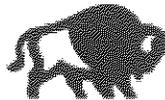


CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2015

CITY OF BRECKENRIDGE, TEXAS

GENERAL OBLIGATION DEBT



FSC Continuing Disclosure Services
A Division of Hilltop Securities.

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):

- \$ 2,945,000 General Obligation Refunding Bonds, Series 2010
- \$ 1,680,000 Combination Tax & 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 2015
- ___ Monthly ___ Quarterly 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

General Obligation Refunding Bonds, Series 2010

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/17	\$ 160,000	106547 CV2
03/15/18	165,000	106547 CW0
	<u>\$ 325,000</u>	

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2012

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/17	\$ 45,000	106547CZ3
03/15/18	45,000	106547DA7
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>\$ 1,590,000</u>	

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

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/17	\$ 25,000	106547 EF5
03/15/18	25,000	106547 EG3
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>\$ 790,000</u>	

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

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
03/15/17	\$ 50,000	106547FL1
03/15/18	50,000	106547FM9
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>\$ 2,330,000</u>	

FINANCIAL STATEMENTS

The audited financial statements for the City for the fiscal year ended September 30, 2015 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:

03/30/2016

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 National 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

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

Signed by:

/s/ Gabriella Briceno

**CITY OF BRECKENRIDGE, TEXAS
2016 GENERAL OBLIGATION DEBT REPORT**

TABLE 1 – VALUATION, EXEMPTIONS AND TAX SUPPORTED DEBT

2015/16 Market Valuation Established by Stephens County Appraisal District (excluding totally exempt property)		\$ 220,051,790
Less Exemptions/Reductions at 100% Market Value:		
Residence Homestead Exemptions (Over 65 and Disabled)	\$ 1,606,600	
Disabled Veterans Exemptions	955,680	
Agriculture/Open-Space Land Use Reductions	704,140	
Homestead Cap	5,028,640	
Minimum Value Prorations	104,833	
Miscellaneous Exemptions	<u>8,540,927</u>	<u>16,940,820</u>
2015/16 Taxable Assessed Valuation		<u>\$ 203,110,970</u>
General Purpose General Obligation Debt Payable from Ad Valorem Taxes (as of 3/31/16)	\$ 5,185,000	
Less: Self-Supporting Debt		
Waterworks and Sewer System General Obligation Debt ⁽¹⁾	<u>4,833,500</u>	
Net General Obligation Debt Payable from Ad Valorem Taxes		<u>\$ 351,500</u>
Interest and Sinking Fund as of 1/30/16		\$ 789,096
Ratio General Obligation Debt to Taxable Assessed Valuation		2.55%
Ratio Net General Purpose General Obligation Debt to Taxable Assessed Valuation		0.17%

2016 Estimated Population - 5,780
Per Capita Taxable Assessed Valuation - \$35,140
Per Capita Funded Debt Payable from Ad Valorem Taxes - \$897
Per Capita Net General Purpose Funded Debt Payable from Ad Valorem Taxes - \$61

(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,					
	2016		2015		2014	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 111,883,930	50.84%	\$ 115,239,680	51.26%	\$ 118,059,790	53.98%
Real, Residential, Multi-Family	6,101,030	2.77%	6,713,490	2.99%	6,833,250	3.12%
Real, Vacant Lots/Tracts	4,531,320	2.06%	4,455,520	1.98%	4,550,440	2.08%
Real, Acreage (Land Only)	973,120	0.44%	860,900	0.38%	756,350	0.35%
Real, Farm and Ranch Improvements	1,768,200	0.80%	1,718,890	0.76%	1,712,870	0.78%
Real, Commercial and Industrial	42,967,750	19.53%	37,577,370	16.71%	37,854,260	17.31%
Real, Oil, Gas and Other Mineral Reserves	8,687,110	3.95%	19,536,160	8.69%	15,432,115	7.06%
Real and Tangible Personal, Utilities	5,479,410	2.49%	5,686,900	2.53%	5,125,550	2.34%
Tangible Personal, Commercial and Industrial	36,954,220	16.79%	32,305,720	14.37%	27,690,460	12.66%
Tangible Personal, Other	107,930	0.05%	107,930	0.05%	107,940	0.05%
Special Inventory	597,770	0.27%	624,310	0.28%	552,690	0.25%
Miscellaneous	-	0.00%	-	0.00%	43,050	0.02%
Total Appraised Value Before Exemptions	\$ 220,051,790	100.00%	\$ 224,826,870	100.00%	\$ 218,718,765	100.00%
Less: Total Exemptions/Reductions	(16,940,820)		(23,721,143)		(25,842,942)	
Taxable Assessed Value	<u>\$ 203,110,970</u>		<u>\$ 201,105,727</u>		<u>\$ 192,875,823</u>	

Category	Fiscal Year Ended September 30,			
	2013		2012	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 97,427,420	49.33%	\$ 90,608,920	51.07%
Real, Residential, Multi-Family	5,015,160	2.54%	4,442,540	2.50%
Real, Vacant Lots/Tracts	2,308,170	1.17%	2,337,650	1.32%
Real, Acreage (Land Only)	991,690	0.50%	836,340	0.47%
Real, Farm and Ranch Improvements	1,330,200	0.67%	1,291,260	0.73%
Real, Commercial and Industrial	34,162,000	17.30%	27,121,320	15.29%
Real, Oil, Gas and Other Mineral Reserves	19,814,709	10.03%	19,382,984	10.93%
Real and Tangible Personal, Utilities	5,099,820	2.58%	5,265,490	2.97%
Tangible Personal, Commercial and Industrial	30,737,390	15.56%	25,526,630	14.39%
Tangible Personal, Other	80,080	0.04%	82,430	0.05%
Special Inventory	536,500	0.27%	510,040	0.29%
Miscellaneous	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 197,503,139	100.00%	\$ 177,405,604	100.00%
Less: Total Exemptions/Reductions	(7,060,837)		(4,029,212)	
Taxable Assessed Value	<u>\$ 190,442,302</u>		<u>\$ 173,376,392</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
2012	5,780	\$ 173,376,392	\$ 29,996	\$ 2,155,000	1.24%	\$ 373
2013	5,780	190,442,302	32,948	4,075,000	2.14%	705
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	203,110,970	35,140	5,185,000 ⁽⁴⁾	2.55% ⁽⁴⁾	897 ⁽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
2012	\$1.0473	\$0.8367	\$ 0.2106	\$ 1,814,697	92.56%	96.31%
2013	1.0100	0.7557	0.2543	1,893,680	94.71%	101.15%
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 ⁽²⁾	67.69% ⁽¹⁾	69.45% ⁽¹⁾

- (1) Collections through January 31, 2016, provided by City Officials.
- (2) Calculated.

TABLE 5 - TEN LARGEST TAXPAYERS

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>2015/16 Taxable Assessed Valuation</u>	<u>% of Total Taxable Assessed Valuation</u>
Wal-Mart Stores Texas LP	Retail	\$ 5,900,950	2.91%
Global Oilfield Services	Oil & Gas	5,274,450	2.60%
Wal-Mart Real Estate Business Trust	Real Estate	4,582,270	2.26%
Clearly Petroleum	Oil & Gas	4,515,890	2.22%
Oncor Electric Delivery	Electric utility	3,247,160	1.60%
Chazkat LLC / Bold Ideas	Firearm Dealer	2,264,440	1.11%
Jonell Filtration MFG	Industrial	2,170,000	1.07%
First National Bank	Bank	1,920,080	0.95%
Basic Energy Services LP	Oil & Gas	1,912,020	0.94%
Lake Marketing & Entertainment LLC	Marketing	1,724,910	0.85%
		<u>\$ 33,512,170</u>	<u>16.50%</u>

TABLE 6 – TAX ADEQUACY ⁽¹⁾

2016 Net Principal and Interest Requirements.....	\$	184,473
\$.0977 Tax Rate at 93% Collection Produces.....	\$	184,549
Average Annual Net Principal and Interest Requirements, 2016-2045.....	\$	183,673
\$.0973 Tax Rate at 93% Collection Produces.....	\$	183,793

(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.

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			
2016	\$ 345,000	\$ 152,526	\$ 497,526	313,053	\$ 184,473	
2017	355,000	143,146	498,146	313,016	185,130	
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	-	23.51%
2021	130,000	123,356	253,356	253,356	-	
2022	130,000	121,075	251,075	251,075	-	
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	-	35.44%
2026	135,000	109,479	244,479	244,479	-	
2027	140,000	106,065	246,065	246,065	-	
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	-	48.46%
2031	155,000	90,012	245,012	245,012	-	
2032	160,000	85,478	245,478	245,478	-	
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	-	63.56%
2036	180,000	64,707	244,707	244,707	-	
2037	190,000	58,861	248,861	248,861	-	
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	-	81.19%
2041	220,000	32,395	252,395	252,395	-	
2042	220,000	25,092	245,092	245,092	-	
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>\$ 5,530,000</u>	<u>\$ 2,533,953</u>	<u>\$ 8,063,953</u>	<u>\$ 7,512,935</u>	<u>\$ 551,018</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 9/30/2016		\$ 184,473
Interest and Sinking Fund Balance, Fiscal Year Ending 9/30/2015	\$ 380,950	
Budgeted Delinquent Taxes	140,000	
Budgeted Interest and Sinking Fund Taxes	<u>483,100</u>	<u>\$ 1,004,050</u>
Estimated Balance, Fiscal Year Ending 9/30/2016		\$ 819,577

(1) Excludes self-supporting debt.

TABLE 10 – COMPUTATION OF SELF SUPPORTING DEBT

Net System Revenue from Waterworks and Sewer System, Fiscal Year Ended 9/30/2016	\$ 2,304,578
Less: Requirements for Waterworks and Sewer System Revenue Debt, Fiscal Year Ending 9/30/2016	<u>-</u>
Balance Available for Other Purposes	\$ 2,304,578
Requirements for Waterworks and Sewer System General Obligation Debt, Fiscal Year Ending 9/30/2016	<u>313,053</u>
Balance	\$ 1,991,525
Percentage of System General Obligation Bonds Self-Supporting	100.00%

TABLE 11 – AUTHORIZED BUT UNISSUED BONDS

As of January 31, 2016, 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 2.97% to 4.5%. Future minimum lease purchase commitments are as follows:

Fiscal Year Ended	Governmental	Business-Type
Sept. 30	Activities	Activities
2016	\$ 9,542	\$ 55,588
2017		53,831
Total Debt Service Requirements	<u>\$ 9,542</u>	<u>\$ 109,419</u>
Less: Interest Portion	<u>\$ 154</u>	<u>\$ 4,909</u>
Debt Principal	<u>\$ 9,388</u>	<u>\$ 104,510</u>

Assets under lease and related depreciation are as follows:

	Governmental	Business-Type
	Activities	Activities
Vehicles and Equipment	\$ 43,727	\$ 217,311
Less: Accumulated depreciation	<u>(10,567)</u>	<u>(87,019)</u>
Total Debt Service Requirements	<u>\$ 33,160</u>	<u>\$ 130,292</u>

TABLE 13A – CHANGE IN NET ASSETS

	Governmental Activities as of Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
Program Revenues:					
Charges for Services	\$ 275,489	\$ 255,371	\$ 182,057	\$ 622,723	\$ 624,815
Operating Grants and Contributions	104,975	109,228	121,862	133,543	199,561
Capital Grants and Contributions	114,295	-	31,960	37,470	5,000
General Revenues:					
Property Taxes	1,765,502	1,725,992	1,952,172	1,483,264	1,369,297
Sales and Use Taxes	1,422,258	1,447,394	1,247,295	1,689,696	1,587,722
Franchise Taxes	440,387	444,155	395,222	424,359	434,690
Hotel Motel Taxes	49,838	45,810	40,616	43,861	39,559
Investment Earnings	4,686	4,510	4,150	19,789	20,384
Other Revenues	34,846	49,164	742,445	107,813	62,717
Total Revenues	\$4,212,276	\$4,081,624	\$4,717,779	\$4,562,518	\$4,343,745
Expenses:					
General Government	\$ 749,299	\$ 745,047	\$ 752,880	\$ 753,407	\$ 811,018
Public Safety	1,886,395	1,906,936	1,909,185	1,892,806	1,889,559
Public Works	630,206	661,070	707,155	536,010	570,434
Health and Sanitation	-	121,676	-	473,631	445,197
Cemetery	115,771	297,631	133,771	123,191	131,180
Parks	278,652	190,433	279,365	294,149	298,555
Community Services	179,515	65,178	182,435	191,406	194,322
Tourism	42,000	1,042	34,793	27,612	25,512
Economic Development	-	-	-	395,171	283,702
Interest on Long-Term Debt	5,424	-	1,195	25,559	10,106
Total Expenses	\$3,887,262	\$3,989,013	\$4,000,779	\$4,712,942	\$4,659,585
Increase in Net Assets Before Transfers	\$ 325,014	\$ 92,611	\$ 717,000	\$ (150,426)	\$ (315,840)
Transfers	(131,906)	(53,648)	349,767	830,260	744,200
Increase (Decrease) in Net Assets	\$ 193,108	\$ 38,963	\$ 1,066,767	\$ 679,834	\$ 428,360
Net Assets October 1	4,572,546 ⁽¹⁾	4,533,583 ⁽¹⁾	6,280,001	5,600,167	5,171,807
Prior Period Adjustment	(534,420)	-	-	-	-
Net Assets September 30	\$4,231,234	\$4,572,546	\$7,346,768	\$6,280,001	\$5,600,167

(1) Restated.

TABLE 13 – GENERAL FUND REVENUE AND EXPENDITURE HISTORY

	Fiscal Years Ended September 30,				
	2015	2014	2013	2012	2011
Revenue:					
Property Taxes	\$ 1,176,394	\$ 1,239,314	\$ 1,512,505	\$ 1,485,993	\$ 1,360,879
Sales Taxes	1,186,792	1,198,112	998,390	974,331	919,283
Franchise Taxes	440,387	438,678	407,134	400,235	421,082
Hotel Motel Taxes	49,838	45,810	40,616	29,679	22,605
Charges for Services	273,309	249,589	193,849	620,363	631,777
Grants and Contributions	141,430	100,356	103,697	144,979	192,815
Interest Earnings	1,590	2,234	2,605	1,460	802
Miscellaneous	34,301	51,206	86,446	105,092	66,289
Total Revenue:	\$ 3,304,041	\$ 3,325,299	\$ 3,345,242	\$ 3,762,132	\$ 3,615,532
Expenditures:					
General Government	\$ 746,901	\$ 763,938	\$ 743,496	\$ 742,613	\$ 791,705
Public Safety	1,915,743	1,836,662	1,811,839	1,866,827	1,849,220
Public Works	490,717	499,285	514,205	409,396	336,533
Health and Sanitation	-	-	-	470,594	437,245
Cemetery	113,008	118,623	131,450	125,552	126,233
Parks	239,735	249,305	251,334	259,294	260,677
Community Services	180,013	188,683	179,638	187,057	187,744
Tourism	42,000	51,307	29,793	24,912	22,151
Debt Service - Principal	9,111	8,501	63,194	89,558	109,901
Debt Service - Interest	433	1,042	1,195	5,056	9,428
Total Expenditures:	\$ 3,737,661	\$ 3,717,346	\$ 3,726,144	\$ 4,180,859	\$ 4,130,837
Excess (Deficiency) of Revenues					
Over Expenditures:	\$ (433,620)	\$ (392,047)	\$ (380,902)	\$ (418,727)	\$ (515,305)
Other Financing Sources (Uses):					
Operating Transfers In	\$ 314,003	\$ 400,000	\$ 600,000	\$ 830,260	\$ 744,200
Operating Transfers Out	(180,000)	(113,250)	(53,266)	-	-
Proceeds of Capital Leases	-	-	27,000	-	-
Total Other Financing Sources (Uses);	\$ 134,003	\$ 286,750	\$ 573,734	\$ 830,260	\$ 744,200
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures:					
	(299,617)	(105,297)	192,832	411,533	228,895
Fund Balance, Beginning of Year:	\$ 808,062	\$ 913,359	\$ 720,527	\$ 308,994	\$ 80,099
Fund Balance, End of Year:	\$ 508,445	\$ 808,062	\$ 913,359	\$ 720,527	\$ 308,994

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
2012	\$ 1,397,452	77.01%	\$ 0.0081	\$ 242
2013	1,247,295	65.87%	0.0065	216
2014	1,198,112	69.92%	0.0062	207
2015	1,441,543	82.44%	0.0072	249
2016	432,666 ⁽²⁾	22.66%	0.0021	75

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

(2) Collections through January 31, 2016.

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 January 31, 2016, the City's funds were invested as follows:

Type of Investment	Market Value	% of Market Value
Cash and Equivalents	\$ 42,249	7.84%
Equities	117,332	21.78%
Fixed	379,207	70.38%
	<u>\$ 538,788</u>	<u>100.00%</u>

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	16,325,500	\$ 158,406	8.90%	N
Woodland Village Apartments	3,441,000	31,752	1.78%	N
Texas Tank Trunks	3,271,800	31,082	1.75%	N
Breckenridge Laser Wash	2,563,200	20,344	1.14%	N
Villa Haven Nursing Home	2,341,800	37,145	2.09%	N
HBSN Investments Co, LLC	2,034,000	18,405	1.03%	N
Breckenridge ISD High School	1,924,000	15,230	0.86%	N
High Mesa Water Company	1,697,000	10,044	0.56%	N
Breckenridge ISD Sports Plex	1,459,000	11,610	0.65%	N
Meadow Green Apartments	1,082,000	10,473	0.59%	N
Total			19.36%	

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	16,325,500	\$ 80,861	9.14%	N
Woodland Village Apartments	3,441,000	4,800	0.54%	N
Breckenrudge Laser Wash	2,563,200	4,776	0.54%	N
Villa Haven Nursing Home	2,341,800	9,600	1.09%	N
HBSN Investments Co, LLC	2,034,000	4,793	0.54%	N
Breckenridge ISD High School	1,924,000	4,440	0.50%	N
Breckenridge ISD Sports Plex	1,459,000	3,803	0.43%	N
Meadow Green Apartments	1,082,000	3,426	0.39%	N
Breckenridge ISD South Elementary	876,000	2,452	0.28%	N
Breckenridge Apartments	772,000	2,496	0.28%	N
Total			13.73%	

TABLE 18 – WATER AND SEWER STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
OPERATING REVENUES					
Water and sewer service	\$ 2,636,263	\$ 2,588,245	\$ 2,944,790	\$ 3,041,764	\$ 3,021,546
Miscellaneous	28,149	24,055	34,014	52,635	44,119
Total Operating Revenues	\$ 2,664,412	\$ 2,612,300	\$ 2,978,804	\$ 3,094,399	\$ 3,065,665
OPERATING EXPENSES					
Water and sewer commercial	\$ 83,580	\$ 88,161	\$ 92,865	\$ 88,377	\$ 83,178
Water meters and readers	166,987	156,334	132,914	127,810	124,893
Lake Daniel	3,219	14,096	11,430	11,293	1,596
Water production	748,872	728,660	793,029	835,917	809,087
Water distribution	320,462	296,097	230,432	292,409	304,765
Sewer collection	252,658	280,682	247,022	232,951	293,385
Sewer treatment	394,391	320,614	247,518	213,068	221,394
Non-departmental	-	3,387	3,695	613	2,969
Depreciation	381,351	383,771	357,326	361,816	348,182
Total Operating Expenses	\$ 2,351,520	\$ 2,271,802	\$ 2,116,231	\$ 2,164,254	\$ 2,189,449
Operating Income	\$ 312,892	\$ 340,498	\$ 862,573	\$ 930,145	\$ 876,216
NONOPERATING REVENUES OR (EXPENSES)					
Property taxes - debt service	\$ -	\$ -	\$ -	\$ 359,613	\$ 306,127
Interest revenue	9,973	9,010	6,504	2,170	1,460
Interest expense and fiscal charges	(171,130)	(145,822)	(103,098)	(113,138)	(118,261)
Debt issuance costs	-	(98,997)	(134,323)	-	-
Transfers (to) from other funds	(55,824)	53,648	(349,767)	(830,260)	(744,200)
Capital Grants & Contributions	382,418	148,370	205,824	-	-
Total Nonoperating Expenses	\$ 165,437	\$ (33,791)	\$ (374,860)	\$ (581,615)	\$ (554,874)
Changes in Net Assets	\$ 478,329	\$ 306,707	\$ 487,713	\$ 348,530	\$ 321,342
TOTAL NET ASSETS - BEGINNING	\$ 7,105,147	\$ 6,798,440 ⁽¹⁾	\$ 6,500,099	\$ 6,151,569	\$ 5,830,227
Prior Period Adjustment	(139,113)	-	(54,906)	-	-
TOTAL NET ASSETS - ENDING	\$ 7,444,363	\$ 7,105,147	\$ 6,932,906	\$ 6,500,099	\$ 6,151,569

(1) Restated.

TABLE 19 – WATER AND WASTEWATER USAGE

<u>Service</u>	<u>No. of Connections</u>	<u>Avg Monthly Usage (gallons)</u>	<u>Avg Monthly Bill (\$)</u>	<u>Projected Monthly Increase Necessary (\$)</u>
Water	2,649	6,974	\$ 61.51	TBD
Wastewater	2,065	7,867	\$ 36.17	TBD

TABLE 20 – MONTHLY WATER RATES (EFFECTIVE SEPTEMBER 2014)

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	\$5.50/1,000 gallons	\$11.00/1,000 gallons
Next 5,000 gallons	\$6.00/1,000 gallons	\$12.00/1,000 gallons
Next 10,000 gallons	\$7.00/1,000 gallons	\$14.00/1,000 gallons
Over 20,000 gallons	\$8.00/1,000 gallons	\$16.00/1,000 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	\$5.50/1,000 gallons	\$11.00/1,000 gallons
Next 5,000 gallons	\$6.00/1,000 gallons	\$12.00/1,000 gallons
Next 10,000 gallons	\$7.00/1,000 gallons	\$14.00/1,000 gallons
Over 20,000 gallons	\$8.00/1,000 gallons	\$16.00/1,000 gallons
Plant Water		
Texas Department of Criminal Justice - Walker Sayle Unit:		\$10.00 per 1,000 gallons
Stephens Regional Special Utility District:		
First 2,000 gallons (minimum):		\$14.40 charge
2,001 gallons and over:		\$5.90/1,000 gallons
High Mesa Water Company		
First 2,000 gallons (minimum):		\$14.40 charge
2,001 gallons and over:		\$5.90/1,000 gallons

(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	260
Wal-Mart	Discount retail store	154
Texas Dept of Criminal Justice - Walker Sayle Unit	State prison	150
Stephens Memorial Hospital	County Hospital	138
Jonell Filtration	Filters	106
City of Breckenridge	Municipality	87
Bridgeport Manufacturing	Truck Manufacturer	79
Raydon Construction	Construction	65
Villa Haven Nursing Home	Nursing Home Facility	61
Dye Manufacturing	Aircraft Components	60