AGENDA

CITY OF TAYLOR, TEXAS
CITY COUNCIL MEETING
CITY HALL, COUNCIL CHAMBERS, 400 PORTER STREET

FEBRUARY 22, 2018, 6:00 P.M.

CALL TO ORDER AND DECLARE A QUORUM

INVOCATION

PLEDGE OF ALLEGIANCE

CITIZENS COMMUNICATION
(The City Council welcomes public comments on items not listed on the agenda. However, the Council cannot respond until the item is posted on a future meeting agenda. Registration forms are available at the sign in table.)

CONSENT AGENDA
(The Consent Agenda includes non-controversial and routine items that the Council may act on with one single vote. The Mayor or any Council member may pull any item from the Consent Agenda to discuss and act upon individually on the Regular Agenda.)

1. Concur with preliminary financials for January, 2018. (Rosemarie Dennis)
2. Approve minutes for February 8, 2018. (Susan Brock)

REGULAR AGENDA; REVIEW/DISCUSS AND CONSIDER ACTION

3. Receive Comprehensive Annual Financial Report (CAFR) for 2016/2017 Fiscal Year. (Rosemarie Dennis)
4. Receive and accept annual Racial Profiling Report for 2017. (Chief Fluck)
5. Receive update and consider approving report regarding emergency repairs to wastewater treatment plant. (Jim Gray)
6. Consider approving amendment to Library Collection Policy. (Karen Ellis)
7. Discuss and receive information on FY2018/2019 budget calendar and guidelines. (Rosemarie Dennis)

EXECUTIVE SESSION

8. Executive Session. The Taylor City Council will conduct a closed executive meeting pursuant to the provisions of the Open Meetings Law, Chapter 551, Texas Local Government Code, and the authority contained in Section 551.087 to discuss or deliberate regarding commercial and/or financial information on a business prospect that the City of Taylor, Texas, seeks to have locate, stay, or expand in or near the City of Taylor, Texas, and with which the City of Taylor, Texas, is conducting economic development negotiations and/or deliberate the offer of financial or other incentives to the business prospect.
   - Project Tower
   - Project Top
9. Consider action from Executive Session. (Mayor)

ADJOURN

The Council may vote and/or act upon each of the items listed in this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, whenever it is considered necessary and legally justified under the Open Meetings Act including: Section 551.071 (Consult with attorney); Section 551.072 (Real Property); Section 551.073 (Gifts and Donations); Section 551.074 (Personnel Matters); Section

551.076 (Security Devices); and Section 551.087 (Economic Development). I certify that the notice of meeting was posted in the Taylor City Hall Lobby before 6:00 pm on February 19, 2018 and remained posted for at least 72 hours continuously before the scheduled time of said meeting. I further certify that the following news media was notified of this meeting: Taylor Press.

In compliance with the ADA the City Hall and Council Chambers is wheelchair accessible. Reasonable accommodations will be provided for persons attending city council meetings in need of special assistance. Please contact Susan Brock, City Clerk, at least 24 hours prior to the meeting for special assistance.

Posted By: Susan Brock Date 2/16/18

Susan Brock, City Clerk

City Council Meeting
February 22, 2018

STRATEGIC PILLAR
☐ Streets/Infrastructure
☐ Quality of Life
☒ Economic Vitality

Agenda Item #: **1**

Agenda Title: Concur with preliminary financials for January 2018

Council Action to be taken: Approve by consent

Department Submitted: Finance Department

Staff Contact: Rosemarie Dennis, Finance Director

1. PURPOSE/DESCRIPTION

Article 12, Section 12.3 of the City of Taylor's Charter states in part that the City Manager shall prepare and submit to the City Council a written monthly financial report that is in a form satisfactory with the City Council. The referenced report is intended to satisfy the Charter requirement.

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

The reporting period is as of January 2018. The following provides a brief overview on the preliminary status and/or activity of the major funds or groups of funds as of January 31, 2018:

Just some brief comments on the status of the funds are provided is as follows:

General Fund:

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
General Fund	$ 13,133,664	$ 6,470,160	49%	$ 13,018,109	$ 3,843,747	30%	$ 2,626,413

- Revenues to date are $6,470,160, up by 11.4% over last year's collection year-to-date. The accelerated collections are primarily due to the property tax and sales tax collections. The majority of revenue collected in January were received through property tax. Revenue collected are reported to be at 49% of the budgeted.

- Property tax collections peaked in December and January as expected. Collections in property tax is $4,795,662 year-to-date, up by $551,696 or 13% over last year's year-to-date. This reflects an upward trend in property tax collections through

January in the last five years. The majority of collection activity will occur between December through February.

- Sales taxes came in at $284,353 for January, up by $54,337 or 23.6% when compared to this same time last year. The majority of this increase has to do with an audit finding by State Comptroller's office. Year-to-date is up by $79,183 or 8.1% when compare to this same time last year. Cumulative is report to be at $1,057,260 for the City's portion of sales tax. Sales tax remains above the budget estimate by $73,991.

- Franchise tax collections as of January is $144,009, down by $20,927 or 12.7% from this same period last year. The decrease was due to a timing issue, Atmos gas franchise payment was not received in time for this reporting period.

- Permits and Licenses collection is report to be at $83,398, down by $4,387 or 5% from the previous year. This decrease is seen in building permit. Information on the number of permits issued can be found in the Development Services monthly reports.

- Fines and forfeitures as of January is reported to be at $92,207, slightly down by $520 when compared to this same time last year.

- Expenditures to date are $3,843,747, up by $93,316 or 2.5% over last year's expense year-to-date. Increases over the prior year include planned adjustments to base items that were added to the budget by various department within the General Fund. Overall, expenditures are performing at an acceptable level year-to-date. Revenues are over expenditures by $2,626,413. When compare to this same last year revenues were exceeding expenditures by $2,057,638.

Special Revenue Funds;

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
Special Revenues							
- Tax Increment Fund (TIF)	$ 293,027	$ 2,319	1%	$ 55,000	$ 26,120	47%	$ (23,801)
- Hotel/Motel Tax	$ 76,535	$ 27,096	35%	$ 55,000	$ 17,866	32%	$ 9,230
- Main St. Revenue	$ 74,600	$ 20,054	27%	$ 69,900	$ 19,474	28%	$ 580
- Municipal Court Sec/Tech	$ 14,200	$ 6,656	47%	$ 10,320	$ 11,239	109%	$ (4,583)
- Library Grants/Donations	$ 1,300	$ 2,810	216%	$ 14,399	$ 4,448	31%	$ (1,638)
Subtotal	$ 459,662	$ 58,935	13%	$ 204,619	$ 79,147	39%	$ (20,212)

- The only activity report is earned interest income of $2,319 which TIF funds held in the Texpool account and can be found in the monthly financial report attachment F-Monthly Investment Report. Expenditures in the TIF are related to the Heritage Square Park. This is a carryover from prior year an obligation with SEC Planning for landscaping architectural design service and transfers

- Hotel occupancy tax collection is from the five lodging providers which is reported at $22,154 year-to-date. $ 6,969 was collected in December. Hotel occupancy tax collected is up by $3,800 or 21% over the prior year. Expenditures are related to the Chamber.

- The revenues reported in the Main Street are from sales and other fund raising activities which are the Christmas bazar and wine swirl. Expenditures are from the five businesses for rental assistance $9,052, city sponsored events $7,781, advertising $325 and Christmas lights supplies of $146. The fund shows a deficit of $10,475. The transfers that were schedule to be done in December will be completed in January instead which will reduce the deficit.

- Municipal Court Special Revenues are up from this same time last year by $2,010. Expenditures are for security, operational equipment and software for Municipal Court.

- Library Donation Fund reflects revenues generated from interest income of $504 and a donated funds in the amount of $540. $4,307 were for the library books that were purchased.

Proprietary Funds:

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
Sanitation Fund	$ 1,739,346	$ 439,792	25%	$ 1,766,238	$ 501,420	28%	$ (61,628)
Utility Fund	$ 9,851,457	$ 2,631,504	27%	$ 9,109,667	$ 2,046,439	22%	$ 585,065
Airport Fund	$ 527,997	$ 126,859	24%	$ 527,247	$ 121,334	23%	$ 5,525
Cemetery Op. Fund	$ 130,722	$ 47,156	36%	$ 185,850	$ 49,855	27%	$ (2,699)

Sanitation Fund-

- Charges for services year-to-date are reported at $383,115 with franchise tax at $56,676. Expenditures represents a payment to the City's solid waste provider. January's payment to the solid waste provider is $114,946, year-to date at $460,659.

Utility Fund-

- Revenues through January totaled $2,631,504, while expenditures totaled $2,046,065. Year-to-date revenues are higher compared to last year by $204,795 or 8.4%. This is due to the rate increase in water and sewer rates.
- Expenditures in the Utility Fund are report to be at $2,046,439. All departments within the Utility Fund are operating at normal levels.
- Revenues exceed expenditures by $585,095.

Airport Fund-

- Revenues consist of airport hangar rental, sale of fuel and interest income. Hangar rental is report to be at $54,408 which is up from this same time last year by $1,286 or 2.4%. This increase is due to the rental increase in rates that was implemented in October. Revenues from fuel sales are $67,509, which is slightly down from prior year by $204 less than 1%. Interest income earned from bond funds are $3,774.
- Operating expenditures when compared to last year are up by $14,962 or 14% over the prior year. The Airport Fund are operating at an acceptable level. Revenues exceed expenditures by $5,525.

Cemetery Fund-

- The Cemetery Fund was budgeted in the deficit with expenditures exceeding revenues. Revenue are reported at $47,156 year-to-date, up by $25,771 over this same time last year. Majority of the increase in revenues are due to increase in cemetery lot sales when compared to last year. Expenditures are on track and performing as anticipated. Operational expenditures exceeds revenue by $2,699.

Other Funds:

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
Roadway Impact Fund	$ 32,185	$ 7,227	22%	-	-	0%	$ 7,227
Transportation Fund	$ 793,104	$ 216,792	27%	810,500	166,535	21%	$ 50,257
MDUS	$ 498,409	$ 133,561	27%	$ 319,725	455,433	142%	$ (321,872)
Utility Fund	$ 9,851,457	$ 2,631,504	27%	$ 9,109,667	$ 2,046,439	22%	$ 585,065
Utility Impact Fund	$ 166,544	$ 45,516	27%	-	-	0%	$ 45,516

- Roadway Impact Fund - Revenues collected year-to-date for roadway impact fees totaled $7,227 with January's collection at $960. No expenditures budgeted.

- Transportation Fund - For the month of January, the Transportation User Fee is reported at $65,391 with year-to-date at $216,792. Expenditures are associated with the Edmond Street Project.

- MDUS- What is reflected for revenues year-to-date is $133,561 with January's collection at $40,672 Expenditures are related to the construction of Edmond Street Drainage project.

- Utility Impact Fund- Revenues represents $24,009 in water impact fee with sewer impact fee at $21,507. No expenditures are budgeted.

Internal Service Funds:

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
Fleet Service Operating Fund	$ 658,806	$ 222,347	34%	$ 657,950	$ 262,567	40%	$ (40,220)
Fleet Replacement Fund	$ 879,806	$ 119,952	14%	$ 879,806	97,682	11%	$ 22,270

- The Fleet Operating Fund and the Fleet Replacement Fund are all operated by various departments that are charged rental fees and replacement fees which are transferred to the funds to off- set the expenditures for repairs and maintenance to the City's vehicles. This same concept is applied to the Fleet Replacement Fund. The cost of the equipment that was purchased and or leased during the fiscal year are report in this fund.
- Expenditures in the Fleet Operating Fund exceeds anticipated levels. This is due to an increase in maintenance and repairs to the City's fire department vehicles. Expenditures exceeds revenues in the fund by $25,138.

3. FUNDING SOURCE

N/A

4. TIMELINE CONSIDERATIONS

Immediate consideration.

5. OTHER OPTIONS (In order of preference)

N/A

6. ATTACHMENTS

1a. Preliminary Financials of January 2018:

- **Attachment A:** Preliminary summaries of the total amounts of revenues and expenditures as of the month of January 2018.
- **Attachment B:** Preliminary financials summaries of each on the operating funds and the special revenue funds. This shows annual budgeted amounts and the year-to-date figures for each fund by the major revenues and expenditures categories.
- **Attachment C:** Checks issued during the month of January.
- **Attachment D:** Balance sheets for each of the operating funds.
- **Attachment E:** Sales Tax Tracking Report.
- **Attachment F:** Current investments year-to-date reported by Patterson & Associates.

Monthly Finance Report as of :

January 2018

01/31/18

Attachment A

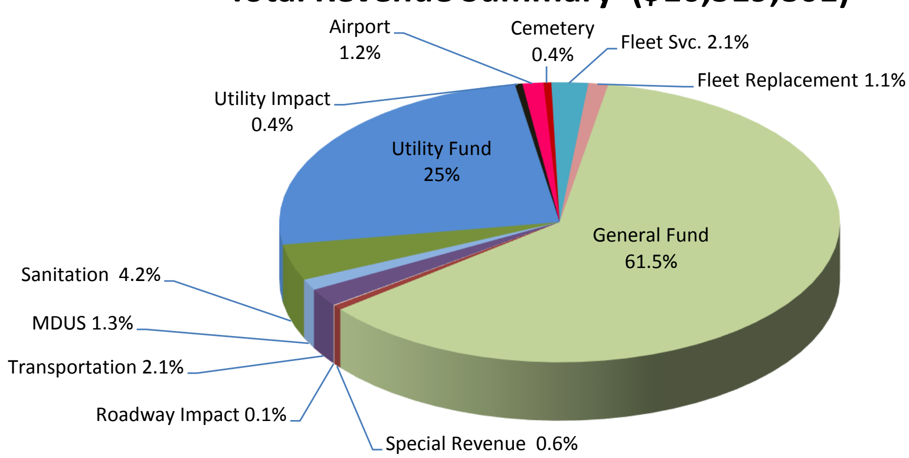
Financial Summary

Summary Revenue/Expenditures

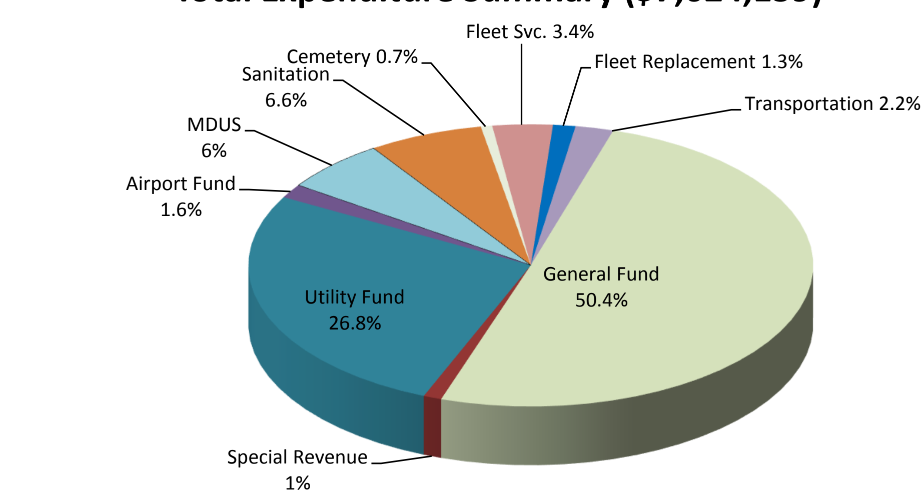
Preliminary Year-to-Date as of January 2018

	Revenue			Expenditures			
	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Adopted Budget (Amended)	Actual Y-T-D	% Y-T-D	Net Profit/Loss
General Fund	$ 13,133,664	$ 6,470,160	49%	$ 13,018,109	$ 3,843,747	30%	$ 2,626,413
Special Revenues							
- Tax Increment Fund (TIF)	$ 293,027	$ 2,319	1%	$ 55,000	$ 26,120	47%	$ (23,801)
- Hotel/Motel Tax	$ 76,535	$ 27,096	35%	$ 55,000	$ 17,866	32%	$ 9,230
- Main St. Revenue	$ 74,600	$ 20,054	27%	$ 69,900	$ 19,474	28%	$ 580
- Municipal Court Sec/Tech	$ 14,200	$ 6,656	47%	$ 10,320	$ 11,239	109%	$ (4,583)
- Library Grants/Donations	$ 1,300	$ 2,810	216%	$ 14,399	$ 4,448	31%	$ (1,638)
Subtotal	$ 459,662	$ 58,935	13%	$ 204,619	$ 79,147	39%	$ (20,212)
Roadway Impact Fund	$ 32,185	$ 7,227	22%	-	-	0%	$ 7,227
Transportation Fund	$ 793,104	$ 216,792	27%	810,500	166,535	21%	$ 50,257
MDUS	$ 498,409	$ 133,561	27%	$ 319,725	455,433	142%	$ (321,872)
Sanitation Fund	$ 1,739,346	$ 439,792	25%	$ 1,766,238	$ 501,420	28%	$ (61,628)
Utility Fund	$ 9,851,457	$ 2,631,504	27%	$ 9,109,667	$ 2,046,439	22%	$ 585,065
Utility Impact Fund	$ 166,544	$ 45,516	27%	-	-	0%	$ 45,516
Airport Fund	$ 527,997	$ 126,859	24%	$ 527,247	$ 121,334	23%	$ 5,525
Cemetery Op. Fund	$ 130,722	$ 47,156	36%	$ 185,850	$ 49,855	27%	$ (2,699)
Fleet Service Operating Fund	$ 658,806	$ 222,347	34%	$ 657,950	$ 262,567	40%	$ (40,220)
Fleet Replacement Fund	$ 879,806	$ 119,952	14%	$ 879,806	97,682	11%	$ 22,270
Total	**$ 28,871,702**	**$ 10,519,801**	**36%**	**$ 27,479,711**	**$ 7,624,159**	**28%**	**$ 2,957,270**

Total Revenue Summary ($10,519,801)



Total Expenditure Summary ($7,624,159)



01/31/18

Attachment B

Financial Summaries by Fund

General Fund
Special Revenue Funds

- Tax Increment Fund (TIF)
- Hotel Motel Tax
- Texas Capital Fund
- Main Street Revenue Fund
- Municipal Court Fees Fund
- Library Grant/Donations

Roadway Impact Fund
Transportation Fund
Municipal Utility Drainage Fund
Sanitation Fund
Utility Fund
Utility Impact Fund
Airport Fund
Cemetery Operating Fund
Fleet Services Operating Fund
Fleet Replacement Fund

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

100-GENERAL FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
310-TAXES	10,104,278.00	2,445,093.66	6,029,705.45	59.67	0.00	4,074,572.55
320-PERMITS AND LICENSES	283,220.00	20,250.38	83,398.06	29.45	0.00	199,821.94
330-INTERGOVERNMENTAL REV	156,735.00	2,194.98	16,443.44	10.49	0.00	140,291.56
340-CHARGES FOR SERVICES	299,400.00	41,036.51	80,013.70	26.72	0.00	219,386.30
410-FINES AND FORFEITURES	465,005.00	29,610.18	92,207.11	19.83	0.00	372,797.89
420-ASSESSMENTS	16,500.00	563.63	2,874.74	17.42	0.00	13,625.26
430-USE OF MONEY AND PROP	197,326.00	25,175.30	65,831.73	33.36	0.00	131,494.27
440-DONATIONS FROM PRIVAT	2,000.00	941.00	7,461.00	373.05	0.00	(5,461.00)
450-INTERFUND OPERATING T	1,609,200.00	89,800.00	89,800.00	5.58	0.00	1,519,400.00
460-PROCEEDS GEN FIXED AS	0.00	0.00	2,425.05	0.00	0.00	(2,425.05)
470-PROCEEDS GEN LONG TER	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	13,133,664.00	2,654,665.64	6,470,160.28	49.26	0.00	6,663,503.72
EXPENDITURE SUMMARY						
500-CITY COUNCIL	144,012.00	12,584.80	62,535.11	43.42	0.00	81,476.89
501-CITY MANAGEMENT	543,753.00	47,079.81	182,068.27	33.48	0.00	361,684.73
503-PUBLIC INFORMATION	144,894.00	9,898.12	46,253.14	32.30	544.56	98,096.30
504-HUMAN RESOURCES	197,661.00	12,844.97	77,458.06	39.27	163.28	120,039.66
512-FINANCIAL SERVICES	623,028.00	57,915.69	188,804.58	30.30	0.00	434,223.42
516-MUNICIPAL COURT	349,225.00	33,551.19	121,150.80	34.74	163.28	227,910.92
522-DEVELOPMENT SERVICES	823,085.00	55,051.27	232,370.76	28.23	0.00	590,714.24
524-MAIN STREET PROGRAM	82,352.00	6,915.42	42,810.48	51.98	0.00	39,541.52
527-MOODY MUSEUM	6,691.00	395.69	1,058.50	15.82	0.00	5,632.50
532-PUBLIC LIBRARY	470,691.00	36,334.12	144,758.58	32.92	10,190.73	315,741.69
542-FIRE SUPPRESSION/EMER	2,405,448.00	195,106.45	743,700.68	34.33	81,984.27	1,579,763.05
552-POLICE FIELD SERVICES	3,478,096.00	286,596.97	1,083,671.72	31.76	21,068.85	2,373,355.43
558-ANIMAL CONTROL SECTIO	196,374.00	12,830.47	60,867.65	31.18	369.95	135,136.40
563-STREET & GROUND MAIN	1,363,623.00	97,735.21	370,827.06	27.51	4,363.77	988,432.17
565-PARKS & RECREATION	851,048.00	56,240.00	212,887.67	31.54	55,573.23	582,587.10
566-INTERNAL SVCS/BLDG	421,690.00	38,205.06	138,752.82	37.67	20,092.40	262,844.78
573-ENGINEERING & INSPECT	131,971.00	4,891.43	10,243.55	7.76	0.00	121,727.45
575-INTERNAL SVC/IT DEPT	144,785.00	11,785.57	48,706.21	34.50	1,245.04	94,833.75
592-NON-DEPARTMENTAL	639,682.00	31,229.90	74,821.08	11.70	0.00	564,860.92
*** TOTAL EXPENDITURES ***	13,018,109.00	1,007,192.14	3,843,746.72	31.03	195,759.36	8,978,602.92
*** TOTAL PROFIT / (LOSS) ***	115,555.00	1,647,473.50	2,626,413.56	103.46	(195,759.36)	(2,315,099.20)

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

119-TIF (TAX INCREMENT FUND)
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
310-TAXES	182,309.00	0.00	0.00	0.00	0.00	182,309.00
330-INTERGOVERNMENTAL REV	108,068.00	0.00	0.00	0.00	0.00	108,068.00
430-USE OF MONEY AND PROP	2,650.00	593.74	2,319.22	87.52	0.00	330.78
*** TOTAL REVENUES ***	293,027.00	593.74	2,319.22	0.79	0.00	290,707.78
EXPENDITURE SUMMARY						
520-TIF EXPENSES	55,000.00	8,000.00	26,120.06	47.49	0.00	28,879.94
*** TOTAL EXPENDITURES ***	55,000.00	8,000.00	26,120.06	47.49	0.00	28,879.94
*** TOTAL PROFIT / (LOSS) ***	238,027.00	(7,406.26)	(23,800.84)	10.00-	0.00	261,827.84

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

120-HOTEL/MOTEL FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
310-TAXES	76,535.00	4,941.75	27,095.81	35.40	0.00	49,439.19
420-ASSESSMENTS	0.00	0.00	0.00	0.00	0.00	0.00
430-USE OF MONEY AND PROP	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	76,535.00	4,941.75	27,095.81	35.40	0.00	49,439.19
EXPENDITURE SUMMARY						
612-HOTEL/MOTEL TAX	55,000.00	12,693.65	17,865.55	32.48	0.00	37,134.45
*** TOTAL EXPENDITURES ***	55,000.00	12,693.65	17,865.55	32.48	0.00	37,134.45
*** TOTAL PROFIT / (LOSS) ***	21,535.00	(7,751.90)	9,230.26	42.86	0.00	12,304.74

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

123-MAIN STREET REVENUE FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
330-INTERGOVERNMENTAL REV	0.00	0.00	0.00	0.00	0.00	0.00
430-USE OF MONEY AND PROP	0.00	0.00	0.00	0.00	0.00	0.00
440-DONATIONS FROM PRIVAT	25,000.00	825.00	7,654.00	30.62	0.00	17,346.00
450-INTERFUND OPERATING T	49,600.00	12,400.00	12,400.00	25.00	0.00	37,200.00
*** TOTAL REVENUES ***	74,600.00	13,225.00	20,054.00	26.88	0.00	54,546.00
EXPENDITURE SUMMARY						
615-CONTRIBUTE TO CIVIC P	69,900.00	2,169.75	19,473.56	27.86	0.00	50,426.44
*** TOTAL EXPENDITURES ***	69,900.00	2,169.75	19,473.56	27.86	0.00	50,426.44
*** TOTAL PROFIT / (LOSS) ***	4,700.00	11,055.25	580.44	12.35	0.00	4,119.56

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

125-MUNICIPAL CRT SPECIAL FEE
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
410-FINES AND FORFEITURES	14,200.00	2,711.63	6,656.40	46.88	0.00	7,543.60
450-INTERFUND OPERATING T	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	14,200.00	2,711.63	6,656.40	46.88	0.00	7,543.60
EXPENDITURE SUMMARY						
625-MUNICIPAL COURT BLDG	6,920.00	2,284.18	4,890.85	81.93	778.63	1,250.52
626-MUNICIPAL CRT TECHNO	3,400.00	0.00	4,725.00	138.97	0.00	(1,325.00)
627-MUN COURT JUDICIAL	0.00	753.48	1,622.88	0.00	0.00	(1,622.88)
*** TOTAL EXPENDITURES ***	10,320.00	3,037.66	11,238.73	116.45	778.63	(1,697.36)
*** TOTAL PROFIT / (LOSS) ***	3,880.00	(326.03)	(4,582.33)	138.17-	(778.63)	9,240.96

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

129-LIBRARY GRANT/DONATION
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
330-INTERGOVERNMENTAL REV	0.00	1,120.13	1,120.13	0.00	0.00	(1,120.13)
430-USE OF MONEY AND PROP	1,300.00	311.42	1,099.49	84.58	0.00	200.51
440-DONATIONS FROM PRIVAT	0.00	50.00	590.00	0.00	0.00	(590.00)
*** TOTAL REVENUES ***	1,300.00	1,481.55	2,809.62	216.12	0.00	(1,509.62)
EXPENDITURE SUMMARY						
624-LIBRARY	14,399.00	141.46	4,448.26	30.89	0.00	9,950.74
*** TOTAL EXPENDITURES ***	14,399.00	141.46	4,448.26	30.89	0.00	9,950.74
*** TOTAL PROFIT / (LOSS) ***	(13,099.00)	1,340.09	(1,638.64)	12.51	0.00	(11,460.36)

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

200-ROADWAY IMPACT FEE FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
420-ASSESSMENTS	32,185.00	960.00	7,226.95	22.45	0.00	24,958.05
*** TOTAL REVENUES ***	32,185.00	960.00	7,226.95	22.45	0.00	24,958.05
EXPENDITURE SUMMARY						
631-ROADWAY IMPACT FEE	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL EXPENDITURES ***	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL PROFIT / (LOSS) ***	32,185.00	960.00	7,226.95	22.45	0.00	24,958.05

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

210-TRANSPORTATION FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
340-CHARGES FOR SERVICES	793,104.00	65,390.91	216,792.07	27.33	0.00	576,311.93
*** TOTAL REVENUES ***	793,104.00	65,390.91	216,792.07	27.33	0.00	576,311.93
EXPENDITURE SUMMARY						
632-TRANSPORTATION	810,500.00	147,334.89	166,534.62	20.55	0.00	643,965.38
*** TOTAL EXPENDITURES ***	810,500.00	147,334.89	166,534.62	20.55	0.00	643,965.38
*** TOTAL PROFIT / (LOSS) ***	(17,396.00)	(81,943.98)	50,257.45	288.90-	0.00	(67,653.45)

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

300-MUNICIPAL DRAINAGE UTILIT
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
330-INTERGOVERNMENTAL REV	0.00	0.00	0.00	0.00	0.00	0.00
340-CHARGES FOR SERVICES	498,409.00	40,672.10	133,561.35	26.80	0.00	364,847.65
430-USE OF MONEY AND PROP	0.00	0.00	0.00	0.00	0.00	0.00
460-PROCEEDS GEN FIXED AS	0.00	0.00	0.00	0.00	0.00	0.00
470-PROCEEDS GEN LONG TER	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	498,409.00	40,672.10	133,561.35	26.80	0.00	364,847.65
EXPENDITURE SUMMARY						
750-MUNICIPAL DRAINAGE	312,025.00	77,878.85	455,433.37	145.96	0.00	(143,408.37)
*** TOTAL EXPENDITURES ***	312,025.00	77,878.85	455,433.37	145.96	0.00	(143,408.37)
*** TOTAL PROFIT / (LOSS) ***	186,384.00	(37,206.75)	(321,872.02)	172.69-	0.00	508,256.02

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

320-SANITATION FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
310-TAXES	174,246.00	24,946.44	56,676.40	32.53	0.00	117,569.60
340-CHARGES FOR SERVICES	1,565,100.00	114,554.91	383,115.28	24.48	0.00	1,181,984.72
*** TOTAL REVENUES ***	1,739,346.00	139,501.35	439,791.68	25.28	0.00	1,299,554.32
EXPENDITURE SUMMARY						
721-SANITATION/GARBAGE	1,766,238.00	155,946.89	501,419.81	28.39	0.00	1,264,818.19
*** TOTAL EXPENDITURES ***	1,766,238.00	155,946.89	501,419.81	28.39	0.00	1,264,818.19
*** TOTAL PROFIT / (LOSS) ***	(26,892.00)	(16,445.54)	(61,628.13)	229.17	0.00	34,736.13

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

340-PUBLIC UTILITIES FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
320-PERMITS AND LICENSES	400.00	175.00	375.00	93.75	0.00	25.00
330-INTERGOVERNMENTAL REV	0.00	0.00	0.00	0.00	0.00	0.00
340-CHARGES FOR SERVICES	9,740,852.00	753,668.93	2,603,207.21	26.72	0.00	7,137,644.79
420-ASSESSMENTS	40,100.00	432.00	3,559.00	8.88	0.00	36,541.00
430-USE OF MONEY AND PROP	69,105.00	6,330.69	24,058.56	34.81	0.00	45,046.44
450-INTERFUND OPERATING T	0.00	0.00	0.00	0.00	0.00	0.00
460-PROCEEDS GEN FIXED AS	1,000.00	158.47	304.18	30.42	0.00	695.82
470-PROCEEDS GEN LONG TER	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	9,851,457.00	760,765.09	2,631,503.95	26.71	0.00	7,219,953.05
EXPENDITURE SUMMARY						
701-UTILITIES ADMINISTRAT	418,896.00	40,994.19	140,922.08	33.64	0.00	277,973.92
706-WASTEWATER TREATMENT	633,207.00	43,235.87	199,462.44	32.63	7,141.68	426,602.88
708-UTILITY DISTRIBUTION/	1,840,138.00	108,696.37	389,839.07	23.21	37,260.55	1,413,038.38
709-UTILITIES NON-DEPARTM	6,217,426.00	726,539.66	1,316,215.45	21.17	0.00	4,901,210.55
*** TOTAL EXPENDITURES ***	9,109,667.00	919,466.09	2,046,439.04	22.95	44,402.23	7,018,825.73
*** TOTAL PROFIT / (LOSS) ***	741,790.00	(158,701.00)	585,064.91	72.89	(44,402.23)	201,127.32

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

345-UTILITY IMPACT FEE FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
340-CHARGES FOR SERVICES	166,544.00	6,000.00	45,516.00	27.33	0.00	121,028.00
*** TOTAL REVENUES ***	166,544.00	6,000.00	45,516.00	27.33	0.00	121,028.00
EXPENDITURE SUMMARY						
592-NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL EXPENDITURES ***	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL PROFIT / (LOSS) ***	166,544.00	6,000.00	45,516.00	27.33	0.00	121,028.00

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

350-AIRPORT FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
330-INTERGOVERNMENTAL REV	0.00	0.00	0.00	0.00	0.00	0.00
340-CHARGES FOR SERVICES	525,497.00	24,282.47	123,085.02	23.42	0.00	402,411.98
420-ASSESSMENTS	0.00	0.00	0.00	0.00	0.00	0.00
430-USE OF MONEY AND PROP	2,500.00	1,085.00	3,773.97	150.96	0.00	(1,273.97)
440-DONATIONS FROM PRIVAT	0.00	0.00	0.00	0.00	0.00	0.00
450-INTERFUND OPERATING T	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	527,997.00	25,367.47	126,858.99	24.03	0.00	401,138.01
EXPENDITURE SUMMARY						
732-AIRPORT OPERATIONS DE	527,247.00	55,084.60	121,333.73	23.01	0.00	405,913.27
*** TOTAL EXPENDITURES ***	527,247.00	55,084.60	121,333.73	23.01	0.00	405,913.27
*** TOTAL PROFIT / (LOSS) ***	750.00	(29,717.13)	5,525.26	736.70	0.00	(4,775.26)

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

370-CEMETERY OPERATING FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
330-INTERGOVERNMENTAL REV	0.00	0.00	0.00	0.00	0.00	0.00
340-CHARGES FOR SERVICES	84,770.00	9,940.00	17,700.00	20.88	0.00	67,070.00
430-USE OF MONEY AND PROP	2,452.00	375.00	2,130.00	86.87	0.00	322.00
440-DONATIONS FROM PRIVAT	0.00	0.00	0.00	0.00	0.00	0.00
450-INTERFUND OPERATING T	12,000.00	3,701.34	3,701.34	30.84	0.00	8,298.66
460-PROCEEDS GEN FIXED AS	31,500.00	8,505.00	23,625.00	75.00	0.00	7,875.00
*** TOTAL REVENUES ***	130,722.00	22,521.34	47,156.34	36.07	0.00	83,565.66
EXPENDITURE SUMMARY						
761-CEMETERY OPERATING DE	185,850.00	14,889.93	49,854.97	26.83	0.00	135,995.03
*** TOTAL EXPENDITURES ***	185,850.00	14,889.93	49,854.97	26.83	0.00	135,995.03
*** TOTAL PROFIT / (LOSS) ***	(55,128.00)	7,631.41	(2,698.63)	4.90	0.00	(52,429.37)

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

382-FLEET SERVICES OPERATING
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
340-CHARGES FOR SERVICES	658,806.00	54,113.00	218,075.00	33.10	0.00	440,731.00
420-ASSESSMENTS	0.00	380.32	2,336.85	0.00	0.00	(2,336.85)
430-USE OF MONEY AND PROP	0.00	1,935.49	1,935.49	0.00	0.00	(1,935.49)
450-INTERFUND OPERATING T	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	658,806.00	56,428.81	222,347.34	33.75	0.00	436,458.66
EXPENDITURE SUMMARY						
517-FlEET SERVICES	657,950.00	71,510.13	262,567.40	40.65	4,859.42	390,523.18
*** TOTAL EXPENDITURES ***	657,950.00	71,510.13	262,567.40	40.65	4,859.42	390,523.18
*** TOTAL PROFIT / (LOSS) ***	856.00	(15,081.32)	(40,220.06)	266.29-	(4,859.42)	45,935.48

FINANCIAL STATEMENT
AS OF: JANUARY 31ST, 2018

384-FLEET REPLACEMENT FUND
FINANCIAL SUMMARY

ACCT # ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
340-CHARGES FOR SERVICES	879,806.00	0.00	119,952.00	13.63	0.00	759,854.00
420-ASSESSMENTS	0.00	0.00	0.00	0.00	0.00	0.00
430-USE OF MONEY AND PROP	0.00	0.00	0.00	0.00	0.00	0.00
450-INTERFUND OPERATING T	0.00	0.00	0.00	0.00	0.00	0.00
460-PROCEEDS GEN FIXED AS	0.00	0.00	0.00	0.00	0.00	0.00
470-PROCEEDS GEN LONG TER	0.00	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	879,806.00	0.00	119,952.00	13.63	0.00	759,854.00
EXPENDITURE SUMMARY						
518-EQUIPMENT REPLACEMENT	879,806.00	27,011.23	97,681.81	11.10	0.00	782,124.19
*** TOTAL EXPENDITURES ***	879,806.00	27,011.23	97,681.81	11.10	0.00	782,124.19
*** TOTAL PROFIT / (LOSS) ***	0.00	(27,011.23)	22,270.19	0.00	0.00	(22,270.19)

01/31/18

Attachment C

COUNCIL REPORT

CHECKS POSTED IN JANUARY 2018

DEPARTMENT	FUND	VENDOR NAME		DESCRIPTION	AMOUNT
NON-DEPARTMENTAL	GENERAL FUND	AFLAC		JAN. 2018 AFLAC INVOICE	2,542.67
		AT&T		E-RATE DISCOUNT	0.00
				E-RATE DISCOUNT	56.79-
		CINCINNATI LIFE INS. CO.		LIFE INSURANCE PREMIUMS	52.00
		CLIFFORD, PENNY CHRISTINE c/o TX CHILD		CAUSE # 12-1678-FC4	253.20
				CAUSE # 12-1678-FC4	253.20
		HERRERA, EDITH D %ARIZONA SUPPORT PAYM		VINCENT CLIFFORD CS FOR DE	237.46
				VINCENT CLIFFORD CS FOR DE	237.46
		MISCELLANEOUS	ANGELO, RALPH	Bond Refund:CT001232 -01	116.00
			ANGELO, RALPH	Bond Refund:CT001232 -01	134.00
			DELEON, CESAR	DELEON, CESAR:REFUND PERMI	100.00
			VIDAL, SHELLY	VIDAL, SHELLY:REFUND PERMI	76.40
			VIDAL, SHELLY	VIDAL, SHELLY:REFUND PERMI	50.00
			VIDAL, SHELLY	VIDAL, SHELLY:REFUND PERMI	26.40
			ALDERETE, ERNEST	ALDERETE, ERNEST:PAV DEP R	75.00
		McCREARY, VESELKA, BRAGG & ALLEN PC		MUNI CT-COLLECTION FEES	68.10
				MUNI CT-COLLECTION FEES	1,000.25
		OMNIBASE SERVICES OF TEXAS LP		4TH QTR OMNI FEE-OCT/NOV D	484.53
		NATIONWIDE RETIREMENT SOLUTIONS		EMPLOYEE CONTRIBUTIONS	1,717.06
				EMPLOYEE CONTRIBUTIONS	1,717.06
		PRE-PAID LEGAL SERVICES, INC. DBA LEGA		PRE-PAID LEGAL PREMIUMS	352.85
		SCOTT & WHITE HEALTHCARE		HEALTH PREMIUMS	16,756.02
				HEALTH PREMIUMS	432.60
				HEALTH PREMIUMS	15,436.36
				HEALTH PREMIUMS	432.60
		CITIZENS NATIONAL BANK		FEDERAL WITHHOLDING	26,413.86
				FEDERAL WITHHOLDING	21,533.89
				FICA CONTRIBUTIONS AND MAT	14,807.84
				FICA CONTRIBUTIONS AND MAT	15,099.10
				MEDICARE CONTRIB AND MATCH	3,463.09
				MEDICARE CONTRIB AND MATCH	3,531.13
		TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		Q4 2017 COURT COSTS&FEES	35,491.50
		TAYLOR ECONOMIC DEV.CORP.		TEDC JAN 2018 SALES TAX	94,784.22
		TEXAS MUNICIPAL RETIREMENT		CONTRIBUTIONS	17,277.36
				CONTRIBUTIONS	17,876.23
				TEDC TMRS CONT JAN 2018	2,866.50
		UNITED WAY OF WILLIAMSON COUNTY		EMPLOYEE CONTRIBUTIONS	10.00
				EMPLOYEE CONTRIBUTIONS	10.00
		UNUM LIFE INS CO OF AMERI		LIFE INSURANCE PREMIUMS	595.90
		TAYLOR PROFESSIONAL FIREFIGHTER ASSOCI		ACCT #2091015	483.00
		KIRK, SARA DENISE		SHANE NEWELL	138.46
				SHANE NEWELL	138.46
		SUN LIFE ASSURANCE COMPANY		DENTAL PAYABLE	2,320.70
		SELECT BENEFITS GROUP INC. DBA DENTAL		VISION JAN. 2018 INVOICE	201.96
				FEBRUARY 2018 VISION INVOI	219.60
				TOTAL:	299,757.23
CITY COUNCIL	GENERAL FUND	TEXAS MUNICIPAL LEAGUE		ANNUAL DUES 3/1/18-2/28/19	2,950.00
		TML INTERGOVERNMENTAL		FY17/18 WORKERS' COMP	259.67
		TEXAS MUNICIPAL RETIREMENT		ANNUAL DUES 3/1/18-2/28/19	2,950.00
		VERIZON WIRELESS		CELL PHONE	171.04
		HEJL & SCHROEDER, P.C.		LEGAL SERVICES-CITY 12/201	6,254.09
				TOTAL:	12,584.80
CITY MANAGEMENT	GENERAL FUND	BREWMESUM COFFEE		COFFEE	4.38
				COFFEE	21.61

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	10.23
		LINCOLN	LTD INSURANCE PREMIUMS	87.89
			ADJ/ SUSAN BROCK	0.52
			ADJ./ ROCIO LOPEZ	0.36
		OFFICE DEPOT CORPORATION	COPY PAPER	44.07
			LASERJET CARTRIDGES	20.26
			CALENDAR/DIVIDERS/TAPE/TON	277.60
			PRINTER INK-ROCIO	169.40
			COPY PAPER	47.78
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,871.49
			HEALTH PREMIUMS	2,871.49
			ADD EMP/SPOUSE/ J.JENKINS	1,124.32
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	866.63
			FICA CONTRIBUTIONS AND MAT	818.49
			MEDICARE CONTRIB AND MATCH	202.68
			MEDICARE CONTRIB AND MATCH	191.42
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	8.93
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	224.06
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,785.35
			CONTRIBUTIONS	1,691.33
		VERIZON WIRELESS	CELL PHONE	128.20
			IPADS	96.09
		TEXAS MUNICIPAL CLERKS ASSOCIATION, IN	TMCA ANNUAL DUES 2018	100.00
		DAHILL	EQUIPMENT MAINTENANCE	55.28
		SHRED-IT US JV LLC DBA SHRED-IT USA LL	SHREDDING SERVICES-DEC 201	193.20
		ICMA-RC PLAN SPONSOR SERVICES	PLAN 307325	99.83
			PLAN 307325	99.83
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	131.75
			ADD COV. EMP/SPOUSE/J.JENK	58.13
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	14.04
			FEBRUARY 2018 VISION INVOI	17.64
			ADD JENKINS/DEC.	6.84
			ADD JENKINS/JAN.	6.84
			TOTAL:	14,347.96
PUBLIC INFORMATION	GENERAL FUND	BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		DATAPROSE LLC	CC PRINTING	996.00
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	0.08
		LINCOLN	LTD INSURANCE PREMIUMS	16.74
			ADJ/PAM COSEL	0.49
		OFFICE DEPOT CORPORATION	COPY PAPER	3.89
			LASERJET CARTRIDGES	28.36
			COPY PAPER	5.13
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	582.39
			HEALTH PREMIUMS	582.39
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	158.81
			FICA CONTRIBUTIONS AND MAT	158.81
			MEDICARE CONTRIB AND MATCH	37.14
			MEDICARE CONTRIB AND MATCH	37.14
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	40.40
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	312.85
			CONTRIBUTIONS	312.85
		VERIZON WIRELESS	CELL PHONE	42.76
		SWAGIT PRODUCTIONS, LLC	VIDEO STREAMING-DEC 2017	695.00
			VIDEO STREAMING-JAN 2018	695.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	24.54
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	3.60
			FEBRUARY 2018 VISION INVOI	3.60
			TOTAL:	4,763.96
HUMAN RESOURCES	GENERAL FUND	BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		COOK ADVERTISING SPECIALI	5 YEAR SERVICE PINS	864.03
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	2.14
		DPS GEN SERVICES BUREAU	PRE-EMP BACKGRD CK /DEC.'1	4.00
		LINCOLN	LTD INSURANCE PREMIUMS	27.42
			ADJ. / K. PETERSON	0.56
			ADJ/C. SILVA GONZALES	0.25
		LYNN ROSS & GANNAWAY, LLP	LEGAL SVCES THRU DECEMER '	112.50
			LEGAL SERVICES THRU 01/20/	175.00
		OFFICE DEPOT CORPORATION	COPY PAPER	24.56
			LASERJET CARTRIDGES	48.62
			NOTEBOOKS/CALENDAR/POCKETS	65.20
			COPY PAPER	15.37
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	582.39
			HEALTH PREMIUMS	582.39
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	254.80
			FICA CONTRIBUTIONS AND MAT	258.09
			MEDICARE CONTRIB AND MATCH	59.59
			MEDICARE CONTRIB AND MATCH	60.36
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	67.24
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	518.23
			CONTRIBUTIONS	524.66
		VERIZON WIRELESS	CELL PHONE	42.76
		COMPLIANCE ASSOCIATES,LP	NOV/DEC.2017 PRE/RANDOM DR	548.50
			JAN PRE-EMP. DRUG SCREENIN	180.00
		DAHILL	EQUIPMENT MAINTENANCE	55.28
		WAGE WORKS, INC. DBA CONEXIS	COBRA SVCS FOR DECEMBER '1	25.00
		MILLER,BRANDY, PHD PC	PRE-EMP PSYCH EXAM /M.PLUT	200.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	49.08
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	7.20
			FEBRUARY 2018 VISION INVOI	7.20
			TOTAL:	5,388.41
FINANCIAL SERVICES	GENERAL FUND	BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		BURROWS MANUFACTURING DBA: BURROWS CAB	SALES TAX REBATE Q3 2017	15,794.11
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	2.91
		DUN & BRADSTREET CREDIBILITY CORPORATI	DUN & BRADSTREET CREDIT BU	1,199.95
		FIRST SOUTHWEST ASSET MANAGEMENT INC.	ARBITRAGE FSW	5,705.00
		LINCOLN	LTD INSURANCE PREMIUMS	59.53
			ADJ/R. DENNIS	0.74
			ADJ/L.LAWLER	0.42
			ADJ/D. NAIVAR	0.38
		OFFICE DEPOT CORPORATION	78A TONER	59.64
			PLANNER/PENS/STENO	59.37
			1095C FORMS & ENVELOPES	163.98
			CALCULATOR RIBBON	4.49
			COPY PAPER	23.00
			LASERJET CARTRIDGES	89.13
			COPY PAPER	17.02

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		QUILL CORPORATION	MAGNIFIER	10.29
			FOLDERS/CALENDAR	70.06
			CANON CALCULATOR	54.48
			STENO PAD	9.29
			W2 ENVELOPES	28.98
			HP130A CARTRIDGES	252.96
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	1,747.17
			HEALTH PREMIUMS	1,747.17
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	525.67
			FICA CONTRIBUTIONS AND MAT	529.63
			MEDICARE CONTRIB AND MATCH	122.93
			MEDICARE CONTRIB AND MATCH	123.86
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	9.00
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	145.12
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,118.49
			CONTRIBUTIONS	1,126.24
		VERIZON WIRELESS	CELL PHONE	42.76
			MODEM	32.03
		WAL-MART COMMUNITY/GEMB	LATE CHARGE	3.53
		YP	YP AD	25.33
		BROOKS WATSON & COMPANY	AUDIT FY 16-17	8,000.00
		DAHILL	EQUIPMENT MAINTENANCE	55.28
			X-PHASER 4622	46.95
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	98.16
			ADD EMP/FAMILY/ F. ELLIS	286.56
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	10.80
			FEBRUARY 2018 VISION INVOI	10.80
			TOTAL:	39,439.20
MUNICIPAL COURT	GENERAL FUND	AT&T	352-6930	176.34
		BRINKS, INC.	COURIER SERVICE-COURT	136.03
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	1.89
		ETS- ELECTRONIC TRANSACTION SYSTEMS	CHIP CARD READERS	1,960.17
		TYLER TECHNOLOGIES, INC	COURTS ONLINE	100.00
		LINCOLN	LTD INSURANCE PREMIUMS	43.59
			ADJ/M ROBBINS	0.51
			ADJ/E. WALTON	0.51
		OFFICE DEPOT CORPORATION	COPY PAPER/POST IT NOTES	92.08
			CARTRIDGE KW/MR/RN	374.37
		QUILL CORPORATION	COPY PAPER/POST IT NOTES	104.76
			LABELS/COPY PAPER	29.99
			LABELS	7.43
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	83.53
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,329.56
			HEALTH PREMIUMS	2,329.56
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	583.07
			FICA CONTRIBUTIONS AND MAT	500.17
			MEDICARE CONTRIB AND MATCH	136.36
			MEDICARE CONTRIB AND MATCH	116.97
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	7.08
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	128.90
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	980.66
			CONTRIBUTIONS	818.73
		ATMOS ENERGY	NATURAL GAS-109 W 5TH	90.54
		VERIZON WIRELESS	CELL PHONE	42.76
			IPAD	32.03

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		WALTON, ESTHER	E WALTON/REGIONAL JUDGES	174.75
		NEOPOST USA INC	POSTAGE LEASE	52.55
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	98.16
		HEJL & SCHROEDER, P.C.	MUNI CT LEGAL SERVICE 12/2	3,660.00
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	14.40
			FEBRUARY 2018 VISION INVOI	14.40
		BLUE360 MEDIA	TX CRIMINAL LAW MANUAL	50.25
			TX CRIMINAL LAW MANUAL	50.25
			TOTAL:	15,322.35
DEVELOPMENT SERVICES	GENERAL FUND	BUILDING OFFICIALS ASSOCIATION OF TX	A LUMPKIN-BOAT	50.00
		BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		CAD SUPPLIES SPECIAL INC	INK-CANON	254.00
			INK-CANON	254.00
			INK-CANON	127.00
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	6.13
		ETS- ELECTRONIC TRANSACTION SYSTEMS	CHIP CARD READERS	1,305.08
		LINCOLN	LTD INSURANCE PREMIUMS	97.60
			ADJ/T. BAIRD	0.58
			ADJ/P. ESTRADA	0.66
			ADJ/L. HANNES	0.31
			ADJ/S. LAZENBY	0.83
			ADJ/A. LUMPKIN	0.68
			ADJ./ C.ORTS	0.31
		OFFICE DEPOT CORPORATION	COPY PAPER	16.74
			LASERJET CARTRIDGES	534.78
			COPY PAPER	28.01
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,911.95
			HEALTH PREMIUMS	2,911.95
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	880.70
			FICA CONTRIBUTIONS AND MAT	883.23
			MEDICARE CONTRIB AND MATCH	205.96
			MEDICARE CONTRIB AND MATCH	206.55
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	308.31
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,805.88
			CONTRIBUTIONS	1,810.82
		VERIZON WIRELESS	CELL PHONE	213.80
			IPAD	64.06
		AMERICAN PLANNING ASSOC.	M ELABARGER-2018-19 APA	338.00
			APA 2018-19/A LUMPKIN	555.00
		DAHILL	EQUIPMENT REPAIR	55.28
		EILEEN MERRIT INC. DBA ATS ENGINEERS,	JAN 2018 INSPECTIONS	8,156.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	147.23
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	21.60
			FEBRUARY 2018 VISION INVOI	21.60
			TOTAL:	24,200.62
MAIN STREET PROGRAM 00	GENERAL FUND	BREWMESUM COFFEE	COFFEE	4.34
			COFFEE	21.61
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	2.20
		LINCOLN	LTD INSURANCE PREMIUMS	12.17
			ADJ/D. LANNEN	0.30
		OFFICE DEPOT CORPORATION	COPY PAPER	9.18
			LASERJET CARTRIDGES	89.12
			COPY PAPER	8.59

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	119.28
			FICA CONTRIBUTIONS AND MAT	119.28
			MEDICARE CONTRIB AND MATCH	27.90
			MEDICARE CONTRIB AND MATCH	27.90
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	15.42
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	232.97
			CONTRIBUTIONS	232.97
		VERIZON WIRELESS	CELL PHONE	42.76
		ASCAP	BASE LICENSE FEE-MUSIC @ F	348.00
		BROADCAST MUSIC, INC.	MUSIC PROFILE BASE LICENSE	349.00
		DAHILL	EQUIPMENT REPAIR	55.28
		NATIONAL MAIN STREET CENTER INC.	MEMBERSHIP # 6089	350.00
		AUSTIN CHRONICLE CORPORATION	MAIN STREET CAR SHOW ADS	1,004.49
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	3.60
			FEBRUARY 2018 VISION INVOI	3.60
			TOTAL:	3,079.96
CD-MOODY MUSEUM	GENERAL FUND	RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	290.47
		ATMOS ENERGY	NATURAL GAS-MOODY DEC 2017	73.19
		VERIZON WIRELESS	MIFI	32.03
			TOTAL:	395.69
PUBLIC LIBRARY	GENERAL FUND	AT&T	352-3434	344.07
		DEMCO, INC.	BOOK PROCESSING SUPPLIES	201.37
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	1.55
		ELLIS, KAREN	ARCHIVE MATERIAL	9.00
		INGRAM BOOK COMPANY	BOOKS	1,328.13
			BOOKS	498.05
			BOOKS	507.55
			BOOKS	10.77
			BOOKS	14.30
		LINCOLN	LTD INSURANCE PREMIUMS	64.98
			ADJ/M. DELAROSA	0.18
			ADJ/SALLY DIAZ	0.24
			ADJ/KAREN ELLIS	0.52
			ADJ/A. LUNA	0.46
			ADJ/E. MENDEZ	0.45
			ADJ/ LEAH NORRIS	0.20
			ADJ/B. THOMPSON	0.39
		MIDWEST TAPE	DVD SECURE CASES	111.29
			DVD	282.87
			DVD	111.95
		OFFICE DEPOT CORPORATION	PRINTER TONER	275.97
			PRINTER TONER	185.74
			PAPER/TAPE/TRAY	106.47
			PAPER	5.61
			CREDIT-DAMAGED TRAY	8.88-
			STACKABLE TRAY	8.88
		RECORDED BOOKS, INC.	BOOKS ON CD	272.20
			BOOK ON CD	74.20
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	922.08
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,329.56
			HEALTH PREMIUMS	2,329.56
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	657.00
			FICA CONTRIBUTIONS AND MAT	662.37
			MEDICARE CONTRIB AND MATCH	153.65

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			MEDICARE CONTRIB AND MATCH	154.90
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	3.06
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	173.02
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,288.59
			CONTRIBUTIONS	1,299.08
		ATMOS ENERGY	NATURAL GAS-801 VANCE ST	198.91
		VERIZON WIRELESS	CELL PHONE	42.76
		WAL-MART COMMUNITY/GEMB	SWIFFER/LYSOL/PAIL	52.71
			BINDERS	5.97
		AT&T U-VERSE	INTERNET	85.77
			INTERNET	104.90
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	122.70
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	18.00
			FEBRUARY 2018 VISION INVOI	18.00
			TOTAL:	15,031.10
FIRE DEPARTMENT	GENERAL FUND	AT&T	352-6752	162.21
			352-2625	33.08
			352-3195	120.55
			352-6992	0.00
		METRO FIRE APPARATUS SPECIALISTS, INC	SCBA CYLINDERS	4,000.00
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	3.34
		EKISS, LAURENCE P.	P EKISS/TEEX CONF SAN MARC	22.28
		FED EX	COURIER	38.69
		GEAR CLEANING SOLUTIONS LLC	INSPECTION/CLEANING	310.98
			INSPECTION/CLEANING	623.31
		INTERNATIONAL ASSN OF FIRE CHIEFS	ANNUAL DUES - COPELAND	214.00
		LINCOLN	LTD INSURANCE PREMIUMS	322.52
			ADJ/COLTON BROCK	0.30
			ADJ/R.CARLTON	1.66
			ADJ/B. COPELAND	0.60
			ADJ/TIM DAVIS	1.82
			ADJ/N. DOMINGUEZ	0.30
			ADJ/PAT EKISS	0.77
			ADJ/ERIC ENGELKE	1.66
			ADJ/N. GILSTRAP	0.30
			ADJ/T. HERNANDEZ	1.51
			ADJ/C. ISELT	0.30
			ADJ/P. MUSTON	0.30
			ADJ/ T. POKORNY	1.26
			ADJ/Z. REEVES	1.39
			ADJ/JAMES RUSSELL	1.83
			ADJ/B. SANDERS	1.90
			ADJ/R. SORRICK	0.31
			ADJ/ C. TAYLOR	1.43
			ADJ/R. THOMPSON	1.32
			ADJ/M. VRABEL	0.31
			ADJ/WADLEY	0.30
			ADJ/J. WAITS	0.35
			ADJ/M. WHISENANT	1.54
		OFFICE DEPOT CORPORATION	FILE CABINET	399.99
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	434.36
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	12,812.58
			HEALTH PREMIUMS	11,647.80
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	3,369.87
			FICA CONTRIBUTIONS AND MAT	3,398.02

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			MEDICARE CONTRIB AND MATCH	788.13
			MEDICARE CONTRIB AND MATCH	794.66
		TAYLOR OFFICE PRODUCTS INC	COPELAND BUSINESS CARDS	98.00
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	10.83
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	5,365.63
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	6,769.66
			CONTRIBUTIONS	7,127.53
		TIME WARNER CABLE DBA SPECTRUM	CABLE	288.33
		TEXAS FIRE CHIEFS ASSOCIATION	DUES & ACADEMY	25.00
			DUES & ACADEMY	1,000.00
		ATMOS ENERGY	NATURAL GAS-200 WASHBURN	268.57
			NATURAL GAS-705 CP BLVD NW	222.40
		VERIZON WIRELESS	CELL PHONE	213.80
			MIFI/AIRCARDS	480.45
			AIRCARD	32.03
		WILLIAMSON COUNTY AUDITOR'S OFFICE	QUARTERLY PAYMENT	2,874.36
		WHISENANT, MATTHEW	M WHISENANT/LEADERSHIP/TEE	105.00
		AWARD CENTER	PATS - MICHNAS	52.36
		MUNICIPAL EMERGENCY SERVICES, INC	FIT TESTS - KRAEMER, SIMMO	65.00
		AT&T U-VERSE	AT&T U-VERSE	158.97
		D E WILLIAMS SHIELDS	IDENTIFIERS	586.00
			P-CARD PAID-IDENTIFIERS	586.00-
		MAIN STREET INSTALLERS, LLC	PATCH STICKERS	152.50
		RED THE UNIFORM TAILOR, INC	NAMETAG - DOMINGUEZ	13.60
			ANNUAL UNIFORM ORDER	389.50
			NAMETAPES - KRAEMER, SIMMO	85.50
			3 WHITE SHIRTS - EKISS	120.69
			PATCH - EKISS	5.00
		ACROSS THE STREET PRODUCTIONS	ANNUAL RENEWAL-BLUE CARD	1,000.00
		GEORGETOWN VISION CENTER PLLC	ANNUAL VISION TESTS - 2016	1,280.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	515.32
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	75.60
			FEBRUARY 2018 VISION INVOI	82.80
		MARBLE FALLS AREA VOLUNTEER FIRE DEPT.	ARTOF READING SMOKE CLASS	100.00
			TOTAL:	68,496.26
POLICE DEPARTMENT	GENERAL FUND	AT&T	352-5551	529.59
		BREWMESUM COFFEE	OFFICE COFFEE SERVICE - TP	150.25
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	46.35
		G T DISTRIBUTORS, INC	HUMANE LEG RESTRAINTS	79.80
		LINCOLN	LTD INSURANCE PREMIUMS	524.25
			ADJ/ K. ADCOCK	1.00
			ADJ/J. BODIFORD	0.98
			ADJ/J. BRANSON	0.62
			ADJ/T. BRIONES	3.38
			ADJ/SAM BRISTER	1.46
			ADJ/COTY BROWN	7.79
			ADJ/AUTUMN CLIFFORD	1.05
			ADJ/VINCENT CLIFFORD	0.68
			ADJ/J. CULP	1.10
			ADJ/T.DECHIARA	1.64
			ADD/SARAH DIAL	8.65
			ADJ/M. DICKENS	0.36
			ADJ/HENRY FLUCK	0.79
			ADJ/D. GOMEZ	0.44
			ADJ/W. HAMMER	1.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			ADJ/T. HARMS	0.40
			ADJ/J HUGES	1.00
			ADJ/A. KOCH	0.37
			ADJ/J. LAGRONE	0.66
			ADJ/J. LOEVE	0.34
			ADJ/D.LOOK	0.34
			ADJ/L. LUERA	0.34
			ADJ/M. MCINTIRE	0.37
			ADJ/MOREHOUSE	7.79
			ADD COV/PRISCILLA MORENO	11.50
			ADJ/MICHAEL MORRIS	0.40
			ADJ/DAVID NEWELL	0.37
			ADJ/SHANE NEWELL	0.36
			ADJ. / PERIO	0.33
			REINSTATE C. PRIKRYL	11.64
			ADJ/CHRISTINA REYES	0.41
			ADJ/RODNEY RINGOLD	0.34
			ADJ/EUTEVA ROUSAR	1.01
			ADJ/JOANNA SANDERS	1.56
			ADJ/T. SIRKIS	1.00
			ADJ/KIETH URBAN	0.40
			ADJ/LESHA WHITLOW	0.33
			ADJ/BETH WILKES	0.41
			ADJ/HUNTER WILSON	0.37
		MILLER UNIFORM & EMBLEMS	LIGHT DUTY JACKET - FLUCK	119.99
		RANDY'S WRECKER SERVICE	TOWING SERVICES 2017121003	304.20
			TOWING SERVICES 2017123004	286.00
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	875.29
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	22,130.82
			ADD EMP/FAM/S.DIAL	1,365.65
			ADD EMPCHILD/P.MORENO	850.59
			ADD DEC. COV/C.PRIKRYL	582.39
			HEALTH PREMIUMS	20,383.65
			TERM COV. C. PRIKRYL	582.39-
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	5,078.95
			FICA CONTRIBUTIONS AND MAT	5,407.82
			MEDICARE CONTRIB AND MATCH	1,187.80
			MEDICARE CONTRIB AND MATCH	1,264.70
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	31.45
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	8,392.63
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	10,355.59
			CONTRIBUTIONS	11,160.09
		TIME WARNER CABLE DBA SPECTRUM	INTERNET SERVICE FEB 2018	578.10
		VERIZON WIRELESS	CELL PHONE	1,227.05
			AIRCARD	506.82
		WAL-MART COMMUNITY/GEMB	BEANBAG CHAIR&DESK/CHAIR	168.98
			FIRST AID KIT/CLIPBOARD/HE	43.62
			SANDWICH SUPPLIES - TPD	38.26
			VOCA - TV, DVD, SHELF	229.87
		WILLIAMSON COUNTY AUDITOR'S OFFICE	SYSTEM BILLING - 2ND QUART	4,903.32
		OLLE NETWORK TECH CONSULTANTS DBA ON	IT SUPPORT - JANUARY 2018	2,711.88
		INTERNATIONAL ASSN OF CHIEFS OF POLICE	2018 IACP MEMBERSHIP BRANS	150.00
			2018 IAPE MEMBERSHIP FLUCK	20.00
			2018 IACP MEMBERSHIP LAGRO	150.00
		BURRELL PRINTING COMPANY, INC	VOCA - BUSINESS CARDS	52.00
		AMANDA'S HONEY POTS	PORT A POTTY RENTAL - TPD	167.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	907.88
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	126.00
			FEBRUARY 2018 VISION INVOI	129.60
			ADD P. MORENO	7.20
			TOTAL:	102,716.02
ANIMAL CONTROL	GENERAL FUND	AT&T	352-5483	38.28
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	5.75
		LINCOLN	LTD INSURANCE PREMIUMS	18.18
			ADJ/SUSAN DAVIS	0.49
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	267.31
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	582.39
			HEALTH PREMIUMS	582.39
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	242.48
			FICA CONTRIBUTIONS AND MAT	241.51
			MEDICARE CONTRIB AND MATCH	56.71
			MEDICARE CONTRIB AND MATCH	56.48
		TAYLOR SPORTING GOODS	KENNEL TECH (5) SHIRT EMBR	52.50
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	8.26
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	640.50
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	473.81
			CONTRIBUTIONS	471.91
		TRACTOR SUPPLY COMPANY	DOG FOOD & SHUT OFF VALVE	77.56
			HEAT LAMP BULBS - ACO	17.98
		VERIZON WIRELESS	CELL PHONE	128.28
		WAL-MART COMMUNITY/GEMB	CLEANING SUPPLIES - ACO	100.61
			CLEANING SUPPLIES - ACO	74.65
		AT&T U-VERSE	INTERNET	29.14
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	24.54
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	7.20
			FEBRUARY 2018 VISION INVOI	7.20
			TOTAL:	4,206.11
STREETS & GROUND MAINT	GENERAL FUND	AT&T	352-6257	379.50
		BREWMESUM COFFEE	1424 N MAIN/COFFEE SERVICE	45.00
			1424 N MAIN/COFFEE SERVICE	110.25
			1424 N MAIN/COFFEE SERVICE	24.00
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	7.00
		EVINS TEMPORARIES, INC.	ST,GR/1 TEMP 12/25-12/29/1	336.00
			ST,GR/1 TEMP 1/2-1/5/18	448.00
			ST,GR/1 TEMP 1/8-1/12/18	448.00
			ST,GR/1 TEMP 1/15-1/19/18	336.00
			ST,GR/1 TEMP 1/24-1/26/18	336.00
		LINCOLN	LTD INSURANCE PREMIUMS	112.73
			ADJ/ B. BACHMEYER	0.34
			ADJ/ A. BEALS	0.91
			ADJ/ SANTIAGO MACEDO	0.91
			ADJ/JOSE MARTINEZ	0.23
			ADJ/L. MORRISON	0.06
			ADJ./ IRMA OLGUIN	0.34
			ADJ./ N. OLMSTEAD	0.83
			ADJD/ J. SCHUTZ	16.90
			ADJ/C. VERRANEAULT	0.83
		MOSS & MOSS INC. #4000	CECILIA/GUARDRAIL DAMAGE R	22.27
			PARKS RROOMS/CLEAN PRODUCT	27.87
			ST,GR/HEATER,CABLE TIES 83	57.63

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			PW FRONT GATE/LOCK 101194	12.08
		OFFICE DEPOT CORPORATION	ST,GR/COPY PAPER,PRINT CAR	284.55
		PATHMARK TRAFFIC PROD INC	ST,GR/ANCHORS,WEDGET,CLAM	2,551.50
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	5,432.97
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	6,406.29
			HEALTH PREMIUMS	6,406.29
			TERM COV. J. PACHICANO	582.39-
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	1,050.68
			FICA CONTRIBUTIONS AND MAT	1,083.09
			MEDICARE CONTRIB AND MATCH	245.72
			MEDICARE CONTRIB AND MATCH	253.30
		TEXAS CRUSHED STONE CO.	ST,GR/4 LOADS WASHED SAND	1,017.68
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	16.14
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	5,938.92
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	2,116.79
			CONTRIBUTIONS	2,182.34
		TIME WARNER CABLE DBA SPECTRUM	INTERNET	216.10
		TRACTOR SUPPLY COMPANY	R TOENJES/BOOTS 514348	159.99
		ATMOS ENERGY	1424 N MAIN/NATURAL GAS	254.55
		VERIZON WIRELESS	CELL PHONE	213.80
		CINTAS CORPORATION #86	ST,GR/UNIFORMS 659885	43.47
			ST,GR/UNIFORMS 663649	43.47
			ST,GR/UNIFORMS 667633	43.47
			ST,GR/UNIFORMS 671658	43.47
		TRI-POINT REFRIGERATION, INC.	1424 N MAIN/ICE MACHINE CL	311.12
		FJC PERSONNEL, LLC	ST,GR/3 TEMPS 12/25-12/29/	683.10
			ST,GR/2 TEMPS 1/1-1/5/18	876.30
			ST,GR/2 TEMPS 1/8-1/12/18	993.60
			ST,GR/2 TEMPS 1/17-1/19/18	662.40
		CINTAS CORP DBA FIRST AID & SAFETY	ST,GR/1 DOZ SAFETY GLASSES	48.60
			1424 N MAIN/MED KIT SUPPLI	59.28
		SAFELANE TRAFFIC SUPPLY, LLC	ST,GR/12 4 WAY SIGNS 11745	105.00
		OLDCASTLE MATERIALS TEXAS INC.	LAKE&DAVIS/1 LOAD HOT MIX	191.52
			LAKE&DAVIS/1 LOAD HOT MIX	135.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	245.40
		T7 ENTERPRISES, LLC DBA RELIABLE TIRE	ST,GR/TIRE DISPOSAL	342.75
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	32.40
			FEBRUARY 2018 VISION INVOI	36.00
			ADD J. SCHUTZ	10.80
		CRAFCO, INC.	ST,GR/3 PALLETS CRAC SEAL	3,780.00
			ST,GR/3 PALLETS CRACK SEA	3,768.80
			TOTAL:	50,427.94
PARKS & RECREATION	GENERAL FUND	AT&T	352-6877	34.64
		AT&T (ATLANTA)	PHONE/P&R	41.98
		JIM McNABB INC DBA: ART OFFICE SIGNS	P&R/"DOLLARS AT WORK" SIGN	295.00
			TRPSC/8 SIGNS 0053417	80.00
		BETA TECHNOLOGY, INC	TRPSC/CLEANING PRODUCTS623	882.81
		BSN SPORTS	P&R/BASKETBALLS 377392	151.62
			TRPSC/FENCING REPAIRS 4242	767.37
			TRPSC,PARKS,T COURTS	750.00
			TRPSC,PARKS,T COURTS	352.58
			TRPSC,PARKS,T COURTS	352.58
		CHARLIE'S PAINTING CO.	BALLFIELDS,PARKS/PAINTING	3,215.00
		ETS- ELECTRONIC TRANSACTION SYSTEMS	CHIP CARD READER	662.17
		GRAINGER, W. W. INC.	TRPSC/MISC SUPPLIES	437.96

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		KOKEL-OBERRENDER-WOOD APPRAISAL, LTD.	SKATEPARK/APPRAISAL REPORT	5,000.00
		LINCOLN	LTD INSURANCE PREMIUMS	56.91
			ADJ/ J. ARROYO	0.83
			ADJ/C. CUNNINGHAM	1.71
			ADJ/M. DEVITO	0.51
			ADJ/C. FIELDS	0.51
			ADJ/ R. MARTINEZ	0.83
			ADJ/CECAR VALDEZ	0.51
		MID-TEX SALES AND SERVICE, INC	TRPSC/ICE MACHINE REPAIR	553.00
			TRPSC/ICE MACHINE REPAIR P	9.00
		MOBILE MINI, INC	TRPSC/MOBILE LEASE 1/20-2/	102.00
		MOSS & MOSS INC. #5000	TRPSC/CABLE TIES 83172	32.51
			TRPSC/IRRIG REPAIR PARTS 8	18.30
			TRPSC/CORD, REEL 101596	15.79
			TRPSC/LOCK, KEYS 102399	48.11
			TRPSC/LOCKS 103316	35.32
			TRPSC/SPRAY PAINT 103451	4.64
		PATHMARK TRAFFIC PROD INC	TRPSC/10 7# CONES 025968	139.50
		PAUL'S POOL SERVICE	POOLS/CHEMS	338.00
			MURPHY POOL CLEAN GRANULES	169.00
			POLE	75.00
			MURPHY PL/CLEAN GRAN,SHOCK	263.99
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	678.50
			MONTHLY ELECTRIC BILL	2,211.23
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,911.95
			HEALTH PREMIUMS	2,911.95
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	508.81
			FICA CONTRIBUTIONS AND MAT	530.45
			MEDICARE CONTRIB AND MATCH	119.00
			MEDICARE CONTRIB AND MATCH	124.05
		SPECTRUM CORPORATION	SCOREBOARD CONTROLLER REPA	228.70
		TAYLOR INDEPENDENT SCHOOL DISTRICT	FACILITY USE FOR BASKETBAL	2,750.00
		TEXAS TURFGRASS ASSOCIATION	C CUNNINGHAM/MEMERSHIP FEE	90.00
			M DEVITO/MEMBERSHIP FEES	90.00
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	8.46
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	1,229.51
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,077.21
			CONTRIBUTIONS	1,119.47
		VERIZON WIRELESS	CELL PHONE	171.04
			IPAD	64.06
		WAL-MART COMMUNITY/GEMB	TRPSC PHONE	54.00
			BLIND	12.48
			TRPSC/NOTEPAD/PLANNER	7.87
		MCCOY'S BUILDING SUPPLY	TRPSC/CORD REEL,PAINT,CORD	43.37
			TRPSC/BLADE 5354411	13.09
			TRPSC/DRILL 5354412	143.99
			TRPSC/GROUND CONTACT	16.94
			TRPSC/LUMBER 5354722	5.10
		AMAZON.COM	TRPSC/TV/MONITOR	425.85
			P-CARD PAID TRPSC TV/MONIT	425.85-
		AMANDA'S HONEY POTS	ROBINSON PAV/1/5-2/1/18	125.00
		CINTAS CORPORATION #86	TRPSC/UNIFORMS 663655	29.76
			TRPSC/UNIFORMS 667640	29.76
			ST,GR/UNIFORMS 716567	29.76
		FIELDS, CURTIS	C FIELDS/PROF GRNDS CONFER	9.00
		COMMERCIAL SWIM MANAGEMENT, LLC	POOLS/M FEES, CHEMS	437.50

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		LIGHTNING PREDICTION SALES & SERVICES,	PARKS/LIGHTNING PREDICTIO	350.00
		THREADGILL, GARY	ASSIGN FEE BASKETBALL LEAG	384.00
			WEEK 1 BASKETBALL OFFICIAL	150.00
			BASKETBALL REFEREE PAYMENT	150.00
			PAYMENT BASKETBALL REFERRE	150.00
			BASKETBALL REFEREE	150.00
		MOORE, TORIN	WEEK 1 OF BASKETBALL OFFIC	150.00
			BASKETBALL REFEREE PAYMENT	150.00
			PAYMENT BASKETBALL REFEREE	150.00
			BASKETBALL REFEREE	150.00
		SAFELANE TRAFFIC SUPPLY, LLC	P&R/2 TYPE III BARRICADES	350.00
		DAVID FENSKE SAND & GRAVEL LLC	ROBINSON BFIELD/DIRT	800.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	122.70
		TRUGREEN LIMITED PARTNERSHIP	TRPSC/HERBICIDE SPRAYING	2,040.00
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	18.00
			FEBRUARY 2018 VISION INVOI	18.00
			TOTAL:	37,954.39
INTERNAL SERVICES/BLDG	GENERAL FUND	AT&T	352-3675	1,411.88
		AMERICAN PUBLIC WORKS ASSOCIATION	APWA	226.00
		BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	3.87
			MONTHLY PHONE BILL	1.44
		GULF COAST PAPER CO. INC.	1424 N MAIN/TISSUE 1436603	176.44
			TISSUE ROLLS/TOWELS	196.43
		HOME DEPOT CREDIT SERVICES	COMPRESSION BRACKET	387.30
		JOSEPH DEAN GLOVER DBA:	PEST CONTROL	900.00
			PEST CONTROL	45.00
		LINCOLN	LTD INSURANCE PREMIUMS	42.08
			ADJ/RICHARD JONES	0.40
			ADJ/ROSALIA MORENO	0.18
			ADJ/L. THOMPSON	0.52
		MATERA PAPER CO INC	ROLL TOWELS/HAND SOAP	224.01
			TOWELS/DUST MOPS/BLEACH/GL	189.16
		MOSS & MOSS INC. #6000	KEY TAG	2.32
			BULL BRANCH-MOULDING	13.00
			CORNER IRON-MUNI COURT	4.18
			ACO-COUPLING	14.12
			FIRE ADM-PAINT	24.93
			ACO MISC HARDWARE	5.38
			BUNGEE CORDS	15.34
			GLOVES	7.42
			KEYS/LOCKSET	14.65
			BULBS	8.36
			CITY HALL-BATTERY	9.29
			FOAM TAPE	4.99
			CEMETERY-TANK REPAIR KIT	12.08
			CEMETERY-TOILET CONNECT PL	6.31
		MOSS & MOSS INC. #8000	KEYS/CLEANER	5.74
		OFFICE DEPOT CORPORATION	FLASH DRIVE	16.72
			KEY CABINET	151.99
			COPY PAPER	4.52
			CALENDAR/BATTERY	51.13
			COPY PAPER	0.30
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	694.69

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,329.56
			HEALTH PREMIUMS	2,329.56
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	418.77
			FICA CONTRIBUTIONS AND MAT	415.82
			MEDICARE CONTRIB AND MATCH	97.93
			MEDICARE CONTRIB AND MATCH	97.25
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	710.97
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	840.38
			CONTRIBUTIONS	834.61
		ATMOS ENERGY	NATURAL GAS-400 PORTER	313.24
		VERIZON WIRELESS	CELL PHONE	85.52
			MIFI	64.06
		VIC'S HEAT & AIR	STA 2-REPLACE BLOWER MOTOR	831.25
			CH-REPAIR DRAIN LINE	295.50
		WAYNE GING PLUMBING, LLC	POLICE-INSTALL WATER FOUNT	1,139.50
			MUNI CT-RESET TOILET	115.00
			POLICE-REPLACE WATER HEATE	721.50
			LIBRARY-REPAIR WATER FOUNT	135.00
		A & B RESTORATION, INC	LIBRARY-CLEAN CHAIRS	820.00
		MCCOY'S BUILDING SUPPLY	BULL BRANCH-WOOD FILLER	12.55
		CINTAS CORPORATION #86	MATS	145.36
			MATS	149.71
			MATS	145.36
			MATS	149.11
			MATS	145.36
		NEOPOST USA INC	POSTAGE METER	199.47
		CINTAS CORP DBA FIRST AID & SAFETY	MEDICAL SUPPLIES	156.85
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	98.16
		SHARCO TECHNOLOGIES, INC.	LIBRARY-REPROGRAM PHONES	250.00
		WEATHERPROOFING TECHNOLOGIES, INC.	LIBRARY	1,958.28
			FIRE STATION #1	1,078.81
			FIRE STATION #2	1,571.28
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	14.40
			FEBRUARY 2018 VISION INVOI	14.40
			TOTAL:	23,582.68
ENGINEERING & INSPECTI	GENERAL FUND	RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	113.82
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	77.61
		SLEDGE ENGINEERING LLC	NOV/DEC 2017 RETAINAGE	4,700.00
			TOTAL:	4,891.43
INTERNAL SVC/ I T DEPT	GENERAL FUND	LINCOLN	LTD INSURANCE PREMIUMS	11.41
			ADJ/R.HINTON	0.33
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	582.39
			HEALTH PREMIUMS	582.39
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	92.32
			FICA CONTRIBUTIONS AND MAT	92.32
			MEDICARE CONTRIB AND MATCH	21.59
			MEDICARE CONTRIB AND MATCH	21.59
		SOUTHERN COMPUTER WAREHOUSE	HDMI CABLES	122.52
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	27.91
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	213.33
			CONTRIBUTIONS	213.33
		TIME WARNER CABLE DBA SPECTRUM	TV CABLE	62.42
		VERIZON WIRELESS	CELL PHONE	42.76
			MIFI	32.03

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		OLLE NETWORK TECH CONSULTANTS DBA ON	IT CONSULTING	2,156.56
		ACC BUSINESS	INTERNET	925.43
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	24.54
		CIT BANK, N.A DBA AVAYA FINANCIAL SERV	PHONE LEAD	2,500.37
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	3.60
			FEBRUARY 2018 VISION INVOI	3.60
			TOTAL:	7,732.74
NON-DEPARTMENTAL	GENERAL FUND	BROOKSHIRE INS AGENCY INC	VRABEL NOTARY	71.00
		KEEP TAYLOR BEAUTIFUL	PAPER RETRIEVERS 2017	30.65
		LANGFORD COMMUNITY MGMT	HAZARD MITIGATION PLAN	4,050.00
		TML INTERGOVERNMENTAL	FY17/18 ERRORS & OMISSIONS	1,283.87
			FY17/18 GENERAL LIABILITY	948.31
			FY17/18 LAW ENFORCEMENT LI	3,286.50
			FY17/18 CRIME PUB EMP DIS	292.75
			FY17/18 CRIME THEFT	178.25
			FY17/18 REAL & PERS PROP	6,648.39
		WILLIAMSON COUNTY & CITIES HEALTH DIST	2ND QTR 10/1/17-9/30/18	9,812.43
			TOTAL:	26,602.15
TIF EXPENDITURES	TIF (TAX INCREMENT	BAGENT, SHANNON DBA BLACK SPARROW	PAINT GRANT	500.00
			TOTAL:	500.00
HOTEL/MOTEL TAX	HOTEL/MOTEL FUND	TAYLOR CHAMBER OF COMMERC	HOTEL/MOTEL COLLECT NOV 20	5,226.89
			HOTEL/MOTEL COLLECT OCT 20	6,216.76
			TOTAL:	11,443.65
CONTRIBUTE CIVIC PROGR	MAIN STREET REVENU	CWMRY BOYD II LLC	PILOT KNOB WINERY #9 OF 12	332.74
			PURO CARZAON #9 OF 12	494.77
		AUSTIN CHRONICLE CORPORATION	AD FOR WINE SWIRL/BAZAAR/X	500.00
		MORRIS, KARYN DBA SWEET & SOUTHERN FIN	#9 OF 12-QUICHE & CRUMB PA	149.04
		S.R. SCOTT FAMILY LIMITED PARTNERSHIP	TAYLOR STATION-#9 OF 12	346.60
		4TH & MAIN, LLC	#9 OF 12-TROUVAILLE ANTIQU	346.60
			TOTAL:	2,169.75
MUNICIPAL COURT JUDICI	MUNICIPAL CRT SPEC	FJC PERSONNEL, LLC	TEMP SVCS-M EMBRY 12/27-29	173.88
			TEMP SVCS-M EMBRY 1-1/1-5/	231.84
			TEMP SVC-M EMBRY 1/8-1/10	173.88
			TEMP SVCS-M EMBRY 1/17-1/1	173.88
			TOTAL:	753.48
LIBRARY	LIBRARY GRANT/DONA	INGRAM BOOK COMPANY	MEMORIAL BOOKS	141.46
			TOTAL:	141.46
AMY YOUNG BARRIER REMO	GENERAL CAPITAL IM	SCHNEIDER, CHRISTOPHER W.	2708 S MAIN AYBR-0SSF INST	4,250.00
			TOTAL:	4,250.00
HERITAGE/SKATE PARK	GENERAL CAPITAL IM	ALLIANCE ENGINEERING GROUP INC.	SKATE PARK	731.00
		SLEDGE ENGINEERING LLC	COT-CIP SKATE PARK	1,650.00
		EVERGREEN SKATEPARKS, LLC	SKATEPARK PAY APP#1	81,900.00
			SKATEPARK PAY APP#2	104,940.00
			TOTAL:	189,221.00
GIVENS COMMUNITY CENTE	GENERAL CAPITAL IM	SLEDGE ENGINEERING LLC	COT-CIP GIVENS	750.00
			COT-CIP HERITAGE	19,280.00
			TOTAL:	20,030.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
TP&W ROBINSON PARK GRA	GENERAL CAPITAL IM	SLEDGE ENGINEERING LLC	COT-CIP ROBINSON SPRAYGROU	250.00
			TOTAL:	250.00
HOME PROGRAM-TDHCA	GENERAL CAPITAL IM	HENGST, RONALD D. DBA ABSOLUTE RESIDEN	HOME-111 FIRST AVE	450.00
		TX DEPT OF HOUSING & COMMUNITY AFFAIRS	APPLICATION FEE-HOME PROGR	30.00
			TOTAL:	480.00
MDUS (8) PROJECT DESIG	MDUS IMPROVEMENT P	HALFF ASSOCIATES, INC.	MDUS DESIGN-8 PROJECT	1,398.25
			TOTAL:	1,398.25
EDMOND ST PH 1 MDUS	MDUS IMPROVEMENT P	ALLIANCE ENGINEERING GROUP INC.	ALLIANCE-MDUS	2,617.41
			ALLIANCE-TUF	2,130.45
			ALLIANCE-UTILITY	1,339.14
			ALLIANCE-MDUS	2,724.05
			ALLIANCE-TUF	2,217.25
			ALLIANCE-UTILITY	1,393.70
		PATIN CONSTRUCTION, LLC	EDMOND-UTILITY	2,988.00
			EDMOND-MDUS	39,375.00
			EDMOND-TUF	144,431.82
			TOTAL:	199,216.82
NON-DEPARTMENTAL	SANITATION FUND	TEXAS COMPTROLLER OF PUBLIC ACCOUNTS	SALES&USE TAX END 12.31.17	6,272.23
			TOTAL:	6,272.23
SANITATION/TRASH	SANITATION FUND	PROGRESSIVE WASTE SOLUTIONS DBA WC OF	RESIDENTIAL	64,917.78
			FRONT LOAD	43,544.25
			COMMERCIAL TOTERS	6,483.66
			TOTAL:	114,945.69
NON-DEPARTMENTAL	PUBLIC UTILITIES F	AFLAC	JAN. 2018 AFLAC INVOICE	505.36
		NATIONWIDE RETIREMENT SOLUTIONS	EMPLOYEE CONTRIBUTIONS	85.00
			EMPLOYEE CONTRIBUTIONS	85.00
		PRE-PAID LEGAL SERVICES, INC. DBA LEGA	PRE-PAID LEGAL PREMIUMS	218.30
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	3,572.02
			HEALTH PREMIUMS	3,572.02
		CITIZENS NATIONAL BANK	FEDERAL WITHHOLDING	3,057.40
			FEDERAL WITHHOLDING	2,590.40
			FICA CONTRIBUTIONS AND MAT	2,254.98
			FICA CONTRIBUTIONS AND MAT	2,281.57
			MEDICARE CONTRIB AND MATCH	527.36
			MEDICARE CONTRIB AND MATCH	533.59
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	2,682.08
			CONTRIBUTIONS	2,711.44
		UNUM LIFE INS CO OF AMERI	LIFE INSURANCE PREMIUMS	263.95
		SLEDGE ENGINEERING LLC	COT-CIPW/WTP	5,000.00
		MILLS, TERESA NICHOLE c/o TX CHILD SUP	01-346 EDWARD AVALOS, JR.	312.46
			01-346 EDWARD AVALOS, JR.	312.46
		SUN LIFE ASSURANCE COMPANY	DENTAL PAYABLE	463.56
		AUSTIN ENGINEERING COMPANY, INC.	WWTP 2017 PAY APP #9	23,952.83
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	45.36
			FEBRUARY 2018 VISION INVOI	45.36
			TOTAL:	55,072.50
UTILITIES ADMINISTRATI	PUBLIC UTILITIES F	BREWMESUM COFFEE	COFFEE	4.38
			COFFEE	21.61
		BRINKS, INC.	COURIER SERVICE-UT BILL	136.03

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		DATAPROSE LLC	LATE NOTICES-DEC 2017	165.56
			REGULAR BILLS	976.78
			POSTAGE	2,888.93
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	4.16
		ETS- ELECTRONIC TRANSACTION SYSTEMS	CHIP CARD READER	1,960.17
		TYLER TECHNOLOGIES, INC	UTILITY BILLING NOTIFICATI	5,500.00
			WEBSITE MAINTENANCE	50.00
			UT BILLING MAINTENANCE	220.00
		LINCOLN	LTD INSURANCE PREMIUMS	52.61
			ADJ/A. BELTRAN	0.80
			ADJ/SENECA MILES	0.83
			ADJ/C. SHY	0.37
			ADJ/DELIA TRUJILLO	0.52
		McCREARY, VESELKA, BRAGG & ALLEN PC	MVBA-WILLIAMS	66.31
			MVBA-SCHWENKERS	7.91
		OFFICE DEPOT CORPORATION	CALENDAR/PAPER/HP950 INK/C	299.19
			PLANNER/TAPE/PENS/BINDER	62.59
			COPY PAPER	3.76
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	92.42
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	2,911.95
			HEALTH PREMIUMS	2,911.95
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	524.03
			FICA CONTRIBUTIONS AND MAT	485.21
			MEDICARE CONTRIB AND MATCH	122.56
			MEDICARE CONTRIB AND MATCH	113.49
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	6.92
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	507.65
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	1,089.16
			CONTRIBUTIONS	1,012.25
		VERIZON WIRELESS	CELL PHONE	128.28
			CELL PHONE	32.03
		HINES, BRADLEY	B HINES/WATER LICENSE CE H	94.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	122.70
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	18.00
			FEBRUARY 2018 VISION INVOI	18.00
			TOTAL:	22,613.11
WASTEWATER TREATMENT	PUBLIC UTILITIES F	ARNOLD OIL COMPANY OF AUSTIN, LP DBA A	PIPE KIT	255.73
		AT&T	352-2412	64.86
		ALDINGER CO	ANNUAL SCALE CALIBRATIONS	259.75
		AQUA-TECH LABORATORIES-AQ	DEC 2017 ANALYSIS	896.00
		NCH CORPORATION DBA	LATEX GLOVES	306.49
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	0.08
		HEJL LEE & ASSOCIATES INC	WWTP PERMIT RENEWAL 2018	3,000.00
			2018 WWTP PERMIT RENEWAL	1,500.00
			WWTP PERMIT RENEWAL	3,188.69
		LINCOLN	LTD INSURANCE PREMIUMS	25.95
			ADJ/E. AVALOS	1.18
			ADJ/DAN GORDON	0.41
			ADJ/CARLOS GUTIERREZ	0.80
		MOSS & MOSS INC. #3000	KEYS	5.25
			LIME	4.64
			HOSE CONNECTOR	6.50
			ADAPTER, NOZZLE	44.56
			NOZZLE, BATTERIES	15.79
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	16,788.50

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		RISE SKYBEAM/JAB BROADBAND INC.	INTERNET-100 OUR LADY OF G	77.29
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	1,747.17
			HEALTH PREMIUMS	1,747.17
			TERM COV. J. MENNEN	582.39-
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	272.45
			FICA CONTRIBUTIONS AND MAT	306.70
			MEDICARE CONTRIB AND MATCH	63.71
			MEDICARE CONTRIB AND MATCH	71.72
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	10.61
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	554.42
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	542.02
			CONTRIBUTIONS	608.92
		THONHOFF CONSULTING ENG.	WWTP O&M MANUALS	300.00
		TAYLOR ARMATURE WORKS	MOTOR REPAIR *EMERGENCY	2,061.85
		TRACTOR SUPPLY COMPANY	WATER SEAL, STEEL DRAWER	79.98
			14 PC SOCKET	39.98
			FUNNEL	10.99
			VINYL SET TITANIUM	16.99
			SAW, CHISEL SET	26.48
			BUNGEE STRAPS, TARP	52.95
		VERIZON WIRELESS	CELL PHONE	85.52
		WAL-MART COMMUNITY/GEMB	BLEACH, ALCOHOL	84.26
			4.3 CU REFRIGERATOR	148.00
		USA BLUEBOOK; INC. DBA	CHART PAPER, FILTERS	261.52
			BUFFER, BROTH, FILTERS	251.97
		CINTAS CORPORATION #86	UTIL UNIFORMS	22.50
			UTIL UNIFORM	51.89
			UTIL UNIFORM RENTAL	20.33
			UTIL UNIFORM	19.99
		GORDON, DAN	D GORDEN/TEEX WATER DIST	105.00
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	73.62
			TERM COV./J.MENNEN	24.54-
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	10.80
			VISION JAN. 2018 INVOICE	3.60-
			FEBRUARY 2018 VISION INVOI	10.80
			TOTAL:	35,492.25
DISTRIBUTION/COLLECTIO	PUBLIC UTILITIES F	ARNOLD OIL COMPANY OF AUSTIN, LP DBA A	OIL	16.68
		AT&T	352-3251	198.67
		B2O & ASSOCIATES, INC.	FIRE HYDRANT METER	1,095.00
			JET NOZZLE	1,450.18
			8" GATE VALVE	995.00
		BREWMESUM COFFEE	COFFEE SERVICE	15.00
			COFFEE SERVICE	71.50
		NCH CORPORATION DBA	SEWER SOLVENT, CITRI FLOW	1,499.85
			GLOVES & TOWELS	557.63
		CITY OF ROUND ROCK	DEC 2017 BAC-T	400.00
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	0.90
		DPC INDUSTRIES, INC.	CHLORINE	206.95
			CHLORINE	70.00
		GRAINGER, W. W. INC.	DRILL	64.07
			DRILL	64.07
		LINCOLN	LTD INSURANCE PREMIUMS	137.40
			ADJ/M. BLANTON	1.35
			ADJ/J.BROCKMAN	0.30
			ADJ/D.CLAWSON	1.35

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			ADJ/TIM CRISP	0.23
			ADJ/F. FLORES	0.32
			ADJ/S. ROTTHOFF	1.97
			ADJ/J. SCHMIDT	0.27
			ADJ/R. WALLA	0.45
			ADJ/DON WILSON	0.23
		MOSS & MOSS INC. #3000	CLAMPS, TOOL BAG	38.01
			BOW SAW	7.43
			BULBS	46.42
			BULB	10.22
			BULBS	139.02
			CONCRETE	7.42
			KEYS	3.50
			CABLE TIES	4.63
			BUSHINGS, CROSS, SEAL	15.66
			HOSE	3.07
			PIPE, COUPLING, ADAPTER	19.17
			BATTERIES, CONNECTORS	11.30
			BATTERIES, CONCRETE MIX	20.41
			CONCRETE	18.56
		OMNI-SITE.NET	2018 ANNUAL WIRELESS SERVI	1,344.00
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	2,479.77
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	7,571.07
			ADD DEC COV/A. TREJO	582.39
			ADD JAN COV/A. TREJO	582.34
			HEALTH PREMIUMS	6,988.68
			ADD COV. D. NEWMAN	582.39
			TERM EMP/CHILD OCT./J.SCHM	850.59-
			TERM EMP/CHILD NOV/J.SCHMI	850.59-
			TERM EMP/CHILD DEC/J.SCHMI	850.59-
			ADD EMP/FAM OCT/J. SCHMIDT	1,365.65
			ADD EMP/FAM NOV/J. SCHMIDT	1,365.65
			ADD EMP/FAM DEC/J. SCHMIDT	1,365.60
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	1,458.50
			FICA CONTRIBUTIONS AND MAT	1,489.66
			MEDICARE CONTRIB AND MATCH	341.09
			MEDICARE CONTRIB AND MATCH	348.38
		TEXAS CRUSHED STONE CO.	150 TONS SUPER FLEX BASE	900.89
			150 TONS 3/8" CRUSHED STO	1,817.65
		TEXAS WORKFORCE COMMISSIO	QUARTERLY UNEMPLOYMENT TAX	16.22
		TML INTERGOVERNMENTAL	FY17/18 WORKERS' COMP	2,933.98
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	3,008.79
			CONTRIBUTIONS	3,069.59
		TECHLINE PIPE, L.P	WORM GEAR CLAMPS	278.10
		ATMOS ENERGY	1200 N. MAIN ST. NATURAL G	162.56
		VERIZON WIRELESS	CELL PHONE	299.32
			MIFI	64.06
			IPAD	32.03
		WAL-MART COMMUNITY/GEMB	BAGS	14.74
			EMPLOYEE LUNCH	27.21
		USA BLUEBOOK; INC. DBA	PETRI DISHES	130.01
		MCCOY'S BUILDING SUPPLY	GATE LATCH	18.42
			VALVE BOX	15.67
		CINTAS CORPORATION #86	UTIL UNIFORMS	77.67
			UTIL UNIFORM	79.89
			UTIL UNIFORM RENTAL	79.88

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			UTIL UNIFORM	80.22
		SLEDGE ENGINEERING LLC	NOV/DEC 2017 RETAINAGE	4,700.00
		AIRGAS INC DBA AIRGAS USA, LLC	TORCH RENTAL	51.75
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	319.01
			ADD COV/EMP/SPOUSE/F.TREJO	58.13
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	50.40
			VISION JAN. 2018 INVOICE	6.84
			FEBRUARY 2018 VISION INVOI	50.40
		ALTERMAN, INC.	SCADA REPAIR, DEAD PHONE L	252.10
			TOTAL:	51,103.12
UTILITIES NONDEPARTMEN	PUBLIC UTILITIES F	BRAZOS RIVER AUTHORITY	EWC WTP DEC 2017	133,210.29
		TML INTERGOVERNMENTAL	FY17/18 ERRORS & OMISSIONS	1,343.59
			FY17/18 GENERAL LIABILITY	663.65
			FY17/18 REAL & PERS PROP	4,540.28
			VAN DAMAGE @WWTP	327.79
			VAN DAMAGE @WWTP	21.00-
			TOTAL:	140,064.60
NON-DEPARTMENTAL	AIRPORT FUND	PRE-PAID LEGAL SERVICES, INC. DBA LEGA	PRE-PAID LEGAL PREMIUMS	18.95
		CITIZENS NATIONAL BANK	FEDERAL WITHHOLDING	327.29
			FEDERAL WITHHOLDING	228.49
			FICA CONTRIBUTIONS AND MAT	183.73
			FICA CONTRIBUTIONS AND MAT	146.64
			MEDICARE CONTRIB AND MATCH	42.97
			MEDICARE CONTRIB AND MATCH	34.29
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	209.36
			CONTRIBUTIONS	166.84
		SUN LIFE ASSURANCE COMPANY	DENTAL PAYABLE	33.60
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	3.24
			FEBRUARY 2018 VISION INVOI	3.24
		RANGER BUILDERS LLC	FIRE SUPPRESSION PAY APP#3	7,347.60
			FIRE SUPPRESSION PAY APP#4	4,616.40
			PAY#2-FIRE SUP/ALARM WK-NE	10,404.00
			TOTAL:	23,766.64
AIRPORT OPERATIONS DEP	AIRPORT FUND	AT&T	352-5747	69.46
		JIM McNABB INC DBA: ART OFFICE SIGNS	NEW SIGN FOR NEW HANGER	40.00
		AVFUEL CORP.	100LL FUEL	13,638.07
		BREWMESUM COFFEE	COFFEE	21.62
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	0.43
		LINCOLN	LTD INSURANCE PREMIUMS	12.17
			ADJ/D.CORNELIUS	4.89
		MOSS & MOSS INC. #6000	KEYS FOR HANGAR FIRE ROOM	3.50
			FUEL PUMP MAINTENANCE	5.56
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	532.28
		RISE SKYBEAM/JAB BROADBAND INC.	INTERNET-303 AIRPORT RD	77.29
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	183.73
			FICA CONTRIBUTIONS AND MAT	146.64
			MEDICARE CONTRIB AND MATCH	42.97
			MEDICARE CONTRIB AND MATCH	34.29
		SYN-TECH SYSTEMS, INC.	FUELMASTER UPGRADE	1,387.00
		TML INTERGOVERNMENTAL	FY17/18 AIRPORT LIABILITY	921.50
			FY17/18 ERRORS & OMISSIONS	119.43
			FY17/18 GENERAL LIABILITY	38.34
			FY17/18 REAL & PERS PROP	501.99

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			FY17/18 WORKERS' COMP	23.92
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	362.20
			CONTRIBUTIONS	288.64
		VERIZON WIRELESS	CELL PHONE	85.52
		LOWE'S HOME CENTERS INC	ADDITIONAL KEY LOCK BOX	19.98
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	24.54
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	3.60
			FEBRUARY 2018 VISION INVOI	3.60
			TOTAL:	18,593.16
NON-DEPARTMENTAL	CEMETERY OPERATING	PRE-PAID LEGAL SERVICES, INC. DBA LEGA	PRE-PAID LEGAL PREMIUMS	27.90
		CITIZENS NATIONAL BANK	FEDERAL WITHHOLDING	180.00
			FEDERAL WITHHOLDING	151.94
			FICA CONTRIBUTIONS AND MAT	149.28
			FICA CONTRIBUTIONS AND MAT	154.09
			MEDICARE CONTRIB AND MATCH	34.91
			MEDICARE CONTRIB AND MATCH	36.04
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	168.54
			CONTRIBUTIONS	173.97
			TOTAL:	1,076.67
CEMETERY OPERATING DEP	CEMETERY OPERATING	AT&T	352-3531	69.86
		TEXAS DEPARTMENT OF INFORMATION RESOUR	MONTHLY PHONE BILL	1.21
		EVINS TEMPORARIES, INC.	CEM/1 TEMP 1/8-1/12/18	462.00
		LINCOLN	LTD INSURANCE PREMIUMS	15.34
			ADJ/L.DELUNA	0.95
			ADJ/JOHN WILSON	0.51
		MOSS & MOSS #9000	CEM/RAKE,SHEARS 101053	34.98
			CEM/FLAGS 101053	9.96
		RELIANT ENERGY SOLUTIONS	MONTHLY ELECTRIC BILL	91.20
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	1,164.78
			HEALTH PREMIUMS	1,164.78
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	149.28
			FICA CONTRIBUTIONS AND MAT	154.09
			MEDICARE CONTRIB AND MATCH	34.91
			MEDICARE CONTRIB AND MATCH	36.04
		TAYLOR OFFICE PRODUCTS INC	CEM/RECEIPT 3 PART 1995	165.00
		TML INTERGOVERNMENTAL	FY17/18 ERRORS & OMISSIONS	119.43
			FY17/18 GENERAL LIABILITY	13.52
			FY17/18 REAL & PERS PROP	11.78
			FY17/18 WORKERS' COMP	272.16
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	291.57
			CONTRIBUTIONS	300.98
		VERIZON WIRELESS	CELL PHONE	42.76
		WAL-MART COMMUNITY/GEMB	CEMETERY-PHONE CASE	39.90
		CINTAS CORPORATION #86	CEM/UNIFORMS 659885	5.36
			CEM/UNIFORMS 663649	5.36
			CEM/UNIFORMS 667633	5.36
			CEM/UNIFORMS 671658	5.36
		KNIPPA, DANIEL	CEM/DEC 3 REG,1 ASHES 1011	1,400.00
			CEM/JAN 5 REG OPEN/CLOSES	2,125.00
		FJC PERSONNEL, LLC	CEM/1 TEMP 1/1-1/5/18	331.20
			CEM/1 TEMP 1/8-1/12/18	552.00
			CEM/1 TEMP 1/17-1/19/18	331.20
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	49.08
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	7.20

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			FEBRUARY 2018 VISION INVOI	7.20
			TOTAL:	9,471.31
NON-DEPARTMENTAL	FLEET SERVICES OPE	AFLAC	JAN. 2018 AFLAC INVOICE	152.07
		NATIONWIDE RETIREMENT SOLUTIONS	EMPLOYEE CONTRIBUTIONS	10.00
			EMPLOYEE CONTRIBUTIONS	10.00
		PRE-PAID LEGAL SERVICES, INC. DBA LEGA	PRE-PAID LEGAL PREMIUMS	33.90
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	268.20
			HEALTH PREMIUMS	268.20
		CITIZENS NATIONAL BANK	FEDERAL WITHHOLDING	645.59
			FEDERAL WITHHOLDING	385.76
			FICA CONTRIBUTIONS AND MAT	333.39
			FICA CONTRIBUTIONS AND MAT	255.20
			MEDICARE CONTRIB AND MATCH	77.98
			MEDICARE CONTRIB AND MATCH	59.69
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	390.94
			CONTRIBUTIONS	302.66
		UNUM LIFE INS CO OF AMERI	LIFE INSURANCE PREMIUMS	33.96
		SUN LIFE ASSURANCE COMPANY	DENTAL PAYABLE	70.98
			TOTAL:	3,298.52
FLEET SERVICES SECTION	FLEET SERVICES OPE	ARNOLD OIL COMPANY OF AUSTIN, LP DBA A	#330 VALVE	27.89
			#330 BULB	13.23
			STOCK	13.23
			#514 OIL	79.99
			#553 HYDRAULIC OIL	57.42
			#548 ADAPTER	12.89
			Q1 BACKUP LAMP	441.50
			T1 BATTERY	144.93
			#738/#739 MIRROR	21.58
			#328 OIL FILTER	41.68
			#328 FUEL FILTER	11.21
			#729 TAIL LIGHT	62.96
			#328 FLOOR MATS	45.29
			#328 SCREEN ASSY	73.32
			C1 OIL FILTER	41.76
			#328 THERMOSTAT	19.92
			#328 WIPERBLADES	9.98
			Q1 OIL	47.88
			#45 OIL FILTER	22.85
			#45 OIL SENSOR	39.51
			#615 TURN SIGNAL LIGHT	6.56
			E11 BEAMLAMP	8.61
			#45 OIL SENSOR CREDIT	39.51-
			Q1 PIGTAIL	83.22
			#45 SENSOR	35.61
		AUSTIN POMA, INC	Q1 LED LIGHT BAR	187.50
		AUSTIN TURF & TRACTOR	#541 SEAT FILTERS	237.70
			#541 GAUGE	51.12
		BREWMESUM COFFEE	COFFEE	32.00
		COUFAL-PRATER EQUIP LLC DBA UNITED AG	#553 PUMP	1,402.11
			#553	115.36
			#553	132.10
			TRPSC STEEL	30.99
			#615 LED LIGHT	90.96
		COVERT COUNTRY OF HUTTO	#332 RADIO	1,018.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			#333 RADIATOR	298.11
		PEREZ, EDDIE DBA EDDIE'S AUTO DETAIL E	#328 DETAIL INTERIOR/EXTER	150.00
		FLOYDCO INC	C1 INSTALL WINDSHIELD	170.31
		GCR TIRES & SERVICE	#328 TIRES	235.90
			#734 TIRES	160.72
		HENNA CHEVROLET INC	#341/#342 CAP	58.89
		O'REILLY AUTOMOTIVE, INC.	MIRROR ADHESIVE	3.99
		HOLT COMPANY	WWTP GENERATOR	1,650.00
		INTERSTATE BATT. N AUSTIN	T1 BATTERY	239.22
			#623 BATTERY	124.24
			T1 CORE	60.00
			#568 BATTERIES	239.22
		LINCOLN	LTD INSURANCE PREMIUMS	28.01
			ADJ/S. HESELMEYER	0.46
			ADJ. / J. PERRY	0.05
		MOSS & MOSS INC. #8000	BATTERY	17.01
			DEODORIZER	15.97
			SEAL/KEYS	3.14
			#328 KEY	5.00
		SHARE CORPORATION	EVAP AEROSOL	687.33
		SCOTT & WHITE HEALTHCARE	HEALTH PREMIUMS	1,164.78
			HEALTH PREMIUMS	1,164.78
		CITIZENS NATIONAL BANK	FICA CONTRIBUTIONS AND MAT	333.39
			FICA CONTRIBUTIONS AND MAT	255.20
			MEDICARE CONTRIB AND MATCH	77.98
			MEDICARE CONTRIB AND MATCH	59.69
		EWALD KUBOTA INC	KUBOTA BLADES	67.14
		PALBO O. FLORES DBA PAULS BODY SHOP &	#700 TOWING FEE	125.00
		TERRY'S BODY SHOP INC	#328 REPAIRS	1,004.00
		TONY MORGAN DBA:	#47 FLAT REPAIR	90.00
		TML INTERGOVERNMENTAL	FY17/18 AUTOMOBILE LIABIL	4,938.00
			FY17/18 ERRORS & OMISSIONS	119.43
			FY17/18 GENERAL LIABILITY	47.93
			FY17/18 AUTO PHYS DAMAGE	7,069.25
			FY17/18 MOBILE EQUIPMENT	1,228.75
			FY17/18 REAL & PERS PROP	81.31
			FY17/18 WORKERS' COMP	623.30
			ADDED VEHICLES	229.00
		TEXAS MUNICIPAL RETIREMENT	CONTRIBUTIONS	676.33
			CONTRIBUTIONS	523.58
		VERIZON WIRELESS	CELL PHONE	85.52
			IPAD	32.03
		ZEP MANUFACTURING CO.	ZEP HEAD	308.15
		DANIEL SCHNOOR TOOL CO	TIRE GAUGE	127.51
		CINTAS CORPORATION #86	FLEET/UNIFORMS 659886	18.36
			FLEET/UNIFORMS 663650	18.36
			FLEET/UNIFORMS 667634	18.36
			FLEET/UNIFORMS 671651	18.36
		ASSOCIATED SUPPLY COMPANY, INC	SKID STEER RENTAL	536.53
			#554 HEAD GASKET REPAIRS	2,665.00
		SIDDONS MARTIN EMERGENCY GROUP LLC	E11 REPAIRS	3,031.02
			E11 REPAIRS	3,031.03
			E2 REPAIRS	1,750.53
			E2 REPAIRS	1,750.53
			E2 REPAIRS	1,750.54
			E2 REPAIRS	697.63

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		CINTAS CORP DBA FIRST AID & SAFETY	MEDICAL SUPPLIES	84.20
		AIRGAS INC DBA AIRGAS USA, LLC	OXYGEN	128.49
		PLISCOTT ENTERPR. DBA VALLEY MILLS FEE	RADIAL PATCHES	45.00
		FLEETCOR TECHNOLOGIES, INC.LLC DBA FUE	FUEL	6,374.65
			FUEL	4,755.68
			FUEL	4,523.17
		SUN LIFE ASSURANCE COMPANY	DENTAL INSURANCE	49.08
		AUSTIN MAC HAIK FORD LINCOLN LTD DBA M	#328 WHEEL COVER	149.40
			#328 WHEEL	175.66
			#328 COVER PAD	470.73
			#328 SENSOR KIT	96.05
		T&W TIRE LLC	KUBOTA MOWER TIRES	160.00
			E2 FLAT TIRE REPAIR	115.95
		SELECT BENEFITS GROUP INC. DBA DENTAL	VISION JAN. 2018 INVOICE	7.20
			FEBRUARY 2018 VISION INVOI	7.20
			TOTAL:	61,629.68
FLEET REPLACEMENT	FLEET REPLACEMENT	CITIZENS NTL BANK-CAPITAL EQUIP ACCT	PAY #31 CAPITAL EQUIP	4,996.09
			PAY #31 CAPITAL EQUIP	333.16
		JOHN DEERE FINANCIAL F.S.B.DBA DEERE C	WDL SWPR-FEB 2018 PAYMENT	936.08
			JD GTR 825 EAM	542.28
		WELLS FARGO FINANCIAL	HUSTLER/ABI GROOMER PMT 2	813.05
			HUSTLER/ABI GROOMER PMT 2	140.67
			VENTRAC KUBOTA	1,615.71
		SANTANDER LEASING LLC	PO#1GC1CVCGOEF14831	17,352.87
			PO#1GC1CVCGOEF14831	281.32
			TOTAL:	27,011.23
NON-DEPARTMENTAL	POOLED CASH	JPMORGAN CHASE BANK NA	DEC/JAN 2017 TRANSACTIONS	7,407.61
			NOV/DEC 2017	6,108.26
			TOTAL:	13,515.87

=============== FUND TOTALS ================

100	GENERAL FUND	760,921.00
119	TIF (TAX INCREMENT FUND)	500.00
120	HOTEL/MOTEL FUND	11,443.65
123	MAIN STREET REVENUE FUND	2,169.75
125	MUNICIPAL CRT SPECIAL FEE	753.48
129	LIBRARY GRANT/DONATION	141.46
162	GENERAL CAPITAL IMPROVEME	214,231.00
164	MDUS IMPROVEMENT PROJECTS	200,615.07
320	SANITATION FUND	121,217.92
340	PUBLIC UTILITIES FUND	304,345.58
350	AIRPORT FUND	42,359.80
370	CEMETERY OPERATING FUND	10,547.98
382	FLEET SERVICES OPERATING	64,928.20
384	FLEET REPLACEMENT FUND	27,011.23
950	POOLED CASH	13,515.87
	GRAND TOTAL:	1,774,701.99

TOTAL PAGES: 24

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Attachment D

Operating Funds Balance Sheets

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

100-GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
100-100-100	PETTY CASH	1,650.00		
100-100-102	CLAIM ON POOLED CASH	(2,735,541.52)		
100-100-105	MONEY MARKET @CNB #4260618	12,227.68		
100-100-108	TEXSTAR (NED) MOODY MUSEUM	247,031.33		
100-100-109	PRINCOR GEN FUND 6FR-139362	670,281.51		
100-100-110	TEXPOOL 2465300006 POOLED CASH	8,098,772.32		
100-100-113	TEXPOOL 2465300015 N MOODY	50,734.96		
100-120-100	PROPERTY TAXES RECEIVABLE	122,955.41		
100-120-103	MISC. ACCOUNTS RECEIVABLE	5,175.14		
100-120-120	SALES TAXES RECEIVABLE	525,813.09		
100-120-250	DUE FROM FUND 350 FOR LOAN	22,225.00		
100-170-100	CURRENT YR RES FOR ENCUMBRANCE	(263,110.32)		
100-170-101	PRIOR YR RES FOR ENCUMBRANCE	69,365.99		
			6,827,580.59	
	TOTAL ASSETS			6,827,580.59
				==============
LIABILITIES				
===========				
100-200-110	ENCUMBERED PAYABLE GEN.	(263,110.32)		
100-200-111	PRIOR YEAR ENCUMBRANCE	69,365.99		
100-200-203	DEFERRED COMP PAYABLE	1,385.88		
100-200-210	CHILD SUPPORT PAYABLE	(92.31)		
100-200-212	UNUM LIFE INS PAYABLE	(285.78)		
100-200-213	DENTAL PAYABLE	2,974.14		
100-200-214	AFLAC PAYABLE	2,574.47		
100-200-216	CINCINNATI LIFE PAYABLE	28.71		
100-200-218	BLUE CHOICE PAYABLE	27.62		
100-200-219	SCOTT & WHITE HEALTH PAYABLE	2,295.95		
100-200-220	S&W PAYABLE 2001-2011	(9,793.98)		
100-200-222	PRE-PAID LEGAL PAYABLE	124.45		
100-200-228	MISC DEDUCTIONS PAYABLE	4.50		
100-200-229	MET LIFE DENTAL PAYABLE	(551.91)		
100-200-231	MEMBERSHIP/DUES PAYABLE	200.00		
100-200-232	COURT BOND REFUND PAYABLE	(4.90)		
100-200-233	OTHER A/P PENDING (AUDITOR)	(52,259.66)		
100-200-235	VISION PLAN PAYABLE	26.46		
100-200-301	COURT COLLECTIONS	5,906.80		
100-200-500	DUE TO OTHER FUNDS	198,022.28		
100-200-502	DUE TO STATE/COURT FEES	28,614.63		
100-200-505	DUE TO OMNIBASE SERVICES INC	853.35		
100-200-507	DUE TO S&W/COBRA FROM OTHERS	1,378.40		
100-200-509	DUE TO TMRS FROM TEDC	(2,786.90)		
100-210-111	DUE TO I&S (TAX COLLECTIONS)	2,153.54		
100-220-100	TAX DISTRIBUTION	(1.00)		
100-240-100	DEFERRED TAX REVENUE	122,955.41		
100-240-101	UNCLAIMED FUNDS	12,115.79		
	TOTAL LIABILITIES		122,121.61	

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

100-GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
EQUITY				
======				
100-260-113	ESCROW-BONDS POSTED-DEFENDENTS	8,466.21		
100-270-100	FUND BALANCE	4,038,182.92		
100-280-100	ASSIGNED FUND BALANCE	32,396.29		
	TOTAL BEGINNING EQUITY	4,079,045.42		
	TOTAL REVENUE	6,470,160.28		
	TOTAL EXPENSES	3,843,746.72		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	2,626,413.56		
	TOTAL EQUITY & FUND BALANCE		6,705,458.98	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			6,827,580.59
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

119-TIF (TAX INCREMENT FUND)

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
119-100-102	CLAIM ON POOLED CASH	171,917.57		
119-100-115	TEXPOOL 246530004 TIF PROP TAX	538,809.45		
			710,727.02	
	TOTAL ASSETS			710,727.02
				==============
LIABILITIES				
===========				
119-200-500	ACCOUNTS PAYABLE PENDING	500.00		
	TOTAL LIABILITIES		500.00	
EQUITY				
======				
119-270-100	FUND BALANCE	734,027.86		
	TOTAL BEGINNING EQUITY	734,027.86		
	TOTAL REVENUE	2,319.22		
	TOTAL EXPENSES	26,120.06		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(23,800.84)		
	TOTAL EQUITY & FUND BALANCE		710,227.02	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			710,727.02
				==============

BALANCE SHEET

AS OF: JANUARY 31ST, 2018

120-HOTEL/MOTEL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
120-100-102	CLAIM ON POOLED CASH	83,845.37		
			83,845.37	
	TOTAL ASSETS			83,845.37
LIABILITIES				
EQUITY				
120-270-100	FUND BALANCE	74,615.11		
	TOTAL BEGINNING EQUITY	74,615.11		
	TOTAL REVENUE	27,095.81		
	TOTAL EXPENSES	17,865.55		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	9,230.26		
	TOTAL EQUITY & FUND BALANCE		83,845.37	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			83,845.37

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

123-MAIN STREET REVENUE FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
123-100-102	CLAIM ON POOLED CASH	43,883.12		
			43,883.12	
	TOTAL ASSETS			43,883.12
				==============
LIABILITIES				
===========				
123-200-500	ACCOUNTS PAYABLE PENDING	2,169.75		
	TOTAL LIABILITIES		2,169.75	
EQUITY				
======				
123-270-100	FUND BALANCE	41,132.93		
	TOTAL BEGINNING EQUITY	41,132.93		
	TOTAL REVENUE	20,054.00		
	TOTAL EXPENSES	19,473.56		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	580.44		
	TOTAL EQUITY & FUND BALANCE		41,713.37	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			43,883.12
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

125-MUNICIPAL CRT SPECIAL FEE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
125-100-102	CLAIM ON POOLED CASH	114,097.81		
125-170-100	CURRENT YR RES FOR ENCUMBRANCE	(2,031.63)		
125-170-101	PRIOR YR RES FOR ENCUMBRANCE	1,253.00		
			113,319.18	
	TOTAL ASSETS			113,319.18
				==============
LIABILITIES				
===========				
125-200-110	CURRENT YEAR ENCUMBRANCE	(2,031.63)		
125-200-111	PRIOR YEAR ENCUMBRANCE	1,253.00		
125-200-500	ACCOUNTS PAYABLE PENDING	347.76		
	TOTAL LIABILITIES		(430.87)	
EQUITY				
======				
125-270-100	FUND BALANCE	118,332.38		
	TOTAL BEGINNING EQUITY	118,332.38		
	TOTAL REVENUE	6,656.40		
	TOTAL EXPENSES	11,238.73		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(4,582.33)		
	TOTAL EQUITY & FUND BALANCE		113,750.05	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			113,319.18
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

129-LIBRARY GRANT/DONATION

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
129-100-102	CLAIM ON POOLED CASH	57,895.66		
129-100-103	TEXSTAR: NOBLE TRUST - 3444	885.52		
129-100-108	TEXSTAR; NED REQUEST (LIBRARY)	283,705.80		
129-170-100	CURRENT YR RES FOR ENCUMBRANCE	(1,436.37)		
129-170-101	PRIOR YR RES FOR ENCUMBRANCE	1,436.37		
			342,486.98	
	TOTAL ASSETS			342,486.98
				==============
LIABILITIES				
===========				
129-200-110	CURRENT YEAR ENCUMBRANCE	(1,436.37)		
129-200-111	PRIOR YEAR ENCUMBRANCE	1,436.37		
129-200-233	OTHER A/P PENDING (AUDITOR)	(10,945.00)		
129-200-500	ACCOUNTS PAYABLE PENDING	11,086.46		
	TOTAL LIABILITIES		141.46	
EQUITY				
======				
129-270-100	FUND BALANCE	343,984.16		
	TOTAL BEGINNING EQUITY	343,984.16		
	TOTAL REVENUE	2,809.62		
	TOTAL EXPENSES	4,448.26		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(1,638.64)		
	TOTAL EQUITY & FUND BALANCE		342,345.52	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			342,486.98
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

200-ROADWAY IMPACT FEE FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
200-100-102	CLAIM ON POOLED CASH	165,267.84		
			165,267.84	
	TOTAL ASSETS			165,267.84
				==============
LIABILITIES				
===========				
EQUITY				
======				
200-270-100	FUND BALANCE	158,040.89		
	TOTAL BEGINNING EQUITY	158,040.89		
	TOTAL REVENUE	7,226.95		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	7,226.95		
	TOTAL EQUITY & FUND BALANCE		165,267.84	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			165,267.84
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

210-TRANSPORTATION FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
210-100-102	CLAIM ON POOLED CASH	919,314.15		
210-120-130	ACCTS RECEIVABLE TRANSPORTATIO	34,421.54		
			953,735.69	
	TOTAL ASSETS			953,735.69
				==============
LIABILITIES				
===========				
EQUITY				
======				
210-270-100	FUND BALANCE	903,478.24		
	TOTAL BEGINNING EQUITY	903,478.24		
	TOTAL REVENUE	216,792.07		
	TOTAL EXPENSES	166,534.62		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	50,257.45		
	TOTAL EQUITY & FUND BALANCE		953,735.69	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			953,735.69
				==============

BALANCE SHEET

AS OF: JANUARY 31ST, 2018

300-MUNICIPAL DRAINAGE UTILIT

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
300-100-102	CLAIM ON POOLED CASH	139,714.61		
300-120-100	DRAINAGE RECEIVABLE	18,843.00		
300-120-130	ALLOWANCE FOR DOUBTFUL ACCTS	(3,864.08)		
			154,693.53	
	TOTAL ASSETS			154,693.53
				==============
LIABILITIES				
===========				
EQUITY				
======				
300-270-100	FUND BALANCE	476,565.55		
	TOTAL BEGINNING EQUITY	476,565.55		
	TOTAL REVENUE	133,561.35		
	TOTAL EXPENSES	455,433.37		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(321,872.02)		
	TOTAL EQUITY & FUND BALANCE		154,693.53	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			154,693.53
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

320-SANITATION FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
320-100-102	CLAIM ON POOLED CASH	207,307.41		
320-120-103	MISC ACCOUNTS RECEIVABLE	2,268.00		
320-120-130	ACCTS RECEIVABLE GARBAGE	63,999.37		
320-120-131	ALLOWANCE-GARBAGE	(2,691.04)		
			270,883.74	
	TOTAL ASSETS			270,883.74
LIABILITIES				
320-200-500	ACCOUNTS PAYABLE PENDING	114,945.69		
320-200-503	DUE TO STATE COMPT SALES TAX	15,727.21		
	TOTAL LIABILITIES		130,672.90	
EQUITY				
320-270-100	FUND BALANCE	201,838.97		
	TOTAL BEGINNING EQUITY	201,838.97		
	TOTAL REVENUE	439,791.68		
	TOTAL EXPENSES	501,419.81		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(61,628.13)		
	TOTAL EQUITY & FUND BALANCE		140,210.84	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			270,883.74

BALANCE SHEET

AS OF: JANUARY 31ST, 2018

340-PUBLIC UTILITIES FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
340-100-100	PETTY CASH	1,350.00		
340-100-102	CLAIM ON POOLED CASH	286,899.51		
340-100-107	TEXPOOL 2465300012 TOWER RENT	259,841.90		
340-100-110	TEXPOOL 2465300001 UTILITY FD	553,039.06		
340-100-118	TEXPOOL RATE STABILIZATION 18	382,595.33		
340-100-119	TEXPOOL CAPITAL OUTLAY-ASSETS	163,889.89		
340-100-120	TEXPOOL WORKING CAPITAL-CIP	226,483.68		
340-100-121	TEXPOOL 2017 WWTP IMPROVMNTS	613,565.41		
340-120-100	ACCOUNTS RECEIVABLE	344,240.02		
340-120-101	CURRENT REFUND PAYABLE	5,932.28		
340-120-102	UNAPPLIED CREDITS	(32,124.38)		
340-120-103	MISC. ACCOUNTS RECEIVABLE	630.00		
340-120-130	ALLOWANCE-ACCTS. RECEIVABLE	(6,352.22)		
340-140-100	INVENTORY	139,947.93		
340-150-105	DEFERRED AMT ON REFUNDING	48,587.34		
340-160-100	LAND	457,201.00		
340-160-200	BUILDINGS	6,363,714.34		
340-160-206	FIXED ASSETS: WORK IN PROGRESS	1,882,907.83		
340-160-225	PLANT DISTRIBUTION/COLLECTION	46,802,682.50		
340-160-235	EQUIPMENT	771,246.39		
340-170-100	CURRENT YR RES FOR ENCUMBRANCE	(167,461.66)		
340-170-101	PRIOR YR RES FOR ENCUMBRANCE	124,353.42		
340-190-103	ACCUMULATED DEPRECIATION	(21,523,388.45)		
			37,699,781.12	
	TOTAL ASSETS			37,699,781.12
LIABILITIES				
340-200-104	ACCRUED INTEREST PAYABLE	104,944.75		
340-200-110	CURRENT YEAR ENCUMBRANCES	(167,461.66)		
340-200-111	PRIOR YEAR ENCUMBRANCE	124,353.42		
340-200-200	FICA AND MEDICARE PAYABLE	(831.14)		
340-200-201	FEDERAL WITHHOLDING PAYABLE	(1,144.93)		
340-200-203	DEFERRED COMP PAYABLE	134.73		
340-200-208	ACCRUED VACATION	19,912.33		
340-200-210	NET PENSION LIABILITY	712,073.84		
340-200-212	UNUM LIFE INS PAYABLE	(120.17)		
340-200-213	DENTAL PAYABLE	430.28		
340-200-214	AFLAC PAYABLE	56.61		
340-200-218	BLUE CHOICE PAYABLE	175.48		
340-200-219	SCOTT & WHITE HEALTH PAYABLE	(3,660.47)		
340-200-222	PRE-PAID LEGAL PAYABLE	(99.65)		
340-200-228	MISC. DEDUCTIONS PAYABLE	3.00		
340-200-229	MET LIFE DENTAL PAYABLE	(135.78)		
340-200-230	UNITED WAY PAYABLE	(1.00)		
340-200-233	OTHER A/P PENDING (AUDITOR)	(15,805.47)		
340-200-235	VISION PLAN PAYABLE	23.85		
340-200-500	ACCOUNTS PAYABLE PENDING	64,230.18		

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

340-PUBLIC UTILITIES FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
340-210-100	UNAMORT. BOND DISCOUNT	(6,401.70)		
340-210-101	BOND PREMIUMS	931,506.42		
340-210-102	DEFERRED AMT ON REFUNDING	(585,527.56)		
340-210-110	DEFERRED OUTFLOW RESORCES TMRS	(74,275.46)		
340-210-115	DEFERRED OUTFLOW INVST TMRS	(116,470.97)		
340-210-118	DEFERRED INFLOW-ACTUAL VS ASSM	48,109.61		
340-210-119	DEFERRED OUTFLOW-CHNG IN ASSUM	(4,017.51)		
340-230-111	8.745M CO SERIES 2010 (6.11M)	1,675,000.00		
340-230-115	4.2M COMB CO 2006 (4M)	4,000,000.00		
340-230-116	10M COMB SERIES 2007 (7M)	6,900,000.00		
340-230-117	9.615M COMB SERIES 08 (6.615M)	395,000.00		
340-230-118	8.995 GO REFUNDING 2009	765,000.00		
340-230-120	5.450M GO REF 2012 (1.460M)	1,085,000.00		
340-230-121	4.595M 2015 GO REF (1.695M)	1,635,000.00		
340-230-122	8.010M 2016 GO REF (5.065M)	5,065,000.00		
340-230-123	5.34M COMB SERIES 2017(2.250M)	2,270,000.00		
340-240-100	METER DEPOSITS	411,392.89		
340-240-101	UNCLAIMED FUNDS	4,039.87		
	TOTAL LIABILITIES		25,235,433.79	
EQUITY				
======				
340-250-100	CONTRIBUTED CAPITAL-WATER OPER	454,779.30		
340-250-101	CONTRIBUTED CAPITAL SEWER OPER	60,475.00		
340-270-100	FUND BALANCE	11,364,028.12		
	TOTAL BEGINNING EQUITY	11,879,282.42		
	TOTAL REVENUE	2,631,503.95		
	TOTAL EXPENSES	2,046,439.04		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	585,064.91		
	TOTAL EQUITY & FUND BALANCE		12,464,347.33	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			37,699,781.12

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

345-UTILITY IMPACT FEE FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
345-100-102	CLAIM ON POOLED CASH	812,496.77		
345-160-225	PLANT DISTRIBUTION	104,188.68		
345-170-100	CURRENT YR RES FOR ENCUMBRANCE	(1,411.60)		
345-170-101	PRIOR YR RES FOR ENCUMBRANCE	1,411.60		
			916,685.45	
	TOTAL ASSETS			916,685.45
LIABILITIES				
345-200-110	CURRENT YEAR ENCUMBRANCE	(1,411.60)		
345-200-111	PRIOR YEAR ENCUMBRANCE	1,411.60		
EQUITY				
345-270-100	FUND BALANCE	871,169.45		
	TOTAL BEGINNING EQUITY	871,169.45		
	TOTAL REVENUE	45,516.00		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	45,516.00		
	TOTAL EQUITY & FUND BALANCE		916,685.45	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			916,685.45

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

350-AIRPORT FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
350-100-102	CLAIM ON POOLED CASH	145,529.91		
350-100-106	TEXPOOL 2017 AIRPORT CONST	984,633.22		
350-120-100	AIRPORT RECEIVABLES	3,776.90		
350-120-103	MISC. ACCOUNTS RECEIVABLES	3,699.34		
350-120-250	DUE FROM OTHER FUNDS (AUDITOR)	1,360.00		
350-150-105	DEFERRED AMT ON REFUNDING	4,802.71		
350-160-100	LAND	859,833.00		
350-160-200	T-HANGERS (BUILDINGS)	1,264,756.23		
350-160-206	FIXED ASSETS:WORK IN PROGRESS	578,426.25		
350-160-210	EQUIPMENT	121,904.00		
350-160-300	RUNWAY	2,238,415.96		
350-190-103	ACCUMULATED DEPRECIATION	(1,517,057.60)		
			4,690,079.92	
	TOTAL ASSETS			4,690,079.92
LIABILITIES				
350-200-210	NET PENSION LIABILITY	26,065.11		
350-200-213	DENTAL PAYABLE	75.60		
350-200-233	OTHER A/P PENDING (AUDITOR)	(617.76)		
350-200-235	VISION PLAN PAYABLE	0.81		
350-200-500	ACCOUNTS PAYABLE PENDING	1,774.67		
350-200-501	DUE TO FUND 100 (LOAN ADVANCE)	22,225.00		
350-200-505	DUE TO OTHER FUNDS	19,710.00		
350-200-999	UNRECONCILED DIFFERENCE	(271.67)		
350-210-100	UNAMORT. BOND DISCOUNT	5,736.11		
350-210-101	BOND PREMIUMS	25,320.60		
350-210-110	DEFERRED OUTFLOW TMRS CONT	(2,718.82)		
350-210-115	DEFERRED OUTLOW INVST TMRS	(4,263.36)		
350-210-118	DEFERRED INFLOW ACT VS ASSMPT	1,761.03		
350-210-119	DEFERRED OUTFLOW CNGS IN ASSUM	(147.06)		
350-230-102	BOND PAYABLE-$290K REF 2010	135,000.00		
350-230-103	5.34M COMB SERIES 2017(1.445M)	1,450,000.00		
350-240-101	ACCRUED INTEREST PAYABLE	6,051.25		
	TOTAL LIABILITIES		1,685,701.51	
EQUITY				
350-250-100	CONTRIBUTED CAPITAL GRANT	2,011,189.92		
350-250-101	CONTRIBUTED CAPITAL CITY	75,265.82		
350-280-100	RETAINED EARNINGS	469,915.32		
350-281-100	PRIOR PERIOD ADJUSTMENTS	442,482.09		
	TOTAL BEGINNING EQUITY	2,998,853.15		
	TOTAL REVENUE	126,858.99		
	TOTAL EXPENSES	121,333.73		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	5,525.26		
	TOTAL EQUITY & FUND BALANCE		3,004,378.41	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			4,690,079.92

BALANCE SHEET

AS OF: JANUARY 31ST, 2018

370-CEMETERY OPERATING FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
370-100-102	CLAIM ON POOLED CASH	191,935.69		
370-160-206	FIXED ASSETS-WORK IN PROGRESS	10,032.80		
370-190-103	ACCUMULATED DEPRECIATION	(1,504.92)		
			200,463.57	
	TOTAL ASSETS			200,463.57
				==============
LIABILITIES				
===========				
370-200-210	NET PENSION LIABILITY	49,326.85		
370-200-213	ASSURANT DENTAL PAYABLE	(22.51)		
370-200-233	OTHER A/P PENDING (AUDITOR)	(1,342.29)		
370-200-500	ACCOUNTS PAYABLE PENDING	3,351.88		
370-210-100	DUE TO CEMETERY LAND PURCHASE	203,944.99		
370-210-110	DEFERRED OUTFLOW CONT TMRS	(5,145.22)		
370-210-115	DEFERRED OUTFLOW INVST TMRS	(8,068.19)		
370-210-118	DEFERRED INFLOW ACTUAL VS ASSM	3,332.65		
370-210-119	DEFERRED OUTFLOW-CHG ASSUMP	(278.30)		
	TOTAL LIABILITIES		245,099.86	
EQUITY				
======				
370-270-100	FUND BALANCE	(41,937.66)		
	TOTAL BEGINNING EQUITY	(41,937.66)		
	TOTAL REVENUE	47,156.34		
	TOTAL EXPENSES	49,854.97		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(2,698.63)		
	TOTAL EQUITY & FUND BALANCE		(44,636.29)	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			200,463.57
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

382-FLEET SERVICES OPERATING

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
======				
382-100-102	CLAIM ON POOLED CASH	(16,868.32)		
382-120-250	DUE TO OTHER FUNDS	8,213.00		
382-170-100	CURRENT YR RES FOR ENCUMBRANCE	(5,764.42)		
382-170-101	PRIOR YR RES FOR ENCUMBRANCE	905.00		
			(13,514.74)	
	TOTAL ASSETS			(13,514.74)
				==============
LIABILITIES				
===========				
382-200-110	CURRENT YEAR ENCUMBRANCE	(5,764.42)		
382-200-111	PRIOR YEAR ENCUMBRANCE	905.00		
382-200-202	TMRS PAYABLE	(0.01)		
382-200-208	ACCRUED VACATION	2,985.27		
382-200-210	NET PENSION LIABILITY	96,216.72		
382-200-212	UNUM LIFE INSURANCE PAYABLE	28.24		
382-200-213	DENTAL PAYABLE	70.98		
382-200-214	AFLAC PAYABLE	88.64		
382-200-222	PRE-PAID LEGAL PAYABLE	51.80		
382-200-233	OTHER A/P PENDING (AUDITOR)	(2,723.96)		
382-200-500	ACCOUNTS PAYABLE PENDING	26,826.77		
382-210-110	DEFERRED OUTFLOW CONTB TMRS	(10,036.24)		
382-210-115	DEFERRED OUTFLOW INVST TMRS	(15,737.77)		
382-210-118	DEFERRED INFLOW ACTUAL VS ASSM	6,500.66		
382-210-119	DEFERRED OUTLOW-CHNG IN ASSUMP	(542.85)		
	TOTAL LIABILITIES		98,868.83	
EQUITY				
======				
382-270-100	FUND BALANCE	(72,163.51)		
	TOTAL BEGINNING EQUITY	(72,163.51)		
	TOTAL REVENUE	222,347.34		
	TOTAL EXPENSES	262,567.40		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	(40,220.06)		
	TOTAL EQUITY & FUND BALANCE		(112,383.57)	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			(13,514.74)
				==============

BALANCE SHEET
AS OF: JANUARY 31ST, 2018

384-FLEET REPLACEMENT FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE		
ASSETS				
384-100-102	CLAIM ON POOLED CASH	(156,709.17)		
384-160-320	MACHINERY & EQUIPMENT	4,482,230.26		
384-170-100	CURRENT YR RES FOR ENCUMBRANCE	(640,528.24)		
384-170-101	PRIOR YR RES FOR ENCUMBRANCE	694,932.24		
384-190-103	ACCUMULATED DEPRECIATION	(2,427,305.18)		
			1,952,619.91	
	TOTAL ASSETS			1,952,619.91
LIABILITIES				
384-200-110	CURRENT YEAR ENCUMBRANCE	(586,124.24)		
384-200-111	PRIOR YEAR ENCUMBRANCE	640,528.24		
384-200-500	ACCOUNTS PAYABLE PENDING	3,094.07		
384-200-505	DUE FROM OTHER FUNDS	9,573.00		
384-230-120	CAP LEASE PAYABLE-NONCURRENT	1,565,469.61		
384-230-125	NOTES PAYABLE	169,706.82		
384-240-101	ACCRUED INTEREST PAYABLE	28,773.79		
	TOTAL LIABILITIES		1,831,021.29	
EQUITY				
384-270-100	FUND BALANCE	99,328.43		
	TOTAL BEGINNING EQUITY	99,328.43		
	TOTAL REVENUE	119,952.00		
	TOTAL EXPENSES	97,681.81		
	TOTAL INCREASE/(DECREASE) IN FUND BAL.	22,270.19		
	TOTAL EQUITY & FUND BALANCE		121,598.62	
	TOTAL LIABILITIES, EQUITY & FUND BALANCE			1,952,619.91

01/31/18

Attachment E

Sales Tax Tracking Report

City of Taylor

Sales Tax Tracking (City's Portion) - FY 2017-18

Monthly

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Estimate Amount	$ Difference from Actual to Est. Amt	% from Actual	2017-18 Actual	$ Difference from Prior Year Amount	% from Pr. Yr. Actual
October	199,717	193,841	219,175	240,266	237,400	12,508	5.0%	249,908	9,642	4.0%
November	229,690	256,386	253,276	280,703	274,322	1,583	0.6%	275,905	(4,797)	-1.7%
December	203,376	217,843	227,515	227,092	246,300	793	0.3%	247,094	20,002	8.8%
January	198,695	213,784	207,443	230,015	225,247	59,106	20.8%	284,353	54,337	23.6%
February	280,371	301,341	291,338	299,656	315,546					
March	186,119	196,325	199,834	214,354	217,006					
April	188,725	217,847	207,483	206,267	224,701					
May	272,415	286,253	298,046	300,302	322,030					
June	237,256	236,146	224,574	241,680	243,234					
July	223,934	251,649	235,338	234,716	254,893					
August	263,078	299,127	295,019	255,613	319,533					
Sept.	220,235	239,549	234,255	233,209	253,720					
% Monthly Increase over prior year	10.6%	8.8%	-2.2%	-0.4%	$ 3,133,934	$ 73,991			$ 79,184	

Cumulative Year -to- Date on Actual

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Estimate Amount	$ Difference from Actual to Est. Amt	% from Actual	2017-18 Actual	$ Difference from Prior Year Amount	% from Pr. Yr. Actual
October	$ 199,717	$ 193,841	219,175	240,266	237,400	12,508	5.0%	249,908	9,642	4.0%
November	$ 429,407	$ 450,227	472,451	520,969	511,722	14,091	2.7%	525,813	4,844	0.9%
December	$ 632,783	$ 668,070	699,966	748,061	758,022	14,885	1.9%	772,907	24,846	3.3%
January	$ 831,478	$ 881,854	907,408	978,077	983,269	73,991	7.0%	1,057,260	79,183	8.1%
February	$ 1,111,849	$ 1,183,195	1,198,747	1,277,733	1,298,815					
March	$ 1,297,968	$ 1,379,520	1,398,581	1,492,087	1,515,822					
April	$ 1,486,692	$ 1,597,367	1,606,064	1,698,355	1,740,523					
May	$ 1,759,107	$ 1,883,620	1,904,110	1,998,657	2,062,553					
June	$ 1,996,363	$ 2,119,766	2,128,684	2,240,337	2,305,787					
July	$ 2,220,297	$ 2,371,415	2,364,022	2,475,053	2,560,681					
August	$ 2,483,376	$ 2,670,542	2,659,041	2,730,666	2,880,214					
Sept.	$ 2,703,611	$ 2,910,092	2,893,297	2,963,875	3,133,934					
% Y-T-D Increase over prior year	6.1%	7.1%	-0.6%	2.4%						

ATTACHMENT F

Monthly Investment Report

January 31, 2018

PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

Green Shoots and Tax Reform

For the past seven years, monetary policy has been the markets' main focus. And while historically low rates will remain a theme as the Federal Reserve sustains a *"gradual"* pathway towards normalization, **fiscal policy** has this month stepped into the spotlight with tax reform in place and new battles ahead from the debt ceiling to immigration. It may end up being a balanced battle between infrastructure and entitlements however –especially in a election year!

The **FOMC** January meeting which is normally used to affirm or adjust goals is also a Chair smooth transition from Chair Yellen to Chair Powell. But the direction to slow and steady normalization should not go off-course. The Fed's Beige Book and a preponderance of indicators show a field of green shoots throughout a solid expansion of the economy.

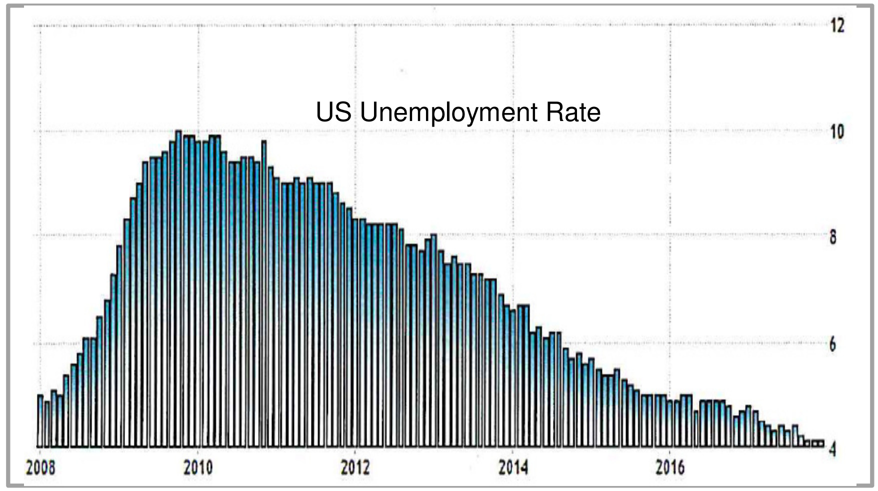
The key factors continue to be **payrolls**, **inflation** and **growth**. Wages and salaries are up and employers are still crying for trained workers. Robust hiring competition for that talent leads to higher wages which may feed into inflation. It has certainly spurred the consumer who is spending more (and saving less). Additional wage hikes generated by the tax reform may lead to a continuation of 2017 strength and take the unemployment rate below 4%.

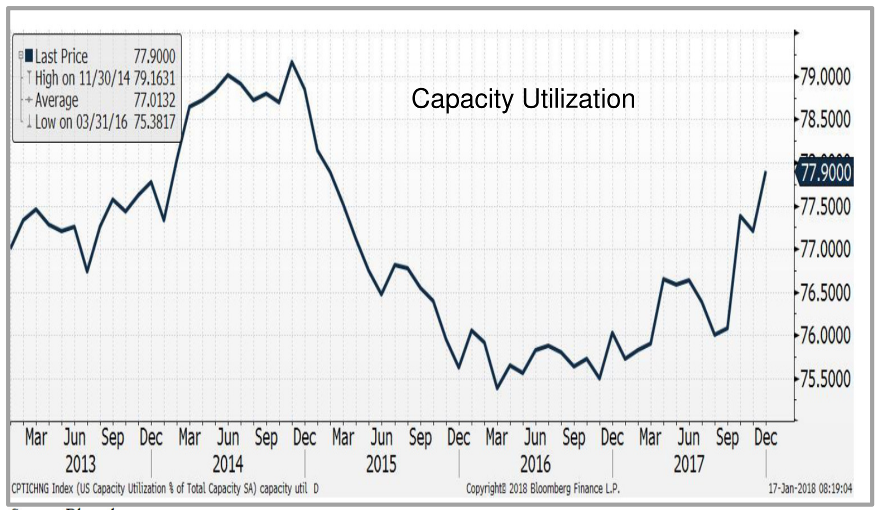
Job growth appears across the economy showing up in the building industry, trade, manufacturing, transportation and utilities. Both the goods producing firms and service providers are growing.

The drawdown on savings is always worrisome but speaks to a high level of confidence of sustained jobs. Even pending house sales are up this month.

GDP also reflects this broad strength. Personal consumption was up (3.8%) as was residential spending (11.6%) with only inventories and exports pulling the average down. A negative pull on inflation is **oil** which has seen its biggest supply expansion in a year.

Exports could be boosted by a slightly weaker **dollar** although the message from the Treasury Depart has been garbled and riled that market. A rumor hinted that China may curb its purchase of US notes and the T-Bond jumped, but, such a move is unlikely since the USD represents real relative value in their basket of currencies underlying their own currency. A somewhat weaker dollar of course has benefits to the US. Relative to other currencies our exports become more attractive and competitive in the world markets encouraging further US manufacturing and more jobs.





Source: Bloomberg

International and Domestic Changes

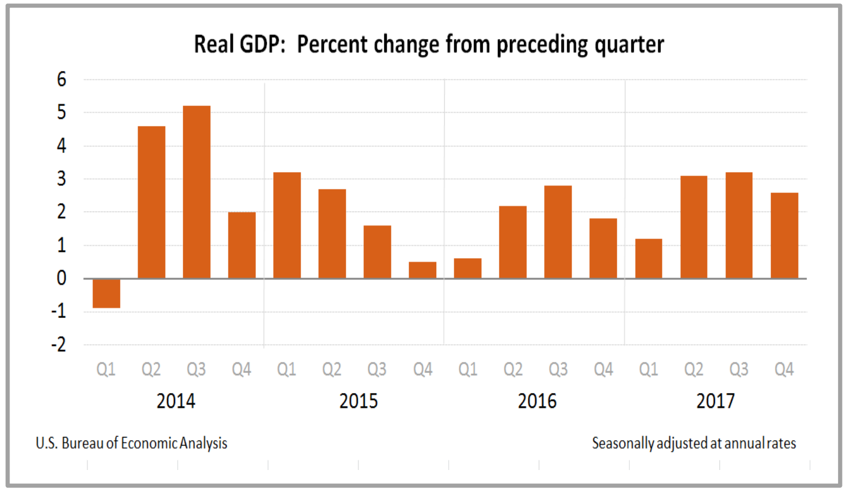
With the overall positive outlook, the FOMC will remain in the spotlight. The market has already built in a 0.25% **hike in March** from the Committee which appears to be reasonable if this growth continues. Three hikes this year will take the overnight rate to 2.25%. But the hikes and the reaction of the curve will still reflect and to a certain degree depend on international economies.

Canada is still on course to raise its rates along with the US but the ECB has a major hurdle with slowing inflation and stubbornly high unemployment. The EU is upping the required concessions to be paid by the UK for their upcoming Brexit which adds uncertainty. Greece has passed some additional austerity measures but primarily to get their next handout and continues to drag. The central banks in general however continue to work towards **normalization** which should raise their rates creating an option to the markets outside the US.

International markets will also be affected by the US **tax reforms** which are designed to repatriate US dollars. Domestically the reforms have already shown their impact in paychecks and wages. Apple, Walmart and FedEx have boosted of higher wages and even Hostess Brands is giving its employees free Twinkees! How good is that!

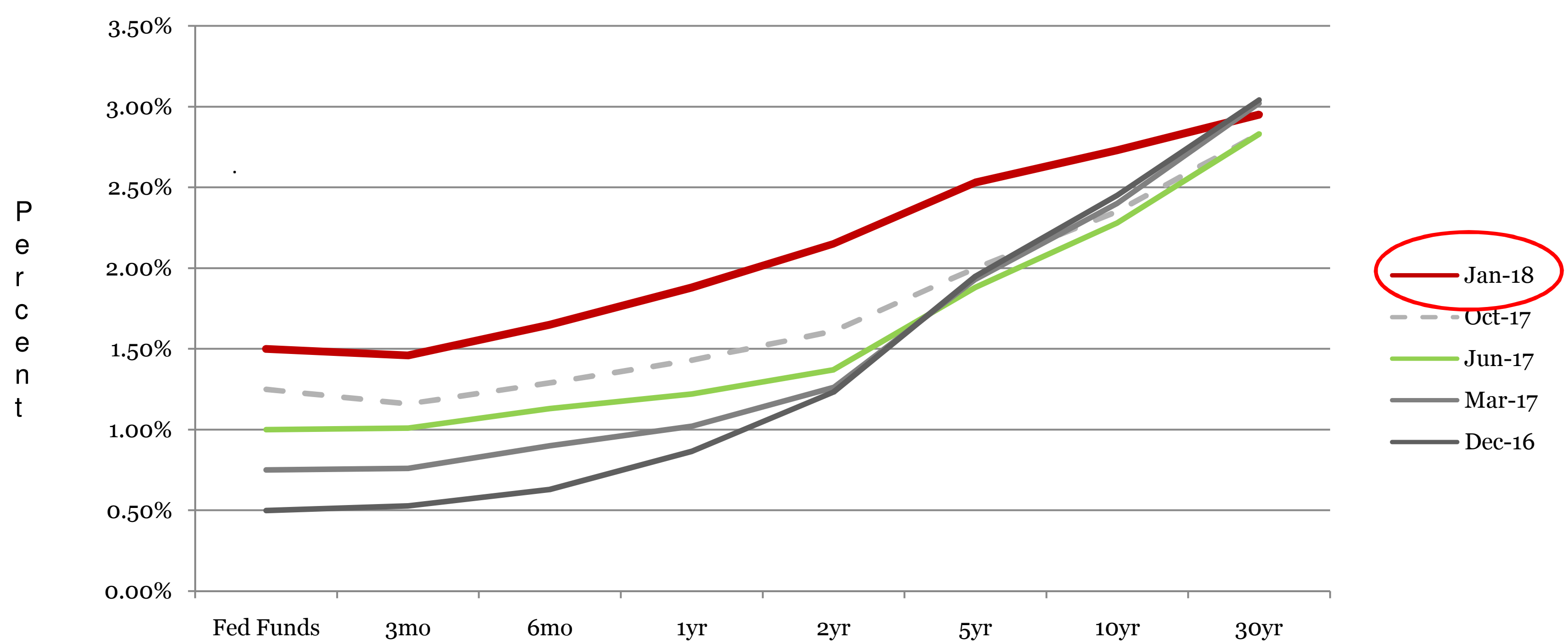
The tax reform and the plans for much needed infrastructure improvements comes at a cost. Treasury will be increasing its auctions this year in its first boost since 2009. Long dated Treasuries (5 to 30 year) auctions will increase by $66 billion in order to match budget shortfalls in Medicare, Social Security and other social services. The 2 and 3 year notes will increase by $2 billion a month as will T-Bills. Along with the release/maturing of some positions by Treasury as part of their cut in QE security positions, this will add supply to the curve which could raise rates further – dependent on the curve's relative value against other sovereigns. (The 10-year now stands at its highest rates since 4/2014.)

Tax reform's corporate tax cuts and de-regulation may lessen as a stock market boost already at historic highs but the **synchronized global growth** and **unambiguously positive** earnings in this growth environment will be difficult to slow.



Rates Struggle to Find Right Balance

- The concern for a flattening (less steep) curve has continued into 2018.
- As the Federal Reserve raised rates in December and appears to be on target to raise the Fed Funds rate a potential three more times in 2018 the short rates have moved up but the long end stays stubbornly only slightly above its June level.
- The move in the short end is clearly driven by the Fed's view of the strength in the economy along with its desire to create a monetary cushion if a recession should occur in the future (giving room for normal easing actions).
- The slight inversion from overnight funds to the three-month reflects (a) rates in the US led by the Fed are higher than international alternatives and (b) continuing global economical and geo-political uncertainty as investors hold cash until the picture becomes clearer. Now that rates are moving up internationally this will undoubtedly change.
- The stubborn long end indicate long investors who are betting that inflation will never resurface! They may re-think this position in the future.



End of Month Rates - Full Yield Curve – Fed Funds to 30yr

Your Portfolio

As of January 31, 2018

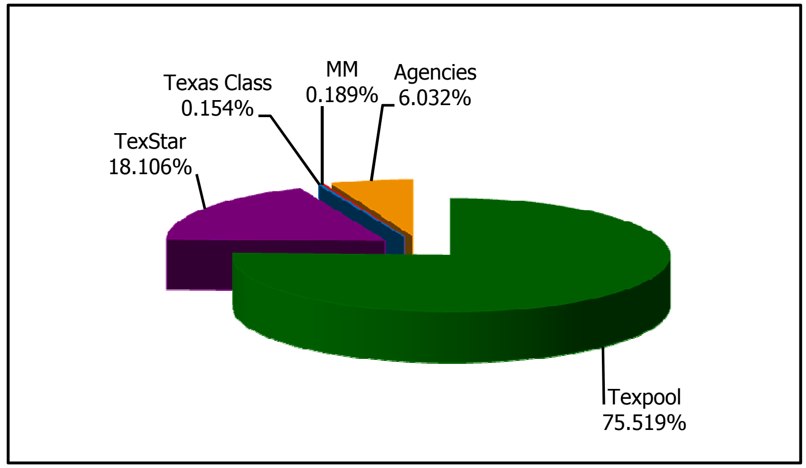
- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions.

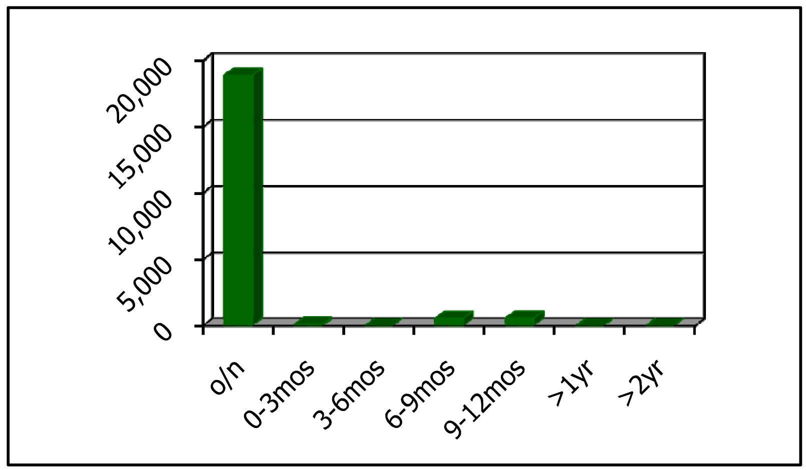
- The very short-term rates continue to move up with the Fed's move and short term alternatives are available especially for those with access to commercial paper. Rates beyond one year will best the pools.

- Banks remain *uninterested* in new deposits and everyone must review the ECR rates versus those available outside the banks.

- It is time to reduce cash balances and plan for the tax funds coming soon.

- The non-cash portion of your portfolio is yielding 0.868%.





PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

City of Taylor, Texas
Portfolio Management
Portfolio Summary
January 31, 2018

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Federal Agency Coupon Securities	1,178,000.00	1,205,357.75	1,212,102.10	6.03	658	232	0.868
Texpool	15,174,247.74	15,174,247.74	15,174,247.74	75.52	1	1	1.299
TexStar	3,638,076.89	3,638,076.89	3,638,076.89	18.11	1	1	1.290
Texas Class	31,218.15	31,218.15	31,218.15	0.16	1	1	1.560
Money Market	38,300.94	38,300.94	38,300.94	0.19	1	1	0.684
Investments	**20,059,843.72**	**20,087,201.47**	**20,093,945.82**	**100.00%**	**41**	**15**	**1.271**

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	20,266.03	49,873.71

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the City of Taylor, Texas of the position and activity within the Citty's portfolio of investment. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic represenataions of the portfolio to provide full disclosure to the governing body.

Rosemarie Dennis 2/14/18

Rosemarie Dennis, Finance Director

Reporting period 01/01/2018-01/31/2018
Data Updated: SET_TAYL: 02/14/2018 13:39
Run Date: 02/14/2018 - 13:40

Portfolio TAYL
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746
-

City of Taylor, Texas
Summary by Type
January 31, 2018
Grouped by Fund

Security Type		Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Airport Fund							
Texpool		1	984,633.22	984,633.22	4.90	1.299	1
	Subtotal	**1**	**984,633.22**	**984,633.22**	**4.90**	**1.299**	**1**
Fund: Cemetery Permanent Fund							
Federal Agency Coupon Securities		2	524,000.00	548,000.65	2.73	0.962	262
Money Market		1	18,410.49	18,410.49	0.09	1.000	1
Texas Class		1	31,218.15	31,218.15	0.16	1.560	1
Texpool		1	205,149.76	205,149.76	1.02	1.299	1
TexStar		1	187,153.39	187,153.39	0.93	1.290	1
	Subtotal	**6**	**965,931.79**	**989,932.44**	**4.93**	**1.114**	**146**
Fund: General Fund							
Federal Agency Coupon Securities		3	654,000.00	664,101.45	3.30	0.789	207
Money Market		2	19,890.45	19,890.45	0.10	0.391	1
Texpool		1	11,246,240.04	11,246,240.04	55.97	1.299	1
TexStar		1	3,450,923.50	3,450,923.50	17.17	1.290	1
	Subtotal	**7**	**15,371,053.99**	**15,381,155.44**	**76.54**	**1.274**	**10**
Fund: Special Rev-Tax Increment Fund							
Texpool		1	538,809.45	538,809.45	2.68	1.299	1
	Subtotal	**1**	**538,809.45**	**538,809.45**	**2.68**	**1.299**	**1**
Fund: Utility Fund							
Texpool		1	2,199,415.27	2,199,415.27	10.95	1.299	1
	Subtotal	**1**	**2,199,415.27**	**2,199,415.27**	**10.95**	**1.299**	**1**
	Total and Average	**16**	**20,059,843.72**	**20,093,945.82**	**100.00**	**1.271**	**15**

PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

City of Taylor, Texas
Fund AIR - Airport Fund
Investments by Fund
January 31, 2018

Patterson & Associates
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-

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Texpool											
300019	10007	Texpool	11/01/2017	984,633.22	984,633.22	984,633.22	1.299	1.281	1.298		1
			Subtotal and Average	**984,633.22**	**984,633.22**	**984,633.22**		**1.281**	**1.299**		**1**
			Total Investments and Average	**984,633.22**	**984,633.22**	**984,633.22**		**1.281**	**1.299**		**1**

Fund CEM - Cemetery Permanent Fund
Investments by Fund
January 31, 2018

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Federal Agency Coupon Securities											
3133EGUK9	10012	FFCB Note	09/20/2016	149,000.00	149,000.00	148,172.31	0.930	0.707	0.717	09/19/2018	230
317705AH4	10014	Financing Corp	04/03/2017	399,000.65	375,000.00	396,396.00	9.650	1.039	1.053	11/02/2018	274
			Subtotal and Average	**548,000.65**	**524,000.00**	**544,568.31**		**0.949**	**0.962**		**262**
Texpool											
300007	10008	Texpool	11/01/2017	205,149.76	205,149.76	205,149.76	1.299	1.281	1.298		1
			Subtotal and Average	**205,149.76**	**205,149.76**	**205,149.76**		**1.281**	**1.299**		**1**
TexStar											
22880	10003	TexStar	11/01/2017	187,153.39	187,153.39	187,153.39	1.290	1.272	1.290		1
			Subtotal and Average	**187,153.39**	**187,153.39**	**187,153.39**		**1.272**	**1.290**		**1**
Texas Class											
70006	10001	Texas Class	11/01/2017	31,218.15	31,218.15	31,218.15	1.560	1.538	1.560		1
			Subtotal and Average	**31,218.15**	**31,218.15**	**31,218.15**		**1.539**	**1.560**		**1**
Money Market											
54941	10009	Fidelity Govt Cash Res (FDRXX)	11/01/2017	18,410.49	18,410.49	18,410.49	1.000	0.986	1.000		1
			Subtotal and Average	**18,410.49**	**18,410.49**	**18,410.49**		**0.986**	**1.000**		**1**
			Total Investments and Average	**989,932.44**	**965,931.79**	**986,500.10**		**1.098**	**1.114**		**145**

Fund GEN - General Fund
Investments by Fund
January 31, 2018

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Federal Agency Coupon Securities											
3133EGUK9	10013	FFCB Note	09/20/2016	399,000.00	399,000.00	396,783.56	0.930	0.707	0.717	09/19/2018	230
317705AD3	10011	Financing Corp	02/17/2016	100,168.63	100,000.00	100,162.20	9.400	0.647	0.656	02/08/2018	7
317705AH4	10015	Financing Corp	04/03/2017	164,932.82	155,000.00	163,843.68	9.650	1.029	1.043	11/02/2018	274
			Subtotal and Average	**664,101.45**	**654,000.00**	**660,789.44**		**0.779**	**0.789**		**207**
Texpool											
300003	10004	Texpool	11/01/2017	11,246,240.04	11,246,240.04	11,246,240.04	1.299	1.281	1.298		1
			Subtotal and Average	**11,246,240.04**	**11,246,240.04**	**11,246,240.04**		**1.281**	**1.299**		**1**
TexStar											
34440	10002	TexStar	11/01/2017	3,450,923.50	3,450,923.50	3,450,923.50	1.290	1.272	1.290		1
			Subtotal and Average	**3,450,923.50**	**3,450,923.50**	**3,450,923.50**		**1.272**	**1.290**		**1**
Money Market											
60618	10000	Citizens Nat'l Bank MM-Public	11/01/2017	12,227.68	12,227.68	12,227.68	0.010	0.009	0.010		1
54942	10010	Fidelity Govt Cash Res (FDRXX)	11/01/2017	7,662.77	7,662.77	7,662.77	1.000	0.986	1.000		1
			Subtotal and Average	**19,890.45**	**19,890.45**	**19,890.45**		**0.386**	**0.391**		**1**
			Total Investments and Average	**15,381,155.44**	**15,371,053.99**	**15,377,843.43**		**1.256**	**1.274**		**9**

Fund SPECREV - Special Rev-Tax Increment Fund
Investments by Fund
January 31, 2018

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Texpool											
300004	10005	Texpool	11/01/2017	538,809.45	538,809.45	538,809.45	1.299	1.281	1.298		1
			Subtotal and Average	**538,809.45**	**538,809.45**	**538,809.45**		**1.281**	**1.299**		**1**
			Total Investments and Average	**538,809.45**	**538,809.45**	**538,809.45**		**1.281**	**1.299**		**1**

Fund UTIL - Utility Fund
Investments by Fund
January 31, 2018

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Texpool											
300001	10006	Texpool	11/01/2017	2,199,415.27	2,199,415.27	2,199,415.27	1.299	1.281	1.298		1
			Subtotal and Average	**2,199,415.27**	**2,199,415.27**	**2,199,415.27**		**1.281**	**1.299**		**1**
			Total Investments and Average	**2,199,415.27**	**2,199,415.27**	**2,199,415.27**		**1.281**	**1.299**		**1**

PATTERSON & ASSOCIATES
INVESTMENT PROFESSIONALS

City of Taylor, Texas
Interest Earnings
Sorted by Fund - Fund
January 1, 2018 - January 31, 2018
Period Yield on Average Book Value

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Austin, TX 78746
-

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Yield This Period	Adjusted Interest Earnings: Interest Earned	Adjusted Interest Earnings: Amortization/ Accretion	Adjusted Interest Earnings: Adjusted Interest Earnings
Fund: Airport Fund												
300019	10007	AIR	RRP	984,633.22	983,548.22	983,583.22		1.299	0.110	1,085.00	0.00	1,085.00
			Subtotal	**984,633.22**	**983,548.22**	**983,583.22**			**0.110**	**1,085.00**	**0.00**	**1,085.00**
Fund: Cemetery Permanent Fund												
3133EGUK9	10012	CEM	FAC	149,000.00	149,000.00	149,000.00	09/19/2018	0.930	0.077	115.47	0.00	115.47
300007	10008	CEM	RRP	205,149.76	204,923.71	204,931.00		1.299	0.110	226.05	0.00	226.05
70006	10001	CEM	RR3	31,218.15	31,177.00	31,178.33		1.560	0.132	41.15	0.00	41.15
54941	10009	CEM	RR4	18,410.49	18,394.74	18,395.25		1.000	0.086	15.75	0.00	15.75
22880	10003	CEM	RR2	187,153.39	186,948.57	186,955.18		1.290	0.110	204.82	0.00	204.82
317705AH4	10014	CEM	FAC	375,000.00	401,657.54	400,243.39	11/02/2018	9.650	0.090	3,015.62	-2,656.89	358.73
			Subtotal	**965,931.79**	**992,101.56**	**990,703.14**			**0.097**	**3,618.86**	**-2,656.89**	**961.97**
Fund: General Fund												
3133EGUK9	10013	GEN	FAC	399,000.00	399,000.00	399,000.00	09/19/2018	0.930	0.078	309.23	0.00	309.23
300003	10004	GEN	RRP	11,246,240.04	8,402,872.81	8,494,594.33		1.299	0.127	10,808.29	0.00	10,808.29
54942	10010	GEN	RR4	7,662.77	7,656.21	7,656.42		1.000	0.086	6.56	0.00	6.56
60618	10000	GEN	RR4	12,227.68	12,227.58	12,227.58		0.010	0.001	0.10	0.00	0.10
34440	10002	GEN	RR2	3,450,923.50	3,447,146.82	3,447,268.65		1.290	0.110	3,776.68	0.00	3,776.68
317705AH4	10015	GEN	FAC	155,000.00	166,032.39	165,447.13	11/02/2018	9.650	0.089	1,246.46	-1,099.57	146.89
317705AD3	10011	GEN	FAC	100,000.00	100,891.33	100,506.67	02/08/2018	9.400	0.060	783.33	-722.70	60.63
			Subtotal	**15,371,053.99**	**12,535,827.14**	**12,626,700.79**			**0.120**	**16,930.65**	**-1,822.27**	**15,108.38**
Fund: Special Rev-Tax Increment Fund												
300004	10005	SPECREV	RRP	538,809.45	538,215.71	538,234.86		1.299	0.110	593.74	0.00	593.74
			Subtotal	**538,809.45**	**538,215.71**	**538,234.86**			**0.110**	**593.74**	**0.00**	**593.74**
Fund: Utility Fund												
300001	10006	UTIL	RRP	2,199,415.27	2,330,383.63	2,326,158.84		1.299	0.108	2,516.94	0.00	2,516.94

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Yield This Period	Adjusted Interest Earnings: Interest Earned	Adjusted Interest Earnings: Amortization/ Accretion	Adjusted Interest Earnings: Adjusted Interest Earnings
			Subtotal	**2,199,415.27**	**2,330,383.63**	**2,326,158.84**			**0.108**	**2,516.94**	**0.00**	**2,516.94**
			Total	**20,059,843.72**	**17,380,076.26**	**17,465,380.86**			**0.116**	**24,745.19**	**-4,479.16**	**20,266.03**

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City of Taylor, Texas
Amortization Schedule
January 1, 2018 - January 31, 2018
Sorted By Fund - Fund

Investment # / Issuer	Fund	Maturity Date / Amort. Date	Beginning Par Value / Current Rate	Purchase Principal	Original Premium or Discount	Ending Book Value	Amounts Amortized And Unamortized As of 01/01/2018	Amount Amortized This Period	Amt Amortized Through 01/31/2018	Amount Unamortized Through 01/31/2018
Cemetery Permanent Fund										
10012 FFCB Note	CEM	09/19/2018 09/19/2017	149,000.00 0.930	149,625.80	625.80	149,000.00	-625.80 0.00	0.00	-625.80	0.00
10014 Financing Corp	CEM	11/02/2018	375,000.00 9.650	425,392.50	50,392.50	399,000.65	-23,734.96 26,657.54	-2,656.89	-26,391.85	24,000.65
			Subtotal	**575,018.30**	**51,018.30**	**548,000.65**	**-24,360.76** **26,657.54**	**-2,656.89**	**-27,017.65**	**24,000.65**
General Fund										
10013 FFCB Note	GEN	09/19/2018 09/19/2017	399,000.00 0.930	400,675.80	1,675.80	399,000.00	-1,675.80 0.00	0.00	-1,675.80	0.00
10011 Financing Corp	GEN	02/08/2018	100,000.00 9.400	117,128.00	17,128.00	100,168.63	-16,236.67 891.33	-722.70	-16,959.37	168.63
10015 Financing Corp	GEN	11/02/2018	155,000.00 9.650	175,855.25	20,855.25	164,932.82	-9,822.86 11,032.39	-1,099.57	-10,922.43	9,932.82
			Subtotal	**693,659.05**	**39,659.05**	**664,101.45**	**-27,735.33** **11,923.72**	**-1,822.27**	**-29,557.60**	**10,101.45**
			Total	**1,268,677.35**	**90,677.35**	**1,212,102.10**	**-52,096.09** **38,581.26**	**-4,479.16**	**-56,575.25**	**34,102.10**

PATTERSON & ASSOCIATES

INVESTMENT PROFESSIONALS

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Austin, TX 78746
-

City of Taylor, Texas
Projected Cashflow Report
Sorted by Monthly
For the Period February 1, 2018 - August 31, 2018

Projected Trans. Date	Investment #	Fund	Security ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
February 2018										
02/08/2018	10011	GEN	317705AD3	Maturity	Financing Corp	100,000.00	117,128.00	100,000.00	4,700.00	104,700.00
					Total for February 2018	**100,000.00**	**117,128.00**	**100,000.00**	**4,700.00**	**104,700.00**
March 2018										
03/19/2018	10012	CEM	3133EGUK9	Interest	FFCB Note	0.00	0.00	0.00	692.85	692.85
03/19/2018	10013	GEN	3133EGUK9	Interest	FFCB Note	0.00	0.00	0.00	1,855.35	1,855.35
					Total for March 2018	**0.00**	**0.00**	**0.00**	**2,548.20**	**2,548.20**
May 2018										
05/02/2018	10014	CEM	317705AH4	Interest	Financing Corp	0.00	0.00	0.00	18,093.75	18,093.75
05/02/2018	10015	GEN	317705AH4	Interest	Financing Corp	0.00	0.00	0.00	7,478.75	7,478.75
					Total for May 2018	**0.00**	**0.00**	**0.00**	**25,572.50**	**25,572.50**
					GRAND TOTALS:	**100,000.00**	**117,128.00**	**100,000.00**	**32,820.70**	**132,820.70**

City Council Meeting
February 22, 2018
Agenda Item Transmittal

STRATEGIC PILLAR

☐ Streets/Infrastructure

☐ Quality of Life

☐ Economic Vitality

Agenda Item #: **2**

Agenda Title: Approve minutes for February 8, 2018.

Council Action: Approve by consent or approve with corrections

Initiating Department: City Management/City Clerk

Staff Contact: **Susan Brock, City Clerk**

1. INTRODUCTION/PURPOSE

Pursuant to the Open Meetings Law, Chapter 551, Local Government Code and in accordance with the authority contained in Section 551.021 and the City Charter, the "Minutes" of each City Council must be recorded, compiled and approved by the City Council in subsequent meetings. The purpose of this item is to conform to these legal requirements.

2. DESCRIPTION/ JUSTIFICATION

N/A

3. FINANCIAL/BUDGET

N/A

4. RECOMMENDATION

Approve as submitted or amend with changes noted.

5. REFERENCE FILES

2a. Minutes February 8, 2018

The City Council of the City of Taylor met on February 8, 2018, at City Hall, 400 Porter St., Taylor, Texas. Mayor Brandt Rydell declared a quorum and called the meeting to order at 6:00 p.m. with the following present:

Council Member Dwayne Ariola
Council Member Robert Garcia
Council Member Chris Gonzales
Mayor Pro Tem Christine Lopez

Isaac Turner, City Manager
Ted Hejl, City Attorney
Susan Brock, City Clerk

INVOCATION

Fire Chief Pat Ekiss led the group in prayer.

PLEDGE OF ALLEGIANCE

CITIZENS COMMUNICATION

Mayor Rydell invited those who signed up in advance to come forward during this time. Ms. Patricia Romero, 1304 Thompson, expressed concern regarding adequate water pressure needs when fighting fires. Others who had submitted forms opted to speak during the time when their agenda item was presented.

CONSENT AGENDA

1. APPROVE ORDINANCE 2018-01 AMENDING FEE ORDINANCE
2. APPROVE MINUTES FOR JANUARY 25 AND JANUARY 29, 2018.

Council Member Gonzales requested agenda item number one be removed for additional comments. He reminded council and the citizens that his vote is not against recycling but against adding another fee on to the citizens utility bill. Mayor Pro Tem Lopez moved to approve Agenda Item 1 and Council Member Ariola seconded the motion. VOTE: Three voted AYE; Two voted NO (Gonzales and Garcia). Motion passed.

Council Member Garcia moved to approve agenda item number 2 as presented and Mayor Pro Tem Lopez seconded the motion. VOTE: Five voted AYE. Motion passed.

REGULAR AGENDA; REVIEW/DISCUSS AND CONSIDER ACTION

3. CONSIDER APPOINTMENT TO THE AIRPORT ADVISORY BOARD.

Ms. Brock presented a request to consider filling a vacancy on the Airport Advisory Board. While board appointments are generally made by Council in January and July special consideration is allowed if a board needs to fill a vacancy to gain a quorum for meetings. Mr. James Coggeshall's application was received after the deadline for the January 25, 2018 council meeting and was brought before council at this meeting for special consideration to fill a vacancy.

Council Member Garcia moved to appoint James Coggeshall to the Airport Advisory Board and Council Member Gonzales seconded the motion. VOTE: Five voted AYE. Motion passed.

4. <u>CONSIDER DISCUSSION ON DESIGN ELEMENTS FOR HERITAGE SQUARE PARK IMPROVEMENTS.</u>

Ms. Jennifer Black, Sledge Engineering, presented an update on the Heritage Square Park plan. She pointed out the elements included in the base bid as well as what elements were included in each of the Alternates. Mayor Rydell invited speakers to come forward at this time.

Ms. Tammy Keyes, 2302 Meadow Lane, and Ms. Irene Michna, 1301 Davis, expressed concern for keeping the bandstand at the current location. Ms. Nancci Burgess added her concerns about the concrete seating walls as well as the amphitheater design. Mr. Gary Gola questioned the funding source(s) and Mr. Michael Prillaman, 1502 Sherry, provided alternative designs for the amphitheater. Ms. Judy Blundell, 112 W. 2nd St, expressed her concern for some of choices of materials and the overall look of the park plan. Ms. Annette Maruska, 308 Cherrywood Circle, wanted to be sure the lampposts were not lost in the redesign.

Mr. Casey Sledge, Sledge Engineering and consulting city engineer, responded to the citizen concerns and provided a summary of the process as well as council actions up to this point. Council Member Ariola provided a historic review of the discussions at previous meetings and all council members commented on various design elements prior to the vote.

Council Member Ariola moved to approve the base bid of $3,413,154 plus $351,088 for the Alternates 1,2, 3, and 4. Council Member Gonzales requested an additional $35,000 be added to change the amphitheater column design. Mayor Pro Tem Lopez seconded the motion to approve a total of $386,088 plus the base bid as presented. VOTE: Four voted AYE. One vote NO (Garcia). Motion passed.

5. <u>RECEIVE UPDATE ON RECYCLING PROGRAM FROM PROGRESSIVE WASTE SOLUTIONS.</u>

Mr. Steve Shannon presented an update on the curbside recycling program scheduled to begin February 26. At the request of council, Mr. Shannon agreed to look at extending the program to multifamily residential units after the program is underway and agreed to provide an update to council within the next few months.

Mayor Pro Tem Lopez moved to accept the report as presented and Council Member Ariola seconded the motion. VOTE: Five voted AYE. Motion passed.

6. <u>CONSIDER ACCEPTING THE COMBINED STRATEGIC FACILITIES MASTER PLAN.</u>

Mr. Sledge provided an overview of the master plan and reminded council that this item was only to approve the plan not funding at this time.

Council Member Gonzales moved to approve the plan as presented and Council Member Garcia seconded the motion. VOTE: Five voted AYE. Motion passed.

Mayor Rydell requested Council enter into closed session at 8:27 p.m.

EXECUTIVE SESSION

7. EXECUTIVE SESSION. The Taylor City Council will hold a closed executive meeting pursuant to the provisions of the Open Meetings Law, Chapter 551, Texas Local Government Code, in accordance with the authority contained in Section 551.074 to discuss personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
    - Evaluation of City Manager, Isaac Turner

8. CONSIDER ACTION FROM EXECUTIVE SESSION.
   Council members returned from closed session at 10:50 p.m. and Mayor Rydell stated that no action was taken during the closed session. He expressed his appreciation for the work Mr. Turner has done and is encouraged about the progress being made in the community.

ADJOURN

With no further action Mayor Rydell declared the meeting adjourned at 10:50 p.m.

Brandt Rydell, Mayor

ATTEST:

Susan Brock, City Clerk

City Council Meeting
February 22, 2018

STRATEGIC PILLAR

☐ Streets/Infrastructure

☐ Quality of Life

☒ Economic Vitality

Agenda Item #: **3**

Agenda Title: Receive Comprehensive Annual Financial Report for the 2016-17 Fiscal Year.

Council Action to be taken: Accept the Annual Report

Department Submitted: Finance

Staff Contact: **Rosemarie Dennis, Director**

1. PURPOSE/DESCRIPTION

The purpose of this item on the agenda is to receive and accept the FY2016-17 Comprehensive Annual Finance Report (CAFR).

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

This is a report to Council about the results of the independent financial audit conducted by BrookWatson & Company on the City's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017.

Mike Brooks will present the results of the audit and respond to any questions the Council may have in reference to the audit process and the financial information in the CAFR.

In accordance with the City Charter 10.3, the City shall be audited annually by an independent certified public accountant. This will be BrooksWatson's fifth consecutive year in conducting the City's annual audit.

Based on the independent Auditor's report, the audit was conducted 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.

As management, we assert that, to the best of our knowledge and belief, this financial information reported to the Auditors was compete and reliable in all material respects.

Staff recommends that the Council receive and accept the report as presented by Mike Brooks.

3. FUNDING SOURCE

Fund/Account No.: 100-512-513 Budgeted Amount: $32,500

4. TIMELINE CONSIDERATIONS

Immediate consideration.

5. OTHER OPTIONS (In order of preference)

6. ATTACHMENTS

3a. Comprehensive Financial Annual Report
3b Single Audit Report
3c. Communication to the Govt. body
3d. Communication on findings
3e. Audit powerpoint by Mike Brooks (to be presented at the meeting)

2017

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2017

The City of Taylor
400 Porter Street | Taylor, TX 76574
(P) 512.352.3675 | www.taylortx.gov

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

of the

City of Taylor, Texas

For the Year Ended
September 30, 2017

Prepared by:
Finance Department

Rosemarie Dennis
Director of Finance

Taylor Texas

CITY OF TAYLOR TX

City of Taylor, Texas

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September 30, 2017

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

STATISTICAL SECTION

INTRODUCTORY SECTION

Taylor Texas

CITY OF TAYLOR TX

February 16, 2018

To the Honorable Mayor, Members of the City Council and Citizens of the City of Taylor:

The Comprehensive Annual Financial Report (CAFR) of the City of Taylor, Texas, for the fiscal year ended September 30, 2017, including the independent auditor's report, is hereby submitted in accordance with the provisions of Section 10.3 of the City Charter. Also, state law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with the generally accepted accounting principles (GAAP), and audited in accordance with generally accepted audited standards by an independent firm of licensed public accountants. This report is published to fulfill those requirements for the fiscal year ended September 30, 2017.

This report is published to provide the Mayor and City Council, city staff, our Citizens, representatives of financial institutions, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. Because the cost of internal controls should not outweigh their benefits, the City of Taylor's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement.

The City of Taylor's financial statements have been audited by BrooksWatson & Co., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis to accompany the basic

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512.352.3675

financial statements. This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it.

Profile of the Government

The City of Taylor, incorporated in 1876, is located in eastern Williamson County in the central region of the State of Texas. It is located approximately 29 miles northeast of Austin and 7 miles east of State Highway 130 and 17 miles east of Interstate Highway 35. State Highway 95 and U.S. Highway 79 intersect in downtown Taylor. The City currently occupies a land area of 19.13 square miles and services approximately 17,866 residents. The City of Taylor is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statue to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City of Taylor operated under a Commission-Manager form of government from 1926 to 2001. In an election held on May 5, 2001, a charter amendment was approved changing the designation to a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and four Council members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager, City Attorney and Municipal Court Judge. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government and appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve three year staggered terms. The three-year election cycle consists of two members being elected in consecutive years and a single member being elected in the third year of the cycle. Four of the Council members are elected by district with the remaining council member being elected at-large. After each election, the five members of the Council select one of the members to serve as Mayor until the next election.

The City of Taylor provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational activities and cultural events. Solid waste collection/disposal and water treatment are outsourced to Progressive Waste Solutions (aka Waste Connection of Texas) and Brazos River Authority (BRA), respectively. Wastewater collection and treatment are provided by the City. In addition, the City of Taylor is also financially accountable for a legally separate economic development corporation, which is reported separately with the City of Taylor's financial statements. Additional information on this legally separate entity can be found in the Notes to the Financial Statements.

The annual budget serves as the foundation for the City of Taylor's financial planning and control. All units and departments of the City of Taylor are required to submit requests for appropriations to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents a proposed budget to

Council for review in June. The Council is required to hold public hearings on the proposed budget and to adopt the final budget no later than September 15th.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The City Manager may authorize transfers of appropriations within a department and between departments within a fund and within major line item categories. Increases or decreases of appropriations to a fund; however, require special approval of the City Council in the form of an Ordinance formally amending the adopted budget.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statement for the governmental funds. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of the report.

Local Economy

The City of Taylor's economic outlook continues to improve due to the overall improvement in the economy. This is evidenced by local economic indicators such as an increase in tax appraisal values and the increase in residential building permits. In 2017, the City issued a total of 95 in residential and commercial building permits with a total valuation of $33,551,408. This is an increase in valuation by $16,467,264 from the previous year. For many years, the City's economy has been largely based in agriculture and manufacturing. These industries are still with the City today, however, the Taylor Economic Development Corporation actively recruits companies that add to the diversity of the City's local industry while providing residents with good employment. A major industry that is located within the City of Taylor is the Electric Reliability Council of Texas (ERCOT), which manages the flow of electric power to approximately 24 million Texas customers. This represents 90 percent of the state's electric load and has its operations center is located in Taylor. ERCOT employs over 720 employees and is the City's largest employer. The Taylor Independent School District (TISD) is the second largest employer in the City with over 578 employees and 4,249 students.

Anticipated growth is expected for the east Williamson County region, especially along Chandler Road. This has improved the overall connectivity and mobility to and within Taylor, but also will bring growth and new development.

The average rate for unemployment in Williamson County for 2017 was 3%, this is lower than the national average unemployment rate of 4.2%. The job growth is 3.05% with future job growth over the next ten years is predicted to be 42.7%. The City of Taylor's location is in a region with a varied economic base.

Long –Term Financial Planning

During the 2016-17 fiscal year, the City issued Series 2017 and Series 2017 General Obligation Refunding Bonds for savings on the Series 2008 General Obligation and the Series 2010 Combination Tax and Revenue Certificates of Obligation.

The City's fund balance/operating position concept continues to be an important factor in policy decisions. The policy notes that the City's target unassigned fund balance is an amount equal or greater than 25% of annual general fund operating expenditures. These resources allow the City to avoid disruptions in services during economic downturns and to ensure that there will adequate liquid resources to serve as a financial cushion against the potential shock of unanticipated events.

Major Initiatives

In 2017 the City of Taylor acquired the services of an engineering firm to complete an assessment of all City facilities and infrastructure. The purpose of the 2017 Strategic Facility Plan is to evaluate and identify all of the City of Taylor's infrastructure needs and provide recommendations to City Council for improvements including short term as well as long term objectives. The Strategic Facilities Plan will be used to guide future infrastructure decisions.

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment within which the City of Taylor operates.

- Quality of Life
- Economic Vitality
- Streets and Infrastructure

The City Council and City staff continue to work to ensure completion of ongoing projects that will provide infrastructure improvements to the City's Roadways, Downtown, Drainage Systems, Water/Wastewater systems, Municipal Airport and Parks and Recreation.

Other Information

Fund Accounting: The City's accounting system is organized and operated on a "fund basis." Each fund is a distinct, self-balancing entity. A description of the various major funds and fund types is contained in the Notes of the financial statements. A description of each individual non-major fund is contained at the beginning of its related combined financial statement.

Basis of Accounting: The City's accounting records for all governmental funds are maintained on the modified accrual basis of accounting. This method recognizes revenue when it is measurable and available and expenditures when goods or services are received. All proprietary funds are accounted for using the accrual basis of accounting; revenue is recognized when it is earned, and expenses are recognized when they are incurred.

Internal Control: Management of the City is responsible for establishing and maintaining an internal control structure. This structure is designed to provide reasonable, but not absolute, assurance that: (1) City assets are protected from loss, theft or misuse; and (2) City financial records and data are accurate and reliable. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it, and that the evaluation of cost and benefits requires estimates and judgments by management.

Budgetary Control: Each year, on or before September 15th, the City Council adopts an annual operating budget for the ensuing fiscal year. The operating budget includes anticipated revenues and expenditures for the General Fund, Special Revenue Funds, the Debt Service Fund, and Proprietary Funds. The budget is a planning device that defines the type, quality, and quantity of City goods and services that will be provided to our citizens. The budget is also a control device that serves as a system of "checks and balances" between levels of City government. The budgetary system ensures that individual departments contain their expenditures within limitations set by the City management, and that City management contains expenditures for the entire City within limitations set by the City Council. After adoption, changes to a departmental budget may be made through the use of line item transfers, initiated by a department head, and approved by the City Manager and Finance Director. Any changes to the budget outside of an individual department can only be made by a City Council ordinance. Any revisions that alter the total expenditures of any fund must be adopted by the City Council.

Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Taylor for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2016. This was the ninth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the requirements of the Certificate of Achievement Program to submit to GFOA to determine its eligibility for another certificate.

The presentation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the finance department and all department head directors. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. We would also like to thank the

Mayor and the City Council for their continued interest and support for maintaining the highest standards of professionalism in the management of the City of Taylor financial operations.

Furthermore, the work of the independent auditors from BrooksWatson & Company, is greatly appreciated.

Respectfully submitted,

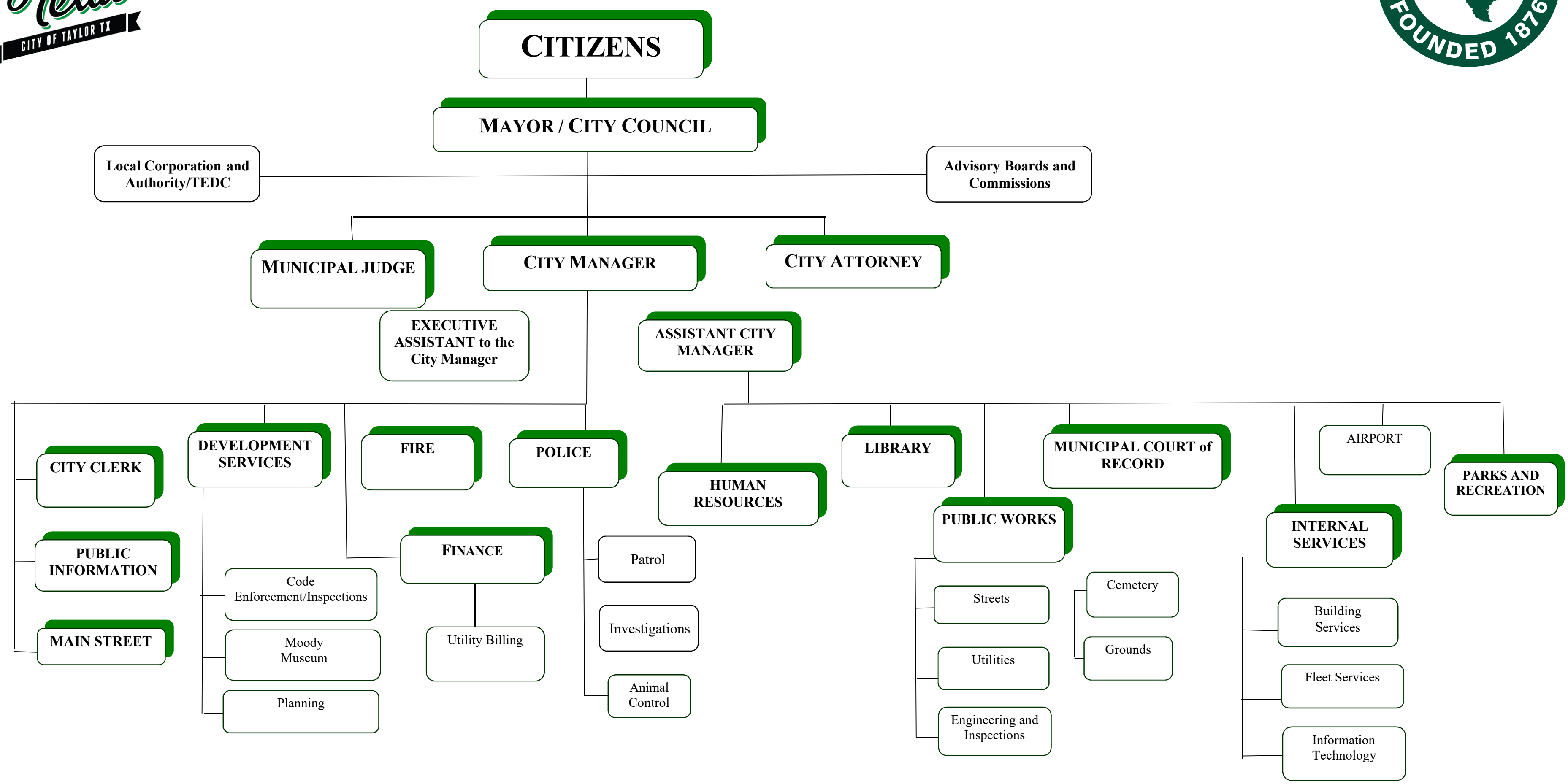
Rosemarie Dennis

Rosemarie Dennis
Finance Director

City of Taylor, Texas

ORGANIZATIONAL CHART

September 30, 2017



City of Taylor, Texas

PRINCIPAL OFFICALS

September 30, 2017

City Council

Brandt Rydell…………………………	Mayor	Term Expires May 2018
Christine Lopez…..…………..………	Mayor Pro Tem	Term Expires May 2019
Christopher Gonzales……..………..	Council Member	Term Expires May 2018
Robert Garcia……………..……… ……	Council Member	Term Expires May 2019
Dwayne Ariola………….……. ……	Council Member	Term Expires May 2019

City Staff

Isaac D. Turner…..……….……………	City Manager
Rocio Lopez …………………………	Executive Assistant to the City Manager
Vacant……...……………………..	Assistant City Manager
Ted Hejl………………………………	City Attorney
Susan Brock…………………………	City Clerk
Rosemarie Dennis……………………	Director of Finance
Pat Ekiss………………………………	Fire Chief
Karen Ellis……………………………	Library Director
Ashley Lumpkin………………………	Director of Development Services
Kim Peterson…………………………	Director of Human Resources
James Gray………………………..	Director of Public Works
Lisa Thompson………..……………	Director of Internal Services
Pam Cosel………..…………………	Public Information Officer
Henry Fluck………..…………………	Police Chief
Deborah Lannen………..……………	Main Street Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Taylor

Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Executive Director/CEO

Taylor Texas

CITY OF TAYLOR TX

FINANCIAL SECTION

Taylor Texas

CITY OF TAYLOR TX

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Taylor, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Taylor, Texas (the "City") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's 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.

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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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note V.H to the financial statements, the City restated the beginning net position of governmental activities and the beginning fund balance of the capital improvements fund due to an accounting error in the prior year and a change in the presentation of the City's component units. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion, schedule of changes in net pension liability and related ratios, schedule of employee contributions to pension plan, and OPEB schedule of funding progress, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

This accompanying supplementary information is the responsibility of management and was derived from and relates 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 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 solely 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 the effectiveness of the City's 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.

BrooksWatson & Co.

BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
February 16, 2018

Taylor Texas

CITY OF TAYLOR TX

MANAGEMENT'S DISCUSSION AND ANALYSIS

Taylor Texas

CITY OF TAYLOR TX

As management of the City of Taylor, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the City exceeded its liabilities (net position) at September 30, 2017 by $61,430,557.

- The City's total net position increased by $4,151,748. The majority of the City's net position is invested in capital assets and restricted for specific purposes.

- The City's governmental funds reported combined ending fund balances of $10,576,700 at September 30, 2017, an increase of $232,857 from the prior fiscal year; this includes an increase of $52,811 in the general fund, a decrease of $657,380 in the capital improvements fund, and an increase of $118,937 in the I&S fund.

- At the end of the fiscal year, unassigned fund balance for the general fund was $3,427,943 or 29% of total general fund expenditures.

- The City's outstanding bonds and certificates of obligation payable increased by $2,670,000 from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were $47,070,000.

- The City's net pension liability totaled $5,910,512 as of year end.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

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

The *statement of net position* presents information on all of the City's assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, culture and recreation, community development, public safety, and public works. The business-type activities of the City include water and sewer, airport, and cemetery operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Taylor Economic Development Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 21-23 of this report.

FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

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

The City maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital improvements fund, and the I&S for CO bonds fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The City adopts an annual appropriated budget for its general, I&S for CO bonds, and special revenue funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 24-29 of this report.

<u>Proprietary Funds</u>

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its public utilities, airport and cemetery operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, meter maintenance, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the maintenance and purchase of equipment.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer fund since it is considered a major fund of the City.

The basic proprietary fund financial statements can be found on pages 34-41 of this report.

Component Units

The City maintains the accounting and financial statements for two component units. The Taylor Economic Development Corporation and the Tax Increment Financing Funds are discretely presented component units displayed on the government-wide financial statements.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 43-83 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's changes in net pension liability and employer contributions to the plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Taylor, Texas, assets exceed liabilities by $61,430,557 as of September 30, 2017, in the primary government.

The largest portion of the City's net position, $56,273,662, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its 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 assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2017			2016		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 11,868,969	$ 5,321,260	$ 17,190,229	$ 10,954,267	$ 2,011,985	$ 12,966,252
Capital assets, net	63,452,375	38,241,420	101,693,795	61,032,019	36,924,000	97,956,019
Total Assets	75,321,344	43,562,680	118,884,024	71,986,286	38,935,985	110,922,271
Deferred Outflows of Resources	1,836,734	854,302	2,691,036	2,208,909	983,606	3,192,515
Other liabilities	3,725,738	2,491,986	6,217,724	764,373	690,579	1,454,952
Long-term liabilities	27,891,829	25,635,619	53,527,448	30,014,775	24,907,188	54,921,963
Total Liabilities	31,617,567	28,127,605	59,745,172	30,779,148	25,597,767	56,376,915
Deferred Inflows of Resources	346,127	53,204	399,331	393,419	65,643	459,062
Net Position:						
Net investment in capital assets	42,810,269	13,463,393	56,273,662	41,563,836	13,597,654	55,161,490
Restricted	2,627,354	-	2,627,354	3,248,859	-	3,248,859
Unrestricted	(243,239)	2,772,780	2,529,541	(1,790,067)	658,527	(1,131,540)
Total Net Position	$ 45,194,384	$ 16,236,173	$ 61,430,557	$ 43,022,628	$ 14,256,181	$ 57,278,809

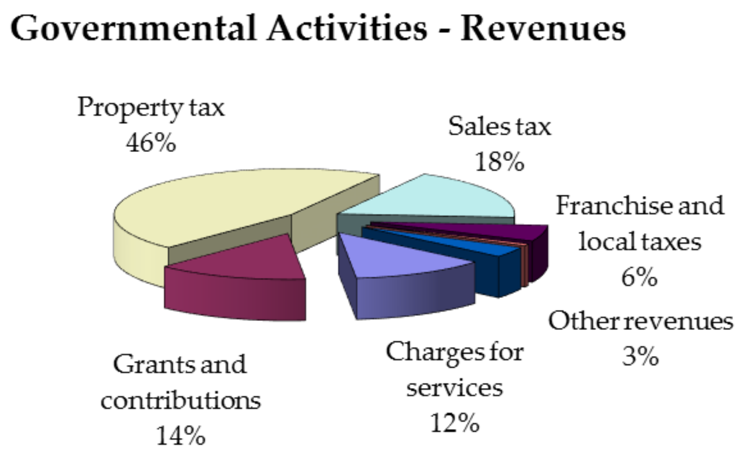
Current assets of business-type activities were $5,321,260 and $2,011,985 as of September 30, 2017 and September 30, 2016, respectively. The increase of $3,309,275 or 164% was primarily attributable to more cash reserves at year end due to the $3,720,000 issuance of Tax and Revenue Certificates of Obligation bonds and an overall positive change in net position of $1,979,992. Governmental activities current assets also increased by $914,702 due to a significant increase in cash reserves, which is attributable to the issuance of $1,620,000 Tax and Revenue Certificates of Obligation bonds. Business-type activities capital assets increased by $1,317,420 due primarily to new investments in the City's wastewater treatment plant. Other liabilities for governmental activities increased by $2,961,365. This increase is directly related to the increase in yearend accrued liabilities, which is directly associated with the overall increase in governmental activities expenditures.

Statement of Activities:

The following table provides a summary of the City's changes in net position:

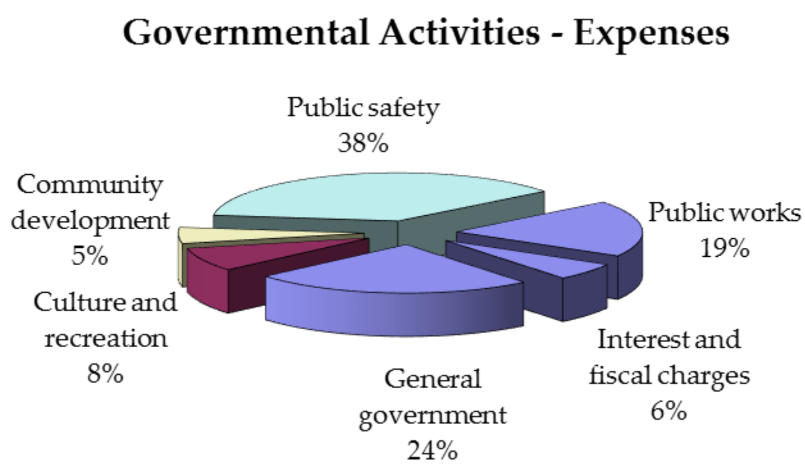
	For the Year Ended September 30, 2017			For the Year Ended September 30, 2016		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	$ 2,045,599	$ 11,175,375	$ 13,220,974	$ 1,369,957	$ 10,014,943	$ 11,384,900
Grants and contributions	2,292,587	-	2,292,587	852,380	24,580	876,960
General revenues:						
Property tax	7,655,907	-	7,655,907	7,247,922	-	7,247,922
Sales tax	2,989,454	-	2,989,454	2,962,203	-	2,962,203
Franchise and local taxes	938,187	-	938,187	939,301	-	939,301
Investment income	110,551	24,796	135,347	38,666	2,825	41,491
Other revenues	603,343	174,389	777,732	251,452	208,164	459,616
Total Revenues	16,635,628	11,374,560	28,010,188	13,661,881	10,250,512	23,912,393
Expenses						
General government	3,903,456	-	3,903,456	3,647,370	-	3,647,370
Culture and recreation	1,266,740	-	1,266,740	1,132,102	-	1,132,102
Community development	854,916	-	854,916	866,779	-	866,779
Public safety	5,987,519	-	5,987,519	5,292,525	-	5,292,525
Public works	3,012,792	-	3,012,792	2,767,401	-	2,767,401
Interest and fiscal charges	931,650	932,866	1,864,516	946,971	861,912	1,808,883
Public utility	-	5,036,900	5,036,900	-	5,287,437	5,287,437
Airport	-	380,583	380,583	-	386,176	386,176
Cemetery operating	-	172,778	172,778	-	178,182	178,182
Sanitation	-	1,378,240	1,378,240	-	1,362,258	1,362,258
Total Expenses	15,957,073	7,901,367	23,858,440	14,653,148	8,075,965	22,729,113
Change in Net Position Before Transfers	678,555	3,473,193	4,151,748	(991,267)	2,174,547	1,183,280
Transfers	1,493,201	(1,493,201)	-	1,416,323	(1,386,323)	30,000
Total	1,493,201	(1,493,201)	-	1,416,323	(1,386,323)	30,000
Change in Net Position	2,171,756	1,979,992	4,151,748	425,056	788,224	1,213,280
Beginning Net Position	43,022,628	14,256,181	57,278,809	42,597,572	13,467,957	56,065,529
Ending Net Position	$ 45,194,384	$ 16,236,173	$ 61,430,557	$ 43,022,628	$ 14,256,181	$ 57,278,809

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



For the year ended September 30, 2017, revenues from governmental activities totaled $16,635,628. Property tax, charges for services and sales tax are the City's largest general revenue sources. Overall revenue increased $2,973,747 or 22% from the prior year. Property tax revenue increased $407,985 due to an increase in property values and a growing tax base. Charges for services increased $675,642 due to new developments within the City and a significant increase in transportation user fee revenue. Grants and contributions increased $1,440,207 primarily as a result of two large nonrecurring grants from the Texas Department of Transportation and Williamson County in the current year. Other revenues increased by $351,891 due to increased grant activity and revenue received in the current year. All other revenues remained relatively stable when compared to the previous year.

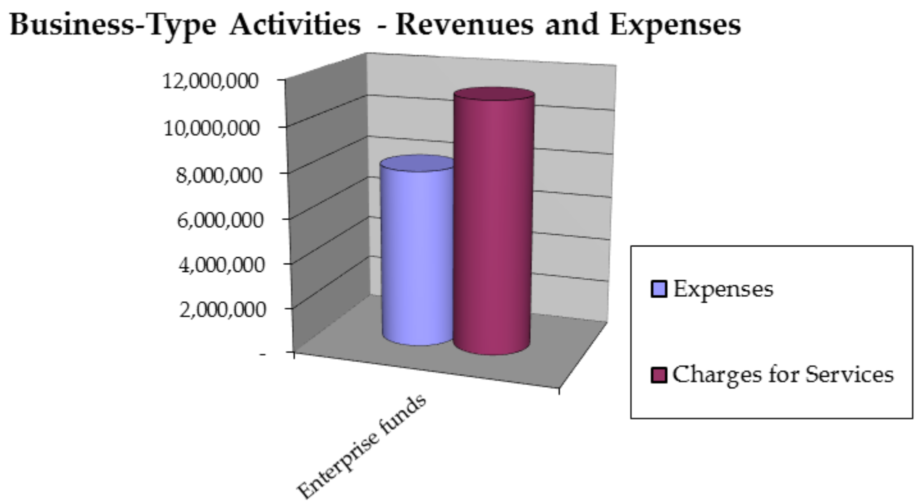
This graph shows the governmental function expenses of the City:



For the year ended September 30, 2017, expenses for governmental activities totaled $15,957,073. This represents an increase of $1,303,925 or 9% from the prior year. The City's largest functional expense is public safety totaling $5,987,519. Public safety increased $694,994 or 13% when compared to the prior year due to salaries and benefits and vehicle rental expenses. General government increased by

$256,086 or 7% due to additional contract service expenditures as well as an increase in salaries and wages. All remaining expenses remained relatively consistent with the previous year.

Business-type activities are shown comparing operating costs to revenues generated by related services.



For the year ended September 30, 2017, charges for services by business-type activities totaled $11,175,375. This is an increase of $1,160,432, or 12%, from the previous year. This increase directly relates to an increase in the utility billing rates charged to customers. The City completed a utility rate study in November of 2015 which examined the future operating and capital financing requirements of the utility system and determine the adequacy of existing rates to meet the related requirements. The study recommended increases in both water and sewer rates which are to be phased in through 2019.

The estimated increased revenues are noted in the following excerpt from the study:

YEAR	WATER	SEWER	COMBINED
2016	9.0%	34.0%	19.0%
2017	11.0%	18.0%	14.1%
2018	8.0%	12.0%	9.9%
2019	3.0%	3.0%	3.0%
2020	0.0%	0.0%	0.0%

Other revenues decreased by $33,775 or 16% due to less contributions received from the Taylor EDC in the current year. All remaining revenues remained relatively consistent with the previous year.

Total expenses decreased $174,598 or 2% to a total of $7,901,367. Public utility expenses totaled $5,934,533 while airport, cemetery operations, and sanitation totaled $415,816, $172,778, and $1,378,240, respectively. The largest decrease in expenses was seen in public utility expenses. This decrease was mainly attributed to personnel and contractual services.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

At September 30, 2017, the City's governmental funds reported combined fund balances of $10,576,700, an increase of $232,857 in comparison with the prior year. Approximately 32% of this amount, $3,427,943, constitutes *unassigned fund balance,* which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable, restricted or committed* to indicate that it is 1) not in spendable form $670,852, 2) committed $1,399,452 or 3) restricted for particular purposes $5,078,453.

As of the end of the year the general fund reflected a total fund balance of $4,572,604. Of this, $1,133,876 is considered restricted and $3,427,943 is unassigned. General fund balance increased by $52,811. This increase can be attributed to a budgeted surplus as well as positive budget variances in overall revenue.

As a measure of the general fund's liquidity, it may be useful to compare total unassigned fund balance to total fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of $3,427,943 is 29% of total general fund operating expenditures.

The capital improvements fund had an ending fund balance of $3,121,951 as of yearend. Total fund balance decreased by $657,380 from the prior year due to capital outlays exceeding total revenues. During the year, the City expended $5,139,208 on various capital improvement projects recorded in this fund.

The I&S for CO bonds fund had an ending fund balance of $390,119 at September 30, 2017, an increase of $118,937 when compared to the previous year. During the year, the fund recorded total principal and interest payments of $2,015,728 and property tax revenue of $1,992,726.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position in the City's largest proprietary fund, the public utility fund, totaled $13,027,349. Unrestricted net position at the close of the fiscal year amounted to $1,461,260, a total increase of $2,005,310 from the previous year. Total investment in capital assets, net of related debt of was $11,566,089, and capital assets, net of depreciation totaled $34,732,862.

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental budget amendments were approved during the fiscal year decreasing total budgeted expenditures by $171,611 and increasing total revenues by $310,503 resulting in a net increase in budgeted fund balance of $38,670. The primary reasons for the budget revision were due to higher than expected revenue from sales taxes and other revenue combined with lower than budgeted revenues mainly from licenses and permits. Total budgeted revenues of $10,732,297 were less than actual revenues of $10,747,927, resulting in a total positive revenue variance of $15,630. Total budgeted expenditures of $11,755,767 were less than actual expenditures of $11,757,554, resulting in a total negative expenditure variance of $1,787. The negative variance in total expenditures was primarily due to the public works department spending more than budgeted. No department was significantly over budget for the year.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested $63,452,375 in a variety of capital assets and infrastructure, net of accumulated depreciation including assets recorded in the internal service funds of $2,054,925. The City's business-type activities funds had invested $38,241,420 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and infrastructure.

Major capital asset events during the current year include the following:

- Hwy 95 Bike/Pedestrian Corridor construction, totaling $1,362,860.
- Street improvements of $1,094,228.
- Investment in Cross Town Trails amounting to $306,455.
- New vehicles and equipment financed through a capital lease totaling $177,664.
- New machinery and equipment financed through a note payable totaling $320,000.
- Investment in the City's wastewater treatment plant of $1,559,043.

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

The City's outstanding bonds and certificates of obligation payable net of all premiums and discounts increased by $2,594,982 or 5.62% from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were $48,736,411, net of all premiums and discounts.

All of the City's debt is backed by a full-faith credit pledge of property taxes with a limited pledge of revenues of the enterprise/utility system. The City monitors its debt obligations and callable bonds for refinancing opportunities with market conditions.

More detailed information about the City's long-term liabilities is presented in note IV. D to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy has remained stable and is showing signs of growth as evidenced by new construction activity. The City continues to make infrastructure improvements throughout the City.

City of Taylor has seen some growth and has made adjustments to meet the new challenges. The City's Strategic Plan provides a framework for the future. Meeting these challenges takes financial resources, a Council vision directing the Strategic Plan, and management team to implement it.

The City Council goal is that the General Fund maintains three months of operating expenditures as a minimum of undesignated reserves, which currently equates to $3,063,610. At the end of fiscal year 2017, unassigned fund balance in the General Fund is $3,427,943. It is intended that the available fund balance beyond the minimum be used for capital outlay and personnel. For the fiscal year 2018, fund balance in all budgeted funds is projected to remain at adequate levels to provide for unexpected decreases in revenue plus extraordinary unbudgeted expenditures.

The property tax rate for fiscal year 2017-18 is $0.798 per $ 100 valuation. Of this tax rate 75 percent or $0.601784 is utilized for General Fund activities. The remaining 25 percent or $0.196216 is used for debt service. The General Fund's portion of property tax revenue for fiscal year 2017-18 is estimated to be $6,005,589. Sales tax revenue for fiscal year 2017-18 is budgeted at $3,133,934.

The largest revenue source for the Utility Fund is water sales at $4,942,228. A water and sewer rate study was completed and adopted by Council during fiscal year 2014-2015 and rate increase were implemented beginning in the fiscal year 2015-16 with rate increases for the next four years ending in 2019. The water and sewer rate increases are to fund future projects and built up reserves in the Utility Fund. The new rate system, which focuses on water conservation, implements an increasing tier rate which charges a higher price for water at higher levels of consumption. The second largest revenue source is sewer charges at $4,423,124 based on the fiscal year 2017-18 base rate of $ 28.00 plus $ 6.71 per 1,000 gallons.

The City Council approved an ordinance establishing a Transportation User Fee (TUF) that applied to businesses and residents within the City of Taylor city limits. The new rate took effect in June of 2016. A flat fee of $8.00 per residential unit was assessed with commercial being assessed a tier rates that ranged from tier 1 to tier 6 ($25-$133 per month). The total annual revenue generated from the TUF is projected to be $793,104 for the fiscal year 2017-18. The TUF was designed to address a portion of the street repair and maintenance for Taylor's aged infrastructure but is not enough to meet the demands of all the poor rated streets.

The sanitation fee for residential garbage is a base charge of $ 12.04 per month with change in rates in the budget for the fiscal year 2017-18. Additionally, the drainage fee will increase from $2.00 to $3.00 per single family dwelling per month in fiscal year 2017-18.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance at 400 Porter St., Taylor Texas 76574 or call (512) 352-5997.

FINANCIAL STATEMENTS

City of Taylor, Texas

STATEMENT OF NET POSITION

September 30, 2017

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
Assets			
Cash and cash equivalents	$ 8,847,153	$ 3,921,681	$ 12,768,834
Investments	1,308,137	-	1,308,137
Restricted cash-customer deposits	-	405,795	405,795
Receivables, net	1,485,694	1,081,821	2,567,515
Due from primary government	-	-	-
Internal balances	227,985	(227,985)	-
Inventories	-	139,948	139,948
	11,868,969	5,321,260	17,190,229
Land held for investment	-	-	-
Capital assets:			
Non-depreciable	6,658,702	3,606,429	10,265,131
Net depreciable capital assets	56,793,673	34,634,991	91,428,664
	63,452,375	38,241,420	101,693,795
Total Assets	75,321,344	43,562,680	118,884,024
Deferred Outflows of Resources			
Deferred charge on refunding	435,496	638,918	1,074,414
Pension contributions	534,378	82,139	616,517
Pension investment earnings	837,956	128,802	966,758
Pension assumption changes	28,904	4,443	33,347
Total Deferred Outflows of Resources	1,836,734	854,302	2,691,036
Liabilities			
Accounts payable and accrued liabilities	977,100	472,274	1,449,374
Customer deposits	-	405,795	405,795
Accrued interest payable	90,680	110,996	201,676
Long-term debt due within one year	2,653,832	1,502,921	4,156,753
Due to component unit	4,126	-	4,126
	3,725,738	2,491,986	6,217,724
Noncurrent liabilities:			
Net pension liability	5,123,046	787,466	5,910,512
Due in more than one year	22,768,783	24,848,153	47,616,936
	27,891,829	25,635,619	53,527,448
Total Liabilities	31,617,567	28,127,605	59,745,172
Deferred Inflows of Resources			
Pension (gains) losses	346,127	53,204	399,331
Net Position			
Net investment in capital assets	42,810,269	13,463,393	56,273,662
Restricted for:			
Debt service	390,119	-	390,119
Community development	-	-	-
Cemetery land purchase	194,176	-	194,176
Moody museum	296,620	-	296,620
Library bequest funds	292,794	-	292,794
Cemetery - nonexpendable	670,852	-	670,852
Municipal court	119,853	-	119,853
Other purposes	662,940	-	662,940
Unrestricted	(243,239)	2,772,780	2,529,541
Total Net Position	$ 45,194,384	$ 16,236,173	$ 61,430,557

See Notes to Financial Statements.

Component Units	
Taylor EDC	Tax Increment Financing
$ 1,276,357	$ 734,027
-	-
-	-
182,183	-
4,126	-
-	-
-	-
1,462,666	734,027
384,512	-
-	-
2,447,349	-
2,831,861	-
4,294,527	734,027
-	-
-	-
-	-
-	-
-	-
25,837	-
-	-
4,126	-
176,344	-
-	-
206,307	-
-	-
2,042,110	-
2,042,110	-
2,248,417	-
-	-
234,898	-
-	-
1,811,212	734,027
-	-
-	-
-	-
-	-
-	-
-	
-	-
$ 2,046,110	$ 734,027

City of Taylor, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 3,903,456	$ 1,433,520	$ 126,478	$ -
Culture and recreation	1,266,740	-	-	-
Community development	854,916	-	-	2,166,109
Public safety	5,987,519	279,426	-	-
Public works	3,012,792	332,653	-	-
Interest and fiscal charges	931,650	-	-	-
Total Governmental Activities	15,957,073	2,045,599	126,478	2,166,109
Business-Type Activities				
Public Utility	5,934,533	9,081,323	-	-
Airport	415,816	364,728	-	-
Cemetery Operating	172,778	86,733	-	-
Sanitation	1,378,240	1,642,591	-	-
Total Business-Type Activities	7,901,367	11,175,375	-	-
Total Primary Government	$ 23,858,440	$ 13,220,974	$ 126,478	$ 2,166,109
Component Units				
Taylor Economic Development Corporation	$ 1,007,001	$ -	$ -	$ -
Tax Increment Financing	209,568	-	-	-
Total Component Units	$ 1,216,569	$ -	$ -	$ -

General Revenues:

Taxes

Property tax

Sales tax

Franchise and local taxes

Investment income

Other revenues

Loss on disposal of assets

Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Taylor EDC	Tax Increment Financing
$ (2,343,458)	$ -	$ (2,343,458)	$ -	$ -
(1,266,740)	-	(1,266,740)	-	-
1,311,193	-	1,311,193	-	-
(5,708,093)	-	(5,708,093)	-	-
(2,680,139)	-	(2,680,139)	-	-
(931,650)	-	(931,650)	-	-
(11,618,887)	-	(11,618,887)	-	-
-	3,146,790	3,146,790	-	-
-	(51,088)	(51,088)	-	-
-	(86,045)	(86,045)	-	-
-	264,351	264,351	-	-
-	3,274,008	3,274,008	-	-
(11,618,887)	3,274,008	(8,344,879)	-	-
			(1,007,001)	-
			-	(209,568)
			(1,007,001)	(209,568)
7,655,907	-	7,655,907	-	164,229
2,989,454	-	2,989,454	1,003,397	-
938,187	-	938,187	-	-
110,551	24,796	135,347	355	4,334
603,343	174,389	777,732	500	97,351
-	-	-	(109,918)	-
1,493,201	(1,493,201)	-	-	-
13,790,643	(1,294,016)	12,496,627	894,334	265,914
2,171,756	1,979,992	4,151,748	(112,667)	56,346
43,022,628	14,256,181	57,278,809	2,158,777	677,681
$ 45,194,384	$ 16,236,173	$ 61,430,557	$ 2,046,110	$ 734,027

City of Taylor, Texas

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2017

	General	Capital Improvements	I & S For CO Bonds
Assets			
Cash and cash equivalents	$ 3,485,163	$ 3,404,729	$ 387,965
Investments	668,909	-	-
Receivables, net	897,168	427,709	45,676
Due from other funds	207,472	-	2,154
Total Assets	$ 5,258,712	$ 3,832,438	$ 435,795
Liabilities			
Accounts payable and accrued liabilities	$ 556,873	$ 354,878	$ -
Due to other funds	2,154	-	-
Due to component unit	4,126	-	-
Total Liabilities	563,153	354,878	-
Deferred Inflows of Resources			
Unavailable revenue - grant revenue	-	355,609	-
Unavailable revenue - property taxes	122,955	-	45,676
Total Deferred Inflows of Resources	122,955	355,609	45,676
Fund Balances			
Nonspendable:			
Permanent fund	-	-	-
Restricted for:			
Debt service	-	-	390,119
Capital projects	-	3,121,951	-
Special revenue	-	-	-
Other purposes	1,133,876	-	-
Committed for:			
Drainage	10,785	-	-
Road maintenance	-	-	-
Unassigned reported in:			
General fund	3,427,943	-	-
Total Fund Balances	4,572,604	3,121,951	390,119
Total Liabilities and Fund Balances	$ 5,258,712	$ 3,476,829	$ 435,795

See Notes to Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
$ 1,545,002	$ 8,822,859
639,228	1,308,137
115,141	1,485,694
203,945	413,571
$ 2,503,316	$ 12,030,261
$ 11,290	$ 923,041
-	2,154
-	4,126
11,290	929,321
-	355,609
-	168,631
-	524,240
670,852	670,852
-	390,119
-	3,121,951
432,507	432,507
-	1,133,876
479,703	490,488
908,964	908,964
-	3,427,943
2,492,026	10,576,700
$ 2,503,316	$ 11,674,652

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City of Taylor, Texas

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

September 30, 2017

Fund Balances - Total Governmental Funds	$	10,576,700
Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		6,658,702
Capital assets - net depreciable		54,738,748
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		524,240
Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.		
Deferred charge on refunding		435,496
Pension contributions		524,342
Pension investment earnings		822,218
Pension assumption changes		28,361
Internal service funds are used by management to charge the cost of equipment services and replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Net position - governmental activities		27,166
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.		
Pension (gains) losses		(339,626)
Some liabilities, including bonds payable and compensated absences, are not reported as liabilities in the governmental funds.		
Net pension liability		(5,026,829)
Other post employment benefits		(330,329)
Accrued interest		(90,680)
Bond premium		(717,183)
Bond discount		6,934
Non-current liabilities due in one year		(2,278,988)
Non-current liabilities due in more than one year		(20,364,888)
Net Position of Governmental Activities	$	45,194,384

See Notes to Financial Statements.

City of Taylor, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2017

	General	Capital Improvements	I & S For CO Bonds
Revenues			
Property tax	$ 5,663,181	$ -	$ 1,992,726
Sales tax	2,989,454	-	-
Franchise and local taxes	857,553	-	-
License and permits	331,723	-	-
Charges for services	311,867	-	-
Fines and forfeitures	263,439	-	-
Intergovernmental	96,478	2,166,109	-
Investment income	44,726	31,619	8,614
Other revenues	189,506	-	-
Total Revenues	10,747,927	2,197,728	2,001,340
Expenditures			
Current:			
General government	2,675,339	2,566	-
Culture and recreation	1,255,298	-	-
Community development	828,646	-	-
Public safety	5,705,113	-	-
Public works	1,293,158	-	-
Debt service:			
Principal retirement	-	-	1,290,000
Interest and fiscal charges	-	-	725,728
Bond issuance costs	-	34,807	-
Capital outlay	-	5,139,208	-
Unrealized loss on investments	-	-	-
Total Expenditures	11,757,554	5,176,581	2,015,728
Excess of Revenues Over (Under) Expenditures	(1,009,627)	(2,978,853)	(14,388)
Other Financing Sources (Uses)			
Transfers in	1,609,200	654,723	133,325
Transfers (out)	(546,762)	-	-
Bond issuance	-	1,620,000	-
Premium	-	46,750	-
Total Other Financing Sources (Uses)	1,062,438	2,321,473	133,325
Net Change in Fund Balances	52,811	(657,380)	118,937
Beginning fund balances	4,519,793	3,779,331	271,182
Ending Fund Balances	$ 4,572,604	$ 3,121,951	$ 390,119

See Notes to Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 7,655,907
-	2,989,454
80,634	938,187
-	331,723
1,122,583	1,434,450
15,987	279,426
30,000	2,292,587
25,589	110,548
38,470	227,976
1,313,263	16,260,258
146,000	2,823,905
-	1,255,298
-	828,646
-	5,705,113
11,767	1,304,925
-	1,290,000
-	725,728
-	34,807
5,858	5,145,066
35,019	35,019
198,644	19,148,507
1,114,619	(2,888,249)
44,570	2,441,818
(440,700)	(987,462)
-	1,620,000
-	46,750
(396,130)	3,121,106
718,489	232,857
1,773,537	10,343,843
$ 2,492,026	$ 10,576,700

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City of Taylor, Texas

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

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	$	232,857
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		4,348,143
Depreciation expense		(1,984,079)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		355,609
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Pension expense		(210,303)
Compensated absences		(77,109)
Other post employment benefits		(29,867)
Accrued interest		(1,010)
Amortization of deferred charges on refunding		(150,079)
Amortization of bond premium and discounts		73,834
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payments		1,290,000
Bonds issued		(1,620,000)
Premiums on debt issued		(46,750)
Internal service funds are used by management to charge the cost of equipment services and replacement to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(9,490)
Change in Net Position of Governmental Activities	$	2,171,756

See Notes to Financial Statements.

City of Taylor, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Page 1 of 2)

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	$ 5,467,413	$ 5,663,181	$ 5,663,181	$ -
Sales tax	3,035,110	2,984,610	2,989,454	4,844
Franchise and local taxes	893,755	858,150	857,553	(597)
License and permits	230,420	339,045	331,723	(7,322)
Charges for services	255,860	313,362	311,867	(1,495)
Fines and forfeitures	304,863	263,439	263,439	-
Intergovernmental	66,600	91,866	96,478	4,612
Investment income	20,880	43,322	44,726	1,404
Other revenues	146,893	175,322	189,506	14,184
Total Revenues	10,421,794	10,732,297	10,747,927	15,630
Expenditures				
Current:				
General government				
City council	142,618	136,338	136,840	(502)
City management	518,573	545,143	545,143	-
Public information	125,445	135,919	135,918	1
Human resources	205,597	213,988	213,989	(1)
Financial services	622,648	526,266	526,266	-
Municipal court	292,930	312,346	312,347	(1)
Building maintenance	389,886	444,207	444,207	-
Information technology	114,204	110,258	110,258	-
Nondepartmental	396,645	238,438	238,438	-
Library grant/donation	13,000	13,000	11,933	1,067
Total general government	2,821,546	2,675,903	2,675,339	564
Culture and recreation				
Moody museum	7,024	4,923	4,923	-
Public library	467,760	454,290	454,290	-
Parks and recreation	802,420	796,084	796,085	(1)
Total culture and recreation	1,277,204	1,255,297	1,255,298	(1)

City of Taylor, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Page 2 of 2)

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community development				
Planning and development	$ 719,712	$ 743,345	$ 743,345	$ -
Main Street program	73,503	85,301	85,301	-
Total community development	793,215	828,646	828,646	-
Public safety				
Fire department	2,296,146	2,357,688	2,357,688	-
Police department	3,057,228	3,137,119	3,137,119	-
Animal control	199,770	210,306	210,306	-
Total public safety	5,553,144	5,705,113	5,705,113	-
Public works				
Maintenance	1,352,373	1,245,847	1,245,847	-
Engineering and inspection	129,896	44,961	47,311	(2,350)
Total public works	1,482,269	1,290,808	1,293,158	(2,350)
Total Expenditures	11,927,378	11,755,767	11,757,554	(1,787)
Revenues Over (Under) Expenditures	(1,505,584)	(1,023,470)	(1,009,627)	13,843
<u>Other Financing Sources (Uses)</u>				
Transfers in	1,609,200	1,608,902	1,609,200	298
Transfers (out)	-	(546,762)	(546,762)	-
Total Other Financing Sources (Uses)	1,609,200	1,062,140	1,062,438	298
Net Change in Fund Balance	$ 103,616	$ 38,670	52,811	$ 14,141
Beginning fund balance			4,519,793	
Ending Fund Balance			$ 4,572,604	

Notes to Financial Statement

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

September 30, 2017

	Business-Type Activities Enterprise Funds		
	Public Utilities	**Airport**	**Cemetery Operating**
Assets			
Current Assets			
Cash and cash equivalents	$ 2,366,000	$ 1,203,141	$ 194,928
Restricted cash:			
Customer deposits	405,795	-	-
Receivables, net	883,209	19,611	3,360
Due from other funds	-	1,360	-
Inventories	139,948	-	-
Total Current Assets	3,794,952	1,224,112	198,288
Noncurrent Assets			
Capital assets:			
Non-depreciable	2,214,419	1,392,010	-
Net depreciable capital assets	32,518,443	2,108,020	8,528
Total Noncurrent Assets	34,732,862	3,500,030	8,528
Total Assets	38,527,814	4,724,142	206,816
Deferred Outflows of Resources			
Deferred charge on refunding	634,115	4,803	-
Pension contributions	74,275	2,719	5,145
Pension investment earnings	116,471	4,263	8,068
Pension assumption changes	4,018	147	278
Total Deferred Outflows of Resources	828,879	11,932	13,491
Liabilities			
Current Liabilities			
Accounts payable	323,403	22,008	5,641
Customer deposits	405,795	-	-
Current maturities of long-term liabilities	1,472,921	30,000	-
Due to other funds	-	25,400	203,945
Accrued interest	104,945	6,051	-
Total Current Liabilities	2,307,064	83,459	209,586
Noncurrent Liabilities			
Long-term liabilities	23,262,096	1,586,057	-
Net pension liability	712,074	26,065	49,327
Total Liabilities	26,281,234	1,695,581	258,913
Deferred Inflows of Resources			
Pension (gains) losses	48,110	1,761	3,333
Net Position			
Net investment in capital assets	11,566,089	1,888,776	8,528
Unrestricted	1,461,260	1,149,956	(50,467)
Total Net Position	$ 13,027,349	$ 3,038,732	$ (41,939)

See Notes to Financial Statements.

Business-Type Activities Enterprise Funds		Governmental Activities
Sanitation	Total	Internal Service
$ 157,612	$ 3,921,681	$ 24,294
-	405,795	-
175,641	1,081,821	-
-	1,360	8,213
-	139,948	-
333,253	5,550,605	32,507
-	3,606,429	-
-	34,634,991	2,054,925
-	38,241,420	2,054,925
333,253	43,792,025	2,087,432
-	638,918	-
-	82,139	10,036
-	128,802	15,738
-	4,443	543
-	854,302	26,317
121,222	472,274	54,059
-	405,795	-
-	1,502,921	374,844
-	229,345	191,645
-	110,996	-
121,222	2,721,331	620,548
-	24,848,153	1,363,317
-	787,466	96,217
121,222	28,356,950	2,080,082
-	53,204	6,501
-	13,463,393	691,906
212,031	2,772,780	(664,740)
$ 212,031	$ 16,236,173	$ 27,166

City of Taylor, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2017

	Business-Type Activities Enterprise Funds		
	Public Utilities	**Airport**	**Cemetery Operating**
Operating Revenues			
Water revenue	$ 5,014,116	$ -	$ -
Sewer revenue	4,067,207	-	-
Airport services	-	364,728	-
Cemetery services	-	-	86,733
Sanitation	-	-	-
Other income	106,410	-	2,299
Charges for services	-	-	-
Rents and royalties	65,680	-	-
Total Operating Revenues	9,253,413	364,728	89,032
Operating Expenses			
Personnel services	1,137,945	47,767	92,220
Contractual services	2,242,013	209,272	78,118
Material and supplies	340,016	1,856	1,938
Depreciation	1,267,553	90,150	502
Total Operating Expenses	4,987,527	349,045	172,778
Operating Income (Loss)	4,265,886	15,683	(83,746)
Nonoperating Revenues (Expenses)			
Investment income	19,145	5,651	-
Interest expense	(897,633)	(35,233)	-
Bond issuance costs	(49,373)	(31,538)	-
Total Nonoperating Revenues (Expenses)	(927,861)	(61,120)	-
Income Before Transfers	3,338,025	(45,437)	(83,746)
Transfers			
Transfers in	-	-	24,284
Transfers (out)	(1,332,715)	(20,570)	-
Change in Net Position	2,005,310	(66,007)	(59,462)
Beginning net position	11,022,039	3,104,739	17,523
Ending Net Position	$ 13,027,349	$ 3,038,732	$ (41,939)

See Notes to Financial Statements.

Business-Type Activities Enterprise Funds		Governmental Activities
Sanitation	Total	Internal Service
$ -	$ 5,014,116	$ -
-	4,067,207	-
-	364,728	-
-	86,733	-
1,642,591	1,642,591	-
-	108,709	19,758
-	-	1,163,804
-	65,680	-
1,642,591	11,349,764	1,183,562
-	1,277,932	157,711
1,378,240	3,907,643	516,240
-	343,810	-
-	1,358,205	499,108
1,378,240	6,887,590	1,173,059
264,351	4,462,174	10,503
-	24,796	3
-	(932,866)	(58,841)
-	(80,911)	(58,838)
-	(988,981)	(58,838)
264,351	3,473,193	(48,335)
-	24,284	38,845
(164,200)	(1,517,485)	-
100,151	1,979,992	(9,490)
111,880	14,256,181	36,656
$ 212,031	$ 16,236,173	$ 27,166

City of Taylor, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2017

	Business-Type Activities Enterprise Funds		
	Public Utilities	**Airport**	**Cemetery Operating**
Cash Flows from Operating Activities			
Receipts from customers	$ 9,163,757	$ 359,236	$ 91,812
Payments to suppliers and contractors	(2,286,298)	(495,494)	(83,637)
Payments to employees for salaries and benefits	(1,162,429)	(48,618)	(84,566)
Net Cash Provided (Used) by Operating Activities	5,715,030	(184,876)	(76,391)
Cash Flows from Noncapital Financing Activities			
Transfer in	-	-	24,284
Transfer (out)	(1,332,715)	(20,570)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(1,332,715)	(20,570)	24,284
Cash Flows from Capital and Related Financing Activities			
Purchases of capital assets	(2,496,153)	(179,473)	-
Proceeds from capital debt	2,278,214	1,476,810	-
Principal paid on capital debt	(1,350,000)	(30,000)	-
Bond issuance costs	-	(31,538)	-
Interest paid on capital debt	(961,234)	(31,286)	-
Net Cash (Used) by Capital and Related Financing Activities	(2,529,173)	1,204,513	-
Cash Flows from Investing Activities			
Interest on investments	19,145	5,651	-
Net Cash Provided by Investing Activities	19,145	5,651	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,872,287	1,004,718	(52,107)
Beginning cash and cash equivalents	899,508	198,423	247,035
Ending Cash and Cash Equivalents	$ 2,771,795	$ 1,203,141	$ 194,928

See Notes to Financial Statements.

Business-Type Activities Enterprise Funds		Governmental Activities
Sanitation	Total	Internal Service
$ 1,630,150	$ 11,244,955	$ 1,183,562
(1,377,860)	(4,243,289)	(546,970)
-	(1,295,613)	(153,593)
252,290	5,706,053	482,999
-	24,284	38,845
(164,200)	(1,517,485)	-
(164,200)	(1,493,201)	38,845
-	(2,675,626)	(57,736)
-	3,755,024	-
-	(1,380,000)	(416,286)
-	(31,538)	-
-	(992,520)	(58,841)
-	(1,324,660)	(532,863)
-	24,796	3
-	24,796	3
88,090	2,912,988	(11,016)
69,522	1,414,488	35,310
$ 157,612	$ 4,327,476	$ 24,294

City of Taylor, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2017

	Business-Type Activities Enterprise Funds		
	Public Utilities	**Airport**	**Cemetery Operating**
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ 4,265,886	$ 15,683	$ (83,746)
Adjustments to reconcile operating income to net cash provided (used):			
Depreciation	1,267,553	90,150	502
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(105,600)	(5,492)	2,780
Due from other funds	-	(304,520)	-
Deferred Outflows of Resources:			
Pension contributions	2,624	90	(1,037)
Investment experience	55,133	2,005	1,100
Assumption changes	(4,018)	(147)	(278)
Increase (Decrease) in:			
Accounts payable	266,745	20,154	(3,581)
Customer deposits	15,944	-	-
Due to other funds	-	-	-
Net pension liability	(66,107)	(2,360)	7,753
Deferred Inflows of Resources:			
Actual experience vs. assumption	(12,116)	(439)	116
Net Cash Provided (Used) by Operating Activities	$ 5,715,030	$ (184,876)	$ (76,391)
Schedule of Non-Cash Capital and Related Financing Activities			
Issuance of capital lease and note payable	$ -	$ -	$ -

See Notes to Financial Statements.

Business-Type Activities Enterprise Funds		Governmental Activities
Sanitation	Total	Internal Service
$ 264,351	$ 4,462,174	$ 10,503
-	1,358,205	499,108
(12,441)	(120,753)	-
-	(304,520)	(19,746)
-	1,677	(613)
-	58,238	5,290
-	(4,443)	(543)
380	283,698	(10,984)
-	15,944	-
-	-	-
-	(60,714)	862
-	(12,439)	(878)
$ 252,290	$ 5,706,053	$ 482,999
$ -	$ -	$ 497,664

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City of Taylor, Texas is a municipal corporation incorporated under *Article XI. Section 5* of the *Constitution of the State of Texas (Home Rule Amendment)* in 1914. The City operates under a Council-Manager form of government. The City provides such services as are authorized by its charter to advance the welfare, health, comfort, safety and convenience of the City and its inhabitants.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Taylor Economic Development Corporation (the “TEDC”) and the Tax Increment Financing Fund (the “TIF”), although legally separate, are considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Discretely Presented Component Units

Taylor Economic Development Corporation

The Taylor Economic Development Corporation (the "TEDC") serves all citizens of the City and is governed by a five member board of directors appointed by the Taylor City Council. An Executive Director is appointed by the TEDC board to carry out the Board's administrative and policy initiatives. The TEDC is a 4A Corporation and is supported by a half-cent sales tax voted by referendum in 1994. The scope of public service of the TEDC benefits the government and its citizens and is operated primarily within geographic boundaries of the City.

Separately issued audited financial statements are available from TEDC, 316 North Main, Taylor, TX 76574.

Tax Increment Financing Fund

The Tax Increment Financing fund was created to encourage and accelerate planned development within the City limits. The fund accounts for all tax and expenditure activity associated with the fund's primary purpose. Separately issued audited financial statements are not available.

C. Basis of Presentation - Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As discussed earlier, the government has one discretely presented component unit and is shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and transit functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category; governmental and proprietary are presented. 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. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, culture and recreation, and community development.

Capital Improvements Fund

The capital improvements fund accounts for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds.

I&S for CO Bonds Fund

The City accounts for the accumulation of financial resources for the payments of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the I & S for CO Bonds fund is restricted exclusively for debt service expenditures.

The government reports the following major enterprise funds:

Public Utilities Fund

Water and wastewater services provided by the City are accounted for in the public utilities fund. Activities of the fund include administration, operation and maintenance of the water and wastewater system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and wastewater debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Airport

The Airport fund accounts for the administration, operation and maintenance of the municipal airport.

Cemetery Operating Fund

The Cemetery operating fund accounts for the administration, operation and maintenance of the cemetery.

Sanitation Fund

The Sanitation fund accounts for the operation and maintenance of the sanitation department.

Additionally, the government reports the following fund types:

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. These funds consist of the hotel/motel tax, Texas capital, main street revenue, cemetery land purchases, municipal court special fee, tax increment, drainage and transportation user fee funds.

Internal Service Funds

Revenues and expenses related to services provided to organizations inside the City on a cost reimbursement basis are accounted for in an internal service fund. The City's internal service funds include the equipment services and equipment replacement funds.

Permanent Fund

Chapter 6 Section 6-8 of the City Code establishes a cemetery trust fund subject to control of the City Council. Interest income from the investment of the permanent fund is to be used for beautification and upkeep of the cemetery. The City's only permanent fund is the cemetery permanent fund.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

E. Assets, Liabilities, Deferred Outflows / Inflows, and Fund Equity or Net Position

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

Direct obligations of the U.S. Government
Fully collateralized certificates of deposit and money market accounts
Statewide investment pools

2. Fair Value

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a nonspendable fund balance account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and capital items received in a service concession arrangement are reported at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Asset Description	**Estimated Useful Life**
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Infrastructure	5 to 30 years
Buildings and improvements	25 years

6. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results form the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows 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 government 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 two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The government has adopted a policy to maintain a minimum reserve of unassigned fund balance in the general fund at an amount equal to or greater than 25% of operating expenditures of that fund.

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.
Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed when incurred.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

11. Pensions

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

12. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, 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 the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. 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. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the method of property assessment and tax collection in the City. This legislation, with certain exceptions, exempts intangible personal property and household goods. In addition, this legislature creates a "Property Tax Code" and provides, among other things, for the establishment of county-wide appraisal districts and for a State Property Tax Board which commenced operation in January 1980. The appraisal of property within the City is the responsibility of the Williamson County Tax Appraisal District. The Appraisal District is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment rations. The value of real property within the Appraisal District must be reviewed at least every four years. The City, at its own expense, may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on property within the City limits. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements and revaluation, exceeds the rate of the previous year by more than eight percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than eight percent above the rate of the previous year.

3. Compensated Absences

City employees earn vacation and sick leave, which may either be taken or accumulated, up to certain amounts, until retirement or termination. In the event of termination, resignation or retirement, all full time employees, other than policeman and firemen, will be reimbursed for accrued vacation time up to 120 hours. Policeman and firemen, upon termination, resignation or retirement, will be reimbursed for accrued sick and vacation time according to civil service regulations. For all other employees, sick leave is not paid at termination or retirement.

All vacation and qualifying sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they are expected to be liquidated with expendable available financial resources, for example, as a result of employee resignations and retirements. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the public utility fund, airport fund, cemetery operating, and sanitation funds are charges to customers for sales and services. The public utility fund 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 and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, I&S for CO bonds, hotel/motel tax, Texas capital, main street revenue, cemetery land purchases, municipal court security and technology, tax increment fund, drainage, transportation user fee, cemetery permanent, and enterprise funds. Capital project funds have no binding annual budget. Project-length financial plans are adopted for all capital projects; accordingly, no comparison of budget to actual is presented in the financial statements. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the fund level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations lapse at the end of the year. One supplemental budget appropriation was made during the year.

A. Expenditures Over Appropriations

For the year ended September 30, 2017, expenditures exceeded appropriations at the legal level of control as follows:

Cemetery Permanent	$37,651
Drainage	$7,816

B. Deficit Fund Balance

At September 30, 2017, the cemetery operating fund, has a deficit fund balance of $41,939. The deficit will be eliminated in the future with cemetery revenue or through reimbursements from other funds.

C. Restricted/Committed Fund Equity

The City records fund balance restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

The following is a list of fund balances restricted/committed by the City:

		Restricted		Committed
Debt service	$	390,119	$	-
Capital projects		3,121,951		-
Cemetery land purchase		194,176		-
Municipal court	*	119,853		-
Moody museum		296,620		-
Library bequest funds		292,794		-
Roadway impact fees		158,041		-
PEG Fees		154,011		-
Other purposes		350,888		-
Drainage		-		490,488
Road maintenance		-		908,964
Total	$	5,078,453	$	1,399,452

* Restricted by enabling legislation

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2017, the primary government had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)	Credit Rating
Municipal bonds	$ 1,225,407	0.90	AAA
Mutual funds	82,730	0.00	n/a
External investment pools	13,430,693	0.07	AAAm
Total fair value	$ 14,738,830		
Portfolio weighted average maturity		0.97	

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed five years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk: The City's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2017, the City's investment in investment pools were rated AAAm by Standard & Poor's.

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2017, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAm. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexSTAR

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAm by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal.

Texas CLASS

MBIA is a participant of the Texas CLASS program. Texas CLASS has been established for governmental entities pursuant to the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Texas CLASS is supervised by a Board of Trustees who are elected by the Participants. The Board of Trustees supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects consultants for Texas CLASS, including the Program Administrator and the Custodian. MBIA's Texas CLASS is rated AAA by Fitch.

B. Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are remeasured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The City’s financial instruments consist of cash and cash equivalents, investments in certificates of deposits maturing in greater than three months, and accounts receivable. The estimated fair value of cash, cash equivalents, investments, and accounts receivable approximate their carrying amounts due to the short-term nature of these instruments.

The following table sets forth by level, within the fair value hierarchy, the City’s fair value measurements at September 30, 2017.

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Mutual Funds	$ 82,730	$ 82,730	$ -	$ -
Municipal Bonds	1,225,407	1,225,407	-	-
Total Assets at fair value	$ 1,308,137	$ 1,308,137	$ -	$ -

C. Receivables

The following comprise receivable balances of the primary government at year end:

	Business-Type Activities				
	Public Utilities	Airport	Cemetery Operating	Sanitation	Total
Accounts	$ 889,561	$ 19,611	$ 3,360	$ 178,332	$ 1,090,864
Allowance	(6,352)	-	-	(2,691)	(9,043)
	$ 883,209	$ 19,611	$ 3,360	$ 175,641	$ 1,081,821

	Governmental Activities				
	General	I&S for CO Bonds	Capital Improvements	Nonmajor Governmental	Total
Property taxes	$ 122,955	$ 45,676	$ -	$ -	$ 168,631
Sales tax	525,813	-	-	-	525,813
Franchise taxes	222,148	-	-	-	222,148
Accounts	-	-	-	119,005	119,005
Other	26,252	-	427,709	-	453,961
Allowance	-	-	-	(3,864)	(3,864)
	$ 897,168	$ 45,676	$ 427,709	$ 115,141	$ 1,485,694

D. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	$ 2,549,924	$ 6,000	$ -	$ 2,555,924
Construction in progress	743,621	4,315,991	(956,834)	4,102,778
Total capital assets not being depreciated	3,293,545	4,321,991	(956,834)	6,658,702
Capital assets, being depreciated:				
Streets and bridges	51,825,713	-	956,834	52,782,547
Parks and dams	13,116,338	-	-	13,116,338
Sidewalks, curbs and gutters	1,622,626	-	-	1,622,626
Buildings and improvements	9,557,259	20,745	(30,176)	9,547,828
Operating equipment	3,270,780	5,407	-	3,276,187
Equipment in internal service funds	4,013,386	555,400	(86,556)	4,482,230
Total capital assets being depreciated	83,406,102	581,552	840,102	84,827,756
Less accumulated depreciation				
Streets and bridges	14,532,171	1,315,858	-	15,848,029
Parks and dams	2,546,031	329,558	-	2,875,589
Sidewalks, curbs and gutters	450,741	39,660	-	490,401
Buildings and improvements	3,084,728	236,044	-	3,320,772
Operating equipment	3,039,204	62,959	(30,176)	3,071,987
Equipment in internal service funds	2,014,753	499,108	(86,556)	2,427,305
Total accumulated depreciation	25,667,628	2,483,187	(116,732)	28,034,083
Net capital assets being depreciated	57,738,474	(1,901,635)	956,834	56,793,673
Total Capital Assets	$ 61,032,019	$ 2,420,356	$ -	$ 63,452,375

Depreciation was charged to governmental functions as follows:

General government	$ 175,484
Public safety	120,426
Public works	1,688,169
Internal service funds	499,108
Total Governmental Activities Depreciation Expense	$ 2,483,187

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	$ 1,317,035	$ -	$ -	$ 1,317,035
Construction in progress	447,008	2,623,742	(781,356)	2,289,394
Total capital assets not being depreciated	1,764,043	2,623,742	(781,356)	3,606,429
Capital assets, being depreciated:				
Plant distribution and collection	46,086,760	51,883	781,356	46,919,999
Buildings	7,638,503	-	-	7,638,503
Runway	2,238,416	-	-	2,238,416
Equipment	935,217	-	(55,191)	880,026
Total capital assets being depreciated	56,898,896	51,883	726,165	57,676,944
Less accumulated depreciation				
Plant distribution and collection	17,342,123	1,096,404	-	18,438,527
Buildings	2,803,966	195,100	-	2,999,066
Runway	689,053	55,960	-	745,013
Equipment	903,797	10,741	(55,191)	859,347
Total accumulated depreciation	21,738,939	1,358,205	(55,191)	23,041,953
Net capital assets being depreciated	35,159,957	(1,306,322)	781,356	34,634,991
Total Capital Assets	$ 36,924,000	$ 1,317,420	$ -	$ 38,241,420

Depreciation was charged to business-type activities as follows:

Public Utilities	$ 1,267,553
Airport	90,150
Cemetery	502
Total Business-type Activities Depreciation Expense	$ 1,358,205

A summary of changes in discretely presented component unit capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets being depreciated				
Industrial building	$ 2,553,506	$ -	$ -	$ 2,553,506
Commercial sign	17,244	-	-	17,244
Office Equipment	25,023	914	-	25,937
Total capital assets being depreciated	2,595,773	914	-	2,596,687
Less accumulated depreciation				
Industrial building	58,518	63,837	-	122,355
Commercial sign	144	1,724	-	1,868
Office Equipment	25,023	92	-	25,115
Total Accumulated Depreciation	83,685	65,653	-	149,338
Total Capital Assets, Net	$ 2,512,088	$ (64,739)	$ -	$ 2,447,349

E. Long-term Debt

The following is a summary of changes in the City's total long-term liabilities for the year ended September 30, 2017. In general, the City uses the debt service fund and general fund to liquidate governmental long-term liabilities and pension liabilities, respectively.

	Beginning Balance	Additions	Payments	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Bonds	$ 11,155,000	$ -	$ (950,000)	$ 10,205,000	$ 975,000
Combination Tax and Revenue Certificates of Obligation	10,210,000	1,620,000	(340,000)	11,490,000	450,000
Less deferred amounts:					
For discounts	(9,246)	-	2,312	(6,934)	-
For premiums	746,579	46,750	(76,146)	717,183	-
Total Bonds Payable	22,102,333	1,666,750	(1,363,834)	22,405,249	1,425,000
Note Payable - internal service fund	228,547	320,000	(124,322)	424,225	121,105
Capital Lease - internal service fund	1,425,252	177,664	(291,965)	1,310,951	251,052
Other Post Employment Benefits	300,462	29,867	-	330,329	-
Compensated Absences	871,767	421,726	(344,617)	948,876	853,988
Compensated Absences - internal service fund	2,985	-	-	2,985	2,687
Total Governmental Activities	$ 24,931,346	$ 2,616,007	$ (2,124,738)	$ 25,422,615	$ 2,653,832
Long-term liabilities due in more than one year				$ 22,768,783	
Business-Type Activities:					
General Obligation Bonds	$ 9,755,000	$ -	$ (1,070,000)	$ 8,685,000	$ 460,000
Combination Tax and Revenue Certificates of Obligation	13,280,000	3,720,000	(310,000)	16,690,000	1,025,000
Less deferred amounts:					
For discounts	(8,535)	-	2,134	(6,401)	-
For premiums	1,012,631	35,024	(85,092)	962,563	-
Total Bonds Payable	24,039,096	3,755,024	(1,462,958)	26,331,162	1,485,000
Compensated Absences	19,912	19,912	(19,912)	19,912	17,921
Total Business-Type Activities	$ 24,059,008	$ 3,774,936	$ (1,482,870)	$ 26,351,074	$ 1,502,921
Long-term liabilities due in more than one year				$ 24,848,153	
Component Unit Activities:					
Line of Credit	$ 2,375,766	$ -	$ (163,315)	$ 2,212,451	$ 170,341
Compensated Absences	2,600	6,003	(2,600)	6,003	6,003
Total Component Unit Activities	$ 2,378,366	$ 6,003	$ (165,915)	$ 2,218,454	$ 176,344
Long-term liabilities due in more than one year				$ 2,042,110	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. The proprietary fund type long-term debt will be repaid, plus accrued interest, from operating revenues of the respective fund. The general fund has typically been used to liquidate the liability for compensated absences for governmental activities.

Long-term debt at year end was comprised of the following debt issues:

	Governmental Activities	Business - Type Activities	Total
General Obligation Bonds:			
$8,995,000 General Obligation Refunding Bonds, Series 2009, due in installments through 2029, interest at 2% to 4%	$ 820,000	$ 765,000	$ 1,585,000
$3,945,000 General Obligation Refunding Bonds, Series 2010, due in installments through 2022, interest at 1.5% to 4%	495,000	135,000	630,000
$5,450,000 General Obligation Refunding Bonds, Series 2012, due in installments through 2025, interest at 1% to 2.5%	3,625,000	1,085,000	4,710,000
$4,595,000 General Obligation Refunding Bonds, Series 2015, due in installments through 2025, interest at 2.9%	2,320,000	5,065,000	7,385,000
$8,010,000 General Obligation Refunding Bonds, Series 2016, due in installments through 2034, interest at 4%	2,945,000	1,635,000	4,580,000
Total General Obligation bonds	$ 10,205,000	$ 8,685,000	$ 18,890,000
Combination Tax and Revenue Certificates of Obligation:			
$4,200,000 Combination Tax and Revenue Certificates of Obligation, Series 2006, due in annual installments through 2026, interest at 4.45%	$ -	$ 3,950,000	$ 3,950,000
$10,000,000 Combination Tax and Revenue Certificates of Obligation, Series 2007, due in annual installments through 2027, interest at 3.83%	2,745,000	6,950,000	9,695,000
$9,615,000 Combination Tax and Revenue Certificates of Obligation, Series 2008, due in annual installments through 2028, interest at 4.85% to 7%	330,000	395,000	725,000
$8,780,000 Combination Tax and Revenue Certificates of Obligation, Series 2010, due in annual installments through 2034, interest at 4.25% to 5%	1,475,000	1,675,000	3,150,000
$3,000,000 Combination Tax and Revenue Certificates of Obligation, Series 2012, due in annual installments through 2032, interest at 4.25% to 5%	2,395,000	-	2,395,000
$3,000,000 Combination Tax and Revenue Certificates of Obligation, Series 2013, due in annual installments through 2033, interest at 4%	2,925,000	-	2,925,000
$5,340,000 Combination Tax and Revenue Certificates of Obligation, Series 2017, due in annual installments through 2037, interest at 4%	1,620,000	3,720,000	5,340,000
Total Combination Tax and Revenue/Certificates of Obligation	$ 11,490,000	$ 16,690,000	$ 28,180,000

		Governmental Activities		Type Activities		Total
Less deferred amounts:						
Discounts and premiums	$	710,249	$	956,162	$	1,666,411
Total deferred amounts		710,249		956,162		1,666,411
Notes Payable						
$300,000 Note Payable to Citizens Bank, due in montly installments of $5,329 through June 2020, interest at 2.5%		169,707		-		169,707
$320,000 Note Payable to Citizens Bank, due in annual installments of $68,626 through Auguts 2021, interest at 3.05%		254,518		-		254,518
Total Notes Payable		424,225		-		424,225
Capital Leases Payable:						
$169,727 Capital lease payable to GCC, due in annual installments of $28,815 through 2017, interest at 5.02%		27,436		-		27,436
$328,124 Capital lease payable to Holman, due in quarterly installments of $17,634 through 2018, interest at 2.79%		69,324		-		69,324
$1,030,100 Capital lease payable to Community Leasing, due in annually installments of $91,322 through 2030, interest at 3.79%		923,907		-		923,907
$496,000 Capital lease payable to JP Morgan Chase, due in quarterly installments of $103,218 through 2020, interest at 1.79%		290,284		-		290,284
Total Capital Leases Payable		1,310,951		-		1,310,951
Compensated Absences		951,861		19,912		971,773
Other Post Employment Benefits		330,329		-		330,329
Total Debt	$	25,422,615	$	26,351,074	$	51,773,689

The City issued $5,340,000 City of Taylor, Texas Combination Tax and Revenue Certificates of Obligation, Series 2017. The debt will be for the purpose of funding several projects 1) Wastewater Treatment Plant $2,225,000, 2) Airport Improvements $1,445,000; and 3) Performance Contract (lighting and HVAC replacement for city facilities) $1,620,740. Interest accrues annually, ranging from 2.93% to 3.25%. Annual principal payments are due on August 15 through 2037. Semi-annual interest payments are due February 15 and August 15.

The annual requirements to amortize the City's long-term activities debt issues outstanding at year ending were as follows:

	General Obligation Bonds			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2018	$ 975,000	$ 300,740	$ 460,000	$ 296,327
2019	705,000	270,292	480,000	281,915
2020	975,000	251,490	695,000	266,837
2021	1,060,000	227,285	440,000	247,137
2022	1,085,000	201,273	450,000	236,821
2023	1,120,000	174,656	440,000	226,276
2024	745,000	148,197	250,000	216,283
2025	595,000	131,442	405,000	211,060
2026	320,000	117,800	400,000	202,600
2027	-	105,000	1,115,000	186,600
2028	-	105,000	1,615,000	142,000
2029	400,000	105,000	40,000	77,400
2030	410,000	89,000	355,000	75,800
2031	430,000	72,600	360,000	61,600
2032	440,000	55,400	380,000	47,200
2033	465,000	37,800	395,000	32,000
2034	480,000	19,200	405,000	16,200
Total	$ 10,205,000	$ 2,412,175	$ 8,685,000	$ 2,824,056

Combination Tax and Revenue Certificates of Obligations

	Governmental Activities		Business-type Activities	
	Principal	**Interest**	**Principal**	**Interest**
2018	$ 450,000	$ 204,465	$ 1,025,000	$ 639,140
2019	710,000	197,096	1,095,000	598,293
2020	485,000	184,552	945,000	554,484
2021	445,000	176,683	1,255,000	517,046
2022	455,000	169,693	1,305,000	466,394
2023	465,000	162,528	1,380,000	413,682
2024	870,000	154,825	1,675,000	358,160
2025	1,060,000	139,271	1,595,000	289,371
2026	1,375,000	119,912	1,670,000	225,930
2027	1,415,000	94,165	1,035,000	157,095
2028	930,000	67,722	615,000	117,522
2029	590,000	50,148	575,000	95,030
2030	610,000	39,883	285,000	74,305
2031	630,000	29,270	290,000	66,040
2032	655,000	18,310	300,000	57,630
2033	345,000	6,900	310,000	48,930
2034	-	-	320,000	39,940
2035	-	-	325,000	30,660
2036	-	-	340,000	21,235
2037	-	-	350,000	11,375
Total	$ 11,490,000	$ 1,815,419	$ 16,690,000	$ 4,782,261

The annual requirements to amortize capital leases outstanding at year ending were as follows:

Year ending	Governmental Activities		
September 30,	**Principal**	**Interest**	**Total**
2018	$ 251,052	$ 2,591	$ 253,644
2019	158,140	36,400	194,540
2020	153,253	32,441	185,694
2021	62,953	28,368	91,322
2022	65,339	25,982	91,322
2023	67,816	23,506	91,322
2024	70,386	20,936	91,322
2025	73,054	18,268	91,322
2026	75,822	15,500	91,322
2027	78,696	12,626	91,322
2028	81,679	9,643	91,322
2029	84,774	6,548	91,322
2030	87,986	3,335	91,321
Total	$ 1,310,951	$ 236,145	$ 1,547,096

The annual requirements to amortize notes and other obligations payable outstanding at year ending were as follows:

Year ending	Governmental Activities		
September 30,	**Principal**	**Interest**	**Total**
2018	$ 121,105	$ 11,472	$ 132,577
2019	124,531	8,046	132,577
2020	112,021	4,569	116,590
2021	66,568	2,059	68,627
Total	$ 424,225	$ 26,146	$ 450,371

F. Deferred Charges on Refunding

Deferred charges resulting from the issuance of series 2009, 2010, 2012, 2015 and 2016 general obligation refunding bonds have been recorded as deferred outflows of resources and are being amortized to interest expense over the shorter of either the remaining term of the refunded debt or the refunding bonds. Current year balances for governmental and business-type activities totaled $435,496 and $638,918, respectively. Current year amortization expense for governmental and business-type activities totaled $150,079 and $73,832, respectively.

G. Interfund Transactions

Transfers between the primary government funds during the 2017 year were as follows:

	Transfer In:						
Transfer out:	**General**	**Capital Improvements**	**I&S for CO Bonds**	**Nonmajor Governmental**	**Cemetery Operating**	**Equipment Replacement**	**Total**
General	$ -	$ 507,192	$ -	$ 39,570	$ -	$ -	$ 546,762
Nonmajor Governmental	180,000	98,091	133,325	5,000	24,284	-	440,700
Public Utilities	1,250,000	49,440	-	-	-	33,275	1,332,715
Airport	15,000	-	-	-	-	5,570	20,570
Sanitation	164,200	-	-	-	-	-	164,200
Total	$ 1,609,200	$ 654,723	$ 133,325	$ 44,570	$ 24,284	$ 38,845	$ 2,504,947

Transfers between funds were primarily to support capital projects and operation of funds.

The compositions of interfund balances as of the year ended September 30, 2017 were as follows:

	Due from (recievable fund):					
Due to (payable fund):	**General**	**I&S For CO Bonds**	**Nonmajor Governmental**	**Aiport**	**Equipment Service**	**Total**
General	$ -	$ 2,154	$ -	$ -	$ -	$ 2,154
Airport	25,400	-	-	-	-	25,400
Cemetary Operating	-	-	203,945	-	-	203,945
Equipment Replacement	182,072	-	-	1,360	8,213	191,645
Total	$ 207,472	$ 2,154	$ 203,945	$ 1,360	$ 8,213	$ 423,144

Interfund receivables and payables related to negative cash positions in pooled cash equity and various amounts used to cover operational and capital expenditures. All balances are expected to be resolved in the subsequent year.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with over 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The City was sued by a neighboring water supply corporation alleging that the City inversely condemned part of their property. The City denies any such claim and continues to defend itself. The possible outcome or range of losses associated with this claim could not be estimated at the time this financial report was prepared.

C. Construction Commitments

The City was approved by the Williamson County Community Development Block Grant (CDBG) Entitlement Program through the Department of Housing and Urban Development (HUD) for $350,000 in 2014 and $350,000 in 2015. The City has a contract with an engineering firm and one grant administrator. At year end the government's commitments with contractors are as follows:

Project	Contract Amount	Spent-to-Date	Remaining Commitment
2014 & 2015 CDBG			
Langford Community Management	$ 25,000	$ 18,000	$ 7,000
BSP Engineers	48,700	44,910	3,790
Total	$ 73,700	$ 62,910	$ 10,790

On August 3, 2016, the City was approved by the Texas Parks and Wildlife to further develop 11.54 acre Fannie Robinson Park to include a recirculating sprayground, observation platform, improvements at existing softball field, and native landscaping with drip irrigation. The total cost of the project is $250,000 with the state approved funding of $125,000. The city has a contract with an engineering firm that will provide oversight on this project in the amount of $8,000, with a remaining balance of $1,000 as of September 30, 2017.

In June of 2017 the Council awarded the Design-Build contract to Evergreen Skateparks. A Guaranteed Maximum Price of $412,000 has been provided for the skatepark and drainage improvements associated with the skatepark. The skatepark project is partially funded with grant money received from Project Loop, Union Pacific, and the Texas Parks and Wildlife Department in addition to city funding. The City has signed a contract with an engineering firm for this project in the amount of $16,500 for third party engineering oversight. The remaining balance as of September 30, 2017 is $100. As of September 30, 2017, the City recognized no grant proceeds.

In March of 2017 the City entered into a contract with an engineering firm to perform a third party oversight in connection with the Givens Community Center Renovation in the amount of $8,400. The remaining commitment as of September 30, 2017 is $3,650. The Council award the Design-Build contract to Pfluger Builders. As of September 30, 2017, the City recognized no grant proceeds.

The City has active governmental and wastewater construction projects as of September 30, 2017. Remaining commitments with contractors at September 30, 2017 totaled $74,817 and $233,181 for governmental and wastewater funds, respectively.

D. Defined Benefit Pension Plans

1. Plan Description

The City of Taylor, Texas 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.

2. 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% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	Plan Year 2016	Plan Year 2015
Employee deposit rate	7%	7%
Matching ratio (city to employee)	1.5 to 1	1.5 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI
Active Employees	Yes	Yes
Supplemental Death Benefit to Retirees	Yes	Yes

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	83
Inactive employees entitled to but not yet receiving benefits	122
Active employees	139
Total	**344**

3. Contributions

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

Employees for the City of Taylor, Texas were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Taylor, Texas were 12.20% and 11.90% in calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017, were $853,691, and were equal to the required contributions.

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0%
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%.The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2016, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	7.75%
Total	**100.0%**	

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 the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/15	$ 27,062,603	$ 21,130,994	$ 5,931,609
Changes for the year:			
Service cost	968,428	-	968,428
Interest	1,820,956	-	1,820,956
Difference between expected and actual experience	(103,381)	-	(103,381)
Changes of assumptions	-	-	-
Contributions – employer	-	823,209	(823,209)
Contributions – employee	-	472,404	(472,404)
Net investment income	-	1,428,482	(1,428,482)
Benefit payments, including refunds of emp. contributions	(1,139,378)	(1,139,378)	-
Administrative expense	-	(16,128)	16,128
Other changes	-	(867)	867
Net changes	1,546,625	1,567,722	(21,097)
Balance at 12/31/16	$ 28,609,228	$ 22,698,716	$ 5,910,512

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 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 10,344,750	$ 5,910,512	$ 2,337,217

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.

5. <u>Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

For the year ended September 30, 2017, the City recognized pension expense of $1,050,430.

At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and investment earnings	$ 966,758	$ -
Changes in actuarial assumptions	33,347	-
Differences between expected and actual economic experience	-	399,331
Contributions subsequent to the measurement date	616,517	-
Total	$ 1,616,622	$ 399,331

The City reported $616,517 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2017	$ 142,671
2018	195,844
2019	263,201
2020	(942)
2021	-
Thereafter	-
	$ 600,774

Supplemental Death Benefits Fund

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

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit," or OPEB.

The City offers supplemental death to:	Plan Year 2016	Plan Year 2015
Active employees (yes or no)	Yes	Yes
Retirees (yes or no)	Yes	Yes

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

The City's contributions to the TMRS SDBF for the years ended 2017, 2016 and 2015 were $4,664, $5,282 and $4,601, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates
(RETIREE-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2015	0.07%	0.07%	100.0%
2016	0.08%	0.08%	100.0%
2017	0.06%	0.06%	100.0%

E. Deferred Compensation Plan

The City has established a deferred compensation plan (the 457 plan) in accordance with Internal Revenue Code, Section 457. The 457 plan, available to all employees, permits them to defer a portion of their salaries until future years. The benefits of the plan are not available to employees until termination, retirement, or unforeseeable emergency. Benefits are available to employee's beneficiaries in case of death.

All amounts of compensation deferred under the 457 plan, all property rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan) subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of the general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the City that the City has no liability for investment losses under the 457 plan, but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the 457 plan assets to satisfy the claims of general creditors in the future.

The City's deferred compensation plan is administered by a private corporation under contract with the City. Participant and City contributions totaled $40,102 for the year ended September 30, 2017.

F. Other Post-Employment Benefits

Health Care Benefit Provided by Plan

In addition to the contributions made to TMRS, the City provides certain other post-employment benefits to its retirees and dependents. Full time City of Taylor employees who retire from the City under the Texas Municipal Retirement System on or after January 1, 2000, and who are covered by the City of Taylor group hospitalization and medical insurance at the time of retirement, will be eligible to receive current health plan which is an 80/20 HMO insurance plan that includes a $500 deductible for individual and a $1,000 deductible for family medical insurance provided by the City to its employees, from the date of retirement until the 5th anniversary date after retirement. The City will pay the full premiums for the HMO insurance coverage for any retiree who retired between January 1, 2000 and August 11, 2005 until the 5th anniversary date after retirement unless anyone of the three events listed below, also pertaining to retirements after August 11, 2005, occurs. Employees retiring after August 11, 2005, shall not receive full premium payment from the City. The City will pay only the premium amount paid by the City for its active employees provided the retiree pays the difference, if any, between the amount paid by the City for active employees and the full premium required for the retiree HMO insurance coverage.
Payments by the City will continue until the 5th anniversary date after retirement unless any one of the following three events occurs:

1. The retiree attains the age of 65 years, or;

2. The retiree becomes eligible for hospitalization and medical insurance coverage by virtue of other employment; or

3. The retiree becomes eligible for disability retirement provided by the Federal Government that is paid for less than a 100% disability of the retiree.

Deferred Retirement Benefits

Employees who terminate their employment but do not formally retire under the Texas Municipal Retirement System are not eligible for retiree health care benefits. An employee must be covered by the City of Taylor's health insurance plan at the time of retirement.

Duty Death in Service Retirement Benefits

With the passage of SM 872, the City of Taylor will be required to do the following:

1. To provide health benefit coverage to the surviving spouse of a peace office or firefighter killed in the line of duty at the same rate paid by current employees;

2. Allows an eligible survivor up to 180 days to apply for health coverage;
3. To provide an eligible surviving spouse coverage until the surviving spouse becomes eligible for federal Medicare benefits;

4. To provide an eligible minor coverage until the minor turns 18.

Non-duty in Service Retirement Benefits

Survivors of employees who die while actively employed are not eligible for retiree health care benefits.

Duty and Non-duty Disabled Retirement Benefits

Employees who retire under a disability retirement are eligible for retiree health care benefits as long as they are covered on the health insurance plan at the time of retirement and meet the criteria as listed under the normal retirement benefits.

Benefits for Spouses of Retired Employees

Retiree may purchase retiree health care coverage for eligible spouses and dependents at their own expense. Surviving spouses and dependents of deceased retired member's insurance coverage will terminate the end of the month the retiree dies.

Non-Medicare and Medicare-Eligible Provisions

City of Taylor coverage ceases when the retiree becomes eligible for Medicare coverage. Retirees are required to enroll in Medicare once they are eligible. Retiree pays full Medicare premiums.

Vision Coverage

Vision coverage is part of the health insurance plan at no extra cost.

Dental Coverage

City of Taylor does not offer dental coverage for retirees or their dependents. This is offered as Cobra insurance. If the retiree is interested then the retiree pays the premium.

Life Insurance Coverage

Life insurance coverage is part of the Pension plan at $7,500 for retirees and one times the annual salary for active employees.

Retiree Opt-Out

Retirees who decide to opt-out of the retiree health care plan will not be eligible to opt back in when coverage from cobra or another entity ceases. There is no additional premium payment provided for those who opt out of the retiree health care plan.

Benefits Paid By the Plan

Retiree medical coverage is the same coverage provided to active City of Taylor employees in accordance with the term and conditions of the current City's health plan. Employees retiring after August 11, 2005 the City of Taylor will play only the premium amount paid by the City for its active employees provided the retiree pays the difference.

Annual Other Post-Employment (OPEB) Cost and Net OPEB Obligation

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize annual unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The annual OPEB cost for the fiscal year ended September 30, 2017, is as follows:

Annual required contribution	$ 48,162
Interest on OPEB obligation	13,521
Adjustment to annual required contribution	(12,528)
Annual OPEB cost expense	49,155
Contributions made	19,288
Change in net OPEB obligation	29,867
Net OPEB Obligation-beginning of year	300,462
Net OPEB Obligation-end of year	$ 330,329

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the program, and the net OPEB obligation for 2017 and the two preceding years are as follows:

Fiscal Year	Annual OPEB Cost	Employer Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation Beginning	Net OPEB Obligation Ending
2015	$ 47,987	$ 36,293	75.63%	$ 286,475	$ 298,169
2016	$ 47,948	$ 45,655	95.22%	$ 298,169	$ 300,462
2017	$ 49,155	$ 19,288	39.24%	$ 300,462	$ 330,329

Funding Status and Funding Progress

As of October 1, 2016, the most recent actuarial valuation date, the Program was 0.00 percent funded. The actuarial accrued liability for benefits was $461,153, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $461,153. Covered payroll of active employees contributing to the plan was $5,776,896 and the UAAL as a percentage of covered payroll was 7.98%.

Actuarial valuations of an ongoing program involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Program, assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the employer and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Program members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following is a summary of the actuarial assumptions:

Actuarial Cost Method	Projected unit cost
Amortization Method	Level Percent-of-Payroll

Remaining Amortization Period	30 years, open
Asset Valuation Method	N/A
Investment Rate of Return	4.50%
Inflation Rate	3.00%
Salary Growth	3.00%
Healthcare Cost Trend Rate (Initial/Ultimate)	Initial rate of 5.0%, declining to an ultimate rate of 4.5% after 9 years

G. Tax Abatement Disclosures

The City of Taylor negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with three entities as of September 30, 2017:

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year Property Tax	Amount of Taxes Abated during the Fiscal Year Sales Tax
Cabinet and door manufacturer to conduct business in City limits for creation of employment opportunities and economic activity.	50%	$ -	$ 63,642
Construction of a 12,500sf food and entertainment venue to create positive economic benefits through employment and tax revenue.	90%	10,382	-
Construction and operation of a window manufacturing business create positive economic benefits through employment and tax revenue.	50%	4,731	-
Total		**$ 15,113**	**$ 63,642**

Each agreement was negotiated under Article III, Section 52-a, Texas Constitution, and Chapter 380, Texas Local Gov't Code, stating that the City may establish and provide for the administration of a program for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality. The agreement is in accordance with Section 501.103, Texas Local Gov't Code. Taxes were abated through a rebate of taxes received. Recipients of the sales tax abatements agree to operate within the City limits through the term of their agreement.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. The City has chosen to disclose information about its tax abatement agreements individually. It established a quantitative threshold of 100% percent of the total dollar amount of taxes abated during the year.

H. Restatement

The City restated its beginning net position within government activities and the capital projects fund to properly reflect a correction of an error in receivable balance and the reclassification of a blended component unit to discretely presented. The below tables summarize the changes to net position and fund balance as a result of this change.

	Governmental Activities	Capital Improvements	Nonmajor Governmental	Discretely Presented Component Unit
Prior year ending net position/ fund balance as reported	$ 43,521,794	$ 3,600,816	$ 2,451,218	$ -
Reclassification of component unit	(677,681)	-	(677,681)	677,681
Correction of grant receivable	178,515	178,515	-	-
Restated beginning net position/fund balance	$ 43,022,628	$ 3,779,331	$ 1,773,537	$ 677,681

I. Subsequent Events

There were no material subsequent events through February 16, 2018, the date the financial statements were issued.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Taylor, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	12/31/2014	12/31/2015	12/31/2016 [1]
Total pension liability			
Service cost	$ 849,391	$ 969,566	$ 968,428
Interest	1,722,971	1,807,443	1,820,956
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(316,854)	(453,575)	(103,381)
Changes of assumptions	-	67,202	-
Benefit payments, including refunds of participant contributions	(889,978)	(1,327,734)	(1,139,378)
Net change in total pension liability	1,365,530	1,062,902	1,546,625
Total pension liability - beginning	24,634,171	25,999,701	27,062,603
Total pension liability - ending (a)	25,999,701	27,062,603	28,609,228
Plan fiduciary net position			
Contributions - employer	$ 816,847	$ 856,984	$ 823,209
Contributions - members	443,939	477,619	472,404
Net investment income	1,123,153	31,157	1,428,482
Benefit payments, including refunds of participant contributions	(889,978)	(1,327,734)	(1,139,378)
Administrative expenses	(11,725)	(18,976)	(16,128)
Other	(964)	(937)	(867)
Net change in plan fiduciary net position	1,481,272	18,113	1,567,722
Plan fiduciary net position - beginning	19,631,609	21,112,881	21,130,994
Plan fiduciary net position - ending (b)	$ 21,112,881	$ 21,130,994	$ 22,698,716
Fund's net pension liability - ending (a) - (b)	$ 4,886,820	$ 5,931,609	$ 5,910,512
Plan fiduciary net position as a percentage of the total pension liability	81.20%	78.08%	79.34%
Covered employee payroll	$ 6,341,992	$ 6,823,122	$ 6,748,626
Fund's net position as a percentage of covered employee payroll	77.05%	86.93%	87.58%

Notes to schedule:

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

City of Taylor, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2017	9/30/2016	9/30/2015 [1]
Actuarially determined employer contributions	$ 853,691	$ 812,004	$ 830,507
Contributions in relation to the actuarially determined contribution	$ 853,691	$ 812,004	$ 830,507
Contribution deficiency (excess)	$ -	$ -	$ -
Annual covered employee payroll	$ 7,124,866	$ 6,602,710	$ 6,572,876
Employer contributions as a percentage of covered employee payroll	11.98%	12.30%	12.64%

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

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

Notes	There were no benefit changes during the year.

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City of Taylor, Texas

SCHEDULE OF FUNDING PROGRESS

POST EMPLOYMENT HEALTHCARE BENEFITS

September 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets a	Actuarial Accrued Liability (AAL) Entry Age b	Unfunded AAL (AAL) (b-a)	Funded Ratio a/b	Annual Covered Payroll c	UAAL as a Percentage of Covered Payroll [(b-a)/c]
10/1/2012	$ -	$ 737,654	$ 737,654	0%	$ 5,113,561	14.43%
10/1/2014	$ -	$ 464,157	$ 464,157	0%	$ 5,269,216	8.81%
10/1/2016	$ -	$ 461,153	$ 461,153	0%	$ 5,776,896	7.98%

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

City of Taylor, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2017

	Hotel/ Motel Tax	Texas Capital	Main Street Revenue	Cemetery Land	Municipal Court Security/Tech
Assets					
Cash and cash equivalents	$ 74,614	$ 4,252	$ 41,133	$ -	$ 119,853
Investments	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	203,945	-
Total Assets	$ 74,614	$ 4,252	$ 41,133	$ 203,945	$ 119,853
Liabilities					
Accounts payable	$ -	$ -	$ -	$ 9,769	$ 1,521
Total Liabilities	-	-	-	9,769	1,521
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	74,614	4,252	41,133	194,176	118,332
Committed	-	-	-	-	-
Total Fund Balances	74,614	4,252	41,133	194,176	118,332
Total Liabilities and Fund Balances	$ 74,614	$ 4,252	$ 41,133	$ 203,945	$ 119,853

Drainage	Transportation User Fee	Total Nonmajor Special Revenue	Cemetery Permanent Fund	Total Nonmajor Governmental
$ 447,219	$ 826,307	$ 1,513,378	$ 31,624	$ 1,545,002
-	-	-	639,228	639,228
32,484	82,657	115,141	-	115,141
-	-	203,945	-	203,945
$ 479,703	$ 908,964	$ 1,832,464	$ 670,852	$ 2,503,316
$ -	$ -	$ 11,290	$ -	$ 11,290
-	-	11,290	-	11,290
-	-	-	670,852	670,852
-	-	432,507	-	432,507
479,703	908,964	1,388,667	-	1,388,667
479,703	908,964	1,821,174	670,852	2,492,026
$ 479,703	$ 908,964	$ 1,832,464	$ 670,852	$ 2,503,316

City of Taylor, Texas

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

For the Year Ended September 30, 2017

	Hotel/ Motel Tax	Texas Capital	Main Street Revenue	Cemetery Land	Municipal Court Security/Tech
Revenues					
Hotel occupancy tax	$ 80,634	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-
Fines and fees	-	-	-	-	15,987
Intergovernmental	-	-	30,000	-	-
Other revenue	-	-	38,470	-	-
Investment income	-	-	-	1,305	-
Total Revenues	80,634	-	68,470	1,305	15,987
Expenditures					
General government	65,000	-	62,362	-	18,397
Public works	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrealized loss on investments	-	-	-	-	-
Total Expenditures	65,000	-	62,362	-	18,397
Revenues Over (Under) Expenditures	15,634	-	6,108	1,305	(2,410)
Other Financing Sources (Uses)					
Transfers in	-	-	30,000	-	14,570
Transfers (out)	(5,000)	-	-	-	-
Total Other Financing Sources (Uses)	(5,000)	-	30,000	-	14,570
Net Change in Fund Balances	10,634	-	36,108	1,305	12,160
Beginning fund balances	63,980	4,252	5,025	192,871	106,172
Ending Fund Balances	$ 74,614	$ 4,252	$ 41,133	$ 194,176	$ 118,332

Drainage	Transportation User Fee	Total Nonmajor Special Revenue	Cemetery Permanent Fund	Total Nonmajor Governmental
$ -	$ -	$ 80,634	$ -	$ 80,634
332,653	787,832	1,120,485	2,098	1,122,583
-	-	15,987	-	15,987
-	-	30,000	-	30,000
-	-	38,470	-	38,470
-	-	1,305	24,284	25,589
332,653	787,832	1,286,881	26,382	1,313,263
231	-	145,990	10	146,000
-	11,767	11,767	-	11,767
5,858	-	5,858	-	5,858
-	-	-	35,019	35,019
6,089	11,767	163,615	35,029	198,644
326,564	776,065	1,123,266	(8,647)	1,114,619
-	-	44,570	-	44,570
(313,325)	(98,091)	(416,416)	(24,284)	(440,700)
(313,325)	(98,091)	(371,846)	(24,284)	(396,130)
13,239	677,974	751,420	(32,931)	718,489
466,464	230,990	1,069,754	703,783	1,773,537
$ 479,703	$ 908,964	$ 1,821,174	$ 670,852	$ 2,492,026

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
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For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 1,858,442	$ 1,931,415	$ 1,992,726	$ 61,311
Investment income	3,000	4,500	8,614	4,114
Total Revenues	1,861,442	1,935,915	2,001,340	65,425
Expenditures				
Debt service:				
Principal retirement	1,290,000	1,200,000	1,290,000	(90,000)
Interest and fiscal charges	704,767	690,028	725,728	(35,700)
Total Expenditures	1,994,767	1,890,028	2,015,728	(125,700)
Excess of Revenues Over (Under) Expenditures	(133,325)	45,887	(14,388)	(60,275)
Other Financing Sources (Uses)				
Transfers in	133,325	-	133,325	133,325
Total Other Financing Sources (Uses)	133,325	-	133,325	133,325
Net Change in Fund Balance	$ -	$ 45,887	118,937	$ 73,050
Beginning fund balance			271,182	
Ending Fund Balance			$ 390,119	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HOTEL/MOTEL TAX

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Hotel occupancy tax	$ 75,000	$ 75,000	$ 80,634	$ 5,634
Total Revenues	75,000	75,000	80,634	5,634
Expenditures				
General government	89,250	83,000	65,000	18,000
Total Expenditures	89,250	83,000	65,000	18,000
Excess of Revenues Over (Under) Expenditures	(14,250)	(8,000)	15,634	23,634
Other Financing Sources (Uses)				
Transfers (out)	(5,000)	(5,000)	(5,000)	-
Total Other Financing Sources (Uses)	(5,000)	(5,000)	(5,000)	-
Net Change in Fund Balance	$ (19,250)	$ (13,000)	10,634	$ 23,634
Beginning fund balance			63,980	
Ending Fund Balance			$ 74,614	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

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

MAIN STREET REVENUE

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ -	$ -	$ 30,000	30,000
Other revenue	19,700	31,500	38,470	$ 6,970
Total Revenues	19,700	31,500	68,470	36,970
Expenditures				
General government	69,300	90,377	62,362	28,015
Total Expenditures	69,300	90,377	62,362	28,015
Excess of Revenues Over (Under) Expenditures	(49,600)	(58,877)	6,108	64,985
Other Financing Sources (Uses)				
Transfers in	19,600	34,200	30,000	(4,200)
Total Other Financing Sources (Uses)	19,600	34,200	30,000	(4,200)
Net Change in Fund Balance	$ (30,000)	$ (24,677)	36,108	$ 60,785
Beginning fund balance			5,025	
Ending Fund Balance			$ 41,133	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL MUNICIPAL COURT SECURITY AND TECHNOLOGY

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 12,300	$ 13,900	$ 15,987	$ 2,087
Total Revenues	12,300	13,900	15,987	2,087
Expenditures				
General government	10,499	16,499	18,397	(1,898)
Total Expenditures	10,499	16,499	18,397	(1,898)
Other Financing Sources (Uses)				
Transfers in	-	14,570	14,570	-
Total Other Financing Sources (Uses)	-	14,570	14,570	-
Net Change in Fund Balance	$ 1,801	$ 11,971	12,160	$ 189
Beginning fund balance			106,172	
Ending Fund Balance			$ 118,332	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

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

TAX INCREMENT FUND

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 162,125	$ 164,229	$ 164,229	$ -
Intergovernmental	95,920	97,351	97,351	-
Investment income	1,500	2,500	4,334	1,834
Total Revenues	259,545	264,080	265,914	1,834
Expenditures				
General government	-	220,791	179,568	41,223
Total Expenditures	-	220,791	179,568	41,223
Excess of Revenues Over (Under) Expenditures	259,545	43,289	86,346	43,057
Other Financing Sources (Uses)				
Transfers (out)	(30,000)	(30,000)	(30,000)	-
Total Other Financing Sources (Uses)	(30,000)	(30,000)	(30,000)	-
Net Change in Fund Balance	$ 229,545	$ 13,289	56,346	$ 43,057
Beginning fund balance			677,681	
Ending Fund Balance			$ 734,027	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DRAINAGE

For the Year Ended September 30, 2017

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	$ 335,280	$ 332,653	$ (2,627)
Total Revenues	335,280	332,653	(2,627)
Expenditures			
General government	900	231	669
Capital outlay	-	5,858	(5,858)
Total Expenditures	900	6,089	(5,189)
Excess of Revenues Over (Under) Expenditures	334,380	326,564	(7,816)
Other Financing Sources (Uses)			
Transfers (out)	(313,325)	(313,325)	-
Total Other Financing Sources (Uses)	(313,325)	(313,325)	-
Net Change in Fund Balance	$ 21,055	13,239	$ (7,816) *
Beginning fund balance		466,464	
Ending Fund Balance		$ 479,703	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CEMETERY PERMANENT

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 4,720	$ 4,720	$ 2,098	$ (2,622)
Investment income	15,000	15,000	24,284	9,284
Total Revenues	19,720	19,720	26,382	6,662
Expenditures				
General government	-	-	10	(10)
Unrealized loss on investments	-	-	35,019	(35,019)
Total Expenditures	-	-	35,029	(35,029)
Excess of Revenues Over (Under) Expenditures	19,720	19,720	(8,647)	(28,367)
Other Financing Sources (Uses)				
Transfers (out)	(15,000)	(15,000)	(24,284)	(9,284)
Total Other Financing Sources (Uses)	(15,000)	(15,000)	(24,284)	(9,284)
Net Change in Fund Balance	$ 4,720	$ 4,720	(32,931)	$ (37,651) *
Beginning fund balance			703,783	
Ending Fund Balance			$ 670,852	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements

City of Taylor, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TRANSPORTATION USER FEE

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 773,916	$ 773,616	$ 787,832	$ 14,216
Total Revenues	773,916	773,616	787,832	14,216
Expenditures				
Public works	15,800	15,800	11,767	4,033
Total Expenditures	15,800	15,800	11,767	4,033
Excess of Revenues Over (Under) Expenditures	758,116	757,816	776,065	18,249
Other Financing Sources (Uses)				
Transfers (out)	-	(250,000)	(98,091)	151,909
Total Other Financing Sources (Uses)	-	(250,000)	(98,091)	151,909
Net Change in Fund Balance	$ 758,116	$ 507,816	677,974	$ 170,158
Beginning fund balance			230,990	
Ending Fund Balance			$ 908,964	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Taylor, Texas

STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

September 30, 2017

	Equipment Services	Equipment Replacement	Total
Assets			
Current Assets			
Cash and cash equivalents	$ 24,294	$ -	$ 24,294
Due from other funds	8,213	-	8,213
Total Current Assets	32,507	-	32,507
Noncurrent Assets			
Capital assets:			
Machinery and equipment	-	2,054,925	2,054,925
Total Noncurrent Assets	-	2,054,925	2,054,925
Total Assets	32,507	2,054,925	2,087,432
Deferred Outflows of Resources			
Pension contributions	10,036	-	10,036
Pension investment earnings	15,738	-	15,738
Pension assumption changes	543	-	543
Total Deferred Outflows of Resources	26,317	-	26,317
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	25,284	28,775	54,059
Current maturities of long-term liabilities	2,687	372,157	374,844
Due to other funds	-	191,645	191,645
Total Current Liabilities	27,971	592,577	620,548
Noncurrent Liabilities			
Long-term liabilities	298	1,363,019	1,363,317
Net pension liability	96,217	-	96,217
Total Liabilities	124,486	1,955,596	2,080,082
Deferred Inflows of Resources			
Pension (gains) losses	6,501	-	6,501
Net Position			
Net investment in capital assets	-	691,906	691,906
Unrestricted	(72,163)	(592,577)	(664,740)
Total Net Position	$ (72,163)	$ 99,329	$ 27,166

See Notes to Financial Statements.

City of Taylor, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended September 30, 2017

	Equipment Services	Equipment Replacement	Total
Operating Revenues			
Charges for services	$ 654,808	$ 508,996	$ 1,163,804
Other revenue	19	19,739	19,758
Total Operating Revenues	654,827	528,735	1,183,562
Operating Expenses			
Personnel services	157,711	-	157,711
Contractual services	501,266	14,974	516,240
Depreciation	-	499,108	499,108
Total Operating Expenses	658,977	514,082	1,173,059
Operating Income (Loss)	(4,150)	14,653	10,503
Nonoperating Revenues (Expenses)			
Investment income	-	3	3
Interest expense	-	(58,841)	(58,841)
Total Nonoperating Revenues (Expenses)	-	(58,838)	(58,838)
Transfers			
Transfers in	-	38,845	38,845
Total Transfers	-	38,845	38,845
Change in Net Position	(4,150)	(5,340)	(9,490)
Beginning net position	(68,013)	104,669	36,656
Ending Net Position	$ (72,163)	$ 99,329	$ 27,166

See Notes to Financial Statements.

City of Taylor, Texas

STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS (Page 1 of 2)

For the Year Ended September 30, 2017

	Equipment Services	Equipment Replacement	Total
Cash Flows from Operating Activities			
Receipts from customers	$ 654,827	$ 528,735	$ 1,183,562
Payments to suppliers and contractors	(512,250)	(34,720)	(546,970)
Payments to employees for salaries and benefits	(153,593)	-	(153,593)
Net Cash Provided (Used) by Operating Activities	(11,016)	494,015	482,999
Cash Flows from Noncapital Financing Activities			
Transfer in	-	38,845	38,845
Net Cash Provided (Used) by Noncapital Financing Activities	-	38,845	38,845
Cash Flows from Capital and Related Financing Activities			
Purchases of capital assets	-	(57,736)	(57,736)
Principal paid on capital debt	-	(416,286)	(416,286)
Interest paid on capital debt	-	(58,841)	(58,841)
Net Cash (Used) by Capital and Related Financing Activities	-	(532,863)	(532,863)
Cash Flows from Investing Activities			
Interest on investments	-	3	3
Net Cash Provided by Investing Activities	-	3	3
Net (Decrease) in Cash and Cash Equivalents	(11,016)	-	(11,016)
Beginning cash and cash equivalents	35,310	-	35,310
Ending Cash and Cash Equivalents	$ 24,294	$ -	$ 24,294

See Notes to Financial Statements.

City of Taylor, Texas

STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS (Page 2 of 2)

For the Year Ended September 30, 2017

	Equipment Services	Equipment Replacement	Total
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	$ (4,150)	$ 14,653	$ 10,503
Adjustments to reconcile operating income to net cash provided (used):			
Depreciation	-	499,108	499,108
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Due to other funds	-	(19,746)	(19,746)
Deferred Outflows of Resources:			
Pension contributions	(613)	-	(613)
Investment experience	5,290	-	5,290
Assumption changes	(543)	-	(543)
Increase (Decrease) in:			
Accounts payable	(10,984)	-	(10,984)
Net pension liability	862	-	862
Deferred Inflows of Resources:			
Actual experience vs. assumption	(878)	-	(878)
Net Cash Provided (Used) by Operating Activities	$ (11,016)	$ 494,015	$ 482,999
Schedule of Non-Cash Capital and Related Financing Activities			
Capital lease issuance	$ -	$ 497,664	$ -

See Notes to Financial Statements.

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STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

City of Taylor, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2017	2016	2015	2014
Governmental activities				
Net investment in capital assets	$ 42,810,269	$ 41,563,836	$ 41,623,407	$ 41,768,181
Restricted	2,627,354	3,248,859	2,787,325	2,676,573
Unrestricted (Deficit)	(243,239)	(1,790,067)	(1,155,715)	(1,311,590)
Total governmental activities net position	$ 45,194,384	$ 43,022,628	$ 43,255,017	$ 43,133,164
Business-type activities				
Net investment in capital assets	$ 13,463,393	$ 13,597,654	$ 13,247,923	$ 12,540,010
Unrestricted (Deficit)	2,772,780	658,527	220,034	1,146,589
Total business-type activities net position	$ 16,236,173	$ 14,256,181	$ 13,467,957	$ 13,686,599
Primary government				
Net investment in capital assets	$ 56,273,662	$ 55,161,490	$ 54,871,330	$ 54,308,191
Restricted	2,627,354	3,248,859	2,787,325	2,676,573
Unrestricted	2,529,541	(1,131,540)	(935,681)	(165,001)
Total primary government net position	$ 61,430,557	$ 57,278,809	$ 56,722,974	$ 56,819,763

2013	2012	2011	2010	2009	2008
$ 42,658,990	$ 39,458,232	$ 42,533,107	$ 41,533,094	$ 43,701,642	$ 40,988,706
2,630,586	7,311,640	4,142,402	3,253,125	1,055,079	1,353,386
2,842,851	2,436,264	2,753,160	3,916,431	3,369,829	4,481,859
$ 48,132,427	$ 49,206,136	$ 49,428,669	$ 48,702,650	$ 48,126,550	$ 46,823,951
$ 9,092,144	$ 12,109,434	$ 12,332,757	$ 12,419,757	$ 11,782,669	$ 12,539,086
5,339,652	1,967,586	1,533,418	(216,991)	560,831	82,049
$ 14,431,796	$ 14,077,020	$ 13,866,175	$ 12,202,766	$ 12,343,500	$ 12,621,135
$ 51,751,134	$ 51,567,666	$ 54,865,864	$ 53,952,851	$ 55,484,311	$ 53,527,792
2,630,586	7,311,640	4,142,402	3,253,125	1,055,079	1,353,386
8,182,503	4,403,850	4,286,578	3,699,440	3,930,660	4,563,908
$ 62,564,223	$ 63,283,156	$ 63,294,844	$ 60,905,416	$ 60,470,050	$ 59,445,086

City of Taylor, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2017	2016	2015	2014
Expenses				
Governmental activities:				
General government	$ 3,903,456	$ 3,647,370	$ 4,860,808	$ 4,862,420
Culture and recreation	1,266,740	1,132,102	1,098,786	1,109,876
Community services	854,916	866,779	628,159	661,224
Public safety	5,987,519	5,292,525	5,233,324	5,135,384
Public works	3,012,792	2,767,401	2,839,114	2,919,795
Interest on long-term debt	931,650	946,971	911,760	970,486
Total governmental activities expenses	15,957,073	14,653,148	15,571,951	15,659,185
Business-type activities:				
Public utilities fund	5,036,902	5,287,437	5,167,958	4,865,365
Airport fund	380,583	386,176	407,521	473,911
Cemetery operating fund	172,778	178,182	146,682	163,769
Sanitation fund	1,378,240	1,362,258	-	-
Interest on long-term debt	932,864	861,912	1,067,397	1,107,014
Total business-type activities expenses	7,901,367	8,075,965	6,789,558	6,610,059
Total primary government expenses	$ 23,858,440	$ 22,729,113	$ 22,361,509	$ 22,269,244
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 1,433,520	$ 795,794	$ 1,732,647	$ 1,740,528
Public safety	279,426	248,042	266,967	319,668
Public works	332,653	326,121	299,593	330,203
Community services	-	-	-	-
Operating grants and contributions	126,478	498,965	141,889	129,182
Capital grants and contributions	2,166,109	353,415	470,172	142,440
Total governmental activities program revenues	4,338,186	2,222,337	2,911,268	2,662,021
Business-type activities:				
Charges for services:				
Public utilities fund	9,081,323	7,804,655	6,300,263	6,875,146
Airport fund	364,728	426,245	450,606	484,048
Cemetery fund	86,733	145,705	117,340	135,458
Sanitation fund	1,642,591	1,638,338	-	-
Capital grants and contributions	-	24,580	530,695	79,326
Total business-type activities program revenues	11,175,375	10,039,523	7,398,904	7,573,978
Total primary government program revenues	$ 15,513,561	$ 12,261,860	$ 10,310,172	$ 10,235,999

2013	2012	2011	2010	2009	2008
$ 4,770,073	$ 3,820,796	$ 4,106,565	$ 4,274,435	$ 4,038,624	$ 4,682,994
1,112,269	1,056,650	-	-	-	-
655,822	502,428	343,860	-	-	-
4,654,499	4,501,449	4,937,819	4,986,776	4,799,854	5,079,499
2,905,400	2,778,499	4,334,567	4,159,734	3,797,620	3,912,591
1,009,285	900,074	826,560	760,678	723,851	704,241
15,107,348	13,559,896	14,549,371	14,181,623	13,359,949	14,379,325
4,696,288	4,883,367	6,005,089	5,607,082	5,250,058	6,282,526
480,214	395,849	426,345	430,473	408,404	599,040
133,354	120,031	88,368	-	-	-
-	-	-	-	-	-
1,202,405	1,219,817	-	-	-	-
6,512,261	6,619,064	6,519,802	6,037,555	5,658,462	6,881,566
$ 21,619,609	$ 20,178,960	$ 21,069,173	$ 20,219,178	$ 19,018,411	$ 21,260,891
$ 1,631,501	$ 2,283,280	$ 2,515,187	$ 2,378,935	$ 2,257,670	$ 3,650,952
323,928	247,130	382,919	287,821	308,439	305,708
325,698	69,481	-	-	-	-
-	-	338,965	-	-	-
127,201	-	-	-	-	-
184,969	-	707,816	1,813,591	1,230,851	476,057
2,593,297	2,599,891	3,944,887	4,480,347	3,796,960	4,432,717
6,929,109	7,150,801	7,568,944	6,227,101	5,897,077	5,845,601
500,255	426,859	669,510	427,323	466,097	607,746
118,160	120,529	119,721	-	-	-
-	-	-	-	-	-
164,979	-	-	-	-	-
7,712,503	7,698,189	8,358,175	6,654,424	6,363,174	6,453,347
$ 10,305,800	$ 10,298,080	$ 12,303,062	$ 11,134,771	$ 10,160,134	$ 10,886,064

City of Taylor, Texas

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2017	2016	2015	2014
Net (Expenses) Revenue				
Governmental activities	$ (11,618,887)	$ (12,430,811)	$ (12,660,683)	$ (12,997,164)
Business-type activities	3,274,008	1,963,558	609,346	963,919
Total primary government net expense	$ (8,344,879)	$ (10,467,253)	$ (12,051,337)	$ (12,033,245)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	$ 7,655,907	$ 7,247,922	$ 6,858,118	$ 6,420,308
Sales taxes	2,989,454	2,962,203	2,952,740	2,744,362
Franchise taxes	938,187	939,301	1,087,771	1,103,835
Investment earnings	110,551	38,666	19,475	31,020
Miscellaneous	603,343	251,452	626,032	212,420
Transfers	1,493,201	1,416,323	1,251,871	1,244,003
Total governmental activities	13,790,643	12,855,867	12,796,007	11,755,948
Business-type activities:				
Investment earnings	24,796	2,825	465	412
Miscellaneous	174,389	208,164	423,418	161,510
Transfers	(1,493,201)	(1,386,323)	(1,251,871)	(1,244,003)
Total business-type activities	(1,294,016)	(1,175,334)	(827,988)	(1,082,081)
Total primary government	$ 12,496,627	$ 11,680,533	$ 11,968,019	$ 10,673,867
Change in Net Position				
Governmental activities	$ 2,171,756	$ 425,056	$ 135,324	$ (1,241,216)
Business-type activities	1,979,992	788,224	(218,642)	(118,162)
Total primary government	$ 4,151,748	$ 1,213,280	$ (83,318)	$ (1,359,378)

2013	2012	2011	2010	2009	2008
$ (12,514,051)	$ (10,960,005)	$ (10,604,484)	$ (9,701,276)	$ (9,562,989)	$ (9,946,608)
1,200,242	1,079,125	1,838,373	616,869	704,712	(428,219)
$ (11,313,809)	$ (9,880,880)	$ (8,766,111)	$ (9,084,407)	$ (8,858,277)	$ (10,374,827)
$ 6,374,806	$ 6,212,695	$ 6,078,005	$ 5,811,529	$ 5,741,878	$ 5,589,548
2,535,174	2,411,533	2,219,629	2,239,952	2,248,042	3,020,333
1,055,651	890,874	816,039	845,234	801,124	863,824
38,322	25,783	38,451	114,902	140,589	301,223
384,719	391,765	1,373,359	435,759	930,977	201,993
1,051,670	869,999	805,020	830,000	1,128,168	-
11,440,342	10,802,649	11,330,503	10,277,376	10,990,778	9,976,921
3,149	5,467	10,086	16,284	64,899	239,913
203,055	221,503	619,970	56,113	80,922	47,646
(1,051,670)	(869,999)	(805,020)	(830,000)	(1,128,168)	-
(845,466)	(643,029)	(174,964)	(757,603)	(982,347)	287,559
$ 10,594,876	$ 10,159,620	$ 11,155,539	$ 9,519,773	$ 10,008,431	$ 10,264,480
$ (1,073,709)	$ (157,356)	$ 726,019	$ 576,100	$ 1,427,789	$ 30,313
354,776	436,096	1,663,409	(140,734)	(277,635)	(140,660)
$ (718,933)	$ 278,740	$ 2,389,428	$ 435,366	$ 1,150,154	$ (110,347)

City of Taylor, Texas

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2017	2016	2015	2014
General Fund				
Restricted	$ 1,133,876	$ 1,223,913	$ 865,526	$ 778,132
Committed	10,785	10,785	10,785	10,785
Assigned	-	-	-	-
Unassigned	3,427,943	3,285,095	3,216,861	3,290,862
Total general fund	$ 4,572,604	$ 4,519,793	$ 4,093,172	$ 4,079,779
All Other Governmental Funds				
Reserved	$ -	$ -	$ -	$ -
Unreserved, reported in:				
Capital project funds	-	-	-	-
Non-spendable	670,852	703,783	697,882	701,766
Restricted	3,944,577	4,422,813	5,058,875	7,244,749
Committed	1,388,667	697,454	450,768	462,996
Total all other governmental funds	$ 6,004,096	$ 5,824,050	$ 6,207,525	$ 8,409,511

Notes: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.

2013	2012	2011	2010	2009	2008
$ 781,021	$ 612,452	$ 615,461	$ -	$ -	$ -
10,785	10,785	17,739	-	-	-
-	409,969	-	-	-	-
3,686,745	3,855,829	2,943,662	3,567,124	3,899,851	3,809,353
$ 4,478,551	$ 4,889,035	$ 3,576,862	$ 3,567,124	$ 3,899,851	$ 3,809,353

$ -	$ -	$ -	$ 3,353,764	$ 1,055,079	$ 4,702,011
-	-	-	499,523	392,573	248,681
697,543	729,268	735,606	-	-	-
7,778,543	6,389,661	2,886,566	-	-	-
450,114	327,257	155,415	-	-	-
$ 8,926,200	$ 7,446,186	$ 3,777,587	$ 3,853,287	$ 1,447,652	$ 4,950,692

City of Taylor, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2017	2016	2015	2014
Revenues				
Taxes	$ 11,583,548	$ 11,297,631	$ 10,880,953	$ 10,246,691
Licenses, permits, and fees	331,723	282,906	214,560	134,322
Charges for services	1,434,450	839,009	1,817,680	1,936,409
Fines and forfeitures	279,426	248,042	266,967	319,668
Intergovernmental	2,292,587	673,865	612,061	271,622
Investment earnings	110,548	40,324	19,256	31,020
Other revenues	227,976	505,598	601,386	174,181
Total Revenues	16,260,258	13,887,375	14,412,863	13,113,913
Expenditures				
Current:				
General government	3,620,828	3,031,068	4,132,938	4,193,947
Culture and recreation	1,255,298	1,141,441	1,099,300	1,107,678
Community development	828,646	841,276	632,021	660,441
Public safety	5,705,113	5,134,332	5,174,338	4,915,960
Public works	1,304,925	1,153,524	1,252,245	1,316,652
Debt Service:				
Principal retirement	1,290,000	1,494,972	1,271,180	1,207,384
Interest and fiscal changes	725,728	692,008	861,304	919,438
Bond issuance costs	34,807	95,074	-	-
Capital outlay:	4,348,143	794,863	3,253,720	775,494
Unrealized loss on investments	35,019	-	-	-
Total Expenditures	19,148,507	14,378,558	17,677,046	15,096,994
Excess of Revenues Over (Under) Expenditures	(2,888,249)	(491,183)	(3,264,183)	(1,983,081)
Other financing sources (uses)				
Transfers in	2,441,818	2,029,948	1,822,939	1,633,050
Transfers (out)	(987,462)	(1,054,459)	(747,349)	(565,430)
Debt issuance	1,620,000	5,845,000	-	-
Premium on debt issuance	46,750	544,267	-	-
Lease issuance	-	-	-	-
Payments to escrow agent	-	(6,152,746)	-	-
Total Other Financing Sources (Uses)	3,121,106	1,212,010	1,075,590	1,067,620
Net Change in Fund Balances	$ 232,857	$ 720,827	$ (2,188,593)	$ (915,461)
Debt service as percentage of noncapital expenditures	13.6%	16.1%	14.6%	14.7%

2013	2012	2011	2010	2009	2008
$ 9,940,659	$ 9,588,691	$ 9,168,082	$ 9,074,489	$ 8,843,496	$ 9,442,425
101,808	169,159	92,220	113,208	105,591	129,750
1,855,391	1,948,547	1,794,596	1,662,049	1,464,667	2,604,165
323,928	247,130	382,919	287,821	308,439	305,708
312,170	146,780	1,046,781	991,107	1,027,208	476,057
38,322	25,381	38,452	114,902	140,589	301,223
382,384	235,561	1,294,289	351,900	875,655	201,213
12,954,662	12,361,249	13,817,339	12,595,476	12,765,645	13,460,541
4,147,828	3,874,060	2,527,926	2,846,860	2,628,035	3,281,548
1,110,059	-	343,860	-	-	-
631,422	-	-	-	-	-
4,441,585	4,051,068	4,214,072	4,330,047	4,214,449	4,199,718
1,374,935	2,465,390	3,823,790	3,681,843	3,380,810	3,528,574
1,213,983	993,484	938,129	891,896	795,792	671,849
823,110	839,966	808,698	733,766	982,337	700,119
134,800	54,500	-	-	-	-
1,883,518	825,405	2,086,699	1,857,267	8,215,648	2,469,171
-	-	-	-	-	-
15,761,240	13,103,873	14,743,174	14,341,679	20,217,071	14,850,979
(2,806,578)	(742,624)	(925,835)	(1,746,203)	(7,451,426)	(1,390,438)
1,126,893	1,595,738	1,648,065	1,005,766	1,287,399	1,280,839
(578,678)	(747,342)	(853,657)	(182,037)	(169,422)	(1,300,839)
6,990,000	4,875,000	1,030,000	2,655,000	7,675,000	3,000,000
254,070	-	-	-	33,886	-
-	-	-	-	-	381,545
(4,132,346)	-	(964,535)	-	(4,662,789)	-
3,659,939	5,723,396	859,873	3,478,729	4,164,074	3,361,545
$ 853,361	$ 4,980,772	$ (65,962)	$ 1,732,526	$ (3,287,352)	$ 1,971,107
14.5%	15.0%	13.8%	13.0%	14.8%	11.1%

City of Taylor, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands)

Fiscal Year Ended Sept 30	Real Property: Residential Assessed Value	Real Property: Commercial Assessed Value	Real Property: Agriculture	Personal Property: Personal	Personal Property: Other	Less Exemptions Real Property
2008	$ 462,462	$ 190,589	$ 34,222	$ 99,778	$ -	$ 24,802
2009	439,446	218,102	36,496	116,084	-	39,734
2010	455,517	211,709	39,355	114,305	-	39,031
2011	451,487	197,816	39,566	128,562	-	39,471
2012	444,086	220,153	38,771	144,280	-	26,915
2013	444,424	229,683	39,361	137,607	-	28,839
2014	482,453	238,861	43,761	133,642	-	31,398
2015	526,702	248,870	44,524	148,777	-	30,906
2016	579,978	264,734	48,240	155,488	-	34,349
2017	678,682	275,597	50,185	156,899	-	37,156

Notes: The appraisal of property within the City is the responsibility of the Williamson County Appraisal District. The Appraisal District is required under the Texas Property Tax Code to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining the market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal, and the market data comparison basis of appraisal, and the method considered most appropriate by the chief appraiser is to be used. The value placed upon property within the Appraisal District is subject to review by a three member Appraisal Review Board.

Source: Williamson County Appraisal District.

Total Assessed Value	Tax Rate	Estimated Tax Value	Ratio of Total Assessed Value to Total Estimated Actual Value
$ 762,249	$ 0.79000	$ 762,249	100.0%
770,394	0.79000	770,394	100.0%
781,855	0.79000	781,855	100.0%
777,960	0.81389	777,960	100.0%
820,375	0.81389	820,375	100.0%
822,236	0.81389	822,236	100.0%
867,319	0.81390	867,319	100.0%
937,967	0.81389	937,967	100.0%
1,014,091	0.81389	1,014,091	100.0%
1,124,207	0.80389	1,124,207	100.0%

City of Taylor, Texas

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years (Unaudited)

	CITY OF TAYLOR			WILLIAMSON COUNTY			
Fiscal Year	**Operating**	**Debt Service**	**Total Rate**	**Operating**	**Debt Service**	**RD/FM Operating**	**Total Rate**
2008	$ 0.60446	$ 0.18554	$ 0.79000	$ 0.27129	$ 0.16813	$ 0.02890	$ 0.46832
2009	0.59627	0.19373	0.79000	0.29084	0.17000	0.03098	0.49182
2010	0.57796	0.21204	0.79000	0.28990	0.17000	0.03000	0.48990
2011	0.58982	0.22407	0.81389	0.28769	0.17000	0.03000	0.48769
2012	0.57302	0.24087	0.81389	0.28153	0.16750	0.04000	0.48903
2013	0.57302	0.24087	0.81389	0.28153	0.16750	0.04000	0.48903
2014	0.59069	0.22321	0.81390	0.27903	0.16750	0.04000	0.48653
2015	0.59344	0.22045	0.81389	0.27403	0.16750	0.04000	0.48153
2016	0.59344	0.22045	0.81389	0.26903	0.16750	0.04000	0.47653
2017	0.59949	0.20441	0.80389	0.26903	0.16750	0.04000	0.47653

Note:

The entire City was located in Williamson County and within the Taylor Independent School District.

Source: Williamson County Tax Collector.

TAYLOR SCHOOL DISTRICT			
Operating	Debt Service	Total Rate	Total Direct & Overlapping Rates
$ 1.04000	$ 0.16000	$ 1.20000	$ 2.45832
1.04000	0.45000	1.49000	2.77182
1.04000	0.43000	1.47000	2.74990
1.04000	0.41000	1.45000	2.75158
1.17000	0.28000	1.45000	2.75292
1.17000	0.28000	1.45000	2.75292
1.17000	0.28000	1.45000	2.75043
1.17000	0.28000	1.45000	2.74542
1.17000	0.40000	1.57000	2.86042
1.17000	0.40000	1.57000	2.85042

City of Taylor, Texas

PRINCIPAL PROPERTY TAX PAYERS

Current and Nine Years Ago (Unaudited)

	2017			2008		
Taxpayer	**Assessed Valuation**	**Rank**	**Percentage of Total City Assessed Valuation**	**Assessed Valuation**	**Rank**	**Percentage of Total City Assessed Valuation**
Electric Reliability Council of TX	$ 31,000,000	1	2.76%	$ -	-	-
Electric Reliability Council of TX	19,261,312	2	1.71%	-	-	-
Corecivic	14,306,366	3	1.27%	-	-	-
HEB Grocery Co LLP	11,563,475	4	1.03%	-	-	-
Durcon Laboratory Tops Inc	11,499,877	5	1.02%	-	-	-
ONCOR Electric Delivery Co	10,500,528	6	0.93%	-	-	-
Wal-Mart Real Estate Trust	9,784,550	7	0.87%	-	-	-
SPJST Rest Home	9,242,718	8	0.82%	-	-	-
Union Pacific RR CO	8,796,761	9	0.78%	-	-	-
Taylor CPB Property LLC	6,138,180	10	0.55%	-	-	-
Electric Reliability Council	-	-	-	33,770,171	1	4.38%
ERCOT	-	-	-	15,029,770	2	1.95%
CCA Properties of Texas LP	-	-	-	13,999,683	3	1.82%
HEB Grocery Company LP	-	-	-	12,499,789	4	1.62%
Wal-Mart Real Estate Trust	-	-	-	9,021,962	5	1.17%
ONCOR Electric Delivery Co	-	-	-	8,414,106	6	1.09%
Texas HWY 95 LP	-	-	-	6,761,779	7	0.88%
Durcon Laboratory Tops	-	-	-	6,039,360	8	0.78%
Wal-Mart Stores East Inc	-	-	-	5,703,052	9	0.74%
KB Homes Lone Star LP	-	-	-	5,278,705	10	0.69%
Total	$ 132,093,767			$ 116,518,377		

Source: Williamson County Tax Collector.

City of Taylor, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years (Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy: Amount	Collected within the Fiscal year of the Levy: Percentage of Tax Levy	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Tax Levy
2008	$ 5,524,316	$ 5,416,832	98.1%	$ 104,999	$ 5,521,831	100.0%
2009	5,820,781	5,658,597	97.2%	158,455	5,817,052	99.9%
2010	5,802,025	5,694,713	98.2%	102,449	5,797,162	99.9%
2011	6,050,622	5,976,895	98.8%	67,320	6,044,215	99.9%
2012	6,195,426	6,119,868	98.8%	70,176	6,190,044	99.9%
2013	6,255,176	6,197,753	99.1%	51,357	6,249,110	99.9%
2014	6,352,505	6,292,672	99.1%	51,384	6,344,056	99.9%
2015	6,797,312	6,723,090	98.9%	55,305	6,778,395	99.7%
2016	7,318,681	7,245,999	99.0%	53,106	7,299,105	99.7%
2017	7,754,442	7,678,073	99.0%	1,418	7,679,491	99.0%

Source: Williamson County Appraisal District Reports.

City of Taylor, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years (Unaudited)

	Governmental Activities				
Fiscal Year	**General Obligation Bonds**	**Certificates of Obligation**	**Contractual Obligation**	**Capital Lease**	**Note Payable**
2008	$ 10,666,935	$ 5,008,320	$ 220,464	$ 509,052	$ -
2009	10,582,740	7,333,955	-	397,436	-
2010	9,878,545	9,877,038	-	281,737	-
2011	9,192,005	9,768,476	145,398	418,071	-
2012	8,723,764	14,516,902	120,375	351,050	-
2013	8,739,097	16,479,268	93,267	340,278	-
2014	7,884,431	16,183,943	68,244	582,143	-
2015	7,059,764	15,796,861	43,221	379,215	285,899
2016	11,871,687	10,230,646	-	1,425,252	228,547
2017	10,205,000	11,490,000	-	1,310,951	424,225

Notes: Details regarding the City's outstanding debt can be found in the notes to financial statements.

Business-type Activities				
Combination Tax & Revenue Bonds	General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
$ 20,259,397	$ 358,065	$ 37,022,233	8.77%	2,152
22,711,045	4,432,260	45,457,436	12.82%	2,574
28,382,962	4,196,455	52,616,737	16.67%	3,464
25,441,524	5,982,995	50,948,469	16.05%	3,228
23,228,602	5,380,070	52,320,763	16.03%	3,254
21,420,022	5,971,060	53,042,992	16.11%	3,320
21,044,132	5,087,051	50,849,944	14.22%	3,085
20,650,000	4,178,042	48,393,002	14.90%	3,103
13,280,000	10,759,095	47,795,227	13.25%	2,900
16,690,000	8,685,000	48,805,176	12.08%	2,757

City of Taylor, Texas

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value[1] of Property	Per Capita[2]
2008	$ 11,025,000	$ 155,140	$ 10,869,860	1.43%	632
2009	15,015,000	102,626	14,912,374	1.94%	844
2010	14,075,000	233,182	13,841,818	1.77%	911
2011	15,175,000	287,894	14,887,106	1.91%	943
2012	14,103,834	145,607	13,958,227	1.70%	868
2013	14,710,158	236,346	14,473,812	1.76%	906
2014	12,971,482	225,505	12,745,977	1.47%	773
2015	11,237,806	185,697	11,052,109	1.18%	709
2016	22,630,782	276,695	22,354,087	2.20%	1,356
2017	18,890,000	387,965	18,502,035	1.65%	1,045

[1]See the Schedule of Assessed and Estimated Actual Value of Taxable Property for property value da

[2]Population data can be found in the Schedule of Demographic and Economic Statistics.

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

City of Taylor, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2017 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Williamson County	$ 872,279,942	1.79%	$ 15,613,811
Taylor ISD	68,739,943	100.00%	68,739,943
Subtotal, overlapping debt			84,353,754
City of Taylor	23,430,176	100%	23,430,176
Total direct and overlapping debt			$ 107,783,930

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping by the residents and businesses of Statistical. This process recognizes that, when considering the city's ability governments that is borne to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply the every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

[1] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

City of Taylor, Texas

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands)

	2017	2016	2015	2014
Debt limit	$ 290,341	$ 262,110	$ 242,218	$ 224,679
Total net debt applicable to limit	29,915	25,164	37,137	37,205
Legal debt margin	$ 260,426	$ 236,946	$ 205,082	$ 187,474

Legal Debt Margin Calculation for Fiscal Year 2017	
Assessed value	$ 1,124,207
Add back: exempt real property	37,156
Total assessed value	1,161,363
Debt limit (10% of total assessed value)	290,341
Debt applicable to limit:	
Total Debt	48,805
Less: Amount set aside for repayment of general obligation debt	(18,890)
Total net debt applicable to limit	29,915
Legal debt margin	$ 260,426

Note: There is no direct debt limitation in the City Charter or under state law. The City operates under a Home Rule Charter (Article XI, Section 5, Texas Constitution), that limits the maximum tax rate, for all city purposes, to $2.50 per $100 assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of $1.50 of the $2.50 maximum tax rate for general obligation debt service.

2013		2012		2011		2010		2009		2008	
$	212,769	$	211,823	$	204,358	$	205,222	$	202,532	$	196,763
	37,875		37,719		35,210		38,281		30,045		24,381
$	174,894	$	169,148	$	166,941	$	172,487	$	172,382	$	174,312

City of Taylor, Texas

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years (Unaudited)

	Water Revenue Bonds					
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2008	$ 5,877,587	$ 4,639,485	$ 1,238,102	$ 2,700,000	$ 781,605	35.6%
2009	5,965,725	3,250,434	2,715,291	2,675,000	664,190	81.3%
2010	6,340,142	3,589,878	2,750,264	2,650,000	547,778	86.0%
2011	8,185,627	3,386,091	4,799,536	-	-	100.0%
2012	7,259,363	3,704,075	3,555,288	-	-	100.0%
2013	6,929,109	3,529,757	3,399,352	-	-	100.0%
2014	6,875,146	3,618,109	3,257,037	-	-	100.0%
2015	6,300,263	3,824,509	2,475,754	-	-	100.0%
2016	7,804,655	3,917,205	3,887,450	-	-	100.0%
2017	9,081,323	3,769,347	5,311,976	-	-	100.0%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest or depreciation.

City of Taylor, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years (Unaudited)

Fiscal Year	Population[1]	Personal Income[3]	Per Capita[5] Personal Income	School Enrollment[4]	Unemployment Rate[2]
2008	17,202	$ 433,574	$ 24,547	3,156	4.7%
2009	17,663	371,698	20,082	3,115	6.7%
2010	15,191	392,160	20,780	3,086	7.7%
2011	15,783	305,582	20,116	3,086	7.1%
2012	16,080	326,360	20,296	3,178	6.8%
2013	15,979	329,263	20,606	3,239	5.6%
2014	16,483	337,502	21,691	4,178	4.2%
2015	15,595	324,891	20,833	4,333	3.4%
2016	16,483	360,763	21,887	4,547	3.3%
2017	17,701	404,149	22,832	4,249	2.8%

Data Sources:

1 Texas State Data Center & Office of the State Demographer

2 State Department of Labor and City-Data.com

3 US Census adjusted by CPI for inflation, expressed in thousands

4 Taylor Independent School District

5 U. S. Census Bureau American Fact Finder

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City of Taylor, Texas

PRINCIPAL EMPLOYERS

Current and Nine Years Ago (Unaudited)

	2017		2008	
Employer	**No. Employees[1]**	**Rank**	**No. Employees[1]**	**Rank**
ERCOT	720	1	630	1
Taylor ISD	578	2	526	2
Corrections Corp of America	394	3	282	3
Wal-Mart	211	4	265	4
John's Community Hospital	165	5	215	5
Durcon Laboratory Tops	160	6	207	6
Floyds Glass	155	7	150	7
HEB	148	8	150	8
City of Taylor	147	9	145	9
Burrows Cabinets	137	10	107	10
Total	2,815		2,677	

[1] Source: www.mactexas.com.

City of Taylor, Texas

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years (Unaudited)

	2017	**2016**	**2015**	**2014**	**2013**
Function / Program					
General Government					
Management services	4	4	4	4	4
Human resources	2	2	2	2	2
Finance	4	4	4	4	4
Municipal court	4	3	4	5	5
C D - planning	7	6	5	6	6
Main street	1	1	1	1	1
C D - recreation		-	-	-	-
Building	3	3	3	3	3
General services	1	1	1	1	1
Information technology	1	1	1	1	1
Other	1	1	1	1	1
Police					
Officers	27	27	27	27	27
Civilians	8	9	9	8	8
Animal control	3	2	1	2	2
Fire					
Firefighters and officers	23	23	23	23	23
Civilians	1	1	1	1	1
Other Public Works					
Engineering/inspection	1	1	1	2	2
Street maintenance	14	14	14	14	13
Grounds	-	-	-	-	-
Other	-	-	-	-	1
Parks and recreation	6	6	6	6	6
Library	9	8	7	7	7
Water	14	14	14	14	14
Wastewater	3	3	3	2	2
Utilities admin.	6	6	6	6	6
Airport	2	2	2	2	2
Cemetery	2	2	2	2	2
Fleet services	2	2	2	2	2
Total all governmental funds	149	146	144	146	146

2012	2011	2010	2009	2008
4	4	3	2	3
2	2	3	3	3
4	4	4	4	4
5	5	4	4	4
5	5	5	6	6
1	1	2	2	1
-	-	1	1	1
3	3	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	-	-	-
25	25	27	27	26
8	8	11	10	11
2	2	1	1	2
23	23	24	25	23
1	1	1	1	1
2	2	2	3	2
13	13	6	9	9
-	-	7	9	7
1	2	2	2	2
6	6	6	6	
7	7	7	7	7
14	14	13	15	12
2	2	2	1	3
6	6	6	6	7
2	3	3	3	3
1	2	1	2	2
2	2	2	2	2
142	145	146	153	144

City of Taylor, Texas

OPERATING INDICATORS BY FUNCTIONS/PROGRAM

Last Ten Fiscal Years (Unaudited)

	2017	2016	2015	2014
Function/Program				
General government				
Building permits issued	95	94	63	129
Building inspections conducted	outsourced	outsourced	outsourced	outsourced
Public Safety				
Police:				
Physical arrests	573	813	722	717
Parking violations	37	36	33	54
Traffic violations	4,546	3,429	1,543	1,604
Fire:				
Emergency responses	2,281	2,127	2,036	1,915
Fires extinguished	82	44	64	61
Inspections	329	361	359	316
Highways and streets				
Street resurfacing (miles)	-	15	17	10
Potholes repaired	130	741	777	655
Recreation				
Athletic field permits issued	30	32	33	30
Library				
Volumes in collection	54,117	53,011	50,223	47,952
Total volumes borrowed	74,872	78,368	75,581	78,186
Water				
New connections	137	160	50	44
Water main breaks	353	222	235	352
Average daily consumption (millions of gallons)	2	2	3	2
Peak daily consumption (millions of gallons)	3	3	2	3
Wastewater				
Average daily treatment (millions of gallons)	1	2	2	1
Airport				
LL fuel (thousand gallon)	46	59	48	46
Jet A fuel (thousand gallon)	14	27	29	23
Landings / Take off (thousand)	14	12	9	14
Cemetery				
Lots sold	33	77	66.5	80
Municipal Court				
Cases processed	2,675	1,876	2,113	2,562
General Services				
Facilities				
Work orders	577	645	553	538
Fleet				
Work orders	941	834	903	816
Information Technology				
Personal computers / laptops	171	155	152	135
Service requests	475	415	407	549

2013	2012	2011	2010	2009	2008
101	82	33	35	481	530
outsourced	1,637	1,291	540	410	503
669	653	653	699	730	707
67	86	76	87	63	72
3,615	2,660	3,388	2,457	3,489	2,063
1,069	1,813	2,225	1,788	2,302	1,704
56	45	110	112	121	149
137	194	315	503	427	394
-	-	-	-	-	-
461	771	171	741	1,430	851
37	37	36	24	-	-
44,850	45,413	46,099	42,733	40,330	37,809
79,187	87,895	91,408	88,622	81,893	81,274
96	720	1,246	1,240	872	873
437	445	584	350	515	511
2	2	3	2	2	2
3	4	4	3	3	4
2	1	2	2	2	1
45	35	47	56	67	76
32	23	26	23	26	36
14	11	12	12	11	13
84	75	63	63	40	70
4,158	4,852	6,863	7,278	6,419	5,684
453	450	423	417	-	-
1071	1,270	1,243	877	-	-
135	132	120	114	-	-
555	562	413	300	-	-

City of Taylor, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years (Unaudited)

	2017	2016	2015	2014
Function				
Police				
Number of stations	1	1	1	1
Zone Officers	27	27	27	27
Number of patrol units	15	15	15	15
Fire				
Number of stations	2	2	2	2
Streets and Grounds				
Streets (miles)	106	106	106	106
Streetlights	1,114	1,114	1,113	1,102
Traffic signals	12	12	12	12
Recreation				
Acreage	462	462	462	462
Playgrounds	7	7	7	7
Baseball/softball diamonds	20	20	20	20
Swimming pools	2	2	2	2
Tennis courts	8	8	8	8
Water				
Water mains	118	125	121	121
Fire hydrants	808	808	604	604
Storage capacity	5	5	5	5
Wastewater				
Treatment capacity	4	4	4	4,000
Sanitary sewer (miles)	95	95	90	90
Storm sewers (miles)	6	6	5	5
Airport				
Runway length (ft)	4,000	4,000	4,000	4,000
Hangar spaces	52	52	52	52
Tie-downs	27	27	27	27
Cemetery				
Acreage	135	135	135	135
General Services				
Facilities	19	19	19	19
Fleet vehicles	168	165	164	164
Network servers	7	7	7	7

2013	2012	2011	2010	2009	2008
1	1	1	1	1	1
27	25	25	27	21	27
15	15	12	12	12	12
2	2	2	2	2	2
106	93	93	92	87	87
1,102	1,102	1,097	1,097	1,097	1,097
12	13	11	13	11	11
462	387	387	387	387	387
7	7	6	6	6	4
20	20	20	20	20	10
2	2	2	2	2	2
8	8	10	10	10	10
120	119	115	109	109	99
598	598	596	583	450	582
5	5	5	5		5
4,000	4,000	4,000	4,000	4,000	4,000
89	89	86	86	86	84
4	4	3	3	3	3
4,000	4,000	4,000	4,000	4,000	4,000
52	52	52	52	52	52
27	27	27	27	27	27
135	135	135	114	114	114
19	16	14	14	-	-
162	157	154	150	-	-
4	4	3	3	-	-

SINGLE AUDIT REPORTS

City of Taylor, Texas

Fiscal Year Ended
September 30, 2017

City of Taylor, Texas

SINGLE AUDIT REPORTS

Year Ended September 30, 2017

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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

To the Honorable Mayor and
Members of the City Council
City of Taylor, Texas:

We have audited, 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, the financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Taylor, Texas as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise City of Taylor, Texas's basic financial statements, and have issued our report thereon dated February 16, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 the City of Taylor, Texas's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

Respectfully,

BrooksWatson & Co.

BrooksWatson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032
February 16, 2018

BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Taylor, Texas:

Report on Compliance for Each Major Federal Program

We have audited the City of Taylor, Texas's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Taylor, Texas's major federal programs for the year ended September 30, 2017. The City of Taylor, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Taylor, Texas's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Taylor, Texas's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Taylor, Texas's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Taylor, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the City of Taylor, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Taylor, Texas's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Taylor, Texas's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Taylor, Texas as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Taylor, Texas's basic financial statements. We issued our report thereon dated February 16, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of, management, governing body, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

BrooksWatson & Co.

BrooksWatson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032
February 16, 2018

City of Taylor, Texas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended September 30, 2017

I. SUMMARY OF PRIOR YEAR AUDIT FINDINGS:

None.

City of Taylor, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2017

I. SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued:

The auditor's report on the basic financial statements of the City expresses an unmodified opinion.

Internal control over financial reporting:

Are any material weaknesses identified?	___ Yes	_X_ No
Are any significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None Reported
Is any noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards

The auditor's report on compliance for major federal programs expresses an unmodified opinion.

Internal control over major program compliance:

Are any material weaknesses identified?	___ Yes	_X_ No
Are any significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None Reported
Are any audit findings disclosed that are required to be reported in accordance with U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, Section .510(a)?	___ Yes	_X_ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.219/20.205	Highway Planning and Construction Cluster

Enter the dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Is the auditee qualified as a low-risk auditee?	__ Yes	_X_ No

II. FINANCIAL STATEMENT FINDINGS:

None.

III. FEDERAL AWARDS FINDINGS:

None.

City of Taylor, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2017

Federal Grantor/Pass-through Agency/Program Name	Program/Grant/ Project Number	CFDA Number	Expenditures
US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-through Texas Department of Housing and Community Affairs:			
Home Investment Partnerships Program	1002602	14.239	599,258
Pass-through Williamson County, Texas:			
Community Development Block Grant	2016	14.218	545,818
Total Department of Housing and Urban Development			1,145,076
US DEPARTMENT OF TRANSPORTATION			
Pass-through Texas Department of Parks and Wildlife:			
Highway Planning and Construction Cluster	RT013028	20.219	149,155
Pass-through Texas Department of Transportation:			
Highway Planning and Construction Cluster	CSJ # 0320-03-093	20.205	1,016,592
Total Department of Transportation/Highway Planning and Construction Cluster			1,165,747
US DEPARTMENT OF HOMELAND SECURITY			
Pass-through Texas Division of Emergency Management:			
Hazard Mitigation Grant	PA-06-TX-4223-PW-01799	97.039	15,966
TOTAL PROGRAMS			$ 2,326,789

City of Taylor, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended September 30, 2017

Note 1: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Taylor, Texas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in tlus schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

February 16, 2018

To the Honorable Mayor,
Members of the City Council
and management
City of Taylor, Texas

We have audited the financial statements of the City of Taylor, Texas as of and for the year ended September 30, 2017, and have issued our report thereon dated February 16, 2018. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 6, 2017, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Taylor, Texas solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting material weaknesses and material noncompliance, and other matters noted during our audit in a separate letter to you dated February 16, 2018.

14950 Heathrow Forest Pkwy | Suite 530 | Houston, TX 77032 | Tel: 281.907.8788 | Fax: 888.875.0587 | www.BrooksWatsonCo.com

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

Our firm and staff do not have any existing relationships, conflicts of interest, or other conditions or circumstances that would impair our independence with the City under U.S. GAAS or *Government Auditing Standards*

For any nonattest service provided by our firm, management of the City maintained responsibility for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Taylor, Texas is included in Note 1 to the financial statements. The City has adopted the provision of Governmental Accounting Standard Board Statement No. 77, entitled *Tax Abatement Disclosures;* The provisions of GASB Statement No. 77 are effective for reporting periods beginning after December 15, 2015. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are.

Management's estimate of the useful lives of capital assets is based on industry standards relating to capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Taylor, Texas's financial statements relate to the City's disclosure of capital assets and long-term debt.

Significant Difficulties Encountered during the Audit

Issuance of our audit report was significantly delayed due to the departure of the previous audit partner. This transistion required reallocation of staff which was unplanned and led to the delay. We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Exhibit 1 summarizes all misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Taylor, Texas's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated February 16, 2018.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City of Taylor, Texas, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Taylor, Texas's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the City of Taylor, Texas's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the City of Taylor, Texas and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

BrooksWatson & Co.

BrooksWatson & Co.

EXHIBIT 1

Corrected Audit Adjustments:

Adjusting Journal Entries

Adjusting Journal Entries JE # 1001			
To correct immaterial fund balance difference.			
100-500-259	MISC SUPPLIES	502.00	
100-270-100	FUND BALANCE		502.00
Total		**502.00**	**502.00**
Adjusting Journal Entries JE # 1002			
To correct estimated accruals for franchise revenue.			
100-310-132	ATMOS GAS FRANCHISE	167.83	
100-310-135	CABLE	1,666.85	
100-120-103	MISC. ACCOUNTS RECEIVABLE		598.04
100-310-137	PEG FEES		1,236.64
Total		**1,834.68**	**1,834.68**
Adjusting Journal Entries JE # 1003			
To record Sledge Engineering payment retainage.			
100-573-512	ENGINEERING SERVICES	2,350.00	
100-200-300	RETAINAGE PAYABLE		2,350.00
Total		**2,350.00**	**2,350.00**
Adjusting Journal Entries JE # 1004			
To adjust sales tax for the year.			
100-120-120	SALES TAXES RECEIVABLE	4,844.07	
100-310-121	CITY SALES TAX		4,844.07
Total		**4,844.07**	**4,844.07**
Adjusting Journal Entries JE # 1401			
To remove old payable balance.			
140-200-200	BOND INTEREST PAYABLE	2,556.60	
140-620-537	BANK/PAYING AGENT FEES		2,556.60
Total		**2,556.60**	**2,556.60**
Adjusting Journal Entries JE # 1431			
To remove old payable balance.			
143-200-200	BOND INTEREST PAYABLE	5,110.62	
143-620-537	BANK/PAYING AGENT FEES		5,110.62

Total		**5,110.62**	**5,110.62**

Adjusting Journal Entries JE # 1621

To reduce final accrual of reimbursement receivable to match 80% of vendor invoice.

162-330-226	TX DOT GRANT	4,891.71	
162-120-140	GRANTS RECEIVABLES		4,891.71
Total		**4,891.71**	**4,891.71**

Adjusting Journal Entries JE # 1622

To restate fund balance and grant revenue to record the TX DOT grant revenue in the correct period.

162-330-226	TX DOT GRANT	178,516.20	
162-200-112	PRIOR PERIOD ADJUSTMENT		178,516.20
Total		**178,516.20**	**178,516.20**

Adjusting Journal Entries JE # 1623

To remove old retainage.

162-200-300	RETAINAGE PAYABLE	8,700.00	
162-568-742	CONSTRUCTION		8,700.00
Total		**8,700.00**	**8,700.00**

Adjusting Journal Entries JE # 1624

To record Sledge Engineering payment.

162-575-512	ENGINEERING	2,200.00	
162-575-512	ENGINEERING	9,000.00	
162-576-512	ENGINEERING	1,500.00	
162-653-512	ENGINEERING	500.00	
162-200-500	ACCOUNTS PAYABLE PENDING		13,200.00
Total		**13,200.00**	**13,200.00**

Adjusting Journal Entries JE # 1641

To record retainage payable on Edmond Pay App 1 and to remove prior year retainage.

164-565-742	CONSTRUCTION	16,144.30	
164-200-300	RETAINAGE PAYABLE		16,144.30
Total		**16,144.30**	**16,144.30**

Adjusting Journal Entries JE # 1661

To adjust debt issuance accounts to match bond documents.

166-460-372	SERIES 2017 BOND PROCEEDS	11,943.00	
166-210-101	SERIES 2017 BOND PREMIUM		11,943.00
Total		**11,943.00**	**11,943.00**

Adjusting Journal Entries JE # 1662
To record retainage on Siemens contract.

166-665-539	OTHER CONTRACT SERVICES	73,408.28	
166-200-300	RETAINAGE PAYABLE		73,408.28
Total		**73,408.28**	**73,408.28**

Adjusting Journal Entries JE # 1663
To defer grant receivable not recieved as of report date.

162-330-226	TX DOT GRANT	355,609.45	
162-200-100	DEFERRED GRANT REVENUE		355,609.45
Total		**355,609.45**	**355,609.45**

Adjusting Journal Entries JE # 3401
To adjust bond issunace accounts.

340-732-925	BOND ISSUANCE COSTS	49,373.18	
340-150-100	BOND ISSUANCE COSTS		30,318.53
340-210-100	UNAMORT. BOND DISCOUNT		19,054.65
Total		**49,373.18**	**49,373.18**

Adjusting Journal Entries JE # 3402
To adjust inventory amount to acutal

BC 340-710-000	MISC EXPENSE	28,986.00	
340-140-100	INVENTORY		28,986.00
Total		**28,986.00**	**28,986.00**

Adjusting Journal Entries JE # 3403
To correct immaterial fund balance difference.

340-270-100	FUND BALANCE	1,942.00	
BC 340-710-000	MISC EXPENSE		1,942.00
Total		**1,942.00**	**1,942.00**

Adjusting Journal Entries JE # 3404
To apply principal payments to debt balance.

340-230-111	8.745M CO SERIES 2010 (6.11M)	55,000.00	
340-230-116	10M COMB SERIES 2007 (7M)	50,000.00	
340-230-117	9.615M COMB SERIES 08 (6.615M)	205,000.00	
340-230-118	8.995 GO REFUNDING 2009	235,000.00	
340-230-119	2.625 GO REF 2010	620,000.00	
340-230-120	5.450M GO REF 2012 (1.460M)	170,000.00	
340-230-121	4.595M 2015 GO REF (1.695M)	15,000.00	

340-709-921	TRANSFER TO I&S PRINCIPAL		1,350,000.00
Total		**1,350,000.00**	**1,350,000.00**

Adjusting Journal Entries JE # 3405
To adjust accrued interest.

340-200-104	ACCRUED INTEREST PAYABLE	6,778.00	
340-709-902	INTEREST EXPENSE		6,778.00
Total		**6,778.00**	**6,778.00**

Adjusting Journal Entries JE # 3406
To adjust premiums/discounts/& deferred charges.

340-210-101	BOND PREMIUMS	82,455.90	
340-709-950	BOND DISCOUNT AMORTIZATION	2,133.90	
340-709-952	DEFERRED REFUNDING AMORTIZATIO	72,871.75	
340-150-105	DEFERRED AMT ON REFUNDING		31,952.05
340-210-100	UNAMORT. BOND DISCOUNT		2,133.90
340-210-102	DEFERRED AMT ON REFUNDING		40,919.70
340-709-950	BOND DISCOUNT AMORTIZATION		82,455.90
Total		**157,461.55**	**157,461.55**

Adjusting Journal Entries JE # 3407
To remove unreconciled diff.

BC 340-710-000	MISC EXPENSE	3,840.72	
340-200-999	UNRECONCILED DIFFERENCES		3,840.72
Total		**3,840.72**	**3,840.72**

Adjusting Journal Entries JE # 3408
To record & adjust pension balances in accordance with GASB 68.

340-190-103	ACCUMULATED DEPRECIATION	55,190.78	
340-200-210	NET PENSION LIABILITY	66,107.16	
340-210-118	DEFERRED INFLOW-ACTUAL VS ASSM	12,116.39	
340-210-119	Deferred Outflow-Changes in Assumptions	4,017.51	
340-160-235	EQUIPMENT		55,190.78
340-210-110	DEFERRED OUTFLOW RESORCES TMRS		2,623.54
340-210-115	DEFERRED OUTFLOW INVST TMRS		55,133.03
340-701-124	RETIREMENT TMRS		5,677.55
340-706-124	RETIREMENT- TMRS		3,396.68
340-708-124	RETIREMENT- TMRS		15,410.26
Total		**137,431.84**	**137,431.84**

Adjusting Journal Entries JE # 3409

To adjust assets, post depreciation and record disposals.

340-160-225	PLANT DISTRIBUTION/COLLECTION	38,759.66	
340-160-206	FIXED ASSETS: WORK IN PROGRESS		38,759.66
Total		**38,759.66**	**38,759.66**

Adjusting Journal Entries JE # 3410
To capitalize asset addition.

340-160-225	PLANT DISTRIBUTION/COLLECTION	781,355.71	
340-160-235	EQUIPMENT	13,124.00	
340-160-206	FIXED ASSETS: WORK IN PROGRESS		781,355.71
340-708-273	FIRE HYDRANTS		9,572.55
340-708-274	WATER VALVES		3,551.45
Total		**794,479.71**	**794,479.71**

Adjusting Journal Entries JE # 3411
To post depreciation for the year.

340-701-601	DEPRECIATION FIXED ASSETS	1,267,552.60	
340-190-103	ACCUMULATED DEPRECIATION		1,267,552.60
Total		**1,267,552.60**	**1,267,552.60**

Adjusting Journal Entries JE # 3412
To record Sledge Engineering payment.

340-160-206	FIXED ASSETS: WORK IN PROGRESS	12,675.00	
340-160-206	FIXED ASSETS: WORK IN PROGRESS	31,175.00	
340-200-300	RETAINAGE PAYABLE		2,350.00
340-200-500	ACCOUNTS PAYABLE PENDING		41,500.00
Total		**43,850.00**	**43,850.00**

Adjusting Journal Entries JE # 3413
To accrue for Austin Engineering and retainage.

340-160-206	FIXED ASSETS: WORK IN PROGRESS	212,447.24	
340-200-300	RETAINAGE PAYABLE		77,445.91
340-200-500	ACCOUNTS PAYABLE PENDING		135,001.33
Total		**212,447.24**	**212,447.24**

Adjusting Journal Entries JE # 3501
To adjust bond issuance accounts.

350-732-925	BOND ISSUANCE COSTS	31,537.93	
350-150-100	BOND ISSUANCE COSTS		19,366.46
350-210-100	UNAMORT. BOND DISCOUNT		12,171.47
Total		**31,537.93**	**31,537.93**

Adjusting Journal Entries JE # 3502
To apply principal payments to debt balance.

350-230-102	BOND PAYABLE- 290K REF 2010	30,000.00	
350-732-921	TRANSFER TO I&S PRINCIPAL		30,000.00
Total		**30,000.00**	**30,000.00**

Adjusting Journal Entries JE # 3503
To adjust accrued interest.

350-732-902	INTEREST EXPENSE	5,623.00	
350-240-101	ACCRUED INTEREST PAYABLE		5,623.00
Total		**5,623.00**	**5,623.00**

Adjusting Journal Entries JE # 3504
To adjust premiums/discounts/& deferred charges.

350-210-100	UNAMORT. BOND DISCOUNT	1,147.00	
350-210-101	BOND PREMIUMS	1,489.00	
350-732-952	AMORTIZATION OF DEFERRED REF	960.00	
350-150-105	DEFERRED AMT ON REFUNDING		960.00
350-732-902	INTEREST EXPENSE		1,147.00
350-732-902	INTEREST EXPENSE		1,489.00
Total		**3,596.00**	**3,596.00**

Adjusting Journal Entries JE # 3505
To record & adjust pension balances in accordance with GASB 68.

350-200-210	NET PENSION LIABILITY	2,359.89	
350-210-118	DEFERRED INFLOW ACT VS ASSMPT	438.97	
350-210-119	Deferred Outflow-Changes in Assumptions	147.06	
350-210-110	DEFERRED OUTFLOW TMRS CONT		90.18
350-210-115	DEFERRED OUTLOW INVST TMRS		2,004.64
350-732-124	RETIREMENT-TMRS		851.10
Total		**2,945.92**	**2,945.92**

Adjusting Journal Entries JE # 3506
To post depreciaiton for the year.

350-732-601	DEPRECIATION- FIXED ASSETS	90,149.92	
350-190-103	ACCUMULATED DEPRECIATION		90,149.92
Total		**90,149.92**	**90,149.92**

Adjusting Journal Entries JE # 3507
To record AV Fuel purchase.

350-732-422	AV GAS FUEL PURCHASES	19,916.27	
350-200-500	ACCOUNTS PAYABLE PENDING		19,916.27
Total		**19,916.27**	**19,916.27**

Adjusting Journal Entries JE # 3701
To record & adjust pension balances in accordance with GASB 68.

370-210-110	DEFERRED OUTFLOW CONT TMRS	1,037.22	
370-210-119	Deferred Outflow-Changes in Assumptions	278.30	
370-761-124	RETIREMENT- TMRS	7,652.79	
370-200-210	NET PENSION LIABILITY		7,752.85
370-210-115	DEFERRED OUTFLOW INVST TMRS		1,099.81
370-210-118	DEFERRED INFLOW ACTUAL VS ASSM		115.65
Total		**8,968.31**	**8,968.31**

Adjusting Journal Entries JE # 3702
To post depreciation for the year.

370-701-601	DEPRECIATION FIXED ASSETS	501.64	
370-190-103	ACCUMULATED DEPRECIATION		501.64
Total		**501.64**	**501.64**

Adjusting Journal Entries JE # 3821
To correct immaterial fund balance difference.

382-430-334	MISCELLANEOUS REVENUE	24.00	
382-270-100	FUND BALANCE		24.00
Total		**24.00**	**24.00**

Adjusting Journal Entries JE # 3822
To record & adjust pension balances in accordance with GASB 68.

382-210-110	DEFERRED OUTFLOW CONTB TMRS	613.24	
382-210-118	DEFERRED INFLOW ACTUAL VS ASSM	878.34	
382-210-119	Deferred Outflow-Changes in Assumptions	542.85	
382-517-124	RETIREMENT-TMRS	4,117.52	
382-200-210	NET PENSION LIABILITY		861.72
382-210-115	DEFERRED OUTFLOW INVST TMRS		5,290.23
Total		**6,151.95**	**6,151.95**

Adjusting Journal Entries JE # 3841
To record liability for Citizens Bank Loan

384-470-382	CAPITAL EQUIP LOAN PROCEEDS	320,000.00	
384-230-125	NOTES PAYABLE		320,000.00
Total		**320,000.00**	**320,000.00**

Adjusting Journal Entries JE # 3842
To adjust Utility A/R

210-120-130	ACCTS RECEIVABLE TRANSPORTATIO		
210-340-296	TRANSPORTATION USER FEE		
300-120-100	DRAINAGE RECEIVABLE		
300-340-260	DRAINAGE FEES		
320-120-130	ACCTS RECEIVABLE GARBAGE		
320-310-136	SOLID WASTE COLLECTIONS		
340-120-100	ACCOUNTS RECEIVABLE		
340-340-271	WATER SERVICE CHARGES		
Total		**0.00**	**0.00**

Adjusting Journal Entries JE # 3843
To capitalize equipment from the prior year.

384-160-320	MACHINERY & EQUIPMENT	84,639.75	
384-270-100	FUND BALANCE		84,639.75
Total		**84,639.75**	**84,639.75**

Adjusting Journal Entries JE # 3844
To apply principal & interest payment to loan.

384-230-125	NOTES PAYABLE	58,840.45	
384-230-125	NOTES PAYABLE	65,481.11	
384-518-910	NOTE PAYABLE INTEREST	8,255.44	
384-518-911	CAP LEASE PRINCIPAL		58,840.45
384-518-911	CAP LEASE PRINCIPAL		65,481.11
384-518-912	CAP LEASE INTEREST PAYALBE		8,255.44
Total		**132,577.00**	**132,577.00**

Adjusting Journal Entries JE # 3845
To apply capital lease payments to loan balance.

384-230-120	CAP LEASE PAYABLE-NONCURRENT	291,965.23	
384-518-912	CAP LEASE INTEREST PAYALBE	1,492.48	
384-518-911	CAP LEASE PRINCIPAL		244,798.99
384-518-913	CAPITAL LEASE SHORT TERM		48,658.72
Total		**293,457.71**	**293,457.71**

Adjusting Journal Entries JE # 3846
To capitalize leased assets.

384-160-320	MACHINERY & EQUIPMENT	320,000.00	
384-160-320	MACHINERY & EQUIPMENT	177,664.00	
384-230-120	CAP LEASE PAYABLE-NONCURRENT		177,664.00

384-518-722	LIGHT EQUIPMENT		15,183.00
384-518-723	MOTOR VEHICLES		304,817.00
Total		**497,664.00**	**497,664.00**

Adjusting Journal Entries JE # 3847

To record depreciation and asset sales.

384-160-320	MACHINERY & EQUIPMENT	57,735.92	
384-190-103	ACCUMULATED DEPRECIATION	86,555.60	
384-518-601	DEPRECIATION EXPENSE	499,107.51	
384-160-320	MACHINERY & EQUIPMENT		86,555.60
384-190-103	ACCUMULATED DEPRECIATION		499,107.51
384-518-723	MOTOR VEHICLES		57,735.92
Total		**643,399.03**	**643,399.03**

Adjusting Journal Entries JE # 9999

To update cash balance for errors noted by client.

100-320-152	BUILDING PERMIT	60.00	
100-320-152	BUILDING PERMIT	50.00	
100-320-152	BUILDING PERMIT	2,150.00	
100-320-152	BUILDING PERMIT	4,452.00	
100-320-154	PLUMBING PERMIT FEES	20.00	
100-320-154	PLUMBING PERMIT FEES	40.00	
100-320-154	PLUMBING PERMIT FEES	40.00	
100-320-154	PLUMBING PERMIT FEES	40.00	
100-320-156	MECHANICAL PERMIT FEES	87.20	
100-320-156	MECHANICAL PERMIT FEES	105.00	
100-320-161	TECHNOLOGY FEE	15.00	
100-320-161	TECHNOLOGY FEE	14.00	
100-320-161	TECHNOLOGY FEE	25.00	
100-320-161	TECHNOLOGY FEE	57.00	
100-320-161	TECHNOLOGY FEE	71.00	
100-320-161	TECHNOLOGY FEE	21.00	
100-320-164	MISC LICENSES/PERMITS	35.00	
100-320-164	MISC LICENSES/PERMITS	40.00	
100-340-266	PLAN REVIEW FEES	109.55	
100-340-266	PLAN REVIEW FEES	660.30	
100-340-267	ENGINEERING/INSPECTION FEES	100.00	
100-340-267	ENGINEERING/INSPECTION FEES	50.00	
100-340-267	ENGINEERING/INSPECTION FEES	50.00	
100-340-267	ENGINEERING/INSPECTION FEES	150.00	
100-340-267	ENGINEERING/INSPECTION FEES	150.00	
100-340-269	PARK FEES	179.47	

100-340-289	CREDIT CARD PROCESSING FEE	15.00	
100-340-289	CREDIT CARD PROCESSING FEE	6.00	
100-340-289	CREDIT CARD PROCESSING FEE	6.00	
100-340-289	CREDIT CARD PROCESSING FEE	9.00	
100-340-289	CREDIT CARD PROCESSING FEE	9.00	
100-420-324	WEATHERIZATION	3.00	
100-420-324	WEATHERIZATION	15.59	
100-420-324	WEATHERIZATION	22.01	
100-420-324	WEATHERIZATION	0.50	
200-420-328	ROADWAY IMPACT FEES	960.00	
340-420-325	METER FEES	1,006.94	
345-340-323	WATER CAP. IMPACT FEE	5,310.00	
345-340-324	SEWER CAP. IMPACT FEE	3,690.00	
100-100-102	CLAIM ON POOLED CASH		8,857.62
200-100-102	CLAIM ON POOLED CASH		960.00
340-100-102	CLAIM ON POOLED CASH		1,006.94
345-100-102	CLAIM ON POOLED CASH		9,000.00
Total		**19,824.56**	**19,824.56**
	Total Adjusting Journal Entries	**6,963,490.40**	**6,963,490.40**

Uncorrected Audit Adjustments:

None.

BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

February 16, 2018

To the Honorable Mayor,
Members of the City Council
and management
City of Taylor, Texas

In planning and performing our audit of the financial statements of the City of Taylor, Texas (the "City"), as of and for the year ended September 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated February 16, 2018 on the financial statements of the City. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows:

1. CENTRALIZED PURCHASING

<u>Finding</u>

The purchasing function for the City has traditionally been performed by the department heads and reviewed by management. As a result, there are variations in practice which may make it difficult for management to verify compliance with all bidding requirements and to make sure the City is purchasing from the most prudent vendor. If it is centralized, the purchasing function can be reformed into a specialized process which creates consistency in practice, takes advantage of volume discounts, and ensures compliance with laws and regulations.

Recommendation

The City should consider designating an employee to handle the purchasing process for all departments or research the cost/benefit of adding an additional employee to handle this responsibility.

City Response

The City will evaluate staffing needs on an annual basis dependent on available resources and importance.

2. OTHER POST-EMPLOYMENT BENEFITS

The City will be required to implement GASB Statement No. 75 for the fiscal year ended 9/30/2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. Similar to GASB 68, plan sponsors will now be required to record their net OPEB liability which is contrast to the unpaid annual required contribution previously required under GASB 45. The financial statement impact of this change will be to increase the OPEB liability previously reported which currently stands at $330,329. Increases may be twice as much as reported under the previous standard. The City should also anticipate a marginal increase to the price of the bi-annual actuarial valuation.

Recommendation

The City should evaluate the impact of the adoption of this statement. If warranted are reduction in this liability can be achieved by prefund the OPEB trust or revising benefits offered.

City Response

The City will review the impact of the adoption of this standard and evaluate annually going forward.

3. UTILITY BILLING ADJUSTMENTS

During our interim audit, we noted that the utility department reviews and approves voids and material adjustments to customer accounts as they are provided by the clerks. It is possible that this activity can occur, without bringing it to the supervisor's attention. We suggest that the supervisor review a listing of voids and adjustments on a monthly basis independent of the payment clerks. A monthly review can identify any unsubstantiated transactions.

City Response

The City has currently implemented this recommendation.

4. ACCOUNTING DEPARTMENT STAFFING

We noted that the accounting department experienced delays in providing financial some reports requested for the audit. Most notably, the pooled cash bank reconciliation was several months behind. It is our understanding that this is primarily due to vacancies in the accounting department which resulted in added responsibilities for current staff. We also noted a general increase in workload to the department. We believe there is a need for an additional staff to assist with the duties assigned to the accounting department or transferring some administrative duties to other employees.

City Response

The City has hired a budget analyst that will assist the accounting department with certain duties and responsibilities. The City will continue to evaluate staffing needs on an annual basis dependent on available resources and importance.

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

Respectfully,

BrooksWatson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032

City Council Meeting
February 22, 2018

STRATEGIC PILLAR

☐ Streets/Infrastructure

X Quality of Life

☐ Economic Vitality

Agenda Item #: **4**

Agenda Title: **Receive and Accept the Annual Racial Profiling Report**

Council Action to be taken: **Accept Report**

Department Submitted: **Police**

Staff Contact: **Henry Fluck, Chief of Police**

1. PURPOSE/DESCRIPTION

The Texas Code of Criminal Procedure, Article 2.133 requires specific information established by this chapter be collected, analyzed and reported annually to the Texas Commission on Law Enforcement and the local governmental body.

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

Racial profiling is defined as a law-enforcement initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

The objective is to insure that racial profiling is not occurring by reviewing stops conducted by our officers, review of arrests and review of searches. Recordings of police interaction are retained by our agency. Complaints regarding police conduct are looked into.

In 2017, we received no complaints of racial profiling. After conducting a review and analysis of these traffic stops, cases and searches in 2017 there is no indication that racial profiling has occurred within the Taylor Police Department. In addition, the number and percentage of traffic stops are consistent with the racial and ethnic demographics of the City of Taylor as measured by the 2010 U.S. Census.

3. OTHER OPTIONS (In order of preference)

N/A- The Report is required by law.

4. FUNDING SOURCE

N/A

5. TIMELINE CONSIDERATIONS

The Report is due March 1, 2018.

6. ATTACHMENTS

4a. Racial Profiling Report for 2017 with traffic stops
4b Presentation

Racial Profiling Report | Tier one

Agency Name:	Taylor Police Department
Reporting Date:	01/30/2018
TCOLE Agency Number:	491208
Chief Administrator:	Henry Fluck
Agency Contact Information:	
Phone:	512-352-5551
Email:	henry.fluck@taylortx.gov
Mailing Address:	500 S. Main St. Taylor Texas 76574

This Agency claims partial racial profiling report exemption because:

Our vehicles that conduct motor vehicle stops are equipped with video and audio equipment and we maintain videos for 90 days.

Certification to This Report 2.132 (Tier 1), Partial Exemption

Article 2.132(b) CCP Law Enforcement Policy on Racial Profiling

Taylor Police Department has adopted a detailed written policy on racial profiling. Our policy:

1.) clearly defines acts constituting racial profiling;

2.) strictly prohibits peace officers employed by the Taylor Police Department from engaging in racial profiling;

3.) implements a process by which an individual may file a complaint with the Taylor Police Department if the individual believes that a peace officer employed by the Taylor Police Department has engaged in racial profiling with respect to the individual;

4.) provides public education relating to the agency's complaint process;

5.) requires appropriate corrective action to be taken against a peace officer employed by the Taylor Police Department who, after an investigation, is shown to have engaged in racial profiling in violation of the Taylor Police Department's policy adopted under this article;

6.) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:

a.) the race or ethnicity of the individual detained;

b.) whether a search was conducted and, if so, whether the individual detained consented to the search; and

c.) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and

7.) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision(6) to:

a.) the Commission on Law Enforcement; and

b.) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

Executed by: Henry Fluck

Chief Administrator

Taylor Police Department

Date: 01/30/2018

Taylor Police Department Motor Vehicle Racial Profiling Information

Total stops: 2082

Number of motor vehicle stops

Citation only: 1876

Arrest only: 198

Both: 8

Race or ethnicity

African: 297

Asian: 25

Caucasian: 963

Hispanic: 788

Middle eastern: 8

Native american: 1

Was race known ethnicity known prior to stop?

Yes: 36

No: 2046

Was a search conducted

Yes: 123

No: 1959

Was search consented?

Yes: 32

No: 91

Submitted electronically to the

The Texas Commission on Law Enforcement

TAYLOR POLICE DEPARTMENT

TOTAL TRAFFIC STOPS 2017 - CITATIONS, ARRESTS AND WARNINGS ISSUED

WITH DEMOGRAPHIC COMPARISONS

NUMBER OF MOTOR VEHICLE STOPS & NUMBER OF CITATIONS, WARNINGS AND ARRESTS RESULTING FROM TRAFFIC STOPS

RESULT OF STOP BREAKDOWN	
CITATION ONLY	1876
ARREST ONLY	191
ARREST WITH WARNING	7
ARREST WITH CITATION	8
SUB TOTAL	***2082***
WARNING ONLY	3572
SUB TOTAL	***3572***
TOTAL # TRAFFIC STOPS CFS	***5654***

TOTALS BREAKDOWN FOR YEAR	
TOTAL # CITATIONS ISSUED	2272
TOTAL # OF ARRESTS	206
SUB TOTAL	***2478***
TOTAL # WARNINGS ISSUED	4466
SUB TOTAL	***4466***
TOTAL	***6944***

TOTAL ALL CITATIONS/ARRESTS & WARNINGS - RACE OR ETHNICITY

	NUMBER	PERCENTAGE	TAYLOR 2010 CENSUS	
AFRICAN AMERICAN	897	12.92%	10.20%	
ASIAN	57	0.82%	0.70%	
CAUCASIAN	4362	62.82%	45.40%	(Not Hispanic or Latino)
HISPANIC	1563	22.51%	42.80%	(of any race)
MIDDLE EASTERN	14	0.20%	N/A	
NATIVE AMERICAN	0	0.00%	1.20%	
UNKNOWN	51	0.73%	N/A	
TOTALS	***6944***	***100.00%***		

CITATION/ARREST ONLY - RACE OR ETHNICITY

	NUMBER	PERCENTAGE	TAYLOR 2010 CENSUS	
AFRICAN AMERICAN	369	14.89%	10.20%	
ASIAN	25	1.01%	0.70%	
CAUCASIAN	1424	57.47%	45.40%	(Not Hispanic or Latino)
HISPANIC	635	25.63%	42.80%	(of any race)
MIDDLE EASTERN	7	0.28%	N/A	
NATIVE AMERICAN	0	0.00%	1.20%	
UNKNOWN	18	0.73%	N/A	
TOTALS	***2478***	***100.00%***		

WARNINGS ONLY - RACE OR ETHNICITY

	NUMBER	PERCENTAGE	TAYLOR 2010 CENSUS	
AFRICAN AMERICAN	528	11.82%	10.20%	
ASIAN	32	0.72%	0.70%	
CAUCASIAN	2938	65.79%	45.40%	(Not Hispanic or Latino)
HISPANIC	928	20.78%	42.80%	(of any race)
MIDDLE EASTERN	7	0.16%	N/A	
NATIVE AMERICAN	0	0.00%	1.20%	
UNKNOWN	33	0.74%	N/A	
TOTALS	***4466***	***100.00%***		

Taylor Police Department

RACIAL PROFILING REPORT
2017

TAYLOR POLICE DEPARTMENT

1. The Texas Code of Criminal Procedure requires that the Chief of Police submit an Annual Racial Profiling Report to both the:
   - Texas Commission on Law Enforcement (TCOLE); and
   - The local governing body of each municipality.

TAYLOR POLICE DEPARTMENT

2. You have been provided with 2 forms:

   - The required TCOLE form that reports traffic stops that resulted in citations and arrests; and

   - A form that reports all traffic stops (to include warnings) with comparison Taylor Demographics as measured by the 2010 U.S. Census.

Taylor Texas
CITY OF TAYLOR TX

TAYLOR POLICE DEPARTMENT

3. In 2017, we did not receive any complaints of racial profiling.
4. The number and percentage of traffic stops are consistent with the racial and ethnic demographics of Taylor as measured by the 2010 U.S. Census.
5. After conducting a review and analysis of these traffic stops, arrests, and searches – there is no indication that racial profiling has occurred within the TPD.

City Council Meeting
February 22, 2018

STRATEGIC PILLAR

☒ Streets/Infrastructure

☐ Quality of Life

☐ Economic Vitality

Agenda Item #: **5**

Agenda Title: Receive update and consider approving report regarding emergency repairs to wastewater treatment plant.

Council Action to be taken: Receive report

Department Submitted: Public Works

Staff Contact: Casey Sledge, Consulting Engineer
Jim Gray, Director

1. PURPOSE/DESCRIPTION

To update Council on the Wastewater Treatment Plant emergency repairs and improvements project. A plan was approved by Council and repairs prioritized in October 2016 with those in need of immediate repair as well as those requiring midterm solutions. This report provides an overview of actions taken and those remaining to be taken.

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

Staff recommends Council receive the update report.

3. FUNDING SOURCE

C.O.'s were issued for $2,225,000
We will discuss the latest project budget at the meeting.

4. TIMELINE CONSIDERATIONS

Council awarded this project to Austin Engineering Construction on May 25, 2017.

5. OTHER OPTIONS (In order of preference)

6. ATTACHMENTS

5a. Project Update Report
5b. Previous info presented to Council in 2017

City of Taylor

Mustang Creek WWTP

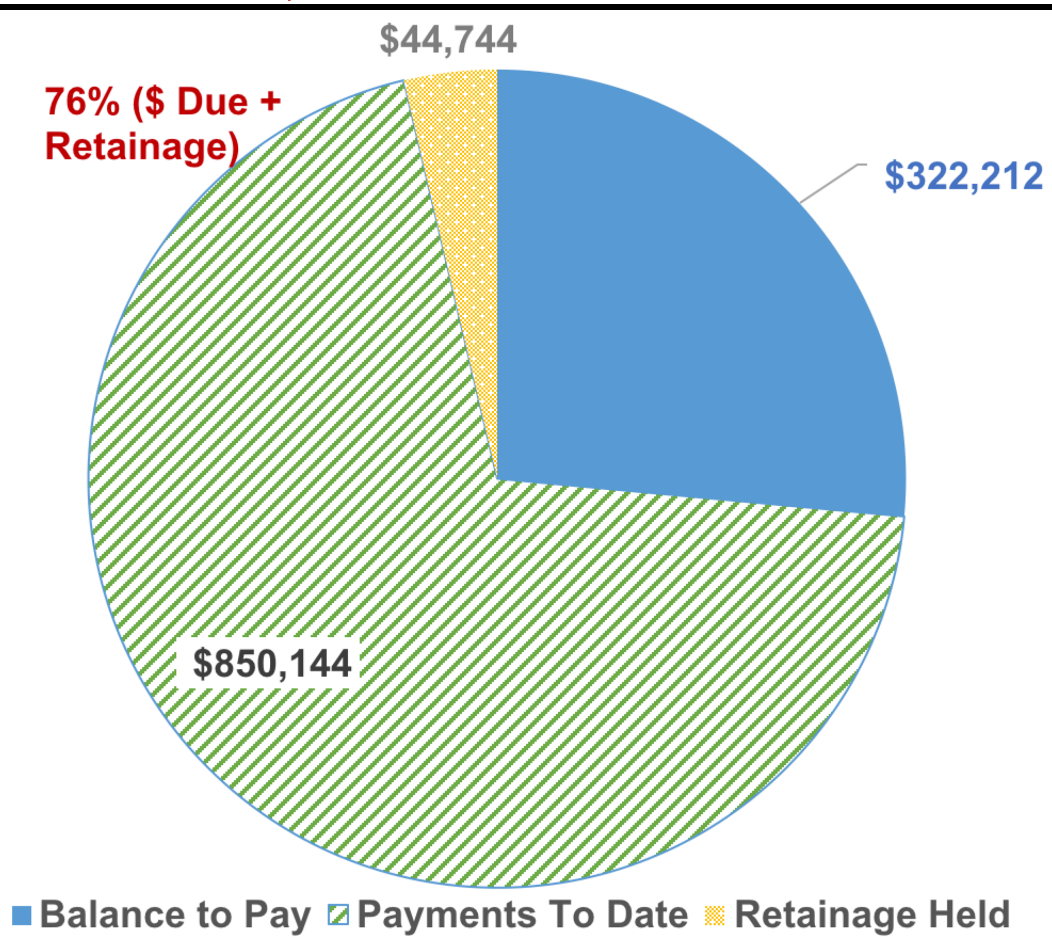
2017 Emergency Improvements

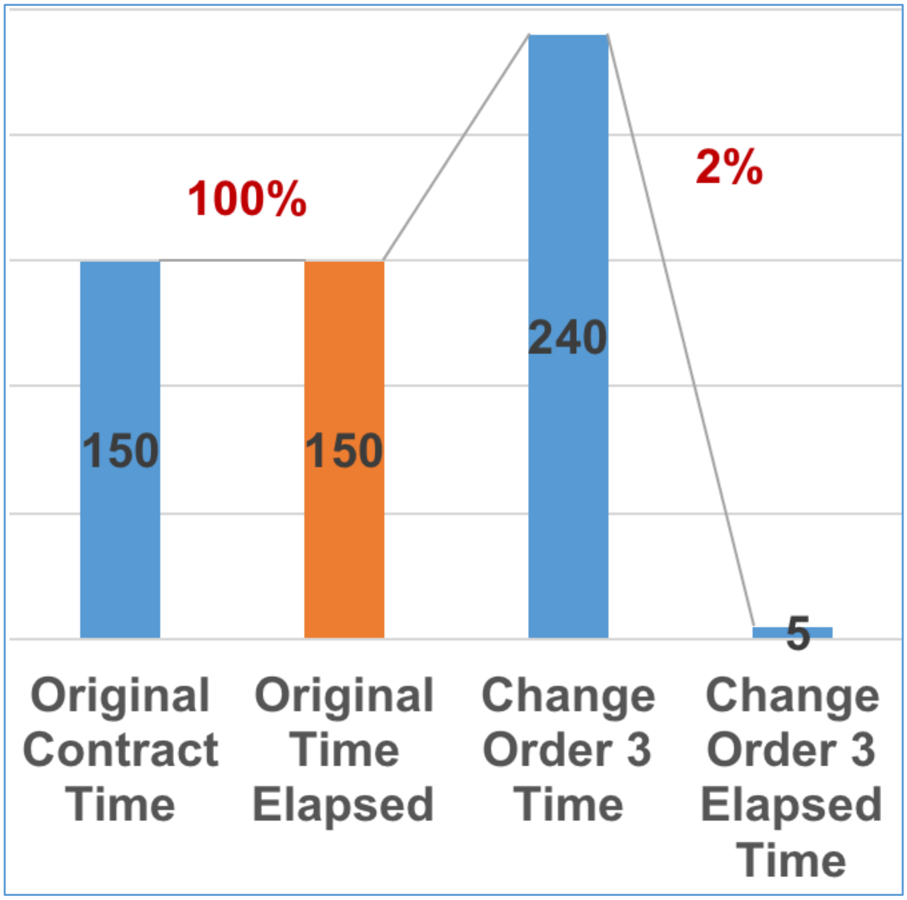
PROJECT UPDATE

2018-02-14

Contractor:	Construction Start: **7/3/17**	Substantial: **11/30/17*** Final Completion: **12/30/17*** * Original Scope Change Order 3: **09/01/18**
Austin Engineering Co. (AECO)	Original Contract = $730,000	
	Change Order 1 = $ 89,735.00 (Skimmer Arms Clarifiers) Change Order 2 = $153,307.21 (Clarifier 1 Repair) Change Order 3 = $199,313.49 (Clarifier 3 Repair, UV Overtime Costs, and Unused Allowance Item Credit) **Total Contract to Date = $1,172,355.70** Pending Change Orders: *None – Change Order 3 is FINAL scope to be added under Emergency Repairs*	

Summary of Pay Request and Contract Time (***as of Pay Request No. 09 Dated 1/28/2018***):
Cost % based on current contract price of $1,172,355.70





** Original Scope Completed on time (11/30/17); Additional Contract Time for Change Order 3*

CONSTRUCTION PROGRESS - REMARKS AND NOTES:
Original Scope Items: 1. Bar Screen and Conveyor – ***COMPLETE*** 2. Bar Screen Isolation Gates Refurbish – ***COMPLETE*** 3. Influent Meter - ***COMPLETE*** 4. UV New System and Gates - ***COMPLETE*** 5. Reclaim Water System – New Meter and Strainer – ***COMPLETE*** 6. SCADA upgrade for UV System – ***COMPLETE*** **Additional Scope Items Via Change Order:** A. Clarifier Skimmer Arms – ***Clarifier 1 COMPLETE; Clarifier 3 with Change Order 3 Scope*** B. Clarifier 1 Repair – ***COMPLETE*** C. Clarifier 3 Repair – ***Inspection completed January 2018; Change Order 3 executed; Materials ordered; Manufacturer, Delivery, and Installation +/- 26 weeks (9/1/18)***

Clarifier #1 New Skimmer Arm:

New Lift Station Meter:

SCADA – Minor Upgrades to Tie New Bar Screen and UV to Existing Computer:

Reclaim Piping – New Meter and Strainer:

Clarifier 3 - January 2018 Inspection Summary - *__MAJOR__* Replacement & Repaint Needed!
__Basis of Need for Change Order 3:__

DRIVE

BRIDGE

SCUM SKIMMER APPARATUS

EFFLUENT DROP BOX

LAUNDER, WEIR, BAFFLE

CENTER FEED WELL and RAKE CAGE

RAKE ARMS

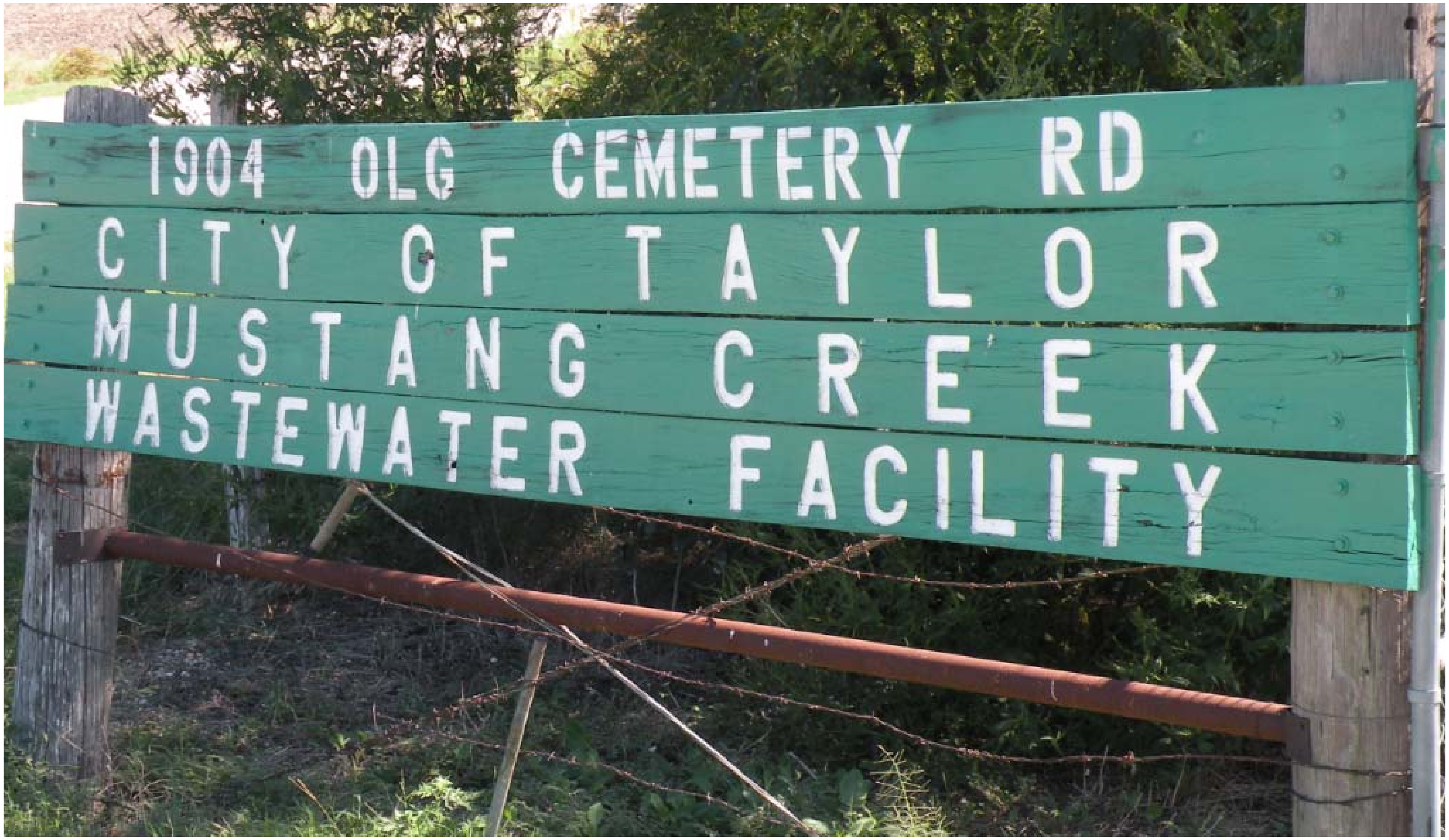
CENTER COLUMN

Wastewater Treatment Plant

Repairs - Emergency and Required needs for Permit Renewal and Bonding

Walter Ragsdale P.E.

May 25, 2017


1904 OLG CEMETERY RD
CITY OF TAYLOR
MUSTANG CREEK
WASTEWATER FACILITY

Mustang Treatment Plant

- Constructed in 1998
- Licensed to operate until 2018 by the TCEQ when we will need to renew this permit
- Sledge Engineering has been hired to Conduct a Strategic Facility Plan

Climber Screen

- Screen is broken and cannot be repaired.
- Screen Conveyor and Container also need to be replaced
- Influent Gates are part of this system that need replacement to allow for the installation

Conveyor

Container

Influent Gates

Cost Estimate
Emergency Repairs

Climber Screen	520,000
Conveyor and Container	150,000
Gates	100,000
Engineering, Misc. & Cont.	200,000
Total estimate	$970,000

Timeline

Emergency Repairs

• Purchase Design & Specifications	2 months
• Bid	2 months
• Fabricate Equipment	3 months
• Installation	3 months

Additional Priority 1A Needs

- Influent Meter
- UV Disinfection System
- Replace Gates
- Replace Effluent Meter
- Install Reclaim Meter
- Electrical Upgrades

Total Costs for Bond Needs $2,225,000

City of Taylor - WWTP
Priority 1 Items
Opinion of Total Probable Project Cost

Item	Description	Priority 1A
2	Replace Climber Screen	$ 520,000
3	Replace Climber Screen Conveyor and Container	$ 150,000
4	Replace Influent Gates (2 EA with 1 motor operated)	$ 100,000
8	Add Influent Meter on Forcemain from Lift Station	$ 50,000
16	Replace UV Disinfection System with Flow Pace	$ 600,000
17	Replace Slide and Isolation Gate at UV	$ 100,000
18	Replace Effluent Flow Meter Parshall Flume	$ 70,000
23	Install Meter for Reclaim System	$ 50,000
31	Electrical Upgrades (Existing and Upgrades for New Equipment)	$131,000
32	Contractor Mobilization/Demobilization and Bonding	$110,000
	Construction Cost Subtotal	$1,881,000
	Construction Contingencies (10% of Construction)	$190,000
	Construction Cost Subtotal with Contingencies	**$2,071,000**
A	Engineering Feasibility Report	$ -
B	Environmental Assessment	$ -
C	TPDES Permit Effluent Testing and Application	$ -
D	Design Survey	$ 5,000
E	Geotechnical Investigation	$ -
F	Design/Bid/Construction/Operation Phase Engineering	$ 145,000
G	Miscellaneous Expense	$ 2,000
H	Program Management	$ -
I	Construction Materials Testing	$ 2,000
J	Inspection (Part-Time Project Representative)	$ -
K	Operation and Maintenance Manual Upgrade	$ -
L	Owner Financing Cost	$ -
M	Owner Administrative Cost	$ -
	Non-Construction Cost Subtotal	**$ 154,000**
	Total Opinion of Probable Project Cost	**$ 2,225,000**

Next Steps

- Authorize Emergency Purchase of Climber and equipment.

- Fund Wastewater Treatment Plant Priority 1A items needed to be replaced prior to permit renewal.

- Prepare Plant for re-permitting by TCEQ

City Council Meeting
February 22, 2018

STRATEGIC PILLAR

☐ Streets/Infrastructure

☒ Quality of Life

☐ Economic Vitality

Agenda Item #: **6**

Agenda Title: Consider approving amendment to Library Collection Policy.

Council Action to be taken: Approve/Deny

Department Submitted: Library

Staff Contact: Karen Ellis, Library Director

1. PURPOSE/DESCRIPTION

The Gifts and Donations section of the Library's Collection Development Policy has been revised to better define how gifts or donations are accepted and handled by Library staff.

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

Library staff had concerns about some donations and gifts, especially in relation to gifts with stipulations. In some cases when donors wanted their donations back if not added to the Library's collections. Physical condition of donations also were an issue. The Library is delighted to receive donations of newer books in excellent conditions. However, a large part of donations are outdated, less popular titles, old media formats, or items that are in poor to very bad condition.

Circulation staff worked on crafting a donation/gift receipt that specified more clearly what was acceptable or not acceptable for the Library. That done, it became clear that the Collection Development Policy likewise needed some revision specifically in the Gifts and Donations section.

The Library Director gathered sample policies from over 2 dozen public libraries in the state, compiling those that had addressed these concerns about donations. The Director, with the aid of Circulation staff, made a draft revision of the Gifts and Donation section.

This revised policy was presented to the Library Advisory Board for their consideration. At the February 13, 2018 Library Advisory Board meeting, members voted 7-0 to accept the policy as revised.

3. FUNDING SOURCE

NA

4. TIMELINE CONSIDERATIONS

NA

5. OTHER OPTIONS (In order of preference)

6. ATTACHMENTS

6a Revised Collection Development Policy, Feb 12 2018

DRAFT 2/2018

Taylor Public Library	Approved by Library Board: Aug 16, 2005 Approved by Library Board Feb 13, 2018 Approved by City Council: Sept 8, 2005	
Collection Development Policy	Revised: Feb 13, 2018	Page 1 of 10

Library Mission

The mission of the Taylor Public Library is to promote a life long love of reading and to provide educational, informational, and recreational resources to patrons of all ages, cultural and economic backgrounds.

Approved by the Library Board, 2-18-97

Principles and Objectives

1. Purpose. The purpose of the Taylor Public Library is to provide all library users with carefully selected materials and to assist individuals in the pursuit of educational and recreational information. The library collection as a whole will be an unbiased and diverse source of information, representing multiple viewpoints on a wide range of topics. Materials are selected to best meet these objectives.

2. Viewpoints. The Library neither encourages nor discourages any particular viewpoint. No material will be excluded because of the race, nationality, religion, gender, sexual orientation, and political or social views of the author. Selection of materials by the Library does not mean endorsement of the contents or the views expressed in those materials.

3. Rights. The freedom to read, along with the freedom to hear and to view, is protected by the First Amendment to the Constitution of the United States. To this end, the Taylor Public Library upholds the principles of the American Library Association's *Library Bill of Rights*, *Freedom to Read*, and the Texas Library Association's *Intellectual Freedom Statement*. These documents are at the end of this policy.

4. Parental Responsibility. The Library staff does not serve *in loco parentis*. It is the responsibility of the parent or legal guardian to supervise and monitor the library activities of their child.

Responsibility for Selection

The Library Director is responsible for the selection of library materials following the guidelines and criteria outlined in this policy.

Selection Criteria

1. The main points considered in selecting materials are:
   a. Individual merit of the item
   b. Popular demand and/or patron request
   c. Library need for material
   d. Budget
   e. Authority of author and/or publisher

2. Review sources are used to assist in selecting materials. Review sources used include, but are not limited to, the following:
   a. Library Journal
   b. School Library Journal
   c. Booklist

d. Other professional review publications
e. Area newspapers with book reviews

3. Materials may be selected without a review. Consideration is given to materials that may be relevant to the library's collections (i.e. Texas collection, local interest, local authors.)

4. Formats of materials collected by the Taylor Public Library include books, periodicals, newspapers, microforms, audio books, videos & DVDs, selected software, online databases. New and emerging formats will be considered when appropriate. The Archives Collection contains materials pertinent to Taylor history and includes other paper formats such as documents, photographs, old phone books, vertical files, and such materials appropriate for this special collection.

Interlibrary Loan

Because of limited budget, space, and other factors, the Library cannot provide all materials that are requested. Therefore, interlibrary loan is used to obtain from other libraries those materials that are beyond the scope of the Taylor Public Library's collections.

Yellow=new or changed text.
~~Crossed out~~ =to be deleted.

Gifts and Donations

1. General Gifts. All gifts or donations become the property of the Taylor Public Library, a department of the City of Taylor. The ~~Taylor Public~~ Library accepts gifts or donations of books and other materials with the understanding that the items will be added to the collection only if appropriate and needed. Donations and gifts are subject to the same principals and selection criteria as new materials purchased by the Library. Donations with stipulations or restrictions will not be accepted. T~~he Library reserves the right to decide the disposition of all gifts received. Gifts with stipulations as to handling, placement, etc., other than bookplate wording, if applicable, will not be accepted.~~ If items given to the Library are not needed because of duplication, condition, age, etc., the Library Director will dispose of them as he/she sees fit and may offer them to the Friends of the Library for their book sales.

2. Other Gifts. Gifts of a more specific nature, such as works of art, furniture, equipment, special collections and real property, shall be referred to the Library Director. The fiscal impact of the gift on the Library will be considered in making the decision on its acceptance. The Library Foundation or the Friends of the Library kindly accept nonspecific gifts of money.

3. Memorials & Honorariums. Citizens may wish to honor or memorialize an individual with the purchase of appropriate Library material to be added to the collection. Memorial donations provide individuals with a rich opportunity not only to express sympathy to the family but also to provide a long-term statement of admiration and respect for the deceased. The Library Foundation typically accepts donations of funds for memorials or honorariums. The Library Director makes selection of items purchased as memorials or honorariums, with consideration given to the donor's preferences. Appropriate bookplates will be added to materials in memory of or honoring individuals. The same criteria for selection of purchased Library materials will also be applied to gifts and donations. Once added to the Library collection, gifts, memorials, and such donations fall under the Collection Development Policy and will be maintained and handled as the rest of the Library's holdings.

4. Appraisal. The Library will not appraise the value of donated items. A donation receipt is available upon request. ~~though it can provide an acknowledgment of items received, if requested by the donor.~~

5. Disposition of Gifts. Donated materials are subject to the same criteria as purchased materials, as specified under Collection Maintenance. Donated items withdrawn from the Library will not be returned to the donor.

Collection Maintenance

1. Criteria. For an up-to-date, attractive and useful collection, a continuous schedule of withdrawal and replacement is required. *The CREW Method* will be followed as a guideline for appropriate age of materials. Other criteria for evaluation and maintenance of the collection includes, but is not limited to, the following:

a. Condition of the material
b. Usage based on observation and computer generated reports

c. Superseded editions or revisions
d. Popularity and appeal
e. Outdated information
f. Space and budgetary considerations.
g. Professional appraisal & evaluation.

2. Disposition. The Library Director will determine final disposition of any materials withdrawn from the Library collection. Materials in poor physical condition or having little anticipated resale value will be discarded. The Friends of the Library will be allowed to sell discarded or withdrawn materials, and proceeds of such sales will be used to support the Library's mission, programs or to enhance the Library's collections.

Reconsideration of Materials

The Taylor Public Library strives to meet a wide variety of tastes and interests with high quality and popular materials. The City of Taylor is comprised of many diverse groups, with different beliefs, standards and theologies. Every citizen has the right to his or her opinions and beliefs. Differences of opinion regarding the suitability of Library materials may arise. Patrons requesting that material be withdrawn from the collection or with concerns about an item's placement in the Library may complete a "Citizen's Request for Reconsideration of Library Material" form. It is the responsibility of the Library Director to make a final determination on all such requests.

Taylor Public Library
Citizen's Request for Reconsideration of Library Material

Title of Material: ____

Author: ___________________________ Call Number:________________

Format: book____ cassette/cd____ video/dvd______ Other______________

Your Name: ___________________________ Telephone: _______________

Address: ____

Group you represent (if any):_____________________________________

Did you examine the entire work?____________ If not, what parts? __________

Specifically, to what in the material do you object? ________________________

____

____

What do you believe is the purpose of this material? ______________________

____

Is there anything useful or good about this material? ______________________

____

What prompted you to use this material? _______________________________

____

For what age group would you recommend this material? _________________

What would you recommend to replace this material? ____________________

____

Your Signature: __________________________________ Date: ___________

Library Bill of Rights

The American Library Association affirms that all libraries are forums for information and ideas, and that the following basic policies should guide their services.

a. Books and other library resources should be provided for the interest, information, and enlightenment of all people of the community the library serves. Materials should not be excluded because of the origin, background, or views of those contributing to their creation.
b. Libraries should provide materials and information presenting all points of view on current and historical issues. Materials should not be proscribed or removed because of partisan or doctrinal disapproval.
c. Libraries should challenge censorship in the fulfillment of their responsibility to provide information and enlightenment.
d. Libraries should cooperate with all persons and groups concerned with resisting abridgment of free expression and free access to ideas.
e. A person's right to use a library should not be denied or abridged because of origin, age, background, or views.
f. Libraries which make exhibit spaces and meeting rooms available to the public they serve should make such facilities available on an equitable basis, regardless of the beliefs or affiliations of individuals or groups requesting their use.

Adopted June 18, 1948.
Amended February 2, 1961, June 27, 1967, and January 23, 1980, by the ALA Council

THE FREEDOM TO READ

The Freedom to read is essential to our democracy. It is continuously under attack. Private groups and public authorities in various parts of the country are working to remove books from sale, to censor textbooks, to label "controversial" books, to distribute lists of "objectionable" books or authors, and to purge libraries. These actions apparently rise from a view that our national tradition of free expression is no longer valid; that censorship and suppression are needed to avoid the subversion of politics and the corruption of morals. We, as citizens devoted to the use of books and as librarians and publishers responsible for disseminating them, wish to assert the public interest in the preservation of the freedom to read.

We are deeply concerned about these attempts at suppression. Most such attempts rest on a denial of the fundamental premise of democracy: that the ordinary citizen, by exercising critical judgment, will accept the good and reject the bad. The censors, public and private, assume that they should determine what is good and what is bad for their fellow-citizens.

We trust Americans to recognize propaganda, and to reject it. We do not believe they need the help of censors to assist them in this task. We do not believe they are prepared to sacrifice their heritage of a free press in order to be "protected" against what others think may be bad for them. We believe they still favor free enterprise in ideas and expression.

We are aware, of course, that books are not alone in being subjected to efforts at suppression. We are aware that these efforts are related to a larger pattern of pressures being brought against education, the press, films, radio and television. The problem is not only one of actual censorship. The shadow of fear cast by these pressures leads, we suspect, to an even larger voluntary curtailment of expression by those who seek to avoid controversy.

Such pressure toward conformity is perhaps natural to a time of uneasy change and pervading fear. Especially when so many of our apprehensions are directed against an ideology, the expression of a dissident idea becomes a thing feared in itself, and we tend to move against it as against a hostile deed, with suppression.

And yet suppression is never more dangerous than in such a time of social tension. Freedom has given the United States the elasticity to endure strain. Freedom keeps open the path of novel and creative solutions, and enables change to come by choice. Every silencing of a heresy, every enforcement of an orthodoxy, diminishes the toughness and resilience of our society and leaves it the less able to deal with stress.

Now as always in our history, books are among our greatest instruments of freedom. They are almost the only means for making generally available ideas or manners of expression that can initially command only a small audience. They are the natural medium for the new idea and the untried voice from which come the original contributions to social growth. They are essential to the extended discussion which serious thought requires, and to the accumulation of knowledge and ideas into organized collections.

We believe that free communication is essential to the preservation of a free society and a creative culture. We believe that these pressures towards conformity present the danger of limiting the range and variety of inquiry and expression on which our democracy and our culture depend. We believe that publishers and librarians have a profound responsibility to give validity to that freedom to read by making it possible for the readers to choose freely from a variety of offerings.

The freedom to read is guaranteed by the Constitution. Those with faith in free people will stand firm on these constitutional guarantees of essential rights and will exercise the responsibilities that accompany these rights.

We therefore affirm these propositions:

1. It is in the public interest for publishers and librarians to make available the widest diversity of views and expressions, including those which are unorthodox or unpopular with the majority.
2. Creative thought is by definition new, and what is new is different. The bearer of every new thought is a rebel until that idea is refined and tested. Totalitarian systems attempt to maintain themselves in power by the ruthless suppression of any concept which challenges the established orthodoxy. The power of a democratic system to adapt to change is vastly strengthened by the freedom of its citizens to choose widely from among conflicting opinions offered freely to them. To stifle every nonconformist idea at birth would mark the end of the democratic process. Furthermore, only through the constant activity of weighing and selecting can the democratic mind attain the strength demanded by times like these. We need to know not only what we believe but why we believe it.

3. Publishers, librarians and booksellers do not need to endorse every idea or presentation contained in the books they make available. It would conflict with the public interest for them to establish their own political, moral or aesthetic views as a standard for determining what books should be published or circulated.

   Publishers and librarians serve the educational process by helping to make available knowledge and ideas required for the growth of the mind and the increase of learning. They do not foster education by imposing as mentors the patterns of their own thought. The people should have the freedom to read and consider a broader range of ideas than those that may be held by any single librarian or publisher or government or church. It is wrong that what one can read should be confined to what another thinks proper.

4. It is contrary to public interest for publishers or librarians to determine the acceptability of a book on the basis of the personal history or political affiliations of the author.

   A book should be judged as a book. No art or literature can flourish if it is to be measured by the political views or private lives of its creators. No society of free people can flourish which draws up lists of writers to whom it will not listen, whatever they may have to say.

5. There is no place in our society for efforts to coerce the taste of others, to confine adults to the reading matter deemed suitable for adolescents, or to inhibit the efforts of writers to achieve artistic expression.

   To some, much of modern literature is shocking. But is not much of life itself shocking? We cut off literature at the source if we prevent writers from dealing with the stuff of life. Parents and teachers have a responsibility to prepare the young to meet the diversity of experience in life to which they will be exposed, as they have a responsibility to help them learn to think critically for themselves. These are affirmative responsibilities, not to be discharged simply by preventing them from reading works for which they are not yet prepared. In these matters taste differs, and taste cannot be legislated; nor can machinery be devised which will suit the demands of one group without limiting the freedom of others.

6. It is not in the public interest to force a reader to accept with any book the prejudgment of a label characterizing the book or author as subversive or dangerous.

   The ideal of labeling presupposes the existence of individuals or groups with wisdom to determine by authority what is good or bad for the citizen. It presupposes that individuals must be directed in making up their minds about the ideas they examine. But Americans do not need others to do their thinking for them.

7. It is the responsibility of publishers and librarians, as guardians of the people's freedom to read, to contest encroachments upon that freedom by individuals or groups seeking to impose their own standards or tastes upon the community at large.

   It is inevitable in the give and take of the democratic process that the political, the moral, or the aesthetic concepts of an individual or group will occasionally collide with those of another individual or group. In a free society individuals are free to determine for themselves what they wish to read, and each group is free to determine what it will recommend to its freely associated members. But no group has the right to take the law into its own hands, and to impose its own concept of politics or morality upon other members of a democratic society. Freedom is no freedom if it is accorded only to the accepted and the inoffensive.

8. It is the responsibility of publishers and librarians to give full meaning to the freedom to read by providing books that enrich the quality and diversity of thought and expression. By the exercise of this affirmative responsibility, they can demonstrate that the answer to a bad book is a good one, the answer to a bad idea is a good one.

The freedom to read is of little consequence when expended on the trivial; it is frustrated when the reader cannot obtain matter fit for that reader's purpose. What is needed is not only the absence of restraint, but the positive provision of opportunity for the people to read the best that has been thought and said. Books are the major channel by which the intellectual inheritance is handed down, and the principal means of its testing and growth. The defense of their freedom and integrity, and the enlargement of their service to society, requires of all publishers and librarians the utmost of their faculties, and deserves of all citizens the fullest of their support.

We state these propositions neither lightly nor as easy generalizations. We here stake out a lofty claim for the value of books. We do so because we believe that they are good, possessed of enormous variety and usefulness, worthy of cherishing and keeping free. We realize that the application of these propositions may mean the dissemination of ideas and manners of expression that are repugnant to many persons. We do not state these propositions in the comfortable belief that what people read is unimportant. We believe rather that what people read is deeply important; that ideas can be dangerous; but that the suppression of ideas is fatal to a democratic society. Freedom itself is a dangerous way of life, but it is ours.

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This statement was originally issued in May of 1953 by the Westchester Conference of the American Library Association and the American Book Publishers Council, which in 1970 consolidated with the American Educational Publishers Institute to become the Association of American Publishers.
Adopted June 15, 1953; revised January 28, 1972, January 16, 1991, by the ALA Council and the AAP Freedom to Read Committee.
A Joint Statement by: American Library Association & Association of American Publishers.
Subsequently Endorsed by:

American Booksellers Association
American Booksellers Foundation for Free Expression
American Civil Liberties Union
American Federation of Teachers AFL-CIO
Anti-Defamation League of B'nai B'rith
Association of American University Presses
Children's Book Council
Freedom to Read Foundation
International Reading Association
Thomas Jefferson Center for the Protection of Free Express
National Association of College Stores
National Council of Teachers of English
P.E.N. - American Center
People for the American Way
Periodical and Book Association of America
Sex Information and Education Council of the U.S.
Society of Professional Journalists
Women's National Book Association
YWCA of the U.S.A.

THE TEXAS LIBRARY ASSOCIATION INTELLECTUAL FREEDOM STATEMENT

A. **Preamble**

The Texas Library Association holds that the freedom to read is a corollary of the constitutional guarantee of freedom of the press. Freedom of choice in selecting materials is a necessary safeguard to the freedom to read, and shall be protected against extra-legal, irresponsible attempts by self-appointed censors to abridge it. The Association believes that citizens shall have the right of free inquiry and the equally important right of forming their own opinions, and that it is of the utmost importance to the continued existence of democracy that freedom of the press in all forms of public communication be defended and preserved. The Texas Library Association subscribes in full to the principles set forth in the LIBRARY BILL OF RIGHTS of the American Library Association, Freedom to Read Statement, and interpretative statements adopted thereto.

B. **Areas of Concern**

1. **LEGISLATION.** The Texas Library Association is concerned with legislation at the federal, state, local and school district level which tends to strengthen the position of libraries and other

media of communication as instruments of knowledge and culture in a free society. The Association is also concerned with monitoring proposed legislation at the federal, state, local and school district level which might restrict, prejudice or otherwise interfere with the selection, acquisition, or other professional activities of libraries, as expressed in the American Library Association's LIBRARY BILL OF RIGHTS and the Freedom to Read Statement.

The Intellectual Freedom Committee works with the Legislative Committee to watch proposed legislation, at the various levels, which would restrict or interfere with the selection, acquisition, or other professional activities of libraries.

2. **INTERFERENCE.** The Association is concerned with the proposed or actual restrictions imposed by individuals, voluntary committees, or administrative authority on library materials or on the selection judgment, or on the procedures or practices of librarians.

   The Intellectual Freedom Committee attempts to eliminate restrictions which are imposed on the use or selection of library materials or selection judgment or on the procedures or practices of librarians; receives requests for advice and assistance where freedom has been threatened or curtailed; and recommends action to the Executive Board where it appears necessary.

3. **MATERIALS SELECTION POLICY.** The Texas Library Association believes that every library, in order to strengthen its own selection process, and to provide an objective basis for evaluation of that process, should develop a written official statement of policy for the selection of library materials.

   The Intellectual Freedom Committee encourages all libraries to develop a written statement of policy for the selection of library materials which includes an endorsement of the LIBRARY BILL OF RIGHTS.

4. **EDUCATION.** The Texas Library Association is concerned with the continuing education of librarians and the general public in understanding and implementing the philosophy inherent in the LIBRARY BILL OF RIGHTS and the ALA Freedom to Read Statement.

   The Intellectual Freedom Committee supports an active education program for librarians, trustees, and the general public.

5. **LIAISON WITH OTHER ORGANIZATIONS.** The Texas Library Association, in order to encourage a united front in defending the rights to read, shall cooperate with other organizations concerned with intellectual freedom.

   The Intellectual Freedom Committee advises on TLA positions and cooperates with other organizations.

Adopted September 15, 1972
by the TLA Council

Reaffirmed April 7, 1995
by the TLA Council

City Council Meeting
February 22, 2018
Agenda Item Transmittal

Agenda Item #: **7**

Agenda Title: Discuss and receive guidelines and planning for the FY2018-19 budget.

Council Action to be taken: Accept as presented.

Initiating Department: Finance Department, City Management

Staff Contact: **Isaac D. Turner, City Management**
Rosemarie Dennis, Finance

1. INTRODUCTION/PURPOSE

The purpose of this item is to present the budget calendar (attached) and guidelines that will provide a framework for developing the 2018-19 budget. Meetings which involve council are highlighted in green in the budget calendar.

2. DESCRIPTION/ JUSTIFICATION

The budget development process is the formal process through which the City establishes priorities, goals and service levels for the upcoming fiscal year.

The City's annual operating budget is an essential component of the City's process for financial planning, management and control. The budgetary method of accounting is used for preparing the City's budget. The budget is a plan of revenue and expenditure activities for the fiscal year and is intended to provide a clear, concise, and coordinated financial program to attain the City's goals and objectives.

During the budget development process, a baseline budget is prepared beginning with the current budget. Any increases in cost for budgeted items will be reviewed by department heads and adjusted accordingly. New expenditures, programs and capital expenditures will be considered "adjustments to base".

The budget guidelines below provides the framework for developing the 2018-19 budget:

- Proposed budget with no tax rate increase.
- Activities that are supported by user fees should be fully cost recoverable.
- Fund balance to meet or exceed policy goals.
- Continue to increase General Fund Reserves.
- Identify funding options included in the Capital Improvement Projects Plan (Street, Utilities, Drainage and Facilities) to properly assess future financial impacts.

- To continue the pursuit of federal, state and private grants which support council goals but will clearly communicate to strictly limit financial support of these programs to avoid commitments which continue beyond funding availability.
- Follow the rating agencies and financial advisor directives, in order to maintain the highest possible credit rating.
- Present a balanced budget with current revenues plus available unreserved fund balances equal to or greater than current expenditures.

Priority consideration:

1) Funding Council Goals/Vision items
2) Salaries – market rates
3) Retirement benefits for employees-TMRS
4) Growth
5) CIP Projects (Streets, Utilities, Drainage, Facilities)
6) Replacement of radio system for Police and Fire
7) Projects which generate revenues equal to or exceeds the project costs
8) Evaluate city fees
9) Cost savings or reductions
10) Focus on Customer Service
11) Increased efficiencies and productivity

3. TIMELINE CONSIDERATIONS

Three budget workshops are planned for June, July and August with the adoption of the budget in September with one CIP workshop scheduled in July.

4. RECOMMENDATION

Discuss and accept proposed process.

5. REFERENCE FILES

7a. Budget and Tax Calendar

DRAFT FY2018-19 BUDGET AND TAX CALENDAR

Date		Schedule Events
22-Feb		City Council Meeting -Review and Discuss Budget Calendar and Guidelines
27-Feb		Budget kick-off meeting with departments
6-Mar		Meet and Discuss Five Year CIP with department heads
30-Mar		Departments submit initial projection of FY 2017-18 and submit FY2018-19 base budget requests to the Finance. This includes adjustments to base.
Apr 11-13		Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the 5 year CIP w/Directors
Apr 23- 27		First Round of Budget Reviews with City Manager and department heads
24-Apr		Preliminary Property Tax Apprasial from WCAD
10-May		Review and discuss the FY 2018-19 Budget and the Capital Improvement Plan with City Council
15-May		Department submit to Finance budget narrative and performance measures
May		Appraiser sends notices of estimated appraised value
21-May		Preliminary budget due to City Manager
21-Jun		Budget Workshop I
12-Jul		CIP Workshop
26-Jul		Budget Workshop II
Jul 23-27	*	Receive Certified Tax Roll from WCAD
1-Aug	*	1st City Manager budget meeting with employees
5-Aug	*	Publication of effective and rollback tax rates, statements and schedules; submission to governing body from the Williamson County Tax Assessor/Collector
9-Aug		Budget Workshop III and Discuss tax rate; if proposed rate will exceed the rollback rate of the effective tax rate (whichever is lower), take record vote and schedule Public Hearing
15-Aug		Publish Notice #1 of Public Hearing in the Newspaper (published at least seven days before public hearing)
23-Aug		1st Public Hearing on budget and tax rate
29-Aug		Publish Notice #2 of Public Hearing in the Newspaper
6-Sept (Thursday) special mtg	*	2nd Public Hearing on tax rate (if needed - if we elect to go above the effective tax rate) (2nd public hearing may not be earlier than 3 days after first public hearing); schedule and announce meeting to adopt tax rate 3-14 days from this date
13-Sep		Meeting to adopt budget, tax rate and fee schedule
18-Sep	*	2nd City Manager budget meeting with employees

*subject to change

City Council Meeting
February 22, 2018

STRATEGIC PILLAR

☐ Streets/Infrastructure

☐ Quality of Life

☒ Economic Vitality

Agenda Item #: **8**

Agenda Title: Executive Session. (Economic Development)

Council Action to be taken: Adjourn into Closed session.

Initiating Department: City Administration

Staff Contact: **Mayor**

1. PURPOSE/DESCRIPTION

The Taylor City Council will conduct a closed meeting under Section 551.087 of the Texas Government Code which allows such a closed meeting to discuss or deliberate regarding commercial and/or financial information on a business prospect that the City of Taylor, Texas, seeks to have locate, stay, or expand in or near the City of Taylor, Texas, and with which the City of Taylor, Texas, is conducting economic development negotiations and/or deliberate the offer of financial or other incentives to the business prospect.

2. STAFF ANALYSIS AND RECOMMENDATION (Why and How)

3. FUNDING SOURCE

4. TIMELINE CONSIDERATIONS

5. OTHER OPTIONS (In order of preference)

6. ATTACHMENTS

8a. Executive Session form

TAYLOR CITY COUNCIL
CERTIFIED AGENDA - EXECUTIVE SESSION

1. <u>OPEN MEETING ANNOUNCEMENT</u>

The City of Taylor City Council convened in Open Session, declared a quorum on February 22, 2018 and has posted an Official Agenda indicating the possible need for an Executive Session. The Council will now adjourn into Executive Session pursuant to the Texas Open Meetings Act, Government Code Section:

☐	551.071	To consult with its attorney regarding a matter in which the duty of the attorney to the City conflicts with the Open Meetings Act.
☐	551.072	To conduct deliberations regarding the purchase, exchange, lease, or value of real property.
☐	551.074	Regarding personnel matters
X	551.087	Regarding economic development negotiations and considering financial or other incentives to a business prospect that the City seeks to have locate in or near the City of Taylor.

Any action resulting from the Executive Session will be taken in Open Session immediately following the Executive Session.

2. <u>BACK TO OPEN SESSION</u>

The time is now ___________ and we will reconvene into Open Session. No action or vote was taken on any matter discussed in Executive Session.

CERTIFICATION

As Mayor of the City of Taylor, I do hereby certify that this Agenda of an Executive Session of the City Council is a true and correct record of the proceedings.

WITNESS my hand this the 22nd day of February, 2018.

____
Mayor

(Executive session Consolidated Form)