City of Richwood

City Council Regular Meeting

Monday, August 13, 2018 6:05 PM

AGENDA

BE IT KNOWN that the **CITY COUNCIL** of the City of Richwood will meet in **City Council Regular Meeting** on **Monday, August 13, 2018** at **6:05 PM** at 1800 N. Brazosport Blvd., Richwood, TX 77531 at the Richwood City Hall in the Council Chambers with the following agenda:

I. CALL TO ORDER AT 6:00 PM

II. INVOCATION

III. PLEDGES OF ALLEGIANCE 5
Pledge of Allegiance & Texas Pledge

IV. ROLL CALL OF COUNCIL MEMBERS

V. RECOGNITIONS

A. Award Blue Santa Scholarship in the amount of $500.00

1. Daniel Rester

2. Donald Cameron

VI. PRESENTATIONS

A. Presentation of FY 16-17 Financial Audit 6

VII. CONSENT AGENDA

A. Approval of Minutes of Previous Meetings

1. July 9, 2018 109

2. July 16, 2018 Budget Workshop 120

B. Payment of Bills

C. Resolution designating Stephen Mayor, Chief of Police as authorized official on Grant 3441901 Rifle Resistant Body Armor 130

D. Resolution designating Stephen Mayor, Chief of Police as authorized official on Grant 3340201 - JAG Suspect Identification Technology Updates 132

VIII. DISCUSSION AND ACTION ITEMS

A. Public Hearing to consider rezoning 5 acres of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A from R-3, Multifamily Residence to C-1 Commercial. Said property being located at the northeast corner of 288B and Highway 2004 134

B. Discuss and consider an ordinance rezoning 5 acres of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A from R-3, Multifamily Residence to C-1 Commercial. Said property being located at the northeast corner of 288B and Highway 2004 152

C. Public Hearing to consider a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank currently zoned C-1 Commercial to allow a Montessori School 156

D. Discuss and consider a conditional use of property located at 2007 FM 2004, 173

being an approximately 3.14 acre site west of Brazos National Bank currently zoned C-1 Commercial to allow a Montessori School

E. Discuss and consider sponsorship for the S.T.O.P. (Stop Talk and Overcome the Pain) Rally for the prevention of teenage suicide to be held on August 25, 2018 174

F. Presentation of Bond Task Force recommendation 175

G. Discuss and consider an ordinance calling a Special Bond Election for November 6, 2018 215

H. Proposed Budget Fiscal Year 2018-2019 227

I. Discuss and consider approving a resolution setting the date and time for public hearing for Fiscal Year 2017-2018 Annual Budget for August 27, 2018 at 6:00 P.M. 280

J. Consider and record vote for proposed tax rate of $0.691118, which is the effective rate for the City of Richwood for the 2018-2019 Fiscal Year 282

K. Discuss and consider a resolution amending the Fiscal Year 2017-2018 Budget to increase General Fund revenues and expenditures; reduce Equipment Replacement Fund revenues and expenditures and increase Capital Project Fund revenues and expenditures 284

L. Discuss and consider an ordinance amending regulations of Indoor Gun Ranges to remove the decibel limits and set parameters that refer to noise ordinance 287

M. Discuss an ordinance amending Chapter 10 Miscellaneous Provisions and Offenses of the code of ordinances to amend Section 10-4 Noise Control to restructure and set all new regulations to noise control 290

N. Discuss and consider extending the variance to Section 10-4 Noise Control for Big Country Shooting 298

O. Review and consider changes to Section 6-4 of the City of Richwood Code of Ordinance regarding Burning within the City limits 299

P. Update on Flood Mitigation Efforts

Q. Approve items removed from Consent Agenda

IX. REPORTS

Reports that require no action.

A. Review of budget expenditures 301

B. Review of Quarterly Investment Reports 320

X. CITY MANAGER'S REPORT

XI. 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. Discussion is not allowed on items not posted on the agenda.

XII. FUTURE AGENDA ITEMS

XIII. COUNCIL MEMBER COMMENTS & REPORTS

XIV. MAYOR'S REPORT

XV. ADJOURNMENT

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

I, Giani B. Cantu, do hereby certify that I did, on 8/10/18 at _____ p.m., post this notice of meeting on the bulletin board at 1800 N. Brazosport Blvd., Richwood, TX, in compliance with the Texas Open Meetings Law.

_____

Giani Cantu, City Secretary
City of Richwood

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

Pledge of Allegiance

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

Texas Pledge

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

CITY OF RICHWOOD

RICHWOOD, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2017

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

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CITY OF RICHWOOD
Richwood, Texas

Annual Financial Report
For the Year Ended September 30, 2017

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FINANCIAL SECTION

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Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

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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, 2017, 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.

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, 2017, 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 86 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'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2018, 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 & Rungford, LLC

Lake Jackson, Texas
July 17, 2018

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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, 2017.

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 $ 13,756,374 (net position). Of this amount, $ 370,503 (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 $ 277,547.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $ 2,021,246. 69.5% of this total amount, $ 1,404,483 (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 $ 1,404,483 or 55.1% 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 78 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 86 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 88 through 93 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 $ 13,756,374 as of September 30, 2017.

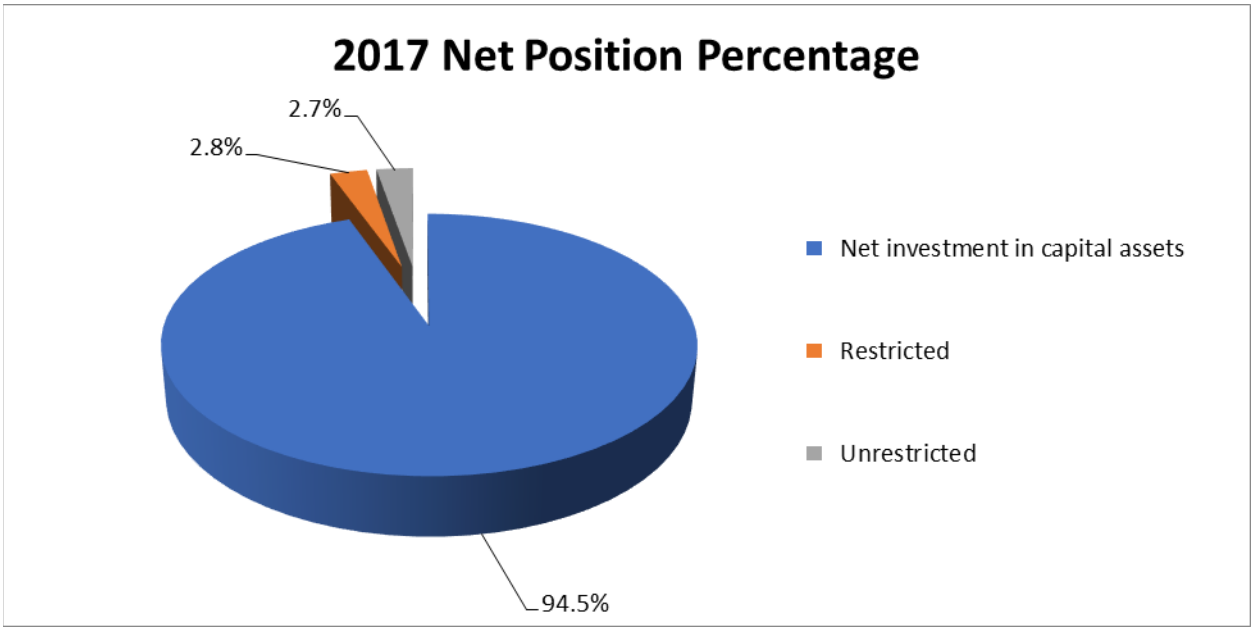
The largest portion of the City's net position, $ 13,006,256 (94.5%) reflects its investments in capital assets (e.g., land, buildings, furniture, equipment and vehicles, infrastructure, and construction in progress), less any debt used to acquire those assets that is still outstanding. The City uses 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.

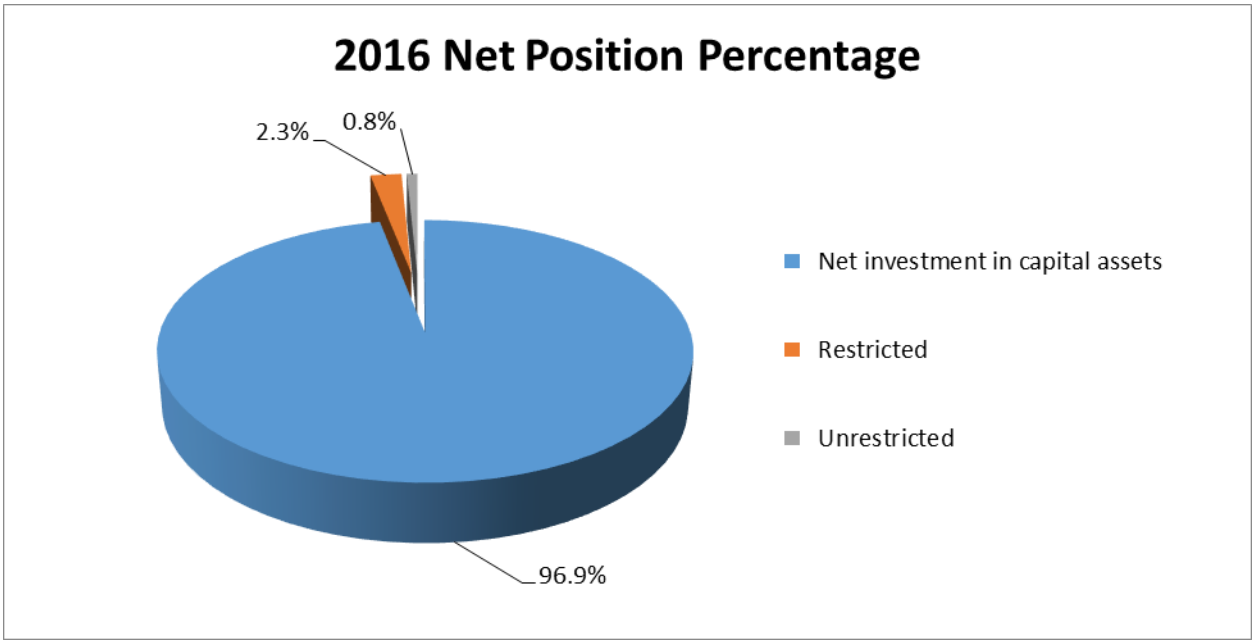
An additional portion of the City's net position of $ 379,615 (2.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $ 370,503 (2.7%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2017, the City was 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,	
	2017	2016	2017	2016	2017	2016
ASSETS						
Current and other assets	$ 2,168,754	$ 1,820,686	$(437,193)	$(504,921)	$ 1,731,561	$ 1,315,765
Capital assets	9,124,130	9,141,195	6,797,753	6,978,455	15,921,883	16,119,650
Total assets	11,292,884	10,961,881	6,360,560	6,473,534	17,653,444	17,435,415
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources	249,150	263,907	39,792	44,402	288,942	308,309
Total deferred outflows of resources	249,150	263,907	39,792	44,402	288,942	308,309
LIABILITIES						
Current and other liabilities	97,415	73,921	303,571	257,434	400,986	331,355
Long-term liabilities	2,326,419	2,334,372	1,406,243	1,512,789	3,732,662	3,847,161
Total liabilities	2,423,834	2,408,293	1,709,814	1,770,223	4,133,648	4,178,516
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources	44,384	73,052	7,980	13,329	52,364	86,381
Total deferred inflows of resources	44,384	73,052	7,980	13,329	52,364	86,381
NET POSITION						
Net Investment in capital assets	7,400,953	7,394,705	5,605,303	5,672,684	13,006,256	13,067,389
Restricted	379,615	307,173			379,615	307,173
Unrestricted	1,293,248	1,042,565	(922,745)	(938,300)	370,503	104,265
Total net position	$ 9,073,816	$ 8,744,443	$ 4,682,558	$ 4,734,384	$ 13,756,374	$ 13,478,827

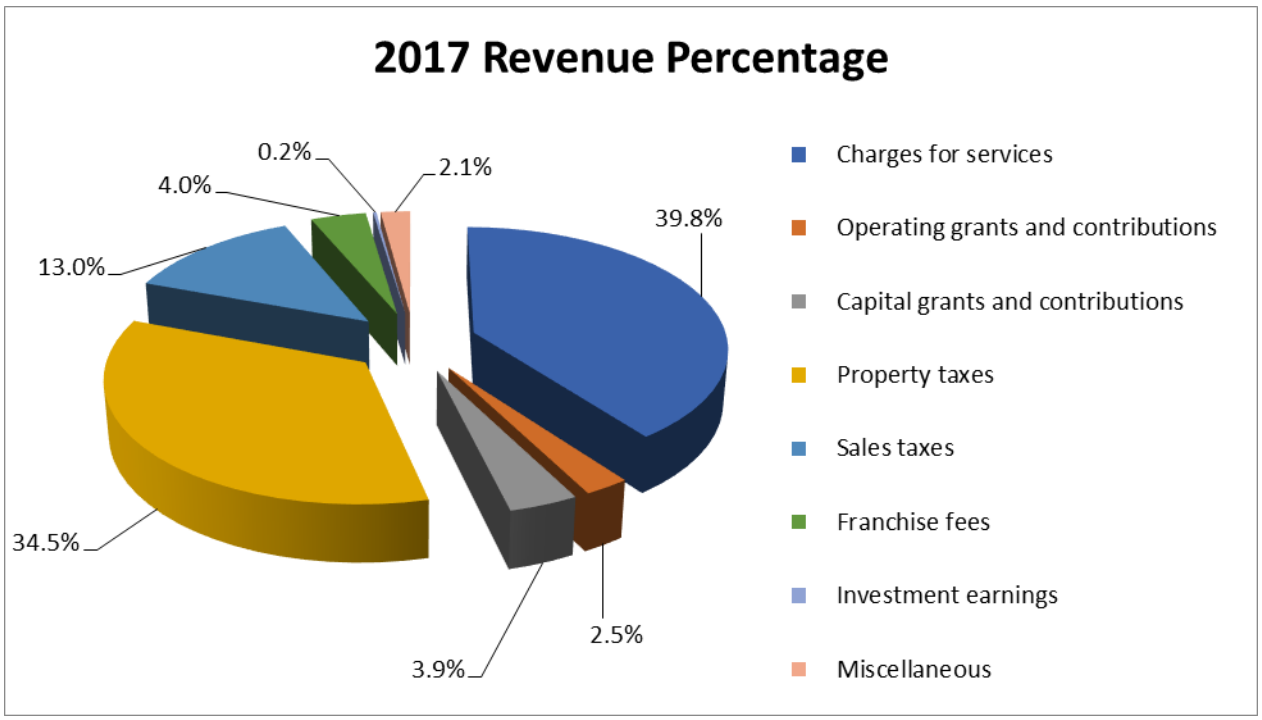

2017 Net Position Percentage
2.7%
2.8%
94.5%
Net investment in capital assets
Restricted
Unrestricted

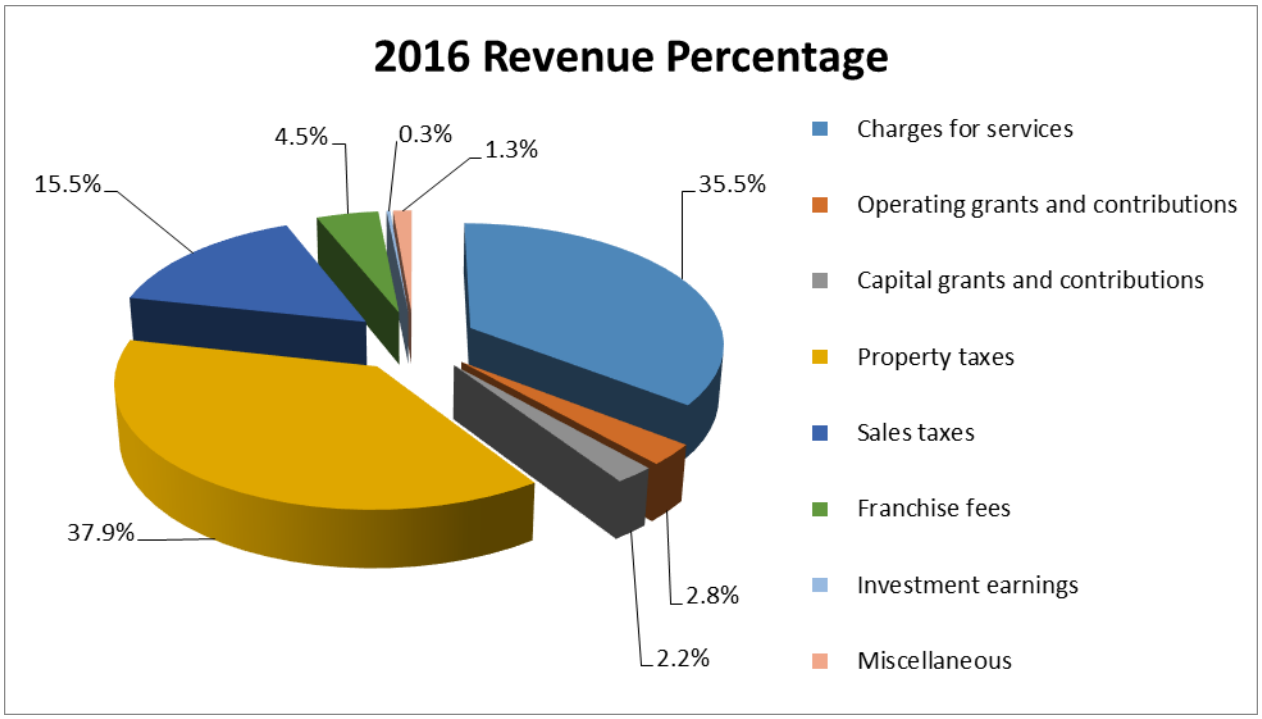

2016 Net Position Percentage
2.3%
0.8%
96.9%
Net investment in capital assets
Restricted
Unrestricted

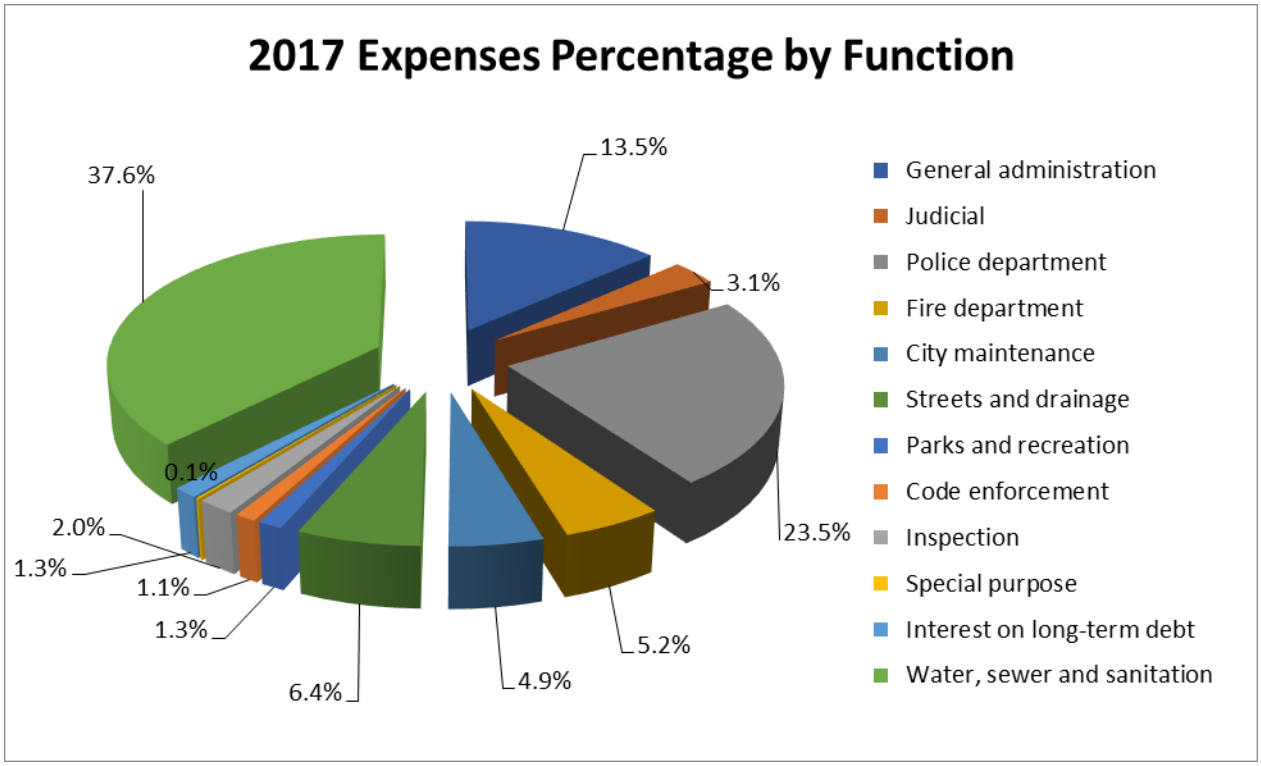
Analysis of the City's Operations. The following table provides a summary of the City's operations for the year ended September 30, 2017. Governmental activities increased the City's net position by $ 329,373. Business-type activities decreased the City's net position by $ 51,826

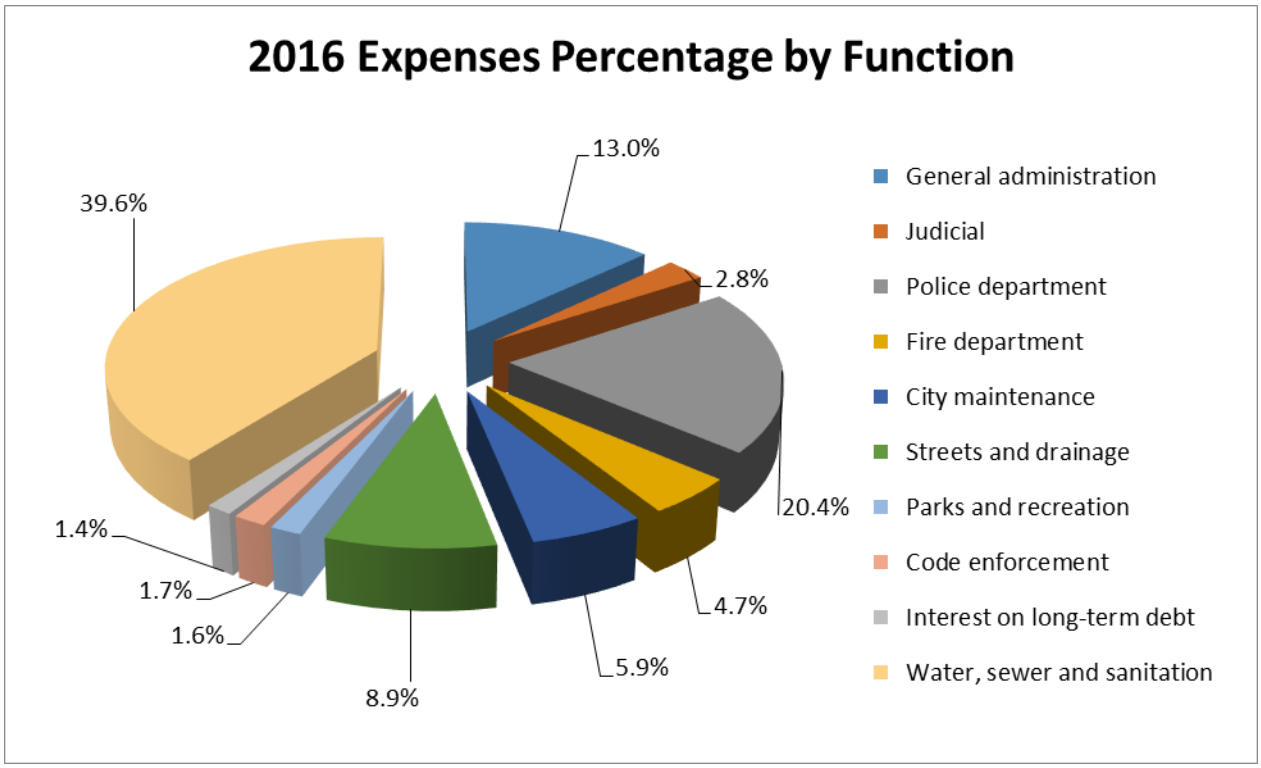
CITY OF RICHWOOD'S STATEMENT OF ACTIVITY

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for services	$ 413,727	$ 264,375	$ 1,418,375	$ 1,178,195	$ 1,832,102	$ 1,442,570
Operating grants and contributions	116,182	114,937			116,182	114,937
Capital grants and contributions	30,493		146,910	90,027	177,403	90,027
General Revenues:						
Property taxes	1,585,251	1,537,154			1,585,251	1,537,154
Sales tax	597,300	626,853			597,300	626,853
Franchise fees	185,077	183,095			185,077	183,095
Investment earnings	10,151	10,559	1,066	441	11,217	11,000
Miscellaneous	88,245	54,160	10,000		98,245	54,160
Total revenues	3,026,426	2,791,133	1,576,351	1,268,663	4,602,777	4,059,796
Expenses:						
General administration	582,558	521,649			582,558	521,649
Judicial	135,519	111,428			135,519	111,428
Police department	1,016,210	817,120			1,016,210	817,120
Fire department	225,171	188,968			225,171	188,968
City maintenance	211,079	236,878			211,079	236,878
Streets and drainage	275,813	354,351			275,813	354,351
Parks and recreation	55,129	65,606			55,129	65,606
Code enforcement	47,363	69,843			47,363	69,843
Inspection	85,401				85,401	-0-
Special purpose	5,610				5,610	-0-
Interest on long-term debt	57,200	56,094			57,200	56,094
Water, sewer and sanitation			1,628,177	1,584,596	1,628,177	1,584,596
Total expenses	2,697,053	2,421,937	1,628,177	1,584,596	4,325,230	4,006,533
Increase (decrease) in net position before transfers	329,373	369,196	(51,826)	(315,933)	277,547	53,263
Transfers		(5,900)		5,900	-0-	-0-
Changes in net position	329,373	363,296	(51,826)	(310,033)	277,547	53,263
Net position - beginning	8,744,443	8,381,147	4,734,384	5,044,417	13,478,827	13,425,564
Net position - ending	$ 9,073,816	$ 8,744,443	$ 4,682,558	$ 4,734,384	$ 13,756,374	$ 13,478,827


2017 Revenue Percentage
0.2%
2.1%
4.0%
39.8%
13.0%
34.5%
2.5%
3.9%
Charges for services
Operating grants and contributions
Capital grants and contributions
Property taxes
Sales taxes
Franchise fees
Investment earnings
Miscellaneous


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


2017 Expenses Percentage by Function
37.6%
13.5%
3.1%
23.5%
5.2%
4.9%
6.4%
1.3%
1.1%
2.0%
1.3%
0.1%
General administration
Judicial
Police department
Fire department
City maintenance
Streets and drainage
Parks and recreation
Code enforcement
Inspection
Special purpose
Interest on long-term debt
Water, sewer and sanitation


2016 Expenses Percentage by Function
39.6%
13.0%
2.8%
20.4%
4.7%
5.9%
8.9%
1.6%
1.7%
1.4%
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 $ 2,021,246. $ 1,404,483 (69.5%) 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) $ 859 for park, 3) $ 6,219 for court security and technology, 4) $ 748 for police training, 5) $ 106,860 for debt service, 6) $ 22,169 for street beautification, 7) $ 139,366 for transportation, 8) $ 13,496 for insurance, 9) $ 74,129 for capital improvement, 10) $ 37,109 for equipment replacement, and 11) $ 114,912 for crime control and prevention.

The General Fund fund balance increased by $ 240,773; the Debt Service Fund fund balance increased by $ 1,348, and the Nonmajor Governmental Funds fund balance increased by $ 71,148.

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, 2017 the proprietary fund had a deficit of $ 922,745 in unrestricted net position. Total net position decreased by $ 51,826.

General Fund Budgetary Highlights. Actual revenues exceeded budget by $ 196,271 mainly due to increased fines and fees and intergovernmental revenue. Actual expenditures exceeded budgetary estimates by $ 68,901 due to the Hurricane Harvey flooding.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2017, was $ 15,921,883 (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, 2017, the City received contributed capital in the amount of $ 177,403. Of this amount, $ 30,493 was reported within governmental activities and $ 146,910 was reported within business-type activities.

Capital Assets at Year-end
Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2017	2016	2017	2016	2017	2016
Land	$ 335,262	$ 335,262	$ 122,580	$ 122,580	$ 457,842	$ 457,842
Buildings	1,586,885	1,635,331	77,872	84,367	1,664,757	1,719,698
Furniture, equipment and vehicles	499,134	354,780	27,380	52,818	526,514	407,598
Infrastructure	6,702,849	6,815,822	6,569,921	6,684,899	13,272,770	13,500,721
Construction in progress				33,791	-0-	33,791
Total	$ 9,124,130	$ 9,141,195	$ 6,797,753	$ 6,978,455	$ 15,921,883	$ 16,119,650

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 $ 3,732,662. Of this amount, $ 2,195,000 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 $ 443,714 obligations under capital lease, $ 347,433 notes payable, and $ 712,451 net pension liability.

Outstanding Debt at Year End
Bonds Payable

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Certificates of obligation bonds	$ 1,335,000	$ 1,435,000	$ 860,000	$ 915,000	$ 2,195,000	$ 2,350,000
Capital leases			443,714	497,840	443,714	497,840
Notes	347,433	267,966			347,433	267,966
Net pension liability	609,922	595,052	102,529	99,949	712,451	695,001
Premium on bonds	34,064	36,354			34,064	36,354
Total	$ 2,326,419	$ 2,334,372	$ 1,406,243	$ 1,512,789	$ 3,732,662	$ 3,847,161

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 FY 2017-2018 Budget, General Fund revenues are budgeted to increase by $ 775,585, or 33%, from the 2016-2017 budget year due to increases in property values and two one-time transfers. New property tax revenues are anticipated to increase by about $ 94,631 A transfer has been added as a new revenue source from the Utility Fund for a total of $ 400,826. One part of that transfer is to pay for indirect cost ($ 82,172) and the remaining is a one-time payment to decrease the Utility Fund's outstanding debt to the General Fund. A one-time transfer from fund balance of $ 251,750 was also created to help fund the creation of a contingency fund and to pay for one-time capital projects and equipment replacement items.

Certified assessed valuation increased by 24.93% over the preceding year. Net property tax, taxes after payments for 380 Agreements, will increase by approximately 7.02%.

The Enterprise Fund's 2017-2018 budgeted expenditures are expected to increase by 43.33% over the preceding year's budget. Historically, the City has only been showing the net proceeds for solid waste services but this budget includes the gross expenses and revenues. Additionally, the transfers to debt service had historically not been budgeted and there is a one-time payment to the General fund of approximately $ 318,000 to pay off part of the debt that is owed by the Enterprise Fund. Water and Sewer rates for the 2017-2018 budget year were increased.

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.

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BASIC FINANCIAL STATEMENTS

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION

September 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and temporary investments	$ 856,225	$ 25,458	$ 881,683
Investments	209,656		209,656
Receivables (Net):			
Taxes	156,661		156,661
Accounts	35,157	257,592	292,749
Accrued interest	9,558	20	9,578
Interfund accounts	901,014	(901,014)	-0-
Due from other governments	483		483
Restricted Assets:			
Temporarily Restricted:			
Cash and temporary investments		80,556	80,556
Investments		100,183	100,183
Accrued interest		12	12
Capital Assets (Net of Accumulated Depreciation):			
Land	335,262	122,580	457,842
Buildings	1,586,885	77,872	1,664,757
Furniture, equipment and vehicles	499,134	27,380	526,514
Infrastructure	6,702,849	6,569,921	13,272,770
Total assets	11,292,884	6,360,560	17,653,444
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources	249,150	39,792	288,942
Total deferred outflows of resources	249,150	39,792	288,942

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - Continued

September 30, 2017

	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Accounts payable	$ 90,166	$ 153,341	$ 243,507
Accrued interest payable	6,680	21,090	27,770
Unearned revenue	569	3,389	3,958
Liabilities Payable from Restricted Assets:			
Accrued interest payable		6,915	6,915
Revenue bonds payable		55,000	55,000
Customer deposits		118,836	118,836
Noncurrent Liabilities:			
Pension	609,922	102,529	712,451
Due within one year	160,550	56,264	216,814
Due in more than one year	1,555,947	1,192,450	2,748,397
Total liabilities	2,423,834	1,709,814	4,133,648
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources	44,384	7,980	52,364
Total deferred inflows of resources	44,384	7,980	52,364
NET POSITION:			
Net investment in capital assets	7,400,953	5,605,303	13,006,256
Restricted For:			
Park	859		859
Debt service	109,358		109,358
Special revenue	161,535		161,535
Court security and technology	6,219		6,219
Police training	748		748
Enterprise fund (Long-term receivable)	100,896		100,896
Unrestricted	1,293,248	(922,745)	370,503
Total net position	$ 9,073,816	$ 4,682,558	$ 13,756,374

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, 2017

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	$ 582,558	$ 187,546	$	$
Judicial	135,519			
Police department	1,016,210	216,538	116,182	
Fire department	225,171			30,493
City maintenance	211,079			
Streets and drainage	275,813			
Parks and recreation	55,129	9,643		
Code enforcement	47,363			
Inspection	85,401			
Special purpose	5,610			
Interest on long-term debt	57,200			
Total governmental activities	2,697,053	413,727	116,182	30,493
Business-type Activities:				
Water, sewer and sanitation	1,628,177	1,418,375		146,910
Total business-type activities	1,628,177	1,418,375	-0-	146,910
Total	$ 4,325,230	$ 1,832,102	$ 116,182	$ 177,403
General Revenue:				
Taxes:				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Sales taxes				
Franchise fees				
Investment earnings				
Miscellaneous				
Gain on disposition of capital assets				
Total general revenues				
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
$(395,012)	$	$(395,012)
(135,519)		(135,519)
(683,490)		(683,490)
(194,678)		(194,678)
(211,079)		(211,079)
(275,813)		(275,813)
(45,486)		(45,486)
(47,363)		(47,363)
(85,401)		85,401)
(5,610)		(5,610)
(57,200)		(57,200)
(2,136,651)	-0-	(2,136,651)
	(62,892)	(62,892)
-0-	(62,892)	(62,892)
(2,136,651)	(62,892)	(2,199,543)
1,416,963		1,416,963
168,288		168,288
597,300		597,300
185,077		185,077
10,151	1,066	11,217
86,545		86,545
1,700	10,000	11,700
2,466,024	11,066	2,477,090
329,373	(51,826)	277,547
8,744,443	4,734,384	13,478,827
$ 9,073,816	$ 4,682,558	$ 13,756,374

CITY OF RICHWOOD
Richwood, Texas

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2017

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets and Deferred Outflows of Resources				
Assets:				
Cash and temporary investments	$ 725,464	$ 48,413	$ 82,348	$ 856,225
Investments	163,562	46,094		209,656
Receivables (net):				
Taxes	152,886	3,775		156,661
Accounts	850			850
Accrued interest	9,537	20	1	9,558
Due from other government	432	51		483
Due from other funds	821,628	11,005	118,526	951,159
Total assets	1,874,359	109,358	200,875	2,184,592
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	$ 1,874,359	$ 109,358	$ 200,875	$ 2,184,592

(continued)

CITY OF RICHWOOD
Richwood, Texas

BALANCE SHEET
GOVERNMENTAL FUNDS - Continued

September 30, 2017

	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	$ 89,966	$	$ 200	$ 90,166
Due to other funds	11,005		39,140	54,145
Unearned revenue	569			569
Total liabilities	101,540	-0-	39,340	140,880
Deferred Inflows of Resources:				
Deferred inflows of resources – property taxes	19,968	2,498		22,466
Total deferred inflows of resources	19,968	2,498	-0-	22,466
Fund Balances:				
Non-spendable:				
Enterprise fund (Long-term receivable)	100,896			100,896
Restricted:				
Park	859			859
Debt service		106,860		106,860
Court security and technology	6,219			6,219
Police training	748			748
Street beautification			22,169	22,169
Transportation			139,366	139,366
Committed:				
Insurance	13,496			13,496
Capital improvement	74,129			74,129
Equipment replacement	37,109			37,109
Crime control and prevention	114,912			114,912
Unassigned	1,404,483			1,404,483
Total fund balances	1,752,851	106,860	161,535	2,021,246
Total liabilities, deferred inflows of resources and fund balances	$ 1,874,359	$ 109,358	$ 200,875	$ 2,184,592

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, 2017

Total fund balances – governmental funds balance sheet	$	2,021,246
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 $ 14,822,229 in assets less $ 5,698,099 in accumulated depreciation.		9,124,130
Property taxes receivables 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 $ 19,968 and $ 2,498, respectively.		22,466
Municipal court receivables unavailable to pay for current period expenditures are not recognized in the governmental funds. Municipal court receivables of $ 161,043, net of allowance of $ 126,736.		34,307
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 $ 34,064 (premium on sale of bonds of $ 46,091 less amortization of $ 12,027)	(	34,064)
Pension deferred outflows of resources of $ 249,150 less deferred inflows of resources of $ 44,384.		204,766
Payables for net pension liability are not reported in the funds.	(	609,922)
Payables for bond and notes principal are not reported in the funds.	(	1,682,433)
Payables for bond interest are not reported in the funds.	(	6,680)
Net position of governmental activities – statement of net position.	$	9,073,816

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, 2017

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Property taxes	$ 1,417,038	$ 168,342	$	$ 1,585,380
Sales taxes	597,300			597,300
Franchise fees	185,077			185,077
Revenue producing facilities	9,643			9,643
Fines and fees	205,594			205,594
Licenses and permits	58,255			58,255
Investment earning	9,165	338	648	10,151
Intergovernmental	116,182			116,182
Transportation			129,291	129,291
Miscellaneous	72,515		14,030	86,545
Total revenues	2,670,769	168,680	143,969	2,983,418
Expenditures:				
Current:				
General administration	513,161		12,802	525,963
Judicial	134,793			134,793
Police department	934,894			934,894
Fire department	165,490			165,490
City maintenance	208,775			208,775
Streets and drainage	35,223		19,019	54,242
Parks and recreation	41,973			41,973
Code enforcement	47,042			47,042
Inspection	81,608			81,608
Special purpose	5,610			5,610
Capital outlay	349,946		41,000	390,946
Debt Service:				
Principal retirement	27,526	111,500		139,026
Interest and agent fees	4,148	55,832		59,980
Total expenditures	2,550,189	167,332	72,821	2,790,342
Excess of revenues over expenditures	120,580	1,348	71,148	193,076
Other Financing Sources (Uses):				
Issuance of notes	118,493			118,493
Sale of capital assets	1,700			1,700
Total other financing sources	120,193	-0-	-0-	120,193
Net changes in fund balances	240,773	1,348	71,148	313,269
Fund balances - beginning	1,512,078	105,512	90,387	1,707,977
Fund balances - ending	$ 1,752,851	$ 106,860	$ 161,535	$ 2,021,246

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, 2017

Net change in fund balances – total governmental funds	$	313,269
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 $ 390,946 less depreciation $ 438,504 in the current period.	(	47,558)
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 decreased by $ 75 and for the debt service fund decreased by $ 54, respectively.	(	129)
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 $ 139,026.		139,026
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the governmental activities statement of net position. Long-term proceeds in the governmental fund were $ 118,493.	(	118,493)
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. Premium on the issuance of bonds and amortization of the premium of bonds were $ -0- and $ 2,290, respectively.		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 $ 959 more than the amount reported in the funds.	(	959)
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.		490
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, increased by $ 10,944.		10,944
Capital contributions and trade in gain in the governmental activities statement of activities do not provide current financial resources and are not reported as revenues in the funds. Capital contributions amounted to $ 30,493.		30,493
Change in net position of governmental activities	$	329,373

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

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CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - PROPRIETARY FUND

September 30, 2017

	Enterprise Fund
Assets and Deferred Outflows of Resources	
Current Assets:	
Cash and temporary investments	$ 25,458
Accounts receivable, net	257,592
Accrued interest receivable	20
Total current unrestricted assets	283,070
Current Restricted Assets:	
Cash and cash equivalents	80,556
Investments	100,183
Accrued interest receivable	12
Total current restricted assets	180,751
Total current assets	463,821
Capital Assets:	
Property, plant and equipment	12,119,985
Less accumulated depreciation	(5,322,232)
Total capital assets (net of accumulated depreciation)	6,797,753
Total assets	7,261,574
Deferred Outflows of Resources:	
Deferred outflows of resources	39,792
Total deferred outflows of resources	39,792
Total assets and deferred outflows of resources	$ 7,301,366

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF NET POSITION - PROPRIETARY FUND - Continued

September 30, 2017

	Enterprise Fund
Liabilities, Deferred Inflows of Resources, and Net Position	
Current Liabilities:	
Accounts payable and accrued expenses	$ 153,341
Accrued interest payable	21,090
Due to other funds (includes current portion notes of $ 13,564)	813,682
Capital lease payable	56,264
Net pension liability	3,389
Total current liabilities payable from non-restricted assets	1,047,766
Current Liabilities Payable from Restricted Assets:	
Accrued interest payable	6,915
Customer deposits	118,836
Revenue bonds payable	55,000
Total current liabilities payable from restricted assets	180,751
Total current liabilities	1,228,517
Noncurrent Liabilities:	
Due to other funds (notes)	87,332
Capital lease payable	387,450
Revenue bonds payable	805,000
Net pension liability	102,529
Total noncurrent liabilities	1,382,311
Total liabilities	2,610,828
Deferred Inflows of Resources:	
Deferred inflows of resources	7,980
Total deferred inflows of resources	7,980
Net Position:	
Net investment in capital assets	5,605,303
Unrestricted	(922,745)
Total net position	4,682,558
Total liabilities, deferred inflows of resources and net position	$ 7,301,366

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	$ 739,721
Sewer fees	626,492
Delinquent charges	26,857
Tap and reconnect fees	15,482
Miscellaneous	9,823
Total operating revenues	1,418,375
Operating Expenses:	
Personnel costs	290,100
Sewer treatment plant operations	265,263
Water costs – BWA	252,179
Lease	153,500
Utilities and telephone	48,155
Repairs and maintenance	141,174
Supplies	32,002
Miscellaneous	47,484
Operating expenses before depreciation	1,229,857
Depreciation	338,676
Total operating expenses	1,568,533
Operating loss	(150,158)
Non-Operating Revenues (Expenses):	
Gain on disposition of capital assets	10,000
Investment earning	1,066
Interest expense and agent fees	(59,644)
Total non-operating revenues (expenses)	(48,578)
Loss before contributions and operating transfers	(198,736)
Capital contributions	146,910
Change in net position	(51,826)
Net position – beginning	4,734,384
Net position - ending	$ 4,682,558

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

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CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF CASH FLOWS -
PROPRIETARY FUND

For the Year Ended September 30, 2017

	Enterprise Fund
Cash Flows from Operating Activities:	
Receipts from customers and users	$ 1,398,805
Payments to other funds	20,978
Payments to suppliers	(929,975)
Payments to employees	(288,259)
Net cash provided by operating activities	201,549
Cash Flows from Non-Capital Financing Activities:	
Operating transfers in	
Net cash provided by non-capital financing activities	-0-
Cash Flows from Capital and Related Financing Activities:	
Acquisition of capital assets	(11,064)
Disposition of capital assets	10,000
Bond principal payments	(55,000)
Capital lease payments	(54,126)
Interest and fiscal charge payments	(52,008)
Net cash used for capital and related financing activities	(162,198)
Cash Flows from Investing Activities:	
Proceeds from the sale of investments	99,985
Purchase of investments	(100,183)
Interest received	1,066
Net cash provided by investing activities	868
Net increase in cash and cash equivalents	40,219
Cash and cash equivalents at the beginning of year	65,795
Cash and cash equivalents at the end of the year	$ 106,014

(continued)

CITY OF RICHWOOD
Richwood, Texas

STATEMENT OF CASH FLOWS -
PROPRIETARY FUND - Continued

For the Year Ended September 30, 2017

	Enterprise Fund
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating loss	$(150,158)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	338,676
Increase in accounts receivable	(48,289)
Increase in accounts payable	6,393
Increase in deferred revenue	3,389
Increase in due to other funds	20,978
Increase in pension liability	1,841
Increase in customer deposits	28,719
Total adjustments	351,707
Net cash provided by operating activities	$ 201,549
Non-Cash Transactions Affecting Financial Position:	
Capital contributions - grants	$ 146,910
Capital improvements	(146,910)
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, 2017

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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 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 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, 2016.

GASB No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans" was issued June 2015. 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, 2016.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - Continued

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 not have a material effect on the City's financial statements. This statement is effective for periods beginning after June 15, 2015.

GASB No. 77 "Tax Abatement Disclosures" was issued in August 2015. 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 December 15, 2015.

GASB No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans" was issued in December 2015. 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 December 15, 2015.

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 City's financial statements. This statement is effective for periods beginning after June 15, 2015.

GASB No. 80 "Blending Requirements for Certain Component Units and amendment of GASB No. 14" was issued in January 2016. The statement was implemented and did not have a material effect on the City's financial statements. This statement is effective for period 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 statement was implemented and did not have a material effect on the City's financial statements. The requirements of this Statement are effective for periods beginning after June 15, 2016.

GASB No. 83 "Certain Asset Retirement Obligations" was issued in November 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, 2018.

GASB No. 84 "Fiduciary Activities" was issued in January 2017. 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, 2018.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - Continued

GASB No. 85 “Omnibus 2017” was issued in March 2017. 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, 2017.

GASB No. 86 “Certain Debt Extinguishment Issues” was issued in May 2017. 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, 2017.

GASB No. 87 “Leases” was issued in June 2017. The management of the City does 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, 2019.

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 had no outstanding encumbrances as September 30, 2017.

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, 2017 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 5 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, 2017, 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, 2016, upon which the levy for the 2016-17 fiscal year was based, was $ 222,959,913. 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, 2017, to finance general fund operations and the payment of principal and interest on general obligation long-term debt were $ 0.601303 and $ 0.071277 per $ 100 valuation, respectively, for a total of $ 0.67258 per $ 100 valuation.

Current tax collections for the year ended September 30, 2017 were 99.07% 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, 2017, property taxes receivable, net of estimated uncollectible taxes, totaled $ 30,795 and $ 3,775 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 Texas Emergency Services Retirement System (TESRS) additions to/deductions from TMRS’s and TESRS’s Fiduciary Net Position have been determined on the same basis as they are reported by TMRS and TESRS. 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, 2017, non-spendable fund balance includes $ 100,896 for long-term receivable 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, $ 106,860 for debt service in the debt service fund, and $ 22,169 for street beautification and $ 139,366 for transportation in the special revenue funds. Committed fund balance includes $ 13,496 for insurance, $ 74,129 for capital improvement, $ 37,109 for equipment replacement, and $ 114,912 for crime control and prevention in the general fund. Unassigned fund balance includes $ 1,404,483 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, 2017, are as follows:

	Unrestricted	Restricted	Total
Cash and Temporary Investments:			
Cash (petty cash accounts)	$ 800	$	$ 800
Financial Institution Deposits:			
Demand deposits	82,999		82,999
Certificates of deposit	182,032	14,294	196,326
Local Government Investment Pool:			
Texpool	240,318	65,443	305,761
TexStar	152,699		152,699
Logic	222,835	819	223,654
Total cash and temporary investments	881,683	80,556	962,239
Investments:			
Financial Institution Deposits:			
Certificates of deposit	209,656	100,183	309,839
Total	$ 1,091,339	$ 180,739	$ 1,272,078

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 $ 589,164, while the financial institution balances totaled $ 750,757. Of the financial institution balances, $ 376,797 was covered by federal depository insurance, and $ 373,960 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, 2017 TexPool, Logic, and TexSTAR had a weighted average maturity of 37 days, 30 days, and 38 days, respectively. Although TexPool, Logic, and TexSTAR portfolios had a weighted average maturity of 37 days, 30 days, and 38 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, 2017.

	Maturity Date	Interest Rate	Weighted Average Maturity (Days)	Investment Balance
Certificate of Deposit	01-06-18	0.20%	98	$ 124,943
Certificate of Deposit	01-20-18	0.15%	112	58,316
Certificate of Deposit	02-08-18	0.20%	131	126,581
Certificate of Deposit	12-19-17	0.50%	80	105,577
Certificate of Deposit	11-10-17	0.10%	41	90,748
Total Certificates of Deposit			80	506,165
Local Government Investment Pool:				
TexPool	N/A	Varies daily	37	305,761
TexSTAR	N/A	Varies daily	30	152,699
Logic	N/A	Varies daily	38	223,654
U.S. Instrumentality Securities:				
FNMA			36	682,114
Total investments			55	$ 1,188,279

Credit Risk - As of September 30, 2017, the LGIPs (which represent approximately 57.4% 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 City holds no investments which is measured at fair value as of September 30, 2017.

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, 2017, and holds no direct investments in derivatives at September 30, 2017.

NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS

Governmental Funds

Receivables as of September 30, 2017, 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	$ 55,415	$ 6,707	$ 62,122
Sales	93,141		93,141
Franchise	28,950		28,950
Less: Allowance for uncollectibles	(24,620)	(2,932)	(27,552)
	152,886	3,775	156,661
Accounts	850		850
Net total receivable	$ 153,736	$ 3,775	$ 157,511

Proprietary Fund

Proprietary fund accounts receivable is comprised of $ 256,316 due from charges for services provided to customers and $ 1,276 for other miscellaneous items,. 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, 2017 were $ 161,043 and $ 126,736, 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). Unearned revenue was $ 569 as of September 30, 2017.

As of September 30, 2017, 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)	$ 19,968
Delinquent property taxes receivable (debt service fund)	2,498
Total deferred inflows of resources	$ 22,466

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, 2017 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, 2017, 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	$ 129,473	$ 44,384
TESRS deferred outflows of resources less current amortization	10,137	
Pension contributions subsequent to the measurement date	109,540	
Totals	$ 249,150	$ 44,384

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	$ 23,279	$ 7,980
Pension contributions subsequent to the measurement date	16,513	
Totals	$ 39,792	$ 7,980

Unearned revenues reported in the governmental and business-type activities were $ 569 and $ 3,389 as of September 30, 2017.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Receivables and Payables

Interfund balances at September 30, 2017 consisted of the following individual fund receivables and payables:

Fund	Receivable	Payable
General Fund:		
Enterprise fund	$ 782,488	$
Special revenue fund	39,140	
Debt service fund		11,005
Total general fund	821,628	11,000
Debt Service Fund:		
General fund	11,005	
Special Revenue Fund:		
Enterprise fund	118,526	
General fund		39,140
Total special revenue fund	118,526	39,140
Enterprise Fund:		
General fund		782,488
Special revenue		118,526
Total enterprise fund	-0-	901,014
Totals	$ 951,159	$ 951,159

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 2017, the enterprise fund made no payments to the General Fund, therefore $ 9,470 interest was past due as of September 30, 2017. The following is the repayment schedule as of September 30, 2017:

Year Ended September 30,	Principal	Interest	Total
2018	$ 13,564	$ 11,364	$ 24,928
2019	13,838	1,620	15,458
2020	14,117	1,341	15,458
2021	14,402	1,056	15,458
2022	14,693	765	15,458
2023-2024	30,282	635	30,917
	$ 100,896	$ 16,781	$ 117,677

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

There was no interfund transfers for the year ended September 30, 2017.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2017, was as follows:

	Balance 10/01/16	Additions	Retirements	Balance 09/30/17
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 335,262	$	$	$ 335,262
Total capital assets, not being depreciated	335,262	-0-	-0-	335,262
Capital Assets, Being Depreciated:				
Buildings	1,933,025			1,933,025
Equipment	1,792,593	329,806	(36,058)	2,086,341
Infrastructure	10,375,968	91,633		10,467,601
Total capital assets, being depreciated	14,101,586	421,439	(36,058)	14,486,967
Less Accumulated Depreciation For:				
Buildings	297,694	48,446		346,140
Equipment	1,437,813	185,452	(36,058)	1,587,207
Infrastructure	3,560,146	204,606		3,764,752
Total accumulated depreciation	5,295,653	438,504	(36,058)	5,698,099
Total capital assets, being depreciated, net	8,805,933	$(17,065)	$ -0-	8,788,868
Governmental activities capital assets, net	$ 9,141,195			$ 9,124,130
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 122,580	$	$	$ 122,580
Construction in progress	33,791		(33,791)	-0-
Total capital assets, not being depreciated	156,371	-0-	(33,791)	122,580
Capital Assets, Being Depreciated:				
Buildings	193,270			193,270
Equipment	287,621		(43,625)	243,996
Infrastructure	11,368,374	191,765		11,560,139
Total capital assets, being depreciated	11,849,265	191,765	(43,625)	11,997,405
Less Accumulated Depreciation For:				
Buildings	108,903	6,495		115,398
Equipment	234,803	25,438	(43,625)	216,616
Infrastructure	4,683,475	306,743		4,990,218
Total accumulated depreciation	5,027,181	338,676	(43,625)	5,322,232
Total capital assets, being depreciated, net	6,822,084	(146,911)	-0-	6,675,173
Business-type activities capital assets, net	$ 6,978,455	$(146,911)	$(33,791)	$ 6,797,753

NOTE 6 - CAPITAL ASSETS - Continued

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

Governmental Activities:	
General administration	$ 54,622
City maintenance	1,800
Streets and drainage	221,571
Police department	77,111
Fire department	66,253
Parks and recreation	13,156
Inspection	3,991
Total depreciation expense-governmental activities	$ 438,504
Business-type Activities:	
Water and sewer	$ 338,676
Total depreciation expense-business-type activities	$ 338,676

Contributed Capital

During the year ended September 30, 2017 the City received contributed capital in the amount of $ 177,403 of which $ 30,493 was reported within governmental activities and $ 146,910 was reported within business-type activities.

Governmental Fund Construction Commitments

The City has no governmental fund construction commitment at September 30, 2017.

Proprietary Fund Construction Commitments

The City has no proprietary fund construction commitment at September 30, 2017.

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, 2017, are summarized as follows:

	Interest Rates %	Series Dates Issued	Series Dates Maturity	Series Dates Callable	Bonds Outstanding 09/30/17
General Obligation Refunding Bonds, Series 2011	3.13%	2011	2024		$ 440,000
Certificate of Obligation Bond, Series 2012	2.00-3.50%	2012	2032		895,000
Total					$ 1,335,000

General obligation bond transactions for the year ended September 30, 2017 were as follows:

Bonds outstanding, October 1, 2016	$ 1,435,000
Maturities	(100,000)
Bonds outstanding, September 30, 2017	$ 1,335,000

The following is a summary of general obligation and certificate of obligation bond requirements for governmental activities by year as of September 30, 2017:

Year Ending September 30,	Principal	Interest	Total Requirements
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	120,000	30,310	150,310
2023-2027	430,000	98,642	528,642
2028-2032	345,000	37,100	382,100
Total	$ 1,335,000	$ 319,886	$ 1,654,886

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, 2017, the City paid $ 11,500 in principle and $ 9,888 in interest.

NOTE 7 - LONG-TERM DEBT - Continued

Notes - Continued

The following is the note repayment schedule as of September 30, 2017:

Year Ending September 30,	Principal	Interest	Total Requirements
2018	$ 14,992	$ 11,743	$ 26,735
2019	12,508	8,881	21,389
2020	12,984	8,405	21,389
2021	13,477	7,911	21,388
2022	13,990	7,399	21,389
2023-2027	78,347	28,596	106,943
2028-2032	94,422	12,521	106,943
2033	15,745	296	16,041
Total	$ 256,465	$ 85,752	$ 342,217

During the year ended September 30, 2016, the City received a loan of $ 20,000 from the First State Bank of Clute to finance the purchase of tools. Annually principal and interest payments of $ 7,332 are required with a 4.50% interest rate. During the year ended September 30, 2017, the City paid $ 6,242 in principle and $ 1,090 in interest. The following is the note repayment schedule as of September 30, 2017:

Year Ending September 30,	Principal	Interest	Total Requirements
2018	$ 6,713	$ 619	$ 7,332
2019	7,045	317	7,362
Total	$ 13,758	$ 936	$ 14,694

During the year ended September 30, 2017, the City received a loan of $ 98,493 from the First National Bank of Lake Jackson to finance the purchase of equipment. Monthly principal and interest payments of $ 2,213 are required with a 3.75% interest rate. During the year ended September 30, 2017, the City paid $ 21,284 in principle and $ 3,058 in interest. The following is the note repayment schedule as of September 30, 2017:

Year Ending September 30,	Principal	Interest	Total Requirements
2018	$ 24,072	$ 2,483	$ 26,555
2019	24,990	1,565	26,555
2020	25,942	613	26,555
2021	2,206	7	2,213
Total	$ 77,210	$ 4,668	$ 81,878

NOTE 7 - LONG-TERM DEBT - Continued

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, 2017, are summarized as follows:

	Interest Rates %	Series Dates Issued	Maturity	Callable	Bonds Outstanding 09/30/16
Certificates of Obligation:					
Combination Tax and Revenue, Series 2004	2.75 - 5.70	2004	2025		$ 260,000
Combination Tax and Revenue, Series 2011	3.89	2011	2031	2020	600,000
Total					$ 860,000

Revenue bonds and certificates of obligation transactions for the year ended September 30, 2017 were as follows:

Bonds outstanding, October 1, 2016	$ 915,000
Maturities	(55,000)
Bonds outstanding, September 30, 2017	$ 860,000

The following is a summary of revenue and certificates of obligation bond requirements for business type activities by year as of September 30, 2017:

Year Ending September 30,	Principal	Interest	Total Requirements
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	70,000	25,277	95,277
2023-2027	325,000	77,138	402,138
2028-2031	215,000	21,590	236,590
Total	$ 860,000	$ 255,168	$ 1,115,168

NOTE 7 - LONG-TERM DEBT - Continued

Transactions for the year ended September 30, 2017 are summarized as follows:

	Balance 10/01/16	Issues or Additions	Payments or Expenditures	Balance 09/30/17	Due Within One Year
Governmental Type Activities:					
Certificates of obligation	$ 1,435,000	$	$(100,000)	$ 1,335,000	$ 110,000
Note payable	267,966	118,493	(39,026)	347,433	48,260
Component of Bonded Debt:					
Premium on bonds	36,354		(2,290)	34,064	2,290
Net pension liability**	595,052	341,396	(326,526)	609,922	
Total governmental activities	2,334,372	459,889	(467,842)	2,326,419	160,550
Business Type Activities:					
Certificates of obligation	915,000		(55,000)	860,000	55,000
Capital lease*	497,840		(54,126)	443,714	56,264
Net pension liability**	99,949	57,765	(55,185)	102,529	-0-
Total business type activities	1,512,789	57,765	(164,311)	1,406,243	111,264
Less Portion Payable from Restricted Assets:					
Certificates of obligation	55,000	55,000	(55,000)	55,000	55,000
Net business-type activities	1,457,789	2,765	(109,311)	1,351,243	56,264
Total government (net)	$ 3,792,161	$ 462,654	$(577,153)	$ 3,677,662	$ 216,814

*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, 2017, $ 54,126 of lease expenses and $ 18,247 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
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	65,694	8,096	73,790
2023-2024	139,276	8,305	147,581
Total	$ 443,714	$ 72,819	$ 516,533

Operating Leases

The City leases copiers each year. The 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, 2017 were $ 8,645.

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, 2017 the business-type activities reported expenses in the amount of $ 135,592. The following are the minimal lease payments required under this lease:

Year Ending September 30,	Total Requirements
2018	$ 137,252
2019	139,087
2020	140,987
2021	142,953
2022	144,989
2023-2026	485,926
Total	$ 1,191,194

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, 2017, the City of Richwood's portion of these expenses was determined to be 21.59%, which amounted to $ 213,640. Further, the City of Richwood shares in 25.00% of maintenance costs (including capital acquisitions) which amounted to $ 51,623 for the year ended September 30, 2017. 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 872 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 publicly 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, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	17
Inactive employees entitled to but not yet receiving benefits	17
Active employees	22
	56

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 11.00% and 11.24 % in the calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017, were $ 139,288, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2016, 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, 2016 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

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

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 Health 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, 2016, 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. 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). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2017 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%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	7.75%
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 12/31/2015	$ 3,628,051	$ 2,980,296	$ 647,755
Changes for the Year:			
Service cost	137,179		137,179
Interest	242,051		242,051
Difference between expected and actual experience	8,,654		8,654
Contributions – employer		118,168	(118,168)
Contributions – employee		53,711	(53,711)
Net investment income		201,477	(201,477)
Benefit payment, including refunds of employee contributions	(221,402)	(221,402)	
Administrative expense		(2,275)	2,275
Other changes		(123)	123
Net changes	166,482	149,556	16,926
Balance at 12/31/2016	$ 3,794,533	$ 3,129,852	$ 664,681

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	$ 1,157,213	$ 664,681	$ 259,343

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, 2017, the city recognized pension expense of $ 149,813.

At September 30, 2017, 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	$ 6,618	$ 52,118
Difference between projected and actual earnings	132,325	246
Differences in assumption changes	13,809	
Contributions subsequent to the measurement date	112,328	
Total	$ 265,080	$ 52,364

$ 112,328 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, 2018.

NOTE 10 - TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN - Continued

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2018	$ 23,066
2019	35,350
2020	41,525
2021	447

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, 2016, there were 199 contributing fire and/or emergency services department members participating in TESRS.

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, 2016, the pension system membership consisted of:

Retirees and beneficiaries currently receiving benefits	3,167
Terminated members entitled to but not yet receiving benefits	2,200
Active participants	3,634

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 every two years based on the most recent actuarial valuation. Based on the actuarial valuation as of August 31, 2016, the Part Two contributions were established by the board to be 2% of the Part One contributions beginning September 1, 2017.

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, 2016, total contributions of $ 3,463,603 were paid into TESRS by the political subdivisions served by the member volunteer emergency services personnel. The City appropriated $ 7,500 for the fiscal year ending August 31, 2016.

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, 2016 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 $ 725,000 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, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of August 31, 2016.

	City's Portion
Total pension liability	$ 233,367
Plan fiduciary net position	185,597
Net pension liability	$ 47,770
Plan fiduciary net position as a percentage of the total pension liability	79.5%

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - Continued

Actuarial Assumptions

The total pension liability in the August 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
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 2024 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 4.97%) and by adding expected inflation (3.0%). In addition, the final 7.75% assumption was selected by "rounding down" and thereby reflected a reduction of 0.22% 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%	5.72%
Small cap domestic	10	5.96
Development international	21	6.21
Emerging markets	6	7.18
Master limited partnership	5	7.61
Fixed Income:		
Domestic	21	1.61
International	5	1.81
Cash	0	0.00
Total	100%	
Weighted average		4.97%

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, 2016 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. Because of the 30-year amortization period with the conservative amortization method, 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.

NOTE 11 - TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - 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 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	$ 80,875	$ 47,770	$ 26,677

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

At September 30, 2017, 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	$ 75	$
Differences between projected and actual earnings	9,045	
Differences in assumption changes	1,017	
Contributions subsequent to the measurement date	13,725	
Total	$ 23,862	$ -0-

$ 13,725 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, 2018.

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2018	$ 2,652
2019	2,652
2020	4,197
2021	636

The City recognized pension expense of $ 10,177 during the year.

NOTE 12 - SUPPLEMENTAL DEATH BENEFITS PLAN

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to current employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death).

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employee's entire careers.

The City's contributions to the TMRS SDBF for the years ended September 30, 2017, 2016, and 2015 were $ 2,391, $ 2,168, and $ 1,942, respectively, which equaled the required contributions each year.

NOTE 13 - 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 14 - LITIGATION

The City currently is not involved in any nor is the City aware of any threatened litigation, claims, or assessments.

NOTE 15 - EVALUATION OF SUBSEQUENT EVENTS

The City has evaluated subsequent events through July 17, 2018, the date which the financial statements were available to be issued.

NOTE 16 - ECONOMIC DEVELOPMENT AGREEMENTS

On April 10, 2017 the City entered into an Economic Development Agreement with Big Kountry Shooting, LLC ("BKS") in accordance with Chapter 380 of the Texas Local Government Code. Under terms of the agreement, BKS is expected to construct and operate an indoor shooting range within the city limits of the City and the City agrees to provide BKS an economic incentive for the period of two years commencing with payment of ad valorem taxes on the property by BKS for the 2018 tax year and ending with the payment of ad valorem taxes on the property by BKS for the 2019 tax year. The economic incentive provided by this agreement will be based upon the New Improvements only. The City will pay an economic incentive to BKS equal to the following percentages of the ad valorem property taxes actually paid by BKS and remitted to the City in accordance with the following schedule:

Year	New Improvements
Year 1 (2018)	50%
Year 2 (2019)	25%

Notwithstanding the above, if the taxable value of the New Improvement is less than $ 700,000 for either year 2018 or year 2019, the economic incentive payment for that year will be eliminated and thereby reduced to zero percent.

NOTE 17 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

During the year ended September 30, 2017, expenditures exceeded appropriations on the funds as follows:

General Fund	$	68,901

The budget was not amended; however, the City Council approved these expenditures as required by City budget procedures. The variance in the General Fund was mainly resulted from the Hurricane Harvey flooding.

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes:				
Property taxes	$ 1,400,960	$ 1,400,960	$ 1,417,038	$ 16,078
Sales taxes	616,228	616,228	597,300	(18,928)
Franchise fees	250,000	250,000	185,077	(64,923)
Revenue producing facilities	10,000	10,000	9,643	(357)
Fines and fees	115,000	115,000	205,594	90,594
Licenses and permits	45,000	45,000	58,255	13,255
Investment earning	1,210	1,210	9,165	7,955
Intergovernmental			116,182	116,182
Miscellaneous	36,100	36,100	72,515	36,415
Total revenues	2,474,498	2,474,498	2,670,769	196,271
Expenditures:				
Current:				
General administration	512,432	512,432	513,161	(729)
Judicial	128,888	128,888	134,793	(5,905)
Police department	837,455	837,455	934,894	(97,439)
Fire department	147,250	147,250	165,490	(18,240)
City maintenance	217,336	217,336	208,775	8,561
Streets and drainage	58,000	58,000	35,223	22,777
Parks and recreation	39,500	39,500	41,973	(2,473)
Code enforcement	62,454	62,454	47,042	15,412
Inspection	91,281	91,281	81,608	9,673
Special purpose	18,400	18,400	5,610	12,790
Capital outlay	368,292	368,292	349,946	18,346
Debt Service:				
Principal			27,526	(27,526)
Interest and agent fees			4,148	(4,148)
Total expenditures	2,481,288	2,481,288	2,550,189	(68,901)
Excess of revenues over (under) expenditures	(6,790)	(6,790)	120,580	127,370

CITY OF RICHWOOD
Richwood, Texas

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

For the Year Ended September 30, 2017

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Other Financing Resources (Uses):				
Issuance of notes	$	$	$ 118,493	$ 118,493
Sale of capital assets			1,700	1,700
Operating transfers in/(out)	5,000	5,000		(5,000)
Total other financing uses	5,000	5,000	120,193	115,193
Net changes in fund balances	(1,790)	(1,790)	240,773	242,563
Fund balances, beginning	1,512,078	1,512,078	1,512,078	-0-
Fund balances, ending	$ 1,510,288	$ 1,510,288	$ 1,752,851	$ 242,563

CITY OF RICHWOOD
Richwood, Texas

TMRS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2017 WITH MEASUREMENT DATE OF DECEMBER 31, 2016

	2017	2016	2015
Total Pension Liability			
Service cost	$ 137,179	$ 123,074	$ 115,123
Interest (on the Total Pension Liability)	242,051	236,704	225,550
Difference between expected and actual experience	8,654	(43,807)	(98,725)
Change of assumptions	-0-	31,743	-0-
Benefit payments, including refunds of employee contributions	(221,402)	(79,218)	(93,958)
Net Change in Total Pension Liability	166,482	268,496	147,990
Total Pension Liability – Beginning	3,628,051	3,359,555	3,211,565
Total Pension Liability – Ending (a)	$ 3,794,533	$ 3,628,051	$ 3,359,555
Plan Fiduciary Net Position			
Contributions – Employer	$ 118,168	$ 121,452	$ 108,286
Contributions – Employee	53,711	50,690	46,276
Net Investment Income	201,477	4,259	152,992
Benefit payments, including refunds of employee contributions	(221,402)	(79,218)	(93,958)
Administrative expense	(2,275)	(2,594)	(1,597)
Other	(123)	(128)	(131)
Net Change in Plan Fiduciary Net Position	149,556	94,461	211,868
Plan Fiduciary Net Position – Beginning	2,980,296	2,885,835	2,673,967
Plan Fiduciary Net Position – Ending (b)	$ 3,129,852	$ 2,980,296	$ 2,885,835
Net Pension Liability (a-b)	$ 664,681	$ 647,755	$ 473,720
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.48%	82.15%	85.90%
Covered Employee Payroll	$ 1,074,228	$ 1,013,793	$ 925,514
Net Pension Liability as a Percentage of Covered Employee Payroll	61.88%	63.89%	51.18%

Notes to Schedule:
N/A

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

CITY OF RICHWOOD
Richwood, Texas

TMRS SCHEDULE OF CONTRIBUTIONS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2017

	2017	2016	2015
Actuarially determined contribution	$ 139,288	$ 121,859	$ 119,353
Contributions in relation to the actuarially determined contribution	139,288	121,859	119,353
Contribution deficiency (excess)	$ -0-	$ -0-	$ -0-
Covered-employee payroll	$ 1,244,815	$ 1,084,021	$ 971,017
Contributions as a percentage of covered-employee payroll	11.19%	11.24%	12.29%

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	29 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 three 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, 2017 WITH MEASUREMENT DATE OF AUGUST 31, 2016

	2017	2016	2015
Total Pension Liability			
Service cost	$ 2,779	$ 2,999	$ 3,509
Interest (on the Total Pension Liability)	14,599	14,993	15,458
Changes in benefit terms	1,184	-0-	-0-
Difference between expected and actual experience	106	-0-	-0-
Assumption changes	1,460	-0-	-0-
Benefit payments, including refunds of employee contributions	(7,711)	(7,963)	(8,003)
Net Change in Total Pension Liability	12,417	10,029	10,964
Total Pension Liability – Beginning	220,950	210,921 [2]	199,957
Total Pension Liability – Ending (a)	$ 233,367	$ 220,950	$ 210,921 [4]
Total Fiduciary Net Position			
Contributions by the City	$ 7,500	$ 8,375	$ 8,019
Contributions by the State	2,597	2,898	2,938
Net Investment Income	8,129	(5,828)	22,864
Benefit payments, including refunds of employee contributions	(7,711)	(7,963)	(8,003)
Administrative expense	(275)	(383)	(318)
Other	1,653	574	-0-
Net Change in Plan Fiduciary Net Position	11,893	(2,327)	25,500
Plan Fiduciary Net Position – Beginning	173,704	176,031	150,531
Plan Fiduciary Net Position – Ending (b)	$ 185,597	$ 173,704	$ 176,031
Net Pension Liability (a-b)	$ 47,770	$ 47,246	$ 34,890
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.53%	78.62%	83.46%
Number of Active Members [3]	3	3	6
City's Net Pension Liability per Active Member	$ 15,923	$ 15,749	$ 5,815

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, 2017 WITH MEASUREMENT DATE OF AUGUST 31, 2016

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%)
August 31, 2016	5.57%

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.

CITY OF RICHWOOD
Richwood, Texas

TESRS SCHEDULE OF CONTRIBUTIONS
FOR THE LAST TEN YEARS[1]
SEPTEMBER 30, 2017

Fiscal Year Ending	Contributions
2011	$ 6,350
2012	6,750
2013	5,400
2014	7,800
2015	10,625
2016	7,500
2017	13,725

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.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF RICHWOOD
Richwood, Texas

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

September 30, 2017

	Special Revenue		Total Nonmajor Governmental Funds
	Beautification Fund	Transportation Fund	
Assets and Deferred Outflows Of Resources			
Assets:			
Cash and temporary investments	$ 21,064	$ 61,284	$ 82,348
Accrued interest		1	1
Due from other funds	1,305	117,221	118,526
Total assets	22,369	178,506	200,875
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	-0-	-0-	-0-
Total assets and deferred outflows of resources	$ 22,369	$ 178,506	$ 200,875
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	$ 200	$	$ 200
Due to other funds		39,140	39,140
Total liabilities	200	39,140	39,340
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	-0-	-0-	-0-
Fund Balances:			
Restricted:			
Street beautification	22,169		22,169
Transportation		139,366	139,366
Total fund balances	22,169	139,366	161,535
Total liabilities, deferred inflows of resources, and fund balances	$ 22,369	$ 178,506	$ 200,875

CITY OF RICHWOOD
Richwood, Texas

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

For the Year Ended September 30, 2017

	Special Revenue		Total Nonmajor Governmental Funds
	Beautification Fund	Transportation Fund	
Revenues:			
Transportation	$	$ 129,291	$ 129,291
Investment earning		648	648
Miscellaneous	14,030		14,030
Total revenues	14,030	129,939	143,969
Expenditures:			
Current:			
General administration	12,802		12,802
Streets and drainage		19,019	19,019
Capital outlay		41,000	41,000
Total expenditures	12,802	60,019	72,821
Excess of revenues over expenditures	1,228	69,920	71,148
Fund balances – beginning	20,941	69,446	90,387
Fund balances – ending	$ 22,169	$ 139,366	$ 161,535

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 171,394	$ 171,394	$ 168,342	$(3,052)
Interest	200	200	338	138
Total revenues	171,594	171,594	168,680	(2,914)
Expenditures:				
Debt Service:				
Principal	11,500	111,500	111,500	
Interest and agent fees	59,894	59,894	55,832	4,062
Total expenditures	171,394	171,394	167,332	4,062
Net changes in fund balances	200	200	1,348	1,148
Fund balances, beginning	105,512	105,512	105,512	-0-
Fund balances, ending	$ 105,712	$ 105,712	$ 106,860	$ 1,148

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Miscellaneous	$ 16,500	$ 16,500	$ 14,030	$(2,470)
Total revenues	16,500	16,500	14,030	(2,470)
Expenditures:				
General administration	16,500	16,500	12,802	3,698
Total expenditures	16,500	16,500	12,802	3,698
Excess of revenues over expenditures	-0-	-0-	1,228	1,228
Fund balances, beginning	20,941	20,941	20,941	-0-
Fund balances, ending	$ 20,941	$ 20,941	$ 22,169	$ 1,228

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Transportation	$ 136,000	$ 136,000	$ 129,291	$(6,709)
Investment earning			648	648
Total revenues	136,000	136,000	129,939	(6,061)
Expenditures:				
Street and drainage	116,000	116,000	19,019	96,981
Capital outlay			41,000	(41,000)
Total expenditures	116,000	116,000	60,019	55,981
Net changes in fund balances	20,000	20,000	69,920	49,920
Fund balances, beginning	69,446	69,446	69,446	-0-
Fund balances, ending	$ 89,446	$ 89,446	$ 139,366	$ 49,920

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			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Water fees	$ 775,723	$ 775,723	$ 739,721	$(36,002)
Sewer fees	755,174	755,174	626,492	(128,682)
Garbage fees	5,000	5,000	-0-	(5,000)
Delinquent charges	25,000	25,000	26,857	1,857
Tap and reconnect fees	17,000	17,000	15,482	(1,518)
Miscellaneous	6,000	6,000	9,823	3,823
Total revenues	1,583,897	1,583,897	1,418,375	(165,522)
Operating Expenses:				
Personnel costs	273,511	273,511	290,100	(16,589)
Sewer treatment plant operations	417,411	417,411	418,763	(1,352)
Water costs – BWA	230,000	230,000	252,179	(22,179)
Utilities and telephone	48,100	48,100	48,155	(55)
Repairs and maintenance	122,200	122,200	141,174	(18,974)
Supplies	39,500	39,500	32,002	7,498
Miscellaneous	121,323	121,323	47,484	73,839
Operating expenses before depreciation	1,252,045	1,252,045	1,229,857	22,188
Depreciation	332,152	332,152	338,676	(6,524)
Total operating expenses	1,584,197	1,584,197	1,568,533	15,664
Operating loss	(300)	(300)	(150,158)	(149,858)
Non-Operating Revenues (Expenses):				
Gain on disposition of capital assets			10,000	10,000
Investment income	300	300	1,066	766
Interest expense and agent fees	(59,084)	(59,084)	(59,644)	(560)
Total non-operating revenues (expenses)	(58,784)	(58,784)	(48,578)	10,206
Loss before contributions and operating transfers	(59,084)	(59,084)	(198,736)	(139,652)
Capital contributions			146,910	146,910
Change in net position	(59,084)	(59,084)	(51,826)	7,258
Net position, beginning	4,734,384	4,734,384	4,734,384	-0-
Net position, ending	$ 4,675,300	$ 4,675,300	$ 4,682,558	$ 7,258

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Kennemer, Masters & Lunsford

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CLIENT ADVISORY COMMENTS

July 17, 2018

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:

Failure to Perform Reconciliation of the Cash Accounts

During our testing of ending cash balances, we noted that the cash account balances on the client's reconciliation sheets did not agree with the general ledger cash balances. It appears that cash account reconciliations are not being timely performed throughout the year or at year end. We recommend the City put in place an account reconciliation process monthly with adequate timing to ensure cash account balances are accurately reported in the general ledger.

Opening Fund Balances

During our audit field work, we noted that opening fund balances were not in agreement with prior year audited fund balances. This was due to the fact that the City's staff reopened the prior year general ledger which resulted in entries being posted in the prior year. The City also posted prior year audited entries twice. The prior year general ledger should not be reopened and no entries should be posted to the general ledger once the general ledger has been closed and audit adjustments have been entered.

Recording of Year End Accruals

During the conduct of our year year-end audit fieldwork, account analysis and related procedures, we identified a number 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, accrued payroll related liabilities, and deferred tax revenues be reconciled and adjusted as necessary in order to agree the general ledger ending balances to the reconciliation.

Purchasing/Cash Disbursement

During our walkthrough procedures over purchasing/cash disbursement, we selected 25 cash disbursements for our testing. With the 25 items selected, we noted that one purchase order was missing and one transaction was not accurately posted to general ledger. The City's purchasing/cash disbursement procedures require that all department heads must complete a requisition form before any purchase and the form is to be signed by the department head. We recommend that each department follow the procedure to avoid potential unauthorized purchases and all transactions should be carefully reviewed before posting.

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, 2017 was $ 23,034 ($ 13,564 in principal and $ 9,470 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

Interfund Balances

During the conduct of our year-end audit fieldwork, account analysis, and related procedures, we discovered that the City is not properly reconciling interfund balance accounts (due from/to and transfers in/out). It appears that entries are being made between funds without properly using the interfund receivable, payable, transfer in and transfer out accounts. When recording entries between funds, the respective interfund accounts should be utilized to balance the entry, whether debit or credit. This requires a separate entry for each individual fund involved in the transaction.

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.

Control over General Ledger

Controls over general ledger balances were impaired based upon the significant number and amount of client entries, closing entries, and audit entries recorded to the working trial balance during the audit fieldwork. The failure to perform timely and accurate reconciliations of significant accounts and lack of experience and training of staff resulted in a lack of control over the general ledger.

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.

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

Kennemer, Masters & Lunsford, LLC

Kennemer, Masters & Lunsford

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Letter to the Governing Body

July 17, 2018

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 City of Richwood ("the City") for the year ended September 30, 2017. 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 21, 2017. 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 the City are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit 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 estimates affecting the City's financial statements were:

- 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 in determining that it is reasonable in relation to the financial statements taken as a whole.
- Further, management's estimate of the useful lives of capital assets is based on historical results, and an analysis of the condition of the City's capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit
The completion of our audit was delayed due to the impact of the City's loss of control over the general ledger which affected the City's audit preparation. The City reopened the prior year closed general ledger which resulted in improper entries being posted into the general ledger and the beginning balance sheet account balances therefore did not match the prior year audited account balances. In addition, the cash accounts were not reconciled. These in effect resulted in a significant number of additional audit hours to complete the audit.

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. Due to the circumstances surrounding the City's lack of control over the general ledger, the City's staff was inadequately prepared for our audit. Consequently, we prepared numerous "Closing Entries" (entries prepared by audit staff from City records and in conjunction with City personnel), reclassifying and audit entries. We have attached a copy of all journal entries proposed and accepted by management, for your review.

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 July 17, 2018.

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 governmental unit'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 governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

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.

We were engaged to report on Combing and Individual Fund Statements and 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,

Kennemer, Masters & Lunsford, LLC

Kennemer, Masters & Lunsford, LLC

Kennemer, Masters & Lunsford

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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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 17, 2018.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses (See 2017-001).

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. We consider the deficiencies described in the accompany schedule of findings and responses to be significant deficiencies (See 2017-002).

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 in the schedule of findings and response. 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 & Rungford, LLC

Lake Jackson, Texas
July 17, 2018

CITY OF RICHWOOD
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended September 30, 2017

1. Finding Reference Number 2017-001: Control over General Ledger. Controls over general ledger balances were impaired based upon the significant number and amount of client entries, closing entries, and audit entries recorded to the working trial balance during the audit fieldwork. The material amount of journal entries, including client entries (entries proposed by client after the submission of the working trial balance for audit), closing entries (entries prepared from client presented documentation), and audit entries (entries made by auditors during the course of the audit engagement) would lead to the conclusion that control over the general ledger was not maintained at the level previously experienced. The failure to perform timely and accurate reconciliations of significant accounts, lack of experience and training of staff, and problem with the existing software resulted in a lack of control over the general ledger and therefore over financial reporting. We recommend that the City initiate a concerted effort to reestablish accounting and computer procedures that maximize internal controls over general ledger balances throughout the year.

   Client Response: The City is in the process of upgrading its software system and is obtaining staff training. Further, the City's accounting personnel plans to take the necessary steps to reestablish procedures that will strengthen internal controls over general ledger balances through timely reconciliations.

2. Reference Number 2017-002: Inadequate Segregation of Duties. The City has inadequate segregation of duties within a significant account or process.

   Client Response: The City plans to reevaluate its assigned duties and plans to implement additional controls such as the review of journal entries and bank reconciliations.

Minutes of City Council Regular Meeting

The City Council
City of Richwood

A City Council Regular Meeting of the City Council of City of Richwood was held Monday, July 9, 2018, beginning at 6:00 PM in the Richwood City Hall, 1800 N. Brazosport Blvd. Richwood, Texas.

CALL TO ORDER AT 6:00 PM
The meeting was called at 6:16 p. m.

ROLL CALL OF COUNCIL MEMBERS
Mayor - Mark Guthrie
Council member Position 1 – Mike Johnson
Council member Position 2 – Frank Blanks
Council member Position 3 – Sarah Reed
Council member Position 4 – Mark Brown II
Council member Position 5 – Katie Johnson

Others present: Michael Coon, City Manager; Giani Cantu, City Secretary/Finance Director; Kenny Williams, Building Official; Clif Custer, Public Works Director; Stephen Mayer, Police Chief

RECOGNITIONS

Kirsten Garcia, Court Clerk, on receiving her Level II Court Clerk Certification

Steve Cook, Operator, on receiving his Class "C' Water Operator License

Giani Cantu, City Secretary, on receiving her Texas Registered Municipal Clerk certification

CONSENT AGENDA

Approval of Minutes of Previous Meetings

June 2, 2018

June 11, 2018

Payment of Bills

On motion by Sarah Reed second by Frank Blanks with all present members voting “aye” all consent agenda items were approved.

DISCUSSION AND ACTION ITEMS

Final review and action on replat of a 20 acre tract of land being Reserve "A" Oakwood Shores, located on the northeast corner of the intersection of Hwy 2004 and 288B
Michael Coon stated final plats are still awaiting drainage approval and design. Staff recommends approving contingent on drainage plans.

Sarah Reed stated or clarification that the item was just re-plating and has nothing to do with building on it.

Michael Coon replied that is correct.

On motion by Sarah Reed second by Mike Johnson with all present members voting "aye" final approval on replat of a 20 acre tract of land being Reserve "A" Oakwood Shores, located on the northeast corner of the intersection of Hwy 2004 and 288B was granted contingent on approval of the drainage from Velasco Drainage District.

Final review and action on replat of a 4.669 acre tract located at 2300 Brazosport Blvd
Michael Coon in speaking with Velasco Drainage they are ok with approving as long as development plans have their approval prior to issuing building permits.

On motion by Mark Brown II second by Sarah Reed, with all present members voting "aye", final approval on replat of a 4.669 acre tract located at 2300 Brazosport Blvd was granted.

Discuss and consider amending water and sewer rate fees and charges for RV/Trailer parks and multi-family dwellings serviced by one meter
Michael Coon the ordinance reduces the cost for RV parks to ½.

Sarah Reed moved to approve and adopt an ordinance amending water and sewer rate fees and charges for RV/Trailer Parks and multi-family dwellings serviced by one meter. Frank Blanks seconded.

Mark Brown asked if in the future someone could put in more RV parks that could potentially affect the system.

Michael Coon replied that as of right now the ordinance doesn't allow them to be in the city. This amendment is to accommodate the two parks being serviced in our ETJ.

With all voting present members voting "aye" an ordinance amending water and sewer rate fees and charges for RV/Trailer Parks and multi-family dwellings serviced by one meter was passed and adopted.

Discuss and consider a resolution appointing Steve Boykin as representative to serve on the Brazosport Water Authority board
Michael Coon reported Osdi Duarte has been serving and has resigned for personal reasons. Since his resignation, Mr. Boykin has shown interest and has previously served on the Brazosport Water Authority Board.

On motion by Steve Boykin second by Sarah Reed with all present members voting "aye" a resolution appointing Steve Boykin as representative to serve on the Brazosport Water Authority board was passed and adopted.

Update on review of Indoor Gun Range & Noise Control Ordinances
Michael Coon reported he had been in contact with representatives from Mesquite and was waiting on further information as to how the ordinance has been enforced in that area. Staff hopes to have this ready to present for consideration at the next regularly scheduled council meeting.

Update on Flood Mitigation Efforts
Michael Coon reported the flood advisory committee met and has asked that the City apply for the grant through the Texas Water development Board for post Harvey related studies. That will hopefully be done this week.

Mark Brown asked if there was any confirmation on possible pump locations.

Mr. Coon replied no. However, he will request an update and get back to Council.

Approve items removed from Consent Agenda
There were no items removed from Consent Agenda.

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. Discussion is not allowed on items not posted on the agenda.*

Pat Taylor stated she left copies of the proposed development for public.

Lauren LaCount stated that she would like to see the tax rate stay the same or be reduced.

Joe Roth, 31927 Redfish Trail, stated he would like to oppose the rezoning to the Oakwood Shores commercial development and would like it to remain zoned for residential development.

PRESENTATIONS

Proposed Budget Fiscal Year 2018-2019
Michael Coon presented the proposed budget.

FY 2017-2018 Review

General Operating Fund (Estimated at 9/30/18)

	FY 17-18 Budget	FY 17-18 Projected	Difference
Revenues	$3,129,873	$3,127,839	($2,034)
Expenditures	$3,129,873	$3,095,208	$34,665
Excess <Deficit>	$0	$32,631	$32,631

Utility Operating Fund (Estimated at 9/30/18)

	FY 17-18 Budget	FY 17-18 Projected	Difference
Revenues	$2,272,065	$2,259,813	($12,252)
Expenditures	$2,272,065	$2,255,240	$16,825
Excess <Deficit>	$0	$4,573	$4,573

FY 2017-2018 Review

Other Funds (Estimated at 9/30/18)

	FY 17-18 Budget	FY 17-18 Projected	Difference
Revenues	$903,523	$901,668	($1,855)
Expenditures	$903,523	$789,550	$113,973
Excess <Deficit>	$0	$112,118	$112,118

FY 18 Strategic Plan

New Vision Statement

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

Strategic Priorities

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

Compensation Study

Summary of Cities

City Demographics				
	Population	Budget (Expenses)	Miles from Nearest Metroplex	Nearest Metroplex
Joshua	6,345	$5,147,960	50.9 MI	Dallas/Fort Worth
Fair Oaks Ranch	5,986	$5,766,569	27 MI	San Antonio
Rockdale	5,595	$5,100,000	58.8 MI	Austin
Krum	5,581	$2,938,135	48.4 MI	Dallas/Fort Worth
Jacksboro	4,511	$3,028,649	60.5 MI	Dallas/Fort Worth

Summary of Compensation Survey

Average Salary						
	Joshua	**Fair Oaks Ranch***	**Rockdale**	**Krum**	**Jacksboro**	**Average**
Administrative Assistant	N/A	$37,690	N/A	$34,278	N/A	$35,984
Chief of Police	$77,647	$102,482	$75,000	$67,823	$70,000	$78,590
City Manager	$102,985	N/A	$105,000	N/A	$90,000	$99,328
Code Enforcement Officer	$38,064	N/A	$48,900	N/A	$34,256	$40,407
Court Administrator	N/A	$47,466	N/A	N/A	N/A	$47,466
Court Clerk	$44,034	$40,706	$33,755	$43,709	N/A	$40,551
Building Official	N/A	$59,800	N/A	$64,220	N/A	$62,010
Director of Public Works	$48,033	$102,482	$69,360	$66,950	N/A	$71,706
Finance Director	$50,294	$94,890	$54,122	$71,027	$43,000	$62,667
City Secretary	$64,189	$64,584	$52,003	$63,680	$47,500	$58,391
Public Works Department Operator	$25,251	$34,882	$31,200	$31,949	N/A	$30,821
Public Works Foreman	$28,496	$75,317	$47,504	$40,706	N/A	$48,006
Customer Service Representative	N/A	$32,302	N/A	$32,510	$37,877	$34,230
Police Sergeant	$56,098	$64,584	$57,200	N/A	$45,449	$55,377
Patrol Officer	$42,952	$55,370	$41,400	$40,581	$41,845	$45,187

**Midpoint Annual Salary*

Comparison Cities

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

Hourly Positions

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Lake Jackson	Clute	Average	Median
Administrative Assistant	$40,384	N/A	N/A	$34,278	N/A	N/A	$38,979	$42,500	N/A	N/A	N/A	N/A	$39,035	$39,682
Code Enforcement Officer	N/A	$38,064	$48,900	N/A	$34,256	$32,240	N/A	N/A	$43,404	N/A	$45,011	$42,910	$40,684	$42,910
Court Clerk	$33,743	$44,034	$33,755	$43,709	N/A	$31,200	$30,825	$50,000	$37,389	$47,413	$33,190	$39,249	$38,592	$37,389
Operator in Training	N/A		$24,960	$32,864		$27,040	$24,960	$35,000	$34,455	$29,713	$29,120	$33,208	$30,147	$29,713
Operator	$33,218	$25,251	$31,200	$31,949	N/A	$37,440	$29,120	N/A	$33,896	$37,232	$38,792	$38,584	$33,668	$33,557
Customer Service Representative	$32,939	N/A	N/A	$32,510	$37,877	N/A	$43,825	N/A	N/A	$29,817	$31,148	$37,607	$35,103	$32,939
Court Administrator	$40,384	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$40,384	$40,384

Exempt Positions

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Average	Median
Chief of Police	$75,000	$77,647	$75,000	$67,823	$70,000	$65,546	$81,952	$75,000	$68,234	$82,180	$73,838	$75,000
City Manager	$86,532	$102,985	$105,000		$90,000	$71,619	$85,176	$92,000	$109,000	$113,403	$95,079	$92,000
Building Official	$55,210	N/A	N/A	$64,220	N/A	N/A	$46,740	N/A	$58,500	N/A	$56,168	$56,855
Director of Public Works	$61,992	$48,033	$69,360	$66,950	N/A	$62,042	N/A	$75,000	N/A	$73,565	$65,277	$66,950
Finance Director	N/A	$50,294	$54,122	$71,027	$43,000	N/A	N/A	N/A	N/A	$66,404	$56,969	$54,122
City Secretary	$61,992	$64,189	$52,003	$63,680	$47,500	$47,528	$49,920	$63,000	$52,490	$69,825	$57,213	$57,241
Public Works Foreman	N/A	$28,496	$47,504	$40,706	N/A	N/A	N/A	$52,500	$44,420	$53,809	$44,573	$45,962

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

General Fund Revenues

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

FY19 Property Tax

Estimated Impact of Adopting Effective Tax Rate

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

**It is estimated that the effective tax rate will be $0.688455, which is $0.054011 higher than this year's rate of $0.634444.*

General Fund Expenditures

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

Utility Fund Revenues

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

Solid Waste Rates

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

Utility Fund Expenditures

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

Other Funds

- Beautification
- Capital Projects
- Crime Control Prevention
- Equipment Replacement
- Transportation
- Utility Capital Improvement

The next step in budget will be detailed department presentations at the budget workshop next Monday, July 16, 2018.

FUTURE AGENDA ITEMS
Bring back the burning ordinance for review.

COUNCIL MEMBER COMMENTS & REPORTS
No council member comments.

CITY MANAGER'S REPORT
FEMA conference calls are becoming shorter. All the projects are at the final stage of approval and we are awaiting final decision.

Deadline to submit census information is Wednesday. The importance is to accurately reflect our population size which will help with grant applications and economic development.

MAYOR'S REPORT
Welcomed Chief Mayer.

ADJOURNMENT
There being no further business the meeting adjourned at 8:15?? p.m.

These minutes were read and approved on this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

Attest:

_____
Giani Cantu, City Secretary

Minutes of City Council Workshop

The City Council
City of Richwood

A City Council Workshop of the City Council of City of Richwood was held Monday, July 16, 2018, 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 6:02 pm

II. INVOCATION
Michael Coon led the invocation.

III. PLEDGES OF ALLEGIANCE
Pledge of Allegiance & Texas Pledge
Mayor Guthrie led the pledges.

IV. ROLL CALL OF COUNCIL MEMBERS
Mayor - Mark Guthrie
Council member Position 1 – Mike Johnson
Council member Position 2 – Frank Blanks
Council member Position 3 – Sarah Reed
Council member Position 4 – Mark Brown II
Council member Position 5 – Katie Johnson

Others present: Michael Coon, City Manager; Giani Cantu, City Secretary/Finance Director; Clif Custer, Public Works Director; Stephen Mayer, Police Chief

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

There were no public comments.

VI. DISCUSSION AND ACTION ITEMS

A. *Discuss and consider terminating the financial advisory agreement with Hilltop Securities Inc., formerly First Southwest Company, and entering into a financial advisory agreement with BOK Financial Securities, Inc.*

In preparation for a potential bond election in November, staff has been reevaluating the City's selection for a financial advisor, whose job it is to help a city prepare for any debt issuances and to help the city with the process of selling debt. It is important to note that financial advisors are not paid based on a retainer or an hourly fee. They are paid based on the value of any debt that they help issue. So, in the instance of the potential bond election, the financial advisor would only be paid if the bond is passed by the voters and then the debt is issued.

The City has been using our current financial advisor for about 35 years. However, after examining some of alternatives, I believe that we would receive better services from BOK Financial Securities at a price point that is similar to the one being offered by our current advisor. The chart below shows a quick summary of the estimated costs to issue various levels of debt with the three firms that were evaluated.

	$2.5 Million	$5 Million*	$10 Million
BOK Financial	$24,000	$28,375	$35,875
US Capital	$33,750	$47,500	$72,500
First Southwest	$20,000	$27,500	$38,750

**Value of proposed November 2018 Bond*

Sarah Reed asked did you talk to a rep at each bond company.

Michael Coon replied yes.

Mark Brown asked Mr. Coon if he had previous experience with working with BOK or US Capital.

Michael Coon reported he has not worked directly with US Capital. However, Lake Jackson has and there fees are higher. Nor has he worked with BOK directly but has reached out to other city managers and the company comes with good recommendations.

Sarah Reed asked Mr. Coon if he felt like BOK will give the necessary attention to Richwood.

Mr. Coon stated yes. The current provider has missed things and communication usually is City started.

Mike Johnson asked where BOK Financial is located.

Mr. Coon stated in Houston.

Mr. Brown asked do you know why the company progression seems to be going down over the past few years.

Mr. Coon stated he is not sure. However, it could possibly be contributed to agencies not issuing debt.

Sarah Reed moved to terminate the financial advisory agreement with Hilltop Securities Inc., formerly First Southwest Company, and enter into a financial advisory agreement with BOK Financial Securities, Inc. Mike Johnson seconded.

Mr. Brown asked if the scope of work was only for this bond or can it be used to assist with hiring a finance director.

Mr. Coon stated no. Their expertise is to advise the city regarding financial debt.

Mark Guthrie asked if there was any idea why US Capital was so much more.

Mr. Coon stated he's not sure. However, he did reach out to a former professor, and he also agrees it does seem high.

Ms. Reed asked if the city has any term remaining on the Hilltop contract.

Mr. Coon stated the contract located is from 1983. However Hilltop has a contract dated 1999. Either way; the contract is over 20 years old and no term length remains.

With all present members voting "aye", the City terminated the financial advisory agreement with Hilltop Securities Inc., formerly First Southwest Company, and entered into a financial advisory agreement with BOK Financial Securities, Inc.

VII. PRESENTATION OF COMPENSATION STUDY

Michael Coon presented the compensation study.
Comparison cities

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

	Population	Property Tax Rate	Op. Budget (Expenses)	Miles from Nearest Metroplex	Nearest Metro Area
Joshua	6,345	0.775270	$5,147,960	50.9 MI	Dallas/Fort Worth
Rockdale	5,595	0.911800	$5,100,000	58.8 MI	Austin
Krum	5,581	0.647489	$2,938,135	48.4 MI	Dallas/Fort Worth
Jacksboro	4,511	1.219039	$3,028,649	60.5 MI	Dallas/Fort Worth
Brazoria	3,071	0.721976	$4,092,061	54.8 MI	Houston
West Columbia	3,933	0.820000	$4,341,000	54.5 MI	Houston
Richwood	5,500	0.634444	$5,039,889	52.9 MI	Houston
Bellville	4,274	0.280300	$5,557,549	64.4 MI	Houston
Columbus	3,625	0.280000	$5,285,613	73.1 MI	Houston
Willis	6,370	0.595300	$5,845,140	48.0 MI	Houston
Average	4,881	0.688562	$4,637,600	56.63	N/A

Mayor Guthrie stated some of the locations are directly off of a major highway and asked how they were selected.

Mr. Coon stated the comparison cities were selected based on proximity to nearest metroplex area and similar operating budget.

Non-exempt Positions

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Lake Jackson	Clute	Average	Median
Administrative Assistant	$40,384	N/A	N/A	$34,278	N/A	N/A	$38,979	$42,500	N/A	N/A	N/A	N/A	$39,035	$39,682
Code Enforcement Officer	N/A	$38,064	$48,900	N/A	$34,256	$32,240	N/A	N/A	$43,404	N/A	$45,011	$42,910	$40,684	$42,910
Court Clerk	$33,743	$44,034	$33,755	$43,709	N/A	$31,200	$30,825	$50,000	$37,389	$47,413	$33,190	$39,249	$38,592	$37,389
Operator in Training	N/A		$24,960	$32,864		$27,040	$24,960	$35,000	$34,455	$29,713	$29,120	$33,208	$30,147	$29,713
Operator	$33,218	$25,251	$31,200	$31,949	N/A	$37,440	$29,120	N/A	$33,896	$37,232	$38,792	$38,584	$33,668	$33,557
Customer Service Representative	$32,939	N/A	N/A	$32,510	$37,877	N/A	$43,825	N/A	N/A	$29,817	$31,148	$37,607	$35,103	$32,939
Court Administrator	$40,384	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$40,384	$40,384

Exempt Positions

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Average	Median
Chief of Police	$75,000	$77,647	$75,000	$67,823	$70,000	$65,546	$81,952	$75,000	$68,234	$82,180	$73,838	$75,000
City Manager	$86,532	$102,985	$105,000		$90,000	$71,619	$85,176	$92,000	$109,000	$113,403	$95,079	$92,000
Building Official	$55,210	N/A	N/A	$64,220	N/A	N/A	$46,740	N/A	$58,500	N/A	$56,168	$56,855
Director of Public Works	$61,992	$48,033	$69,360	$66,950	N/A	$62,042	N/A	$75,000	N/A	$73,565	$65,277	$66,950
Finance Director	N/A	$50,294	$54,122	$71,027	$43,000	N/A	N/A	N/A	N/A	$66,404	$56,969	$54,122
City Secretary	$61,992	$64,189	$52,003	$63,680	$47,500	$47,528	$49,920	$63,000	$52,490	$69,825	$57,213	$57,241
Public Works Foreman	N/A	$28,496	$47,504	$40,706	N/A	N/A	N/A	$52,500	$44,420	$53,809	$44,573	$45,962

Sworn Positions Hourly Rate

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Lake Jackson (Corporal)	Clute	Average	Median
Police Sergeant	$26.40	$26.97	$25.98	N/A	$20.81	$26.19	$21.54	$27.64	$24.68	$23.73	$29.00	$25.73	$25.30	$25.73
Patrol Officer	$24.58	$21.08	$18.52	$18.15	$19.16	$19.05	$17.02	$24.04	$20.54	$22.45	$25.75	$21.87	$21.02	$20.81

Sworn Positions Annual Salary

	Richwood	Joshua	Rockdale	Krum	Jacksboro	Brazoria	West Columbia	Bellville	Columbus	Willis	Lake Jackson (Corporal)	Clute	Average	Median
Police Sergeant	$59,040	$56,098	$57,200	N/A	$45,449	$57,200	$47,049	$57,500	$51,344	$52,749	$60,320	$53,518	$54,315	$56,098
Patrol Officer	$54,961	$43,852	$41,400	$40,581	$41,845	$41,600	$37,171	$50,000	$42,720	$49,900	$53,561	$45,490	$45,257	$43,286

Katie Johnson asked why Lake Jackson's salary was taken at the Corporal position.

Mr. Coon advised that our sergeant position has the supervisory responsibility equivalent to that of a corporal.

Mr. Brown asked why West Columbia is so low. For him, it is kind of hard to make a connection between Columbus and Richwood. They are 2 hours away. The market is different.

Mr. Coon stated that the goal is to be able to compete with areas outside of our region and widen the pool of eligible employees.

Katie Johnson stated there is a shortage of police officers. The county is short 22 patrol officers and all other surrounding agencies are also short.

Mr. Coon stated it is getting harder and harder to recruit officers. We need to stay competitive and while the Houston area is our primary competition, for some jobs we may compete at a state or national level.

Mr. Brown asked what this pay structure will do to current employees.

Mr. Coon reported for some employees this pay scale limits the employee's eligibility for pay increases. This is especially evident in the Police Department, however, there are other employees who are at the top of their pay scale. The proposal is for them to hold pay until they catch up to their pay grade.

Ms. Reed asked if the compensation study pay scale is included in the proposed budget.

Mr. Brown asked how we are going to keep those employees that we tell they are already at the top of their pay scale.

Mr. Coon stated if there is a cost of living adjustment, they will get that because it moves the pay scale entirely. Other options could be to give a lump sum performance based instead of rolling into the annual salary. This is kind of the first step and next year we are looking at only performance based increases.

Mr. Brown stated it would be a lot of work for the Chief to decide goals that can be met.

Mr. Coon stated it is tricky. However, one of chief's big things is training. That would be easy to see how successful they were at completing their training. Staff will be working on performance evaluations set so that we can let the employees know this is what they will be evaluated on.

Mike Johnson asked if the plan was to true up in one year and how much is that costing.

Mr. Coon stated yes. The cost is approx. 32000, which is less than cost of raises last year.

Mr. Johnson asked about cost of living increases.

Mr. Coon advised they are not included. The idea is to get the pay scale implemented.

Discussion was held on the how the employees were placed on the scale based on tenure.

Discussion was held on historical employee evaluations and processes.

Mr. Coon presented the following pay scale created based on the data provided in the compensation study.

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

Mike Johnson asked if the new pay scale added any new positions.

Mr. Coon stated the only new position is the Finance Director.

Mr. Coon also stated for clarification, after the compensation study is implemented, those employees that are performing well but at the top of their pay scale, they will be eligible for a one time performance based lump sum.

Council discussion that performance based raises between one and three percent may be appropriate for future years.

Mr. Blanks asked how many employees the pay freeze will affect.

Mr. Coon stated it will likely affect 10 employees.

Mr. Brown stated that just because Council budgets performance based increases, he hopes it is understood that it doesn't always have to be given if employees are not really performing.

Mayor Guthrie called recess at 7:04 p.m.

Mayor Guthrie called session back at 7:07 p.m.

VIII FISCAL YEAR 2018-2019 BUDGET WORKSHOP

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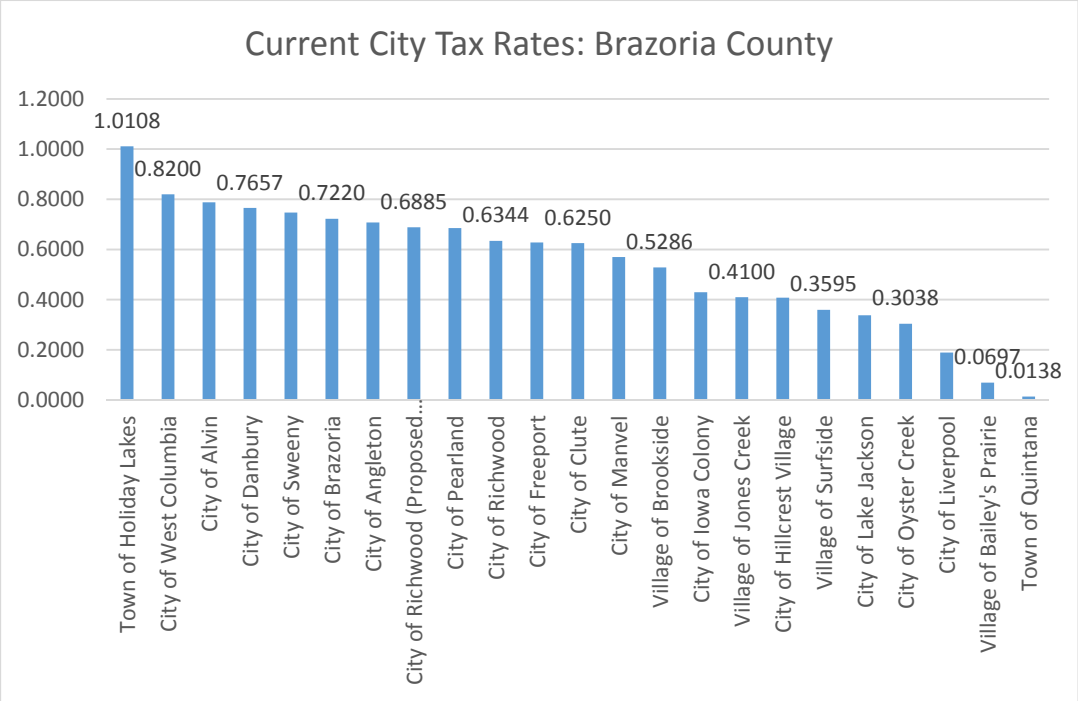
A. *FY 18-19 Proposed Budget*

1. *Adopting a Tax Rate*
   Mr. Coon stated the word smith is important. He truly believes that adopting the effective tax rate is not increasing taxes.

Sarah Reed asked is it not increasing taxes or not increasing tax revenue.

Mr. Coon stated we are not increasing tax revenues. However, it may mean an increase to tax rate. Some will pay more, some will pay less.



Historical Summary of Effective Tax Increases

Entity	Actual 2016	Actual 2017	Proposed 2018	Average
West Columbia	10.26%	1.74%		6.00%
Angelton	6.06%	5.84%		5.95%
Clute	8.07%	3.75%		5.91%
Brazoria	10.80%	0.00%		5.40%
Lake Jackson	3.73%	3.44%	6.80%	4.66%
Freeport	0.00%	5.89%		2.95%
Brazoria County	0.00%	0.00%		0.00%
Richwood	-0.49%	0.00%	0.00%	-0.16%

Mr. Coon stated the idea is to ask for effective this year and next which would mean higher tax rate this year and lower tax rate next year as values come back up.

Mayor Guthrie asked if there any items that were left out of the budget just to ensure we do not go over the effective tax rate.

Mr. Coon stated one would be to keep the Court Admin position and look at funding better the equipment replacement and capital funds. Staff tried hard to limit the impact on the budget by only requesting the necessary. There are other wants and needs.

Mr. Brown asked Mr. Coon if you didn't know we weren't paying out the 90000 dollars would you have prepared the budget the same way.

Mr. Coon stated the 90000 didn't come into play until after initial budget discussions. Staff assessed what was more important the Finance Director position or funding equipment replacement. Staff decided it was more important to get the finance director. The 90000 was added to equipment replacement once it was made known that the apartment complex didn't comply with their agreement.

Directors presented the following department budgets:

2. *Public Safety*
   a. *Police*
      1. *CCPD*
   b. *Fire*
      Fire Department budget was not presented.

3. *Public Works*
   a. *City Maintenance*
   b. *Streets & Drainage*
   c. *Parks and Recreation*
   d. *Water/Sewer Fund*
   e. *Transportation*

4. *Administration*
   a. *Municipal Court*

5. *Permitting and Inspections*
   a. *Code Enforcement*

IX. CITY MANAGER'S REPORT

Mr. Coon stated he would follow up on items noted and will send out information to Council.

X. ADJOURNMENT

There being no further business the meeting adjourned at 9:26 p.m.

These minutes were read and approved on this 13th day of August, 2018.

Mark Guthrie, Mayor

Attest:

Giani Cantu, City Secretary

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Resolution designating Stephen Mayor, Chief of Police as authorized official on Grant 3441901 Rifle Resistant Body Armor

Now that Chief Mayor is onboard, this resolution will designate him as the authorized official instead of Michael Coon.

RESOLUTION 18-R-08

A RESOLUTION DESIGNATING THE CITY OF RICHWOOD'S AUTHORIZED OFFICIAL FOR THE RIFLE RESISTANT BODY ARMOR GRANT PROGRAM TO THE OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION, GRANT 3441901

WHEREAS, The City of Richwood, Grantee, on May 14, 2018, appointed Michael Coon, City Manager, as the grantee's authorized official for the Rifle Resistant Body Armor Grant Program to the Office of the Governor, Criminal Justice Division, Grant #3441901;

WHEREAS, the City of Richwood finds that Stephen Mayer has since been appointed and is now acting Chief of Police;

WHEREAS, the City of Richwood agrees that in the event of loss or misuse of the Criminal Justice Division funds, the City of Richwood assures that the funds will be returned to the Criminal Justice Division in full;

WHEREAS, the City of Richwood wishes to designate Stephen Mayer, Chief of Police as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Richwood hereby designates Stephen Mayer, Chief of Police, as the grantee's authorized official for the Rifle Resistant Body Armor Grant Program to the Office of the Governor, Criminal Justice Division, Grant #3441901.

PASSED AND APPROVED this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu
City Secretary

Grant Number: 3441901

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Resolution designating Stephen Mayor, Chief of Police as authorized official on Grant 3340201 - JAG Suspect Identification Technology Updates

Now that Chief Mayor is onboard, this resolution will designate him as the authorized official instead of Michael Coon.

RESOLUTION 18-R-09

A RESOLUTION DESIGNATING THE CITY OF RICHWOOD'S AUTHORIZED OFFICIAL FOR THE JAG – SUSPECT IDENTIFICATION TECHNOLOGY UPDATE GRANT PROGRAM TO THE OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION, GRANT 3340201

WHEREAS, The City of Richwood, Grantee, on, May 14, 2018, appointed Michael Coon, City Manager, as the grantee's authorized official for the JAG - Suspect Identification Technology Update Grant Program to the Office of the Governor, Criminal Justice Division, Grant #3340201;

WHEREAS, the City of Richwood finds that Stephen Mayer has since been appointed and is now acting Chief of Police;

WHEREAS, the City of Richwood agrees that in the event of loss or misuse of the Criminal Justice Division funds, the City of Richwood assures that the funds will be returned to the Criminal Justice Division in full;

WHEREAS, the City of Richwood wishes to designate Stephen Mayer, Chief of Police, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Richwood hereby designates Stephen Mayer, Chief of Police, as the grantee's authorized official for the JAG - Suspect Identification Technology Update Grant Program to the Office of the Governor, Criminal Justice Division, Grant #3340201.

PASSED AND APPROVED this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu
City Secretary

Grant Number: 3440201

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Public Hearing to consider rezoning 5 acres of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A from R-3, Multifamily Residence to C-1 Commercial. Said property being located at the northeast corner of 288B and Highway 2004

This is the second of two public hearings to receive comments on the proposed rezoning of a 5-acre tract located at the corner of FM 2004 and 288B. Please see the attached application for more details.

City of RICHWOOD

1800 Brazosport Blvd
Richwood, TX 77531
(979)265-2082 (979)265-7345 (fax)

APPLICATION FOR ZONING CHANGE REQUEST

PLEASE NOTE: The following questions must be answered completely. If additional space is needed, attach extra pages to the application. Contact the City of Richwood at (979) 265-2082 for clarification of terms or for specific zone district requirements.

DATA ON APPLICANT AND OWNER:

Name: JOHN D. GERDES Date: 6-19-18

Address: 550 WESTCOTT ST., STE 550/ HOUSTON, TX 77007

Home Phone: 281-743-7760 Business Phone: 713-955-0145

SUBJECT PROPERTY:

Address of property in question: 0 BUSINESS STATE HWY 288 & STATE FARM MARKET HWY 2004, FREEPORT, TX

Legal Description of property: OAKWOOD SHORES PLAT NO. 20080019216

Current Zone: R-3 MULTI-FAMILY

Zone being requested: C-1 COMMERCIAL

PURPOSE OF THE RE-ZONE (be specific): THE OWNER INTENDS TO DEVELOP A GAS STATION & RETAIL SHOPPING CENTER ON THE SUBJECT TRACT WHICH WAS ORIGINALLY ZONED FOR COMMERCIAL DEVELOPMENT.

Application for Zoning Request

I (we) certify that all of the above statements and the statements contained in any papers or plans submitted herewith are true and accurate to the best of my knowledge and belief. I also hereby give permission for the members of the City of Richwood Board of Adjustments and City Staff to access the property in question for the purpose of gathering information to make an informed decision on this request.

JOHN D. GERDES

Name of Applicant

Signature of Applicant

6-19-18

Date

IMPORTANT:

A drawing, including all dimensions and structures, must be attached along with the applicable fee, to be considered. Failure to include both will result in automatic denial of application.

STATE OF TEXAS
COUNTY OF BRAZORIA

We, Oakwood Shores, LLC, as Delaware Limited Liability Company acting by and through American Land Partners, Inc, as manager of National Timber Partners, LLC as manager of NTP Timber Properties, LLC as manager of Oakwood Shores, LLC, by and through Timothy D. Smith, Treasurer of American Land Partners, Inc., and Manha Property, LLC, acting by and through Rafiq Momin, owners of the property subdivided in the above and foregoing map of OAKWOOD SHORES REPLAT NO 1, do hereby make subdivision of said property for and on behalf of said Oakwood Shores, LLC, and Manha Property, LLC, according to the lines, streets, alleys, parks, and easements therein shown, and designate said subdivision as OAKWOOD SHORES REPLAT NO 1 in the Jared E. Groce Survey, Abstract No. 66, Brazoria County, Texas; and on behalf of said Oakwood Shores, LLC, and Manha Property, LLC, dedicate to public use, as such, the streets, alleys, parks and easements shown thereon forever; and do hereby waive any claims for damages occasioned by the establishing of grades as approved for the streets and alleys dedicated, or occasioned by the alteration of the surface of any portion of streets or alleys to conform to such grades and do hereby bind ourselves, our such heirs and assigns to Warrant and Forever Defend the title to the land so dedicated.

FURTHER, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purpose forever unobstructed aerial easements. The aerial easements shall extend horizontally an additional eleven feet, six inches (11'6") for ten feet (10'0") perimeter ground easements or seven feet, six inches (7'6") for fourteen feet (14'0") perimeter ground easements or five feet, six inches (5'6") for sixteen feet (16'0") perimeter ground easements, from a plane sixteen feet (16'0") above the ground level upward, located adjacent to and adjoining said public utility easements that are designated with aerial easements (U.E. and A.E.) as indicated and depicted hereon, whereby the aerial easement totals twenty one feet, six inches (21'6") in width.

FURTHER, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purpose forever unobstructed aerial easements. The aerial easements shall extend horizontally an additional ten feet (10'0") for ten feet (10'0") back-to-back ground easements, or eight feet (8'0") for fourteen feet (14'0") back-to-back ground easements or seven feet (7'0") for sixteen feet (16'0") back-to-back ground easements, from a plane sixteen feet (16'0") above ground level upward, located adjacent to both sides and adjoining said public utility easements that are designated with aerial easements (U.E. and A.E.) as indicated and depicted hereon, whereby the aerial easement totals thirty feet (30'0") in width.

IN TESTIMONY WHEREOF, Oakwood Shores, LLC, has caused these presents to be signed by Timothy D. Smith, its Treasurer, thereunto authorized, this

_____ day of _____, 2018.

Owner: Oakwood Shores, LLC,

By: _____
Timothy D. Smith, Treasurer

STATE OF _____

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared Timothy D. Smith, Treasurer of Oakwood Shores, LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2018.

_____
Notary Public in and for the
State of _____

_____
My Commission Expires:

IN TESTIMONY WHEREOF, Manha Property, LLC, has caused these presents to be signed by Rafiq Momin, thereunto authorized, this

_____ day of _____, 2018.

Owner: Manha Property, LLC,

By: _____
Rafiq Momin

STATE OF _____

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared Rafiq Momin, of Manha Property, LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2018.

_____
Notary Public in and for the
State of _____

_____
My Commission Expires:

This is to certify that I, Paul A. Jurica, Jr., a Registered Professional Land Surveyor of the State of Texas, have platted the above subdivision from an actual survey on the ground; and that all lots, are, or will be upon completion of construction, properly marked with 1/2 inch iron rods, two (2) feet long; and that all boundary corners and tangents are, or will be, upon completion of construction, properly marked with minimum 3/4 inch diameter iron pipes; and that this plat correctly represents the survey by me.

STATE OF TEXAS
REGISTERED
PAUL A. JURICA JR.
4264
PROFESSIONAL
LAND SURVEYOR

_____
Paul A. Jurica, Jr.
Registered Professional Land Surveyor
Texas Registration No. 4264

This is to certify that the City Council of the City of Richwood, Texas, has approved this plat and subdivision of OAKWOOD SHORES REPLAT NO 1 as shown herein.

IN TESTIMONY WHEREOF, witness the official signatures of the Mayor, City Council, and City Secretary of the City of Richwood, Texas, this the

_____, day of _____, 2018.

_____ Mayor

_____ Councilmember

_____ Councilmember

_____ Councilmember

_____ Councilmember

_____ Councilmember

_____ Councilmember

_____ City Secretary

VELASCO DRAINAGE DISTRICT

THE BOARD OF SUPERVISORS OF THE VELASCO DRAINAGE DISTRICT DOES NOT WARRANT, REPRESENT OR GUARANTEE:

1. THAT DRAINAGE FACILITIES OUTSIDE THE BOUNDARIES OF THIS SUBDIVISION ARE AVAILABLE TO RECEIVE RUNOFF FROM THE FACILITIES DESCRIBED IN THIS PLAT.
2. THAT DRAINAGE FACILITIES DESCRIBED IN THIS SUBDIVISION ARE ADEQUATE FOR RAINFALL IN EXCESS OF VELASCO DRAINAGE DISTRICT MINIMUM REQUIREMENTS (10 YEAR FREQUENCY).
3. THAT BUILDING ELEVATION REQUIREMENTS HAVE BEEN DETERMINED BY THE VELASCO DRAINAGE DISTRICT.
4. THAT THE DISTRICT ASSUMES RESPONSIBILITY FOR CONSTRUCTION, OPERATION OR MAINTENANCE OF SUBDIVISION DRAINAGE FACILITIES.
5. THAT VELASCO DRAINAGE DISTRICT IS REPONSIBLE FOR FLOODPLAIN ADMINISTRATION OR THE ISSUANCE OF FEMA DEVELOPMENT PERMITS.

THE DISTRICT REVIEW IS SOLELY BASED ON THE DOCUMENTATION SUBMITTED FOR REVIEW AND A RELIANCE ON SUBMISSION OF THE REPORT BY THE TEXAS PROFESSIONAL ENGINEER. THE DISTRICT'S REVIEW IS NOT INTENDED AND SHALL NOT SERVE AS A SUBSTITUTION OF THE OVERALL RESPONSIBILITY AND/OR DECISION MAKING POWER OF THE PARTY MAKING THE PLAN OR PLAT HEREIN, THEIR OR ITS PRINCIPALS OR AGENTS.

_____ G. L. Kidwell, Chairman

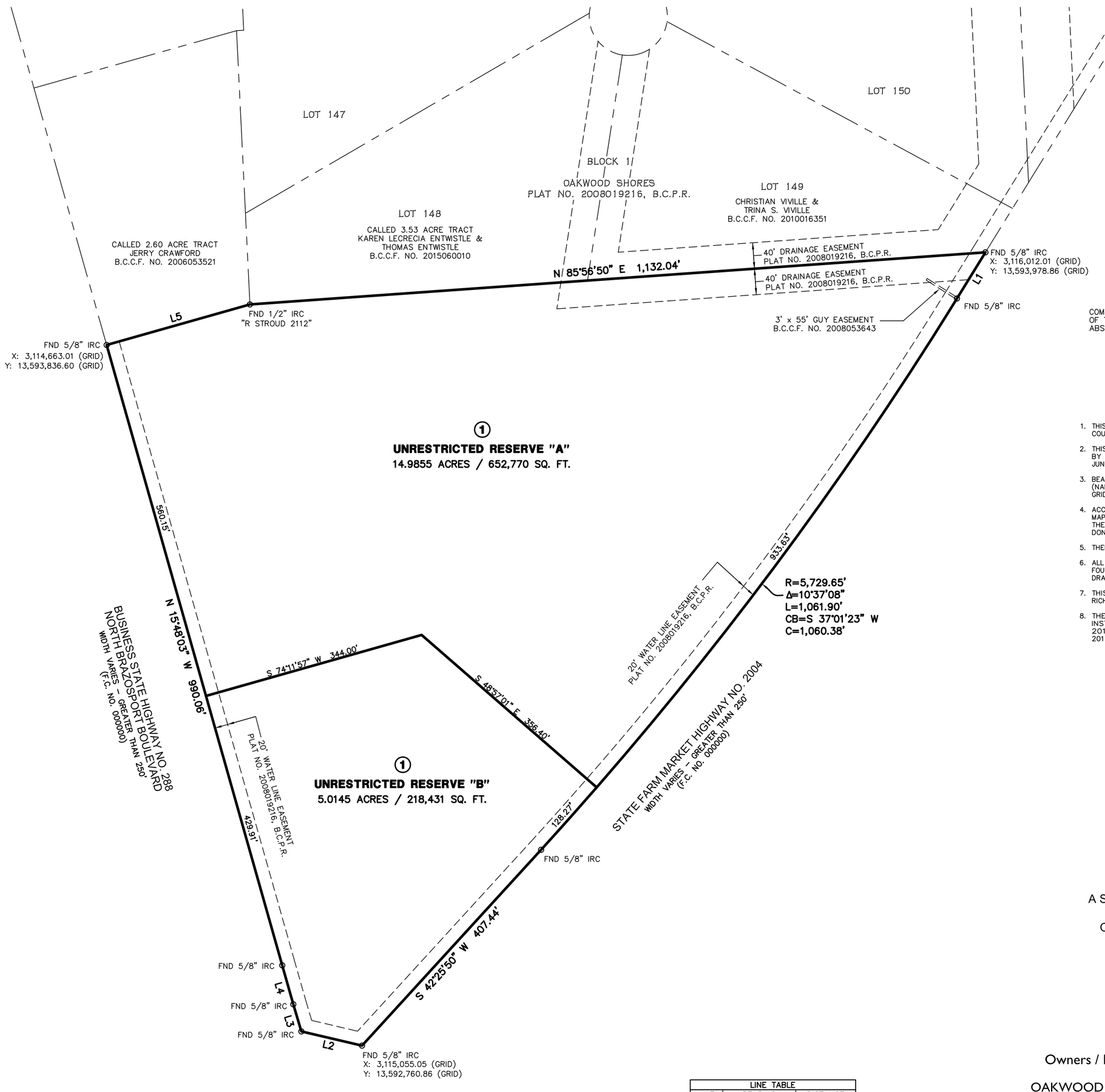
_____ L. H. Jones, Vice Chairman

_____ F. Robert Hamlet, Secretary

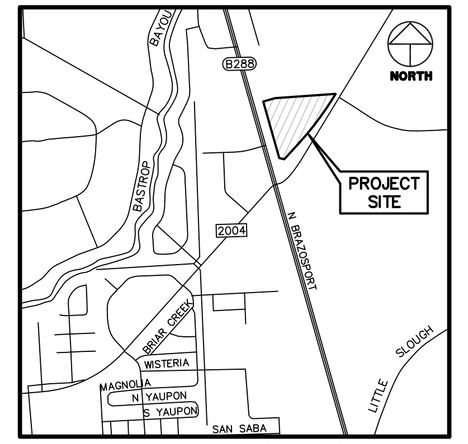
_____ Date

ABBREVIATIONS

B.C.D.R.	–	BRAZORIA COUNTY DEED RECORDS
B.C.O.R.	–	BRAZORIA COUNTY OFFICIAL RECORDS
B.C.P.R.	–	BRAZORIA COUNTY PLAT RECORDS
C.M.	–	CONTROLLING MONUMENT
ESMT.	–	EASEMENT
FND	–	FOUND
IP	–	IRON PIPE
IR	–	IRON ROD
NO.	–	NUMBER
PG.	–	PAGE
R.O.W.	–	RIGHT-OF-WAY
SQ. FT.	–	SQUARE FEET
T.B.M.	–	TEMPORARY BENCHMARK
VOL.	–	VOLUME



LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 31°40'20" W	83.21'
L2	N 76°49'58" W	95.68'
L3	N 16°33'02" W	43.40'
L4	N 15°50'16" W	62.19'
L5	N 74°11'40" E	228.60'



BRAZORIA COUNTY, TEXAS

VICINITY MAP

SCALE: 1" = 2,000'

DESCRIPTION

COMMERCIAL RESERVE "A" OAKWOOD SHORES, AS RECORDED UNDER PLAT NO. 2008019216, OF THE BRAZORIA COUNTY PLAT RECORDS SITUATED IN THE JARED E. GROCE SURVEY, ABSTRACT NO. 66, BRAZORIA COUNTY, TEXAS

GENERAL NOTES

1. THIS PLAT HAS BEEN PREPARED TO MEET THE REQUIREMENTS OF THE STATE OF TEXAS, BRAZORIA COUNTY AND THE CITY OF RICHWOOD.
2. THIS PLAT WAS PREPARED FROM INFORMATION PROVIDED IN CITY PLANNING LETTER PREPARED BY ABSTRACTING SERVICED OF HOUSTON, CITY PLANNING LETTER NO. 2018-06-0012, DATED JUNE 07, 2018. THE SURVEYOR HAS NOT ABSTRACTED THE ABOVE PROPERTY.
3. BEARINGS WERE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83). ALL DISTANCES SHOWN HEREON ARE SURFACE DISTANCES AND MAY BE BROUGHT TO GRID BY APPLYING THE FOLLOWING SCALE FACTOR: 0.999873181.
4. ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), FLOOD INSURANCE RATE MAP (FIRM) FOR BRAZORIA COUNTY, TEXAS, MAP NO. 48039C0610H REVISED/DATED JUNE 05, 1989, THE SUBJECT TRACT APPEARS TO LIE WITHIN UNSHADED ZONE "X". THIS DETERMINATION WAS DONE BY GRAPHIC PLOTTING AND IS APPROXIMATE ONLY, AND HAS NOT BEEN FIELD VERIFIED.
5. THERE ARE NO PIPELINES OR PIPELINE EASEMENTS WITHIN THE BOUNDARIES OF THIS PLAT.
6. ALL DRAINAGE EASEMENTS AND RIGHTS-OF-WAY SHALL BE KEPT CLEAR OF FENCES, BUILDINGS, FOUNDATION PLANTINGS, AND OTHER OBSTRUCTIONS TO THE OPERATION AND MAINTENANCE OF THE DRAINAGE FACILITY.
7. THIS PLAT IS SUBJECT TO ANY AND ALL ZONING ORDINANCES IN EFFECT FOR THE CITY OF RICHWOOD IN EFFECT AT THE TIME OF PERMITTING.
8. THE PROPERTY IS SUBJECT TO COVENANTS, CONDITIONS AND RESTRICTIONS CONTAIN IN INSTRUMENTS RECORDED UNDER COUNTY CLERKTS FILE NO. 2008023001, 2009038879, 2010029285, 2011041607, 2013032347, 2013038295, 2013061375, 2015014190, 2017005320, 2018004233 OF THE OFFICIAL PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS.

A MINOR REPLAT

OAKWOOD SHORES REPLAT NO 1

A SUBDIVISION OF 20.000 AC. / 871,201 SQ. FT. OF LAND
BEING A REPLAT OF COMMERCIAL RESERVE "A"
OAKWOOD SHORES, DOC. NO. 2008019216, B.C.P.R.
SITUATED IN THE JARED E. GROCE SURVEY,
ABSTRACT NO. 66, CITY OF RICHWOOD,
BRAZORIA COUNTY, TEXAS

JUNE 2018

Owners / Developers

OAKWOOD SHORES, LLC
2430 N BRAZOSPORT BLVD
RICHWOOD, TX 77531
(866) 999-6697

MANHA PROPERTY LLC
222 PENNBRIGHT DR, STE 140
HOUSTON, TX 77090
832-790-8545

Surveyor

WINDROSE
LAND SURVEYING | PLATTING
3200 WILCREST, SUITE 325 | HOUSTON, TX 77042 | 713.458.2281
FIRM REGISTRATION NO. 10108800 | WINDROSESERVICES.COM

Z:\S4546-RICHWOOD COMMERCIAL\PLATS\4546-OAKWOOD SHORES REPLAT NO 1.DWG - PAVESS - 06/15/18

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

NTP TIMBER PLUS FUND 1
605 SIMONDS RD
WILLIAMSTOWN, MA 1267

Dear NTP TIMBER PLUS FUND 1:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or previously notified of a previous request to rezone the full 20 acres lot.

Anyone seeking to give or receive information on this proposed amendment should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and/or Monday, August 13, 2018 at 6:00 p.m. before the City Council.

If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 acre tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown below.

Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

CARL S WEISS
3710 ARDENNE COURT
COLLEGE SATION, TX 77845

Dear CARL S WEISS:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or previously notified of a previous request to rezone the full 20 acres lot.

Anyone seeking to give or receive information on this proposed amendment should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and/or Monday, August 13, 2018 at 6:00 p.m. before the City Council.

If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 acre tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown below.

Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

KAREN L & THOMAS ENTWISTLE
10230 MIDDLEGLEN LN
HOUSTON, TX 77034-3790

Dear KAREN L & THOMAS ENTWISTLE:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or previously notified of a previous request to rezone the full 20 acres lot.

Anyone seeking to give or receive information on this proposed amendment should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and/or Monday, August 13, 2018 at 6:00 p.m. before the City Council.

If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 42°25'50" W	807.44'
L2	N 15°46'02" W	990.06'
L3	N 15°46'02" W	84.64'
L4	N 15°46'02" W	43.33'
L5	N 15°46'02" W	262.00'
L6	N 85°56'50" E	228.65'

Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

CHRISTIAN & TRINA S VIVILLE
514 LITTLE RIVER CT
RICHMOND, TX 77406-2195

Dear CHRISTIAN & TRINA S VIVILLE:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or previously notified of a previous request to rezone the full 20 acres lot.

Anyone seeking to give or receive information on this proposed amendment should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and/or Monday, August 13, 2018 at 6:00 p.m. before the City Council.

If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 acre tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown below.

Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

EDUARDO C RODRIGUEZ
7702 TIMBERWAY LN
HOUSTON, TX 77072-4623

Dear EDUARDO C RODRIGUEZ:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or previously notified of a previous request to rezone the full 20 acres lot.

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If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

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Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

PAUL GAMINO
33610 BLUE CRAB CT
RICHWOOD, TX 77515-7327

Dear PAUL GAMINO:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

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Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 21, 2018

JERRY R CRAWFORD
51 SNOWBERRY CT
LAKE JACKSON, TX 77566-4659

Dear JERRY R CRAWFORD:

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of re-zoning 5 acres of a 20 Acres tract of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A. The lots in question are currently zoned R-3, Multifamily Residence and are undeveloped. The request is to rezone the property as C-1 Commercial. This rezone is being requested by John D. Gerdes and property is shown on the notice on the back of this letter.

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Michael Coon
City Manager

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider an ordinance rezoning 5 acres of Oakwood Shores (A0030-A0333) (Richwood) Lot Reserve A from R-3, Multifamily Residence to C-1 Commercial. Said property being located at the northeast corner of 288B and Highway 2004

The previous agenda item was to receive public comments on the proposed zoning change. This agenda item is to allow the City Council to discuss and potentially vote on rezoning application that has been submitted. If the zoning of the property is changed for commercial uses, no gas stations would be allowed to build on the property without first requesting a conditional use permit from City Council and there would need to be two more public hearings before any action could be taken on that permit request.

ORDINANCE NO. 18-432

AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF RICHWOOD, TEXAS; FINDING THAT ALL PREREQUISITES OF THE LAW HAVE BEEN COMPLIED WITH NECESSARY TO AMEND THE ZONING MAP OF THE CITY, AND AMENDING THE ZONING MAP OF THE CITY OF RICHWOOD, TEXAS, BY REZONING 5.0145 ACRES OF OAKWOOD SHORES BEING SHOWN AS REVERVE "B" IN THE REPLAT OF COMMERCIAL RESERVE "A". SAID PROPERTY BEING LOCATED AT THE NORTHEAST CORNER OF 288B AND HIGHWAY 2004 FROM R-3 MULTI-FAMILY RESIDENTIAL TO C-1 COMMERCIAL; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR PUBLICATION.

WHEREAS, all prerequisites of the law have been complied with to enable the City Council of the City of Richwood, Texas, to amend the zoning ordinance of said city as hereinafter set forth and all persons interested in such proposed amendments have been given a hearing before the City Planning Commission on the 9th day of July, 2018, and by the City Council of the City of Richwood on the 13th day of August, 2018, and the evidence has been offered in favor of such rezoning, the City Council does hereby declare that it will be in the public interest to amend the zoning ordinance as hereinafter set forth.

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

Section 1: That the zoning map of the City of Richwood, Texas shall hereby be amended by changing the zoning classification on 5.0145 acres of Oakwood Shores being shown as Reserve "B" in the replat of (A0030-A0333) (Richwood) Lot Reserve A from R-3 (Multi-Family Residential) to C-1 (Commercial). Said property being located at the northeast corner of 288B and Highway 2004 as shown on Exhibit A.

Section 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 4. That if any provision of this ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part hereof.

Section 5. That is hereby officially found and determined that the meeting at which this ordinance is passed is open to the public as required by law, and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND ADOPTED on this this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu, City Secretary

APPROVED AS TO FORM:

_____

Jason Cordoba, City Attorney

EXHIBIT A

OAKWOOD SHORES
PLAT NO. 2008019216, B.C.P.R.
LOT 149
CHRISTIAN VIVILLE &
TRINA S. VIVILLE
B.C.C.F. NO. 2010016351
LOT 148
CALLED 3.53 ACRE TRACT
KAREN LECRECIA ENTWISTLE &
THOMAS ENTWISTLE
B.C.C.F. NO. 2015060010
CALLED 2.60 ACRE TRACT
JERRY CRAWFORD
B.C.C.F. NO. 2006053521
N 85°56'50" E 1,132.04'
40' DRAINAGE EASEMENT
PLAT NO. 2008019216, B.C.P.R.
40' DRAINAGE EASEMENT
PLAT NO. 2008019216, B.C.P.R.
3' x 55' GUY EASEMENT
B.C.C.F. NO. 2008053643
FND 1/2" IRC
"R STROUD 2112"
FND 5/8" IRC
FND 5/8" IRC
: 3,114,663.01 (GRID)
13,593,836.60 (GRID)
L5
L1
1
UNRESTRICTED RESERVE "A"
14.9855 ACRES / 652,770 SQ. FT.
560.15'
N 15°48'03" W 990.06'
S 74°11'57" W 344.00'
S 48°32'01" E 356.40'
833.63'
R=5,729.65'
Δ=10°37'08"
L=1,061.90'
CB=S 37°01'23" W
C=1,060.38'
20' WATER LINE EASEMENT
PLAT NO. 2008019216, B.C.P.R.
20' WATER LINE EASEMENT
PLAT NO. 2008019216, B.C.P.R.
BUSINESS STATE HIGHWAY NO. 288
NORTH BRAZOSPORT BOULEVARD
WIDTH VARIES - GREATER THAN 250'
(F.C. NO. 000000)
STATE FARM MARKET HIGHWAY NO. 2004
WIDTH VARIES - GREATER THAN 250'
(F.C. NO. 000000)
1
UNRESTRICTED RESERVE "B"
5.0145 ACRES / 218,431 SQ. FT.
429.97'
128.27'
FND 5/8" IRC
S 42°25'50" W 407.44'
FND 5/8" IRC
FND 5/8" IRC
FND 5/8" IRC
L4
L3
L2
FND 5/8" IRC
X: 3,115,055.05 (GRID)
Y: 13,592,760.86 (GRID)

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Public Hearing to consider a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank currently zoned C-1 Commercial to allow a Montessori School

This is the second of two public hearings to consider the Montessori School's request for a conditional use permit. Please see their attached application for more details.

City of RICHWOOD

1800 Brazosport Blvd
Richwood, TX 77531
(979)265-2082 (979)265-7345 (fax)

APPLICATION FOR CONDITIONAL USE PERMIT

PLEASE NOTE: The following questions must be answered completely. If additional space is needed, attach extra pages to the application. Contact the City of Richwood at (979) 265-2082 for clarification of terms or for specific zone district requirements.

DATA ON APPLICANT AND OWNER:

Name: Maha Vidya Corp. Date: June 20, 2018
Address: 3620 7th Street, Bay City, TX 77414

Phone: 713-826-8765 Business Phone: 713-826-8765

SUBJECT PROPERTY:

Address of property in question: 2007 FM 2004, Richwood, TX 77531
Legal Description of property: N/A
The subject property is currently zoned Commercial

PURPOSE OF THE REQUEST (be specific): The approximate 3.14 acre site, west of Brazos National Bank is currently vacant improved land with no structures present. The purpose is to construct a school for Montessori education. The school shall be constructed as a single story structure of approximately 13,000 S.F.

BEFORE COMPLETING THE FOLLOWING, READ THE NOTICE ON PAGE 1

In your opinion, how will the proposed use preserve or improve the character and integrity of adjacent developments and neighborhoods?

Small cities through out the United States and Texas are always looking for better ways to strengthen their economic growth and provide an education and better quality of life for their residents. Smart growth and tremendous positive recognition for the City of Richwood will be achieved by the building of the Richwood Montessori School.

Please list any potential adverse impacts of the proposed use on the adjacent developments and neighborhoods and list the steps that would be taken to mitigate those adverse impacts? (e.g. increased traffic, noise, odors, drainage, visual nuisances)

There are no recognizable challenges or adverse impacts regarding the Montessori School nor the adjacent properties: Brazos National Bank - 2300 N. Brazosport Blvd., Mueller Manufacturing, Inc. / K & E Properties - 2200 N. Brazosport Blvd., and First Baptist Church of Richwood - 2400 N. Brazosport Blvd.

I (we) certify that all of the above statements and the statements contained in any papers or plans submitted herewith are true and accurate to the best of my knowledge and belief. The work within the request must be carried out within one year of the public hearing or the variance becomes null and void.

I also hereby give permission for the members of the City of Richwood Board of Adjustments and City Staff to access the property in question for the purpose of gathering information to make an informed decision on this request.

Maha Vidya Corp.

Name of Applicant

Patricia Taylor

Signature Patricia Taylor, as Intermediary Agent and authorized by Grishma Patel

June 20, 2018

Date

IMPORTANT:

A drawing, including all dimensions and structures, must be attached along with the applicable fee, to be considered. Failure to include both will result in automatic denial of application.

Anticipated General Building Process
Richwood Montessori School

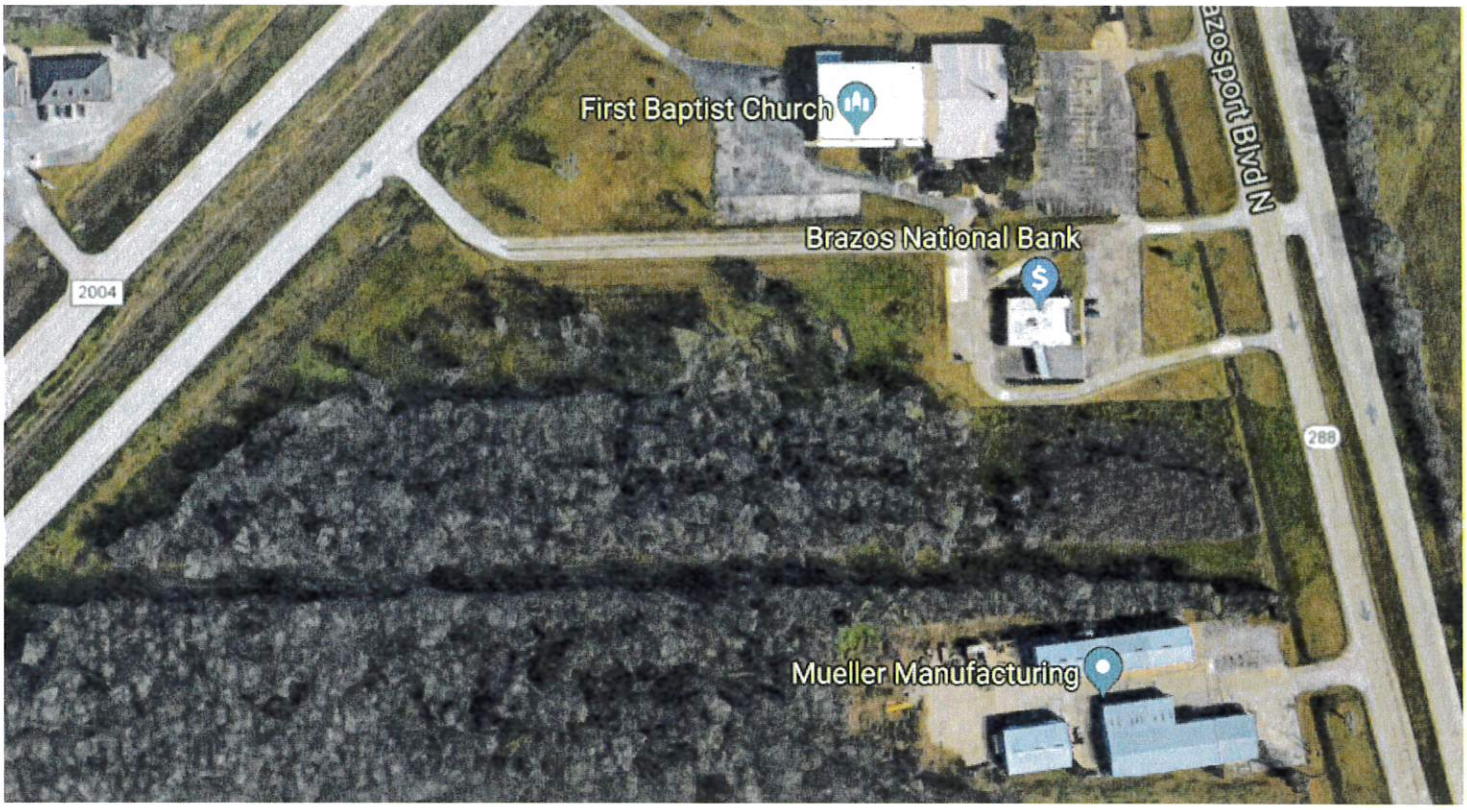
The purpose is to construct a school for Montessori education. The structure of approximately 13,000 square feet shall be a single story structure. The site and the new state of the art school to be built will enable the Montessori principles of child development and education for the young people of the city of Richwood and Southern Brazoria County.

- Property (3.14 acres) address is 2007 FM 2004, Richwood, TX.
  (Property is west of Brazos National Bank)
- Approved Funding will be completed by Prosperity Bank in Bay City.
- Pre development meeting with the City of Richwood was held June 5, 2018.
- Completed is the Re-Plat for the site to have for city council meeting on July 9, 2018.
- Obtain final approved and recorded re-plat
- Survey from approved re-plat
- Collect and complete an undisturbed site soil core sample(s) for soil profiling and environmental investigations.
- Complete the topography survey which may influence the specific building site location and lay-out of the building. The topography is a significant design factor and the architects will complete this as soon as possible.
- Interviews, initial design schematics to be considered and finalization of the school design, parking lots, play ground. These designs (interior and exterior) will be in strict compliance and requirements with the City of Richwood, the State of Texas and the Montessori School design philosophy.
- Continued meetings and design walk-throughs with City of Richwood officials.
- Verifying permit processes for each and every required permit for the City of Richwood.
- Break ground.

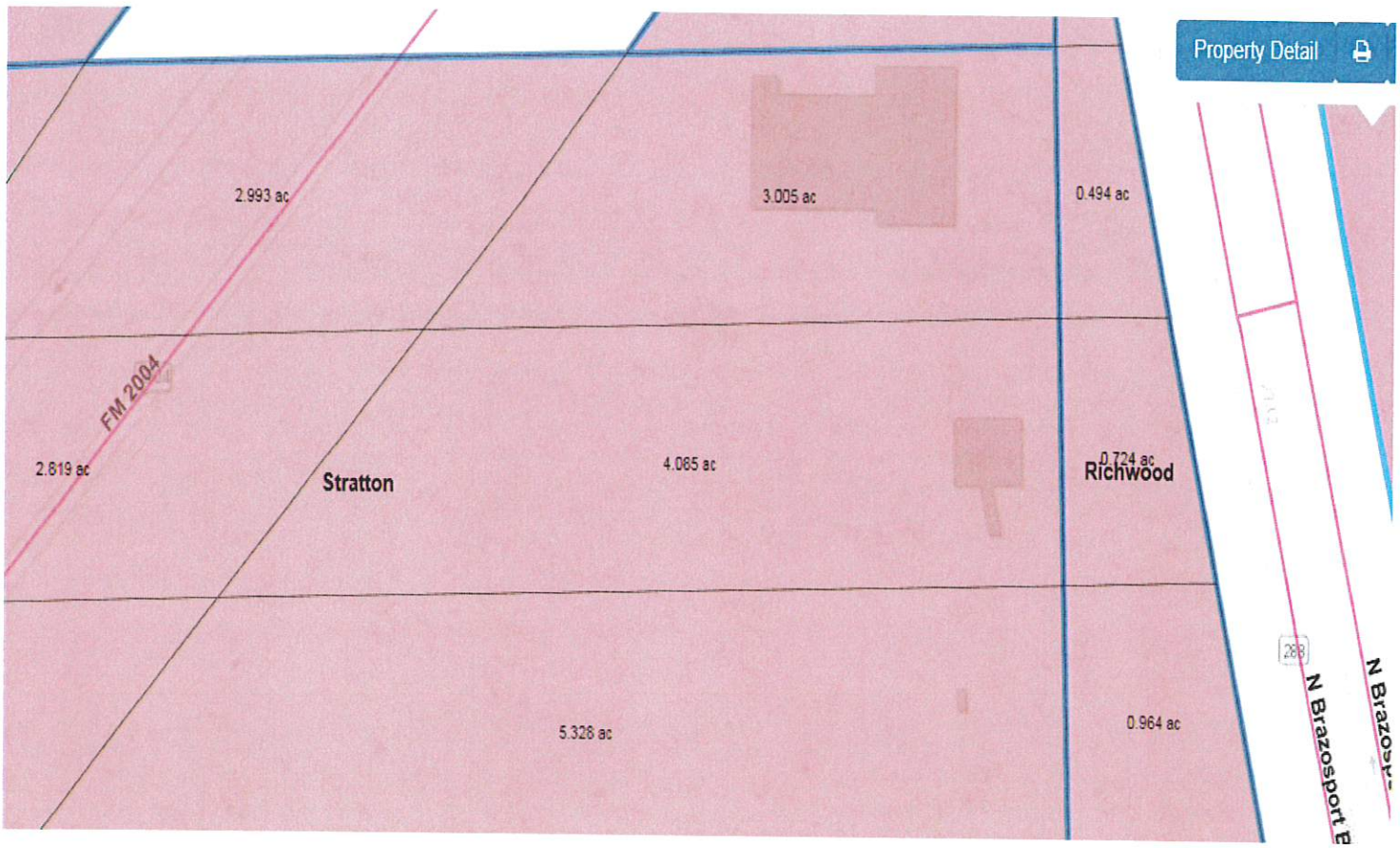
1. Permits
2. Inspections during construction
3. Weather restraint barriers
4. Foundation
5. Utilities
6. Framing
7. Rough in plumbing
8. Roofing
9. Electrical (parking lot lighting)
10. Mechanical systems
11. Air sealing
12. Insulation
13. Drywall
14. Exterior
15. Flooring
16. Tiling
17. Painting
18. Cabinets and built-ins
19. Finish plumbing, electrical
20. Modifications and punch out

Certificate of Occupancy and Move In

288
Criss
2004


First Baptist Church
Brazos National Bank
2004
288
Mueller Manufacturing

687
623A
2004
Brazos National Bank
Mueller Manufacturing
Faith & Healing
Vet Health Cr
Audubon Woods Dr
288
Our Lady Queen
of Peace School
Mockingbird Ln
Dove Trail
Camellia
Briarcreek St
Warbler Ct
4 Oaks St
Dollar General
Blue Bird Ct


Property Detail
2.993 ac
3.005 ac
0.494 ac
FM 2004
2.819 ac
Stratton
4.065 ac
0.724 ac
Richwood
5.328 ac
0.964 ac
288
N Brazosport B

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 22, 2018

FIRST BAPTIST CH-RICHWOOD
2400 BRAZOSPORT BLVD N
RICHWOOD, TX 77531-2312

Dear FIRST BAPTIST CH-RICHWOOD:

Notice is hereby given that a Public Hearing will be held before the City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional use is being requested by Maha Vidya Corp. and property is shown on the notice on the back of this letter.

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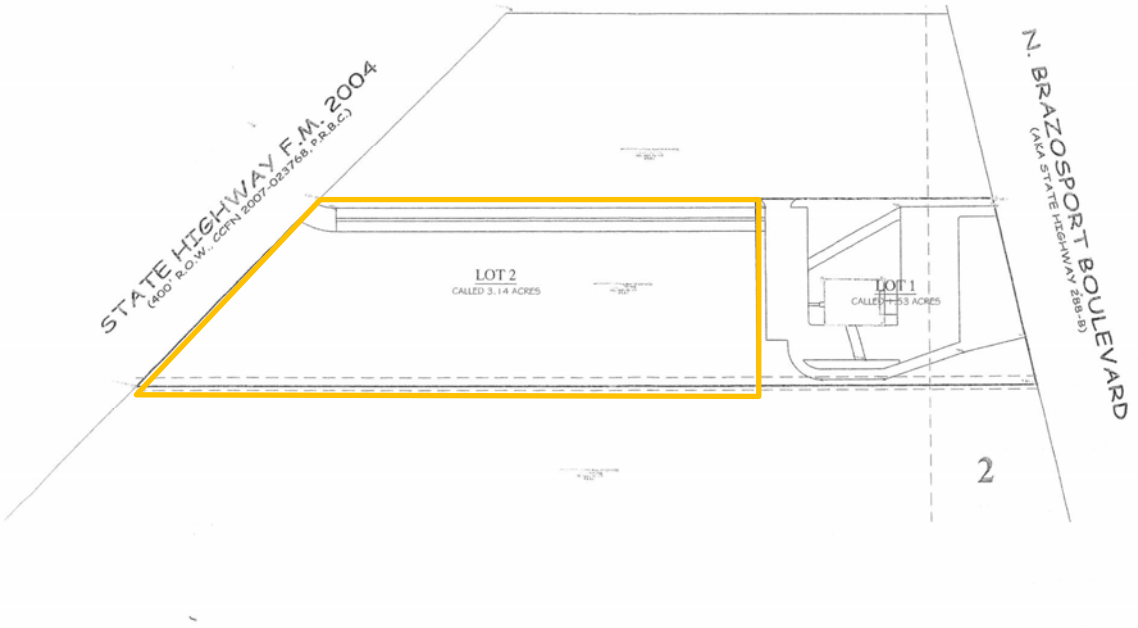

Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 22, 2018

BRAZOSWOOD NATIONAL BANK
2300 BRAZOSPORT BLVD
RICHWOOD, TX 77531-2310

Dear BRAZOSWOOD NATIONAL BANK:

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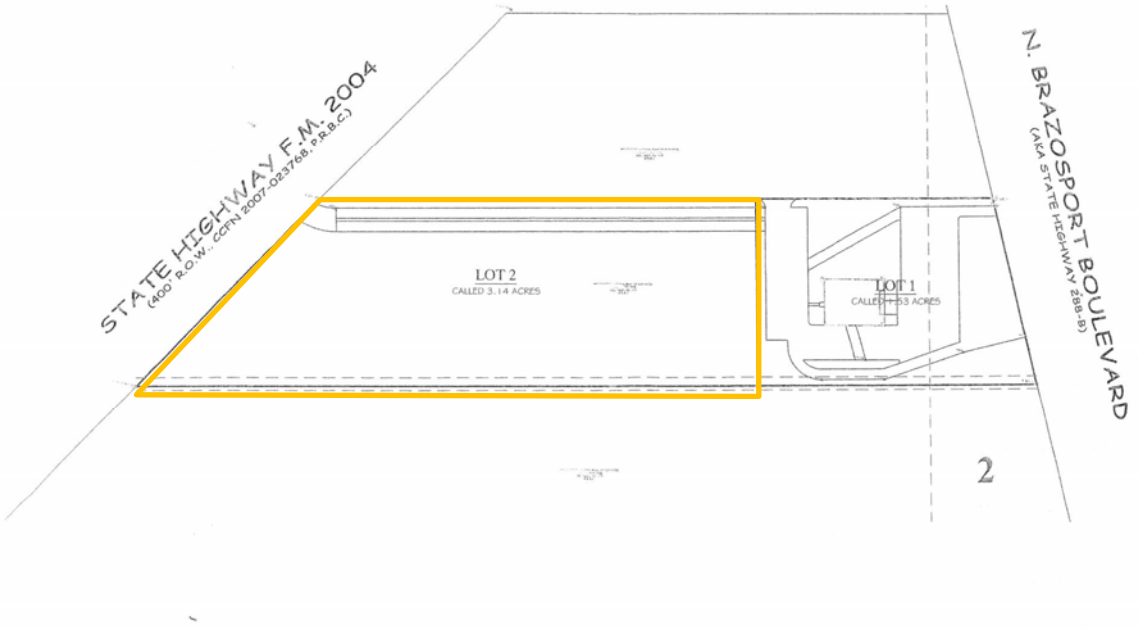

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Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 22, 2018

K & E PROPERTIES INC
2200 BRAZOSPORT BLVD N
RICHWOOD, TX 77531-2308

Dear K & E PROPERTIES INC:

Notice is hereby given that a Public Hearing will be held before the City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional use is being requested by Maha Vidya Corp. and property is shown on the notice on the back of this letter.

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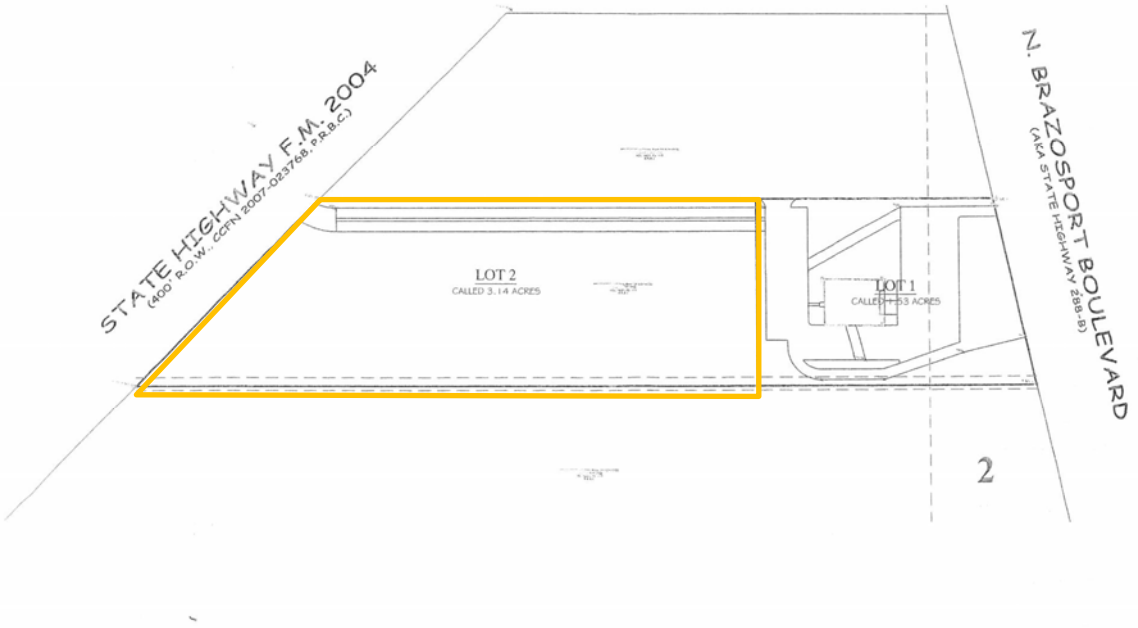

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Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 22, 2018

BRAZORIA COUNTY COURTHOUSE WEST ANNEX
451 N VELASCO ST STE 230
ANGLETON, TX 77515-4442

Dear BRAZORIA COUNTY COURTHOUSE WEST ANNEX:

Notice is hereby given that a Public Hearing will be held before the City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional use is being requested by Maha Vidya Corp. and property is shown on the notice on the back of this letter.

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Giani Cantu
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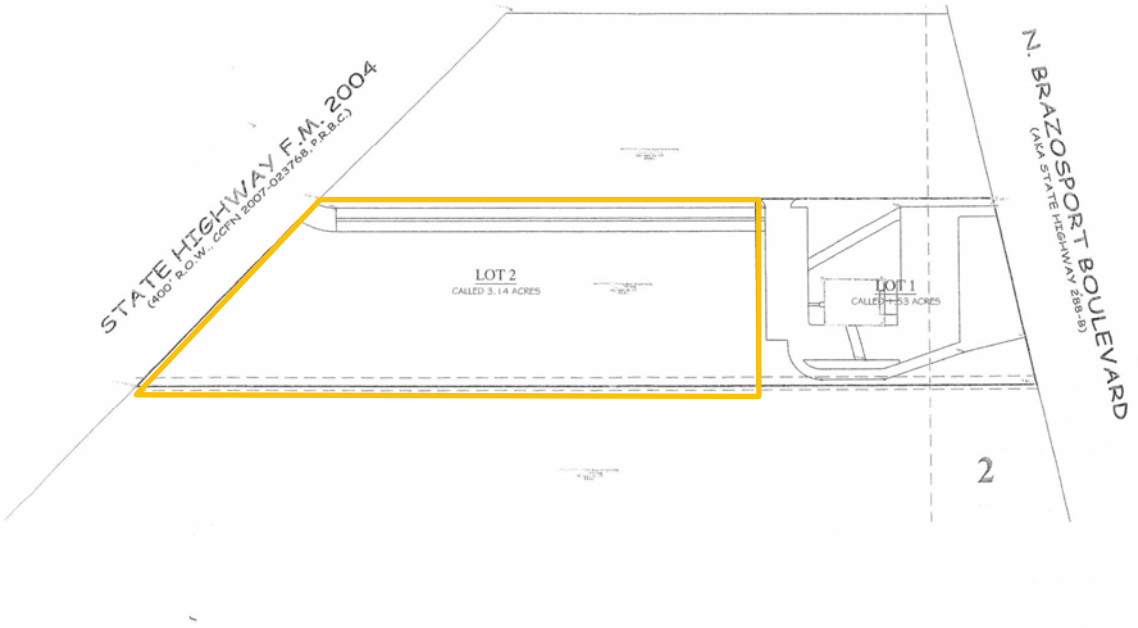
(See Public Notice on back)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional us is being requested by Maha Vidya Corp. and the property is shown below.



Anyone seeking to give or receive information on this rezoning should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and Monday, August 13, 2018 at 6:00 p.m. before the City Council.

Michael Coon
City Manager

1800 Brazosport Blvd N
Richwood, Texas 77531
Phone 979-265-2082
Fax 979-265-7345

June 22, 2018

MAHA VIDVA CORP
3620 7TH STREET
BAY CITY, TX 77414

Dear MAHA VIDVA CORP:

Notice is hereby given that a Public Hearing will be held before the City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional use is being requested by Maha Vidya Corp. and property is shown on the notice on the back of this letter.

You are receiving this notice because you are either the property owner of the proposed property; the registered owner of a piece of property within 200 ft. or the person requesting the conditional use.

Anyone seeking to give or receive information on this proposed amendment should be present at Richwood City Hall (1800 N. Brazosport Boulevard) on Monday, July 9, 2018 at 6:00 p.m. before the Planning and Zoning Commission and/or Monday, August 13, 2018 at 6:00 p.m. before the City Council.

If you have any questions or concerns, please feel free to contact me at 979-265-2082. My email is gcantu@richwoodtx.gov

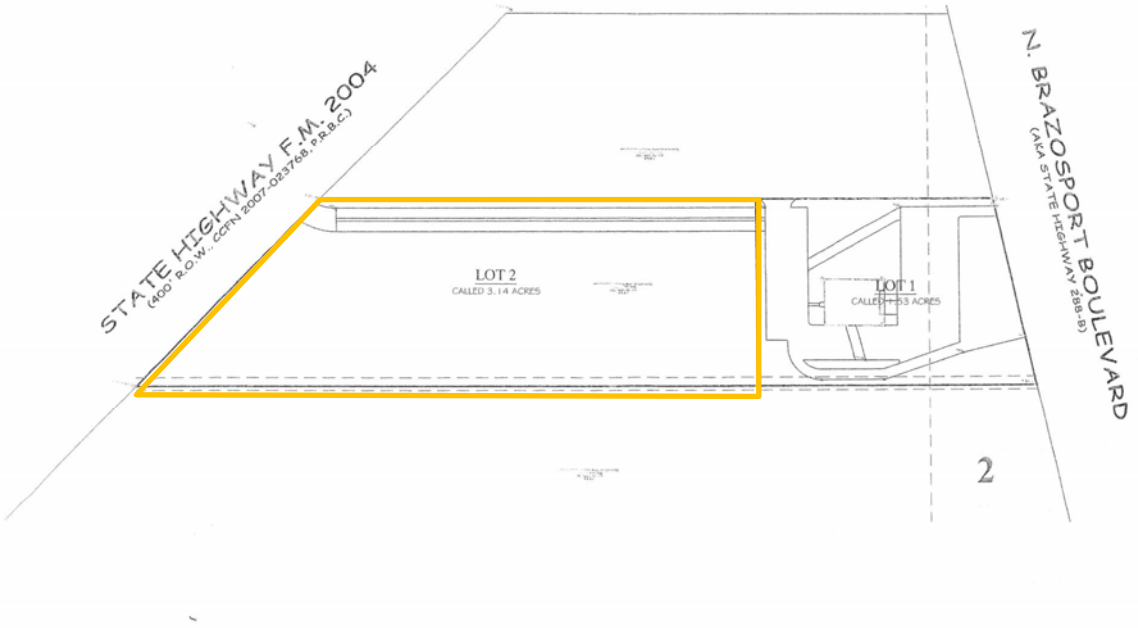
Sincerely,

Giani Cantu
City Secretary/Finance Director

(See Public Notice on back)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Planning and Zoning Commission and City Council of the City of Richwood for the purpose of considering a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank. The lots in question are currently zoned C-1 Commercial. The request is to allow a conditional use for a Montessori School. This conditional us is being requested by Maha Vidya Corp. and the property is shown below.



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Michael Coon
City Manager

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider a conditional use of property located at 2007 FM 2004, being an approximately 3.14 acre site west of Brazos National Bank currently zoned C-1 Commercial to allow a Montessori School

Immediately after the second public hearing for this permit request, the City Council will have the opportunity to discuss and consider taking action on the request to allow a school to be built 2007 FM 2004. Schools are only allowed as a conditional use in the C-1 Commercial zone, which is why this request has been brought before the Council.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider sponsorship for the S.T.O.P. (Stop Talk and Overcome the Pain) Rally for the prevention of teenage suicide to be held on August 25, 2018

Brenda George will be coming before the City Council to ask for their support with the S.T.O.P Rally for the prevention of teenage suicide. As a resident of the Brazosport area she has seen an increase in attempted teen suicides and she is asking the cites of Richwood, Clute, and Lake Jackson to help sponsor the event, which is a repeat of an event that she has already hosted with the City of Freeport. The sponsorship would entail showing support for the event by attending it and sharing the event flyer on our website and Facebook page. The event organizer is not asking for a financial contribution from the City of Richwood.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Presentation of Bond Task Force Recommendation

This group of Richwood residents has been meeting to discuss a potential bond issue since last November. At this meeting they will be presenting their recommendations to City Council.

Richwood Bond Fund Work Group Recommendations

13 August 2018

- Bond Fund Work Group Background
- Project Opportunities
- Recommendations
- Project Summaries
- Actions

Bond Fund Work Group

Purpose

- To identify and propose significant projects that
  - Align to and support the Mission and Vision of Richwood
  - Enable the “recapitalization” of city assets
  - Are beyond the capabilities of the annual budget

- Members

Amando Contreras	Barry Kluge	Archie Owens	Derek Rester
Jack Daniel	Jo Lasiewicki	Charles Pettey	Josh Strawn
Jeremy Fountain	Blix Messick	John Pitts	Joan Tulloch
Mike Johnson	Cynthia Moriarty	Lavonda Potts	

City of Richwood

MISSION STATEMENT

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

VISION STATEMENT

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

Projects for Consideration

- Magnolia Retention Pond*
  - Localized flood control
  - *Pending results of federal FEMA grants and project activity*
- Deferred Road Maintenance
  - Spot Repairs
  - Resurfacing and Stabilization
- Sidewalk Improvements
  - Glenwood Bayou and Davidson Slater areas
- Community Center

Bond Proposal Recommendation

- Hold a vote for the key elements presented in the November election
- $5 million total in two issuances to be repaid over the next 20 years
  - As appropriate to execute the projects in a timely manner
  - Peak payment occurs in 2021

Estimated Monthly Impact of $5 Million Bond Program

Home Value	Tax Year 2019	Tax Year 2020	Tax Year 2021	Tax Year 2022	Tax Year 2023
$100,000	$ 6.05	$ 5.70	$ 10.76	$ 9.93	$ 9.36
$200,000	$ 12.10	$ 11.41	$ 21.51	$ 19.85	$ 18.73
$300,000	$ 18.15	$ 17.11	$ 32.27	$ 29.78	$ 28.09
$400,000	$ 24.20	$ 22.82	$ 43.03	$ 39.70	$ 37.45
$500,000	$ 30.25	$ 28.52	$ 53.78	$ 49.63	$ 46.81

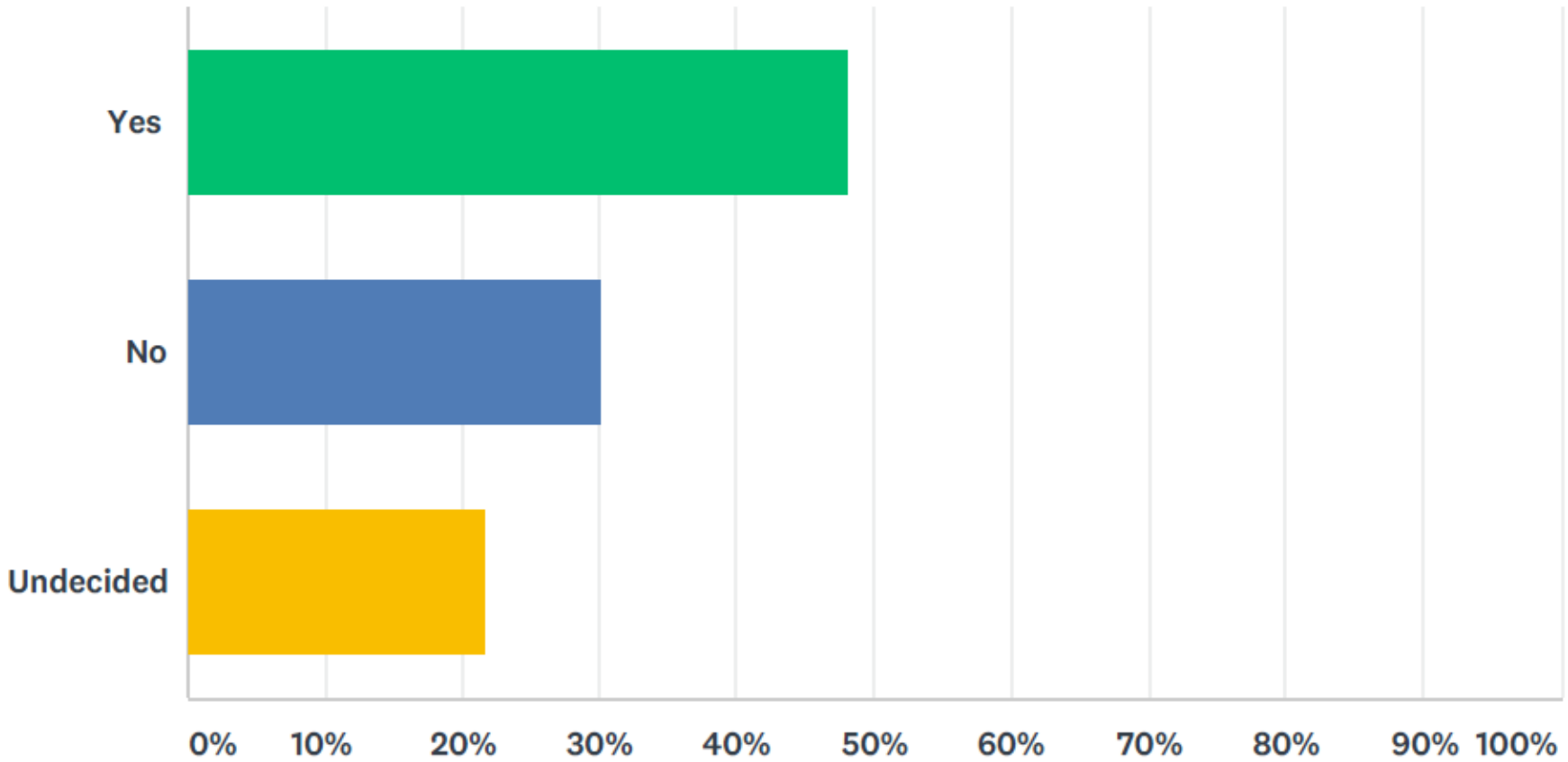
Estimated based on 2017 property valuations

Richwood Survey

- Survey conducted late May through mid-June
- Polled Richwood residents and business owners
- Roughly 200 unique respondents
- 65 verbatim feedback statements
  - Will provide to Council for review; many were not directly related toward Bond Fund study activities

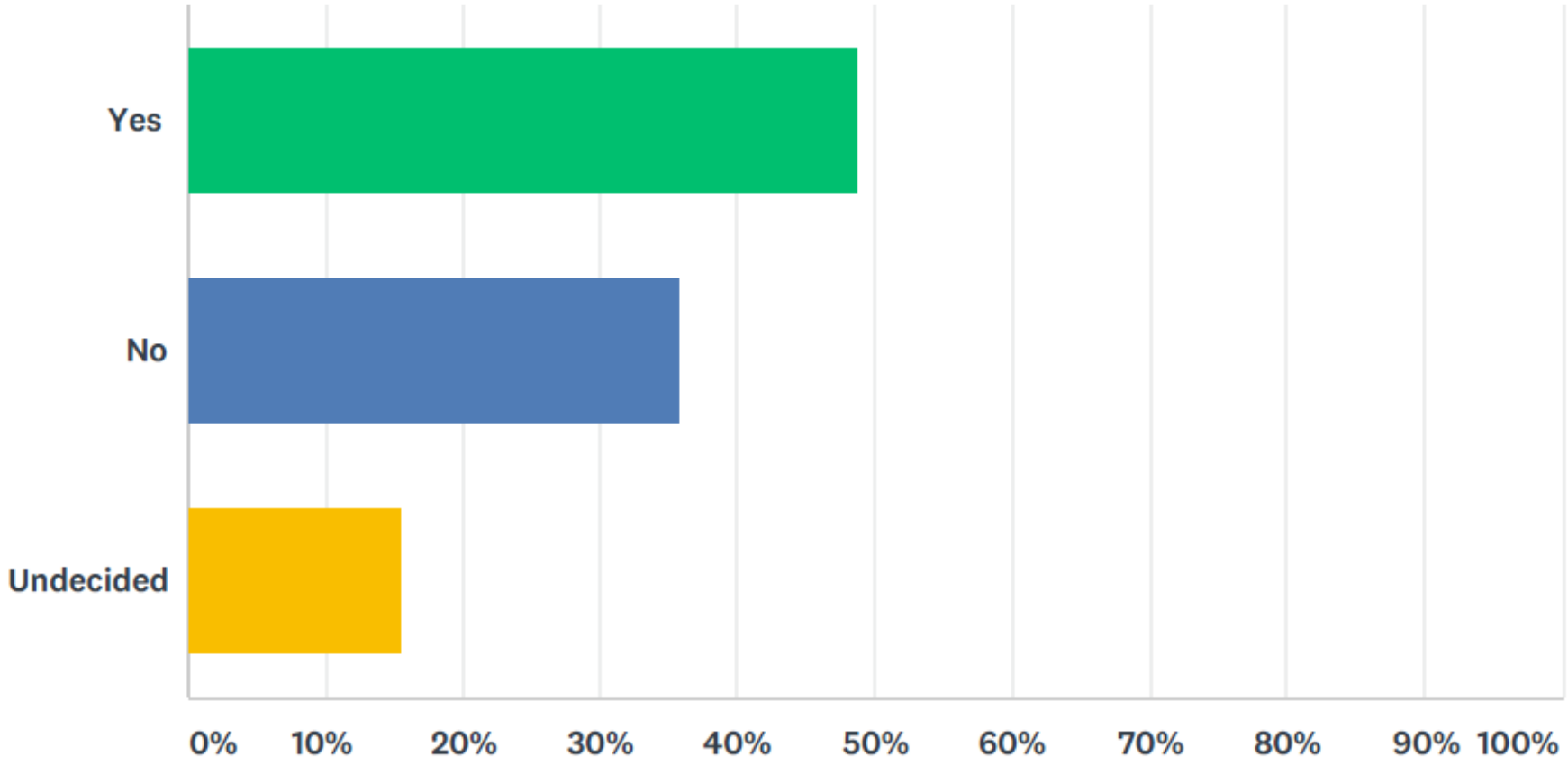
Q1 Would you be supportive of the City making the needed investments to fund the proposed Magnolia Retention Pond?

Answered: 193 Skipped: 3



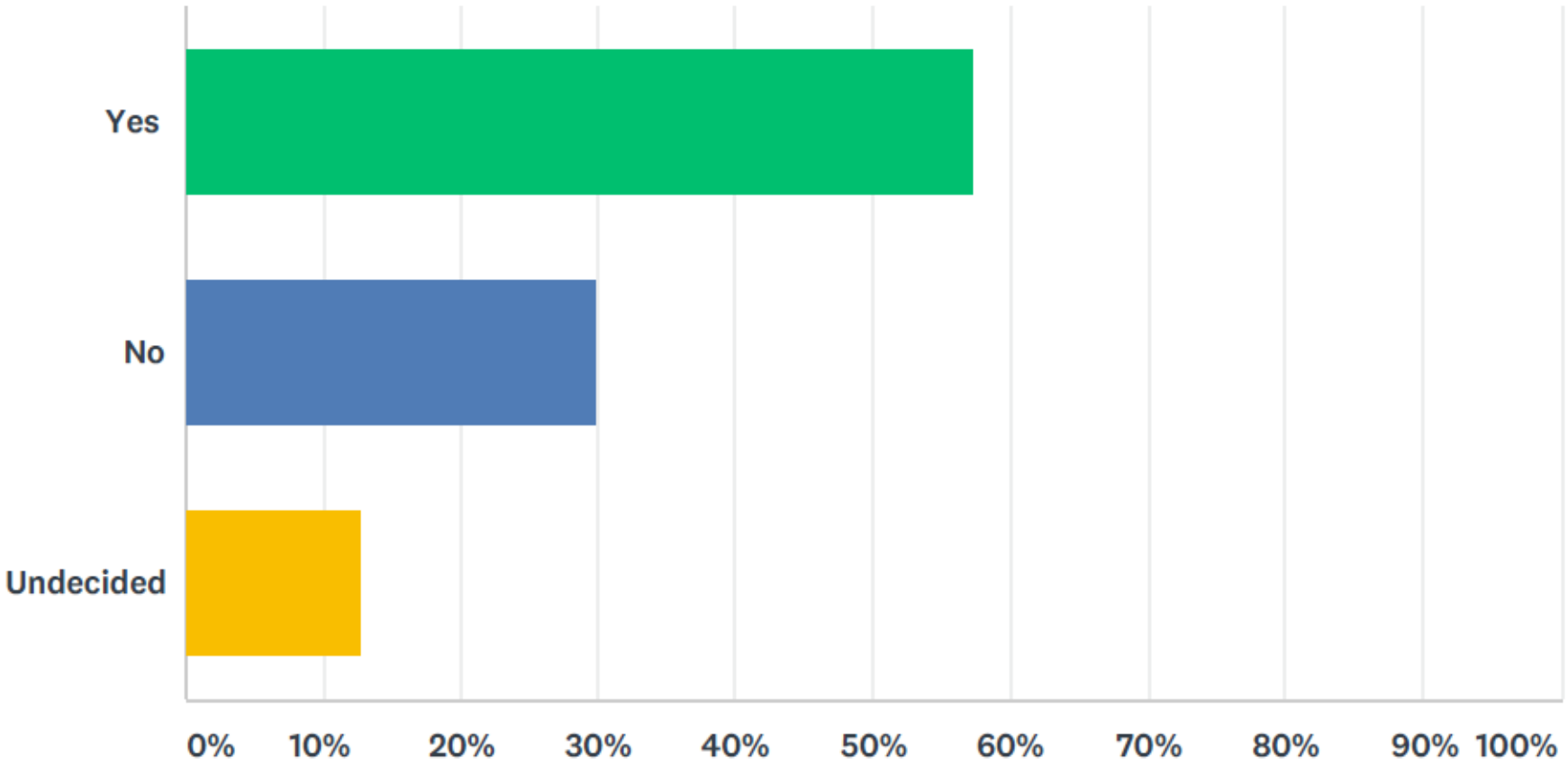
Q2 Would you be supportive of the City making the needed investments to fund the proposed road repairs?

Answered: 187 Skipped: 9



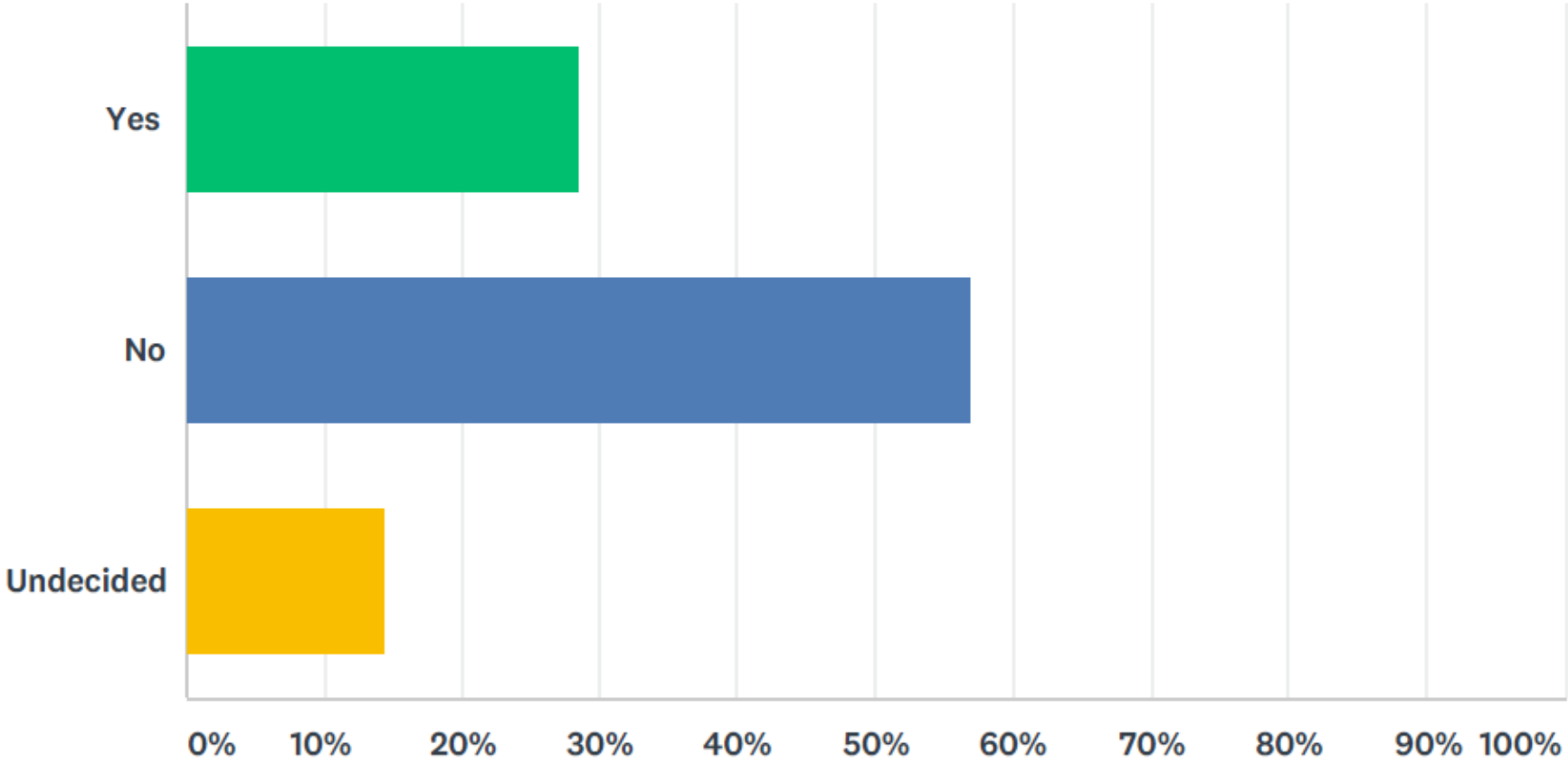
Q3 Would you be supportive of the City making the needed investments to fund the proposed sidewalks?

Answered: 187 Skipped: 9



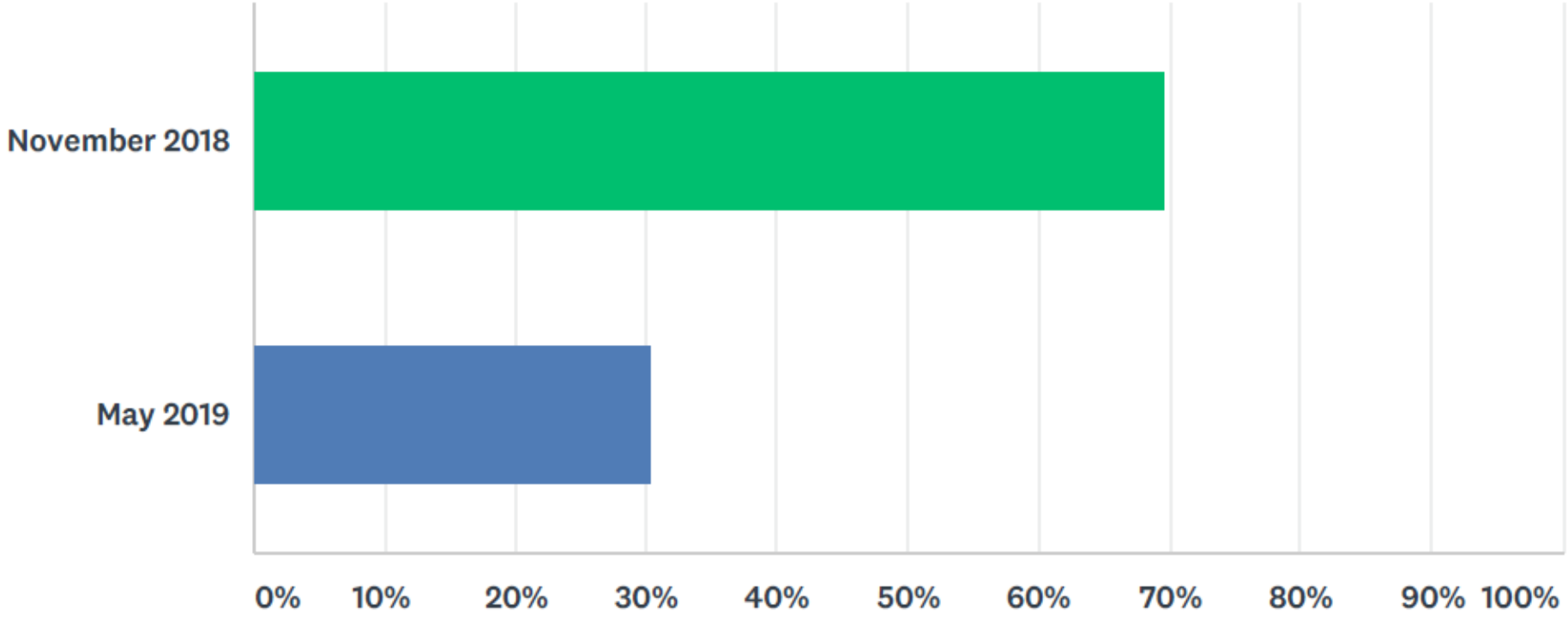
Q4 Would you be supportive of the City making the needed investments to fund the a new community center?

Answered: 179 Skipped: 17



Q6 If a bond election were to be held, when would you prefer for the vote to take place?

Answered: 175 Skipped: 21



Magnolia Retention Pond

Issue

- Roughly 218 homes (18% of Richwood) are impacted during moderate or heavy rainfall events where water ponds and pools in the Audubon Woods 1 and Glenwood Bayou areas
- Not eligible for State or Federal grants

Opportunity

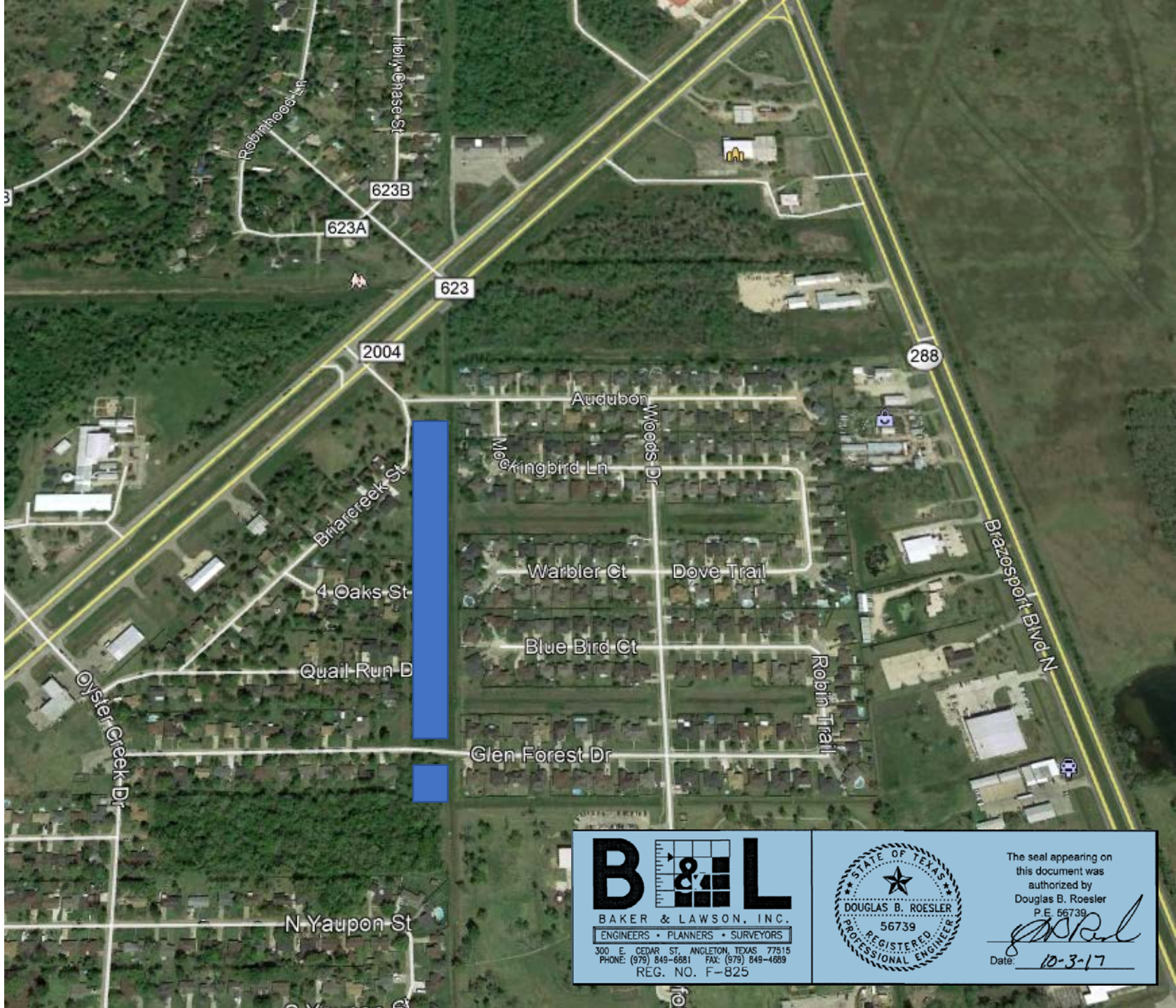
- Use 4.6 acres of city owned property to create up to 10.5 acre-feet of impoundment volume

Cost

- Average cost $3.52/month per $100,000 of assessed value
- $1.5 million

Retention Pond

- Study performed by Baker and Lawson of Angleton
- Some shared capacity between current homes and new builds



Deferred Road Maintenance

Issue

- Richwood annual budget is insufficient to keep pace with needed road repairs
- Roughly 202 homes (16% of Richwood) and over 27,000 linear feet of road are in need of some combination of spot repairs and/or stabilization and resurfacing

Opportunity

- Utilize Brazoria County partnership as available
- City to establish an engineered road specification
- Parts of Cypress, Cypress Ct., West Mahan, Schley, Cedar Ct., June Ct., Blue Crab Ct., Blue Marlin, Redfish Trail, Bayou Bend, Brazos Ct., Brazos Dr., Briar Creek Quail Run, Wisteria and other areas to be prioritized as funding allows

Cost

- Average cost $6.19/month per $100,000 of assessed value
- $3.0 million

Road Maintenance

- No county help on cement roads
- Asphalt Roads may require stabilization, but are eligible for some county help which will significantly reduce cost
- Need a City specification for asphalt roads that considers soil and use
- Bond allows completion of most repairs within 5 years

				Replacement Year	
Subdivision	**Street Name**	**Street Surface**	**Repair Length (ft)**	**No Bond**	**Bond**
Brazoz Crossing	Brazos Ct. (From 288B)	Cement	150	2028	2021
Brazoz Crossing	Brazos Dr. (From FM 2004)	Cement	150	2030	2021
Glenwood Bayou	Briar Creek (From FM 2004)	Cement	400	2032	2021
Glenwood Bayou	Quail Run (at 411 Quail Run)	Cement	100	2024	2021
Glenwood Bayou	Wisteria (at 303,311, & 315)	Cement	200	2026	2021
Davidson Slater	Cypress	Asphalt	1,050	2020	2019
Davidson Slater	West Mahan	Asphalt	4,460	2022	2021
Davidson Slater	Schley	Asphalt	1,520	2020	2020
Davidson Slater	Audubon Woods Dr.	Asphalt	1,240	2018	2018
Davidson Slater	Cypress Ct.	Asphalt	1,000	2024	2021
Davidson Slater	Cedar Ct.	Asphalt	420	2020	2021
Davidson Slater	June Ct.	Asphalt	430	2020	2021
Oakwood Shores	Blue Crab Ct.	Asphalt	4,200	2019, 2021, 2022, 2023	2021
Oakwood Shores	Blue Marlin	Asphalt	3,300	2029, 2031, 2032, 2033	2021
Oakwood Shores	Redfish Trail	Asphalt	4,020	2023, 2025, 2027, 2029	2023
Oakwood Shores	Bayou Bend (From Bayou View Ct. to Northeast)	Asphalt	4,800	2034, 2035, 2036, 2037	2021

Order of replacement is subject to change based on assessment or changing conditions

Road Maintenance

Sidewalk Improvements

Issue

- Unsafe access for children and residence to Polk Elementary and Bobby Ford Park

Opportunity

- Install sidewalks on Moore Street and Oyster Creek Drive
- Drainage ditches would have to be enclosed

Cost

- Average cost $1.05/month per $100,000 of assessed value
- $0.5 million

Sidewalk Improvements

Glenwood Bayou

- New - N. Yaupon (Oyster Creek Dr. to School Crossing)
- New - S. Yaupon (Oyster Creek Dr. to School Crossing)
- New - Wisteria (Oyster Creek Dr. to existing sidewalk)
- ADA - Oyster Creek Dr. (Moore to Pin Oak)
- ADA - Oyster Creek Dr. (S. Yaupon to Moore)*

Davidson Slater

- Moore (Oyster Creek Dr. to N. Mahan)

As funding allows

**Would replace section of Oyster Creek Dr. that does not meet ADA requirements.*

Sidewalk Improvements

Community Center

- No recommendation at this time
- Generally not supported by survey
- Other opportunities considered more likely to enhance property values and encourage more business development

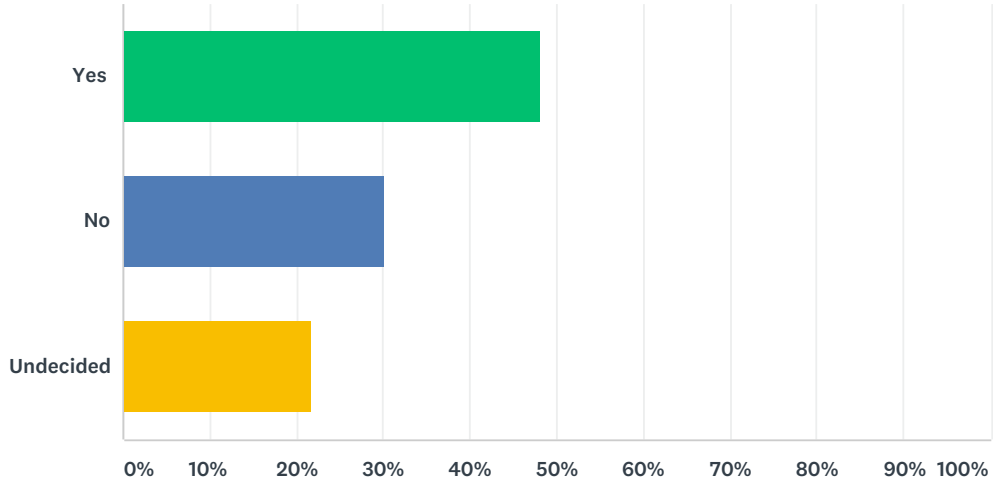
Bond Proposal Recommendation - Actions

- Need to draft appropriate bond language including legal review
- Communicate November election
- Publish and post any materials (print or electronic) that would serve to educate residents on scope of proposed elements

Thank you

Q1 Would you be supportive of the City making the needed investments to fund the proposed Magnolia Retention Pond?

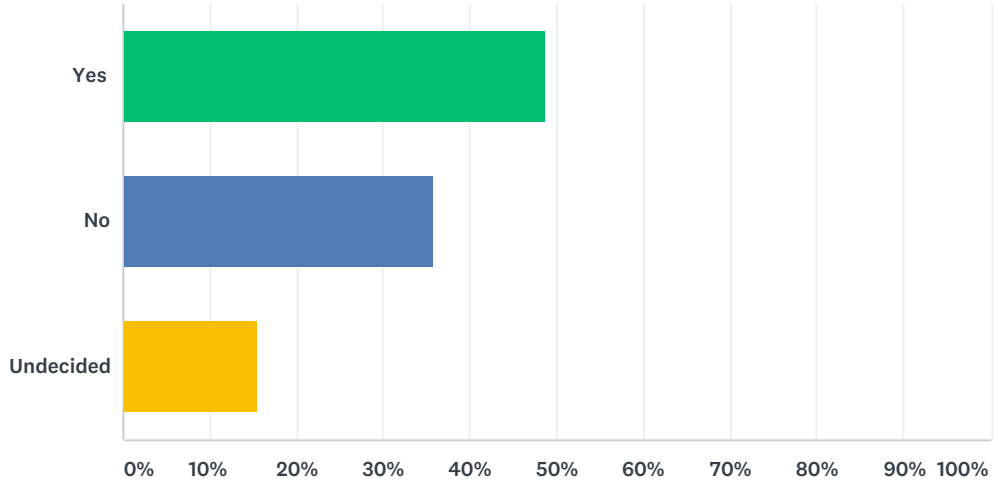
Answered: 193 Skipped: 3



ANSWER CHOICES	RESPONSES	
Yes	48.19%	93
No	30.05%	58
Undecided	21.76%	42
TOTAL		193

Q2 Would you be supportive of the City making the needed investments to fund the proposed road repairs?

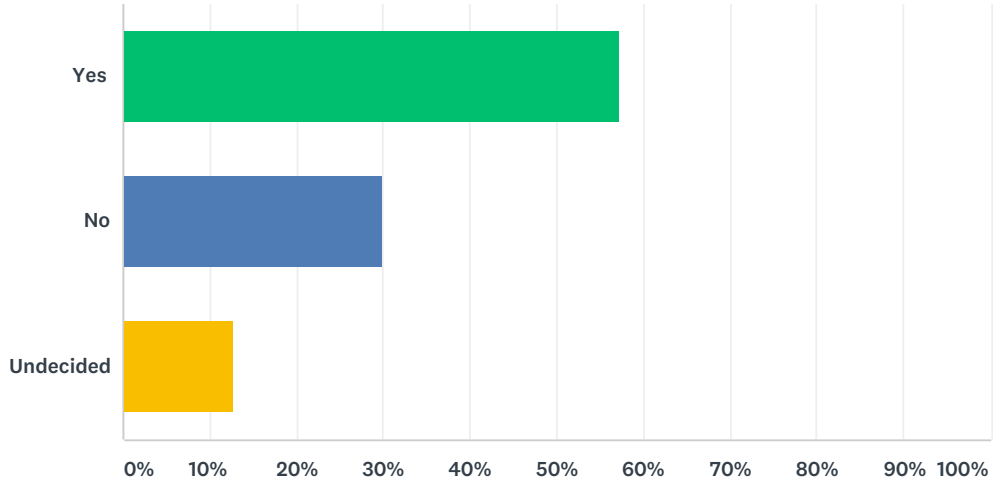
Answered: 187 Skipped: 9



ANSWER CHOICES	RESPONSES	
Yes	48.66%	91
No	35.83%	67
Undecided	15.51%	29
TOTAL		187

Q3 Would you be supportive of the City making the needed investments to fund the proposed sidewalks?

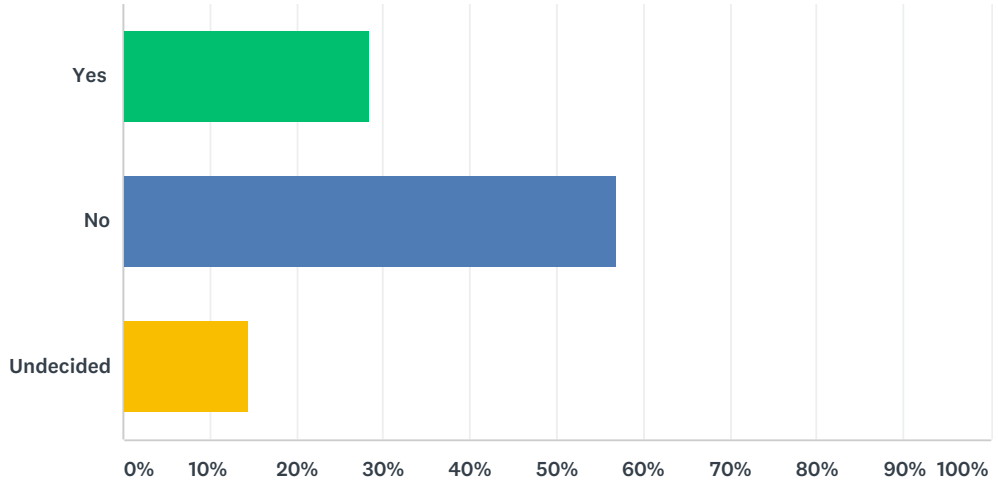
Answered: 187 Skipped: 9



ANSWER CHOICES	RESPONSES	
Yes	57.22%	107
No	29.95%	56
Undecided	12.83%	24
TOTAL		187

Q4 Would you be supportive of the City making the needed investments to fund the a new community center?

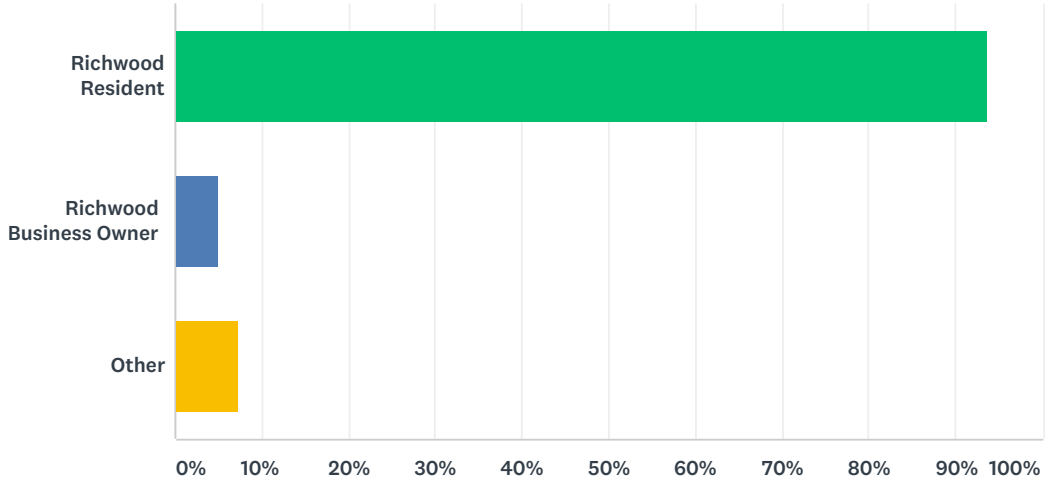
Answered: 179 Skipped: 17



ANSWER CHOICES	RESPONSES	
Yes	28.49%	51
No	56.98%	102
Undecided	14.53%	26
TOTAL		179

Q5 Please select all that apply.

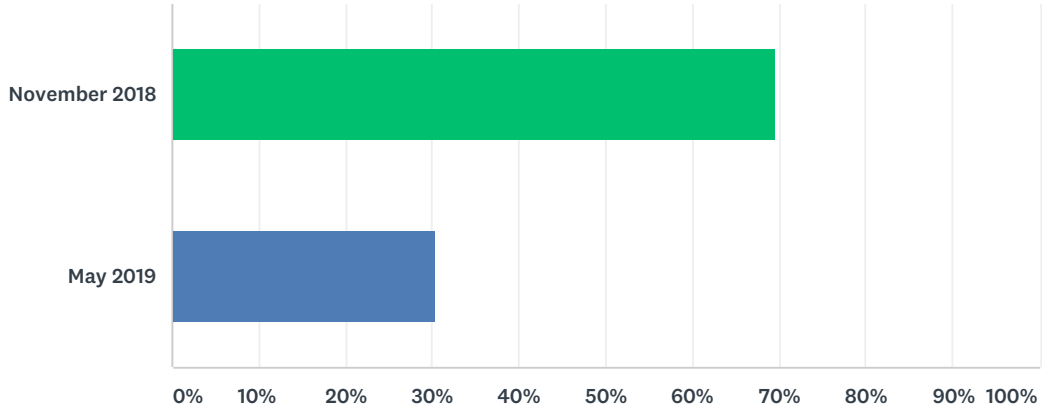
Answered: 178 Skipped: 18



ANSWER CHOICES	RESPONSES	
Richwood Resident	93.82%	167
Richwood Business Owner	5.06%	9
Other	7.30%	13
Total Respondents: 178		

Q6 If a bond election were to be held, when would you prefer for the vote to take place?

Answered: 175 Skipped: 21



ANSWER CHOICES	RESPONSES	
November 2018	69.71%	122
May 2019	30.29%	53
TOTAL		175

Q7 Please leave any additional feedback you may have.

Answered: 65 Skipped: 131

#	RESPONSES	DATE
1	Yall need to fix your drainage system before anything else. Clean out all of the ditches. Etc.	6/17/2018 11:26 PM
2	I would agree if it didnt raise my taxes significantly like it's going to..and why do we need a new community house? What's wrong with what we have ?	6/17/2018 4:04 PM
3	The city needs to repair aging infrastructure. I'm happy to see this coming through, and I will vote for and support the measures presented here.	6/17/2018 8:18 AM
4	About sidewalks, The residence of Richwood are charged a 5 dollar monthly fee for what is called a “Transportation Fee” supposedly to be used for sidewalks and such. What has happened to that fund ??	6/17/2018 7:28 AM
5	Richwood’s priority should be flood prevention. Everything else is nice, but if nothing is done to protect Audubon Woods from flooding and we flood again (God forbid), many people will move away and Richwood will lose a valuable part of their tax base. Good luck with future bonds when property values plummet.	6/16/2018 1:07 PM
6	I feel that the city needs to look into bringing more businesses to the area. With the property taxes being so high, we need to bring in some businesses to help with the cost. The residents cannot keep paying sure high taxes.	6/16/2018 6:31 AM
7	I’m afraid to approve bonds for Richwood as they keep raising rates and doing nothing, passing out raises and passing by problems with the residents. I don’t trust anyone in the city.	6/15/2018 8:27 PM
8	If the city is better prepare on improvements then some past projects, such as the Oakwood Shores subdivision. We will be more supportive of some of these bonds, the retention pond is needed, but thinking 1.5 million is a little steep price for that project. Have all the potential resources been utilize?	6/15/2018 8:00 PM
9	Residents were led to believe that the additional $5. fee that was added to water bills a few years ago as “transportation” would be utilized for sidewalks. This was in the Facts and touted by the mayor as the way to make our kids safer going to and from school. It makes the city less trustworthy as this extra fee is still being collected but is not earmarked as initially presented. The lack of transparency makes the city less trustworthy for voters and makes me very hesitant to want to support a bond.	6/15/2018 7:43 PM
10	Quite buying fire trucks and invest in proper drainage for the city.	6/15/2018 7:27 PM
11	Propose sidewalk on Cedar St from the police dept to the fire dept.	6/15/2018 3:20 PM

12	The city of Richwood residents already pay the highest property/home taxes at a rate of .634444 compared to Lake Jackson at a rate of .3375 . Richwood home owners are paying almost double that of Lake Jackson. The only local municipality with a higher tax rate is Angleton and it's because their representatives have made stupid decisions much like Richwood is doing. Yes Richwood streets are in terrible shape and the residents should be asking why. The Richwood city council allowed a bridge to be built from Richwood to Lake Jackson which dramatically increased the volume of traffic and crime into Richwood. This added volume of traffic, construction crews and heavy machinery that has destroyed the streets throughout Richwood and the once upon a time quietness. The residents of Richwood should ask why this was allowed to happen. What did Richwood gain from allowing this? The residents didn't gain anything except for the city asking for more money from the residents. The home builders in Lake Jackson gained plenty at the expense of Richwood residents. Why wasn't the home builder in Lake Jackson asked the fund new roads and sidewalks since he dramatically increased his wealth with the new bridge at the expense of the Richwood residents? The city of Richwood needs to learn to pay their bills with the current money they have. If they have too much debt then quit getting more loans in the form of bonds. I can't demand more money from my employer and the city of Richwood needs to quit demanding more money from its residents. Learn to pay your bills and manage your money properly and make smart decisions Richwood. Try attracting more businesses into Richwood, oh wait, taxes are too high so nobody with a mind that can do simple math would do that. The city of Richwood should purchase my home in Richwood on Oyster Creek, tear it down and put in a large water drainage into Oyster Creek. When all the homes were flooding throughout Richwood, the creek was low in comparison to the water level in Richwood and wood have saved many homes. Why can't we drain our water into Oyster Creek? Oh wait, only Lake Jackson can do that, darn they screwed Richwood again. Get city council out of the back pockets of Lake Jackson would be a good starting point to improve the city or better yet allow Lake Jackson to annex Richwood and make the city their problem, stuff will get fixed then at a cheaper tax burden on the Richwood residents.	6/15/2018 2:57 PM
13	An extensive drainage system needs to be built to insure NO area is flooded. It costs $$, but without it, it will be difficult to sell homes as people will not want to live an the area that floods. This will negatively affect the Cities grown potential. Calif. has large concrete drainage system that runs in area a hundred miles away and to the Pacific, and it works. I know, I lived there many years.	6/15/2018 2:08 PM
14	I pay way too much Taxes already. Richwood is highest in tax rates in area yet provides nothing as city. I will not be paying more taxes. The city should have funds from high as it is taxes the rates. Find a better person to do your finances . As a city you fail in so many levels.	6/15/2018 2:08 PM
15	What are you going to do about the sewer gas on college dr and 288 b. It is toxic. Sometimes it makes its way up to Cypress Dr.	6/15/2018 12:35 PM
16	Fix the flooding issues. Add more city workers and find lower bids on these projects. Absolutely ridiculous the cost of these projects. City workers could accomplish most of these tasks.	6/15/2018 11:38 AM
17	What about increased and improved street lighting	6/15/2018 11:08 AM
18	City drainage should be of most importance	6/15/2018 11:00 AM
19	No new or higher taxes or bonds or water fee increases	6/15/2018 10:56 AM
20	Four Oaks needs work as well.	6/15/2018 10:55 AM
21	I think all ditches in richwood should be maintained along with new culverts or old ones cleared of debris.	6/15/2018 10:49 AM
22	The information only helps a few homes on South side of 2004 and 288-B as far as water flooding on the north side of 2004...this portion the bond issue should cover ALL not just a few taxpayers. How can you ask us to support one side and not include all areas of Richwood. 2. To lump Brazos Crossing in with road repairs is not a satisfactory solution to address flood issues. Besides, the streets are in good repair in Brazos Crossing as of this time... Off the subject , has any flood water runoff and traffic pattern flow been done for the NEXT new business that will be built at the corner of FM 2004 & 288-B in the very near future? I hope that the flood water run off will be directed to Bastrop Bayou along 288-B opposite from Brazos Crossing and will not be directed to Brazos Crossing down toward FedX and the apartments and homes in that area.	6/15/2018 10:40 AM
23	Where is a bond on flood gates?	6/15/2018 10:39 AM
24	I am not a resident currently, but own a house in Richwood that is a rental property. I love the area and support all the suggested improvements in this survey.	6/15/2018 10:37 AM
25	there are other streets that need tending that have lack of drainage due too the new subdivision road being built with inappropriate drainage	6/15/2018 10:29 AM

26	Bring businesses, don't tax citizens	6/15/2018 10:18 AM
27	Flood prevention should be a Priority. Without properly funding flood mitigation, any improvements to the city will be worthless.	6/15/2018 10:17 AM
28	I am all for road improvements in the City of Richwood, but feel that the Oakwood Shores street issues need to be taken care by the developers and the residents the tax payers should not have to take on the burden because the developers did a horrible job.	6/15/2018 10:17 AM
29	Your number one priority needs to be to fix the flooding issue. Until this is done I will not support any other project and will lobby my neighbors to do the same.	6/15/2018 10:11 AM
30	How about repairing Oakwood Trail and Amberjack. You know, since they're in simthereens. And we've been promised for years they'll be repaired. I quote "if any streets in the city of Richwood get repaired next year, it'll be those in Oakwood Shores" Hahaha what a joke with our property taxes as high as they are. But let's make sidewalks etc and not repair our roads. Makes sense.	6/14/2018 8:58 AM
31	We need to spend money for pumps for flooding.	6/13/2018 4:20 PM
32	Consider a sidewalk for Cedar Street between the police dept. and the fire dept. It has lots of traffic which gets in a hurry some days.	6/13/2018 6:07 AM
33	Leave the Oakwood Shores roads alone until the neighborhood is close to built out. Instead, get us some better utilities. We pay outrageous property taxes to the city and have none of the benefits. It feels like I'm being robbed! Please help. God bless!	6/12/2018 10:37 PM
34	Lack of the citys responsibilities over the years does mean its now my responsibility. Polks one way and no crossing guard is my issue.	6/12/2018 7:35 PM
35	The proposed street repairs in Oakwood Shores will encourage the build out of that subdivision, especially since it didn't flood. That will generate 4-5 times the tax revenue as compared to the unimproved lots that make up a large majority of the subdivision. This bond is an investment that will ultimately generate a much higher tax base for the city. Fixing those roads in Oakwood Shores is the gift that keeps on giving. Long overdue and desperately needed. Thanks to the team that put this effort together!	6/12/2018 7:17 PM
36	I would support the road repair if we did not include oak wood shores. I feel that we have already donated enough money on the water bill for road repairs and it has all gone to oak wood	6/12/2018 3:50 PM
37	Its too much, nickle and diming us to pieces bond for this. Bind firbthat. $5 Here, $3 there. Plus bisd bonds $15. Oakwood shores is not my problem.	6/12/2018 3:06 PM
38	Thank you to Richwood City Council for your hard work during Harvey and the aftermaths. time away from your family have not gone unnoticed by many residents. Thank you city of richwood!	6/12/2018 2:27 PM
39	Street repairs within the older parts of the city are great but I cannot vote for putting a band-aid on the streets of Oakwood shores; not normal tax dollars anyways.	6/12/2018 2:08 PM
40	Richwood needs to focus on how to prevent flooding of residents' homes	6/12/2018 12:11 PM
41	The police department needs more officers , no gas station is needed near Oakwood Shores, my wife and I will be greatly affected by this. Our 4.5 acres is directly behind the gas station. We invested in Richwood to be the location of our retirement home. We bought property in Richwood Shores because it is a special place. A gas station greatly takes away from that special investment we have already made. No no no no please do not put a gas station in that area. We are very saddened as we think this will cause our property value to go down.	6/12/2018 11:15 AM
42	Our taxes are high enough. We don't need to increase them.	6/12/2018 8:45 AM
43	We already pay higher taxes than any of the other municipalities. Our taxes current taxes are almost double that of Lake Jackson. The city council of Richwood needs to learn to pay their bills without asking me for more money and without getting more loans in the form of bonds to pay for stupid projects. The retention pond is a stupid idea. The engineering firm, builder and city council should all be sued for allowing the building of the subdivision Audubon Woods 1 in a low swamp. I shouldn't have to pay for corrupt decisions of people who benifited from screwing the residents of Richwood. If the residents Audubon Woods 1 want a retention pond, I shouldn't have to pay for it since I don't live there and will not benefit from the pond. That whole neighborhood needs to be bulldozed. The city council needs to quit selling snake oil.	6/12/2018 6:47 AM
44	You need to add Amberjack to the list of streets to repair!	6/12/2018 3:55 AM
45	My home flooded and we lost everything.	6/11/2018 11:07 PM

46	Anything to keep Richwood above waters	6/11/2018 10:52 PM
47	We need to also address the curbs to the driveways in Audubon that are cracking and breaking. I guess this would fall under sidewalks	6/11/2018 10:32 PM
48	Have y'all considered adding retention ponds behind Lucky Dog area, up to the park ditch? Storage over there would lead to easier pumping operations over 288B and out of my neighborhood.	6/11/2018 10:29 PM
49	NO, NO, AND NO! NONE OF THESE IDEAS ARE CRUCIAL and all could be planned for using funds from general budget	6/11/2018 10:16 PM
50	Richwood taxes are high enough. No new taxes.	6/11/2018 9:50 PM
51	It seems like you or not servicing the majority of the residents. I drive down Cedar Street almost every day and it is terrible yet you have Cedar CT and not the street. What an impression it makes for those who come into our city. Let's just put some more black tar on it and other streets in the older part of the city! I am also for keeping children safe but the proposals is only a few streets. If you want to keep the kids safe you need to put them on all streets. Replacing the community center should be the least of your worries. I am sure the rentals on it would not cover the cost of it. As for the retention pond you yourself said it would not help in a flood. Again it would not help people in the older parts of the city.	6/11/2018 8:52 PM
52	All issues should be raised before council individually with residents being able to hear all proposals, cost/benefit on each item, and the ability to respond to each item before moving on to the next proposal.	6/11/2018 8:31 PM
53	They don’t need to resurface streets they need to lower the streets because since I’ve lived here Stuart st has been raised several inches which causes my garage to Flood more.	6/11/2018 7:25 PM
54	Why is there a task force to find ways to spend the citizens money/my money. You can just ask my wife she has mastered it.	6/11/2018 7:24 PM
55	None	6/11/2018 7:03 PM
56	The city needs to look into other ways of generating income for projects instead of just taxing the crap out of the residents...and not by allowing a truck stop to be built at the corner of 288B/2004.	6/11/2018 6:52 PM
57	After our utility bill and taxes went up despite the appraisal of our homes going up, it’s hard to trust leadership. Nowhere does it say where the money is coming from.	6/11/2018 6:48 PM
58	There needs to be more information on who is paying for the projects? Also more information needed on what would be available at the proposed community center.	6/11/2018 6:29 PM
59	Dig the biggest, deepest hole you can and then dig some more to hold as much eater as humanly possible so that we don’t flood over here in Audubon woods one when it rains hard for a few hours.	6/11/2018 6:11 PM
60	Drainage needs to be a top priority. How about installing a check valve so that the streets don’t flood from the storm sewers before the actual flood waters??	6/11/2018 6:00 PM
61	I would like to know how you define "repair"roads as the repairs out in Oakwood Shores are pointless the way they are being done	6/11/2018 5:59 PM
62	Part of the sidewalk that borders N. Mahan needs to be reworked to eliminate the tripping hazard of the drain box sticking up in middle of walkway. City should have never accepted that when it was installed.	6/11/2018 5:32 PM
63	Quite buying fire trucks and invest in better drainage for entire city	6/11/2018 5:30 PM
64	Improvements are badly needed, and should be a priority.	6/11/2018 5:26 PM
65	Why aren’t our taxes paying for road repairs? Why wasn’t a retention pond built when Audubon 1 was created.	6/11/2018 5:22 PM

Estimated Costs for Priority Residential Street Repairs

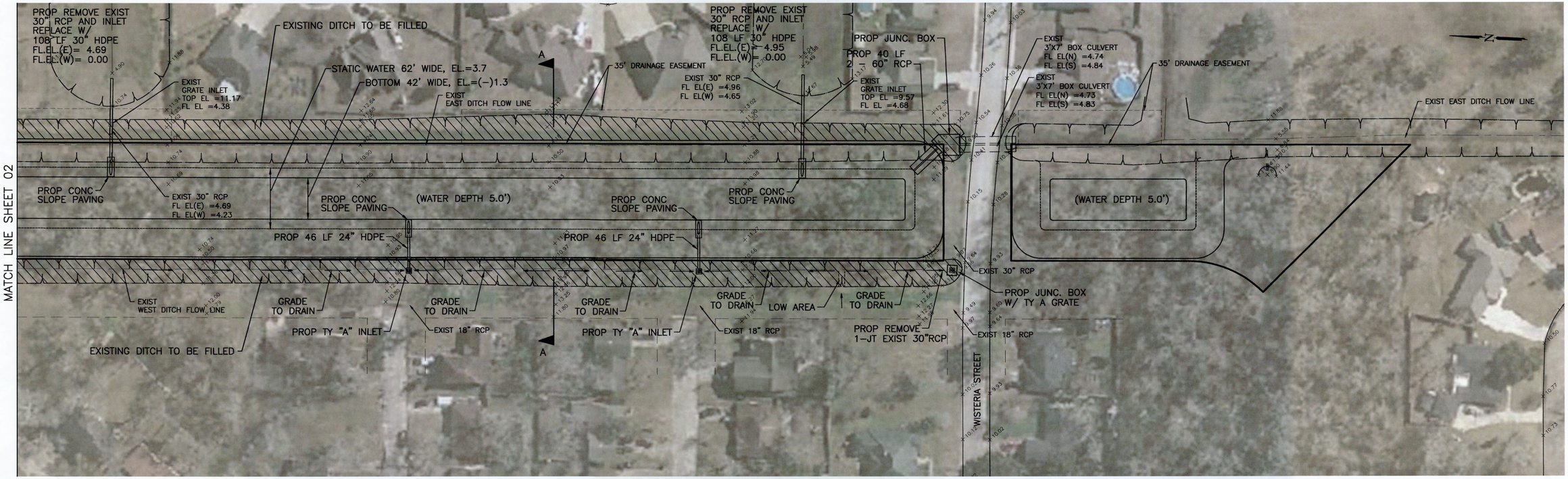
$90k per year from Operating

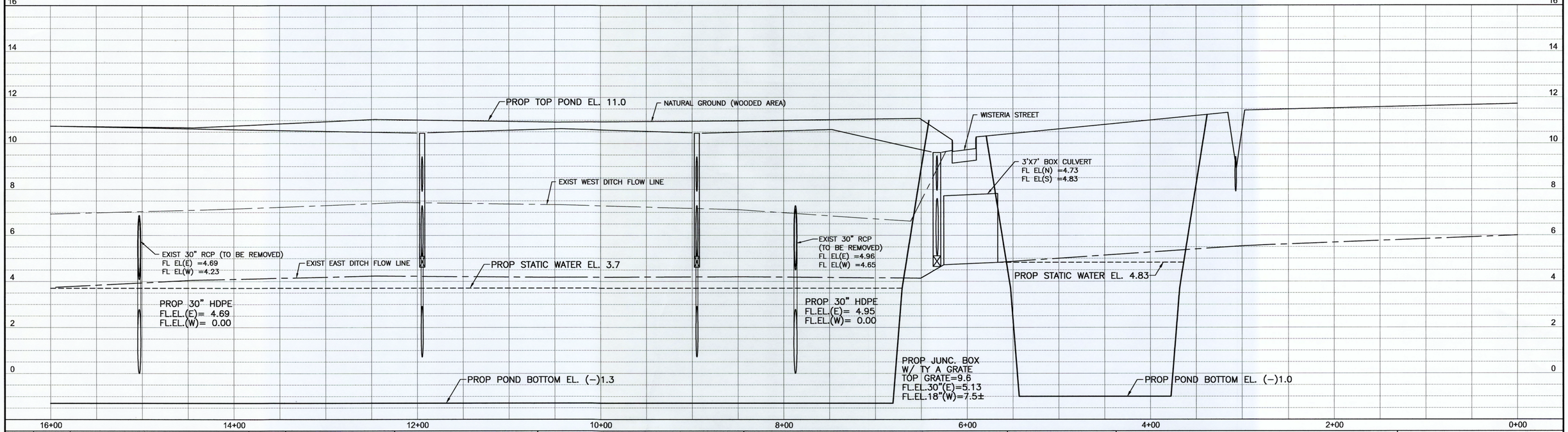
Subdivision	Street Name	Street Surface	Length of Repair (Ft.)	Low Estimated Cost	High Estimated Cost	Notes	Replacment Year (No Bond)	Replacment Year (Bond)
Brazoz Crossing	Brazos Ct. (From 288B)	Cement	150	$58,125	$58,125	No County help available on cement roads	2028	2021
Brazoz Crossing	Brazos Dr. (From FM 2004)	Cement	150	$58,125	$58,125	No County help available on cement roads	2030	2021
Glenwood Bayou	Briar Creek (From FM 2004)	Cement	400	$155,000	$155,000	No County help available on cement roads	2032	2021
Glenwood Bayou	Quail Run (at 411 Quail Run)	Cement	100	$38,750	$38,750	No County help available on cement roads	2024	2021
Glenwood Bayou	Wisteria (at 303,311, & 315)	Cement	200	$100,000	$130,000	High if additional drainage work required	2026	2021
Davidson Slater	Cypress	Asphalt	1,050	$24,150	$73,500	Low cost if County performs work and no restabilization required	2020	2019
Davidson Slater	West Mahan	Asphalt	4,460	$102,580	$312,200	Low cost if County performs work and no restabilization required	2022	2021
Davidson Slater	Schley	Asphalt	1,520	$34,960	$106,400	Low cost if County performs work and no restabilization required	2020	2020
Davidson Slater	Audubon Woods Dr.	Asphalt	1,240	$86,800	$124,000	Low cost if County performs work and with restabilization	2018	2018
Davidson Slater	Cypress Ct.	Asphalt	1,000	$23,000	$70,000	Low cost if County performs work and no restabilization required	2024	2021
Davidson Slater	Cedar Ct.	Asphalt	420	$9,660	$29,400	Low cost if County performs work and no restabilization required	2020	2021
Davidson Slater	June Ct.	Asphalt	430	$9,890	$30,100	Low cost if County performs work and no restabilization required	2020	2021
Oakwood Shores	Blue Crab Ct.	Asphalt	4,200	$294,000	$1,050,000	Low cost if County performs work and with restabilization	2019, 2021, 2022, 2023	2021
Oakwood Shores	Blue Marlin	Asphalt	3,300	$231,000	$825,000	Low cost if County performs work and with restabilization	2029, 2031, 2032, 2033	2021
Oakwood Shores	Redfish Trail	Asphalt	4,020	$281,400	$1,005,000	Low cost if County performs work and with restabilization	2023, 2025, 2027, 2029	2023
Oakwood Shores	Bayou Bend (From Bayou View Ct. to Northeast)	Asphalt	4,800	$336,000	$1,200,000	Low cost if County performs work and with restabilization	2034, 2035, 2036, 2037	2021
		TOTAL	**27,440**	**$1,843,440**	**$5,265,600**			

*Agreement with County limits aid to a maximum of 2 miles (10,560 ft.) of road repairs per year. The order in which streets will be addressed is not finalized and is subject to change based on road conditions.

Cost Summary for Proposed Sidewalk Projects

	Length (Ft.)	Est. Cost to Enclose Drainage	Est. Cost for Sidewalk	Est. Cost Engineering	Total Est. Cost
Moore St. (Oyster Creek Dr. to N. Mahan)	2100	$213,318	$100,380	$47,055	$360,753
Oyster Creek Dr. (Moore St. to Bobby Ford Park)	810	$82,280	$38,718	$18,150	$139,147
Total	**2910**	**$295,598**	**$139,098**	**$65,204**	**$499,900**





NO.	DATE	DESCRIPTION	APPROVED

REVISIONS

DESIGNED DR
DRAWN BT/BB
CHECKED
DATE

B&L
BAKER & LAWSON, INC.
ENGINEERS • PLANNERS • SURVEYORS
300 E. CEDAR ST. ANGLETON, TEXAS 77515
PHONE: (979) 849-6681 FAX: (979) 849-4889
REG. NO. F-825

STATE OF TEXAS
DOUGLAS B. ROESLER
56739
REGISTERED PROFESSIONAL ENGINEER

The seal appearing on this document was authorized by Douglas B. Roesler P.E. 56739

Date: 10-3-17

OWNER:

CITY OF RICHWOOD
1800 N. BRAZOSPORT BLVD.
RICHWOOD, TEXAS 77531

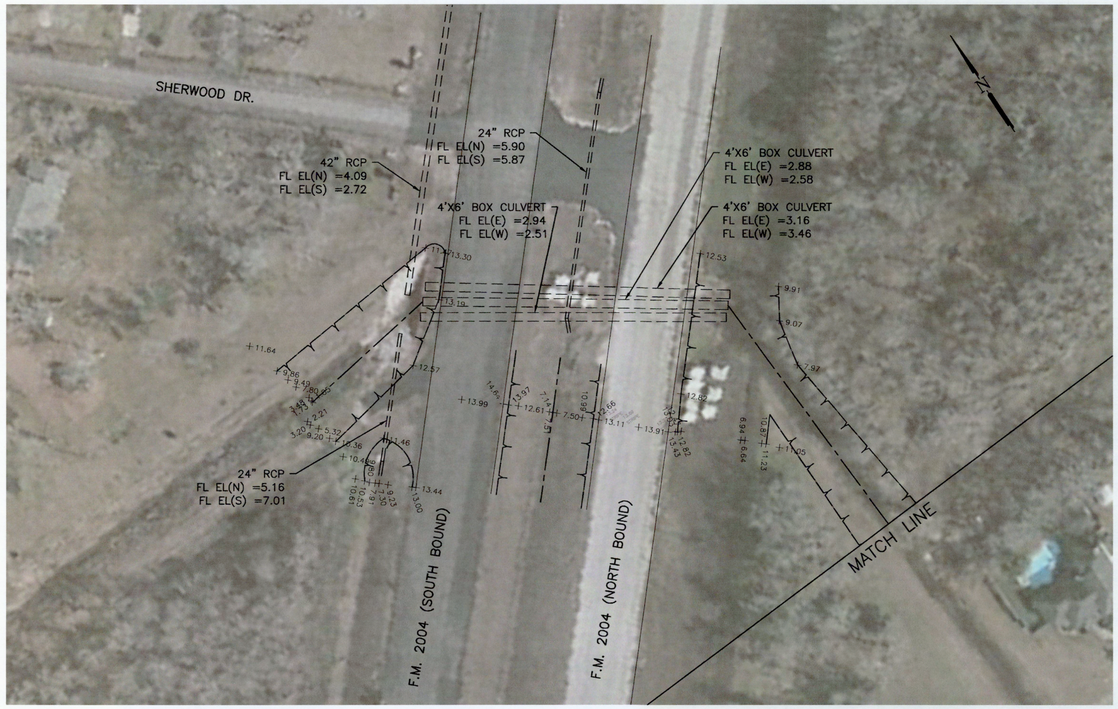
PLAN: 1" = 50'
PROFILE:
HORIZONTAL: 1" = 50'
VERTICAL: 1" = 2'

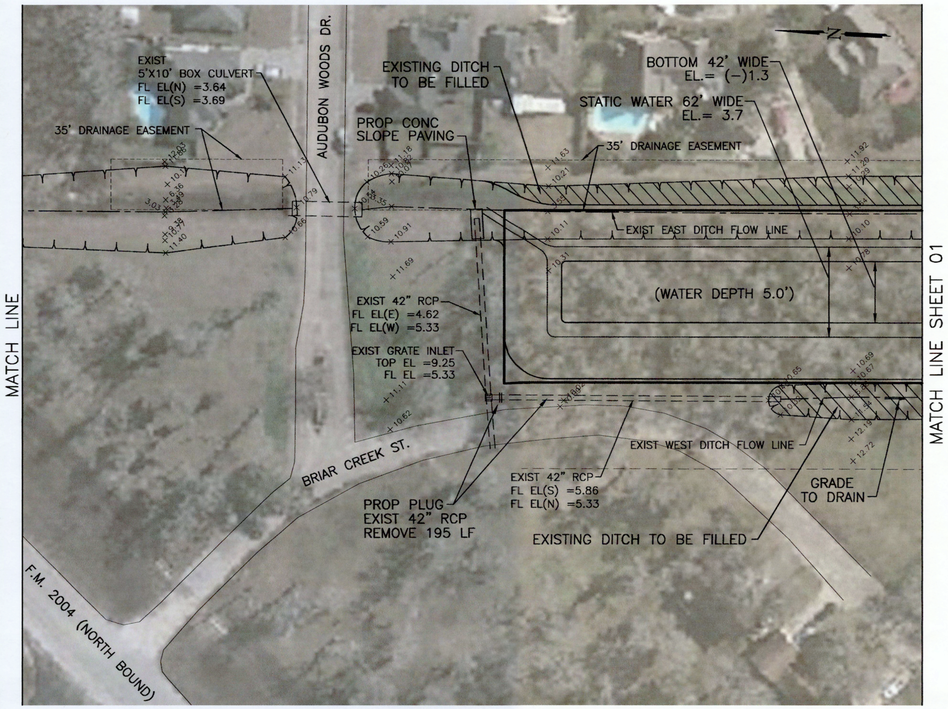
MAGNOLIA DRAINAGE PROJECT
LIMITS FROM MAGNOLIA ST. TO AUDOBON WOODS CT.

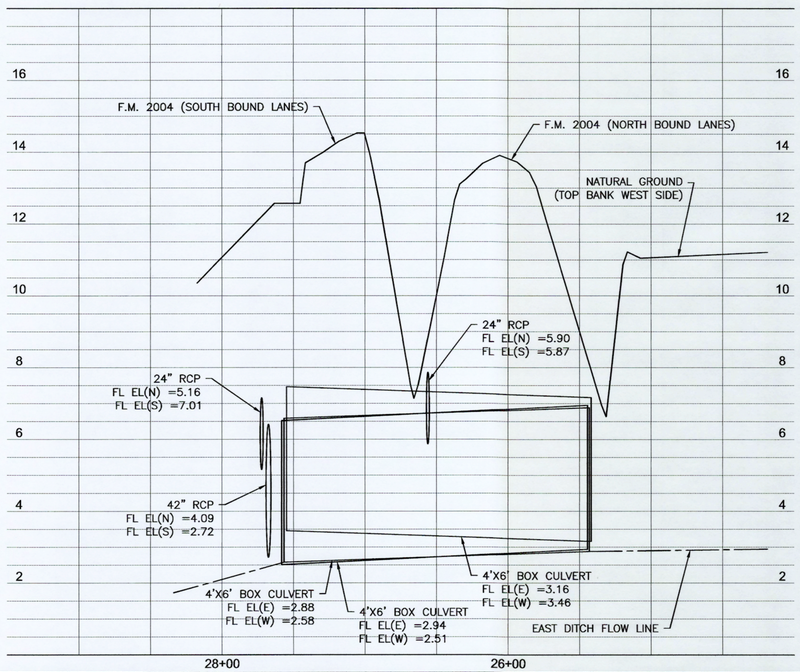
EXHIBIT
PLAN AND PROFILE

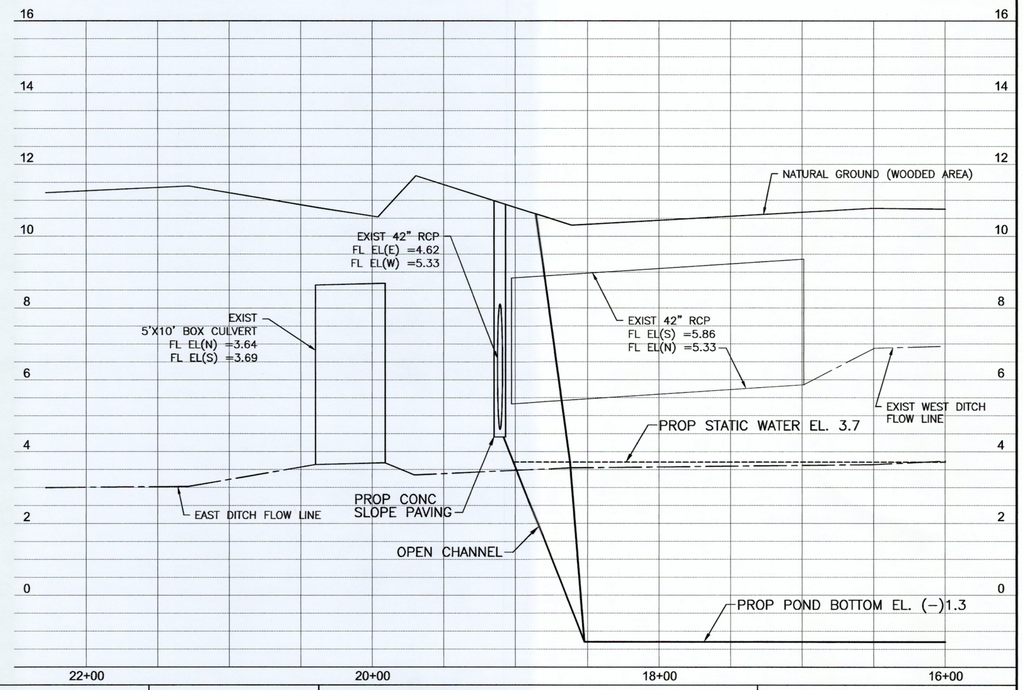
PROJECT NO. 12068

12068 P&P 01.DWG









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MAGNOLIA DRAINAGE PROJECT

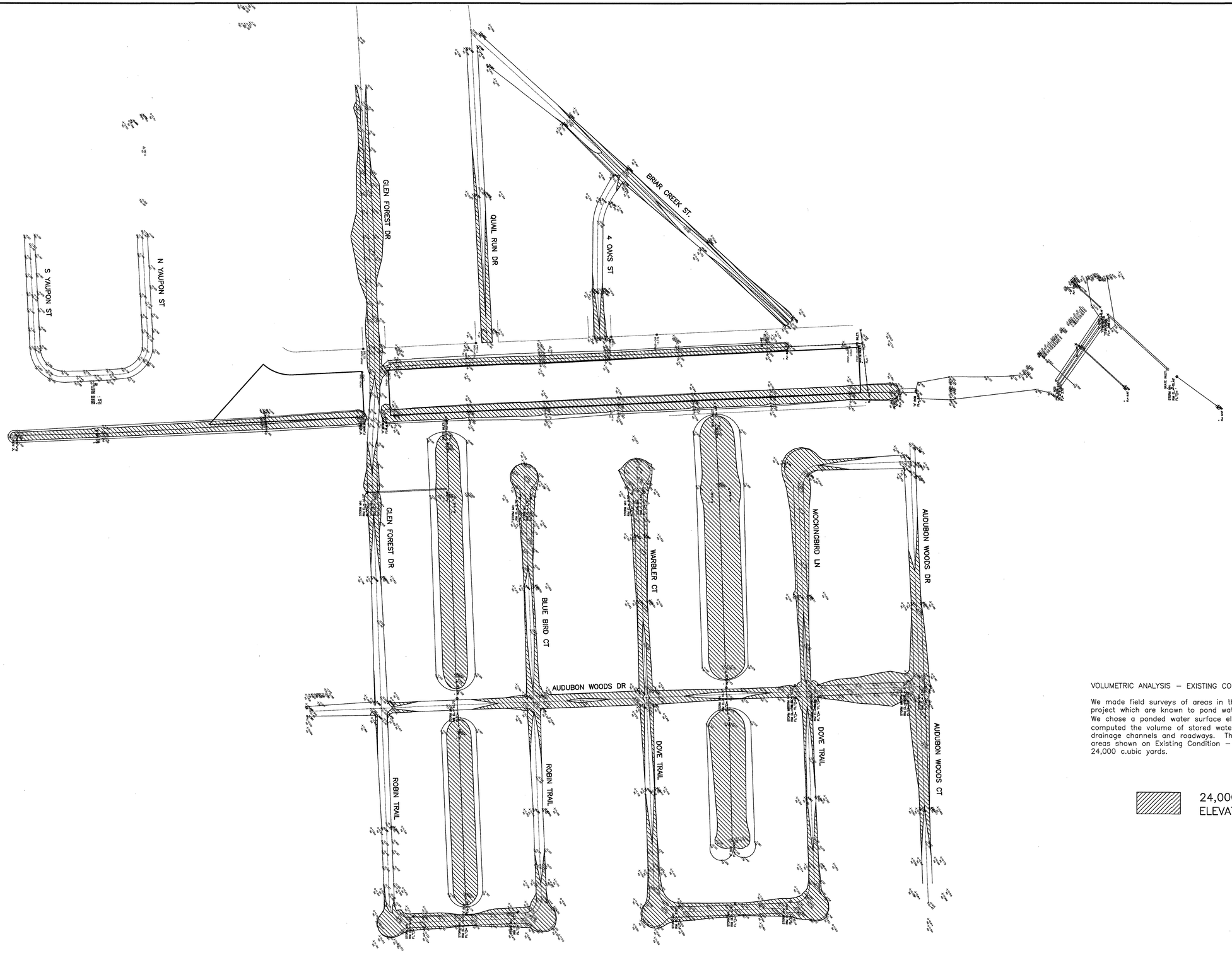
LIMITS FROM MAGNOLIA ST. TO AUDOBON WOODS CT.

EXHIBIT
PLAN AND PROFILE

PROJECT NO. 12068

2

12068 P&P 02.DWG



VOLUMETRIC ANALYSIS – EXISTING CONDITION

We made field surveys of areas in the vicinity of the Magnolia Drainage project which are known to pond water during heavy localized rainfall events. We chose a ponded water surface elevation of 10.0' to analyze. We computed the volume of stored water to elevation 10.0' in detention ponds, drainage channels and roadways. This is outlined with the cross-hatched areas shown on Existing Condition – Sheet 3. Total Vclume computed is 24,000 c.ubic yards.

24,000 C.Y. STORAGE TO ELEVATION 10.0'

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RICHWOOD, TEXAS 77531

PLAN: 1" = 120'
PROFILE:
HORIZONTAL: 1" = 120'
VERTICAL:

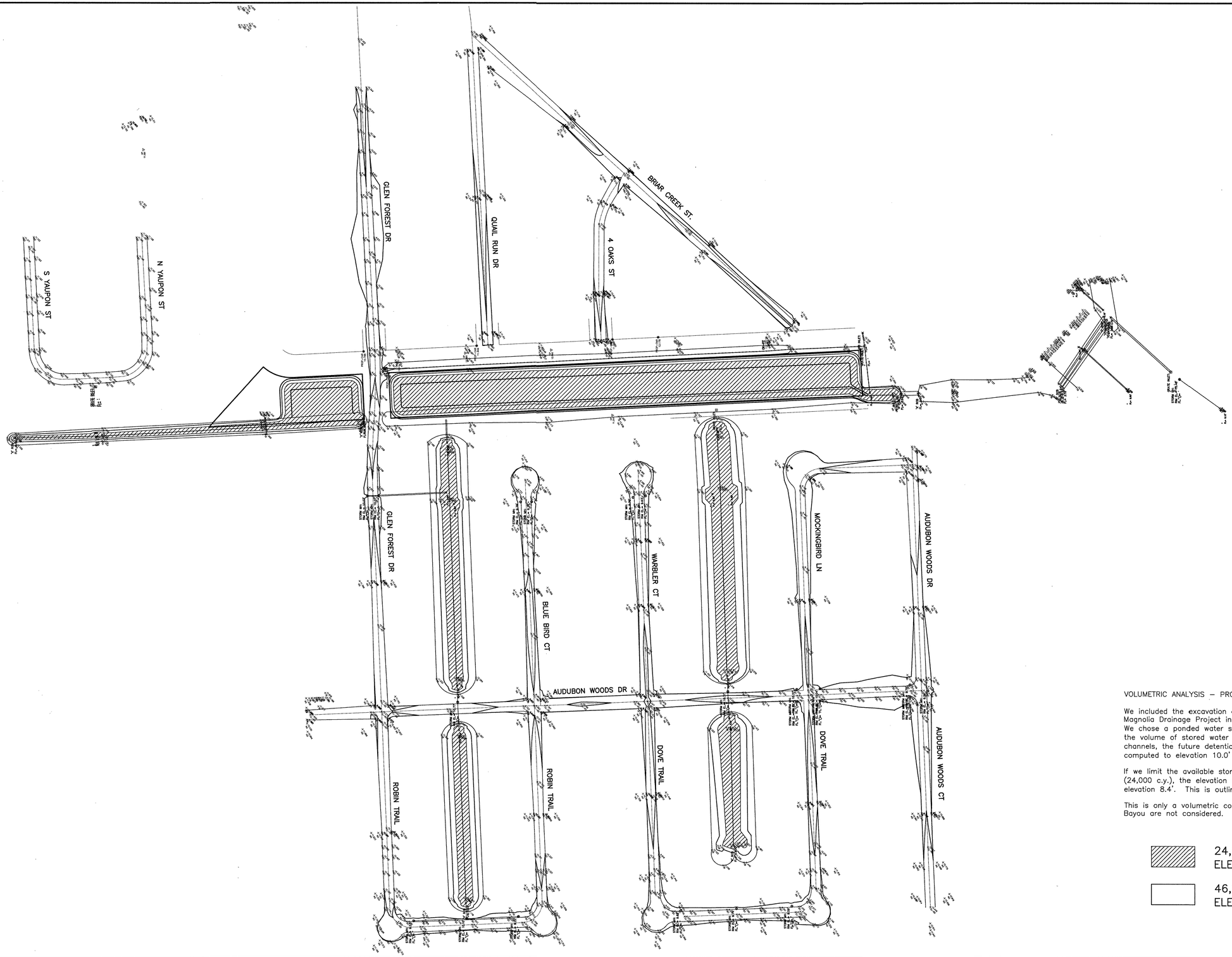
MAGNOLIA DRAINAGE PROJECT
LIMITS FROM MAGNOLIA ST. TO AUDOBON WOODS CT.

EXISTING CONDITION FLOODING AREA

PROJECT NO. 12068

3

12068 EX-FLOODING.DWG



VOLUMETRIC ANALYSIS – PROPOSED CONDITION

We included the excavation of the linear detention/amenity pond designed for the Magnolia Drainage Project in the volume computation for the proposed condition. We chose a ponded water surface elevation of 10.0' to analyze. We computed the volume of stored water to elevation 10.0' in detention ponds, drainage channels, the future detention/amenity pond and roadways. The total volume computed to elevation 10.0' in the proposed condition is 46,200 cubic yards.

If we limit the available stored volume to that provided in existing condition (24,000 c.y.), the elevation in the Proposed Condition – Sheet 4 is reduced to elevation 8.4'. This is outlined in the cross-hatched areas.

This is only a volumetric comparison. Backwater affects from a flooded Bastrop Bayou are not considered.

24,800 C.Y. STORAGE TO ELEVATION 8.4'

46,200 C.Y. STORAGE TO ELEVATION 10.0'

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MAGNOLIA DRAINAGE PROJECT
LIMITS FROM MAGNOLIA ST. TO AUDOBON WOODS CT.

PROPOSED CONDITION FLOODING AREA

PROJECT NO. 12068

4

12068 PROP-FLOODING.DWG

214

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider an ordinance calling a Special Bond Election for November 6, 2018

Representatives from the City's bond advisors and attorneys will be present to review the estimated finical impact for the proposed bond projects and the legal steps that need to be followed if the decision is made to have a bond election. The bond advisor's presentation has been included in this packet. One important note is that this presentation has the most current numbers, which are reflective of the certified property values, for the projected tax impact of issuing the proposed bonds.

ORDINANCE 18-431

AN ORDINANCE CALLING A BOND ELECTION TO BE HELD IN THE CITY OF RICHWOOD, TEXAS; MAKING PROVISION FOR THE CONDUCT OF THE ELECTION; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION; AND PROVIDING AN EFFECTIVE DATE

* *

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

SECTION 1. An election shall be held On November 6, 2018, in the CITY OF RICHWOOD, TEXAS, which date is not less than 78 days nor more than 90 days from the date of the adoption of this ordinance (this "*Ordinance"*), for the purpose of submitting the following propositions to the qualified voters of the City:

PROPOSITION NO. 1

"Shall the Governing Body of the City of Richwood, Texas, be authorized to issue and sell general obligation bonds of the City in the principal amount of $3,000,000 for the purpose of street and road construction and improvements, such bonds to mature serially or otherwise not more than 40 years from their date; and any issue or series of said bonds to bear interest at such rate or rates (fixed, floating, variable or otherwise) as may be determined within the discretion of the Governing Body, provided that such rate of interest shall not exceed the maximum rate per annum authorized by law at the time of the issuance of any issue or series of said bonds; and shall the Governing Body of the City be authorized to levy and pledge, and cause to be assessed and collected, annual ad valorem taxes, within the limitations prescribed by law, on all taxable property in said City sufficient to pay the principal of and annual interest on the bonds and provide a sinking fund to pay the Bonds at maturity, and that such ad valorem taxes to pay the annual principal and interest on such bonds may be imposed?"

PROPOSITION NO. 2

"Shall the Governing Body of the City of Richwood, Texas, be authorized to issue and sell general obligation bonds of the City in the principal amount of $500,000 for the purpose of sidewalk construction and improvements, including, but not limited to, sidewalks along streets leading to Gladys Polk Elementary School such as Moore Street and Oyster Creek Drive, such bonds to mature serially or otherwise not more than 40 years from their date; and any issue or series of said bonds to bear interest at such rate or rates (fixed, floating, variable or otherwise) as may be determined within the discretion of the Governing Body, provided that such rate of interest shall not exceed the maximum rate per annum authorized by law at the time of the issuance of any issue or series of said bonds; and shall the

Governing Body of the City be authorized to levy and pledge, and cause to be assessed and collected, annual ad valorem taxes, within the limitations prescribed by law, on all taxable property in said City sufficient to pay the principal of and annual interest on the bonds and provide a sinking fund to pay the Bonds at maturity, and that such ad valorem taxes to pay the annual principal and interest on such bonds may be imposed?"

PROPOSITION NO. 3

"Shall the Governing Body of the City of Richwood, Texas, be authorized to issue and sell general obligation bonds of the City in the principal amount of $1,500,000 for the purpose of drainage improvements and flood control projects, such bonds to mature serially or otherwise not more than 40 years from their date; and any issue or series of said bonds to bear interest at such rate or rates (fixed, floating, variable or otherwise) as may be determined within the discretion of the Governing Body, provided that such rate of interest shall not exceed the maximum rate per annum authorized by law at the time of the issuance of any issue or series of said bonds; and shall the Governing Body of the City be authorized to levy and pledge, and cause to be assessed and collected, annual ad valorem taxes, within the limitations prescribed by law, on all taxable property in said City sufficient to pay the principal of and annual interest on the bonds and provide a sinking fund to pay the Bonds at maturity, and that such ad valorem taxes to pay the annual principal and interest on such bonds may be imposed?"

SECTION 2. The City election precincts established for this election shall be the precincts disclosed on ***Exhibit A*** attached hereto. A list of the City election precincts, the County election precincts, if any, and the polling places designated for each such election precinct are identified on ***Exhibit A*** to this Ordinance, and this exhibit is incorporated by reference for all purposes. The City shall appoint a Presiding Judge and an Alternate Presiding Judge for each election precinct as provided in the Texas Election Code.

Each Presiding Judge shall appoint not less than two resident qualified electors of the City to act as clerks to properly conduct the election. However, if the Presiding Judge appointed actually serves, the Alternate Presiding Judge shall serve as one of the clerks. The appointment of such clerks may include a person fluent in the Spanish language to serve as a clerk to render oral aid in the Spanish language to any voter desiring such aid at the polls on the day of the election. In the absence of the Presiding Judge named above, the Alternate Presiding Judge shall perform the duties of the Presiding Judge.

The election shall be held in the City as prescribed by applicable law and on the day of the election, the polls shall be open from 7:00 a.m. to 7:00 p.m.

Early voting shall be conducted by personal appearance at Richwood City Hall, 1800 Brazosport Blvd., Richwood, TX 77531. You may also vote at any of the other Early Voting Locations within Brazoria County disclosed on ***Exhibit B*** attached hereto. Joyce Hudman, Brazoria County Clerk, shall serve as the Early Voting Clerk. The Early Voting Clerk shall appoint not less than two Deputy Early Voting Clerks in accordance with the provisions of the

Texas Election Code. Applications for early voting ballots may be directed to the County Clerk at 111 E. Locust, Suite 200, Angleton, TX 77515, no later than close of business on October 26, 2018. With the exception of Saturdays, Sundays, and official State holidays, this office or place shall remain open to permit early voting for a minimum of 8:00 a.m. to 5:00 p.m. Early voting shall commence on the 17th day before the election and continue through the 4th day preceding the date of the election all as provided by the provisions of the Texas Election Code.

SECTION 3. In accordance with Section 61.012(b), voting shall be conducted by an electronic voting system adopted by resolution of the Commissioners Court of Brazoria County, Texas, which has been certified by the Texas Secretary of State as complying with the requirement for an accessible voting system. Such voting system is described in the Joint Election Agreement and by this reference made a part hereof. The Board hereby adopts the use of the accessible voting system described above as part of its election practices for this election and subsequent elections, until and unless such procedure is changed by formal action of the Board.

SECTION 4. The official ballots shall be prepared in accordance with the Texas Election Code, as amended, so as to permit electors to vote "FOR" or "AGAINST" the aforesaid propositions which shall appear on the ballot substantially as follows:

PROPOSITION NO. 1

"THE ISSUANCE OF $3,000,000 OF GENERAL OBLIGATION BONDS FOR STREET AND ROAD CONSTRUCTION AND IMPROVEMENTS AND THE LEVY OF A TAX THEREFOR."

PROPOSITION NO. 2

"THE ISSUANCE OF $500,000 OF GENERAL OBLIGATION BONDS FOR SIDEWALK CONSTRUCTION AND IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO, SIDEWALKS ALONG STREETS LEADING TO GLADYS POLK ELEMENTARY SCHOOL SUCH AS MOORE STREET AND OYSTER CREEK DRIVE, AND THE LEVY OF A TAX THEREFOR."

PROPOSITION NO. 3

"THE ISSUANCE OF $1,500,000 OF GENERAL OBLIGATION BONDS FOR DRAINAGE IMPROVEMENTS AND FLOOD CONTROL PROJECTS AND THE LEVY OF A TAX THEREFOR."

SECTION 5. All resident qualified electors of the City shall be permitted to vote at the election and on the day of the election, such electors shall vote at the designated polling place. The election shall be held and conducted in accordance with the provisions of the Texas Election Code, as amended, Chapter 1331, as amended, Texas Government Code, and as may be required by any other law. All election materials and proceedings shall be printed in both English and Spanish.

SECTION 6. A substantial copy of this Ordinance shall serve as a proper notice of the Election. This notice, including a Spanish translation thereof, shall be posted (i) at three public places within the City and at the City Hall not less than 21 days prior to Election Day, (ii) in a prominent location at each polling place on election day and during early voting, and shall be published on the same day in each of three successive weeks in a newspaper of general circulation in the City, the first of these publications to appear in such newspaper not more than 30 days, and not less than 14 full days prior to election day. In addition, during the 21 days prior to election day, the City shall, in a prominent manner, maintain such notice on its internet website.

SECTION 7. As required by and in accordance with Texas Election Code section 3.009(b)(5) and (7) through (9), the City, as of its fiscal year beginning October 1, 2017, had outstanding an aggregate principal amount of debt equal to $2,448,523; the aggregate amount of the interest owed on such City debt obligations, through respective maturity, totaled $658,400; and the City most recently levied an ad valorem debt service tax rate for its outstanding debt obligations of $0.0592 per $100 of taxable assessed valuation. The City estimates an ad valorem debt service tax rate of $0.1850 per $100 of taxable assessed valuation if the bonds that are the subject of the Election are approved and are issued (taking into account the outstanding City bonds and bonds that are the subject of this Election, but not future bond authorizations of the City). The bonds that are the subject of this Election shall mature serially or otherwise over a specified number of years (but not more than 40 years from their date), as prescribed by applicable Texas law, though the City estimates that, based on current bond market conditions, such bonds will amortize over a 30-year period from their respective date of issue. The foregoing estimated tax rate and amortization period are only estimates, provided for Texas statutory compliance, and do not serve as a cap on any City ad valorem tax rate or the amortization period for bonds that are the subject of this Election.

SECTION 8. Pursuant to Texas Election Code section 127.001 (b), the City designates as its Counting Station (the *Station*) the Counting Stations established by Brazoria County, and provides that pursuant to the Joint Election Agreement the Counting Station shall be operated by the Administrator.

SECTION 9. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 10. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 11. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 12. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application

of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 13. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any local provision to the contrary concerning a multiple reading requirement for the adoption of ordinances.

* * *

Passed and Approved on this _____ day of _____, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu, City Secretary

EXHIBIT A
(Election Day Polling Locations)

Election Day Hours

Date	**Time**
Tuesday, November 6, 2018	7:00 a.m. to 7:00 p.m.

Alvin	Alvin Library	105 S Gordon
Alvin	Nolan Ryan Center	2925 South Bypass 35
Angleton	East Annex (Old Walmart)	1524 E Mulberry, Room 144
Angleton	West Annex	451 N Velasco
Bonney	Bonney Annex Building	19025 FM 521
Brazoria	Brazoria Library	620 S Brooks
Brazoria	Mims Community Center	4283 FM 521
Clute	Clute City Hall	108 E Main
Damon	Damon Elementary School	1211 Mulcahy
Danbury	Danbury Community Center	6115 5th St
Freeport	Freeport Library	410 Brazosport Blvd
Jones Creek	Jones Creek Community House	7207 Stephen F Austin Rd
Lake Jackson	Lake Jackson Civic Center	333 Hwy 332 East
Manvel	North Annex	7313 Corporate Dr
Manvel	Pct 4 North Annex	3633 CR 58
Oyster Creek	Oyster Creek City Hall	3210 FM 523
Pearland	Drainage District #4 Building	4805 W Broadway
Pearland	Pearland Recreation Center	4141 Bailey Rd
Pearland	Pearland Westside Library	2803 Business Center Dr #101
Pearland	First Church of Pearland	1850 Broadway
Pearland	Silverlake Recreation Center	2715 Southwyck Pkwy
Pearland	Tom Reid Library	3522 Liberty Dr
Pearland	Westside Event Center	2150 Countryplace Pkwy
Richwood	Richwood City Hall	1800 N Brazosport Blvd
Sweeny	Sweeny Community Center	205 W Ashley Wilson Rd
West Columbia	Precinct 4 Building	121 N 10th St, Building 2

EXHIBIT B
(Early Voting Polling Locations)

Early Voting Hours

Dates	**Times**
Monday, October 22, 2018 through Friday, October 26, 2018	8:00 a.m. to 5:00 p.m.
Saturday, October 27, 2018	7:00 a.m. to 7:00 p.m.
Sunday, October 28, 2018	1:00 p.m. to 6:00 p.m.
Monday, October 29, 2018 through Friday, November 2, 2018	7:00 a.m. to 7:00 p.m.

City Election Precinct	County Election Precinct	Polling Places
No.	No.	Brazoria County East Annex, 1524 E. Mulberry St., Angleton, TX 77515
No.	No.	Alvin Library, 105 S. Gordon St., Alvin, TX 77511
No.	No.	Brazoria Library, 620 S. Brooks St., Brazoria, TX 77422
No.	No.	Freeport Library, 410 N. Brazosport Blvd., Freeport, TX 77541
No.	No.	Lake Jackson Library, 250 Circle Way St., Lake Jackson, TX 77566
No.	No.	Brazoria County North Annex, 7313 Corporate Dr., Manvel, TX 77578
No.	No.	Tom Reid Library, 3522 Liberty Dr., Pearland, TX 77581
No.	No.	Westside Event Center, 2150 Countryplace Pkwy., Pearland, TX 77584
No.	No.	Pearland Westside Library, 2803 Business Center Dr., Suite 101, Pearland, TX 77584
No.	No.	Brazoria County Annex West, Building 2, 121 N. 10th St., West Columbia, TX 77486

City of Richwood, Texas

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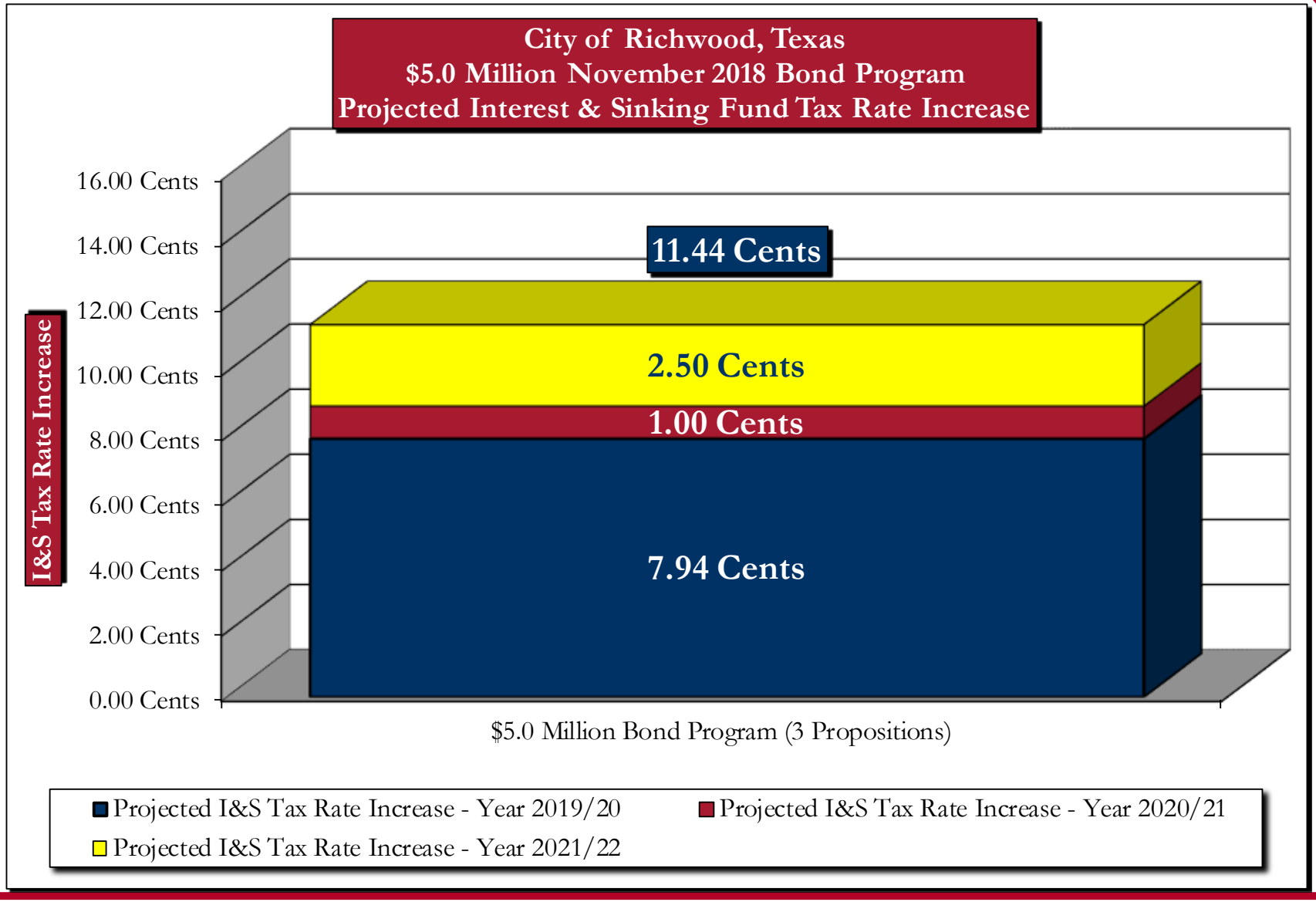
Tax Rate Impact Analysis – November 2018 Bond Election

August 13, 2018

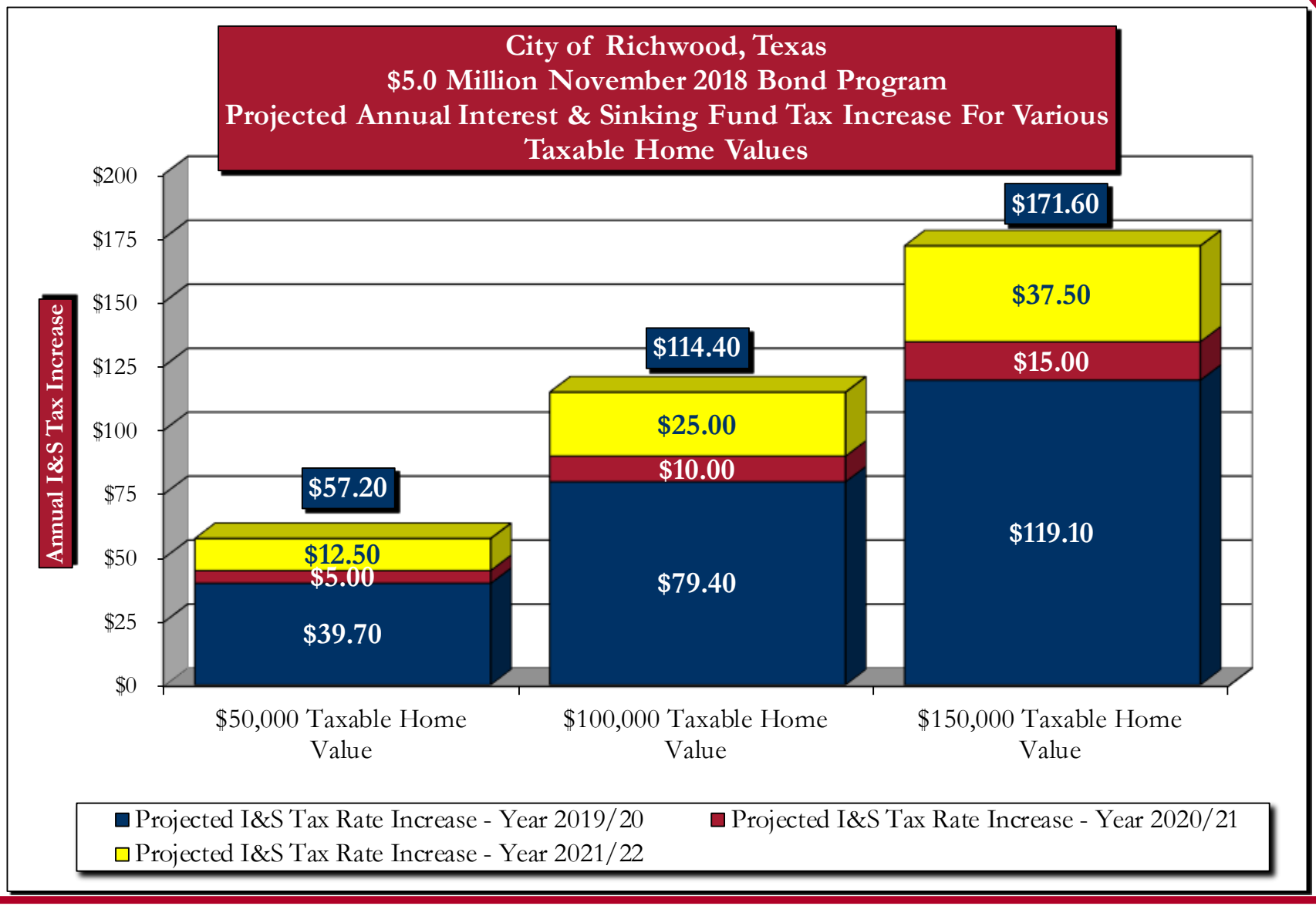
Securities, insurance and advisory services offered through BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Services may be offered under our trade name, BOK Financial Advisors.
NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Projected Interest and Sinking Fund Tax Rate Increase



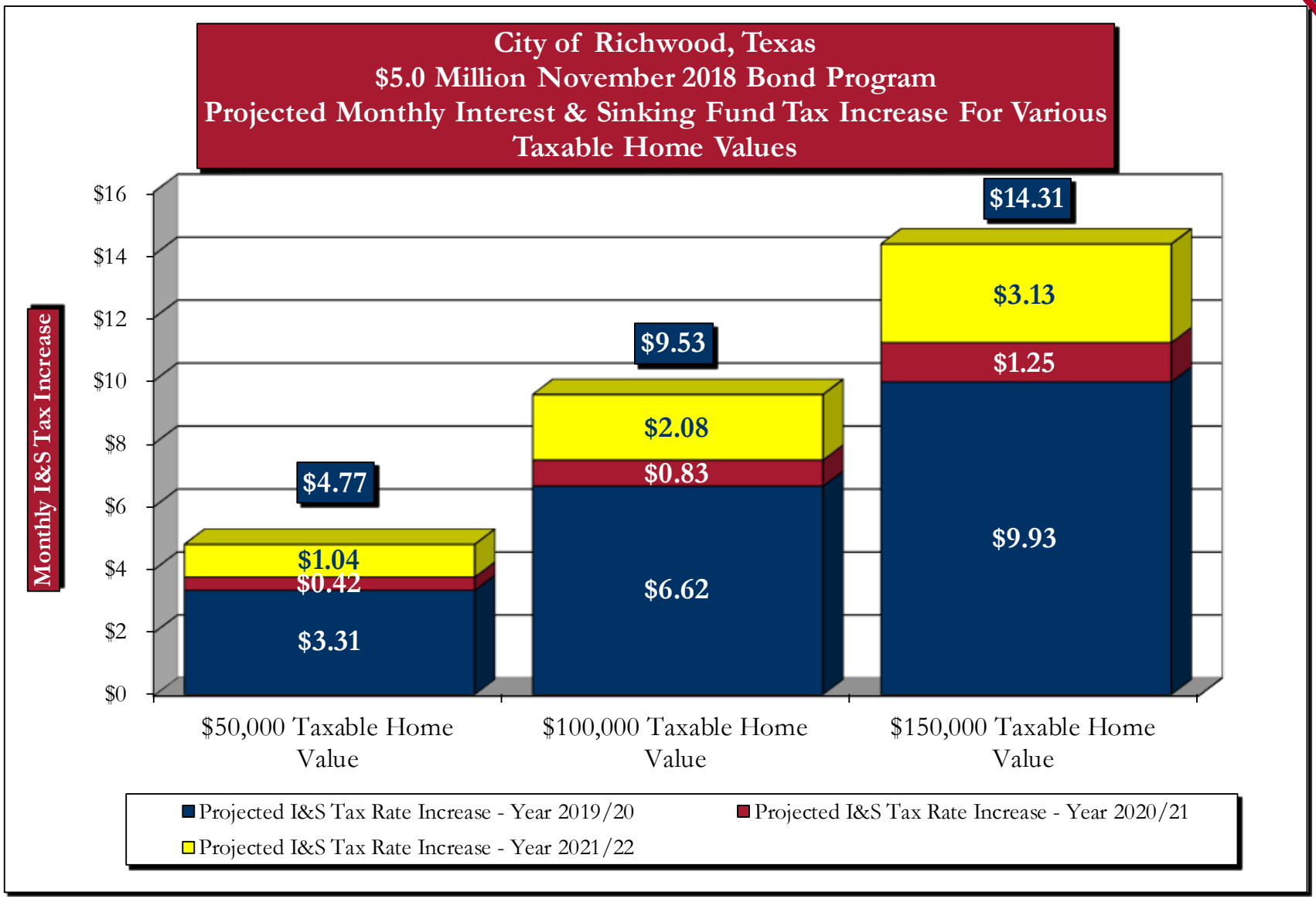
Note: Projected Interest and Sinking ("I&S") Fund Tax Rate Increase assumes the City adopts an I&S Tax Rate of 6.0577 Cents of Year 2018/19.

Projected Annual I&S Fund Tax Increase For Various Taxable Home Values



Note: Projected Interest and Sinking ("I&S") Fund Tax Rate Increase assumes the City adopts an I&S Tax Rate of 6.0577 Cents of Year 2018/19.

Projected Monthly I&S Fund Tax Increase For Various Taxable Home Values



Note: Projected Interest and Sinking ("I&S") Fund Tax Rate Increase assumes the City adopts an I&S Tax Rate of 6.0577 Cents of Year 2018/19.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Proposed Budget Fiscal Year 2018-2019

The City has now received the effective tax rate calculation from the County's tax office. The effective tax rate for Fiscal Year 2018-2019 is $0.691118. The rate that would be needed to receive the same amount of property tax revenue that is included in the proposed budget is $0.670204. During this discussion item, we will review the proposed budget, the impacts of the final appraised property values, and potential changes to the proposed budget.

City of Richwood

Proposed Budget Fiscal Year 2018-2019

Focused on the Future

City of RICHWOOD
Rich in History - Focused on the Future

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Phone (979) 265-2082

July 7, 2018

The Honorable Mayor and City Council:

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

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

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

FY 2017-2018 Overview

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

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

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

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

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

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

Council's Vision & Strategic Plan Update

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

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

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

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

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

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

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

Compensation Study & Proposed Pay Plan

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

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

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

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

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

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

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

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

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

General Fund Proposed Budget

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

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General Fund Revenues

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

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

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

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

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

Estimated Change in Richwood Property Taxes

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

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

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

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

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

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

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

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

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

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

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

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

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

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- MuniServices Payments: The Special Services-Miscellaneous budget was increase by $24,000 to account for the payments to MuniServices for the sales tax corrections they have made.
- Compensation Plan: An increase of $16,159 is included in the budget to move employees into their designated spots within the new pay structure. Once the pay scales were created, employees were placed into their appropriate pay scale based off longevity in their position.
- Elections: An additional $6,000 is included to hold bond elections in November 2018.

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

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

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

- Overtime: The budget was increased by $15,236 to more accurately reflect historical expenditures. Overtime in FY 2017-2018 is projected to be about $47,000 over budget. However, we believe that with some changes to staffing policies that next year overtime can be substantially reduced from this year's projected amount.
- Compensation Plan: There is $7,712 included to fund the placement of the department's personnel in their appropriate spot within their pay scales. The bulk of this money would go towards increasing the sergeant's salaries, who this year will receive a salary of $1,508 more than two of the officers.
- Animal Control: The budget has been increased by $4,600. Historically, Richwood has brought our pets to Angleton's shelter at no cost. However, we are anticipating that will soon change and we will either need to start paying Angleton or to find a new place to take unclaimed pets.
- Jail Expense: An increase of $3,540 was included in the budget to fund the software for video magistration, which will allow the judges to conduct some of their business offsite.

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

- Storm/Disaster: This budget was reduced by $86,231. It was only intended for one year to help with the Harvey recovery efforts. There are still adequate contingencies and reserves in the General Fund to address any need that arises.
- City Maintenance: The budget was decreased by $18,320 to better reflect historical expenditures.
- Fire Department: The budget was increased by $14,347 due to an increase in the number of volunteers and a $8,000 increase in our EMS contract.

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Utility Fund Proposed Budget

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

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

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

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

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

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

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

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

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

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Utility Fund Expenditures

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

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

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

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

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

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

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

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Other Funds

Beautification Fund

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

Capital Projects Fund

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

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

Crime Control Prevention District (CCPD) Fund

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

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

Equipment Replacement Fund

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

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

Transportation Fund

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

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

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

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

Conclusion

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

Sincerely,

Michael Coon

Michael Coon
City Manger

EXPENDITURES BY DEPARTMENT

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

General Fund

Revenues

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

MAJOR BUDGET CHANGES

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

Department
Administration

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

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

MAJOR BUDGET CHANGES

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

Department
Administration

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

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

Department
City Maintenance

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

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

MAJOR BUDGET CHANGES

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

Department
City Maintenance

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

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

Department
Streets and Drainage

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

MAJOR BUDGET CHANGES

No changes

Department
Special Revenue

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

MAJOR BUDGET CHANGES

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

Department
Police Department

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

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

MAJOR BUDGET CHANGES

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

Department
Police

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

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

Department
Judicial

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

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

MAJOR BUDGET CHANGES

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

Department
Judicial

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

Department
Fire Department

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

MAJOR BUDGET CHANGES

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

Department
Fire Department

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

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

Department
Parks and Recreation

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

MAJOR BUDGET CHANGES

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

Department
Parks and Recreation

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

Department
Code Enforcement

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

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

MAJOR BUDGET CHANGES

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

Department
Code Enforcement

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

Department
Permitting & Inspections

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

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

MAJOR BUDGET CHANGES

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

Department
Permitting & Inspections

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

Department
Storm/Disaster

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

Department
Transfers

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

MAJOR BUDGET CHANGES

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

General Obligation Debt
Revenues

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

General Obligation Debt Expenditures

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

Water/Sewer Fund
Revenues

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

MAJOR BUDGET CHANGES

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

Department
Water/Sewer

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

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

MAJOR BUDGET CHANGES

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

Department
Water/Sewer

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

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

Revenue Bond Debt
Revenues

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

Revenue Bond Debt
Expenditures

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

MAJOR BUDGET CHANGES

Crime Control and Prevention
Revenues

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

Crime Control and Prevention
Expenditures

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

MAJOR BUDGET CHANGES

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

Utility Capital Improvement Revenues

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

Utility Capital Improvement Expenditures

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

Equipment Replacement Revenues

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

Equipment Replacement Expenditures

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

Capital Projects
Revenues

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

Capital Projects
Expenditures

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

Insurance Contingency
Revenues

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

Insurance Contingency
Expenditures

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

MAJOR BUDGET CHANGES

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

Transportation Fund
Revenues

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

Transportation Fund
Expenditures

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

MAJOR BUDGET CHANGES

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

Beautification
Revenues

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

Beautification
Expenditures

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

MEMORANDUM

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

From: Giani Cantu, City Secretary

Date: August 13, 2018

Subject: Budget public hearing

City Council must schedule and announce the date, time and place of the public hearing concerning the fiscal year 2018-2019 budget.

The public hearing is scheduled for Monday, August 27, 2018 at 6:00 pm here at Richwood City Hall.

RESOLUTION NO. 18-R-07

A RESOLUTION CALLING FOR PUBLIC HEARING ON THE FISCAL YEAR 2018-2019 PROPOSED BUDGET

WHEREAS, on July 9, 2018, the City Manager of the City of Richwood submitted the proposed Budget for the City of Richwood Fiscal Year 2018-2019 to the City Council; and

WHEREAS, on July 9, 2018, the City Manager of the City of Richwood filed with the City Secretary the proposed Budget for the City of Richwood Fiscal Year 2018-2019; and

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

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

That a public hearing on the proposed Budget for the City of Richwood Fiscal Year 2018-2019 is set for August 27, 2018, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

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

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

PASSED AND APPROVED this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu
City Secretary

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Consider and record vote for proposed tax rate of $0.691118, which is the effective rate for the City of Richwood for the 2018-2019 Fiscal Year

City Council needs to take a vote on a proposed tax rate so that the rate can be advertised before the final rate is adopted. The City Council can always adopt a rate lower than the advertised rate of $0.69118, but it cannot adopt a higher rate for Fiscal Year 2018-2019.

2018 Governing Body Summary *

Comparison of This Year's M & O Tax Levy with Last Year's M & O Tax Levy

CITY OF RICHWOOD

Date: 08/01/2018

Last Year's Tax Levy**: $1,687,187

DESCRIPTION OF TAX RATE	TAX RATE PER $100	THIS M & O YEAR'S TAX LEVY***	M & O TAX LEVY INCREASE****
Debt Rate You Must Adopt	$0.060577		
Notice & Hearing Limit*****	$0.691118		
Last Year's Tax Rate as 2018 Tax Rate -8.20% Tax DECREASE	M & O Rate $0.573867 Debt Rate $0.060577 $0.634444	$1,575,718	$-111,469
Effective Tax Rate as 2018 Tax Rate NO TAX INCREASE	M & O Rate $0.630541 Debt Rate $0.060577 $0.691118	$1,731,333	$44,146
Rollback Tax Rate as 2018 Tax Rate 6.68% TAX INCREASE	M & O Rate $0.676733 Debt Rate $0.060577 $0.737310	$1,858,167	$170,980
Proposed Tax Rate			

*These figures are provided as estimates of possible outcomes resulting from varying the tax rate. Please be aware that these are only estimates and should not be used alone in making budgetary decisions.
**Last year's tax levy is calculated using Texas Property Tax Code's definition of "last year's levy".
***This year's tax levies are calculated using line 19 of the Effective Tax Rate Worksheet.
****Tax levy increase is the difference between this year's tax levy and last year's tax levy.
*****The Notice and Hearing Limit is the highest tax rate that may be adopted without notices and a public hearing. It is the lower of the rollback tax rate or the effective tax rate.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider a resolution amending the Fiscal Year 2017-2018 Budget to increase General Fund revenues and expenditures; reduce Equipment Replacement Fund revenues and expenditures and increase Capital Project Fund revenues and expenditures

This budget amendment addresses two primary areas. The first area being addressed is that the 380 Agreement payment to for the two new apartment complexes is being reduced by $95,051 because one of the properties has not met the terms of the agreement. A portion of the savings, $50,000 is being redirected to reimburse the Richwood Volunteer Fire Department for the down payment on the new fire engine. The second area being addressed is that $10,000 is being moved from the server project to the accounting system project.

AMENDMENTS TO ADOPTED BUDGET

Multiple Funds

General Fund	
Revenue	
Adjust 210 Developers 380 Rebate	$95,051
NET INCREASE (DECREASE)	$95,051
Expenditures	
Add Reimbursment to Fire Department for Engine 1 Downpayment	$50,000
Increase Transfer to Capital Projects	$10,000
Decrease Transfer to Equipment Replacement	($10,000)
NET INCREASE (DECREASE)	$50,000
GENERAL FUND REVISED REVENUES	***$3,224,924***
GENERAL FUND REVISED EXPENSES	***$3,179,873***
Equipment Replacement Fund	
Revenue	
Decrease Transfer from General Fund	($10,000)
NET INCREASE (DECREASE)	($10,000)
Expenditures	
Decrease Funds for Server Project	($10,000)
NET INCREASE (DECREASE)	($10,000)
EQUIPMENT REPLACEMENT FUND REVISED REVENUES	***$201,386***
EQUIPMENT REPLACEMENTFUND REVISED EXPENSES	***$201,386***
Capital Projects Fund	
Revenue	
Increase Transfer from General Fund	$10,000
NET INCREASE (DECREASE)	$10,000
Expenditures	
Increase Funds for Accounting Software Project	$10,000
NET INCREASE (DECREASE)	$10,000
EQUIPMENT REPLACEMENT FUND REVISED REVENUES	***$82,095***
EQUIPMENT REPLACEMENTFUND REVISED EXPENSES	***$82,095***

Resolution No. 18-R-06

A RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 BUDGET TO INCREASE GENERAL FUND REVENUES AND EXPENDITURES; REDUCE EQUIPMENT REPLACEMENT FUND REVENUES AND EXPENDITURES; AND INCREASE CAPITAL PROJECT FUND REVENUES AND EXPENDITURES

WHEREAS, the City of Richwood City Council adopted a budget for the City of Richwood, Texas, for the fiscal year 2017-2018 in September 2017;

WHEREAS, the adopted budget authorized an amount of $95,051.00 of property tax reimbursement to 210 Developers per the 380 agreement for East Bank Apartments and the development has failed to meet the requirements of said agreement, therefore, the development is not eligible to receive the budgeted rebate;

WHEREAS, the adopted budget authorized an amount of $75,000.00 for a new server upgrade out of Equipment Replacement Funds, which came in under budget with savings of approximately $40,000.00;

WHEREAS, the adopted budget authorized an amount of $20,000.00 for the purchase of new enterprise software out of the Capital Project Fund, which is anticipated to cost approximately $10,000.00 more than expected;

WHEREAS, it is necessary to amend the budget to reflect a more accurate expected revenues and expenditures in the General, Equipment Replacement and Capital Project Funds.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF RICHWOOD, TEXAS HEREBY AMENDS THE FISCAL YEAR 2017-2018 BUDGET AS FILED WITH THE CITY SECRETARY AS FOLLOWS:

General Fund

Revenue	
Adjust 210 Developers 380 Rebate	$95,051
NET INCREASE (DECREASE)	$95,051
Expenditures	
Add Reimbursment to Fire Department for Engine 1 Downpayment	$50,000
Increase Transfer to Capital Projects	$10,000
Decrease Transfer to Equipment Replacement	($10,000)
NET INCREASE (DECREASE)	$50,000
GENERAL FUND REVISED REVENUES	***$3,224,924***
GENERAL FUND REVISED EXPENSES	***$3,179,873***

Equipment Replacement Fund

Revenue

Decrease Transfer from General Fund	($10,000)
NET INCREASE (DECREASE)	($10,000)
Expenditures	
Decrease Funds for Server Project	($10,000)
NET INCREASE (DECREASE)	($10,000)
EQUIPMENT REPLACEMENT FUND REVISED REVENUES	***$201,386***
EQUIPMENT REPLACEMENTFUND REVISED EXPENSES	***$201,386***

Capital Projects Fund

Revenue	
Increase Transfer from General Fund	$10,000
NET INCREASE (DECREASE)	$10,000
Expenditures	
Increase Funds for Accounting Software Project	$10,000
NET INCREASE (DECREASE)	$10,000
CAPITAL PROJECTS FUND REVISED REVENUES	***$82,095***
CAPITAL PROJECTS FUND REVISED EXPENSES	***$82,095***

PASSED AND APPROVED on this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu, City Secretary

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider an ordinance amending regulations of Indoor Gun Ranges to remove the decibel limits and set parameters that refer to noise ordinance

The current ordinance for indoor gun ranges limits noise being admitted by a range to 40 decibels, which means that Big Kountry Shooting's air conditioning units would be violating the ordinance if the gun range hadn't been granted a variance. The new ordinance removes the 40-decibel limit, refers all noise restrictions to the ones set by the City's noise ordinance, and prohibits indoor gun ranges from being built within 250 feet of existing residential property. The current gun range is just over 400 feet away from residential property.

ORDINANCE 18-429

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, AMENDING ARTICLE XI INCDOOR GUN RANGES TO AMEND SECTION 9-322 SITE SELECTION AND SECTION 9-326 NOISE ATTENUATION TO PROVIDE THAT NOISE REGULATIONS FOR INDOOR GUN RANGES MUST COMPLY WITH SECTION 10-4 NOISE CONTROL OF THE CODE OF ORDINANCES; FINDING THAT ALL PREREQUISITES OF THE LAW HAVE BEEN COMPLIED WITH AS NECESSARY; REPEALING ALL ORDINANCES TO THE EXTENT OF ANY CONFLICT HEREWITH; AND PROVIDING A SAVINGS CLAUSE.

WHEREAS, on September 7, 2016, the City Council of the City of Richwood, Texas, adopted Ordinance 409 enacting and setting regulations for indoor gun ranges; and

WHEREAS, the City Council of the City of Richwood, Texas after reviewing the ordinance further, wishes to amend Section 9-322 Site Selection and Section 9-326 Noise Attenuation, to include but not limited to, specifying distance for site selection; removing any specific noise regulations within the gun range ordinance and reassigning the noise regulation to comply with the City's noise ordinance as shown in Section 10-4 of the City of Richwood code of ordinances.

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

SECTION 1. That Section 9-322. - Site selection is hereby amended to read:

The range must not constitute a nuisance nor a hazard to its contiguous areas. It must be established that:

(1) The owner controls the contiguous areas;

(2) The zoning or natural configurations of the contiguous areas prevents them from being occupied by sensitive areas; or

(3) ~~There will not be more than 40 dB of noise emanating from the range into the contiguous areas.~~ The site must not be within two hundred fifty feet of any existing residential area. The distance shall be measured from property line to property line.

SECTION 2. That Section 9-326. - Noise attenuation is hereby amended to read:

(a) Any noise emanating from the range into contiguous areas must comply with any and all regulations set forth in Section 10-4 Noise Control of the Code of Ordinances. ~~The maximum noise that may escape the range into areas not controlled by the owner is 40 dB.~~

~~(b) Sufficient acoustical treatment shall be provided to reduce the sound level from magnum ammunition by ten dB minimum.~~

(~~e~~b) Acoustical materials subject to splaying shall not be used.

Section 3: That if any provision of this ordinance or application thereof to any person or circumstance is held invalid by any court, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Richwood, Texas, hereby declares that it would have enacted such remaining portions despite any such invalidity.

Section 4: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 5: That this ordinance shall be effective immediately.

Passed and Approved on this 13th day of August, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu, City Secretary

APPROVED AS TO FORM:

_____
Jason Cordoba, City Attorney

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss an ordinance amending Chapter 10 Miscellaneous Provisions and Offenses of the code of ordinances to amend Section 10-4 Noise Control to restructure and set all new regulations to noise control

Staff has prepared a draft of the new noise control ordinance and is requesting feedback from the City Council. After the Council Meeting, staff will incorporate any changes that are requested by the City Council and then send the document to our attorney for one final review.

The draft ordinance recommends establishing a base limit of 55 decibels in residential areas from 7 AM to 10PM, which is the decibel measurement at which the EPA recognizes that a noise may become an annoyance. Otherwise the base for the residential areas will be 50 decibels. The base for commercial areas would be set at 65 decibels.

Under the proposed ordinance, noise disturbances would be measured for 30 minutes and the average reading must be lower than the base amount and it could not be more than 10 decibels higher during any 1-minute period nor could it at any time have a measurement 20 decibels higher than the base. This would provide some allowances for noises that may on occasion be higher than the base level.

It is also important to note that due to the nature of the sound produced that fall under the following categories, they will be measured at a standard 5 decibels lower than the applicable base:

- Stationary sources of sound which emit a pure tone
- Cyclically varying sounds
- Repetitive impulsive sounds

ORDINANCE 18-430

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, AMENDING CHAPTER 10 MISCELLANEOUS PROVISIONS AND OFFENSES OF THE CODE OF ORDINANCES TO AMEND SECTION 10-4 NOISE CONTROL TO RESTRUCTURE AND SET ALL NEW REGULATIONS TO NOISE CONTROL; FINDING THAT ALL PREREQUISITES OF THE LAW HAVE BEEN COMPLIED WITH AS NECESSARY; REPEALING ALL ORDINANCES TO THE EXTENT OF ANY CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE AND PROVIDING A SAVINGS CLAUSE.

WHEREAS, on January 8, 1990, the City Council of the City of Richwood, Texas, adopted Ordinance 237 enacting and setting regulations for noise control; and

WHEREAS, on March 12, 2007, the City Council of the City of Richwood, Texas, adopted Ordinance 237A amending regulations for noise control;

WHEREAS, the City Council of the City of Richwood, Texas now wishes to restructure and set all new regulations for noise control; and

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

SECTION 1. That Section 10-4 Noise Control of the code of ordinances is hereby amended to read:

SECTION 10-4 NOISE CONTROL

The purpose of this section is to set clear and measurable regulations to noise nuisances.

I. Administration and noise measurement.

   a. The noise control program required by this article shall be administered by the building official.

   b. In order to implement and enforce this article and for the general purpose of sound and vibration abatement and control, the building official or their appointed representative shall have the power to, upon presentation of the proper credentials, make necessary inspections and tests with the proper authorization or permission from the owner on any private property or place.

   c. Sound level measurement shall be made with a sound level meter Type II or better using the "A" weighting network in accordance and conforming with the noise

measurements standards promulgated by the American National Standards Institute or its successor body.

II. Environmental sound levels.

a. The following noise standards, unless otherwise specifically indicated, shall apply to all property with a designated land use district.

Table 1
Limiting Sound Levels for
Land Use Districts

Land use district	Time of day Monday— Sunday	Energy equivalent sound levels (Leq)
Residential	10:00 p.m. to 7:00 a.m.	50 dB(A)
	7:00 a.m. to 10:00 p.m.	55 dB(A)
Other	Anytime	65 dB(A)

b. It shall be unlawful for any person at any location in the city to create any noise, or to allow the creation of any noise on property owned, leased, occupied or otherwise controlled by the boundaries of the property on which the noise is produced, or measured within any other residential dwelling unit or commercial space, that interferes with the public peace and comfort of persons of ordinary sensibilities and that exceeds:

i. The noise standard in any measurement period not less than thirty (30) minutes; or

ii. The noise standard plus ten (10) dB(A) in any one (1) minute average of a measurement period; or

iii. The noise standard plus twenty (20) dB(A) at any time in a measurement period.

iv. For the purpose of enforcing these provisions a measurement period shall not be less than thirty (30) minutes.

v. In the event the ambient sound level exceeds the resulting standards, the ambient level shall be the standard.

vi. If the intruding noise source is continuous and cannot reasonably be discontinued or stopped for a time period whereby the ambient sound level can be determined, the measured sound level obtained while the source is in operation shall be compared directly to the applicable standard in the receiving land use district on which the sound is measured.

vii. Correction for character of sound.

1. For any stationary source of sound which emits a pure tone, cyclically varying sound, or repetitive impulsive sound, the limits set forth in Table 1 shall be reduced by five (5) dB(A).

viii. When the land use district design of the property on which the source of sound originates differs from the designation of the property on which the sound is measured, the maximum permissible sound level of the more restrictive land use district designation shall apply.

ix. For sound emitted on public property, the measurement distance shall be fifty (50) feet and the sound level limit for the appropriate land use district shall apply.

III. Noise prohibited.

a. No person shall allow, make or cause to be made any unreasonably loud, disturbing and unnecessary noise in the city which is offensive to an adult person within the city, which noise renders the enjoyment of life or property uncomfortable or interferes with public peace and comfort, nor shall any person allow, make or cause to be made any unreasonably loud, disturbing and unnecessary noise in the city.

b. The following activities, among others but not to exclude other such acts, are declared to create loud, disturbing and unnecessary noises in violation of this article, unless a permit of variance as provided in section 10-4(V) is first obtained, namely:

i. *Animals.* Owning, keeping, possessing, or harboring any animal or animals which, by noise making, disturb or interfere with the peace, comfort, or repose of neighboring residents, or cause a noise disturbance. The provisions of this section shall apply to all public and private facilities including any animal shelter or commercial kennel, which hold or treat animals.

ii. *Radios, television sets, musical instruments, loud speaking amplifiers and similar devices.*

c. The using, operating or permitting to be played, used or operated any sound production or reproduction device, radio receiving set, musical instrument, drums, phonograph, television set, loud speakers and sound amplifiers or other machine or device for the producing or reproducing of sound in such a manner as to violate section 10-4(II) or cause a noise disturbance.

d. The operation of any such radio, instrument, phonograph, television set, machine, loud speakers or similar device between the hours of 10:00 p.m. and 7:00 a.m. in

such a manner as to be plainly audible at a distance of fifty (50) feet from the building structure or vehicle in which it is located, shall be prima facie evidence of a violation of this section.

e. The use of any drum, loudspeaker or other instrument or device for the purpose of attracting attention by the creation of noise to any cause or demonstration; or to any performance, show, sale or display of merchandise so as to attract customers to any place of business.

f. The use of mechanical devices, loudspeakers, sound amplifiers or other instruments or devices on trucks or other moving vehicles for the purpose of attracting attention to any cause or demonstration; or for advertising any show, sale or display of merchandise.

g. *Yelling, shouting, etc.* The yelling, shouting, crying, hooting, whistling or singing of peddlers, hawkers or any other person in a manner that causes a noise disturbance.

h. *Loading operation.* The loading or unloading of any vehicle between the hours of 10:00 p.m. and 7:00 a.m. the following day on any premises in a residential district, or within five hundred (500) feet of any residence in such a manner as to cause a noise disturbance.

i. *Construction work.* Operating or permitting to be operated any equipment used in commercial construction, repair, alteration or demolition work on buildings, structures, streets, alleys or appurtenances thereto which exceed the sound level limits for an other land use as set forth in section 10-4(II) as measured on the property boundary of the receiving land use.

j. *Vehicle repairs or testing.* The repairing, rebuilding, modifying or testing of any motor vehicle (including off-road vehicles) or watercraft on private property, on a public right-of-way, on a public space, or in a quiet zone, between the hours of 10:00 p.m. and 7:00 a.m. the following day in such a manner as to cause a noise disturbance.

k. *Impulsive sources.* Causing impulsive sound sources including, but not limited to the use of fireworks, explosives, the firing of guns or other explosive devices in such a manner as to cause a noise disturbance. This is not intended to preclude any existing ordinances prohibiting such acts.

l. *Powered model mechanical devices.* The flying of model aircraft powered by internal combustion engines, whether tethered or not, or the firing or operating of model rocket vehicles or other similar noise-producing devices, between the hours of 10:00 p.m. and 7:00 a.m. the following day in such a manner as to cause a noise disturbance.

m. *Refuse compacting vehicles.* Operating or permitting to be operated any refuse compacting, processing or collection vehicle or parking lot sweeper between the hours of 10:00 p.m. and 7:00 a.m. the following day in any residential district, or within five hundred (500) feet of any residence in such a manner as to cause a noise disturbance.

n. *Quiet zone.* Creating a noise disturbance within a distance of two hundred and fifty (250) feet of any school, hospital, clinic or other noise sensitive facility, when conspicuous signs are located at such streets indicating that schools, hospitals, clinics or other noise sensitive facilities are adjacent thereto.

o. *Vibration.* Using or causing the use of any device that creates any ground vibration which is perceptible without instruments at any point on or beyond the property boundary of the source if on private property or at fifty (50) feet from the source if on a public space or public right-of-way.

p. *Stationary nonemergency signaling devices.* Sounding or permitting the sounding of any electronically activated or amplified signal from any stationary bell, chime, siren, whistle, or similar device, intended primarily for nonemergency purposes, from any place for more than five (5) minutes during any consecutive sixty-minute period.

q. It shall be unlawful for any person operating or controlling a motor vehicle in any location within the city, to operate a radio, stereo receiver, compact disc player, cassette tape player or other similar device from the motor vehicle in such a manner that the volume is louder than is necessary for the convenient hearing of the occupants of the vehicle in which such device is operated. The operation of such a device in such a manner as to be plainly audible at a distance of thirty (30) feet or in such a manner that the vibration accompanying the sound from the device can be plainly felt at a distance of thirty (30) feet from the vehicle shall be prima facie evidence of a violation of this section.

r. The provisions of this section shall supersede any conflicting provisions contained in this article.

s. The provisions of this section shall not apply to:

   i. An authorized emergency vehicle as defined by the Texas Transportation Code, or

   ii. A motor vehicle used for business or political purposes, properly permitted, which in the normal course of business use sound making devices, or

   iii. Horns or other warning devices required by law, or

   iv. Activities for which a permit of variance has been granted under section 10-4(V).

IV. Exemptions.

a. Definitions. In this section the following terms shall have the meaning set forth below:

   Special event means an event occurring no more than once in a calendar year, being no longer than five (5) days in duration and which complies with all park use permit requirements.

b. The following sources of potentially excessive sound shall be exempt from noise control regulation:

Safety signals, storm warning sirens or horns and the testing of such equipment, emergency vehicles sirens or horns used when responding to an emergency, and emergency pressure relief valves.

c. Sound caused in the performance of emergency or public service work, including public utility operations, acting to protect the health, safety or welfare of the community.

d. Sounds caused by natural phenomena.

e. Public or private school sponsored activities conducted on public playgrounds and public or private school grounds including, but not limited to, school athletic and school entertainment events.

f. Special events conducted on public parks.

V. Permits of variance.

a. The building official is authorized to grant permits for relief of any provision in this chapter on the basis of undue hardship in cases where:

i. The sound source will be of short duration and the activity cannot be conducted in a manner as to comply with this article.

ii. Additional time is necessary for the applicant to alter or modify their activity or operation to comply with this article.

iii. No reasonable alternative is available to the applicant.

iv. An automatic variance will be granted for the purpose of conducting parades or other public events provided that any noise disturbance created by such activity will be abated when such request is made by a city official authorized to enforce this article.

b. The city manager or designated representative may prescribe any reasonable conditions or requirements deemed necessary to minimize adverse effects and may suspend any permit issued for violating any provisions prescribed in the permit of variance.

VI. Appeals.

a. Any applicant who has been denied a permit of variance or any permittee whose permit has been suspended shall have the right to a hearing before the city council.

b. Requests for a hearing shall be made in writing and received by the building official within ten (10) days of the date of the denial or the issuance date of the notice on suspension. The building official shall schedule a hearing before the city council within thirty (30) days of receipt of the request.

c. The city council shall have the authority to review all pertinent files and information regarding the applicant/permittee which are in the custody of the City. Additionally, the city council shall have the authority to accept written and verbal testimony from the building official, applicant, and interested citizens.

d. The city council shall have the authority to assess whether the building official acted properly within their powers under this chapter in their denial or suspension of a permit. The majority vote of the city council shall determine whether to uphold or reject the building official's action. Upholding the action of the building official shall affirm the denial or suspension. Rejection of the building official's action shall automatically grant a permit or reinstate a suspended permit.

e. No person whose permit has been denied or suspended shall create or allow the creation of the noise in dispute prior to final determination by the city council.

VII. Proposed developments.

a. Any person who makes application for a certificate of occupancy or a building permit that may result in the creation of excessive noise or may create a violation of any provision of this chapter shall consult with the building official or their designated representative in conjunction with any such application.

Section 2: That if any provision of this ordinance or application thereof to any person or circumstance is held invalid by any court, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Richwood, Texas, hereby declares that it would have enacted such remaining portions despite any such invalidity.

Section 3: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 6: That this ordinance shall be effective five days after publication.

Passed and Approved on this _____ day of _____, 2018.

_____
Mark Guthrie, Mayor

ATTEST:

_____
Giani Cantu, City Secretary

APPROVED AS TO FORM:

_____
Jason Cordoba, City Attorney

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Discuss and consider extending the variance to Section 10-4 Noise Control for Big Country Shooting

Big Kountry Shooting was granted a variance to the City's noise ordinance while the City is rewriting the ordinance. Staff has completed a draft of the ordinance. However, we do not anticipate the ordinance being adopted until September, which is after the shooting range's variance expiries.

MEMORANDUM

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

From: Michael Coon, City Manager

Date: August 10, 2018

Subject: Review and consider changes to Section 6-4 of the City of Richwood Code of Ordinance regarding Burning within the City limits

After some recent brush fires in Oakwood Shores, the Mayor, Mark Guthrie, has requested that Council discuss and considering changing the ordinance regarding burning within City limits. A copy of the current ordinance is included in this packet.

Sec. 6-4. - Burning within the city limits.

(a) From and after the effective date of this section, 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.

(1) In those areas in town where the lot size is one acre or more, the fire chief, or their designee, may authorize, in writing, outdoor burning for land clearance only providing that the requirements of Texas Commission on Environmental Quality are met and that the fire will be at least 300 feet from any structure.

(2) The applicant must post Section 111.219 of the Title 30 Texas Administrative Code (General Requirements for Allowable Outdoor Burning) and the permission from the City of Richwood on site where it is protected and clearly visible.

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

(4) The authority to burn under this section 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.

(5) 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.

(b) It is an exception to the provisions of this section 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 Chapter 382, or the rules, regulations, or orders of TCEQ or the state natural resource conservation commission. In any prosecution in the municipal court of any other court of competent jurisdiction, the complaint charging a violation of this section need not negate the existence of the foregoing exception; but the existence of the exception may be raised by the defendant in such prosecution by way of defense.

(c) Any person, firm, corporation, association or other entity that violates this section may be fined as provided for in section 1-6 of this Code. Each day of violation shall constitute a separate offense.

(Ord. No. 290, §§ 1—3, 10-9-00; Ord. No. 290A , § 1, 10-14-13; Ord. No. 290B , §§ 1—3, 3-20-2017)

City of Richwood
Operational Budget Report
10 General Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Taxes						
294103 Ad Valorem Taxes	1,374,526.70	20,439.99	1,627,840.86	1,692,127.00	64,286.14	96.20%
294104 Delinquent Taxes	11,370.68	37,610.39	60,769.91	12,000.00	(48,769.91)	506.42%
294105 Penalty & Interest	10,689.29	1,065.44	14,982.21	12,500.00	(2,482.21)	119.86%
294111 Franchise Taxes	157,327.39	30.81	62,562.63	177,189.00	114,626.37	35.31%
294116 Sales Tax - Streets	77,623.73	10,938.99	100,689.71	109,607.00	8,917.29	91.86%
294117 Sales Tax	310,494.72	43,755.94	402,759.14	438,430.00	35,670.86	91.86%
294801 210 Developers 380 Rebate	0.00	0.00	0.00	(242,155.00)	(242,155.00)	0.00%
294802 Crawford Furniture 380 Rebate	0.00	0.00	0.00	(6,381.00)	(6,381.00)	0.00%
Total Taxes	**1,942,032.51**	**113,841.56**	**2,269,604.46**	**2,193,317.00**	**(76,287.46)**	**103.48%**
Licenses and permits						
294106 Licenses & Permits	8,751.38	75.00	7,931.75	10,000.00	2,068.25	79.32%
294107 Building Permits	39,549.50	5,048.73	62,630.84	60,000.00	(2,630.84)	104.38%
294114 Animal Fines/Licenses	155.00	10.00	365.00	200.00	(165.00)	182.50%
Total Licenses and permits	**48,455.88**	**5,133.73**	**70,927.59**	**70,200.00**	**(727.59)**	**101.04%**
Intergovernmental revenue						
294113 Intragovernmental Income	0.00	0.00	7,000.00	0.00	(7,000.00)	0.00%
Total Intergovernmental revenue	**0.00**	**0.00**	**7,000.00**	**0.00**	**(7,000.00)**	**0.00%**
Charges for services						
294118 Municipal Building Rentals	4,752.50	505.00	8,462.50	7,314.00	(1,148.50)	115.70%
Total Charges for services	**4,752.50**	**505.00**	**8,462.50**	**7,314.00**	**(1,148.50)**	**115.70%**
Fines and forfeitures						
294109 Municipal Court	146,319.75	9,973.01	108,327.99	150,000.00	41,672.01	72.22%
Total Fines and forfeitures	**146,319.75**	**9,973.01**	**108,327.99**	**150,000.00**	**41,672.01**	**72.22%**
Special Revenues						
044250 Revenues - Festivals	6,659.00	0.00	2,454.10	7,000.00	4,545.90	35.06%
044251 Revenues - Police Officer Trainin	1,212.67	0.00	1,377.63	1,100.00	(277.63)	125.24%
044253 Revenues - Court Security	(3,404.34)	0.00	1,924.12	3,300.00	1,375.88	58.31%
044254 Revenues - Court Technology	(4,539.17)	0.00	2,565.45	2,000.00	(565.45)	128.27%
044255 Revenues - Bobby Ford Park	3,065.00	0.00	0.00	5,000.00	5,000.00	0.00%
044257 Parks and Recreation	160.00	0.00	0.00	0.00	0.00	0.00%
Total Special Revenues	**3,153.16**	**0.00**	**8,321.30**	**18,400.00**	**10,078.70**	**45.22%**
Interest						
294110 Interest Earnings	4,143.48	1,044.78	9,625.63	3,000.00	(6,625.63)	320.85%
Total Interest	**4,143.48**	**1,044.78**	**9,625.63**	**3,000.00**	**(6,625.63)**	**320.85%**
Miscellaneous revenue						
294112 Miscellaneous Income	28,554.23	1,975.94	44,354.71	30,000.00	(14,354.71)	147.85%
294121 Parks & Recreation	3,675.00	350.00	4,262.50	5,066.00	803.50	84.14%
994112 Miscellaneous Income	0.00	0.00	19,225.89	0.00	(19,225.89)	0.00%
Total Miscellaneous revenue	**32,229.23**	**2,325.94**	**67,843.10**	**35,066.00**	**(32,777.10)**	**193.47%**
Contributions and transfers						
974959 Transfer from Fund Balance	0.00	0.00	0.00	251,750.00	251,750.00	0.00%
974963 Transfer from Utility Fund	0.00	0.00	0.00	400,826.00	400,826.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**652,576.00**	**652,576.00**	**0.00%**
Total Revenue	**2,181,086.51**	**132,824.02**	**2,550,112.57**	**3,129,873.00**	**579,760.43**	**81.48%**
Expenditures						
Administration						
015101 Administrative Expense	24,213.92	60.00	170.00	0.00	(170.00)	0.00%
015102 Contract Labor	14,762.95	3,926.88	27,974.25	3,300.00	(24,674.25)	847.70%
015103 Salaries & Wages	109,162.24	15,813.35	172,470.61	222,651.00	50,180.39	77.46%
015104 Overtime	0.00	0.00	548.69	4,202.00	3,653.31	13.06%
015105 Retirement	18,275.85	1,098.70	10,886.63	40,097.00	29,210.37	27.15%
015107 Medicare	0.00	120.86	120.86	3,322.00	3,201.14	3.64%
015110 Workmen's Compensation Ins	527.39	0.00	851.90	1,050.00	198.10	81.13%
015115 Hospitalization	20,262.63	4,273.89	31,611.43	35,933.00	4,321.57	87.97%
015120 Unemployment Insurance	45.00	0.00	34.10	684.00	649.90	4.99%
015125 Cellphone Allowance	0.00	90.00	900.00	1,080.00	180.00	83.33%
015126 Vehicle Allowance	0.00	450.00	4,500.00	5,400.00	900.00	83.33%
015130 Training & Travel	6,215.81	2,765.49	11,674.96	15,480.00	3,805.04	75.42%
015175 Longevity Pay	0.00	0.00	1,150.00	5,100.00	3,950.00	22.55%

City of Richwood
Operational Budget Report
10 General Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
015180 Certification Pay	0.00	75.00	112.50	900.00	787.50	12.50%
015201 Food	310.28	0.00	1,364.75	2,460.00	1,095.25	55.48%
015210 Office Supplies	23,176.08	37.00	11,994.95	20,936.00	8,941.05	57.29%
015215 Custodial Supplies	991.58	0.00	237.54	1,000.00	762.46	23.75%
015225 Books & Periodicals	117.50	0.00	259.50	885.00	625.50	29.32%
015240 Expendable Operating Supplies	22,819.10	639.26	17,608.65	19,620.00	2,011.35	89.75%
015310 Building & Grounds M&R	12,423.29	0.00	13,913.65	15,000.00	1,086.35	92.76%
015312 Contingency Fund M&R	3,000.00	0.00	0.00	0.00	0.00	0.00%
015320 Office Furniture/Fixture M&R	0.00	0.00	243.99	500.00	256.01	48.80%
015365 Other Equipment M&R	175.96	0.00	0.00	0.00	0.00	0.00%
015410 Electricity	7,361.43	993.39	6,363.64	9,000.00	2,636.36	70.71%
015420 Telephone	1,434.84	539.07	2,076.18	2,040.00	(36.18)	101.77%
015430 Natural Gas	296.62	22.82	402.08	713.00	310.92	56.39%
015510 Elections	0.00	0.00	0.00	4,000.00	4,000.00	0.00%
015550 Information Technology Services	722.40	71.50	2,012.35	20,726.00	18,713.65	9.71%
015556 Contractural Services - Taxes	12,012.94	0.00	12,922.09	13,000.00	77.91	99.40%
015560 Engineering	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
015570 Attorney's Fees	4,931.16	0.00	23,074.02	17,000.00	(6,074.02)	135.73%
015572 Economic Development	1,130.00	0.00	1,174.31	10,000.00	8,825.69	11.74%
015580 Auditor's Fees	19,927.38	14,702.50	37,770.00	25,000.00	(12,770.00)	151.08%
015595 Professional Services	0.00	0.00	12,320.00	0.00	(12,320.00)	0.00%
015640 Insurance - Bldg/Liab/Bond	17,096.27	0.00	17,918.35	20,000.00	2,081.65	89.59%
015660 Dues & Subscriptions	7,903.00	1,241.59	13,424.55	11,161.00	(2,263.55)	120.28%
015685 Publishing & Advertising	3,829.17	967.84	10,802.05	7,995.00	(2,807.05)	135.11%
015695 Special Services - Miscellaneous	0.00	0.00	19,358.81	7,400.00	(11,958.81)	261.61%
015910 Office Equipment	182.00	0.00	0.00	3,500.00	3,500.00	0.00%
015935 Equipment - Time Payments	4,987.53	63.98	2,385.02	4,800.00	2,414.98	49.69%
Total Administration	**338,294.32**	**47,953.12**	**470,632.41**	**556,935.00**	**86,302.59**	**84.50%**
City Maintenance						
025102 Contract Labor	2,082.50	0.00	0.00	2,500.00	2,500.00	0.00%
025103 Salaries & Wages	52,786.19	4,145.20	51,434.06	67,250.00	15,815.94	76.48%
025104 Overtime	0.00	0.00	3,387.72	7,601.00	4,213.28	44.57%
025105 Retirement	5,589.42	226.41	3,293.43	8,556.00	5,262.57	38.49%
025107 Medicare	0.00	21.51	21.51	975.00	953.49	2.21%
025110 Workmen's Compensation Ins	4,618.16	0.00	4,110.29	3,885.00	(225.29)	105.80%
025115 Hospitalization	14,897.10	2,172.21	15,739.91	17,966.00	2,226.09	87.61%
025120 Unemployment Insurance	18.00	0.00	30.26	342.00	311.74	8.85%
025130 Training & Travel	254.00	0.00	70.02	1,500.00	1,429.98	4.67%
025175 Longevity Pay	0.00	0.00	175.00	0.00	(175.00)	0.00%
025190 Uniforms	1,718.99	0.00	994.70	1,600.00	605.30	62.17%
025210 Office Supplies	105.66	0.00	406.62	500.00	93.38	81.32%
025215 Custodial Supplies	465.71	100.82	566.91	700.00	133.09	80.99%
025220 Tools	2,283.85	366.03	2,368.43	2,500.00	131.57	94.74%
025230 Gas, Oil, & Lubricants	7,975.15	1,908.77	6,543.52	8,000.00	1,456.48	81.79%
025240 Expendable Operating Supplies	2,782.47	74.50	1,810.72	3,000.00	1,189.28	60.36%
025245 Dump Charges	4,567.09	852.63	4,832.46	6,000.00	1,167.54	80.54%
025270 Chemicals	45.93	0.00	943.95	2,000.00	1,056.05	47.20%
025310 Building & Grounds M&R	3,904.80	193.13	5,945.38	4,000.00	(1,945.38)	148.63%
025340 Vehicle M&R	6,856.71	1,822.40	10,760.14	6,000.00	(4,760.14)	179.34%
025360 Radio M&R	714.00	0.00	102.00	5,000.00	4,898.00	2.04%
025365 Other Equipment M&R	2,711.09	547.61	7,932.77	4,000.00	(3,932.77)	198.32%
025376 Signs M&R	4,814.68	0.00	1,872.84	2,500.00	627.16	74.91%
025410 Electricity	23,253.01	2,927.44	25,483.60	31,500.00	6,016.40	80.90%
025420 Telephone	5,741.44	0.00	187.36	6,300.00	6,112.64	2.97%
025430 Natural Gas	348.84	0.00	183.95	400.00	216.05	45.99%
025630 Insurance - Motor Vehicles	1,436.61	0.00	2,219.75	2,000.00	(219.75)	110.99%
025640 Insurance - Bldg/Liab/Bond	2,033.73	0.00	2,427.80	4,000.00	1,572.20	60.70%
025660 Dues & Subscriptions	6,622.30	14.06	117.90	9,000.00	8,882.10	1.31%
025685 Publishing & Advertising	0.00	0.00	0.00	500.00	500.00	0.00%
025695 Special Services - Miscellaneous	3,175.00	0.00	0.00	7,300.00	7,300.00	0.00%
025930 Equipment	2,212.90	0.00	0.00	0.00	0.00	0.00%
025935 Equipment - Time Payments	14,298.39	2,212.90	22,239.65	26,554.00	4,314.35	83.75%
Total City Maintenance	**178,313.72**	**17,585.62**	**176,202.65**	**243,929.00**	**67,726.35**	**72.24%**
Streets and Drainage						
035380 Streets M&R	22,034.16	0.00	21,933.98	48,000.00	26,066.02	45.70%
035385 Drainage M&R	3,419.35	0.00	0.00	5,000.00	5,000.00	0.00%

City of Richwood
Operational Budget Report
10 General Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
035560 Engineering	0.00	0.00	0.00	5,000.00	5,000.00	0.00%
035965 Street Projects	20,588.12	73,565.82	87,520.15	60,000.00	(27,520.15)	145.87%
035975 Drainage	1,789.06	0.00	0.00	7,000.00	7,000.00	0.00%
Total Streets and Drainage	**47,830.69**	**73,565.82**	**109,454.13**	**125,000.00**	**15,545.87**	**87.56%**
Deferred Revenue Accounts						
045290 Festivals	4,397.19	0.00	2,451.11	7,000.00	4,548.89	35.02%
045291 Expenditures - Police Training	250.00	0.00	0.00	1,100.00	1,100.00	0.00%
045293 Expendtirues - Court Security	119.20	2,604.90	3,131.09	3,300.00	168.91	94.88%
045294 Expenditures - Court Tech	2,328.57	769.68	2,610.19	2,000.00	(610.19)	130.51%
045295 Expenditures - Bobby Ford Park	0.00	0.00	0.00	5,000.00	5,000.00	0.00%
045297 Parks and Recreation	0.00	0.00	684.13	0.00	(684.13)	0.00%
Total Deferred Revenue Accounts	**7,094.96**	**3,374.58**	**8,876.52**	**18,400.00**	**9,523.48**	**48.24%**
Police Department						
055103 Salaries & Wages	471,515.02	40,927.30	427,582.06	525,707.00	98,124.94	81.33%
055104 Overtime	0.00	4,915.62	77,886.26	13,224.00	(64,662.26)	588.98%
055105 Retirement	47,313.90	3,310.23	26,054.78	64,352.00	38,297.22	40.49%
055107 Medicare	0.00	373.18	373.18	7,631.00	7,257.82	4.89%
055110 Workmen's Compensation Ins	10,817.09	0.00	19,689.09	24,547.00	4,857.91	80.21%
055115 Hospitalization	64,153.42	11,325.70	79,086.63	80,848.00	1,761.37	97.82%
055120 Unemployment Insurance	238.62	263.94	458.37	1,539.00	1,080.63	29.78%
055125 Cellphone Allowance	0.00	45.00	427.50	540.00	112.50	79.17%
055130 Training & Travel	4,944.16	15.00	4,742.39	11,300.00	6,557.61	41.97%
055175 Education Incentive	6,500.00	250.00	1,900.00	0.00	(1,900.00)	0.00%
055180 Certification Pay	0.00	325.00	7,250.00	8,400.00	1,150.00	86.31%
055190 Uniforms	2,764.07	232.94	4,971.23	3,800.00	(1,171.23)	130.82%
055201 Food	0.00	0.00	636.99	1,850.00	1,213.01	34.43%
055210 Office Supplies	11,461.82	0.00	2,108.06	4,600.00	2,491.94	45.83%
055215 Custodial Supplies	0.00	0.00	10.20	0.00	(10.20)	0.00%
055220 Tools	663.86	0.00	379.96	1,816.00	1,436.04	20.92%
055230 Gas, Oil, & Lubricants	21,672.18	2,856.08	28,964.90	30,208.00	1,243.10	95.88%
055240 Expendable Operating Supplies	3,521.06	99.00	1,155.60	630.00	(525.60)	183.43%
055287 Community Outreach	0.00	0.00	950.66	0.00	(950.66)	0.00%
055310 Building & Grounds M&R	2.37	0.00	81.50	0.00	(81.50)	0.00%
055320 Office Furniture/Fixture M&R	0.00	0.00	29.97	0.00	(29.97)	0.00%
055340 Vehicle M&R	6,787.64	999.96	4,727.49	11,000.00	6,272.51	42.98%
055350 Radar M&R	320.00	0.00	379.74	400.00	20.26	94.94%
055360 Radio M&R	0.00	0.00	2,040.00	2,540.00	500.00	80.31%
055365 Other Equipment M&R	1,964.93	0.00	900.90	940.00	39.10	95.84%
055420 Telephone	4,668.47	1,076.89	7,467.69	11,772.00	4,304.31	63.44%
055540 Dispatch Services	32,250.00	10,750.00	43,000.00	45,000.00	2,000.00	95.56%
055542 Jail Expense	2,479.67	0.00	945.33	4,500.00	3,554.67	21.01%
055550 Information Technology Services	0.00	506.00	2,769.52	1,560.00	(1,209.52)	177.53%
055558 Animal Control	242.62	551.43	868.08	7,400.00	6,531.92	11.73%
055570 Attorney's Fees	1,225.71	0.00	2,735.00	5,000.00	2,265.00	54.70%
055630 Insurance - Motor Vehicles	6,079.38	0.00	6,521.50	6,100.00	(421.50)	106.91%
055640 Insurance - Bldg/Liab/Bond	5,816.34	0.00	6,082.30	6,500.00	417.70	93.57%
055660 Dues & Subscriptions	968.24	100.00	5,241.04	7,092.00	1,850.96	73.90%
055685 Publishing & Advertising	2,066.86	0.00	125.00	2,220.00	2,095.00	5.63%
055695 Special Services - Miscellaneous	7,664.17	0.00	2,431.54	1,000.00	(1,431.54)	243.15%
055930 Equipment	(1,220.80)	0.00	0.00	0.00	0.00	0.00%
055935 Equipment - Time Payments	1,068.00	167.76	3,072.97	1,613.00	(1,459.97)	190.51%
055975 Drainage	0.00	0.00	0.00	23,540.00	23,540.00	0.00%
Total Police Department	**717,948.80**	**79,091.03**	**774,047.43**	**919,169.00**	**145,121.57**	**84.21%**
Judicial						
065103 Salaries & Wages	66,954.23	6,629.89	67,786.44	81,327.00	13,540.56	83.35%
065104 Overtime	0.00	0.00	92.36	1,000.00	907.64	9.24%
065105 Retirement	8,389.60	450.15	3,887.66	8,587.00	4,699.34	45.27%
065107 Medicare	0.00	50.87	50.87	1,211.00	1,160.13	4.20%
065110 Workmen's Compensation Ins	355.99	0.00	93.93	370.00	276.07	25.39%
065115 Hospitalization	14,177.90	2,834.80	17,914.64	17,966.00	51.36	99.71%
065120 Unemployment Insurance	177.84	23.70	102.63	684.00	581.37	15.00%
065130 Training & Travel	1,905.63	76.71	3,113.45	2,500.00	(613.45)	124.54%
065175 Longevity Pay	0.00	0.00	250.00	0.00	(250.00)	0.00%
065180 Certification Pay	0.00	50.00	75.00	1,200.00	1,125.00	6.25%
065201 Food	0.00	0.00	56.03	0.00	(56.03)	0.00%

City of Richwood
Operational Budget Report
10 General Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
065210 Office Supplies	5,049.83	117.01	1,858.70	5,200.00	3,341.30	35.74%
065225 Books & Periodicals	0.00	0.00	205.95	0.00	(205.95)	0.00%
065240 Expendable Operating Supplies	223.49	0.00	393.06	500.00	106.94	78.61%
065550 Information Technology Services	0.00	0.00	82.50	0.00	(82.50)	0.00%
065565 Jury Expense	0.00	0.00	0.00	500.00	500.00	0.00%
065570 Attorney's Fees	7,927.02	1,203.45	10,918.45	9,500.00	(1,418.45)	114.93%
065660 Dues & Subscriptions	222.00	259.95	3,279.31	200.00	(3,079.31)	1,639.66%
Total Judicial	**105,383.53**	**11,696.53**	**110,160.98**	**130,745.00**	**20,584.02**	**84.26%**
Fire Department						
075106 Pension	12,224.85	0.00	14,628.00	13,860.00	(768.00)	105.54%
075110 Workmen's Compensation Ins	276.74	0.00	3,882.29	660.00	(3,222.29)	588.23%
075130 Training & Travel	296.18	0.00	0.00	500.00	500.00	0.00%
075190 Uniforms	4,715.38	9,255.00	10,897.50	7,500.00	(3,397.50)	145.30%
075210 Office Supplies	51.64	223.99	2,148.16	1,500.00	(648.16)	143.21%
075220 Tools	4,410.00	0.00	8,280.40	12,000.00	3,719.60	69.00%
075230 Gas, Oil, & Lubricants	1,788.35	39.13	1,992.16	3,000.00	1,007.84	66.41%
075240 Expendable Operating Supplies	302.04	0.00	0.00	0.00	0.00	0.00%
075285 Fire Prevention Supplies	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
075310 Building & Grounds M&R	10,775.35	0.00	7,036.51	8,000.00	963.49	87.96%
075340 Vehicle M&R	534.29	848.24	3,747.38	6,000.00	2,252.62	62.46%
075360 Radio M&R	419.95	0.00	0.00	500.00	500.00	0.00%
075410 Electricity	1,146.86	121.58	1,003.71	2,250.00	1,246.29	44.61%
075420 Telephone	1,858.24	227.06	2,054.68	2,200.00	145.32	93.39%
075430 Natural Gas	186.11	21.92	364.42	300.00	(64.42)	121.47%
075566 Contractural Services - Ambulan	56,250.00	0.00	37,500.00	85,000.00	47,500.00	44.12%
075630 Insurance - Motor Vehicles	4,678.08	0.00	5,336.00	4,700.00	(636.00)	113.53%
075640 Insurance - Bldg/Liab/Bond	3,150.70	0.00	3,169.37	4,000.00	830.63	79.23%
075660 Dues & Subscriptions	2,708.00	0.00	2,688.00	2,800.00	112.00	96.00%
075930 Equipment	10,642.13	0.00	0.00	0.00	0.00	0.00%
075935 Equipment - Time Payments	7,331.94	0.00	7,331.94	8,000.00	668.06	91.65%
075962 Transfer to Replacement	0.00	0.00	27,664.00	27,664.00	0.00	100.00%
Total Fire Department	**123,746.83**	**10,736.92**	**139,724.52**	**191,434.00**	**51,709.48**	**72.99%**
Parks and Recreation						
085210 Office Supplies	181.32	0.00	0.00	0.00	0.00	0.00%
085215 Custodial Supplies	896.58	0.00	667.96	1,500.00	832.04	44.53%
085240 Expendable Operating Supplies	209.24	0.00	0.00	1,000.00	1,000.00	0.00%
085270 Chemicals	1,842.98	0.00	992.50	2,000.00	1,007.50	49.63%
085310 Building & Grounds M&R	13,716.76	1,507.97	24,249.55	15,000.00	(9,249.55)	161.66%
085365 Other Equipment M&R	6,693.46	1.20	1,842.95	7,500.00	5,657.05	24.57%
085410 Electricity	698.89	164.74	1,692.34	1,694.00	1.66	99.90%
085640 Insurance - Bldg/Liab/Bond	1,747.07	0.00	2,103.26	3,800.00	1,696.74	55.35%
085685 Publishing & Advertising	1,649.18	0.00	0.00	1,500.00	1,500.00	0.00%
085850 Beautification	27.34	0.00	348.00	0.00	(348.00)	0.00%
085851 Parks & Recreation	5,753.72	0.00	2,228.28	7,000.00	4,771.72	31.83%
Total Parks and Recreation	**33,416.54**	**1,673.91**	**34,124.84**	**40,994.00**	**6,869.16**	**83.24%**
Code Enforcement						
095103 Salaries & Wages	23,723.75	2,479.73	26,110.56	32,136.00	6,025.44	81.25%
095104 Overtime	0.00	0.00	110.09	300.00	189.91	36.70%
095105 Retirement	3,843.25	190.58	1,707.61	3,707.00	1,999.39	46.06%
095107 Medicare	0.00	21.51	21.51	466.00	444.49	4.62%
095110 Workmen's Compensation Ins	216.40	0.00	360.54	146.00	(214.54)	246.95%
095115 Hospitalization	5,701.66	1,419.94	8,987.38	8,983.00	(4.38)	100.05%
095120 Unemployment Insurance	124.52	0.00	9.00	171.00	162.00	5.26%
095130 Training & Travel	614.15	0.00	0.00	1,000.00	1,000.00	0.00%
095175 Education Incentive	0.00	0.00	125.00	0.00	(125.00)	0.00%
095210 Office Supplies	651.46	0.00	284.52	1,000.00	715.48	28.45%
095215 Custodial Supplies	6.99	0.00	0.00	0.00	0.00	0.00%
095220 Tools	22.28	0.00	0.00	1,000.00	1,000.00	0.00%
095240 Expendable Operating Supplies	459.61	78.00	130.00	0.00	(130.00)	0.00%
095320 Office Furniture/Fixture M&R	644.65	0.00	0.00	600.00	600.00	0.00%
095340 Vehicle M&R	1,000.78	0.00	15.00	0.00	(15.00)	0.00%
095550 Information Technology Services	0.00	0.00	143.00	0.00	(143.00)	0.00%
095570 Attorney's Fees	390.00	0.00	786.56	2,500.00	1,713.44	31.46%
095595 Professional Services	370.64	0.00	0.00	0.00	0.00	0.00%
095660 Dues & Subscriptions	99.00	0.00	0.00	500.00	500.00	0.00%

City of Richwood
Operational Budget Report
10 General Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
095685 Publishing & Advertising	289.32	0.00	0.00	500.00	500.00	0.00%
Total Code Enforcement	**38,158.46**	**4,189.76**	**38,790.77**	**53,009.00**	**14,218.23**	**73.18%**
Permitting & Inspections						
105102 Contract Labor	550.00	675.00	7,450.00	4,500.00	(2,950.00)	165.56%
105103 Salaries & Wages	43,372.10	4,600.28	46,002.62	61,992.00	15,989.38	74.21%
105105 Retirement	4,252.50	307.56	2,344.23	7,147.00	4,802.77	32.80%
105107 Medicare	0.00	33.38	33.38	907.00	873.62	3.68%
105110 Workmen's Compensation Ins	0.00	0.00	0.00	638.00	638.00	0.00%
105115 Hospitalization	7,035.24	1,470.36	9,042.00	8,983.00	(59.00)	100.66%
105120 Unemployment Insurance	9.00	0.00	8.99	171.00	162.01	5.26%
105125 Cellphone Allowance	0.00	45.00	450.00	540.00	90.00	83.33%
105130 Training & Travel	111.00	432.63	432.63	1,800.00	1,367.37	24.04%
105175 Longevity Pay	0.00	0.00	450.00	0.00	(450.00)	0.00%
105190 Uniforms	0.00	0.00	0.00	200.00	200.00	0.00%
105210 Office Supplies	7.50	0.00	51.10	100.00	48.90	51.10%
105220 Tools	0.00	0.00	0.00	500.00	500.00	0.00%
105230 Gas, Oil, & Lubricants	426.49	162.71	1,953.19	5,000.00	3,046.81	39.06%
105240 Expendable Operating Supplies	0.00	0.00	245.26	0.00	(245.26)	0.00%
105340 Vehicle M&R	93.98	0.00	411.26	2,000.00	1,588.74	20.56%
105360 Radio M&R	102.00	0.00	102.00	110.00	8.00	92.73%
105570 Attorney's Fees	0.00	0.00	2,186.56	500.00	(1,686.56)	437.31%
105595 Professional Services	0.00	0.00	2,805.00	3,200.00	395.00	87.66%
105630 Insurance - Motor Vehicles	0.00	0.00	1,521.16	500.00	(1,021.16)	304.23%
105660 Dues & Subscriptions	830.89	1,051.53	11,399.07	10,800.00	(599.07)	105.55%
Total Permitting & Inspections	**56,790.70**	**8,778.45**	**86,888.45**	**109,588.00**	**22,699.55**	**79.29%**
Emergency/Disaster						
995102 Contract Labor	0.00	0.00	12,737.80	0.00	(12,737.80)	0.00%
995220 Tools	0.00	0.00	1,339.22	0.00	(1,339.22)	0.00%
995240 Expendable Operating Supplies	0.00	0.00	72.93	0.00	(72.93)	0.00%
995245 Dump Charges	0.00	0.00	0.00	35,000.00	35,000.00	0.00%
995310 Building & Grounds M&R	0.00	0.00	87.84	0.00	(87.84)	0.00%
995365 Other Equipment M&R	0.00	0.00	5,768.24	0.00	(5,768.24)	0.00%
995595 Professional Services	0.00	0.00	24,700.00	51,231.00	26,531.00	48.21%
Total Emergency/Disaster	**0.00**	**0.00**	**44,706.03**	**86,231.00**	**41,524.97**	**51.84%**
Transfers						
985950 Contingency Fund	0.00	0.00	0.00	74,144.00	74,144.00	0.00%
985960 Transfer to Capital Projects	0.00	0.00	0.00	72,095.00	72,095.00	0.00%
985961 Transfer to Water/Sewer	0.00	0.00	0.00	401,590.00	401,590.00	0.00%
985962 Transfer to Replacement	0.00	0.00	0.00	105,610.00	105,610.00	0.00%
985963 Transfer to General Fund	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
Total Transfers	**0.00**	**0.00**	**0.00**	**654,439.00**	**654,439.00**	**0.00%**
Total Expenditures	**1,646,978.55**	**258,645.74**	**1,993,608.73**	**3,129,873.00**	**1,136,264.27**	**63.70%**
Total Change In Net Position	**534,107.96**	**(125,821.72)**	**556,503.84**	**0.00**	**(556,503.84)**	**0.00%**

City of Richwood
Operational Budget Report
11 Capital Improvements - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Interest						
554110 Interest Earnings	218.91	43.62	480.94	200.00	(280.94)	240.47%
Total Interest	**218.91**	**43.62**	**480.94**	**200.00**	**(280.94)**	**240.47%**
Contributions and transfers						
974966 Transfer from Utility Fund	0.00	0.00	0.00	95,855.00	95,855.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**95,855.00**	**95,855.00**	**0.00%**
Total Revenue	**218.91**	**43.62**	**480.94**	**96,055.00**	**95,574.06**	**0.50%**
Expenditures						
Capital Improvements						
555560 Engineering	0.00	0.00	0.00	75,000.00	75,000.00	0.00%
555915 Capital Expenditures	0.00	0.00	780.47	20,855.00	20,074.53	3.74%
Total Capital Improvements	**0.00**	**0.00**	**780.47**	**95,855.00**	**95,074.53**	**0.81%**
Total Expenditures	**0.00**	**0.00**	**780.47**	**95,855.00**	**95,074.53**	**0.81%**
Total Change In Net Position	**218.91**	**43.62**	**(299.53)**	**200.00**	**499.53**	**-149.77%**

City of Richwood
Operational Budget Report
12 Insurance - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Interest						
534110 Interest Earnings	49.73	33.34	49.98	0.00	(49.98)	0.00%
Total Interest	**49.73**	**33.34**	**49.98**	**0.00**	**(49.98)**	**0.00%**
Total Revenue	**49.73**	**33.34**	**49.98**	**0.00**	**(49.98)**	**0.00%**
Total Change In Net Position	**49.73**	**33.34**	**49.98**	**0.00**	**(49.98)**	**0.00%**

City of Richwood
Operational Budget Report
13 Replacement - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Interest						
524110 Interest Earnings	105.34	21.82	155.97	0.00	(155.97)	0.00%
Total Interest	**105.34**	**21.82**	**155.97**	**0.00**	**(155.97)**	**0.00%**
Miscellaneous revenue						
524112 Miscellaneous Income	1,700.00	0.00	7,537.50	0.00	(7,537.50)	0.00%
Total Miscellaneous revenue	**1,700.00**	**0.00**	**7,537.50**	**0.00**	**(7,537.50)**	**0.00%**
Contributions and transfers						
974962 Transfer from General Fund	0.00	0.00	0.00	105,610.00	105,610.00	0.00%
974967 Transfer from Utility Fund	0.00	0.00	0.00	105,776.00	105,776.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**211,386.00**	**211,386.00**	**0.00%**
Total Revenue	**1,805.34**	**21.82**	**7,693.47**	**211,386.00**	**203,692.53**	**3.64%**
Expenditures						
Replacement						
525920 Motor Vehicles	0.00	0.00	33,566.00	76,387.00	42,821.00	43.94%
525930 Equipment	0.00	1,075.00	86,702.00	134,999.00	48,297.00	64.22%
Total Replacement	**0.00**	**1,075.00**	**120,268.00**	**211,386.00**	**91,118.00**	**56.89%**
Total Expenditures	**0.00**	**1,075.00**	**120,268.00**	**211,386.00**	**91,118.00**	**56.89%**
Total Change In Net Position	**1,805.34**	**(1,053.18)**	**(112,574.53)**	**0.00**	**112,574.53**	**0.00%**

City of Richwood
Operational Budget Report
15 Crime Control and Prevention - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Taxes						
604117 Sales Tax	76,100.03	10,816.34	99,614.93	109,607.00	9,992.07	90.88%
Total Taxes	**76,100.03**	**10,816.34**	**99,614.93**	**109,607.00**	**9,992.07**	**90.88%**
Interest						
604110 Interest Earnings	162.58	72.94	409.36	0.00	(409.36)	0.00%
Total Interest	**162.58**	**72.94**	**409.36**	**0.00**	**(409.36)**	**0.00%**
Contributions and transfers						
974959 Transfer from Fund Balance	0.00	0.00	0.00	7,558.00	7,558.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**7,558.00**	**7,558.00**	**0.00%**
Total Revenue	**76,262.61**	**10,889.28**	**100,024.29**	**117,165.00**	**17,140.71**	**85.37%**
Expenditures						
Crime Control and Prevention						
605103 Salaries & Wages	15,470.00	4,851.01	6,795.01	76,655.00	69,859.99	8.86%
605105 Retirement	0.00	2.35	25.92	8,762.00	8,736.08	0.30%
605107 Medicare	0.00	6.00	6.00	1,111.00	1,105.00	0.54%
605110 Workmen's Compensation Ins	0.00	0.00	0.00	3,342.00	3,342.00	0.00%
605115 Insurance	0.00	663.62	663.62	8,983.00	8,319.38	7.39%
605120 Unemployment Insurance	0.00	17.33	87.30	1,160.00	1,072.70	7.53%
605130 Training & Travel	0.00	0.00	0.00	900.00	900.00	0.00%
605190 Uniforms	4,093.05	0.00	80.50	1,007.00	926.50	7.99%
605220 Tools	1,663.10	0.00	0.00	0.00	0.00	0.00%
605550 Information Technology Services	1,216.16	0.00	0.00	0.00	0.00	0.00%
605920 Motor Vehicles	73,841.72	0.00	0.00	0.00	0.00	0.00%
605930 Equipment	5,020.00	0.00	0.00	2,745.00	2,745.00	0.00%
605975 Drainage	0.00	0.00	0.00	12,500.00	12,500.00	0.00%
Total Crime Control and Prevention	**101,304.03**	**5,540.31**	**7,658.35**	**117,165.00**	**109,506.65**	**6.54%**
Total Expenditures	**101,304.03**	**5,540.31**	**7,658.35**	**117,165.00**	**109,506.65**	**6.54%**
Total Change In Net Position	**(25,041.42)**	**5,348.97**	**92,365.94**	**0.00**	**(92,365.94)**	**0.00%**

City of Richwood
Operational Budget Report
16 General Fund Contingency - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Contributions and transfers						
974950 Transfer from General Fund	0.00	0.00	0.00	74,144.00	74,144.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**74,144.00**	**74,144.00**	**0.00%**
Total Revenue	**0.00**	**0.00**	**0.00**	**74,144.00**	**74,144.00**	**0.00%**
Total Change In Net Position	**0.00**	**0.00**	**0.00**	**74,144.00**	**74,144.00**	**0.00%**

City of Richwood
Operational Budget Report
20 Beautification - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Charges for services						
614124 Beautification Revenues	6,912.79	0.00	7,072.31	13,800.00	6,727.69	51.25%
Total Charges for services	**6,912.79**	**0.00**	**7,072.31**	**13,800.00**	**6,727.69**	**51.25%**
Contributions and transfers						
974959 Transfer from Fund Balance	0.00	0.00	0.00	1,200.00	1,200.00	0.00%
974963 Transfer from Utility Fund	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**2,200.00**	**2,200.00**	**0.00%**
Total Revenue	**6,912.79**	**0.00**	**7,072.31**	**16,000.00**	**8,927.69**	**44.20%**
Expenditures						
Beautification						
615102 Contract Labor	7,025.00	1,025.00	6,750.00	8,500.00	1,750.00	79.41%
615130 Training & Travel	1,011.77	0.00	0.00	1,600.00	1,600.00	0.00%
615210 Office Supplies	24.85	0.00	0.00	100.00	100.00	0.00%
615220 Tools	0.00	0.00	0.00	500.00	500.00	0.00%
615240 Expendable Operating Supplies	820.92	0.00	13.78	1,500.00	1,486.22	0.92%
615310 Building & Grounds M&R	1,540.00	0.00	987.53	2,000.00	1,012.47	49.38%
615660 Dues & Subscriptions	637.00	0.00	647.00	800.00	153.00	80.88%
615685 Publishing & Advertising	390.00	0.00	74.00	1,000.00	926.00	7.40%
615695 Special Services - Miscellaneous	201.94	0.00	0.00	0.00	0.00	0.00%
Total Beautification	**11,651.48**	**1,025.00**	**8,472.31**	**16,000.00**	**7,527.69**	**52.95%**
Total Expenditures	**11,651.48**	**1,025.00**	**8,472.31**	**16,000.00**	**7,527.69**	**52.95%**
Total Change In Net Position	**(4,738.69)**	**1,025.00**	**(1,400.00)**	**0.00**	**1,400.00**	**0.00%**

City of Richwood
Operational Budget Report
25 Transportation Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Charges for services						
404125 Transportation Fee	81,817.48	0.00	0.00	105,000.00	105,000.00	0.00%
Total Charges for services	**81,817.48**	**0.00**	**0.00**	**105,000.00**	**105,000.00**	**0.00%**
Interest						
404110 Interest Earnings	477.20	109.97	906.32	0.00	(906.32)	0.00%
Total Interest	**477.20**	**109.97**	**906.32**	**0.00**	**(906.32)**	**0.00%**
Total Revenue	**82,294.68**	**109.97**	**906.32**	**105,000.00**	**104,093.68**	**0.86%**
Expenditures						
Transportation						
405380 Streets M&R	4,839.42	0.00	0.00	30,000.00	30,000.00	0.00%
405382 Sidewalks M&R	80.99	8,121.90	8,121.90	50,000.00	41,878.10	16.24%
405385 Drainage M&R	7,395.80	0.00	4,748.40	25,000.00	20,251.60	18.99%
Total Transportation	**12,316.21**	**8,121.90**	**12,870.30**	**105,000.00**	**92,129.70**	**12.26%**
Total Expenditures	**12,316.21**	**8,121.90**	**12,870.30**	**105,000.00**	**92,129.70**	**12.26%**
Total Change In Net Position	**69,978.47**	**(8,011.93)**	**(11,963.98)**	**0.00**	**11,963.98**	**0.00%**

City of Richwood
Operational Budget Report
30 Water & Sewer Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Income or Expense						
Income From Operations						
Operating income						
254410 Water Fees	33,032.40	0.00	0.00	0.00	0.00	0.00%
254420 Sewer Fees	23,379.40	0.00	0.00	0.00	0.00	0.00%
304112 Miscellaneous Income	21,946.48	109.54	3,154.16	6,000.00	2,845.84	52.57%
304123 Other Revenues	0.00	200.70	586.77	0.00	(586.77)	0.00%
304410 Water Fees	562,871.98	90,732.09	707,973.68	913,860.00	205,886.32	77.47%
304411 Water Discounts	0.00	(1,515.00)	(1,515.00)	(28,290.00)	(26,775.00)	5.36%
304420 Sewer Fees	485,846.28	80,590.89	634,405.03	820,058.00	185,652.97	77.36%
304421 Sewer Discounts	0.00	(1,462.50)	(1,462.50)	(22,994.00)	(21,531.50)	6.36%
304422 Reclaimed Water Sales	0.00	0.00	0.00	12,500.00	12,500.00	0.00%
304430 Delinquent Charges	19,966.30	4,198.25	17,774.99	23,000.00	5,225.01	77.28%
304440 Water Taps	8,748.00	856.00	12,094.00	14,050.00	1,956.00	86.08%
304450 Sewer Taps	1,000.00	0.00	1,150.00	2,000.00	850.00	57.50%
304460 Reconnect Fees	2,683.83	1,016.97	8,923.36	2,150.00	(6,773.36)	415.04%
304470 Garbage Receipts	29,983.14	704.11	196,511.80	281,396.00	84,884.20	69.83%
Total Operating income	**1,189,457.81**	**175,431.05**	**1,579,596.29**	**2,023,730.00**	**444,133.71**	**78.05%**
Operating expense						
215102 Contract Labor	0.00	441.70	441.70	1,000.00	558.30	44.17%
215103 Salaries & Wages	185,598.51	16,082.43	141,938.79	234,792.00	92,853.21	60.45%
215104 Overtime	0.00	928.14	12,882.39	15,000.00	2,117.61	85.88%
215105 Retirement	15,033.75	1,256.82	8,517.31	28,612.00	20,094.69	29.77%
215107 Medicare	0.00	251.26	251.26	3,412.00	3,160.74	7.36%
215110 Workmen's Compensation Ins	3,762.15	0.00	4,722.06	14,244.00	9,521.94	33.15%
215115 Hospitalization	26,770.06	6,343.76	36,827.72	53,189.00	16,361.28	69.24%
215120 Unemployment Insurance	150.17	0.00	45.18	1,972.00	1,926.82	2.29%
215125 Cellphone Allowance	0.00	45.00	450.00	540.00	90.00	83.33%
215130 Training & Travel	2,301.59	781.57	3,610.41	4,000.00	389.59	90.26%
215175 Longevity Pay	0.00	0.00	525.00	0.00	(525.00)	0.00%
215180 Certification Pay	0.00	100.00	1,200.00	2,100.00	900.00	57.14%
215190 Uniforms	2.16	0.00	150.00	662.00	512.00	22.66%
215210 Office Supplies	7,541.40	279.86	6,400.35	6,000.00	(400.35)	106.67%
215215 Custodial Supplies	54.18	0.00	10.20	300.00	289.80	3.40%
215220 Tools	896.19	0.00	6,823.38	2,000.00	(4,823.38)	341.17%
215230 Gas, Oil, & Lubricants	9,629.20	692.37	9,095.25	15,000.00	5,904.75	60.64%
215240 Expendable Operating Supplies	3,302.80	87.31	2,459.42	2,200.00	(259.42)	111.79%
215270 Chemicals	6,699.65	563.30	6,895.69	7,500.00	604.31	91.94%
215310 Building & Grounds M&R	2,886.30	0.00	2,250.00	2,000.00	(250.00)	112.50%
215320 Office Furniture/Fixture M&R	773.37	0.00	0.00	0.00	0.00	0.00%
215340 Vehicle M&R	8,531.72	1,624.18	3,034.80	3,000.00	(34.80)	101.16%
215360 Radio M&R	0.00	0.00	612.00	204.00	(408.00)	300.00%
215365 Other Equipment M&R	481.94	0.00	2,677.89	0.00	(2,677.89)	0.00%
215390 Water Lines M&R	35,319.95	7,600.47	45,956.82	45,000.00	(956.82)	102.13%
215392 Sewer Lines M&R	80,041.03	1,225.85	52,708.36	72,200.00	19,491.64	73.00%
215410 Electricity	34,316.50	3,526.00	33,069.78	47,000.00	13,930.22	70.36%
215420 Telephone	1,594.74	62.99	7,969.70	2,500.00	(5,469.70)	318.79%
215430 Natural Gas	0.00	0.00	190.86	600.00	409.14	31.81%
215505 Lease expense	101,614.25	0.00	68,402.50	137,252.00	68,849.50	49.84%
215550 Information Technology Services	0.00	0.00	6,750.00	0.00	(6,750.00)	0.00%
215560 Engineering	7,010.00	0.00	74.00	2,500.00	2,426.00	2.96%
215570 Attorney's Fees	0.00	0.00	2,143.50	0.00	(2,143.50)	0.00%
215595 Professional Services	0.08	0.00	34,941.20	0.00	(34,941.20)	0.00%
215630 Insurance - Motor Vehicles	1,436.61	0.00	3,116.25	2,875.00	(241.25)	108.39%
215640 Insurance - Bldg/Liab/Bond	22,505.14	0.00	24,990.17	25,000.00	9.83	99.96%
215660 Dues & Subscriptions	18,152.16	119.90	767.44	19,736.00	18,968.56	3.89%
215685 Publishing & Advertising	1,465.32	0.00	0.00	2,500.00	2,500.00	0.00%
215930 Equipment	208.00	0.00	0.00	0.00	0.00	0.00%
215935 Equipment - Time Payments	17,428.66	331.17	1,606.00	20,000.00	18,394.00	8.03%
215990 Sewage Treatment Plant	127,727.42	0.00	141,142.49	315,998.00	174,855.51	44.67%
215994 Solide Waste Charges	0.00	42,907.98	208,298.31	257,320.00	49,021.69	80.95%
215995 Brazosport Water Authority	188,615.70	21,502.50	227,997.00	262,331.00	34,334.00	86.91%
545240 Expendable Operating Supplies	0.00	(47.60)	(47.60)	0.00	47.60	0.00%
Total Operating expense	**911,850.70**	**106,706.96**	**1,111,897.58**	**1,610,539.00**	**498,641.42**	**69.04%**
Total Income From Operations	**277,607.11**	**68,724.09**	**467,698.71**	**413,191.00**	**(54,507.71)**	**113.19%**
Non-Operating Items						

City of Richwood
Operational Budget Report
30 Water & Sewer Fund - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Non-operating income						
234110 Interest Earnings	0.00	0.00	145.17	0.00	(145.17)	0.00%
254969 Transfer from Utility Fund	0.00	0.00	0.00	165,756.00	165,756.00	0.00%
304110 Interest Earnings	715.26	100.57	823.73	500.00	(323.73)	164.75%
974961 Transfer from General Fund	0.00	0.00	0.00	401,590.00	401,590.00	0.00%
Total Non-operating income	**715.26**	**100.57**	**968.90**	**567,846.00**	**566,877.10**	**0.17%**
Non-operating expense						
255960 CO Series 2013	73,790.55	0.00	85,460.55	73,791.00	(11,669.55)	115.81%
255970 Certificates of Obligation Series 2	12,253.50	41,670.00	41,670.00	53,340.00	11,670.00	78.12%
255991 RB I&S Series 2004	40,412.50	6,987.50	39,125.00	38,625.00	(500.00)	101.29%
985963 Transfer to General Fund	0.00	0.00	0.00	400,826.00	400,826.00	0.00%
985964 Transfer to contingency Fund	0.00	0.00	0.00	47,069.00	47,069.00	0.00%
985966 Transfer to Capital Improvements	0.00	0.00	0.00	95,855.00	95,855.00	0.00%
985967 Transfer to Equipment Replacem	0.00	0.00	0.00	105,776.00	105,776.00	0.00%
985969 Transfer to Debt Service	0.00	0.00	0.00	165,756.00	165,756.00	0.00%
Total Non-operating expense	**126,456.55**	**48,657.50**	**166,255.55**	**981,038.00**	**814,782.45**	**16.95%**
Total Non-Operating Items	**(125,741.29)**	**(48,556.93)**	**(165,286.65)**	**(413,192.00)**	**(247,905.35)**	**40.00%**
Total Income or Expense	**151,865.82**	**20,167.16**	**302,412.06**	**(1.00)**	**(302,413.06)**	**-30,241,206.00%**

City of Richwood
Operational Budget Report
31 Utility Fund Contingency - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Income or Expense						
Non-Operating Items						
Non-operating income						
974964 Transfer from Utility Fund	0.00	0.00	0.00	47,069.00	47,069.00	0.00%
Total Non-operating income	**0.00**	**0.00**	**0.00**	**47,069.00**	**47,069.00**	**0.00%**
Total Non-Operating Items	**0.00**	**0.00**	**0.00**	**47,069.00**	**47,069.00**	**0.00%**
Total Income or Expense	**0.00**	**0.00**	**0.00**	**47,069.00**	**47,069.00**	**0.00%**

City of Richwood
Operational Budget Report
40 General Obligation I&S - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Taxes						
504103 Ad Valorem Taxes	165,607.81	6,106.19	175,880.90	174,211.00	(1,669.90)	100.96%
Total Taxes	**165,607.81**	**6,106.19**	**175,880.90**	**174,211.00**	**(1,669.90)**	**100.96%**
Interest						
504110 Interest Earnings	253.60	164.29	269.65	0.00	(269.65)	0.00%
Total Interest	**253.60**	**164.29**	**269.65**	**0.00**	**(269.65)**	**0.00%**
Total Revenue	**165,861.41**	**6,270.48**	**176,150.55**	**174,211.00**	**(1,939.55)**	**101.11%**
Expenditures						
General Obligation I&S						
505960 Bank Note	16,041.48	5,347.16	10,694.32	21,389.00	10,694.68	50.00%
505980 Certificates of Obligation - 2012	59,975.00	0.00	65,025.00	79,050.00	14,025.00	82.26%
505992 CO Series 2011 Refunding	7,746.76	66,886.00	73,772.01	73,772.00	(0.01)	100.00%
Total General Obligation I&S	**83,763.24**	**72,233.16**	**149,491.33**	**174,211.00**	**24,719.67**	**85.81%**
Total Expenditures	**83,763.24**	**72,233.16**	**149,491.33**	**174,211.00**	**24,719.67**	**85.81%**
Total Change In Net Position	**82,098.17**	**(65,962.68)**	**26,659.22**	**0.00**	**(26,659.22)**	**0.00%**

City of Richwood
Operational Budget Report
50 Capital Projects - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Contributions and transfers						
974960 Transfer from General Fund	0.00	0.00	0.00	72,095.00	72,095.00	0.00%
Total Contributions and transfers	**0.00**	**0.00**	**0.00**	**72,095.00**	**72,095.00**	**0.00%**
Total Revenue	**0.00**	**0.00**	**0.00**	**72,095.00**	**72,095.00**	**0.00%**
Expenditures						
Capital Projects						
545915 Capital Expenditures	0.00	5,961.00	25,961.00	47,750.00	21,789.00	54.37%
545930 Equipment	0.00	0.00	0.00	24,345.00	24,345.00	0.00%
Total Capital Projects	**0.00**	**5,961.00**	**25,961.00**	**72,095.00**	**46,134.00**	**36.01%**
Total Expenditures	**0.00**	**5,961.00**	**25,961.00**	**72,095.00**	**46,134.00**	**36.01%**
Total Change In Net Position	**0.00**	**5,961.00**	**25,961.00**	**0.00**	**25,961.00**	**0.00%**

City of Richwood
Operational Budget Report
70 Grant Funds - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Revenue						
Intergovernmental revenue						
754504 HGAC - Suspect ID Technology	0.00	0.00	9,688.50	0.00	(9,688.50)	0.00%
764505 DOW Grant	0.00	0.00	8,331.00	0.00	(8,331.00)	0.00%
784507 NRA Foundation Grant award	0.00	0.00	5,574.80	0.00	(5,574.80)	0.00%
Total Intergovernmental revenue	**0.00**	**0.00**	**23,594.30**	**0.00**	**(23,594.30)**	**0.00%**
Total Revenue	**0.00**	**0.00**	**23,594.30**	**0.00**	**(23,594.30)**	**0.00%**
Expenditures						
Grant Funds						
HGAC - Suspect ID Technology						
755940 Special Equipment	0.00	0.00	10,950.00	0.00	(10,950.00)	0.00%
Total HGAC - Suspect ID Technology	**0.00**	**0.00**	**10,950.00**	**0.00**	**(10,950.00)**	**0.00%**
Dow Community Grant						
765940 Special Equipment	0.00	0.00	7,944.03	0.00	(7,944.03)	0.00%
Total Dow Community Grant	**0.00**	**0.00**	**7,944.03**	**0.00**	**(7,944.03)**	**0.00%**
HGAC - Ballistics						
785298 Weapons & Ammunition	0.00	0.00	5,018.00	0.00	(5,018.00)	0.00%
Total HGAC - Ballistics	**0.00**	**0.00**	**5,018.00**	**0.00**	**(5,018.00)**	**0.00%**
Total Grant Funds	**0.00**	**0.00**	**23,912.03**	**0.00**	**(23,912.03)**	**0.00%**
Total Expenditures	**0.00**	**0.00**	**23,912.03**	**0.00**	**(23,912.03)**	**0.00%**
Total Change In Net Position	**0.00**	**0.00**	**(317.73)**	**0.00**	**317.73**	**0.00%**

City of Richwood
Operational Budget Report
80 General Fixed Assets - 10/01/2017 to 07/31/2018
83.33% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Change In Net Position						
Expenditures						
Miscellaneous						
5001 Depreciation expense	0.00	35,413.76	359,536.62	0.00	(359,536.62)	0.00%
Total Miscellaneous	**0.00**	**35,413.76**	**359,536.62**	**0.00**	**(359,536.62)**	**0.00%**
Total Expenditures	**0.00**	**35,413.76**	**359,536.62**	**0.00**	**(359,536.62)**	**0.00%**
Total Change In Net Position	**0.00**	**35,413.76**	**359,536.62**	**0.00**	**(359,536.62)**	**0.00%**

CITY OF RICHWOOD - INVESTMENT REPORT

as of March 31, 2018

	General Fund	Water/Sewer Fund	GO I&S	RB I&S	Water Meter Deposit	Capital Improvement	Capital Projects	Insurance Cont.	GF Capital Projects	Transportation	Replacement Fund	Crime Control and Prevention	TOTAL
TEXPOOL	109641.45				65551.61	31963.48						39327.9	246,484.44
TEXSTAR	129815.96									1759.61	6959.07	14588.89	153,123.53
LOGIC	58528.17		1453.85	821.14		2291.97				55366.82	5633.48		124,095.43
CERTIFICATES OF DEPOSIT													
25741	57713.42										602.13		58,315.55
25765	19119.1					763.74				4329.45		66559.15	90,771.44
1286	45203.28		46991.76					13511.92					105,706.96
25766	33241.68	62679.88	18749.2			11910.04							126,580.80
25718	32821.94	9235.92	27374.29		28267.09	27243.47							124,942.71
TOTAL	486,085.00	71,915.80	94,569.10	821.14	93,818.70	74,172.70	-	13,511.92	-	61,455.88	13,194.68	120,475.94	1,030,020.86
PURCHASES													-
DISBURSEMENTS													-
TRANS. TO OPERATING													-
DEPOSITS	700,000.00												700,000.00
INTEREST EARNINGS	2,930.61	70.98	112.22	4.89	309.00	183.71		16.66		337.06	59.96	127.10	4,152.19
NET EFFECT	702,930.61	70.98	112.22	4.89	309.00	183.71	-	16.66	-	337.06	59.96	127.10	704,152.19
STATEMENT TOTAL	1,189,015.61	71,986.78	94,681.32	826.03	94,127.70	74,356.41	-	13,528.58	-	61,792.94	13,254.64	120,603.04	1,734,173.05
PER GENERAL LEDGER													
TEXPOOL	529922.28				65551.61	31963.47						19047.11	646,484.47
TEXSTAR	230000.23									1760.97	6968.97	14609.62	253,339.79
LOGIC	258605.83		1455.76	822.21		2294.95				55437.91	5640.77		324,257.43
CERTIFICATES OF DEPOSIT													-
25741	57,756.35										602.58		58,358.93
25765	19,123.82					763.93				4,330.52		66,575.56	90,793.83
1286	45,259.00		47,049.69					13,528.58					105,837.27
25766	33,274.47	62,741.70	18,767.69			11,921.79							126,705.65
25718	32,854.49	9,245.08	27,401.44		28,295.12	27,270.49							125,066.62
	1,206,796.47	71,986.78	94,674.58	822.21	93,846.73	74,214.63	-	13,528.58	-	61,529.40	13,212.32	100,232.29	1,730,843.99
GL VARIANCE													(3,329.06)

*Interest Earnings not recorded

City of Richwood
Investment Report
Quarter Ending
31-Mar-18

Description of Investment Type	Amortized or Maturity Value	Current Price	Market Price	Current Yield	Maturity Date	Term
TEXPOOL			648,357.52			
TEXSTAR			253,926.86			
LOGIC			325,126.38			
CERTIFICATES OF DEPOSIT						
	25741		58,358.93	0.40%	20-Jul-18	181 days
	25765		90,793.84	0.20%	9-May-18	90 days
	1286		105,837.28	0.50%	17-Jun-18	90 days
	25766		126,705.65	45.00%	7-Aug-18	180 days
	25718		125,066.62	0.20%	6-Jul-18	181 days

I, Giani B. Cantu, as investment officer of the City of Richwood certify that the amounts represent the market value of all portfolio investments and all investment are in compliance with the City of Richwood Investment Policy as adopted by the City Council.

Giani B. Cantu, Finance Director

Issue Name	Pledge	Maturity Date	Principal
Comb Ref Bonds Ser 2011	GO	8/15/2032	1,075,000.00
GO Ref Bonds Ser 2011	GO	8/15/2024	645,000.00
FNBLJ Loan	GO	4/18/2033	300,000.00
Tax & Rev CO 2004	REV	8/15/2025	335,000.00
Tax & Rev CO 2011	REV	8/15/2031	720,000.00

I, Giani B. Cantu, as Finance Director, certify that all the covenants required in bond and loan documents have been met.

Giani B. Cantu

CITY OF RICHWOOD - INVESTMENT REPORT

as of June 30, 2018

	General Fund	Water/Sewer Fund	GO I&S	RB I&S	Water Meter Deposit	Capital Improvement	Capital Projects	Insurance Cont.	GF Capital Projects	Transportation	Replacement Fund	Crime Control and Prevention	TOTAL
TEXPOOL	531327.06				65832.57	32094.60						19103.29	648,357.52
TEXSTAR	230532.20									1766.19	6985.07	14643.40	253,926.86
LOGIC	259169.02		1462.50	826.02		2305.60				55696.23	5667.00		325,126.37
CERTIFICATES OF DEPOSIT													
25741	57756.35										602.58		58,358.93
25765	19123.82					763.93				4330.52		66575.56	90,793.83
1286	45259		47049.69					13528.58					105,837.27
25766	33274.47	62741.7	18767.69			11921.79							126,705.65
25718	32854.49	9245.08	27401.44		28295.12	27270.49							125,066.62
TOTAL	1,209,296.41	71,986.78	94,681.32	826.02	94,127.69	74,356.41	-	13,528.58	-	61,792.94	13,254.65	100,322.25	1,734,173.05
PURCHASES													-
DISBURSEMENTS	(35,882.17)											35,882.17	-
TRANS. TO OPERATING													-
DEPOSITS													-
INTEREST EARNINGS	4,471.77		65.38	4.17	420.62	208.32		16.68		290.94	58.76	180.16	5,716.80
NET EFFECT	(31,410.40)	-	65.38	4.17	420.62	208.32	-	16.68	-	290.94	58.76	36,062.33	5,716.80
STATEMENT TOTAL	1,177,886.01	71,986.78	94,746.70	830.19	94,548.31	74,564.73	-	13,545.26	-	62,083.88	13,313.41	136,384.58	1,739,889.85
PER GENERAL LEDGER													
TEXPOOL	497548				66253.19	32290.88					-20.54	55069.58	651,141.11
TEXSTAR	231527.25									1773.81	7015.23	14706.6	255,022.89
LOGIC	260477.84		1469.91	830.21		2317.27				55976.91	5695.61		326,767.75
CERTIFICATES OF DEPOSIT													-
25741	57,756.35										602.58		58,358.93
25765	19,133.25					764.31				4,332.66		66,608.40	90,838.62
1286	45,314.80		47,107.70					13,545.26					105,967.76
25766	33,274.47	62,741.70	18,767.69			11,921.79							126,705.65
25718	32,854.49	9,245.08	27,401.44		28,295.12	27,270.49							125,066.62
	1,177,886.45	71,986.78	94,746.74	830.21	94,548.31	74,564.74	-	13,545.26	-	62,083.38	13,292.88	136,384.58	1,739,869.33
GL VARIANCE	0.44	-	0.04	0.02	-	0.01	-	-	-	(0.50)	(20.53)	-	(20.52)

*rounding errors and conversion entry

City of Richwood
Investment Report
Quarter Ending
31-Mar-18

Description of Investment Type	Amortized or Maturity Value	Current Price	Market Price	Current Yield	Maturity Date	Term
TEXPOOL			648,357.52			
TEXSTAR			253,926.86			
LOGIC			325,126.38			
CERTIFICATES OF DEPOSIT						
	25741		58,358.93	0.40%	20-Jul-18	181 days
	25765		90,838.62	0.20%	7-Aug-18	90 days
	1286		105,967.76	0.50%	15-Sep-18	90 days
	25766		126,705.65	45.00%	7-Aug-18	180 days
	25718		125,066.62	0.20%	6-Jul-18	181 days

I, Giani B. Cantu, as investment officer of the City of Richwood certify that the amounts represent the market value of all portfolio investments and all investment are in compliance with the City of Richwood Investment Policy as adopted by the City Council.

Giani B. Cantu, Finance Director

Issue Name	Pledge	Maturity Date	Principal
Comb Ref Bonds Ser 2011	GO	8/15/2032	1,075,000.00
GO Ref Bonds Ser 2011	GO	8/15/2024	645,000.00
FNBLJ Loan	GO	4/18/2033	300,000.00
Tax & Rev CO 2004	REV	8/15/2025	335,000.00
Tax & Rev CO 2011	REV	8/15/2031	720,000.00

I, Giani B. Cantu, as Finance Director, certify that all the covenants required in bond and loan documents have been met.

Giani B. Cantu