Direction 16-17:
The Intersection of Opportunity and Mission

2016-2017 Fiscal Year
City of Richardson, Texas
Municipal Budget Overview

City Council Budget Workshops
July 19 – 20, 2016

Direction 16-17:
The Intersection of Opportunity and Mission

- A phrase that summarizes the "choice aspects" for this year's budget development efforts might be: ***The Intersection of Opportunity and Mission***.
- Through active discussion and community engagement, the City's Mission(s) are well-captured in our Goals/Strategies/Tactics.
- What's compelling for 2016-17 is the concurrent emergence of opportunities to act on - or accelerate - the impact on these missions.

- **Opportunities**:
  - *Resources*
  - *Vivid Plans*
  - *Assessments / Priorities*
  - *Market Attention*
  - *Community Support*
  - *Recovery & Sustainability*
  - *Synergistic Impacts*
  - *Interest Rate Environment*
  - *Stewardship*
  - *Preparation for the future*
  - …

A Busy Summer of Preparation

- The Summer of 2016 finds us active in the many important projects and initiatives that will shape the 2016-17 fiscal year:
  - Implementation of the 2015 Bond Program
  - Public Safety Campus improvements
  - Multi-faceted maintenance strategies
  - Main Street/Central Expressway studies and redevelopment initiatives
  - Transit Oriented Development and the Cotton Belt Passenger Rail Line
  - Discussions with North Texas Municipal Water District
  - Development of the Spring Creek Nature Area

Still True for 16-17:
Stacked Initiatives, Sustained Attention

- The key themes of recent budgets continue to be:
  - Enhanced infrastructure maintenance
  - Public Safety facility and staff enhancements
  - Economic Development funding
  - Enhanced customer and City experiences

July 19-20: Suggested Workshop Approach

- We await several elements to complete the preparation effort: final certified property tax roll, continued evaluation of revenues and economic trends, etc. Final certified property tax rolls are released by July 25th.
- Review of departmental expenditures continue.
- We use these early workshops to assess the **over-arching strategy** and dynamics expected for the 2016-2017 fiscal year.
  - Over the two evenings, a fund-by-fund overview report will be presented for the key operating funds.
- At these workshops, we will focus on the key operating funds that speak to most of the City's annual resources and delivery of services. A budget for <u>all</u> funds will be submitted with the required filing in early August.
- A key goal of these workshops is to confirm the suggested strategies and approaches for completing the current fiscal year and developing the next year's budget.

Aspirations for the FY 2016-2017 Budget

- Commit to Maintenance.
  - Move to 2.5 pennies dedicated to Street Maintenance
  - Add 1% of increased property values dedicated to Alleys
  - Sustain Year 4 Strategies for key maintenance activities: walls, bridges, markings, etc.
  - Increased water distribution and sewer collection systems maintenance strategies
  - New initiatives for facilities and aquatics maintenance
- Continue with Police and Fire Staffing Initiatives
- Increasing resources for Economic Development towards a 1 cent dedication
- Accelerate and consolidate the Police/Fire Campus redevelopment in a timely/single project

Budgeting – "The Intersection" of Key Decisions

- City Council Strategic Goals
- Boards and Commissions
- Multi-Year Redevelopment Plans

- Fund Balance Targets
- Adopted Financial Policies
- Rating Agencies Feedback

City Council Goals/Citizen Input

Financial Policies

Revenue Assumptions

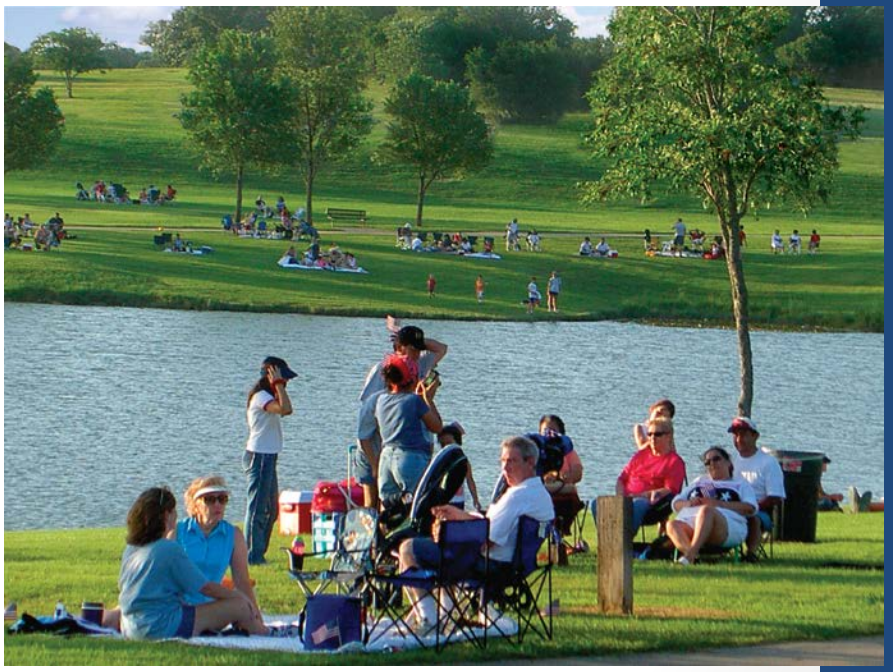
Expenditure Drivers

- Property Values
- Sales Tax Trends
- Fines, Fees & Permits
- Economic Activity

- Debt Analysis
- Compensation
- Capital Planning
- Expanded Program Requests

2016-2017 Budget Development

- The City's budget development process conforms to a variety of guidance features:
  - State & Federal Laws
  - City Charter
  - City Council Direction
  - City Financial & Investment Policies
  - Fund Accounting Standards
  - Bond Rating Criteria



Budget Development Objectives

- Develop a 2016-2017 Budget and Work Plan that requires no new property tax rate increase.
- Continue the strong alignment of municipal resources around the key themes of the Council's goals:
  - Sustained infrastructure enhancements
  - Quality public safety services
  - Neighborhood integrity and renewal
  - Active economic development
  - Strong fiscal management.
- Sustain the many maintenance initiatives begun with the 2013-2014 work plan.

Key Budget Elements for 2016-2017: **Property Tax**

- Our tracking efforts with the DCAD and CCAD appraisal districts suggest that 2016-2017 will be a year of increasing property values. A 12.5% increase has been predicated in this current preliminary budget draft.
- The 12.5% increase includes property tax values for the TIF areas. An effective increase (after TIF reductions) for the General Fund of 9% has been used for this preliminary review.
  - The specific components of the tax base and their trends will be known with the certified rolls to be received by July 25th.

Key Budget Elements for 2016-2017: **Property Tax**

- **No tax rate increase is proposed.** The current $0.63516 rate will be used in budget development, as we await an assessment of rollback impact.
  - Operations: $0.38031
  - Debt: $0.25485
  - Total: $0.63516
- The Senior Exemption increases from $60,000 to $70,000 to maintain the 30% protection objective for 2016-2017.
- Property taxes provide about 39.6% of the entire General Fund resources.

Key Budget Elements for 2016-2017: **Property Tax**

- Tax Rate Management Considerations:
  - Appraisal Increase Components
  - General Tax Payer Impact
  - Senior Citizen Impact
  - Trends and Averages
  - Maintenance Realities
  - Guidance of Current Law
  - Expected Future Legislative Revisions
  - Opportunities to Accelerate/Enhance

Key Budget Elements for 2016-2017: **Revenue Overview**

- Sales tax revenue estimating continues to be on an upward trend.
- This current 2015-2016 year has seen a mostly positive trend for sales tax.
- This preliminary 2016-2017 estimate for sales tax of $32.9 million uses a 3% growth factor for base collections.
- Sales tax revenue provides about 27.2% of the entire General Fund resources.
- Minor fee adjustments in Development Services, Health and Capital Projects are included in next year's proposed budget to remain competitive with benchmark cities.

Key Budget Elements for 2016-2017: **Public Safety Initiatives**

- The FY 2016-2017 Budget includes several efforts to enhance public safety resources including:
  - Capital funding for public safety campus projects that was approved in the 2015 Bond Program
  - Funding for body cameras and related technology
  - Enhanced staffing resources for both Fire & Police departments in the FY 2016-2017 budget:
    - Three patrol officers
    - Fire management code technician

Key Budget Elements for 2016-2017: **Maintenance Activities - General Fund**

Streets

Proposed budget includes 2.5 cents of property tax for:

- Two collector streets, three neighborhoods zones and a preventive maintenance program

Screening Walls & Bridge Railings

Proposed budget includes funding for:

- Ten bridges will be repaired and enhanced
- City owned walls, entry features and bridges will be painted and washed on a rotational basis

Traffic Signs & Pavement Markings

Proposed budget includes funding for:

- Small street name signs in two zones
- Markings on streets repaired via rehab program
- Updating one bike lane and adding one mile of bike lane

Assess a New Alley Maintenance Initiative

Key Budget Elements for 2016-2017: **Maintenance Activities – General Fund**

	FY13-FY14 Actual	FY 14-15 Actual	FY15-FY16 Actual	FY16-FY17 Proposed
Street Maintenance Strategy	$1,985,000	$2,465,000	$2,616,000	$3,164,834
Screening Walls	$120,000	$120,000	$50,000	$50,000
Bridge Railings	$225,000	$320,000	$300,000	$300,000
Pavement Markings	$250,000*	$300,000*	$350,000*	$400,000*
Street Name Sign Replacement	$100,000*	$100,000*	$100,000*	$100,000*
TOTAL	$2,680,000	$3,305,000	$3,416,000	$4,014,834

* Includes funding from the Traffic Safety Fund

Key Budget Elements for 2016-2017: **Maintenance Activities - Water/Sewer Fund**

Maintenance initiatives are multi-year, multi-faceted strategy.

Water Distribution System Strategy:
Proposed budget includes funding for:

- Elevated/ground storage maintenance
- Water main replacement
- Hydrant maintenance
- Valve replacement program
- Water meter replacement program

Sewer Collection System Strategy:
Proposed budget includes funding for CMOM:

- **C**apacity: flow monitoring, capital improvements
- **M**anagement: minimization of Inflow & Infiltration
- **O**perations & **M**aintenance: condition assessment, sewer line televising, planned and unplanned maintenance

Key Budget Elements for 2016-2017: **Maintenance Activities - Water/Sewer Fund**

	FY 14-15 Actual	FY15-FY16 Projected	FY16-17 Proposed
Water Distribution – Operations	$568,000	$697,000	$802,000
Water Distribution – Debt	$2,300,000	$1,900,000	$3,075,000
Sewer Collection – Operations	$666,000	$1,767,000	$4,294,000
Sewer Collections - Debt	-	-	$750,000
TOTAL	$3,534,000	$4,364,000	$8,921,000

Key Budget Elements for 2016-2017:
Maintenance Activities - Facilities and Aquatics

Facilities Services Renewal/Replacement Strategy:
The FY2016-2017 Proposed Budget includes funding for:

- Preventative maintenance/service Contracts/corrective maintenance
- Facility condition assessment
- HVAC system unit replacements
- Eisemann Center improvements

Aquatics Maintenance Strategy:
The FY 2016-2017 Proposed Budget includes funding for:

- Aquatics maintenance needs
- Aquatics reinvestment items

Key Budget Elements for 2016-2017:
Maintenance Activities - Facilities & Aquatics

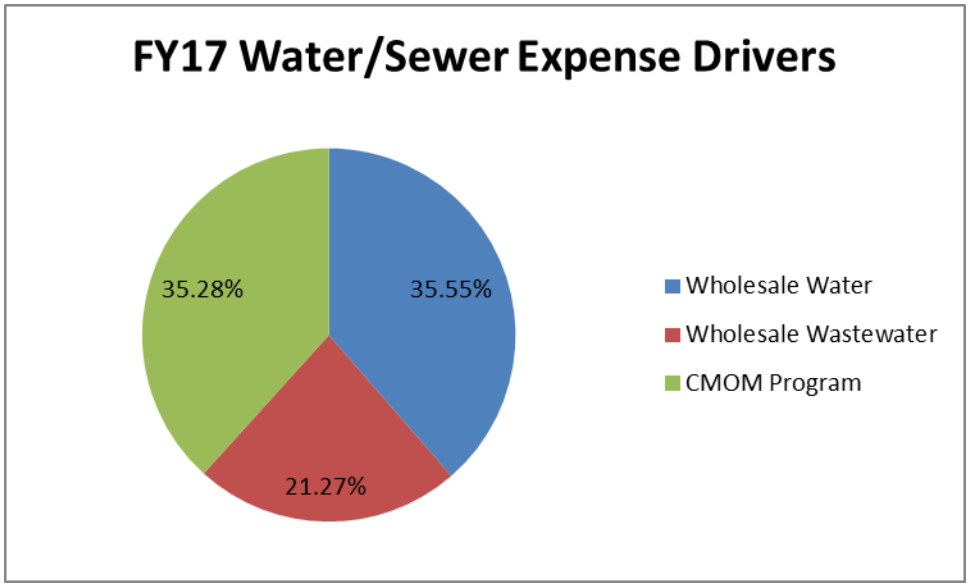
	FY 14-15 Budget	FY15-FY16 Projected	FY16-17 Proposed
Facilities – General Fund	$373,000	$513,000	$699,000
Facilities – Hotel Fund	$200,000	$530,000	$377,841
Aquatics – Operations	$28,000	$47,868	$238,530
Aquatics – Short-Term Debt	$44,000	$46,350	$162,900
TOTAL	$645,000	$1,137,218	$1,478,271

Key Budget Elements for 2016-2017: **Water/Sewer Utility Fund**

- The North Texas Municipal Water District (NTMWD) wholesale water rate is projected to increase 24 cents/1,000 gallons or $2.6 million for the next fiscal year. In addition, the NTMWD wholesale water rates continue to increase annually through the near future.
- The NTMWD Executive Director provided a presentation at the June 6th City Council meeting regarding the water supply and treatment needs for the district.
- The NTMWD has also increased their wastewater rates to reflect their maintenance initiatives.
- For 2016-2017, a rate adjustment for water and sewer of 8.25% is included in the proposed fund summary.

Key Budget Elements for 2016-2017: **Water/Sewer Utility Fund**

- Water and Sewer services are both experiencing additional mandates and requirements that necessitate greater financial resources. Below is a chart that demonstrates the impact of three expense drivers that comprise 92.1% of the increase in Water/Sewer Utility Fund non-capital expenses.



Key Budget Elements for 2016-2017: **Water/Sewer Utility Fund**

The June 6th City Council briefing highlighted the enhanced emphasis on water and sewer line maintenance that is being incorporated in the FY 2016-2017 budget. Key strategies include:

- Funding for CMOM (Capacity, Management, Operation & Maintenance) programs
- Increased funds dedicated to water main replacement
- Dedication of funds for water tank rehab
- Increased funds for sanitary sewer reconstruction
- Strategic meter replacement

Key Budget Elements for 2016-2017: **Solid Waste Fund**

- A change in the recycling commodities market as well as increased operating costs necessitate a $3.00/month residential rate increase as well as rate changes for commercial customers.
- Expenditures (including transfers) are budgeted at $14.6 million, an increase of 6.3% from the prior year.
- With the proposed rate changes, the Solid Waste Fund is projected to meet its 90 day fund balance goal in FY 2016-2017.

Key Budget Elements for 2016-2017: **Drainage Fund**

- A presentation of the proposed Drainage Fund was presented at the June 27th City Council meeting. $786,000 of current General Fund expenses related to this program will be supported by the Drainage Utility Fund.
- Additionally, about $1.675 million in annual stormwater/drainage capital improvements and contract services will be funded.
- The use of these funds is reflected in the Drainage Utility Fund as well as a transferred portion to the General Fund for specific cost allocated support.

Key Budget Elements for 2016-2017: **Golf Fund**

- Expenditures are proposed at $2.22 million.
- Revenues are expected to be $2.35 million.
- Fiscal Year 2016-17 is the first full year impact of Course #1 improvements and the fee increases approved in Spring 2016.

Key Budget Elements for 2016-2017: **Hotel/Motel Fund**

- Hotel Occupancy Taxes remain strong and are budgeted at $4.5 million, an increase of 2% from the prior year.
- Eisemann Center revenues are projected at $2.3 million and parking garage fees are projected at $211,000.
- The need to renew and maintain key equipment and infrastructure at the Eisemann Center has led to the continuation of a multi-year investment strategy for these assets.
- Key expenditures included in the proposed budget include the lighting upgrades, HVAC equipment and a visitors study for the Convention and Visitors Bureau.

Key Budget Elements for 2016-2017: **Debt & Capital Program**

- For 2016-2017, $21.615 million across all funds is under review for the Series 2016 C.O. and G.O. debt program.
  - $2.9 million for General Fund capital equipment
  - $1.0 million for Information Technology equipment
  - $1.05 million for Fire Equipment
  - $0.94 million for Solid Waste equipment
  - $3.825 million for Utility capital equipment and projects
  - $6.3 million for Public Safety campus projects
  - $5.6 million for Streets & Drainage supplement

- A final recommendation will be part of the August submitted budget.

Key Budget Elements for 2016-2017: **Staffing & Compensation**

- Personal Services comprise the largest expense category of the General Fund. Staff continues to hold open some vacant positions and understaff to assist in managing these expenses.
- The City compares salary and benefits information with twelve benchmark cities as well as uses private sector data to help develop compensation and benefit recommendations.

Key Budget Elements for 2016-2017: **Staffing & Compensation**

- Compensation information from private sector organizations is much more difficult to obtain, therefore the City uses summary compilations of private sector salary information from organizations such as World at Work.
  - Not all of the City positions have a private sector counterpart (i.e. police officer, firefighter), therefore the generalized information is used for general market analysis, as opposed to analyzing the competitiveness of specific positions.
  - Pay structures can also be different in the private sector; many public sector positions do not have bonus options or variable pay.

Key Budget Elements for 2016-2017: **Staffing & Compensation**

- Most classifications in the City of Richardson are on a step compensation plan.
- Sworn Police and Fire employees are on a step plan. All benchmark cities are on a step plan for sworn Police and Fire employees.
- Police and Fire salaries are compared both at minimum and maximum pay levels for each position.
- Using market data from June 2016:
  - Richardson Police Officer ranks 7th out of 13 cities*, 2.1% below the top 1/3 cities
  - Richardson Fire Fighter ranks 7th out of 13 cities*, 1.3% below the top 1/3 cities
- It is anticipated that many of the benchmark cities will make market adjustments with next year's budget.

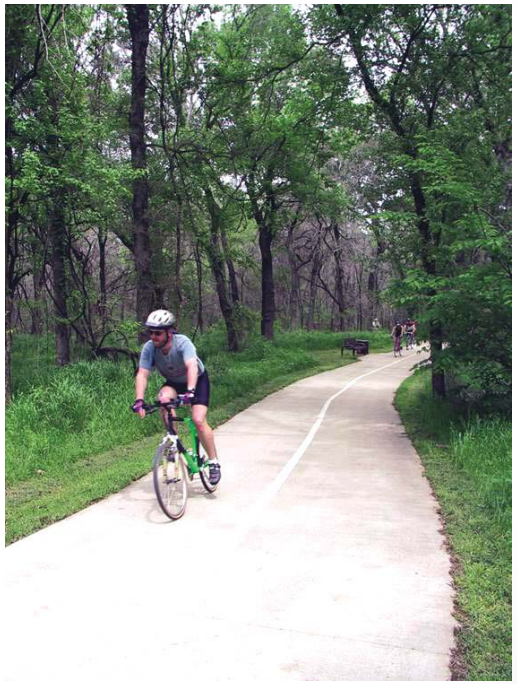
* For maximum pay comparisons

Key Budget Elements for 2016-2017: **Staffing & Compensation**

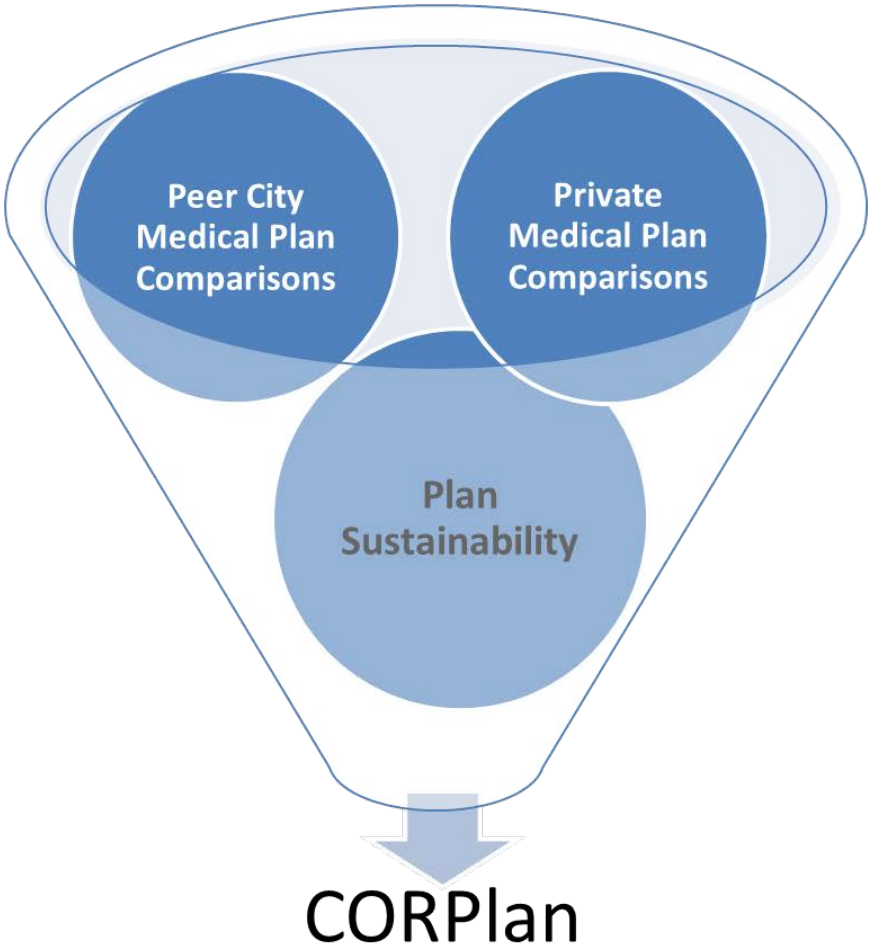
- Support for compensation steps (up to 5%) is proposed for the 54% of employees still within ranges.
- A proposed compensation adjustment plan is being considered to remain regionally competitive with other communities.

Key Budget Elements for 2016-2017: **Health Benefits**

- The City's philosophy regarding health insurance is to:
  - Ensure the medical plan is financially sustainable
  - Remain compliant with the Affordable Care Act
  - Offer a medical plan that is competitive in attracting and retaining employees
- In 2017, the City is continuing its efforts to achieve these goals by:
  - Strengthening efforts towards creating a **consumer driven health care plan**
  - Implementation of **plan design changes** to help increase the sustainability of the medical plan
  - Increasing the **City's investment** in health benefits for the second year of a two year strategy, therefore minimizing the financial impact in future years
  - Expanding efforts related to **wellness programming** that are results-oriented and engaging employees to lead a healthy lifestyle



Key Budget Elements for 2016-2017: **Health Benefits**

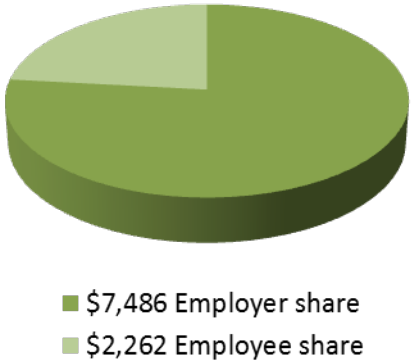


Key Budget Elements for 2016-2017: **Health Benefits**

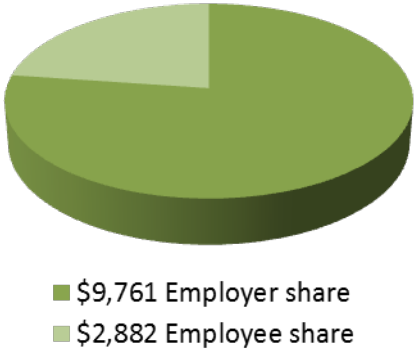
Public and Private Health Care Cost Trends: Per Capita Costs*

- Employers continue to shoulder the load, contributing on average $9,761 per employee or 77.2% of total plan costs.
- Since 1999, the employer share has risen 30%, while the employee share has risen 27%

1999 Total plan cost = $9,748



2016 Total plan cost = $12,643

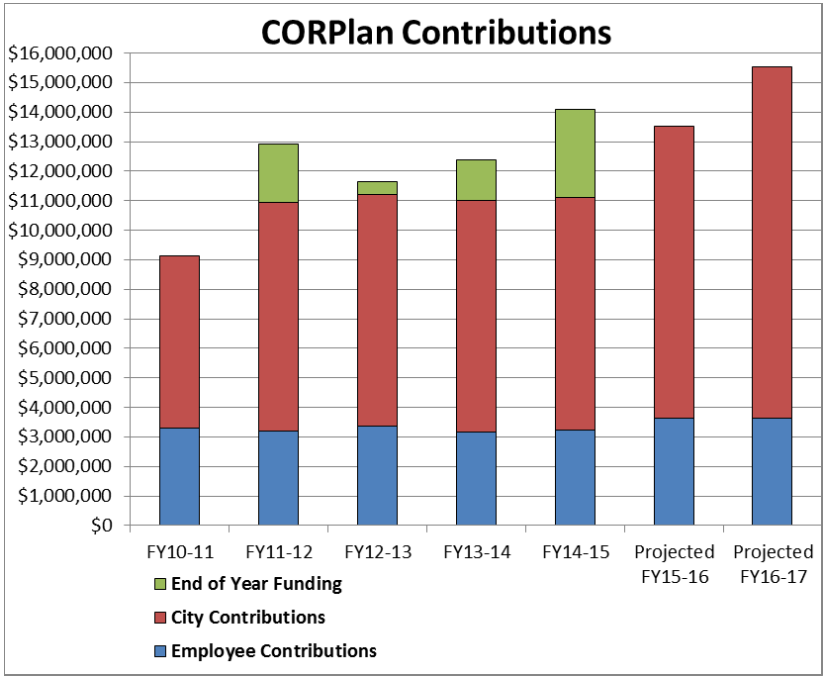


Comparison: City of Richardson 2016 Per Capita Cost
- Total = $12,105
- Employer = $9,530 / 78.7%
- Employee = $2,575 / 21.3%

* Kaiser

Key Budget Elements for 2016-2017: **Health Benefits**

- The City is in the second year of a two year strategy to increase its investment in health benefits. Below is a chart that illustrates the emphasis the City has made in FY15-16 and FY16-17 to include adequate funding for health benefits during the development of the annual budget.



Key Budget Elements for 2016-2017: **Health Benefits**

Changes made to the City's health benefits help achieve:

- Medical funding sustainability
- Shift to more consumer-driven medical plans
- Continued philosophy of providing medical benefits to attract and retain employees by remaining competitive with both pubic and private employers
- Encouraging and engaging employees and their families to maintain a healthy lifestyle

Key Budget Elements for 2016-2017: **Health Benefits**

Prior Consumer Driven Health Care Plan Initiatives:

- Create a high deductible health plan that qualifies for use with a Health Savings Account
- Implemented new prescription tiers for specialty drugs and non-preferred brands and decreased generic prescription copays
- Implemented Compass, a tool for members to utilize to help make consumer driven medical decisions
- Implemented group Medicare supplement and prescription drug plan for post-65 retirees, in lieu of the City's medical plan
- Partnered with Methodist Hospital to implement a revamped and more engaging and results oriented wellness program to achieve individual wellness goals
- Eliminated a PPO plan that was not financially sustainable
- Increased out of pocket maximums and deductibles
- Lowered copays for visits to primary care physicians, increased copays for visits to specialists
- Implemented program to help minimize large claims in musculoskeletal ailments

Key Budget Elements for 2016-2017: **Health Benefits**

2017 Consumer Driven Health Care Plan Initiatives:

- Increase the City's contributions to Health Savings Accounts and lower the premiums for this plan to encourage migration from PPO plans
- Increase the deductibles for traditional PPO plans to account for plan usage and encourage healthy lifestyle choices
- Implement Telemedicine
- Implement Step Therapy for prescription programs

2018 and 2019 Consumer Driven Health Plan Considerations:

- Increase premiums and deductibles on the traditional PPO plans to encourage migration to high deductible plans
- Implement exclusive Home Delivery Program for maintenance medications
- Implement narrow pharmacy network
- Implement a narrow medical network plan with no out-of-network benefits
- Possible elimination of a PPO plan
- Implement a reference-based pricing program

Key Budget Elements for 2016-2017: **Next Steps**

- Incorporate City Council feedback from July 19-20 Budget Workshop discussions.
- Confirm appraised values and revenue projections.
- Refine and finalize departmental budget requests.
- Complete analysis of compensation and market recommendations.

Summary

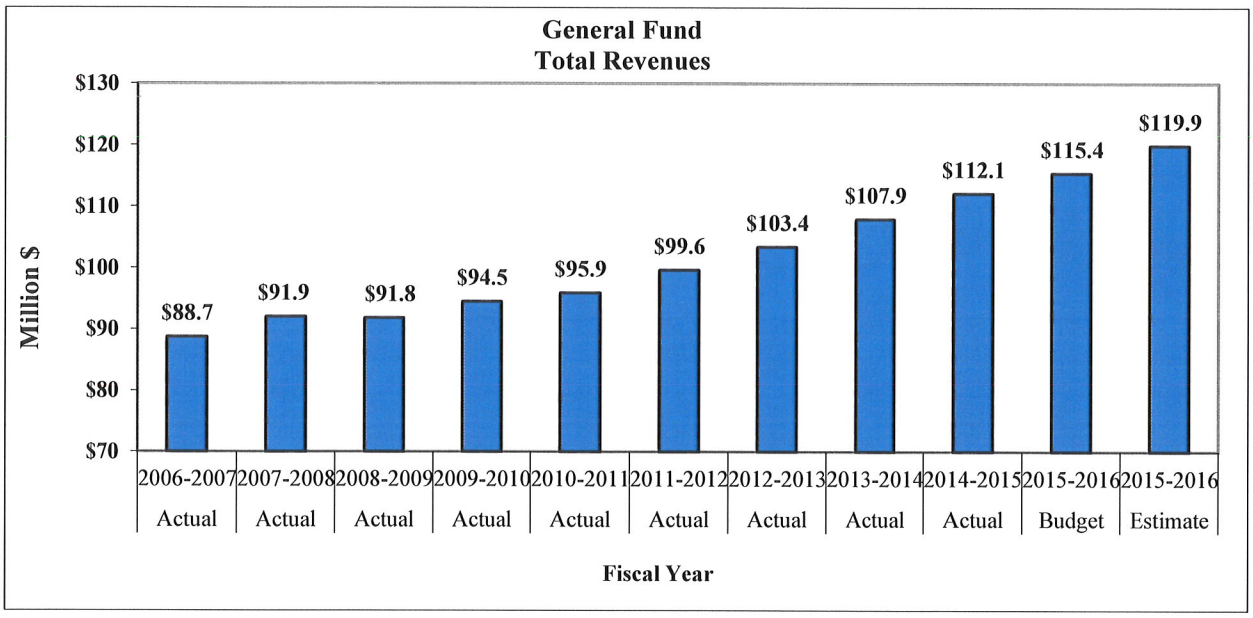
- Many tasks and further detailing is required before the planned August 5, 2016 budget filing.
- Further opportunities to provide access and to gain public input are scheduled before final adoption.
  - Council Budget Workshops - Web/Cable Access
  - Council Budget Work Session – Web/Cable Access
  - Web, City Secretary & Library copies of the filed budget provided
  - Budget/Tax Rate Public Hearings
- The City Council's input is sought at this early stage to confirm that the 2016-2017 budget proposal is fiscally responsible and responsive to our service needs for 2016-2017.

GENERAL FUND

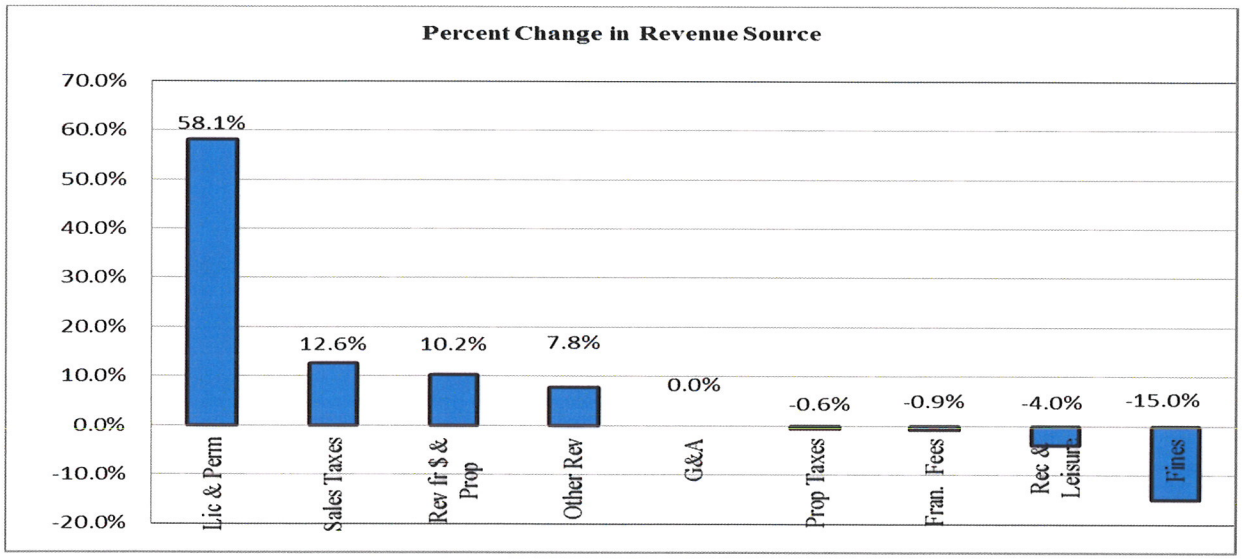
2015-2016 Year End Estimate

Revenues

- Total Revenues for the General Fund have been revised based on 9 months of actual revenues received to date across all revenue sources. Total Revenues are now projected to end the year at $119.9 million or $4.5 million over the original budget projections.



- Of the 9 major categories of revenue sources, 5 are expected to be at or above original revenue projections while the remaining 4 categories are expected to be lower than original budget estimates.



General Property Taxes

- Original 2015-2016 Budget projections for revenue from General Property Taxes assumed 100% collection. Property Tax revenues for 2015-2016 were predicated on a citywide assessed value tax base of $11.6 billion which included a July 2015 Certified Tax Base of $12.2 billion, $73.1 million of values in dispute still outstanding at the time of DCAD roll certification and a reduction of ($707.0 million) for the Tax Increment Financing Districts.

Year-end estimates call for total collections, including prior year taxes and penalties of $44.5 million for General Fund operations, a decrease of ($269,000). Throughout the year, the City receives supplemental adjustments to the roll that happen as a result of the settlement of any outstanding cases from the Appraisal Review Board process and lawsuits associated with valuation disputes. These adjustments may add or subtract value to our July certified rolls. Likewise in the category Prior Taxes, if an outstanding case is settled that includes taxes from a prior year, the City may receive those collections in Prior Taxes. The reduction does not include a possible $100,000 that may be recorded in the Debt Service Fund. Property Taxes are spilt between debt and operations so any collection rate less than 100% will affect the debt fund as well. Since the only form of revenue that the debt service fund receives is property taxes and the interest it earns, this year-end balancing treatment is required to maintain 30 days in fund balance.

Franchise Fees

- Franchise Fees are charged to utility service providers for the use of City owned right-of-way for placement of the necessary infrastructure to provide their service to clients. Total revenue received from franchise fees is anticipated to end the year ($145,000) below the original budget of $15.8 million. The largest increase is expected in the electric franchise which is expected to be $281,000 over the original budget. The largest decrease of ($444,000) is expected in the natural gas franchise fee. The remaining fees, budgeted at $8.0 million, combine for an increase of $19,000.

Sales Taxes

- Total Sales and Other Business Taxes were budgeted at $30.1 million for 2015-2016 and are anticipated to end the year at $33.9 million. With audit adjustments totaling $1.4 million and "base actual" collections $2.1 million over last year, we project year-end sales tax of $33.3 million representing a $3.8 million increase. Combined, Mixed Beverage and Bingo Tax will end ($18,000) below a combined budget of $546,000.

License and Permits

- License and Permits are expected to finish the year $1.5 million over the original budget of $2.5 million. As you can see in the charts below and on the next page, the number of permits for New Buildings increased 15.3% with an increase in permit value of 136.2% as a result of the permitted multi-family projects under development. Additions and Alterations also see an increase due in large part to the spring hail storm. Residential alteration permits are up 143%, most of which are roof permits as a result of hail damage.

No. Of Permits Comparison				
	YTD 2013-2014	**YTD 2014-2015**	**YTD 2015-2016**	**% Change FY15 – FY16**
New Buildings				
Residential	85	107	131	22.4%
Non-residential	85	96	103	7.3%
Subtotal	170	203	234	15.3%
Additions & Alterations				
Residential	807	844	3,439	307.5%
Non-Residential	302	242	287	18.6%
Subtotal	1,109	1,086	3,726	243.1%
Total	***1,279***	***1,289***	***3,960***	***207.2%***

Permit Valuation Comparison				
	YTD 2013-2014	YTD 2014-2015	YTD 2015-2016	% Change FY15 – FY16
New Buildings				
Residential	**$58,018,000**	**$74,656,363**	**$531,448,185**	611.9%
Non-residential	**$143,072,404**	**$194,302,223**	**$103,800,513**	-46.6%
Subtotal	$201,090,404	$268,958,586	$635,248,698	136.2%
Additions & Alterations				
Residential	$11,420,081	$17,875,382	$43,598,182	143.3%
Non-Residential	$71,830,906	$41,935,389	$146,648,865	249.7%
Subtotal	$83,250,987	$59,810,771	$190,247,047	218.1%
Total	***$284,341,391***	***$328,769,357***	***$825,495,745***	***151.1%***

Fines and Forfeits

- Revenue from Fines and Forfeits are expected to be ($613,000) or -15.0% below the original budget.

Revenue from Money/Property

- Revenue from Money/Property, which includes interest earnings and the Civic Center revenues, is expected to end the year $39,000 over the original budget of $380,000.

Recreation and Leisure Services

- Revenue received from the variety of city-sponsored Recreation and Leisure Services is expected to end the year ($169,000) below original budget of $4.2 million. Class fees are down ($112,000) while Older Adult revenue is down ($90,000). In both cases, expenditures will also be down as the expense for the class or trip was not incurred since the event did not take place. With the October rains cancelling Huffhines Art Trails, Art Festival revenue is down ($77,000). The remaining fees combine for an increase of $110,000 on a $3.3 million budget.

Other Revenues

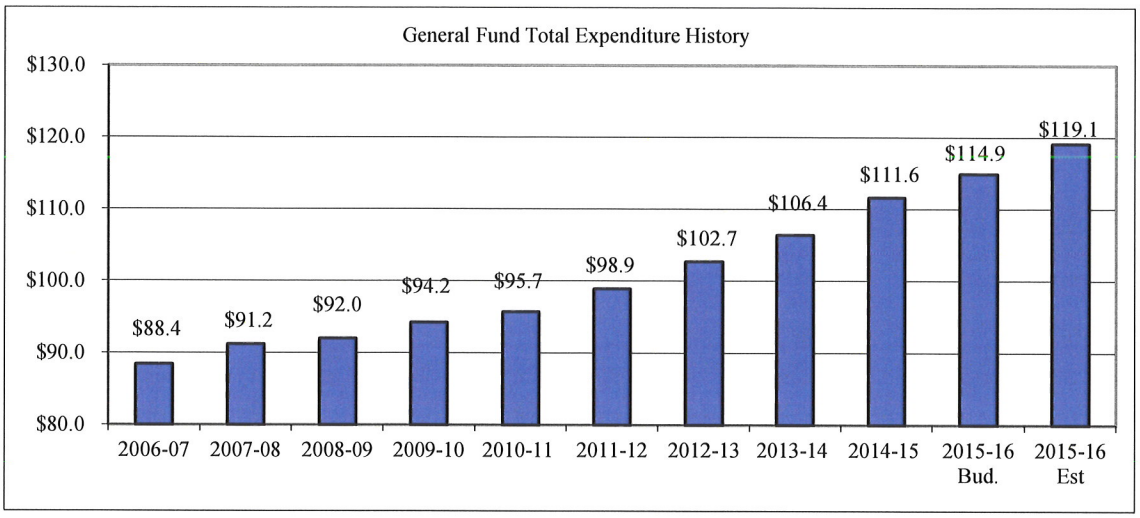
- The Other Revenues category is expected to end the year at $5.3 million, an increase of $379,000 from the original budget. Ambulance fees are expected to end the year $214,000 above the original budget, while the Miscellaneous category is expected to be $124,000 over the original budget of $1.4 million original budget. As a reminder, the Miscellaneous category is a compendium of 45 smaller revenue accounts that do not fit cleanly into another defined revenue category.

General & Administrative

- The General and Administrative (G&A) Transfer revenue category is expected to end the year even with the original budget with the only variance being the Convention and Visitors Bureau transfer. It will be adjusted at year-end to match actual expense.

Expenditures

- Total Expenditures and Transfers for the General Fund are estimated to end the year at $119.1 million or $4.2 million above the original budget.



- With 9 months of actual expenditures and an eye towards year-end, departments have submitted year-end estimated operating expenditures totaling $111.9 million, a decrease of ($37,000) from original budget.
- Departments have recognized ($1.7 million) or -2.0% in savings in the Personal Services category as a result of natural attrition throughout the year.
- Professional Services increases $1.2 million from the original budget of $8.5 million.
  - Streets reallocated $245,000 from the maintenance category to professional services to increase contracted street repair.
  - Capital Projects increased $255,000 to address bridge maintenance issues not identified in the original budget.
  - Building Inspection increased $120,000 for contract building inspection services.
  - Fees to the sales tax consultant are up $250,000 for their share of recovered sales tax that was rightfully the City's but reported elsewhere.
  - The remaining increase includes several smaller increases across larger accounts.
- The Maintenance account group decreases ($29,000) or basically at its original budget position of $4.1 million.
- Contracts are expected to end the year $120,000, or 2.0% over the original budget due in large part to an additional $80,000 in required advertising for the charter election.
- Supplies increase $235,000 or 2.7% from the original budget and include $444,000 in prior year encumbrances. These encumbrances represent items or services that were ordered or placed under contract in FY 14-15 but not delivered or completed until this current year. Funding for encumbrances is reserved in fund balance at the end of each year.
- Capital shows an expenditure of $117,000 for vehicle damage during the year. Much of this expense is offset by insurance reimbursement.
- Operating Transfers Out is estimated to end the year $4.2 million over the original budget due to the positive revenue performance in the form of large one-time, non-recurring sales tax audit adjustments and large project building permits. If the revenue and expenditure plan continues at the projected pace, two transfers to special projects is planned at year-end including;
  - $2.9 million transfer to Special Projects is planned to be detailed to Council in the Fall.

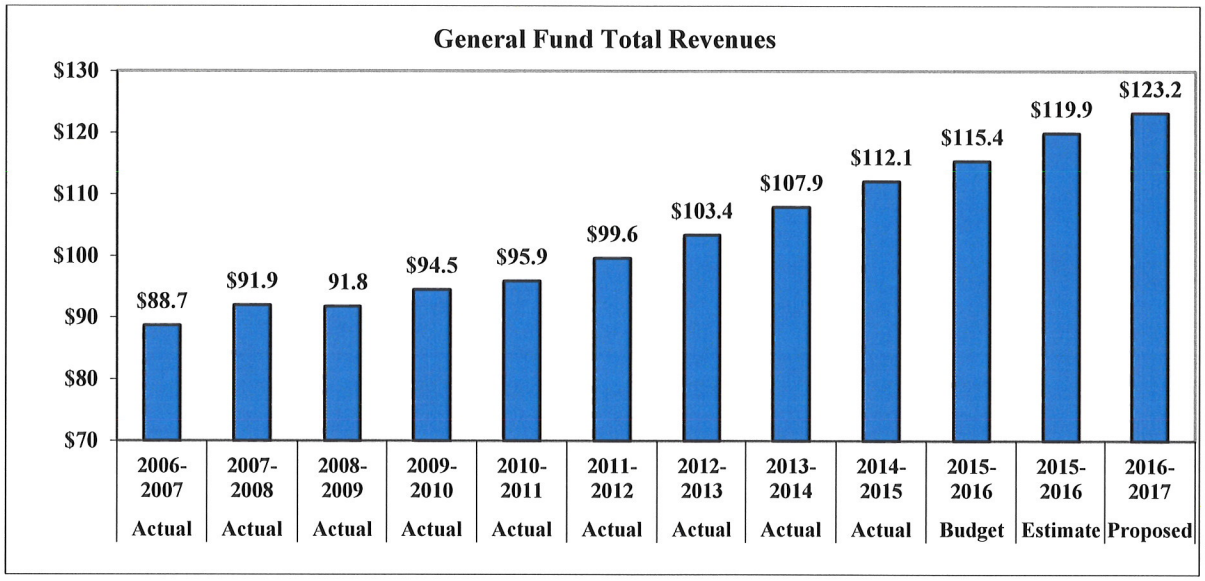
- $1.3 million for added maintenance initiatives and projects to supplement other maintenance efforts tentatively identified as;
    - $200,000 for the rehabilitation of two railroad crossings.
        - Waterview at the Cottonbelt crossing
        - Campbell Rd at the KCS crossing
    - $422,000 for pump house and bath house renovations at two pools
    - $400,000 for median improvement projects
    - $278,000 could be available to begin a commercial sidewalk rehabilitation program.

Fund Balance

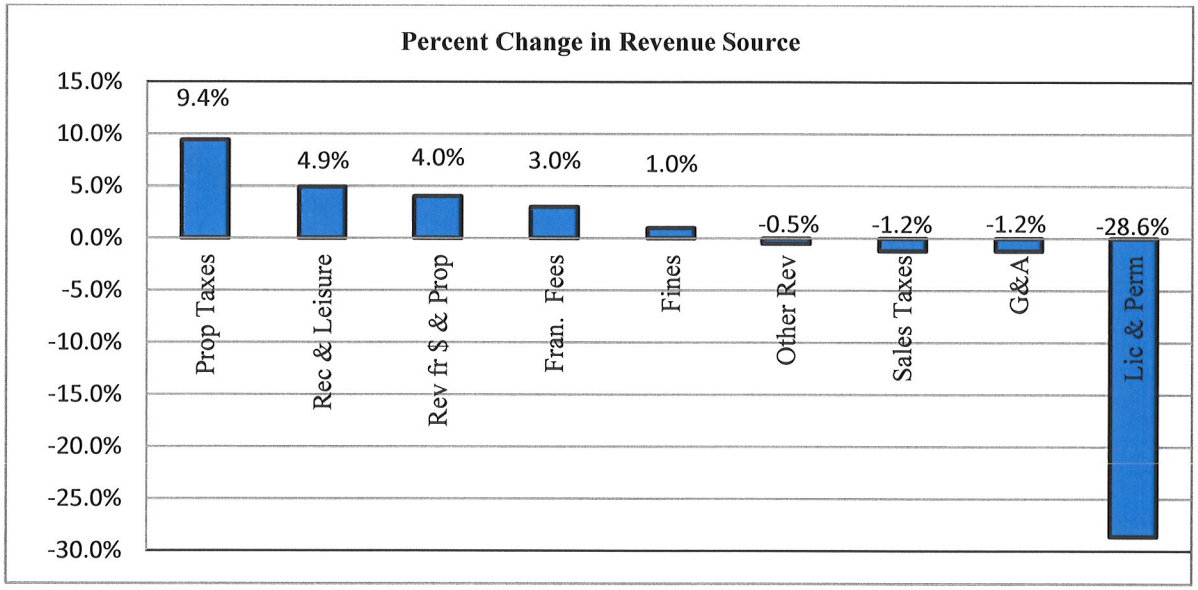
- Fund balance is estimated to end the year at 61.7 days in compliance with the financial policy for the General Fund. We will continue to monitor and adjust revenues and expenditures through the remaining months of the fiscal year so as to end the year at 60 days of fund balance.

Revenues

- Total Revenues for the General Fund of $123.2 million, an increase of $3.2 million from the estimated year-end revenues of $119.9 million.



- Of the nine major revenue categories, revenue from Property Tax, Sales Tax and Franchise Fees comprise 79.8% of all projected General Fund revenues for 2016-2017. Five of the nine revenue sources are anticipated to be higher than year-end estimates for 2015-2016.



Property Taxes

- Based on information provided to us by DCAD, the table below summarizes the percent of parcels in each category reappraised by DCAD for the last three years. CCAD reappraises 100% of all parcels each year.

DCAD 2014 Tax Roll – Percent of Parcels Reappraised			
	2014	2015	2016
Residential	58%	76%	91%
Commercial	66%	48%	22%
BPP	100%	100%	100%
All	66%	78%	88%

- In May 2016, total preliminary values for the 2016-2017 tax roll were $14.0 billion combined from Dallas Central Appraisal District (DCAD) and Collin Central Appraisal District (CCAD), indicating a 14.5% increase in assessed valuations from the overall 2015 Certified Roll of $12.2 billion. Throughout the summer, reductions to these preliminary values routinely occur through taxpayer challenges of appraisal values.
- For DCAD, the preliminary value of $8.7 billion represents a 15.1% increase from the 2015 Certified Roll of $7.6 billion. While in CCAD, a $5.3 billion preliminary roll represents a 13.4% increase from the 2015 Certified Roll of $4.7 billion.

	Certified 2015	**First Preliminary 2016**	**$ Change**	**% Change**
CCAD	$4,672,143,113	$5,300,000,000	$627,856,887	13.4%
DCAD	$7,575,894,179	$8,722,625,983	$1,146,731,804	15.1%
Total	**$12,248,037,292**	**$14,022,625,983**	**$1,774,588,691**	**14.5%**

- Over the course of the last two months, several interim appraisal reports have been received as the DCAD Appraisal Review Board works toward resolution of appeals. Through July 13, 2016, the preliminary $8.7 billion DCAD roll has been adjusted downward by a total of ($192.5 million), a decline of (2.2%) from the first Preliminary Estimate. The CCAD estimate of $5.3 billion remains unchanged from the first preliminary estimate. As a general rule, the CCAD does not issue interim updates like DCAD. We receive the original estimate, then the final on or about July 25th.
- Given the expected further changes in the tax rolls before we receive Certified Finals on or about July 25, the 2016-2017 General Fund Budget is predicated on a 9.0% increase in assessed values from the certified values for 2015-2016. The estimating technique used to predict the 9.0% is based on a 5-year history of adjustment from the first preliminary roll through actual certified. As certified rolls are received from the 2 appraisal districts at the end of this month, assessed valuation assumptions in the proposed 2016-2017 Budget will be updated to reflect final figures.
- Using the projected value, each 1% of the 2016 tax roll is worth about $804,000 of tax revenue. Each $0.01 cent of the tax rate is worth about $1.3 million. These will adjust slightly as a certified roll is resolved.
- The Council took action on March 28 to increase the Over 65 and Disabled Persons tax exemption from $60,000 to $70,000 a year, an increase of $10,000 or 16.7%. Given the anticipated valuation increase for FY 2016-2017, the adopted increase will maintain the goal of providing a 30% tax benefit and save those receiving the exemption an average of $445 a year in City property taxes.
  - The average value of a senior's home would have to increase by 16% before a $70,000 exemption fell below the 30% financial policy goal.
  - At $70,000, the exempted taxes are estimated to total $3,423,512 with an incremental cost to the General Fund of $489,073
    - Operations = $292,839 and Debt Service = $196,234

- The current 2015-2016 tax rates for our comparative cities are presented in the following graph.

Current 2015-2016 Adopted Rates				
City	2015 Tax Rate	2015 Homestead	2015 Over 65	2015 Over 65 Freeze
Frisco	$0.460000	N/A	$60,000	No
Plano	$0.488600	20%	$40,000	Yes
Allen	$0.530000	N/A	$50,000	No
McKinney	$0.583000	N/A	$50,000	No
Irving	$0.594100	20%	$30,000	No
Carrollton	$0.612875	20%	$60,000	No
AVERAGE	*$0.632179*		*$51,923*	
Richardson	**$0.635160**	**N/A**	**$60,000**	**No**
Mesquite	$0.640000	N/A	$65,000	Yes
Arlington	$0.648000	20%	$60,000	Yes
Grand Prairie	$0.669998	1%	$45,000	Yes
Garland	$0.704600	8%	$51,000	No
Dallas	$0.797000	20%	$64,000	No
Ft. Worth	$0.855000	20%	$40,000	Yes

- Property Tax Revenues for operations are projected at $48.1 million reflecting a $4.0 million increase from budgeted 2015-2016 Property Tax Revenues.
- For the past 19 years the City has dedicated a portion of the tax rate to the Street Rehabilitation Program. Once again the commitment is two full two cents of the overall levy with the option under review to increase another half penny.
- The dedication of the partial penny for economic development, begun in FY 2013-2014 with 6/10 of a cent, is proposed to increase this year to 8/10 of a cent.
- New this year is the dedication of a half penny for an Alley Rehabilitation Program in the same vein as the Street Rehabilitation Program.

History of Taxable Value, Tax Levy and Tax Rates 2006 to Proposed Budget 2016-2017									
Tax Year	Taxable Value	Tax Levy	Operation & Maintenance				Total O & M	Interest & Sinking	Total Tax Rate
			Street*	Eco. Devo.	Alley Prg.	Operations			
###	***$12,659,333,383***	***$80,407,022***	***$0.025***	***$0.008***	***$0.005***	***$0.34231***	***$0.38031***	***$0.25485***	***$0.63516***
2015	$11,614,067,324	$73,767,910	$0.020	$0.006	-	$0.35431	$0.38031	$0.25485	$0.63516
2014	$10,847,814,995	$68,900,982	$0.020	$0.006	-	$0.34431	$0.37031	$0.26485	$0.63516
2013	$10,505,682,344	$66,727,892	$0.015	-	-	$0.35031	$0.36531	$0.26985	$0.63516
2012	$10,046,709,834	$63,812,682	$0.010	-	-	$0.35281	$0.36281	$0.27235	$0.63516
2011	$9,762,481,127	$62,007,375	$0.010	-	-	$0.35281	$0.36281	$0.27235	$0.63516
2010	$9,696,775,165	$61,590,037	$0.010	-	-	$0.35281	$0.36281	$0.27235	$0.63516
2009	$9,993,609,491	$57,479,244	$0.010	-	-	$0.35281	$0.36281	$0.21235	$0.57516
2008	$9,940,193,373	$57,172,016	$0.010	-	-	$0.35281	$0.36281	$0.21235	$0.57516
2007	$9,554,151,301	$54,951,657	$0.010	-	-	$0.35281	$0.36281	$0.21235	$0.57516
2006	$9,334,869,777	$53,171,447	$0.010	-	-	$0.34868	$0.35868	$0.21648	$0.57516

* Street Rehabilitation Funding

Franchise Fees

- Franchise Fees are projected at $16.1 million for 2016-2017, an increase of 467,000 or 3.0% over estimated year-end. The largest increase this year, $284,000, is projected in the Water and Sewer Franchise Fee based on a rate change proposal to be discussed in more detail when we talk about that fund. The Electric Franchise Fee is the next largest increase projected at $66,000 over year-end and is reflective of the standard growth in consumption as well as price fluctuations. The remaining fees, budgeted at $5.9 million, increase $117,000 from year end.

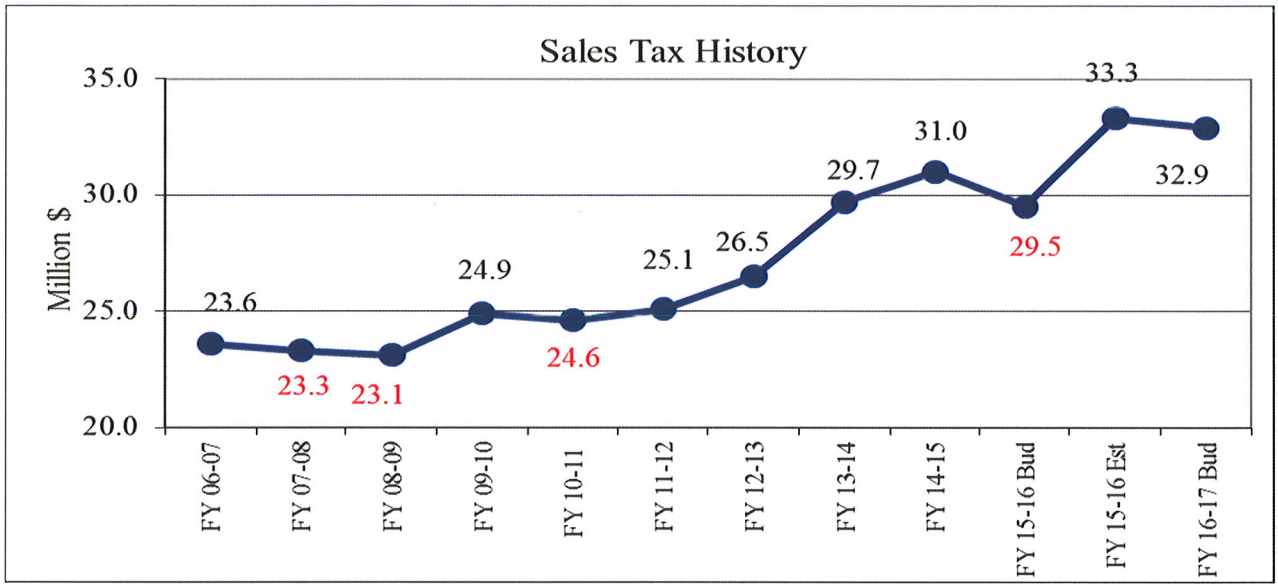
Sales and Other Business Taxes

- Sales and Other Business Taxes are projected at $33.5 million for next year reflecting a decrease of ($402,000) or -1.2% from estimated year-end revenues.
- As you can see in the following table, YTD FY16 and FY15, the City received significant audit adjustments totaling $2.8 million. For budgeting purposes, we remove these audit adjustments before projecting the expected budget.

	FY 2014-2015			FY 2015-2016			
	Base Actual	Significant State Audit Adjustments	Actual	Budget	Base Actual	Significant State Audit Adjustments	Actual
NOV	$ 2,806,142	$ 135,576	$ 2,941,718	$ 2,833,441	$3,121,512	$ 121,274	$3,242,786
DEC	2,514,683	-	2,514,683	2,298,160	2,532,649	598,315	3,130,964
JAN	1,955,456	-	1,955,456	2,020,360	2,146,672	-	2,146,672
FEB	3,060,303	108,401	3,168,704	3,122,227	3,262,946	164,386	3,427,332
MAR	2,182,512	238,055	2,420,567	2,221,707	2,181,000	191,764	2,372,764
APR	2,032,069	-	2,032,069	2,032,434	2,297,333	-	2,297,333
MAY	2,704,779	126,319	2,831,098	2,703,484	3,211,712	290,212	3,501,924
JUN	2,354,826	263,352	2,618,178	2,400,044	2,242,704		2,242,704
JUL	1,978,096	-	1,978,096	2,177,072	2,725,633	-	2,725,633
Cumulative	**21,588,866**	**871,703**	**22,460,569**	**21,808,928**	**23,722,161**	**1,365,951**	**25,088,112**
AUG	2,899,215	391,154	3,290,369	2,793,831	-		
SEP	2,449,808	170,418	2,620,226	2,403,903	-		
OCT	2,580,732	-	2,580,732	2,522,300	-		
TOTAL	**29,518,621**	**1,433,275**	**30,951,896**	**29,528,961**	**23,722,161**	**1,365,951**	**25,088,112**

- Our top 20 remitters account for 27.7% of total receipts this year, up slightly from the 27.6% last year. We are seeing modest growth across most sectors including high tech manufacturing, computing services, high tech leasing and business to business sales, with energy services and construction slightly down from last year. Strong growth is being recognized in retail sales, while the telecommunications services and insurance services sectors are experiencing modest declines.
- Mixed Beverage and Bingo receipts are anticipated to increase modestly by $5,000 over year-end. Sales Tax, the largest of the three in this category, is projected to increase $959,000 or 3.0% from year-end estimates for "base to base" collections. As mentioned above, significant audit adjustments are removed prior to forecasting the coming year.

FY 15-16 Base Actual	Projected Growth Rate	FY 16-17 Projected
$31,969,106	3.0%	$32,928,179



License and Permits

- License and Permits are projected to decrease ($1.1 million) from the year-end estimate of $4.0 million. Building Permits account for the entirety of this decline due to the inclusion last year of large; one time permits related to current economic development activities. These large permits are removed from year-end estimates before projections are made about the coming year. In keeping with our goal of maintaining a fair and market competitive user fee structure, eight minor increases to select fees and permits are included in this projection totaling approximately $137,000.

Fines and Forfeits

- Fines and Forfeits are expected to remain flat at $3.5 million. This projection is based on citation volume as well as handling capacity since the revenue in this category is received through the Municipal Court and Library.

Revenue from Money and Property

- Both Interest Earnings and Civic Center revenue are expecting minimal increases totaling $17,000 in FY17.

Recreation and Leisure Services

- Recreation and Leisure Services revenues are budgeted at $4.3 million, an increase of $198,000 over 2015-2016 year-end estimates. The majority of the increase, or $78,000, assumes we will not have another weather related cancellation of the Fall Huffhines Arts Trail event.

Other Revenue

- Projected at $5.2 million or ($28,000) below estimated year-end for 2015-2016. Modest increases across most categories are offset by a small decline in the miscellaneous category.

General and Administrative/Transfers

- Total revenue from G&A Transfers is projected at $8.6 million, a decrease of ($108,000) from FY 2015-2016 as the Drainage Fund operational support transfer is adjusted based on the latest indirect cost analysis completed this year performed by MGT America.

Under Study before Final Budget Filing on August 5, 2016

- Receipt of final Certified Tax Rolls from DCAD and CCAD are expected around July 25, 2016.

Expenditures

Total Expenditures and Transfers for the General Fund are projected at $122.7 million, an increase of $3.6 million from the FY 2015-2016 year-end estimates.

- **Personal Services** – Personnel is always the largest expense and most valuable resource for an organization whose primary purpose is the provision of services to the public. Personal Services are presented at $88.8 million, an increase of 7.4% from the year-end estimate of $82.7 million and account for 72.6% of the total General Fund operating budget. The key personnel issues addressed in this proposal include:
  - ***Movement within approved pay plan ranges - $875,000*** - Approximately 46% of all city personnel are at the top of their pay range. The remaining 54% have room to grow within their approved pay plan ranges. Historically the annual merit based movement has been on a 5% growth step that can be earned for each year of service until the top of the pay range is reached.
  - ***Understaffing of 10 positions for a total savings of ($614,000)*** - Understaffing is a way of recognizing savings that occur during the year through normal vacancy rates and is a particularly useful tool in larger, personnel intensive departments like Police and Fire. The City has always understaffed a certain number of sworn and non-sworn personnel in recognition that over the course of 12 months, a certain amount of salary savings is always achieved as employees come and go. The departments do not slow down or otherwise change hiring and staffing objectives, but we recognize the salary savings up front, rather than at the end of the year. For FY 2016-2017, 5 Police Officer positions and 5 Light Equipment Operators are understaffed for an estimated year-end savings of ($614,000)
  - ***CORPlan Health Insurance for $1.6 million*** – For FY 16-17, the City contribution will be increased $2.0 million, the General Fund portion of which will be approximately $1.6 million. Further plan design changes are under review that will continue to refine the shift to a consumer driven health care plan. Proposed changes will be reviewed with Council during the coming weeks.
  - ***$700,000 for full year funding of new public safety staff authorized for partial year last year-***
    - 3 new Fire Fighters to fully staff the new Ambulance at Station 3
    - 4 Police Officers and 1 Evidence Technician
  - ***Texas Municipal Retirement System rate adjustment - $500,000*** – The contribution rate for the City is recalculated each year to ensure adequate funding levels for our employee retirement system.
  - ***Pay Range Plan Adjustment - $633,000*** - As mentioned above, 46% of our employees are at the top of their existing pay range. This will allow our longest tenured employees, who also tend to be the majority of those at the top of their pay range, an opportunity to receive no more than a 1.0%, merit based, pay increase.
  - ***Partial Year Funding for 4 New Positions - $88,000*** -
    - 3 Apprentice Police Officers with a July hire date
    - 1 Fire Management Code Technician for 6 months

Personnel Items Not Addressed By This Budget Include:

- ***Market Adjustment*** – ($525,000 under review). Since 1995-1996, the City has proactively reviewed approved pay ranges to insure market compatibility once these ranges have been coordinated with the merit package in an effort to recruit and retain high quality employees.

- **Non-Personnel Operations** – For FY 2016-2017, Non-Personal Services operating line items are currently proposed at $29.1 million, a decrease of ($69,000) or -0.2% from year end estimates while maintaining all activities at the same high level of service currently provided.

  - ***Professional Services*** – Decrease ($278,000) or -2.9% while maintaining, among other things:

    - $52,000 for a visitor market study in the Convention and Visitors Bureau to evaluate visitor demographics for future marketing efforts.

    - $240,000 for third party building inspections. This outsourcing program, working under the direction of the Building Official provides complete and thorough construction inspections for non-recurring, large projects for which the City would otherwise have to add permanent staff to complete.

    - $238,000 for Information Technology for off-site data storage and recovery agreements and includes a disaster recovery plan with IBM. In the event of a catastrophic loss of our main computing system, the IBM recovery agreement would immediately restore essential data services such as purchasing, payroll, accounts payable, among others, so that normal business could proceed. The second installment of the body camera data storage is also included here at $161,000.

    - $300,000 for the 10 bridge maintenance projects briefed to Council on June 6th. These locations are part of the expanded assessment now that the original 25 locations are complete or nearing completion. The purpose of the program is aimed at improving the aesthetic quality while also protecting the infrastructure of the bridge railings throughout the City.

    - $1.6 million for Parks and Recreation maintenance contracts, an increase of $133,000 from year end and maintains all programs.

  - ***Maintenance*** – This category will increase $178,000 or 4.4% for FY 2016-2017.

    - Parks Maintenance will receive $826,380 in funding for repair and enhancement of irrigation, plumbing, electrical systems and general parks facility maintenance.

    - Traffic and Transportation will receive $375,500 of General Fund support for signs, markings, signal systems and video camera maintenance.

    - Facilities Services receives a total of $260,000 for general building maintenance, elevator and heating and cooling system repairs and maintenance.

    - Information Technology maintenance increases $209,000 for a total of $1.4 million of software licensing and hardware maintenance.

  - ***Contracts*** – Increase $463,000 or 7.4% from year end while maintaining all current service and program levels including;

    - The Home Improvement Incentive Program budget will increase $331,000 based on the participation of 118 residents and the preliminary values from the appraisal district. This amount may change once the true value impacts of the properties are

assessed. Established by the City Council in February of 2007, the purpose of the Home Improvement Incentive Program is to positively affect the value of the City's housing stock by encouraging reinvestment in residential neighborhoods. Since the program's inception, over 930 projects have applied to take part in the program. Because of these projects over $37 million dollars has been added to the tax roll. Of that total, just over 210 projects have invested over $100,000 each back into residential housing stock.

- Funding for special events including the Wildflower Festival, Santa's Village, Christmas Parade, Family 4th, Huffhines and Cottonwood Arts Festivals continues in this category.

- ***Capital*** – Includes $200,000 for the rehabilitation and renovation of both the pump house and bath house at the Cottonwood Pool.
- ***Supplies Categories*** – Decrease ($514,000) from year end due to the exclusion of $444,000 of the prior year encumbrances from year end 2015-2016.
- ***Street Rehabilitation*** – For the last 19 years, the City dedicated a portion of the total tax rate to street rehabilitation. Over the last few years we have been incrementally increasing from the original one cent of the tax rate, to a total last year of two full cents. This year, the dedication of the full two cents will provide $2.5 million. This funding will allow for ongoing repair, street leveling and crack sealing projects.
  - ***Street Rehabilitation Supplemental Funding*** – Proposed for Council consideration is the dedication of an additional half penny dedication which would provide an additional $633,000 for the Street Rehab program.
- ***Alley Rehabilitation*** – Also for consideration, a half penny dedication, or $633,000 to begin a rehabilitation program for alleys in similar fashion to the Street Rehabilitation program.
- ***Economic Development*** – Increases to 8/10 of a penny dedicated to economic development, an increase of 2/10 cent or approximately $253,000 from year end.

- **Fund Balance** – The proposed budget ends the year at the Council prescribed 61.2 days of fund balance.
- **Capital Requests** – Funding of capital equipment will be handled through the use of short-term C.O.'s.

CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GENERAL FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Beginning Designated Fund Balance	**$ 18,191,974**	**$ 18,381,455**	**$ 18,504,105**	**$ 20,128,412**	**9.5%**	**8.8%**
Reserve for Encumbrances	**664,622**	**-**	**799,575**	**-**	**N/A**	**-100.0%**
Adjusted Beginning Fund Balance	**$ 18,856,596**	**$ 18,381,455**	**$ 19,303,680**	**$ 20,128,412**	**9.5%**	**4.3%**
Revenues						
General Property Taxes	$ 39,702,983	$ 44,808,984	$ 44,540,406	$ 48,744,711	8.8%	9.4%
Franchise Fees	15,359,146	15,755,321	15,610,790	16,077,291	2.0%	3.0%
Sales and Other Business Taxes	31,475,001	30,074,804	33,862,500	33,460,896	11.3%	-1.2%
Licenses and Permits	3,369,670	2,517,019	3,979,735	2,840,230	12.8%	-28.6%
Fines and Forfeitures	3,931,879	4,096,666	3,483,989	3,518,829	-14.1%	1.0%
Revenue from Money and Property	380,006	379,500	418,377	435,116	14.7%	4.0%
Recreation and Leisure	4,096,379	4,230,350	4,061,275	4,259,375	0.7%	4.9%
Other Revenue	4,975,031	4,885,582	5,265,066	5,237,297	7.2%	-0.5%
General and Administrative Charges	8,797,262	8,695,690	8,692,533	8,584,831	-1.3%	-1.2%
Total Revenues	**$ 112,087,356**	**$ 115,443,916**	**$ 119,914,671**	**$ 123,158,577**	**6.7%**	**2.7%**
Total Available Funds	**$ 130,943,952**	**$ 133,825,371**	**$ 139,218,351**	**$ 143,286,988**	**7.1%**	**2.9%**
Expenditures						
Personal Services	$ 78,180,270	$ 84,425,998	$ 82,718,333	$ 88,806,466	5.2%	7.4%
Professional Services	7,282,208	8,471,879	9,700,315	9,422,166	11.2%	-2.9%
Maintenance	3,385,481	4,050,024	4,020,537	4,198,991	3.7%	4.4%
Contracts	5,904,381	6,125,169	6,244,920	6,707,518	9.5%	7.4%
Supplies	8,899,287	8,834,426	9,068,965	8,555,235	-3.2%	-5.7%
Capital	166,691	-	117,172	198,830	N/A	69.7%
Total Expenditures	$ 103,818,318	$ 111,907,496	$ 111,870,242	$ 117,889,206	5.3%	5.4%
Transfers Out						
Street Rehabilitation	$ 2,169,563	$ 2,322,813	$ 2,322,813	$ 2,531,867	9.0%	9.0%
Street Rehabilitation Supplement				632,967		
Alley Rehabilitation	-	-	-	632,967		
Special Projects	1,500,000	-	2,900,000	-	N/A	-100.0%
Special Maintenance Initiatives			1,300,000			
CoRPlan Supplement	3,000,000	-	-	-		
Economic Development	542,391	696,884	696,884	1,012,747	45.3%	45.3%
Transfer Out - Golf Fund	610,000	-	-	-	N/A	N/A
Total Transfers Out	$ 7,821,954	$ 3,019,697	$ 7,219,697	$ 4,810,548	59.3%	-33.4%
Total Expenditures and Transfers	**$ 111,640,272**	**$ 114,927,193**	**$ 119,089,939**	**$ 122,699,754**	**6.8%**	**3.0%**
Revenue Over/(Under)	**$ 447,084**	**$ 516,723**	**$ 824,732**	**$ 458,823**	**-11.2%**	**-44.4%**
Reserve for Encumbrances	**$ 799,575**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**
Ending Designated Fund Balance	**$ 18,504,105**	**$ 18,898,178**	**$ 20,128,412**	**$ 20,587,234**	**8.9%**	**2.3%**
Days of Fund Balance	**60.50**	**60.02**	**61.69**	**61.24**	**2.0%**	**-0.7%**

CITY OF RICHARDSON
REVENUE BY DETAIL
GENERAL FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
General Property Taxes						
Current Taxes	$ 39,026,059	$ 44,169,459	$ 43,930,459	$ 48,144,711	$ 3,975,252	$ 4,214,252
Prior Taxes	393,348	350,000	281,166	350,000	-	68,834
Penalties and Interest	283,576	289,525	328,781	250,000	(39,525)	(78,781)
Total	**$ 39,702,983**	**$ 44,808,984**	**$ 44,540,406**	**$ 48,744,711**	**$ 3,935,727**	**$ 4,204,305**
Franchise Fees						
Electric	$ 6,403,231	$ 6,360,749	$ 6,641,988	$ 6,708,408	$ 347,659	$ 66,420
Telecommunications	2,631,621	2,645,138	2,665,767	2,692,425	47,287	26,658
Gas	1,324,927	1,412,985	968,624	978,310	(434,675)	9,686
Cable Television	1,438,681	1,501,510	1,469,263	1,483,956	(17,554)	14,693
Water & Sewer	2,938,825	3,227,529	3,232,518	3,516,089	288,560	283,572
Solid Waste Services	621,861	607,409	632,630	698,104	90,695	65,474
Total	**$ 15,359,146**	**$ 15,755,321**	**$ 15,610,790**	**$ 16,077,291**	**$ 321,971**	**$ 466,502**
Sales and Other Business Taxes						
Sales Tax	$ 30,951,896	$ 29,528,961	$ 33,335,057	$ 32,928,179	$ 3,399,218	$ (406,878)
Mixed Beverage Tax	479,989	503,081	492,371	497,295	(5,786)	4,924
Bingo Tax	43,116	42,762	35,072	35,423	(7,339)	351
Total	**$ 31,475,001**	**$ 30,074,804**	**$ 33,862,500**	**$ 33,460,896**	**$ 3,386,092**	**$ (401,604)**
License and Permits						
Building Permits	$ 1,767,451	$ 1,000,000	$ 2,306,240	$ 1,050,000	$ 50,000	$ (1,256,240)
Food Establishment Permits	224,455	221,887	234,879	237,228	15,341	2,349
Animal License & Shelter Fees	45,581	45,826	45,725	46,182	356	457
Alarm Fees	227,586	237,297	241,187	243,599	6,302	2,412
Apartment Inspection Fee	151,231	154,256	161,646	163,262	9,006	1,616
Rental Registration	237,150	247,939	235,433	237,787	(10,152)	2,354
Miscellaneous License and Permits	244,640	212,098	311,014	314,124	102,026	3,110
Construction Inspection Fees	305,876	237,732	217,525	319,700	81,968	102,175
Contractor Fees	165,700	159,984	226,086	228,347	68,363	2,261
Total	**$ 3,369,670**	**$ 2,517,019**	**$ 3,979,735**	**$ 2,840,230**	**$ 323,211**	**$ (1,139,505)**
Fines and Forfeitures						
Municipal Court	$ 3,785,634	$ 3,950,000	$ 3,339,943	$ 3,373,342	$ (576,658)	$ 33,399
Library Fines	146,245	146,666	144,046	145,486	(1,180)	1,440
Total	**$ 3,931,879**	**$ 4,096,666**	**$ 3,483,989**	**$ 3,518,829**	**$ (577,837)**	**$ 34,840**
Revenue from Money and Property						
Interest Earnings	$ 80,351	$ 72,500	$ 108,261	$ 125,000	$ 52,500	$ 16,739
Civic Center Use	299,655	307,000	310,116	310,116	3,116	-
Total	**$ 380,006**	**$ 379,500**	**$ 418,377**	**$ 435,116**	**$ 55,616**	**$ 16,739**

CITY OF RICHARDSON
REVENUE BY DETAIL
GENERAL FUND

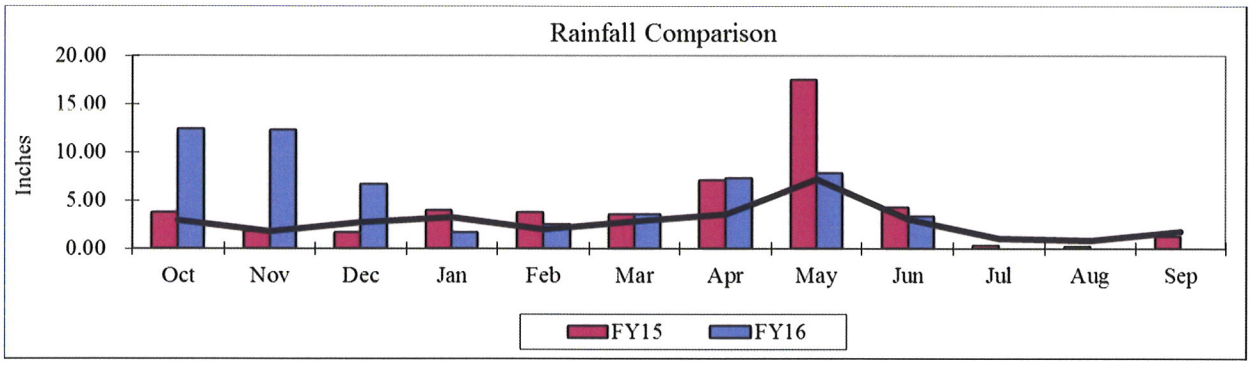
	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Recreation and Leisure Services						
Season Swim Passes	$ 98,296	$ 90,000	$ 90,000	$ 98,000	$ 8,000	$ 8,000
Pool Fees	249,309	241,500	247,000	247,000	5,500	-
Swim Program	136,499	140,050	136,275	136,275	(3,775)	-
Tennis Fees	117,846	119,500	137,000	137,000	17,500	-
Classes/Entrance Fees	812,605	909,000	796,500	848,000	(61,000)	51,500
Athletic Fees	371,663	366,000	385,000	385,000	19,000	-
Gymnastic Fees	778,322	716,000	785,000	790,000	74,000	5,000
Arts Festivals	414,053	385,000	308,265	386,000	1,000	77,735
Wildflower Festival	781,315	883,300	883,300	883,300	-	-
Older Adults	287,001	325,000	234,885	283,800	(41,200)	48,915
Miscellaneous	49,470	55,000	58,050	65,000	10,000	6,950
Total	**$ 4,096,379**	**$ 4,230,350**	**$ 4,061,275**	**$ 4,259,375**	**$ 29,025**	**$ 198,100**
Other Revenue						
Ambulance	$ 1,903,606	$ 1,856,589	$ 2,070,301	$ 2,091,004	$ 234,415	$ 20,703
Miscellaneous	1,481,239	1,428,031	1,551,766	1,457,801	29,770	(93,965)
R.I.S.D. Participation	314,106	300,930	358,544	367,507	66,577	8,963
Auction & Storage	67,360	76,824	50,807	75,000	(1,824)	24,193
9-1-1	1,208,719	1,223,208	1,233,648	1,245,984	22,776	12,336
Total	**$ 4,975,031**	**$ 4,885,582**	**$ 5,265,066**	**$ 5,237,297**	**$ 351,715**	**$ (27,769)**
General and Administrative Charges						
G & A Water & Sewer Fund	$ 3,945,574	$ 3,936,833	$ 3,936,833	$ 4,015,570	$ 78,737	$ 78,737
G & A Golf Operations	95,939	95,354	95,354	97,261	1,907	1,907
G & A Solid Waste Operations	2,154,283	2,141,138	2,141,138	2,183,961	42,823	42,823
G & A Hote/Motel Fund	350,000	350,000	350,000	350,000	-	-
Transfer - Drainage Fund Operational Support	1,025,000	1,025,000	1,025,000	786,117	(238,883)	(238,883)
Transfer - Hotel/Motel Tax - C.V.B.	406,916	472,365	469,208	476,922	4,557	7,714
Transfer - Wireless Fund	550,000	450,000	450,000	450,000	-	-
Transfer - Child Safety Fund	100,000	50,000	50,000	50,000	-	-
Transfer - Special Revenue Fund Close Out	19,550	-	-	-	-	-
G & A TIF	150,000	175,000	175,000	175,000	-	-
G & A Capital Projects	-	-	-	-	-	-
Total	**$ 8,797,262**	**$ 8,695,690**	**$ 8,692,533**	**$ 8,584,831**	**$ (110,859)**	**$ (107,702)**
Grand Total General Fund	**$ 112,087,356**	**$ 115,443,916**	**$ 119,914,671**	**$ 123,158,577**	**$ 7,714,661**	**$ 3,243,906**

WATER AND SEWER FUND

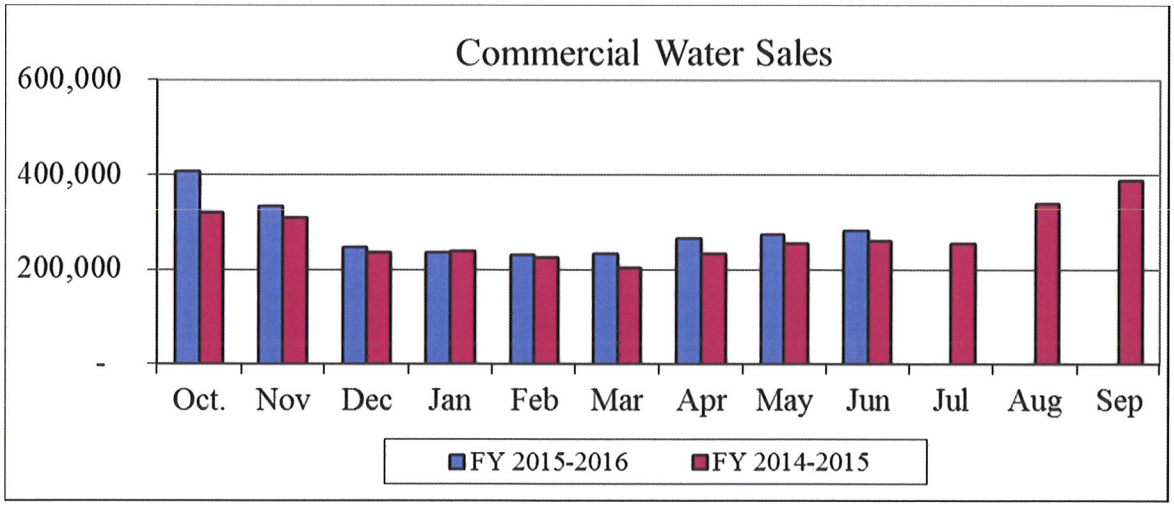
2015-2016 Year End Estimates

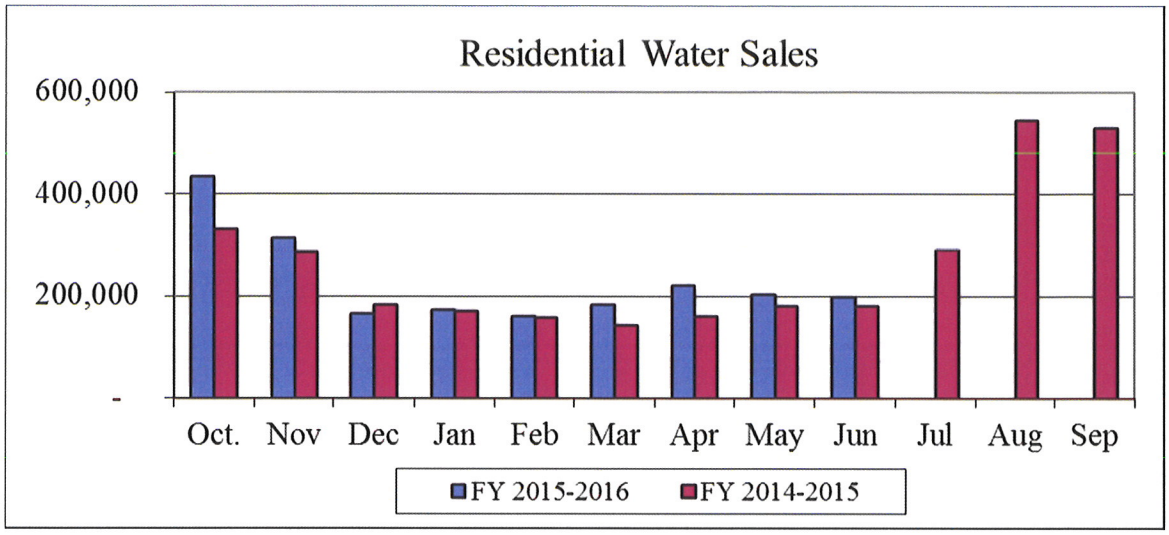
Revenues

- Revenue in the water and sewer fund is a function of the rate structure and expected sales of service. Sales are affected by several factors including weather, consumption patterns, and vacancy rates in commercial and residential properties. Clearly, consumption constrained by water conservation stage restrictions impact sales as well. In light of continued increasing costs for water and sewer wholesale services, as well as fluctuating demand, Council passed an 8.0% increase in response to the continued rate pressures in this fund. The following year-end projections are based on the new customer rate, nine months of actual consumption and projected summer usage.
- Revenue projections call for an increase of $248,000 or 0.4% at year-end from the original budget of $66.0 million.
- Through the end of June this year, the City received 57.5" of rainfall compared to the YTD for FY 2014-2015 of 47.3" and the five-year average rainfall of 29.3".

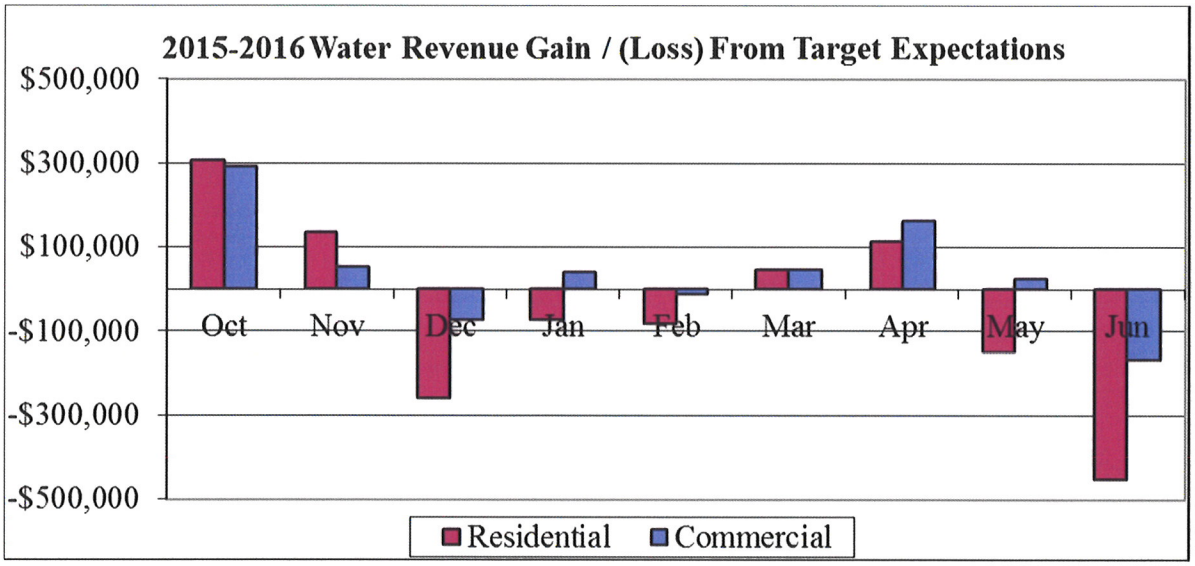


- The following graphics compare current year consumption with last year. Through the end of June, commercial consumption is up 10.2% from last year while residential is up 14.3%.





- This graph measures revenue gain/ (loss) from the expected budget targets for each month this year. When all the variances are added together, water sales are ($42,000) below budget targets.



- The following chart illustrates the changes to our tier structure that have resulted from the NTMWD increases to the wholesale rate over the last ten years.

Fiscal Year	**06-07**	**07-08**	**08-09**	**09-10**	**10-11**	**11-12**	**12-13**	**13-14**	**14-15**	**15-16**
NTMWD/1,000 gal.	$ 1.02	$ 1.08	$ 1.18	$ 1.25	$ 1.37	*$ 1.49*	*$ 1.70*	*$ 1.87*	***$ 2.06***	***$ 2.29***
% Increase	**5.20%**	**5.90%**	**9.25%**	**5.90%**	**9.60%**	***8.80%***	***14.09%***	***10.00%***	***10.16%***	***11.17%***
City Rates		Mid-Yr Adj.								
Minimum	$ 6.00	$ 7.00	$ 7.00	$ 7.00	$ 7.00	*$ 8.00*	*$ 8.00*	*$ 8.00*	*$ 8.00*	*$ 8.00*
0-11,000 gallons	$ 2.55	$ 2.95	$ 2.95	$ 2.95	$ 2.95	*$ 3.22*	*$ 3.63*	*$ 4.03*	*$ 4.41*	*$ 4.76*
11,001-20,000	$ 2.76	$ 3.19	$ 3.19	$ 3.19	$ 3.19	*$ 3.48*	*$ 3.93*	*$ 4.36*	*$ 4.77*	*$ 5.15*
20,001-40,000	$ 2.88	$ 3.33	$ 3.33	$ 3.33	$ 3.33	*$ 3.63*	*$ 4.10*	*$ 4.55*	*$ 4.98*	*$ 5.38*
40,001-60,000	$ 3.35	$ 3.87	$ 3.87	$ 3.87	$ 3.87	*$ 4.22*	*$ 4.77*	*$ 5.29*	*$ 5.79*	*$ 6.25*
Over 60,000	$ 3.51	$ 4.05	$ 4.05	$ 4.05	$ 4.05	*$ 4.41*	*$ 4.99*	*$ 5.53*	*$ 6.06*	*$ 6.54*
% Increase	**0.00%**	**15.50%**	**0.00%**	**0.00%**	**0.00%**	***9.00%***	***13.00%***	***10.90%***	***9.50%***	***8.00%***

- Year end revenue projections for Water Sales of $40.6 million decrease ($565,000) or (1.4%) from original budget.
- Sewer Sales are projected to end the year up $665,000 or 2.8% from the original budget of $23.4 million.
- Late Charges, Interest Earnings, Service Fees, Installation Fees and Miscellaneous revenue combine for an increase $148,000 from original budgets totaling $1.4 million.

Expenditures

- Overall, expenditures and transfers are projected to end the year $1.3 million or 2.0% from the original budget of $63.7 million.
- Personal Services will realize ($485,000) due to standard vacancies throughout the year
- Professional Services increase $268,000 from original budget and includes funding for inflow and infiltration (I&I) studies in the Floyd Branch drainage associated with the Capacity, Management, Operations and Maintenance (CMOM) program.
- The Maintenance category is expected to finish the year $1.3 million over the original budget of $39.2 million due to expected year-end final costs adjustments for sewer services. Heavy rains throughout the year led to increased wastewater flows as some level of runoff will invariably end up in the sanitary sewer system. When these excessive flows occur, the water still has to be treated, though typically at a lower cost than regular wastewater. The District usually makes a cost allowance for this "less contaminated" flow. Year-end estimates are based on YTD flows at the projected cost per thousand gallons of treated wastewater.
    - We will continue to monitor and adjust these costs as further information becomes available from the District.
- With a combined budget of $3.1 million, the remaining categories of Contracts, Supplies and Capital show a combined increase of $133,000 and include $307,000 in prior year encumbrances.

Fund Balance

- Fund Balance is projected to be 90.4 days at year-end fully in compliance with the Council approved Financial Policy for the Water and Sewer Fund of "90 Days in Fund Balance".

On June 6, 2016, the Executive Director of the North Texas Municipal Water District gave Council an update on the Districts Water Supply Plan and other initiatives. A copy of that presentation and video of his remarks are available on-line at www.cor.net. In addition to the 10.5% increase in the cost of wholesale water outlined in that presentation, Mr. Kula also discussed sewer treatment initiatives that will require the district to raise the costs of sewer treatment 18.4% for City sewer flowing into the Upper East Fork Interceptor and a similar 11.9% increase for sewer flowing into the Regional Waste Water System.

This budget is based on these factors as well as an increased emphasis on the City's CMOM program aimed at addressing aging infrastructure through enhanced inflow and infiltration (I&I) abatement efforts and general system maintenance including, but not limited to line and valve repair/replacement.

Revenues

Projected revenues for FY 2016-2017 are based on an 8.25% rate increase for both the water and sewer retail rates. The increase would go into effect with the first billing in November of 2016.

Fiscal Year	**08-09**	**09-10**	**10-11**	**11-12**	**12-13**	**13-14**	**14-15**	**15-16**	**16-17**
NTMWD/1,000 gal.	$ 1.18	$ 1.25	$ 1.37	$ 1.49	$ 1.70	$ 1.87	$ 2.06	***$ 2.29***	***$ 2.53***
% Increase	**9.25%**	**5.90%**	**9.60%**	**8.70%**	**14.80%**	**10.00%**	***10.16%***	***11.17%***	***10.48%***
City Rates									
Minimum	$ 7.00	$ 7.00	$ 7.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	*$ 8.00*	*$ 8.00*
0-11,000 gallons	$ 2.95	$ 2.95	$ 2.95	$ 3.22	$ 3.63	$ 4.03	$ 4.41	*$ 4.76*	*$ 5.15*
11,001-20,000	$ 3.19	$ 3.19	$ 3.19	$ 3.48	$ 3.93	$ 4.36	$ 4.77	*$ 5.15*	*$ 5.57*
20,001-40,000	$ 3.33	$ 3.33	$ 3.33	$ 3.63	$ 4.10	$ 4.55	$ 4.98	*$ 5.38*	*$ 5.82*
40,001-60,000	$ 3.87	$ 3.87	$ 3.87	$ 4.22	$ 4.77	$ 5.29	$ 5.79	*$ 6.25*	*$ 6.77*
Over 60,000	$ 4.05	$ 4.05	$ 4.05	$ 4.41	$ 4.99	$ 5.53	$ 6.06	*$ 6.54*	*$ 7.08*
% Increase	**0.00%**	**0.00%**	**0.00%**	**9.00%**	**13.00%**	**10.90%**	**9.50%**	***8.00%***	***8.25%***

- Revenue from Water Sales and Charges is programmed at $44.7 million representing a 10.1% increase from year-end and is based on an 8.25% increase across all five tiers as well as maintaining twice a week watering for the full year.
- Sewer Sales are budgeted at $25.6 million or 6.6% above year-end and includes the 8.25% rate increase. Sewer revenue does not exhibit the same consumption based swings as water due in part to winter averaging. Sewer charges do not apply to irrigation.
- Remaining revenues combined increase $16,000 based on a budget of $1.6 million.

Expenditures

- Expenditures and Transfers are proposed at $70.5 million representing an increase of $5.6 million or 8.6% over year-end estimates.
- The Maintenance category is the largest operational expenditure in this fund and includes the costs of water and sewer services. The City is not expecting to set a new "minimum purchase," however we will be charged an additional $0.24/1,000 gallons in the price of wholesale water from the NTMWD. This represents an increase of $2.6 million over last year. For FY 2016-2017, the total cost of wholesale water increases to $27.9 million.

- We continue to believe the water rebate program will continue for the foreseeable future. For this reason, we are budgeting the assumption of a NTMWD rebate of $1,000,000 for a total "budgeted" charge for water $26.9 million.

Water Purchases				
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**
Minimum Purchase	11.0 billion	11.0 billion	11.0 billion	11.0 billion
Projected Sales	6.1 billion	6.5 billion	7.1 billion	7.1 billion
Actual Purchase	7.4 billion	7.2 billion	N/A	N/A
Purchase as a % of Contract	67.3%	65.5%	N/A	N/A
Wholesale Cost	$18,974,257	$20,750,908	$24,234,223	$26,878,857
Rebate per 1,000 Gals.	$0.45	$0.51	N/A	N/A
Total Rebate	$1,631,855	$1,948,872	N/A	N/A
Rebate as a % of Total Cost	8.6%	9.4%	N/A	N/A

- Sewer treatment services are expected to increase $1.6 million over the original FY15 budget of $13.3 million.
- Together, the wholesale cost of water and sewer treatment services account for $41.7 million or 59.1% of the total expenses.
- Personal Services is proposed at $6.6 million, an increase of 11.9% over year-end estimates and includes full staffing, the merit pay package and CORPlan adjustments previously described in this presentation.
- Professional Services of $4.5 million increases $2.4 million.
  - As discussed at the June 6th work session, this proposal sets aside $3.6 million (an increase of $2.6 million from year-end) to continue the CMOM work begun last year and includes:
    - Capacity Analysis Modeling in Rowlett Creek, Cottonwood Creek and Duck Creek watersheds
    - Flow Monitoring to identify excessive inflow and infiltration (I/I)
    - Data Analysis & TV/Clean approximately 430,000 linear feet of pipe
    - Smoke testing for I/I
    - Manhole Inspections
    - Lift Station Condition Assessment and Failure Response Plan
    - Self-Audit Plan Update
    - Info Master Database Management
    - Fats Oil and Grease (FOG) Plan Implementation - Grease Interceptor Inspections
    - Review and evaluate all wastewater programs
- Contracts increases $63,000 or 7.9% from year end and is made up of small increases across several line items.
- Supplies of $1.2 million will decrease ($208,000) due to the inclusion last year of $307,000 in prior year encumbrances. The two largest expenses in his category are electricity at $732,000 and postage for water bills at $148,000.

- Continuing the "pay-as-you-go" initiative, $417,000 of capital equipment/vehicle replacements.
- Operating Transfer Out sees an increase of $362,000 based on $284,000 in additional Franchise Fee while the BABIC Transfer remains unchanged at $467,000.
- The debt service transfer increases $76,000 to $5.6 million to cover debt obligations for this fund.

Fund Balance

- Fund Balance is projected at 90.3 days in compliance with the Council approved policy of 90 days.

CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
WATER AND SEWER FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Beginning Designated Fund Balance	**$ 11,823,488**	**$ 11,601,335**	**$ 14,265,729**	**$ 16,068,665**	**38.5%**	**12.6%**
Reserve for Encumbrances	**267,395**	**-**	**510,049**	**-**	**N/A**	**-100.0%**
Adjusted Beginning Fund Balance	**$ 12,090,883**	**$ 11,601,335**	**$ 14,775,778**	**$ 16,068,665**	**38.5%**	**8.8%**
Revenues						
Water Sales & Charges	$ 36,487,229	$ 41,182,664	$ 40,617,845	$ 44,711,589	8.6%	10.1%
Sewer Sales & Charges	22,289,271	23,367,918	24,032,505	25,610,196	9.6%	6.6%
Late Charges	888,589	835,356	907,160	916,232	9.7%	1.0%
Interest Earnings	29,279	9,310	32,078	32,399	248.0%	1.0%
Service Fees - Others	46,049	54,224	42,999	43,429	-19.9%	1.0%
Installation Charges	98,710	76,964	80,997	81,807	6.3%	1.0%
Miscellaneous	502,795	429,627	490,682	495,589	15.4%	1.0%
Total Revenues	**$ 60,341,922**	**$ 65,956,063**	**$ 66,204,266**	**$ 71,891,240**	**9.0%**	**8.6%**
Total Available Funds	**$ 72,432,805**	**$ 77,557,398**	**$ 80,980,044**	**$ 87,959,905**	**13.4%**	**8.6%**
Expenditures						
Personal Services	$ 5,833,385	$ 6,355,170	$ 5,870,280	$ 6,566,025	3.3%	11.9%
Professional Services	925,440	1,834,519	2,102,314	4,533,459	147.1%	115.6%
Maintenance	34,613,853	39,219,133	40,558,380	43,431,360	10.7%	7.1%
Contracts	812,276	762,926	793,981	856,612	12.3%	7.9%
Supplies	1,194,014	1,061,299	1,367,167	1,158,866	9.2%	-15.2%
Capital	586,994	1,308,326	1,104,241	417,072	-68.1%	-62.2%
Total Expenditures	$ 43,965,962	$ 50,541,373	$ 51,796,363	$ 56,963,394	12.7%	10.0%
Operating Transfers Out						
General and Administrative Charges	$ 3,945,574	$ 3,936,833	$ 3,936,833	$ 4,015,570	2.0%	2.0%
Franchise Fees	2,938,825	3,227,529	3,232,518	3,516,089	8.9%	8.8%
BABIC Program	466,666	466,666	466,666	466,666	0.0%	0.0%
Total Operating Transfers Out	$ 7,351,065	$ 7,631,028	$ 7,636,017	$ 7,998,325	4.8%	4.7%
						N/A
Total Exp. And Oper. Transfers Out	$ 51,317,027	$ 58,172,401	$ 59,432,379	$ 64,961,719		
Transfers Out						
Debt Service	$ 5,340,000	$ 5,479,000	$ 5,479,000	$ 5,555,000	1.4%	1.4%
Special Projects	1,000,000	-		-	N/A	N/A
Total Transfers Out	$ 6,340,000	$ 5,479,000	$ 5,479,000	$ 5,555,000	1.4%	1.4%
Total Expenditures and Transfers	**$ 57,657,027**	**$ 63,651,401**	**$ 64,911,379**	**$ 70,516,719**	**10.8%**	**8.6%**
Revenue Over/(Under)	**$ 2,684,895**	**$ 2,304,662**	**$ 1,292,887**	**$ 1,374,521**	**-40.4%**	**6.3%**
Reserve for Encumbrances	**$ 510,049**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**
Ending Designated Fund Balance	**$ 14,265,729**	**$ 13,905,997**	**$ 16,068,665**	**$ 17,443,186**	**25.4%**	**8.6%**
Days of Fund Balance	**90.31**	**79.74**	**90.35**	**90.29**	**13.2%**	**-0.1%**

CITY OF RICHARDSON
REVENUE BY DETAIL
WATER AND SEWER FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Water and Sewer Revenue						
Water Sales & Charges	$ 36,487,229	$ 41,182,664	$ 40,617,845	$ 44,711,589	$ 3,528,925	$ 4,093,744
Sewer Sales & Charges	22,289,271	23,367,918	24,032,505	25,610,196	2,242,278	1,577,691
Rate Stabilization	-	-	-	-	-	-
Late Charges	888,589	835,356	907,160	916,232	80,876	9,072
Interest Earnings	29,279	9,310	32,078	32,399	23,089	321
Service Fees - Others	46,049	54,224	42,999	43,429	(10,795)	430
Installation Charges	98,710	76,964	80,997	81,807	4,843	810
Miscellaneous	502,795	429,627	490,682	495,589	65,962	4,907
Total	**$ 60,341,922**	**$ 65,956,063**	**$ 66,204,266**	**$ 71,891,240**	**$ 5,935,177**	**$ 5,686,974**
Grand Total Water and Sewer Fund	**$ 60,341,922**	**$ 65,956,063**	**$ 66,204,266**	**$ 71,891,240**	**$ 5,935,177**	**$ 5,686,974**

SOLID WASTE SERVICES FUND

2015-2016 Year End Estimates

Revenues

- Solid Waste revenues are projected to end the year $375,000 or 2.9% above their original budget of $13.0 million.
- Residential Collections are expected to end the year ($24,000) or -0.5% below the original budget.
- Commercial Collections are expected to be $528,000 over the original budget of $6.9 million and includes $358,000 in Construction and Demolition (C&D) Program revenue. Because these revenues can vary significantly from year to year, we only budget a minimum amount at the beginning of each year.
- The Other Revenue category and Interest Earnings will combine for an estimated decrease ($130,000) from the original budget of $343,000. The majority of the decrease is due to lower auction revenue than anticipated.

Expenditures

- Total Expenditures and Transfers are expected to end the year $245,000 or 1.8% above the $13.5 million programmed for FY 2015-2016.
- Personal Services should finish the year even with the original budget of $4.5 million.
- Professional Services is expected to finish the year $158,000 over the original budget, and includes $161,000 for the recently renewed recycling contract implemented July 1.
- Maintenance is expected to decrease ($11,500) from the original budget of $4.4 million
- Contracts are projected to finish the year $34,000 over the original budget of $323,000 due to increased advertising costs of $10,000 related to the Recycling Program and a $21,000 increase in vehicle/equipment insurance premiums.
- Supplies are expected to end the year $36,000 above its original budget and includes; $12,000 for updating commercial billing software programming and an additional $15,000 for wholesale trash bags.
- The debt service transfer remains unchanged from the budgeted $1.3 million.

Fund Balance

- Days in Fund balance are expected to end the year with 99.5 days, in compliance with the adopted financial policy of "60 days building towards 90 days."

Revenues

- Total revenues are projected to be $1.3 million over year-end estimates.
- The City last raised the monthly collection fee for residents in the 2008-2009 budget when a $2 a month increase was enacted due to rising costs for service. Over the course of the last seven fiscal years, the City has been able to maintain the high level of service our residents deserve and expect through increases in Commercial Collection fees and the use of strategic cost containment strategies.
- For the first time since 2008-2009, the City is proposing a fee increase for Residential Collections precipitated by continued cost pressure.
- Residential Collections include a proposed $3 per month increase from the current $18 per month to the proposed $21 per month. The Senior Discount remains at 26% or a total proposed of $15.56 per month. As you can see in the graphic below, the "true cost" of residential service is expected to be $26.05 per month. This means commercial fees continue to subsidize residential collection by $6.55 per month (excluding sales tax), or $78.60 a year for each resident in the City.

Residential Cost Breakdown				
	Actual FY 2014-15	Budget FY 2015-16	Estimate FY 2015-16	Budget FY 2016-17
Operating Cost	$7.20	$7.43	$7.52	$7.57
Disposal Costs	3.95	4.44	4.32	4.38
BABIC	2.49	2.57	2.54	2.71
Recycling	2.45	2.51	3.06	3.91
G&A and Fran. Fees	4.83	4.77	4.79	4.96
Debt	2.35	2.13	2.13	2.52
	$23.27	$23.85	$24.36	$26.05

- Commercial Collections Fees are expected to increase 5.6% or $416,000 from year end estimates. This represents a 10% increase in both Open Top and Compactor service as well as a 3% increase in Front Load fees. These market driven increases are designed to maintain our service at or just slightly above the market average for the Metroplex.
- The BABIC transfer from the Water and Sewer fund will remain at $467,000. This allocation acknowledges the water supply protection provided by the BABIC program.
- Other Revenue is projected to remain flat during the fiscal year.
- Interest Earnings are expected to remain relatively flat for the upcoming year.

Expenditures

- Total expenditures and transfers are proposed at $14.6 million, an increase of $866,000 or 6.3% over the year-end estimate of $13.8 million.
- Personal Services increase $222,000 or 4.9% over year-end estimate and includes full staffing load and the full year impacts of the merit based pay program.
- Professional Services increase $437,000 from the year-end estimate. The increase reflects the recycling contract that went into effect July 1, 2016.

- The Maintenance category is projected to increase $70,000 or 1.6% over the year-end estimate and includes nominal increases in the disposal fees charged by NTMWD.
- Contracts and Supplies combined decrease ($203,000) next year based on a projected budget of $621,000 and includes facility and equipment insurances as well as the wholesale cost of refuse bags,
- The General and Administrative transfer increases $43,000 as a result of the indirect cost allocation study performed by MGT of America.
- The Franchise Fee increases $65,000 based on the proposed rate increases.
- The Debt Service Transfer of $1.5 million is $233,000 higher than year-end estimate and represents the current payment due on equipment debt issuance.

Fund Balance

- FY 2016-2017 fund balance is proposed at 94.1 days. This achieves the goal established in the adopted financial policy of "60 days building towards 90."

CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
SOLID WASTE SERVICES FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Beginning Designated Fund Balance	**$ 4,174,849**	**$ 3,898,935**	**$ 4,179,359**	**$ 3,752,585**	**-3.8%**	**-10.2%**
Reserve for Encumbrances	**174**	**-**	**2,072**	**-**	**N/A**	**-100.0%**
Adjusted Beginning Fund Balance	**$ 4,175,023**	**$ 3,898,935**	**$ 4,181,431**	**$ 3,752,585**	**-3.8%**	**-10.3%**
Revenues						
Collection Fees - Residential	$ 5,191,488	$ 5,233,165	$ 5,209,495	$ 6,102,812	16.6%	17.1%
Collection Fees - Commercial	7,245,716	6,915,024	7,443,106	7,859,265	13.7%	5.6%
BABIC Program	466,666	466,666	466,666	466,666	0.0%	0.0%
Other Revenues	257,475	337,000	205,587	210,000	-37.7%	2.1%
Interest Earnings	6,814	5,960	7,481	7,780	30.5%	4.0%
Total Revenues	**$ 13,168,159**	**$ 12,957,815**	**$ 13,332,335**	**$ 14,646,524**	**13.0%**	**9.9%**
Total Available Funds	**$ 17,343,182**	**$ 16,856,750**	**$ 17,513,766**	**$ 18,399,109**	**9.1%**	**5.1%**
Expenditures						
Personal Services	$ 4,399,182	$ 4,537,311	$ 4,539,950	$ 4,761,775	4.9%	4.9%
Professional Services	32,667	14,977	172,868	448,035	2891.5%	159.2%
Maintenance	3,973,279	4,365,742	4,354,242	4,423,892	1.3%	1.6%
Contracts	330,091	322,680	356,917	330,218	2.3%	-7.5%
Supplies	247,523	256,685	293,186	278,150	8.4%	-5.1%
Capital	-	-	-	-	N/A	N/A
Total Expenditures	$ 8,982,742	$ 9,497,395	$ 9,717,163	$ 10,242,070	7.8%	5.4%
Operating Transfers Out						
General and Administrative Charges	$ 2,154,283	$ 2,141,138	$ 2,141,138	$ 2,183,961	2.0%	2.0%
Franchise Fees	621,861	607,409	632,630	698,104	14.9%	10.3%
Total Operating Transfers Out	$ 2,776,144	$ 2,748,547	$ 2,773,768	$ 2,882,065	4.9%	3.9%
Total Exp. And Oper. Transfers Out	$ 11,758,886	$ 12,245,942	$ 12,490,931	$ 13,124,135		
Transfers Out						
Debt Service	$ 1,402,865	$ 1,270,250	$ 1,270,250	$ 1,505,500	18.5%	18.5%
Total Transfers Out	$ 1,402,865	$ 1,270,250	$ 1,270,250	$ 1,505,500	18.5%	18.5%
Total Expenditures and Transfers	**$ 13,161,751**	**$ 13,516,192**	**$ 13,761,181**	**$ 14,629,635**	**8.2%**	**6.3%**
Revenue Over/(Under)	**$ 6,408**	**$ (558,377)**	**$ (428,846)**	**$ 16,889**	**-103.0%**	**-103.9%**
Reserve for Encumbrances	**$ 2,072**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**
Ending Designated Fund Balance	**$ 4,179,359**	**$ 3,340,558**	**$ 3,752,585**	**$ 3,769,474**	**12.8%**	**0.5%**
Days of Fund Balance	**115.90**	**90.21**	**99.53**	**94.05**	**4.3%**	**-5.5%**

CITY OF RICHARDSON
REVENUE BY DETAIL
SOLID WASTE SERVICES FUND

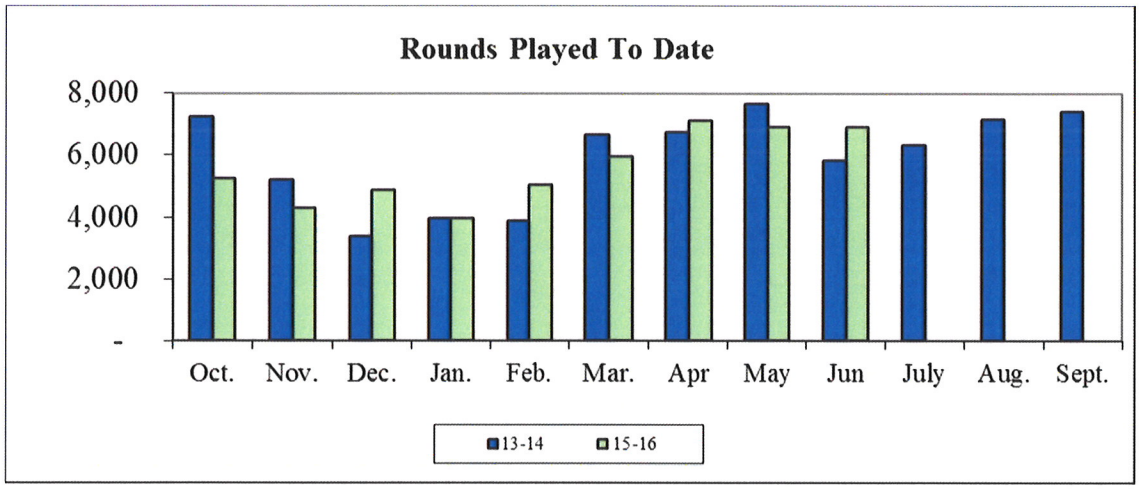
	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Solid Waste Services Revenue						
Collection Fees - Residential	$ 5,191,488	$ 5,233,165	$ 5,209,495	$ 6,102,812	$ 869,647	$ 893,317
Collection Fees - Commercial	7,245,716	6,915,024	7,443,106	7,859,265	944,241	416,159
Rate Stabilization	-	-	-	-	-	-
BABIC Program	466,666	466,666	466,666	466,666	-	-
Other Revenues	257,475	337,000	205,587	210,000	(127,000)	4,413
Interest Earnings	6,814	5,960	7,481	7,780	1,820	299
Total	**$ 13,168,159**	**$ 12,957,815**	**$ 13,332,335**	**$ 14,646,524**	**$ 1,688,709**	**$ 1,314,189**
Grand Total Solid Waste Services Fund	**$ 13,168,159**	**$ 12,957,815**	**$ 13,332,335**	**$ 14,646,524**	**$ 1,688,709**	**$ 1,314,189**

GOLF FUND

2015-2016 Year End Estimates

Revenues

- Revenues for the Golf Fund are expected to end the year ($45,000) or -2.0% below the budgeted $2.2 million.
  - These estimates include the May 1st implementation of the fee increases for weekday and weekend rack rates as well as cart fees that were briefed to Council on April 4th.
- Green Fees are expected to finish the year ($191,000) or -11.8% below the original budget of $1.6M. Rounds played of 50,258 are in-line with the 50,587 from this time in 2013-2014, the last fiscal year both courses were open for a full year.



- Cart Fees are projected at $603,000 at year end representing a $124,000 increase from the original budget.
- Revenue from the remaining operations sources, totaling $120,000 are expected to increase $23,000 at year end.

Expenditures

- Total Golf Fund Expenditures and Transfers are expected to end the year at $2.1 million, a decrease of ($107,000) from the original budget. All expenditure categories are expected to recognize savings from the original budget by year end.

Fund Balance

- Given the projected revenue and expenditure performance, the days in fund balance in the Golf Fund will end the year at 45.8 days, in compliance with the Council approved financial policy of "30 days building to 60."

Revenues

- Revenues for the Golf Fund are projected at $2.4 million for FY 2016-2017 representing an increase of $199,000 or 9.2% over year-end.
    - Green fees of $1.6 million represent a full year operations and the fee increases implemented last May.
    - Cart Fees are projected to increase $42,000.
    - The remaining revenues of $118,000 decrease ($2,000) from the year end position due to an insurance reimbursement received last year.

Expenditures

- Total Expenditures and Transfers for the Golf Fund are proposed at $2.2 million, an increase of $160,000 from year-end.
- Personal Services increase $100,000 and represent a full year of initiatives begun last year as well as the proposed pay plan.
- The remaining operational expenditures increase $59,000 from year-end savings, representing modest increases across the categories.

Fund Balance

- Given the projected revenue and expenditure performance, the fund balance should end the year with 63.6 days, 3.6 days in excess of the Council approved "30 building to 60" days.

CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GOLF FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Beginning Designated Fund Balance	**$ 252,313**	**$ 104,488**	**$ 167,791**	**$ 258,550**	**147.4%**	**54.1%**
Reserve for Encumbrances	**24**	**-**	**24**	**-**	**N/A**	**-100.0%**
Adjusted Beginning Fund Balance	**$ 252,337**	**$ 104,488**	**$ 167,815**	**$ 258,550**	**147.4%**	**54.1%**
Revenues						
Green Fees	$ 860,644	$ 1,620,507	$ 1,429,040	$ 1,587,492	-2.0%	11.1%
Cart Fees	286,067	478,510	602,637	644,769	34.7%	7.0%
Restaurant	25,421	38,000	37,537	39,414	3.7%	5.0%
Merchandise Sales	9,913	16,000	12,496	12,871	-19.6%	3.0%
Driving Range	23,999	29,907	35,751	40,751	36.3%	14.0%
Lessons	9,081	10,000	8,923	9,191	-8.1%	3.0%
Miscellaneous	13,440	3,294	25,246	16,003	385.8%	-36.6%
Transfer In - Capital Projects/Equipment	-	-	-	-	N/A	N/A
Transfer In - General Fund	610,000	-	-	-	N/A	N/A
Interest Earnings	149	232	75	100	-56.9%	33.3%
Total Revenues	**$ 1,838,714**	**$ 2,196,450**	**$ 2,151,705**	**$ 2,350,591**	**7.0%**	**9.2%**
Total Available Funds	**$ 2,091,051**	**$ 2,300,938**	**$ 2,319,520**	**$ 2,609,141**	**13.4%**	**12.5%**
Expenditures						
Personal Services	$ 977,115	$ 1,057,765	$ 1,017,675	$ 1,117,707	5.7%	9.8%
Professional Services	231,656	246,356	226,240	244,215	-0.9%	7.9%
Maintenance	189,476	244,188	240,188	239,718	-1.8%	-0.2%
Contracts	99,222	137,236	113,694	133,346	-2.8%	17.3%
Supplies	329,828	387,000	367,819	389,500	0.6%	5.9%
Capital	-	-	-	-	N/A	N/A
Total Expenditures	$ 1,827,297	$ 2,072,545	$ 1,965,616	$ 2,124,486	2.5%	8.1%
Operating Transfers Out						
General and Administrative Charges	$ 95,939	$ 95,354	$ 95,354	$ 97,261	2.0%	2.0%
Total Operating Transfers Out	$ 95,939	$ 95,354	$ 95,354	$ 97,261	2.0%	2.0%
Total Exp. And Oper. Transfers Out	$ 1,923,236	$ 2,167,899	$ 2,060,970	$ 2,221,747	2.5%	7.8%
Total Expenditures and Transfers	**$ 1,923,236**	**$ 2,167,899**	**$ 2,060,970**	**$ 2,221,747**	**2.5%**	**7.8%**
Revenue Over/(Under)	**$ (84,522)**	**$ 28,551**	**$ 90,735**	**$ 128,844**	**351.3%**	**42.0%**
Reserve for Encumbrances	**$ 24**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**
Ending Designated Fund Balance	**$ 167,791**	**$ 133,039**	**$ 258,550**	**$ 387,394**	**191.2%**	**49.8%**
Days of Fund Balance	**31.84**	**22.40**	**45.79**	**63.64**	**184.1%**	**39.0%**

CITY OF RICHARDSON
REVENUE BY DETAIL
GOLF FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Golf Revenue						
Green Fees	$ 860,644	$ 1,620,507	$ 1,429,040	$ 1,587,492	$ (33,015)	$ 158,452
Cart Fees	286,067	478,510	602,637	644,769	166,259	42,132
Restaurant	25,421	38,000	37,537	39,414	1,414	1,877
Merchandise Sales	9,913	16,000	12,496	12,871	(3,129)	375
Driving Range	23,999	29,907	35,751	40,751	10,844	5,000
Lessons	9,081	10,000	8,923	9,191	(809)	268
Miscellaneous	13,440	3,294	25,246	16,003	12,709	(9,243)
Transfer In - Capital Projects/Equipment	-	-	-	-	-	-
Transfer In - General Fund	610,000	-	-	-	-	-
Interest Earnings	149	232	75	100	(132)	25
Total	**$ 1,838,714**	**$ 2,196,450**	**$ 2,151,705**	**$ 2,350,591**	**$ 154,141**	**$ 198,886**
Grand Total Golf Fund	**$ 1,838,714**	**$ 2,196,450**	**$ 2,151,705**	**$ 2,350,591**	**$ 154,141**	**$ 198,886**

HOTEL MOTEL TAX FUND

2015-2016 Year End Estimates

Revenues

- Based on 8-months of revenue receipts and projected activities for the 4 remaining months, the Hotel Motel Tax Fund year-end revenues are projected to end the year $298,000 or 4.8% over the budgeted position of $6.2 million for 2015-2016.

Hotel/Motel Tax Receipts

- Hotel Motel Tax Receipts are a factor of both room rate and occupancy levels. From October to May 2016 (latest available data), all three major indicators are increased over the same time last year, indicating continued growth in our local hotel market.

Year	Occupancy Rate	Average Daily Rate	RevPAR
Oct-May FY15	69.73%	$89.82	$63.85
Oct-May FY16	75.05%	$92.28	$70.44

- Hotel/Motel Tax Receipts are anticipated to end the year $417,000 or 10.4% above the 2015-2016 budget projection of $4.0 million.

Hotel Property	Actual 2014-2015	Budget 2015-2016	Estimated 2015-2016	Variance Bud to Est
Como Motel	$ 19,977	$ 19,923	$ 20,039	$ 116
DoubleTree Hotel	582,704	616,068	637,859	21,791
Econo Lodge	55,629	54,271	65,040	10,769
Extended Stay of America	43,258	57,022	61,861	4,839
Hawthorne Suites	61,787	68,898	72,345	3,447
Hilton Garden Inn	306,003	315,646	322,490	6,844
Holiday Inn	195,254	206,702	222,241	15,539
Hyatt House	183,346	180,263	207,258	26,995
Hyatt Regency	632,831	623,790	727,038	103,248
Marriott Courtyard - Galatyn	243,334	241,045	275,461	34,416
Marriott Courtyard - Spring Valley	230,641	217,445	286,501	69,056
Marriott Renaissance	745,214	753,124	819,139	66,015
Marriott Residence Inn	213,920	221,716	230,163	8,447
Marriott Springhill Suites	200,362	213,894	218,370	4,476
Super 8	62,042	66,838	68,068	1,230
Wingate by Wyndham	160,558	154,860	194,187	39,327
National Corporate Housing	-	-	34	34
TOTAL	**$ 3,936,860**	**$ 4,011,505**	**$ 4,428,094**	**$ 416,589**

Remaining Revenues

- Total Eisemann Center revenues are expected to be down ($98,000) or -5.0% below budget.
    - Revenues for the Eisemann Presents Series are expected to be down ($246,000) due to the Theater Series falling below revenue expectations, and only having one Special Event (Robert Dubac's The Male Intellect: An Oxymoron?"). Sponsorships and Friends memberships will both exceed budget.

- Eisemann Center revenues are expected to be $148,000 or 15.1% over original budget.

- Parking Garage revenues are anticipated to finish the year ($25,000) or -11.3% below its budgeted position of $225,000. In addition to the reasons mentioned above, the hotel is not exceeding their contracted allotment as often as in prior years.

Expenditures

- Total Expenditures and Transfers for 2015-2016 are projected to end the year $436,000 over the original budget $6.4 million.
- Eisemann Center operational expenditures are up slightly by $1,351.
- Eisemann Center Presents Series will recognize ($111,000) in savings.
- Parking Garage expenditures are projected to end the year $25,000 over budget.
- In 2014-2015 the City activated an expense category called Capital/Renewal Expenses. With the Center now in its fifteenth year of operation, we recognized the need for the replacement and/or renewal of major equipment and systems that require a larger financial commitment than just yearly upkeep and routine maintenance. These larger items will be reflected in this category as they occur and in fact their size and complexity may require these expenses to be carried over from the time of budget to actual project completion.
  - $330,000 is estimated for the replacement of the 14 year old cooling tower.
  - $275,000 will be set aside for future Eisemann campus improvements.
  - The Parking Garage entry/exit gates replacement and upgrade begun last year is expected to be complete by year-end at $200,000.
- The majority of the $48,000 increase in "Other Uses" is due to a prior year encumbrance for two studies begun last year; the City Hall/Civic Center space utilization, and the implementation of the Richardson Public Art Master Plan.

Fund Balance

- The Hotel Motel Tax Fund balance is anticipated to end the year at $1.9 million. There is no formal designated fund balance policy for the Hotel Motel Tax Fund.

Revenues

- Total Revenues for the Hotel/Motel Tax Fund are projected at $7.0 million for next year, reflecting a 7.9% increase in overall revenues.

Hotel/Motel Tax Receipts

- For 2016-2017, Hotel/Motel Tax Receipts are budgeted at $4.5 Million.

Hotel Property	Actual 2014-2015	Budget 2015-2016	Estimated 2015-2016	Budget 2016-2017
Como Motel	$ 19,977	$ 19,923	$ 20,039	$ 20,440
DoubleTree Hotel	582,704	616,068	637,859	650,616
Econo Lodge	55,629	54,271	65,040	66,341
Extended Stay of America	43,258	57,022	61,861	63,098
Hawthorne Suites	61,787	68,898	72,345	73,792
Hilton Garden Inn	306,003	315,646	322,490	328,940
Holiday Inn	195,254	206,702	222,241	226,686
Hyatt House	183,346	180,263	207,258	211,403
Hyatt Regency	632,831	623,790	727,038	741,579
Marriott Courtyard - Galatyn	243,334	241,045	275,461	280,970
Marriott Courtyard - Spring Valley	230,641	217,445	286,501	292,231
Marriott Renaissance	745,214	753,124	819,139	835,522
Marriott Residence Inn	213,920	221,716	230,163	234,766
Marriott Springhill Suites	200,362	213,894	218,370	222,737
Super 8	62,042	66,838	68,068	69,429
Wingate by Wyndham	160,558	154,860	194,187	198,071
National Corporate Housing	-	-	34	-
TOTAL	**$ 3,936,860**	**$ 4,011,505**	**$ 4,428,094**	**$4,516,621**

- New hotel facilities are in various stages of development and may initiate service during this upcoming fiscal year. We will monitor these, but believe that prudent budget efforts should let them initiate service and establish a pattern of collection before we make budget use assumptions. These facilities include;
  - Aloft at Cityline
  - Hampton Inn at Galatyn Park

Parking Garage Revenues

- Parking Garage fees are projected at $211,000, an increase of $11,000 over year-end.

Eisemann Center Revenues

- Eisemann Center revenues are projected at $2.3 million reflecting a $411,000 increase from estimated year-end reflecting minimal increases in operations and a full program for Eisemann Center Presents revenue for the 2016-2017 Season as briefed to Council on May 2.
- FY 2016-2017 marks the third full year for the Facility/Maintenance Fee. As a reminder this fee is set aside in a separate fund to be used only for maintenance and capital improvements to the facility. This fee is expected to generate $195,000 over the course of the fiscal year.

Expenditures

- Total Expenditures and Transfers for 2016-2017 are proposed at $6.8 million reflecting a $3,700 increase from current year-end expenditures.
- The Eisemann Center expenditures increase $362,000 from year-end.
  - The Eisemann Center's daily operations increase $109,000.
  - Eisemann Center Presents Series expenditures increase $253,000 reflecting a full season as referenced above.
- Parking Garage Expenditures are expected to increase slightly by $9,000 next year at $480,000.
- Capital/Renewal Expenditures of $653,000 includes;
  - Eisemann Center upgrades and replacements for $378,000 including $105,000 for facility/campus maintenance and $273,000 for lighting and stage equipment upgrades.
  - For the second year, $275,000 will be set aside for future Eisemann campus improvements
- Arts Grants funding are recommended to increase $25,000 to $375,000 for the 2016-2017 budget.
- Miscellaneous expense of $68,000 includes event advertising, the Hotel/Motel Fund share of the citywide audit expense, arts website maintenance and smaller miscellaneous expenses.
- The Transfer to General Fund – CVB matches the department budget at $477,000 and includes $52,000 for the Visitor Market Study/Analysis.
- The Hotel/Motel G&A remains static at $350,000 and reflects the services provided by the General Fund for these activities.

Fund Balance

The Fund Balance is projected to end the year at $2.1 million.

CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
HOTEL/MOTEL TAX FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Beginning Designated Fund Balance	**$ 1,899,467**	**$ 1,609,370**	**$ 2,178,995**	**$ 1,923,748**	**19.5%**	**-11.7%**
Reserve for Encumbrances	**43,393**	**-**	**55,410**	**-**	**N/A**	**-100.0%**
Adjusted Beginning Fund Balance	**$ 1,942,860**	**$ 1,609,370**	**$ 2,234,405**	**$ 1,923,748**	**19.5%**	**-13.9%**
Revenues						
Tax Revenue	$ 3,936,860	$ 4,011,505	$ 4,428,094	$ 4,516,621	12.6%	2.0%
Parking Fees	190,407	225,000	199,669	211,000	-6.2%	5.7%
Eisemann Center Revenues	1,830,133	1,970,914	1,873,183	2,284,100	15.9%	21.9%
Interest Earnings	5,125	3,253	7,830	8,619	165.0%	10.1%
Total Revenues	**$ 5,962,525**	**$ 6,210,672**	**$ 6,508,776**	**$ 7,020,340**	**13.0%**	**7.9%**
Total Available Funds	**$ 7,905,385**	**$ 7,820,042**	**$ 8,743,181**	**$ 8,944,088**	**14.4%**	**2.3%**
Operating Expenditures						
Eisemann Center	$ 3,899,999	$ 4,123,562	$ 4,014,324	$ 4,376,293	6.1%	9.0%
Parking Garage	472,661	479,803	505,008	513,702	7.1%	1.7%
Total Operating Expenditures	$ 4,372,660	$ 4,603,365	$ 4,519,332	$ 4,889,995	6.2%	8.2%
Capital/Renewal Expenditures						
Eisemann Center	$ -	$ 330,000	$ 330,000	$ 377,841	14.5%	14.5%
Eisemann Campus Renewal Project	-	-	275,000	275,000		
Parking Garage	-	-	200,000	-	N/A	-100.0%
Total Capital/Renewal Expenditures	$ -	$ 330,000	$ 805,000	$ 652,841	97.8%	-18.9%
Other Uses						
Arts	$ 450,000	$ 350,000	$ 335,000	$ 375,000	7.1%	11.9%
Community Arts	-	200,000	200,000	-		
Miscellaneous	89,634	67,400	131,393	68,400	1.5%	-47.9%
Hotel Incentive Program	9,770	10,000	9,500	10,000	0.0%	5.3%
Total Other Uses	$ 549,404	$ 627,400	$ 675,893	$ 453,400	-27.7%	-32.9%
Total Exp. And Other Uses	$ 4,922,064	$ 5,560,765	$ 6,000,225	$ 5,996,236		
Transfers Out						
Transfer to General Fund - C.V.B.	$ 398,916	$ 472,365	$ 469,208	$ 476,922	1.0%	1.6%
General and Administrative Charges	350,000	350,000	350,000	350,000	0.0%	0.0%
Total Transfers Out	$ 748,916	$ 822,365	$ 819,208	$ 826,922	0.6%	0.9%
						N/A
Total Expenditures and Transfers	**$ 5,670,980**	**$ 6,383,130**	**$ 6,819,433**	**$ 6,823,158**	**6.9%**	**0.1%**
Revenue Over/(Under)	**$ 291,545**	**$ (172,458)**	**$ (310,657)**	**$ 197,182**	**-214.3%**	**-163.5%**
Reserve for Encumbrances	**$ 55,410**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**
Ending Designated Fund Balance	**$ 2,178,995**	**$ 1,436,912**	**$ 1,923,748**	**$ 2,120,930**	**47.6%**	**10.2%**

CITY OF RICHARDSON
REVENUE BY DETAIL
HOTEL/MOTEL TAX FUND

	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Tax Revenue						
Como Motel	$ 19,977	$ 19,923	$ 20,039	$ 20,440	$ 517	$ 401
DoubleTree Hotel	582,704	616,068	637,859	650,616	34,548	12,757
Econo Lodge	55,629	54,271	65,040	66,341	12,070	1,301
Extended Stay of America	43,258	57,022	61,861	63,098	6,076	1,237
Hawthorne Suites	61,787	68,898	72,345	73,792	4,894	1,447
Hilton Garden Inn	306,003	315,646	322,490	328,940	13,294	6,450
Holiday Inn	195,254	206,702	222,241	226,686	19,984	4,445
Hyatt House	183,346	180,263	207,258	211,403	31,140	4,145
Hyatt Regency	632,831	623,790	727,038	741,579	117,789	14,541
Mariott Courtyard - Galatyn	243,334	241,045	275,461	280,970	39,925	5,509
Marriott Courtyard - Spring Valley	230,641	217,445	286,501	292,231	74,786	5,730
Marriott Renaissance	745,214	753,124	819,139	835,522	82,398	16,383
Marriott Residence Inn	213,920	221,716	230,163	234,766	13,050	4,603
Marriott Springhill Suites	200,362	213,894	218,370	222,737	8,843	4,367
Super 8	62,042	66,838	68,068	69,429	2,591	1,361
Wingate by Wyndham	160,558	154,860	194,187	198,071	43,211	3,884
National Corporate Housing	-	-	34	-	-	(34)
Total	$ 3,936,860	$ 4,011,505	$ 4,428,094	$ 4,516,621	$ 505,116	$ 88,527
Parking Fees						
Parking Garage	$ 190,407	$ 225,000	$ 199,669	$ 211,000	$ (14,000)	$ 11,331
Total	$ 190,407	$ 225,000	$ 199,669	$ 211,000	$ (14,000)	$ 11,331
Eisemann Center Revenue						
Fees	$ 834,594	$ 720,000	$ 848,045	$ 872,000	$ 152,000	$ 23,955
Ticket Sales and Surcharges	176,984	180,000	191,220	192,000	12,000	780
Concessions	21,704	19,000	21,386	21,000	2,000	(386)
Eisemann Presents Revenue	725,242	991,914	746,017	1,134,100	142,186	388,083
Miscellaneous	71,609	60,000	66,515	65,000	5,000	(1,515)
Total	$ 1,830,133	$ 1,970,914	$ 1,873,183	$ 2,284,100	$ 313,186	$ 410,917
Interest Earnings						
Interest Earnings	$ 5,125	$ 3,253	$ 7,830	$ 8,619	$ 5,366	$ 789
Total	$ 5,125	$ 3,253	$ 7,830	$ 8,619	$ 5,366	$ 789
Grand Total Hotel/Motel Tax Fund	**$ 5,962,525**	**$ 6,210,672**	**$ 6,508,776**	**$ 7,020,340**	**$ 809,668**	**$ 511,564**

EISEMANN CENTER EXPENDITURE DETAIL

Eisemann Center Expenditures	ACTUAL FY 2014-15	BUDGET FY 2015-16	ESTIMATE FY 2015-16	BUDGET FY 2016-17	VARIANCE BUD to BUD	VARIANCE EST to BUD
Eisemann Center	$ 2,950,630	$ 3,131,803	$ 3,133,154	$ 3,242,193	$ 110,390	$ 109,039
Eisemann Center Presents	949,369	991,759	881,170	1,134,100	142,341	252,930
Total Eisemann Center Expenditures	$ 3,899,999	$ 4,123,562	$ 4,014,324	$ 4,376,293	$ 252,731	$ 361,969

2016-2017 Debt Program

City of Richardson
Finance

2016-2017 Debt Planning

- Annual Debt Planning
- 2015 GO Bond Program Status and Opportunities
- 2016-2017 Annual Certificate of Obligation Program

2

Annual Debt Planning

- Each year we review debt capacity in relation to our existing debt, project schedules and capital needs
- Work with our Financial Advisors and Bond Attorney
- Monitor our AAA Bond Rating
- Factors that impact debt capacity planning include:
  - Property value increases or decreases
  - Interest rates
  - Opportunities to refund existing debt at lower interest rates
  - Project planning & management: construction costs/inflation and economies of scale

3

Annual Debt Planning

- Current Debt Planning Model
  - Conservative property value growth assumptions:
    - 6%, 3%, 2% and 1% for the next four years
    - 0% value growth for years 5 and beyond
  - Interest rates:
    - 4.70% to 5.25% for future issuances
    - Current interest rates on 20 year debt are around 2.3%
  - Does not include any future refunding savings
  - Projects a future estimated Bond Program for years 2022-2026 of $60 million.

4

Annual Debt Planning

- Since the 2015 Bond Election planning we have seen the following:
  - 7% actual value growth for 2015-2016 vs. 3% projection
  - 6% value growth estimated for 2016-2017 vs. 2% projection
    - Conservative modeling assumption pending final Assessed Values
  - Refunded existing debt - $2.6 million General Gov't savings over 10 years
- These factors have increased our debt capacity and allow us to consider:
  - Advancing the sale amounts for 2015 GO Program
  - Adding Fire Station #1 to the Public Safety Complex project
  - Keep an annual certificate of obligation program

5

2015 GO Bond Program Status

- Voters approved $115 million in bonds in November 2015
  - Sold over 6 Years
- Program Components

Purpose	Amount Authorized	2016 Sale Amnt	Amount Remaining
Public Buildings	67,000,000	6,880,000	60,120,000
Streets	38,570,000	1,260,000	37,310,000
Parks	7,230,000	90,000	7,140,000
Sidewalks	2,200,000	270,000	1,930,000
Total	**115,000,000**	**8,500,000**	**106,500,000**

- Remaining debt will be sold annually through serial sales in order to **avoid** a tax rate increase

6

2015 GO Bond Program
Advance Serial Sale Amounts

- Allows Phase One of the Public Safety Complex to happen sooner
  - Construction can begin as soon as fall 2017 immediately following the design phase
- Avoids escalated construction costs
  - Cost advantage to starting construction sooner
  - Avoids long term interest rate risk – if borrowing costs increase

7

2015 GO Bond Program
Advanced Serial Sale Amounts

Fiscal Year Issued	Estimated Issuances April 2016 Sale	Advanced Serial Sale Issuances	Difference
2015-2016	8,500,000	8,500,000	0
2016-2017	10,985,000	20,340,000	9,355,000
2017-2018	9,665,000	40,915,000	31,250,000
2018-2019	9,840,000	18,115,000	8,275,000
2019-2020	18,290,000	14,940,000	(3,350,000)
2020-2021	57,720,000	12,190,000	(45,530,000)
Total	**115,000,000**	**115,000,000**	**0**

8

2015 GO Bond Program
Public Safety CO Supplement

- Opportunity to add Fire Station #1 to the Public Safety Campus
  - Originally not planned until after 2021
  - Takes advantage of economies of scale and avoids future construction cost increases
  - Save on planned interim repair costs
  - Synergy of full site development
  - Minimizes disruptions for all
  - Community impact of Full completed campus

9

2015 GO Bond Program
Public Safety CO Supplement

- Supplement also addresses Public Safety Campus site preparation costs
- Furniture/Fixtures/Equpment for Public Safety Complex
- Supplement is spread out over the next three years

Amount	Description	Years Issued
$2.0 million	Public Safety Campus Supplement – 20 yr	2017
$15.8 million	Fire Station #1 – 20 yr	2017 & 2018
$5.9 million	Furniture/Fixtures/Eqmt Public Safety Complex – 4+ yrs	2018 & 2019
$23.7 million	**Total**	

10

2015 GO Bond Program
Public Safety CO Supplement

Fiscal Year Issued	Advanced Serial Sale Issuances	Fire Station #1 & Advanced Serial Sales	Difference
2015-2016	8,500,000	8,500,000	0
2016-2017	20,340,000	26,640,000	6,300,000
2017-2018	40,915,000	56,115,000	15,200,000
2018-2019	18,115,000	20,315,000	2,200,000
2019-2020	14,940,000	14,940,000	0
2020-2021	12,190,000	12,190,000	0
Total	**115,000,000**	**138,700,000**	**23,700,000**

11

Annual CO Program

- Annual issuance of Certificate of Obligation Debt
  - Short term debt for general government vehicles & equipment (4 yrs)
  - Fire Vehicles (8 yrs)
  - Solid Waste Vehicles/Equipment (8 yrs)
  - Other General Gov't Supplemental Projects (20 yrs)
  - Utility Infrastructure (20 years)
- Added Information Technology Component

12

Annual Certificate of Obligation Issuance for 2016-2017

Amount	Purpose	Debt Service
$2.9 million	Capital Equipment – 4 yr	General Debt
$1.0 million	Information Technology Equipment – 4 yr	General Debt
$1.05 million	Fire Equipment – 8yr	General Debt
$2.0 million	Public Safety Complex Supplement – 20 yr	General Debt
$4.3 million	Fire Station #1 Design – 20 yr	General Debt
$5.6 million	Streets & Drainage Supplement – 20 yr	General Debt
$3.825 million	Water & Sewer CIP – 15 to 20 yrs	Utility Debt
$0.94 million	Solid Waste Capital Equipment – 8 yr	Solid Waste
$21.615 million	**Total**	

13

Summary

- Current debt planning model allows for advancing construction schedule of the Public Safety Complex
- Includes adding Fire Station #1 to the Public Safety Complex
- Allows for continuation of the Annual Certificate Program
- Model estimates $60 million for a future GO Bond Program

14

2015-16 Capital Improvement Program
And Debt Service Plan Overview

Background & Overview

- The City closely coordinates the Capital Improvement Plan (CIP) and the related debt service planning with the annual Operating Budget development. This allows an integrated and accurate development of the Debt Service fund segments of the overall budget.
- Funding resources for the City's capital program occur through a variety of sources, both of local city origin and from other agencies, and can be a dynamic process within the fiscal year. The City has taken an active posture in seeking "external" funding support for capital efforts, which can lower the local expense component of a project.
- The main budgetary aspects to the capital program are the debt service requirements, and properly tracking the special revenues, grant funding, capital surplus transfers and other capital funds that the City oversees. Key funding types include:
    - Annual short-term Certificate of Obligation (C.O.) program.
    - General Capital Special Projects from year ending transfers, when available.
    - General Obligation (G.O.) Bond & Certificate of Obligation (C.O.) funding.
    - Lease Financing
    - Utility Special Capital Projects from year ending transfers, when available.
    - Self-supporting enterprise debt for the Solid Waste Services, and Water and Sewer Funds
    - Other developer-financed or special project capital funding
    - Tax Increment Financing (TIF) revenue of the City
    - Court Technology Funds
    - 911 Wireless Funds
    - Federal and/or State Transportation Grants
    - Dallas County Parks and Trail Pay As You Go Program
    - Dallas County Capital Pay As You Go Program
    - Collin County Bond Program – Open Space and Transportation
    - Texas Parks and Wildlife
    - Federal/State Homeland Security Grants
    - Philanthropy Gifts & Sponsorship Funding

An Active Current Capital Improvement Program

- During the spring and summer of 2015, the City Council began deliberation of a new G.O. Bond referendum as the City neared completion of the 2010 G.O. Bond referendum. In August 2015, the City Council called for a November 2015 G.O. Bond referendum that would authorize $115 million in new projects.

- As explained to the voters in the referendum information, <u>no tax rate increase</u> would be required if all four propositions passed.

- Following the favorable passage of the $115 million 2015 G.O. Bond referendum, the City of Richardson has been active in beginning implementation for these capital projects.

- The Series 2016 issue provided a combined $15.90 million in G.O. and C.O. proceeds, including $8.50 million for the new 2015 G.O. Bond Program.

Series 2016: 2015-2016 Debt Issuance Program – All Funds			
Amount	**Bond Type**	**Purpose**	**Debt Service**
$2.90 million	C.O.	General Fund Capital Equipment – 4 yr.	General Debt Service
$1.40 million	C.O.	General Fund Fire Equipment – 8 yr.	General Debt Service
$8.50 million	G.O.	General Obligation Bond Program – 20 yr.	General Debt Service
$2.00 million	C.O.	Water and Sewer C.I.P. – 15/20 yr.	Utility Fund Debt Service
$1.10 million	C.O.	Solid Waste Services Capital Equipment – 8 yr.	Solid Waste Debt Service
$15.90 million	**Total**		

- As part of the Series 2016 transaction, the City refunded $23.155 million of outstanding debt, generating savings of $3.58 million. Of that amount, $2.62 million was attributable to General Debt Service and $0.96 million was attributable to Utility Fund Debt Service

- The key focuses for the capital program in 2016-2017 are:
  - The annual short term C.O. Program issuance of $4.95 million to sustain a timely and organized replacement of general government capital equipment, fire vehicles and a new component for replacement of information technology equipment.
  - The issuance of a $3.825 million C.O. for scheduled water and sewer system improvements.
  - The issuance of a $0.94 million C.O. for solid waste equipment.
  - The issuance of a $5.6 million C.O. supplement for street and drainage improvements.
- Year two of the 2015 $115 million G.O. capital program
  - The issuance of $20.34 million in G.O. bonds for year two projects
  - The issuance of a $6.3 million C.O. supplement to aid in accelerating the construction of the Public Safety campus.
- Below is a reference table of the debt tax rate actions for the recent fiscal years and for the coming FY 2016-2017 Fiscal Year.

Year	Debt Rate	Operations Rate	TOTAL
2012-13	$0.27235	$0.36281	$0.63516
2013-14	*$0.26985	$0.36531	$0.63516
2014-15	**$0.26485	$0.37031	$0.63516
2015-16	***$0.25485*	*$0.38031*	*$0.63516*
2016-17	*$0.25485*	*$0.38031*	*$0.63516*

* $0.0025 moved from the Debt Rate to the Operations Rate for dedicated street maintenance
**$0.005 moved from Debt Rate to Operations for Economic Development
***$0.01 moved from Debt Rate to Operations for COR Plan

- The attached updated General Debt Service plan evaluated the impact of the following factors in providing the debt management plan for 2016-2017:
  - Conservative **6.0%** property tax roll increase for 2016-2017
  - Conservative growth of **3%** in 2017-2018, **2%** for 2019, **1%** for 2020, and no growth after FY 2020.
  - Conservative interest rate projections of **4.7%** to **5.25%** for future debt issuance.
  - The outlook years also factor the continuation of the City's short-term notes program for capital replacements and periodic fire apparatus upgrades to assure their baseline inclusion.

    - These debt planning assumptions have been used for ensuring the success of accelerating the construction of the Public Safety campus from the 2015 Bond Program with No Tax Rate Increase.

- Importantly, this updated debt plan shows no anticipated "spikes" in debt tax rate requirements for the existing or newly added debt. The debt tax rate begins to show a steady/gradual decline, as future tax base growth strengthens the impact of each tax penny, and older debt obligations are retired.
- The City will continue to monitor all debt management assumptions during 2016-2017.

Series 2017: 2016-2017 Proposed Debt Issue Activities

- The proposed Series 2017 Debt Issuance program will continue to maintain our capital program for equipment purchases and our ongoing Utility infrastructure program.
- For the Series 2017 C.O. issue, the proposed components are:
    - The 4-year C.O. element provides the funding for the routine general fleet and equipment replacement requirements of the General Fund as well as an information technology replacement program.
    - The 8-year C.O. element will provide for the next scheduled fire equipment replacements: a replacement Quint and a new Ambulance.
    - The 15 to 20-year C.O. element will provide for water and sewer system improvements.
    - The 8-year C.O. element will provide for the needed Solid Waste heavy equipment, containers, and fleet replacements.
    - The 20-year C.O. element will provide for additional street and drainage improvements and aid in accelerating the construction of the Public Safety campus
- The 20-year G.O. issue for year two projects of the 2015 G.O. Bond Program.

- The following debt issuance plan for 2016-2017 ("Series 2017") summarizes the proposed elements:

Series 2017: 2016-2017 Debt Issuance Program Under Evaluation – All Funds (For Discussion)			
Amount	**Bond Type**	**Purpose**	**Debt Service**
$2.9 million	C.O.	General Fund Capital Equipment – 4 yr.	General Debt Service
$1.0 million	C.O.	Information Technology Equipment – 4 yr.	General Debt Service
$1.05 million	C.O.	General Fund Fire Equipment – 8 yr.	General Debt Service
$5.6 million	C.O.	Streets & Drainage Supplement – 20 yr.	General Debt Service
$6.3 million	C.O.	Public Safety Campus Supplement – 20 yr.	General Debt Service
$20.34 million	G.O.	2015 G.O. Bond Program (Year Two Projects) – 20 yr.	General Debt Service
$3.825 million	C.O.	Water and Sewer C.I.P. – 15 to 20 yrs.	Utility Fund Debt Service
$0.94 million	C.O.	Solid Waste Services Capital Equipment – 8 yr.	Solid Waste Debt Service
$ 41.955 million	**Total**		

Summary

- The debt management program continues to meet required financial policy requirements.
- Our history and practice of this debt review process has been an important element of the rating agency's positive review of the City of Richardson.

2017 Planning - Base Case
CITY OF RICHARDSON, TEXAS

Does not Include any Hotel/Motel Tax Revenues or Golf Revenues

Projected Growth Rates (6% for FYE 2017, 3% for FYE 2018, 2% for FYE 2019, 1% for FYE 2020, and no growth thereafter)

Projected Issuances as outlined below; assumed $4.960M issued 2022-2041

FYE	Projected Taxable Assessed Valuation (1)	Projected % of Growth	Net Outstanding Debt Payable from Tax Levy (2)	Series 2017 $3.9M - 4 Yr $1.050M 8 Yr $11.9M 20 Yr $20.34M 20 Yr GO at 4.75%	Series 2018 $7.6M - 4 Yr $1.050M 8 Yr $11.5M 20 Yr $40.915M 20 Yr GO at 4.70% / 5.25%	Series 2019 $6.1M - 4 Yr $1.050M 8 Yr $18.115M 20 Yr GO at 4.70% / 5.25%	Series 2020 $3.9M - 4 Yr $960K 8 Yr $14.94M 20 Yr GO at 4.70% / 5.25%	Series 2021 $3.9M - 4 Yr $1.060M 8 Yr $12.190M 20 Yr GO at 4.70% / 5.25%	2022 - 2041 Aggregate Annual CO Issuances Total D/S	Less: Projected Interest Earnings	Proposed Total Debt Service	Required Tax Rate for All Debt (3)
2016/17	12,310,911,363	6.00%	31,365,983							(5,000)	31,360,983	0.25474
2017/18	12,680,238,704	3.00%	27,682,742	$ 4,634,910						(5,000)	32,312,652	0.25483
2018/19	12,933,843,478	2.00%	25,874,746	2,768,538	4,323,414					(5,000)	32,961,697	0.25485
2019/20	13,063,181,913	1.00%	24,045,536	2,602,119	3,289,643	$ 3,360,900				(5,000)	33,293,197	0.25486
2020/21	13,063,181,913	0.00%	21,732,760	2,236,150	6,769,168	1,206,655	$ 1,350,360			(5,000)	33,290,092	0.25484
2021/22	13,063,181,913		16,793,993	1,665,963	6,912,160	3,608,845	2,072,273	2,242,747		(5,000)	33,290,979	0.25485
2022/23	13,063,181,913		16,002,139	3,098,806	5,017,506	3,610,405	2,074,985	2,249,863	$ 1,243,384	(5,000)	33,292,088	0.25485
2023/24	13,063,181,913		15,144,291	3,099,719	5,019,590	1,827,088	3,455,320	2,252,100	2,496,004	(5,000)	33,289,111	0.25483
2024/25	13,063,181,913		15,867,387	3,101,713	5,020,021	1,830,428	1,488,785	2,245,820	3,741,337	(5,000)	33,290,490	0.25484
2025/26	13,063,181,913		12,819,762	2,919,063	5,018,538	1,831,184	1,490,443	1,161,976	4,987,032	(5,000)	30,222,996	0.23136
2026/27	13,063,181,913		10,596,782	2,921,769	4,839,106	1,829,356	1,490,041	1,166,378	5,146,589	(5,000)	27,985,021	0.21423
2027/28	13,063,181,913		6,733,876	2,920,438	4,846,306	1,654,044	1,487,568	1,164,114	5,309,567	(5,000)	24,110,911	0.18457
2028/29	13,063,181,913		6,733,918	2,919,950	4,840,763	1,650,350	1,326,781	1,165,185	5,470,612	(5,000)	24,102,558	0.18451
2029/30	13,063,181,913		6,725,699	2,920,069	4,842,213	1,654,031	1,327,669	998,469	5,634,372	(5,000)	24,097,521	0.18447
2030/31	13,063,181,913		979,326	2,920,556	4,840,131	1,654,825	1,326,456	999,069	5,634,372	(5,000)	18,349,735	0.14047
2031/32	13,063,181,913		976,278	2,921,175	4,843,994	1,652,731	1,328,013	1,002,963	5,634,372	(5,000)	18,354,525	0.14051
2032/33	13,063,181,913		829,183	2,921,688	4,838,406	1,652,619	1,327,206	1,000,150	5,634,372	(5,000)	18,198,624	0.13931
2033/34	13,063,181,913		788,738	2,921,856	4,842,844	1,654,225	1,328,906	1,000,631	5,634,372	(5,000)	18,166,572	0.13907
2034/35	13,063,181,913		782,842	2,921,444	4,841,650	1,652,419	1,327,981	999,275	5,634,372	(5,000)	18,154,983	0.13898
2035/36	13,063,181,913		599,719	2,920,213	4,839,431	1,652,069	1,329,300	1,000,950	5,634,372	(5,000)	17,971,053	0.13757
2036/37	13,063,181,913			2,922,806	4,845,400	1,652,913	1,327,731	1,000,525	5,634,372	(5,000)	17,378,747	0.13304
2037/38	13,063,181,913				4,843,900	1,654,688	1,328,144	1,002,869	5,634,372	(5,000)	14,458,972	0.11068
2038/39	13,063,181,913					1,652,263	1,330,275	1,002,850	5,634,372	(5,000)	9,614,759	0.07360
2039/40	13,063,181,913						1,328,994	1,000,469	5,634,372	(5,000)	7,958,834	0.06093
2040/41	13,063,181,913							1,000,594	5,634,372	(5,000)	6,629,965	0.05075
	Totals 2016/17 - 2040/41:		$ 243,075,700	$ 58,258,942	$ 99,474,183	$ 38,942,035	$ 30,847,230	$ 25,656,994	$ 96,006,984	$ (125,000)	$ 592,137,068	

Assumptions:

(1) The 2016/17 value is certified and includes $_____ of values in dispute and excludes $_____ of TIF values.

(2) Issues subsequent to 2016 are presumed to be dated April 15 and the first coupon payment is due on February 15 of following year.

(3) Tax Collections at 100% for debt service.