DINNER WILL BE SERVED AT 5:30 PM, AND THE REGULAR MEETING WILL BE CALLED TO ORDER AT 6:30 PM

NOTICE OF REGULAR MEETING
TOWN OF RANSOM CANYON
CITY COUNCIL AGENDA
TUESDAY, JANUARY 9, 2018

Jana Trew, Mayor Pro-Tem
Michael Brooks, Alderman
Terry Waldren, Alderman

Billy Williams, Mayor

Brandt Underwood, Alderman
Lyle Way, Alderman
Elena Quintanilla, City Administrator

Notice is hereby given that the regular meeting for the governing body of the Town of Ransom Canyon is called for 6:30 P.M. on Tuesday, January 9, 2018. This meeting will be held at the Ransom Canyon City Hall, 24 Lee Kitchens Drive, Ransom Canyon, Texas. At this time the following subjects will be examined.

1. CALL TO ORDER/SILENT MEDITATION OR PRAYER

2. ACTION ITEM: APPROVE MINUTES OF:
    a. Regular Meeting, December 12, 2017

3. ACTION ITEM: APPROVE FINANCIALS
    a. Financial Reports
    b. December 2017 Claims & Demands
    c. Financial Investment Report

4. ACTION ITEM: CONSIDER AND ACT UPON Approval of 2016-2017 Fiscal Year Annual Financial Audit Report.

5. BUILDING REVIEW COMMITTEE REPORT: The Building Review Committee did not meet in the month of December.

    A. DEPARTMENT REPORTS:
        a. Administration: Elena Quintanilla
            - City Administrator Schedule of Events
            - Update on May Election and Filing Dates for Elected Officials
            - Strategic Plan Update
        b. Court: Judge Gary Bellair
            - Report on Pending Municipal Court Cases
            - Report on New Municipal Court Cases
        c. Operations: Harold Needham
            - Building of a Fence by the County Road Construction Entrance
            - Marking of Water Lines for Fiber Optic Project

d. Police: James Hill
    - Report of Citations and Warnings
    - Police Personnel Training Update
    - Code Enforcement Clean-Up Efforts
e. Fire: Rand McPherson
    - Fire Equipment Repairs
    - EMS Calls
    - Fire Calls
f. Library: Angie Fikes
    - Christmas Party for the Children at the Library
    - Summer Reading Program Planning

B. PROPERTY OWNER'S ASSOCIATION (POA) REPORT AND CITIZEN COMMENTS – **In accordance with law, no Council *discussion or action* is to be taken until such matter is placed on the Agenda.** Citizens shall be allowed to speak on any matter other than personnel matters, matters under litigation or matters concerning the purchase, exchange, lease or value of real property.

6. EXECUTIVE SESSION – The council may enter into a closed session to discuss the following as authorized by Chapter 551, Texas Government Code in accordance with

A. Section 551.072: Deliberation Regarding Real Property

For the purpose of deliberation regarding the terms of an agreement with an internet provider for the Town of Ransom Canyon.

7. RETURN TO OPEN SESSION – ACTION ITEM: CONSIDER AND ACT UPON items listed under Executive Session as necessary.

8. ADJOURN

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

If any accommodations for a disability are required please notify the City Secretary's office at 806-829-2470 at least two (2) working days prior to the date of the meeting. The building has handicap parking areas and is wheelchair accessible at the front entrance to the building.

All items listed on this agenda are eligible for both discussion and action unless expressly limited.

CERTIFICATION

DATED THIS THE 5th DAY OF JANUARY, 2018

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of Ransom Canyon, Texas is a true and correct copy of said notice that has been posted on the front door of the City Hall of Ransom Canyon, Texas, a place convenient and readily accessible to the general public at all times, and said notice was posted on or before January 5, 2018 by 4:00 PM and remained so posted continuously for at least 72 hours preceding the scheduled time of such meeting.

Elena Quintanilla, City Secretary

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the front doors of City Hall on _____ day of _____, 2018.

_____

Elena Quintanilla, City Secretary

AGENDA ITEM #2:

APPROVAL OF MINUTES

Regular Meeting on December 12, 2017

Ransom Canyon City Council Meeting Minutes
Regular Meeting – December 12, 2017
Ransom Canyon City Hall, 24 Lee Kitchens Drive

1. Call to Order/Prayer

   The meeting was called to order at 6:30 p.m. by Mayor Billy Williams. Council members present were Mayor Pro-Tem Jana Trew, Councilmen Lyle Way, Brandt Underwood, Dr. Terry Waldren and Michael Brooks. The pledges to the United States and the State of Texas were recited, followed by a prayer by Councilman Brandt Underwood.

2. Minutes of Meeting

   The minutes of the Regular Meeting on November 14, 2017, were approved with a correction to change the motion to approve the minutes by Councilman Dr. Terry Waldren, and seconded by Councilman Brandt Underwood. The motion to approve the minutes with the noted correction was made by Councilman Dr. Terry Waldren, and seconded by Councilman Brandt Underwood; motion carried unanimously.

3. The Financials

   The financial reports and the November 2017 claims and demands were approved on a motion made by Mayor Pro-tem Jana Trew, seconded by Councilman Lyle Way; motion carried unanimously.

4. Discussion Item

   David L. Hettler PC, Auditor for the Town of Ransom Canyon, reviewed the September 30, 2017 Annual Financial Report with the members of the City Council.

5. Resolution 12-12-17 to cast votes for candidates of the Lubbock Central Appraisal District

   The City Council made a motion to cast a total of 10 votes in the following manner for District Board of Director candidates for the Lubbock Central Appraisal District:

Brady Goen	2
Greg Jones	2
Bobby McQueen	2
LeRoy Montoya	2
Noe Reynolds	2

   The City Council approved a motion by Councilman Dr. Terry Waldren to pass Resolution 12-12-17, seconded by Councilman Michael Brooks; motion carried unanimously.

6. Ordinance 121217 to approve the development of a Capital Improvement Advisory Committee (CIAC)

   The City Council acted upon approval of the development of a Capital Improvement Advisory Committee (CIAC) on a motion made by Councilman Dr. Terry Waldren, seconded by Councilman Brandt Underwood; motion carried unanimously.

7. Building Review Committee

   The Building Review Committee did not meet in the month of November.

Department Reports

Administration: Elena Quintanilla reported the following:

- She discussed her schedule of events for the week.
- The Town of Ransom Canyon will be hosting the Texas Municipal League Quarterly Meeting on June 7, 2018.
- The May Election filing period will take place on January 17, 2018 - February 16, 2018, for those interested in running for an Alderman At-Large position. Three positions will be posted in this Election.
- Staff has reviewed the Strategic Plan to work on the goals established for the year. One of those items is the development of a Capital Improvement Advisory Committee.

Court Report: Judge Gary Bellair reported the following:

- There was a new citation for a failure to stop.
- There are no other changes to report regarding the pending court cases.

Operations: Harold Needham reported the following:

- The Operations staff had to repair a sewer pump in the lift station.
- The Caprock Water Association Dinner is scheduled for December 21, 2017, at the Ranch House, at 6:00 p.m. City Council and city staff are welcome to attend.
- Staff is winterizing their equipment and getting ready for inclement winter weather.

Police: James Hill reported the following:

- Police issued three warnings and one citation this month.
- The Chief hired one part-time officer and a new reserve officer to help cover the weekend and night shifts.
- Police personnel is in place for the Tour of Homes and is prepared for the Christmas traffic.

Fire: Rand McPherson reported the following:

- The tanker has a water leak and the brush truck was serviced this month. Engine 2 had a belt missing so it was also repaired.
- The Fire Department will be assisting with traffic and errands for the annual Tour of Homes.

- There were two EMS calls and six fire calls. Of the six fire calls, two calls were false alarms, one was a grass fire, one was a structure fire, and two calls involved the Fire Department providing mutual aid to communities.

Library: Angie Fikes reported the following:

- The repairs at the library are complete.
- The Library Christmas Party took place on Friday, December 8, 2017.
- The Christmas Fundraiser raised a little over $3000.

8. Property Owner's Association (POA) Report and Citizen Comments:

The Property Owner's Association will host a meeting on December 19, 2017 to discuss the Schmersey property. Thanks to Heidi Wilson and her committee for getting everyone involved in a Turkey Trot, the day after Thanksgiving. The New Year's Party is coming up in Ransom Canyon so purchase your tickets.

Heidi Wilson provided comments regarding homes that are in desperate need of repair. Bitsy Culberson also provided comments regarding the homes. Both felt that it is necessary for various residents in the Canyon to clean up their homes and take more pride in their appearance.

The Chapel is selling tickets for the Tour of Homes. The Chapel is also accepting homemade baked goods for the event.

Jim Evans urged the City Council to take action to reduce the deer population by adopting an ordinance or educating the public to not feed the deer in Ransom Canyon. The deer population is growing and is causing damage to property in the Canyon. John Kelly echoed the same sentiments.

9. Adjourn

The Mayor adjourned the meeting at 7:44 p.m. and asked the public to leave in order for the City Council to convene into an executive session with the City Attorney and City Administrator to deliberate regarding real property. The City Council returned to open session and postponed any further action of the item for a future city council meeting. The meeting adjourned at 8:32 p.m.

These minutes were approved on the 9th day of January 2018.

APPROVED:

_____

Billy Williams, Mayor

ATTEST:

_____

Elena Quintanilla, City Secretary

AGENDA ITEM #3:

APPROVAL OF FINANCIAL REPORTS

Claims and Demands For December 2017

and

Financial Investment Report

CITY OF RANSOM CANYON

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY					
UTILITY REVENUE	910,000.00	63,876.83	207,135.76	702,864.24	22.76
BUILDING PERMIT REVENUE	10,300.00	200.00	550.00	9,750.00	5.34
FRANCHISE REVENUE	23,700.00	0.00	3,281.61	20,418.39	13.85
AD VALOREM TAX REVENUE	804,100.00	322,347.26	424,432.38	379,667.62	52.78
INTEREST REVENUE	9,000.00	1,576.55	4,389.37	4,610.63	48.77
LIBRARY REVENUE	8,000.00	4,560.00	6,085.00	1,915.00	76.06
COURT REVENUE	500.00	111.00	111.00	389.00	22.20
OTHER REVENUE	111,200.00	10,374.88	28,425.09	82,774.91	25.56
BUDGETED SURPLUS	115,377.00	10,354.80	10,513.84	104,863.16	9.11
TOTAL REVENUES	1,992,177.00	413,401.32	684,924.05	1,307,252.95	34.38
EXPENDITURE SUMMARY					
CITY COURT	5,600.00	1,116.74	1,766.74	3,833.26	31.55
ADMINISTRATION	379,291.00	15,137.50	89,117.80	290,173.20	23.50
OPERATIONS	298,889.00	21,489.63	70,837.16	228,051.84	23.70
FIRE DEPARTMENT	55,897.00	11,181.96	26,983.43	28,913.57	48.27
LIBRARY	33,426.00	4,967.65	7,984.26	25,441.74	23.89
POLICE DEPARTMENT	290,285.00	17,404.06	75,211.47	215,073.53	25.91
SEWER DEPARTMENT	146,601.00	6,823.12	35,872.80	110,728.20	24.47
ROADS AND GROUNDS DEPT	100,317.00	5,832.09	20,241.44	80,075.56	20.18
WATER DEPARTMENT	413,871.00	25,127.45	61,088.67	352,782.33	14.76
PAYROLL DEPARTMENT	0.00	0.00	0.00	0.00	0.00
EMERGENCY OPS CENTER	3,000.00	62.50	248.08	2,751.92	8.27
CAPITAL EXPENDITURES	163,000.00	12,647.61	57,524.05	105,475.95	35.29
BONDS	102,000.00	0.00	0.00	102,000.00	0.00
TOTAL EXPENDITURES	1,992,177.00	121,790.31	446,875.90	1,545,301.10	22.43
REVENUES OVER/(UNDER) EXPENDITURES	0.00	291,611.01	238,048.15	(238,048.15)	0.00

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
UTILITY REVENUE					
401 WATER REVENUE	595,000.00	36,213.32	124,549.11	470,450.89	20.93
402 SEWER REVENUE	145,000.00	12,325.02	36,989.19	108,010.81	25.51
403 GARBAGE REVENUE	145,000.00	12,450.02	37,339.19	107,660.81	25.75
404 PENALTY REVENUE	4,000.00	526.48	1,603.25	2,396.75	40.08
405 MOSQUITO SPRAY GROUND	17,000.00	1,481.99	4,447.69	12,552.31	26.16
406 MOSQUITO SPRAY AIR	0.00	0.00	0.00	0.00	0.00
407 GAS LIGHTS REVENUE	0.00	0.00	0.00	0.00	0.00
408 TURN ON REVENUE	1,000.00	300.00	500.00	500.00	50.00
409 RV REVENUE MONTHLY PAYEES	3,000.00	580.00	1,707.33	1,292.67	56.91
TOTAL UTILITY REVENUE	910,000.00	63,876.83	207,135.76	702,864.24	22.76
BUILDING PERMIT REVENUE					
410 BUILDING PERMIT REVENUE	8,700.00	200.00	550.00	8,150.00	6.32
411 TAP CONNECTION REVENUE	1,600.00	0.00	0.00	1,600.00	0.00
TOTAL BUILDING PERMIT REVENUE	10,300.00	200.00	550.00	9,750.00	5.34
FRANCHISE REVENUE					
420 ATMOS FRANCHISE REVENUE	7,500.00	0.00	2,876.82	4,623.18	38.36
421 SPEC FRANCHISE REVENUE	15,000.00	0.00	380.49	14,619.51	2.54
422 SOUTH PLAINS TEL FRANCHISE REV	1,000.00	0.00	0.00	1,000.00	0.00
423 SBC FRANCHISE REVENUE	100.00	0.00	24.30	75.70	24.30
424 MISC FRANCHISE REVENUE	100.00	0.00	0.00	100.00	0.00
TOTAL FRANCHISE REVENUE	23,700.00	0.00	3,281.61	20,418.39	13.85
AD VALOREM TAX REVENUE					
443 DELINQUENT TAX REVENUE	1,000.00	472.20	(3,347.51)	4,347.51	334.75-
444 CURRENT TAX REVENUE	800,000.00	321,742.46	427,502.55	372,497.45	53.44
445 TAX P&I REVENUE	3,000.00	108.60	223.34	2,776.66	7.44
446 TAX CERTIFICATE REVENUE	100.00	24.00	54.00	46.00	54.00
447 MISC TAX REVENUE	0.00	0.00	0.00	0.00	0.00
448 TAX COLLECTION REVENUE	0.00	0.00	0.00	0.00	0.00
TOTAL AD VALOREM TAX REVENUE	804,100.00	322,347.26	424,432.38	379,667.62	52.78
INTEREST REVENUE					
455 INTEREST INCOME	9,000.00	1,576.55	4,389.37	4,610.63	48.77
456 I&S INTEREST EARNED	0.00	0.00	0.00	0.00	0.00
457 CONSTRUCTION INTEREST	0.00	0.00	0.00	0.00	0.00
TOTAL INTEREST REVENUE	9,000.00	1,576.55	4,389.37	4,610.63	48.77
LIBRARY REVENUE					
465 LIBRARY REVENUE	8,000.00	4,560.00	6,085.00	1,915.00	76.06
466 CH FOUNDATION GRANT	0.00	0.00	0.00	0.00	0.00
TOTAL LIBRARY REVENUE	8,000.00	4,560.00	6,085.00	1,915.00	76.06

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
COURT REVENUE					
476 SEIZURE INCOME	0.00	0.00	0.00	0.00	0.00
477 COURT FEES	250.00	74.60	74.60	175.40	29.84
478 COURT FINES	250.00	36.40	36.40	213.60	14.56
479 COURT TRUST	0.00	0.00	0.00	0.00	0.00
TOTAL COURT REVENUE	500.00	111.00	111.00	389.00	22.20
OTHER REVENUE					
480 BUFFALO LAKE REVENUE	86,000.00	8,609.57	25,098.97	60,901.03	29.18
481 POA REVENUE	0.00	0.00	0.00	0.00	0.00
482 RANCH HOUSE DONATIONS	0.00	0.00	0.00	0.00	0.00
483 CITY SALES TAX REVENUE	9,000.00	769.18	1,585.49	7,414.51	17.62
484 COPS FAST GRANT	0.00	0.00	0.00	0.00	0.00
485 SCHOLARSHIP DONATION REVENUE	0.00	0.00	0.00	0.00	0.00
486 LEOSE TRAINING REVENUE	700.00	0.00	0.00	700.00	0.00
487 BOAT PERMIT REVENUE	500.00	0.00	0.00	500.00	0.00
488 RV STORAGE REVENUE ANNUAL PAY	10,000.00	0.00	0.00	10,000.00	0.00
489 MISC REVENUE	5,000.00	996.13	1,740.63	3,259.37	34.81
TOTAL OTHER REVENUE	111,200.00	10,374.88	28,425.09	82,774.91	25.56
BUDGETED SURPLUS					
490 OPERATING GEN FUND TRANSF	104,877.00	0.00	0.00	104,877.00	0.00
491 NOTE PROCEEDS - CITIZENS BANK	0.00	0.00	0.00	0.00	0.00
493 LUBBOCK COUNTY FIRE GRANT	10,000.00	10,300.00	10,300.00	(300.00)	103.00
495 CC PROCESSING FEES	500.00	54.80	213.84	286.16	42.77
496 JAG GRANT	0.00	0.00	0.00	0.00	0.00
497 BULLET PROOF VESTS GRANT	0.00	0.00	0.00	0.00	0.00
498 SECO GRANT	0.00	0.00	0.00	0.00	0.00
TOTAL BUDGETED SURPLUS	115,377.00	10,354.80	10,513.84	104,863.16	9.11
TOTAL REVENUES	1,992,177.00	413,401.32	684,924.05	1,307,252.95	34.38

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

CITY COURT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
504-4020	JUDGE CONTRACT	2,600.00	0.00	650.00	1,950.00	25.00
504-4030	COURT OPERATING EXPENSE	500.00	0.00	0.00	500.00	0.00
504-4040	COURT EDUCATION EXPENSE	2,500.00	1,116.74	1,116.74	1,383.26	44.67
TOTAL CITY COURT		5,600.00	1,116.74	1,766.74	3,833.26	31.55

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

ADMINISTRATION

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
505-5000	PAYROLL	239,095.00	17,393.69	61,812.05	177,282.95	25.85
505-5005	PAYROLL SERVICE	0.00	0.00	0.00	0.00	0.00
505-5006	FUEL ALLOWANCE	0.00	0.00	0.00	0.00	0.00
505-5010	AUDIT EXPENSE	9,500.00	0.00	0.00	9,500.00	0.00
505-5020	COMPUTER EXP	16,000.00	10.00	7,031.11	8,968.89	43.94
505-5030	ELECTION EXP	3,800.00	60.00	60.00	3,740.00	1.58
505-5040	XEROX EXPENSE	5,000.00	471.97	1,398.09	3,601.91	27.96
505-5050	PITNEY BOWES EXPENSE	1,394.00	0.00	174.12	1,219.88	12.49
505-5070	GENERAL LIABILITY INSURANCE	899.00	0.00	885.46	13.54	98.49
505-5071	WORKERS COMP INSURANCE	498.00	0.00	498.00	0.00	100.00
505-5075	E&O/REAL & PERSONAL, CRIME IN	3,987.00	0.00	3,912.43	74.57	98.13
505-5080	LEGAL EXPENSE	20,000.00	1,258.26	3,500.55	16,499.45	17.50
505-5081	LEGAL EXPENSE CODIFY CITY ORD	1,500.00	0.00	0.00	1,500.00	0.00
505-5090	LCAD EXPENSE	13,818.00	0.00	3,379.00	10,439.00	24.45
505-5100	MEETINGS-EDUCATION EXPENSE	11,000.00	821.96	2,041.71	8,958.29	18.56
505-5101	TML CONFERENCE CITY COUNCIL	4,000.00	0.00	2,518.08	1,481.92	62.95
505-5105	ASSOCIATION DUES EXPENSE	1,700.00	0.00	244.43	1,455.57	14.38
505-5110	ADMIN OFFICE SUPPLIES	7,000.00	329.62	1,305.93	5,694.07	18.66
505-5120	POSTAGE EXPENSE	6,000.00	0.00	520.00	5,480.00	8.67
505-5130	PUBLIC RELATIONS EXPENSE	7,000.00	1,226.26	1,997.69	5,002.31	28.54
505-5140	OFFICE UTILITY EXPENSE	10,500.00	469.78	1,742.82	8,757.18	16.60
505-5150	OFFICE TELEPHONE EXPENSE	8,000.00	397.47	1,719.76	6,280.24	21.50
505-5155	SECURITY SYSTEM	5,000.00	(7,610.69)	(6,672.99)	11,672.99	133.46-
505-5160	SCHOLARSHIP GRANT	0.00	0.00	0.00	0.00	0.00
505-5170	MILEAGE REIMBURSEMENT	500.00	0.00	0.00	500.00	0.00
505-5175	CREDIT CARD FEE EXPENSE	3,100.00	309.18	1,049.56	2,050.44	33.86
505-5180	OTHER USES OF FUNDS	0.00	0.00	0.00	0.00	0.00
505-5300	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
TOTAL ADMINISTRATION		379,291.00	15,137.50	89,117.80	290,173.20	23.50

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

OPERATIONS

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
506-6000	PAYROLL	102,134.00	6,918.38	25,852.44	76,281.56	25.31
506-6010	DUES AND FEES EXPENSE	1,400.00	111.00	586.00	814.00	41.86
506-6015	OPERATIONS SCHOOL EXPENSE	7,500.00	0.00	654.74	6,845.26	8.73
506-6016	OPERATIONS CELL PHONE	4,200.00	7.46	281.35	3,918.65	6.70
506-6020	ENGINEERING EXPENSE	5,000.00	0.00	0.00	5,000.00	0.00
506-6030	BUILDING INSPECTION EXPENSE	7,000.00	150.00	787.50	6,212.50	11.25
506-6040	GARBAGE CONTRACT EXPENSE	105,000.00	9,989.64	18,857.76	86,142.24	17.96
506-6050	GAS AND OIL EXPENSE	12,000.00	1,540.43	2,427.30	9,572.70	20.23
506-6055	MILEAGE REIMBURSEMENT	2,800.00	319.93	319.93	2,480.07	11.43
506-6060	SHOP MATERIALS EXPENSE	2,000.00	43.00	81.53	1,918.47	4.08
506-6080	BUILDING REPAIR EXPENSE	9,000.00	1,248.25	2,944.48	6,055.52	32.72
506-6100	EQUIPMENT REPAIR EXPENSE	8,000.00	0.00	7.00	7,993.00	0.09
506-6110	SMALL TOOLS EXPENSE	500.00	12.54	12.54	487.46	2.51
506-6120	UNIFORMS EXPENSE	6,000.00	0.00	753.52	5,246.48	12.56
506-6150	JOHN DEERE EXPENSE	0.00	0.00	0.00	0.00	0.00
506-6160	EQUIPMENT PURCHASE EXPENSE	3,000.00	1,149.00	1,149.00	1,851.00	38.30
506-6170	MOSQUITO SPRAY GROUND	7,000.00	0.00	0.00	7,000.00	0.00
506-6171	MOSQUITO SPRAY AIR	0.00	0.00	0.00	0.00	0.00
506-6175	DUMP TRUCK REPAIR	0.00	0.00	0.00	0.00	0.00
506-6200	WORKERS COMP INSURANCE	6,422.00	0.00	6,298.49	123.51	98.08
506-6210	AUTO & APD INSURANCE	4,002.00	0.00	4,002.00	0.00	100.00
506-6220	GENERAL /E&O LIABILITY INS	1,922.00	0.00	1,888.00	34.00	98.23
506-6230	REAL/PERSONAL/MOBILE PROP INS	4,009.00	0.00	3,933.58	75.42	98.12
506-6300	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATIONS		298,889.00	21,489.63	70,837.16	228,051.84	23.70

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

FIRE DEPARTMENT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
507-7020	COMPUTER EXPENSE	300.00	0.00	0.00	300.00	0.00
507-7030	DUES EXPENSE	75.00	47.00	47.00	28.00	62.67
507-7040	EDUCATION EXPENSE	1,000.00	350.00	545.00	455.00	54.50
507-7045	LUBBOCK COUNTY GRANT	10,000.00	0.00	0.00	10,000.00	0.00
507-7050	EQUIPMENT EXPENSE	3,000.00	1,778.30	3,819.08	(819.08)	127.30
507-7055	SUPPLIES	0.00	0.00	0.00	0.00	0.00
507-7060	AUTO & APD INSURANCE EXPENSE	2,725.00	0.00	2,675.28	49.72	98.18
507-7061	REAL & PERSONAL PROP INSURANC	1,956.00	0.00	1,921.49	34.51	98.24
507-7065	TANKER TRUCK PAYMENT	0.00	0.00	0.00	0.00	0.00
507-7070	WORKERS COMP INSURANCE	341.00	0.00	341.00	0.00	100.00
507-7080	MEDICAL EQUIPMENT EXPENSE	3,000.00	811.89	811.89	2,188.11	27.06
507-7090	PERSONAL EQUIPMENT EXPENSE	2,500.00	593.57	2,467.11	32.89	98.68
507-7100	RADIO REPAIR EXPENSE	3,000.00	180.00	180.00	2,820.00	6.00
507-7140	BUILDING UTILITIES EXPENSE	3,000.00	272.62	1,366.99	1,633.01	45.57
507-7145	FIRE STATION BUILDING REPAIR	3,000.00	0.00	65.00	2,935.00	2.17
507-7150	TELEPHONE EXPENSE	2,000.00	107.55	678.34	1,321.66	33.92
507-7160	VEHICLE REPAIR EXPENSE	20,000.00	7,041.03	12,065.25	7,934.75	60.33
507-7170	BUNKER GEAR CAPITAL EXP	0.00	0.00	0.00	0.00	0.00
507-7190	INTEREST EXPENSE ASB	0.00	0.00	0.00	0.00	0.00
TOTAL FIRE DEPARTMENT		55,897.00	11,181.96	26,983.43	28,913.57	48.27

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

LIBRARY

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
508-8020	PAYROLL	20,389.00	1,699.08	5,097.24	15,291.76	25.00
508-8030	LIBRARY PROGRAMS EXPENSE	10,000.00	3,051.29	2,097.71	7,902.29	20.98
508-8035	CH FOUNDATION GRANT	0.00	0.00	0.00	0.00	0.00
508-8140	UTILITIES EXPENSE	1,900.00	143.63	497.02	1,402.98	26.16
508-8150	TELEPHONE EXPENSE	1,064.00	73.65	219.29	844.71	20.61
508-8160	WORKERS COMP INSURANCE	73.00	0.00	73.00	0.00	100.00
TOTAL LIBRARY		33,426.00	4,967.65	7,984.26	25,441.74	23.89

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

POLICE DEPARTMENT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
509-9000	PAYROLL	230,483.00	15,519.13	57,739.12	172,743.88	25.05
509-9010	AMMO EXPENSE	3,500.00	0.00	129.16	3,370.84	3.69
509-9015	ANIMAL CONTROL	200.00	0.00	0.00	200.00	0.00
509-9020	DUES EXPENSE	500.00	126.00	126.00	374.00	25.20
509-9030	EDUCATION EXPENSE	4,000.00	0.00	0.00	4,000.00	0.00
509-9040	EMT EDUCATION EXPENSE	0.00	0.00	0.00	0.00	0.00
509-9041	EMERGENCY MGT TRAINING	1,500.00	0.00	0.00	1,500.00	0.00
509-9050	GAS -OIL EXPENSE	8,500.00	764.87	1,728.73	6,771.27	20.34
509-9055	MILEAGE REIMBURSEMENT	100.00	0.00	0.00	100.00	0.00
509-9060	AUTO & APD INSURANCE EXPENSE	1,788.00	0.00	1,757.32	30.68	98.28
509-9065	LAW ENFORCEMENT LIABILITY INS	2,400.00	0.00	2,356.93	43.07	98.21
509-9066	E&O/REAL & PERSONAL PROP INS	3,596.00	0.00	3,529.28	66.72	98.14
509-9067	WORKERS COMP INSURANCE	4,718.00	0.00	4,718.00	0.00	100.00
509-9070	CELL PHONE EXPENSE	4,500.00	10.45	463.62	4,036.38	10.30
509-9090	OFFICE SUPPLY EXPENSE	1,500.00	0.00	149.96	1,350.04	10.00
509-9110	SMALL EQUIPMENT EXPENSE	4,000.00	113.15	845.13	3,154.87	21.13
509-9130	RADIO REPAIR EXPENSE	2,500.00	0.00	0.00	2,500.00	0.00
509-9150	TELEPHONE EXPENSE	3,000.00	88.60	265.68	2,734.32	8.86
509-9160	VEHICLE REPAIR EXPENSE	3,000.00	227.99	227.99	2,772.01	7.60
509-9170	CAMERA EXPENSE	0.00	0.00	0.00	0.00	0.00
509-9175	SURVEILLANCE VIDEO CAMERAS	1,500.00	0.00	0.00	1,500.00	0.00
509-9180	COMPUTER EXPENSE	3,500.00	0.00	36.86	3,463.14	1.05
509-9200	UNIFORM EXPENSE	2,000.00	530.05	530.05	1,469.95	26.50
509-9210	BOAT MAINTENANCE EXPENSE	500.00	0.00	0.00	500.00	0.00
509-9215	05 POLICE VEH PAYMENT	0.00	0.00	0.00	0.00	0.00
509-9220	LAKE REPAIR & MAINT EXPENSE	500.00	23.82	202.64	297.36	40.53
509-9221	COMMUNITY EVENTS EXPENSE	2,500.00	0.00	405.00	2,095.00	16.20
509-9230	INTEREST EXPENSE - FMCC	0.00	0.00	0.00	0.00	0.00
509-9240	BULLET PROOF VEST MATCH	0.00	0.00	0.00	0.00	0.00
509-9300	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
TOTAL POLICE DEPARTMENT		290,285.00	17,404.06	75,211.47	215,073.53	25.91

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

SEWER DEPARTMENT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
510-1000	CHEMICAL EXPENSE	4,000.00	250.05	700.13	3,299.87	17.50
510-1001	PAYROLL	78,224.00	5,443.75	21,345.85	56,878.15	27.29
510-1005	PERMIT INSPECTION EXPENSE	1,500.00	0.00	1,250.00	250.00	83.33
510-1010	LAB EXPENSE	5,000.00	367.00	606.00	4,394.00	12.12
510-1014	UTILITY EXPENSE	35,000.00	0.00	5,648.22	29,351.78	16.14
510-1016	SEWER SLUDGE HAULING	1,500.00	55.45	95.75	1,404.25	6.38
510-1020	REPAIR EXPENSE	20,000.00	706.87	4,849.85	15,150.15	24.25
510-1025	SEWER PLANT WATER EXPENSE	0.00	0.00	0.00	0.00	0.00
510-1100	WORKERS COMP INSURANCE	1,377.00	0.00	1,377.00	0.00	100.00
TOTAL SEWER DEPARTMENT		146,601.00	6,823.12	35,872.80	110,728.20	24.47

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

ROADS AND GROUNDS DEPT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
511-1000	PAYROLL	69,617.00	4,749.15	18,835.33	50,781.67	27.06
511-1100	STREET SWEEPING EXPENSE	7,000.00	0.00	0.00	7,000.00	0.00
511-1101	CONTRACT ROAD REPAIR EXPENSE	2,200.00	0.00	0.00	2,200.00	0.00
511-1110	EQUIPMENT REPAIR	2,500.00	63.16	74.16	2,425.84	2.97
511-1115	GROUNDS MAINTENANCE EXPENSE	2,000.00	0.00	0.00	2,000.00	0.00
511-1120	MATERIALS & SUPPLIES EXPENSE	3,000.00	71.58	162.14	2,837.86	5.40
511-1124	STREET SIGNS EXPENSE	1,500.00	148.20	249.80	1,250.20	16.65
511-1130	TREE TRIMMING EXPENSE	2,500.00	0.00	0.00	2,500.00	0.00
511-1140	PARK EXPENSES	10,000.00	800.00	920.01	9,079.99	9.20
511-1300	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
TOTAL ROADS AND GROUNDS DEPT		100,317.00	5,832.09	20,241.44	80,075.56	20.18

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

WATER DEPARTMENT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
512-1000	PAYROLL	61,471.00	4,202.68	16,655.00	44,816.00	27.09
512-1200	WATER SYSTEM PERMIT FEES	1,500.00	0.00	1,310.75	189.25	87.38
512-1205	LAB EXPENSE	1,700.00	178.34	244.34	1,455.66	14.37
512-1210	LP&L PURCHASE	331,000.00	20,746.43	41,593.32	289,406.68	12.57
512-1214	UTILITIES EXPENSE	4,000.00	0.00	382.00	3,618.00	9.55
512-1215	WATER METER EXPENSE	3,000.00	0.00	0.00	3,000.00	0.00
512-1220	REPAIR EXPENSE	10,000.00	0.00	103.26	9,896.74	1.03
512-6155	PICKUP LEASE EXPENSE	0.00	0.00	0.00	0.00	0.00
512-6160	TAIL GATE LIFT	0.00	0.00	0.00	0.00	0.00
512-6165	TANK INSPECTION	1,200.00	0.00	800.00	400.00	66.67
TOTAL WATER DEPARTMENT		413,871.00	25,127.45	61,088.67	352,782.33	14.76

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

PAYROLL DEPARTMENT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
513-1301	ADMINISTRATION EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1302	OPERATIONS EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1303	POLICE EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1304	MEDICAL INSURANCE EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1306	LONGEVITY EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1310	PAYROLL SERVICE EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1311	PAYROLL TAX EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1325	TMRS EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1350	WORKERS COMP EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1355	POLICE WORKERS COMP EXPENSE	0.00	0.00	0.00	0.00	0.00
513-1360	CITY SEC FUEL REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
TOTAL PAYROLL DEPARTMENT		0.00	0.00	0.00	0.00	0.00

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

EMERGENCY OPS CENTER

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
514-1405	EMERGENCY OPERATIONS CENTER	3,000.00	62.50	248.08	2,751.92	8.27
514-1410	EOC SIREN	0.00	0.00	0.00	0.00	0.00
TOTAL EMERGENCY OPS CENTER		3,000.00	62.50	248.08	2,751.92	8.27

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

CAPITAL EXPENDITURES

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
520-4900	BUDGETED SURPLUS TRANSFER	0.00	0.00	0.00	0.00	0.00
520-4910	CONSTRUCTION SAVINGS	0.00	0.00	0.00	0.00	0.00
520-4920	OPERATING RESERVE	0.00	0.00	0.00	0.00	0.00
520-5000	POLICE DEPT VEHICLE	0.00	0.00	0.00	0.00	0.00
520-5005	DAM REPAIR	0.00	0.00	0.00	0.00	0.00
520-5007	E LAKE SHORE DR SAVINGS PLAN	0.00	0.00	0.00	0.00	0.00
520-5008	DEBT PMT SEWER LINE REPAIR	0.00	0.00	0.00	0.00	0.00
520-5009	POLICE VEHICLE	0.00	0.00	0.00	0.00	0.00
520-5010	SEAL COAT/STREET REPAIRS	100,000.00	0.00	0.00	100,000.00	0.00
520-5011	SEWER JETTER	0.00	0.00	0.00	0.00	0.00
520-5012	OPERATIONS VEHICLE	40,000.00	0.00	38,980.00	1,020.00	97.45
520-5015	CITY HALL DEBT PAYMENT	0.00	0.00	0.00	0.00	0.00
520-5016	CITY HALL	0.00	576.61	618.53	(618.53)	0.00
520-5017	CITY HALL REPAIRS/FURNITURE	0.00	0.00	0.00	0.00	0.00
520-5027	SHREDDER	9,000.00	0.00	5,854.52	3,145.48	65.05
520-5028	SECO GRANT CITY HALL WINDOWS	0.00	0.00	0.00	0.00	0.00
520-5029	WATER & SEWER LINE REPAIR	0.00	0.00	0.00	0.00	0.00
520-5030	WATER TANK REPAIR CIP	0.00	0.00	0.00	0.00	0.00
520-5071	SEWER PLANT MUFFLER REPAIR	0.00	0.00	0.00	0.00	0.00
520-5072	SEWER REPAIR ENGINEERING	0.00	0.00	0.00	0.00	0.00
520-5080	ROOSEVELT WATER LINE	0.00	0.00	0.00	0.00	0.00
520-5081	FERRARA FIRE TRUCKS (2)	0.00	0.00	0.00	0.00	0.00
520-5085	WATER SYSTEM VAULT & VALVE FR	0.00	0.00	0.00	0.00	0.00
520-5090	MASTER CONTROL VALVE	0.00	0.00	0.00	0.00	0.00
520-5095	ISOLATION VALVE FRONT ROAD VA	0.00	0.00	0.00	0.00	0.00
520-5101	LEGAL/ENGINEERING,CCN/WATERLI	0.00	0.00	0.00	0.00	0.00
520-5102	ENGINEERING, ZONING CODE	0.00	0.00	0.00	0.00	0.00
520-5120	CROFOOT VAULT & METER	0.00	0.00	0.00	0.00	0.00
520-5150	PRUSSURE SUSTAINING VALVES-FR	0.00	0.00	0.00	0.00	0.00
520-5160	CAMERA SYSTEMS	0.00	0.00	0.00	0.00	0.00
520-5200	GARAGE ADDITION	0.00	0.00	0.00	0.00	0.00
520-5300	WATER METER REPLACEMENT PROG	0.00	0.00	0.00	0.00	0.00
520-5400	DUMP TRAILER	0.00	0.00	0.00	0.00	0.00
520-5500	POLICE VEHICLE JAG GRANT	0.00	0.00	0.00	0.00	0.00
520-5600	METAL DETECTOR	0.00	0.00	0.00	0.00	0.00
520-5700	SKID LOADER	0.00	0.00	0.00	0.00	0.00
520-5800	BUFFALO FLOW METER	0.00	0.00	0.00	0.00	0.00
520-5810	EMERGENCY ROAD	0.00	0.00	0.00	0.00	0.00
520-5811	LAWN MOWER	14,000.00	12,071.00	12,071.00	1,929.00	86.22
TOTAL CAPITAL EXPENDITURES		163,000.00	12,647.61	57,524.05	105,475.95	35.29

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2017

01 -GENERAL FUND

BONDS

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
545-4500	BOND PRINCIPAL EXPENSE	90,000.00	0.00	0.00	90,000.00	0.00
545-5000	BOND INTEREST EXPENSE	12,000.00	0.00	0.00	12,000.00	0.00
545-5001	NOTE INTEREST	0.00	0.00	0.00	0.00	0.00
545-5010	BOND SERVICING FEE	0.00	0.00	0.00	0.00	0.00
545-5015	Amortization	0.00	0.00	0.00	0.00	0.00
545-6000	Depreciation	0.00	0.00	0.00	0.00	0.00
TOTAL BONDS		102,000.00	0.00	0.00	102,000.00	0.00
TOTAL EXPENDITURES		1,992,177.00	121,790.31	446,875.90	1,545,301.10	22.43
REVENUES OVER/(UNDER) EXPENDITURES		0.00	291,611.01	238,048.15	(238,048.15)	0.00

*** END OF REPORT ***

VENDOR SET: 01 City of Ransom Canyon
BANK: * ALL BANKS
DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	12/05/2017			015384		
6700	WATERMASTER IRRIGATION SUPPLY,							
C-CHECK	WATERMASTER IRRIGATION SVOIDED	V	12/13/2017			015421		12,071.00CR
C-CHECK	VOID CHECK	V	12/29/2017			015443		

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0			0.00	0.00	0.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	0			0.00	0.00	0.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	3	VOID DEBITS	0.00			
		VOID CREDITS	12,071.00CR	12,071.00CR	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: * TOTALS:	3	12,071.00CR	0.00	0.00
BANK: * TOTALS:	3	12,071.00CR	0.00	0.00

VENDOR SET: 01 City of Ransom Canyon
BANK: APCO AP CITIZENS OPERATING
DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.		NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0750		GRAINGER							
	I-9608961448	GRAINGER	R	12/05/2017	1,167.16		015378		1,167.16
0780		HACH COMPANY							
	I-201712045396	HACH COMPANY	R	12/05/2017	674.02		015379		674.02
1650		SOUTH PLAINS TELEPHONE							
	I-201712045394	SOUTH PLAINS TELEPHONE	R	12/05/2017	615.76		015380		615.76
2520		DISH NETWORK							
	I-201712045395	DISH NETWORK	R	12/05/2017	62.50		015381		62.50
4710		AT&T MOBILITY							
	I-201712045393	AT&T MOBILITY	R	12/05/2017	19.42		015382		19.42
5560		SAM'S CLUB MASTERCARD							
	I-201712055397	SAM'S CLUB MASTERCARD	R	12/05/2017	4,603.46		015383		4,603.46
5620		SLATON GAS & EQUIPMENT CO.							
	I-44025	SLATON GAS & EQUIPMENT CO.	R	12/05/2017	2,305.30		015385		2,305.30
8360		JOES RADIO REPAIR AND SALES							
	I-112717A & 81517A	JOES RADIO REPAIR AND SALES	R	12/05/2017	180.00		015386		180.00
8430		RENEGADE FIRE EQUIPMENT							
	I-122	RENEGADE FIRE EQUIPMENT	R	12/05/2017	210.00		015387		210.00
9240		D'S PEST CONTROL							
	I-409065	D'S PEST CONTROL	R	12/05/2017	270.00		015388		270.00
9250		PANHANDLE SAFETY & RESCUE EQUI							
	I-101	PANHANDLE SAFETY & RESCUE EQUI	R	12/05/2017	1,121.85		015389		1,121.85
7590		CARPET WORLD							
	I-ES702249	CARPET WORLD	R	12/05/2017	2,361.12		015390		2,361.12
9260		SOUTHWEST SPECIALTIES							
	I-201712055398	SOUTHWEST SPECIALTIES	R	12/05/2017	1,250.00		015391		1,250.00
0360		CAPROCK WASTE - MUNICIPAL SERV							
	I-689028	CAPROCK WASTE - MUNICIPAL SERV	R	12/06/2017	7,635.00		015392		7,635.00
0600		DPC INDUSTRIES, INC							
	I-757002263-17	DPC INDUSTRIES, INC	R	12/06/2017	180.05		015393		180.05

VENDOR SET: 01 City of Ransom Canyon
BANK: APCO AP CITIZENS OPERATING
DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.		NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1300		O D KENNEY							
	I-201712065399	O D KENNEY	R	12/06/2017	199.10		015394		199.10
1350		PANHANDLE FIREMAN'S ASSOC							
	I-78	PANHANDLE FIREMAN'S ASSOC	R	12/06/2017	47.00		015395		47.00
2210		HURST FARM SUPPLY							
	I-321110	HURST FARM SUPPLY	R	12/06/2017	63.16		015396		63.16
3500		LUBBOCK LAWN & TREE							
	I-151921	LUBBOCK LAWN & TREE	R	12/06/2017	800.00		015397		800.00
3700		TRACE ANALYSIS INC.							
	I-201712065400	TRACE ANALYSIS INC.	R	12/06/2017	433.00		015398		433.00
5300		CAPROCK WASTE - ROLL OFF							
	I-688969	CAPROCK WASTE - ROLL OFF	R	12/06/2017	2,354.64		015399		2,354.64
6720		PARKHILL SMITH & COOPER							
	I-01356216-00-14FNL	PARKHILL SMITH & COOPER	R	12/06/2017	576.61		015400		576.61
8280		AQUAONE							
	I-BOTTLED WATER	AQUAONE	R	12/06/2017	43.50		015401		43.50
8430		RENEGADE FIRE EQUIPMENT							
	I-121	RENEGADE FIRE EQUIPMENT	R	12/06/2017	532.50		015402		532.50
9060		BOJORQUEZ LAW FIRM, PC							
	I-6535	BOJORQUEZ LAW FIRM, PC	R	12/06/2017	962.50		015403		962.50
8740		BRAD COPELAND							
	I-121517-P	BRAD COPELAND	R	12/15/2017	347.80		015409		347.80
8770		ANGELIA FIKES							
	I-121517	ANGELIA FIKES	R	12/15/2017	849.54		015410		849.54
0540		DACO							
	I-16088,15941,15987	DACO	R	12/13/2017	1,204.71		015411		1,204.71
1070		LUBBOCK GRADER BLADE							
	I-61905, 62001	LUBBOCK GRADER BLADE	R	12/13/2017	148.20		015412		148.20
1180		MIDWEST RADAR							
	I-599614	MIDWEST RADAR	R	12/13/2017	105.00		015413		105.00

VENDOR SET: 01 City of Ransom Canyon
BANK: APCO AP CITIZENS OPERATING
DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.		NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1400		PETTY CASH							
	I-201712135402	PETTY CASH	R	12/13/2017	557.93		015414		557.93
1590		SLATONITE							
	I-6868, 6968	SLATONITE	R	12/13/2017	275.76		015415		275.76
1600		SMITH FORD							
	I-F95902	SMITH FORD	R	12/13/2017	969.40		015416		969.40
2980		MARY K BROWN							
	I-122017-CP	MARY K BROWN	R	12/13/2017	25.00		015417		25.00
3220		LOWER COLORADO RIVER AUTHORITY							
	I-LAB-0021857	LOWER COLORADO RIVER AUTHORITY	R	12/13/2017	112.34		015418		112.34
3440		AREA WIDE INSPECTION SERVICE							
	I-1998	AREA WIDE INSPECTION SERVICE	R	12/13/2017	150.00		015419		150.00
4150		EMBLEM ENTERPRISES, INC.							
	I-702311	EMBLEM ENTERPRISES, INC.	R	12/13/2017	283.15		015420		283.15
6700		WATERMASTER IRRIGATION SUPPLY,							
	I-192357	WATERMASTER IRRIGATION SUPPLY,	V	12/13/2017	12,071.00		015421		12,071.00
6700		WATERMASTER IRRIGATION SUPPLY,							
	M-CHECK	WATERMASTER IRRIGATION SVOIDED	V	12/13/2017			015421		12,071.00CR
7160		LUBBOCK POWER & LIGHT WATER							
	I-201712135405	LUBBOCK POWER & LIGHT WATER	R	12/13/2017	55.45		015422		55.45
7200		LP&L WATER							
	I-201712135404	LP&L WATER	R	12/13/2017	20,746.43		015423		20,746.43
7380		BOUND TREE MEDICAL, LLC							
	I-82703279	BOUND TREE MEDICAL, LLC	R	12/13/2017	811.89		015424		811.89
9020		COLENE HIX							
	I-DEC2017	COLENE HIX	R	12/13/2017	25.00		015425		25.00
9270		SCOTT LUKE							
	I-201712135403	SCOTT LUKE	R	12/13/2017	350.00		015426		350.00
9280		TERESA CONTRERAS							
	I-201712135406	TERESA CONTRERAS	R	12/13/2017	430.00		015427		430.00

VENDOR SET: 01 City Of Ransom Canyon
BANK: APCO AP CITIZENS OPERATING
DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.		NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0600		DPC INDUSTRIES, INC							
	I-DE75002674-17	DPC INDUSTRIES, INC	R	12/20/2017	70.00		015428		70.00
1100		LUBBOCK TRUCK SALES							
	I-P358002 & S122980	LUBBOCK TRUCK SALES	R	12/20/2017	4,168.15		015429		4,168.15
5270		THOMSON WEST							
	I-837381383	THOMSON WEST	R	12/20/2017	146.00		015430		146.00
6740		TEXAS SOCIAL SECURITY PROGRAM							
	I-201712205409	TEXAS SOCIAL SECURITY PROGRAM	R	12/20/2017	35.00		015431		35.00
8460		MARY ANN CROW							
	I-DEC 2017	MARY ANN CROW	R	12/20/2017	500.00		015432		500.00
8900		ACTON MOBILE							
	I-PRI1531775	ACTON MOBILE	R	12/20/2017	118.16		015433		118.16
9290		EXMARK MANUFACTURING COMPANY,							
	I-1800102035	EXMARK MANUFACTURING COMPANY,	R	12/20/2017	12,071.00		015434		12,071.00
9300		MUNICIPAL CODE CORPORATION							
	I-00300054	MUNICIPAL CODE CORPORATION	R	12/20/2017	60.00		015435		60.00
8740		BRAD COPELAND							
	I-122917-P	BRAD COPELAND	R	12/29/2017	278.24		015444		278.24
8770		ANGELIA FIKES							
	I-122917-L	ANGELIA FIKES	R	12/29/2017	849.54		015445		849.54
9210		BRYAN COPELAND							
	I-122917-P2	BRYAN COPELAND	R	12/29/2017	278.24		015446		278.24
0160		ATMOS							
	I-201712295411	ATMOS	R	12/29/2017	886.03		015447		886.03
3400		GARY BELLAIR							
	I-201712295412	GARY BELLAIR	R	12/29/2017	1,116.74		015449		1,116.74

BANK: APCO AP CITIZENS OPERATING

DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT

* * T O T A L S * *	NO		INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	56		88,763.35	0.00	76,692.35
HAND CHECKS:	0		0.00	0.00	0.00
DRAFTS:	0		0.00	0.00	0.00
EFT:	0		0.00	0.00	0.00
NON CHECKS:	0		0.00	0.00	0.00
VOID CHECKS:	1	VOID DEBITS 0.00			
		VOID CREDITS 12,071.00CR	12,071.00CR	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: APCO TOTALS:	57	76,692.35	0.00	76,692.35
BANK: APCO TOTALS:	57	76,692.35	0.00	76,692.35

BANK: PY PAYROLL LIABILITIES

DATE RANGE:12/01/2017 THRU 12/31/2017

VENDOR I.D.		NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
3100		INTERNAL REVENUE SERVICE - IRS							
	I-T1 201712115401	FEDERAL WITHHOLDING	D	12/15/2017	2,217.75		000012		
	I-T3 201712115401	SOCIAL SECURITY PAYABLE	D	12/15/2017	2,554.90		000012		
	I-T4 201712115401	MEDICARE PAYABLE	D	12/15/2017	597.54		000012		5,370.19
3100		INTERNAL REVENUE SERVICE - IRS							
	I-T1 201712265410	FEDERAL WITHHOLDING	D	12/29/2017	2,075.88		000013		
	I-T3 201712265410	SOCIAL SECURITY PAYABLE	D	12/29/2017	2,469.86		000013		
	I-T4 201712265410	MEDICARE PAYABLE	D	12/29/2017	577.68		000013		5,123.42
7830		OFFICE OF THE ATTORNEY GENERAL							
	I-C01201712115401	RI# 00113842122006534226	R	12/15/2017	582.50		015407		582.50
8340		OFFICE OF THE TEXAS ATTORNEY G							
	I-C02201712115401	RI# 0013095172B398711407	R	12/15/2017	392.45		015408		392.45
7830		OFFICE OF THE ATTORNEY GENERAL							
	I-C01201712265410	RI# 00113842122006534226	R	12/29/2017	582.50		015440		582.50
8340		OFFICE OF THE TEXAS ATTORNEY G							
	I-C02201712265410	RI# 0013095172B398711407	R	12/29/2017	392.45		015441		392.45
1940		TEXAS MUNICIPAL RETIREMEN							
	I-RET201712115401	TRMS PAYABLE	R	12/29/2017	4,752.06		015442		
	I-RET201712265410	TRMS PAYABLE	R	12/29/2017	4,604.37		015442		9,356.43

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	5			11,306.33	0.00	11,306.33
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	2			10,493.61	0.00	10,493.61
EFT:	0			0.00	0.00	0.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: PY TOTALS:	7	21,799.94	0.00	21,799.94
BANK: PY TOTALS:	7	21,799.94	0.00	21,799.94
REPORT TOTALS:	64	98,492.29	0.00	98,492.29

SELECTION CRITERIA

VENDOR SET: 01-CITY OF RANSOM CANYON
VENDOR: ALL
BANK CODES: All
FUNDS: All

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 12/01/2017 THRU 12/31/2017
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS
SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: NO
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
MANUAL ONLY: NO
STUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - All

Town of Ransom Canyon
Financial Investment Report
Balance for December 1 - December 31, 2017

INTEREST BEARING CASH ACCOUNTS AT DEPOSITORY BANK

Acct #	Investment Type/Institution	Annual Percentage Ending Rate of Interest	Maturity Date	Beginning Balance	Ending Balance	Interest Accrued	YTD Interest
617113	Construction Account (Centennial Bank)	1.33%	N/A	$ 614,743.02	$ 615,476.97	$ 733.95	$ 2,008.16
34207	Reserve Account (Centennial Bank)	1.46%	N/A	$ 437,900.52	$ 438,423.34	$ 522.82	$ 1,630.90
625345	Operating Account (Centennial Bank)	1.47%	N/A	$ 32,952.45	$ 65,870.39	$ 104.55	$ 341.38
17787	Interest and Sinking Account (Centennial Bank)	1.47%	N/A	$ 138,006.25	$ 385,568.74	$ 212.75	$ 404.41
63108	Police Seizure Account (Centennial Bank)	0.00%	N/A	$ -	$ -	$ -	$ -
2101038849	Police LEOSE Account (Centennial Bank)	0.00%	N/A	$ -	$ -	$ -	$ -
		5.73%	N/A	$ 1,223,602.24	$ 1,505,339.44	$ 1,574.07	$ 4,384.85

ACTION ITEM #4:

2016-2017 Audit Report

TOWN OF RANSOM CANYON, TEXAS

ANNUAL FINANCIAL REPORT

September 30, 2017

DAVID L HETTLER PC
Certified Public Accountants

TOWN OF RANSOM CANYON, TEXAS

ANNUAL FINANCIAL REPORT

September 30, 2017

TOWN OF RANSOM CANYON, TEXAS

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SEPTEMBER 30, 2017

Member
Texas Society
Certified Public Accountants

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LUBBOCK, TEXAS 79423
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Member
American Institute
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City Council
Town of Ransom Canyon, Texas

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in Net Pension Liability and Required Ratios and the Schedule of Contributions on pages 2 through 9 and 42 through 46 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.

David L Hettler PC

David L Hettler PC
November 24, 2017

TOWN OF RANSOM CANYON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2017

As management of the Town of Ransom Canyon (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. This discussion and analysis is designed to provide an objective and easy to read analysis of the City's financial activities based on currently known facts, decisions or conditions. It is intended to provide a broad overview using a short-term and long-term analysis of the City's activities based on information presented in the financial report and fiscal policies that have been adopted by the Council. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the adopted budget) and identify individual fund issues or concerns. As with other sections of this financial report, the information contained within this Management Discussion & Analysis (MD&A) should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the notes that are provided in addition to this MD&A.

Key Financial Highlights

- The assets of the City exceeded its liabilities at the close of the fiscal year ending September 30, 2017 by $3,969,650 (net position). Of this amount, $612,042 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors. Net position increased by $39,630 for the year ended September 30, 2017, a 1.0% increase over the previous year.

- The City's total assets increased by $202,650; a 4.0% increase from the prior fiscal year. The City's liabilities increased by $162,615; a 12.8% increase from the prior fiscal year.

- The City's enterprise fund ended the year with an operating income of $246,973 and a change in net position after transfers of $23,792.

- The City completed construction on the new City Hall facility.

Overview of the Financial Statements

This annual report consists of two parts - management's discussion and analysis (this section) and the basic financial statements. This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services like administration and public safety services were financed in the short-term as well as what remains for future spending.

- Proprietary funds statements offer short-term and long-term financial information about the activities the City operates like businesses, such as water, sewer and sanitation services.
- Fiduciary funds statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's financial position, in a manner similar to a private-sector business. The two government-wide statements report the City's net position and how it has changed. The *Statement of Net Position* presents information on all of the City's assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Net position is one way to measure the City's financial health or position. Over time, increases or decreases in the City's net position is an indicator of whether its financial position is improving or deteriorating. The *Statement of Activities* presents information on how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used vacation leave). Both the Statement of Net Position and the Statement of Activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in governmental fund financial statements.

Other nonfinancial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads and streets, sidewalks, etc.) to assess the overall health or financial condition of the City.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- Governmental Activities – Most of the City's basic services are reported here, including the general administration, police, fire, streets, library, and parks. Property taxes, RV lot revenue, and franchise fees finance most of these activities.

- Business-type Activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system and sanitation solid waste collection are reported here.

All of these activities are collectively referred to in the financial statements as those of the *primary government*.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's two kinds of funds – governmental and proprietary – utilize different accounting approaches.

- Governmental funds – The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Essentially the same functions are reported in the governmental funds as in the governmental activities section of the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on the 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 evaluating a government's near-term financing requirements. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide statements, readers may better understand the long-term effect 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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

- The City maintains a single governmental fund which is considered to be a major fund. Information for the General Fund is presented in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance.

- Proprietary funds – Services for which the City charges customers a fee generally are reported in proprietary funds. Proprietary fund financial statements, like the government-wide statements, provide both short-term and long-term financial information. The City's proprietary fund is an enterprise fund, which is used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail, such as cash flows.

- The City maintains a single enterprise fund. The City uses enterprise funds to account for its water and sewer services and sanitation (solid waste disposal) services. The fund provides the same type of information as the government-wide statements, only in more detail. It is also considered to be a major fund of the City.

- Fiduciary funds – The City is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund. The City is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The City excludes these activities from the government-wide financial statements because the City cannot use these assets to finance its operations.

Notes to the Financial Statements

The notes provide disclosures and additional information that is essential to a full understanding of the financial information presented in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information regarding the City's budgetary comparative information for the general fund and information about the City's net pension liability and pension contributions. This information follows the notes to the financial statements.

THE CITY AS A WHOLE – Government-wide Financial Analysis

The City's combined net position was $3.970 million as of September 30, 2017. Analyzing the net position and net expenses of the governmental and business-type activities separately, the business-type activities net position is $2.797 million. This analysis focuses on the net position (table 1) and changes in general revenues (table 2) and significant expense of the City's governmental and business-type activities.

A significant portion of the City's net position (approximately 82.42%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is 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 capital assets themselves cannot be used to liquidate these liabilities. The following table provides a summary of the City's net position for the years ended September 30, 2016 and 2017.

Table 1
Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2017	2016	2017	2016	2017
Current and other assets	$ 255,366.11	$ 311,966.07	$1,536,864.36	$1,306,640.92	$1,792,230.47	$1,618,606.99
Capital assets	1,396,231.68	1,571,193.24	1,884,374.20	2,085,686.43	3,280,605.88	3,656,879.67
Total assets	1,651,597.79	1,883,159.31	3,421,238.56	3,392,327.35	5,072,836.35	5,275,486.66
Deferred outflows of resources	93,594.29	95,156.60	29,528.55	27,560.62	123,122.84	122,717.22
Current liabilities	13,970.74	220,952.46	157,535.35	191,072.23	171,506.09	412,024.69
Long-term liabilities	574,882.92	585,186.66	519,550.58	431,342.95	1,094,433.50	1,016,529.61
Total liabilities	588,853.66	806,139.12	677,085.93	622,415.18	1,265,939.59	1,428,554.30
Net position						
Net investment in capital assets	1,396,231.68	1,571,193.24	1,409,374.20	1,700,686.43	2,805,605.88	3,271,879.67
Restricted			348,917.21	85,727.43	348,917.21	85,727.43
Unrestricted	(239,893.26)	(399,016.45)	1,015,389.77	1,011,058.93	775,496.51	612,042.48
Total net position	$1,156,338.42	$1,172,176.79	$2,773,681.18	$2,797,472.79	$3,930,019.60	$3,969,649.58

Governmental Activities

The City's governmental activities revenues were up by $68,441 or approximately 8.97% from the prior fiscal year. The increase was due primarily to property taxes. Governmental expenditures were up by $124,743 or 12.28% over the previous year. The most significant governmental expenses for the City are government administration and public safety which includes police and fire department.

Table 2
Governmental Activity Revenues

	2016	2017
Property taxes (including penalty and interest)	$ 657,883.91	$ 728,443.00
Permits	22,331.30	10,482.50
Municipal court revenue	1,043.30	1,967.10
Franchise fees	23,615.11	26,327.27
Library revenue	9,935.54	7,990.00
R V storage revenue	15,476.80	17,088.34
Interest revenue	1,991.79	2,519.67
Tax certificates	192.00	564.00
Sales tax revenue	12,089.68	10,679.09
Donated assets	10,888.00	-
Grant revenue	-	10,000.00
Other revenues	7,816.19	15,643.95
	$ 763,263.62	$ 831,704.92

Business-type Activities

Total revenues of the City's business-type activities were $1,182,165 for the year ended September 30, 2017. Expenses for the City's business-type activities were $833,373 for the year, resulting in an income before transfers of $348,792.

Charges for services were up $22,967 or 2.20% over the previous year. Water purchases from the City of Lubbock were up $14,562 from the previous year. Water revenues and water purchases were up for the year with approximately two million more gallons consumed in 2017.

Table 3
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2017	2016	2017	2016	2017
Revenues:						
Program revenues:						
Charges for services	$ 22,331.30	$ 10,482.50	$ 1,042,839.47	$ 1,065,806.75	$ 1,065,170.77	$ 1,076,289.25
Grants and contributions:						
Operating	9,935.54	17,990.00			9,935.54	17,990.00
Capital					-	-
General revenues:						
Property taxes	657,883.91	728,443.00	105,487.06	102,719.61	763,370.97	831,162.61
Franchise fees	23,615.11	26,327.27			23,615.11	26,327.27
Other	49,497.76	48,462.15	7,256.40	13,638.43	56,754.16	62,100.58
Total Revenues	763,263.62	831,704.92	1,155,582.93	1,182,164.79	1,918,846.55	2,013,869.71
Expenses:						
General government	321,963.27	359,313.12			321,963.27	359,313.12
Operations	148,546.31	167,359.72			148,546.31	167,359.72
City Court	4,116.74	3,395.67			4,116.74	3,395.67
Public safety	345,955.97	399,388.10			345,955.97	399,388.10
Public works	158,181.13	176,844.69			158,181.13	176,844.69
Library	31,954.52	29,932.42			31,954.52	29,932.42
Emergency operation center	5,405.79	4,632.83			5,405.79	4,632.83
Water purchases			344,137.92	358,700.26	344,137.92	358,700.26
Water, sewer and sanitation			456,634.11	460,133.00	456,634.11	460,133.00
Interest			17,266.91	14,539.92	17,266.91	14,539.92
Total Expenses	1,016,123.73	1,140,866.55	818,038.94	833,373.18	1,834,162.67	1,974,239.73
Change in net position before transfers	(252,860.11)	(309,161.63)	337,543.99	348,791.61	84,683.88	39,629.98
Transfers	325,000.00	325,000.00	(325,000.00)	(325,000.00)	-	-
Change in net position	72,139.89	15,838.37	12,543.99	23,791.61	84,683.88	39,629.98
Net position, October 1	1,084,198.53	1,156,338.42	2,761,137.19	2,773,681.18	3,845,335.72	3,930,019.60
Net position, September 30	$ 1,156,338.42	$ 1,172,176.79	$ 2,773,681.18	$ 2,797,472.79	$ 3,930,019.60	$ 3,969,649.58

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2017 fiscal year, the City had $3.657 million invested in a broad range of fixed assets, including buildings, streets, water and sewer lines and equipment, vehicles, police and fire department equipment.

Table 4
Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2016	2017	2016	2017	2016	2017
Land	$ 46,230.00	$ 46,230.00	$	$	$ 46,230.00	$ 46,230.00
Construction in progress	46,982.65	-			46,982.65	-
Buildings	198,188.43	494,216.81		306,800.47	198,188.43	801,017.28
Street and infrastructure	732,299.20	675,526.01			732,299.20	675,526.01
Improvements	230,700.84	191,077.92			230,700.84	191,077.92
Vehicles and equipment	141,830.56	164,142.50		23,039.33	141,830.56	187,181.83
Water and sewer system			1,884,374.20	1,755,846.63	1,884,374.20	1,755,846.63
Totals	$ 1,396,231.68	$ 1,571,193.24	$ 1,884,374.20	$ 2,085,686.43	$3,280,605.88	$ 3,656,879.67

Debt

At year-end, the City had $385,000 in debt outstanding as compared to $475,000 at the end of the prior fiscal year a decrease of approximately 18.95%. The City retired $90,000 in bonds. Table 5 indicates the outstanding debt at September 30, 2016 and 2017.

Table 5
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2016	2017	2016	2017	2016	2017
General Obligation Refunding Bonds Series 2010	$ -	$ -	$ 475,000.00	$ 385,000.00	$ 475,000.00	$ 385,000.00

General Fund Budgetary Highlights

The City's original budget was adopted prior to the beginning of the fiscal year and was amended during the year. For the year ended September 30, 2017 governmental revenues came in over the budgeted amount by $61,637 while expenditures were $126,231 under the budgeted amount.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2017-2018 budget, tax rate, and fees that will be charged for the business-type activities. Stable property valuations for the 2017-2018 fiscal year coupled with a small amount of growth within the City will help accomplish one of its top short-term goals, building cash for future capital improvement projects.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Elena Quintanilla, at the Town of Ransom Canyon, 24 Lee Kitchens Drive, Ransom Canyon, Texas 79366.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash in bank	$ 304,656.60	$ 1,113,763.96	$ 1,418,420.56
Receivables			
Taxes	5,032.81		5,032.81
Other governments	762.54		762.54
Franchise fees	1,514.12		1,514.12
Customer accounts, net		107,149.53	107,149.53
Restricted Assets			
Cash and cash in bank		85,727.43	85,727.43
Capital Assets, nondepreciable			
Land	46,230.00		46,230.00
Capital Assets, (net of accumulated depreciation)			
Buildings	494,216.81	306,800.47	801,017.28
Streets and infrastructure	675,526.01		675,526.01
Improvements	191,077.92		191,077.92
Vehicles, equipment and machinery	164,142.50	23,039.33	187,181.83
Water and sewer system		1,755,846.63	1,755,846.63
Total Assets	1,883,159.31	3,392,327.35	5,275,486.66
Deferred Outflows of Resources			
Deferred amount on refunding		6,249.77	6,249.77
Deferred pension contribution	95,156.60	21,310.85	116,467.45
	95,156.60	27,560.62	122,717.22

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities			
Accounts payable	215,810.11	66,424.04	282,234.15
Accrued compensation payable	5,142.35		5,142.35
Utility deposits		33,190.00	33,190.00
Payable from restricted assets			
Accrued interest payable		1,458.19	1,458.19
Non-current Liabilities			
Net pension liability	585,186.66	136,342.95	721,529.61
Due within one year:			
General obligation refunding bonds payable		90,000.00	90,000.00
Due in more than one year:			
General obligation refunding bonds payable		295,000.00	295,000.00
Total Liabilities	806,139.12	622,415.18	1,428,554.30
Net Position			
Net investment in capital assets	1,571,193.24	1,700,686.43	3,271,879.67
Restricted for debt service		85,727.43	85,727.43
Unrestricted	(399,016.45)	1,011,058.93	612,042.48
Total Net Position	$ 1,172,176.79	$ 2,797,472.79	$ 3,969,649.58

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
					Primary Government		
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	$ 359,313.12	$ 10,482.50	$	$	$ (348,830.62)	$	$ (348,830.62)
Operations	167,359.72				(167,359.72)		(167,359.72)
City court	3,395.67				(3,395.67)		(3,395.67)
Public safety - police department	302,418.78				(302,418.78)		(302,418.78)
Public safety - fire department	96,969.32		10,000.00		(86,969.32)		(86,969.32)
Public works - street department	176,844.69				(176,844.69)		(176,844.69)
Library	29,932.42		7,990.00		(21,942.42)		(21,942.42)
Emergency operations	4,632.83				(4,632.83)		(4,632.83)
Total Governmental Activities	1,140,866.55	10,482.50	17,990.00	-	(1,112,394.05)	-	(1,112,394.05)
Business-type Activities:							
Water and sewer fund	833,373.18	1,065,806.75				232,433.57	232,433.57
Total Business-type Activities	833,373.18	1,065,806.75	-	-	-	232,433.57	232,433.57
Total Primary Government	$ 1,974,239.73	$ 1,076,289.25	$ 17,990.00	$ -	(1,112,394.05)	232,433.57	(879,960.48)
Property taxes					728,443.00	102,719.61	831,162.61
Franchise fees					26,327.27		26,327.27
Sales tax revenue					10,679.09		10,679.09
Interest					2,519.67	13,638.43	16,158.10
Transfers					325,000.00	(325,000.00)	-
RV storage revenue					17,088.34		17,088.34
Tax certificates					564.00		564.00
Other					17,611.05		17,611.05
Total general revenues and transfers					1,128,232.42	(208,641.96)	919,590.46
Change in net position					15,838.37	23,791.61	39,629.98
Net position, October 1					1,156,338.42	2,773,681.18	3,930,019.60
Net position, September 30					$ 1,172,176.79	$ 2,797,472.79	$ 3,969,649.58

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2017

	General	Total Governmental Funds
Assets		
Cash and cash in bank	$ 304,656.60	$ 304,656.60
Receivables (net of allowance for uncollectibles)		
Taxes	5,032.81	5,032.81
Franchise fees	1,514.12	1,514.12
Other governments	762.54	762.54
Total Assets	$ 311,966.07	$ 311,966.07
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$ 215,810.11	$ 215,810.11
Total Liabilities	215,810.11	215,810.11
Deferred Inflows of Resources		
Unavailable revenue - property taxes	5,032.81	5,032.81
Total Deferred Inflows of Resources	5,032.81	5,032.81
Fund Balance		
Unassigned	91,123.15	91,123.15
Total Fund Balance	91,123.15	91,123.15
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 311,966.07	$ 311,966.07

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
AS OF SEPTEMBER 30, 2017

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

Total fund balance per balance sheet		$ 91,123.15
Capital assets used in the operation of governmental funds are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Land	46,230.00	
Buildings	622,650.38	
Streets and infrastructure	2,908,921.20	
Improvements	744,884.34	
Vehicles, equipment and machinery	1,167,122.24	
Accumulated depreciation	(3,918,614.92)	
		1,571,193.24
Other long-term assets are not available to pay for current period expenditures and are therefore deferred in the funds and recognized as revenue in the statement of activities.		
Deferred property taxes		5,032.81
Deferred outflows related to pensions are not financial resources and therefore are not reported in governmental funds		95,156.60
Long-term liabilities of governmental funds are not due and payable in the current period and therefore, are not reported in the funds. These consist of:		
Accrued compensation		(5,142.35)
Net pension liability		(585,186.66)
Net position of governmental activities		$ 1,172,176.79

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	General	Total Governmental Funds
Revenues		
Property taxes	$ 722,299.05	$ 722,299.05
Penalties and interest	4,056.30	4,056.30
Permits	10,482.50	10,482.50
Franchise fees	26,327.27	26,327.27
Library revenue	7,990.00	7,990.00
R V storage revenue	17,088.34	17,088.34
Municipal court revenue	1,967.10	1,967.10
Tax certificates	564.00	564.00
Interest revenue	2,519.67	2,519.67
Sales tax revenue	10,679.09	10,679.09
Grant revenue	10,000.00	10,000.00
Miscellaneous	15,643.95	15,643.95
Total Revenues	829,617.27	829,617.27
Expenditures		
Current:		
General government	340,808.34	340,808.34
Operations	167,160.38	167,160.38
City court	3,395.67	3,395.67
Public safety - police department	267,083.91	267,083.91
Public safety - fire department	72,858.85	72,858.85
Public works - street department	83,160.89	83,160.89
Library	29,202.57	29,202.57
Emergency operations	2,151.93	2,151.93
Capital outlay	341,633.63	341,633.63
Total Expenditures	1,307,456.17	1,307,456.17
Excess (Deficiency) of Revenues Over (Under) Expenditures	(477,838.90)	(477,838.90)
Other Financing Sources (Uses)		
Transfers in	325,000.00	325,000.00
Total Other Financing Sources and Uses	325,000.00	325,000.00
Net Change in Fund Balance	(152,838.90)	(152,838.90)
Fund Balance, October 1	243,962.05	243,962.05
Fund Balance, September 30	$ 91,123.15	$ 91,123.15

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE 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 change in fund balance -- total governmental funds		$ (152,838.90)
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. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	341,633.63	
Depreciation expense	166,672.07	
		174,961.56
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes		2,087.65
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.		
Accrued compensation		369.49
Pension expense		(8,741.43)
Change in net position of governmental activities		$ 15,838.37

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2017

	Enterprise	Total
Assets		
Current Assets		
Cash and cash in bank	$ 1,113,763.96	$ 1,113,763.96
Receivables (net of allowance for uncollectibles)		
Customer accounts	107,149.53	107,149.53
Total Current Assets	1,220,913.49	1,220,913.49
Non-current Assets		
Restricted Assets		
Cash and cash in bank	85,727.43	85,727.43
Total Restricted Assets	85,727.43	85,727.43
Capital Assets		
Water and sewer system	4,715,358.85	4,715,358.85
Buildings	306,800.47	306,800.47
Furniture	23,039.33	23,039.33
Accumulated depreciation	(2,959,512.22)	(2,959,512.22)
Total Capital Assets	2,085,686.43	2,085,686.43
Total Non-current Assets	2,171,413.86	2,171,413.86
Total Assets	3,392,327.35	3,392,327.35
Deferred Outflows of Resources		
Deferred interest on refunding	6,249.77	6,249.77
Deferred pension contribution	21,310.85	21,310.85
Total Deferred Outflows of Resources	$ 27,560.62	$ 27,560.62

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2017

	Enterprise	Total
Liabilities		
Current Liabilities (payable from current assets)		
Accounts payable	$ 66,424.04	$ 66,424.04
Utility deposits	33,190.00	33,190.00
Total Current Liabilities (payable from current assets)	99,614.04	99,614.04
Current Liabilities (payable from restricted assets)		
Accrued interest payable	1,458.19	1,458.19
General obligation refunding bonds payable, current	90,000.00	90,000.00
Total Current Liabilities (payable from restricted assets)	91,458.19	91,458.19
Non-current Liabilities		
Net pension liability	136,342.95	136,342.95
General obligation refunding bonds payable, non-current	295,000.00	295,000.00
Total Non-current Liabilities	431,342.95	431,342.95
Total Liabilities	622,415.18	622,415.18
Net Position		
Net investment in capital assets	1,700,686.43	1,700,686.43
Restricted for debt service	85,727.43	85,727.43
Unrestricted	1,011,058.93	1,011,058.93
Total Net Position	$ 2,797,472.79	$ 2,797,472.79

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Business-type Activities	
	Enterprise Funds	Total
Revenues		
Water	$ 632,399.13	$ 632,399.13
Sewer	147,697.17	147,697.17
Sanitation	149,401.34	149,401.34
Mosquito spraying	17,759.70	17,759.70
Penalty revenue	5,197.67	5,197.67
Tap connect fees	2,400.00	2,400.00
Turn on revenue	1,200.00	1,200.00
Sewer revenue - Buffalo Lake	109,751.74	109,751.74
Total Operating Revenues	1,065,806.75	1,065,806.75
Operating Expenses		
Water purchases	358,700.26	358,700.26
Payroll	133,558.32	133,558.32
Utilities	37,669.14	37,669.14
Chemicals	4,925.99	4,925.99
Supplies, repairs and maintenance	26,832.17	26,832.17
Fees, permits, inspections	3,460.75	3,460.75
Depreciation	128,527.57	128,527.57
Lab charges	5,015.34	5,015.34
Mosquito spraying expense	4,321.52	4,321.52
Insurance	1,097.00	1,097.00
Solid waste collection contract	114,725.20	114,725.20
Total Operating Expenses	818,833.26	818,833.26
Operating Income	246,973.49	246,973.49
Non-operating Revenue (Expense)		
Interest income	13,638.43	13,638.43
Tax receipts	102,719.61	102,719.61
Interest expense	(14,539.92)	(14,539.92)
Total Non-operating Revenue (Expense)	101,818.12	101,818.12
Income Before Operating Transfers	348,791.61	348,791.61
Operating transfers out	(325,000.00)	(325,000.00)
Change in Net Position	23,791.61	23,791.61
Total Net Position, October 1	2,773,681.18	2,773,681.18
Total Net Position, September 30	$ 2,797,472.79	$ 2,797,472.79

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Business-type Activities	
	Enterprise Funds	Total
Cash Flows From Operating Activities		
Cash received from customers	$ 1,058,255.18	$ 1,058,255.18
Cash payments to suppliers	(526,669.62)	(526,669.62)
Cash payments to employees	(131,649.81)	(131,649.81)
Net Cash Provided by Operating Activities	399,935.75	399,935.75
Cash Flows From Non-capital Financing Activities		
Operating transfers out	(325,000.00)	(325,000.00)
Net Cash Provided By (Used For) Non-capital Financing Activities	(325,000.00)	(325,000.00)
Cash Flows From Capital and Related Financing Activities		
Acquisition and construction of capital assets	(329,839.80)	(329,839.80)
Tax receipts	102,719.61	102,719.61
Repayment of long-term debt	(90,000.00)	(90,000.00)
Interest payment long-term debt	(13,029.00)	(13,029.00)
Net Cash Provided By (Used For) Capital and Related Financing Activities	(330,149.19)	(330,149.19)
Cash Flows From Investing Activities		
Interest received	13,638.43	13,638.43
Net Cash Provided By Investing Activities	13,638.43	13,638.43
Net Increase (Decrease) in Cash and Cash Equivalents	(241,575.01)	(241,575.01)
Cash and cash equivalents, October 1	1,441,066.40	1,441,066.40
Cash and cash equivalents, September 30	$ 1,199,491.39	$ 1,199,491.39
Cash and cash in bank	$ 1,113,763.96	$ 1,113,763.96
Restricted cash and cash in bank	85,727.43	85,727.43
Total cash and cash equivalents	$ 1,199,491.39	$ 1,199,491.39

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Business-type Activities	
	Enterprise Funds	Total
Reconciliation of operating income to net cash provided by (used for) operating activities		
Operating income	$ 246,973.49	$ 246,973.49
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	128,527.57	128,527.57
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(11,351.57)	(11,351.57)
(Increase) decrease in deferred outflows - pension	116.14	116.14
Increase (decrease) in accounts payable	30,077.75	30,077.75
Increase (decrease) in accrued compensation	-	-
Increase (decrease) in net pension liability	1,792.37	1,792.37
Increase (decrease) in utility deposits	3,800.00	3,800.00
Net cash provided by operating activities	$ 399,935.75	$ 399,935.75

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF SEPTEMBER 30, 2017

	Pension Trust Fund
Assets	
Current Assets	
Equity in investments	$ 67,704.34
Total Assets	$ 67,704.34
Net Position	
Held in trust for pension benefits	$ 67,704.34

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Pension Trust Fund
Additions	
Contributions	$ -
Net increase in fair value of investments	7,395.06
Total additions	7,395.06
Deductions	
Benefits	-
Total deductions	-
Change in net position	7,395.06
Net position held in trust for pension benefits, October 1	60,309.28
Net position held in trust for pension benefits, September 30	$ 67,704.34

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

The Town of Ransom Canyon, Texas (the City) operates under a mayor – council (5 council members) form of government and provides the following services: Public Safety (Police and Fire protection), Streets, Sanitation, Public Improvements (Water and Sewer Systems), Library, Planning and Zoning, and General Administrative Services. Volunteers staff the fire and ambulance services.

The financial statements of the City have been prepared to conform with Accounting Principles Generally Accepted in the United States of America (GAAP) as applicable to governmental units. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. Financial Reporting Entity

Financial information of the City is presented as follows:

- *Management's Discussion and Analysis* introduces the basic financial statements and provides an analytical overview of the City's financial activities.

- *Basic Financial Statements*: Government-wide financial statements consist of a statement of net position and a statement of activities to display information about the City as a whole.

  These statements report all of the non-fiduciary activities of the government. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business-type activities are normally supported by fees and charges from services and are usually intended by management to be financially self-sustaining.

  The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Revenues that are not classified as program revenues, including all taxes and other items, are presented as general revenues.

- *Fund Financial Statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate financial statements are presented for the governmental and enterprise funds.

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units, if applicable. The City's financial statements include the accounts of all City operations. Component units are organizations for which the City is financially accountable and all other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability exists if the City appoints a voting majority of an organization's governing board and is either able to impose it's will on that organization or there is a potential for the organizations to provide specific financial benefits to, or impose specific financial burdens on, the City.

The City may be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The financial statement of the component units may be discretely presented in a separate column from the primary government or blended with the financial statements of the primary government. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The City holds the corporate powers of the organization
- The City appoints a voting majority of the organization's board
- The City is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the City
- There is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the Town of Ransom Canyon has no component units.

B. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund 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 non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of interfund activity has been removed from these statements. The previous reporting model emphasized fund types (the total of all funds of a particular type), in the new reporting model as defined by GASB Statement No. 34 the focus is either the City as a whole or major individual funds (within the fund financial statements).

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Public Works, etc.) or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Indirect expenses are allocated based on the annual cost allocation plan. 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 activity, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, sales taxes, franchise taxes, intergovernmental revenues, interest income, etc.).

Separate fund based financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental fund is the general fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements, if applicable.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories.

Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

C. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund level 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 collected 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. Grant revenues availability period is generally considered to be one year. 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 the liability has matured and payment is due.

Ad valorem and franchise tax revenues in the General Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are recorded as revenues when received in cash as the resulting receivable is immaterial. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirement of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Business-type activities and all proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customer for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assts. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following major funds are used by the City:

1. Governmental Funds:

The following is a description of the Governmental Funds of the City:

The following is a description of the Governmental Funds of the City:

a. General Fund accounts for several of the City's primary services (Public Safety, Public Works, General Administration, etc.) and is the primary operating unit of the City.

b. Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds, when applicable.

2. Proprietary Funds:

The following is a description of the major Proprietary Funds of the City:

a. The enterprise fund accounts for the operation of the City's water and sewer utility and solid waste pickup. Activities of the fund include administration, operation and maintenance of the water and sewer system and billing and collection activities. The Fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the Fund.

Additionally, the City reports the following fund types:

- Fiduciary Trust Fund – Account for the resources legally held in trust or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes a pension trust fund and an agency fund to account for resources held in a purely custodial capacity for individuals or organizations outside the City.

D. Encumbrances

The City does not use an encumbrance system of accounting.

E. Cash, Cash Equivalents and Investments

The City maintains a pooled cash account that is shared by the General Fund and Enterprise Fund. Each fund's portion of this pooled cash is allocated through its cash and cash in bank account on the balance sheet or statement of net position. The funds pool their operating cash for the purpose of cash management and to increase income through combined investment activities. In addition, non-pooled cash is separately held and reflected in each fund's balance sheet when applicable.

The cash and cash equivalents reflected in the statement of cash flows for the Proprietary Funds are made up of cash on hand, cash in the City's depository bank, and certificates of deposit. Investments are considered to be cash equivalents if they are highly liquid with maturities of three months or less. Cash deposits and investments are reported at carrying amount (cost), which equals fair value, in accordance with GASB Statement No. 31. At year end September 30, 2017 the City had no investments. The Texas Public Funds Investment Act governs items such as investment strategies and policies, training for investment officers, reporting requirements, and types of investments allowed. See Note 2.

F. Prepaid Items

Prepaid balances, when applicable, are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year.

G. Inventories

Inventories in Governmental and Proprietary Funds consist of expendable supplies. These amounts are not significant and thus no provision has been made for these amounts in the financial statements. Inventory items are expensed when purchased.

H. Interfund Receivables and Payables

Interfund receivables and payables are eliminated at the end of the fiscal year by reclassifying them as operating transfers if management does not expect the receiving fund to be able to repay the payable within a reasonable time. Interfund transfers are made to cover expenditures in funds with inadequate cash balances to cover the expenses. These transfers are treated as operating transfers and are included in the results of operations of both Governmental and Proprietary Funds.

I. Capital Assets

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed fixed assets are carried at estimated fair market value on the date donated. Public domain (infrastructure) fixed assets consisting of roads, streets and sidewalks have been recorded at estimated historical cost. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized.

Assets capitalized have an original cost of $2,500 or more and a life expectancy of over three years. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and land improvements	10 – 40 years
Streets	30 years
Water and sewer system	0 – 40 years
Machinery and equipment	5 – 10 years

J. Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. The City's policy allows full time, permanent employees to accumulate a limited amount of earned but unused vacation leave. Full time, permanent employees are allowed to accrue up to twenty days of sick leave. It is the City's policy to not pay employees for unused sick leave upon separation of service from the City. For the year ended September 30, 2017 compensated absences relating to vacation and comp time amounted to $5,142.35.

K. Restricted Assets

Certain resources of the enterprise fund have been set aside for construction and repayment of debt and are classified as restricted on the balance sheet or statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond ordinances. The City records these reserves to indicate that a portion of cash and fund equity is legally segregated for a specific future use. At September 30, 2017 the proprietary funds had $85,727.43 reserved for debt service. When an expense is incurred for which both restricted and unrestricted net position are available it is the City's policy to first apply restricted resources to the expense.

L. Reclassifications

Certain reclassifications have been made to fiscal year 2016 amounts to conform to the fiscal year 2017 presentation.

M. Bond Issuance and Deferred Debt Expense

Bond and certificate of obligation issuance costs are expensed in the period incurred. The difference between the reacquisition price and the net carrying value of proprietary refunded debt is capitalized and amortized over the terms of the respective bonds and certificates of obligation using the straight-line method.

N. Capitalized Interest

In conformity with Financial Accounting Standards No. 34, "Capitalization of Interest Cost," the City capitalized interest costs for business-type activities only, net of related interest earned, from the date of borrowing until the projects acquired with those funds are ready for their intended use. For the fiscal year ended September 30, 2017 there were no capitalized interest costs.

O. Use of 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 expenses during the reporting period. Actual results could differ from those estimates.

P. 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 City currently has two items which qualify for reporting in this category, contributions made to the pension plan in the 2017 calendar year and an unamortized interest amount which resulted from a bond refunding.

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 City currently 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 revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period when the amounts become available.

Q. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the assets and deferred outflows of resources and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council, through City Ordinance, has expressly delegated to the City Administrator the authority to assign funds for particular purposes or through adoption or amendment of the budget as intended for a specific purpose.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund.

Flow Assumptions – When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance as needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

Net Position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduces this category.

Restricted net position - This category represents external restrictions imposed either: 1) by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This category represents the net position of the City which are not restricted for any project or other purpose.

Flow Assumptions – The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. 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.

2. Deposits and Investments

The City's cash and investments can be subject to five types of risk which are examined in more detail as follows:

CUSTODIAL CREDIT RISK OF BANK DEPOSITS – Custodial credit risk 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 and investments be fully collateralized by U.S. Government obligations or obligations of the State of Texas and its agencies that have a market value of not less than the deposit amounts. The City's deposits were fully insured or collateralized as required by state statutes at September 30, 2017. At year-end, the carrying amount of the City's deposits was $1,503,997.99 and the respective bank balances totaled $1,521,147.07. The City had no investments at September 30, 2017 however from time to time the City may investment in certificates of deposit. The City's deposits were covered by Federal Depository Insurance in the amount of $250,000. The remainder was covered by collateral with a par value of $2,090,000 and a market value of $2,235,380 at September 30, 2017 held by the bank's agent and pledged to the Town of Ransom Canyon in accordance with State law.

CUSTODIAL CREDIT RISK OF INVESTMENTS – Custodial credit risk 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. This type of credit risk is inapplicable to the City's investments because the only investments are certificates of deposit as described above.

INTEREST RATE RISK – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This type of risk is also inapplicable to the City because the only investments are certificates of deposit whose value is not dependent upon the rate of interest.

CREDIT RISK – Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation. The City's investment policy minimizes credit risk by limiting investments to the safest types of securities.

CONCENTRATION OF CREDIT RISK – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. This type of risk is also inapplicable to the City because the only investments are certificates of deposit.

FOREIGN CURRENCY RISK – Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment or a deposit. The City's policy is not to invest in foreign currencies which rules out any exposure to foreign currency risk.

Investments - Texas statutes authorize the types of investments allowable by the City. The City is authorized to invest in U.S. Government obligations and its agencies or instrumentalities, fully collateralized certificates of deposit, repurchase agreements, commercial paper, and direct obligations of cities within the State of Texas. The City is also authorized to invest in direct obligations of the State of Texas or its agencies, obligations of states, agencies, counties, and other political subdivisions, reverse repurchase agreements, prime domestic bankers' acceptances, money market funds, and government pools.

The City from time to time invests in certificates of deposit however at September 30, 2017 the City had no investments in certificates of deposit. The City pools cash resources of its various funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements.

3. Debt and Interest Expense

At September 30, 2017 debt outstanding consisted of the following individual issues:

Series 2010 General Obligation Refunding Bonds issued at an interest rate of 3.03%. Principal is due in annual payments on February 15 and interest is due in semi-annual payments on February 15 and August 15. The balance at September 30, 2017 was $385,000 of which $90,000 is due within one year.

For the year ended September 30, 2017 the City paid interest in the amount of $13,029.00 with the accrual basis interest expense being $14,539.92.

General Obligation Refunding Bonds

The General Obligation Refunding Bonds are direct obligations issued on a pledge of the general taxing power and the revenues of the Enterprise Fund for the payment of the debt obligations of the City. These Bonds require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year certificates of obligation are outstanding) funds to pay interest and principal at maturity for any amounts not paid from the revenues of the Enterprise Fund. These Bonds are secured both by a pledge of ad valorem taxes levied on all taxable property within the City and by a lien on and pledge of revenues to be generated by the Enterprise Fund.

Changes in Outstanding Debt

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

	Balance 10/1/2016	Additions	Retirements	Balance 9/30/2017	Amount Due Within One Year
Business-type Activities					
General Obligation Refunding Bonds	$ 475,000.00	$ -	$ (90,000.00)	$ 385,000.00	$ 90,000.00
Total Business-type Activities	$ 475,000.00	$ -	$ (90,000.00)	$ 385,000.00	$ 90,000.00

Annual Requirements to Retire Debt Obligations

The annual aggregate maturities of the City's debt for the years subsequent to September 30, 2017 are as follows:

Year Ending September 30	Principal	Interest	Total
2018	$ 90,000.00	$ 10,302.00	$ 100,302.00
2019	95,000.00	7,499.25	102,499.25
2020	100,000.00	4,545.00	104,545.00
2021	100,000.00	1,515.00	101,515.00
	$ 385,000.00	$ 23,861.25	$ 408,861.25

4. Deferred Compensation Plan

At one time the City offered its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permitted City employees to defer a portion of their salary until future years. The City placed the deferred compensation plan assets into trust for the exclusive benefit of plan participants and beneficiaries in accordance with Governmental Accounting Standards Board (GASB) Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This plan is no longer offered by the City. The City has no

administrative involvement and does not perform the investing function for the plan. At September 30, 2017 the value of the investments in the plan was $67,704.34 as presented by the plan administrator.

5. Interfund Transfers

The purpose of these interfund transfers is to fund routine government operations. Interfund transfers during the year ended September 30, 2017 were as follows:

Fund	Operating Transfers In	Operating Transfers Out
General Fund	$ 325,000.00	$
Enterprise Fund		325,000.00
	$ 325,000.00	$ 325,000.00

6. Accounts Receivable and Due From Other Governments

Accounts receivable for the City's governmental and business-type activities, including the applicable allowance for uncollectible accounts at September 30, 2017 are as follows:

	Accounts Receivable	Allowance For Uncollectible	Total
Governmental activities:			
General Fund:			
Property taxes	$ 5,032.81	$ -	$ 5,032.81
Franchise fees	1,514.12		1,514.12
Other governments	762.54	-	762.54
Total Governmental activities	7,309.47	-	7,309.47
Business-type activities:			
Water, sewer and sanitation customers	122,750.72	(15,601.19)	107,149.53
Total Business-type activities	122,750.72	(15,601.19)	107,149.53
Total accounts receivable	$ 130,060.19	$ (15,601.19)	$ 114,459.00

7. Defined Benefit Pension Plans

Plan Description

The Town of Ransom Canyon 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 publically available comprehensive annual financial report (CAFR) that can obtained at *www.tmrs.com*.

All eligible employees (full-time and employees who work in excess of 1,000 hours per year) of the City are required to participate in TMRS.

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 governing state statutes governing TMRS.

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

	Plan Year 2016	Plan Year 2017
Employee deposit rate	6.0%	6.0%
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)	0% of CPI	0% of CPI

Employees covered by benefit terms

At the December 31, 2015 and 2016 valuation and measurement dates, the following employees were covered by the benefit terms:

	12/31/2015	12/31/2016
Inactive employees or beneficiaries currently receiving benefits	2	2
Inactive employees entitled to but not yet receiving benefits	1	2
Active employees	11	11
Total	14	15

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 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 Town of Ransom Canyon were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the Town of Ransom Canyon were 14.60% and 15.54% in calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017 were $83,265.20, and were equal to the required contributions.

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 valuations was determined using the following actuarial assumptions:

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

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%.

For Cities with fewer than twenty employees, more conservative methods and assumptions are used. First, lower termination rates are used for smaller cities, with maximum multipliers of 75% for employers with less than 6 members, 85% for employers with 6 to 10 members, 100% for employers with 11 to 15 members, and 115% for employers with less than 100 members. There is also a load on the life expectancy for employers with less than 15 active members. The life expectancy will be loaded by decreasing the mortality rates by 1% for every active member less than 15. For example, an employer with 5 active members will have the baseline mortality tables multiplied by 90% (10 active members times 1%). For underfunded plans, the maximum amortization period for amortizing gains and losses is decreased from current levels by 1 year for each active member less than the 20 member threshold. For example, an employer with 8 active members and a current maximum amortization period of 25 will use (25-(20-8)) = 13 year amortization period for the gain or loss in that year's valuation. Under this policy, the lowest amortization period will be 25-(20-1) = 6 years. Once the plan is overfunded, the amortization period will revert back to the standard 25 years.

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 male 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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.50%	4.55%
International Equity	17.50%	6.35%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	4.15%
Real Return	10.00%	4.15%
Real Estate	10.00%	4.75%
Absolute Return	10.00%	4.00%
Private Equity	5.00%	7.75%
Total	100.00%	

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.

Change in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/15	$ 1,625,614	$ 916,180	$ 709,434
Changes for the year:			
Service cost	58,412		58,412
Interest	110,872		110,872
Change of benefit terms			
Difference between expected and actual experience	10,383		10,383
Changes of assumptions			-
Contributions - employer		75,041	(75,041)
Contributions - employee		31,264	(31,264)
Net investment income		62,002	(62,002)
Benefit payments, including refunds of employee contributions	(24,547)	(24,547)	-
Administrative expense		(699)	699
Other changes		(38)	38
Net changes	155,120	143,023	12,097
Balance at 12/31/16	$ 1,780,734	$ 1,059,203	$ 721,531

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

The following presents the net position 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 in Discount Rate (5.75%)	Current Single Rate Assumption (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 954,355	$ 721,531	$ 526,029

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2017, the city recognized pension expense of $92,786.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ (19,089.00)	$
Changes in actuarial assumptions	36,405.00	
Difference between projected and actual investment earnings	38,066.00	
Contributions subsequent to the measure date December 31, 2016	61,085.45	
Total	$ 116,467.45	$ -

$61,085.45 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended Dec 31:	
2017	$ 15,871.00
2018	15,869.00
2019	14,020.00
2020	2,522.00
2021	2,554.00
Thereafter	4,546.00
Total	$ 55,382.00

8. Supplemental Death Benefit Plan

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. Although it has no plans to do so, 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 following summarizes the SDBF coverage provided by the City for the prior two years:

	Plan Year 2016	Plan Year 2017
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.

Contributions are made monthly to the SDBF based on the covered payroll of the City. The contributions to the TMRS SDBF during the years ended September 30, 2017, 2016 and 2015 were $1,129.16, $1,010.56 and $904.74, respectively, which equaled the required contributions for each period. The rate was 0.20% for October through December 2016 and 0.21% for January through September 2017 of the covered payroll for the period covered by this report. The City has two retirees since adoption of the plan; any contributions made for retirees which would be considered an other post-employment benefit are insignificant.

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

Plan Year Ending	Annual Required Contribution Rate	Actual Contribution Made Rate	Percentage of ARC Contributed
2014	0.00%	0.00%	100%
2015	0.01%	0.01%	100%
2016	0.01%	0.01%	100%

9. 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; injuries to employees; and natural disasters. The City participates in a public entity risk pool managed by the Texas Municipal League whereby the risk is pooled with other entities. Participation in this pool allows the City to share liability, crime, motor vehicle and property damage risks. The Intergovernmental Risk Pool (the Pool) allows the City to manage risk by purchasing property, liability, and workers compensation insurance through the Texas Municipal League. The Pool provides property, liability and workers' compensation coverage for certain governmental entities of the State of Texas. Member entities include municipalities, housing authorities, councils of governments, hospital districts, water districts and tax appraisal districts. The Pool consists of five separate funds: the Workers' Compensation Fund, the Liability Fund, the Property Fund, the Reinsurance Fund and the Stability Fund. The financial results of these coverages are accounted for in separate funds by the Pool.

The Texas Workers' Compensation Fund Joint Insurance Fund (the Workers' Compensation Fund) provides coverage that conforms to the workers' compensation law of Texas. As part of the coverage, the Pool provides risk management services with emphasis on loss control.

The City purchased $1,000,000 liability coverage and approximately $3,429,669 property coverage. For insured programs there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three preceding years.

The premiums paid for Workers' Compensation Coverage are based on estimated payroll amounts and are subject to fluctuations based upon an audit of payroll costs by the insurer. Any increase or decrease is not expected to be material to the financial statements.

10. Property Tax

Property taxes are levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by law. In Texas, central appraisal districts are required under the Property Tax Code to access all property within the appraisal district on the basis of 100% of its market value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years. The City may challenge appraised values established by the appraisal district through various appeals, and, if necessary, legal action. The Lubbock Central Appraisal District establishes appraised values at 100% of estimated fair market value and collects property taxes for the City. The 2016 certified tax roll for the City was $125,444,790.

Taxes are due on October 1 immediately following the levy date and are delinquent after the following January 31. Tax liens are automatic on January 1 of each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent (February 1). The 2016 tax rate was $0.65929 per $100 valuation. The tax rate was allocated $0.57702 for maintenance and operations and $0.08227 for principal and interest on debt. Current tax collections for the year ended September 30, 2017 were 99.53% of the tax levy.

In the governmental fund financial statements, property taxes are recorded as receivables and deferred revenues at the time the tax levy is billed. 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.

11. Leases and Lease Purchase Agreements

The City currently leases office equipment under certain operating type leases. These leases are annual leases and expire after 12 months. Rental payments under these operating leases totaled $4,345.02 for the year ended September 30, 2017.

12. Contingent Liabilities

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement, which may arise as the result of these audits, is not believed to be significant.

From time to time the City is party to various legal proceedings which normally occur in governmental operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of City management, after consultation with legal counsel, these legal proceedings are not likely to have a significant adverse impact on the affected funds of the City.

13. Capital Assets

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

	Balance 10/1/2016	Transfers and Additions	Transfers and Retirements	Balance 9/30/2017
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 46,230.00	$	$	$ 46,230.00
Construction in progress	46,982.65	-	(46,982.65)	-
Total capital assets, not being depreciated	93,212.65	-	(46,982.65)	46,230.00
Capital assets, being depreciated				
Buildings	315,849.92	306,800.46		622,650.38
Streets and infrastructure	2,908,921.20			2,908,921.20
Improvements	744,884.34			744,884.34
Vehicles	688,565.29	58,776.48		747,341.77
Equipment	396,741.13	23,039.34		419,780.47
Total capital assets, being depreciated	5,054,961.88	388,616.28	-	5,443,578.16
Less accumulated depreciation for:				
Buildings	117,661.49	10,772.08		128,433.57
Streets and infrastructure	2,176,622.00	56,773.19		2,233,395.19
Improvements	514,183.50	39,622.92		553,806.42
Vehicles	584,567.62	46,834.35		631,401.97
Equipment	358,908.24	12,669.53		371,577.77
Total accumulated depreciation	3,751,942.85	166,672.07	-	3,918,614.92
Total capital assets being depreciated, net	1,303,019.03	221,944.21	-	1,524,963.24
Governmental activities capital assets, net	$ 1,396,231.68	$ 221,944.21	$ (46,982.65)	$ 1,571,193.24
Business-type activities:				
Capital assets, being depreciated				
Water and sewer system	$ 4,715,358.85	$ -	$ -	$ 4,715,358.85
Buildings	-	306,800.47		306,800.47
Furniture	-	23,039.33		23,039.33
Total capital assets, being depreciated	4,715,358.85	329,839.80	-	5,045,198.65
Less accumulated depreciation for:				
Water and sewer system	2,830,984.65	128,527.57		2,959,512.22
Buildings	-			-
Furniture	-			-
Total accumulated depreciation	2,830,984.65	128,527.57	-	2,959,512.22
Business-type activities capital assets, net	$ 1,884,374.20	$ 201,312.23	$ -	$ 2,085,686.43

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

Governmental activities:	
General government	$ 14,618.55
Public safety - police department	32,097.60
Public safety - fire department	24,110.47
Public works - street department	92,634.70
Emergency operations	2,480.90
Library	729.85
Total depreciation expense -- governmental activities	$ 166,672.07
Business-type activities:	
Water and sewer system	$ 128,527.57
Total depreciation expense -- business-type activities	$ 128,527.57

14. Individual Fund Disclosures

The water and sewer system of the City services approximately 568 properties. During the year ended September 30, 2017 the City sold approximately 66,872,000 gallons of water.

The City provides solid waste pickup and mosquito spraying services for its citizens with revenues and expenses recorded in the enterprise fund. The City contracts with a private company for waste collection and disposal. This waste is disposed of at the City of Lubbock's regional landfill or a landfill owned by a private company where the City is charged a fee based on weight to dispose of its waste. These fees will cover the City's share of any post-closure expenses and thus no provision is made in the financial statements for future costs associated with the landfill. Mosquito spraying is done on an as needed basis. Citizens are charged a monthly fee to cover the costs of these services.

15. Debt Refunding

The City issued the Series 2010 General Obligation Refunding Bonds on November 18, 2010 for $980,000. The proceeds were used to retire the Series 2001 Certificates of Obligation and to pay for the issuance costs of the Series 2010 General Obligation Refunding Bonds. These refunding bonds were issued to reduce the total debt service over the next 10 years by approximately $70,000. This results in a net present value benefit (difference between the present value of the debt service payment on the old and the new debt) of $57,106.66.

16. Budget

The City's budget contained expenditures in excess of revenues for the year ended September 30, 2017. A significant portion of the excess could be attributed to capital expenditures for a new City Hall facility. The excess expenditures are covered by drawing on reserves saved for this new facility and transfers from the enterprise fund. The City Council also approved any expenditures in excess of budgeted amounts for each account on the books.

17. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to September 30, 2017 to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2017. Management has performed their analysis through November 24, 2017, the date the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF RANSOM CANYON, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual Amounts			
	Original	Final	Actual	Adjustments to Budgetary Basis	Actual on Budgetary Total	Variance With Final Budget Positive (Negative)
Revenues						
Property taxes	$ 687,000.00	$ 687,000.00	$ 722,299.05		$ 722,299.05	$ 35,299.05
Penalties and interest	3,000.00	3,000.00	4,056.30		4,056.30	1,056.30
Permits	5,000.00	5,000.00	10,482.50		10,482.50	5,482.50
Franchise fees	25,200.00	25,200.00	26,327.27		26,327.27	1,127.27
Library revenue	8,000.00	8,000.00	7,990.00		7,990.00	(10.00)
R V storage revenue	12,400.00	12,400.00	17,088.34		17,088.34	4,688.34
Municipal court revenue	500.00	500.00	1,967.10		1,967.10	1,467.10
Tax certificates	100.00	100.00	564.00		564.00	464.00
Interest revenue	2,500.00	2,500.00	2,519.67		2,519.67	19.67
Sales tax revenue	8,000.00	8,000.00	10,679.09		10,679.09	2,679.09
Grant revenue		10,000.00	10,000.00		10,000.00	-
Miscellaneous	6,280.00	6,280.00	15,643.95		15,643.95	9,363.95
Total Revenues	757,980.00	767,980.00	829,617.27	-	829,617.27	61,637.27
Expenditures						
Current:						
General government	347,495.00	361,788.00	340,808.34		340,808.34	20,979.66
Operations	190,588.00	191,877.00	167,160.38		167,160.38	24,716.62
City court	5,600.00	5,600.00	3,395.67		3,395.67	2,204.33
Public safety - police department	273,762.00	277,646.00	267,083.91		267,083.91	10,562.09
Public safety - fire department	47,175.00	57,562.00	72,858.85		72,858.85	(15,296.85)
Public works - street department	97,525.00	97,525.00	83,160.89		83,160.89	14,364.11
Library	27,655.00	29,189.00	29,202.57		29,202.57	(13.57)
Emergency operations	3,000.00	3,000.00	2,151.93		2,151.93	848.07
Capital outlay	399,500.00	409,500.00	341,633.63		341,633.63	67,866.37
Total Expenditures	1,392,300.00	1,433,687.00	1,307,456.17	-	1,307,456.17	126,230.83
Excess (Deficiency) of Revenues Over (Under) Expenditures	(634,320.00)	(665,707.00)	(477,838.90)	-	(477,838.90)	187,868.10
Other Financing Sources (Uses)						
Note proceeds	325,000.00	325,000.00	-		-	(325,000.00)
Transfers in	524,473.00	524,473.00	325,000.00	-	325,000.00	(199,473.00)
Total Other Financing Sources and Uses	849,473.00	849,473.00	325,000.00	-	325,000.00	(524,473.00)
Net Change in Fund Balance	215,153.00	183,766.00	(152,838.90)	-	(152,838.90)	(336,604.90)
Fund Balance, October 1	243,962.05	243,962.05	243,962.05		243,962.05	
Fund Balance, September 30	$ 459,115.05	$ 427,728.05	$ 91,123.15	$ -	$ 91,123.15	$ (336,604.90)

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
Schedule of Changes in Net Pension Liability and Related Ratios
(unaudited)

	Calendar Year		
	2014	2015	2016
Total Pension Liability			
Service cost	$ 51,485	$ 52,228	$ 58,412
Interest (on the Total Pension Liability)	95,992	104,470	110,872
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(4,679)	(32,917)	10,383
Change of assumptions	-	47,799	-
Benefit payments, including refunds of employee contributions	(19,564)	(24,547)	(24,547)
Net Change in Total Pension Liability	123,234	147,033	155,120
Total Pension Liability - Beginning	1,355,347	1,478,581	1,625,614
Total Pension Liability - Ending (a)	$ 1,478,581	$ 1,625,614	$ 1,780,734
Plan Fiduciary Net Position			
Contributions - employer	$ 64,870	$ 71,479	$ 75,041
Contributions - employee	28,981	29,703	31,264
Net investment income	41,427	1,239	62,002
Benefit payments, including refunds of employee contributions	(19,564)	(24,547)	(24,547)
Administrative expense	(432)	(754)	(699)
Other	(36)	(37)	(38)
Net Change in Plan Fiduciary Net Position	115,246	77,083	143,023
Plan Fiduciary Net Position - Beginning	723,851	839,097	916,180
Plan Fiduciary Net Position - Ending (b)	$ 839,097	$ 916,180	$ 1,059,203
Net Pension Liability - Ending (a) -(b)	$ 639,484	$ 709,434	$ 721,531
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	56.75%	56.36%	59.48%
Covered Employee Payroll	$ 483,020	$ 495,055	$ 521,071
Net Pension Liability as a Percentage of Covered Employee Payroll	132.39%	143.30%	138.47%

The accompanying notes are an integral part of these financial statements.

TOWN OF RANSOM CANYON, TEXAS
Schedule of Contributions
(unaudited)

	Fiscal Year End 9/30/2015	9/30/2016	9/30/2017
Actuarially Determined Contribution	$ 70,339.27	$ 73,802.64	$ 82,136.04
Contributions in relation to the actuarially determined contribution	70,339.27	73,802.64	82,136.04
Contribution deficiency (excess)	$ -	$ -	$ -
Covered employee payroll	$ 490,102.60	$ 512,101.94	$ 544,652.06
Contributions as a percentage of covered employee payroll	14.35%	14.41%	15.08%

The accompanying notes are an integral part of these financial statements.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2017

Budgetary Control - Policy and Practice

The City operates on a twelve-month fiscal year which begins on October 1. The City Administrator prepares the budget under the supervision of the Mayor and the City Council. The Mayor is the budget officer and submits a budget of estimated revenues and expenditures to the City Council. Upon receipt of the budget estimates the City Council holds a budget workshop and a public budget hearing. Prior to October 1, the budget is legally enacted through approval by the City Council. Once approved, the Council may amend the legally adopted budget by a majority vote when unexpected modifications are required in estimated revenues and appropriations. In addition to the legally adopted budget the Council approves payment of expenditures at each monthly Council meeting. Unused appropriations for all annually budgeted funds lapse at the end of the fiscal year. Budgets are prepared on the modified accrual basis and include debt principal retirements and capital outlays as expenses. Additionally, the Enterprise Fund does not include depreciation as a budgetary expense.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures of governmental funds and proprietary funds are also budgeted on a detailed line item basis. Management may at its discretion transfer appropriations between line item amounts so long as the total budgeted appropriation is not changed. The total budget constitutes the legal level of control. Expenditures may not exceed appropriations at the total levels. Budget revisions at this level are subject to final review by the City Council.

The City prepares its budget on a government wide basis; that is the funds are not separated and budgeted individually. The budget for the year ended September 30, 2017 provided for expenditures that exceeded revenues by $660,771.

The Budgetary Comparison Schedule, included in the required supplementary information presents a comparison of budgetary data to actual results of operations for the General Fund, for which an annual operating budget is legally adopted. This fund utilizes the same basis of accounting for both budgetary purposes and actual results.

Schedule of Contributions

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	10 year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 10.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

Notes	There were no benefit changes during the year.

Staff Reports

WATER METER AUDIT INFORMATION
TOWN OF RANSOM CANYON

DECEMBER 2017

LUBBOCK MASTER METER READ

MONTHLY	BILLING CYCLE
4,537,000	4,451,000

LUBBOCK BILLED USAGE	4,474,000
RANSOM CANYON BILLED USAGE	3,343,000
CITY UNBILLED USAGE	38,000
FIRE DEPARTMENT UNBILLED USAGE	3,400
LINE FLUSHING UNBILLED USAGE	21,400
POTENTIAL WATER LOSS	1,068,200

ACTUAL AND OPPORTUNITY COST OF WATER LOSS

	LBB METER MONTHLY	LBB METER BILL CYCLE	LBB BILLED USAGE	RC BILLED USAGE	TOTAL UNBILLED USAGE	WATER LOSS	ACTUAL LOSS	OPPORTUNITY LOSS
January	3,776,000	3,490,000	3,473,000	2,597,000	5,900	870,100	$ 3,541.31	$ 6,169.01
February	4,110,000	4,289,000	4,279,000	3,707,000	41,000	531,000	$ 2,161.17	$ 3,764.79
March	6,358,000	5,609,000	5,581,000	4,794,000	1,382,000	-595,000	$ (2,421.65)	$ (4,218.55)
April	6,916,000	7,100,000	7,292,000	4,757,000	160,000	2,375,000	$ 9,666.25	$ 16,838.75
May	9,901,000	7,975,000	7,695,000	7,295,000	91,900	308,100	$ 1,253.97	$ 2,184.43
June	9,387,000	10,013,000	9,937,000	7,295,000	150,800	2,491,200	$ 10,139.18	$ 17,662.61
July	9,100,000	8,272,000	8,292,000	9,176,000	250,400	-1,134,400	$ (4,617.01)	$ (8,042.90)
August	7,637,000	8,983,000	9,141,000	7,103,000	524,700	1,513,300	$ 6,159.13	$ 10,729.30
Sept	8,026,000	9,294,000	9,287,000	6,888,000	85,350	2,313,650	$ 9,416.56	$ 16,403.78
October	5,885,000	5,253,000	5,216,000	4,180,000	148,300	887,700	$ 3,612.94	$ 6,293.79
November	5,349,000	5,155,000	5,190,000	4,773,000	64,600	352,400	$ 1,434.27	$ 2,498.52
December	4,537,000	4,451,000	4,474,000	3,343,000	62,800	1,068,200	$ 4,347.57	$ 7,573.54
TOTAL	80,982,000	79,884,000	79,857,000	65,908,000	2,967,750	10,981,250	$ 44,693.69	$ 77,857.06

Opportunity Loss:
Jan 2014 - dollars based on $5.95/1,000 gallons.
Feb 2014 - dollars based on $6.41/1,000 gallons
Jan 2015 - dollars based on $6.75/1,000 gallons
Jan 2016 - dollars based on $7.09/1,000 gallons
Jan 2017 - dollars based on 7.09/1,000 gallons

Actual Loss:
Jan 2014 - dollars based on $3.49/1,000 gallons
Jan 2015 - dollars based on $3.68/1,000 gallons
Jan 2016 - dollars based on $3.86/1,000 gallons
Jan 2017 - dollars based on $4.07/1,000 gallons

File Edit Options Help

Zone 01-RANSOM CANYON CITY User mbrown Date 12/28/2017 Time 14:59

Summary | Errors | Warnings | Lists

Consumption Period Dec 2016 0 Errors 0 Warnings

ELENA

Service	Billed Amount			Consumption		
Category	Dec 2016	Current	%	Dec 2016	Current	%
WATER	34,833.82	36,236.33	+ 4%	3,109	3,343	+ 8%
GARBAGE	13,260.24	13,351.39	+ 1%			
GAS LIGHT	0.00	0.00	+ 0%	4	4	+ 0%
MOSQUITO	1,468.80	1,481.99	+ 1%			
MISC	179.26	321.99	+ 80%			
RV SPACE	643.50	622.05	- 3%	30	29	- 3%
Total Revenue	62,600.62	64,338.77	+ 3%			

Idle Consumption

Dec 2016	
Current	
Difference	

Abnormal Consumption

	WATER	
	High	Low
Dec 2016	106	365
Current	0	390
Difference	- 100%	+ 7%

Allocation | Account | Bill | S/O | Exit

mbrown