

The mission of the Gas Fund is to provide reliable and affordable natural gas service to its customers while complying with state and federal regulations. The City's natural gas distribution system is one of three such municipally-owned enterprises in the Commonwealth of Virginia. Danville has been in the natural gas business since 1876 and became the first customer to receive gas from on- and offshore wells in Texas and Louisiana on the Transcontinental Gas Pipeline (TRANSCO). Three years ago, Danville signed a full requirements wholesale gas supply contract with MuniGas of Houston, Texas that provides gas at discounted prices.

The City's distribution system contains approximately 354 miles of mains ranging in size from 1¼ inches to 16 inches and 54 district regulators that supply customers at suitable pressures. Gas is supplied to approximately 16,000 service accounts. The City's natural gas service is staffed by personnel trained and equipped to handle both natural gas and potable water distribution systems.

Contribution to (from) Fund Balance/General Fund

	Adopted Budget FY 2018	Adopted Budget FY 2019
Revenues		
Revenues from Use of Money and Property	\$ 544,800	\$ 505,340
Charges for Services	\$24,774,250	\$ 22,462,280
Miscellaneous Revenue	\$ 27,000	\$ 16,000
Transfer from Fund Balance	\$ -	\$ -
Estimated Income	\$ 25,346,050	\$ 22,983,620
 Operating Expenditures		
Administrative Services	\$ 3,894,430	\$ 3,734,150
Engineering	\$ 643,300	\$ 421,730
Gas Control	\$15,643,040	\$ 13,823,330
Distribution	\$ 477,570	\$ 539,310
Service	\$ 237,490	\$ 244,730
Meters and Regulators	\$ 201,470	\$ 190,620
Capital Expenses	\$ 1,408,170	\$ 1,074,810
Capital Projects	\$ 1,100,000	\$ 1,100,000
Operating Expenses	\$ 23,605,470	\$ 21,128,680
Net Operating Income (Loss)	\$ 1,740,580	\$ 1,854,940
Add:		
Depreciation	\$ 1,605,000	\$ 1,565,000
Deduct:		
Debt Service Principal	\$ 225,660	\$ 234,390
Capital Expenditures from Operating	\$ -	\$ -
Contribution to City's General Fund	<u>\$ 3,059,330</u>	<u>\$ 3,059,330</u>
Contribution To(From) Retained Earnings	<u>\$ 60,590</u>	<u>\$ 126,220</u>

Revenues

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted	Increase/ Decrease
Rev-Use Money/Property	\$ 529,938	\$ 530,717	\$ 544,800	\$ 505,340	\$ (39,460)
Charges for Services	\$ 20,923,374	\$ 20,652,400	\$ 24,774,250	\$ 22,462,280	\$ (2,311,970)
Miscellaneous Revenue	\$ 14,112	\$ 19,975	\$ 27,000	\$ 16,000	\$ (11,000)
	\$ 21,467,424	\$ 21,203,092	\$ 25,346,050	\$ 22,983,620	\$ (2,362,430)

Expenditures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted	Increase/ Decrease
Personnel Services	\$ 1,317,662	\$ 1,265,785	\$ 1,366,140	\$ 1,447,280	\$ 81,140
Employee Benefits	\$ 213,313	\$ 175,280	\$ 216,770	\$ 225,170	\$ 8,400
Purchased Services	\$ 1,016,305	\$ 1,341,006	\$ 978,930	\$ 481,010	\$ (497,920)
Internal Service	\$ 233,255	\$ 213,714	\$ 244,580	\$ 214,870	\$ (29,710)
Other Operating Expense	\$ 945,670	\$ 688,792	\$ 960,680	\$ 812,160	\$ (148,520)
Source of Supply	\$ 12,408,914	\$ 12,764,203	\$ 15,190,560	\$ 13,343,220	\$ (1,847,340)
Cost Allocation	\$ 1,456,193	\$ 1,501,338	\$ 1,663,170	\$ 1,636,500	\$ (26,670)
Capital Outlay	\$ 62,451	\$ 109,858	\$ 111,170	\$ 145,440	\$ 34,270
Capital Projects	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000	\$ -
Depreciation	\$ 1,543,147	\$ 1,539,687	\$ 1,605,000	\$ 1,565,000	\$ (40,000)
Debt Service	\$ 267,333	\$ 271,061	\$ 294,130	\$ 292,420	\$ (1,710)
Transfer Out	\$ 3,008,330	\$ 3,008,330	\$ 3,059,330	\$ 3,059,330	\$ -
Contingency Appropriation	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -
	\$ 22,472,573	\$ 22,879,054	\$ 26,890,460	\$ 24,422,400	\$ (2,468,060)