



CITY COUNCIL AGENDA

NOTICE IS GIVEN THAT THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, WILL MEET IN A REGULARLY SCHEDULED MEETING AT 5:30 P.M. ON TUESDAY, APRIL 17, 2018, 601 SOUTH FIRST STREET, FOR THE PURPOSE OF CONSIDERING AND TAKING OFFICIAL ACTION ON THE FOLLOWING ITEMS:

1. **CALL TO ORDER:**
2. **INVOCATION:**
3. **CONSENT AGENDA:** All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.
 - a. **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meetings held on March 20, 2018.
 - b. **BILLS FOR MARCH 2018:** Approval of the bills paid by the City of Lamesa for the month of March, 2018.
4. **GENERAL ELECTION:** Consider passing an ordinance on Second reading declaring the unopposed candidates for the 2018 City of Lamesa General Election, to be held on May 5, 2018, elected to office. *(City Secretary)*
5. **PRESENTATION OF THE CITY FY 2016/2017 AUDIT REPORT:** Hear financial audit report for Fiscal Year ending September 30, 2017 from Tyler Cannady of *Bolinger, Segars, Gilbert & Moss, L.L.P.* and consider accepting audit report as well as authorizing publication of audit report. *(City Manager, Finance Director and City Auditor)*
6. **CALL FOR RFP FOR REDISTRICTING SERVICES:** City Council to consider authorizing a call for Request for Proposals for Redistricting Services, to include a description of qualifications, cost breakdown of demographic survey services and legal services with timeline for completion and estimated payments for services by year. *(City Manager)*
7. **AMENDMENT NO. II TO USDA GRANT – ENGINEERING AGREEMENT:** Consider approving an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include Article 8.05 Federal Requirements, C. Restrictions on Lobbying - Byrd anti-lobbying amendment (31 U.S.C. 1352). *(City Engineer)*

- 8. AMENDMENT NO. III TO USDA GRANT – ENGINEERING AGREEMENT:** Consider approving an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include compliance with the American Iron & Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference. *(City Engineer)*
- 9. APPROVAL OF THE USE OF FORCE ACCOUNT FOR INSTALLATION OF WATERLINES (CDBG):** City Council to consider, discuss and approve the use of a Force Account for installation of waterlines in conjunction with the CDBG Grant #7216280. The use of City equipment and employees will be utilized for the extension of approximately four hundred linear feet (400 l.f.) of 6-inch water line in NE. Gary Street from NE. 2nd to NE. 3rd. *(City Manager)*
- 10. REQUEST FROM KIWANIS CLUB OF LAMESA FOR THE PLACEMENT OF FLAGS IN CITY PARKS ON DESIGNATED HOLIDAYS:** Consider approving the placement of flags in City parks (Forrest Park, N. 22nd Park and at triangle on Seminole Rd.) on designated holidays (5 holidays a year – Memorial Day, Independence Day, Labor Day, Veterans Day and Flag Day). *(City Manager)*
- 11. STEERING COMMITTEE RESOLUTION AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR:** City Council to consider approving a resolution authorizing continued participation with the Steering Committee of Cities served by Oncor; and authorizing the payment of 11 cents per capita to the Steering Committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC. *(City Manager and City Attorney)*
- 12. RESOLUTION TO DENY ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY:** City Council to consider approving a resolution of the City of Lamesa, Texas finding that Oncor Electric Delivery Company LLC's application for approval of a Distribution Cost Recovery Factor pursuant to 16 Tex. Admin. Code §25.243 to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the Company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the Company and legal counsel. *(City Manager)*
- 13. INTERLOCAL AGREEMENT BETWEEN DAWSON COUNTY AND THE CITY OF LAMESA REGARDING RE-SALE OF TRUST PROPERTIES WITHIN THE CITY OF LAMESA'S JURISDICTIONAL LINES:** Consider approving an Interlocal Agreement pursuant to Section 791.001 of the Texas Government Code between Dawson County and the City of Lamesa and assigning unto the City of Lamesa the County's rights to proceeds from the re-sale of trust properties within the City of Lamesa's jurisdictional lines. *(City Manager)*

- 14. INTERLOCAL AGREEMENT BETWEEN MESA UNDERGROUND WATER DISTRICT AND THE CITY OF LAMESA REGARDING RE-SALE OF TRUST PROPERTIES WITHIN THE CITY OF LAMESA'S JURISDICTIONAL LINES:** Consider approval of an Interlocal Agreement pursuant to Section 791.001 of the Texas Government Code between Mesa Underground Water District and the City of Lamesa and assigning unto the City of Lamesa the County's rights to proceeds from the re-sale of trust properties within the City of Lamesa's jurisdictional lines. *(City Manager)*
- 15. RESOLUTION REGARDING A CONTRACT FOR THE PURPOSE OF FINANCING A FIRE TRUCK:** City Council to consider authorizing the City of Lamesa to enter into that certain Finance Contract, by and between the Issuer and Government Capital Corporation ("GCC") for the purpose of financing a "Fire Truck". The Issuer desires to designate this Finance Contract as a "qualified tax-exempt obligation" of the Issuer for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended. Financed 1/3 by the City, 1/3 by Dawson County and 1/3 by Weaver Foundation. *(City Manager and Fire Chief)*
- 16. ORDINANCE AMENDING ARTICLE 3.05 OF THE CODE OF ORDINANCE OF THE CITY OF LAMESA, TEXAS, ENTITLED "SUBSTANDARD STRUCTURES" TO EXTEND THE PROVISIONS OF ARTICLE 3.05 TO ALL AREAS LYING WITHIN 5000 FEET OF THE CORPORATE LIMITS OF THE CITY:** City Council to consider passing an Ordinance on First reading amending Article 3.05 of the Code of Ordinance of the City of Lamesa, Texas, entitled "Substandard Structures" to extend the provisions of the Article 3.05 to all areas lying within 5000 feet of the corporate limits of the City. *(City Attorney)*
- 17. ORDINANCE AMENDING ARTICLE 6.02 OF THE CODE OF ORDINANCES OF THE CITY OF LAMESA, TEXAS, ENTITLED "PROPERTY MAINTENANCE" DECLARING PROPERTY IN VIOLATION OF THE PROVISIONS OF ARTICLE 6.02 A PUBLIC NUISANCE AND TO MAKE THE PROVISIONS OF ARTICLE 6.02 APPLICABLE TO ALL AREAS LYING WITHIN THE CORPORATE LIMITS OF THE CITY AND ALL AREAS LYING WITHIN 5000 FEET OF THE CORPORATE LIMITS OF THE CITY :** City Council to consider passing an Ordinance on First reading amending Article 6.02 of the Code of Ordinances of the City of Lamesa, Texas entitled "Property Maintenance" declaring property in violation of the provisions of Article 6.02 a public nuisance and to make the provisions of Article 6.02 applicable to all areas lying within the corporate limits of the City and all areas lying within 5000 feet of the corporate limits of the City. *(City Attorney)*
- 18. BUDGET AMENDMENT II:** City Council to consider amending Ordinance O-20-17 on Second reading with respect to October 1, 2017 fiscal year budget. *(City Manager & Finance Director)*
- 19. DISCUSSION OF FINANCING AND SCOPE OF REPAIR / REPLACEMENT OF CITY HALL DUCT WORK:** City Council to discuss City Council's desired method of financing duct work repairs / replacement at City Hall, discuss repair / replacement options provided by local and Lubbock service providers and give direction to City staff. *(City Manager)*

20.CITY STAFF REPORTS:

- a. **POLICE CHIEF REPORT:** Police Chief to report on the city's recent events:
- b. **FIRE CHIEF REPORT:** Fire Chief to report on the city's recent events:
- c. **UTILITIES DIRECTOR REPORT:** Utilities Director to report on the city's recent events:

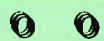
21.INVESTMENT REPORT: Finance Director to report on the city's investments for the second quarter of FY 2017-2018.

22.FINANCIAL REPORT: Finance Director to report on the city's finances.

23.CITY MANAGER REPORT: City Manager to report on current activities and answer questions from the City Council.

24.MAYOR'S REPORT: Mayor to report on future events.

25.ADJOURNMENT: *The next regularly scheduled meeting of the City Council of the City of Lamesa will be May 15th, 2018 at 5:30 P.M.*




Open Meetings Information



CLOSED MEETINGS

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

PUBLIC PARTICIPATION

 The meeting will be held pursuant to the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items listed above. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should notify the City Secretary before the meeting. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary by the end of business hours on the Wednesday before the next meeting in order to be considered for inclusion on that agenda.

MEETING ACCESSIBILITY

Upon request, auxiliary aids and services will be provided to an individual with a disability in order to allow them to effectively participate in the city council meeting. Those requesting auxiliary aids or services should notify the contact person listed below at least twenty-four hours prior to the meeting by mail, telephone or RELAY Texas (1-800-735-2989)

Contact: Betty Conde at 806-872-4322

✉ 601 South First Street, Lamesa, Texas 79331

☎ **Telephone - (806) 872-4322**

📠 **Fax - (806) 872-4338**

CERTIFICATION OF NOTICE



I certify this agenda was posted at the City Hall, 601 South First Street, Lamesa, Texas at **4:45 p.m., April 13th, 2018**, in accordance with Chapter 551.041 of the Government Code.

Betty Conde City Secretary

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEMS: 1 & 2

1. **CALL TO ORDER:** *Announcement by the Mayor.* "This meeting is being held in accordance with the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items as posted. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should complete a request at this time. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary in order to be considered for inclusion on the agenda of the next meeting. A quorum being present as evidenced by the presence of ____ members of the City Council, this meeting is hereby called to order."

The following members are present:

JOSH STEVENS	Mayor
BRANT STEWART	Council Member – District 1
MARIE A. BRIENO	Mayor Pro-tem/Council Member – District 2
RICK MORENO	Council Member – District 3
BOBBY G. GONZALES	Council Member - District 4
FRED VERA	Council Member – District 5
DOUG MORRIS	Council Member – District 6

City Staff members present at the meeting:

SHAWNA D. BURKHART	City Manager
BETTY CONDE	City Secretary
RUSSELL CASSELBERRY	Attorney

Members of the press present at the meeting:

Members of the public present at the meeting:

2. **INVOCATION:**
AND PLEDGE OF ALLEGIANCE.



City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 3

SUBJECT: **CONSENT AGENDA ITEMS**
PROCEEDING: Approval
SUBMITTED BY: City Staff

SUMMARY STATEMENT

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

- a. **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meetings held on March 20, 2018.
- b. **BILLS FOR MARCH 2018:** Approval of the bills paid by the City of Lamesa for the months of March, 2018.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve Item 3a & b. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

These items are considered non-controversial but do require formal council approval. If a council member objects to a consent item, it is removed from the list and separate action is taken on the item(s). If a council member questions a consent item, but not so strongly as to require that it be removed from the list, his/her "no" vote or abstention can be entered in the minutes when the consent vote is taken. **Recommend approval.**

THE STATE OF TEXAS }
COUNTY OF DAWSON }
CITY OF LAMESA }

MINUTES OF THE CITY COUNCIL REGULARLY CALLED MEETING:

MARCH 20, 2018

On this the 20th day of March, 2018 at 5:30 P.M., there came on and was held a regularly called meeting of the City Council of the City of Lamesa, Dawson County, Texas. Notice of such meeting having been posted at the City Hall at 601 South First Street in the City of Lamesa, Texas in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551). The following items were listed on the notice and the following proceedings were had, viz.:

CALL TO ORDER: Mayor Stevens announced that the meeting was being held in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551), and that discussion and actions are limited to the agenda items as posted. A quorum being present as evidenced by the presence 6 City Council Members were present:

JOSH STEVENS	MAYOR
MARIE BRISENO	COUNCIL MEMBER – DISTRICT 2
BRANT STEWART	COUNCIL MEMBER – DISTRICT 1
BOBBY G. GONZALES	COUNCILMEMBER–MAYOR PROTEM
	DISTRICT 4
(ABSENT) RICK MORENO	COUNCIL MEMBER – DISTRICT 3
FRED VERA	COUNCIL MEMBER – DISTRICT 5
DOUG MORRIS	COUNCIL DISTRICT 6

City staff members present at the meeting:

SHAWNA D. BURKHART	CITY MANAGER
BETTY CONDE	CITY SECRETARY
RUSSELL CASSELBERRY	CITY ATTORNEY

Members of the press present at the meeting:

Herrel Hallmark

Members of the public present at the meeting:

Nathan Tafoya	Bob Henderson	Saul Torres
Irma Ramirez	Robert Ramirez	Victor Dimas
Dionicio Garza Jr.	Kristy Tyra	Sylvia Dimas
Wayne Chapman	Mike Lopez	Larry Duyck
Gloria Tejeda	Scott Leonard	Dale Alwan
Joe Vera	Terri Stahl	Rolando Rios

INVOCATION: Doug Morris.

CONSENT AGENDA: All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

- a. **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meeting held on February 20, 2018 and Special called meeting on March 13, 2018.
- b. **BILLS FOR FEBRUARY 2018:** Approval of the bills paid by the City of Lamesa for the months of February, 2018.

Motion by Council Member Briseno approved Item 3a and b. Motion seconded by Council Member Stewart and upon being put to a vote the motion passed.

GENERAL ELECTION: Consider passing an ordinance on First reading declaring the unopposed candidates for the 2018 City of Lamesa General Election, to be held on May 5, 2018, elected to office.

Motion by Council Member Morris to passed an ordinance on First Reading declaring the unopposed candidates in District 1 ,Brant Stewart and District 5,Bobby G. Gonzales for the 2018 City of Lamesa General Election to be held on May 5, 2018. Motion seconded by Council Member Briseno and upon being put to a vote the motion passed.

VOTING:	"AYE" 6	"NAY"	"ABSTAIN"
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APPOINTMENTS - ELECTION OFFICIALS: Consider passing resolution appointing a presiding judge and alternate judge for the 2018 City General Election and a presiding judge for the Early Voting Ballot Board; clerks for early balloting; and to provide for compensation of services for the 2018 City Elections to be held on May 5, 2018.

Motion by Council Member Vera passed a resolution appointing a presiding judge and alternate judge for the 2018 City General Elections in District 4. Motion seconded by Council Member Morris and upon being put to a vote the motion passed.

VOTING:	"AYE" 6	"NAY"	"ABSTAIN"
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Res. No. R- 4-18

Ord. Book 12

Page 309

CONSIDER PASSING AN ORDINANCE CLOSING AND VACATING CERTAIN STREETS AND ALLEYS IN THE CITY OF LAMESA (REQUEST BY RON SMITH): Consider passing an Ordinance on Second reading to close and vacate certain streets and alleys in the City of Lamesa.

City Council passed.

DISCUSSION REGARDING PURCHASE AND FINANCING OF FIRE TRUCK: City Council to discuss the purchase and financing of a Fire Truck (2018 Rosenbauer Pumper/Tanker). Financed 1/3 by the City, 1/3 by Dawson County and 1/3 by Weaver Foundation.

PRESENTATION BY ROLANDO RIOS REGARDING REDISTRICTING: City Council to hear presentation by Mr. Rolando Rios regarding the upcoming US Census and 2020 Redistricting of the City of Lamesa.

ORDINANCE TO ADOPT NEW TARIFF AUTHORIZING AN ANNUAL RATE REVIEW MECHANISM (ATMOS ENERGY CORP., WEST TEXAS DIVISION): Consider passing an Ordinance on Second reading approving a tariff authorizing an Annual Rate Review Mechanism ("RRM") as a substitution for the Annual Interim Rate Adjustment process defined by Section 104.31 of the Texas Utilities Code, and as negotiated between Atmos Energy Corp., West Texas Division ("ATMOS West Texas" or "Company") and the Steering Committee of Cities served by Atmos West Texas; requiring the Company to reimburse cities' reasonable ratemaking expenses; adopting a savings clause; determining that this Ordinance was passed in accordance with the requirements of the Open Meetings Act; declaring an effective date; and requiring delivery of this Ordinance to the Company and legal counsel for the Steering Committee.

Motion by Council Member Stewart to consider passing an Ordinance on Second reading approving a tariff authorizing an annual rate review mechanism. Motion seconded by Council Member Morris and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" "ABSTAIN"

Ord No. O-2-18

Ord. Book 12

Page 321

2018 CONSUMER PRICE INDEX (CPI) ADJUSTMENT TO MUNICIPAL TELECOMMUNICATIONS RIGHT-OF-WAY ACCESS LINE RATES: City Council to consider taking action to approve or deny the adoption of the 2018 Consumer Price Index (CPI) Adjustment to Municipal Telecommunications Right-of-Way Access Line Rates as allowed by the Public Utility Commission of Texas. *(City Manager and City Attorney)*

City Council passed.

ONCOR STREETLIGHT MAINTENANCE AUTHORIZATION FOR LED REPLACEMENTS: Consider authorizing Oncor Electric Delivery Company LLC (Company) to make the following blanket change from existing non-working streetlight fixture which requires a replacement to a light-emitting diode (LED) streetlight fixture.

Motion by Council Member Morris to authorize Oncor Streetlight Maintenance for LED replacements. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" "ABSTAIN"

INTERLOCAL AGREEMENT BETWEEN DAWSON COUNTY HOSPITAL DISTRICT AND THE CITY OF LAMESA REGARDING RE-SALE OF TRUST PROPERTIES WITHIN THE CITY OF LAMESA'S JURISDICTIONAL LINES: Consider approval of an Interlocal Agreement pursuant to Section 791.001 of the Texas Government Code between Dawson County Hospital District and the City of Lamesa and assigning unto the City of Lamesa the Hospital's rights to proceeds from the re-sale of trust properties within the City of Lamesa's jurisdictional lines.

Motion by Council Member Stewart to approve an Interlocal Agreement between Dawson County Hospital District and City of Lamesa regarding re-sale of trust properties within the city of Lamesa's Jurisdictional lines. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" "ABSTAIN"

PUBLIC HEARING REGARDING LEDC'S APPLICATION FOR USDA RURAL BUSINESS DEVELOPMENT GRANT: The citizens of Lamesa will have the opportunity during the public hearing to become acquainted with USDA Rural Business Development Grant which would establish and capitalize a revolving loan fund that will make loans for start-ups and working capital leading to the development or expansion of small and emerging businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues and to make comment on such items.

Public Hearing started at 6:17, following the public comments the Mayor closed the public hearing at 6:25.

The following persons spoke:

:

Nathan Tafoya

Scott Leonard

LEDC USDA RURAL BUSINESS DEVELOPMENT GRANT SUBMITTAL: City Council to consider approving LEDC request to submit for \$199,000 through the USDA Rural Business Development Grant to establish and capitalize a revolving loan fund that will make loans for start-ups and working capital leading to the development or expansion of small and emerging businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues.

Motion by Council Member Morris to consider approving LEDC USDA Rural Business Development Grant Submittal. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

"ABSTAIN"

PUBLIC HEARING REGARDING CITY'S APPLICATION FOR USDA RURAL DEVELOPMENT / FACILITIES GRANT: The citizens of Lamesa will have the opportunity during the public hearing to become acquainted with the U.S. Department of Agriculture, Rural Development Federal Assistance Grant (Facilities Grant) to provide financial assistance for improvements to the Forrest Park Community Building.

Public Hearing started at 6:26, following the public comments the Mayor closed the public hearing at 6:41.

The following persons spoke:

Terri Stahl

CITY'S USDA RURAL DEVELOPMENT / FACILITIES GRANT SUBMITTAL: City Council to consider approving the City's USDA Rural Development Federal Domestic Assistance Facilities Grant submittal of \$90,000 to address plumbing issues (larger grease trap, commercial kitchen sink), equipment needs (commercial refrigeration/freezer) and ADA requirements in the Forrest Park Community Center kitchen.

Motion by Council Member Vera to consider approving the City's USDA Rural Development Federal Domestic Assistance Facilities Grant. Motion seconded by Council Member Stewart and upon being put to a vote the motion passed.

"ABSTAIN"

BUDGET AMENDMENT II: City Council to consider amending Ordinance O-20-17 on First reading with respect to October 1, 2017 fiscal year budget.

Motion by Council Member Stewart to Consider amending Ordinance No.O-20-17 on First reading with respect to October 1, 2017 fiscal year budget. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

"ABSTAIN"

CITY STAFF REPORTS: Utilities Director reported on the city's recent events.

FINANCIAL REPORT: Finance Director reported on the city's finances.

CITY MANAGER REPORT: City Manager reported on current activities and answered questions from the City Council.

- a. Update on City Hall air conditioning/heating ducting.
- b. USDA requirements to complete ADA renovations to City Hall.

MAYORS REPORT: Mayor to report on current activities and to answer questions from City Council.

EXECUTIVE SESSION: Council to consider convening into closed executive session under Sec. 551.074, Texas Government Code: "Personnel Matters; CLOSED MEETING. (a) This chapter does not require a governmental body to conduct an open meeting: (1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee."

City Secretary Evaluation.

Motion by Council Member Stewart to convene in closed executive session in accordance with the provisions of the Texas Open Meetings to discuss and consider personnel matters. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" "ABSTAIN"

ADJOURNMENT: *The next regularly scheduled meetings of the City Council of the City of Lamesa will be April 17, 2018 at 5:30 P.M.*

Pursuant to the provisions of the Texas Open Meetings Act, the City Council certifies that the items above are a full record of the subject matter of each deliberation and indicates each vote, order, decision or other action taken by the City Council of the City of Lamesa, Texas at the meeting held on the date indicated above. Ratified and approved at the regularly called meeting of the City Council of the City of Lamesa, Texas held on March 20, 2018.

ATTEST:

APPROVED:

Betty Conde
City Secretary

Josh Stevens
Mayor

4-12-2018 1:46 PM

D E T A I L L I S T I N G

PAGE: 1

FUND : 01 -GENERAL FUND

PERIOD TO USE: Mar-2018 THRU Mar-2018

DEPT : N/A

ACCOUNTS: 1001 THRU 1001

POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
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1001			CASH IN BANK							
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B E G I N N I N G B A L A N C E

3/01/18	3/01	A08966	CHK: 195001	14107	DAWSON CO. LIBRARY	1611			630.00CR	630.00CR
3/01/18	3/01	A08967	CHK: 195002	14107	HENRY NORRIS AGENCY, . IN	3190			1,041.66CR	1,671.66CR
3/01/18	3/01	A08968	CHK: 195003	14107	SOUTH PLAINS PUBLIC HEAL	3730			2,455.22CR	4,126.88CR
3/01/18	3/01	A08969	CHK: 195004	14107	VOLUNTEER FIRE DEPARTMEN	4090			400.00CR	4,526.88CR
3/01/18	3/01	A08970	CHK: 195005	14107	DUYCK LARRY	5777			200.00CR	4,726.88CR
3/01/18	3/01	A08971	CHK: 195006	14107	DALE ALWAN	5983			200.00CR	4,926.88CR
3/01/18	3/01	A08972	CHK: 195007	14107	BOB THOMAS	5984			200.00CR	5,126.88CR
3/01/18	3/01	A08973	CHK: 195008	14107	JASON WILEY	6025			200.00CR	5,326.88CR
3/01/18	3/01	A08974	CHK: 195009	14107	MICKEY FLANAGAN	6333			200.00CR	5,526.88CR
3/01/18	3/01	A08975	CHK: 195010	14107	CORBIN SAENZ	6350			200.00CR	5,726.88CR
3/01/18	3/01	A08976	CHK: 195011	14107	STEVE ALEXANDER	6356			200.00CR	5,926.88CR
3/01/18	3/01	A08977	CHK: 195012	14107	JUAN DIAZ	6357			200.00CR	6,126.88CR
3/01/18	3/01	A08978	CHK: 195013	14107	JEROMY DAWSON	6457			200.00CR	6,326.88CR
3/01/18	3/01	A08979	CHK: 195014	14107	ERNESTO ENRIQUEZ	6532			200.00CR	6,526.88CR
3/01/18	3/01	A08980	CHK: 195015	14107	MARK DAILY	6533			200.00CR	6,726.88CR
3/01/18	3/01	A08981	CHK: 195016	14107	JESUS RAMIREZ LOPEZ	6548			200.00CR	6,926.88CR
3/01/18	3/01	A08982	CHK: 195017	14107	FRANCISCO VARGAS SANCHEZ	6549			200.00CR	7,126.88CR
3/01/18	3/01	A08983	CHK: 195018	14107	ASHTIN SUFIENTES	6564			200.00CR	7,326.88CR
3/01/18	3/01	A08984	CHK: 195019	14107	ALEJANDRO ESPARZA	6568			200.00CR	7,526.88CR
3/05/18	3/19	B58351	Misc 000003	09374	CITIZENS BANK WIRE #305182		JE# 023482		7,784.83CR	15,311.71CR
3/05/18	3/19	B58352	Misc 000004	09374	LAS CRUCES BANK WIRE #305181		JE# 023483		20,531.14CR	35,842.85CR
3/06/18	3/06	A09199	CHK: 000000	14112	INTERNAL REVENUE SERVICE	5832			31,561.56CR	67,404.41CR
3/06/18	3/06	A09200	CHK: 195020	14112	CAPROCK FEDERAL CREDIT U	1390			20,532.59CR	87,937.00CR
3/06/18	3/06	A09201	CHK: 195021	14112	PAYROLL FUND	3270			70,065.87CR	158,002.87CR
3/06/18	3/06	A09202	CHK: 195022	14112	TX CHILD SUPPORT SDU	5634			211.38CR	158,214.25CR
3/06/18	3/06	A09203	CHK: 195023	14112	TEXAS CHILD SUPPORT DISB	5811			184.62CR	158,398.87CR
3/06/18	3/06	A09204	CHK: 195024	14112	TX CHILD SUPPORT SDU	5829			115.38CR	158,514.25CR
3/06/18	3/06	A09205	CHK: 195025	14112	TEXAS CHILD SUPPORT DISB	5859			500.90CR	159,015.15CR
3/06/18	3/06	A09206	CHK: 195026	14112	TX CHILD SUPPORT SDU	5882			276.92CR	159,292.07CR
3/06/18	3/06	A09207	CHK: 195027	14112	JAE FITNESS	6023			106.35CR	159,398.42CR
3/06/18	3/06	A09208	CHK: 195028	14112	TEXAS CHILD SUPPORT DISB	6451			222.00CR	159,620.42CR
3/06/18	3/06	A09209	CHK: 195029	14112	TEXAS CHILD SUPPORT DISB	6501			372.12CR	159,992.54CR
3/06/18	3/06	A09210	CHK: 195030	14112	TEXAS CHILD SUPPORT DISB	6566			624.67CR	160,617.21CR
3/06/18	3/06	A09211	CHK: 195031	14112	TEXAS CHILD SUPPORT DISB	6589			269.08CR	160,886.29CR
3/06/18	3/06	A09212	CHK: 195032	14112	TEXAS CHILD SUPPORT DISB	6590			228.00CR	161,114.29CR
3/07/18	3/07	A09227	CHK: 195033	14111	CORINA DOMINGUEZ	1			50.00CR	161,164.29CR
3/07/18	3/07	A09228	CHK: 195034	14111	MARIE BRISENO	1296			733.80CR	161,898.09CR
3/07/18	3/07	A09297	CHK: 195043	14135	CROP PRODUCTION SERVICES	1018			209.38CR	162,107.47CR
3/07/18	3/07	A09298	CHK: 195044	14135	ADVANCED ANALYSIS, INC	1022			744.00CR	162,851.47CR
3/07/18	3/07	A09299	CHK: 195045	14135	AUTOMATED CONTROLS	1140			1,300.43CR	164,151.90CR
3/07/18	3/07	A09300	CHK: 195046	14135	B & J WELDING SUPPLY	1180			159.05CR	164,310.95CR
3/07/18	3/07	A09301	CHK: 195047	14135	BROCK VETERINARY CLINIC,	1302			260.00CR	164,570.95CR
3/07/18	3/07	A09302	CHK: 195048	14135	THE COUNTRY STORE	1540			132.30CR	164,703.25CR

POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001			CASH IN BANK		* { CONTINUED } *					
3/07/18	3/07	A09303	CHK: 195049	14135	GT DISTRIBUTORS INC	1963			1,593,75CR	166,297.00
3/07/18	3/07	A09304	CHK: 195050	14135	R E JAMES GRAVEL CO	2365			538,47CR	166,835.47
3/07/18	3/07	A09305	CHK: 195051	14135	LAMESA BEARING, INC.	2480			74,16CR	166,909.63
3/07/18	3/07	A09306	CHK: 195052	14135	LAMESA BUTANE COMPANY	2500			16,50CR	166,926.13
3/07/18	3/07	A09307	CHK: 195053	14135	LAMESA MAILING & PACKING	2588			290,23CR	167,216.36
3/07/18	3/07	A09308	CHK: 195054	14135	LAMESA PRESS REPORTER	2590			941,56CR	168,157.92
3/07/18	3/07	A09309	CHK: 195055	14135	LAMESA TIRE & BATTERY	2645			332,40CR	168,490.32
3/07/18	3/07	A09310	CHK: 195056	14135	LYNTEGAR ELECTRIC COOPER	2728			238,49CR	168,728.81
3/07/18	3/07	A09311	CHK: 195057	14135	MORRISON SUPPLY CO	3085			1,090,00CR	169,818.81
3/07/18	3/07	A09312	CHK: 195058	14135	ROSE PLUMBING & SEPTIC	3560			81,32CR	169,900.13
3/07/18	3/07	A09313	CHK: 195059	14135	S & C OIL COMPANY, INC.	3575			73,33CR	169,973.46
3/07/18	3/07	A09314	CHK: 195060	14135	SOUTH PLAINS COMMUNICATI	3729			1,168,50CR	171,141.96
3/07/18	3/07	A09316	CHK: 195062	14135	STANDARD INSURANCE CO	3782			1,143,69CR	172,285.65
3/07/18	3/07	A09317	CHK: 195063	14135	UNIFIRST HOLDINGS, INC	4079			36,95CR	172,322.60
3/07/18	3/07	A09318	CHK: 195064	14135	WASTE SYSTEMS	4124			20,303,35CR	192,625.95
3/07/18	3/07	A09319	CHK: 195065	14135	WHITE'S 7 TIL 11	4185			51,76CR	192,677.71
3/07/18	3/07	A09320	CHK: 195066	14135	WINDSTREAM COMMUNICATION	4460			1,901,83CR	194,579.54
3/07/18	3/07	A09322	CHK: 195068	14135	SALAZAR JANITORIAL SERVI	4610			900,00CR	195,479.54
3/07/18	3/07	A09323	CHK: 195069	14135	USABBLUEBOOK	5100			638,34CR	196,117.88
3/07/18	3/07	A09324	CHK: 195070	14135	MANDRY TECHNOLOGY SOLUTI	5160			3,830,00CR	199,947.88
3/07/18	3/07	A09325	CHK: 195071	14135	TEXASDATAVAULT	5607			1,725,00CR	201,672.88
3/07/18	3/07	A09326	CHK: 195072	14135	THYSSENKRUPP ELEVATOR CO	5638			898,34CR	202,571.22
3/07/18	3/07	A09327	CHK: 195073	14135	SPIKE DYKES	5651			3,856,46CR	206,427.68
3/07/18	3/07	A09329	CHK: 195075	14135	GREAT AMERICA FINANCIAL	5734			579,90CR	207,007.58
3/07/18	3/07	A09330	CHK: 195076	14135	SKTR, INC.	5798			2,024,20CR	209,031.78
3/07/18	3/07	A09331	CHK: 195077	14135	NAPA AUTO PARTS	5833			1,770,34CR	210,802.12
3/07/18	3/07	A09333	CHK: 195079	14135	FRANKLIN & SON, INC.	5840			112,45CR	210,914.57
3/07/18	3/07	A09334	CHK: 195080	14135	WYLIE & SON, INC.	5842			59,00CR	210,973.57
3/07/18	3/07	A09335	CHK: 195081	14135	JOHN DEERE FINANCIAL	5861			29,36CR	211,002.93
3/07/18	3/07	A09336	CHK: 195082	14135	CITY OF ABILENE, TEXAS	5953			125,00CR	211,127.93
3/07/18	3/07	A09337	CHK: 195083	14135	PNC EQUIPMENT FINANCE,LL	5960			584,29CR	211,712.22
3/07/18	3/07	A09338	CHK: 195084	14135	FIRST CLASS AWARDS	6000			155,00CR	211,867.22
3/07/18	3/07	A09339	CHK: 195085	14135	SANCHEZ TRUCKING	6136			576,03CR	212,443.25
3/07/18	3/07	A09340	CHK: 195086	14135	IMPERATIVE INFORMATION G	6224			159,00CR	212,602.25
3/07/18	3/07	A09341	CHK: 195087	14135	GONZALES WELDING	6254			240,00CR	212,842.25
3/07/18	3/07	A09342	CHK: 195088	14135	ELIGIBILITY TRACKING CAL	6320			210,00CR	213,052.25
3/07/18	3/07	A09343	CHK: 195089	14135	RDS PLUMBING, LLC	6444			3,043,64CR	216,095.89
3/07/18	3/07	A09344	CHK: 195090	14135	CANON FINANCIAL SERVICES	6580			722,00CR	216,817.89
3/07/18	3/07	A09345	CHK: 195091	14135	LAW ENFORCEMENT SYSTEMS,	6593			189,00CR	217,006.89
3/07/18	3/07	A09346	CHK: 195092	14135	TEXAS COMMUNITIES GROUP	6603			49,11CR	217,056.00
3/07/18	3/07	A09347	CHK: 195035	14139	RONNIE RODRIGUEZ	1			50,00CR	217,106.00
3/07/18	3/07	A09348	CHK: 195036	14139	BELIA J GONZALES	1			50,00CR	217,156.00
3/07/18	3/07	A09349	CHK: 195037	14139	JENNIFER ARREDONDO	1			375,00CR	217,531.00
3/07/18	3/07	A09350	CHK: 195038	14139	JATONYA BARRERA	1			50,00CR	217,581.00
3/07/18	3/07	A09351	CHK: 195039	14139	CONSOLIDATED SPECIAL FUN	1517			12,900,00CR	230,481.00
3/07/18	3/07	A09352	CHK: 195040	14139	RAMIREZ, IRMA	5830			66,02CR	230,547.02
3/07/18	3/07	A09353	CHK: 195041	14139	STAHL, TERRI	5940			92,65CR	230,639.67

4-12-2018 1:46 PM

D E T A I L L I S T I N G

PAGE: 3

FUND : 01 -GENERAL FUND

PERIOD TO USE: Mar-2018 THRU Mar-2018

DEPT : N/A

ACCOUNTS: 1001 THRU 1001

POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001			CASH IN BANK		* { CONTINUED } *					
3/07/18	3/07	A09354	CHK: 195042	14139	SYLVIA I ORTIZ DAWSON CO	6133			15.00CR	230,654.67CR
3/08/18	3/08	U26610	CHECK 195093	17476	REFUND: KIRKLAND, DAVID RAY				625.00CR	231,279.67CR
3/08/18	3/08	A09377	CHK: 195096	14147	ADVANCED ANALYSIS, INC	1022			576.00CR	231,855.67CR
3/08/18	3/08	A09378	CHK: 195097	14147	AUTOMATED CONTROLS	1140			53.80CR	231,909.47CR
3/08/18	3/08	A09379	CHK: 195098	14147	PAYTON PLUMBING INC	3286			3,500.95CR	235,410.42CR
3/08/18	3/08	A09380	CHK: 195099	14147	WASTE SYSTEMS	4124			46.00CR	235,456.42CR
3/08/18	3/08	A09381	CHK: 195100	14147	SIRCHIE FINGER PRINT LAB	5310			258.35CR	235,714.77CR
3/08/18	3/08	A09382	CHK: 195101	14147	CIVIC PLUS	5550			8,753.50CR	244,468.27CR
3/08/18	3/08	A09383	CHK: 195102	14147	ADVANCED BUSINESS SOLUTI	5870			166.98CR	244,635.25CR
3/08/18	3/08	A09384	CHK: 195103	14147	MAIL FINANCE	5892			519.72CR	245,154.97CR
3/08/18	3/08	A09385	CHK: 195104	14147	O'ROURKE PETROLEUM	6284			3,314.90CR	248,469.87CR
3/08/18	3/08	A09386	CHK: 195105	14147	SOUTH PLAINS HEALTH DIST	6537			1,166.00CR	249,635.87CR
3/08/18	3/08	A09387	CHK: 195106	14147	TURF AND SOIL MANAGEMENT	6538			3,750.00CR	253,385.87CR
3/08/18	3/08	A09388	CHK: 195107	14147	FERGUSON WATERWORKS #788	6582			59.24CR	253,445.11CR
3/08/18	3/08	A09389	CHK: 195094	14141	VOLUNTEER FIRE DEPARTMEN	4090			1,480.00CR	254,925.11CR
3/08/18	3/08	A09390	CHK: 195095	14141	J ROD MUSIC EVENTS	6604			1,500.00CR	256,425.11CR
3/12/18	3/12	A09401	CHK: 195108	14160	TTUHSC-DEPT OF PSYCHIATR	3962			464.80CR	256,889.91CR
3/12/18	3/12	A09402	CHK: 195109	14160	TREVINO SANDY	5385			360.38CR	257,250.29CR
3/12/18	3/12	A09403	CHK: 195110	14160	LAMESA RECYCLING	5869			43.80CR	257,294.09CR
3/13/18	3/13	A09438	CHK: 195118	14152	ADVANCED ANALYSIS, INC	1022			206.00CR	257,500.09CR
3/13/18	3/13	A09439	CHK: 195119	14152	BIG COUNTRY BG	1226			215.25CR	257,715.34CR
3/13/18	3/13	A09440	CHK: 195120	14152	CITY OF LUBBOCK	1470			8,276.19CR	265,991.53CR
3/13/18	3/13	A09441	CHK: 195121	14152	CLAIBORNE'S THRIFTWAY	1480			742.88CR	266,734.41CR
3/13/18	3/13	A09442	CHK: 195122	14152	DACO	1580			643.01CR	267,377.42CR
3/13/18	3/13	A09443	CHK: 195123	14152	DAVIS FURNITURE COMPANY	1600			1,519.84CR	268,897.26CR
3/13/18	3/13	A09446	CHK: 195126	14152	FARMERS MACHINE SHOP	1800			824.03CR	269,721.29CR
3/13/18	3/13	A09447	CHK: 195127	14152	GEBO'S DISTRIBUTING CO.,	2000			1,175.87CR	270,897.16CR
3/13/18	3/13	A09450	CHK: 195130	14152	HIGGINBOTHAM'S GENERAL O	2180			1,865.14CR	272,762.30CR
3/13/18	3/13	A09452	CHK: 195132	14152	MAYFIELD PAPER COMPANY	2957			1,186.83CR	273,949.13CR
3/13/18	3/13	A09453	CHK: 195133	14152	WALMART COMMUNITY/GEGRB	4110			225.82CR	274,174.95CR
3/13/18	3/13	A09454	CHK: 195134	14152	WARREN CAT	4122			234.72CR	274,409.67CR
3/13/18	3/13	A09455	CHK: 195135	14152	WATERMASTER IRRIGATION	4129			239.76CR	274,649.43CR
3/13/18	3/13	A09456	CHK: 195136	14152	AMERICAN EXPRESS	4880			4,227.22CR	278,876.65CR
3/13/18	3/13	A09459	CHK: 195139	14152	LOWE'S	4970			339.94CR	279,216.59CR
3/13/18	3/13	A09460	CHK: 195140	14152	TASCOSA OFFICE MACHINES	5115			2,304.33CR	281,520.92CR
3/13/18	3/13	A09462	CHK: 195142	14152	LOWER COLORADO RIVER AUT	5145			540.33CR	282,061.25CR
3/13/18	3/13	A09463	CHK: 195143	14152	O'REILLY AUTOMOTIVE, INC	5618			11.99CR	282,073.24CR
3/13/18	3/13	A09464	CHK: 195144	14152	COTTON COUNTRY ELECTRIC	5650			67.50CR	282,140.74CR
3/13/18	3/13	A09465	CHK: 195145	14152	LAMESA RECYCLING	5869			246.36CR	282,387.10CR
3/13/18	3/13	A09466	CHK: 195146	14152	MUSIC BOX	5876			1,217.00CR	283,604.10CR
3/13/18	3/13	A09467	CHK: 195147	14152	TWILIGHT ELECTRIC	5884			846.15CR	284,450.25CR
3/13/18	3/13	A09468	CHK: 195148	14152	ACOSTA DRILLING, INC. & S	5956			6,283.04CR	290,733.29CR
3/13/18	3/13	A09469	CHK: 195149	14152	SMITH FANS INC,	6248			6,250.00CR	296,983.29CR
3/13/18	3/13	A09470	CHK: 195150	14152	O'ROURKE PETROLEUM	6284			1,657.45CR	298,640.74CR
3/13/18	3/13	A09471	CHK: 195151	14152	DAVIS CHIROPRACTIC	6300			340.00CR	298,980.74CR
3/13/18	3/13	A09472	CHK: 195152	14152	RELIANT ENERGY	6316			32,695.37CR	331,676.11CR
3/13/18	3/13	A09474	CHK: 195154	14152	ONE STOP AUTOMOTIVE	6442			971.24CR	332,647.35CR

4-12-2018 1:46 PM

D E T A I L L I S T I N G

PAGE: 4

FUND : 01 -GENERAL FUND

PERIOD TO USE: Mar-2018 THRU Mar-2018

DEPT : N/A

ACCOUNTS: 1001 THRU 1001

POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
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1001 CASH IN BANK

* (CONTINUED) *

3/13/18	3/13	A09475	CHK: 195111	14167	JOHN N. SMITH	1			350.00CR	332,997.35CR
3/13/18	3/13	A09476	CHK: 195112	14167	PRO-AGRI SPRAYING SERVIC	1			250.00CR	333,247.35CR
3/13/18	3/13	A09477	CHK: 195113	14167	GARZA, DIONICIO JR	1969			269.11CR	333,516.46CR
3/13/18	3/13	A09478	CHK: 195114	14167	DALE ALWAN	5983			36.45CR	333,552.91CR
3/13/18	3/13	A09479	CHK: 195115	14167	LAMESA CAL RIPKEN BASEBA	6009			4,500.00CR	338,052.91CR
3/13/18	3/13	A09480	CHK: 195116	14167	JAE FITNESS	6023			225.00CR	338,277.91CR
3/13/18	3/13	A09481	CHK: 195117	14167	UNITED LAMESA ASSOCIATIO	6486			7,500.00CR	345,777.91CR
3/13/18	4/09	B58581	Misc 000026	09409	METER POSTAGE		JE# 023584		500.00CR	346,277.91CR
3/15/18	3/15	A09506	CHK: 195163	14173	AUTOMOTIVE TECHNOLOGY	1139			3,712.32CR	349,990.23CR
3/15/18	3/15	A09510	CHK: 195167	14173	AUTOMOTIVE SPECIALTY	1142			140.00CR	350,130.23CR
3/15/18	3/15	A09511	CHK: 195168	14173	CITY OF LUBBOCK	1470			5,011.75CR	355,141.98CR
3/15/18	3/15	A09512	CHK: 195169	14173	CONSOLIDATED SPECIAL FUN	1517			12,900.00CR	368,041.98CR
3/15/18	3/15	A09513	CHK: 195170	14173	DPC INDUSTRIES INC	1570			1,891.20CR	369,933.18CR
3/15/18	3/15	A09514	CHK: 195171	14173	TYLER TECHNOLOGIES, INC.	2310			2,322.56CR	372,255.74CR
3/15/18	3/15	A09515	CHK: 195172	14173	WASTE SYSTEMS	4124			840.00CR	373,095.74CR
3/15/18	3/15	A09516	CHK: 195173	14173	LUBBOCK TRUCK SALES, INC	5085			45.79CR	373,141.53CR
3/15/18	3/15	A09517	CHK: 195174	14173	EQUIPMENT SUPPLY CO. INC	5225			210.00CR	373,351.53CR
3/15/18	3/15	A09518	CHK: 195175	14173	STANDARD COFFEE SERVICE	5275			169.35CR	373,520.88CR
3/15/18	3/15	A09519	CHK: 195176	14173	ASSOCIATED SUPPLY COMPAN	5340			10,804.84CR	384,325.72CR
3/15/18	3/15	A09520	CHK: 195177	14173	NORTHLAND COMMUNICATIONS	5800			78.64CR	384,404.36CR
3/15/18	3/15	A09521	CHK: 195178	14173	SIERRA SPRINGS	6114			82.56CR	384,486.92CR
3/15/18	3/15	A09522	CHK: 195179	14173	MATRE ARMS AMMUNITION	6143			633.00CR	385,119.92CR
3/15/18	3/15	A09523	CHK: 195180	14173	O'ROURKE PETROLEUM	6284			1,657.45CR	386,777.37CR
3/15/18	3/15	A09524	CHK: 195181	14173	TCF EQUIPMENT FINANCE	6448			1,602.93CR	388,380.30CR
3/15/18	3/15	A09525	CHK: 195182	14173	FERGUSON WATERWORKS #788	6582			2,429.17CR	390,809.47CR
3/15/18	3/15	A09526	CHK: 195183	14173	ANCHOR SPORTS	6594			2,595.00CR	393,404.47CR
3/15/18	3/15	A09527	CHK: 195184	14173	STOCK AND PETAL	6606			86.60CR	393,491.07CR
3/15/18	3/15	A09528	CHK: 195155	14174	NTS COMMUNICATIONS	3135			730.65CR	394,221.72CR
3/15/18	3/15	A09530	CHK: 195157	14174	CREATIVE INKS	5035			36.00CR	394,257.72CR
3/15/18	3/15	A09531	CHK: 195158	14174	VERIZON WIRELESS	5969			1,793.65CR	396,051.37CR
3/15/18	3/15	A09533	CHK: 195160	14174	GONZALES WELDING	6254			780.00CR	396,831.37CR
3/15/18	3/15	A09534	CHK: 195161	14174	KANDACE SCOTT	6498			150.00CR	396,981.37CR
3/15/18	3/15	A09535	CHK: 195162	14182	LAMESA CHAMBER OF COMMER	1457			3,270.00CR	400,251.37CR
3/20/18	3/20	A09551	CHK: 195198	14186	WINDSTREAM COMMUNICATION	4460			69.24CR	400,320.61CR
3/20/18	3/20	A09552	CHK: 195199	14186	STAHL, TERRI	5940			103.55CR	400,424.16CR
3/20/18	3/20	A09553	CHK: 195200	14186	BETTY CONDE	6542			71.69CR	400,495.85CR
3/20/18	3/20	A09554	CHK: 195201	14186	SOUTH PLAINS CHAPTER OF	6546			20.00CR	400,515.85CR
3/20/18	3/20	A09555	CHK: 195202	14186	MARGARITA MONTEZ	6607			69.98CR	400,585.83CR
3/20/18	3/20	A09556	CHK: 000000	14187	INTERNAL REVENUE SERVICE	5832			32,473.49CR	433,059.32CR
3/20/18	3/20	A09557	CHK: 195185	14187	CAPROCK FEDERAL CREDIT U	1390			20,424.76CR	453,484.08CR
3/20/18	3/20	A09558	CHK: 195186	14187	PAYROLL FUND	3270			72,411.15CR	525,895.23CR
3/20/18	3/20	A09559	CHK: 195187	14187	TX CHILD SUPPORT SDU	5634			211.38CR	526,106.61CR
3/20/18	3/20	A09560	CHK: 195188	14187	TEXAS CHILD SUPPORT DISB	5811			184.62CR	526,291.23CR
3/20/18	3/20	A09561	CHK: 195189	14187	TX CHILD SUPPORT SDU	5829			115.38CR	526,406.61CR
3/20/18	3/20	A09562	CHK: 195190	14187	TEXAS CHILD SUPPORT DISB	5859			500.90CR	526,907.51CR
3/20/18	3/20	A09563	CHK: 195191	14187	TX CHILD SUPPORT SDU	5882			276.92CR	527,184.43CR
3/20/18	3/20	A09564	CHK: 195192	14187	JAE FITNESS	6023			106.35CR	527,290.78CR

4-12-2018 1:46 PM		D E T A I L L I S T I N G		PAGE: 5				
FUND : 01 -GENERAL FUND				PERIOD TO USE: Mar-2018 THRU Mar-2018				
DEPT : N/A				ACCOUNTS: 1001 THRU 1001				
POST	DATE	TRAN #	REFERENCE	PACKET=====DESCRIPTION=====	VEND INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001			CASH IN BANK					
* (CONTINUED) *								
3/20/18	3/20	A09565	CHK: 195193	14187 TEXAS CHILD SUPPORT DISB	6451		222.00CR	527,512.78CR
3/20/18	3/20	A09566	CHK: 195194	14187 TEXAS CHILD SUPPORT DISB	6501		372.12CR	527,884.90CR
3/20/18	3/20	A09567	CHK: 195195	14187 TEXAS CHILD SUPPORT DISB	6566		207.69CR	528,092.59CR
3/20/18	3/20	A09568	CHK: 195196	14187 TEXAS CHILD SUPPORT DISB	6589		269.08CR	528,361.67CR
3/20/18	3/20	A09569	CHK: 195197	14187 TEXAS CHILD SUPPORT DISB	6590		228.00CR	528,589.67CR
3/22/18	3/22	A09570	CHK: 195203	14192 CANADIAN RIVER MUNICIPAL	1385	77,369.50CR		605,959.17CR
3/22/18	3/22	A09571	CHK: 195204	14192 DAVID HUCKERT	6182	200.00CR		606,159.17CR
3/22/18	3/22	A09572	CHK: 195205	14192 JEROMY DAWSON	6457	182.60CR		606,341.77CR
3/23/18	3/23	A09583	CHK: 195206	14195 LUBBOCK COMPUTER CABLING	6595	10,542.71CR		616,884.48CR
3/26/18	3/26	U26681	CHECK 195207	17528 REFUND: CASAREZ, JOSE G		47.45CR		616,931.93CR
3/26/18	3/26	U26681	CHECK 195208	17528 REFUND: RK CUSTOM BOOTS		14.59CR		616,946.52CR
3/26/18	3/26	U26681	CHECK 195209	17528 REFUND: CASTILLO, STACY		6.00CR		616,952.52CR
3/26/18	3/26	U26681	CHECK 195210	17528 REFUND: HUTCHISON, JOHN		74.46CR		617,026.98CR
3/26/18	3/26	U26681	CHECK 195211	17528 REFUND: SCOTT, PAXTON		38.51CR		617,065.49CR
3/26/18	3/26	U26681	CHECK 195212	17528 REFUND: MORENO, CHRIS		36.15CR		617,101.64CR
3/26/18	3/26	U26681	CHECK 195213	17528 REFUND: STAR BUFFET		31.05CR		617,132.69CR
3/26/18	3/26	U26681	CHECK 195214	17528 REFUND: MERRICK, KERCIDA F		64.88CR		617,197.57CR
3/26/18	3/26	U26681	CHECK 195215	17528 REFUND: RENTERIA, JESSICA		20.56CR		617,218.13CR
3/26/18	3/26	U26681	CHECK 195216	17528 REFUND: B E IMPLEMENT		89.36CR		617,307.49CR
3/26/18	3/26	U26681	CHECK 195217	17528 REFUND: FLORES, VICTOR		60.98CR		617,368.47CR
3/26/18	3/26	A09584	CHK: 195218	14196 LAMESA ECONOMIC DEVELOPM	2555	18,806.19CR		636,174.66CR
3/26/18	3/26	A09585	CHK: 195219	14196 TML-IEBP	3843	36,482.07CR		672,656.73CR
3/26/18	3/26	A09586	CHK: 195220	14196 WINDSTREAM COMMUNICATION	4460	106.48CR		672,763.21CR
3/26/18	3/26	A09587	CHK: 195221	14196 LAMESA ECONOMIC ALLIANCE	5942	18,806.19CR		691,569.40CR
3/26/18	3/26	A09588	CHK: 195222	14198 WTG FUELS, INC.	6220	15,609.12CR		707,178.52CR
3/26/18	3/26	A09590	CHK: 195224	14198 GONZALES WELDING	6254	180.00CR		707,358.52CR
3/27/18	3/27	A09594	CHK: 195237	14201 SIMPLEXGRINNELL	5681	3,004.02CR		710,362.54CR
3/27/18	3/27	A09595	CHK: 195238	14201 DEFENDER SUPPLY	6206	2,433.41CR		712,795.95CR
3/27/18	3/27	A09596	CHK: 195225	14200 RACHEL AGUILAR	1	50.00CR		712,845.95CR
3/27/18	3/27	A09597	CHK: 195226	14200 ADVANCED ANALYSIS, INC	1022	1,370.00CR		714,215.95CR
3/27/18	3/27	A09598	CHK: 195227	14200 POSTMASTER	3390	1,500.00CR		715,715.95CR
3/27/18	3/27	A09599	CHK: 195228	14200 STANDARD INSURANCE CO	3782	1,158.49CR		716,874.44CR
3/27/18	3/27	A09600	CHK: 195229	14200 TMCCP	4670	94.00CR		716,968.44CR
3/27/18	3/27	A09601	CHK: 195230	14200 TREVINO SANDY	5385	242.93CR		717,211.37CR
3/27/18	3/27	A09602	CHK: 195231	14200 STAHL, TERRI	5940	220.18CR		717,431.55CR
3/27/18	3/27	A09603	CHK: 195232	14200 JAE FITNESS	6023	282.00CR		717,713.55CR
3/27/18	3/27	A09604	CHK: 195233	14200 NORTH TEXAS TOLLWAY AUTH	6198	18.32CR		717,731.87CR
3/27/18	3/27	A09605	CHK: 195234	14200 GONZALES WELDING	6254	180.00CR		717,911.87CR
3/27/18	3/27	A09606	CHK: 195235	14200 GOVERNMENT CAPITAL CORPO	6609	14,746.03CR		732,657.90CR
3/27/18	3/27	A09607	CHK: 195236	14200 KEVIN HENRICKS	6610	400.00CR		733,057.90CR
3/28/18	3/28	A09615	CHK: 195252	14209 ADVANCED BUSINESS SOLUTI	5870	1,173.98CR		734,231.88CR
3/28/18	3/28	A09616	CHK: 195253	14209 MUNICIPAL EMERGENCY SERV	6427	6,368.46CR		740,600.34CR
3/28/18	3/28	A09617	CHK: 195254	14209 DUININCK, INC.	6432	3,222.70CR		743,823.04CR
3/28/18	3/28	A09618	CHK: 195255	14209 ANCHOR SPORTS	6594	5,190.00CR		749,013.04CR
3/28/18	3/28	A09619	CHK: 195239	14208 LAMESA PRESS REPORTER	2590	44.00CR		749,057.04CR
3/28/18	3/28	A09620	CHK: 195240	14208 PARKHILL, SMITH & COOPER,	3263	228.00CR		749,285.04CR
3/28/18	3/28	A09621	CHK: 195241	14208 CREATIVE INKS	5035	391.50CR		749,676.54CR

4-12-2018 1:46 PM		D E T A I L L I S T I N G		PAGE: 6				
FUND : 01 -GENERAL FUND		PERIOD TO USE: Mar-2018 THRU Mar-2018		ACCOUNTS: 1001 THRU 1001				
DEPT : N/A								
POST	DATE	TRAN #	REFERENCE	PACKET=====DESCRIPTION=====	VEND INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001 CASH IN BANK * (CONTINUED) *								
3/28/18	3/28	A09622	CHK: 195242	14208 MANDRY TECHNOLOGY SOLUTI	5160		34.80CR	749,711.34CR
3/28/18	3/28	A09623	CHK: 195243	14208 STANDARD COFFEE SERVICE	5275		424.09CR	750,135.43CR
3/28/18	3/28	A09624	CHK: 195244	14208 PBRPC	5525		150.00CR	750,285.43CR
3/28/18	3/28	A09625	CHK: 195245	14208 ELECTION SYSTEMS & SOFTW	5628		39.75CR	750,325.18CR
3/28/18	3/28	A09626	CHK: 195246	14208 ONCOR CITIES STEERING CO	5917		1,040.71CR	751,365.89CR
3/28/18	3/28	A09627	CHK: 195247	14208 SIERRA SPRINGS	6114		86.62CR	751,452.51CR
3/28/18	3/28	A09628	CHK: 195248	14208 LYNN ROSS GANNAWAY & CRA	6194		68.75CR	751,521.26CR
3/28/18	3/28	A09629	CHK: 195249	14208 CAPROCK IRRIGATION LLC	6297		174.87CR	751,696.13CR
3/28/18	3/28	A09630	CHK: 195250	14208 CANON FINANCIAL SERVICES	6580		722.00CR	752,418.13CR
3/28/18	3/28	A09631	CHK: 195251	14208 LUBIN ENTERPRISES, INC	6611		5,598.49CR	758,016.62CR
3/28/18	3/28	A09647	CHK: 000000	14203 INTERNAL REVENUE SERVICE	5832		129.12CR	758,145.74CR
3/28/18	3/28	A09648	CHK: 195256	14214 MARIE BRISENO	1296		64.85CR	758,210.59CR
3/28/18	3/28	A09649	CHK: 195257	14214 SPAG	5597		30.00CR	758,240.59CR
3/28/18	3/28	A09650	CHK: 195258	14214 CAPROCK IRRIGATION LLC	6297		99.40CR	758,339.99CR
3/28/18	3/28	A09651	CHK: 195259	14214 DAVIS CHIROPRACTIC	6300		115.00CR	758,454.99CR
3/28/18	3/28	A09652	CHK: 195260	14215 FULBRIGHT & CASSELBERRY	2090		2,145.83CR	760,600.82CR
3/28/18	3/28	A09653	CHK: 195261	14215 PAYROLL FUND	3270		380.50CR	760,981.32CR
3/28/18	3/28	A09654	CHK: 195262	14215 SENIOR CITIZENS	3675		3,750.00CR	764,731.32CR
3/28/18	3/28	A09655	CHK: 195263	14216 AFLAC INSURANCE	1020		4,330.14CR	769,061.46CR
3/28/18	3/28	A09656	CHK: 195264	14216 CAPROCK FEDERAL CREDIT U	1390		173.94CR	769,235.40CR
3/28/18	3/28	A09657	CHK: 195265	14216 TEXAS MUNICIPAL RETIREME	3973		30,454.39CR	799,689.79CR
3/28/18	3/28	A09662	CHK: 195270	14216 MY BOOT STORE	5710		75.00CR	799,764.79CR
3/28/18	3/28	A09663	CHK: 195271	14216 LEGAL SHIELD	5900		551.90CR	800,316.69CR
3/28/18	3/28	A09664	CHK: 195272	14216 NEW YORK LIFE	5921		427.38CR	800,744.07CR
3/28/18	3/28	A09665	CHK: 195273	14216 GUARDIAN-APPLETON	6141		384.70CR	801,128.77CR
3/29/18	3/29	B58481	Misc 000011	09394 HEALTH INS. TSF. - G/F	JE# 023539		28,381.67CR	829,510.44CR
3/29/18	3/29	B58486	Misc 000015	09395 LIABILITY TSF G/F TO RISK MGMT	JE# 023544		6,315.17CR	835,825.61CR
3/29/18	3/29	B58491	Misc 000020	09396 WORKER COMP TSF TO RISK MGMT	JE# 023549		5,886.75CR	841,712.36CR
3/29/18	3/29	A09670	CHK: 195275	14217 HENRY NORRIS AGENCY, . IN	3190		162.00CR	841,874.36CR
3/29/18	3/29	A09671	CHK: 195276	14217 WATERMASTER IRRIGATION	4129		241.92CR	842,116.28CR
3/29/18	3/29	A09672	CHK: 195277	14217 GREAT AMERICA FINANCIAL	5734		384.30CR	842,500.58CR
3/29/18	3/29	A09673	CHK: 195278	14217 NORTHLAND COMMUNICATIONS	5800		85.64CR	842,586.22CR
3/29/18	3/29	A09674	CHK: 195279	14217 PNC EQUIPMENT FINANCE,LL	5960		584.29CR	843,170.51CR
3/29/18	3/29	A09675	CHK: 195280	14217 DAVIS CHIROPRACTIC	6300		170.00CR	843,340.51CR
3/29/18	3/29	A09676	CHK: 195281	14217 ROSALIO MARTINEZ	6612		850.00CR	844,190.51CR
3/29/18	3/29	A09677	CHK: 195274	14219 TYLER BUSINESS FORMS	6559		3,120.83CR	847,311.34CR
3/31/18	4/07	B58579	Misc 000048	09408 SALE & USE TAX - ACH DEBIT	JE# 023582		10,289.02CR	857,600.36CR
3/31/18	4/10	B58585	Misc 000027	09411 GOV TAX PAYABLE TSF STATE AGCY	JE# 023586		3,870.09CR	861,470.45CR
3/31/18	4/12	B58607	Misc 000031	09417 TO RECORD DUE TO/FROM	JE# 023596		160.33CR	861,630.78CR
3/31/18	4/12	B58607	Misc 000031	09417 TO RECORD DUE TO/FROM	JE# 023596		221.78CR	861,852.56CR
=====				MARCH ACTIVITY DB:	0.00	CR:	861,852.56CR	861,852.56CR

SELECTION CRITERIA

FISCAL YEAR: Oct-2017 / Sep-2018
FUND: Include: 01
PERIOD TO USE: Mar-2018 THRU Mar-2018
TRANSACTIONS: CREDIT

ACCOUNT SELECTION

ACCOUNT RANGE: 1001 THRU 1001
DEPARTMENT RANGE: - THRU -
ACTIVE FUNDS ONLY: NO
ACTIVE ACCOUNT ONLY: NO
INCLUDE RESTRICTED ACCOUNTS: NO
DIGIT SELECTION:

PRINT OPTIONS

DETAIL
OMIT ACCOUNTS WITH NO ACTIVITY: NO
PRINT ENCUMBRANCES: NO
PRINT VENDOR NAME: NO
PRINT PROJECTS: NO
PRINT MONTHLY TOTALS: YES
PRINT GRAND TOTALS: NO
PRINT: INVOICE #
PAGE BREAK BY: NONE

*** END OF REPORT ***

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 4

SUBJECT: **2018 GENERAL ELECTION**
PROCEEDING: Ordinance, 2nd reading
SUBMITTED BY: City Secretary
EXHIBIT: Ordinance
AUTHORITY: State Law; Texas Election Code; Section 2.051, 2.052, and 2.053

SUMMARY STATEMENT

Consider passing an ordinance on Second reading declaring the unopposed candidates for the 2018 City of Lamesa General Election, to be held on May 5, 2018, elected to office. *(City Secretary)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to pass an ordinance on Second Reading declaring the unopposed candidate for the 2018 City of Lamesa General Election to be held on May 5, 2018.
Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Enclosed is a certification from the City Secretary certifying that the candidate for City Council Member District 1 and District 5 was unopposed for the May 5th City General Election. You have the option to pass an ordinance declaring the candidates elected to office. If you do so, they will take office in May. The time has also passed for the filing of write-in candidates. **Recommend approval.**

ORDINANCE NO.: ____

AN ORDINANCE DECLARING AN UNOPPOSED CANDIDATES IN THE MAY 5, 2018 GENERAL CITY ELECTION, ELECTED TO OFFICE; CANCELING THE ELECTION IN DISTRICT ONE (1), AND DISTRICT FIVE (5); PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, general city election was called for May 5, 2018, for the purpose of electing members to the city council; and

WHEREAS, the City Secretary has certified in writing that there is no proposition on the ballot, that no person has made a declaration of write-in candidacy, and that the candidate on the ballot is unopposed for election to office; and

WHEREAS, under these circumstances, Subchapter C, Chapter 2, Election Code, authorizes the city council to declare the candidates elected to office and canceling the election in District one (1), and District five (5).

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS;

Section 1. The following candidate, who is unopposed in the May 5 2018 general city election, is declared elected to office, and shall be issued certificates of election following the time the election would have been canvassed:

City Council Members

District 1:

Brant Stewart

City Council Members

District 5:

Bobby Gonzales

Section 2. The May 5, 2018 District 1 Council Member, and District 5 Council Member election is canceled, the city secretary is directed to cause a copy of this ordinance to be posted on election day at each polling place that would have been used in the election.

Section 3. It is declared to be the intent of the city council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence paragraph, or section of this ordinance is declared invalid by the judgment or decree of a court of competent jurisdiction, the invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance since the city council would have enacted them without the invalid portion.

Section 4. This ordinance shall take effect upon its final passage, and it is so ordained.

Upon being put to a vote the foregoing ordinance was Passed on First Reading on the 20th day of March, 2018 by a majority vote; and then on the 17th day of April, 2018, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas held pursuant to the provisions of the Texas Open Meetings Act; there being a quorum present and acting throughout the meeting the foregoing ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, and upon being put to a vote, the foregoing ordinance was Passed on Second and Final Reading and Adopted this 17th

day of April, 2018 by a majority vote and ordered to be spread upon the minutes of the City Council of the City of Lamesa, Texas and recorded in the ordinance book thereafter.

ATTEST:

APPROVED:

BETTY CONDE,
City Secretary

Josh Stevens
Mayor

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 5

SUBJECT: **PRESENTATION OF THE CITY FY 2016/2017 AUDIT REPORT**
PROCEEDING: Presentation and Action
SUBMITTED BY: City Staff
EXHIBITS: Audit Report

SUMMARY STATEMENT

Hear financial audit report for Fiscal Year ending September 30, 2017 from Tyler Cannady of *Bolinger, Segars, Gilbert & Moss, L.L.P.* and consider accepting audit report as well as authorizing publication of audit report. (*City Manager, Finance Director and City Auditor*)

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to accept audit report as well as authorizing publication of audit report. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

CITY OF LAMESA, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

LUBBOCK, TEXAS

CITY OF LAMESA, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

CITY OF LAMESA, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS (Continued)

	<u>Statement Identification</u>	<u>Page No.</u>
FINANCIAL SECTION		
Independent Auditor's Report		1
Management's Discussion and Analysis		4
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements		
Statement of Net Position	Exhibit A-1	11
Statement of Activities	Exhibit A-2	12
Fund Financial Statements		
Balance Sheet – Governmental Funds	Exhibit A-3	13
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position	Exhibit A-4	14
Statement of Revenues, Expenditures, and		
Changes in Fund Balances – Governmental Funds	Exhibit A-5	15
Reconciliation of the Statement of Revenues, Expenditures, and		
Changes in Fund Balances of Governmental Funds to the		
Statement of Activities	Exhibit A-6	16
Statement of Net Position – Proprietary Funds	Exhibit A-7	17
Statement of Revenues, Expenses, and Changes in Fund		
Net Position – Proprietary Funds	Exhibit A-8	18
Statement of Cash Flows – Proprietary Funds	Exhibit A-9	19
Notes to Financial Statements (an Integral Part of the Basic Financial Statements)		20
REQUIRED SUPPLEMENTARY INFORMATION		
Schedule of Changes in the Plan's Net Pension		
Liability and Related Ratios - TMRS	Exhibit B-1	48
Schedule of Employer Contributions - TMRS	Exhibit B-2	49
Notes to the Required Supplementary Information - TMRS		50
Schedule of Changes in the Plan's Net Pension		
Liability and Related Ratios - TESRS	Exhibit B-3	51
Schedule of Employer Contributions - TESRS	Exhibit B-4	52
Notes to the Required Supplementary Information - TESRS		53
Budgetary Comparison Schedule – General Fund	Exhibit B-5	54
Notes to the Required Supplementary Information		55

CITY OF LAMESA, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS (Concluded)

	<u>Statement Identification</u>	<u>Page No.</u>
COMBINING STATEMENTS		
Combining Balance Sheet – Nonmajor Governmental Funds	Exhibit C-1	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	Exhibit C-2	57
HUD FINANCIAL DATA SCHEDULES		
Supplementary Financial Data Schedule – Balance Sheet	Exhibit C-3	58
Supplementary Financial Data Schedule – Revenue and Expense	Exhibit C-4	59
PROPRIETARY FUND SEGMENT REPORTING		
Statement of Net Position - Wastewater	Exhibit C-5	60
Statement of Revenues, Expenses, and Changes in Fund Net Position - Wastewater	Exhibit C-6	61
Statement of Cash Flows - Wastewater	Exhibit C-7	62
OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		63

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

Independent Auditor's Report

City Council
City of Lamesa, Texas
Lamesa, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of City of Lamesa, Texas (the City), as of and for the fiscal 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, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lamesa, Texas, 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 management's discussion and analysis, the schedule of changes in the plan's net pension liability and related ratios for the retirement plans, and schedule of employer contributions for the retirement plans, and budgetary comparison information on pages 4 through 10 and 48, 49, 51, 52, 54 and 55 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 statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements, supplementary financial data schedules, and proprietary fund segment reporting 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 additional 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 March 26, 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.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

March 26, 2018

CITY OF LAMESA, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Lamesa, Texas (the City) we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction the independent auditor's report and the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities on September 30, 2017 by \$15,309,439 (net position).
- The City's total net position decreased by \$489,317, due mostly to the loss on water meters that was recorded in 2017 due to a meter change out program.
- The City's governmental funds reported combined ending fund balance is \$2,997,966, of which \$2,745,543 is available for spending at the City's discretion.
- The ending unassigned fund balance for the General Fund was \$2,745,543, or 66.66% of total general fund revenues and 62.64% of total expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These provide information about the activities of the City as a whole and present a long-term view of the City's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. For governmental activities, these statements tell how services were financed in the short-term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the City were sold to departments within the City or to external customers and how the sales revenues covered the expenses of the goods or services.

The notes to the financial statements provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

The Statement of Net Position provides an analysis of the City's overall financial condition and operations. The primary purpose of this analysis is to show whether the City is better or worse off as a result of the year's activities. The Statement of Net Position includes all the City's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the City's operations during the year. These apply the accrual basis of accounting which is the method used by most private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The City's revenues are separated into two categories: those provided by outside parties who share the costs of some programs, such as the Department of Transportation's assistance in safe driving, and revenues provided by the taxpayers. All the City's assets are reported whether they serve the current year or future years. Liabilities are included regardless of whether they must be paid in the current or future years.

These two statements report the City's net position and changes in them. The City's net position (the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources) provides one measure of the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the City, however, you should consider other financial factors as well (such as changes in the City's sales tax revenues or its property tax base) and non-financial factors (such as the condition of the City's facilities, unemployment rates and population growth or decline).

In the Statement of Net Position and the Statement of Activities, the following activities are presented.

- Governmental activities – Most of the City's basic services are reported here, including general government, administration, tourism, fire, streets, vehicle services, police, airport, and recreation and parks. Property taxes, sales taxes, user fees, and licenses and permits finance most of these activities.
- Business-type activities – The City accounts for business-type activities in its proprietary funds, where user fees and charges are intended to recover all or a significant portion of overall costs.
- Component units – The City has two component units which are funded primarily through sales tax revenue for the purpose of economic development, specifically the generation and retention of business activities and jobs.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Laws and contracts require the City to establish certain funds to account for specific activities, such as grants received through the State of Texas. The City's administration establishes other funds to help it control and manage resources for particular purposes. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental funds – Most of the City's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds – The City reports the activities for which it charges users (whether outside customers or other units of the City) in proprietary funds using the full accrual method, which is the same accounting method employed in the Statement of Net Position and the Statement of Activities. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The City adopts an annual appropriated budget for its general fund (major fund). A budgetary comparison schedule has been provided for this fund to demonstrate budgetary compliance.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows exceeded inflows of resources and liabilities by \$15,309,439 at September 30, 2017. The largest portion of the City's net position (58.53%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, and equipment) less any related debt used to acquire these assets that is still outstanding. These assets are used to provide services to the citizens and are not available for future appropriation. 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.

Table I
CITY OF LAMESA, TEXAS

NET POSITION

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Assets:						
Cash and Cash Equivalents	\$ 3,421,546	\$ 2,748,727	\$ 2,837,616	\$ 2,086,016	\$ 6,259,162	\$ 4,834,743
Receivables, Net	747,153	553,691	603,260	500,702	1,350,413	1,054,393
Internal Balances	213,304	158,487	(213,304)	(158,487)		
Due from Other Governments	495				495	
Capital Assets and Water Rights	4,447,879	4,689,208	16,446,378	17,263,089	20,894,257	21,952,297
Other Assets	19,523	18,113	198,800	185,295	218,323	203,408
Total Assets	\$ 8,849,900	\$ 8,168,226	\$ 19,872,750	\$ 19,876,615	\$ 28,722,650	\$ 28,044,841
Deferred Outflows of Resources	\$ 578,242	\$ 875,408	\$ 402,729	\$ 525,014	\$ 980,971	\$ 1,400,422
Liabilities:						
Accounts Payable and Other Current Liabilities	\$ 773,483	\$ 533,682	\$ 319,098	\$ 313,059	\$ 1,092,581	\$ 846,741
Current Portion of Long-Term Liabilities	136,130	225,491	1,290,580	1,241,768	1,426,710	1,467,259
Long-Term Liabilities	607,985	502,245	11,154,961	10,663,821	11,762,946	11,166,066
Total Liabilities	\$ 1,517,598	\$ 1,261,418	\$ 12,764,639	\$ 12,218,648	\$ 14,282,237	\$ 13,480,066
Deferred Inflows of Resources	\$ 68,151	\$ 108,395	\$ 43,794	\$ 58,046	\$ 111,945	\$ 166,441
Net Position:						
Invested in Capital Assets	\$ 4,194,368	\$ 4,435,697	\$ 4,766,443	\$ 6,076,830	\$ 8,960,811	\$ 10,512,527
Restricted	232,900	276,968	115,822	119,554	348,722	396,522
Unrestricted	3,415,125	2,961,156	2,584,781	1,928,551	5,999,906	4,889,707
Total Net Position	\$ 7,842,393	\$ 7,673,821	\$ 7,467,046	\$ 8,124,935	\$ 15,309,439	\$ 15,798,756

The City has restricted net position totaling 2.28% of total net position, which represent resources subject to restrictions on how they may be used. Such resources include special revenue funds restricted for specific purposes. The unrestricted net position is \$5,999,906, and is available for use at the councils discretion.

There was an overall decrease of \$1,551,716 in net investment in capital assets. The net investment in capital assets for the primary government has decreased due to retirement of meters in 2017 due to the meter change out program.

Table II
CITY OF LAMESA, TEXAS

CHANGES IN NET POSITION						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues:						
Program Revenues						
Charges for Services	\$ 140,586	\$ 142,427	\$ 7,285,029	\$ 6,859,857	\$ 7,425,615	\$ 7,002,284
Operating Grants and Contributions	460,327	385,851			460,327	385,851
Capital Grants and Contributions	275,916	211,447	65,340	65,340	341,256	276,787
General Revenues						
Taxes	3,728,636	3,442,075			3,728,636	3,442,075
Unrestricted Investment Earnings	11,042	9,142	16,846	17,539	27,888	26,681
Other	196,337	93,205	(969,702)	46,022	(773,365)	139,227
Total Revenues	<u>\$ 4,812,844</u>	<u>\$ 4,284,147</u>	<u>\$ 6,397,513</u>	<u>\$ 6,988,758</u>	<u>\$ 11,210,357</u>	<u>\$ 11,272,905</u>
Expenses:						
Administration	\$ 527,581	\$ 441,689	\$	\$	\$ 527,581	\$ 441,689
General Government	633,285	306,585			633,285	306,585
Tourism	127,749	97,088			127,749	97,088
Fire and Police	2,325,944	2,258,645			2,325,944	2,258,645
Streets	571,676	621,451			571,676	621,451
Vehicle Services	133,345	106,601			133,345	106,601
Parks and Recreation	868,327	939,846			868,327	939,846
Airport	89,614	18,273			89,614	18,273
Water and Wastewater			3,635,319	3,319,642	3,635,319	3,319,642
Solid Waste			1,622,084	1,549,070	1,622,084	1,549,070
Municipal Golf Course			275,232	272,713	275,232	272,713
Housing Program			396,679	457,342	396,679	457,342
Interest Expense and Related Fees	5,955	8,596	486,884	458,568	492,839	467,164
Total Expenses	<u>\$ 5,283,476</u>	<u>\$ 4,798,774</u>	<u>\$ 6,416,198</u>	<u>\$ 6,057,335</u>	<u>\$ 11,699,674</u>	<u>\$ 10,856,109</u>
Increase in Net Position Before Transfers	\$ (470,632)	\$ (514,627)	\$ (18,685)	\$ 931,423	\$ (489,317)	\$ 416,796
Transfers	639,204	671,698	(639,204)	(671,698)		
Increase (Decrease) in Net Position	\$ 168,572	\$ 157,071	\$ (657,889)	\$ 259,725	\$ (489,317)	\$ 416,796
Net Position-Beginning	7,673,821	7,516,750	8,124,935	7,865,210	15,798,756	15,381,960
Net Position-Ending	<u>\$ 7,842,393</u>	<u>\$ 7,673,821</u>	<u>\$ 7,467,046</u>	<u>\$ 8,124,935</u>	<u>\$ 15,309,439</u>	<u>\$ 15,798,756</u>

Governmental Activities - Governmental activities resulted in an increase of \$168,572 in the City's net position. Key elements of this increase are as follows:

- Tax Revenue increased by \$423,331 due to an increase in the local economy from the oil and gas exploration and production industry.
- Budgeted Transfers from Proprietary Funds to cover administration and payments in lieu of taxes.

Business-Type Activities - Business-type activities decreased the City's total net position by \$657,889 in the current fiscal year. Key elements of this decrease are as follows.

- Negative Net Pension Liability Impact for 2017.
- Loss on retirement of meters.
- Transfers to General Fund for Payments in Lieu of Taxes.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's 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. With the implementation of GASB No. 54 in fiscal year 2011, the City changed its presentation of fund balances in governmental funds. The GASB has defined five types of fund balances, which are more fully described in the footnotes to the financial statements. The City only had restricted and unassigned categories of fund balance in 2017.

As the City completed the 2016-17 year, its governmental funds reported combined ending fund balances of \$2,997,966, representing an increase of \$477,833 from the prior year's balance of \$2,520,133. Unassigned fund balance at the end of the current year is \$2,745,543, as compared to the prior year's unassigned fund balance of \$2,225,052. Unassigned fund balance that is available for spending at the City's discretion amounts to 91.58% of total fund balances.

Proprietary funds. The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, Business-Type Activities, but in more detail. Unrestricted net position of the City's enterprise funds at the end of the fiscal year are as follows:

	2017	2016	Change
Water and Wastewater	\$ 1,515,148	\$ 1,009,439	\$ 505,709
Solid Waste	1,158,732	1,061,674	97,058
Municipal Golf Course	(89,099)	(121,104)	32,005
Housing Program		(21,458)	21,458
	<u>\$ 2,584,781</u>	<u>\$ 1,928,551</u>	<u>\$ 656,230</u>

Unrestricted net position increased by \$505,709 in the Water and Wastewater Fund and increased by \$97,058 in the Solid Waste. The Municipal Golf Course and Housing Program Funds increased due to revenues in excess of expense for 2017.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there was a \$214,792 increase in appropriations between the original and final amended budget. The City spent \$203,849 less than of appropriations and final revenues came under budgeted amounts by \$183,364.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2017 are shown below.

Major capital asset events during the current fiscal year included the following:

- Retiring old meters and capitalizing new meters purchased through a capital lease in the amount of \$1,442,304

Table III
CITY OF LAMESA, TEXAS

CAPITAL ASSETS (NET OF DEPRECIATION) AT SEPTEMBER 30, 2017

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 14,988	\$ 14,988	\$ 352,320	\$ 352,320	\$ 367,308	\$ 367,308
Buildings and Improvements	3,480,840	3,424,218	5,703,344	5,785,434	9,184,184	9,209,652
Machinery and Equipment	886,820	1,096,084	1,591,663	1,742,530	2,478,483	2,838,614
Infrastructure			5,382,441	5,552,854	5,382,441	5,552,854
Construction in Progress	65,231	153,918	18,501		83,732	153,918
	<u>\$ 4,447,879</u>	<u>\$ 4,689,208</u>	<u>\$ 13,048,269</u>	<u>\$ 13,433,138</u>	<u>\$ 17,496,148</u>	<u>\$ 18,122,346</u>

Additional information regarding capital asset activity of the City can be found in the Notes to the Financial Statements.

Long-Term Debt

Table IV
CITY OF LAMESA, TEXAS

OUTSTANDING OBLIGATED DEBT AT SEPTEMBER 30, 2017

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Serviced by Tax Revenues						
Notes Payable	\$ 143,602	\$ 228,285	\$	\$	\$ 143,602	\$ 228,285
Capital Leases	126,847	25,226			126,847	25,226
Serviced by Enterprise Funds						
Notes Payable			5,644,776	6,183,436	5,644,776	6,183,436
Capital Leases			2,394,227	986,495	2,394,227	986,495
CRMWA Bonds			3,640,932	3,987,202	3,640,932	3,987,202
	<u>\$ 270,449</u>	<u>\$ 253,511</u>	<u>\$ 11,679,935</u>	<u>\$ 11,157,133</u>	<u>\$ 11,950,384</u>	<u>\$ 11,410,644</u>

Additional information regarding long-term debt activity of the City can be found in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

To continue to meet fiscal challenges of the future, the City must strengthen its General Fund revenue base, at present consisting primarily of property tax, sales tax and franchise fee revenue. The ending fund balance for the General Fund for September 30, 2017 is \$2,765,066. One of the City's fiscal goals has been for each fund to be totally self-sustaining. The budget for the General Fund has satisfied this goal for 2016-17, and the budget for 2017-2018 has been created through the same processes.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's finance office, at City of Lamesa, 601 South 1st Street, Lamesa, Texas 79331.

BASIC FINANCIAL STATEMENTS

CITY OF LAMESA, TEXAS

EXHIBIT A-1

STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Lamesa EDC	Lamesa EAP
ASSETS:					
Cash and Cash Equivalents	\$ 3,421,546	\$ 2,218,259	\$ 5,639,805	\$ 1,776,681	\$ 547,914
Receivables, Net of Allowances	747,153	603,260	1,350,413		
Intergovernmental Receivables	495		495		
Due From City				46,428	46,428
Internal Balances	213,304	(213,304)			
Inventory - Supplies	19,523	198,800	218,323		
Inventory - Land				324,835	
Restricted Cash and Cash Equivalents		619,357	619,357		
Prepaid Items				1,518	
Notes Receivable				37,143	72,663
Capital Assets, Net of Accumulated Depreciation and Amortization					
Nondepreciable	80,219	370,821	451,040		
Depreciable	4,367,660	12,677,448	17,045,108	113,224	
Water Rights		3,398,109	3,398,109		
Total Assets	<u>\$ 8,849,900</u>	<u>\$ 19,872,750</u>	<u>\$ 28,722,650</u>	<u>\$ 2,299,829</u>	<u>\$ 667,005</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Pension Plan - Employer Contribution Deferrals - TMRS	\$ 55,737	\$ 35,815	\$ 91,552	\$ 2,422	\$
Pension Plan - Investment Differences - TMRS	375,392	245,579	620,971	15,907	
Pension Plan - Assumption Changes - TMRS	85,053	50,300	135,353	3,156	
Pension Plan - Experience Differences - TESRS	453		453		
Pension Plan - Investment Differences - TESRS	55,379		55,379		
Pension Plan - Assumption Changes - TESRS	6,228		6,228		
Deferred Charges on Refunding		71,035	71,035		
Total Deferred Outflows of Resources	<u>\$ 578,242</u>	<u>\$ 402,729</u>	<u>\$ 980,971</u>	<u>\$ 21,485</u>	<u>\$ 0</u>
LIABILITIES:					
Accounts Payable	\$ 497,360	\$	\$ 497,360	\$ 3,590	\$
Due to State		1,530	1,530	492	
Due to EDC's	92,856		92,856		
Accrued Wages	84,320	50,261	134,581	3,218	
Customer Deposits	20,201	251,584	271,785		
Claims Payable	78,746		78,746		
Refunds Payable		15,723	15,723		
Noncurrent Liabilities					
Long-Term Debt Due within One Year	136,130	1,290,580	1,426,710	124,329	
Long-Term Debt Due in More Than One Year	607,985	10,634,550	11,242,535	908,991	
Closure/Postclosure Landfill Obligation		520,411	520,411		
Total Liabilities	<u>\$ 1,517,598</u>	<u>\$ 12,764,639</u>	<u>\$ 14,282,237</u>	<u>\$ 1,040,620</u>	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES					
Pension Plan - Experience Differences - TMRS	\$ 68,151	\$ 43,794	\$ 111,945	\$ 2,609	\$
Total Deferred Inflows of Resources	<u>\$ 68,151</u>	<u>\$ 43,794</u>	<u>\$ 111,945</u>	<u>\$ 2,609</u>	<u>\$ 0</u>
NET POSITION:					
Net Investment in Capital Assets	\$ 4,194,368	\$ 4,766,443	\$ 8,960,811	\$ 113,224	\$
Restricted For:					
Enabling Legislation	232,900		232,900		
Closure and Postclosure Care		98,946	98,946		
HUD Programs		16,876	16,876		
Unrestricted	<u>3,415,125</u>	<u>2,584,781</u>	<u>5,999,906</u>	<u>1,164,861</u>	<u>667,005</u>
Total Net Position	<u>\$ 7,842,393</u>	<u>\$ 7,467,046</u>	<u>\$ 15,309,439</u>	<u>\$ 1,278,085</u>	<u>\$ 667,005</u>

The accompanying notes are an integral part of this statement.

CITY OF LAMESA, TEXAS

EXHIBIT A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT:								
Governmental Activities								
Administration	\$ 527,581	\$ 122,712	\$	\$ 275,916	\$ (527,581)	\$	\$ (527,581)	\$
General Government	633,285				(234,657)		(234,657)	
Tourism	127,749				(127,749)		(127,749)	
Fire	851,151		171,867		(679,284)		(679,284)	
Streets	571,676				(571,676)		(571,676)	
Vehicle Services	133,345				(133,345)		(133,345)	
Police	1,474,793		25,106		(1,449,687)		(1,449,687)	
Parks and Recreation	868,327	17,874	24,469		(825,984)		(825,984)	
Airport	89,614		238,885		149,271		149,271	
Interest Expense and Related Fees	5,955				(5,955)		(5,955)	
Total Governmental Activities	\$ 5,283,476	\$ 140,586	\$ 460,327	\$ 275,916	\$ (4,406,647)	\$ 0	\$ (4,406,647)	\$ 0
Business-Type Activities:								
Water and Wastewater	\$ 3,635,319	\$ 4,786,976	\$	\$	\$	\$ 1,151,657	\$ 1,151,657	\$
Solid Waste	1,622,084	1,822,787		65,340		266,043	266,043	
Municipal Golf Course	275,232	240,735				(34,497)	(34,497)	
Housing Program	396,679	434,531				37,852	37,852	
Interest Expense and Related Fees	486,884					(486,884)	(486,884)	
Total Business-Type Activities	\$ 6,416,198	\$ 7,285,029	\$ 0	\$ 65,340	\$ 0	\$ 934,171	\$ 934,171	\$ 0
Total Primary Government	\$ 11,699,674	\$ 7,425,615	\$ 460,327	\$ 341,256	\$ (4,406,647)	\$ 934,171	\$ (3,472,476)	\$ 0
Component Units:								
Lamesa Economic Development Corporation	\$ 237,879	\$	\$	\$			\$ (237,879)	\$ (197,554)
Lamesa Economic Alliance Project	197,554							(197,554)
Total Component Units	\$ 435,433	\$ 0	\$ 0	\$ 0			\$ (237,879)	\$ (197,554)
General Revenues:								
Property Taxes				\$ 2,192,215	\$	\$	\$ 2,192,215	\$
Sales Taxes				1,034,523			1,034,523	257,253
Gross Receipts Taxes				390,598			390,598	
Motel Occupancy Taxes				111,300			111,300	
Rents and Royalties				27,872			27,872	12,700
Investment Earnings				11,042		16,846	27,888	18,061
Loss on Retirement of Assets				(18,723)		(1,091,754)	(1,110,477)	6,433
Other				187,188		122,052	309,240	48,058
Transfers				639,204		(639,204)		
Total General Revenue and Transfers				\$ 4,575,219	\$ (1,592,060)	\$	\$ 2,983,159	\$ 336,072
Change in Net Position				\$ 168,572	\$ (657,889)	\$	\$ (489,317)	\$ 98,193
Net Position - Beginning				\$ 7,673,821	\$ 8,124,935	\$	\$ 15,798,756	\$ 1,179,892
Net Position - Ending				\$ 7,842,393	\$ 7,467,046	\$	\$ 15,309,439	\$ 1,278,085
								\$ 667,005

The accompanying notes are an integral part of this statement.

-13-
CITY OF LAMESA, TEXAS

EXHIBIT A-3

**BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:			
Cash and Cash Equivalents	\$ 2,767,643	\$ 232,175	\$ 2,999,818
Receivables, Net of Allowances	560,719	181,131	741,850
Intergovernmental Receivables	495		495
Due from Other Funds	138,868		138,868
Inventory	19,523		19,523
Total Assets	\$ 3,487,248	\$ 413,306	\$ 3,900,554
LIABILITIES:			
Accounts Payable	\$ 339,142	\$ 158,218	\$ 497,360
Accrued Payroll Liabilities	83,111		83,111
Due to Other Funds		22,188	22,188
Due to EDC's	92,856		92,856
Community Building Deposits	20,201		20,201
Total Liabilities	\$ 535,310	\$ 180,406	\$ 715,716
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue	\$ 186,872	\$	\$ 186,872
Total Deferred Inflows of Resources	\$ 186,872	\$ 0	\$ 186,872
FUND BALANCES:			
Nonspendable - Inventory	\$ 19,523	\$	\$ 19,523
Restricted for Enabling Legislation		232,900	232,900
Unassigned	2,745,543		2,745,543
Total Fund Balances	\$ 2,765,066	\$ 232,900	\$ 2,997,966
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,487,248	\$ 413,306	\$ 3,900,554

The accompanying notes are an integral part of this statement.

-14-
CITY OF LAMESA, TEXAS

EXHIBIT A-4

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2017**

Total Fund Balances - Governmental Funds Balance Sheet	\$ 2,997,966
Amounts reported for governmental activities in the Statement of Net Position (SNP) are different because:	
Net Capital assets used in governmental activities are not reported in the funds.	4,447,879
Property taxes receivable and court fines and fees unavailable to pay for current period expenditures are deferred in the funds.	186,872
Payables for debt principal which are not due in the current period are not reported in the funds.	(270,449)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(99,162)
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	443,700
Net Pension Liability and Related Deferred Inflows and Outflows are not reported in the funds - TMRS.	365,992
Net Pension Liability and Related Deferred Inflows and Outflows are not reported in the funds - TESRS.	<u>(230,405)</u>
Net Position of Governmental Activities - Statement of Net Position	<u>\$ 7,842,393</u>

The accompanying notes are an integral part of this statement.

-15-
CITY OF LAMESA, TEXAS

EXHIBIT A-5

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenue:			
Taxes:			
General Property Taxes	\$ 2,143,822	\$	\$ 2,143,822
Sales Taxes	1,034,523		1,034,523
Gross Receipts Business Taxes	387,370	3,228	390,598
Motel Occupancy Taxes		111,300	111,300
Licenses and Permits	60,023		60,023
Charges for Services	17,874		17,874
Fines, Fees and Forfeits	62,689	25,106	87,795
Investment Earnings	10,502	540	11,042
Intergovernmental	196,336	514,801	711,137
Rents and Royalties	27,872		27,872
Miscellaneous	177,929	9,259	187,188
Total Revenues	<u>\$ 4,118,940</u>	<u>\$ 664,234</u>	<u>\$ 4,783,174</u>
Expenditures:			
Current:			
Administration	\$ 516,336	\$	\$ 516,336
General Government	345,137	275,916	621,053
Tourism		115,177	115,177
Fire	648,703		648,703
Streets	627,178		627,178
Vehicle Services	109,684		109,684
Police	1,315,786	10,629	1,326,415
Parks and Recreation	701,419	216,966	918,385
Airport		89,614	89,614
Debt Service:			
Principal	112,834		112,834
Interest and Fiscal Charges	5,955		5,955
Total Expenditures	<u>\$ 4,383,032</u>	<u>\$ 708,302</u>	<u>\$ 5,091,334</u>
Deficits of Revenues			
Over Expenditures	<u>\$ (264,092)</u>	<u>\$ (44,068)</u>	<u>\$ (308,160)</u>
Other Financing Sources:			
Transfers In	\$ 656,204	\$	\$ 656,204
Capital Lease Proceeds	129,772		129,772
Proceeds from the Sale of Capital Assets	17		17
Total Other Financing Sources	<u>\$ 785,993</u>	<u>\$ 0</u>	<u>\$ 785,993</u>
Net Change in Fund Balances	\$ 521,901	\$ (44,068)	\$ 477,833
Fund Balances - Beginning	<u>2,243,165</u>	<u>276,968</u>	<u>2,520,133</u>
Fund Balances - Ending	<u>\$ 2,765,066</u>	<u>\$ 232,900</u>	<u>\$ 2,997,966</u>

The accompanying notes are an integral part of this statement.

-16-
CITY OF LAMESA, TEXAS

EXHIBIT A-6

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Net Change in Fund Balances - Total Governmental Funds	\$ 477,833
Amounts reported for governmental activities in the Statement of Activities (SOA) are different because:	
Capital assets are not reported as expenses in the SOA.	262,345
The depreciation of capital assets used in governmental activities is not reported in the funds.	(484,934)
Losses on dispositions of capital assets are not recorded in the funds.	(18,740)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	48,393
Repayment of debt principal is an expenditure in the funds but is not an expense in the SOA.	112,834
Proceeds from issuance of capital leases are not recorded as other financing sources in the statement of activities.	(129,772)
The net revenue or expense of internal service funds is reported with governmental activities.	156,976
Pension Expense is not accrued in the funds related to the Net Pension Liability, Deferred Outflow, and Deferred Inflows - TMRS.	<u>(256,363)</u>
Change in Net Position of Governmental Activities - Statement of Activities	<u>\$ 168,572</u>

The accompanying notes are an integral part of this statement.

-17-
CITY OF LAMESA, TEXAS

EXHIBIT A-7

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017**

	Business-Type Activities - Major Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Wastewater	Solid Waste	Municipal Golf Course	Housing Program	Totals	
ASSETS:						
Cash and Cash Equivalents	\$ 1,236,407	\$ 925,864	\$ 1,532	\$ 54,456	\$ 2,218,259	\$ 421,728
Receivables, Net of Allowances	441,531	159,200	2,529		603,260	5,303
Due from Other Funds		38,726			38,726	96,624
Inventory	198,800				198,800	
Restricted Assets						
Cash and Cash Equivalents		619,357			619,357	
Total Current Assets	\$ 1,876,738	\$ 1,743,147	\$ 4,061	\$ 54,456	\$ 3,678,402	\$ 523,655
Noncurrent Assets						
Capital Assets, Net of Accumulated Depreciation and Amortization						
Land	\$ 129,001	\$ 143,957	\$ 79,362	\$	\$ 352,320	\$
Buildings	58,836	723,016	10,456		792,308	
Improvements other than Buildings	4,911,036				4,911,036	
Machinery and Equipment	702,923	735,709	153,031		1,591,663	
Infrastructure	5,382,441				5,382,441	
Construction in Progress	18,501				18,501	
Water Rights	3,398,109				3,398,109	
Total Noncurrent Assets	\$ 14,600,847	\$ 1,602,682	\$ 242,849	\$ 0	\$ 16,446,378	\$ 0
Total Assets	\$ 16,477,585	\$ 3,345,829	\$ 246,910	\$ 54,456	\$ 20,124,780	\$ 523,655
DEFERRED OUTFLOWS OF RESOURCES:						
Pension Plan - Employer Contributions	\$ 21,006	\$ 11,667	\$ 3,142	\$	\$ 35,815	\$
Pension Plan - Investment Differences	144,039	79,997	21,543		245,579	
Pension Plan - Assumption Changes	29,502	16,385	4,413		50,300	
Deferred Charges on Refundings	71,035				71,035	
Total Deferred Outflows of Resources	\$ 265,582	\$ 108,049	\$ 29,098	\$ 0	\$ 402,729	\$ 0
LIABILITIES:						
Due to Other Funds	\$ 117,092	\$	\$ 97,358	\$ 37,580	\$ 252,030	\$
Refunds Payable	15,723				15,723	
Accrued Payroll Liabilities	31,367	15,013	3,881		50,261	1,209
Due to State	1,530				1,530	
Claims Payable						78,746
Customer Deposits	251,584				251,584	
Current Portion of Long-Term Liabilities						
Compensated Absences	13,221	6,663	3,137		23,021	
Notes and Bonds Payable	851,538	135,000			986,538	
Leases Payable	141,049	117,177	22,795		281,021	
Total Current Liabilities	\$ 1,423,104	\$ 273,853	\$ 127,171	\$ 37,580	\$ 1,861,708	\$ 79,955
Noncurrent Liabilities						
Compensates Absences	\$ 39,665	\$ 19,992	\$ 9,415	\$	\$ 69,072	\$
Notes and Bonds Payable	8,153,470	145,700			8,299,170	
Premium on Notes Payable	100,383				100,383	
Leases Payable	1,711,493	284,397	117,316		2,113,206	
Net Pension Liability	30,921	17,173	4,625		52,719	
Landfill Closure and Postclosure		520,411			520,411	
Total Noncurrent Liabilities	\$ 10,035,932	\$ 987,673	\$ 131,356	\$ 0	\$ 11,154,961	\$ 0
Total Liabilities	\$ 11,459,036	\$ 1,261,526	\$ 258,527	\$ 37,580	\$ 13,016,669	\$ 79,955
DEFERRED INFLOWS OF RESOURCES:						
Pension Plan - Experience Differences	\$ 25,686	\$ 14,266	\$ 3,842	\$	\$ 43,794	\$
Total Deferred Inflows of Resources	\$ 25,686	\$ 14,266	\$ 3,842	\$ 0	\$ 43,794	\$ 0
NET POSITION:						
Net Investment in Capital Assets	\$ 3,743,297	\$ 920,408	\$ 102,738	\$	\$ 4,766,443	\$
Restricted For:						
Closure and Postclosure Care		98,946			98,946	
HUD Programs				16,876	16,876	
Unrestricted	1,515,148	1,158,732	(89,099)		2,584,781	443,700
Total Net Position	\$ 5,258,445	\$ 2,178,086	\$ 13,639	\$ 16,876	\$ 7,467,046	\$ 443,700

The accompanying notes are an integral part of this statement.

-18-
CITY OF LAMESA, TEXAS

EXHIBIT A-8

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Wastewater	Solid Waste	Municipal Golf Course	Housing Program	Totals	
OPERATING REVENUES:						
Water and Wastewater Revenue	\$ 4,786,976	\$	\$	\$	\$ 4,786,976	\$
Sanitation Charges		1,822,787			1,822,787	
Municipal Golf Course Fees			240,735		240,735	
Commercial Rentals and Fees				434,531	434,531	
Interdepartmental Billings						949,344
Total Operating Revenues	\$ 4,786,976	\$ 1,822,787	\$ 240,735	\$ 434,531	\$ 7,285,029	\$ 949,344
OPERATING EXPENSES:						
Housing Assistance Payments	\$	\$	\$	\$ 340,391	\$ 340,391	\$
Claims and Judgements						
Personnel Services	997,058	597,595	152,199	50,000	1,796,852	775,070
Supplies	128,570	87,598	22,715		238,883	
Maintenance	534,031	253,792	38,738	6,288	832,849	
Miscellaneous Services	982,766	176,857	33,909		1,193,532	2,121
Depreciation and Amortization	979,727	466,730	27,671		1,474,128	
Noncapitalized Equipment	13,167	39,512			52,679	
Total Operating Expenses	\$ 3,635,319	\$ 1,622,084	\$ 275,232	\$ 396,679	\$ 5,929,314	\$ 777,191
Operating Income (Loss)	\$ 1,151,657	\$ 200,703	\$ (34,497)	\$ 37,852	\$ 1,355,715	\$ 172,153
NON-OPERATING REVENUES (EXPENSES):						
Interest Revenue	\$ 8,438	\$ 7,926	\$	\$ 482	\$ 16,846	\$ 1,445
Gain (Loss) on Sale of Assets	(1,096,682)	4,928			(1,091,754)	
Intergovernmental Revenue		65,340			65,340	
Miscellaneous Income	92,403	22,840	6,809		122,052	377
Interest Expense and Related Fees	(463,252)	(22,750)	(882)		(486,884)	
Total Non-Operating Revenue (Expense)	\$ (1,459,093)	\$ 78,284	\$ 5,927	\$ 482	\$ (1,374,400)	\$ 1,822
Income (Loss) Before Transfers	\$ (307,436)	\$ 278,987	\$ (28,570)	\$ 38,334	\$ (18,685)	\$ 173,975
Transfers In (Out)	(356,888)	(328,316)	46,000		(639,204)	(17,000)
Change in Net Position	\$ (664,324)	\$ (49,329)	\$ 17,430	\$ 38,334	\$ (657,889)	\$ 156,975
Total Net Position - Beginning	5,922,769	2,227,415	(3,791)	(21,458)	8,124,935	286,725
Total Net Position - Ending	\$ 5,258,445	\$ 2,178,086	\$ 13,639	\$ 16,876	\$ 7,467,046	\$ 443,700

The accompanying notes are an integral part of this statement.

-19-
CITY OF LAMESA, TEXAS

EXHIBIT A-9

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Waste Water	Solid Waste	Municipal Golf Course	Housing Program	Total	
Cash Flows from Operating Activities:						
Cash Received from Customers	\$ 4,682,008	\$ 1,825,883	\$ 240,389	\$ 434,531	\$ 7,182,811	\$ 947,184
Cash Payments for Insurance Policies and Settlements						(773,861)
Cash Payments to Employees for Services	(926,275)	(574,274)	(142,655)	(50,000)	(1,693,204)	
Cash Payments for Housing Subsidies				(340,391)	(340,391)	
Cash Payments to Other Suppliers for Goods and Services	(1,671,903)	(557,759)	(95,362)	(6,288)	(2,331,312)	(2,121)
Net Cash Provided by Operating Activities	\$ 2,083,830	\$ 693,850	\$ 2,372	\$ 37,852	\$ 2,817,904	\$ 171,202
Cash Flows from Non-Capital Financing Activities:						
Cash Received from Intergovernmental Contributions	\$	\$ 65,340	\$	\$	\$ 65,340	\$
Miscellaneous Income	92,403	22,842	6,809		122,054	377
Transfers to Other Funds	(314,796)	(292,042)	6,329	16,122	(584,387)	(17,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	\$ (222,393)	\$ (203,860)	\$ 13,138	\$ 16,122	\$ (396,993)	\$ (16,623)
Cash Flows from Capital and Related Financing Activities:						
Principal and Interest Paid	\$ (1,289,608)	\$ (336,827)	\$ (13,978)	\$	\$ (1,640,413)	\$
Proceeds from Sale of Assets	6,829	4,928			11,757	
Acquisition or Construction of Capital Assets	(57,501)				(57,501)	
Net Cash Used in Capital and Related Financing Activities	\$ (1,340,280)	\$ (331,899)	\$ (13,978)	\$ 0	\$ (1,686,157)	\$ 0
Cash Flows from Investing Activities:						
Interest and Dividends on Investments	\$ 8,438	\$ 7,926	\$	\$ 482	\$ 16,846	\$ 1,445
Net Cash Provided by Investing Activities	\$ 8,438	\$ 7,926	\$ 0	\$ 482	\$ 16,846	\$ 1,445
Increase in Cash and Cash Equivalents	\$ 529,595	\$ 166,017	\$ 1,532	\$ 54,456	\$ 751,600	\$ 156,024
Cash and Cash Equivalents - Beginning of Year	706,812	1,379,204			2,086,016	265,704
Cash and Cash Equivalents - End of Year	\$ 1,236,407	\$ 1,545,221	\$ 1,532	\$ 54,456	\$ 2,837,616	\$ 421,728
Reconciliation of Operating Income (Loss) to Net Cash						
Used in Operating Activities:						
Operating Income (Loss)	\$ 1,151,657	\$ 200,703	\$ (34,497)	\$ 37,852	\$ 1,355,715	\$ 172,153
Adjustments to Reconcile Operating Income (Loss) to Net Cash						
Provided by Operating Activities						
Depreciation and Amortization	\$ 979,727	\$ 466,730	\$ 27,671	\$ 0	\$ 1,474,128	\$ 0
Change in Assets and Liabilities:						
Decrease (Increase) in Receivables	(105,308)	3,096	(346)		(102,558)	(2,160)
Decrease (Increase) in Inventory	(13,505)				(13,505)	
Decrease (Increase) in Deferred Outflows	69,413	24,336	10,098		103,847	
Increase (Decrease) in Due to State	136				136	
Increase (Decrease) in Refunds Payable	(390)				(390)	
Increase (Decrease) in Customer Deposits	730				730	
Increase (Decrease) in Accrued Expenses	6,749	(1,370)	184		5,563	1,209
Increase (Decrease) in Net Pension Liability	4,114	3,732	644		8,490	
Increase (Decrease) in Deferred Inflows	(9,493)	(3,377)	(1,382)		(14,252)	
Total Adjustments	\$ 932,173	\$ 493,147	\$ 36,869	\$ 0	\$ 1,462,189	\$ (951)
Net Cash Provided by Operating Activities	\$ 2,083,830	\$ 693,850	\$ 2,372	\$ 37,852	\$ 2,817,904	\$ 171,202

Non-Cash Financing Activities:

The City received a capital lease in the amount of \$1,442,304 for the Water and Wastewater Fund to purchase water meters.
The City refinanced a portion of a capital lease in the amount of \$348,067.
The City received a capital lease in the amount of \$87,490 for the Water and Wastewater Fund to purchase a backhoe loader.
The City received a capital lease in the amount of \$146,760 for the Municipal Golf Course Fund to purchase golf carts and mowers.

The accompanying notes are an integral part of this statement.

CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

A. Summary of Significant Accounting Policies

The City of Lamesa, Texas' (the City) financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

1. Reporting Entity

The City is a municipal corporation governed by a Council - City Manager form of government. The City, incorporated in 1917. The City provides a range of services, including tourism, police and fire protection, maintenance of streets and other infrastructure, and recreational activities. The City also provides utilities for water, sewer, and solid waste, as well as, operating the municipal golf course and providing housing assistance to local residents.

The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs when deemed appropriate by the City Council. The City Council (the Council) is elected by the public and it has 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 GASB in its Statement No. 61, *The Financial Reporting Entity*.

GASB Statement No. 61 identifies criteria for determining if other entities are potential component units that should be reported within the City's basic financial statements. The application of these criteria provides for identification of any entities for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading. Based on the application of these criteria, two component units, Lamesa Economic Development Corporation (LEDC) and Lamesa Economic Alliance Project (LEAP), are included within the reporting City. The City is financially accountable for the Corporation, establishes the sales tax that is the principal source of revenue for the Corporation, and appoints the Board of Directors. This component unit has been discretely presented in the accompanying financial statements. Complete financial statements for the component units can be obtained from their office at 123 Main Avenue, Lamesa, Texas 79331.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

-21-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the statement of activities.

Program revenues include: (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: the fund financial statements provide information about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund: This 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.

The City also reports nonmajor governmental fund types:

Special Revenue: The City accounts for funds received or charged that are restricted by third parties in these accounts.

The City reports the following major enterprise funds:

Water and Wastewater Fund: This fund accounts for the revenues and expenses associated with providing water and sewer service to the citizens of the City.

Solid Waste Fund: This fund accounts for the revenues and expenses associated with providing solid waste service to the citizens of the City.

Municipal Golf Course: This fund accounts for the revenues and expenses associated operating the municipal golf course as a service to the citizens of the City.

Housing Program: This fund accounts for the revenues and expenses associated with the City operated housing assistance program.

NOTES TO FINANCIAL STATEMENTS

Additionally, the City reports an Internal Service Fund which is used to account for workers compensation insurance, property insurance, and self-funded health insurance provided to the departments of the city.

Fund Balances

The City reports fund balances under GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Non-spendable fund balance—includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.

Restricted fund balance—includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include grant awards and bond proceeds.

Committed fund balance—includes the portion of net resources upon which the City Council has imposed limitations on use. These are amounts that can be used only for the specific purposes determined by a *formal action* of the City Council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The *formal action* must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.

Assigned fund balance—includes the portion of net resources for which an intended use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balances are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance—includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Fund Balance Policy

Committed Fund Balance—The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City's Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period (i.e. the Council may approve the calculation or formula for determining the amount to be committed).

NOTES TO FINANCIAL STATEMENTS

Assigned Fund Balance—The City Council authorizes the City Manager as the City Official responsible for the assignment of fund balance to a specific purpose as approved by this fund balance policy.

Order of Expenditure of Funds

When multiple categories of fund balances are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds, but also reserves the right to deviate from this general strategy when appropriate.

b. Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Revenues from local sources consist primarily of property taxes, franchise taxes, and gross receipts taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and

-24-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash in bank, restricted cash, and certificates of deposit are considered to be cash equivalents.

Restricted Cash and Cash Equivalents consisted of funds restricted for closure and post closure obligations related to the City's landfill operations recorded in the Solid Waste Fund. As of September 30, 2017 the restricted balance was \$619,357.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General Fund are based upon historical experience in collecting property 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.

c. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Inventory – Supplies

Inventory is valued at the lower of FIFO cost (first in, first out) or market. Inventory in the Water and Wastewater Fund consists of supplies held for future use.

e. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

-25-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Asset Classes	Estimated Useful Lives (Years)
Buildings	20-50
Improvements Other than Buildings	20
Machinery and Equipment	5-10
Infrastructure	20-50

f. Receivable Balances

Receivables as of year-end for the City's individual major funds and non-major, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables:			
Customer Accounts	\$	\$ 327,829	\$ 327,829
Unbilled Revenue		375,738	375,738
Property Taxes	269,060		269,060
Franchise Fees	80,807		80,807
Hotel Occupancy Taxes	29,096		29,096
Sales Tax	278,570		278,570
Paving Liens	157,357		157,357
Other	175,779		175,779
Gross Receivables	\$ 990,669	\$ 703,567	\$ 1,694,236
Less: Allowance for Uncollectibles	(243,516)	(100,307)	(343,823)
Net Total Receivables	\$ 747,153	\$ 603,260	\$ 1,350,413

g. Deferred Inflows of Resources Reported in the Governmental Funds

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and fines and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. As of September 30, 2017 the City reported unavailable revenue from property taxes in the amount of \$129,902 and unavailable revenue in the amount of \$56,970 from municipal court receivables.

NOTES TO FINANCIAL STATEMENTS

h. Deferred Inflows and Outflows of Resources in the Statement of Net Position

In addition to assets and liabilities, the statements of net position will sometimes report a separate sections for deferred inflows and outflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The amounts reported by the City in this section of the government-wide statement of net position all related to pension plans reported by the county, except for deferred charges on refunding as recognized by the City in prior periods. The deferred charge is related to a bond refunding on Canadian River Municipal Water Authority (CRMWA) and is being amortized to interest expense over the life of the new bond issuance. As of September 30, 2017 the City reported \$71,035 as unamortized deferred charges on refunding. For more information on the pension related deferred inflows and outflows of resources, see their respective notes.

i. Compensated Absences

Compensated absences (general leave) for the City includes both vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon termination, employees are paid for any accrued general leave earned as set forth by personnel policy.

Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable available financial resources are maintained separately and represents a reconciling item between the fund and government-wide presentations. Vested or accumulated general leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

j. Revenues

Property taxes are billed and collected within the same period in which the taxes are levied. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. The City also recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements related to grants, including time requirements, are met. The City records revenue earned but unbilled related to water and wastewater and solid waste utilities, this amount is reported as accounts receivable in the financial statements with the details disclosed in the notes. Resources transmitted before the eligibility requirements are met are reported as cash paid in advance by the provider and deferred inflows of resources by the City.

k. Expenditures

Expenditures are recognized when the related fund liability is incurred. In accordance with GASB 63 and 65, any loss on bond refunding is recognized as a deferred outflow of resources on the statement of net position and amortized over the life of the refunding bonds. In addition, bond issue costs are immediately expensed.

NOTES TO FINANCIAL STATEMENTS

I. Interfund Activity

Interfund activity results from loans, services provided, reimbursements, or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

Transfers and Interfund Payables and Receivables are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to move unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

m. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

n. Encumbrances

The City does not utilize an encumbrance accounting system. At year-end, the City reviews commitments to determine amounts encumbered. At September 30, 2017, there were no material commitments to be indicated by a reserve in the general fund balance.

B. Deposits and Investments

The City's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the City's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

1. Cash and Cash Equivalents

At September 30, 2017, the carrying amount of the City's cash and cash equivalents (including restricted) was \$6,259,162. The balances includes cash in bank of \$2,981,578, \$150,000 invested in TexStar, \$2,508,227 invested in certificate of deposits, and \$619,357 of restricted certificates of deposit, with a bank balances of \$6,286,531. The City's cash and cash equivalents at September 30, 2017, and during the year then ended were entirely covered by FDIC insurance or by pledged collateral held by the City's agent bank in the City's name.

NOTES TO FINANCIAL STATEMENTS

2. Investments

The City is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act (the Act) requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the City adhered to the requirements of the Act. Additionally, investment practices of the City were in accordance with local policies.

3. Analysis of Specific Deposit and Investment Risks

Standards require a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At year end, the City's investments were not exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name. At year end, the City was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City's only investments were certificates of deposit which were fully covered by pledge collateral at year end.

CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

C. Due to EDC's and Due from City

The City recorded a liability to the component units in the amount of \$92,856 for sales taxes not passed through as of September 30, 2017.

D. Water Rights and Related Debt with CRMWA

The City, along with several West Texas municipalities, entered into various contracts with the Canadian River Municipal Water Authority, to participate in the construction and maintenance of water gathering, holding, treatment, and transmission facilities. Under the agreements, CRMWA agreed to issue revenue bonds to finance construction and maintenance of the facilities and the City agreed to pay back their share of the total annual debt service requirements.

The following schedules comprise the debt outstanding related to the CRMWA contracts as September 30, 2017:

Water Facilities Debt	Balance 10/1/2016	Additions	Principal Payments	Balance 9/30/2017
Series 2010, Refunding, CUP	\$ 70,238	\$	\$ 14,498	\$ 55,740
Series 2010, Refunding, BUREC	249,491		84,161	165,330
Series 2012, Refunding, BUREC	921,851		26,123	895,728
Series 2009, CUP	343,701		20,010	323,691
Series 2011, Refunding, CUP	1,492,586		75,267	1,417,319
Series 2014, Refunding, CUP	909,335		126,211	783,124
	<u>\$ 3,987,202</u>	<u>\$ 0</u>	<u>\$ 346,270</u>	<u>\$ 3,640,932</u>

Water Facilities Debt	Maturity	Interest Rates
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2006	2020	2.0%-5.0%
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2009	2029	4.2%
Revenue Refunding Bonds, Bureau of Reclamation Project, Series 2010	2018	3.0%-5.0%
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2010	2021	3.0%-3.5%
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2011	2031	3.0%-5.0%
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2012	2025	2.6%
Revenue Refunding Bonds, Conjunctive Use Groundwater Supply Project, Series 2014	2027	2.0%-5.0%

-30-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

The City paid \$168,967 in interest related to this debt for the year ended September 30, 2017.

Debt service requirements on all long-term debt outstanding at September 30, 2017, are as follows:

Year Ending September 30,	CMRWA		
	Principal	Interest	Total
2018	\$ 438,998	\$ 172,655	\$ 611,653
2019	297,522	153,986	451,508
2020	313,722	140,133	453,855
2021	325,070	178,994	504,064
2022	341,109	108,940	450,049
2023-2027	1,415,841	296,098	1,711,939
2028-2031	508,670	48,398	557,068
Totals	\$ 3,640,932	\$ 1,099,204	\$ 4,740,136

Investment in water facilities at cost as of September 30, 2017 is as follows:

Cost:	Beginning	Additions	Deletions/Other	Ending
CRMWA - Water Rights	\$ 6,680,247	\$	\$	\$ 6,680,247
Accumulated Amortization:				
CRMWA - Water Rights	(2,850,296)	(431,842)		(3,282,138)
Net Investment in Water Facilities	\$ 3,829,951	\$ (431,842)	\$ 0	\$ 3,398,109
Total Related Debt:				\$ 3,640,932
Excess Debt over Related Water Rights				\$ (242,823)

-31-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

E. Capital Assets

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

Governmental Activities:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land and Improvements	\$ 14,988	\$	\$	\$ 14,988
Construction in Progress	<u>153,918</u>	<u>(88,687)</u>	<u></u>	<u>65,231</u>
Total Capital Assets Not Being Depreciated	<u>\$ 168,906</u>	<u>\$ (88,687)</u>	<u>\$ 0</u>	<u>\$ 80,219</u>
Depreciable Assets				
Buildings	\$ 2,160,947	\$ 221,260	\$	\$ 2,382,207
Improvements Other than Buildings	<u>2,197,982</u>	<u></u>	<u></u>	<u>2,197,982</u>
Machinery and Equipment	<u>3,156,797</u>	<u>129,772</u>	<u>33,054</u>	<u>3,253,515</u>
Total Capital Assets Being Depreciated	<u>\$ 7,515,726</u>	<u>\$ 351,032</u>	<u>\$ 33,054</u>	<u>\$ 7,833,704</u>
Less Accumulated Depreciation for:				
Buildings	\$ 441,127	\$ 72,291	\$	\$ 513,418
Improvements Other than Buildings	<u>493,584</u>	<u>92,347</u>	<u></u>	<u>585,931</u>
Machinery and Equipment	<u>2,060,713</u>	<u>320,296</u>	<u>14,314</u>	<u>2,366,695</u>
Total Accumulated Depreciation	<u>\$ 2,995,424</u>	<u>\$ 484,934</u>	<u>\$ 14,314</u>	<u>\$ 3,466,044</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 4,520,302</u>	<u>\$ (133,902)</u>	<u>\$ 18,740</u>	<u>\$ 4,367,660</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,689,208</u>	<u>\$ (222,589)</u>	<u>\$ 18,740</u>	<u>\$ 4,447,879</u>

Depreciation was charged to the governmental activities as follows:

General Government	\$ 30,759
Tourism	16,676
Fire	199,809
Streets	41,318
Vehicle Services	25,275
Police	43,594
Parks and Recreation	<u>127,503</u>
Total Depreciation	<u>\$ 484,934</u>

-32-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Business-Type Activities:

	Beginning Balances	Increases	Decreases	Ending Balances
Business-Type Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 352,320	\$	\$	\$ 352,320
Construction in Progress		18,501		18,501
Total Capital Assets Not Being Depreciated	\$ 352,320	\$ 18,501	\$ 0	\$ 370,821
Depreciable Assets				
Buildings	\$ 2,547,859	\$	\$	\$ 2,547,859
Improvements other than Buildings	10,982,340	1,442,304	2,200,997	10,223,647
Machinery and Equipment	7,148,333	273,250	62,550	7,359,033
Infrastructure	6,816,493			6,816,493
Total Capital Assets Being Depreciated	\$ 27,495,025	\$ 1,715,554	\$ 2,263,547	\$ 26,947,032
Less Accumulated Depreciation for:				
Buildings	\$ 1,609,186	\$ 146,365	\$	\$ 1,755,551
Improvements other than Buildings	6,135,579	274,518	1,097,486	5,312,611
Machinery and Equipment	5,405,801	424,119	62,550	5,767,370
Infrastructure	1,263,641	170,411		1,434,052
Total Accumulated Depreciation	\$ 14,414,207	\$ 1,015,413	\$ 1,160,036	\$ 14,269,584
Total Capital Assets Being Depreciated, Net	\$ 13,080,818	\$ 700,141	\$ 1,103,511	\$ 12,677,448
Business-Type Activities Capital Assets, Net	\$ 13,433,138	\$ 718,642	\$ 1,103,511	\$ 13,048,269

F. Noncurrent Liabilities

1. Noncurrent Liabilities Activity

Noncurrent liabilities include debt, net pension liability, and accrued compensated absences. Changes in long-term obligations for the year ended September 30, 2017, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year	Interest Expense
Governmental Activities:						
Notes Payable	\$ 228,285	\$	\$ 84,683	\$ 143,602	\$ 85,837	\$ 5,191
Capital Leases	25,226	129,772	28,151	126,847	25,503	764
Compensated Absences	99,162			99,162	24,790	
Net Pension (Assets) Liabilities	375,063		559	374,504		
Total Governmental Activities	\$ 727,736	\$ 129,772	\$ 113,393	\$ 744,115	\$ 136,130	\$ 5,955
Business-Type Activities:						
Notes Payable	\$ 6,183,436	\$	\$ 538,660	\$ 5,644,776	\$ 547,540	\$ 217,857
CRMWA Bonds Payable	3,987,202		346,270	3,640,932	438,998	168,969
Bond Issuance Premiums	118,599		18,216	100,383		(18,216)
Capital Leases	986,495	2,024,621	616,889	2,394,227	281,021	84,131
Compensated Absences	92,093			92,093	23,021	
Net Pension (Assets) Liabilities	44,229	8,490		52,719		
Total Business-Type Activities	\$ 11,412,054	\$ 2,033,111	\$ 1,520,035	\$ 11,925,130	\$ 1,290,580	\$ 452,741

-33-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

The City also amortized \$18,438 of deferred charges on refunding to interest expense during the year ended September 30, 2017.

The funds typically used to liquidate other long-term liabilities in the past are as follows:

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated Absences	Governmental	General
Compensated Absences	Business-Type	Proprietary
Closure and Post Closure Costs	Governmental	Proprietary
Net Pension Liability	Governmental	General
Net Pension Liability	Business-Type	Proprietary

The issues dates, maturity dates, and interest rates applicable for notes payable and capital leases are as follows:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Outstanding</u>
Governmental Activities:					
Notes Payable:					
Texas Commission on Fire Protection	8/30/1999	\$ 21,139	2.50%	9/1/2018	\$ 1,377
Tax Note 2012	11/14/2012	88,000	1.67%	3/1/2019	22,300
Tax Note 2014	11/24/2014	334,250	1.00%-1.80%	3/1/2019	119,925
Capital Leases:					
2017 Dump Truck	7/10/2017	94,676	3.10%	2/28/2022	94,676
2017 Toro Mower	5/5/2017	35,096	0.00%	5/5/2022	32,171
		<u>\$ 573,161</u>			<u>\$ 270,449</u>
Business-Type Activities:					
Notes Payable:					
USDA Note 2002	11/21/2006	\$ 5,034,000	4.25%	12/1/2014	\$ 4,411,000
Tax Note 2012	11/14/2012	792,000	1.67%	3/1/2019	280,700
Tax Note 2013	3/17/2013	700,000	1.64%	3/1/2020	312,000
Tax Note 2013A	12/18/2013	1,000,000	1.75%	9/1/2020	456,000
Tax Note 2014	11/24/2014	415,750	1.00%-1.80%	3/1/2019	185,076
Capital Leases:					
AAIG Water Meter Lease	4/28/2017	1,790,371	3.37%	5/1/2029	1,765,052
Wheel Loader Caterpillar Lease	10/10/2011	153,480	3.20%	2/15/2018	23,715
924K Caterpillar Wheel Loader	5/6/2015	145,110	2.75%	5/31/2022	123,662
2016 Mack GU713 Refuse Truck	1/19/2016	219,481	3.00%	4/19/2020	132,608
Caterpillar Bull Dozer	2/24/2015	197,913	2.75%	12/31/2019	121,590
2017 CAT Backhoe Loader	3/1/2017	87,490	3.20%	2/1/2022	87,490
2017 Golf Carts	4/13/2017	85,680	3.49%	4/22/2017	83,103
2017 Toro Mower	6/5/2017	61,080	0.00%	6/5/2022	57,007
		<u>\$ 10,682,355</u>			<u>\$ 8,039,003</u>

-34-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

2. Debt Service Requirements

Debt service requirements on notes payable as of September 30, 2017, are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2018	\$ 85,837	\$ 2,831	\$ 88,668
2019	57,765	1,403	59,168
Totals	<u>\$ 143,602</u>	<u>\$ 4,234</u>	<u>\$ 147,836</u>

Year Ending September 30,	Business-Type Activities		
	Principal	Interest	Total
2018	\$ 547,540	\$ 204,298	\$ 751,838
2019	588,236	192,915	781,151
2020	348,000	182,273	530,273
2021	91,000	174,909	265,909
2022	94,000	170,978	264,978
2023-2027	536,000	789,864	1,325,864
2028-2032	659,000	663,318	1,322,318
2033-2037	813,000	507,512	1,320,512
2038-2042	1,002,000	315,266	1,317,266
2043-2047	966,000	84,236	1,050,236
Totals	<u>\$ 5,644,776</u>	<u>\$ 3,285,569</u>	<u>\$ 8,930,345</u>

3. Capital Leases

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Dump Trucks	\$ 94,676	\$ 219,481
Mowers	35,096	61,080
Water Meters		1,442,304
Wheel Loaders		396,080
Bull Dozer		197,913
2017 Golf Carts		85,680
Less: Accumulated Depreciation		(175,947)
Totals	<u>\$ 129,772</u>	<u>\$ 2,226,591</u>

During the year ended September 30, 2017 capital lease assets accounted for \$113,395 of depreciation expense for governmental and business-type activities, respectively.

-35-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Commitments under capitalized lease agreements for facilities and equipment provide for minimum future lease payments as of September 30, 2017, as follows:

Year Ending September 30, 2017	Governmental Activities		
	Principal	Interest	Total
2018	\$ 25,503	\$ 2,063	\$ 27,566
2019	25,204	2,362	27,566
2020	25,767	1,798	27,565
2021	26,349	1,217	27,566
2022	24,024	618	24,642
Total Minimum Rentals	\$ 126,847	\$ 8,058	\$ 134,905

Year Ending September 30, 2017	Business-Type Activities		
	Principal	Interest	Total
2018	\$ 281,021	\$ 75,416	\$ 356,437
2019	265,206	66,757	331,963
2020	273,363	58,601	331,964
2021	192,132	50,177	242,309
2022	284,617	43,871	328,488
2023-2027	788,971	123,626	912,597
2028-2032	308,917	10,492	319,409
Total Minimum Rentals	\$ 2,394,227	\$ 428,940	\$ 2,823,167

G. Pension Plans

Texas Municipal Retirement System (TMRS)

Plan Description

The City participates as one of 872 plans in the nontraditional, joint 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.

-36-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

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 payments options. Members 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 75.00% of the member's deposits and interest.

Currently the City has adopted the following provisions related to the pension plan:

	<u>December 31, 2016</u>
Employee Deposit Rate	7.00%
Matching Ratio (City to Employee)	1.5 to 1
Years Required for Vesting	5
Service Requirement Eligibility (Expressed as Age / Years of Service)	60/5,0/25
Updated Service Credit	100% Repeating, Transfers
Annuity Increase (to Retirees)	70% of CPI

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	50
Inactive Employees Entitled to but not Yet Receiving Benefits	47
Active Employees	68
Total Plan Employees	<u><u>165</u></u>

Contributions

The contribution rates for employees in TMRS are either 5.00%, 6.00%, or 7.00% of employee gross earnings, and the city matching percentages are either 100.00%, 150.00%, or 200.00%, 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 were required to contribute 7.00% of their annual gross earnings during the fiscal year. The required contribution rate for the City was 3.75% and 3.75% in calendar years 2015 and 2016, respectively. The City's contributions to TMRS for the year ended September 30, 2017, were \$123,287, and were equal to the required contributions.

CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

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 NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions

Inflation	2.50% per year
Overall Payroll Growth	2.40% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Amortization Period	25 years

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 Table, with male rates multiplied by 109.00% and female rates multiplied by 103.00%. 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 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2016 valuation were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Assumptions are reviewed annually and a result of the review, no assumptions were changed for 2016.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. 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.

-38-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic Equity	17.50%	4.57%
International Equity	17.50%	6.35%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	4.15%
Real Return	10.00%	4.15%
Real Estate	10.00%	4.75%
Absolute Return	10.00%	4.00%
Private Equity	5.00%	7.75%

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 benefit 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 Net Pension Liability

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance 12/31/2015	\$ 14,660,216	\$ 14,533,387	\$ (126,829)
Service Cost	385,200		(385,200)
Interest (on the Total Pension Liability)	957,835		(957,835)
Changes in Proportionate Share	107		(107)
Difference Between Expected and Actual Experience	(41,952)		41,952
Contributions - Employee		115,147	115,147
Contributions - Employer		223,767	223,767
Net Investment Income		965,856	965,856
Benefit Payments	(863,787)	(863,787)	
Administrative Expense		(10,921)	(10,921)
Other		(588)	(588)
Balance 12/31/2016	<u>\$ 15,097,619</u>	<u>\$ 14,962,861</u>	<u>\$ (134,758)</u>

-39-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

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 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-percentage-point higher (7.75%) than the current rate:

1% Decrease	Current Rate Assumption	1% Increase
\$ (1,855,800)	\$ (134,758)	\$ 1,297,585

Pension Plan Fiduciary Net Position

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

Pension Expense, Deferred Outflows, and Deferred Inflows Related to Pensions

For the year ended September 30, 2017, the City recognized pension expense of \$540,913 and calculated as shown below:

Total Service Cost	\$ 385,200
Interest on the Total Pension Liability	957,835
Employee Contributions (Reduction of Expense)	(123,611)
Projected Earnings on Plan Investments (Reduction of Expense)	(965,856)
Administrative Expense	10,921
Other Changes in Fiduciary Net Position	11,616
Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	24,855
Recognition of Current Year Outflow (Inflow) of Resources-Assets	239,953
Total Pension Expense	<u>\$ 540,913</u>

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 - Pension Plan	Plan Year	Amount	Amortization Period
Employer Contribution Deferrals	2016	\$ 91,552	1.000
Differences Between Projected and Actual Investment Earnings	2014	74,650	2.000
Differences Between Projected and Actual Investment Earnings	2015	546,287	3.000
Differences Between Projected and Actual Investment Earnings	2016	34	4.000
Differences Between Expected and Actual Economic Experience	2014	(6,208)	0.365
Differences Between Expected and Actual Economic Experience	2015	(75,437)	1.120
Differences Between Expected and Actual Economic Experience	2016	(30,300)	2.600
Changes in Assumptions	2015	135,353	1.120
Total Deferred Outflows of Resources		<u>\$ 735,931</u>	

-40-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Deferred outflows of resources in the amount of \$91,552, related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the year ending September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year	Amortization of Deferred Outflows
2017	\$ 367,138
2018	234,716
2019	134,068
2020	9
	<u>\$ 735,931</u>

Texas Emergency Services Retirement System (TESRS)

The City participates in a cost-sharing multiple employer pension plan that has a special funding situation. The plan is administered by the Texas Emergency Services Retirement System (TESRS) and established and administered by the State of Texas (the "State") to provide pension benefits for emergency services personnel who serve without significant monetary remuneration. At August 31, 2017, 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.

On August 31, 2017, the pension system membership consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefits	3,167
Inactive Employees Entitled to but not Yet Receiving Benefits	2,200
Active Employees	<u>3,634</u>
Total Plan Employees	<u>9,001</u>

Pension Plan Fiduciary Net Position

Detailed information about TESRS's fiduciary net position is available in a separately-issued CAFR that includes financial statements and required supplementary information. TESRS issues a publicly available Annual Financial Report, which includes financial statements, notes, and required supplementary information, and can be obtained at www.tesrs.org. The separately issued actuarial valuations that may be of interest are also available at the same link.

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.

NOTES TO FINANCIAL STATEMENTS

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percentage 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 post-retirement 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.

Funding Policy

Contributions are made by governing bodies for the participating departments. No contributions are required from the individuals who are members of TESRS, 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 TESRS contribution that directly impacts future retiree annuities.

The State is required to contribute an amount necessary to make TESRS "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 percentage of the Part One portion (not to exceed 15%), is to be actuarially adjusted near the end of each even-numbered calendar year based on the most recent actuarial valuation. Based on the actuarial valuation as of August 31, 2017, the Part Two contribution rate was changed to 2.0%, which will be established by a board rule in September 2017, since the second actuarial valuation report after adoption of the rules showed TESRS to not have adequate contribution arrangements if Part Two contributions were excluded.

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

A small subset of participating departments has a different contribution arrangement that 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 TESRS. 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 TESRS.

CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Contributions

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions were set by Board rule, and there is no maximum contribution rate. For the fiscal year ending August 31, 2016, total contributions (dues, prior service, and interest on prior service financing) of \$46,000 were paid by the City. The State appropriated \$1,583,825 for the fiscal year ending August 31, 2016 to the plan as a whole.

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	3.00%
Salary Increases	N/A
Investment Rate of Return	7.75%, net of pension plan investment expense, including inflation
Amortization Period	30 years
Actuarial Valuation Date	August 31, 2016

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 (3.00%). In addition, the final 7.75% assumption was selected by "rounding down" and thereby reflects 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Net Real Rate of Return</u>
Equities:		
Large Cap Domestic	32.00%	5.70%
Small Cap Domestic	10.00%	5.96%
Developed International	21.00%	6.21%
Emerging Markets	6.00%	7.18%
Master Limited Partnership	5.00%	7.61%
Fixed Income:		
Domestic	21.00%	1.61%
International	5.00%	1.81%

-43-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Discount Rate

The discount rate used to measure the TPL was 7.75%. The projection of cash flows used to determine the discount rate assumed that department and state 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 benefit 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 Net Pension Liability and Discount Rate Sensitivity Analysis

The following table shows changes in the net pension liability from August 31, 2016 to August 31, 2017:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance 08/31/2016	\$ 1,198,372	\$ 921,473	\$ (276,899)
Service Cost	17,011		(17,011)
Interest (on the Total Pension Liability)	89,382		(89,382)
Changes in Proportionate Share	(39,275)	(40,800)	(1,525)
Difference Between Expected and Actual Experience	649		(649)
Changes in Benefit Terms	7,250		(7,250)
Changes of Assumptions	8,936		(8,936)
Contributions by Participating Departments		46,000	46,000
Contributions by State		15,903	15,903
Net Investment Income		49,769	49,769
Benefit Payments	(47,209)	(47,209)	
Administrative Expense		(1,675)	(1,675)
Other	810		(810)
Balance 08/31/2017	<u>\$ 1,235,926</u>	<u>\$ 943,461</u>	<u>\$ (292,465)</u>

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

1% Decrease	Current Rate Assumption	1% Increase
\$ 513,362	\$ 292,465	\$ (169,333)

-44-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

Pension Expense, Deferred Outflows, and Deferred Inflows Related to Pensions

At August 31, 2016, the City reported a liability of \$292,465 for its proportionate share of TESRS's NPL. The amount recognized by the City as its proportionate share of the NPL, the related State support, and the total portion of the NPL that was associated with the City were as follows:

City's Proportionate Share of the Collective Net Pension Liability	\$ 292,465
* State's Proportionate Share that is Associated with the City	101,108
	<u>\$ 393,573</u>

**Calculated using the City's proportionate share of contributions multiplied by the State's share of the collective net pension liability.*

The TPL used to calculate the NPL was determined by an actuarial valuation as of August 31, 2016 rolled forward to August 31, 2017. GASB Statement No. 68 requires the NPL to be measure as of a date no earlier than the end of the employer's prior fiscal year. TESRS did not roll forward (nor did they provide the necessary information to for the participants to roll forward) the NPL to be measured as of date no earlier than the end of the employer's prior fiscal year. While the City acknowledges that the measurement date does not fall with in this 12 month period, the City elected to use conservatism and report the NPL measured as of August 31, 2016. The City used the assumption that any differences in the NPL measured as of August 31, 2016 versus September 30, 2016 would be immaterial. The employer's proportion of the NPL was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2015 to August 31, 2016.

At August 31, 2016, the employer's proportion of the collective NPL was 1.0041%, which was a decrease of 0.0333% percent from its proportion measured as of August 31, 2015.

There were no changes of assumptions or other inputs that affected measurement of the TPL during the measurement period.

There were no changes of benefit terms that affected measurement of the TPL during the measurement period.

-45-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2016, the City recognized pension expense of \$64,598. The City recognized on-behalf revenues of \$15,903 calculated by taking the State's total contributions to TESRS multiplied by the City's proportionate share.

Total Service Cost	\$ 17,637
Interest on the Total Pension Liability	92,670
Projected Earnings on Plan Investments (Reduction of Expense)	(71,794)
Administrative Expense	1,737
Amortization of Deferred Outflows (Inflows):	
Differences Between Projected and Actual Investment Earnings	13,820
Differences Between Expected and Actual Economic Experience	204
Changes in Assumptions	2,808
Changes in Benefits	7,516
Total Pension Expense	<u>\$ 64,598</u>

At August 31, 2016, the City reported its proportionate share of the TESRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Outflows of Resources - Pension Plan</u>	<u>Deferred Outflows</u>
Differences Between Projected and Actual Investment Earnings	\$ 55,379
Differences Between Expected and Actual Economic Experience	453
Changes in Assumptions	6,228
Total Deferred Outflows of Resources	<u>\$ 62,060</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Plan Year</u>	<u>Amortization of Deferred Outflows</u>
2017	\$ 16,234
2018	16,234
2019	25,696
2020	3,896
	<u>\$ 62,060</u>

H. Closure and Post Closure Care Cost

State and federal laws and regulations require the City to place a final cover on its Sanitary Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

-46-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

The \$520,411 reported as landfill closure and post closure care liability at September 30, 2017, represents the cumulative amount reported to date based on the use of 37.71% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post closure care of \$859,527 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care at September 30, 2017. Actual costs in the future may be higher due to inflation, changes in technology, or changes in regulations. The City has restricted a bank account in the amount of \$619,357 to cover the landfill closure and post closure care liability at September 30, 2017.

I. Self-Insurance

Health Insurance

The City operates a self-insured health insurance plan. The City's health insurance plan is administered by a third-party administrator, Insurance Management Services (IMS). IMS reviews and processes all health insurance claims. The City has acquired stop-loss coverage and reinsurance policies, which limits the City's possible liability exposure per claim. The City incurred \$572,390 in health insurance expense and administrative and other charges for the year ended September 30, 2017. Estimated liability on claims that have been incurred but not reported are accrued at year end. Estimated liability for health insurance claims is \$78,746 at September 30, 2017.

J. Transfers and Internal Balances

Transfers for the year ended September 30, 2017 were as follows:

Transfers Out	Transfers In	Amount Transferred In/Out	Reason
Water and Wastewater	General	\$ 356,888	Administration Fees and Payments in Lieu of Taxes
Solid Waste	General	328,316	Administration Fees and Payments in Lieu of Taxes
General	Municipal Golf	(46,000)	Operating Transfers
		<u>\$ 639,204</u>	

Internal balances for the year ended September 30, 2017 were as follows:

Payable	Receivable	Amount Payable/ Receivable	Reason
Proprietary Funds	General	\$ 116,680	Unreimbursed year end accruals
Municipal Golf Course	Internal Service	96,624	Short Term Loan for Renovations
		<u>\$ 213,304</u>	

-47-
CITY OF LAMESA, TEXAS

NOTES TO FINANCIAL STATEMENTS

K. Commitments, Contingencies, and Subsequent Events

1. Contingencies

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

There is no pending litigation against the City as of September 30, 2017, that would have material effect on the financial statements.

3. Subsequent Events

Subsequent to year end CRMWA issued Subordinate Lien Contract Revenue Refunding Bonds, Series 2017 in the amount of \$11,465,000 with interest rates ranging from 3.00% - 5.00%. The proceeds were used to advance refund \$13,575,000 of outstanding Contract Revenue Bonds, Series 2009 which had interest rates ranging from 4.00% - 5.00%. The net proceeds of \$14,228,820 (including a \$1,317,090 premium, a debt service reserve contribution of \$1,684,400, less \$237,670 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. CRMWA has refunded this bond issue to reduce its total debt service payments over the next 12 years by \$1,895,986 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,637,756. The City's percentage of the new debt will be 2.18%

The City has evaluated subsequent events through March 26, 2018, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF LAMESA, TEXAS
DEFINED BENEFIT RETIREMENT PLAN - TMRS**

EXHIBIT B-1

**SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2017**

REQUIRED SUPPLEMENTARY INFORMATION

	<u>12/31/2014</u> <u>Total Pension</u> <u>Liability</u>	<u>12/31/2015</u> <u>Total Pension</u> <u>Liability</u>	<u>12/31/2016</u> <u>Total Pension</u> <u>Liability</u>
Service Cost	\$ 282,891	\$ 347,047	\$ 385,200
Interest	942,356	952,107	957,835
Benefit Payments	(936,288)	(838,328)	(863,787)
Differences Between Expected and Actual Experience	(58,046)	(210,717)	(41,952)
Changes in Assumptions		378,081	
Changes in Proportionate Share		12,187	107
Net Change	\$ 230,913	\$ 640,377	\$ 437,403
Beginning Balance	13,788,926	14,019,839	14,660,216
Ending Balance	\$ 14,019,839	\$ 14,660,216	\$ 15,097,619
	<u>Fiduciary</u> <u>Net Position</u>	<u>Fiduciary</u> <u>Net Position</u>	<u>Fiduciary</u> <u>Net Position</u>
Employee Contributions	\$ 111,570	\$ 123,611	\$ 115,147
Employer Contributions	206,611	230,866	223,767
Net Investment Income	845,908	21,871	965,856
Benefit Payments	(936,288)	(838,328)	(863,787)
Administration Expenses	(8,834)	(13,323)	(10,921)
Other	(727)	(658)	(588)
Net Change	\$ 218,240	\$ (475,961)	\$ 429,474
Beginning Balance	14,791,108	15,009,348	14,533,387
Ending Balance	\$ 15,009,348	\$ 14,533,387	\$ 14,962,861
Net Pension Liability (Asset)	\$ (989,509)	\$ 126,829	\$ 134,758
Fiduciary Net Position as a Percentage of Total Pension Liability	107.06%	99.13%	99.11%
Covered Payroll	\$ 2,951,577	\$ 3,018,839	\$ 3,196,675
Net Pension Liability as a Percentage of Covered Payroll	-33.52%	4.20%	4.22%

Note: Only three years of GASB 68 data available as of 12/31/2016. The remaining seven years of data will be built on a go forward basis.

-49-
CITY OF LAMESA, TEXAS
DEFINED BENEFIT RETIREMENT PLAN - TMRS

EXHIBIT B-2

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2017

REQUIRED SUPPLEMENTARY INFORMATION

	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
Actuarially Determined Contribution	\$ 108,392	\$ 115,527	\$ 126,561
Actual Contributions	<u>108,392</u>	<u>131,856</u>	<u>126,561</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ (16,329)</u>	<u>\$ 0</u>
Cover Payroll	\$ 2,951,577	\$ 3,173,266	\$ 3,117,705
Contributions as a Percentage of Covered Employee Payroll	3.67%	4.16%	4.06%

Note: Only three years of GASB 68 data available as of 09/30/2017. The remaining seven years of data will be built on a go forward basis.

CITY OF LAMESA, TEXAS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2017**

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	25 years
Asset Valuation Method	10 Year Smoothed Market; 15% Soft Corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% 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 generational basis with scale BB.

Other Information:

Notes	There were no benefit changes during the year.
Changes in Assumptions	There were no changes in assumptions during the year.

**CITY OF LAMESA, TEXAS
DEFINED BENEFIT RETIREMENT PLAN - TESRS**

EXHIBIT B-3

**SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2017**

REQUIRED SUPPLEMENTARY INFORMATION

	<u>8/31/2015</u>	<u>8/31/2016</u>
	<u>Total Pension Liability</u>	<u>Total Pension Liability</u>
Service Cost	\$ 17,575	\$ 17,011
Interest	87,872	89,382
Benefit Payments	(46,669)	(47,209)
Differences Between Expected and Actual Experience		649
Changes in Benefit Terms		7,250
Changes in Assumptions		8,936
Changes in Proportionate Share		(39,275)
Other		810
Net Change	\$ 58,778	\$ 37,554
Beginning Balance	1,139,594	1,198,372
Ending Balance	\$ <u>1,198,372</u>	\$ <u>1,235,926</u>
	<u>Fiduciary</u>	<u>Fiduciary</u>
	<u>Net Position</u>	<u>Net Position</u>
Contributions by Participating Departments	\$ 49,000	\$ 46,000
Contributions from State	16,985	15,903
Net Investment Income	34,159	49,769
Benefit Payments	(46,669)	(47,209)
Administration Expenses	(2,240)	(1,676)
Other	(96,545)	(40,799)
Net Change	\$ (45,310)	\$ 21,988
Beginning Balance	966,783	921,473
Ending Balance	\$ <u>921,473</u>	\$ <u>943,461</u>
Net Pension Liability (Asset)	\$ <u>276,899</u>	\$ <u>292,465</u>
Fiduciary Net Position as a Percentage of Total Pension Liability	76.89%	76.34%
Covered Payroll	\$ 2,951,577	\$ 3,018,839
Net Pension Liability as a Percentage of Covered Payroll	9.38%	9.69%

Note: Only two years of GASB 68 data available as of 08/31/2017. The remaining eight years of data will be built on a go forward basis.

-52-
CITY OF LAMESA, TEXAS
DEFINED BENEFIT RETIREMENT PLAN - TESRS

EXHIBIT B-4

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2017

REQUIRED SUPPLEMENTARY INFORMATION

	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
Actuarially Determined Contribution	\$ 49,000	\$ 46,000	\$ 48,400
Actual Contributions	<u>49,000</u>	<u>46,000</u>	<u>48,400</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Cover Payroll	\$ 2,951,577	\$ 3,173,266	3,117,705
Contributions as a Percentage of Covered Employee Payroll	1.66%	1.45%	1.55%

Note: Only three years of GASB 68 data available as of 09/30/2017. The remaining seven years of data will be built on a go forward basis.

CITY OF LAMESA, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2017

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value Smoothed by a 5 years deferred recognition method with an 80%/120% corridor on Market Value
Inflation	3.00%
Salary Increases	Not Applicable
Net Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009.
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2024 by scale AA.

Other Information:

Notes	There were no benefit changes during the year.
Changes in Assumptions	There were no changes in assumptions during the year.

-54-
CITY OF LAMESA, TEXAS

EXHIBIT B-5

**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenue:				
Taxes:				
General Property Taxes	\$ 2,132,451	\$ 2,132,451	\$ 2,143,822	\$ 11,371
General Sales Taxes	1,002,500	1,002,500	1,034,523	32,023
Gross Receipts Business Taxes	503,500	503,500	387,370	(116,130)
Licenses and Permits	27,350	42,350	60,023	17,673
Charges for Services	14,850	14,850	17,874	3,024
Fines and Fees	93,000	93,000	62,689	(30,311)
Investment Earnings	5,000	5,000	10,502	5,502
Intergovernmental	203,865	203,865	196,336	(7,529)
Use of Money and Property	27,000	27,000	27,872	872
Miscellaneous	191,630	277,788	177,929	(99,859)
Total Revenues	<u>\$ 4,201,146</u>	<u>\$ 4,302,304</u>	<u>\$ 4,118,940</u>	<u>\$ (183,364)</u>
Expenditures:				
Current:				
Administration	\$ 363,906	\$ 500,450	\$ 516,336	\$ (15,886)
General Government	338,252	340,352	345,137	(4,785)
Fire	590,926	702,196	648,703	53,493
Streets	682,378	586,126	627,178	(41,052)
Vehicle Services	36,869	62,536	109,684	(47,148)
Police	1,509,304	1,543,255	1,315,786	227,469
Parks and Recreation	719,360	735,872	701,419	34,453
Debt Service:				
Principal	122,891	107,891	112,834	(4,943)
Interest and Fiscal Charges	8,203	8,203	5,955	2,248
Total Expenditures	<u>\$ 4,372,089</u>	<u>\$ 4,586,881</u>	<u>\$ 4,383,032</u>	<u>\$ 203,849</u>
Deficit of Revenues				
Over Expenditures	<u>\$ (170,943)</u>	<u>\$ (284,577)</u>	<u>\$ (264,092)</u>	<u>\$ 20,485</u>
Other Financing Sources (Uses):				
Transfers In (Out)	\$	\$	\$ 656,204	\$ 656,204
Sale of Real and Personal Property			17	17
Capital Lease Proceeds			129,772	129,772
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 785,993</u>	<u>\$ 785,993</u>
Net Change in Fund Balances	<u>\$ (170,943)</u>	<u>\$ (284,577)</u>	<u>\$ 521,901</u>	<u>\$ 806,478</u>
Fund Balances - Beginning	<u>2,243,165</u>	<u>2,243,165</u>	<u>2,243,165</u>	
Fund Balances - Ending	<u>\$ 2,072,222</u>	<u>\$ 1,958,588</u>	<u>\$ 2,765,066</u>	

-55-
CITY OF LAMESA, TEXAS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY DATA
SEPTEMBER 30, 2017**

BUDGETARY DATA

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- a. Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Council is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must have been given.
- c. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the Council.

Once a budget is approved, it can be amended only by approval of a majority of the members of the Council. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Council and are not made after fiscal year end. The legal level of control is at the function level. All budget appropriations lapse at year end.

The budget is presented on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Annual budgets were adopted for all governmental funds.

COMBINING STATEMENTS

CITY OF LAMESA, TEXAS

EXHIBIT C-1

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	Forfeited Property Fund	Hotel/Motel Occupancy Tax	State Agency Fund	Criminal Justice Fund	Community Development Block Grant	Other Restricted Funds	General Special Revenue Grants	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS:								
Cash and Cash Equivalents	\$ 10,469	\$ 81,975	\$ 6,182	\$ 3,897	\$ 2,821	\$ 27,802	\$ 99,029	\$ 232,175
Receivables, Net of Allowances		29,095			152,036			181,131
Total Assets	\$ 10,469	\$ 111,070	\$ 6,182	\$ 3,897	\$ 154,857	\$ 27,802	\$ 99,029	\$ 413,306
LIABILITIES AND FUND BALANCES:								
Accounts Payable	\$	\$	\$ 6,182	\$	\$ 152,036	\$	\$	\$ 158,218
Due to other Funds	\$ 0	\$ 0	\$ 6,182	\$ 0	\$ 152,036	\$ 0	\$ 22,188	\$ 22,188
Total Liabilities	\$ 0	\$ 0	\$ 6,182	\$ 0	\$ 152,036	\$ 0	\$ 22,188	\$ 180,406
FUND BALANCES:								
Restricted for Enabling Legislation	\$ 10,469	\$ 111,070	\$	\$ 3,897	\$ 2,821	\$ 27,802	\$ 76,841	\$ 232,900
Total Fund Balances	\$ 10,469	\$ 111,070	\$ 0	\$ 3,897	\$ 2,821	\$ 27,802	\$ 76,841	\$ 232,900
Total Liabilities and Fund Balances	\$ 10,469	\$ 111,070	\$ 6,182	\$ 3,897	\$ 154,857	\$ 27,802	\$ 99,029	\$ 413,306

CITY OF LAMESA, TEXAS

EXHIBIT C-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	Forfeited Property Fund	Hotel/Motel Occupancy Tax	State Agency Fund	Special Revenue			Community Development Block Grant	Other Restricted Funds	Special Revenue Grants	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:										
Taxes										
Gross Receipts Business Taxes	\$	\$	\$	\$				3,228	\$	3,228
Motel Occupancy Taxes		111,300								111,300
Fines, Fees and Forfeits	3,540							21,566		25,106
Investment Earnings		540								540
Intergovernmental							275,916		238,885	514,801
Miscellaneous								3,008	6,251	9,259
Total Revenue	\$ 3,540	\$ 111,840	\$ 0	\$ 0	\$ 0	\$ 0	\$ 275,916	\$ 27,802	\$ 245,136	\$ 664,234
Expenditures:										
Current										
General Government	\$	\$	\$	\$	\$		275,916	\$	\$	275,916
Tourism		115,177								115,177
Police	10,629									10,629
Parks and Recreation									216,966	216,966
Airport									89,614	89,614
Total Expenditures	\$ 10,629	\$ 115,177	\$ 0	\$ 0	\$ 0	\$ 0	\$ 275,916	\$ 0	\$ 306,580	\$ 708,302
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (7,089)	\$ (3,337)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 27,802	\$ (61,444)	\$ (44,068)
Fund Balances - Beginning	\$ 17,558	\$ 114,407	\$ 0	\$ 0	\$ 3,897	\$ 0	\$ 2,821	\$ 0	\$ 138,285	\$ 276,968
Fund Balances - Ending	\$ 10,469	\$ 111,070	\$ 0	\$ 0	\$ 3,897	\$ 0	\$ 2,821	\$ 27,802	\$ 76,841	\$ 232,900

-58-
CITY OF LAMESA, TEXAS

EXHIBIT C-3

HOUSING ASSISTANCE PROGRAM
PHA CODE: TX535
PHA NAME: LAMESA HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
BALANCE SHEET
SEPTEMBER 30, 2017

<u>Line Item</u>		<u>HAP Fund</u>
	ASSETS:	
111	Cash and Cash Equivalents	\$ 54,456
110	Total Cash	\$ 54,456
150	Total Current Assets	\$ 54,456
	Noncurrent Assets:	
	Fixed Assets:	
164	Furniture, Equipment and Machinery	\$ 21,359
166	Accumulated Depreciation	(21,359)
160	Total Fixed Assets, Net	\$ 0
190	Total Assets:	\$ 54,456
	LIABILITIES:	
333	Due to other Funds	\$ 37,580
	Total Liabilities	\$ 37,580
	NET POSITION:	
511.1	Restricted Net Position	\$ 1,295
512.1	Unrestricted Net Position	15,581
	Total Net Position	\$ 16,876
600	Total Liabilities and Net Position	\$ 54,456

-59-
CITY OF LAMESA, TEXAS

EXHIBIT C-4

HOUSING ASSISTANCE PROGRAM
PHA CODE: TX535
PHA NAME: LAMESA HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE
SEPTEMBER 30, 2017

		HAP Fund
<u>Line Item</u>	Operating Revenue:	
706	HUD PHA Operating Grants	\$ 434,531
711	Investment Income	482
700	Total Operating Revenue:	<u>\$ 435,013</u>
	Operating Expenses:	
911	Administrative Salaries	\$ 50,000
916	Other General Expenses	3,988
912	Accounting and Audit Fees	2,300
969	Total Operating Expenses:	<u>\$ 56,288</u>
	Excess (Deficiency) of Revenues	
970	Over (Under) Expenses	<u>\$ 378,725</u>
	Other Expenses:	
973	Housing Assistance Payments	\$ 340,391
900	Total Other Expenses:	<u>\$ 340,391</u>
	Deficiency of Expenses over Revenue	<u>\$ 38,334</u>

-60-
CITY OF LAMESA, TEXAS

EXHIBIT C-5

STATEMENT OF NET POSITION - WASTEWATER
PROPRIETARY FUND SEGMENT
SEPTEMBER 30, 2017

	Wastewater Fund Segment
ASSETS:	
Cash and Cash Equivalents	\$ 154,748
Receivables, Net of Allowances	55,262
Inventory	24,882
Total Current Assets	\$ 234,892
Noncurrent Assets	
Capital Assets, Net of Accumulated Depreciation and Amortization	
Land	\$ 16,146
Buildings	7,364
Improvements other than Buildings	614,664
Machinery and Equipment	87,978
Infrastructure	673,665
Construction in Progress	2,316
Water Rights	425,307
Total Noncurrent Assets	\$ 1,827,440
Total Assets	\$ 2,062,332
DEFERRED OUTFLOWS OF RESOURCES:	
Pension Plan - Employer Contributions	\$ 2,629
Pension Plan - Investment Differences	14,444
Pension Plan - Assumption Changes	7,276
Deferred Charges on Refundings	8,891
Total Deferred Outflows of Resources	\$ 33,240
LIABILITIES:	
Due to Other Funds	\$ 14,655
Refunds Payable	1,968
Accrued Payroll Liabilities	3,926
Due to State	191
Customer Deposits	31,488
Current Portion of Long-Term Liabilities	
Compensated Absences	1,655
Notes and Bonds Payable	106,578
Leases Payable	17,654
Total Current Liabilities	\$ 178,115
Noncurrent Liabilities	
Compensated Absences	\$ 4,964
Notes and Bonds Payable	1,020,486
Premium on Notes Payable	12,564
Leases Payable	214,210
Net Pension Liability	3,870
Total Noncurrent Liabilities	\$ 1,256,094
Total Liabilities	\$ 1,434,209
DEFERRED INFLOWS OF RESOURCES:	
Pension Plan - Experience Differences	\$ 3,215
Total Deferred Inflows of Resources	\$ 3,215
NET POSITION:	
Net Investment in Capital Assets	\$ 468,510
Unrestricted	189,638
Total Net Position	\$ 658,148

-61-
CITY OF LAMESA, TEXAS

EXHIBIT C-6

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - WASTEWATER
PROPRIETARY FUND SEGMENT
SEPTEMBER 30, 2017

	Wastewater Fund Segment
OPERATING REVENUES:	
Wastewater Revenue	\$ 599,137
Total Operating Revenues	<u>\$ 599,137</u>
OPERATING EXPENSES:	
Personnel Services	\$ 124,792
Supplies	16,092
Maintenance	66,839
Miscellaneous Services	123,003
Depreciation and Amortization	122,622
Noncapitalized Equipment	1,648
Total Operating Expenses	<u>\$ 454,996</u>
Operating Income	<u>\$ 144,141</u>
NON-OPERATING REVENUES (EXPENSES):	
Interest Revenue	\$ 1,056
Loss on Sale of Assets	(137,260)
Miscellaneous Income	11,565
Interest Expense and Related Fees	(57,981)
Total Non-Operating Revenue (Expense)	<u>\$ (182,620)</u>
Loss Before Transfers	<u>\$ (38,479)</u>
Transfers Out	<u>(211,354)</u>
Change in Net Position	<u>\$ (249,833)</u>
Total Net Position - Beginning	907,981
Total Net Position - Ending	<u><u>\$ 658,148</u></u>

-62-
CITY OF LAMESA, TEXAS

EXHIBIT C-7

**STATEMENT OF CASH FLOWS - WASTEWATER
PROPRIETARY FUND SEGMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Wastewater Fund Segment</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 587,948
Cash Payments to Employees for Services	(107,604)
Cash Payments to Other Suppliers for Goods and Services	(204,081)
Net Cash Provided by Operating Activities	<u>\$ 276,263</u>
Cash Flows from Non-Capital Financing Activities:	
Miscellaneous Income	\$ 11,565
Transfers to Other Funds	(208,197)
Net Cash Used in Non-Capital Financing Activities	<u>\$ (196,632)</u>
Cash Flows from Capital and Related Financing Activities:	
Principal and Interest Paid	\$ (261,366)
Capital Lease Proceeds	233,412
Proceeds from Sale of Assets	855
Acquisition or Construction of Capital Assets	(7,197)
Net Cash Used in Capital and Related Financing Activities	<u>\$ (34,296)</u>
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	\$ 1,056
Net Cash Provided by Investing Activities	<u>\$ 1,056</u>
Increase in Cash and Cash Equivalents	\$ 46,391
Cash and Cash Equivalents - Beginning of Year	108,357
Cash and Cash Equivalents - End of Year	<u>\$ 154,748</u>
Reconciliation of Operating Income (Loss) to Net Cash	
Used in Operating Activities:	
Operating Income (Loss)	\$ 144,141
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by Operating Activities	
Depreciation and Amortization	\$ 122,622
Change in Assets and Liabilities:	
(Decrease) Increase in Receivables	(3,718)
(Decrease) Increase in Inventory	3,524
(Decrease) Increase in Deferred Outflows	20,943
Increase (Decrease) in Due to State	(23)
Increase (Decrease) in Refunds Payable	(502)
Increase (Decrease) in Customer Deposits	(6,969)
Increase (Decrease) in Accrued Expenses	(1,337)
Increase (Decrease) in Net Pension Liability	(240)
Increase (Decrease) in Deferred Inflows	(2,178)
Total Adjustments	<u>\$ 132,122</u>
Net Cash Provided by Operating Activities	<u>\$ 276,263</u>

OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

**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**

Independent Auditor's Report

City Council
City of Lamesa, Texas
Lamesa, Texas

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 Lamesa, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise City of Lamesa, Texas' basic financial statements and have issued our report thereon dated March 26, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Lamesa, Texas' 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 City of Lamesa, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Lamesa, Texas' internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Lamesa, Texas' 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 or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Balinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

March 26, 2018

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 6

SUBJECT: **CALL FOR RFP FOR REDISTRICTING SERVICES**
PROCEEDING: Action
SUBMITTED BY: City Staff
EXHIBITS:

SUMMARY STATEMENT

City Council to consider authorizing a call for Request for Proposals for Redistricting Services, to include a description of qualifications, cost breakdown of demographic survey services and legal services with timeline for completion and estimated payments for services by year. *(City Manager)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to . authorize a call for Request for Proposals for Redistricting Services, to include a description of qualifications, cost breakdown of demographic survey services and legal services with timeline for completion and estimated payments for services by year. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 7

SUBJECT: AMENDMENT NO II TO USDA GRANT – ENGINEERING AGREEMENT
PROCEEDING: Action
SUBMITTED BY: City Staff
AUTHORITY:

SUMMARY STATEMENT

Consider approving an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include Article 8.05 Federal Requirements, C. Restrictions on Lobbying - Byrd anti-lobbying amendment (31 U.S.C. 1352). *(City Engineer)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include Article 8.05 Federal Requirements, C. Restrictions on Lobbying - Byrd anti-lobbying amendment (31 U.S.C. 1352). Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated 4-18-17.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 2**

The Effective Date of this Amendment is: _____.

Background Data

Effective Date of Owner-Engineer Agreement: April 18, 2017

Owner: City of Lamesa

Engineer: Parkhill, Smith & Cooper

Project: City of Lamesa Water System Improvements

Nature of Amendment:

 X Modifications of payment to Engineer

Description of Modifications:

Prior Amendments:

Change in Engineering and Surveying Fees from \$334,626.98 to \$481,944.00

- Study and Report Phase: change from \$51,000 to \$72,406.75
- Preliminary Design Phase: change from \$97,591.48 to \$146,201.46
- Final Design Phase: change from \$68,628.77 to \$109,236.00
- Bidding and Negotiating Phase: no change – keep at \$21,722
- Construction Phase: change from \$50,684.73 to \$87,377.79
- Surveying: no change – keep at \$45,000

Change in RPR Fees from \$133,650 to \$244,000

Change in Testing Fees (Additional Services) from \$45,000 to \$85,000

This Amendment:

Article 8.05 Federal Requirements, C. Restrictions on Lobbying

First sentence to be struck and replaced with "Engineer and each Consultant shall comply with "Byrd anti-lobbying amendment (31 U.S.C. 1352)" if they are recipients of engineering services contracts and subcontracts that exceed \$100,000 at any tier."

Agreement Summary:

Original agreement amount:	\$ <u>513,276.98</u>
Net change for prior amendments:	\$ <u>297,667.02</u>
This amendment amount:	\$ <u>0</u>
Adjusted Agreement amount:	\$ <u>810,944.00</u>

Change in time for services (days or date, as applicable): N/A

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

ENGINEER:

OWNER:

By:
Print
name:

Robert Holly Holder
R. Holly Holder, P.E.

Title: Firm Principal

Date Signed: March 5, 2018

By:
Print
name:

Josh Stevens

Title: Mayor

Date Signed: _____

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 8

SUBJECT: AMENDMENT NO III TO USDA GRANT – ENGINEERING AGREEMENT
PROCEEDING: Action
SUBMITTED BY: City Staff
AUTHORITY:

SUMMARY STATEMENT

Consider approving an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include compliance with the American Iron & Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference. *(City Engineer)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve an amendment to the engineering contract with Parkhill Smith and Cooper for the USDA Grant, to include compliance with the American Iron & Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 and subsequent statutes mandating domestic preference. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated 4-18-17.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 3**

The Effective Date of this Amendment is: _____.

Background Data

Effective Date of Owner-Engineer Agreement: April 18, 2017

Owner: City of Lamesa

Engineer: Parkhill, Smith & Cooper

Project: City of Lamesa Water System Improvements

Nature of Amendment:

 X Modifications of payment to Engineer

Description of Modifications:

Prior Amendments:

Change in Engineering and Surveying Fees from \$334,626.98 to \$481,944.00

- Study and Report Phase: change from \$51,000 to \$72,406.75
- Preliminary Design Phase: change from \$97,591.48 to \$146,201.46
- Final Design Phase: change from \$68,628.77 to \$109,236.00
- Bidding and Negotiating Phase: no change – keep at \$21,722
- Construction Phase: change from \$50,684.73 to \$87,377.79
- Surveying: no change – keep at \$45,000

Change in RPR Fees from \$133,650 to \$244,000

Change in Testing Fees (Additional Services) from \$45,000 to \$85,000

Article 8.05 Federal Requirements, C. Restrictions on Lobbying

First sentence to be struck and replaced with "Engineer and each Consultant shall comply with "Byrd anti-lobbying amendment (31 U.S.C. 1352)" if they are recipients of engineering services contracts and subcontracts that exceed \$100,000 at any tier."

This Amendment:

The following shall be included in the contract:

(1) (E-500, Article 5.01.A)

Add the following to 5.01.A: "Opinions of Probable Cost and any revisions thereof should reflect compliance with American Iron & Steel requirements mandated by Section 746 of

Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference.”

(2) (E-500, Article 5.03.B)

Add paragraph 5.03.B: “Opinions of Total Project Costs and any revisions thereof should reflect compliance with American Iron & Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference.”

(3) (E-500, Exhibit A.1.03.A.13):

Add paragraph A.1.03.A.13: “Services required to determine and certify that to the best of the Engineer’s knowledge and belief all iron and steel products referenced in engineering analysis, the Plans, Specifications, Bidding Documents, and associated Bid Addenda requiring design revisions are either produced in the United States or are the subject of an approved waiver; and services required to determine to the best of the engineer’s knowledge and belief that approved substitutes, equals, and all iron and steel products proposed in the shop drawings, Change Orders and Partial Payment Estimates are either produced in the United States or are the subject of an approved waiver under Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference. The term “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.”

(4) (E-500, Exhibit A.1.04.A.10)

Add paragraph A.1.04.A.10: “Provide copies of Manufacturers’ Certification letters to the Bidders on any brand name iron and steel products along with the Plans, Specifications and Bidding Documents. Manufacturers’ Certification Letters are to be included in the Bidding Documents and must be kept in the engineer’s project file and on site during construction.”

(5) (E-500, Exhibit A.1.04.11)

Add paragraph A.1.04.A.11: “Provide copies of Manufacturers’ Certification letters to the Contractor on any brand name iron and steel products along with the Plans, Specifications, Bidding Documents including any Bid Addenda and Change Orders. Manufacturers’ Certification Letters must be kept in the engineer’s project file and on site during construction.”

(6) (E-500, Exhibit A.1.05.A.17)

Modify A.1.05.A.17 by adding the following prior to the first sentence: “Review and approve or take other appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals to ensure compliance with American and Iron Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and

Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference. Any iron and steel products included in any submittal by the General Contractor, must include a Manufacturers' Certification letter to verify the products were produced in the United States. Copies of Manufacturers' Certification letters must be kept in the engineer's project file and on site during construction."

(7) (E-500, Exhibit A.1.05.A.18)

Add the following to A.1.05.A.18 to the end of the paragraph as amended by RUS Bulletin 1780-26: "Prior to approval of any substitute "or equal" obtain a Manufacturers' Certification letter to verify the products were produced in the United States.

Manufacturers' Certification letters must be kept in the engineer's project file and on site during construction to ensure compliance with American and Iron Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference, if applicable."

(8) (E-500, Exhibit A.1.05.A.19)

Add subparagraph A.1.05.A.19.d: "Receive and review all Manufacturers' Certification Letters for materials required to comply with American and Iron Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference to verify the products were produced in the United States. Manufacturers' Certification letters must be kept in the engineer's project file and on site during construction."

(9) (E-500, Exhibit A.1.05.A.20)

Add subparagraph (c) to the end of A.1.05.A.20: "(c) Review Change Proposals to ensure compliance with American and Iron Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference."

(10) (E-500, Exhibit A.1.05.A.25)

Add item "a" as a deliverable under paragraph A.1.05.A.25: "(a) Obtain the Contractors' Certification letter and copies of Manufacturers' Certification letters for all American Iron and Steel products used in the project. Upon Substantial Completion, provide copies of Engineer's, Contractors', and Manufacturers' Certification letters to the Owner and a copy of Contractor's Certification letter to the Agency. Provide a list of manufacturers of American Iron and Steel products used in the project and include manufacturer's name and location, and product(s) to the Agency."

(11) (E-500, Exhibit B.2.02)

Add the following language to B.2.02: "Owners are ultimately responsible for compliance with Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Appropriations Act, 2017) and subsequent statutes mandating domestic preference and will be responsible for the following:

- a) **Signing** loan resolutions, grant agreements and letters of intent to meet conditions which include American Iron and Steel language, accepting American Iron and Steel requirements in those documents and in the letter of conditions.
- b) **Signing** change orders (i.e. C-941 of EJCDC) and partial payment estimates (i.e. C-620 of EJCDC) and thereby **acknowledging** responsibility for compliance with American Iron and Steel requirements.
- c) **Obtaining** the certification letters from the consulting engineer upon substantial completion of the project and **maintaining** this documentation for the life of the loan.
- d) Where the owner provides their own engineering and/or construction services, **providing** copies of engineers', contractors', and manufacturers' certification letters (*as applicable*) to the Agency. All certification letters must be kept in the engineer's project file and on site during construction. For Owner Construction (Force Account), all clauses from Section 17 of RUS Bulletin 1780-35 must be included in the Agreement for Engineering Services.
- e) Where the owner directly procures American Iron and Steel products, **including** American Iron and Steel clauses in the procurement contracts and **obtaining** manufacturers' certification letters and **providing** copies to consulting engineers and contractors.

(12) (E-500, Exhibit D1.01.C.11.g)

Add sub paragraph D.1.01.C.11.g: "(g) Maintain all Manufacturers' Certification letters in the project file and on site during construction to ensure compliance with American and Iron Steel requirements mandated by Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference, as applicable."

Agreement Summary:

Original agreement amount:	\$ 513,276.98
Net change for prior amendments:	\$ 297,667.02
This amendment amount:	\$ 0
Adjusted Agreement amount:	\$ 810,944.00

Change in time for services (days or date, as applicable): N/A

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

ENGINEER:

OWNER:

By:

Print

name: R. Holly Holder, P.E.

Title: Firm Principal

Date Signed:

By:

Print

name: Josh Stevens

Title: Mayor

Date Signed:

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 9

**SUBJECT: APPROVAL OF THE USE OF FORCE ACCOUNT FOR
INSTALLATION OF WATERLINES (CDBG)**
PROCEEDING: Action
SUBMITTED BY: City Staff
AUTHORITY:

SUMMARY STATEMENT

City Council to consider, discuss and approve the use of a Force Account for installation of waterlines in conjunction with the CDBG Grant #7216280. The use of City equipment and employees will be utilized for the extension of approximately four hundred linear feet (400 l.f.) of 6-inch water line in NE. Gary Street from NE. 2nd to NE. 3rd.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve the use of a installation of waterlines in conjunction with the CDBG Grant #7216280. The use of City equipment and employees will be utilized for the extension of approximately four hundred linear feet (400 l.f.) of 6-inch water line in NE. Gary Street from NE. 2nd to NE. 3rd. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 10

**SUBJECT: REQUEST FROM KIWANIS CLUB OF LAMESA FOR THE
PLACEMENT OF FLAGS IN CITY PARKS ON DESIGNATED
HOLIDAYS**

PROCEEDING: Action
SUBMITTED BY: City Staff

SUMMARY STATEMENT

Consider approving the placement of flags in City parks (Forrest Park, N. 22nd Park and at triangle on Seminole Rd.) on designated holidays (5 holidays a year – Memorial Day, Independence Day, Labor Day, Veterans Day and Flag Day). *(City Manager)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve the placement of flags in City parks on designated holidays (5 holidays a year – Memorial Day, Independence Day, Labor Day, Veterans Day and Flag Day). Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 11

**SUBJECT: STEERTING COMMITTEE RESOLUTION AUTHORIZING
CONTINUED PARTICIPATION WITH THE STEERING
COMMITTEE OF CITIES SERVED BY ONCOR**

PROCEEDING: Resolution

SUBMITTED BY: City Staff

SUMMARY STATEMENT

City Council to consider approving a resolution authorizing continued participation with the Steering Committee of Cities served by Oncor; and authorizing the payment of 11 cents per capita to the Steering Committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC. *(City Manager and City Attorney)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to authorize continued participation with the Steering Committee of Cities served by Oncor; and authorizing the payment of 11 cents per capita to the Steering Committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF 11 CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC.

- WHEREAS, the City of _____ is a regulatory authority under the Public Utility Regulatory Act (PURA) and has exclusive original jurisdiction over the rates and services of Oncor Electric Delivery Company, LLC (Oncor) within the municipal boundaries of the city; and
- WHEREAS, the Steering Committee has historically intervened in Oncor rate proceedings and electric utility related rulemakings to protect the interests of municipalities and electric customers residing within municipal boundaries; and
- WHEREAS, the Steering Committee is participating in Public Utility Commission dockets and projects, as well as court proceedings, and legislative activity, affecting transmission and distribution utility rates; and
- WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor; and
- WHEREAS, the Steering Committee functions under the direction of an Executive Committee which sets an annual budget and directs interventions before state and federal agencies, courts and legislatures, subject to the right of any member to request and cause its party status to be withdrawn from such activities; and
- WHEREAS, the Executive Committee in its December 2017 meeting set a budget for 2018 that compels an assessment of eleven cents (\$0.11) per capita; and
- WHEREAS, in order for the Steering Committee to continue its participation in these activities which affects the provision of electric utility service and the rates to be charged, it must assess its members for such costs.

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

I.

That the City is authorized to continue its membership with the Steering Committee of Cities Served by Oncor to protect the interests of the City of _____ and protect the interests of the customers of Oncor Electric Delivery Company, LLC residing and conducting business within the City limits.

II.

The City is further authorized to pay its assessment to the Steering Committee of eleven cents (\$0.11) per capita based on the population figures for the City shown in the latest TML Directory of City Officials.

III.

A copy of this Resolution and the assessment payment check made payable to "*Steering Committee of Cities Served by Oncor*" shall be sent to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010.

PRESENTED AND PASSED on this the _____ day of _____, 2018, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of _____, Texas.

Signature
Mayor

ATTEST:

Signature
City Secretary

APPROVED AS TO FORM:

Signature
City Attorney

STAFF REPORT ON ASSESSMENT RESOLUTION FOR STEERING COMMITTEE OF CITIES SERVED BY ONCOR

Purpose of the Resolution

The City of _____ is a member of a 162-member city coalition known as the Steering Committee of Cities Served by Oncor. The resolution approves the assessment of an eleven cent (\$0.11) per capita fee to fund the activities of the Steering Committee.

Why this Resolution is Necessary

The Steering Committee undertakes activities on behalf of municipalities for which it needs funding support from its members. Municipalities have original jurisdiction over the electric distribution rates and services within the city. The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s. Empowered by city resolutions and funded by per capita assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, ERCOT, the courts, and the Legislature on electric utility regulation matters for over two decades.

The Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery Company, LLC within the City. Steering Committee representation is also strong at ERCOT. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that the Steering Committee be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

Explanation of "Be It Resolved" Paragraphs

I. The City is currently a member of the Steering Committee; this paragraph authorizes the continuation of the City's membership.

II. This paragraph authorizes payment of the City's assessment to the Steering Committee in the amount of eleven cents (\$0.11) per capita, based on the population figure for the City as shown in the latest TML Directory of City Officials.

III. This paragraph requires notification to the Chair of the Steering Committee, Paige Mims, that the City has adopted the Resolution.

Payment of Assessment

A copy of the resolution should be mailed with payment of the fee to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010. Checks should be made payable to: *Steering Committee of Cities Served by Oncor.*

City of Arlington, c/o Oncor Cities
Steering Committee
Attn: David Barber
101 S. Mesquite St., Ste. 300
MS # 63-0300
Arlington, TX 76010

Invoice

Date	Invoice #
3/19/2018	18-87

Bill To
City of Lamesa

Item	Population	Per Capita	Amount
2018 Membership Assessment	9,461	0.11	1,040.71
Please make check payable to: Oncor Cities Steering Committee and mail to Oncor Cities Steering Committee, Attn: David Barber, Arlington City Attorney's Office, 101 S. Mesquite St., Ste. 300, MS #63-0300, Arlington, Texas 76010		Total	\$1,040.71

MEMORANDUM

TO: Steering Committee of Cities Served by Oncor

FROM: Paige Mims, Chair

DATE: March 6, 2018

RE: **Action Needed – 2018 Membership Assessment Invoice**

Enclosed please find the 2018 Steering Committee of Cities Served by Oncor (“Steering Committee”) membership assessment invoice and draft resolution. These items are discussed below. We ask that your city please take action on the membership assessment as soon as possible.

Although the Steering Committee does not require that your city take action by resolution to approve the assessment, some members have requested a resolution authorizing payment of the 2018 membership assessment. Payment of the membership assessment fee shall be deemed to be in agreement with the terms of the Steering Committee participation agreement.

Please forward the membership assessment fee and, if applicable, the signed resolution to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney’s Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010. Checks should be made payable to: *Steering Committee of Cities Served by Oncor*. If you have any questions, please feel free to contact me at (972/941-7125) or Geoffrey Gay (gmg@lglawfirm.com, 512/322-5875) or Thomas Brocato (tbrocato@lglawfirm.com, 512/322-5857).

Membership Assessment Invoice and Resolution

The Steering Committee is the most active consumer group advocating the interests of cities and residential and small commercial customers within the cities to keep electric transmission and distribution (*i.e.*, wires) rates reasonable. Steering Committee activities protect the authority of municipalities over the regulated wires service and rates charged by Oncor Electric Delivery Company, LLC (“Oncor”).

The work undertaken by the Steering Committee has saved cities and ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice before the Public Utility Commission of Texas (“Commission” or “PUC”), ERCOT, the Legislature, and in the courts, the Steering Committee must have your support. The membership assessment is deposited in an account which funds Steering Committee activities.

In 2017, Oncor filed for approval of a change in ownership. The Steering Committee has been an active participant in that process seeking to ensure that ratepayers are not harmed. In addition, the Steering Committee is currently preparing for the 86th Legislative Session. The Steering Committee is also involved in numerous rulemakings and projects at the PUC. The Steering Committee also participated in Oncor’s Energy Efficiency Cost Recovery Factor (“EECRF”) proceeding, which is the annual proceeding to determine the surcharge to fund the Commission’s energy efficiency program.

On December 7, 2017, the Steering Committee approved the 2018 assessment for Steering Committee membership. Based upon the population-based assessment protocol previously adopted by the Steering Committee, the assessment for 2018 is a per capita fee of \$0.11 based upon the population figures for each city shown in the latest TML Directory of City Officials. The enclosed invoice represents your city's assessment amount.

To assist you in the assessment process, we have attached several documents to this memorandum for your use:

- OCSC 2017 Year in Review
- Model resolution approving the 2018 assessment (optional, provided for those cities that have requested a resolution to authorize payment)
- Model staff report supporting the resolution
- List of Steering Committee members
- 2018 Assessment invoice
- 2017 Assessment invoice and statement (only if not yet paid)
- Blank member contact form to update distribution lists

STEERING COMMITTEE CITIES SERVED BY ONCOR (162)

Addison	Frisco	Plano
Allen	Frost	Pottsboro
Alvarado	Gainesville	Prosper
Andrews	Garland	Ranger
Anna	Glenn Heights	Red Oak
Archer City	Grand Prairie	Rhome
Argyle	Granger	Richardson
Arlington	Grapevine	Richland
Azle	Haltom City	Richland Hills
Bedford	Harker Heights	River Oaks
Bellmead	Haslet	Roanoke
Belton	Heath	Robinson
Benbrook	Henrietta	Rockwall
Beverly Hills	Hewitt	Rosser
Big Spring	Highland Park	Rowlett
Breckenridge	Honey Grove	Sachse
Bridgeport	Howe	Saginaw
Brownwood	Hudson Oaks	Sansom Park
Buffalo	Hurst	Seagoville
Burkburnett	Hutto	Sherman
Burleson	Iowa Park	Snyder
Caddo Mills	Irving	Southlake
Cameron	Jolly	Springtown
Canton	Josephine	Stephenville
Carrollton	Justin	Sulphur Springs
Cedar Hill	Kaufman	Sunnyvale
Celina	Keene	Sweetwater
Centerville	Keller	Temple
Cleburne	Kennedale	Terrell
Coahoma	Kerens	The Colony
Colleyville	Killeen	Trophy Club
Collinsville	Krum	Tyler
Colorado City	Lake Worth	University Park
Comanche	Lakeside	Venus
Commerce	Lamesa	Waco
Coppell	Lancaster	Watauga
Copperas Cove	Lewisville	Waxahachie
Corinth	Lindale	Westover Hills
Cross Roads	Little Elm	Westworth Village
Crowley	Little River Academy	White Settlement
Dallas	Malakoff	Wichita Falls
Dalworthington Gardens	Mansfield	Willow Park
DeLeon	McKinney	Woodway
De Soto	Mesquite	Wylie
Denison	Midland	
Duncanville	Midlothian	
Early	Murchison	
Eastland	Murphy	
Edgecliff Village	New Chapel Hill	
Ennis	North Richland Hills	
Eules	Northlake	
Everman	Oak Leaf	
Fairview	Oak Point	
Farmers Branch	Odessa	
Fate	O'Donnell	
Flower Mound	Ovilla	
Forest Hill	Palestine	
Forney	Pantego	
Fort Worth	Paris	

Steering Committee of Cities Served by Oncor

2017 Year in Review



Sempra Closer to Buying Oncor

The ongoing saga surrounding Oncor Electric Delivery Company, LLC ("Oncor") continued throughout 2017. At the beginning of the year, NextEra was still in the process of getting regulatory approvals to purchase Oncor. The Public Utility Commission of Texas ("PUC" or "Commission") denied that application in April 2017. Then, in July, Warren Buffett's Berkshire Hathaway Energy announced it reached a deal to buy Energy Future Holdings ("EFH"), Oncor's parent company, for \$9 billion. The purchase had an enterprise value of about \$18 billion, including debt. Then, in August, Elliott Management Corp ("Elliott") announced it intended to propose a competitive bid for the utility and block the Berkshire Hathaway deal.

As the Delaware bankruptcy court was set to decide between Elliott and Berkshire Hathaway on August 21st, a surprise came when Sempra Energy ("Sempra") announced it had reached a deal with EFH to buy Oncor for \$9.45 billion cash. Sempra, a San-Diego based power company, has said it would invest \$7.5 billion over five years in capital projects to "expand and reinforce" Oncor's electrical grid infrastructure.

The bankruptcy court approved the Sempra acquisition agreement on September 6th. On

October 5, Oncor and Sempra filed the Sale Transfer Merger application at the PUC. Sempra is seeking full ownership of EFH. It has proposed 47 commitments and a new financing structure, including proposed ring-fence protections that would separate it financially from the parent company. The application also preserves Oncor's board independence, maintains its current management team, supports its five-year, \$7.5 billion capital investment plan, and shields its customers from transaction costs. The Steering Committee of Cities Served by Oncor ("OCSC") has been granted intervention in the proceeding and is actively representing cities' interests. Hearings are set for February 21-23rd, 2018. However, parties filed a stipulation on December 15, 2017, which resolves all contested issues between the signatories. Oncor, Sempra, the Office of Public Utility Counsel, OCSC, and Texas Industrial Energy Customers are the current parties to the stipulation, and other parties may join. Additionally, Sempra secured FERC's approval for the Oncor purchase. Subject to Commission review and approval, it is likely Oncor may have a new owner in 2018.

Cities Prevail in Supreme Court Fight Over Denied Franchise Fees

OCSC received a huge victory in January with the Supreme Court's favorable decision of the appeal of Oncor's 2008-09 rate case, PUC Docket No. 35717. OCSC had been fighting the PUC throughout the appellate process over whether cities had the authority to negotiate special franchise fees beyond a baseline formula in Public Utility Regulatory Act ("PURA"). Cities were positioned on the same side as Oncor, who was refused the ability to recover city franchise fees under the Docket No. 35717 decision.

Now that OCSC has prevailed at the Supreme Court, Oncor will be looking to collect the franchise fees it was previously denied, as well as the cash working capital also denied in this case. The Supreme Court's opinion remanded the case to the PUC and parties filed a settlement that would have the surcharge to be approved begin with the imposition of revised rates in Oncor's general rate case. The settlement was approved on September 29, 2017.

Supreme Court Hears Richardson Relocation Case



On September 12, 2017, the Supreme Court of Texas heard oral arguments in the City of Richardson v. Oncor Electric Delivery Co. LLC, the Richardson relocation case. OCSC has been watching this case for years and filed two amicus curiae briefs at the Supreme Court. The Court's decision will directly impact cities throughout the state of Texas by implicating their authority to require electric utilities to pay for certain facility relocations.

This case began in 2011 when Oncor refused to bear the cost of relocating its facilities to accommodate the widening of an alley in the City of Richardson. For many years previously, Oncor paid for numerous similar relocations of its facilities within the City's rights-of-way ("ROW"). This practice was consistent with Richardson's franchise agreement with Oncor, which incorporated Richardson's ROW management ordinance requiring Oncor to relocate its facilities in the public ROW, at its own cost, when requested by the City. Statutory and common law also establish that a utility shall pay for relocations for city-requested street widenings. Therefore, when Oncor refused to comply with Richardson's relocation request in 2011, the City sued.

The trial court granted the City's summary judgment motion but the court of appeals reversed. Oncor argued that a pro forma provision in its tariff stating that the requesting entity pays for the relocation trumps the franchise

agreement term and the statutory and common law. The court of appeals agreed with Oncor's position by finding that "entity" in the tariff provision included the City and the filed-rate doctrine precluded any contract contrary to the tariff, including a franchise agreement.

Thus, the issue before the Supreme Court is whether a pro-forma provision in Oncor's tariff rescinds its contractual, statutory, and common law obligations to shift utility relocation costs from Oncor to the City. OCSC filed two amicus curiae briefs supporting Richardson's position that the statutory and common law obligations, as well as the City's negotiated franchise agreement, take precedence over a pro-forma tariff the utility had theretofore never relied on to refuse to relocate. These briefs were filed not only to emphasize the strength of Richardson's position, but also to show the Court the importance of this issue to cities throughout Texas who are all subject to electric utility pro-forma tariffs and have negotiated franchise agreements with their respective utilities.

Both parties were allowed 20 minutes for oral arguments before the Supreme Court. Richardson explained to the Court that the City allows the utility to occupy the public ROW to sell a private product and that the City is entitled and authorized to require the utility to relocate its facilities to accommodate a public improvement project, after which, the utility may continue to use the improved ROW to sell its product to the public. The justices asked numerous questions of the attorneys for both sides and seemed particularly interested in the reason Oncor shifted its relocation practice in 2011. The Company merely said that its previous practice of paying for certain city-requested relocations had been a "mistake."

The Court's decision is expected to be issued in early 2018.

Governor Abbott Appoints Two New Commissioners to PUC

On September 20, 2017, Governor Greg Abbott appointed DeAnn Walker as a Commissioner of the PUC and named Walker the Chair for a term set to expire on September 1, 2021. Walker served as a senior policy advisor to Governor Abbott on matters relating to regulated industries. She also previously served as Associate General Counsel and Director of Regulatory Affairs for CenterPoint Energy. A member of the State Bar of Texas, Walker received a Bachelor of Arts from Southern Methodist University and a Juris Doctor from South Texas College of Law. Walker chaired her first open meeting of the PUC on September 28, 2017.



On November 14, 2017, Governor Abbott appointed Arthur D'Andrea as a Commissioner of the PUC with a term set to expire September 1, 2023. Before his appointment, D'Andrea served as assistant general counsel for the Office of Governor Abbott, and previously served as an assistant solicitor general for the Office of the Attorney General of Texas. He is a member of the State Bar of Texas and is an officer for the Kealing Middle School PTA. D'Andrea received a Bachelor of Science from The University of Texas at Austin and a Juris Doctor degree from The University of Texas School of Law. D'Andrea first sat as a Commissioner at the November 17, 2017 Open Meeting.



Oncor Rate Case Settles

After many rounds of negotiations and numerous stipulation versions, the parties in Oncor's rate case reached a final settlement agreement. The agreement was filed with the PUC on August 2, 2017 and was approved on October 13, 2017.

Oncor filed a Statement of Intent to Increase Rates on March 17th, in response to show-cause resolutions issued by the OCSC. Oncor's application sought to increase rates by \$317 million, or 7.5%. OCSC intervened in this proceeding along with Office of Public Utility Counsel, Texas Industrial Energy Consumers, as well as several electric cooperatives and other affected associations. Additionally, a few solar power associations intervened to contest Oncor's controversial solar tariff proposal.

As part of the settlement agreement, Oncor agreed to acquire Sharyland Utilities, L.P.'s ("Sharyland") distribution system. In return, Oncor is transferring approximately \$350 million in transmission assets to Sharyland. The exchange will result in all of Sharyland's existing retail electric delivery customers becoming Oncor's retail electric delivery customers and Sharyland serving only as a transmission service provider. The parties were also able to reach agreement on several other contentious issues including adjusting Oncor's return on equity to 9.8%, approving Oncor's recovery of \$11 billion in investments, and removing Oncor's proposed residential solar tariff.

Parties Litigating Smart Meter Texas 2.0

In August, the Commission opened a proceeding to determine the new requirements for Smart Meter Texas (“SMT”) 2.0. SMT 1.0 is an interoperable, web-based information system that stores electric usage data and provides access to advanced meter usage data for premises served by advanced meters for customers, Retail Electric Providers (“REPs”), and authorized third parties. SMT is operated by several transmission and distribution utilities (Oncor, CenterPoint, AEP, and Texas New Mexico Power Company) that have entered into a Joint Development and Operations Agreement (“JDOA”), which provides for the joint ownership, development, operation, and maintenance of SMT. SMT was created in 2008 to provide a standard web portal and data repository for meter usage data regardless of utility service territory consistent with the requirements of the Public Utility Regulatory Act and the Commission’s substantive rules. SMT provides a single point of access for customers without the need to develop individual TDU web portals.

However, participation in SMT 1.0 is very low. There are 100,695 residential accounts representing approximately 1.4% of active meters in SMT. There are approximately 5,260 small

business accounts, representing roughly .007% of active meters in SMT. And the costs have been significant. Through the end of 2016, Oncor and CenterPoint areas alone have paid over \$96 million for SMT costs. This new proceeding was opened to determine which requirements should be revised, deleted, or kept as the Joint TDUs bid out a new contract for SMT 2.0. Several parties intervened and filed testimony. The Joint TDUs, Office of Public Utility Counsel, REPs, third parties data providers, Commission Staff, and the OCSC also spent two days in hearings litigating the proceeding. However, parties reached a settlement on all issues except one and will be filing a stipulation in the next few weeks. Parties will brief the one remaining issue early in 2018.



Settlement Agreement Reached in Oncor EECRF

Pursuant to PUC energy efficiency rules, utilities may make an annual filing to adjust their Energy Efficiency Cost Recovery Factor (“EECRF”) to recover energy efficiency program costs and performance bonuses. The filings also true-up any over- or under-collection of energy efficiency costs resulting from the use of the EECRF pursuant to PURA § 39.905 and 16 Tex. Admin. Code § 25.181.

On June 1, 2017, Oncor filed its 2018 EECRF application seeking to adjust its EECRF to collect \$56,462,432 for four components: 1) \$49,384,580 in energy efficiency program costs projected to be incurred in 2018; 2) a refund of \$6,097,607 for over-recovery of costs in 2016; 3) \$11,741,562 representing the 2016 performance bonus for achieving demand and energy savings that exceeded its minimum goal to be achieved in 2016; and 4) \$6,687 in rate case expenses for last year’s EECRF proceeding.

OCSC intervened in this proceeding to ensure the amounts requested by Oncor comply with PURA and Commission rules. OCSC reviewed Oncor’s demand and energy goals, the program incentive costs, the evaluation, management, and verification expenses, the performance bonuses, and other components of the EECRF. OCSC filed testimony on July 13, 2017, but ultimately determined there were no viable issues with Oncor’s application. The PUC Staff identified one issue related to Oncor’s administrative expenses. Therefore, the parties reached an agreement in principle to settle this proceeding with a downward adjustment to Oncor’s EECRF of \$7,663 for the administrative expenses issue. The Commission approved the stipulation on September 29, 2017.

PUC Considering Changes to ERCOT Pricing Rules

In response to a lengthy report submitted by NRG Energy, Inc. ("NRG") and Calpine Corporation ("Calpine"), the PUC has opened a project to assess price-formation rules in ERCOT's energy-only market. The report proposes a number of significant changes to ERCOT's market design, and to the way that wires utilities collect revenue from large commercial and industrial customers. The PUC held a workshop on August 10, 2017, where the authors of the report submitted by NRG and Calpine gave a presentation to the Commissioners and stakeholders on their recommendations for changes to ERCOT's energy-only market.

The authors of the report discussed their list of recommendations, noting the level of difficulty each would present to implement. These recommendations include: 1) making adjustments to the operating reserve demand curve to address reliability impacts of changes in the generation supply mix and price impacts of reliability deployments; 2) including the marginal costs of transmission losses in market pricing; 3) introduction of Local Scarcity Pricing to provide a market solution to properly set prices when there are limited generating reserves in a local region; and 4) adopting market-oriented policies for transmission investment as a replacement for Texas' socialized transmission planning, and development of alternatives for transmission cost recovery.

Dr. David Patton from the MISO Independent Market Monitor ("IMM") also presented his proposals for improving the design of the ERCOT market, but focused on the value of co-optimization. Dr. Patton believes the benefits of co-optimization clearly exceed the costs and should be implemented as soon as possible. ERCOT also gave a presentation, after Dr. Patton, and claimed that it would cost approximately \$40 million and take four-five years to implement co-optimization technology into the market. ERCOT has since reduced its estimate.

Commissioners and stakeholders had the opportunity to ask questions of the presenters. The Commissioners ultimately decided that this was the first of many workshops to discuss these proposals and asked for stakeholder comments on the report. ERCOT and other stakeholders, including OCSC, filed comments on the proposals on December 1, 2017 and reply comments on December 22, 2017.



2018 OCSC Meetings

March 8
May 17
August 23
December 6

2018 Officers—????

Paige Mims—Chair
Don Knight—Vice Chair
Adrienne Lothery—Secretary
Treasurer—David Barber

Questions?

For questions about any OCSC matter or communication, please feel free to contact:

Geoffrey Gay
(512) 322-5875
ggay@lglawfirm.com

Thomas Brocato
(512) 322-5857
tbrocato@lglawfirm.com



Lloyd Gosselink Rochelle and Townsend, P.C.
816 Congress Avenue Suite 1900
Austin, Texas 78701

REQUEST FOR CONTACT INFORMATION

February, 2018

CONTACTS

Please provide contact information for the following coalitions:

- ☐ OCSC (Oncor Cities Steering Committee)
- ☐ ACSC (Atmos Cities Steering Committee)
- ☐ TCCFUI (Texas Coalition of Cities for Utility Issues)

Please type or print clearly

MAIN CONTACT

Name:	
Title:	
City of:	
Address:	
Phone:	
Fax:	
Email:	

ADDITIONAL CONTACT

Name:	
Title:	
City of:	
Address:	
Phone:	
Fax:	
Email:	

CONTACT TO SEND INVOICES OR CHECKS

Name:	
Title:	
City of:	
Address:	
Phone:	
Fax:	
Email:	

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(Please complete and return to: Thomas Brocato @ tbrocato@lglawfirm.com).

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City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 12

SUBJECT: RESOLUTION TO DENY ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY:

PROCEEDING: Resolution

SUBMITTED BY: City Staff

SUMMARY STATEMENT

City Council to consider approving a resolution of the City of Lamesa, Texas finding that Oncor Electric Delivery Company LLC's application for approval of a Distribution Cost Recovery Factor pursuant to 16 Tex. Admin. Code §25.243 to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the Company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the Company and legal counsel.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve a resolution of the City of Lamesa, Texas finding that Oncor Electric Deliver Company LLC's application for approval of a Distribution Cost Recovery Factor pursuant to 16 Tex. Admin Code §25.243 to increase distribution rates within the City should be denied. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF _____,
TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY
COMPANY LLC'S APPLICATION FOR APPROVAL OF A
DISTRIBUTION COST RECOVERY FACTOR PURSUANT
TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE
DISTRIBUTION RATES WITHIN THE CITY SHOULD BE
DENIED; FINDING THAT THE CITY'S REASONABLE
RATE CASE EXPENSES SHALL BE REIMBURSED BY
THE COMPANY; FINDING THAT THE MEETING AT
WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE
PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE
OF THIS RESOLUTION TO THE COMPANY AND LEGAL
COUNSEL.**

WHEREAS, the City of _____, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor ("OCSC"), a membership of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area; and

WHEREAS, on or about April 5, 2018 Oncor filed with the City an Application for Approval of a Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 48231, seeking to increase electric distribution rates by approximately \$19,002,177; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, Cities are coordinating its review of Oncor's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Cities members and attorneys recommend that members deny the DCRF.

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

Section 1. That the City is authorized to participate with Cities in PUC Docket No. 48231.

Section 2. That subject to the right to terminate employment at any time, the City of hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any

necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. That the rates proposed by Oncor to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 4. That the Company shall continue to charge its existing rates to customers within the City.

Section 5. That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of presentation of an invoice to Oncor.

Section 6. 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 the public notice of the time, place, and purpose of said meeting was given as required.

Section 7. That a copy of this Resolution shall be sent to Stephen N. Ragland, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this _____ day of _____, 2018.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney

MODEL STAFF REPORT REGARDING ONCOR'S DISTRIBUTION COST RECOVERY FACTOR FILING

On April 5, 2018, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed an Application for Approval of a Distribution Cost Recover Factor ("DCRF") to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company asserts that it is seeking an increase in distribution revenues of \$19,002,177.

The resolution authorizes the City to join with the Steering Committee of Cities Served by Oncor ("OCSC") to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by Oncor.

Explanation of "Be It Resolved" Paragraphs:

1. This section authorizes the City to participate with OCSC as a party in the Company's DCRF filing, PUC Docket No. 48231.
2. This section authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with the Company, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes OCSC to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.
3. This paragraph finds that the Company's application is unreasonable and should be denied.
4. This section states that the Company's current rates shall not be changed.
5. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by OCSC will submit monthly invoices that will be forwarded to Oncor for reimbursement.
6. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.
7. This section provides that Oncor and counsel for OCSC will be notified of the City's action by sending a copy of the approved and signed Resolution to counsel.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 13

SUBJECT: INTERLOCAL AGREEMENT BETWEEN DAWSON COUNTY AND CITY OF LAMESA REGARDING RE-SALE OF TRUST PROPERTIES WITHIN THE CITY OF LAMESA'S JURISDICTIONAL LINES

PROCEEDING: Action

SUBMITTED BY: City Staff

EXHIBITS: Interlocal Agreement

AUTHORITY Texas Government Code Section 791.001

SUMMARY STATEMENT

City Council to consider approving an Interlocal Agreement pursuant to Section 791.001 of the Texas Government Code between Dawson County and the City of Lamesa and assigning unto the City of Lamesa the County's rights to proceeds from the re-sale of trust properties within the City of Lamesa's jurisdictional lines.

COUNCIL ACTION

DISCUSSION: _____

Motion by Council Member _____ to approve an Interlocal Agreement between Dawson County and City of Lamesa regarding re-sale of trust properties within the city of Lamesa's Jurisdictional lines. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

TO THE CITY OF LAMESA § LETTER OF APPROVAL

§
§

This letter of approval is given by Dawson County ("County") to the City of Lamesa ("City").

WHEREIN, both the County and the City are co-owners of Trust Property within the jurisdictional boundaries of the City.

BY THIS LETTER, the County gives its approval to the City to demolish and clear any structure on Trust property within the city boundaries, deemed by the City to be dilapidated, substandard, or unfit for human habitation and is a hazard to the public health, safety and welfare; and

THAT the County does not accept any responsibility or liability for the demolition, clean-up, or disposal of any structure on Trust property;

THAT the demolition will take place only after the Redemption Period for the property has elapsed;

THIS approval for demolition is strictly specific to Trust Property within the City; and

THIS approval letter shall stand in perpetuity until or unless otherwise rescinded by the County at the County's discretion with a 30-day written notice to the City.

Signed and approved this, the 18 day of March, 2018.



Dawson County Judge

ATTEST: 

County Clerk



INTERLOCAL AGREEMENT BETWEEN DAWSON COUNTY AND THE CITY OF LAMESA

This Interlocal Agreement (this "Agreement") is made between DAWSON COUNTY (the "County") and CITY OF LAMESA (the "City") as of the 17 day of March, 2018.

1. RECITALS

Whereas, the County and the City are authorized to enter into an interlocal agreement pursuant to Section 791.001, Texas Government Code;

Whereas, the taxing entities with tax jurisdiction in the City of Lamesa hold in trust certain properties that have passed through foreclosure for delinquent ad valorem taxes and do not sell at the courthouse;

Whereas, the County recognizes the community will be better served by assigning unto the City the County's rights to proceeds from the re-sale of trust properties within the City of Lamesa;

Whereas, the trust properties shall include and be limited to, those trust properties within the City of Lamesa's jurisdictional lines;

Whereas, the proceeds from the re-sale of such properties would best allow the City to recover its costs associated with maintaining trust properties within the City of Lamesa, and would benefit the community as a whole, to include the County;

Whereas, the County and City agree that there is a minimum bid requirement of \$50.00 plus any additional deed and recording fees, for any trust property sold within the city's jurisdictional boundaries.

Whereas, the County retains its right of consent of all re-sales within the jurisdictional boundaries of the City of Lamesa.

2. AGREEMENT

NOW, THEREFORE, for and in consideration of the recitals, agreements and covenants set forth herein, the parties hereby agree that the City of Lamesa shall receive all of the County's proceeds from a resale of trust property within the City of Lamesa and its jurisdictional boundaries during the City's capacity as trustee for the benefit of the County from tax foreclosure to re-sale.

The County and the City agree that there is a minimum bid requirement of \$50.00 plus any additional deed and recording fees for any trust property sold within the City's

jurisdictional boundaries.

The County does not accept any responsibility or liability for the demolition, clean-up or disposal of any structure on said Trust Property.

The County retains its right of consent of all re-sales within the jurisdictional boundaries of the City.

This agreement constitutes the entire agreement of the parties and supersedes all prior agreements or understandings, whether written or oral, with regards to the resale of trust property between the City and the County.

3. TERMINATION

Either the County or the City may terminate this Agreement at its sole discretion with 30 days written notice to the other party.

4. NOTICES

Any notice authorized or required to be given under this Agreement shall be delivered or sent to the following addresses:

Dawson County
400 S 1st Room 202
Lamesa, TX 79331

City of Lamesa
601 S 1st
Lamesa, TX 79331

5. GOVERNING LAW

This Agreement shall be governed in all respects in accordance with the laws of the State of Texas, and shall be enforceable in Dawson County, Texas.


6. COUNTERPARTS

This Agreement is being executed in multiple counterparts, each of which shall constitute an original of which together shall constitute but one and the same instruments.

SIGNED AND APPROVED as of the date shown above.

Dawson County

BY:


Dawson County Judge



ATTEST:


County Clerk

Date 3/19/18

City of Lamesa

BY:

Mayor, City of Lamesa

ATTEST:

City Secretary

Date _____

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 14

SUBJECT: INTERLOCAL AGREEMENT BETWEEN MESA UNDERGROUND WATER DISTRICT AND CITY OF LAMESA REGARDING RE-SALE OF TRUST PROPERTIES WITHIN THE CITY OF LAMESA'S JURISDICTIONAL LINES

PROCEEDING: Action

SUBMITTED BY: City Staff

EXHIBITS: Interlocal Agreement

AUTHORITY: Texas Government Code Section 791.001

SUMMARY STATEMENT

City Council to Consider approval of an Interlocal Agreement pursuant to Section 791.001 of the Texas Government Code between Mesa Underground Water District and the City of Lamesa and assigning unto the City of Lamesa the Mesa Underground Water District rights to proceeds from the re-sale of trust properties within the City of Lamesa's jurisdictional lines.

COUNCIL ACTION

DISCUSSION: _____

Motion by Council Member _____ to approve an Interlocal Agreement between Mesa Underground Water District and City of Lamesa regarding re-sale of trust properties within the city of Lamesa's Jurisdictional lines. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

INTERLOCAL AGREEMENT BETWEEN MESA UNDERGROUND WATER DISTRICT AND THE CITY OF LAMESA

This Interlocal Agreement (this "Agreement") is made between the MESA UNDERGROUND WATER CONSERVATION DISTRICT (the "MUWCD") and CITY OF LAMESA (the "City") as of the 21 day of MARCH, 2018.

1. RECITALS

Whereas, the MUWCD and the City are authorized to enter into an interlocal agreement pursuant to Section 791.001, Texas Government Code;

Whereas, the taxing entities with tax jurisdiction in the City of LAMESA hold in trust certain properties that have passed through foreclosure for delinquent ad valorem taxes and do not sell at the courthouse;

Whereas, the MUWCD recognizes the community will be better served by assigning unto the City the MUWCD's rights to proceeds from the re-sale of trust properties within the City of LAMESA;

Whereas, the trust properties shall include and be limited to, those trust properties within the City of LAMESA's jurisdictional lines;

Whereas, the proceeds from the re-sale of such properties would best allow the City to recover its costs associated with maintaining trust properties within the City of LAMESA, and would benefit the community as a whole, to include the MUWCD;

Whereas, the MUWCD and City agree that there is a minimum bid requirement of \$50.00 plus any additional deed and recording fees, for any trust property sold within the city's jurisdictional boundaries.

Whereas, the MUWCD retains its right of consent of all re-sales within the jurisdictional boundaries of the City.

2. AGREEMENT

NOW, THEREFORE, for and in consideration of the recitals, agreements and covenants set forth herein, the parties hereby agree that the City of LAMESA shall receive all of the MUWCD's proceeds from a resale of trust property within the City of LAMESA and its jurisdictional boundaries during the City's capacity as trustee for the benefit of the MUWCD from tax foreclosure to re-sale.

The MUWCD and the City agree that there is a minimum bid requirement of \$50.00 plus any additional deed and recording fees, for any trust property sold within the City's jurisdictional boundaries.

The MUWCD does not accept any responsibility or liability for the demolition, clean-up or disposal of any structure on said Trust Property.

The MUWCD retains its right of consent of all re-sales within the jurisdictional boundaries of the City.

This agreement constitutes the entire agreement of the parties and supersedes all prior agreements or understandings, whether written or oral, with regards to the resale of trust property between the City and the MUWCD.

3. TERMINATION

Either the MUWCD or the City may terminate this Agreement at its sole discretion with 30 days written notice to the other party.

4. NOTICES

Any notice authorized or required to be given under this Agreement shall be delivered or sent to the following addresses:

MESA UNERGROUN	City of Lamesa
WATER CONSERVATION	601 S 1st
DISTRICT	Lamesa, TX 79331
212 N Ave G	
Lamesa, TX 79331	

5. GOVERNING LAW

This Agreement shall be governed in all respects in accordance with the laws of the State of Texas, and shall be enforceable in Dawson County, Texas.

6. COUNTERPARTS

This Agreement is being executed in multiple counterparts, each of which shall constitute an original of which together shall constitute but one and the same instruments.

SIGNED AND APPROVED as of the date shown above.

**MESA UNDERGROUND
WATER CONSERVATION
DISTRICT**


BY: 
Board President

ATTEST: 
Board Secretary

Date 3-21-18

City of LAMESA

BY: _____
Mayor, City of Lamesa

ATTEST: 
City Secretary

Date _____

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 15

**SUBJECT: RESOLUTION REGARDING A CONTRACT FOR THE
PURPOSE OF FINANCING A FIRE TRUCK**

PROCEEDING: Resolution

SUBMITTED BY: City Staff

SUMMARY STATEMENT

City Council to consider authorizing the City of Lamesa to enter into that certain Finance Contract, by and between the Issuer and Government Capital Corporation ("GCC") for the purpose of financing a "Fire Truck". The Issuer desires to designate this Finance Contract as a "qualified tax-exempt obligation" of the Issuer for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended. Financed 1/3 by the City, 1/3 by Dawson County and 1/3 by Weaver Foundation.
(City Manager and Fire Chief)

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to authorize the City of Lamesa to enter into that certain Contract, by and between the Issuer and Government Capital Corporation for the purpose of financing a "Fire Truck". Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.



April 11, 2018

Mrs. Shawna Burkett
Lamesa City Hall
806-872-4324
sburkett@ci.lamesa.tx.us

Dear Ms. Burkett,

Thank you for the opportunity to present proposed financing for City of Lamesa. I am submitting for your review the following proposed structure:

ISSUER:	City of Lamesa, Texas
FINANCING STRUCTURE:	Public Property Finance Contract issued under Local Government Code Section 271.005

EQUIPMENT COST:	\$ 40,000 City Hall Repairs
TERM:	4 Annual Payments
INTEREST RATE:	5.92%
PAYMENT AMOUNT:	\$ 11,397.30
PAYMENTS BEGINNING:	February 2019 and annually thereafter

EQUIPMENT COST:	\$ 125,000 Fire Truck		
ANNUAL TERM:	3 Payments	5 Payments	7 Payments
INTEREST RATE:	4.69%	4.75%	4.96%
PAYMENT AMOUNT:	\$ 45,237.17	\$ 28,419.8	\$ 21,372.96
PAYMENTS BEGINNING:	February 2019 and annually thereafter		

Financing for these projects would be simple, fast and easy due to the fact that:

- ✓ We have an existing relationship with you and have your financial statements on file, expediting the process. Please keep in mind we may also need current year statements.
- ✓ We can provide familiar documentation for your legal counsel.

Government Capital is registered with Texas Ethics Commission to be HB 1295 compliant. The above proposal is subject to audit analysis, assumes bank qualification and mutually acceptable documentation. The terms outlined herein are subject to change and rates are valid for fourteen (14) days from the date of this proposal. If funding does not occur within this time period, rates will be indexed to markets at such time.

Our finance programs are flexible and my goal is customer delight. If you have any questions regarding other payment terms, frequencies or conditions, please do not hesitate to call.

With Best Regards,

Stephanie Cates
Stephanie Cates
Client Services
CC: Jana Offutt
Main: 817-421-5400



The transaction described herein is an arm's length, commercial transaction between you and Government Capital Corporation ("GCC"), in which GCC: (i) is acting solely for its own financial and other interests that may differ from yours; (ii) is not acting as your municipal advisor or financial advisor, and has no fiduciary duty to you with respect to this transaction; and (iii) is not recommending that you take an action with respect to this transaction.

RESOLUTION NO. _____

A RESOLUTION REGARDING A CONTRACT FOR THE PURPOSE OF FINANCING A "**FIRE TRUCK**".

WHEREAS, City of Lamesa (the "Issuer") desires to enter into that certain Finance Contract, by and between the Issuer and Government Capital Corporation ("GCC") for the purpose of financing a "Fire Truck". The Issuer desires to designate this Finance Contract as a "qualified tax exempt obligation" of the Issuer for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF LAMESA:

Section 1. That the Issuer will enter into a Finance Contract with GCC for the purpose of financing a "Fire Truck".

Section 2. That the Finance Contract by and between the City of Lamesa and GCC is designated by the Issuer as a "qualified tax exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Section 3. That the Issuer appoints the Mayor, or his designee, as the authorized signer of the Finance Contract by and between the City of Lamesa and GCC as well as any other ancillary exhibit, certificate, or documentation needed for the Contract.

Section 4. That the City will use loan proceeds for reimbursement of expenditures related to the Property.

PASSED AND APPROVED by the Board of the City of Lamesa in a meeting held on the _____th day of _____, 2018.

Issuer: City of Lamesa

Witness Signature

Josh Stevens, Mayor

Betty Conde, City Secretary

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 16

**SUBJECT: ORDINANCE AMENDING ARTICLE 3.05 OF THE CODE OF
ORDINANCE OF THE CITY OF LAMESA, TEXAS, ENTITLED
"SUBSTANDARD STRUCTURES" TO EXTEND THE
PROVISIONS OF ARTICLE 3.05 TO ALL AREAS LYING
WITHIN 5000 FEET OF THE CORPORATE LIMITS OF THE
CITY:**

PROCEEDING: Ordinance, First Reading

SUBMITTED BY:

SUMMARY STATEMENT

City Council to consider passing an Ordinance on First reading amending Article 3.05 of the Code of Ordinance of the City of Lamesa, Texas, entitled "Substandard Structures" to extend the provisions of the Article 3.05 to all areas lying within 5000 feet of the corporate limits of the City. *(City Attorney)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to pass an Ordinance on First reading amending article 3.05 of the Code of Ordinance of the City of Lamesa, Texas, entitled " Substandard Structures" to extend the provisions of the Article 3.05 to all areas lying within 5000 feet of the corporate limits of the City. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF LAMESA, TEXAS,
AMENDING ARTICLE 3.05 OF THE CODE OF ORDINANCES
OF THE CITY OF LAMESA, TEXAS, ENTITLED
"SUBSTANDARD STRUCTURES" TO EXTEND THE
PROVISIONS OF ARTICLE 3.05 TO ALL AREAS LYING
WITHIN 5000 FEET OF THE CORPORATE LIMITS OF THE
CITY**

On the 17TH day of APRIL, 2018, there came on and was held at the City Hall of the City of Lamesa, Texas, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act (Texas Government Code, Chapter 551), there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, Chapter 3, Article 3.05 of the Code of Ordinances of the City of Lamesa, Texas, entitled "SUBSTANDARD STRUCTURES" should be amended to declare all substandard structures located within 5000 feet of the corporate limits of the City of Lamesa public nuisances and to provide that the provisions of Article 3.05 shall apply to all substandard structures located within 5000 feet of the corporate limits of the City of Lamesa.

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

SECTION 1. That Chapter 3, Article 3.05 of the Code of Ordinances of the City of Lamesa, Texas, entitled "SUBSTANDARD STRUCTURES" be, and same is hereby, amended to read as follows:

Sec. 3.05.001 Purpose

This article covers all aspects of substandard, dangerous and dilapidated structure demolition and removal under the authority of the City and is enacted to implement the stated purpose of protecting the health, safety and welfare of the people of the city.

Sec. 3.05.002 Applicability of article

The provisions of this article shall apply to all buildings and structures or portions thereof and all related structures and their premises which are located within the corporate limits of the City, any and all territory subsequently annexed into the corporate limits of the City, and all areas lying within 5000 feet of the corporate limits of the City, and shall apply to any individual, corporation, organization, government, governmental subdivision or agency, business trust, partnership, association, or other legal entity, including all federal installations, within the city limits.

Sec. 3.05.003 Applicability of state law

The provisions of Sections 214.001, 214.0015, and 214.003 of the Local Government Code of the State of Texas shall apply and the City shall exercise all authority granted under said statute.

Sec. 3.05.004 Definitions

For the purposes of this article, the following words and terms have the meanings ascribed to them by this section, unless the context clearly indicates otherwise:

Building. Includes any erection or structure of any kind or any part thereof.

Building code. The _____ Edition of the National Building Code as adopted by the City.

Building inspector. The legally designated inspection authority of the City, or his authorized representative.

City council. The governing body of the City.

Dangerous building. All buildings or structures which have any or all of the following defects shall be deemed "dangerous buildings" under the terms of this article:

- (1) Any building:
 - (A) With roof, ceiling, floors, sills, or foundations, or any combination thereof, rotted or decayed and falling apart;
 - (B) With improperly distributed loads upon the floors or roofs or in which the same are overloaded, or which have insufficient strength to be reasonably safe for the purpose used; or
 - (C) With windows or doors out or open to outdoor space or not otherwise protected against the entry of vermin, disease vectors, or vandals;
- (2) Any building which is uninhabitable, untenable and unsightly, due to obsolescence and deterioration caused by neglect or vandalism or fire damage or old age or the elements;
- (3) Any building which is structurally unsafe or in danger of falling and injuring the person or property of another;
- (4) Any building which is a fire menace, to wit, by being in a dilapidated condition, as fully described in subsections (1), (2) or (3) hereof, and which has an accumulation of rubbish and trash in and around said building which is likely to become a fire, or to be set on fire, endangering the person or property of another;

- (5) Any building which is in the condition or conditions described in subsection (1), (2), (3), or (4) hereof which is damp and in an unsanitary condition which is likely to create disease and sickness; or
- (6) Any building which is dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare.

Dilapidated building. Means the same as “dangerous building.”

Nuisance building. Means the same as “substandard building” under the terms of this article.

Owner. The owner or owners of the freehold of the premises or lesser estate therein, or a mortgagee or vendee in possession, receiver, executor, trustee, lessee or other person, firm or corporation in control of a structure.

Premises. A lot or parcel of land, including a building or dwelling, and auxiliary structures thereon, or any part of such building, dwelling or structure.

Structure. Means the same as “building.”

Structure maintenance ordinance. Article 3.04 of this chapter.

Substandard building. All buildings or structures which have any or all of the following conditions shall be deemed a “substandard building” under the terms of this article:

- (1) Any building which may be deemed as a “dangerous building” as described in this article;
- (2) Any building which may be deemed as an “unsafe building” as defined in section 8.1 of the building code;
- (3) Any building which may be deemed as an “unsafe structure” as defined in section 3.04.048;
- (4) Any building which has been abandoned and is open, permitting the unauthorized entry of any person, and if such entry or entries have in fact occurred as evidenced by such signs of vandalism;
- (5) Any building which by virtue of its materials or condition will have an adverse effect on adjacent premises by reducing the desirability of living conditions in the immediate neighborhood and cause a substantial depreciation in property values;
- (6) Any portion of a building or structure remaining on a site after the demolition or destruction of that building or structure;
- (7) Any building which is vermin infested; or

- (8) Any building having light, air, and sanitation facilities which are inadequate to protect the health, morals, safety, or general welfare of human beings who live or may live therein.

Unsafe building. Means the same as "dangerous building."

Sec. 3.05.005 Minimum standards for continued use and occupancy

Any building that is not substandard as defined in this article shall be deemed as meeting the minimum standards for the continued use and occupancy of all buildings regardless of the date of their construction, and any building deemed as a dangerous or substandard building by this article shall not be deemed as meeting said minimum standards for continued use and occupancy.

Sec. 3.05.006 Declaration of nuisance

All substandard buildings, as defined in this article, located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City are declared to be public nuisances and unlawful, and shall be abated by repair, rehabilitation, removal, or demolition as provided herein or by any other procedures provided by law.

Sec. 3.05.007 Enforcement

(a) Enforcement officer. The provisions of this article shall be administered and enforced by the building inspector, or his duly authorized representative, of the city.

(b) Notice of violation.

- (1) Whenever the building inspector or any other agent of the city has reason to believe that a violation of any provision of this article or any applicable state or federal law or regulation has occurred, written notice shall be served upon the alleged violator or violators. The notice shall contain:
 - (A) An identification, which is not required to be a legal description, of the building and the property on which it is located;
 - (B) A description of the violation of the standards that is present in the building; and
 - (C) A statement that, if the conditions are not corrected within ten (10) days after such notice is served, charges for violation of this article may be filed in municipal court, or proceedings may be commenced as provided herein to abate said condition.
- (2) Notice shall be deemed made when personally delivered or mailed to the alleged violator by U.S. mail certified, postage prepaid, return receipt requested.

(c) Remedies. In the event that corrective action is not taken within the specified time, or if the condition or conditions constitute a clear and present danger to the public health and welfare which requires immediate action, the city or its agent may prosecute any alleged violations in the municipal court or in a court of appropriate jurisdiction, or institute a civil suit for injunctive relief or civil penalty in a court of proper jurisdiction to relieve such condition, or initiate the process to abate the condition as hereinafter provided.

(d) Action by building inspector. In the event that the building inspector is:

- (1) Unable to locate the owner of a substandard building for the purpose of securing voluntary compliance or for prosecution in municipal court; or
- (2) Otherwise unable to secure compliance with this article;

then the building inspector may begin proceedings to secure the repair, removal or demolition of said substandard structure by the process as provided in this article.

(e) Efforts to obtain voluntary compliance. Nothing in this section shall prevent the city or its agents from making efforts to obtain voluntary compliance through warning, conference or any other appropriate means.

Sec. 3.05.008 Liability

Neither the city nor any authorized agent or employee of the city acting under the terms of this article shall be liable or have any liability by reason of orders issued or work done in compliance with the terms of this article.

Sec. 3.05.009 Access to premises

The building inspector shall enforce the provisions of this article, and, upon presentation of proper identification to the owner of such property, and in such manner as to not cause unreasonable inconvenience to the persons in possession, may enter any building, structure, or premises, during all reasonable hours, to make inspections or examinations thereof in order to perform the duties imposed on him by this article.

Sec. 3.05.010 Notice of violation

(a) Notice to owner. When it shall be determined by the building inspector that a building or structure is deemed a substandard building or structure within the terms of this article, the building inspector may cite the owner of such building or structure, or his authorized agent or representative, to appear before the city council and show cause why such building should not be declared a public nuisance and why the owner should not be ordered to repair, renovate, remove or demolish and clear such building or structure from the premises. The date of such hearing shall not be less than ten (10) days after the owner and any lienholders are cited as hereinafter provided.

(b) Notice to lienholders. The building inspector shall notify each mortgagee and lienholder of such public hearing and such mortgagees or lienholders shall be served with the same form of notice as is served on the owner.

(c) Service of citation. Notice shall be by citation served upon such owner and any lienholder by personal delivery of a copy thereof to the owner of the property, as such ownership appears on the last city tax roll, or by depositing such citation properly addressed, postage prepaid, by U.S. mail certified, return receipt requested, and by attaching a copy of such citation in a place of prominence on such building or structure. In the event personal service cannot be effected on the owner, or if the owner is unknown, notice shall be given to owner by publishing the same in a newspaper of general circulation in the county at least ten (10) days prior to the date set for a hearing, which notice shall state the time and place of such hearing.

(d) Contents of citation. The citation shall contain:

- (1) The street address or a legal description sufficient for identification of the premises upon which the building is located.
- (2) A statement that the building inspector has found the building to be in violation of the provisions of this article, with a brief and concise description of the condition or conditions found to render the building substandard.
- (3) A statement advising that a hearing has been set before the city council for the purpose of making a determination of whether the building is a substandard building or structure under the provisions of this article, specifying the date, time and place of such hearing.
- (4) A statement advising that, if the city council finds that such building is a substandard building or structure, the city council may order the abatement of said condition or conditions by repair, renovation, removal, or demolition by the owner within a reasonable time to be set by the city council and that the City may repair, renovate, remove or demolish said building if the owner does not comply with such order in the time provided.

Sec. 3.05.011 Hearing; Abatement by City

(a) Generally. On the date and at the time and place designated for hearing, a hearing shall be had at which the city council shall determine whether or not such building or structure complies with the minimum standards of continued use and occupancy or is a substandard building or structure under the terms of this article.

(b) Order by council; abatement by City; lien for City's expenses.

- (1) After proper hearing, if the city council determines that a building or structure is in violation of standards set out in this article, the city council may order the building or structure be vacated, secured, repaired, removed, or demolished by the owner within a reasonable specified time.
- (2) If the owner, or a lienholder, does not take the ordered action within the specified time, the City may vacate, secure, remove, or demolish the building or structure at its own expense.
- (3) Unless such premises upon which the building or structure is located constitute the homestead of the owner, the City may assess a lien against such premises for all expenses incurred by the City in connection with the vacation, securing, removal or demolition of such building or structure. Such lien arises and attaches to the property at the time the notice of the lien is recorded and indexed in the office of the county clerk. The notice must contain:
 - (A) The name and address of the owner if that information can be determined with reasonable effort;
 - (B) A legal description of the real property on which the building is located;
 - (C) The amount of expenses incurred by the City and the balance due.

If the notice is given and the opportunity to repair, remove, or demolish the building is afforded to each mortgagee and the lienholder, the lien is a privileged lien subordinate only to tax liens and all previously recorded bona fide mortgage liens attached to the real property to which the City's lien attaches.

(c) Notice to owners and lienholders. After proper hearing, a copy of the city council's order, which shall be in the form of a resolution, shall be served upon each owner and lienholder, by mailing a copy of such order to such owner and lienholders by U.S. certified mail, postage prepaid, return receipt requested. A copy of such order shall also be posted in a prominent place upon the premises.

(d) Interference with abatement. Any person who shall use, enter or occupy such premises, and/or any person who shall interfere with or hinder the demolition or removal of any building or structure under the terms of this article, shall be deemed guilty of a misdemeanor and shall be subject to a fine as prescribed herein.

Sec. 3.05.012 Repair of residences with ten or fewer dwelling units; appointment of receiver

(a) Limitation on repair of residences with ten or fewer dwelling units.

- (1) The City may repair a substandard building only to the extent to bring the building into compliance with the minimum standards if the building is a residence building with ten (10) or fewer dwelling units. The repairs may not improve the building to the extent that the building exceeds minimum housing standards.
- (2) The City may repair the building at the expense of the City and assess a lien on the land and building for such expenses.

(b) Court-appointed receiver. The City may bring an action in district court against an owner of residential property that is not in substantial compliance with city ordinances regarding fire protection, structural integrity, zoning, or disposal of refuse. The court may appoint a receiver to take control and rehabilitate the property in order to make any repairs necessary to bring the property into compliance with the minimum standards as provided in this article.

Sec. 3.05.013 Assessment of city's expenses

(a) Statement of expenses. Whenever any work is done on any building or structure by the City under the provisions above, the building inspector, on behalf of the City, shall file a sworn statement of the expenses incurred with the county clerk. Such statement shall specify the amount of such expenses and the date or dates on which the work was done or the expenses incurred, and costs of demolishing, cleaning, or removing the building or structure. A copy of said statement shall be mailed to the owner by U.S. mail, return receipt requested, to the address on the tax roll.

(b) Lien. When this sworn statement is filed with the county clerk, the City shall have a prior lien on the lot or real estate upon which the work was done to secure the expenses involved. Such lien shall be inferior only to tax liens and liens for street improvements, and the amount thereof shall bear interest at the rate of ten percent (10%) per annum from the date the statement was filed with the county clerk. The sworn statement of expenses for work done and filed with the county clerk, or a certified copy thereof, shall be prima facie proof of the amount expended for such repairs, demolition, clearance or removal.

SECTION 2. The effective date of this Ordinance shall be _____, 2018.

SECTION 3. The City Secretary is hereby authorized and directed to publish the descriptive caption of this ordinance in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter and state law.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading, on the 17th day of April, 2018.

ATTEST:

APPROVED:

Betty Conde, City Secretary

Josh Stevens, Mayor

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 17

SUBJECT: ORDINANCE AMENDING ARTICLE 6.02 OF THE CODE OF ORDINANCES OF THE CITY OF LAMESA, TEXAS, ENTITLED "PROPERTY MAINTENANCE" DECLARING PROPERTY IN VIOLATION OF THE PROVISIONS OF ARTICLE 6.02 A PUBLIC NUISANCE AND TO MAKE THE PROVISIONS OF ARTICLE 6.02 APPLICABLE TO ALL AREAS LYING WITHIN THE CORPORATE LIMITS OF THE CITY AND ALL AREAS LYING WITHIN 5000 FEET OF THE CORPORATE LIMITS OF THE CITY:

PROCEEDING: Ordinance, First Reading

SUBMITTED BY:

SUMMARY STATEMENT

City Council to consider passing an Ordinance on First reading amending Article 6.02 of the Code of Ordinances of the City of Lamesa, Texas entitled "Property Maintenance" Declaring property in violation of the provisions of Article 6.02 a public nuisance and to make the provisions of Article 6.02 applicable to all areas lying within the corporate limits of the city and all areas lying within 5000 feet of the corporate limits of the City. *(City Attorney)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to pass an Ordinance on First reading amending Article 6.02 of the Code of Ordinances of the City of Lamesa, Texas entitled "Property Maintenance" Declaring property in violation of the provisions of Article 6.02 a public nuisance and to make the provisions of Article 6.02 applicable to all areas lying within the corporate limits of the city and all areas lying within 5000 feet of the corporate limits of the City. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF LAMESA, TEXAS,
AMENDING ARTICLE 6.02 OF THE CODE OF ORDINANCES
OF THE CITY OF LAMESA, TEXAS, ENTITLED "PROPERTY
MAINTENANCE" DECLARING PROPERTY IN VIOLATION
OF THE PROVISIONS OF ARTICLE 6.02 A PUBLIC
NUISANCE AND TO MAKE THE PROVISIONS OF ARTICLE
6.02 APPLICABLE TO ALL AREAS LYING WITHIN THE
CORPORATE LIMITS OF THE CITY AND ALL AREAS
LYING WITHIN 5000 FEET OF THE CORPORATE LIMITS OF
THE CITY**

On the 17th day of APRIL, 2018, there came on and was held at the City Hall of the City of Lamesa, Texas, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act (Texas Government Code, Chapter 551), there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, Chapter 6, Article 6.02 of the Code of Ordinances of the City of Lamesa, Texas, entitled "PROPERTY MAINTENANCE" should be amended to declare all property in violation of the provisions of Article 6.02 located within the corporate limits of the City of Lamesa and in areas lying within 5000 feet of the corporate limits of the City of Lamesa public nuisances and to provide that the provisions of Article 6.02 shall apply to all property located within the corporate limits of the City of Lamesa and in areas lying within 5000 feet of the corporate limits of the City of Lamesa.

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

SECTION 1. That Chapter 6, Article 6.02 of the Code of Ordinances of the City of Lamesa, Texas, entitled "PROPERTY MAINTENANCE" be, and same is hereby, amended to read as follows:

Sec. 6.02.001 Generally

Any person who shall own, keep or use any building or premises located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City in such a manner as to be injurious to the health of the people or offensive to the neighborhood or to any private family or person, shall be deemed guilty of a misdemeanor.

Sec. 6.02.002 Prohibited conditions

(a) Stagnant water. It shall be unlawful for any person who owns or occupies any property within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City to permit or allow holes or places where water may accumulate

and become stagnant and remain thereon or to permit or allow the accumulation of stagnant water on such property and permit the same to remain thereon. It shall be the duty of such person to keep the area from the line of his property to the curblin or street adjacent to it free and clear of accumulations of stagnant water.

(b) Accumulations of trash, carrion, filth, etc. It shall be unlawful for any person who owns or occupies any house, building, establishment, lot or yard located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City to permit or allow any trash, rubbish, carrion, filth or other impure or unwholesome matter to accumulate or remain thereon or therein. It shall be the duty of such person to keep the area from the line of his property to the curblin or street adjacent to it free and clear of such matter.

(c) Abandoned vehicles and appliances, building materials, etc. It shall be unlawful for the owner or occupant of a residential building, structure or property located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City to utilize the premises of such residential property for the open storage of any abandoned motor vehicle, icebox, refrigerator, stove, glass, building material, building rubbish or similar items. It shall be the duty and responsibility of every such owner or occupant to keep the premises of such residential property clean and to remove from the premises all such abandoned items as listed above upon notice from the city.

Sec. 6.02.003 Weeds and other unsightly vegetation; vegetation obstructing view

(a) Weeds and other unsightly vegetation. It shall be unlawful for any person owning, claiming, occupying, or having supervision or control of any property located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City to allow or permit objectionable or unsightly vegetation to grow to a height greater than twelve (12) inches upon any such real property within one hundred (100) feet of any property line or within fifty (50) feet of any structure. It shall be the duty of such person to keep the area from the line of his property to the curblin or street adjacent to it free and clear of the objectionable or unsightly vegetation. All vegetation not regularly cultivated which exceeds twelve (12) inches in height shall be presumed to be "objectionable and unsightly" within the meaning of this section.

(b) Vegetation obstructing view of traffic. Trees, shrubs, bushes, plants, grass or weeds growing at or near intersections in such manner as to obstruct the view of approaching traffic from the right or left are hereby declared to be a nuisance and the city manager is hereby authorized to remove the same.

Sec. 6.02.004 Notice to correct or remove condition

(a) If any person owning, claiming, occupying or having supervision or control of any real property, occupied or unoccupied, located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City, fails to comply with the

provisions of this article, it shall be the duty of the city secretary to give a minimum of seven days' written notice to such person violating the terms of this article.

(b) The notice shall be in writing and may be served on such person violating the terms of this article by:

- (1) Delivering it to him in person;
- (2) Letter or written notice addressed to the owner at the owner's address as recorded in the appraisal district records of the appraisal district in which the property is located and mailed by United States Certified Mail, postage prepaid, return receipt requested. If the letter or written notice is returned by the United States Postal Service as refused or unclaimed, the validity of the notice is not affected, and the notice is considered as delivered; or
- (3) If personal service by either method above cannot be obtained, by:
 - (A) Publication at least once in the City's official newspaper;
 - (B) Posting the notice on or near the front door of each building on the property to which the violation relates; or
 - (C) Posting the notice on a placard attached to a stake driven into the ground on the property to which the violation relates.

(c) The City may inform the owner by regular mail and by posting on the property, or by personally delivering the notice, that if the owner commits another violation of the same kind or nature that poses a danger to the public health and safety on or before the first anniversary of the date of the notice, the City without further notice may correct the violation at the owner's expense and assess the expense against the property. If a violation covered by a notice under this section occurs within the one-year period, and the City has not been informed in writing by the owner of an ownership change, then the City without notice may take any action permitted and assess expenses as provided by this article.

Sec. 6.02.005 Penalty for refusal to correct or remove condition

If any person notified as provided in this article fails or refuses to correct or remove the condition specified in such notice within ten (10) days after the date notice is effected, such person owning, claiming, occupying, or having supervision or control of the property shall be guilty of a misdemeanor and issued a warrant to appear in municipal court and upon conviction shall be fined in any sum not exceeding two thousand dollars (\$2,000.00). Each and every day that the violation remains uncorrected shall constitute a separate and distinct offense subject to penalty under this section.

Sec. 6.02.006 Correction or removal of condition by City

If any person notified as provided in this article fails or refuses to correct, remedy, or remove the condition specified in such notice within ten (10) days after the date notice is effected, the City may go upon the property and do such work or make such improvements as are necessary to correct, remedy, or remove such condition only in those cases which may present a serious threat to the health, safety, and general welfare of nearby residents. The expense incurred pursuant to this section in correcting, remedying or removing the condition, and the cost of notification, shall be paid by the City and charged to the owner of such property. In the event that the owner fails or refuses to pay such expenses within thirty (30) days after the first day of the month following the month in which the work was done, the City shall file with the county clerk a statement of the expense incurred. When such statement is filed, the city shall have a privileged lien on such property, second only to tax liens and liens for street improvements, to secure the payment of the amount so expended. Such amount shall bear interest at the rate of ten percent (10%) from the date the city incurs the expense. For any such expense and interest, suit may be instituted and recovery and foreclosure had by the City. The statement of expense filed with the county clerk or a certified copy thereof shall be prima facie proof of any amount expended in such work, all as more particularly specified in Chapter 342 of the Health and Safety Code of the state, which is hereby adopted.

Sec. 6.02.007 Dangerous weeds

(a) The city manager may go upon property and do or cause to be done the work necessary to obtain compliance with this article without notice when:

- (1) Weeds have grown higher than 48 inches; and
- (2) Are an immediate danger to the health, life, or safety of any person.

(b) No later than the tenth day after the date the necessary work to obtain compliance is completed, the City shall give notice to the property owner in the manner required by section 6.02.004.

(c) The notice shall contain:

- (1) An identification, which is not required to be a legal description, of the property;
- (2) A description of the violations of this section that occurred on the property;
- (3) A statement that the City abated the weeds;
- (4) An itemized statement of the charges incurred by the city in doing or in having such work done as necessary to bring the real property into compliance with this section; and
- (5) An explanation of the property owner's right to request an administrative hearing about the City's abatement of the weeds.

(d) The municipal court judge shall conduct an administrative hearing on the abatement of the weeds under this section if, not later than the 30th day after the date of the abatement of the weeds, the property owner files with the city manager a written request for a hearing.

(e) An administrative hearing conducted under this section shall be conducted not later than the 20th day after the date a request for a hearing is filed. The owner may testify or present any witnesses or written information relating to the city's abatement of the weeds.

(f) The City may assess expenses and create liens under this section as it assesses expenses and creates liens as provided in section 6.02.006.

(g) The provisions of this section shall be enforced by the city manager, and it shall be unlawful for any person to interfere with or hinder the building official and his duly appointed representatives in the exercise of their duties under this section.

(h) Penalties.

- (1) Any person violating or failing to comply with any provision or requirement of this section who continues to violate or fails to comply with such after seven days after notice is given and received as set forth herein, shall also be deemed guilty of a class C misdemeanor and, upon conviction thereof, shall be fined. A separate offense shall be deemed committed upon each day during or on which a violation or failure to comply occurs or continues to occur.
- (2) Notwithstanding the provisions of subsection (1) of this section, any violation of any provision of this section which constitutes an immediate danger or threat to the health, safety and welfare of the public may be enjoined in a suit brought by the town for such purpose.
- (3) In addition to any other remedies or penalties contained in this section, the City may enforce the provisions of this section pursuant to the applicable provisions of Chapter 54 of the Texas Local Government Code, as amended, which chapter provides for the enforcement of municipal ordinances.
- (4) Allegation and evidence of a culpable mental state is not required for the proof of an offense defined by this section.

Sec. 6.02.008 Declaration of Nuisance

All property located within the corporate limits of the City or in an area lying within 5000 feet of the corporate limits of the City upon which exists any of the conditions deemed by the provisions of this Article 6.02 to be unlawful is declared to be a public nuisance.

SECTION 2. The effective date of this Ordinance shall be _____, 2018.

SECTION 3. The City Secretary is hereby authorized and directed to publish the descriptive caption of this ordinance in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter and state law.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading, on the 17th day of April, 2018.

ATTEST:

APPROVED:

Betty Conde, City Secretary

Josh Stevens, Mayor

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 18

SUBJECT: BUDGET AMENDMENT II
PROCEEDING: Ordinance, 2nd Reading
SUBMITTED BY: City Staff

SUMMARY STATEMENT

City Council to consider amending Ordinance O-20-17 on Second reading with respect to October 1, 2017 fiscal year budget. *(City Manager & Finance Director)*

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to Consider amending Ordinance No.O-20-17 on Second reading with respect to October 1, 2017 fiscal year budget. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

Recommend approval.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF LAMESA, TEXAS, AMENDING
ORDINANCE NO. 0-20-17 TO APPROPRIATE FUNDS IN THE CITY
OF LAMESA BUDGET FOR FISCAL YEAR 2017-2018.**

On the 20th day of March, 2018, there came on and was held at the City Hall of the City of Lamesa, Texas, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act (Government Code, Chapter 551). There being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council desires to amend Ordinance No. 0-20-17 to make certain revisions to the 2017-2018 Budget of the City of Lamesa to authorize and appropriate funds as listed below; and

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

SECTION 1. That the City of Lamesa 2017-2018 Budget contained in Ordinance No. 0-20-17 be, and same is hereby, amended to change the amount appropriated by the following:

	<u>Revenues</u>	<u>Expenditures</u>
General Fund (1)	\$ 42,538.35	\$ 42,538.35
Utility Fund (2)	\$ 21,901.77	\$ 21,901.77
Solid Waste Fund (3)	\$ 8,578.59	\$ 8,578.59
Hotel Motel Occ. Tax Fund (12)	\$ 4,000.00	\$ 4,000.00
Special Revenue Fund (17)	\$ 49,290.00	\$ 49,200.00
Golf Fund (18)	\$ 8,602.71	\$ 8,602.71

SECTION 2. Effective date: That this Ordinance shall become effective as of this April 27, 2018.

SECTION 3. The City Secretary is hereby authorized and directed to cause publication of this Ordinance as provided by law.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading on March 20th, 2018 by a majority vote; and on April 17th, 2018, there was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas held pursuant to the provisions of the Texas Open Meetings Act (Government. Code, Chapter 551); there being a quorum present and acting throughout the meeting, the foregoing ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, and upon being put to a vote, the foregoing ordinance was Passed on Second Reading by a majority vote and ordered

to be spread upon the minutes of the City Council of the City of Lamesa, Texas and recorded in the ordinance book thereafter.

ATTEST:

Betty Conde
City Secretary

APPROVED:

Josh Stevens
Mayor

CITY OF LAMESA
BUDGET AMENDMENT 2018-02 FOR FY 2017/2018

GENERAL FUND (1)

This budget amendment reflects a TML insurance reimbursement for the hail damage to roofs of City buildings and structure incurred during the September 16, 2016 (hail event).

Increase Revenues – (40914) – Insurance Recovery	\$ 32,159.52
Increase Expenditures – (01-5041- 401) – Buildings and Structures	\$ 14,913.47
Increase Expenditures – (01-5051- 401) – Buildings and Structures	\$ 10,986.84
Increase Expenditures – (01-5066- 401) – Buildings and Structures	\$ 1,564.30
Increase Expenditures – (01-5091- 401) – Buildings and Structures	\$ 4,694.91

This budget amendment reflects a Weaver Foundation donation to tear down dilapidated structures within the City limits (1303 Lee McCalister, 706 S. 4th and 1008 S. 6th).

Increase Revenues – (40904) – Miscellaneous Income	\$ 8,775.00
Increase Expenditures – (01-5081-603) – Special Services	\$ 8,775.00

This budget amendment reflects a TML insurance reimbursement for damage that occurred February 4, 2018 to a Police vehicle.

Increase Revenues – (40914) – Insurance Recovery	\$ 1,603.83
Increase Expenditures – (01-5063-504) – Vehicles	\$ 1,603.83

WATER / WASTEWATER UTILITY FUND (2)

This budget amendment reflects a TML insurance reimbursement for the hail damage to roofs of City buildings and structure incurred during the September 16, 2016 (hail event).

Increase Revenues – (41212) – Insurance Recovery	\$ 7,644.16
Increase Expenditures – (02-5111-401) – Buildings and Structures	\$ 216.75
Increase Expenditures – (02-5112-401) – Buildings and Structures	\$ 3,207.67
Increase Expenditures – (02-5113-401) – Buildings and Structures	\$ 4,219.74

This budget amendment reflects a TML insurance reimbursements less deductibles for lightening strikes on December 11, 2017 and October 22, 2017 that damaged the Water Department's SCADA system and Prison Booster Station.

Increase Revenues – (41212) – Insurance Recovery	\$ 14,257.61
Increase Expenditures – (02-5111- 403) - Other Improvements	\$ 13,240.11
Increase Expenditures – (02-5112-503) - Major Instr. & Apparatus	\$ 1,017.50

LANDFILL FUND (3)

This budget amendment reflects a TML insurance reimbursement for the hail damage to roofs of City buildings and structure incurred during the September 16, 2016 (hail event).

Increase Revenues – (42210) – Insurance Recovery	\$ 5,382.90
Increase Expenditures – (03-5212-401) – Buildings and Structures	\$ 5,382.90

This budget amendment reflects a TML insurance reimbursement for water damage that occurred on December 30, 2017 at the Director of Landfill/Sanitation office.

Increase Revenues – (42210) - Insurance Recovery	\$ 3,195.69
Increase Expenditures – (03-5211-401) – Buildings and Structures	\$ 3,195.69

HOTEL MOTEL OCCUPANCY TAX FUND (12)

This budget amendment reflects the appropriation of Hotel Motel Occupancy tax revenues for CY 2018. Please see attached Minutes of the February 15, 2018 Hotel – Motel Tax Committee Meeting.

Increase Expenditures – (NEW 12-5501-204) – Misc. Supplies	\$ 4,000.00
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SPECIAL REVENUE FUND (17)

This budget amendment reflects the receipt of a \$49,290.00 Weaver Grant for trees placed in the City's parks, water plant and municipal golf course and all related expenditures associated with this project.

Increase Revenues – (40531) – Weaver Grant – Tree Project	\$ 49,290.00
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Increase Expenditures – (17-5411-915) – Weaver Grant – Tree Project	\$ 49,290.00
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GOLF FUND (18)

This budget amendment reflects a TML insurance reimbursement for the hail damage to roofs of City buildings and structure incurred during the September 16, 2016 (hail event).

Increase Revenues – (43116) – Insurance Recovery	\$ 8,602.71
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Increase Expenditures – (18-5311-401) – Buildings and Structures	\$ 8,602.71
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City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 19

**SUBJECT: DISCUSSION OF FINANCING AND SCOPE OF REPAIR /
REPLACEMENT OF CITY HALL DUCT WORK**

PROCEEDING: Discussion

SUBMITTED BY: City staff

AUTHORITY:

SUMMARY STATEMENT

City Council to discuss City Council's desired method of financing duct work repairs / replacement at City Hall, discuss repair / replacement options provided by local and Lubbock service providers and give direction to City staff. *(City Manager)*

DISCUSSION _____

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 20

SUBJECT: CITY STAFF REPORTS
SUBMITTED BY: City Staff
EXHIBITS:

SUMMARY STATEMENT

City Council to hear city departmental reports:

- a. **POLICE CHIEF REPORT:** Police Chief to report on the city's recent events:
- b. **FIRE CHIEF REPORT:** Fire Chief to report on the city's recent events:
- c. **UTILITIES DIRECTOR REPORT:** Utilities Director to report on the city's recent events.

COUNCIL ACTION

No City Council action required.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 21

SUBJECT: INVESTMENT REPORT
SUBMITTED BY: Finance Director
EXHIBITS: Report

SUMMARY STATEMENT

Finance Director to report on the city's investments for the second quarter of FY 2017-2018.

COUNCIL ACTION

No City Council action required.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 22

SUBJECT: FINANCIAL REPORT
SUBMITTED BY: Finance Director
EXHIBITS: Report

SUMMARY STATEMENT

Finance Director to report on the city's finances.

COUNCIL ACTION

No City Council action required.



City of Lamesa
Financial Statement Summary
As of: March 31, 2018

	Current Month-to-Date	Year-to-Date
General Fund (1)		
Revenues	\$ 241,492.45	\$ 3,038,248.16
Expenditures	\$ 324,908.26	\$ 2,070,216.77
Revenues Over/(Under) Expenditures	<u>\$ (83,415.81)</u>	<u>\$ 968,031.39</u>
 Water & Wastewater Fund (2)		
Revenues	\$ 373,528.13	\$ 2,266,619.83
Expenditures	\$ 244,122.35	\$ 2,241,703.45
Revenues Over/(Under) Expenditures	<u>\$ 129,405.78</u>	<u>\$ 24,916.38</u>
 Solid Waste Fund (3)		
Revenues	\$ 151,420.60	\$ 929,225.49
Expenditures	\$ 120,518.73	\$ 946,182.29
Revenues Over/(Under) Expenditures	<u>\$ 30,901.87</u>	<u>\$ (16,956.80)</u>
 Golf Course Fund (18)		
Revenues	\$ 16,980.00	\$ 124,882.85
Expenditures	\$ 23,097.34	\$ 132,478.95
Revenues Over/(Under) Expenditures	<u>\$ (6,117.34)</u>	<u>\$ (7,596.10)</u>
 All Funds		
Revenues	\$ 783,421.18	\$ 6,358,976.33
Expenditures	\$ 712,646.68	\$ 5,390,581.46
Revenues Over/(Under) Expenditures	<u>\$ 70,774.50</u>	<u>\$ 968,394.87</u>

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2018

01 -GENERAL FUND
FINANCIAL SUMMARY

50.00% OF YEAR COMP.

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
01-TAXES		3,151,144.00	152,480.79	2,479,769.32	78.69	671,374.68
02-FRANCHISES AND STREET		508,500.00	55,462.58	253,557.69	49.86	254,942.31
03-PERMITS, LICENSES AND		27,000.00	2,396.73	16,271.60	60.27	10,728.40
04-FINES		56,100.00	5,440.51	25,822.51	46.03	30,277.49
05-RECREATIONAL AND RENTA		25,000.00	2,774.46	17,500.00	70.00	7,500.00
06-OTHER GOVERNMENTAL AGE		203,713.00	10,695.00	103,857.00	50.98	99,856.00
07-TRANSFERS		0.00	0.00	0.00	0.00	0.00
08-CHARGES FOR CURRENT SE		17,200.00	58.50	1,077.29	6.26	16,122.71
09-MISCELLANEOUS REVENUES		229,341.00	12,183.88	140,392.75	61.22	88,948.25
19-SOURCE (CHG TO 49XXX)		0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES		4,217,998.00	241,492.45	3,038,248.16	72.03	1,179,749.84

EXPENDITURE SUMMARY

GENERAL ADMIN SERVICES	194,616.00	12,327.84	127,717.60	65.63	66,898.40
FINANCIAL SERVICES	98,304.00	523.34	32,416.83	32.98	65,887.17
PERSONNEL/RISK MGT SERV	61,017.00	4,882.49	38,242.41	62.68	22,774.59
COMMUNITY DEVELOPMENT SER	1,000.00	23.90	395.79	39.58	604.21
HOUSING ASSISTANCE SERV	11,211.00	10,367.34	12,969.53	115.69	1,758.53
CITY COUNCIL	54,115.00	5,310.47	24,522.41	45.32	29,592.59
CITY HALL	88,375.00	16,962.05	54,376.18	61.53	33,998.82
INTERGOVERNMENTAL	95,052.00	2,212.91	67,108.10	70.60	27,943.90
MUNICIPAL COURT	124,212.00	7,654.42	49,563.91	39.90	74,648.09
VEHICLE REPAIR SERVICES	36,540.00	1,711.85	74,694.85	204.42	38,154.85
VEHICLE PREVENTIVE MNT	394.00	53.02	324.32	82.31	69.68
FIRE SERVICES	576,449.50	39,827.12	291,577.52	50.58	284,871.98
VOLUNTEER FIRE SERVICES	134,448.50	11,580.07	41,654.60	30.98	92,793.90
PD - GEN'L ADMIN SERV	212,744.00	11,477.95	97,274.23	45.72	115,469.77
COMMUNICATIONS SERVICES	205,381.00	15,159.67	91,253.75	44.43	114,127.25
GEN'L LAW ENFORCEMENT SER	957,937.00	89,837.91	462,657.38	48.30	495,279.62
CRIMINAL INVESTIGATIONS	170,610.00	11,448.21	77,837.10	45.62	92,772.90
JUVENILE SERVICES	0.00	0.00	0.00	0.00	0.00
ANIMAL CONTROL SERVICE	40,223.00	1,069.62	13,409.01	33.34	26,813.99
EMERGENCY MANAGEMENT SERV	21,400.00	2,259.04	17,980.48	84.02	3,419.52
NARCOTICS INTERDICTION	0.00	0.00	0.00	0.00	0.00
STREET MAINTENANCE SERV	304,571.00	39,353.72	129,424.65	42.49	175,146.35
STREET CONST/SEAL COAT	115,050.00	100.00	43,472.54	37.79	71,577.46
STREET CLEANING SERVICES	29,109.00	2,788.47	15,066.99	51.76	44,175.99
TRAFFIC SERVICES	169,201.00	11,429.10	67,877.23	40.12	101,323.77
INSPECTION SERVICES	147,629.00	8,365.07	52,210.09	35.37	95,418.91
PARK MAINTENANCE SERVICES	294,156.00	20,590.80	142,936.57	48.59	151,219.43
PARK IRRIGATION SERVICES	17,283.04	6,224.27	1,133.90	6.56	18,416.94
COMMUNITY BUILDING SERV	43,650.00	3,890.20	31,625.33	72.45	12,024.67
RECREATIONAL FACILITIES	253,148.96	14,875.78	37,081.77	14.65	216,067.19

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2018

01 -GENERAL FUND
FINANCIAL SUMMARY

50.00% OF YEAR COMP.

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
	SWIMMING POOL SERVICES	79,453.00	1,052.49	5,813.48	7.32	73,639.52
	TOTAL EXPENDITURES	4,537,280.00	324,908.26	2,070,216.77	45.63	2,467,063.23
	REVENUES OVER/(UNDER) EXPENDITURES	(319,282.00)	(83,415.81)	968,031.39	303.19-	(1,287,313.39)
	OTHER SOURCES (USES)	0.00	0.00	0.00	0.00	0.00
	REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(319,282.00)	(83,415.81)	968,031.39	303.19-	(1,287,313.39)

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2018

02 -WATER & WASTEWATER ENTER.,
FINANCIAL SUMMARY

50.00% OF YEAR COMP.

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
11-OPERATING REVENUES		4,512,565.00	358,016.40	2,198,093.82	48.71	2,314,471.18
12-NON-OPERATING REVENUES		194,291.00	15,511.73	68,526.01	35.27	125,764.99
TOTAL REVENUES		4,706,856.00	373,528.13	2,266,619.83	48.16	2,440,236.17
EXPENDITURE SUMMARY						
WATER PRODUCTION SERVICES		1,725,616.00	85,324.97	697,901.28	40.44	1,027,714.72
WATER DIST/WASTEWATER SER		1,847,505.00	93,477.22	886,870.99	48.00	960,634.01
WASTEWATER TREATMENT SERV		824,736.00	33,485.98	429,438.81	52.07	395,297.19
ENGINEERING SERVICES		86,356.00	5,333.09	36,096.04	41.80	50,259.96
TECHNICAL SERVICES		80,041.00	3,899.16	28,455.86	35.55	51,585.14
UTILITY BILLING/COLLECT		294,943.00	22,583.87	162,587.85	55.13	132,355.15
INSPECTION SERVICES		0.00	18.06	352.62	0.00	(352.62)
TOTAL EXPENDITURES		4,859,197.00	244,122.35	2,241,703.45	46.13	2,617,493.55
REVENUES OVER/ (UNDER) EXPENDITURES	(152,341.00)	129,405.78	24,916.38	16.36-	(177,257.38)	
OTHER SOURCES (USES)						
	0.00	0.00	0.00	0.00	0.00	
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(152,341.00)	129,405.78	24,916.38	16.36-	(177,257.38)	

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2018

03 -SOLID WASTE ENTERPRISE
FINANCIAL SUMMARY

50.00% OF YEAR COMP.

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
05-RECREATIONAL AND RENTA		0.00	0.00	0.00	0.00	0.00
21-OPERATING REVENUES		1,811,862.00	145,319.70	885,236.12	48.86	926,625.88
22-NON-OPERATING REVENUES		73,800.00	6,100.90	43,989.37	59.61	29,810.63
TOTAL REVENUES		1,885,662.00	151,420.60	929,225.49	49.28	956,436.51
EXPENDITURE SUMMARY						
SOLID WASTE COLLECTION SV		946,588.00	83,179.43	498,458.05	52.66	448,129.95
SANITARY LANDFILL SERVICE		870,689.00	26,685.90	383,983.13	44.10	486,705.87
SPECIALIZED COLLECTION SV		146,900.00	4,824.93	29,146.52	19.84	117,753.48
ENVIRONMENTAL HEALTH SERV		88,889.00	5,828.47	34,594.59	38.92	54,294.41
TOTAL EXPENDITURES		2,053,066.00	120,518.73	946,182.29	46.09	1,106,883.71
REVENUES OVER/(UNDER) EXPENDITURES	(167,404.00)	30,901.87	(16,956.80)	10.13	(150,447.20)	
OTHER SOURCES (USES)						
OTHER SOURCES (USES)		0.00	0.00	0.00	0.00	0.00
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(167,404.00)	30,901.87	(16,956.80)	10.13	(150,447.20)	

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2018

18 -MUNICIPAL GOLF COURSE
FINANCIAL SUMMARY

50.00% OF YEAR COMP.

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
	09-MISCELLANEOUS REVENUES	0.00	0.00	0.00	0.00	0.00
	31-FEES AND DUES	213,650.00	16,980.00	124,882.85	58.45	88,767.15
	TOTAL REVENUES	213,650.00	16,980.00	124,882.85	58.45	88,767.15
EXPENDITURE SUMMARY						
	MUNICIPAL GOLF COURSE	213,652.00	23,097.34	132,478.95	62.01	81,173.05
	TOTAL EXPENDITURES	213,652.00	23,097.34	132,478.95	62.01	81,173.05
	REVENUES OVER/(UNDER) EXPENDITURES	(2.00)	(6,117.34)	(7,596.10)	805.00	7,594.10
	REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(2.00)	(6,117.34)	(7,596.10)	805.00	7,594.10



City of Lamesa
Balance Sheet Summary
As of : March 31st, 2018

General Fund (1)

Assets	\$	4,222,809.24
Liabilities	\$	520,505.04

Water & Wastewater Fund (2)

Assets	\$	16,990,970.10
Liabilities	\$	12,255,583.64

Solid Waste Fund (3)

Assets	\$	3,986,854.93
Liabilities	\$	1,485,454.74

Golf Course Fund (18)

Assets	\$	156,998.60
Liabilities	\$	124,543.85

BALANCE SHEET
AS OF: MARCH 31ST, 2018

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
01-1001	CASH IN BANK	2,062,752.44
01-1002	PETTY CASH	0.00
01-1003	RETURNED CHECKS	1,644.72
01-1004	TAXES RECEIVABLE-DELIQUENT	155,629.57
01-1005	TAXES RECEIVABLE CURRENT	74,644.74
01-1006	PROV. FOR UNCOLLECT TAXES	(126,286.45)
01-1007	MISC ACCT. RECEIVABLE	2,040.11
01-1008	PROV. UNCOLLEC. ACCT/REC	(184.11)
01-1009	PAVING LEIN RECEIVABLE	153,782.00
01-1010	UNCOLLECTABLE PAVING LEIN	(69,202.00)
01-1011	A/R LUBBOCK TASK FORCE	0.00
01-1012	A/R TNRC	0.00
01-1013	OFFICE SUPPLIES INVENTORY	19,612.12
01-1014	DUE FROM DAWSON COUNTY	0.40
01-1015	CASH IN BANK - PAYROLL	0.00
01-1016	DUE FROM DEBT SERVICE	0.00
01-1017	FUEL TAX C.D.	0.00
01-1018	DUE TO/FROM 1997 TAN	0.00
01-1019	DUE TO/FROM SOLID WASTE FUND	0.00
01-1020	DUE FROM INVESTMENT FUND	1,377,654.73
01-1021	CAPITAL EQUIPMENT RESERVE	21,277.47
01-1022	BUILDING & COMPUTER RESERVE	0.00
01-1023	DUE FROM FIRE DEPT. GRANTS	0.00
01-1024	DUE FROM JUSTICE GRANT	0.00
01-1025	DUE TO/ FROM STATE AGENCY	0.00
01-1026	DUE FROM OTHER GOVERNMENTS	0.00
01-1027	DUE TO/FROM CAPITAL PROJECT	0.00
01-1028	SALES TAX RECEIVABLE	7,087.79
01-1029	DUE TO/FROM DEBT SERVICE	0.00
01-1030	DUE FROM MOTEL TAX FUND	0.00
01-1031	DUE TO/FROM SPECIAL REV. FUND	0.00
01-1032	DUE FROM INVESTMENT-CIVIC CTR.	0.00
01-1033	ACCOUNTS RECEIVABLE	0.00
01-1034	SALES TAX REC./TX COMPTROLLER	264,737.00
01-1035	DUE FROM IMS FLEX ACCT.	6,919.54
01-1036	FRANCHISE TAX RECEIVABLE	80,806.95
01-1040	TAN I&S RESERVE	0.00
01-1044	CIP - F PARK LIGHT PROJECT	0.25
01-1045	CITY OF LAMESA - CFS FESTIVAL	4,869.11
01-1046	CRIME LINE	2,669.53
01-1050	DUE TO/FROM RISK MGMT & SAFE	0.00
01-1055	DUE FROM INVESTMENT FUND	0.00
01-1056	DUE FROM TEXstar POOL	150,000.00
01-1060	DUE FROM ECONOMIC DEVELO	46,145.34
01-1061	DUE FROM BUILDING SECURITY	0.00
01-1062	DUE FROM PEG FUND	0.00
01-1063	DUE FROM POLICE DONATION FUND	0.00
01-1064	DUE FROM TECHNOLOGY FUND	0.00
01-1065	DUE FROM ECONOMIC DEV./AUDITOR	(13,792.01)

BALANCE SHEET

AS OF: MARCH 31ST, 2018

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
01-1066	DUE FROM S.W.A.T FUND	0.00
01-1070	DUE FROM FORFEITED TRUST	0.00
01-1071	DUE FROM WWF-LAND PURCHASE	0.00
01-1072	DUE TO/FROM GOLF COURSE	0.00
01-1080	D.A.R.E.	0.00
01-1085	DUE FROM HOUSING AUTHORITY	0.00
01-1090	XFER FOR RETIREMENT/C.O.'	0.00
01-1095	DUE FROM LEAP	0.00
		4,222,809.24
	TOTAL ASSETS	4,222,809.24

LIABILITIES

01-2013	PAVING LIEN REFUND PAYABLE	0.00
01-2014	SALES TAX PAYABLE	0.00
01-2015	VOUCHERS PAYABLE	132,630.93
01-2016	COMMUNITY BLDG.DEPOSITS	20,285.50
01-2017	REFUND OF CASH DEPOSITS	591.00
01-2018	WAGES PAYABLE	0.00
01-2019	GROUP INSURANCE PAYABLE	0.00
01-2020	WITHHOLDING TAX PAYABLE	0.00
01-2021	SOCIAL SECURITY PAYABLE	0.00
01-2022	T.M.R.S. PAYABLE	0.00
01-2023	AUTO ALLOWANCE PAYABLE	0.00
01-2024	BONDS	0.00
01-2025	DEDUCTIONS PAYABLE	0.00
01-2026	WORKERS COMPENSATION	25.00
01-2027	AIRPORT	0.00
01-2028	OPTIONAL LIFE PAYABLE	626.08
01-2029	DUE TO SWMF	0.00
01-2030	GOVERNOR'S TAX PAYABLE	0.00
01-2031	TRANS.FOR RET.BONDS	0.00
01-2032	DUE TO STATE AGENCY	0.00
01-2033	C.D.B.G.	0.00
01-2034	DUE TO LAMESA HOUSING	0.00
01-2035	TRANS. FROM DEVELOP. FUND	0.00
01-2036	TEEN COURT ADMIN FEE	450.00
01-2037	DUE TO RISK MGT & SAFETY	0.00
01-2038	DUE TO/FROM WATER FUND	0.00
01-2039	WARRANTS PAYABLE	0.00
01-2040	UNITED FUND	109.00
01-2041	SALES TX DUE TO LEDC -TX COMPT	44,123.00
01-2042	DUE TO LEAP -SALES TAX	44,123.00
01-2043	TMRS EMPLOYEE BACK PAY	886.49
01-2044	FLEX SPENDING ACCT. (FSA)	4,371.62
01-2045	PROV. FOR COMP.ABSENCES	0.13
01-2048	1992 C O DEBT-PRINCIPAL	0.00
01-2049	1992 C.O. DEBT	0.00
01-2050	ICMA-RC PAYABLE	0.00
01-2051	COURT BONDS PAYABLE	500.00

BALANCE SHEET

AS OF: MARCH 31ST, 2018

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
01-2052	COURT BUILDING SECURITY FUND	14,275.38
01-2053	COURT TECHNOLOGY FEE	7,290.67
01-2055	TAN I&S PRINCIPAL	0.00
01-2056	TAN I&S INTEREST	0.00
01-2057	NORTHLAND PEG FEES	3,970.39
01-2058	NTS PEG FEES	0.00
01-2070	GROUP INS. PRE-TAX	5,920.16)
01-2075	EMPLOYEE REIMB. SICK LEAVE	0.00
01-2080	DEFERRED REVENUE-PAVING	0.00
01-2081	DEFERRED REVENUE-TAXES	103,987.88
01-2082	DEFERRED REVENUE-MISC. POLICE	0.14)
01-2083	DEFERRED REVENUE REVITAL GRANT	0.00
01-2084	DEFERRED REVENUE- CIVIC CENTER	0.00
01-2085	AFLAC PRE-TAX	1,436.97
01-2086	DEFERRED REV.-POLICE DONATIONS	2,311.89
01-2087	DEFERRED REV.-COURTHOUSE PROJ.	0.00
01-2088	DEFERRED REVENUE-SWAT DONATION	696.00
01-2089	DEFERRED REVENUE/FIRE PROTECTI	0.00
01-2090	AFLAC POST TAX	636.94
01-2091	DEFERRED REV.-L.I.S.D. BUYMONE	3,786.50
01-2092	AIR MED CARE	0.00
01-2094	NEW YORK LIFE INS. PAYABLE	0.00
01-2095	VISION INS. PAYABLE	325.68
01-2096	EMPLOYEE LEGAL SERV. PAYABLE	181.30
01-2097	WORK BOOTS PAYABLE	1,545.66)
01-2098	DEFERRED REV. - SPORTS COMPLEX	84,580.00
01-2099	JAE FITNESS PAYABLE	745.03)
01-2150	ACCRUED PAYABLES	0.00
01-2160	ACCRUED PAYROLL LIABILITY	65,308.18
01-2999	PROFIT & LOSS	0.00
	TOTAL LIABILITIES	520,505.04
EQUITY		
01-3001	FUND BALANCE	2,734,272.81
01-3002	RESERVE-CAPITAL EQUIPMENT	0.00
01-3003	RESERVE-BUILDING & COMPUTER	0.00
01-3010	C.O. INTEREST	0.00
01-3011	C.O. PRINCIPAL	0.00
01-3012	TAN INTEREST	0.00
01-3013	TAN PRINCIPAL	0.00
01-3014	OTHER PRINCIPAL	0.00
01-3015	OTHER INTEREST	0.00
	TOTAL BEGINNING EQUITY	2,734,272.81
	TOTAL REVENUE	3,038,248.16
	TOTAL EXPENSES	2,070,216.77
	TOTAL REVENUE OVER/(UNDER) EXPENSES	968,031.39
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	3,702,304.20
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	4,222,809.24

BALANCE SHEET
AS OF: MARCH 31ST, 2018

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
02-1001	CASH IN BANK	418,776.10
02-1002	CASH IN DRAWER	0.00
02-1003	DUE FROM INVESTMENTS/WATER DEP	29,532.47
02-1004	CAPITAL EQUIPMENT RESERVE	355,891.17
02-1005	W.S.G. CHGS. RECEIVABLE	192,656.67
02-10051	REFUNDS PAYABLE	241.04
02-10052	UTILITY A/R SUSPENSE	0.00
02-10053	UNAPPLIED US REVENUE	(17,567.95)
02-10054	US GL RECON REPORT	0.00
02-10059	UNBILLED REVENUE RECEIVABLE	0.00
02-1006	PROV.FOR UNCOLLECT. ACCTS	(43,824.05)
02-1007	INVENTORY SUPPLIES	110,812.86
02-1008	WW. TRMT PLNT .RES.INVESTMENTS	91,822.45
02-1009	UTILITY SYSTEM IMPROV RESERVE	0.00
02-1010	UNAMORTIZED TAN ISSUE COSTS	0.00
02-1011	AMORT.OF DISC. & PREMIUMS	0.00
02-1012	WATER SYSTEM LAND	33,460.47
02-1013	WATER RIGHTS PURCHASED	6,680,247.00
02-1014	WALKS, DRIVES & FENCES	10,982,340.00
02-1015	BUILDINGS	149,063.00
02-1016	WELLS & WELL HOUSES	0.00
02-1017	BOOSTER STAT. AND STORAGE	0.00
02-1018	WATER LINES, VALVES & FITT	0.00
02-1019	WATER TAPS AND METERS	6,816,494.00
02-1020	AUTOMOTIVE & MISC.EQUIP.	2,099,179.39
02-1021	FIRE HYDRANTS	0.00
02-1022	WATER SYST. DEPRECIATION	(11,759,532.48)
02-1023	SEWER SYSTEM-LAND & LAGOON	95,540.50
02-1024	SEWAGE LIFT STATIONS	0.00
02-1025	DISPOSAL PLANT	0.00
02-1026	SEWER LINES	0.00
02-1027	SEWER SYS. DEPRECIATION	0.00
02-1028	DUE TO/FROM SOLID WASTE	0.00
02-1029	ELECTRICAL INVENTORY	0.00
02-1030	WW LIFTSTATION/LUBBOCK HWY.	479.31
02-1031	ACCOUNTS REC. - TRRA	0.00
02-1032	06 TAN ISSUANCE COSTS	40,679.24
02-1033	06 TAN AMORTIZATION	48,794.00
02-1035	DUE FROM TCDP GRANT	0.00
02-1036	DUE FROM INV. FUND-TX NOTE 06	18,175.65
02-1037	DUE TO INV. - WELLS & TOWER	392,055.05
02-1039	WATER TREATMENT PLANT	0.00
02-1040	WW TRMT PLANT RES.	0.00
02-1050	CASH IN BANK-TRMT PLANT	0.00
02-1060	CIP - NEW WATER WELL PROJECT	18,501.29
02-1065	CIP - LUBBOCK HWY LIFTSTATION	0.16
02-1070	CIP - ELEVATED STORAGE TANK	0.24
02-1075	CIP - WATER MAIN IMP, HWY 87	(0.48)
02-1080	NET PENSION ASSET (LIABILITY)	(26,807.00)

BALANCE SHEET

AS OF: MARCH 31ST, 2018

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
02-1081	DEFERRED OUTFLOW-PENSION CONTR	14,166.00
02-1082	DEFERRED OUTFLOW-PENSION INV E	249,794.00
02-1083	L.E.D.C. PRISON TOWER REC.	0.00
		16,990,970.10

TOTAL ASSETS

16,990,970.10

LIABILITIES

02-2010	DUE TO LAMESA EDC	0.00
02-2013		0.00
02-2025	REVENUE RECOVERY LIABILITY	(236.77)
02-2026	REVENUE RECOVERY FEES	2,119.45
02-2027	UNDEPOSITED METER DEPOSIT	0.00
02-2028	WATER DEPOSITS	255,278.98
02-2029	T.M.R.S. PAYABLE	0.00
02-2030	F.I.C.A. PAYABLE	0.00
02-2031	VOUCHERS PAYABLE	0.00
02-2032	BONDS PAYABLE-PRISON	0.00
02-2033	CONTRIBUTED BY DEVELOPERS	255,845.00
02-2034	CONTRIBUTED BY U.S. GOV'T	236,875.39
02-2035	RES.RETIRE.OF BONDS & INT	0.00
02-2036	EARNED SURPLUS INVESTED	0.00
02-2037	EARNED SURPLUS UNAPPROPR.	0.00
02-2038	INT. ON B.F. INVESTMENT	0.00
02-2039	TRANS. FOR RET. OF BONDS	0.00
02-2040	OPERATING TRANSFER	0.00
02-2041	BOND INTEREST EXPENSE	0.00
02-2042	HANDLING FEES	0.00
02-2043	CAPITAL PROJECT FUNDS	440,420.21
02-2045	PROV.COMPENSATED ABSENCES	41,251.02
02-2046	DUE TO/FROM GENERAL FUND	0.00
02-2047	DUE TO SOLID WASTE	0.00
02-2048	DUE TO RISK MGT & SAFETY	0.00
02-2049	1992 C.O. DEBT NON CURRENT	0.00
02-2050	NOTE PAYABLE- 2006 TAX NOTES	0.00
02-2051	NOTE PAYABLE-CAT FINANCE	0.00
02-2052	LEASE PAYABLE-AAIG(NON-CURRENT	219,364.00
02-2053	NOTES PAYABLE-WSB (NONCURREN).	(0.40)
02-2054	BONDS PAYABLE - USDA	4,334,000.00
02-2055	CONTRIBUTED CAPITAL-TCDP	864,400.00
02-2056	CONTRIBUTED CAPITAL-TDCJ	133,567.10
02-2057	DUE TO G/F - LAND PURCHASE	0.00
02-2058	DUE TO SWMF - LAND PURCHASE	75,000.00
02-2059	DUE TO CAP. PROJ.-LAND PURCHAS	0.00
02-2060	AFLAC PRE-TAX	0.00
02-2061	DUE TO/FROM GOLF COURSE FUND	0.00
02-2070	GROUP INS. PRE-TAX	0.00
02-2085	AFLAC PRE-TAX	0.00
02-2090	AFLAC POST TAX	0.00
02-2095	VISION INS. PAYABLE	0.42

BALANCE SHEET

AS OF: MARCH 31ST, 2018

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
02-2160	ACCRUED PAYROLL LIABILITY	24,854.77
02-2900	CURRENT PORTION 91 C.O.'S	0.00
02-2901	CURRENT PORTION - USDA	77,000.00
02-2902	CURRENT PORTION-2006 TAN	0.00
02-2903	CURRENT PORTION-CAT FINANCE	0.00
02-2904	LEASE PAYABLE-AAIG (CURRENT)	178,235.00
02-2905	NOTES PAYABLE-WSB (CURRENT)	(0.33)
02-2906	NOTES PAYABLE-SOUTH PLAINS COM	0.00
02-2909	TAX NOTE 2013 - ST	0.00
02-2910	TAX NOTE 2013 L-T	312,000.00
02-2911	CURRENT PORTION COMP ABSE	11,634.80
02-2912	TAX NOTE 2013-A L-T	456,000.00
02-2913	TAX NOTE 2013A - S-T	0.00
02-2914	TAX NOTE 2014 L-T	197,085.00
02-2915	TAX NOTE 2014 S-T	(90.00)
02-2920	DEFERRED REV-LIFTSTATION PROJ.	0.00
02-2925	CONJ. USE SERIES 2011-NONCURRE	1,417,319.00
02-2926	CONJ USE SERIES 2011-CURRENT	75,267.00
02-2927	REFUNDING 2010 - NON CURRENT	55,741.00
02-2928	REFUNDING SERIES 2010-CURRENT	14,498.00
02-2929	RECLAMATION 2010 - NON CURRENT	165,330.00
02-2930	RECLAMATION 2010 - CURRENT	84,161.00
02-2931	GROUNDWATER 2009-NON CURRENT	323,691.00
02-2932	GROUNDWATER 2009 - CURRENT	20,010.00
02-2933	GROUNDWATER 2008 - NONCURRENT	0.00
02-2934	GROUNDWATER 2009 - CURRENT	0.00
02-2935	GROUNDWATER 2005-NONCURRENT	0.00
02-2936	GROUNDWATER 2005 - CURRENT	0.00
02-2937	GROUNDWATER 2012-NONCURRENT	895,728.00
02-2938	GROUNDWATER 2012-CURRENT	26,123.00
02-2939	2014 BOND (2005) ST	78,825.00
02-2940	2014 BOND (2005) LT	206,109.00
02-2941	2014 PREMIUM (2005)	27,239.00
02-2942	2014 BOND (2006) ST	27,010.00
02-2943	2014 BOND (2006) LT	597,390.00
02-2944	2014 PREMIUM (2006)	91,360.00
02-2950	DEFERRED OUTFLOW-PENSION	35,179.00
02-2999	PROFIT & LOSS	0.00
	TOTAL LIABILITIES	12,255,583.64
EQUITY		
02-3001	FUND BALANCE	4,710,470.08
02-3002	RESERVE-UTILITY SYSTEM IMPROV	0.00
02-3010	C.O. INTEREST	0.00
02-3012	TAN INTEREST	0.00
	TOTAL BEGINNING EQUITY	4,710,470.08

BALANCE SHEET

AS OF: MARCH 31ST, 2018

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
	TOTAL REVENUE	2,266,619.83
	TOTAL EXPENSES	2,241,703.45
	TOTAL REVENUE OVER/(UNDER) EXPENSES	24,916.38
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	4,735,386.46
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	16,990,970.10

BALANCE SHEET
AS OF: MARCH 31ST, 2018

03 -SOLID WASTE ENTERPRISE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
03-1001	CASH IN BANK	790,220.35
03-1002	CASH IN BANK - DEBT SERVICE	0.00
03-1003	CASH IN BANK - CAPITAL RESERVE	0.00
03-1004	DUE FROM GENERAL FUND	0.00
03-1005	DUE FROM WASTEWATER	0.00
03-10059	UNBILLED REVENUE RECEIVABLE	99,788.54
03-1006	DUE FROM WWF- LAND PURCHASE	75,000.00
03-1007	DUE FROM INVESTMENTS-DEBT SERV	0.00
03-1008	DUE FROM INV.-CAPITAL RESERVE	118,959.20
03-1010	UNAMORTIZED TAN ISSUE COSTS	0.00
03-1011	GARBAGE CHG. RECEIVABLE	95,282.65
03-1012	UNCOLLECTIBLE GARB.CHGS.	(22,077.68)
03-1013	GRANT PROCEEDS RECEIVABLE	0.00
03-1014	LAND	143,957.00
03-1015	BUILDINGS	2,386,652.61
03-1019	AUTOMOTIVE & MISC.EQUIP.	4,858,192.77
03-1020	DUE FROM INVESTMENT FUND	0.00
03-1021	CAPITAL EQUIPMENT RESERVE	45,704.88
03-1022	POST CLOSURE RESERVE	622,499.71
03-1023	ENVIROMENTAL OPER CENTER RES	0.00
03-1024	RESERVE FOR TAN I&S	0.00
03-1027	05 TAN ISSUANCE COSTS	0.00
03-1028	ACCUM. AMORT-ISSUANCE COSTS	(0.27)
03-1030	CIP - NEW LANDFILL CELL #4	(0.45)
03-1050	ACCUMULATED DEPRECIATION	(5,346,266.38)
03-1080	NET PENSION ASSET (LIABILITY)	(13,443.00)
03-1081	DEFERRED OUTFLOW-PENSION CONTR	7,105.00
03-1082	DEFERRED OUTFLOW-PENSION INV	125,280.00
		3,986,854.93
TOTAL ASSETS		3,986,854.93

LIABILITIES

03-2010	DUE TO/FROM GENERAL FUND	0.00
03-2013		0.00
03-2020	DUE TO/FROM WASTE WATER	0.00
03-2021	POSTCLOSURE RESERVE	0.00
03-2022	DUE TO RISK MGT & SAFETY	0.00
03-2030	CONTRIBUTED CAPITAL - SCALE	41,191.00
03-2040	TAN INTEREST EXPENSE	0.00
03-2041	BOND INTEREST EXPENSE	0.00
03-2042	LOSS ON EQUIPMENT	0.00
03-2044	CUR.PROV FOR COMP.ABSENCE	5,864.47
03-2045	PROV-COMPENSATED ABSENCE	20,789.84
03-2049	1992 C.O. DEBT NON-CURRENT	0.00
03-2050	N/P - CATEPILLAR (DOZER)	(0.25)
03-2051	EST.LIAB.LANDFILL CLOSURE	493,535.18
03-2052	OUTSOURCE LEASE-MAD VAC S-T	0.00

BALANCE SHEET

AS OF: MARCH 31ST, 2018

03 -SOLID WASTE ENTERPRISE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
03-2053	CATERPILLAR LEASE - S-T	0.15	
03-2054	2005 TAX NOTE -CURRENT PORTION	0.00	
03-2055	N/P CATERPILLAR (BULLDOZER)	(0.31)	
03-2056	TAN I&S INTEREST	0.00	
03-2060	AFLAC PRE-TAX	0.00	
03-2065	N/P KSB - GARBAGE TRUCK	0.00	
03-2070	GROUP INS. PRE-TAX	0.00	
03-2085	AFLAC PRE-TAX	0.00	
03-2090	AFLAC POST TAX	0.00	
03-2095	VISION INS. PAYABLE	0.00	
03-2096	N/P-CATERPILLAR 930H - LT	23,714.00	
03-2097	N/P - CATERPILLAR 930H - ST	22,979.00	
03-2098	N/P CATERPILLAR (BACKHOE) ST	0.00	
03-2160	ACCURED PAYROLL LIABILITY	16,383.66	
03-2165	N/P MACK TRUCK W/ SIDELOAD -LT	0.00	
03-2166	N/P MACK TRUCK W/ SIDELOAD -ST	41,166.00	
03-2901	CURRENT PORTION 92 C.O.'S	25,867.00	
03-2902	CURRENT PORTION-1997 TAN	26,900.00	
03-2903	OUTSOURCE LEASE- MAD VAC L-T	0.00	
03-2904	CATERPILLAR LEASE - L-T	0.00	
03-2905	2005 TAX NOTE (LT)	0.00	
03-2906	ST-CATERPILLAR LOADER 2015	10,824.00	
03-2907	LT - CATERPILLAR LOADER 2015	123,662.00	
03-2908	ST-CATERPILLAR BULL DOZER 2015	38,380.00	
03-2909	LT-CATERPILLAR BULL DOZER 2015	121,590.00	
03-2910	TAX NOTE 2012 - LT	280,700.00	
03-2911	TAX NOTE 2012 - ST	0.00	
03-2912	2016 MACK DUMP TRUCK - LT	132,608.00	
03-2913	2016 MACK DUMP TRUCK - ST	41,658.00	
03-2950	DEFERRED INFLOW-PENSION	17,643.00	
	TOTAL LIABILITIES		1,485,454.74
EQUITY			
=====			
03-3001	FUND BALANCE	2,411,128.81	
03-3002	INVESTMENT IN PROPERTY	0.00	
03-3003	UNRESERVED FUND BALANCE	0.00	
03-3004	POSTCLOSURE RESERVE	107,228.18	
03-3005	RESERVE ENVIROMENTAL OPER CNTR	0.00	
03-3010	C.O. INTEREST	0.00	
03-3012	TAN INTEREST	0.00	
	TOTAL BEGINNING EQUITY	2,518,356.99	
	TOTAL REVENUE	929,225.49	
	TOTAL EXPENSES	946,182.29	
	TOTAL REVENUE OVER/(UNDER) EXPENSES	(16,956.80)	
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.		2,501,400.19
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		3,986,854.93
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BALANCE SHEET

AS OF: MARCH 31ST, 2018

18 -MUNICIPAL GOLF COURSE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
ASSETS			
18-1001	CASH	(10,154.65)	
18-1005	GOLF FEES RECEIVABLE	31,756.05	
18-1006	ALLOWANCE FOR BAD DEBTS	(23,578.20)	
18-1020	LAND IMPROVEMENTS	79,362.32	
18-1021	EQUIPMENT	169,603.08	
18-1022	DEPRECIATION	(137,348.00)	
18-1023	BUILDINGS & IMPROVEMENTS	12,143.00	
18-1028	SALES TAX RECEIVABLE	0.00	
18-1030	DUE TO/FROM WATER FUND	0.00	
18-1080	NET PENSION ASSET (LIABILITY)	(3,981.00)	
18-1081	DEFERRED OUTFLOW-PENSION CONTR	2,104.00	
18-1082	DEFERRED OUTFLOW-PENSION INV.	37,092.00	
		156,998.60	
TOTAL ASSETS			156,998.60
LIABILITIES			
18-2010	DUE TO/FROM GENERAL FUND	0.00	
18-2013	NOTES PAYABLE-OUTSORCE/CURR.	0.00	
18-2014	SALES TAX PAYABLE	0.00	
18-2015	NOTE PAYABLE-WELL FARGO-CURREN	0.00	
18-2016	DUE TO RISK MGMT.	96,624.00	
18-2017	NOTES PAYABLE	0.00	
18-2018	NOTES PAYABLE - OUTSOURCE	0.00	
18-2044	COMP. ABSENCES - CURRENT	2,762.21	
18-2045	COMP. ABSENCES - LONG TERM	9,791.11	
18-2160	ACCRUED PAYROLL LIABILITY	3,695.53	
18-2902	RANGE BALL SERVER -ST PORTION	0.00	
18-2903	PNC GOLF CAR LEASE - LT	0.00	
18-2904	PNC GOLF CAR LEASE - ST	6,447.00	
18-2906	RANGE BALL SERVER- LT PORTION	0.00	
18-2950	DEFERRED INFLOW-PENSION	5,224.00	
	TOTAL LIABILITIES		124,543.85
EQUITY			
18-3001	FUND BALANCE	40,050.85	
	TOTAL BEGINNING EQUITY	40,050.85	
	TOTAL REVENUE	124,882.85	
	TOTAL EXPENSES	132,478.95	
	TOTAL REVENUE OVER/(UNDER) EXPENSES	(7,596.10)	
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.		32,454.75
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		156,998.60

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 23

SUBJECT: CITY MANAGER REPORT
SUBMITTED BY: City Manager

SUMMARY STATEMENT

City Manager to report on current activities and answer questions from the City Council.

COUNCIL ACTION

No City Council action required.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 24

SUBJECT: MAYOR'S REPORT

SUBMITTED BY: Mayor

SUMMARY STATEMENT

Mayor to report on future events.

COUNCIL ACTION

No City Council action required.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: APRIL 17, 2018

AGENDA ITEM: 25

ADJOURNMENT: *Announcement by the Mayor* – “The next regular meeting of the City Council of the City of Lamesa, Texas will be held at 5:30 p.m., on **Tuesday, May 15, 2018** at City Hall, 601 South First Street. Persons desiring to present business to the City Council at that meeting are directed to submit a request in writing to the City Secretary by **Wednesday, May 9, 2018**, in order to be included on the agenda. There being no other business, the meeting is hereby adjourned.”