

AGENDA

BE IT KNOWN that the **CITY COUNCIL** of the City of Richwood will meet in **City Council Special Meeting** on **Monday, August 7, 2017** 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. ROLL CALL OF COUNCIL MEMBERS
- IV. 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
- V. DISCUSSION AND ACTION ITEMS
 - A. Fiscal Year 2017-2018 Proposed Budget Review - Part 2 3
 - 1. Administration
 - a. Municipal Court
 - 2. Rate increases
 - a. Permitting and Inspections
 - b. Utility
 - 3. Council direction to staff regarding Fiscal Year 2017-2018 proposed budget
 - B. Discuss and consider resolution setting date and time for public hearing for Fiscal Year 2017-2018 Annual Budget for August 28, 2017 at 6:00 P.M. 21
 - C. Consider and record vote for proposed tax rate of \$.6403, which is 3.71% greater than the effective rate for the City of Richwood 23
 - D. Discuss and consider resolution setting public hearings on the proposed tax rate of \$.6403 (per 100) which is 3.71% greater than the effective rate for the City of Richwood for August 21, 2017 and August 28, 2017 at 6:00 pm and placing the adoption of said tax rate on the Council agenda of September 11, 2017 24
- VI. CITY MANAGER'S REPORT
- VII. ADJOURNMENT

I, Giani B. Cantu, do hereby certify that I did, on 8/4/17 at 4:00 pm, 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.

City of Richwood

FY 2018 PROPOSED BUDGET



FY 2015-2016 Review

General Operating Fund (Estimated at 9/30/17)

	FY 16-17 Budget	FY 16-17 Projected	Difference
Revenues	\$2,354,288	\$2,375,934	\$21,646
Expenditures	\$2,354,288	\$2,325,593	\$28,695
Excess <Deficit>	\$0	\$50,341	\$50,341

Utility Operating Fund (Estimated at 9/30/17)

	FY 16-17 Budget	FY 16-17 Projected	Difference
Revenues	\$1,585,197	\$1,258,337	(\$326,860)
Expenditures	\$1,585,197	\$1,258,337	\$326,860
Excess <Deficit>	\$0	\$0	\$0

FY 18 Strategic Plan

1.1. Financial Stability

2. Economic Development

3. Infrastructure Investments

4. Parks & Beautification

5. City Operations

FY 18 Strategic Plan

Plan Element	Action Step	New Budget Impacts
Financial Stability	Hire Finance Director	\$86,231
Economic Development	Conduct Logo Contest	\$250
Infrastructure Investments	Conduct Studies & Create CIP	\$75,000
Parks & Beautification	Contract Out Plan Review	\$3,200

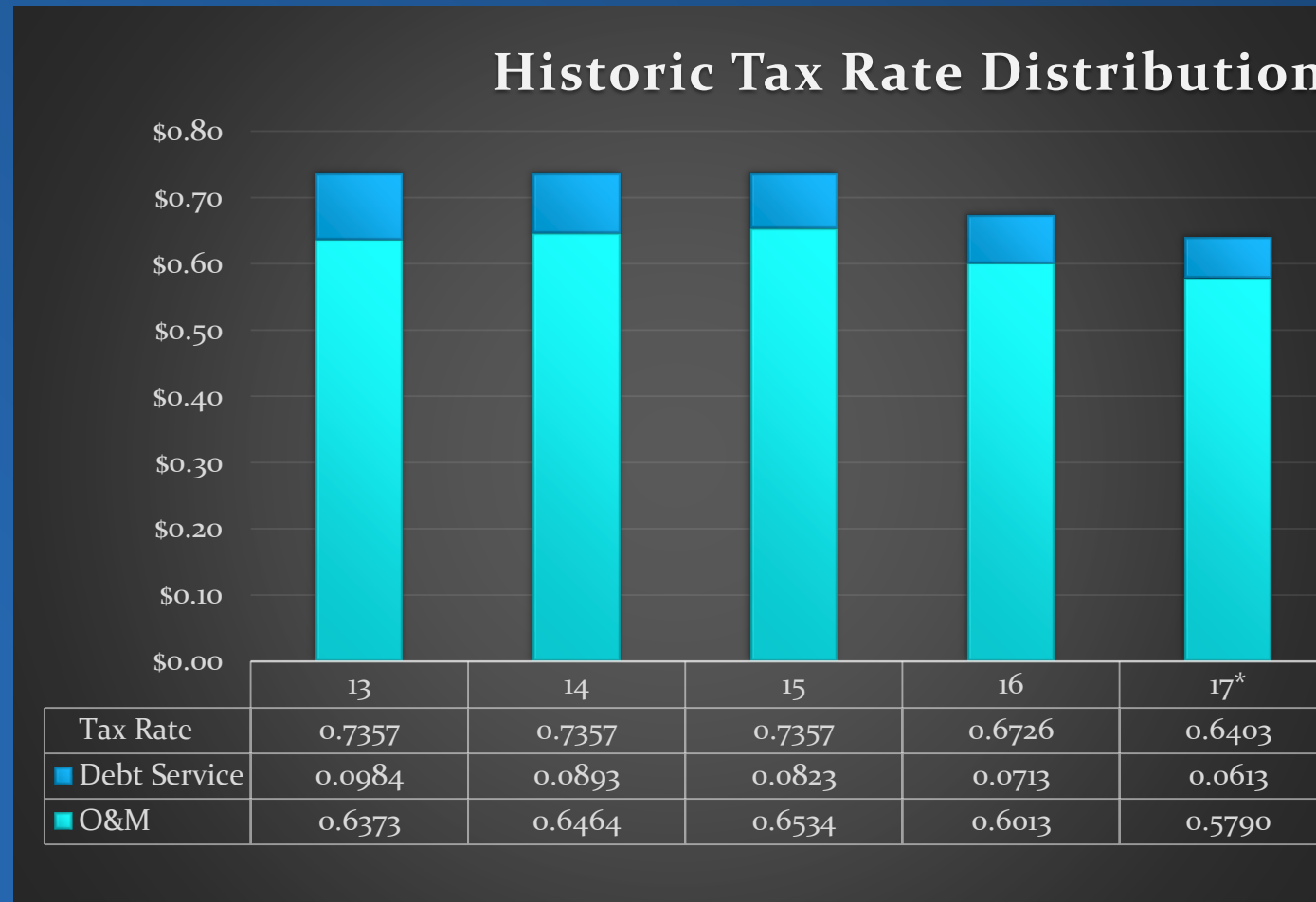
FY 18 Strategic Plan

Plan Element	Action Step	New Budget Impacts
City Operations	Hire Police Admin Assistant	\$24,316
City Operations	Hire 2 Officers: COPS Grant & CCPD	\$48,460
City Operations	Hire 2 Water Techs & Purchase Vehicle	\$145,586
City Operations	Replace Servers	\$75,000
City Operations	Replace Enterprise Software	\$23,000
City Operations	Fund Compensation Study	\$2,000
City Operations	Establish Citywide Certification Pay	\$4,200
City Operations	Establish Employee Recognition Program	\$500
City Operations	Develop Municipal Volunteer Program	\$1,000

FY18 General Fund Revenues

BUDGET CHANGES	Amount
Ad Valorem Taxes	388,040.00
380 Agreement Rebates	(296,757.00)
Building Permits	25,000.00
Transfer in from Fund Balance	251,750.00
Transfer in from Utility (Debt)	318,654.00
Transfer in from Utility (Indirect Cost)	82,172.00
Misc. Changes	3,378.00
Total Revenue Changes	772,237.00

FY18 Property Tax Rate



*Although the tax rate decreases by \$0.0323, it would still be an effective tax increase of about 2.7%.

FY18 General Fund Expenditures

	General Fund
FY 16-17 Adopted	\$2,354,288
FY 17-18 Proposed	\$3,126,525
Increase (Decrease)	\$772,237
Less One-Time Expenses	
Utility Back Payments	\$318,654
Capital & Equipment	\$177,705
Contingency Fund	\$74,144
Recurring Increase	\$201,734

FY18 General Fund Expenditures

Recurring Increase	Amount
Misc. Adjustments to Line Items	(\$52,365)
Hire Finance Director	\$86,231
Transfer in from Utility (Indirect Cost)	82,936
3% Citywide Pay Increase	\$34,538
Police Admin. Assistant	\$24,316
Move Directors' Pay to 5% above Sergeants	\$13,779
Contract Out Plan Review	\$3,200
New Accounting System (Annual Maintenance)	\$3,000
Citywide Certification Pay	\$2,100
Compensation Study	\$2,000
City University, Employee Engagement, Richwood MVP	\$2,000
Total Revenue Changes	\$201,734

FY18 Utility Fund Revenues

BUDGET CHANGES	Amount
Transfer from General Fund (Back Payments)	\$318,654
Budget for Garbage Receipts	\$276,396
Water & Sewer Rate Increases*	\$215,687
Indirect Cost from General Fund	\$82,936
Reclaimed Water	\$12,500
Other Adjustments	(\$600)
Total Revenue Changes	\$904,370

** Multiple options for the rate increases will be presented at the Budget Workshop on Monday, July 17th.*

FY18 Utility Fund Expenses

	Utility Fund
FY 16-17 Adopted	\$1,585,197
FY 17-18 Proposed	\$2,489,567
Increase (Decrease)	\$904,370
Less One-Time Expenses	
Debt Payment	\$318,654
Contingency Fund	\$47,069
Recurring Increase	\$538,647

FY18 Utility Fund Expenses

Recurring Increase	Amount
Reduce Depreciation & Add Capital and Equipment	(\$112,348)
Budget Garbage Expense	\$257,320
Budget Debt Service Transfer	\$165,756
Hire 2 New Water Techs	\$145,586
Transfer in from Utility (Indirect Cost)	82,936
Sewage Treatment Plant	\$36,998
Brazosport Water Authority	\$32,331
Move Directors' Pay to 5% above Sergeants	\$8,042
3% Citywide Pay Increase	\$6,199
Citywide Certification Pay	\$2,100
Other Misc. Adjustments	(\$3,337)
Total Revenue Changes	\$538,647

FY18 CCPD Expenses

Budgeted Expenses	Amount
Warrant Officer	\$30,000
Motor Vehicles	\$35,790
Equipment	\$2,745
COPS Grant 25% Match	\$48,460
Total Expenses	\$116,995

FY18 Transportation Expenses

	FY 16-17 Budget*	FY 16-17 Proposed	Difference
Streets	\$41,000	\$30,000	(\$11,000)
Sidewalks	\$0	\$50,000	\$50,000
Drainage	\$75,000	\$25,000	(\$50,000)
Excess <Deficit>	\$116,000	\$105,000	(\$11,000)

*The budgeted revenues were decreased by \$11,000 to match historical actuals.

FY18 Utility Capital Improvements

Budgeted Expenses	Amount
New Chlorine Room	\$20,255
Well cover	\$600
Pipe Bursting	\$63,950
CIP/Impact Fee Study	\$75,000
Total Budget	\$159,805

FY18 Capital Projects

Budgeted Expenses	Amount
Accounting Software	\$20,255
Service Center Reskin	\$39,200
Relocate & Replace Fire Station Hydrant	\$8,550
Police Phone Line Recording System	\$4,345
Total Budget	\$72,095

FY18 Equipment Replacement

Budgeted Expenses	Amount
Sewer Jetter	\$59,999
PW Replacement Truck	\$30,610
PW New Truck	\$45,777
Server Replacement	\$75,000
Total Budget	\$211,386

FY18 Beautification Fund

Budgeted Expenses	Amount
Beautification	\$16,000

MEMORANDUM

To: The Honorable Mark Guthrie, Mayor and Members of the Richwood City Council

From: Giani Cantu, City Secretary

Date: August 4, 2017

Subject: Budget public hearing

City Council must schedule and announce the date, time and place of the public hearing concerning the fiscal year 2017-2018 budget.

The public hearing is scheduled for Monday, August 28, 2017 at 6:00 pm here at Richwood City Hall.

RESOLUTION NO. 17-05

WHEREAS, on July 10, 2017, the City Manager of the City of Richwood submitted the proposed Budget for the City of Richwood Fiscal Year 2017-2018 to the City Council; and

WHEREAS, on July 10, 2017, the City Manager of the City of Richwood filed with the City Secretary the proposed Budget for the City of Richwood Fiscal Year 2017-2018; and

WHEREAS, in accordance with the Texas Local Government Code, Section 102.006, the City Council must set a public hearing on the proposed Budget and the City Council must provide for public notice of the date, time and location of the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

That a public hearing on the proposed Budget for the City of Richwood Fiscal Year 2017-2018 is set for August 28, 2017, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

The notice of such hearing shall be published at least ten (10) days before the date of the public hearing.

That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED this 7th day of August, 2017.

Mark Guthrie, Mayor

ATTEST:

Giani Cantu
City Secretary

APPROVED AS TO FORM:

Jason Cordoba
City Attorney

MEMORANDUM

To: The Honorable Mark Guthrie, Mayor and Members of the Richwood City Council

From: Giani Cantu, City Secretary

Date: August 4, 2017

Subject: Consider and record vote to propose a tax rate increase

The proposed budget proposes a tax rate of .6403 which is a tax increase of 3.71% above the effective tax rate. This requires a formal record vote and the call for two public hearings.

The council must take a record vote to propose a tax increase using the following language:

“Motion to propose a tax rate of \$.6403, which is a tax increase of 3.71% above the Effective Tax Rate, to be adopted at a future meeting” .

MEMORANDUM

To: The Honorable Mark Guthrie, Mayor and Members of the Richwood City Council

From: Giani Cantu, City Secretary

Date: August 4, 2017

Subject: Tax Rate public hearing

City Council must schedule and announce the date, time and place of two public hearings concerning the tax increase.

The first public hearing is scheduled for Monday, August 21, 2017 at 6:00 pm and the second public hearing is scheduled for Monday, August 28, 2017 at 6:00 pm. Both public hearings will be held here at Richwood City Hall.

We must post an agenda for both public hearings, the tax increase must be the only item on the agenda, a quorum must be present, and members of the public in attendance must be allowed to speak on the tax increase.

RESOLUTION NO. 17-06

WHEREAS, the City Manager of the City of Richwood submitted to the City Council on August 7, 2017, the appraisal roll showing the certified property values as received from the Brazoria County appraisal district showing the total appraised and taxable values of all property and the effective tax rate and rollback tax rate as calculated by the Brazoria County Tax Assessor/Collector; and submitted the proposed tax rate for the City of Richwood Fiscal Year 2017-2018; and

WHEREAS, in accordance with the Texas Tax Code, Section 26.05, two public hearings must be held on the proposed tax rate increase and the City Council must provide for public notice of the date, time, and location of the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

That a public hearing on the proposed Tax Rate of \$0.6403, which would increase taxes above the effective tax rate by 3.71%, for the City of Richwood Fiscal Year 2017-2018 is set for August 21, 2017, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas; and a second public hearing is set for August 28, 2017, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

The notice of such hearings shall be published as required by law.

And further, that the City Council of the City of Richwood will vote to adopt the proposed Tax Rate of \$0.6403, which would increase taxes above the effective tax rate by 3.71%, on September 11, 2017 at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

PASSED AND APPROVED this 7th day of August, 2017.

Mark Guthrie, Mayor

ATTEST:

Giani Cantu
City Secretary

APPROVED AS TO FORM:

Jason Cordoba
City Attorney