

## RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

**Issuer Name: City of Breckenridge, Texas**

**Issue(s):**

\$ 1,680,000 Combination Tax and Surplus Revenue Certificates of Obligation, Series 2012  
\$ 840,000 Combination Tax and Surplus Revenue Certificates of Obligation, Series 2013 (TWDB)  
\$ 2,380,000 Combination Tax and Surplus Revenue Certificates of Obligation, Series 2014 (TWDB)

**Filing Format**  electronic \_\_\_ paper; If available on the Internet, give URL: \_\_\_\_\_

**CUSIP Numbers to which the information filed relates (optional):**

Nine-digit number(s) (see following page(s)):

\_\_\_ Six-digit number if information filed relates to all securities of the issuer

\* \* \*

### Financial & Operating Data Disclosure Information

Annual Financial Report or CAFR

Financial Information & Operating Data

\_\_\_ Other (describe) \_\_\_\_\_

Fiscal Period Covered: FYE 2017

\_\_\_ Monthly \_\_\_ Quarterly  Annual \_\_\_ Other: \_\_\_\_\_

\* \* \*

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: Heather Robertson-Caraway

Name: Heather Robertson-Caraway Title: City Secretary

Employer: City of Breckenridge, Texas

Voice Telephone Number: 254-559-8287

Email Address: hrobertson@breckenridgetx.gov

## DESCRIPTION OF ISSUES COVERED BY THIS REPORT

### Combination Tax and Surplus Revenue Certificates of Obligation, Series 2012

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/19	\$ 45,000	106547DB5
03/15/20	45,000	106547DC3
03/15/21	50,000	106547DD1
03/15/22	50,000	106547DE9
03/15/23	50,000	106547DF6
03/15/24	50,000	106547DG4
03/15/25	50,000	106547DH2
03/15/26	50,000	106547DJ8
03/15/27	50,000	106547DK5
03/15/28	55,000	106547DL3
03/15/29	55,000	106547DM1
03/15/30	55,000	106547DN9
03/15/31	55,000	106547DP4
03/15/32	55,000	106547DQ2
03/15/33	60,000	106547DR0
03/15/34	60,000	106547DS8
03/15/35	60,000	106547DT6
03/15/36	60,000	106547DU3
03/15/37	65,000	106547DV1
03/15/38	65,000	106547DW9
03/15/39	65,000	106547DX7
03/15/40	65,000	106547DY5
03/15/41	70,000	106547DZ2
03/15/42	70,000	106547EA6
03/15/43	70,000	106547EB4
03/15/44	75,000	106547EC2
	<u>\$ 1,500,000</u>	

**Combination Tax and Surplus Revenue Certificates of Obligation, Series 2013 (TWDB)**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/19	\$ 25,000	106547 EH1
03/15/20	25,000	106547 EJ7
03/15/21	25,000	106547 EK4
03/15/22	25,000	106547 EL2
03/15/23	25,000	106547 EM0
03/15/24	25,000	106547 EN8
03/15/25	25,000	106547 EP3
03/15/26	25,000	106547 EQ1
03/15/27	25,000	106547 ER9
03/15/28	25,000	106547 ES7
03/15/29	25,000	106547 ET5
03/15/30	25,000	106547 EU2
03/15/31	25,000	106547 EV0
03/15/32	30,000	106547 EW8
03/15/33	30,000	106547 EX6
03/15/34	30,000	106547 EY4
03/15/35	30,000	106547 EZ1
03/15/36	30,000	106547 FA5
03/15/37	30,000	106547 FB3
03/15/38	30,000	106547 FC1
03/15/39	30,000	106547 FD9
03/15/40	35,000	106547 FE7
03/15/41	35,000	106547 FF4
03/15/42	35,000	106547 FG2
03/15/43	35,000	106547 FH0
03/15/44	35,000	106547 FJ6
	<u>\$ 740,000</u>	

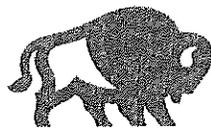
**Combination Tax and Surplus Revenue Certificates of Obligation, Series 2014 (TWDB)**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/19	\$ 50,000	106547FN7
03/15/20	50,000	106547FP2
03/15/21	55,000	106547FQ0
03/15/22	55,000	106547FR8
03/15/23	55,000	106547FS6
03/15/24	60,000	106547FT4
03/15/25	60,000	106547FU1
03/15/26	60,000	106547FV9
03/15/27	65,000	106547FW7
03/15/28	65,000	106547FX5
03/15/29	70,000	106547FY3
03/15/30	70,000	106547FZ0
03/15/31	75,000	106547GA4
03/15/32	75,000	106547GB2
03/15/33	80,000	106547GC0
03/15/34	85,000	106547GD8
03/15/35	85,000	106547GE6
03/15/36	90,000	106547GF3
03/15/37	95,000	106547GG1
03/15/38	100,000	106547GH9
03/15/39	105,000	106547GJ5
03/15/40	110,000	106547GK2
03/15/41	115,000	106547GL0
03/15/42	115,000	106547GM8
03/15/43	120,000	106547GN6
03/15/44	130,000	106547GP1
03/15/45	135,000	106547GQ9
	<u>\$ 2,230,000</u>	

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2017

CITY OF BRECKENRIDGE, TEXAS

GENERAL OBLIGATION DEBT



**HTS** Continuing Disclosure Services  
A Division of Hilltop Securities.

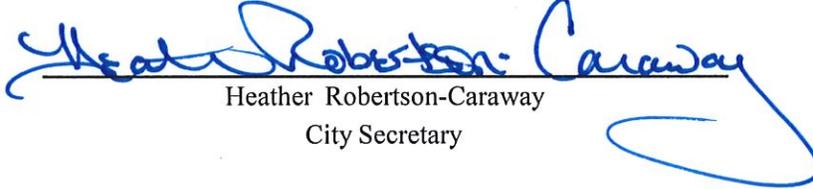
## FINANCIAL STATEMENTS

The audited financial statements for the City for the fiscal year ended September 30, 2017 are being separately filed directly with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

## SIGNATURE OF ISSUER

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

### CITY OF BRECKENRIDGE, TEXAS

  
\_\_\_\_\_  
Heather Robertson-Caraway  
City Secretary

Approved for Submission:

3.26.18

\_\_\_\_\_  
Date

## **CERTIFICATE OF SUBMISSION OF ANNUAL REPORT**

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Breckenridge, Texas with respect to the issues listed on the report cover was submitted directly to the Nationally Recognized Municipal Securities Information Repository ("NRMSIR") listed below as well as to any applicable State Information Depository ("SID").

### **NRMSIR**

Municipal Securities Rulemaking Board ("MSRB")  
via the Electronic Municipal Market Access ("EMMA") system

HTS Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Karla Martinez

**CITY OF BRECKENRIDGE, TEXAS**  
**2018 GENERAL OBLIGATION DEBT REPORT**

**TABLE 1 – VALUATION, EXEMPTIONS AND TAX SUPPORTED DEBT**

2017/18 Market Valuation Established by Stephens County Appraisal District (excluding totally exempt property)		\$ 198,291,458
Less Exemptions/Reductions at 100% Market Value:		
Residence Homestead Exemptions (Over 65 and Disabled)	\$ 1,596,000	
Disabled Veterans Exemptions	1,201,210	
Agriculture/Open-Space Land Use Reductions	735,430	
Homestead Cap	2,188,050	
Minimum Value Prorations	6,030	5,726,720
2017/18 Taxable Assessed Valuation		\$ 192,564,738
General Purpose General Obligation Debt Payable from Ad Valorem Taxes (as of 3/31/18)	\$ 4,470,000	
Less: Self-Supporting Debt		
Waterworks and Sewer System General Obligation Debt <sup>(1)</sup>	4,470,000	
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 4,470,000
Interest and Sinking Fund as of 1/31/18		\$ 1,301,825
Ratio General Obligation Debt to Taxable Assessed Valuation		2.32%
Ratio Net General Purpose General Obligation Debt to Taxable Assessed Valuation		2.32%

2018 Estimated Population - 5,780  
Per Capita Taxable Assessed Valuation - \$33,316  
Per Capita Funded Debt Payable from Ad Valorem Taxes - \$773  
Per Capita Net General Purpose Funded Debt Payable from Ad Valorem Taxes - \$773

(1) The amount of self-supporting debt is based on the percentages of revenue support as shown in Table 10. It is the City's current policy to provide these payments from respective system revenues; this policy is subject to change in the future.

**TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY**

Category	Fiscal Year Ended September 30,					
	2018		2017		2016	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 111,452,020	56.21%	\$ 113,027,170	54.30%	\$ 111,883,930	50.84%
Real, Residential, Multi-Family	4,593,690	2.32%	7,540,180	3.62%	6,101,030	2.77%
Real, Vacant Lots/Tracts	2,143,930	1.08%	3,903,160	1.88%	4,531,320	2.06%
Real, Acreage (Land Only)	824,800	0.42%	907,590	0.44%	973,120	0.44%
Real, Farm and Ranch Improvements	1,691,420	0.85%	1,698,130	0.82%	1,768,200	0.80%
Real, Commercial and Industrial	37,538,110	18.93%	42,923,480	20.62%	42,967,750	19.53%
Real, Oil, Gas and Other Mineral Reserves	5,291,288	2.67%	3,726,091	1.79%	8,687,110	3.95%
Real and Tangible Personal, Utilities	5,840,280	2.95%	5,445,350	2.62%	5,479,410	2.49%
Tangible Personal, Commercial and Industrial	28,079,300	14.16%	28,145,440	13.52%	36,954,220	16.79%
Tangible Personal, Other	226,350	0.11%	221,780	0.11%	107,930	0.05%
Special Inventory	610,270	0.31%	597,770	0.29%	597,770	0.27%
Miscellaneous	-	0.00%	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 198,291,458	100.00%	\$ 208,136,141	100.00%	\$ 220,051,790	100.00%
Less: Total Exemptions/Reductions	(5,726,720)		(23,450,112)		(23,289,350)	
Taxable Assessed Value	\$ 192,564,738		\$ 184,686,029		\$ 196,762,440	

Category	Fiscal Year Ended September 30,			
	2015		2014	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 115,239,680	58.12%	\$ 118,059,790	53.98%
Real, Residential, Multi-Family	6,713,490	3.39%	6,833,250	3.12%
Real, Vacant Lots/Tracts	4,455,520	2.25%	4,550,440	2.08%
Real, Acreage (Land Only)	860,900	0.43%	756,350	0.35%
Real, Farm and Ranch Improvements	1,718,890	0.87%	1,712,870	0.78%
Real, Commercial and Industrial	37,577,370	18.95%	37,854,260	17.31%
Real, Oil, Gas and Other Mineral Reserves	19,536,160	9.85%	15,432,115	7.06%
Real and Tangible Personal, Utilities	5,686,900	2.87%	5,125,550	2.34%
Tangible Personal, Commercial and Industrial	32,305,720	16.29%	27,690,460	12.66%
Tangible Personal, Other	107,930	0.05%	107,940	0.05%
Special Inventory	624,310	0.31%	552,690	0.25%
Miscellaneous	-	0.00%	43,050	0.02%
Total Appraised Value Before Exemptions	\$ 224,826,870	100.00%	\$ 218,718,765	100.00%
Less: Total Exemptions/Reductions	(23,721,143)		(25,842,942)	
Taxable Assessed Value	\$ 201,105,727		\$ 192,875,823	

(1) Valuations shown are certified taxable assessed values reported by the Stephens County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records

**TABLE 3 – VALUATION AND TAX SUPPORTED DEBT HISTORY**

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Net Taxable Assessed Valuation <sup>(2)</sup>	Per Capita Taxable Assessed Valuation	Tax Debt Outstanding at End of Year <sup>(3)</sup>	Ratio of Tax Debt to Taxable Assessed Valuation	Per Capita Funded Tax Debt <sup>(4)</sup>
2014	5,780	\$ 192,875,823	\$ 33,370	\$ 5,840,000	3.03%	\$ 1,010
2015	5,780	201,105,727	34,793	5,530,000	2.75%	957
2016	5,780	196,762,440	34,042	5,185,000	2.64%	897
2017	5,780	184,686,029	31,953	4,830,000	2.62%	836
2018	5,780	192,564,738	33,316	4,470,000 <sup>(4)</sup>	2.32% <sup>(4)</sup>	773 <sup>(4)</sup>

(1) Source: City of Breckenridge.

(2) As reported by the Stephens County Appraisal District on City’s annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) Includes self-supporting debt.

(4) Projected.

**TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY**

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest & Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2014	\$ 0.8900	\$ 0.6282	\$ 0.2618	\$ 1,713,574	94.29%	98.31%
2015	0.8618	0.5652	0.2966	1,748,603	93.40%	97.51%
2016	0.9400	0.6148	0.3252	1,909,243	92.09%	95.87%
2017	1.0400	0.6588	0.3812	1,930,301	97.36%	97.86%
2018	1.0365	0.6846	0.3519	1,995,934 <sup>(2)</sup>	87.81% <sup>(1)</sup>	87.87% <sup>(1)</sup>

(1) Collections through February 28, 2018, provided by City Officials.

(2) Calculated.

*(Remainder of Page Intentionally Left Blank)*

**TABLE 5 - TEN LARGEST TAXPAYERS**

Name of Taxpayer	Nature of Property	2017/18	% of Total
		Taxable Assessed Valuation	Taxable Assessed Valuation
Wal-Mart Real Estate Business Trust	Real Estate	\$ 4,556,430	2.47%
Wal-Mart Stores Texas LP	Retail	3,861,260	2.09%
Oncor Electric Delivery	Electric utility	3,312,160	1.79%
Deere Credit Inc.	Financing	2,630,550	1.42%
Action 49 Junction LLC	Corporate Services	2,229,920	1.21%
Jonell Filtration MFG	Industrial	2,208,000	1.20%
First National Bank	Bank	1,924,030	1.04%
Jaisai Hospitality LLC	Hospitality	1,654,210	0.90%
Ridge Oil Company	Oil & Gas	1,549,657	0.84%
J&L Clarke, LLC	Manufacturing	1,369,380	0.74%
		<u>\$ 25,295,597</u>	<u>13.70%</u>

**TABLE 6 – TAX ADEQUACY <sup>(1)</sup>**

2018 Net Principal and Interest Requirements.....	\$	181,416
\$.1052 Tax Rate at 90% Collection Produces.....	\$	181,578

(1) Excludes self-supporting debt.

**TABLE 7 – ESTIMATED OVERLAPPING DEBT**

Updated information with respect to the City as contained in Table 7 “Estimated Overlapping Debt” of the final official statements of debt issued is contained in Tables 3 and 4 of this annual report. Information relating to other taxing entities within the territory of the City that was contained in Table 7 of the final official statement has not been updated (as it is not financial information or operating data of the issuer); however information relating to other taxing entities is contained in individual “Texas Municipal Reports” as published by the Municipal Advisory Council of Texas.

*(Remainder of Page Intentionally Left Blank)*

**TABLE 8 – TAX SUPPORTED DEBT SERVICE REQUIREMENTS**

Fiscal Year Ended 9/30	Outstanding Debt Service <sup>(1)</sup>			Less: Self- Supporting Debt Service <sup>(2)</sup>	Net General Obligation Debt Service	% of Principal Retired
	Principal	Interest	Total			
2018	\$ 360,000	\$ 132,614	\$ 492,614	\$ 311,198	\$ 181,416	
2019	120,000	126,558	246,558	246,558	-	
2020	120,000	125,208	245,208	245,208	-	
2021	130,000	123,356	253,356	253,356	-	
2022	130,000	121,075	251,075	251,075	-	17.81%
2023	130,000	118,538	248,538	248,538	-	
2024	135,000	115,722	250,722	250,722	-	
2025	135,000	112,669	247,669	247,669	-	
2026	135,000	109,479	244,479	244,479	-	
2027	140,000	106,065	246,065	246,065	-	31.78%
2028	145,000	102,388	247,388	247,388	-	
2029	150,000	98,454	248,454	248,454	-	
2030	150,000	94,324	244,324	244,324	-	
2031	155,000	90,012	245,012	245,012	-	
2032	160,000	85,478	245,478	245,478	-	47.52%
2033	170,000	80,674	250,674	250,674	-	
2034	175,000	75,535	250,535	250,535	-	
2035	175,000	70,213	245,213	245,213	-	
2036	180,000	64,707	244,707	244,707	-	
2037	190,000	58,861	248,861	248,861	-	65.94%
2038	195,000	52,690	247,690	247,690	-	
2039	200,000	46,254	246,254	246,254	-	
2040	210,000	39,505	249,505	249,505	-	
2041	220,000	32,395	252,395	252,395	-	
2042	220,000	25,092	245,092	245,092	-	87.58%
2043	225,000	17,664	242,664	242,664	-	
2044	240,000	9,849	249,849	249,849	-	
2045	135,000	2,903	137,903	137,903	-	100.00%
	<u>\$ 4,830,000</u>	<u>\$ 2,238,282</u>	<u>\$ 7,068,282</u>	<u>\$ 6,886,866</u>	<u>\$ 181,416</u>	

(1) Outstanding debt does not include lease/purchase obligations.

(2) General Obligation debt is the amount shown for which repayment is provided from revenues of the City's Waterworks and Sewer System. In the event such funds are not available in the future or the City Commission elects not to make such transfers, the City will be required to levy an ad valorem tax for such purpose.

**TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION <sup>(1)</sup>**

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2018		\$ 181,416
Interest and Sinking Fund Balance, Fiscal Year Ending 9/30/2017	\$ 917,569	
Budgeted Delinquent Taxes	150,000	
Budgeted Interest and Sinking Fund Taxes	<u>528,000</u>	\$ 1,595,569
Estimated Balance, Fiscal Year Ending 9/30/2018		\$ 1,414,153

(1) Excludes self-supporting debt.

**TABLE 10 – COMPUTATION OF SELF SUPPORTING DEBT**

Net System Revenue from Waterworks and Sewer System, Fiscal Year Ended 9/30/2017	\$ 858,996
Less: Requirements for Waterworks and Sewer System Revenue Debt, Fiscal Year Ending 9/30/2018	<u>311,198</u>
Balance Available for Other Purposes	\$ 1,170,194
Requirements for Waterworks and Sewer System General Obligation Debt, Fiscal Year Ending 9/30/2018	<u>181,416</u>
Balance	\$ 988,779
Percentage of System General Obligation Bonds Self-Supporting	100.00%

**TABLE 11 – AUTHORIZED BUT UNISSUED BONDS**

As of January 31, 2018, the City does not have any authorized but unissued general obligation debt.

**TABLE 12 – OTHER OBLIGATIONS**

The City has entered into various lease agreements as lessee to finance the acquisition of equipment for the general and proprietary funds. These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. Interest rates range from 3.24% to 4.5%. Future minimum lease purchase commitments are as follows:

Fiscal Year Ended Sept. 30	Governmental Activities
2018	\$ 23,719
2019	23,719
2020	23,719
2021	23,719
2021	23,719
2023-2027	<u>71,158</u>
Total Debt Service Requirements	<u>\$ 189,753</u>
Less: Interest Portion	<u>\$ 24,894</u>
Debt Principal	<u>\$ 164,859</u>

Assets under lease and related depreciation are as follows:

	Governmental Activities
Vehicles and Equipment	\$ 269,298
Less: Accumulated depreciation	<u>(30,100)</u>
Total Debt Service Requirements	<u>\$ 239,198</u>

**TABLE 13A – CHANGE IN NET ASSETS**

	Governmental Activities as of Fiscal Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>Program Revenues:</b>					
Charges for Services	\$ 204,667	\$ 212,529	\$ 275,489	\$ 255,371	\$ 182,057
Operating Grants and Contributions	88,768	112,431	104,975	109,228	121,862
Capital Grants and Contributions	156,994	26,789	114,295	-	31,960
<b>General Revenues:</b>					
Property Taxes	1,944,984	1,886,345	1,765,502	1,725,992	1,952,172
Sales and Use Taxes	1,247,612	1,240,973	1,422,258	1,447,394	1,247,295
Franchise Taxes	425,149	413,112	440,387	444,155	395,222
Hotel Motel Taxes	42,415	43,226	49,838	45,810	40,616
Investment Earnings	4,926	4,778	4,686	4,510	4,150
Other Revenues	68,978	48,546	34,846	49,164	742,445
<b>Total Revenues</b>	<b>\$ 4,184,493</b>	<b>\$ 3,988,729</b>	<b>\$ 4,212,276</b>	<b>\$ 4,081,624</b>	<b>\$ 4,717,779</b>
<b>Expenses:</b>					
General Government	\$ 877,139	\$ 839,816	\$ 749,299	\$ 745,047	\$ 752,880
Public Safety	2,039,613	2,026,844	1,886,395	1,906,936	1,909,185
Public Works	651,808	603,685	630,206	661,070	707,155
Health and Sanitation	-	-	-	121,676	-
Cemetery	97,430	124,358	115,771	297,631	133,771
Parks	287,392	304,415	278,652	190,433	279,365
Community Services	129,687	178,666	179,515	65,178	182,435
Tourism	42,000	42,000	42,000	1,042	34,793
Interest on Long-Term Debt	13,362	11,237	5,424	-	1,195
<b>Total Expenses</b>	<b>\$ 4,138,431</b>	<b>\$ 4,131,021</b>	<b>\$ 3,887,262</b>	<b>\$ 3,989,013</b>	<b>\$ 4,000,779</b>
Increase in Net Assets Before Transfers	\$ 46,062	\$ (142,292)	\$ 325,014	\$ 92,611	\$ 717,000
Transfers	380,327	165,157	(131,906)	(53,648)	349,767
Increase (Decrease) in Net Assets	\$ 426,389	\$ 22,865	\$ 193,108	\$ 38,963	\$ 1,066,767
Net Assets October 1	4,254,099	4,231,234	4,572,546	4,533,583 <sup>(1)</sup>	6,280,001
Prior Period Adjustment	-	-	(534,420)	-	-
<b>Net Assets September 30</b>	<b>\$ 4,680,488</b>	<b>\$ 4,254,099</b>	<b>\$ 4,231,234</b>	<b>\$ 4,572,546</b>	<b>\$ 7,346,768</b>

(1) Restated.

**TABLE 13 – GENERAL FUND REVENUE AND EXPENDITURE HISTORY**

	Fiscal Years Ended September 30,				
	2017	2016	2015	2014	2013
<b>Revenue:</b>					
Property Taxes	\$ 1,236,437	\$ 1,251,023	\$ 1,176,394	\$ 1,239,314	\$ 1,512,505
Sales Taxes	1,040,449	1,035,173	1,186,792	1,198,112	998,390
Franchise Taxes	426,720	413,112	440,387	438,678	407,134
Hotel Motel Taxes	42,415	43,226	49,838	45,810	40,616
Charges for Services	203,906	216,331	273,309	249,589	193,849
Grants and Contributions	86,562	103,801	141,430	100,356	103,697
Interest Earnings	743	799	1,590	2,234	2,605
Miscellaneous	66,728	41,108	34,301	51,206	86,446
<b>Total Revenue:</b>	<b>\$ 3,103,960</b>	<b>\$ 3,104,573</b>	<b>\$ 3,304,041</b>	<b>\$ 3,325,299</b>	<b>\$ 3,345,242</b>
<b>Expenditures:</b>					
General Government	\$ 874,764	\$ 857,962	\$ 746,901	\$ 763,938	\$ 743,496
Public Safety	1,893,592	1,916,783	1,915,743	1,836,662	1,811,839
Public Works	446,093	526,613	490,717	499,285	514,205
Cemetery	89,554	118,148	113,008	118,623	131,450
Parks	236,745	251,886	239,735	249,305	251,334
Community Services	125,370	175,518	180,013	188,683	179,638
Tourism	42,000	42,000	42,000	51,307	29,793
Debt Service - Principal	117,802	26,603	9,111	8,501	63,194
Debt Service - Interest	8,456	6,631	433	1,042	1,195
<b>Total Expenditures:</b>	<b>\$ 3,834,376</b>	<b>\$ 3,922,144</b>	<b>\$ 3,737,661</b>	<b>\$ 3,717,346</b>	<b>\$ 3,726,144</b>
<b>Excess (Deficiency) of Revenues</b>					
Over Expenditures:	<b>\$ (730,416)</b>	<b>\$ (817,571)</b>	<b>\$ (433,620)</b>	<b>\$ (392,047)</b>	<b>\$ (380,902)</b>
<b>Other Financing Sources (Uses):</b>					
Operating Transfers In	\$ 665,500	\$ 515,000	\$ 314,003	\$ 400,000	\$ 600,000
Operating Transfers Out	(10,925)	(97,615)	(180,000)	(113,250)	(53,266)
Loan Proceeds	-	100,000	-	-	-
Proceeds of Capital Leases	-	-	-	-	27,000
<b>Total Other Financing Sources (Uses);</b>	<b>\$ 654,575</b>	<b>\$ 517,385</b>	<b>\$ 134,003</b>	<b>\$ 286,750</b>	<b>\$ 573,734</b>
<b>Excess (Deficiency) of Revenues and Other</b>					
Financing Sources Over Expenditures:	<b>(75,841)</b>	<b>(300,186)</b>	<b>(299,617)</b>	<b>(105,297)</b>	<b>192,832</b>
Fund Balance, Beginning of Year:	\$ 208,259	\$ 508,445	\$ 808,062	\$ 913,359	\$ 720,527
Fund Balance, End of Year:	<b>\$ 132,418</b>	<b>\$ 208,259</b>	<b>\$ 508,445</b>	<b>\$ 808,062</b>	<b>\$ 913,359</b>

**TABLE 14 – MUNICIPAL SALES TAX HISTORY**

Fiscal Year Ended 9/30	Total Collections <sup>(1)</sup>	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2014	\$ 1,198,112	69.92%	\$ 0.0062	\$ 207
2015	1,186,792	67.87%	0.0071	205
2016	1,035,173	54.22%	0.0061	179
2017	1,040,449	53.90%	0.0056	180
2018	451,414 <sup>(2)</sup>	22.62%	0.0023	78

(1) Includes the sales tax for street maintenance and the sales tax to reduce property tax; does not include the sales tax for economic development.

(2) Collections through February 28, 2018.

The sales tax breakdown for the City is as follows:

Economic and Community Development	\$ 0.0050
City Sales & Use Tax	0.0150
State Sales & Use Tax	0.0625
Total	<u>\$ 0.0825</u>

**TABLE 15 – CURRENT INVESTMENTS**

As of September 30, 2017, the City's funds were invested as follows:

Type of Investment	Market Value	% of Market Value
Cash and Equivalents	\$ 15,083	2.65%
Equities	137,947	24.25%
Bond Mutual Funds	203,391	35.76%
Corporate Bonds	103,726	18.24%
U.S. Treasuries	47,096	8.28%
U.S. Government Agencies	61,511	10.82%
	<u>\$ 568,754</u>	<u>100.00%</u>

*(Remainder of Page Intentionally Left Blank)*

**TABLE 16 – TOP TEN WATER CUSTOMERS**

Customer Name	Annual Usage (gal)	Annual Billings (\$)	Percent of Total Water Revenue	Bankruptcy (Y/N)
TDCJ- Walker Sayle Unit	16,525,000	\$ 148,268	8.72%	N
Woodland Village Apts.	3,608,000	32,378	1.90%	N
Villa Haven Nursing Home	3,147,200	48,795	2.87%	N
Ingram Concrete	1,949,300	15,150	0.89%	N
BISD Sports Plex	1,563,000	12,041	0.71%	N
Ridge Motel	1,525,100	14,040	0.83%	N
BISD High School	1,479,000	11,386	0.67%	N
HBSN Investments Co. LLC Apts.	1,289,000	12,199	0.72%	N
Housing Authority	940,000	9,119	0.54%	N
First National Bank Albany/Breckenridge	993,000	7,595	0.45%	N
<b>Total</b>			18.29%	

**TABLE 17 – TOP TEN WASTEWATER CUSTOMERS**

Customer Name	Annual Usage (gal)	Annual Billings (\$)	Percent of Total Wastewater Revenue	Bankruptcy (Y/N)
TDCJ-Walker Sayle Unit	16,525,000	\$ 83,451	9.34%	N
Woodland Village Apts.	3,608,000	4,800	0.54%	N
Villa Haven Nursing Home	3,147,200	9,600	1.07%	N
Ingram Concrete	1,949,300	3,343	0.37%	N
BISD Sports Plex	1,563,000	3,753	0.42%	N
Ridge Motel	1,525,100	3,997	0.45%	N
BISD High School	1,479,000	3,959	0.44%	N
HBSN Investments Co. LLC Apts.	1,289,000	4,030	0.45%	N
First National Bank Albany/Breckenridge	993,000	3,041	0.34%	N
Housing Authority	940,000	3,000	0.34%	N
<b>Total</b>			13.76%	

*(Remainder of Page Intentionally Left Blank)*

**TABLE 18 – WATER AND SEWER STATEMENT OF OPERATIONS**

	Fiscal Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>OPERATING REVENUES</b>					
Water and sewer service	\$ 2,585,417	\$ 2,658,018	\$ 2,636,263	\$ 2,588,245	\$ 2,944,790
Miscellaneous	8,479	20,397	28,149	24,055	34,014
Total Operating Revenues	\$ 2,593,896	\$ 2,678,415	\$ 2,664,412	\$ 2,612,300	\$ 2,978,804
<b>OPERATING EXPENSES</b>					
Water and sewer commercial	\$ 53,158	\$ 99,085	\$ 83,580	\$ 88,161	\$ 92,865
Water meters and readers	115,522	97,150	166,987	156,334	132,914
Lake Daniel	21,597	6,826	3,219	14,096	11,430
Water production	682,927	782,204	748,872	728,660	793,029
Water distribution	293,134	297,505	320,462	296,097	230,432
Sewer collection	267,008	228,103	252,658	280,682	247,022
Sewer treatment	301,554	342,935	394,391	320,614	247,518
Non-departmental	-	-	-	3,387	3,695
Depreciation	487,828	427,631	381,351	383,771	357,326
Total Operating Expenses	\$ 2,222,728	\$ 2,281,439	\$ 2,351,520	\$ 2,271,802	\$ 2,116,231
Operating Income	\$ 371,168	\$ 396,976	\$ 312,892	\$ 340,498	\$ 862,573
<b>NONOPERATING REVENUES OR (EXPENSES)</b>					
Intergovernmental Revenue	\$ 21,561	\$ -	\$ -	\$ -	\$ -
Interest revenue	4,618	9,467	9,973	9,010	6,504
Interest expense and fiscal charges	(126,242)	(60,360)	(171,130)	(145,822)	(103,098)
Debt issuance costs	-	-	-	(98,997)	(134,323)
Transfers (to) from other funds	(390,742)	(161,187)	(55,824)	53,648	(349,767)
Capital Grants & Contributions	197,634	495,231	382,418	148,370	205,824
Total Nonoperating Expenses	\$ (293,171)	\$ 283,151	\$ 165,437	\$ (33,791)	\$ (374,860)
Changes in Net Assets	\$ 77,997	\$ 680,127	\$ 478,329	\$ 306,707	\$ 487,713
TOTAL NET ASSETS - BEGINNING	\$ 8,124,490	\$ 7,444,363	\$ 7,105,147	\$ 6,798,440 <sup>(1)</sup>	\$ 6,500,099
Prior Period Adjustment	-	-	(139,113)	-	(54,906)
TOTAL NET ASSETS - ENDING	\$ 8,202,487	\$ 8,124,490	\$ 7,444,363	\$ 7,105,147	\$ 6,932,906

(1) Restated.

**TABLE 19 – WATER AND WASTEWATER USAGE**

Service	No. of Connections	Avg Monthly Usage (gallons)	Avg Monthly Bill (\$)	Projected Monthly Increase Necessary (\$)
Water	2,580	5,135	\$49.67	TBD
Wastewater	2,048	5,958	\$32.94	TBD

**TABLE 20 – MONTHLY WATER RATES (EFFECTIVE SEPTEMBER 2014)**

<b>Residential-Single Family</b>	<b>Inside City Limits</b>	<b>Outside City Limits</b>
First 2,000 gallons (minimum)	\$22.75 charge	\$45.50 charge
Next 3,000 gallons	\$5.40/1,000 gallons	\$10.80/1,000 gallons
Next 5,000 gallons	\$5.85/1,000 gallons	\$11.70/1,000 gallons
Next 10,000 gallons	\$6.80/1,000 gallons	\$13.60/1,000 gallons
Over 20,000 gallons	\$7.80/1,000 gallons	\$15.60/1,000 gallons
<b>Commercial and Apartments</b>	<b>Inside City Limits</b>	<b>Outside City Limits</b>
First 2,000 gallons (minimum)	\$30.00 charge <sup>(1)</sup>	\$60.00 charge <sup>(1)</sup>
Next 3,000 gallons	\$5.40/1,000 gallons	\$10.80/1,000 gallons
Next 5,000 gallons	\$5.85/1,000 gallons	\$11.70/1,000 gallons
Next 10,000 gallons	\$6.80/1,000 gallons	\$13.60/1,000 gallons
Over 20,000 gallons	\$7.80/1,000 gallons	\$15.60/1,000 gallons

**Plant Water**

Texas Department of Criminal Justice - Walker Sayle Unit:	\$8.60 per 1,000 gallons
High Mesa Water Company	
First 2,000 gallons (minimum):	\$45.50 charge
2,001 gallons and over:	\$6.00/1,000 gallons
Stephens Regional Special Utility District:	
First 2,000 gallons (minimum):	no longer bill
2,001 gallons and over:	no longer bill

(1) Add \$4.25 or \$8.50 to the minimum charge for each additional family, apartment, or house over two allowed for \$30.00 or \$60.00 minimum that is connected to the same meter.

**TABLE 21 – MONTHLY SEWER RATES (EFFECTIVE NOVEMBER 2012)**

Texas Department of Criminal Justice - Walker Sayle Unit  
 \$5.05 per 1,000 gallons of water, or portion thereof, used monthly.

For each residence occupied by the constituent members of one family, minimum monthly charge shall be \$25.85 for the first 5,000 gallons. A monthly charge is hereby fixed at \$2.20 per 1,000 gallons of water over 5,000 gallons, or portion thereof, used monthly by each customer. The maximum monthly charge for each customer shall be \$75.00.

For all users of the city sewer system other than a single resident unit herein defined, a minimum monthly charge shall be \$30.00 for the first 5,000 gallons. A monthly charge is hereby fixed at \$3.00 per 1,000 gallons of water over 5,000 gallons or portion thereof, used monthly by each customer. The maximum monthly charge for each customer shall be \$400.00.

Charges for service outside the city limits shall be the above rates, plus one hundred percent.

**TABLE 22 – TOP TEN EMPLOYERS**

<u>Company</u>	<u>Type of Business</u>	<u>Estimated Number of Employees</u>
Breckenridge Independent School District	School District	233
Texas Dept of Criminal Justice - Walker Sayle Unit	State prison	150
Stephens Memorial Hospital	County Hospital	144
Jonell Filtration	Filters	143
Wal-Mart	Discount retail store	130
Bridgeport Manufacturing	Truck Manufacturer	76
City of Breckenridge	Municipality	74
Dye Manufacturing	Aircraft Components	62
Raydon Construction	Construction	54
Villa Haven Nursing Home	Nursing Home Facility	44