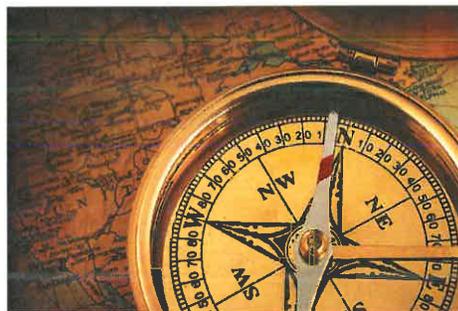


City of Richardson, Texas

2012-2013 Municipal Budget
Overview

Charting the Course



City Council Budget Retreat
July 17-18, 2012



Charting the Course

- ***“Charting the Course”*** is a suggested theme for this 2012-2013 budget to reflect the variety of planning and assessment efforts currently underway that will give profound direction for the City’s future during 2012-2013 and beyond.
- ***Charting the Course*** also conveys a process of deliberate preparation to set a direction, with a full assessment of:
 - the desired goal destination(s),
 - the route to accomplish the task
 - the factoring of obstacles/challenges
 - an assessment of the resources that will be required



Charting the Course

- Among others, active land use planning and assessments that will set our future course include:
 - U.S.75 Corridor/Main Street Study
 - East Arapaho FlexSpace Study
 - Spring Valley Study implementation
- Key operational reviews and operation-impacting activities underway include:
 - Solid Waste Study
 - Golf Fund Operation Refinements
 - Arts Masterplan
 - National Health Care Policy provisions
 - NTMWD Water Supply Capital Initiatives
 - Municipal Capital Facility Upgrades
 - Retail Study



Charting the Course

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



July 17-18: Suggested Retreat Approach

- We await several elements to complete the preparation effort: final certified property tax roll, updated revenue collections, etc.
- Departmental expenditure reviews continue.
- We utilize this early retreat to assess the over-arching strategy and dynamics expected for the 2012-2013 fiscal year.
 - Over the two evenings, a fund-by-fund overview report will be presented for the key operating funds.
- At this retreat, we will focus on the key operating funds that speak to most of the City's annual resources and deliver services. A budget for all funds will be submitted with the required filing in August.
- A key goal of this retreat is to confirm the suggested strategies and approaches for completing the current fiscal year and developing the next year's budget.

Budget Development Objectives



- Continue an active implementation of the City Council's Goals & Near-Term Action Items
- Develop a 2012-2013 Budget and Work Plan that requires no new property tax rate change.
- Continue the strong alignment of municipal resources around the key themes of the Council's goals: strong comprehensive planning, quality public safety services, neighborhood integrity and renewal, sustained infrastructure enhancements, active economic development, and strong fiscal management.
- Sustain the many initiatives begun with the current 2011-2012 work plan, including key studies and capital project initiations.

Budget Development Objectives



- Continue the active implementation of the 2010 G.O. Bond Program, and respond to the operating impacts of these improvements.
- Support the implementation work plan for the West Spring Valley Reinvestment Study.
 - Continue the active attention to the catalyst projects
- Support transit-oriented development initiatives around the existing and proposed DART Light Rail stations – and seek continued support of DART transit enhancements for Richardson.
- Complete the activation of public safety radio and technology infrastructure enhancements.
- Continue the strengthening work plan for enhanced community outreach.

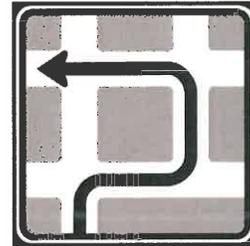
Budget Development Objectives



- Continue to leverage with personal and corporate donations and volunteerism to strengthen community arts, city services, and community assets.
- Maximize the economic development retention and recruitment opportunities to strengthen our tax base – including retail initiatives and international business development.
- Foster the redevelopment of Richardson's older assets through quality planning updates and financial support efforts like Tax Increment Financing (TIF) and active infrastructure upgrades.

Budget Development Objectives

- Continue to support the strong work plan of Community Services – including the key partnerships with HOA's and volunteers .
- Sustain Richardson's leadership posture with DART, NTTA and TxDOT initiatives to sustain good transportation access and air quality efforts.
- Support the planning and fiscal requirements for regional utility services for water supply, sewer treatment, and solid waste management to assure the future of these important infrastructure assets and resources.



Budget Development Objectives



- Continue our strong alliance commitments with our community partnerships: RISD, PISD, MRMC & UTDallas
- Sustain our focus on the quality-of-life components of municipal services devoted to parks, recreation and open space/trail. Be attentive to refining service delivery in these areas as we design and construct the bond and grant-funded recreation assets.
- Continue to support a competitive employment environment to sustain and recruit a high-quality public service work force.

Key Budget Elements for 2012-2013: Property Tax

- Our tracking efforts with the DCAD and CCAD appraisal districts suggest that 2012-2013 will be a year of slightly firming property values. A **0.5% increase** has been predicated in this current preliminary budget draft.
 - Commercial values are expected to show mixed performance, with some areas strengthening and others remaining dampened.
 - The specific components of the tax base and their trends will be known with the certified rolls to be received by July 25th.
- **No tax rate change is proposed.** The current \$0.63516 rate will be used in budget development.
- With no upward pressure expected in residential property values, the Senior Exemption's current \$55,000 value amount will maintain the 30% protection objective for 2012-2013.
- Property taxes provide about 36% of the entire General Fund resources.

Key Budget Elements for 2012-2013 : Sales Tax

- Sales tax revenue estimating continues to be a challenge, but a modest firming pattern seems to be the emerging trend. Additionally, periodic audit adjustments must be factored into any forecast estimate.
- This current 2011-2012 year has had a mixed pattern for sales tax – but generally has been an increase, given our budgeted assumption for a reduction.
- This preliminary 2012-2013 estimate of \$25.5 million uses a 2% growth factor
- This revenue provides about 26% of the entire General Fund resources.

Key Budget Elements for 2012-2013 : Rates & Fees

- Water/Sewer Utility
- The ability to absorb District water rate changes were exhausted during the Spring of 2012, and the City Council authorized a 9% rate change for June billings.
- It was advised that this was a “catch-up” adjustment and did not factor the expected additional rate changes from NTMWD related to the significant Texoma water pipe capital program and other District CIP plans.
- **The NTMWD wholesale water rate is projected to increase about \$0.18 to \$0.22 every year for the next 4 year period. The City must move to considering an annual “pass-through” format to these wholesale rate adjustments to maintain our financial policies.**
- For 2012-2013, a city utility rate adjustment of 9% is proposed to begin with the new fiscal year. Even with this adjustment, a use of \$1.2 million in remaining rate stabilization funds is being utilized to brunt any higher rate adjustment for 2012-2013.

Key Budget Elements for 2012-2013 : Rates & Fees (more)

- Solid Waste Rates
- Based on operating cost pressures and a flat performance in commercial revenues to help subsidize the residential customers, an increased revenue requirement is needed in this fund. These rates were last adjusted in 2008-2009.
- However, an exact plan is still under development as a comprehensive Solid Waste operations and rate review study is underway.
- To allow for the orderly consideration of any rate adjustment in the context of the findings from the HDR study currently underway, the 2012-2013 budget will be developed with the use a non-recurring rate stabilization funding supplement of \$625,000.
- The Solid Waste study is scheduled for completion before the end of this year. Rate adjustments will be directed as an outcome of that study report and the next fiscal year budget development.

Key Budget Elements for 2012-2013 : Rates & Fees (more)

- Drainage Utility Fee
- This 2012-2013 budget will be the first full fiscal year for this fee, which was enacted during 2011-2012 and the City began revenue receipts in February 2012.
- Recall that Richardson was one of the few remaining cities in the DFW area that had not established this fee, even as our General Fund has absorbed the mandates of the State's Stormwater Quality Management regulations.
 - With the adopted plan, about \$910,000 of current General Fund expenses related to this program (engineering, enforcement, inspection, etc.) will be supported by the new Drainage Utility Fund. Additionally, about \$1.385 million in annual stormwater/drainage capital improvements 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 2012-2013 : Debt & Capital Program

- Following the approval of the \$66 million 2010 G.O. Bond program and related debt-assigned \$0.06 tax rate change, the current focus is on active implementation of the program.
- Debt service requirements now reflect these recently added obligations, and are handled in 2012-2013 through the multi-year debt plan that was developed.
- For 2012-2013, **\$ 8.64 million** across all funds is proposed for the Series 2013 C.O. debt program. This will cover the annual capital replacement requirements and the Utility Fund C.I.P. needs:
 - \$2.9 million for General Fund capital equipment
 - \$0.775 million for Fire Equipment
 - \$0.750 million for Fire Training Center for Emerg. Mgt. Operations
 - \$1.217 million for Solid Waste equipment
 - \$3.0 million for Utility Fund C.I.P.

Key Budget Elements for 2012-2013 : Staffing & Compensation

- Personal Services comprise the largest expense category of the General Fund. Staff continues to hold vacant positions and to understaff to assist in managing these expenses. Overall staffing remains below the level of 2001-2002.
- Currently, 15 positions are frozen for 2012-2013. Understaffing factors will also be utilized for budget efficiency.
- Significant adjustments in the City's employee health insurance program are under review. The current 2011-2012 year has been seen large claim impacts of the insurance fund, and a year ending transfer is required. 2012-2013 is the last year that the city can utilize a "grandfather/exemption" provision of the new national health care mandates before coverage changes and other plan features must be revised.

Key Budget Elements for 2012-2013 : Staffing & Compensation

- A proposed compensation adjustment plan is included to remain regionally competitive with other communities.
 - Support for compensation steps (5%) is proposed for the 48% of employees still within ranges. For those at the top of range or single step, a 3% adjustment to the top range is proposed. By design, an employee will receive only one of these adjustments.
 - Some additional market adjustments are under review and will be assessed over the next weeks as a final budget recommendation is made.
- Staffing adjustments are proposed to respond to the new recreation facility activation and the reactivation of the Heights Park pool.
- An allocation of \$250,000 has been made for parks maintenance enhancements. A review currently underway will determine a staffing and/or contractual use of this allocation.
- No other benefit adjustments are proposed, but a significant insurance program review will occur to give guidance for 2013-2014.

Summary

- Many tasks and further detailing is required before the planned August 3, 2012 budget filing.
- Further opportunities to provide access and to gain public input are scheduled before final adoption.
 - Council Budget Retreat - 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 2012-2013 budget proposal has “charted the course” well to be fiscally responsible, and responsive to our service needs for 2012-2013.



**City of Richardson
Budget Calendar
Fiscal Year 2012-2013 - ADOPTION ON SEPTEMBER 10, 2012**

April 1- May 1	Dallas Central Appraisal District & Collin Central Appraisal District prepare to mail notices of appraised value
May	City to receive Preliminary Values from appraisal districts
Fri., May 11	Departmental revenue projections, budgets and all support documentation due to the Budget Office
May 21 - June 8	Departmental budget presentations to Budget Team
June/July	Budget Team begins making revised revenue and expenditure forecasts
Fri., July 13	Post notice of City Council Budget Retreat
Tues., July 17 - Wed., July 18	City Council Budget Retreat - 5:30pm
Wed., July 25	Certified tax rolls received by the City
July 25 - 31	Calculation of effective and rollback tax rates (including uploading & balancing data from CADs)
Fri., Aug. 3	City Manager files budget w/City Secretary for public review (by August 15, 2012) (Budget Public Hearing must be at least 15 days after filing of Budget w/City Secretary/Council) Post notice of City Council Meeting, for discussion of tax rate, setting public hearing and to take a record vote on tax rate.
Mon., Aug. 6	City Council Special Meeting - Discuss tax rate, set public hearings on tax rate & take record vote on tax rate AND set date & place of public hearing on budget. (Tax public hearings are required if proposed rate will exceed the lower of the rollback tax rate or the effective tax rate) Newspaper deadline for Thu 8/9 ad "Effective and Rollback Tax Rates (ETR)"
Wed., Aug. 8	Newspaper deadline for Sun 8/12 ad "Notice of Public Hearing on Tax Increase" (must have results of record vote from CC Mtg) Newspaper deadline for CSO's Legal Notice, Fri 8/10 ad - "Notice of Public Hearing on Budget"
Thu., Aug. 9	Publish "Effective and Rollback Tax Rates (ETR)" (or publish "ETR" as late as the same time as the "Notice of Public Hearings")
Fri., Aug. 10	CSO Legal Notice of the Budget Public Hearing in the 2012-2013 Budget (required 10-30 days before hearing & need results of 8/13 mtg.)
Sun., Aug. 12	Publish "Notice of Public Hearing on Tax Increase" (At least 7 days before 1st Public Hearing on tax rate)
Mon., Aug. 13	Internet & CITV "Notice of Public Hearings on Tax Increase" (Posted at least 7 days immediately before the 1st hearing on the tax rate & run until 2nd public hearing is concluded)
Fri., Aug. 17	Post notice of City Council Meeting, for public hearings on budget and tax rate
Mon., Aug. 20	City Council Special Meeting - Hold Public Hearing on Budget and 1st Public Hearing on tax rate (PH on Budget must be at least 15 days after budget is filed with CSO/Council. 1st PH on Tax Rate must be at least 7 days after NPH is published. 2nd Public Hearing on Tax Rate is required to be at least 3 days after the 1st Public Hearing)
Wed., Aug. 22	Newspaper deadline for Sun 8/26 ad "Notice of Tax Revenue Increase" #1 (NTRI)
Fri., Aug. 24	Post notice of City Council Meeting, for 2nd public hearing on tax rate
Sun., Aug 26	Publish (1 of 2) "Notice of Tax Revenue Increase" (NTRI)
Mon., Aug. 27	City Council Meeting (Regular) - Hold 2nd Public Hearing on tax rate (2nd Public Hearing on Tax Rate is required to be at least 3 days after the 1st Public Hearing. Adopt tax rate within 7 - 14 days)
Wed., Aug. 29	Newspaper deadline for Sun 9/2 ad "Notice of Tax Revenue Increase" #2 (NTRI)
Sun., Sept.2	Publish (2 of 2) "Notice of Tax Revenue Increase" (NTRI)
Mon., Sept.3	Labor Day - No Meeting, City offices closed Internet & CITV "Notice of Tax Revenue Increase" (NTRI) (post at least 7 days prior to vote on tax rate)
Fri., Sept. 7	Post notice of City Council Meeting, adoption of budget and property tax rate
Mon., Sept.10	City Council Meeting* (Regular) - Vote to Ratify tax increase reflected in the budget, Adopt Budget and Adopt Property Tax Rate for FY 2012-2013, *3 separate vote actions needed. (Tax Adoption must be 7-14 days after the 2nd Tax Public Hearing OR "NTRI" must be published a third time) Actual time, 14 days - therefore, a third "NTRI" is not required.

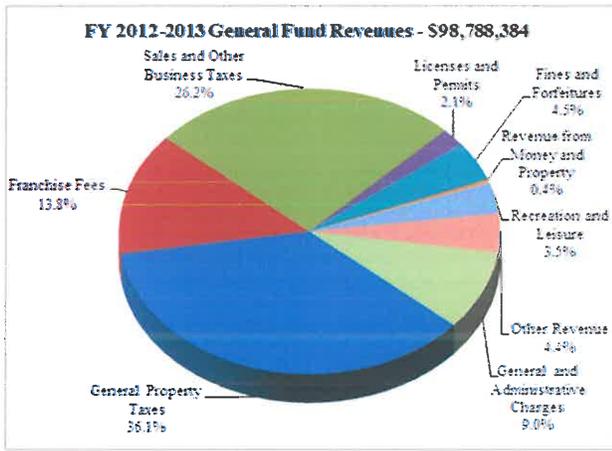
After Tax Rate is Adopted Post "The City of Richardson adopted..." statement on web, if M&O levy is greater than previous year's M&O levy. No posting day or duration is specified for this posting. We have posted for one week in previous years.

GENERAL FUND

The General Fund is the largest of the City's five operating funds, accounting for most financial resources except those required for debt or specifically attributable to the enterprise funds.

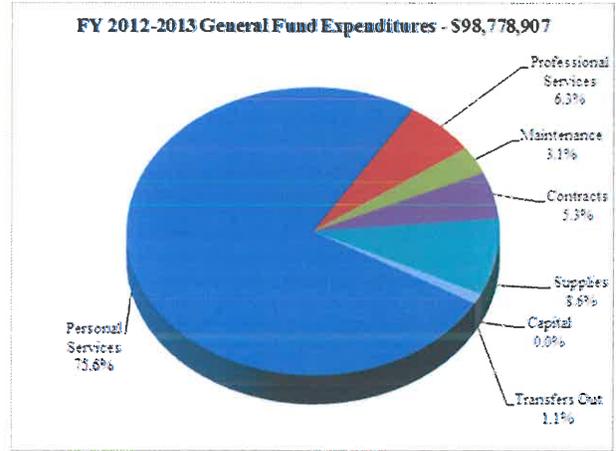
Sources

Resources are generated by Property Taxes, Sales Taxes, Franchise Fees, Fines, Licenses, and fees for city services. Property Tax, Sales Tax and Franchise Fee revenues account for 76.1% of all revenues in the fund.



Uses

Operating expenditures provide support for most traditional tax-supported municipal services such as Public Safety, Parks and Recreation, Development Services, Traffic and Transportation, Library, Building Inspection, Finance, Human Resources, Health and General Administration. Personal Services account for 75.6% of all expenditures in the fund.



Fund Balance

The Fund Balance target for the General Fund is 60 days of expenditures.

GENERAL DEBT SERVICE FUND

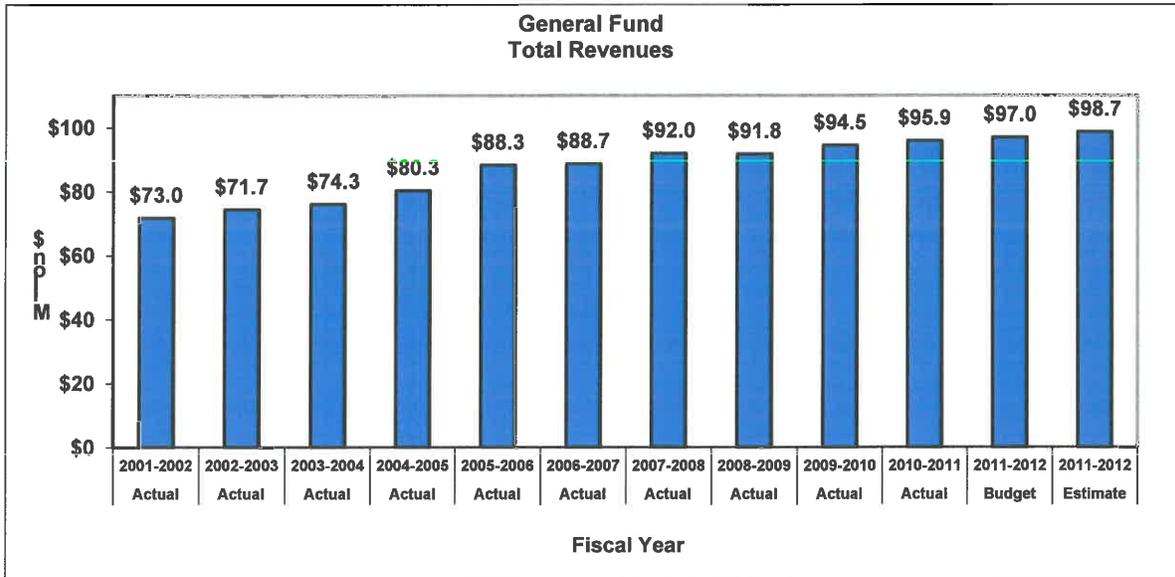
The General Debt Service Fund hosts the revenue and expenses for general debt service obligations. The primary source of revenue is general property taxes and expenditures include the annual debt services payments for outstanding debt not financed through other debt service funds.

GENERAL FUND

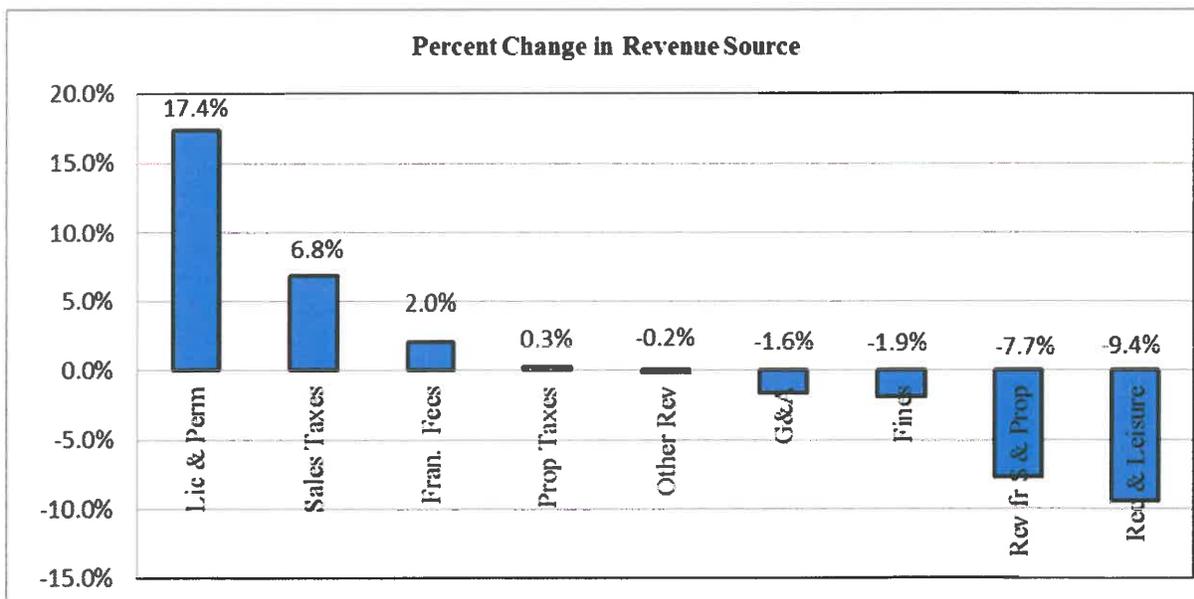
2011-2012 Year End Estimate

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 \$98.7 Million or \$1.7 Million over the original budget projections.



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



General Property Taxes

- Original 2011-2012 Budget projections for revenue from General Property Taxes assumed 100% collection. Property Tax revenues for 2011-2012 were predicated on a citywide assessed value tax base of \$9.8 Billion which included a July 2011 Certified Tax Base of \$9.7 Billion, \$81.7 Million of values in dispute still outstanding at the time of DCAD roll certification and a reduction of \$65.7 Million for the Tax Increment Financing District. Year-end estimates call for total collections, including prior year taxes and penalties of \$36.7 Million for General Fund operations, an increase of \$95,900. 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. Many times, these adjustments are positive as is the case this year, and value gets added to the roll allowing us to collect current property taxes \$21,600 above the certified roll. 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. This category was budgeted at \$866,000 this year due to a known case awaiting settlement. That case settled for \$144,000 more than anticipated. The Penalties and Interest category is expected to finish the year (\$70,000) below original budget.

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 \$262,000 over original budget. The largest increase is in Telecommunications where larger than anticipated access line fees are driving an increase of \$255,000. The largest decrease is in Natural Gas where a mild winter combined with lower retail prices lower the estimated year end collection by (\$180,000) from original budget. Minor increases in Electric, Cable and Water and Sewer combine with a minor decrease in Solid Waste for a total of \$186,000 over original budget.

Sales Taxes

- Total Sales and Other Business Taxes were budgeted at \$23.7 Million for 2011-2012 representing a no change from last years expected "base" year-end estimate. With only three significant audit adjustments this year totaling (\$33,000), and continued growth in our business to business sales tax activity, we project year-end sales tax of \$25.3 Million representing a \$1.7 Million increase. Both the Bingo Tax and the Mixed Beverage Tax will end with slight declines from the original budget.

License and Permits

- For FY 2011-2012, we are seeing increases in both the number of new permits and the value those permits represent. As you can see in the chart on the next page, the number of new permits for both new buildings and additions and non-residential alterations increased 129% YTD, while the value represented by those permits increased 51.1% over last year. Revenues from License & Permits are projected to end the year at \$2.1 Million or \$304,000 above the original budget.

No. Of Permits Comparison				
	YTD 2009-2010	YTD 2010-2011	YTD 2011-2012	% Change FY11 – FY12
New Buildings				
Residential	44	39	59	51.3%
Non-residential	34	20	28	40.0%
Subtotal	78	59	87	47.4%
Additions & Alterations				
Residential	371	437	1,262	188.8%
Non-Residential	200	191	224	17.3%
Subtotal	571	628	1,486	136.6%
Total	649	687	1,573	129.0%

Permit Valuation Comparison				
	YTD 2009-2010	YTD 2010-2011	YTD 2011-2012	% Change FY11 – FY12
New Buildings				
Residential	\$14,325,882	\$20,316,126	\$18,546,683	(8.7%)
Non-residential	\$40,791,388	\$6,896,113	\$56,544,650	720.0%
Subtotal	\$55,117,190	\$27,212,239	\$75,091,333	175.9%
Additions & Alterations				
Residential	\$4,907,419	\$6,697,418	\$14,168,872	111.6%
Non-Residential	\$38,946,980	\$59,733,908	\$52,207,866	(12.6%)
Subtotal	\$43,854,399	\$66,431,326	\$66,376,738	0.1%
Total	\$98,971,589	\$93,643,565	\$141,468,071	51.1%

Fines and Forfeits

- Revenue from Fines and Forfeits are expected to be (\$87,000) or -1.9% below the original budget while the number of violations processed through the court is also down -14.7% compared to last year. In addition to current year citations, the City actively works citations that have gone to warrant status, ever mindful of the cost effectiveness of doing so since approximately 85% of warrants are for addresses outside the City.

	Neighborhood Services	Police Issued	YTD Violations
2010-2011	1,323	39,433	40,756
2011-2012	1,074	33,686	34,760

Revenue from Money/Property

- Revenue from Money/Property, which includes interest earnings and the Civic Center revenues, is expected to end the year (\$32,000) below the original budget of \$409,000 due to continued declines in interest earnings. The losses here are offset somewhat by the expected \$13,000 increase in Civic Center leasing activity.

Recreation and Leisure Services

- Revenue received from the variety of city-sponsored Recreation and Leisure Services is expected to end the year (\$331,000) below the original budget of \$3.5 Million. The Older Adults Trip revenue is the largest decline of (\$107,000) from budget. This decline is the result of a large trip that did not “make” therefore the expenditures see an offsetting decline as well. The next largest decline is (\$94,000) in Class Fees due to lower class attendance and a -14.0% reduction in Recreation Center Membership Fee collections. Revenue from the Wildflower Festival will be down (\$62,000) from original budget due to slightly lower vendor and gate revenue. Decreases in Season Swim Passes, Tennis, Class, and Athletic Fees are offset by increases in the other categories.

Other Revenues

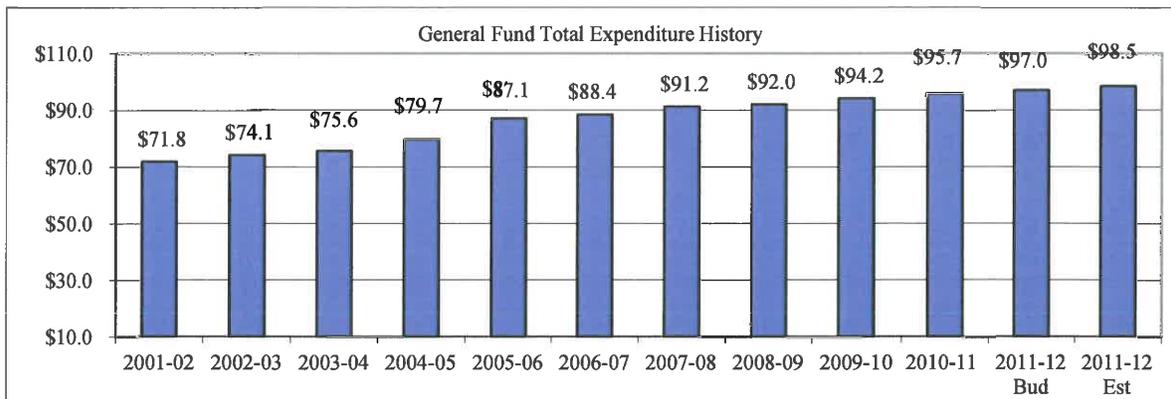
- The Other Revenues category is expected to end the year at \$4.3 Million, even with the original budget. Increases in the 9-1-1 and Ambulance Fees are offset by a (\$142,000) decline in Miscellaneous Revenue. Lower than anticipated revenue from the auction of outdated equipment account for (\$60,000) of the decline. As a reminder, this category is a compendium of 37 small revenue accounts that do not fit cleanly into other categories.

General & Administrative

- The General and Administrative (G&A) Transfer revenue category is expected to end the year (\$150,000) below the original budget of \$9.4 Million. The decline represents the Water and Sewer portion of the CIP G&A Transfer. Since we did not sell long term CO’s for the Water and Sewer Fund this year, these funds are not available. These general and administrative charges represent the indirect cost associated with operating that fund by personnel in another fund.

Expenditures

- Total Expenditures and Transfers for the General Fund are estimated to end the year at \$98.5 Million or \$1.5 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 \$95.8 Million, a decrease of (\$232,000) from original budget.

- Departments have recognized (\$575,000) in savings in the Personal Services category as a result of natural attrition throughout the year.
- Professional Services increases \$456,000 and includes increases in several services. Parks and Recreation maintenance contracts are increased \$76,000 while Facilities Services custodial contracts increased \$91,000. Non-Departmental includes \$85,000 of economic development agreements originally budgeted in another category and reclassified here for accounting purposes. City Attorney Fees account for another \$84,000 of the total increase while the remaining \$120,000 are minor increases across several departments.
- Maintenance is expected to end the year even with the original budget of \$2.9 Million.
- Contracts decrease (\$449,000) from budget. Economic development agreements located in this category are expected to finish the year (\$395,000) below their originally budgeted position primarily as a result of the mid-year termination of one of the agreements. The reclassification of other economic development expenses into the professional services category also contributes to the savings in this category. The actual costs of the City's liability insurance premiums are (\$66,000) below originally projected as well. The remaining accounts in this category are seeing minor increases and decreases across many departments.
- Supplies increase \$215,000 or 2.6% from the original budget of \$8.3 million. This includes \$92,000 in prior year encumbrances, recorded here as an expense, and funded from a reserve of last year's ending fund balance. Fluctuations in fuel costs are expected to cause the account to end the year \$60,000 higher than the \$1.4 Million originally budgeted. Electrical costs are also expected to exceed original projects by \$50,000, while fleet parts and outside repair services are expected to finish the year up another \$60,000. These increases are being partially offset by reductions of \$90,000 for the Older Adults trip that was cancelled and \$16,000 for a reduction in supplies at the recreation center as a result of lower class and recreation center activity. The remaining accounts are showing modest increases and decreases.
- Capital shows expenditures of \$140,000, the largest of which, at \$109,000, is for the continued data migration for the CAD system in Public Safety. The remaining funds were for new ADA Liftchairs at \$13,500 and the demolition of children's pool at Cottonwood at \$14,000 with the remaining \$4,000 for smaller capital items in several departments.
- Operating Transfers Out is estimated to end the year \$1.8 million over the original budget due to the positive revenue and expenditure performance;

The Neighborhood Enhancement Program will be set-aside at \$100,000 under Special Projects so funding is available as that program becomes more defined.

The Golf Fund is scheduled to receive \$100,000 in General Fund support to maintain the fund at the minimum level of the 30 days building to 60 days in fund balance financial policy.

The General Fund will Transfer \$1.5 Million of excess revenue into the CoRPlan to maintain the financial stability of the fund to address increasing medical costs. The City will continue to study the effects of and plans for the coming changes in legislation affecting medical care. If we continue to experience positive revenue

growth and if expenditures end the year better than expected, this transfer to CoRPlan may be increased accordingly.

Fund Balance

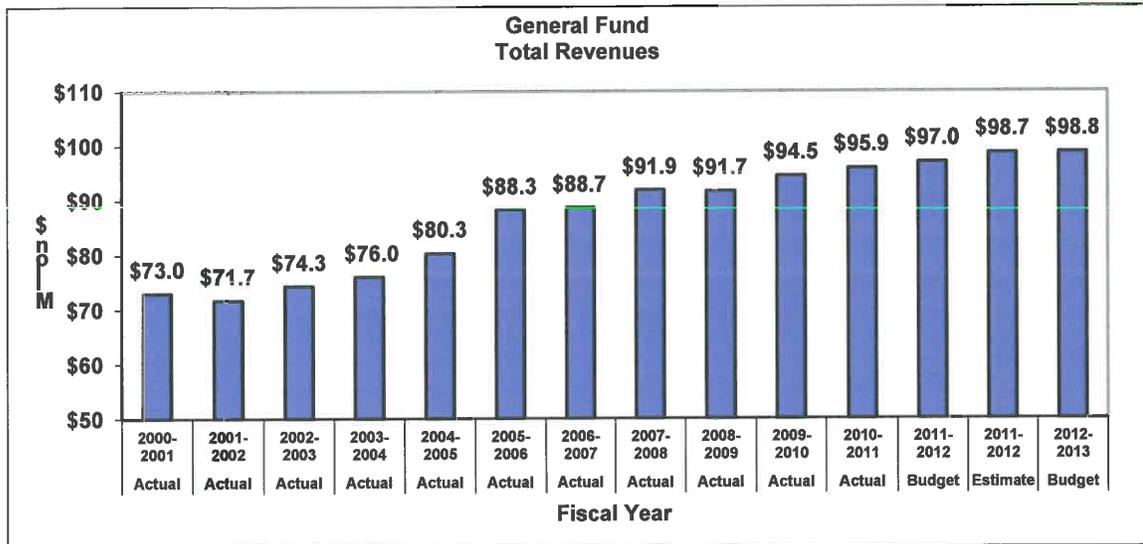
- With Total Revenues of \$98.7 Million and Total Expenditures and Transfers of \$98.5 Million, the fund balance of the General Fund is estimated to end the year at 60.2 days. We will continue to monitor and adjust revenues and expenditures through the remaining months of the fiscal year so as to end the year at 60 days of fund balance.

GENERAL FUND

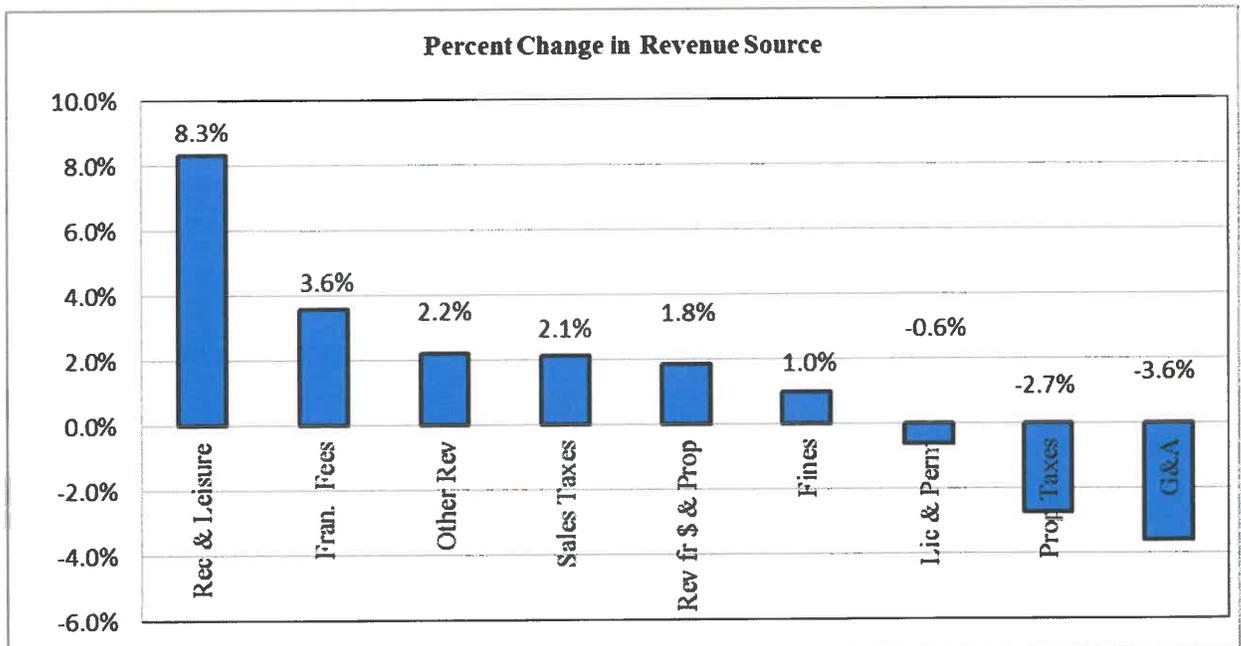
2012-2013 Budget

Revenues

- Total Revenues for the General Fund of \$98.8 million, an increase of \$73,000 from the estimated year-end revenues of \$98.7 Million.



- Of the nine major revenue categories, revenue from Property Tax, Sales Tax and Franchise Fees comprise 76.1% of all projected General Fund revenues for 2012-2013. Seven of the nine revenue sources are anticipated to be higher than year-end estimates for 2011-2012.



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 2012 Tax Roll – Percent of Parcels Reappraised			
	2010	2011	2012
Residential	46%	28%	9.2%
Commercial	42%	65%	47.6%
BPP	100%	100%	100%
All	54%	42%	26.4%

- In May 2012, total Preliminary Values for the 2012-2013 tax roll were \$10.14 Billion combined from Dallas Central Appraisal District (DCAD) and Collin Central Appraisal District (CCAD), indicating a 4.1% increase in assessed valuations from the overall 2011 Certified Roll of \$9.75 Billion. These values are right in-line with the countywide numbers for both Dallas and Collin Counties. Throughout the summer, reductions to these preliminary values routinely occur through taxpayer challenges of appraisal values.
- For DCAD, the preliminary value of \$6.60 Billion represents a 4.3% increase from the 2011 Certified Roll of \$6.33 Billion. While in CAD, a \$3.54 Billion preliminary roll represents a 3.6% increase from the 2011 Certified Roll of \$3.42 Billion.

	Certified 2011	First Preliminary 2012	\$ Change	% Change
CCAD	\$3,419,042,246	\$3,541,441,492	\$122,399,246	3.6%
DCAD	\$6,327,440,184	\$6,601,509,707	\$274,069,523	4.3%
Total	\$9,746,482,430	\$10,142,951,199	\$396,468,769	4.1%

- 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 12, 2012, the preliminary \$6.60 Billion DCAD roll has been adjusted downward by a total of (\$125 Million), a decline of (2.1%) from the first Preliminary Estimate from DCAD.
- Given the expected further changes in the tax rolls before we receive Certified Finals on or about July 22, the 2012-2013 General Fund Budget is predicated on a 0.5% increase in assessed values from the certified values for 2012-2013. The forecasting technique used to predict the 0.5% 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 2012-2013 Budget will be updated to reflect final figures.
- Using the projected value, each 1% of the 2012 tax roll is worth about \$620,000 of tax revenue. Each \$0.01 cent of the tax rate is worth about \$974,000. These will adjust slightly as a certified roll is resolved.
- The current 2011-2012 tax rates for the Big 10 + 3.

Current 2011-2012 Adopted Tax Rates				
City	2011 Tax Rate	2011 Homestead	2011 Over 65	2011 Over 65 Freeze
Frisco	\$ 0.46191	N/A	\$ 50,000	No
Plano	\$ 0.48860	20%	\$ 40,000	Yes
Allen	\$ 0.55300	N/A	\$ 50,000	No
McKinney	\$ 0.58550	N/A	\$ 50,000	No
Irving	\$ 0.59860	20%	\$ 30,000	No
Carrollton	\$ 0.61788	20%	\$ 60,000	No
AVERAGE	\$ 0.63502		\$ 50,769	
Richardson	\$ 0.63516	N/A	\$ 55,000	No
Mesquite	\$ 0.64000	N/A	\$ 65,000	Yes
Arlington	\$ 0.64800	20%	\$ 60,000	Yes
Grand Prairie	\$ 0.67000	1%	\$ 45,000	Yes
Garland	\$ 0.70460	8%	\$ 51,000	No
Dallas	\$ 0.79700	20%	\$ 64,000	No
Fort Worth	\$ 0.85500	20%	\$ 40,000	Yes

- Property Tax Revenues for operations are projected at \$35.3 Million reflecting a (\$154,000) decrease from budgeted 2011-2012 Property Tax Revenues.

History of Taxable Value, Tax Levy and Tax Rates 1997 to Budget 2012-2013							
Tax Year	Taxable Value	Tax Levy	Operation & Maintenance		Total O & M	Interest & Sinking	Total Tax Rate
			Street*	Operations			
2012	\$9,739,067,475	\$61,858,661	\$0.01	\$0.35281	\$0.36281	\$0.27235	\$0.63516
2011	\$9,762,481,127	\$62,007,375	\$0.01	\$0.35281	\$0.36281	\$0.27235	\$0.63516
2010	\$ 9,696,775,165	\$61,590,037	\$0.01	\$0.35281	\$0.36281	\$0.27235	\$0.63516
2009	\$ 9,993,609,491	\$57,479,244	\$0.01	\$0.35281	\$0.36281	\$0.21235	\$0.57516
2008	\$9,940,193,373	\$57,172,016	\$0.01	\$0.35281	\$0.36281	\$0.21235	\$0.57516
2007	\$9,554,151,301	\$54,951,657	\$0.01	\$0.35281	\$0.36281	\$0.21235	\$0.57516
2006	\$9,244,635,756	\$53,171,447	\$0.01	\$0.34868	\$0.35868	\$0.21648	\$0.57516
2005	\$8,704,066,596	\$45,710,276	\$200,000	\$0.35868	\$0.35868	\$0.16648	\$0.52516
2004	\$8,331,996,860	\$43,756,315	\$200,000	\$0.34934	\$0.34934	\$0.17582	\$0.52516
2003	\$8,458,454,017	\$40,418,723	\$200,000	\$0.30377	\$0.30377	\$0.17408	\$0.47785
2002	\$8,665,263,100	\$41,406,960	\$200,000	\$0.29809	\$0.30416	\$0.17369	\$0.47785
2001	\$8,807,923,102	\$39,093,967	\$200,000	\$0.25857	\$0.25857	\$0.18528	\$0.44385
2000	\$7,933,433,019	\$35,212,542	\$0.01	\$0.24653	\$0.25653	\$0.18732	\$0.44385
1999	\$7,339,616,763	\$32,576,889	\$0.01	\$0.23900	\$0.24900	\$0.19485	\$0.44385
1998	\$6,703,049,848	\$29,751,487	\$0.01	\$0.24350	\$0.25350	\$0.19035	\$0.44385
1997	\$6,257,348,811	\$27,773,243	\$0.01	\$0.24004	\$0.25004	\$0.19381	\$0.44385

* Street Rehabilitation Funding

Franchise Fees

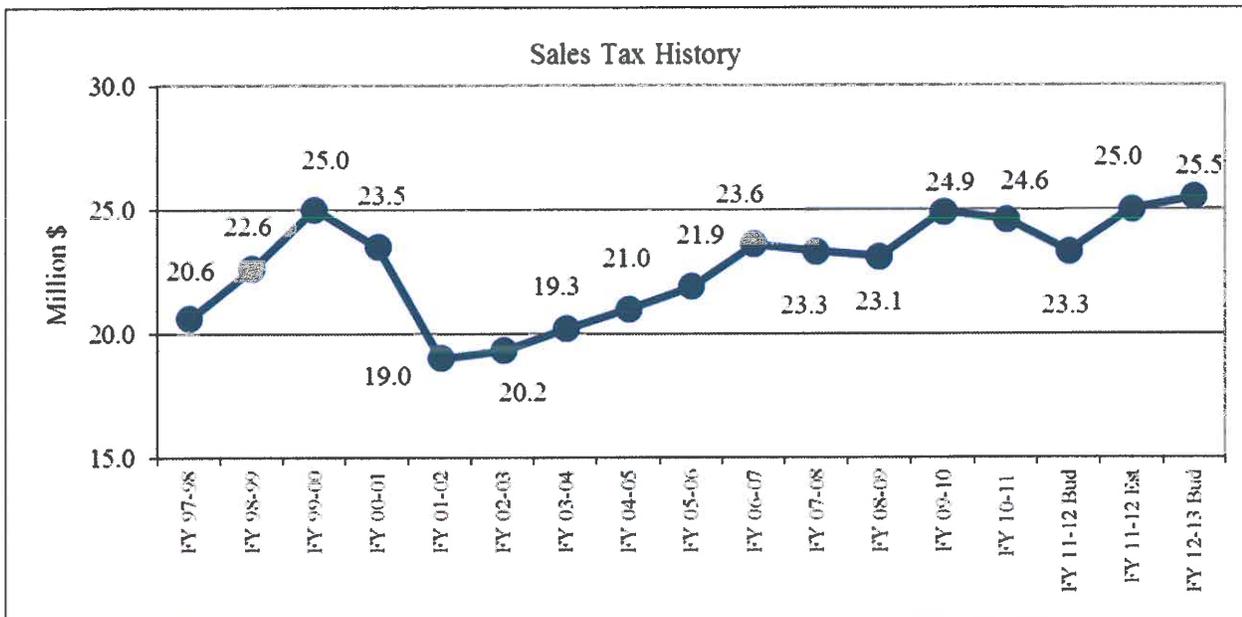
- Franchise Fees are projected at \$13.7 million for 2012-2013, an increase of \$471,000 or 3.6% over estimated year-end. The largest increase this year, \$276,000, is projected in the Water and Sewer Franchise Fee based on a rate change proposal to be discussed in more detail when we talk about that fund. The Electric Franchise Fee is the next largest increase projected at \$116,000 over year-end and is reflective of the standard growth in consumption

as well as price fluctuations. The remaining categories combined reflect minimal growth in collections totaling \$80,000.

Sales and Other Business Taxes

- Sales and Other Business Taxes are projected at \$25.9 Million for next year reflecting an increase of \$539,000 or 2.1% from estimated year-end revenues.
- Our top 20 remitters account for 30.2% of total receipts this year, down from the 33.2% last year. While we are seeing modest increases in retail sales, we are seeing a slowdown in business to business sales.
- Mixed Beverage receipts are anticipated to increase modestly to \$296,000 while the Bingo tax continues its small decline begun earlier this year. Sales Tax, the largest of the three in this category, is projected to increase \$533,000 or 2.1% from year-end estimates based on current trends and expectations of 2% growth in “base to base” activity. Year-end 2011-2012 estimate includes a total of (\$33,000) in non-recurring audit adjustments. Those adjustments are not included in the forecast for next year, only the “base” collection.

FY 11-12 Est.	Projected Growth Rate	FY 12-13 Base
\$ 25,011,090	2.00%	\$25,511,312



License and Permits

- License and Permits is projected to decrease (\$12,000) from the year-end estimate of \$2.1 Million. Building Permits decline (\$56,000) from year end due to the inclusion last year of a large, one time permit. These large permits are removed from year-end estimates before projections are made about the coming year.
- This budget does include one proposed set of fee increases for the Animal Shelter. The Animal Services Advisory Board members have reviewed and support the implementation of increased fees for various services including raising the adoption, boarding and impoundment fees. The table below illustrates some of the larger fee changes recommended.

Fee	Current	Proposed
Puppy Adoption	\$3.00	\$35.00
Kitten Adoption	\$3.00	\$20.00
Dog Adoption	\$15.00	\$25.00
Cat Adoption	\$15.00	\$15.00
Boarding/Day	\$5.00	\$10.00
Sterile Pet		
1 st Impound	\$20.00	\$25.00
2 nd Impound	\$30.00	\$35.00
3 rd Impound	\$40.00	\$50.00
Intact Pet		
1 st Impound	\$20.00	\$35.00
2 nd Impound	\$30.00	\$45.00
3 rd Impound	\$40.00	\$60.00

Total additional revenue generated by increasing the Animal Services fees is \$25,000. The remaining license and permits see minimal increases totaling \$19,000.

Fines and Forfeits

- Fines and Forfeits are expected to increase \$44,000 or 1.0% from the 2011-2012 estimated year-end position of \$4.4 Million. The revenue in this category is received through the Municipal Court and Library with the majority of the increase expected in Court activity.

Revenue from Money and Property

- Both Interest Earnings and Civic Center revenue are expecting minimal increases totaling \$7,000 in 2012-2013.

Recreation and Leisure Services

- Recreation and Leisure Services revenues are budgeted at \$3.4 Million, an increase of \$265,000 over 2011-2012 year-end estimates and includes modest growth across all categories except pool, gymnastics and class fees. These three areas are programmed with a larger than normal increases as a result of the new facilities coming on-line by summer.

Other Revenue

- Projected at \$4.4 million or \$94,000 above estimated year-end for 2011-2012. The largest portion of the increase is \$53,000 in Ambulance Fees. This is normal, expected growth in collections with no change in fees.

General and Administrative/Transfers

- Total revenue from G & A Transfers is projected at \$8.9 million, a decrease of (\$331,000) from FY 2011-2012. The largest area of decrease is in the Capital Projects G&A as we continue the 4 year step down of that transfer. For 2012-2013, the transfer is decreased (\$275,000) from year-end to \$700,000. The Drainage Fund Operational Support decreases (\$240,000) due to the reassignment of contract services directly to the Drainage Fee Fund and out of the General Fund. The Water and Sewer G&A is increased \$78,000 based on the indirect cost analysis.

Expenditures

Total Expenditures and Transfers for the General Fund are projected at \$98.8 Million, even with the FY 2011-2012 year-end estimates.

This budget maintains all current service levels and provides for initial start-up costs associated with the opening of Heights Recreation Center, the Gymnastics Center and the new pool at Heights Park. If certified tax rolls perform better than the 0.5% currently projected, the priority items for consideration and discussion include compensation and market standing, restoring levels of building and park maintenance and augmenting our Supplies category of expenditures. Due to budget constraints and the economic climate of late, these are some of the higher priority areas that have been scaled back over the last few years.

- **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 \$74.6 Million, an increase of \$1.6 Million or 2.2% higher than year-end estimate of \$73.0 Million and account for 75.6% of the total General Fund operating budget. The key personnel issues addressed in this proposal, include:
 - ***Continued Full Year Freeze on 15 positions and Understaffing of 5 positions for a total savings of (\$1.0 Million).***
 - The frozen positions currently include:
 - Police – 1 Detention Officer, 1 Police Specialist
 - Traffic and Transportation – 1 Signs and Markings Supervisor
 - PARD – 1 Maintenance Helper II, 5 maintenance Helper I
 - Library – 2 Librarian I, 2 Library Clerks, 2 Sr. Library Clerks
 - The idea is to maintain a consistent level of savings from frozen positions, while allowing the “mix” of positions to change as other positions open up throughout the year. Management will fill selected positions as warranted while attempting to maintain the savings (\$670,000).
 - 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 Police Department does 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 2012-2013, 5 Police Officer positions are understaffed for an estimated year-end savings of (\$330,000)
 - ***Movement within approved pay plan ranges*** – (\$520,000) - Approximately 52% of all city personnel are at the top of their pay range. The remaining 48% have room to grow within their approved pay plan ranges. Historically the annual movement has been on a 5% growth step that can be earned for each year service until the top of the pay range is reached, usually within a 4-5 year period, which is a consistent pay plan program utilized in public safety across the Dallas-Fort Worth Metroplex.
 - ***Pay Range Plan Adjustment*** - (\$660,000) as mentioned above, 52% of our employees are at the top of their existing pay range. This adjustment will add 3% to the top of the pay ranges for all employee pay ranges excluding single step ranges. 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 3%, merit based, pay increase.

- ***Continued Funding for the Employee Retirement Program*** – The City of Richardson experienced rapid growth and expansion during the 60's, 70's and 80's. City Staff, in particular Police and Fire had to expand along with a growing population. The City is proud of, and well served by the tenure and experience our employees bring to their jobs. Of the 953 employees currently on payroll, 158 or 17% have over 20 years of service while another 167 or 18% have over 15 years' experience with the City. Together, they account for 35% of our full time staff. We remain committed to funding our retirement system for these, and indeed all our employees.
- ***CORPlan – Health Insurance*** –No benefit changes are planned at this time. As mentioned earlier in this presentation, the City is working to understand the full impacts of the coming medical care legislation, and to minimize those impacts on CORPlan. The proactive steps taken at year-end 2011-2012 will allow time to fully assess these impacts and formulate a long term plan of action.
- ***Facilities Services Personnel*** – (\$115,000) – With the opening of new facilities, as well as increased traffic in existing buildings, this proposal reactivates 1 Senior Maintenance Technician to help minimize these impacts on current staff and re-establish preventative maintenance programs that have been on hold due to staffing levels. Also proposed are 3 Custodian positions to address the need for janitorial services at the new facilities opening next year.

Personnel Items Not Addressed By This Budget Include:

- ***Market Adjustment*** – (\$1,000,000) - 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.
- ***Merit Salary Increase*** – The City has only provided merit increases 2 times in the past 10 years. A 1% merit adjustment would account for a \$571,000 commitment.
- ***Non-Personnel Operations*** – For FY 2012-2013, Non-Personal Services operating line items are currently projected at \$23.0 Million, an increase of \$300,000 or 1.3% over year end estimates. In addition to funding all activities at the same high level of service currently provided, we have enhanced some maintenance services in addition to the Facility Service employees previously mentioned.
 - ***Professional Services*** – Increase \$260,000 or 4.4%. The majority of this increase is related to an increase in economic development payments coming due this year. While the Parks Department contract maintenance maintains its \$1.3 million level of funding, this will actually be an increase from year-end since the \$250,000 street sweeping contract is now hosted in the Drainage Fee Fund for 2012-2013.
 - ***Maintenance*** – This category will increase \$150,000, or 5.1% for FY 2012-2013. The majority of this increase, \$100,000, will be used for increased maintenance in Traffic and Transportation. These funds will bring maintenance funding to \$250,000 in the General Fund.
 - ***Contracts and Supplies Categories*** - will see minimal changes in funding levels at this time but will not see any decreases in service levels.
 - ***Street Rehabilitation*** – For the last 16 years, the City dedicated a portion of the total tax rate to street rehabilitation. This year, we again dedicate a full one-cent of the tax rate or

\$974,000. This funding will allow for ongoing street leveling, crack sealing and “clean sweep” projects. Along with \$360,000 of operations funds, this will keep our commitment funded at over \$1.3 Million.

- **Alternative Funding** – The Traffic Safety Fund, as funded through the red light enforcement program, is able to absorb \$250,000 of expenses from the Police and Traffic Departments that would otherwise have to be funded in the General Fund. These items include signs, markings, signal and video camera maintenance, as well as overtime and supplies for traffic safety emergency issues for the Police Department. All expenditures from this fund are in compliance with allowable uses according to state law.
- **Fund Balance** – The proposed budget ends the year at the Council prescribed 60 days of fund balance.
- **Capital Requests** – Funding of capital equipment and non-recurring program enhancements in the 2012-2013 Budget will be handled through the use of \$2.9 Million in short-term C.O.’s. Following are the key items included in the \$5.6 Million worth of capital requests currently under review.

Civic Center	Audio Upgrades in the Civic Center	\$67,000
	Dimmable Lighting - Grand Hall	\$40,000
	Flooring and Electrical Upgraded - Grand Hall	\$48,000
	Modular Furniture - Common Areas	\$30,000
	Movable Spotlights - Grand Hall	\$20,000
	Remodel Kitchens and Storage Areas	\$134,000
	Break Room Area Renovation	\$45,000
	Digital Directional Mapping - Civic Center/City Hall	\$7,500
	Interior Plants/Trees – Replacement	\$13,000
	Concourse Artwork – Replacement	\$100,000
Police	Tahoe - Patrol (13)	\$442,299
	Cubicles - Replacement	\$78,100
	Carpet - Replacement	\$20,876
Fire	Fire Hose Replacement	\$10,000
	Engine with CAFS - Replacement (1)	\$596,000
	Ambulance - Replacement (1)	\$155,000
	Battery/Charger Power System for powered gurneys	\$9,732
	HAZ-MAT 2-Way Radio System	\$27,345
	Emergency Radiation Response Kits (4)	\$7,636
	Rescue Boat - Swift water Rescue	\$4,400
	LED Rescue Flashlights	\$8,580
	Energy Driving Simulator (Grant Match)	\$85,000
	Fire Helmet Replacement Program - Phase I	\$16,500
	Wireless Headsets for on Apparatus	\$45,500
	Furniture for Station 5	\$7,600
Chemical Detector for First Responders	\$45,000	
Traffic & Transportation	Emergency Traffic Signal Trailers (2) - New	\$40,000
	Changeable Message Trailer - Replacement	\$20,000
	Radar Trailer (2) - Replacement	\$30,000
Facilities Services	Sidewalk Replacement - City Hall (east side)	\$30,000
	Cooling Tower Replacement - Library	\$190,000
	HVAC Replacement - Service Center Storage	\$165,000

	HVAC Replacement - Communications Building	\$75,000
	Shelving Replacement - Community Events	\$30,000
Parks - Recreation	Electrical System Expansion - Cottonwood Arts Fest.	\$66,000
	Carpet Bonded Foam – Gymnastics	\$5,000
	Carpet – Gymnastics	\$1,500
	Resi Bar Mat – Gymnastics	\$1,000
	Pre-School Area - Heights Recreation Center	\$38,800
	Furniture - Heights Rec. Center (Tables and Chairs)	\$63,245
	Furniture - Gymnastics (Tables, Chairs, and Shelving)	\$24,000
	Automated External Defibrillators (AED's) (2)	\$4,000
	Miscellaneous FF&E for Heights Recreation Center	\$5,000
	Appliances - Heights Rec. Center and Gymnastics	\$9,500
	Fitness Equipment - Heights Recreation Center	\$8,485
	Computers/Printers/Telephones - Heights Rec. Center	\$27,605
	Computers/Printers/Telephones – Gymnastics	\$16,970
	Security Cameras - Heights Rec. and Gymnastics	\$101,100
	History Plaque - Heights Park	\$5,000
	Parks - Pools	Filter Replacement - Cottonwood
Wrought Iron Fencing - Cottonwood		\$29,800
Pool Furniture - Replacement		\$5,000
Tables and Chairs - Arapaho		\$10,475
Deck Loungers - Arapaho		\$10,000
Office Furniture - Arapaho		\$1,000
File Cabinets and Waste Containers - Arapaho		\$1,000
Shelving - Arapaho		\$1,000
Automated External Defibrillators (AED's) - Arapaho		\$2,000
Other Pool Equipment - Arapaho		\$11,300
Parks - Tennis	Tennis Court Resurfacing	\$32,000
Parks - Maintenance	Yale Park HOA - Matching Fund Beautification	\$8,130
	Canyon Creek - Matching Fund Beautification	\$7,800
	College Park NA - Matching Fund Beautification	\$6,000
	JJ Pearce HOA - Matching Fund Beautification	\$7,500
	Water Taps - Matching Fund Beautification (6)	\$18,000
	Playground Safety Surface - Custer Park and Galatyn Woodland	\$25,000
	Heights Park Hydraulic Irrigation	\$85,000
	Galatyn Area LED Lighting - Phase I	\$18,000
	Median Irrigation Upgrades - Citywide	\$150,000
	Smooth Wire Fence Replacement - Breckinridge	\$10,000
	Galatyn Area LED Lighting - Phase II	\$18,500
	Performance Tree Replacement	\$14,000
	Breckinridge Parking - Baseball Complex	\$15,000
	Mimosa Park Erosion	\$40,000
	Breckinridge Baseball Parking Lot Lighting	\$60,000
	Renner Road Median Improvements	\$250,000
	Coit Retaining Wall	\$12,000
	Beltline at Plano Road Median Renovation	\$50,000
Lake Features/Aerification - Galatyn Woodland Preserve	\$30,000	

	Lake Features/Aerification - Fire Statin #5	\$17,000
	Lake Features/Aerification - Crowley Park	\$40,000
	Lake Features/Aerification - Breckinridge Park	\$75,000
	Irrigation Controller Upgrades - Public Buildings	\$20,000
	Galatyn Area Median Trees - Phase I	\$22,400
	Galatyn Area Median Trees - Phase II	\$28,000
	Erosion Repairs - Breckinridge Park	\$200,000
	Pavilion Roof Replacement (6)	\$96,000
	Heights Park Bridge Decking	\$25,000
	Green House Security System	\$10,000
	Outfield Mow Strip (2)	\$50,000
	Galatyn Stage Anchors	\$20,000
	Hilltop Cemetery Fence Replacement	\$12,000
	Soccer Goal Replacement	\$15,000
	Civic Center Site Amenities (Benches, Bike Racks, etc.)	\$55,000
	Picnic Tables and Benches - Replacement	\$14,300
	Toro Workman - New (2)	\$40,000
	Loader with Box Blade - New	\$71,000
	Utility Vehicle for Irrigation Crews - New (2)	\$15,000
	Wheel Loader - New	\$170,000
	GPS Tracking System for Vehicles (49)	\$32,438
	Trailer for Toro Workman - New (3)	\$9,000
	Storage Mezzanine - New	\$45,500
	Skid Steer Track System - New	\$18,000
	Power Buggy - New	\$10,000
	Crew Cab Truck with Platform Body - Replacement (1)	\$40,000
	Extended Cab Pickup - Replacement (1)	\$40,000
Library	Books and Media Items	\$308,992
Fleet	Vehicle Wash System Replacement	\$162,000
Total		\$5,659,158

- Also under review are Expanded Programs for the General Fund totaling \$5.3 Million.

Community Events	Partial Board Shelving	\$29,000
	Community Events Coordinator	\$50,989
Convention and Visitors Bureau	Sales Manger	\$115,875
	Dine Smart Dine Local Sales Staff	\$21,507
	Contract Sales Position	\$106,470
Emergency Management	Replace Weather Sirens 1 and 4	\$35,000
	Part-Time Position - Project Management	\$10,765
	Hearing Impaired Communications Devised (7)	\$13,930
	Weather Station with Camera for City Hall	\$19,000
	Public Education	\$5,600
Information Services	Support Specialist I to support Fire	\$51,498
	Paperless Document Management System	\$41,020
	Network Disaster Recovery Software	\$106,680
	AS400 Disk Space	\$60,000

Police	Part-Time Quartermaster/Property & Evidence Tech	\$17,807
	Police Officers (5)	\$452,497
	Public Safety Officer (6)	\$348,231
	Public Safety Telecommunicator Supervisor (1)	\$67,294
	Upgrade to Police Assistant to Public Safety Officer	\$8,993
Fire	Place Ambulance in Service at Station #3	\$845,122
	Vehicle for Fire Marshal's Division	\$32,000
	Public Education Specialist (1)	\$63,343
	I.S.O. Rating System	\$32,600
Planning	Enhancement/Redevelopment Area Studies	\$185,757
Traffic and Transportation	Additional watch Room Personnel (1)	\$46,348
	Additional Bucket Truck (1)	\$96,000
	Line Marking Paint Sprayer	\$20,000
	Crane Truck (1)	\$200,000
	Inventory and Work Order System	\$75,000
	Traffic Signal Controllers and Software Upgrade	\$350,000
	Traffic Signal Central System Software	\$160,000
	Portable Generators	\$10,000
Facilities Services	Senior Maintenance Technician - Eisemann Center (1)	\$80,136
	Custodians - New Facilities (3) - (Four Months - Based on Estimated Completion)	\$34,376
Park - Administration	Superintendent of Business Affairs	\$98,484
	Web and Social Media Manager (Position Upgrade)	\$5,036
	Superintendent of Urban Forestry	\$88,255
	Assistant Director of Recreation and Athletics	\$130,052
	Conceptual Master Plan - Glenville New Land	\$30,000
	Part-Time Receptionist/Clerk	\$10,765
Parks - Recreation	Gymnastics Team Coach	\$61,302
	Gymnastics Recreation Coach	\$46,541
	Recreation Coordinator - Huffhines Rec. Center	\$52,326
Parks - Older Adults	Older Adults Coordinator (1)	\$59,790
Parks - Tennis	Assistant Tennis Center & Program Coordinator (1)	\$54,377
Parks - Maintenance	Staff (1 Contract Administrator and 9 Maintenance Helper II's)	\$269,919
	Labor/Cost Management System	\$163,835
Library	DVD Shelving	\$10,000
	Dishwasher (Staff Lounge)	\$450
	Homebound Mail Service	\$5,000
	Security Camera and Monitoring System	\$70,000
	Construction of Study Rooms in Basement (5)	\$106,800
Citizens Info. Services	Marketing and Branding Study	\$100,000
Animal Control	Upgrade Incinerator	\$52,987
	Contract Veterinarian	\$40,560
	Part-Time Clerk	\$28,528
	Part-Time Kennel Attendant	\$30,266
Total		\$5,308,111

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GENERAL FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 15,541,074	\$ 15,861,235	\$ 15,883,698	\$ 16,230,042	2.3%	2.2%
Reserve for Encumbrances	313,101	-	114,043	-	N/A	-100.0%
Adjusted Beginning Fund Balance	\$ 15,854,175	\$ 15,861,235	\$ 15,997,741	\$ 16,230,042	2.3%	1.5%
Revenues						
General Property Taxes	\$ 35,069,703	\$ 36,590,258	\$ 36,686,155	\$ 35,681,639	-2.5%	-2.7%
Franchise Fees	13,417,937	12,943,372	13,205,248	13,676,660	5.7%	3.6%
Sales and Other Business Taxes	25,048,050	23,697,359	25,315,332	25,853,931	9.1%	2.1%
Licenses and Permits	1,766,640	1,748,249	2,051,809	2,039,773	16.7%	-0.6%
Fines and Forfeitures	4,443,097	4,472,207	4,385,084	4,428,935	-1.0%	1.0%
Revenue from Money and Property	350,491	408,825	377,217	384,155	-6.0%	1.8%
Recreation and Leisure	3,327,353	3,515,771	3,184,506	3,449,733	-1.9%	8.3%
Other Revenue	3,868,549	4,280,352	4,273,781	4,368,260	2.1%	2.2%
General and Administrative Charges	8,568,498	9,386,180	9,236,180	8,905,297	-5.1%	-3.6%
Total Revenues	\$ 95,860,318	\$ 97,042,573	\$ 98,715,312	\$ 98,788,384	1.8%	0.1%
Total Available Funds	\$ 111,714,493	\$ 112,903,808	\$ 114,713,053	\$ 115,018,426	1.9%	0.3%
Expenditures						
Personal Services	\$ 71,354,810	\$ 73,628,229	\$ 73,053,476	\$ 74,645,000	1.4%	2.2%
Professional Services	5,267,846	5,483,734	5,939,763	6,200,000	13.1%	4.4%
Maintenance	2,721,560	2,969,312	2,950,123	3,100,000	4.4%	5.1%
Contracts	5,726,044	5,631,781	5,182,439	5,200,000	-7.7%	0.3%
Supplies	7,975,456	8,276,157	8,490,657	8,500,000	2.7%	0.1%
Capital	141,358	-	140,305	-	N/A	-100.0%
Total Expenditures	\$ 93,187,074	\$ 95,989,213	\$ 95,756,763	\$ 97,645,000	1.7%	2.0%
Transfers Out						
Street Rehabilitation	\$ 969,678	\$ 976,248	\$ 976,248	\$ 973,907	-0.2%	-0.2%
Special Projects	1,350,000	-	100,000	-	N/A	-100.0%
CoRPlan Supplement	-	-	1,550,000	-		
Transfer Out - Golf Fund	210,000	-	100,000	160,000	N/A	60.0%
Total Transfers Out	\$ 2,529,678	\$ 976,248	\$ 2,726,248	\$ 1,133,907	16.1%	-58.4%
Total Expenditures and Transfers	\$ 95,716,752	\$ 96,965,461	\$ 98,483,011	\$ 98,778,907	1.9%	0.3%
Revenue Over/(Under)	\$ 143,566	\$ 77,112	\$ 232,301	\$ 9,477	-87.7%	-95.9%
Reserve for Encumbrances	\$ 114,043	\$ -	\$ -	\$ -	N/A	N/A
Ending Designated Fund Balance	\$ 15,883,698	\$ 15,938,347	\$ 16,230,042	\$ 16,239,519	1.9%	0.1%
Days of Fund Balance	60.57	60.00	60.15	60.01	0.0%	-0.2%

**CITY OF RICHARDSON
REVENUE BY DETAIL
GENERAL FUND**

	<u>ACTUAL</u> <u>FY 2010-11</u>	<u>BUDGET</u> <u>FY 2011-12</u>	<u>ESTIMATE</u> <u>FY 2011-12</u>	<u>BUDGET</u> <u>FY 2012-13</u>	<u>VARIANCE</u>	
					<u>BUD to BUD</u>	<u>EST to BUD</u>
<u>General Property Taxes</u>						
Current Taxes	\$ 34,734,093	\$ 35,419,258	\$ 35,440,855	\$ 35,265,292	\$ (153,966)	\$ (175,563)
Prior Taxes	51,921	866,000	1,010,209	150,000	(716,000)	(860,209)
Penalties and Interest	283,689	305,000	235,091	266,347	(38,653)	31,256
Total	\$ 35,069,703	\$ 36,590,258	\$ 36,686,155	\$ 35,681,639	\$ (908,619)	\$ (1,004,516)
<u>Franchise Fees</u>						
Electric	\$ 6,238,231	\$ 5,705,170	\$ 5,797,494	\$ 5,913,444	\$ 208,274	\$ 115,950
Telecommunications	2,094,999	2,114,334	2,369,735	2,393,432	279,098	23,697
Gas	1,066,017	1,193,944	1,014,348	1,044,778	(149,166)	30,430
Cable Television	1,071,880	1,159,474	1,194,442	1,218,331	58,857	23,889
Water & Sewer	2,375,503	2,188,113	2,251,103	2,526,811	338,698	275,708
Solid Waste Services	571,307	582,337	578,126	579,863	(2,474)	1,737
Total	\$ 13,417,937	\$ 12,943,372	\$ 13,205,248	\$ 13,676,660	\$ 733,288	\$ 471,412
<u>Sales and Other Business Taxes</u>						
Sales Tax	\$ 24,639,765	\$ 23,319,067	\$ 24,978,059	\$ 25,511,312	\$ 2,192,245	\$ 533,253
Mixed Beverage Tax	354,319	322,469	290,632	296,445	(26,024)	5,813
Bingo Tax	53,966	55,823	46,641	46,175	(9,648)	(466)
Total	\$ 25,048,050	\$ 23,697,359	\$ 25,315,332	\$ 25,853,931	\$ 2,156,572	\$ 538,599
<u>License and Permits</u>						
Building Permits	\$ 779,920	\$ 698,762	\$ 937,835	\$ 881,444	\$ 182,682	\$ (56,391)
Food Establishment Permits	215,005	224,021	211,854	216,091	(7,930)	4,237
Animal License & Shelter Fees	34,813	35,579	34,740	60,435	24,856	25,695
Alarm Fees	228,879	258,561	227,405	231,953	(26,608)	4,548
Apartment Inspection Fee	106,015	154,972	149,631	151,127	(3,845)	1,496
Rental Registration	122,900	126,953	167,925	169,604	42,651	1,679
Miscellaneous License and Permits	89,212	90,581	98,187	101,133	10,552	2,946
Construction Inspection Fees	60,596	31,358	73,057	73,788	42,430	731
Contractor Fees	129,300	127,462	151,175	154,199	26,737	3,024
Total	\$ 1,766,640	\$ 1,748,249	\$ 2,051,809	\$ 2,039,773	\$ 291,524	\$ (12,036)
<u>Fines and Forfeitures</u>						
Municipal Court	\$ 4,282,936	\$ 4,306,148	\$ 4,232,978	\$ 4,275,308	\$ (30,840)	\$ 42,330
Library Fines	160,161	166,059	152,106	153,627	(12,432)	1,521
Total	\$ 4,443,097	\$ 4,472,207	\$ 4,385,084	\$ 4,428,935	\$ (43,272)	\$ 43,851
<u>Revenue from Money and Property</u>						
Interest Earnings	\$ 51,797	\$ 70,246	\$ 25,170	\$ 28,588	\$ (41,658)	\$ 3,418
Civic Center Use	298,694	338,579	352,047	355,567	16,988	3,520
Total	\$ 350,491	\$ 408,825	\$ 377,217	\$ 384,155	\$ (24,670)	\$ 6,938

**CITY OF RICHARDSON
REVENUE BY DETAIL
GENERAL FUND**

	ACTUAL FY 2010-11	BUDGET FY 2011-12	ESTIMATE FY 2011-12	BUDGET FY 2012-13	VARIANCE	
					BUD to BUD	EST to BUD
<u>Recreation and Leisure Services</u>						
Season Swim Passes	\$ 26,235	\$ 20,200	\$ 20,182	\$ 26,260	\$ 6,060	\$ 6,078
Pool Fees	71,535	54,180	49,210	95,434	41,254	46,224
Swim Program	109,609	127,800	109,914	121,509	(6,291)	11,595
Tennis Fees	126,229	136,100	122,220	128,200	(7,900)	5,980
Classes/Entrance Fees	731,266	764,000	670,234	741,000	(23,000)	70,766
Athletic Fees	336,991	342,073	363,640	374,276	32,203	10,636
Gymnastic Fees	363,641	370,000	359,659	404,616	34,616	44,957
Arts Festivals	406,152	394,118	396,099	400,060	5,942	3,961
Wildflower Festival	799,324	838,000	776,142	838,000	-	61,858
Older Adults	312,775	387,700	280,256	283,059	(104,641)	2,803
Miscellaneous	43,596	81,600	36,950	37,320	(44,281)	370
Total	\$ 3,327,353	\$ 3,515,771	\$ 3,184,506	\$ 3,449,733	\$ (66,038)	\$ 265,227
<u>Other Revenue</u>						
Access Fee - Cable TV	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance	1,168,645	1,660,908	1,705,341	1,713,868	52,960	8,527
Miscellaneous	1,137,418	1,192,962	1,051,259	1,103,822	(89,140)	52,563
R.I.S.D. Participation	287,404	287,670	287,670	295,106	7,436	7,436
Auction & Storage	44,998	44,590	45,451	47,724	3,134	2,273
9-1-1	1,070,084	1,094,222	1,184,060	1,207,741	113,519	23,681
Total	\$ 3,868,549	\$ 4,280,352	\$ 4,273,781	\$ 4,368,260	\$ 87,908	\$ 94,479
<u>General and Administrative Charges</u>						
G & A Water & Sewer Fund	\$ 3,771,116	\$ 3,706,308	\$ 3,706,308	\$ 3,783,988	\$ 77,680	\$ 77,680
G & A Golf Operations	29,917	84,981	84,981	92,148	7,167	7,167
G & A Solid Waste Operations	2,121,965	2,014,891	2,014,891	2,069,161	54,270	54,270
G & A Hote/Motel Fund	250,000	250,000	250,000	250,000	-	-
Transfer - Drainage Fund Operational Support	-	1,150,000	1,150,000	910,000	(240,000)	(240,000)
Transfer - Hotel/Motel Tax - C.V.B.	404,000	405,000	405,000	450,000	45,000	45,000
Transfer - Wireless Fund	450,000	450,000	450,000	450,000	-	-
Transfer - Child Safety Fund	-	50,000	50,000	50,000	-	-
Transfer - Special Revenue Fund Close Out	17,500	-	-	-	-	-
G & A TIF	150,000	150,000	150,000	150,000	-	-
G & A Capital Projects	1,374,000	1,125,000	975,000	700,000	(425,000)	(275,000)
Total	\$ 8,568,498	\$ 9,386,180	\$ 9,236,180	\$ 8,905,297	\$ (480,883)	\$ (330,883)
Grand Total General Fund	\$ 95,860,318	\$ 97,042,573	\$ 98,715,312	\$ 98,788,384	\$ 1,745,811	\$ 73,072

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GENERAL DEBT SERVICE FUND**

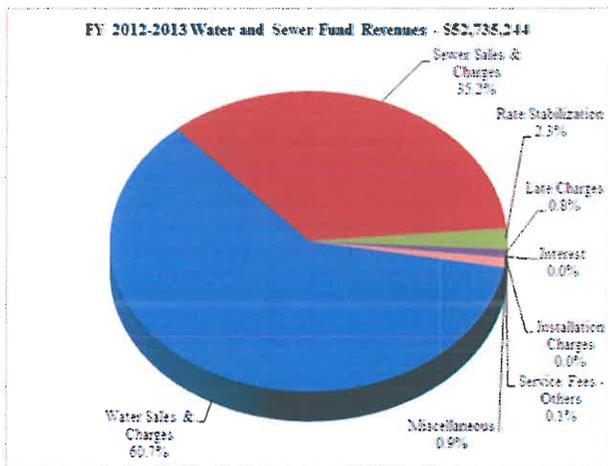
	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 2,118,157	\$ 2,182,169	\$ 2,187,996	\$ 2,197,285	0.7%	0.4%
Revenues						
General Property Taxes	\$ 26,051,747	\$ 26,588,118	\$ 26,588,118	\$ 26,593,369	0.0%	0.0%
Interest Earnings	330,000	-	5,909	5,129	N/A	-13.2%
Accrue Interst on Bond Proceeds	9,522	10,455	10,455		-100.0%	-100.0%
Total Revenues	\$ 26,398,208	\$ 26,598,573	\$ 26,604,482	\$ 26,598,498	0.0%	0.0%
Total Available Funds	\$ 28,516,365	\$ 28,780,742	\$ 28,792,478	\$ 28,795,783	0.1%	0.0%
Expenditures						
Principal	\$ 14,686,274	\$ 16,002,353	\$ 16,002,353	\$ 16,362,649	2.3%	2.3%
Interest and Fiscal Charges	11,627,714	10,578,459	10,578,459	10,221,469	-3.4%	-3.4%
Capital Lease Payments	14,381	14,381	14,381	14,380	0.0%	0.0%
Total Expenditures	\$ 26,328,369	\$ 26,595,193	\$ 26,595,193	\$ 26,598,498	0.0%	0.0%
Revenue Over/(Under)	\$ 69,839	\$ 3,380	\$ 9,289	\$ -	-100.0%	-100.0%
Ending Designated Fund Balance	\$ 2,187,996	\$ 2,185,549	\$ 2,197,285	\$ 2,197,285	0.5%	0.0%
Days of Fund Balance	30.33	30.00	30.16	30.15	0.5%	0.0%

WATER AND SEWER FUND

The Water & Sewer Fund, an enterprise fund and second largest operating fund, provides for the administration, operation, and maintenance of the City's water and wastewater system, and billing and collection activities.

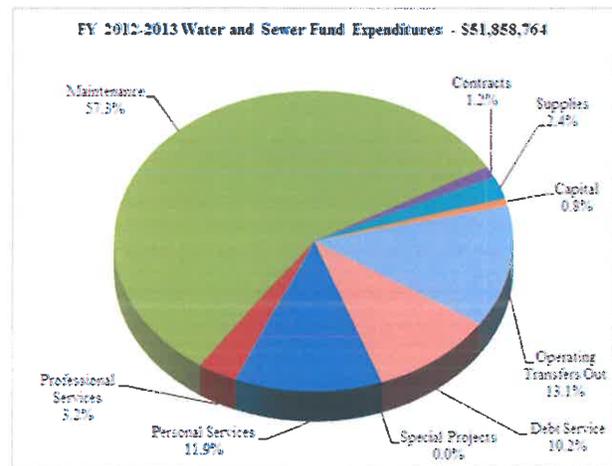
Sources

The services provided by the Water & Sewer Fund are financed through utility customer user fees charged to residential and commercial customers. Water and Sewer rates are periodically reviewed and adjusted to assure that revenues collected are sufficient to fund expenses related to providing water and sewer services.



Uses

The expenditures of the Water and Sewer Fund relate to the purchase of water and sewer services from service providers as well as water and sewer daily operations and infrastructure maintenance and renewal. The purchase of water from North Texas Municipal Water District and sewer services from NTMWD, the City of Garland and the City of Dallas accounts for 55% of the expenditures in the Fund.



Fund Balance

The Fund Balance Target for the Water and Sewer Fund is 90 days of expenditures.

WATER AND SEWER DEBT SERVICE FUND

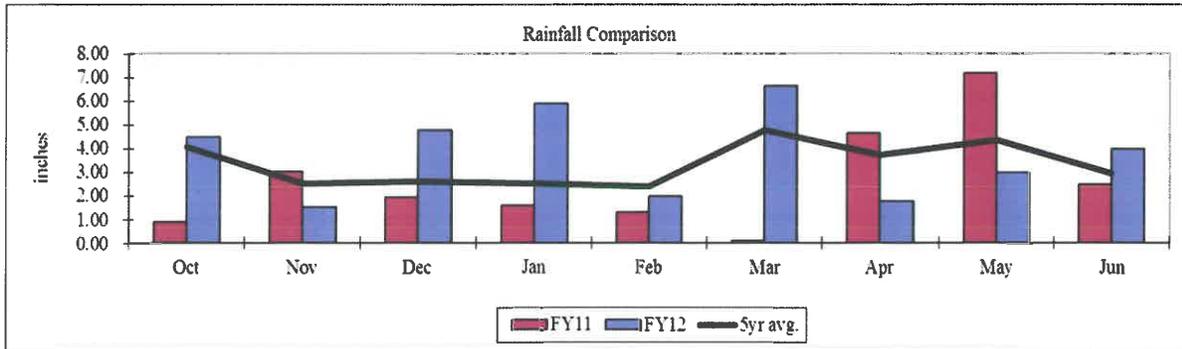
The Water and Sewer Debt Service Fund hosts revenue and expenses for utility debt service obligations. The primary source of revenue is a transfer of revenues from the Water and Sewer Fund generated through the sale of water and sewer services to residential and commercial customers. The expenditures include the annual debt service payments for water and sewer infrastructure renewal projects funded through the issuance of utility certificates of obligations.

WATER AND SEWER FUND

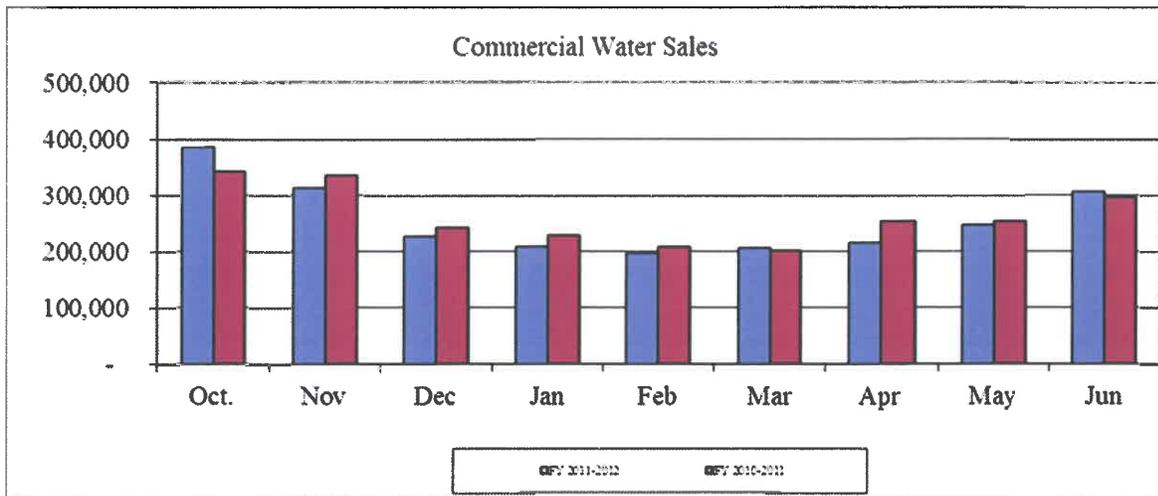
2011-2012 Year End Estimates

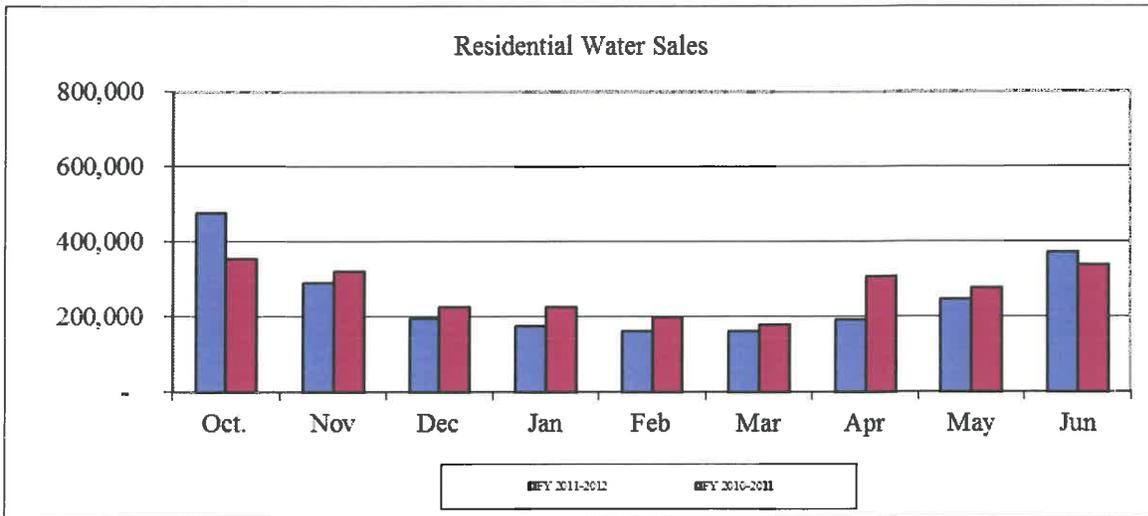
Revenues

- 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. In light of continued increasing costs for water and sewer wholesale services, as well as fluctuating demand, Council passed a 9% increase in response to the continued rate pressures in this fund. This was the first rate increase for both water and sewer since 2007-2008. The following year-end projections are based on assumptions including the new customer rate.
- Revenue projections call for an increase of \$1.4 Million or 2.9% at year-end over the original budget of \$46.4 Million.
- Through the end of June this year, the City received 33.9” of rainfall compared to the YTD for FY 2010-2011 of 23.0” and the five-year average rainfall of 29.8”.

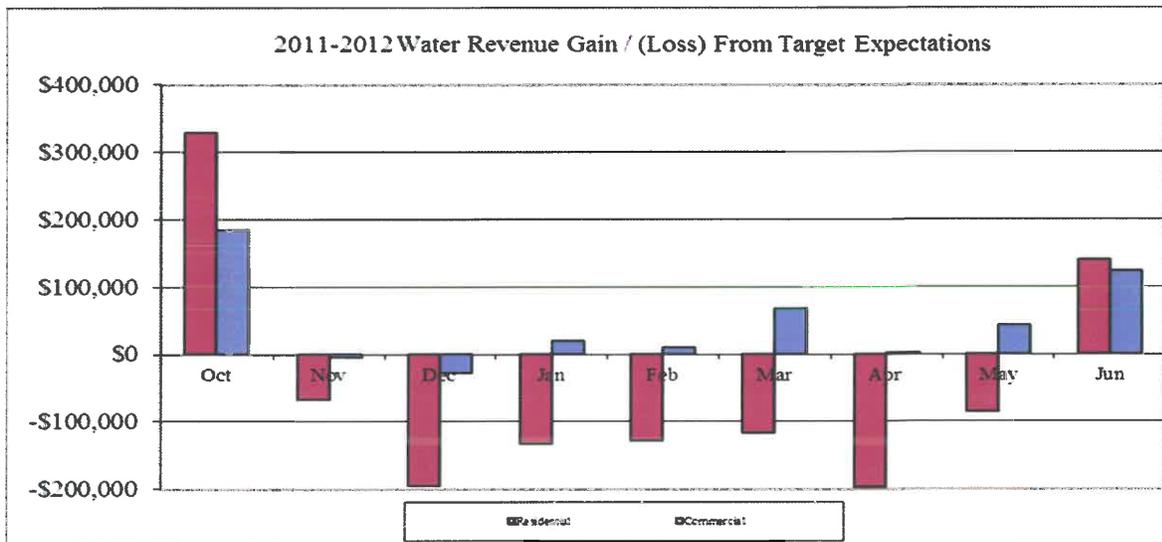


- The following graphics compare current year consumption with last year. Through the end of June, commercial consumption is down -2.4% from last year while residential is down 6.3%.





- This graph measures revenue gain/(loss) from the expected targets for each month this year. When all the variances are added together, water sales are below budget targets by (\$37,000).



- The following chart illustrates the changes to our tier structure that have resulted from the NTMWD increases to the wholesale rate since 2001-2002.

Fiscal Year	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12
NTMWD/1,000 gal.	\$ 0.80	\$ 0.87	\$ 0.92	\$ 0.97	\$ 0.97	\$ 1.02	\$ 1.08	\$ 1.18	\$ 1.25	\$ 1.37	\$ 1.49
% Increase	11.30%	8.80%	5.85%	5.40%	0.00%	5.20%	5.90%	9.25%	5.90%	9.60%	8.80%
Mid-Year Adjustment											
City Rates											
Minimum	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 8.00
0-11,000 gallons	\$ 1.91	\$ 1.91	\$ 2.23	\$ 2.23	\$ 2.55	\$ 2.55	\$ 2.95	\$ 2.95	\$ 2.95	\$ 2.95	\$ 3.22
11,001-20,000	\$ 2.07	\$ 2.07	\$ 2.41	\$ 2.41	\$ 2.76	\$ 2.76	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.48
20,001-40,000	\$ 2.16	\$ 2.16	\$ 2.52	\$ 2.52	\$ 2.88	\$ 2.88	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.63
40,001-60,000	\$ 2.51	\$ 2.51	\$ 2.92	\$ 2.92	\$ 3.35	\$ 3.35	\$ 3.87	\$ 3.87	\$ 3.87	\$ 3.87	\$ 4.22
Over 60,000	\$ 2.63	\$ 2.63	\$ 3.07	\$ 3.07	\$ 3.51	\$ 3.51	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.41
% Increase	9.70%	0.00%	16.50%	0.00%	14.50%	0.00%	15.50%	0.00%	0.00%	0.00%	9.00%

- Year end revenue projections for Water Sales of \$28.3 Million increase \$542,000 or 2.0% from our original budget.

- Sewer Sales are projected to end the year up \$719,000 or 4.5% from the original budget of \$16.0 Million.
- The original budget called for the activation of \$1.8 Million in rate stabilization funds. We will activate no more than the budgeted amount and may lower that number depending on how revenues and expenditures finish the year.
- Late Charges, Interest Earnings, Service Fess and Installation Fess combine for a (\$18,000) decrease from original budgets totaling \$520,000.
- Miscellaneous Revenue is expected to finish the year \$122,000 over the \$365,000 original budget due in part to auction revenue.

Expenditures

- Overall, expenditures and transfers are projected to end the year up \$1.7 Million or 3.7% from the original budget of \$46.9 Million.
- There are only three categories worth noting whose year-end performance is significantly different than the original budget; Professional Services, Maintenance, and Supplies. The remaining 6 categories combined exceed the original budget by \$83,000, or 0.6% over their established budgets.
- Professional Services reflects the second year that TI triggered their economic development agreement. Now that the level of activity has increased at the plant, the agreement, just as is done in the General Fund, is now part of the yearly budget process.
- The Maintenance category is expected to finish the year \$349,000 above the original budget of \$26.4 Million. Increased activity in the paving cuts program in Water Operations and Sewer Collection accounts for \$96,000 of the increase in response to main breaks. Sewer Treatment costs are expected to finish the year \$200,000 higher than anticipated based on flows to the various providers. The remaining \$53,000 of the increase is minor increases across many smaller line items.
- Supplies increase \$317,000 from original budget and can be attributed to the inclusion of \$242,000 for prior year encumbrances. Electricity costs are estimated to increase \$112,000 from the original budget of \$823,000 for the pumping stations.

Fund Balance

- Fund Balance is projected to be 85.3 days at year-end or 4.7 days below the Council approved Financial Policy for the Water and Sewer Fund of “90 Days in Fund Balance”.

Conclusion

- As you’ll see later in this presentation, the City is facing increasing costs from the NTMWD for wholesale water with yearly increases for the foreseeable future. The fund will finish this year below its established fund balance level though every effort is being made to improve that position. Increasing retail water rates is always a last resort and unpleasant for all involved, but one we face more and more as rates continue to rise.

WATER AND SEWER FUND

2012-2013 Proposed

Revenues

- Projected revenues for FY 2012-2013 are based on a five-year average of consumption. That period includes the back to back phenomenon of a record setting rainfall and a record setting drought. The other three years in the calculations are considered to be “normal” in their consumption patterns. A 9% rate increase is requested with this budget. The increase would go into effect with the first billing in November of 2012. As you can see below, the rate for wholesale water is rising faster than our consumption level can absorb.

	12-13	13-14	14-15	15-16	16-17
NTMWD Rate 5/12/12	\$ 1.71	\$ 1.94	\$ 2.16	\$ 2.35	\$ 2.52
Raw \$ Increase	\$ 2,424,248	\$ 2,534,442	\$ 2,424,248	\$ 2,093,669	\$ 1,873,283
Based on Average Consumption and Current Rate Structure					
1% City Rate Increase =	\$ 381,000	\$ 381,000	\$ 381,000	\$ 381,000	\$ 381,000
\$1 Inc to Base Charge =	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000
Holding All Other Costs Static					
% Retail Rate Inc Required	6.4%	6.7%	6.4%	5.5%	4.9%
OR Base Rate Increase	\$ 6.22	\$ 6.50	\$ 6.22	\$ 5.37	\$ 4.80

- If you recall from the presentation from Jim Parks, Executive Director of the NTMWD, the primary reasons for the cost increases are the loss of 28% of our water supply with Texoma offline due to the Zebra Mussel issue as well as regional population growth spurring higher demand and the need to acquire additional water resources.
 - NTMWD Board approved strategies to address these issues
 - Implement Drought Contingency Plan
 - Stage 3 March 2012 – “relaxed” Stage 3 June 2012
 - Authorized short-term water purchases
 - 60 mgd estimated to cost \$14 Million per Year
 - Approved extension of Texoma Pipeline
 - Complete Fall of 2013 at an estimated cost of \$300 Million
 - Main stem Trinity Pump Station to Wetland
 - Complete 2013 at an estimated cot of \$65 Million
- In addition to these cost pressures from the District as they make inroads into addressing the supply issue, we also face:
 - Constrained Volume
 - Weather.....Constrains volume during drought as demand exceeds availability.
 - Conservation Regulations...as population growth continues, expect to see increasing regulatory actions mandating even more conservation.

- With the cost of wholesale water and sewer accounting for 72% of the daily operations expense and 55% of the total fund expenditure, any change to these costs will have a dramatic impact on the fund. To keep the rate increase in perspective, with the exception of the increase in water and sewer services and the Franchise Fees they generate, the remaining expenditures in the fund decrease (\$64,000) a \$51.9 million budget.
- Revenue from Water Sales and Charges is programmed at \$31.9 Million representing a 13.2% increase from year-end and is based on an average consumption year as well as the proposed water and sewer rate increase.
- Sewer Sales are budgeted at \$18.6 Million or 10.7% above year-end.
- \$1.2 Million of rate stabilization funds will be utilized to offset the needed price increase to our citizens.
- Remaining revenues combined increase only \$9,000.

Expenditures

- Expenditures and Transfers are proposed at \$51.9 Million representing an increase of \$3.2 Million or 6.5% over year-end estimates. 93% of the increase is attributed to water and sewer services contract increases. As mentioned above, when we exclude the additional \$276,000 in additional Franchise Fees generated by the increased water and sewer sales, all remaining categories actually decline (\$64,000) from year end.
- 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 \$0.22/1,000 in the price of wholesale water from the NTMWD. This represents an increase of \$2.4 Million or 14.8% over last year. For FY 2012-2013, the total cost of wholesale water increases to \$18.8 Million. We are again assuming a rebate at year end for unsold water but expect these “Board approved” rebates to decline in value as NTMWD continues to resolve the supply issues outlined above. For this reason, we are budgeting a rebate of \$500,000 for a total “budgeted” charge for water \$18.3 Million.

Fiscal Year	07-08	08-09	09-10	10-11	11-12	12-13
NTMWD/1,000 gal.	\$ 1.08	\$ 1.18	\$ 1.25	\$ 1.37	\$ 1.49	\$ 1.71
% Increase	5.90%	9.25%	5.90%	9.60%	8.70%	14.80%
Mid-Yer Adjustment						
City Rates						
Minimum	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 8.00	\$ 8.00
0-11,000 gallons	\$ 2.95	\$ 2.95	\$ 2.95	\$ 2.95	\$ 3.22	\$ 3.50
11,001-20,000	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.48	\$ 3.79
20,001-40,000	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.63	\$ 3.96
40,001-60,000	\$ 3.87	\$ 3.87	\$ 3.87	\$ 3.87	\$ 4.22	\$ 4.60
Over 60,000	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.41	\$ 4.81
% Increase	15.50%	0.00%	0.00%	0.00%	9.00%	9.00%

Water Purchases				
	2009-2010	2010-2011	2011-2012	2012-2013
Minimum Purchase	11.0 billion	11.0 billion	11.0 billion	11.0 billion
Projected Purchase	7.3 billion	7.3 billion	7.2 billion	7.2 billion
Actual Purchase	7.9 billion	9.1 billion	N/A	N/A
Purchase as a % of Contract	72%	83%	N/A	N/A
Wholesale Cost	\$13,774,139	\$15,096,456	\$16,639,160	\$18,843,022
Rebate per 1,000 Gals.	\$0.44	\$0.38	N/A	N/A
Total Rebate	\$1,355,631	\$706,912	N/A	N/A
Rebate as a % of Total Cost	9.8%	4.7%	N/A	N/A

- With no rate increases from either Dallas or Garland (final NTMWD pending) for the treatment of raw sewer, Sewer treatment services are expected to increase \$177,000 over the year end estimate to allow for minor changes in flow.
- Together, the wholesale cost of water and sewer treatment services account for \$28.6 Million or 55.1% of the total expenses.
- Personal Services is proposed at \$6.2 Million, an increase of 0.9% over year-end estimates.
- Professional Services increase of 2.1% or \$34,000. The largest part of the increase is the \$13,000 increase in Water Production for the fees paid to T.C.E.Q. for our water provider license. This proposal maintains; \$60,000 for large meter testing and vault replacement through the Meter Shop, \$100,000 for a sanitary sewer wastewater collection system analysis to insure we have adequate infrastructure for future economic development study, as well as maintaining the current \$125,000 support for the Household Hazardous Waste Disposal Program.
- Contracts decrease of (\$54,000) or -7.7% below year end and is made up of small decreases across several line items.
- Supplies show a decrease of (\$242,000) from year-end estimates due to the inclusion of \$200,000 in prior year encumbrances in 2011-2012 year-end estimates. The remaining line items consist of minor increases and decreases from their year-end positions.
- Continuing the “pay-as-you-go” initiative, \$396,000 of capital equipment is proposed in operations.
- Three annual operations programs will be funded through the annual Certificates of Obligation program due to the life expectancy of those repairs, including;
 - \$689,000 for water line replacement, an increase of \$125,000 over last year
 - \$225,000 for repair of utility cuts, an increase of \$40,000
 - and \$351,000 for the reconstruction of sanitary sewers.
- Operating Transfer Out sees increase in \$364,000 based on an \$88,000 increase in the G&A and \$276,000 in additional Franchise Fee while the BABIC Transfer remains unchanged at \$467,000.

- The debt service transfer decreases (\$38,000) to \$5.3 Million to cover debt obligations for this fund.

Fund Balance

- Fund Balance is budgeted at 86.2 days in accordance with the Council approved Financial Policies.

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

	ACTUAL FY 2010-11	BUDGET FY 2011-12	ESTIMATE FY 2011-12	BUDGET FY 2012-13	VARIANCE	
					BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 11,450,722	\$ 12,097,322	\$ 11,881,833	\$ 11,373,546	-6.0%	-4.3%
Reserve for Encumbrances	265,927	-	365,671	-	N/A	-100.0%
Adjusted Beginning Fund Balance	<u>\$ 11,716,649</u>	<u>\$ 12,097,322</u>	<u>\$ 12,247,504</u>	<u>\$ 11,373,546</u>	-6.0%	-7.1%
Revenues						
Water Sales & Charges	\$ 30,825,678	\$ 27,721,201	\$ 28,262,710	\$ 31,984,721	15.4%	13.2%
Sewer Sales & Charges	16,684,381	16,041,053	16,759,343	18,551,502	15.7%	10.7%
Rate Stabilization	-	1,800,000	1,800,000	1,200,000	-33.3%	-33.3%
Late Charges	418,278	433,381	438,330	442,713	2.2%	1.0%
Interest Earnings	21,444	14,101	9,100	8,268	-41.4%	-9.1%
Service Fees - Others	51,593	43,432	32,239	32,884	-24.3%	2.0%
Installation Charges	28,731	29,251	22,670	22,897	-21.7%	1.0%
Miscellaneous	476,402	365,041	487,385	492,259	34.9%	1.0%
Total Revenues	<u>\$ 48,506,507</u>	<u>\$ 46,447,459</u>	<u>\$ 47,811,777</u>	<u>\$ 52,735,244</u>	13.5%	10.3%
Total Available Funds	<u>\$ 60,223,156</u>	<u>\$ 58,544,781</u>	<u>\$ 60,059,281</u>	<u>\$ 64,108,790</u>	9.5%	6.7%
Expenditures						
Personal Services	\$ 5,994,326	\$ 6,097,760	\$ 6,099,614	\$ 6,154,720	0.9%	0.9%
Professional Services	1,415,213	621,646	1,616,646	1,651,002	165.6%	2.1%
Maintenance	24,774,546	26,394,475	26,743,769	29,705,446	12.5%	11.1%
Contracts	641,768	642,512	700,138	646,161	0.6%	-7.7%
Supplies	1,426,268	1,174,772	1,492,152	1,250,141	6.4%	-16.2%
Capital	289,681	343,078	303,367	395,517	15.3%	30.4%
Total Expenditures	<u>\$ 34,541,802</u>	<u>\$ 35,274,243</u>	<u>\$ 36,955,686</u>	<u>\$ 39,802,987</u>	12.8%	7.7%
Operating Transfers Out						
General and Administrative Charges	\$ 3,771,116	\$ 3,706,308	\$ 3,706,308	\$ 3,794,779	2.4%	2.4%
Franchise Fees	2,375,638	2,188,113	2,251,103	2,526,811	15.5%	12.2%
BABIC Program	466,666	466,666	466,666	466,666	0.0%	0.0%
Total Operating Transfers Out	<u>\$ 6,613,420</u>	<u>\$ 6,361,087</u>	<u>\$ 6,424,077</u>	<u>\$ 6,788,256</u>	6.7%	5.7%
Total Exp. And Oper. Transfers Out	<u>\$ 41,155,222</u>	<u>\$ 41,635,330</u>	<u>\$ 43,379,763</u>	<u>\$ 46,591,243</u>		
Transfers Out						
Debt Service	\$ 4,920,430	\$ 5,305,972	\$ 5,305,972	\$ 5,267,521	-0.7%	-0.7%
Rate Stabilization	1,900,000	-	-	-	N/A	N/A
Total Transfers Out	<u>\$ 6,820,430</u>	<u>\$ 5,305,972</u>	<u>\$ 5,305,972</u>	<u>\$ 5,267,521</u>	-0.7%	-0.7%
Total Expenditures and Transfers	<u>\$ 47,975,652</u>	<u>\$ 46,941,302</u>	<u>\$ 48,685,735</u>	<u>\$ 51,858,764</u>	10.5%	6.5%
Revenue Over/(Under)	<u>\$ 530,855</u>	<u>\$ (493,843)</u>	<u>\$ (873,958)</u>	<u>\$ 876,480</u>	-277.5%	-200.3%
Reserve for Encumbrances	<u>\$ 365,671</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	N/A	N/A
Ending Designated Fund Balance	<u>\$ 11,881,833</u>	<u>\$ 11,603,479</u>	<u>\$ 11,373,546</u>	<u>\$ 12,250,026</u>	5.6%	7.7%
Days of Fund Balance	90.40	90.22	85.27	86.22	-4.4%	1.1%

**CITY OF RICHARDSON
REVENUE BY DETAIL
WATER AND SEWER FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
<u>Water and Sewer Revenue</u>						
Water Sales & Charges	\$ 30,825,678	\$ 27,721,201	\$ 28,262,710	\$ 31,984,721	\$ 4,263,520	\$ 3,722,011
Sewer Sales & Charges	16,684,381	16,041,053	16,759,343	18,551,502	2,510,449	1,792,159
Rate Stabilization	-	1,800,000	1,800,000	1,200,000	(600,000)	(600,000)
Late Charges	418,278	433,381	438,330	442,713	9,333	4,383
Interest Earnings	21,444	14,101	9,100	8,268	(5,833)	(832)
Service Fees - Others	51,593	43,432	32,239	32,884	(10,548)	645
Installation Charges	28,731	29,251	22,670	22,897	(6,354)	227
Miscellaneous	476,402	365,041	487,385	492,259	127,218	4,874
Total	\$ 48,506,507	\$ 46,447,459	\$ 47,811,777	\$ 52,735,244	\$ 6,287,785	\$ 4,923,467
Grand Total Water and Sewer Fund	\$ 48,506,507	\$ 46,447,459	\$ 47,811,777	\$ 52,735,244	\$ 6,287,785	\$ 4,923,467

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
WATER AND SEWER DEBT SERVICE FUND**

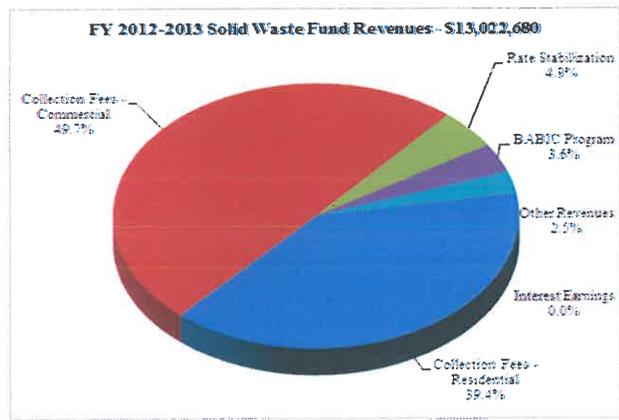
	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 404,620	\$ 426,156	\$ 433,456	\$ 442,510	3.8%	2.1%
Revenues						
Transfers In - Water and Sewer Fund	\$ 4,920,430	\$ 5,305,972	\$ 5,305,972	\$ 5,267,521	-0.7%	-0.7%
Transfers In - Rate Stabilization	-	-	-	-	N/A	N/A
Interest Earnings	763	1,000	562	415	-58.5%	-26.2%
Accrued Interest on Bond Proceeds	14,059	-	-	-	N/A	N/A
Total Revenues	\$ 4,935,252	\$ 5,306,972	\$ 5,306,534	\$ 5,267,936	-0.7%	-0.7%
Total Available Funds	\$ 5,339,872	\$ 5,733,128	\$ 5,739,990	\$ 5,710,446	-0.4%	-0.5%
Expenditures						
Principal	\$ 2,795,000	\$ 3,176,852	\$ 3,176,852	\$ 3,282,117	3.3%	3.3%
Interest and Fiscal Charges	2,089,845	2,099,057	2,099,057	1,964,248	-6.4%	-6.4%
Capital Lease Payments	21,571	21,571	21,571	21,571	0.0%	0.0%
Total Expenditures	\$ 4,906,416	\$ 5,297,480	\$ 5,297,480	\$ 5,267,936	-0.6%	-0.6%
Revenue Over/(Under)	\$ 28,836	\$ 9,492	\$ 9,054	\$ -	-100.0%	-100.0%
Ending Designated Fund Balance	\$ 433,456	\$ 435,648	\$ 442,510	\$ 442,510	1.6%	0.0%
Days of Fund Balance	32.25	30.02	30.49	30.66	2.1%	0.6%

SOLID WASTE SERVICES FUND

The Solid Waste Services Fund, an Enterprise Fund, accounts for the residential and commercial solid waste collection services, including residential recycling collection and brush and bulky item collection.

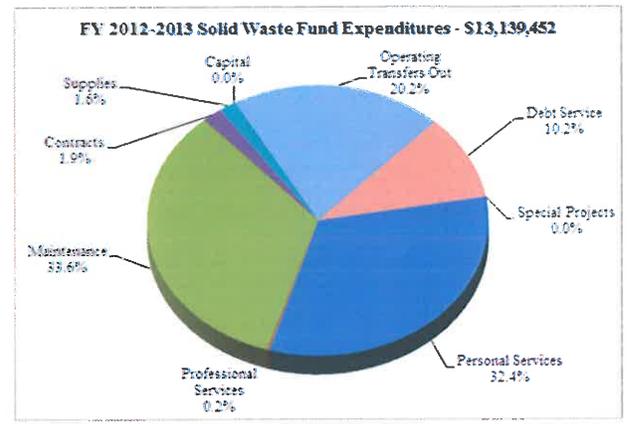
Sources

Monthly services fees charged to residential and commercial customers provide the revenues for the fund. Rates are reviewed annually to confirm that sufficient revenue is generated to fund the anticipated expenses related to solid waste services.



Uses

Expenditures for the daily operations, fleet maintenance and replacement, and disposal fees charged by the North Texas Municipal Water District are hosted in the Solid Waste Services Fund. Disposal Fees comprise 32.8% of the overall expenditures of the fund.



Fund Balance

The established target Fund Balance for the Solid Waste Services Fund is 60 days building to 90 days.

SOLID WASTE SERVICES DEBT SERVICE FUND

The Solid Waste Services Debt Service hosts revenue and expenses for solid waste equipment debt service obligations. The primary source of revenue is a transfer of revenues from the Solid Waste Services Operating Fund generated through the collection of solid waste service fees from residential and commercial customers. The expenditures include the annual debt service payments for solid waste vehicle and equipment replacements funded through the issuance of public property certificates of obligations.

SOLID WASTE SERVICES FUND

2011-2012 Year End Estimates

Revenues

- Solid Waste revenues are projected to end the year (\$206,000) or -1.6% below their original budget of \$12.9 Million and includes the deactivation of the budgeted \$410,000 in rate stabilization funds.
- Residential Collections are tracking up \$19,000 or 0.4% from the programmed \$5.1 Million. The FY 2008-2009 residential rate increase of \$1.85 per month increased the monthly rate to \$18.00. The following chart shows the actual cost of service. With a rate of \$18.00/month and an estimated year-end true cost of \$23.41, it's clear Commercial Collections subsidizes Residential Collection \$5.41 per resident each month or almost \$65 per year. For the proposed 2012-2013 budget, that subsidy rises to \$5.99 or \$72 per year.

Residential Cost Breakdown				
	Actual	Budget	Estimate	Budget
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
Operating Cost	\$7.41	\$8.32	\$8.12	\$7.90
Disposal Costs	4.28	4.75	4.60	4.95
BABIC	2.11	2.43	2.36	2.47
Recycling	1.63	1.73	1.72	1.74
G&A and Fran. Fees	4.74	4.56	4.55	4.65
Debt	1.75	2.06	2.06	2.28
	\$21.92	\$23.84	\$23.41	\$23.99

- Commercial Collections are tracking down (\$103,000) or -1.6% from an original budget of \$6.5 Million. Commercial clients continue to refine their level of service to achieve better efficiency in their collection schedules.
- This time last year, \$410,000 of rate stabilization funds were budgeted to protect the financial position of the fund and to delay the possibly of a rate adjustment. Because of the expected year-end position of expenditures, that money will not be activated making it available for future use.
- The BABIC transfer from the Water and Sewer fund will end the year as budgeted at \$467,000.
- The Other Revenue category is expected to finish the year \$291,000 or 76.2% above the original budget of \$382,000. The recovery in the markets for recyclables continues to have its ups and downs, with recycling revenue being down (\$41,000) or -25.2% through June compared to last year. This category does benefit from \$371,000 in proceeds from an auction of solid waste equipment.
- Interest Earnings are tracking down (\$3,200) from the original budget of \$6,800.

Expenditures

- Total Expenditures and Transfers are expected to end the year (\$296,000) or -2.3% below the \$13.1 Million programmed for FY 2011-2012.
- Personal Services should finish the year (\$132,000) or -3.1% below its original budget due to savings achieved through normal vacancies and lower contractual labor costs.

- Professional Services is expected to finish the year \$13,000 above its adopted level of \$16,000 as a result of the mid-year use of a consultant to assist with the fund's multi-year financial plan.
- Maintenance is expected to decrease (\$210,000) or -4.6% due to minor savings across several accounts in several departments. The majority of this savings is from lower monthly payments to the North Texas Municipal Water District for disposal costs than the original budget estimated. The FY 2011-2012 budget was built upon a district rate of \$41.65 per ton. The rate adopted by the district is \$39.64 per ton or \$2.01 per ton lower than originally forecasted.
- Contracts are projected to finish the year \$28,000 or 11.0% above the original budget of \$255,000. The majority of this increase is as a result of higher than budgeted bank charges and expenses associated with the successful vehicle auction.
- Supplies are expected to end the year (\$7,000) or -3.7% below its budgeted position of \$203,000. The savings is the result of minor savings across several line items.
- The Capital category includes \$16,000 for the purchase of handheld radios that are compatible with the City's new radio system but were not included in the original budget.
- The debt service transfer remains unchanged from the budgeted \$1.2 Million.

Fund Balance

- Days in Fund balance are expected to end the year with 96.7 days, in compliance with the adopted financial policy of "60 days building towards 90 days."

SOLID WASTE SERVICES FUND

2012-2013 Proposed

Revenues

- Total revenues are projected to be \$316,000 or 2.5% over year-end estimates.
- Residential Collections are budgeted flat from the 2011-2012 year-end estimate at \$5.1 million and assumes no change in the City's residential solid waste rate and the continuation of the reduced rate for seniors. Every \$1.00 per month increase to the residential solid waste rate, \$0.75 for seniors, would generate an additional \$309,000 in revenue.
- Commercial Collections Fees are expected to increase 0.5% or \$32,000 over the year-end estimate and includes no adjustments to the commercial rate structure.
- Rate Stabilization of \$625,000 is programmed for next year, but will only be used at year-end if necessary based on year-end revenue and expenditure performance. This activation allows the fund to maintain the required 90 days of fund balance. With the HDR review of solid waste operations in its final stages, a rate analysis for both residential and commercial customers will be conducted based on the accepted service enhancements recommended by that work.
- 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 decrease (\$344,000) or -51.0%. The category as a whole is expected to increase slightly, but the one time proceeds from the vehicle auction in FY 2011-2012 has been removed from the projection for next year
- Interest Earnings are expected to remain relatively flat for the upcoming year.

Expenditures

- Total expenditures and transfers are proposed at \$13.1 Million, an increase of \$364,000 or 2.8% over the year-end estimate of \$12.8 Million.
- Personal Services increase \$141,000 or 3.4% over year-end estimate. The majority of this increase can be attributed to the impact on the fund of the City's merit based step program and increases in workers compensation insurance premiums.
- Professional Services decreases -29.6% or (\$8,500) from the year-end estimate. Included in 2011-2012 but not included in 2012-2013 is the cost of the consultant used to assist with the fund's multi-year financial plan.
- The Maintenance category is projected to increase \$83,000 or 1.9% over the year-end estimate due to anticipated growth in tonnage and an increase of 4.0% in the disposal fees charged by NTMWD.
- Contracts are projected to decrease (\$33,000) or -11.6% from their year-end position as we anticipate bank charges and auction expenses to return to normal levels.
- Supplies increase \$12,000 or 6.4% due in large part to increases in the cost to purchase blue bags for the recycling program.
- The General and Administrative transfer increases \$54,000 as a result of the indirect cost allocation study performed by DMG Maximus.
- The Debt Service Transfer of \$1.3 Million accounts for \$129,000 of the total increase in the fund and is a 10.7% increase over the year-end debt service payment of \$1.2 Million. The

increase is the result of the increased equipment replacement debt resulting from the service enhancements enacted over the last few years.

Fund Balance

- FY 2012-2013 fund balance is proposed at 90.8 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	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 3,580,861	\$ 3,391,849	\$ 3,451,906	\$ 3,384,167	-0.2%	-2.0%
Reserve for Encumbrances	1,832	-	1,557	-	N/A	-100.0%
Adjusted Beginning Fund Balance	\$ 3,582,693	\$ 3,391,849	\$ 3,453,463	\$ 3,384,167	-0.2%	-2.0%
Revenues						
Collection Fees - Residential	\$ 5,121,570	\$ 5,107,031	\$ 5,125,635	\$ 5,128,198	0.4%	0.0%
Collection Fees - Commercial	6,304,566	6,539,714	6,436,884	6,469,068	-1.1%	0.5%
Rate Stabilization	-	410,000	-	625,000	52.4%	N/A
BABIC Program	466,666	466,666	466,666	466,666	0.0%	0.0%
Other Revenues	432,805	382,381	673,571	330,042	-13.7%	-51.0%
Interest Earnings	4,215	6,841	3,669	3,706	-45.8%	1.0%
Total Revenues	\$ 12,329,822	\$ 12,912,633	\$ 12,706,425	\$ 13,022,680	0.9%	2.5%
Total Available Funds	\$ 15,912,515	\$ 16,304,482	\$ 16,159,888	\$ 16,406,847	0.6%	1.5%
Expenditures						
Personal Services	\$ 3,907,262	\$ 4,249,630	\$ 4,117,633	\$ 4,258,165	0.2%	3.4%
Professional Services	23,831	15,550	28,726	20,211	30.0%	-29.6%
Maintenance	3,948,805	4,542,835	4,333,199	4,416,204	-2.8%	1.9%
Contracts	242,863	255,355	283,454	250,588	-1.9%	-11.6%
Supplies	165,324	203,460	196,002	208,460	2.5%	6.4%
Capital	-	-	15,705	-	N/A	-100.0%
Total Expenditures	\$ 8,288,085	\$ 9,266,830	\$ 8,974,719	\$ 9,153,628	-1.2%	2.0%
Operating Transfers Out						
General and Administrative Charges	\$ 2,121,965	\$ 2,014,891	\$ 2,014,891	\$ 2,069,161	2.7%	2.7%
Franchise Fees	571,307	582,337	578,126	579,863	-0.4%	0.3%
Total Operating Transfers Out	\$ 2,693,272	\$ 2,597,228	\$ 2,593,017	\$ 2,649,024	2.0%	2.2%
Total Exp. And Oper. Transfers Out	\$ 10,981,357	\$ 11,864,058	\$ 11,567,736	\$ 11,802,652		
Transfers Out						
Debt Service	\$ 1,027,695	\$ 1,207,985	\$ 1,207,985	\$ 1,336,800	10.7%	10.7%
Rate Stabilization	450,000	-	-	-	N/A	N/A
Total Transfers Out	\$ 1,477,695	\$ 1,207,985	\$ 1,207,985	\$ 1,336,800	10.7%	10.7%
Total Expenditures and Transfers	\$ 12,459,052	\$ 13,072,043	\$ 12,775,721	\$ 13,139,452	0.5%	2.8%
Revenue Over/(Under)	\$ (129,230)	\$ (159,410)	\$ (69,296)	\$ (116,772)	-26.7%	68.5%
Reserve for Encumbrances	\$ 1,557	\$ -	\$ -	\$ -	N/A	N/A
Ending Designated Fund Balance	\$ 3,451,906	\$ 3,232,439	\$ 3,384,167	\$ 3,267,395	1.1%	-3.5%
Days of Fund Balance	101.13	90.26	96.69	90.76	0.6%	-6.1%

**CITY OF RICHARDSON
REVENUE BY DETAIL
SOLID WASTE SERVICES FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
<u>Solid Waste Services Revenue</u>						
Collection Fees - Residential	\$ 5,121,570	\$ 5,107,031	\$ 5,125,635	\$ 5,128,198	\$ 21,167	\$ 2,563
Collection Fees - Commercial	6,304,566	6,539,714	6,436,884	6,469,068	(70,646)	32,184
Rate Stabilization	-	410,000	-	625,000	215,000	625,000
BABIC Program	466,666	466,666	466,666	466,666	-	-
Other Revenues	432,805	382,381	673,571	330,042	(52,338)	(343,529)
Interest Earnings	4,215	6,841	3,669	3,706	(3,135)	37
Total	\$ 12,329,822	\$ 12,912,633	\$ 12,706,425	\$ 13,022,680	\$ 110,048	\$ 316,255
Grand Total Solid Waste Services Fund	\$ 12,329,822	\$ 12,912,633	\$ 12,706,425	\$ 13,022,680	\$ 110,048	\$ 316,255

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
SOLID WASTE DEBT SERVICE FUND**

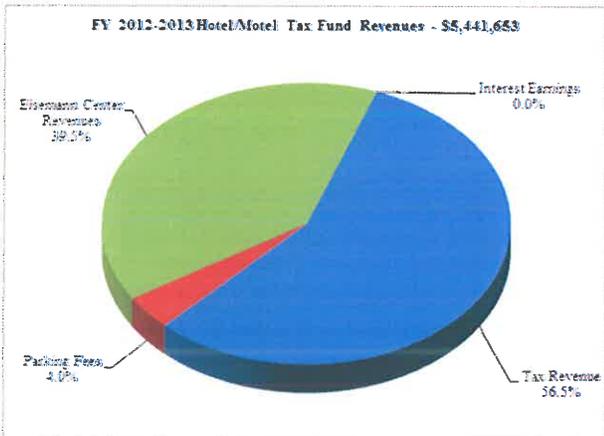
	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 73,792	\$ 85,090	\$ 89,418	\$ 103,537	21.7%	15.8%
Revenues						
Transfers In - Solid Waste Services Fund	\$ 1,027,695	\$ 1,207,985	\$ 1,207,985	\$ 1,336,800	10.7%	10.7%
Transfers In - Rate Stabilization	-	-	-	-	N/A	N/A
Interest Earnings	104	243	119	96	-60.5%	-19.3%
Accrued Interest on Bond Proceeds	-	-	-	-	N/A	N/A
Total Revenues	\$ 1,027,799	\$ 1,208,228	\$ 1,208,104	\$ 1,336,896	10.6%	10.7%
Total Available Funds	\$ 1,101,591	\$ 1,293,318	\$ 1,297,522	\$ 1,440,433	11.4%	11.0%
Expenditures						
Principal	\$ 795,000	\$ 970,000	\$ 970,000	\$ 1,120,000	15.5%	15.5%
Interest and Fiscal Charges	217,173	223,985	223,985	210,916	-5.8%	-5.8%
Capital Lease Payments	-	-	-	-	N/A	N/A
Total Expenditures	\$ 1,012,173	\$ 1,193,985	\$ 1,193,985	\$ 1,330,916	11.5%	11.5%
Revenue Over/(Under)	\$ 15,626	\$ 14,243	\$ 14,119	\$ 5,980	-58.0%	-57.6%
Ending Designated Fund Balance	\$ 89,418	\$ 99,333	\$ 103,537	\$ 109,517	10.3%	5.8%
Days of Fund Balance	32.25	30.37	31.65	30.03	-1.1%	-5.1%

HOTEL MOTEL TAX FUND

The Hotel Motel Tax Fund, an enterprise fund, accounts for the administration, operation, and maintenance of the Charles W. Eisemann Center, parking garage, Convention and Visitors Services and annual grants to local arts organizations.

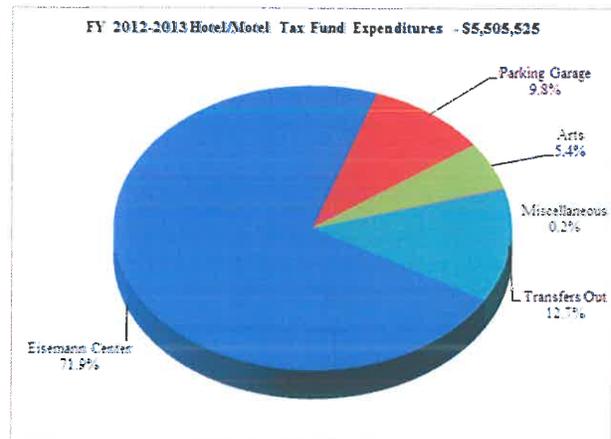
Sources

The fund is supported by the Hotel/Motel Occupancy Tax, which is restricted by State law to tourism promotion, capital construction, the operation of meeting facilities, or cultural activities as well as the operating revenues received on user fees charged for the use of the Eisemann Center and Parking Garage.



Uses

Daily operations at the Eisemann Center and Parking Garage account for 81.7% of the expenditures in the Hotel Motel Tax Fund. Resources for Convention and Visitors Services and local arts grants are also allocated in the Hotel Motel Tax Fund.



Fund Balance

There is no pre-established Fund Balance Target for the Hotel Motel Tax Fund.

HOTEL MOTEL TAX DEBT SERVICE

Hotel Motel Tax Fund resources are transferred to the General Debt Service Fund to assist in funding the annual debt service payment on the Eisemann Center.

HOTEL MOTEL TAX FUND

2011-2012 Year End Estimates

Revenues

- Based on 9-months of revenue receipts and projected activities for the 3 remaining months, the Hotel Motel Tax Fund year-end revenues are projected to end the year down (\$273,000) or -4.8% from their budgeted position of \$5.7 Million for 2011-2012.

Hotel/Motel Tax Receipts

- Hotel Motel Tax Receipts are a factor of both room rate and occupancy levels. From January to May 2012 (latest available data), the average daily rate is up \$0.47, both occupancy and RevPAR (revenue per available room) down slightly from last year.

Year	Occupancy Rate	Average Daily Rate	RevPAR
Jan-May 2011	62.3%	\$84.86	\$53.75
Jan-May 2012	59.6%	\$85.33	\$50.78

- Hotel/Motel Tax Receipts are anticipated to end the year (\$34,000) or -1.1% below the 2011-2012 budget projection of \$3.0 Million. A breakdown of the receipts by property is provided below.

Hotel Property	Actual 2010-2011	Budget 2011-2012	Estimated 2011-2012	Variance Bud to Est
Como Motel	\$ 17,382	\$ 18,505	\$ 15,319	(\$ 3,186)
Continental Inn	51,941	20,524	27,540	7,016
DoubleTree Hotel	421,436	440,483	425,892	(14,591)
Econo Lodge	36,288	34,201	39,569	5,368
Hampton Inn	144,048	153,358	150,851	(2,507)
Hawthorne Suites	34,956	33,952	36,896	2,944
Hilton Garden Inn	241,612	247,817	225,973	(21,844)
Holiday Inn	190,418	196,679	164,919	(31,760)
Homestead Suites	64,443	70,051	66,840	(3,211)
Hyatt Regency	509,672	522,966	517,459	(5,507)
Hyatt Summerfield	174,775	185,806	149,517	(36,289)
Mariott Courtyard - Galatyn	187,423	188,433	177,975	(10,458)
Marriott Courtyard - Spring Valley	165,143	166,852	176,001	9,149
Marriott Renaissance	602,367	572,284	615,989	43,705
Residence Inn	153,571	162,152	134,793	(27,359)
Springhill Suites	-	-	52,981	52,981
Super 8	43,622	38,304	39,510	1,206
TOTAL	\$3,039,097	\$3,052,367	\$3,018,024	(\$34,343)

Remaining Revenues

- Total Eisemann Center revenues are expected to be down (\$229,000) or -9.5% below budget. Revenues from fees and tickets sales and surcharges and concessions are expected to be down (\$110,000). While rentals of the Hill Performance Hall are down and rentals of Bank of America Theater up over last year, there is no long run rental booked for Aug/Sept as in previous years. Eisemann Center Presents revenue is down (\$117,000) due entirely to a number of Main Stage shows falling below expectations (Boom Town, BLAST, Max Raabe,

Royal Winnipeg). Theater Comedy Series, Family Theater Series, and the Keyboard Conversations shows all met or exceeded budget.

- Parking Garage revenues are anticipated to finish the year down (\$7,000) or -3.2% from its budgeted position of \$215,000.

Expenditures

- Total Expenditures and Transfers for 2011-2012 are projected to end the year (\$40,000) below the original budget \$5.7 Million.
- The (\$69,000) decrease in daily operation expenditures at the Eisemann Center is due to personnel savings from vacancies that occur throughout the year, .
- Eisemann Center Presents Series will recognize (\$41,000) in savings for the reasons mentioned in the revenue discussion.
- Parking Garage expenditures are projected to end the year down (\$41,000).
- The \$111,000 increase in miscellaneous expenditures is due to the replacement of the video screens in the Grand Hall, the Cultural Arts Consultant contract, the Wildflower Heads in Beds Advertising campaign run through the CVB and the unexpected replacement of the Eisemann Center's handicap chair lift.
- The remaining expenditures in the Fund will be on target with the original allocations.

Fund Balance

- The Hotel Motel Tax Fund balance is anticipated to end the year at \$812,000. There is no formal designated fund balance policy for the Hotel Motel Tax Fund.

HOTEL MOTEL TAX FUND

2012-2013 Proposed

Revenues

- Total Revenues for the Hotel/Motel Tax Fund are projected at \$5.4 Million for next year, reflecting a 0.6% increase in overall revenues.

Hotel/Motel Tax Receipts

- As evidenced by the previously referenced chart, while the hotel market is experiencing a down turn at the moment, we are expecting some modest recovery fiscal year.
- For 2012-2013, Hotel/Motel Tax Receipts are budgeted at \$3.1 Million.

Hotel Property	Actual 2010-2011	Budget 2011-2012	Estimated 2011-2012	Budget 2012-2013
Como Motel	\$ 17,382	\$ 18,505	\$ 15,319	\$ 19,285
Continental Inn	51,941	20,524	27,540	0
DoubleTree Hotel	421,436	440,483	425,892	430,151
Econo Lodge	36,288	34,201	39,569	39,965
Hampton Inn	144,048	153,358	150,851	153,868
Hawthorne Suites	34,956	33,952	36,896	37,634
Hilton Garden Inn	241,612	247,817	225,973	228,233
Holiday Inn	190,418	196,679	164,919	166,568
Homestead Suites	64,443	70,051	66,840	67,508
Hyatt Regency	509,672	522,966	517,459	527,808
Hyatt Summerfield	174,775	185,806	149,517	152,507
Mariott Courtyard - Galatyn	187,423	188,433	177,975	181,535
Marriott Courtyard - Spring Valley	165,143	166,852	176,001	179,521
Marriott Renaissance	602,367	572,284	615,989	628,309
Residence Inn	153,571	162,152	134,793	137,489
Springhill Suites	-	-	52,981	79,472
Super 8	43,622	38,304	39,510	45,300
TOTAL	\$3,039,097	\$3,052,367	\$3,018,024	\$3,075,152

Parking Garage Revenues

- Parking Garage fees are projected at \$215,000, an increase of \$7,000 over year-end.

Eisemann Center Revenues

- Eisemann Center revenues are projected at \$2.2 Million reflecting a (\$29,000) or -1.3% decrease from estimated year-end. Operations revenue is estimated based on performance levels similar to FY 2011-2012. This level of revenue reflects proposed increases in internal labor service fees from \$24/hr to \$30/hr and increases the custodial service fee in the Hill Performance Hall from \$250/event to \$300/event. Eisemann Center Presents revenue reflects a decrease of (\$149,000). Yearly increases or decreases in revenue and expenditures for the ECP Series are directly related to the mix of shows planned for the season.

Expenditures

- Total Expenditures and Transfers for 2012-2013 are proposed at \$5.5 Million reflecting a (\$195,000) decrease from current year-end expenditures.

- The Eisemann Center expenditures decrease (\$173,000) from year-end. The Eisemann Center's daily operations increase \$52,000 and Eisemann Center Presents Series expenditures decrease (\$225,000).
- Parking Garage Expenditures increase 9.0% or \$45,000 based on the parking garage services agreement. The City budgets the maximum allowable by contract. It's worth noting that the contractor has yet to bill the City the whole amount due to good contract performance.
- The miscellaneous expense category returns to its normal funding level. A reduction of (\$112,000).
- The Transfer to General Fund – CVB matches the department budget at \$450,000.
- The Hotel/Motel G&A remains static at \$250,000.

Fund Balance

The Fund Balance is projected to end the year at \$748,000.

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

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 910,176	\$ 651,471	\$ 1,100,899	\$ 811,974	24.6%	-26.2%
Reserve for Encumbrances	14,445	-	4,711	-	N/A	-100.0%
Adjusted Beginning Fund Balance	\$ 924,621	\$ 651,471	\$ 1,105,610	\$ 811,974	24.6%	-26.6%
Revenues						
Tax Revenue	\$ 3,039,097	\$ 3,052,367	\$ 3,018,024	\$ 3,075,152	0.7%	1.9%
Parking Fees	223,694	215,000	208,038	215,000	0.0%	3.3%
Eisemann Center Revenues	2,264,157	2,408,519	2,179,756	2,150,625	-10.7%	-1.3%
Interest Earnings	1,375	3,964	1,012	876	-77.9%	-13.4%
Total Revenues	\$ 5,528,323	\$ 5,679,850	\$ 5,406,830	\$ 5,441,653	-4.2%	0.6%
Total Available Funds	\$ 6,452,944	\$ 6,331,322	\$ 6,512,440	\$ 6,253,627	-1.2%	-4.0%
Operating Expenditures						
Eisemann Center	\$ 3,936,568	\$ 4,238,839	\$ 4,128,884	\$ 3,956,006	-6.7%	-4.2%
Parking Garage	456,472	536,250	495,000	539,519	0.6%	9.0%
Total Expenditures	\$ 4,393,040	\$ 4,775,089	\$ 4,623,884	\$ 4,495,525	-5.9%	-2.8%
Other Uses						
Arts	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	0.0%	0.0%
Miscellaneous	294	10,200	121,582	10,000	-2.0%	-91.8%
Total Other Uses	\$ 300,294	\$ 310,200	\$ 421,582	\$ 310,000	-0.1%	-26.5%
Total Exp. And Other Uses	\$ 4,693,334	\$ 5,085,289	\$ 5,045,466	\$ 4,805,525		
Transfers Out						
Transfer to General Fund - C.V.B.	\$ 404,000	\$ 405,000	\$ 405,000	\$ 450,000	11.1%	11.1%
General and Administrative Charges	250,000	250,000	250,000	250,000	0.0%	0.0%
Total Transfers Out	\$ 654,000	\$ 655,000	\$ 655,000	\$ 700,000	6.9%	6.9%
Total Expenditures and Transfers	\$ 5,347,334	\$ 5,740,289	\$ 5,700,466	\$ 5,505,525	-4.1%	-3.4%
Revenue Over/(Under)	\$ 180,989	\$ (60,439)	\$ (293,636)	\$ (63,872)	5.7%	-78.2%
Reserve for Encumbrances	\$ 4,711	\$ -	\$ -	\$ -	N/A	N/A
Ending Designated Fund Balance	\$ 1,100,899	\$ 591,033	\$ 811,974	\$ 748,102	26.6%	-7.9%

**CITY OF RICHARDSON
REVENUE BY DETAIL
HOTEL/MOTEL TAX FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
<u>Tax Revenue</u>						
Como Motel	\$ 17,382	\$ 18,505	\$ 15,319	\$ 19,285	\$ 780	\$ 3,966
Continental Inn	51,941	20,524	27,540	-	(20,524)	(27,540)
DoubleTree Hotel	421,436	440,483	425,892	430,151	(10,332)	4,259
Econo Lodge	36,288	34,201	39,569	39,965	5,764	396
Hampton Inn	144,048	153,358	150,851	153,868	510	3,017
Hawthorne Suites	34,956	33,952	36,896	37,634	3,682	738
Hilton Garden Inn	241,612	247,817	225,973	228,233	(19,584)	2,260
Holiday Inn	190,418	196,679	164,919	166,568	(30,111)	1,649
Homestead Suites	64,443	70,051	66,840	67,508	(2,543)	668
Hyatt Regency	509,672	522,966	517,459	527,808	4,842	10,349
Hyatt Summerfield	174,775	185,806	149,517	152,507	(33,299)	2,990
Mariott Courtyard - Galatyn	187,423	188,433	177,975	181,535	(6,899)	3,560
Marriott Courtyard - Spring Valley	165,143	166,852	176,001	179,521	12,669	3,520
Marriott Renaissance	602,367	572,284	615,989	628,309	56,025	12,320
Residence Inn	153,571	162,152	134,793	137,489	(24,663)	2,696
Springhill Suites	-	-	52,981	79,472		
Super 8	43,622	38,304	39,510	45,300	6,996	5,790
Total	\$ 3,039,097	\$ 3,052,367	\$ 3,018,024	\$ 3,075,152	\$ (56,687)	\$ 30,638
<u>Parking Fees</u>						
Parking Garage	\$ 223,694	\$ 215,000	\$ 208,038	\$ 215,000	\$ -	\$ 6,962
Total	\$ 223,694	\$ 215,000	\$ 208,038	\$ 215,000	\$ -	\$ 6,962
<u>Eisemann Center Revenue</u>						
Fees	\$ 696,917	\$ 710,000	\$ 635,512	\$ 718,000	\$ 8,000	\$ 82,488
Ticket Sales and Surcharges	172,068	200,000	164,700	200,000	-	35,300
Concessions	18,509	19,000	18,944	19,000	-	56
Eisemann Presents Revenue	1,237,130	1,419,519	1,302,620	1,153,625	(265,894)	(148,995)
Miscellaneous	139,533	60,000	57,980	60,000	-	2,020
Total	\$ 2,264,157	\$ 2,408,519	\$ 2,179,756	\$ 2,150,625	\$ (257,894)	\$ (29,131)
<u>Interest Earnings</u>						
Interest Earnings	\$ 1,375	\$ 3,964	\$ 1,012	\$ 876	\$ (3,088)	\$ (136)
Total	\$ 1,375	\$ 3,964	\$ 1,012	\$ 876	\$ (3,088)	\$ (136)
Grand Total Hotel/Motel Tax Fund	\$ 5,528,323	\$ 5,679,850	\$ 5,406,830	\$ 5,441,653	\$ (317,669)	\$ 8,333

EISEMANN CENTER EXPENDITURE DETAIL

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
<u>Eisemann Center Expenditures</u>						
Eisemann Center	\$ 2,685,452	\$ 2,819,321	\$ 2,749,989	\$ 2,802,381	\$ (16,940)	\$ 52,392
Eisemann Center Presents	1,251,116	1,419,518	1,378,895	1,153,625	(265,893)	(225,270)
Total Eisemann Center Expenditures	\$ 3,936,568	\$ 4,238,839	\$ 4,128,884	\$ 3,956,006	\$ (282,833)	\$ (172,878)

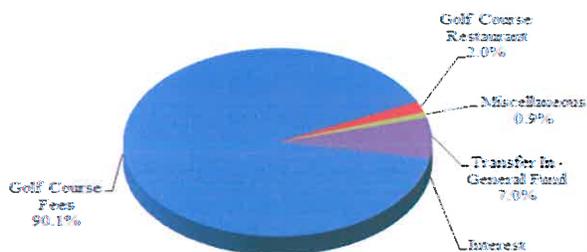
GOLF FUND

The Golf Fund, an enterprise fund, provides for the administration, operation, maintenance, and periodic renovation of Sherrill Park Golf Course.

Sources

Revenues for the Golf Fund are generated through golf fees charged to patrons. The number of rounds of golf played on annual basis drive the revenues of the Fund. The number of rounds played is affected by the weather climate and competition in the regional golf market.

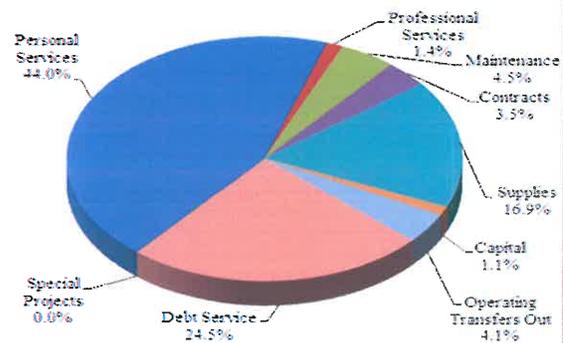
FY 2012-2013 Golf Fund Revenues - \$2,271,896



Uses

Expenditures include expenses related to daily operations, course maintenance, fleet maintenance and replacement, and special projects. Personal Services account for 45.5% of all expenditures in the Golf Fund.

FY 2012-2013 Golf Fund Expenditures - \$2,268,185



Fund Balance

The established target Fund Balance for the Golf Fund is 30 days building to 60 days.

GOLF DEBT SERVICE FUND

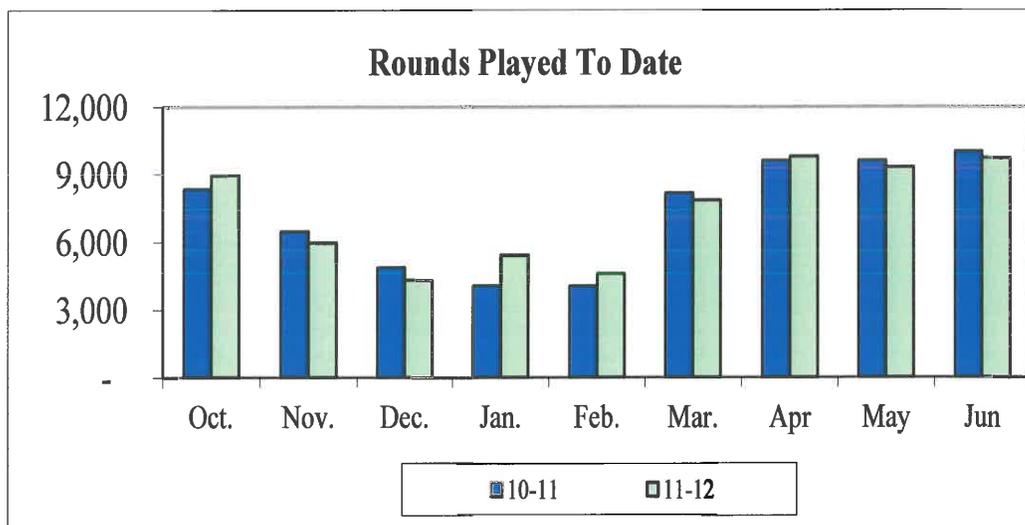
The Golf Debt Service Fund host the annual debt service payment associated with major course improvements or renovations. Revenues generated in the Golf Operating Fund are transferred to the Golf Debt Service Fund to provide the resources for the annual expenditures.

GOLF FUND

2011-2012 Year End Estimates

Revenues

- Revenues for the Golf Fund are expected to end the year \$44,000 or 2.0% above the budgeted \$2.2 Million.
- Course Fees are expected to finish the year at \$2.0 Million, down (\$112,000) or -5.3% below the original budget amount for 2011-2012. Rounds played of 65,929 are up 698 or 1.1% from this time last year but still below the five year average (excluding FY 2009-2010) of 68,342. The primary reason for the course ending the year lower than anticipated is the recent State Comptroller interpretation regarding the collection of sales tax on green fees, which is estimated to have a \$100,000 impact this fiscal year.



- The General Fund will provide support to the fund with a transfer of \$100,000 in FY 2011-2012. This transfer will help the fund achieve and maintain the Council approved financial policy fund balance of “30 building to 60” days in fund balance.
- Revenue from the golf course restaurant is projected to finish the year down -10.1% or (\$5,000) to \$45,000 from the original budget of \$50,000
- Miscellaneous revenue is anticipated to be \$60,000 above the budgeted \$19,000 due to two separate insurance settlements for damage that occurred out at the course. One is related to wind damage that occurred during the fall and one is related to damage to the course’s entry wall.

Expenditures

- Total Golf Fund Expenditures and Transfers are expected to end the year at \$2.2 Million, an increase of \$49,000 from the original budget.

- Personal Services is projected to finish the year (\$7,000) or -0.7% below the original budget of \$994,000 as a result of various vacancies that have occurred during the course of the year.
- Professional Services will end the year up \$20,000 or 66.3% and reflects the services for the current evaluation of Sherrill Park's operational structure.
- The Maintenance category is anticipated to finish the year \$23,000 or 24.3% above its original budget of \$94,000 as a result of the course's aggressive irrigation system maintenance program and due to various irrigation system failures.
- Contracts should finish the year down (\$16,500) or -22.3% below its original budget of \$74,000. Savings throughout this category are being recognized in an effort to cover the additional irrigation system maintenance mentioned above.
- Supplies are projected to finish the year up \$6,500 or 1.8% from their budgeted position of \$359,000. Despite savings being recognized for janitorial supplies and botanical services, Sherrill Park's electricity costs are expected to increase \$18,000 from the original budget.
- The Capital category is expected to finish the year \$23,600 above its budgeted position as the result of needed repairs to the course's entry wall, which was the result of an automobile accident. This expense is being offset by an insurance settlement in the same amount and reflected in the miscellaneous revenue category.

Fund Balance

- Given the projected revenue and expenditure performance, the days in fund balance in the Golf Fund will end the year at 30.5 days, in compliance with the Council approved financial policy of "30 days building to 60."

GOLF FUND

2012-2013 Proposed

- In keeping with the work plan discussed at a recent July work session with the City Council, an active golf course operational review is underway and due to be complete this fall. The following budget has been prepared to meet budget preparation deadlines, with the expectation to provide a revised budget plan during early 2012-2013 to reflect any revisions in golf course operations and cost allocations.

Revenues

- Revenues for the Golf Fund are projected at \$2.3 Million for FY 2012-2013. This represents a 2.1% growth in anticipated revenues over year-end estimates and is based on 95,000 rounds played. The projected revenues also assume the absorption of sales tax will discontinue in January 2013 with the restructuring of Sherrill Park's operations that are planned to take affect at that time. No green fee increases are recommended at this time.
- General Fund support in the amount of \$160,000 will be required in FY 2012-2013. The transfer will be used to protect the Council approved fund balance policy of "30 building to 60" days in fund balance.

Expenditures

- Total Expenditures and Transfers for the Golf Fund are proposed at \$2.3 Million, an increase of \$41,000 or 1.9% from year-end estimates.
- Personal Services will increase \$11,000 or 1.1% from year-end and includes full staffing and a slight increase in contractual labor.
- Professional Services is projected to decrease (\$19,000) or -38.6% from the year-end estimate of \$50,000. The FY 2011-2012 year-end estimate includes \$20,000 for the current review of Sherrill Park's operational structure.
- Maintenance decreases (\$14,000) or -11.9% and reflects more traditional irrigation system maintenance levels.
- Contracts increases \$22,000 or 38.4% and reflects normal funding levels for the category after funding was diverted during the 2011-2012 budget year to address irrigation system maintenance needs. Liability insurance premiums for the golf course are expected to increase in FY 2012-2013 as well.
- Supplies increases \$19,000 or 5.2% and includes increases for botanical services and janitorial supplies.
- At this point in time, \$25,000 is being made available for the purchase of capital equipment.
- The General and Administrative charge increases \$7,000 or 8.4% over the year-end estimate of \$85,000.
- Debt Service continues to represent the full, yearly obligation of outstanding debt for the fund.

Fund Balance

- Given the projected revenue and expenditure performance, the days in fund balance of 30.6 will be in compliance with Council approved “30 building to 60” days.

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GOLF FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 191,378	\$ 176,689	\$ 186,119	\$ 186,314	5.4%	0.1%
Reserve for Encumbrances	1,341	-	864	-	N/A	-100.0%
Adjusted Beginning Fund Balance	\$ 192,719	\$ 176,689	\$ 186,983	\$ 186,314	5.4%	-0.4%
Revenues						
Golf Course Fees	\$ 1,793,491	\$ 2,113,299	\$ 2,001,793	\$ 2,046,833	-3.1%	2.3%
Golf Course Restaurant	42,425	49,586	44,559	45,005	-9.2%	1.0%
Miscellaneous	319,039	19,221	79,669	20,000	4.1%	-74.9%
Transfer In - General Fund	210,000	-	100,000	160,000	N/A	60.0%
Interest Earnings	17	341	89	58	-83.0%	-34.8%
Total Revenues	\$ 2,364,972	\$ 2,182,447	\$ 2,226,110	\$ 2,271,896	4.1%	2.1%
Total Available Funds	\$ 2,557,691	\$ 2,359,136	\$ 2,413,093	\$ 2,458,210	4.2%	1.9%
Expenditures						
Personal Services	\$ 946,908	\$ 993,626	\$ 986,602	\$ 997,612	0.4%	1.1%
Professional Services	28,822	30,183	50,183	30,805	2.1%	-38.6%
Maintenance	91,161	94,008	116,810	102,908	9.5%	-11.9%
Contracts	59,186	73,852	57,353	79,380	7.5%	38.4%
Supplies	507,609	358,750	365,250	384,300	7.1%	5.2%
Capital	107,195	-	23,600	25,000	N/A	5.9%
Total Expenditures	\$ 1,740,881	\$ 1,550,419	\$ 1,599,798	\$ 1,620,005	4.5%	1.3%
Operating Transfers Out						
General and Administrative Charges	\$ 29,917	\$ 84,981	\$ 84,981	\$ 92,148	8.4%	8.4%
Total Operating Transfers Out	\$ 29,917	\$ 84,981	\$ 84,981	\$ 92,148	8.4%	8.4%
Total Exp. And Oper. Transfers Out	\$ 1,770,798	\$ 1,635,400	\$ 1,684,779	\$ 1,712,153		
Transfers Out						
Debt Service	\$ 599,910	\$ 542,000	\$ 542,000	\$ 556,032	2.6%	2.6%
Special Projects	-	-	-	-	N/A	N/A
Total Transfers Out	\$ 599,910	\$ 542,000	\$ 542,000	\$ 556,032	2.6%	2.6%
Total Expenditures and Transfers	\$ 2,370,708	\$ 2,177,400	\$ 2,226,779	\$ 2,268,185	4.2%	1.9%
Revenue Over/(Under)	\$ (5,736)	\$ 5,047	\$ (669)	\$ 3,711	-26.5%	-654.7%
Reserve for Encumbrances	\$ 864	\$ -	\$ -	\$ -	N/A	N/A
Ending Designated Fund Balance	\$ 186,119	\$ 181,736	\$ 186,314	\$ 190,025	4.6%	2.0%
Days of Fund Balance	28.66	30.46	30.54	30.58	0.4%	0.1%

**CITY OF RICHARDSON
REVENUE BY DETAIL
GOLF FUND**

	<u>ACTUAL</u> <u>FY 2010-11</u>	<u>BUDGET</u> <u>FY 2011-12</u>	<u>ESTIMATE</u> <u>FY 2011-12</u>	<u>BUDGET</u> <u>FY 2012-13</u>	<u>VARIANCE</u>	
					<u>BUD to BUD</u>	<u>EST to BUD</u>
<u>Golf Revenue</u>						
Golf Course Fees	\$ 1,793,491	\$ 2,113,299	\$ 2,001,793	\$ 2,046,833	\$ (66,466)	\$ 45,040
Golf Course Restaurant	42,425	49,586	44,559	45,005	(4,581)	446
Miscellaneous	319,039	19,221	79,669	20,000	779	(59,669)
Transfer In - General Fund	210,000	-	100,000	160,000	160,000	60,000
Interest Earnings	17	341	89	58	(283)	(31)
Total	\$ 2,364,972	\$ 2,182,447	\$ 2,226,110	\$ 2,271,896	\$ 89,449	\$ 45,786
Grand Total Golf Fund	<u>\$ 2,364,972</u>	<u>\$ 2,182,447</u>	<u>\$ 2,226,110</u>	<u>\$ 2,271,896</u>	<u>\$ 89,449</u>	<u>\$ 45,786</u>

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
GOLF DEBT SERVICE FUND**

	ACTUAL	BUDGET	ESTIMATE	BUDGET	VARIANCE	
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13	BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ 56,103	\$ 56,104	\$ 57,779	\$ 47,624	-15.1%	-17.6%
Revenues						
Transfers In - Golf Fund	\$ 599,910	\$ 542,000	\$ 542,000	\$ 556,032	2.6%	2.6%
Interest Earnings	95	243	75	42	-82.7%	-44.0%
Total Revenues	\$ 600,005	\$ 542,243	\$ 542,075	\$ 556,074	2.6%	2.6%
Total Available Funds	\$ 656,108	\$ 598,347	\$ 599,854	\$ 603,698	0.9%	0.6%
Expenditures						
Principal	\$ 360,000	\$ 360,000	\$ 360,000	\$ 380,000	5.6%	5.6%
Interest and Fiscal Charges	238,329	192,230	192,230	177,275	-7.8%	-7.8%
Capital Lease Payments	-	-	-	-	N/A	N/A
Total Expenditures	\$ 598,329	\$ 552,230	\$ 552,230	\$ 557,275	0.9%	0.9%
Revenue Over/(Under)	\$ 1,676	\$ (9,987)	\$ (10,155)	\$ (1,201)		
Ending Designated Fund Balance	\$ 57,779	\$ 46,117	\$ 47,624	\$ 46,423	0.7%	-2.5%
Days of Fund Balance	35.25	30.48	31.48	30.41	-0.2%	-3.4%

2012-13 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.) Bond property notes.
 - General Capital Special Projects from year ending transfers, when available.
 - General Obligation (G.O.) Bond & Certificate of Obligation (C.O.) funding.
 - Utility Special Capital Projects from year ending transfers, when available.
 - Self-supporting enterprise debt for the Golf, 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
 - Federal and/or State Transportation Grants
 - Dallas County Parks and Trail Pay As You Go Program
 - Dallas County Capital Program 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
 - Federal or State Pass-Through Stimulus & Energy Management Grants

An Active Current Capital Improvement Program

- Following the favorable passage of the \$66 million 2010 G.O. Bond referendum in May 2010, the City of Richardson has been active with implementation for these capital projects. Also as an active capital program element has been the \$8.5 million C.O. Bond that was part of Series 2010 to implement an important public safety radio technology upgrade.
- As explained to the voters in the referendum information, a required \$0.06 property tax rate for debt only would be required if all propositions passed.

- With the completion of the Series 2010 bond sale and the development of the subsequent 2010-2011 budget, the debt service tax rate was adjusted by the \$0.06 in the 2010-2011 budget.
- The subsequent Series 2011 and Series 2012 issues returned to very nominal programs for capital replacements for the General and Solid Waste funds, scheduled fire apparatus upgrade, and the ongoing Utility C.I.P. program only.
- The Series 2012 issue was a combined \$6.98 million C.O. program, with a \$14.85 million bond refunding program to achieve more favorable interest rates.

Series 2012: 2011-2012 Debt Issuance Program– All Funds			
Funding Amount	Bond Type	Purpose	Debt Service
\$2.900 million	C.O.	General Fund Capital Equipment – 4 yr.	General Debt Service
\$0.750 million	C.O.	General Fund Fire Equipment – 8 yr.	General Debt Service
\$2.200 million	C.O.	General Fund Capital - Parks and Drainage Projects – 20 yr.	General Debt Service
\$0.250 million	C.O.	General Fund Capital-Dangerous Struct. Demo. – 10 yr.	General Debt Service
\$0.880 million	C.O.	Solid Waste Services Capital Equipment – 8 yr.	Solid Waste Debt Service
\$6.980 million	Total		
	<i>A \$14.85 million Bond Refunding Program was also an element of the Series 2012 Issue</i>		

2011-2012 General Debt Service Fund Balance Maintenance Adjustments

Over the last several years a pattern of tax roll supplement reductions, following the formal certification, has yielded reductions from the annual certified roll which was used to establish the property tax revenue intended for general debt service. These reductions have been the result of ongoing appraisal reviews and related appraisal litigation, primarily for commercial property. Ongoing General Debt Service fund maintenance has been focused on maintaining a fund balance at 30 days of operating expenditures and transfers from the General Fund have been used to maintain the debt service fund balance as needed. For the current 2011-2012 year, supplemental appraisal adjustments are up and a transfer from the General Fund is not anticipated at this time.

**2012-2013 Capital Improvement Program
AND RELATED DEBT SERVICE PLAN**

- The key focuses for the capital program in 2012-2013 are:
 - The annual short-notes C.O. Program to sustain a timely and organized replacement of capital equipment
 - Continued implementation of the large 2010 \$66 million G.O. and radio technology C.O. capital program in keeping with the project construction sequence and strategy discussions provided by the City Council.
 - Continue community awareness efforts through web-based and other communication media on the variety of interests in the new C.I.P. program: design updates, construction phasing and progress, project completions / openings, etc.
- The Series 2010 bond sale was a significant event to gain important new capital resources to meet the next era of infrastructure and facility improvements for Richardson. Implementation of these capital projects is a multi-year effort. The scope of these projects was also very forward-looking, providing key facility and infrastructure upgrades to provide benefits for decades to come.
- Below is a reference table of the debt tax rate actions for the recent fiscal years and for the coming FY 2012-2013 Fiscal Year.

Year	Debt Rate	Operations Rate	TOTAL
2009-10	\$0.21235	\$0.36281	\$0.57516
2010-11	*\$0.27235	\$0.36281	\$0.63516
2011-12	\$0.27235	\$0.36281	\$0.63516
2012-13	\$0.27235	\$0.36281	\$0.63516

* Six cent revision for 2010 G.O. program to debt service side only

- The attached updated General Debt Service scenario plan evaluated the impact of the following factors in providing the debt management plan for 2012-2013:
 - For 2012-2013, this updated model has factored the currently anticipated **0.0%** property tax roll reduction
 - This plan was updated on a tax base outlook that considers a cautious recovery of **1%** for 2013-2014, and **2%** for 2014-2017.
 - 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.
- Importantly, this updated debt plan shows no anticipated “spikes” in debt tax rate requirements for the existing or newly added debt under the assumptions above of some future modest tax base growth to meet the next few years’ new obligations. 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 over 2012-2013.

Series 2013: 2012-2013 Proposed Debt Issue Activities

- The proposed Series 2013 Bond Issue program will continue be very modest compared to prior efforts, maintaining our capital program for only equipment purchases and our ongoing Utility infrastructure program.
- Continuation of the City’s short-term notes program for capital replacements for the General and Solid Waste funds, scheduled fire/emergency apparatus upgrades, and the ongoing Utility C.I.P. program.
- For the Series 2013 bond 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.
 - The 8-year C.O. element will provide for the next scheduled fire equipment replacements: a replacement Fire Engine with CAFS Unit and an Ambulance replacement
 - A 20-year C.O. to allow for the addition of Emergency Management Operations facility features to be added to the Fire Training facility project
 - 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 next year’s planned Water and Sewer CIP.
- The following debt issuance plan for 2012-2013 (“Series 2013”) summarizes the proposed \$8.6 million debt elements:

Series 2013: 2012-2013 Debt Issuance Program <u>Under Evaluation</u> – All Funds			
For Discussion			
Amount	Bond Type	Purpose	Debt Service
\$2.900 million	C.O.	General Fund Capital Equipment – 4 yr.	General Debt Service
\$0.755 million	C.O.	General Fund Fire Equipment – 8 yr.	General Debt Service
\$0.750 million	C.O.	General Fund Capital-Fire Training/EOC Supp.-20 yr.	General Debt Service
\$1.215 million	C.O.	Solid Waste Services Capital Equipment – 8 yr.	Solid Waste Debt Service
\$3.000 million	C.O.	2012-2013 Water and Sewer C.I.P. – 20 yr.	Utility Fund Debt Service
\$ 8.62 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.

**2013 Planning
CITY OF RICHARDSON, TEXAS**

Does not include any Hotel/Motel Tax Revenues:

Projected Growth Rates (0% for FYE 2013, 1% for FYE 2014, 2% for FYE 2015, 2% for FYE 2016, 2% for FYE 2017, 2% for FYE 2018, and 2% for FYE 2019)
\$3,655,000 issued in 2013, \$3,940,000 issued in 2014, \$3,730,000 issued in 2015, \$4,050,000 issued in 2016, \$3,960,000 issued in 2017, and \$3,900,000 issued in 2018

FYE	Projected Taxable Assessed Valuation (1)	Projected % of Growth (1)	Outstanding Debt Payable from Tax Levy (2)	Series										Less: Projected Interest Earnings	Proposed Total Debt Service	Required Tax Rate for All Debt (3)	
				Series 2013	Series 2014	Series 2015	Series 2016	Series 2017	Series 2018	Series 2019	Series 2020	Series 2021	Series 2022				
2012/13	\$ 9,762,481,127	0.00%	\$ 26,598,498	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750	\$ 922,362	\$ 59,750
2013/14	9,860,105,938	1.00%	25,890,557	924,498	61,375	924,498	61,375	924,498	61,375	924,498	61,375	924,498	61,375	924,498	61,375	924,498	61,375
2014/15	10,057,308,057	2.00%	24,311,764														
2015/16	10,258,454,218	2.00%	23,654,552														
2016/17	10,463,623,303	2.00%	23,340,079														
2017/18	10,672,895,769	2.00%	23,951,320														
2018/19	10,886,353,684	2.00%	23,009,855														
2019/20	10,886,353,684		21,967,531														
2020/21	10,886,353,684		19,826,706														
2021/22	10,886,353,684		15,489,551														
2022/23	10,886,353,684		14,642,465														
2023/24	10,886,353,684		14,298,638														
2024/25	10,886,353,684		13,626,449														
2025/26	10,886,353,684		10,906,415														
2026/27	10,886,353,684		5,890,769														
2027/28	10,886,353,684		5,894,343														
2028/29	10,886,353,684		5,890,004														
2029/30	10,886,353,684		5,892,180														
2030/31	10,886,353,684		147,350														
2031/32	10,886,353,684		142,450														
2032/33	10,886,353,684																
Totals 2012/13 - 2031/33:			\$ 305,371,473	\$ 4,147,834	\$ 1,206,500	\$ 4,496,637	\$ 4,240,342	\$ 4,629,980	\$ 4,520,945	\$ 4,447,550	\$ (10,000)	\$ 26,588,498	\$ 26,852,668	\$ 26,242,271	\$ 26,513,474	\$ 27,184,047	\$ 27,964,527

Assumptions:

- (1) The 2012/13 value is estimated based on no growth in Taxable Assessed Valuation.
- (2) Issues subsequent to 2012 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

**CITY OF RICHARDSON
SUMMARY OF REVENUES AND EXPENDITURES
DRAINAGE FEE FUND**

	ACTUAL FY 2010-11	BUDGET FY 2011-12	ESTIMATE FY 2011-12	BUDGET FY 2012-13	VARIANCE	
					BUD to BUD	EST to BUD
Beginning Designated Fund Balance	\$ -	\$ -	\$ -	\$ 15,895	N/A	N/A
Reserve for Encumbrances	-	-	-	-	N/A	N/A
Adjusted Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 15,895	N/A	N/A
Revenues						
Residential Fees	\$ -	\$ 759,158	\$ 759,158	\$ 1,216,789	60.3%	60.3%
Commercial Fees	-	916,564	916,564	1,471,860	60.6%	60.6%
Interest Earnings	-	173	173	250	44.5%	44.5%
Total Revenues	\$ -	\$ 1,675,895	\$ 1,675,895	\$ 2,688,899	60.4%	60.4%
Total Available Funds	\$ -	\$ 1,675,895	\$ 1,675,895	\$ 2,704,794	61.4%	61.4%
Operating Expenditures						
Administration	\$ -	\$ -	\$ 60,000	\$ -	N/A	-100.0%
Street Sweeping	-	-	-	240,000	N/A	N/A
System Maintenance	-	-	100,000	150,000	N/A	50.0%
Water Quality	-	-	-	-	N/A	N/A
Miscellaneous	-	-	-	-	N/A	N/A
Total Operating Expenditures	\$ -	\$ -	\$ 160,000	\$ 390,000	N/A	143.8%
Projects						
Professional Services/Consultants	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Construction	-	-	350,000	1,385,000	N/A	295.7%
Total Projects	\$ -	\$ -	\$ 350,000	\$ 1,385,000	N/A	295.7%
Total Exp. And Other Uses	\$ -	\$ -	\$ 510,000	\$ 1,775,000		
Transfers Out						
General and Administrative Charges	\$ -	\$ 1,150,000	\$ 1,150,000	\$ 910,000	-20.9%	-20.9%
Total Transfers Out	\$ -	\$ 1,150,000	\$ 1,150,000	\$ 910,000	-20.9%	-20.9%
Total Expenditures and Transfers	\$ -	\$ 1,150,000	\$ 1,660,000	\$ 2,685,000	133.5%	61.7%
Revenue Over/(Under)	\$ -	\$ 525,895	\$ 15,895	\$ 3,899	-99.3%	-75.5%
Reserve for Encumbrances	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Ending Designated Fund Balance	\$ -	\$ 525,895	\$ 15,895	\$ 19,794	-96.2%	24.5%

**CITY OF RICHARDSON
DEPARTMENTAL EXPENDITURE COMPARISON
DRAINAGE FEE FUND**

<u>Department</u>	<u>ACTUAL FY 2010-11</u>	<u>BUDGET FY 2011-12</u>	<u>ESTIMATE FY 2011-12</u>	<u>BUDGET FY 2012-13</u>	<u>BUD to EST</u>	<u>VARIANCE BUD to BUD</u>	<u>EST to BUD</u>
Operating Expenses							
Administration							
Personnel	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A
Implementation Consultant	-	-	60,000	-	N/A	N/A	-100.0%
Total Administration	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ -</u>	N/A	N/A	-100.0%
Street Sweeping Contract							
Street Sweeping Contract	\$ -	\$ -	\$ -	\$ 240,000	N/A	N/A	N/A
Street Sweeping Personnel	-	-	-	-	N/A	N/A	N/A
Total Street Sweeping	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 240,000</u>	N/A	N/A	N/A
System Maintenance							
Creek Mowing	\$ -	\$ -	\$ 100,000	\$ 50,000	N/A	N/A	-50.0%
Channel Repair	-	-	-	-	N/A	N/A	N/A
Culvert Cleaning and Repair	-	-	-	-	N/A	N/A	N/A
Inlet Inspection	-	-	-	-	N/A	N/A	N/A
Video Inspection	-	-	-	-	N/A	N/A	N/A
Vegetation and Debris Clearing	-	-	-	100,000	N/A	N/A	N/A
Total System Maintenance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 150,000</u>	N/A	N/A	50.0%
Total Operating Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 390,000</u>	N/A	N/A	143.8%
Projects							
Professional Services/Consultants							
None	-	-	-	-	N/A	N/A	N/A
Total Prof. Svcs./Consultants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	N/A	N/A	N/A
Construction							
Cottonwood Culvert at Brentwood	\$ -	\$ -	\$ -	\$ 35,000	N/A	N/A	N/A
Cottonwood Culvert at Melrose	-	-	-	1,100,000	N/A	N/A	N/A
Cottonwood Culvert at Wisteria	-	-	-	200,000	N/A	N/A	N/A
Dumont Drive at Hunt Branch	-	-	350,000	50,000	N/A	N/A	-85.7%
Total Construction	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ 1,385,000</u>	N/A	N/A	295.7%
Total Projects	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ 1,385,000</u>	N/A	N/A	295.7%
General and Administrative Charges							
Streets - Drainage System Maint.	\$ -	\$ 545,000	\$ 545,000	\$ 545,000	0.0%	0.0%	0.0%
Engineering - Capital Projects	-	250,000	250,000	250,000	0.0%	0.0%	0.0%
Health - Water Quality	-	60,000	60,000	60,000	0.0%	0.0%	0.0%
Parks Maintenance - Street Sweeping	-	295,000	295,000	55,000	0.0%	-81.4%	-81.4%
Total G&A Charges	<u>\$ -</u>	<u>\$ 1,150,000</u>	<u>\$ 1,150,000</u>	<u>\$ 910,000</u>	0.0%	-20.9%	-20.9%
Grand Total	<u>\$ -</u>	<u>\$ 1,150,000</u>	<u>\$ 1,660,000</u>	<u>\$ 2,685,000</u>	44.3%	133.5%	61.7%