

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 X electronic ___ paper; If available on the Internet, give URL: _____

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

X 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

- X Annual Financial Report or CAFR
- X Financial Information & Operating Data
- ___ Other (describe) _____

X Fiscal Period Covered: FYE 2018

___ Monthly ___ Quarterly X Annual ___ Other: _____

* * *

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

Signature: /s/ 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>
03/15/20	\$ 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>\$ 1,455,000</u>	

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

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
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>\$ 715,000</u>	

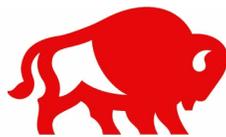
Combination Tax and Surplus Revenue Certificates of Obligation, Series 2014 (TWDB)

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
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>\$ 2,180,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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, 2018 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

/s/ Heather Robertson-Caraway

Heather Robertson-Caraway

City Secretary

Approved for Submission:

03/27/2019

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/ Rhodes Legg

CITY OF BRECKENRIDGE, TEXAS
2019 GENERAL OBLIGATION DEBT REPORT

TABLE 1 – VALUATION, EXEMPTIONS AND TAX SUPPORTED DEBT

2018/19 Market Valuation Established by Stephens County Appraisal District (excluding totally exempt property)		\$ 208,664,600
Less Exemptions/Reductions at 100% Market Value:		
Residence Homestead Exemptions (Over 65 and Disabled)	\$ 1,539,000	
Disabled Veterans Exemptions	1,223,280	
Agriculture/Open-Space Land Use Reductions	694,170	
Homestead Cap	1,417,701	
Miscellaneous Exemptions	9,974,925	
Minimum Value Prorations	113,128	14,962,204
2018/19 Taxable Assessed Valuation		\$ 193,702,396
General Purpose General Obligation Debt Payable from Ad Valorem Taxes (as of 3/31/19)	\$ 9,578,000	
Less: Self-Supporting Debt		
Waterworks and Sewer System General Obligation Debt ⁽¹⁾	4,350,000	
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 5,228,000
Interest and Sinking Fund as of 1/31/19		\$ 1,546,224
Ratio General Obligation Debt to Taxable Assessed Valuation		4.94%
Ratio Net General Purpose General Obligation Debt to Taxable Assessed Valuation		2.70%

2019 Estimated Population - 5,780
Per Capita Taxable Assessed Valuation - \$33,513
Per Capita Funded Debt Payable from Ad Valorem Taxes - \$1,657
Per Capita Net General Purpose Funded Debt Payable from Ad Valorem Taxes - \$904

(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,					
	2019		2018		2017	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 111,186,820	53.28%	\$ 111,452,020	56.21%	\$ 113,027,170	54.30%
Real, Residential, Multi-Family	7,721,145	3.70%	4,593,690	2.32%	7,540,180	3.62%
Real, Vacant Lots/Tracts	3,850,445	1.85%	2,143,930	1.08%	3,903,160	1.88%
Real, Acreage (Land Only)	858,600	0.41%	824,800	0.42%	907,590	0.44%
Real, Farm and Ranch Improvements	1,772,280	0.85%	1,691,420	0.85%	1,698,130	0.82%
Real, Commercial and Industrial	43,232,962	20.72%	37,538,110	18.93%	42,923,480	20.62%
Real, Oil, Gas and Other Mineral Reserves	5,156,736	2.47%	5,291,288	2.67%	3,726,091	1.79%
Real and Tangible Personal, Utilities	6,236,690	2.99%	5,840,280	2.95%	5,445,350	2.62%
Tangible Personal, Commercial and Industrial	27,964,900	13.40%	28,079,300	14.16%	28,145,440	13.52%
Tangible Personal, Other	351,120	0.17%	226,350	0.11%	221,780	0.11%
Special Inventory	332,902	0.16%	610,270	0.31%	597,770	0.29%
Miscellaneous	-	0.00%	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 208,664,600	100.00%	\$ 198,291,458	100.00%	\$ 208,136,141	100.00%
Less: Total Exemptions/Reductions	(14,962,204)		(13,180,315)		(23,450,112)	
Taxable Assessed Value	<u>\$ 193,702,396</u>		<u>\$ 185,111,143</u>		<u>\$ 184,686,029</u>	

Category	Fiscal Year Ended September 30,			
	2016		2015	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 111,883,930	53.62%	\$ 115,239,680	58.12%
Real, Residential, Multi-Family	6,101,030	2.92%	6,713,490	3.39%
Real, Vacant Lots/Tracts	4,531,320	2.17%	4,455,520	2.25%
Real, Acreage (Land Only)	973,120	0.47%	860,900	0.43%
Real, Farm and Ranch Improvements	1,768,200	0.85%	1,718,890	0.87%
Real, Commercial and Industrial	42,967,750	20.59%	37,577,370	18.95%
Real, Oil, Gas and Other Mineral Reserves	8,687,110	4.16%	19,536,160	9.85%
Real and Tangible Personal, Utilities	5,479,410	2.63%	5,686,900	2.87%
Tangible Personal, Commercial and Industrial	36,954,220	17.71%	32,305,720	16.29%
Tangible Personal, Other	107,930	0.05%	107,930	0.05%
Special Inventory	597,770	0.29%	624,310	0.31%
Miscellaneous	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 220,051,790	100.00%	\$ 224,826,870	100.00%
Less: Total Exemptions/Reductions	(23,289,350)		(23,721,143)	
Taxable Assessed Value	<u>\$ 196,762,440</u>		<u>\$ 201,105,727</u>	

(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 ⁽¹⁾	Net Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	Tax Debt Outstanding at End of Year ⁽³⁾	Ratio of Tax Debt to Taxable Assessed Valuation	Per Capita Funded Tax Debt
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	185,111,143	32,026	9,578,000	5.17%	1,657
2019	5,780	193,702,396	33,513	9,384,000 ⁽⁴⁾	4.84% ⁽⁴⁾	1,624 ⁽⁴⁾

(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
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	1,925,116	94.12%	99.13%
2019	1.0200	0.7330	0.2870	1,975,390 ⁽²⁾	77.58% ⁽¹⁾	86.60% ⁽¹⁾

(1) Collections through January 31, 2019, provided by City Officials.

(2) Calculated.

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TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2018/19 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Wal-Mart Real Estate Business Trust	Real Estate	\$ 4,556,860	2.35%
Deere Credit Inc.	Financing	3,995,750	2.06%
Oncor Electric Delivery	Electric utility	3,755,140	1.94%
Wal-Mart Stores Texas LP	Retail	3,289,230	1.70%
Jonell Filtration MFG	Industrial	2,406,000	1.24%
Action 49 Junction LLC	Corporate Services	2,229,920	1.15%
First National Bank	Bank	2,001,060	1.03%
Jaisai Hospitality LLC	Hospitality	1,605,414	0.83%
J&L Clarke, LLC	Manufacturing	1,369,380	0.71%
United Supermarkets LLC	Grocery	1,291,470	0.67%
		<u>\$ 26,500,224</u>	<u>13.68%</u>

TABLE 6 – TAX ADEQUACY ⁽¹⁾

2019 Net Principal and Interest Requirements.....	\$	213,444
\$.1169 Tax Rate at 94% Collection Produces.....	\$	213,492
Average Annual Net Principal and Interest Requirements.....	\$	213,444
\$.1169 Tax Rate at 94% Collection Produces.....	\$	213,492

(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.

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TABLE 8 – TAX SUPPORTED DEBT SERVICE REQUIREMENTS

Fiscal Year Ended 9/30	Outstanding Debt Service ⁽¹⁾			Less: Self- Supporting Debt Service ⁽²⁾	Net General Obligation Debt Service	% of Principal Retired
	Principal	Interest	Total			
2019	\$ 194,000	\$ 266,002	\$ 460,002	\$ 246,558	\$ 213,444	
2020	197,000	262,955	459,955	245,208	214,747	
2021	208,000	258,592	466,592	253,356	213,236	
2022	210,000	254,139	464,139	251,075	213,063	
2023	213,000	249,360	462,360	248,538	213,822	10.67%
2024	220,000	244,589	464,589	250,722	213,867	
2025	222,000	238,816	460,816	247,669	213,146	
2026	225,000	233,191	458,191	244,479	213,712	
2027	232,000	227,274	459,274	246,065	213,210	
2028	240,000	221,355	461,355	247,388	213,967	22.56%
2029	247,000	214,452	461,452	248,454	212,998	
2030	251,000	207,599	458,599	244,324	214,275	
2031	258,000	200,482	458,482	245,012	213,470	
2032	266,000	193,373	459,373	245,478	213,894	
2033	279,000	185,313	464,313	250,674	213,639	36.15%
2034	287,000	177,135	464,135	250,535	213,600	
2035	290,000	168,692	458,692	245,213	213,478	
2036	299,000	160,233	459,233	244,707	214,526	
2037	311,000	150,821	461,821	248,861	212,960	
2038	320,000	141,267	461,267	247,690	213,577	51.88%
2039	328,000	131,352	459,352	246,254	213,098	
2040	342,000	121,256	463,256	249,505	213,751	
2041	355,000	110,246	465,246	252,395	212,851	
2042	359,000	99,175	458,175	245,092	213,083	
2043	369,000	87,855	456,855	242,664	214,191	70.18%
2044	387,000	76,225	463,225	249,849	213,377	
2045	286,000	64,994	350,994	137,903	213,092	
2046	156,000	57,870	213,870	-	213,870	
2047	160,000	53,524	213,524	-	213,524	
2048	164,000	49,210	213,210	-	213,210	
2049	169,000	44,490	213,490	-	213,490	
2050	174,000	39,773	213,773	-	213,773	85.80%
2051	179,000	34,919	213,919	-	213,919	
2052	183,000	30,030	213,030	-	213,030	
2053	189,000	24,825	213,825	-	213,825	
2054	194,000	19,558	213,558	-	213,558	
2055	199,000	14,154	213,154	-	213,154	
2056	205,000	8,629	213,629	-	213,629	
2057	211,000	2,877	213,877	-	213,877	100.00%
	<u>\$ 9,578,000</u>	<u>\$ 5,326,599</u>	<u>\$ 14,904,599</u>	<u>\$ 6,575,668</u>	<u>\$ 8,328,932</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 ⁽¹⁾

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2019		\$ 213,444
Interest and Sinking Fund Balance, Fiscal Year Ending 9/30/2018	\$ 1,156,855	
Budgeted Delinquent Taxes	150,000	
Budgeted Interest and Sinking Fund Taxes	405,800	\$ 1,712,655
Estimated Balance, Fiscal Year Ending 9/30/2019		\$ 1,499,211

(1) Excludes self-supporting debt.

TABLE 10 – COMPUTATION OF SELF SUPPORTING DEBT

Net System Revenue from Waterworks and Sewer System, Fiscal Year Ended 9/30/2018	\$ 863,614
Less: Requirements for Waterworks and Sewer System Revenue Debt, Fiscal Year Ending 9/30/2019	-
Balance Available for Other Purposes	\$ 863,614
Requirements for Waterworks and Sewer System General Obligation Debt, Fiscal Year Ending 9/30/2019	213,444
Balance	\$ 650,170
Percentage of System General Obligation Bonds Self-Supporting	100.00%

TABLE 11 – AUTHORIZED BUT UNISSUED BONDS

As of January 31, 2019, the City does not have any authorized but unissued general obligation debt.

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TABLE 12 – OTHER OBLIGATIONS

Capital Lease

The City has entered into a lease agreement as lessee to finance the acquisition of equipment for the general fund. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. The interest rate on the lease is 3.24%. Future minimum lease purchase commitments are as follows:

Fiscal Year Ended Sept. 30	Governmental Activities
2019	\$ 23,719
2020	23,719
2021	23,719
2022	23,719
2023	23,719
2024-2027	47,441
Total Debt Service Requirements	<u>\$ 166,036</u>
Less: Interest Portion	<u>\$ 19,556</u>
Debt Principal	<u>\$ 146,480</u>

Assets under lease and related depreciation are as follows:

	Governmental Activities
Vehicles and Equipment	<u>\$ 269,298</u>
Less: Accumulated depreciation	<u>(48,267)</u>
Net Debt Service Requirements	<u>\$ 221,031</u>

Loan Payable

The City has borrowed \$200,000 on its line of credit with a local bank to fund operating expenditures. Interest is due annually at 5.25%. The loan matures on September 30, 2019. The loan is secured by all of the deposit accounts of the City and property tax revenue collected over the next twelve month period.

TABLE 13A – CHANGE IN NET ASSETS

	Governmental Activities as of Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
Program Revenues:					
Charges for Services	\$ 182,527	\$ 204,667	\$ 212,529	\$ 275,489	\$ 255,371
Operating Grants and Contributions	109,294	88,768	112,431	104,975	109,228
Capital Grants and Contributions	-	156,994	26,789	114,295	-
General Revenues:					
Property Taxes	1,960,940	1,944,984	1,886,345	1,765,502	1,725,992
Sales and Use Taxes	1,345,200	1,247,612	1,240,973	1,422,258	1,447,394
Franchise Taxes	473,890	425,149	413,112	440,387	444,155
Hotel Motel Taxes	52,739	42,415	43,226	49,838	45,810
Investment Earnings	4,658	4,926	4,778	4,686	4,510
Other Revenues	54,002	68,978	48,546	34,846	49,164
Total Revenues	<u>\$ 4,183,250</u>	<u>\$ 4,184,493</u>	<u>\$ 3,988,729</u>	<u>\$ 4,212,276</u>	<u>\$ 4,081,624</u>
Expenses:					
General Government	\$ 905,275	\$ 877,139	\$ 839,816	\$ 749,299	\$ 745,047
Public Safety	2,108,022	2,039,613	2,026,844	1,886,395	1,906,936
Public Works	627,412	651,808	603,685	630,206	661,070
Health and Sanitation	-	-	-	-	121,676
Cemetery	92,890	97,430	124,358	115,771	297,631
Parks	293,433	287,392	304,415	278,652	190,433
Community Services	120,233	129,687	178,666	179,515	65,178
Tourism	42,000	42,000	42,000	42,000	1,042
Interest on Long-Term Debt	16,651	13,362	11,237	5,424	-
Total Expenses	<u>\$ 4,205,916</u>	<u>\$ 4,138,431</u>	<u>\$ 4,131,021</u>	<u>\$ 3,887,262</u>	<u>\$ 3,989,013</u>
Increase in Net Assets Before Transfers	\$ (22,666)	\$ 46,062	\$ (142,292)	\$ 325,014	\$ 92,611
Transfers	(72,785)	380,327	165,157	(131,906)	(53,648)
Increase (Decrease) in Net Assets	\$ (95,451)	\$ 426,389	\$ 22,865	\$ 193,108	\$ 38,963
Net Assets October 1	4,546,713 ⁽¹⁾	4,254,099	4,231,234	4,572,546	4,533,583
Prior Period Adjustment	-	-	-	(534,420)	-
Net Assets September 30	<u>\$ 4,451,262</u>	<u>\$ 4,680,488</u>	<u>\$ 4,254,099</u>	<u>\$ 4,231,234</u>	<u>\$ 4,572,546</u>

(1) Restated

TABLE 13 – GENERAL FUND REVENUE AND EXPENDITURE HISTORY

	Fiscal Years Ended September 30,				
	2018	2017	2016	2015	2014
Revenue:					
Property Taxes	\$ 1,309,826	\$ 1,236,437	\$ 1,251,023	\$ 1,176,394	\$ 1,239,314
Sales Taxes	1,128,621	1,040,449	1,035,173	1,186,792	1,198,112
Franchise Taxes	459,948	426,720	413,112	440,387	438,678
Hotel Motel Taxes	52,739	42,415	43,226	49,838	45,810
Charges for Services	185,445	203,906	216,331	273,309	249,589
Grants and Contributions	92,592	86,562	103,801	141,430	100,356
Interest Earnings	701	743	799	1,590	2,234
Miscellaneous	42,163	66,728	41,108	34,301	51,206
Total Revenue:	<u>\$ 3,272,035</u>	<u>\$ 3,103,960</u>	<u>\$ 3,104,573</u>	<u>\$ 3,304,041</u>	<u>\$ 3,325,299</u>
Expenditures:					
General Government	\$ 902,808	\$ 874,764	\$ 857,962	\$ 746,901	\$ 763,938
Public Safety	2,047,164	1,893,592	1,916,783	1,915,743	1,836,662
Public Works	528,909	446,093	526,613	490,717	499,285
Cemetery	91,385	89,554	118,148	113,008	118,623
Parks	239,685	236,745	251,886	239,735	249,305
Community Services	119,997	125,370	175,518	180,013	188,683
Tourism	42,000	42,000	42,000	42,000	51,307
Debt Service - Principal	18,379	117,802	26,603	9,111	8,501
Debt Service - Interest	5,341	8,456	6,631	433	1,042
Total Expenditures:	<u>\$ 3,995,668</u>	<u>\$ 3,834,376</u>	<u>\$ 3,922,144</u>	<u>\$ 3,737,661</u>	<u>\$ 3,717,346</u>
Excess (Deficiency) of Revenues Over Expenditures:	<u>\$ (723,633)</u>	<u>\$ (730,416)</u>	<u>\$ (817,571)</u>	<u>\$ (433,620)</u>	<u>\$ (392,047)</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 804,700	\$ 665,500	\$ 515,000	\$ 314,003	\$ 400,000
Operating Transfers Out	(251,656)	(10,925)	(97,615)	(180,000)	(113,250)
Loan Proceeds	173,000	-	100,000	-	-
Total Other Financing Sources (Uses):	<u>\$ 726,044</u>	<u>\$ 654,575</u>	<u>\$ 517,385</u>	<u>\$ 134,003</u>	<u>\$ 286,750</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures:	<u>2,411</u>	<u>(75,841)</u>	<u>(300,186)</u>	<u>(299,617)</u>	<u>(105,297)</u>
Fund Balance, Beginning of Year:	\$ 132,418	\$ 208,259	\$ 508,445	\$ 808,062	\$ 913,359
Fund Balance, End of Year:	<u>\$ 134,829</u>	<u>\$ 132,418</u>	<u>\$ 208,259</u>	<u>\$ 508,445</u>	<u>\$ 808,062</u>

TABLE 14 – MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 9/30	Total Collections ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
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	1,128,621	58.63%	0.0061	195
2019	872,241 ⁽²⁾	44.36%	0.0045	151

(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, 2019.

The sales tax breakdown for the City is as follows:

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

TABLE 15 – CURRENT INVESTMENTS

As of September 30, 2018, the City's funds were invested as follows:

Type of Investment	Market Value	% of Market Value
Cash and Equivalents	\$ 23,403	4.19%
Equities	161,547	28.91%
Bond Mutual Funds	166,838	29.85%
Corporate Bonds	108,443	19.40%
U.S. Treasuries	32,535	5.82%
U.S. Government Agencies	66,084	11.82%
	<u>\$ 558,850</u>	<u>100.00%</u>

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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	17,152,000	\$ 147,420	8.81%	N
Villa Haven Nursing Home	2,323,200	35,941	2.15%	N
Woodland Village Apts.	3,455,000	31,184	1.86%	N
HBSN Investments Co. LLC Apts.	1,737,000	15,693	0.94%	N
Ridge Motel	1,592,800	14,568	0.87%	N
BISD High School	1,625,000	12,524	0.75%	N
Housing Authority	753,000	9,338	0.56%	N
BISD Sports Plex	1,189,000	9,124	0.54%	N
First National Bank Albany/Breckenridge	1,060,000	8,117	0.48%	N
Ingram Concrete	531,600	5,142	0.31%	N
Total			17.27%	

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	17,152,000	\$ 86,618	9.71%	N
Villa Haven Nursing Home	2,323,200	9,598	1.08%	N
Woodland Village Apts.	3,455,000	4,800	0.54%	N
HBSN Investments Co. LLC Apts.	1,737,000	4,559	0.51%	N
BISD High School	1,625,000	4,123	0.46%	N
Ridge Motel	1,592,800	4,074	0.46%	N
BISD Sports Plex	1,189,000	3,478	0.39%	N
First National Bank Albany/Breckenridge	1,060,000	3,360	0.38%	N
Housing Authority	753,000	3,076	0.34%	N
Ingram Concrete	531,600	2,204	0.25%	N
Total			14.11%	

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TABLE 18 – WATER AND SEWER STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
OPERATING REVENUES					
Water and sewer service	\$ 2,583,349	\$ 2,585,417	\$ 2,658,018	\$ 2,636,263	\$ 2,588,245
Miscellaneous	59,429	8,479	20,397	28,149	24,055
Total Operating Revenues	<u>\$ 2,642,778</u>	<u>\$ 2,593,896</u>	<u>\$ 2,678,415</u>	<u>\$ 2,664,412</u>	<u>\$ 2,612,300</u>
OPERATING EXPENSES					
Water and sewer commercial	\$ 77,351	\$ 53,158	\$ 99,085	\$ 83,580	\$ 88,161
Water meters and readers	94,861	115,522	97,150	166,987	156,334
Lake Daniel	2,801	21,597	6,826	3,219	14,096
Water production	786,844	682,927	782,204	748,872	728,660
Water distribution	214,832	293,134	297,505	320,462	296,097
Sewer collection	209,797	267,008	228,103	252,658	280,682
Sewer treatment	275,822	301,554	342,935	394,391	320,614
Non-departmental	-	-	-	-	3,387
Depreciation	570,372	487,828	427,631	381,351	383,771
Total Operating Expenses	<u>\$ 2,232,680</u>	<u>\$ 2,222,728</u>	<u>\$ 2,281,439</u>	<u>\$ 2,351,520</u>	<u>\$ 2,271,802</u>
Operating Income	<u>\$ 410,098</u>	<u>\$ 371,168</u>	<u>\$ 396,976</u>	<u>\$ 312,892</u>	<u>\$ 340,498</u>
NONOPERATING REVENUES OR (EXPENSES)					
Intergovernmental Revenue	\$ -	\$ 21,561	\$ -	\$ -	\$ -
Interest revenue	3,589	4,618	9,467	9,973	9,010
Interest expense and fiscal charges	(143,131)	(126,242)	(60,360)	(171,130)	(145,822)
Debt issuance costs	-	-	-	-	(98,997)
Transfers (to) from other funds	(8,829)	(390,742)	(161,187)	(55,824)	53,648
Capital Grants & Contributions	294,058	197,634	495,231	382,418	148,370
Total Nonoperating Expenses	<u>\$ 145,687</u>	<u>\$ (293,171)</u>	<u>\$ 283,151</u>	<u>\$ 165,437</u>	<u>\$ (33,791)</u>
Changes in Net Assets	\$ 555,785	\$ 77,997	\$ 680,127	\$ 478,329	\$ 306,707
TOTAL NET ASSETS - BEGINNING	<u>\$ 8,170,943</u>	⁽¹⁾ <u>\$ 8,124,490</u>	<u>\$ 7,444,363</u>	<u>\$ 7,105,147</u>	<u>\$ 6,798,440</u>
Prior Period Adjustment	-	-	-	(139,113)	-
TOTAL NET ASSETS - ENDING	<u>\$ 8,726,728</u>	<u>\$ 8,202,487</u>	<u>\$ 8,124,490</u>	<u>\$ 7,444,363</u>	<u>\$ 7,105,147</u>

(1) Restated

TABLE 19 – WATER AND WASTEWATER USAGE

Service	No. of Connections	Avg. Monthly Usage (gallons)	Avg. Monthly Bill (\$)	Projected Monthly Increase Necessary (\$)
Water	2,295	5,007	\$38.99	TBD
Wastewater	2,038	4,975	\$25.85	TBD

TABLE 20 – MONTHLY WATER RATES (EFFECTIVE SEPTEMBER 2018)

Residential-Single Family	<u>Inside City Limits</u>	<u>Outside City Limits</u>
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
Commercial and Apartments	<u>Inside City Limits</u>	<u>Outside City Limits</u>
First 2,000 gallons (minimum)	\$30.00 charge ⁽¹⁾	\$60.00 charge ⁽¹⁾
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 2018)

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	245
Texas Dept of Criminal Justice - Walker Sayle Unit	State prison	130
Stephens Memorial Hospital	County Hospital	150
Jonell Filtration	Filters	146
Wal-Mart	Discount retail store	140
Bridgeport Manufacturing	Truck Manufacturer	76
City of Breckenridge	Municipality	66
Dye Manufacturing	Aircraft Components	60
Raydon Construction	Construction	61
Villa Haven Nursing Home	Nursing Home Facility	45