City of Richwood

Public Hearing

Monday, August 27, 2018 6:00 PM

AGENDA

BE IT KNOWN that the **CITY COUNCIL** of the City of Richwood will meet in **Public Hearing** on **Monday, August 27, 2018** at **6:00 PM** 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
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. PUBLIC HEARING ON FISCAL YEAR 2018-2019 ANNUAL BUDGET 3

VII. DISCUSSION AND ACTION ITEMS

A. Discuss Fiscal Year 2018-2019 Budget

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 8/23/2018 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

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.

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July 7, 2018

The Honorable Mayor and City Council:

Staff has worked hard to put together a balanced budget that best meets Richwood's needs while not exceeding the effective tax rate. To come in at the effective tax rate, there were some tough decisions that had to be made. However, I believe that the FY 2018-2019 Proposed Budget presents a balanced approach that begins to address the unfunded depreciation of the City's assets and equipment, works to ensure that each full-time position is being utilized as efficiently as possible, and establishes a pay system that competitively and equitably compensates our employees.

The remainder of this message will summarize the following aspects of the proposed budget:

1. FY 2017-2018 Overview
2. Council's Vision & Strategic Plan Update
3. Compensation Study & Proposed Pay Plan
4. General Fund Proposed Budget
5. Utility Fund Proposed Budget
6. Other Funds

FY 2017-2018 Overview

Last year the City of Richwood, like many of our neighbors and friends in the greater Houston region, was severely impacted by the flooding from Hurricane Harvey. In total our records show that 340 homes, 16 businesses, and 124 apartment units were flooded and/or damaged from Harvey. Even though many of our residents are back in their homes, a lot of them are still going through one phase or another of the recovery process.

Everyone with the City has also been working hard on recovery efforts from Hurricane Harvey. The City Council has appointed a Flood & Drainage Advisory Committee that has already spearheaded one flood related engineering study and that is working on getting grant funding for another study and a potential diversion channel. Additionally, staff has been working with FEMA to receive reimbursement on over $170,000 for the costs we incurred responding to the disaster and another estimated $70,000 in repairs to City facilities and infrastructure. FEMA has not yet officially awarded these funds. So, they are not reflected in the FY 2017-18 Year End Projections nor are the included in the FY 2018-2019 Proposed Budget.

With the recent flooding in mind, City Council decided to postpone a utility rate increase that was planned to come into effect with the FY 2017-2018 Adopted Budget on October 1, 2017. The utility rate increase was implemented starting in April and at the time the Utility Fund's budget was revised from $2,425,820 to $2,272,065 that, among other things, required delaying the hiring of two full-time positions until October 1, 2018.

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The City's sales tax revenue was also impacted by the natural disaster and during the first quarter of the fiscal year we experienced a large drop in our sales tax revenues. Seeing the decrease in revenues staff closely monitored our expenses and indefinitely postponed the hiring of a new police officer from the Crime Control & Prevention District, which is funded through sales tax revenues. Thankfully, as the year has progressed sales tax revenues have steadily recovered. Some additional revenues have also come from hiring a contractor to conduct a sales tax compliance audit. The audit has found some revenues that had been mistakenly sent to other entities.

All in all, I am projecting that our revenues will come in higher than our expenditures and that there will be some small savings at the end of FY 2017-2018. The table below summarizes the year end projections.

	FY 17-18 Budget	Projected Revenues	Projected Expenditures	Variance (Revenues to Expenditures)
General Fund	$3,129,873	$3,127,839	$3,095,208	$32,632
Utility Fund	$2,272,065	$2,259,813	$2,255,240	$4,573
Other Funds	$903,523	$901,668	$79789,550	$112,118

Council's Vision & Strategic Plan Update

On Saturday, June 2, 2018 the City Council met with staff to review and update the City's strategic plan. After reviewing and discussing their vision for the City, the City Council decided to amend the language to clarify that instead of focusing on a thriving economy the City should focus on creating sustainable growth opportunities that would fit well with Richwood's safe and beautiful neighborhoods. Listed below is the old vision statement and the new vision statement, which is shown in italics

> The City of Richwood is a model for safe and beautiful neighborhoods, with a thriving economy and opportunities for families and businesses by being dedicated to serving our community while providing sustainability and diversity for current and future generations.

> *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.*

After reviewing the vision statement Council also looked at the mission statement and decided that the prior statement is still consistent with their vision for Richwood. The mission statement is listed below.

> 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.

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To help guide the staff in carrying out the vision and mission statements, City Council provided the following strategic priorities to consider when planning and creating the budget:

1. Financial Sustainability
2. Economic Development
3. Infrastructure Investments
4. Community Development
5. City Operations

In creating the budget staff was mindful of creating a proposal that would try to strike an appropriate balance among the listed priorities. Two of the main focuses were (1) to start planning better for the future by reserving more funds for capital and equipment replacement projects and (2) to be mindful of our budget constraints while planning a way to maximize our staffing resources.

Compensation Study & Proposed Pay Plan

Going into FY 2017-2018 one of the goals was to work with students from Texas A&M to complete a compensation study for all our positions. We were fortunate enough to work with a great class of students from the Master of Science in Human Resource Management program. During their Fall semester they worked hard gathering and analyzing information that they then presented to the City this past December.

One team of students did an exceptional job of finding four cities to use as comparisons for the study by looking at the size of different cities budgets, their populations, and their distance from the largest cities in Texas. Since December, staff found five additional cities and gathered the salary information from those cities to create a salary survey with a total of nine other cities that are like Richwood. To gain a better perspective of how we compete with other local cities, salary information from Lake Jackson and Clute was included for the non-exempt, or hourly, positions. The table below lists the cities used in the salary survey and the job class categories their information was included in.

	Hourly	Supervisor	Executive	Police
Bellville	x	x	x	x
Brazoria	x	x	x	x
Clute	x			x
Columbus	x	x	x	x
Jacksboro	x	x	x	x
Joshua	x	x	x	x
Krum	x	x	x	x
Lake Jackson	x			x
Rockdale	x	x	x	x
West Columbia	x	x	x	x
Willis	x	x	x	x

After all the comparative data was gathered, the next step was to look at how Richwood employees were paid compared to the market. Overall there was a wide range of scores when looking at where each

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position was compensated compared to the market. The results ranged from the public works director being paid near the bottom of the reported annual salaries to the police officers being paid at the top of the reported annual salaries. One of the goals of creating a pay plan is to create a pay system that is based off each pay scale being established with a mid-point that is set to the same market position, or percentile. To keep police officer salaries competitive, it was decided to base the mid-point for each pay scale at the 80th percentile of the market data.

After establishing where to base the pay scales, it was then decided that not every position would have its own pay scale and the positions with similar responsibilities would be grouped into the same pay scale based off the average market for those positions. The following table provides a summary of the proposed pay scales based off setting the mid-point at the 80th percentile of market.

Grade	Title	Min	Mid	Max
Hourly-1	Customer Service Representative	$30,400	$35,765	$41,130
Hourly-1	Operator Trainee/Maintenance Tech	$30,400	$35,765	$41,130
Hourly-2	Administrative Assistant	$35,620	$41,906	$48,192
Hourly-2	Court Clerk	$35,620	$41,906	$48,192
Hourly-2	Operator	$35,620	$41,906	$48,192
Supervisor-1	Public Works Foreman	$44,625	$52,500	$60,375
Supervisor -2	Building Official	$51,670	$60,788	$69,906
Executive-1	City Secretary	$61,815	$72,724	$83,633
Executive-1	Director of Public Works	$61,815	$72,724	$83,633
Executive-1	Finance Director	$61,815	$72,724	$83,633
Executive-2	Chief of Police	$66,732	$78,508	$90,284
Executive-3	City Manager	$90,610	$106,600	$122,590
Police-1	Recruit	$45,348		
Police-2	Patrol Officer	$47,735	$53,038	$58,342
Police-3	Police Sergeant	$57,281	$63,646	$70,011

When creating the pay plan, we also wanted to create a natural progression and to define some roles a little more clearly. So, the Operator Trainee position was created for employees that are working on the water operator licensing and the recruit position was created in the Police Department until a new officer completes their field training. Also of note, is the addition of the finance director position, which is included in the proposed budget, and the elimination of the court administrator position.

To start elevating some of the wage compression problems in some of the departments, the decision of where to place the employees into their new pay scales was based off their longevity in their positions. Based off longevity 12 of the 24 current full-time positions are currently being paid more than their recommended salary under the new system. The proposed budget does not include reducing these employees' salaries, but it is recommended that their salaries be held flat until their recommended salary outgrows their current salary.

General Fund Proposed Budget

The proposed budget for both the General Fund revenues and expenditures is set at $2,710,169, which is a decrease of $419,704. However, the overall decrease is due to a large decrease in transfers as the operating budgets are proposed to increase.

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General Fund Revenues

As mentioned previously, we are expecting to see a decrease in the total revenues, but an increase in the operating revenues. Please see the following chart below for a summary of these changes.

	FY 17-18	FY 18-19	Variance
Operating Rev.	$2,477,297	$2,605,759	$128,462
Transfers Rev.	$652,576	$104,410	($548,166)
Total Budget	$3,129,873	$2,710,169	($419,704)

Transfers In. As shown in the chart, the General Fund revenue coming from transfers is anticipated to decrease by $548,166. The two reasons for this decrease are (1) the $296,426 decrease in the transfer from the Utility Fund due to removing a one-time debt payment and (2) reducing a previous transfer of $251,750 from fund balance to pay for some one-time expenses; e.g., creating a contingency fund, purchasing a new server, and upgrading the City's enterprise software.

Ad Valorem Taxes. For Tax Year 2017 Richwood had $294,168,905 in value on the appraisal districts rolls. Due to the damage caused by Hurricane Harvey, we are estimating that for Tax Year 2018 that the total property values will drop by about 9% to $267,793,504. The appraisal district will release their final values on or around July 25th, at which time we will be able to get exact amounts for the change in value and the effective tax rate.

As mentioned previously, staff has designed the proposed budget around adopting the effective tax rate, which is being estimated at $0.688455 per $100 of assessed value, or 0.054011 higher than the 2017 Tax Rate of $0.634444. For clarification, the effective tax rate is the tax rate that would be required to produce the same amount of taxes if applied to the same properties taxed in both years. On average each property owner would pay the same amount they paid the previous year. However, different property owners will be impacted differently. The following chart provides a quick look at how the proposed tax rate may impact Richwood's residents and businesses.

Estimated Change in Richwood Property Taxes

Home Value	$150,000	$250,000	$350,000
No Change	$81.02	$135.03	$189.04
8% Increase (Homestead Cap)	$163.63	$272.72	$381.81
10% Decrease	($22.25)	($37.09)	($51.92)
20% Decrease	($125.52)	($209.20)	($292.88)
30% Decrease	($228.79)	($381.31)	($533.84)

Even though we are proposing the adoption of the effective tax rate, we are still projecting that our net property tax revenues will be about $98,000 higher because one of the new apartment complexes has not met the requirements in their 380 Agreement to receive reimbursements for their property taxes.

Other Revenues. Some of the other revenue areas that are seeing some change are sales tax, building permits, court fines, and the barbeque cookoff. Listed below is a brief explanation for the changes.

- Sales Tax: There is a projected increase of $36,961 due to working with a third-party consultant to correct errors where Richwood was not receiving the appropriate amount of revenues.
- Building Permits: Revenues are projected to increase $10,000 due to new growth.

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- Court Fines: Are projected to decrease $19,000 due to lower citation numbers
- Barbeque Cookoff: The Volunteer Fire Department is taking over the event and the budget of $7,000 has been eliminated. There is also a corresponding decrease in General Fund expenditures.

General Fund Expenditures
The FY 2018-2019 Proposed budget includes a $53,664 increase in operating expenditures for the General Fund and a decrease of $473,369 to the transfers to other funds, as shown by the chart below.

	FY 17-18	FY 18-19	Variance
Operating Exp.	$2,475,435	$2,529,099	$53,664
Transfers Exp.	$654,439	$181,070	($473,369)
Total Budget	**$3,129,873**	**$2,710,169**	**($419,704)**

Transfers Out. Most of the $473,369 decrease in transfers out can be attributed to the $311,681 decrease in a one-time payment to the Utility Fund for water and sewer fees that historically had not been paid. In last year's budget this transfer out was offset by a transfer in from the Utility Fund to reduce the debt that it owes the General Fund.

The proposed budget also includes a $66,983 decrease in the transfer to the contingency fund. The fund balance is almost at the maximum amount allowed by the Charter and only $7,161 dollars is needed this year to reach that maximum amount.

There is also a decrease of $62,610 for the equipment replacement transfer and $32,095 for the capital projects transfer. Last year the transfer outs were offset by a one-time payment from the General Fund's cash balance. This year we are taking a crucial step forward by funding the transfers from the annual revenues. As a City we need to work towards making sure that every year we are pre-funding as much of our capital and equipment replacement needs as possible so that the depreciation does not catch up to us. Also, pre-funding these needs helps to save money by avoiding the interest that comes with financing things.

Administration. This year's budget is proposed to increase by $142,593 from $556,935 to $699,528. The four major changes proposed in Administration's budget are summarized below.

- Finance Director: To help move towards the goal of improving Richwood's financial sustainability, the budget includes an increase of $97,212 to pay all the costs associated with adding a finance director position. Over the past year the needs for a finance director have become even more apparent as staff has had to work longer and longer hours while still not having the time to accomplish some of the basic financial tasks that should be done on a routine basis.

  Understanding the financial constraints that we operate under, staff examined multiple scenarios to help find what we believe to be the most efficient way to achieve our desired results. We compared our staffing levels to that of our comparison city's and did find that comparatively our number of full-time potions was low. However, one key finding was that the Court had a higher staffing level than our comparisons cities, which is one of the key findings that lead to the recommendation to reduce the court administrator position to help fund the finance director position and still have funds available to dedicate to the capital and equipment replacement budgets.

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- MuniServices Payments: The Special Services-Miscellaneous budget was increase by $24,000 to account for the payments to MuniServices for the sales tax corrections they have made.

- Compensation Plan: An increase of $16,159 is included in the budget to move employees into their designated spots within the new pay structure. Once the pay scales were created, employees were placed into their appropriate pay scale based off longevity in their position.

- Elections: An additional $6,000 is included to hold bond elections in November 2018.

Judicial. The proposed budget for the Court is being reduced by $41,482. There are some funds being added to more accurately budget for our attorney fees and software subscriptions. However, $54,280 is being reduced with the proposed reduction of the court administrator position.

Even though I believe that the court can be efficiently managed by one employee that is overseen by the City Secretary, the decision to lay off the court administrator has been an extremely difficult one. We looked at reclassifying the position and moving it to another department. However, staff couldn't justify the desire to keep the position over the need to provide pre-funding for the City's capital and equipment replacement needs.

Police. Overall it is proposed that the Police Department's budget be increased $35,682 from $919,169 to $954,851. The increase is comprised primarily of the following five changes:

- Overtime: The budget was increased by $15,236 to more accurately reflect historical expenditures. Overtime in FY 2017-2018 is projected to be about $47,000 over budget. However, we believe that with some changes to staffing policies that next year overtime can be substantially reduced from this year's projected amount.

- Compensation Plan: There is $7,712 included to fund the placement of the department's personnel in their appropriate spot within their pay scales. The bulk of this money would go towards increasing the sergeant's salaries, who this year will receive a salary of $1,508 more than two of the officers.

- Animal Control: The budget has been increased by $4,600. Historically, Richwood has brought our pets to Angleton's shelter at no cost. However, we are anticipating that will soon change and we will either need to start paying Angleton or to find a new place to take unclaimed pets.

- Jail Expense: An increase of $3,540 was included in the budget to fund the software for video magistration, which will allow the judges to conduct some of their business offsite.

Other Departments. The summaries below explain changes in three other departments.

- Storm/Disaster: This budget was reduced by $86,231. It was only intended for one year to help with the Harvey recovery efforts. There are still adequate contingencies and reserves in the General Fund to address any need that arises.

- City Maintenance: The budget was decreased by $18,320 to better reflect historical expenditures.

- Fire Department: The budget was increased by $14,347 due to an increase in the number of volunteers and a $8,000 increase in our EMS contract.

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Utility Fund Proposed Budget

The proposed budget for both the Utility Fund revenues and expenditures is set at $2,171,768, which is a decrease of $100,297 lower than the FY 2017-2018 Revised Budget. However, the overall decrease is due to a large decrease in transfers as the operating budgets are proposed to increase.

Utility Fund Revenues

Like the General Fund, total revenues in the Utility Fund are expected to decrease due to a large decrease in the transfers. However, there is a projected increase of $211,384 in the operating revenues. Please see the following chart below for a summary of these changes.

	FY 17-18	FY 18-19	Variance
Operating Rev.	$1,870,475	$2,081,859	$211,384
Transfers Rev.	$401,590	$89,909	($311,681)
Total Budget	**$2,272,065**	**$2,171,768**	**($100,297)**

Transfers In. The transfer from the General Fund is budgeted to be $311,381 lower than FY 2017-2018. The previous transfer includes a large payment for water and sewer services because historically the General Fund had not been paying for its usage. For FY 2018-2019, the transfer is comprised of $40,419 to help pay for the salary of the public works director and $49,490 for water and sewer usage.

Water & Sewer Fees. Water and sewer fees are expected to increase $196,198, or about 12.8 percent, from the previous year. The primary reason for the increase is that the new rates that were implemented in April will be in place for the full year.

Garbage Receipts. For FY 2018-2019 it is expected that the revenue from garbage collections will increase by $17,261 due to an increase in pricing from Waste Connections.

The current contract with Waste Connections expires at the end of August 2018. So, this spring the City sent out two different requests seeking bids to provide solid waste services to the City of Richwood. The first time the request was sent out there was only one response and it was from Waste Connections. Their proposal included an increase in their charges from $14.71 for basic service to $15.85. Since there was an increase of $1.14, staff wanted to do our due diligence before accepting a price increase. So, we rejected Waste Connections first bid and sent out another request for proposals. However, once again Waste Connections was the only company to submit a proposal and at that point the City accepted their bid.

Since the contract price with Waste Connections is increasing, staff is recommending passing the increase along through the regular base rate. However, staff is recommending that the base rate for seniors be increased to $15.85, which is the rate that Waste Connections will charge the City. Listed below is a summary of the recommended price increases.

	FY 18 Rate	FY 19 Rate	Change
Base Rate	$16.00	$17.14	$1.14
Base Rate - Over 65	$14.00	$15.85	$1.85
Price per Additional Can	$8.00	$8.00	$0.00

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Utility Fund Expenditures

The FY 2018-2019 Proposed budget includes a $53,664 increase in operating expenditures for the Utility Fund and a decrease of $473,369 to the transfers to other funds, as shown by the chart below.

	FY 17-18	FY 18-19	Variance
Operating Exp.	$1,510,729	$1,680,508	$169,776
Transfers Exp.	$761,336	$491,260	($270,076)
Total Budget	$2,272,065	$2,171,768	($100,297)

Transfers Out. The biggest reason for the overall decrease in the budget for transfers out is a $296,416 decrease in the transfer to the General Fund, which is due to the reduction of a one-time transfer to help pay off over $880,000 that was owed to the General Fund. In addition to the changes in the transfer to the General Fund, all the other transfer amounts changed as well. The changes to the other transfers are summarized below.

- Contingency Fund: The transfer is being reduced by $22,985 from $47,069 to $24,084. According to the City Charter, the contingency fund is only allowed to hold up to three percent in reserves. The budgeted transfer for FY 2018-2019 will bring the fund balance to the maximum value allowed.
- Utility Debt Service: The transfer is budgeted to be reduced by $12,564 due to lower debt payments. However, this is just a one year decrease and the payments for FY 2019-2020 are scheduled to increase by $16,009.
- Capital Improvements: There is a proposed increase of $69,324 for FY 2018-2019. The total proposed transfer is $157,010. About half of the transfer will go to funding the remaining portion of the Water & Sewer Master Plan/Impact Fee Study, which will also produce a capital improvement plan for incorporation into future budgets. The other half will go to rebuilding two of our water wells and other small projects.
- Equipment Replacement: It is proposed that the transfer is decreased from $59,999 to $52,564. During the FY 2017-2018 budget the funds were used to purchase a new sewer jetter. In FY 2018-2019 $40,000 is being used to purchase a new diesel F-250 to provide a vehicle for the two new employees. The remaining funds are being used to pre-fund future equipment replacement needs by starting to build up the fund balance in the Equipment Replacement Fund.

Personnel. The Utility Fund's proposed budget includes an additional $108,615 to fund the two new positions that were approved, but not funded in the FY 2017-2018 Budget. For many years staffing has been limited in this department, which has not allowed the employees enough time to do some of the basic tasks that should be on their routine maintenance schedule. It is projected that over time these two positions will more than pay for themselves just by properly exercising the valves and hydrants in the water system.

Professional Services. The budgets for professional services in the Utility Fund are being increased by $31,698. Historically these line items have been underfunded causing professional services to be charged to the Water M&R and Sewer M&R line items, which limited the funds available to make repairs.

Solid Waste Charges. Is being increased by $15,860 to offset the Waste Connections price increase.

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Other Funds

Beautification Fund

The Beautification Fund is projected to spend $11,650 of their $16,000 budget for FY 2017-2018. During this past year the executive director has spent most of her time focused on rebuilding her home that flooded during Hurricane Harvey and not as many events were held. However, we are hopeful that all the events will return this next budget year and the proposed budget is the same as the previous year.

Capital Projects Fund

The Capital Projects Fund is used to hold and track the funds for General Fund projects. In FY 2017-2018 it's projected that $10,000 more will be spent than the original budget of $72,095. At their meeting on April 9, 2018, the City Council approved spending up to $10,000 more than originally budgeted for the project to replace the City's enterprise software. The funds to cover the overage are coming from savings on the City's server replacement project.

The fund's proposed budget for FY 2018-2019 is $40,000 to replace the roof at City Hall. When the building was originally purchased and remodeled, everything was updated by the City except for the roof.

Crime Control Prevention District (CCPD) Fund

Due to the initial decrease in the fund's sales tax revenue after Hurricane Harvey, the decision was made not to hire the new police officer that was originally included in the FY 2017-2018 Adopted Budget. Due primarily to this decision, it is projected that the fund will end the current fiscal year spending about $59,000 less than original budget of $117,165.

It is proposed that the budget for FY 2018-2019 be set at $114,499. Since the CCPD Board met to discuss their budget before the new police chief started working, they proposed that $18,966 be budgeted to fund the part-time warrant officer position and that the remaining balance of $95,533 be held in the equipment line item as a place holder. The CCPD Board will be meeting with Chief Mayer on Thursday, July 19th to adopt a spending plan for the remaining balance. This plan will then be presented to the City Council for inclusion into the FY 2018-2019 Adopted Budget.

Equipment Replacement Fund

The equipment replacement fund receives contributions from both the General Fund and the Utility Fund and is designed to fund the City's equipment and vehicle needs. The FY 2017-2018 included $165,609 to purchase a new server ($75,000), a sewer jetter ($59,999), and a replacement truck for Public Works ($30,610). Due to savings on the server project, it is projected that the fund will spend about $35,000 less than the original budget.

As discussed in the discussion on the transfers for the General and Utility Funds, for FY 2018-2019 the Equipment Replacement Fund is scheduled to receive $95,564 in revenues and to spend $40,000 for a new truck in the Utility Fund. The remaining balance of $55,564 will be used to start the process of pre-funding the annual depreciation for our equipment and vehicles, which totaled over $190,000 in FY 2016-2017.

Transportation Fund

For FY 2017-2018 it is estimated that the City will spend $25,000 less than originally budget in the transportation fund. The City is planning on spending the $55,000 budgeted for street and drainage projects. Due to the time spent recovering from Hurricane Harvey, it is estimated that only half of the

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$50,000 reserved for sidewalks will be spent. The original plan was to install sidewalks along S. Yaupon, but only the engineering work is being funded for that project this year, in addition to ADA ramp repairs.

Due to new revenue coming in from the newest apartment complexes, the budget is projected to increase by $31,800 to $136,800 for FY 2018-2019. The funds will be split equally between streets, sidewalks, and drainage.

Utility Capital Improvement Fund

It is projected that the fund will spend all the $87,686 budgeted for FY 2017-2018. The proposed budget for FY 2018-2019 is $157,010, which includes $75,000 to finish funding the Water & Sewer master Plan/Impact Fee Study, $53,790 to rebuild water wells 3 & 4, and the remaining balance is being reserved to start saving for some of the capital projects that will come from the study.

Conclusion

As I stated previously, staff was faced with some tough decisions while putting together the proposed budget. However, in the end we are presenting a budget that does not include an increase in the effective tax rate while (1) beginning to address the City's unfunded depreciation, (2) ensuring that each authorized position in being used as efficiently as possible, and (3) establishing a formal pay system that will compensate our employees at a competitive level and help to prevent future problems with wage compression.

Sincerely,

Michael Coon

Michael Coon
City Manger

EXPENDITURES BY DEPARTMENT

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
ADMINISTRATION	449,091	556,935	544,447	699,528
CITY MAINTENANCE	223,244	243,929	227,289	225,609
STREETS & DRAINAGE	126,856	125,000	125,000	125,000
SPECIAL SERVICES	7,212	18,400	18,400	12,230
POLICE DEPARTMENT	923,267	919,169	948,018	954,851
JUDICIAL	132,791	130,745	135,211	89,263
FIRE DEPARTMENT	163,464	191,434	194,150	205,781
PARKS & RECREATION	34,761	40,994	49,048	46,300
CODE ENFORCEMENT	46,157	53,009	50,968	57,171
PERMITTING & INSPECTIONS	80,534	109,588	107,719	113,366
STORM/DISASTER	28,781	86,231	69,864	-
TRANSFERS	-	654,439	624,439	181,070
TOTAL	2,216,158	3,129,873	3,094,553	2,710,169
DEBT SERVICE	170,394	174,212	174,212	166,333
TOTAL	170,394	174,212	174,212	166,333
WATER/SEWER	1,244,460	1,510,729	1,499,904	1,680,508
TRANSFERS	-	761,336	755,336	491,260
TOTAL	1,244,460	2,272,065	2,255,240	2,171,768
DEBT SERVICE	168,210	165,756	165,756	153,192
TOTAL	168,210	165,756	165,756	153,192
CRIME CONTROL & PREVENTION	104,594	117,165	58,152	114,499
TOTAL	104,594	117,165	58,152	114,499
INSURANCE CONTINGENCY	-	-	-	-
TOTAL	-	-	-	-
EQUIPMENT REPLACEMENT	-	165,609	129,999	40,000
TOTAL	-	165,609	129,999	40,000
UTILITY CAPITAL IMPROVEMENTS	-	87,686	87,686	128,790
TOTAL	-	87,686	87,686	128,790
CAPITAL PROJECTS	-	72,095	82,095	40,000
TOTAL	-	72,095	82,095	40,000
TRANSPORTATION	57,543	105,000	80,000	136,800
TOTAL	57,543	105,000	80,000	136,800
BEAUTIFICATION	12,801	16,000	11,650	16,000
TOTAL	12,801	16,000	11,650	16,000
GRAND TOTAL	3,974,160	6,305,462	6,139,343	5,677,551
TRANSFERS SUBTOTAL	-	1,415,775	1,379,775	672,330
NET OPERATING TOTAL	3,974,160	4,889,687	4,759,568	5,005,221

General Fund

Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4103 AD VALOREM TAXES	1,481,522	1,692,127	1,657,605	1,673,909
210 DEVELOPERS 380 REBATE	-	(242,155)	(242,155)	(119,720)
CRAWFORD FURNITURE 380 REBATE	-	(6,381)	(6,381)	(7,190)
BIG KOUNTRY SHOOTING 380 REBATE	-	-	-	(4,993)
4104 DELINQUENT TAXES	11,371	12,000	21,000	12,000
4105 PENALTY & INTEREST	12,351	12,500	12,500	12,500
4106 LICENSES & PERMITS	9,371	10,000	9,142	9,100
4107 BUILDING PERMITS	48,884	60,000	64,000	70,000
4109 MUNICIPAL COURTS	210,319	150,000	130,415	131,000
4110 INTEREST EARNED	6,513	3,000	5,000	3,000
4111 FRANCHISE TAXES	195,712	177,189	179,000	179,000
4112 MISCELLANEOUS INCOME	36,423	30,000	42,394	35,000
4114 ANIMAL FINES/LICENSES	175	200	290	350
4116 SALES TAX - STREETS	93,462	109,607	114,735	117,000
4117 SALES TAX	373,846	438,430	458,938	467,998
4118 MUNICIPAL BUILDING RENTALS	5,543	7,314	9,562	9,500
4121 PARKS AND RECREATION	4,100	5,066	5,087	5,075
4250 BARBEQUE COOKOFF	6,659	7,000	2,454	-
4251 POLICE OFFICER TRAINING	1,213	1,100	1,378	1,350
4253 COURT SECURITY	(3,404)	3,300	3,300	2,880
4254 COURT TECHNOLOGY	(4,539)	2,000	2,000	3,000
4255 BOBBY FORD PARK	3,065	5,000	5,000	5,000
TRANSFER IN FROM UTILITY (Indirect Cost)	-	400,826	400,826	104,410
TRANSFER IN FROM FUND BAL.	-	251,750	251,750	-
FUND TOTAL	2,492,585	3,129,873	3,127,839	2,710,169

MAJOR BUDGET CHANGES

380 Agreement Rebates	116,633	The Brazos Crossing 380 Agreement dropping from 100% to 75%.
Sales Tax Line Items	36,961	The projected growth comes from the sales tax revenues from businesses that sales tax revenues hadn't previously been sent correctly to Richwood. MuniServices help make these corrections.
Building Permits	10,000	Antcipated increase from new residentail and commercail growth.
Transfer in from Utility (Indirect Cost)	(296,416)	Removed one-time debt payment from Utility Fund.
Transfer in from Fund Balance	(251,750)	Removed transfer that funded one-time expenditures in FY 2018.
Municipal Courts	(19,000)	Revenues projections have been lowered to reflect a lesser amount of citations being issued.
Barbeque Cookoff	(7,000)	Revenues are no longer budgeted as the Fire Department will be taking over the management of the event.

Department
Administration

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	270,880	339,199	321,282	445,443
OPERATING COSTS	55,281	44,901	40,120	44,925
MAINTENANCE AND REPAIRS	17,910	15,500	16,750	16,000
UTILITIES AND TELEPHONE	12,885	11,753	11,540	12,240
SERVICES	55,890	90,726	101,246	100,700
SUNDRY	29,851	46,556	45,210	73,420
SUBTOTAL	442,696	548,635	536,147	692,728
CAPITAL OUTLAY	6,395	8,300	8,300	6,800
DEPARTMENT TOTAL	449,091	556,935	544,447	699,528

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
CITY MANAGER	1	90,610	122,590	94,210
FINANCE DIRECTOR	1	61,815	83,633	72,717
CITY SECRETARY	1	61,815	83,633	63,989
ADMINISTRATIVE ASSISTANT	1	35,620	48,192	44,800
CUSTOMER SERVICE REP.	1	30,400	41,130	32,364
TOTAL	**5**			**308,080**

MAJOR BUDGET CHANGES

Multiple Personnel Line Items	97,212	Added a Finance Director position.
Special Services - Miscellaneous	24,000	Budgeted payment to third-party to review sales tax compliance. Equates to 30 percent of additional estimated sales tax.
Multiple Personnel Line Items	16,159	Implementation of compensation study & establishing formal pay scales for all full-time positions.
Elections	6,000	Increased budget for a November bond election.

Department Administration

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
01 ADMINISTRATIVE EXP	29,494	-		-
02 CONTRACT LABOR	14,763	3,300	28,800	3,300
03 SALARIES	165,162	222,651	203,883	308,080
04 OVERTIME	-	4,202	2,000	3,500
05 RETIREMENT	26,179	40,097	30,000	48,107
07 MEDICARE	-	3,322	3,322	4,611
10 WORKER'S COMP	527	1,050	850	1,210
15 HOSPITALIZATION	25,744	35,933	34,024	47,340
20 UNEMPLOYMENT INS.	45	684	547	855
25 CELL PHONE ALLOWANCE	-	1,080	1,080	1,530
26 CAR ALLOWANCE	-	5,400	5,400	5,400
30 TRAINING & TRAVEL	8,966	15,480	10,000	19,360
75 EMPLOYEE INCENTIVE	-	5,100	1,150	1,250
80 CERTIFICATION PAY	-	900	225	900
TOTAL	270,880	339,199	321,282	445,443
5200 OPERATING SUPPLIES				
01 FOOD	514	2,460	2,000	2,220
10 OFFICE SUPPLIES	27,073	20,936	17,000	21,000
15 CUSTODIAL SUPPLIES	1,119	1,000	1,000	1,200
25 BOOKS & PERIODICALS	118	885	500	885
40 EXPENDABLE SUPPLIES	26,457	19,620	19,620	19,620
TOTAL	55,281	44,901	40,120	44,925
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	14,631	15,000	16,000	15,000
12 CONTINGENCY FUND M&R	3,000	-		-
20 OFFICE FURNITURE/FIX	103	500	750	1,000
65 OTHER EQUIPMENT M&R	176	-		-
TOTAL	17,910	15,500	16,750	16,000
5400 UTILITIES & TELEPHONE				
10 ELECTRICITY	10,384	9,000	9,000	9,500
20 TELEPHONE	2,074	2,040	2,040	2,040
30 NATURAL GAS	427	713	500	700
TOTAL	12,885	11,753	11,540	12,240

5500 SERVICES				
10 ELECTIONS	-	4,000	-	10,000
50 IT SERVICES	2,208	20,726	17,726	20,726
56 CONT. SERVICES - TAXES	12,013	13,000	13,000	11,474
60 ENGINEERING	-	1,000	1,000	-
70 ATTORNEY'S FEES	11,481	17,000	28,000	20,500
72 ECONOMIC DEVELOPMENT	1,130	10,000	1,200	10,000
80 AUDITOR'S FEES	28,557	25,000	28,000	28,000
95 PROFESSIONAL SERVICES	500	-	12,320	-
TOTAL	55,890	90,726	101,246	100,700
5600 SUNDRY				
40 INS. - BLDG/LIAB/BOND	17,096	20,000	20,000	20,000
60 DUES & SUBSCRIPTIONS	8,292	11,161	11,161	11,761
85 PUBLISHING & ADVERTISING	4,463	7,995	7,995	9,995
95 SPECIAL SERVICES - MISC	-	7,400	6,054	31,664
TOTAL	29,851	46,556	45,210	73,420
5900 CAPITAL OUTLAY				
10 OFFICE EQUIPMENT	182	3,500	3,500	2,000
35 EQUIP - TIME PAYMENT	6,213	4,800	4,800	4,800
40 SPECIAL EQUIPMENT	-	-	-	-
50 CONTINGENCY FUND	-	-	-	-
60 TRANSFER TO CAPITAL	-	-	-	-
TOTAL	6,395	8,300	8,300	6,800
DEPARTMENT TOTAL	449,091	556,935	544,447	699,528

Department
City Maintenance

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	100,283	112,175	102,615	109,203
OPERATING COSTS	23,064	22,700	21,700	22,400
MAINTENANCE AND REPAIRS	22,997	21,500	28,500	21,500
UTILITIES AND TELEPHONE	36,021	38,200	35,700	37,400
SUNDRY	13,303	22,800	12,220	8,550
SUBTOTAL	195,668	217,375	200,735	199,053
CAPITAL OUTLAY	27,576	26,554	26,554	26,556
DEPARTMENT TOTAL	223,244	243,929	227,289	225,609

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
MAINTENANCE TECH	1	30,400	41,130	32,260
OPERATOR TRAINEE	1	30,400	41,130	32,364
TOTAL	**2**			**64,624**

MAJOR BUDGET CHANGES

Dues & Subscriptions	(8,500)	Decreased to match historical expenditures.
Special Services - Misc.	(4,100)	Decreased to match historical expenditures.
Multiple Personnel Line Items	(2,972)	Decrease due to turnover and lower salaries for newer employees.
Radio M&R	(2,000)	Decreased to match historical expenditures.

Department
City Maintenance

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
02 CONTRACT LABOR	2,083	2,500	-	2,500
03 SALARIES	66,533	67,250	60,228	64,624
04 OVERTIME	-	7,601	7,601	7,000
05 RETIREMENT	7,390	8,556	6,225	8,151
07 MEDICARE	-	975	467	1,039
10 WORKER'S COMP	4,618	3,885	6,411	3,261
15 HOSPITALIZATION	17,644	17,966	18,066	18,936
20 UNEMPLOYMENT INS.	18	342	342	342
30 TRAINING & TRAVEL	278	1,500	1,500	1,500
75 LONGEVITY PAY	-	-	175	250
90 UNIFORMS	1,719	1,600	1,600	1,600
TOTAL	100,283	112,175	102,615	109,203
5200 OPERATING SUPPLIES				
10 OFFICE SUPPLIES	106	500	200	200
15 CUSTODIAL SUPPLIES	466	700	500	700
20 TOOLS	2,394	2,500	2,500	2,500
30 GAS, OIL, & LUBRICANTS	9,157	8,000	8,000	8,000
40 EXPENDABLE SUPPLIES	3,139	3,000	2,500	3,000
45 DUMP CHARGES	7,740	6,000	6,000	6,000
70 CHEMICALS	62	2,000	2,000	2,000
TOTAL	23,064	22,700	21,700	22,400
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	5,408	4,000	7,500	5,000
40 VEHICLE M&R	6,857	6,000	7,000	6,000
60 RADIO M&R	714	5,000	2,000	3,000
65 OTHER EQUIPMENT M&R	3,904	4,000	10,000	5,000
76 SIGNS M&R	6,114	2,500	2,000	2,500
TOTAL	22,997	21,500	28,500	21,500
5400 UTILITIES & TELEPHONE				
10 ELECTRICITY	28,474	31,500	35,000	36,000
20 TELEPHONE	7,159	6,300	300	1,000
30 NATURAL GAS	388	400	400	400
TOTAL	36,021	38,200	35,700	37,400

5600 SUNDRY				
30 INS. - MOTOR VEHICLES	1,437	2,000	2,220	2,250
40 INS. - BLDG/LIAB/BOND	2,034	4,000	4,000	2,100
60 DUES & SUBSCRIPTIONS	6,658	9,000	500	500
85 PUBLISHING & ADVERTISING	-	500	500	500
95 SPECIAL SERVICES - MISC	3,175	7,300	5,000	3,200
TOTAL	13,303	22,800	12,220	8,550
5900 CAPITAL OUTLAY				
30 EQUIPMENT	6,639	-	-	-
35 EQUIP - TIME PAYMENT	20,937	26,554	26,554	26,556
TOTAL	27,576	26,554	26,554	26,556
DEPARTMENT TOTAL	223,244	243,929	227,289	225,609

Department
Streets and Drainage

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5300 MAINTENANCE & REPAIRS				
80 STREET M&R	23,043	48,000	48,000	48,000
85 DRAINAGE M&R	3,419	5,000	5,000	5,000
TOTAL	26,463	53,000	53,000	53,000
5500 SERVICES				
60 ENGINEERING	-	5,000	5,000	5,000
TOTAL	-	5,000	5,000	5,000
5900 CAPITAL OUTLAY				
65 STREET PROJECTS	98,604	60,000	60,000	60,000
75 DRAINAGE	1,789	7,000	7,000	7,000
TOTAL	100,393	67,000	67,000	67,000
DEPARTMENT TOTAL	126,856	125,000	125,000	125,000

MAJOR BUDGET CHANGES

No changes

Department
Special Revenue

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5200 OPERATING				
90 BARBEQUE COOKOFF	4,397.19	7,000.00	7,000.00	-
91 POLICE TRAINING	250.00	1,100.00	1,100.00	1,350.00
92 SEIZURE & FORFEITURE	-	-		-
93 COURT SECURITY	119.20	3,300.00	3,300.00	2,880.00
94 COURT TECHNOLOGY	2,445.45	2,000.00	2,000.00	3,000.00
95 BOBBY FORD PARK	-	5,000.00	5,000.00	5,000.00
TOTAL	7,211.84	18,400.00	18,400.00	12,230.00
DEPARTMENT TOTAL	7,211.84	18,400.00	18,400.00	12,230.00

MAJOR BUDGET CHANGES

Barbeque Cookoff	(7,000.00)	During FY 2018 the responsibility & funds for the Cookoff were transferred to the Richwood Volunteer Fire Department.
Various Line Items	830.00	Adjusted to match historical totals for special revenues.

Department
Police Department

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	789,770	765,428	821,789	789,073
OPERATING COSTS	42,712	39,104	19,946	41,982
MAINTENANCE AND REPAIRS	12,517	14,880	13,797	14,020
UTILITIES AND TELEPHONE	6,082	11,772	8,207	12,624
SERVICES	47,726	63,460	55,480	70,350
SUNDRY	24,270	22,912	25,563	22,314
SUBTOTAL	923,076	917,556	944,781	950,363
CAPITAL OUTLAY	191	1,613	3,237	4,488
DEPARTMENT TOTAL	923,267	919,169	948,018	954,851

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
POLICE CHIEF	1	66,732	90,284	75,005
SERGEANT	1	57,281	70,011	62,833
SERGEANT	1	57,281	70,011	61,418
OFFICER	1	47,735	58,342	58,342
OFFICER	1	47,735	58,342	57,532
OFFICER	1	47,735	58,342	53,821
OFFICER	1	47,735	58,342	53,821
OFFICER	1	47,735	58,342	53,776
OFFICER	1	47,735	58,342	53,216
TOTAL	**9**			**529,764**

MAJOR BUDGET CHANGES

Overtime	15,236	Increased budget to better match historical expenditures. Additionally, the Police Department is also implementing new practices to better provide shift coverage without using as much
Multiple Personnel Line Items	7,712	Implementation of compensation study & establishing formal pay scales for all full-time positions.
Animal Control	4,600	Historically, unclaimed pets have been brought to Angleton's shelter at no cost to the City. However, we are anticipating that to change.
Gas, Oil, & Lubricants	3,638	Increased budget to account for raising fuel costs.
Jail Expense	3,540	Purchased new software that will allow for video magistration

Department
Police

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
03 SALARIES	625,375	525,707	519,037	529,764
04 OVERTIME	-	36,764	84,089	52,000
05 RETIREMENT	61,607	64,352	68,636	66,266
07 MEDICARE	-	7,631	8,745	8,443
10 WORKER'S COMP	10,817	24,547	24,373	19,332
15 HOSPITALIZATION	76,898	80,848	88,568	85,212
20 UNEMPLOYMENT INS.	239	1,539	1,804	1,539
25 CELL PHONE ALLOWANCE	-	540	540	540
30 TRAINING & TRAVEL	4,968	11,300	11,263	10,740
75 EMPLOYEE INCENTIVE	6,500	-	1,650	1,850
80 CERTIFICATION PAY	-	8,400	8,400	7,800
90 UNIFORMS	3,367	3,800	4,683	5,587
TOTAL	789,770	765,428	821,789	789,073
5200 OPERATING SUPPLIES				
01 FOOD	116	1,850	1,600	1,850
10 OFFICE SUPPLIES	12,620	4,600	3,806	2,280
15 CUSTODIAL SUPPLIES	28	-	10	50
20 TOOLS	1,670	1,816	1,741	1,816
30 GAS, OIL, & LUBRICANTS	24,757	30,208	10,949	33,846
40 EXPENDABLE SUPPLIES	3,521	630	888	1,540
87 COMMUNITY OUTREACH	-	-	951	600
TOTAL	42,712	39,104	19,946	41,982
5300 MAINTENANCE & REPAIRS				
20 OFFICE FURNITURE/FIX	-	-	30	1,000
40 VEHICLE M&R	10,089	11,000	9,887	9,500
50 RADAR M&R	320	400	400	400
60 RADIO M&R	-	2,540	2,540	2,540
65 OTHER EQUIPMENT M&R	2,108	940	940	580
TOTAL	12,517	14,880	13,797	14,020
5400 UTILITIES & TELEPHONE				
20 TELEPHONE	6,082	11,772	8,207	12,624
TOTAL	6,082	11,772	8,207	12,624
5500 SERVICES				
40 DISPATCH SERVICES	43,000	45,000	43,000	43,000
42 JAIL EXPENSE	3,236	4,500	4,500	8,040
50 IT SERVICES	-	1,560	1,780	2,310
58 ANIMAL CONTROL	264	7,400	3,000	12,000
70 ATTORNEY'S FEES	1,226	5,000	3,200	5,000
TOTAL	47,726	63,460	55,480	70,350

5600 SUNDRY				
30 INS. - MOTOR VEHICLES	7,079	6,100	6,522	6,522
40 INS. - BLDG/LIAB/BOND	5,816	6,500	6,082	6,500
60 DUES & SUBSCRIPTIONS	968	7,092	7,092	7,092
85 PUBLISHING & ADVERTISING	2,394	2,220	2,220	2,200
95 SPECIAL SERVICES - MISC	8,012	1,000	3,647	-
TOTAL	24,270	22,912	25,563	22,314
5900 CAPITAL OUTLAY				
30 EQUIPMENT	-	-	-	-
35 EQUIP - TIME PAYMENT	191	1,613	3,237	4,488
TOTAL	191	1,613	3,237	4,488
DEPARTMENT TOTAL	923,267	919,169	948,018	954,851

Department
Judicial

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	114,684	114,845	110,928	64,763
OPERATING COSTS	6,036	5,700	5,800	5,000
MAINTENANCE AND REPAIRS	-	-	-	-
UTILITIES AND TELEPHONE	-	-	-	-
SERVICES	13,207	10,000	14,983	16,000
SUNDRY	(1,137)	200	3,500	3,500
SUBTOTAL	132,791	130,745		89,263
CAPITAL OUTLAY	-	-	-	-
DEPARTMENT TOTAL	132,791	130,745	135,211	89,263

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
COURT CLERK	1	35,620	48,192	37,366
JUDGE	1	3,600	3,600	3,600
ALTERNATE JUDGE	1	3,600	3,600	3,600
TOTAL	**3**			**44,566**

MAJOR BUDGET CHANGES

Multiple Personnel Line Items	(54,280)	After conducting a comparative analysis of court staffing levels in other cities similar to Richwood, it was determined that only one position is need to effiecently handle the workload in our court.
Attorney's Fees	5,500.00	Increased to better match historical expenditures.
Dues & Subscriptions	-	Increased to account for the court software.

Department
Judicial

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
03 SALARIES	84,216	81,327	79,183	44,566
04 OVERTIME	-	1,000	500	1,000
05 RETIREMENT	10,638	8,587	7,315	4,366
07 MEDICARE	-	1,211	1,211	660
10 WORKERS COMP	356	370	391	165
15 HOSPITALIZATION	16,985	17,966	18,074	9,468
20 UNEMPLOYMENT INSURANCE	179	684	704	513
30 TRAINING & TRAVEL	2,311	2,500	3,000	3,000
75 LONGEVITY PAY	-	-	250	125
80 CERTIFICATION PAY	-	1,200	300	900
TOTAL	114,684	114,845	110,928	64,763
5200 OPERATING SUPPLIES				
10 OFFICE SUPPLIES	5,693	5,200	5,000	4,200
25 BOOKS & PERIODICALS	120	-	300	300
40 EXPENDABLE SUPPLIES	223	500	500	500
TOTAL	6,036	5,700	5,800	5,000
5500 SERVICES				
50 IT SERVICES	-	-	83	500
65 JURY EXPENSE	-	500	500	500
70 ATTORNEY'S FEES	13,207	9,500	14,400	15,000
TOTAL	13,207	10,000	14,983	16,000
5600 SUNDRY				
10 CREDIT CARD DISCOUNT FEES	(1,359)	-	500	-
60 DUES & SUBSCRIPTIONS	222	200	3,000	3,500
TOTAL	(1,137)	200	3,500	3,500
DEPARTMENT TOTAL	132,791	130,745	135,211	89,263

Department
Fire Department

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	25,989	22,520	26,050	29,390
OPERATING COSTS	12,831	17,500	17,200	17,500
MAINTENANCE AND REPAIRS	17,138	14,500	14,500	9,500
UTILITIES AND TELEPHONE	3,995	4,750	4,300	4,560
SERVICES	75,000	85,000	85,000	93,000
SUNDRY	10,537	11,500	11,436	12,036
SUBTOTAL	145,490	155,770	158,486	165,986
CAPITAL OUTLAY	17,974	35,664	35,664	39,795
DEPARTMENT TOTAL	163,464	191,434	194,150	205,781

MAJOR BUDGET CHANGES

EMS Services	8,000	The EMS contract was rebid and the winning bid was $8,000 higher than the previous contract amount.
Multiple Personnel Line Items	6,870	Increased costs associated with higher number of volunteers.

Department
Fire Department

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
06 PENSION PLAN	13,725	13,860	14,650	16,490
10 WORKER'S COMP	277	660	3,400	3,400
30 TRAINING & TRAVEL	296	500	500	500
90 UNIFORMS	11,691	7,500	7,500	9,000
TOTAL	25,989	22,520	26,050	29,390
5200 OPERATING SUPPLIES				
10 OFFICE SUPPLIES	52	1,500	1,500	1,500
15 CUSTODIAL SUPPLIES	-	-		-
20 TOOLS	10,610	12,000	12,000	12,000
30 GAS, OIL, & LUBRICANTS	1,857	3,000	2,700	3,000
40 EXPENDABLE SUPPLIES	313	-		-
85 FIRE PREVENTION SUPPLIES	-	1,000	1,000	1,000
TOTAL	12,831	17,500	17,200	17,500
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	10,775	8,000	8,000	3,000
40 VEHICLE M&R	5,943	6,000	6,000	6,000
60 RADIO M&R	420	500	500	500
TOTAL	17,138	14,500	14,500	9,500
5400 UTILITIES & TELEPHONE				
10 ELECTRICTY	1,561	2,250	1,800	1,800
20 TELEPHONE	2,227	2,200	2,200	2,400
30 NATURAL GAS	207	300	300	360
TOTAL	3,995	4,750	4,300	4,560
5500 SERVICES				
66 CONTRACT - AMBULANCE	75,000	85,000	85,000	93,000
TOTAL	75,000	85,000	85,000	93,000
5600 SUNDRY				
30 INS. - MOTOR VEHICLES	4,678	4,700	5,336	5,336
40 INS. - BLDG/LIAB/BOND	3,151	4,000	3,300	3,300
60 DUES & SUBSCRIPTIONS	2,708	2,800	2,800	3,400
TOTAL	10,537	11,500	11,436	12,036
5900 CAPITAL OUTLAY				
30 EQUIPMENT	10,642	-		-
35 EQUIP - TIME PAYMENT	7,332	8,000	8,000	8,000
62 TRANSFER TO REPLACEMENT	-	27,664	27,664	31,795
TOTAL	17,974	35,664	35,664	39,795

DEPARTMENT TOTAL	163,464	191,434	194,150	205,781

Department
Parks and Recreation

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	-	-	-	-
OPERATING COSTS	3,360	4,500	4,000	4,000
MAINTENANCE AND REPAIRS	21,372	22,500	30,000	27,500
UTILITIES AND TELEPHONE	852	1,694	2,400	2,400
SERVICES	-	-	-	-
SUNDRY	3,396	5,300	5,300	5,400
PARKS AND RECREATION	5,781	7,000	7,348	7,000
SUBTOTAL	34,761	40,994	49,048	46,300
CAPITAL OUTLAY	-	-	-	-
DEPARTMENT TOTAL	34,761	40,994	49,048	46,300

MAJOR BUDGET CHANGES

Building & Grounds M&R	5,000	Increased budget to better take care of aging park facilities.

Department
Parks and Recreation

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5200 OPERATING SUPPLIES				
10 OFFICE SUPPLIES	181	-	-	-
15 CUSTODIAL SUPPLIES	897	1,500	1,500	1,500
20 TOOLS	-	-	-	-
40 EXPENDABLE SUPPLIES	244	1,000	500	500
70 CHEMICALS	2,038	2,000	2,000	2,000
TOTAL	3,360	4,500	4,000	4,000
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	14,445	15,000	25,000	20,000
65 OTHER EQUIPMENT M&R	6,926	7,500	5,000	7,500
TOTAL	21,372	22,500	30,000	27,500
5400 UTILITIES & TELEPHONE				
10 ELECTRICITY	852	1,694	2,400	2,400
TOTAL	852	1,694	2,400	2,400
5600 SUNDRY				
40 INS. - BLDG/LIAB/BOND	1,747	3,800	3,800	3,800
85 PUBLISHING & ADVERTISING	1,649	1,500	1,500	1,600
TOTAL	3,396	5,300	5,300	5,400
5800 PARKS AND RECEATION				
50 BEAUTIFICATION	27	-	348	-
51 EVENTS	5,754	7,000	7,000	7,000
TOTAL	5,781	7,000	7,348	7,000
DEPARTMENT TOTAL	34,761	40,994	49,048	46,300

Department
Code Enforcement

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	41,978	46,909	46,003	47,621
OPERATING COSTS	1,250	2,600	1,850	2,500
MAINTENANCE AND REPAIRS	1,645	-	15	-
UTILITIES AND TELEPHONE SERVICES	761	2,500	2,500	6,250
SUNDRY	523	1,000	600	800
SUBTOTAL	46,157	53,009	50,968	57,171
CAPITAL OUTLAY	-	-	-	-
DEPARTMENT TOTAL	46,157	53,009	50,968	57,171

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
CUSTOMER SERVICE REP.	1	30,400	41,130	32,260
TOTAL	**1**			**32,260**

MAJOR BUDGET CHANGES

Attorney's Fees	2,500	Historically most these fees had been charged to Administration. Increasing the budget allows the expenditures to be recodred in the proper department.
Professional Services	1,000	Increased budget to allow for outside consultations.

Department
Code Enforcement

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
03 SALARIES	29,019	32,136	31,665	32,260
04 OVERTIME	-	300	300	300
05 RETIREMENT	4,702	3,707	3,180	3,706
07 MEDICARE	-	466	466	473
10 WORKERS COMP	216	146	278	118
15 HOSPITALIZATION	7,083	8,983	9,810	9,468
20 UNEMPLOYMENT INSURANCE	125	171	179	171
30 TRAINING & TRAVEL	614	1,000	-	1,000
75 LONGEVITY PAY	-	-	125	125
90 UNIFORMS	219	-	-	-
TOTAL	41,978	46,909	46,003	47,621
5200 OPERATING SUPPLIES				
01 FOOD	109	-	-	-
10 OFFICE SUPPLIES	651	1,000	650	1,000
15 CUSTODIAL SUPPLIES	7	-	-	-
20 TOOLS	22	1,000	1,000	1,000
40 EXPENDABLE SUPPLIES	460	600	200	500
TOTAL	1,250	2,600	1,850	2,500
5300 MAINTENANCE & REPAIRS				
20 OFFICE FURNITURE/FIX	645	-	-	-
40 VEHICLE M&R	1,001	-	15	-
TOTAL	1,645	-	15	-
5500 SERVICES				
55 IT SERVICES	-	-		250
70 ATTORNEY'S FEES	390	2,500	2,500	5,000
95 SPECIAL SERVICES - MISC	371	-		1,000
TOTAL	761	2,500	2,500	6,250
5600 SUNDRY				
60 DUES & SUBSCRIPTIONS	234	500	300	300
85 PUBLISHING & ADVERTISING	289	500	300	500
TOTAL	523	1,000	600	800
DEPARTMENT TOTAL	46,157	53,009	50,968	57,171

Department
Permitting & Inspections

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	74,193	86,878	82,199	82,966
OPERATING COSTS	1,073	5,600	3,350	4,100
MAINTENANCE AND REPAIRS	226	2,110	1,900	2,000
UTILITIES AND TELEPHONE	-			-
SERVICES	600	3,700	9,000	13,000
SUNDRY	4,442	11,300	11,270	11,300
SUBTOTAL	80,534	109,588	107,719	113,366
CAPITAL OUTLAY	-	-	-	-
DEPARTMENT TOTAL	80,534	109,588	107,719	113,366

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
BUILDING OFFICIAL	1	51,670	69,906	55,204
TOTAL	**1**			**55,204**

MAJOR BUDGET CHANGES

Multiple Personnel Line Items	(7,872)	In FY 2018 the Permitting & Inspections Director position was reclassified to Building Official.
Multiple Line Items	12,300	Budgets for third-party inspections and plan reviews increased due to growth. The fees that are collected will offset these increases.

Department
Permitting & Inspections

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
02 CONTRACT LABOR	1,400	4,500	7,500	7,500
03 SALARIES	58,527	61,992	55,203	55,204
05 RETIREMENT	5,705	7,147	6,624	6,344
07 MEDICARE	-	907	404	809
10 WORKER'S COMP	-	638	284	455
15 HOSPITALIZATION	8,440	8,983	9,813	9,468
20 UNEMPLOYMENT INS.	9	171	180	171
25 CELL PHONE ALLOWANCE	-	540	540	540
30 TRAINING & TRAVEL	111	1,800	1,000	1,800
75 LONGEVITY PAY	-	-	450	475
90 UNIFORMS	-	200	200	200
TOTAL	74,193	86,878	82,199	82,966
5200 OPERATING SUPPLIES				
10 OFFICE SUPPLIES	337	100	100	100
20 TOOLS	-	500	250	500
30 GAS, OIL & LUBRICANTS	736	5,000	3,000	3,500
TOTAL	1,073	5,600	3,350	4,100
5300 MAINTENANCE & REPAIRS				
40 VEHICLE M&R	124	2,000	1,500	1,500
60 RADIO M&R	102	110	400	500
TOTAL	226	2,110	1,900	2,000
5500 SERVICES				
70 ATTORNEY'S FEES	-	500	3,000	3,000
95 SPECIAL SERVICES - MISC	600	3,200	6,000	10,000
TOTAL	600	3,700	9,000	13,000
5600 SUNDRY				
30 INS. MOTOR VEHICLES	-	500	470	500
60 DUES & SUBSCRIPTIONS	4,442	10,800	10,800	10,800
TOTAL	4,442	11,300	11,270	11,300
DEPARTMENT TOTAL	80,534	109,588	107,719	113,366

Department
Storm/Disaster

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
02 CONTRACT LABOR	2,700	-	3,000	-
TOTAL	2,700	-	3,000	-
5200 OPERATING SUPPLIES				
01 FOOD	1,013	-	-	-
10 OFFICE SUPPLIES	77	-	-	-
15 CUSTODIAL SUPPLIES	95	-	-	-
20 TOOLS	679	-	1,339	-
30 GAS, OIL, & LUBRICANTS	4,526	-	-	-
40 EXPENDABLE SUPPLIES	699	-	-	-
45 DUMP CHARGES	-	35,000	35,000	-
TOTAL	7,089	35,000	36,339	-
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	1,166	-	88	-
65 OTHER EQUIPMENT M&R	17,827		5,768	-
TOTAL	18,993	-	5,856	-
5500 SERVICES				
95 SPECIAL SERVICES - MISC	-	51,231	24,669	-
TOTAL	-	51,231	24,669	-
DEPARTMENT TOTAL	28,781	86,231	69,864	-

Department
Transfers

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5900 TRANSFERS OUT				
50 CONTINGENCY FUND	-	74,144	74,144	7,161
60 CAPITAL PROJECTS	-	72,095	82,095	40,000
61 UTILITY FUND (INDIRECT COST)	-	401,590	401,590	89,909
62 EQUIPMENT REPLACEMENT	-	105,610	65,610	43,000
63 BEAUTIFICATION FUND	-	1,000	1,000	1,000
TOTAL	-	654,439	624,439	181,070
DEPARTMENT TOTAL	-	654,439	624,439	181,070

MAJOR BUDGET CHANGES

Utility Fund (Indirect Cost)	(311,681)	Removed one-time payment to Utility Fund for water and sewer fees that historically had not been paid.
Contingency Fund	(66,983)	Reduced transfer to amount needed to reach a balance of 3% of General Fund Operating Budget.
Equipment Replacement	(62,610)	Reduced one-time purchases budgeted in FY 2018.
Capital Projects	(32,095)	Reduced one-time purchases budgeted in FY 2018.

General Obligation Debt
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4103 AD VALOREM TAXES	163,443	174,211	174,211	166,333
4110 INTEREST EARNED	338	-	91	-
FUND TOTAL	163,781	174,211	174,302	166,333

General Obligation Debt
Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5900 CAPITAL OUTLAY				
10 BOND FEES	-	-	-	-
60 BANK LOAN	21,390	21,390	21,390	21,389
80 CO SERIES 2012	78,510	79,050	79,050	78,050
92 CO SERIES 2011 REFUNDING	70,494	73,772	73,772	66,894
FUND TOTAL	170,394	174,212	174,212	166,333

Water/Sewer Fund
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST EARNED	1,066	500	500	500
4112 MISCELLANEOUS	22,127	6,000	6,000	3,500
4410 WATER FEES	706,689	820,127	843,261	935,631
4411 WATER DISCOUNTS	-	(10,264)	(15,093)	(24,641)
4420 SEWER FEES	603,113	728,818	747,219	835,949
4421 SEWER DISCOUNTS	-	(9,803)	(13,853)	(21,862)
4422 RECLAIMED WATER	-	12,500	-	12,500
4430 DELINQUENT CHARGES	26,857	23,000	14,488	23,000
4440 WATER TAPS	11,248	14,050	12,483	14,050
4450 SEWER TAPS	1,500	2,000	500	575
4460 RECONNECT FEES	2,734	2,150	5,798	4,000
4470 GARBAGE RECEIPTS	29,983	281,396	256,920	298,657
4961 TRANSFER IN GEN. FUND (INDIRECT COST)	-	401,590	401,590	89,909
FUND TOTAL	1,405,317	2,272,065	2,259,813	2,171,768

MAJOR BUDGET CHANGES

Transfer In from General Fund (Indirect Cost)	(311,681)	Removed one-time payment from General Fund for
Water & Sewer Fees	196,198	Increase from full year of new rates that were implemented in April 2018.
Garbage Receipts	17,261	Pass through rate increases from Waste Connections.

Department
Water/Sewer

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
PERSONNEL COSTS	282,747	259,918	257,910	376,460
OPERATING COSTS	32,002	33,000	29,000	34,600
MAINTENANCE AND REPAIRS	155,243	122,200	104,612	128,812
UTILITIES AND TELEPHONE	48,155	50,100	57,300	57,960
SERVICES	147,008	139,752	161,652	171,450
SUNDRY	43,747	50,111	50,352	51,028
SUBTOTAL	708,902	655,081	660,826	820,310
CAPITAL OUTLAY	535,557	855,649	839,078	860,198
TRANSFERS OUT	-	761,336	755,336	491,260
DEPARTMENT TOTAL	1,244,460	2,272,065	2,255,240	2,171,768

POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE MIN	MAX	
PUBLIC WORKS DIRECTOR	1	61,815	83,633	65,452
FOREMAN	1	44,625	60,375	44,788
OPERATOR	1	35,620	48,192	36,510
OPERATOR	1	35,620	48,192	35,620
OPERATOR TRAINEE	1	30,400	41,130	32,364
OPERATOR TRAINEE	1	30,400	41,130	31,320
TOTAL	**6**			**246,052**

MAJOR BUDGET CHANGES

General Fund Transfer (Indirect Cost)	(296,416)	Reduced one-time debt payment to General Fund.
Multiple Personnel Line Items	108,615	Funding for two positions oginally approved in FY 2018 Budget.
Captial Improvements Transfer	69,324	Increased transfer to fund rebuilds on wells 3 & 4 and other small projects.
Multiple Line Items within Services Category	31,698	Increased fees for professional services to allow more room for M&R budgets to better maintain water and sewer lines.
Solid Waste Charges	15,860	Increase in Waste Connections Contract.
Telephone	8,100	Moved SCADA phone charges from M&R line items to allow more room for M&R budgets to better maintain water and sewer lines.
Other Transfers	(42,984)	Decreases for transfers to the Contingency Fund, Debt Service, and Equipment Replacement Fund.

Department
Water/Sewer

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
02 CONTRACT LABOR	-	1,000	-	1,000
03 SALARIES	225,249	166,984	167,314	246,052
04 OVERTIME	-	15,000	16,500	16,500
05 RETIREMENT	18,826	20,862	17,733	29,940
07 MEDICARE	-	2,429	1,191	3,814
10 WORKER'S COMP	3,762	10,386	9,251	11,975
15 HOSPITALIZATION	32,455	35,933	39,197	56,808
20 UNEMPLOYMENT INS.	150	684	684	1,026
25 CELLPHONE ALLOWANCE	-	540	540	540
30 TRAINING & TRAVEL	2,302	4,000	4,000	5,000
75 LONGEVITY PAY	-	-	-	805
80 CERTIFICATION PAY	-	2,100	1,500	3,000
90 UNIFORMS	2	-	-	-
TOTAL	282,747	259,918	257,910	376,460
5200 OPERATING SUPPLIES				
01 FOOD	-	-	-	500
10 OFFICE SUPPLIES	9,540	6,000	6,000	6,000
15 CUSTODIAL SUPPLIES	54	300	300	100
20 TOOLS	989	2,000	2,000	2,000
30 GAS, OIL, & LUBRICANTS	10,553	15,000	11,000	15,000
40 EXPENDABLE SUPPLIES	3,434	2,200	2,200	3,500
70 CHEMICALS	7,431	7,500	7,500	7,500
TOTAL	32,002	33,000	29,000	34,600
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	3,367	2,000	2,000	3,000
20 OFFICE FURNITURE/FIX	773	-	-	-
40 VEHICLE M&R	8,945	3,000	2,000	3,000
60 RADIO M&R	-	-	612	1,612
65 OTHER EQUIPMENT M&R	482	-	5,000	4,000
90 WATER LINES M&R	49,447	45,000	45,000	45,000
92 SEWER LINES M&R	92,228	72,200	50,000	72,200
TOTAL	155,243	122,200	104,612	128,812
5400 UTILITIES & TELEPHONE				
10 ELECTRICITY	45,552	47,000	47,000	47,000
20 TELEPHONE	2,559	2,500	9,700	10,600
30 NATURAL GAS	45	600	600	360
TOTAL	48,155	50,100	57,300	57,960

5500 SERVICES				
05 LEASE EXPENSE	135,592	137,252	137,252	139,550
60 ENGINEERING	7,676	2,500	2,500	10,000
70 ATTORNEY'S FEES	3,740	-	2,500	2,500
95 PROFESSIONAL SERVICES	-	-	19,400	19,400
TOTAL	147,008	139,752	161,652	171,450
5600 SUNDRY				
30 INS. - MOTOR VEHICLES	1,437	2,875	3,116	3,200
40 INS. - BLDG/LIAB/BOND	22,505	25,000	25,000	25,000
60 DUES & SUBSCRIPTIONS	18,340	19,736	19,736	20,328
85 PUBLISHING & ADVERTISING	1,465	2,500	2,500	2,500
TOTAL	43,747	50,111	50,352	51,028
5900 CAPITAL OUTLAY				
30 EQUIPMENT	208	-	-	-
35 EQUIP - TIME PAYMENT	17,908	20,000	20,000	4,092
90 SEWAGE TREATMENT PLANT	265,263	315,998	310,000	314,575
94 WASTE CONNECTIONS	-	257,320	246,747	273,180
95 BRAZOSPORT WATER AUTH	252,179	262,331	262,331	268,351
TOTAL	535,557	855,649	839,078	860,198
5900 TRANSFERS OUT				
63 GEN. FUND (INDIRECT COST)	-	400,826	400,826	104,410
64 CONTINGENCY FUND	-	47,069	41,069	24,084
65 UTILITY DEBT SERVICE	-	165,756	165,756	153,192
66 CAPITAL IMPROVEMENTS	-	87,686	87,686	157,010
67 EQUIPMENT REPLACEMENT	-	59,999	59,999	52,564
TOTAL	-	761,336	755,336	491,260
DEPARTMENT TOTAL	1,244,460	2,272,065	2,255,240	2,171,768

Revenue Bond Debt
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4113 TRANS IN FROM REVENUE	-	165,756	165,756	153,192
4410 WATER FEES	88,983			-
4420 SEWER FEES	79,228			-
FUND TOTAL	168,211	165,756	165,756	153,192

Revenue Bond Debt
Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5900 CAPITAL OUTLAY				
60 CO SERIES 2013	73,791	73,791	73,791	73,791
70 CO SERIES 2011	54,508	53,340	53,340	37,213
91 RB I&S SERIES 2004	39,912	38,625	38,625	42,188
FUND TOTAL	168,210	165,756	165,756	153,192

MAJOR BUDGET CHANGES

Crime Control and Prevention
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST	265.69	-	250.00	-
4117 SALES TAX	99,288.52	109,607.00	104,808.00	114,499.00
4959 TRANS IN - FUND BALANCE	-	7,558.00	-	
FUND TOTAL	99,554.21	117,165.00	105,058.00	114,499.00

Crime Control and Prevention
Expenditures

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
03 SALARIES	18,760	76,655	30,838	15,552
05 RETIREMENT	-	8,762	-	-
07 MEDICARE	-	1,111	447	226
10 WORKER'S COMP	-	3,342	1,280	517
15 HOSPITALIZATION	-	8,983	-	-
20 UNEMPLOYMENT INS.	-	1,160	342	171
30 TRAINING & TRAVEL	-	900	-	1,500
90 UNIFORMS	4,093	1,007	4,500	1,000
TOTAL	22,853	101,920	37,407	18,966
5200 SUPPLIES				
20 TOOLS	1,663	-	-	-
40 EXPENDABLE		-	-	-
TOTAL	1,663	-	-	-
5500 SERVICES				
50 IT SERVICES	1,216			
TOTAL	1,216	-	-	-
5900 CAPITAL				
5920 MOTOR VEHICLES	73,842	-	-	
5930 EQUIPMENT	5,020	2,745	20,745	95,533
TOTAL	78,862	2,745	20,745	95,533
6000 TRANSFERS OUT				
COPS GRANT	-	12,500	-	-
TOTAL	-	12,500	-	-
FUND TOTAL	104,594	117,165	58,152	114,499

MAJOR BUDGET CHANGES

The CCPD Board met to discuss their proposed budget before Chief Mayer's start date. They decided to committ $18,966 to fund the part-time warrant officer and to place the remaining funds in the equipment line item as a placeholder. The board will meet with Chief Mayer in July to prepare any adjustments they would like to propose to City Council.

Utility Capital Improvement Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST	306	200	405	-
4966 TRANSFER FROM UTILITY FUND	-	87,686	87,686	157,010
FUND TOTAL	306	87,886	88,091	157,010

Utility Capital Improvement Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5560 ENGINEERING	-	66,831	66,831	75,000
5915 CAPITAL OUTLAY	-	20,855	20,855	53,790
FUND TOTAL	-	87,686	87,686	128,790

Equipment Replacement Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST	60	-	134	-
4112 MISCELLANEOUS	-	-	7,537	-
4962 TRANSFER FROM GENERAL FUND	-	105,610	65,610	43,000
4967 TRANSFER FROM UTILITY FUND	-	59,999	59,999	52,564
FUND TOTAL	60	165,609	133,280	95,564

Equipment Replacement Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5920 MOTOR VEHICLES	-	30,610	35,000	40,000
5930 EQUIPMENT	-	134,999	94,999	-
FUND TOTAL	-	165,609	129,999	40,000

Capital Projects
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST	-	-	-	-
4113 INTRAGOVERNMENTAL	-	72,095	82,095	40,000
FUND TOTAL	-	72,095	82,095	40,000

Capital Projects
Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5930 EQUIPMENT	-	24,345	34,345	
5915 CAPITAL OUTLAY	-	47,750	47,750	40,000
FUND TOTAL	-	72,095	82,095	40,000

Insurance Contingency
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
4110 INTEREST	66	-	66	-
FUND TOTAL	66	-	66	-

Insurance Contingency
Expenditures

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5240 EXPENDABLE	-	-	-	-
FUND TOTAL	-	-	-	-

MAJOR BUDGET CHANGES

Utility Capital Improvement	$75,000 to finish funding the Utility Master Plan & Impact Fee Study; $53,790 to rebuild water wells 3 & 4; $28,220 is being reserved for projects resulting from the CIP that will be created during the study.
Equipment Replacement	$40,000 to purchase a new diesel truck in Utilities: $55,564 to begin pre-funding future equipment replacement needs. Between the General Fund and the Utility Fund there is over $200,000 per year in depreciation on equipment and vehicles.
Capital Projects	$40,000 to replace the roof on City Hall, which was the only thing not done when the building was purchased and remodeled.

Transportation Fund
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
TRANS IN - FUND BALANCE		-	-	
4110 INTEREST	147	-	700	-
4125 TRANSPORTATION FEE	105,225	105,000	136,800	136,800
FUND TOTAL	105,372	105,000	137,500	136,800

Transportation Fund
Expenditures

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5300 MAINTENANCE & REPAIR				
5380 STREETS M&R	43,444	30,000	30,000	45,600
5382 SIDEWALKS M&R	-	50,000	25,000	45,600
5385 DRAINAGE M&R	14,100	25,000	25,000	45,600
TOTAL	57,543	105,000	80,000	136,800
FUND TOTAL	57,543	105,000	80,000	136,800

MAJOR BUDGET CHANGES

Transportation Fee	31,800	Now that both apartment complexes are complete, we should see at least $11,400 per month in transporation fee revenues.
Expenditures	31,800	Reallocated budget to divide funds equally between the three areas.

Beautification
Revenues

DESCRIPTION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
TRANS IN - FUND BALANCE	-	1,200	-	480
4112 MISCELLANEOUS	-	-	-	-
4113 INTERGOVERNMENTAL	-	1,000	1,000	1,000
4124 BEATIFICATION REVENUES	12,725	13,800	14,520	14,520
FUND TOTAL	12,725	16,000	15,520	16,000

Beautification
Expenditures

EXPENDITURE CLASSIFICATION	ACTUAL FY 2016/17 *UNAUDITED*	BUDGET FY 2017/18	PROJECTED FY 2018/18	BUDGET FY 2018/19
5100 PERSONNEL COSTS				
02 CONTRACT LABOR	8,175	8,500	8,500	8,500
30 TRAINING & TRAVEL	1,012	1,600	-	1,600
TOTAL	9,187	10,100	8,500	10,100
5200 SUPPLIES				
10 OFFICE SUPPLIES	25	100	100	100
20 TOOLS	-	500	-	500
40 EXPENDABLE	821	1,500	500	1,500
TOTAL	846	2,100	600	2,100
5300 MAINTENANCE & REPAIRS				
10 BUILDING & GROUNDS	1,540	2,000	1,600	2,000
TOTAL	1,540	2,000	1,600	2,000
5600 SUNDRY				
60 DUES AND SUBSCRIPTIONS	637	800	650	800
85 PUBLISHING & ADVERTISING	390	1,000	300	1,000
95 SPECIAL SERVICES - MISC	202	-	-	-
TOTAL	1,229	1,800	950	1,800
FUND TOTAL	12,801	16,000	11,650	16,000

City of Richwood

FY 2019 BUDGET PUBLIC HEARING

AUGUST 27, 2018

FY 18 Strategic Plan

New Vision Statement

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.

Strategic Priorities

1. Financial Sustainability
2. Economic Development
3. Infrastructure Investments
4. Community Development
5. City Operations

General Fund Proposed Revenues

	FY 17-18 Budget	FY 18-19 Proposed	Difference
Operating Rev.	$2,477,297	$2,605,759	$128,462
Transfers Rev.	$652,576	$104,410	($548,166)
Total Budget	**$3,129,873**	**$2,710,169**	**($419,704)**

Major Budget Changes

- Added $116,633 due to lower property tax reimbursements for the 380 Agreements with 210 Developers
- Added $36,961 in new revenues from projected sales tax growth
- Added $10,000 in permitting due to anticipated residential and commercial projects
- Reduced ($548,166) in one-time transfers from the prior year
- Reduced ($19,000) from municipal court revenues due to lower citation volumes
- Reduced ($7,000) from Barbeque Cookoff revenues due to the event being taken over by the Volunteer Fire Department

General Fund Proposed Revenues

Potential Changes to Proposed Revenues

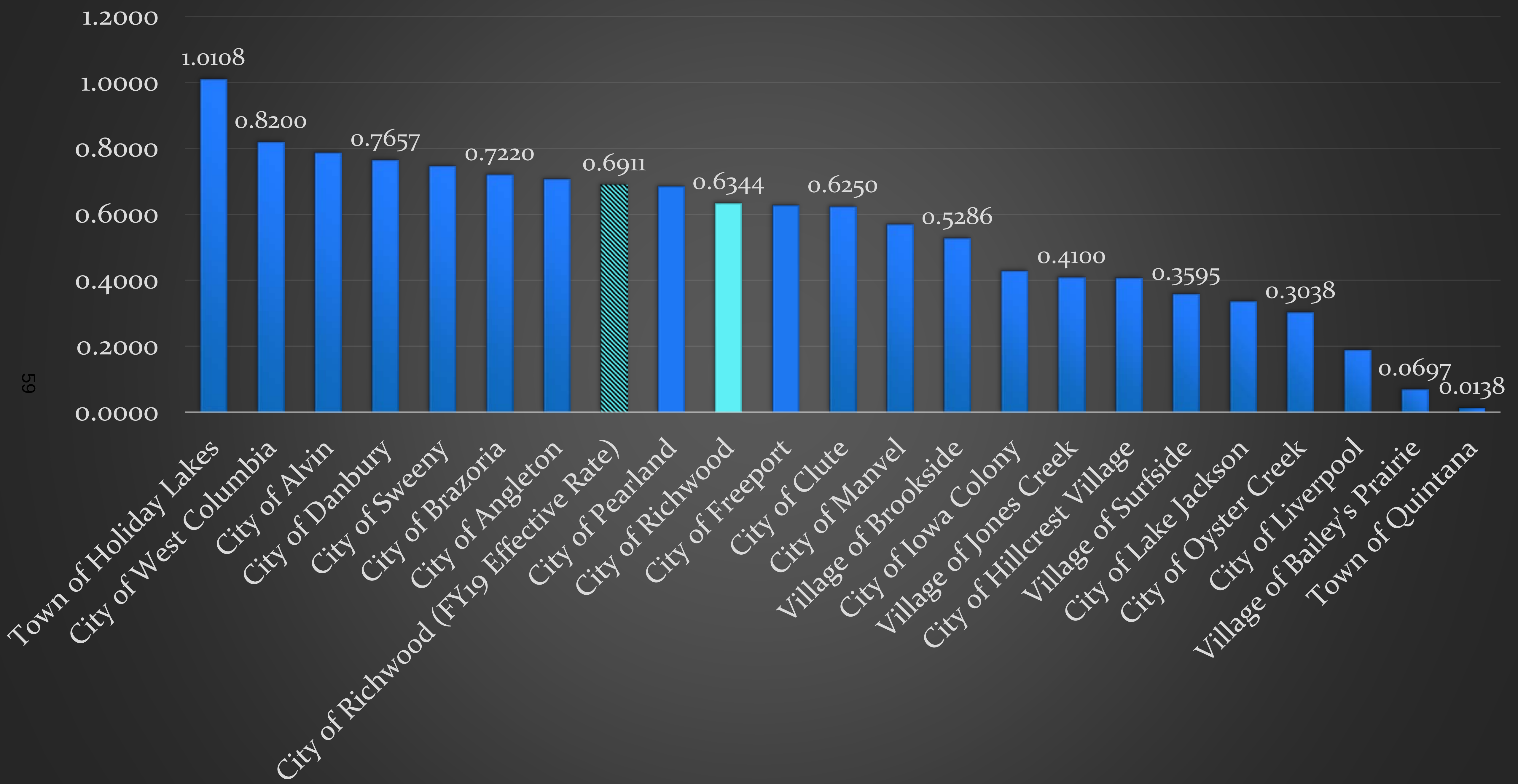
- Add $20,250 for Utility Debt Service
- Multiple options for tax rate adoption

General Fund Proposed Revenues

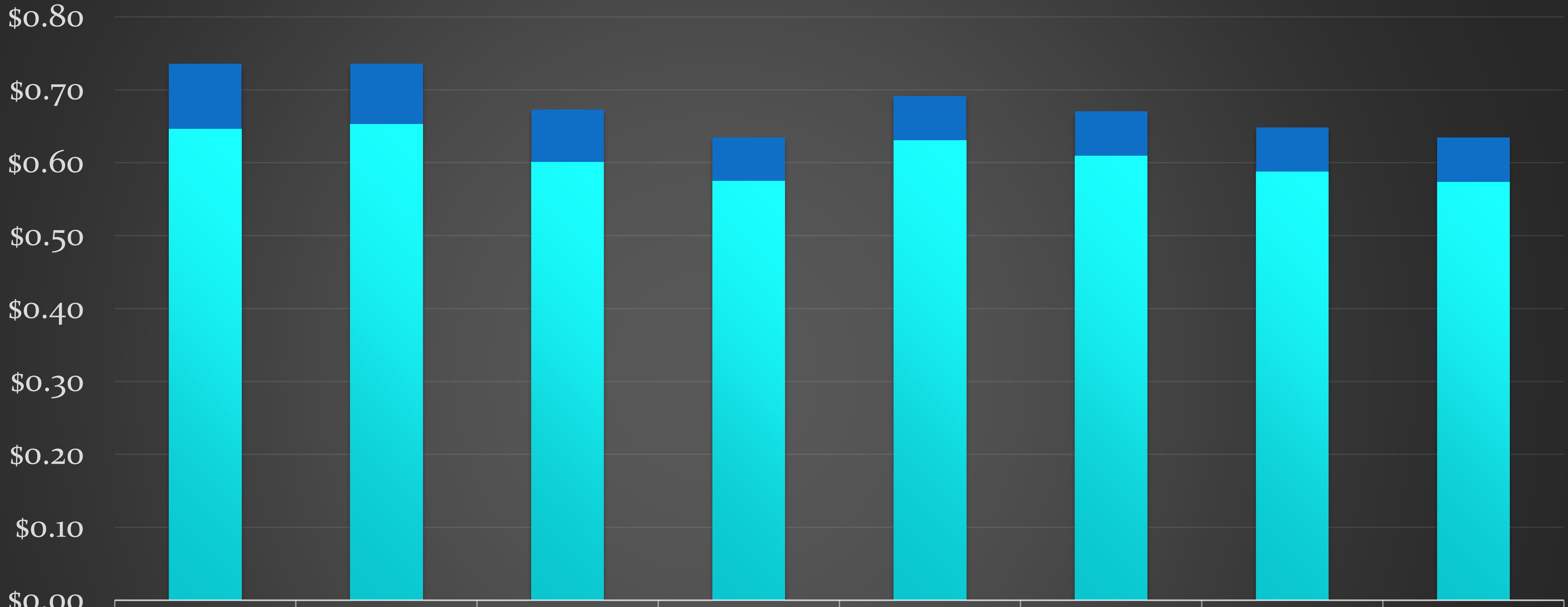
Local Effective Tax Rate Changes

Entity	Actual 2016	Actual 2017	Proposed 2018	Average
Clute	8.07%	3.75%	7.40%	**6.41%**
Jones Creek	12.06%	6.63%	0.00%	**6.23%**
Freeport	0.00%	5.89%	10.72%	**5.54%**
Angleton	6.06%	5.84%	3.48%	**5.13%**
West Columbia	10.26%	1.74%	3.35%	**5.12%**
Brazoria	10.80%	0.00%	2.05%	**4.28%**
Brazosport College	4.18%	3.07%	4.56%	**3.94%**
Lake Jackson	3.73%	3.44%	2.99%	**3.39%**
Sweeny	-3.79%	5.46%	3.70%	**1.79%**
Brazoria County	0.00%	0.00%	0.00%	**0.00%**
Richwood	-0.49%	0.00%	0.00%	**-0.16%**
Oyster Creek	0.00%	-6.50%	0.00%	**-2.17%**

Current City Tax Rates: Brazoria County



Historical Tax Rate Distribution



	14	15	16	17	18 A	18 B	18 C	18 D
Tax Rate	0.735680	0.735680	0.672580	0.634444	0.691118	0.670204	0.648600	0.634444
Debt Service	0.089311	0.082320	0.071277	0.059221	0.060577	0.060577	0.060577	0.060577
O&M	0.646369	0.653360	0.601303	0.575223	0.630541	0.609627	0.588023	0.573867
Effective Change	5.8%	5.6%	-0.5%	0.0%	0.0%	-3.0%	-6.2%	-8.2%

General Fund Proposed Budget

Potential Changes to Over 65 Exemption

Exemption Amount	Difference from Current Exemption	Impact on FY19 Revenues	Average Tax Decrease
25,000	0	$0.00	$0.00
30,000	5,000	-$8,120.64	-$34.56
35,000	10,000	-$16,241.27	-$69.11
40,000	15,000	-$24,361.91	-$103.67
45,000	20,000	-$32,482.55	-$138.22
50,000	25,000	-$40,603.18	-$172.78
55,000	30,000	-$48,723.82	-$207.34
60,000	35,000	-$56,844.46	-$241.89

General Fund Proposed Budget

Potential Changes to Proposed Expenditures

	Tax Rate A 0.691118	Tax Rate B 0.670204	Tax Rate C 0.648600	Tax Rate D 0.634444
Add Auditor Fee Increase	$14,500	$14,500	$14,500	$14,500
Reduce Police Shift Change	($10,784)	($10,784)	($10,784)	($10,784)
Increase Over 65 Exemption	$40,603			
Adjust Equipment Replacement	$46,031	$16,533	($15,500)	($43,000)
Reduce Police Overtime			($5,491)	($5,491)
Reduce Compensation Plan			($9,080)	($15,990)
Reduce Contingency Transfer				($5,468)
Limit Splash Pad to June-August				($11,708)
TOTAL CHANGES	**$90,350**	**$20,249**	**($26,355)**	**($77,941)**

**All options include adding $20,250 to General Fund Revenues for the Utility Fund Debt Payment*

General Fund Proposed Expenditures

	FY 17-18 Budget	FY 18-19 Proposed	Difference
Operating Rev.	$2,475,435	$2,529,099	$53,664
Transfers Rev.	$654,439	$181,070	($473,369)
Total Budget	**$3,129,874**	**$2,710,169**	**($419,705)**

Major Budget Changes

- Added $97,212 for the finance director position
- Added $24,848 to fund salary increases from the compensation study.
- Reduced ($54,280) by eliminating a position in the Municipal Court
- Includes $40,000 for capital projects
- Includes $43,000 for equipment replacement

Utility Fund Proposed Revenues

	FY 17-18 Budget	FY 18-19 Proposed	Difference
Operating Rev.	$1,870,475	$2,081,859	$211,384
Transfers Rev.	$401,590	$89,909	($311,681)
Total Budget	**$2,272,065**	**$2,171,768**	**($100,297)**

Major Budget Changes

- Higher revenues from rate increase adopted last spring

Utility Fund Proposed Revenues

Solid Waste Rates

	FY 18 Rate	FY 19 Rate	Change
Base Rate	$16.00	$17.14	$1.14
Base Rate - Over 65	$14.00	$15.85	$1.85
Price/Additional Can	$8.00	$8.00	$0.00

Utility Fund Proposed Expenditures

	FY 17-18 Budget	FY 18-19 Proposed	Difference
Operating Rev.	$1,510,729	$1,680,508	$169,779
Transfers Rev.	$761,336	$491,260	($270,076)
Total Budget	**$2,272,065**	**$2,171,768**	**($100,297)**

Major Budget Changes

- Funding two new positions & a truck from last year's budget
- Added $53,790 to rebuild water wells #3 and #4

City - Estimated Connection count / Population	Water	Waste Water	Streets	Drainage	Parks	Total Ratio of staff to connections
Joshua – 2,115	50+ employees Receives services from County W & WW provider. (Estimated) 3	Budgeted 2 employees for Water and Wastewater	5		2	➢ 9 employees ➢ 2,115 connections ➢ 235 conn. per employee
Rockdale – 1,865	No Response	Not included in average				
Krum – 1,860	7				1	➢ 8 employees ➢ 1,860 connections ➢ 233 conn. per employee
Jacksboro – 1,504	5	4	4		4+2 temporary	➢ 17 employees ➢ 1,504 connections ➢ 88 conn. per employee
Brazoria – (based on population) 1,024 (Actual) 1,300 Services 750 NG customers as well	9					➢ 9 employees ➢ 2,050 connections including NG ➢ 228 conn. per employee
West Columbia – 1,311	1	4	1		1	➢ 10 employees ➢ 1311 connections ➢ 131 conn. Per employee
Richwood – (based on population)1,650. (Actual) 2,359	5				1	➢ 6 employees ➢ 2,359 connections ➢ 393 conn. per employee
Bellville – 1,425	3	3	3		4	➢ 13 employees ➢ 1,425 connections ➢ 110 conn. per employee
Columbus – 1,209	4	2	5		1	➢ 12 employees ➢ 1,209 connections ➢ 101 conn. Per employee
Willis – 2,333	9		4		1	➢ 14 employees ➢ 2,333 connections ➢ 167 conn. Per employee
Average – 1,796	5	2	3		2	➢ 12 employees ➢ 1,796 connections ➢ 150 conn. Per employee

FY 2018-2019 Proposed Budget

Other Funds

- Beautification
- Capital Projects
- Crime Control Prevention
  - Board has recommend a change to add an Investigator Position
- Equipment Replacement
- Transportation
- Utility Capital Improvement