THREE-YEAR FINANCIAL FORECAST

FISCAL YEAR 2017-18 THROUGH 2019-20

CITY OF PLANO STATUS REPORT

A LOOK AHEAD



2016-17

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CITY OF PLANO, TEXAS
2016-17 STATUS REPORT
AND
THREE-YEAR FINANCIAL FORECAST
Fiscal Year 2017-18 through 2019-20

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Deputy Mayor Pro Tem
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March 27, 2017

Honorable Mayor & City Council
City of Plano
Plano, Texas 75074

Dear Mayor and Council Members:

I am pleased to present the City of Plano's Three-Year Financial Forecast for Fiscal Years 2017-18 through 2019-20. This forecast reviews the status of the current FY 2016-17 Budget and provides an opportunity to take ***A Look Ahead*** into the near future, and identify challenges and opportunities likely to face the City of Plano in the next three years. The Three-Year Financial Forecast focuses on the General Fund, General Obligation Debt Fund, and the City's enterprise funds – Water & Sewer, Sustainability & Environmental Services, Municipal Drainage, Convention & Tourism, Recreation Revolving and Municipal Golf Course. The financial projections included here represent the foundation for the development of the FY 2017-18 Budget. With knowledge of significant trends and issues in this report, Council and Management will proceed in developing goals, objectives and priorities for the next fiscal year and beyond.

Continuing the City Council's Strategic Goals for Excellence, the FY 2017-18 Budget and Community Investment Program will maintain concentration on the following initiatives:

- Maintaining and improving our City's $2.4 billion growing infrastructure.
- Providing additional funding for Capital Reserve Fund.
- Preserving exceptional, quality city services for residents, businesses and the Plano community.
- Developing and promoting programs that encourage revitalization and redevelopment in Plano's commercial corners and neighborhoods.

Financial policies adopted by City Council stipulate that the General Fund must maintain a working balance of 30 days. Based on this forecast, the projected working capital at the end of 2017-18 is at 31 days or $1.0 million over the amount required by Plano's financial policy. This is due principally to anticipated increases in assessed property values including new property coming on-line. In 2018-19, the General Fund is projected to fall short of the 30 day requirement by $3.4 million, an amount equal to approximately a penny on the tax rate. Even though a deficit is identified, one of the keys to this Financial Forecast is the assumption that any fund deficits will be rectified in the year when the deficit is projected to occur. The General Fund will need either additional revenues, reduced expenditures, or a combination of both to reach the 30 day working balance requirement. In 2019-20, the last year of the forecast period, the General Fund is projected to end at 32 days of working capital due to the completion and opening of several corporate entities including Toyota, Chase and Liberty Mutual that will significantly expand Plano's property tax base.

Following preliminary discussions with both Collin County and Denton County Central Appraisal Districts, total assessed property values are projected at $36.7 billion in the coming year, with existing property values projected to increase 4.0% or $1.4 billion. New property development is projected to add $1.0 billion to Plano's property tax base in FY 2017-18. The combination of these increases translates to 7.6% increase in total assessed property value. The current ad valorem tax rate of 47.86 cents per $100 of assessed property

Harry LaRosiliere, Mayor | Lissa Smith, Mayor Pro Tem | Ben Harris, Deputy Mayor Pro Tem | Angela Miner, Place 1 | Rick Grady, Place 3 | Ron Kelley, Place 5 | Tom Harrison, Place 7 | David Downs, Place 8 | Bruce D. Glasscock, City Manager

valuation is maintained throughout the forecast, with 35.56 cents allocated to support operations and 12.30 cents for debt repayment.

Sales tax receipts, the General Fund's second largest source of revenue, have been re-estimated for FY 2016-17 at $75.5 million. For the first five-months of FY 2016-17, sales tax collections are $1.3 million above last year's collections for the same period. Based on current City Council policy, sales tax projections will be based on the past three-year average of sales tax collections after excluding any audit adjustments. The $75.5 million represents the latest three-year average. Any sales tax revenue collected over $75.5 million can be used for one-time expenditures, assigned to the fund balance to build reserves for future fiscal years or transferred to the Capital Reserve Fund or the Economic Development Incentive Fund. For future years in this forecast, an additional $1.0 million is added in each forecast year to represent continued growth in Plano's strong economy. For 2017-18, this amount totals $76.5 million; in 2018-19, $77.5 million; and in 2019-20, $78.5 million. Additionally, the sale of wine and spirits has boosted sales tax receipts and is expected to continue in the near future. $1.5 million in sales tax collections projected for 2016-17 is attributable to the sale of wine and spirits in Plano.

North Texas real estate development continues at a rapid pace. Building related construction activities, including residential homes, commercial buildings, schools, restaurants and remodeling projects show no signs of declining. Plano has been very fortunate to reap the benefits of the robust development market, both currently and in recent years. However, many of the large commercial projects, such as Toyota, Liberty Mutual, and Chase will be fully complete in the near future. Because these major commercial projects are near completion, all building & development related revenues are projected to decrease 50.0% from the 2016-17 re-estimated amounts in 2017-18, another 10.0% in 2018-19, and a further 10.0% in 2019-20. While building related construction activities will continue, the scale and rate of development will be much reduced.

The North Texas region continued to experience an upswing in the travel-related industry last fiscal year, which has led to increases in Hotel/Motel tax receipts. In addition, several new hotels are expected to open within the forecast period including a brand new Renaissance Hotel with 300 rooms and 26,000 square feet of meeting space in the summer of 2017. Based on the addition of new hotel rooms during the forecast period and direct economic growth, Hotel/Motel receipts are projected to increase from $8.0 million in FY 2016-17 to $9.8 million by FY 2019-20.

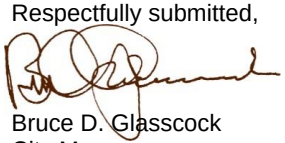
The Water & Sewer Fund continues to be an area of concern as we look ahead the next three-years. Given preliminary information shared by the North Texas Municipal Water District, water rates will increase dramatically throughout the forecast period. Wholesale water rates are scheduled to increase between 10.0% and 11.5% in each year of the forecast, with annual expenditure increases continuing to be based on the current take or pay minimum of 26.7 billion gallons set in 2001. For FY 2017-18, the annual water rate for Plano is projected at $2.82 per thousand gallons, $3.10 per thousand gallons in FY 2018-19, and $3.40 per thousand gallons in FY 2019-20. Wastewater treatment rates are projected to increase 10.0% in FY 2017-18, followed by 7.8% in both FY 2018-19 and 11.2% in FY 2019-20. In this forecast all water and sewer rate increases proposed by NTMWD are passed through to customers effective November 1st each year. The forecast also assumes our annual water consumption remains at a normal consumption level between 22 to 23 billion gallons per year. In addition, the City is currently undertaking a Water & Sewer Rate Model Study in order to ensure fund sustainability. Decisions regarding the 2017-18 water & sewer rates and possible rate changes will be discussed this summer.

Significant Features and Issues of the Forecast

- **Not included** in the fund projections are program enhancements related to increases for mandates, growth, additional or expanded services, technology requests, or other causes for the three-year period. All discretionary items will be examined during the annual budget development process.
- **No salary increases** have been included for either Civil Service or Non-Civil Service employees in the forecast. In addition, attrition is projected at 3.0% for the General Fund, 1.0% for all other funds.
- **Supplies & services costs are projected to increase 2.5%** in each year of the forecast based on inflation projections. Municipal garage charges are projected to increase 2.5% in 2017-18, increase an additional 2.5% in 2018-19 and then 3.0% in 2019-20 due to fuel costs returning back to more normal pricing. Postage charges are projected to increase 2.5% in each of the three forecast periods to coincide with anticipated inflation. Electricity charges and natural gas are projected to remain constant throughout the forecast period.
- **No health insurance increase** has been included in this forecast; and the rate of 18.11% for TMRS has been included in the annual salary and wage expenditures. No other benefit cost increases have been included.
- **Assumed to be funded** within the forecast are all operating expenditures associated with CIP Projects completed during the three-year period. Operating and maintenance costs associated with Community Investment Projects coming on-line during the forecast period total $3.0 million. These projects include remodel/expansion at the Liberty Recreation Center, addition of a pool at Oak Point Recreation Center, the Senior Center expansion and additional Park Improvements, and Facility Additions & Expansions. Details associated with CIP projects coming on-line are in the Appendix Section of this document.
- **Last year, the Capital Reserve Fund** nearly reached its policy goal of allocating 75.0% of the annual depreciation to the fund. Actual percentage transferred was 72.6%. This achievement is due to Council's commitment to maintaining the city's infrastructure and the city's sales tax cap policy. Since 2008, the sales tax cap policy has transferred an additional $14.3 million into the fund. The transfer to the Capital Reserve Fund is projected to remain at the $24.6 million across the forecast period. With sound infrastructure vital to Plano's continued success, we continue to focus on increasing our transfer to the Capital Reserve Fund.
- The **Economic Development Incentive Fund** was implemented in FY 2006-07 to remain competitive with surrounding neighboring cities in an effort to attract businesses to the area and to provide funding for redevelopment purposes. Funding for the Economic Development Incentive Fund has been included throughout the forecast. The forecast includes the transfer of $7.3 million in FY 2017-18; $7.8 million in FY 2018-19; and $8.2 million in FY 2019-20. These forecasted amounts represent only the actual two-cent property tax revenue and does not include any supplemental funding from the General Fund.
- The forecast assumes issuing approximately $65.0 million in new debt in each of the fiscal years and also assumes voter approval of the $224.1 million May 6th Bond Referendum. The new General Obligation debt forecast issues use an average interest rate of 4.0% in 2018, 4.5% in 2019 and 5.0% in 2020 and each issuance is projected on mid-year sales with only one interest payment included in the first year.

My special thanks are offered to all Department Managers, the Executive Team and the Budget & Research Department for their cooperation in putting together this Financial Forecast. In addition, I look forward to discussing this information with you at the March 27th Council meeting.

Respectfully submitted,



Bruce D. Glasscock
City Manager

Plano
City of Excellence

Looking Ahead, a City of Plano Economic Overview

This Economic Outlook and Overview is intended to serve as a forecast and budgetary planning tool for the citizens and leaders of Plano. This publication makes an effort to provide the reader with a realistic, sensible financial overview of the present and future financial conditions of the City. Presentation of this document to the City Council begins the 2017-18 Budgetary Planning Process for the City of Plano with the united belief that we live, work, and play in one of the finest communities in the nation. Here are a few of the key attributes of our unique community:

A Prosperous City One of the marquee cities of the Dallas-Fort Worth Metroplex, Plano is the largest city in Collin County, Texas with an estimated population of 277,400. Regularly recognized for providing an excellent business and living environment, Plano continues to enjoy some of the best economic conditions in the United States, a result of years of well-planned residential and commercial development accompanied by high quality public services. As an established city, Plano continues to maintain its distinguished charm and vitality. Community leaders are committed to encouraging high-quality new development and support re-development opportunities that are aligned with Plano's civic vision. Residents live in a community with a proud heritage, a stable economic foundation and strong citizen involvement. Plano has the proven ability to provide valuable services that protect and improve the daily lives of residents.



Location Plano holds a key ingredient in the global economy: location. As the largest city in Collin County, Plano is located 20 miles north of the Dallas Texas Central Business District and was once considered part of the "outer loop" of the DFW Metroplex ring of suburban cities. Plano is now considered an "inner circle" of suburban city due to continued growth in one of the nation's leading metropolitan regions. With a prime Metroplex location, Plano city boundaries cover 72.2 square miles and anchor much of the region's northward growth. The location produces favorable commute times to employment centers outside its city limits thanks to four major regional transportation arteries. Thanks to a sunbelt and central time zone location, Plano enjoys a temperate climate where businesses and residents have the ability to interact with both coasts during normal business hours, and all major U.S. cities are accessible within three hours of flight time. Plano's membership in the area's major regional public transportation system, DART, links Plano to Dallas, Fort Worth and most other regional cities via a light rail and bus system. Secure neighborhoods and a wide variety of quality of life amenities identify Plano as a great community for families to call their hometown.

In the past twelve months, Plano has been the recipient of many accolades:

- **Plano is the best city to live in Texas according to Money Magazine.**
- **Plano ranked 3rd for most livable city according to SmartAsset.com.**
- **Three of Plano's neighborhoods are ranked in the top ten "Best Neighborhoods in DFW in 2016 by Dallas Morning News, West Plano, 1st, East Plano, 3rd and North Central, 10th.**
- **Plano is the 3rd best city for families according to WalletHub.**
- **Plano is named the 14th safest city in America by Niche.com**
- **Plano is ranked the 3rd Hardest Working City in America by Money Magazine.**

Unlike many suburbs, Plano has a wide variety of housing options, from historic Victorian homes, to traditional subdivision developments, to loft-style living and new urbanist townhomes and apartments. Plano residents have access to state recognized and award-winning public schools, two campuses within the Collin County Community

College District and four college level institutions that help support Plano's educated and motivated population. There are multiple area hospitals in Plano, as well as several specialty treatment and rehabilitation centers. The past decade has seen a number of senior living facilities open in Plano, ranging from retirement communities to assisted living and skilled nursing facilities. Consumers enjoy access to two regional malls, six major shopping areas and more than 70 neighborhood shopping centers, with each venue offering a variety of goods and services. Diners can eat at more than 1,400 establishments through Plano, covering just about every form of cuisine imaginable. Plano has 5,441 hotel rooms within its city limits for the beginning of FY 2017-18 with many more on the horizon. A number of these hotels are occupied by guests in town for events held at the city-operated Plano Event Center, which offers a newly renovated full-service convention facility with 86,400 square feet and on-site catering and event support.

Plano seeks to keep residents informed about City services and programs using both television and the Internet. **Plano Television (PTV)**, which is city-operated and reaches a large majority of Plano households, has received a number of awards from both state and national government broadcasting organizations for its programming. The City's list of **eGovernment services** currently includes: utility bills, traffic citations, registration for recreation programs, requests for inspections, garage sale permits, library services, property standards complaints and voter registration. A variety of reports and information regarding Plano's city departments and activities are available at www.plano.gov.

Over the years, the City has repeatedly received national accreditations and recognitions, ensuring best practices are in place while providing outstanding levels of services local citizens and businesses. Currently, Building Inspections, Fire, Health, Parks & Recreation, Library, Police, Public Safety Communications, Public Works & Engineering and Purchasing Departments all maintain accreditations.

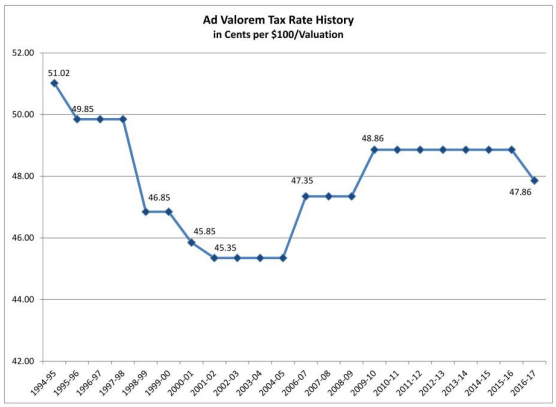
Excellent Quality of Life Time and again, Plano is recognized as a great place to live for a variety of people at different stages of their lives. Plano Parks & Recreation is the 2015 National Recreation and Parks Association (NRPA) **Gold Medal** award winner for Excellence in Parks and Recreation, while Wallethub.com ranked Plano 1st in Texas for the Happiest Place to Live. Plano's populace enjoys access to over 70 shopping centers, 1,400 restaurants including over 700 fine dining restaurants 5,441 hotel rooms, and a full-service convention center. Community sites and attractions include the **Heritage Farmstead Museum;** the **Interurban Railway Museum; Historic Old Downtown Plano; Legacy West Development,** the **ArtCentre of Plano** and the **Courtyard Theatre**. To support a sense of community and culture, the City annually provides grants and partial funding for a variety of community groups and cultural arts events, such as performing group presentations, outdoor festivals and other entertainment and recreational opportunities. Perhaps the best known of these endeavors is the **Plano Hot Air Balloon Festival** held each September since 1979. Plano's location places guests and residents conveniently close to a multitude of cultural and recreation activities throughout the DFW Metroplex area, which boasts a variety of professional sports teams, world-class museums and first-rate entertainment.

Plano's **Public Library System** has 5 branch libraries with a collection of over 770,701 books, magazines and audio visual materials with a circulation of over 4.7 million. In addition to the collection, Plano Libraries maintain a comprehensive online catalog, offer research and homework assistance, provide public internet access and offer a wide array of programming to all members of the Plano community on a variety of interests, topics and needs. Recent programs and events have been as diverse as SAT prep, free legal aid, opportunities to improve English and foreign language skills, to LEGO activities, a genealogy lock-in and a family movie night.

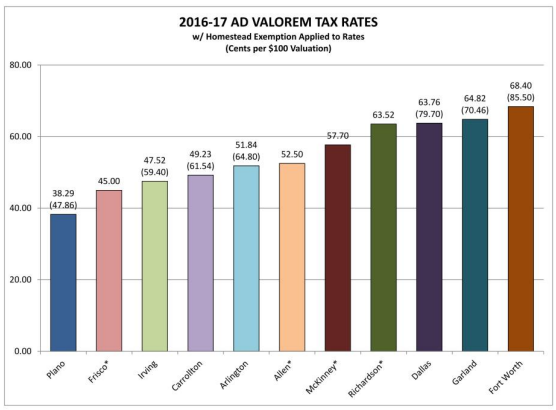
Residents and visitors to Plano can take advantage of a wonderful collection of parks, recreation facilities and organized activities thanks to Plano's Parks & Recreation Department, which is one of just six Texas park systems accredited by the Commission for Accreditation of Parks and Recreation Agencies (CAPRA). Established in 1968, the department operates and maintains 82 public parks, 65 miles of recreation trails and two nature preserves, which occupy almost 4,000 acres of land in Plano. The department also maintains more than 800 acres of city medians, rights-of-way and public grounds around city facilities, as well as helps Plano maintain the Tree

City USA designation it has held for more than two decades. Athletic opportunities are available both through the city and in partnership with a number of non-profit youth and community sports groups, who use Plano's 106 soccer/football fields, 71 softball/baseball fields, 7 cricket pitches, Pecan Hollow golf course and a 21-court lighted tennis center. Plano also operates a senior recreation center and 4 recreation centers that offer fitness, indoor sports and community activities and 8 swimming pools. A variety of recreational programs are offered for all segments of the population, from youth to seniors, competitive sports to arts & crafts, therapeutic programs to special events.

Low Property Taxes Plano's tax rate remains the lowest rate among large cities in the Dallas-Fort Worth Metroplex. The 2016-17 Budget lowered the City of Plano's property tax rate from 48.86 cents per $100 valuation to 47.86 cents per $100 valuation. The rate was last increased in 2009-10 by 1.51 cents, (1.35 cents for debt service and 0.16 cent for operation and maintenance). Before that, the last property tax rate increase was in the 2006-07 Budget, where a 2.0 cent increase was implemented solely to raise funds for an **Economic Development Incentive Program.** Revenue from that 2.0 cent increase continues to be used to fund economic development projects and enhance both attraction and retention programs for major businesses. The City's tax base remains nearly evenly divided between residential and commercial property in value, with the average home in Plano having a value of $326,099. The real estate and housing market continues to remain vibrant and continues to show strong growth in the single-family property market in Plano. Plano remains the only community in Collin County to offer residents a **20% Homestead Exemption**, and additional **$40,000 Disability and Over 65 exemptions**. The City also offers a **tax freeze** for homeowners over 65 years of age, their spouses and the disabled. A majority of Plano residents also benefit from living in jurisdictions with low comparative property tax rates for the North Texas region, such as Collin County, Plano ISD and a Collin County Community College District.



The following chart illustrates how Plano's property tax rate compares to the surrounding cities.



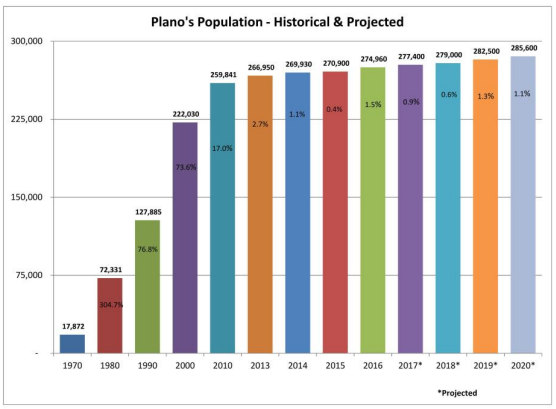
Some of the columns on the chart have two numbers; in these cases the smaller number represents the effective tax rate, which includes the homestead exemption. The cities with an asterisk do not offer a homestead exemption, and display only one rate.

Sound, AAA Credit Worthy Financial Stewardship Plano has long been nationally recognized for innovation and outstanding public managers and employees, as well as the continued ability to provide the quality services and conveniences expected by residents. Holding a **'AAA' Bond rating** since the year 2000 from two of the nation's major bond rating companies reflects Plano's strong financial operations. Plano is one of the few cities in the United States to consistently receive the highest possible bond ratings from Standard & Poor's, and Fitch's IBCA Inc. In their evaluations, the two rating agencies have noted such characteristics as the quality of

fiscal management, to the diverse economic development, to the ability to attract and retain corporate headquarters.

Population and Culture Plano is one of America's most populous suburbs, with the 9th largest population among Texas cities and ranking 71st nationwide in the 2010 Census. In the Dallas-Fort Worth Metroplex, only Dallas, Fort Worth and Arlington have larger populations. These figures would have surprised Plano residents a generation ago. In 1960, Plano's population was 3,695; today the estimated January 1, 2017 population is 277,400. In Plano you can hear many foreign languages, see different places of worship and taste foods from throughout the world; however, while the population is diverse, it shares common values and unites around shared institutions and experiences.

According to the U.S. Census Bureau, Plano residents are well-educated with more than 55% of adults over age 25 holding a bachelor's degree or higher, compared to the Texas average of 29.7%. Plano's median household income is $83,793, nearly 61% higher than the national median household income of $51,939. 26.7% of Plano residents are under 18 years of age, while another 11.0% are over 65 years old; Plano's median age is 38.2. Plano has seen its minority population grow with the city; currently the largest minority groups are Asian (19.1%), Hispanic/Latino (14.2%) and African American (7.7%). After booming population growth in the 1970's, 80's and 90's, Plano's population has stabilized; this can be seen in the fact that Plano's population grew by 73.6% in the 1990's and 17.0% from 2000-2010.



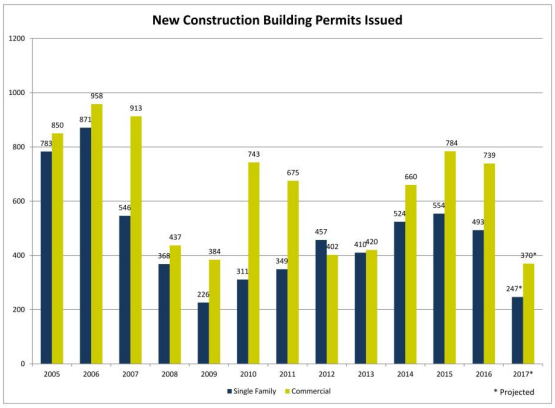
Plano's population growth continues to level off as the few remaining land parcels are developed and most future residential growth will come from rezoning land and existing development. Reflecting on this fact, City leaders pro-actively prepare, and use forecasts as tools to set the guidelines for the level of service standards preferred by the community. The budget process involves vigilant monitoring, both long-range and short-term planning, combined with balancing the impacts of decreasing revenues and increasing maintenance costs. For purposes of this Forecast, 0.6% annual population growth is projected for 2017-18; 1.3% for 2018-19; and 1.1% for 2019-20.

Construction, Renovation & Build-Out Plano was not immune to the downward shifts in both residential and commercial real estate started during the 2008-2009 recession, where new housing construction reached a historically low level nationwide and many developers delayed, scaled down or abandoned new projects. Building permits, as indicators of development, are important because they reflect actual construction activity and in turn, indicate changes and additions to the appraisal value for Plano's property tax base.

Nationally, housing is on a gradual and tempered upswing, with stronger than expected gains in observed prices and new construction, and a drop in available inventory and listings from prior years. Home ownership is more affordable than at almost any point in the past forty-four years, according to the National Association of Realtors Homebuyers Affordability Index; however, higher price demand and lower supply is eroding housing affordability. The index reached 173.7 for 2016, with a monthly index hovering around 160 throughout the year. A higher index equals more affordable, and a level above 100 signifies that a family earning the median income more than qualifies for a mortgage loan on a median-priced home. This affordability and recent improvements to the economy support this and may improve the demand for housing. Psychological effects of the housing bubble continue to linger, dampening optimism for this sector of the economy, yet Plano's residential home market did well in 2016.

In Plano, the average days on market for a home for sale hovered around 42 days from 2015 to 2016 and the median market price increased by 17% to $342,000. In Texas, housing prices have remained relatively stable, but has been trending

upwards when compared to the rest of the nation and Texas has a much lower share of underwater mortgages when compared to the nation's average. In 2016, Plano issued construction permits for 493 new single family homes and had approximately $1 billion in new commercial building construction take place. As the amount of land in Plano diminishes for initial development for single family residential, multi-family residential opportunities are increasing. In 2016, growth in multi-family residential housing is expected as an influx of new workers are expected to call Texas their home within this forecasting period. Commercial permits have seen an exceptional growth pattern in the past few years as the economy rebounds and the City of Plano becomes the home of new and relocating businesses. Future revenues related to the number of new construction permits issued are predicted to remain strong for the entire forecast period.



The popularity of Legacy West and redevelopment around downtown Plano are indicative of a trend towards more compacted living spaces such as patio and town homes, duplexes and pedestrian-friendly multi-purpose developments. Plano faces the challenge of maintaining a balance between residential and commercial properties, which is an integral part of the foundation that makes this community an attractive choice to new residential and commercial investors, aids in business retention, and promotes appreciation of property values for both homeowners and institutional commercial property owners.

While the North Texas development market continues to be a hotbed for building related construction activities, including residential homes, commercial buildings, schools, restaurants and remodeling projects. Plano has been very fortunate to reap the benefits of such a robust development market, both currently and in recent years. However, many of the large commercial projects, such as Toyota, Liberty Mutual, and Chase will all be completed in the near future. Because of these major commercial projects nearing completion, all building & development related revenues are projected to decrease fairly significantly beginning in 2017-18 as can be seen from the projections in the graph above. There will still be building related construction activities but it will be at a much decreased rate and amount.

The Texas Job Market Total nonagricultural employment in Texas added approximately 200,000 jobs in the past 12 months according to the Texas Workforce Commission. In 2015, WalletHub.com named Plano one of the hardest working cities, which was of the highest rankings for a Texas City. The Texas unemployment rate has remained at or below the national employment rate for 120 out of the last 121 months. Pre-recession Texas employment peaked at 10,639,900 in August 2008, surpassed in November 2011, and by January 2017, Texas added an additional 1,289,000 jobs. The U.S. recovered all recession-hit jobs by April 2014 and by January 2017 added approximately 3,000,000 jobs.

Plano's employment strength continues to reflect the diversity of its employment base, including a highly educated, talented and motivated workforce. Even in times of national recession, companies continued to relocate here, and businesses already located here plan to stay. City leaders work with the **Plano Economic Development Department** to identify, recruit, and retain businesses, contributing to the community's economic well-being. An impressive and diverse list of corporate citizens help to mitigate the severity during an economic downturn in Plano when compared to other metropolitan areas in the nation.

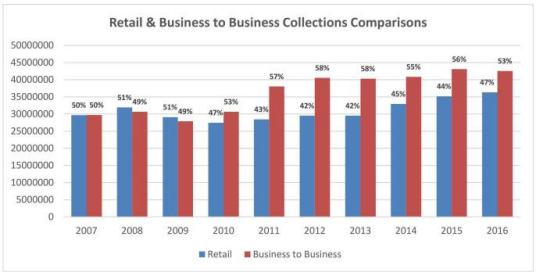
Plano is a major employment center with over 5,800 businesses in the city limits. Two major employment districts, Legacy Business Park and the Research and Technology District, and three large retail shopping malls, Collin Creek Mall, the Shops at Willow Bend, and the Shops of Legacy, conjoin with numerous neighborhood retail shops, eateries, and other business to provide

opportunities for employment in retail, wholesale, manufacturing, medical, finance, services and high tech fields within city limits.

Here and Now The year 2017 is expected to continue to bring strengthening economic growth to the area. The Dallas-Fort Worth area is expected to outperform the national economy yet again this year. Decisions regarding the level of services for City programs are now part of the budget cycle each year. Water and Sewer Revenues continue to remain an area of concern as they can be adversely affected by unusual weather conditions that cannot be predicted, and are also greatly impacted by regulatory mandates from the EPA (Environmental Protection Agency) and the TCEQ (Texas Commission on Environmental Quality).

Another major factor in recent years has been the energy market. Oil prices fluctuate daily and currently are holding constant, barring any political or social unrest in the oil producing countries that might affect the global market. Consequently, fuel costs are expected to remain relatively flat in the City's cost to maintain and operate vehicles and other rolling stock. Increasing global demands for petroleum, low inventories and extreme political unrest in oil producing regions across the world all play a role in these prices. Energy cost uncertainties and a strong community desire for sustainable energy practices encouraged the implementation of energy efficiencies at City facilities, including adjustments to heating and cooling systems and building temperatures, as well as modifying lighting fixtures in office areas. These changes, coupled with energy price contracts, have helped to control utility expenditures at the City of Plano. Recently, natural gas inventories have become more predictable causing natural gas prices to be held flat in each year of the forecast. The City of Plano has evaluated and approved a new energy provider to continue after the expiring Texas Coalition for Affordable Power (TCAP) contract in December 2017. The City remains proactive in this approach to perform due diligence in evaluation of new electricity contracts and providers. All indications have pointed towards declining costs of electricity beginning in 2017-18.

Sales tax revenues continue to remain strong, with $76.3 million collected in 2015-16 with a fairly positive outlook in this forecast period. Plano's strong sales tax can be attributed to a very strong collection of firms whose services and products lend themselves to business-to-business rather than retail sales. Retail sales in Plano have slowed as new retail options have opened in neighboring communities and consumer confidence (and spending) has only recently approached and surpassed pre-recession levels. While Plano served as the primary retail destination for Collin County through the middle of last decade, consumers in cities such as Frisco, Allen and McKinney now have the same retail outlets located closer to home. As a result, Plano's share of the regional retailing market is not expected to expand significantly in the near future.



Based on a revised City Council policy, sales tax projections will be based on the past three-year average of sales tax collections net any audit adjustments. At this time, $75.5 million represents the latest three-year average. Any amount collected over the $75.5 million can be used to purchase one-time expenditures, assigned to the fund balance to be used for offsets in the next fiscal year or can be transferred to the Capital Reserve Fund.

In the near term, Texas's economic growth is expected to continue at a good pace compared to the rest of the nation. Texas saw an increase of 1.3% in personal income, which continues the positive trend for personal income growth. The Texas housing industry also looks well positioned to take advantage of Texas population growth. Continued migration of private sector business has resulted in an influx of new Texans. Taking this into account, economists have predicted a strong growth rate for the housing industry. An increase in the number of single family housing permits increased 28.1% in the past year. This growth is predicted to maintain its strong economic pattern during the forecast period due to the increasing businesses relocating to Texas.

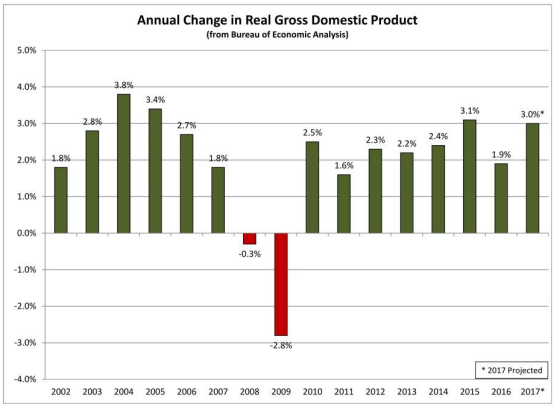
Plano continues to seek out high quality opportunities for economic development and business growth. With a history of attracting new construction and business expansions, Plano remains well positioned to benefit from the internal U.S. migration of people and businesses to Texas. Plano's Economic Development Department works tirelessly to promote the benefits of our city to key business leaders making site and relocation decisions.

National Economic Trends The steady comeback in the U.S. economy since mid-2009 is clear and the likelihood of recovery for the next several years continues. As a country, we have faced numerous challenges over the past few years, yet even with these difficulties, Plano remains strong. The Federal Reserve continues to focus on keeping financing costs low and holding inflationary pressures at bay and has identified these **three keys to the Economic Recovery: Jobs, Housing Starts, and Consumer Spending**. The Federal Reserve has stated that rates may rise as a result of the strengthening economy both domestically and internationally. The slow and steady rise in total employment shows positive signs towards achieving a total employment figure equal to the peak seen in the labor force of 2007 at recent growth rates. Nationally, as well as locally, home prices have seen a strong uptick in value with supply of new and existing homes dwindling. Housing is a hugely important sector of the economy that includes not only construction, but everything that feeds off of it.

Texas continues to remain one of the best business climates in the United States. Texas is frequently selected as one of the best areas for business relocation and expansion and has been named a leader in foreign trade zones. A number of factors lead to such a desirable economic environment, including an advantageous location, lower taxes and costs of doing business, free labor markets, a culture seen as business-friendly and good quality of life. Plano has a strong and thriving economic presence both regionally and nationally. In 2014, Toyota Motor North America, announced it is establishing a new headquarters here in Plano.

Within this forecast period, Toyota's three separate North American headquarters for manufacturing, sales and marketing, and corporate operations will be located in Plano. Toyota, FedEx, Liberty Mutual, J.P. Morgan Chase, Fannie Mae and Hilti North America are a few more major corporations that decided to call Plano their home. Within the next three-year period, over 6,000 jobs are estimated to be created, as well as a positive economic benefit for this region.

One indicator of the national economy is Real Gross Domestic Product (GDP), which measures the output of goods and services produced by labor and property located in the United States while taking inflation into account. The graph below shows the changes to this measure over the past decade from the Bureau of Economic Analyses archives, with the 2017 projected rate from the Congressional Budget Office. Preliminary economic projections for the next three years indicate slow, yet positive national growth as businesses continue to review and realign their goals with strategies and plans that are more adaptive to current economic conditions while evolving to a more global economy.

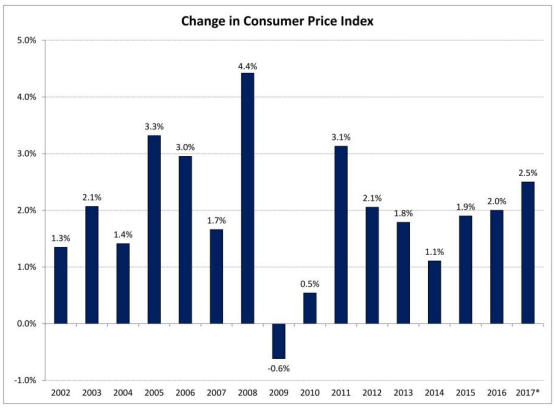


Real GDP has grown for 6 consecutive quarters, and continues to show signs of stability and marginal growth. In the north Texas area, Real GDP grew by 4.3% in 2015, outpacing the nation's 1.9%. Projections for the nation point towards a 3.0% Real GDP for 2017. Global economic expansion is gaining steam; however, a variety of potential scenarios might slow the economy in this three year forecast period. Consumer confidence levels are still in recovery mode with disposable incomes stagnating and the national unemployment rate remains around the 5% mark. Both Texas and Plano have historically been below the national unemployment rate averages.

While labor force participation remains around pre-recession levels, economic growth has been slow to recover, however, employment signs show positive growth and an optimistic approach for this coming year. With current political initiatives to relax certain regulations, the national economy may gain momentum throughout this forecast period. Economic productivity was robust due to the rapid assimilation of innovative technologies into the workplace and a high proportion of working age people who were employed and working full-time at their jobs. With many companies utilizing new technology to maximize productivity in the hours worked from employees, a standard response to the recession by business managers was to do more with less. As workforces held steady and grew within certain industries, employees found a new standard amongst employers. In the past few years, employers were requiring upskilling and higher levels of education which detracted many potential workers. However, many in the job market obtained higher education levels to meet and exceed job requirements. With this being said, there still remains a larger pool of economically inactive individuals and job seekers which has produced drag on economic growth and lead to a significant population that is not captured by the official unemployment rate. Modest economic growth in the U.S. and slower growth throughout much of the rest of the world spell increased inflation rates throughout this year. However, due to recent fiscal reactions completed by the Federal Reserve, an increase in inflation rates has been constrained and will be closely monitored throughout this economic cycle. In this past year, we have already seen a rise on interest rates from the Federal Reserve as their new fiscal policies take shape. Nationally, corporations have built up large holdings of cash, and as economic activity improves and uncertainties are resolved, businesses should feel more confident increasing their investments in structures, equipment and technology.

An additional measure of the overall economy is the Consumer Price Index (CPI) prepared by the Bureau of Labor Statistics (BLS), a direct indicator of inflation in the economy. A rise in CPI of 2.7% for the DFW urban region over the past 12 months, and a rise of 2.5% nationally, reflects an economic environment that is stable and experiencing modest growth.

Inflation, as measured by the annual percentage change in the CPI, has increased in the past year, but should level off in the next year. Economists point out that historical data shows that following a recession/depression period, inflation remains fairly level for the next several years. This trend should continue to hold true as the Federal Reserve's monetary policy and tools take a hold within the country. CPI is also influenced by a direct relationship to energy prices which has declined slightly from the previous year. As shown in the following chart, inflation has remained relatively stable for the last several years. Compared to other areas of the United States, Plano has many helpful price advantages as indicated in the Cost of Living Index. The 2016 Index placed Plano below the national average for such major household costs as Housing, Healthcare and Grocery Items.



This forecast does include a 2.5% inflation rate in order to estimate future potential expenditures. Expenditures for materials and supplies were only recently increased, as they have been previously held constant for the last several fiscal years. Any additional operating & maintenance expenditure included in the 2017-18 Budget must be approved by the City Council through a supplemental funding process.

What this means for Plano Although economic forecasts for Plano and the region remain generally favorable, single family residential build-out and the pace of national economic growth continue to influence the City. Financial sustainability and a looming physical build-out have required a shift in focus from growth to maintenance activities. The demands for additional housing in Plano have been heard and re-zoning in some of the undeveloped

areas of the City is occurring. The City is aware of the effects of maturation in its neighborhoods and commercial areas, as both private development and public infrastructure have been in place in some areas for more than 20 to 40 years. The city has adopted the Plano Tomorrow Comprehensive Plan which is a long-range guide for future growth, development and redevelopment in the city. These circumstances require Plano to continue diligently monitoring financial conditions, while reviewing current policies and guidelines so that a balanced budget is maintained and expenditures are maintainable. Meticulous attention is given to the capital funds, such as the Capital Reserve Fund and Community Investment Program (CIP) each year. During the annual budget process capital projects are re-examined and ranked, using financial oversight and planning to ensure that the funds are available for these projects as needed. The Council and managers practice visionary planning, with an eye towards the horizon, looking for potential opportunities and anticipating coming challenges to the community.

The City each year anticipates and reviews requests for services that are likely to increase and/or shift as the city matures, while continuing to explore and promote inter-local cooperation with Collin County and other Metroplex municipalities. Such planning is the purpose of this Status Report and Three-Year Financial Summary.

Forecast Notes Economic expansion continues to generate employment and other business opportunities in Plano, and combines with other factors to motivate business relocations and new residents to settle in our city. Economists generally agree that the national economy will continue to recover, though not as quickly as most individuals would like.

As is the case with all projections, many developments could cause economic outcomes to differ substantially in one direction or another. External issues can heavily influence economic activity and weaken the economy. This upcoming year brings about many political pressures such as the change at both Presidential and Congressional levels that have traditionally slowed economic growth due to uncertainties. Significant outside factors impacting the City of Plano include: unpredictable acts of nature, terrorism or war; uncertainty about interest rates at the Federal Reserve; uncertainty about oil and other energy prices; uncertainty about performance and the creditability of the global financial markets, especially in Europe and Asian markets; and the impacts of inflation or even deflation. Barring any serious developments in these areas, Plano is poised to continue benefitting from a sound economy over the next three years.


Plano
City of Excellence

Budget Assumption Matrix Revenues and Expenses 2017-18 thru 2019-20				
			Projected	
	ASSUMPTION	2017-18	2018-19	2019-20
Population:				
January 1, 2017	Current Population: 277,400 (Planning Dept.)			
2017-18	Increase 0.6% to 279,000 (Planning Dept.)	0.60%		
2018-19	Increase 1.3% to 282,500 (Planning Dept.)		1.30%	
2019-20	Increase 1.1% to 285,600 (Planning Dept.)			1.10%
Property Values:				
Existing Property Value:				
2017-18	Increase 4.0% to $35,726,628,121 (Central Appraisal District)	4.00%		
2018-19	Increase 4.0% to $38,195,693,245 (Central Appraisal District)		4.00%	
2019-20	Increase 4.0% to $40,763,520,975 (Central Appraisal District)			4.00%
New Property Value:				
2017-18	Increase $1,000,000,000 (Based on Central Appraisal District)			
2018-19	Increase $1,000,000,000 (Based on Building Permit Projections)			
2019-20	Increase $500,000,000 (Based on Building Permit Projections)			
Revenues:				
Taxes				
Ad Valorem Taxes:				
Current	Assume 99% collection rate			
Delinquent	Assume 1% delinquent rate			
Penalty & Interest	Based on past trends in delinquent accts.			
-				
New Debt				
2016-17 Re-Estimate	$59,965,000 (Bond Authority)			
2017-18	$65,000,000 (Bond Authority)			
2018-19	$65,000,000 (Bond Authority)			
2019-20	$65,000,000 (Bond Authority)			
Sales Tax:				
2016-17 Re-Estimate	$75,478,415 (Constant)			
2017-18	$76,478,415 (Increase $1.0 million) Based on 3-year rolling average per City Council			
2018-19	$77,478,415 (Increase $1.0 million)			
2019-20	$78,478,415 (Increase $1.0 million)			
Franchise Taxes:				
2017-18	Constant for all			
2018-19	Constant for all			
2019-20	Constant for all			
Interest Earnings				
2017-18	Based on historical actuals and the ending working balance of each individual fund			
2018-19	Based on historical actuals and the ending working balance of each individual fund			
2019-20	Based on historical actuals and the ending working balance of each individual fund			
Building Related Revenues				
2017-18	Decrease 50.0% based on building permit projections	-50.00%		
2018-19	Decrease 10.0%		-10.00%	
2019-20	Decrease 10.0%			-10.00%
Direct Population-Based (DP)				
2017-18	Increase 0.6% (Planning Dept.)	0.60%		
2018-19	Increase 1.3% (Planning Dept.)		1.30%	
2019-20	Increase 1.1% (Planning Dept.)			1.10%
Indirect Population-Based (IP)				
2017-18	Increase 0.3% (Planning Dept.)	0.30%		
2018-19	Increase 0.6% (Planning Dept.)		0.65%	
2019-20	Increase 0.5% (Planning Dept.)			0.55%
Direct Economy-Based (DE)				
2017-18	Increase 3.00% (Projected inflation rate and various indexes)	3.00%		
2018-19	Increase 3.00% (Projected inflation rate and various indexes)		3.00%	
2019-20	Increase 3.00% (Projected inflation rate and various indexes)			3.00%

Budget Assumption Matrix Revenues and Expenses 2017-18 thru 2019-20				
			Projected	
	ASSUMPTION	2017-18	2018-19	2019-20
Indirect Economy-Based (IE)				
2017-18	Increase 1.50% (Projected inflation rate)	1.50%		
2018-19	Increase 1.50% (Projected inflation rate)		1.50%	
2019-20	Increase 1.50% (Projected inflation rate)			1.50%
GENERAL FUND				
Sales Tax	Based on 3-year average (City Policy)			
Mixed Drink Tax	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Bingo Gross Receipts Tax	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Franchise Fees				
Electrical Franchise	Constant	0.00%	0.00%	0.00%
Telephone Franchise	Constant	0.00%	0.00%	0.00%
Fiber Optics Franchise	Constant	0.00%	0.00%	0.00%
Gas Franchise	Constant	0.00%	0.00%	0.00%
Cable TV Franchise	Decrease	-5.00%	0.00%	0.00%
Fines & Forfeits				
Municipal Court	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Library Fines	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Miscellaneous Revenue				
Interest Earnings	Based on historical actuals and the ending working balance of each individual fund			
Sale/Rental of Property	Based on rental lease agreements			
Insurance Collections	4.0% per year increase	4.00%	4.00%	4.00%
Sundry	Constant	0.00%	0.00%	0.00%
Licenses & Permits				
Food Handlers Permits	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Land/Burning/Liquid Waste	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Grease Trap Permits	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Rental Registratin Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Fire Inspection Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Animal Licenses	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Restaurant Plan Review	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Alarm Permits	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Filing Fees	Based on building & development projection	-50.00%	-10.00%	-10.00%
Fire Protection Plan Review	Based on building & development projection	-50.00%	-10.00%	-10.00%
Building Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Electrical Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Plumbing Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Heating & A/C Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Fence Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Swimming Pool Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Pool Inspection	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Irrigation Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Day Laborer Fees	Constant	0.00%	0.00%	0.00%
Sign Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Reoccupancy Permits	Based on building & development projection	-50.00%	-10.00%	-10.00%
Misc. Licenses & Permits	Constant	0.00%	0.00%	0.00%
Fees & Charges for Services				
Animal Pound & Adopt. Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Ambulance Service	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
False Alarm Response	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Emergency 911	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Contractor Registration Fee	Based on building & development projection	-50.00%	-10.00%	-10.00%
Engineering Inspection Fee	Based on building & development projection	-50.00%	-10.00%	-10.00%
Residential Building Plan Review	Based on building & development projection	-50.00%	-10.00%	-10.00%
Reinspection Fee	Based on building & development projection	-50.00%	-10.00%	-10.00%
File Searches	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Same Day Inspection Fee	Based on building & development projection	-50.00%	-10.00%	-10.00%
Convenience Copiers	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Lease Fee	Constant	0.00%	0.00%	0.00%
Recreation User Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Recreation Rental Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Swimming Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Recreation Membership Card Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%

Budget Assumption Matrix Revenues and Expenses 2017-18 thru 2019-20				
		Projected		
	ASSUMPTION	2017-18	2018-19	2019-20
Tennis Center Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Food Manager/Handler Training	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Tree Trimming Assessments	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Child Safety Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Sundry	4.0% per year increase	4.00%	4.00%	4.00%
Intergovernmental Revenue				
Payments from FISD:				
School Liaison	Based upon schedule of costs reimbursed			
Payments from PISD:				
School Liaisons	Based upon schedule of costs reimbursed			
Plano-Richardson Trng. Ctr./Misc.	Based upon schedule of costs reimbursed			
Interlocal Radio System Access	Constant	0.00%	0.00%	0.00%
Intragovernmental Transfers				
Intra-Fund Transfers From:				
Water & Sewer Fund	5.0% of selected Water & Sewer revenues; indirect costs; and allocations for additional costs			
Sustainability & Env. Svcs. Fund	7.0% of Residential Collection, Special Refuse Collection, and Landscape Bag revenues			
Recreation Revolving Fund	5.0% of Recreation Fund revenues			
Golf Course Fund	5.0% of Golf Course Fund revenues			
Convention & Tourism Fund	5.0% of Convention & Tourism Fund revenues			
Municipal Drainage Fund	7.0% of Fees			
WATER & SEWER FUND				
Water Income	Population based increase (DP), and North Texas Municipal Water District	0.60%	1.30%	1.10%
Water Taps	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Sewer Income	Direct Population based increase (DP), and North Texas Municipal Water District	0.60%	1.30%	1.10%
Water & Sewer Penalties	Direct Population based increase (DP)	0.60%	1.30%	1.10%
Water Meters	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Construction Water	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Service Connect Fee	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Backflow Testing	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Sewer Tie-On	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Pre-Treatment Permits	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Interest Earnings	Based on historical actuals & ending working bal.			
Misc. Income	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
CONVENTION & TOURISM FUND				
Hotel/Motel Receipts	Direct Economy based increase (DE)	3.00%	3.00%	3.00%
Civic Center Fees	Direct Economy based increase (DE)	3.00%	3.00%	3.00%
Miscellaneous	Constant	0.00%	0.00%	0.00%
Interest Earnings	Based on historical actuals & ending working bal.			
SUSTAINABILITY & ENVIRONMENTAL SERVICES FUND				
Commercial Franchise	Direct Economy based increase (DE)	3.00%	3.00%	3.00%
Special Refuse Collection	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Residential Collection	Direct Population based increase (DP)	0.60%	1.30%	1.10%
Allied Waste, Inc.	Direct Economy based increase (DE)	3.00%	3.00%	3.00%
Recycling	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Sale of Landscape Bags	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Tipping Fee	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Contributions via Utility Billing	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Sale of Compost	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Miscellaneous	Indirect Economy based increase (IE)	1.50%	1.50%	1.50%
Disposal Reimbursements	Direct Economy based increase (DE)	3.00%	3.00%	3.00%
MUNICIPAL DRAINAGE FUND				
Residential Class Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Commercial Class Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Interest Earnings	Based on historical actuals & ending working bal.			
MUNICIPAL GOLF COURSE FUND				
Golf Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Concessions	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Miscellaneous	Constant	0.00%	0.00%	0.00%
Interest Earnings	Based on historical actuals & ending working bal.			

Budget Assumption Matrix
Revenues and Expenses
2017-18 thru 2019-20

		Projected		
	ASSUMPTION	**2017-18**	**2018-19**	**2019-20**
RECREATION REVOLVING FUND				
Recreation Fees	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Contributions	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Sundry	Indirect Population based increase (IP)	0.30%	0.65%	0.55%
Interest	Based on historical actuals & ending working bal.			
Expenses:				
Inflation				
2017-18	Based on CPI/US Dept. of Labor	2.50%		
2018-19	Based on CPI/US Dept. of Labor		2.50%	
2019-20	Based on CPI/US Dept. of Labor			2.50%
Salaries, Wages & Benefits				
2017-18 (Civil & Non-Civil Service)	Constant			
2018-19	Constant			
2019-20	Constant			
RSP				
2017-18	Remain constant at 3.62% of salary (RSP Board)			
2018-19	Remain constant at 3.62% of salary (RSP Board)			
2019-20	Remain constant at 3.62% of salary (RSP Board)			
Life Insurance				
2017-18	Remain constant at 1.00% of salary (Calculation)			
2018-19	Remain constant at 1.00% of salary (Calculation)			
2019-20	Remain constant at 1.00% of salary (Calculation)			
Disability				
2017-18	Remain constant at 0.07% of salary (Calculation)			
2018-19	Remain constant at 0.07% of salary (Calculation)			
2019-20	Remain constant at 0.07% of salary (Calculation)			
Medicare				
2917-18	Remain constant at 1.45% of salary (Calculation)			
2018-19	Remain constant at 1.45% of salary (Calculation)			
2019-20	Remain constant at 1.45% of salary (Calculation)			
TMRS				
2017-18	Remain constant at 18.11% of salary (Full TMRS Phase in Rate)			
2018-19	Remain constant at 18.11% of salary (Full TMRS Phase in Rate)			
2019-20	Remain constant at 18.11% of salary (Full TMRS Phase in Rate)			
Health Insurance				
2017-18	Remain constant			
2018-19	Remain constant			
2019-20	Remain constant			
OPEB				
2017-18	$2,625 (Human Resources)			
2018-19	Remain constant at $2,625			
2019-20	Remain constant at $2,625			
Attrition				
2017-18	3.0% for General Fund and 1.0% for other Funds			
2018-19	3.0% for General Fund and 1.0% for other Funds			
2019-20	3.0% for General Fund and 1.0% for other Funds			
Depreciation				
2017-18	Method remains constant each year (Historical & ERF)			
2018-19	Method remains constant each year (Historical & ERF)			
2019-20	Method remains constant each year (Historical & ERF)			
Municipal Garage Charges				
2017-18	Increase 2.50% (Equip. Svcs, gas and oil price inc.)	2.50%		
2018-19	Increase 2.50% (Equip. Svcs, gas and oil price inc.)		2.50%	
2019-20	Increase 3.00% (Equip. Svcs, gas and oil price inc.)			3.00%

Budget Assumption Matrix Revenues and Expenses 2017-18 thru 2019-20				
			Projected	
	ASSUMPTION	2017-18	2018-19	2019-20
Postage				
2017-18	Increase 2.5%	2.50%		
2018-19	Increase 2.5%		2.50%	
2019-20	Increase 2.5%			2.50%
Electricity				
2017-18	Flat	0.00%		
2018-19	Flat		0.00%	
2019-10	Flat			0.00%
Natural Gas				
2017-18	Flat (Dept. Of Energy)	0.00%		
2018-19	Flat (Dept. Of Energy)		0.00%	
2019-20	Flat (Dept. Of Energy)			0.00%
Capital Outlay				
2017-18	$1,125,000 per year for library books (Historical)			
2018-19	$1,125,000 per year for library books (Historical)			
2019-20	$1,125,000 per year for library books (Historical)			
Existing Expenditures				
2017-18	Increase 2.5%	2.50%		
2018-19	Increase 2.5%		2.50%	
2019-20	Increase 2.5%			2.50%
North Texas Municipal Water District (NTMWD)				
Water				
2016-17	Price per 1,000 gal $2.53			
2017-18	Increase $0.29 per 1,000 gal to $2.82	11.46%		
2018-19	Increase $0.28 per 1,000 gal to $3.10		9.93%	
2019-20	Increase $0.30 per 1,000 gal to $3.40			9.68%
Wastewater				
2016-17	Price per 1,000 gal $1.89			
2017-18	Increase $0.19 per 1,000 gal to $2.08	10.05%		
2018-19	Increase $0.16 per 1,000 gal to $2.24		7.69%	
2019-20	Increase $0.25 per 1,000 gal to $2.49			11.16%
Upper East Fork Interceptor System				
2016-17	Price per 1,000 gal $1.25			
2017-18	Increase $0.18 per 1,000 gal to $1.43	14.40%		
2018-19	Increase $0.17 per 1,000 gal to $1.60		11.89%	
2019-20	Increase $0.17 per 1,000 gal to $1.77			10.63%
EWS-Regional Landfill				
2016-17	Price per ton $38.25			
2017-18	Remaining flat $38.25	0.00%		
2018-19	Remaining flat $38.25		0.00%	
2019-20	Remaining flat $38.25			0.00%
GENERAL FUND TRANSFERS				
Capital Reserve				
2016-17	$24,550,000 (calculation)			
2017-18	Transfer $24,550,000 (Based on revised Capital Reserve Policy/CIP)			
2018-19	Transfer $24,550,000 (Based on revised Capital Reserve Policy/CIP)			
2019-20	Transfer $24,550,000 (Based on revised Capital Reserve Policy/CIP)			
Economic Dev. Incentive Fund				
2017-18	Transfer $7,271,872 (2 cents on tax rate)			
2018-19	Transfer $7,760,747 (2 cents on tax rate)			
2019-20	Transfer $8,170,177 (2 cents on tax rate)			

Budget Assumption Matrix Revenues and Expenses 2017-18 thru 2019-20				
			Projected	
	ASSUMPTION	2017-18	2018-19	2019-20
Technology Fund				
2017-18	Total transfer to remain constant @ $1.9 million a year, divided among Funds who contribute: (Calculation)			
2018-19	General Fund = $1,500,000			
2019-20	Water & Sewer Fund = $300,000			
	Sustainability & Env. Svcs. Fund = $60,000			
	Municipal Drainage Fund = $20,000			
	Convention & Tourism Fund = $20,000			
PTV Fund				
2017-18	Transfer $250,000 (Calculation)			
2018-19	Transfer $250,000 (Calculation)			
2019-20	Transfer $250,000 (Calculation)			
Risk Management Fund				
2017-18	Transfer $3,700,000 (Calculation)			
2018-19	Transfer $3,700,000 (Calculation)			
2019-20	Transfer $3,700,000 (Calculation)			

General Fund

GENERAL FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Ad Valorem Taxes	$111,458,536	$119,687,600	$119,987,600	$127,864,038	$136,349,048	$143,366,236
Sales Tax	76,347,085	75,418,120	75,478,415	76,478,415	77,478,415	78,478,415
Franchise Fees	23,795,403	23,920,708	23,702,844	22,826,470	22,826,470	22,826,470
Fines & Forfeits	7,093,728	7,228,045	6,930,756	6,951,550	6,996,735	7,035,217
Building & Development	11,206,160	10,911,505	10,750,565	5,684,403	5,200,905	4,742,639
Licenses & Permits	3,786,001	3,788,811	3,903,266	3,625,214	3,617,969	3,610,570
Fees & Charges for Services	12,666,211	12,916,963	12,999,555	13,250,061	13,402,900	13,582,364
Intergovernmental	1,039,506	1,012,350	1,048,069	1,048,069	1,048,069	1,048,069
Interest Income	826,979	700,000	850,000	900,000	950,000	1,000,000
Transfers In	18,866,299	20,496,722	20,509,952	21,837,553	21,930,623	22,522,413
CIP Coming On-Line	0	0	0	76,000	110,000	152,000
Other	3,829,311	3,706,976	3,792,025	3,816,270	3,848,436	3,879,377
Total Recurring Revenue	$270,915,219	$279,787,799	$279,953,047	$284,358,043	$293,759,570	$302,243,770
Recurring Expenditures						
Salaries & Wages	$175,959,421	$192,446,021	$192,048,556	$194,352,360	$194,950,438	$195,048,515
Supplies & Services	57,207,227	64,676,147	68,461,533	64,977,461	65,793,308	66,650,215
Reimbursements	(2,612,941)	(3,347,516)	(3,347,516)	(3,447,941)	(3,551,380)	(3,657,921)
CIP Coming On-Line	0	0	0	510,041	1,860,521	2,988,450
Capital Outlay	1,482,113	5,332,983	7,539,982	1,125,000	1,125,000	1,125,000
Total Recurring Expenditures	$232,035,820	$259,107,635	$264,702,555	$257,516,920	$260,177,887	$262,154,259
Transfers Out	36,293,442	36,801,800	36,801,800	37,271,872	37,760,747	38,170,177
Fund Balance - Beginning	**$51,604,016**	**$37,491,648**	**$54,189,973**	**$32,638,665**	**$22,207,915**	**$21,384,484**
Total Recurring Revenue	**$270,915,219**	**$279,787,799**	**$279,953,047**	**$284,358,043**	**$293,759,570**	**$302,243,770**
Total Recurring Expenditures	**$232,035,820**	**$259,107,635**	**$264,702,555**	**$257,516,920**	**$260,177,887**	**$262,154,259**
Less: Transfers Out	**$36,293,442**	**$36,801,800**	**$36,801,800**	**$37,271,872**	**$37,760,747**	**$38,170,177**
Fund Balance - Ending	**$54,189,973**	**$21,370,011**	**$32,638,665**	**$22,207,915**	**$18,028,851**	**$23,303,817**
Required 30 Day Balance				**$21,165,774**	**$21,384,484**	**$21,546,925**
Add'l Revenues or Program Reductions to Meet 30 Days					**($3,355,633)**	
Days of Operation			**45**	**31**	**21**	**32**
Total Assessed Property Value			**$34,352,527,039**	**$36,726,628,121**	**$39,195,693,245**	**$41,263,520,975**
Tax Split:						
Debt	**0.1310**	**0.1230**	**0.1230**	**0.1230**	**0.1230**	**0.1230**
Operations	**0.3576**	**0.3556**	**0.3556**	**0.3556**	**0.3556**	**0.3556**
	0.4886	**0.4786**	**0.4786**	**0.4786**	**0.4786**	**0.4786**
Operating Tax Rate to be Transferred from Debt				**0.0000**	**0.0000**	**0.0000**
Equivalent Amount				**$0**	**$0**	**$0**

*The **General Fund** is the City's largest single fund, and serves as the primary operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. The sources of revenue that comprise the General Fund are described below:*

Operating Revenue Sources:

Ad Valorem Tax

Ad valorem taxes are levied against the tangible assessed valuation of real and personal property within the city. The property is assessed by both the Central Appraisal Districts of Collin and Denton County at 100% of estimated market value and certified by the Appraisal Review Board.

Sales Tax

The City authorizes a 1% local sales and use tax on the receipts from the retail sale of all taxable items within the city. Local sales and use tax revenue is collected by the Comptroller of the State of Texas.

Mixed Drink Tax

The City receives a portion of the State of Texas tax on mixed beverages sold by private clubs within the city limits.

Bingo Gross Receipts Tax

The City authorizes a 2% collection of gross receipts resulting from conduct of bingo games by an authorized organization in any calendar month. The first $2,500 of gross receipts each month are exempted.

Franchise Fees

Franchise fees are assessments, based upon gross receipts, for electric, telephone, fiber optics, gas, and cable television.

Fines & Forfeits

This category of revenue includes court fines and forfeitures, traffic fines, and library fines.

Licenses & Permits

Licenses and permits include revenue for building & development related, food handlers, restaurant plan review, animal, alarm, fire protection plan review, grease trap, and pool inspections.

Fees & Charges for Services

Fees and charges for services include revenue for animal adoption, ambulance service, 911, false alarm response, charges for parks and recreation programs, contractor registration, engineering inspection, re-inspection, tree trimming, food handler training, and child safety.

Intergovernmental Resources

These resources are comprised of revenues received from other governmental entities.

Other

Miscellaneous receipts include revenues such as interest income, rents, and insurance collections.

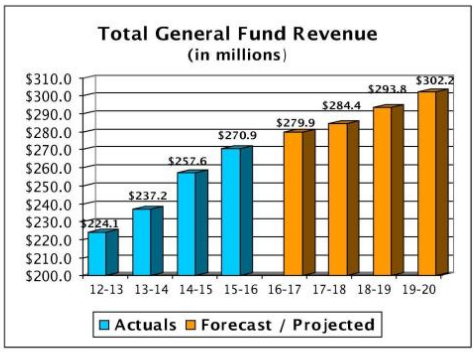
Other Financing Sources:

Operating Transfers In

Transfers from other City funds.

Operating Revenues

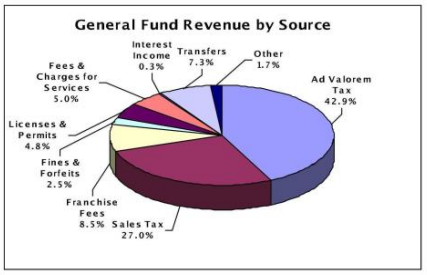
The General Fund accounts for most financial resources except those required for debt or specifically attributable to the enterprise funds. Resources are generated by property (ad valorem) and other taxes, franchise fees, fines & forfeits, licenses & permits, and fee & charges for services.



The graph above shows the historical trends and projections for all General Fund revenues. As illustrated, revenues in the General Fund have seen an overall increase each year since 2012-13. All years represented in the graph above represent a full recovery from the significant economic downturn experienced in 2008-09.

The increase in revenues received continues today and this forecast projects an ending 2017-18 General Fund balance of 31 days of operation which equates to 1 day or $1.0 million over the required 30 days of operation. The continued confidence in the local and national economy and the projected increases in existing property values coupled with anticipated new property growth are all factors contributing to projected overall increases in revenues during the three-year forecast period. By 2019-20, total General Fund revenues are estimated to be $302.2 million.

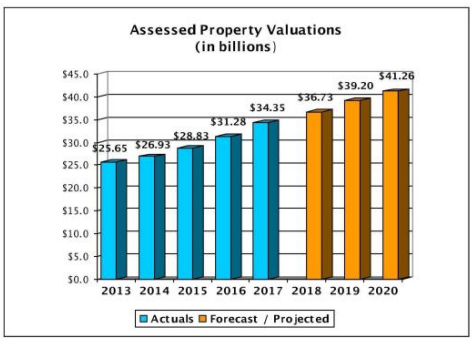
The major sources that make up the General Fund revenues for 2016-17 include: Ad Valorem Tax (42.9%), Sales Tax (27.0%), Franchise Fees (8.5%), Fines & Forfeits (2.5%), Licenses & Permits (4.8%), Fees & Charges for Services (5.0%), Interest Income (0.3%), Transfers (7.3%), and Other (1.7%). A description of each source as well as a discussion of the outlook over the next three years follows.



Ad Valorem Taxes

Ad valorem (property) taxes are the City's largest revenue source. Ad valorem tax revenue is determined by two major factors: the total assessed value established by both the Central Appraisal Districts of Collin County and Denton County plus the tax rate established by the City Council. The City's current tax rate of 47.86 cents per $100 of assessed valuation is maintained throughout the forecast, and the amount allocated between debt and operations is adjusted accordingly.

Ad valorem tax revenue is based on maintaining the current tax rate of 47.86 cents per $100 valuation for the next 3 years and assumes a 99.0% collection rate. At no time during the forecast period does the change in distribution between operation and debt exceed the 8.0% rollback operating limit. Even with a projected increase in assessed property values, there is an anticipated increase in the size of debt issuances in the forecast period. Based on this projection, the overall debt allocation of the tax rate will remain the same as in 2016-17. The current tax rate split of 35.56 cents (operations) and 12.30 cents (debt) per $100 valuation will remain the same throughout the forecast period.

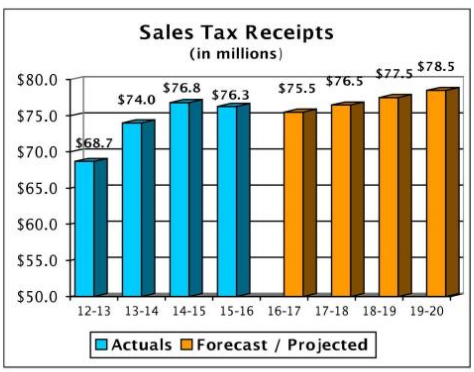


Based on projections attained by both Central Appraisal Districts, existing property values are projected to increase 4.0% in 2017-18, 4.0% in 2018-19, and 4.0% in 2019-20. New growth is projected at $1.0 billion for 2017-18, another $1.0 billion in 2018-19, and $500.0 million in 2019-20.

Sales Tax

Sales tax receipts, the General Fund's second largest source of revenue, are re-estimated for 2016-17 at $75.5 million, up slightly from the initial 2016-17 budgeted amount of $75.4 million. In keeping with the basic premise of the current City Council sales tax policy, sales tax projections will be based on the past three year average of sales tax collections net any audit adjustments. For purposes of this forecast, an additional $1.0 million is added in each of the forecast years. For 2017-18, this amount totals $76.5 million; in 2018-19, $77.5 million; and in 2019-20, $78.5 million. Any revenues collected over these amounts in any year can be used to purchase one-time expenditures, assigned to the fund balance to be used for offsets in the next fiscal year or can be transferred to the Capital Reserve Fund or the Economic Development Incentive Fund.

Strong business to business sales tax activity as well as increased off premise liquor consumption has helped to keep this revenue source steady. However, we still need to be cognizant of the volatility of this revenue source and factors such as the increasing loss of retail market share to surrounding communities, the "Back-To-School" and "Energy Star" Sales Tax Holiday, weather conditions, and any impending future legislation. For the first five months of FY 2016-17, sales tax collections are up $1.3 million as compared to last year's collections.



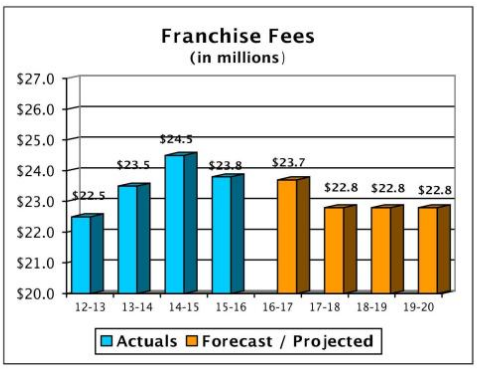
The graph above shows the historical trends and projections for sales tax receipts.

Franchise Fees

Franchise fees for 2016-17 are expected to total $23.7 million, or 8.5% of the total General Fund revenue. Franchise fees are collected from assessments, based upon gross receipts, for electric, telephone, fiber optics, gas, and cable television.

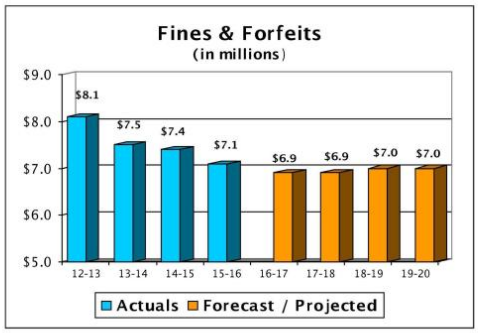
Electrical, Telephone, Fiber Optics, and Gas franchise fees are all projected to remain relatively constant for the forecast period. Electrical franchise fees are re-estimated for 2016-17 at $11.9 million and Telephone franchise fees are re-estimated for 2016-17 at $5.0 million. Fiber Optics franchise fees are re-estimated for 2015-16 at $55,531, the same amount that was originally budgeted. Gas franchise fees are re-estimated down for 2016-17 to $2.7 million from the original budgeted amount of $3.2 million due to unusually warm months near the end of calendar year 2016 and lower fuel costs. Gas franchise fees are projected to remain constant in 2017-18 based on warmer than normal winter months in early 2017, then remain constant in 2018-19 and 2019-20.

Cable Television franchise fees are re-estimated for 2016-17 at $4.0 million from the original budgeted amount of $4.4 million. It is anticipated that Cable Television franchise fees will decrease another 5.0% in 2017-18 and then remain constant in 2018-19 and 2019-20.



The graph above shows the historical trends and projections for franchise fee revenue. By 2019-20, this revenue source is estimated to be steady at $22.8 million, a slight 3.7% decrease over 2015-16 revenues.

Fines & Forfeits
Fines and forfeits for 2016-17 are expected to decrease slightly to $6.9 million, down $297,289 from 2016-17 original budgeted amount. All fines and forfeits are projected to increase at the indirect population-based rate of 0.30% in 2017-18, 0.65% in 2018-19, and 0.55% in 2019-20. This category of revenue includes court fines and forfeitures, traffic fines, and library fines.

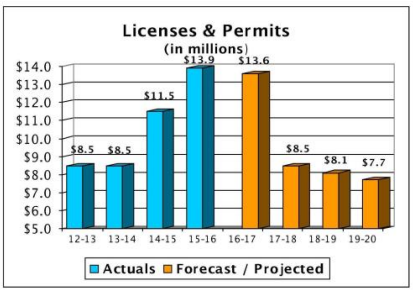


The graph above shows the historical trends and projections for fines and forfeits revenue. By 2019-20, this revenue source is estimated to be $7.0 million, a slight 0.8% decrease over 2015-16 revenues.

Licenses & Permits
Licenses and permits for 2016-17 are expected to total $13.6 million, or 4.8% of the total General Fund revenue. Included within the licenses and permits category are food handlers permits, grease trap permits, animal licenses, alarm permits, most building & development related revenues, and various other permits.

The North Texas development market continues to be a hotbed for building related construction activities, including residential homes, commercial buildings, schools, restaurants and remodeling projects. Plano has been very fortunate to reap the benefits of such a robust development market, both currently and in recent years. However, many of the large commercial projects, such as Toyota, Liberty Mutual, and Chase will all be completed in the near future. Because of these major commercial projects nearing completion, all building & development related revenues are projected to decrease 50.0% from the 2016-17 re-estimated amounts in 2017-18, another 10.0% in 2018-19, and yet another 10.0% in 2019-20. There will still be building related construction activities but it will be at a much decreased rate and amount.

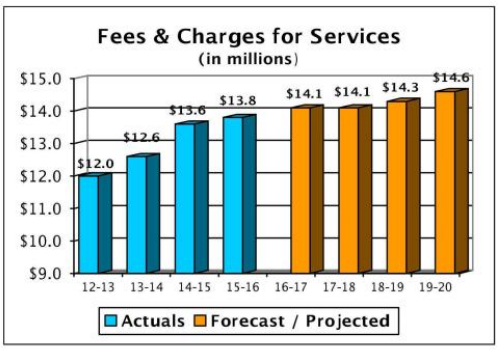
Most other licenses and permits revenues are projected to increase at the indirect population-based rate of 0.30% in 2017-18, 0.65% in 2018-19, and 0.55% in 2019-20.



The graph above shows the historical trends and projections for licenses and permits revenue. By 2019-20, this revenue source is estimated to be $7.7 million, a 44.4% decrease over 2015-16 revenues.

Fees & Charges for Services
Fees and charges for services for 2016-17 are expected to total $14.1 million, or 5.0% of the total General Fund revenue. Included within the fees and charges for services category are ambulance service fees, emergency 911 fees, false alarm fees, recreation user fees, tennis center fees, engineering inspection fees, re-inspection fees, and various other fees.

Overall, most fees and charges for services are projected to increase at the indirect population-based rate of 0.30% in 2017-18, 0.65% in 2018-19, and 0.55% in 2019-20. Any building & development related revenues within this category are projected to decrease 50.0% from the 2016-17 re-estimated amounts in 2017-18, decrease an additional 10.0% in 2018-19, and decrease an additional 10.0% in 2019-20.

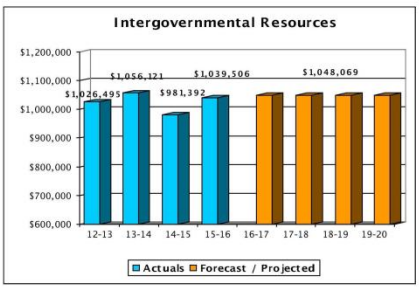


The graph above shows the historical trends and projections for fees and charges for services revenue. By 2019-20, this revenue source is estimated to reach $14.6 million, a 5.5% increase over 2015-16 revenues.

Intergovernmental Resources

Intergovernmental resources for 2016-17 are expected to total $1.0 million. These resources are comprised of revenues received from other governmental entities such as payments from Frisco I.S.D. and Plano I.S.D. for School Liaison Officers. Also included are Plano-Richardson Police training facility revenue.

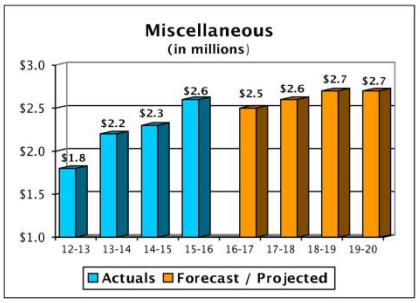
Intergovernmental resources are projected to remain constant throughout the forecast period at $1.0 million.



The graph above shows the historical trends and projections for intergovernmental revenue.

Other

Miscellaneous revenues for 2016-17 are expected to total $2.5 million. Miscellaneous receipts include revenues such as interest income, rents, and insurance collections. Interest income is projected to be $850,000 in 2016-17 and then increase to $900,000 in 2017-18, $950,000 in 2018-19 and then $1,000,000 in 2019-20.

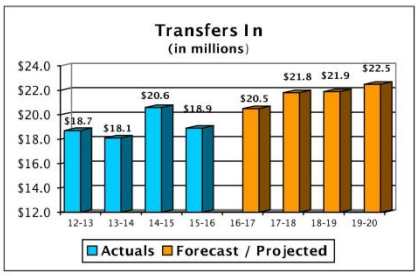


The graph above shows the historical trends and projections for miscellaneous/other revenue. By 2019-20, this revenue source is estimated to be $2.7 million.

Other Financing Sources:

Operating Transfers In

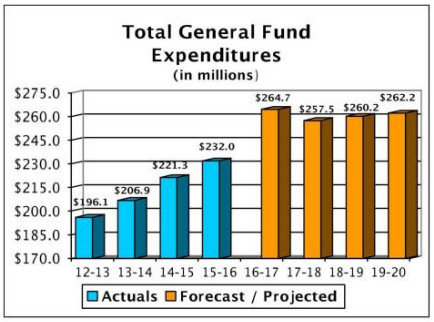
Transfers in for 2016-17 are expected to total $20.5 million, or 7.3% of the total General Fund revenue. Transfers in include intra-fund transfers from the Water & Sewer Fund, the Sustainability & Environmental Services Fund, the Recreation Revolving Fund, the Municipal Golf Course Fund, the Convention & Tourism Fund, and the Municipal Drainage Fund. All transfers are based on a percentage allocation of revenues received in each of these funds. Therefore, the revenues received in future years depend on revenues generated in each of these funds over the next three years.



The graph above shows the historical trends and projections for transfers in. By 2019-20, this revenue source is estimated to reach $22.5 million, a 19.4% increase over 2015-16 revenues.

CIP Coming On-Line

Additional revenues anticipated in the future as a result of new facilities coming on-line include the Liberty Recreation Center remodel and the Oak Point Recreation Center expansion and pool addition. In 2017-18, $76,000 in additional user fee revenue is included as a result of the Oak Point Recreation Center expansion. In 2018-19, $34,000 in additional user fee revenue is included as a result of the Liberty Recreation Center remodel. Also, in 2019-20, another $42,000 in additional user fee revenue is included for the Oak Point Recreation Center Pool addition.

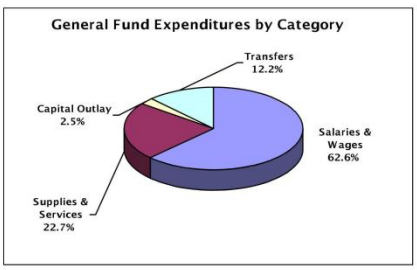


Operating Expenditures

Four decades of rapid growth stimulated local business and development activity and created generous municipal revenues and opportunities. The community, in turn, placed demands on the City to maintain and/or enhance the services provided for citizens. As a result of this ever-changing environment, careful financial planning and budgeting are integral to the budget process as it is known today. In keeping with the City of Plano's commitment, we strive to maintain and improve the City's $2.4 billion growing infrastructure, provide additional funding for Capital Reserve and the Economic Development Incentive Fund, and develop and promote programs that encourage revitalization and redevelopment in Plano's commercial corners and neighborhoods. In addition, we continue to focus on preserving exceptional, quality city services for residents, businesses and the Plano community.

The following graph shows the historical trends and projections for all General Fund expenditures. As can be seen from the graph, expenditures have steadily increased from 2012-13 to 2016-17. These increases are largely due to the continued revitalization of city infrastructure, restoration of services to maintain the quality of services that citizens have come to expect, addressing deferred maintenance of City assets, and the inclusion of salary increases for both civil service and non-civil service employees. During this time, 230 additional employees have been added, particularly in the Public Safety programs.

The major expenditures that make up the General Fund by category for 2016-17 include: Salaries & Wages (62.6%), Supplies & Services (22.7%), Capital Outlay (2.5%), and Transfers (12.2%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.



Salaries, Wages and Employee Benefits

No salary increases have been included for either Civil Service or Non-Civil Service employees in the forecast period, and the forecast assumes that the current staffing levels remain constant over the next three years. In addition, attrition is projected at 3.0% for the General Fund. The health insurance rate is expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is projected at our full phased-in rate of 18.11% while the RSP rate is expected to remain the same through 2019-20. Other benefit rates are expected to remain constant.

Supplies & Services
Supplies & services costs are projected to increase 2.5 % in each year of the forecast based on inflation projections. Municipal garage charges are projected to increase 2.5% in 2017-18, increase an additional 2.5% in 2018-19 and then increase 3.0% in 2019-20 due to fuel and oil costs returning back to more normal pricing. Postage charges are projected to increase 2.5% in each of the three forecast periods to coincide with the anticipated inflation rate. Electricity charges are projected to remain flat in each year of the forecast period. Finally, natural gas is also expected to remain flat in each year of the forecast period.

Capital Outlay
Capital outlay is projected at $1,125,000 per year for library books – both print and electronic. No other new capital is provided for in the General Fund with the exception of capital outlay related to CIP projects coming on-line.

Transfers
The Capital Reserve Fund policy aims to allocate 75.0% of the annual depreciation to be transferred from the General Fund. The transfer to the Capital Reserve Fund is projected at $24.5 million in each year of the forecast period. These transfers will enable to city to maintain the 75% annual depreciation goal throughout the forecast period.

The Risk Management Fund transfer is projected based on a three-year average of General Fund losses. The transfer is projected at approximately $3.7 million in each of the forecast periods. This transfer is necessary to pay Workers Compensation and Judgments & Damages claims.

A transfer to the Technology Fund in the amount of $1.5 million in all forecast periods is representative of the General Fund's proportionate share for technology related expenses.

The transfer to the PTV Fund is scheduled at $250,000 for each year of the forecast period.

This forecast continues the transfer to the Economic Development Incentive Fund which was established in 2006-07 when the City Council approved a 2.00 cent tax rate increase to be dedicated solely for economic development incentives and redevelopment purposes. The forecast includes the transfer to include $7.3 million in 2017-18; $7.8 million in 2018-19; and $8.2 million in 2019-20. These forecasted amounts represent only the actual two-cent property tax revenue and does not include any supplemental funding from the General Fund.

Detailed information regarding specific transfers is provided in the Appendix section: *Three-Year Financial Forecast – Transfers.*

Community Investment Program Impacts
Included in this forecast are new project operating and maintenance costs associated with Community Investment Projects coming on-line during the forecast period totaling approximately $3.0 million. These projects include a remodel/expansion at the Liberty Recreation Center, addition of a pool at Oak Point Recreation Center, the Senior Center expansion, additional Park Improvements, and Facility Additions & Expansions. Please refer to *Projected General Fund O&M Expenses – Community Investment Program* in the Appendix Section of this document for a detailed list.

Outlook & Analysis
Financial policies adopted by City Council stipulate that the General Fund must maintain a working capital balance of 30 days. Based on this forecast, the projected working capital at the end of 2017-18 is at 31 days or $1.0 million over the financial policy. This is due primarily to the projected increases in assessed property values including new property coming on-line as well as being able to keep the debt portion of the tax rate at the same amount as the current year. In 2018-19, the General Fund will fall short of the 30 day working capital requirement and will need an additional $3.4 million in additional revenues, reduced expenditures, or a combination of both to reach the 30 day working capital balance requirement. In 2019-20, the General Fund is projected to be at 32 days of working capital. This is due primarily to the anticipated increase in assessed property values in addition to projected new property coming on-line.

Over the next several months, as we prepare the Fiscal Year 2017-18 Budget and Community Investment Program, we will continue our focus on preserving exceptional, quality services for residents, businesses and the Plano community. This includes maintaining and improving our City's $2.4 billion growing infrastructure, developing and promoting programs that encourage revitalization and redevelopment in Plano's commercial corners and neighborhoods, and providing additional funding for Capital Reserve and the Economic

Development Incentive Fund. Also, we will strive to look ahead and project service levels that are sustainable over the long-term, as the pace of development will likely slowdown from the high levels Plano has recently experienced.

In addition, we will continue to search for any potential cost reductions. Part of this process will also include identifying and evaluating any impacts or outcomes that would result from these additional cost reductions and what direct impacts it would have on service level delivery.

General Obligation Debt Service Fund

GENERAL OBLIGATION DEBT SERVICE	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Ad Valorem Taxes	$41,017,981	$41,240,189	$41,240,189	$44,053,770	$46,972,800	$49,383,328
Interest Income	315,273	200,000	200,000	250,000	250,000	250,000
Police Training Ctr Reimbursement	151,516	151,804	151,804	151,994	148,562	134,572
Other Revenue	0	0	0	0	0	0
Total Recurring Revenue	$41,484,770	$41,591,993	$41,591,993	$44,455,764	$47,371,362	$49,767,900
Recurring Expenditures						
Principal	$26,060,000	$24,955,000	$25,250,000	$25,250,000	$26,977,814	$25,642,076
Interest	12,295,181	12,926,265	13,712,428	13,698,783	15,249,570	16,913,183
Transfer to Tax Notes Radio System	1,020,075	0	0	0	0	0
Transfer to CO's Radio System	906,000	905,400	905,400	905,450	906,475	906,625
Transfer to Tax Nt Radio Repl & PLL	971,550	996,500	996,500	998,800	995,700	997,300
Transfer to Tax Nt NextGen Program	0	0	638,422	2,567,950	2,571,700	2,570,450
Exchange Fees	8,001	9,500	0	9,500	9,500	9,500
New Debt	0	1,721,779	0	1,300,000	1,462,500	1,625,000
Total Recurring Expenditures	$41,260,807	$41,514,444	$41,502,751	$44,730,483	$48,173,259	$48,664,133
Fund Balance - Beginning	**$3,701,797**	**$2,973,761**	**$3,925,760**	**$4,015,002**	**$3,740,284**	**$2,938,387**
Total Recurring Revenue	**$41,484,770**	**$41,591,993**	**$41,591,993**	**$44,455,764**	**$47,371,362**	**$49,767,900**
Total Recurring Expenditures	**$41,260,807**	**$41,514,444**	**$41,502,751**	**$44,730,483**	**$48,173,259**	**$48,664,133**
Fund Balance - Ending	**$3,925,760**	**$3,051,310**	**$4,015,002**	**$3,740,284**	**$2,938,387**	**$4,042,154**
Total Assessed Property Value			**$34,352,527,039**	**$36,726,628,121**	**$39,195,693,245**	**$41,263,520,975**
Tax Split:						
Debt	**0.1310**	**0.1230**	**0.1230**	**0.1230**	**0.1230**	**0.1230**
Operations	**0.3576**	**0.3556**	**0.3556**	**0.3556**	**0.3556**	**0.3556**
	0.4886	**0.4786**	**0.4786**	**0.4786**	**0.4786**	**0.4786**

*The **General Obligation Debt Service Fund** accounts for the accumulation of monies set aside to pay principal and interest on debt incurred through sale of bonds and other debt instruments. These tax bonds finance long-term community investment projects such as streets, parks, buildings and technology projects.*

Operating Revenue Sources:

Ad Valorem Tax

Ad valorem taxes are taxes levied against the assessed valuation of real and business personal property within the city. Properties are assessed by the Central Appraisal Districts of either Collin County or Denton County at 100% of their estimated market value and certified by the Appraisal Review Board.

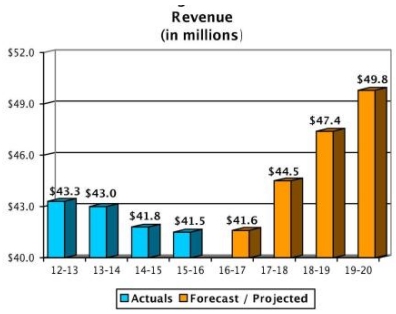
Other

The General Obligation (G.O.) Debt Fund also receives revenues from interest income and a reimbursement from the the City of Richardson for a portion of the debt shared through an agreement to construct the Plano-Richardson Police Training Center.

Operating Revenues

The ad valorem taxes necessary to be collected in the G.O. Debt Service Fund are determined by using the projected assessed value for each year, and appropriating the funds required for principal and interest payments on existing and anticipated new debt. All additional revenue that is collected in the General Obligation (G.O.) Debt Service Fund, such as interest earnings and reimbursements for Police Academy debt, helps reduce the amount of ad valorem tax revenue required to keep a minimum of 2.5% of the current year debt service levy in the year-end fund balance.

The following graph shows the historical trends and projections for all General Obligation Debt Service Fund revenues.



The 2017-18, 2018-19 and 2019-20 total General Obligation (G.O.) Debt Service Fund revenues are estimated at $44.5, $47.4 and $49.8 million respectively.

Ad Valorem Taxes

The existing tax rate of 47.86 cents per $100 valuation has been used for projections throughout the three-year period. After the rate sufficient to cover debt service was determined, the remaining amount has been made available for operations. Due to an increase in assessed property values, a plan for a higher levels of debt issuances in the forecast period, city efforts to refund outstanding obligations at lower interest rates and consistent retirement of existing debt, the debt allocation of the tax rate is projected to remain constant at the current rate of 12.30 cents during this forecast period. According to preliminary estimates provided by the Central Appraisal Districts of Collin County and Denton County, the total assessed property value projected for 2017-18 is $36.7 billion which is an increase of 6.9% compared to $34.4 billion in 2016-17. Adjustments have been made for TIF Districts, 380 Agreements and the Senior Tax Freeze.

Ad valorem tax revenue is based on maintaining the 2016-17 tax rate of 47.86 cents per $100 valuation over the next 3 years and assumes a 99.0% collection rate. At no time during the forecast period does the change in distribution between operation and debt exceed the current 8.0% rollback operating limit. Across the forecast period, no change is projected in either the General Obligation (G.O.) Debt Fund to General Fund Operations.

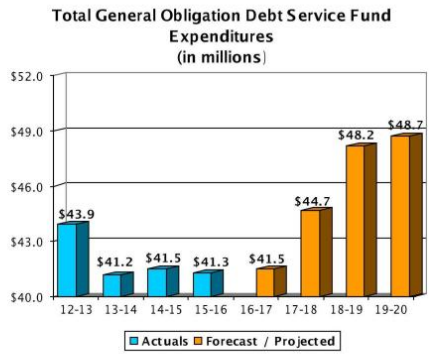
Other

Interest revenues for 2016-17 have been re-estimated at a total of $200,000 and are anticipated to slightly increase to $250,000 throughout the three-year forecast due to anticipated interest rates being slightly higher in the future.

Other Financing Sources:

Police Training Center Reimbursement
The Police Training Center reimbursement from the City of Richardson for 2016-17 totals $151,804 and is scheduled to be received through 2025 when the construction debt for that facility is paid off.

Operating Expenditures
Expenses in this fund are exclusively for support of principal and interest payments on long-term general obligation debt. The following graph shows the historical trends and projections for all General Obligation (G.O.) Debt Service Fund expenditures.



Existing bond authority will be used to fund community investment projects in 2017-18 from the $1.0 million in remaining authority provided by Plano voters on May 9, 2009 and $36.3 million in remaining authority approved by Plano voters in the May 11, 2013 Bond Referendum Election. This forecast also assumes the full $224.1 million in requested bond authority from the May 6, 2017 Bond Referendum Election receives voter approval, and will be available to support the Community Investment Program throughout the three year forecast period.

Plano's next bond sale will be conducted in Spring 2018 and is projected to raise $65.0 million for general obligation bond funded projects, with an average interest rate of 4.0%. Two additional bond sales are projected in the Spring of 2019 and 2020 to raise an additional $65 million each. The average interest rates for these future issuances are projected at 4.5% in 2019 and 5.0% in 2020 to reflect rising interest rates that are expected to occur with steady economic growth expected across the forecast period. All three issuances are expected to be repaid over a 20 year period, which is consistent with the City of Plano's debt management practices, and no short-term debt is anticipated at this time. Each issuance is projected on mid-year sales with only one interest payment included in the year debt is issued.

Primary factors affecting these projections include changes in economic conditions, interest rates, structuring of debt payments and actual amounts in annual bond sales.

Water & Sewer Fund

WATER & SEWER	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Water Income	$80,904,650	$82,667,790	$82,167,790	$91,596,625	$102,588,220	$112,954,840
Sewer Income	56,424,599	59,064,992	59,342,582	60,791,719	62,615,470	65,072,578
Water Taps	60,815	70,287	70,287	70,990	72,055	73,136
Water & Sewer Penalties	733,981	1,289,250	600,000	1,296,985	1,313,846	1,328,298
Water Meters/AMR Devices	435,515	413,996	413,996	420,206	426,509	432,907
Construction Water	391,999	381,854	381,854	387,582	393,396	399,297
Service Connect Fee	224,610	217,803	233,285	236,784	240,336	243,941
Backflow Testing	543,975	540,526	574,165	582,777	591,519	600,391
Sewer Tie-On	34,764	34,548	34,548	35,066	35,592	36,126
Pre-Treatment Permits	28,560	32,699	32,699	33,189	33,687	34,192
Interest Earnings	146,353	140,000	140,000	140,000	150,000	160,000
W & S Reserve Fund	0	0	0	0	0	0
Misc. Income	572,229	404,000	404,000	410,060	414,161	418,302
Total Recurring Revenue	$140,502,050	$145,257,745	$144,395,206	$156,001,984	$168,874,789	$181,754,008
Recurring Expenditures						
Salaries & Benefits	$10,867,902	$11,024,013	$11,107,621	$11,291,987	$11,300,768	$11,309,548
Supplies & Services	7,340,727	7,503,679	7,503,679	7,728,789	7,942,954	8,181,242
NTMWD	85,909,438	98,574,990	97,074,990	109,161,288	118,637,106	130,566,249
Retirement of NTMWD Debt	745,234	247,660	247,660	9,300	0	0
Reimbursements	665,661	704,356	704,356	725,487	726,067	726,648
Capital Outlay	17,706	0	0	0	0	0
Total Recurring Expenditures	$105,546,668	$118,054,698	$116,638,306	$128,916,851	$138,606,896	$150,783,687
Transfers Out	32,273,792	37,611,491	37,611,491	35,609,666	36,268,244	36,945,849
Fund Balance - Beginning	**$29,132,384**	**$31,054,639**	**$31,813,974**	**$21,959,383**	**$13,434,849**	**$7,434,498**
Total Recurring Revenue	**$140,502,050**	**$145,257,745**	**$144,395,206**	**$156,001,984**	**$168,874,789**	**$181,754,008**
Total Recurring Expenditures	**$105,546,668**	**$118,054,698**	**$116,638,306**	**$128,916,851**	**$138,606,896**	**$150,783,687**
Less: Transfers Out	**$32,273,792**	**$37,611,491**	**$37,611,491**	**$35,609,666**	**$36,268,244**	**$36,945,849**
Fund Balance - Ending	**$31,813,974**	**$20,646,194**	**$21,959,383**	**$13,434,849**	**$7,434,498**	**$1,458,970**
Days of Operation	**110**	**64**	**69**	**38**	**20**	**4**

*The **Water & Sewer Fund**, an enterprise fund, provides for the administration, operation and maintenance of the City's water and wastewater system, and billing and collection activities. The services provided by the Water & Sewer Fund are financed through utility customer fees. Common sources of revenue that comprise the Water & Sewer Fund are described below:*

Operating Revenue Sources:

Water Income

Monthly service fees charged for potable water, designed to recover customer costs based on customer class, metered water consumption per thousand gallons and meter line size.

Sewer Income

Monthly service fees charged for wastewater collection, transmission, and treatment services. Sewer fees are based on customer class, metered gallons of water consumed, and use a rolling three year Winter Quarter Average.

Water Taps

Fee charged for water line installation and connection from the customer's service line to the meter and the municipal water main.

Water & Sewer Penalties

A late fee charged for failure to pay the utility bill by the 25th day after billing date.

Water Meters

Fee charged for the installation of water meters. All meters remain the property of the City.

Construction Water

Fee charged for consumption of water using temporary fire hydrant meters, usually for temporary water connections during construction.

Service Connect Fee

Fee charged to turn on water service, and for any transfer of service from one name or address to another where no service call is required.

Backflow Testing

Periodic fee to test the integrity of water system backflow prevention devices to assure that no cross connection has occurred during the installation or relocation of water lines, sprinkler systems, fire suppression service lines and meters on private property.

Sewer Tie-On

Fee charged for connection to an existing sanitary sewer line.

Pre-Treatment Permits

Fee charged for any significant industrial or commercial user which discharges non-domestic waste into the sanitary sewer system.

Miscellaneous Income

Includes revenues such as interest income related to the fund balance, sewer taps, disconnect and reconnect fees, rental income, insurance collections, and other miscellaneous sources.

Other Financing Sources:

Operating Transfers In

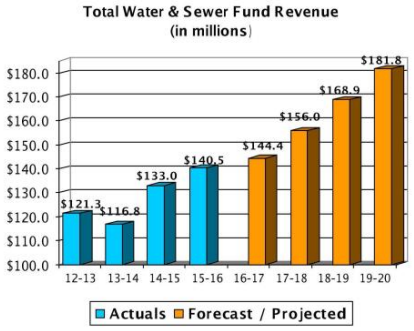
Direct transfers from water and sewer reserve funds and other sources on an as needed/if available basis.

Operating Revenues

Changes to annual water consumption volumes, whether increasing or decreasing, precipitation or population-driven, dramatically influence the Water & Sewer Fund. The City of Plano procures water supply and sewer services through a contract with the North Texas Municipal Water District (NTMWD).

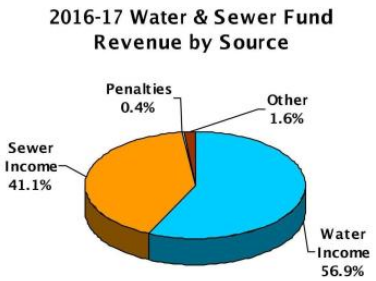
Most of the district's water supply comes from three regional man-made reservoirs, Lake Lavon, Lake Chapman, and Lake Tawakoni. Water is also pumped from Lake Texoma in a pipeline that was completed in 2014. And, an increasing percentage of the water supply comes from a water reclamation program that uses water from the East Fork of the Trinity River. The river water is pumped and then naturally filtered through a wetlands area east of Dallas, and then piped 40 miles back to Lake Lavon and blended with other water at the NTMWD facility. The district also provides wastewater (sewage) treatment services for the City. In turn, Plano residents and commercial customers purchase these services from the City.

To keep the water and wastewater treatments operational, the City of Plano's Water and Sewer customer service rates and fee structures are reviewed annually with the purpose of generating the operating revenues required to fulfill the contractual obligations with the water district, compensate for the building and replacement of water and sewer delivery lines, storage tanks, and other infrastructure, and cover operating costs. Operating costs include maintaining delivery lines, purchasing and servicing equipment, supply expenditures and personnel costs associated with providing potable water and sanitary sewer services.



The graph above shows historical revenue data and future revenue projections for the Water & Sewer Fund. Increases to wholesale water purchases and sewer treatment costs have traditionally been passed through to customers incrementally, and only in the amount required to provide the revenues needed to support both water and sewer operations, with the goal of keeping the water revenues paying for the water related programs and projects, and sewer doing the same.

Other factors influencing revenues include: Winter Quarter Averaging for sewer charges based on metered water consumption during the winter months; updates to the Water & Sewer rate model (a rate model is periodically used to ensure that water revenues collected support water costs and sewer revenues support sewer costs); and major sewer and water delivery line repairs. The City has experienced a change in water consumption patterns directly related to water conservation that has been mandated by the NTMWD. Consumption is also influenced by the City's Sustainability or "living green" programs.



The 2016-17 Water and Sewer Fund re-estimated recurring revenues are currently projected at $144,395,206. By category this includes: Water Income (56.9%), Sewer Income (41.1%), Penalties (0.4%), and Other (1.6%). A description of each source as well as a discussion of the outlook over the next three years follows. Overall, the 2016-17 Water & Sewer Fund revenues are projected to decrease by 0.6%, or $0.8 million, from the 2016-17 original Budget. The main driver of this reduction stems from a software transition during the fiscal year, resulting in penalties collected for lack of payment to be foregone. Water revenues have been decreased by $500,000 and Sewer revenues have been increased slightly at $277,590. Over the past twelve months, the North Texas area has gone from El Nino conditions to La Nina conditions, which result in more dryer and warmer conditions.

Water Income

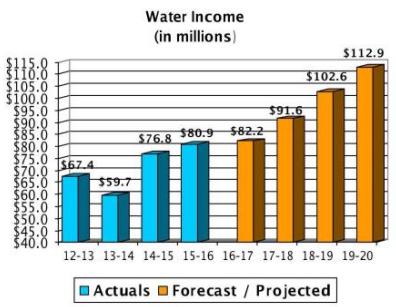
The Water & Sewer Fund's largest revenue source is water income. Water revenues are based directly on the type of customer (residential or nonresidential/commercial), meter size, and consumption or metered gallons. Usage is billed monthly per thousand gallons. Plano purchases water from the NTMWD at a wholesale rate based on a 1,000 gallon basis, subject to a 26.7 billion gallon minimum annual purchase. The "unused" gallons of water from the minimum required purchase inflates the total wholesale water expenditures to the City. Conversely, when the annual minimum usage requirement is exceeded, that amount becomes the new annual minimum purchase required of the City. The NTMWD minimum gallon purchase requirement was last increased/met during 2001-02, based on usage. Prior to about 2006, the most influential water revenue factors for Plano were new construction activity and the related population increases. In recent years, new issues have developed and present several challenges to forecasting both revenues and wholesale water expenditures.

Since reaching the peak usage of 26.7 billion gallons during 2001-02, the water purchased from NTMWD has averaged 21.6 billion gallons per year. The last decade experienced erratic precipitation amounts while the population continued to increase, although at a significantly slower rate than previously experienced in Plano. During years 2002-03 thru 2003-04, the region experienced above normal rainfall. 2005 and 2006 brought drought and extreme heat, severely impacting area lake levels. (Man-made reservoirs, or lakes, are the single most important commercial source of all water for the region.) During late 2006 and 2007, the weather pattern reversed, yielding above normal rainfall, and the water purchased from NTMWD dropped to a little over 19 billion gallons, a very noticeable 15% consumption reduction. During 2007, water usage had returned to a more normal 22.8 billion gallons per year, until the drought conditions began in 2010. Water usage mandates for conservation have been in place since 2010 and is reflected by the amount of water purchased in fiscal year 2015-16 at 21.5 billion gallons.

The City of Plano is currently experiencing numerous corporate relocations and other new business construction, quickly recovering from the recession experienced from 2008 through 2011. Water usage remains fairly stable (with the exception of drought years, when usage typically increases). While the City is contractually obligated to purchase 26.7 billion gallons of water, the City usually sells only 18 to 23 billion gallons. This "gap" costs the City millions of dollars in unsold water each year. Combining normal consumption and to meet current and future water demands, NTMWD must continue to increase both treatment capacity and raw water supplies, all requiring a significant amount of cash for capital outlay. These increased expenditures at NTMWD require considerable water rate increases for several years into the future. Couple these factors with a campaign to persuade consumers to conserve and reduce water consumption, include landscape watering restrictions which include non-compliance fines and penalties, add a limited raw water supply plus the related increases to water delivery costs, and it all becomes a challenge to manage and explain to the consumers.

Plano ended the contract "water year" of August 1, 2015 – July 31, 2016 using 21.5 billion gallons. Current water conservation efforts combined with an La Nina weather patterns, could possibly effect water purchased for fiscal year 2016-17.

Future water revenue projections are based on assumptions of fiscal years 2017-18 through 2019-20 with an averaged water volume of approximately 22 to 23 billion gallons per year. The 2016-17 water income is currently re-estimated at $82.2 million, a 0.3% decrease from the original Budget. Water rates were held constant in November 2016 in an effort to minimize the impact to the citizens of Plano. A prior rate increase occurred in November 2015. Future forecast years include the continued pass-through of water increases from the district.

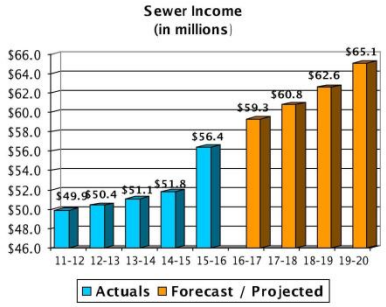


The water income graph illustrates historical trends and projections for water income. By 2019-20, water revenue projections reach $112.9 million, generating revenues sufficient to cover the projected wholesale water rate increases from NTMWD of 11.5% for 2017-18, 10.0% for 2018-19 and 10% for 2018-19. Additional analysis, as well as, a Water & Wastewater rate study will be performed during the annual budget process later this year to determine the appropriate water rate increase(s) to be passed on to customers for 2017-18.

Sewer Income

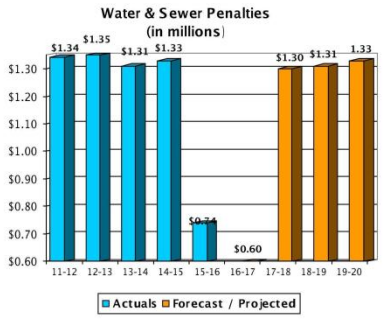
Sewer income represents the Water & Sewer Fund's second largest revenue source. Projected sewer revenues reflect the use of Winter Quarter Averaging to annually re-set the monthly sewer rates for customers. This method uses the water consumption for each customer based on their December, January, February, and March billings. These billings are typically based on November, December, January, and February actual water consumptions. The highest month of consumption of these four billing periods is disregarded, and the remaining three months are averaged. This quarter average is then averaged with the prior two years Winter Quarter Averages to establish the sewer usage charge for billing over the next 12-monthly billing periods. Once the new annual sewer usage rate is established, this amount is billed for the next 12 months. The advantage of the Winter Quarter Averaging program for residents is that lawn watering and other outdoor water usage during the warmer months does not impact the monthly sewer charges.

The sewer income graph indicates both the historical trends and projections for sewer income. Using 3-year winter quarter averages for water consumption, the 2016-17 Sewer revenues are re-estimated at $59.3 million, up 0.5% from the adopted Budget. (Sewer rates were last increased November 1, 2016.) Sewer revenue projects a 10% pass through NTMWD increase plus reflect population driven increases of 0.6% for 2017-18, 1.3% for 2018-19 and 1.1% for 2019-20. Sewer program revenues are estimated to reach $65.1 million by 2019-20.



Water & Sewer Penalties Income

Water & Sewer Penalties usually trend slightly upwards based on economic conditions, population growth and rate increases. Weather patterns directly influence consumption, and when combined with watering restrictions and financial penalties that force conservation and a decrease in consumption, penalty revenues in the past have trended slightly upwards each year. A penalty is assessed for failure to pay the monthly water and sewer billing by the 25th day after the billing date, and also for watering landscape on days and times not allowed under the current watering restrictions guidelines set by the NTMWD.



Penalties continue to lag behind due to a software transition during the fiscal year, resulting in penalties collected for lack of payment to be foregone and have reduced revenue projections from $1.29 million from the original 2016-17 Budget to $600,000 for the 2016-17 Re-Estimate. This forecast includes recommence the penalties back to the level seen before the transition took place. The graph above shows the historical trends and projections for Water & Sewer Penalties, reaching $1.33 million in revenues by 2019-20.

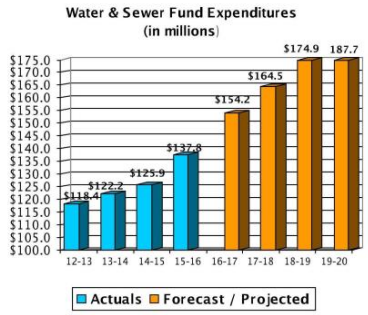
Other Revenues

Miscellaneous revenues for 2016-17 are re-estimated at $2.88 million, or 2.0% of total Water & Sewer Fund Revenues. Miscellaneous

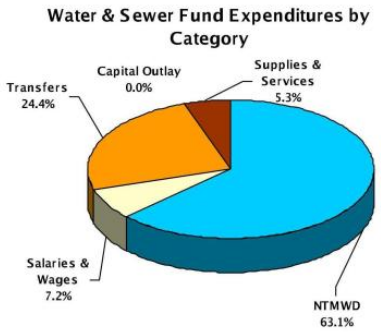
sources include revenues such as interest income, water and sewer taps, water meters, transfers in, service connect fees, connection fees, backflow testing, and other miscellaneous sources. Interest income has been held constant at $140,000 for 2016-17, based on current markets. Annual interest earnings have been affected for several budget cycles of recent years, and are consistent with the historically low returns on investments due to current federal economic controls and market conditions. Charges and fees related to customer deposits, service call fees, after hour charges, and day of appointment time modification fees were reviewed and slightly modified by ordinance updates in November 2012. The City is no longer collecting water and sewer impact fees related to infrastructure, the City Ordinance was modified to discontinue the program in August 2009. Other miscellaneous fund revenue projections have been reviewed and include small projection changes related to current economic trends.

Operating Expenditures

The following graph shows the historical trends and forecast period projections for Water & Sewer Fund operating expenditures and transfers.



Total Water & Sewer expenditures, including transfers, for fiscal year 2019-20 are projected to increase by $16.4 million, or 11.9% over the 2015-16 total expenditures. The majority of the increase is tied to the escalating costs of water purchased from NTMWD, with small increases for wastewater treatment and garage charges.



Major expenditures in the Water & Sewer Fund for the 2016-17 Re-Estimate total $154.2 million and include: Salaries & Wages, 7.2%; Supplies & Services, 5.3%; NTMWD, 63.1%; Capital Outlay, 0.0%; and Transfers, 24.4%.

Salaries, Wages and Employee Benefits

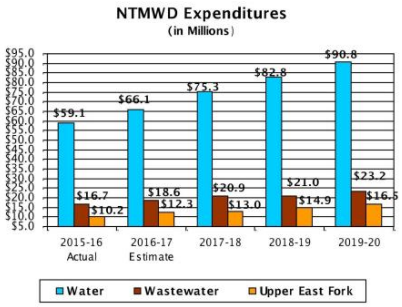
Salary, Wage and Benefit expenses are projected to increase by $441,646 or 4.1% for the entire five year period from the 2015-16 actual expenditures compared to 2019-20 projected expenditures. Salary projections assume no increase and levels remain constant over the next three years. The health insurance rate is also expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is funded at the full phased in rate of 18.11%, while the other benefit rates are expected to remain constant.

Supplies & Services

Supplies & services include materials, supplies, contracts, fuel, repairs, utilities, sundry and reimbursements to other cost centers. Municipal garage charges are programmed to increase in 2017-18 and 2018-19 by 2.5% while increasing by 3.0% in 2019-20. Electricity costs (for water and wastewater pumping) rates are not projected to increase in the Water & Sewer portion of this forecast due to efficiencies in replacement pumps and the City's participation in the Texas Coalition for Affordable Power (TCAP) contracted electricity rates through 2018. After the conclusion of the TCAP contract, the City has already identified and approved a new electric provider to continue the effort in reducing the cost of electricity.

North Texas Municipal Water District

The following graph outlines the anticipated payments to NTMWD expenditures over the three-year forecast period for Water, Wastewater, and the Upper East Fork Wastewater Interceptor System.



The 2016-17 re-estimated water expenditure of $66.1 million assumes a $1.5 million rebate/credit from the district for the unused annual requirement. Future projected increases from the NTMWD for water and sewer service treatment and delivery during the forecast period total $43.9 million, a 50.6% total increase over the 2015-16 NTMWD actual expenditures. Projections for Water purchases and Wastewater treatment costs from NTMWD continue to trend steeply upwards.

During the period of 2001-02 to 2016-17, wholesale water rates increased from $0.72 per thousand gallons to $2.53 per thousand. This forecast projects 2017-18 wholesale water costs at $2.82 per thousand gallons, an increase of 11.46% over the current rate. If the rate of $2.82 is adopted by NTMWD in late September 2017, it will represent a cumulative 391.67% increase in wholesale water rates to the city from the district since October 1, 2001, the year that the City's "take or pay" water volume reached 26.7 billion gallons.

The projected NTMWD wholesale water rates include assumptions that the current water conservation plan and water demand increase persist through 2020, and include continued population growth in the region served by the district, especially in the western areas in Plano. Those rates also include major additional capital expenditures to meet District member cities' requirements and provide for the safe, efficient delivery of water, while meeting federal and state regulations. Fiscal year 2018-19 and 2019-20 water costs are projected at $3.10 and $3.40 per thousand gallons, representing cost increases of 9.9% and 9.7% respectively.

Wastewater and Industrial Pre-treatment costs are projected to increase by a combined 10.1% in 2017-18, 7.7% for 2018-19 and 11.2% for 2019-20. Upper East Fork Interceptor Wastewater System costs are projected to increase 14.4% in 2017-18, and by 11.9% in 2018-19 and 10.6% in 2019-20.

The forecast also includes expenditures for the Retirement of NTMWD Debt for water transmission facilities and follows the District's loan amortization schedule of $9,300 for 2017-18. FY 2017-18 will be the final expenditure related to the NTMWD Debt.

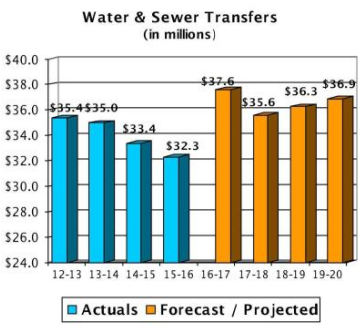
Capital Outlay

Capital outlay is currently re-estimated at $0 for 2016-17 and no other capital costs have been included for all three future years of this forecast.

Transfers

Expenditure transfers included in the forecast are to other City of Plano funds for services received, Water & Sewer Capital Improvement Projects, Capital Reserve Fund projects, Technology-related service enhancements.

The following graph shows the historical trends and projections for all Water & Sewer Fund transfers to other City funds. Water & Sewer Fund Transfers increase $4,672,057 or 14.5% over the 2015-16 actual transfers when compared to 2019-20 projected transfers.



Current Reserve Funds total $5.75 million. A $2.25 million transfer was last utilized during 2013-14 to offset the severe decreases in fund revenue during the current drought period. Reserve funds help to

stabilize the fund balance and slightly offset rate increases that may be required during periods of drought, or excessive rainfall, and also can help offset escalating costs from the NTMWD. A prior Reserve Fund balance was completely depleted during 2006-07 when those funds were used to offset a sharp water revenue decline caused by a decrease in consumption related to excess rainfall (precipitation) as well as for expenditures related to a catastrophic sewer line failure in the City. Water & Sewer Fund balance fluctuations have been experienced during periods of extreme weather conditions such as the severe drought and excessive rainfalls previously mentioned. By keeping a Reserve, the City has contained and stabilized the rates charged to Plano's water customers.

In addition, a second reserve has been established within the Water & Sewer Funds for future Meter and Fixed Network Replacement. This funding was implemented during the 2012-13 budget process with a $1.5 million transfer. No additional transfers for meter and network replacements are programmed at this time. This reserve will provide the initial funding for replacement of the fixed network system and water meters, although no expenditures for the project are included in this forecast. APWA standards project meter replacements every 8 years, depending on testing and accuracy rates of the current meters.

Water & Sewer Fund transfers to the General Fund are based on a percentage of projected Water & Sewer revenues, indirect cost allocations, and an amount in lieu of property taxes (based on total assets). These factors are reviewed each year during the budget process, and the transfer amount is calculated. The annual transfer to the General Fund for 2019-20 of $19.4 million is projected to increase by $2,895,368 or 17.6% over the 2015-16 actual transfer.

The Water & Sewer Fund traditionally finances Community Investment Projects (CIP) by the "Pay-As-You-Go" method. However, due to increasing expenditures from NTMWD, coupled with a growing population, the City must now consider selling additional debt in order to pay for necessary water and sewer infrastructure projects. Transfers for the forecast period from 2017-18 through 2019-20 total $36.9 million and are based on a schedule of probable repairs and improvements to the City's aging water & sewer infrastructure and delivery system.

Forecast transfers also include a total of $4.5 million for the 3-year forecast period to the Capital Reserve Fund for other projects related to Water & Sewer service.

The transfer to the Property & Liability Loss Fund transfer has been projected at $655,086 in FY 2017-18, $674,739 in FY 2019-19 and $694,981 in FY 2019-20 as the Water & Sewer Fund's projected share of estimated expenditures from the Property & Liability Loss Fund.

A transfer in the amount of $300,000 to the Technology Fund is included for each year of the forecast, and is representative of the fund's share of technology improvements and upgrades to the City information infrastructure, in accordance with the City's Technology Plan. The transfer is re-evaluated each year during the regular budget process, based on the Technology Fund balance and future projects.

Detailed information regarding specific transfers is provided in the Appendix section: *Three-Year Financial Forecast - Transfers.*

Outlook & Analysis

Based on the projections in this forecast, the return to an average of 22 to 23 billion gallons per year water consumption usage and a continuation of existing service levels, this forecast does not produce enough working capital to meet the goal of 45 days of operating expenses as established by City Council for all periods. Currently, the projected working capital balance for 2017-18 is 38 days or $13,434,849. Furthermore, 2018-19 and 2019-20 yield a 20 and 4 days of working capital respectively.

With various water conservation mandates in place for 3 years and the anticipated cost increases from NTMWD, the Water & Sewer Fund continues to require vigilant monitoring of the water and sewer rates and sales volume. In addition, the City is currently undertaking a water & wastewater rate study in order to ensure the sustainability of the fund. Decisions regarding 2017-18 water and sewer rates and possible changes to the operating transfer expenditures and the use of Water & Sewer Reserve Funds will be discussed during the budget process this summer.

Sustainability & Environmental Services Fund

SUSTAINABILITY & ENVIRONMENTAL SERVICES	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Commercial Franchise	$8,499,964	$8,190,879	$8,307,821	$8,557,056	$8,813,768	$9,078,181
Residential Collection	13,035,327	13,938,363	13,938,363	14,021,993	14,204,279	14,360,526
Special Refuse Collection	99,931	94,000	95,330	98,190	98,779	99,273
Recycling	286,497	267,023	340,542	341,564	343,613	345,331
Sale of Compost	1,738,274	1,791,749	1,791,749	1,797,124	1,807,907	1,816,946
Sale of Landscape Bags	30,869	21,000	31,828	31,923	32,115	32,275
Allied Waste, Inc.	95,331	95,330	95,330	98,190	101,136	104,170
Tipping Fees	609,794	685,711	685,711	687,768	691,895	695,354
Contributions via Utility Billing	8,100	10,000	10,000	10,030	10,090	10,141
Other	430,441	408,786	407,456	413,572	419,776	426,072
Construction & Demolition Program	110,000	200,000	200,000	200,000	200,000	200,000
Total Recurring Revenue	$24,944,528	$25,702,841	$25,904,130	$26,257,410	$26,723,356	$27,168,269
Recurring Expenditures						
Salaries & Wages	$6,908,099	$7,098,915	$7,385,989	$7,551,869	$7,557,321	$7,562,773
Supplies & Services	8,142,480	8,719,149	8,720,344	8,980,351	9,079,641	9,283,964
NTMWD	8,310,401	8,431,056	8,429,861	8,429,861	8,429,861	8,429,861
Capital Outlay	438,956	579,500	579,500	0	0	0
Total Recurring Expenditures	$23,799,936	$24,828,620	$25,115,694	$24,962,081	$25,066,823	$25,276,598
Transfers Out	1,564,963	1,869,307	1,870,065	2,125,945	2,139,033	2,150,017
Fund Balance - Beginning	**$5,402,779**	**$3,358,302**	**$4,982,408**	**$3,900,779**	**$3,070,163**	**$2,587,663**
Total Recurring Revenue	**$24,944,528**	**$25,702,841**	**$25,904,130**	**$26,257,410**	**$26,723,356**	**$27,168,269**
Total Recurring Expenditures	**$23,799,936**	**$24,828,620**	**$25,115,694**	**$24,962,081**	**$25,066,823**	**$25,276,598**
Less: Transfers Out	**$1,564,963**	**$1,869,307**	**$1,870,065**	**$2,125,945**	**$2,139,033**	**$2,150,017**
Fund Balance - Ending	**$4,982,408**	**$2,363,216**	**$3,900,779**	**$3,070,163**	**$2,587,663**	**$2,329,318**
Days of Operation			**57**	**45**	**38**	**34**

*The **Sustainability & Environmental Services Fund**, an enterprise fund, provides for the administration, operation, and maintenance of the City's environmental waste system. Commercial Franchise and Residential Collection fees finance the greatest portion of the services provided by the Environmental Waste Division. All sources of revenue that comprise the Sustainability & Environmental Services Fund are described below:*

Operating Revenue Sources:

Commercial Franchise
A franchise agreement between the City and Allied Waste Systems, Inc., whereby Allied Systems has exclusive franchise for collection and disposal of solid waste for commercial customers located within the City of Plano and a non-exclusive franchise for collection of recyclable materials from commercial customers located in the City of Plano.

The City receives 5% of gross receipts collected monthly which includes: revenues for monthly service, rental on roll-off containers, delivery charges, fees for late payment and additional collections. Allied Systems also reimburses the City all costs associated with the commercial disposal of solid waste.

Residential Collection
Fee charged for once a week collection and disposal of solid waste and yard debris, bi-weekly collection of recyclables, monthly collection of bulky waste, on-call collection of household hazardous waste, collection of litter along medians, operation of composting and household hazardous waste facilities, Keep Plano Beautiful program, Commercial Diversion program, and all education/public awareness programs.

Special Refuse Collection
Fee charged for collections in addition to the regular weekly collection schedule.

Each household is granted one special refuse collection per fiscal year at no
charge. After the first collection, a fee is charged for subsequent collections.

Recycling
City receives 75% of revenues from current recycling processing contractor after paying processing fees.

Sale of Compost
Proceeds from the sale of compost and compost-related products.

Sale of Landscape Bags
Proceeds from the sale of boxes of biodegradable refuse bags.

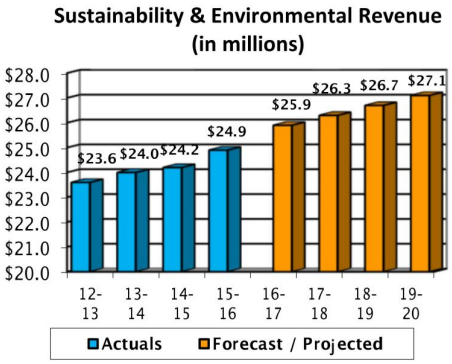
Tipping Fees
Fee charged to commercial landscapers for disposal of yard debris waste.

Construction and Demolition Program
Recycling incentive program which assesses a monetary deposit based on the project's square footage and project type.

Other
Miscellaneous receipts include revenues such as interest income, contributions, and insurance collections.

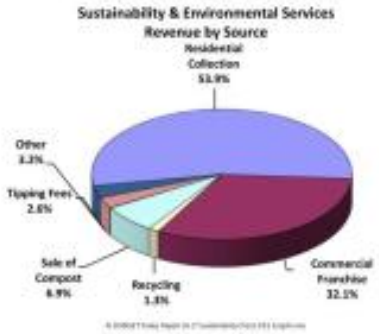
Operating Revenues

The City of Plano contracts for services with the North Texas Municipal Water District (NTMWD), whereby NTMWD agrees to provide a solid waste disposal system for the benefit of the City of Plano and other cities. Each participating city agrees to pay its share of an annual requirement for the operating expenses and debt service of NTMWD to be calculated in the same manner as the wastewater contract. The Sustainability & Environmental Services Fund accounts for the provision of solid waste collection and disposal services to customers who are billed monthly at a rate sufficient to cover the cost of providing such services.



The graph above shows the historical trends and projections for Sustainability & Environmental Services Fund revenues. The last change to residential collection rates occurred in October 2016, when rates were increased by $1.00 per month to $16.10 for the 95-gallon container while the annual contract amount paid to NTMWD has fluctuated annually based on tonnage by NTMWD.

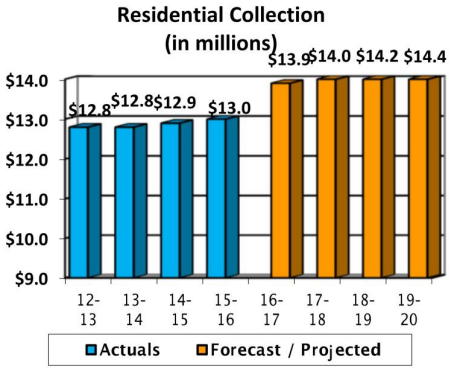
By 2019-20, total Sustainability & Environmental Services Fund revenues are estimated to reach $27.1 million. The major sources that make up the Sustainability & Environmental Services Fund revenues for 2016-17 include: Residential Collection (53.9%), Commercial Franchise (32.1%), Recycling (1.3%), Sale of Compost (6.9%), Sale of Landscape Bags (0.1%), Tipping Fees (2.6%), and Other (3.1%). A description of each source as well as a discussion of the outlook over the next three years follows.



Residential Collection

Residential collection revenues represent the Sustainability & Environmental Services Fund's largest revenue source. Customers who wish to use a 68-gallon refuse cart pay a monthly rate of $11.25 and customers who choose to use the 95-gallon cart pay a monthly rate of $16.10. The variable rates continue to allow the City to implement environmental programs that will reduce NTMWD disposal tonnage costs and encourage waste minimization and recycling. FY 2016-17 brought about an increase in the 95-gallon refuse container, which was the first increase in rates since October of 2008.

As of March 2017, there are over 72,000 single family units billed monthly for residential refuse collection services. Residential collection revenue is projected to increase 0.6% in 2017-18, 1.3% in 2018-19 and 1.1% in 2019-20. The amounts indicated in the revenue forecast assume no future changes in the rate structure and projection estimates with the two customer variable rates, based on container size.

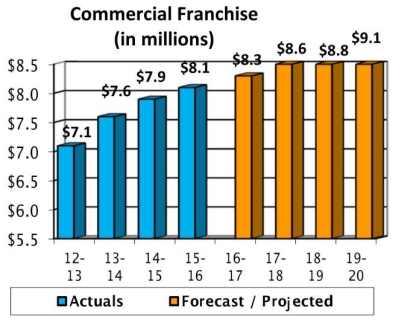


The graph shows the historical trends and projections for residential collection revenue. By 2019-20, this revenue source is estimated to reach $14.4 million.

Commercial Franchise

Commercial franchise revenue represents the Sustainability & Environmental Service Fund's second largest revenue source, currently re-estimated at $8.3 million for 2016-17. This revenue source consists of a franchise agreement between the City of Plano and Allied Waste Systems, Inc.

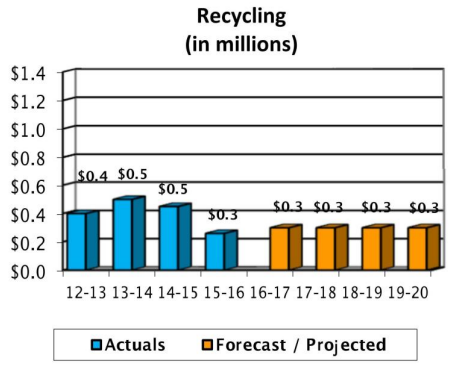
Commercial franchise revenue, based on anticipated direct economic growth, is estimated to increase by 3.0% in 2017-18, 3.0% in 2018-19 and 3.0% in 2019-20. The accompanying graph shows the historical trends and projections for commercial franchise revenue. By 2019-20, this revenue source is estimated to reach $9.1 million.



Recycling

Contracted recycling revenue is tied to market prices for individual recycling commodities. As an industry, the per-ton value of the recycling materials fluctuates greatly by both season and year-to-year, depending on supply of current recycling materials and market demand. The City receives 80% of revenues from its current recycling processing contracts after paying processing fees.

Recycling revenues are currently projected at $340,542 in the 2016-17 Re-Estimate budget, and are expected to continue moving slightly upwards over the next three years along with Plano's population. That said, recycling revenues can be extremely volatile and are dramatically affected by global market fluctuations in demand for materials.

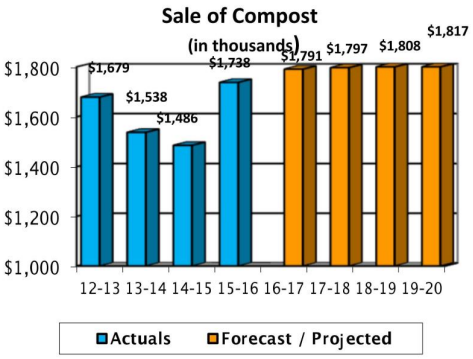


By 2019-20, annual recycling revenues are projected to be $345,331, up slightly from currently projected actuals. The graph above shows the historical trends and projections for recycling revenue.

Sale of Compost

Market demands for quality compost products are increasing annually. The City retains proceeds from the sale of compost and compost-related products, while diverting an estimated 63,000 tons of waste from the landfill, which in turn, creates an estimated 67,500 cubic yards of commercial product.

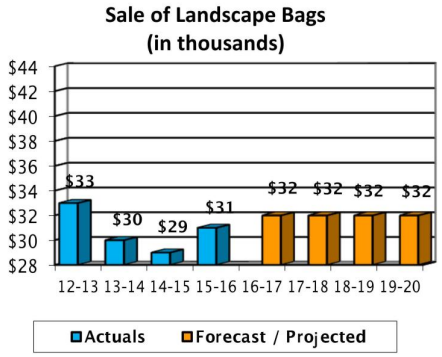
Sale of compost revenue is projected to increase 0.30% in 2017-18 and 0.65% in 2018-19, and 0.55% in 2019-20 based on indirect population-based increases.



The graph above shows the historical trends and projections for sale of compost revenues. By 2019-20, this revenue source is estimated to reach $1,816,946.

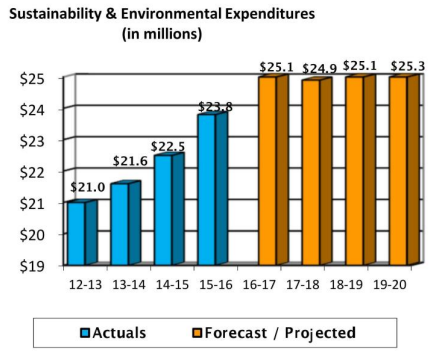
Sale of Landscape Bags

A program closely tied to composting is the sale of landscape waste collection bags.

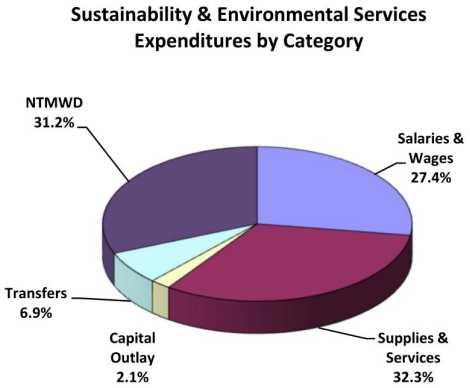


The City received $30,869 in 2015-16 from biodegradable compost and mulch bag sales. Collection vehicles pick these parcels up at each residential waste collection site for use in the compost operation. Landscape bag revenues are currently re-estimated at $31,828 in 2016-17. The Sustainability & Environmental Services Fund will continue utilizing resources available through the Construction & Demolition Program in the amount of $200,000.

Operating Expenditures



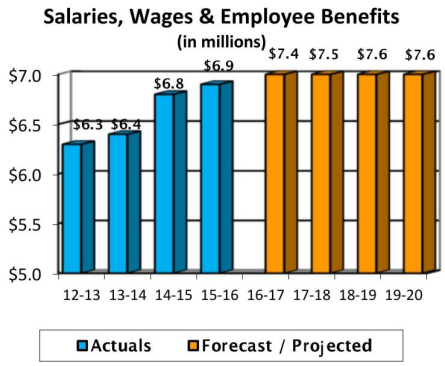
The graph above shows the historical trends and projections for the Sustainability & Environmental Services Fund. Expenditure increases can fluctuate from year-to-year mainly due to the contractual commitments and capital outlay expenditures.



The major expenditures that make up the Sustainability & Environmental Services Fund by category for 2016-17 include: Salaries & Wages (27.4%), Supplies & Services (32.3%), NTMWD (31.2%), Capital Outlay (2.1%), and Transfers (6.9%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.

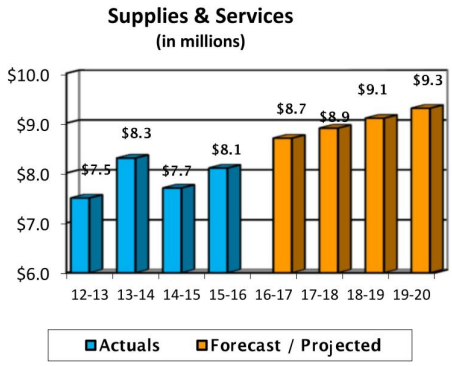
Salaries, Wages & Employee Benefits

Salary projections assume no increase in each year throughout the forecast period, and also assume that the current staffing levels remain constant over the next three years. The health insurance rate is also expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is funded at the full phased in rate of 18.11%.

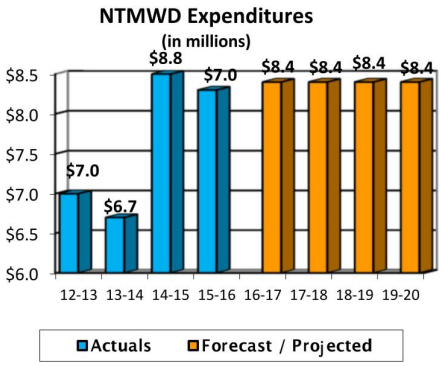


Supplies & Services
Supplies & services are budgeted with a 2.5% inflation increase for each year of the three-year forecast. Municipal Garage charges are projected to increase 2.5% in 2017-18, increase 2.5% in 2018-19, and 3.0% in 2019-20.

The following Supplies & Services graph shows historical trends and estimates for supplies & services. By 2019-20, operating expenditures for supplies and services are projected at $9.1 million.



NTMWD landfill contracted expenditures are projected at $8.4 million during the forecast period based on our latest update from NTMWD.



Capital Outlay
No additional funding for capital outlay has been included for the three-year forecast period.

Transfers
The transfers to the General Fund for services received are based on the recently updated Cost Allocation Plan and currently projected at approximately $1.74 million through the forecast period.

A $60,000 transfer to the Technology Fund is included in each year of the forecast, representative of the fund share of technology improvements and provide funding for improvements and upgrades to City information infrastructure, in accordance with the City's Technology Plan.

The Property/Liability Loss Fund transfer is representative of the Sustainability & Environmental Services Fund's proportionate share of anticipated expenses related to Judgments, Damages and Workers' Compensation claims. The 2016-17 transfer is projected at $325,571 and is projected to remain flat over the forecast period's three years.

Outlook & Analysis
Based on projections, the Sustainability and Environmental Services Fund is forecasted to maintain a positive fund balance through fiscal year 2019-20.

Municipal Drainage Fund

MUNICIPAL DRAINAGE UTILITY	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Residential Class Fees	$3,717,916	$3,749,388	$3,771,195	$3,782,509	$3,805,204	$3,824,230
Commercial Class Fees	3,589,395	3,551,563	3,640,832	3,651,755	3,673,665	3,692,034
Interest Income	18,621	15,300	20,750	20,700	11,500	9,900
Other	11,512	6,000	6,000	6,000	6,000	6,000
Total Recurring Revenue	$7,337,444	$7,322,251	$7,438,777	$7,460,963	$7,496,369	$7,532,163
Recurring Expenditures						
Salaries & Wages	$1,950,295	$1,990,914	$2,220,277	$2,387,363	$2,389,027	$2,390,692
Supplies & Services	888,069	1,122,851	1,273,025	1,142,838	1,150,122	1,176,209
Reimbursements	526,594	578,106	578,106	578,106	578,106	578,106
Capital Outlay	21,550	0	0	0	0	0
Total Recurring Expenditures	$3,386,508	$3,691,871	$4,071,408	$4,108,307	$4,117,255	$4,145,007
Transfer to General Fund	$508,777	$511,067	$518,842	$520,398	$523,521	$526,138
Transfer to Capital Reserve Fund	500,000	500,000	500,000	500,000	500,000	500,000
Transfer to Technology Fund	50,000	20,000	20,000	20,000	20,000	20,000
Transfer to Revenue Debt	2,550,382	2,436,925	2,396,948	2,501,836	2,586,625	2,561,428
Transfers Out	3,609,159	3,467,992	3,435,790	$3,542,234	3,630,146	3,607,566
Fund Balance - Beginning	**$3,005,289**	**$1,749,364**	**$3,347,066**	**$2,050,409**	**$1,860,832**	**$1,609,801**
Total Recurring Revenue	**$7,337,444**	**$7,322,251**	**$7,438,777**	**$7,460,963**	**$7,496,369**	**$7,532,163**
Total Recurring Expenditures	**$3,386,508**	**$3,691,871**	**$4,071,408**	**$4,108,307**	**$4,117,255**	**$4,145,007**
Less: Transfers Out	**$3,609,159**	**$3,467,992**	**$3,435,790**	**$3,542,234**	**$3,630,146**	**$3,607,566**
Less: Est Reserve Requirement			**$1,228,237**			
Fund Balance - Ending	**$3,347,066**	**$1,911,752**	**$2,050,409**	**$1,860,832**	**$1,609,801**	**$1,389,390**
Days of Operation			**184**	**165**	**143**	**122**

*The **Municipal Drainage Fund**, an enterprise fund, provides for the administration, operation, and maintenance of the City's storm water management program in compliance with EPA storm water runoff and treatment requirements. The services provided by the Municipal Drainage Fund are financed almost entirely by Commercial and Residential fees collected from monthly utility bills.*

Operating Revenue Sources:

Drainage Fees

Drainage fees are charged to municipal utility customers to provide funding for compliance with the U.S. Environmental Protection Agency's enforcement of the National Pollutant Discharge Elimination System – a program for storm water runoff monitoring and management.

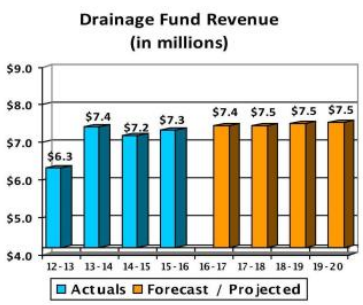
Operating Revenues

Drainage Fees

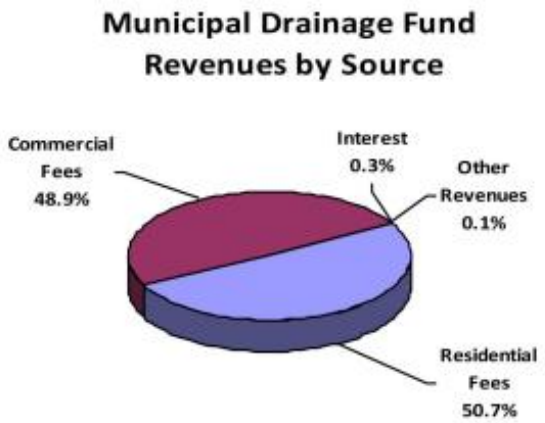
Drainage fees are the Municipal Drainage Fund's primary revenue source. With the current rate structure, it is projected that drainage fee revenue will maintain reserve requirements prescribed in the bond covenants, allow for the continuation of current service levels and sustain working capital within levels prescribed by the City of Plano financial policies. The Budget Department will evaluate rates in the Drainage Rate Model during the upcoming budget process to insure appropriate rates are in place to meet all of the requirements associated with operating a high quality municipal drainage system.

The Community Investment Program for drainage infrastructure projects is expected to progress on a fairly consistent level in the near future. Consequently, rates are assumed to remain at their current levels throughout the forecast period.

Drainage fee revenue increases are projected based on indirect population increases; in this forecast revenues increase 1.4%, between the 2016-17 Re-Estimate and the 2019-20 Projected Budget in this forecast.



The graph above shows historical trends and projections for drainage fees, while the graph below shows the re-estimated 2016-17 Revenues by Source.

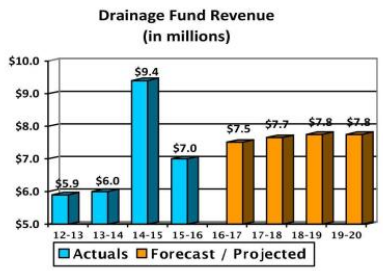


Other

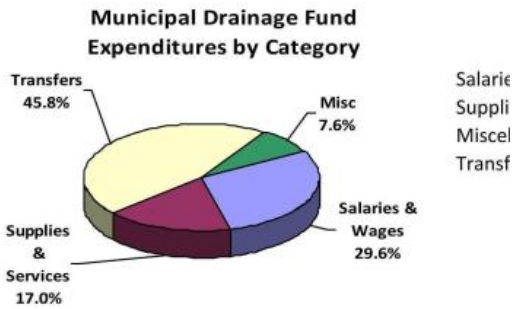
Miscellaneous revenues for 2016-17 are expected to total $26,700. Miscellaneous revenues are mostly comprised of Interest Income. Based on modest projected returns available from investments held by the fund and slow decline in available fund balance for investment, interest income is projected to remain below current annual levels across all three years of the three years forecasted.

Operating Expenditures

The following graph shows historical trends and projections for all Municipal Drainage Fund expenditures. A one-time transfer of $2.5 million was made in 2014-15 to fund drainage capital projects on a pay-go basis, as well as the initial transfer of $500,000 to the Capital Reserve Fund that will continue on an annual basis in future years.



A description of each expenditure category as well as a discussion of the outlook over the next three years follows.



Salaries, Wages and Employee Benefits
Salary projections assume no salary increase throughout the forecast period. Benefit expenditure projections assume no increase in health insurance costs. TMRS is set to be funded at the current rate of 18.11%, while other benefit rates are expected to remain constant.

Supplies & Services
Supplies & services are budgeted with a 2.5% inflation increase throughout the forecast period, with the exception of municipal garage charges, which are forecast to increase by 2.5% in both 2017-18 and 2018-19, then by 3.0% in 2019-20.

Capital Outlay
This forecast includes no new capital outlay items in the Municipal Drainage Fund from 2017-18 through 2019-20.

Transfers
The largest transfer from the Municipal Drainage Fund is to the Drainage Debt Service Fund, which pays for the principal and interest on outstanding drainage revenue bonds used to construct drainage improvements. Future Municipal Drainage CIP projects are assumed to be funded through revenue bonds in all three years of the forecast period, with an issuance of $3.6 million anticipated in FY 2017-18, followed by smaller issuances of $2.2 million in both 2018-19 and 2019-20. In total the Municipal Drainage Fund transfer for revenue debt over the three forecast years totals just over $7.5 million.

Transfers to the Capital Reserve Fund are projected to continue at $500,000 annually.

The transfer to the General Fund is based on a fixed percentage of the total Municipal Drainage revenue and totals approximately $1.6 million for the three-year period.

The Municipal Drainage Fund transfer for technology for the three forecast years totals $60,000, at $20,000 per year for future hardware and software purchases and improvements that support drainage utility activities.

Outlook & Analysis
It is necessary for the Municipal Drainage Fund to maintain a substantial fund balance due to covenants associated with revenue bonds that were issued for capital drainage projects. This forecast projects that the Municipal Drainage Fund will meet these requirements over the next three years. This fund will continue to be closely monitored, and further rate studies will be conducted annually to assure compliance with bond covenants.

Convention & Tourism Fund

CONVENTION & TOURISM	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Hotel/Motel Receipts	$8,263,231	$8,120,066	$8,300,000	$9,088,000	$9,576,000	$9,765,000
Civic Center Fees	2,394,897	1,565,770	1,565,770	2,065,770	2,127,743	2,191,575
Interest Income	25,644	16,000	25,000	25,000	25,000	25,000
Other	28,547	20,000	20,000	20,000	20,300	20,604
Total Recurring Revenue	$10,712,319	$9,721,836	$9,910,770	$11,198,770	$11,749,043	$12,002,180
Recurring Expenditures						
Salaries & Wages	$2,752,398	$3,167,616	$3,226,468	$3,380,713	$3,386,171	$3,391,663
Supplies & Services	3,178,884	4,530,676	4,530,676	4,760,521	4,893,872	5,031,224
Support of the Arts	800,000	930,000	930,000	900,000	900,000	900,000
Historic Preservation	772,907	800,000	800,000	800,000	800,000	800,000
Special Events	187,636	400,812	400,812	400,812	412,836	425,221
Capital Outlay	0	117,500	117,500	0	0	0
Total Recurring Expenditures	$7,691,825	$9,946,604	$10,005,456	$10,242,046	$10,392,880	$10,548,109
Transfers Out	1,607,214	2,026,092	2,035,539	1,079,939	1,107,452	1,120,109
Fund Balance - Beginning	**$4,252,875**	**$3,213,767**	**$5,666,155**	**$3,535,931**	**$3,412,717**	**$3,661,428**
Total Recurring Revenue	**$10,712,319**	**$9,721,836**	**$9,910,770**	**$11,198,770**	**$11,749,043**	**$12,002,180**
Total Recurring Expenditures	**$7,691,825**	**$9,946,604**	**$10,005,456**	**$10,242,046**	**$10,392,880**	**$10,548,109**
Less: Transfers Out	**$1,607,214**	**$2,026,092**	**$2,035,539**	**$1,079,939**	**$1,107,452**	**$1,120,109**
Fund Balance - Ending	**$5,666,155**	**$962,907**	**$3,535,931**	**$3,412,717**	**$3,661,428**	**$3,995,390**
Required 30 Day Balance				**$841,812**	**$854,209**	**$866,968**
Days of Operation			**129**	**122**	**129**	**138**

*The **Convention & Tourism Fund**, an enterprise fund, accounts for the administration, operation, and maintenance of the Plano Centre and the Convention & Visitors Bureau. The fund is supported by the Hotel/Motel Occupancy Tax, which is restricted by State law to tourism promotion, capital construction, the operation of recreation facilities, and the funding of cultural activities.*

Operating Revenue Sources:

Hotel/Motel Tax Receipts

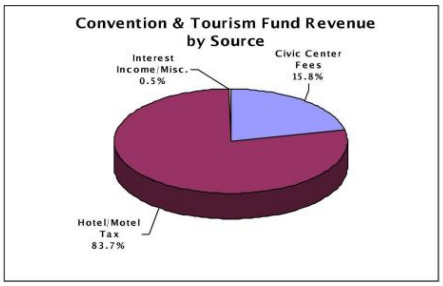
Hotel/Motel taxes are levied upon the cost of occupancy of any sleeping room furnished by a hotel or motel in the city. The current rate is 7.0% of taxable receipts.

Civic Center Fees

Plano Centre administers various service charges and fees for the following items: room rentals, concessions, catering, equipment rentals, and miscellaneous.

Operating Revenues

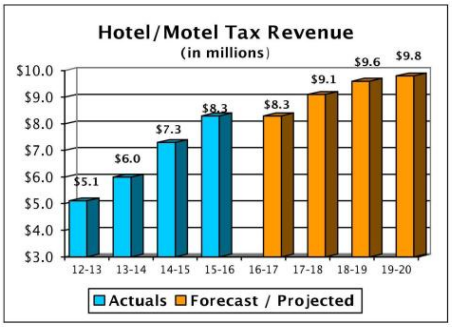
The major sources that make up the Convention & Tourism Fund revenues for 2016-17 include: Hotel/Motel Tax Receipts (83.7%), Civic Center Fees (15.8%), and Interest Income/Other (0.5%). A description of each source as well as a discussion of the outlook over the next three years follows.



Hotel/Motel Tax Receipts

Hotel/Motel tax receipts are the Convention & Tourism Fund's largest revenue source. The North Texas region continues to experience an upswing in the travel-related industry last fiscal year, which has led to increases in Hotel/Motel tax receipts. Part of this increase was due to an additional 500 hotel rooms are expected to be added as well as another 500 hotel rooms in 2017-18. These projections include a brand new Renaissance Hotel with 300 rooms and 26,000 square feet of meeting rooms in the Winter of 2017.

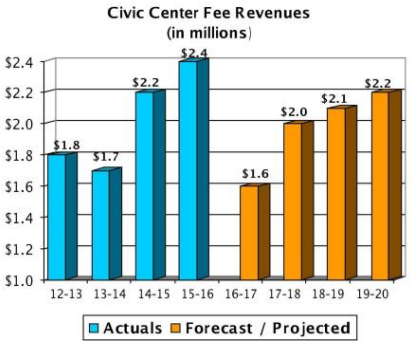
Based on the addition of new hotel rooms during the forecast period and direct economic growth, Hotel/Motel receipts are projected to increase 9.5% in 2017-18; 5.4% increase in 2018-19 and increase 2.0% in 2019-20.



The graph above shows the historical trends and projections for Hotel/Motel tax receipts. By 2019-20, this revenue source is estimated to reach $9.8 million.

Civic Center Fees

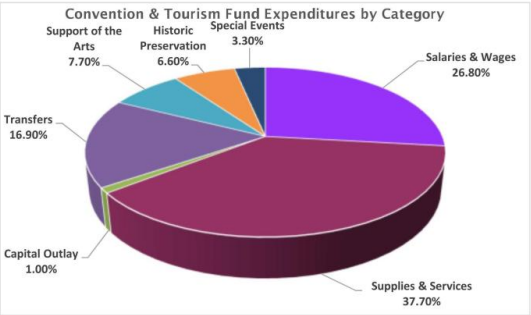
Civic Center fees have decreased as anticipated due to the partial closure of the Plano Event Center due to renovations. As renovations are being completed during FY 2016-17, an increase of $500,000 for the 2017-18 Budget is included in this forecast based on anticipated revenue due to bookings secured during FY 2016-17. Revenue generated from Civic Center Fees are expected to increase steadily throughout the forecast period.



The graph above shows the historical trends and projections for Civic Center fees. In 2019-20, this revenue source is estimated to generate approximately $2.2 million.

Other
Miscellaneous revenues for 2016-17 are expected to total $45,000.

Operating Expenditures
The major expenditures that make up the Convention & Tourism Fund by category for 2016-17 include: Salaries & Wages (26.8%), Supplies & Services (37.7%), Support of the Arts (7.7%), Historic Preservation (6.6%), Special Events (3.3%), Capital Outlay (1.0%) and Transfers (16.9%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.



Salaries, Wages and Employee Benefits
Salary projections assume no increase in each year throughout the forecast period, and assume that the current staffing levels remain constant over the next three years. The health insurance rate is expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is funded at the full phased in rate of 18.11%, while the other benefit rates are expected to remain constant.

Supplies & Services
Supplies & services costs are budgeted with a 2.5% inflation increase in each of the three years forecast. Municipal garage charges are projected to increase 2.5% in 2017-18 and then increase 2.5% in 2018-19 and another 3.0% in 2019-20. Postage charges are projected to increase 2.5% in each of the three forecast periods to coincide with the anticipated inflation rate. Electricity charges are projected to remain flat in each year of the forecast period. Finally, natural gas is expected to remain flat in each year of the forecast period as well.

Support of the Arts
Historic Preservation
Special Events
Hotel/Motel tax is utilized for the promotion of local arts and historic preservation. The funding included in FY 2016-17 are $930,000 and $800,000 respectively. Special Events includes funding for the Plano Balloon Festival, AsiaFest, Lights of Legacy, and the Plano International Festival.

Capital Outlay
No new capital outlay is projected for the forecast period. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

Transfers
The transfer to the General Fund is based on 5.0% of total revenues and the amount projected for 2016-17 equals $495,539.

A transfer to the Technology Fund in the amount of $20,000 in 2016-17 is representative of the Convention & Tourism Fund's proportionate share of technology related expenditures. This amount is projected to remain constant for the remainder of the forecast.

Beginning in 2015-16, a transfer to the Capital Reserve Fund was enacted to help offset Plano Event Center renovation costs which will be covered by the Capital Reserve Fund. The 2016-17 transfer amount is $1.5 million with

$500,000 budgeted throughout the remainder of the three-year forecast.

Outlook & Analysis
Based on projections, the Convention & Tourism Fund is forecasted to maintain more than 30 days of operating funds through 2019-20.

Recreation Revolving Fund

RECREATION REVOLVING	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Recreation Fees	$3,668,982	$4,004,619	$3,904,619	$4,016,633	$4,040,733	$4,060,936
Contributions	7,802	4,355	4,355	4,368	4,394	4,416
Interest Income	21,220	15,000	20,000	20,000	20,000	20,000
Other	57,036	57,775	57,775	57,948	58,296	58,587
Total Recurring Revenue	$3,755,040	$4,081,749	$3,986,749	$4,098,949	$4,123,423	$4,143,940
Recurring Expenditures						
Salaries & Wages	$1,283,048	$1,601,239	$1,625,396	$1,664,116	$1,664,632	$1,665,149
Supplies & Services	1,980,011	2,022,810	2,050,983	2,073,380	2,125,398	2,178,759
Capital Outlay	1,496,255	200,000	202,323	0	0	0
Total Recurring Expenditures	$4,759,314	$3,824,049	$3,878,702	$3,737,496	$3,790,030	$3,843,908
Transfers Out	175,301	204,087	199,337	204,947	206,171	207,197
Fund Balance - Beginning	**$2,141,891**	**$388,071**	**$962,316**	**$871,026**	**$1,027,531**	**$1,154,753**
Total Recurring Revenue	**$3,755,040**	**$4,081,749**	**$3,986,749**	**$4,098,949**	**$4,123,423**	**$4,143,940**
Total Recurring Expenditures	**$4,759,314**	**$3,824,049**	**$3,878,702**	**$3,737,496**	**$3,790,030**	**$3,843,908**
Less: Transfers Out	**$175,301**	**$204,087**	**$199,337**	**$204,947**	**$206,171**	**$207,197**
Fund Balance - Ending	**$962,316**	**$441,684**	**$871,026**	**$1,027,531**	**$1,154,753**	**$1,247,588**
Days of Operation			**82**	**100**	**111**	**118**

*The **Recreation Revolving Fund**, an enterprise fund, accounts for the recreational programs and activities that are offered to groups and individuals on a fee basis.*

Operating Revenue Sources:

Recreation Fees

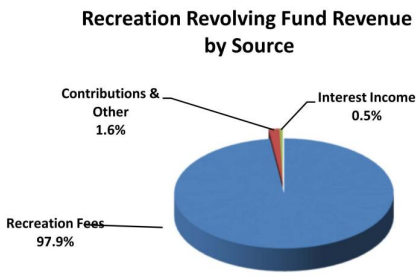
Recreation fees are charged for participation in Parks & Recreation classes, sessions and events. These fees are used to cover the cost of instruction, materials and supplies. Also included are user fees for the use of the City's public facilities to aid in recovery of the cost of facility maintenance and upkeep.

Contributions

The City of Plano accepts monetary contributions from businesses, organizations, institutions and individuals which are usually earmarked for specific programs.

Operating Revenues

The major sources that make up the Recreation Revolving Fund re-estimated revenues for 2016-17 include: Recreation Fees (97.9%), Interest Income (0.5%), Contributions and Other (1.6%). A description of each source as well as a discussion of the outlook over the next three years follows.

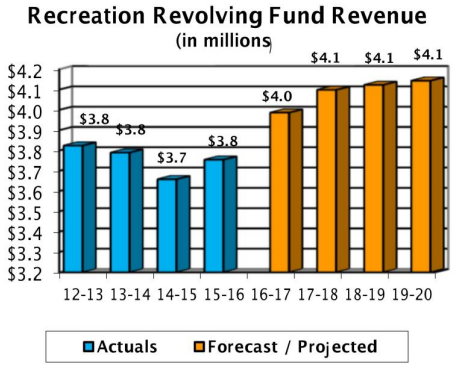


Recreation Fees

Recreation fees are the Recreation Revolving Fund's main revenue source. Program fees are constantly reviewed to adequately cover expenditures and allow for continued program growth in the future. Thus, program expenditures are directly correlated to the fees charged for courses and programs.

The Recreation Revolving Fund has remained consistent over the past few years as population growth has slowed and multiple fitness venues have entered the Plano market. Recreation fees continue to remain strong and are projected to remain in line with the original 2016-17 budget.

Recreation courses, class, and facility demands are influenced by population growth and the increases in revenues reflect the current popularity of the programs available through the recreation centers.



The graph above shows the historical trends and projections for recreation fees. In 2019-20, this revenue source is expected to be $4.1 million.

Contributions

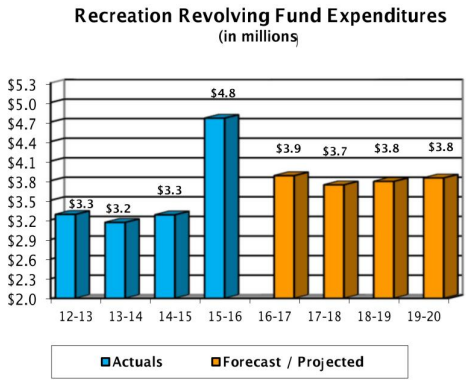
The Recreation Revolving Fund enjoys a dependable flow of contribution revenue from the community. Contribution revenue is projected to remain fairly constant, at around $4,500 per year over the three-year period forecast.

Other

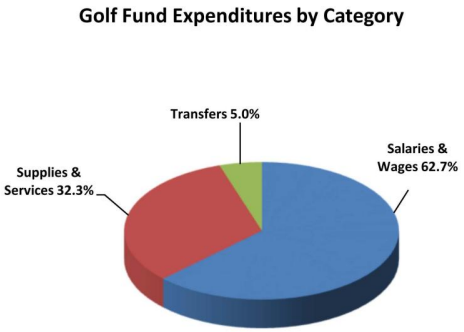
Miscellaneous revenues for 2016-17 are re-estimated at $57,775. Interest income is estimated at $20,000 and is projected to remain fairly constant over the three-year forecast period through 2019-20.

Operating Expenditures

Recreation program expenditures are directly correlated to the fees charged for courses and programs. The following graph shows the historical trends and projections for all Recreation Revolving Fund expenditures. Expenditure increases can fluctuate from year-to-year mainly due to one-time expenditures.



The major expenditures that make up the Recreation Revolving Fund by category for 2016-17 include: Salaries & Wages (41.9%), Supplies & Services (52.9%), and Transfers (5.2%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.



Salaries, Wages and Employee Benefits
Salary projections assume no salary increase in each year throughout the forecast period, and also assume that the current staffing levels remain constant over the next three years. The health insurance rate is also expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is set to be funded at the full phased in rate of 18.11%, while the other benefit rates are expected to remain constant.

Supplies & Services
Supplies & services are budgeted with a 2.5% inflation increase for each year of the three-year forecast, while Municipal garage charges are projected to increase 2.5% in each of 2017-18 and 2018-19 and 3% in 2019-20.

Capital Outlay
Capital outlay of $1.5M for construction of the Jack Carter Pool in FY 2015-16 accounted for that year's spike in expenditures. No new capital outlay is projected for the forecast period. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

Transfers
The transfer to the General Fund is based on 5.0% of total revenues each year of the forecast period. The amount projected for 2016-17 is $199,337. This transfer reimburses the General Fund for expenses incurred in the administration of the Recreation Revolving Fund and programs.

Outlook & Analysis
Based on projections, the Recreation Revolving Fund is forecasted to maintain a positive fund balance through fiscal year 2019-20.

Golf Course Fund

GOLF COURSE	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Recurring Revenue						
Golf Fees	$828,465	$964,095	$964,095	$966,987	$972,789	$977,653
Concessions	52,340	60,803	60,803	60,985	61,351	61,658
Interest Income	379	800	800	800	800	800
Other	6,911	0	0	0	0	0
Total Recurring Revenue	$888,095	$1,025,697	$1,025,698	$1,028,773	$1,034,941	$1,040,111
Recurring Expenditures						
Salaries & Wages	$626,674	$633,397	$644,841	$644,010	$644,469	$644,928
Supplies & Services	332,436	340,682	332,450	335,188	339,754	344,518
Capital Outlay	0	0	0	0	0	0
Total Recurring Expenditures	$959,110	$974,079	$977,291	$979,198	$984,223	$989,446
Transfers Out	48,567	51,285	51,285	51,439	51,747	52,006
Fund Balance - Beginning	**$131,220**	**$96,909**	**$11,637**	**$8,759**	**$6,895**	**$5,866**
Total Recurring Revenue	**$888,095**	**$1,025,697**	**$1,025,698**	**$1,028,773**	**$1,034,941**	**$1,040,111**
Total Recurring Expenditures	**$959,110**	**$974,079**	**$977,291**	**$979,198**	**$984,223**	**$989,446**
Less: Transfers Out-Transfers In	**$48,567**	**$51,285**	**$51,285**	**$51,439**	**$51,747**	**$52,006**
Fund Balance - Ending	**$11,637**	**$97,244**	**$8,759**	**$6,895**	**$5,866**	**$4,526**
Days of Operation			**3**	**3**	**2**	**2**

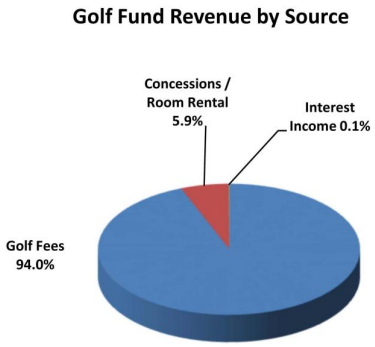
*The **Municipal Golf Course Fund**, an enterprise fund, provides for the administration, operation, and maintenance of the City's golf course – Pecan Hollow. All costs are financed through fees charged to patrons.*

Operating Revenue Sources:

Golf Fees
Golf fees are charged for the use of the City's municipal golf course.

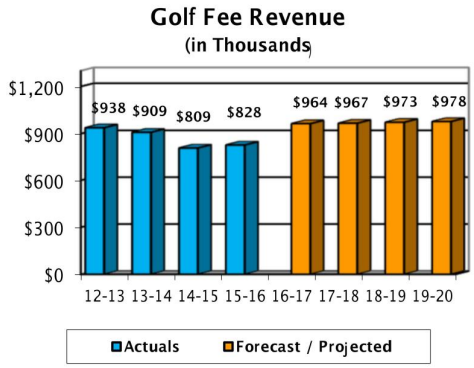
Concessions
The Municipal Golf Course Fund receives 5% of gross sales from the Pro Shop and Pecan Hollow Grille.

Operating Revenues
The major sources that make up the Municipal Golf Course Fund revenues for 2016-17 include: Golf Fees (94%), Concessions and Room Rental Fees (5.9%), and Interest Income (0.1%). A description of each source as well as a discussion of the outlook over the next three years follows.



Golf Fees
Golf fees are the Municipal Golf Course Fund's largest revenue source. Since the re-opening of Pecan Hollow Golf Course during 2011-12 from redevelopment, golf fees were up significantly. Competition from surrounding golf courses, and the national economy has had an effect on golf participation. However, since the re-opening revenues have been very strong with new golfers wanting to play the redesigned course. It is anticipated that the new course will continue to attract new golfers and receive more rounds of play.

Golf fees are projected to increase 0.30% to $966,987 for 2017-18, 0.65% for 2018-19 and 0.55% for 2019-20. These projections assume a stable demand for golf rounds and normal weather patterns over the years forecast.

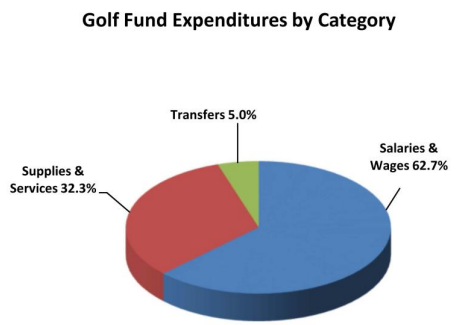


The graph above shows the historical trends and projections for golf fees. By 2019-20, this revenue source is estimated to reach $977,653.

Concessions
Room Rental Fees

Based on the current agreement with the golf course pro, the City receives concession and room rental fee revenues. Combined concession and room rental fee revenues are projected at $60,803 for the 2016-17 Re-Estimate and are forecasted to increase slightly for the next three years.

Operating Expenditures
The following graphs show the historical trends and projections for all Municipal Golf Course Fund expenditures. Expenditure increases can fluctuate from year-to-year mainly due to one-time expenditures for capital equipment or extensive repairs.



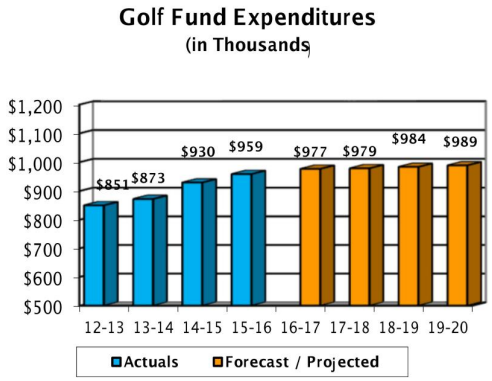
The major expenditures that make up the Municipal Golf Course Fund by category for 2016-17 include: Salaries & Wages (62.7%), Supplies & Services (32.3%), and Transfers (5.0%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.

Salaries, Wages and Employee Benefits
Salary projections assume no salary increase in each year throughout the forecast period and also assume that the current staffing levels remain constant over the next three years. The health insurance rate is also expected to remain constant throughout the forecast as Plano's self-funded insurance fund currently has a stable fund balance. TMRS is set to be funded at the full phased in rate of 18.11%, while the other benefit rates are expected to remain constant.

Supplies & Services
Supplies & services are budgeted with a 2.5% inflation increase for each year of the three-year forecast, with a correction made to a one-time increase in supplies before the inflation adjustment was applied. Municipal garage charges are projected to increase by 2.5% in each 2017-18 and 2018-19, and by 3% in 2019-20. Electric charges are projected to remain flat in 2016-17 and throughout the remaining forecast period.

Capital Outlay
No new capital outlay is projected for the remaining years in this forecast. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

Transfers
The transfer to the General Fund is based on 5.0% of total revenues and the amount projected for 2016-17 equals $51,285. This transfer compensates the General Fund for expenses related to the administration of the Municipal Golf Course.



Outlook & Analysis
Based on projections, the Municipal Golf Course Fund is forecasted to maintain a a positive fund balance through fiscal year 2019-20. However, an increase in certain revenues or a reduction in expenses is likely necessary in order to retain 30 days of operating funds.

Combined Budget

	Actuals 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
BEGINNING BALANCES						
Operating Funds:						
General Fund	$51,604,016	$37,491,648	$54,189,973	$32,638,665	-12.9%	-39.8%
Water & Sewer Fund	29,132,384	31,054,639	31,813,974	21,959,383	-29.3%	-31.0%
Sustainability & Env. Svc. Fund	5,402,779	3,358,302	4,982,408	3,900,779	16.2%	-21.7%
Convention & Tourism Fund	4,252,875	3,213,767	5,666,155	3,535,931	10.0%	-37.6%
Municipal Drainage Utility Fund	3,005,289	1,749,364	3,347,066	2,050,409	17.2%	-38.7%
Recreation Revolving Fund	2,141,891	388,071	962,316	871,026	124.5%	-9.5%
Municipal Golf Course Fund	131,220	96,909	11,637	8,759	-91.0%	-24.7%
PTV Fund	1,744,112	233,464	1,649,688	783,603	235.6%	-52.5%
TOTAL OPERATING FUNDS	$97,414,566	$77,586,164	$102,623,217	$65,748,555	-15.3%	-35.9%
Debt Service Funds:						
General Obligation	$3,701,797	$2,973,761	$3,925,760	$4,015,002	35.0%	2.3%
Water & Sewer Revenue	0	800,454	801,869	806,462	100.0%	100.0%
TOTAL DEBT SERVICE FUNDS	$3,701,797	$3,774,215	$4,727,629	$4,821,464	27.7%	2.0%
TOTAL BEGINNING BALANCES	$101,116,363	$81,360,380	$107,350,846	$70,570,019	-13.3%	-34.3%
REVENUES & TRANSFERS IN						
Operating Funds:						
General Fund	$270,915,219	$279,787,799	$279,953,047	$284,358,043	1.6%	1.6%
Water & Sewer Fund	140,502,050	145,257,744	144,395,205	156,001,984	7.4%	8.0%
Sustainability & Env. Svc. Fund	24,944,528	25,702,841	25,904,130	26,257,410	2.2%	1.4%
Convention & Tourism Fund	10,712,319	9,721,836	9,910,770	11,198,770	15.2%	13.0%
Municipal Drainage Utility Fund	7,337,444	7,322,251	7,438,777	7,460,963	1.9%	0.3%
HUD Grant Fund	1,718,805	1,695,895	1,695,895	1,695,895	0.0%	0.0%
Recreation Revolving Fund	3,755,040	4,081,749	3,986,749	4,098,949	0.4%	2.8%
Municipal Golf Course Fund	888,095	1,025,697	1,025,698	1,028,772	0.3%	0.3%
PTV Fund	1,383,403	1,416,931	1,388,683	1,393,952	-1.6%	0.4%
TOTAL OPERATING FUNDS	$462,156,903	$476,012,744	$475,698,955	$493,494,738	3.7%	3.7%
Debt Service Funds:						
General Obligation	$41,484,770	$41,591,993	$41,591,993	$44,455,764	6.9%	6.9%
Water & Sewer Revenue	801,869	1,921,455	1,841,818	1,839,989	-4.2%	-0.1%
TOTAL DEBT SERVICE FUNDS	$42,286,639	$43,513,448	$43,433,811	$46,295,753	6.4%	6.6%
TOTAL REVENUE & TRANSFERS IN	$504,443,542	$519,526,192	$519,132,766	$539,790,491	3.9%	4.0%
Less: Interfund Transfers	19,366,299	20,996,722	19,366,299	20,996,722	0.0%	8.4%
NET BUDGET REVENUE	$485,077,243	$498,529,470	$499,766,467	$518,793,769	4.1%	3.8%
TOTAL AVAILABLE FUNDS	$586,193,606	$579,889,849	$607,117,313	$589,363,788	1.6%	-2.9%
APPROPRIATIONS & TRANSFERS OUT						
Operations:						
General Fund	$268,329,262	$295,909,435	$301,504,355	$294,788,793	-0.4%	-2.2%
Water & Sewer Fund	137,820,460	155,666,189	154,249,797	164,526,518	5.7%	6.7%
Sustainability & Env. Svc. Fund	25,364,899	26,697,927	26,985,759	27,088,026	1.5%	0.4%
Convention & Tourism Fund	9,299,039	11,972,696	12,040,995	11,321,984	-5.4%	-6.0%
Municipal Drainage Utility Fund	6,995,667	7,159,863	7,507,198	7,650,541	6.9%	1.9%
HUD Grant Fund	1,718,805	1,695,895	1,695,895	1,695,895	0.0%	0.0%
Recreation Revolving Fund	4,934,615	4,028,136	4,078,039	3,942,443	-2.1%	-3.3%
Municipal Golf Course Fund	1,007,677	1,025,364	1,028,576	1,030,636	0.5%	0.2%
PTV Fund	1,477,827	1,537,354	2,254,768	1,250,655	-18.6%	-44.5%
TOTAL OPERATIONS	$456,948,251	$505,692,858	$511,345,381	$513,295,491	1.5%	0.4%
Debt Service Funds:						
General Obligation	$41,260,807	$41,514,444	$41,502,751	$44,730,483	7.7%	7.8%
Water & Sewer Revenue	0	1,837,225	1,837,225	1,835,400	-0.1%	100.0%
TOTAL DEBT SERVICE FUNDS	$41,260,807	$43,351,669	$43,339,976	$46,565,883	7.4%	7.4%
TOTAL APPROPRIATIONS & TRANSFERS OUT	$498,209,058	$549,044,527	$554,685,357	$559,861,374	2.0%	0.9%
Less: Interfund Transfers	19,366,299	20,996,722	19,366,299	20,996,722	0.0%	8.4%
NET BUDGET APPROPRIATIONS	$478,842,759	$528,047,805	$535,319,058	$538,864,652	2.0%	0.7%
ENDING BALANCES						
Operating Funds:						
General Fund	$54,189,973	$21,370,011	$32,638,665	$22,207,915	3.9%	-32.0%
Water & Sewer Fund	31,813,974	20,646,194	21,959,383	13,434,849	-34.9%	-38.8%
Sustainability & Env. Svc. Fund	4,982,408	2,363,216	3,900,779	3,070,163	29.9%	-21.3%
Convention & Tourism Fund	5,666,155	962,907	3,535,931	3,412,717	254.4%	-3.5%
Municipal Drainage Utility Fund	3,347,066	1,911,752	3,278,646	1,860,832	-2.7%	-43.2%
Recreation Revolving Fund	962,316	441,684	871,026	1,027,531	132.6%	18.0%

Municipal Golf Course Fund	11,637	97,244	8,759	6,895	*-92.9%*	*-21.3%*
PTV Fund	1,649,688	113,041	783,603	926,900	*720.0%*	*18.3%*
TOTAL OPERATING FUNDS	$102,623,217	$47,906,050	$66,976,792	$45,947,803	*-4.1%*	*-31.4%*
Debt Service Funds:						
General Obligation	$3,925,760	$3,051,310	$4,015,002	$3,740,284	*22.6%*	*-6.8%*
Water & Sewer Revenue	801,869	884,685	806,462	811,051	*-8.3%*	*0.6%*
TOTAL DEBT SERVICE FUNDS	$4,727,629	$3,935,995	$4,821,464	$4,551,334	*15.6%*	*-5.6%*
TOTAL ENDING BALANCES	$107,350,846	$51,842,045	$71,798,256	$50,499,137	*-2.6%*	*-29.7%*
TOTAL APPROPRIATIONS & ENDING BALANCES	$586,193,605	$579,889,850	$607,117,314	$589,363,789	*1.6%*	*-2.9%*

General Fund

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
UNAPPROPRIATED FUND BALANCE	**$51,604,016**	**$37,491,648**	**$47,035,543**	**$32,638,665**	***-12.9%***	***-39.8%***
Encumbrance Adjustment			7,154,430			
Revenues						
Taxes	$189,849,150	$197,106,172	$197,569,624	$206,452,199	*4.7%*	*4.5%*
Franchise Fees	23,795,403	23,920,708	23,702,844	22,826,470	*-4.6%*	*-3.7%*
Fines & Forfeits	7,093,728	7,228,045	6,930,756	6,951,550	*-3.8%*	*0.3%*
Miscellaneous Revenue	2,612,761	2,406,524	2,538,416	2,606,524	*8.3%*	*2.7%*
Licenses & Permits	13,864,396	13,459,213	13,552,748	8,459,075	*-37.2%*	*-37.6%*
Charges for Services	13,793,976	14,158,064	14,100,638	14,176,602	*0.1%*	*0.5%*
Intergovernmental Revenue	1,039,506	1,012,350	1,048,069	1,048,069	*3.5%*	*0.0%*
Subtotal Revenues	$252,048,920	$259,291,077	$259,443,095	$262,520,490	*1.2%*	*1.2%*
Intragovernmental Transfers	18,866,299	20,496,722	20,509,952	21,837,553	*6.5%*	*6.5%*
TOTAL REVENUES & TRANSFERS	$270,915,219	$279,787,799	$279,953,047	$284,358,043	*1.6%*	*1.6%*
TOTAL RESOURCES	$322,519,235	$317,279,446	$334,143,020	$316,996,708	*-0.1%*	*-5.1%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$175,959,421	$192,446,021	$192,048,556	$194,352,360	*1.0%*	*1.2%*
Materials & Supplies	7,198,904	9,313,496	10,846,597	9,546,333	*2.5%*	*-12.0%*
Contractual	48,610,936	53,331,927	55,086,727	53,358,050	*0.0%*	*-3.1%*
Community Services Agencies	552,600	552,600	552,600	558,000	*1.0%*	*1.0%*
Sundry	844,787	1,478,124	1,975,609	1,515,077	*2.5%*	*-23.3%*
CIP Coming On-Line	0	0	0	510,041	*100.0%*	*100.0%*
Reimbursements	(2,612,941)	(3,347,516)	(3,347,516)	(3,447,941)	*3.0%*	*3.0%*
Subtotal	$230,553,707	$253,774,652	$257,162,573	$256,391,920	*1.0%*	*-0.3%*
Capital Outlay	1,482,113	5,332,983	7,539,982	1,125,000	*-78.9%*	*-85.1%*
TOTAL OPERATIONS	$232,035,820	$259,107,635	$264,702,555	$257,516,920	*-0.6%*	*-2.7%*
Capital Reserve Fund	$23,600,000	$24,550,000	$24,550,000	$24,550,000	*0.0%*	*0.0%*
Risk Management Fund	3,700,000	3,700,000	3,700,000	3,700,000	*0.0%*	*0.0%*
Technology Fund	1,000,000	1,000,000	1,000,000	1,000,000	*0.0%*	*0.0%*
TS Replacement Fund	500,000	500,000	500,000	500,000	*0.0%*	*0.0%*
PTV Fund	250,000	250,000	250,000	250,000	*0.0%*	*0.0%*
Economic Development Incentive Fund	7,193,442	6,801,800	6,801,800	7,271,872	*6.9%*	*6.9%*
PID Fund (Public Improvement Dist.)	50,000	0	0	0		
TOTAL TRANSFERS	$36,293,442	$36,801,800	$36,801,800	$37,271,872	*1.3%*	*1.3%*
TOTAL APPROPRIATIONS	$268,329,262	$295,909,435	$301,504,355	$294,788,793	*-0.4%*	*-2.2%*
UNAPPROPRIATED FUND BALANCE	$54,189,973	$21,370,011	$32,638,665	$22,207,915	*3.9%*	*-32.0%*
Days of Operation				31		

General Fund Revenue by Source

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
SOURCE OF INCOME						
Taxes						
Ad Valorem Taxes:						
Current	$109,528,156	$117,855,236	$118,155,236	$125,905,039	*6.8%*	*6.6%*
Delinquent	1,279,635	1,221,576	1,221,576	1,305,999	*6.9%*	*6.9%*
Penalty & Interest	650,745	610,788	610,788	652,999	*6.9%*	*6.9%*
Sales Tax	76,347,085	75,418,120	75,478,415	76,478,415	*1.4%*	*1.3%*
Mixed Drink Tax	1,930,054	1,883,366	1,962,880	1,968,770	*4.5%*	*0.3%*
Bingo Gross Receipts Tax	82,567	82,086	82,229	82,477	*0.5%*	*0.3%*
Excess Proceeds on Taxes	30,908	35,000	58,500	58,500	*67.1%*	*0.0%*
TOTAL TAXES	$189,849,150	$197,106,172	$197,569,624	$206,452,199	*4.7%*	*4.5%*
Franchise Fees						
Electrical Franchise	$11,929,041	$11,727,929	$11,859,682	11,859,682	*1.1%*	*0.0%*
Telephone Franchise	4,461,073	4,483,766	5,038,661	4,362,917	*-2.7%*	*-13.4%*
Fiber Optics Franchise	58,492	55,531	55,531	55,531	*0.0%*	*0.0%*
Gas Franchise	2,997,051	3,243,283	2,736,360	2,736,360	*-15.6%*	*0.0%*
Cable TV Franchise	4,349,746	4,410,199	4,012,610	3,811,980	*-13.6%*	*-5.0%*
TOTAL FRANCHISE FEES	$23,795,403	$23,920,708	$23,702,844	$22,826,470	*-4.6%*	*-3.7%*
Fines & Forfeits						
Municipal Court	$6,935,349	$7,078,469	$6,778,469	6,798,805	*-4.0%*	*0.3%*
Library Fines	158,379	149,576	152,287	152,745	*2.1%*	*0.3%*
TOTAL FINES & FORFEITS	$7,093,728	$7,228,045	$6,930,756	$6,951,550	*-3.8%*	*0.3%*
Miscellaneous Revenue						
Interest Earnings	$826,979	$700,000	$850,000	$900,000	*28.6%*	*5.9%*
Sale/Rental of Property	539,747	491,391	491,391	491,391	*0.0%*	*0.0%*
Insurance Collections	481,911	470,811	452,703	470,811	*0.0%*	*4.0%*
Sundry	764,124	744,322	744,322	744,322	*0.0%*	*0.0%*
TOTAL MISCELLANEOUS REVENUE	$2,612,761	$2,406,524	$2,538,416	$2,606,524	*8.3%*	*2.7%*
Licenses and Permits						
Food Handlers Permits	$697,405	$676,567	$690,180	$692,251	*2.3%*	*0.3%*
Land / Burning / Liquid Waste	27,105	23,152	27,490	27,572	*19.1%*	*0.3%*
Grease Trap Permits	42,500	42,199	42,199	42,326	*0.3%*	*0.3%*
Fire Inspection Fees	278,070	287,657	287,657	287,657	*0.0%*	*0.0%*
Rental Registration Fees	315,546	316,690	316,690	317,640	*0.3%*	*0.3%*
Animal Licenses	125,426	126,517	126,517	126,897	*0.3%*	*0.3%*
Restaurant Plan Review	41,690	39,066	61,500	61,684	*57.9%*	*0.3%*
Alarm Permits	1,489,553	1,414,170	1,488,240	1,492,705	*5.6%*	*0.3%*
Filing Fees	416,070	475,896	415,315	207,658	*-56.4%*	*-50.0%*
Fire Protection Plan Review	451,588	508,047	508,047	254,024	*-50.0%*	*-50.0%*
Building Permits	8,529,767	8,076,802	8,076,802	4,038,401	*-50.0%*	*-50.0%*
Electrical Permits	135,798	135,001	135,001	67,501	*-50.0%*	*-50.0%*
Plumbing Permits	344,904	324,704	364,540	182,270	*-43.9%*	*-50.0%*
Heating & A/C Permits	168,235	164,577	166,370	83,185	*-49.5%*	*-50.0%*
Fence Permits	44,423	44,241	44,241	22,121	*-50.0%*	*-50.0%*
Swimming Pool Permits	41,251	41,960	41,960	20,980	*-50.0%*	*-50.0%*
Pool Inspection	62,762	64,573	64,573	32,287	*-50.0%*	*-50.0%*
Irrigation Permits	94,556	98,665	98,665	49,333	*-50.0%*	*-50.0%*
Day Laborer Fees	18,720	17,783	18,240	18,240	*2.6%*	*0.0%*
Sign Permits	139,999	146,844	138,307	69,154	*-52.9%*	*-50.0%*
Reoccupancy Permits	144,672	143,931	150,041	75,021	*-47.9%*	*-50.0%*
Misc. Licenses & Permits	254,356	290,173	290,173	290,173	*0.0%*	*0.0%*
TOTAL LICENSES & PERMITS	$13,864,396	$13,459,213	$13,552,748	$8,459,075	*-37.2%*	*-37.6%*
Fees & Service Charges						
Animal Pound & Adoption Fee	$274,943	$266,500	$266,500	$267,300	*0.3%*	*0.3%*
Ambulance Service	4,524,386	4,316,587	4,524,386	4,537,959	*5.1%*	*0.3%*
False Alarm Response	231,775	230,639	230,639	231,331	*0.3%*	*0.3%*
Emergency 911	1,165,570	1,205,581	1,205,581	1,209,198	*0.3%*	*0.3%*
Contractor Registration Fee	313,902	291,732	291,732	145,866	*-50.0%*	*-50.0%*
Engineering Inspection Fee	608,356	750,000	600,000	600,000	*-20.0%*	*0.0%*
Residential Building Plan Review	72,807	58,485	74,406	37,203	*-36.4%*	*-50.0%*
Reinspection Fee	59,230	66,434	60,495	30,248	*-54.5%*	*-50.0%*
File Searches	60,717	58,652	60,898	61,081	*4.1%*	*0.3%*
Same Day Inspection Fee	73,470	74,450	74,450	37,225	*-50.0%*	*-50.0%*

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
Convenience Copiers	12,913	13,242	13,242	13,282	*0.3%*	*0.3%*
Lease Fees	138,749	150,000	150,000	150,000	*0.0%*	*0.0%*
Recreation User Fee	562,725	671,815	579,473	662,081	*-1.4%*	*14.3%*
Recreation Rental Fee	320,021	244,220	314,060	321,599	*31.7%*	*2.4%*
Swimming Fees	935,245	822,597	822,597	826,300	*0.5%*	*0.5%*
Recreation Membership Card Fee	2,492,894	2,569,313	2,440,696	2,527,679	*-1.6%*	*3.6%*
Tennis Center Fee	284,970	260,513	260,513	261,295	*0.3%*	*0.3%*
Food Manager/Handler Training	8,875	8,258	8,258	8,296	*0.5%*	*0.5%*
Tree Trimming Assessments	100,512	86,473	110,139	110,469	*27.8%*	*0.3%*
Child Safety Fees	132,070	131,989	131,989	132,385	*0.3%*	*0.3%*
Sundry	1,419,846	1,880,584	1,880,584	2,005,807	*6.7%*	*6.7%*
TOTAL FEES & SVC CHARGES	$13,793,976	$14,158,064	$14,100,638	$14,176,602	*0.1%*	*0.5%*
Intergovernmental Revenue						
FISD School Resource Officer	122,736	126,396	126,396	126,396	*0.0%*	*0.0%*
PISD School Resource Officers	621,012	621,012	621,012	621,012	*0.0%*	*0.0%*
Plano-Richardson Trng. Ctr. / Misc.	295,758	264,942	300,661	300,661	*13.5%*	*0.0%*
TOTAL INTERGOVT'L REVENUE	$1,039,506	$1,012,350	$1,048,069	$1,048,069	*3.5%*	*0.0%*
TOTAL REVENUE	$252,048,920	$259,291,077	$259,443,095	$262,520,490	*1.2%*	*1.2%*
Intragovernmental Transfers						
Intra-Fund Transfers From:						
Water & Sewer Fund	$16,477,150	$17,760,456	$17,760,456	$18,760,456	*5.6%*	*5.6%*
Sustain. & Environ. Services Fund	1,169,290	1,483,735	1,484,493	1,740,374	*17.3%*	*17.2%*
Recreation Revolving Fund	175,301	204,087	199,337	204,947	*0.4%*	*2.8%*
Golf Course Fund	48,567	51,285	51,285	51,439	*0.3%*	*0.3%*
Convention & Tourism Fund	487,214	486,092	495,539	559,939	*15.2%*	*13.0%*
Municipal Drainage Fund	508,777	511,067	518,842	520,398	*1.8%*	*0.3%*
TOTAL INTRAGOVT'L TRANSFERS	$18,866,299	$20,496,722	$20,509,952	$21,837,553	*6.5%*	*6.5%*
TOTAL GENERAL FUND	$270,915,219	$279,787,799	$279,953,047	$284,358,043	*1.6%*	*1.6%*

General Obligation Debt Service

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
UNAPPROPRIATED FUND BALANCE	**$3,701,797**	**$2,973,761**	**$3,925,760**	**$4,015,002**	***35.0%***	***2.3%***
Revenues						
Ad Valorem Tax						
Current	$40,124,617	$40,648,638	$40,648,638	$43,421,338	*6.8%*	*6.8%*
Delinquent	641,482	422,536	422,536	451,738	*6.9%*	*6.9%*
Penalty & Interest	251,882	169,014	169,014	180,695	*6.9%*	*6.9%*
Fund Interest Income	315,273	200,000	200,000	250,000	*25.0%*	*25.0%*
Police Academy Reimbursement	151,516	151,804	151,804	151,994	*0.1%*	*0.1%*
TOTAL REVENUES	$41,484,770	$41,591,993	$41,591,993	$44,455,764	*6.9%*	*6.9%*
TOTAL RESOURCES	$45,186,567	$44,565,754	$45,517,753	$48,470,766	*8.8%*	*6.5%*
APPROPRIATIONS						
Bond and Certificates						
Principal	$26,060,000	$24,955,000	$25,250,000	$25,250,000	*1.2%*	*0.0%*
Interest	12,295,181	12,926,265	13,712,428	13,698,783	*6.0%*	*-0.1%*
Transfer to Tax Notes Radio Sys Repl	1,020,075	0	0	0	*0.0%*	*0.0%*
Transfer to CO's Radio Sys Repl	906,000	905,400	905,400	905,450	*0.0%*	*0.0%*
Transfer to Tax Notes Radio Repl, PLL, Phone Sys	971,550	996,500	996,500	998,800	*0.2%*	*0.2%*
Transfer to Tax Notes NextGen	0	0	638,422	2,567,950	*100.0%*	*302.2%*
Exchanges Fees & Bond Sale Expense	8,001	9,500	0	9,500	*0.0%*	*100.0%*
Subtotal	$41,260,807	$39,792,665	$41,502,751	$43,430,483	*9.1%*	*4.6%*
New Debt Projection	0	1,721,779	0	1,300,000	*-24.5%*	*100.0%*
TOTAL APPROPRIATIONS	$41,260,807	$41,514,444	$41,502,751	$44,730,483	*7.7%*	*7.8%*
UNAPPROPRIATED FUND BALANCE	$3,925,760	$3,051,310	$4,015,002	$3,740,284	*22.6%*	*-6.8%*

Water & Sewer

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$29,132,384**	**$31,054,639**	**$31,813,974**	**$21,959,383**	***-29.3%***	***-31.0%***
Revenues						
Water Income	$80,904,650	$82,667,790	$82,167,790	$91,596,625	*10.8%*	*11.5%*
Sewer Income	56,424,599	59,064,992	59,342,582	60,791,719	*2.9%*	*2.4%*
Water Taps	60,815	70,287	70,287	70,990	*1.0%*	*1.0%*
Water & Sewer Penalties	733,981	1,289,250	600,000	1,296,985	*0.6%*	*116.2%*
Water Meters/AMR Devices	435,515	413,996	413,996	420,206	*1.5%*	*1.5%*
Construction Water	391,999	381,854	381,854	387,582	*1.5%*	*1.5%*
Service Connect Fee	224,610	217,803	233,285	236,784	*8.7%*	*1.5%*
Backflow Testing	543,975	540,526	574,165	582,777	*7.8%*	*1.5%*
Sewer Tie-On	34,764	34,548	34,548	35,066	*1.5%*	*1.5%*
Pre-Treatment Permits	28,560	32,699	32,699	33,189	*1.5%*	*1.5%*
Interest Earnings	146,353	140,000	140,000	140,000	*0.0%*	*0.0%*
Transfer from Reserve Fund	0	0	0	0	*0.0%*	*0.0%*
Misc. Income	572,229	404,000	404,000	410,060	*1.5%*	*1.5%*
TOTAL REVENUES	$140,502,050	$145,257,744	$144,395,205	$156,001,984	*7.4%*	*8.0%*
TOTAL RESOURCES	$169,634,434	$176,312,383	$176,209,179	$177,961,367	*0.9%*	*1.0%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$10,867,902	$11,024,013	$11,107,621	$11,291,987	*2.4%*	*1.7%*
Materials & Supplies	2,032,380	2,345,100	2,345,100	2,415,453	*3.0%*	*3.0%*
Contractual	3,729,401	4,497,679	4,497,679	4,632,609	*3.0%*	*3.0%*
NTMWD - Water	59,057,251	67,601,117	66,101,117	75,349,861	*11.5%*	*14.0%*
NTMWD - Wastewater	16,680,114	18,629,446	18,629,446	20,800,000	*11.7%*	*11.7%*
NTMWD - Upper E. Fork Interceptor	10,172,073	12,344,427	12,344,427	13,011,427	*5.4%*	*5.4%*
Retirement of NTMWD Debt	745,234	247,660	247,660	9,300	*-96.2%*	*-96.2%*
Sundry	1,578,946	660,900	660,900	680,727	*3.0%*	*3.0%*
Reimbursements	665,661	704,356	704,356	725,487	*3.0%*	*3.0%*
Subtotal	$105,528,962	$118,054,698	$116,638,306	$128,916,851	*9.2%*	*10.5%*
Capital Outlay	17,706	0	0	0	*0.0%*	*0.0%*
TOTAL OPERATIONS	$105,546,668	$118,054,698	$116,638,306	$128,916,851	*9.2%*	*10.5%*
Transfer to General Fund	$16,477,150	$17,760,456	$17,760,456	$18,260,456	*2.8%*	*2.8%*
Transfer to W & S CIP	10,000,000	12,500,000	12,500,000	10,000,000	*-20.0%*	*-20.0%*
Transfer to Capital Reserve	1,500,000	1,500,000	1,500,000	1,500,000	*0.0%*	*0.0%*
Transfer to W&S Debt Service	0	1,837,225	1,837,225	1,835,400	*-0.1%*	*-0.1%*
Transfer to Loss Fund	671,769	655,086	655,086	655,086	*0.0%*	*0.0%*
Transfer to Technology Fund	300,000	300,000	300,000	300,000	*0.0%*	*0.0%*
Transfer to Technology Svcs	3,324,873	3,058,724	3,058,724	3,058,724	*0.0%*	*0.0%*
TOTAL TRANSFERS	$32,273,792	$37,611,491	$37,611,491	$35,609,666	*-5.3%*	*-5.3%*
TOTAL APPROPRIATIONS	$137,820,460	$155,666,189	$154,249,797	$164,526,518	*5.7%*	*6.7%*
WORKING CAPITAL	$31,813,974	$20,646,194	$21,959,383	$13,434,849	*-34.9%*	*-38.8%*
Days of Operation				38		

Water & Sewer Debt

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	*Variance* *Bud to Bud*	*Est to Bud*
WORKING CAPITAL	**$0**	**$800,454**	**$801,869**	**$806,462**	***0.8%***	***0.6%***
Transfer In (W & S Fund)	798,458	1,916,664	1,837,225	1,835,400	*-4.2%*	*-0.1%*
Fund Interest Income	3,411	4,792	4,593	4,589	*-4.2%*	*-0.1%*
TOTAL	$801,869	$1,921,455	$1,841,818	$1,839,989	*-4.2%*	*-0.1%*
TOTAL RESOURCES	$801,869	$2,721,910	$2,643,687	$2,646,451	*-2.8%*	*0.1%*
APPROPRIATIONS						
Principal	$0	$930,000	$930,000	$855,000	*-8.1%*	*-8.1%*
Interest	0	907,225	907,225	980,400	*8.1%*	*8.1%*
Fees	0	0	0	0	*0.0%*	*0.0%*
TOTAL APPROPRIATIONS	$0	$1,837,225	$1,837,225	$1,835,400	*-0.1%*	*-0.1%*
WORKING CAPITAL	$801,869	$884,685	$806,462	$811,051	*-8.3%*	*0.6%*

Sustainability & Environmental Services

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$5,402,779**	**$3,358,302**	**$4,982,408**	**$3,900,779**	***16.2%***	***-21.7%***
Revenues						
Commercial Franchise	$8,499,964	$8,190,879	$8,307,821	8,557,056	*4.5%*	*3.0%*
Special Refuse Collection	99,931	94,000	94,000	94,282	*0.3%*	*0.3%*
Residential Collection	13,035,327	13,938,363	13,938,363	14,021,993	*0.6%*	*0.6%*
Allied Waste, Inc.	95,331	95,330	95,330	98,190	*3.0%*	*3.0%*
Recycling	286,497	267,023	340,542	341,564	*27.9%*	*0.3%*
Sales of Landscape Bags	30,869	21,000	31,828	31,923	*52.0%*	*0.3%*
Contributions via Utility Billing	8,100	10,000	10,000	10,030	*0.3%*	*0.3%*
Sale of Compost	1,738,274	1,791,749	1,791,749	1,797,124	*0.3%*	*0.3%*
Tipping Fees	609,794	685,711	685,711	687,768	*0.3%*	*0.3%*
Miscellaneous	298,016	237,980	237,980	241,550	*1.5%*	*1.5%*
Reimbursements	132,425	170,806	170,806	175,930	*3.0%*	*3.0%*
Construction & Demolition Program	110,000	200,000	200,000	200,000	*0.0%*	*0.0%*
TOTAL REVENUES	$24,944,528	$25,702,841	$25,904,130	$26,257,410	*2.2%*	*1.4%*
TOTAL RESOURCES	$30,347,307	$29,061,143	$30,886,538	$30,158,189	*3.8%*	*-2.4%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$6,908,099	$7,098,915	$7,385,989	$7,551,869	*6.4%*	*2.2%*
Materials & Supplies	437,235	549,119	549,119	565,593	*3.0%*	*3.0%*
Contractual	7,398,627	7,941,779	7,942,974	8,181,263	*3.0%*	*3.0%*
NTMWD	8,310,401	8,431,056	8,429,861	8,429,861	*-0.0%*	*0.0%*
Sundry	202,533	121,359	121,359	125,000	*3.0%*	*3.0%*
Reimbursements	104,085	106,892	106,892	108,495	*1.5%*	*1.5%*
Subtotal	$23,360,980	$24,249,120	$24,536,194	$24,962,081	*2.9%*	*1.7%*
Capital Outlay	438,956	579,500	579,500	0	*-100.0%*	*-100.0%*
TOTAL OPERATIONS	$23,799,936	$24,828,620	$25,115,694	$24,962,081	*0.5%*	*-0.6%*
Transfer to General Fund	$1,169,290	$1,483,735	$1,484,493	$1,740,374	*17.3%*	*17.2%*
Transfer to Technology Fund	60,000	60,000	60,000	60,000	*0.0%*	*0.0%*
Transfer to Loss Fund	335,673	325,571	325,571	325,571	*0.0%*	*0.0%*
TOTAL TRANSFERS	$1,564,963	$1,869,307	$1,870,065	$2,125,945	*13.7%*	*13.7%*
TOTAL APPROPRIATIONS	$25,364,899	$26,697,927	$26,985,759	$27,088,026	*1.5%*	*0.4%*
WORKING CAPITAL	$4,982,408	$2,363,216	$3,900,779	$3,070,163	*29.9%*	*-21.3%*
Days of Operation				45		

Municipal Drainage Utility

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$3,005,289**	**$1,749,364**	**$3,347,066**	**$2,050,409**	***17.2%***	***-38.7%***
Revenues						
Environmental Assessment Fees:						
Residential Class Fees	$3,717,916	$3,749,388	$3,771,195	$3,782,509	*0.9%*	*0.3%*
Commercial Class Fees	$3,589,395	3,551,563	$3,640,832	3,651,755	*2.8%*	*0.3%*
Miscellaneous	11,512	6,000	6,000	6,000	*0.0%*	*0.0%*
Interest Income	18,621	15,300	20,750	20,700	*35.3%*	*-0.2%*
TOTAL REVENUES	$7,337,444	$7,322,251	$7,438,777	$7,460,963	*1.9%*	*0.3%*
TOTAL RESOURCES	$10,342,733	$9,071,615	$10,785,843	$9,511,373	*4.8%*	*-11.8%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$1,950,295	$1,990,914	$2,220,277	$2,387,363	*19.9%*	*7.5%*
Materials & Supplies	315,614	365,469	368,744	374,606	*2.5%*	*1.6%*
Contractual	543,939	752,600	899,499	763,330	*1.4%*	*-15.1%*
Sundry	28,516	4,782	4,782	4,902	*2.5%*	*2.5%*
Reimbursements	526,594	578,106	578,106	578,106	*0.0%*	*0.0%*
Subtotal	$3,364,958	$3,691,871	$4,071,408	$4,108,307	*11.3%*	*0.9%*
Capital Outlay	21,550	0	0	0	*0.0%*	*0.0%*
TOTAL OPERATIONS	$3,386,508	$3,691,871	$4,071,408	$4,108,307	*11.3%*	*0.9%*
Transfer to General Fund	$508,777	$511,067	$518,842	$520,398	*1.8%*	*0.3%*
Transfer to Capital Reserve Fund	500,000	500,000	500,000	500,000	*0.0%*	*0.0%*
Transfer to Technology Fund	50,000	20,000	20,000	20,000	*0.0%*	*0.0%*
Transfer to Revenue Debt	2,550,382	2,436,925	2,396,948	2,501,836	*2.7%*	*4.4%*
TOTAL TRANSFERS	$3,609,159	$3,467,992	$3,435,790	$3,542,234	*2.1%*	*3.1%*
TOTAL APPROPRIATIONS	$6,995,667	$7,159,863	$7,507,198	$7,650,541	*6.9%*	*1.9%*
EST. RESERVE REQUIREMENT	0	0	1,228,237	0	*0.0%*	*-100.0%*
WORKING CAPITAL	$3,347,066	$1,911,752	$2,050,409	$1,860,832	*-2.7%*	*-9.2%*
Days of Operation				165		

Convention & Tourism

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$4,252,875**	**$3,213,767**	**$5,666,155**	**$3,535,931**	***10.0%***	***-37.6%***
Revenues						
Hotel/Motel Receipts	$8,263,231	$8,120,066	$8,300,000	$9,088,000	*11.9%*	*9.5%*
Civic Center Fees	2,394,897	1,565,770	1,565,770	2,065,770	*31.9%*	*31.9%*
Miscellaneous	25,644	16,000	25,000	25,000	*56.2%*	*0.0%*
Interest Income	28,547	20,000	20,000	20,000	*0.0%*	*0.0%*
TOTAL REVENUES	$10,712,319	$9,721,836	$9,910,770	$11,198,770	*15.2%*	*13.0%*
TOTAL RESOURCES	$14,965,194	$12,935,603	$15,576,925	$14,734,701	*13.9%*	*-5.4%*
APPROPRIATIONS						
Operating Expenses						
Visit Plano	$1,976,298	$3,213,893	$3,238,680	$3,350,961	*4.3%*	*3.5%*
Plano Centre	3,262,191	3,799,399	3,833,464	4,105,273	*8.1%*	*7.1%*
Support of the Arts	800,000	930,000	930,000	900,000	*-3.2%*	*-3.2%*
Historic Preservation	772,907	800,000	800,000	800,000	*0.0%*	*0.0%*
Special Events	187,636	400,812	400,812	400,812	*0.0%*	*0.0%*
Music Festival	192,793	185,000	185,000	185,000	*0.0%*	*0.0%*
Civic Center Equip.Rpl. Charge	500,000	500,000	500,000	500,000	*0.0%*	*0.0%*
Subtotal	$7,691,825	$9,829,104	$9,887,956	$10,242,046	*4.2%*	*3.6%*
Capital Outlay	0	117,500	117,500	0	*-100.0%*	*-100.0%*
TOTAL OPERATIONS	$7,691,825	$9,946,604	$10,005,456	$10,242,046	*3.0%*	*2.4%*
Transfer to General Fund	$487,214	$486,092	$495,539	$559,939	*15.2%*	*13.0%*
Transfer to Capital Reserve Fund	1,100,000	1,520,000	1,520,000	500,000	*-67.1%*	*-67.1%*
Transfer to Technology Fund	20,000	20,000	20,000	20,000	*0.0%*	*0.0%*
TOTAL TRANSFERS	$1,607,214	$2,026,092	$2,035,539	$1,079,939	*-46.7%*	*-46.9%*
TOTAL APPROPRIATIONS	$9,299,039	$11,972,696	$12,040,995	$11,321,984	*-5.4%*	*-6.0%*
WORKING CAPITAL	$5,666,155	$962,907	$3,535,931	$3,412,717	*254.4%*	*-3.5%*
Days of Operation				122		

Golf Course

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$131,220**	**$96,909**	**$11,637**	**$8,759**	***-91.0%***	***-24.7%***
Revenues						
Golf Fees	$828,465	$964,095	$964,095	$966,987	*0.3%*	*0.3%*
Concessions	52,340	60,803	60,803	60,985	*0.3%*	*0.3%*
Interest Income	379	800	800	800	*0.0%*	*0.0%*
Miscellaneous	6,911	0	0	0	*0.0%*	*0.0%*
TOTAL REVENUES	$888,095	$1,025,697	$1,025,698	$1,028,772	*0.3%*	*0.3%*
TOTAL RESOURCES	$1,019,315	$1,122,607	$1,037,335	$1,037,531	*-7.6%*	*0.0%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$626,674	$633,397	$644,841	$644,010	*1.7%*	*-0.1%*
Supplies	114,949	136,225	127,986	129,381	*-5.0%*	*1.1%*
Contractual Services	215,630	202,407	202,414	203,706	*0.6%*	*0.6%*
Sundry Charges	1,857	2,050	2,050	2,101	*2.5%*	*2.5%*
Subtotal	$959,110	$974,079	$977,291	$979,198	*0.5%*	*0.2%*
Capital Outlay	0	0	0	0	*0.0%*	*0.0%*
TOTAL OPERATIONS	$959,110	$974,079	$977,291	$979,198	*0.5%*	*0.2%*
Transfer to General Fund	48,567	51,285	51,285	51,439	*0.3%*	*0.3%*
TOTAL TRANSFERS	$48,567	$51,285	$51,285	$51,439	*0.3%*	*0.3%*
TOTAL APPROPRIATIONS	$1,007,677	$1,025,364	$1,028,576	$1,030,636	*0.5%*	*0.2%*
WORKING CAPITAL	$11,637	$97,244	$8,759	$6,895	*-92.9%*	*-21.3%*
Days of Operation				3		

Recreation Revolving

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	*Variance* *Bud to Bud*	*Est to Bud*
WORKING CAPITAL	**$2,141,891**	**$388,071**	**$962,316**	**$871,026**	***124.4%***	***-9.5%***
Revenues						
Recreation Fees	$3,668,982	$4,004,619	$3,904,619	$4,016,633	*0.3%*	*2.9%*
Contributions	7,802	4,355	4,355	4,368	*0.3%*	*0.3%*
Interest Income	21,220	15,000	20,000	20,000	*33.3%*	*0.0%*
Miscellaneous	57,036	57,775	57,775	57,948	*0.3%*	*0.3%*
TOTAL REVENUES	$3,755,040	$4,081,749	$3,986,749	$4,098,949	*0.4%*	*2.8%*
TOTAL RESOURCES	$5,896,931	$4,469,820	$4,949,065	$4,969,975	*11.2%*	*0.4%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$1,283,048	$1,601,239	$1,625,396	$1,664,116	*3.9%*	*2.4%*
Materials & Supplies	245,584	206,427	224,693	211,588	*2.5%*	*-5.8%*
Contractual	1,702,076	1,782,054	1,789,566	1,826,605	*2.5%*	*2.1%*
Sundry	32,351	34,329	36,724	35,187	*2.5%*	*-4.2%*
Subtotal	$3,263,059	$3,624,049	$3,676,379	$3,737,496	*3.1%*	*1.7%*
Capital Outlay	1,496,255	200,000	202,323	0	*-100.0%*	*-100.0%*
TOTAL OPERATIONS	$4,759,314	$3,824,049	$3,878,702	$3,737,496	*-2.3%*	*-3.6%*
Transfer to General Fund	$175,301	$204,087	$199,337	$204,947	*0.4%*	*2.8%*
TOTAL TRANSFERS	$175,301	$204,087	$199,337	$204,947	*0.4%*	*2.8%*
TOTAL APPROPRIATIONS	$4,934,615	$4,028,136	$4,078,039	$3,942,443	*-2.1%*	*-3.3%*
WORKING CAPITAL	$962,316	$441,684	$871,026	$1,027,531	*132.6%*	*18.0%*
Days of Operation				100		

PTV

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$1,744,112**	**$233,464**	**$1,649,688**	**$783,603**	***235.6%***	***-52.5%***
Revenues						
Plano Television Network Fee	$869,949	$906,431	$878,183	$883,452	*-2.5%*	*0.6%*
Interest Income	13,454	10,000	10,000	10,000	*0.0%*	*0.0%*
Transfer In Gen Fund - Franch. Fees	250,000	250,000	250,000	250,000	*0.0%*	*0.0%*
Transfer In Technology Fund	250,000	250,000	250,000	250,000	*0.0%*	*0.0%*
Miscellaneous	0	500	500	500	*0.0%*	*0.0%*
TOTAL REVENUES	$1,383,403	$1,416,931	$1,388,683	$1,393,952	*-1.6%*	*0.4%*
TOTAL RESOURCES	$3,127,515	$1,650,395	$3,038,371	$2,177,555	*31.9%*	*-28.3%*
APPROPRIATIONS						
Operating Expense						
Salaries & Wages	$594,881	$605,054	$619,170	$618,355	*2.2%*	*-0.1%*
Materials & Supplies	75,336	30,920	60,608	30,920	*0.0%*	*-49.0%*
Contractual	225,729	401,380	644,842	401,380	*0.0%*	*-37.8%*
Equipment Reserve	0	200,000	200,000	200,000	*0.0%*	*0.0%*
Subtotal	895,946	1,237,354	1,524,620	1,250,655	*1.1%*	*-18.0%*
Capital Outlay	581,881	300,000	730,148	0	*-100.0%*	*-100.0%*
TOTAL APPROPRIATIONS	1,477,827	1,537,354	2,254,768	1,250,655	*-18.6%*	*-44.5%*
WORKING CAPITAL	$1,649,688	$113,041	$783,603	$926,900	*720.0%*	*18.3%*
Days of Operation				271		

Risk Management Fund

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$2,762,888**	**$1,767,366**	**$3,863,201**	**$2,180,091**	***23.4%***	***-43.6%***
Resources						
General Fund Transfer In	$3,700,000	$3,700,000	$3,700,000	$3,700,000	*0.0%*	*0.0%*
Water & Sewer Fund Transfer In	671,769	655,086	655,086	655,086	*0.0%*	*0.0%*
Sustain. & Env. Svcs. Fund Transfer In	335,673	325,571	325,571	325,571	*0.0%*	*0.0%*
Claims Recovered	1,004,143	200,000	200,000	200,000	*0.0%*	*0.0%*
Interest Earned	50,042	50,000	50,000	50,000	*0.0%*	*0.0%*
TOTAL REVENUES	$5,761,627	$4,930,658	$4,930,657	$4,930,657	*-0.0%*	*0.0%*
TOTAL RESOURCES	$8,524,515	$6,698,024	$8,793,858	$7,110,748	*6.2%*	*-19.1%*
APPROPRIATIONS						
Workers' Compensation	$1,715,741	$2,302,058	$2,302,058	$2,302,058	*0.0%*	*0.0%*
Judgements and Damages	1,121,889	1,200,000	1,950,000	1,200,000	*0.0%*	*-38.5%*
Risk Management Operations	1,823,684	2,249,239	2,361,709	2,273,650	*1.1%*	*-3.7%*
TOTAL APPROPRIATIONS	$4,661,314	$5,751,297	$6,613,767	$5,775,708	*0.4%*	*-12.7%*
UNAPPROPRIATED FUND BALANCE	$3,863,201	$946,727	$2,180,091	$1,335,040	*41.0%*	*-38.8%*

Capital Reserve

	Actual 2015-16	Budget 2016-17	Re-Est 2016-17	Projected 2017-18	Variance Bud to Bud	Variance Est to Bud
WORKING CAPITAL	**$52,217,010**	**$43,853,967**	**$50,266,433**	**$31,938,098**	***-27.2%***	***-36.5%***
Revenues						
General Fund Transfer In	$23,600,000	$24,550,000	$24,550,000	$24,550,000	*0.0%*	*0.0%*
Water & Sewer Transfer In	1,500,000	1,500,000	1,500,000	1,500,000	*0.0%*	*0.0%*
Municipal Drainage Transfer In	500,000	500,000	500,000	500,000	*0.0%*	*0.0%*
Convention & Tourism Transfer In	1,100,000	1,520,000	1,520,000	1,440,000	*-5.3%*	*-5.3%*
Fund Interest Earnings	412,491	300,000	300,000	300,000	*0.0%*	*0.0%*
Rollback Taxes	2,080,324	1,000,000	1,500,000	750,000	*-25.0%*	*-50.0%*
Insurance/Damage Receipts	0	2,245,000	2,245,000	0	*-100.0%*	*-100.0%*
Reimbursement from Collin County	0	1,500,000	1,500,000	1,500,000	*0.0%*	*0.0%*
Reimbursement from NCTCOG	916,000	0	0	0	*0.0%*	*0.0%*
Screening Walls & Contributions	67,259	12,500	12,500	0	*-100.0%*	*-100.0%*
TOTAL REVENUE	$30,176,074	$33,127,500	$33,627,500	$30,540,000	*-7.8%*	*-9.2%*
TOTAL RESOURCES	$82,393,084	$76,981,467	$83,893,933	$62,478,098	*-18.8%*	*-25.5%*
APPROPRIATIONS						
Streets & Drainage Projects	$18,671,155	$26,725,000	$31,178,487	$27,825,000	*4.1%*	*-10.8%*
Park Improvement Projects	8,156,441	10,480,000	11,350,560	9,305,000	*-11.2%*	*-18.0%*
Municipal Facilities Projects	4,499,895	9,245,600	8,660,788	3,919,000	*-57.6%*	*-54.8%*
Water & Sewer Projects	665,951	766,000	766,000	766,000	*0.0%*	*0.0%*
Audit Adjustment	133,209	0	0	0	*0.0%*	*0.0%*
TOTAL OPERATIONS	$32,126,651	$47,216,600	$51,955,835	$41,815,000	*-11.4%*	*-19.5%*
TOTAL APPROPRIATIONS	$32,126,651	$47,216,600	$51,955,835	$41,815,000	*-11.4%*	*-19.5%*
WORKING CAPITAL	$50,266,433	$29,764,867	$31,938,098	$20,663,098	*-30.6%*	*-35.3%*

Budget Calendar

OPERATING BUDGET CALENDAR
Fiscal Year 2017-18

Feb. 1, 3	Core Business Matrix - Kick Off
Feb. 8	Personnel worksheets issued for verification
Feb. 24	Budget & Research Department issues calendar and instructions for requesting the following internal review items: Requests due to service departments for internal review items listed above. Changes to Personnel worksheets due to Budget & Research Department. Preliminary FY 2017-18 Personnel requests submitted to Technology Services, Human Resources, and City Manager. Equipment Services distributes recommendations for vehicle and rolling stock replacements.
March 13	Cost information and recommendations due back to Departments on internal review items.
March 17	Budget & Research Department meets with City Manager and Deputy City Managers to present mid-year revenue and expenditure forecast, review preliminary assumptions and set budget parameters, targets, and goals. Status of the Community Investment Program is also discussed.
March 24, 29	Budget & Research Department staff provides training on instructions, forms, automation, supplements, and other issues.
March 27	Budget & Research Department presents FY 2016-17 Status Report and Three-Year Financial Summary to City Council for review and input.
March 28	At Management Team meeting, Budget & Research Department gives overview and distributes instructions, forms and departmental targets.
March 31	Departmental Core Business Matrix - due to Budget Department.
April 10	Budget & Research Department re-assesses revenue estimates for the current and upcoming year and advises the City Manager of these changes.
May 5	All departmental Operating Budgets due to area Deputy City Managers.
May 6	Election Day - 2017 Bond Refrendum
May 12	All departmental Operating Budget requests due in Budget & Research Department.
May 15 - June 9	Budget & Research Department compiles total Operating Budget requests and Community Investment Program requests.
June 12	Budget & Research Department presents total request to the City Manager with highlights, issues, options and recommendations.
June 14 (TBD)	Technology Services Steering Committee prioritizes all departmental Technology Requests and submits recommendation to the City Manager. (TBD)
June 13, 14, 15	City Manager reviews Operating Budgets and Community Investment Program with all department heads.
July 11	City Manager gives final budget instructions to Budget & Research Department.
July 14	Budget & Research Department notifies departments of preliminary funded FY 2017-18 requests and/or reductions.
July 18	Draft Operating Budget and Community Investment Program submitted to City Manager for review.
July 26	City Manager submits FY 2017-18 Recommended Budget and Proposed Community Investment Program to City Council.
Aug. 2	Grant Funding - City Council Budget Work Session.
Aug. 14	Presentation of Proposed Community Investment Program to the City Council. Public Hearing on Operating Budget and Community Investment Program. Approval of Appraisal Roll.
Aug. 19	City Council Budget Work Session.
Aug. 28	1st Public Hearing on tax rate.
Sept. 5	2nd Public Hearing on tax rate.
Sept. 11	City Council adopts Operating Budget, Community Investment Program, and sets Tax Rate.
Oct. 1	New fiscal year begins.

The Budget & Research Department reserves the right to make changes to this calendar, as required or may be appropriate, to facilitate the timely execution of tasks and required productions of publications.

History of Tax Base

HISTORY OF TAX BASE IN PLANO AND PROJECTION FOR 2017-18, 2018-19 & 2019-20							
As of Jan. 1	Taxable Value	New Property	Existing Tax Base	Change in Total Value $	Change in Total %	Change in Base $	Change in Base %
1999	$13,318,803,313	$ 973,732,898	$12,345,070,415	$1,659,783,922	14.24%	$ 686,051,024	5.88%
2000	$14,970,714,724	$1,075,343,168	$13,895,371,556	$1,651,911,411	12.40%	$ 576,568,243	4.33%
2001	$16,951,975,217	$1,209,831,901	$15,741,143,316	$1,981,260,493	13.23%	$ 771,428,592	5.15%
2002	$18,923,096,351	$ 952,719,113	$17,970,377,238	$1,971,121,134	11.63%	$1,018,402,021	6.01%
2003	$20,194,219,506	$ 913,900,252	$19,280,319,254	$1,271,123,155	6.72%	$ 357,222,903	1.89%
2004	$20,398,670,327	$ 434,730,669	$19,963,939,658	$ 204,450,821	1.01%	($230,279,848)	-1.14%
2005	$20,869,734,810	$ 328,684,415	$20,541,050,395	$ 471,064,483	2.31%	$ 142,380,068	0.70%
2006	$21,649,265,385	$ 376,517,872	$21,272,747,513	$ 779,530,575	3.74%	$ 403,012,703	1.93%
2007	$22,829,141,312	$ 556,469,319	$22,272,671,993	$1,179,875,927	5.45%	$ 623,406,608	2.88%
2008	$24,511,500,675	$ 568,050,666	$23,943,450,009	$1,682,359,363	7.37%	$1,114,308,697	4.88%
2009	$25,785,315,308	$ 559,678,673	$25,225,636,635	$1,273,814,633	5.20%	$ 714,135,960	2.91%
2010	$25,507,218,156	$ 380,409,056	$25,126,809,100	($278,097,152)	-1.08%	($658,506,208)	-2.55%
2011	$24,680,898,705	$ 262,876,373	$24,418,022,332	($826,319,451)	-3.24%	($1,089,195,824)	-4.27%
2012	$25,014,043,679	$ 182,400,018	$24,831,643,661	$333,144,974	1.35%	$150,744,956	0.61%
2013	$25,647,504,913	$ 228,485,716	$25,419,019,197	$633,461,234	2.53%	$404,975,518	1.62%
2014	$26,925,173,431	$ 337,707,494	$26,587,465,937	$1,277,668,518	4.98%	$939,961,024	3.66%
2015	$28,832,885,675	$ 511,772,333	$28,321,113,342	$1,907,712,244	7.09%	$1,395,939,911	5.18%
2016	$31,280,010,953	$ 536,099,837	$30,743,911,116	$2,447,125,278	8.49%	$1,911,025,441	6.63%
2017	$34,352,527,039	$ 750,707,776	$33,601,819,263	$3,072,516,086	9.82%	$2,321,808,310	7.42%
2018	$36,726,628,121	$1,000,000,000	$35,726,628,121	$2,374,101,082	7.59%	$1,374,101,082	4.00%
2019	$39,195,693,245	$1,000,000,000	$38,195,693,245	$2,469,065,125	7.89%	$1,469,065,125	4.00%
2020	$41,263,520,975	$ 500,000,000	$40,763,520,975	$2,067,827,730	6.02%	$1,567,827,730	4.00%

Ad Valorem Tax Analysis

Three-Year Financial Forecast Ad Valorem Tax Analysis					
Existing Property Values			**4.00%**	**4.00%**	**4.00%**
New Property Growth			**1,000,000,000**	**1,000,000,000**	**500,000,000**
	2015-16 Actual	**2016-17 Budget**	**2017-18 Projected**	**2018-19 Projected**	**2019-20 Projected**
Analysis of Tax Rate					
Total Taxable Value	$31,280,010,953	$34,352,527,039	$36,726,628,121	$39,195,693,246	$41,263,520,976
Change in Total Value ($)	2,447,125,278	3,072,516,086	2,374,101,082	2,469,065,125	2,067,827,730
Change in Total Value (%)	8.49%	9.82%	6.91%	6.72%	5.28%
Tax Rate	0.4886	0.4786	0.4786	0.4786	0.4786
Levy	152,834,134	164,411,194	175,773,642	187,590,588	197,487,211
Current Collections	149,652,773	162,767,082	174,015,906	185,714,682	195,512,339
Current Collections Percent	97.9%	99.0%	99.0%	99.0%	99.0%
Delinquent Collections	1,921,117	1,644,112	1,757,736	1,875,906	1,974,872
Penalty & Interest	902,627	779,802	833,694	889,742	936,682
Total Collections	152,476,517	165,190,997	176,607,337	188,480,330	198,423,893
Total Current Levy	99.8%	100.5%	100.5%	100.5%	100.5%
Debt Allocation					
Rate	0.1310	0.1230	0.1230	0.1230	0.1230
Current Collections	40,124,617	40,648,638	43,421,338	46,297,851	48,672,770
Delinquent Collections	641,482	422,536	451,738	482,107	507,541
Penalty & Interest	251,882	169,014	180,695	192,843	203,017
General Fund Allocation					
Rate	0.3576	0.3556	0.3556	0.3556	0.3556
Current Collections	109,528,156	117,855,236	125,905,039	134,258,350	141,165,240
Delinquent Collections	1,279,635	1,221,576	1,305,999	1,393,799	1,467,331
Penalty & Interest	650,745	610,788	652,999	696,899	733,665
One Cent Equivalent on Tax Rate			**$3,635,936**	**$3,880,374**	**$4,085,089**

Transfers

Three-Year Financial Forecast

GENERAL FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
Capital Reserve	$23,600,000	$24,550,000	$24,550,000	$24,550,000	$24,550,000	$24,550,000
Risk Management Fund	3,700,000	3,700,000	3,700,000	3,700,000	3,700,000	3,700,000
Technology Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
TS Replacement Fund	500,000	500,000	500,000	500,000	500,000	500,000
PTV	250,000	250,000	250,000	250,000	250,000	250,000
Economic Development	7,193,442	6,801,800	6,801,800	7,271,872	7,760,747	8,170,177
PID	50,000	0	0	0	0	0
Total Transfers	**$36,293,442**	**$36,801,800**	**$36,801,800**	**$37,271,872**	**$37,760,747**	**$38,170,177**

GENERAL OBLIGATION DEBT FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
Tax Notes - Radio System	$1,020,075	$0	$0	$0	$0	$0
C.O.'s - Radio System	906,000	905,400	905,400	905,450	906,475	906,625
Tax Nt Radio Repl, PLL, Phone	971,550	996,500	996,500	998,800	995,700	997,300
Tax Nt NextGen Program	0	0	638,422	2,567,950	2,571,700	2,570,450
Total Transfers	**$2,897,625**	**$1,901,900**	**$2,540,322**	**$4,472,200**	**$4,473,875**	**$4,474,375**

WATER & SEWER FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$16,477,150	$17,760,456	$17,760,456	$18,260,456	$18,808,270	$19,372,518
Water & Sewer CIP	10,000,000	12,500,000	12,500,000	10,000,000	10,000,000	10,000,000
Capital Reserve	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
W & S Debt Srevice	0	1,837,225	1,837,225	1,835,400	1,834,750	1,833,350
Risk Management Fund	671,769	655,086	655,086	655,086	674,739	694,981
Technology Fund	300,000	300,000	300,000	300,000	300,000	300,000
Technology Services	3,324,873	3,058,724	3,058,724	3,058,724	3,150,486	3,245,000
Total Transfers	**$32,273,792**	**$37,611,491**	**$37,611,491**	**$35,609,666**	**$36,268,244**	**$36,945,849**

SUSTAINABILITY & ENVIRONMENTAL SERVICES FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$1,169,290	$1,483,735	$1,484,493	$1,740,374	$1,753,462	$1,764,445
Technology Fund	60,000	60,000	60,000	60,000	60,000	60,000
Risk Management Fund	335,673	325,571	325,571	325,571	325,571	325,571
Total Transfers	**$1,564,963**	**$1,869,307**	**$1,870,065**	**$2,125,945**	**$2,139,033**	**$2,150,017**

MUNICIPAL DRAINAGE FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$508,777	$511,067	$518,842	$520,398	$523,521	$526,138
Technology Fund	50,000	20,000	20,000	20,000	20,000	20,000
Capital Reserve Fund	500,000	500,000	500,000	500,000	500,000	500,000
Revenue Debt	2,550,382	2,436,925	2,396,948	2,501,836	2,586,625	2,561,428
Total Transfers	**$3,609,159**	**$3,467,992**	**$3,435,790**	**$3,542,234**	**$3,630,146**	**$3,607,566**

CONVENTION & TOURISM	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$487,214	$486,092	$495,539	$559,939	$587,452	$600,109
Capital Reserve	1,100,000	1,520,000	1,520,000	500,000	500,000	500,000
Technology Fund	20,000	20,000	20,000	20,000	20,000	20,000
Total Transfers	**$1,607,214**	**$2,026,092**	**$2,035,539**	**$1,079,939**	**$1,107,452**	**$1,120,109**

RECREATION REVOLVING FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$175,301	$204,087	$199,337	$204,947	$206,171	$207,197
Total Transfers	**$175,301**	**$204,087**	**$199,337**	**$204,947**	**$206,171**	**$207,197**

GOLF COURSE FUND	2015-16 Actual	2016-17 Budget	2016-17 Re-Est.	2017-18 Projected	2018-19 Projected	2019-20 Projected
Transfers To:						
General Fund	$48,567	$51,285	$51,285	$51,439	$51,747	$52,006
Total Transfers	**$48,567**	**$51,285**	**$51,285**	**$51,439**	**$51,747**	**$52,006**

Projected CIP Impact

Projected General Fund O&M Expenses Community Investment Program			
	2017-18	**2018-19**	**2019-20**
Facility Maintenance & Services			
Senior Center Expansion	66,268		
Enfield Park Maintenance	5,618		
Carpenter Rec Center Pool Addition	5,618		
Northwest Plano Police Substation		544,138	
Fire Training Center		210,598	
Davis Library Expansion		100,554	
Liberty Rec Center Expansion		62,690	
Harrington Library Expansion			99,929
Facility O&M Total	77,504	917,980	99,929
Park O&M Impact			
Capital Reserve Additions	123,110	108,000	68,000
Park Fee Program Additions	38,000	42,500	
2009 & 2013 Park Bond Projects	138,227		
2017 Park Bond Projects	80,000	262,000	605,000
Recreation O&M Total	379,337	412,500	673,000
Recreation O&M Impact			
Senior Center Expansion	53,200		
Liberty Rec Center Renovation		20,000	
Oak Point Rec Center Pool Addition			355,000
Recreation O&M Total	53,200	20,000	355,000
Total CIP O&M Expenditures	**510,041**	**1,350,480**	**1,127,929**
Recreation Revenue Impact			
Oak Point Rec Center Expansion	(76,000)		
Liberty Rec Center Renovation		(34,000)	
Oak Point Rec Center Pool Addition			(42,000)
Recreation Revenue Total	(76,000)	(34,000)	(42,000)
Total CIP O&M Expenditures after Revenues	**434,041**	**1,316,480**	**1,085,929**
Tax Rate Impact	0.12	0.35	0.27
Cumulative			
New CIP O&M for 2017-18	434,041	434,041	434,041
New CIP O&M for 2018-19		1,316,480	1,316,480
New CIP O&M for 2019-20			1,085,929
Total Cumulative O&M	**434,041**	**1,750,521**	**2,836,450**