



City Council City Council Special Meeting
Saturday, May 18, 2019
8:30 AM

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 265-2082 or FAX (979) 265-7345 for further information.

AGENDA

BE IT KNOWN that the **City Council** of the City of Richwood will meet in **City Council Special Meeting** on **Saturday, May 18, 2019** at **8:30 AM** at 1800 N. Brazosport Blvd., Richwood, TX 77531 at the Richwood City Hall in the Council Chambers with the following agenda:

- I. CALL TO ORDER
- II. INVOCATION
- III. PLEDGES OF ALLEGIANCE 3
 - Pledge of Allegiance & Texas Pledge
- IV. ROLL CALL OF COUNCIL MEMBERS
- V. PUBLIC COMMENTS
 - All public comments will be subject to the following rules: all speakers will be permitted to speak no longer than 3 minutes; all speakers will only be permitted to speak once; speakers cannot defer their 3 minutes to another speaker; the first five individuals who sign up for the public comment section will be permitted to speak
- VI. WORKSHOP
 - A. DISCUSS AND SET COUNCIL GOVERNANCE MODEL
 - B. FISCAL YEAR 2018-2019 STRATEGIC PLAN AND BUDGET GOALS 4
- VII. DISCUSSION AND ACTION ITEMS
 - A. Discuss and consider approving the funding for engineering and design of the utility infrastructure improvements in an amount not to exceed \$491,440 54
- VIII. ADJOURNMENT

The City Council may go into Executive Session on any item listed on the Agenda in accordance with Section 551.071 of the Government Code (attorney-client privilege).

I, Giani B. Cantu, do hereby certify that I did, on 5/14/2019 at _____ p.m., post this notice of meeting on the bulletin board at 1800 N. Brazosport Blvd., Richwood, TX, in compliance with the Texas Open Meetings Law.

Giani Cantu, City Secretary
City of Richwood

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Pledge of Allegiance

I pledge allegiance to the flag of
the United States of America and
to the republic for which it
stands, one nation under God,
indivisible, with liberty and
justice for all.

Texas Pledge

**Honor the Texas flag. I
pledge allegiance to thee,
Texas, one and indivisible.**



Rich in History - Focused on the Future

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Mayor and City Council Planning Session

May 18, 2019



Mayor and City Council

- Steve Boykin, Mayor
- Mike Johnson, Council Member, Position 1
- Melissa Strawn, Council Member, Position 2
- Matt Yarborough, Council Member, Position 3
- Mark Brown, Council Member, Position 4
- Katie Johnson, Council Member, Position 5

- Michael Coon, City Manager
- Giani Cantu, City Secretary
- Lindsay Koskiniemi, Director of Finance
- Scott Mayer, Chief of Police
- Cliff Custer, Director of Public Works
- Kenny Williams, Director of Permitting and Inspections (retiring)

Agenda

May 18, 2019

9:00 - Session 1 - Council and City Manager

- Governance
 - Vision, Mission Values
 - Leadership, Communication, Expectations, Planning
 - Protocols

11:30 - Lunch

12:00 - Session 2 –Council and staff
(afternoon)

- Review and revise 2018 Sessions



Rich in History - Focused on the Future

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Governance

Governance is about...

Effective Leadership
Meaningful Communication
Defining Expectation
Proactive Vision and Planning
Vision
Mission
Values Statement
Comprehensive Plan
Annual Strategic Plan
Annual Budget
Annual Audit/Report

Governance is about...

Proactive Vision and Planning

Vision

Mission

Values Statement

Comprehensive Plan

Annual Strategic Plan

Annual Budget

Annual Audit/Report

Vision

What do we want Richwood to be like when it grows up?

How should it look?

What level of services should it provide?

How should it feel to live in Richwood?

Vision Elements

- A community with amenities and services for its residents (do not have to go elsewhere)
 - Events.
 - Involvement with citizen volunteers.
 - Places in the city to work and play.
 - Schools in Richwood.
- A safe community.
- A community with a family-oriented environment.
- Growth with a focus on family and community
 - Neighborhood businesses.
 - Amenities for families
 - Quality neighborhoods.
- A renewed volunteer spirit (including new ways to communicate needs for volunteers).

Vision

(Revised 6-2-18)

The City of Richwood is a model for safe and beautiful neighborhoods with sustainable growth opportunities for families and businesses dedicated to serving our community for current and future generations.

(Revised 6-2-18)

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Mission Statement

How do we go about accomplishing our vision?

Mission

To provide residents, visitors, and the business community with the highest quality of municipal services in an efficient and courteous manner, and to enhance the quality of life through planning and visionary leadership.

Core Values

- Act as good stewards of the city resources
- Leading the city by serving our community
- Foster economic growth for today and tomorrow
- Maintain integrity through transparency
- Promote a positive quality of life for our community

Define the Characteristics of Effective Leaders

How will we lead?
“The Richwood City Council
will lead ...”

Leadership

The City Council of Richwood will lead...

- By setting measurable expectations and guidelines.
- By holding staff and each other accountable to meeting those expectations and guidelines.
- Not micromanage the staff but monitor and be accessible.
- Avoid surprises.
- By building the team.
- By owning our decisions.
- Being open to and adapting to change.
- By being fair, firm and consistent.
- By displaying the values of fairness, honesty and integrity.
- By gaining and having knowledge and knowing and understanding why.
- Doing our homework; know the subject at hand.

Define your communications expectations?

How will we communicate?

“The Richwood City Council will communicate...”

Communication

Council will communicate with citizens, staff and each other...

- Respectfully.
- Treat others as you want to be treated.
- To simply reply (respond) to inquiries.
- Listen to understand the issue
- Listen, ask questions, reflect and repeat your understanding; seek clarification if needed; decide.
- Have healthy debate.
- Be timely.
- When responding to members of the public, copy staff so they will also be aware.

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Council's expectations of each other

What do we expect of each other?

“The Richwood City Council members expect of each
other ...”

Expectations

- **Council expects the following of each other...**
- To be congenial with each other, staff and citizens.
- To be direct and forthcoming with questions, comments, positions on matters.
- To accept that some may disagree, but to not be disagreeable.
- To show honesty, integrity and respect through deliberations and interactions.

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Expectations

- **Staff is expected to...**
- Report the good and the bad (no surprises).
- To set goals (per department) then report progress to the Council.
- Council and staff also discussed the appropriate time for their weekly reports with Council providing flexibility to the City Manager on whether to provide on Fridays or the following Mondays.

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Expectations

- **Staff expectations of Council (as defined by Council) is to...**
- Be present and participate.
- Be approachable.
- Provide resources – monetary, guidance, support and encouragement, knowledge/training.
- Allow the staff the freedom to do their job without intervention.
- Respect the staff.
- Provide leadership.

Meeting Protocols

Regular Agenda Items

- Mayor calls for presentation on agenda item (may be staff; developer, etc.).
- Mayor calls for discussion with presenter following presentation.
 - Mayor calls on Council members for Q&A with the presenter.
- Mayor calls on public for comment (not discussion or dialogue) on the agenda item under discussion (limited to three minutes per comment).
- Mayor calls for motion/second/approval to discuss.
 - Motion approved.
 - Council discusses the agenda item among themselves.
- Mayor calls for motion for action; Council votes on the matter.

Meeting Protocols

Consent Agenda Items

- Mayor calls for items any Council member wants to discuss separately for removal from the consent agenda
 - If item is removed, it is moved to the bottom of the agenda as a separate item.
 - When considered separately, the above protocol for regular agenda items is followed.
- Mayor calls for motion/second/approval of the Consent Agenda

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Meeting Protocols

Work Session Items

- These items are typically for discussion only. These items provide the opportunity for Council to fully discuss and issue in anticipation of an agenda item for action at a later date.
- Work Session items are generally limited to one or two discussion topics.
- Work Sessions will be held periodically, as needed on the same night as a regular council meeting but held earlier.
- Process is same as a regular agenda item, except there will be no public comment and no action.
- City Manager will reiterate his understanding of the results of the discussion and next steps for consideration by the Council members.

Governance is about...
Proactive Vision and Planning
Vision
Mission
Values Statement
Comprehensive Plan
Annual Strategic Plan
Annual Budget
Annual Audit/Report

Strategies

Strategies

Process in 2018

- Identified Strengths and Weaknesses of the organization and of the community
- Identified Areas of Emphasis from the weaknesses
- Established Strategies to respond to the identified weaknesses
- Staff amended the Action/Implementation Plan to include the newly established strategies, and determine status of existing strategies established in 2016-18.

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Action Plan Elements

- 1.0 Financial Stability
- 2.0 Economic Development
- 3.0 Infrastructure Investments
- 4.0 Parks and Beautification
- 5.0 City Operations

1.0 Financial Stability

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 1.1: Create a “true” budget following appropriate accounting principles	Establish a procedure and process for public participation in the budgeting process	-0-	FY 17	Besides public hearings, delayed to FY 2020 budget development cycle
	Develop budget based on strategic planning process; establish priorities	-0-	FY 17	Completed for FY 2018 budget development and in process for FY 2019
	Staff to develop priorities and justify requests and expenditures	-0-	FY 17	Completed for FY 2018 budget development and in process for FY 2019
	Ensure budget proposals are in line with Council priorities and follow appropriate accounting procedures	-0-	FY 17	Completed for FY 2018 budget development and in process for FY 2019
	Hold public hearings	-0-	FY 17	Completed for FY 2018 budget development and in process for FY 2019
	Adopt balanced budget	-0-	FY 17	Completed for FY 2018 budget development and in process for FY 2019

1.0 Financial Stability

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 1.2: Develop a long term financial plan Maintain adequate financial reserves Make each fund self-supporting Improve the City's bond rating Establish and fully fund an Equipment Replacement Fund	Establish new financial reserve policy	-0-	FY 17	Included in FY 18 Budget
	Establish a reimbursement policy for direct and indirect costs transfers to each fund	-0-	FY 17	Included in FY 18 Budget
	Adjust rates to ensure each utility is self-sufficient with direct costs	-0-	FY 17	Included in FY 18 Budget
	Determine value of direct and indirect cost transfers per policy	-0-	FY 18	Included in FY 18 Budget
	Prepare rate structure(s) to ensure each fund is self-supporting	-0-	FY 18	Implemented April 2018
	Hire a full-time Finance Director	\$80,000	FY 18	Postponed
	Implement quarterly financial projections	-0-	FY 18	Postponed
	Prepare five year financial forecasts	-0-	FY 19	Postponed
	Develop a plan for the ERF for adoption.	-0-	FY 19	Postponed
	Fund plan	TBD	FY 20	Postponed

2.0 Economic Development

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 2.1: Create a marketing plan for the City • Include vision • Create a brand and a moto for marketing purposes	TBD			
Objective 2.2: Update the Comprehensive Master Plan and Land Use Plan	Contract with universities and/or other consultants for assistance with planning services	-0-	FY 19	Submit application to Texas A&M next Spring to begin work Summer 2019
Objective 2.3: Maintain up to date development codes • Update the zoning ordinance and land use plan • Review subdivision ordinance • Review floodplain management processes	Consult with planning experts to update development codes	-0-	FY 17	Included in FY 18 Budget
	Review and revise codes	-0-	FY 18	Included in FY 18 Budget
	Work with VDD to establish local drainage criteria and processes.	-0-	FY 18	Implemented April 2018

2.0 Economic Development

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 2.4: Make effective use of city property	Review and analyze use of vacant city property	-0-	FY 17	Ongoing, no competitive bids received for Halbert property.
Objective 2.5: Develop a comprehensive economic development strategy and funding model Develop and maintain an ED policy that establishes standards for ED incentives.	TBD			

3.0 Infrastructure Investments

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 3.1: Sustain a reliable water supply as the city grows we need to prepare for the future water usage	Conduct a hydraulic study to determine future overall water storage and distribution needs for the entire City.	\$50,000	FY 19	Switched for Impact Fee Study that will also address system needs. RFQ in process
Objective 3.2: Maintain and extend water, wastewater and stormwater improvements	Develop a CIP prioritized list of improvements needed for replacement aging infrastructure and expansion into unserved areas.	-0-	FY 18	Impact Fee Study will help generate a CIP
	Establish budget for CIP	-0-	FY 19	Will begin planning during next year's budget cycle
	Consider a policy for growth to provide funding for the extension of infrastructure	-0-	FY 18	Will be looked at with the impact fee study

3.0 Infrastructure Investments

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 3.3: Support investments in City facilities	Establish policy for determining maintenance, capital, bonding thresholds on facility repairs and improvements.	-0-	FY 18	Postponed
	Assess conditions and needs for all city facilities.	-0-	FY 18	Ongoing, will be completed in FY 19
	Prioritize assessments	-0-	FY 18	Will be completed in FY 19
	Fund improvements needed	TBD	FY 19	Some utility improvements will be addressed in FY 19 Budget. Planning will be ongoing to create a funding plan.

3.0 Infrastructure Investments

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 3.4: Examine best practices in delivery of city services. - Optimize cost saving opportunities with the use of community partners. - Explore ways for Richwood to be self-sufficient in provision of city services - Review existing contracts with contract providers to ensure they are up to date and meet long term needs of the citizens.	Reach out to neighboring cities and county to determine what services can be shared	-0-	FY 18	EMS contract was rebid. Discussions ongoing
	Review and revise MOU, and Interlocal Agreements	-0-	FY 18	Some agreements have been updated, will continue review process into FY 19
	Review capacity studies to determine appetite for becoming self-sufficient	-0-	FY 19	Ongoing, renegotiation of WWTP contract with Clute will look at creating a future path to being self-sufficient
	Determine impact of new development on new and existing infrastructure	-0-	FY 19	Will be addressed through impact fee study
	Review and negotiate with water provider	-0-	FY 20	Preliminary work has begun on planning for future water usage. Impact fee study will provide more details.

4.0 Parks & Beautification

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 4.1: Create a Parks Master Plan	Develop scope of services	-0-	FY 18	Postponed
	Fund and hire consultant to complete plan	\$50,000	FY 19	Reconsider timeline
Objective 4.2: Develop a community center providing a quality place for people to gather	Propose to bond task force for prioritization	-0-	FY 18	Complete
	Bond Taskforce conduct survey to determine citizen needs and determine possible location	-0-	FY 19	In Process
	Bond issue for funding	TBD	TBD	

4.0 Parks & Beautification

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 4.3: Maintain a high level of aesthetic standards - Continuous code enforcement efforts - Update code policies	Provide communication and information to public on code standards and requirements	-0-	FY 18	Communication has been as requested, will work on being more proactive
	Contract plan review to free up personnel time for code enforcement during high volume months	-0-	FY 18	Plan reviews are being contracted out.
	Utilize KRB to determine which codes should be updated for beautification, park improvements and park properties	-0-	FY 17	Process was initiated but never completed
	Hire building official in anticipation of retirement	\$75,000	FY 19	No official date on Kenny's retirement.
	Post retirement, reclassify building official to director; hire code enforcement/animal control officer	-0-	FY 20	Examining various options with staffing and contract labor.
Objective 4.4: Explore opportunities to work with neighboring communities on an interlocal basis for provision of recreation services.	Reach out to neighboring cities and county to determine what services can be shared	-0-	FY 18	Postponed
	Review and revise MOU, and Interlocal Agreements	-0-	FY 18	Postponed

5.0 City Operations

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 5.1: Public Safety – Provide a safe environment for citizens, visitors and businesses. Review public safety services and programs to ensure sufficient staffing levels.	Fire – Begin the process of developing a contract for service with VFD	-0-	FY 18	Postponed
	EMS – Distribute an RFP for EMS contract	-0-	FY 18	RFP Complete
	Police – Refer to PD Strategic Plan including Admin Assistant	\$40,000	FY 18	Position not approved in FY 18
	Police – Refer to PD Strategic Plan including Additional officers	\$47,000 COPS Grant	FY 19	COPS Grant not awarded
Objective 5.2: Public Works – Provide for and maintain the city's infrastructure to meet the needs of the community.	Invest in two additional public works positions to effectively maintain existing infrastructure.	\$100,000	FY 18	Hiring postponed to Oct. 1
	One additional vehicle	\$43,800	FY 18	Postponed to Oct. 1

5.0 City Operations

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 5.3: Communications. Communicate information to the public in a transparent manner using all available methods • Provide public information outreach programs.	Update and improve the city's website	TBD	FY 18	In-house updates have been completed
	Create and regularly update slide show for website, lobby, other media on city activities and events	-0-	FY 18	Postponed
	Install TV in foyer of City Hall for information display	\$1,500	FY 18	Postponed
	Develop an interactive transparency tool for the website to view information on property taxes and city services	\$3,000	FY 18	Volunteer moved. Reevaluating options
	Distribute Council Updates and highlights of meetings to residences and businesses	-0-	FY 18	Highlights will be included in planned summer newsletter. Goal is to provide updates more frequently.

5.0 City Operations

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 5.4: Technology – Utilize technology to enhance operations and delivery of services.	New Server	\$75,000 + Recurring Costs	FY 18	Compete & under budget
	Imaging software and equipment	\$20,000 + recurring costs	FY 18	Not funded. New server provides need storage for future implementation.
	Enterprise software	\$60,000	FY 18	Conversion scheduled for July
	Municipal Court Software	\$15,000	FY 19	Enterprise provider will new software at no cost.
Objective 5.5: Employees – Invest in employee development opportunities, compensation and retention.	Examine compensation package including TMRS benefit program and performance pay (TAMU study)	\$2,000	FY 18	TAMU study completed currently being augmented by staff
	Establish certification pay program	TBD	FY 18	Complete
	Establish employee recognition program	\$500	FY 18	Behind schedule

5.0 City Operations

Objectives (Priority order)	Action Steps	Budget	Original Timeline	Update
Objective 5.6: Develop a program to encourage, recruit and reward volunteers for service to the City.	Develop an MVP (Municipal Volunteer Program)	\$2,000	FY 18	Behind schedule
	Establish a process for recognizing all volunteers on a quarterly basis	TBD	FY 18	Behind schedule
	Establish a process for recognizing a MVP of the Year	\$500	FY 18	Behind schedule

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Rich in History - Focused on the Future

Thank You
For
Allowing me to Serve

City of Richwood

FY 2020 PROPOSED BUDGET



FY 2018-2019 Review

General Operating Fund (Estimated at 9/30/19)

	FY 18-19 Budget	FY 18-19 Projected	Difference
Revenues	\$2,730,418	\$2,907,452	\$177,034
Expenditures	\$2,730,418	\$2,704,394	\$26,024
Excess <Deficit>	\$0	\$203,058	\$203,058

Utility Operating Fund (Estimated at 9/30/19)

	FY 18-19 Budget	FY 18-19 Projected	Difference
Income	\$2,171,768	\$2,074,431	(\$97,337)
Expense	\$2,171,768	\$1,706,058	\$465,710
Excess <Deficit>	\$0	\$368,373	\$368,373

FY 2018-2019 Review

Other Funds (Estimated at 9/30/19)

	FY 18-19 Budget	FY 18-19 Projected	Difference
Revenues	\$285,800	\$295,910	\$10,110
Expenditures	\$285,800	\$282,600	(\$3,200)
Excess <Deficit>	\$0	\$13,310	\$13,310

OTHER MAJOR FUNDS

- Beautification
- Crime Control Prevention
- Transportation

FY 18-19 Adopted Budget to FY 19-20 Preliminary Budget Request

General Fund Revenues

	FY 18-19 Budget	FY20 Preliminary	Difference
Operating Rev.	\$2,605,758	\$2,681,222	\$75,464
Transfers Rev.	\$124,660	\$95,527	(\$29,133)
Total Budget	\$2,730,418	\$2,776,749	\$46,331

Areas of Largest Impact

	FY19 Amount	FY 20 Preliminary Amount	Change
GF Revenue	\$2,730,418	\$2,776,749	\$46,331
Ad Valorem Taxes	\$53,346	for New Value	
380 Rebate	\$40,321	decrease in contract percentage	
Sales Tax Increase	\$20,493	Growth in economy	
Interest Earnings	\$7,000	Higher interest rates	
Franchise Tax	(\$13,907)	State Law (20k) CenterPoint Increase	
Municipal Court	(\$36,000)	Focus on Community Policing	
Transfers In	(\$29,133)	Smaller transfer from Utility Fund primarily due to stopping debt payments	
Total	\$42,120		

FY 19-20 Preliminary Budget Request

Net Property Tax Revenues

Tax Rate Options	FY 20	FY 21	FY 22	FY 23	FY 24
Effective Tax Rate	\$1,644,527	\$1,751,794	\$1,827,824	\$1,863,444	\$1,885,630
<i>Difference from forecast*</i>	\$8,855	\$3,823	\$8,382	\$9,937	\$10,059
Level M&O Tax Rate (0.609627)	\$1,682,786	\$1,828,397	\$1,945,582	\$2,023,856	2,089,076
<i>Difference from forecast</i>	\$47,114	\$80,426	\$126,140	\$170,349	\$213,505
4% Effective Tax Increase	\$1,710,999	\$1,895,546	\$2,056,311	\$2,181,606	\$2,296,213
<i>Difference from forecast</i>	\$75,327	\$147,575	\$236,869	\$328,099	\$420,642

**Since the forecast staff has received updated numbers for the new values. There was an increase of about \$2M from staff's estimate.*

FY 18-19 Adopted Budget to FY 19-20 Preliminary Budget Request

Utility Fund Income

	FY 18-19 Budget	FY20 Preliminary	Difference
Income	\$2,171,768	\$2,156,378	(\$15,390)
Total Budget	\$2,171,768	\$2,156,378	(\$15,390)

Anticipated Decrease in Income

- Expect garbage receipts to be less than was originally anticipated by \$12,540.

FY 19-20 Preliminary Budget Request

Water & Sewer Revenues

Rate Options	FY 20	FY 21	FY 22	FY 23	FY 24
Add \$5 to water base, 2x Commercial, \$0.50 additional charge for over 20,000 gallons per month	\$1,929,394	\$1,948,588	\$1,968,074	\$1,987,755	\$2,007,632
<i>Difference from forecast</i>	\$204,218	\$206,260	\$208,323	\$210,406	\$212,510
Also add \$1.75 to sewer base	\$1,979,008	\$1,998,798	\$2,018,786	\$2,038,974	2,059,364
<i>Difference from forecast</i>	\$253,931	\$256,470	\$259,035	\$261,625	\$264,242

FY 18-19 Adopted Budget to FY 19-20 Preliminary Budget Request

Utility Fund Expenses

	FY 18-19 Budget	FY20 Preliminary	Difference
Expense	\$2,171,768	\$2,335,834	\$164,066
Total Budget	\$2,171,768	\$2,335,834	\$164,066

Areas of Largest Impact to Expense

- OT increases – round time in Oakwood Shores \$4677
- Salaries – step increases \$7382
- Chemicals – budgetary shortfall in FY19, increase need identified \$12,500
- Waterline M&R – Pump at Well#6 failure additional \$30,000
- Postage for Utility bills \$7,000 (moved from GF)
- Dues and Subscriptions – well maintenance \$20,000
- BWP to increase water rate \$0.18 effective 10/01/2019 \$15,482

MEMORANDUM

To: The Honorable Steve Boykin, Mayor and Members of the Richwood City Council

From: Michael Coon, City Manager

Date: May 15, 2019

Subject: Discuss and consider approving the funding for engineering and design of the utility infrastructure improvements in an amount not to exceed \$491,440

Our engineers have submitted a task order to design the new water plant and associated improvements. Since Strand Engineering is already under contract with the City, City Council does not need to approve the contract. However, City Council does need to approve the expenditure of the funds.

Although the City is not anticipated to receive funding from our bond sales until August, last November the City Council passed a resolution allowing the City to use fund balance to cover the expenditures from this project. Then once the City receives the bond proceeds, those funds will be used to reimburse the amounts taken from fund balance.