\$ 1,205,798</b>	<b>\$ 1,427,479</b>

Source: Departmental 5-Year Capital Plan

## Debt Service Fund



## Schedule of Bond Issues as of 5/31/14



Bond Issue	Original Amount	Issue Date Maturity Date	Allocation of Proceeds			Outstanding 05/31/2014	Use of Proceeds
2006 Series	\$9,000,000	09/01/2006 08/15/2026	General Fund	100%	\$9,000,000	\$6,885,000	Public Safety Facility, Fire Equipment, Fire Substation, and Water Tower
2007 GO Refunding <i>*Refunded 5/15/14*</i>	\$5,545,000	03/13/2007 08/15/2021	General Fund	27.49%	\$1,524,321	\$8,247	Refund 2001 CO Series, \$5,185,000 bonds maturing 2018-2021
			Wastewater Fund	50.76%	\$2,814,642	\$15,228	
			Water Fund	21.75%	\$1,206,038	\$6,525	
2008 Series	\$5,985,000	12/23/2008 08/15/2028	Water Fund	100.00%	\$5,985,000	\$5,835,000	Water system improvements
2009 GO Refunding	\$8,970,000	04/21/2009 08/15/2018	General Fund	29.47%	\$2,643,459	\$1,949,140	Refund 1998 CO Series, \$9,050,000 bonds maturing 2010-2018 and 2001 Series, \$16,590,000 bonds maturing 2015-2017
			BCDC Fund	36.77%	\$3,298,268	\$1,990,622	
			Wastewater Fund	23.63%	\$2,119,611	\$1,932,282	
			Water Fund	10.13%	\$908,661	\$827,957	
2010 Series Limited Tax Notes	\$760,000	11/09/2010 08/15/2017	BCDC Fund	36.77%	\$760,000	\$445,000	Street, thoroughfare and drainage improvements at Southwest Industrial Park
2010 GO Refunding	\$3,600,000	10/28/2010 08/15/2020	General Fund	27.49%	\$989,640	\$555,298	Refund 2001 CO Series, \$16,590,000 bonds maturing 2012-2014 and 2020
			Wastewater Fund	50.76%	\$1,827,360	\$1,025,352	
			Water Fund	21.75%	\$783,000	\$439,350	
2010 Series Pass Thru Toll Revenue	\$14,180,000	10/28/2010 08/15/2019	General Fund	100.00%	\$14,180,000	\$14,165,000	Construction of highway interchange improvements to U.S. 290

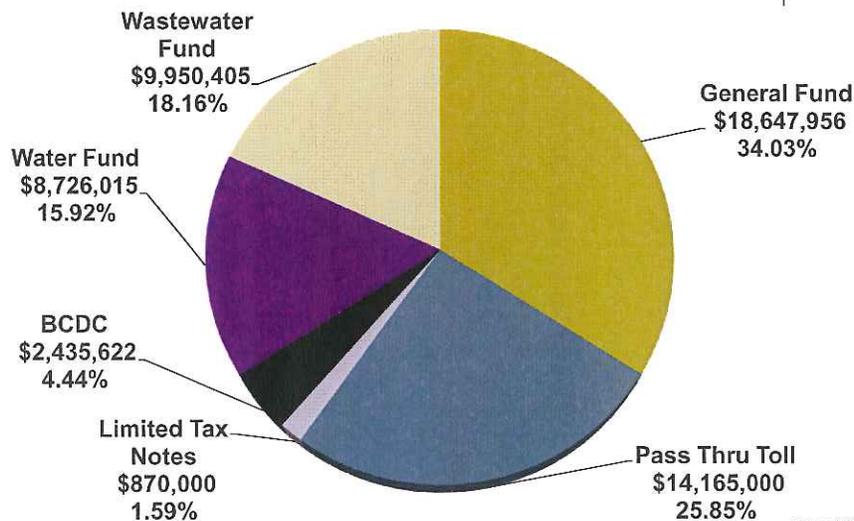
## Schedule of Bond Issues as of 5/31/14



Bond Issue	Original Amount	Issue Date Maturity Date	Allocation of Proceeds			Outstanding 05/31/2014	Use of Proceeds	
2011 GO Refunding	\$7,730,000	05/18/2011 08/15/2023	General Fund	26.15%	\$2,021,395	\$1,881,071	Refund 2001 Ref GO Series, 3,965,000 bonds maturing 2012-2014 and 2002 CO Series, \$9,245,000 bonds maturing 2014-2023	
			Wastewater Fund	58.26%	\$4,503,498			\$4,190,820
			Water Fund	15.59%	\$1,205,107			\$423,109
2011 Series Limited Tax Notes	\$1,200,000	12/19/2011 08/15/2018	General Fund	100.00%	\$1,200,000	\$870,000	Phase II of Street Overlay Project	
2012 Series	\$1,850,000	12/20/2012 08/15/2032	General Fund	100.00%	\$1,850,000	\$1,785,000	Construction of city-wide road and street improvements	
2014 GO Refunding	\$5,490,000	05/20/2014 08/15/2021	General Fund	27.49%	\$1,509,201	\$1,509,201	Refund 2007 GO Ref Series, \$5,545,000 bonds maturing 2015-2021	
			Wastewater Fund	50.76%	\$2,786,724			\$2,786,724
			Water Fund	21.75%	\$1,194,075			\$1,194,075
2014 Series	\$4,075,000	06/10/2014 08/15/2034	General Fund	100.00%	\$4,075,000	\$4,075,000	Fire Rescue and Pumper Trucks, Animal Shelter Facility, Expansion and Renovation of Library, Land for Fire Substation	
<b>Total Debt Outstanding 05/31/14</b>						<b>\$54,794,999</b>		
Total General Government Debt Outstanding						\$18,647,956	34.03%	
Total Revenue Bond Debt Outstanding						\$14,165,000	25.85%	
Total Limited Tax Notes Debt Outstanding						\$870,000	1.59%	
Total BCDC Debt Outstanding						\$2,435,622	4.44%	
Total Wastewater Debt Outstanding						\$9,950,405	18.16%	
Total Water Debt Outstanding						\$8,726,015	15.92%	

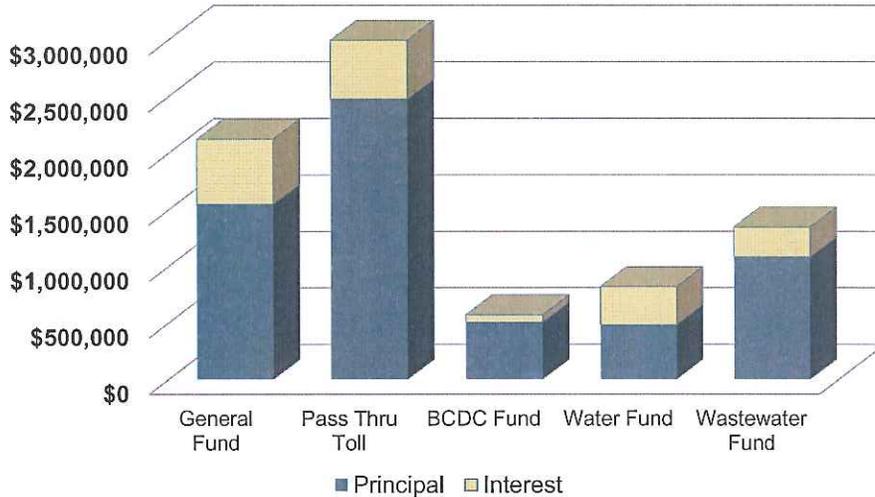
Source: Official bond statement; FY13 CAFR

## Total Debt Outstanding



Source: FY13 CAFR

## 2015 Debt Payments by Fund



Source: Debt Service Payment Forecast

## General Government 5-Year Debt Service Schedule



	2015	2016	2017	2018	2019
<b>BEGINNING FUND BALANCE (A)</b>	\$ 552,887	\$ 367,208	\$ 181,528	\$ 181,528	\$ 181,528
<b>REVENUES</b>					
PROPERTY TAX RECEIPTS	\$ 2,182,319	\$ 2,130,749	\$ 2,164,112	\$ 2,066,955	\$ 1,764,717
PENALTY AND INTEREST	19,150	19,300	19,450	19,600	19,750
WASH CO 290 PROJECT	259,400	209,800	158,300	104,700	48,900
INTEREST INCOME	600	600	600	600	600
<b>TOTAL REVENUES</b>	<b>\$ 2,461,469</b>	<b>\$ 2,360,449</b>	<b>\$ 2,342,462</b>	<b>\$ 2,191,855</b>	<b>\$ 1,833,967</b>
<b>EXPENDITURES</b>					
PRINCIPAL/INT - 2006 COB	\$ 599,918	\$ 606,325	\$ 611,944	\$ 611,775	\$ 716,015
PRINCIPAL/INT - 2009 REFUNDING	1,028,394	1,027,855	1,029,188	634,400	-
PRINCIPAL/INT - 2010 LTD TAX NOTES	118,106	115,631	118,019	-	-
INTEREST - 2010 PTT BONDS	518,800	419,600	316,600	209,400	97,800
PRINCIPAL/INT - 2010 REFUNDING	13,415	13,415	13,415	13,415	13,415
PRINCIPAL/INT - 2011 REFUNDING	213,909	213,599	211,679	215,923	214,908
PRINCIPAL/INT - 2011 LTD TAX NOTES	182,056	179,146	186,242	188,164	-
PRINCIPAL/INT - 2012 COB	109,275	108,525	112,588	111,588	110,588
PRINCIPAL/INT - 2014 REFUNDING	48,952	48,578	49,579	428,539	468,316
PRINCIPAL/INT - 2014 COB	275,625	272,325	209,025	211,925	209,725
2010 BYWACS RADIO LEASE	104,816	104,815	52,408	-	-
FEES/OTHER	3,200	3,200	3,200	3,200	3,200
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,216,466</b>	<b>\$ 3,113,014</b>	<b>\$ 2,913,887</b>	<b>\$ 2,628,329</b>	<b>\$ 1,833,967</b>
<b>TRANSFERS IN/(OUT)</b>					
TRANSFER IN - 2009 REFUNDING	\$ 451,212	\$ 451,255	\$ 453,406	\$ 436,474	\$ -
TRANSFER IN - 2010 LTD TAX NOTES	118,106	115,631	118,019	-	-
<b>TOTAL TRANSFERS</b>	<b>\$ 569,318</b>	<b>\$ 566,886</b>	<b>\$ 571,425</b>	<b>\$ 436,474</b>	<b>\$ -</b>
<b>EST. ENDING FUND BALANCE (B)</b>	<b>\$ 367,208</b>	<b>\$ 181,528</b>	<b>\$ 181,528</b>	<b>\$ 181,528</b>	<b>\$ 181,528</b>

(A) FY15 beginning fund balance includes the one time County reimbursement of \$371,359 received in FY14 for the Communications department.  
 (B) FY15 and FY16 ending fund balances reflect the use of the one time County reimbursement (\$185,680 each year) for the Communications department to cover the debt service on the 2014 CO's.



## Pass Thru Toll Update

Period Ended 30-Sep	Estimated Minimum PTTA Payments From TxDOT	PTT Contract Revenue & Tax Bonds Debt Service	Estimated Capitalized Interest	City Payments	County Payments	Annual Difference
2010	\$ -	\$ -	\$ 109,300	\$ -	\$ -	\$ -
2011	-	499,040	-	250,000	250,000	(950)
2012	-	554,650	(54,650)	250,000	250,000	-
2013	-	554,650	(54,650)	250,000	250,000	-
2014	1,250,000	1,749,650	-	250,000	250,000	(350)
2015	2,500,000	2,998,800	-	250,000	250,000	(1,200)
2016	2,500,000	2,994,600	-	250,000	250,000	(5,400)
2017	2,500,000	2,996,600	-	250,000	250,000	(3,400)
2018	2,500,000	2,999,400	-	250,000	250,000	(600)
2019	2,500,000	2,542,800	-	21,400	21,400	-
2020	1,250,000	-	-	-	-	(1,250,000)
2021	-	-	-	-	-	-
	15,000,000	17,890,190	-	2,021,400	2,021,400	(1,261,910)

### TXDOT Payments Received

Date	Amount
01/22/2013	\$ 1,517,094
07/22/2013	1,540,388
01/28/2014	1,491,459
<b>Total</b>	<b>\$ 4,548,941</b>



## Pass Thru Toll Update Debt Service Schedule

Date	Principal	Interest	Total P+I	Fiscal Total
10/28/2010	-	-	-	-
02/15/2011	-	206,564.72	206,564.72	-
08/15/2011	15,000.00	277,475.00	292,475.00	-
09/30/2011	-	-	-	499,039.72
02/15/2012	-	277,325.00	277,325.00	-
08/15/2012	-	277,325.00	277,325.00	-
09/30/2012	-	-	-	554,650.00
02/15/2013	-	277,325.00	277,325.00	-
08/15/2013	-	277,325.00	277,325.00	-
09/30/2013	-	-	-	554,650.00
02/15/2014	-	277,325.00	277,325.00	-
08/15/2014	1,195,000.00	277,325.00	1,472,325.00	-
09/30/2014	-	-	-	1,749,650.00
02/15/2015	-	259,400.00	259,400.00	-
08/15/2015	2,480,000.00	259,400.00	2,739,400.00	-
09/30/2015	-	-	-	2,998,800.00
02/15/2016	-	209,800.00	209,800.00	-
08/15/2016	2,575,000.00	209,800.00	2,784,800.00	-
09/30/2016	-	-	-	2,994,600.00
02/15/2017	-	158,300.00	158,300.00	-
08/15/2017	2,680,000.00	158,300.00	2,838,300.00	-
09/30/2017	-	-	-	2,996,600.00
02/15/2018	-	104,700.00	104,700.00	-
08/15/2018	2,790,000.00	104,700.00	2,894,700.00	-
09/30/2018	-	-	-	2,999,400.00
02/15/2019	-	48,900.00	48,900.00	-
08/15/2019	2,445,000.00	48,900.00	2,493,900.00	-
09/30/2019	-	-	-	2,542,800.00
<b>Total</b>	<b>\$14,180,000.00</b>	<b>\$3,710,189.72</b>	<b>\$17,890,189.72</b>	<b>-</b>

## \$1.85M 2012 COs Project List



BOND PROCEEDS	\$1,850,000
LESS: ISSUANCE COSTS/PREMIUM	(15,066)
INTEREST INCOME	1,528
<b>TOTAL PROCEEDS</b>	<b>\$1,836,462</b>
<b>USE OF PROCEEDS:</b>	
<b>STREET PROJECTS:</b>	
CHAPPELL HILL EXTENSION	\$ 936,462
<b>PROCEEDS AVAILABLE FOR ADDITIONAL PROJECTS</b>	<b>\$ 900,000</b>
<b>POTENTIAL USES OF AVAILABLE PROCEEDS:</b>	
CANTEY ST. - CUL DE SAC TO HWY 290	\$ 130,000
CHAPPELL HILL ST. - RALSTON CREEK TO STONE	225,000
<b>MOBILITY PROJECTS:</b>	
DAY/STONE STREET	160,000
MARKET/STONE STREET	155,000
PARK/MLK/ACADEMY STREET	145,000
CONTINGENCY FOR ABOVE LISTED PROJECTS	85,000
	<b>\$ 900,000</b>
<b>OTHER STREET PROJECTS:</b>	
SALEM ROAD EXTENSION	\$ 472,500
OR \$735,000 WITH CONTRACTOR	
SCHULTE STREET EXTENSION	450,000
OR \$700,000 WITH CONTRACTOR	

## 5-Year Property Tax Rate Projections

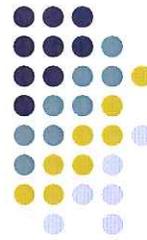


DESCRIPTION	2015	2016	2017	2018	2018
TAXABLE VALUATION	\$ 1,100,000,000	\$1,133,000,000	\$1,166,990,000	\$1,201,999,700	\$1,238,059,691
PERCENT INCREASE	3%	3%	3%	3%	3%
M&O COLLECTION RATE	98%	98%	98%	98%	98%
I&S COLLECTION RATE	100%	100%	100%	100%	100%
VALUE OF 1 CENT OF TAX RATE	\$ 107,800	\$ 111,034	\$ 114,365	\$ 117,796	\$ 121,330
<b>TAX RATE</b>					
GENERAL FUND	\$ 0.3579	\$ 0.3579	\$ 0.3579	\$ 0.3579	\$ 0.3579
DEBT SERVICE FUND	\$ 0.1984	\$ 0.1881	\$ 0.1854	\$ 0.1720	\$ 0.1425
EXCESS DEBT SERVICE TAX RATE CAPACITY*	\$ 0.0069	\$ 0.0172	\$ 0.0189	\$ 0.0333	\$ 0.0628
<b>TOTAL TAX RATE</b>	<b>\$ 0.5632</b>				
EXCESS TAX RATE IN DOLLARS (\$)	\$ 75,982	\$ 195,301	\$ 231,718	\$ 400,750	\$ 777,020

\* EXCESS TAX RATE CAPACITY CAN BE SHIFTED TO O&M RATE IF NOT NEEDED TO MEET FUTURE DEBT OBLIGATIONS.

Source: Finance 5-Year Projections

## Capital Project Considerations

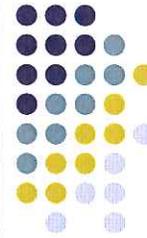


## Sale of Chappell Hill Property



- Capital Projection Considerations
  - Fire Substation
  - Street Equipment
  - Thoroughfare Construction

# Community Service, BCDC, and Hotel Occupancy Tax



## Community Service



	APPROVED FUNDING				
	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14
<b>Approved for Funding</b>					
Boys & Girls Club of Washington County	\$ 37,500	\$ 37,500	\$ 30,000	\$ 30,000	\$ 30,000
Brenham Community Education	10,000	-	-	-	-
Faith Mission - Program	17,500	20,000	16,000	16,000	16,000
Faith Mission - Sanitation	10,000	10,000	-	-	-
Freedom Hill - Program	-	-	-	7,250	-
Freedom Hill - Sanitation	500	-	-	-	-
Freedom Hill - Sponsorship Program	-	-	-	-	7,200
Goodfellows of Washington County	10,000	5,000	-	-	-
Hospice Brazos Valley	10,000	12,500	10,000	10,000	10,000
Jobs Partnership of Washington County	250	500	500	750	750
Mission Brenham	-	900	900	900	900
Washington County Health Living Assoc.	40,000	50,000	40,000	40,000	40,000
<b>Total Approved Funding</b>	<b>\$ 135,750</b>	<b>\$ 136,400</b>	<b>\$ 97,400</b>	<b>\$ 104,900</b>	<b>\$ 104,850</b>
<b>Funding Provided Under Contractual Agreement</b>					
Boys & Girls Club of Washington County - Utilities	\$ 30,000	\$ 30,000	\$ 30,300	\$ 30,300	\$ 27,000
Boys & Girls Club of Washington County - Insurance	2,021	2,021	2,100	2,100	1,885
Boys & Girls Club of Washington County - Contract Mowing A	-	-	-	-	1,920
Heritage Museum - Utilities	10,000	10,000	11,550	11,550	10,000
Heritage Museum - Insurance	4,059	1,059	1,150	1,150	1,040
<b>Total Contractual Agreements</b>	<b>\$ 46,080</b>	<b>\$ 43,080</b>	<b>\$ 45,100</b>	<b>\$ 45,100</b>	<b>\$ 41,845</b>
<b>GRAND TOTAL</b>	<b>\$ 181,830</b>	<b>\$ 179,480</b>	<b>\$ 142,500</b>	<b>\$ 150,000</b>	<b>\$ 146,695</b>

A - Prior to FY14, contract mowing was paid for by the City Parks Department.

# BCDC



	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14B
<b>Revenues</b>					
Sales Tax	\$ 1,226,236	\$ 1,258,298	\$ 1,369,186	\$ 1,468,099	\$ 1,557,362
Sale of Property	-	284,390	-	-	-
Loan Proceeds	1,000,000	-	-	-	-
Other	2,365	834	102,921	4,496	4,376
<b>Total Revenues</b>	<b>\$ 2,228,600</b>	<b>\$ 1,543,522</b>	<b>\$ 1,472,107</b>	<b>\$ 1,472,594</b>	<b>\$ 1,561,738</b>
<b>Expenditures</b>					
Debt Service	\$ 522,164	\$ 644,713	\$ 644,441	\$ 641,550	\$ 640,333
Operating Expenses	45,486	105,752	65,648	25,585	68,200
Aquatic Center Operating Subsidy	200,000	200,000	200,000	160,000	120,000
EDF Operations & Marketing	134,869	156,353	136,090	140,485	149,180
Recreation Projects	200,000	197,500	18,000	369,510	152,900
Improvements at New South Side Park	-	-	-	-	657,000
Economic Development Projects	1,685,613	600	187,422	-	106,978
<b>Total Expenditures</b>	<b>\$ 2,788,132</b>	<b>\$ 1,304,918</b>	<b>\$ 1,251,601</b>	<b>\$ 1,337,129</b>	<b>\$ 1,894,591</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$ (559,532)</b>	<b>\$ 238,604</b>	<b>\$ 220,506</b>	<b>\$ 135,465</b>	<b>\$ (332,853)</b>
<b>Beginning Fund Balance</b>	<b>\$ 1,110,691</b>	<b>\$ 551,159</b>	<b>\$ 789,763</b>	<b>\$ 1,010,268</b>	<b>\$ 1,145,733</b>
<b>Ending Fund Balance</b>	<b>\$ 551,159</b>	<b>\$ 789,763</b>	<b>\$ 1,010,268</b>	<b>\$ 1,145,733</b>	<b>\$ 812,880</b>

# Hotel Occupancy Tax



	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14B
<b>Revenues</b>					
Hotel Occupancy Tax - City	\$ 434,330	\$ 468,371	\$ 484,502	\$ 564,831	\$ 562,000
Hotel Occupancy Tax - County	-	55,234	87,416	93,814	75,000
Other	179	36	33	94	3,891
<b>Total Revenues</b>	<b>\$ 434,509</b>	<b>\$ 523,641</b>	<b>\$ 571,951</b>	<b>\$ 658,740</b>	<b>\$ 640,891</b>
<b>Funded Organizations</b>					
Brenham Children's Chorus	\$ 1,200	\$ -	\$ -	\$ -	\$ -
Brenham Heritage Museum	-	-	-	2,200	-
Brenham Hotel Association	-	-	-	6,150	9,500
Brenham Maifest Association	5,000	-	7,400	4,300	6,000
Burton Heritage Society	-	-	1,700	-	1,700
Chappell Hill Historical Society	-	-	4,500	5,000	5,000
City of Brenham Parks and Recreation	60,000	48,000	52,000	60,000	69,000
Friendship Quilt Guild	773	-	1,275	-	500
Heritage Society of Washington County	5,000	-	5,000	6,000	7,500
Independence Historical Society	-	-	3,400	4,500	5,000
Main Street Brenham	24,232	6,000	9,917	16,061	15,500
Simon Center Operating Costs	-	44,595	42,920	45,000	45,000
Texas Cotton Gin Museum	4,723	-	3,822	4,500	5,000
Unity Theater	3,762	5,032	8,685	7,500	8,650
Washington Co. Conv/Bureau-Admin	149,700	144,902	145,636	157,500	162,464
Washington Co. C of C-Promotion & Adv	205,005	145,940	172,000	224,885	311,330
Washington on the Brazos State Park	12,307	9,521	17,097	17,000	14,505
Other	-	8,978	10,995	8,004	8,500
<b>Total Funding</b>	<b>\$ 471,702</b>	<b>\$ 412,968</b>	<b>\$ 486,347</b>	<b>\$ 568,600</b>	<b>\$ 675,149</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$ (37,193)</b>	<b>\$ 110,673</b>	<b>\$ 85,604</b>	<b>\$ 90,139</b>	<b>\$ (34,258)</b>
<b>Beginning Fund Balance</b>	<b>\$ 96,926</b>	<b>\$ 59,733</b>	<b>\$ 170,406</b>	<b>\$ 256,010</b>	<b>\$ 346,150</b>
<b>Ending Fund Balance</b>	<b>\$ 59,733</b>	<b>\$ 170,406</b>	<b>\$ 256,010</b>	<b>\$ 346,150</b>	<b>\$ 311,892</b>

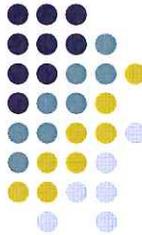
# Street Improvement Program



# Pre-Budget Workshop

**UTILITY FUNDS:  
Present Position & Future Outlook**

**City of Brenham  
June 5, 2014**



## Utilities

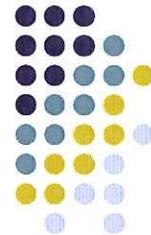


Utility funds provide significant support for General Fund services through ...

- Franchise tax
- Shared service reimbursements



## Electric Fund



# Electric Fund



	PRESENT POSITION			CURRENT HIGHLIGHTS
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	
<b>FUNDING RESOURCES</b>				
DISTRIBUTION REVENUES	\$6,437,556	\$6,629,850	\$192,294	<ul style="list-style-type: none"> <li>HIGHER KWH CONSUMPTION - WINTER DRIVEN</li> <li>AND HIGHER GENERATION PASS-THROUGH PURCHASE COSTS</li> </ul>
GENERATION REVENUES (2)	19,699,280	20,597,407	898,127	
TRANSFERS IN OTHER UTILITIES	543,466	545,881	2,415	
<b>TOTAL RESOURCES</b>	<b>\$26,680,302</b>	<b>\$27,773,138</b>	<b>\$1,092,836</b>	
<b>USES OF FUNDING RESOURCES</b>				
OPERATING EXPENDITURES				<ul style="list-style-type: none"> <li>DEPARTMENT SAVINGS FROM PERSONNEL VACANCIES</li> <li>HIGHER FRANCHISE TAX PAYMENT ON HIGHER SALES</li> <li>HIGHER ENERGY PURCHASE COSTS                             <ul style="list-style-type: none"> <li>HIGHER THAN EXPECTED FUEL COSTS</li> <li>HIGHER THAN EXPECTED DEMAND DRIVEN BY SEVERAL VERY COLD WINTER DAYS</li> </ul> </li> <li>FAVORABLE SHARED SERVICE COSTS</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$2,812,540	\$2,776,519	\$36,021	
- FRANCHISE TAX	1,787,636	1,855,392	(68,756)	
- PURCHASE COSTS	19,545,795	21,791,159	(2,145,364)	
- TRANSFERS TO GENERAL FUND FOR SERVICES	1,805,890	1,702,364	103,526	
SUBTOTAL OPERATING EXPENDITURES	26,051,861	28,126,434	(2,074,573)	
DEBT SERVICE	9,564	9,564	0	<ul style="list-style-type: none"> <li>UNBUDGETED COSTS FOR FIBER EXPANSION</li> </ul>
CAPITAL EXPENDITURES	829,187	880,853	(51,666)	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$26,890,612</b>	<b>\$29,016,851</b>	<b>(\$2,126,239)</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>(\$210,310)</b>	<b>(\$1,243,713)</b>	<b>(\$1,033,403)</b>	<ul style="list-style-type: none"> <li>UNFAVORABLE TO BUDGET NET REVENUES DUE TO UNDER COLLECTION OF ENERGY PURCHASE COSTS</li> </ul>
<b>RESERVE ESTIMATE</b>				
BEGINNING BALANCE	\$7,307,396	\$7,307,396	\$0	<ul style="list-style-type: none"> <li>WRITE-OFF OF GENERATION LOSSES TO RESERVES                             <ul style="list-style-type: none"> <li>BECAUSE EXCESS CREATED BY PAST GENERATION OVER COLLECTIONS</li> </ul> </li> </ul>
ADDITIONS (USES) OF RESERVES	(210,310)	(1,243,713)	(1,033,403)	
ENDING RESERVES	\$7,097,086	\$6,063,683	(\$1,033,403)	
45 DAY RESERVE REQUIREMENT (1)	3,211,873	3,467,643	(255,769)	<ul style="list-style-type: none"> <li>STILL PLENTY OF EXCESS RESERVES</li> </ul>
EXCESS RESERVES	\$3,885,213	\$2,596,041	(\$1,289,172)	
<b>KWH CONSUMPTION</b>	<b>280,114,371</b>	<b>290,620,021</b>	<b>10,505,650</b>	
<b>FTEs</b>	<b>28.60</b>	<b>28.60</b>	<b>0.00</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR ELECTRIC UTILITIES.  
 (2) RAE INCLUDES \$360,000 LCRA ABNR REFUND

# Electric Fund



	FUTURE POSITION					DRIVERS
	2015	2016	2017	2018	2019	
<b>FUNDING RESOURCES</b>						
DISTRIBUTION REVENUES	\$6,660,623	\$6,711,247	\$6,762,358	\$6,813,959	\$6,866,057	<ul style="list-style-type: none"> <li>NO CHANGE IN ELECTRIC RATES BUT WILL HAVE TO CONSIDER WHEN EXCESS RESERVES ARE EXHAUSTED</li> <li>GROWTH CONSTRAINED WITHIN GEOGRAPHIC BOUNDARIES</li> </ul>
GENERATION REVENUES	20,629,511	20,170,817	20,721,829	21,051,859	20,709,064	
TRANSFERS IN OTHER UTILITIES	584,204	598,809	613,779	629,124	644,852	
<b>TOTAL RESOURCES</b>	<b>\$27,874,338</b>	<b>\$27,480,874</b>	<b>\$27,497,967</b>	<b>\$28,494,942</b>	<b>\$28,219,973</b>	
<b>USES OF FUNDING RESOURCES</b>						
OPERATING EXPENDITURES						<ul style="list-style-type: none"> <li>SYSTEM RELIABILITY AND EFFICIENCY                             <ul style="list-style-type: none"> <li>REPLACEMENT OF AGING INFRASTRUCTURE (COPPER WIRE)</li> <li>OUTAGE MANAGEMENT SYSTEM</li> </ul> </li> <li>COMPLIANCE AND SAFETY (ALL UTILITIES)</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$2,797,449	\$2,881,372	\$2,967,814	\$3,056,848	\$3,148,553	
- FRANCHISE TAX	1,936,104	1,840,211	1,840,360	1,909,074	1,888,725	
- PURCHASE COSTS	20,613,160	20,152,760	20,103,772	21,033,801	20,691,007	
- TRANSFERS TO GENERAL FUND FOR SERVICES	1,803,440	1,848,526	1,894,739	1,942,107	1,990,660	
SUBTOTAL OPERATING EXPENDITURES	27,150,153	26,722,869	26,806,684	27,941,830	27,718,945	
DEBT SERVICE	9,564	9,564	4,782	0	0	<ul style="list-style-type: none"> <li>DEBT MAY BE CONSIDERED FOR FINANCING FUTURE CAPITAL VERSUS EXCESS RESERVES</li> </ul>
CAPITAL EXPENDITURES	1,281,150	1,141,500	993,500	1,026,500	1,046,500	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$28,440,867</b>	<b>\$27,873,933</b>	<b>\$27,804,966</b>	<b>\$28,968,330</b>	<b>\$28,765,445</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>(\$566,529)</b>	<b>(\$393,059)</b>	<b>(\$306,999)</b>	<b>(\$473,388)</b>	<b>(\$545,472)</b>	<ul style="list-style-type: none"> <li>NET (LOSS) DUE TO ROBUST CAPITAL SPENDING</li> </ul>
<b>RESERVE ESTIMATE</b>						
BEGINNING BALANCE	\$6,063,683	\$5,497,154	\$5,104,095	\$4,797,096	\$4,323,707	<ul style="list-style-type: none"> <li>WHICH EQUATES TO USE OF EXCESS RESERVES FOR FUNDING CAPITAL</li> </ul>
ADDITIONS (USES) OF RESERVES	(566,529)	(393,059)	(306,999)	(473,388)	(545,472)	
ENDING RESERVES	\$5,497,154	\$5,104,095	\$4,797,096	\$4,323,707	\$3,778,235	
45 DAY RESERVE REQUIREMENT (1)	3,347,279	3,294,600	3,304,934	3,444,883	3,417,404	
EXCESS RESERVES	\$2,149,875	\$1,809,495	\$1,492,162	\$878,824	\$360,831	
<b>KWH CONSUMPTION</b>	<b>292,368,172</b>	<b>295,291,851</b>	<b>298,244,769</b>	<b>301,227,217</b>	<b>304,239,489</b>	
<b>FTEs</b>	<b>29.60</b>	<b>29.60</b>	<b>29.60</b>	<b>29.60</b>	<b>29.60</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR ELECTRIC UTILITIES.

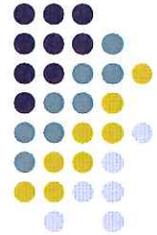
# Electric Fund



## CAPITAL PLAN

	PRESENT POSITION			FUTURE POSITION				
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	2015	2016	2017	2018	2019
COPPER WIRE CHANGEOUT	\$0	\$0	\$0	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
ROTTEN POLE CHANGEOUT	60,000	60,000	0	60,000	60,000	60,000	60,000	60,000
UPGRADE FEEDER CIRCUITS	150,000	150,000	0	150,000	150,000	150,000	150,000	150,000
IN-HOUSE LINE UPGRADES	65,000	65,000	0	65,000	65,000	65,000	65,000	65,000
SYSTEM AUTOMATION - VOLTAGE MONITORING	25,000	25,000	0	25,000	25,000	25,000	25,000	25,000
SYSTEM PROTECTION - AUTO RECLOSERS	25,000	25,000	0	26,000	26,000	26,000	26,000	26,000
BUNN SWITCH GEAR FOR MAIN CIRCUIT PROTECTION	0	0	0	25,000	0	0	0	0
BLUE BELL LINE SECTION	30,000	30,000	0	0	0	0	0	0
CONTINGENCY	65,000	65,000	0	65,000	65,000	65,000	65,000	65,000
TRANSFORMERS	110,000	110,000	0	110,000	110,000	110,000	110,000	110,000
METERS	20,000	32,000	(12,000)	20,000	20,000	20,000	20,000	20,000
SERVICE INSTALLATIONS	2,500	3,500	(1,000)	3,500	3,500	3,500	3,500	3,500
STREET LIGHTS/SIGNALS	0	3,206	(3,206)	7,000	7,000	7,000	7,000	7,000
VEHICLE/EQUIPMENT - REPLACEMENTS/ADDITIONS	245,687	245,337	350	235,000	135,000	0	33,000	65,000
SCADA SYSTEM UPGRADES/IMPROVEMENTS	31,000	28,810	2,190	39,650	25,000	12,000	12,000	0
FIBER EXPANSION	0	38,000	(38,000)	0	0	0	0	0
	<u>\$829,187</u>	<u>\$880,853</u>	<u>(\$51,666)</u>	<u>\$1,281,150</u>	<u>\$1,141,500</u>	<u>\$993,500</u>	<u>\$1,026,500</u>	<u>\$1,046,500</u>

# Gas Fund



# Gas Fund



	PRESENT POSITION			CURRENT HIGHLIGHTS
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	
<b>FUNDING RESOURCES</b>				
DISTRIBUTION REVENUES	\$1,367,003	\$1,519,123	\$152,120	<ul style="list-style-type: none"> <li>UNUSUALLY COLD WINTER</li> <li>INCREASE IN RESIDENTIAL GAS USE</li> <li>GAS PRICES HIGHER</li> </ul>
COMMODITY REVENUES	1,987,990	2,550,560	562,570	
<b>TOTAL RESOURCES</b>	<b>\$3,354,993</b>	<b>\$4,069,683</b>	<b>\$714,690</b>	
<b>USES OF FUNDING RESOURCES</b>				
OPERATING EXPENDITURES				<ul style="list-style-type: none"> <li>UNBUDGETED FIBER INSTALLATION</li> <li>RAILROAD COMMISSION FINES</li> <li>FRANCHISE TAX HIGHER ON INCREASED SALES</li> <li>MORE GAS PURCHASES AND HIGHER PRICES</li> <li>FAVORABLE SHARED SERVICE COSTS</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$442,429	\$464,239	(\$21,810)	
- FRANCHISE TAX	233,909	283,928	(50,019)	
- PURCHASE COSTS	1,815,958	2,377,390	(561,432)	
- TRFS TO GENERAL AND ELECTRIC FUNDS FOR SVCS	534,652	516,079	18,573	
SUBTOTAL OPERATING EXPENDITURES	3,026,948	3,641,636	(614,688)	
DEBT SERVICE	2,034	2,034	0	<ul style="list-style-type: none"> <li>FUND HAD HARDLY ANY DEBT</li> </ul>
CAPITAL EXPENDITURES	112,283	107,088	5,195	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$3,141,265</b>	<b>\$3,750,758</b>	<b>(\$609,493)</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$213,728</b>	<b>\$318,925</b>	<b>\$105,197</b>	<ul style="list-style-type: none"> <li>NET REVENUES WILL BE HIGHER THAN EXPECTED</li> </ul>
<b>RESERVE ESTIMATE</b>				
BEGINNING BALANCE	\$1,141,671	\$1,141,671	\$0	
ADDITIONS (USES) OF RESERVES	213,728	318,925	105,197	
ENDING RESERVES	\$1,355,399	\$1,460,596	\$105,197	
RESERVE REQUIREMENT (1)	850,000	850,000	0	
EXCESS RESERVES	\$505,399	\$610,596	\$105,197	<ul style="list-style-type: none"> <li>INCREASE IN EXCESS RESERVES</li> </ul>
<b>FTEs</b>	5.00	5.00	0.00	

(1) BASED ON CURRENT AGREEMENT WITH GAS SUPPLIER FOR UNRESTRICTED CASH.

# Gas Fund



	FUTURE POSITION					DRIVERS
	2015	2016	2017	2018	2019	
<b>FUNDING RESOURCES</b>						
DISTRIBUTION REVENUES	\$1,400,976	\$1,414,986	\$1,429,136	\$1,443,427	\$1,457,862	<ul style="list-style-type: none"> <li>WINTER WEATHER DRIVEN</li> <li>NO CHANGE IN RATES PLANNED</li> <li>GROW REVENUES BY MARKETING NATURAL GAS AS AN ELECTRIC/PROPANE ALTERNATIVE</li> </ul>
COMMODITY REVENUES	2,352,999	2,376,529	2,400,294	2,424,297	2,448,540	
<b>TOTAL RESOURCES</b>	<b>\$3,753,976</b>	<b>\$3,791,515</b>	<b>\$3,829,431</b>	<b>\$3,867,725</b>	<b>\$3,906,402</b>	
<b>USES OF FUNDING RESOURCES</b>						
OPERATING EXPENDITURES						<ul style="list-style-type: none"> <li>SPENDING ON DAMAGE PREVENTION AND COMPLIANCE CONTROLS</li> <li>FORMS AUTOMATION</li> <li>DIMP UPDATE AND INTEGRATION</li> <li>PUBLIC AWARENESS CAMPAIGNS</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$490,623	\$505,342	\$520,502	\$536,117	\$552,201	
- FRANCHISE TAX	261,817	264,435	267,080	269,750	272,448	
- PURCHASE COSTS	2,200,043	2,222,043	2,244,264	2,266,707	2,289,374	
- TRFS TO GENERAL AND ELECTRIC FUNDS FOR SVCS	553,074	569,666	586,756	604,359	622,490	
SUBTOTAL OPERATING EXPENDITURES	3,505,557	3,561,487	3,618,602	3,676,933	3,736,512	
DEBT SERVICE	2,033	2,033	1,017	0	0	<ul style="list-style-type: none"> <li>CAPITAL PLAN EMPHASIS IS ON IMPROVING SYSTEM RELIABILITY</li> <li>REPLACEMENT OF STEEL MAINS AND SERVICES</li> <li>REPLACEMENT OF OLD GAS METERS</li> <li>INSTALLING MORE VALVES</li> <li>2ND CITY GATE</li> </ul>
CAPITAL EXPENDITURES	131,959	221,556	347,539	107,288	94,091	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$3,639,549</b>	<b>\$3,785,076</b>	<b>\$3,967,158</b>	<b>\$3,784,221</b>	<b>\$3,830,603</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$114,427</b>	<b>\$6,440</b>	<b>(\$137,727)</b>	<b>\$83,504</b>	<b>\$75,800</b>	<ul style="list-style-type: none"> <li>PLENTY OF EXCESS RESERVES FOR CAPITAL FUNDING</li> </ul>
<b>RESERVE ESTIMATE</b>						
BEGINNING BALANCE	\$1,460,596	\$1,575,023	\$1,581,463	\$1,443,736	\$1,527,240	
ADDITIONS (USES) OF RESERVES	114,427	6,440	(137,727)	83,504	75,800	
ENDING RESERVES	\$1,575,023	\$1,581,463	\$1,443,736	\$1,527,240	\$1,603,040	
RESERVE REQUIREMENT (1)	850,000	850,000	850,000	850,000	850,000	
EXCESS RESERVES	\$725,023	\$731,463	\$593,736	\$677,240	\$753,040	
<b>MCF CONSUMPTION</b>	437,018	441,388	445,802	450,260	454,762	
<b>FTEs</b>	5.00	5.00	5.00	5.00	5.00	

(1) BASED ON CURRENT AGREEMENT WITH GAS SUPPLIER FOR UNRESTRICTED CASH.

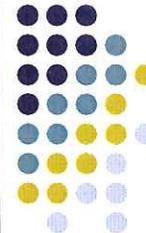
# Gas Fund



## CAPITAL PLAN

	PRESENT POSITION			FUTURE POSITION				
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	2015	2016	2017	2018	2019
VEHICLE/EQUIPMENT REPLACEMENT OR ADDITIONS	\$18,283	\$18,283	\$0	\$30,000	\$144,342	\$20,517	\$30,721	\$15,000
RENOVATION GAS DEPT BUILDING	0	0	0	25,000	0	0	0	0
REPLACEMENT OF OLD GAS METERS	35,000	29,499	5,501	30,917	32,911	32,548	33,700	33,165
GAS LINE CONTINGENCY	10,000	10,000	0	10,000	10,000	10,000	10,000	10,000
STEEL MAIN REPLACEMENT WITH POLY PIPE	26,000	26,000	0	10,000	7,892	8,366	6,904	9,127
INSTALL PE VALVES	0	0	0	3,042	3,411	3,108	2,963	3,799
NEW SERVICE INSTALLATIONS	13,000	15,421	(2,421)	15,000	15,000	15,000	15,000	15,000
GAS REGULATORS	10,000	7,885	2,115	8,000	8,000	8,000	8,000	8,000
2ND CITY GATE	0	0	0	0	0	250,000	0	0
	<u>\$112,283</u>	<u>\$107,088</u>	<u>\$5,195</u>	<u>\$131,959</u>	<u>\$221,556</u>	<u>\$347,539</u>	<u>\$107,288</u>	<u>\$94,091</u>

# Water Fund



# Water Fund



	PRESENT POSITION			CURRENT HIGHLIGHTS
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	
<b>FUNDING RESOURCES</b>				
REVENUES	\$4,409,955	\$4,031,449	(\$378,506)	<ul style="list-style-type: none"> <li>HIGHER WINTER/SPRING RAINFALL                             <ul style="list-style-type: none"> <li>LAKE LEVEL REBOUND</li> <li>LOWER WATER (IRRIGATION) CONSUMPTION</li> </ul> </li> <li>2008 BOND PROCEEDS EXHAUSTED</li> </ul>
RESTRICTED CASH FROM 2008 BOND PROCEEDS	699,663	808,944	109,281	
<b>TOTAL RESOURCES</b>	<b>\$5,109,618</b>	<b>\$4,840,393</b>	<b>(\$269,225)</b>	
<b>USES OF FUNDING RESOURCES</b>				
OPERATING EXPENDITURES				<ul style="list-style-type: none"> <li>TURNOVER/RECRUITMENT ISSUES</li> <li>LAKE PUMP MOTORS (2 OF 3) FAIL AT ONETIME</li> <li>ODOR/TASTE INCIDENT</li> <li>LOWER FRANCHISE TAX PAYMENT</li> <li>FAVORABLE SHARED SERVICE COSTS</li> <li>LAST PAYMENT ON 2011 GO REFUNDING</li> <li>COST OVERAGES ON HWY 36 EXPANSION</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,709,811	\$1,717,086	(\$7,275)	
- FRANCHISE TAX	300,499	274,274	26,225	
- PURCHASE COSTS	265,650	275,730	(10,080)	
- TRFS TO GENERAL & ELECTRIC FUNDS FOR SVCS	499,685	484,382	15,303	
SUBTOTAL OPERATING EXPENDITURES	2,775,645	2,751,472	24,173	
DEBT SERVICE	1,106,244	1,106,475	(231)	
CAPITAL EXPENDITURES	929,985	1,068,392	(138,407)	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$4,811,874</b>	<b>\$4,926,339</b>	<b>(\$114,465)</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$297,744</b>	<b>(\$85,946)</b>	<b>(\$383,690)</b>	<ul style="list-style-type: none"> <li>UNFAVORABLE TO BUDGET NET REVENUES</li> <li>NET LOSS REQUIRING RESERVE SUPPORT</li> <li>STILL PLENTY OF EXCESS RESERVES</li> </ul>
<b>RESERVE ESTIMATE</b>				
BEGINNING BALANCE	\$2,161,312	\$2,161,312	\$0	
ADDITIONS (USES) OF RESERVES	297,744	(85,946)	(383,690)	
ENDING RESERVES	\$2,459,056	\$2,075,366	(\$383,690)	
45 DAY RESERVE REQUIREMENT (1)	342,203	339,223	2,980	
EXCESS RESERVES	\$2,116,853	\$1,736,143	(\$380,710)	
<b>GALLONS SOLD</b>	<b>851,133,024</b>	<b>776,879,525</b>	<b>(74,253,499)</b>	
<b>FTEs</b>	<b>11.50</b>	<b>12.25</b>	<b>(0.75)</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR WATER UTILITIES.

# Water Fund



	FUTURE POSITION					DRIVERS
	2015	2016	2017	2018	2019	
<b>FUNDING RESOURCES</b>						
REVENUES	\$4,185,621	\$4,593,648	\$4,268,635	\$4,639,588	\$4,353,306	<ul style="list-style-type: none"> <li>REVENUE DRIVEN BY CONSUMPTION (RAIN OR NO RAIN) &amp; RATES</li> </ul>
RESTRICTED CASH FROM 2008 BOND PROCEEDS	0	0	0	0	0	
<b>TOTAL RESOURCES</b>	<b>\$4,185,621</b>	<b>\$4,593,648</b>	<b>\$4,268,635</b>	<b>\$4,639,588</b>	<b>\$4,353,306</b>	
<b>USES OF FUNDING RESOURCES</b>						
OPERATING EXPENDITURES						<ul style="list-style-type: none"> <li>STABILIZE TURNOVER</li> <li>WATER ACCOUNTABILITY                             <ul style="list-style-type: none"> <li>METERING/MEASURING EVERYTHING</li> </ul> </li> <li>WATER CONSERVATION                             <ul style="list-style-type: none"> <li>WATER SURVEY (PRO-ACTIVE)</li> <li>PUBLIC AWARENESS</li> </ul> </li> <li>WATER RELIABILITY                             <ul style="list-style-type: none"> <li>EMERGENCY WATER (2ND) SOURCE</li> </ul> </li> <li>DEBT RELIEF BEGINNING 2015</li> </ul>
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,739,149	\$1,791,323	\$1,845,063	\$1,900,415	\$1,957,428	
- FRANCHISE TAX	285,231	313,754	280,964	316,891	296,812	
- PURCHASE COSTS	275,730	285,730	285,730	295,730	295,730	
- TRFS TO GENERAL & ELECTRIC FUNDS FOR SVCS	565,523	571,178	576,890	582,659	588,486	
SUBTOTAL OPERATING EXPENDITURES	2,865,633	2,961,986	2,988,647	3,095,695	3,138,455	
DEBT SERVICE	819,088	818,887	889,440	899,393	899,825	
CAPITAL EXPENDITURES	710,500	1,065,000	1,314,985	540,000	540,000	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$4,395,221</b>	<b>\$4,845,873</b>	<b>\$5,203,072</b>	<b>\$4,535,088</b>	<b>\$4,578,280</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>(\$209,600)</b>	<b>(\$252,224)</b>	<b>(\$934,437)</b>	<b>\$104,500</b>	<b>(\$224,974)</b>	<ul style="list-style-type: none"> <li>ROBUST CAPITAL PLAN                             <ul style="list-style-type: none"> <li>REPAIRS ON AGING INFRASTRUCTURE</li> <li>SECURE 2ND WATER SOURCE</li> <li>NON POTABLE WATER OPTIONS</li> </ul> </li> <li>EXCESS RESERVE CANNOT SUPPORT CAPITAL PLAN                             <ul style="list-style-type: none"> <li>DEBT FUNDING FOR CAPITAL PLAN</li> </ul> </li> </ul>
<b>RESERVE ESTIMATE</b>						
BEGINNING BALANCE	\$2,075,366	\$1,865,766	\$1,613,542	\$679,106	\$783,605	
ADDITIONS (USES) OF RESERVES	(209,600)	(252,224)	(934,437)	104,500	(224,974)	
ENDING RESERVES	\$1,865,766	\$1,613,542	\$679,106	\$783,605	\$558,631	
45 DAY RESERVE REQUIREMENT (1)	353,297	365,176	369,696	381,661	386,933	
EXCESS RESERVES	\$1,512,469	\$1,248,366	\$309,409	\$401,944	\$171,699	
<b>GALLONS SOLD</b>	<b>807,634,757</b>	<b>866,186,277</b>	<b>803,271,610</b>	<b>874,850,159</b>	<b>819,417,267</b>	
<b>FTEs</b>	<b>12.25</b>	<b>12.25</b>	<b>12.25</b>	<b>12.25</b>	<b>12.25</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR WATER UTILITIES.

# Water Fund



	PRESENT POSITION			CAPITAL PLAN				
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	2015	2016	2017	2018	2019
HIGHWAY 36 EXTENSION	\$365,000	\$575,000	(\$210,000)	\$0	\$0	\$0	\$0	\$0
VEHICLE/EQUIPMENT REPLACEMENT OR ADDITIONS	25,690	22,546	3,104	27,500	0	99,985	0	0
SCADA RTU REPLACEMENTS	19,335	16,804	2,531	0	0	0	0	0
WATER LINE REPLACEMENTS - CONTRACTORS	400,000	347,359	52,641	400,000	400,000	400,000	400,000	400,000
WATER LINE REPLACEMENTS - IN-HOUSE	0	0	0	25,000	25,000	25,000	25,000	25,000
WATER LINE CONTINGENCY	75,000	74,026	974	75,000	75,000	75,000	75,000	75,000
WATER METERS	25,000	12,801	12,199	20,000	20,000	20,000	20,000	20,000
NEW SERVICE INSTALLATIONS	20,000	19,856	144	20,000	20,000	20,000	20,000	20,000
REHAB OF CLARIFIERS #1, #2, & #3; PAINT & PIPE	0	0	0	30,000	525,000	0	0	0
MIXER FOR RAW WATER TANK	0	0	0	13,000	0	0	0	0
SLUDGE PIT REHAB & CLARIFIER DRAIN REPLACEMENT	0	0	0	100,000	0	0	0	0
CHURCH STREET TOWER REHAB	0	0	0	0	0	425,000	0	0
REHAB OF WELL AS 2ND WATER SOURCE	0	0	0	0	0	250,000	0	0
NON POTABLE IRRIGATION*	0	0	0	0	0	1,000,000	0	0
	<u>\$929,985</u>	<u>\$1,068,392</u>	<u>(\$138,407)</u>	<u>\$710,500</u>	<u>\$1,065,000</u>	<u>\$2,314,985</u>	<u>\$540,000</u>	<u>\$540,000</u>

\* NEW DEBT ISSUANCE FOR NON POTABLE IRRIGATION

\$72,718 \$72,718 \$72,718

# Wastewater Fund



# Wastewater Fund



	PRESENT POSITION			HIGHLIGHTS
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	
<b>FUNDING RESOURCES</b>				
REVENUES	\$3,521,212	\$3,606,045	\$84,833	• HIGHER RESIDENTIAL AND MULTI-OCCUPANCY REVENUES OFFSETTING LOWER COMMERCIAL/INDUSTRIAL SALES
- RATE INCREASE	0	0	0	
<b>TOTAL RESOURCES</b>	<b>\$3,521,212</b>	<b>\$3,606,045</b>	<b>\$84,833</b>	
<b>USES OF FUNDING RESOURCES</b>				
OPERATING EXPENDITURES				
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,448,515	\$1,462,673	(\$14,158)	• HIGHER PERSONNEL AND ELECTRICAL COSTS AT THE TREATMENT PLANT
- FRANCHISE TAX	238,042	244,034	(5,992)	
- TRFS TO GENERAL & ELECTRIC FUNDS FOR SVCS	494,433	479,339	15,094	• OFFSET BY SAVINGS IN SHARED SERVICE COSTS
<b>SUBTOTAL OPERATING EXPENDITURES</b>	<b>2,180,990</b>	<b>2,186,046</b>	<b>(5,056)</b>	
DEBT SERVICE	1,207,024	1,207,024	0	
CAPITAL EXPENDITURES	126,436	125,436	1,000	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$3,514,450</b>	<b>\$3,518,506</b>	<b>(\$4,056)</b>	• NET REVENUES WILL EXCEED BUDGET EXPECTATIONS
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$6,762</b>	<b>\$87,539</b>	<b>\$80,777</b>	
<b>RESERVE ESTIMATE</b>				
BEGINNING BALANCE	\$551,212	\$551,212	\$0	• INCREASE IN RESERVE BALANCE
ADDITIONS (USES) OF RESERVES	6,762	87,539	80,777	
ENDING RESERVES	\$557,974	\$638,751	\$80,777	
45 DAY RESERVE REQUIREMENT (1)	268,889	269,513	(623)	• AND EXCESS RESERVES FOR FUTURE CAPITAL NEEDS
EXCESS RESERVES	\$289,085	\$369,238	\$80,154	
<b>FTEs</b>	<b>9.50</b>	<b>9.50</b>	<b>0.00</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR WASTEWATER UTILITIES.

# Wastewater Fund



	FUTURE POSITION					DRIVERS
	2015	2016	2017	2018	2019	
<b>FUNDING RESOURCES</b>						
REVENUES	\$3,612,045	\$3,648,165	\$3,684,647	\$3,721,494	\$3,758,709	• SEWER RATE HIKE NEEDED ➢ CURRENT RATES CANNOT SUSTAIN DEPT REQUIREMENTS AND CAPITAL PLAN ➢ POSSIBLE NON-POTABLE USES FOR IRRIGATION & FRACKING
- RATE INCREASE	79,300	80,093	80,894	81,703	82,520	
<b>TOTAL RESOURCES</b>	<b>\$3,691,345</b>	<b>\$3,728,258</b>	<b>\$3,765,541</b>	<b>\$3,803,196</b>	<b>\$3,841,228</b>	
<b>USES OF FUNDING RESOURCES</b>						
OPERATING EXPENDITURES						
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,508,039	\$1,553,280	\$1,599,879	\$1,647,875	\$1,697,311	• REDUCTION IN PERSONNEL COSTS WITH RIF OF ONE (1) POSITION
- FRANCHISE TAX	249,851	252,349	254,873	257,422	259,996	
- TRFS TO GENERAL & ELECTRIC FUNDS FOR SVCS	459,967	464,567	469,212	473,904	478,644	• HIGHER UTILITY & CHEMICAL COSTS
<b>SUBTOTAL OPERATING EXPENDITURES</b>	<b>2,217,857</b>	<b>2,270,196</b>	<b>2,323,964</b>	<b>2,379,201</b>	<b>2,435,950</b>	• SHIFTED APPROXIMATELY \$50K IN SHARED SERVICE ALLOCATION TO WATER FUND
DEBT SERVICE	1,346,789	1,344,297	1,360,090	1,384,757	1,392,641	• ANNUAL DEBT PAYMENT INCREASES \$139,000
CAPITAL EXPENDITURES	124,000	211,000	89,000	99,000	97,000	• NO DEBT RELIEF UNTIL 2022
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$3,688,646</b>	<b>\$3,825,493</b>	<b>\$3,773,953</b>	<b>\$3,862,958</b>	<b>\$3,925,592</b>	• CAPITAL PLAN CONSTRAINED BY FUNDING
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$2,699</b>	<b>(\$97,235)</b>	<b>(\$8,412)</b>	<b>(\$59,762)</b>	<b>(\$84,364)</b>	
<b>RESERVE ESTIMATE</b>						
BEGINNING BALANCE	\$638,751	\$641,450	\$544,215	\$535,803	\$476,041	
ADDITIONS (USES) OF RESERVES	2,699	(97,235)	(8,412)	(59,762)	(84,364)	
ENDING RESERVES	\$641,450	\$544,215	\$535,803	\$476,041	\$391,677	
45 DAY RESERVE REQUIREMENT (1)	273,434	279,887	286,516	293,326	300,323	
EXCESS RESERVES	\$368,016	\$264,328	\$249,287	\$182,715	\$91,355	
<b>FTEs</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR WASTEWATER UTILITIES.

# Wastewater Fund

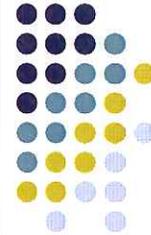


	PRESENT POSITION			CAPITAL PLAN				
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	2015	2016	2017	2018	2019
VEHICLE/EQUIPMENT REPLACEMENT OR ADDITIONS (1)	\$26,650	\$26,650	\$0	\$0	\$22,000	\$115,000	\$0	\$0
GARAGE FOR EQUIPMENT	0	0	0	35,000	0	0	0	0
SEWER LINE REPLACEMENTS	65,000	65,000	0	65,000	65,000	65,000	65,000	65,000
SEWER LINE CONTINGENCY	20,000	20,000	0	20,000	20,000	20,000	20,000	20,000
NEW SERVICE INSTALLATIONS	5,000	4,000	1,000	4,000	4,000	4,000	4,000	4,000
REMOVE SOLIDS FROM OLD PLANT	0	0	0	0	100,000	0	0	0
REPLACEMENT - SCADA, PUMPS AND RDP	9,786	9,786	0	0	0	0	10,000	8,000
	<u>\$126,436</u>	<u>\$125,436</u>	<u>\$1,000</u>	<u>\$124,000</u>	<u>\$211,000</u>	<u>\$204,000</u>	<u>\$99,000</u>	<u>\$97,000</u>

(1) CAPITAL LEASE FOR SLIGGER TRUCK IN 2017.

\$24,339    \$24,339    \$24,339

# Sanitation Fund



# Sanitation Fund



	PRESENT POSITION			CURRENT HIGHLIGHTS
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	
<b>FUNDING RESOURCES</b>				
TRANSFER STATION REVENUES	\$884,737	\$975,161	\$90,424	<ul style="list-style-type: none"> <li>HIGHER THAN EXPECTED VOLUMES AT TRANSFER AND COLLECTION STATIONS</li> <li>FAVORABLE CARDBOARD VOLUME AND PRICES</li> <li>RISE IN RESIDENTIAL COLLECTION OFFSET BY FALL IN COMMERCIAL COLLECTION</li> </ul>
COLLECTION STATION REVENUES	359,299	453,739	94,439	
RECYCLING REVENUES	110,092	114,776	4,685	
RESIDENTIAL COLLECTION REVENUES NET TCW	965,944	949,287	(16,656)	
<b>TOTAL RESOURCES</b>	<b>\$2,320,072</b>	<b>\$2,492,963</b>	<b>\$172,891</b>	
<b>USES OF FUNDING RESOURCES</b>				
<b>OPERATING EXPENDITURES</b>				
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,850,680	\$1,838,672	\$12,008	<ul style="list-style-type: none"> <li>SOME BUDGET SAVINGS ON MAINTENANCE AND SERVICES LOWER IN DEPT 142</li> <li>BUDGET SAVINGS IN SHARED SERVICE DEPARTMENTS REDUCED TRANSFERS</li> <li>FUND HAS NO SIGNIFICANT DEBT</li> <li>SMALL SAVINGS ON CAPITAL ITEMS</li> </ul>
- FRANCHISE TAX	58,705	58,589	116	
- TRF TO GENERAL AND ELECTRIC FUNDS FOR SVCS	396,002	379,992	16,010	
SUBTOTAL OPERATING EXPENDITURES	2,305,387	2,277,253	28,134	
DEBT SERVICE	2,034	3,550	(1,516)	
CAPITAL EXPENDITURES	88,000	83,116	4,884	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$2,395,421</b>	<b>\$2,363,919</b>	<b>\$31,502</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>(\$75,349)</b>	<b>(\$129,044)</b>	<b>\$141,390</b>	NET REVENUE WILL EXCEED BUDGET FOR THE FISCAL YEAR
<b>RESERVE ESTIMATE</b>				
BEGINNING BALANCE	\$818,275	\$818,275	\$0	AND RESERVES WILL BE HIGHER THAN EXPECTED
ADDITIONS (USES) OF RESERVES	(75,349)	129,044	204,393	
ENDING RESERVES	\$742,926	\$947,319	\$204,393	
45 DAY RESERVE REQUIREMENT (1)	284,226	280,757	3,469	
EXCESS RESERVES	\$458,700	\$666,562	\$207,861	
<b>FTEs</b>	<b>11.00</b>	<b>11.00</b>	<b>0.00</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR SANITATION UTILITIES.

# Sanitation Fund



	FUTURE POSITION					HIGHLIGHTS
	2015	2016	2017	2018	2019	
<b>FUNDING RESOURCES</b>						
TRANSFER STATION REVENUES	\$979,899	\$989,698	\$999,595	\$1,009,591	\$1,019,687	<ul style="list-style-type: none"> <li>PROJECTING STEADY VOLUME GROWTH ACROSS ALL BUSINESS SEGMENTS                             <ul style="list-style-type: none"> <li>NO RATE CHANGES EXPECTED</li> </ul> </li> <li>RESIDENTIAL COLLECTION GROWTH WILL EXCEED DECLINES OR STAGNATION IN COMMERCIAL COLLECTION</li> </ul>
COLLECTION STATION REVENUES	454,647	455,507	456,418	457,331	458,245	
RECYCLING REVENUES	115,005	115,224	115,454	115,685	115,916	
RESIDENTIAL COLLECTION REVENUES NET TCW	998,816	998,434	998,178	999,983	1,001,920	
<b>TOTAL RESOURCES</b>	<b>\$2,508,369</b>	<b>\$2,528,863</b>	<b>\$2,551,645</b>	<b>\$2,572,590</b>	<b>\$2,595,768</b>	
<b>USES OF FUNDING RESOURCES</b>						
<b>OPERATING EXPENDITURES</b>						
- DEPT HR, SUPPLIES, MAINT, SERVICES, SUNDRIES	\$1,844,473	\$1,899,807	\$1,956,801	\$2,015,505	\$2,075,970	<ul style="list-style-type: none"> <li>STEADY, INFLATIONARY BASED GROWTH IN OPERATING EXPENDITURES                             <ul style="list-style-type: none"> <li>NO PERSONNEL ADDITIONS</li> </ul> </li> <li>CAPITAL LEASE MAY BE NEEDED FOR FUNDING TUB GRINDER REPLACEMENT</li> <li>CAPITAL PLAN PRIMARILY TARGETS REPLACEMENT OF AGING VEHICLES AND EQUIPMENT</li> </ul>
- FRANCHISE TAX	59,209	59,836	60,611	61,250	62,038	
- TRF TO GENERAL AND ELECTRIC FUNDS FOR SVCS	406,735	418,937	431,505	444,450	457,784	
SUBTOTAL OPERATING EXPENDITURES	2,310,417	2,378,580	2,448,917	2,521,205	2,595,793	
DEBT SERVICE	3,550	3,550	100,190	98,415	98,415	
CAPITAL EXPENDITURES	159,320	168,000	58,500	195,000	138,000	
<b>TOTAL USES OF FUNDING RESOURCES</b>	<b>\$2,473,287</b>	<b>\$2,550,130</b>	<b>\$2,607,607</b>	<b>\$2,814,621</b>	<b>\$2,832,208</b>	
<b>NET REVENUES OR ADDITIONS (USES) OF RESERVES</b>	<b>\$35,082</b>	<b>(\$21,267)</b>	<b>(\$55,962)</b>	<b>(\$242,031)</b>	<b>(\$236,439)</b>	EXPENDITURES WILL EXCEED REVENUES AFTER 2015 DUE TO CAPITAL SPENDING
<b>RESERVE ESTIMATE</b>						
BEGINNING BALANCE	\$947,319	\$982,400	\$961,134	\$905,172	\$663,141	AND RESERVES SUPPORT WILL BE REQUIRED TO OFFSET REVENUE SHORTFALLS
ADDITIONS (USES) OF RESERVES	35,082	(21,267)	(55,962)	(242,031)	(236,439)	
ENDING RESERVES	\$982,400	\$961,134	\$905,172	\$663,141	\$426,701	
45 DAY RESERVE REQUIREMENT (1)	284,846	293,250	301,921	310,834	320,029	
EXCESS RESERVES	\$697,553	\$667,884	\$603,250	\$352,307	\$106,672	
<b>FTEs</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	

(1) POLICY IS 60 DAYS OF OPERATING EXPENDITURES. WE WOULD LIKE TO CHANGE THE POLICY TO 45 DAYS WHICH IS AN ACCEPTABLE STANDARD FOR SANITATION UTILITIES.

# Sanitation Fund



	PRESENT POSITION			CAPITAL PLAN				
	2014 BUDGET	2014 RAE	FAV/(UNFAV) VARIANCE	2015	2016	2017	2018	2019
TRANSFER STATION - HAUL TRAILER	\$68,000	\$65,420	\$2,580	\$0	\$0	\$0	\$0	\$0
- HOTSY STEAM CLEANER	0	0	0	0	10,000	0	0	0
- 3/4 TON PICKUP TRUCK	0	0	0	0	0	25,000	0	0
- 48' HAUL TRAILERS	0	0	0	0	0	0	65,000	65,000
<b>SUBTOTAL TRANSFER STATION</b>	<b>\$68,000</b>	<b>\$65,420</b>	<b>\$2,580</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$65,000</b>	<b>\$65,000</b>
COLLECTION STATION - DRAINAGE PIPE & IMPROVEMENTS	0	0	0	\$12,700	\$8,000	\$0	\$0	\$0
- GRINDER*	0	0	0	0	0	600,000	0	0
- MULCH BAGGER	0	0	0	0	0	0	0	55,000
<b>SUBTOTAL COLLECTION STATION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,700</b>	<b>\$8,000</b>	<b>\$600,000</b>	<b>\$0</b>	<b>\$55,000</b>
RECYCLING CENTER - BUILDING	\$20,000	\$17,696	\$2,304	\$0	\$0	\$0	\$0	\$0
- HORIZONTAL BALER	0	0	0	115,000	0	0	0	0
- PAVEMENT/DRAINAGE IMPROVEMENTS	0	0	0	25,000	0	0	0	0
- RECYCLE TRAILER	0	0	0	0	25,000	0	0	0
- OIL STORAGE TANKS	0	0	0	0	0	8,500	0	0
- IMPROVED PERIMETER FENCE	0	0	0	0	0	25,000	0	0
- VERTICAL BALER REPLACEMENT	0	0	0	0	0	0	0	18,000
<b>SUBTOTAL RECYCLING CENTER</b>	<b>\$20,000</b>	<b>\$17,696</b>	<b>\$2,304</b>	<b>\$140,000</b>	<b>\$25,000</b>	<b>\$33,500</b>	<b>\$0</b>	<b>\$18,000</b>
RESIDENTIAL COLLECTION - REAR LOAD DUMPSTER	0	0	0	\$6,620	\$0	\$0	\$0	\$0
- RESIDENTIAL GARBAGE TRUCK	0	0	0	0	125,000	0	130,000	0
<b>SUBTOTAL RESIDENTIAL COLLECTION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,620</b>	<b>\$125,000</b>	<b>\$0</b>	<b>\$130,000</b>	<b>\$0</b>
	<b>\$88,000</b>	<b>\$83,116</b>	<b>\$4,884</b>	<b>\$159,320</b>	<b>\$168,000</b>	<b>\$658,500</b>	<b>\$195,000</b>	<b>\$138,000</b>

\* ESTIMATED DEBT PAYMENT ON GRINDER

\$98,415 \$98,415 \$98,415