City of BRENHAM

NOTICE OF A SPECIAL MEETING
THE BRENHAM CITY COUNCIL
THURSDAY MAY 30, 2013 AT 8:30 A.M.
SECOND FLOOR CITY HALL
CONFERENCE ROOM 2-A
200 W. VULCAN
BRENHAM, TEXAS

1. Call Meeting to Order

2. FY 2013-14 Pre-Budget Planning **Pages 1-47**

Adjourn

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutary recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

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 May 30, 2013 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 25, 2013 at ***11:24 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 ___________________, 2013 at __________ AM PM.

___________________________________ ___________________________________
Signature Title

ON TARGET

City of Brenham

Pre-Budget Workshop

May 30, 2013

AGENDA

- INTRODUCTION
- UTILITY FUNDS
- GENERAL FUND
- DEBT SERVICE FUND
- STREET PROGRAM

Vision Statement

The City of Brenham aspires to be the city of choice for both present and future generations.

Strategic Objectives

Economic Development

The City will develop strategies to attract environmentally safe businesses that ensure and enhance employment opportunities for a wide range of income groups.

City Services

The City will enhance and maintain the level of service it provides the citizens of Brenham by developing plans to deliver a variety of safe, reliable, and cost effective products and services.

Transportation

The City of Brenham will establish a mobility plan to ensure safe and efficient vehicular and pedestrian traffic in and around the community.

Financial Structure

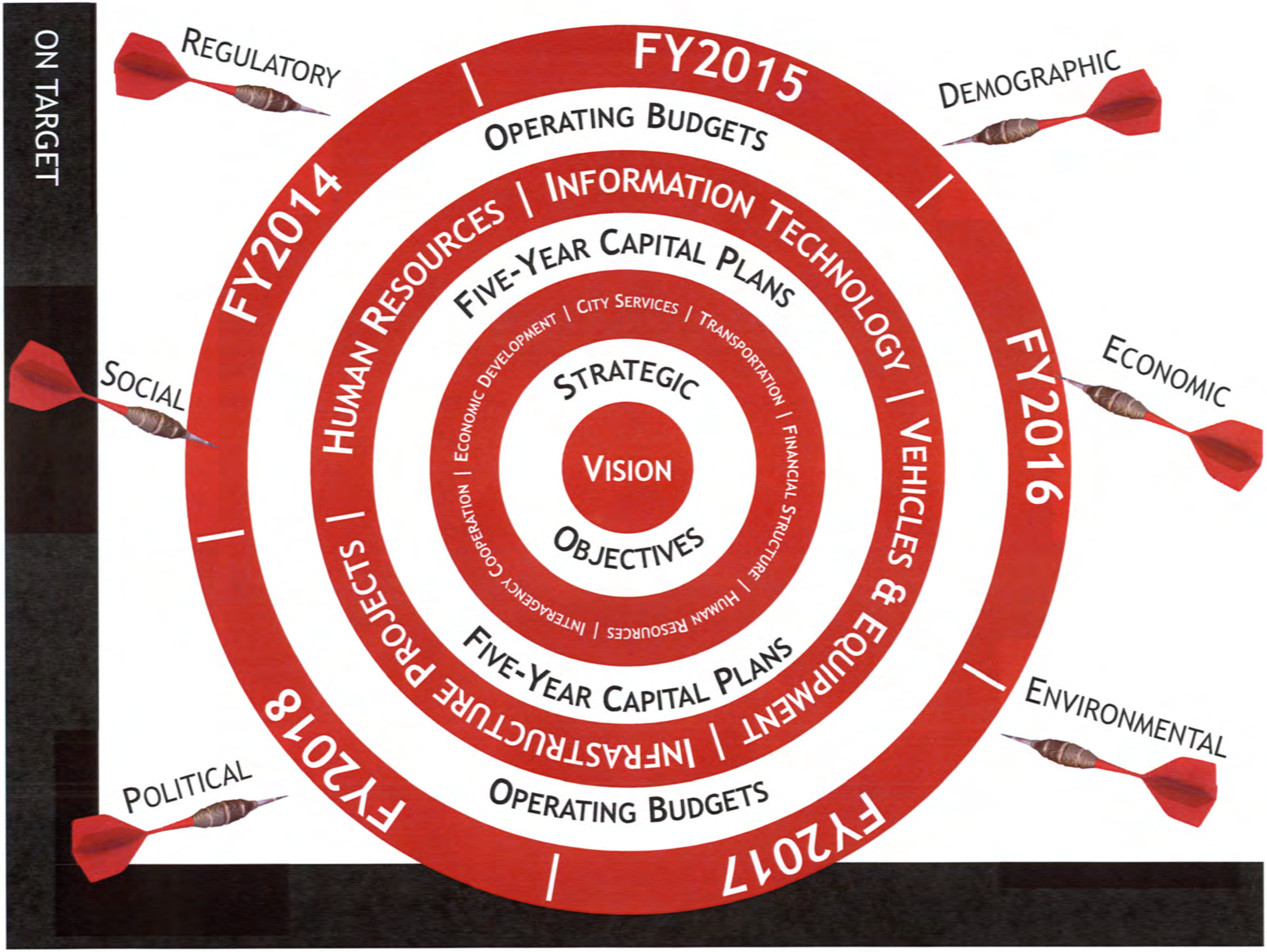
The City will develop a fair and equitable revenue plan that will provide the income necessary to support the City's infrastructure while providing the income necessary to develop new products and services.

Human Resources

The City will develop the organizational structure and culture necessary to recruit, train, and develop the staff, management, and Council members to ensure the achievement of the organization's vision.

Interagency Cooperation

The City will establish strategies to strengthen cooperation among public agencies and non-profit organizations to develop shared financial commitments for common projects and services.


ON TARGET
REGULATORY
DEMOGRAPHIC
SOCIAL
ECONOMIC
POLITICAL
ENVIRONMENTAL
FY2015
FY2016
FY2017
FY2018
FY2014
OPERATING BUDGETS
HUMAN RESOURCES | INFORMATION TECHNOLOGY | VEHICLES & EQUIPMENT | INFRASTRUCTURE PROJECTS
FIVE-YEAR CAPITAL PLANS
ECONOMIC DEVELOPMENT | CITY SERVICES | TRANSPORTATION | FINANCIAL STRUCTURE | HUMAN RESOURCES | INTERAGENCY COOPERATION
STRATEGIC
OBJECTIVES
VISION

ORGANIZATION CHART

- **Mayor Milton Y. Tate, Jr. & City Council**
  - **Municipal Court Judge** Jay Weisler
    - **Associate Judge** Robert Wright
  - **City Boards, Committees, Commissioners**
  - **City Attorney** Cary Bovey
  - **City Manager** Terry K. Roberts
    - **Assistant City Manager** Kyle Dannhaus
      - **Public Works Director** Dane Rau
        - Parks Maintenance – Casey Redman
        - Maintenance – DeWayne Lucius
        - Sanitation – Bobby Branham
        - Streets – Leslie Kelm
      - **Fire Chief/Emergency Mgmt.** Ricky Boeker
        - Fire Marshal & Deputy Chief – Alan Finke
        - Captain A Shift – Heath Mahlmann
        - Captain B Shift – Doug Maurer
        - Captain C Shift – Brian Scheffer
      - **Chief Financial Officer** Carolyn D. Miller, CPA
        - Controller – Stacy Hardy, CPA
        - Administrative Services Mgr. – Wende Ragonis
        - City Secretary – Jeana Bellinger, TRMC
        - Municipal Court – Rhonda Kuehn
        - Human Resources – Susan Nienstedt
        - Risk Management – Janie Mehrens
        - Recreation/Aquatics – Jamie Maurer
      - Communications/9-1-1 – Pam Ruemke
      - Information Technology – Gary Jeter
      - City Engineer/Airport – Grant Lischka
      - **Development Services** Julie Fulgham
        - Building Inspections – Allen Jacobs
        - Planning Technician – Kim Hodde
        - Main Street – Jennifer Eckermann
        - Mapping/GIS – Becky Squyres
      - **Police Chief** Rex Phelps
        - Lt. - Administrative – Billy Rich
        - Lt. - CID – Trey Gully
        - Lt. - Patrol – Dant Lange
      - **Public Utilities Director** Lowell Ogle
        - Regulatory Compliance – Debbie Gaffey, CPA
        - Electric – Alton Sommerfield
        - Gas – Ande Bostain
        - Water Treatment/Const. – Dane Bybee
        - Wastewater Treatment/Const. – Bobby Keene, Jr.
        - Utility Customer Service – Wanda Kramer

ON TARGET

UTILITY FUNDS

ELECTRIC FUND

	2012	BUDGET 2013	RAE 2013	FAV/(UNFAV) VARIANCE
OPERATING RESOURCES				
REVENUES (NET ENERGY PURCHASE COSTS)	6,212,134	6,649,178	6,416,170	(233,008)
USES OF OPERATING RESOURCES				
OPERATING COSTS (NET UTILITY SHARED SERVICES)	1,843,971	2,051,103	2,006,120	44,983
GENERAL FUND FRANCHISE TAX	1,679,772	1,784,889	1,752,443	32,446
GENERAL FUND SHARED SERVICE COSTS	1,535,782	1,773,744	1,643,202	130,542
CAPITAL EXPENDITURES	975,175	915,499	700,886	214,613
DEBT SERVICE	9,564	9,564	9,564	0
TOTAL USES OF OPERATING RESOURCES	6,044,264	6,534,799	6,112,215	422,584
NET RESOURCES BEFORE SPECIAL CAPITAL PROJECTS	167,870	114,379	303,955	189,576
SPECIAL CAPITAL PROJECTS				
AMR METER PROJECT	536,307	0	25,604	(25,604)
INCREASE/(DECREASE) WORKING CAPITAL	(368,437)	114,379	278,351	163,972
ENDING WORKING CAPITAL	6,630,815	6,745,194	6,909,166	163,972
KWH SALES	281,490,681	301,553,937	288,859,703	(12,694,234)
GENERAL FUND BENEFIT	**3,215,554**	**3,558,633**	**3,395,645**	**162,988**

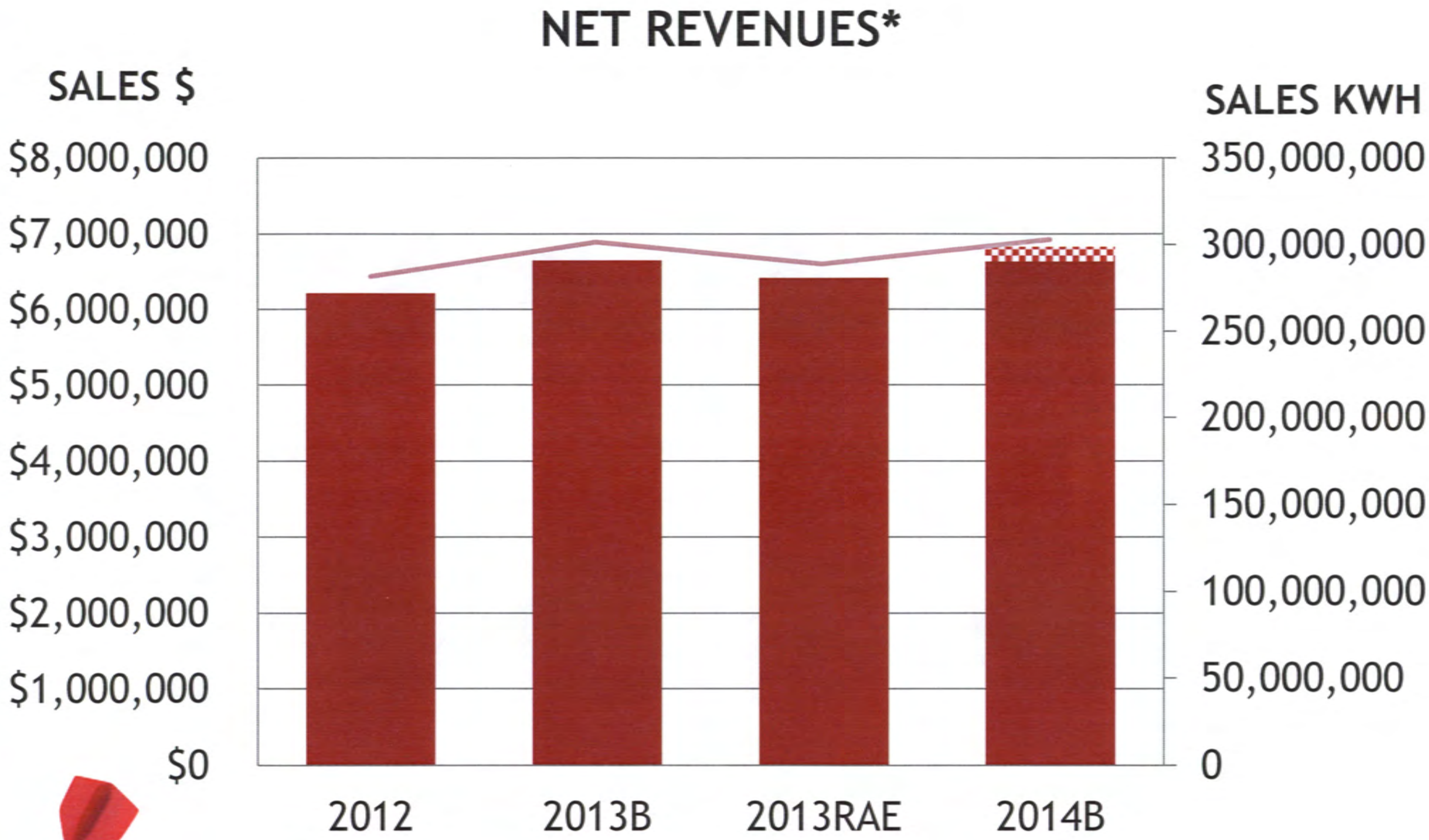
On Target

Electric Fund

- LCRA
  - Commitment to keeping wholesale power rates as low as possible
- Cost of service
  - Shrinking net distribution revenues
  - Inequitable cost recovery among rate classes
  - Recommendation
    - Rate increase for small & large industrial classes only
- Capital plans
  - Milsoft Outage Management System
  - Distribution Rehab Project

ON TARGET

ELECTRIC FUND



* REVENUES NET OF PURCHASE COSTS.

GAS FUND

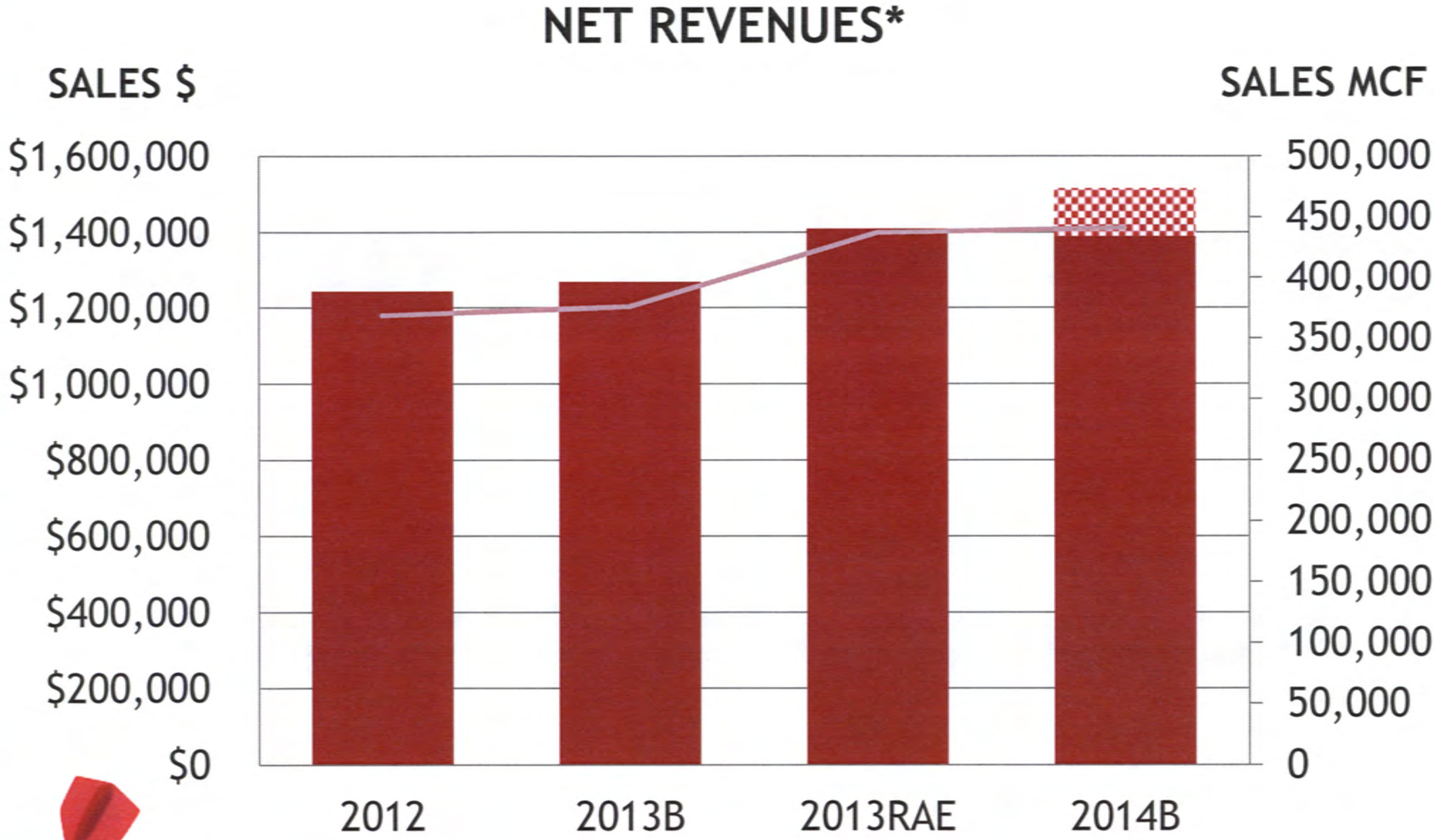
	2012	BUDGET 2013	RAE 2013	FAV/(UNFAV) VARIANCE
OPERATING RESOURCES				
REVENUES (NET ENERGY PURCHASE COSTS)	1,243,583	1,268,481	1,409,450	140,969
USES OF OPERATING RESOURCES				
OPERATING COSTS (INCLUDING UTILITY SHARED SERVICES)	525,423	609,415	604,602	4,813
GENERAL FUND FRANCHISE TAX	169,580	171,901	227,763	(55,862)
GENERAL FUND SHARED SERVICE COSTS	323,572	367,999	341,722	26,277
CAPITAL EXPENDITURES	70,234	55,000	54,923	77
DEBT SERVICE	10,213	2,033	2,033	0
TOTAL USES OF OPERATING RESOURCES	1,099,022	1,206,348	1,231,043	(24,695)
NET RESOURCES BEFORE SPECIAL CAPITAL PROJECTS	144,561	62,133	178,407	116,274
SPECIAL CAPITAL PROJECTS				
AMR METER PROJECT	226,997	0	53,571	(53,571)
INCREASE/(DECREASE) WORKING CAPITAL	(82,436)	62,133	124,836	62,703
ENDING WORKING CAPITAL	969,048	1,031,181	1,093,884	62,703
MCF SALES	369,024	375,684	437,118	61,434
GENERAL FUND BENEFIT	**493,152**	**539,900**	**569,485**	**(29,585)**

ON TARGET

Gas Fund

- Cost of service
  - Shrinking net distribution revenues
  - Increase stability of revenue stream
  - Recommendation
    - Increase minimum monthly charge by 25% for all rate classes
- DIMP (Distribution Integrity Management Program)
  - Work forms automation
  - GIS integration
- Capital plans
  - Nothing unusual

GAS FUND



* REVENUES NET OF PURCHASE COSTS

WATER FUND

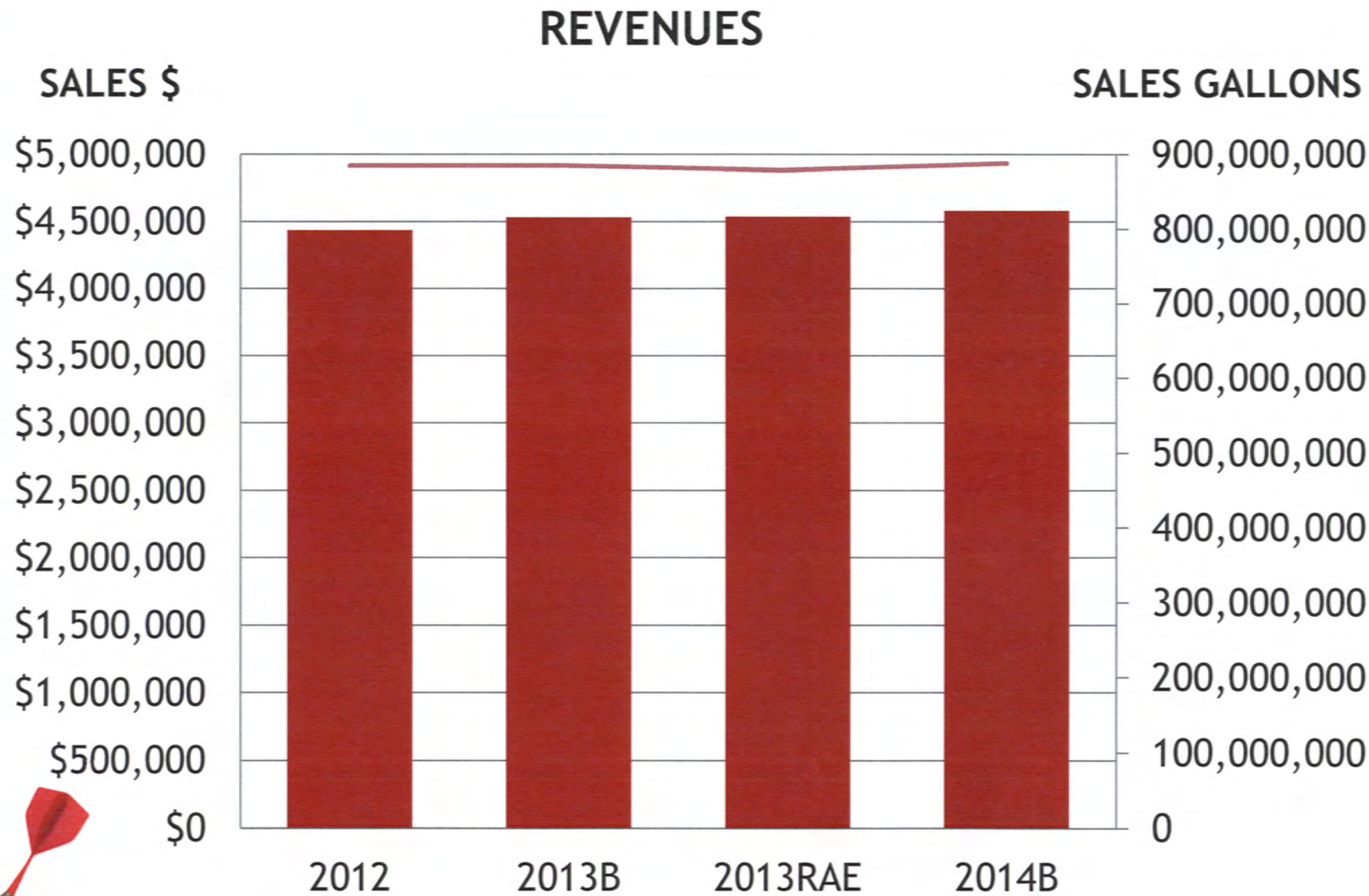
	2012	BUDGET 2013	RAE 2013	FAV/(UNFAV) VARIANCE
OPERATING RESOURCES				
REVENUES	4,436,229	4,531,526	4,538,091	6,565
USES OF OPERATING RESOURCES				
OPERATING COSTS (INCLUDING UTILITY SHARED SERVICES)	1,916,111	2,054,078	1,850,473	203,605
GENERAL FUND FRANCHISE TAX	301,052	304,058	309,654	(5,596)
GENERAL FUND SHARED SERVICE COSTS	299,384	340,491	316,176	24,315
CAPITAL EXPENDITURES	376,108	541,550	686,691	(145,141)
DEBT SERVICE (NET '08 BOND PROCEEDS)	908,790	778,161	778,161	0
TOTAL USES OF OPERATING RESOURCES	3,801,445	4,018,338	3,941,155	77,183
NET RESOURCES BEFORE SPECIAL CAPITAL PROJECTS	634,784	513,188	596,936	83,748
SPECIAL CAPITAL PROJECTS				
AMR METER PROJECT	466,034	700,000	700,000	0
INCREASE/(DECREASE) WORKING CAPITAL	168,750	(186,812)	(103,064)	83,748
ENDING WORKING CAPITAL	2,328,885	2,142,073	2,225,821	83,748
GALLONS CONSUMED	884,630,900	885,000,000	878,764,999	(6,235,001)
GENERAL FUND BENEFIT	**600,436**	**644,549**	**625,830**	**18,719**

ON TARGET

Water Fund

- No change in water rates
- Water conservation
  - Concern is not enough water
  - Electric generation requires water
  - Increased regulatory oversight and reporting
- Capital plans
  - Nothing unusual

WATER FUND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2012
2013B
2013RAE
2014B

WASTEWATER FUND

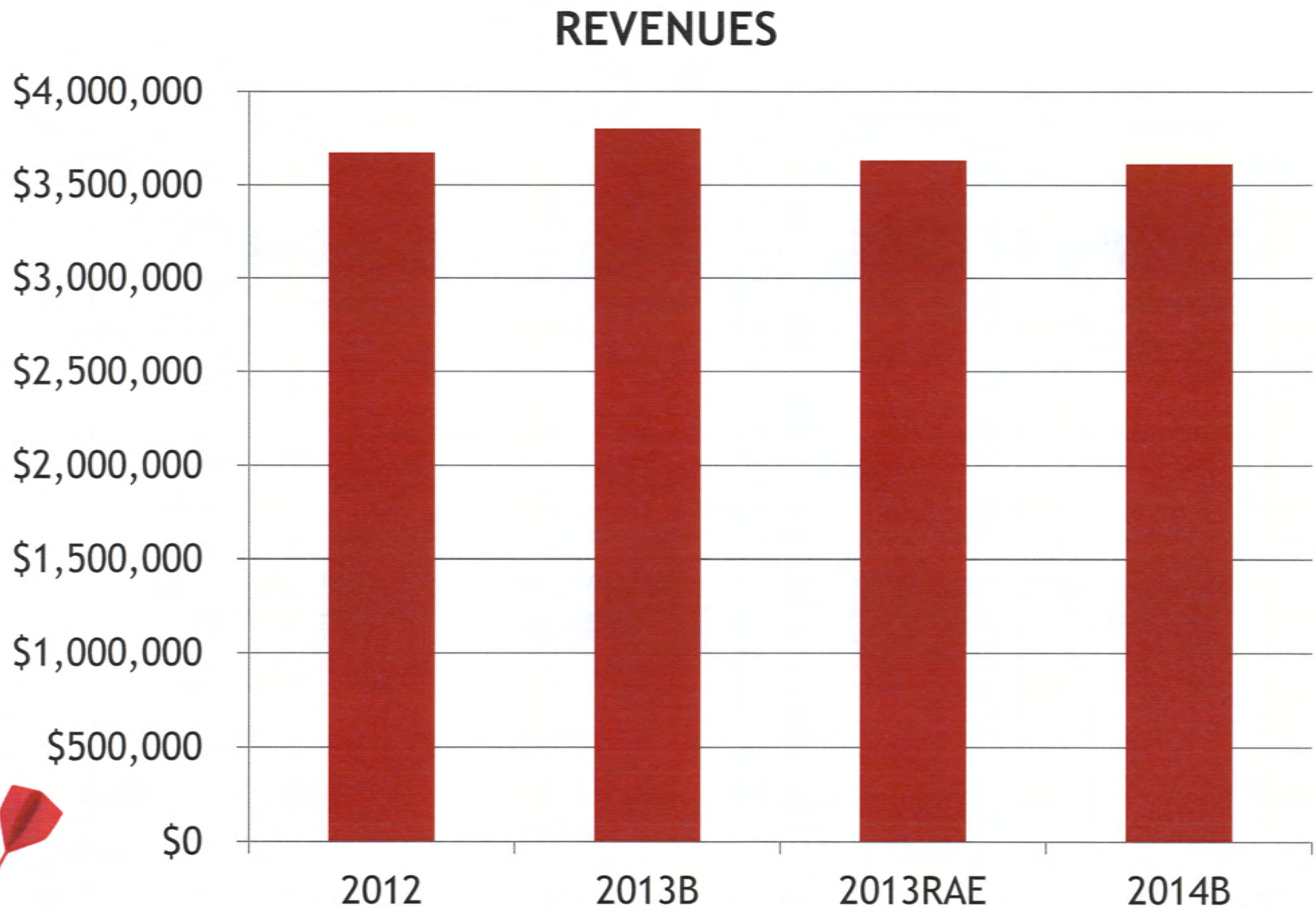
	2012	BUDGET 2013	RAE 2013	FAV/(UNFAV) VARIANCE
OPERATING RESOURCES				
REVENUES	3,670,542	3,799,429	3,629,494	(169,935)
USES OF OPERATING RESOURCES				
OPERATING COSTS (INCLUDING UTILITY SHARED SERVICES)	1,467,117	1,601,359	1,572,528	28,831
GENERAL FUND FRANCHISE TAX	247,088	258,726	243,986	14,740
GENERAL FUND SHARED SERVICE COSTS	295,523	336,099	312,099	24,000
CAPITAL EXPENDITURES	243,342	177,510	103,294	74,216
DEBT SERVICE	1,131,278	1,177,640	1,141,016	36,624
TOTAL USES OF OPERATING RESOURCES	3,384,349	3,551,335	3,372,923	178,412
NET RESOURCES BEFORE SPECIAL CAPITAL PROJECTS	286,193	248,095	256,571	8,477
SPECIAL CAPITAL PROJECTS				
AMR METER PROJECT	231,683	350,000	350,000	0
INCREASE/(DECREASE) WORKING CAPITAL	54,510	(101,906)	(93,429)	8,477
ENDING WORKING CAPITAL	721,071	619,166	627,642	8,477
GENERAL FUND BENEFIT	**542,611**	**594,825**	**556,085**	**38,740**

Wastewater Fund

- No change in wastewater rates
- Water conservation
  - Water reuse/reclaimed water
- Capital plans
  - Nothing unusual

ON TARGET

WASTEWATER FUND



ON TARGET

SANITATION FUND

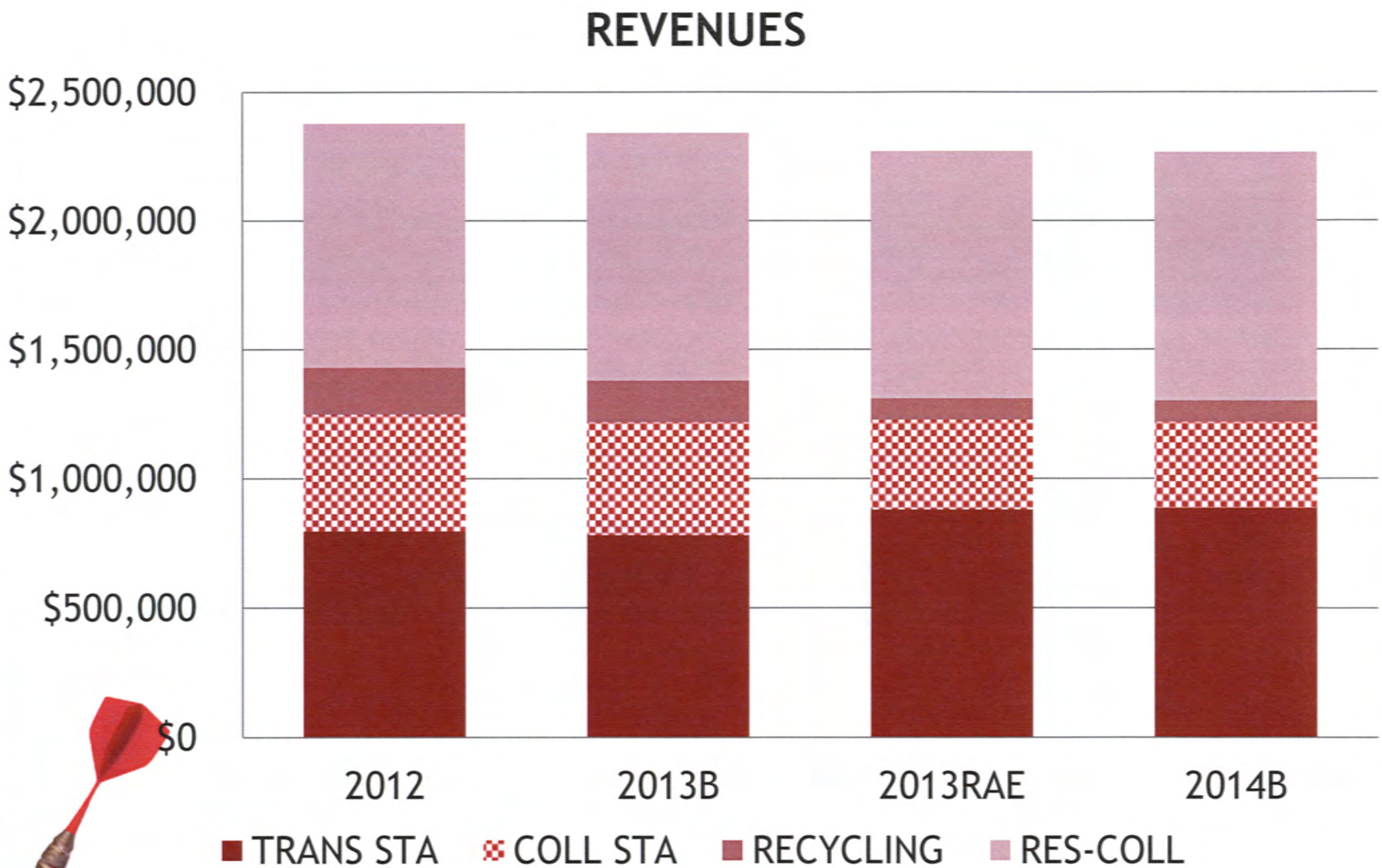
	2012	BUDGET 2013	RAE 2013	FAV/(UNFAV) VARIANCE
OPERATING RESOURCES				
REVENUES (NET TCW)	2,377,406	2,340,524	2,268,881	(71,643)
USES OF OPERATING RESOURCES				
OPERATING COSTS (INCLUDING UTILITY SHARED SERVICES)	1,709,813	1,761,601	1,722,215	39,386
GENERAL FUND FRANCHISE TAX	57,790	59,050	58,514	536
GENERAL FUND SHARED SERVICE COSTS	261,258	317,462	294,792	22,670
CAPITAL EXPENDITURES	195,415	131,200	165,290	(34,090)
DEBT SERVICE	75,317	3,550	3,550	0
TOTAL USES OF OPERATING RESOURCES	2,299,594	2,272,863	2,244,361	28,502
NET REVENUES	77,812	67,661	24,520	(43,141)
ENDING WORKING CAPITAL	924,301	991,962	948,821	(43,141)
GENERAL FUND BENEFIT	**319,048**	**376,512**	**353,306**	**23,206**

SANITATION FUND

- TRANSFER STATION: REVENUES UP OVER PRIOR YEAR
  - COMBINATION VOLUMES AND NEW RATE IMPACT
- COLLECTION STATION: REVENUES ARE DOWN
  - LOWER VOLUMES, LOWER MULCH SALES & LOSS OF SCRAP METAL
- RECYCLING CENTER: REVENUES ARE DOWN
  - LOWER RESALE VALUES (E.G. CARDBOARD & ALUMINUM)
- RESIDENTIAL COLLECTION: REVENUE IS STEADY
- CAPITAL PLANS
  - NOTHING UNUSUAL

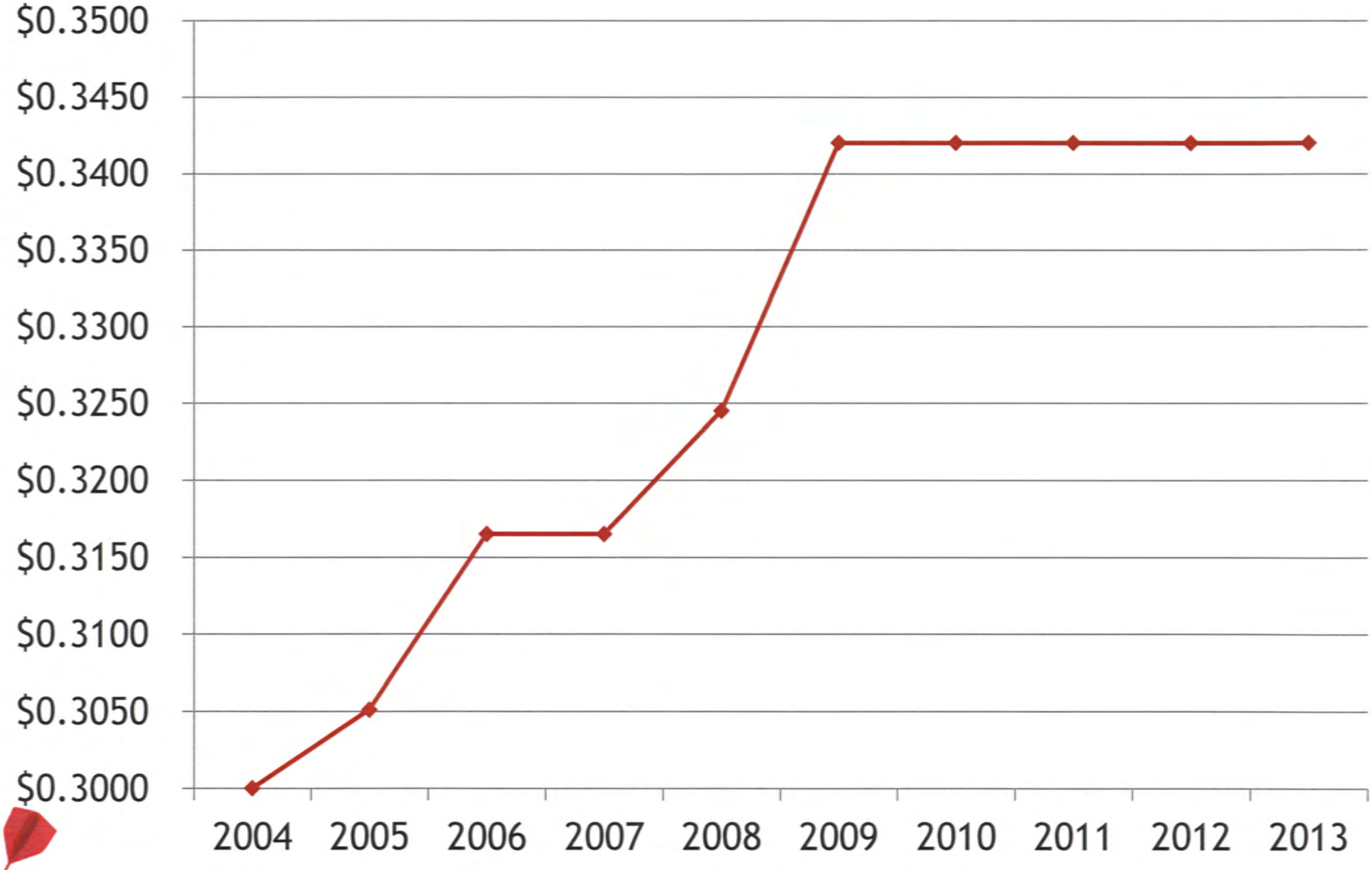
ON TARGET

SANITATION FUND



GENERAL FUND

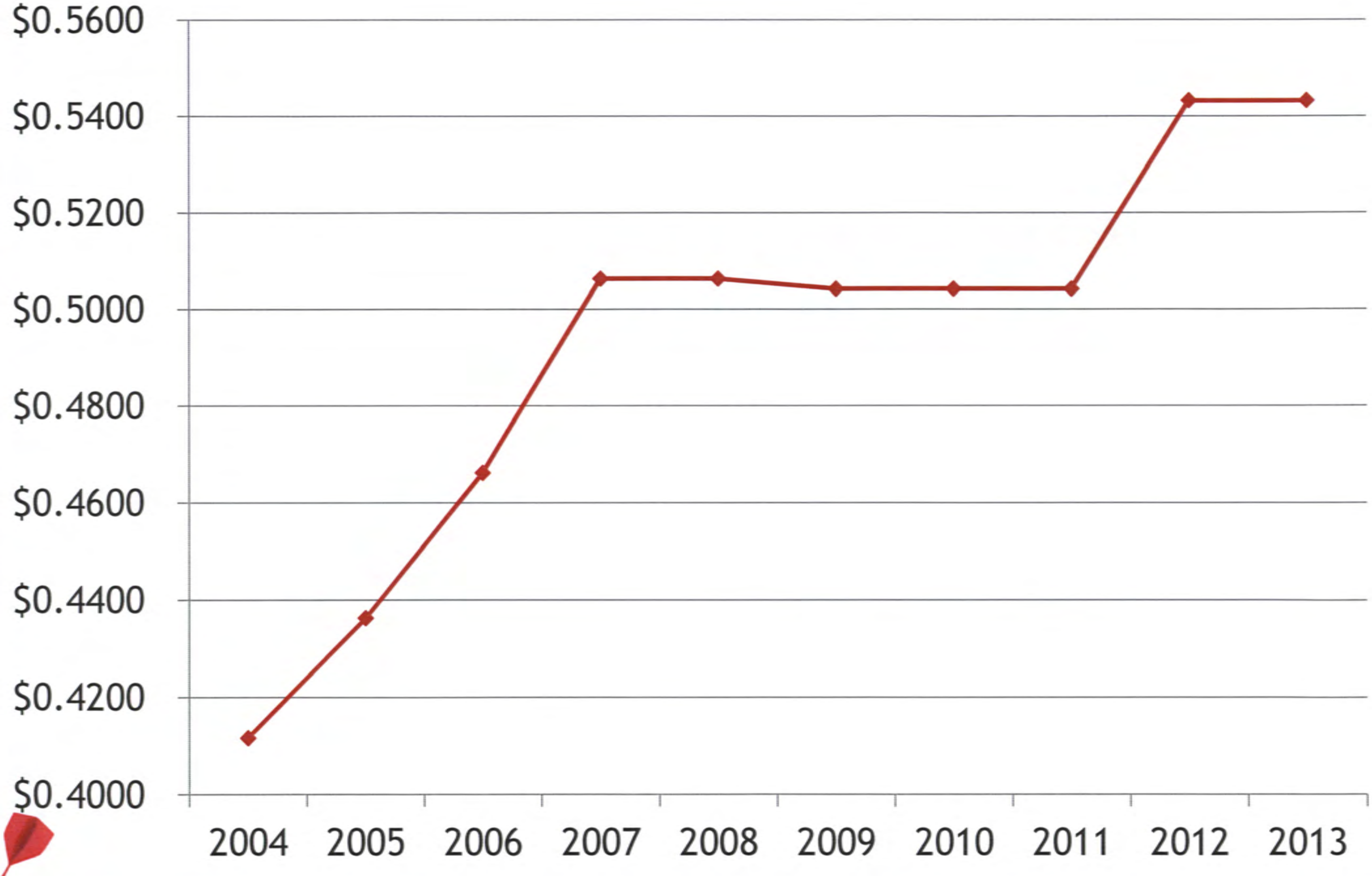
O & M TAX RATE HISTORY



ON TARGET

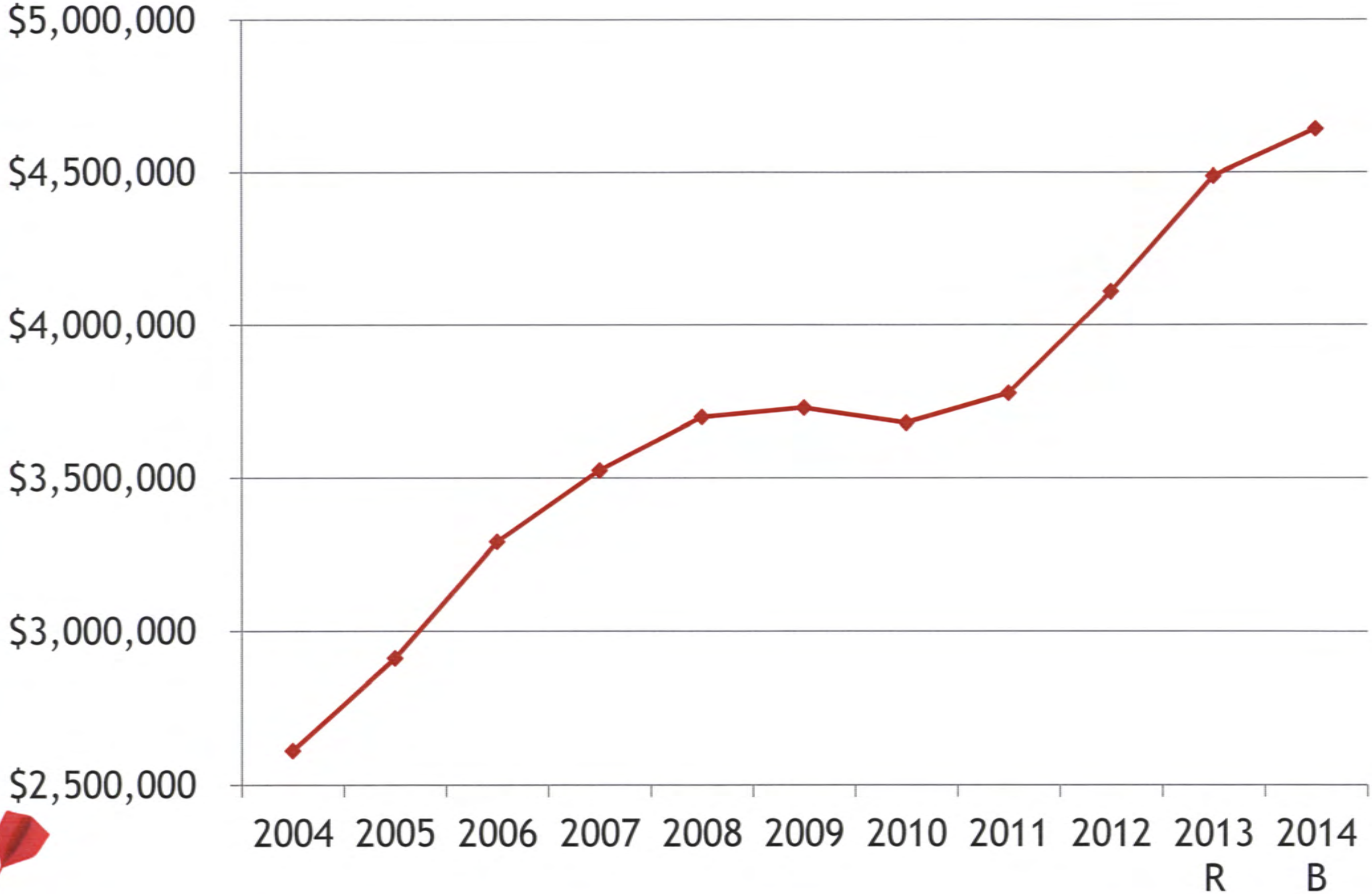
I & S Tax Rate History

Combined Tax Rate History

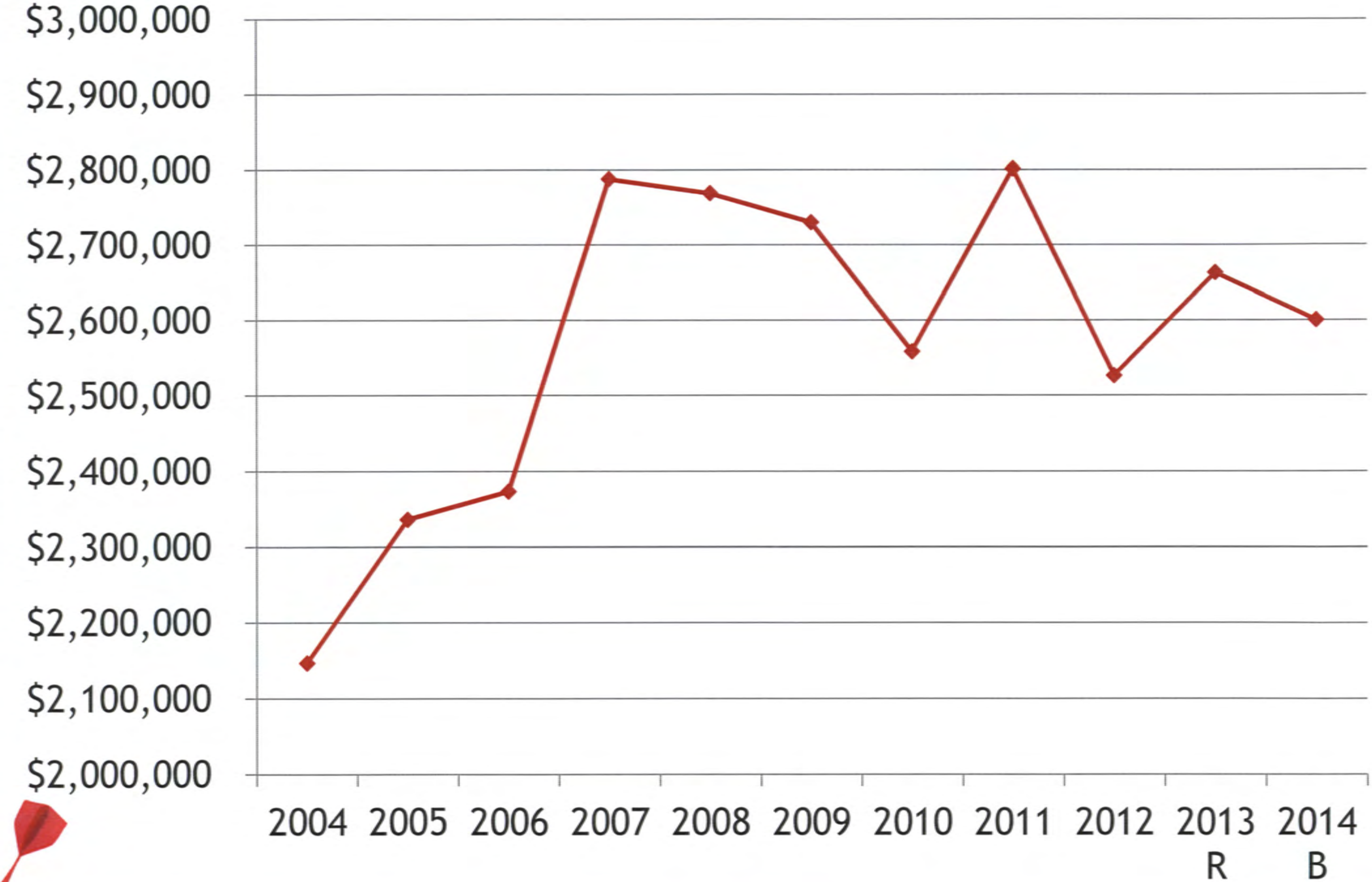


ON TARGET

SALES TAX HISTORY



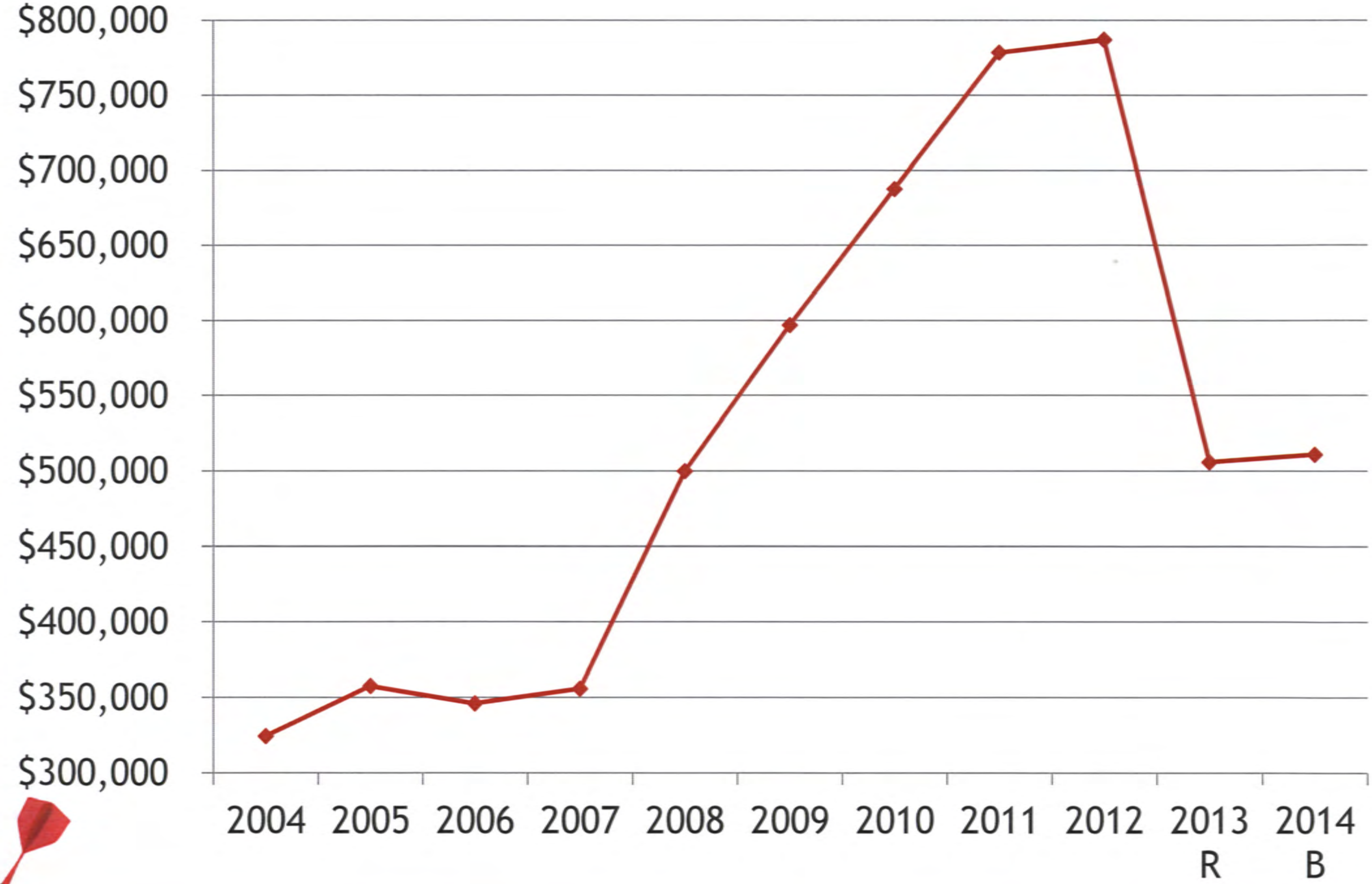
UTILITY FRANCHISE TAX HISTORY



ON TARGET

ON TARGET

MUNICIPAL COURT FEES & FINES HISTORY



ALL HISTORY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O&M COLLECTIONS
SALES TAX
FRANCHISE TAX
MUNICIPAL COURT FEES & FINES

Budget Performance based on RAE

	FY13 Budget	FY13 RAE	Variance Fav/(Unfav)
Revenues			
Property Tax	$ 3,450,431	$ 3,508,592	$ 58,161
Sales Tax	4,491,582	4,486,744	(4,838)
Utilities Franchise Tax	2,650,046	2,662,792	12,746
Municipal Court Fees & Fines	780,055	505,754	(274,301)
Other Sources	1,190,217	1,134,211	(56,006)
Total Revenues	**$ 12,562,331**	**$ 12,298,093**	**$ (264,238)**
Transfers In	$ 3,376,795	$ 3,222,991	$ (153,804)
Expenses			
Personnel	$ 10,800,386	$ 10,388,198	$ 412,188
Supplies	1,010,057	1,019,521	(9,464)
Maintenance	788,425	821,341	(32,916)
Services	2,391,220	2,251,941	139,279
Capital	124,400	233,581	(109,181)
Sundry	779,736	725,021	54,715
Interlocal Agreements	(445,055)	(427,775)	(17,280)
Total Expenses	**$ 15,449,169**	**$ 15,011,828**	**$ 437,341**
Transfers Out	$ 489,957	$ 496,431	$ (6,474)
Above Budget Net Revenue	$ -	$ 12,825	$ 12,825

Reserve Balance

	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13
Total Revenues from CAFR	$ 11,996,749	$ 12,179,662	$ 12,135,542	$ 12,264,561	
One day of Reserves	$ 32,868	$ 33,369	$ 33,248	$ 33,602	
Beginning Fund Balance	$ 2,687,654	$ 2,764,850	$ 2,764,850	$ 3,300,731	$ 3,564,464
Ending Fund Balance	$ 2,764,850	$ 2,764,850	$ 3,300,731	$ 3,564,464	
General Fund Reserves in Days	**84**	**83**	**99**	**106**	
90 Day Reserve Amount	$ 2,958,102	$ 3,003,204	$ 2,992,325	$ 3,024,138	$ -
Surplus Reserve *			**$ 308,406**	**$ 540,326**	**$ -**
FY12-13 Budget - Council Approved Projects					
Demolition of Former City Hall					$ (128,568)
Airport Hangar Grant City Match - use R&R Reserve					$ (152,500)
Total Impact on General Fund Reserves					**$ (281,068)**
Remaining General Fund Surplus Reserves (about 8 days above 90 days)					**$ 259,258**
* For FY12-13, Five Day R&R (Renovation & Replacement) Reserve Established					

5-Year Revenue Forecast

	FY 2013 RAE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenues						
Property Tax	$ 3,508,592	$ 3,568,898	$ 3,675,965	$ 3,786,244	$ 3,899,831	$ 4,016,826
Sales Tax	4,486,744	4,711,081	4,899,524	5,095,505	5,248,370	5,405,821
Utilities Franchise Tax	2,662,792	2,804,518	2,804,518	2,804,518	2,804,518	2,804,518
Municipal Court Fees & Fines	505,754	510,843	515,951	521,111	526,322	531,585
Other Sources	1,134,211	1,076,690	1,087,457	1,098,331	1,109,315	1,120,408
Total Revenues	**$ 12,298,093**	**$12,672,030**	**$ 12,983,416**	**$13,305,710**	**$ 13,588,357**	**$ 13,879,159**
Transfers In						
Utilities Shared Services	$ 2,907,991	$ 3,135,795	$ 3,135,795	$ 3,135,795	$ 3,135,795	$ 3,135,795
Other Transfers In (BCDC, Hotel/Motel)	315,000	196,000	156,000	116,000	76,000	76,000
Total Transfers In	**$ 3,222,991**	**$ 3,331,795**	**$ 3,291,795**	**$ 3,251,795**	**$ 3,211,795**	**$ 3,211,795**

Assumptions FY 2014-FY 2018	
Property Tax	No Tax Rate Increase % growth: 3% per year
Sales Tax	% growth: Yr. 1 = 5%; Yrs. 2-3 = 4%; Yrs. 4-5 = 3%
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 4

ON TARGET

5-Year Expenditure Forecast

	FY 2013 RAE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Expenditures						
Personnel	$ 10,388,198	$ 10,930,002	$ 11,476,502	$ 12,050,327	$ 12,652,844	$ 13,285,486
Supplies	1,019,521	1,039,911	1,060,710	1,081,924	1,103,562	1,125,634
Maintenance	821,341	837,768	854,523	871,614	889,046	906,827
Services	2,251,941	2,296,980	2,342,919	2,389,778	2,437,573	2,486,325
Non-Capital & Capital	233,581	160,000	160,000	160,000	160,000	160,000
Sundry	725,021	739,521	746,917	754,386	761,930	769,549
Interlocal Agreements	(427,775)	(427,775)	(427,775)	(427,775)	(427,775)	(427,775)
Total Expenditures	**$ 15,011,828**	**$ 15,576,408**	**$ 16,213,796**	**$ 16,880,253**	**$ 17,577,180**	**$ 18,306,045**
Transfers Out						
Equipment Fund	$ (445,800)	$ (423,000)	$ (423,000)	$ (423,000)	$ (423,000)	$ (423,000)
Other Transfers Out	(50,631)	-	-	-	-	-
Total Transfers Out	**$ (496,431)**	**$ (423,000)**	**$ (423,000)**	**$ (423,000)**	**$ (423,000)**	**$ (423,000)**
Assumptions						
Personnel	% Growth: 5% per year					
Supplies	% Growth: 2% per year					
Maintenance	% Growth: 2% per year					
Services	% Growth: 2% per year					
Non-Capital & Capital	Yrs. 1-5 include 4 year average.					
Sundry	% Growth: 1% per year					
Total Transfers Out	Yrs. 1-5 include 4 year average.					

ON TARGET

General Fund Capacity

	FY 2013 RAE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenue Projections	$ 15,521,084	$ 16,003,825	$ 16,275,211	$ 16,557,505	$ 16,800,152	$ 17,090,954
Expense Projections	15,508,259	15,999,408	16,636,796	17,303,253	18,000,180	18,729,045
General Fund Capacity	$ 12,825	$ 4,417	$ (361,585)	$ (745,749)	$ (1,200,028)	$ (1,638,091)
Capacity to Fund Capital	$ 12,825	$ 4,417	$ -	$ -	$ -	$ -

Equipment Fund History

	2009	2010	2011	2012	2013
Beginning Fund Balance	$ -	$ 262,814	$ 453,885	$ 240,158	$ -
Additions					
Budgeted Transfer from General Fund	$ -	$ -	$ 125,355	$ 187,923	$ 445,800
General Fund Current Year ABNR	262,814	453,597	155,957	-	-
Grant Revenues - SECO	-	-	57,576	-	-
Other Revenue - BNSF RR Quiet Zone	-	-	-	25,000	-
Total Additions	**$ 262,814**	**$ 453,597**	**$ 338,888**	**$ 212,923**	**$ 445,800**
Capital Expenditures					
Computer Equipment	$ -	$ 84,859	$ 32,843	$ 20,877	$ 10,000
Buildings/Building Improvements	-	10,454	132,766	10,490	-
Machinery/Equipment	-	55,834	78,500	-	12,000
Office Furniture/Equipment	-	54,000	-	-	-
Other Capital	-	-	44,891	-	32,800
Radios/Radar/Video Equipement	-	-	29,310	-	-
Vehicles/Large Equipment	-	57,379	234,305	421,714	391,000
Total Capital Expenditures	**$ -**	**$ 262,526**	**$ 552,615**	**$ 453,081**	**$ 445,800**
Ending Fund Balance	**$ 262,814**	**$ 453,885**	**$ 240,158**	**$ -**	**$ -**

ON TARGET

Public Safety Capital

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Police					
Patrol Units	4	4	4	4	4
Total Unit Cost	$ 150,000	$ 153,750	$ 157,594	$ 161,534	$ 165,572
Admin Units	2	2	2	2	2
Total Unit Cost	$ 62,500	$ 65,000	$ 66,625	$ 68,250	$ 69,875
Total Police	**$ 212,500**	**$ 218,750**	**$ 224,219**	**$ 229,784**	**$ 235,447**
Communications					
Radio Capture Software	$ 102,657	$ 11,103	$ 11,103	$ 11,103	$ 11,103
Radio Console for CAD 5	30,000	-	-	-	-
Total Communications	**$ 132,657**	**$ 11,103**	**$ 11,103**	**$ 11,103**	**$ 11,103**
Fire					
Replace 1997 Ford Sedan	$ -	$ -	$ 30,000	$ -	$ -
Equipment Fund Total	**$ 345,157**	**$ 229,853**	**$ 265,322**	**$ 240,887**	**$ 246,550**

ON TARGET

Impact of ILA Decisions
Washington County Funding

	FY 2013	FY 2014
Linda Anderson Park	$ 35,000	$ 35,000*
Library	30,000	?
Fire	27,500	?
Animal Shelter	45,600	76,220*
Total	**$ 138,100**	**$ 111,220**
Impact of ILAs		**$ (26,880)**
		*Based on Council ILA Workshop held on 5/23

DEBT SERVICE FUND

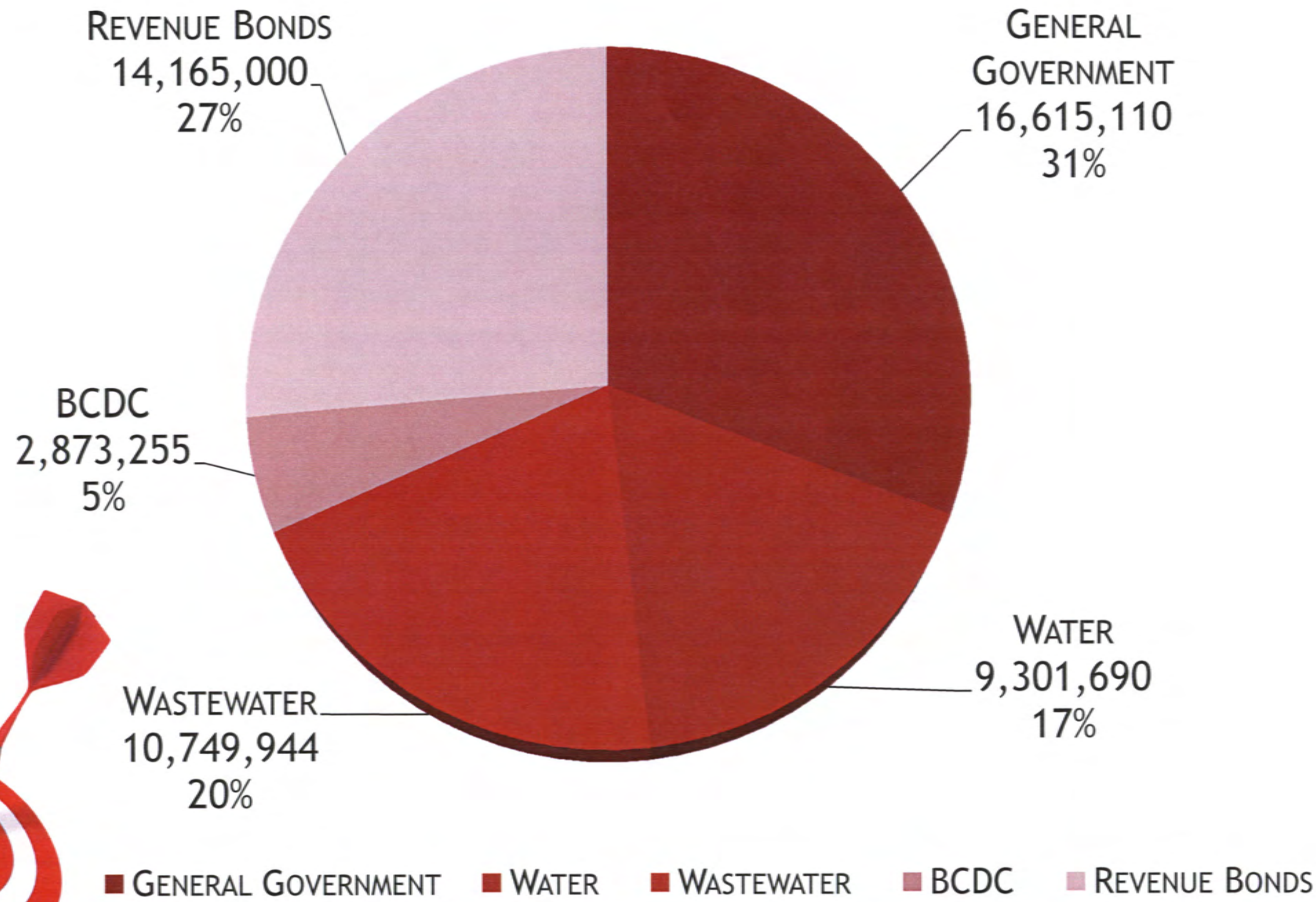
Schedule of Bond Issues

Bond Issue	Original Amount	Issue Date / Maturity Date	Allocation of Proceeds			Outstanding Amount 03/31/2013	Use of Proceeds
2002 Series	$9,245,000	11/15/2002 08/15/2023	General Fund	30.98%	$2,864,101	$142,273	Building Remediation, Greenways, Streets, Hohlt Park Signage and Parking Lot, and Boys & Girls Parking Lot
			Wastewater Fund	69.02%		$317,727	Complete Wastewater Plant Expansion
2006 Series	$9,000,000	09/01/2006 08/15/2026	General Fund	100%	$9,000,000	$7,285,000	Public Safety Facility, Fire Equipment, Fire Substation, and Water Tower
2007 GO Refunding	$5,545,000	03/13/2007	General Fund	27.49%	$1,524,321	$1,477,588	Refund 2001 CO Series, $5,185,000 bonds maturing 2018-2021
		08/15/2021	Wastewater Fund	50.76%		$2,728,350	
			Water Fund	21.75%		$1,169,063	
2008 Series	$5,985,000	12/23/2008 08/15/2028	Water Fund	100.00%		$5,875,000	Water system improvements
2009 GO Refunding	$8,970,000		General Fund	29.47%	$2,643,459	$2,122,390	Refund 1998 CO Series, $9,050,000 bonds maturing 2010-2018
		04/21/2009	BCDC Fund	36.77%		$2,323,255	and 2001 Series, $16,590,000 bonds maturing 2015-2017
		08/15/2018	Wastewater Fund	23.63%		$1,973,666	
			Water Fund	10.13%		$845,689	
2010 Limited Tax Notes	$760,000	11/09/2010 08/15/2017	BCDC Fund	36.77%		$550,000	Street, thoroughfare and drainage improvements at Southwest Industrial Park

Schedule of Bond Issues

Bond Issue	Original Amount	Issue Date Maturity Date	Allocation of Proceeds			Outstanding Amount 03/31/2013	Use of Proceeds
2010 GO Refunding	$3,600,000	10/28/2010 08/15/2020	General Fund Wastewater Fund Water Fund	27.49% 50.76% 21.75%	$989,640	$764,222 $1,411,128 $604,650	Refund 2001 CO Series, $16,590,000 bonds maturing 2012-2014 and 2020
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
2011 GO Refunding	$7,730,000	05/18/2011 08/15/2023	General Fund Wastewater Fund Water Fund	26.15% 58.26% 15.59%	$2,021,395	$1,938,638 $4,319,073 $807,289	Refund 2001 Ref GO Series , 3,965,000 bonds maturing 2012-2014 and 2002 CO Series, $9,245,000 bonds maturing 2014-2023
2011 Series Limited Tax Notes	$1,200,000	12/19/2011 08/15/2018	General Fund	100.00%	$1,200,000	$1,035,000	Phase II of Street Overlay Project
2012 Series	$1,850,000	12/20/2012 08/15/2032	General Fund	100.00%	$1,850,000	$1,850,000	Construction of city-wide road and street improvements
			Total Debt Outstanding 03/31/13			$53,705,000	
			Total General Government Debt Outstanding			$16,615,110	
			Total BCDC Debt Outstanding			$2,873,255	
			Total Revenue Bond Debt Outstanding			$14,165,000	
			Total Wastewater Debt Outstanding			$10,749,944	
			Total Water Debt Outstanding			$9,301,690	

Total Debt Outstanding



5-Year Debt Service Schedule

	2014	2015	2016	2017	2018
Beginning Fund Balance	**$ 134,644**	**$ 134,644**	**$ 134,644**	**$ 134,644**	**$ 134,644**
Revenues					
Property Tax Receipts	$ 2,106,419	$ 2,108,966	$ 2,060,741	$ 1,971,770	$ 1,952,731
Penalty and Interest	19,000	19,150	19,300	19,450	19,600
Wash Co 290 Project	277,325	259,400	209,800	158,300	104,700
Interest Income	1,200	1,200	1,200	1,200	1,200
Total Revenues	**$ 2,403,944**	**$ 2,388,716**	**$ 2,291,041**	**$ 2,150,720**	**$ 2,078,231**
Expenditures					
Principal/Int - 2006 COB	$ 686,269	$ 599,918	$ 606,325	$ 611,944	$ 611,775
Principal/Int - 2007 Refunding	66,874	66,545	66,216	67,262	446,240
Principal/Int - 2009 Refunding	700,719	1,028,394	1,027,855	1,029,188	634,400
Principal/Int - 2010 Ltd Tax Notes	120,306	118,106	115,631	118,019	-
Interest - 2010 PTT Bonds	554,650	518,800	419,600	316,600	290,400
Principal/Int - 2010 Refunding	237,734	13,415	13,415	13,415	13,415
Principal/Int - 2011 Refunding	219,084	213,909	213,599	211,679	215,923
Principal/Int - 2011 Ltd Tax Notes	179,877	182,056	179,146	186,242	188,164
Principal/Int - 2012 COB	99,925	109,275	108,525	112,588	111,588
2010 BVWACS Radio Lease	104,816	104,816	104,815	52,408	-
Fees/Other	2,800	2,800	2,800	2,800	2,800
Total Expenditures	**$ 2,973,054**	**$ 2,958,034**	**$ 2,857,927**	**$ 2,722,145**	**$ 2,514,705**
Transfers In/(Out)					
Transfer In - 2009 Refunding	$ 448,804	$ 451,212	$ 451,255	$ 453,406	$ 436,474
Transfer In - 2010 Ltd Tax Notes	120,306	118,106	115,631	118,019	-
Total Transfers	**$ 569,110**	**$ 569,318**	**$ 566,886**	**$ 571,425**	**$ 436,474**
Est. Ending Fund Balance	**$ 134,644**	**$ 134,644**	**$ 134,644**	**$ 134,644**	**$ 134,644**

ON TARGET

5-Year Property Tax Rate Projections

	2014	2015	2016	2017	2018
Taxable Valuation	$ 1,064,834,184	$ 1,096,779,210	$ 1,129,682,586	$ 1,163,573,063	$ 1,198,480,255
Percent Increase	3%	3%	3%	3%	3%
O&M Collection Rate	98%	98%	98%	98%	98%
I&S Collection Rate	100%	100%	100%	100%	100%
Value of 1 Cent of Tax Rate	$ 104,354	$ 107,484	$ 110,709	$ 114,030	$ 117,451
Tax Rate					
General Fund	$ 0.34200	$ 0.34200	$ 0.34200	$ 0.34200	$ 0.34200
Debt Service Fund	0.19780	0.19230	0.18240	0.16950	0.16290
Excess Tax Rate Capacity*	0.00340	0.00890	0.01880	0.03170	0.03830
Total Tax Rate	**$ 0.54320**	**$ 0.54320**	**$ 0.54320**	**$ 0.54320**	**$ 0.54320**
Excess Tax Rate in Dollars ($)	**$ 36,027**	**$ 97,754**	**$ 212,180**	**$ 369,339**	**$ 458,611**

*Excess tax rate capacity can be shifted to O&M rate if not needed to meet future debt obligations.

ON TARGET

BOND PROJECTS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
FIRE					
Replace Rescue Truck	$ 750,000	$ -	$ -	$ -	$ -
Replace Pierce Arrow Pumper	-	-	900,000	-	-
New Substation	-	2,180,000	-	-	-
Total Fire	**$ 750,000**	**$ 2,180,000**	**$ 900,000**	**$ -**	**$ -**
ANIMAL SHELTER					
New Animal Shelter Facility	$ 560,000	$ -	$ -	$ -	$ -
LIBRARY					
New/Expanded Library	?	?	?	?	?
DEBT FINANCING TOTAL	**$ 1,310,000**	**$ 2,180,000**	**$ 900,000**	**$ -**	**$ -**

Projects for $1.85 Million in Certificates of Obligation

Bond Proceeds	**$ 1,850,000**
LESS: Issuance Costs/Premium	(17,764)
	$ 1,832,236
Use of Proceeds	
Street Projects	
Engineering - Chappell Hill Extension	$ 988,795
Proceeds Available for Additional Projects	**$ 843,441**
Potential Uses of Available Proceeds	
Cantey Street Extension	$ 319,500
Schulte Street Extension	630,000
Day/Austin Street Crossover	630,000

STREET PROGRAM