

# City of Denton

2012-2013

Proposed Annual Program of Services

Denton Municipal Electric's Engineering and Operations Building



# **CITY OF DENTON**

## **PROPOSED ANNUAL PROGRAM OF SERVICES 2012-13**

**SUBMITTED TO**

**THE MAYOR AND CITY COUNCIL**

**July 27, 2012**

The following statement is provided in accordance with state law:

This budget will raise more total property taxes than last year's budget by \$2,099,160 or 4.75% and of that amount \$918,440 is tax revenue to be raised from new property added to the tax roll this year.

**PREPARED BY:**

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Accountant III

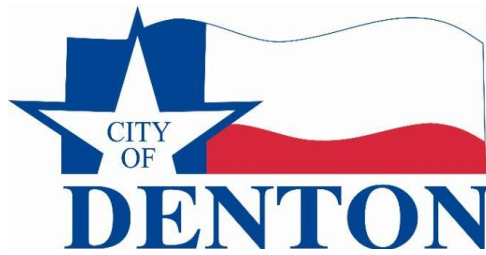
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***Special Thanks to our Public Communications Office***

for the design of the cover and dividers,  
publication of the  
Proposed Annual Program of Services,  
and Web page design and postings

Visit our website at: [www.cityofdenton.com](http://www.cityofdenton.com)



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In April 2011, the City of Denton adopted a new strategic plan. The strategic plan is organized into five Key Focus Areas (KFAs) and the major goals and objectives of the plan are described in the following pages. Below are the vision, mission, and values that have provided a framework for the strategic plan.

### **VISION**

*"Destination Denton"*

Denton is an identifiable and memorable destination and a community of opportunities. We achieve this by providing high quality of life through excellence in education, entertainment, and employment; neighborhood vitality and sustainability; environmental and financial stewardship; and superior public facilities and services.

### **MISSION**

*"Dedicated to Quality Service"*

The City of Denton will foster an environment that will deliver extraordinary quality services and products through stakeholder, peer group, and citizen collaboration; leadership and innovation; and sustainable and efficient use of resources.

### **VALUES**

*"We Care"*

We care about our people, our community, and our work. We do this with integrity, respect, and fairness.

**CITY OF DENTON  
STRATEGIC PLAN**

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**KFA 1: ORGANIZATIONAL EXCELLENCE**

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**Goal 1.1. Manage financial resources in a responsible manner.**

- Objective 1.1.1. Utilize benchmarking, performance measurement, and progress evaluation to
- Objective 1.1.2. Develop and implement long-range strategic plans.
- Objective 1.1.3. Provide timely, accurate, and relevant financial information.
- Objective 1.1.4. Ensure adequate internal controls are in place to prevent waste, fraud, and abuse.
- Objective 1.1.5. Manage enterprise funds to achieve financial self-sufficiency.
- Objective 1.1.6. Minimize fees and rates that are charged to our citizens and customers.

**Goal 1.2. Develop a high performance work force.**

- Objective 1.2.1. Create succession and workforce management strategy to ensure organizational sustainability and continuity.
- Objective 1.2.2. Attract, retain, and motivate qualified and diverse staff to ensure consistent implementation of established vision.
- Objective 1.2.3. Establish a culture where employees feel valued and respected.
- Objective 1.2.4. Facilitate open inter- and intra-departmental communication and collaboration.
- Objective 1.2.5. Establish a culture of accountability at all levels of governance.

**Goal 1.3. Promote effective internal and external communication.**

- Objective 1.3.1. Maintain on-going staff communication with City Council, Boards, and Commissions.
- Objective 1.3.2. Utilize both traditional and non-traditional forms of communication to disseminate accurate information.
- Objective 1.3.3. Actively seek feedback from citizens and employees, in order to identify and implement programmatic changes, as appropriate.

**Goal 1.4. Provide exemplary customer service.**

- Objective 1.4.1. Ensure all customer interactions are conducted in a professional and courteous manner.
- Objective 1.4.2. Respond to customer inquiries in a timely fashion.
- Objective 1.4.3. Provide convenient methods of conducting business with the City.

**Goal 1.5. Utilize technology to enhance efficiency and productivity.**

- Objective 1.5.1. Develop Information technology systems to automate routine processes.
- Objective 1.5.2. Utilize data analysis to make informed management and operational decisions.
- Objective 1.5.3. Reduce reliance on paper-based systems.

**CITY OF DENTON  
STRATEGIC PLAN**

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**KFA 2: PUBLIC INFRASTRUCTURE**

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**Goal 2.1. Optimize resources to improve quality of City roadways.**

- Objective 2.1.1. Manage City street funding based on Overall Condition Index (OCI) methodology.
- Objective 2.1.2. Develop a long-range strategy to transition street funding to achieve the OCI criteria.
- Objective 2.1.3. Improve the design criteria for all dedicated roadways.
- Objective 2.1.4. Maintain an acceptable level of service on all City roadways.
- Objective 2.1.5. Design and construct all capital street projects on a 40-year design life.
- Objective 2.1.6. Update the Mobility Plan every five years.

**Goal 2.2. Seek solutions to mobility demands and enhance connectivity.**

- Objective 2.2.1. Coordinate with DCTA to provide effective multi-modal connectivity.
- Objective 2.2.2. Coordinate with TxDOT to maintain and enhance the state road network.
- Objective 2.2.3. Improve walkability/pedestrian access.
- Objective 2.2.4. Encourage and improve bicycle mobility.
- Objective 2.2.5. Enhance aviation infrastructure at the Denton Airport.

**Goal 2.3. Promote superior utility services and facilities.**

- Objective 2.3.1. Plan for long-term resource acquisition and development.
- Objective 2.3.2. Assure regulatory compliance and legislative oversight.
- Objective 2.3.3. Protect public health and provide reliable service.
- Objective 2.3.4. Ensure operational and environmental sustainability.
- Objective 2.3.5. Effectively maintain and operate municipal facilities.
- Objective 2.3.6. Develop and support rates to provide funding for strategic objectives.

**Goal 2.4. Manage drainage infrastructure.**

- Objective 2.4.1. Require new drainage infrastructure to design 100-year flood protection, based on fully developed conditions.
- Objective 2.4.2. Rehabilitate existing drainage system in compliance with 100-year flood protection criteria.
- Objective 2.4.3. Develop funding mechanism to rehabilitate inadequate drainage system components over a 20-year period.
- Objective 2.4.4. Require finished floor elevation certification on studied and unstudied drainage
- Objective 2.4.5. Maintain street sweeping in compliance with the municipal good housekeeping management practices associated with storm water regulations.

**Goal 2.5. Develop Capital Improvement Program (CIP) based on community needs.**

- Objective 2.5.1. Manage existing and future infrastructure needs to meet projected growth trends.
- Objective 2.5.2. Develop and implement financing plans for identified infrastructure needs.

**CITY OF DENTON  
STRATEGIC PLAN**

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**KFA 3: SUSTAINABLE ECONOMIC DEVELOPMENT & ENVIRONMENTAL STEWARDSHIP**

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**Goal 3.1. Manage growth, development, and redevelopment opportunities.**

- Objective 3.1.1. Update Comprehensive Plan.
- Objective 3.1.2. Execute Downtown Implementation Plan (DTIP).
- Objective 3.1.3. Promote Smart Growth/Infill initiatives in assessing development projects.
- Objective 3.1.4. Preserve and maintain historic structures and culture of Denton.
- Objective 3.1.5. Encourage environmentally-sustainable development, business, and construction

**Goal 3.2. Encourage economic development.**

- Objective 3.2.1. Create comprehensive Economic Development incentive policy to maximize Return on Investment to community.
- Objective 3.2.2. Develop marketing effort to build on existing assets.
- Objective 3.2.3. Create Industrial Park Master Plan, identifying challenges and opportunities for sound growth.
- Objective 3.2.4. Focus on economic development efforts that enhance the development of the University of North Texas Discovery Park.
- Objective 3.2.5. Increase growth of visitor industry in Denton.

**Goal 3.3. Promote environmental sustainability.**

- Objective 3.3.1. Establish sustainability goals and actions.
- Objective 3.3.2. Improve local and regional air quality.
- Objective 3.3.3. Manage natural resources responsibly.
- Objective 3.3.4. Provide public education and involvement opportunities.
- Objective 3.3.5. Ensure financial integrity of sustainability efforts.

**CITY OF DENTON  
STRATEGIC PLAN**

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**KFA 4: SAFE, LIVABLE, and FAMILY FRIENDLY COMMUNITY**

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**Goal 4.1. Enhance public safety in the community.**

- Objective 4.1.1. Expand departmental collaboration and community partnerships by increasing involvement, communication, education, and utilizing technology.
- Objective 4.1.2. Secure and deploy public safety resources in the most effective and efficient manner possible.
- Objective 4.1.3. Evaluate existing and future public safety facility needs in order to provide the most effective delivery of emergency response services.
- Objective 4.1.4. Focus on prevention programs to heighten awareness, minimize loss, and support a safer community.
- Objective 4.1.5. Maintain a high level of preparedness through planning, training, and the utilization of resources.

**Goal 4.2. Seek clean and healthy neighborhoods in the City of Denton.**

- Objective 4.2.1. Provide effective code enforcement services that meet community expectations.
- Objective 4.2.2. Promote positive environmental behaviors and practices for the City of Denton and its residents.
- Objective 4.2.3. Enhance the quality, livability, and sustainability of the neighborhoods in Denton.
- Objective 4.2.4. Support revitalization efforts of existing low-moderate income neighborhoods.

**Goal 4.3. Provide quality, diverse, and accessible neighborhood services for the community.**

- Objective 4.3.1. Meet customer needs through quality and diverse programs.
- Objective 4.3.2. Provide quality parks, libraries, and recreation services to promote leisure, cultural, and educational opportunities in the community.
- Objective 4.3.3. Promote a family friendly environment.
- Objective 4.3.4. Co-sponsor annual community events and festivals.



**CITY OF DENTON  
STRATEGIC PLAN**

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**KFA 5: PARTNERSHIPS AND REGIONAL LEADERSHIP**

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**Goal 5.1. Actively participate in regional, state, and federal initiatives.**

- Objective 5.1.1. Maintain dialogue with state and federal delegation and agencies.
- Objective 5.1.2. Promote bi-annual legislative agenda and congressional priorities.
- Objective 5.1.3. Pursue effective representation at the state and federal levels.

**Goal 5.2. Maintain visible and effective relationships with governmental and non-governmental organizations.**

- Objective 5.2.1. Maintain dynamic presence at the local Chambers of Commerce.
- Objective 5.2.2. Participate in regional, state, national, and international coalitions (RTC, NCTCOG, TML, NLC, ICMA, etc).
- Objective 5.2.3. Support staff participation in regional, state, national, and international professional organizations.
- Objective 5.2.4. Build relationships with key organizations to enhance community and social services.
- Objective 5.2.5. Cultivate mutually beneficial relationships with local educational and governmental institutions.

**CITY OF DENTON  
ELECTED OFFICIALS**



**Mark A. Burroughs**  
Mayor  
Term Expires: May 2014



**Kevin Roden**  
Council Member  
District 1  
Term Expires: May 2013



**Dalton Gregory**  
Council Member  
District 2  
Term Expires: May 2013



**Jim Engelbrecht**  
Council Member  
District 3  
Term Expires: May 2013



**Chris Watts**  
Council Member  
District 4  
Term Expires: May 2013

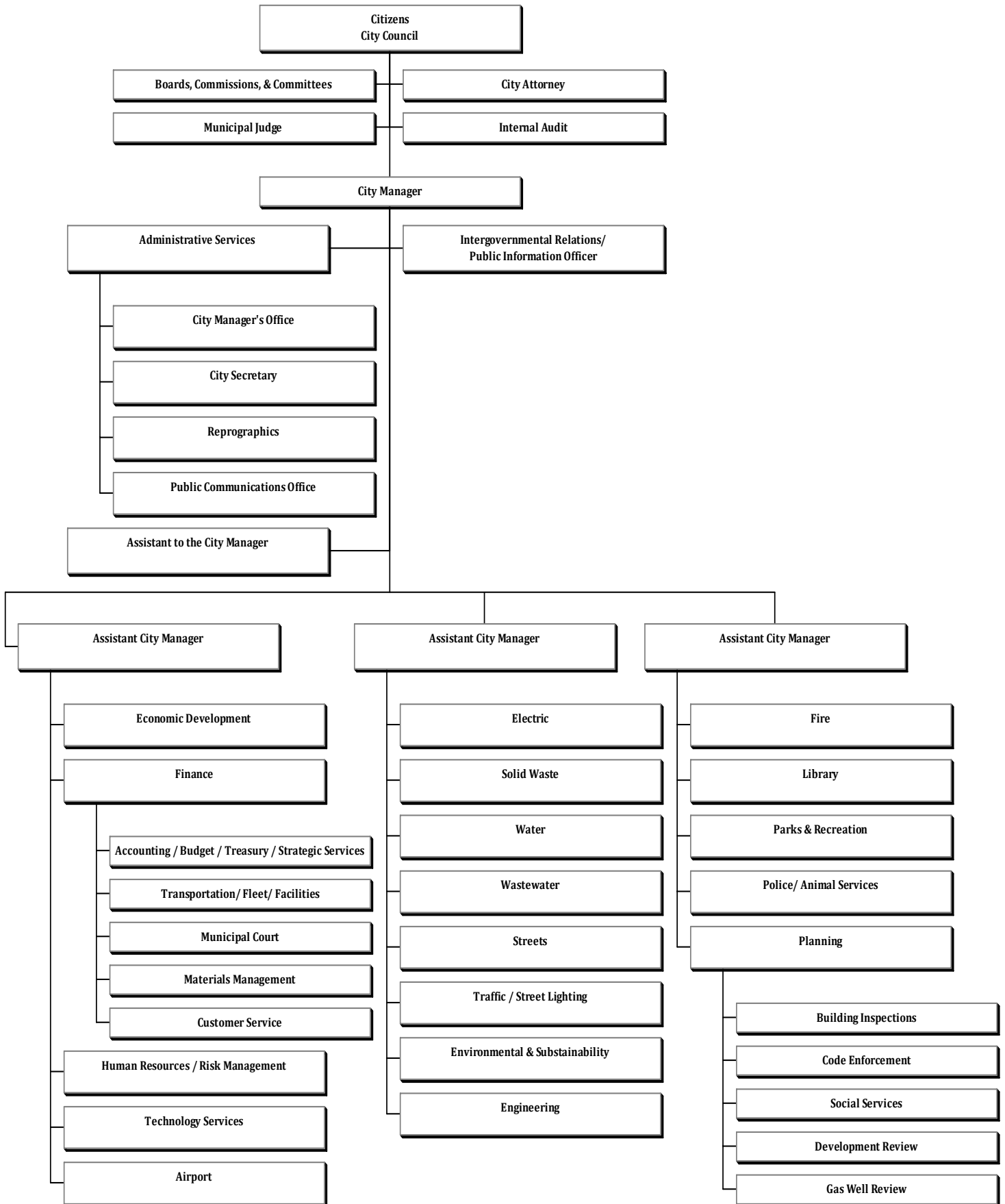


**Pete Kamp**  
Mayor Pro Tem  
At Large Place 5  
Term Expires: May 2014



**James King**  
Council Member  
At Large Place 6  
Term Expires: May 2014

# CITY OF DENTON CURRENT ORGANIZATIONAL CHART



**CITY OF DENTON  
BOARDS, COMMISSIONS, AND COUNCIL COMMITTEES**

**ADVISORY BOARDS**

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AIRPORT ADVISORY BOARD  
ANIMAL SHELTER ADVISORY COMMITTEE  
COMMUNITY DEVELOPMENT ADVISORY COMMITTEE  
DOWNTOWN DENTON TAX INCREMENT FINANCING  
REINVESTMENT ZONE BOARD  
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD  
HUMAN SERVICES ADVISORY COMMITTEE  
LIBRARY BOARD  
PARKS, RECREATION, AND BEAUTIFICATION BOARD  
PUBLIC ART COMMITTEE  
PUBLIC UTILITIES BOARD  
TRAFFIC SAFETY COMMISSION

**JUDICIAL OR QUASI-JUDICIAL BOARDS**

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CIVIL SERVICE COMMISSION  
HEALTH AND BUILDING STANDARDS COMMISSION  
HISTORIC LANDMARK COMMISSION  
PLANNING AND ZONING COMMISSION  
ZONING BOARD OF ADJUSTMENT

**CITY COUNCIL COMMITTEES**

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AGENDA COMMITTEE  
AIRPORT COMMITTEE  
AUDIT/FINANCE COMMITTEE  
COMMITTEE ON THE ENVIRONMENT  
COUNCIL APPOINTEE PERFORMANCE REVIEW COMMITTEE  
COUNCIL ETHICS COMMITTEE  
COUNCIL MOBILITY COMMITTEE  
HOTEL OCCUPANCY TAX COMMITTEE



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**July 27, 2012**

**TO THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL:**

Pursuant to provisions of the City Charter and on behalf of the staff, I respectfully submit to you the FY 2012-13 Proposed Budget. The Proposed Budget has been developed to accomplish the goals and objectives that were outlined in the City of Denton's Strategic Plan which was adopted in April 2011 and affirmed by the City Council during their annual planning retreat in January 2012. The Strategic Plan addresses five Key Focus Areas (KFAs):

1. Organizational Excellence
2. Public Infrastructure
3. Sustainable Economic Development and Environmental Stewardship
4. Safe, Livable, and Family Friendly Community, and
5. Partnerships and Regional Leadership.

The Strategic Plan serves as a foundation for the development of this budget, and accordingly, enhancements to programs and/or funding is specifically discussed in the context of the Strategic Plan.

While this budget makes many strides to implement the Strategic Plan, there are many objectives which will take several years to achieve. As such, the FY 2012-13 Proposed Budget should be considered the first of many steps in a long-term financial plan to achieve our goals. Fortunately, I am pleased to report several positive trends in major General Fund revenue sources which will enable us to continue making progress in achieving our objectives. Sales tax revenues have shown significant improvement throughout the year, and collections are expected to be 9.4% higher than the original budgeted amount for FY 2011-12 and 12.2% higher than the prior year actual. Similar to sales tax, property values have increased by 4.75% over the prior year tax roll. Together, with the significant expenditure reductions that have been made in prior years, the City of Denton is now financially well positioned to achieve our goals.

In a citizen survey conducted in 2008 (results were presented to the City Council in 2009), respondents indicated additional emphasis was needed in maintaining and repairing streets throughout the City. In 2011, the Strategic Plan specifically identified improving our street infrastructure as a major goal, and through a detailed analysis, it was determined that \$10 million



in street maintenance funding was needed on an annual basis compared to the \$2.8 million budgeted at that time just to maintain the current overall condition of our streets. In response to this goal, the FY 2011-12 Adopted Budget significantly increased street maintenance funding from \$2.8 million to \$3.5 million. In addition, the FY 2011-12 Adopted Budget created a standalone Street Improvement Fund to provide a dedicated mechanism to account for street maintenance and improvement activities.

For the FY 2012-13 Proposed Budget, street maintenance funding is proposed to increase substantially again to approximately \$4.2 million. Further, the five-year financial plan has been developed to increase maintenance funding for the City's street infrastructure to approximately \$7.6 million by FY 2016-17. While still below our goal, we are pleased to recommend this positive initiative to improve our City's streets and set the stage for additional funding of street maintenance in the years to come. In addition, it is expected that the citizens of Denton will be asked to approve a \$20.4 million bond program in November 2012 to fully reconstruct many of the streets in the community. Combined with the additional street maintenance funding outlined above, the City has taken a dramatic step to improve our roadways and fulfill the goals established in the Strategic Plan.

In addition to improving the City's street infrastructure, the enhancement of public safety in the community is also identified in the Strategic Plan as a major initiative. Accordingly, the FY 2012-13 Proposed Budget recommends approximately \$1.3 million in funding enhancements for public safety programs. In particular, a new front line medic unit with staffing is proposed for the Fire Department, and additional personnel are also proposed for the Police Department to improve service delivery. Finally, the Proposed Budget includes increased funding and personnel for the new Animal Care and Adoption Center which is planned for construction beginning in 2013.

The City also continues to strive to contain costs while providing essential services to the community. Over the past two fiscal years, the City instituted a "managed vacancies" program. Throughout the fiscal year, as position vacancies and attrition rates dictate, vacant positions are evaluated by City management and according to the needs of the organization, positions are filled or left vacant. For FY 2012-13, the managed vacancy program will be continued, and the savings for the fiscal year will be approximately \$0.9 million.

The overall FY 2012-13 Proposed Budget is \$745.0 million and includes 1,402.33 full-time equivalent positions (FTEs). A comprehensive summary of the budget is provided in the Budget Overview section of this document. The key elements of the proposed budget include the following:

- No tax rate increase. The total tax rate is maintained at \$0.68975 per \$100 of assessed valuation. Of this amount, \$0.47088 is provided for operations and maintenance and \$0.21887 is provided for debt service. The effective tax rate is estimated at \$0.68045.
- As detailed in the Budget Overview section of this document, a combined net increase of 48.15 FTEs for all funds compared to the FY 2011-12 estimate including:
  - 7.27 FTEs in Neighborhood Services
  - 9.5 FTEs in Public Safety
  - 2.0 FTEs in Administrative and Community Services

- 1.0 FTE in Airport
  - 3.0 FTEs in the Street Improvement Fund
  - 22.38 FTEs in Utilities
  - 1.0 FTE in Materials Management
  - 2.0 FTEs in Technology Services
- 
- An enhanced five-year Denton Municipal Electric (DME) capital improvement program for FY 2013-17.
  - An increase in street maintenance funding of \$0.7 million.
  - No base rate increases for our Electric customers.
  - An average base rate increase of 8.0% for our Water customers.
  - An average base rate increase of 9.0% for our Wastewater customers.
  - An increase in the monthly standard refuse cart fee from \$19.25 to \$20.10 and other Solid Waste fee changes as detailed in the Budget Overview section of this document.
  - A 3% average merit increase for non-civil service employees (3% pay adjustment for civil service employees) and normally programmed step increases for Police and Fire civil service employees is proposed. In addition, funding has been included for equity pay adjustments for employees whose salary is below the market rate for their positions.

The FY 2012-13 Proposed Budget has been developed within the context of a five-year financial plan. The purpose of this approach is to provide a long-term perspective for decisions in the coming fiscal year. As we develop future forecasts, we will continue to evaluate our ability to fund our strategic priorities and sustain a balance between revenues and expenditures.

Each utility budget is also developed within the context of a long-range financial plan and is based on various financial strategies that support and strengthen the financial health of each utility. Additional rate increases are planned in the future to address aging infrastructure issues and ensure that adequate working capital and rate stabilization reserves are maintained. The Five-Year Financial Forecast will be reviewed and revised annually as necessary to support these utility financial objectives, and the key assumptions for these plans are described in this document.

I sincerely thank the members of the Denton City Council for their hard work and dedication to the citizens of Denton. The input of the City Council and Public Utilities Board has been invaluable in the preparation of the FY 2012-13 Proposed Budget, Capital Improvement Plan (CIP), and Five-Year Financial Forecast. Appreciation is also expressed to members of the professional staff, particularly in the Finance Department for their diligence in the preparation of the Proposed Budget.

It is an exciting time for the City of Denton. The Rayzor Ranch project is nearing completion on the northern section of the development, and the southern section of the project is planned to begin in the near future. A redevelopment of the Golden Triangle Mall and Fry Street areas is also underway to bring new features and amenities to the community. In addition, the City is beginning work to expand the Bonnie Brae Street and Mayhill Road thoroughfares. These significant roadway improvements are expected to cost approximately \$114 million, with about \$91 million being provided from Regional Toll Revenue (RTR) funds.

Recently, the City completed the Downtown Implementation Plan (DTIP) and several developments are planned for this important section of the community. The Denton County Transportation Authority (DCTA) also voted to continue Friday night service of the A-Train offering citizen's access to alternate transportation on the weekend. With these new developments, the downtown area is positioned for future growth.

With significant investments in our organization, people, and infrastructure, I am confident that this Proposed Budget prepares the City of Denton for future success as well. With your support, and the dedication of our capable staff, we will ensure that quality services are provided to the citizens of Denton.

Sincerely,



George C. Campbell, City Manager

**BUDGET CALENDAR  
2012-13**

January 31	City Council Retreat – Discussion of Strategic Goals.
March 9	Internal Services Budget Due.
March 27	Budget Kick-Off: Operating and Capital Improvement Program.
April 30	Departmental budgets due to Budget Office (Operating and CIP).
May 7	Public Utilities Board reviews Utility budgets and CIP.
May 21	Public Utilities Board reviews Utility budgets and CIP.
May 18-June 5	Budget reviews with City Manager.
June 5	City Council Meeting – Preliminary Five-Year Financial Forecast and Budget Discussions.
June 11	Public Utilities Board reviews Utility budgets and CIP.
June 25	Public Utilities Board approves Utility budgets and CIP.
July 23	Certified appraisal rolls due from Denton Central Appraisal District.
July 27	Proposed budget and CIP submitted to City Council and placed on file with City Secretary. Submission of certified appraisal roll. Submission of ad valorem effective and rollback tax rates to City Council. Submission of certified ad valorem collection rate to City Council.
August 2	City Council Budget Workshop.
August 7	Vote to Consider a Proposal for a Tax Increase Prior to Publishing Notice of Hearing. (If necessary) Budget Work Session with the City Council.
August 21	First Public Hearing on Tax Increase. (If necessary) Public Hearing on Budget. Budget Work Session with the City Council.
August 28	Second Public Hearing on Tax Increase. (If necessary) Budget Work Session with the City Council.
September 11	City Council adopts Annual Program of Services. City Council adopts first year of Capital Improvement Program budget. City Council approves tax rate. City Council approves utility rates. City Council approves the 2012 tax roll.

**READER'S GUIDE**  
**2012-13**  
**ANNUAL PROGRAM OF SERVICES**  
**(OPERATING BUDGET)**

The Reader's Guide provides an overview of the City of Denton's budget process and budget documents. The City of Denton has prepared a budget designed to meet the highest standards of performance in municipal budgeting. This document provides a summary of all budgeted funds, including both revenue and expenditure summaries. Major budget documents, the budget process, and organization of the budget itself are described below.

## **MAJOR BUDGET DOCUMENTS**

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The City of Denton's budget process includes the production of five key documents. It is important to understand the timing and purpose of these documents in order to fully understand the process itself.

**1. *The Budget Instruction Manual* - March**

Prior to budget development and training of departmental support staff, the Budget Instruction Manual is drafted and completed in March. This document serves as a development guide and includes sections on annual budget highlights and specific development instructions, as well as, appendices with rate calculations, format examples, and supplemental forms.

**2. *Long-Range Financial Forecast* - June**

In June, the City Council meets to discuss the preliminary Long-Range Financial Forecast for the city. After this meeting, staff prepares a five-year forecast to address key service areas. The forecast is finalized at the end of July and included in the proposed budget document.

**3. *The Budget Overview and Manager's Message* - Late July**

The Budget Overview and Manager's Message is submitted to the City Council in late July as part of the proposed budget. This report summarizes and identifies key issues with regard to revenues and expenditures for the coming year.

**4. *The Proposed Budget* - Late July**

The proposed budget is submitted to the City Council in late July of each fiscal year. This document represents a balanced version of departmental budget requests versus projected resources. The proposed budget is a product of policy as expressed by the City Council and is prepared by the City Manager.

**5. *The Adopted Budget* - September**

The adopted budget represents a modified version of the proposed budget after public hearings and City Council review in August/September. Any changes deemed necessary by City Council to funding levels or revenue projections are reflected in the adopted budget. Revisions may also be made to reflect any updates to budget information.

## THE BUDGET PROCESS

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The City of Denton uses a program-oriented budgeting process. Each budgeting unit or division is given a "baseline" funding level based upon the previous year's funding level. Any funding request that represents new expenditures and programs, or that is in excess of adjusted baseline funding, must be submitted as a separate request or "package."

### **1. Budget Training for Support Staff/Budget Guideline Review**

March is the time when existing budget guidelines, procedures, and forms are reviewed. Changes may be made to the budget process in order to make budget development more efficient and address format changes.

Preliminary budget training for departments is available prior to budget kickoff. During preliminary training, staff is informed of budgeting concepts and the budget process, as well as, given a quick introduction to the City's budget forms.

During budget kickoff, departments receive the budget instruction manual so that they may have specific instructions and a review of any changes to the budget process.

### **2. Long-Range Financial Forecast**

A workshop is held in June with the City Council to discuss the preliminary Long-Range Financial Forecast for the city. After this meeting, staff refines the forecast to address key service areas. The recommended version of the forecast is included in the proposed budget document that is submitted to the City Council in July.

### **3. Revenue Projection**

The budget revenue projections for the new fiscal year begin early in the current fiscal year. The projections are made by the departments responsible for the revenues with help from the Finance Department staff. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information.

### **4. Proposed Budget Development**

During budget development, the Finance Department staff work with departments to analyze requests, provide advice, and lend assistance. Budget requests are based upon a baseline funding level, and any additional funding is made in the form of supplemental requests.

### **5. Proposed Budget Analysis/Compilation**

Once division and departmental budget requests are completed, the Finance Department reviews and compiles a preliminary draft of departmental budgets to present to the Management Team, which is comprised of the City Manager and Assistant City Managers.

A total recommended funding level is determined from both baseline and proposed supplemental packages. At this time, the funding level is weighed against available resources. A tax rate increase may or may not be recommended depending upon City Council program priorities and issues previously expressed in the budget process.

## **6. City Council Budget Study**

The proposed budget, including the Budget Overview, is compiled as soon as possible after final appraised property value and other data are received. This report highlights and summarizes funding requirements, major changes in programs, and alternatives for funding.

A budget work session is held with the City Council to review and discuss the proposed budget. Discussions and study may follow at subsequent work sessions until budget adoption.

## **7. Public Hearing/Budget Adoption**

A public hearing on the budget and two public hearings on the tax rate (if necessary) are held in September prior to final budget consideration. At the public hearings, citizens may make formal comments concerning the proposed budget and tax rate.

Budget adoption occurs in September after City Council deliberations and the public hearings. City Council may take action to modify the proposed budget. The City Council also adopts a tax rate to support adopted funding levels. Pursuant to City Charter, the proposed budget as submitted by the City Manager becomes the adopted budget if no City Council action is taken before the end of the fiscal year, September 30.

## **8. Compilation of Adopted Budget/Budget Maintenance**

An adopted budget is compiled and published during the first months of the new fiscal year. The adopted budget in the form of an amended proposed budget is available for public inspection in December.

Budget maintenance is a year-round activity of the organization. Spending controls consist of budget holds, position control reviews, and budget transfer authorizations for unbudgeted expenses. Additional spending control mechanisms include monthly review of expenditures by the Finance Department.

During the budget process, departments make revenue and expenditure estimates for the current year.

Finally, program goals, objectives, and measures are evaluated during budget development to determine effectiveness of program activities and levels of appropriate funding for subsequent years.

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## **ORGANIZATION OF THE BUDGET**

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Included in the Financial Summary section is a schedule entitled "Projected Appropriable Fund Balances." This schedule provides the projected appropriable fund balances anticipated at the end of each fiscal year. The 2012-13 fiscal year-end fund balance is based on proposed 2012-13 revenue and expenditures. This information will be most helpful in determining whether fund balances are too high or too low with regard to goals set forth by the City Council. The General Fund Revenue Summary in the Financial Summary section describes the major revenue categories for the City of Denton, as well as, the various individual sources of those revenues.

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## **BUDGETARY POLICIES**

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The City of Denton has developed administrative policies, which govern the formulation and administration of the annual budget. These administrative policies are incorporated within the City's Administrative Policies and Procedures Manual.

## FINANCIAL STRUCTURE

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The financial structure of the budget is organized by funds. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts for recording cash and other financial resources, as well as, any liabilities or residual equities or balances. Normally, funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. However, when appropriate, funds are made up of departments. The two types of funds utilized in this budget are Governmental and Proprietary. The specific funds that make up the Governmental Fund type are General Fund, Recreation Fund, Street Improvement Fund, General Debt Service Fund, Tourist and Convention Fund, Police Confiscation Fund, Traffic Safety Fund, Non-Airport Gas Wells Fund, Parks Gas Well Fund, Tree Mitigation Fund, Public Education Government (PEG) Fund, McKenna Trust Fund, Park Land Dedication and Development Trust Funds, Downtown Tax Increment Financing (TIF) Fund, and Miscellaneous Special Revenue Funds. The Proprietary Fund types are Electric Fund, Water Fund, Wastewater Fund, Solid Waste Fund, Airport Fund, Materials Management Fund, Fleet Management Fund, Technology Services Fund, Risk Retention Fund, and the Health Insurance Fund. Each of the above-mentioned funds operates separately and independently from one another; therefore, they are budgeted separately and include separate financial statements.

## BUDGETED FUNDS

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The City of Denton's budget consists of various funds. Each fund represents a specific function and maintains individual objectives. The City of Denton's budget includes the following funds:

**General Fund** – The General Fund reflects the City's general service operations such as public safety, libraries, and parks. The General Fund's two major revenue sources are sales and ad valorem taxes.

**Debt Service Fund** – The Debt Service Fund is used to record and control the accumulation of resources for payment of general obligation long-term debt principal and interest. The City issues debt to acquire or construct capital assets such as roads or parks for the general benefit of Denton citizens. Resources include an applicable portion of the ad valorem tax levy and related interest income usable from debt service.

**Special Revenue Funds** – Special Revenue Funds are used to account for the receipt of specific revenue sources that are restricted for expenditures for a specified purpose. Included in the special revenue funds are: the Recreation Fund, Street Improvement Fund, Tourist and Convention Fund, Police Confiscation Fund, Traffic Safety Fund, Non-Airport Gas Wells Fund, Parks Gas Well Fund, Tree Mitigation Fund, Public Education Government (PEG) Fund, McKenna Trust Fund, Park Land Dedication and Development Trust Funds, Downtown Tax Increment Financing Fund, and Miscellaneous Special Revenue Funds.

Recreation Fund – The Recreation Fund is used to account for the Parks and Recreation programs, such as children's programs and recreation center programs, which are self-supporting.

Street Improvement Fund – The purpose of the fund is to provide a dedicated mechanism to account for street maintenance and improvement activities. The fund will receive revenue from a portion of the franchise fees previously accounted for in the General Fund, as well as, street cut reimbursements. Additionally, interest cost savings associated with the sale of Certificate's of Obligation in lieu of Revenue Bonds will also be recorded as revenue.

Downtown Tax Increment Financing Fund – The TIF fund will be used for downtown development projects, and it accounts for the tax revenues that are collected above the FY 2010-11 level in the downtown area.



*Tourist and Convention Fund* – This fund reports the receipt and distribution of the City’s Hotel Occupancy Tax, which is levied at 7% of room rental rates. Each October the City Council enters into contracts with various organizations that will promote tourism and the convention and hotel industry in Denton.

*Police Confiscation Fund* – The Police Confiscation Fund is used to record the receipt and expenditure of confiscated contraband that is used in the commission of a variety of criminal offenses. Expenditures from this fund are allocated to the Police Department for materials, supplies, and operations costs.

*Traffic Safety Fund* – The Traffic Safety Fund is used to record the receipt of citations from red light camera violations. Revenues from this fund are used for materials to enhance traffic safety operations in the Police Department and Traffic Department.

*Non-Airport Gas Wells Fund* – The Non-Airport Gas Wells Fund is used to record the receipt of royalty, pooling, tax, and lease revenue related to gas wells. Expenditures from this fund will be used for projects with no ongoing costs.

*Parks Gas Well Fund* - The Parks Gas Well Fund was established to record the receipt of restricted gas well revenues on park property. Expenditures from this fund will be used for park system projects.

*Tree Mitigation Fund* – The Tree Mitigation Fund is used to purchase, plant, and maintain trees on public property, to preserve wooded property that remains in a naturalistic state in perpetuity, to perform and maintain a citywide tree inventory, and to educate citizens and developers on the benefits and value of trees.

*Public Education Government (PEG) Fund* – The PEG Fund provides for the acquisition of production equipment, capital, and other lawful PEG purposes. PEG fees are remitted to the city on a quarterly basis from cable subscribers.

*McKenna Trust Fund* – The McKenna Trust Fund is used to account for interest received from the George McKenna Trust, which was established in 1958 and is currently managed by JP Morgan Chase Bank. One half of the net income from this trust is distributed to Cook Children’s Hospital in Fort Worth and one half of the net income is distributed to the City of Denton for use only in maintaining, developing, preserving, and improving the George McKenna Park in the City.

*Park Land Dedication and Development Trust Funds* – The Park Land Dedication and Development Trust Funds are funds received from developers. These fees provide for neighborhood parks and projects within ½ to 1 mile radius of the development. The Park Land Dedication funds will be used on Owsley Park, Milam Park, Carl Young Park and Mack Park. The Park Development projects include neighborhood parks at Owsley Park, McKamy-Evers Park and North Pointe Park.

*Miscellaneous Special Revenue Funds* – The Miscellaneous Special Revenue Funds are comprised of the Animal Control Donation Fund, Police Donation Fund, and Fire Donation Fund.

***Enterprise Funds*** – Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. The City budget includes Electric, Water, Wastewater, Solid Waste, and Airport Enterprise Funds. Each fund reflects the services denoted in the title of each fund. The major revenue source for these enterprise funds is the rate revenue generated from the customers who receive the services provided.

***Internal Service Funds*** – Internal Service Funds are used to account for the financing of goods or services provided by one department to another department within the same government organization. Financing is based on reimbursement of actual costs. The internal service funds are Fleet Management, Technology Services, Materials Management, Risk Retention, and Health Insurance. Each internal service fund listed is funded through payments from various City departments for the actual services received from the specific fund.

Fleet Management Fund - The Fleet Management Fund accounts for the maintenance and repair of the City's vehicle and equipment fleet.

Technology Services Fund - The Technology Services Fund provides computer services such as programming, support, training, and maintenance of the City's computer resources and telephone maintenance.

Materials Management Fund - The Materials Management Fund is comprised of purchasing and warehouse operations. This internal service fund is responsible for procuring goods and services for City departments and the warehouse maintains an inventory of materials and supplies used by City departments.

Risk Retention Fund - The Risk Retention Fund records the activities associated with providing general liability insurance coverage and self funded activities for City operations.

Health Insurance Fund - The Health Insurance Fund accommodates self-insurance operations.

## **BUDGET BASIS**

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The budget for the General, Special Revenue, Debt Service, and Capital Improvement Program (CIP) Funds are prepared on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period except where the accrual basis is specified by generally accepted accounting principles. Expenditures are recognized when the related fund liability is incurred, except for (1) inventories of material and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debts which are generally recognized when due. Budgets for the Enterprise and Internal Service Funds are prepared on the full accrual basis of accounting under which transactions are recognized when they occur regardless of timing or related cash flows.

## **ORGANIZATIONAL RELATIONSHIPS**

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A department is a major administrative segment of the City, which indicates overall management responsibility for an operation or a group of related operations within a functional area. The smallest organizational unit budgeted is the division. The division indicates responsibility for one functional area, and in many cases these functional areas are put together to demonstrate a broader responsibility. When this is done, the divisions are combined to make up a department.



# FY 2012-13 Budget Overview

## STRATEGIC PLAN

The City of Denton uses a Strategic Plan as a roadmap to achieve long-term goals and objectives that capture the City's Vision, Mission, and Value statements. The Strategic Plan is a product of the input generated from the 2008/2009 Citizen Survey, two City Council Planning Sessions, two Leadership Retreats, a special appointed Strategic Planning Steering Committee, and various City Council discussions. The Strategic Plan was formally approved by the City Council in April 2011, and in January 2012, the Strategic Plan was reviewed and affirmed by the City Council during their annual planning retreat.

The Strategic Plan serves as the basis for resource allocation decisions that are used in the development of the FY 2012-13 Proposed Budget. The Strategic Plan is organized into five Key Focus Areas (KFAs) and major goals associated with each KFA are also identified below.

<b>Key Focus Area 1: Organizational Excellence</b>
<b>Goal 1.1 Manage financial resources in a responsible manner.</b>
<b>Goal 1.2 Develop a high performance work force.</b>
<b>Goal 1.3 Promote effective internal and external communication.</b>
<b>Goal 1.4 Provide exemplary customer service.</b>
<b>Goal 1.5 Utilize technology to enhance efficiency and productivity.</b>
<b>Key Focus Area 2: Public Infrastructure</b>
<b>Goal 2.1 Optimize resources to improve quality of City roadways.</b>
<b>Goal 2.2 Seek solutions to mobility demands and enhance connectivity.</b>
<b>Goal 2.3 Promote superior utility services and facilities.</b>
<b>Goal 2.4 Manage drainage infrastructure.</b>
<b>Goal 2.5 Develop Capital Improvement Program (CIP) based on community needs.</b>
<b>Key Focus Area 3: Sustainable Economic Development &amp; Environmental Stewardship</b>
<b>Goal 3.1 Manage and facilitate growth, development, and redevelopment opportunities.</b>
<b>Goal 3.2 Encourage economic development.</b>
<b>Goal 3.3 Promote environmental sustainability.</b>
<b>Key Focus Area 4: Safe, Livable and Family Friendly Community</b>
<b>Goal 4.1 Enhance public safety in the community.</b>
<b>Goal 4.2 Seek clean and healthy neighborhoods in the City of Denton.</b>
<b>Goal 4.3 Provide quality, diverse, and accessible neighborhood services for the community.</b>
<b>Key Focus Area 5: Partnerships and Regional Leadership</b>
<b>Goal 5.1 Actively participate in regional, state, and federal initiatives.</b>
<b>Goal 5.2 Maintain visible and effective relationships with governmental and non-governmental organizations.</b>

In addition to the above KFAs and goals, the Strategic Plan also identified a number of specific and actionable objectives for the organization. The complete version of the strategic plan is provided in the introductory section of this document. In addition, specific performance indicators have been developed to track the City's progress in accomplishing the goals and objectives identified. The performance indicators are published quarterly in the City's quarterly financial report.

The matrix below organizes the Key Focus Areas (KFAs) by service area in the organization. While every department has some level of responsibility for each KFA, the matrix is intended to only highlight the primary department responsible for each KFA.

SERVICE AREA	KFA 1	KFA 2	KFA 3	KFA 4	KFA 5
<b>UTILITIES</b>					
Electric		✓	✓		
Water	✓	✓	✓		
Wastewater		✓	✓		
Solid Waste		✓	✓		
<b>INTERNAL SUPPORT</b>					
Technology Services	✓				
Materials Management	✓				
Fleet			✓		
Risk	✓				
<b>NEIGHBORHOOD SERVICES</b>					
Building Inspection	✓		✓	✓	
Code Enforcement				✓	
Libraries				✓	
Parks and Recreation				✓	
Planning	✓		✓		
Development Review Engineering			✓		
Gas Well Review				✓	
Community Development				✓	
<b>PUBLIC SAFETY</b>					
Animal Services				✓	
Fire				✓	
Police				✓	
Municipal Court				✓	
Municipal Judge				✓	
<b>TRANSPORTATION</b>					
Airport		✓			
Streets		✓			
Traffic/Transportation		✓			
<b>ADMINISTRATIVE SERVICES</b>					
City Manager's Office	✓				✓
Economic Development			✓		
Facilities Management		✓			
Finance	✓				
Human Resources	✓				
Internal Audit	✓				
Legal	✓				
Public Communications	✓				

Key Focus Area 1: Organizational Excellence  
 Key Focus Area 2: Public Infrastructure  
 Key Focus Area 3: Sustainable Economic Development & Environmental Stewardship  
 Key Focus Area 4: Safe, Livable and Family Friendly Community  
 Key Focus Area 5: Partnerships and Regional Leadership

## GENERAL FUND

### RESERVE LEVEL

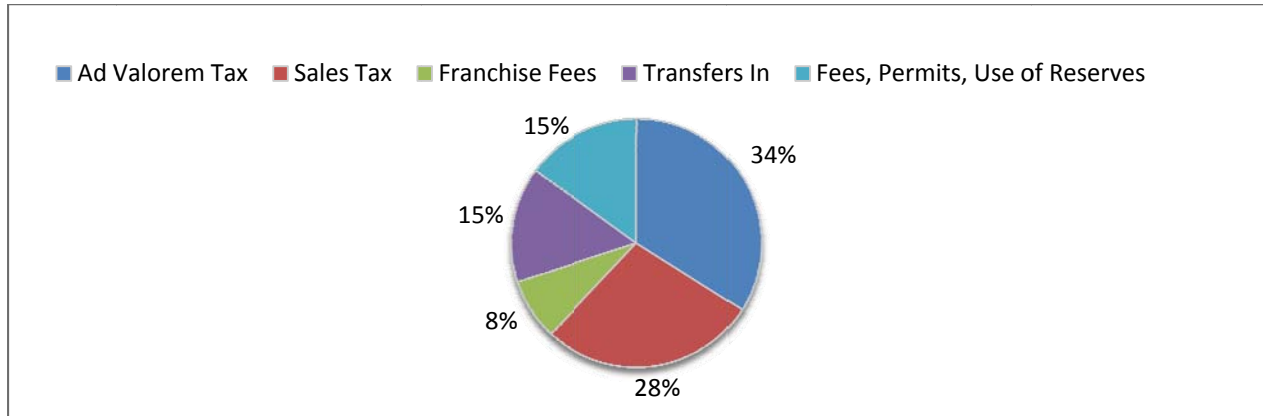
The City of Denton maintains a General Fund reserve balance for unanticipated expenditures, unforeseen revenue fluctuations, or other adverse circumstances. In response to the economic downturn, rating agencies have indicated that a reserve level below 15% would be considered low compared to similarly rated cities. As a result, the reserve balance recommendation was increased from 12-15% to 20% of budgeted expenditures in FY 2010-11, which is more commensurate with similarly rated cities our size. The fund balance level, however, may be reduced to the equivalent of 15% of budgeted expenditures in unusual financial circumstances. If such a situation occurs, the City will implement necessary corrective action within a five-year plan to restore the fund balance to the equivalent of 20% of budgeted expenditures. The City of Denton's very good ratings for General Obligation debt are AA+ by Fitch Ratings and AA by Standard and Poor's.

The estimated ending reserve balance of \$25,747,978 at the end of FY 2011-12 represents approximately 29.1% of budgeted expenditures and is well above the targeted goal of 20%. The chart below provides a listing of the ending fund balances for the past two years, a projected balance for the fiscal year ending September 30, 2012, and the projected balance for the fiscal year ending September 30, 2013. As detailed in the chart, the City has continued to maintain strong reserve balances over the past several years. Going forward, the reserve fund balance is expected to remain above the target range for the next several years in the financial forecast. While the financial forecast projects the fund balance level will be below 20% in FY 2015-16, this should only be interpreted as a planning estimate based on information available at this time. City management will continue to monitor our financial performance, and make appropriate expenditure and/or revenue adjustments as necessary.

	As of 9/30/10	As of 9/30/11	Estimated 9/30/12	9/30/13
<b>Ending Balance</b>	<b>\$21,526,779</b>	<b>\$24,424,003</b>	<b>\$25,747,978</b>	<b>\$25,083,084</b>
<b>% of Total Expenditures</b>	<b>23.6%</b>	<b>27.1%</b>	<b>29.1%</b>	<b>26.6%</b>
<b>Target Goal %</b>	<b>12-15%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>

## REVENUES

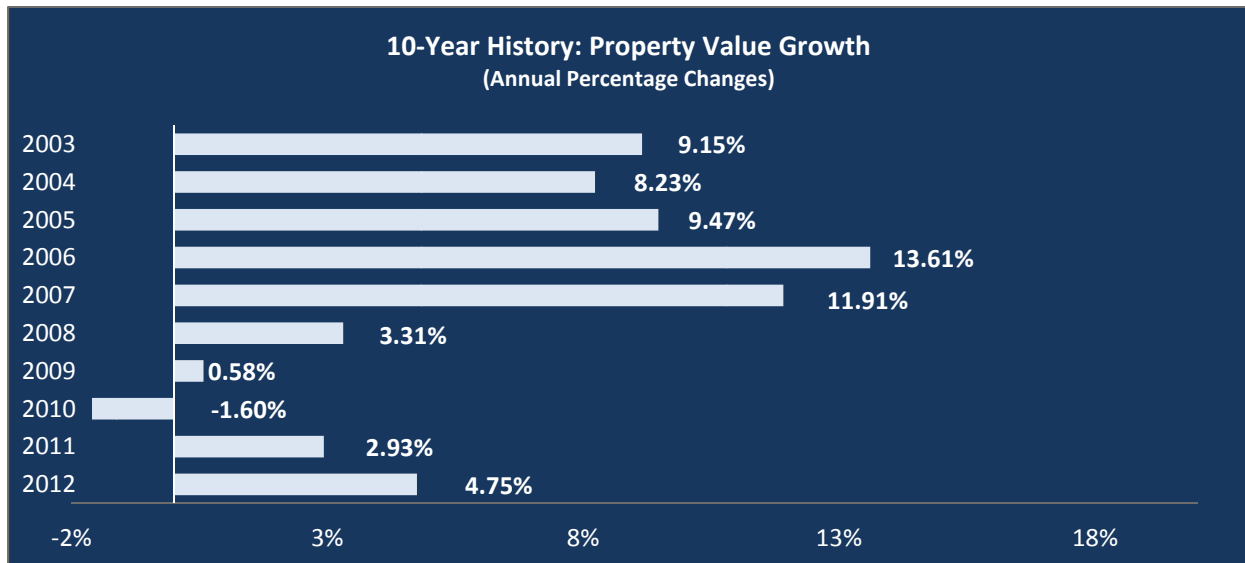
The key General Fund revenue sources are discussed below. The first chart shows the source of our major revenues for FY 2012-13:



## Property Tax

Approximately one-third of the total General Fund revenue is generated from ad valorem taxes. As shown below, the 2012 certified value increased by 4.75% or a net \$304,336,364 from the 2011 certified value. Analysis of the increase shows there was \$133 million in new value added to the appraisal roll due to new growth and construction.

The chart below provides a 10-year historical trend on property tax growth by percent.



In 2009, the City Council approved an increase in the over age 65 property tax exemption in \$5,000 increments over a five-year period until a \$50,000 exemption level is reached. The current exemption level is \$40,000 and, the Proposed Budget includes an increase in this exemption level to \$45,000 in FY 2012-13.

The FY 2012-13 Budget does not include any adjustment to the tax rate. The current tax rate of \$0.68975 per \$100 of assessed valuation is above the estimated effective tax rate of \$0.68045. Below is a 10-year history of certified assessed values and tax rates.

**Certified Values and Tax Rate History**

Fiscal Year	Certified Assessed Value	Operations and Maintenance Tax Rate	Debt Service Tax Rate	Total Tax Rate
<b>2003-04</b>	\$ 4,042,202,871	\$ 0.34928	\$ 0.19887	\$ 0.54815
<b>2004-05</b>	\$ 4,374,943,831	\$ 0.39928	\$ 0.19887	\$ 0.59815
<b>2005-06</b>	\$ 4,789,376,811	\$ 0.42928	\$ 0.17887	\$ 0.60815
<b>2006-07</b>	\$ 5,441,228,909	\$ 0.44765	\$ 0.17887	\$ 0.62652
<b>2007-08</b>	\$ 6,089,499,775	\$ 0.44765	\$ 0.21887	\$ 0.66652
<b>2008-09</b>	\$ 6,291,359,112	\$ 0.44765	\$ 0.21887	\$ 0.66652
<b>2009-10</b>	\$ 6,327,909,022	\$ 0.44765	\$ 0.21887	\$ 0.66652
<b>2010-11</b>	\$ 6,230,117,958	\$ 0.47088	\$ 0.21887	\$ 0.68975
<b>2011-12</b>	\$ 6,412,375,004	\$ 0.47088	\$ 0.21887	\$ 0.68975
<b>2012-13*</b>	\$ 6,716,711,368	\$ 0.47088	\$ 0.21887	\$ 0.68975

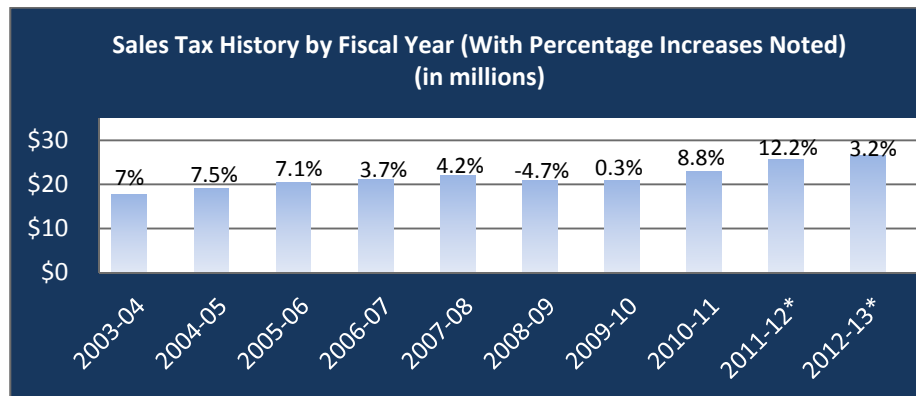
\*Certified Assessed Value includes \$10,248,781 which is captured for the Downtown TIF in FY 2012-13.

**Sales Tax**

The second largest revenue source in the General Fund is sales tax. Sales tax has provided consistent monthly gains compared to last year and is expected to exceed budgeted levels. The FY 2011-12 year-end estimate of \$25,655,444 is \$2,208,866 or 9.4% higher than the original budgeted amount and 12.2% or \$2,784,163 more than was received in FY 2010-11.

The FY 2012-13 Budget estimates sales tax will be \$26,466,107, 3.2% above the FY 2011-12 estimate. The City has economic development agreements with Denton Crossing, Unicorn Lake and Rayzor Ranch for sales tax rebates. In FY 2011-12, the Rayzor Ranch development reached established square footage thresholds which trigger the economic development agreement incentive payments. The five-year financial forecast projects a 3% increase in base sales tax receipts annually which is consistent with collection trends over the past five years. The forecast also estimates additional collections related to the Rayzor Ranch development in FY 2013-14.

The following chart illustrates a 10-year history of sales tax collections:



\*Sales Tax is an Estimated Amount



## Franchise Fees

Approximately 8% of the General Fund's revenues are related to franchise fees. Typically assessed as a percentage of gross revenues, the purpose of the franchise fee is to provide compensation to the City in return for allowing utilities to access the City's rights-of-way. The FY 2012-13 Budget includes \$14,154,609 (\$7,592,570 in the General Fund) in franchise fees from various utilities operating in the City, including city-owned utilities. The total estimated franchise fee contribution to the Street Improvement Fund in FY 2012-13 is \$6,562,039. Since franchise fees are generally considered to be compensation for the use of the city-owned right-of-way, the city is designating a portion of the franchise fees received in FY 2012-13 to the Street Improvement Fund, which was created in FY 2011-12. By doing so, the linkage between the payment of franchise fees and the use of these funds on street maintenance activities increased. With this in mind, however, it is important to also note that the city is not required to spend franchise fees on street maintenance or any other specific activity. Rather, franchise fees are meant to be a General Fund resource, and as such, they may be spent on any activity deemed appropriate by the City Council.

In an effort to increase street maintenance funding over time, the growth in franchise fees will be allocated to the Street Improvement Fund. In FY 2012-13, 100% of the growth in franchise fees compared to the FY 2010-11 Budget will be allocated to the Street Improvement Fund. Based on this plan, we project that street maintenance funding will approach \$7.6 million annually by FY 2016-17. These estimates are based on the current five-year financial forecast, and as such, the level of funding may need to be modified in the future as circumstances warrant. Additional details regarding franchise fee allocations are contained in the Street Improvement Fund section of this document.

## Other Major Revenues

Each year, the City completes a study to determine the cost of providing internal services to the organization. This process is primarily designed to recover General Fund costs associated with providing services to other funds. Examples of these costs include expenses for the Human Resources, Finance, and Legal departments. Based on a recent study, the cost allocation transfers associated with these services, and others, are expected to increase transfers into the General Fund by approximately \$1.3 million (net) for FY 2012-13.

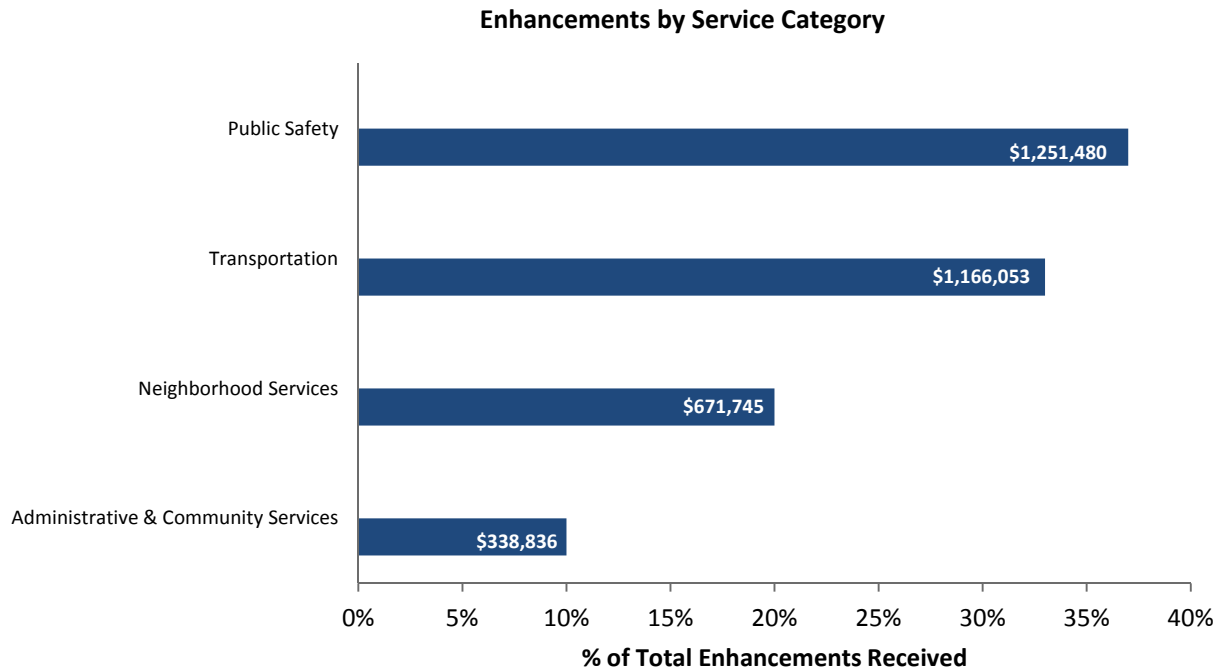
## EXPENDITURES

Over several past fiscal years, various expenditure reductions were implemented, and the majority of these reductions will be maintained for FY 2012-13. One such measure is the vacancy management program, which began in FY 2010-11. Under this plan, savings are achieved by establishing a target level of savings and monitoring vacancies to achieve this objective. As personnel turnover and attrition occur in the organization, vacant positions are evaluated to determine if they need to be filled or kept vacant according to the organization's priority needs. This approach allows the City to respond to service demands while continuing to properly manage resources.

The vacancy management program is proposed again for the upcoming fiscal year, and the targeted savings is projected at approximately \$900,000. By maintaining the reductions implemented in prior years, and continuing the vacancy management program, enhanced programming is possible for FY 2012-13.

**General Fund Expenditure Enhancements**

In accordance with priorities established through the Strategic Plan, several General Fund expenditure enhancements are recommended for funding. The FY 2012-13 Proposed Budget recommends \$1,741,393 in funding for program enhancements in the General Fund. In addition, \$1,686,721 in enhancements is recommended from other funds to directly benefit General Fund operations. The chart below illustrates the funding amounts and the percentage of total enhancements recommended by service category:



For each respective service area identified in the Strategic Plan, a summary of the major funding enhancements proposed for FY 2012-13 are shown on the following pages. Additionally, the primary Key Focus Area (KFA) for each of these service areas is also identified.

**PUBLIC SAFETY (\$1,251,480 in Total Enhancements)**

**KEY FOCUS AREA 4: SAFE, LIVABLE, & FAMILY-FRIENDLY COMMUNITY**

**Fire**

General Fund Support	Other Fund Support	Total Enhancement Funding
\$625,005	\$303,223	\$928,228

A new front line medic unit and staffing is recommended for the FY 2012-13 Proposed Budget. This includes a crew of five firefighters and a new ambulance. An additional Commercial Plans Examiner is also recommended in response to increased demand in the development community. An Administrative Assistant position, which was previously frozen, is also recommended for funding. Funding is also provided for Aircraft Rescue and Firefighting (ARFF) vehicle equipment.

### Police

General Fund Support	Other Fund Support	Total Enhancement Funding
\$203,887	\$0	\$203,887

Two new positions are recommended for funding in the Police Department. A Lieutenant position is proposed for additional supervisory oversight in the department and a Property Technician position is proposed to process items collected during search warrants and other investigation activities. In addition, supplemental funding for ammunition is proposed.

### Municipal Court

General Fund Support	Other Fund Support	Total Enhancement Funding
\$8,688	\$0	\$8,688

Funding is proposed for the Scofflaw program, which allows the City to work with the Texas Department of Transportation to collect unpaid fines when a defendant applies to renew a vehicle registration.

### Animal Services

General Fund Support	Other Fund Support	Total Enhancement Funding
\$110,677	\$0	\$110,677

Two new positions are recommended for funding in the Animal Services division, a new Shelter Manager and an Animal Services Officer position. Since the new Animal Care and Adoption Center is slated to open at the end of the next fiscal year, new personnel are necessary for the expansion of these operations.

## TRANSPORTATION (\$1,166,053 in Total Enhancements)

### KEY FOCUS AREA 2: PUBLIC INFRASTRUCTURE

### Traffic

General Fund Support	Other Fund Support	Total Enhancement Funding
\$100,000	\$1,066,053	\$1,166,053

New traffic signals are recommended at the intersections identified below:

- Brinker Road at Colorado Boulevard (\$164,077)
- Brinker Road at Spencer Road (\$273,730)
- State School Road at Unicorn Lake Drive (\$95,014)
- Allegra Vista Drive at Dallas Drive (\$273,232)
- Country Club 1830 at Hickory Creek Road (\$130,000)
- Country Club 1830 at Ryan Road (\$130,000)

Certificates of Obligation (COs) are proposed to be issued to provide \$1,066,053 in funding for these enhancements. It is also expected that the City will receive \$200,754 in funding from the Texas Department of Transportation. An additional \$100,000 in funding is also recommended for FY 2012-13 for the implementation of the bike plan. Including existing funds, the total resources for the bike plan are proposed to be \$200,000 for the upcoming fiscal year.

**NEIGHBORHOOD SERVICES (\$671,745 in Total Enhancements)**

KEY FOCUS AREA 3: SUSTAINABLE ECONOMIC DEVELOPMENT & ENVIRONMENTAL STEWARDSHIP;  
KEY FOCUS AREAS 4: SAFE, LIVABLE, & FAMILY-FRIENDLY COMMUNITY

**Library**

General Fund Support	Other Fund Support	Total Enhancement Funding
\$54,670	\$0	\$54,670

A Technology Librarian is recommended for funding in the FY 2012-13 Proposed Budget. This position will assist with the coordination of all technology within the library system including the library's internet presence, integrated library system, catalog, downloadable materials, electronic databases, and other customer-related technology issues.

**Building Inspections**

General Fund Support	Other Fund Support	Total Enhancement Funding
\$112,442	\$25,000	\$137,442

Two positions are recommended for funding in the Building Inspections division. The first position, a Commercial Plans Examiner, is proposed to assist with new development projects in the City. The second position, a Residential Inspector, is recommended to assist with new multi-family residential projects that are projected to be developed in the City.

**Planning**

General Fund Support	Other Fund Support	Total Enhancement Funding
\$196,301	\$0	\$196,301

The equivalent of three positions are recommended for the Planning Department in the FY 2012-13 Proposed Budget. An Assistant Planner and Planning Technician are proposed to assist with development projects. In addition, the Department will begin an internship program to give students an opportunity to work on various projects and provide additional support to the department. Finally, an additional \$50,000 is proposed for the Neighborhood Incentive Grant Program. Including existing funding, the total resources for this program are proposed to be \$84,000 in FY 2012-13.

### Parks and Recreation

General Fund Support	Other Fund Support	Total Enhancement Funding
\$181,887	\$101,445	\$283,332

In the Parks and Recreation Department, a variety of enhancements are proposed for FY 2012-13. Lifeguards and Swim Instructors are proposed at the Civic Center pool, Natatorium, and Waterpark. In addition, a Recreation Specialist at the Senior Center, a Customer Service Representative, and a Recreation Coordinator at the Martin Luther King, Jr. (MLK) Center are recommended for funding. Equipment for transactions at the Natatorium, as well as additional mowing and tree spade services are also proposed

**ADMINISTRATIVE & COMMUNITY SERVICES (\$338,836 in Total Enhancements)**

KEY FOCUS AREA 1: ORGANIZATIONAL EXCELLENCE; KEY FOCUS AREA 2: PUBLIC INFRASTRUCTURE;  
KEY FOCUS AREA 3: SUSTAINABLE ECONOMIC DEVELOPMENT & ENVIRONMENTAL STEWARDSHIP

### Facilities Management

General Fund Support	Other Fund Support	Total Enhancement Funding
\$29,349	\$191,000	\$220,349

A new Facilities Assistant position is recommended for FY 2012-13. With this additional support, trade technicians will be able to focus on non-administrative tasks and improve service levels. In addition, COs are proposed to be issued to provide \$191,000 in funding for building needs associated with public health and safety issues such as the replacement of a fire alarm system at City Hall West, replacement of a generator at Fire Station 3, and needed improvements at the North Branch Library.

### Public Communications

General Fund Support	Other Fund Support	Total Enhancement Funding
\$9,000	\$0	\$9,000

Funds for improving the City's website are programmed in FY 2012-13 for the Public Communications Office. As more of the City's programs utilize an online interface, resources are needed to support this method of communication with our citizens.

### Finance

General Fund Support	Other Fund Support	Total Enhancement Funding
\$59,487	\$0	\$59,487

A Senior Financial Analyst position is recommended in the Finance Department. This position will provide additional financial oversight for the organization. Additionally, this position will provide updates to the City-wide cost allocation plan to reduce expenses for outside consultants.

### Economic Development

General Fund Support	Other Fund Support	Total Enhancement Funding
\$50,000	\$0	\$50,000

To provide additional resources for the Downtown Reinvestment Grant Program, an additional \$50,000 is proposed for FY 2012-13. Combined with existing funds, the funding for this program is proposed to be \$100,000 in FY 2012-13. The City Council will need to determine whether or not these funds will be available outside of the downtown area.

### Other Expenditure Items

In addition to the funding recommendations for FY 2012-13, several items are proposed to be funded in FY 2011-12 from existing appropriations. In particular, the Municipal Court front counter area (\$70,330) is recommended to be improved. This project will allow better accessibility for customers with special needs, as well as enhance the security of the front counter area and work space for the Municipal Court clerks.

To assist with parking issues along the street corridors of the campuses of the University of North Texas and Texas Woman’s University, select street curbs will be marked as “no parking” (\$22,443).

In the Human Resources Department, funding for a city-wide salary survey and compensation analysis (\$59,000) and a laserfiche system update (\$14,400) is proposed.

In the Code Enforcement and Gas Well divisions, new vehicles are recommended and equipment is proposed (\$76,802).

In the Parks and Recreation Department, \$85,000 is proposed to fund an engineering study of the Lake Forest Park Dam as required by the state.

For the Fire Department, funding is proposed for a hazardous materials service contract (\$30,000) and equipment for the Aircraft Rescue and Firefighting (ARFF) vehicle (\$38,354).

In summary, funding in the amount of \$213,975 is recommended to be expended in the General Fund in FY 2011-12 for the purposes mentioned above. Additionally, funding in the amount of \$182,354 is provided from other funding sources.

### Compensation

For FY 2012-13, an average 3% merit increase for non-civil service employees (3% pay adjustment for civil service employees) is proposed. To address changing labor market conditions, the five-year financial forecast also includes an average 3% merit increase for employees in each year of the financial plan.

Compensation for positions in the City is organized by pay (market) bands. The pay bands identify a minimum, midpoint, and a maximum pay for each position classification in the City. The midpoint represents an estimate of the average wage for an equivalent position in the marketplace. Due to a number of factors, a large percentage of employees within the City receive compensation below the marketplace average. As a result, it is recommended that employees be considered for an equity adjustment if their pay is below the midpoint and they are performing at a satisfactory level. The Proposed Budget also includes normally scheduled step increases for civil service public safety personnel.

Below is a summary of compensation increases for employees over the past three years:

#### Compensation Increase History

Fiscal Year	Compensation Equivalent (Non Civil Service)
<b>2010-11</b>	No Increase Recommended
<b>2011-12</b>	2% Average Merit Based Increase
<b>2012-13</b>	3% Average Merit Based Increase and Equity Pay Adjustments for affected employees

#### Civil Service Compensation Increases History

Fiscal Year	Compensation Equivalent
<b>2010-11</b>	No increase recommended but eligible step pay increases for both Police and Fire civil service positions were included.
<b>2011-12</b>	2% Increase. Eligible step pay increases for both Police and Fire civil service positions were included.
<b>2012-13</b>	3% Increase. Eligible step pay increases for both Police and Fire civil service positions also included.

Through meet and confer deliberations, City Management and Police and Fire employee associations agreed to three-year agreements in 2006 and again in 2009 that include provisions for compensation. Both agreements apply to civil service employees only and include a similar pay philosophy. The goal of each compensation plan is to achieve a pay structure that is equal to the market survey averages plus 5% in each rank compared to twelve Metroplex police and fire agencies. City management and the Denton Police Association have agreed to a two-year extension of the current agreement through 2014. The Denton Fire Fighter Association has also tentatively agreed, pending ratification, to a two-year extension of their current agreement. As part of each agreement, the increases for Police and Fire civil service employees may be limited to an amount equal to the average compensation increases budgeted for civilian employees. After reviewing appropriate recommended compensation market data and the availability of financial resources, and in consideration of the above mentioned policy, a 3% increase in compensation is provided for civil service employees in FY 2012-13. In some cases, this will result in various ranks receiving a higher increase than would be applied using the agreement pay language.

### Other Agency Contributions

Other agency contributions represent allocations for the City of Denton to outside organizations for specific agreed upon purposes. The Human Services Committee received requests totaling \$414,599 for FY 2012-13. The Human Services Committee recommended total funding of \$297,119 which is a 23% increase from the FY 2011-12 funding level. This funding is split between support from the Community Development Block Grant (CDBG) and the General Fund. Funding in the amount of \$101,210 is also provided to support the Children's Advocacy Center (CAC). This represents the City of Denton's "fair share" as calculated by the CAC and is below the \$121,648 provided last year. The total support provided in the General Fund is approximately \$1.50 per capita compared to \$1.00 per capita in the FY 2011-12 Budget. In future years, city management intends to increase the per capita funding level by an incremental amount each year.

### Grants

The City benefits from a variety of federal, state and local grants. In addition, the City routinely provides matching funds for various programs. A complete list of grants is provided in the Proposed Budget in the miscellaneous funds section of the document. The total grant budget for FY 2012-13 is \$6,296,010.

### Capital Improvement Program

The Capital Improvement Program (CIP) represents the City's five-year plan for infrastructure and equipment funding. The CIP is reviewed each year to reflect changing priorities and to provide a framework for identifying capital requirements, the impact of capital projects on operating budgets, and project scheduling/coordination.

The General Government CIP includes non-utility projects such as streets, parks, and other general government facilities that are typically funded through general obligation bonds or certificates of obligation. Approximately every five-years, the City has appointed a citizen bond committee to make recommendations to Denton residents on capital improvement needs.

The City formed a citizen's bond advisory committee in April 2012 to focus primarily on developing recommendations for street infrastructure improvements for a November 2012 election. The citizen's bond advisory committee recommended various streets projects, valued at \$20 million and public art improvements of \$0.4 million. Beyond the November 2012 election, the City is preparing for an additional voter approved bond election in FY 2014-15 or FY 2015-16. Further, due to the age and condition of various fire stations within the City, a bond election to improve these facilities may also be proposed for FY 2012-13. As information is provided to the City Council over the coming weeks, a formal determination will be made on the additional bond program.

The General Government CIP also includes funding to expand the Bonnie Brae Street and Mayhill Road thoroughfares. These projects are expected to cost approximately \$114 million, of which about \$91 million is provided from Regional Toll Revenue (RTR) funding.

Additionally, the Airport CIP includes \$2 million for the issuance of Certificates of Obligation (COs) associated with property acquisitions at the Denton Airport.

The Utility CIP includes projects for the City's enterprise funds, such as Electric, Water, Wastewater and Drainage that are funded from non-tax revenue. The Utility CIP is designed to make sufficient investments in infrastructure in order to provide reliable service to our customers. The CIP for Solid Waste is also included and reflects the anticipated level of projects to be funded from certificates of obligation. The Public Utilities



Board (PUB) is responsible for developing a recommendation of the Utility CIP to be presented to the City Council for approval.

### UTILITY RESERVE LEVELS

The Utility Departments and the Public Utilities Board have developed financial strategies and objectives to achieve and maintain reserve fund balances that provide adequate working capital and rate stabilization reserve levels. These reserve fund targets are based in large part on the Government Finance Officers Association (GFOA) best practices for enterprise funds. The working capital target for each utility is 30 days (8%) of average budgeted expenditures. This reserve fund balance should provide sufficient resources to address a short term unforeseen revenue loss or an increase in expenses.

The rate stabilization reserve targets vary and are based on the unique operational characteristics of each utility. Factors that affect the target rate stabilization reserve levels include revenue stability, expense volatility, age of infrastructure, debt levels, and management plans for use of reserve funds.

The working capital and rate stabilization reserve fund balance targets are as follows (presented as a percentage of expenses):

	Electric	Water	Wastewater	Solid Waste
<b>Working Capital</b>	8.0%	8.0%	8.0%	8.0%
<b>Rate Stabilization</b>	12.0%	16.0%	12.0%	4.0%
<b>Total</b>	20.0%	24.0%	20.0%	12.0%
<b>Equivalent Days of Operating Expenses</b>	(75 days)	(90 days)	(75 days)	(45 days)

In addition to the above amounts, the Water and Wastewater Funds maintain separate impact fee and development plan line reserves. For FY 2012-13, the Wastewater Fund is also proposing the creation of a separate reserve to be used for repairs of the drainage system in the event of major unforeseen circumstances. The Solid Waste Fund also maintains a separate reserve for Landfill Closure/Postclosure purposes.

The operating budgets, capital improvement plans and rate increases projected in the utilities five-year financial plans have been developed to support these targeted reserve fund balances and are addressed below.

### AGING INFRASTRUCTURE

Another major utility financial strategy addresses the issue of aging infrastructure. Previously, significant percentages of asset replacements were funded with debt. The new goal is to replace an increasing percentage of existing assets with current revenue instead of debt, with the issuance of debt generally to be reserved for the addition of new assets. This strategy will reduce the reliance on debt issuance and maintain adequate debt coverage ratios for the Electric, Water, and Wastewater utilities in the future. By doing so, the overall cost of these projects will be reduced.

The projected operating budgets, capital improvement plans and rates contained in the five-year financial plan contemplate a phased approach to revenue funded asset replacements and maintain debt coverage ratios at bond covenant levels.

## UTILITY FUNDS

### KEY FOCUS AREA 2: PUBLIC INFRASTRUCTURE

## ELECTRIC FUND

The FY 2012-13 Electric Proposed Budget includes \$142,741,301 in revenues and \$158,987,525 in expenditures. The Electric Proposed Budget will use \$16,246,224 in reserves to balance the budget. This planned use of reserves is primarily related to scheduled expenses associated with the Texas Municipal Power Agency (TMPA) contract.

### Rates

The FY 2012-13 Denton Municipal Electric (DME) Proposed Budget includes no base rate increases. The Energy Cost Adjustment (ECA) rate will be adjusted as necessary based on changes in energy costs. For FY 2012-13, the ECA rate is budgeted as 3.700 cents/kwh.

### Personnel Changes

The FY 2012-13 DME Proposed Budget includes an increase of 11.5 new FTEs, of which 6.0 FTEs are related to the enhanced CIP program discussed below.

- 1.0 FTE in Electric Administration for North American Electric Reliability Corporation (NERC) Compliance technical support.
- 1.0 FTE in Power Supply Administration for technical support.
- 2.0 FTEs in System Operations for switchman positions.
- 1.5 FTEs in Distribution for maintenance and crew foreman positions.
- 5.0 FTEs in Electric Engineering
  - 2.0 FTEs for Distribution Engineers.
  - 3.0 FTEs for technical support positions.
- 1.0 FTE in Metering for system and data coordination.

### Return on Investment (ROI) and Franchise Fee

The DME Proposed Budget includes a 3.5% ROI payment and a 5.0% franchise fee payment to the General Fund. The ROI and franchise fee payments are calculated using an estimated annual average ECA of 3.00 cents/kwh, which is the cap for both payments set by the City Council.

### Major CIP Projects

The Electric Fund CIP budget includes funding for the following major capital projects in FY 2013:

➤ Transmission Lines:	\$ 35.0 million
➤ Transmission Substations:	\$ 20.3 million
➤ Feeder Extensions and Improvements:	\$ 8.9 million
➤ New Residential and Commercial Service:	\$ 3.1 million
➤ Automated Meter Reading	<u>\$ 3.0 million</u>
TOTAL:	\$ 70.3 million

Including the improvements discussed above, the FY 2013-17 five-year capital improvement program is \$302 million, approximately \$130 million more than the prior five-year plan approved in FY 2011-12. The enhanced program is necessary to improve the reliability of the electric system, meet the expected growth in demand for electric services, replace aging infrastructure, and comply with new regulatory requirements.

## WATER FUND

The FY 2012-13 Water Fund Proposed Budget includes revenues of \$42,964,597 and expenditures of \$43,867,930. For FY 2012-13, rate stabilization reserves in the amount of \$903,333 will be used to balance the budget. The table on the following page illustrates budgeted water sales for FY 2011-12 and projected sales for FY 2012-13.

<b>Treated Water Sales by Customer Type (In Billions of Gallons)</b>			
	FY 2011-12	FY 2012-13	Difference
<b>Retail Customers</b>	6.077	6.143	0.066
<b>Wholesale Customers</b>	0.099	0.109	0.010
<b>Total</b>	6.176	6.252	0.076

### **Rates**

An average 8% rate increase for retail water customers is programmed. The five-year financial forecast includes future rate increases to support the replacement of aging infrastructure, maintenance and reserve fund goals. Wholesale rates will be updated per their respective agreements.

### **Personnel Changes**

The Water Department budget includes 3 new FTE's.

- 1.0 FTE for a Sustainability Coordinator in Utility Administration.
- 1.0 FTE for a Senior Engineer in Water Production.
- 1.0 FTE in Water Production for an Operator I position.

### **Major CIP Projects**

The Water Fund CIP budget includes funding for the following major capital projects in FY 2013:

➤ North South Water Main Phase 2:	\$6.7 million
➤ Hwy 380 Utility Line Relocate Ph I&II	\$4.9 million
➤ Robson Elevated Storage Tank:	<u>\$5.5 million</u>
TOTAL:	\$17.1 million

Consistent with the financial strategies discussed earlier regarding the City's aging infrastructure replacement plans, a significant portion of the CIP for FY 2012-13 is proposed to be funded with revenue instead of debt. The FY 2012-13 revenue funded projects total approximately \$4.1 million. By way of comparison, the FY 2011-12 budget included only \$2.8 million in revenue funded projects.

## WASTEWATER FUND

The FY 2012-13 Wastewater Proposed Budget includes revenues of \$27,776,462 and expenditures of \$28,252,407. For FY 2012-13, rate stabilization revenues in the amount of \$475,945 will be used to balance the budget. Below is a table illustrating budgeted wastewater billed volumes in FY 2011-12 and projections for FY 2012-13.

<b>Wastewater Billed Volumes (In Billions of Gallons)</b>			
	FY 2011-12	FY 2012-13	Difference
<b>Retail</b>	3.753	3.917	0.164
<b>Effluent</b>	0.105	0.093	-0.012
<b>Wholesale</b>	0.212	0.215	0.003
<b>Total</b>	4.070	4.225	0.155

### Rates

A 9% rate increase is for retail wastewater customers. The Five-Year Financial Forecast includes future rate increases to support the replacement of aging infrastructure, maintenance and reserve fund goals.

### Personnel Changes

The Wastewater Department budget includes 2.88 new FTE's.

- 1.0 FTE for a Wastewater Utility Electrician II in Water Reclamation.
- 0.5 FTE for an Environmental Monitoring Tech in Industrial Pretreatment.
- 1.0 FTE for a Transportation Permit Specialist in Industrial Pretreatment.
- 0.38 FTE for a Watershed Protection Intern in Watershed Protection.

### Major CIP Projects

The Wastewater Fund CIP budget includes funding for the following major capital projects:

➤ Hwy 380 Utility Line Relocate Phase II	\$2.2 million
➤ Pecan Creek Interceptor II, III & IV:	\$4.8 million
➤ State School Interceptor II:	\$2.3 million
➤ Co-Digestion at Pecan Creek Water Reclamation Plant:	<u>\$2.2 million</u>
TOTAL:	\$11.5 million

Consistent with the financial strategies discussed earlier regarding the City's aging infrastructure replacement plans, a significant portion of CIP for FY 2012-13 is proposed to be funded with revenue instead of debt. The FY 2012-13 revenue funded projects total approximately \$3.3 million. By way of comparison, the FY 2011-12 budget included only \$2.4 million in revenue funded projects.

## SOLID WASTE FUND

The FY 2012-13 Solid Waste Budget includes \$25,147,589 in revenues and expenditures of \$25,124,689. The chart below illustrates Solid Waste production.

<b>Solid Waste Production (In Tons)</b>			
	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>Difference</b>
<b>Gross Tons of Waste</b>	247,062	255,583	8,521
<b>Recycled Tons</b>	74,328	76,847	2,519
<b>Total Landfill Tonnage</b>	<b>172,734</b>	<b>178,736</b>	<b>6,002</b>

### Rates and Fees

The following monthly fee increases are recommended to the Solid Waste schedules:

<b>Rate Increase</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>Variance</b>
<b>Residential Refuse (Standard Cart)</b>	\$19.25	\$20.10	\$0.85
<b>Residential Refuse (Large Cart)</b>	\$21.95	\$24.20	\$2.25
<b>Residential Refuse (Small Cart)</b>	\$17.10	\$19.10	\$2.00
<b>Residential Recycling</b>	\$5.15	\$5.15	\$0.00
<b>Commercial Dumpster</b>	3.9%	5.0%	1.1%
<b>Commercial Roll-Off</b>	0.0%	1.0%	1.0%
<b>Landfill</b>	\$43.50	\$43.50	\$0.00

### Personnel Changes

Eight additional personnel are included for FY 2012-13:

- 2 FTEs for the Curbside Recycling Program.
- 1 FTE for Commercial and Multi-Family Recycling Coordinator.
- 1 FTE for Household Chemicals Collections.
- 0.50 (2 Temporary Positions) FTE for Residential Yard Waste Collection.
- 0.50 (2 Temporary Positions) FTE for Construction and Demolition Processing.

### Major CIP Projects

The Solid Waste Fund CIP budget includes funding for the following major capital projects in FY 2013:

➤ Vehicle additions/replacements:	\$1.8 million
➤ Landfill Facility Expansion and Capital Costs:	<u>\$4.4 million</u>
TOTAL:	\$6.2 million

**Utility Rate Change Summary**

Below is a chart which depicts the rate increases discussed above and the monthly financial impact to an average residential customer.

	<b>FY 2012</b>	<b>FY 2013</b>	<b>Increase</b>	<b>%Change</b>
Electric <sup>1</sup>	\$119.86	\$123.76	\$3.90	3.3%
Water	\$42.35	\$45.60	\$3.25	7.7%
Wastewater	\$27.50	\$30.00	\$2.50	9.1%
SW – Standard Cart	\$19.25	\$20.10	\$0.85	4.4%
SW – Recycling Services	\$5.15	\$5.15	\$0.00	0.0%
<b>Total</b>	<b>\$214.11</b>	<b>\$224.61</b>	<b>\$10.50</b>	<b>4.9%</b>

<sup>1</sup> FY 2013 includes an average Energy Cost Adjustment (ECA) rate of \$0.037 and FY 2012 includes an average ECA rate of \$0.034. The base rate of \$0.0582 is the same for FY 2012 and FY 2013.

**Miscellaneous and Internal Service Funds**

**STREET IMPROVEMENT FUND**

The Street Improvement Fund was a new fund in FY 2011-12. The purpose of the fund is to provide a dedicated mechanism to account for street maintenance and improvement activities. The Street Improvement Fund receives revenue from a portion of franchise fees previously accounted for in the General Fund. Fees associated with streets cuts are also recorded in the Street Improvement Fund.

Interest cost savings associated with issuing Certificates of Obligation in lieu of Revenue Bonds are also transferred to the Street Improvement Fund from the utility funds. Beginning in 2010, the City changed the manner by which the utilities issue debt to fund capital improvements by selling General Obligation Bonds instead of Revenue Bonds. Using the AA credit rating of the General Obligation Bonds, rather than the AA-credit rating of the Revenue Bonds, the City was able to lower the interest costs to the Utility funds. As such, this budget proposes to transfer \$265,251 in interest cost savings from the utility funds to the Street Improvement Fund in FY 2012-13.

In addition, the proposed FY 2012-13 budget includes three new FTEs for maintenance positions and a crew foreman. These positions will be used to provide enhanced street maintenance services to the community. For FY 2012-13, revenues and expenditures are budgeted to be \$7,158,774. This level of expenditures represents all street operations that were previously recorded in the General Fund prior to FY 2011-12. Of this amount, approximately \$4.2 million in funding is dedicated to street maintenance activities and this represents an increase of 18.7% compared with FY 2011-12 funding. As discussed previously, the City needs to be spending approximately \$10.0 million each year on street maintenance to avoid further deterioration of the overall street condition in the City.

The chart below depicts the recommended increases in street maintenance funding over the next five fiscal years.

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
FY 2010-11 Budget	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
Bond Sale Savings	\$265,251	\$413,780	\$639,309	\$764,618	\$853,364
Franchise Fee Growth **	\$1,141,765	\$1,732,638	\$2,362,582	\$3,342,230	\$3,948,270
Annual Funding	\$4,207,016	\$4,946,418	\$5,801,891	\$6,906,848	\$7,601,634
Cumulative Funding	\$4,207,016	\$9,153,434	\$14,955,325	\$21,862,173	\$29,463,807

\*\* Includes 100% of the growth in franchise fees compared to the FY 2010-11 Budget in FY 2012-13 and subsequent years.

### DOWNTOWN TAX INCREMENT FINANCING FUND

The Downtown Tax Increment Fund (TIF) was a newly created fund in FY 2011-12 through Ordinance No. 2010-316, which was adopted on December 7, 2010. The fund accounts for the tax revenues that are collected above the FY 2010-11 levels in the downtown area. The base value for the TIF is \$79,356,854, and the certified value for FY 2012-13 is \$89,605,635, which represents an increase of 12.9% or \$10,248,781. For FY 2012-13, revenues of \$70,691 are included. No expenditures have been identified by the TIF board at this time.

### TOURIST AND CONVENTION FUND

The Tourist and Convention Fund records the receipt and distribution of the City's Hotel Occupancy Tax, which is levied at 7% of room rental rates. The City Council Hotel Occupancy Tax Committee is responsible for determining a recommendation on the allocation of funds annually. The Committee has recommended allocations for FY 2012-13 based on the most recent hotel occupancy tax forecast. The recommendation for funding is included in the Proposed Budget.

A joint partnership with the University of North Texas and a private developer to build and operate a convention center is also under consideration. To provide financial capacity for expenses associated with this project, \$100,000 is budgeted for contingency purposes.

### RISK RETENTION FUND

The Risk Retention Fund is established to record the activities of providing insurance coverage and self-funded activities for City operations including vehicle, property, general liability and workers compensation claims. An appraisal of City property will be funded from FY 2011-12 budget savings.

## HEALTH INSURANCE FUND

When the City switched to a self-funded health insurance plan in 2008, long-term savings were projected for the Health Insurance Fund. While the self-funded program has provided considerable savings as expected (an estimated \$4.9 million through 2011), the rising cost of health care continues to be a concern.

In an effort to address those rising costs, the City opened the Employee Health Center (clinic) in December 2011. This clinic provides primary care benefits at no cost to our employees, retirees, and dependents that are covered under the City's self-funded program. As of July 20, 2012, 3,277 patient appointments have been provided and 743 employees have completed a Health Risk Assessment (HRA) at the clinic. The HRA includes a comprehensive blood draw and a 40 minute follow-up appointment with the clinic physician.

Staff will be bringing forward a budget amendment for this fund to the Audit and Finance Committee on August 7, 2012, and a subsequent City Council meeting. Health claim costs have been higher than projected this fiscal year. At this time, staff is estimating that total health insurance expenses will be \$1,428,251 more than the budgeted amount. There are many factors that contribute to this increase including fees related to United Healthcare's administration of our self-funded health plan, discovery of previously undiagnosed conditions by our employees due to the completed HRAs, and more claims over \$25,000 than in the prior year.

Staff is currently evaluating employee/retiree rate and plan design changes that may be necessary for FY 2012/2013. We are uncertain whether an increase in employee premiums or changes to benefit design will be needed, but a 6% increase to the City contribution is necessary.

## MATERIALS MANAGEMENT FUND

The Materials Management Fund is comprised of purchasing and warehouse operations. Materials Management is an internal service fund responsible for procuring goods and services for City departments, which is regulated by local, state and federal law. The department is also responsible for the warehousing of materials and supplies necessary for City departments to serve the community. To assist with administrative duties, a temporary administrative support position has been recommended. In addition, a Senior Buyer position has been proposed in the FY 2012-13 Proposed Budget. This position will be primarily responsible for assisting with purchasing tasks associated with the enhanced Denton Municipal Electric capital improvement program which was discussed previously.

## FLEET MANAGEMENT FUND

The Fleet Management Fund reflects the costs for providing vehicle maintenance and equipment-related support services to City departments. This internal service fund is comprised of four functional areas, including vehicle maintenance, fuel purchasing, vehicle parts contract and motor pool administration. Compared to FY 2011-12, the Fleet Management Fund reflects a decrease of 9.0 FTEs and associated funding for a planned joint use maintenance agreement with the Denton County Transportation Authority (DCTA). Since contract negotiations were not successful, these costs have been removed for FY 2012-13. Additionally, two new vehicles are recommended to be purchased from FY 2011-12 savings. These vehicles will be rented to city departments among other uses.



## TECHNOLOGY SERVICES FUND

The Technology Services Fund reflects the costs for providing technology support services to the various City departments. This internal service fund is comprised of seven separate functional areas, including administration, telecommunications, geographic information systems, application development, user support, public safety support, reprographics, and regulatory compliance.

With the multitude of technology devices used by the public safety group, it has become necessary to devote personnel focused solely on police and fire needs. As such, the addition of two FTEs is included in the FY 2012-13 Proposed Budget to provide technical support for these operations.

## RECREATION FUND

The Recreation Fund includes fee-based recreation programs and activities that are self-supporting. Fees that are charged recover the costs associated with the programs they support. Funding is included for software for transactions at the Water Park and concession stands, recreation equipment, and golf driving range improvements. Additionally, a Customer Service Representative and Recreation Coordinator are proposed to again be funded from the Recreation Fund in FY 2012-13.

## POLICE CONFISCATION FUND

The Police Confiscation Fund was established to record the receipt of confiscated contraband and the expenditures funded by that revenue as approved by the courts. Expenditures in this fund include \$155,000 for facility upgrades and a new security system for the jail.

## TRAFFIC SAFETY FUND

The Traffic Safety Fund is comprised of revenues and expenditures associated with the red light enforcement cameras. The City operated red light enforcement cameras at various intersections across the City. The fine revenue derived from violations has been earmarked for public safety and new traffic safety enhancements.

## AIRPORT FUND

The Airport Fund was first established in FY 2010-11 and is a self-sustaining enterprise. The fund is comprised of both operating expenses for the Airport and Airport Gas Well revenues. New expenditures for the Airport Fund include a grant match for the Routine Airport Maintenance Program (RAMP) (\$50,000), the addition of a Property Coordinator position (\$76,211), various road improvement projects (\$250,000) and Airport improvement projects (\$750,000). In addition, the Proposed Budget includes the issuance of \$2,000,000 in Certificates of Obligation (COs) for planned property acquisitions at the Airport.

## SPECIAL REVENUE FUNDS

The Tree Mitigation Fund is used to purchase, plant and maintain trees on public property. While no exact cost information is available at this time, a citizens committee is currently exploring potential expenses in the upcoming year. Accordingly, \$50,000 is programmed for contingency purposes.

The Public Education Government (PEG) Fund provides for the acquisition of production equipment, capital and other lawful PEG purposes. PEG fees are remitted to the city on a quarterly basis. Resources are

programmed to support four public education government channels for the University of North Texas, Texas Woman's University, Denton Independent School District and Public Access.

The McKenna Trust Fund is used to account for interest received from the George McKenna Trust, which was established in 1958 and currently is managed by JP Morgan Chase Bank. One half of the net income from this trust is distributed to Cook Children's Hospital in Fort Worth and one half of the net income is distributed to the City of Denton for use only in maintaining, developing, preserving, and improving the George McKenna Park in the City.

Periodically the City receives donations from the community for special purposes. The Miscellaneous Special Revenue Fund consists of separate donation collections for the police department, fire department and animal control. Revenue and expenses for these funds will be represented individually for budgeting purposes.

The Parks Land Dedication and Development Trust Funds are funds received from developers which provide for neighborhood parks and projects within ½ to 1 mile radius of the development or platting. Because of the specific use of these funds, projects planned for next fiscal year are concentrated in neighborhood park areas in the community. The Park Land Dedication funds will be used on Owsley Park, Milam Park, Carl Young Park and Mack Park. The Park Development Trust funds include neighborhood park development at Owsley Park, McKamy-Evers Park, and North Pointe Park.

### GAS WELL FUNDS

The City has three gas well funds: Parks Gas Well Fund, Airport Gas Well Fund, and the Non-Airport Gas Well Fund.

The City currently has several producing gas wells located on City owned property and throughout the community. Because gas well revenue is considered a short-term resource, the expenditures programmed from these funds for FY 2012-13 will be used to fund one-time needs. These expenditures are consistent with a City Council established policy that royalty, pooling and lease revenue from gas wells not be used to fund on-going operational expenses.

In FY 2012-13, the Non-Airport Gas Well Fund includes \$40,000 for expenses associated with a planned property acquisition.

The Parks Gas Well Fund will use \$800,000 for property acquisition at North Lakes Park (\$500,000), construction at the golf driving range (\$200,000), and construction of an adult soccer field (\$100,000).

As mentioned previously, the Airport Gas Well Fund is reported as part of the Airport Fund which was established in FY 2010-11.

## Human Services Advisory Committee Funding Recommendation

Agency	2011-12 Approved CDBG and General Fund Contributions	2012-13 Requested	2012-13 Recommendation	
			CDBG	General Fund
Camp Summit	2,000	20,000		2,000
Court Appointed Special Advocates (CASA)	9,500	15,000		10,000
City of Denton - PARKS - MLK Program	12,000	37,599	15,000	
Communities in Schools	7,000	15,000		8,000
Day Stay for Adults	5,100	10,000		5,100
Denton Christian Preschool	22,056	22,500		22,500
Denton City County Day School	26,550	35,000	31,520	
Health Services of North Texas (formerly AIDS Services of North TX)	21,990	57,500	26,519	
Denton County Friends of the Family	24,940	30,000	25,000	
Family Health Care, Inc	19,000	19,000	19,000	
Fred Moore Day Nursery	23,556	50,000		35,000
HOPE, Inc., - Transitional Housing	20,930	24,000		24,000
HOPE, Inc., - HMIS	18,000	18,000		18,000
PediPlace	-	10,000		4,480
Retired Senior Volunteer Program (RSVP)	7,900	10,000		10,000
Salvation Army	-	20,000		20,000
Special Programs for Aging Needs (SPAN)	21,000	21,000	10,080	10,920
<b>SUBTOTAL</b>	<b>241,522</b>	<b>414,599</b>	<b>127,119</b>	<b>170,000</b>
<b>Administrative Support Costs</b>	<b>221,560</b>			<b>232,565</b>
<b>TOTAL</b>	<b>\$ 463,082</b>	<b>\$ 414,599</b>	<b>\$ 127,119</b>	<b>\$ 402,565</b>

Funding for the Children's Advocacy Center has been recommended at \$101,210 (the fair share amount) and is reflected in the Police Department FY 2012-13 budget.

**GENERAL FUND  
2012-13 Five Year Forecast  
Major Assumptions**

Revenue	2012-13	2013-14	2014-15	2015-16	2016-17
Property Tax Growth	4.75%	3%	4%	4%	4%
Tax Rate - O&M	\$ 0.47088	\$ 0.47088	\$ 0.47088	\$ 0.48088	\$ 0.48088
Tax Rate - Debt	\$ 0.21887	\$ 0.21887	\$ 0.21887	\$ 0.21887	\$ 0.21887
Property Tax Increase*	\$ -	\$ -	\$ 0.01000	\$ -	\$ -
<b>Total Tax Rate</b>	<b>\$ 0.68975</b>	<b>\$ 0.68975</b>	<b>\$ 0.69975</b>	<b>\$ 0.69975</b>	<b>\$ 0.69975</b>
Sales Tax Growth	3%	3%	3%	3%	3%
Fund Balance	20%	20%	20%	20%	20%

\* Potential Property Tax Increase in FY 2014-15.

Expenditures	2012-13	2013-14	2014-15	2015-16	2016-17
Compensation	Equity adjustments Non-Civil Service Employees; STEP increases for Police and Fire Civil Service employees, Plus 3% Merit for all Employees (3% pay adjustment for Civil Service)	3% Merit	3% Merit	3% Merit	3% Merit
Health Insurance	6% Self-Insured	6% Self-Insured	6% Self-Insured	6% Self-Insured	6% Self-Insured
Vehicle Replacements	Bond Funded	Bond Funded	Bond Funded	Bond Funded	Bond Funded
Service Enhancements	Traffic, Parks, Police, Fire, Animal Services, Facilities, Library, Planning	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

## General Fund 2012-13 Five Year Forecast (in millions)

	Estimated 2011-12	Proposed 2012-13	Proposed 2013-14	Proposed 2014-15	Proposed 2015-16	Proposed 2016-17
<b>BEGINNING FUND BALANCE</b>	\$ 24.42	\$ 25.75	\$ 25.09	\$ 23.33	\$ 21.41	\$ 20.27
<b>REVENUES</b>	\$ 88.90	\$ 93.66	\$ 96.77	\$ 99.68	\$ 103.21	\$ 106.40
<b>PROPOSED \$0.01 TAX INCREASE</b>				\$ 0.72	\$ 0.75	\$ 0.78
<b>TOTAL REVENUES</b>	\$ 88.90	\$ 93.66	\$ 96.77	\$ 100.40	\$ 103.96	\$ 107.18
<b>TOTAL AVAILABLE RESOURCES</b>	\$ 113.32	\$ 119.41	\$ 121.86	\$ 123.73	\$ 125.37	\$ 127.45
<b>EXPENDITURES</b>	\$ 87.57	\$ 94.32	\$ 97.53	\$ 100.57	\$ 102.60	\$ 105.82
<b>ONE-TIME EXPENSES</b>		\$ -	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
<b>FUTURE RECURRING EXPENSES</b>		\$ -	\$ 0.75	\$ 1.50	\$ 2.25	\$ 3.00
<b>TOTAL EXPENDITURES</b>	\$ 87.57	\$ 94.32	\$ 98.53	\$ 102.32	\$ 105.10	\$ 109.07
<b>NET INCOME (LOSS)</b>	\$ 1.33	\$ (0.66)	\$ (1.76)	\$ (1.92)	\$ (1.14)	\$ (1.89)
<b>ENDING FUND BALANCE</b>	\$ 25.75	\$ 25.09	\$ 23.33	\$ 21.41	\$ 20.27	\$ 18.38
<b>EFFECTIVE FUND BALANCE</b>	29.1%	26.6%	23.7%	20.9%	19.3%	16.8%
<b>RESERVE TARGET (percent)</b>	20%	20%	20%	20%	20%	20%

**WATER**  
**2012-13 Five Year Forecast (in millions)**

	2011-12 Estimate	2012-13 Proposed	2013-14 Proposed	2014-15 Proposed	2015-16 Proposed	2016-17 Proposed
<b>BEGINNING FUND BALANCE</b>	\$12.7	\$13.5	\$12.6	\$12.4	\$12.1	\$12.5
<b>REVENUES</b>	\$38.6	\$43.0	\$43.8	\$47.5	\$49.7	\$52.2
<b>TOTAL RESOURCES AVAILABLE</b>	\$51.3	\$56.5	\$56.4	\$59.9	\$61.8	\$64.7
<b>OPERATING EXPENDITURES</b>	\$37.8	\$43.0	\$43.8	\$47.5	\$49.3	\$51.7
<b>PLANNED RESERVE EXPENDITURES</b>	\$0.0	\$0.9	\$0.2	\$0.3	\$0.0	\$0.0
<b>TOTAL EXPENDITURES</b>	\$37.8	\$43.9	\$44.0	\$47.8	\$49.3	\$51.7
<b>NET INCOME (LOSS)</b>	\$0.8	(\$0.9)	(\$0.2)	(\$0.3)	\$0.4	\$0.5
<b>WORKING CAPITAL BALANCE (Target 30 Days - 8% Exp)</b>	\$3.0	\$3.5	\$3.5	\$3.8	\$4.0	\$4.1
<b>RATE STABILIZATION BALANCE (Target 60 days - 16% Exp)</b>	\$10.5	\$9.1	\$8.9	\$8.3	\$8.5	\$8.9
<b>TOTAL ENDING FUND BALANCE</b>	\$13.5	\$12.6	\$12.4	\$12.1	\$12.5	\$13.0
<b>WORKING CAPITAL BALANCE % OF EXPENSES</b>	8.0%	8.0%	8.0%	8.0%	8.1%	8.0%
<b>RATE STABILIZATION BALANCE % OF EXPENSES</b>	27.7%	20.7%	20.2%	17.4%	17.2%	17.2%
<b>PROPOSED RATE INCREASES</b>		8.0%	5.0%	5.0%	5.0%	4.0%

**Note: Fund Balance excludes Development Plan Line and Impact Fee Reserves.**

## WASTEWATER

2012-13 Five Year Forecast (in millions)

	2011-12 Estimate	2012-13 Proposed	2013-14 Proposed	2014-15 Proposed	2015-16 Proposed	2016-17 Proposed
<b>BEGINNING FUND BALANCE</b>	\$8.8	\$9.4	\$8.9	\$8.4	\$8.0	\$8.2
<b>REVENUES</b>	\$25.0	\$27.8	\$29.8	\$32.1	\$34.5	\$35.4
<b>TOTAL RESOURCES AVAILABLE</b>	\$33.8	\$37.2	\$38.7	\$40.5	\$42.5	\$43.6
<b>OPERATING EXPENDITURES</b>	\$24.4	\$27.8	\$29.8	\$32.1	\$34.3	\$34.9
<b>PLANNED RESERVE EXPENDITURES</b>	\$0.0	\$0.5	\$0.5	\$0.4	\$0.0	\$0.0
<b>TOTAL EXPENDITURES</b>	\$24.4	\$28.3	\$30.3	\$32.5	\$34.3	\$34.9
<b>NET INCOME (LOSS)</b>	\$0.6	(\$0.5)	(\$0.5)	(\$0.4)	\$0.2	\$0.5
<b>WORKING CAPITAL BALANCE (Target 30 Days - 8% Exp)</b>	\$2.0	\$2.3	\$2.4	\$2.6	\$2.8	\$2.8
<b>RATE STABILIZATION BALANCE (Target 45 days - 12% Exp)</b>	\$6.4	\$5.6	\$5.0	\$4.4	\$4.4	\$4.9
<b>DRAINAGE RESERVE</b>	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
<b>TOTAL ENDING FUND BALANCE</b>	\$9.4	\$8.9	\$8.4	\$8.0	\$8.2	\$8.7
<b>WORKING CAPITAL BALANCE % OF EXPENSES</b>	8.2%	8.1%	8.0%	8.0%	8.2%	8.0%
<b>RATE STABILIZATION BALANCE % OF EXPENSES</b>	26.2%	19.8%	16.5%	13.5%	12.8%	14.0%
<b>PROPOSED RATE INCREASES</b>		9.0%	9.0%	8.0%	8.0%	3.0%

**Note: Fund Balance excludes Development Plan Line and Impact Fee Reserves.**

**SOLID WASTE**  
2012-2013 Five Year Forecast (in millions)

	2011-12 Estimate	2012-13 Proposed	2013-14 Proposed	2014-15 Proposed	2015-16 Proposed	2016-17 Proposed
<b>BEGINNING FUND BALANCE</b>	\$3.1	\$3.1	\$3.1	\$3.0	\$3.1	\$3.1
<b>REVENUES</b>	\$22.8	\$25.1	\$26.4	\$27.7	\$28.6	\$29.7
<b>TOTAL RESOURCES AVAILABLE</b>	\$25.9	\$28.2	\$29.5	\$30.7	\$31.7	\$32.8
<b>OPERATING EXPENDITURES</b>	\$22.8	\$25.1	\$26.4	\$27.6	\$28.6	\$29.7
<b>PLANNED RESERVE EXPENDITURES</b>	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
<b>TOTAL EXPENDITURES</b>	\$22.8	\$25.1	\$26.5	\$27.6	\$28.6	\$29.7
<b>NET INCOME (LOSS)</b>	\$0.0	\$0.0	(\$0.1)	\$0.1	\$0.0	\$0.0
<b>Working Capital Balance (Target 30 days 8% Exp)</b>	\$ 1.8	\$ 2.0	\$ 2.1	\$ 2.2	\$ 2.3	\$ 2.4
<b>Rate Stabilization Balance (Target 15 days 4% Exp)</b>	\$ 1.3	\$ 1.1	\$ 0.9	\$ 0.9	\$ 0.8	\$ 0.7
<b>Total Ending Fund Balance</b>	\$ 3.1	\$ 3.1	\$ 3.0	\$ 3.1	\$ 3.1	\$ 3.1
<b>WORKING CAPITAL BALANCE % OF EXPENSES</b>	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
<b>RATE STABILIZATION BALANCE % OF EXPENSES</b>	5.7%	4.4%	3.4%	3.3%	2.8%	2.4%
<b><u>PROPOSED RATE INCREASES</u></b>						
<b>RESIDENTIAL REFUSE (Large cart)</b>	\$ 21.95	\$ 24.20	\$ 25.65	\$ 26.45	\$ 26.95	\$ 27.45
<b>RESIDENTIAL REFUSE (Standard cart)</b>	\$ 19.25	\$ 20.10	\$ 20.75	\$ 21.25	\$ 21.75	\$ 22.25
<b>RESIDENTIAL REFUSE (Small cart)</b>	\$ 17.10	\$ 19.10	\$ 19.75	\$ 20.25	\$ 20.75	\$ 21.25
<b>RESIDENTIAL RECYCLING</b>	\$ 5.15	\$ 5.15	\$ 5.40	\$ 5.50	\$ 5.55	\$ 5.65
<b>COMMERCIAL (Average)</b>	3.9%	5.1%	3.7%	3.5%	3.0%	3.1%

Note: Fund Balance Excludes the Landfill Closure/Post Closure Reserve.





*City of Denton, Texas*  
*Proposed Annual Program of Services*

**BUDGET RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
General Fund	\$ 90,241,068	\$ 88,462,750	\$ 88,902,107	\$ 94,320,286
General Debt Service Fund	31,361,366	39,575,035	39,240,749	40,462,208
Electric Fund	131,797,060	142,027,668	131,620,878	158,987,525
Water Fund	39,955,662	38,740,430	38,551,368	43,867,930
Wastewater Fund	23,456,113	25,105,047	24,996,509	28,252,407
Solid Waste Fund	21,203,005	23,073,303	22,840,671	25,147,589
Airport Fund	11,923,294	2,170,000	1,885,544	2,492,925
Technology Services Fund	6,619,733	8,025,502	8,023,532	8,972,973
Materials Management Fund	8,944,927	6,102,754	5,400,015	7,438,866
Fleet Management Fund	9,139,046	13,277,347	10,733,185	12,867,975
Risk Retention Fund	2,835,622	2,731,038	2,570,027	2,719,945
Health Insurance Fund	17,757,006	18,524,862	19,953,113	21,812,160
Street Improvement Fund	-	7,066,972	7,322,553	7,158,774
Recreation Fund	1,426,681	1,605,351	1,530,496	1,950,348
Tourist & Convention Fund	1,513,468	1,461,103	1,508,740	1,508,740
Police Confiscation Fund	112,253	216,748	121,146	185,500
Traffic Safety Fund	668,227	385,000	895,316	913,200
Non-Airport Gas Well Fund	392,900	1,600,000	1,600,000	40,000
Parks Gas Well Fund	474,881	350,000	416,610	800,000
Miscellaneous Funds <sup>(1)</sup>	1,285,342	968,049	1,331,596	944,191
<b>TOTAL OPERATING RESOURCES</b>	<b>\$ 401,107,654</b>	<b>\$ 421,468,959</b>	<b>\$ 409,444,155</b>	<b>\$ 460,843,542</b>
Grant Program	6,657,580	7,074,219	2,640,594	6,296,010
Capital Improvements Program <sup>(2)</sup>	51,671,497	162,714,356	57,067,945	278,909,663
<b>TOTAL RESOURCES</b>	<b>\$ 459,436,731</b>	<b>\$ 591,257,534</b>	<b>\$ 469,152,694</b>	<b>\$ 746,049,215</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
General Fund	\$ 87,343,844	\$ 88,462,750	\$ 87,578,132	\$ 94,320,286
General Debt Service Fund	31,361,366	39,075,952	38,925,663	39,913,999
Electric Fund	122,320,215	140,391,103	131,620,878	158,987,525
Water Fund	35,610,365	38,740,430	37,833,377	43,867,930
Wastewater Fund	22,559,372	24,801,568	24,362,108	28,252,407
Solid Waste Fund	20,824,008	22,904,336	22,814,999	25,124,689
Airport Fund	1,818,493	1,669,896	1,622,663	2,492,925
Technology Services Fund	6,619,733	8,025,502	8,023,532	8,972,973
Materials Management Fund	8,944,927	6,102,754	5,400,015	7,438,866
Fleet Management Fund	9,139,046	13,269,934	10,680,832	12,819,861
Risk Retention Fund	2,172,300	2,731,038	2,570,027	2,719,945
Health Insurance Fund	17,206,842	18,524,862	19,953,113	21,812,160
Street Improvement Fund	-	6,145,193	6,143,594	7,158,774
Recreation Fund	1,426,681	1,605,351	1,530,496	1,950,348
Tourist & Convention Fund	1,250,249	1,315,360	1,315,360	1,508,740
Police Confiscation Fund	73,114	207,000	121,000	155,000
Traffic Safety Fund	668,227	377,000	837,884	896,505
Non-Airport Gas Wells Fund	392,900	1,600,000	1,600,000	40,000
Parks Gas Well Fund	53,000	350,000	350,000	800,000
Miscellaneous Funds <sup>(1)</sup>	700,472	939,605	882,490	554,427
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 370,485,154</b>	<b>\$ 417,239,634</b>	<b>\$ 404,166,163</b>	<b>\$ 459,787,360</b>
Grant Program	6,657,580	7,074,219	2,640,594	6,296,010
Capital Improvements Program <sup>(2)</sup>	51,671,497	162,714,356	57,067,945	278,909,663
<b>TOTAL EXPENDITURES</b>	<b>\$ 428,814,231</b>	<b>\$ 587,028,209</b>	<b>\$ 463,874,702</b>	<b>\$ 744,993,033</b>

<sup>(1)</sup>Miscellaneous Funds include the Tree Mitigation Fund, Public Education Government Fund, McKenna Trust Fund, Downtown Tax Increment Financing Fund, Miscellaneous Special Revenue Funds, Park Land Dedication Trust Fund, and Park Development Trust Fund.

<sup>(2)</sup>FY 2012-13 Proposed Budget includes approximately \$91 million in Regional Toll Revenue (RTR) funds received for the Mayhill Road and Bonnie Brae Street expansion projects.

**BUDGET SUMMARY**  
**EXPENDITURES BY CLASSIFICATION**  
**2012-13**

CATEGORY	GENERAL						
	GENERAL	DEBT SERVICE	ELECTRIC	WATER	WASTEWATER	SOLID WASTE	AIRPORT
Personal Services	\$ 68,925,863	\$ -	\$ -	\$ 11,049,920	\$ 6,910,361	\$ 8,398,223	\$ 503,380
Purchased Power	-	-	100,928,672	1,595,500	821,000	-	-
Materials & Supplies	2,033,820	-	-	1,694,929	910,128	292,644	46,725
Maintenance & Repair	2,406,079	-	-	1,243,446	1,287,347	455,675	78,997
Insurance	1,029,951	-	-	203,693	135,833	168,962	18,563
Miscellaneous	1,015,319	-	21,717,613	99,548	44,381	60,322	1,500
Operations	12,111,587	-	25,890,126	2,624,276	2,315,667	6,242,914	219,388
Fixed Assets	787,953	-	-	42,000	10,000	370,000	-
Return on Investment	-	-	4,303,400	1,140,060	762,650	-	-
Franchise Fees	-	-	6,147,714	1,618,168	1,089,501	1,241,561	36,071
Debt Service	-	39,913,999	-	13,209,294	6,751,660	5,378,055	226,648
Inventory Purchases	-	-	-	-	-	-	-
Transfers	6,009,714	-	-	9,347,096	7,213,879	2,516,333	1,361,653
<b>TOTAL</b>	<b>\$ 94,320,286</b>	<b>\$ 39,913,999</b>	<b>\$ 158,987,525</b>	<b>\$ 43,867,930</b>	<b>\$ 28,252,407</b>	<b>\$ 25,124,689</b>	<b>\$ 2,492,925</b>

\* Other Funds include the Police Confiscation Fund, the Tourist & Convention Fund, the Traffic Safety Fund, the Non-Airport Gas Well Fund, the Parks Gas Well Fund, the Tree Mitigation Fund, the PEG Fund, the McKenna Trust Fund, the Miscellaneous Special Revenue Funds, the Park Development Trust Fund, the Recreation Fund, and the Park Land Dedication Trust Fund.

**BUDGET SUMMARY**  
**EXPENDITURES BY CLASSIFICATION**  
**2012-13**

<b>TECHNOLOGY SERVICES</b>	<b>MATERIALS MANAGEMENT</b>	<b>FLEET MANAGEMENT</b>	<b>RISK RETENTION</b>	<b>HEALTH INSURANCE</b>	<b>STREET IMPROVEMENT FUND</b>	<b>OTHER FUNDS *</b>	<b>TOTAL</b>
\$ 2,931,736	\$ 1,122,540	\$ 1,742,128	\$ 554,893	\$ -	\$ 2,141,141	\$ 654,658	\$ 104,934,843
-	-	-	-	-	-	-	103,345,172
386,219	28,353	155,220	9,500	-	67,706	601,707	6,226,951
2,604,342	9,652	96,000	148,000	-	4,257,024	216,954	12,803,516
24,463	17,357	83,652	1,205,650	21,812,160	47,751	20,434	24,768,469
-	1,000	1,250,000	226,000	-	6,000	-	24,421,683
1,370,878	81,230	3,184,210	351,236	-	557,647	3,959,436	58,908,595
612,122	-	-	-	-	-	300,000	2,122,075
-	-	-	-	-	-	-	6,206,110
-	-	-	-	-	-	-	10,133,015
246,369	45,287	258,185	-	-	-	-	66,029,497
-	5,334,970	5,500,150	-	-	-	-	10,835,120
796,844	798,477	550,316	224,666	-	81,505	151,831	29,052,314
<b>\$ 8,972,973</b>	<b>\$ 7,438,866</b>	<b>\$ 12,819,861</b>	<b>\$ 2,719,945</b>	<b>\$ 21,812,160</b>	<b>\$ 7,158,774</b>	<b>\$ 5,905,020</b>	<b>\$ 459,787,360</b>

**PROJECTED APPROPRIABLE FUND BALANCES  
2012-13**

	APPROPRIABLE FUND BALANCE <sup>(1)</sup> 10-1-11	ESTIMATED REVENUES 2011-12	ESTIMATED EXPENDITURES 2011-12
General Fund	\$ 24,424,003	\$ 88,902,107	\$ 87,578,132
General Debt Service Fund	3,279,080	39,240,749	38,925,663
<b>Enterprise Funds</b>			
Electric Fund	87,163,325	131,327,928	131,620,878
Water Fund <sup>(2)</sup>	12,720,934	38,551,368	37,833,377
Wastewater Fund <sup>(2)</sup>	8,775,491	24,996,509	24,362,108
Solid Waste Fund <sup>(3)</sup>	3,145,136	22,840,671	22,814,999
Airport Fund	6,099,605	1,885,544	1,622,663
Enterprise Funds Subtotal	117,904,491	219,602,020	218,254,025
<b>Internal Service Funds</b>			
Technology Services Fund	684,249	7,864,955	8,023,532
Materials Management Fund	1,171,655	5,343,699	5,400,015
Fleet Management Fund	295,977	10,733,185	10,680,832
Risk Retention Fund	8,424,860	2,542,214	2,570,027
Health Insurance Fund	4,536,722	18,887,930	19,953,113
Internal Service Funds Subtotal	15,113,463	45,371,983	46,627,519
<b>Special Revenue Funds</b>			
Street Improvement Fund	-	7,322,553	6,143,594
Recreation Fund	596,338	1,463,343	1,530,496
Tourist & Convention Fund	538,294	1,508,740	1,315,360
Police Confiscation Fund	152,975	121,146	121,000
Traffic Safety Fund	234,087	895,316	837,884
Non-Airport Gas Wells Fund	1,633,551	3,500	1,600,000
Parks Gas Wells Fund	761,256	416,610	350,000
Tree Mitigation Fund	831,379	305,500	5,288
Public Education Government Fund	472,103	285,000	272,927
McKenna Trust Fund	44,031	3,000	34,275
Park Land Dedication Trust Fund	1,524,202	179,200	330,000
Park Development Trust Fund	3,181,789	120,950	215,000
Downtown Tax Increment Financing Fund	-	15,871	-
Miscellaneous Special Revenue Funds	44,756	24,600	25,000
Special Revenue Funds Subtotal	10,014,761	12,665,329	12,780,824
<b>TOTAL</b>	<b>\$ 170,735,798</b>	<b>\$ 405,782,188</b>	<b>\$ 404,166,163</b>

<sup>(1)</sup> Appropriable fund balance reflects working capital available for appropriation.

<sup>(2)</sup> Excludes Development Plan Line reserves (\$1,000,000) for each Water and Wastewater and Impact Fee reserves for Water (\$2,756,549) and Wastewater (\$1,949,310).

<sup>(3)</sup> Excludes Closure/Post Closure reserves (\$5,385,000).

**PROJECTED APPROPRIABLE FUND BALANCES  
2012-13**

PROJECTED APPROPRIABLE FUND BALANCE <sup>(1)</sup> 9-30-12	PROPOSED BUDGETED REVENUES 2012-13	PROPOSED BUDGETED EXPENDITURES 2012-13	PROJECTED APPROPRIABLE FUND BALANCE <sup>(1)</sup> 9-30-13
\$ 25,747,978	\$ 93,655,392	\$ 94,320,286	\$ 25,083,084
3,594,166	40,462,208	39,913,999	4,142,375
86,870,375	142,741,301	158,987,525	70,624,151
13,438,925	42,964,597	43,867,930	12,535,592
9,409,892	27,776,462	28,252,407	8,933,947
3,170,808	25,147,589	25,124,689	3,193,708
6,362,486	2,101,802	2,492,925	5,971,363
119,252,486	240,731,751	258,725,476	101,258,761
525,672	8,794,170	8,972,973	346,869
1,115,339	7,044,192	7,438,866	720,665
348,330	12,867,975	12,819,861	396,444
8,397,047	2,626,390	2,719,945	8,303,492
3,471,539	20,420,043	21,812,160	2,079,422
13,857,927	51,752,770	53,763,805	11,846,892
1,178,959	7,158,774	7,158,774	1,178,959
529,185	1,762,631	1,950,348	341,468
731,674	1,508,740	1,508,740	731,674
153,121	185,500	155,000	183,621
291,519	913,200	896,505	308,214
37,051	2,949	40,000	-
827,866	228,500	800,000	256,366
1,131,591	205,500	50,000	1,287,091
484,176	288,000	154,427	617,749
12,756	3,000	10,000	5,756
1,373,402	209,000	200,000	1,382,402
3,087,739	121,000	100,000	3,108,739
15,871	70,691	-	86,562
44,356	35,000	40,000	39,356
9,899,266	12,692,485	13,063,794	9,527,957
\$ 172,351,823	\$ 439,294,606	\$ 459,787,360	\$ 151,859,069

**POSITION SUMMARY**  
**2012-13**

<b>PERSONNEL</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>
<b>Full Time Equivalents (FTE)</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ESTIMATE</b>	<b>PROPOSED</b>
Neighborhood Services	227.81	228.81	227.31	234.58
Public Safety	406.98	407.98	408.98	418.48
Transportation	39.00	14.00	14.00	14.00
Administrative & Community Services	85.50	88.00	87.75	89.75
<b>TOTAL GENERAL FUND</b>	<b>759.29</b>	<b>738.79</b>	<b>738.04</b>	<b>756.81</b>

<b>PERSONNEL</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>
<b>Full Time Equivalents (FTE)</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ESTIMATE</b>	<b>PROPOSED</b>
Electric Fund	129.50	131.50	131.50	143.00
Water Fund	157.50	158.00	158.00	161.00
Wastewater Fund	88.37	92.37	92.37	95.25
Solid Waste Fund	98.50	105.50	105.50	110.50
Airport Fund	5.00	5.00	5.50	6.50
Street Improvement Fund	-	27.00	27.00	30.00
Technology Services Fund	27.00	27.00	27.00	29.00
Materials Management Fund	13.50	12.00	12.00	13.00
Fleet Management Fund	21.00	31.00	22.00	22.00
Risk Retention Fund	5.00	6.00	6.00	6.00
Recreation Fund	24.27	24.27	24.27	24.27
Public Education Government Fund	1.50	-	-	-
Community Development Block Grant Prog.	6.00	5.00	5.00	5.00
<b>TOTAL OTHER FUNDS</b>	<b>577.14</b>	<b>624.64</b>	<b>616.14</b>	<b>645.52</b>
<b>TOTAL ALL FUNDS</b>	<b>1,336.43</b>	<b>1,363.43</b>	<b>1,354.18</b>	<b>1,402.33</b>

**GENERAL FUND  
RESOURCE SUMMARY  
2012-13**

<b>DESCRIPTION</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Current Year Ad Valorem	\$ 29,654,055	\$ 30,183,756	\$ 30,183,756	\$ 31,579,391
Delinquent Ad Valorem	259,749	416,745	349,000	359,470
Current Year - Penalties and Interest	183,511	230,496	165,000	169,950
Prior Year - Penalties and Interest	124,521	149,205	149,205	153,681
Rendition Penalties	17,913	22,638	22,638	23,317
<b>Ad Valorem Taxes</b>	<b>\$ 30,239,749</b>	<b>\$ 31,002,840</b>	<b>\$ 30,869,599</b>	<b>\$ 32,285,809</b>
Sales Tax	\$ 22,871,281	\$ 23,446,578	\$ 25,655,444	\$ 26,466,107
<b>Sales Tax</b>	<b>\$ 22,871,281</b>	<b>\$ 23,446,578</b>	<b>\$ 25,655,444</b>	<b>\$ 26,466,107</b>
Franchise - Atmos Gas	\$ 1,145,119	\$ 677,636	\$ 677,636	\$ 640,389
Franchise - Charter Communications	398,105	219,865	219,865	218,852
Franchise - CoServ Electric	219,071	113,984	113,984	123,104
Franchise - TXU Electric	72,801	42,556	42,556	40,217
Franchise - CoServ Gas	152,783	84,446	84,446	83,711
Franchise - Miscellaneous Cable	54,235	25,000	25,000	27,357
ROW - DISD Fiber	27,500	15,921	15,921	14,751
Franchise - Verizon Telecommunications	617,913	413,609	413,609	305,750
Franchise - Verizon -Cable	1,008,066	480,773	480,773	574,487
Franchise - Telecommunications	235,667	118,977	118,977	128,576
Franchise - DMU Electric <sup>(1)</sup>	6,113,728	3,511,736	3,511,736	3,297,649
Franchise - DMU Water <sup>(1)</sup>	1,438,172	857,266	857,266	867,990
Franchise - DMU Wastewater <sup>(1)</sup>	857,616	567,909	567,909	584,411
Franchise - Solid Waste	1,028,873	650,930	650,930	665,977
Franchise - Airport	39,962	20,275	20,275	19,349
<b>Franchise Agreements</b>	<b>\$ 13,409,611</b>	<b>\$ 7,800,883</b>	<b>\$ 7,800,883</b>	<b>\$ 7,592,570</b>
Mixed Beverage Tax	\$ 359,671	\$ 272,494	\$ 272,494	\$ 277,944
Bingo Tax	21,963	24,970	24,970	25,469
<b>Other Taxes</b>	<b>\$ 381,634</b>	<b>\$ 297,464</b>	<b>\$ 297,464</b>	<b>\$ 303,413</b>

(1) Denton Municipal Utilities.



**GENERAL FUND  
RESOURCE SUMMARY  
2012-13**

<b>DESCRIPTION</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Community Building Rentals	\$ 310,755	\$ 226,350	\$ 300,000	\$ 310,500
Ambulance Service Fees	2,374,337	2,575,000	2,400,000	2,472,000
Hazardous Materials Billing	1,789	1,900	1,900	1,900
Fire Inspections	184,666	178,500	185,000	223,700
Restaurant Inspections	196,933	206,000	206,000	212,180
Swimming Pool Inspections	25,570	35,700	35,700	36,414
Reinspection Fees	14,963	18,025	18,025	18,566
Electrical Inspections	38,138	38,110	45,000	46,350
Plumbing Inspections	86,219	111,100	96,300	97,263
Gas Well Inspections	106,620	204,921	350,000	350,000
Library Non-Resident Fees	35,823	42,420	42,420	42,844
Parks Identification Card Fees	22,863	25,500	25,500	26,010
Athletic Program Fees	67,659	71,482	71,482	73,626
Special Events - Parks	1,350	1,683	1,683	1,717
Natatorium Fees	284,673	335,335	335,335	377,800
Water Works Parks Fees	706,465	729,341	729,341	779,686
Charges to Bond Fund	152,870	232,836	232,836	122,000
Swimming Pool	48,657	50,000	50,000	51,000
Cemetery Fees	28,645	24,000	24,000	24,720
Development Fees	350,986	310,000	350,000	360,500
External Development Review Fees	24,900	84,660	-	-
Sale of Documents	226	510	510	520
Plan Review Fees	402,726	272,950	240,000	247,200
Parking Meter Receipts	24,691	18,437	18,437	18,990
Development Postage	8,609	8,312	8,312	8,395
Traffic/Police Reports	32,155	37,944	37,944	38,703
Street Cut Reimbursements	121,687	-	-	-
Animal Carcass Pick-Ups	660	1,377	1,377	1,405
Interest Charge Past Due Balance	915	-	-	-
<b>Service Fees</b>	<b>\$ 5,656,550</b>	<b>\$ 5,842,393</b>	<b>\$ 5,807,102</b>	<b>\$ 5,943,989</b>

**GENERAL FUND  
RESOURCE SUMMARY  
2012-13**

DESCRIPTION	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Warrant Fees	\$ 241,298	\$ 284,625	\$ 284,625	\$ 294,587
Juvenile Case Manager Fees	117,161	132,600	132,600	135,252
Library Fines & Fees	195,888	189,520	189,520	195,206
Animal Pound Fees	231,302	194,169	202,000	208,060
Animal Services Fines	11,606	9,270	12,000	12,360
Auto Pound Fees	5,486	6,000	10,000	10,000
Mowing Recovery Fees	9,104	4,040	4,040	4,080
Police Escort & Guard Fees	18,075	22,248	22,248	22,915
Civil Fines	27,347	30,900	30,900	31,827
Arrest Fees	115,857	121,200	121,200	122,412
Inspection Fines & Fees	38,524	78,294	39,000	40,170
Fire Department Fines	5,800	3,570	3,570	3,641
School Crossing Fines	11,456	12,240	12,240	12,485
Denton Municipal Fines	1,684,018	1,771,600	1,600,000	1,648,000
UNT Police Fines	167,242	229,500	210,000	214,200
TWU Police Fines	30,741	27,540	37,000	37,740
Parking Fines	56,741	58,710	250,000	257,500
Uniform Traffic Fees	53,923	66,100	66,100	67,422
False Alarm Fees	57,516	38,760	57,000	58,140
Court Cost Service Fees	187,491	192,400	192,400	200,096
Court Administration Fees	949,671	1,029,600	950,000	988,000
<b><i>Fines and Fees</i></b>	<b>\$ 4,216,247</b>	<b>\$ 4,502,886</b>	<b>\$ 4,426,443</b>	<b>\$ 4,564,093</b>
Food Handler Permits	\$ 61,470	\$ 59,405	\$ 62,000	\$ 63,240
Zoning Permits	60,422	72,800	72,800	75,712
Moving Permits	470	1,010	1,200	1,212
Demolition Permits	6,590	9,180	9,180	9,364
Pool, Spa, Hot Tub Permits	12,950	12,875	12,875	13,261
Building Permits	1,026,594	825,000	825,000	849,750
Electrical & Plumbing Licenses	16,700	15,300	15,300	15,606
Curb Cut Permits	714	918	918	936
Mobile Home Park Licenses	11,410	11,410	11,410	11,410
Sign Permits	33,935	35,000	35,000	36,050
Fence Permits	18,328	22,440	22,440	22,889
Mechanical Permits	49,273	41,200	41,200	42,436
Certificate of Occupancy Fees	71,820	65,000	65,000	67,600
Variance Fees	150	773	773	796
Landscape Fees	1,950	2,060	2,060	2,122
Temporary Gas Permits	9,489	6,500	6,500	6,695
Gas Well Permits	41,100	155,530	155,530	160,196
Park Vendor Fees	20,220	24,180	25,000	25,250
Beer & Wine Permits	9,288	25,000	25,000	4,080
CPR Training	7,675	4,545	4,545	4,590
<b><i>Licenses and Permits</i></b>	<b>\$ 1,460,548</b>	<b>\$ 1,390,126</b>	<b>\$ 1,393,731</b>	<b>\$ 1,413,195</b>

**GENERAL FUND  
RESOURCE SUMMARY  
2012-13**

<b>DESCRIPTION</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Interest Income	\$ 172,719	\$ 250,000	\$ 225,000	\$ 225,000
County Vehicle Registration Fee	140,699	130,391	141,000	142,410
County Contribution - Ambulance Service	139,642	140,000	140,000	140,000
DISD Reimbursement - Water Park	375,140	452,632	452,632	466,211
DISD Contribution - School Resource Officer	124,008	138,018	138,018	140,778
State - Signal Reimbursement	16,082	16,062	16,062	16,062
Non-Grant State Reimbursement - Fire	6,919	-	38,773	2,500
Williams Square Parking Fees	16,538	15,000	15,000	15,000
Miscellaneous Revenues	100,501	156,000	156,000	156,001
Grant Revenues	23,059	-	51,346	5,000
Recovery of Prior-Year Expenditures	49,345	108,000	108,000	108,000
Mowing Administration Fees	3,750	2,550	2,550	2,601
Mowing Liens	14,283	8,400	25,000	26,250
Police Phone Commissions	8,609	10,000	10,000	10,300
Sale of Surplus Supplies and Fixed Assets	90,699	115,000	91,000	91,000
<b>Miscellaneous Revenues</b>	<b>\$ 1,281,993</b>	<b>\$ 1,542,053</b>	<b>\$ 1,610,381</b>	<b>\$ 1,547,113</b>
Return on Investment - Water	\$ 1,006,720	\$ 1,043,772	\$ 1,050,328	\$ 1,140,060
Return on Investment - Wastewater	600,331	686,648	683,499	762,650
Return on Investment - Electric	4,279,609	4,245,968	4,235,989	4,303,400
Return on Investment - Airport	27,973	19,832	19,832	-
Admin Transfer - Bond Sale	101,915	-	-	-
Cost of Service Transfer - Electric Fund	1,414,008	1,475,624	1,475,624	1,614,375
Cost of Service Transfer - Water Fund	1,316,109	1,398,972	1,398,972	1,631,715
Cost of Service Transfer - Solid Waste Fund	774,657	797,897	797,897	888,373
Cost of Service Transfer - Wastewater Fund	713,683	735,093	735,093	969,706
Cost of Service Transfer - Airport	178,124	178,124	178,124	294,997
Cost of Service Transfer - Risk Retention Fund	66,848	124,794	124,794	183,520
Cost of Service Transfer - Insurance Fund	-	-	-	19,473
Cost of Service Transfer - Recreation Fund	152,168	156,733	156,733	80,668
Cost of Service Transfer - Municipal Crt Security	71,006	100,000	100,000	100,000
Cost of Service Transfer - Fleet Services	-	-	-	371,303
Cost of Service Transfer - Materials Management	-	-	-	709,589
Cost of Service Transfer - Technology Services	-	-	-	469,274
Cost of Service Transfer - Other	20,304	84,175	84,175	-
<b>Transfers</b>	<b>\$ 10,723,455</b>	<b>\$ 11,047,632</b>	<b>\$ 11,041,060</b>	<b>\$ 13,539,103</b>
<b>TOTAL REVENUES</b>	<b>\$ 90,241,068</b>	<b>\$ 86,872,855</b>	<b>\$ 88,902,107</b>	<b>\$ 93,655,392</b>
Use of Fund Balance	\$ -	\$ 1,589,895	\$ -	\$ 664,894
<b>TOTAL RESOURCES</b>	<b>\$ 90,241,068</b>	<b>\$ 88,462,750</b>	<b>\$ 88,902,107</b>	<b>\$ 94,320,286</b>

**GENERAL FUND**  
**RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Ad Valorem Taxes	\$ 30,239,749	\$ 31,002,840	\$ 30,869,599	\$ 32,285,809
Sales Tax	22,871,281	23,446,578	25,655,444	26,466,107
Franchise Agreements	13,409,611	7,800,883	7,800,883	7,592,570
Total Other Taxes	381,634	297,464	297,464	303,413
Service Fees	5,656,550	5,842,393	5,807,102	5,943,989
Fines and Fees	4,216,247	4,502,886	4,426,443	4,564,093
Licenses and Permits	1,460,548	1,390,126	1,393,731	1,413,195
Miscellaneous Revenues	1,281,993	1,542,053	1,610,381	1,547,113
Transfers	10,723,455	11,047,632	11,041,060	13,539,103
<b>TOTAL REVENUES</b>	<b>\$ 90,241,068</b>	<b>\$ 86,872,855</b>	<b>\$ 88,902,107</b>	<b>\$ 93,655,392</b>
Use of Reserves	-	1,589,895	-	664,894
<b>TOTAL RESOURCES</b>	<b>\$ 90,241,068</b>	<b>\$ 88,462,750</b>	<b>\$ 88,902,107</b>	<b>\$ 94,320,286</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 63,467,185	\$ 64,702,421	\$ 64,069,723	\$ 68,925,863
Materials & Supplies	1,916,248	1,855,499	1,855,499	2,033,820
Maintenance & Repairs	4,855,465	2,282,517	2,304,960	2,406,079
Insurance	1,282,627	1,017,202	1,017,202	1,029,951
Miscellaneous	440,465	904,930	621,254	1,015,319
Operations	10,450,389	11,301,849	11,244,860	12,111,587
Transfers	4,363,424	5,705,379	5,771,681	6,009,714
Fixed Assets	568,041	692,953	692,953	787,953
<b>TOTAL EXPENDITURES</b>	<b>\$ 87,343,844</b>	<b>\$ 88,462,750</b>	<b>\$ 87,578,132</b>	<b>\$ 94,320,286</b>

<b>PERSONNEL</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>
<b>Full Time Equivalent (FTE)</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ESTIMATE</b>	<b>PROPOSED</b>
Neighborhood Services	227.81	228.81	227.31	234.58
Public Safety	406.98	407.98	408.98	418.48
Transportation	39.00	14.00	14.00	14.00
Administrative & Community Services	85.50	88.00	87.75	89.75
<b>TOTAL PERSONNEL</b>	<b>759.29</b>	<b>738.79</b>	<b>738.04</b>	<b>756.81</b>

**GENERAL FUND**  
**EXPENDITURES BY PROGRAM SUMMARY**  
**2012-13**

	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
<b>NEIGHBORHOOD SERVICES</b>				
Building Inspections	\$ 1,634,974	\$ 1,795,631	\$ 1,782,067	\$ 1,979,161
Code Enforcement	1,202,720	1,322,391	1,274,705	1,338,680
Libraries	4,754,785	5,018,691	5,007,068	5,349,371
Parks and Recreation	9,547,371	9,882,257	9,738,058	10,664,545
Planning	1,832,133	2,102,422	2,043,721	2,159,769
Development Review Engineering	246,225	332,383	332,383	343,458
Gas Well Review	174,250	349,266	387,068	452,660
Social Services	267,635	334,357	334,357	402,565
	<u>\$ 19,660,093</u>	<u>\$ 21,137,398</u>	<u>\$ 20,899,427</u>	<u>\$ 22,690,209</u>
<b>PUBLIC SAFETY</b>				
Animal Services	\$ 906,916	\$ 896,602	\$ 880,005	\$ 981,557
Fire	20,904,565	21,480,167	21,638,752	22,462,171
Municipal Court	1,145,211	1,225,061	1,221,919	1,317,283
Municipal Judge	320,709	396,842	396,842	413,766
Police	21,856,190	23,089,980	22,724,491	23,975,390
	<u>\$ 45,133,591</u>	<u>\$ 47,088,652</u>	<u>\$ 46,862,009</u>	<u>\$ 49,150,167</u>
<b>TRANSPORTATION</b>				
Streets	\$ 5,298,117	\$ -	\$ -	\$ -
Traffic Operations	1,480,716	1,861,919	1,861,581	1,998,073
Transportation Operations	339,498	357,101	357,101	366,619
Street Lighting	645,439	735,000	735,000	735,000
	<u>\$ 7,763,770</u>	<u>\$ 2,954,020</u>	<u>\$ 2,953,682</u>	<u>\$ 3,099,692</u>
<b>ADMINISTRATIVE &amp; COMMUNITY SERVICES</b>				
City Manager's Office	\$ 2,190,954	\$ 2,189,404	\$ 2,186,303	\$ 2,263,043
Economic Development	1,242,984	1,765,422	1,653,533	2,244,840
Facilities Management	2,791,390	2,905,645	2,900,504	3,096,696
Finance	3,170,682	3,272,445	3,256,055	3,432,772
Human Resources	1,439,424	1,453,261	1,450,634	1,512,019
Internal Audit	136,717	150,863	150,863	150,906
Legal Administration	1,682,634	1,849,244	1,854,660	1,936,287
Public Communications Office	563,208	668,883	666,625	714,612
Non-Departmental	1,568,397	3,027,513	2,743,837	4,029,043
	<u>\$ 14,786,390</u>	<u>\$ 17,282,680</u>	<u>\$ 16,863,014</u>	<u>\$ 19,380,218</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 87,343,844</u>	<u>\$ 88,462,750</u>	<u>\$ 87,578,132</u>	<u>\$ 94,320,286</u>

**ESTIMATED AD VALOREM TAX COLLECTIONS & DISTRIBUTION  
2012-13**

**City of Denton Overall Tax Collections**

Assessed Valuation for 2011		\$	6,412,375,004
Gain or Loss in Value			304,336,364
Loss of Downtown TIF Value			<u>(10,248,781)</u>
Net Assessed Valuation for 2012		\$	6,706,462,587
Tax Rate Per \$100 Valuation	x		<u>0.68975</u>
		\$	46,257,826
Estimated Collections	x		<u>100.00%</u>
<b>TOTAL GENERAL FUND AND DEBT SERVICE REVENUE</b>		\$	46,257,826
<b>TIF Value</b>		\$	10,248,781
Tax Rate Per \$100 Valuation	x		<u>0.68975</u>
		\$	70,691
Estimated Collections	x		<u>100.00%</u>
<b>TOTAL TIF REVENUE</b>		\$	70,691
<b>TOTAL TAX REVENUE</b>		\$	<b>46,328,517</b>

**TAX RATE PER \$100**

DISTRIBUTION	2011-12	2012-13	2012-13 REVENUE	PERCENT
General Fund	\$ 0.47088	\$ 0.47088	\$ 31,579,391	68.27%
General Debt Service Fund	0.21887	0.21887	14,678,435	31.73%
<b>Sub-Total</b>	<u>\$ 0.68975</u>	<u>\$ 0.68975</u>	<u>\$ 46,257,826</u>	100.00%
Downtown TIF Fund	\$ 0.68975	\$ 0.68975	\$ 70,691	100.00%
<b>TOTAL</b>			<u><u>\$ 46,328,517</u></u>	

**GENERAL DEBT SERVICE FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Ad Valorem Taxes	\$ 13,783,518	\$ 14,029,730	\$ 14,118,000	\$ 14,678,435
Delinquent - Ad Valorem Taxes	12,440	137,079	110,255	137,079
Interest Income	35,231	50,000	40,000	50,000
Transfer In - Drainage	556,244	920,802	920,802	464,419
Transfer In - Solid Waste	3,645,631	4,529,003	4,520,549	5,378,055
Transfer In - Fleet	265,376	258,558	257,029	255,024
Transfer In - Materials Mgmt	48,354	48,692	44,028	45,287
Transfer In - Technology	645,476	546,746	546,746	137,700
Transfer In - Communication	31,638	35,413	35,413	34,213
Transfer In - Airport	224,815	219,455	211,496	226,648
Transfer In - Electric	7,996,977	11,089,039	11,187,689	12,362,406
Transfer In - Water	2,845,849	4,921,916	4,926,722	3,742,450
Transfer In - Wastewater	1,082,362	2,788,602	2,322,020	2,950,492
<b>TOTAL REVENUES</b>	<b>31,173,911</b>	<b>39,575,035</b>	<b>39,240,749</b>	<b>40,462,208</b>
Use of Reserves	187,455	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 31,361,366</b>	<b>\$ 39,575,035</b>	<b>\$ 39,240,749</b>	<b>\$ 40,462,208</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
General Debt Service	\$ 14,945,663	\$ 14,536,443	\$ 14,407,231	\$ 14,722,242
Drainage Debt Service	556,244	541,225	541,225	617,774
Solid Waste Debt Service	3,645,631	4,529,003	4,520,549	5,378,055
Materials Mgmt Debt Service	48,354	48,692	44,028	45,287
Airport Debt Service	224,815	219,455	211,496	226,648
Electric Debt Service	7,996,977	11,089,039	11,089,039	12,362,406
Water Debt Service	2,845,849	4,921,916	4,921,916	3,742,450
Wastewater Debt Service	1,082,362	3,168,179	3,168,179	2,797,137
Fiscal Charges	15,471	22,000	22,000	22,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 31,361,366</b>	<b>\$ 39,075,952</b>	<b>\$ 38,925,663</b>	<b>\$ 39,913,999</b>

<b>ELECTRIC FUND</b>
<b>RESOURCE &amp; EXPENDITURE SUMMARY</b>
<b>2012-13</b>

RESOURCES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Operating Revenues	\$ 131,135,037	\$ 139,711,427	\$ 130,841,111	\$ 142,248,302
Non-Operating Revenues	662,023	2,316,241	486,817	492,999
<b>TOTAL REVENUES</b>	<b>131,797,060</b>	<b>142,027,668</b>	<b>131,327,928</b>	<b>142,741,301</b>
Use of Reserves	-	-	292,950	16,246,224
<b>TOTAL RESOURCES</b>	<b>\$ 131,797,060</b>	<b>\$ 142,027,668</b>	<b>\$ 131,620,878</b>	<b>\$ 158,987,525</b>

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Fuel & Purchased Power	\$ 74,761,817	\$ 84,405,872	\$ 76,922,163	\$ 100,928,672
Operation & Maintenance	20,531,628	22,302,358	26,541,468	25,890,126
Return on Investment	4,279,610	4,245,968	4,235,989	4,303,400
Franchise Fee	6,121,943	6,065,668	6,051,412	6,147,714
Non-Operating Expenditures	16,625,217	23,371,237	17,869,846	21,717,613
<b>TOTAL EXPENDITURES</b>	<b>\$ 122,320,215</b>	<b>\$ 140,391,103</b>	<b>\$ 131,620,878</b>	<b>\$ 158,987,525</b>

PERSONNEL	2010-11	2011-12	2011-12	2012-13
Full Time Equivalents (FTE)	ACTUAL	BUDGET	ESTIMATE	PROPOSED
<b>TOTAL PERSONNEL</b>	129.50	131.50	131.50	143.00

MAJOR BUDGET ITEMS	
FY 2011-12	FY 2012-13
The budget reflects no base rate increase. The budget reflects the addition of 2 FTEs for NERC (North American Electric Reliability Corporation) Compliance and analytical support.	The budget reflects no base rate increase. The budget reflects the addition of 11.5 FTEs, including 6 FTEs for an enhanced Capital Improvement Program (CIP) as discussed in the budget overview section of this document.

The format of this budget is being used to provide financial information in a manner that is commensurate to what is publicly available from the other municipal utilities and investor-owned utilities operating in Texas.



**WATER FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Interest Operating	\$ 53,986	\$ 144,894	\$ 61,000	\$ 233,000
Water Sales Residential	14,918,441	14,685,599	14,858,735	16,277,324
Water Sales Commercial	12,762,906	13,612,870	13,789,106	14,869,171
Water for Resale	1,617,352	638,723	676,525	677,760
Other Water	870,770	884,863	685,002	748,882
Public Works Fees & Permits	433,364	392,000	424,097	482,000
Engineering Fees & Permits	10,287	11,000	10,730	12,616
Engineering Charges	2,121,979	1,928,883	1,881,706	2,212,374
Public Works Charges	211,825	261,636	227,860	285,243
Cost of Service - General Fund	105,638	112,552	107,318	332,289
Cost of Service - Electric	2,165,760	2,423,823	2,353,682	2,512,886
Cost of Service - Wastewater	702,200	852,689	807,459	877,788
Cost of Service - Solid Waste	681,154	800,205	768,148	817,243
Other Transfers	-	-	-	26,021
Impact Fee Revenues	3,300,000	1,900,000	1,900,000	2,600,000
<b>TOTAL REVENUES</b>	<b>\$ 39,955,662</b>	<b>\$ 38,649,737</b>	<b>\$ 38,551,368</b>	<b>\$ 42,964,597</b>
Use of Reserves	-	90,693	-	903,333
<b>TOTAL RESOURCES</b>	<b>\$ 39,955,662</b>	<b>\$ 38,740,430</b>	<b>\$ 38,551,368</b>	<b>\$ 43,867,930</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Water Administration	\$ 1,039,329	\$ 1,685,675	\$ 1,471,241	\$ 1,642,231
Water Production	5,185,230	6,001,290	5,528,167	6,678,873
Water Distribution	4,004,147	4,334,444	4,393,574	6,861,572
Water Metering	1,524,275	1,860,566	1,824,204	1,856,095
Water Engineering	1,882,856	1,939,883	1,892,436	2,224,990
Public Works Inspections	636,648	653,636	651,957	767,243
Water Laboratory	374,601	400,698	400,319	433,805
Utilities Administration	722,500	981,485	881,485	1,053,872
Customer Service	3,788,817	4,148,203	4,048,137	4,375,085
Miscellaneous	16,451,962	16,734,550	16,741,857	17,974,164
<b>TOTAL EXPENDITURES</b>	<b>\$ 35,610,365</b>	<b>\$ 38,740,430</b>	<b>\$ 37,833,377</b>	<b>\$ 43,867,930</b>

<b>PERSONNEL Full Time Equivalents (FTE)</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Water Administration	9.00	9.50	9.50	9.50
Water Production	31.00	31.00	31.00	33.00
Water Distribution	22.00	22.00	22.00	22.00
Water Metering	14.00	14.00	14.00	14.00
Water Engineering	21.50	21.50	21.50	21.50
Public Works Inspections	9.50	9.50	9.50	9.50
Water Laboratory	4.00	4.00	4.00	4.00
Utilities Administration	7.00	7.00	7.00	8.00
Customer Service	39.50	39.50	39.50	39.50
<b>TOTAL PERSONNEL</b>	<b>157.50</b>	<b>158.00</b>	<b>158.00</b>	<b>161.00</b>

**WATER FUND  
EXPENDITURES BY CLASSIFICATION  
2012-13**

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Purchased Power	\$ 1,148,199	\$ 1,435,800	\$ 1,270,000	\$ 1,504,000
Purchased Water	85,676	91,500	86,339	91,500
Personal Services	9,526,841	10,526,963	10,024,524	11,049,920
Materials & Supplies	1,427,142	1,646,106	1,473,400	1,694,929
Maintenance & Repair	729,862	1,214,507	1,177,754	1,243,446
Insurance	201,425	197,382	197,728	203,693
Return on Investment	1,006,720	1,043,772	1,050,328	1,140,060
Franchise Fee	1,438,172	1,480,717	1,490,083	1,618,168
Miscellaneous	73,329	94,435	91,488	99,548
Operations	1,682,567	2,518,593	2,493,970	2,624,276
Fixed Assets	-	10,000	-	42,000
Debt Service	12,311,136	12,371,898	12,364,199	13,209,294
Cost of Service - General Fund	1,355,136	1,355,593	1,355,593	1,631,715
Cost of Service - Electric Fund	565,748	653,820	653,820	587,374
Cost of Service - Other	-	43,379	40,716	52,863
Cost of Service - Wastewater	116,815	120,319	120,319	123,929
Cost of Service - Fleet Services	25,272	26,832	26,832	26,208
Cost of Service - Technology	668,887	778,407	778,407	844,154
Cost of Service- Safety & Training	85,273	87,184	87,184	88,965
Cost of Service - Materials Mgmt	70,648	72,767	72,767	167,601
Transfer to Capital Projects	3,091,517	2,970,456	2,977,926	5,824,287
<b>TOTAL EXPENDITURES</b>	<b>\$ 35,610,365</b>	<b>\$ 38,740,430</b>	<b>\$ 37,833,377</b>	<b>\$ 43,867,930</b>

**MAJOR BUDGET ITEMS**

FY 2011-12	FY 2012-13
A 9.5% rate increase for water customers is included in the budget. The budget reflects a 0.5 FTE increase in the Water Administration division, and the decrease of 1 FTE in the Customer Service division, for a net decrease of 0.5 FTE.	An 8.0% rate increase for water customers is included in the budget. The budget reflects the addition of 3 FTEs: 1 FTE for a Sustainability Coordinator in Utility Administration; 1 FTE for a Senior Engineer in Water Production; and 1 FTE for an Operator I in Water Production.

**WASTEWATER FUND**  
**RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Interest Operating	\$ 48,228	\$ 122,589	\$ 48,600	\$ 192,000
Wastewater Residential	7,699,649	8,908,366	8,391,299	9,311,742
Wastewater Commercial	8,221,608	9,041,594	9,469,922	10,546,220
Wastewater Effluent Irrigation	100,254	143,353	113,140	126,640
Wastewater Wholesale	466,562	482,961	516,173	522,519
Other Wastewater	1,148,607	1,042,235	1,038,000	1,282,890
Drainage Fees	4,148,300	4,134,357	4,189,783	4,275,310
Transfer in - General Fund	-	-	-	269,962
Transfer In - Other	222,905	229,592	229,592	149,179
Impact Fee Revenues	1,400,000	1,000,000	1,000,000	1,100,000
<b>TOTAL REVENUES</b>	<b>\$ 23,456,113</b>	<b>\$ 25,105,047</b>	<b>\$ 24,996,509</b>	<b>\$ 27,776,462</b>
Use of Reserves	-	-	-	475,945
<b>TOTAL RESOURCES</b>	<b>\$ 23,456,113</b>	<b>\$ 25,105,047</b>	<b>\$ 24,996,509</b>	<b>\$ 28,252,407</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Wastewater Administration	\$ 965,937	\$ 1,210,001	\$ 1,175,020	\$ 1,309,405
Water Reclamation	3,410,620	3,839,274	3,751,055	4,146,261
Wastewater Collection	3,485,402	4,324,789	4,359,899	5,960,366
Beneficial Reuse	986,846	1,214,399	1,167,794	1,398,341
Wastewater Laboratory	455,354	536,020	519,786	534,601
Industrial Pretreatment	521,830	597,786	528,350	753,424
Drainage	2,204,853	2,129,640	2,059,947	2,536,355
Watershed Protection	570,752	573,356	574,001	641,116
Drainage Miscellaneous	1,585,790	1,580,915	1,556,867	1,433,616
Miscellaneous	8,371,988	8,795,388	8,669,389	9,538,922
<b>TOTAL EXPENDITURES</b>	<b>\$ 22,559,372</b>	<b>\$ 24,801,568</b>	<b>\$ 24,362,108</b>	<b>\$ 28,252,407</b>

<b>PERSONNEL</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>
<b>Full Time Equivalents (FTE)</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ESTIMATE</b>	<b>PROPOSED</b>
Wastewater Administration	8.50	10.00	10.00	10.00
Water Reclamation	21.00	21.00	21.00	22.00
Wastewater Collection	22.00	24.00	24.00	24.00
Beneficial Reuse	6.75	6.75	6.75	6.75
Wastewater Laboratory	4.00	4.00	4.00	4.00
Industrial Pretreatment	5.50	6.00	6.00	7.50
Drainage	16.00	16.00	16.00	16.00
Watershed Protection	4.62	4.62	4.62	5.00
<b>TOTAL PERSONNEL</b>	<b>88.37</b>	<b>92.37</b>	<b>92.37</b>	<b>95.25</b>

**WASTEWATER FUND**  
**EXPENDITURES BY CLASSIFICATION**  
**2012-13**

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Purchased Power	\$ 770,382	\$ 820,000	\$ 770,000	\$ 821,000
Personal Services	5,514,164	6,526,499	6,261,882	6,910,361
Materials & Supplies	574,226	856,286	820,419	910,128
Maintenance & Repair	848,277	1,266,124	1,251,768	1,287,347
Insurance	113,173	102,253	102,253	135,833
Miscellaneous	37,427	43,944	32,387	44,381
Operations	1,836,519	2,040,350	2,112,034	2,315,667
Return on Investment	600,331	686,648	683,499	762,650
Franchise Fee	857,616	980,925	976,427	1,089,501
Debt Service	6,572,479	5,756,369	6,553,689	6,751,660
General Obligation Debt Service	-	920,802	-	-
Cost of Service - General Fund	731,717	735,093	735,093	969,706
Cost of Service - Fleet Services	34,632	34,320	34,320	34,632
Cost of Service - Technology	224,240	257,818	257,818	294,863
Cost of Service - Materials Mgmt	57,259	58,976	58,976	161,012
Transfer to Electric Fund	254,789	267,556	267,556	276,335
Transfer to Street Fund	-	15,016	41,328	95,975
Cost of Service - Utilities Admin	232,269	316,651	284,389	275,742
Cost of Service-Customer Service	469,931	536,038	523,070	566,586
Cost of Service-Safety & Training	85,273	87,184	87,184	90,355
Cost of Service- Water	-	-	-	35,460
Fixed Assets	47,491	71,500	-	10,000
Transfer for Capital Projects	2,697,177	2,421,216	2,508,016	4,413,213
<b>TOTAL EXPENDITURES</b>	<b>\$ 22,559,372</b>	<b>\$ 24,801,568</b>	<b>\$ 24,362,108</b>	<b>\$ 28,252,407</b>

MAJOR BUDGET ITEMS	
FY 2011-12	FY 2012-13
<p>The Wastewater budget reflects the addition of 3.5 FTEs to address regulatory compliance. An additional 0.5 FTE is proposed for a one half of a Water/ Wastewater Coordinator position. The Wastewater budget reflects an 11.0% increase in rates.</p>	<p>The Wastewater budget reflects a 9.0% increase in rates. The budget reflects the addition of 2.88 FTEs in the Wastewater budget: 1 FTE for a WW Utility Electrician II in Water Reclamation; 0.5 FTE for an Environmental Monitoring Tech in Industrial Pretreatment; 1 FTE for a Transportation Permit Specialist in Industrial Pretreatment; and 0.38 FTE for a Watershed Protection Intern in Watershed Protection.</p>

**SOLID WASTE FUND**  
**RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Refuse Fees - Residential	\$ 6,530,099	\$ 7,037,509	\$ 6,952,366	\$ 8,749,295
Refuse Fees - Commercial	9,344,971	9,700,246	9,705,849	11,395,798
Landfill Fees	1,950,411	3,250,137	2,909,289	3,106,292
Recycling	2,721,246	3,075,411	3,163,167	1,214,705
Other Revenues	656,278	10,000	110,000	681,499
<b>TOTAL REVENUES</b>	<b>\$ 21,203,005</b>	<b>\$ 23,073,303</b>	<b>\$ 22,840,671</b>	<b>\$ 25,147,589</b>
Use of Reserves	-	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 21,203,005</b>	<b>\$ 23,073,303</b>	<b>\$ 22,840,671</b>	<b>\$ 25,147,589</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Solid Waste Administration	\$ 612,149	\$ 670,096	\$ 629,381	\$ 946,039
Residential Collection	5,104,860	5,982,875	5,970,592	7,695,415
Commercial Collection	6,085,877	6,438,629	6,415,340	8,212,309
Solid Waste Landfill	5,773,344	6,218,290	6,205,417	6,422,162
Solid Waste Recycling	2,425,416	3,237,421	3,237,423	1,271,317
Construction	186,652	-	-	226,280
Keep Denton Beautiful (KDB)	345,343	357,025	356,846	351,167
Miscellaneous	290,367	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 20,824,008</b>	<b>\$ 22,904,336</b>	<b>\$ 22,814,999</b>	<b>\$ 25,124,689</b>

<b>PERSONNEL</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
<b>Full Time Equivalents (FTE)</b>				
Solid Waste Administration	4.00	4.00	4.00	4.00
Residential Collection	31.50	31.50	31.50	40.00
Commercial Collection	23.50	23.50	23.50	28.50
Solid Waste Landfill	25.50	26.50	26.50	22.50
Construction	-	-	-	4.50
Solid Waste Recycling	11.00	17.00	17.00	8.00
Keep Denton Beautiful (KDB)	3.00	3.00	3.00	3.00
<b>TOTAL PERSONNEL</b>	<b>98.50</b>	<b>105.50</b>	<b>105.50</b>	<b>110.50</b>

<b>SOLID WASTE FUND</b>
<b>EXPENDITURES BY CLASSIFICATION</b>
<b>2012-13</b>

EXPENDITURE	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Personal Services	\$ 6,914,062	\$ 7,315,794	\$ 7,283,402	\$ 8,398,223
Materials & Supplies	255,614	272,150	242,090	292,644
Maintenance & Repair	135,348	273,527	270,177	455,675
Insurance	125,382	146,658	146,659	168,962
Franchise Fee	1,028,873	1,124,323	1,144,698	1,241,561
Miscellaneous	46,871	51,265	58,082	60,322
Operations	5,627,675	6,528,230	6,477,504	6,242,914
Debt Service	3,645,631	4,529,003	4,529,003	5,378,055
Cost of Service - General Fund	774,657	765,180	765,180	888,373
Landfill Closure	394,618	375,950	375,950	325,950
Cost of Service - Technology Services	192,268	241,362	241,362	281,642
Cost of Service - Fleet Services	40,560	40,872	40,872	45,045
Cost of Service - Safety and Training	81,213	84,344	84,344	86,201
Cost of Service - Electric	970	2,375	2,375	691
Cost of Service -Materials Mgmt	50,042	50,693	50,693	71,188
Cost of Service - Utility Admin	115,140	160,677	160,677	146,855
Cost of Service - Customer Service	566,014	637,733	637,731	670,388
Fixed Assets	115,275	304,200	304,200	370,000
Capital Projects	713,795	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 20,824,008</b>	<b>\$ 22,904,336</b>	<b>\$ 22,814,999</b>	<b>\$ 25,124,689</b>

MAJOR BUDGET ITEMS	
FY 2011-12	FY 2012-13
The budget reflects the addition of 6 FTEs for the curbside Recycling program, and 1 FTE for Landfill operations.	The budget reflects the addition of 5 FTEs and the re-establishment of a Construction and Demolition Materials Recovery operation: 2 FTEs for Residential Curbside Recycling, 1 FTE for a Recycling Coordinator, and 1 FTE for the Household Chemical Collection program. Additionally, 1 Temporary FTE for Residential Yard Waste collection, and the Construction and Demolition Materials Recovery processing program are proposed.

**AIRPORT FUND**  
**RESOURCE AND EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Airport Ground Leases	\$ 320,552	\$ 375,000	\$ 341,329	\$ 561,802
FBO Commissions	260,361	245,000	262,213	350,000
Airport Gas Royalties	2,561,321	1,500,000	1,220,044	1,125,000
Airport Leases	15,152	-	-	-
Miscellaneous	46,040	15,000	34,958	40,000
Interest Income	40,225	35,000	27,000	25,000
Transfers In	8,679,643	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 11,923,294</b>	<b>\$ 2,170,000</b>	<b>\$ 1,885,544</b>	<b>\$ 2,101,802</b>
Use of Reserves	-	-	-	391,123
<b>TOTAL RESOURCES</b>	<b>\$ 11,923,294</b>	<b>\$ 2,170,000</b>	<b>\$ 1,885,544</b>	<b>\$ 2,492,925</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 340,501	\$ 359,178	\$ 384,302	\$ 503,380
Materials & Supplies	5,671	8,900	7,272	46,725
Repair & Maintenance	63,463	79,497	70,097	78,997
Insurance	18,321	17,874	17,874	18,563
Miscellaneous	2,011	1,500	1,300	1,500
Operations	225,795	260,835	207,665	219,388
Transfers	691,857	489,681	489,681	1,066,656
Debt Service Transfer	224,815	219,455	211,496	226,648
Cost of Service Transfer - General Fund	178,124	178,124	178,124	294,997
Franchise Fees & Return On Investment	67,935	54,852	54,852	36,071
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,818,493</b>	<b>\$ 1,669,896</b>	<b>\$ 1,622,663</b>	<b>\$ 2,492,925</b>

<b>PERSONNEL</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
<b>Full Time Equivalents (FTE)</b>				
Total Personnel	5.00	5.00	5.50	6.50
<b>TOTAL PERSONNEL</b>	<b>5.00</b>	<b>5.00</b>	<b>5.50</b>	<b>6.50</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects \$250,000 in funds for year one (1) of a five (5) year program to repair and/or resurface approximately 5.5 miles of Airport roads; \$50,000 is for Grant matching to update the 2003 Master Plan; \$60,056 for the purchase of a utility tractor; and \$50,000 for the creation of an airport marketing program.	The budget includes \$250,000 in funds for year two (2) of a five (5) year program to repair and/or resurface approximately 5.5 miles of Airport roads; \$50,000 is for Grant matching to update the 2003 Master Plan; \$76,211 for an additional 1 FTE for a Property Coordinator position; and \$750,000 for capital improvement programming. The budget includes an additional \$37,625 for items related to the Aircraft Rescue and Firefighting (ARFF) vehicle added in FY11-12.

<b>TECHNOLOGY SERVICES FUND</b>
<b>RESOURCE &amp; EXPENDITURE SUMMARY</b>
<b>2012-13</b>

RESOURCES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Transfer - Communication Services	\$ 521,545	\$ 720,841	\$ 720,841	\$ 495,662
Cost of Service - General Fund	3,365,064	4,096,876	4,096,876	4,636,170
Cost of Service - Electric Fund	720,983	875,533	875,533	1,289,740
Cost of Service - Water Fund	668,887	778,407	778,407	844,155
Cost of Service - Wastewater Fund	224,240	257,818	257,818	294,863
Cost of Service - Solid Waste Fund	227,504	222,899	222,899	281,642
Cost of Service - Fleet Services Fund	67,882	71,379	71,379	89,779
Cost of Service - Materials Management	55,032	65,950	65,950	70,832
Cost of Service - Risk Retention	21,406	25,189	25,189	27,787
Cost of Service - Reprographics	14,776	17,161	89,284	83,716
Cost of Service - Street Improvement	-	65,328	65,328	80,034
Cost of Service - Aquatic	-	62,508	62,508	64,495
Cost of Service - Other	-	37,809	37,809	47,495
Transfer - Municipal Court Tech Fund	94,699	125,000	125,000	100,000
Sale of Documents	335,641	349,980	275,359	290,000
Copy Sales	95,245	94,775	94,775	97,800
Miscellaneous	9,727	-	-	-
Interest Income	4,816	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 6,427,447</b>	<b>\$ 7,867,453</b>	<b>\$ 7,864,955</b>	<b>\$ 8,794,170</b>
Use of Reserves	192,286	158,049	158,577	178,803
<b>TOTAL RESOURCES</b>	<b>\$ 6,619,733</b>	<b>\$ 8,025,502</b>	<b>\$ 8,023,532</b>	<b>\$ 8,972,973</b>

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Administration	\$ 1,734,884	\$ 2,204,037	\$ 2,204,037	\$ 2,171,960
Telecommunications	1,027,935	1,162,820	1,162,820	1,172,732
Geographic Information Systems	303,437	422,963	422,963	450,918
Applications Development	1,701,091	2,025,357	2,025,357	2,285,514
User Support	806,345	1,039,967	1,039,967	1,368,353
Public Safety/Projects	609,638	522,657	522,657	712,914
Regulatory Compliance	-	203,474	203,474	356,841
Reprographics	436,403	444,227	442,257	453,741
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,619,733</b>	<b>\$ 8,025,502</b>	<b>\$ 8,023,532</b>	<b>\$ 8,972,973</b>

PERSONNEL	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
<b>Full Time Equivalents (FTE)</b>				
Administration	5.00	5.00	5.00	5.00
Telecommunications	3.00	3.00	3.00	3.00
Geographic Information Systems	2.00	2.00	2.00	2.00
Applications Development	8.00	8.00	8.00	8.00
User Support	6.00	6.00	6.00	8.00
Regulatory Compliance	1.00	1.00	1.00	1.00
Reprographics	2.00	2.00	2.00	2.00
<b>TOTAL PERSONNEL</b>	<b>27.00</b>	<b>27.00</b>	<b>27.00</b>	<b>29.00</b>



<b>TECHNOLOGY SERVICES FUND</b> <b>EXPENDITURES BY CLASSIFICATION</b> <b>2012-13</b>
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EXPENDITURE	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Personal Services	\$ 2,411,283	\$ 2,688,014	\$ 2,688,014	\$ 2,931,736
Materials & Supplies	345,578	377,776	377,776	386,219
Maintenance & Repair	1,708,847	2,241,307	2,241,307	2,604,342
Insurance	18,201	21,268	21,268	24,463
Operations	894,967	1,154,156	1,152,186	1,370,878
Debt Payment	677,114	582,159	582,159	246,369
Transfers	357,637	279,607	279,607	796,844
Fixed Assets	206,106	681,215	681,215	612,122
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,619,733</b>	<b>\$ 8,025,502</b>	<b>\$ 8,023,532</b>	<b>\$ 8,972,973</b>

<b>MAJOR BUDGET ITEMS</b>	
<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects the addition of a 1 FTE, and a division for Electric regulatory compliance.	The budget reflects the addition of 2 FTEs, in the User Support Division, for enhanced support functions to public safety departments.

**MATERIALS MANAGEMENT FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Sale of Scrap Material	\$ 2,752	\$ 3,250	\$ 200	\$ -
Postage Fees	55,198	54,570	50,000	45,000
Warehouse Sales	8,044,081	5,123,958	4,536,354	5,627,081
Miscellaneous Income	45,495	44,200	39,745	40,760
Cost of Service - General Fund	194,230	264,983	264,983	448,590
Cost of Service - Electric Fund	108,573	111,830	111,830	262,400
Cost of Service - Water Fund	70,648	72,767	72,767	167,601
Cost of Service - Wastewater Fund	57,259	58,977	58,977	161,012
Cost of Service - Solid Waste Fund	50,042	51,543	51,543	71,185
Cost of Service - Other Funds	120,884	119,300	119,300	180,063
Auction Proceeds	40,506	35,300	38,000	40,500
<b>TOTAL REVENUES</b>	<b>\$ 8,789,668</b>	<b>\$ 5,940,678</b>	<b>\$ 5,343,699</b>	<b>\$ 7,044,192</b>
Use of Reserves	155,259	162,076	56,316	394,674
<b>TOTAL RESOURCES</b>	<b>\$ 8,944,927</b>	<b>\$ 6,102,754</b>	<b>\$ 5,400,015</b>	<b>\$ 7,438,866</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 843,994	\$ 940,054	\$ 909,396	\$ 1,122,540
Materials & Supplies	25,175	21,063	20,314	28,353
Inventory	7,798,545	4,895,140	4,232,784	5,334,970
Maintenance & Repair	10,041	16,652	16,652	9,652
Insurance	17,987	18,106	18,106	17,357
Miscellaneous	986	1,000	1,000	1,000
Operations	44,205	94,225	85,249	81,230
Debt Service	48,353	48,692	48,692	45,287
Transfers	126,391	67,822	67,822	798,477
Fixed Assets	29,250	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,944,927</b>	<b>\$ 6,102,754</b>	<b>\$ 5,400,015</b>	<b>\$ 7,438,866</b>

<b>PERSONNEL Full Time Equivalents (FTE)</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Purchasing	8.00	7.00	7.00	8.00
Warehouse	5.50	5.00	5.00	5.00
<b>TOTAL PERSONNEL</b>	<b>13.50</b>	<b>12.00</b>	<b>12.00</b>	<b>13.00</b>

<b>MAJOR BUDGET ITEMS</b>	
<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects a reduction of 1.5 FTEs; 1 FTE in the Purchasing division and 0.5 FTE in the Warehouse.	The budget reflects the addition of 1 FTE for a Senior Buyer to assist with the enhanced DME capital program , and additional funding for a temporary position.

**FLEET MANAGEMENT FUND**  
**RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

RESOURCES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Fuel Sales	\$ 4,414,183	\$ 6,596,950	\$ 5,023,713	\$ 7,167,150
Parts Vehicle Maintenance	4,337,179	4,737,565	5,338,255	5,309,560
DCTA Fleet Maintenance	-	1,173,708	-	-
Federal Transit Administration Grant	-	450,000	-	-
Miscellaneous	86,404	1,300	72,789	91,300
Interest Income	743	-	1,394	1,300
Fleet Rental	7,156	25,168	4,690	7,605
Fleet Admin Transfers	281,112	292,656	292,344	291,060
<b>TOTAL REVENUES</b>	<b>\$ 9,126,777</b>	<b>\$ 13,277,347</b>	<b>\$ 10,733,185</b>	<b>\$ 12,867,975</b>
Use of Reserves	12,269	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 9,139,046</b>	<b>\$ 13,277,347</b>	<b>\$ 10,733,185</b>	<b>\$ 12,867,975</b>

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Personal Services	\$ 1,590,487	\$ 2,295,344	\$ 1,603,014	\$ 1,742,128
Materials & Supplies	89,231	204,047	138,453	155,220
Inventory (Fuel only)	3,846,575	5,010,250	4,646,531	5,500,150
Maintenance & Repair	11,949	545,000	55,000	96,000
Insurance	142,150	83,652	83,652	83,652
Miscellaneous	-	1,250,000	-	1,250,000
Operations	2,910,932	3,337,112	3,679,653	3,184,210
Interest Expense	-	-	-	-
Debt Service	265,376	258,558	258,558	258,185
Transfers	282,346	145,971	145,971	550,316
Fixed Assets	-	140,000	70,000	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,139,046</b>	<b>\$ 13,269,934</b>	<b>\$ 10,680,832</b>	<b>\$ 12,819,861</b>

PERSONNEL	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
<b>Full Time Equivalents (FTE)</b>				
<b>TOTAL PERSONNEL</b>	21.00	31.00	22.00	22.00

**MAJOR BUDGET ITEMS**

FY 2011-12	FY 2012-13
<p>The budget reflects the addition of 1 FTE, Heavy Equipment Technician.</p> <p>In addition, the budget reflects an agreement with DCTA for fleet maintenance. The DCTA maintenance agreement will result in an additional 9 FTEs to the Fleet fund.</p>	<p>DCTA and the City were unable to successfully negotiate a fleet maintenance agreement due to a variety of factors. As a result, the FY 2012-13 Budget excludes 9 FTEs and associated funding which was included in the FY 2011-12 Budget for this purpose.</p>

**RISK RETENTION FUND**  
**RESOURCE & EXPENDITURE SUMMARY**  
**2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Commercial Insurance	\$ 610,878	\$ 548,233	\$ 548,233	\$ 538,713
Self Insurance	1,495,672	1,273,956	1,273,956	1,364,902
Worker's Compensation	650,516	675,525	675,525	677,775
Interest Income	38,651	35,000	33,000	35,000
Other Revenues	39,905	-	11,500	10,000
<b>TOTAL REVENUES</b>	<b>\$ 2,835,622</b>	<b>\$ 2,532,714</b>	<b>\$ 2,542,214</b>	<b>\$ 2,626,390</b>
Use of Reserves	-	198,324	27,813	93,555
<b>TOTAL RESOURCES</b>	<b>\$ 2,835,622</b>	<b>\$ 2,731,038</b>	<b>\$ 2,570,027</b>	<b>\$ 2,719,945</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 449,498	\$ 543,180	\$ 485,091	\$ 554,893
Materials & Supplies	6,201	17,300	16,800	9,500
Maintenance & Repair	88,366	170,102	155,100	148,000
Depreciation Expense	-	1,200	-	-
Insurance	997,106	1,206,072	1,143,705	1,205,650
Miscellaneous	187,846	222,000	222,000	226,000
Operations	352,602	416,228	392,375	351,236
Cost of Service - General Fund	66,848	124,794	124,794	183,520
Cost of Service- Other	2,427	2,500	2,500	13,359
Cost of Service-Tech Services	21,406	27,662	27,662	27,787
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,172,300</b>	<b>\$ 2,731,038</b>	<b>\$ 2,570,027</b>	<b>\$ 2,719,945</b>

<b>PERSONNEL</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
<b>Full Time Equivalent (FTE)</b>				
<b>TOTAL PERSONNEL</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects the addition of 1 FTE, a benefits leave coordinator position. Also, funding of \$68,750 for Risk Management Information System (RMIS) database software and \$6,300 for a drug disposal kiosk is included. The estimate includes \$17,500 for a city-wide asset appraisal.	The budget reflects no major changes.

**HEALTH INSURANCE FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Employee Contributions - Health	\$ 1,921,145	\$ 2,133,620	\$ 2,035,099	\$ 2,061,577
Employee Contributions - Dental	650,959	709,580	768,670	850,000
Employee Contributions - Vision	88,882	97,150	108,820	121,340
Employee Contributions - STD	98,907	100,100	104,330	104,330
Retiree Contributions	484,396	480,000	561,960	513,000
City Contributions - Health Insurance	12,455,262	13,845,902	13,944,187	15,340,012
City Contributions - LTD	261,454	132,500	134,124	201,084
City Contributions - Life Insurance	303,086	279,850	285,240	285,200
Pharmacy Rebates	96,441	125,000	177,000	175,000
Stop Loss Recovery	1,370,171	500,000	750,000	750,000
Other	26,303	25,000	18,500	18,500
<b>TOTAL REVENUES</b>	<b>\$ 17,757,006</b>	<b>\$ 18,428,702</b>	<b>\$ 18,887,930</b>	<b>\$ 20,420,043</b>
Use of Reserves	-	96,160	1,065,183	1,392,117
<b>TOTAL RESOURCES</b>	<b>\$ 17,757,006</b>	<b>\$ 18,524,862</b>	<b>\$ 19,953,113</b>	<b>\$ 21,812,160</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Long Term Disability	\$ 150,564	\$ 132,500	\$ 134,120	\$ 134,120
Life Insurance	298,475	279,850	285,200	285,200
Short Term Disability	85,757	100,100	104,330	104,330
Dental Insurance	702,155	709,580	768,670	850,000
Vision Insurance	87,961	97,150	108,820	121,340
Health Insurance	15,861,930	17,205,682	18,498,653	20,287,697
Transfers	-	-	-	19,473
Health Clinic Costs	20,000	-	53,320	10,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 17,206,842</b>	<b>\$ 18,524,862</b>	<b>\$ 19,953,113</b>	<b>\$ 21,812,160</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects no increases in employee health insurance premiums. The City Council will consider a formal budget amendment to recognize FY 11/12 estimated expenditure changes in August 2012.	The budget reflects no increases in employee health insurance premiums.

**STREET IMPROVEMENT FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Street Cut Reimbursements	\$ -	\$ 315,180	\$ 315,180	\$ 321,484
Bond Sale Savings	-	156,775	194,382	265,251
Franchise - Atmos Gas	-	492,814	492,814	553,470
Franchise - Charter Communications	-	159,898	180,135	189,148
Franchise - CoServ Electric	-	82,895	111,016	106,396
Franchise - TXU Electric	-	30,949	30,949	34,758
Franchise - CoServ Gas	-	61,414	68,554	72,349
Franchise - Verizon FIOS	-	-	226,400	496,513
Franchise - Miscellaneous Cable	-	367,827	367,827	23,643
ROW - DISD FIBER	-	11,579	11,579	12,749
Franchise - Verizon Telecommunications	-	300,799	186,391	264,250
Franchise - Telecommunications	-	86,527	116,023	111,124
Franchise - DMU Electric	-	2,553,932	2,539,676	2,850,065
Franchise - DMU Water	-	623,451	632,817	750,178
Franchise - DMU Wastewater	-	413,016	408,518	505,090
Franchise - Solid Waste	-	473,392	493,768	575,584
Franchise - Airport	-	14,745	14,745	16,722
Transfer from General Fund	-	921,779	921,779	-
Interest Income	-	-	10,000	10,000
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ 7,066,972</b>	<b>\$ 7,322,553</b>	<b>\$ 7,158,774</b>
Use of Reserves	-	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ -</b>	<b>\$ 7,066,972</b>	<b>\$ 7,322,553</b>	<b>\$ 7,158,774</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ -	\$ 1,825,754	\$ 1,886,761	\$ 2,141,141
Materials & Supplies	-	65,550	63,350	67,706
Maintenance & Repairs	-	3,613,230	3,561,522	4,257,024
Insurance	-	37,163	37,163	47,751
Miscellaneous	-	4,550	5,500	6,000
Operations	-	516,770	507,122	557,647
Transfers	-	82,176	82,176	81,505
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 6,145,193</b>	<b>\$ 6,143,594</b>	<b>\$ 7,158,774</b>

<b>PERSONNEL</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
<b>Full Time Equivalents (FTE)</b>				
<b>TOTAL PERSONNEL</b>	-	27.00	27.00	30.00

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects the creation of a special revenue fund to account for street operations. A one-time transfer from the General Fund of \$921,779 is included to establish a beginning fund balance and represents 15% of budgeted expenditures for FY 2011-12.	The budget reflects the addition of 3 FTEs for a new maintenance crew to perform additional street repairs.

**RECREATION FUND  
RESOURCE AND EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Special Projects	\$ 5,772	\$ 2,535	\$ 2,950	\$ 3,096
Marketing	19,984	25,247	25,247	28,166
Civic Center	23,084	23,384	23,384	24,071
Denia Rec Center	120,026	124,679	124,679	137,462
North Lakes Rec Center	255,714	269,932	263,000	269,767
Senior Center	101,529	81,962	101,529	99,017
Youth and Teen Services	409,072	358,043	358,043	383,303
Goldfield Tennis Center	126,923	162,000	162,000	177,646
Civic Center Pool	33,581	46,968	39,600	41,078
Martin Luther King Jr. Rec Center	36,637	81,298	81,298	166,412
Golf	-	-	-	143,175
Athletics	252,780	266,613	266,613	279,438
Miscellaneous Income	900	-	-	-
Interest Income	4,232	15,000	15,000	10,000
<b>TOTAL REVENUES</b>	<b>\$ 1,390,234</b>	<b>\$ 1,457,661</b>	<b>\$ 1,463,343</b>	<b>\$ 1,762,631</b>
Use of Reserves	36,447	147,690	67,153	187,717
<b>TOTAL RESOURCES</b>	<b>\$ 1,426,681</b>	<b>\$ 1,605,351</b>	<b>\$ 1,530,496</b>	<b>\$ 1,950,348</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 381,414	\$ 577,568	\$ 505,821	\$ 650,808
Materials & Supplies	428,343	440,775	438,783	559,707
Maintenance & Repair	13,646	13,074	13,074	103,454
Insurance	16,091	19,155	19,155	20,434
Operations	339,732	393,342	392,226	504,114
Transfer - General Fund	152,168	156,733	156,733	80,668
Transfer - Capital Projects	35,000	-	-	-
Transfer - Materials Mgmt	4,567	4,704	4,704	31,163
Fixed Assets	55,720	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,426,681</b>	<b>\$ 1,605,351</b>	<b>\$ 1,530,496</b>	<b>\$ 1,950,348</b>

<b>PERSONNEL</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
<b>Full Time Equivalents (FTE)</b>	24.27	24.27	24.27	24.27

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget includes funding for replacement kayaks used in the outdoor programs, a replacement TV for Martin Luther King recreation center, sound system for Denia recreation center, and the addition of benefits for one full time employee.	The budget includes funding for the purchase of a new tennis ball machine, carnival games for department special events, ping pong table, kayaks, new basketball rims for the recreation centers, and improvements to the Golf driving range center.

**TOURIST & CONVENTION FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Hotel Occupancy Tax	\$ 1,513,468	\$ 1,461,103	\$ 1,508,740	\$ 1,508,740
<b>TOTAL REVENUES</b>	<b>\$ 1,513,468</b>	<b>\$ 1,461,103</b>	<b>\$ 1,508,740</b>	<b>\$ 1,508,740</b>
Use of Reserves	-	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 1,513,468</b>	<b>\$ 1,461,103</b>	<b>\$ 1,508,740</b>	<b>\$ 1,508,740</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Convention & Visitor Bureau	\$ 650,076	\$ 650,080	\$ 650,080	\$ 733,100
North Texas State Fair Association	73,610	73,620	73,620	73,620
Greater Denton Arts Council	117,776	117,780	117,780	117,780
Denton Civic Center	16,991	7,500	7,500	7,500
Denton Festival Foundation	82,811	82,820	82,820	82,820
Denton Black Chamber of Commerce	16,572	16,580	16,580	16,580
Denton Holiday Festival Association	7,638	7,640	7,640	7,640
Denton Community Theatre	23,003	23,010	23,010	23,010
Denton Air Fair	10,234	10,240	10,240	10,240
Denton Main Street Association	23,003	23,010	23,010	23,010
Denton County Museums	54,395	90,840	90,840	90,840
Denton Firefighter Museum	20,227	20,790	20,790	20,690
Denton County Historical Commission	-	17,730	17,730	17,730
Cinco de Mayo Committee	8,392	8,400	8,400	8,000
Juneteenth Committee	9,700	12,430	12,430	12,430
Tejas Storytelling Association	50,607	50,610	50,610	50,610
Water Works Park	10,978	11,040	11,040	11,040
Denton Dog Days	14,586	14,590	14,590	14,590
Denton Public Art Committee	34,260	35,070	35,070	36,210
Susan G. Komen	-	-	-	10,000
Denton Square Maintenance	9,695	11,050	11,050	11,050
Square Lighting Maintenance	5,250	5,530	5,530	5,250
Contingency	445	15,000	15,000	15,000
Convention Center Contingency	-	-	-	100,000
Music Theater of Denton	5,000	5,000	5,000	5,000
Texas Filmmakers	5,000	5,000	5,000	5,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,250,249</b>	<b>\$ 1,315,360</b>	<b>\$ 1,315,360</b>	<b>\$ 1,508,740</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget reflects no major changes.	The budget includes \$100,000 as a contingency for unknown but anticipated expenses related to the planned Convention Center.



**POLICE CONFISCATION FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Seizures	\$ 96,446	\$ 189,248	\$ 95,698	\$ 160,000
Auction Proceeds	14,423	26,000	24,000	24,000
Interest Income	1,384	1,500	1,448	1,500
<b>TOTAL REVENUES</b>	<b>112,253</b>	<b>216,748</b>	<b>121,146</b>	<b>185,500</b>
Use of Reserves	-	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 112,253</b>	<b>\$ 216,748</b>	<b>\$ 121,146</b>	<b>\$ 185,500</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Materials & Supplies	\$ 16,172	\$ 76,000	\$ 33,000	\$ 42,000
Operations	11,233	131,000	88,000	113,000
Fixed Assets	45,709	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 73,114</b>	<b>\$ 207,000</b>	<b>\$ 121,000</b>	<b>\$ 155,000</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget included \$29,000 for ammunition and \$40,000 for uniforms.	The budget includes \$18,000 for facility upgrades, and \$10,000 to upgrade the jail security system.

**TRAFFIC SAFETY FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Red Light Camera Fees	\$ 616,416	\$ 385,000	\$ 895,316	\$ 913,200
<b>TOTAL REVENUES</b>	<b>616,416</b>	<b>385,000</b>	<b>895,316</b>	<b>913,200</b>
Use of Reserves	51,811	-	-	-
<b>TOTAL RESOURCES</b>	<b>\$ 668,227</b>	<b>\$ 385,000</b>	<b>\$ 895,316</b>	<b>\$ 913,200</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Personal Services	\$ 1,901	\$ 2,000	\$ 3,850	\$ 3,850
Operations	49,910	25,000	25,000	25,000
Red Light Camera Contract	616,416	350,000	630,134	525,960
Payment to State of Texas	-	-	78,900	191,695
Contingency	-	-	100,000	150,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 668,227</b>	<b>\$ 377,000</b>	<b>\$ 837,884</b>	<b>\$ 896,505</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget includes \$25,000 for solar school flashers. The estimate reflects higher than anticipated revenues, and corresponding higher than expected contract expenditures and payments to the State of Texas. The City Council will consider a formal budget amendment to recognize these changes in August 2012.	The budget includes \$25,000 for solar school flashers. The budget reflects 50% revenue payments to the State of Texas. Appropriations have also been included in the budget to provide a contingency for items such as unanticipated payments to the State of Texas or additional red light camera installations.

**NON-AIRPORT GAS WELL FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Interest Income	\$ 11,857	\$ 13,500	\$ 3,500	\$ 2,949
Miscellaneous	11,501	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 23,358</b>	<b>\$ 13,500</b>	<b>\$ 3,500</b>	<b>\$ 2,949</b>
Use of Reserves	369,542	1,586,500	1,596,500	37,051
<b>TOTAL RESOURCES</b>	<b>\$ 392,900</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>	<b>\$ 40,000</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Transfer to Capital Projects	\$ 392,900	\$ 1,600,000	\$ 1,600,000	\$ 40,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 392,900</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>	<b>\$ 40,000</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget included \$1,000,000 for property acquisition, and \$600,000 for the Comprehensive Plan update.	The budget includes \$40,000 for potential expenses related to a planned property acquisition.

**PARKS GAS WELL FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Gas Well Royalties	\$	472,236	\$	310,000	\$	413,000	\$	225,000
Interest Income		2,645		2,500		3,610		3,500
Miscellaneous Income		-		-		-		-
<b>TOTAL REVENUES</b>	\$	474,881	\$	312,500	\$	416,610	\$	228,500
Use of Reserves		-		37,500		-		571,500
<b>TOTAL RESOURCES</b>	\$	474,881	\$	350,000	\$	416,610	\$	800,000

<b>EXPENDITURES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Operations	\$	53,000	\$	350,000	\$	350,000	\$	800,000
<b>TOTAL EXPENDITURES</b>	\$	53,000	\$	350,000	\$	350,000	\$	800,000

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget included \$15,000 for bleachers at North Lakes Park; \$90,000 to purchase property at Mack and Milam Park; \$10,000 for scoreboards at Mack Park; \$15,000 for shade coverings at Water Works Park; \$95,000 for adult soccer field construction; \$15,000 for continuous river pump at Water Works Park; \$60,000 for irrigation at Evers Park baseball fields; and \$50,000 for phase I irrigation at Quaker Town Park.	The budget includes \$500,000 for property acquisition at North Lakes Park; \$200,000 for construction at the golf driving range; and \$100,000 for the adult soccer field construction.

**TREE MITIGATION FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11</b>		<b>2011-12</b>		<b>2011-12</b>		<b>2012-13</b>
	<b>ACTUAL</b>		<b>BUDGET</b>		<b>ESTIMATE</b>		<b>PROPOSED</b>
Landscaping Fee	\$	107,781	\$	45,000	\$	300,000	\$ 200,000
Interest Income		4,603		5,500		5,500	5,500
<b>TOTAL RESOURCES</b>	\$	112,384	\$	50,500	\$	305,500	\$ 205,500
Use of Reserves		-		-		-	-
<b>TOTAL RESOURCES</b>	\$	112,384	\$	50,500	\$	305,500	\$ 205,500

<b>EXPENDITURES</b>	<b>2010-11</b>		<b>2011-12</b>		<b>2011-12</b>		<b>2012-13</b>
	<b>ACTUAL</b>		<b>BUDGET</b>		<b>ESTIMATE</b>		<b>PROPOSED</b>
Operations	\$	2,896	\$	50,000	\$	5,288	\$ 50,000
<b>TOTAL EXPENDITURES</b>	\$	2,896	\$	50,000	\$	5,288	\$ 50,000

**MAJOR BUDGET ITEMS**

<b>FY 201-12</b>	<b>FY 2012-13</b>
The budget included \$50,000 for contingency purposes.	The budget includes \$50,000 for potential expenses associated with the tree mitigation program.

**PUBLIC EDUCATION GOVERNMENT (PEG) FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11</b>		<b>2011-12</b>		<b>2011-12</b>		<b>2012-13</b>
	<b>ACTUAL</b>		<b>BUDGET</b>		<b>ESTIMATE</b>		<b>PROPOSED</b>
Subscriber Fees	\$	272,749	\$	285,000	\$	285,000	\$ 288,000
Charter Grant		2,000		-		-	-
<b>TOTAL REVENUES</b>	\$	274,749	\$	285,000	\$	285,000	\$ 288,000
Use of Reserves		-		-		-	-
<b>TOTAL RESOURCES</b>	\$	274,749	\$	285,000	\$	285,000	\$ 288,000

<b>EXPENDITURES</b>	<b>2010-11</b>		<b>2011-12</b>		<b>2011-12</b>		<b>2012-13</b>
	<b>ACTUAL</b>		<b>BUDGET</b>		<b>ESTIMATE</b>		<b>PROPOSED</b>
Personal Services <sup>(1)</sup>	\$	39,514	\$	-	\$	-	\$ -
Materials and Supplies		1,911		2,500		2,500	-
Maintenance & Repair		75,775		147,325		147,325	113,500
Miscellaneous		470		-		-	-
Operations		11,841		38,927		38,927	40,927
Transfer		8,195		84,175		84,175	-
Fixed Assets		49,917		-		-	-
<b>TOTAL EXPENDITURES</b>	\$	187,623	\$	272,927	\$	272,927	\$ 154,427

<b>PERSONNEL</b>	<b>2010-11</b>		<b>2011-12</b>		<b>2011-12</b>		<b>2012-13</b>
<b>Full Time Equivalents (FTE)</b>	<b>ACTUAL</b>		<b>BUDGET</b>		<b>ESTIMATE</b>		<b>PROPOSED</b>
<b>TOTAL PERSONNEL</b>		1.50		-		-	-

<sup>(1)</sup> Personal services are funded from Charter Grant monies.

<b>MAJOR BUDGET ITEMS</b>	
<b>FY 2011-12</b>	<b>FY 2012-13</b>
<p>The budget reflects a one-time transfer of \$11,175 to reimburse the General Fund for prior year expenses related to the extension of Grande fiber to the Robson Ranch Development.</p> <p>The budget reflects the transfer of 1.5 FTE's to the General Fund and the transfer of \$73,000 of remaining Charter Grant monies which are designated to pay for the salaries of these positions.</p> <p>The budget included \$50,000 for contributions to 4 PEG channels which include: UNT, TWU, Denton ISD, and Public Access.</p>	<p>The budget includes \$50,000 for contributions to 4 PEG channels which include: UNT, TWU, Denton ISD, and Public Access. Additionally, the budget reflects a reduction in transfers related to the Charter Grant monies and a reimbursement of the Grande fiber expense.</p>

**MCKENNA TRUST FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Interest Income	\$ 2,973	\$ 2,820	\$ 3,000	\$ 3,000
<b>TOTAL REVENUES</b>	<b>\$ 2,973</b>	<b>\$ 2,820</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>
Use of Reserves	-	43,858	31,275	7,000
<b>TOTAL RESOURCES</b>	<b>\$ 2,973</b>	<b>\$ 46,678</b>	<b>\$ 34,275</b>	<b>\$ 10,000</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Operations	\$ -	\$ 46,678	\$ 34,275	\$ 10,000
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 46,678</b>	<b>\$ 34,275</b>	<b>\$ 10,000</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget included \$34,275 for the pavilion at McKenna Park. An additional \$12,403 is budgeted for contingency purposes.	The budget includes \$10,000 for eligible expenses associated with the McKenna Trust.

**PARK LAND DEDICATION TRUST FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Fees in lieu of Property Dedication	\$	373,348	\$	30,000	\$	170,000	\$	200,000
Interest Income		8,128		9,500		9,200		9,000
<b>TOTAL REVENUES</b>	\$	381,476	\$	39,500	\$	179,200	\$	209,000
Use of Reserves		-		290,500		150,800		-
<b>TOTAL RESOURCES</b>	\$	381,476	\$	330,000	\$	330,000	\$	209,000

<b>EXPENDITURES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Fixed Assets	\$	-	\$	330,000	\$	330,000	\$	200,000
<b>TOTAL EXPENDITURES</b>	\$	-	\$	330,000	\$	330,000	\$	200,000

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget includes funding for Owsley Park, Milam Park, Carl Young Park, and Mack Park.	The budget includes funding for the acquisition of prospective neighborhood park land.



**PARK DEVELOPMENT TRUST FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Development Fees	\$	231,110	\$	146,000	\$	100,600	\$	101,000
Interest Income		20,437		22,000		20,350		20,000
<b>TOTAL REVENUES</b>	\$	251,547	\$	168,000	\$	120,950	\$	121,000
Use of Reserves		216,124		47,000		215,000		-
<b>TOTAL RESOURCES</b>	\$	467,671	\$	215,000	\$	335,950	\$	121,000

<b>EXPENDITURES</b>		<b>2010-11 ACTUAL</b>		<b>2011-12 BUDGET</b>		<b>2011-12 ESTIMATE</b>		<b>2012-13 PROPOSED</b>
Fixed Assets	\$	467,671	\$	215,000	\$	215,000	\$	100,000
<b>TOTAL EXPENDITURES</b>	\$	467,671	\$	215,000	\$	215,000	\$	100,000

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The budget included funding for development at Owsley Park, McKamy-Evers Park, and North Pointe Park.	The budget includes funding for improvements to existing neighborhood parks.

**DOWNTOWN TAX INCREMENT FINANCING FUND  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

RESOURCES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
Ad Valorem	\$ -	\$ 15,871	\$ 15,871	\$ 70,691
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ 15,871</b>	<b>\$ 15,871</b>	<b>\$ 70,691</b>

EXPENDITURES	2010-11 ACTUAL	2011-12 BUDGET	2011-12 ESTIMATE	2012-13 PROPOSED
	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**MAJOR BUDGET ITEMS**

FY 2011-12	FY 2012-13
<p>The budget reflects the creation of this new fund in accordance with Ordinance No. 2010-316 adopted on December 7, 2010. The 2010 base value of the TIF is \$79,356,854 and the 2011 value is \$81,657,808, which reflects a \$2,300,954 or 2.9% increase compared to the base year.</p>	<p>The 2010 base value of the TIF is \$79,356,854 and the 2012 value is \$89,605,635, which reflects a \$10,248,781 or 12.9% increase compared to the base year.</p>

**MISCELLANEOUS SPECIAL REVENUE FUNDS  
RESOURCE & EXPENDITURE SUMMARY  
2012-13**

<b>RESOURCES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Police Donations	\$ 9,430	\$ 3,000	\$ 3,000	\$ 3,000
Fire Donations	3,472	2,600	2,600	2,000
Animal Control Donations	33,187	19,000	19,000	30,000
<b>TOTAL REVENUES</b>	<b>\$ 46,089</b>	<b>\$ 24,600</b>	<b>\$ 24,600</b>	<b>\$ 35,000</b>
Use of Reserves	-	400	400	5,000
<b>TOTAL RESOURCES</b>	<b>\$ 46,089</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>

<b>EXPENDITURES</b>	<b>2010-11 ACTUAL</b>	<b>2011-12 BUDGET</b>	<b>2011-12 ESTIMATE</b>	<b>2012-13 PROPOSED</b>
Police Donations	\$ 10,960	\$ 5,000	\$ 5,000	\$ 5,000
Fire Donations	769	5,000	5,000	5,000
Animal Control	30,553	15,000	15,000	30,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 42,282</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>

**MAJOR BUDGET ITEMS**

<b>FY 2011-12</b>	<b>FY 2012-13</b>
The Police Donations budget includes funding for community oriented policing activities, and citizen and departmental awards. The Animal Control Donations budget include \$15,000 for the adoption program, and other shelter related expenses. The Fire Donations budget includes \$5,000 for the Fire Museum, tactical paramedics, and public education programs.	The Police Donations budget includes funding for community oriented policing activities, and citizen and departmental awards. The Animal Control Donations budget include \$30,000 for the adoption program, and other shelter related expenses. The Fire Donations budget fund includes \$5,000 for the Fire Museum, tactical paramedics, and public education programs.

**GRANTS BUDGET  
EXPENDITURE SUMMARY  
2012-13**

**DESCRIPTION**

The grants budget is a summary of local, state and federal grants awarded to the City of Denton. Grants are awarded to support programs in the City and are not funded with City resources.

GRANT NAME	GRANT YEAR	EXPIRATION DATE	GRANT AMOUNT	TYPE	UNSPENT AMOUNT
Community Development Block Grant	2007-08	-	897,709	Federal	158,356
Community Development Block Grant	2008-09	-	875,933	Federal	108,631
Community Development Block Grant	2009-10	-	896,380	Federal	115,014
Community Development Block Grant	2010-11	-	975,447	Federal	141,008
Community Development Block Grant	2011-12	-	822,975	Federal	475,129
Community Development Block Grant	2012-13	-	847,464	Federal	827,464
Sub-Total CDBG			\$ 5,315,908		\$ 1,825,602
HOME Investment Partnership Grant	2004-05	-	672,160	Federal	5,006
HOME Investment Partnership Grant	2005-06	-	579,461	Federal	109,220
HOME Investment Partnership Grant	2007-08	-	542,079	Federal	91,639
HOME Investment Partnership Grant	2008-09	-	524,560	Federal	114,676
HOME Investment Partnership Grant	2010-11	-	578,028	Federal	243,600
HOME Investment Partnership Grant	2011-12	-	510,255	Federal	484,721
HOME Investment Partnership Grant	2012-13	-	327,218	Federal	317,218
Sub-Total HOME			\$ 3,733,761		\$ 1,366,080
Emergency Solutions Grant	2012-13		\$ 472,140	Federal	\$ 472,140
<b>Total Community Development</b>			<b>\$ 9,521,809</b>		<b>\$ 3,663,822</b>
Public Safety Training Facility	2009-10	12/25/2013	350,738	Federal	350,738
2009 Congressional Setaside	2009-10	12/31/2013	500,000	Federal	500,000
2010 Congressional Setaside	2010-11	9/30/2013	1,000,000	Federal	1,000,000
2011 UASI -LETPA	2012-13	8/31/2013	253,000	Federal	253,000
Emergency Management Performance Grant	2012-13	9/30/2013	68,844	Federal	68,844
<b>Total Public Safety</b>			<b>\$ 2,172,582</b>		<b>\$ 2,172,582</b>
CWA 319 Grant	2009-10	8/31/2013	405,291	Federal	247,672
Texas Historical Commission Grant	2011-12	8/30/2013	21,934	Federal	21,934
Summer Food Grant	2012-13	9/30/2013	140,000	Federal	140,000
Airport RAMP Grant	2012-13	8/31/2013	50,000	State	50,000
<b>Total Other</b>			<b>\$ 617,225</b>		<b>\$ 459,606</b>
<b>Grand Total</b>			<b>\$ 12,311,616</b>		<b>\$ 6,296,010</b>



**CAPITAL IMPROVEMENT PROGRAM (CIP) PROPOSED BUDGET**

The Capital Improvement Program (CIP) represents the City's plan for development. The CIP is reviewed each year to reflect changing priorities, to provide a framework for identifying capital requirements, and to assess the impact of capital projects on operating budgets and the scheduling and coordination of related projects.

The CIP proposed budget appropriates all available programmed funds, planned funding from other sources, and planned issuances of new General Obligation (GOs) Bonds and Certificates of Obligation (COs). Available programmed funds include unspent bond proceeds, internal revenue transfers and outside contributions. Internal revenue transfers and outside contributions comprise the bulk of planned other funding. Provided below is a summary of the total FY 2012-13 CIP proposed budget. Further CIP detail for planned issuances is provided in the following pages for each division.

DIVISION	TOTAL PROGRAMMED AVAILABLE <sup>1</sup>	PLANNED			TOTAL PROPOSED
		OTHER FUNDING	CO ISSUANCES <sup>2</sup>	GO ISSUANCES <sup>3</sup>	
General Government	\$ 114,332,051	\$ -	\$ 9,155,000	\$ 4,080,000	\$ 127,567,051
Electric	41,484,102	3,104,302	40,000,000	-	84,588,404
Water	5,630,503	9,481,863	9,000,000	-	24,112,366
Wastewater	7,417,008	4,377,826	13,500,000	-	25,294,834
Solid Waste	6,559,743	361,000	7,811,000	-	14,731,743
Airport	615,265	-	2,000,000	-	2,615,265
<b>TOTAL</b>	<b>\$ 176,038,672</b>	<b>\$ 17,324,991</b>	<b>\$ 81,466,000</b>	<b>\$ 4,080,000</b>	<b>\$ 278,909,663</b>

<sup>1</sup>Expected balance as of October 1, 2012 including approximately \$91 million in Regional Toll Revenue (RTR) funds received for the Mayhill Road and Bonnie Brae Street expansion projects.

<sup>2</sup>Certificates of Obligation (COs) sold for the Electric, Water, Wastewater, Solid Waste and Airport divisions are self-supporting from revenues associated with these operations. Utility System Revenue Bonds were previously sold for the Electric, Water and Wastewater utilities, but Certificates of Obligation (COs) are now utilized due to the substantial cost savings associated with this financing method.

<sup>3</sup>Represents first debt sale associated with proposed \$20.4 million bond program which will be considered by the voters in November 2012.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
GENERAL GOVERNMENT\*  
CASH REQUIREMENTS**

DIV./DEPT.	CATEGORY	2012-13
Trans	Streets	\$ 4,000,000
Trans	Public Art	80,000
Trans	Traffic Signals	1,100,000
Airport	Land Acquisition	2,000,000
Police	Training Facility	1,000,000
Fleet	Vehicles and Vehicle Replacements	3,000,000
Build/Equip	Facility Maintenance Program**	1,500,000
Police	Animal Care and Adoption Center	2,555,000
Trans	Matching Funds for Road Improvements	-
Various	Future GO Bond Program	-
	<b>TOTAL</b>	<b>\$ 15,235,000</b>
	General Obligation Bonds - New	\$ 4,080,000
	Certificates of Obligation - New	11,155,000
	<b>Grand Total</b>	<b>\$ 15,235,000</b>

\*Does not reflect Available Programmed Funds or ongoing capital projects.

\*\* Facility Maintenance Program is for HVAC, Flooring, Roof Replacements and Facility Improvements.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
GENERAL GOVERNMENT\*  
CASH REQUIREMENTS**

2013-14	2014-15	2015-16	2016-17	TOTAL
\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 20,000,000
80,000	80,000	80,000	80,000	400,000
-	-	-	-	1,100,000
-	-	-	-	2,000,000
-	-	-	-	1,000,000
2,000,000	2,500,000	2,500,000	2,500,000	12,500,000
1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
-	-	-	-	2,555,000
9,000,000	-	-	-	9,000,000
-	-	10,000,000	10,000,000	20,000,000
<b>\$ 16,580,000</b>	<b>\$ 8,080,000</b>	<b>\$ 18,080,000</b>	<b>\$ 18,080,000</b>	<b>\$ 76,055,000</b>
\$ 4,080,000	\$ 4,080,000	\$ 14,080,000	\$ 14,080,000	\$ 40,400,000
12,500,000	4,000,000	4,000,000	4,000,000	35,655,000
<b>\$ 16,580,000</b>	<b>\$ 8,080,000</b>	<b>\$ 18,080,000</b>	<b>\$ 18,080,000</b>	<b>\$ 76,055,000</b>



**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
ELECTRIC UTILITY  
CASH REQUIREMENTS**

GROUP ASSIGNMENT NUMBERS *	CATEGORY	2012-13
1	Automated Meter Reading	\$ 2,955,487
3	Building Construction	40,000
7	Communications Equipment	445,000
8	Contingency	300,000
13	Distribution Substations	10,139,000
14	Distribution Transformers	1,778,214
19	Feeder Extensions & Improvements	8,883,548
25	New Residential & Commercial	3,131,025
28	Over to Under Conversions	350,000
32	Power Factor Improvement	180,234
40	Street Lighting	139,594
43	Tools & Equipment	136,000
45	Transmission Lines	35,050,000
46	Transmission Substation	20,348,000
50	Vehicles	712,302
	<b>TOTAL</b>	<b>\$ 84,588,404</b>
	Revenue	\$ 3,104,302
	Available Programmed Funds**	41,484,102
	Certificates of Obligation - New	40,000,000
	<b>Grand Total</b>	<b>\$ 84,588,404</b>

\*GROUP ASSIGNMENT (GA) NUMBERS are used for identification of CIP Projects by major category of expense.

\*\*Includes unspent bond proceeds, internal revenue transfers, and outside contributions.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
ELECTRIC UTILITY  
CASH REQUIREMENTS**

2013-14	2014-15	2015-16	2016-17	TOTAL
\$ 2,677,921	\$ 2,681,313	\$ 2,850,695	\$ 425,802	\$ 11,591,218
950,000	-	-	-	990,000
275,000	335,000	290,000	285,000	1,630,000
300,000	300,000	300,000	300,000	1,500,000
9,760,000	8,419,000	4,834,000	4,303,000	37,455,000
1,863,178	1,952,201	2,045,285	2,142,431	9,781,309
10,170,500	9,288,000	7,495,000	6,968,700	42,805,748
3,289,313	3,480,361	3,521,918	3,388,723	16,811,340
350,000	350,000	350,000	350,000	1,750,000
180,000	182,500	185,000	187,500	915,234
159,500	167,100	173,500	180,450	820,144
85,000	85,000	85,000	85,000	476,000
22,000,000	21,055,000	7,820,000	4,290,000	90,215,000
32,622,000	10,180,000	11,290,000	6,870,000	81,310,000
226,000	951,064	845,898	1,421,015	4,156,279
<b>\$ 84,908,412</b>	<b>\$ 59,426,539</b>	<b>\$ 42,086,296</b>	<b>\$ 31,197,621</b>	<b>\$ 302,207,272</b>
\$ 2,571,000	\$ 3,288,064	\$ 3,174,898	\$ 3,741,015	\$ 15,879,279
22,337,412	16,138,475	8,911,398	7,456,606	96,327,993
60,000,000	40,000,000	30,000,000	20,000,000	190,000,000
<b>\$ 84,908,412</b>	<b>\$ 59,426,539</b>	<b>\$ 42,086,296</b>	<b>\$ 31,197,621</b>	<b>\$ 302,207,272</b>

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
WATER UTILITY  
CASH REQUIREMENTS**

GROUP ASSIGNMENT NUMBERS *	CATEGORY	2012-13
2	Booster Station	\$ 480,000
7	Communications Equipment	35,000
12	Distribution System Upgrade	7,105,503
17	Elevated Storage	5,595,000
18	Engineering	60,000
20	Field Services Replacement	2,003,742
24	Miscellaneous	1,025,000
27	Office Furniture/Computer/Equipment	64,000
29	Oversize Lines	200,000
36	Replacement Lines	800,000
38	State Highway Relocations	4,955,000
42	Taps, Fire Hydrants, Meters	936,121
43	Tools & Equipment	40,000
45	Transmission Lines	-
48	Plant Improvements	465,000
50	Vehicles	348,000
	<b>TOTAL</b>	<b>\$ 24,112,366</b>
	Revenue	\$ 9,481,863
	Available Programmed Funds**	5,630,503
	Certificates of Obligation - New	9,000,000
	<b>Grand Total</b>	<b>\$ 24,112,366</b>

\*GROUP ASSIGNMENT (GA) NUMBERS are used for identification of CIP Projects by major category of expense.

\*\*Includes unspent bond proceeds, internal revenue transfers, and outside contributions.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
WATER UTILITY  
CASH REQUIREMENTS**

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>TOTAL</b>
\$	4,150,000	\$ -	\$ -	\$ -	\$ 4,630,000
	174,000	-	-	-	209,000
	3,137,520	-	-	-	10,243,023
	-	-	-	-	5,595,000
	-	-	-	-	60,000
	1,241,299	1,408,793	1,539,934	1,424,213	7,617,981
	25,000	25,000	25,000	25,000	1,125,000
	-	-	-	-	64,000
	200,000	200,000	200,000	200,000	1,000,000
	1,200,000	1,900,000	2,300,000	2,700,000	8,900,000
	6,823,692	5,127,000	2,500,000	2,500,000	21,905,692
	1,102,926	1,170,573	1,251,602	1,308,557	5,769,779
	25,000	10,000	55,000	10,000	140,000
	-	1,000,000	2,600,000	1,950,000	5,550,000
	760,000	20,000	1,020,000	10,020,000	12,285,000
	425,000	299,000	176,000	588,000	1,836,000
<b>\$</b>	<b>19,264,437</b>	<b>\$ 11,160,366</b>	<b>\$ 11,667,536</b>	<b>\$ 20,725,770</b>	<b>\$ 86,930,475</b>
\$	5,275,225	\$ 8,060,366	\$ 6,517,536	\$ 8,075,770	\$ 37,410,760
	489,212	100,000	150,000	650,000	7,019,715
	13,500,000	3,000,000	5,000,000	12,000,000	42,500,000
<b>\$</b>	<b>19,264,437</b>	<b>\$ 11,160,366</b>	<b>\$ 11,667,536</b>	<b>\$ 20,725,770</b>	<b>\$ 86,930,475</b>

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
WASTEWATER UTILITY  
CASH REQUIREMENTS**

GROUP ASSIGNMENT NUMBERS *	CATEGORY	2012-13
5	Collection System Upgrade	\$ 10,963,008
16	Drainage Improvements	380,000
20	Field Services Replacement	1,333,500
21	Infiltration/Inflow	2,000,000
24	Miscellaneous	1,050,000
27	Office Furniture/Computer/Equipment	49,000
29	Oversize Lines	200,000
36	Replace Lines	1,482,036
38	State Highway Relocations	2,214,000
42	Taps, Fire Hydrants, Meters	108,290
43	Tools & Equipment	65,000
47	Wastewater Effluent Reuse	25,000
48	Plant Improvements	4,909,000
50	Vehicles	516,000
	<b>TOTAL</b>	<b>\$ 25,294,834</b>
	Revenue	\$ 4,377,826
	Available Programmed Funds**	7,417,008
	Certificates of Obligation - New	13,500,000
	<b>Grand Total</b>	<b>\$ 25,294,834</b>

\*GROUP ASSIGNMENT (GA) NUMBERS are used for identification of CIP Projects by major category of expense.

\*\*Includes unspent bond proceeds, internal revenue transfers, and outside contributions.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
WASTEWATER UTILITY  
CASH REQUIREMENTS**

2013-14	2014-15	2015-16	2016-17	TOTAL
\$ 8,211,812	\$ 3,305,185	\$ 1,845,704	\$ 1,973,895	\$ 26,299,604
30,000	55,000	380,000	380,000	1,225,000
1,118,000	-	-	-	2,451,500
1,500,000	1,500,000	1,500,000	1,500,000	8,000,000
25,000	25,000	25,000	25,000	1,150,000
-	-	-	-	49,000
200,000	200,000	200,000	200,000	1,000,000
2,294,798	3,873,925	4,622,646	4,672,825	16,946,230
3,824,608	3,852,000	1,200,000	1,200,000	12,290,608
108,290	108,290	108,290	108,290	541,450
63,000	90,000	100,000	115,000	433,000
25,000	25,000	25,000	25,000	125,000
6,478,130	135,325	68,000	70,000	11,660,455
626,000	1,116,000	330,000	522,000	3,110,000
<b>\$ 24,504,638</b>	<b>\$ 14,285,725</b>	<b>\$ 10,404,640</b>	<b>\$ 10,792,010</b>	<b>\$ 85,281,847</b>
\$ 4,253,218	\$ 5,148,540	\$ 5,693,936	\$ 5,953,115	\$ 25,426,635
251,420	637,185	210,704	338,895	8,855,212
20,000,000	8,500,000	4,500,000	4,500,000	51,000,000
<b>\$ 24,504,638</b>	<b>\$ 14,285,725</b>	<b>\$ 10,404,640</b>	<b>\$ 10,792,010</b>	<b>\$ 85,281,847</b>

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
SOLID WASTE \*  
CASH REQUIREMENTS**

<b>GROUP ASSIGNMENT NUMBERS **</b>	<b>CATEGORY</b>	<b>2012-13</b>
6	Commercial Collections	\$ 370,000
11	Disposal / Landfill	4,415,000
24	Administration	900,000
34	Recycling	141,000
37	Residential Collections	260,000
43	Equipment	250,000
50	Vehicles	1,836,000
	<b>TOTAL</b>	<b>\$ 8,172,000</b>
	Revenue	\$ 361,000
	Certificates of Obligation - New	7,811,000
	<b>Grand Total</b>	<b>\$ 8,172,000</b>

\*Does not reflect Available Programmed Funds or ongoing capital projects.

\*\*GROUP ASSIGNMENT (GA) NUMBERS are used for identification of CIP Projects by major category of expense.

**PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
SOLID WASTE \*  
CASH REQUIREMENTS**

2013-14	2014-15	2015-16	2016-17	TOTAL
\$ 130,000	\$ 240,000	\$ 150,000	\$ 260,000	\$ 1,150,000
2,175,000	1,930,000	1,580,000	1,550,000	11,650,000
-	-	-	-	900,000
155,000	160,000	165,000	170,000	791,000
270,000	280,000	290,000	300,000	1,400,000
250,000	1,550,000	1,070,000	1,250,000	4,370,000
1,584,000	2,316,000	2,069,000	2,002,000	9,807,000
<b>\$ 4,564,000</b>	<b>\$ 6,476,000</b>	<b>\$ 5,324,000</b>	<b>\$ 5,532,000</b>	<b>\$ 30,068,000</b>
\$ 204,000	\$ 296,000	\$ 244,000	\$ 382,000	\$ 1,487,000
4,360,000	6,180,000	5,080,000	5,150,000	28,581,000
<b>\$ 4,564,000</b>	<b>\$ 6,476,000</b>	<b>\$ 5,324,000</b>	<b>\$ 5,532,000</b>	<b>\$ 30,068,000</b>







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