

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 2016	Adopted Budget FY 2017
Revenues		
Revenues from Use of Money and Property	\$ 485,800	\$ 633,070
Charges for Services	\$25,868,400	\$ 24,204,800
Miscellaneous Revenue	\$ 41,000	\$ 37,000
Transfer from Fund Balance	\$ 350,000	\$ 350,000
Estimated Income	\$ 26,745,200	\$ 25,224,870
 Operating Expenditures		
Administrative Services	\$ 3,825,150	\$ 3,805,190
Engineering	\$ 563,760	\$ 617,920
Gas Control	\$16,856,620	\$ 15,132,300
Distribution	\$ 600,580	\$ 617,940
Service	\$ 264,130	\$ 236,190
Meters and Regulators	\$ 182,100	\$ 210,120
Capital Expenses	\$ 1,273,290	\$ 1,461,170
Capital Projects	\$ 1,500,000	\$ 1,500,000
Operating Expenses	\$ 25,065,630	\$ 23,580,830
Net Operating Income (Loss)	\$ 1,679,570	\$ 1,644,040
Add:		
Depreciation	\$ 1,565,000	\$ 1,585,000
Deduct:		
Debt Service Principal	\$ 185,660	\$ 193,760
Capital Expenditures from Operating	\$ -	\$ -
Contribution to City's General Fund	\$ 3,008,330	\$ 3,008,330
Contribution To(From) Retained Earnings	\$ 50,580	\$ 26,950

Revenues

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	Increase/ Decrease
Rev-Use Money/Property	\$ 511,840	\$ 594,031	\$ 485,800	\$ 633,070	\$ 147,270
Charges for Services	\$ 26,114,593	\$ 23,991,061	\$ 25,868,400	\$ 24,204,800	\$ (1,663,600)
Miscellaneous Revenue	\$ 127,290	\$ 13,253	\$ 41,000	\$ 37,000	\$ (4,000)
Transfer from Fund Balance	\$ -	\$ -	\$ 350,000	\$ -	\$ (350,000)
	\$ 26,753,723	\$ 24,598,345	\$ 26,745,200	\$ 24,874,870	\$ (1,870,330)

Expenditures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	Increase/ Decrease
Personnel Services	\$ 1,201,231	\$ 1,247,705	\$ 1,307,790	\$ 1,302,120	\$ (5,670)
Employee Benefits	\$ 237,267	\$ 197,605	\$ 205,340	\$ 206,540	\$ 1,200
Purchased Services	\$ 2,285,123	\$ 2,276,582	\$ 1,059,240	\$ 1,088,960	\$ 29,720
Internal Service	\$ 209,879	\$ 277,766	\$ 187,930	\$ 275,550	\$ 87,620
Other Operating Expense	\$ 1,191,350	\$ 1,098,507	\$ 1,098,950	\$ 1,088,110	\$ (10,840)
Source of Supply	\$ 16,912,593	\$ 15,362,805	\$ 16,351,860	\$ 14,629,230	\$ (1,722,630)
Cost Allocation	\$ 1,513,009	\$ 1,604,347	\$ 1,552,620	\$ 1,608,070	\$ 55,450
Capital Outlay	\$ 95,321	\$ 86,001	\$ 47,100	\$ 120,390	\$ 73,290
Capital Projects	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -
Depreciation	\$ 1,372,943	\$ 1,448,078	\$ 1,565,000	\$ 1,585,000	\$ 20,000
Debt Service	\$ 292,475	\$ 275,488	\$ 275,460	\$ 270,620	\$ (4,840)
Transfer Out	\$ 3,008,330	\$ 3,008,330	\$ 3,008,330	\$ 3,008,330	\$ -
Contingency Appropriation	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -
	\$ 28,319,521	\$ 26,883,214	\$ 28,259,620	\$ 26,782,920	\$ (1,476,700)