AGENDA

RICHWOOD CITY COUNCIL

Regular Meeting, Monday, March 13, 2017
Richwood City Hall
1800 N. Brazosport Blvd.
Richwood, TX 77531
6:00 PM

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. CONSENT AGENDA

VII. DISCUSSION AND ACTION ITEMS

contract

L. Legislative Update

M. Richwood's Sixtieth Anniversary 246

N. Executive Session pursuant to Section 551.074, Government Code, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint against an officer or employee:

1. City Secretary Position

O. Action as a result of executive session 247

P. Approve items removed from Consent Agenda

VIII. REPORTS
Reports that require no action.

A. Finance Reports 248

IX. CITY MANAGER’S REPORT

X. FUTURE AGENDA ITEMS

XI. COMMITTEE REPORTS

XII. COUNCIL MEMBER COMMENTS & REPORTS

XIII. MAYOR’S REPORT

XIV. ADJOURNMENT

I, Karen B. Schrom, do hereby certify that I did, on on the 10th day of March, 2017 at 5:00 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.

____

Karen B. Schrom, City Secretary
City of Richwood

Minutes of Regular Meeting

The City Council
City of Richwood

A Regular Meeting of the City Council of City of Richwood was held Monday, February 13, 2017, beginning at 6:00 PM in the Richwood City Hall, 1800 N. Brazosport Blvd. Richwood, Texas.

I. **CALL TO ORDER**

The meeting was called to order at 6:00 p.m. by Mark Guthrie, Mayor and presiding officer.

II. **INVOCATION**

The invocation was given by Michael Coon, City Manager

III. **PLEDGES OF ALLEGIANCE**

The Pledge of Allegiance and the Texas Pledge of Allegiance was recited by those in attendance.

IV. **ROLL CALL OF COUNCIL MEMBERS**

Roll call showed the following members present:

Mark Guthrie, Mayor and presiding officer
Melissa Blanks, Council, Position #2
Jarrod Beaty, Council, Position #3
Lauren LaCount, Council, Position #4
Chris Hardison, Council, Position #5

Absent:

Paul Raymond, Council, Position #2

A quorum was declared. Others present included Michael Coon, City Manager, Karen B. Schrom, City Secretary, Clif Custer, Public Works Director, Bryan Corb, Police Chief, Katherine Venegas, KRB Patricia Mayes, Aaron Palaran, and Patti Guthrie.

V. PUBLIC COMMENTS

There were no public comments on items not on the agenda.

VI. CONSENT AGENDA

On motion by Councilman LaCount, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to approve the Consent Agenda as approved.

A. Approval of Minutes of a Previous Meeting

B. Payment of bills

C. Appoint members of Keep Richwood Beautiful

D. Order May 6, 2017 Election

E. Joint Election Agreement and Contract for Election Services

VII. DISCUSSION AND ACTION ITEMS

A. Property owned by Janet K. Vernor along Brazosport Blvd and Cypress Drive

Patricia Mayes was present to represent the family. She explained her dad acquired the properties between 1970 – 1976 and there were several rental homes on the property. The properties need a lot of work.

The family is considering transitioning the residential lots to commercial. Family members own several RV parks in the area. Their idea is to generate revenue from the venture and improve the look of the place. In a few years, they will either sell the property or put up another venture.

Mayor Guthrie appreciates they included the City in their plan but he would rather see them come up with an idea other than a RV park, something more sustainable. Ms. Mayes agreed the demand for RV parks will end in 5 or 6 years and it is planned to be just a temporary business venture.

Councilman LaCount stated the City had received a lot of feedback from residents not wanting to see additional RV parks based on previous request.

Ms. Mayes stated she was willing to work with City Council on development of the property.

B. Request for partial closure of Highway 288B and FM 2004 for Triathlon

The proposed event will begin at Mammoth Lake in Clute with a swim, then a run, and then conclude with the bicycle portion. The event will take place Sunday, November 12, 2017 at 6:45 am, the first bicyclist should reach Richwood close to 7:15 am, and the course should be picked up by 10 am. The event coordinator advised they will place electronic signs along the route prior to the event to warn motorists about the upcoming event. The event organizer further advised they would begin to cone off the route at 3 am the morning of the event.

On motion by Councilman Hardison, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to approve the request for partial closure of Highway 288B and FM 2004 for the Triathalon.

C. Request to close portion of Audubonwoods Drive for Barbeque Cookoff, April 14 - April 15 in the event of rain

On motion by Councilman LaCount, seconded by Councilman Blanks, with all members present voting aye, it was duly adopted to grant the request to close portion of Audubonwoods Drive for the Barbeque Cookoff on April 14 & 15 in the event of the rain.

Councilman Blanks stated this event would not have happened this year if volunteers had not stepped forward.

D. ICMA-RC Resolution - 457 Deferred Compensation Plan

On motion by Councilman Hardison, seconded by Councilman Beaty with all members present voting aye, it was duly adopted to approve the 457 Deferred Compensation Plan.

E. Resolution No. 17-03, In opposition to legislative interference with local services

Mr. Coon explained there have been numerous bills filled by the State Legislature that if adopted would negatively impact the City's ability to provide basic services to our residents. Just to name a few examples, bills have been proposed that would push all municipal elections to November, place a 4 percent cap on municipal property tax revenue, and place term limits on local elected officials. Compounding the issue even further, is that the State continues to push more and more of their responsibilities to the local governments.

On motion by Councilman Hardison, seconded by Councilman Blanks, with all members present voting aye, it was duly adopted to approve Resolution No. 17-03, in opposition to legislative interference with local services.

F. Request for Suspect Identification Technology for Police Department

On motion by Councilman LaCount, seconded by Councilman Hardison, with all members present voting aye, the request for Suspect Identification Technology for the Police Department was denied due to lack of funds.

G. Racial Profiling Report for 2016

On motion by Councilman Beaty, seconded by Councilman LaCount, with all members resent voting aye, it was duly adopted to accept the Racial Profiling Report for 2016 as presented.

H. Amend Personnel Policy to require Driver's checks on an annual basis rather than semi-annually

Current policy requires a driver's license check be conducted every 6 months on all employees or volunteers operating a City vehicle. City staff is asking Council to amend the policy to require an annual driver's license check.

City staff feels that an annual check is more than sufficient, especially since the Personnel Policy requires that anyone who operates a City vehicle must report any DWI violation(s), arrest(s), charges, or driver's license suspension to their supervisor immediately.

On motion by Council LaCount, seconded by Councilman Blanks, with all members present voting aye, it was duly adopted to require Driver's License Checks on an annual basis rather than semi-annually.

I. Amend Personnel Policy to cap vacation at 200 hours

Richwood's current vacation policy allows employees to earn up to 320 hours, or the equivalent of eight 40-hour weeks, of vacation. The City's leadership team has expressed concerns that allowing that much leave can impact the level of service we can provide to our residents.

After reviewing the vacation policies of 11 cities in the greater Houston region, staff is recommending the policy be changed to allow employees to earn up to 200 hours, or the equivalent of five 40-hour work weeks.

On motion by Councilman LaCount, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to amend the policy to cap vacation at 200 hours.

J. Amend Personnel Policy to include Administration Leave

This change to the Personnel Manual would grant 40 hours of administrative leave to each exempt employee. Exempt employees are not entitled to overtime. This policy change would allow the City to provide those employees with some form of compensation for their dedication and the many long hours that they put in.

The administrate leave would be granted at the beginning of each calendar year and cannot be rolled over from year to year nor could it be sold back. With these conditions, this proposal will not increase the City's personnel costs.

On motion by Councilman Beaty, seconded by Councilman Blanks, with all members present voting aye, it was duly adopted to amend the Personnel Policy to include Administrative Leave.

K. Budget Amendment to pay for Road Repairs

After the recent construction of the apartments at Creekwood Landing, the entrance to Creekwood Landing off of B-288 is in disrepair. Mr. Helms and the 210 Development Group have agreed to reimburse the City for the complete cost of repairing that section of road, which is $9,500.

To account for the reimbursement, this amendment would have the following impact on the General Fund:

Increase the Street Projects budget by $9,500, making the revised budget $29,500.

Increase the Miscellaneous Income budget by $9,500, making the revised budget $69,500.

On motion by Councilman Hardison, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to approve the budget amendment to pay for road repairs.

L. Authorization to hire part time City Secretary/Finance Director

Karen Schrom has agreed to help with the training of her replacement. As a sign of appreciation towards Karen, I would like to re-hire her as a part-time employee until the new City Secretary is trained.

There would be a nominal additional cost to the City due to the payroll taxes. As a part-time employee that City would need to make contributions in Ms. Schrom's behalf for Medicare, workers compensation insurance, and unemployment insurance. As a part-time employee, Ms. Schrom would not receive any medical or retirement benefits.

On motion by Councilman Hardison, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to hire Ms. Schrom as part time City Secretary/Finance Director.

M. Recognition of staff

Mayor Guthrie commended the Department Heads for all their hard work making this transition seamless.

Mayor and Michael were talking – compensate Bryan and give 10% additional pay. $3,850 – lump sum for him stepping up. Still have savings in the Administration budget to cover this cost.

Chief Corb did a great job stepping up after Mr. Patton's retirement. He showed initiative and took the lead on numerous projects that were important to the City. In recognition of the Chief's dedicated service, we would like Council to consider rewarding the Chief with some additional compensation.

On motion by Councilman Hardison, seconded by Councilman Beaty, with all members present voting aye, it was duly adopted to pay Chief Corb interim pay as detailed below.

Chief Corb Interim Pay

Start Date:	**8/8/2016**
End Date:	**1/20/2017**
Interim Pay:	**10%**

	Rate	Amount ($)
Salary	$34.30	**$3,293**
Medicare	1.45%	**$48**
Workers Comp	4.15%	**$137**
Unemployment*	N/A	**$0**
Retirement Contribution	11.43%	**$376**
Total		**$3,854**

** Unemployment is only paid on the first $9,000 in wages.*

N. Approved items removed from Consent Agenda

There were none.

VIII. **REPORTS**

A. Financial Reports

Par for the period ending January 31, 2017 is 67%.

IX. **CITY MANAGER'S REPORT**

Mr. Coon reported he has been talking to a developer looking for property for townhomes. He has discussed beefing up parks requirements for subdivisions with staff.

Staff is looking at developing a 5 year plan using Council's objectives for strategic plan. His plans include having a meeting with the public on the proposed budget in June.

Day in the Park/Earth Day/Easter Egg Hunt will be March 31 to April 1

There are two interviews scheduled for the City Secretary's position. Hope to bring someone to Council at the next meeting.

Blue Crab Court recently became impassable. Mr. Custer and his crew patched it for the weekend and are looking for a long term plan for fixing it.

He also stated he will be bringing proposals for evaluations at the next meeting.

X. **FUTURE AGENDA ITEMS**

Sixtieth anniversary

XI. **COMMITTEE REPORTS**

Ms. Venegas reported she will be meeting with TxDot on the GCAA project on Thursday.

XII. **COUNCIL MEMBER COMMENTS & REPORTS**

Councilman Blanks reminded everyone that the deadline to sign up to run for Council is this Friday. She will not be running this year. Mr. Beaty also stated he will not be running.

Councilman Blanks and Hardison thanked Mr. Coon for his reports.

XIII. **MAYOR'S REPORT**

Mayor Guthrie stated that serving on Council is a great way to get involved with the community. If anyone knows someone who would be interested, let them know. He has enjoyed the opportunity to fill this role and will run again.

He also thanked the volunteers who stepped up to the plate to make sure the Barbeque Cookoff will happen again this year.

He read a letter from Holly Eudy, 531 Oyster Creek Dr., commending Clif Custer on a job well done regarding a leak in her ditch.

XIV. **ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at 7:34 p.m.

APPROVED BY A MAJORITY VOTE OF COUNCIL ON March 13, 2017.

____

Mark Guthrie, Mayor

ATTEST:

____

Karen B. Schrom, City Secertary

MEMORANDUM

To: Honorable Mayor Mark Guthrie and members of the Richwood City Council

From: Karen B. Schrom, City Secretary

Date: March 9, 2017

Subject: Certification of Unopposed Candidates and Ordinance No. 412, Cancelling the May 6th General Election

Background

In 1995, a law was passed which allows political subdivisions to cancel an election if each candidate for an office that is to appear on the ballot is unopposed. The governing body must meet and vote to cancel the election the unopposed candidates elected.

The state chose this action to save the cities time and money by not having to hold an election in those instances where the only votes that may be counted are for that one candidate in those positions.

Analysis

Section 2.052 of the Texas Election Code requires the City Secretary to first certify to the Mayor and then to the City Council in writing that each of the candidates are unopposed and that there is no proposition is to be held on the ballot.

Upon receipt of the certification, Council may, by ordinance, declare each unopposed candidate elected to office. As a result, I have also prepared Ordinance No. 412, cancelling the election.

Costs of holding elections have risen greatly over the years, especially since we've been required to go electronic. The fiscal impact to the City by not holding an election is an estimated $2,500.

Recommendation

Therefore, I recommend Council, upon first accepting the certification of unopposed candidates, adopt Ordinance No. 412, Canceling the May 6, 2017 Regular Election.

Certification of Unopposed Candidates
By the City Secretary

STATE OF TEXAS
COUNTY OF BRAZORIA
CITY OF RICHWOOD

I, the undersigned, Karen B Schrom, certify that I am the City Secretary of the City of Richwood, Texas and the authority responsible for preparing the ballot for the May 6, 2017 general municipal election. I further certify that no proposition is to appear on the ballot at the election, no person has made a declaration of write-in candidacy, and all of the following candidates are unopposed:

Mark Guthrie – Mayor
Frank Blanks – Council, Position #2
Sarah Reed – Council, Position #3

WITNESS MY HAND AND SEAL OF OFFICE in Richwood, Texas, this 21st day of February, 2017.

____
Karen B. Schrom
City Secretary
City of Richwood

ORDINANCE NO. 412

AN ORDINANCE CANCELING THE MAY 6, 2017 REGULAR ELECTION AND DECLARING EACH UNOPPOSED CANDIDATE ELECTED TO OFFICE; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Richwood, Texas is a home-rule municipality located in Brazoria County, created in accordance with the provisions of Chapter 5, Article XI of the Constitution of Texas and defined by Section 1.005 of the Local Government Code; and

WHEREAS, in accordance with law a general election has been ordered for May 6, 2017 for the purpose of electing mayor and council members to serve on the city council in the City of Richwood; and

WHEREAS, no proposition is to appear on the ballot in that election; and

WHEREAS, the city secretary has certified in writing that each candidate on the ballot is unopposed for election to office; and

WHEREAS, the filing deadlines for placement on the ballot and declaration of write-in candidacy has passed; and

WHEREAS, in these circumstances Subchapter C of Chapter 2 of the Election Code authorizes a governing body to declare each unopposed candidate elected to office and cancel the election.

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

Section 1: The following candidates, who are unopposed in the May 6, 2017 general election are hereby elected to office and shall be issued a certificate of election:

Mayor
Mark Guthrie
Position #2
Frank Blanks
Position #3
Sarah Reed

Section 2. The city secretary is directed to post a copy of this ordinance at each designated polling place on May 6, 2017.

Section 3. This ordinance shall be cumulative of all provisions of ordinances of the City of Richwood, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

Section 4. It is hereby declared to be the intention of the city council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared unconstitutional by the valid judgement or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted by the city council without the incorporation of this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 5. This ordinance shall be in full force and effect from and after its passage, and it is so ordained.

PASSED AND APPROVED ON THIS 13TH DAY OF MARCH, 2017.

____

Mark Guthrie, Mayor

ATTEST:

____

Karen B. Schrom, City Secretary

MEMORANDUM

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

From: Karen Schrom, Finance Director

Date: March 9, 2017

Subject: Resolution No. 17-04, annual review of City's investment policy

The City has the right to maintain investments in accordance with the Public Funds Investment Act (Government Code §2256) and the investment policy adopted by the municipality. The Act requires the City to adopt a written investment policy which addresses the safety of principal and liquidity, types of authorized investments, investment diversity, yield and maturity, maximum maturity date, and settlement.

Once adopted, the policy must be reviewed by City Council at least annually and Council must adopt an ordinance or resolution stating it has reviewed it. Our current policy is based upon the State and TML's model policies and is compliant with all applicable state and federal laws regarding municipal investments.

Resolution No. 17-04

WHEREAS, The City of Richwood is required to review the City's investment policy annually and;

WHEREAS, this review is authorized by the Public Funds Investment Act, as amended.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richwood:

That the City of Richwood Investment Policy, attached hereto as "Exhibit A" is hereby adopted as the investment policy of the City of Richwood effective March 13, 2017

PASSED, ADOPTED AND APPROVED by the City Council of the City of Richwood this the 13th day of March, 2017

APPROVED:

____

Mark Guthrie, Mayor

ATTEST:

____

Karen B. Schrom, City Secretary

PREFACE

It is the policy of the City of Richwood that all available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as a viable and material revenue to all operating and capital funds. The City=s portfolio shall be designed and managed in a manner responsive to the public trust and consistent with local, state, and federal law.

Investments shall be made with the primary objectives of:

Preservation of capital and protection of principal
Maintenance of sufficient liquidity to meet operating needs
Security of city funds and investments
Diversification of investments to avoid unreasonable or avoidable risks
Maximization of return on the portfolio

Earnings from investments will be used in a manner that will best serve the interests of the City of Richwood.

SECTION 1
PURPOSE

A. Authorization

This policy is to be authorized by the City Council in accordance with Section 5 of the Public Funds Investment Act of 1987 (Article 842a-2, Texas Revised Civil Statutes) which requires the adoption of a formal written Investment Policy.

B. Scope

This Policy shall govern the investment of all funds of the City government as entrusted to the City Secretary/Treasurer as custodian. The funds are accounted for in the City of Richwood=s Comprehensive Annual Financial Report and includes:

1. General Funds
2. Special Revenue Funds
3. Capital Improvement and Project Funds
4. Enterprise Funds
5. Trust and Agency Funds
6. Any new fund created by the City Council unless specifically exempted

In addition to this Policy, bond funds (including debt service and reserve funds) shall be managed by the governing ordinance and Federal Law, including the Tax Reform Act of 1986 and subsequent legislation.

C. Review and Amendment

This Policy shall be reviewed annually. Amendments must be authorized by the City Council.

SECTION II
INVESTMENT OBJECTIVES

A. Safety of Principal

The City of Richwood has as its foremost objective to ensure the safety of principal, considering the portfolio as a whole. The manner in which the City of Richwood ensures the safety of principal is presented in Section III.B, AEnsuring Safety of Principal.@

B. Maintenance of Adequate Liquidity

The City=s investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. Maintenance of adequate liquidity is described in Section III.C, AEnsuring Liquidity.@

C. Return on Investments

Consistent with State law, the City shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures will be established by the City Council. Specific policies regarding investment rate of return are presented in Section III.D, AAchieving Investment Return Objectives.@

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to obtain satisfactory market yields and to minimize the costs associated with the investment of such funds.

D. Prudence and Ethical Standards

The standard of prudence used by the City of Richwood shall be the Aprudent person rule@ and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below:

> AInvestments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable income to be derived.@

Specific polices describing the City=s prudence and ethical standards are found in Section III.E, AResponsibility and Controls.@

SECTION III
INVESTMENTS

A. Eligible Investments

Investments described below are those authorized by the Public Funds Investment Act of 1987 (Article 842a-2, Texas Revised Civil Statutes), as amended. The purchase of specific issues may at times be restricted or prohibited because of current market conditions. City funds governed by this Policy may be invested in:

1. Obligations of the United States or its agencies and instrumentalities.

2. Direct obligations of the State of Texas.

3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities.

4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

5. Bankers= acceptances, so long as each acceptance has a stated maturity of 270 days or less from the date of its issuance, will be liquidated in full at maturity, is eligible collateral for borrowing from a Federal Reserve Bank and is accepted by a domestic bank whose short term obligations are rated by at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency or which is the largest subsidiary of a bank holding company whose short term obligations are so rated.

6. Commercial paper with a stated maturity of 270 days or less from the date of its issuance that either:

   a. Is rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies; or,

   b. Is rated at least A-1, P-1, or the equivalent by at least on nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any rate thereof.

7. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas, and secured by obligations described by 1 above (principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by the City, and having a market value of no less than the principal amount of the funds disbursed. The term includes direct security repurchase agreements and reverse security repurchase agreements.

8. Certificates of deposit issued by state and national banks domiciled in Texas that are:

   a. Guaranteed or insured by the Federal Deposit Insurance Corporation, or its successors; or,

b. Secured by obligations that are described by 1-4 above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or in any manner and amount provided by law for deposits of the City.

9. Certificates of deposit issued by savings and loan associations domiciled in Texas that are:

   a. Guaranteed or insured by the Federal Savings and Loan Insurance Corporation or its successor; or,

   b. Secured by obligations that are described by 1-4 above, which are intended to include all direct federal agency or instrumentality issued mortgage backed securities that have a market value of not less than the principal amount of the certificates, or in any other manner and amount provided by law for deposits of the City.

10. SEC-registered, no-load money market mutual funds with a dollar-weighted average portfolio maturity of 90 days or less whose assets consist exclusively of the obligations that are described by Section III.A, 1-9 above and whose investment objectives include seeking to maintain a stable net asset value of $1 per share. Excluding bond proceeds, no more than 80% of the City=s monthly average fund balance may be invested in money market mutual funds. And, excluding bond proceeds, the City may not invest funds under its control in any amount that exceeds 10% of the total assets of any individual money market mutual fund.

11. Local government investment pools organized in accordance with the Interlocal Cooperation Act (Article 4413 (32c), V.T.C.S.) as amended, whose assets consist exclusively of the obligations that are described by Section III.A, 1-9 above.

12. Common Trust funds or comparable investment devices owned or administered by banks domiciled in Texas may be used for bond proceeds. Fund assets shall consist exclusively of the obligations that are described by Section III.A, 1-9 above.

B. Ensuring Safety of Principal

Ensuring safety is accomplished through protection of principal and safekeeping.

1. Protection of Principal

The City shall seek to control the risk of loss due to the failure of security issuer or grantor. Such risk shall be controlled by investing only in the safest types of securities as defined in the Policy, by qualifying the broker, dealer, and financial institution with whom the City will transact, by collateralization as required by law, by portfolio diversification, and by limiting maturity.

The City will seek to control the risk of loss due to the failure of the issuer=s of banker=s acceptances and commercial paper by monitoring the ratings of portfolio positions to assure compliance with the ratings requirements imposed by the Public Funds Investment Act of 1987. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position=s maturity, the City Secretary may approve holding the paper to maturity. If the subject paper matures beyond the 90-day period or if the credit rating downgrade exceeds a single step, it will be the City=s policy to convene an emergency meeting of the Investment Committee to determine whether liquidation of the position is warranted. This meeting should take place within 24 hours of notification of the credit downgrade.

a. Approved Brokers/Dealers/Financial Institutions

1. Investments shall only be made with those firms and institutions who have met the qualifications and standards established by the City and set forth in this manual.

2. Been approved by the City Council by resolution.

Securities and certificates of deposit shall only be purchased from those institutions included on the City=s list of broker/dealers, banks, and savings and loan associations as approved by City Council.

b. Collateralization

Consistent with the requirements of state law, the City requires all banks and savings and loan associations to be federally insured or collateralized with eligible securities. Financial institutions serving as City Depositories will be required to sign a Depository Agreement with the City and its safekeeping agent for the collateral, defining the City=s rights to the collateral in case of default, bankruptcy, or closing. Repurchase agreements must also be collateralized in accordance with State law.

1. Allowable Collateral

a. Certificates of Deposit
Eligible securities for collateralization of deposits are defined

by the APublic Funds Collateral Act@ (Article 2529d, Texas Revised Civil Statutes). The eligibility of specific issues may at times be restricted or prohibited because of current market conditions.

b. Repurchase Agreements

Collateral underlying repurchase agreements is limited to U.S. government and agency obligations which are eligible for wire transfer (i.e., book entry) to the City=s designated safekeeping agent through the Federal Reserve System.

2. Collateral Levels

Collateral is valued at current market plus interest accrued through the date of valuation.

a. Certificates of Deposit

The market value of collateral pledged for certificates of deposit must at all times be equal to or greater than the par value of the certificate of deposit plus accrued interest, less the amount insured by the FDIC.

b. Repurchase Agreements

The market value of collateral required to be pledged for repurchase agreements shall be a percentage of the par value of the agreement plus accrued interest. Any collateral with a maturity of over 5 years must be approved by the Mayor or City Secretary in writing before the transaction is initiated.

3. Margin Calls

a. Certificates of Deposit

If the collateral pledged for a certificate of deposit falls below the par value of the deposit, plus the accrued interest less FDIC insurance, the institution will be notified by the City and will be required to pledge additional securities no later than the end of the next succeeding business day.

b. Repurchase Agreements

If the value of the collateral underlying a repurchase agreement falls below the margin maintenance levels specified above, the City will make a margin call unless the repurchase agreement is scheduled to mature within five business days and the amount is deemed to be immaterial.

4. Collateral Substitution

Collateralized investments and certificates of deposit often require substitution of collateral. Any broker or financial institution requesting substitution must contact the City for approval and settlement. The substituted collateral=s value will be calculated and substitution approved if its value is equal to or greater than the required value. The City must give immediate notification of the decision to the bank or the safekeeping agent holding the collateral. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The City may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

5. Collateral Reductions

Should the collateral=s market value exceed the required amount, any broker or financial institution may request approval from the City to reduce collateral. Collateral reductions may be permitted only if the City=s records indicate that the collateral=s market value exceeds the required amount.

c. Portfolio Diversification

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types. Proceeds of a single bond issue may be invested in a single security or investment if the city Council determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

d. Limiting maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds.

2. Safekeeping

a. Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as a part of its investment portfolio or held as collateral to secure certificates of deposit or repurchase agreements.

b. Safekeeping of Certificate of Deposit Collateral

All collateral securing bank and savings and loan deposits must be held by a third party banking institution approved by the City, or collateral may be held at the Federal Reserve Bank.

c. Safekeeping of Repurchase Agreement Collateral

The securities which serve as collateral for repurchase agreements with dealers must be delivered to a third party custodian with which the City has established a third party safekeeping agreement.

C. Ensuring Liquidity

Liquidity shall be achieved by investing in securities with active secondary markets and by investing in eligible money market mutual funds and local government investment pools.

A security may be liquidated to meet unanticipated cash requirements, to redeploy cash into other investments expected to outperform current holdings, or otherwise adjust the portfolio.

D. Achieving Investment Return Objectives

Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. The General City Funds Portfolio shall be actively managed to enhance overall interest income. Active management will take place within the context of the APrudent Person Rule.@ (See Section II.D.)

The City will take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.

Once the basic requirements of safety and liquidity are met, the City=s fund shall be designed to attain a market-average rate of return through economic cycles. Market-average rate of return is defined as the average return on one year Treasury bills.

E. Responsibility and Controls.

1. Authority to Invest

   The authority to invest City funds and the execution of any documentation necessary to evidence the investment of City funds is granted to the Mayor and the City Secretary.

2. Establishment of Internal Controls

   The City Secretary will establish a system of internal controls over the investment activities of the City and document such controls. A system of internal controls shall be in place to prevent losses of public funds arising from fraud or employee error.

3. Training and Education

   Recognizing that the training and education of Investment Officers contributes to efficient and effective investment management, the City will encourage its Investment Officers to obtain appropriate professional certifications and provide training toward such certifications from available funds.

F. Reporting

Investment performance is continually monitored and evaluated by the City Secretary. The City Secretary will provide summary reports to the City Council on a monthly basis.

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
8	**AFLAC INSURANCE, 1932 WYNNTON ROAD, COLUMBUS, GA, 31999-0797**								
264373	03/03/17	insurance	03/03/17	$28.06	$28.06	10-29-2136	Insurance Payable	$0.00	$2,643.08
					$28.06				
14	**ANGLETON FEED, PO BOX 330, ANGLETON, TX, 775160-033**								
144916	03/03/17	sack st augustine grass seed	03/03/17	$885.00	$885.00	10-03-5385	Drainage M&R	$5,000.00	$4,995.32
144916	03/03/17	case makaze weed killer	03/03/17	$97.50	$97.50	10-08-5270	Chemicals	$2,000.00	$1,384.52
144916	03/03/17	case ant killer	03/03/17	$55.00	$55.00	10-08-5270	Chemicals	$2,000.00	$1,384.52
					$1,037.50				
49	**BRAZORIA COUNTY TREASURER, , , ,**								
eng17-51	03/03/17	storm water interlocal	03/03/17	$783.68	$783.68	10-02-5660	Dues & Subscriptions	$9,000.00	$5,164.55
					$783.68				
104	**GULF COAST PAPER, PO BOX 4227, VICTORIA, TX, 77903**								
1281373	03/03/17	case of 33.8 oz antibacterial soap	03/03/17	$93.94	$93.94	10-01-5215	Custodial Supplies	$1,000.00	$397.36
1281373	03/03/17	case 8" white roll paper towels	03/03/17	$50.41	$50.41	10-01-5215	Custodial Supplies	$1,000.00	$397.36
1277860	03/03/17	roll 60 gal clear trash bag	03/03/17	$80.64	$80.64	10-04-5290	Festivals	$7,000.00	$7,000.00
1277860	03/03/17	bowls	03/03/17	$24.32	$24.32	10-04-5290	Festivals	$7,000.00	$7,000.00
1277860	03/03/17	acclaim paper towel	03/03/17	$55.05	$55.05	10-04-5290	Festivals	$7,000.00	$7,000.00
1277860	03/03/17	cottonelle tp (square)	03/03/17	$35.26	$35.26	10-08-5215	Custodial Supplies	$1,500.00	$1,353.28
1277860	03/03/17	roll 60 gal clear trash bag	03/03/17	$107.52	$107.52	10-08-5215	Custodial Supplies	$1,500.00	$1,353.28
					$447.14				
127	**MALONE, DON, 105A Woodland Rd, Lake Jackson, TX, 77566**								
march17	03/03/17	raffle items for cookoff	03/03/17	$1,012.01	$1,012.01	10-04-5290	Festivals	$7,000.00	$7,000.00
					$1,012.01				
143	**PARK PLACE, 217 FLAG LAKE DRIVE, CLUTE, TX, 77531**								
28347	03/03/17	city manager award	03/03/17	$37.50	$37.50	10-01-5101	Administrative Expense	$40,000.00	$17,936.48
					$37.50				
195	**TML - IEBP, PO BOX 732791, DALLAS, TX, 75373-2791**								
7071703a	03/03/17	insurance	03/03/17	$1,655.98	$1,655.98	10-01-5115	Hospitalization	$35,360.00	$29,554.23
7071703a	03/03/17	insurance	03/03/17	$1,400.88	$1,400.88	10-02-5115	Hospitalization	$17,670.00	$9,877.30
7071703a	03/03/17	insurance	03/03/17	$6,327.32	$6,327.32	10-05-5115	Hospitalization	$69,000.00	$36,933.18
7071703a	03/03/17	insurance	03/03/17	$1,393.54	$1,393.54	10-06-5115	Hospitalization	$17,500.00	$10,389.80
7071703a	03/03/17	insurance	03/03/17	$699.44	$699.44	10-09-5115	Hospitalization	$9,450.00	$7,295.54
7071703a	03/03/17	insurance	03/03/17	$697.58	$697.58	10-10-5115	Hospitalization	$8,250.00	$4,752.66
7071703a	03/03/17	insurance	03/03/17	$506.24	$506.24	10-29-2136	Insurance Payable	$0.00	$2,643.08
					$12,680.98				
201	**COMCAST, PO BOX 660618, DALLAS, TX, 75266-0618**								
march17	03/03/17	internet	03/03/17	$79.44	$79.44	10-07-5420	Telephone	$1,400.00	$562.41

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$79.44				
208	VERNOR MATERIAL & EQUIPMENT, PO BOX 967, CLUTE, TX, 77531								
138893	03/03/17	load crushed limestone	03/03/17	$445.28	$445.28	10-29-1146	Due from Transportation	$0.00	($3,907.90)
138894	03/03/17	load crushed limestone	03/03/17	$486.24	$486.24	10-29-1146	Due from Transportation	$0.00	($3,907.90)
					$931.52				
514	P C CARE, 221 PARKING WAY, LAKE JACKSON, TX, 77566								
77182	03/03/17	repairs	03/03/17	$467.50	$467.50	10-05-5365	Other Equipment M&R	$2,500.00	$1,327.25
					$467.50				
1068	COMBINED INSURANCE CO. OF AMERICA, 5277 PAYSPHERE CIRCLE, CHICAGO, IL, 60674								
465611	03/03/17	insurance	03/03/17	$74.48	$74.48	10-29-2136	Insurance Payable	$0.00	$2,643.08
					$74.48				
1142	C & S JANITORIAL SERVICES, INC., 6611 THEALL ROAD, HOUSTON, TX, 77066								
24349	03/03/17	cleaning	03/03/17	$275.00	$275.00	10-01-5102	Contract Labor	$4,000.00	($9,937.95)
					$275.00				
1404	YAKLIN BRAZOSPORT, 1200 N. HWY. 288-B, RICHWOOD, TX,								
318622	03/03/17	brake service for unit 608	03/03/17	$362.20	$362.20	10-05-5340	Vehicle M&R	$11,000.00	$7,401.41
					$362.20				
1473	GARCIA, KIRSTEN, , , ,								
march17	03/03/17	training and travel	03/03/17	$98.00	$98.00	10-05-5130	Training & Travel	$11,300.00	$9,456.06
					$98.00				
		Total Bills To Pay:			$18,315.01				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
36	**BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT, 111 E. LOCUST, BLDG. A- 29, SUITE 140, ANGLETON, TX, 77515**								
march17	03/03/17	groundwater production fee	03/03/17	$34.80	$34.80	30-21-5660	Dues & Subscriptions	$2,500.00	$2,364.66
					$34.80				
57	**AT&T MOBILITY, PO BOX 6463, CAROL STREAM, IL, 60197-6463**								
march17	03/03/17	telephone	03/03/17	$45.76	$45.76	30-21-5420	Telephone	$2,500.00	$1,743.80
					$45.76				
59	**CITY OF RICHWOOD WATER/SEWER FUND, , , ,**								
march17	03/03/17	customers water deposits	03/03/17	$1,216.62	$1,216.62	30-30-2220	Customer Meter Deposits	$0.00	($121,371.94)
					$1,216.62				
146	**PENNEY'S ELECTRIC, PO BOX 2888, FREEPORT, TX, 77541**								
17485	03/03/17	move mag meter read out top side at ls#6	03/03/17	$1,285.47	$1,285.47	30-21-5392	Sewer Lines M&R	$72,200.00	$49,159.49
					$1,285.47				
150	**UTILITY SERVICE CO., INC., PO BOX 674233, DALLAS, TX, 75267-4233**								
415070	03/03/17	contract for water towers	03/03/17	$479.17	$479.17	30-21-5935	Equipment - Time Payme	$20,000.00	$4,488.02
					$479.17				
160	**RICHWOOD V.F.D., , , ,**								
march17	03/03/17	contributions	03/03/17	$5,202.99	$5,202.99	30-30-2241	Fire Department Donatio	$0.00	($5,202.99)
					$5,202.99				
161	**RICHWOOD BEAUTIFICATION, , , ,**								
march17	03/03/17	contributions	03/03/17	$3,422.21	$3,422.21	30-30-2242	Beautification Donations	$0.00	($3,422.21)
					$3,422.21				
195	**TML - IEBP, PO BOX 732791, DALLAS, TX, 75373-2791**								
7071703a--01	03/03/17	insurance	03/03/17	$2,785.45	$2,785.45	30-21-5115	Hospitalization	$36,740.00	$24,097.19
7071703a--01	03/03/17	insurance	03/03/17	$744.92	$744.92	30-30-2136	Insurance Payable	$0.00	($251.43)
					$3,530.37				
1474	**KAVETSKI, DAVID, , , ,**								
march17	03/03/17	water deposit refund	03/03/17	$8.18	$8.18	30-30-2220	Customer Meter Deposits	$0.00	($121,371.94)
					$8.18				
1475	**EVERETTE, ELIZABETH, , , ,**								
march17	03/03/17	water deposit refund	03/03/17	$8.18	$8.18	30-30-2220	Customer Meter Deposits	$0.00	($121,371.94)
					$8.18				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor									
InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
		Total Bills To Pay:			$15,233.75				

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
22	**AUL AMERICAN UNITED LIFE INS., GROUP UNIT 2, 5570 RELIABLE PARKWAY, CHICAGO, IL, 60686-0055**								
1511666	02/24/17	insurance	02/24/17	$20.00	$20.00	10-01-5115	Hospitalization	$35,360.00	$30,982.86
1511666	02/24/17	insurance	02/24/17	$30.00	$30.00	10-02-5115	Hospitalization	$17,670.00	$11,317.94
1511666	02/24/17	insurance	02/24/17	$90.00	$90.00	10-05-5115	Hospitalization	$69,000.00	$43,440.50
1511666	02/24/17	insurance	02/24/17	$20.00	$20.00	10-06-5115	Hospitalization	$17,500.00	$11,823.34
1511666	02/24/17	insurance	02/24/17	$10.00	$10.00	10-09-5115	Hospitalization	$9,450.00	$8,034.98
1511666	02/24/17	insurance	02/24/17	$10.00	$10.00	10-10-5115	Hospitalization	$8,250.00	$5,470.24
					$180.00				
24	**AMERICAN MATERIALS INC, PO BOX 935, STAFFORD, TX, 77497-0935**								
68764	02/24/17	asphalt	02/24/17	$930.60	$930.60	10-03-5380	Streets M&R	$48,000.00	$48,000.00
					$930.60				
58	**CITY OF CLUTE/ACCOUNTANT, PO BOX 997, CLUTE, TX, 77531**								
february17--	02/24/17	fire/ems	02/24/17	$18,750.00	$18,750.00	10-07-5566	Contractural Services - A	$80,000.00	$61,250.00
					$18,750.00				
116	**KENNEMER, MASTERS & LUNSFORD, LLC, 8 WEST WAY COURT, LAKE JACKSON, TX, 77566**								
78099	02/24/17	completion of audit	02/24/17	$11,244.64	$11,244.64	10-01-5580	Auditor's Fees	$25,000.00	$16,317.26
					$11,244.64				
127	**MALONE, DON, 105A Woodland Rd, Lake Jackson, TX, 77566**								
february17--	02/24/17	inspections	02/24/17	$125.00	$125.00	10-02-5695	Special Services - Miscell	$7,300.00	$5,750.00
					$125.00				
155	**QUILL CORPORATION, PO BOX 37600, PHILADELPHIA, PA, 91901-0600**								
3884369	02/24/17	book ends	02/24/17	$13.29	$13.29	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3884369	02/24/17	pencil lead	02/24/17	$20.28	$20.28	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3884369	02/24/17	comfortmate mech pen	02/24/17	$13.29	$13.29	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3884369	02/24/17	sharpwriter pencil	02/24/17	$7.79	$7.79	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3884369	02/24/17	wire file	02/24/17	$13.99	$13.99	10-06-5210	Office Supplies	$5,200.00	$909.05
					$68.64				
201	**COMCAST, PO BOX 660618, DALLAS, TX, 75266-0618**								
february17--	02/24/17	telephone	02/24/17	$58.41	$58.41	10-01-5420	Telephone	$2,500.00	$1,972.45
february17--	02/24/17	telephone	02/24/17	$58.41	$58.41	10-04-5294	Expenditures - Court Tec	$2,000.00	$1,121.85
february17--	02/24/17	telephone	02/24/17	$216.94	$216.94	10-05-5695	Special Services - Miscell	$8,872.00	$4,997.85
					$333.76				
205	**UNITED SYSTEMS TECHNOLOGY, INC, PO BOX 204814, DALLAS, TX, 75320-4814**								
91980	02/24/17	ub ebill base charge	02/24/17	$10.00	$10.00	10-01-5210	Office Supplies	$30,000.00	$15,996.41
					$10.00				
208	**VERNOR MATERIAL & EQUIPMENT, PO BOX 967, CLUTE, TX, 77531**								
138816	02/24/17	STABILIZED LIMESTONE	02/24/17	$677.60	$677.60	10-03-5380	Streets M&R	$48,000.00	$48,000.00

City of Richwood
Council Approval Report for FIRST NATIONAL BANK--100103073
(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
138817	02/24/17	2.0 sack stabilizer limestone	02/24/17	$1,432.88	$1,432.88	10-03-5380	Streets M&R	$48,000.00	$48,000.00
					$2,110.48				
427	**CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190**								
b1702030358	02/24/17	electricity	02/24/17	$11.84	$11.84	10-01-5410	Electricity	$10,000.00	$7,898.01
b1702031292	02/24/17	electricity	02/24/17	$594.54	$594.54	10-01-5410	Electricity	$10,000.00	$7,898.01
b1702031468	02/24/17	electricity	02/24/17	$16.59	$16.59	10-01-5410	Electricity	$10,000.00	$7,898.01
b1702030355	02/24/17	electricity	02/24/17	$10.23	$10.23	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702030357	02/24/17	electricity	02/24/17	$16.23	$16.23	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702031211	02/24/17	electricity	02/24/17	$30.39	$30.39	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702040837	02/24/17	electricity	02/24/17	$15.32	$15.32	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110067	02/24/17	electricity	02/24/17	$62.56	$62.56	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110068	02/24/17	electricity	02/24/17	$579.67	$579.67	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110069	02/24/17	electricity	02/24/17	$1,627.34	$1,627.34	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110070	02/24/17	electricity	02/24/17	$37.28	$37.28	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110071	02/24/17	electricity	02/24/17	$12.09	$12.09	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702110984	02/24/17	electricity	02/24/17	$58.36	$58.36	10-02-5410	Electricity	$35,000.00	$29,542.26
					$3,072.44				
466	**CITY OF OYSTER CREEK, 3210 FM 523, OYSTER CREEK, TX, 77541**								
february17	02/24/17	jail	02/24/17	$225.00	$225.00	10-05-5542	Jail Expense	$4,500.00	$3,422.45
					$225.00				
509	**TML INTERGOVERNMENTAL RISK POOL, P.O. BOX 388, SAN ANTONIO, TX, 78292-0388**								
feburary17	02/24/17	credit	02/24/17	($14.50)	($14.50)	10-01-5110	Workmen's Compensatio	$700.00	$158.11
february17	02/24/17	worker comp	02/24/17	$116.12	$116.12	10-02-5110	Workmen's Compensatio	$4,000.00	$418.96
february17	02/24/17	workers comp	02/24/17	$572.62	$572.62	10-05-5110	Workmen's Compensatio	$12,000.00	$1,755.53
feburary17	02/24/17	credit	02/24/17	($71.36)	($71.36)	10-07-5110	Workmen's Compensatio	$650.00	$301.90
					$602.88				
514	**P C CARE, 221 PARKING WAY, LAKE JACKSON, TX, 77566**								
77484	02/24/17	backup services	02/24/17	$99.95	$99.95	10-01-5210	Office Supplies	$30,000.00	$15,996.41
					$99.95				
1166	**VIT OFFSHORE OIL SERVICE, 618 EAST SECOND STREET, FREEPORT, TX, 77541**								
56153	02/24/17	gasoline	02/24/17	$698.53	$698.53	10-02-5230	Gas, Oil, & Lubricants	$10,000.00	$5,164.38
56153	02/24/17	gasoline	02/24/17	$2,816.44	$2,816.44	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
56153	02/24/17	gasoline	02/24/17	$77.23	$77.23	10-07-5230	Gas, Oil, & Lubricants	$3,000.00	$2,499.43
					$3,592.20				
1220	**DAHILL, P.O. BOX 205354, DALLAS, TX, 75320-5354**								
in1071591	02/24/17	printer	02/24/17	$175.32	$175.32	10-01-5210	Office Supplies	$30,000.00	$15,996.41
in1071591	02/24/17	printer	02/24/17	$116.88	$116.88	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
in1071591	02/24/17	printer	02/24/17	$58.47	$58.47	10-06-5210	Office Supplies	$5,200.00	$909.05

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$350.67				
1444	**MILLER UNIFORMS & EMBLEMS, 826 RUTLAND DRIVE, AUSTIN, TX, 78758**								
65040	02/24/17	uniforms for all officers	02/24/17	$4,093.05	$4,093.05	10-29-1144	Due from Crime Control	$0.00	($45,715.95)
					$4,093.05				
1472	**BIG STATE PLUMBING, 11510 HWY 36, NEEDVILLE, TX, 77461**								
february17	02/24/17	refund for permit	02/24/17	$23.00	$23.00	10-29-4107	Building Permits	$35,000.00	$22,668.00
					$23.00				
		Total Bills To Pay:			**$45,812.31**				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
19	**AT&T, PO BOX 105414, ATLANTA, GA, 30348-5414**								
february17---	02/24/17	telephone	02/24/17	$55.66	$55.66	30-21-5420	Telephone	$2,500.00	$1,976.36
					$55.66				
22	**AUL AMERICAN UNITED LIFE INS., GROUP UNIT 2, 5570 RELIABLE PARKWAY, CHICAGO, IL, 60686-0055**								
1511666--01	02/24/17	insurance	02/24/17	$40.00	$40.00	30-21-5115	Hospitalization	$36,740.00	$27,002.64
					$40.00				
58	**CITY OF CLUTE/ACCOUNTANT, PO BOX 997, CLUTE, TX, 77531**								
february17-	02/24/17	transmission line lease	02/24/17	$33,977.75	$33,977.75	30-21-5505	Lease expense	$135,911.00	$102,252.25
					$33,977.75				
132	**MCCOY'S BUILDING SUPPLY, PO BOX 1362, SAN MARCOS, TX, 78667**								
1355936	02/24/17	main disconnect pole	02/24/17	$506.38	$506.38	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
					$506.38				
239	**WHOLESALE ELECTRIC SUPPLY CO, PO BOX 230197, HOUSTON, TX, 77223-0197**								
71-4427783	02/24/17	electrical supplies	02/24/17	$213.22	$213.22	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
					$213.22				
427	**CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190**								
b1702030356	02/24/17	electricity	02/24/17	$130.43	$130.43	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702031355	02/24/17	electricity	02/24/17	$364.63	$364.63	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702031360	02/24/17	electricity	02/24/17	$352.96	$352.96	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702060040	02/24/17	electricity	02/24/17	$9.36	$9.36	30-21-5410	Electricity	$45,000.00	$34,295.39
					$857.38				
509	**TML INTERGOVERNMENTAL RISK POOL, P.O. BOX 388, SAN ANTONIO, TX, 78292-0388**								
february17-	02/24/17	workers comp	02/24/17	$116.12	$116.12	30-21-5110	Workmen's Compensatio	$4,000.00	$353.97
					$116.12				
1166	**VIT OFFSHORE OIL SERVICE, 618 EAST SECOND STREET, FREEPORT, TX, 77541**								
56153--01	02/24/17	gasoline	02/24/17	$698.55	$698.55	30-21-5230	Gas, Oil, & Lubricants	$15,000.00	$12,816.92
					$698.55				
1220	**DAHILL, P.O. BOX 205354, DALLAS, TX, 75320-5354**								
in1071591--01	02/24/17	printers	02/24/17	$175.32	$175.32	30-21-5210	Office Supplies	$15,000.00	$11,943.26
					$175.32				
		Total Bills To Pay:			**$36,640.38**				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
62	CLUTE POSTMASTER, , CLUTE, TX, 77531								
february17-	02/23/17	postage for utility bills	02/23/17	$431.80	$431.80	30-21-5210	Office Supplies	$15,000.00	$11,943.26
					$431.80				
		Total Bills To Pay:			**$431.80**				

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
19	AT&T, PO BOX 105414, ATLANTA, GA, 30348-5414								
february17--	02/17/17	telephone	02/17/17	$249.98	$249.98	10-05-5420	Telephone	$8,000.00	$6,152.35
february17----	02/17/17	telephone	02/17/17	$89.89	$89.89	10-07-5420	Telephone	$1,400.00	$752.09
					$339.87				
37	BRAZORIA COUNTY TAX OFFICE, PO BOX 1586, LAKE JACKSON, TX, 77566								
91 -	02/17/17	taxes	02/17/17	$588.80	$588.80	10-01-5556	Contractural Services - T	$15,000.00	$9,112.86
					$588.80				
54	CENTERPOINT ENERGY, PO BOX 4981, HOUSTON, TX, 77210-4981								
february17	02/17/17	natural gas	02/17/17	$50.11	$50.11	10-01-5430	Natural Gas	$1,500.00	$1,402.30
february17--	02/17/17	natural gas	02/17/17	$18.40	$18.40	10-02-5430	Natural Gas	$400.00	$273.83
february17---	02/17/17	natural gas	02/17/17	$21.58	$21.58	10-02-5430	Natural Gas	$400.00	$273.83
february17-	02/17/17	natural gas	02/17/17	$20.61	$20.61	10-07-5430	Natural Gas	$300.00	$238.92
					$110.70				
62	CLUTE POSTMASTER, , CLUTE, TX, 77531								
february17	02/17/17	yearly fee	02/17/17	$225.00	$225.00	10-01-5240	Expendable Operating S	$25,000.00	$17,815.85
					$225.00				
117	KILLIUM PEST CONTROL, 209 PLANTATION DR, LAKE JACKSON, TX, 77566								
108214	02/17/17	pest control	02/17/17	$50.00	$50.00	10-08-5310	Building & Grounds M&R	$15,000.00	$12,177.59
108215	02/17/17	pest control	02/17/17	$10.00	$10.00	10-08-5310	Building & Grounds M&R	$15,000.00	$12,177.59
					$60.00				
137	MUNICIPAL CODE CORPORATION, PO BOX 2235, TALLAHASSEE, FL, 32316								
00281393	02/17/17	ordinances	02/17/17	$1,328.00	$1,328.00	10-01-5210	Office Supplies	$30,000.00	$15,996.41
					$1,328.00				
152	BUSINESS CARD, PO BOX 15796, WILMINGTON, DE, 19886-5710								
053146170240003	02/17/17	lunch with city manager and p raymond	02/17/17	$33.74	$33.74	10-01-5101	Administrative Expense	$40,000.00	$22,887.67
554328670170001	02/17/17	webmaster	02/17/17	$255.00	$255.00	10-01-5101	Administrative Expense	$40,000.00	$22,887.67
054368470271000	02/17/17	office depot	02/17/17	$14.71	$14.71	10-01-5210	Office Supplies	$30,000.00	$15,996.41
255360670321020	02/17/17	tx gov service fee	02/17/17	$8.00	$8.00	10-01-5210	Office Supplies	$30,000.00	$15,996.41
551315870104003	02/17/17	microsoft office	02/17/17	$108.24	$108.24	10-01-5210	Office Supplies	$30,000.00	$15,996.41
554328670210003	02/17/17	stamps	02/17/17	$24.99	$24.99	10-01-5240	Expendable Operating S	$25,000.00	$17,815.85
555418670230040	02/17/17	adobe	02/17/17	$21.64	$21.64	10-01-5240	Expendable Operating S	$25,000.00	$17,815.85
555418670320040	02/17/17	postage	02/17/17	$200.00	$200.00	10-01-5240	Expendable Operating S	$25,000.00	$17,815.85
554328670340004	02/17/17	120-277v ballast	02/17/17	$25.38	$25.38	10-01-5310	Building & Grounds M&R	$15,000.00	$13,026.12
554295070248940	02/17/17	icma annual membership for michael coon	02/17/17	$705.00	$705.00	10-01-5660	Dues & Subscriptions	$8,000.00	$7,465.00
554328670260008	02/17/17	texas town and country magizine sub	02/17/17	$15.00	$15.00	10-01-5660	Dues & Subscriptions	$8,000.00	$7,465.00
554328670260008	02/17/17	tcma annual membership for m coon	02/17/17	$252.00	$252.00	10-01-5660	Dues & Subscriptions	$8,000.00	$7,465.00
554328670180004	02/17/17	grant writing class	02/17/17	$180.00	$180.00	10-02-5130	Training & Travel	$2,000.00	$1,986.00
854281470059800	02/17/17	28cc edger	02/17/17	$449.99	$449.99	10-02-5220	Tools	$2,000.00	$1,005.31

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
854281470189800	02/17/17	12 volet chainsaw sharpener	02/17/17	$44.99	$44.99	10-02-5220	Tools	$2,000.00	$1,005.31
854281470189800	02/17/17	12 inch 3/8 inch chainsaw blades	02/17/17	$33.98	$33.98	10-02-5220	Tools	$2,000.00	$1,005.31
854281470189800	02/17/17	assorted grinding stones	02/17/17	$18.12	$18.12	10-02-5220	Tools	$2,000.00	$1,005.31
554368770061700	02/17/17	work gloves leather	02/17/17	$47.96	$47.96	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554368770061700	02/17/17	pvc sewer gloves	02/17/17	$24.84	$24.84	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554368770061700	02/17/17	disposable gloves	02/17/17	$11.15	$11.15	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554368770061700	02/17/17	glasses	02/17/17	$13.80	$13.80	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554996770067960	02/17/17	duct tape	02/17/17	$3.79	$3.79	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554996770067960	02/17/17	gas can	02/17/17	$12.99	$12.99	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554996770177960	02/17/17	bottled water	02/17/17	$4.79	$4.79	10-02-5240	Expendable Operating S	$3,000.00	$521.68
554328670340004	02/17/17	electrical ballast for city hall breakroom	02/17/17	$11.44	$11.44	10-02-5310	Building & Grounds M&R	$1,000.00	($2,651.36)
553095970268380	02/17/17	refill tire repair kit	02/17/17	$4.48	$4.48	10-02-5340	Vehicle M&R	$6,000.00	$1,784.24
553095970268380	02/17/17	gasket sealant	02/17/17	$6.99	$6.99	10-02-5340	Vehicle M&R	$6,000.00	$1,784.24
553095970278380	02/17/17	shocks for 2004 f-250	02/17/17	$53.48	$53.48	10-02-5340	Vehicle M&R	$6,000.00	$1,784.24
554328670100002	02/17/17	regulator for air compressor	02/17/17	$20.98	$20.98	10-02-5365	Other Equipment M&R	$4,000.00	$1,758.06
554996770107960	02/17/17	brass nipple for air compressor	02/17/17	$4.79	$4.79	10-02-5365	Other Equipment M&R	$4,000.00	$1,758.06
554996770257960	02/17/17	3/8 x 10 rebar	02/17/17	$5.56	$5.56	10-03-5380	Streets M&R	$48,000.00	$48,000.00
554996770257960	02/17/17	concrete	02/17/17	$73.04	$73.04	10-03-5380	Streets M&R	$48,000.00	$48,000.00
554996770257960	02/17/17	rebar chairs	02/17/17	$2.39	$2.39	10-03-5380	Streets M&R	$48,000.00	$48,000.00
051404870187200	02/17/17	drinks for chaplains association meeting	02/17/17	$19.08	$19.08	10-05-5130	Training & Travel	$11,300.00	$10,253.08
552073970110000	02/17/17	training for officer garza	02/17/17	$209.00	$209.00	10-05-5130	Training & Travel	$11,300.00	$10,253.08
554328670260001	02/17/17	hotel stay for officer garza during training (marri	02/17/17	$254.52	$254.52	10-05-5130	Training & Travel	$11,300.00	$10,253.08
555418670290720	02/17/17	hotel stay for chief corb during tml class	02/17/17	$296.70	$296.70	10-05-5130	Training & Travel	$11,300.00	$10,253.08
554838270190910	02/17/17	dvd's, ink and wipes	02/17/17	$69.88	$69.88	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
051404870227100	02/17/17	lunch purchased for dispatch	02/17/17	$27.73	$27.73	10-05-5240	Expendable Operating S	$1,500.00	$1,276.86
854262370260001	02/17/17	wash jail blankets/jumpsuits	02/17/17	$11.37	$11.37	10-05-5542	Jail Expense	$4,500.00	$3,422.45
054368470223001	02/17/17	business card for 611 and 615	02/17/17	$75.98	$75.98	10-05-5685	Publishing & Advertising	$4,000.00	$2,789.41
054101970232950	02/17/17	credit	02/17/17	($81.17)	($81.17)	10-05-5930	Equipment	$0.00	($119.20)
054101970232950	02/17/17	best buy	02/17/17	$81.17	$81.17	10-05-5930	Equipment	$0.00	($119.20)
554328670230006	02/17/17	500 court business cards	02/17/17	$14.98	$14.98	10-06-5210	Office Supplies	$5,200.00	$909.05
255360670321020	02/17/17	vehicle reg	02/17/17	$30.00	$30.00	10-07-5360	Radio M&R	$500.00	$110.05
554328670200009	02/17/17	11 oz soap	02/17/17	$7.92	$7.92	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554328670200009	02/17/17	odor control	02/17/17	$9.98	$9.98	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554328670200009	02/17/17	dial soap	02/17/17	$4.96	$4.96	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554328670200009	02/17/17	fabuloso	02/17/17	$14.04	$14.04	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554328670200009	02/17/17	mop	02/17/17	$14.98	$14.98	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554328670200009	02/17/17	clorox spray	02/17/17	$7.96	$7.96	10-08-5215	Custodial Supplies	$1,500.00	$1,431.47
554807770204003	02/17/17	basketball rim for bfp	02/17/17	$24.99	$24.99	10-08-5310	Building & Grounds M&R	$15,000.00	$12,177.59
754281770272322	02/17/17	disposal fee	02/17/17	$10.00	$10.00	10-08-5365	Other Equipment M&R	$2,000.00	($1,314.16)
754281770272322	02/17/17	tires for mower	02/17/17	$180.00	$180.00	10-08-5365	Other Equipment M&R	$2,000.00	($1,314.16)
853535370299800	02/17/17	new brakes	02/17/17	$216.48	$216.48	10-09-5340	Vehicle M&R	$3,000.00	$2,215.70

City of Richwood
Council Approval Report for FIRST NATIONAL BANK--100103073
(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$4,193.80				
172	SCHROM, KAREN, , , ,								
february17--	02/17/17	contract labor	02/17/17	$878.72	$878.72	10-01-5102	Contract Labor	$4,000.00	($7,081.71)
					$878.72				
201	COMCAST, PO BOX 660618, DALLAS, TX, 75266-0618								
february17-	02/17/17	internet	02/17/17	$10.80	$10.80	10-07-5420	Telephone	$1,400.00	$752.09
					$10.80				
206	UTILITY DATA SYSTEMS OF TEXAS, LLC, P.O. BOX 6147, FRISCO, TX, 75035								
14873	02/17/17	mcrs training	02/17/17	$652.00	$652.00	10-06-5210	Office Supplies	$5,200.00	$909.05
					$652.00				
207	VERIZON WIRELESS, PO BOX 660108, DALLAS, TX, 75266-0108								
9779584398	02/17/17	broadband	02/17/17	$304.12	$304.12	10-05-5695	Special Services - Miscell	$8,872.00	$4,997.85
					$304.12				
266	AIRGAS USA, LLC, PO BOX 676015, DALLAS, TX, 75267-6015								
9942550633	02/17/17	acetylene and oxygen	02/17/17	$52.13	$52.13	10-02-5230	Gas, Oil, & Lubricants	$10,000.00	$5,164.38
					$52.13				
362	FLEET SAFETY EQUIPMENT, INC, 6525 GOFORTH STREET, HOUSTON, TX, 77021								
156856	02/17/17	equipment and labor	02/17/17	$10,502.11	$10,502.11	10-07-5930	Equipment	$18,000.00	$18,000.00
157326	02/17/17	armrest	02/17/17	$140.02	$140.02	10-07-5930	Equipment	$18,000.00	$18,000.00
					$10,642.13				
427	CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190								
b1702030349	02/17/17	electricity	02/17/17	$71.25	$71.25	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702030351	02/17/17	electricity	02/17/17	$39.61	$39.61	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702030352	02/17/17	electricity	02/17/17	$28.40	$28.40	10-02-5410	Electricity	$35,000.00	$29,542.26
b1702030354	02/17/17	electricity	02/17/17	$113.46	$113.46	10-07-5410	Electricity	$2,500.00	$2,096.28
b1702030353	02/17/17	electricity	02/17/17	$80.31	$80.31	10-08-5410	Electricity	$2,500.00	$2,215.90
					$333.03				
428	EVR-GREEN, P.O. BOX 3582, LAKE JACKSON, TX, 77566								
16233	02/17/17	city hall lawn maint	02/17/17	$193.25	$193.25	10-01-5310	Building & Grounds M&R	$15,000.00	$13,026.12
16496	02/17/17	landscape maint city hall	02/17/17	$191.30	$191.30	10-01-5310	Building & Grounds M&R	$15,000.00	$13,026.12
					$384.55				
889	BCOS OFFICE TECHNOLOGIES, ATTN: ACCOUNTS RECEIVABLES, 1111 COUNTY ROAD 44, ANGLETON, TX, 77515								
ar217977	02/17/17	copier	02/17/17	$52.08	$52.08	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
					$52.08				
915	PENGUIN MANAGEMENT, INC., 2 KIEL AVENUE, KINNELON, NJ, 07405								
42618	02/17/17	dispatch services	02/17/17	$948.00	$948.00	10-07-5660	Dues & Subscriptions	$2,200.00	$1,635.00

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$948.00				
1157	**COMCAST, P.O. BOX 37601, PHILADELPHIA, PA, 19101-0601**								
50197775	02/17/17	telephone	02/17/17	$83.32	$83.32	10-01-5420	Telephone	$2,500.00	$1,972.45
50197775	02/17/17	telephone	02/17/17	$208.31	$208.31	10-05-5420	Telephone	$8,000.00	$6,152.35
					$291.63				
1399	**COASTAL POWER PRODUCTS, 1321 CR 47, ANGLETON, TX, 77515**								
2016-294	02/17/17	quarterly maint for city hall generator	02/17/17	$287.50	$287.50	10-01-5310	Building & Grounds M&R	$15,000.00	$13,026.12
					$287.50				
1404	**YAKLIN BRAZOSPORT, 1200 N. HWY. 288-B, RICHWOOD, TX,**								
318402	02/17/17	oil change for unit 610	02/17/17	$45.99	$45.99	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
					$45.99				
1471	**KMS SPORT SURFACES LLC, 8218 COLGATE ST., HOUSTON, TX, 77061**								
0115	02/17/17	resurface and paint basketball court at bfp	02/17/17	$3,230.00	$3,230.00	10-08-5310	Building & Grounds M&R	$15,000.00	$12,177.59
					$3,230.00				
		Total Bills To Pay:			**$24,958.85**				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
58	**CITY OF CLUTE/ACCOUNTANT, PO BOX 997, CLUTE, TX, 77531**								
february17	02/17/17	wastewater	02/17/17	$71,812.03	$71,812.03	30-21-5990	Sewage Treatment Plant	$279,000.00	$279,000.00
					$71,812.03				
82	**DXI INDUSTRIES, INC., PO BOX 301049, DALLAS, TX, 75303-1049**								
de050000107.17	02/17/17	chlorine	02/17/17	$40.00	$40.00	30-21-5270	Chemicals	$5,000.00	$393.12
de050000599-17	02/17/17	chlorine	02/17/17	$10.00	$10.00	30-21-5270	Chemicals	$5,000.00	$393.12
de050000600-17	02/17/17	chlorine	02/17/17	$40.00	$40.00	30-21-5270	Chemicals	$5,000.00	$393.12
de050000601-17	02/17/17	chlorine	02/17/17	$30.00	$30.00	30-21-5270	Chemicals	$5,000.00	$393.12
de05000637-17	02/17/17	chlorine	02/17/17	$20.00	$20.00	30-21-5270	Chemicals	$5,000.00	$393.12
					$140.00				
152	**BUSINESS CARD, PO BOX 15796, WILMINGTON, DE, 19886-5710**								
554328670200009	02/17/17	bins	02/17/17	$15.92	$15.92	30-21-5210	Office Supplies	$15,000.00	$11,943.26
554996770077960	02/17/17	drain cleaning tool	02/17/17	$1.99	$1.99	30-21-5220	Tools	$2,000.00	$1,760.25
554328670200009	02/17/17	locks	02/17/17	$41.94	$41.94	30-21-5240	Expendable Operating S	$2,200.00	$1,962.71
554996770247960	02/17/17	germicidal clorox for ls #6	02/17/17	$9.98	$9.98	30-21-5270	Chemicals	$5,000.00	$393.12
554996770067960	02/17/17	1 1/4 pipe insulation	02/17/17	$4.58	$4.58	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
554996770067960	02/17/17	3/8x6" peip insulation	02/17/17	$6.36	$6.36	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
554996770077960	02/17/17	1 1/4 insulation	02/17/17	$4.58	$4.58	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
554996770077960	02/17/17	1" pipe insulation	02/17/17	$2.58	$2.58	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
554996770077960	02/17/17	sponge rubber tape	02/17/17	$3.99	$3.99	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
555418670120101	02/17/17	gate hardware kit	02/17/17	$99.88	$99.88	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
555418670120101	02/17/17	bolt cane	02/17/17	$18.96	$18.96	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
555418670190101	02/17/17	clamp set for ls fence	02/17/17	$5.64	$5.64	30-21-5310	Building & Grounds M&R	$2,000.00	$1,270.48
554996770177960	02/17/17	hose clamp #88	02/17/17	$5.37	$5.37	30-21-5365	Other Equipment M&R	$0.00	($93.91)
554996770177960	02/17/17	hose clamp #80	02/17/17	$1.79	$1.79	30-21-5365	Other Equipment M&R	$0.00	($93.91)
554996770177960	02/17/17	hose clamp #64	02/17/17	$3.38	$3.38	30-21-5365	Other Equipment M&R	$0.00	($93.91)
754549170133857	02/17/17	stainless swivel and install	02/17/17	$377.49	$377.49	30-21-5365	Other Equipment M&R	$0.00	($93.91)
252478070320000	02/17/17	washer	02/17/17	$0.64	$0.64	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
252478070320000	02/17/17	nuts	02/17/17	$1.12	$1.12	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
252478070320000	02/17/17	1/2 screw	02/17/17	$5.76	$5.76	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
554996770077960	02/17/17	heater for (clr room)	02/17/17	$59.67	$59.67	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
554996770317960	02/17/17	1" pvc coupling	02/17/17	$18.99	$18.99	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
554464170320813	02/17/17	4 in sdr 35 cleeve	02/17/17	$2.88	$2.88	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
554464170320813	02/17/17	pvc primer	02/17/17	$14.65	$14.65	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
554464170320813	02/17/17	pvc cement	02/17/17	$15.19	$15.19	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
554996770317960	02/17/17	4" sanitary tee	02/17/17	$6.99	$6.99	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
554996770317960	02/17/17	4" adapt bushing	02/17/17	$3.49	$3.49	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
554996770317960	02/17/17	4" adapt bushing	02/17/17	$3.49	$3.49	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
555418670240101	02/17/17	interior scaffold	02/17/17	$100.00	$100.00	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
555418670250108	02/17/17	credit for rental deposit	02/17/17	($51.18)	($51.18)	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
851856470297032	02/17/17	rubber gasket for ls#6 repair	02/17/17	$48.78	$48.78	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
					$834.90				
205	**UNITED SYSTEMS TECHNOLOGY, INC, PO BOX 204814, DALLAS, TX, 75320-4814**								
91980	02/17/17	annual support	02/17/17	$5,150.00	$5,150.00	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
					$5,150.00				
427	**CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190**								
b1702030347	02/17/17	electricity	02/17/17	$326.29	$326.29	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702030348	02/17/17	electricity	02/17/17	$1,125.22	$1,125.22	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702030350	02/17/17	electricity	02/17/17	$88.61	$88.61	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702031608	02/17/17	electricity	02/17/17	$31.04	$31.04	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702040063	02/17/17	electricity	02/17/17	$462.84	$462.84	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702040064	02/17/17	electricity	02/17/17	$212.33	$212.33	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702040065	02/17/17	electricity	02/17/17	$301.75	$301.75	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702060041	02/17/17	electricity	02/17/17	$9.36	$9.36	30-21-5410	Electricity	$45,000.00	$34,295.39
					$2,557.44				
1157	**COMCAST, P.O. BOX 37601, PHILADELPHIA, PA, 19101-0601**								
50197775--01	02/17/17	telephone	02/17/17	$41.66	$41.66	30-21-5420	Telephone	$2,500.00	$1,976.36
					$41.66				
1399	**COASTAL POWER PRODUCTS, 1321 CR 47, ANGLETON, TX, 77515**								
2016-295	02/17/17	quarterly maint for ground storage generator	02/17/17	$287.50	$287.50	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
2016-295	02/17/17	quarterly maint for ls #6	02/17/17	$275.00	$275.00	30-21-5392	Sewer Lines M&R	$72,200.00	$50,298.38
					$562.50				
		Total Bills To Pay:			**$81,098.53**				

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

Karen

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
90	**FACTS, THE, PO BOX 549, CLUTE, TX, 77531**								
16596-0117	02/10/17	ad in community guardians	02/10/17	$125.00	$125.00	10-01-5685	Publishing & Advertising	$6,000.00	$4,250.97
					$125.00				
122	**LAWMAN'S UNIFORM & EQUIPMENT, 5814 MILWEE BLDG. A, HOUSTON, TX, 77092**								
42882	02/10/17	back ordered uniforms for munley	02/10/17	$113.05	$113.05	10-05-5190	Uniforms	$3,800.00	$1,695.55
					$113.05				
127	**MALONE, DON, 105A Woodland Rd, Lake Jackson, TX, 77566**								
february17-	02/10/17	inspections	02/10/17	$225.00	$225.00	10-02-5695	Special Services - Miscell	$7,300.00	$5,750.00
					$225.00				
154	**PROMOTIONS UNLIMITED, 849 WEST PLANTATION DRIVE, CLUTE, TX, 77531**								
30298	02/10/17	assorted sizes of Public Works uniform shirts	02/10/17	$608.34	$608.34	10-02-5190	Uniforms	$1,600.00	$1,270.13
					$608.34				
155	**QUILL CORPORATION, PO BOX 37600, PHILADELPHIA, PA, 91901-0600**								
3503608	02/10/17	tax form helper	02/10/17	$49.49	$49.49	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3577348	02/10/17	paper clips - regular	02/10/17	$26.45	$26.45	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3577348	02/10/17	paper clips - jumbo	02/10/17	$11.29	$11.29	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3577348	02/10/17	binder clips	02/10/17	$13.74	$13.74	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3616435	02/10/17	pens	02/10/17	$6.79	$6.79	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3616435	02/10/17	1 inch binders	02/10/17	$24.95	$24.95	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3616435	02/10/17	2 inch binders	02/10/17	$37.45	$37.45	10-01-5210	Office Supplies	$30,000.00	$15,996.41
3616435	02/10/17	germ x	02/10/17	$9.99	$9.99	10-01-5215	Custodial Supplies	$1,000.00	$624.27
3616435	02/10/17	dvd-r	02/10/17	$19.99	$19.99	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
3616435	02/10/17	hp ink color	02/10/17	$35.99	$35.99	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
3616435	02/10/17	hp ink black	02/10/17	$33.99	$33.99	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
3622063	02/10/17	arch clipboard	02/10/17	$6.29	$6.29	10-05-5210	Office Supplies	$5,000.00	($4,472.33)
					$276.41				
172	**SCHROM, KAREN, , , ,**								
february17-	02/10/17	contract labor	02/10/17	$878.72	$878.72	10-01-5102	Contract Labor	$4,000.00	($7,081.71)
					$878.72				
192	**TEXAS MUNICIPAL RETIREMENT SYSTEM, PO BOX 149153, AUSTIN, TX, 78714-9153**								
february17-	02/10/17	retirement	02/10/17	$10,236.39	$10,236.39	10-29-2132	Retirement Payable	$0.00	($4,931.34)
					$10,236.39				
201	**COMCAST, PO BOX 660618, DALLAS, TX, 75266-0618**								
february17	02/10/17	internet	02/10/17	$88.99	$88.99	10-07-5420	Telephone	$1,400.00	$752.09
					$88.99				
362	**FLEET SAFETY EQUIPMENT, INC, 6525 GOFORTH STREET, HOUSTON, TX, 77021**								
157844	02/10/17	installation of radar interface cables to join in ca	02/10/17	$300.00	$300.00	10-05-5240	Expendable Operating S	$1,500.00	$1,276.86

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$300.00				
394	**Ron Cox Consulting, 120 St. Andrews, Friendswood, TX,**								
820	02/10/17	consulting	02/10/17	$4,662.45	$4,662.45	10-01-5101	Administrative Expense	$40,000.00	$22,887.67
					$4,662.45				
427	**CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190**								
b1702020927	02/10/17	electricity	02/10/17	$16.87	$16.87	10-02-5410	Electricity	$35,000.00	$29,542.26
					$16.87				
514	**P C CARE, 221 PARKING WAY, LAKE JACKSON, TX, 77566**								
76282	02/10/17	computer/vpn/server repairs	02/10/17	$429.00	$429.00	10-05-5365	Other Equipment M&R	$2,500.00	$1,756.25
					$429.00				
889	**BCOS OFFICE TECHNOLOGIES, ATTN: ACCOUNTS RECEIVABLES, 1111 COUNTY ROAD 44, ANGLETON, TX, 77515**								
ar217768	02/10/17	copier	02/10/17	$112.85	$112.85	10-01-5935	Equipment - Time Payme	$5,500.00	$3,824.44
ar217769	02/10/17	copier	02/10/17	$52.54	$52.54	10-01-5935	Equipment - Time Payme	$5,500.00	$3,824.44
					$165.39				
1043	**BUCHANAN ELECTRICAL SERVICES, 1065 SEBESTA ROAD, ANGLETON, TX, 77515**								
4227	02/10/17	supply and install 16 led lights on the outside p	02/10/17	$6,800.00	$6,800.00	10-04-4253	Revenues - Court Securit	$3,300.00	$3,300.00
					$6,800.00				
1220	**DAHILL, P.O. BOX 205354, DALLAS, TX, 75320-5354**								
in1058880	02/10/17	copier	02/10/17	$55.00	$55.00	10-06-5210	Office Supplies	$5,200.00	$909.05
					$55.00				
1254	**I. TELLO FLOORCARE, 4522 LINCOLNSHIRE, HOUSTON, TX, 77048**								
685651	02/10/17	floor maint at Pk forrest bldg	02/10/17	$150.00	$150.00	10-08-5310	Building & Grounds M&R	$15,000.00	$12,177.59
					$150.00				
1285	**TWO BROTHERS CAR WASH, 302 THIS WAY, LAKE JACKSON, TX, 77566**								
m13404	02/10/17	car washes for unit 603, 605 and 610	02/10/17	$4.00	$4.00	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
m14081	02/10/17	car washes for unit 603, 605 and 610	02/10/17	$4.00	$4.00	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
m14126	02/10/17	car washes for unit 603, 605 and 610	02/10/17	$4.00	$4.00	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
					$12.00				
1341	**WASTE CONNECTIONS OF TEXAS, P.O. BOX 660177, DALLAS, TX, 75266-0177**								
1182659	02/10/17	roll off dumpster	02/10/17	$244.23	$244.23	10-02-5245	Dump Charges	$2,700.00	$690.80
					$244.23				
1397	**CORDOBA LAW FIRM. P.L.L.C., 208 PARKING WAY, LAKE JACKSON, TX, 77566**								
39393	02/10/17	general	02/10/17	$802.50	$802.50	10-01-5570	Attorney's Fees	$17,000.00	$16,820.00
39395	02/10/17	city manager	02/10/17	$712.50	$712.50	10-01-5570	Attorney's Fees	$17,000.00	$16,820.00
39394	02/10/17	municipal courts	02/10/17	$1,182.50	$1,182.50	10-06-5570	Attorney's Fees	$9,500.00	$8,207.50

City of Richwood

Council Approval Report for FIRST NATIONAL BANK--100103073

(Council Approval Report)

Vendor InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
					$2,697.50				
1433	**BISSETT, EVAN, , , ,**								
february17	02/10/17	meal	02/10/17	$11.78	$11.78	10-05-5130	Training & Travel	$11,300.00	$10,253.08
february17	02/10/17	meal	02/10/17	$5.94	$5.94	10-05-5130	Training & Travel	$11,300.00	$10,253.08
february17	02/10/17	fuel	02/10/17	$19.00	$19.00	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
february17	02/10/17	fuel	02/10/17	$36.00	$36.00	10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$21,303.63
february17	02/10/17	car wash	02/10/17	$20.00	$20.00	10-05-5240	Expendable Operating S	$1,500.00	$1,276.86
					$92.72				
1444	**MILLER UNIFORMS & EMBLEMS, 826 RUTLAND DRIVE, AUSTIN, TX, 78758**								
63757	02/10/17	new uniform sampled decided to go with and wil	02/10/17	$99.45	$99.45	10-05-5190	Uniforms	$3,800.00	$1,695.55
					$99.45				
1470	**TXTAG, P.O. BOX 650749, DALLAS, TX, 75265-0749**								
338977087	02/10/17	toll for trip for training for k williams in november	02/10/17	$13.01	$13.01	10-29-4112	Miscellaneous Income	$20,000.00	$19,282.97
					$13.01				
		Total Bills To Pay:			**$28,289.52**				

City of Richwood

Council Approval Report for W/S FIRST NATIONAL BANK--100103081

(Council Approval Report)

Vendor / InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted $	YTD Balance
39		**BRAZORIA COUNTY WATER LAB, 408 E. ORANGE, ANGLETON, TX, 77515**							
february17	02/10/17	water sample test	02/10/17	$90.00	$90.00	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
					$90.00				
42		**BRAZOSPORT WATER AUTHORITY, 1251 FM 2004, LAKE JACKSON, TX, 77566**							
07-0432	02/10/17	water contract	02/10/17	$21,417.90	$21,417.90	30-21-5995	Brazosport Water Authori	$230,000.00	$166,437.20
					$21,417.90				
72		**DEPT. OF STATE HEALTH SERVICES, PO BOX 149347, AUSTIN, TX, 78714-9347**							
cen.cdo158_01201	02/10/17	state water samples	02/10/17	$1,803.46	$1,803.46	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
					$1,803.46				
106		**HD SUPPLY WATERWORKS, PO BOX 28330, ST. LOUIS, MO, 63146**							
g677427	02/10/17	shut off tool	02/10/17	$370.00	$370.00	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
g678511	02/10/17	pallet of composite double meter boxes, and lid	02/10/17	$1,468.85	$1,468.85	30-21-5390	Water Lines M&R	$45,000.00	$21,013.95
					$1,838.85				
150		**UTILITY SERVICE CO., INC., PO BOX 674233, DALLAS, TX, 75267-4233**							
413253	02/10/17	water tower contract	02/10/17	$479.17	$479.17	30-21-5935	Equipment - Time Payme	$20,000.00	$4,967.19
					$479.17				
192		**TEXAS MUNICIPAL RETIREMENT SYSTEM, PO BOX 149153, AUSTIN, TX, 78714-9153**							
february17--02	02/10/17	retirement	02/10/17	$2,641.76	$2,641.76	30-30-2132	Retirement Payable	$0.00	($1,828.40)
					$2,641.76				
427		**CHAMPION ENERGY SERVICES, P.O. BOX 4190, HOUSTON, TX, 77210-4190**							
b1702020021	02/10/17	electrciity	02/10/17	$11.94	$11.94	30-21-5410	Electricity	$45,000.00	$34,295.39
b1702020022	02/10/17	electricity	02/10/17	$10.45	$10.45	30-21-5410	Electricity	$45,000.00	$34,295.39
					$22.39				
1341		**WASTE CONNECTIONS OF TEXAS, P.O. BOX 660177, DALLAS, TX, 75266-0177**							
1182660	02/10/17	residential trash	02/10/17	$20,562.27	$20,562.27	30-30-2240	Sanitation Payable	$0.00	($27,384.05)
					$20,562.27				
		Total Bills To Pay:			**$48,855.80**				

CITY OF RICHWOOD

RICHWOOD, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

KENNEMER, MASTERS & LUNSFORD, LLC
CERTIFIED PUBLIC ACCOUNTANTS
8 WEST WAY COURT
LAKE JACKSON, TEXAS 77566

THIS PAGE LEFT BLANK INTENTIONALLY.

CITY OF RICHWOOD
Richwood, Texas

Annual Financial Report
For the Year Ended September 30, 2016

THIS PAGE LEFT BLANK INTENTIONALLY.

FINANCIAL SECTION

THIS PAGE LEFT BLANK INTENTIONALLY.

Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Lake Jackson Office:
8 West Way Court
Lake Jackson, Texas 77566
979-297-4075

Angleton Office:
2801 N. Velasco Suite C
Angleton, Texas 77515
979-849-8297

El Campo Office:
201 W. Webb
El Campo, Texas 77437
979-543-6836

Houston Office:
10850 Richmond Ave., Ste 135
Houston, Texas 77042
281-974-3416

Independent Auditor's Report

To The Honorable Mayor and
Members of City Council
City of Richwood
Richwood, Texas

Reports on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Richwood (the "City") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

www. kmandl.com – Email: kmkw@kmandl.com
Members: American Institute of Certified Public Accountants, Texas Society of Certified Public Accountants,
Partnering for CPA Practice Success

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richwood, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general fund budgetary comparison information, and pension related schedules for Texas Municipal Retirement System and Texas Emergency Services Retirement System on pages 11 through 21 and 80 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Richwood's basic financial statements. The combining and individual fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To The Honorable Mayor and
Members of City Council
City of Richwood
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kennemer, Masters & Lunsford, LLC

Lake Jackson, Texas
February 15, 2017

THIS PAGE LEFT BLANK INTENTIONALLY.

As management of the City of Richwood (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2016.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $ 13,478,827 (net position). Of this amount, $ 104,265 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation.
- The City's total net position increased by $ 53,263.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $ 1,707,977. 68.0% of this total amount, $ 1,160,743 (unassigned fund balance) is available for use within the City's fund designation.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $ 1,160,743 or 56.7% of the total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The s*tatement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The s*tatement of activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The *governmental activities* of the City include general administration, public safety, public works, and parks and recreation. The *business-type activities* of the City include water and sewer and sanitation operations. The government-wide financial statements can be found on pages 24 through 27 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- **Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

  The City maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single aggregation presentation. The governmental fund financial statements can be found on pages 28 through 32 of this report.

- **Proprietary Funds.** The City maintains one category of *proprietary funds*-Enterprise Funds. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The City uses enterprise funds to account for its water and sewer, and sanitation operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 34 through 39 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40 through 77 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, the Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund, and information concerning the City's net pension liability. Required supplementary information can be found on pages 80 and 84 of this report.

Combining and individual fund statements and schedules are presented following the required supplementary information. These statements and schedules can be found on pages 86 through 91 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $ 13,478,827 as of September 30, 2016.

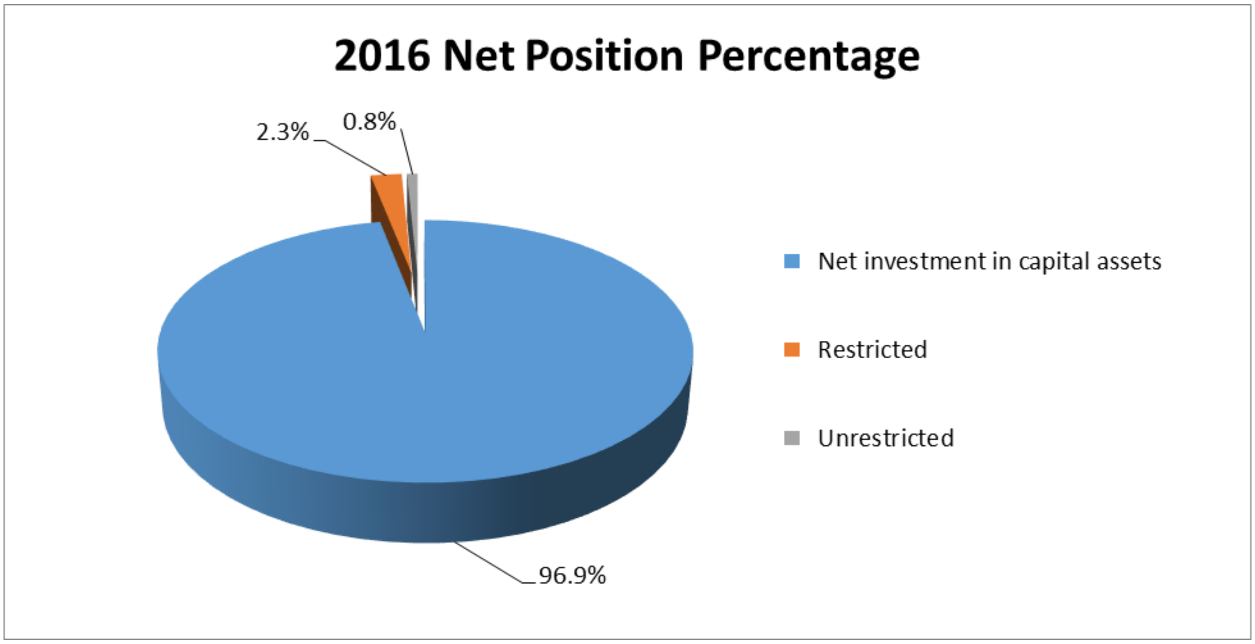
The largest portion of the City's net position, $ 13,067,389 (96.9%) reflects its investments in capital assets (e.g., land, buildings, furniture, equipment and vehicles, infrastructure, and construction in progress), less any debt used to acquire those assets that is still outstanding. The City uses capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

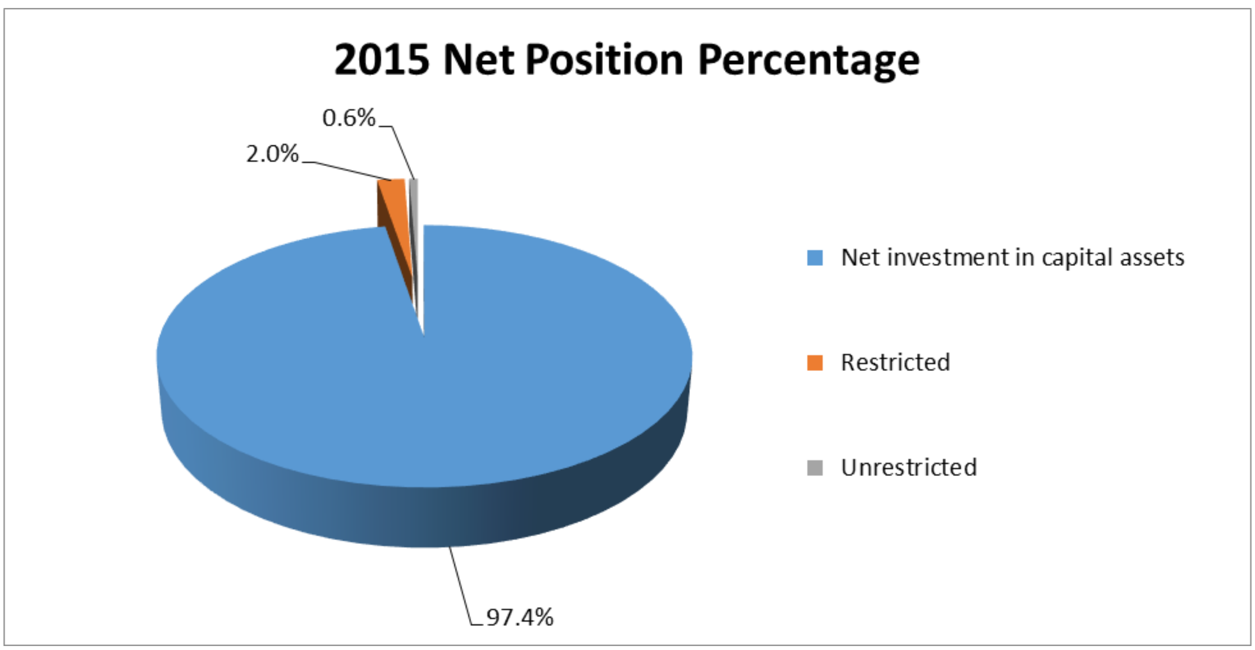
An additional portion of the City's net position of $ 307,173 (2.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $ 104,265 (0.8%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2016, the City is able to report positive balances in all three categories of net position for the government as a whole and for governmental activities. Business-type activities had a positive balance in net investment in capital assets and a negative balance in unrestricted net position.

CITY OF RICHWOOD'S STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30		September 30,	
	2016	2015	2016	2015	2016	2015
ASSETS						
Current and other assets	$ 1,820,686	$ 1,373,485	$(504,921)	$(128,397)	$ 1,315,765	$ 1,245,088
Capital assets	9,141,195	9,377,361	6,978,455	6,966,759	16,119,650	16,344,120
Total assets	10,961,881	10,750,846	6,473,534	6,838,362	17,435,415	17,589,208
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources	263,907	104,709	44,402	16,649	308,309	121,358
Total deferred outflows of resources	263,907	104,709	44,402	16,649	308,309	121,358
LIABILITIES						
Current and other liabilities	66,751	107,344	237,065	205,101	303,816	312,445
Long-term liabilities	2,341,542	2,312,114	1,533,158	1,598,900	3,874,700	3,911,014
Total liabilities	2,408,293	2,419,458	1,770,223	1,804,001	4,178,516	4,223,459
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources	73,052	54,950	13,329	6,593	86,381	61,543
Total deferred inflows of resources	73,052	54,950	13,329	6,593	86,381	61,543
NET POSITION						
Net Investment in capital assets	7,394,705	7,517,011	5,672,684	5,553,919	13,067,389	13,070,930
Restricted	307,173	270,238			307,173	270,238
Unrestricted	1,042,565	593,898	(938,300)	(509,502)	104,265	84,396
Total net position	$ 8,744,443	$ 8,381,147	$ 4,734,384	$ 5,044,417	$ 13,478,827	$ 13,425,564

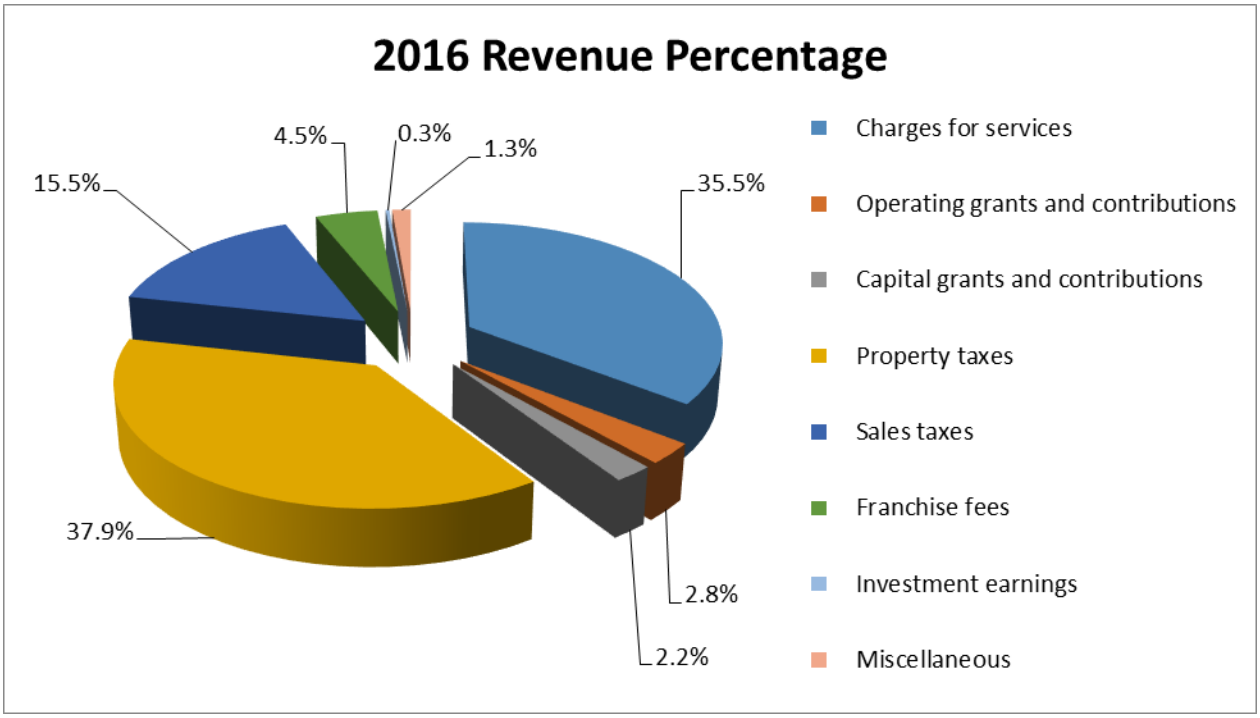

2016 Net Position Percentage
2.3%
0.8%
96.9%
Net investment in capital assets
Restricted
Unrestricted

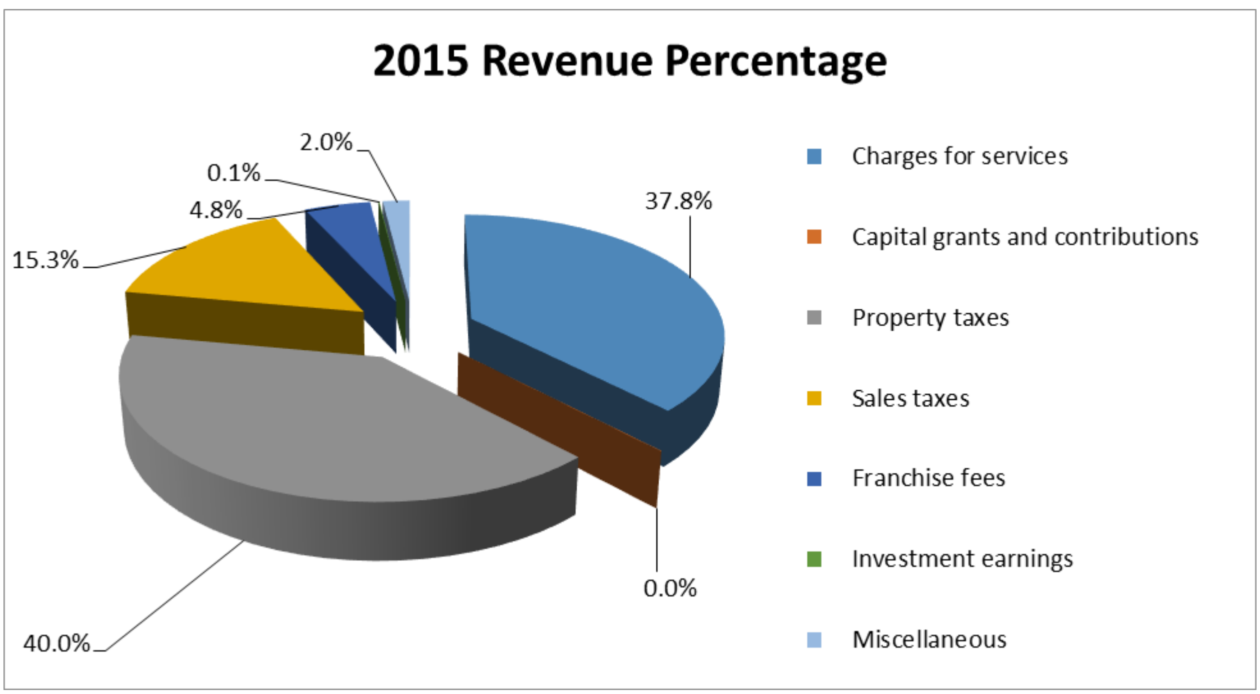

2015 Net Position Percentage
0.6%
2.0%
97.4%
Net investment in capital assets
Restricted
Unrestricted

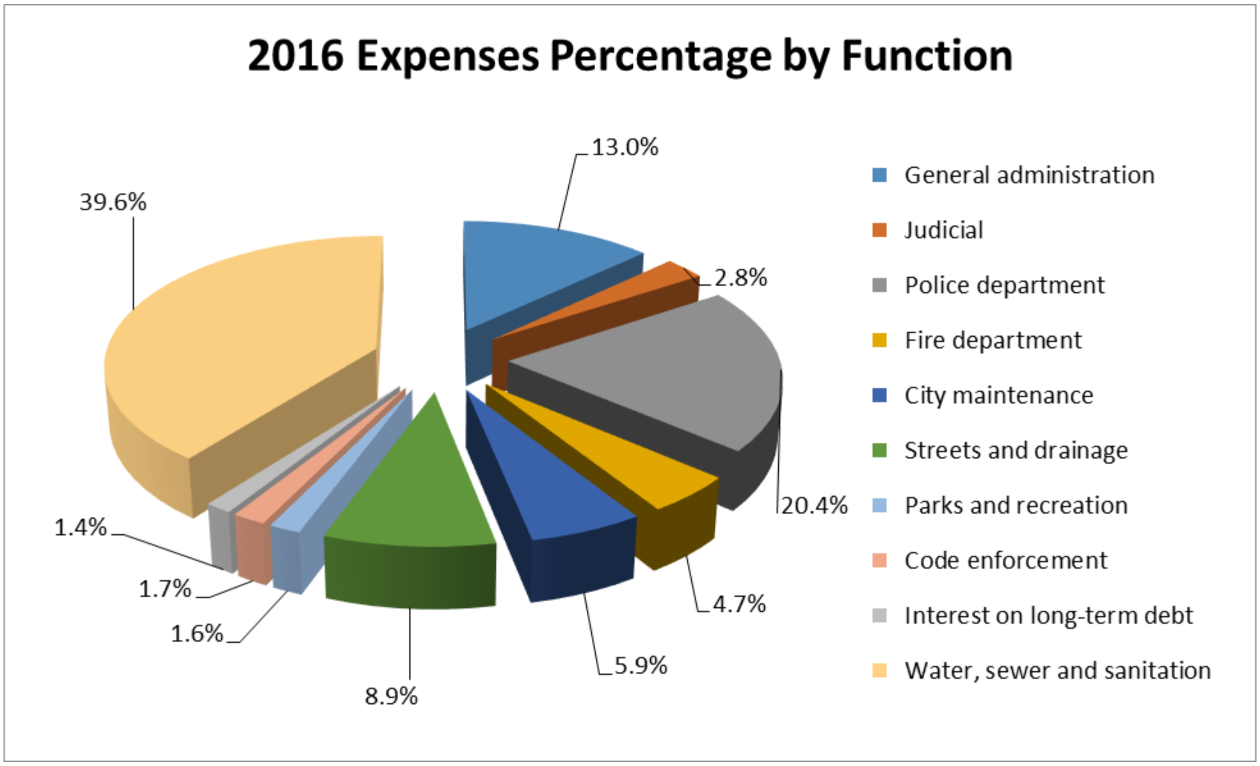
Analysis of the City's Operations. The following table provides a summary of the City's operations for the year ended September 30, 2016. Governmental activities increased the City's net position by $ 363,296. Business-type activities decreased the City's net position by $ 310,033

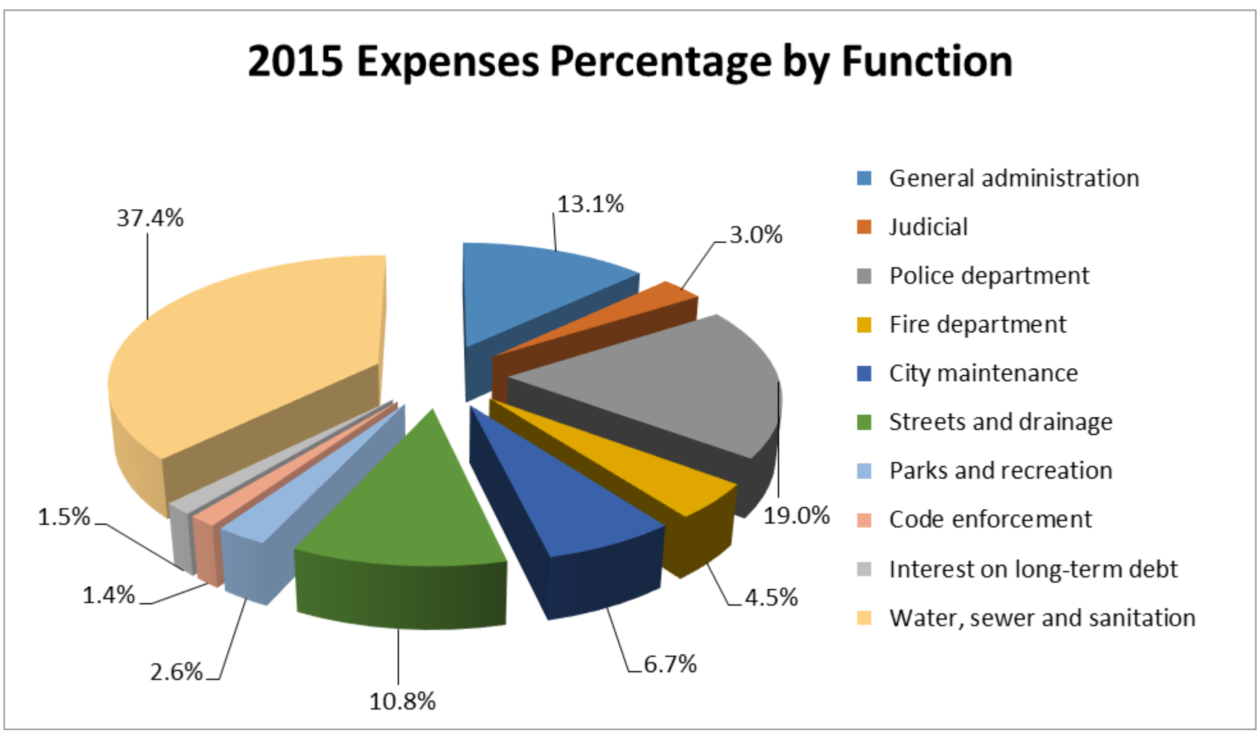
CITY OF RICHWOOD'S STATEMENT OF ACTIVITY

	Governmental Activities September 30,		Business-type Activities September 30,		Totals September 30,	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	$ 264,375	$ 318,313	$ 1,178,195	$ 1,006,243	$ 1,442,570	$ 1,324,556
Operating grants and contributions	114,937				114,937	-0-
Capital grants and contributions			90,027	1,491	90,027	1,491
General Revenues:						
Property taxes	1,537,154	1,404,872			1,537,154	1,404,872
Sales tax	626,853	536,520			626,853	536,520
Franchise fees	183,095	169,989			183,095	169,989
Investment earnings	10,559	1,605	441	317	11,000	1,922
Miscellaneous	54,160	68,935			54,160	68,935
Total revenues	2,791,133	2,500,234	1,268,663	1,008,051	4,059,796	3,508,285
Expenses:						
General administration	521,649	490,713			521,649	490,713
Judicial	111,428	113,292			111,428	113,292
Police department	817,120	713,986			817,120	713,986
Fire department	188,968	168,242			188,968	168,242
City maintenance	236,878	250,220			236,878	250,220
Streets and drainage	354,351	405,167			354,351	405,167
Parks and recreation	65,606	98,552			65,606	98,552
Code enforcement	69,843	53,625			69,843	53,625
Interest on long-term debt	56,094	56,390			56,094	56,390
Water, sewer and sanitation			1,584,596	1,404,144	1,584,596	1,404,144
Total expenses	2,421,937	2,350,187	1,584,596	1,404,144	4,006,533	3,754,331
Increase (decrease) in net position before transfers	369,196	150,047	(315,933)	(396,093)	53,263	(246,046)
Transfers	(5,900)	(83,327)	5,900	83,327	-0-	-0-
Changes in net position	363,296	66,720	(310,033)	(312,766)	53,263	(246,046)
Net position - beginning	8,381,147	8,314,427	5,044,417	5,357,183	13,425,564	13,671,610
Net position - ending	$ 8,744,443	$ 8,381,147	$ 4,734,384	$ 5,044,417	$ 13,478,827	$ 13,425,564


2016 Revenue Percentage
4.5%
0.3%
1.3%
15.5%
35.5%
37.9%
2.8%
2.2%
Charges for services
Operating grants and contributions
Capital grants and contributions
Property taxes
Sales taxes
Franchise fees
Investment earnings
Miscellaneous


2015 Revenue Percentage
2.0%
0.1%
4.8%
15.3%
37.8%
0.0%
40.0%
Charges for services
Capital grants and contributions
Property taxes
Sales taxes
Franchise fees
Investment earnings
Miscellaneous


2016 Expenses Percentage by Function
13.0%
2.8%
20.4%
4.7%
5.9%
8.9%
1.6%
1.7%
1.4%
39.6%
General administration
Judicial
Police department
Fire department
City maintenance
Streets and drainage
Parks and recreation
Code enforcement
Interest on long-term debt
Water, sewer and sanitation


2015 Expenses Percentage by Function
13.1%
3.0%
19.0%
4.5%
6.7%
10.8%
2.6%
1.4%
1.5%
37.4%
General administration
Judicial
Police department
Fire department
City maintenance
Streets and drainage
Parks and recreation
Code enforcement
Interest on long-term debt
Water, sewer and sanitation

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported ending fund balances of $ 1,707,977. $ 1,160,743 (67.96%) of this total amount constitutes unassigned fund balance. The remainder of the fund balance is either non-spendable, restricted or committed to indicate that it is not available for new spending as follows: 1) $ 100,896 for long-term receivables, 2) $ 1,875 for prepaid items, 3) $ 859 for park, 4) $ 6,219 for court security and technology, 5) $ 748 for police training, 6) $ 105,512 for debt service, 7) $ 20,941 for street beautification, 8) $ 69,446 for transportation, 9) $ 13,430 for insurance, 10) $ 73,823 for capital improvement, 11) $ 35,290 for equipment replacement, and 12) $ 118,195 for crime control and prevention.

The General Fund fund balance increased by $ 463,732; the Debt Service Fund fund balance increased by $ 2,582, and the Nonmajor Governmental Funds fund balance increased by $ 34,231.

Proprietary funds. As mentioned earlier, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

At September 30, 2016 the proprietary fund had a deficit of $ 938,300 in unrestricted net position Total net position decreased by $ 310,033.

General Fund Budgetary Highlights. Actual revenues exceeded budget by $ 312,834 mainly due to increased sales taxes and intergovernmental revenue. Actual expenditures were under budgetary estimates by $ 233,257.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2016, was $ 16,119,650 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture, equipment and vehicles, infrastructure, and construction in progress. During the year ended September 30, 2016, the City received contributed capital in the amount of $ 90,027 which is reported within business-type activities as construction in progress of $ 16,291 and fixed assets of $ 73,736.

Capital Assets at Year-end
Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2016	2015	2016	2015	2016	2015
Land	$ 335,262	$ 303,720	$ 122,580	$ 122,580	$ 457,842	$ 426,300
Buildings	1,635,331	1,684,412	84,367	90,861	1,719,698	1,775,273
Furniture, equipment and vehicles	354,780	369,182	52,818	78,257	407,598	447,439
Infrastructure	6,815,822	7,020,047	6,684,899	6,527,837	13,500,721	13,547,884
Construction in progress			33,791	147,224	33,791	147,224
Total	$ 9,141,195	$ 9,377,361	$ 6,978,455	$ 6,966,759	$ 16,119,650	$ 16,344,120

Additional information on the City's capital assets can be found in Note 6 on pages 60 through 61 of this report.

Debt Administration

At the end of the current fiscal year, the City had total long-term liabilities of $ 3,874,700. Of this amount, $ 2,350,000 is comprised of bonded debt backed by the full faith and credit of the City. These bonds will be retired with revenues from property and sales taxes. Further, the City has $ 497,840 obligations under capital lease, $ 267,966 note payable, and $ 695,001 net pension liability.

Outstanding Debt at Year End
Bonds Payable

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Certificates of obligation bonds	$ 1,435,000	$ 1,535,000	$ 915,000	$ 970,000	$ 2,350,000	$ 2,505,000
Capital leases			497,840	549,909	497,840	549,909
Notes	267,966	279,045			267,966	279,045
Net pension liability	595,052	451,764	99,949	56,846	695,001	508,610
Premium on bonds	36,354	38,644			36,354	38,644
Accrued interest	7,170	7,661	20,369	22,145	27,539	29,806
Total	$ 2,341,542	$ 2,312,114	$ 1,533,158	$ 1,598,900	$ 3,874,700	$ 3,911,014

All of the outstanding Bonds of the City payable from its limited taxes are insured and are, therefore, rated "Aaa" by Moody's Investors Service Inc ("Moody's"), and "AAA" by Standard & Poor's ("S&P"). The underlying rating on all of such Bonds and other obligations payable from such source are "A1" by Moody's and "A+" by S&P.

Additional information on the City's long term debt can be found in Note 7 on pages 61 through 65 of this report.

Economic Factors and Next Year's Budgets and Rates

In the 2016-2017 Budget, General fund revenues are budgeted to increase by 5.26% from the 2015-2016 budget year due to increases in property values, general sales tax and building permit and related fees.

Certified assessed valuations increased by 11.87% over the preceding year. Property taxes will increase approximately 3.24%.

The Enterprise Fund's 2016-2017 budgeted expenditures are expected to increase by 7.70% over the preceding year's budget. Water and Sewer rates for the 2016-2017 budget year were increased this year.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Secretary, 1800 N. Brazosport Blvd, Richwood, Texas, 77531, or call (979) 265-2082.

THIS PAGE LEFT BLANK INTENTIONALLY.

BASIC FINANCIAL STATEMENTS

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION

September 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and temporary investments	$ 492,531	$	$ 492,531
Investments	209,270	13,344	222,614
Receivables (Net):			
Taxes	160,248		160,248
Accounts	23,992	209,303	233,295
Accrued interest	7,663	20	7,683
Interfund accounts	880,036	(880,036)	-0-
Due from other governments	45,071		45,071
Prepaid items	1,875		1,875
Restricted Assets:			
Temporarily Restricted:			
Cash and temporary investments		65,795	65,795
Investments		86,641	86,641
Accrued interest		12	12
Capital Assets (Net of Accumulated Depreciation):			
Land	335,262	122,580	457,842
Buildings	1,635,331	84,367	1,719,698
Furniture, equipment and vehicles	354,780	52,818	407,598
Infrastructure	6,815,822	6,684,899	13,500,721
Construction in progress		33,791	33,791
Total assets	10,961,881	6,473,534	17,435,415
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources	263,907	44,402	308,309
Total deferred outflows of resources	263,907	44,402	308,309

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - Continued

September 30, 2016

	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Accounts payable	$ 66,751	$ 146,948	$ 213,699
Liabilities Payable from Restricted Assets:			
Accrued interest payable		7,331	7,331
Revenue bonds payable - current		55,000	55,000
Customer deposits		90,117	90,117
Noncurrent Liabilities:			
Due within one year	183,408	75,102	258,510
Due in more than one year	2,158,134	1,395,725	3,553,859
Total liabilities	2,408,293	1,770,223	4,178,516
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources	73,052	13,329	86,381
Total deferred inflows of resources	73,052	13,329	86,381
NET POSITION:			
Net investment in capital assets	7,394,705	5,672,684	13,067,389
Restricted For:			
Park	859		859
Debt service	108,064		108,064
Special revenue	90,387		90,387
Court security and technology	6,219		6,219
Police training	748		748
Enterprise fund (Long-term receivable)	100,896		100,896
Unrestricted	1,042,565	(938,300)	104,265
Total net position	$ 8,744,443	$ 4,734,384	$ 13,478,827

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General administration	$ 521,649	$ 147,238	$	$
Judicial	111,428			
Police department	817,120	105,008	71,989	
Fire department	188,968			
City maintenance	236,878			
Streets and drainage	354,351		42,948	
Parks and recreation	65,606	12,129		
Code enforcement	69,843			
Interest on long-term debt	56,094			
Total governmental activities	2,421,937	264,375	114,937	-0-
Business-type Activities:				
Water, sewer and sanitation	1,584,596	1,178,195		90,027
Total business-type activities	1,584,596	1,178,195	-0-	90,027
Total	$ 4,006,533	$ 1,442,570	$ 114,937	$ 90,027

General Revenue:
Taxes:
Property taxes, levied for general purposes
Property taxes, levied for debt service
Sales taxes
Franchise fees
Investment earnings
Miscellaneous
Transfer in (out)

Total general revenues and transfers

Changes in net position

Net position – beginning

Net position – ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$(374,411)	$	$(374,411)
(111,428)		(111,428)
(640,123)		(640,123)
(188,968)		(188,968)
(236,878)		(236,878)
(311,403)		(311,403)
(53,477)		(53,477)
(69,843)		(69,843)
(56,094)		(56,094)
(2,042,625)	-0-	(2,042,625)
	(316,374)	(316,374)
-0-	(316,374)	(316,374)
(2,042,625)	(316,374)	(2,358,999)
1,364,852		1,364,852
172,302		172,302
626,853		626,853
183,095		183,095
10,559	441	11,000
54,160		54,160
(5,900)	5,900	-0-
2,405,921	6,341	2,412,262
363,296	(310,033)	53,263
8,381,147	5,044,417	13,425,564
$ 8,744,443	$ 4,734,384	$ 13,478,827

CITY OF RICHWOOD
Richwood, Texas

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2016

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets and Deferred Outflows of Resources				
Assets:				
Cash and cash equivalents	$ 362,818	$ 48,136	$ 81,577	$ 492,531
Investments	163,238	46,032		209,270
Receivables:				
Taxes	157,302	2,946		160,248
Accounts	629			629
Accrued interest	7,643	20		7,663
Due from other government	45,071			45,071
Due from other funds	880,036	10,930	8,810	899,776
Prepaid items	1,875			1,875
Total assets	1,618,612	108,064	90,387	1,817,063
Deferred Outflows of Resources:				
Deferred outflows of resources				-0-
Total deferred outflows of resources	-0-	-0-	-0-	-0-
Total assets and deferred outflows of resources	$ 1,618,612	$ 108,064	$ 90,387	$ 1,817,063

(continued)

CITY OF RICHWOOD
Richwood, Texas

BALANCE SHEET
GOVERNMENTAL FUNDS - Continued

September 30, 2016

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued expenditures	$ 66,751	$	$	$ 66,751
Due to other funds	19,740			19,740
Total liabilities	86,491	-0-	-0-	86,491
Deferred Inflows of Resources:				
Deferred inflows of resources – property taxes	20,043	2,552		22,595
Total deferred inflows of resources	20,043	2,552	-0-	22,595
Fund Balances:				
Non-spendable:				
Enterprise fund (Long-term receivable)	100,896			100,896
Prepaid items	1,875			1,875
Restricted:				
Park	859			859
Debt service		105,512		105,512
Court security and technology	6,219			6,219
Police training	748			748
Street beautification			20,941	20,941
Transportation			69,446	69,446
Committed:				
Insurance	13,430			13,430
Capital improvement	73,823			73,823
Equipment replacement	35,290			35,290
Crime control and prevention	118,195			118,195
Unassigned	1,160,743			1,160,743
Total fund balances	1,512,078	105,512	90,387	1,707,977
Total liabilities, deferred inflows of resources and fund balances	$ 1,618,612	$ 108,064	$ 90,387	$ 1,817,063

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION

September 30, 2016

Total fund balances – governmental funds balance sheet	$ 1,707,977
Amounts reported for *governmental activities* in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include $ 14,436,848 in assets less $ 5,295,653 in accumulated depreciation.	9,141,195
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds. Deferred property tax revenues for the general fund and the debt service fund amounted to $ 20,043 and $ 2,552, respectively.	22,595
Municipal court receivables unavailable to pay for current period expenditures are not recognized in the governmental funds. Municipal court receivables of $ 126,683, net of allowance of $ 103,320.	23,363
Premium on the issuance of bonds provide current financial resources to governmental funds but the proceeds increases long-term liabilities in the governmental activities statement of net position. This amount is amortized over the life of the bonds. Net premium on the issuance of bonds was $ 36,354 (premium on sale of bonds of $ 46,091 less amortization of $ 9,737)	(36,354)
Pension deferred outflows of resources of $ 263,907 less deferred inflows of resources of $ 73,052.	190,855
Payables for net pension liability is not reported in the funds.	(595,052)
Payables for bond principal is not reported in the funds.	(1,702,966)
Payables for bond interest are not reported in the funds.	(7,170)
Net position of governmental activities – statement of net position.	$ 8,744,443

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended September 30, 2016

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Property taxes	$ 1,363,177	$ 172,180	$	$ 1,535,357
Sales taxes	626,853			626,853
Franchise fees	183,095			183,095
Revenue producing facilities	12,129			12,129
Fines and fees	119,556			119,556
Licenses and permits	42,013			42,013
Investment earning	10,056	356	147	10,559
Intergovernmental	114,937			114,937
Transportation			105,225	105,225
Miscellaneous	39,347		14,813	54,160
Total revenues	2,511,163	172,536	120,185	2,803,884
Expenditures:				
Current:				
General administration	444,838		13,690	458,528
Judicial	111,271			111,271
Police department	759,130			759,130
Fire department	135,717			135,717
City maintenance	233,616			233,616
Streets and drainage	78,763		67,364	146,127
Parks and recreation	46,724			46,724
Code enforcement	69,777			69,777
Capital outlay	166,595			166,595
Debt Service:				
Principal retirement		111,079		111,079
Interest and agent fees		58,875		58,875
Total expenditures	2,046,431	169,954	81,054	2,297,439
Excess of revenues over expenditures	464,732	2,582	39,131	506,445
Other Financing Sources (Uses):				
Transfer in			1,000	1,000
Transfer out	(1,000)		(5,900)	(6,900)
Total other financing sources (uses)	(1,000)	-0-	(4,900)	(5,900)
Net changes in fund balances	463,732	2,582	34,231	500,545
Fund balances - beginning	1,048,346	102,930	56,156	1,207,432
Fund balances - ending	$ 1,512,078	$ 105,512	$ 90,387	$ 1,707,977

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2016

Net change in fund balances – total governmental funds	$ 500,545
Amounts reported for *governmental activities* in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The amount by which capital outlay $ 166,595 less depreciation $ 402,761 in the current period.	(236,166)
Property tax revenues in the governmental activities statement of activities do not provide current financial resources and are not reported as revenues in the funds. Deferred property tax revenues for the general fund increased by $ 1,675 and for the debt service fund increased by $122, respectively.	1,797
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the governmental activities statement of net position. The amount was for general obligation bonded debt in the amount of $ 111,079.	111,079
Premium on the issuance of bonds provide current financial resources to governmental funds but the proceeds decrease long-term assets in the governmental activities statement of net position. This amount is accreted over the life of the bonds. Current premium on the issuance of bonds and amortization of the premium of bonds were $ -0- and $ 2,290.	2,290
Governmental funds report pension payments as expenditures. However, in the governmental activities statement of activities, the pension cost is calculated by an actuary and involves multiple factors. The amount of pension expense reported was $ 2,192 more than the amount reported in the funds.	(2,192)
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the change in accrued interest on long-term debt.	491
Municipal court revenues in the governmental activities statement of activities do not provide current financial resources and are not reported as revenues in the funds. Municipal court receivables, net of allowance, decreased by $ 14,548.	(14,548)
Change in net position of governmental activities	$ 363,296

The notes to the financial statements are an integral part of this statement.

THIS PAGE LEFT BLANK INTENTIONALLY.

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - PROPRIETARY FUND

September 30, 2016

	Enterprise Fund
Assets and Deferred Outflows of Resources	
Current Assets:	
Investments	$ 13,344
Accounts receivable, net	209,303
Accrued interest receivable	20
Total current unrestricted assets	222,667
Current Restricted Assets:	
Cash and cash equivalents	65,795
Investments	86,641
Accrued interest receivable	12
Total current restricted assets	152,448
Total current assets	375,115
Capital Assets:	
Property, plant and equipment	12,005,636
Less accumulated depreciation	(5,027,181)
Total capital assets (net of accumulated depreciation)	6,978,455
Total assets	7,353,570
Deferred Outflows of Resources:	
Deferred outflows of resources	44,402
Total deferred outflows of resources	44,402
Total assets and deferred outflows of resources	$ 7,397,972

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - PROPRIETARY FUND - Continued

September 30, 2016

	Enterprise Fund
Liabilities, Deferred Inflows of Resources, and Net Position	
Current Liabilities:	
Accounts payable and accrued expenses	$ 146,948
Accrued interest payable	13,038
Due to other funds (includes current portion notes of $ 13,564)	792,704
Capital lease payable	52,069
Net pension liability	9,995
Total current liabilities payable from non-restricted assets	1,014,754
Current Liabilities Payable from Restricted Assets:	
Accrued interest payable	7,331
Customer deposits	90,117
Revenue bonds payable	55,000
Total current liabilities payable from restricted assets	152,448
Total current liabilities	1,167,202
Noncurrent Liabilities:	
Due to other funds (notes)	87,332
Capital lease payable	445,771
Revenue bonds payable	860,000
Net pension liability	89,954
Total noncurrent liabilities	1,483,057
Total liabilities	2,650,259
Deferred Inflows of Resources:	
Deferred inflows of resources	13,329
Total deferred inflows of resources	13,329
Net Position:	
Net investment in capital assets	5,672,684
Unrestricted	(938,300)
Total net position	4,734,384
Total liabilities, deferred inflows of resources and net position	$ 7,397,972

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUND

For the Year Ended September 30, 2016

	Enterprise Fund
Operating Revenues:	
Water fees	$ 611,698
Sewer fees	530,392
Delinquent charges	26,697
Tap and reconnect fees	8,050
Miscellaneous	1,358
Total operating revenues	1,178,195
Operating Expenses:	
Personnel costs	280,482
Sewer treatment plant operations	274,787
Water costs – BWA	226,206
Lease	133,299
Utilities and telephone	49,886
Repairs and maintenance	94,757
Supplies	47,113
Miscellaneous	48,032
Operating expenses before depreciation	1,154,562
Depreciation	339,079
Total operating expenses	1,493,641
Operating loss	(315,446)
Non-Operating Revenues (Expenses):	
Investment earning	441
Interest expense and agent fees	(90,955)
Total non-operating revenues (expenses)	(90,514)
Loss before contributions and operating transfers	(405,960)
Capital contributions	90,027
Transfer in	5,900
Change in net position	(310,033)
Net position – beginning	5,044,417
Net position - ending	$ 4,734,384

The notes to the financial statements are an integral part of this statement.

THIS PAGE LEFT BLANK INTENTIONALLY.

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF CASH FLOWS -
PROPRIETARY FUND

For the Year Ended September 30, 2016

	Enterprise Fund
Cash Flows from Operating Activities:	
Receipts from customers and users	$ 1,164,933
Payments to other funds	356,383
Payments to suppliers	(844,147)
Payments to employees	(258,396)
Net cash provided by operating activities	418,773
Cash Flows from Non-Capital Financing Activities:	
Operating transfers in	5,900
Net cash provided by non-capital financing activities	5,900
Cash Flows from Capital and Related Financing Activities:	
Acquisition of capital assets	(260,748)
Bond principal payments	(55,000)
Capital lease payments	(52,069)
Interest and fiscal charge payments	(92,731)
Net cash used for capital and related financing activities	(460,548)
Cash Flows from Investing Activities:	
Proceeds from the sale of investments	91,197
Purchase of investments	(99,985)
Interest received	441
Net cash used for investing activities	(8,347)
Net decrease in cash and cash equivalents	(44,222)
Cash and cash equivalents at the beginning of year	110,017
Cash and cash equivalents at the end of the year	$ 65,795

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF CASH FLOWS -
PROPRIETARY FUND - Continued

For the Year Ended September 30, 2016

	Enterprise Fund
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating loss	$(315,446)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	339,079
Decrease in accounts receivable	(15,293)
Increase in accounts payable	29,933
Increase in due to other funds	356,383
Increase in pension liability	22,086
Increase in customer deposits	2,031
Total adjustments	734,219
Net cash provided by operating activities	$ 418,773
Non-Cash Transactions Affecting Financial Position:	
Capital contributions - grants	$ 90,027
Capital improvements	(90,027)
Net effect of non-cash transactions	$ -0-

The notes to the financial statements are an integral part of this statement.

CITY OF RICHWOOD
Richwood, Texas

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2016

INDEX

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

The City of Richwood (the City) operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, public services (utility facilities), public recreation, public benefits (health and welfare), and general administrative services.

The City prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The City's Financial Statements are in accordance with GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" which provides additional guidance for the implementation of GASB Statement No. 34, and GASB Statement No. 38 "Certain Financial Statement Disclosures" which changes the note disclosure requirements in the financial statements for governmental entities.

GASB Statement No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes.

The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and should, therefore, be retained. The GASB also determined that government-wide financial statements are needed to allow user's of financial reports to assess a government's operational accountability. The GASB Statement No. 34 reporting model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

The following is a summary of the most significant accounting policies.

Reporting Entity

The City is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared, based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the City's financial reporting entity. Based on these considerations, the City's basic financial statements do not include any other entities. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Reporting Entity - Continued

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are: that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments.

Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The members of City council (the "members") are elected by the public and have the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the City is a financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) in its GASB Statement No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14. and No. 34". There are no component units included within the reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report financial information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Government-wide and Fund Financial Statements - Continued

Interfund activities between governmental funds appear as due to/due from on the Governmental Funds Balance Sheet and as other resources and other uses on the Governmental Funds Statement of Revenues, Expenditure and Changes in Fund Balance. All interfund transactions between governmental funds are eliminated on the government-wide statements. Interfund activities between governmental funds and proprietary funds remain as receivables and payables on the government-wide statement of net position.

Separate financial statements are provided for governmental funds and proprietary funds. The City does not have any fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City has only one proprietary fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, municipal court revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the government.

The City has presented the following major governmental funds:

> The G*eneral Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.
>
> The *Debt Service Fund* accounts for the accumulation of resources for the annual payment of general long-term debt principal and interest of the governmental funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The City reports the following major proprietary fund:

The Enterprise Fund is used to account for the provision of water, sewer and sanitation services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility and sanitation customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the City's Enterprise Fund are charges to customers for sales and services. The City also recognized as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for the Enterprise Fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

New Pronouncements

GASB issues statements on a routine basis with the intent to provide authoritative guidance on the preparation of financial statements and to improve governmental accounting and financial reporting of governmental entities. Management reviews these statements to ensure that preparation of its financial statements are in conformity with generally accepted accounting principles and to anticipate changes in those requirements. The following recent GASB Statements reflect the action and consideration of management regarding these requirements:

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27", was issued June 2012. The statement was implemented and did have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2014.

GASB Statement No. 69, "Government Combinations and Disposals of Government Operations", was issued January 2013. The statement was implemented and did not have a material effect on the financial statements of the City. This statement is effective for periods beginning after December 15, 2013.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - Continued

GASB Statement No. 70, “Accounting and Financial Reporting for Nonexchange Financial Guarantees”, was issued April 2013. The statement was implemented and did not have a material effect on the City’s financial statements. This statement is effective for periods beginning after June 15, 2013.

GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68”, was issued November 2013. The statement was implemented and did have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2014.

GASB No. 72, “Fair Value Measurement and Application” was issued February 2015. The statement was implemented and did not have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2015.

GASB No. 73, “Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of Statements 67 and 68” was issued June 2015. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2016.

GASB No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans” was issued June 2015. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2016.

GASB No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” was issued June 2015. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2017.

GASB No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments” was issued June 2015. The statement was implemented and did have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2015.

GASB No. 77 “Tax Abatement Disclosures” was issued in August 2015. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after December 15, 2015.

GASB No. 78, “Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans” was issued in December 2015. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after December 15, 2015.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - Continued

GASB No. 79, "Certain External Investment Pools and Pool Participants" was issued in December 2015. The statement was implemented and did not have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23-26, and 40, which is effective for reporting periods beginning after December 15, 2015.

GASB No. 80 "Blending Requirements for Certain Component Units and amendment of GASB No. 14" was issued in January 2016. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. This statement is effective for periods beginning after June 15, 2016.

GASB No. 81 "Irrevocable Split-Interest Agreements" was issued in March 2016. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. The requirements of this Statement are effective for periods beginning after December 15, 2016.

GASB No. 82 "Pension Issues – an amendment of GASB No. 67, No. 68, and No. 73" was issued in March 2016. The management of the City does not expect the implementation of this standard to have a material effect on the financial statements of the City. The requirements of this Statement are effective for periods beginning after June 15, 2016.

Budgetary Data

All departments of the City submit requests for appropriation to the City Secretary so that a budget may be prepared. The budget is prepared by fund and includes requested appropriations for the next year. The proposed budget is presented to the Mayor and City Council for review. The City Council holds budget workshops and may add to, subtract from, or change appropriations. A public hearing is held prior to adoption.

Once the budget is adopted, expenditures may not legally exceed total appropriations at the fund level. Line item and department budgets may exceed appropriated amounts at the discretion of the City Council as long as total expenditures for the fund do not exceed appropriated amounts. Revisions to the budget were made during the year. Appropriations not exercised in the current year lapse at the end of the year.

The City adopts annual budgets for all significant governmental fund types (General Fund, Debt Service Fund, and Special Revenue Fund) and proprietary fund type (Enterprise Fund).

The City prepares its annual budget on a generally accepted accounting principles basis (GAAP basis). The budget and all transactions are presented in accordance with the City's GAAP basis in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General, Debt Service and Enterprise Fund to provide a meaningful comparison of actual results with the budget.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Encumbrances

The City utilizes encumbrance accounting, in its governmental funds. Encumbrances represent commitments related to contracts not yet performed (executor contracts), and are used to control expenditures for the period and to enhance cash management. The City often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. At the time these commitments are made, which in its simplest form means that when a purchase order is prepared, the appropriate account is checked for available funds. If an adequate balance exists, the amount of the order is immediately charged to the account to reduce the available balance for control purposes. The encumbrance account does not represent an expenditure for the period, only a commitment to expend resources.

Prior to the end of the current period, every effort should be made to liquidate outstanding encumbrances. When encumbrances are outstanding at the current period end, the City likely will honor the open purchase orders or contracts that support the encumbrances. For reporting purposes, as noted earlier, outstanding encumbrances are not considered expenditures for the current period. If the City allows encumbrances to lapse, even though it plans to honor the encumbrances, the appropriations authority expires and the items represented by the encumbrances are usually re-appropriated in the following year's budget. Open encumbrances at current period-end are included in restricted, committed or assigned fund balance, as appropriate.

The City's encumbrances amounted to $ 17,230 in general fund as September 30, 2016.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and short-term investments with an original maturity date of three months or less. For purposes of the cash flow statement, cash and temporary investments are considered cash equivalents. Temporary investments are stated at cost. State statutes authorize the government to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Inventory

The City uses the purchase method of accounting for inventory. In the purchase method of accounting for inventory, purchases of gasoline and office supplies are recorded as expenditures when acquired. Inventory on hand at the end of the year is recorded as an asset and a reservation of fund balance if significant. Inventory at September 30, 2016 was not significant and therefore, is not recorded.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All outstanding balances between funds are reported as "due to/from other funds". The City had no advances between funds. See Note 6 for additional discussion of interfund receivables and payables.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets

Capital assets, which includes land, buildings, furniture, equipment and vehicles, infrastructure, and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest cost to be capitalized on assets with tax-exempt borrowing is equal to the cost of the borrowing less interest earned on the related tax-exempt borrowing. During the year ended September 30, 2016, no capitalized interest was recorded.

Assets capitalized have an original cost of $ 5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	31-40 Years
Furniture, equipment and vehicles	5-10 Years
Infrastructure:	
Water and sewer system	45 Years
General infrastructure assets	40-45 Years

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of January 1 for all real and business property located in the City in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

The appraisal and recording of all property within the City is the responsibility of the Brazoria County Appraisal District (BCAD), an independent governmental unit with a board of directors appointed by the taxing jurisdictions within the county and funded from assessments against those taxing jurisdictions. BCAD is required by law to assess property at 100% of its appraised value. Real property must be reappraised at least every two years. Under certain circumstances taxpayers and taxing units, including the City, may challenge orders of the BCAD Review Board through various appeals and, if necessary, legal action.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property Taxes - Continued

The assessed value of the property tax roll on July 13, 2015, upon which the levy for the 2015-16 fiscal year was based, was $ 194,446,838. Taxes are delinquent if not paid by January 31. Delinquent taxes are subject to penalty and Interest charges plus 20% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended September 30, 2016, to finance general fund operations and the payment of principal and interest on general obligation long-term debt were $ 0.65336 and $ 0.08232 per $ 100 valuation, respectively, for a total of $ 0.73568 per $ 100 valuation.

Current tax collections for the year ended September 30, 2016 were 100.00% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the general and debt service funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of September 30, 2016, property taxes receivable, net of estimated uncollectible taxes, totaled $ 22,987 and $ 2,946 for the general and debt service funds, respectively.

Deferred Outflows and Inflows of Resources

Guidance for deferred outflows of resources and deferred inflows of resources is provided by GASB No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period, and an acquisition of net position by the government that is applicable to a future period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Further, GASB No. 65, "Items Previously Reported as Assets and Liabilities", had an objective to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. The City has not recorded any bond premiums and discounts. Bond issuance costs are reported as expenditures or expenses in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing resources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The City has not received any premiums and or discounts on debt issuances.

Fund Balances

The City Council of Trustees meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. The City's Unassigned General Fund Balance is maintained to provide the City with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned General Fund Balance may only be appropriated by resolution of the City Council. Fund Balance of the City may be committed for a specific source by formal action of the City Council. Amendments or modifications of the committed fund balance must also be approved by formal action by the City Council. When it is appropriate for fund balance to be assigned, the City Council delegates authority to the City Manager or City Secretary. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Beginning with fiscal 2011, the City implemented GASB Statement No. 54, "Fund Balance, Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on government's fund balance more transparent. The following classifications describe the relative strength of spending constraints:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Balances - Continued

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions of enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned Fund Balance - Amounts that are constrained by the City's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned Fund Balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amount had been restricted, committed or assigned.

As of September 30, 2016, non-spendable fund balance includes $ 100,896 for long-term receivable and $ 1,875 for prepaid items in the general fund. Restricted fund balances include $ 859 for park, $ 6,219 for court security and technology, $ 748 for police training in the general fund, $ 105,512 for debt service in the debt service fund, and $ 20,941 for street beautification and $ 69,446 for transportation in the special revenue funds. Committed fund balance includes $ 13,430 for insurance, $ 73,823 for capital improvement, $ 35,290 for equipment replacement, and $ 118,195 for crime control and prevention in the general fund. Unassigned fund balance includes $ 1,160,743 in the general fund.

Net Position

Net position represents the differences between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES

The City classifies deposits and investments for financial statement purposes as cash and temporary investments, and investments based upon both liquidity (demand deposits) and maturity date (deposits and investments) of the asset at the date of purchase. For this purpose, a temporary investment is one that when purchased had a maturity date of three months or less.

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES – Continued

Cash and temporary investments, and investments, as reported on the statement of net position at September 30, 2016, are as follows:

	Unrestricted	Restricted	Total
Cash and Temporary Investments:			
Cash (petty cash accounts)	$ 800	$	$ 800
Financial Institution Deposits:			
Demand deposits	31,613		31,613
Certificates of deposit	195,718		195,718
Local Government Investment Pool:			
Texpool	102,863	65,010	167,873
TexStar	51,234		51,234
Logic	110,303	785	111,088
Total cash and temporary investments	492,531	65,795	558,326
Investments:			
Financial Institution Deposits:			
Certificates of deposit	222,614	86,641	309,255
Total	$ 715,145	$ 152,436	$ 867,581

Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to them. The City requires that all deposits with financial institutions be collateralized in an amount equal to 100 percent of uninsured balances.

All deposits with financial institutions must be collateralized in an amount equal to 100 percent of uninsured balances. At year end, except for $ 800 of petty cash, the carrying amount of the City's deposits was $ 536,586, while the financial institution balances totaled $ 563,230. Of the financial institution balances, $ 376,748 was covered by federal depository insurance, and $ 186,482 was covered by collateral held by the City's agent in the City's name.

Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the City to invest its funds under written investment policy (the "investment policy") that primarily emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. This investment policy defines what constitutes the legal list of investments allowed under the policies, which excludes certain instruments allowed under chapter 2256 of the Texas Government Code.

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Investments - Continued

The City's deposits and investments are invested pursuant to the investment policy, which is approved by the City Council. The investment policy includes lists of authorized investment instruments and allowable stated maturity of individual investments. In addition it includes and "Investment Strategy Statement" that specifically addresses each investment option and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield. Additionally, the soundness of financial institutions (including broker/dealers) in which the City will deposit funds is addressed. The City's investment policy and types of investments are governed by the Public Funds Investment Act (PFIA). The City's management believes it complied with the requirements of the PFIA and the City's investment policy.

The City's Investment Officer submits an investment report each quarter to the City Council. The report details the investment positions of the City and the compliance of the investment portfolio's as they relate to both the adopted investment strategy statements and Texas State law.

The City is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009;
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010;
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011;
4. Banker's acceptances as permitted by Government Code 2256.012;
5. Commercial paper as permitted by Government Code 2256.013;
6. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014;
7. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015; and
8. Public funds investment pools as permitted by Government Code 2256.016.

The City is invested in a certificate of deposit at Brazos National Bank and First National Bank to provide its liquidity needs. It has a maturity of less than 365 days. This investment is insured, registered, or the City's agent holds the securities in the City's name; therefore, the City is not exposed to custodial credit risk.

The City participates in three Local Government Investment Pools (LGIPs): TexPool, Logic, and TexSTAR. The State Comptroller oversees TexPool and Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. Although there is no regulatory oversight over Logic and TexSTAR, advisory boards consisting of participants or their designees, maintains oversight responsibility for Logic and TexSTAR.

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Investments - Continued

The City invests in TexPool, Logic, and TexSTAR to provide its liquidity needs. TexPool, Logic, and TexSTAR are local government investment pools that were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. TexPool, Logic, and TexSTAR are 2(a)7 like funds, meaning that they are structured similar to a money market mutual fund. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of $ 1.00, although this cannot be fully guaranteed. TexPool, Logic, and TexSTAR are rated AAAm and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit. At September 30, 2016 TexPool, Logic, and TexSTAR had a weighted average maturity of 44 days, 34 days, and 40 days, respectively. Although TexPool, Logic, and TexSTAR portfolios had a weighted average maturity of 44 days, 34 days, and 40 days, respectively, the City considers holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, unless there has been a significant change in value.

The following table includes the portfolio balances of all investment types of the City at September 30, 2016.

	Maturity Date	Interest Rate	Weighted Average Maturity (Days)	Investment Balance
Certificate of Deposit	11-15-16	0.10%	46	$ 90,660
Certificate of Deposit	12-24-16	0.50%	85	105,058
Certificate of Deposit	01-07-17	0.20%	99	124,695
Certificate of Deposit	01-26-17	0.15%	118	58,229
Certificate of Deposit	02-13-17	0.20%	136	126,331
Total Certificates of Deposit			88	504,973
Local Government Investment Pool:				
TexPool	N/A	Varies daily	44	167,873
TexSTAR	N/A	Varies daily	34	51,234
Logic	N/A	Varies daily	40	111,088
Total Local Government Investment Pool			44	330,195
Total investments			71	$ 835,168

Credit Risk - As of September 30, 2016, the LGIPs (which represent approximately 39.5% of the investment portfolio) are rated AAAm by Standard and Poor’s or AAA by Finch, while the remainder is invested in fully secured certificates of deposit.

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Investments - Continued

Interest Rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities will not exceed the lessor of a dollar weighted average maturity of 365 days of the anticipated cash flow requirements of the funds. Quality sort-to-medium term securities should be purchased, which complement each other in a structured manner that minimizes risk and meets the City's cash flow requirements.

Fair Value – The City categorizes its fair value measurements within the fair value hierarchy established by GASB No 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the City's investment at fair value as of September 30, 2016:

	Level 1	Level 2	Level 3	Total
Local Governmental Investment Pool	$ 330,195	$	$	$ 330,195
Certificates of Deposit	504,973			504,973
Total assets at fair value	$ 835,168	$ -0-	$ -0-	$ 835,168

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Derivatives

Interest in derivative products has increased in recent years. Derivatives are investment products, which may be a security or contract, which derives its value from another security, currency, commodity, or index, regardless of the source of funds used. The City made no direct investments in derivatives during the year ended September 30, 2016, and holds no direct investments in derivatives at September 30, 2016.

NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS

Governmental Funds

Receivables as of September 30, 2016, for the government's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Total
Taxes:			
Property	$ 42,726	$ 5,272	$ 47,998
Sales	108,715		108,715
Franchise	25,600		25,600
Accounts	629		629
Gross receivables	177,670	5,272	182,942
Less: Allowance for uncollectibles	19,739	2,326	22,065
Net total receivable	$ 157,931	$ 2,946	$ 160,877

Proprietary Fund

Accounts receivable of $ 209,303 related to the proprietary fund consisted of amounts due from charges for services provided to customers. The City specifically identifies accounts to be written off prior to year-end. Accordingly, an allowance for doubtful accounts is not considered necessary.

Municipal Court Receivables

Municipal court receivables are reported in the governmental activities statement of net position. Since these receivables do not represent current available resources, they are not reported in the governmental funds balance sheet. The allowance for uncollectible receivables related to municipal court assessments is determined based on historical experience and evaluation of collectibility in relation to the aging of customer accounts. Municipal court receivables and the allowance for uncollectible for the year ended September 30, 2016 were $ 126,683 and $103,320, respectively.

NOTE 4 - DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND UNEARNED REVENUE

Governmental Funds

Governmental funds defer the recognition of revenue in connection with receivables that are considered to be unavailable to liquidate liabilities of the current period and report these amounts as deferred inflows of resources. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a liability (unearned revenue). There is no unearned revenue as of September 30, 2016.

As of September 30, 2016, the following components of deferred inflows of resources were reported in the governmental funds:

	Deferred Inflows of Resources (Unavailable)
Delinquent property taxes receivable (general fund)	$ 20,043
Delinquent property taxes receivable (debt service fund)	2,552
Total deferred inflows of resources	$ 22,595

Governmental and Business-Type Activities

Governmental and business-type activities defer the recognition of pension expense for contributions made from the measurement date to the current year-end of September 30, 2016 and report these as deferred outflows of resources. Governmental and business-type activities also defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a deferred inflow of resources. Further, for governmental and business-type activities, like governmental funds, defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a liability (unearned revenue).

As of September 30, 2016, the various components of deferred inflows and outflows of resources reported in the governmental and business-type activities were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
TMRS deferred inflows and outflows of resources less current amortization	$ 170,398	$ 73,052
TESRS deferred outflows of resources less current amortization	8,678	
Pension contributions subsequent to the measurement date	84,831	
Totals	$ 263,907	$ 73,052

NOTE 4 - DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND UNEARNED REVENUE - Continued

Governmental and Business-Type Activities - Continued

Business-Type Activities		
TMRS deferred inflows and outflows of resources less current amortization	$ 31,090	$ 13,329
Pension contributions subsequent to the measurement date	13,312	
Totals	$ 44,402	$ 13,329

There were no unearned revenues reported in the governmental and business-type activities as of September 30, 2016.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Receivables and Payables

Interfund balances at September 30, 2016 consisted of the following individual fund receivables and payables:

Fund	Receivable	Payable
General Fund:		
Enterprise fund	$ 880,036	$
Special revenue fund		8,810
Debt service fund		10,930
Total general fund	880,036	19,740
Debt Service Fund:		
General fund	10,930	
Special Revenue Fund:		
General fund	8,810	
Enterprise Fund:		
General fund		880,036
Totals	$ 899,776	$ 899,776

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - Continued

Interfund Receivables and Payables - Continued

During the year ended September 30, 2009, the General Fund loaned the Enterprise Fund $ 140,000 for the relocation of water and sewer lines on the FM 2004 expansion project. This loan is considered a long-term receivable in the General Fund and a long-term payable in the Enterprise Fund. Monthly principal and interest payments are required with a 2.00% interest rate. From fiscal year 2013 to 2016, the enterprise fund made no payments to the General Fund, therefore $ 7,576 interest was past due as of September 30, 2016. The following is the repayment schedule as of September 30, 2016:

Year Ended September 30,	Principal	Interest	Total
2017	$ 13,564	$ 9,470	$ 23,034
2018	13,838	1,620	15,458
2019	14,117	1,341	15,458
2020	14,402	1,056	15,458
2021	14,693	765	15,458
2022-2023	30,282	635	30,917
	$ 100,896	$ 14,887	$ 115,783

Other interfund balances represent short-term borrowing primarily for cash flow purposes. These include revenue or expenditure/expenses adjustment between funds at or near year-end.

Interfund Transfers

Interfund transfers for the year ended September 30, 2016 consisted of the following individual fund transfers in and transfers out:

Transferring Fund	Receiving Fund	Amount
General Fund	Special Revenue Fund	$ 1,000
Special Revenue Fund	Enterprise Fund	5,900
		$ 6,900

These transfers were approved by the City Council to cover planned expenditures in special revenue fund and enterprise fund.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016, was as follows:

	Balance 10/01/15	Additions	Retirements	Balance 09/30/16
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 303,720	$ 31,542	$	$ 335,262
Total capital assets, not being depreciated	303,720	31,542	-0-	335,262
Capital Assets, Being Depreciated:				
Buildings	1,933,025			1,933,025
Equipment	1,657,540	135,053		1,792,593
Infrastructure	10,375,968			10,375,968
Total capital assets, being depreciated	13,966,533	135,053	-0-	14,101,586
Less Accumulated Depreciation For:				
Buildings	248,613	49,081		297,694
Equipment	1,288,358	149,455		1,437,813
Infrastructure	3,355,921	204,225		3,560,146
Total accumulated depreciation	4,892,892	402,761	-0-	5,295,653
Total capital assets, being depreciated, net	9,073,641	$(267,708)	$ -0-	8,805,933
Governmental activities capital assets, net	$ 9,377,361			$ 9,141,195
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 122,580	$	$	$ 122,580
Construction in progress	147,224	129,777	243,210	33,791
Total capital assets, not being depreciated	269,804	129,777	243,210	156,371
Capital Assets, Being Depreciated:				
Buildings	193,270			193,270
Equipment	303,526		15,905	287,621
Infrastructure	10,904,166	464,208		11,368,374
Total capital assets, being depreciated	11,400,962	464,208	15,905	11,849,265
Less Accumulated Depreciation For:				
Buildings	102,409	6,494		108,903
Equipment	225,269	25,439	15,905	234,803
Infrastructure	4,376,329	307,146		4,683,475
Total accumulated depreciation	4,704,007	339,079	15,905	5,027,181
Total capital assets, being depreciated, net	6,696,955	$ 125,129	$ -0-	6,822,084
Business-type activities capital assets, net	$ 6,966,759			$ 6,978,455

NOTE 6 - CAPITAL ASSETS - Continued

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities:	
General administration	$ 62,627
City maintenance	3,025
Streets and drainage	208,224
Police department	56,961
Fire department	53,042
Parks and recreation	18,882
Total depreciation expense-governmental activities	$ 402,761
Business-type Activities:	
Water and sewer	$ 339,079
Total depreciation expense-business-type activities	$ 339,079

Contributed Capital

During the year ended September 30, 2016 the City received contributed capital in the amount of $ 90,027 which is reported within business-type activities as construction in progress of $ 16,291 and fixed assets of $ 73,736.

Governmental Fund Construction Commitments

The City has no governmental fund construction commitment at September 30, 2016.

Proprietary Fund Construction Commitments

The City has no proprietary fund construction commitment at September 30, 2016.

NOTE 7 - LONG-TERM DEBT

General Obligation Bonds/Certificates of Obligation

In July 2011, the City issued City of Richwood, Texas General Obligation Refunding Bonds, Series 2011 in the amount of $ 740,000 to refund the City of Richwood, Texas Tax and Revenue Certificates of Obligation Bonds, Series 1999. Interest rate for these bonds is 3.13%.

In July 2012, the City issued City of Richwood, Texas Combined Tax and Revenue Certificates of Obligation Bonds, Series 2012 in the amount of $ 1,115,000 to fund the purchase and construction of the new city hall.

NOTE 7 – LONG-TERM DEBT - Continued

General Obligation Bonds/Certificates of Obligation - Continued

General obligation bonds and certificates of obligation payable for governmental activities at September 30, 2016, are summarized as follows:

	Interest Rates %	Series Dates Issued	Series Dates Maturity	Series Dates Callable	Bonds Outstanding 09/30/16
General Obligation Refunding Bonds, Series 2011	3.13%	2011	2024		$ 495,000
Certificate of Obligation Bond, Series 2012	2.00-3.50%	2012	2032		940,000
Total					$ 1,435,000

General obligation bond transactions for the year ended September 30, 2016 were as follows:

Bonds outstanding, October 1, 2015	$ 1,535,000
Maturities	(100,000)
Bonds outstanding, September 30, 2016	$ 1,435,000

The following is a summary of general obligation and certificate of obligation bond requirements for governmental activities by year as of September 30, 2016:

Year Ending September 30,	Principal	Interest	Total Requirements
2017	$ 100,000	$ 45,444	$ 145,444
2018	110,000	42,822	152,822
2019	105,000	39,944	144,944
2020	110,000	37,223	147,223
2021	115,000	33,845	148,845
2022-2026	485,000	114,602	599,602
2027-2031	335,000	48,825	383,825
2032	75,000	2,625	77,625
Total	$ 1,435,000	$ 365,330	$ 1,800,330

Notes

During the year ended September 30, 2013, the City received a loan of $ 300,000 from the First National Bank of Lake Jackson to finance the completion of the City Hall building. Quarterly principal and interest payments of $ 5,347 are required with a 3.75% interest rate. During the year ended September 30, 2016, the City paid $ 11,079 in principle and $ 10,310 in interest.

NOTE 7 - LONG-TERM DEBT - Continued

Notes - Continued

The following is the note repayment schedule as of September 30, 2016:

Year Ending September 30,	Principal	Interest	Total Requirements
2017	$ 14,443	$ 12,293	$ 26,736
2018	12,050	9,339	21,389
2019	12,508	8,881	21,389
2020	12,984	8,405	21,389
2021	13,478	7,911	21,389
2022-2026	75,476	31,467	106,943
2027-2031	90,962	15,981	106,943
2032-2033	36,065	1,365	37,430
Total	$ 267,966	$ 95,642	$ 363,608

Revenue Bonds/Certificates of Obligation

In July 2004, the City issued $ 500,000 of City of Richwood, Texas Combination Tax and Revenue Certificates of Obligation, Series 2004 to finance improvements to the existing wastewater system (the "Project"). Interest rates on these bonds range from 2.75% to 5.70%. These certificates of obligation were purchased by the Texas Water Development Board.

In July 2011, the City issued $ 770,000 of City of Richwood, Texas Combination Tax and Revenue Certificates of Obligation, Series 2011 to finance improvements to the existing wastewater system. Interest rates on these bonds were 3.89%.

Revenue and certificates of obligation payable from business-type activities at September 30, 2016, are summarized as follows:

	Interest Rates %	Series Dates			Bonds Outstanding 09/30/15
		Issued	Maturity	Callable	
Certificates of Obligation:					
Combination Tax and Revenue, Series 2004	2.75 - 5.70	2004	2025		$ 285,000
Combination Tax and Revenue, Series 2011	3.89	2011	2031	2020	630,000
Total					$ 915,000

NOTE 7 - LONG-TERM DEBT - Continued

Revenue Bonds/Certificates of Obligation - Continued

Revenue bonds and certificates of obligation transactions for the year ended September 30, 2016 were as follows:

Bonds outstanding, October 1, 2015	$ 970,000
Maturities	(55,000)
Bonds outstanding, September 30, 2016	$ 915,000

The following is a summary of revenue and certificates of obligation bond requirements for business type activities by year as of September 30, 2016:

Year Ending September 30,	Principal	Interest	Total Requirements
2017	$ 55,000	$ 39,420	$ 94,420
2018	55,000	36,965	91,965
2019	65,000	34,361	99,361
2020	65,000	31,409	96,409
2021	65,000	28,428	93,428
2022-2026	350,000	92,301	442,301
2027-2031	260,000	31,704	291,704
Total	$ 915,000	$ 394,588	$ 1,209,588

Transactions for the year ended September 30, 2016 are summarized as follows:

	Balance 10/01/15	Issues or Additions	Payments or Expenditures	Balance 09/30/16	Due Within One Year
Governmental Type Activities:					
Certificates of obligation	$ 1,535,000	$	$ 100,000	$ 1,435,000	$ 100,000
Note payable	279,045		11,079	267,966	14,443
Component of Bonded Debt:					
Premium on bonds	38,644		2,290	36,354	2,290
Accrued interest payable	7,661	7,170	7,661	7,170	7,170
Net pension liability**	451,764	548,359	405,071	595,052	59,505
Total governmental activities	2,312,114	555,529	526,101	2,341,542	183,408

(continued)

NOTE 7 - LONG-TERM DEBT - Continued

	Balance 10/01/15	Issues or Additions	Payments or Expenditures	Balance 09/30/16	Due Within One Year
Business Type Activities:					
Certificates of obligation	$ 970,000	$	$ 55,000	$ 915,000	$ 55,000
Capital lease*	549,909		52,069	497,840	52,069
Component of Bonded Debt:					
Accrued interest payable	22,145	20,369	22,145	20,369	20,369
Net pension liability**	56,846	94,181	51,078	99,949	9,995
Total business type activities	1,598,900	114,550	180,292	1,533,158	137,433
Less Portion Payable from Restricted Assets:					
Certificate of obligation bond	55,000	55,000	55,000	55,000	55,000
Accrued interest payable	7,743	7,331	7,743	7,331	7,331
Net business-type activities	1,536,157	52,219	117,549	1,470,827	75,102
Total government (net)	$ 3,848,271	$ 607,748	$ 643,650	$ 3,812,369	$ 258,510

*See Note 8 for capital lease.
**See Notes 10 and 11 for net pension liability.

NOTE 8 – LEASES

Capital Lease

In January 2014, the City entered into $ 600,000 Equipment Lease Purchase Agreement with Green Campus Partners, LLC under lease classified as capital lease. The interest rate related to the lease obligation is 3.95% and the maturity date is January 2024. The City will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase and may exercise the option on or after January 31, 2020. During the year ended September 30, 2016, $ 52,069 of lease expenses and $ 20,355 of interest expenses related to this lease were paid.

NOTE 8 - LEASES - Continued

Capital Lease - Continued

The following is a schedule showing the future minimum lease payments:

Year Ending September 30,	Principal	Interest	Total Requirements
2017	$ 54,126	$ 19,665	$ 73,791
2018	56,264	17,527	73,791
2019	58,486	15,304	73,790
2020	60,796	12,994	73,790
2021	63,198	10,593	73,791
2022-2024	204,970	16,402	221,372
Total	$ 497,840	$ 92,485	$ 590,325

Operating Leases

In February of 2016, the City entered into a copier lease that will expire in February 2017. This lease is considered for accounting purposes to be an operating lease. The lease is on a month-to-month basis. Total governmental activities lease expenditures for the year ended September 30, 2016 were $ 7,191.

On February 26, 2010, the City's Enterprise Fund entered into an interlocal waste water transmission line lease agreement, an operating lease, with the City of Clute. The lease requires quarterly payments on January 15, April 15, July 15, and October 15 of each year from 2010 to 2025. The lease requires total payments of $ 2,413,627 with varying quarterly payment. During the year ended September 30, 2016 the business-type activities reported expenses in the amount of $ 134,366. The following are the minimal lease payments required under this lease:

Year Ending September 30,	Total Requirements
2017	$ 135,592
2018	137,252
2019	139,087
2020	140,987
2021	142,953
2022-2026	630,915
Total	$ 1,326,786

NOTE 9 - JOINT OPERATIONS

The City is party to an agreement with the City of Clute to share costs associated with the operation of a sewer treatment plant. The percentage for sharing the operating expenses (excluding maintenance and capital outlay) is determined based upon the metered flow of wastewater for each City. For the year ended September 30, 2016, the City of Richwood's portion of these expenses was determined to be 25.70%, which amounted to $ 185,545. Further, the City of Richwood shares in 25.00% of maintenance costs (including capital acquisitions) which amounted to $ 36,406 for the year ended September 30, 2016. The City of Clute maintains both budgetary and accounting responsibility over these operations.

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN

A. Plan Description

The City of Richwood participates as one of 866 plans in the nontraditional, join contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publically available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com*.

All eligible employees of the city are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Member may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of each city, within the options available in the state statutes governing TMRS. Members in most cities can retire at age 60 and above with 5 or more years of service or with 20 years of service regardless of age. Some cities have elected retirement eligibility with 25 years of service regardless of age. Most plans also provide death benefits and all provide disability benefits. Effective January 1, 2002, members are vested after 5 years, unless a city opted to maintain 10-year vesting. Members may work for more than one TMRS city during their career. If a member is vested in one TMRS city, he or she is immediately vested upon employment with another TMRS city. Similarly, once a member has met the eligibility requirements for retirement in a TMRS city, he or she is eligible in other TMRS cities as well.

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Employees covered by benefit terms

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	18
Active employees	23
	53

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Richwood were required to contribute 5.00% of their annual gross earnings during the fiscal year. The contribution rates for the City of Richwood were 12.16% and 11.20% in the calendar years 2015 and 2016, respectively. The City's contributions to TMRS for the year ended September 30, 2016, were $ 121,452, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions.

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2015, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). At its meeting on July 30, 2015, the TMRS Board approved a new portfolio target allocation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.65%
Real Return	10.0%	4.03%
Real Estate	10.0%	5.00%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	8.00%
Total	100%	

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefits payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2014	$ 3,359,555	$ 2,885,835	$ 473,720
Changes for the Year:			
Service cost	123,074		123,074
Interest	236,704		236,704
Difference between expected and actual experience	(43,807)		(43,807)
Changes of assumptions	31,743		31,743
Contributions – employer		121,452	(121,452)
Contributions – employee		50,690	(50,690)
Net investment income		4,259	(4,259)
Benefit payment, including refunds of employee contributions	(79,218)	(79,218)	
Administrative expense		(2,594)	2,594
Other changes		(128)	128
Net changes	268,496	94,461	174,035
Balance at 12/31/2015	$ 3,628,051	$ 2,980,296	$ 647,755

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what's the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-perentage-point higher (7.75%) than the current rate:

	1% Decrease In Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase In Discount Rate (7.75%)
City's Net Pension Liability	$ 1,142,993	$ 647,755	$ 239,242

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issues TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2016, the city recognized pension expense of $ 130,893.

At September 30, 2016, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	$ 86,381
Difference between projected and actual earnings	178,712	
Differences in assumption changes	22,776	
Contributions subsequent to the measurement date	90,643	
Total	$ 292,131	$ 86,381

$ 90,643 reported as deferred outflows of resources related to pensions relating from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Year Ended September 30,		
2017	$	21,091
2018		21,091
2019		33,375
2020		39,550
2021		-0-

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM

A. Plan Description

The Texas Emergency Services Retirement System (TESRS) administers a cost-sharing multiple employer pension system (the System) established and administered by the State of Texas to provide pension benefits for emergency services personnel who serve without significant monetary remuneration. Direct financial activity for the System is classified in the financial statements as pension trust funds. The System issues a standalone financial report that is available to the public at www.tesrs.org.

Of the nine member state board of trustees, at least five trustees must be active members of the pension system, one of whom must represent emergency medical services personnel. One trustee may be a retiree of the pension system, and three trustees must be persons who have experience in the fields of finance, securities investment, or pension administration. On August 31 of the following years, contributing fire and/or emergency services department members participating in TESRS were:

	Contributing Departments
2014	198
2015	197

Eligible participants include volunteer emergency services personnel who are members in good standing of a member department.

B. Benefits Provided

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), re-codified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - Continued

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually. There is no provision for automatic postretirement benefit increases.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount or continuing monthly payments to a member's surviving spouse and dependent children.

C. Covered Membership

On August 31 of the following fiscal years, the pension system membership consisted of:

	2014	2015
Retirees and beneficiaries currently receiving benefits	3,073	2,991
Terminated members entitled to benefits but not yet receiving them	2,161	2,211
Active participants (vested and non-vested)	4,036	4,016

D. Funding Policy

Contributions are made by governing bodies for the participating departments. No contributions are required from the individuals who are members of the System, nor are they allowed. The governing bodies of each participating department are required to make contributions for each month a member performs emergency services for a department (this minimum contribution is $ 36 per member and the department may make a higher monthly contribution for its members). This is referred to as a Part One contribution, which is the legacy portion of the System contribution that directly impacts future retiree annuities.

The state is required to contribute an amount necessary to make the System “actuarially sound” each year, which may not exceed one-third of the total of all contributions made by participating governing bodies in a particular year.

The board rule defining contributions was amended effective July 27, 2014 to add the potential for actuarially determined Part Two contributions that would be required only if the expected future annual contributions from the state are not enough with the Part One contributions to provide an adequate contribution arrangement as determined by the most recent actuarial valuation. This Part Two portion, which is actuarially determined as a percent of the Part One portion (not to exceed 15%), is to be actuarially adjusted near the end of each even-numbered calendar year based on the most recent actuarial valuation. Based on the actuarial valuation as of August 31, 2014, the Part Two contribution rate was 0%, since the first actuarial valuation report after adoption of the rules showed the System to have an adequate contribution arrangement without any Part Two contributions.

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - Continued

Additional contributions may be made by governing bodies within two years of joining the System, to grant up to ten years of credit for service per member. Prior service purchased must have occurred before the department began participation in the System.

A small subset of participating departments have a different contribution arrangement which is being phased out over time. In this arrangement, contributions made in addition to the monthly contributions for active members, are made by local governing bodies on a pay-as-you-go basis for members who were pensioners when their respective departments merged into the System. There is no actuarial impact associated with this arrangement as the pay-as-you-go contributions made by these governing bodies are always equal to benefit payments paid by the System.

E. Contributions Required and Contributions Made

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions are set by board rule, and there is no maximum contribution rate. For the fiscal year ending August 31, 2015, total contributions (dues, prior service, and interest on prior service financing) of $ 3,515,546 were paid into TESRS by the political subdivisions served by the member volunteer emergency services personnel. The City appropriated $ 8,375 for the fiscal year ending August 31, 2015.

The purpose of the biennial actuarial valuation is to determine if the contribution arrangement is adequate to pay the benefits that are promised. Actuarial assumptions are disclosed in subsection F below.

The most recently completed biennial actuarial valuation as of August 31, 2014 stated that TESRS has an adequate contribution arrangement for the benefit provisions recognized in the valuation based on the expected total contributions, including the expected contributions both from the governing body of each participating department and from the state. The expected contributions from the state are state appropriations equal to (1) the maximum annual contribution (one-third of all contributions to TESRS by governing bodies of participating departments in a year) as needed in accordance with state law governing TESRS and (2) approximately $ 625,000 each year to pay for part of the System's administrative expenses.

F. Net Pension Liability

The System's Net Pension Liability (NPL) was measured as of August 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of August 31, 2014 and rolled forward to August 31, 2015.

	City's Portion	System
Total pension liability	$ 220,950	$ 115,520,991
Plan fiduciary net position	173,704	88,828,460
Net pension liability	$ 47,246	$ 26,692,531
Plan fiduciary net position as a percentage of the total pension liability	78.6%	76.9%

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - Continued

Actuarial Assumptions

The total pension liability in the August 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	N/A
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2018 by scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage (currently 4.45%) and by adding expected inflation (3.50%). In addition, the final 7.75% assumption was selected by "rounding down" and thereby reflected a reduction of 0.20% for adverse deviation. The target allocation and expected arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Net Real Rate of Return
Equities:		
Large cap domestic	32%	5.2%
Small cap domestic	10	5.8
Development international	21	5.5
Emerging markets	6	5.4
Master limited partnership	5	7.1
Fixed Income:		
Domestic	21	1.4
International	5	1.6
Cash	0	0.0
Total	100%	
Weighted average		4.45%

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. No projection of cash flows was used to determine the discount rate because the August 31, 2014 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the conservative level dollar amortization method. That UAAL was based on an actuarial value of assets that was $ 7.9 million less that the plan fiduciary net position as of August 31, 2014. Because of the 30-year amortization period with the conservative amortization method and with a lower value of assets, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease In Discount Rate (6.75%)	Discount Rate (7.75%)	1% Increase In Discount Rate (8.75%)
City's Net Pension Liability	$ 82,666	$ 47,246	$ 26,835

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At September 30, 2016, the City reported $ 16,178 deferred outflows of resources related to the pension. Of this amount, $ 7,500 was from contributions subsequent to the measurement date and $ 8,678 was net difference between projected and actual investment earning.

$ 7,500 reported as deferred outflows of resources related to pensions relating from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. $ 8,678 reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2017	$ 1,663
2018	1,663
2019	1,663
2020	3,689

NOTE 12 - RISK POOL PARTICIPATION

The City is a participant in the Texas Municipal League Intergovernmental Risk Pool for coverage of liability, property, worker's compensation, and medical insurance. The City pays annual premiums to the pool for the coverages stated. The agreement with the Texas Municipal League Intergovernmental Risk Pool requires the pool to be self-sustaining. Property and liability insurance provide varying and appropriate coverage, with most claims subject to a $ 5,000 deductible. Workers compensation claims are managed by the Texas Municipal League. In addition, the City has designated a portion of the General Fund fund balance for insurance contingencies, to handle deductibles and other associated costs. For medical insurance claims, the City pays insurance premiums for full coverage and has no liability for claims filed by employees or their covered dependents.

NOTE 13 - LITIGATION

Pending EEOC complaints were filed by two former employees. These complaints were filed, however, the complainants have not proceeded with prosecution of those claims. The City has made a claim by and through its insurer.

NOTE 14 - EVALUATION OF SUBSEQUENT EVENTS

The City has evaluated subsequent events through February 15, 2017, the date which the financial statements were available to be issued.

THIS PAGE LEFT BLANK INTENTIONALLY.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RICHWOOD
Richwood, Texas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes:				
Property taxes	$ 1,352,664	$ 1,352,664	$ 1,363,177	$ 10,513
Sales taxes	410,000	410,000	626,853	216,853
Franchise fees	180,000	180,000	183,095	3,095
Revenue producing facilities	10,000	10,000	12,129	2,129
Fines and fees	155,500	155,500	119,556	(35,944)
Licenses and permits	65,000	65,000	42,013	(22,987)
Investment earning	1,165	1,165	10,056	8,891
Intergovernmental			114,937	114,937
Miscellaneous	24,000	24,000	39,347	15,347
Total revenues	2,198,329	2,198,329	2,511,163	312,834
Expenditures:				
Current:				
General administration	452,110	527,110	444,838	82,272
Judicial	121,983	121,983	111,271	10,712
Police department	829,989	829,989	759,130	70,859
Fire department	126,750	126,750	135,717	(8,967)
City maintenance	285,970	285,970	233,616	52,354
Streets and drainage	34,000	34,000	78,763	(44,763)
Parks and recreation	42,500	42,500	46,724	(4,224)
Code enforcement	72,100	72,100	69,777	2,323
Capital outlay	232,762	239,286	166,595	72,691
Total expenditures	2,198,164	2,279,688	2,046,431	233,257
Excess of revenues over (under) expenditures	165	(81,359)	464,732	546,091
Other Financing Resources (Uses):				
Operating transfers out			(1,000)	(1,000)
Total other financing uses	-0-	-0-	(1,000)	(1,000)
Net changes in fund balances	165	(81,359)	463,732	545,091
Fund balances, beginning	1,048,346	1,048,346	1,048,346	-0-
Fund balances, ending	$ 1,048,511	$ 966,987	$ 1,512,078	$ 545,091

CITY OF RICHWOOD
Richwood, Texas

TMRS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2016 WITH MEASUREMENT DATE OF DECEMBER 31, 2015

	2015	2016
Total Pension Liability		
Service cost	$ 115,123	$ 123,074
Interest (on the Total Pension Liability)	225,550	236,704
Changes of benefit terms	-0-	-0-
Difference between expected and actual experience	(98,725)	(43,807)
Change of assumptions	-0-	31,743
Benefit payments, including refunds of employee contributions	(93,958)	(79,218)
Net Change in Total Pension Liability	147,990	268,496
Total Pension Liability – Beginning	3,211,565	3,359,555
Total Pension Liability – Ending (a)	$ 3,359,555	$ 3,628,051
Plan Fiduciary Net Position		
Contributions – Employer	$ 108,286	$ 121,452
Contributions – Employee	46,276	50,690
Net Investment Income	152,992	4,259
Benefit payments, including refunds of employee contributions	(93,958)	(79,218)
Administrative expense	(1,597)	(2,594)
Other	(131)	(128)
Net Change in Plan Fiduciary Net Position	211,868	94,461
Plan Fiduciary Net Position – Beginning	2,673,967	2,885,835
Plan Fiduciary Net Position – Ending (b)	$ 2,885,835	$ 2,980,296
Net Pension Liability (a-b)	$ 473,720	$ 647,755
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.90%	82.15%
Covered Employee Payroll	$ 925,514	$ 1,013,793
Net Pension Liability as a Percentage of Covered Employee Payroll	51.18%	63.89%

Notes to Schedule:
N/A

[1] The first TMRS actuarial report was completed for the year ended December 31, 2014 (measurement date), therefore, only two years of required supplemental information are available.

CITY OF RICHWOOD
Richwood, Texas

TMRS SCHEDULE OF CONTRIBUTIONS
FOR THE LAST TEN YEARS(1)
SEPTEMBER 30, 2016 WITH MEASUREMENT DATE OF DECEMBER 31, 2015

	2015	2016
Actuarially determined contribution	$ 108,286	$ 121,452
Contributions in relation to the actuarially determined contribution	108,286	121,452
Contribution deficiency (excess)	$ -0-	$ -0-
Covered-employee payroll	$ 925,514	$ 1,013,793
Contributions as a percentage of covered-employee payroll	11.70%	11.98%

Notes to Schedule of Contributions

Valuation date

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level Percentage of Payroll, Closed
Remaining Amortization period	30 years
Asset valuation method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.50% to 10.5% including inflation
Investment rate of return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 – 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generated basis with scale BB

Other Information

Notes	There were no benefit changes during the year.

(1) The first TMRS actuarial report was completed for the year ended December 31, 2014 (measurement date), therefore, only two years of required supplemental information are available.

CITY OF RICHWOOD
Richwood, Texas

TESRS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2016 WITH MEASUREMENT DATE OF AUGUST 31, 2015

	2015	2016
Total Pension Liability		
Service cost	$ 3,509	$ 2,999
Interest	15,458	14,993
Changes in benefit terms	-0-	-0-
Difference between expected and actual experience	-0-	-0-
Assumption changes	-0-	-0-
Benefit payments	(8,003)	(7,963)
Net Change in Total Pension Liability	10,964	10,029
Total Pension Liability – Beginning	199,957 [2]	210,921
Total Pension Liability – Ending (a)	$ 210,921	$ 220,950 [4]
Total Fiduciary Net Position		
Contributions by the City	$ 8,019	$ 6,223
Contributions by the State	2,938	2,898
Net Investment Income	22,864	(5,828)
Benefit payments	(8,003)	(7,963)
Administrative expense	(318)	(383)
Other	-0-	2,726
Net Change in Plan Fiduciary Net Position	25,500	(2,327)
Plan Fiduciary Net Position – Beginning	150,531	176,031
Plan Fiduciary Net Position – Ending (b)	$ 176,031	$ 173,704
Net Pension Liability (a-b)	$ 34,890	$ 47,246
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.46%	78.62%
Number of Active Members [3]	6	3
City's Net Pension Liability per Active Member	$ 5,815	$ 15,749

Notes to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

(2) Determined from the end of year total pension liability using the roll back procedure allowed for the initial year of implementing GASB 67.

(3) There is no compensation for active members, so number of active members is used instead.

(4) Determined from beginning of year total pension liability using the roll forward procedure allowed by GASB 67.

CITY OF RICHWOOD
Richwood, Texas

TESRS SCHEDULE OF INVESTMENT RETURNS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2016 WITH MEASUREMENT DATE OF AUGUST 31, 2015

Fiscal Year Ending	Annual Money-Weighted Net Real Rate of Return[2]
August 31, 2013	13.84%
August 31, 2014	14.92%
August 31, 2015	(3.58%)

Notes to Schedule:

[1] This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

[2] The money weighted rate of return expresses investment performance, net of investment expenses, reflecting the changing amounts actually invested during the year.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF RICHWOOD
Richwood, Texas

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

September 30, 2016

	Special Revenue: Beautification Fund	Special Revenue: Transportation Fund	Total Nonmajor Governmental Funds
Assets and Deferred Outflows Of Resources			
Assets:			
Cash and cash equivalents	$ 20,941	$ 60,636	$ 81,577
Due from other funds		8,810	8,810
Total assets	20,941	69,446	90,387
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	-0-	-0-	-0-
Total assets and deferred outflows of resources	$ 20,941	$ 69,446	$ 90,387
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Total liabilities	$ -0-	$ -0-	$ -0-
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	-0-	-0-	-0-
Fund Balances:			
Restricted:			
Street beautification	20,941		20,941
Transportation		69,446	69,446
Total fund balances	20,941	69,446	90,387
Total liabilities, deferred inflows of resources, and fund balances	$ 20,941	$ 69,446	$ 90,387

CITY OF RICHWOOD
Richwood, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

September 30, 2016

	Special Revenue		Total
	Beautification Fund	Transportation Fund	Total Nonmajor Governmental Funds
Revenues:			
Transportation	$	$ 105,225	$ 105,225
Investment earning		147	147
Miscellaneous	14,813		14,813
Total revenues	14,813	105,372	120,185
Expenditures:			
Current:			
General administration	13,690		13,690
Streets and drainage		67,364	67,364
Total expenditures	13,690	67,364	81,054
Excess of revenues over expenditures	1,123	38,008	39,131
Other Financing Sources (uses):			
Transfer in	1,000		1,000
Transfer out	(5,900)		(5,900)
Total financing sources (uses)	(4,900)	-0-	(4,900)
Net changes in fund balances	(3,777)	38,008	34,231
Fund balances – beginning	24,718	31,438	56,156
Fund balances – ending	$ 20,941	$ 69,446	$ 90,387

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
DEBT SERVICE FUND

For the Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 170,455	$ 170,455	$ 172,180	$ 1,725
Investment earning	200	200	356	156
Total revenues	170,655	170,655	172,536	1,881
Expenditures:				
Debt Service:				
Principal	169,455	166,455	111,079	58,376
Interest and agent fees	1,000	1,000	58,875	(57,875)
Total expenditures	170,455	170,455	169,954	501
Net changes in fund balances	200	200	2,582	2,382
Fund balances, beginning	102,930	102,930	102,930	-0-
Fund balances, ending	$ 103,130	$ 103,130	$ 105,512	$ 2,382

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
BEAUTIFICATION FUND

For the Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Miscellaneous	$ 16,500	$ 16,500	$ 14,813	$(1,687)
Total revenues	16,500	16,500	14,813	(1,687)
Expenditures:				
General administration	16,500	16,500	13,690	2,810
Total expenditures	16,500	16,500	13,690	2,810
Excess of revenues over expenditures	-0-	-0-	1,123	1,123
Other financing sources (used):				
Transfer in			1,000	1,000
Transfer out			(5,900)	(5,900)
Net changes in fund balances	-0-	-0-	(3,777)	(3,777)
Fund balances, beginning	24,718	24,718	24,718	-0-
Fund balances, ending	$ 24,718	$ 24,718	$ 20,941	$(3,777)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
TRANSPORTATION FUND

For the Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Transportation	$ 100,000	$ 100,000	$ 105,225	$ 5,225
Investment earning			147	147
Total revenues	100,000	100,000	105,372	5,372
Expenditures:				
Street and drainage	100,000	100,000	67,364	32,636
Total expenditures	100,000	100,000	67,364	32,636
Net changes in fund balances	-0-	-0-	38,008	38,008
Fund balances, beginning	31,438	31,438	31,438	-0-
Fund balances, ending	$ 31,438	$ 31,438	$ 69,446	$ 38,008

CITY OF RICHWOOD
Richwood, Texas

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL -
PROPRIETARY FUND - ENTERPRISE FUND

For the Year Ended September 30, 2016

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Water fees	$ 706,900	$ 706,900	$ 611,698	$(95,202)
Sewer fees	693,830	693,830	530,392	(163,438)
Garbage fees	5,000	5,000	-0-	(5,000)
Delinquent charges	25,000	25,000	26,697	1,697
Tap and reconnect fees	25,500	25,500	8,050	(17,450)
Miscellaneous	6,000	6,000	1,358	(4,642)
Total revenues	1,462,230	1,462,230	1,178,195	(284,035)
Operating Expenses:				
Personnel costs	252,932	252,932	280,482	(27,550)
Sewer treatment plant operations	387,135	387,135	408,086	(20,951)
Water costs – BWA	230,000	230,000	226,206	3,794
Utilities and telephone	45,100	45,100	49,886	(4,786)
Repairs and maintenance	85,000	85,000	94,757	(9,757)
Supplies	39,500	39,500	47,113	(7,613)
Miscellaneous	121,323	121,323	48,032	73,291
Operating expenses before depreciation	1,160,990	1,160,990	1,154,562	6,428
Depreciation	301,340	301,340	339,079	(37,739)
Total operating expenses	1,462,330	1,462,330	1,493,641	(31,311)
Operating loss	(100)	(100)	(315,446)	(315,346)
Non-Operating Revenues (Expenses):				
Investment income	100	100	441	341
Interest expense and agent fees	(67,391)	(67,391)	(90,955)	(23,564)
Total non-operating revenues (expenses)	(67,291)	(67,291)	(90,514)	(23,223)
Loss before contributions and operating transfers	(67,391)	(67,391)	(405,960)	(338,569)
Capital contributions			90,027	90,027
Transfer in			5,900	5,900
Change in net position	(67,391)	(67,391)	(310,033)	(242,642)
Net position, beginning	5,044,417	5,044,417	5,044,417	-0-
Net position, ending	$ 4,977,026	$ 4,977,026	$ 4,734,384	$(242,642)

THIS PAGE LEFT BLANK INTENTIONALLY.

Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Lake Jackson Office:	Angleton Office:	El Campo Office:	Houston Office:
8 West Way Court	2801 N. Velasco Suite C	201 W. Webb	10850 Richmond Ave., Ste 135
Lake Jackson, Texas 77566	Angleton, Texas 77515	El Campo, Texas 77437	Houston, Texas 77042
979-297-4075	979-849-8297	979-543-6836	281-974-3416

CLIENT ADVISORY COMMENTS

February 15, 2017

To the Honorable Mayor and
Members of City Council
City of Richwood
Richwood, TX 77531

Dear Mayor and Members of City Council:

The communication of client advisory comments is discretionary and, therefore, differs from the required communications related to internal control. Client advisory comments pertain to findings other than those relating to internal control and other matters which are reportable conditions but are, in our judgment, worthy of mention. The following advisory comments are presented for your consideration:

Recording of Year End Accruals

During the conduct of our year year-end audit fieldwork, account analysis and related procedures, we identified numbers of accrual account balances requiring research and significant adjustment as a result of our audit procedures. We recommend that at the end of the year, accrual accounts such as utility receivables, franchise tax receivables, accounts payable, and deferred tax revenues should be reconciled and adjusted as necessary.

Inter-fund Note Receivable/Payable

During our year-end audit fieldwork, we noted that none of the scheduled payments required under the $ 140,000 note between the General Fund and the Enterprise Fund had been paid. The required payment for the year ended September 30, 2016 was $ 29,022 ($ 13,564 in principal and $ 7,576 in interest which was accumulated since year 2013). Since this is an interest bearing receivable and payable, the payments should be made timely. The City needs to eliminate the inter-fund receivables and payables related to this note as soon as possible and should catch-up on the scheduled payments

Transactions Posted Twice

During the year-end field work, we noted that entries made on September 23 and 26, 2016 were posted into general ledger twice, which resulted in more adjusted journal entries for current year audit. We recommend that the City closely look the transactions before posting and make sure all the transactions are posted properly.

www. kmandl.com – Email: kmkw@kmandl.com

Journal entry amounts do not agree with report

During our walkthrough on cash receipts and revenue, we noted that journal entry amounts do not agree with supporting report due to the fact that amounts were recorded backward between the two accounts and no one reviews the journal entry. We suggest the City assign specific personnel the responsibility for review all the adjusted journal entries.

Pension census data

During the test of control on pension census data, we discovered that two active employees' covered payroll on the census data report did not agree with the City's record. The City management must be able to support the underlying census data used by the actuary. As the City has access to the records substantiating the census data provided on active members, the City should have processes and controls in place to determine that complete and accurate information is reported to the plan and the plan actuary regarding active members. Management should obtain on an annual basis the census data file submitted by the plan to the actuary and determine whether the census data is complete and accurate. In evaluating the census data file, the City may compare the information to underlying payroll records and the prior year census data file. The City may also obtain a roll forward of the census data from one year to the next and review a reconciliation for any significant differences.

Incorrectly recorded transfer as expenditures and revenue

The City recorded transfers as expenditures and revenue as if the funds were non-related entities. The City incorrectly accounted for a budgeted transfer as if it were an expenditure and revenue. Transactions between funds, where one fund budgets a transfer must never be reported as an expenditure and revenue. It should in all cases be recorded as a transfer in and transfer out.

Incorrectly Recorded Capital Expenditures and Construction in Process

The fixed asset schedule is not reconciled to the book balances. A consistent coding of capital outlay, assets, and maintenance & repairs is not followed. A schedule should be prepared for all construction projects from the start date to record and reconcile asset additions and construction in progress amounts.

General Considerations

During the performance of our audit and evaluation of internal accounting and administrative controls, we worked very closely with the accounting and administrative personnel of the City. We found them to be very cooperative, conscientious and concerned with the performance of their duties. We realize that internal control communications and advisory comments are critical by nature and do not in many instances praise the performances of the personnel performing the related functions.

To the Honorable Mayor and
 Members of City Council
City of Richwood
February 15, 2017
Page 3

We sincerely appreciate the cooperation and congeniality extended to us during our audit and the opportunity to serve as the City's external auditor. We look forward to a continuing and beneficial relationship.

Sincerely,
Kennemer, Masters, & Lunsford, LLC

By: ______________, CPA

Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Lake Jackson Office:
8 West Way Court
Lake Jackson, Texas 77566
979-297-4075

Angleton Office:
2801 N. Velasco Suite C
Angleton, Texas 77515
979-849-8297

El Campo Office:
201 W. Webb
El Campo, Texas 77437
979-543-6836

Houston Office:
10850 Richmond Ave., Ste 135
Houston, Texas 77042
281-974-3416

Independent Auditor's Report

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor and
Members of City Council
City of Richwood
Richwood, TX 77531

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Richwood ("the City"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 15, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the paragraphs below that we consider to be significant deficiencies.

www. kmandl.com – Email: kmkw@kmandl.com

Finding - The City has inadequate design of internal control over preparation of financial statements. The City has engaged a licensed certified public accounting firm to both prepare and audit the City's annual financial report.

Response - Although the City does not prepare the financial statements and disclosures, the City ensures the quality of its annual financial report by engaging a qualified audit firm with particular expertise in governmental audits and by reviewing a preliminary draft of the report, as well as the financial statements disclosure checklist.

Finding - The City has inadequate segregation of duties within a significant account or process.

Response - The City has put in place controls and procedures such as the City Manager and the City Council reviewing monthly financial statements and approving all the payments. The heads of the departments also review and approve their financial report as well.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

The City's Response to Findings

The City's response to the findings identified in our audit is described previously. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kennemer, Masters & Hungford, LLC

Lake Jackson, Texas
February 15, 2017

Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Lake Jackson Office:
8 West Way Court
Lake Jackson, Texas 77566
979-297-4075

Angleton Office:
2801 N. Velasco Suite C
Angleton, Texas 77515
979-849-8297

El Campo Office:
201 W. Webb
El Campo, Texas 77437
979-543-6836

Houston Office:
10850 Richmond Ave., Ste 135
Houston, Texas 77042
281-974-3416

February 15, 2017

To the Honorable Mayor and
Members of City Council
City of Richwood
Richwood, TX 77531

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richwood ("the City") for the year ended September 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 18, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by [Name of Governmental Unit] are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the City's financial statements was:

> Management's estimate of the allowance for doubtful accounts is based on historical revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

www. kmandl.com – Email: kmkw@kmandl.com

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management (Attachment – Adjusting Journal Entries).

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 15, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to schedules listed in Required Supplementary Information section of the financial report, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Other Matters - Continued

We were engaged to report on Combing and Individual Fund Statements and Other Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Members of City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Kemmerer, Masters & Hungford, LLC

MEMORANDUM

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

From: Michael Coon, City Manager

Date: March 9, 2017

Subject: Public Hearing: Single-Family Attached Residences

Currently the City's zoning ordinance only allows townhomes in the R-3 Multi-Family District. The proposed changes would create a new district, R-1B Single-Family Attached (SFA). That would allow for the construction of townhomes, and similar single-family housing options with shared walls, while prohibiting apartments and other multi-family uses.

After speaking with multiple people familiar with the real estate market in our area, there appears to be a high demand for single-family attached residences. Two of the main demographics that may be interested in this type of development are young professionals and retirees. Both these groups like the idea of having a small yard that is easy to maintain.

If this new zone were to be approved, there would be several restrictions include within the zoning ordinance and several more proposed changes to the subdivision ordinance that would require high development standards within the SFA District. Some of these proposed requirements would include:

- Having an HOA to maintain all the common areas.
- Limiting density to 10 dwelling units per acre, which is about double the density in the standard R-1 Single Family District.
- Prohibiting carports as an accessory structure.
- Limiting the minimum living area to 1,000 square feet, which is the same minimum for the City's R-1 Single Family District.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: March 9, 2017

Subject: Preliminary Report on Proposed Amendment to the Zoning Ordinance to Create New District for Single-Family Attached Residences

When considering amendments to the zoning ordinance there are five steps that need to be completed.

1. Make a preliminary report on the proposed amendment.
2. Hold a public hearing on the proposed amendment.
3. Make a final report to City Council.
4. Hold a second public hearing.
5. Vote on the adoption of the amendment.

The reminder of this memo will serve as the preliminary report by answering the following questions:

a. Does the amendment comport with the comprehensive plan?
b. Why is the amendment necessary?
c. How will the amendment benefit the affected areas and the overall city?
d. Are there any possible or anticipated negative impacts of the amendment?

Does the Amendment Comport with the Comprehensive Plan?
The Comprehensive Plan that was adopted in 2010 suggests that to meet Richwood's projected housing needs there should be at least 4.5 acres of townhomes to serve a population of about 5,000 to 6,000 residents. Richwood has already surpassed the 5,000 resident mark and may even have more than 6,000 residents with the new apartment complexes.

Why is the amendment necessary?
As the comprehensive plan suggests, the City needs more areas with higher population densities to help meet our housing demand. The City has recently added two new apartment complexes and does not believe that any more apartments are needed at this time. However, there is a demand to offer a wider variety of housing options. Creating a new Single-Family Attached District would allow the City to meet that demand without rezoning more areas to Multi-Family Residential.

How will the amendment benefit the affected areas and the overall city?
After talking to various developers, realtors, and an appraiser, there is a growing demand in the entire Brazosport area for single-family residences with smaller yards and at a slightly lower price point than your average single-family home. Often times young professionals moving to our area

do not want to maintain a yard and more and more often there are families that are looking to downsize their house and their yard after their children have grown up and moved out.

Are there any possible or anticipated negative impacts of the amendment?

There are some potential negative impacts from allowing denser developments in and around our existing single-family areas. However, the City is looking at all our options to prepare for and to try and prevent any negative impacts.

One potential impact would be increased traffic flows through the residential neighborhoods. To help mitigate this concern the City is looking at including a guideline that the new SFA District only be located in areas that have direct access to or that are relatively close to a major thoroughfare.

Another potential negative impact could arise if a developer were to come in and build a product that is not of the same quality as the surrounding neighborhood. To help address this concern, staff is looking at proposing several changes to the cities subdivision code that would place stricter development standards on the SFA District. Some of these stricter standards could include requiring that a certain percentage of the façade be done with masonry and requiring an attached two-car garage for each unit.

Conclusions

This report is the first step in the process of potentially amending the zoning ordinance to create a new Single-Family Attached District. The current proposal is a starting point and as we progress through the process I am sure we will find areas that need some revising and hopefully we will also get some involvement from the community to better understand any concerns they may have with the proposal.

ORDINANCE NUMBER 324-17A

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, ENACTING A COMPREHENSIVE ZONING PLAN AND ZONING REGULATIONS, AND SPECIFICALLY REPEALING ORDINANCE NUMBERS 324, 324A, 324B, 324C, 324D, 324E, 324F AND ANY PREVIOUS AMENDMENTS THERETO; DEFINING TERMS; FINDING THAT ALL PREREQUISITES OF THE LAW HAVE BEEN COMPLIED WITH NECESSARY TO ENACT A COMPREHENSIVE ZONING PLAN; PROVIDING A PROCEDURE FOR A BUILDING INSPECTION FOR THE ENFORCEMENT THEREOF; PROVIDING A PROCEDURE FOR SECURING A BUILDING PERMIT AND CERTIFICATE OF OCCUPANCY; PROVIDING THE PROCEDURE OF APPEALS; PROVIDING FOR BUILDING PERMIT FEES; PROVIDING FOR THE ADOPTION OF A ZONING MAP AND PLAT; DECLARING AN EMERGENCY; PRESCRIBING THE DUTIES OF THE BUILDING INSPECTOR; PROVIDING A PENALTY FOR THE VIOLATION OF THE TERMS OF THIS ORDINANCE; SAID PENALTY BEING A FINE OF NOT LESS THAN $10.00 NOR MORE THAN $1,000.00; PROVIDING THAT EACH AND EVERY DAY SAID VIOLATION CONTINUES TO EXIST SHALL BE CONSIDERED A SEPARATE OFFENSE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING A SAVINGS CLAUSE.

WHEREAS, all prerequisites of the law have been complied to enable the City Council of the City of Richwood, Texas, to adopt a Comprehensive Zoning Plan of said city as hereinafter set forth and all persons interested in such proposed amendments have been given a hearing before the before the Planning and Zoning Committee on the 13th day of March, 2017, and by the City Council of the City of Richwood on the 10th day of April, 2017 and the evidence has been offered in favor of zoning, the City Council does hereby declare that it will be in the public interest to adopt the Comprehensive Zoning Plan.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, BRAZORIA COUNTY, TEXAS:

Section Four (4). Districts of Ordinance Number 324-15A is hereby amended to include:

1. R-1B, single-family attached residence zone (townhomes). The SFA, Single-Family Attached Residential, district is intended to promote stable, quality, attached- occupancy residential development on individual lots at higher residential densities. Individual ownership of each lot and dwelling unit is required. This district may be included within certain areas of neighborhoods or, when in accordance with the intent of the Comprehensive Plan, may provide a "buffer" or transition district between lower density residential areas and multi-family or non-residential areas or major thoroughfares.

Garage apartments are not allowed in this district.

[a.] Each SFA lot shall contain a private yard with not less than four hundred (400) square feet of area (i.e., a back yard or large side yard). Private yards may include a patio cover, gazebo or other similar non-enclosed structure which does not cover more than twenty-five percent (25%) of the area of private yard, and they may include a swimming pool, swing set, play fort, or other private leisure amenity.

[b.] The minimum floor area, or living space in square feet will be 1,000 square feet.

[c.] The maximum building height will be 2 1/2 stories or 35 feet.

[d] Density: There shall be no more than 10 dwelling units per acre.

[e.] The minimum lot size is as follows:
- [1.] Front, 25 feet.
- [2.] Depth, 100 feet.
- [3.] Area, 2,500 square feet.

[f.] The minimum building setbacks are as follows:
- [1.] Front, 25 feet staggered in at least 4-foot (4') increments so that no more than two (20 units have the same front setback in a row.
- [2.] (a) Side, 7 1/2 feet. From a side property line when adjacent to open space lots or amenity center lots.
  (b) 15 feet from a side property line when adjacent to detached residential dwelling unit.
  (c) 20 feet from a side property line when adjacent to a dedicated street.
- [3.] Rear, 20 percent of the lot depth.
- [4.] Homes with side entry garages where lot frontage is only to one street not a corner lot) shall have a minimum of twenty-five feet (25') from the door face of the garage to the side property line for maneuvering. The minimum setback from any garage door to street or alley right-of-way line shall also be twenty-five feet.

[g.] The permitted accessory uses are for private garages, storage sheds. No structure is permitted for any business enterprise. Carports are not allowed.

[1] Community owned or multiple ownership areas:

Common open space, community centers, an access gates, an entrance guard facilities, recreational buildings and facilities are permitted uses provided they are incidental to the above described residential uses, are approved on a Final Plant and meet the following conditions:

[i] in accordance with the Subdivision Ordinance a homeowners association (HOA) shall be established to maintain open space, recreational areas, and other commonly owned facilities.

The developer is responsible for drafting the HOA documents pertaining to the HOA's responsibilities to maintain these areas.

[h.] The accessory building requirements in a R-1B Zone are as follows:
- [1.] Maximum height, 25 feet.
- [2.] Minimum setbacks from the property line are as follows for permanent structures:
  - [i] Front, 60 feet.
  - [ii] Side, 7 1/2 feet.

[iii] Back, 7 1/2 feet.

[3.] Minimum setbacks from the property line are as follows for non-permanent structures:

[i] Front, 60 feet

[ii] Side, 5 feet

[iii] Back, 5 feet

[i.] All utilities shall be provided separately to each lot within an SFA district so that each unit is individually metered.

[j.] The elimination of a garage space by enclosing the garage with a stationary building wall shall be prohibited.

[k.] Electrical fencing and barbed wire is prohibited as perimeter fencing.

[l.] Open storage is prohibited (except for materials for the resident's personal use or consumption such as firewood, garden materials, etc. which may only be stored in the side or rear yards and which shall be screened from view of public streets and neighboring properties.

[m.] The map color code for R-1b single-family residence zone is pink.

[n.] Conditional uses: Home occupations, Recreation buildings/community centers, Parks, playgrounds, play fields.

PASSED AND ADOPTED THIS __________ day of ___________________, 2017.

____

Mark Guthrie, Mayor

ATTEST:

____

Karen B. Schrom, City Secretary

RICHWOOD POLICE DEPARTMENT

1800 N Brazosport Blvd
Richwood, Texas 77531

BRYAN CORB
Chief of Police

Business (979) 265-2640
Emergency (979) 265-2222
Fax (979) 266-8533

March 9, 2017

Memo to Richwood City Council

Re: Proposed City Ordinance Change to NO. 290B

Mayor and Members of City Council,

Several questions have risen regarding burning inside the City of Richwood. Under the current ordinance, the Fire Chief may give permission for someone to burn in the City of Richwood who has a lot size of 1 acre or more and who has met the requirements under TCEQ.

Our proposal is to include permission from the Fire Chief or their designee or Fire Marshall or their designee after the person requesting permission has obtained a permit from TCEQ and the burning takes place within the confines of the requirements set forth by TCEQ. This proposal change also allows for the Fire Marshal or designee, the Fire Chief or designee, or any peace officer, or code enforcement officer to prohibit burning and immediate extinguish the fire. The proposed changes also sets a requirement that the person burning must have the TCEQ permit, which will be signed by the Fire Chief or designee, Fire Marshal or designee, be readily displayed on the property thus making it available for inspection.

Please let me know if you have any questions.

Respectfully,

Bryan Corb,
Chief of Police

ORDINANCE NO. 290B

AN ORDINANCE AMENDING ORDINANCE NO. 290 OF THE CITY OF RICHWOOD, TEXAS PROHIBITING THE IGNITING OR BURNING OF RUBBISH, GARBAGE, TRASH, GRASS, BRUSH, BRANCHES, LUMBER, LEAVES OR OTHER COMBUSTIBLE MATERIALS OF ANY NATURE WITHIN THE CITY LIMITS OF SAID CITY; MAKING CERTAIN EXCEPTIONS; PROVIDING FOR PENALTY FOR VIOLATION OF THIS ORDINANCE AND REPEALING ALL CONFLICTING ORDINANCES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, BRAZORIA COUNTY, TEXAS:

Sections 1 and 2 are hereby amended to read:

SECTION 1. From and after the effective date of this ordinance, it shall be unlawful for any person or persons to ignite or burn, or cause to be ignited or burned, any rubbish, garbage, trash, grass, brush, branches, lumber, leaves or other combustible materials of any nature whatsoever at any place within the city limits of the City of Richwood.

SECTION 2. It is an exception to the provisions of this ordinance if the person ignites or burns, or causes to be ignited or burned, the rubbish, garbage, trash, grass, brush, branches, trees, lumber, leaves or other combustible material in question pursuant to the provisions of the Texas Clean Air Act, codified as V.T.C.A., Health and Safety Code ch. 382, or the rules, regulations, or orders of TCEQ or the state natural resource conservation commission. The applicant must first obtain initial approval from the state. Once the applicant receives permission from the state, the applicant must submit a written request to the Fire Chief or his designee or Fire Marshal or his designee.

The applicant must post the permission from the state and the City of Richwood on site where it is protected and clearly visible.

All outdoor burning is to be done in compliance with the guidelines of TCEQ or the state natural resource conservation commission.

The authority to burn under this ordinance does not relieve the persons conducting the outdoor burning from responsibility for the consequences, damage, or injuries resulting from the burning and does not exempt such persons from complying with all applicable laws and ordinances, regulations or orders of governmental entities having jurisdiction.

The Fire Marshal or his designee, Fire Chief or his designee, any code enforcement officer or any peace officer may prohibit any and all fires or order the immediate extinguishment of any and all fires when atmospheric conditions or other conditions make such fires an immediate threat to public safety or the smoke or ash from such fires becomes a public nuisance.

PASSED AND ADOPTED on this 13th day of March, 2017.

____

Mark Guthrie, Mayor

ATTEST:

____

Karen Schrom, City Secretary

MEMORANDUM

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

From: Michael Coon, City Manager

Date: March 8, 2017

Subject: Towing Ordinance

Recently Judge Brown brought it to my attention that there are several towing companies operating in the Brazosport area that are towing cars to as far away as Houston without the vehicle owner's consent. Often these towing companies have contracts with a local apartment complex and the tows are being performed with cause. However, often times the vehicle owner may not have the means necessary to travel that lengthy of a distance to retrieve their vehicle.

This ordinance would require all towing companies that would like to operate in Richwood to register with the City and to maintain a vehicle storage facility within a 10-mile radius of Richwood. The intent of this ordinance would be to protect our residence from the unfair towing practices that were discussed above.

ORDINANCE NO. 131B -17

AN ORDINANCE OF THE CITY OF RICHWOOD ESTABLISHING A "WRECKER ORDINANCE" SETTING DEFINITION, REQUIRING A BUSINESS PERMIT TO BE ON THE WRECKER ROTATION LIST WITHIN SAID CITY, REQUIRING WRECKER VEHICLE INSPECTIONS AND SETTING FEES THEREFORE REQUIRING INFORMATION TO BE FURNISHED FOR SAID APPLICATION, PENALTY BEING SET FOR FALSE INFORMATION, REQUIREMENTS FOR ISSUANCE OF PERMIT, PRESCRIBING MINIMUM REQUIREMENTS FOR INFORMATION TO BE USED ON WRECKER VEHICLES, REQUIREMENTS OF LOCKED ENCLOSURE AND BOND IN CONNECTION THEREWITH; SETTING A FORM FOR OWNERS OF PERSONS NOT CHOOSING A WRECKER; FOR LIABILITY INSURANCE ON WRECKERS, PRESCRIBING GROUNDS FOR WHICH WRECKER PERMIT TO BE ISSUED SHALL BE DENIED, SETTING CHARGES FOR WRECKER BUSINESS, PRESCRIBING INSPECTION STICKERS AND SETTING PROPER LOCATION THEREOF, PRESCRIBING AN AMBULANCE OR POLICE CAR IN CONNECTION WITH COLLISION OR DRIVING NEAR THE SCENE OF AN ACCIDENT, PRESCRIBING THE SOLICITATION OF BUSINESS, PRESCRIBING OF WRECKER SELECTION LIST, PERMITTING OFFICER UNDER EMERGENCIES TO USE FIRST WRECKER AVAILABLE, PROVIDING TIME AND EXTENSION THEREOF FOR WRECKER TO ARRIVE AT AN ACCIDENT, SETTING ADMINISTRATIVE DETAILS FOR FILING LIST OF WRECKERS RELATED INFORMATION AND RECORDS WITH THE CHIEF OF POLICE, PERMITTING (30) DAY SUSPENSION FOR CAUSE AND CANCELLATION FOR NONCOMPLIANCE, PROVIDING FOR APPEAL TO THE BOARD OF ADJUSTMENT AND APPEAL, SEVERABILITY CLAUSE AND REPEALER CLAUSE.

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

Ordinance No. 131B of the City of Richwood is hereby amended to include the following Divisions:

DIVISION 2: BUSINESS PERMIT

Section 1: Application, fee

Every person or tow truck owner desiring to engage in the nonconsent tow wrecker business within the boundaries of the city shall make application in writing, on a form provided for that purpose, to the chief of police for a permit for each wrecker proposed to be operated, and such application shall contain the name, address, telephone number, the number and type(s) of wrecker equipment operated, the true owner of the company concerned, and a statement that the applicant does or does not desire to appear on the wrecker rotation list. Every application when filed shall be sworn to by the applicant and accompanied by an inspection fee in the sum of One Hundred Dollars ($100.00) for each wrecker proposed to be operated and this fee is nonrefundable. Any false statement contained in the application shall be good and sufficient reason for not granting the permit. The last mentioned sentence shall be printed on the application.

Section 2: Prerequisites to issuance; minimum standards

The chief of police shall issue a permit to engage in wrecker business to all applicants therefor complying with the provisions of this article. No permit authorizing the operation of a wrecker on the streets of the city shall be issued:

(1) Unless every wrecker proposed to be used by the applicant complies with the following minimum requirements:

a. All provisions of the Texas Tow Truck Act (Vernon's Ann. Civ. St. art. 6687-9b), including the minimum insurance limits established pursuant to such act for each wrecker.

b. Each such wrecker shall be not less than the equivalent of three-quarter (¾) ton in size or rating.

c. Each such wrecker shall have a power-operated winch and cable capacity of not less than five thousand (5,000) pounds.

d. Each wrecker shall carry as standard equipment: tow bars, safety chains, fire extinguisher, wrecking bars, brooms, axe, fuses and a flashing amber light mounted on top of the cab.

e. Each such wrecker shall have a boom having a factory-rated capacity or city tested capacity of not less than five thousand (5,000) pounds of lift.

f. Each wrecker owner shall have the use of a locked enclosure to store wrecked, disabled or impounded motor vehicles; said enclosure or vehicle storage facility shall meet the standards of the Vehicle Storage Facility Act (Vernon's Ann. Civ. St. art. 6687-9a) and also the following requirements:

1. The owner of the enclosure or facility, whether open or enclosed, shall procure and keep in force and effect a policy of garage damage insurance to insure the public from any property damage loss that may arise from the operation of the facility or the storage of vehicles.
2. The storage facility shall be located within a five-mile radius of the city hall, or within the city limits.
3. The chief of police or his designee shall establish the storage fees and wrecker tow fees on vehicles towed and stored as a result of calls from the city department of police. Storage fees and wrecker

fees shall be posted with the city and shall be available to the vehicle owner by the wrecker company or wrecker owner at the tow scene, and all citizens whose vehicles are towed or stored are to be treated equally in all respects to include the amount charged for wrecker towing and storage fees, regardless of where that citizen resides, except that discounts may be available to those who choose their wrecker service.

(2) If any delinquent taxes are due the city upon any wrecker for which such permit or license is sought, or if the owner thereof has failed to render same for ad valorem taxation.

Section 3. Exemptions

Except as specifically noted, this division does not apply to:

(1) A person towing a vehicle with the express consent of the owner or operator of the vehicle;

(2) A person who engages in towing a vehicle in connection with a bona fide repossession of same when written authorization has been received from the lienholder.

(3) Vehicles that are part of an ongoing law enforcement investigation.

DIVISION 3: VEHICLE PERMIT

Section 1. Required; contents; term

In addition to a permit authorizing a person to engage in the wrecker business, there shall also be issued a permit for each approved wrecker vehicle owned by the permittee used in the wrecker business to make nonconsent tows. Each permit for a wrecker vehicle shall state that such wrecker has been inspected and approved under direction of the chief of police, and shall be affixed securely to the inside of the windshield of the appropriate wrecker vehicle. No person shall operate a wrecker on the public streets of the city unless a certificate of registration to engage in the wrecker business has been issued by the state under the Texas Tow Truck Act (Vernon's Ann. Civ. St. art. 6687-9b) to the owner of such wrecker. Additionally, no person or tow truck owner shall engage in the nonconsent tow wrecker business within the boundaries of the city without applying for, paying the fee and receiving the permit described in Division 2. No permit shall be transferable, and every permit shall expire at 12:00 midnight on December 31 of the calendar year in which issued, unless sooner revoked by the city for failure to maintain the standards established by this article.

Section 2. Prerequisite to operation; display on windshield mandatory

No person shall operate a wrecker for nonconsent tows on the public streets of the city unless an inspection permit for such wrecker has been issued for such vehicle by the chief of police, and no person shall operate a wrecker for nonconsent tows on the public streets of the city unless the permit duly issued to such wrecker is posted on the windshield of such wrecker. No person shall operate a wrecker for nonconsent tows on the public streets of the city with an invalid inspection permit displayed or with an inspection permit that has been revoked for breach of the standards established by this article or for breach of any of the provisions of this article.

PASSED AND ADOPTED this 13th day of March, 2016

____

Mark Guthrie, Mayor

ATTEST:

____

Karen B. Schrom, City Secretary

RICHWOOD POLICE DEPARTMENT

1800 N Brazosport Blvd
Richwood, Texas 77531

BRYAN CORB
Chief of Police

Business (979) 265-2640
Emergency (979) 265-2222
Fax (979) 266-8533

March 9, 2017

Memo to Richwood City Council

Re: Request for Sealed Bids for Ambulance Service

Mayor and Members of City Council,

The City of Richwood has not opened a bidding process for ambulance service since we selected Clute EMS after the City of Richwood disbanded the Richwood Ambulance service. The price of EMS services has been rising each year. Almost a year ago, the Mayor and Chief Kocurek, and myself met and discussed bidding out the EMS service provided to Richwood residents in an effort to ensure that we are getting the best service for our residents. The request for bids has been finalized and we are looking to council for approval to open the bidding process. The current contract expires in September, however the contract also calls for notice to be given by June should we elect to cancel our service with Clute EMS.

If approved, the bidding process would be open from March14th until May 1, 2017. Bids received during the open bidding time frame would be presented to council during the May 8th council meeting.

Please let me know if you have any questions.

Respectfully,

Bryan Corb,
Chief of Police

REQUEST FOR SEALED BID

The City of Richwood is requesting sealed bids for Ambulance Service. Bids are to be addressed to Michael Coon, City Manager, City of Richwood, 1800 Brazosport Blvd., Richwood, TX 77531, Bids will be received until May 1, 2017 at 10:00 am at which time they will be taken to the City Hall Conference Room and will be read aloud.

REQUEST FOR SEALED BIDS
FOR AMBULANCE SERVICE
BID #_17-0001
CITY SECRETARY
CITY OF RICHWOOD
1800 BRAZOSPORT BLVD.
RICHWOOD, TX 77531

Specification can be obtained by calling the City Secretary at 979-265-2082, by picking them up at the Richwood City Hall, 1800 Brazosport Blvd., Richwood, TX 77531 between the hours of 8:00 a.m. – 5:00 p.m., Monday thru Friday, or by downloading them from the City's web-site, www.richwoodtx.gov.

The City of Richwood reserves the right to refuse and reject any or all bids and to waive any or all formalities or technicalities or to accept the bid to be the best and most advantageous to the City, and hold the bids for a period of sixty (60) days without taking action. Bids submitted past the aforementioned date and time will not be accepted.

Caution to those submitting bids; those not in proper form may be rejected.

City of RICHWOOD

Focused on the Future

REQUEST FOR SEALED BIDS

FOR

AMBULANCE SERVICE

CITY OF RICHWOOD

INSTRUCTIONS TO SERVICE PROVIDERS

Please read the specifications thoroughly and be sure **that the answers comply with all the requirements.** Request to submit sealed bids are to be received at the office of City Secretary, 1800 Brazosport Blvd, Richwood, Texas 77531, until May 1, 2017 at 10:00 a.m. at which time they will be taken into the City Hall Conference Room and read aloud.

Request for sealed bids received after the required aforementioned date and time will be returned to bidder unopened.

Bids are to be submitted in a sealed envelope marked as follows:

REQUEST FOR SEALED BIDS
FOR AMBULANCE SERVICE
BID # 17-0001
CITY SECRETARY
CITY OF RICHWOOD
1800 BRAZOSPORT BLVD.
RICHWOOD, TX 77531

Submit one (1) original and one (1) copy of the specifications. A copy of the specifications can be obtained by visiting the City's web-site at www.richwoodtx.gov or coming by the City Hall at 1800 Brazosport Blvd, Richwood, Texas between the hours of 8:00 am - 5 pm, Monday thru Friday, or by calling the City Secretary at 979-265-2082.

The City of Richwood reserves the right to refuse and reject any or all bids and to waive any or all formalities or technicalities or to accept the bids to be the best and most advantageous to the City, and hold the bid for a period of sixty (60) days without taking action. Bids submitted past the aforementioned date and time will not be accepted.

Cautioned to those submitting bid; bids not in the proper form may be rejected.

STATE OF TEXAS §

COUNTY OF BRAZORIA §

EMERGENCY AMBULANCE SERVICE CONTRACT

This Contract is made by and between the City of Richwood, Texas hereinafter called "CITY" whose address is 1800 Brazosport Blvd, Richwood, Texas 77531 and ___________________ hereinafter called "COMPANY" whose address is_______________.

WITNESSETH:

TERM

This contract shall be for a period beginning October 1, 2017, through September 30, 2018, with the provision to extend the contract an additional two (2) years at one year intervals or unless sooner terminated as herein provided.

DEFINITIONS

As used herein, the following terms shall have the meaning indicated.

a) Ambulance shall mean any vehicle equipped or used for transporting wounded, injured, or sick person, but specifically excludes funeral coaches and patient transfers.

b) City map of the City of Richwood, Texas (**Exhibit A**).

c) Allowable Charges shall mean allowable fees the COMPANY may charge.

d) Emergency Ambulance shall mean two (2) ambulances (MICU) used, designed or re-designed for the purpose of transporting the sick or injured, providing mobile intensive care unit (MICU), the rendering of first aid, and/or assisting in rescue operations while the vehicle is being operated under emergency conditions.

e) Emergency Call shall mean a request for ambulance service in which the element of time in transporting the sick, injured or wounded for medical treatment is essential to the health or life of such person.

f) Emergency Circumstance shall mean the existence of circumstances in which the element of time in transporting the sick, injured or wounded for medical treatment is essential to the health or life of such person.

g) Emergency Service shall include the emergency ambulance trip to the place of emergency and rendering of MICU, and the transport to the hospital or other specified destination.

OBLIGATION OF COMPANY

COMPANY agrees to render and perform for all persons located within the City, "MICU" emergency ambulance service in response to all emergency calls, as an independent contractor in the area of Richwood, Texas, more fully describe as the boundaries encircling the City as per map of the City of Richwood attached hereto and incorporated herein for all purposes as Exhibit "A", provided that emergency ambulance service shall not include deliveries or transfers of persons from any rest home, clinic, hospital, convalescent home or other private institution which does not involve emergency or medical treatment which is essential to the health or life of such person.

COMPANY is to include a detailed work history and references. COMPANY must provide any and all documentation from the Texas Department of Health that would demonstrate any type of violations by COMPANY from date this agreement is signed to the previous three (3) years; **failure to not provide information will cause bid to be disqualified.**

CONSIDERATION

As consideration for rendering the emergency ambulances services provided for in this contract, CITY agrees to pay COMPANY the sum of $___________per month, such amount being payable on the last day of each month beginning October 1, 2017, and continuing until the last day of September 30, 2018, with a provision to extend the contract an additional two (2) years with one year intervals ending September 30, 2020. The contract is renewed yearly, or unless this agreement is sooner terminated pursuant to the provisions herein. CITY has the right to terminate this contract without further obligation or liability.

INDEMNITY

The CITY shall not be liable or responsible for damage or injury to any person or damage or injury to property, arising out of, or occasioned by, directly or indirectly, any act, omission, operation, activity or any negligent act performed by the COMPANY, or its agents, servants, employees, officers, directors, subcontractors, or licensees, under this agreement.

The CITY shall not be liable or responsible for, and shall be saved and held harmless by the COMPANY from and against, any and all suits, actions, losses, damages, claims or liability of any character, type, or description, for injury or death sustained by any person, including the COMPANY's employees, or damaged or injury to any property, including the COMPANY's property, arising out of, or occasioned by, directly or indirectly, any negligent operation or activity performed by the CITY, or its agents, servants, employees, officers, or elected officials, under this agreement.

It is the expressed intent of the parties to this agreement that the indemnity provided for in this section is an indemnity extended by the COMPANY to indemnify and protect the CITY from the consequences of the City's own negligence, provided, however, that the indemnity provided for in this section shall apply only when the negligent act of the CITY is contributory cause of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death, or damage, unmixed with the legal fault of another person or entity.

The CITY shall not be liable or responsible for, any act, omission, operation, activity or negligent act performed by COMPANY, or its agent and shall be saved and held harmless by the COMPANY from and against any and all cost of litigation, attorney's fees, court cost, expenses, and expert fee reasonably incurred by CITY in the defense of any suits or actions for losses, damages, claims or liability of any character, type, or description for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, arising out of, or occasioned by, directly or indirectly, from any act, omission, operation or activity performed by the COMPANY, or its agents, servants, employees, officers, directors, subcontractors, or licensees, under this agreement, or arising from the negligent operation or activity performed by the CITY, or its agents, servants, employees, officers, or elected officials, under this agreement.

It is the expressed intent of the parties to this agreement that the indemnity provided in this section for all and all costs of litigation, attorney's fees, court costs, expenses, and expert fees reasonably incurred by CITY shall be applicable regardless of whether or not the CITY incurs liability for which the COMPANY has agreed to indemnify the CITY.

VENUE

The parties agree that venue for purposes of any and all lawsuits, cause of action, arbitration, and/or any other dispute(s) shall be in Hidalgo County, Texas.

CONFLICT OF INTEREST

Bidders are advised that they must be in compliance with the below mentioned law:

CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the City of Richwood no later than the 7th business day after the date the person becomes aware of facts that require the statement to filed as per Section 176.006, Local Government Code a person commits an offense if the person violates Section 176,006, of the Texas Local Government Code. An offense under this section is a Class C Misdemeanor.

For more information to obtain questionnaire CIQ, go to the Texas Ethics Commission web page at www.ethics.state.tx/us/forms/CIQ.pdf. If you have any questions about compliance, please consult your own legal counsel. Compliance is the individual responsibility of each person or agent of a person who is subject to the filing requirements.

LIABILITY INSURANCE

The COMPANY shall provide automobile liability policy(ies) of insurance with coverage for all COMPANY's vehicles in an amount for each vehicle of not less than $100,000.00 property damage, $250,000.00 bodily injury each person, and $500,000.00 bodily injury each occurrence, and shall further provide errors and omissions policy(ies) of insurance with coverage for all of COMPANY's shall provide to the CITY satisfactory evidence of the existence of tis indemnification coverage. The COMPANY shall require that the insurer specify in the certificate of coverage that the insurer shall serve on the CITY 10 day's written notice prior to cancellation of the insurance policy.

INDEMNITY INSURANCE

The COMPANY shall provide a policy(ies) of insurance under which the CITY shall be indemnified against any liability, as specified in this agreement, which provides for a minimum indemnification coverage of all attorney's fees, litigation costs, court costs expenses expert fees and $500,000.00 for each person and $100,000.00 for each single occurrence for bodily injury or death and $200,000.00 for each single occurrence for injury to or destruction of property. The COMPANY shall provide to the CITY satisfactory evidence of the existence of this indemnification coverage. The COMPANY shall require that the insurer specify in the certificate of coverage that the insurer shall serve the CITY 10 day's written notice prior to cancellation of the insurance policy.

WORKER'S COMPENSATION INSURANCE

COMPANY agrees to provide Worker's Compensation Insurance as mandated by Preamble 110.110, and hold harmless the CITY of any and all losses, damages or claims arising out of or in any way connected with any injury or injuries to any employee or employees of the contract(s) and from an any claims of any other person or persons for injuries, losses or damages sustained at, around, or in connection with the work, unless the negligence of the City of Richwood and/or servant and agents, is shown to be the sole proximate cause of said injury, loss, or damage.

Proof of insurance must be submitted at time of bid.

ADDITIONAL REQUIREMENTS

COMPANY agrees to assign at least one (1) staff member to coordinate and provide public educational services, training, CPR and obstructed airway procedures, informational talks on EMS-related subjects, and other health matters at no or minimal cost to the Richwood Fire and Police Department personnel with coverage under the ambulance provider medical director at no cost to the CITY.

COMPANY shall also supply MICU units at public events when requested to do so by CITY. COMPANY shall provide phone number to person or people in charge for supplies that may be needed at any time. COMPANY shall also provide any medical equipment needed for fire and/or police department, requested supplies shall be provided after any emergency or on a daily basis.

If the contract comes to term and the CITY does not have an ambulance company in place, the current COMPANY must agree to provide ambulance service under the same terms and conditions until the CITY makes a selection for a permanent ambulance service provider.

IDENTIFICATION OF PERSONNEL

The COMPANY must provide a detailed list of all personnel and certification level. The COMPANY will designate identification procedures for its operators and attendants and will be responsible for ensuring that the procedures used will allow the general public to be able to readily identify COMPANY's personnel as ambulance personnel. All COMPANY personnel shall carry on their person at all time while performing their duties as set out herein identified establishing their certification.

PUBLIC NOTICE, ADVERTISING 911

COMPANY is authorized to give public notice of the arrangement for emergency ambulance service set forth in this contact and to place appropriate listings in telephone directories and other appropriate places concerning emergency calls. If CITY decides, during the term of this agreement, to initiate, provide or participate in an emergency phone number, such as “911” or other like service, COMPANY agrees to cooperate in such use and become a part of such service.

PROVISIONS OF BACK-UP SERVICE

COMPANY represents that it is able to, and agrees that it shall, respond to each emergency call within a reasonable amount of time from the time of receiving a request for emergency service (not to exceed ten (10) minutes). Should COMPANY be unable to so respond upon receiving a call, COMPANY shall call for back-up service from another ambulance company and identify who the backup COMPANY will be, or call for a dispatch from the Fire Department, or both, to ensure that a timely response is provided.

COMPANY shall provide the name and number of the back-up ambulance company or companies. COMPANY shall bear the cost of any such back-up service (“Respond” as used herein means dispatching an ambulance to the designated place).

RECORDS

COMPANY agrees to keep true and accurate records of its activities undertaken in this agreement. COMPANY shall provide a monthly summary of such activities to the Police Chief of CITY to be submitted on or before the 5th day of each month during the term of this contract, (failure to provide information on a timely manner may result in the termination of the contract) containing the following information: number of emergency calls made, the name of the person requesting emergency service, the location, the time that the call was received, the time that the ambulance was dispatched and the time of arrival (the response time), the nature of the call, the charges made therefore, the number and condition of the ambulances in service, the number and certification status of COMPANY’s personnel and such other relevant information as CITY may from time to time require. The CITY uses the OSSI system and the COMPANY will be required to report using a compatible system.

CIVIL DEFENSE, EMERGENCY PREPAREDNESS

COMPANY agrees to take part in all Civil Defense, Emergency Preparedness, and Disaster Training exercises a deemed necessary by CITY.

HOSPITAL PROCEDURES

COMPANY agrees to follow and abide by the established protocol procedures of any hospital.

NON-ASSIGNABILITY

This contract shall be assignable in whole or in part by either party without prior written consent of the other party.

TERMINATION BY CITY

The CITY and the COMPANY both agree and acknowledge the CITY may terminate the agreement with or without cause at any time. Upon termination, the CITY will have no further obligation or liability to the COMPANY other than the payment of services rendered to date of termination. The CITY may terminate this agreement by providing written notice via U.S. mail, certified mail, postage prepaid addressed to the COMPANY. The notice will be sent to the COMPANY's address indicated herein.

In the event that, during any term hereof, the CITY does not appropriate sufficient funds to meet its obligations under this Agreement, then CITY may terminate this Agreement upon thirty (3) days written notice to the COMPANY. The CITY agrees; however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each of the CITY's budget period pursuant to the provisions of Texas Local Government Code Ann. 271.903.

PLACE OF PERFORMANCE

This contract is performable in Richwood, Brazoria, Texas. Venue for any suit brought under this contract shall be in Brazoria County Texas.

METHOD OF AWARD

Ambulance COMPANY is advised that the City of Richwood reserves the right to award this contract to the lowest responsible COMPANY or the COMPANY that ranked the highest, therefore, providing the best value. Factors and weights to be considered to determine respondent providing the best value are as noted on the specification/requirements.

SERVICE REQUIREMENT

Ambulance service must be two (2) MICU or better. The back-up ambulance must also be MICU. Preference will be given to the company with three (3) years or better as a 911 provider.

NOTICE

Any notice given by COMPANY to the CITY shall be sent by U.S. mail, certified mail, postage prepaid addressed to:

City of Richwood
City Secretary
1800 Brazosport
Blvd.
Richwood, Texas 78589-2649

Signed and executed in triplicate this__________day of______________, 2017.

CITY OF RICHWOOD, TEXAS

____
MICHAEL COON, CITY MANAGER

____
JASON CORDOBA, CITY ATTORNEY

ATTEST:

____

KAREN B. SCHROM CITY SECRETARY

____

CHIEF ADMINISTRATIVE OFFICER

EXHIBIT “B”

ALLOWABLE CHARGES

COMPANY is authorized to charge the rates set out below:

1. Emergency Service
   a. Basic Life Support
   b. Advance Life Support (if required)

2. Oxygen Required per Person

3. Resuscitation per Person

4. Standby Time on a Single Trip for Each 10 Minutes of Fraction Thereof

5. Ambulance Refused or not Needed on Arrival

6. Mileage (trips exceeding 20 miles one-way)

7. Intravenous Fluid
   a. Dextrose (50%)
   b. Dextrose (5%)
   c. Lactated Ringer Solution

8. Heart Monitor and Defibrillator

Other Charges, Drugs, etc.	as applicable (standard rates)

MEMORANDUM

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

From: Karen Schrom

Date: March 9, 2017

Subject: Authorization to seek Requests for Proposals for Custodial Services

We are asking for Council authorization to seek knew RFPs for Custodial Services. This entails cleaning the City Hall/Police Department on a weekly basis. We have used the same firm, C&S Janitorial since we originally moved in and their contract has expired.

The City of Richwood is accepting request for proposals for an individual or company to provide cleaning and janitorial services for the Richwood Municipal Building, a 12,000 square foot building, located at 1800 Brazosport Boulevard beginning May, 2017. The building may be viewed Monday through Friday from 8:00 a.m. to 5 p.m.

The Request for Proposals may be picked up at the Richwood City Hall, 1800 Brazosport Boulevard, Richwood, Texas. The Request for Proposal is also available on the City's web site at www.richwoodtx.gov.

The deadline for submission of Proposals is Wednesday, April 5, 2017 at 5:00 p.m. Submissions should be marked:

Request for Proposals - Janitorial Services

and mailed to:

City of Richwood
Attn: Karen Schrom, City Secretary
1800 Brazosport Boulevard
Richwood, TX 77531

All requests for information and questions concerning this Request for Proposals shall be addressed to Michael Coon, City Manager, 979-265-2082 or mcoon@richwoodtx.gov.

The City reserves the right to reject any or all proposals.

Parties interested in competing for the project must submit proposals in accordance with the instructions contained herein.

Description

The City of Richwood is seeking a Company or Individual experienced in providing janitorial services for the City's 12,000 square foot Municipal Building which houses the City Hall, Municipal Court, Police and Public Works offices.

This RFP package includes the following:

1) General Terms and Conditions
2) Proposal Format
3) Exhibit A – Scope of Work
4) Exhibit B – Evaluation Criteria

Proposal Due Date

To be eligible for consideration, an original of the company's response to this Request for Proposals (hereafter called "response" or "proposal") must be received by the City of Richwood no later than **5:00 PM on Wednesday, April 5, 2017.** The response may be submitted by mail, e-mail, or in person. Late submissions cannot be considered.

GENERAL TERMS AND CONDITIONS

RFP Process

- This RFP is subject to all applicable state and local laws.
- RFPs, associated documents and addenda may be obtained from City of Richwood or downloaded from its Website at www.richwoodtx.gov.
- Written addenda to the RFP may be issued to provide clarifications, corrections, or to answer questions. It is the Proposer's responsibility to periodically check with City of Richwood or the Website for addendum that may be issued to implement changes or clarifications to the RFP, prior to due date.
- The City reserves the right to request additional information to clarify proposals. The City shall determine the appropriate means of clarification: telephone, e-mail, letter, or oral interviews.

Evaluation and Selection

The City will evaluate proposals submitted by qualified Companies or Individuals on the basis of the guidelines set forth in the RFP. The City reserves the right to request additional information and clarification of any information submitted. The City will determine if interviews are necessary as part of its evaluation process.

Evaluation criteria have been established to determine which Company or Individual will best contribute to the overall goals of the City. This criteria is detailed in Exhibit B (Evaluation Criteria).

Licenses and Taxes

The Contractor shall obtain all licenses and permits required by the City and State. A current copy of the Contractor's occupational license must be submitted.

Term

The Contract shall be for a one (1) year period beginning May 1, 2017, and ending April 30, 2018. Upon written mutual agreement between the City Council and the Contractor, this Contract may be extended for an additional one (1) year period.

Independent Contractor Status

The winning Company or Individual will be retained as an independent contractor, not an employee of the City. The Contractor and the City agree to the following rights consistent with an independent contractor relationship:

- The Contractor has the sole right to control and direct the means, manner and method by which the services required by this Agreement will be performed.
- The City shall not hire, supervise, nor pay anyone to assist the Contractor.
- The Contractor is not eligible to participate in any employee pension, health, vacation pay, sick pay or other fringe benefit plan of the City.
- The City shall not require the Contractor to devote full time to performing the services required by this Agreement.
- The Contractor has the right to perform services for others during the term of this agreement.

Local, State and Federal Taxes:

The Contractor shall pay all income taxes and FICA (Social Security and Medicare taxes) incurred while performing services under this Agreement. The City will not:

- withhold FICA from the Contractor's payments nor make FICA payments on the Contractor's behalf,
- make state or federal unemployment compensation contributions on the Contractor's behalf, or
- withhold state or federal income tax from the Contractor's payments.

Background Check

The winning Contractor and any sub-contracted workers must submit to a background check prior to start of work at the City.

PROPOSAL FORMAT

Proposals shall provide clear and sufficient detail to enable the selection committee to evaluate the responsiveness and quality of the proposal to the RFP requirements. All proposals should include:

Firm Qualifications - Indicate the firm's number of years of experience providing Janitorial Services. Licenses and any other pertinent information shall be submitted. The minimum qualification requirements for the RFP are described in Exhibit A.

Qualifications of Firm's Supervisory Team – List the members of the firm's supervisory team. Provide a list of the personnel to be used on the project and their qualifications. Provide any other documentation that demonstrates their ability to satisfy all of the minimum qualification requirements.

Previous Similar Services Offered - A list of similar services must be submitted. Information should include: 1) Client name, address, phone number; 2) Description of work; 3) Years of service on project.

Cost – All pricing information and costs shall be provided based on services listed in the Scope of Work (Exhibit A).

Disclosure - The Contractor must disclose whether it provides services or pays commissions to any employee or Council Member of City of Richwood. If so, company must disclose to whom services are provided and/or commissions are paid.

EXHIBIT A
SCOPE OF WORK

I. Firm Experience – The Contractor shall have three (3) years of satisfactory experience in full- service janitorial maintenance, and have satisfactorily performed in a comparable facility (e.g. commercial building, City building, etc.) under comparable scope of work for a period of not less than two (2) years.

II. Scheduling of Work - The Contractor shall provide janitorial services one times per week: Work to be performed on the weekends.

III. Regular Services Required - The Contractor shall furnish a reliable and experienced crew to accomplish the following janitorial services:

Full Cleaning (each week)

- Clean and sanitize the restrooms and restock
- Empty the wastebaskets in all offices and rooms. Replace City-supplied bags in wastebaskets.
- Vacuum City Building carpets.
- Mop the tiled areas and wood floors
- Waxing the floors on an as needed basis
- Dust desks, work stations, counter tops, and other furniture and fixtures
- Clean the glass in the Council Chambers doors as well as the front and back doors.
- Clean the kitchen/break areas

Monthly Cleaning

- Clean/dust all blinds
- Clean the glass in the front and back doors and the Council Chamber doors
- Clean all the interior windows
- Clean all the chairs inside the Council Chambers
- Clean all the doors, door moldings, paneling in the Council Chambers, baseboards, window casings, etc.

IV. Supervision of Work - The Contractor shall conduct regular systematic inspections of his/her/their work crew, and shall be responsible for providing adequate supervision to assure competent and satisfactory performance of the services required under this contract.

V. Complaints - Complaints about service may be cause for termination of any agreement for janitorial services. The City believes that the key to good service relationships is to seek constant informal feedback by asking.

Complaints will be put into writing and will note the dates and places where the service was unacceptable and did not meet the terms of conditions of this agreement. A copy will be immediately forwarded to the Contractor for his/her response. Responses to a complaint about meeting contract specification must include a plan to correct and make sure the problem does not reoccur.

VI. Specifications - The Contractor shall furnish all tools, materials, equipment, apparatus, labor, workmanship, transportation, and services necessary to perform and complete the work at the City facility as per the “Scope of Work”.

EXHIBIT B
EVALUATION CRITERIA

City of Richwood shall have the right to reject or accept any Proposal or offer, or any part thereof (e.g. any component of any proposal) for any reason whatsoever and to accept other than the lowest offer, at its sole discretion. All proposals will be evaluated by applying a set of evaluation criteria and awarding points to each proposal.

The maximum number of points for the base proposal is 100. Each proposal shall be evaluated and assigned points based on qualifications and experience, past performance/references, current work load, technical capabilities, and cost.

CRITERIA	MAXIMUM POINTS
Qualifications and Experience	0-20 pts
• Experience in performing like or comparable work	
• Experience of key staff in performing like or comparable work	
Past Performance/References	0-20 pts
• Quality of work.	
• Special capabilities to accomplish work	
• Coordination and cooperation with City and others	
• Ability to meet deadlines and budgets	
Technical Capabilities	0-20 pts
• Size of the firm	
• Key personnel	
• Equipment dedication	
Current Work Load	0-10 pts
• Capacity to successfully complete required work in a timely manner	
• Key staff accessible to City of Richwood staff	
Cost	0-30 pts
• Cost per week	
TOTAL MAXIMUM POINTS	100

MEMORANDUM

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

From: Karen Schrom, Finance Director

Date: March 9, 2017

Subject: 2017 Debris Monitoring, Recovery and Other Related Services

We are asking Council to renew the Contract with Witt/O'Brien for Debris Monitoring, Recovery and Other Related Service for one year.

They monitor the amount of debris removed, the trucks and equipment involved, manpower, etc. The amount and detail of monitoring required after a serious event is time consuming. Having this contract in place will free up city employees to actually assist in getting the City back to some degree of normalcy after a storm.

RICHWOOD POLICE DEPARTMENT

1800 N Brazosport Blvd
Richwood, Texas 77531

BRYAN CORB
Chief of Police

Business (979) 265-2640
Emergency (979) 265-2222
Fax (979) 266-8533

March 9, 2017

Memo to Richwood City Council

Re: Traffic Plan

Mayor and Members of City Council,

In 2015, the police department began the process of evaluating city streets, in an attempt to gather data, to present to council as a request to unify the speed limit throughout the city in our neighborhoods. The unification of the speed limits would change some limits on the streets while others would remain. This would not affect the speed limits in our school zones, nor would this affect speed limits on FM 2004, 288-B, or College as these are set by the State of Texas.

At the August 2015 council meeting, I addressed several concerns that were sent to the police department by residents of Richwood. As the issues were being addressed, a traffic plan proposal was given to council for review with the expectation that once the data was gathered for the city, we would present the proposed changes, if any.

The data has been gathered and some issues have already been addressed; ie: cars parking on the right-away. We are ready to move forward with proposing a unified speed limit in our neighborhoods. While gathering the data for this proposal, we used the 85th percentile of the speeds recorded. The 85th percentile is the data that traffic engineers use to help factor the best proposed speed for that particular roadway. Using the 85th percentile, the data reflects speeds between 25 and 30 mph, depending on the roadway. Based on the data and citations issued, we are proposing a unified speed limit of 25 mph throughout our neighborhood streets with the exception of school zones, which will be left at 20 mph. The proposed change would also be in line with state law, which indicates speeds inside the city are to be 25 mph unless, it is a school zone, and several proposed bills in currently being considered in Austin.

A recent AAA speed study showed that pedestrians have a 43% better chance of surviving a crash when the speed is 25 mph or lower.

There are 27 signs that would need to be changed throughout the city to reflect the 25 mph speed limit at a cost of $23.62 per sign for a total cost of $637.74.

Please let me know if you have any questions.

Respectfully,

Bryan Corb,
Chief of Police

MEMORANDUM

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

From: Michael Coon, City Manager

Date: March 8, 2017

Subject: Oil & Gas Ordinance

During the 2015 Legislative Session, the State passed H.B. 40, which amended Chapter 81 of the State's Natural Resources Code to severally limit a municipality's ability to regulate drilling for oil and gas. Included below is a small section from the text of the new law.

> "The authority of a municipality or other political subdivision to regulate an oil and gas operation is expressly preempted, except that a municipality is authorized to enact, amend, or enforce an ordinance or other measure that regulates only surface activity that is incident to an oil and gas operation, is commercially reasonable, does not effectively prohibit an oil and gas operation, and is not otherwise preempted by state or federal law."

Per this relatively new law, we can only regulate the surface activities related to these drilling wells, if it is done in a "commercially reasonable" manner. Our current ordinance prohibits drilling within 1,000 feet of residential areas, which could be found to not be "commercially reasonable".

This past year the City of Lake Jackson hired outside legal counsel to help them create an ordinance that should meet the new standards set by HB 40. The draft of the ordinance that is currently being proposed is basically the same as Lake Jackson's ordinance.

ORDINANCE NO. 413

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, REGULATING THE DRILLING AND PRODUCTION OF OIL AND GAS WELLS WITHIN THE CITY; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Richwood, Texas (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City Council of Richwood, Texas finds that the enactment of regulations governing drilling and production of oil and gas prior to permitting such operations is necessary in order to protect the health, safety, and general welfare of the public; and

WHEREAS, the regulations herein established will preserve property values as well as ensure safety by limiting noise, requiring screening and landscaping, establishing minimum distance from residential and business structures and requiring restoration of drilling sites and otherwise minimizing the impact of such operations on the city's residents; and

WHEREAS, the City Council of the City of Richwood finds that the regulations set forth herein are commercially reasonable and will allow a reasonably prudent operator to fully, effectively, and economically exploit, develop, produce, process, and transport oil and gas, as determined based on the objective standard of a reasonably prudent operator and not on an individualized assessment of an actual operator's capacity to act; and

WHEREAS, the City Council of the City of Richwood finds that the regulations set forth herein will not effectively prohibit an oil and gas operation conducted by a reasonably prudent operator; and

WHEREAS, in light of the foregoing, the City Council of Richwood, Texas deems it prudent to enact an ordinance to govern the drilling and production of oil and gas within the corporate limits of the City of Richwood.

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

Section 1. Purpose

The exploration, development and production of oil and gas in the City are activities which necessitate reasonable regulation to ensure that all property owners, mineral and otherwise, have the right to enjoy their property and its benefits and revenues. It is hereby declared to be the purpose of this article to establish reasonable and uniform limitations, safeguards and regulations for operations related to the exploring, drilling, developing, producing, transporting and storing of oil and gas and other substances produced in association with oil and gas within the City to protect the health, safety and general welfare of the public, minimize the potential impact to property and mineral rights owners, protect the quality of the environment and encourage the orderly production of available mineral, and oil and gas resources.

Section 2. Definitions

All technical industry words or phrases related to the drilling and production of oil and gas wells not specifically defined in this article shall have the meanings customarily attributable thereto by prudent and reasonable oil and gas industry operators. The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Abandonment: means "abandonment" as defined by the Texas Railroad Commission and includes the plugging of the well and the restoration of any well site as required by this article.

All-Weather Hard Surface: means a permanent surface that as a minimum is a base course constructed such that is meets the requirements of the International Fire Code, be at least twenty feet (20') wide, have an overhead clearance of fourteen feet (14'), drains appropriately, remains water resistant, is free of litter, debris, weeds, grass or other objectionable materials or objects and is visibly dust free.

Berm: means a mound of soil, either natural or man-made, used to obstruct a view.

Blowout Preventer: means a mechanical, hydraulic, pneumatic or other device or combination of such devices secured to the top of a well casing, including valves, fittings and control mechanisms connected there with, which can be closed around the drill pipe, or other tubular goods which completely close the top of the casing and are designed for preventing blowouts.

Building: means any primary structure used or intended for supporting or sheltering any use or occupancy. The term "building" shall be construed as if followed by the words "or portions thereof."

Commission: means the Texas Railroad Commission.

Completion: means the date the work is completed for the drilling, re-drilling or re- working of a well and the crew is released by completing its work or contract or by its employer.

Day: means a calendar day.

Derrick: means any portable framework, tower, mast and/or structure which is required or used in connection with drilling or re-working a well for the production of oil and gas.

Drilling: means digging or boring a new well for the purpose of exploring for, developing or producing oil and gas or for the purpose of injecting gas, water or any other fluid or substance into the earth.

Drilling Equipment: means the derrick, together with all parts of and appurtenances to such structure, every piece of apparatus, machinery or equipment used or erected or maintained for use in connection with drilling.

Drill Site: means the immediate area used during the drilling, re-drilling or re-working of a well.

Emergency Response Plan: means a plan put in place to deal with emergency situations that may occur at the site during all stages of the drilling and production process.

Exploration: means geologic or geophysical activities, including seismic surveys, related to the search for oil and gas or other subsurface hydrocarbons.

Fire Department: means the Richwood Volunteer Fire Department.

Gas: means any fluid, either combustible or noncombustible, which is produced in a natural state from the earth and which maintains a gaseous or rarefied state at standard temperature and pressure conditions and/or the gaseous components or vapors occurring in or derived from petroleum or natural gas.

Landfarming or Landfarm: means the deposit, spreading or mixing of drill cuttings, drilling fluids, drilling mud, produced water or other drilling waste generated by the oil and natural gas well drilling process on to the surface of land located within the territorial limits of the City.

Oil: means crude petroleum and other hydrocarbons regardless of gravity which are produced at the wellhead in liquid form and the liquid hydrocarbons known as distillate or condensate recovered or extracted from gas, other than gas produced in association with oil and commonly known as casinghead gas.

Oil and Gas Well: means any well drilled, to be drilled, or used for the intended or actual production of natural gas, oil and other hydrocarbons.

Operation Site: means the area used for development and production and all operational activities associated with oil and gas after drilling activities are complete.

Operator: means, for each well, the person listed on the Railroad Commission's Form W-1 or Form P-4 for a well that is, or will be actually in charge and in control of drilling, maintaining, operating, pumping or controlling any well, including, without limitation, a unit operator. If the operator, as herein defined, is not the lessee under an oil and gas lease of any premises affected by the provisions of the article, then such lessee shall also be deemed to be an operator. In the event that there is no oil and gas lease relating to any premises affected by this article, the owner of the fee mineral estate in the premises shall be deemed an operator.

Person: means both the singular and the plural and means a natural person, a corporation, association, guardian, partnership, receiver, trustee, administrator, executor, and fiduciary or representative of any kind.

Production: means the period between completion of drilling and the abandonment of the well.

Public Building: means all buildings used or designed to and intended to be used for the purpose of assembly of persons for such purposes as deliberation, entertainment, amusement, or health care. Public buildings include, but shall not be limited to, theaters, assembly halls, auditoriums, exhibition halls, museums, gymnasiums, bowling lanes, libraries, skating rinks, courtrooms, restaurants, and hospitals.

Re-Drill: means re-completion of an existing well by deepening or sidetrack operations extending more than one hundred fifty feet (150') from the existing well bore.

Religious Institution: means any building in which persons regularly assemble for religious worship and activities intended primarily for purposes connected with such worship or for propagating a particular form of religious belief.

Residence: means a house, duplex, apartment, townhouse, condominium, mobile home or other building designed for dwelling purposes, including those for which a building permit has been issued on the date the application for an oil and gas well permit is filed and accepted by the City.

Re-working: means re-completion or re-entry of an existing well within the existing bore hole or by deepening or sidetrack operations which do not extend more than one hundred fifty feet (150') from the existing well bore, or replacement of well liners or casings.

Right-of-Way: means any area of land within the City that is acquired by, dedicated to, or claimed by the City in fee simple, by easement, by prescriptive right or other interest and that is expressly or impliedly accepted or used in fact or by operation of law as public roadway, sidewalk, alley, utility, drainage, or public access easement or used for the provision of governmental services or functions. The term includes the area on, below, and above the surface of the public right-of-way. The term applies regardless of whether the public right-of-way is paved or unpaved.

Road Damage Remediation Fee means a fee assessed to repair damage to public roadways that is based on the projected damage and decreased life expectancy of roadways in the city caused by the operator's use of the roadways.

Road Repair Agreement means a written agreement obligating the operator to repair damage to public streets and bridges caused by the performance of any drilling of wells or the production of any gas wells.

School: means any public and private, primary, secondary, and higher educational facilities providing education up through and including college level classes and any licensed day care centers, meaning a facility licensed by the State of Texas or by the City of Richwood that provides care, training, education, custody, treatment or supervision for more than six (6) children under fourteen (14) years of age, and for less than twenty-four (24) hours per day.

State water: means the waters identified by Section 11.021 of the Texas Water Code.

Street: means any street, highway, sidewalk, alley, avenue, recessed parking area or other public right-of-way, including the entire right-of-way.

Well: means any single hole or bore to any horizon, formation, or strata, for the purpose of producing gas, liquid hydrocarbon, brine water or sulphur water, or for use as an injection well for secondary recovery, disposal or production of oil, gas, or other hydrocarbons from the earth. For each separate new hole an oil and gas well permit is required.

Section 3. City Oversight

Agents of the City shall have the authority to enter and inspect any premises covered by the provisions of this article to determine compliance with the provisions of this article and all applicable laws, rules, regulations, standards or directives of the City or State. Failure of any person to permit access to any City agent shall constitute a violation of this article. Additionally, City officials shall have the authority to issue any orders or directives required to carry out the intent and purpose of this article and its provisions. City officials shall have the authority to request and receive any records, including any records sent to the Commission, logs, reports and the like, relating to the status or condition of any permitted well necessary to establish and determine compliance with the applicable permit. Failure of any person to provide any such requested material shall be deemed a violation of this article.

Section 4. Operator's Agent

Every operator of any well shall designate an agent, who is a resident of the State of Texas, upon whom all orders and notices provided in this article may be served in person or by registered or certified mail. Every operator designating such agent shall within ten (10) days notify the City in writing of any change in such agent or such mailing address unless operations within the City are discontinued. Failure to do so shall be deemed a violation of this article.

Section 5. Seismic Survey Permit Requirements

A permit shall be required for seismic surveys. All seismic survey permit applications shall be submitted to city council for approval. The seismic survey shall not begin prior to the issuance of a seismic survey permit from the City. A permit shall include, but is not limited to, the following information:

(a) Operator/applicant name, phone number, fax number, physical address, and, if possible, email address; if the operator is a corporation, the state of the incorporation, and if the operator is a partnership, the names and addresses of the general partners shall be provided.

(b) Detailed mapping of location and extent of seismic survey.

(c) Date and time the seismic survey will be conducted.

(d) Detailed explanation of the seismic survey method to be used on site.

(e) Date and time the seismic survey will be completed.

(f) If the seismic survey is conducted in any right-of-way then the operator must reimburse all costs to the City for any damages associated with the seismic survey.

(g) The permit fee for a seismic survey on public property shall be 25 cents per linear foot, plus the costs of barricade rental and personnel required to direct and divert traffic if City forces and materials are used.

(h) An operator must submit a traffic safety and management plan as required by the City with all seismic surveys that are conducted within the right-of-way.

(i) Under no circumstances may explosive charges, including, but not limited to, the use of dynamite, be used in any way related to the preparation and/or operation of conducting a seismic survey.

(j) Operator/applicant shall purchase and maintain the following insurance coverage:

(1) Worker's compensation insurance meeting applicable statutory requirements and employer's liability insurance with minimum limits of One Hundred Thousand Dollars ($100,000) for each accident.

(2) Commercial general liability insurance, or any combination of general liability and umbrella or excess insurance, with minimum limits of Two Million Dollars ($2,000,000) as the combined single limit for each occurrence of bodily injury, personal injury and property damage. The policy shall provide blanket contractual liability insurance for all written contracts and shall include coverage for products and completed operations liability, and independent contractor's liability; coverage for property damage. The insurance coverage must be written by a company or companies approved to conduct business in the State of Texas. The City, its officers and employees, must be named as an additional insured on the policy.

(3) Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Operator/applicant, its employees and agents, with personal protection insurance and property protection insurance to comply with the provision of state law with a minimum limits of Two Million Dollars ($2,000,000) as the combined single limit for each occurrence for bodily injury and property damage.

(4) The City will accept certificates of self-insurance which provide the same coverage as required herein, so long as the Operator/applicant demonstrates by written information to the City Manager that it has adequate financial resources to be a self-insured entity.

(5) All policies other than those for Worker's Compensation shall be written on an occurrence and not on a claims made basis and shall name the City, its officers and employees as additional insureds. All insurance carriers and surplus line carriers shall be rated A+ or better by A.M. Best Company.

(6) Insurance policies must provide that the issuing company waives all right to recovery by way of subrogation against the City in connection with damage covered by the policy.

Section 6. Oil and Gas Well Permit Requirements

(a) A person wanting to engage in and/or operate in oil and gas production activities shall apply for and obtain an oil and gas well permit under this article and shall indicate what type of well permit is requested. It shall be unlawful for any person acting either for himself or acting as an agent, employee, independent contractor, or servant for any person to drill any well, assist in any way in the site preparation, re-working, or operation of any such well or to conduct any activity related to the production of oil and gas without first obtaining an oil and gas well permit issued by the City in accordance with this article. Such activities include, but are not limited to, re-working, initial site preparation, drilling, operation, and construction of rigs or tank batteries.

(b) The operator must apply for and obtain an oil and gas well permit for the drilling of each well. The operator shall neither apply for nor obtain a "blanket" permit for more than one (1) well if multiple wells are located on the same tract of land. Each new well established at the ground surface will be considered a new oil and gas well permit.

(c) An existing oil and gas well permit shall not constitute authority for the re-entering and drilling of an abandoned well. An operator shall obtain a new well permit in accordance with the provisions of this article if the operator is re-entering and drilling an abandoned well.

(d) When an oil and gas well permit has been issued to the operator for the drilling, re-entering, activating or converting of a well, such oil and gas well permit shall constitute sufficient authority for drilling, operation, production gathering or production maintenance, repair, re-working, testing, plugging and abandonment of the well and/or any other activity associated with mineral exploration at the site of such well. An amended oil and gas well permit shall be obtained before such well may be modified for purposes of re-drilling, deepening or converting such well to a depth or use other than that set forth in the then current permit for such well.

(e) Any person who intends to re-work a permitted well using a drilling rig after initial completion shall give written notice to the City no less than ten (10) days before the activities begin. The notice must identify where the activities will be conducted and must describe the activities in detail, including, but not limited to, the duration of the activities and the time the activities will be conducted. The use of explosive charges shall be subject to the approval of the City Council. The notice must also provide the address and twenty-four (24) hour telephone number of the person conducting the activities. The person conducting the activities shall post a sign on the property giving the public notice forty eight (48) hours in advance of the re-working activities. The sign shall comply with the requirements of Section 13, “On Site and Technical Regulations,” (w) Signs (1).

(f) Well setbacks for oil and gas well permits.

(1) It shall be unlawful to drill, re-drill, deepen, re-enter, activate or convert any well, the center of which, at the surface of the ground, is located:

a. Within six hundred feet (600') from any residence, religious institution, public building, school, retail or commercial building, city park, state water or hospital building for which a building permit has been issued on the date of the application for an oil and gas well permit is filed with the City;

b. Within fifty feet (50') of any public street, road, highway, or right-of- way line;

c. Within one hundred feet (100') of any existing potable water well.

d. Within one hundred fifty feet (150') of any property line.

e. The measurement of all distances shall be calculated from the proposed well bore, in a straight line, without regard to intervening structures or objects, to the closest exterior point of the object listed in items a through d, above. The above calculations shall be prepared by a Registered Professional Land Surveyor.

(2) Tank batteries, including storage tanks, separators and compressors shall be located at least three hundred feet (300') from any playground, competition athletic field, picnic area, residence, religious institution, public building, hospital building or schools, or any other building used or designed and intended to be used for human occupancy for which a building permit has been issued on the date the application for an oil and gas well permit is filed. The distance shall be calculated from the closest tank batteries, separators or compressors, in a straight line, without regard to intervening structures or objects, to the closest part of the playground, competition athletic field, picnic area, residence, religious institution, public building, hospital building or schools, or any other building used or designed and intended to be used for human occupancy.

(3) The distances set out in subsection 6 (f)(1)(a) above may be reduced at the discretion of the City Council, but never less than three hundred feet (300') except as provided by (4) below. All distance reductions shall be documented as exceptions to the requested permit prior to issuance.

(4) Notwithstanding the provisions of this section, wells may be drilled no closer than one hundred fifty feet (150') from an existing residence

constructed on a lot or tract that is at least one-half acre in size and that is occupied by persons who in writing consent to the request to drill the well if approved by a majority vote of the City Council. Said written consent is required from all residences occupied by persons within three hundred feet (300') of a proposed well bore prior to an application for a well permit being processed by city staff. Wells may be re-drilled, deepened, re- entered, activated or converted if no closer than one hundred fifty feet (150') from any residence constructed after the well was originally drilled without such consent.

(5) Notwithstanding the provisions of this section, new residences may be built no closer than three hundred feet (300") from an existing well.

(g) An oil and gas well permit shall automatically terminate, unless extended, if drilling is not commenced within ninety (90) days from the date of the issuance of the permit. A well permit may be extended by the City for an additional ninety (90) days upon written request by the operator and proof that the regulatory standards of the requested permit for such location have not changed.

(h) Permits required by this article are in addition to and are not in lieu of any permit which may be required by any other provision of the City Code or by any other governmental agency.

(i) No oil and gas well permit shall be issued for any well to be drilled within the floodway identified by the Federal Emergency Management Agency (FEMA) on the most current Federal Insurance Rate Map (FIRM) or by the City of Richwood, whichever is more restrictive. Oil and gas wells proposed in the floodplain outside of the floodway shall comply with the requirements for development in the City's Standard General Conditions Manual.

Commented [JC1]: Do we have this?

(j) No oil and gas well permit shall be issued for any well to be drilled that is not in compliance with any standard, provision, procedure, and/or recommendation as described in the Standard General Conditions Manual.

(k) By acceptance of any permit issued pursuant to this article, the operator expressly stipulates and agrees to be bound by and comply with the provisions of this article. The terms of this article shall be deemed to be incorporated in any permit issued pursuant to this article with the same force and effect as if this article was set forth verbatim in such permit.

Section 7. Oil and Gas Well Permit Application and Filing Fees

(a) Every application for an oil and gas well permit issued pursuant to this article shall be in writing signed by the operator, or some person duly authorized to sign on his behalf, and filed with the City.

(b) Every application shall be accompanied by a permit fee of five thousand dollars ($5,000.00), provided, however, that in the event the City incurs additional costs to administer a permit application, the applicant shall pay for all such additional cost as part of the permit fee. The application shall include the following information:

Commented [JC2]: Is this reflective of our out of our expense in processing the application?

(1) The date of the application and type of permit requested.

(2) An accurate legal description of the lease property to be used for the operation site, the parcel and the production unit and name of the geologic formation as used by the Commission. Property recorded by plat shall reference subdivision, block and lot numbers.

(3) Map showing proposed transportation route and road(s) for equipment, chemicals or waste products used or produced by the oil and gas operation.

(4) Proposed well name and well depth.

(5) Surface owner names(s), telephone number(s), fax number(s), physical address(es), and, if possible, e-mail addresses, of the lease property.

(6) Mineral lessee name, telephone number, fax number, physical address, and, if possible, e-mail address.

(7) Operator/applicant name, telephone number, fax number, physical address, and if possible, e-mail address and if the operator is a corporation, the state of incorporation, and if the operator is a partnership, the names and addresses of the general partners.

(8) Name, telephone number, fax number physical address of individual designated to receive notice, and, if possible, e-mail address.

(9) Names and address of representatives or operator's agent with supervisory authority over all oil and gas operation site activities and an emergency twenty-four (24) hour telephone number.

(10) Location and description of all improvements and structures within eight hundred feet (800') of the well. Such locations and descriptions shall be prepared by a Registered Professional Land Surveyor.

(11) A site plan of the proposed operation site showing the location of all improvements and equipment, including the location of the proposed well(s) and other facilities including, but not limited to, tanks, pipelines, compressors, separators and storage tanks or storage sheds. Upon completion of the construction of the drill site, the operator shall furnish the

City with a post-construction site plan. The operator shall furnish the City with a new site plan whenever a change is made to the existing conditions of a drill site, fracturing pit, or access road. All site plans must include the following criteria:

a. Property boundaries with dimensions and setback lines.

b. Location of proposed buildings and structures indicating sizes in square feet.

c. The location and intensity of exterior lighting fixtures.

d. The location of mechanical equipment.

e. Outside storage areas.

f. Curb cut locations.

g. Parking, loading, and maneuvering areas.

h. The location, materials and dimensions of screening improvements as required by section 14.

i. A separate plan sheet showing the location, materials and dimensions of all screening improvements as required by section 14.

j. Waste disposal locations with screening.

k. Adjacent Property lines, streets, easements immediately adjacent to the operation site.

l. Names of owners of property immediately adjacent to the operation site.

m. Names of subdivisions immediately adjacent to the operation.

n. Site plans shall be submitted on a sheet size of 24" x 36" minimum with a scale of 100:1 inch. Digital versions of the plans may be submitted in addition to the hard copy.

o. City boundaries where applicable.

p. Date the drawing was prepared with name, address, and phone number of preparer.

q. Location, width, purpose of all existing easements.

r. North arrow, at a maximum scale of 1:50 immediately adjacent to the operation site.

s. All existing street names immediately adjacent to the operation site.

t. Dimensions of all existing rights-of-way.

u. Title Block identifying oil and gas well site location.

v. Vicinity location map at 1”= 2000’.

w. Zoning classifications of all properties shown on the Site Plan.

x. Location of 100-year flood limits where applicable.

y. Texas NAD83 State Plane Coordinates for at least two corners

z. ~~As a minimum, a~~A preliminary drainage study as identified in the Design Criteria and Construction Standards Manual.

(12) Copies of all reports required by the Commission, specifically including a copy of the approved Railroad Commission Form W-1 and/or P-4.

(13) A description of public utilities required during drilling and site operations.

(14) A description of the water source to be used during drilling.

(15) A copy of the Storm Water Pollution Prevention Plan (SWPPP) as required by the Commission, the Texas Commission on Environmental Quality (TCEQ), the United States Environmental Protection Agency (USEPA) and/or the City. A copy of the Notice Of Intent (NOI) shall be submitted to the City at least three (3) days prior to the commencement of any onsite activity.

(16) A copy of the determination by the Commission of the depth of useable quality ground water.

(17) Evidence of insurance and security requirements under this article.

(18) A statement, under oath, signed by the operator or designated representative, that the information submitted with the application is, to the best knowledge and belief of the operator or designated representative, true and correct.

(19) All required application and permit fees.

(20) A copy of a Hazardous Materials Management Plan and additionally, all material safety data sheets (MSDSs) for all hazardous materials that will be located, stored, transported and/or temporarily used on the drilling site shall be provided to the City and the Fire Marshal.

(c) Building Permit Required.

(1) No building or structure regulated by the current technical codes adopted by the City shall be erected, constructed, enlarged, altered, repaired, moved, improved, removed, converted, or demolished unless a separate permit for each building or structure has first been obtained from the City. No subdivision plat will be required.

(2) Appropriate temporary or permanent restroom facilities shall be provided during the course of any work subject to regulation by the current technical codes adopted by the City.

(d) A road repair agreement and road damage remediation fee shall be submitted in conjunction with the application for a well permit. The agreement must be signed by the operator and the City Manager. A road damage remediation fee shall be charged for each well included in a well permit in the amount determined by a technical advisor hired by the City in accordance with section 19.

Section 8. Permitting Procedure

(a) All Oil and Gas Well Permits will be filed through the City Manager's Office.

(b) It is the responsibility of the City to review and approve or disapprove all applications for oil and gas well drilling permits based on the criteria established by this article.

(c) The City, within sixty (60) days after the filing of a completed application and remittance of all fees, insurance, and security per the requirements of this article for an oil and gas well permit, shall determine whether the permit application shall be approved or denied.

(d) The provisions of this article shall apply to any dwellings or buildings for which an application for a building permit has been submitted on the date the application for an oil and gas well permit is filed with the City.

(1) All new and/or proposed construction of any buildings, structures, streets, roads, and/or applicable improvements to the property upon which any oil

or gas well is located must be in compliance with all applicable setback requirements enumerated in this article.

(2) If all the requirements of this article are met, the City shall issue a permit for the drilling of the well or the installation of the facilities for which the permit application was made.

(3) If the City denies a permit application for cause as set out in this article for the requested oil and gas well permit, the City shall notify the operator in writing of such denial stating the reasons for the denial. Within sixty (60) days of the date of the written decision of the City to deny the permit, the operator may cure those conditions that caused the denial and resubmit the application to the City for approval and issuance of the permit. Additionally, the operator may file an appeal to the City Council pursuant to section 18 of this article.

(4) The failure of the City to review and issue a permit within the time limits specified above shall not cause the application to be deemed approved. The failure of the City to act within the time limit shall be deemed a disapproval. The operator may file an appeal to the City Council pursuant to section 18 of this article.

(e) If an application for a permit is denied by the City, nothing herein contained shall prevent a new permit application from being submitted to the City for the same well.

Section 9. Amended Oil and Gas Well Permits

(a) An amended permit may be issued for, but not limited to, the following changes in drill and/or operational site activities:

(1) Re-drilling;

(2) Deepening beyond one hundred fifty feet (150’) of the permitted depth;

(3) Site access;

(4) Locations and/or quantities of equipment as determined by the City;

(5) Locations and/or number of drilling fluid or other types of pits; and

(6) Locations and/or number of buildings and structures.

(b) Applications for amended permits shall be in writing, shall be signed by the operator, and shall include the following:

(1) An application fee of five hundred dollars ($500.00);

(2) A description of the proposed amendments;

(3) Any changes to the information submitted with the application for existing permit (if such information has not previously been provided to the City);

(4) Such additional information as is reasonably required by the City to demonstrate compliance with the applicable permit;

(5) Such additional information as is reasonably required by the City to prevent imminent destruction of property or injury to persons; and

(6) An amended Site Plan will be required.

(c) All applications for amended permits shall be filed with the City. Incomplete applications may be returned to the applicant, in which case the City shall provide a written explanation of the deficiencies; however, the City shall retain the application fee. The City may return any application as incomplete if there is a dispute pending before the Commission regarding the determination of the operator.

(d) If the activities proposed by the amendment are not materially different from the activities covered by the existing permit then the City shall approve or disapprove the amendment within thirty (30) days after the application is filed.

(e) If the activities proposed by the amendment are materially different from the activities covered by the existing permit, and do not create a risk of destruction of property or injury to persons, then the City shall approve or disapprove the amendment within sixty (60) days after the application is filed. If, however, the activities proposed by the amendment are materially different and, in the judgment of the City, might create a risk of destruction of property or injury to persons that were not associated with the activities covered by the existing permit or that were not otherwise taken into consideration by the existing permit, the City may require the amendment to be processed as a new permit application.

(f) The failure of the City to review and issue an amended permit within the time limits specified above shall not cause the application for the amended permit to be deemed approved. Further, the decision of the City to deny an amendment to a permit shall be provided to the operator in writing within the time period indicated in (d) or (e) above, including an explanation of the basis for the decision. The operator may appeal any such denial to the City Council pursuant to section 18 of this article.

Section 10. Suspension or Revocation of Oil and Gas Well Permits

(a) If an operator (or its officers, employees, agents, contractors, or representatives) fails to comply with any requirement of a permit (including any requirement incorporated by reference as part of the permit), the City shall give written notice to the operator specifying the nature of the failure and giving the operator a reasonable time to cure, taking into consideration the nature and extent of the failure, the extent of the efforts required to cure, and the potential impact on the health, safety, and welfare of the community. In no event, however, shall the cure period be less than ten (10) days unless the failure presents a risk of imminent danger of property or injury to persons or unless the failure involves the operator's failure to provide periodic reports as required by this article.

(b) If the operator fails to correct the noncompliance, the City may suspend or revoke the permit pursuant to the provisions of this article.

(c) No person shall carry on any operations performed under the terms of the permit issued under this article during any period of any permit suspension or revocation or pending a review of the decision or order of the City in suspending or revoking the permit. Nothing contained herein shall be construed to prevent the necessary, diligent and bona fide efforts to cure and remedy the default or violation for which the suspension or revocation of the permit was ordered for the safety of persons or as required by the Commission.

(d) If the operator does not cure the noncompliance within the time specified in this article, the City, upon written notice to the operator, may notify the Commission and request that the Commission take any appropriate action.

(e) An operator may, within thirty (30) days of the date of the decision of the City in writing to suspend or revoke a permit, file an appeal to the City Council pursuant to section 18 of this article.

Section 11. Periodic Reports

(a) The operator shall notify the City of any changes to the following information within ten (10) days after the change occurs:

(1) The name, physical address, telephone number, and fax number, of the operator;

(2) The name, address, and telephone number of the person designated to receive notices from the city (which person must be a resident of Texas that can be served in person or by registered or certified mail); and

(3) The operator's emergency action response plan (including "drive-to-maps" from public rights-of-way to each drill site).

(b) The operator shall notify in writing the City of any change to the name, address, and twenty-four (24) hour phone number of the person(s) with supervisory authority over drilling or operations activities within one (1) business day.

(c) The operator shall provide a copy of any "incident reports" or written complaints submitted to the Commission and a copy to the City within ten (10) days after the operator has notice of the existence of such reports or complaints.

(d) Beginning on December 31st after each well is completed, and continuing on each December 31st thereafter until the operator notifies the City that the well has been abandoned and the site restored, the operator shall submit a written report to the City identifying any changes to the information that was included in the application for the applicable permit that have not been previously reported to the City.

Section 12. Bond, Letters of Credit, Indemnity, Insurance.

(a) *General requirements*. The operator shall be required to:

(1) Comply with the terms and conditions of this article and the permit issued hereunder.

(2) Promptly clear drill and operation sites of all litter, trash, waste and other substances used, allowed, or occurring in the operations, and after abandonment or completion grade, level and restore such property to the same surface conditions as nearly as possible as existed before operations as determined by the City.

(3) *Indemnification and express negligence provisions*. Operators shall sign each permit and the City shall retain a signed original. Each such permit issued by the City shall include the following language: " Operator does hereby expressly release and discharge, all claims, demands, actions, judgments, and executions which it ever had, or now has or may have, or assigns may have, or claim to have, against the City of Richwood, and/or its departments, agents, officers, servants, successors, assigns, sponsors, volunteers, or employees, created by, or arising out of personal injuries, known or unknown, and injuries to property, real or personal, or in any way incidental to or in connection with the performance of the work performed by the operator under a permit. The operator shall fully defend, protect, indemnify, and hold harmless the City of Richwood, Texas, its departments, agents, officers, servants, employees, successors, assigns, sponsors, or volunteers from and against each and every claim, demand, or cause of action and any and all liability, damages, obligations, judgments, losses, fines, penalties, costs, fees, and expenses incurred in defense of the City of Richwood, Texas, its departments, agents,

officers, servants, or employees, including, without limitation, personal injuries and death in connection therewith which may be made or asserted by operator, its agents, assigns, or any third parties on account of, arising out of, or in any way incidental to or in connection with the performance of the work performed by the operator under a permit."

(4) Promptly pay all fines, penalties and other assessments imposed due to breach of any terms of the permit.

(5) Promptly restore to its former condition any public property damaged by the oil and gas operation.

(b) *Bond, irrevocable letter of credit*. Prior to the issuance of an oil and gas well permit the operator shall provide the City with a security instrument in the form of a bond or an irrevocable letter of credit as follows:

(1) Bond. A bond shall be executed by a reliable bonding or insurance institution authorized to do business in Texas, acceptable to the City. The bond shall become effective on or before the date the oil and gas well permit is issued and shall remain in force and effect for at least a period of six (6) months after the expiration of the permit term or until the well is plugged and abandoned and the site is restored, whichever occurs last. The operator shall be listed as principal and the instrument shall run to the City, as obligee, and shall be conditioned that the operator will comply with the terms and regulations of this article and the City. The original bond shall be submitted to the City.

(2) Letter of Credit. A letter of credit shall be issued by a reliable bank authorized to do business in Texas and shall become effective on or before the date the permit is issued. The letter of credit shall remain in force and effect for at least a period of six (6) months after the expiration of the permit term or until the well is plugged and abandoned and the site is restored, whichever occurs last. The City shall be authorized to draw upon such letter of credit to recover any fines or penalties or costs to remedy assessed under this article. Evidence of the execution of a letter of credit shall be submitted to the City by submitting an original signed letter of credit from the banking institution, with a copy of the same provided to the City Secretary.

(3) The principal amount of any security instrument shall be Fifty Thousand Dollars ($50,000.00) for any single well. If, after completion of a well, the applicant/operator, who initially posted a Fifty Thousand Dollars ($50,000.00) bond, has complied with all of the provisions of this article and whose well is in the producing stage and all drilling operations have ceased, may submit a request to the City to reduce the existing bond to Ten Thousand Dollars ($10,000.00) for the remainder of the time the well produces without reworking. During reworking operations, the amount of the bond or letter of credit shall be maintained at Fifty Thousand Dollars ($50,000.00). If at any time after no less than a fifteen (15) day written

notice to the operator and a public hearing, the City Council shall deem any operator's bond or letter of credit to be insufficient, it may require the operator to increase the amount of the bond or letter of credit up to a maximum of Two Hundred Fifty Thousand Dollars ($250,000.00) per well.

(4) Whenever the City finds that a default has occurred in the performance of any requirement or condition imposed by this article, a written notice shall be given to the operator. Such notice shall specify the work to be done, the estimated cost and the period of time deemed by the City to be reasonably necessary for the completion of such work. After receipt of such notice, the operator shall, within the time therein specified, either cause or require the work to be performed, or failing to do so, shall pay over to the City one hundred twenty-five percent (125%) of the estimated cost of doing the work as set forth in the notice. In no event, however, shall the cure period be less than thirty (30) days unless the failure presents a risk of imminent destruction of property or injury to persons or unless the failure involves the operator's failure to provide periodic reports as required by this article. The City shall be authorized to draw against any irrevocable letter of credit or bond to recover such amount due from the Operator. Upon receipt of such monies, the City shall proceed by such mode as deemed convenient to cause the required work to be performed and completed, but no liability shall be incurred other than for the expenditure of said sum in hand. In the event that the well has not been properly abandoned under the regulations of the Commission, such additional money may be demanded from the operator as is necessary to properly plug and abandon the well and restore the drill site in conformity with the regulations of this article.

(5) In the event the operator does not cause the work to be performed and fails or refuses to pay over to the City the estimated cost of the work to be done as set forth in the notice, or the issuer of the security instrument refuses to honor any draft by the City against the applicable irrevocable letter of credit or bond the City may proceed to obtain compliance and abate the default by way of civil action against the operator, or by criminal action against the operator, or by both such methods.

(6) When the well or wells covered by said irrevocable letters of credit or bond have been properly abandoned in conformity with all regulations of this article, and in conformity with all regulations of the Commission and notice to that effect has been received by the City, or upon receipt of a satisfactory substitute, the irrevocable letter of credit or bond issued in compliance with these regulations shall be terminated and cancelled.

(c) *Insurance*. In addition to the bond or letter of credit required pursuant to this article, the operator shall carry a policy or policies of insurance issued by an insurance company or companies authorized to do business in Texas. In the event such insurance policy or policies are cancelled, the permit shall be suspended on such date of cancellation and the operator's right to operate under such permit shall immediately cease until the operator files additional insurance as provided herein.

(1) *General requirements applicable to all policies*.

a. The City, its officials, employees, agents and officers shall be endorsed as an "additional insured" to all policies except employer's liability coverage under the operator's workers compensation policy.

b. All policies shall be written on an occurrence basis except for environmental pollution liability (seepage and pollution coverage) and excess or umbrella liability, which may be on a claims-made basis.

c. All policies shall be written by an insurer with an A-: VIII or better rating by the most current version of the A.M. Best Key Rating Guide or with such other financially sound insurance carriers acceptable to the City.

d. Deductibles shall be listed on the certificate of insurance and shall be on a "per occurrence" basis unless otherwise stipulated herein.

e. Certificates of insurance shall be delivered to the City Secretary, City of Richwood, 25 Oak Drive, Richwood, Texas 77566, evidencing all the required coverage's, including endorsements, prior to the issuance of a permit.

f. All policies shall be endorsed with a waiver of subrogation providing rights of recovery in favor of the City.

g. Any failure on part of the City to request required insurance documentation shall not constitute a waiver of the insurance requirement specified herein.

h. Each policy shall be endorsed to provide the City a minimum thirty (30) day notice of cancellation, non-renewal, and/or material change in policy terms or coverage. A ten (10) day notice shall be acceptable in the event of non-payment of premium.

i. During the term of the permit, the operator shall report in no more than ten (10) days to the City any known loss occurrence which could give rise to a liability claim or lawsuit or which could result in a property loss.

j. Upon request, certified copies of all insurance policies shall be furnished to the City.

(2) *Standard commercial general liability policy*. This coverage must include premises, operations, blowout or explosion, products, completed operation, sudden and accidental pollution, blanket contractual liability, underground resources damage, broad form property damage, independent contractors' protective liability and personal injury. This coverage shall be a minimum combined single limit of One Million Dollars ($1,000,000.00) per occurrence location for bodily injury and property damage.

(3) *Excess or umbrella liability*. Five Million Dollars ($5,000,000.00) excess, if the operator has a stand-alone environmental pollution liability (EPL) policy. Ten million dollars ($10,000,000.00) excess, if the operator does not have a stand-alone EPL policy. Coverage must include an endorsement for sudden or accidental pollution. If seepage and pollution coverage is written on a "claims made" basis, the operator must maintain continuous coverage and purchase extended coverage period insurance when necessary.

(4) *Environmental pollution liability coverage*. Operator shall purchase and maintain in force for the duration of the permit, insurance for environmental pollution liability applicable to bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed; cleanup costs; and defense, including costs and expenses incurred in the investigation, defense or settlement of claims; all in connection with any loss arising from the insured site. Coverage shall be maintained in an amount of at least One Million Dollars ($1,000,000.00) per loss, with an annual aggregate of at least Ten Million Dollars ($10,000,000.00.)

a. Coverage shall apply to sudden and accidental pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste material or other irritants, contaminants or pollutants.

b. The operator shall maintain continuous coverage and shall purchase extended coverage period insurance when necessary. The extended coverage period insurance must provide that any retroactive date applicable to coverage under the policy precedes the effective date of the issuance of the permit by the City.

(5) *Control of well*. The policy should cover the cost of controlling a well that is out of control, re-drilling or restoration expenses, seepage and pollution damage as first party recovery for the operator and related expenses, including, but not limited to, loss of equipment, experts and evacuation of residents. Five Million Dollars ($5,000,000.00) per occurrence/no aggregate, if available, otherwise an aggregate of

Ten Million Dollars ($10,000,000.00). Five Hundred Thousand Dollars ($500,000.00) sub-limit endorsement may be added for damage to property for which the operator has care, custody and control.

(6) *Workers compensation and employers liability insurance*. Workers compensation benefits shall be Texas statutory limits. Employers' liability shall be a minimum of Five Hundred Thousand Dollars ($500,000.00) per accident. Such coverage shall include a waiver of subrogation in favor of the City and provide coverage in accordance with applicable state and federal laws.

(7) *Automobile liability insurance*. Combined single limit of One Million Dollars ($1,000,000.00) per occurrence for bodily injury and property damage. Coverage must include all owned, hired and non-owned automobiles.

(8) *Certificates of insurance*. The company must be admitted or approved to do business in the State of Texas, unless the coverage is written by a Surplus Lines insurer. The insurance set forth by the insurance company must be underwritten on forms that have been approved by the Texas State Board of Insurance or ISO (Insurance Services Office), or an equivalent policy form acceptable to the City, with the exception of environmental pollution liability and control of well coverage. Sets forth all endorsements and insurance coverage according to requirements and instructions contained herein. Shall specifically set forth the notice of cancellation, termination, or change in coverage provisions to the City. All policies shall be endorsed to read "THIS POLICY WILL NOT BE CANCELLED OR NON-RENEWED WITHOUT THIRTY (30) DAYS ADVANCED WRITTEN NOTICE TO THE OWNER AND THE CITY EXCEPT WHEN THIS POLICY IS BEING CANCELLED FOR NONPAYMENT OF PREMIUM, IN WHICH CASE TEN (10) DAYS ADVANCE WRITTEN NOTICE IS REQUIRED." Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

(9) *Notice*. The individual designated to receive notice shall be a resident of Texas upon whom all orders and notices provided in this article may be served in person or by registered or certified mail. Every operator shall within ten (10) days notify the City in writing of any change in such agent or mailing address unless operations in the City are discontinued and abandonment is complete.

Section 13. On Site and Technical Regulations.

(a) *Abandoned wells*. All wells shall be abandoned in accordance with the rules of the Railroad Commission; however, all well casings shall be cut and removed to a depth of at least ten feet (10') below the surface unless the surface owner submits a written agreement otherwise. No structures shall be built over an abandoned well.

(b) *Blowout prevention*. In all cases, blowout prevention equipment shall be used on all wells being drilled, worked-over or in which tubing is being changed. Protection shall be provided to prevent blowout during oil and gas operations as required by and in conformance with the requirements of the Commission and the recommendations of the

American Petroleum Institute (API). The operator must equip all drilling wells with adequate blowout preventers, flow lines and valves commensurate with the working pressures involved as required by the Commission. The operator must conduct daily testing of the operation and pressure providing a copy to the City weekly.

(c) *Chemical and materials storage*. All chemicals and/or hazardous materials shall be stored in such a manner as to prevent, contain, and facilitate rapid remediation and cleanup of any accidental spill, leak, or discharge of a hazardous material. Operator shall have all material safety data sheets (MSDSs) for all hazardous materials on site. All applicable federal and state regulatory requirements for the proper labeling of containers shall be followed. Appropriate pollution prevention actions shall be required and include, but are not limited to, chemical and materials raised from the ground (e.g., wooden pallets), bulk storage, installation and maintenance of secondary containment systems, and protection from stormwater and weather elements.

(d) *Compliance*. Operator shall comply at all times with all applicable federal, state and City requirements.

(e) *Discharge*. No person shall place, deposit, discharge, or cause or permit to be placed, deposited or discharged, any oil, naphtha, petroleum, asphalt, tar, hydrocarbon substances or any refuse including wastewater or brine from any oil and gas operation or the contents of any container used in connection with any oil and gas operation in, into, or upon any public right-of-way, alleys, streets, lots, storm drain, ditch or sewer, sanitary drain or any body of water or any private or public property in the City.

(f) *Drilling fluids*. Low toxicity glycols, synthetic hydrocarbons, polymers, and esters shall be substituted for conventional oil-based drilling fluids.

(g) *Drill stem testing*. All open hole formation or drill stem testing shall be done during daylight hours. Drill stem tests may be conducted only if the well effluent during the test is produced through an adequate gas separator to storage tanks and the effluent remaining in the drill pipe at the time the tool is closed is flushed to the surface by circulating drilling fluid down the annulus and up the drill pipe.

(h) *Drip pans and other containment devices*. Drip pans and other containment devices shall be placed or installed underneath all tanks, containers, pumps, lubricating oil systems, engines, fuel and chemical storage tanks, system valves, connections, and any other areas or structures that could potentially leak, discharge, or spill hazardous liquids, semi-liquids, or solid waste materials.

(i) *Dust, vibration, odors*. All drilling and production operations shall be conducted in such a manner as to minimize, so far as practicable, dust, vibration, or noxious odors, and shall be in accordance with the best accepted practices incident to drilling for the production of oil and gas and other hydrocarbon substances. Best accepted practices for ensuring dust suppression shall include designating an operator representative responsible for ensuring that dust is controlled on site, ensuring that a clean water source is available at the site for dust mitigation purposes, and applying fresh water to roads and around the well site to reduce dust. Brine water, sulphur water, or water in mixture with any type of hydrocarbon may not be used for dust suppression. A mud shaker for truck traffic shall be installed with the construction of any access road. All equipment used shall be so constructed and operated so that, vibrations, dust, odor or other harmful or annoying substances or in anyway creating a nuisance, the effect will be minimized by the operations carried on at any drilling or production site or from anything incident thereto, to the injury or nuisance ~~annoyance~~ of persons living in the vicinity; nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe. Proven technological improvements in industry standards of drilling and production in this area may be adopted as they become available if capable of reducing factors of dust, vibration and odor.

(j) *Electric lines*. All electric lines to production facilities shall be located in a manner compatible to those already installed in the surrounding area or subdivision.

(k) *Electric motors*. Only electric prime movers or motors shall be permitted for the purpose of pumping wells. No electric power shall be generated on location. All electrical installations and equipment shall conform to the City's ordinances and the appropriate national codes.

(l) *Emergency response plan*. Prior to the commencement of any oil and gas or other hydrocarbons production activities, operator shall submit to the City and Fire Marshal an emergency response plan establishing written procedures to minimize any hazard resulting from drilling, completion or producing of oil and gas wells. Said plan shall use existing guidelines established by the Commission, TCEQ, Texas Department of Transportation and/or the USEPA. The emergency response plan shall be kept current with any additions, modifications, and/or amendments concerning all construction-related activities, operations and production. Updated plans shall be submitted to the City and Fire Marshal within two (2) business days. A copy of the emergency response plan shall be kept on site.

(m) *Explosive charges*. Under no circumstances shall explosives of any type be used during any phase of drilling, re-drilling, deepening, re-entering, activating, converting, or completing an oil and gas well without the prior consent of the City Council. The operator shall provide notice to the City and Fire Marshal at least ten (10) days prior to such activities. The notice shall identify the date that the explosive charges will be used, the date and means of transporting the explosive charges, and the transportation route to and from the drill and/or operation site that will be used for the delivery of the explosive charges.

(n) *Fire prevention; sources of ignition*. Firefighting apparatus and supplies as approved by the Fire Marshal and required by any applicable federal, state, or local law shall be provided by the operator, at the operator's cost, and shall be maintained on the drilling site at all times during drilling and production operations. The operator shall be responsible for the maintenance and upkeep of such equipment. Each well shall be equipped with an automated valve that closes the well in the event of an abnormal change in operating pressure. All well heads shall contain an emergency shut off valve to the well distribution line.

(o) *Gas emission or burning restricted*. No person shall allow, cause or permit gases to be vented into the atmosphere or to be burned by open flame except as provided by law or as permitted by the Commission. If the venting of gases into the atmosphere or the burning of gases by open flame is authorized as provided by law or as permitted by the Commission, then such vent or open flame shall not be located closer than five hundred feet (500') from any building not used in operations on the drilling site and such vent or open flame shall be screened in such a way as to minimize detrimental effects to adjacent property owners.

(p) *Grass, weeds, trash*. All drill and operation sites shall be kept clear of high grass, weeds, and trash, combustible or otherwise.

(q) *Lights*. No person shall permit any lights located on any drill or operation site to be directed in such a manner so that they shine directly on public roads, adjacent property or property in the general vicinity of the operation site. To the extent practicable, and taking into account safety considerations, site lighting shall be directed downward and shielded so as to both prevent direct illumination of and minimize glare on public roads and adjacent dwellings and buildings within six hundred feet (600').

(r) *Muffling exhaust*. Exhaust from any internal combustion engine, stationary or mounted on wheels, used in connection with the drilling of any well or for use on any production equipment shall not be discharged into the open air unless it is equipped with an exhaust muffler, or mufflers or an exhaust muffler box constructed of noncombustible materials sufficient to suppress noise and prevent the escape of obnoxious gases, fumes or ignited carbon or soot.

(s) *Organic solvents*. Organic solvents, such as trichloroethylene and carbon tetrachloride, shall not be used for cleaning any element, structure, or component of the drilling rig, platform, and/or associated equipment, tools, or pipes. To the maximum extent practicable, high flash point Varsol shall be used.

(t) *Pipe dope*. Lead-free, biodegradable pipe dope shall be substituted for API specified pipe dope.

(u) *Pits*. All reserve pits, completion/workover pits, drilling fluid disposal pits, fresh makeup water pits, gas plant evaporation/retention pits, mud circulation pits, or water condensate pits shall be lined with plastic or stored above ground in tanks. The water surface elevation of the pit may not exceed twelve inches (12") above the existing ground elevation prior to any on-site construction of the pit. One (1) foot of freeboard is required between the surface elevation and on top of berm. Such pits and contents shall be removed from the premises and the drilling site within forty (40) days after completion of the well, unless otherwise authorized by the City. No washout pits shall be located within the City, unless all fluid, sludge, solid waste materials, drilling fluids, waste oil, spent completion fluids, all other liquids, semi-liquids, mud, including hazardous waste inseparable by simple mechanical removal processes, and is made up primarily of natural material is immediately captured within a fully enclosed, above ground containment tank.

(v) *Private roads and drill sites*. Prior to the commencement of any drilling operations, all private roads used for access to the drill site and the operation site itself shall be at least twenty feet (20') wide, have an overhead clearance of fourteen feet (14') and shall be an all-weather hard surface and maintained to prevent dust, mud and rutting. In particular cases these requirements governing surfacing of private roads may be altered at the discretion of the City after consideration of all circumstances including, but not limited to, the following: distances from public streets and highways; distances from adjoining and nearby property owners whose surface rights are not leased by the operation; the purpose for which the property of such owners is or may be used; topographical features; nature of the soil; and exposure to wind.

(w) *Signs*.

(1) A sign shall be immediately and prominently displayed at the gate on the temporary and permanent site fencing erected pursuant to this article. Such sign shall be durable material, maintained in good condition and, unless otherwise required by the Commission, shall have a surface area of not less than sixteen (16) square feet with contrasting lettering not less than four inches (4) tall and shall be lettered with the following:

a. Well name and number;

b. Name of operator;

c. The emergency 911 number; and

d. 24 Hour Telephone numbers of two (2) persons responsible for the well who may be contacted in case of emergency.

(2) Permanent weatherproof signs reading "DANGER NO SMOKING ALLOWED" in both English and Spanish shall be posted immediately upon completion of the well site fencing at the entrance of each well site and tank battery or in any other location approved or designated by the Fire Marshal. Sign lettering shall be four inches (4") in height and shall be red on a white background or white on a red background. Each sign shall include the emergency 9-1-1 number and the operator, well and lease designations required by the Commission.

(x) *Storage of equipment*. On-site storage is prohibited on the operation site. No equipment shall be stored on the drilling or production operation site, unless it is necessary to the everyday operation of the well. Lumber, pipes, tubing and casing shall not be left on the operation site except when drilling or well servicing operations are being conducted on the site. No vehicle or item of machinery shall be parked or stored on any street, right-of-way or in any driveway, alley or upon any operation site which constitutes a fire hazard or an obstruction to or interference with fighting or controlling fires except that equipment which is necessary for drilling or production operations on the site. The Fire Marshal shall be the entity that determines whether equipment on the site shall constitute a fire hazard. No refinery, processing, treating, dehydrating or absorption plant of any kind shall be constructed, established or maintained on the premises. This shall not be deemed to exclude a conventional gas separator or dehydrator.

(y) *Storage tanks*. All tanks and permanent structures shall conform to the API specifications unless other or additional specifications are approved by the Fire Marshal. All storage tanks shall be equipped with a secondary containment system including lining with an impervious material. The secondary containment system shall be a minimum of three feet (3') in height and one and one-half (1 1/2) times the contents of the largest tank in accordance with the Fire Code, and buried at least one foot (1') below the surface. Drip pots shall be provided at the pump out connection to contain the liquids from the storage tank. All tanks shall be set back pursuant to the standards of the Commission and the National Fire Protection Association. Each storage tank shall be equipped with a level control device that will automatically activate a valve to close the well in the event of excess liquid accumulation in the tank. No meters, storage tanks, separation facilities, or other aboveground facilities, other than the well head and flow lines, shall be placed in a floodway identified by FEMA on the most current FIRM. Meters, storage tanks, separation facilities, or other above ground facilities proposed in the floodplain shall be outside of the floodway and shall comply with the requirements for development in the City Design Criteria and Construction Standards Manual.

(z) *Tank battery facilities*. Tank battery facilities shall be equipped with a remote foam line and a lightning arrestor system.

(aa) *Surface casing*. Surface casing shall be run and set in full compliance with the applicable rules and regulations of the Commission.

(bb) *Valves*. Each well must have a shutoff valve to terminate the well's production. The Fire Department shall have access to the well site to enable it to close the shut-off the valve in an emergency.

(cc) *Waste disposal*. Unless otherwise directed by the Commission, all tanks used for storage shall conform to the following: Operator must use portable closed steel storage tanks for storing liquid hydrocarbons. Tanks must meet the API standards. All tanks must have a vent line, flame arrester and pressure relief valve. All tanks must be enclosed by a fence applicable to the issued permit classification. Drilling mud, cuttings, liquid hydrocarbons and all other field waste derived or resulting form or connected with the drilling, re-working or deepening of any well shall be discharged into an above-ground self-contained tank, or, if authorized by the City Council, a lined pit. All disposals must be in accordance with the rules of the Commission and any other appropriate local, state or federal agency. Unless otherwise directed by the Commission and approved by the City, waste materials shall be removed from the site and transported to an off-site disposal facility not less often than every thirty (30) days. Water stored in on-site tanks shall be removed as necessary. All waste shall be disposed of in such a manner as to comply with the air and water pollution control regulations of the state, this article and any other applicable ordinance of the City.

(dd) *Watchperson*. The operator must keep a watchman or security personnel on site during the drilling or re-working of a well when other workmen are not on the premises.

(ee) *Installation of pipelines on, under or across public property*. The operator shall notify the

City in accordance with Ch. 95 of the code of ordinances and apply to the City for a right-of-way use agreement in order to operate on, over, under, along or across the City streets, sidewalks, alleys and other City property for the purpose of constructing, laying, maintaining, operating, repairing, replacing and removing pipelines. Operator shall:

(1) Not interfere with or damage existing water, sewer or gas lines or the facilities of public utilities located on, under or across the course of such rights-of way.

(2) Furnish to the City a site plan showing the location of such pipelines.

(3) Construct such lines out of pipe in accordance with the City Codes and regulations, including, but not limited to, the Design Criteria and Construction Standards Manual.

(4) Grade, level and restore such property to the same surface condition, as nearly as practicable, as existed prior to the laying of the pipeline.

(ff) *Public streets.* No permit shall be issued for any well to be drilled within any of the streets or alleys of the City and/or projected streets or alleys shown by the current Comprehensive Plan of the City, and no street or alley shall be blocked or encumbered or closed due to any exploration, drilling or production operations unless prior consent is obtained from city council. Any consent from city council shall be temporary in nature and state the number of hours and/or days that any street or alley may be blocked, encumbered or closed.

Commented [JC3]: We should confirm our Comprehensive Plan is up to date

(gg) *Vehicle routes for oil and gas well permits*. Vehicles associated with drilling and/or production in excess of one (1) ton shall be subject to the limitations set forth in Section 20-202~~98-84~~ of this Code.

Commented [JC4]: This is LJ's code

(hh) *Work hours for oil and gas well permits*. Site development, other than drilling shall be conducted only between 7:00 a.m. and 7:00 p.m. Monday through Saturday. Truck deliveries of equipment and materials associated with drilling and/or production, well servicing, site preparation and other related work conducted on the well site shall be limited to between the above same work hour restrictions except in cases of fires, blowouts, explosions, and any other emergencies or where the delivery of equipment is necessary to prevent the cessation of drilling or production. The operator may request an exception from the City Council pursuant to section 18 of this article.

(ii) *Tank specifications for oil and gas well permit*. All tanks and permanent structures shall conform to the API specifications unless other specifications are approved by the Fire Marshal. The top of the tanks shall be no higher than twelve feet (12') above the terrain surrounding the tanks.

(jj) *Landfarming*. Landfarming shall be prohibited within the City. Except where the temporary containment of drilling mud into appropriate pits is specifically authorized pursuant to this Article, it shall be an offense to landfarm within the City or for any land owner to allow landfarming on any property within the City.

(kk) *Raw soil.* The raw soil in disturbed areas or embankments around each drill site, operation site, line compressor facility, fracturing pit or open reserve pit, where permitted, shall be seeded or covered with grass to be maintained in a healthy and live-growing condition.

(*ll*) *Cleaning of area.* Within sixty (60) days of well completion or reworking a well, the area around the well shall be cleaned and cleared of all material and equipment; holes and excavations shall be filled; and the land shall be graded and returned to its original condition including replanting of vegetation to match the surrounding area.

Section 14. Compressors.

(a) Lift compressors.

(1) Lift compressors shall meet the noise standards in section 16.

(2) A lift compressor installed on a site for less than six (6) consecutive months shall be classified as a temporary lift compressor and may employ sound blankets or barriers to meet the noise standards.

(3) A lift compressor installed on a site for more than six (6) months shall be classified as a permanent lift compressor. If located within six hundred (600) feet of a playground, competition athletic field, picnic area, residence, religious institution, public building, hospital building or schools, or any other building used or designed and intended to be used for human occupancy or a preliminary or final platted residential subdivision, a permanent lift compressor shall be enclosed in an acoustical structure constructed of metal, masonry or other materials as approved by the City. The structure must completely screen the equipment from view, be painted in a non-contrasting neutral earth tone color to match the nearby surroundings as nearly as possible, and meet all applicable building and fire codes.

(4) If permanent screening has not been installed around a site, all compressors, associated equipment and buildings shall be enclosed within a landscaped enclosure in accordance with section 15 of this article immediately upon installation of the compressor and associated equipment.

(5) Secondary containment shall be required around all lift compressors. All secondary containment shall meet the same screening requirements for storage tank facilities in section 15 of this chapter.

(6) All facilities shall be inspected by the Fire Marshal for compliance with the Fire Code and the Gas Well Inspector prior to operation of the compressor.

(b) Line compressors.

(1) Line compressors shall be required to meet all the noise standards in section 16.

(2) All line compressors and associated equipment exceeding ten (10) feet in height shall be fully enclosed within a building or structure that complies with the architectural and community design standards of the zoning district in which the facility is located and designed in context with surrounding land uses.

(3) A bufferyard with a minimum width of Three Hundred (300) feet shall be established and maintained around all line compressors, buildings or structures housing line compressors, and associated equipment. A drill site or operation site shall be permitted within the bufferyard when such site abuts a compressor facility.

(4) All facilities shall be inspected by the Fire Marshal for compliance with the Fire Code and the Gas Well Inspector prior to operation of the compressor.

(5) Line compressors and associated equipment shall be landscaped and screened in the same manner as prescribed for a drill site according to section 15.

Section 15. Screening

(a) Throughout the entire exploration, drilling, and production process there shall be screening improvements (fences, walls, berms and landscaping) required during each phase of the process.

(1) *Exploration through completion (drilling phase)* - A temporary chain link fence with all-weather screening fabric at least six feet (6') in height shall be established around the entire operation site to obscure view of the oil and gas drilling activities. A secured entrance gate shall be required. All gates are to be kept locked when the operator or his or her employees are not within the enclosure. The site must have a key override switch and a radio operated controller to allow emergency vehicles access to the well site, which shall be used only in case of an emergency.

(2) *Completion through abandonment (production phase)* – Prior to commencing the completion phase, the Operator shall prepare a site plan detailing the screening proposed at the site. The site plan shall be submitted to the City in accordance with the provisions of section 19-66 ~~90-34~~ et seq. of this Code and the proposed screening shall conform to the following minimum requirements:

a. A masonry wall with landscaping shall be required to enclose and visually screen the well and all associated equipment. The masonry wall material and design shall be generally compatible with the design of similar facilities, buildings and structures on and/or adjacent to the site.

b. Masonry walls shall be at least eight feet (8') in height.

Commented [JC5]: This is LJ's code

c. Masonry walls shall be placed upon earthen berms in order to prevent viewing of the well and associated equipment from a public street, existing residences and residentially zoned undeveloped property contiguous to the well site where practicable as determined by the City. However, berms shall not be required unless needed to augment the height of an eight (8') foot masonry wall in order to screen the viewing of the well or any associated equipment from the above items.

d. All landscape improvements shall be maintained in an attractive and healthy state by the applicant and/or operator as to ensure the effective visual screening of the site throughout its use for oil and gas production and associated activities.

e. Screening shrubs and trees shall be evergreen species and shall be installed in conjunction with the required masonry walls and or berms in order to supplement both the visual screening and noise mitigation of the well site and associated equipment. Screening shrubs shall be a minimum of five feet (5') in height at planting, having the potential to grow to a mature height of at least eight feet (8'), be planted on four foot (4') centers and must have an irrigation system that provides total water coverage to all plant materials. Screening trees shall be planted on twenty foot (20') centers. Trees must be a minimum of three inch (3") caliper at time of planting and be irrigated as above. Plans for landscape and irrigation shall be submitted to the City for approval.

(b) Gate specifications. All temporary fences and masonry walls shall be equipped with at least one (1) gate. The gate shall meet the following specifications:

(1) Each gate shall be not less than twelve feet (12') wide and be composed of two (2) gates, each of which is not less than six feet (6') wide, or one (1) sliding gate not less than twelve feet (12') wide. If two (2) gates are used, gates shall latch and lock in the center of the span;

(2) The gates shall be of chain link construction, with all-weather screening fabric, that meets the applicable specifications, or of other approved material that, for safety reasons, shall be at least as secure as a chain link fence;

(3) The gates shall be provided with a combination catch and locking attachment device for a padlock, and shall be kept locked except when being used for access to the site; and

(4) Operator must provide emergency vehicle access by using a key override switch and a radio operated controller to access the well site, which shall be used only in case of an emergency.

(c) *Cameras*. After permanent screening is in place, a minimum of one (1) security camera shall be mounted inside the enclosure. Signs shall be posted on the fence or wall of the site to indicate that activity on the site may be recorded. The operator shall maintain the video data for at least seventy-two (72) hours. Upon request by the City Manager, his designee, or law enforcement official, provide the City with access to the video. The camera system shall be designed to meet the following requirements:

(1) Capture clear video images of all traffic entering and exiting the gate;
(2) Capture clear video images of all production equipment located on the site;
(3) Be able to pan to any motion detected on site;
(4) Show the date and time of all activity on the video footage; and
(5) Be capable of being viewed on site.

Section 16. Noise.

(a) Prior to the issuance of a permit, the operator shall request a sound level measurement from the City. The City shall hire a technical advisor under section 19 to take ambient noise readings taken over a seventy-two (72) hour period, including at least one twenty-four (24) hour reading during a Saturday or Sunday. During the seventy-two (72) hour period, readings shall be taken from the hours of 7:00 a.m. to 7:00 p.m. to establish the pre-drilling or pre-installation ambient noise level for daytime operations and from the hours of 7:00 p.m. to 7:00 a.m. to establish the pre-drilling or pre-installation ambient noise level for any nighttime operations.

(b) The exterior noise level generated by any operations (including, but not limited to, drilling, re-drilling, production, hydraulic fracturing, and flowback) or any compressor facility shall not exceed the pre-drilling or pre-installation ambient noise level by more than five (5) decibels for daytime operations and shall not exceed the pre-drilling or pre-installation ambient noise level by more than three (3) decibels for nighttime operations at Three Hundred (300) feet or at the nearest residence, religious institution, public building, school, retail or commercial building, city park, state water or hospital building whichever is closest to the source.

(c) An operator shall not drill or re-drill a well or operate any equipment in such a manner so as to create pure tones where one-third octave band sound-pressure level in the band with the tone exceeds the arithmetic average of the sound-pressure levels of two (2) contiguous one-third octave bands by five (5) dB for center frequencies of 500 Hertz and above, and by eight (8) dB for center frequencies between 160 and 400 Hertz, and by fifteen (15) dB for center frequencies less than or equal to 125 Hertz.

(d) Prior to the issuance of a gas well permit and the commencement of operations, the operator shall submit a noise management plan, approved by the city, detailing how the equipment used in the drilling, completion, transportation, or production of a well complies with the maximum permissible noise levels of this section. The operator shall be responsible for verifying compliance with this section and the noise management plan after the installation of any noise generating equipment.

(e) A citation may be issued immediately for failure to comply with the provisions of this section. However, if the operator is in compliance with the approved noise management plan, and a violation still occurs, the operator will be given twenty-four (24) hours from notice of non-compliance to correct the violation from an identified source before a citation is issued. Additional extensions of the 24-hour period may be granted in the event that the source of the violation cannot be identified after reasonable diligence by the operator.

(f) Exhaust from any internal combustion engine or compressor, stationary or mounted on wheels, used in connection with the drilling of any well or for use on any production equipment shall not be discharged into the open unless equipped with a hospital grade exhaust muffler or mufflers.

(1) Air, gas, or pneumatic drilling is not allowed.

Section 17. Cleanup and Maintenance

(a) *Cleanup after well servicing*. After the well has been completed or plugged and abandoned, the operator shall clean the drill site or operation site, complete restoration activities and repair all damage to public property caused by such operations within sixty (60) days.

(b) *Clean-up after spills, leaks and malfunctions*. After any spill, leak or malfunction, the operator shall remove or cause to be removed to the satisfaction of the Fire Marshal and the City all waste materials from any public or private property affected by such spill, leak or malfunction. Clean-up operations must begin immediately. If the owner fails to begin site clean-up within twenty-four (24) hours, the City shall have the right to contact the Commission in order to facilitate the removal of all waste materials from the property affected by such spill, leak or malfunction.

(c) *Painting*. All production equipment shall be painted and maintained at all times, including wellheads, pumping units, tanks, and buildings or structures. When requiring painting of such facilities, the City shall consider the deterioration of the quality of the material of which such facility or structure is constructed, the degree of rust, and its appearance. Paint shall be of a neutral color, compatible with surrounding uses. Neutral colors shall include sand, gray and unobtrusive shades of green, blue and brown, or other neutral colors approved by the city manager.

(d) *Blowouts*. In the event of the loss of control of any well, operator shall immediately take all reasonable steps to regain control regardless of any other provision of this article and shall notify the City Manager and Fire Marshal as soon as practicable. If the City Manager, in his opinion, believes that danger to persons and property exists because of such loss of well control and that the operator is not taking or is unable to take all reasonable and necessary steps to regain control of such well, the City may then employ any well control expert or experts or other contractors or suppliers of special services, or may incur any other expenses for labor and material which the City deems necessary to regain control of such well. The City shall then have a valid lien against the interest in the well of all working interest owners to secure payment of any expenditure made by the City pursuant to City action taken to gain control of said well.

(e) *Right-of-way.* The operator shall immediately notify the City of any accumulations of dirt, dust, mud, or other debris deposited on public rights-of-way by vehicles involved in the well drilling or pipeline installation. If the City elects to clean the rights-of-way, the cost of the removal shall be paid by the operator.

Section 18. Plugged and Abandoned Wells.

(a) *Surface requirements for plugged and abandoned well*. Whenever abandonment occurs pursuant to the requirements of the Commission, the operator so abandoning shall be responsible for the restoration of the well site to its original condition as nearly as practicable, in conformity with the regulations of this article.

(b) Abandonment shall be approved by the City after restoration of the drill and/or operation site has been accomplished in conformity with the following requirements at the discretion of the City:

(1) The derrick and all appurtenant equipment thereto shall be removed from the site;

(2) All tanks, towers, and other surface installations shall be removed from the site;

(3) All concrete foundations, piping, wood, guy anchors and other foreign materials regardless of depth, except surface casing, shall be removed from the site, unless otherwise directed by the Commission;

(4) If any soil was contaminated, it shall be removed from the site in accordance with City, State and Federal regulations.

(5) All holes and depressions shall be filled with clean, compactable soil;

(6) All waste, refuse or waste material shall be removed from the site; and

(7) During abandonment, operator shall comply with all applicable sections in this article.

(c) *Abandoned well requirement*. The operator shall furnish the following to the City:

(1) A copy of the approval of the Commission confirming compliance with all abandonment proceedings under the state law; and

(2) A notice of intention to abandon under the provisions of this section and stating the date such work will be commenced. Abandonment may then be commenced on or subsequent to the dates so stated.

(d) *Abandonment requirements prior to new construction*. All abandoned or deserted wells or drill sites shall meet the most current abandonment requirements of the Commission prior to the issuance of any building permit for development of the property. No structure shall be built over an abandoned well.

(e) The Operator can only abandon a well if the City has reviewed and approved the abandonment.

Section 19. Technical Advisor

The City may from time to time employ a technical advisor or advisors who are experienced and educated in the oil and gas industry or the law as it pertains to oil and gas matters. The function of such advisor(s) shall be to advise, counsel or represent the City on such matters relating to oil and gas operations within the City as the City may want or require and the effect thereof, both present and future, on the health, welfare, comfort and safety of the citizens of the City. In the event such technical advisor(s) is (are) employed for the purpose of advising, counseling or representing the City relative to an operator's unique and particular set of circumstances, case or request relating to this article, then the cost for such services of such technical advisor(s) shall be assessed against and paid for by such operator in addition to any fees or charges assessed pursuant to this article. Prior to the employment of a technical advisor, the City shall inform the operator of the intended scope of work and the estimated costs and expenses. The employment of a technical advisor shall be approved by the City Council.

Section 20. Appeals

(a) In accordance with sections 8, 9 and 10 of this article, the City Council shall have and exercise the power to hear and determine appeals where it is alleged there is error or abuse of discretion regarding the issuance of an oil and gas well permit or the revocation or suspension of any oil and gas well permit issued hereunder. Any person or entity whose application is denied, suspended or revoked may, within thirty (30) days of the date of the written decision of the City, file an appeal to the City Council in accordance with the following procedure:

    (1) An appeal shall be in writing and shall be filed with the City Secretary. The grounds for appeal must be set forth specifically and the error described by the appellant.

    (2) Within forty-five (45) days of receipt of the records the City Secretary shall transmit all papers involved in the proceeding, place the matter on the City Council agenda for hearing and give notice by mail of the time, place and purpose thereof to appellant and any other party who has requested in writing to be so notified.

    (3) Written notice of an appeal before the City Council shall be sent to owners of real property lying within three hundred (300) feet of the property on which the appeal is proposed, such notice to be given not less than ten (10) days before the date set for the appeal hearing to all such owners who have rendered their property for city taxes as the ownership appears on the last approved city tax roll.

(b) In accordance with sections 6, 13 and 18 of this article, the City Council shall have and exercise the power to hear and determine appeals for deviations from well setback, hours of operation, waste disposal, landscaping and screening requirements. An appeal under this subsection (b) may be filed by the applicant at any time.

(c) In order to grant the relief requested under subsection (a) or (b) a simple majority vote of the City Council is required; provided, however, that a finding of error or abuse of discretion is additionally required to grant relief under subsection (a) of this section.

(c) Appeal fees shall be required for every appeal in the amount of Five Hundred ($500) Dollars.

Section 21. Penalty

(a) It shall be unlawful and an offense for any person to do the following:

(1) Engage in any activity not permitted by the terms of an oil and gas well permit issued under this article.

(2) Fail to comply with any condition set forth in an oil and gas well permit issued under this article; or

(3) Violate any provision or requirement set forth under this article.

(b) Any violation of this article shall be punished by a fine as set out in section 1-6 ~~1-5~~ of the Code of Ordinances. Each day that a violation exists shall constitute a separate offense.

(c) The penalty provided herein shall be cumulative of other remedies provided by state law, including but not limited to, the recovery of civil penalties under Subchapter B, Chapter 54, of the Texas Local Government Code. The City may institute any appropriate action or proceeding in a court of competent jurisdiction to enjoin the violation of this article. The power of injunction may be exercised in enforcing this article whether or not there has been a criminal complaint filed.

Section 22: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 23. A violation of this ordinance shall be a Class C misdemeanor and the penalty for violating this ordinance shall be as provided for in Section 1-6 of the Code of Ordinances of the City of Richwood.

Section 24: If any part or portion of this ordinance shall be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair any remaining portions or provisions of this ordinance.

PASSED AND APPROVED on second reading this 13th day of March 2017.

____
Mark Guthrie, Mayor

ATTEST:

Karen B. Schrom
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: Michael Coon, City Manager

Date: March 9, 2017

Subject: Establish Performance Evaluation for City Manager

The City Manager's contract calls for an employee evaluation on a quarterly basis with the Mayor and on an annual basis with the City Council. Using the Core Values established by City Council, listed below are some ideas on different areas in which the city manager's performance may be evaluated.

- Act as a good steward of City Resources.
    - Maintain or improve the City's current bond rating.
    - Create a plan for and improve the financial condition of the Utility Fund
    - Maintain a clean report on the CAFR
    - Apply for and obtain the GFOA Distinguished Budget Award

- Lead the City by serving our community.
    - Attend city sponsored events
    - Participate in community organizations

- Foster economic growth for today and tomorrow.
    - Review & streamline the City's development process
    - Work with the EDC to create a strategic plan
    - Participate in Alliance meetings and actively engage their staff to help produce leads

- Maintain integrity through transparency.
    - Initiate a request tracking system for the residents
    - Encourage residents to get more involved in the budget process

- Promote a positive quality of life for our community.
    - Ensure the consistent and prompt code enforcement
    - Develop a long-term plan to replace and maintain the City's aging infrastructure

Included in the meeting packet you will also find a few examples of evaluations that can be used for ideas as well.

City Manager Performance Evaluation

City of ________________

Evaluation period: _______________ to _______________

____
Governing Body Member's Name

Each member of the governing body should complete this evaluation form, sign it in the space below, and return it to ____________________________________. The deadline for submitting this performance evaluation is __________________________. Evaluations will be summarized and included on the agenda for discussion at the work session on ____________________________.

____
Mayor's Signature

____
Date

____
Governing Body Member's Signature

____
Date Submitted

INSTRUCTIONS

This evaluation form contains ten categories of evaluation criteria. Each category contains a statement to describe a behavior standard in that category. For each statement, use the following scale to indicate your rating of the city manager's performance.

5 = Excellent (almost always exceeds the performance standard)
4 = Above average (generally exceeds the performance standard)
3 = Average (generally meets the performance standard)
2 = Below average (usually does not meet the performance standard)
1 = Poor (rarely meets the performance standard)

Any item left blank will be interpreted as a score of "3 = Average"

This evaluation form also contains a provision for entering narrative comments, including an opportunity to enter responses to specific questions and an opportunity to list any comments you believe appropriate and pertinent to the rating period. Please write legibly.

Leave all pages of this evaluation form attached. Initial each page. Sign and date the cover page. On the date space of the cover page, enter the date the evaluation form was submitted. All evaluations presented prior to the deadline identified on the cover page will be summarized into a performance evaluation to be presented by the governing body to the city manager as part of the agenda for the meeting indicated on the cover page.

PERFORMANCE CATEGORY SCORING

1. INDIVIDUAL CHARACTERISTICS

_____ Diligent and thorough in the discharge of duties, "self-starter"
_____ Exercises good judgment
_____ Displays enthusiasm, cooperation, and will to adapt
_____ Mental and physical stamina appropriate for the position
_____ Exhibits composure, appearance and attitude appropriate for executive position

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

2. PROFESSIONAL SKILLS AND STATUS

_____ Maintains knowledge of current developments affecting the practice of local government management

_____ Demonstrates a capacity for innovation and creativity

_____ Anticipates and analyzes problems to develop effective approaches for solving them

_____ Willing to try new ideas proposed by governing body members and/or staff

_____ Sets a professional example by handling affairs of the public office in a fair and impartial manner

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

3. RELATIONS WITH ELECTED MEMBERS OF THE GOVERNING BODY

_____ Carries out directives of the body as a whole as opposed to those of any one member or minority group

_____ Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions

_____ Disseminates complete and accurate information equally to all members in a timely manner

_____ Assists by facilitating decision making without usurping authority

_____ Responds well to requests, advice, and constructive criticism

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

4. POLICY EXECUTION

_____ Implements governing body actions in accordance with the intent of council

_____ Supports the actions of the governing body after a decision has been reached, both inside and outside the organization

_____ Understands, supports, and enforces local government's laws, policies, and ordinances

_____ Reviews ordinance and policy procedures periodically to suggest improvements to their effectiveness

_____ Offers workable alternatives to the governing body for changes in law or policy when an existing policy or ordinance is no longer practical

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

5. REPORTING

_____ Provides regular information and reports to the governing body concerning matters of importance to the local government, using the city charter as guide

_____ Responds in a timely manner to requests from the governing body for special reports

_____ Takes the initiative to provide information, advice, and recommendations to the governing body on matters that are non-routine and not administrative in nature

_____ Reports produced by the manager are accurate, comprehensive, concise and written to their intended audience

_____ Produces and handles reports in a way to convey the message that affairs of the organization are open to public scrutiny

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

6. CITIZEN RELATIONS

_____ Responsive to requests from citizens

_____ Demonstrates a dedication to service to the community and its citizens

_____ Maintains a nonpartisan approach in dealing with the news media

_____ Meets with and listens to members of the community to discuss their concerns and strives to understand their interests

_____ Gives an appropriate effort to maintain citizen satisfaction with city services

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

7. STAFFING

_____ Recruits and retains competent personnel for staff positions

_____ Applies an appropriate level of supervision to improve any areas of substandard performance

_____ Stays accurately informed and appropriately concerned about employee relations

_____ Professionally manages the compensation and benefits plan

_____ Promotes training and development opportunities for employees at all levels of the organization

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

8. SUPERVISION

_____ Encourages heads of departments to make decisions within their jurisdictions with minimal city manager involvement, yet maintains general control of operations by providing the right amount of communication to the staff

_____ Instills confidence and promotes initiative in subordinates through supportive rather than restrictive controls for their programs while still monitoring operations at the department level

_____ Develops and maintains a friendly and informal relationship with the staff and work force in general, yet maintains the professional dignity of the city manager's office

_____ Sustains or improves staff performance by evaluating the performance of staff members at least annually, setting goals and objectives for them, periodically assessing their progress, and providing appropriate feedback

_____ Encourages teamwork, innovation, and effective problem-solving among the staff members

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

9. FISCAL MANAGEMENT

_____ Prepares a balanced budget to provide services at a level directed by council

_____ Makes the best possible use of available funds, conscious of the need to operate the local government efficiently and effectively

_____ Prepares a budget and budgetary recommendations in an intelligent and accessible format

_____ Ensures actions and decisions reflect an appropriate level of responsibility for financial planning and accountability

_____ Appropriately monitors and manages fiscal activities of the organization

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

10. COMMUNITY

_____ Shares responsibility for addressing the difficult issues facing the city

_____ Avoids unnecessary controversy

_____ Cooperates with neighboring communities and the county

_____ Helps the council address future needs and develop adequate plans to address long term trends

_____ Cooperates with other regional, state and federal government agencies

Add the values from above and enter the subtotal _____ **÷ 5 =** _____ score for this category

NARRATIVE EVALUATION

What would you identify as the manager's strength(s), expressed in terms of the principle results achieved during the rating period? ____

____

____

____

____

____

____

____

What performance area(s) would you identify as most critical for improvement? _____________

____

____

____

____

____

____

____

What constructive suggestions or assistance can you offer the manager to enhance performance? ____

____

____

____

____

____

____

____

____

____

____

What other comments do you have for the manager; e.g., priorities, expectations, goals or objectives for the new rating period? ____

____

____

____

____

____

____

____

____

____

____

____

____

____

____

____

____

SECTION I: ASSISTING COUNCIL WITH ITS POLICY-MAKING ROLE

		Needs Improvement	Meets Expectations	Exceeds Expectations
A. Providing Information				
The City Manager provides information which is:				
	Detailed and reliable			
	Explained in a thorough manner and includes alternatives or recommendations			
	Timely			
	Helpful in preventing trivial administrative matters from being reviewed by the Council			
	Helpful and adequate to assist City Council in making sound decisions			
The City Manager:				
	Provides members of City Council with the opportunity to set long-term organizational goals and to establish the future direction of City policy			
	Keeps City Council informed, in a timely manner, of the things Council wants to know			
	Keeps City Council well informed with concise written and oral communications			
	Provides City Council members with information on an equal basis			
	Informs the City Council of administrative developments			
	Follows up in a timely manner on City Council requests for information or action			
B. Providing Advice				
The City Manager:				
	Has adequate knowledge of municipal affairs, including the City's laws and ordinances			
	Considers alternatives before making recommendations			
	Plans ahead, anticipates needs and recognizes potential problems			
	Has a good sense of timing in bringing issues to the Council for action			
Comments:				

SECTION II: INTERNAL ADMINISTRATION

		Needs Improvement	Meets Expectations	Exceeds Expectations
A. Implementation of Council Policies				
The City Manager is effective in the following areas:				
	Carrying out Council directives			
	Assigning work so that it is performed efficiently and effectively			
	Paying sufficient attention to detail to avoid error or things "slipping through the cracks"			
	Analyzing problems or issues and identify causes, reasons, and implications			
	Accurately interpreting the direction given by Council			
	Carrying out the directives of Council as a whole rather than those of any one Council member, but recognizes the concerns of the minority			
	Supporting the actions of the City Council after a decision is made			
	Assuming responsibility for staff performance			
	Providing members of City Council with periodic status reports on projects or tasks which may overlap months or years in implementation			
	Insuring that the management staff maintains normal service delivery operations as well as the flexibility to manage emergency situations			

B. Financial Management				
Are you satisfied with the City Manager's:				
	Approach to budget preparation and review			
	Use of standard financial management procedures to meet Council's policy guidelines			
	Implementation of Council's policy regarding the expenditure of budgeted funds			
	Cost control through economical use of labor, materials and equipment			
	Information on the financial status of City government			
	Use of available funds and his ability to operate the City efficiently and effectively			
	Knowledge of financial matters			
	Information pertaining to long or short-term financing for capital projects or equipment purchases			
	Information on opportunities for federal and state grant funding			

		Needs Improvement	Meets Expectations	Exceeds Expectations
C. Personnel Management				
The City Manager is:				
	Successful in guiding people as a team toward common objectives			
	Effective in selecting qualified and highly competent staff members			
	Effective in maintaining professional relationships with Department Directors			
	Effective in assuring that staff members make a positive impression on citizens			
The City Manager:				
	Insures that the City's personnel policies and practices are administered by City Department Directors and management staff in an equitable manner			
	Develops and motivates employees so that they are increasingly effective			
	Addresses disciplinary problems and takes action when warranted			
	Monitors performance of employees and initiates corrective action as needed			
Comments:				

SECTION III: EXTERNAL RELATIONS

		Needs Improvement	Meets Expectations	Exceeds Expectations
A. Citizen Relations				
The City Manager:				
	Makes a positive impression on citizens and is he respected in the City of Oviedo			
	Has appropriate visibility or identity in the community			
	Assists the Council in resolving problems at the administrative level to avoid unnecessary Council action			
	Is willing to meet with members of the community and discuss issues of concern			
	Is skillful with the news media, avoiding political positions and partisanship			
	Provides information to the public in a timely fashion on matters which will cause public reaction			
	Represents Council positions and policies accurately and effectively			
	Thinks and acts in a manner reflecting an attitude that client (Council, staff or citizens) perceptions and satisfactions are important			
	Responds completely and in a timely manner to citizen complaints			

B. Intergovernmental Relations				
The City Manager is:				
	Effective representing the City's interests in dealing with other agencies			
	Participative in enough intergovernmental activity to have an impact on behalf of the City			
	Cooperative with the county, state and federal governments			
Comments:				

SECTION IV: PERSONAL ACCOMPLISHMENTS

		Needs Improvement	Meets Expectations	Exceeds Expectations
A. Communications				
With regard to communications, the City Manager is:				
	Easy to talk to and a good listener			
	Thoughtful, clear and to the point			
	Sensitive to the concerns of others			
	Candid and forthright in discussing City business matters with members of City Council			

B. Management Style				
The City Manager				
	Demonstrates interest and enthusiasm in performing his duties			
	Commands respect and good performance from staff			
	Shows initiative and creativity in dealing with issues, problems and unusual situations			
	Is open to new ideas and suggestions for change			
	Works well under pressure			
	Consistently puts aside personal views and implements Council policy and direction			
	Displays the ability to resolve the numerous conflicts inherent in municipal government			
	Responds well to a changing world and local conditions; is adaptive			
	Is accessible to City Council members			
	Conforms to the high standards of the profession; follows the "ICMA Code of Ethics			
	Exhibits a commitment to continuing education in order to encourage his professional development			
	Is receptive to constructive criticism and advice			

		Needs Improvement	Meets Expectations	Exceeds Expectations
C. Job Effectiveness				
The City Manager:				
	Demonstrates interest and enthusiasm about the Council's Vision for the City			
	Gives his staff the tools necessary to provide efficient, responsive City services			
	Coordinates the implementation of City goals and objectives			
	Supports policies that will promote annexation and growth in the City of Oviedo			
	Creates a positive atmosphere for successful economic development in the City			
	Supports responsible infrastructure expansion and maintenance			
	Emphasizes the need for employee training and technological improvements			
Comments:				

SECTION V: NARRATIVE RESPONSES

ACHIEVEMENTS FROM THIS PAST YEAR:
• What were the Manager's most notable accomplishments during the past year?
• Which of the Manager's qualities were most instrumental in fulfilling the role of City Manager this past year?
PERFORMANCE OBJECTIVES FOR COMING YEAR:
• What does the Manager do that you would like him to continue?
• Is there anything that the Manager does that you would like him to do differently?
• In what areas should the Manager focus his attention in this coming year?
• Do you have any other general comments to share with the City Manager?

_______________________________ Rater's Signature

_______________________________ Date

Newberg City Manager Performance Evaluation:
SAMPLE ONLY - may not be current contract.

CITY OF NEWBERG

PERFORMANCE EVALUATION

CITY MANAGER

PURPOSE

The purpose of the employee performance evaluation and development report is to increase communication between the City Council and the City Manager concerning the performance of the City Manager in the accomplishment of his/her assigned duties and responsibilities, and the establishment of specific work-related goals and objectives.

PROCESS

The City Council shall conduct an annual review and evaluation of the City Manager's work performance. The results of such evaluation shall commend areas of good performance and point out areas for improvement. It shall also be the basis for contract extension and compensation decisions.

1. If the criteria, standards and policy directives change, a public process is to be followed as outlined in ORS 192.660(1) (i).

2. Evaluation forms are distributed to all Council members.

3. The City Manager prepares a memorandum to the Council including his/her self-evaluation in a narrative format.

4. Each Council member completes the form, signs, dates and returns to the Mayor.

5. The Mayor and Council President tabulate the results of the evaluation forms. The Mayor and the Council President summarize the results of the evaluation forms as submitted.

6. A composite evaluation form and the City Manager's self-evaluation is distributed to the Council prior to the executive session evaluation meeting.

7. The Council meets with the City Manager in executive session to review the evaluation, unless the City Manager requests an open hearing.

INSTRUCTIONS

Review the City Manager's work performance for the entire period; try to refrain from basing judgment on recent events or isolated incidents only. Disregard your general impression of the city manager and concentrate on one factor at a time.

Evaluate the city manager on the basis of standards you expect to be met for the job to which assigned considering the length of time in the job. Check the number which most accurately reflects the level of performance for the factor appraised using the rating scale described below. If you did not have an opportunity to observe a factor during this evaluation period, please indicate so in the "N/O" column next to the factor.

CITY MANAGER
PERFORMANCE EVALUATION

DATE: ________________

RATING SCALE DEFINITIONS (1-5)

Unsatisfactory	(1)	The employee's work performance is inadequate and definitely inferior to the standards of performance required for the job. Performance at this level can not be allowed to continue.
Improvement Needed	(2)	The employee's work performance does not consistently meet the standards of the position. Serious effort is needed to improve performance.
Meets Job Standards	(3)	The employee's work performance consistently meets the standards of the position.
Exceeds Job Standards	(4)	The employee's work performance is frequently or consistently above the level of a satisfactory employee, but has not achieved an overall level of outstanding performance.
Outstanding	(5)	The employee's work performance is consistently excellent when compared to the standards of the job.
N/O		No Opinion.

I. PERFORMANCE EVALUATION AND ACHIEVEMENTS

1. City Council Relationships

A. Effectively implements policies and programs approved by the City Council.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Reporting to the City Council is timely, clear, concise and thorough.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
C. Accepts direction/instructions in a positive manner	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
D. Effectively aids the City Council in establishing long range goals.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
E. Keeps the City Council informed of current plans and activities of administration and new developments in technology, legislation, governmental practices and regulations, etc.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
F. Provides the City Council with clear reports of anticipated issues that could come before the City Council.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Comments:

2. Public Relations

A. Projects a positive public image.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Is courteous to the public at all times.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
C. Maintains effective relations with media representatives.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Comments:

3. Effective Leadership of Staff

A. Delegates appropriate responsibilities.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Comments:

4. Fiscal Management

A. Prepares realistic annual budget.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Controls expenditures in accordance with approved budget.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
C. Keeps City Council informed about revenues and expenditures, actual and projected.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
D. Ensures that the budget addresses the City	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Council's goals and objectives, including readability.

Comments:

____

____

____

____

5. Communication

A. Oral communication is clear, concise and articulate.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Written communications are clear, concise and accurate.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Comments:

____

____

____

____

6. Personal Traits

A. Initiative.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Judgment.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
C. Fairness and Impartiality.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
D. Creativity.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

Comments:

____

____

____

____

7. Intergovernmental Affairs

A. Maintains effective communication with local, regional, state and federal government agencies.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____
B. Pursues financial resources (grants) from other agencies.	**1**____	**2**____	**3**____	**4**____	**5**____	**N/O**____

C. Contributes to good government through regular participation in local, regional and state committees and organizations. **1____ 2____ 3____ 4____ 5____ N/O____**

D. Lobbies effectively with legislators and state agencies regarding City programs and projects. **1____ 2____ 3____ 4____ 5____ N/O____**

Comments:

____

____

____

____

II. ACHIEVEMENTS RELATIVE TO OBJECTIVES FOR THIS EVALUATION PERIOD:

____

____

____

____

____

____

III. SUMMARY RATING

Overall Performance Rating - Considering the results obtained against established performance standards as well as overall job performance, the following rating is provided:

Unsatisfactory ___	Improvement ___ Needed	Meets Job ___ Standards	Exceeds Job ___ Standards	Outstanding ___

Comments:

____

____

____

____

____

____

IV. FUTURE GOALS AND OBJECTIVES

Specific goals and objectives to be achieved in the next evaluation period:

____

____

____

____

____

____

This evaluation was reviewed and discussed between the City Council and the City Manager on:

_____________________________.

City Council	**Concurrence**
______________________________ Bob Stewart, Mayor	YES / NO
______________________________ Bob Andrews, Council President	YES / NO
______________________________ Roger Currier	YES / NO
______________________________ Robert Soppe	YES / NO
______________________________ Mike Boyes	YES / NO
______________________________ Dawn Nelson	YES / NO
______________________________ Bart Rierson	YES / NO

City Manager

______________________________ ______________________

James H. Bennett Next Evaluation Date

MEMORANDUM

To: Honorable Mayor Mark Guthrie and members of the Richwood City Council

From: Karen B. Schrom, City Secretary

Date: March 9, 2017

Subject: Richwood's Sixtieth Anniversary.

Several members of Council asked for this item to be on the agenda. Richwood will be 60 years old this November. We've come a long way since then. It is a great opportunity to remember where we've come from and to look at where we are heading.

In 1957, the most popular song was "All Shook Up" by Elvis Presley and gas was $0.31 per gallon.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: March 8, 2017

Subject: City Secretary Hire

This item is for City Council to vote on the hire of Giani Cantu as the City Secretary/Finance Director position. Ms. Cantu is currently the Deputy City Secretary in Lake Jackson. In addition to working closely with the City Secretary in Lake Jackson, she has served as a court clerk and as an accounting clerk.

28-Feb-17

	BUDGET FY 2016/17	CURRENT FY 2016/17	BALANCE FY 2016/17	PERCENT REMAINING
ADMINISTRATION	642,070.00	149,862.75	492,207.25	76.66%
CITY MAINTENANCE	243,890.00	85,193.06	158,696.94	65.07%
STREETS & DRAINAGE	125,000.00	3,201.77	121,798.23	97.44%
SPECIAL REVENUES	18,400.00	1,102.47	17,297.53	94.01%
POLICE DEPARTMENT	839,555.00	372,950.74	466,604.26	55.58%
JUDICIAL	128,888.00	54,128.66	74,759.34	58.00%
FIRE DEPARTMENT	165,250.00	71,643.22	93,606.78	56.65%
PARKS & RECREATION	39,500.00	15,694.31	23,805.69	60.27%
CODE ENFORCMENT	60,454.00	16,776.01	43,677.99	72.25%
PERMITTING	91,281.00	26,946.25	64,334.75	70.48%
TOTAL	2,354,288.00	797,499.24	1,556,788.76	
GENERAL FUND REVENUES	2,354,288.00	1,636,497.69	717,790.31	30.49%
		838,998.45	838,998.45	
DEBT SERVICE	171,594.00	10,694.32	160,899.68	93.77%
TOTAL	171,594.00	10,694.32	160,899.68	
DEBT SERVICE REVENUES	171,594.00	149,597.05	21,996.95	12.82%
		138,902.73	138,902.73	
WATER/SEWER	1,584,197.00	456,737.76	1,127,459.24	71.17%
TOTAL	1,584,197.00	456,737.76	1,127,459.24	
WATER/SEWER REVENUES	1,584,197.00	478,136.20	1,106,060.80	69.82%
		21,398.44	1,106,060.80	
DEBT SERVICE	168,210.00	106,565.55	61,644.45	36.65%
TOTAL	168,210.00	106,565.55	61,644.45	
DEBT SERVICE REVENUES	168,210.00	50,609.89	117,600.11	69.91%
		(55,955.66)	(55,955.66)	
TRANSPORTATION	116,000.00		116,000.00	100.00%
TOTAL	116,000.00	-	116,000.00	
TRANSPORTATION REV.	136,000.00	58,491.37	77,508.63	56.99%
		58,491.37	38,491.37	
INSURANCE CONTINGENCY	-	-	-	
TOTAL	-	-	-	
REPLACEMENT	-		-	#DIV/0!
TOTAL	-	-	-	
CRIME CONTROL & PREVEN	125,000.00	47,925.95	77,074.05	61.66%
TOTAL	125,000.00	47,925.95	77,074.05	
CRIME CONTROL REV.	125,000.00	34,781.13	90,218.87	72.18%
		(13,144.82)	(13,144.82)	
CAPITAL IMPROVEMENTS			-	#DIV/0!
TOTAL	-	-	-	
CAPITAL PROJECTS W/S			-	#DIV/0!
TOTAL	-	-	-	
CAPITAL PROJECTS GF			-	#DIV/0!
TOTAL	-	-	-	
GRAND TOTAL	4,519,289.00	1,419,422.82	2,983,866.18	

City of Richwood
Statement of Revenue and Expenditures
Revised Budget
For General Fund (10)
For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
10-04-4250	Revenues - Festivals	$ 0.00	$ 450.00	$ 7,000.00	$ 450.00	93.57%
10-04-4251	Revenues - Police Officer Training	0.00	0.00	1,100.00	0.00	100.00%
10-04-4252	Revenues - Seizure & Forfeiture	0.00	0.00	0.00	0.00	0.00%
10-04-4253	Revenues - Court Security	0.00	(6,800.00)	3,300.00	(6,800.00)	306.06%
10-04-4254	Revenues - Court Technology	0.00	0.00	4,200.00	0.00	100.00%
10-04-4255	Revenues - Bobby Ford Park	0.00	0.00	5,000.00	0.00	100.00%
10-04-4256	K-9 Unit	0.00	0.00	0.00	0.00	0.00%
10-04-4257	Parks and Recreation	0.00	0.00	0.00	160.00	0.00%
10-29-4103	Ad Valorem Taxes	0.00	158,722.06	1,348,960.00	1,249,514.09	7.37%
10-29-4104	Delinquent Taxes	0.00	1,651.01	30,000.00	7,969.73	73.43%
10-29-4105	Penalty & Interest	0.00	1,908.53	22,000.00	3,413.87	84.48%
10-29-4106	Licenses & Permits	0.00	1,696.00	10,000.00	5,586.50	44.14%
10-29-4107	Building Permits	0.00	287.50	35,000.00	12,619.50	63.94%
10-29-4109	Municipal Court	0.00	17,975.76	115,000.00	70,199.61	38.96%
10-29-4110	Interest Earnings	0.00	0.39	1,000.00	422.06	57.79%
10-29-4111	Franchise Taxes	0.00	28,117.81	250,000.00	80,393.07	67.84%
10-29-4112	Miscellaneous Income	0.00	30,545.87	20,000.00	31,237.90	(56.19%)
10-29-4113	Intragovernmental Income	0.00	0.00	0.00	0.00	0.00%
10-29-4114	Animal Fines/Licenses	0.00	30.00	500.00	80.00	84.00%
10-29-4116	Sales Tax - Streets	0.00	9,176.09	125,000.00	35,591.29	71.53%
10-29-4117	Sales Tax	0.00	36,704.32	366,228.00	142,365.07	61.13%
10-29-4118	Municipal Building Rentals	0.00	165.00	0.00	2,470.00	0.00%
10-29-4120	Deferred Revenue	0.00	0.00	0.00	0.00	0.00%
10-29-4121	Parks & Recreation	0.00	225.00	10,000.00	825.00	91.75%
10-29-4123	Other Revenues	0.00	0.00	0.00	0.00	0.00%
10-29-4125	Transportation Fee	0.00	0.00	0.00	0.00	0.00%
10-29-4221	Bond Proceeds	0.00	0.00	0.00	0.00	0.00%
10-29-4435	Capital Contributions	0.00	0.00	0.00	0.00	0.00%
10-60-4250	Revenues - Festivals	0.00	0.00	0.00	0.00	0.00%
10-60-4251	Revenues - Police Officer Training	0.00	0.00	0.00	0.00	0.00%
10-60-4252	Revenues - Seizure & Forfeiture	0.00	0.00	0.00	0.00	0.00%
10-60-4253	Revenues - Court Security	0.00	0.00	0.00	0.00	0.00%
10-60-4254	Revenues - Court Technology	0.00	0.00	0.00	0.00	0.00%
10-61-4124	Beautification Revenues	0.00	0.00	0.00	0.00	0.00%
Total General Fund Revenues		$ 0.00	$ 280,855.34	$ 2,354,288.00	$ 1,636,497.69	30.49%
General Fund Excess of Revenues Over Expenditures		$ 0.00	$ 87,963.18	$ (2,000.00)	$ 831,270.96	41663.55%

City of Richwood
Statement of Expenditures, Encumbrances, and Appropriations
Revised Budget
For Administration (01)
For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-01-5101	Administrative Expense	$40,000.00	$4,951.19	$22,063.52	($212.34)	$18,148.82	45.37%
10-01-5102	Contract Labor	$4,000.00	$2,856.24	$13,937.95	$0.00	($9,937.95)	(248.45%)
10-01-5103	Salaries & Wages	$162,968.00	$11,007.59	$25,245.62	$0.00	$137,722.38	84.51%
10-01-5105	Retirement	$29,180.00	$1,956.09	$4,875.65	$0.00	$24,304.35	83.29%
10-01-5110	Workmen's Compensation Ins	$700.00	($14.50)	$527.39	$0.00	$172.61	24.66%
10-01-5115	Hospitalization	$35,360.00	$1,428.63	$5,805.77	$0.00	$29,554.23	83.58%
10-01-5120	Unemployment Insurance	$1,500.00	$321.41	$522.74	$0.00	$977.26	65.15%
10-01-5130	Training & Travel	$15,000.00	$450.00	$1,920.15	$0.00	$13,079.85	87.20%
10-01-5175	Employee Incentive	$10,000.00	$0.00	$0.00	$0.00	$10,000.00	100.00%
Total Administration Personnel Costs		**$298,708.00**	**$22,956.65**	**$74,898.79**	**($212.34)**	**$224,021.55**	**75.00%**
10-01-5210	Office Supplies	$30,000.00	$2,685.08	$16,688.67	($527.74)	$13,839.07	46.13%
10-01-5215	Custodial Supplies	$1,000.00	$226.91	$602.64	$99.59	$297.77	29.78%
10-01-5220	Tools	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-01-5240	Expendable Operating Supplies	$25,000.00	$880.63	$8,064.78	$0.00	$16,935.22	67.74%
Total Administration Operating Supplies		**$56,000.00**	**$3,792.62**	**$25,356.09**	**($428.15)**	**$31,072.06**	**55.49%**
10-01-5310	Building & Grounds M&R	$15,000.00	$697.43	$2,671.31	($42.65)	$12,371.34	82.48%
10-01-5312	Contingency Fund M&R	$10,000.00	$0.00	$3,000.00	$0.00	$7,000.00	70.00%
10-01-5320	Office Furniture/Fixture M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-01-5365	Other Equipment M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Administration Maintenance & Repair		**$25,000.00**	**$697.43**	**$5,671.31**	**($42.65)**	**$19,371.34**	**77.49%**
10-01-5410	Electricity	$10,000.00	$622.97	$2,724.96	$0.00	$7,275.04	72.75%
10-01-5420	Telephone	$2,500.00	$200.14	$727.69	$0.00	$1,772.31	70.89%
10-01-5430	Natural Gas	$1,500.00	$50.11	$147.81	$0.00	$1,352.19	90.15%
Total Administration Utilities & Telephone		**$14,000.00**	**$873.22**	**$3,600.46**	**$0.00**	**$10,399.54**	**74.28%**
10-01-5510	Elections	$4,000.00	$0.00	$0.00	$0.00	$4,000.00	100.00%
10-01-5556	Contractural Services - Taxes	$15,000.00	$588.80	$6,475.94	$0.00	$8,524.06	56.83%
10-01-5560	Engineering	$2,000.00	$0.00	$0.00	$0.00	$2,000.00	100.00%
10-01-5570	Attorney's Fees	$17,000.00	$1,515.00	$1,695.00	$0.00	$15,305.00	90.03%
10-01-5572	Economic Development	$10,000.00	$0.00	$0.00	$0.00	$10,000.00	100.00%
10-01-5580	Auditor's Fees	$25,000.00	$11,244.64	$19,927.38	$0.00	$5,072.62	20.29%
Total Administration Services		**$73,000.00**	**$13,348.44**	**$28,098.32**	**$0.00**	**$44,901.68**	**61.51%**
10-01-5640	Insurance - Bldg/Liab/Bond	$20,000.00	$0.00	$3,332.53	$0.00	$16,667.47	83.34%

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Administration (01)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-01-5660	Dues & Subscriptions	$8,000.00	$4,772.00	$5,307.00	$0.00	$2,693.00	33.66%
10-01-5685	Publishing & Advertising	$6,000.00	$125.00	$1,874.03	$171.26	$3,954.71	65.91%
10-01-5695	Special Services - Miscellaneous	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Administration Sundry		**$34,000.00**	**$4,897.00**	**$10,513.56**	**$171.26**	**$23,315.18**	**68.57%**
10-01-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-01-5930	Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-01-5935	Equipment - Time Payments	$5,500.00	$560.54	$2,236.10	$0.00	$3,263.90	59.34%
10-01-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-01-5950	Contingency Fund	$130,862.00	$0.00	$0.00	$0.00	$130,862.00	100.00%
10-01-5960	Transfer to Capital Projects	$5,000.00	$0.00	$0.00	$0.00	$5,000.00	100.00%
10-01-5961	Transfer to Water/Sewer	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Administration Capital Outlay		**$141,362.00**	**$560.54**	**$2,236.10**	**$0.00**	**$139,125.90**	**98.42%**
Total Administration Expense		**$642,070.00**	**$47,125.90**	**$150,374.63**	**($511.88)**	**$492,207.25**	**76.66%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For City Maintenance (02)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-02-5102	Contract Labor	$7,000.00	$0.00	$1,450.00	$0.00	$5,550.00	79.29%
10-02-5103	Salaries & Wages	$68,166.00	$2,639.00	$17,038.77	$0.00	$51,127.23	75.00%
10-02-5105	Retirement	$11,000.00	$428.08	$2,018.21	$0.00	$8,981.79	81.65%
10-02-5110	Workmen's Compensation Ins	$4,000.00	$116.12	$3,697.16	$0.00	$302.84	7.57%
10-02-5115	Hospitalization	$17,670.00	$1,440.64	$7,792.70	$0.00	$9,877.30	55.90%
10-02-5120	Unemployment Insurance	$500.00	$60.70	$120.76	$0.00	$379.24	75.85%
10-02-5130	Training & Travel	$2,000.00	$180.00	$194.00	$0.00	$1,806.00	90.30%
10-02-5190	Uniforms	$1,600.00	$658.34	$988.21	$0.00	$611.79	38.24%
Total City Maintenance Personnel Costs		**$111,936.00**	**$5,522.88**	**$33,299.81**	**$0.00**	**$78,636.19**	**70.25%**
10-02-5210	Office Supplies	$500.00	$0.00	$52.09	$0.00	$447.91	89.58%
10-02-5215	Custodial Supplies	$500.00	$0.00	$445.75	($7.92)	$62.17	12.43%
10-02-5220	Tools	$2,000.00	$547.08	$1,541.77	($12.99)	$471.22	23.56%
10-02-5230	Gas, Oil, & Lubricants	$10,000.00	$750.66	$5,586.28	($293.21)	$4,706.93	47.07%
10-02-5240	Expendable Operating Supplies	$3,000.00	$119.32	$2,597.64	($68.85)	$471.21	15.71%
10-02-5245	Dump Charges	$2,700.00	$244.23	$2,253.43	$0.00	$446.57	16.54%
10-02-5270	Chemicals	$2,000.00	$0.00	$45.93	($15.94)	$1,970.01	98.50%
Total City Maintenance Operating Supplies		**$20,700.00**	**$1,661.29**	**$12,522.89**	**($398.91)**	**$8,576.02**	**41.43%**
10-02-5310	Building & Grounds M&R	$1,000.00	$11.44	$3,662.80	($129.43)	($2,533.37)	(253.34%)
10-02-5320	Office Furniture/Fixture M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-02-5340	Vehicle M&R	$6,000.00	$64.95	$4,280.71	$0.00	$1,719.29	28.65%
10-02-5360	Radio M&R	$5,000.00	$0.00	$714.00	$0.00	$4,286.00	85.72%
10-02-5365	Other Equipment M&R	$4,000.00	$25.77	$2,267.71	($1,108.07)	$2,840.36	71.01%
10-02-5376	Signs M&R	$2,500.00	$0.00	$48.61	($10.48)	$2,461.87	98.47%
Total City Maintenance Maintenance & Repair		**$18,500.00**	**$102.16**	**$10,973.83**	**($1,247.98)**	**$8,774.15**	**47.43%**
10-02-5410	Electricity	$35,000.00	$4,972.52	$10,430.26	$0.00	$24,569.74	70.20%
10-02-5420	Telephone	$3,000.00	$621.87	$2,487.48	$0.00	$512.52	17.08%
10-02-5430	Natural Gas	$400.00	$39.98	$166.15	$0.00	$233.85	58.46%
Total City Maintenance Utilities & Telephone		**$38,400.00**	**$5,634.37**	**$13,083.89**	**$0.00**	**$25,316.11**	**65.93%**
10-02-5560	Engineering	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-02-5570	Attorney's Fees	$5,000.00	$0.00	$0.00	$0.00	$5,000.00	100.00%
Total City Maintenance Services		**$5,000.00**	**$0.00**	**$0.00**	**$0.00**	**$5,000.00**	**100.00%**
10-02-5630	Insurance - Motor Vehicles	$2,000.00	$0.00	$1,436.61	$0.00	$563.39	28.17%

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For City Maintenance (02)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-02-5640	Insurance - Bldg/Liab/Bond	$4,000.00	$0.00	$122.10	$0.00	$3,877.90	96.95%
10-02-5660	Dues & Subscriptions	$9,000.00	$440.63	$3,835.45	$0.00	$5,164.55	57.38%
10-02-5685	Publishing & Advertising	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
10-02-5695	Special Services - Miscellaneous	$7,300.00	$650.00	$2,200.00	$0.00	$5,100.00	69.86%
Total City Maintenance Sundry		**$22,800.00**	**$1,090.63**	**$7,594.16**	**$0.00**	**$15,205.84**	**66.69%**
10-02-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-02-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-02-5930	Equipment	$26,554.00	$0.00	$0.00	$0.00	$26,554.00	100.00%
10-02-5935	Equipment - Time Payments	$0.00	$2,726.87	$9,365.37	$0.00	($9,365.37)	0.00%
10-02-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total City Maintenance Capital Outlay		**$26,554.00**	**$2,726.87**	**$9,365.37**	**$0.00**	**$17,188.63**	**64.73%**
Total City Maintenance Expense		**$243,890.00**	**$16,738.20**	**$86,839.95**	**($1,646.89)**	**$158,696.94**	**65.07%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Streets And Drainage (03)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-03-5380	Streets M&R	$48,000.00	$3,122.07	$3,122.07	$0.02	$44,877.91	93.50%
10-03-5385	Drainage M&R	$5,000.00	$0.00	$4.68	$75.00	$4,920.32	98.41%
Total Streets And Drainage Maintenance & Repair		**$53,000.00**	**$3,122.07**	**$3,126.75**	**$75.02**	**$49,798.23**	**93.96%**
10-03-5560	Engineering	$5,000.00	$0.00	$0.00	$0.00	$5,000.00	100.00%
Total Streets And Drainage Services		**$5,000.00**	**$0.00**	**$0.00**	**$0.00**	**$5,000.00**	**100.00%**
10-03-5965	Street Projects	$60,000.00	$0.00	$0.00	$0.00	$60,000.00	100.00%
10-03-5975	Drainage	$7,000.00	$0.00	$0.00	$0.00	$7,000.00	100.00%
Total Streets And Drainage Capital Outlay		**$67,000.00**	**$0.00**	**$0.00**	**$0.00**	**$67,000.00**	**100.00%**
Total Streets And Drainage Expense		**$125,000.00**	**$3,122.07**	**$3,126.75**	**$75.02**	**$121,798.23**	**97.44%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Deferred Revenue Accounts (04)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-04-5102	Contract Labor	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Deferred Revenue Accounts Personnel Costs		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
10-04-5290	Festivals	$7,000.00	$0.00	$0.00	$245.00	$6,755.00	96.50%
10-04-5291	Expenditures - Police Training	$1,100.00	$0.00	$0.00	$0.00	$1,100.00	100.00%
10-04-5292	Expenditures - Seizure & Forfeiture	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-04-5293	Expendtirues - Court Security	$3,300.00	$0.00	$119.20	($119.20)	$3,300.00	100.00%
10-04-5294	Expenditures - Court Tech	$2,000.00	$116.82	$994.97	($137.50)	$1,142.53	57.13%
10-04-5295	Expenditures - Bobby Ford Park	$5,000.00	$0.00	$0.00	$0.00	$5,000.00	100.00%
10-04-5296	K-9 Unit	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-04-5297	Parks and Recreation	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Deferred Revenue Accounts Operating Supplies		**$18,400.00**	**$116.82**	**$1,114.17**	**($11.70)**	**$17,297.53**	**94.01%**
Total Deferred Revenue Accounts Expense		**$18,400.00**	**$116.82**	**$1,114.17**	**($11.70)**	**$17,297.53**	**94.01%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Police Department (05)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-05-5102	Contract Labor	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5103	Salaries & Wages	$523,375.00	$46,900.42	$240,707.59	$0.00	$282,667.41	54.01%
10-05-5105	Retirement	$62,000.00	$4,614.90	$23,528.73	$0.00	$38,471.27	62.05%
10-05-5110	Workmen's Compensation Ins	$12,000.00	$572.62	$10,817.09	$0.00	$1,182.91	9.86%
10-05-5115	Hospitalization	$69,000.00	$6,507.32	$32,066.82	$0.00	$36,933.18	53.53%
10-05-5120	Unemployment Insurance	$2,000.00	$949.59	$2,259.19	$0.00	($259.19)	(12.96%)
10-05-5130	Training & Travel	$11,300.00	$797.02	$1,843.94	($293.77)	$9,749.83	86.28%
10-05-5175	Education Incentive	$8,200.00	$650.00	$3,250.00	$0.00	$4,950.00	60.37%
10-05-5190	Uniforms	$3,800.00	$212.50	$2,316.95	($485.28)	$1,968.33	51.80%
Total Police Department Personnel Costs		**$691,675.00**	**$61,204.37**	**$316,790.31**	**($779.05)**	**$375,663.74**	**54.31%**
10-05-5210	Office Supplies	$5,000.00	$502.86	$9,975.19	$56.98	($5,032.17)	(100.64%)
10-05-5215	Custodial Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5220	Tools	$1,500.00	$0.00	$104.03	$0.00	$1,395.97	93.06%
10-05-5230	Gas, Oil, & Lubricants	$30,208.00	$3,154.63	$12,059.00	($3,505.16)	$21,654.16	71.68%
10-05-5240	Expendable Operating Supplies	$1,500.00	$297.73	$520.87	($539.14)	$1,518.27	101.22%
Total Police Department Operating Supplies		**$38,208.00**	**$3,955.22**	**$22,659.09**	**($3,987.32)**	**$19,536.23**	**51.13%**
10-05-5310	Building & Grounds M&R	$0.00	$0.00	$2.37	$0.00	($2.37)	0.00%
10-05-5320	Office Furniture/Fixture M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5340	Vehicle M&R	$11,000.00	$1,092.00	$3,598.59	$0.00	$7,401.41	67.29%
10-05-5350	Radar M&R	$400.00	$0.00	$0.00	$0.00	$400.00	100.00%
10-05-5360	Radio M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5365	Other Equipment M&R	$2,500.00	$429.00	$1,172.75	($83.75)	$1,411.00	56.44%
Total Police Department Maintenance & Repair		**$13,900.00**	**$1,521.00**	**$4,773.71**	**($83.75)**	**$9,210.04**	**66.26%**
10-05-5420	Telephone	$8,000.00	$458.29	$2,305.94	$0.00	$5,694.06	71.18%
Total Police Department Utilities & Telephone		**$8,000.00**	**$458.29**	**$2,305.94**	**$0.00**	**$5,694.06**	**71.18%**
10-05-5540	Dispatch Services	$45,000.00	$0.00	$10,750.00	$0.00	$34,250.00	76.11%
10-05-5542	Jail Expense	$4,500.00	$236.37	$1,313.92	($12.31)	$3,198.39	71.08%
10-05-5558	Animal Control	$7,400.00	$0.00	$62.64	($620.00)	$7,957.36	107.53%
10-05-5560	Engineering	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5570	Attorney's Fees	$0.00	$0.00	$125.00	$0.00	($125.00)	0.00%
Total Police Department Services		**$56,900.00**	**$236.37**	**$12,251.56**	**($632.31)**	**$45,280.75**	**79.58%**
10-05-5630	Insurance - Motor Vehicles	$6,000.00	$0.00	$6,079.38	$0.00	($79.38)	(1.32%)

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Police Department (05)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-05-5640	Insurance - Bldg/Liab/Bond	$8,000.00	$0.00	$5,816.34	$0.00	$2,183.66	27.30%
10-05-5660	Dues & Subscriptions	$1,900.00	$0.00	$50.00	$50.00	$1,800.00	94.74%
10-05-5685	Publishing & Advertising	$4,000.00	$75.98	$1,286.57	($281.88)	$2,995.31	74.88%
10-05-5695	Special Services - Miscellaneous	$8,872.00	$738.00	$4,612.15	$2,040.00	$2,219.85	25.02%
Total Police Department Sundry		**$28,772.00**	**$813.98**	**$17,844.44**	**$1,808.12**	**$9,119.44**	**31.70%**
10-05-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-05-5930	Equipment	$0.00	$0.00	$119.20	($119.20)	$0.00	0.00%
10-05-5935	Equipment - Time Payments	$2,100.00	$0.00	$0.00	$0.00	$2,100.00	100.00%
10-05-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Police Department Capital Outlay		**$2,100.00**	**$0.00**	**$119.20**	**($119.20)**	**$2,100.00**	**100.00%**
Total Police Department Expense		**$839,555.00**	**$68,189.23**	**$376,744.25**	**($3,793.51)**	**$466,604.26**	**55.58%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Judicial (06)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-06-5102	Contract Labor	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-06-5103	Salaries & Wages	$81,438.00	$6,136.00	$33,726.10	$0.00	$47,711.90	58.59%
10-06-5105	Retirement	$11,000.00	$770.33	$4,204.69	$0.00	$6,795.31	61.78%
10-06-5110	Workmen's Compensation Ins	$300.00	$0.00	$355.99	$0.00	($55.99)	(18.66%)
10-06-5115	Hospitalization	$17,500.00	$1,433.54	$7,110.20	$0.00	$10,389.80	59.37%
10-06-5120	Unemployment Insurance	$750.00	$141.13	$482.68	$0.00	$267.32	35.64%
10-06-5130	Training & Travel	$2,000.00	$211.44	$1,335.27	($600.00)	$1,264.73	63.24%
Total Judicial Personnel Costs		**$112,988.00**	**$8,692.44**	**$47,214.93**	**($600.00)**	**$66,373.07**	**58.74%**
10-06-5210	Office Supplies	$5,200.00	$1,179.44	$5,470.39	($471.66)	$201.27	3.87%
10-06-5240	Expendable Operating Supplies	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
Total Judicial Operating Supplies		**$5,700.00**	**$1,179.44**	**$5,470.39**	**($471.66)**	**$701.27**	**12.30%**
10-06-5565	Jury Expense	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
10-06-5570	Attorney's Fees	$9,500.00	$1,182.50	$2,475.00	$0.00	$7,025.00	73.95%
Total Judicial Services		**$10,000.00**	**$1,182.50**	**$2,475.00**	**$0.00**	**$7,525.00**	**75.25%**
10-06-5660	Dues & Subscriptions	$200.00	$0.00	$0.00	$40.00	$160.00	80.00%
Total Judicial Sundry		**$200.00**	**$0.00**	**$0.00**	**$40.00**	**$160.00**	**80.00%**
10-06-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-06-5930	Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-06-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Judicial Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Judicial Expense		**$128,888.00**	**$11,054.38**	**$55,160.32**	**($1,031.66)**	**$74,759.34**	**58.00%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Fire Department (07)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-07-5106	Pension	$16,200.00	$1,125.00	$4,125.00	$0.00	$12,075.00	74.54%
10-07-5110	Workmen's Compensation Ins	$650.00	($71.36)	$276.74	$0.00	$373.26	57.42%
10-07-5130	Training & Travel	$500.00	$0.00	$296.18	$0.00	$203.82	40.76%
10-07-5190	Uniforms	$8,000.00	$1,540.00	$1,820.00	$0.00	$6,180.00	77.25%
Total Fire Department Personnel Costs		**$25,350.00**	**$2,593.64**	**$6,517.92**	**$0.00**	**$18,832.08**	**74.29%**
10-07-5210	Office Supplies	$500.00	$0.00	$19.75	$0.00	$480.25	96.05%
10-07-5215	Custodial Supplies	$1,500.00	$0.00	$0.00	$0.00	$1,500.00	100.00%
10-07-5220	Tools	$12,000.00	$0.00	$3,810.00	($90.00)	$8,280.00	69.00%
10-07-5230	Gas, Oil, & Lubricants	$3,000.00	$77.23	$577.80	$0.00	$2,422.20	80.74%
10-07-5240	Expendable Operating Supplies	$0.00	$0.00	$99.00	$0.00	($99.00)	0.00%
10-07-5285	Fire Prevention Supplies	$1,000.00	$0.00	$0.00	$0.00	$1,000.00	100.00%
Total Fire Department Operating Supplies		**$18,000.00**	**$77.23**	**$4,506.55**	**($90.00)**	**$13,583.45**	**75.46%**
10-07-5310	Building & Grounds M&R	$3,000.00	$0.00	$3,275.35	$0.00	($275.35)	(9.18%)
10-07-5340	Vehicle M&R	$6,000.00	$0.00	$432.29	($17.25)	$5,584.96	93.08%
10-07-5360	Radio M&R	$500.00	$30.00	$419.95	$0.00	$80.05	16.01%
10-07-5365	Other Equipment M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Fire Department Maintenance & Repair		**$9,500.00**	**$30.00**	**$4,127.59**	**($17.25)**	**$5,389.66**	**56.73%**
10-07-5410	Electricity	$2,500.00	$113.46	$517.18	$0.00	$1,982.82	79.31%
10-07-5420	Telephone	$1,400.00	$189.68	$837.59	$0.00	$562.41	40.17%
10-07-5430	Natural Gas	$300.00	$20.61	$81.69	$0.00	$218.31	72.77%
Total Fire Department Utilities & Telephone		**$4,200.00**	**$323.75**	**$1,436.46**	**$0.00**	**$2,763.54**	**65.80%**
10-07-5560	Engineering	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-07-5566	Contractural Services - Ambulance	$80,000.00	$18,750.00	$37,500.00	$0.00	$42,500.00	53.13%
10-07-5570	Attorney's Fees	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Fire Department Services		**$80,000.00**	**$18,750.00**	**$37,500.00**	**$0.00**	**$42,500.00**	**53.13%**
10-07-5630	Insurance - Motor Vehicles	$4,000.00	$0.00	$4,650.08	$0.00	($650.08)	(16.25%)
10-07-5640	Insurance - Bldg/Liab/Bond	$4,000.00	$0.00	$856.74	$0.00	$3,143.26	78.58%
10-07-5660	Dues & Subscriptions	$2,200.00	$948.00	$1,513.00	$0.00	$687.00	31.23%
10-07-5685	Publishing & Advertising	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-07-5695	Special Services - Miscellaneous	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Fire Department Sundry		**$10,200.00**	**$948.00**	**$7,019.82**	**$0.00**	**$3,180.18**	**31.18%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Fire Department (07)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-07-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-07-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-07-5930	Equipment	$18,000.00	$10,642.13	$10,642.13	$0.00	$7,357.87	40.88%
10-07-5935	Equipment - Time Payments	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-07-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Fire Department Capital Outlay		**$18,000.00**	**$10,642.13**	**$10,642.13**	**$0.00**	**$7,357.87**	**40.88%**
Total Fire Department Expense		**$165,250.00**	**$33,364.75**	**$71,750.47**	**($107.25)**	**$93,606.78**	**56.65%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Parks and Recreation (08)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-08-5102	Contract Labor	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5103	Salaries & Wages	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5105	Retirement	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5110	Workmen's Compensation Ins	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5120	Unemployment Insurance	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5130	Training & Travel	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Parks and Recreation Personnel Costs		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
10-08-5210	Office Supplies	$0.00	$0.00	$162.83	$0.00	($162.83)	0.00%
10-08-5215	Custodial Supplies	$1,500.00	$78.19	$146.72	$235.00	$1,118.28	74.55%
10-08-5220	Tools	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5240	Expendable Operating Supplies	$2,000.00	$0.00	$139.24	$0.00	$1,860.76	93.04%
10-08-5270	Chemicals	$2,000.00	$0.00	$615.48	$140.00	$1,244.52	62.23%
Total Parks and Recreation Operating Supplies		**$5,500.00**	**$78.19**	**$1,064.27**	**$375.00**	**$4,060.73**	**73.83%**
10-08-5310	Building & Grounds M&R	$15,000.00	$3,464.99	$6,287.40	$13.45	$8,699.15	57.99%
10-08-5365	Other Equipment M&R	$2,000.00	$190.00	$3,504.16	$0.00	($1,504.16)	(75.21%)
Total Parks and Recreation Maintenance & Repair		**$17,000.00**	**$3,654.99**	**$9,791.56**	**$13.45**	**$7,194.99**	**42.32%**
10-08-5410	Electricity	$2,500.00	$80.31	$364.41	$0.00	$2,135.59	85.42%
10-08-5420	Telephone	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Parks and Recreation Utilities & Telephone		**$2,500.00**	**$80.31**	**$364.41**	**$0.00**	**$2,135.59**	**85.42%**
10-08-5560	Engineering	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5570	Attorney's Fees	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Parks and Recreation Services		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
10-08-5640	Insurance - Bldg/Liab/Bond	$5,500.00	$0.00	$600.09	$0.00	$4,899.91	89.09%
10-08-5660	Dues & Subscriptions	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5685	Publishing & Advertising	$1,000.00	$0.00	$841.68	($841.68)	$1,000.00	100.00%
10-08-5695	Special Services - Miscellaneous	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Parks and Recreation Sundry		**$6,500.00**	**$0.00**	**$1,441.77**	**($841.68)**	**$5,899.91**	**90.77%**
10-08-5850	Beautification	$1,000.00	$0.00	$516.00	$0.00	$484.00	48.40%
10-08-5851	Parks & Recreation	$7,000.00	$0.00	$2,026.92	$942.61	$4,030.47	57.58%
Total Parks and Recreation Parks and Recreation		**$8,000.00**	**$0.00**	**$2,542.92**	**$942.61**	**$4,514.47**	**56.43%**
10-08-5930	Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Parks and Recreation (08)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-08-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-08-5962	Transfer to Replacement	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Parks and Recreation Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Parks and Recreation Expense		**$39,500.00**	**$3,813.49**	**$15,204.93**	**$489.38**	**$23,805.69**	**60.27%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Code Enforcement (09)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-09-5103	Salaries & Wages	$31,200.00	$2,220.00	$10,887.50	$0.00	$20,312.50	65.10%
10-09-5105	Retirement	$5,000.00	$360.11	$1,761.07	$0.00	$3,238.93	64.78%
10-09-5110	Workmen's Compensation Ins	$1,000.00	$0.00	$216.40	$0.00	$783.60	78.36%
10-09-5115	Hospitalization	$9,450.00	$739.44	$2,154.46	$0.00	$7,295.54	77.20%
10-09-5120	Unemployment Insurance	$400.00	$51.06	$250.41	$0.00	$149.59	37.40%
10-09-5130	Training & Travel	$2,000.00	$0.00	$614.15	$0.00	$1,385.85	69.29%
10-09-5175	Education Incentive	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-09-5190	Uniforms	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
Total Code Enforcement Personnel Costs		**$49,550.00**	**$3,370.61**	**$15,883.99**	**$0.00**	**$33,666.01**	**67.94%**
10-09-5210	Office Supplies	$1,500.00	$0.00	$129.00	$0.00	$1,371.00	91.40%
10-09-5215	Custodial Supplies	$0.00	$0.00	$6.99	$0.00	($6.99)	0.00%
10-09-5220	Tools	$2,000.00	$0.00	$22.28	$0.00	$1,977.72	98.89%
10-09-5230	Gas, Oil, & Lubricants	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-09-5240	Expendable Operating Supplies	$904.00	$0.00	$0.00	$0.00	$904.00	100.00%
Total Code Enforcement Operating Supplies		**$4,404.00**	**$0.00**	**$158.27**	**$0.00**	**$4,245.73**	**96.41%**
10-09-5320	Office Furniture/Fixture M&R	$0.00	$0.00	$644.65	$0.00	($644.65)	0.00%
10-09-5340	Vehicle M&R	$3,000.00	$216.48	$1,000.78	($1,300.00)	$3,299.22	109.97%
Total Code Enforcement Maintenance & Repair		**$3,000.00**	**$216.48**	**$1,645.43**	**($1,300.00)**	**$2,654.57**	**88.49%**
10-09-5570	Attorney's Fees	$3,500.00	$0.00	$0.00	$0.00	$3,500.00	100.00%
Total Code Enforcement Services		**$3,500.00**	**$0.00**	**$0.00**	**$0.00**	**$3,500.00**	**100.00%**
10-09-5630	Insurance - Motor Vehicles	$1,000.00	$0.00	$0.00	$0.00	$1,000.00	100.00%
10-09-5660	Dues & Subscriptions	$500.00	$0.00	$99.00	$0.00	$401.00	80.20%
10-09-5685	Publishing & Advertising	$500.00	$0.00	$289.32	$0.00	$210.68	42.14%
Total Code Enforcement Sundry		**$2,000.00**	**$0.00**	**$388.32**	**$0.00**	**$1,611.68**	**80.58%**
10-09-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-09-5930	Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
10-09-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Code Enforcement Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Code Enforcement Expense		**$62,454.00**	**$3,587.09**	**$18,076.01**	**($1,300.00)**	**$45,677.99**	**73.14%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Permitting & Inspections (10)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
10-10-5103	Salaries & Wages	$53,601.00	$4,511.80	$20,813.10	$0.00	$32,787.90	61.17%
10-10-5105	Retirement	$6,500.00	$447.62	$2,014.40	$0.00	$4,485.60	69.01%
10-10-5110	Workmen's Compensation Ins	$1,000.00	$0.00	$0.00	$0.00	$1,000.00	100.00%
10-10-5115	Hospitalization	$8,250.00	$717.58	$3,497.34	$0.00	$4,752.66	57.61%
10-10-5120	Unemployment Insurance	$120.00	$103.23	$207.01	$0.00	($87.01)	(72.51%)
10-10-5130	Training & Travel	$2,000.00	$0.00	$0.00	$111.00	$1,889.00	94.45%
10-10-5190	Uniforms	$200.00	$0.00	$0.00	$0.00	$200.00	100.00%
Total Permitting & Inspections Personnel Costs		**$71,671.00**	**$5,780.23**	**$26,531.85**	**$111.00**	**$45,028.15**	**62.83%**
10-10-5210	Office Supplies	$100.00	$0.00	$7.50	$0.00	$92.50	92.50%
10-10-5220	Tools	$2,000.00	$0.00	$0.00	$0.00	$2,000.00	100.00%
10-10-5230	Gas, Oil, & Lubricants	$5,000.00	$0.00	$0.00	$0.00	$5,000.00	100.00%
10-10-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Permitting & Inspections Operating Supplies		**$7,100.00**	**$0.00**	**$7.50**	**$0.00**	**$7,092.50**	**99.89%**
10-10-5340	Vehicle M&R	$1,000.00	$0.00	$46.49	$0.00	$953.51	95.35%
10-10-5360	Radio M&R	$110.00	$0.00	$102.00	$0.00	$8.00	7.27%
Total Permitting & Inspections Maintenance & Repair		**$1,110.00**	**$0.00**	**$148.49**	**$0.00**	**$961.51**	**86.62%**
10-10-5570	Attorney's Fees	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
Total Permitting & Inspections Services		**$500.00**	**$0.00**	**$0.00**	**$0.00**	**$500.00**	**100.00%**
10-10-5630	Insurance - Motor Vehicles	$500.00	$0.00	$0.00	$0.00	$500.00	100.00%
10-10-5660	Dues & Subscriptions	$10,400.00	$0.00	$100.00	$0.00	$10,300.00	99.04%
Total Permitting & Inspections Sundry		**$10,900.00**	**$0.00**	**$100.00**	**$0.00**	**$10,800.00**	**99.08%**
10-10-5950	Contingency Fund	$0.00	$0.00	$47.41	$0.00	($47.41)	0.00%
Total Permitting & Inspections Capital Outlay		**$0.00**	**$0.00**	**$47.41**	**$0.00**	**($47.41)**	**0.00%**
Total Permitting & Inspections Expense		**$91,281.00**	**$5,780.23**	**$26,835.25**	**$111.00**	**$64,334.75**	**70.48%**

City of Richwood
Balance Sheet
For General Fund (10)
February 28, 2017

Assets

10-29-1101	Cash	190,778.86
10-29-1103	Cash in bank - Beautification	.00
10-29-1105	Seizure and Forfeiture Fund	1,016.55
10-29-1106	TexPool Investments	587,301.99
10-29-1107	Petty Cash	800.00
10-29-1108	TexStar Investments	228,203.82
10-29-1109	Logic Investments	156,504.56
10-29-1110	WCMA - Merrill Lynch Investments	.00
10-29-1111	Certificates of Deposit	187,717.46
10-29-1112	Tax Receivable	(1,180,506.53)
10-29-1113	Accrued Interest Receivable	80.42
10-29-1114	Sales Tax Receivable	47,277.01
10-29-1115	Due from Fire Department	.00
10-29-1116	Due from Enterprise Fund	746,107.74
10-29-1118	Due from Capital Construction Fund	.00
10-29-1119	Due from Replacment	.00
10-29-1120	Allowance for Uncollectibles	(17,098.78)
10-29-1121	Due from Insurance Contingency	.00
10-29-1122	Accounts Receivable - Other	14,472.06
10-29-1123	Deferred Taxes	(18,368.20)
10-29-1125	Prepaid Expenditures	1,875.00
10-29-1127	Investments - Merrill Lynch	.00
10-29-1129	Delinquent Taxes	(19,416.38)
10-29-1130	Accounts Rec/NSF checks	1,509.15
10-29-1131	Due from Other Governments	527.51
10-29-1133	Reserve for Ad Valorem Taxes	1,233,636.92
10-29-1134	Reserve for Delinquent Taxes	19,434.98
10-29-1140	Due from Capital Improvements	.00
10-29-1141	Due From Debt Service	.00
10-29-1142	Due from General - Replacement	.00
10-29-1143	Due from Seizure and Forfeiture	.00
10-29-1144	Due from Crime Control and Prevention	52,019.00
10-29-1145	Due from Beautification	.00
10-29-1146	Due from Transportation Fund	3,907.90
10-29-1147	Due from General (Seizure)	.00
10-29-1150	Loan receivable	100,896.00
10-29-1261	Land	.00
10-29-1262	Buildings	.00
10-29-1263	Vehicles	.00
10-29-1264	Office Equipment	.00
10-29-1265	Equipment	.00
	Total	2,338,677.04
	Total Assets	$ 2,338,677.04

Liabilities and Fund Balance

City of Richwood

Balance Sheet

For General Fund (10)

February 28, 2017

Liabilities and Fund Balance

10-29-2125		Cash Over/Under	$ (118.49)
10-29-2127		Municipal Court Bonds	568.69
10-29-2129		Accts Payble - Other	4,025.87
10-29-2130		Accounts Payable	55,974.30
10-29-2131		Federal W/H Payble	9,071.31
10-29-2132		Retirement Payable	5,968.09
10-29-2134		Due to Debt Service Fund	.00
10-29-2135		Blue Santa Program Payable	1,856.50
10-29-2136		Insurance Payable	(2,163.80)
10-29-2137		Credit Union Payable	(425.00)
10-29-2138		Child Support Payable	.00
10-29-2139		Festivals	(6.87)
10-29-2140		Municipal Court Costs	25,395.80
10-29-2141		Overdrawn	.00
10-29-2142		Student Loan	.00
10-29-2144		Social Security Payable	(401.35)
10-29-2145		Special Police Training Fund	(250.00)
10-29-2146		Deferred Police Forfeitures	.00
10-29-2149		Due to Capital Porjects	.00
10-29-2150		Due to Water/Sewer	203,837.36
10-29-2151		Due to Insurance Contingency	.00
10-29-2153		Due to Water Meter Deposit	.00
10-29-2155		Due to Replacement	1,700.00
10-29-2156		Due to Revenue Bond I&S	.00
10-29-2157		Couirt Security Fund	.00
10-29-2158		Due to Capital Improvement	.00
10-29-2159		Due to Crime Control and Prevention District	43,694.00
10-29-2160		Due to Reserve Fund	.00
10-29-2161		Due to Beautification	.00
10-29-2162		Due to Transportation Fund	.00
10-29-2165		Accounts Payable - Debt Service	134,439.89
10-29-2166		Due to Seizure & Forfeiture	.00
10-29-2170		Tax Escrow Account	.00
10-29-2172		Due to General from Seizure and Forfeiture	.00
10-29-2175		AFU Account	.00
10-61-2221		Due to General	.00
	Total		483,166.30
	Total Liablities		483,166.30
10-29-3103		Fund Balance	1,013,870.81
10-29-3105		Reserved for Investment in Inventory	.00
10-29-3110		Encumberance Account	554.09
10-29-3190		Seizure and Forfeiture Fund	858.60
10-29-3191		Reserve - Festival	1,989.38
10-29-3192		Reserve - Police Training	747.97
10-29-3198		Reserve - Municipal Court Security	1,779.26

10-29-3199		Reserve for Municipal Court Technology	4,439.67
	Total		1,024,239.78
		Excess of Revenue Over Expenditures	831,270.96
	Total Fund Balances		1,855,510.74
	Total Liabilities and Fund Balances		$ 2,338,677.04

Date: 02/01/2017
Time: 14:29:23
User: Admin - 1

Billing Register Summary Report By Rate

For Bill Dates 01/26/2017 Through 02/01/2017

CITY OF RICHWOOD

Rate Code	Description	Count	Amount	Tax	Pay Plan	Fuel Adj	Drought Surcharge	Franchise Fee	Total Billed	Consumption	Penalty Added
0040	GARBAGE - OVER 65	162	$2,268.00	$187.92	$0.00	$0.00	$0.00	$0.00	$2,455.92	0	$0.00
0041	GARBAGE	720	$11,520.00	$950.40	$0.00	$0.00	$0.00	$0.00	$12,470.40	0	$3.46
0042	GARBAGE - OVER 65 - 2	27	$594.00	$49.14	$0.00	$0.00	$0.00	$0.00	$643.14	0	$0.00
0043	GARBAGE - 2 UNITS	1	$32.00	$2.64	$0.00	$0.00	$0.00	$0.00	$34.64	0	$0.00
0044	GARBAGE - OVER 65 - 3	1	$30.00	$2.48	$0.00	$0.00	$0.00	$0.00	$32.48	0	$0.00
0048	GARBAGE - 2 CANS	279	$6,696.00	$552.42	$0.00	$0.00	$0.00	$0.00	$7,248.42	0	$2.60
0049	GARBAGE - 3 CANS	3	$96.00	$7.92	$0.00	$0.00	$0.00	$0.00	$103.92	0	$0.00
0050	GARBAGE - 4 CANS	1	$40.10	$3.31	$0.00	$0.00	$0.00	$0.00	$43.41	0	$0.00
0051	GARBAGE - 5 CANS	1	$54.70	$4.51	$0.00	$0.00	$0.00	$0.00	$59.21	0	$0.00
Total		1195	$21,330.80	$1,760.74	$0.00	$0.00	$0.00	$0.00	$23,091.54	0	$6.06

Total Billed	$23,091.54
Number of Bills	1,195
Average Bill	$19.32

* = Summed Service (Consumption from this service is added to another service) or the service is an attached service and not the primary consumption. Total consumption is adjusted by the multiplier.

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Enterprise (30)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
30-25-4113	Intragovernmental Income	$ 0.00	$ 0.00	$ 0.00	$ 0.00	0.00%
30-25-4410	Water Fees	0.00	6,128.84	88,061.00	27,230.49	69.08%
30-25-4420	Sewer Fees	0.00	5,331.55	80,149.00	23,379.40	70.83%
30-30-4110	Interest Earnings	0.00	26.52	300.00	113.33	62.22%
30-30-4112	Miscellaneous Income	0.00	196.73	6,000.00	124.90	97.92%
30-30-4113	Intragovernmental Income	0.00	0.00	0.00	0.00	0.00%
30-30-4120	Deferred Revenue	0.00	0.00	0.00	0.00	0.00%
30-30-4123	Other Revenues	0.00	0.00	0.00	0.00	0.00%
30-30-4221	Bond Proceeds	0.00	0.00	0.00	0.00	0.00%
30-30-4410	Water Fees	0.00	55,031.46	775,723.00	247,153.01	68.14%
30-30-4420	Sewer Fees	0.00	47,529.21	755,174.00	212,956.06	71.80%
30-30-4430	Delinquent Charges	0.00	1,951.30	25,000.00	11,763.90	52.94%
30-30-4435	Capital Contributions	0.00	0.00	0.00	0.00	0.00%
30-30-4440	Water Taps	0.00	500.00	8,000.00	4,000.00	50.00%
30-30-4450	Sewer Taps	0.00	0.00	2,000.00	1,000.00	50.00%
30-30-4460	Reconnect Fees	0.00	0.00	7,000.00	1,025.00	85.36%
30-30-4470	Garbage Receipts	0.00	0.00	5,000.00	0.00	100.00%
Total Enterprise Revenues		$ 0.00	$ 116,695.61	$ 1,752,407.00	$ 528,746.09	69.83%
Enterprise Excess of Revenues Over Expenditures		**$ 0.00**	**$ (49,559.97)**	**$ 0.00**	**$ (32,419.74)**	**0.00%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Water/Sewer (21)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
30-21-5102	Contract Labor	$1,000.00	$0.00	$0.00	$0.00	$1,000.00	100.00%
30-21-5103	Salaries & Wages	$202,671.00	$17,830.31	$93,827.12	$0.00	$108,843.88	53.70%
30-21-5105	Retirement	$24,100.00	$1,433.90	$7,723.89	$0.00	$16,376.11	67.95%
30-21-5110	Workmen's Compensation Ins	$4,000.00	$116.12	$3,762.15	$0.00	$237.85	5.95%
30-21-5115	Hospitalization	$36,740.00	$2,905.45	$12,642.81	$0.00	$24,097.19	65.59%
30-21-5120	Unemployment Insurance	$1,000.00	$329.71	$951.92	$0.00	$48.08	4.81%
30-21-5130	Training & Travel	$4,000.00	$0.00	$807.77	$120.69	$3,071.54	76.79%
30-21-5190	Uniforms	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Water/Sewer Personnel Costs		**$273,511.00**	**$22,615.49**	**$119,715.66**	**$120.69**	**$153,674.65**	**56.19%**
30-21-5210	Office Supplies	$15,000.00	$623.04	$3,679.78	$0.00	$11,320.22	75.47%
30-21-5215	Custodial Supplies	$300.00	$46.19	$54.18	$0.00	$245.82	81.94%
30-21-5220	Tools	$2,000.00	$1.99	$241.74	($206.01)	$1,964.27	98.21%
30-21-5230	Gas, Oil, & Lubricants	$15,000.00	$698.55	$2,881.63	$0.00	$12,118.37	80.79%
30-21-5240	Expendable Operating Supplies	$2,200.00	$41.94	$279.23	$12.99	$1,907.78	86.72%
30-21-5270	Chemicals	$5,000.00	$149.98	$4,756.86	$500.00	($256.86)	(5.14%)
Total Water/Sewer Operating Supplies		**$39,500.00**	**$1,561.69**	**$11,893.42**	**$306.98**	**$27,299.60**	**69.11%**
30-21-5310	Building & Grounds M&R	$2,000.00	$146.57	$876.09	$0.00	$1,123.91	56.20%
30-21-5320	Office Furniture/Fixture M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5340	Vehicle M&R	$3,000.00	$0.00	$34.99	$0.00	$2,965.01	98.83%
30-21-5360	Radio M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5365	Other Equipment M&R	$0.00	$388.03	$481.94	($19.96)	($461.98)	0.00%
30-21-5390	Water Lines M&R	$45,000.00	$9,048.29	$33,034.34	($2,021.50)	$13,987.16	31.08%
30-21-5392	Sewer Lines M&R	$72,200.00	$1,138.89	$23,040.51	$3,801.27	$45,358.22	62.82%
Total Water/Sewer Maintenance & Repair		**$122,200.00**	**$10,721.78**	**$57,467.87**	**$1,759.81**	**$62,972.32**	**51.53%**
30-21-5410	Electricity	$45,000.00	$3,437.21	$14,141.82	$0.00	$30,858.18	68.57%
30-21-5420	Telephone	$2,500.00	$232.56	$756.20	$0.00	$1,743.80	69.75%
30-21-5430	Natural Gas	$600.00	$0.00	$0.00	$0.00	$600.00	100.00%
Total Water/Sewer Utilities & Telephone		**$48,100.00**	**$3,669.77**	**$14,898.02**	**$0.00**	**$33,201.98**	**69.03%**
30-21-5505	Lease expense	$135,911.00	$33,977.75	$67,636.50	$0.00	$68,274.50	50.23%
30-21-5560	Engineering	$2,500.00	$0.00	$4,050.00	$0.00	($1,550.00)	(62.00%)
30-21-5570	Attorney's Fees	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5580	Auditor's Fees	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Water/Sewer (21)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
Total Water/Sewer Services		**$138,411.00**	**$33,977.75**	**$71,686.50**	**$0.00**	**$66,724.50**	**48.21%**
30-21-5630	Insurance - Motor Vehicles	$2,000.00	$0.00	$1,436.61	$0.00	$563.39	28.17%
30-21-5640	Insurance - Bldg/Liab/Bond	$25,000.00	$0.00	$3,388.83	$0.00	$21,611.17	86.44%
30-21-5660	Dues & Subscriptions	$2,500.00	$0.00	$135.34	$0.00	$2,364.66	94.59%
30-21-5685	Publishing & Advertising	$500.00	$0.00	$1,465.32	($50.00)	($915.32)	(183.06%)
30-21-5695	Special Services - Miscellaneous	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Water/Sewer Sundry		**$30,000.00**	**$0.00**	**$6,426.10**	**($50.00)**	**$23,623.90**	**78.75%**
30-21-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5930	Equipment	$0.00	$0.00	$208.00	$0.00	($208.00)	0.00%
30-21-5935	Equipment - Time Payments	$20,000.00	$479.17	$15,511.98	$0.00	$4,488.02	22.44%
30-21-5940	Special Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5950	Contingency Fund	$71,323.00	$0.00	$0.00	$0.00	$71,323.00	100.00%
30-21-5963	Transfer to General Fund	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5990	Sewage Treatment Plant	$279,000.00	$71,812.03	$71,812.03	$0.00	$207,187.97	74.26%
30-21-5995	Brazosport Water Authority	$230,000.00	$21,417.90	$84,980.70	$0.00	$145,019.30	63.05%
30-21-5996	Transfer to Capital Improvement	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-21-5999	Depreciation	$332,152.00	$0.00	$0.00	$0.00	$332,152.00	100.00%
Total Water/Sewer Capital Outlay		**$932,475.00**	**$93,709.10**	**$172,512.71**	**$0.00**	**$759,962.29**	**81.50%**
Total Water/Sewer Expense		**$1,584,197.00**	**$166,255.58**	**$454,600.28**	**$2,137.48**	**$1,127,459.24**	**71.17%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Revenue Bond I&S (25)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
30-25-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Revenue Bond I&S Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
30-25-5960	CO Series 2013	$73,791.00	$0.00	$73,790.55	$0.00	$0.45	0.00%
30-25-5970	Certificates of Obligation Series 2011	$54,507.00	$0.00	$0.00	$0.00	$54,507.00	100.00%
30-25-5989	RB I&S Series 1980	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
30-25-5991	RB I&S Series 2004	$39,912.00	$0.00	$32,775.00	$0.00	$7,137.00	17.88%
30-25-5992	Loan interest	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Revenue Bond I&S Capital Outlay		**$168,210.00**	**$0.00**	**$106,565.55**	**$0.00**	**$61,644.45**	**36.65%**
Total Revenue Bond I&S Expense		**$168,210.00**	**$0.00**	**$106,565.55**	**$0.00**	**$61,644.45**	**36.65%**

City of Richwood
Balance Sheet
For Enterprise (30)
February 28, 2017

Assets

30-23-1101	Cash	.00
30-24-1101	Reserve Cash	.00
30-25-1101	Cash - Revenue Bond	.00
30-30-1101	Cash	(80,288.19)
30-23-1106	TexPool Investments	65,027.56
30-25-1106	TexPool Investments	.00
30-30-1106	TexPool Investments	.00
30-54-1106	TexPool Investments	.00
30-30-1107	Petty Cash	.00
30-25-1109	Logic Investments	811.07
30-30-1109	Logic Investments	(.39)
30-24-1110	Reserve - WCMA	.00
30-25-1110	WCMA - Merrill Lynch Investments	.00
30-30-1110	WCMA - Merrill Lynch Investments	.00
30-23-1111	Certificates of Deposit	28,239.08
30-25-1111	Certificates of Deposit	.00
30-30-1111	Certificates of Deposit	71,755.23
30-30-1113	Accrued Interest Receivable	28.62
30-30-1118	Due from Capital Construction Fund	.00
30-30-1119	Due from Replacment	.00
30-30-1120	Allowance for Uncollectibles	.00
30-30-1121	Due from Insurance Contingency	.00
30-30-1122	Accounts Receivable - Other	.00
30-24-1125	Prepaid Expenditures	.00
30-25-1125	Prepaid Expenditures	.00
30-30-1125	Prepaid Expenditures	.00
30-24-1127	Investments - Merrill Lynch	.00
30-25-1127	Investments - Merrill Lynch	.00
30-30-1127	Investments - Merrill Lynch	.00
30-30-1130	Accounts Rec/NSF checks	569.98
30-30-1131	Due from Other Governments	.00
30-30-1140	Due from Capital Improvements	.00
30-30-1141	Due From Debt Service	.00
30-30-1159	Deferred Outflow - TMRS	2,462.00
30-30-1160	Deferred Outflow - Contribution	14,187.48
30-30-1207	Bond Issuance Cost	.00
30-30-1208	Accumulated amortization of bond	.00
30-30-1209	2011 CO Bond Issuance Costs	.00
30-30-1210	2011 CO Accumulated Amortization	.00
30-30-1227	Construction in Progress - CDBG	.00
30-30-1228	Construction in Progress - Water Wells	147,224.85
30-30-1229	Construction in Progress - Sewer Lift Stations	.00
30-30-1230	Utility Receivables	167,464.29
30-30-1231	Reserve for Uncollectables	.00
30-30-1232	Unbilled utility	66,761.48
30-30-1239	Due from Bond	.00

City of Richwood
Balance Sheet
For Enterprise (30)
February 28, 2017

30-30-1240	Due from General Water/Sewer	203,837.56
30-30-1241	Due from General - Water/Meter	.00
30-30-1242	Due from General - Capital	.00
30-30-1245	Due from Capital Projects	.00
30-30-1250	Due from General - Reserve	.00
30-25-1252	Due from W/S - Revenue Bond	.00
30-30-1252	Due from W/S - Revenue Bond	.00
30-23-1253	Due from W/S for W/M	.00
30-30-1253	Due from W/S for W/M	.00
30-30-1259	Deferred inflow-TMRS	(6,593.00)
30-30-1261	Land	122,580.00
30-30-1262	Buildings	193,270.01
30-30-1263	Vehicles	100,396.99
30-30-1264	Office Equipment	.00
30-30-1265	Equipment	203,130.25
30-30-1266	Water System	5,776,307.06
30-30-1267	Sewer System	5,127,859.10
30-30-1269	Accumulated Depreciation	(4,704,009.09)
30-25-1325	Due from General Fund	.00
Total		7,501,021.94
Total Assets		$ 7,501,021.94

Liabilities and Fund Balance

30-30-2125	Cash Over/Under	.00
30-30-2129	Accts Payble - Other	959.94
30-30-2130	Accounts Payable	2,138.41
30-30-2131	Federal W/H Payble	1,029.65
30-30-2132	Retirement Payable	1,335.22
30-30-2134	Due to Debt Service Fund	.00
30-30-2136	Insurance Payable	1,070.83
30-30-2137	Credit Union Payable	.00
30-30-2138	Child Support Payable	.00
30-30-2144	Social Security Payable	(866.07)
30-30-2149	Due to Capital Porjects	.00
30-25-2150	Due to Water/Sewer	.00
30-54-2150	Due to Water/Sewer	.00
30-30-2151	Due to Insurance Contingency	.00
30-30-2153	Due to Water Meter Deposit	.00
30-30-2155	Due to Replacement	.00
30-30-2156	Due to Revenue Bond I&S	.00
30-24-2158	Due to Capital Improvement	.00
30-30-2158	Due to Capital Improvement	.00
30-54-2158	Due to Capital Improvement	.00
30-30-2160	Due to Reserve Fund	.00
30-30-2162	Due to Transportation Fund	36,732.92

City of Richwood

Balance Sheet

For Enterprise (30)

February 28, 2017

30-30-2175		AFU Account	.00
30-30-2220		Customer Meter Deposits	121,371.94
30-30-2221		Due to General	749,693.44
30-30-2222		Due to Debt Service	.00
30-30-2224		Due to W/S from Water/Meter	.00
30-30-2225		Due to Transportation Fund	.00
30-30-2228		Due to Revenue Bond from W/S	.00
30-30-2235		Sales Tax Payable	3,531.74
30-30-2240		Sanitation Payable	28,238.58
30-30-2241		Fire Department Donations	6,933.51
30-30-2242		Beautification Donations	4,561.21
30-30-2243		Transportation Fees	21,640.00
30-30-2244		Inspection fee payable	10,370.00
30-25-2248		Accrued int payable - Capital Loan	14,401.60
30-25-2249		Accured Revenue Bond Int. Payable	7,742.86
30-30-2249		Accured Revenue Bond Int. Payable	.00
30-25-2250		Revenue Bonds Payable - 1980	.00
30-30-2250		Revenue Bonds Payable - 1980	.00
30-25-2255		Loan Payable	549,909.45
30-30-2255		Loan Payable	100,896.00
30-25-2256		Certificates Payable	310,000.00
30-30-2256		Certificates Payable	.00
30-25-2257		2011 Certificates of Obligation Bond	660,000.00
30-25-2280		Net Pension Liability	56,846.40
	Total		2,688,537.63
	Total Liabilties		2,688,537.63
30-30-3110		Encumberance Account	.00
30-30-3201		Retained Earnings	3,527,354.41
30-25-3205		Retained Earnings - Bonds	566,267.85
30-25-3206		Reserve - Construction	751,281.79
	Total		4,844,904.05
		Excess of Revenue Over Expenditures	(32,419.74)
	Total Fund Balances		4,812,484.31
	Total Liabilities and Fund Balances		$ 7,501,021.94

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Capital Improvements (11)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
11-55-4110 Interest Earnings	$ 0.00	$ 0.00	$ 65.00	$ 40.19	38.17%
11-55-4113 Intragovernmental Income	0.00	0.00	0.00	0.00	0.00%
Total Capital Improvements Revenues	$ 0.00	$ 0.00	$ 65.00	$ 40.19	38.17%
Capital Improvements Excess of Revenues Over Expen	**$ 0.00**	**$ 0.00**	**$ 65.00**	**$ 40.19**	**38.17%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Capital Improvements (55)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
11-55-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Capital Improvements Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
11-55-5365	Other Equipment M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Capital Improvements Maintenance & Repair		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
11-55-5915	Capital Expenditures	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Capital Improvements Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Capital Improvements Expense		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**

City of Richwood

Balance Sheet

For Capital Improvements (11)

February 28, 2017

Assets

11-55-1101		Cash	.00
11-55-1106		TexPool Investments	31,718.92
11-55-1109		Logic Investments	2,263.85
11-55-1110		WCMA - Merrill Lynch Investments	.00
11-55-1111		Certificates of Deposit	39,866.06
11-55-1113		Accrued Interest Receivable	10.90
11-55-1116		Due from Enterprise Fund	.00
11-55-1118		Due from Capital Construction Fund	.00
11-55-1119		Due from Replacment	.00
11-55-1125		Prepaid Expenditures	.00
11-55-1127		Investments - Merrill Lynch	.00
11-55-1140		Due from Capital Improvements	.00
11-55-1325		Due from General Fund	.00
	Total		73,859.73
	Total Assets		$ 73,859.73

Liabilities and Fund Balance

11-55-2149		Due to Capital Porjects	.00
11-55-2150		Due to Water/Sewer	.00
11-55-2155		Due to Replacement	.00
11-55-2158		Due to Capital Improvement	.00
11-55-2221		Due to General	.00
	Total		.00
	Total Liabilties		.00
11-55-3103		Fund Balance	73,819.54
11-55-3110		Prior Year Encumbrance Account	.00
	Total		73,819.54
		Excess of Revenue Over Expenditures	40.19
	Total Fund Balances		73,859.73
	Total Liabilities and Fund Balances		$ 73,859.73

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Insurance (12)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
12-53-4110	Interest Earnings	$ 0.00	$ 0.00	$ 110.00	$ 16.56	84.95%
12-53-4113	Intragovernmental Income	0.00	0.00	0.00	0.00	0.00%
Total Insurance Revenues		$ 0.00	$ 0.00	$ 110.00	$ 16.56	84.95%
Insurance Excess of Revenues Over Expenditures		**$ 0.00**	**$ 0.00**	**$ 110.00**	**$ 16.56**	**84.95%**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Insurance (53)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
12-53-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Insurance Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Insurance Expense		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**

City of Richwood

Balance Sheet

For Insurance (12)

February 28, 2017

Assets

12-53-1111		Certificates of Deposit	13,445.50
12-53-1113		Accrued Interest Receivable	17.60
12-53-1325		Due from General Fund	.00
	Total		13,463.10
	Total Assets		$ 13,463.10

Liabilities and Fund Balance

12-53-2221		Due to General	.00
	Total		.00
	Total Liabilties		.00
12-53-3103		Fund Balance	13,446.54
12-53-3110		Prior Year Encumbrance Account	.00
12-55-3110		Prior Year Encumbrance Account	.00
	Total		13,446.54
		Excess of Revenue Over Expenditures	16.56
	Total Fund Balances		13,463.10
	Total Liabilities and Fund Balances		$ 13,463.10

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Replacements (13)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
13-52-4110 Interest Earnings	$	0.00 $	0.00 $	35.00 $	19.83	43.34%
13-52-4112 Miscellaneous Income		0.00	0.00	0.00	1,700.00	0.00%
13-52-4113 Intragovernmental Income		0.00	0.00	0.00	0.00	0.00%
Total Replacements Revenues	$	0.00 $	0.00 $	35.00 $	1,719.83	(4813.80%)
Replacements Excess of Revenues Over Expenditures	$	**0.00** $	**0.00** $	**35.00** $	**1,719.83**	**(4813.80%)**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Replacement (52)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
13-52-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Replacement Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
13-52-5310	Building & Grounds M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Replacement Maintenance & Repair		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
13-52-5910	Office Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
13-52-5915	Capital Expenditures	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
13-52-5920	Motor Vehicles	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
13-52-5930	Equipment	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Replacement Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Replacement Expense		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**

City of Richwood

Balance Sheet

For Replacements (13)

February 28, 2017

Assets

13-52-1106		TexPool Investments	.00
13-52-1108		TexStar Investments	6,893.35
13-52-1109		Logic Investments	5,564.35
13-52-1110		WCMA - Merrill Lynch Investments	.00
13-52-1111		Certificates of Deposit	601.69
13-52-1113		Accrued Interest Receivable	9.07
13-52-1116		Due from Enterprise Fund	.00
13-52-1119		Due from Replacment	.00
13-52-1125		Prepaid Expenditures	.00
13-52-1127		Investments - Merrill Lynch	.00
13-52-1140		Due from Capital Improvements	.00
13-52-1325		Due from General Fund	1,700.00
	Total		14,768.46
	Total Assets		$ 14,768.46

Liabilities and Fund Balance

13-52-2150		Due to Water/Sewer	.00
13-52-2155		Due to Replacement	.00
13-52-2158		Due to Capital Improvement	.00
13-52-2221		Due to General	.00
	Total		.00
	Total Liabilties		.00
13-52-3103		Fund Balance	13,048.63
13-52-3110		Prior Year Encumbrance Account	.00
13-55-3110			.00
	Total		13,048.63
		Excess of Revenue Over Expenditures	1,719.83
	Total Fund Balances		14,768.46
	Total Liabilities and Fund Balances		$ 14,768.46

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Crime Control and Prevention (15)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
15-60-4110	Interest Earnings	$ 0.00	$ 0.00	$ 0.00	$ 35.91	0.00%
15-60-4112	Miscellaneous Income	0.00	0.00	0.00	0.00	0.00%
15-60-4117	Sales Tax	0.00	9,086.42	125,000.00	34,781.13	72.18%
Total Crime Control and Prevention Revenues		$ 0.00	$ 9,086.42	$ 125,000.00	$ 34,817.04	72.15%
Crime Control and Prevention Excess of Revenues Over		$ 0.00	$ 6,876.42	$ 0.00	$ (13,108.91)	0.00%

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Crime Control and Prevention (60)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
15-60-5103	Salaries & Wages	$11,724.00	$2,210.00	$4,420.00	$0.00	$7,304.00	62.30%
Total Crime Control and Prevention Personnel Costs		**$11,724.00**	**$2,210.00**	**$4,420.00**	**$0.00**	**$7,304.00**	**62.30%**
15-60-5220	Tools	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
15-60-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Crime Control and Prevention Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
15-60-5310	Building & Grounds M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
15-60-5365	Other Equipment M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Crime Control and Prevention Maintenance & Repair		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
15-60-5920	Motor Vehicles	$50,000.00	$0.00	$43,505.95	$0.00	$6,494.05	12.99%
15-60-5930	Equipment	$63,276.00	$0.00	$0.00	$0.00	$63,276.00	100.00%
Total Crime Control and Prevention Capital Outlay		**$113,276.00**	**$0.00**	**$43,505.95**	**$0.00**	**$69,770.05**	**61.59%**
Total Crime Control and Prevention Expense		**$125,000.00**	**$2,210.00**	**$47,925.95**	**$0.00**	**$77,074.05**	**61.66%**

City of Richwood

Balance Sheet

For Crime Control and Prevention (15)
February 28, 2017

Assets

15-60-1106		TexPool Investments	18,942.29
15-60-1108		TexStar Investments	14,451.13
15-60-1110		WCMA - Merrill Lynch Investments	.00
15-60-1111		Certificates of Deposit	66,493.54
15-60-1113		Accrued Interest Receivable	2.06
15-60-1114		Sales Tax Receivable	9,423.33
15-60-1127		Investments - Merrill Lynch	.00
15-60-1325		Due from General Fund	43,694.00
	Total		153,006.35
	Total Assets		$ 153,006.35

Liabilities and Fund Balance

15-60-2221		Due to General	47,925.95
	Total		47,925.95
	Total Liabilties		47,925.95
15-60-3103		Fund Balance	118,189.31
15-60-3110		Prior Year Encumbrance Account	.00
	Total		118,189.31
		Excess of Revenue Over Expenditures	(13,108.91)
	Total Fund Balances		105,080.40
	Total Liabilities and Fund Balances		$ 153,006.35

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For Transportation Fund (25)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
25-40-4110 Interest Earnings	$ 0.00	$ 0.00	$ 0.00	$ 118.45	0.00%
25-40-4112 Miscellaneous Income	0.00	0.00	0.00	0.00	0.00%
25-40-4125 Transportation Fee	0.00	0.00	136,000.00	36,732.92	72.99%
Total Transportation Fund Revenues	$ 0.00	$ 0.00	$ 136,000.00	$ 36,851.37	72.90%
Transportation Fund Excess of Revenues Over Expendi	**$ 0.00**	**$ 0.00**	**$ 20,000.00**	**$ 36,851.37**	**(84.26%)**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For Transportation (40)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
25-40-5240	Expendable Operating Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Transportation Operating Supplies		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
25-40-5380	Streets M&R	$41,000.00	$0.00	$0.00	$0.00	$41,000.00	100.00%
25-40-5382	Sidewalks M&R	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
25-40-5385	Drainage M&R	$75,000.00	$0.00	$0.00	$0.00	$75,000.00	100.00%
Total Transportation Maintenance & Repair		**$116,000.00**	**$0.00**	**$0.00**	**$0.00**	**$116,000.00**	**100.00%**
25-40-5965	Street Projects	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
25-40-5975	Drainage	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
25-40-5985	Sidewalk Projects	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
Total Transportation Capital Outlay		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**
Total Transportation Expense		**$116,000.00**	**$0.00**	**$0.00**	**$0.00**	**$116,000.00**	**100.00%**

City of Richwood

Balance Sheet

For Transportation Fund (25)

February 28, 2017

Assets

25-40-1106	TexPool Investments	.00
25-40-1108	TexStar Investments	1,743.49
25-40-1109	Logic Investments	54,686.85
25-40-1111	Certificates of Deposit	4,325.19
25-40-1116	Due from Enterprise Fund	36,732.92
25-40-1122	Accounts Receivable - Other	.00
25-40-1325	Due from General Fund	.00
	Total	97,488.45
	Total Assets	$ 97,488.45

Liabilities and Fund Balance

25-40-2221	Due to General	.00
	Total	.00
	Total Liabilties	.00
25-40-3103	Fund Balance	60,636.08
25-40-3110	Prior Year Encumbrance Account	.00
	Total	60,636.08
	Excess of Revenue Over Expenditures	36,851.37
	Total Fund Balances	97,487.45
	Total Liabilities and Fund Balances	$ 97,487.45

City of Richwood

Statement of Revenue and Expenditures

Revised Budget

For General Obligation I&S (40)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account Number		Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues						
40-50-4103	Ad Valorem Taxes	$ 0.00	$ 19,233.50	$ 171,394.00	$ 125,852.75	26.57%
40-50-4104	Delinquent Taxes	0.00	0.00	0.00	23,656.58	0.00%
40-50-4110	Interest Earnings	0.00	0.00	200.00	87.72	56.14%
40-50-4112	Miscellaneous Income	0.00	0.00	0.00	0.00	0.00%
40-50-4113	Intragovernmental Income	0.00	0.00	0.00	0.00	0.00%
40-50-4221	Bond Proceeds	0.00	0.00	0.00	0.00	0.00%
40-50-4222	Bond Premium	0.00	0.00	0.00	0.00	0.00%
Total General Obligation I&S Revenues		$ 0.00	$ 19,233.50	$ 171,594.00	$ 149,597.05	12.82%
General Obligation I&S Excess of Revenues Over Expe		**$ 0.00**	**$ 13,886.34**	**$ 200.00**	**$ 138,902.73**	**(69351.37%)**

City of Richwood

Statement of Expenditures, Encumbrances, and Appropriations

Revised Budget

For General Obligation I&S (50)

For the Fiscal Period 2017-5 Ending February 28, 2017

Account	Description	Annual Budget	Current Period Actual	YTD Actual	Encumbered Balance	UnEncumbered Balance	Remaing % of Budget
40-50-5240	Expendable Operating Supplies	$1,000.00	$0.00	$0.00	$0.00	$1,000.00	100.00%
Total General Obligation I&S Operating Supplies		**$1,000.00**	**$0.00**	**$0.00**	**$0.00**	**$1,000.00**	**100.00%**
40-50-5960	Bank Note	$21,390.00	$5,347.16	$10,694.32	$0.00	$10,695.68	50.00%
40-50-5970	1999 Certificates of Obligation	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%
40-50-5980	Certificates of Obligation - 2012	$78,510.00	$0.00	$0.00	$0.00	$78,510.00	100.00%
40-50-5992	CO Series 2011 Refunding	$70,494.00	$0.00	$0.00	$0.00	$70,494.00	100.00%
Total General Obligation I&S Capital Outlay		**$170,394.00**	**$5,347.16**	**$10,694.32**	**$0.00**	**$159,699.68**	**93.72%**
Total General Obligation I&S Expense		**$171,394.00**	**$5,347.16**	**$10,694.32**	**$0.00**	**$160,699.68**	**93.76%**

City of Richwood

Balance Sheet

For General Obligation I&S (40)

February 28, 2017

Assets

40-50-1101		Cash	.00
40-50-1106		TexPool Investments	.00
40-50-1109		Logic Investments	1,436.03
40-50-1110		WCMA - Merrill Lynch Investments	.00
40-50-1111		Certificates of Deposit	92,820.18
40-50-1112		Tax Receivable	(141,425.50)
40-50-1113		Accrued Interest Receivable	65.72
40-50-1116		Due from Enterprise Fund	.00
40-50-1118		Due from Capital Construction Fund	.00
40-50-1120		Allowance for Uncollectibles	(1,987.16)
40-50-1122		Accounts Receivable - Other	155,441.70
40-50-1123		Deferred Taxes	(2,430.55)
40-50-1127		Investments - Merrill Lynch	.00
40-50-1131		Due from Other Governments	.00
40-50-1133		Reserve for Ad Valorem Taxes	151,086.31
40-50-1245		Due from Capital Projects	.00
40-50-1325		Due from General Fund	.00
	Total		255,006.73
	Total Assets		$ 255,006.73

Liabilities and Fund Balance

40-50-2150		Due to Water/Sewer	.00
40-50-2221		Due to General	.00
40-50-2249		Accrued Int. Payable	.00
	Total		.00
	Total Liabilties		.00
40-50-3103		Fund Balance	116,104.00
40-50-3110		Prior Year Encumbrance Account	.00
	Total		116,104.00
		Excess of Revenue Over Expenditures	138,902.73
	Total Fund Balances		255,006.73
	Total Liabilities and Fund Balances		$ 255,006.73