

# Gas Fund

Fiscal Year 2026 Operating Budget

## Fund Overview

	ADOPTED BUDGET	ADOPTED BUDGET
	FY2025	FY2026
Revenues		
Revenue-Use Money/Property	\$427,171	\$598,500
Charges for Services	\$20,506,922	\$19,864,170
Miscellaneous Revenue	\$6,500	\$7,700
Transfers In	–	\$1,125,000
REVENUES TOTAL	\$20,940,593	\$21,595,370
Operating Expenses		
Administration Services	\$2,062,450	\$2,192,220
Debt Service	\$97,590	\$149,690
Distribution	\$1,003,027	\$1,030,910
Engineering	\$373,172	\$418,330
Gas Control	\$599,667	\$637,600
Meters & Regulators	\$188,914	\$186,670
Regular Capital Maintenance	\$318,633	\$453,570
Service	\$462,039	\$515,630
OPERATING EXPENSES TOTAL	\$5,105,493	\$5,584,620
Other	\$14,097,109	\$14,464,130
Total Operating Expense	\$19,202,602	\$20,048,750
Contribution to General Fund	\$3,199,330	\$3,199,330
Total Expenditures	\$22,401,932	\$23,248,080
Add - Depreciation	\$1,578,100	\$1,589,130
Total Expenditures (less depreciation)	\$20,823,832	\$21,658,950
Revenue in excess of Operating Expense	\$116,761	(\$63,580)
Revenues Over (Under) Expenses	\$116,761	(\$63,580)

## Major Revenue Sources

Revenue categories for this fund are as follows:

**REVENUE – USE OF MONEY/PROPERTY:** This revenue category includes: Interest on Investments - All of the City's funds are invested in secured accounts in an attempt to earn the highest possible return. Investment earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. Other sources include: Rental Income that is offset by vehicle and equipment charges to the divisions for daily and monthly usage. Sale-Salvage and Surplus Property - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal.

**CHARGES FOR SERVICES:** The major revenue source for the Gas Fund are customer charges. The residential customer class is the largest part of that revenue stream representing approximately 13,168 customers. The commercial customer class represents approximately 1509 customers, and the industrial base represents 19 firms, six interruptible and five transport customers. There are 54 municipal class represents gas sold to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees. The monthly charge for the Purchased Gas Adjustment is also included in Charges for Services. In FY22, the gas fund completed a twenty-year gas main replacement project.

**MISCELLANEOUS REVENUE:** Miscellaneous revenue includes charges to customers who request alternation or expansion of their existing services and for amounts billed to third parties for damages to equipment and infrastructure.

	ACTUAL			ADOPTED BUDGET	
	FY2023	FY2024	FY2025	FY2026	Increase/ (Decrease)
<b>Revenues</b>					
Revenue-Use Money/Property	\$531,321	\$1,084,959	\$427,171	\$598,500	\$171,329
Charges for Services	\$25,360,998	\$19,114,245	\$20,506,922	\$19,864,170	(\$642,752)
Miscellaneous Revenue	\$1,929	\$8,160	\$6,500	\$7,700	\$1,200
Recovered Cost	\$18,906	\$421	–	–	\$0
Transfers In	–	–	–	\$1,125,000	\$1,125,000
Other Revenue	(\$104,186)	\$97,197	–	–	\$0
<b>REVENUES TOTAL</b>	<b>\$25,808,968</b>	<b>\$20,304,982</b>	<b>\$20,940,593</b>	<b>\$21,595,370</b>	<b>\$654,777</b>

# Gas Administration

## Description

Danville has been in the gas distribution business since 1876. In 1950, the City was the first to begin receiving natural gas from the new, Transcontinental Gas Pipeline allowing Danville access to gas produced along the Gulf Coast. Danville has a gas-purchasing contract with Muni-Gas of Houston, Texas to purchase wholesale gas discounted from the market price.

Danville's gas system includes more than 356 miles of mains that are 1 to 12 inches in diameter. Thirteen regulator stations allow Danville to supply just over 13,000 customers. Danville Utilities-Water and Gas is staffed with employees equipped to handle both natural gas and potable water distribution system construction, maintenance, and service.

## Expenditures

	ACTUAL		ADOPTED BUDGET		
	FY2023	FY2024	FY2025	FY2026	Increase/(Decrease)
<b>Expenses</b>					
Personnel Services	\$67,322	\$62,199	\$64,349	\$65,930	\$1,581
Employee Benefits	\$1,308	\$12,894	\$33,158	\$34,130	\$972
Purchased Services	\$80,328	\$96,827	\$104,579	\$122,470	\$17,891
Internal Service	\$24,931	\$35,495	\$48,080	\$34,730	(\$13,350)
Other Operating Expense	\$317,186	\$327,785	\$242,407	\$271,655	\$29,248
Cost Allocation	\$1,296,196	\$1,329,214	\$1,550,788	\$1,663,305	\$112,518
Capital Expenses	\$399	\$2,685	\$0	\$0	\$0
Depreciation	\$1,575,310	\$1,605,427	\$1,578,100	\$1,589,130	\$11,030
Debt Service	\$27,477	\$22,769	\$19,090	\$0	(\$19,090)
Labor Expense Cross	\$10,783	\$5,535	–	\$0	\$0
Transfer Out	\$3,196,330	\$3,199,330	\$3,199,330	\$3,199,330	\$0
<b>EXPENSES TOTAL</b>	<b>\$6,597,570</b>	<b>\$6,700,160</b>	<b>\$6,839,880</b>	<b>\$6,980,680</b>	<b>\$140,800</b>

## Personnel

The Division Director position is allocated 50/50 to Water Distribution and Gas.

Position Title	FY2023	FY2024	FY2025	FY2026
<b>FTEs</b>				
DIVISION DIR OF WATER & GAS	0.5	0.5	0.5	0.5
<b>FTES</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

# Gas Engineering

## Description

Gas Engineering performs complex work managing the design, planning, and coordination of projects to ensure reliable, safe and efficient operation of Danville's natural gas system. This is accomplished by managing projects for new main and service installations, main rehabilitation, economic development, roadway construction and relocations; performing system testing and calculations for adequate capacity; reviewing plans and engineering work performed by consultants and interpreting and implementing regulations related to construction of the gas distribution system. In addition, Gas Engineering maintains and supports the Gas Geographic Information System, ensures compliance with Pipeline Safety and various environmental regulations, including the Distribution Integrity Management Program (DIMP), and performs investigations for response to regulatory and compliance issues. The Gas Engineering group provides technical and operational support for measurement, leak survey and cathodic protection.

## Expenditures

	ACTUAL		ADOPTED BUDGET		Increase/(Decrease)
	FY2023	FY2024	FY2025	FY2026	
<b>Expenses</b>					
Personnel Services	\$167,075	\$209,591	\$234,340	\$248,480	\$14,140
Employee Benefits	\$18,382	\$24,295	\$28,652	\$32,150	\$3,498
Purchased Services	\$11,782	\$21,993	\$59,167	\$83,040	\$23,873
Internal Service	\$1,878	\$716	\$1,300	\$2,650	\$1,350
Other Operating Expense	\$14,041	\$9,006	\$38,392	\$46,845	\$8,453
Capital Expenses	\$4,597	\$1,180	\$11,321	\$5,165	(\$6,156)
<b>EXPENSES TOTAL</b>	<b>\$217,756</b>	<b>\$266,781</b>	<b>\$373,172</b>	<b>\$418,330</b>	<b>\$45,158</b>

## Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
<b>FTEs</b>				
CONSTRUCTION INSPECTOR	0.5	0.5	0.5	0.5
SENIOR SECRETARY	0.25	0.25	0.25	0.25
W&G CHIEF ENGINEER	0.5	0.5	0.5	0.5
W&G COMPLIANCE COORDINATOR	0.5	0.5	0.5	0.5
W&G CORROSION TECHNICIAN	0.5	0	0	0
W&G PROJECT ENGINEER	0	0	0	0
W&G PROJECT MANAGER	0	0.5	0	0
W&G SR ENGINEERING TECHNICIAN	1	1	1	1
W&G SR GIS/CAD TECHNICIAN	0	0	0.5	0.5
WATER & GAS ENGINEERING AIDE	0	0	0	0
WG GIS ENGINEERING TECHNICIAN	1	1	0.5	0.5
<b>FTEs</b>	<b>4.25</b>	<b>4.25</b>	<b>3.75</b>	<b>3.75</b>

# Gas Control

## Description

The Gas Control group manages the purchase and dispatch of the City's natural gas supply. The division participates in negotiations for acquiring gas and delivery contracts to meet system and customer needs and develops and administers cost-effective capacity and commodity procurement strategies. Gas control monitors system pressures, customer usage, capacity limits, and weather to optimize throughput and revenue. The technicians install, operate, and maintain electronic gas measurement equipment.

## Expenditures

ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2023	FY2024	FY2025	FY2026	Increase/(Decrease)
<b>Expenses</b>					
Personnel Services	\$326,994	\$434,254	\$445,540	\$456,985	\$11,445
Employee Benefits	\$35,148	\$46,787	\$52,818	\$57,670	\$4,852
Purchased Services	\$8,349	\$10,201	\$15,530	\$33,545	\$18,015
Internal Service	\$9,598	\$8,688	\$10,500	\$10,500	\$0
Other Operating Expense	\$47,043	\$86,080	\$75,279	\$78,900	\$3,621
Source of Supply	\$17,379,341	\$10,997,400	\$12,519,009	\$12,875,000	\$355,991
Capital Expenses	\$587	\$230	–	–	\$0
<b>EXPENSES TOTAL</b>	<b>\$17,807,059</b>	<b>\$11,583,640</b>	<b>\$13,118,676</b>	<b>\$13,512,600</b>	<b>\$393,924</b>

## Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
<b>FTEs</b>				
GAS CONTROL TECHNICIAN	2	2	2	2
GAS SUPPLY ANALYST	1	1	1	1
UTILITY OPERATIONS SUPERVISOR	0	0.4	0.4	0.4
UTILITY OPERATOR	2.8	2.8	2.8	2.8
<b>FTEs</b>	<b>5.8</b>	<b>6.2</b>	<b>6.2</b>	<b>6.2</b>

# Gas Distribution

## Description

Gas Distribution group maintains and installs gas mains, valves, and services. They repair leaks, inspect and repair valves, and demo services as needed. This group responds to natural gas emergencies affecting gas mains and services continuously throughout the year.

## Expenditures

	ACTUAL		ADOPTED BUDGET		Increase/(Decrease)
	FY2023	FY2024	FY2025	FY2026	
<b>Expenses</b>					
Personnel Services	\$244,043	\$238,545	\$575,515	\$547,030	(\$28,485)
Employee Benefits	\$26,184	\$26,325	\$66,804	\$66,560	(\$244)
Purchased Services	\$68,284	\$186,300	\$125,302	\$190,760	\$65,458
Internal Service	—	—	\$33,100	\$100	(\$33,000)
Other Operating Expense	\$102,008	\$143,620	\$200,166	\$226,210	\$26,044
Capital Expenses	\$157	—	\$2,140	\$250	(\$1,890)
<b>EXPENSES TOTAL</b>	<b>\$440,676</b>	<b>\$594,790</b>	<b>\$1,003,027</b>	<b>\$1,030,910</b>	<b>\$27,883</b>

## Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
<b>FTEs</b>				
CONSTRUCTION WORKER	0	0	0	0
MOTOR EQUIPMENT OPERATOR II	0	0	0	0.5
PUBLIC SERVICE WORKER	0	0	0	0
UTILITIES PIPELINE TECHNICIAN I	2.08	6	5	5
UTILITIES PIPELINE TECHNICIAN II	1.54	0.5	2	1.5
UTILITIES PIPELINE TECHNICIAN III	0.78	1	0.5	0.5
W&G CONSTRUCTION CREW SUPERVSR	0.52	0	0	0.5
W&G CONSTRUCTION INSPECTOR	0	0	0	0
W&G CORROSION/WELDING SUPV	0	0	0.5	0.5
W&G CREW SUPERVISOR	0.78	2.5	2.5	2
W&G DISTRIBUTION SUPERINTENDEN	0.5	0.5	0.5	0.5
W&G DISTRIBUTION SUPERVISOR	0	0	0	0
W&G WELDER/CREW SUPERVISOR	0.26	0.5	0	0
<b>FTEs</b>	<b>6.46</b>	<b>11</b>	<b>11</b>	<b>11</b>

# Gas Meters & Regulators

## Description

The Gas metering and regulator division is responsible for the maintenance, operation, and installation of the automated meter reading modules and the physical meters. The team tests, calibrates and removes or installs all gas meters in the distribution system.

## Expenditures

	ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET
	FY2023	FY2024	FY2025	FY2026	Increase/(Decrease)
Expenses					
Personnel Services	\$77,003	\$76,662	\$82,894	\$87,720	\$4,826
Employee Benefits	\$8,662	\$9,193	\$10,659	\$11,980	\$1,321
Purchased Services	\$15,576	\$5,162	\$15,245	\$16,060	\$815
Other Operating Expense	\$33,200	\$45,902	\$80,115	\$70,910	(\$9,205)
EXPENSES TOTAL	\$134,441	\$136,918	\$188,914	\$186,670	(\$2,244)

## Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
FTEs				
W&G METER TECHNICIAN	0.9	1	1	1
W&G SYSTEMS CONTROL SUPERINTEN	0.25	0.25	0.25	0.25
FTES	1.15	1.25	1.25	1.25

# Gas Capital

## Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion, modification and repair to the Gas distribution system for improved customer reliability, to allow future growth, and improve operational efficiency. This mission is accomplished by systematic construction and/ or modifications to the distribution system.

## Expenditures

	ACTUAL		ADOPTED BUDGET		Increase/(Decrease)
	FY2023	FY2024	FY2025	FY2026	
<b>Expenses</b>					
Personnel Services	\$79,814	\$114,354	\$5,000	\$5,100	\$100
Employee Benefits	\$8,584	\$12,515	\$383	\$390	\$8
Purchased Services	\$757,184	\$954,112	\$61,800	\$88,780	\$26,980
Other Operating Expense	\$350,855	\$499,947	\$165,950	\$220,620	\$54,670
Capital Expenses	\$130,402	\$135,452	\$85,500	\$123,500	\$38,000
Capital Projects	—	—	\$0	\$0	\$0
Debt Service	—	\$16,520	—	\$15,180	\$15,180
<b>EXPENSES TOTAL</b>	<b>\$1,326,839</b>	<b>\$1,732,900</b>	<b>\$318,633</b>	<b>\$453,570</b>	<b>\$134,938</b>

## Personnel

Hourly Gas fund employees are accounted for within capital projects through our work order system. There are no employees exclusively or specifically assigned to capital projects.

# Gas Debt Service

## Description

Gas Debt Service budgets and accounts for the retirement of principal for general obligation bonds for the Gas fund.

## Expenditures

	ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET	
	FY2023	FY2024	FY2025	FY2026	Increase/(Decrease)	
Expenses						
Debt Service	\$88,427	\$93,023	\$97,590	\$149,690	\$52,100	
EXPENSES TOTAL	\$88,427	\$93,023	\$97,590	\$149,690	\$52,100	

# Gas Distribution Service Group

## Description

The Gas Distribution Service group ensures that the system is safe and reliable by conducting leak surveys of the system and measuring cathodic protection and odorant levels. They install meters and the AMI equipment that allows remote meter reading for billing. The distribution service group is trained to recognize abnormal operating conditions that might affect public safety and they investigate customers' fuel pipes and appliances for leaks and proper installation. This group provides first response to emergency calls continuously throughout the year.

## Expenditures

	ACTUAL		ADOPTED BUDGET		ADOPTED BUDGET
	FY2023	FY2024	FY2025	FY2026	Increase/(Decrease)
<b>Expenses</b>					
Personnel Services	\$252,707	\$304,891	\$259,447	\$272,030	\$12,583
Employee Benefits	\$27,959	\$34,666	\$31,406	\$34,900	\$3,494
Purchased Services	\$836	\$798	\$7,460	\$7,170	(\$290)
Internal Service	—	—	\$250	\$150	(\$100)
Other Operating Expense	\$73,337	\$170,636	\$161,112	\$201,380	\$40,268
Capital Expenses	\$623	\$109	\$2,364	\$0	(\$2,364)
<b>EXPENSES TOTAL</b>	<b>\$355,460</b>	<b>\$511,100</b>	<b>\$462,039</b>	<b>\$515,630</b>	<b>\$53,591</b>

## Personnel

The Dispatcher is a shared position with the Water Fund.

Position Title	FY2023	FY2024	FY2025	FY2026
<b>FTEs</b>				
DISPATCHER	0.5	0.5	0.5	0.5
W&G SERVICE TECHNICIAN	3.5	3.5	3.5	3.5
W&G SYSTEMS CONTROL SUPERINTEN	0.25	0.25	0.25	0.25
<b>FTEs</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>