



Annual Budget

Fiscal Year 2019-2020



Fiscal Year 2020 Budget

City of Kaufman, Texas

Section 102.007 of the Texas Local Government Code requires that the following information be included as the cover page for a budget document:

This budget will raise more revenue from property taxes than last year's budget by an amount of \$494,000.17, which is a 15.31% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$62,517.48.

The record vote for each member of the governing body voting on the adoption of the tax rate is as follows:

Council Member Name	Title	Record Vote
Jeff Jordan	Mayor	For
Patty Patterson	Mayor Pro-Tem	For
Jeff Council	Councilmember	For
Charles Gillenwater	Councilmember	For
Carole Aga	Councilmember	For
Barry Ratcliffe	Councilmember	For
Matthew Phillips	Councilmember	For

The current budget is based on a rate of \$0.8986509 per \$100 of valuation for the current property taxes.

	Fiscal Year 2018-2019	Fiscal Year 2019-2020
Proposed Tax Rate	\$0.8986509	\$0.8486509
Effective Tax Rate	\$0.8612010	\$0.8566590
Effective M&O Rate	\$0.6936060	\$0.7164370
Debt Rate	\$0.3636148	\$0.3007074
Rollback Rate	\$0.8986510	\$0.9300660

The total amount of outstanding municipal debt obligations secured by property tax is \$39,736,228.28.

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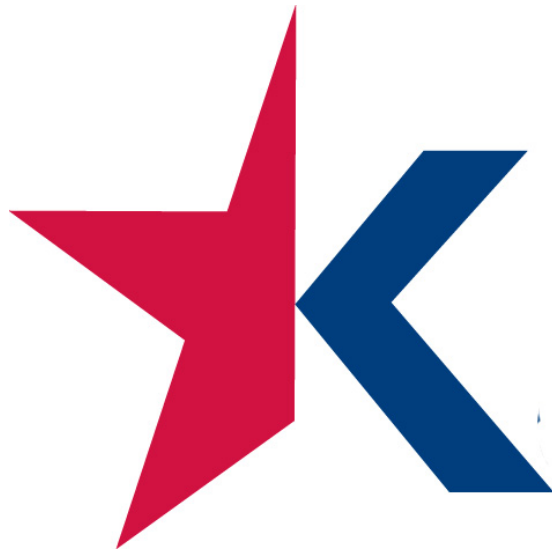
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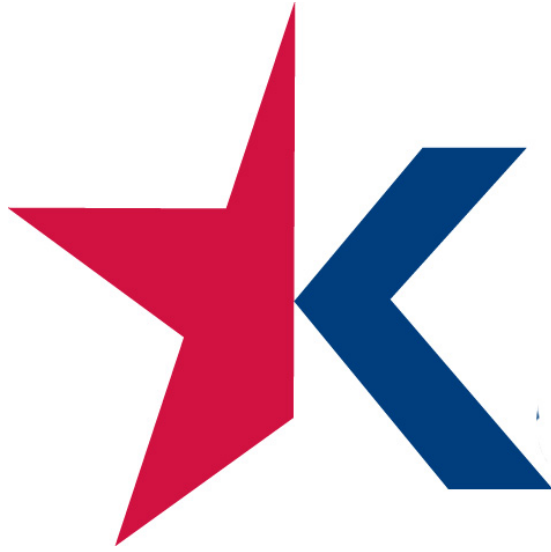
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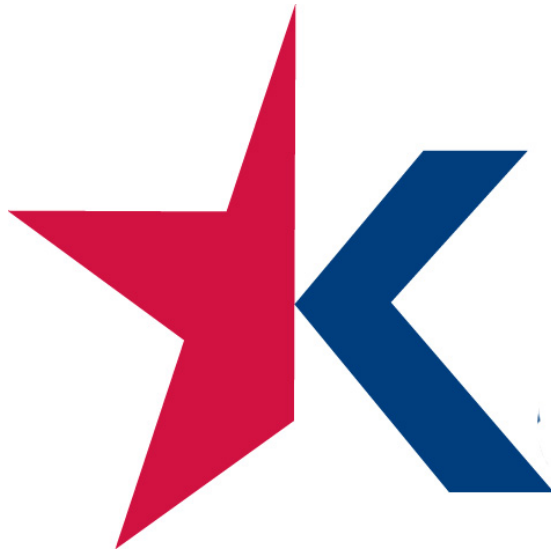
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Overview



Introduction

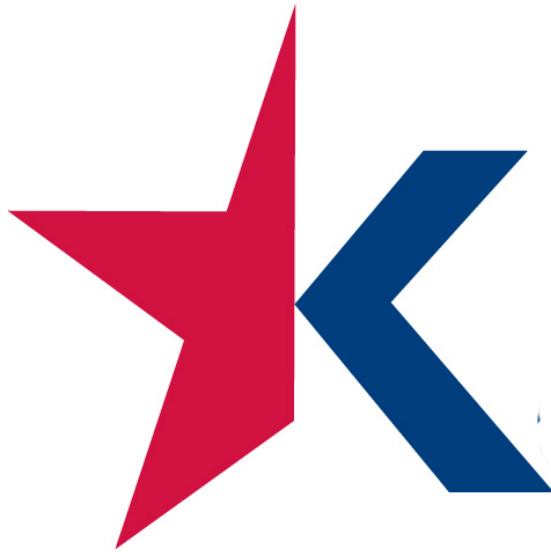


City Council



(Pictured: Ratcliffe, Phillips, Aga, Jordan, Patterson, Council, Gillenwater)

Jeff Jordan, Mayor
Patty Patterson, Mayor Pro-Tem
Jeff Council, Councilmember
Charles Gillenwater, Councilmember
Carole Aga, Councilmember
Barry Ratcliffe, Councilmember
Matthew Phillips, Councilmember

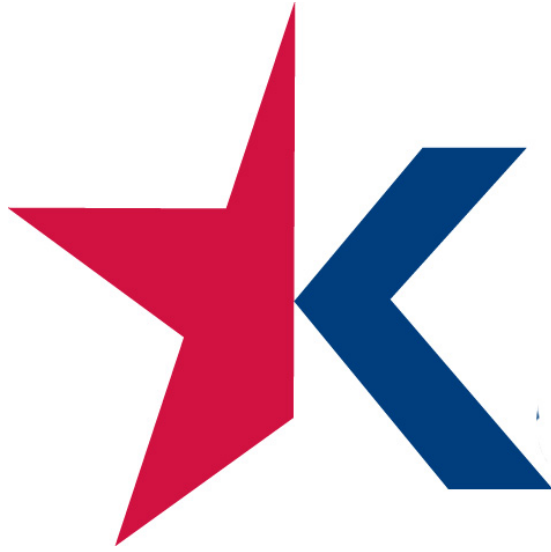


City Staff



(Pictured: Hanks, Ratcliff, Underwood, Slye, Holder, Whitaker, Davis, Wennerstrom)

Michael T. Slye, City Manager
Mike Holder, Assistant City Manager
Jessie Hanks, City Secretary
Mary Wennerstrom, Director of Finance
Dana Whitaker, Police Chief
Ronnie Davis, Fire Chief
Richard Underwood, Public Works Director
Marcy Ratcliff, Development Services Director



Budget Message

Document Guide

The purpose of this section is to provide the reader with a guide to the document's contents, where and how to find the information, and how to understand the information. The following describes each major section.

Introduction

This section introduces the City Council and City Staff representing the citizens of the City of Kaufman to the reader.

Budget Message

The first critical reading of the Proposed Budget is the Budget Highlights. The reader will gain an understanding of the City's vision, critical issues, budget process and policies as well as the budget calendar, and distribution of the total tax rate with the Truth-In-Taxation detail. The ordinance adopted by council to set the tax rate and adopt the budget are also included in this section.

City Profile

This section provides the reader with the background of the City of Kaufman. Included in this section are the City's overview, organizational chart, and fund descriptions and structure.

Policies

The City of Kaufman assumes an important responsibility to its citizens and customers to carefully account for public funds, to manage City finances wisely, and to plan for the adequate funding of services desired by the public. The broad purpose of the Financial Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and to provide guidelines for the day-to-day planning and operations of the City's financial affairs. The city's financial management, as directed by this Policy, is based upon the foundation of integrity, prudent stewardship, planning, accountability and full disclosure.

Overview of Fund and Summaries

This section provides the reader with information on the funds. A summary of all funds, a combined summary of revenue and expenditure with history and fund financial summaries are provided in this section.

Major Revenues

This section provides the reader with information on the major revenue sources. This section also includes detail information on revenue sources and trends.

General Fund

This section provides the reader with information on the General Fund. This section includes information on each department of the General Fund. Each department includes a description, goals, objectives, strategic hits and misses and associated strategies, achievements and initiatives, as well as an organizational chart.

Economic Development Fund

This section provides the reader with information on the Economic Development Fund. This section also includes information on revenue and expense detail and history.

Special Revenue Funds

This section provides the reader with the description and classification of each special revenue fund and includes revenue and expense detail and history.

Debt Service Funds

An understanding of the general debt obligation is detailed in this section. An overview of the Debt Service and information on revenue sources and debt service costs is also included.

Enterprise Funds

This section provides the reader with information on the Enterprise Fund. Each department includes a description, goals, objectives, strategic hits and misses and associated strategies, achievements and initiatives, as well as an organizational chart.

Capital Project Funds

This section provides the reader with the description and classification of each capital project fund revenue and expense detail and history.

Debt Service Overview

This section provides the reader with the description and classification of city-wide debt issues, payment schedule details and maturities.

Supplemental Information

This section provides the reader with information on city wide personnel summary trends and community profile information.

Glossary

This section defines technical terms related to finance and accounting, as well as non-financial terms to ensure reader understandability of the document as presented.



September 23, 2019

Kaufman City Council
209 S. Washington Street
Kaufman, TX 75142

Dear City Council:

In accordance with the Kaufman City Charter and the State of Texas Local Government Code, the proposed FY20 Budget, for the fiscal year beginning October 1, 2019 and ending September 30, 2020, is respectfully presented for consideration.

The proposed FY20 Budget presents, in financial terms, the plan for accomplishment of municipal objectives and serves to fulfill the City's Mission, "to enhance the quality of life of our Citizens, by providing a safe, clean environment through efficient delivery of services", during the forthcoming fiscal year. The essential task is to produce a balanced budget, and preparation of this document requires a comparison of the anticipated revenues with proposed programs and action plans that are based on City Council priorities, service demands, or prior project commitments.

Although the proposed budget does not fund all departmental requests, it is designed to accomplish the City Council's goals expressed during the planning process. It is further formulated on the mission, strategies, and core values identified by City Council and outlined within the City's strategy map. The strategy map serves as a roadmap for achieving the long-term goals and objectives articulated by City Council, and creates a solid foundation and guide for the FY20 budget, and future budgets. The following strategies and core values, were considered and implemented in this year's budget, and are aligned with priorities identified by Council:

Strategies

- ✓ Safe and Secure
- ✓ Smart, Business-Friendly Economic Development
- ✓ Strong Partnerships and Community Involvement
- ✓ Healthy and Environmentally Conscious Community
- ✓ Financial and Operational Stewardship

Core Values

Trust ★ Accountability ★ Service ★ Teamwork ★ Pride

The proposed FY20 Budget is a responsible financial plan, carefully developed utilizing advanced planning methods and Governmental Accounting Standards Board (GASB 34) provisions, and complies with the proposed Fund Balance Policy (GASB 54). Prudent financial and operational philosophies have guided budget development. While every budget seeks to allocate scarce resources, there will always be more needs than available funds.

The FY20 Budget highlights include:

- 3%, 5% or 10% COLA adjustment for most of the organization. The intent is to ‘true up’ the lower paid employees as much as the restrictive budget will allow. No COLA increase is budgeted for the certified police officers (except the Police Chief) as their salaries were adjusted at mid-year FY19 to remain competitive in the area.
- Funding Chapter 380 Agreements including KLLM
- 5-year lease of nine (9) vehicles, five (5) police vehicles, and four (4) public works vehicles
- A full-time Communications/HR Assistant
- A full-time Civic Center/Event Coordinator
- \$150,000 Street Maintenance/Rehab (primarily dedicated to curb & sidewalk repair)
- \$389,228 Street Maintenance Fund (1/4 penny Sales Tax)
- Increasing the Retail Utility Rates 9.43% as a wholesale increase pass thru from NTWMD and providing additional revenue to service \$2.71 million Wastewater Treatment Plant upgrades.
- 4 new Summer Hire positions (maintenance of parks)
- Additional Park Maintenance funds to affect significant improvements within our park system
- \$15,000 for janitorial services for our new Municipal Complex and future Community Center
- Development of a 5-year Capital Improvement Plan
- Development and Implementation of Performance Measures

FY20 Budget Summary & Development Considerations (Issues & Priorities)

The proposed budget includes total revenues of \$14,820,241 and expenditures of \$14,384,277. Excluding the Capital Improvement and Grant fund projects, the overall budget contains a surplus (revenues over expenditures) of \$ 435,964. The proposed FY20 budget represents conservative financial planning, while addressing increased demand for City services. The following sections discuss, by fund, the major issues and priorities addressed in the FY20 budget, and each priority is carefully aligned with the City’s strategy map and strategic hits and misses.

GENERAL FUND

Revenue Diversification – Each revenue source is carefully evaluated during the budget process to ensure adequate levels of funding. Diversifying city revenue sources to reduce reliance on property taxes is critical to minimizing the tax burden of our residents and commercial property owners, and City Council identifies it as a financial and operational stewardship priority on the City’s strategic hits and misses scorecard. Identified diversification areas include maximization of sales tax revenue along the Highway 34 & 175 corridors and accompanying increased franchise fee collections that are included with commercial development.

The City of Kaufman is beginning to benefit from not only our proximity to, but also from the sprawl of, the Dallas/Fort Worth Metroplex. This past year, the City of Kaufman has seen moderate expansive growth driven by commercial construction, retail sales, and services.

- **Property Tax** – The City’s largest revenue source in the General Fund is the ad valorem tax. Property tax was budgeted at a 98% collection rate, and is projected to be collected at

a 99% collection rate by the end of FY19. For FY20, property taxes make up about \$2,362,670 or 33.7% of anticipated general fund revenues; with a proposed Maintenance and Operations (M&O) tax rate of 0.5479431/\$100. Property tax revenue for M&O in FY20 is expected to increase by \$466,679 over FY19. This is attributable to an increase in taxable property values (a 2.06% increase related to new growth and 14.13% increase of existing properties) all certified by the County Appraisal District.

- **Property Tax Rate** - The FY20 Budget is based on a total property tax rate of \$0.8486505 per \$100 assessed valuation, a \$0.05 decrease from the adopted FY19 rate. A goal of staff and Council was to propose a tax rate that would only increase by the amount needed to service new debt, and remain at or below the rollback rate. The proposed tax rate includes \$0.3007074 to service debt and \$0.5479431 to fund maintenance and operations. The debt service portion of the tax rate decreased by \$0.0629077, from \$0.36361483 to \$0.3007071 per \$100 of net assessed valuation. The maintenance and operations portion of the tax rate increased by \$0.0129070, from \$0.5350361 to \$0.5479431 per \$100 assessed valuation. The City expects property values to continue to increase in 2020 and beyond due to continued new growth and development as well as improvements being made throughout the community.
- **Property Tax Base** - The certified 2019 appraisal rolls show a property value increase of \$58,140,466 or 16.19%, over the 2018 certified values. This is primarily a result of the overall improvement in the local economy, home values, and an increase in the number of new homes and businesses, including Georgetown at Kingsfort Development, Kingsfort business corridor expansion, Burger King, Starbucks, Panda Express, and Verizon Wireless. The total taxable value for the City of Kaufman is \$417,289,219. The average appraised home value is \$115,093. The increase is part of a continual growth trend the City has experienced over the last five years, strengthening what the City identifies as a turn-around in appraised values locally. The table below shows a 5-year history of Certified Taxable Property Values for the City of Kaufman.

Certified Tax Rolls (Tax Years 2015-2019)		
Year	Certified Taxable Value	
2015	\$	296,046,435
2016	\$	300,214,016
2017	\$	335,717,210
2018	\$	359,148,753
2019	\$	417,289,219

- **Sales Tax** – The 2nd largest revenue source in the General Fund is sales tax receipts. In FY20, sales tax is budgeted at \$2,335,371 or 33.3% of anticipated General Fund revenue, a very close 2nd to property tax revenues, which was 33.7% of anticipated General Fund revenue. Sales tax revenue is wholly dependent on the local economic conditions and can fluctuate. Therefore, with taxable sales in the City being influenced by the local, state, and national economies, sales tax revenue is often difficult to accurately project. For this reason, this year (FY20 budget), as in previous years, we believe that we have taken a conservative approach to sales tax budget projections - with a 3% increase. The rate of increase in Sales Tax for FY19 is projected to be about 3% more than what was originally budgeted, resulting in a 6%

increase over FY18, and the FY20 budget projects a 3% growth in receipts over the estimated collections for FY19.

Wal-Mart, along with the continued construction and opening of several new retail outlets along the Kingsfort business corridor, continues to positively impact sales tax revenue. The positive impact is expected to continue in FY20 and beyond as new businesses are continuously being added and are opening along Highway 175, State Highway 34 Bypass, and the Kingsfort business corridor. The potential for major commercial development along these corridors could help diversify the city's revenue sources in future years. However, in order to remain fiscally responsible in FY20, the city does not assume any major developments, other than the new Marlow's Convenience Store, Burger King, Schlotzsky's, and a new retail strip center, and modest commercial growth in the Kingsfort business corridor.

- **Franchise Fees** – Although the effect on Franchise Fees paid by telephone and data service providers resulting from new State Legislation passed in this session is difficult to predict because state-wide choices that the legislation gives to these utilities, the City does not see this will impact current franchise fees at this time, or in the near future. For FY20, franchise fees are primarily projected based on the past and current trends and franchisee's estimates, with the exception of the Water/Sewer Utility Franchise Fee, which was discounted. The Water/Sewer Utility Franchise Fee represents a transfer from the Water/Sewer Utility Fund to General Fund Revenues. Therefore, when compared to FY19, the FY20 budget does propose a revenue reduction in Franchise Fees to the General Fund of about \$102,553, due to the discount in the Water/Sewer Utility Franchise Fee. However, franchise fee collections are expected to increase in the future as they accompany continued economic growth, development, and expansion.
- **Licensing and Permits** – Licensing and Permits remain stable. The state legislature recently passed Senate Bill SB 852 which prohibits cities from assessing permit and inspection fees based on the value of work performed for residential structures, and the City has reviewed and modified its licensing and permit fees to meet this requirement.
- **Fines and Fees** – Fines and fees represent revenue generated from the municipal court, development related fees, and recreation based fees. This revenue source is expected to decrease slightly compared to the FY19 year-end estimate. Staff will continue to make a concentrated effort in FY20 to decrease the outstanding warrants that are currently on the books.

As stated earlier, the FY20 budget represents a conservative financial plan, it not only addresses increased demand for City services, but also balances the pressure on the budget to address operational needs and deferred maintenance issues. Much work remains to be done to position the City to be competitive in the 21st Century. Technology Improvements, infrastructure improvements, and investments in human capital (employees), all compete for scarce resources within the public sector. The measure of success lies in how we balance these needs and resources to create a better City of Kaufman for our citizens, business owners, and visitors.

The proposed FY20 budget includes a slight decrease of \$3,000 or 0.043% in General Fund operating expenditures, when compared to the previous year's budget. The FY20 budget includes an increase of \$78,279 or 1.69% in the business-type fund operating expenditures when compared to the previous year's budget. For FY20, staff's goal was to fund as many needs as possible, while seeking to align and allocate scarce resources with City Council's priorities identified in the strategy map and the strategic hits and misses scorecard.

Although, it was impossible to fund all the needs requested, staff was successfully able to incorporate a 3%, 5%, or 10% COLA for most of the organization, fund two new full-time positions in Administration, one part-time position in Finance, one promotion in the Fire department, and 4 summer hires in the Parks department, incorporate additional park maintenance funds to affect the significant improvements within our park system, fund \$15,000 for janitorial services for our new Municipal Complex and future Civic Center, continue to fund chapter 380 agreement commitments, including KLLM, fund the Texas Municipal Retirement System Consumer Price Index participation at 50% Repeating, fund a 5-year lease of nine police vehicles and four public works vehicles, fund the schematic design and construction budget for the Community Center, fund \$150,000 Street Maintenance/Rehab (primarily dedicated to curb & sidewalk repair), and fund \$389,228 from the Street Maintenance Fund (from the sales tax reallocation of 1/4 penny Sales Tax to street rehabilitation. The following sections discuss each of these allocations in more detail and how each of them address issues and/or align with City Council priorities identified in the strategy map and/or on the hits and misses scorecard.

- **Personnel** – Being primarily service oriented, municipal governments are extremely reliant on their employees. The City of Kaufman is no different. For a department to add positions, a demonstrated need must first exist. Citizens and Council have come to expect the highest level of service at the lowest possible cost, all while being competitive in the marketplace. The proposed budget exemplifies this exact sentiment.
 - **Compensation** - City Council has identified the need to develop, recognize, and retain quality staff as a financial and operational stewardship priority, and the need to provide superior fire, police, and emergency services as a priority to be safe and secure, within the City's strategy map. The FY20 Budget includes a 3% cost of living allowance increase for senior management personnel; a 5% COLA for all others, except Public Works maintenance technicians and equipment operators, who will get a 10% COLA increase. The intent was to "true up" the lower paid employees as much as the restrictive budget would allow, in an effort to remain competitive in the market. Certified Police Officers, excluding the Police Chief and Captain, did not receive a COLA increase as their salaries were adjusted at mid-year of 2019 to keep pace with surrounding public safety programs and remain competitive in this market.

The City's investment in personnel is important, and for outlying years, the challenge will be to provide competitive compensation packages, complicated by the evolving issues of pension costs, health insurance industry changes from Federal legislation, and other post-employment benefits.

- **Health Insurance** - The Health insurance program in FY20 continues with the Texas Municipal League Health Benefit Pool (TML Health). The cost of health insurance continues to escalate nationwide. The increased costs, coupled with a higher claims year than expected, resulted in a modest 6% increase to the city's contribution rate in FY20. TML Health is a non-profit health provider centered on providing full service health protection of political subdivisions of Texas.
- **EAP** - The City will continue to provide an Employee Assistance Program (EAP). This benefit provides confidential counselling for a multitude of areas for both the employee and his/her family. Confidential counselling, legal assistance, ID recovery, disaster assistance and several other social assistance programs are available to our employees and their families through EAP.
- **Personnel Changes** – Personnel changes are considered on an as needed basis after a demonstrated need exists. As the City grows, service level demand also grows. In order

to meet increasing service demand, the FY20 budget includes the following personnel changes:

- Full Time Communications/HR Assistant
 - Historically, the City of Kaufman has not had a professional dedicated to Human Resources (HR). HR is one of the most important positions within an organization, and is indicated as a priority by City Council on the hits and misses scorecard. There are numerous laws and regulations governing employee relations and it is imperative that someone is overseeing the HR function to ensure compliance, and this year, City Council made it a priority to address this need. As is the case with smaller organizations, our staff typically wears multiple hats. It is no different with this position. They also have the added responsibility of assisting the senior management staff with internal and external communications related functions.
- Full Time Civic Center/Event Coordinator
 - In anticipation of the opening of the City's Civic Center, the City Council approved the funding of a position dedicated to manage the new facility and coordinate city sponsored events. This position will also be responsible for overseeing the Summer Youth Camp Program. This program will provide campers with an educational based curriculum and promote a recreational/active lifestyle opportunity, in an effort to address a healthy and environmentally conscious community.
- 4 Summer Hires
 - The City Council also approved the funding for temporary seasonal positions to help facilitate additional summer youth programming and park maintenance improvements, to address workforce development, as indicated on the strategic hits and misses scorecard under smart, business-friendly economic development.
- Fire Lieutenant promotion
 - This promotion allowed the Fire Department to deploy a Lieutenant on each of their three shifts to ensure adequate supervision, addressing safety and security, and providing superior fire and emergency services on every shift.
- Part-Time Accountant
 - With the increased development within the Tax Increment Reinvestment Zone (TIRZ) and the Public Improvement District (PID), and the need to maintain proper records and reports for those funds, City Council approved funding an additional part-time accountant. This position's main focus will be related to the TIRZ and PID Funds, but will also work directly with the Director of Finance and assist with other accounting duties within the Finance department. The position will help deliver financial and operational stewardship by developing quality staff that will assist in implementing strong financial management.
- **Summer Youth Camp Program** – Resources are budgeted to launch a new, Summer Youth Camp program. This will be a comprehensive, youth camp with an approved curriculum, including, day trips, crafting, daily physical activities, etc. We are in the early coordination stages with Kaufman Independent School District (KISD) to facilitate and develop this program. This program aligns with the strategy map priorities in the areas of strong partnerships and community involvement to forge collaborative relationships with other government and public entities, as well as, healthy and environmentally conscious community to promote recreational/active lifestyle opportunities.

- **Capital Items Purchased with Operating Funds** –The City annually reviews and monitors the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources. Fiscal policy requires an effort be made each year to include some capital items needed by operating funds out of operating revenues. The table below identifies capital items to be purchased with operating funds.

Fund	Department	Capital Item	Estimated Cost
General Fund	Patrol	9 Patrol Vehicles - Fleet Lease Program	\$ 62,217
General Fund	Fire	Rescue Tools - Air Bag System, Cutter, Spreader	\$ 33,000
General Fund	Streets	Brush Mulcher Backhoe Mounted	\$ 22,200
General Fund	Streets	2 - 1 ton Utility Trucks - Fleet Lease Program	\$ 10,017
General Fund	Parks	Kubota Zero Turn Mower	\$ 18,087
		<i>General Fund Subtotal</i>	<i>\$ 145,520</i>
Utility Fund	Water Distribution	2 - Ford F-150 Pickups - Fleet Lease Program	\$ 9,390
		<i>Utility Fund Subtotal</i>	<i>\$ 9,390</i>
Total Capital Purchased with Operating Funds			\$ 154,910

WATER/SEWER (UTILITY) FUND

Other major revenue sources in the FY20 Budget include \$2,678,200 from water sales and \$1,683,630 from sewer services. FY20 Water/Sewer Utility Fund revenues are proposed to increase over FY19, \$75,140.

Utility Rates –Many variables and factors influence utility rates, including future wholesale purchase costs of bulk water, future capital improvements necessary to maintain healthy, safe water and wastewater services. The North Texas Municipal Water District increased the wholesale water rate 2.4%, for FY20, and the City provides for the increase in the wholesale purchase costs of bulk water, at a take or pay amount, as a direct pass through to its utility customers. The corresponding utility retail rate, for customers, will increase 9.43% to accommodate the increase in bulk water purchases, provide additional revenue to service \$2.71 million in Wastewater Treatment Plant upgrades, complete the requisite sanitary sewer improvements mandated by Texas Commission on Environmental Quality (TCEQ), and accommodate increased operational costs. For a residential customer consuming 10,000 gallons/month, this represents a monthly increase of \$7.65 to their water utility bill and \$5.82 to their sewer utility bill. Wholesale water rates continue to increase year after year, and are not expected to level off anytime soon.

Storm Drainage Utility Fund – In FY16, the Kaufman City Council approved a fee to Kaufman property owners to cover the costs of providing the infrastructure and facilities that permit the safe drainage of storm water, the prevention of surface water stagnation, and the prevention of pollution arising from nonpoint runoff effective January 1, 2016. The City engaged a professional consultant to conduct a master drainage study, in order to better assess current storm drainage infrastructure and future needs. The storm drainage fee for residential homeowners is currently \$3 per month, and commercial entities are charged based on an Equivalent Residential Unit (ERU) system. In FY20, Storm Drainage fees are budgeted to increase after the 1st quarter, \$1 per Equivalent Residential Unit (ERU), making the new rate \$4 per ERU, per month, to service a \$3,000,000 Certificate of Obligation for Storm Drainage Improvements.

Based on the Storm Drainage master study, the City continues to appropriate these resources to address the most pressing needs on a prioritized and approved basis.

OTHER FUNDS

Debt Service Fund – The total tax-supported debt service for FY20 is \$1,906,839. Kaufman EDC agreement will provide \$100,000 to assist in servicing this total debt amount, an additional \$422,395

will be provided by Texas Department of Transportation (TxDOT) for the SH34 Pass Thru Revenue to the City, and \$100,000 will be provided by existing fund balance. The Interest and Sinking (I&S) component of the total tax rate is \$0.3007074. This I&S tax rate will provide for adequate resources to ensure all debt obligations are met in FY20 (assuming a 98% collection rate).

Equipment Replacement Fund – Equipment replacement money is not budgeted in the Equipment Replacement Fund in FY20. All capital equipment needs will be purchased or leased through the proposed FY20 operating budget.

Street Maintenance Fund – One long-term concern, identified in the City’s strategy map related to financial and operational stewardship, is providing funding to maintain/improve aging infrastructure and assets, primarily streets. Many cities are facing challenges with aging infrastructure and will be forced to absorb large reconstruction costs in the future if annual maintenance is not sufficient. Texas Tax code authorizes all cities to establish a special sales tax for the repair and maintenance of existing city streets. Establishment, or continuation of the tax must be approved by a city’s voters. City of Kaufman voters initially approved the street maintenance sales tax in May 2019, and reauthorization will be required in 2023. Currently, one quarter-cent sales tax is collected from all sales transactions occurring within the City of Kaufman, subject to sales tax

In May 2019, City of Kaufman voters initially approved the street maintenance sales tax, a one quarter-cent sales tax collected from all sales transactions, that are subject to sales tax, occurring within the City of Kaufman. The funds collected will provide cost-effective rehabilitation and preventative maintenance of public streets within the city limits of Kaufman. The goal is to improve mobility and maintain roadways to prevent deterioration and costly rebuilds. The proposed FY20 Street Maintenance Sales tax revenue collections are expected to be \$389,228. Streets identified as priorities for maintenance from Street Maintenance Sales Tax Revenues include:

- E. Hickory
- Alton St.
- S. Jackson St.
- Coleman
- Monroe
- Blain
- Hickory

Capital Improvement Program – Major capital improvements will normally be funded through the issuance of long-term debt, as opposed to being funded via appropriations in the operating budget. Kaufman is in the process of several capital improvement projects around the city. When considering future capital improvements, the City considers federal and state mandates, the effect on citizens, and the effect a project will have on future operating budgets. The following projects have been initiated and are currently under construction:

Fund	Project	Estimated Cost	Funding Source
Grant Fund	CDBG Grant Project	\$ 247,000	CDBG Grant
Grant Fund	Green Ribbon Project	\$ 181,000	Green Ribbon Grant
	<i>Grant Fund Subtotal</i>	<i>\$ 428,000</i>	
General Fund CIP	Houston Street Paving	\$ 1,000,000	2016 General Obligation Bond (Bond Election)
General Fund CIP	9th Street Paving	\$ 634,000	2020 Certificate of Obligation
General Fund CIP	Circle Drive Paving	\$ 557,000	2020 Certificate of Obligation
General Fund CIP	Main Street Paving	\$ 939,000	2020 Certificate of Obligation
General Fund CIP	Civic Center Improvements	\$ 3,000,000	2019 Certificate of Obligation
General Fund CIP	Austin/Fair Street Paving	\$ 100,000	2016 General Obligation Bond (Bond Election)
General Fund CIP	Park Improvements	\$ 500,000	2019 Certificate of Obligation
	<i>General Fund CIP Subtotal</i>	<i>\$ 6,730,000</i>	
Utility Fund CIP	9th Street - Water Line	\$ 152,000	2016 Certificate of Obligation
Utility Fund CIP	9th Street - Sewer Line	\$ 196,000	2016 Certificate of Obligation
Utility Fund CIP	Circle Drive - Sewer Line	\$ 223,000	2016 Certificate of Obligation
Utility Fund CIP	Main Street- Water Line	\$ 256,000	2016 Certificate of Obligation
Utility Fund CIP	Main Street - Sewer Line	\$ 497,000	2016 Certificate of Obligation
Utility Fund CIP	Waste Water Treatment Plant Improvements	\$ 3,208,500	Texas Water Development Board Loan
Utility Fund CIP	Upgrade Fair Rd. Lift Station	\$ 40,000	2016 Certificate of Obligation
	<i>Utility Fund CIP Subtotal</i>	<i>\$ 4,572,500</i>	
Storm Drainage Fund CIP	Houston Street Storm Drainage	\$ 40,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	4th Street Storm Drainage	\$ 50,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	Austin/Fair Street Storm Drainage	\$ 60,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	9th Street Storm Drainage	\$ 86,000	2020 Certificate of Obligation
Storm Drainage Fund CIP	Circle Drive Storm Drainage	\$ 49,000	2020 Certificate of Obligation
Storm Drainage Fund CIP	Main Street Storm Drainage	\$ 395,000	2020 Certificate of Obligation
	<i>Storm Drainage Fund CIP Subtotal</i>	<i>\$ 680,000</i>	

- **Capital Improvements Effect on the Operating Budget** – The impact of capital improvements on the operating budget are typically outlined when those costs are identifiable and become a part of the budget process. Consideration and identification of these operational costs are also discussed during planning and are included in the budget when appropriate. During planning, Staff and Council identified the following impacts the capital improvements being completed in FY20 will have on this year's budget:
 - Civic Center Improvements – created a need to budget for additional janitorial services and add a new full-time employee to manage the Civic Center and coordinate events.
 - \$15,000 Janitorial Services
 - Civic Center/Event Coordinator - \$50,714
 - Park Improvements – created a need to budget for additional park maintenance including seasonal employees
 - \$31,850 in Additional Park Maintenance
 - Four (4) Summer Hires - \$14,733
 - Streets, Water, Sewer, & Storm Drainage Improvements
 - Houston Street, 4th Street, and Austin/Fair Street projects will have a two-year maintenance bond beginning in March of 2020, at the end of the maintenance bond, approximately \$14,000 per year will need to be allocated for maintenance each year beginning in FY22.
 - 9th Street, Circle Drive, and Main Street will also have a two-year maintenance bond after project completion, which is estimated to be completed in FY21, which means approximately \$14,000 per year will need to be allocated for maintenance each year after the maintenance bond expires, in approximately FY23.

ECONOMIC CONDITIONS AND OUTLOOK

The City of Kaufman is beginning to feel the growth affects from the continued sprawl of the Dallas/Fort Worth Metroplex. Kaufman County is currently recognized as one of the fastest growing counties in Texas. Residential growth is a reality as well as continued commercial and retail growth. The city is literally watching the community grow before our very eyes. Future growth is more than a wish, it's reality.

ECONOMIC ACHIEVEMENTS

Retail and Commercial – Commercial and Retail development activity started getting significant traction in FY19. The completion of the primary thoroughfare thru the WalMart commercial district has had a major impact on activity. A new retail center that houses Starbucks and Verizon opened. Burger King went under construction, as well as Schlotzsky's in another Retail center. Several commercial hotel chains have expressed interest in this area as well.

Single Family Residential Development –Georgetown at Kingsfort is a brand new 305 rooftop single family residential neighborhood. The city accepted Phase I development with Bloomfield Homes, purchasing the first 59 lots for construction. Prairie Creek neighborhood has been completely built out, and plans have been submitted for review of Phase 3 for that section of this residential neighborhood.

Future Growth and Development – A new 146-unit Multifamily apartment complex is under construction; and a new residential neighborhood, contiguous to Georgetown at Kingsfort, is being considered (215 rooftops). Kingsfort commercial district continues to 'pop' as rooftops are beginning to appear. Significant public improvements throughout our city have also contributed to the economic boom that we are experiencing. The city has undertaken a project in the commercial district to remodel an existing building for a new Civic Center that will add additional opportunities for our residents and visitors alike. Quality of Life for our residents and businesses alike are improving beyond their belief. Kaufman is on the Grow!

BUILDING FOUNDATIONS FOR THE FUTURE

City policies are reviewed annually in an effort to deliver financial and operational stewardship related to implementing strong financial management standards and improving effectiveness and efficiency of operational processes. New policies, tools, and/or financial plans are also often evaluated and may be added on an as needed basis to assist in identifying priorities and needs that align with the City's strategy map.

Financial Policies – Currently the City's purchasing policy, investment policy, and fiscal policy are reviewed on an annual basis and updated as changes are needed.

- **Purchasing Policy** – The City's purchasing policy is reviewed and approved by City Council annually, and was updated in FY19, increasing the amount required to submit a purchase order request from \$100 to \$250, and the requirement to submit a minimum of 3 quotes from purchases over \$500 to \$3,000.
- **Investment Policy** – The City's investment policy is reviewed and approved by City Council annually, and in FY19, it was determined no changes were needed.
- **Fiscal Policy** – The City's fiscal management policy is reviewed and approved by City Council annually, and in FY 19, it was determined no changes were needed.

Accounting System and Budgetary Control – City management is responsible for establishing and maintaining budgetary control. The City utilizes a cash basis budget to monitor all expenditures. The objective of budgetary controls is to ensure compliance with legal provisions contained in the annual budget approved by the City Council. Activities of the general fund, special revenue funds and debt service funds are included in the annual budget. The budget is developed and controlled at the department level, although appropriations are set at the fund level, and encumbrances are entered at the time a purchase order is issued. Outstanding encumbrances lapse at fiscal year-end, and the subsequent year's budget must absorb the expenditures when incurred. Project length budgets are developed for the capital projects funds.

Use of Fund Balance/Net Assets – Fund Balance/Net Assets may be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations shall be made on how to restore it. When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

Operating Reserves – Another important measure of the City's financial strength is the level of its unassigned fund balance, or operating reserves. Operating reserves are maintained by organizations to ensure services can be delivered during economic downturns, to address unforeseen expenditures in the case of an emergency or other event, and to take advantage of opportunities that may materialize outside of the budget processes.

Currently, 68% of the general fund revenue is generated by sales taxes and property taxes. The appropriate amount that a city should carry in Fund Balance Reserves depends on circumstances such as adequacy of its insurance coverage, the flexibility of its revenue base, overall financial condition of the City, economic conditions, age and condition of infrastructure, and likelihood of natural disasters or unplanned emergencies. The policy guidelines adopted by the Council require minimum reserve fund balances for the General Fund and the Water-Sewer Utility Fund to be maintained at 90 days of budgeted operating expenditures. Over the past five (5) years, the City has purposely and successfully appropriated a small amount of reserves within the budget as an effort to replenish and maintain a strong General Fund Reserve Balance.

FY19 was a good year, and overall General Fund revenues will exceed budgeted expectations, leaving the City of Kaufman with a projected General Fund surplus of \$364,644. The surplus will further contribute to the City's strong financial position. General Fund Reserves are projected to be 31% of budgeted expenditures at the end of FY19, exceeding the City's long-term goal, to maintain a minimum unassigned fund balance in the General Fund equal to three months/90 days, or 25%, of the annual budgeted expenditures.

Sales Tax and Property Tax revenues are large contributors to the projected surplus, at 41%. Property taxes are budgeted at a 98% collection rate, and collections are projected to come in at a little over 99% collection rate. Sales Tax was budgeted at a 3% increase over the prior year, and is projected to be a 6% increase over the prior year. Public Safety also contributed a significant portion of savings in salaries and benefits, due to some reorganization and implementing a new cadet program to hire and retain new officers. Debt Service is also projected to end the year with a surplus of \$118,722, due to the increase of property tax collections over the budgeted rate of 98%.

The Water/Sewer Utility Fund, however, is projected to end FY19 with a small deficit of \$185,329 of budgeted revenues versus expenditures. The decrease in sales, was attributed to the significant amount of unexpected rainfall the City of Kaufman received in FY19. Storm Drainage revenues,

however, are projected to experience an increase (surplus of \$11,751) by the end of FY19, largely due to the increase in Drainage Fee collections.

Even with the small projected deficit in FY19, Water/Sewer Utility Fund reserves are projected to be 26% of budgeted expenditures, slightly exceeding the City's long-term goal, to maintain a minimum unassigned fund balance in the Water/Sewer Utility Fund equal to three months/90 days, or 25% of the annual budgeted expenditures. Each year, the City purposely appropriates a small amount of reserves within the budget as an effort to replenish and maintain a strong unassigned fund balance within the Utility Fund, not only to meet, but also to exceed the City's long-term goal, which continues to leave the City in a strong financial position, year after year. With the uncertainty of future sales and continuing increases in prices, regulatory requirements, and major capital projects that we know will occur in the next few years, this practice supports the long-term financial stability for the City.

Although our reserves continue to remain sufficient, we must continue to operate in a responsible manner, and expect to continue this trend over the next few years, until planned economic development fully, positively impacts property values, utility consumption, and sales tax receipts. Then, the challenge becomes protecting the balances.

Financial Planning –The City continues to update the plans to guide the City's long-term growth and financial planning. Significant master planning activities in FY20 include a 5-year Capital Improvement Plan and a Parks Master Plan. The City also recently implemented performance measures directly related to the strategy map, outlining the City's mission, strategies, and core values.

- **5-year Capital Improvement Plan** – Fiscal Policy requires the City to annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources. It further states major capital improvements will normally be funded through the issuance of long-term debt, as opposed to being funded via appropriations in the operating budget.

The City defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized.

The City Council recently approved the city's 5-Year CIP Plan. The various public improvements will be funded with existing debt, new long-term debt, and a new ¼ cent Street Maintenance Sales Tax that the citizens of Kaufman adopted in May 2019. From a Maintenance and Operational standpoint, the city does not anticipate having to add additional Public Safety assets at this point. We will, however, monitor very closely the economic impact of continuing to contract for Inspection and Plan Review services, with the consideration of bringing those functions in house.

- **Park Master Plan** – The Kaufman City Council approved the "Kaufman Parks Master Plan" in conjunction with the Parks and Recreation Board in 2019. The Master Plan process involved extensive engagement with individual and group stakeholders and other community partners to develop a vision to guide long-term development and improvements to city owned park properties and facilities. Through implementation of the plan, the Kaufman City Council and city staff will help ensure that park features and amenities reflect the needs of the community and ensure long-term financial and ecological sustainability.

Going forward, the City will utilize these plans to annually review and maintain a rolling five-year capital needs list.

- **Performance Measures** – The City recently expanded the use of Performance Measures to more closely align with the City’s strategy map. The City’s strategy map articulates the mission, strategies, and core values of the organization and serves as a roadmap for achieving the short and long-term goals and objectives of the City Council. Performance measures are first categorized within each of the strategies specified on the strategy map then, each department designated specific metrics to monitor how and if they are meeting the established goals. To further enhance the organization’s goals and objectives, the management team annually updates the Hits and Misses Report and presents it to the City Council. When a performance measure isn’t met, this indicates that its service delivery may need to be evaluated. This multi-layer approach serves to ensure that the City Council’s vision is fully integrated within the organizational culture.

ECONOMIC FACTORS, CONSIDERATIONS, & EXPECTATIONS FOR FY19, FY20, AND BEYOND

Legislative Changes – The 86th legislature for the State of Texas passed several bills that could possibly impact the City of Kaufman in the future. Senate Bill/ House Bill 2, or the Property Tax Reform Bill, will take effect January 1, 2020, impacting property tax revenue in FY21. The primary limitation of the bill is a reduction in the allowable growth for the maintenance and operations (M&O) portion of the tax rate. The current limitation is 8% and it is being reduced to 3.5% growth over the effective M&O tax rate or a de minimis rate of \$500,000 for cities with a population less than 30,000. The de minimis rate is a new tax rate calculation added by S.B. 2 that is designed to give smaller taxing units, including cities, some relief from the 3.5 percent voter-approval tax rate. Currently, if the 8% limitation is exceeded, citizens can petition to have a rollback election and require the City to adopt a tax rate limited to 8% growth. In the new bill, exceeding 3.5% growth will require an election for the citizens to approve the higher tax rate. However, the bill does provide for “banking” the unused growth to be used in a subsequent year. Up to three years of banked growth can be used in one year.

Senate Bill 1152 is not expected to significantly impact the franchise fee revenue for FY20. The bill allows cable companies that pay both a cable franchise fee and a voice communications franchise fee to only pay the higher of the two franchise fees. The estimated impact to revenues in FY20 was not projected due to minimal information available at the time of the budget. Additionally, the projected growth in other franchise taxes was estimated to offset the decrease. Therefore, staff does not expect any significant impact in FY20, and effects of SB1152 will be reviewed further during the FY 2021 budget process.

Neither one of the Bills mentioned above effected the FY20 Budget, however staff is aware these legislative changes could possibly impact future budgeting efforts. Therefore, the City has carefully reviewed increases in expenses within the budget presented, and balanced them against the need to keep current service levels in place in the future.

Future Needs and Financial Considerations that Continue as the Economy Cycles

- Adding revenue and/or new revenue sources to meet current and future needs
- Preserving current revenue sources
- Continuing to develop the Equipment Replacement program
- Continued implementation of strategic initiatives targeting increased revenue (Sales Tax, Residential/Non-residential Ad Valorem Tax ratio, etc.)
- “Normal year” water demands such that the historic Franchise Fee transfer from the Water and

Sewer Utility Fund may resume to the General Fund – a challenge considering the continued and upcoming increases in the costs of water and sewer supply and services

- Continuing to improve efficiencies in operations

FINANCIAL ACCOMPLISHMENTS

Comprehensive Annual Financial Report (CAFR) – The City has submitted its audited Comprehensive Annual Financial Report to the Government Finance Officers Association for seventeen consecutive years and has received the Certificate of Achievement for Excellence in Financial Reporting for each of the seventeen years. The City plans to submit the Audit for the most recently completed fiscal year, as well as future years, as this Award is valid for one year only.

Distinguished Budget Award – The City submitted its Annual Budget to the Government Finance Officers Association last year, for the first time since 2012, and received the Distinguished Budget Presentation Award. This award is valid for one year only and the City plans to continue to submit the Annual Budget for the award in future years.

Bond Ratings – The City's bond ratings provide evidence of its financial strength. Moody Ratings has assigned a rating of "A3", with a stable outlook, while Standard and Poors (S&P) has assigned a rating of "A+", with a stable outlook. These ratings are indicative of the strength and stability of the City's current finances and the economic outlook for the area.

Summary & Conclusion

Municipal government exists for one reason: to organize and deliver the best service possible with the resources available, in order to provide a safe, high quality of life for our citizens. This year's budget for FY20 represents a collective effort by the City Council and the City Staff to meet that challenge. This budget is more than a financial document, it is a policy document that lays the groundwork for a continuation of current services, and stabilizes the future financial position in order to carry on the City's duties and responsibilities, while meeting the goals and objectives outlined in the City's strategic vision. The city staff will continue to work to review, evaluate, and innovate to improve service delivery.

I appreciate the opportunity to lead an organization that provides our community with exceptional services, programs, and quality of life. I would like to thank the City Council for volunteering their time to serve their community and providing leadership to continue to make the City of Kaufman "a City of progress and tradition."

Sincerely,

A handwritten signature in black ink that reads "Mike Slye". The signature is written in a cursive, flowing style.

Michael T. Slye
City Manager

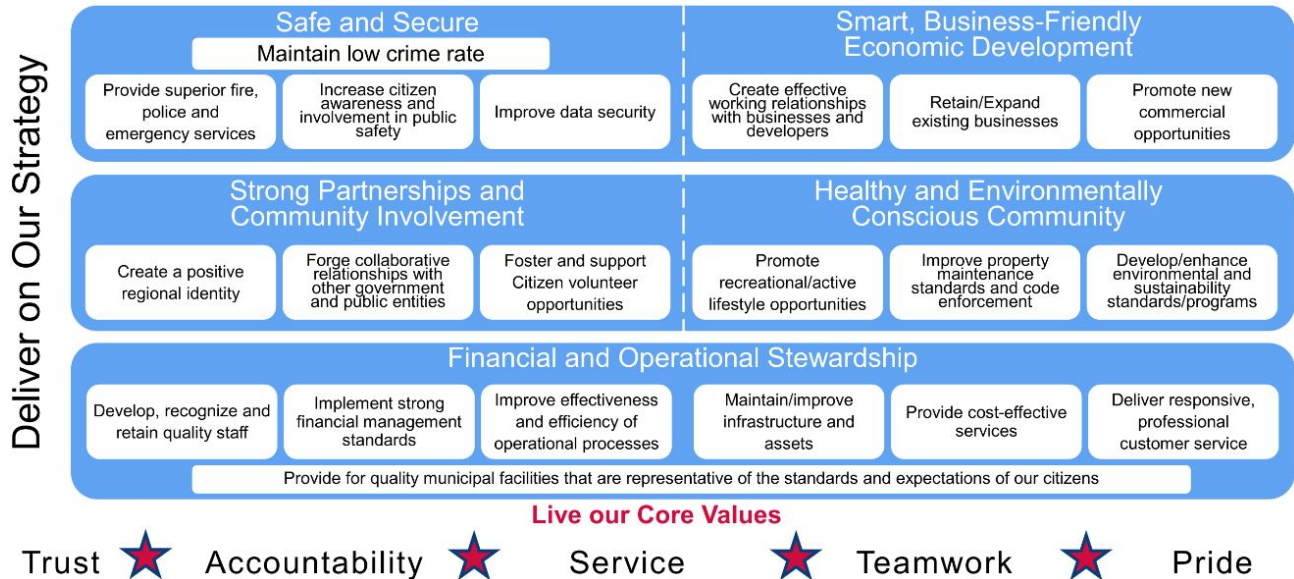
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Mission, Strategies and Values



The Mission of the City of Kaufman

Enhance the Quality of Life of our Citizens, by providing a safe, clean environment through efficient delivery of services.



City Main Contact Information
209 South Washington
Kaufman, Texas 75142
Hours of Operation 8:00 am – 5:00 pm
Phone: 972-932-2216 Fax: 972-932-0307

City of Kaufman Performance Measures		
Safe and Secure		
Provide superior fire, police and emergency services.		
	2019 Year End Projections	2020 Adopted Budget
Fire Department		
Number of Fire calls	365	370
Number of EMS calls	New	1250
Number of Accident calls	New	500
Average Response Time goal	5.5	5.5
Police Department		
Total Offenses Reported	690	600
Number of crimes against people	87	74
Number of property crimes	342	291
Average Response Time goal	1.35	1.21
Emergency Management		
Annual Review of EM Plan	Yes	Yes
Conduct Annual Table Top Exercise	New	Yes
Animal Control		
Total Calls for Service	246	243
Total Animals Picked-up	218	215
Total Animals delivered to Humane Society	201	199
Total Citations Issued	33	32
Increase citizen awareness and involvement in public safety.		
	2019 Year End Projections	2020 Adopted Budget
Fire Department		
Number of Social Media Posts	New	120
Number of Social Media Followers	9590	10000
Public Fire Education Programs Attendees	5452	5500
Police Department		
Number of Social Media posts	New	104
Number of Social Media followers	9326	10000
Neighborhood Crime Watch Programs	4	5
Emergency Management		
Utilize Social Media to promote CivicReady	New	Yes
Increase number of CivicReady users	New	Yes
Number of CivicReady messages	New	15
Improve data security		
	2019 Year End Projections	2020 Adopted Budget
IT Department		
Conduct Annual Security Audit of Systems	Yes	Yes
Conduct HB mandated cyber security training	New	Yes
Police Department		
CJIS Audit Compliance	Yes	Yes

City of Kaufman Performance Measures		
Smart, Business-Friendly Economic Development		
Create effective working relationships with businesses and developers.		
	2019 Year End Projections	2020 Adopted Budget
Development Services		
Number of DRC meetings	New	12
Administration		
Number of meetings with businesses and developers (new and current).	New	4
Attend Chamber networking events.	4	4
Retain/Expand existing businesses.		
	2019 Year End Projections	2020 Adopted Budget
Development Services		
Number of Matching Grants reviewed	New	3
Administration		
Recognize the Business of the Month	12	12
Serve as Ex-Officio on Chamber Board	Yes	Yes
Number of EDC meetings attended	11	12
Promote new business opportunities.		
	2019 Year End Projections	2020 Adopted Budget
Development Services		
Respond to zoning information requests < or = to 3 days.	100%	100%
Administration		
Economic Incentive agreements approved	New	Yes
Attend ICSC	New	Yes
Meet with potential business owners.	9	10

City of Kaufman Performance Measures		
Strong Partnerships and Community Involvement		
Create a positive regional identity.		
	2019 Year End Projections	2020 Adopted Budget
Communications		
Respond within 3 hours to citizen comments and messages on social media.	90%	92%
Number of press releases to the paper regarding activities and positive events.	9	10
Marketing		
Number of promotions of Kaufman's events	4	6
Number of promotions of Kaufman Square	6	7
Forge collaborative relationships with other government and public entities.		
	2019 Year End Projections	2020 Adopted Budget
Administration		
Attend Kaufman County Leaders Council Meetings	4	4
Participate in Kaufman County Communications Coalition	1	1
Attend Kaufman Leadership Council Meetings	4	4
Foster and support citizen volunteer opportunities.		
	2019 Year End Projections	2020 Adopted Budget
Administration		
Develop Citizens Academy	Planning	Yes
Post volunteer opportunities on website, social media, and the employees.	4	5
Highlight Non-profit of the quarter	New	Yes

City of Kaufman Performance Measures		
Healthy and Environmentally Conscious Community		
Promote recreational/active lifestyle opportunities.		
	2019 Year End Projections	2020 Adopted Budget
Parks and Recreation		
Maintain/mow 16.3 of ballfields for safe use.	392.2	400
Maintain/mow 102.7 acres of Park Facilities.	1742.6	1750
Provide general park inspections and repairs.	497	500
Improve property maintenance standards and code enforcement.		
	2019 Year End Projections	2020 Adopted Budget
Code Enforcement		
Number of pro-active cases opened	New	126
Implement NEAT 2x a year	2	2
Conduct annual review of relevant codes	Yes	Yes
Develop/enhance environmental and sustainability standards/programs.		
	2019 Year End Projections	2020 Adopted Budget
Public Works		
Publish Water Quality Report	Yes	Yes
No Enforcement violations	2	1
Water loss less than 20%	Yes	Yes
Communications		
Number of promotions of Recycling Program	15	17
Number of promotions of Water Conservation Plan	New	4
Development Services		
Number of bi-annual health inspections	250	252
Number of health inspections – temporary events	18	20

City of Kaufman Performance Measures		
Financial and Operational Stewardship		
Develop, recognize and retain quality staff.		
	2019 Year End Projections	2020 Adopted Budget
Human Resources		
Update City's Job Classification Plan annually	Yes	Yes
Employee turnover less than 15%	New	Yes
Review/update Job Descriptions annually	Yes	Yes
Implement strong financial management standards.		
	2019 Year End Projections	2020 Adopted Budget
Finance		
Achieve GFOA's Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes
Achieve GFOA's Distinguished Budget Presentation Award	Yes	Yes
Increase the number of warrants issued after FTA for Final notice of court date	3	100
Improve effectiveness and efficiency of operational processes.		
	2019 Year End Projections	2020 Adopted Budget
Administration		
Quarterly Budget review	Yes	Yes
Fleet Plan review	Yes	Yes
Annual Review of Job Classification Plan/Staffing levels	Yes	Yes
Maintain/Improve infrastructure and assets.		
	2019 Year End Projections	2020 Adopted Budget
Public Works		
Linear feet of street repairs	2016.3	2100
Linear feet of water line replaced	2945	3000
Number of water leaks repaired	90	85
Linear feet of wastewater line repaired/placed	3590	3600
Provide cost effective services.		
	2019 Year End Projections	2020 Adopted Budget
Administration		
Review the fee schedule and compare with surrounding areas	Yes	Yes
Quarterly Budget review	Yes	Yes
Deliver responsive, professional customer service.		
	2019 Year End Projections	2020 Adopted Budget
Administration		
Provide Customer Service Training	New	Yes
Number of Customer Complaints	New	0
Number of outside commendations	New	3

Development Services		
Percentage of Plat approval by PZ w/i 30 days.	100%	100%
Planned Development & Site Plan approval by PZ w/i 60 days.	100%	100%
Percentage of contractor registration approval process < or = to 3 days.	100%	100%
Percentage of single family & duplex permit plan review < or = 15 working days.	100%	100%
Percentage of commercial permit plan review < or = 60 working days.	100%	100%
Percentage of home improvement incentive program initial request review in < or = 10 working days.	100%	100%
Finance		
Increase the number of ACH payments to total accounts payable	5.4%	5.5%
Increase percentage of Automatic draft customers/total customers	5.29%	5.5%
Increase number of E-Bill customers	860	900
Fire Department		
Average Response Time goal < 5 minutes	100%	100%
Number of Citizen complaints	0	0
Number of outside commendations	New	3
Police Department		
Meet or beat Average Response Time goal	Yes	Yes
Number of citizen complaints	0	0
Training hours for Professional Development	New	340
Public Works		
Number of street maintenance calls	1880	1850
Number of utility related service calls	4371	4300
Number of Citizen complaints	New	0

STRATEGIC HITS AND MISSES

Green - Hit

Blue - Partial Hit

Yellow - Some Progress

Red - Miss

Safe and Secure	Business-Friendly Economic Development	Strong Partnerships and Community Involvement	Healthy, Picturesque and Environmentally Sound	Infrastructure and Asset Management	Financial and Operational Stewardship
Regional Communication Center and Integration of Southern Software	Effective Relationships with Developers, Investors and key property owners	Crime Watch Program	Annual Demolition Program	Pump House Rehab	New, enhanced Website and quarterly review
Speed Limit Radar Trailer	Create an Environment of Respect	Continue NEAT Program	Business Recognition Program	Complete major Transportation Projects (34 By Pass, CR 151, Turn Signals)	IT Assessment & Operations
Residential Rental Fire and Safety Inspection Program	Regional Efforts for Economic Development	Pursue Grant Opportunities	H2O Conscientious Town	FEMA Project Coordination/Reimbursement	Update Procurement Policy
EMS Contract	Develop Effective, Comprehensive ED Plan	KKB Role	Improved Beautification Efforts	Municipal Facilities	Recognition for Financial and Budget Management
Emergency Communication Enhancement (P25 Radios)	Online Zoning Map	Sports League Agreements	Sign Ordinance Reviewed & Updated	Enhanced Code Enforcement	Update Personnel Policies & Organizational Efficiency
Fire/PD Dept Staffing Retention (2/shift)	Residential Developer Homeowner Incentive Plans	Maintain Relationship with City Boards and Commissions (Joint Meetings)	Entrance Monument Improvements	Resolve Drain/Flood Issues	HOT Audit
Police Facility	Residential Revitalization Program	Partnerships/Sponsorships for Parks	Pursue Sustainability	I&I Repair (TCEQ Mandate)	Long Term Financial Plans and Capital Improvement
Emergency Management Exercise	Online Permitting submittal and review process	Community Education Opportunities	Clean Culture	Downtown Streetscape	Revenue Diversification
Citizen Academy	Attract New Businesses and Residential Developments	Town Image and Reputation	LED Street Lighting	Kaufman Lake Vision	Service Cost Analysis
PD Best Practices Certification	Commercial and Industrial Development Opportunities	More Involvement with Churches and Community Organizations	Attract Visitors to Park Destinations	Water/Wastewater Rehab	Laserfiche Implementation
PD-Fire Dept Substation	Subdivision Ordinance Update (parkland dedication reqmts)	Build Stronger Business Relationships with Local Governments	Directional Signs (Wayfinding)	Street Bond Implementation Phase I	Attain Financial Transparency Recognition
Enhanced Neighborhood Watch Programs	Land Acquisition Opportunities (Annexation and/or Purchase)	Park Master Plan Update	Vacant Structure Registration Program	Street Bond Implementation Phase II	HR Coordinator
Animal Shelter Operations Upgrade	Long Range Strategy for Redevelopment	Create City Recreation Programs (Youth and Seniors)	Community Garden	Turnback Program (TxDOT)	Ordinance Recodification
Security and Safety Lighting for Intersections	Workforce Development	Volunteer Recognition Banquet		Parks and Trails Development	IT Enhancements/Security
Data Security	Downtown Marketing Plan	Downtown Parking		AMR/AMI Meters	Citizen Survey
Emergency Notification Upgrade	Update Comprehensive Plan	Create Annual Report		WWTP Improvements	Implement GIS System
Establish an Explorer Post	Star Brand Development	Splash Pad		Develop Capital Replacement Plan	UB Outsourcing
Upgrade Outdoor Warning System				Street Bond Implementation Phase III	WIFI Hotspots
Public Service Officer (PD)				Street Bond Implementation Phase IV	E-Newsletter
				Street Bond Implementation Phase V	
				Sidewalk Master Plan	
				Wholesale Water Committee/Rate Study	
				Infrastructure Design Manual	

Budget Process

Basis of Budgeting

Operating budgets are adopted on a basis consistent with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board, with exceptions, including: depreciation is not incorporated into the budget; capital purchases are budgeted in the year of purchase; un-matured interest on long-term debt is recognized when they mature and debt principal is budgeted in the year it is to be paid.

Budget Structure

The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. Each fund can be generally thought of as a small business. The operations of each fund are maintained using a set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues, and expenditures. City resources are budgeted to the individual funds, by account, and are controlled within the individual fund. The Fiscal and Budgetary Policies, adopted as part of this budget, require that a budget be prepared for each of these funds.

General Government Funds

General Fund
General Debt Service

Special Revenue Funds

Hotel-Motel Fund
Seizure-Law Enforcement Fund
Court Technology Fund
Court Security Fund
Grants Fund
Impact Fee Fund-Streets
TIF Zone Fund

Enterprise Funds

Water-Sewer Utility Fund
Impact Fee Fund-Water-Sewer Utility
Drainage Utility Fund

Capital Projects Funds

Equipment Replacement Fund
Street Maintenance Fund
General Fund Capital Construction Fund
Water-Sewer Utility Capital Improvement Fund
Drainage Utility Capital Improvement Fund

Economic Development Corporation Fund

Planning and Budget Preparation

The City of Kaufman's budgeting process begins with citizen input and involves much planning, goal setting, and prioritizing by the City Council and staff. The Budget is prepared in a clear manner to facilitate understanding by the citizens, council, and staff. All public hearings on the budget and workshops are open to the public and copies of the proposed budget are available for review on the City's website. The City Secretary also has copies available for review.

Strategic Plan

The City Council's Strategic Plan is represented in the City's Strategy Map and designed to move our community from its current state to where the citizens and City Council desire the community to be in the future. The strategic planning process is an annual process that provides the City Council the opportunity to determine their vision and priorities for the long-term future of Kaufman and set goals to accomplish that vision. The Strategy Map details the City's Mission Statement, five (5) over-arching goals, and nineteen (19) objectives to direct staff in the delivering of services.

Performance Measures

New this year is the addition of specific Performance Measures that tie directly back to the Goals and Objectives listed in the Strategy Map. These were developed by the staff to ensure that each category was measurable. The measures will be reported quarterly to the City Council to provide an accountability system to ensure city staff is adequately addressing the City Council's priorities.

Hits & Misses

The City Manager developed the Hits & Misses chart to detail specific projects the staff is working on that accomplish the goals and objectives and provide essential services to the community. Each year the city staff reviews the strategic hits and misses with Council to provide a review of successes and detail future opportunities for the City.

This multi-layered accountability system is designed to flow seamlessly from the City Council's Strategy Map through the Performance Measures and into the operational Hits & Misses. This keeps the City Council updated and informed on their priorities and ensures that the city staff is directing their efforts toward the right functions. If funds are being expended on a project that cannot be traced back to the Strategy Map, then the City Manager will review and determine if it needs to be continued.

Budget planning at the departmental level begins with the City staff meeting with the City Manager to review and discuss the priorities of each department. In these meetings, each director is given the opportunity to present their plan and communicate their goals for the department and the City. The City Manager then prepares a summary of all the plans and recommends funding of individual items that meet the overall goals of the annual budget. The City Council then prioritizes individual director's request for funding in the budget provided by the City Manager. The Department Directors then develop their individual **Business Plans** to align with the established priorities, budget, and personnel.

Capital Improvement Plan

The Capital Improvement Plan (CIP) is developed through a joint effort between City Council and City staff in order to respond to the City's infrastructure needs. On an annual basis, during the strategic planning meetings, City staff, with consideration of citizen input, recommends appropriate projects to the City Council. Capital improvement projects are expenditures of a non-recurring nature related to the acquisition, construction, expansion, or major rehabilitation of an element of Kaufman's infrastructure, they must also have an initial acquisition cost of at least \$5,000 and a useful life of at

least 2 years. Capital improvement projects can include such things as parks, buildings, water and wastewater lines, streets, and sidewalks. After reviewing each project's purpose, impact, and cost, the City Council must prioritize projects and align those projects with the resources available for funding. Based on priorities, goals, and issues, a plan is developed for each area of the capital program. The projects in the first year of the program are considered for funding through the annual budgeting process. The City Council recently integrated the development of a 5-year Capital Improvement Plan as a part of the budget process. The 5-year CIP and the current year CIP budgets, are developed and adopted by the City Council in conjunction with the proposed operating budget. Improvements to be included in the Capital Improvement Plans are selected and prioritized according to the critical nature of the project and the timeliness of available financing for the project.

Budget Preparation Process

Budgetary control is maintained with the annual adoption by City Council of an operating budget for each fiscal year from October 1 to September 30.

The budget is developed on a departmental level and adopted at the fund level. The Finance Department begins in January, updating all historical information and worksheets that detail expenditures and revenues on a departmental and line item level. The reports provide monthly expenditures and year-to-date totals, with a comparison to budget, giving a budget balance and unexpended percentage. To further aid in projections, the monthly report provides prior year comparison data of expenditures, revenue, and budget balances.

The adoption process begins with each department reviewing their strategic plans and completing budget requests.

Budget proposals are due to the Finance Director by June for incorporation into a working budget document. The budget requests are presented to the City Manager in late June. Management meetings are scheduled with the City Manager and each individual department to jointly review all the line items. This budget planning process helps each department focus on requirements to continue its existing level of service, as well as evaluate the potential to expand service levels.

The ad valorem tax, sales tax and reserve projections are a major component of all city budget discussions. When the certified tax rolls from the Central Appraisal District are released in late July, the final preparation for a proposed budget is submitted to the City Council.

City Council workshops are scheduled for late July through September to discuss the budget with City staff and hold public hearings. The first public hearing on the proposed budget and tax rate is held late-August; the second public hearing occurs first of September. By late-September, the City Council has voted on the tax rate ordinance and the budget ordinance.

The fiscal year begins on October 1 after the budget is adopted by the City Council. The Director of Finance then compiles all changes and updates into the final budget document in preparation for submission to the Government Finance Officers Association for review. The completed Budget Document is distributed and made available to the public via website or requested copy.

Annual Operating Budget

Budgeting is an essential element of the financial planning, control, and evaluation process of the municipal government. The "operating budget" is the City's annual financial operating plan. The annual budget includes all operating departments of the General Fund, Debt Service Fund, Special

Revenue Funds, Development Funds, Water and Sewer Utility Funds, Drainage Utility Funds, and Capital Improvement Funds.

- A. Planning – The budget process will include City Council participation in the identification of major policy issues. The budget process will be a part of an overall strategic planning process for the City. The process will also allow for citizen input.
- B. Preparation – The Charter, Section 4.01, requires that the City Manager prepare and recommend to the City Council the annual budget and capital program.
 - 1. Proposed Budget – A proposed budget shall be prepared by the City Manager with participation of the entire City's Department Directors within the provision of the Charter.
 - a) The budget shall provide a complete financial plan for the ensuing fiscal year, in a form as the City Manager or City Council deems desirable, and the budget shall include goals and objectives, a staff plan, methods to measure outcomes and performance, and appropriations.
 - b) The Council shall post in the City Hall and publish in the official newspaper as required by State Law prior to any required public hearing on the budget a notice stating the time and place where copies of the message and budget are available for inspection by the public, and the time and place of each public hearing on the budget. The Council shall adopt the budget by ordinance.
 - c) Copies of the approved operation budget, capital facilities, property budget, and supporting papers shall be filed with the City Secretary and shall be public records available to the public upon request.
 - d) In accordance with the Charter, Section 7.09, the Council may adopt the budget with or without amendment at a regular or special meeting. In amending the budget, it may add or increase any programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.
 - 2. Adoption – Upon finalization of the budget appropriations, the City Council will hold a public hearing and subsequently adopt by ordinance the final budget. The budget will be effective for the fiscal year beginning October 1st. Adoption of the budget will require an affirmative vote. Adoption of the budget shall constitute appropriations of the amount specified therein as expenditures from the fund indicated and shall constitute a levy of the property tax therein proposed.
 - 3. Standards for Publication – The City will utilize the criteria outlined in the Government Finance Officers Association (GFOA) Distinguished Budget Program for the presentation of the budget document. The budget document will be submitted annually to the Government Finance Officers Association for evaluation and consideration for the Distinguished Budget Presentation Award.
- C. Revenue Estimates – In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include the analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year, which could otherwise result in mid-year service reductions.

- D. **Balanced Budget** – The goal of the City is to balance the operating budget with current revenues, whereby current revenues match and fund on-going expenditures/expenses. Excess balances in the operating funds from previous years may be used for non-recurring expenditures/expenses or as capital funds.
- E. **Reporting** – Summary financial reports will be presented to the City Council monthly at a minimum. These reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status. The City Manager shall submit to the Council at its regular City Council meeting each month the financial condition of the City budget items as well as budget estimates versus accruals for the preceding month and for the fiscal year to date. Such records are to be made public by the Council during open meeting. The financial records of the City will be maintained in accordance with accepted principles recommended by the American Institute of Certified Public Accounts and by the National Committee on Governmental Accounting.
- F. **Control and Accountability** – Each Department Director, appointed by the City Manager, will be responsible for the administration of his or her departmental budget. This includes accomplishing the functions and initiatives adopted as part of the budget and monitoring each department budget for compliance with spending limitations. Department Directors may request a transfer of funds within a department budget. Copies of the approved operation budget, capital facilities, property budget, and supporting papers shall be filed with the City Secretary and shall be public records available to the public upon request.
- G. **Budget Amendments** – The Charter, Section 7.09, provides a method to amend appropriations: “Any revisions that would increase or decrease the total appropriations at the department or fund level require approval by the City Council. Amendments that increase or decrease the total appropriations at the fund level shall be by ordinance. Amendments that increase or decrease the total appropriations at the department level shall be by the City Council’s approval of the City Manager’s written recommendation.”
 - 1. **Supplemental Appropriations** – If, during the fiscal year, the City Manager certifies that there are revenues available for appropriation in excess of those estimated in the budget, the Council may make supplemental appropriations to fund as desired or carry the excess into the next fiscal year.
 - 2. **Emergency Appropriations** – To meet a public emergency created by a natural disaster or man-made calamity affecting life, health, property, or the public peace, the City Council may make emergency appropriations in accordance with Section 7.16 (2) of the Home Rule Charter.
 - 3. **Reduction of Appropriations** – If at any time during the fiscal year it appears probable to the City Manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the Council without delay, indicating the estimated amount of the deficit, any remedial actions taken by him, and his recommendations as to any other steps that may need to be taken. The Council shall then take such further action as it deems necessary to prevent or minimize any deficit, and, for that purpose, the Council may by ordinance reduce one or more appropriations.
- H. **Budget Contingency Plan** – This policy is intended to establish general guidelines for managing revenue shortfalls resulting from factors such as local and economic downturns that affect the City’s revenue streams.
 - 1. **Immediate Action** – Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses.

2. Further Action – If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. The City Manager may ask Department Directors for recommendations on reduction of service levels in order to reduce expenditures to balance the budget. Any resulting service level reductions, including workforce reductions, will be finalized by the City Council.

Statutory Requirements Truth-In-Taxation

The Texas Constitution and Property Tax Code establish guidelines for taxing units to follow when adopting tax rates. This guide to tax rate setting is also known as “truth-in-taxation.” The truth-in-taxation laws have two purposes: (1) to make taxpayers aware of tax rate proposals and, (2) to allow taxpayers, in certain cases, to roll back or limit a tax increase.

The first step is to draft a budget and determine the amount of property taxes necessary to the fund that budget. The taxing unit must decide:

- a) The maintenance and operation (M&O) rate necessary for the general operating expenses based on current year’s value;
- b) The payments needed for debt service; and
- c) The amount of surplus funds, if any, it plans to expend to reduce the tax levies.

Beginning in early August, the City can move forward to adopting a tax rate by calculating and publishing the effective and rollback tax rates.

Effective tax rate: The effective tax rate is a calculated rate that would produce the same total taxes as last year when properties taxed in both years are compared. If property values rise, the effective tax rate will go down and vice versa. The objective of the effective tax rate is to generate equal tax revenues using taxable valuations from different years.

Proposed tax rate: The proposed tax rate is the rate proposed by council and is used for revenue projection in the budget. The objective of the proposed tax rate is to generate sufficient revenues to balance the budget and inform the public of the rate the Council desires to fund the budget.

Rollback tax rate: The rollback tax rate is a calculated maximum rate allowed by law without voter approval. The rollback rate provides the City the same amount of tax revenue spent the previous year for day-to-day operations, plus an 8% increase for those operations plus sufficient funds to pay debts in the coming year. If an adopted rate is higher than the rollback rate, voters can circulate a petition calling for an rollback to a rate below the rollback rate.

Notice Requirements: The law requires a number of public notices to be issued to inform the taxpayers about local property taxes.

1. Notice of Appraised Value: This notice informs a property owner of proposed property values and other necessary information including an estimate of current years taxes based on the current year’s proposed taxable value and last years tax rate.
2. Notice of Proposed Tax Rate: Cities that propose a property tax rate that does not exceed the effective tax rate must provide a notice using very specific language in the government code.
3. Notice of Proposed Tax Rate Increase: Cities that propose a property tax rate the exceeds the effective tax rate or the roll back rate must provide a different notice also using very specific

language in the government code. This language must also include the date, place and time of the public hearings. It must also include the date, time, and place for adoption of the tax rate.

4. Newspaper Requirements: The newspaper posting must be in a general circulation newspaper in the county and must be at least a quarter-page in standard-size newspaper with a headline in 24-point larger type.
5. Website Requirements: The notice must be posted on the City website no later than Sept 1st and must remain on the website until the rate is adopted.
6. Budget Requirements: The front page of the budget must include council members voting and proposed, effective, and rollback rate for current and prior years.

Hearing Requirements: The law requires a number of public hearing to allow the taxpayers input regarding local property taxes.

Public Hearing: The council is required to hold two public hearing to receive taxpayer input no less than three days but no more than 14 days between hearings.

Adoption of the Tax Rate Requirements: The law requires that the council adopt a tax rate by official action in an ordinance that contains specific wording. The wording must indicate the change in the tax rate by amount and percentage increase or decrease. The tax rate must be adopted by a separate item on the agenda and must adopt the budget prior to the tax rate. The budget must then be ratified for the increase in the tax rate.

The deadline to adopt the tax rate is September 30th of each year or by the 60th day after the city receives the certified appraisal roll, whichever is later.

Budget Calendar

Jan 7, Mon	Finance creates 2020 budget level 1 for next year.
May 29, Wed	2019 budget level 5 for FY 2019 projections. Open access to departments for data entry.
June 14, Fri	Data entry by all departments with supporting documents scanned into software, along with request forms, for review by City Manager/Director of Finance due this date. Budget levels are closed to all departments; budget level 2 is created in software wherein only City Manager and Finance Director have access.
June 19-21, Wed-Fri	Preliminary revenue projections for the new fiscal year are made by the Finance office. Projections based upon consultations with state and local agencies, trend analysis, anticipated changes in local economy, and discussions directly with staff members.
June 25 – June 28, Tue - Fri	City Manager reviews budget requests with department heads and Finance. Schedule appointments with Finance Director.
July 12, Fri	Finance Director compiles preliminary budget based on estimated tax roll, preliminary revenue estimates, and departmental expenditure requests as recommended by City Manager.
July 25, Thu	Chief Appraiser certifies tax roll, by state law. (July 25) (Tax Code §26.01(a))
July 26, Fri	City Council is presented with preliminary budget and City Manager's message (Charter Section 7.02)
August 1, Thurs	Deadline to receive certified tax roll from CAD (Tax Code §26.04(b))
August 2, Fri	Before 12:00 p.m. post agenda for City Council Budget Workshop meeting (72-hour notice) Post Special City Council meeting agenda (72-hour notice)
August 5, Mon	City Council Budget Workshop, 12pm Post budget on website. Budget must be posted continually until conclusion of the second public hearing (Tax Code §26.06)

August 5, Mon	<p>Special City Council meeting</p> <ul style="list-style-type: none"> • City Council discusses tax rate. • If proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), City Council votes on proposed tax increase with specified tax rate. (Tax Code §26.06) • City Council sets date, time and location for public hearing on budget and tax rate. • City Council sets date, time and location for record vote on budget and tax rate. • Post Notice of Public Hearings on Tax Increase on website. Form 50-197 • Post Notice of Public Hearings on Budget on website.
August 6, Tues	<p>Send Notice of Public Hearings on Tax Increase to newspaper for publishing in August 8th paper. Notice must be at least one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 24-point or larger type and contain the statement in Tex. Tax Code §26.06.</p> <p>Send Notice of Public Hearing on Budget to newspaper for publishing in August 8th paper.</p>
August 9, Fri	If having Second City Council Budget Workshop, post agenda on website (72-hour notice)
August 12, Mon	Second City Council Budget Workshop (if necessary), 6pm
August 20, Tues	Send Notice of Tax Revenue Increase to newspaper for publishing in August 30 th paper. Form 50-198 – Deadline to provide notice by publication is September 1 st – Tex. Loc. Gov’t Code §140.010(f)
August 26, Mon	<p>Regular City Council meeting.</p> <ul style="list-style-type: none"> • Public Hearing on proposed budget. • First Public Hearing on proposed tax increase.
August 30, Fri	Deadline to post notice of proposed tax rate on website. Notice must remain on website until City adopts tax rate. (Tex. Loc. Gov’t Code §140.010(f))
September 6, Fri	Post Special City Council meeting agenda (72-hour notice)

September 9, Mon	Special City Council meeting. <ul style="list-style-type: none"> • Second Public Hearing on proposed tax increase. (Tax Code §26.05)
September 13, Fri	If having Special City Council meeting on September 16 th , post agenda for that meeting (72-hour notice)
September 16, Mon	Special City Council Meeting (if necessary), 6pm
September 20, Fri	Post City Council meeting agenda (72-hour notice)
September 23, Mon	Regular City Council meeting. Last regular City Council meeting to vote on Budget and adopt tax rate, <u>in that order</u> .
September 25, Wed	Submit worksheets used to calculate the effective and rollback rates for the 2015-2019 tax years. County assessor-collector must post the worksheets submitted on the County's website. (This reflects new SB 2 requirement effective for this year.)

ORDINANCE O-23-19

AN ORDINANCE OF THE CITY OF KAUFMAN, TEXAS MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY AND APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL ON THE CITY'S INDEBTEDNESS; APPROVING AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF KAUFMAN, TEXAS, FOR THE 2019-2020 FISCAL YEAR; APPROVING THE 2019 KAUFMAN COUNTY CERTIFIED TAX ROLL; PROVIDING FOR EMERGENCY EXPENDITURES AND EXPENDITURES AS OTHERWISE ALLOWED BY LAW; PROVIDING FOR THE INCORPORATION OF PREMISES; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR THE FILING OF THE BUDGET IN THE OFFICE OF THE CITY SECRETARY; AND PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, an annual budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (FY20) has been duly created by the City Manager of the City of Kaufman, Texas, in accordance with sections 102.002 and 102.003 of the Texas Local Government Code; and

WHEREAS, the City Manager submitted the budget to the City Council in accordance with Section 7.02 of the City Home-Rule Charter, filed in the office of the City Secretary and open to public inspection in accordance with Section 7.04 of the City Home-Rule Charter; and

WHEREAS, the proposed budget was made available for public inspection by the taxpayers in accordance with section 102.005(b) of the Texas Local Government Code; and

WHEREAS, pursuant to section 7.05 of the City of Kaufman Home-Rule Charter and section 102.006 of the Texas Local Government Code, a public hearing on the proposed budget was properly noticed and a public hearing was held on August 26, 2019, providing an opportunity for all interested citizens and parties of interest to express opinions and give reasons for an increase or decrease to any items of expense provided for in the proposed 2019-2020 (FY20) fiscal year budget; and

WHEREAS, the budget was updated on September 9, 2019 and is attached as *Exhibit A*, for the fiscal year beginning October 1, 2019 and ending September 30, 2020, and was duly presented to the City Council by the City Manager; and

WHEREAS, a public hearing was held by the Kaufman City Council on August 26, 2019, in accordance with section 102.006 of the Texas Local Government Code and section 7.05 of the City of Kaufman Home-Rule Charter at which time all citizens and parties of interest were given the opportunity to be heard regarding the proposed 2019-2020 (FY20) fiscal year budget; and

WHEREAS, the City Council, upon full consideration of the matter, is of the opinion that the budget hereinafter set forth is proper and should be approved and adopted; and

WHEREAS, the adoption of the budget will require raising more revenue from property taxes than in the previous year, and the City Council has ratified (or will ratify), by separate vote, the property tax increase reflected in the adopted budget; and

WHEREAS, the City Council has reviewed the 2019 Kaufman County Certified Tax Roll as provided by Kaufman County Appraisal District and other applicable appraisal districts is attached hereto as **Exhibit "B"**; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

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

Section 1: That all of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

Section 2: That the appropriations for the fiscal year beginning October 1, 2019 and ending September 30, 2020, for the support of the General Debt Services of the City of Kaufman, Texas, expenditures shown in the City's fiscal year 2019-2020 (FY20) budget, a copy of which is attached hereto and incorporated herein as **Exhibit A**, are hereby adopted.

Section 3: That the budget, as shown in words and figures in **Exhibit A**, is hereby approved in all respects and the budget is adopted at the departmental level as the City's budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

Section 4: That there is appropriated the amount shown in such budget necessary to provide for a sinking fund for the payment of the principal and interest and the retirement of the bonded debt.

Section 5: Expenditures during the 2019-2020 fiscal year shall be made in accordance with this budget and this Ordinance, unless otherwise authorized by an ordinance duly enacted in accordance with law. Pursuant to state law, no expenditure of the funds of the City shall hereafter be made except in compliance with the budget and applicable state law; provided, however, that in case of grave public necessity emergency expenditures to meet unusual and unforeseen conditions, which could not by reasonable, diligent thought and attention have been included in the original budget, may from time to time be authorized by the City Council as amendments to the original budget. Pursuant to state law, the Council may make emergency appropriations to address a public

emergency affecting life, health, property or the public peace and other appropriations as authorized thereby.

Section 6: The 2019 Kaufman County Certified Tax Roll as provided by Kaufman County Appraisal District and other applicable appraisal districts is attached hereto and incorporated herein as Exhibit "B" and is approved by the City Council as set forth in Exhibit "B".

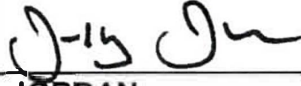
Section 7. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

Section 8: Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Kaufman hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

Section 9: A true and correct copy of the approved budget shall be filed in the office of the City Secretary.

Section 10: That this Ordinance shall take effect and be enforced from and after its passage.

PASSED, APPROVED AND ADOPTED on this 23rd day of September, 2019.




JEFF JORDAN
MAYOR

ATTEST:

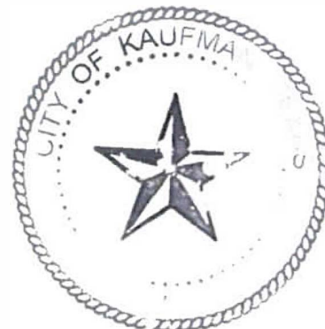


JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:



PATRICIA ADAMS
CITY ATTORNEY



ORDINANCE NO. O-24-19

AN ORDINANCE OF THE CITY OF KAUFMAN, TEXAS, LEVYING TAXES AND FIXING AND ADOPTING THE TAX RATE ON ALL TAXABLE PROPERTY FOR THE YEAR 2019 AT THE RATE OF \$0.8486505 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUE ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF KAUFMAN, TEXAS AS OF JANUARY 1, 2019; THE SAID TAX RATE HAVING A MAINTENANCE AND OPERATIONS COMPONENT AND A DEBT SERVICE COMPONENT; PROVIDING FOR THE INCORPORATION OF PREMISES; PROVIDING A DATE TAXES SHALL BECOME DUE AND A DATE SAME SHALL BECOME DELINQUENT IF NOT PAID, TOGETHER WITH PENALTIES AND INTEREST THEREON; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, Section 26.05 of the Texas Tax Code requires that the City of Kaufman, Texas (the "City"), adopt a tax rate for the 2019-2020 fiscal year by September 30, 2019; and

WHEREAS, pursuant to chapter 26 of the Texas Tax Code, the Tax Assessor-Collector for the City has calculated the tax rate for the 2019-2020 fiscal year which cannot be exceeded without requisite publications and public hearings; and

WHEREAS, the City, in compliance with the State of Texas Truth-in-Taxation laws, has advertised the proposed tax rate and conducted two public hearings on the proposed tax rate, and all notices and hearings and other applicable steps required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held; and

WHEREAS, Section 26.05(a) of the Texas Tax Code provides that the tax rate consist of two components, one of which will impose the amount of taxes needed to pay debt service, and the other of which will impose the amount of taxes needed to fund maintenance and operation expenses for the next year, and each of which must be approved separately; and

WHEREAS, the tax rate set forth herein consists of two components, as required, and they are approved separately; and

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for the year 2019 set, fixed and adopted herein below is proper.

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

Section 1. Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. Tax Levied. That there is hereby levied and ordered to be assessed and collected an ad valorem tax rate of \$0.8486505 on each One Hundred Dollars (\$100.00) of assessed valuation for all taxable property located in the City of Kaufman on the 1st day of January 2019, and not exempted from taxation by the constitution and laws of the State of Texas to provide for the expenses of the City of Kaufman for the Fiscal Year beginning October 1, 2019 and ending September 30, 2020. The said tax is made up of components, as set forth in this Ordinance:

- a. For the maintenance and support of the General Government (General Fund) for the fiscal year 2019-2020, **\$0.5479431** on each \$100 valuation of property. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

THE TAX RATE WILL EFFECTIVELY BE DECREASED BY .93 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$12.91.

- b. For debt services for the fiscal year 2019-2020, **\$0.3007074** on each \$100 valuation of property. **THIS TAX RATE WILL DECREASE TAXES FOR DEBT SERVICE WHEN COMPARE TO LAST YEAR'S TAX RATE.**

THE TAX RATE WILL DECREASE THE TAXES PAID FOR DEBT SERVICE ON A \$100,000 HOME BY APPROXIMATELY \$62.91.

Section 3. Due Date of Taxes. That taxes levied under this ordinance shall be due October 1, 2019, and if not paid on or before January 31, 2020, shall immediately become delinquent. The penalties and interest provided for herein shall accrue after January 31 of the year following the year in which the taxes are assessed. However, if the entire taxes due as provided herein are paid in full by January 31 of the year following the year in which the taxes are assessed, no penalty or interest shall be due.

Section 4. Penalties and Interest. A delinquent tax shall incur the maximum penalty and interest authorized by Section 33.01 of the Texas Property Tax Code, to-wit: a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

Provided, however, a tax that is delinquent on July 1 of the year in which it becomes delinquent shall incur a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at a rate of one percent (1%) for each month or portion of a month the tax remains unpaid. All other penalties and collection remedies

authorized by law are hereby adopted. Taxes that are and remain delinquent on July 1, 2019 incur an additional penalty not to exceed twenty percent (20%) of the amount of delinquent taxes, penalty and interest collected; such additional penalty is to defray the costs of collection due to pursuant to the contract with the City's attorney authorized by Section 6.30 of the Texas Tax Code, as amended.

Section 5. Internet Notice. That the City Manager or his designee shall put the following notice on the homepage of the City's Internet website:

There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Kaufman for the 2019-2020 fiscal year, upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of **\$0.8486505** on each \$100 valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

"THE CITY OF KAUFMAN ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE DECREASED BY .93 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$12.91."

"IN ADDITION, THE CITY OF KAUFMAN, TEXAS ADOPTED A TAX RATE OF \$0.3037074 THAT WILL DECREASE TAXES FOR DEBT SERVICE WHEN COMPARED TO LAST YEAR'S TAX RATE.

THE TAX RATE WILL DECREASE THE TAXES PAID FOR DEBT SERVICE ON A \$100,000 HOME BY APPROXIMATELY \$62.91."

Section 6. Place of Payment/Collection. Taxes are payable at the office of the Kaufman County Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

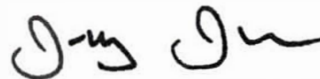
Section 7. Tax Roll. The tax roll, as presented to the City Council, together with any supplement thereto, is hereby accepted.

Section 8. Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

Section 9. Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. City hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

Section 10. Effective Date. This Ordinance shall become effective from and after its adoption and publication as required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Kaufman, Texas, on this 23rd day of September, 2019, with the following motion by Charles Gillenwater: "I move that the property tax rate be decreased by the adoption of a tax rate of \$0.8486505 per \$100 valuation, which is effectively a .93 percent decrease in the tax rate"; seconded by Paty Patterson, the above and foregoing ordinance was passed and approved by roll call vote.

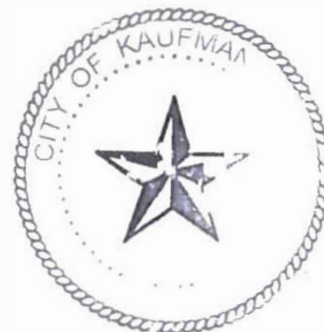


JEFF JORDAN
MAYOR

ATTEST:


JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:


PATRICIA ADAMS
CITY ATTORNEY

ORDINANCE O-25-19

AN ORDINANCE ADOPTING THE ANNUAL PROGRAM OF SERVICES (BUDGET) FOR THE CITY OF KAUFMAN ECONOMIC DEVELOPMENT CORPORATION ("KEDC") FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2019 AND ENDING ON SEPTEMBER 30, 2020 (FY20); PROVIDING FOR THE INCORPORATION OF PREMISES, PROVIDING FOR THE ADOPTION OF THE KEDC BUDGET FOR FY20; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a proposed annual budget for the Kaufman Economic Development Corporation for Fiscal Year 2019-2020 ("KEDC Budget") was presented to the Board of Directors of the Kaufman Economic Development Corporation ("KEDC"), on August 13, 2019; and

WHEREAS, the proposed KEDC Budget provided an annual work plan outlining activities, tasks projects and programs to be undertaken by the Board in accordance with the KEDC Bylaws and included the projected operating expenses, and such other budgetary information as necessary; and

WHEREAS, on August 13, 2019, the KEDC took action to approve the KEDC Budget and submitted the budget to the Kaufman City Manager in accordance with Section 7.3 of the KEDC Bylaws; and

WHEREAS, the KEDC Budget was submitted to the City Council on August 26, and after holding public hearings for which notice was properly published in accordance with state law and Charter, the KEDC Budget was approved on September 23, 2019, and all interested persons were given an opportunity to be hearing for or against the proposed KEDC Budget; and

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

Section 1. Incorporation of Premises. That the above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Approval of Amendment and Ratification of KEDC Budget. The Fiscal Year 2019-2020 KEDC Budget ("KEDC Budget") is attached hereto and incorporated herein as **Exhibit "A"**.

Section 3. Severability. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the Town Council

hereby declares it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 4. Savings. All rights and remedies of the City of Kaufman, Texas, are expressly saved as to any and all provisions of any other Ordinance affecting budget requirements, which have secured at the time of the effective date of this Ordinance.

Section 5. Effective date. This Ordinance shall be effective from and after its date of passage in accordance with law, and it is so ordained.

PASSED AND ADOPTED this 23rd day of September, 2019.



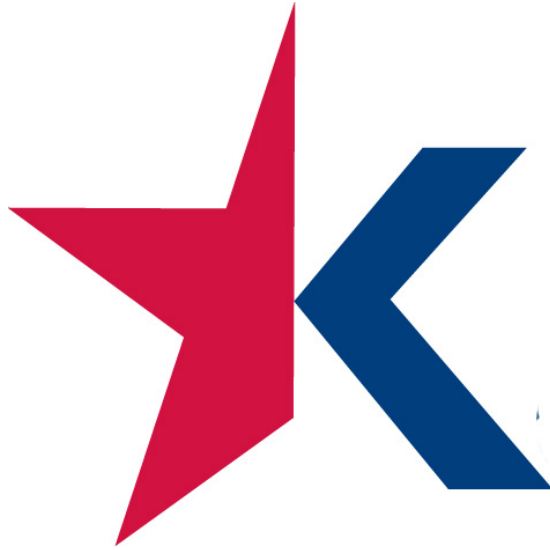
**JEFF JORDAN
MAYOR**

ATTEST:


**JESSIE HANKS
CITY SECRETARY**

APPROVED AS TO LEGAL FORM:


**PATRICIA ADAMS
CITY ATTORNEY**



City Profile

City Overview

The City of Kaufman, Texas, established in 1853, is a political subdivision located in Kaufman County. It has operated as a home-rule chartered municipality under the Council-Manager form of government since 1987. The City Council, consisting of a mayor and six council members, who are elected at-large and serve two-year terms, is responsible for enacting local policy and appointing the City Manager, City Secretary, Municipal Judge and Police Chief. It is the duty of the City Manager to execute the laws and administer the government of the City.

Unique....

Located 30 miles southeast of Dallas and only 40 minutes from downtown, Kaufman is a community that is surrounded by incredible growth. Yet Kaufman still maintains its small-town heritage by adopting development standards that are flexible enough to meet the challenges of new urbanism and still preserve what we have that is good.

Residents

What makes Kaufman so unique is that it is one of the last four lane divided highways out of Dallas that it is not nearly built out. Kaufman is still surrounded by mini-ranches, working agricultural land and rural estate living. But this community of 7,467 employs over 4,000 people. Half of our residents commute into the City for their work and over half our daytime employment commutes in from the surrounding area.

Interstate

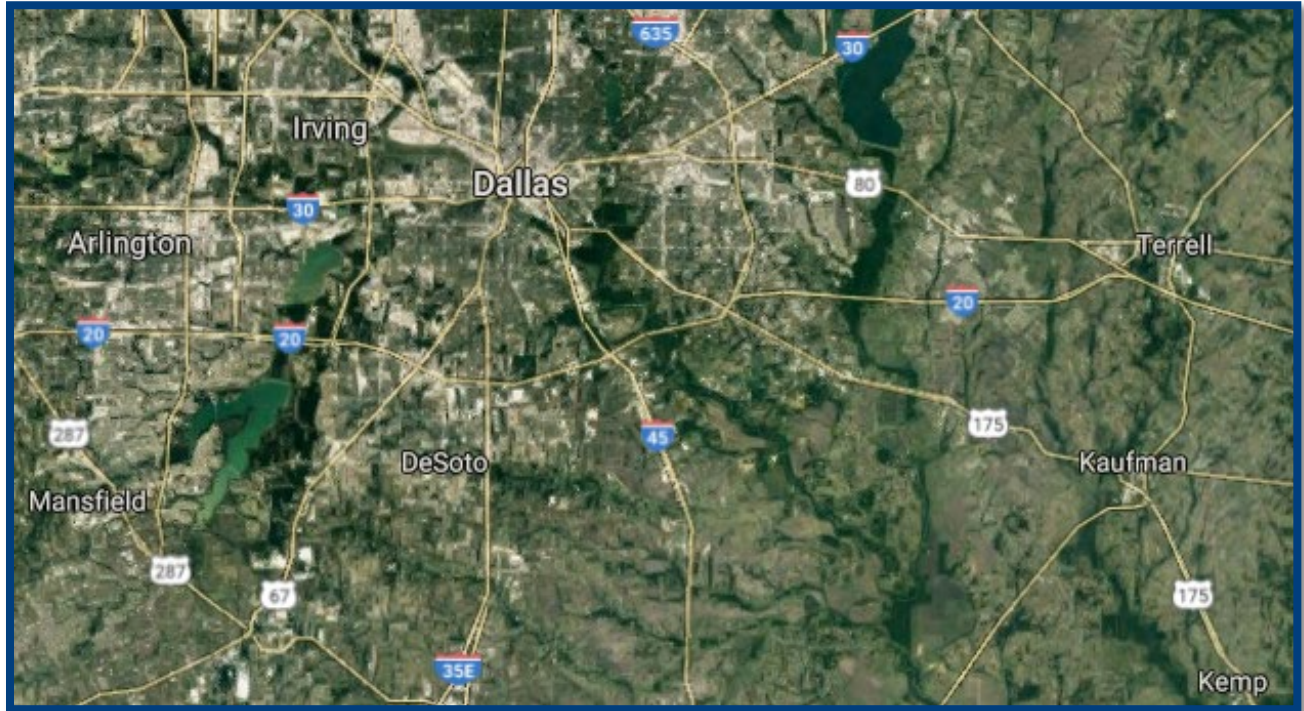
Kaufman is a city of 7,467 with no annexation plans that lies in a county of 80,000 residents. It is the county seat, the heartbeat, of the county. State Highway 175, the only divided highway between Interstate 45 and Interstate 20, runs through the center of Kaufman and is the pathway from the Dallas-Fort Worth Metroplex to all of East Texas.

Kaufman

We're Growing Places

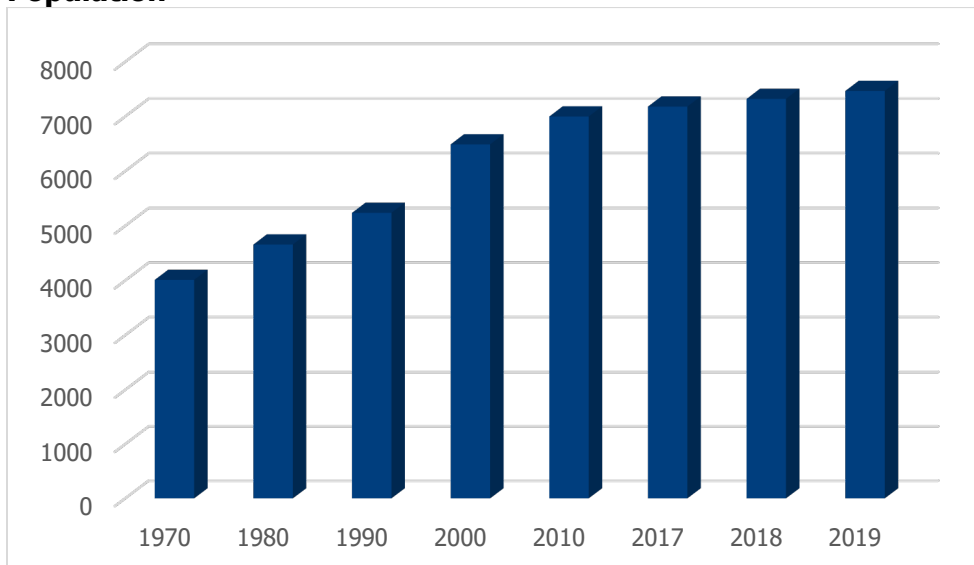
Statistics at a Glance

Strategic Location



The City of Kaufman, Texas is located in Kaufman County, just southeast of the Dallas. The City has a land area of 9 ½ square miles, and is located in the Dallas-Fort Worth Metroplex (DFW). The DFW Metroplex is ranked as the top growth area in the State of Texas and one of the top growth areas in the United States. The DFW Metroplex covers 9,250 square miles, consists of twelve counties, and over 200 cities and towns.

Population



As of the 2000 census there were 6,490 residents in Kaufman. Over the next eighteen years, the city's population grew eight percent to 7,467. The City of Kaufman continues to grow with the Texas economy.

Property Tax Rates

Ad Valorem Tax Rates
(Per \$100 Assessed Value)

City of Kaufman	\$0.8486510
Road & Bridge	\$0.0979900
Trinity Valley Community College	\$0.1385400
Kaufman ISD	\$1.4483000
Kaufman County	<u>\$0.4391220</u>
Total Property Tax	\$2.9726030

Property Tax Exemptions

Residence homestead exemptions are listed below.

- Homestead \$15,000
- Tax Freeze for over 65 and disabled persons

Sales Tax Rate

State Sales Tax	6.25%
City Sales Tax	1.00%
Property Tax Reduction	0.50%
Economic Development	0.25%
Street Maintenance	<u>0.25%</u>
Total Sales Tax	8.25%

Income Tax

The State of Texas does not impose a personal or corporate income tax.

Hotel / Motel Occupancy Tax

The State of Texas imposes a hotel/motel occupancy tax of 6% with individual cities having the option to increase the tax rate up to 7%. The total hotel/motel occupancy tax rate in the City of Kaufman is 13%.

Education

The Kaufman Independent School District was established in 1904. Kaufman ISD offers excellent facilities, technology, and professional development to provide a diverse and growing student population with the same quality of educational preparation that is offered to students in the most favorable circumstances across the state and nation. Kaufman ISD has seven campuses.

Helen Edwards Early Childhood Center

Total Early Childhood Enrollment: 462

J.W. Monday Elementary

J.R. Phillips Elementary

Lucille Nash Elementary

Total Intermediate Enrollment: 1410

O.P. Norman Jr. High School

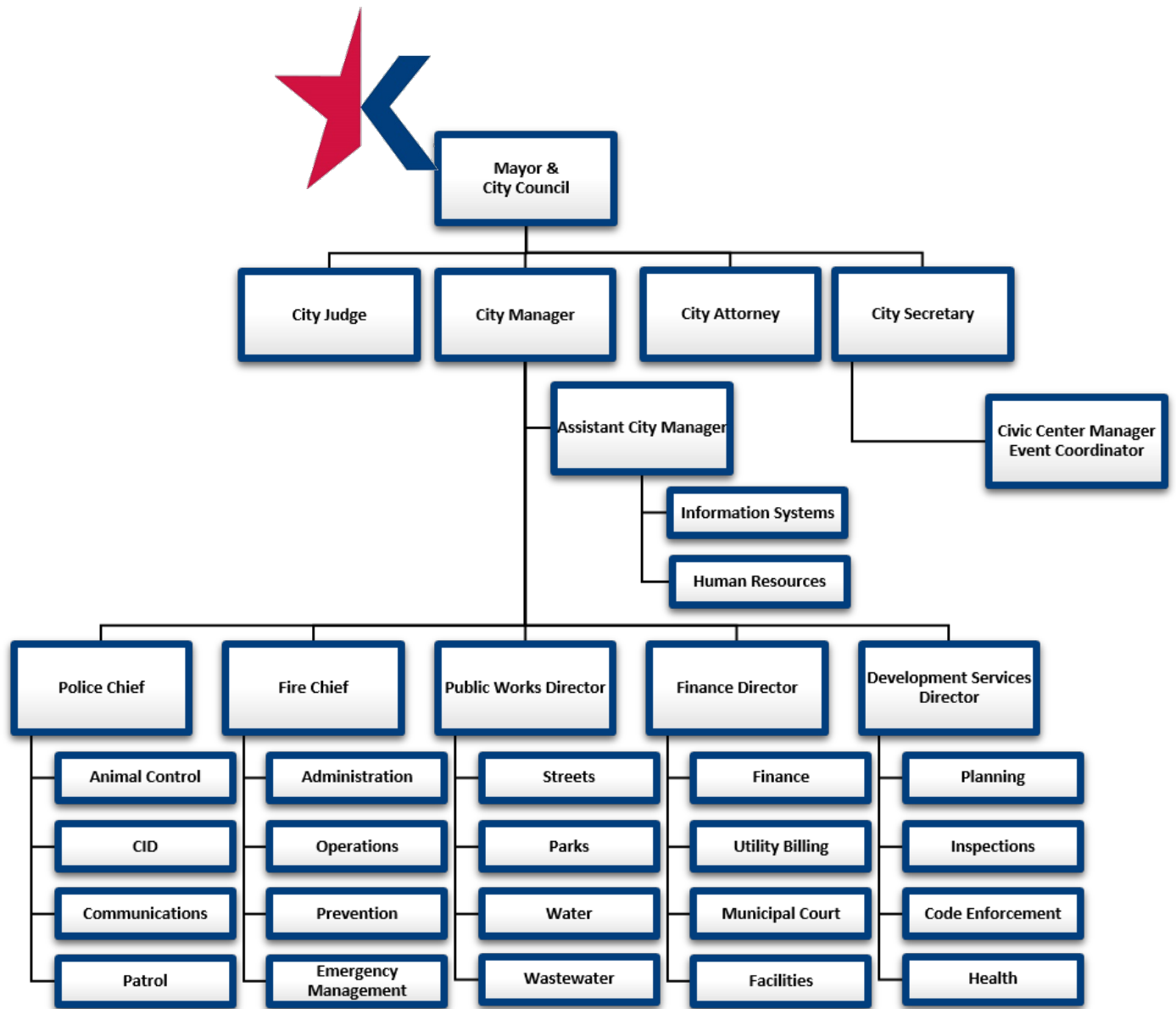
Total Jr. High Enrollment: 979

Kaufman High School

Gary W. Campbell High School/Alternative Learning Center

Total High School Enrollment: 1,167

Organizational Chart



Description of Fund Structure

The financial structure of the budget is organized by funds. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts for recording cash and other financial resources, as well as any liabilities or residual equities or balances. Normally, funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The two types of funds utilized by the City of Kaufman are Governmental and Proprietary. Governmental funds are used for most government activities, while Proprietary funds are based on the premise that the city service should be conducted as a business with user fees covering expenses. Listed below are descriptions of the funds maintained by the City.

The budgets for the Governmental Funds are prepared on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become both available and measurable except where the accrual basis is specified by generally accepted accounting principles. Expenditures are recognized when the services or goods are received, and the liabilities are incurred. Budgets for the Proprietary Funds are prepared on the full accrual basis of accounting under which transactions are recognized when they occur regardless of timing or related cash flows.

Budgetary control is maintained at the department level in each departmental budget. Unspent and unencumbered appropriations lapse at the end of the fiscal year, except for capital projects.

Governmental Type Funds

General Fund

The primary operating fund for the City. Financial resources include: property, sales and other taxes, franchise fees, fines, licenses, and fees for services. Operating expenditures provide support for traditional tax-supported municipal services such as Public Safety, Parks and Recreation, Development Services, Administration, and Public Works operations.

Economic Development Fund

Responsible for collecting and disbursing the one-half cent sales tax to be used for economic development within the city.

Special Revenue Funds

Used to account for the accumulation and disbursement of legally restricted resources to expenditures for a specific purpose, often legally restricted to expenditure for that defined specified purposes. Funds under this category include the Hotel/Motel Fund, Seizure/Law Enforcement Fund, Court Technology Fund, Court Security Fund, Grant Funds, Impact Fee Fund – Streets, and TIF Zone Fund.

Debt Service Fund

The fund is used to account for the accumulation of resources for expenditures related to general long-term debt, including principal, interest, and other related costs. The resources are generated by a tax levy based on property values and are used to pay debts incurred through the sale of bonds, certificates of obligation, notes payable and other debt instruments. These debt instruments generally finance long-term capital improvements to streets, parks, buildings and other infrastructure.

Capital Projects Funds

Accounts for the accumulation of resources to construct or acquire capital facilities and improvements. Resources may include proceeds from the sale of general obligation bonds, certificates of obligation, TxDOT and County Funds, and transfers from other city funds.

Proprietary Type Funds**Enterprise Funds**

These funds account for operations that are financed and operated in a manner similar to private business; the intent of the City is to provide goods or services to the general public on a continuing basis that will be financed or recovered through user charges. The City maintains enterprise funds for the Water-Sewer Utility Fund and the Drainage Utility Fund.

Fund Structure

General Fund	
Administration	City Council Administration City Secretary Human Resources Information Services
Finance	Finance Municipal Court Facilities Management
Police	Patrol Criminal Investigations Animal Control
Fire	Administration Operations Prevention Emergency Management
Public Works	Street Maintenance Convenience Station Parks and Recreation
Development Services	Planning Inspections Consumer Health Code Enforcement

Special Revenue Funds
Hotel/Motel Fund
Seizure/Law Enforcement Fund
Court Technology Fund
Court Security Fund
Grants Fund
Impact Fee Fund - Streets
TIF Zone Fund

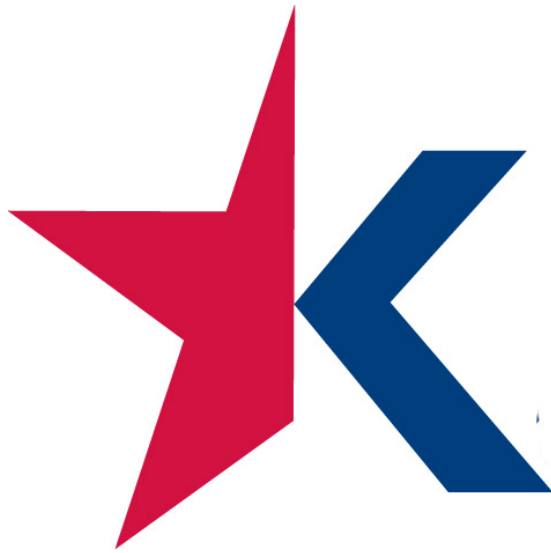
Water-Sewer Utility	
Operations Fund	
Administration	Administration Information Systems
Finance	Customer Service Debt Service
Public Works	Wastewater Treatment Water Distribution Metering Wastewater Collection Prairie Creek Maintenance
Impact Fee Fund - Water	

Drainage Utility Fund

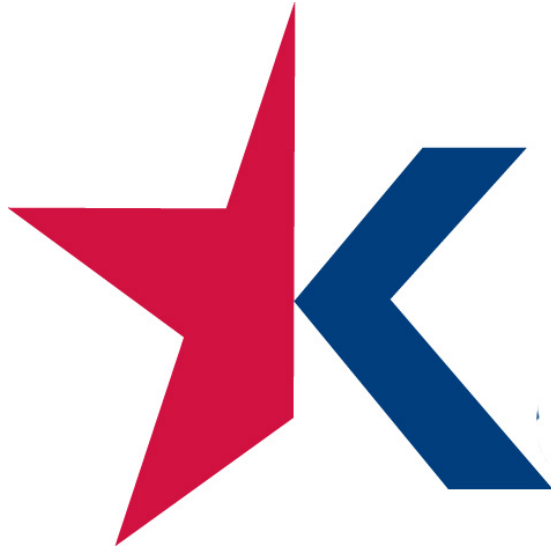
Economic Development Fund

Capital Project Funds
Equipment Replacement Fund
Street Maintenance Fund
General Fund Capital Construction Fund
Water-Sewer Utility Capital Improvement Fund
Drainage Utility Capital Improvement Fund

Debt Service Fund



Financials



Policies

City of Kaufman

FINANCIAL POLICIES

PURPOSE

The purpose of formally adopting financial management and budgetary policies is to provide sound guidelines in planning the City's financial future. The financial policies outlined below are followed by the City during budget preparation and implementation. Each of the policies has been established to maintain the financial stability and integrity of the City of Kaufman.

GENERAL BUDGETARY POLICIES

- A. **Budget Preparation** – In accordance with the City Charter, the City Manager shall submit to the Council a proposed budget for the ensuing fiscal year and an accompanying message on or before August 1st of the fiscal year. The proposed budget shall be prepared in accordance with all applicable Charter requirements and State laws. The budget shall be comprehensive in nature and address all operating funds of the City.
- B. **Balanced Budget** – It is expected that each year the budget of each fund shall be balanced. This means that total resources available, including fund balances plus projected revenue, shall be equal to or greater than the projected expenditures for the coming year. In a case where a deficit fund balance does occur, the goal shall be to adjust revenues and/or expenses so that the deficit is eliminated the following year.
- C. **Public Hearings, Availability of Budget to Public** – Copies of the proposed budget shall be available for public inspection at any time after the proposed budget is submitted to Council. By providing this information early, the public has ample opportunity for input into the planning process. It shall be the policy of the City to have at least one public hearing on the Proposed Budget at a duly advertised public meeting not less than ten days nor more than thirty days after the date of notice. As required by City Charter, at least ten days prior to the beginning of the next fiscal year the City Council shall adopt the budget through passage of an Ordinance. Should the City Council take no final action on or prior to such day, the current budget shall be in force on a month-to-month basis until a new budget is adopted. Appropriations, except an appropriation for the Capital Improvement Plan (CIP), shall lapse at the end of each fiscal year. An appropriation for the Capital Improvement Plan (CIP) shall continue in force until the purpose for which it was made had been accomplished or abandoned. The purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or

encumbrance of the appropriation. Any funds not expended, disbursed or encumbered shall be deemed excess funds.

- D. **Cost Accounting and Budget** – It shall be the policy of the City to allocate all direct costs, and budget according to the various funds, to the extent practical. This includes such items as utility costs, fuel costs, insurance, overhead and manpower. The City’s accounting and budgetary records for governmental fund type operations are maintained and the financial statements have been prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measured and available; and expenditures are recorded when the liability is incurred. Accounting records for the City’s proprietary funds are budgeted and maintained on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.
- E. **Bond Ratings** – The City’s policy shall be to manage its budget and financial affairs in such a way so as to promote enhancement of its bond ratings. Full disclosure of operations and open lines of communication shall be made to the rating agencies.
- F. **Budget Projections for Revenues and Expenditures** – The City shall estimate revenues and expenditures on an objective and reasonable, yet conservative basis. The City shall consider both historical information and economic trends during the budget process. A five year forecast that examines critical issues facing the City shall be part of the proposed budget. This forecast shall include revenues, expenditures, and a discussion of major trends affecting the City’s financial position. The purpose of this forecast is to provide further insight into the City’s financial position and alert the Council to potential problem areas requiring attention.
- G. **Maintenance of Plant and Equipment** – The operating budget will provide revenues sufficient for adequate maintenance and replacement of capital plants, buildings, infrastructure, and equipment. Deferral of such costs on a long-term continued basis would not be an acceptable policy to use in balancing the budget.

FUND BALANCE POLICIES

- A. **Fund Balance** – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and non-spendable. Fund balance is classified into five categories:
 - a. **Non-spendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term

loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.

- b. **Restricted fund balance**— includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include grant awards and bond proceeds.
- c. **Committed fund balance** – includes the portion of net resources upon which the City Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a formal action, i.e., *Ordinance*, by the City Council. Commitments may be changed or lifted only by the Council taking the same formal action, i.e., *Ordinance*, that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.
- d. **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Manager. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.
- e. **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classification. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

- B. **Minimum Unassigned Fund Balances** – The appropriate amount that a city should carry in Fund Balance or Reserves depends on circumstances such as adequacy of its insurance coverage, the flexibility of its revenue base, overall financial condition of the City, economic conditions, age and condition of its infrastructure, and the likelihood of natural disasters or unplanned emergencies.

It shall be the long-term goal of the City to maintain a minimum unrestricted fund balance in the General Fund equal to three month's of the annually

budgeted expenditures. The City will appropriate one percent (1%) of each year's General Fund budgeted expenditures until the identified goal is met.

For the Enterprise Fund, cash balances are to be maintained, at the minimum, in an amount equal to three month's of annually budgeted expenses. The City will allocate one percent (1%) of each year's budgeted expenses until the identified goal is met.

In order to alleviate the potential for undue hardship during austere times when such reserve appropriation(s) would cause unjustified hardship to municipal operations, the requirement for a budgetary reserve may be suspended by a resolution passed and approved by the City Council.

- C. **Use of Fund Balance/Net Assets** – Fund Balance/Net Assets may be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations shall be made on how to restore it. When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds.
- D. **Monitoring and Reporting** – The Director of Finance shall be responsible for monitoring and reporting the City's various reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise. Compliance with the provisions of the policy shall be reviewed as part of the annual operating budget adoption process and subsequent review will be included in the annual audit and financial statement preparation procedures.

SINKING FUNDS

- C. **Revenue Bond Interest and Sinking Account** - It shall be the policy of the City to always be in compliance with the requirements of all ordinances that created the need for our Revenue Bond Interest and Sinking Account(s). Monthly payments are to be made to this account each year in accordance with the bond ordinance. The balance in the account must be adequate so that when semi-annual payments are due there will be sufficient funds in the account(s) to meet the total principal and interest payments.
- D. **Tax Bond Interest and Sinking Account** - It shall be the policy of the City to always be in strict compliance with the requirements of the ordinances that create the need to maintain our Tax Bond Interest and Sinking Account(s).

Taxes shall be distributed to the account daily, as received. The balance in the account must be adequate so that when semi-annual payments are due there will be sufficient funds in the account to meet the total principal and interest payments.

LONG TERM DEBT POLICIES

- A. **Capital Improvement Plan** – The City shall annually review and monitor the condition of the City’s capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources. Each year there shall be an effort to include some capital items needed by operating funds out of operating revenues. Major capital improvements will normally be funded through the issuance of long-term debt, as opposed to being funded via appropriations in the operating budget.
- B. **Debt Policies** – No direct funded debt limitation is imposed on the City under current state law or the City’s Home Rule Charter. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 assessed valuation for all City purposes. The City operates under a Home Rule Charter, which adopts the constitutional provisions.

The City’s policy is to use bond proceeds for capital expenditures only. Such revenues are never to be used to fund normal City operations. The City shall not issue long-term debt for a period longer than the estimated useful life of: (a) the capital project funded by the debt, or (b) the life of the capital equipment being financed. The general policy of the City shall be to sell bonds on the basis of competitive bids unless the nature of the issue warrants a negotiated bid. The City shall strive to minimize the maturity of long-term debt. City staff, with assistance of financial advisors, will monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt.

REVENUE POLICIES

- A. **Collection of Charges** - The City will strive to operate a revenue system which is simple and enacts consistent collection policies so that assurances can be provided that the revenue base will materialize according to budgets and plans. Revenues actually received will be regularly compared to budgeted revenues and variances will be investigated. The City will follow a policy of collecting, on a timely basis, all fees, charges, taxes and other revenue properly due to the City. The City will follow an aggressive policy of collecting all delinquencies due to the City.

- B. **Property Tax Revenues** - Property shall be assessed at 100% of fair market value as appraised by the Kaufman County Appraisal District. Reappraisal and assessment shall be done regularly as required by state law. Ad Valorem tax payments are collected by the Kaufman County Tax Assessor/Collector on behalf of the City. A 95% collection rate will serve as a goal for tax collections. Delinquent taxes will be pursued by a private attorney, and a penalty assessed to compensate the attorney as allowed by state law, and in accordance with the attorney's contract.

The City shall strive to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees and economic development. The City shall also strive to minimize tax rate increases.

- C. **Water and Wastewater Rates and Enterprise Fund User Fees** – Utility rates and Enterprise Fund user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital and debt coverage. Water and sewer rates shall be comprised of a fixed and variable portion. Emphasis shall be made to not place undue reliance on the variable portion of the rate structure. It is the goal of the City to reduce or eliminate all forms of subsidization to the Enterprise Fund from the General Fund.
- D. **Fees for Service** - The general policy on fees for service shall be that the City will seek to maximize fee revenue from services whenever feasible as opposed to relying on tax revenue to support services. For services that benefit specific users, where possible the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary.
- E. **Interest Income** – It is the City's policy to maximize interest income by investing idle cash as allowed by state law and the *City of Kaufman Investment Policy*.

EXPENDITURE POLICY

- A. **Current Funding Basis** – The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings.
- B. **Avoidance of Operating Deficits** – The City shall take timely corrective action if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end.

- C. **Maintenance of Capital Assets** – Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City’s investment, to minimize future replacement and maintenance costs and to continue service levels.
- D. **Purchasing** – The City shall make every effort to maximize any discounts offered by creditors/vendors when it is deemed cost effective. Vendors with balances due the City will have payments due the vendor offset against the amount due the City. The City shall follow state law concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall seek to obtain the most favorable terms and pricing possible. Every effort will be made to include minority business enterprises in the bidding process.
- E. **Level of Control** – Expenditures may not legally exceed budgeted appropriations at the fund level as designated by the City’s Home Rule Charter. Department Heads are responsible for monitoring their respective budgets and complying with general purchasing policies established by the Finance Department and approved by the City Manager.
- F. **Payments for Goods and Services** – All invoices will be paid within 30 days of receipt.

ACCOUNTING POLICIES

- A. **Accounting Practices** – The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA).
- B. **Capital Assets** – Capital Assets, which include land, buildings, equipment , and improvements, purchased or acquired, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. The City defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30-50 years
Buildings	50 years
Building Improvements	10 years
Machinery & Equipment	5-15 years

- C. **Internal Controls** – Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.
- D. **Independent Audit** – As required by City Charter, the City Council shall select an independent firm of certified public accountant(s) to perform an annual audit of all operations. The firm must demonstrate that they have the breadth and depth of staff to conduct the City's audit in accordance with generally accepted auditing standards, and contractual requirements. The auditors are accountable to the City Council, although their efforts are coordinated through the City Manager and staff. The City will continue to participate in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program.

RISK MANAGEMENT

- A. **Programs** -The City shall utilize a safety program, an employee health program and a risk management program to prevent and/or reduce the financial impact on the City from claims and losses.
- B. **Reduced Liability** - Transfer of liability for claims will be utilized where appropriate via transfer to other entities through insurance and/or by contract. Liabilities will be self-insured where financially feasible.

INTERGOVERNMENTAL RELATIONS

- A. **Inter-local Cooperation in Delivering Services** – In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities and to develop joint programs to improve service to its citizens.
- B. **Legislative Program** – The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding for implementation.

CITY OF KAUFMAN INVESTMENT POLICY

I. POLICY

It is the policy of the City of Kaufman (City) that after allowing for the anticipated cash flow requirements of the City and giving due consideration to the safety and risk of investment, all available funds shall be invested in conformance with these legal and administrative guidelines and to the maximum extent possible, at the highest rates obtainable at the time of investment.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a viable and material source of revenue to City funds. The City's investment portfolio shall be designed and managed in a manner designed to maximize this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

II. PURPOSE

The purpose of this investment policy is to comply with Public Funds Investment Act, Chapter 2256, Texas Local Government Code which requires each city to adopt a written investment policy regarding the investment of its funds and funds under its control. The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City of Kaufman funds.

III. SCOPE

This Investment Policy shall govern the investment of all financial assets of the City of Kaufman. These funds are accounted for in the City's Comprehensive Annual Financial Report (CAFR) and include:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Enterprise Funds
5. Trust and Agency Funds, to the extent not required by law or existing contract to be kept segregated and managed separately
6. Debt Service Funds, including reserves and sinking funds, to the extent not required by law or existing contract to be kept segregated and managed separately
7. Any new fund created by the City, unless specifically exempted from this Policy by the City Council or by law.

CITY OF KAUFMAN INVESTMENT POLICY

This policy shall also govern the investment of the financial assets of the Fire Pension Fund of the City of Kaufman, which is a separate legal and accounting entity, and is not accounted for in the City's CAFR.

This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds.

This policy shall not govern funds that are managed under separate investment programs. Such funds currently include the City's participation in the Texas Municipal Retirement System and any deferred compensation programs administered for the benefit of the city by outside agencies. The City shall maintain responsibility for these funds only as required by State Law and the City Charter.

IV. PRUDENCE

The standard of prudence to be applied by the investment officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the City's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment.
- Whether the investment decision was consistent with the written investment policy of the City.

Investment Officers shall seek to act responsibly as custodians of the public trust and should avoid any transaction that might impair public confidence in the City's ability to govern effectively.

V. INVESTMENT OBJECTIVES

The City of Kaufman shall manage and invest its cash with four primary objectives, listed in order of priority: **safety, liquidity, public trust and yield, expressed as optimization of interest earnings**. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

CITY OF KAUFMAN INVESTMENT POLICY

The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payments in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of pooled idle cash.

Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

- Credit Risk – The City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
 - Limiting investments to the safest types of securities
 - Pre-qualifying the financial institutions and broker/dealers with which the City will do business
 - Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- Interest Rate Risk – the City will minimize the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:
 - Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity
 - Investing operating funds primarily in certificates of deposits, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
 - Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in shares of money market mutual funds or local government investment pools that offer same-day liquidity.

Yield (Optimization of Interest Earnings)

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment

CITY OF KAUFMAN INVESTMENT POLICY

risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

VI. RESPONSIBILITY AND CONTROL

Delegation of Authority

Management responsibility for the Investment Program is assigned to the City Manager, with designation by him, as provided for in the City's Home Rule Charter. The Director of Finance is hereby designated as the primary Investment Officer and is responsible for establishing a system of controls to regulate the activities of investment.

Investment procedures should include reference to the following: safekeeping agreements, repurchase agreements, wire transfer agreements, collateral agreements, depository service contracts and agreements, broker/dealer selection criteria, and security bidding and purchase processes. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions.

No person may engage in an investment transaction or the management of funds except as provided under the terms of this Investment Policy as approved by the City Council. The Director of Finance shall be responsible for routine authorization and accounting of investments, with approvals by either the City Manager or Assistant City Manager. The Director of Finance shall establish a system of controls to regulate the activities of subordinates. The investment authority granted to the investing officers is effective until rescinded by the governing body.

The City Council shall designate by resolution one or more officers or employees as members of the Investment Advisory Committee assigned to review investment policies and procedures, investment strategies, and investment performance. Members of the committee shall demonstrate knowledge and expertise in the area of finance, investments, or cash management. The Committee shall elect the Chairman, and meetings shall be called as needed.

Quality and Capability of Investment Management

The City shall provide periodic training in investments for the designated investment officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in order to insure the quality and capability of investment management in compliance with the Public Funds Investment Act.

CITY OF KAUFMAN INVESTMENT POLICY

Training Requirement

The Director of Finance and any other designated investment officers must attend ten (10) hours of training not less than once in a two-year period that begins on the first day of the City's current fiscal year and ends two consecutive fiscal years after that date. The investment training session shall be provided by an independent source approved by the City Council. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institute of higher learning or any other sponsor other than a business organization with whom the City of Kaufman may engage in an investment transaction. The Director of Finance and any other designated investment officers shall also comply with any continuing education or retraining requirement prescribed by law. Thereafter, ten hours of training must be completed every two years.

Internal Controls

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Director of Finance shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points.

- Control of collusion.
- Separation of transactions authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation for telephone (voice) transactions for investments and wire transfers.
- Development of a wire transfer agreement with the depository bank or third party custodian.

Indemnification

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

CITY OF KAUFMAN INVESTMENT POLICY

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio.

An investment officer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity.

VII. SUITABLE AND AUTHORIZED INVESTMENTS

Portfolio Management

The City currently has a “buy and hold” portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated before they mature if market conditions present an opportunity for the City to benefit from the trade. Investments may be liquidated for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- An investment swap would improve the quality, yield, or target duration in the portfolio.
- Cash flow needs of the portfolio require that the investment be liquidated.

Investments

Assets of the City of Kaufman may be invested in the following instruments; provided, however, that at no time shall assets of the City be invested in any instrument or security not authorized for investment under the Act, as the Act may from time to time be amended.

CITY OF KAUFMAN INVESTMENT POLICY

I. Authorized

1. Obligations of the United States of America, its agencies and instrumentalities, rated not less than A or its equivalent by at least one nationally recognized investment rating firm.
2. Certificates of Deposit issued by a bank organized under Texas law, the laws of another state, or federal law, that has its main office or branch office in Texas, or by a savings and loan association or a savings bank organized under Texas, the laws of another state, or federal law, that has its main office or a branch office in Texas and that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner and amount provided by law for deposits of the City.
3. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities. These shall be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Master Repurchase Agreement must be signed by the bank/dealer prior to investment in a repurchase agreement. All repurchase agreement transactions will be on a delivery vs. payment basis. Securities received for repurchase agreements must have a market value greater than or equal to 110 percent at the time funds are disbursed.
4. Money Market Mutual funds that are 1) registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 90 days or less, 3) maintain a net asset value of \$1 for each share and 4) rated AAA by at least one nationally recognized rating service.
5. Local government investment pools which 1) meet the requirements of Chapter 2256.019 of the Public Funds Investment Act 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service and 3) are authorized by resolution or ordinance by the City Council.

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. The City is not required to liquidate investments that were authorized investments at the time of purchase. Credit rating monitoring procedures shall be performed on a monthly basis; liquidation of investments may be required under provisions of the PFIA should rating drop below minimum requirement.

CITY OF KAUFMAN INVESTMENT POLICY

II. Not Authorized

Under no circumstances shall investments be made in interest-only or principal-only strips of obligations with underlying mortgage-backed security collateral, or in collateralized mortgage obligations with an inverse floating interest rate or a final maturity date of over 2 years. Neither shall investments be made in obligations that are secured by these prohibited investments.

III. Certification

Investments shall only be made with business organizations that have provided the City with a written instrument, executed by a qualified representative of the firm, acknowledging that the organization has:

- Received and reviewed the City's Investment Policy, and
- Implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and the organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

VIII. INVESTMENT PARAMETERS

Maximum Maturities

The longer the maturity of investments is, the greater its price volatility. Therefore, it is the City's policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

The City attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than twenty-four (24) months from the date of purchase. Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days except in the case of a flexible repurchase agreement for bond proceeds. The maximum maturity for such an investment shall be determined in accordance with project cash flow projections and the requirements of the governing bond ordinance.

Each Fund portfolio will have a weighted average maturity of one (1) year or less. This dollar weighted average maturity will be calculated using the stated final maturity dates of each security.

CITY OF KAUFMAN INVESTMENT POLICY

Diversification

The City of Kaufman recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and certificates of deposits that are fully insured and collateralized in accordance with state and federal law),
- Limiting investment in securities that have higher credit risks,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for the City's total portfolio:

1. U.S. Treasury Securities	100%
2. Agencies and Instrumentalities	80%
3. Certificates of Deposit	50%
4. Repurchase Agreements	50%
5. Money Market Mutual Funds	50%
6. Authorized Pools	100%

VIII. INVESTMENT STRATEGY BY FUND TYPE

Operating Funds and Commingled Funds Containing Operating Funds

Operating funds will have as their primary objective to support the goals of the investment policy on these funds for safety and assure that cash flows are matched with adequate liquidity while obtaining reasonable market yields. This will be accomplished by purchasing quality, short-term securities, liquid-securities in a laddered structure, or utilizing an investment pool. The dollar-weighted average will be 180 days or less to accomplish this goal. The portfolio shall be diversified to protect against credit and market risk in any one sector. Diversification requirements can be fully met through use of an authorized pool. Operating fund reserves or fund balances shall only be invested in securities that have a maximum maturity of 24 months or less, except when otherwise approved by council action.

Debt Service

CITY OF KAUFMAN INVESTMENT POLICY

Investment strategies for debt service funds shall have as the primary objective the guarantee of investment liquidity adequate to cover the debt service obligation on the required payment date. Investments will be made that will promise safety of principal and liquidity first and yield and diversification second. Securities purchased will not have maturity dates that exceed the next debt service payment date until the next debt service payment is fully funded, and in no instance will have a maximum weighted average maturity of six months.

Debt Service Reserves

Investments will have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund within the limits set forth by the bond ordinance or debt covenants specific to each individual bond issue.

Since this is one of the highest priorities of the City, securities will be chosen with the highest priorities of safety. Securities will be chosen for their maturity dates and not require the highest degree of diversification.

Securities purchased shall not have a stated final maturity date which exceeds the next debt service payment date until fully funded and shall be chosen secondarily with regard to yield and diversification.

Reserve funds will have the same primary objective but shall be further controlled with the purchase of securities carrying the highest yield available, within the desired maturity and quality range with a maximum weighted average maturity of six months.

Capital Project and Special Purpose Funds

These funds will have as their primary objective to ensure that anticipated cash outflows are matched with adequate investment liquidity. No funds will be invested longer than the related anticipated expenditures.

These portfolios should have liquid securities to allow for unanticipated project expenditures or accelerated project outlays due to a better than expected or changed construction schedule. The dollar weighted average life of the portfolio should match the weighted expenditures of the liabilities. Funds invested for capital projects may be from bond proceeds that are subject to arbitrage rebate regulations.

The City will have an arbitrage rebate calculation performed annually to determine the income, if any, that has exceeded the arbitrage yield of the bonds. Any positive arbitrage income will be averaged over a five-year period and rebated to the Federal Government according to arbitrage regulations. A secondary objective of these funds is to achieve a yield equal to or greater than the arbitrage yield of the applicable bond.

CITY OF KAUFMAN INVESTMENT POLICY

X. SELECTION OF BANKS AND DEALERS

Depository

At least every five years, as allowed by State Law, a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). The term of said banking services shall be for a maximum of an initial three (3) year term, with options to renew for either one (1) two-year term, or two (2) one-year terms. The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state and local laws.
- The ability to provide requested information or financial statements for the periods specified.
- The ability to meet all requirements in the banking RFP and the investment policy.
- Complete response to all required items on the bid form
- Lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

Authorized Brokers/Dealers

Authorized firms may include primary dealers, or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (Uniform Net Capital Rule.) and qualified depositories.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- Audited financial statements
- Completed broker/dealer questionnaire
- Certification of having read and understood the City's investment policy and agreeing to comply with the policy

The governing body must annually review, revise and adopt a list of qualified broker/dealers and financial institutions authorized to engage in investment transactions with the City.

Competitive Bids

It is the policy of the City to require competitive bidding for any investment transaction, other than the investment of funds in a) an authorized pool, b) certificate of deposit

CITY OF KAUFMAN INVESTMENT POLICY

through the depository bank, c) transactions with money market mutual funds, or d) treasury and agency securities purchased at issue through an approved broker/dealer or financial institution. The Director of Finance shall develop and maintain procedures for ensuring a competition in the investment of the City's funds. Investment transactions may be done orally, but followed by electronic or written confirmation. Funds will be authorized to be released after notification that the purchased security has been received. Written confirmation shall be received from the financial institution or broker/dealer. All investments purchased will be held in safekeeping at a third party custodial institution with a safekeeping receipt being sent to the City.

Delivery vs. Payment

Securities shall be purchased using the **delivery vs. payment** method with the exception of local government investment pools and mutual fund transactions. Funds shall not be wired or paid until verification has been made that the Trustee received the correct security. The security shall be held in the name of the City or held on behalf of the City. The Trustee's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City.

XI. SAFEKEEPING OF SECURITIES

Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits.

Safekeeping

All securities owned by the City shall be held by its safekeeping agent, except the collateral for certificates of deposits in banks. The collateral for certificates of deposit in banks will be registered in the City's name in the bank's trust department or, alternatively, in a Federal Reserve Bank account in the City's name, or a third party bank in the City's name, at the City's discretion. Original safekeeping receipts shall be obtained.

Collateralization

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all City investments and funds on deposit with a depository bank, other than investments which are obligations of the U.S. government and its agencies and instrumentalities. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 105% of market

CITY OF KAUFMAN INVESTMENT POLICY

or par, whichever is lower. The market value of collateral will always equal or exceed the principal plus accrued interest of deposits at financial institutions. At its discretion, the City may require a higher level of collateralization for certain investment securities. Securities pledged as collateral shall be held by an independent third party with whom the City has a current custodial agreement. The Director of Finance is responsible for entering into collateralization agreements with third party custodians in compliance with this Policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. Collateral shall be reviewed at least weekly to assure that the market value of the pledged securities is adequate. Financial institutions, with which the City invests or maintains other deposits, shall provide monthly, and as requested by the Investment Officer, a listing of the collateral pledged to the City, marked to current market prices. The listing shall include total pledged securities itemized by name, type, description, par value, current market value, maturity date, and Moody's or Standard & Poor's rating, if applicable. The City and the financial institution shall jointly assume the responsibility for ensuring that the collateral is sufficient by type, description, par value, current market value, maturity date, and Moody's or Standard & Poor's rating.

Collateral Defined

The City of Kaufman shall accept only the following securities as collateral:

- FDIC insurance coverage.
- A bond, certificate of indebtedness, including Mortgage-Backed Agency Securities guaranteed or insured by the United States or its Agencies and Instrumentalities, Treasury Notes of the United States, or other evidence of indebtedness of the United States that is guaranteed as to principal and interest by the United States.
- Obligations, the principal and interest on which, are unconditionally guaranteed or insured by the State of Texas.
- A bond of the State of Texas or of a county, city or other political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "A" or its equivalent) by a nationally recognized rating agency with a remaining maturity of two (2) years or less.
- Surety Bonds that meet the requirements of the Public Funds Investment Act; or
- Federal Home Loan Bank Letters of Credit as defined by Chapter 116, Subchapter C of the Local Government Code and by Chapter 726, Acts of the 67th Legislature, Regular Session, 1981 (Article 2529b-1, Vernon's Texas Civil Statutes).

CITY OF KAUFMAN INVESTMENT POLICY

Subject to Audit

All collateral shall be subject to inspection and audit by the Director of Finance or the City's independent auditors.

XII. PERFORMANCE

Performance Standards

The City's investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall be designed with the objective of obtaining a rate of return through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the City.

Performance Benchmark

It is the policy of the City to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the City attempts to optimized interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value of those securities to determine portfolio performance during that period of time. The City's portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on U.S. Treasury Bills at a maturity level comparable to the City's weighted average maturity in days.

XIII. REPORTING

Methods

The Investment Officer shall prepare an investment report on no less than a quarterly basis that summarizes investment strategies employed in the most recent quarter and describes the portfolio in terms of investment securities, maturities, and shall explain the total investment return for the quarter.

The quarterly investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principals. This summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the City Manager and City Council. The report will include the following:

- A listing of individual securities held at the end of the reporting period.

CITY OF KAUFMAN INVESTMENT POLICY

- Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield to maturity of portfolio as compared to applicable benchmark.
- Listing of investments by maturity date.
- Fully accrued interest for the reporting period
- The percentage of the total portfolio which each type of investment represents.
- Statement of compliance of the City's investment portfolio with state law and the investment strategy and policy approved by the City Council.

An independent auditor will perform a formal annual review of the quarterly reports with the results reported to the governing body.

Marking to Market

Market value of all securities in the portfolio will be determined on a quarterly basis. These values will be obtained from a reputable and independent source and disclosed to the governing body quarterly in a written report.

XIII. INVESTMENT POLICY ADOPTION

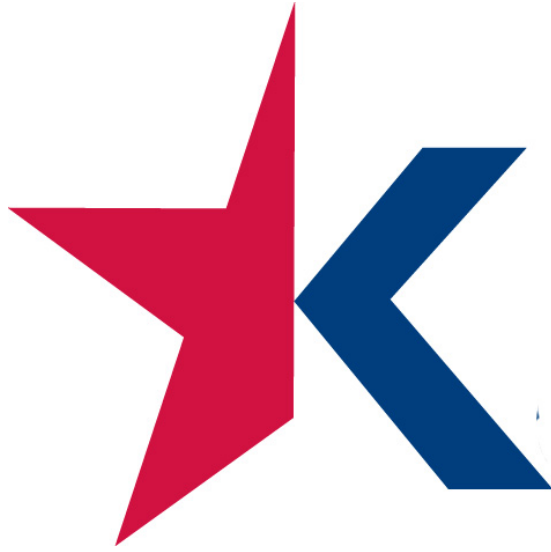
The City of Kaufman investment policy shall be adopted by resolution of the City Council. It is the City's intent to comply with state laws and regulations. The City's investments policies shall be subject to revisions to stay current with changing laws, regulations, and needs of the City. The policy shall be reviewed annually by the City Council and any changes or modifications must be approved by the City Council.

City of Kaufman

General Guidelines for Purchasing

1. **All** purchases of goods or services must be appropriate for City use and be the best possible value for the public dollar.
2. Purchases of less than **\$250** do not require prior approval from the Finance Department. Department heads are responsible for compliance with Item 1 above. Splitting of invoices to come under \$250 cap is strictly prohibited; department heads are responsible for training and education of staff on these purchasing guidelines.
3. For purchases greater than \$250, appropriate paperwork, a purchase order form, must be completed and submitted for administrative approval **BEFORE** purchases and/or commitments are made. Purchase orders are for future purchases.
4. Purchase order requests greater than \$3000 require price quotes from three or more vendors. If three prices are not available, note this on the purchase order with an explanation to avoid delays in approval. Supporting documentation for all quotes must be attached to the purchase order form. When using a government procurement service such as BuyBoard or HGACBuy, three quotes are not required, but are recommended. Additionally, dual approval by the City Manager/designee and the Finance Director is required. If the Finance Director is not available, the ACM or City Secretary must approve.
5. Vendor information should be complete, including physical and 'remit to' address, contact name, phone number, website, email, and the total expected purchase price. If using a vendor for the first time, IRS form W-9 is required; the vendor must submit the W-9 before payment processing.
6. **Emergency purchase order numbers will only be issued for true emergencies.** A true emergency is defined as "life threatening" or "a major disruption in services to our residents". Emergency requests less than \$3000 may be approved by the purchasing department. Emergency requests of \$3000 or more require prior approval from the City Manager, City Secretary, ACM, or Finance Director. (Paperwork for appropriate emergency purchases made outside of normal working hours such as weekends, evenings, and holidays may be submitted on the next regular business day.)
7. Allow ample time for approval when submitting purchase requisitions. Occasionally additional information is needed which may delay approval.
8. Invoices, packing slips, receipts, etc. with approval coding and signatures, should be forwarded promptly to the Finance Department (purchasing or accounts payable) for payment processing.
9. Invoices without supporting documentation (packing slip, etc.) that goods or services have been received must be initialed by the department head or supervisor to confirm receipt of goods or services.
10. Purchase orders for contractual items are not required (ex. Professional services). In addition, see attached list of approved exceptions that do not require a purchase order form.
11. Purchase requisitions for training & schools should include adequate information to determine total cost to the city. Information about lodging, meals and other travel expenses must first be submitted on the travel advance form and again on reimbursement form upon return; see travel form for list of supporting documentation requirements.
12. Formal bids must be obtained for expenditures \$50,000 and above, and require City Council approval. All departments are encouraged to plan their purchases a minimum of six weeks in advance to allow time for the processing of complete bid specifications and meeting the legal requirement for advertisements. Formal bids must be advertised in the City's designated local newspaper for two consecutive weeks and may be opened the following week.

13. Credit card purchases do not require a purchase order. However, a credit card pre approval form must be submitted and approved by finance before obtaining a credit card from Administration.
14. For purchasing matters not addressed in this policy, first consult with the Finance Director, City Manager or City Secretary/ACM.



Overview of Funds & Summaries

City of Kaufman

All Funds Summary
Fiscal Year 2019-2020

Description	General & Economic Development Fund			Special Revenue Funds		
	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget
Revenues						
Property Tax	\$ 1,765,041	\$ 2,034,200	\$ 2,425,425	\$ -	\$ -	\$ -
Sales Tax	3,085,420	3,093,783	2,724,599	-	-	-
Other Tax	437,224	461,908	462,800	43,746	47,226	35,500
License and Fees	255,191	346,448	331,650	43,692	82,000	65,800
Fines and Forfeitures	115,043	103,603	116,801	5,026	4,284	7,000
Charges for Services	307,629	327,500	303,700	-	-	-
Grant	-	-	-	1,785	345,000	323,670
Miscellaneous Revenue	153,900	75,900	55,865	123,835	13,500	13,500
Interest Income	2,908	4,430	2,221	2,692	3,565	3,540
Intergovernmental Revenue	403,390	1,075,000	806,274	9,153	13,199	15,000
Contributions and Donations	42,818	3,850	1,350	-	-	-
Bond Proceeds						
Revenues Total	6,568,564	7,526,622	7,230,685	229,928	508,775	464,010
Expenditures						
Personnel Services	3,102,910	3,268,455	3,715,039	-	-	-
Supplies and Materials	282,575	373,820	327,513	24,835	1,350	-
Repairs and Maintenance	317,087	336,095	298,480	2,805	-	-
Contractual Services	1,187,603	1,336,899	1,537,910	69,841	77,060	85,331
Capital	1,138,036	589,818	538,684	827,389	2,094,797	428,000
Bond Cost	-	-	-	-	-	-
Debt Service	499,844	488,991	145,000	-	-	-
Reserves	-	-	-	-	-	-
Expenditures Total	6,528,056	6,394,077	6,562,626	924,870	2,173,207	513,331
Transfers						
Transfers In	900,225	261,836	188,082	416,116	155,627	52,131
Transfers Out	(1,199,460)	(828,633)	(856,005)	(2,152)	(2,000)	(3,000)
Transfers Total	(299,235)	(566,797)	(667,923)	413,964	153,627	49,131
Surplus/(Deficit)	\$ (258,728)	\$ 565,748	\$ 136	\$ (280,978)	\$ (1,510,805)	\$ (190)
Beginning Fund Balance	2,473,680	\$ 2,214,952	\$ 2,780,700	\$ 1,379,050	\$ 1,098,072	\$ (412,733)
Ending Fund Balance	\$ 2,214,952	\$ 2,780,700	\$ 2,780,836	\$ 1,098,072	\$ (412,733)	\$ (412,923)

City of Kaufman
All Funds Summary (continued)
Fiscal Year 2019-2020

Description	Debt Service Fund			Enterprise Funds		
	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget
Revenues						
Property Tax	\$ 1,329,608	\$ 1,383,500	\$ 1,284,444	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-	-	-
Other Tax	-	-	-	-	-	-
License and Fees	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	52,351	40,500	65,330
Charges for Services	-	-	-	4,443,294	4,177,661	4,934,816
Grant	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	78,206	95,650	121,100
Interest Income	-	50	-	7,842	15,000	11,000
Intergovernmental Revenue	-	-	-	-	-	-
Contributions and Donations	-	-	-	149,715	-	-
Bond Proceeds	-	-	-	-	-	-
Revenues Total	1,329,608	1,383,550	1,284,444	4,731,407	4,328,811	5,132,246
Expenditures						
Personnel Services	-	-	-	1,594,437	1,028,004	1,339,527
Supplies and Materials	-	-	-	76,554	98,014	133,850
Repairs and Maintenance	-	-	-	336,034	431,895	454,990
Contractual Services	-	-	-	1,892,325	2,006,725	2,036,691
Capital	-	-	-	-	64,041	30,000
Bond Cost	-	-	-	-	-	-
Debt Service	1,999,567	2,068,703	2,188,318	1,120,947	804,786	1,048,730
Reserves	-	-	-	-	25,425	49,500
Expenditures Total	1,999,567	2,068,703	2,188,318	5,020,298	4,458,889	5,093,288
Transfers						
Transfers In	783,344	803,874	803,874	-	-	-
Transfers Out	(683,344)	-	-	(117,000)	(3,000)	(3,000)
Transfers Total	100,000	803,874	803,874	(117,000)	(3,000)	(3,000)
Surplus/(Deficit)	\$ (569,958)	\$ 118,722	\$ (100,000)	\$ (405,891)	\$ (133,078)	\$ 35,958
Beginning Fund Balance	\$ 950,764	\$ 380,806	\$ 499,528	\$ 2,299,369	\$ 1,893,478	\$ 1,760,400
Ending Fund Balance	\$ 380,806	\$ 499,528	\$ 399,528	\$ 1,893,478	\$ 1,760,400	\$ 1,796,357

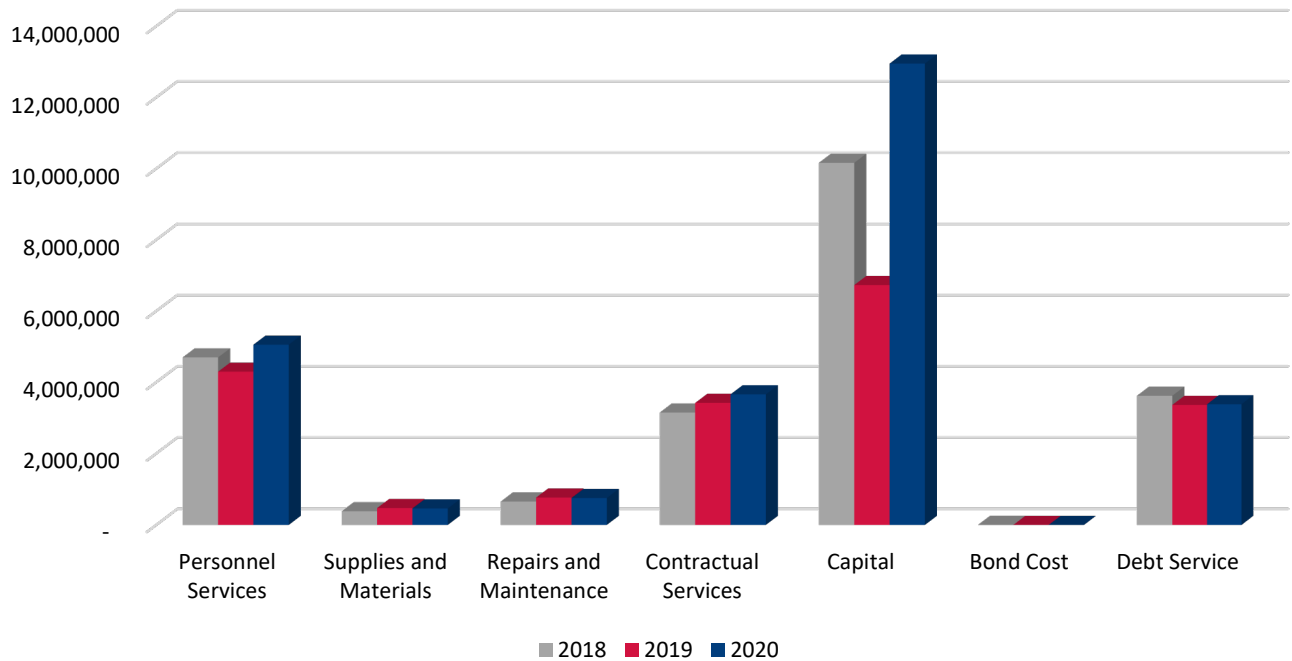
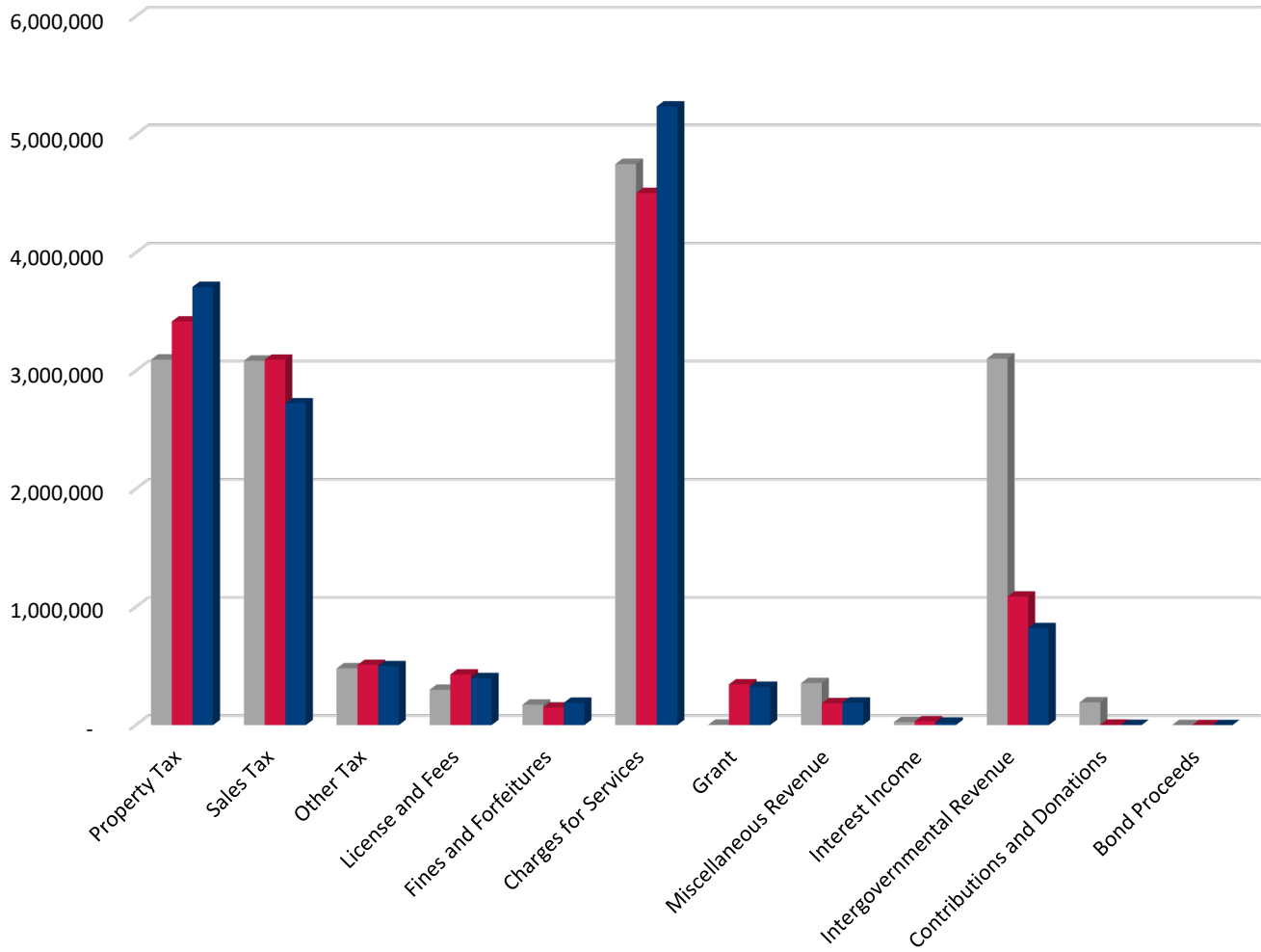
City of Kaufman
All Funds Summary (Continued)
Fiscal Year 2019-2020

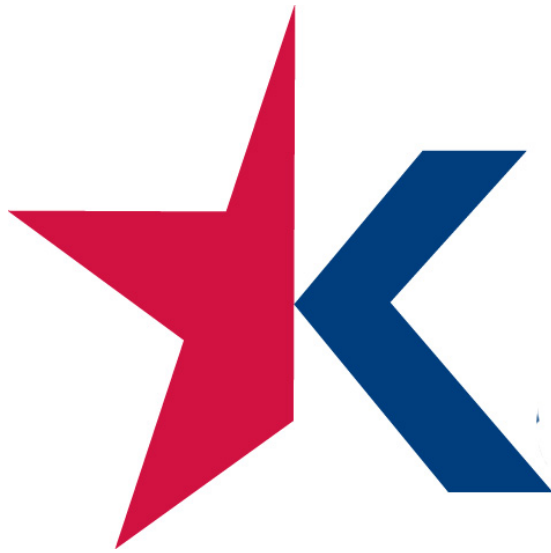
Description	Capital Project Funds			Total Funds		
	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget	2018 Year to Date Actual	2019 Year End Projection	2020 Adopted Budget
Revenues						
Property Tax	\$ -	\$ -	\$ -	\$ 3,094,649	\$ 3,417,700	\$ 3,709,869
Sales Tax	-	-	-	3,085,420	3,093,783	2,724,599
Other Tax	-	-	-	480,970	509,134	498,300
License and Fees	-	-	-	298,883	428,448	397,450
Fines and Forfeitures	-	-	-	172,419	148,387	189,131
Charges for Services	-	-	-	4,750,923	4,505,161	5,238,516
Grant	-	-	-	1,785	345,000	323,670
Miscellaneous Revenue	-	-	-	355,941	185,050	190,465
Interest Income	11,466	8,921	4,160	24,907	31,966	20,921
Intergovernmental Revenue	2,690,045	-	-	3,102,588	1,088,199	821,274
Contributions and Donations	-	-	-	192,533	3,850	1,350
Bond Proceeds	-	-	-	-	-	-
Revenues Total	2,701,510	8,921	4,160	15,561,017	13,756,678	14,115,545
Expenditures						
Personnel Services	-	-	-	4,697,348	4,296,458	5,054,566
Supplies and Materials	-	-	-	383,964	473,183	461,363
Repairs and Maintenance	-	-	-	655,927	767,990	753,470
Contractual Services	-	-	-	3,149,769	3,420,685	3,659,932
Capital	8,196,418	3,980,841	11,982,500	10,161,844	6,729,496	12,979,184
Bond Cost	-	-	-	-	-	-
Debt Service	-	-	-	3,620,357	3,362,479	3,382,048
Reserves	-	-	-	-	25,425	49,500
Expenditures Total	8,196,418	3,980,841	11,982,500	22,669,209	19,075,717	26,340,064
Transfers						
Transfers In	350,957	-	6,210,000	2,450,642	1,221,338	7,254,087
Transfers Out	(130,586)	(131,000)	-	(2,132,543)	(964,633)	(862,005)
Transfers Total	220,371	(131,000)	6,210,000	318,099	256,705	6,392,082
Surplus/(Deficit)	\$ (5,274,537)	\$ (4,102,920)	\$ (5,768,340)	\$ (6,790,093)	\$ (5,062,334)	\$ (5,832,437)
Beginning Fund Balance	\$ 13,783,215	\$ 8,508,677	\$ 4,405,757	\$ 20,886,078	\$ 14,095,985	\$ 9,033,651
Ending Fund Balance	\$ 8,508,677	\$ 4,405,757	\$ (1,362,583)	\$ 14,095,985	\$ 9,033,651	\$ 3,201,215

City of Kaufman

All Funds Summary

Fiscal Year 2019-2020

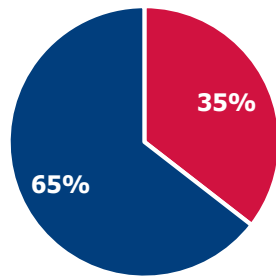




Major Revenues

Property Tax

Distribution



■ Property Tax ■ Other General Fund Revenue

Property Tax Rate

Maintenance & Operations	\$0.547943
Interest & Sinking	\$0.300707
Total	\$0.848651

* Per \$100 valuation

Collection

The Kaufman County Tax Office collects and remits revenue daily to the City.

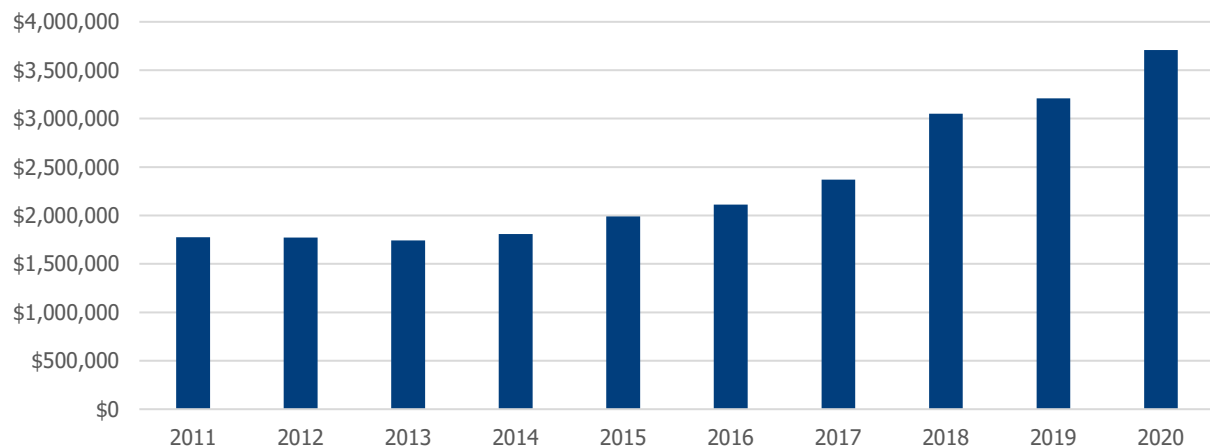
Analysis & Projection

Factors affecting Property Tax Revenue

- Tax Rate
- Tax Backed Debt
- Assessed Value
- Development

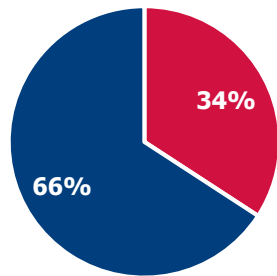
Property tax is also discussed in the transmittal letter from the City Manager.

Property Tax Revenue History



Sales and Use Tax

Distribution



■ Sales and Use Tax ■ Other General Fund Revenue

Sales and Use Tax Rate

State Sales Tax	6.25%
City Sales Tax	1.00%
Property Tax Reduction	0.50%
Economic Development	0.25%
Street Maintenance	0.25%
Total	8.25%

Collection

Sales and use tax revenue is collected by the Texas Comptroller's office and remitted to the City on a monthly basis.

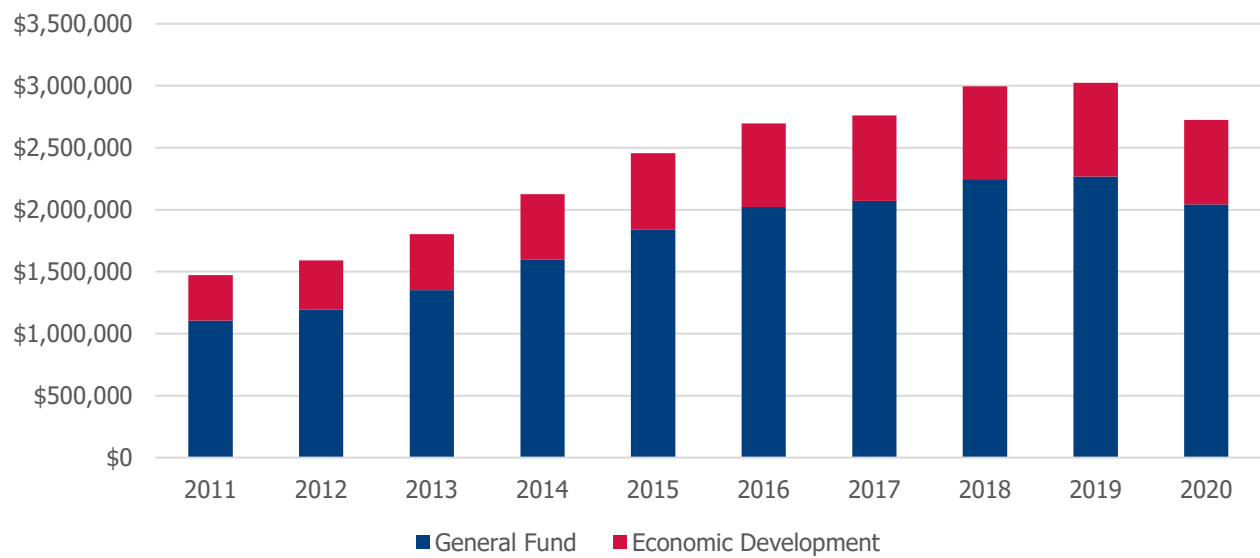
Analysis & Projection

Indicators of future growth or decline in collections

- Unemployment rate changes
- Changes in population
- Inflation can artificially inflate collections
- Consumer confidence
- Historical trends are generally used to assess projected changes in collections

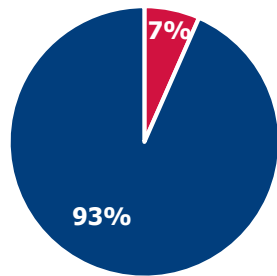
Sales tax is also discussed in the transmittal letter from the City Manager.

Sales and Use Tax Revenue History



Franchise Tax

Distribution



■ Franchise Fees ■ Other General Fund Revenue

Source

Fees paid by businesses to utilize City Right of Way and streets to provide for the delivery of electricity, natural gas, cable television, and telephone services.

Collection

Businesses submit payments to the City on a monthly, quarterly or annual basis.

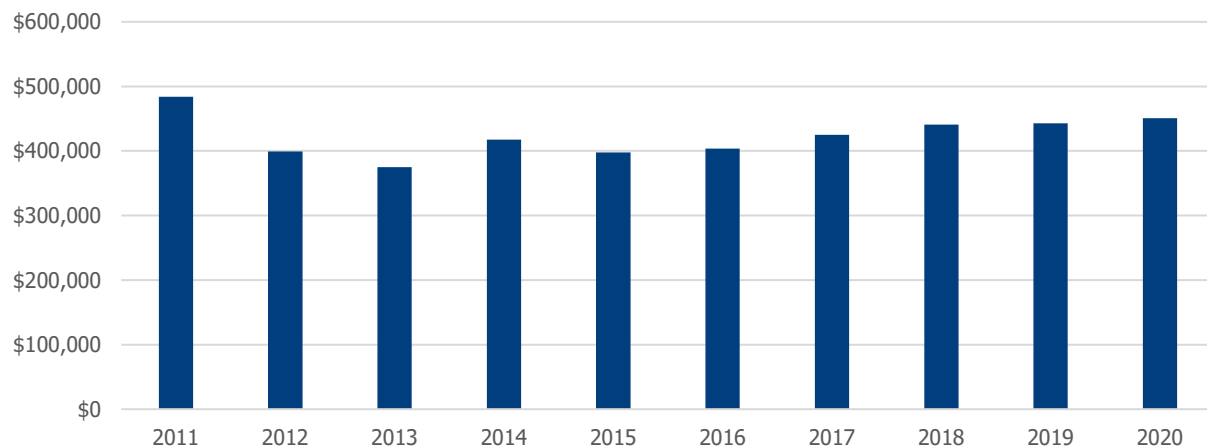
Analysis & Projection

Indicators of future growth or decline in collections

- Unemployment changes
- Changes in population
- New construction – both residential and commercial
- Historical trending is generally used to project change

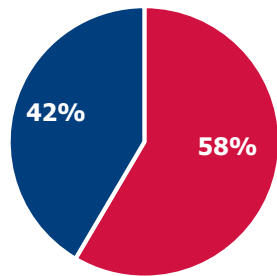
Franchise Fees are also discussed in the transmittal letter from the City Manager.

Franchise Fee Revenue History



Water Sales

Distribution



■ Water Sales ■ Other Utility Fund Revenue

Source

The charges for the delivery of water to the customers of the water-sewer utility system.

Collection

Water-Sewer Utility customers are billed on a monthly basis for water consumption.

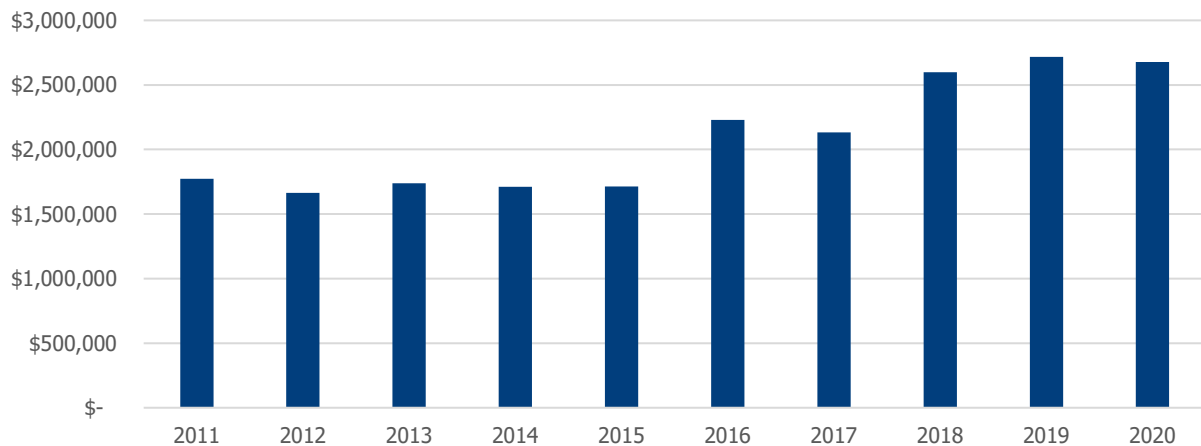
Analysis & Projection

Indicators of future growth or decline in collections

- Changes in population
- New construction – both residential and commercial
- System upgrades
- Rate changes
- Historical trends are generally used to project water consumption levels

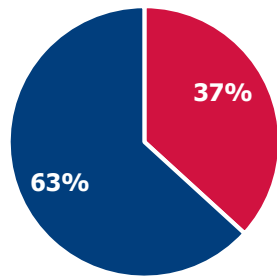
Water Sales are also discussed in the transmittal letter from the City Manager.

Water Sales Revenue History



Sewer Sales

Distribution



■ Sewer Sales ■ Other Utility Fund Revenue

Source

The charges for the collection of wastewater to the customers of the water-sewer utility system.

Collection

Water-Sewer Utility customers are billed on a monthly basis for wastewater collection.

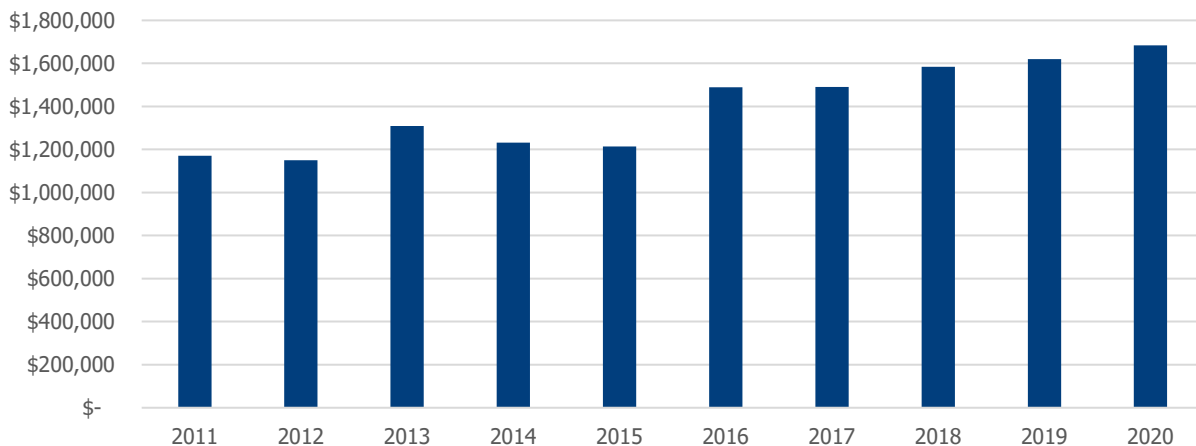
Analysis & Projection

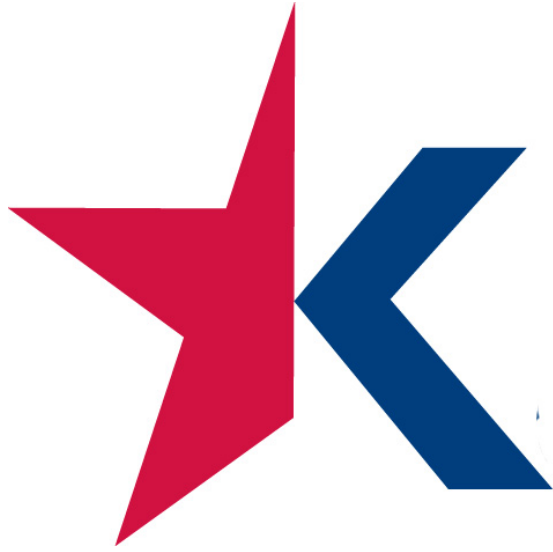
Indicators of future growth or decline in collections

- Changes in population
- New construction – both residential and commercial
- System upgrades
- Rate changes
- Historical trends are generally used to project wastewater and sewage collection levels

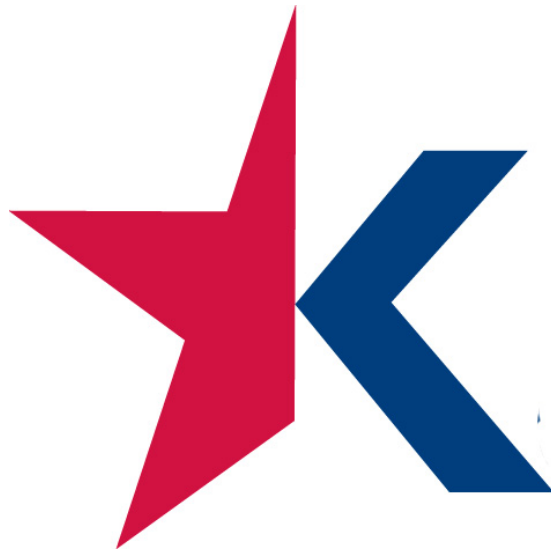
Sewer Sales are also discussed in the transmittal letter from the City Manager.

Sewer Sales Revenue History





Revenue and Expense Detail



General Fund

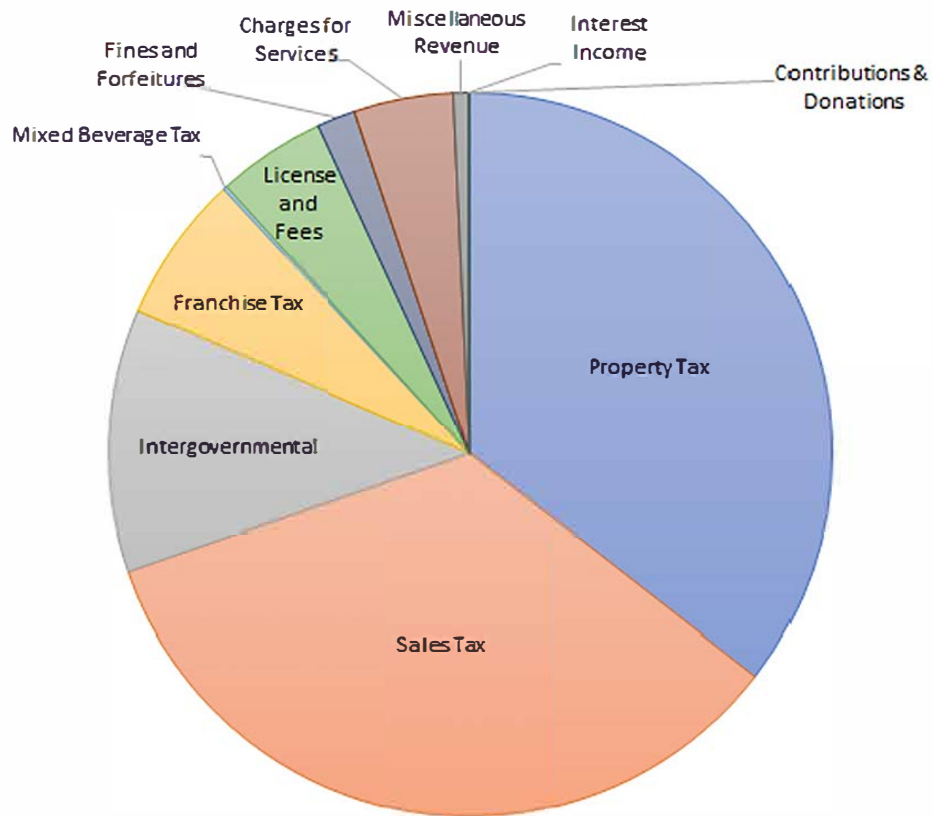
City of Kaufman

General Fund Summary
Fiscal Year 2019-2020

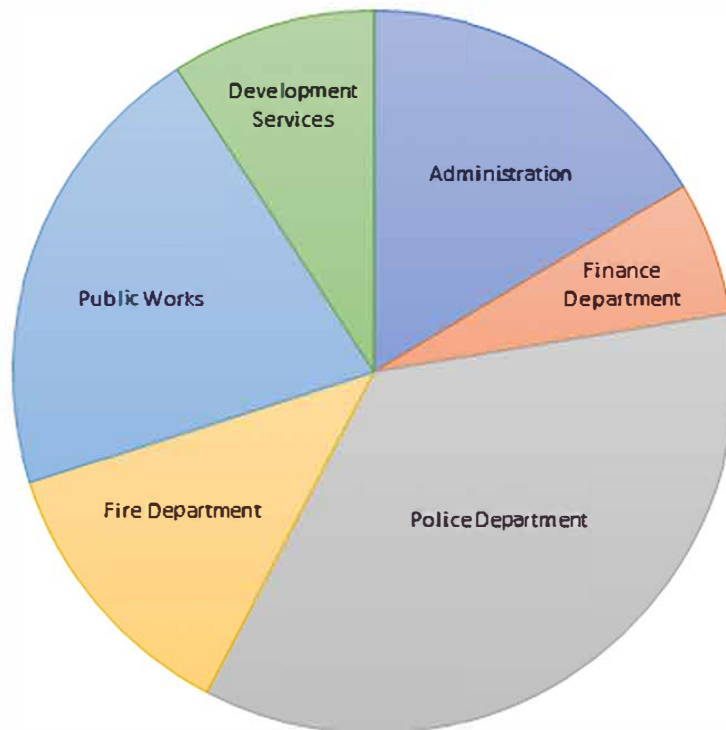
Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues				
Property Taxes	\$ 1,765,041	\$ 2,034,200	\$ 2,034,200	\$ 2,425,425
Sales Tax	2,314,065	2,338,000	2,338,000	2,335,371
Franchise Taxes	425,109	450,908	450,908	450,800
Mixed Beverage Tax	12,114	11,000	11,000	12,000
License and Fees	255,191	346,448	346,448	331,650
Fines and Forfeitures	115,043	103,603	103,603	116,801
Charges for Services	307,629	327,500	327,500	303,700
Miscellaneous Revenue	55,131	65,900	65,900	45,865
Interest Income	2,511	4,000	4,000	2,000
Intergovernmental Revenue	403,390	1,075,000	1,075,000	806,274
Contributions and Donations	42,818	3,850	3,850	1,350
Revenues Total	5,698,044	6,760,409	6,760,409	6,831,236
Expenditures				
City Council	12,629	13,100	13,100	17,400
Administration	875,373	978,401	978,401	692,080
City Secretary	174,117	131,689	131,689	126,012
Human Resources	4,735	19,984	19,984	39,644
Municipal Court	80,957	94,518	94,518	95,217
Facilities Management	120,482	112,014	112,014	47,900
Finance	179,177	192,671	192,671	227,242
Information Services	-	135,977	135,977	135,708
Animal Control	79,394	84,923	84,923	94,671
Criminal Investigations	253,948	244,064	244,064	326,322
Patrol	1,480,219	1,486,996	1,486,996	1,752,913
Fire Admin	509,443	584,586	584,586	592,833
Fire Operations	113,281	120,969	120,969	159,917
Fire Prevention	808	540	540	885
Fire Emergency Management	11,654	15,399	15,399	7,690
Convenience Station	54,648	60,375	60,375	47,450
Street Maintenance	692,551	740,174	740,174	728,456
Parks and Recreation	418,815	375,307	375,307	506,156
Inspections	101,543	101,609	101,609	156,600
Planning	243,497	251,415	251,415	314,774
Consumer Health	13,720	16,200	16,200	16,200
Code Enforcement	96,562	68,057	68,057	77,109
Expenditures Total	5,517,553	5,828,968	5,828,968	6,163,177
Transfers				
Transfers In	900,225	261,836	261,836	188,082
Transfers Out	(1,199,460)	(828,633)	(828,633)	(856,005)
Transfers Total	(299,235)	(566,797)	(566,797)	(667,923)
Surplus/(Deficit)	\$ (118,745)	\$ 364,644	\$ 364,644	\$ 135
Beginning Fund Balance	\$ 1,545,364	\$ 1,426,620	\$ 1,426,620	\$ 1,791,264
Ending Fund Balance	\$ 1,426,620	\$ 1,791,264	\$ 1,791,264	\$ 1,791,400

*Note - FY19 General Fund revenues will exceed budgeted expectations, leaving the City of Kaufman with a projected General Fund surplus of \$364,644, increasing fund balance. Sales Tax and Property Tax revenues are large contributors to the projected surplus, at 41%. Property taxes are budgeted at a 98% collection rate, and collections are projected to come in at a little over 99% collection rate. Sales Tax was budgeted at a 3% increase over the prior year, and is projected to be a 6% increase over the prior year. Public Safety also contributed to the surplus by the way of savings in salaries and benefits, due to some reorganization and implementing a new cadet program in an effort to keep pace with surrounding public safety programs and remain competitive in this market.

Where it comes from....



Where it goes....



City of Kaufman
General Fund Revenue Budget
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-4101-000	Property Taxes-Current	\$ 1,658,504	\$ 1,910,000	\$ 1,910,000	\$ 2,362,620
01-4102-000	Property Taxes-Delinquent	64,846	78,000	78,000	40,500
01-4103-000	Property Taxes-Current-P&I	14,239	21,700	21,700	10,560
01-4104-000	Property Taxes-Delinquent-P&I	27,452	24,500	24,500	11,745
	<i>Property Tax Total</i>	1,765,041	2,034,200	2,034,200	2,425,425
01-4105-000	General Sales & Use Tax	2,314,065	2,338,000	2,338,000	2,335,371
	<i>Sales Tax Total</i>	2,314,065	2,338,000	2,338,000	2,335,371
01-4120-000	Franchise Tax-Electric	289,340	309,680	309,680	303,400
01-4121-000	Franchise Tax-Phone	16,405	15,000	15,000	19,096
01-4122-000	Franchise Tax-Cable TV	4,753	7,878	7,878	7,878
01-4123-000	Franchise Tax-Natural Gas	50,574	56,350	56,350	57,726
01-4124-000	Franchise Tax-Refuse	64,038	62,000	62,000	62,700
	<i>Franchise Tax Total</i>	425,109	450,908	450,908	450,800
01-4106-000	Mixed Beverage Tax	12,114	11,000	11,000	12,000
	<i>Mixed Beverage Tax Total</i>	12,114	11,000	11,000	12,000
01-4201-000	Liquor Permit	10,430	8,400	8,400	8,400
01-4202-000	Vendor Permit	1,250	200	200	2,800
01-4203-000	Amusement Permit	70	100	100	100
01-4204-000	Food Service Permit	28,185	30,000	30,000	30,000
01-4205-000	Mechanical Permit	3,191	3,000	3,000	6,400
01-4219-000	Landscaping Fees	-	500	500	-
01-4221-000	Building Permits	165,183	211,130	211,130	220,000
01-4222-000	Electric Permit	13,574	7,500	7,500	6,400
01-4223-000	Fishing Permits	1,088	1,368	1,368	900
01-4224-000	Pet Registrations	90	200	200	200
01-4225-000	Contractor License	2,095	-	-	-
01-4226-000	Plumbing Permit	8,952	8,000	8,000	6,400
01-4228-000	Plumbing Class Revenue-Net	(8)	50	50	50
01-4229-000	Planning & Zoning Fees	20,091	6,000	6,000	10,000
01-4230-000	Engineering-3% Fee	1,000	70,000	70,000	40,000
	<i>License and Fees Total</i>	255,191	346,448	346,448	331,650
01-4301-000	Fines	94,532	78,000	78,000	85,000
01-4303-000	Child Safety	404	500	500	500
01-4304-000	Arrest Fees	3,352	3,000	3,000	5,000
01-4305-000	Moving Violation Fee MVF 1/10	-	3	3	1
01-4306-000	TFC (Other Court Costs)	589	1,000	1,000	750
01-4307-000	Judicial Support Fee (JSF)	429	700	700	550
01-4308-000	Time Payment Fees	1,147	1,000	1,000	1,000
01-4309-000	Muni Ct Report TimelyDiscounts	3,577	3,400	3,400	2,500
01-4310-000	Parking Fines	1,256	1,500	1,500	1,500
01-4311-000	Warrant Fees	3,724	3,500	3,500	12,000
01-4312-000	Court Administrative Fees	5,358	10,000	10,000	7,500
01-4313-000	Animal Surrender Fees	675	1,000	1,000	500
	<i>Fines and Forfeitures Total</i>	115,043	103,603	103,603	116,801
01-4502-000	Convenience Sta Charges-City	\$ 5,114	\$ 8,000	\$ 8,000	\$ 10,000
01-4503-000	Safety Inspection Charges	12,289	16,500	16,500	14,000
01-4504-000	Convenience Sta Charges-County	45,363	49,200	49,200	37,900
01-4505-000	Refuse Collection Charges	243,638	252,000	252,000	240,000
01-4510-000	Park Use-Electricity Charges	300	600	600	600
01-4511-000	Park Use Charges	349	1,200	1,200	1,200
01-4513-000	Park Cont/Concession Stand	576	-	-	-
	<i>Charges for Services Total</i>	307,629	327,500	327,500	303,700

City of Kaufman
General Fund Revenue Budget
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-4401-000	Liens Collected	9,197	11,000	11,000	6,500
01-4404-000	Accident and Other Reports	1,836	1,800	1,800	1,200
01-4412-000	Park-10% Concession Fees	600	1,500	1,500	600
01-4430-000	Credit Card Convenience Fees	4,354	4,600	4,600	4,600
01-4500-000	Street Cut	701	1,500	1,500	1,000
01-4603-000	Cash (Over)Short	8	-	-	-
01-4606-000	Miscellaneous Revenue	343	14,000	14,000	10,000
01-4609-000	Rents and Leases	27,300	3,500	3,500	465
01-4611-000	Insurance Proceeds	3,419	5,000	5,000	5,000
01-4614-000	Write-off Recovery	34	-	-	-
01-4615-000	July 4th Revenue	7,340	23,000	23,000	16,500
	<i>Miscellaneous Revenue Total</i>	55,131	65,900	65,900	45,865
01-4604-000	Interest Income	2,511	4,000	4,000	2,000
	<i>Interest Income Total</i>	2,511	4,000	4,000	2,000
01-4612-000	Intergovernmental Revenue	403,390	1,075,000	1,075,000	806,274
	<i>Intergovernmental Total</i>	403,390	1,075,000	1,075,000	806,274
01-4600-000	Donations & Contributions	42,051	2,500	2,500	-
01-4601-000	Donations-NEAT	-	500	500	500
01-4602-000	Voluntary Park Contributions	767	850	850	850
	<i>Contributions and Donations Total</i>	42,818	3,850	3,850	1,350
Revenue Total		\$ 5,698,044	\$ 6,760,409	\$ 6,760,409	\$ 6,831,236

Administration

The City of Kaufman's Administration is led by the City Council. The City Council is made up of a Mayor and Council elected for two-year terms. The Mayor Pro Tem is elected by the Council from the Council. Council member's terms are staggered. Four are elected on odd years and three are elected on even years.

Department Strategies

- Safe and secure
- Smart, business friendly economic development
- Strong partnerships and community involvement
- Healthy and environmentally conscious community
- Financial and operational stewardship

Goals

- Create effective working relationships with businesses and developers
- Retain/Expand existing businesses
- Promote new business opportunities
- Forge collaborative relationships with other government and public entities
- Improve effectiveness and efficiency of operational processes
- Provide cost effective services
- Improve data security
- Develop, recognize and retain quality staff
- Foster and support citizen volunteer opportunities
- Create a positive regional identity
- Develop/enhance environmental and sustainability standards/programs
- Deliver responsive, professional customer service

Objectives

- Increase the number of meetings with businesses and developers (new and current)
- Attend Chamber networking events
- Approve economic incentive agreements
- Attend Kaufman County Leadership Meetings quarterly
- Participate in Kaufman County Communications Coalition
- Attend Kaufman Leadership Council Meetings
- Develop Citizens Academy
- Quarterly budget review
- Review fee schedule and compare with surrounding areas
- Decrease number of customer complaints
- Increase number of outside commendations
- Post volunteer opportunities on website, social media, and to employees
- Respond within 3 hours to citizen comments and messages on social media
- Annual update of the Code of Ordinances.
- Recognize the Business of the Month
- Highlight Non-profit of the quarter
- Serve as Ex-Officio on the Chamber Board
- Attend Monthly KEDC Meetings
- Attend International Council of Shopping Centers (ICSC)
- Review Fleet Plan annually
- Review/Update Job Classification Plan/Staffing levels annually
- Provide customer service training

- Conduct annual Security Audit of Systems
- Conduct House Bill, HB 3834, mandated cyber security training
- Initiate press releases to the paper regarding activities and positive events
- Promote Recycling Program
- Promote Water Conservation Plan
- Promote Kaufman events
- Promote Kaufman Square
- Maintain less than 15% employee turnover rate
- Review/update job descriptions annually

The City Council holds their regular monthly meetings on the fourth (4th) Monday of each month unless a City observed holiday falls on that particular Monday. If this occurs, the meeting is scheduled for another day during that month. The rescheduled meeting date as well as any other special sessions will be posted on the City's website.

The City Manager is responsible for the management of City operations. City management serves as the liaison between the policy making and administrative branches of municipal government. Administration supports the City Council, Planning and Zoning Commission, Kaufman Economic Development Corporation, Keep Kaufman Beautiful Board, and Chamber of Commerce. Administration maintains effective intergovernmental relations, ensures compliance with local, state and federal regulations, and develops strategic plans to maintain continuity in operations and delivery of services.

Functional Responsibilities or Tasks

- Coordinate efforts with developers to establish new residential and commercial projects within the city
- Provide assistance and sustain the goal of greater economic growth through the efforts of the KEDC, Chamber of Commerce and the Economic Development Task Force.
- Assist the City Council in establishing and implementation of a long-range strategic plan for the future development of the community
- Respond to citizen requests for assistance in a timely manner and consider methods to increase overall community awareness
- Continue to support the development of the SH 34 realignment in association with the Kaufman County Leadership Council, TxDot and affected local organizations
- Continue implementation of the comprehensive plan elements
- Ensure the delivery of quality services to citizens through effective management and efficient administration
- Review and update the Capital Improvement Plan (CIP) to meet long-term infrastructure needs
- Adopt and implement an Impact Fee policy for future development

The Assistant City Manager is responsible for the management of day to day operations including IT Services and Human Resources. The Assistant City Manager serves as a liaison between the policy making and administrative branches of municipal government. Administration supports the City Council, Kaufman Economic Development Corporation (KEDC), and Chamber of Commerce. Administration maintains effective intergovernmental relations, ensures compliance with local, state and federal regulations, and develops strategic plans to maintain continuity in operations and delivery of services.

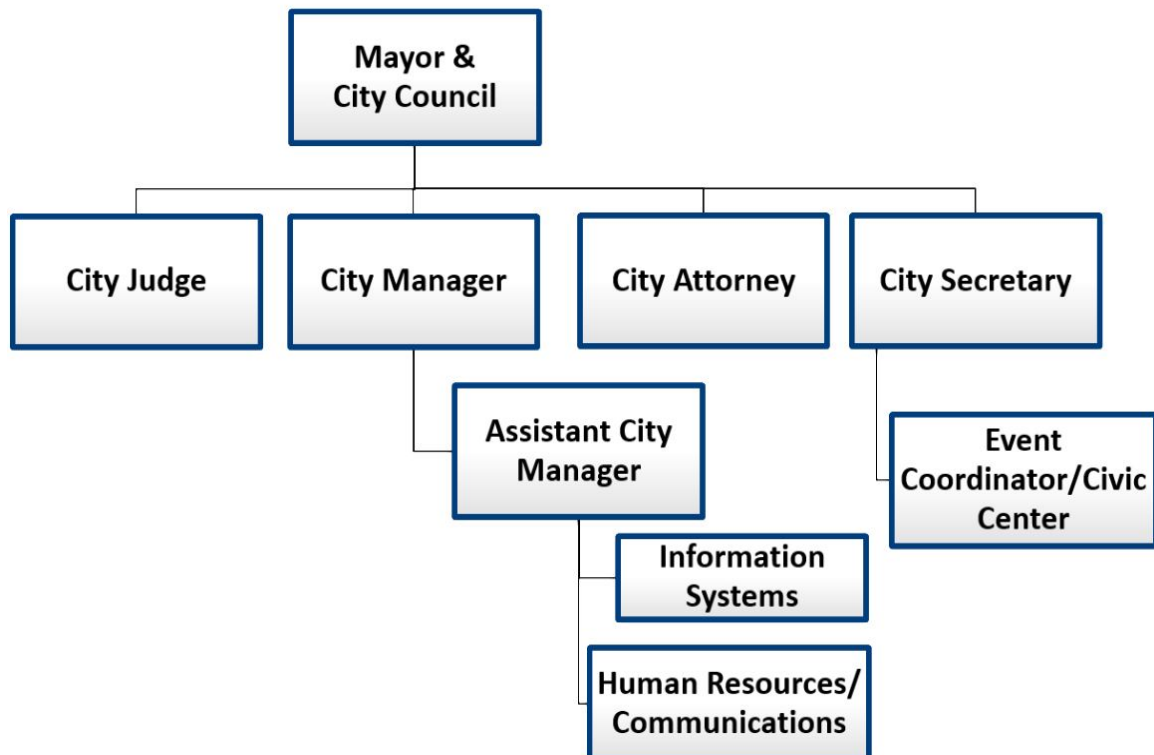
The City Secretary prepares the codification of City Ordinances; conducts Council ordered elections in accordance with the Texas Election Code; facilitates City Council meetings and work sessions by producing minutes and audio tapes of the proceedings; and, provides other support as needed during the meetings. This division also writes and produces proclamations, resolutions, and ordinances for

the City Council, codifies and produces supplements to the Code of Ordinances, processes and maintains Boards and Commissions applications, attendance, agendas, and minutes.

Functional Responsibilities or Tasks

- Conduct General and Special Elections in compliance with the Texas Election Code
- Coordinate City Council proposed City Charter Review
- Coordinate Boards and Commission meetings
- Review and revise City ordinances as necessary
- Prepare and produce City Council minutes accurately and in a timely manner
- Prepare proclamations, ordinances, resolutions, and agendas, as needed
- Develop and implement policy and procedures for City Staff to utilize when preparing City Council agenda items

Organizational Chart



Performance Measures		
Administration	2019 Year End Projections	2020 Adopted Budget
Smart, Business-Friendly Economic Development		
Create effective working relationships with businesses and developers.		
Number of meetings with businesses and developers (new and current).	New	4
Attend Chamber networking events.	4	4
Retain/Expand existing businesses.		
Recognize the Business of the Month	12	12
Serve as Ex-Officio on Chamber Board	Yes	Yes
Number of EDC meetings attended	11	12
Promote new business opportunities.		
Economic Incentive agreements approved	New	Yes
Attend ICSC	New	Yes
Meet with potential business owners.	9	10
Strong Partnerships and Community Involvement		
Forge collaborative relationships with other government and public entities.		
Attend Kaufman County Leadership Council Meetings	4	4
Participate in Kaufman County Communications Coalition	1	1
Attend Kaufman Leadership Council Meetings	4	4
Foster and support citizen volunteer opportunities.		
Develop Citizens Academy	Planning	Yes
Post volunteer opportunities on website, social media, and to employees.	4	5
Highlight Non-profit of the quarter	New	Yes
Financial and Operational Stewardship		
Improve effectiveness and efficiency of operational processes.		
Quarterly Budget review	Yes	Yes
Fleet Plan review	Yes	Yes
Annual Review of Job Classification Plan/Staffing levels	Yes	Yes
Provide cost effective services.		
Review the fee schedule and compare with surrounding areas	Yes	Yes
Quarterly Budget review	Yes	Yes

Performance Measures		
Administration (Page 2)	2019 Year End Projections	2020 Adopted Budget
Financial and Operational Stewardship		
Deliver responsive, professional customer service.		
Provide Customer Service Training	New	Yes
Number of Customer Complaints	New	0
Number of outside commendations	New	3
IT Department	2019 Year End Projections	2020 Adopted Budget
Safe and Secure		
Improve data security		
Conduct Annual Security Audit of Systems	Yes	Yes
Conduct HB mandated cyber security training	New	Yes
Communications	2019 Year End Projections	2020 Adopted Budget
Strong Partnerships and Community Involvement		
Create a positive regional identity.		
Respond within 3 hours to citizen comments and messages on social media.	90%	92%
Number of press releases to the paper regarding activities and positive events.	9	10
Healthy and Environmentally Conscious Community		
Develop/enhance environmental and sustainability standards/programs.		
Number of promotions of Recycling Program	15	17
Number of promotions of Water Conservation Plan	New	4
Strong Partnerships and Community Involvement		
Create a positive regional identity.		
Number of promotions of Kaufman's events	4	6
Number of promotions of Kaufman Square	6	7

Performance Measures		
Administration (Page 3)	2019 Year End Projections	2020 Adopted Budget
Human Resources	2019 Year End Projections	2020 Adopted Budget
Financial and Operational Stewardship		
Develop, recognize and retain quality staff.		
Update City's Job Classification Plan annually	Yes	Yes
Employee turnover less than 15%	New	Yes
Review/update Job Descriptions annually	Yes	Yes

Department Strategic Hits and Misses

Achievements

- Smart, business friendly economic development
 - Effective relationships with developers, investors and key property owners
 - Create an environment of respect
 - Regional efforts for economic development
 - Develop effective, comprehensive economic development plan
- Strong partnerships and community involvement
 - Pursue grant opportunities
 - Keep Kaufman Beautiful role
 - Maintain relationship with city boards and commissions (joint meetings)
- Infrastructure and asset management
 - Complete major transportation projects (34 Bypass, CR 151)
- Financial and operational stewardship
 - New, enhanced website and quarterly review

Initiatives

- Safe and secure
 - Data security
 - Emergency notification upgrade
- Smart, business friendly economic development
 - Attract new business and residential developments
 - Commercial and industrial development opportunities
 - Land acquisition opportunities (annexation and/or purchase)
 - Star brand development
 - Residential developer, homeowner incentive plans
 - Residential revitalization program
 - Long range strategy for redevelopment
 - Workforce development
- Strong partnerships and community involvement
 - Town image and reputation
 - More involvement with churches and community organizations
 - Build stronger business relationships with local governments
 - Create annual report
 - Volunteer recognition banquet
- Healthy and environmentally conscious community
 - Entrance monument improvements
 - Pursue sustainability
 - Clean culture
 - LED street lighting
 - Attract visitors to park destinations
- Infrastructure and asset management
 - Municipal facilities
 - Resolve drain/flood issues

- Kaufman lake vision
- Turnback program (TxDOT)
- Develop capital replacement
- Financial and operational stewardship
 - IT assessment and operations
 - Long term financial plans and capital improvement
 - Recognition for financial and budget management
 - Revenue diversification
 - Update personnel policies and organizational efficiency
 - Service cost analysis
 - Laserfiche implementation
 - Citizen survey
 - WIFI hotspots
 - E-Newsletter

City of Kaufman

City Council
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-100	Office Supplies	\$ 392	\$ 300	\$ 300	\$ 400
	<i>Supplies and Materials Total</i>	392	300	300	400
01-5305-100	Dues & Subscriptions	3,824	5,000	5,000	5,500
01-5322-100	Tuition & Education	2,113	1,300	1,300	1,000
01-5323-100	Meals & Lodging	5,200	4,000	4,000	4,000
01-5330-100	Travel	694	1,000	1,000	1,500
01-5376-100	Board Expenses	406	1,500	1,500	5,000
	<i>Contractual Services Total</i>	12,236	12,800	12,800	17,000
	<i>City Council Total</i>	<u>\$ 12,629</u>	<u>\$ 13,100</u>	<u>\$ 13,100</u>	<u>\$ 17,400</u>

City of Kaufman

Administration

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-110	Salaries & Wages	\$ 72,797	\$ 125,853	\$ 125,853	\$ 146,710
01-5106-110	Cost of Living Allowance	2,063	3,563	3,563	4,088
01-5140-110	Texas Municipal Retirement Sys	13,757	23,295	23,295	33,188
01-5150-110	Social Security	5,401	10,451	10,451	12,087
01-5152-110	Worker's Compensation	146	424	424	480
01-5160-110	Health Insurance	3,629	7,284	7,284	11,628
01-5174-110	Auto Allowance	3,125	6,000	6,000	6,000
01-5176-110	Phone Allowance	769	1,200	1,200	1,200
	<i>Personnel Services Total</i>	101,686	178,070	178,070	215,381
01-5201-110	Office Supplies	848	1,403	1,403	700
01-5205-110	Contributions,Gratuities,Award	12,452	11,868	11,868	17,454
01-5206-110	Supplies-Community Events	351	576	576	500
01-5561-110	City Manager's Contingency	18,011	48,000	48,000	30,000
	<i>Supplies and Materials Total</i>	31,662	61,847	61,847	48,654
01-5349-110	Maintenance-Computer Equipmt	874			
	<i>Repairs and Maintenance Total</i>	874	-	-	-
01-5303-110	Advertising	8,818	8,000	8,000	6,500
01-5305-110	Dues & Subscriptions	6,671	7,771	7,771	7,095
01-5310-110	Trash Collection	206,027	215,513	215,513	199,000
01-5322-110	Tuition & Education	1,490	1,500	1,500	1,500
01-5323-110	Meals & Lodging	3,104	2,800	2,800	2,800
01-5330-110	Travel	1,069	1,000	1,000	5,000
01-5331-110	Credit Card Merchant Fees	2,999	2,910	2,910	2,150
01-5361-110	Professional Svcs-Engineering	6,164	10,000	10,000	59,000
01-5380-110	Bad Debt Expense	3,383			
	<i>Contractual Services Total</i>	239,725	249,494	249,494	283,045
01-5600-110	Developer Agr-Principal	339,000	339,000	339,000	
01-5601-110	Developer Agr-Interest	29,247	17,554	17,554	
01-5604-110	Developer Agreeamt-KLLM PropTax	131,597	132,437	132,437	145,000
	<i>Debt Service Total</i>	499,844	488,991	488,991	145,000
01-5401-110	Capital-Equipment	1,581	-	-	
	<i>Capital Total</i>	1,581	-	-	-
Administration Total		\$ 875,373	\$ 978,401	\$ 978,401	\$ 692,080

City of Kaufman

City Secretary
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-120	Salaries & Wages	\$ 78,608	\$ 36,713	\$ 36,713	\$ 37,575
01-5103-120	Certification Pay	175	600	600	150
01-5106-120	Cost of Living Allowance	1,815			1,050
01-5140-120	Texas Municipal Retirement Sys	9,269	4,777	4,777	5,797
01-5150-120	Social Security	6,410	2,902	2,902	3,001
01-5151-120	Unemployment Ins.	-	-	-	-
01-5152-120	Worker's Compensation	120	94	94	123
01-5160-120	Health Insurance	7,236	2,741	2,741	3,876
01-5174-120	Auto Allowance	2,000	300	300	
01-5175-120	Moving Expenses		\$ 1,922	\$ 1,922	
01-5176-120	Phone Allowance	694	375	375	450
	<i>Personnel Services Total</i>	106,327	50,425	50,425	52,022
01-5201-120	Office Supplies	2,490	1,050	1,050	1,000
	<i>Supplies and Materials Total</i>	2,490	1,050	1,050	1,000
01-5349-120	Maintenance-Computer Equipmt	2,041			
	<i>Repairs and Maintenance Total</i>	2,041	-	-	-
01-5208-120	Election	49	3,700	3,700	4,000
01-5305-120	Dues & Subscriptions	81	4,307	4,307	4,500
01-5309-120	Insurance & Bonds	32,863	35,604	35,604	36,000
01-5322-120	Tuition & Education	1,285	3,080	3,080	2,320
01-5323-120	Meals & Lodging	2,428	1,700	1,700	2,470
01-5330-120	Travel	344	600	600	1,200
01-5360-120	Professional Svcs-Legal	25,986	27,000	27,000	20,000
01-5363-120	Professional Svcs-Technical	225	4,225	4,225	2,500
	<i>Contractual Services Total</i>	63,260	80,215	80,215	72,990
	<i>City Secretary Total</i>	\$ 174,117	\$ 131,689	\$ 131,689	\$ 126,012

City of Kaufman

Human Resources
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-122	Salaries & Wages		\$ 5,511	\$ 5,511	\$ 16,490
01-5106-122	Cost of Living Allowance				\$ 510.00
01-5140-122	Texas Municipal Retirement Sys				2,513
01-5150-122	Social Security		422	422	1,301
01-5152-122	Worker's Compensation		61	61	54
01-5160-122	Health Insurance				3,876
01-5176-122	Phone Allowance	-	-	-	-
	<i>Personnel Services Total</i>	-	5,993	5,993	24,744
01-5201-122	Office Supplies	150	500	500	500
01-5205-122	Awards	2,588	4,000	4,000	3,500
	<i>Supplies and Materials Total</i>	2,738	4,500	4,500	4,000
01-5305-122	Dues & Subscriptions	255	736	736	600
01-5322-122	Tuition & Education		1,155	1,155	1,000
01-5323-122	Meals & Lodging	183	650	650	1,000
01-5330-122	Travel		50	50	500
01-5360-122	Professional Svcs-Legal		5,100	5,100	6,000
01-5363-122	Professional Svcs-Medical	1,559	1,800	1,800	1,800
	<i>Contractual Services Total</i>	1,997	9,491	9,491	10,900
	<i>Human Resources Total</i>	\$ 4,735	\$ 19,984	\$ 19,984	\$ 39,644

City of Kaufman

Information Services

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-155	Office Supplies		\$ 500	\$ 500	\$ 1,400
01-5220-155	IT Equipment		7,000	7,000	4,000
	<i>Supplies and Materials Total</i>	-	7,500	7,500	5,400
01-5349-155	Maintenance-Computer Equipmt		26,497	26,497	23,000
01-5358-155	Maintenance-Office Equipment				4,250
	<i>Repairs and Maintenance Total</i>	-	26,497	26,497	27,250
01-5301-155	Communications-Internet Servic		48,510	48,510	46,253
01-5305-155	Licenses & Subscriptions		45,470	45,470	46,945
01-5311-155	Lease Equipment		8,000	8,000	9,860
	<i>Contractual Services Total</i>	-	101,980	101,980	103,058
	<i>Information Services Total</i>	\$ -	\$ 135,977	\$ 135,977	\$ 135,708

Finance Department

The City of Kaufman Finance Department is responsible for management of all financial operations for the City. Functional areas include: accounting, budget, customer service, municipal court, purchasing, tax and treasury. This department assists the City Manager and City Council in developing long range financial plans and policies and procedures related to fiscal operations. Other responsibilities include oversight of the collection and processing of City revenues, ensuring the availability of funding to meet operational needs, managing banking activity within established guidelines and administration of the City's investment portfolio pursuant to State law and the City of Kaufman Investment Policy.

Department Strategies

- Strong partnerships and community involvement
- Financial and operational stewardship

Goals

- Implement strong financial management standards
- Improve effectiveness and efficiency of operational processes
- Maintain/improve infrastructure and assets
- Provide cost effective services
- Deliver responsive, professional customer service
- Create a positive regional identity
- Forge collaborative relationships with other government and public entities

Objectives

- Achieve Government Finance Officers Association's (GFOA's) Certificate of Achievement for Excellence in Financial Reporting annually
- Achieve Government Finance Officers Association's (GFOA's) Budget Presentation Award annually
- Review/update financial policies annually
- Complete Quarterly Budget Review within 15 days after each quarter-end
- Review and update 5-year Capital Improvement Plan annually
- Complete a 5-year financial plan for the city
- Review and update Equipment Replacement Plan annually
- Review fee schedules and compare with legislative and regulatory updates and surrounding areas annually
- Effectively and efficiently manage the number of warrants issued after failure to appear for final notice of court date quarterly
- Increase number of employees paid by direct deposit or pay card quarterly
- Increase the number of ACH payments to total accounts payable quarterly
- Increase percentage of automatic draft customers to total customers, quarterly
- Increase number of E-bill customers, quarterly
- Respond to citizens'/customers' calls and emails within one business day
- Help promote other government and public entities' resources and services that benefit the citizens of Kaufman through distribution of utility bills

Finance collects, records, summarizes, and reports the results of all financial transactions that occur within municipal operations. It is also responsible for compiling and recording budget requests; it

supports individual departments, the City Manager and the City Council during budget development. This division monitors the budget and financial operation of the City during the year. Additionally, a major component of this function is to schedule an independent audit of the City's operations and controls to ensure compliance with policies, procedures, and accounting standards.

Functional Responsibilities or Tasks

- Ensure compliance with local, state and federal regulations
- Maintain compliance with policy guidelines
- Ensure fiscal accountability in the administration of all financial transactions
- Foster a 'customer service oriented' approach to serving the citizens of Kaufman
- Revise and maintain cash collection procedures with technological changes
- Utilize cost effective training opportunities for Finance staff

Municipal Court is responsible for the adjudication of all traffic citation, criminal cases arising under City ordinances, and Class C Misdemeanors filed in the City of Kaufman. The Municipal Court is also responsible for warrants issued, processing after dispositions are finalized, and monthly/quarterly/annual reporting.

Functional Responsibilities or Tasks

- Maintain and protect confidential records
- Continue internal and formal training for all court personnel
- Maintain the court as an unbiased system of enforcement

Customer Service/Utility Billing provides comprehensive, professional, effective and reliable service to utility customers. It is responsible for managing utility service requests, concerns and inquiries. Customer Service maintains confidential utility customer records. It also bills, monitors and collects active, inactive and aged accounts.

Functional Responsibilities or Tasks

- Respond to customer requests in a prompt and courteous manner
- Provide prompt and accurate monthly utility billings
- Maintain communication with citizens through use of monthly utility bill message box and frequent informational inserts
- Review and update new resident information brochure as services are added or changed
- Review and update billing and collection processes for effectiveness and efficiency; utilize collection agency services
- Distribute water conservation tips and facts
- Reduce the number of late notifications and temporary utility disconnection of services through education of customers
- Recommend and Prepare ordinance revisions and updates as required

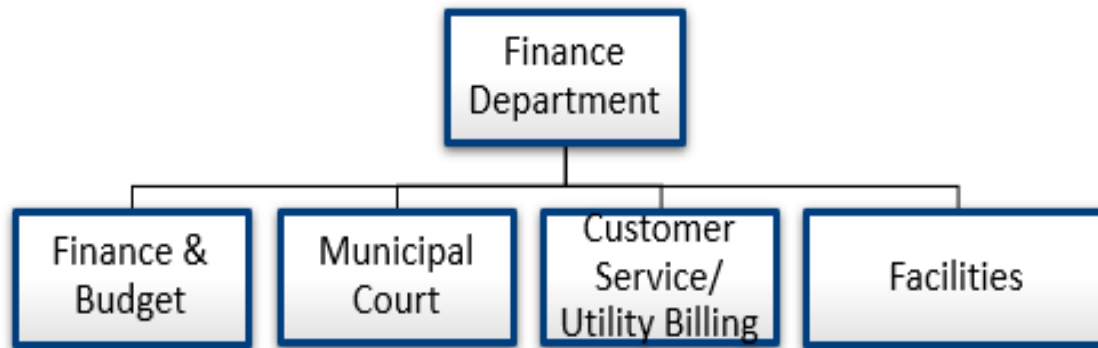
Facilities Management is responsible for all building maintenance, custodial contracts, and utility services for City Hall. (Finance is responsible for overseeing the budget of Facilities, however facilities management is administered and managed across all departments).

Functional Responsibilities or Tasks

- Provide environment, climate and pest control for all departments
- Oversee scheduled preventive maintenance and emergency repairs

- Develop strategic plan to meet long-term facility's needs

Organizational Chart



Performance Measures		
Finance	2019 Year End Projections	2020 Adopted Budget
Financial and Operational Stewardship		
Implement strong financial management standards.		
Achieve GFOA's Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes
Achieve GFOA's Distinguished Budget Presentation Award	Yes	Yes
Review/Update Financial Policies	Yes	Yes
Complete 5-year financial forecast for the city	New	Yes
Improve effectiveness and efficiency of operational processes.		
Quarterly Budget review	Yes	Yes
Maintain/Improve infrastructure and assets.		
Review and update 5-year Capital Improvement Plan	Yes	Yes
Review and update Equipment Replacement Plan	New	Yes
Provide cost effective services.		
Review the fee schedule and compare with legislative and regulatory updates and surrounding areas	Yes	Yes
Increase number of employees paid by direct deposit/pay card	New	Yes
Deliver responsive, professional customer service.		
Increase the number of warrants issued after failure to appear for final notice of court date	3	100
Increase the number of ACH payments to total accounts payable	5.40%	5.50%
Increase percentage of Automatic draft customers/total customers	5.29%	5.50%
Increase number of E-Bill customers	860	900
Strong Partnerships and Community Involvement		
Create a positive regional identity.		
Respond to citizens'/customers' calls and emails within one business day.	New	Yes
Forge collaborative relationships with other government and public entities.		
Number of flyers distributed in utility bills to help promote other government and public entities' services	10	10

Department Strategic Hits and Misses

Achievements

- Financial and operational stewardship

- Complete a 5-year Capital Improvement Plan
- Achieve Government Finance Officers Association's (GFOA's) Certificate of Achievement for Excellence in Financial Reporting
- Achieve Government Finance Officers Association's (GFOA's) Budget Presentation Award
- Complete implementation of Court Software
- Implement utility billing outsourcing
- Hotel Occupancy Audit
- Update procurement policy

Initiatives

- Infrastructure and asset management
 - Automatic Meter Readers (AMR)/Automatic Meter Infrastructure (AMI)
 - Update Equipment Replacement Plan
- Financial and operational stewardship
 - 5-year financial plan
 - Revenue diversification study
 - Service cost analysis
 - Citizen Survey
 - Attain financial transparency recognition

City of Kaufman

Finance

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-150	Salaries & Wages	\$ 80,536	\$ 83,808	\$ 83,808	\$ 107,620
01-5103-150	Certification Pay	600	600	600	600
01-5106-150	Cost of Living Allowance	2,377	2,379	2,379	2,991
01-5140-150	Texas Municipal Retirement Sys	8,043	11,473	11,473	13,577
01-5150-150	Social Security	6,152	6,765	6,765	8,634
01-5152-150	Worker's Compensation	411	285	285	354
01-5160-150	Health Insurance	10,430	10,926	10,926	11,628
01-5174-150	Auto Allowance	1,200	1,200	1,200	1,200
01-5176-150	Phone Allowance	450	450	450	450
	<i>Personnel Servcies Total</i>	110,200	117,886	117,886	147,054
01-5201-150	Office Supplies	1,445	1,700	1,700	1,700
01-5220-150	Minor Tools & Equipment	984	2,120	2,120	1,850
	<i>Supplies and Materials Total</i>	2,428	3,820	3,820	3,550
01-5349-150	Maintenance-Computer Equipment	2,342			
	<i>Repairs and Maintenance Total</i>	2,342	-	-	-
01-5304-150	Printing & Reproduction	208	3,760	3,760	3,760
01-5305-150	Dues & Subscriptions	451	185	185	185
01-5322-150	Tuition & Education	1,100	1,500	1,500	1,920
01-5323-150	Meals & Lodging	1,307	1,500	1,500	2,450
01-5330-150	Travel	782	1,000	1,000	1,650
01-5360-150	Professional Svcs-Administrtrve	41,643	44,020	44,020	46,238
01-5363-150	Professional Svcs-Audit	18,716	19,000	19,000	20,435
	<i>Contractual Services Total</i>	64,207	70,965	70,965	76,638
	Finance Total	\$ 179,177	\$ 192,671	\$ 192,671	\$ 227,242

City of Kaufman

Municipal Court
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-130	Salaries & Wages	\$ 48,038	\$ 51,602	\$ 51,602	\$ 53,834
01-5103-130	Certification Pay	575	600	600	600
01-5106-130	Cost of Living Allowance	573	1,471	1,471	1,471
01-5140-130	Texas Municipal Retirement Sys	2,738	4,227	4,227	5,055
01-5150-130	Social Security	3,654	3,677	3,677	4,277
01-5152-130	Worker's Compensation	83	173	173	178
01-5160-130	Health Insurance	6,086	7,367	7,367	7,752
	<i>Personnel Services Total</i>	61,747	69,118	69,118	73,167
01-5201-130	Office Supplies	2,174	2,500	2,500	2,000
	<i>Supplies and Materials Total</i>	2,174	2,500	2,500	2,000
01-5349-130	Maintenance-Computer Equipmt	2,836			
	<i>Repairs and Maintenance Total</i>	2,836	-	-	-
01-5203-130	Jury Expense				100
01-5322-130	Tuition & Education	851	200	200	1,250
01-5323-130	Meals & Lodging	90	50	50	1,200
01-5330-130	Travel	58	50	50	1,000
01-5331-130	Credit Card Merchant Fees	913	1,000	1,000	1,500
01-5360-130	Professional Svcs-Legal	12,289	21,600	21,600	15,000
	<i>Contractual Services Total</i>	14,201	22,900	22,900	20,050
	<i>Municipal Court Total</i>	\$ 80,957	\$ 94,518	\$ 94,518	\$ 95,217

City of Kaufman

Facilities Management

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5203-140	Operating Supplies	\$ 2,115	\$ 2,100	\$ 2,100	\$ 2,000
01-5212-140	Holiday/Festival Supplies		43,500	43,500	
	<i>Supplies and Materials Total</i>	2,115	45,600	45,600	2,000
01-5349-140	Maintenance-Computer Equipment	3,325			
01-5350-140	Maintenance-Building	2,900	9,000	9,000	7,500
01-5358-140	Maintenance-Office Equipment	58	100	100	500
	<i>Repairs and Maintenance Total</i>	6,282	9,100	9,100	8,000
01-5175-140	Moving Expenses	3,564			
01-5301-140	Communications-Phone Svs	17,532			
01-5302-140	Postage & Delivery	3,225	3,200	3,200	3,200
01-5306-140	Electricity	8,154	18,500	18,500	18,000
01-5311-140	Lease Equipment	3,151			
01-5313-140	Rent/Lease	48,675	1,000	1,000	1,000
01-5341-140	Janitorial	1,635	17,000	17,000	15,000
01-5362-140	Professional Svcs-Other	600	700	700	700
01-5404-140	Improvements-Other	25,550			
	<i>Contractual Services Total</i>	112,085	40,400	40,400	37,900
01-5420-140	Capital-Equipment		16,914	16,914	
	<i>Capital Total</i>	-	16,914	16,914	-
	<i>Facilities Management Total</i>	\$ 120,482	\$ 112,014	\$ 112,014	\$ 47,900

Police Department

The City of Kaufman Police Department is a highly trained and motivated to serve the community. Continued partnerships with the community has made Kaufman a great place to live and work, and provides the opportunity for continuous improvement of the quality of life in Kaufman.

Department Strategies

- Safe and secure community
- Financial and operational stewardship

Goals

- Provide superior police and emergency services
- Increase citizen awareness and involvement in public safety
- Improve data security
- Deliver responsive, professional customer service

Objectives

- Reduce total offenses reported
- Reduce number of crimes against people
- Reduce number of property crimes
- Meet or improve average response time
- Increase number of social media posts
- Increase number of social media followers
- Increase/Enhance Neighborhood Crime Watch Programs
- Annual Criminal Justice Information System (CJIS) Audit Compliance
- Continually improve delivery of customer service
- Maintain training hours for professional development
- Reduce total animal control calls for service
- Reduce total number of animals delivered to Humane Society
- Monitor total citations issued

Patrol is responsible for the active and preventive patrol of the City of Kaufman. Patrol Operations is tasked with maintaining order, responding to calls for service, enforcing criminal law, traffic laws, serving warrants, and coordinating and securing special events. Patrol Officers are the face of the Department and provide a wide variety of community services to the citizens we serve.

Functional Responsibilities or Tasks

- Provide professional and courteous service to the public and ensure the safety of the residents and visitors of the City of Kaufman
- Partner with the community through Neighborhood Crime Watch, Business Crime Watch and other programs to reduce and prevent criminal activity within the City of Kaufman
- Utilize Geographic Command and Intelligence Led Policing to promote accountability for police services in specific areas
- Provide proactive and focused patrol as determined by analyzing current crime trends
- Utilize traffic enforcement along with information from a mobile radar trailer with display to remind drivers of their speeds to reduce the number of accidents and increase driver safety

Criminal Investigations is responsible for conducting follow-up criminal investigations, filing cases with the district attorney's office, property and evidence management, crime scene response, and investigating employee misconduct. Criminal Investigations also maintains a close relationship with the district attorney's office as well as other local law enforcement agencies.

Functional Responsibilities or Tasks

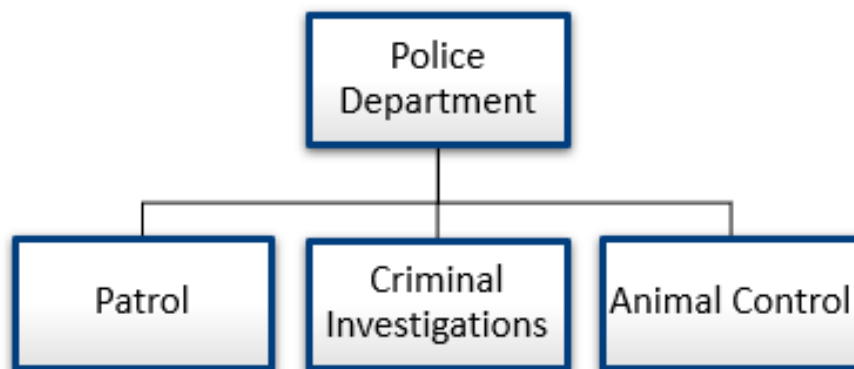
- Provide professional and courteous service to the public and ensure all assigned criminal cases are properly investigated according to the current state best practices
- Maintain a close professional relationship with the District Attorney's Office and facilitate intelligence exchange internally and among local law enforcement agencies
- Obtain and maintain the highest case clearance rate in Kaufman County
- Utilize case management procedures to prioritize, assign, and resolve criminal cases
- Manage and track the impact offenders on the community and ensure their cases are filed and properly tracked
- Manage the Property and Evidence Room to the standards of Texas Best Practices

Animal Control is responsible for the monitoring and enforcement of the Animal Control Ordinances, quickly resolving animal nuisance complaints, and reducing the number of stray animals within the city limits of Kaufman. As added responsibilities, this division also assists with vehicle maintenance issues, funeral escorts, and special events.

Functional Responsibilities or Tasks

- Provide a safe environment for the public and legally owned and registered animals within the Kaufman city limits
- Increase the public awareness of the existing Animal Control Ordinances
- Provide added value by assisting the Police Department as an additional manpower resource
- Have every legally owned pet registered with the City of Kaufman Animal Control
- Reduce the number of stray animals within the Kaufman city limits
- Quickly and effectively resolve animal nuisance complaints
- Provide exceptional customer service to both internal and external customers
- Prevent any and all incidents of animal cruelty within the city limits of Kaufman

Organizational Chart



Performance Measures		
Police Department	2019 Year End Projections	2020 Adopted Budget
Safe and Secure		
Provide superior fire, police and emergency services.		
Total Offenses Reported	690	600
Number of crimes against people	87	74
Number of property crimes	342	291
Average Response Time goal	1.35	1.21
Increase citizen awareness and involvement in public safety.		
Number of Social Media posts	New	104
Number of Social Media followers	9326	10000
Neighborhood Crime Watch Programs	4	5
Improve data security		
CJIS Audit Compliance	Yes	Yes
Financial and Operational Stewardship		
Deliver responsive, professional customer service.		
Meet or beat Average Response Time goal	Yes	Yes
Number of citizen complaints	0	0
Training hours for Professional Development	New	340
Animal Control		
Safe and Secure		
Provide superior fire, police and emergency services.		
Total Calls for Service	246	243
Total Animals Picked-up	218	215
Total Animals delivered to Humane Society	201	199
Total Citations Issued	33	32

Department Strategic Hits and Misses

Achievements

- Safe and secure
 - Regional communication center and integration of Southern Software (Emergency management software)
 - Emergency management exercise
 - Emergency communication enhancement
 - Department staffing retention
 - Police facility
- Strong partnerships and community involvement
 - Pursue grant opportunities
 - Crime watch program

Initiatives

- Safe and secure
 - Best practices certification
 - Police Department substation
 - Enhance neighborhood watch programs
 - Animal shelter operations upgrade
 - Upgrade outdoor warning system
 - Add Public Service Officer
 - Speed limit radar trailer

City of Kaufman

Patrol
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-164	Salaries & Wages	\$ 830,918	\$ 846,790	\$ 846,790	\$ 963,075
01-5102-164	Overtime	59,076	65,000	65,000	38,799
01-5103-164	Certification Pay	6,813	5,350	5,350	6,800
01-5106-164	Cost of Living Allowance	24,193	18,253	18,253	20,504
01-5140-164	Texas Municipal Retirement Sys	87,127	121,673	121,673	152,112
01-5150-164	Social Security	67,466	68,980	68,980	78,732
01-5152-164	Worker's Compensation	21,133	29,256	29,256	29,344
01-5160-164	Health Insurance	107,687	104,745	104,745	131,784
	<i>Personnel Services Total</i>	1,204,414	1,260,047	1,260,047	1,421,150
01-5201-164	Office Supplies	3,178	3,200	3,200	5,700
01-5203-164	Operating Supplies	3,500	5,000	5,000	3,500
01-5205-164	Awards	126	13	13	250
01-5210-164	Uniforms	6,743	10,020	10,020	10,000
01-5220-164	Minor Tools & Equipment	12,771	3,000	3,000	500
01-5230-164	Motor Fuel & Oil	35,818	32,500	32,500	25,000
01-5260-164	Weapons & Ammunition	5,434	6,100	6,100	6,000
	<i>Supplies and Materials Total</i>	67,570	59,833	59,833	50,950
01-5349-164	Maintenance-Computer Equipment	8,318			
01-5354-164	Maintenance-Automotive	21,335	16,100	16,100	25,000
01-5357-164	Maintenance-Radio Equipment	122			1,000
	<i>Repairs and Maintenance Total</i>	29,775	16,100	16,100	26,000
01-5301-164	Communications	18,283			
01-5302-164	Postage & Delivery		50	50	200
01-5304-164	Printing & Reproduction	814	500	500	1,200
01-5305-164	Dues & Subscriptions	1,395	1,500	1,500	1,800
01-5311-164	Rental/Lease of Equipment	12,527	4,500	4,500	4,320
01-5322-164	Tuition & Education	2,014	4,650	4,650	5,500
01-5323-164	Meals & Lodging	3,699	4,800	4,800	5,300
01-5330-164	Travel	866	1,500	1,500	1,500
01-5341-164	Janitorial Services	5,346			
	<i>Contractual Services Total</i>	44,944	17,500	17,500	19,820
01-5410-164	Capital-Automobiles/Lease	-	-	-	-
01-5530-164	Intergovernmental Expenditures	110,000	110,000	110,000	110,000
01-5593-164	Capital Lease Principal	21,016	21,615	21,615	118,588
01-5594-164	Capital Lease Interest	2,500	1,901	1,901	6,404
	<i>Capital Total</i>	133,516	133,516	133,516	234,993
	<i>Patrol Total</i>	\$ 1,480,219	\$ 1,486,996	\$ 1,486,996	\$ 1,752,913

City of Kaufman

Criminal Investigations

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-163	Salaries & Wages	\$ 162,082	\$ 146,932	\$ 146,932	\$ 198,550
01-5102-163	Overtime	4,089	13,191	13,191	8,939
01-5103-163	Certification Pay	1,053	901	901	1,500
01-5106-163	Cost of Living Allowance	3,660	3,660	3,660	4,950
01-5140-163	Texas Municipal Retirement Sys	16,122	21,364	21,364	31,620
01-5150-163	Social Security	12,624	12,074	12,074	16,366
01-5152-163	Worker's Compensation	4,412	5,491	5,491	5,722
01-5160-163	Health Insurance	24,395	20,951	20,951	31,008
	<i>Personnel Services Total</i>	228,436	224,564	224,564	298,655
01-5201-163	Office Supplies	3,721	3,100	3,100	4,000
01-5210-163	Uniforms	1,750	800	800	2,000
01-5220-163	Minor Tools & Equipment	110	100	100	100
01-5230-163	Motor Fuel & Oil	7,122	7,000	7,000	7,000
	<i>Supplies and Materials Total</i>	12,702	11,000	11,000	13,100
01-5349-163	Maintenance-Computer Equipment	1,264			
01-5354-163	Maintenance-Automotive	3,580	1,500	1,500	3,500
	<i>Repairs and Maintenance Total</i>	4,844	1,500	1,500	3,500
01-5305-163	Dues & Subscriptions	2,528	2,500	2,500	3,167
01-5322-163	Tuition & Education	1,195	1,000	1,000	2,400
01-5323-163	Meals & Lodging	2,935	1,500	1,500	2,500
01-5370-163	Investigation Expenses	1,308	2,000	2,000	3,000
	<i>Contractual Services Total</i>	7,966	7,000	7,000	11,067
	<i>Criminal Investigations Total</i>	\$ 253,948	\$ 244,064	\$ 244,064	\$ 326,322

City of Kaufman

Animal Control
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-161	Salaries & Wages	\$ 33,234	\$ 34,710	\$ 34,710	\$ 36,195
01-5102-161	Overtime	392	800	800	800
01-5106-161	Cost of Living Allowance	900	900	900	900
01-5140-161	Texas Municipal Retirement Sys	3,260	4,691	4,691	5,601
01-5150-161	Social Security	2,596	2,764	2,764	2,899
01-5152-161	Worker's Compensation	1,153	1,644	1,644	1,521
01-5160-161	Health Insurance	7,160	7,284	7,284	7,752
	<i>Personnel Services Total</i>	48,694	52,793	52,793	55,668
01-5210-161	Uniforms	288	350	350	350
01-5230-161	Motor Fuel & Oil	5,364	4,615	4,615	4,615
01-5262-161	Animal Control Supplies	273	1,000	1,000	1,000
	<i>Supplies and Materials Total</i>	5,925	5,965	5,965	5,965
01-5354-161	Maintenance-Automotive	1,817	715	715	1,300
	<i>Repairs and Maintenance Total</i>	1,817	715	715	1,300
01-5305-161	Dues & Subscriptions		150	150	150
01-5322-161	Tuition & Education	200	500	500	500
01-5323-161	Meals & Lodging	303	800	800	500
01-5371-161	Animal Disposal Service	22,456	24,000	24,000	30,588
	<i>Contractual Services Total</i>	22,959	25,450	25,450	31,738
	<i>Animal Control Total</i>	\$ 79,394	\$ 84,923	\$ 84,923	\$ 94,671

Fire Department

The City of Kaufman Fire Administration is responsible for directing the policies of the City in formulating standards operating guidelines (SOG) for the fire department. This entails coordination of three fire divisions: Administration, Operations, and Prevention. Additional responsibilities include Emergency Management and the preparation of monthly reports, schedules, record maintenance.

Department Strategies

- Safe and secure community
- Financial and operational stewardship

Goals

- Provide superior fire and emergency services
- Increase citizen awareness and involvement in public safety
- Deliver responsive, professional customer service

Objectives

- Monitor number of fire calls
- Monitor number of Emergency Management Services (EMS) calls
- Monitor number of accident calls
- Meet or improve average response time
- Increase number of social media posts
- Increase number of social media followers
- Increase Public Fire education programs attendees
- Continually improve delivery of customer service
- Increase number of outside commendations
- Review Emergency Management (EM) Plan annually
- Conduct annual table top emergency preparedness exercise
- Utilize social media to promote CivicReady (Emergency communications software)
- Promote citizen use of CivicReady
- Utilize CivicReady to deliver emergency messages

Fire operations maintains one station along with an engine and a quint ladder truck owned by the city, a sport utility vehicle (SUV) used as a squad vehicle for Inspections and to carry additional manpower to scenes, and the Fire Chief's pickup. Operations assists with maintenance on volunteer equipment including two engines, a tanker, and two boosters. The Fire Chief along with four full-time Engineer/Firefighters and 19 Volunteer Firefighters provide around the clock fire protection.

Functional Responsibilities or Tasks

- Implement continuous process improvement program
- Acquire computerized report data base
- Support divisions in accomplishment of the mission statement
- Provide administrative support to all divisions
- Add one additional paid firefighter position annually
- Maintain vehicle and equipment
- Recruit and train volunteer firefighters
- Implement department standard operating guidelines as needed
- Work toward reducing current Fire Suppression Rating with the insurance services office from a rating of 3 to a rating of 2
- Protection of life and property of the citizens of Kaufman

- Increase training for all department personnel
- Maintain proficiency through training and drills
- Perform necessary maintenance on central fire station and apparatus
- Perform company fire surveys and inspections on buildings in the city

Fire prevention is responsible for public fire education, inspections, fire code enforcement, plan reviews, record keeping, fire investigations and all necessary in-service training programs for department members.

Functional Responsibilities or Tasks

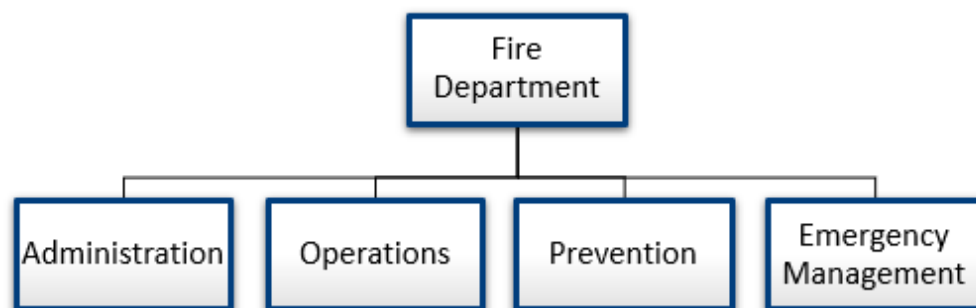
- Promote fire prevention through public education and inspections
- Investigate the causes of all fires and prosecute arson offenders
- Perform commercial building occupancy inspections for both existing and new construction
- Complete plan reviews on new construction
- Provide code enforcement of fire code violations
- Continue and expand fire safety clown program
- Increase public fire education programs
- Develop and implement pre-fire plans on all commercial buildings

Emergency management is responsible for alerting the public to disasters, maintenance and testing of outdoor warning sirens, public education, record keeping and all necessary in-service training for staff.

Functional Responsibilities or Tasks

- Provide early warnings to the public due to weather or hazardous material incidents
- Develop plans for emergency response
- Maintain early warning sirens
- Plan and conduct yearly emergency drills
- Increase public awareness of emergency management
- Increase number of early warning sirens
- Increase training in department for emergency management

Organizational Chart



Performance Measures		
Fire Department	2019 Year End Projections	2020 Adopted Budget
Safe and Secure		
Provide superior fire, police and emergency services.		
Number of Fire calls	365	370
Number of EMS calls	New	1250
Number of Accident calls	New	500
Average Response Time goal	5.5	5.5
Increase citizen awareness and involvement in public safety.		
Number of Social Media Posts	New	120
Number of Social Media Followers	9590	10000
Public Fire Education Programs Attendees	5452	5500
Financial and Operational Stewardship		
Deliver responsive, professional customer service.		
Average Response Time goal < 5 minutes	100%	100%
Number of Citizen complaints	0	0
Number of outside commendations	New	3
Emergency Management		
Safe and Secure		
Provide superior fire, police and emergency services.		
Annual Review of EM Plan	Yes	Yes
Conduct Annual Table Top Exercise	New	Yes
Increase citizen awareness and involvement in public safety.		
Utilize Social Media to promote CivicReady	New	Yes
Increase number of CivicReady users	New	Yes
Number of CivicReady messages	New	15

Department Strategic Hits and Misses

Achievements

- Safe and secure
 - Emergency management exercise
 - Residential rental fire and safety inspection program
 - Emergency Management Services (EMS) contract
 - Emergency communication enhancement
 - Maintain department staffing retention
- Strong partnerships and community involvement
 - Pursue grant opportunities
- Infrastructure and asset management
 - Federal Emergency Management Agency (FEMA) project coordination/reimbursement

Initiatives

- Safe and secure
 - Add Fire Department substation
 - Upgrade outdoor warning system

City of Kaufman

Fire Administration
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-170	Salaries & Wages	\$ 310,502	\$ 360,228	\$ 360,228	\$ 370,117
01-5102-170	Overtime	22,834	23,429	23,429	14,626
01-5103-170	Certification Pay	2,407	2,963	2,963	2,700
01-5106-170	Cost of Living Allowance	7,628	8,160	8,160	9,360
01-5140-170	Texas Municipal Retirement Sys	32,418	51,377	51,377	58,647
01-5150-170	Social Security	26,007	29,836	29,836	30,355
01-5152-170	Worker's Compensation	7,034	9,387	9,387	9,956
01-5160-170	Health Insurance	41,850	49,188	49,188	54,264
01-5176-170	Phone Allowance		638	638	
	<i>Personnel Servcies Total</i>	450,680	535,206	535,206	550,025
01-5201-170	Office Supplies	1,265	1,500	1,500	1,900
01-5202-170	Janitorial Supplies	900	1,000	1,000	1,200
01-5210-170	Uniforms	7,296	8,500	8,500	5,500
01-5211-170	Protective Clothing	2,112	4,013	4,013	3,495
01-5230-170	Motor Fuel & Oil	13,832	12,250	12,250	13,500
01-5240-170	Botanical & Agricultural	125	150	150	125
	<i>Supplies and Materials Total</i>	25,530	27,413	27,413	25,720
01-5349-170	Maintenance-Computer Equipment	2,014			
01-5350-170	Maintenance-Building	8,379	5,000	5,000	2,090
01-5354-170	Maintenance-Automotive	2,024	2,600	2,600	2,600
01-5357-170	Maintenance-Radio Equipment	5,334			500
	<i>Repairs and Maintenance Total</i>	17,752	7,600	7,600	5,190
01-5301-170	Communications	3,348	1,500	1,500	
01-5305-170	Dues & Subscriptions	622	930	930	930
01-5306-170	Electricity	7,202	7,000	7,000	5,000
01-5307-170	Natural Gas	2,882	2,500	2,500	2,800
01-5309-170	Insurance & Bonds	1,283	1,270	1,270	1,618
01-5322-170	Tuition & Education		784	784	1,200
01-5330-170	Travel	145	383	383	350
	<i>Contractual Services Total</i>	15,481	14,367	14,367	11,898
	<i>Fire Administration Total</i>	\$ 509,443	\$ 584,586	\$ 584,586	\$ 592,833

City of Kaufman

Fire Operations
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-171	Office Supplies	\$ 193	\$ 400	\$ 400	\$ 400
01-5204-171	Chemical, Medical & Drug	2,147	3,700	3,700	5,550
01-5211-171	Protective Clothing	10,338	9,200	9,200	15,290
01-5220-171	Minor Tools & Equipment	7,660	8,550	8,550	5,960
	<i>Supplies and Materials Total</i>	20,338	21,850	21,850	27,200
01-5355-171	Maintenance-Equipment	10,976	12,363	12,363	10,500
01-5357-171	Maintenance-Radio Equipment	1,500	2,900	2,900	400
01-5359-171	Maintenance-Other Equipment	10,259	12,500	12,500	15,850
	<i>Repairs and Maintenance Total</i>	22,735	27,763	27,763	26,750
01-5305-171	Dues & Subscriptions	55			95
01-5322-171	Tuition & Education	149	300	300	1,500
01-5323-171	Meals & Lodging	225	700	700	1,500
01-5330-171	Travel	206	150	150	300
01-5362-171	Professional Svcs-Other	21,000	21,000	21,000	21,000
	<i>Contractual Services Total</i>	21,635	22,150	22,150	24,395
01-5420-171	Capital-Equipment				33,000
01-5593-171	Capital Lease Principal	42,951	43,668	43,668	45,117
01-5594-171	Capital Lease Interest	5,620	5,538	5,538	3,455
	<i>Capital Total</i>	48,572	49,206	49,206	81,572
	<i>Fire Operations Total</i>	\$ 113,281	\$ 120,969	\$ 120,969	\$ 159,917

City of Kaufman

Fire Prevention
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-172	Office Supplies	\$ 520	\$ 440	\$ 440	\$ 240
	<i>Supplies and Materials Total</i>	520	440	440	240
01-5349-172	Maintenance-Computer Equipment	288			
01-5354-172	Maintenance-Automotive				195
	<i>Repairs and Maintenance Total</i>	288	-	-	195
01-5290-172	Analysis-Lab Fees		100	100	100
01-5304-172	Printing & Reproduction				155
01-5305-172	Dues & Subscriptions				195
	<i>Contractual Services Total</i>	-	100	100	450
	<i>Fire Prevention Total</i>	\$ 808	\$ 540	\$ 540	\$ 885

City of Kaufman
Fire Emergency Management
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5211-173	Protective Clothing	\$ 2,400	\$ 1,000	\$ 1,000	\$ 2,400
01-5220-173	Minor Tools & Equipment	2,800	2,300	2,300	1,000
	<i>Supplies and Materials Total</i>	5,200	3,300	3,300	3,400
01-5357-173	Maintenance-Radio Equipment		195	195	195
01-5359-173	Maintenance-Other Equipment	285	5,000	5,000	500
	<i>Repairs and Maintenance Total</i>	285	5,195	5,195	695
01-5301-173	Communications	4,073	4,204	4,204	
01-5305-173	Dues & Subscriptions	2,000	2,000	2,000	2,200
01-5322-173	Tuition & Education		400	400	500
01-5323-173	Meals & Lodging		250	250	500
01-5330-173	Travel	95	50	50	395
	<i>Contractual Services Total</i>	6,168	6,904	6,904	3,595
<i>Fire Emergency Management Total</i>		\$ 11,654	\$ 15,399	\$ 15,399	\$ 7,690

Public Works Department

The City of Kaufman Public Works Department provides services to Kaufman citizens through the planning, operation, maintenance and construction management of the City's public infrastructure. This Department is partially funded by the General Fund and the Utility Fund. Streets, Park Maintenance and Storm Water Drainage are General Fund activities. Water, Wastewater and Wastewater Treatment are Utility Fund activities.

Department Strategies

- Healthy and environmentally conscious community
- Financial and Operational Stewardship

Goals

- Maintain/Improve infrastructure and assets
- Deliver responsive professional customer service
- Promote recreational/active lifestyle opportunities
- Develop/enhance environmental and sustainability standards/programs

Objectives

- Protect the investment in public streets through adequate repair and maintenance (measure repairs in linear feet)
- Complete citizen requested pothole repairs within 48-hours of notification
- Respond to inclement weather conditions within two hours of notification and supply barricading and other traffic control measures as necessary
- Maintain 16.3 acres of ball fields for safe use
- Maintain 102.7 acres of park facilities
- Develop a new park master plan
- Provide general park inspections quarterly and make necessary repairs
- Publish Water Quality Report annually
- No enforcement violations from Texas Commission on Environmental Quality (TCEQ)
- Continue water loss less than 20%
- Replace water and wastewater lines to protect investment (measure in linear feet)
- Address/repair water leaks within 24 hours of notification
- Respond to utility related service calls within 24 hours

Streets is responsible for repairing potholes and minor incidents of street failure. The need for repairs is determined by the administration of a street inspection program and suggestions from our citizens. This division is also responsible for inspection of numerous utility cuts made by various utilities, maintaining and repairing all public streets and alleys, providing preventive maintenance to City streets and barricading for special events.

Functional Responsibilities or Tasks

- Maintain, reconstruct, and/or overlay streets through annual street maintenance and rehabilitation program
- Assist the public with special projects (Halloween on Houston Street, Kaufman Fall Festival, July 4th Festival, and miscellaneous events)
- Maintain traffic and street signage
- Improve community appearance, by maintaining City Right of Ways and landscaping areas
- Clean and maintain drainage ditches and storm systems

Convenience station provides the citizens of Kaufman an option to dispose of solid waste in a convenient, cost effective, and environmentally safe method that meets all federal, state, and local laws. It also allows recycling of waste materials such as plastic, aluminum cans, and newspaper.

Functional Responsibilities or Tasks

- Provide quality and convenience to our customers for waste disposal and recycling
- Prepare and evaluate a program to reduce cost of operations and improve customer service
- Enhance operations and improve public participation by reviewing area needs

Parks is responsible for providing maintenance, development, and service availability of the City's parks. These areas are maintained to aesthetically reflect community identity, enrich the quality of life, and provide open spaces for leisure time activities.

Functional Responsibilities or Tasks

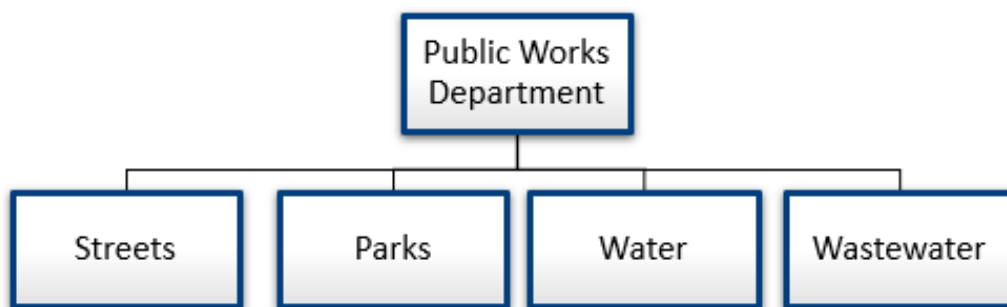
- Maintain City facility landscaping to provide City beautification
- Continue to make improvements to existing parks while developing a maintenance program for future parks

Water and wastewater administration and operations is responsible for the general supervision and direction of all public works operations and facilities. The facilities include underground water storage facility, two overhead storage tanks, wastewater treatment facility, utility maintenance facility, street maintenance facility, trash disposal and recycling facility and five city parks. Operational activities include water distribution, wastewater collection, wastewater treatment and storm water drainage project coordination, street rehabilitation project coordination, park maintenance activity and operation coordination, right of way management and new construction plan review and inspection.

Functional Responsibilities or Tasks

- Administer water distribution, water metering, wastewater collection and wastewater treatment
- Administer street maintenance, trash disposal and recycling center activities, park and right of way management, and storm water drainage projects

Organizational Chart



Performance Measures		
Public Works - Parks and Recreation	2019 Year End Projections	2020 Adopted Budget
Healthy and Environmentally Conscious Community		
Promote recreational/active lifestyle opportunities.		
Maintain 16.3 acres of ballfields for safe use.	392.2	400
Maintain 102.7 acres of Park Facilities.	1742.6	1750
Provide general park inspections and repairs.	497	500
Public Works - Streets	2019 Year End Projections	2020 Adopted Budget
Financial and Operational Stewardship		
Maintain/Improve infrastructure and assets.		
Linear feet of street repairs	2016.3	2100
Deliver responsive, professional customer service.		
Number of street maintenance calls	1880	1850

Performance Measures		
Administration		
Public Works- Water/ Wastewater	2019 Year End Projections	2020 Adopted Budget
Healthy and Environmentally Conscious Community		
Develop/enhance environmental and sustainability standards/programs.		
Publish Water Quality Report	Yes	Yes
No Enforcement violations	2	1
Water loss less than 20%	Yes	Yes
Financial and Operational Stewardship		
Maintain/Improve infrastructure and assets.		
Linear feet of water line replaced	2945	3000
Number of water leaks repaired responded	90	85
Linear feet of wastewater line repaired/replaced	3590	3600
Deliver responsive, professional customer service.		
Number of utility related service calls	4371	4300
Number of Citizen complaints	New	0

Department Strategic Hits and Misses

Achievements

- Strong partnerships and community involvement
 - Pursue grant opportunities
 - Sports league agreements
- Infrastructure and asset management
 - Water - Pump house rehabilitation
 - Complete major transportation projects (34 Bypass, CR 151)

Initiatives

- Safe and secure
 - Security and safety lighting for intersections
- Strong partnerships and community involvement
 - Partnerships/sponsorships for parks
 - Create city recreation programs (youth and seniors)
 - Install Splash pad
- Healthy and environmentally conscious community
 - Become a H2O conscientious town
 - Improved beautification efforts
 - Entrance monument improvements

- Implement LED street lighting
- Add Directional signs (wayfinding)
- Develop a Community garden
- Infrastructure and asset management
 - Resolve drain/flood issues
 - Wastewater - I&I (inflow and infiltration) repair
 - Downtown streetscape development
 - Wastewater treatment plant rehabilitation
 - Street bond implementation
 - Parks and trails development
 - Install Automatic Meter Reader (AMR)/Automatic Meter Infrastructure (AMI) meters
 - Develop wholesale water committee or rate study
 - Develop and/or implement an infrastructure design manual

City of Kaufman

Street Maintenance
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-182	Salaries & Wages	\$ 223,638	\$ 239,223	\$ 239,223	\$ 269,646
01-5102-182	Overtime	5,535	5,713	5,713	3,605
01-5103-182	Certification Pay		45	45	300
01-5106-182	Cost of Living Allowance	4,722	6,807	6,807	6,554
01-5140-182	Texas Municipal Retirement Sys	22,219	33,928	33,928	40,720
01-5150-182	Social Security	17,749	19,904	19,904	21,566
01-5152-182	Worker's Compensation	13,152	12,346	12,346	16,118
01-5160-182	Health Insurance	41,134	48,154	48,154	53,876
01-5174-182	Auto Allowance	1,200	1,895	1,895	1,800
	<i>Personnel Servcies Total</i>	329,349	368,015	368,015	414,185
01-5201-182	Office Supplies	418	700	700	500
01-5202-182	Janitorial Supplies	593	800	800	3,100
01-5203-182	Operating Supplies	3,173	3,885	3,885	3,000
01-5204-182	Chemical, Medical & Drug	101	300	300	2,800
01-5220-182	Minor Tools & Equipment	3,900	4,000	4,000	4,000
01-5230-182	Motor Fuel & Oil	11,051	16,000	16,000	12,000
01-5240-182	Botanical & Agricultural	156	1,200	1,200	1,200
	<i>Supplies and Materials Total</i>	19,393	26,885	26,885	26,600
01-5350-182	Maintenance-Building	1,114	5,800	5,800	4,300
01-5351-182	Maintenance-Improvements	10,489	11,000	11,000	11,000
01-5353-182	Maintenance-Streets	143,387	150,000	150,000	70,000
01-5354-182	Maintenance-Automotive	1,392	2,000	2,000	2,300
01-5355-182	Maintenance-Equipment	9,495	16,950	16,950	16,950
01-5356-182	Maintenance-Shop Equipment	105	300	300	500
01-5359-182	Maintenance-Other Equipment	389	1,020	1,020	1,800
	<i>Repairs and Maintenance Total</i>	166,370	187,070	187,070	106,850
01-5301-182	Communications	1,712			
01-5306-182	Electricity-Street Lights	79,401	88,000	88,000	78,000
01-5322-182	Tuition & Education				600
01-5323-182	Meals & Lodging				300
01-5324-182	Laundry Services	2,290	4,150	4,150	3,650
01-5362-182	Professional Svcs-Other	45,748	53,000	53,000	53,000
	<i>Contractual Services Total</i>	129,151	145,150	145,150	135,550
01-5410-182	Capital Equipment/Lease Pmt				22,200
01-5593-182	Capital Lease Principal	46028.88	11998.59	11998.59	22357.07
01-5594-182	Capital Lease Interest	2259.73	1055.41	1055.41	713.45
	<i>Capital Total</i>	48,289	13,054	13,054	45,271
	<i>Street Maintenance Total</i>	\$ 692,551	\$ 740,174	\$ 740,174	\$ 728,456

City of Kaufman

Convenience Station

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-181	Office Supplies	\$ 397			\$ 400
01-5204-181	Chemical, Medical & Drug	48			50
	<i>Supplies and Materials Total</i>	445	-	-	450
01-5350-181	Maintenance-Building	8			1,500
	<i>Repairs and Maintenance Total</i>	8	-	-	1,500
01-5304-181	Printing & Reproductions	87	500	500	500
01-5362-181	Professional Svcs-Other	54,109	59,875	59,875	45,000
	<i>Contractual Services Total</i>	54,195	60,375	60,375	45,500
	<i>Convenience Station Total</i>	\$ 54,648	\$ 60,375	\$ 60,375	\$ 47,450

City of Kaufman

Parks and Recreation

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-185	Salaries & Wages	\$ 106,639	\$ 107,121	\$ 107,121	\$ 132,703
01-5102-185	Overtime	5,737	3,705	3,705	2,500
01-5106-185	Cost of Living Allowance	2,999	2,436	2,436	2,810
01-5140-185	Texas Municipal Retirement Sys	10,893	14,775	14,775	20,219
01-5150-185	Social Security	8,800	8,006	8,006	10,955
01-5152-185	Worker's Compensation	3,378	3,492	3,492	4,547
01-5160-185	Health Insurance	24,704	26,348	26,348	39,535
	<i>Personnel Services Total</i>	163,149	165,883	165,883	213,269
01-5002-185	July 4th Festival Expense	30,428	37,125	37,125	20,000
01-5003-185	Festival Expenses	5,214	4,000	4,000	4,000
01-5004-185	KKB Expenses	3,992	4,000	4,000	4,000
01-5006-185	Community Festival Expenses				40,000
01-5201-185	Office Supplies	242	250	250	300
01-5202-185	Janitorial Supplies	3,053	3,500	3,500	4,500
01-5203-185	Operating Supplies	3,138	3,700	3,700	3,500
01-5206-185	Supplies-Community Events	2,094	1,831	1,831	500
01-5220-185	Minor Tools & Equipment	8,143	2,500	2,500	3,000
01-5230-185	Motor Fuel & Oil	12,318	9,500	9,500	9,500
01-5240-185	Botanical & Agricultural	1,233	2,500	2,500	3,500
	<i>Supplies and Materials Total</i>	69,855	68,906	68,906	92,800
01-5350-185	Maintenance-Building	3,827	3,000	3,000	3,000
01-5351-185	Maintenance-Improvements	17,410	27,383	27,383	63,850
01-5353-185	Maintenance-Streets	3,780			
01-5354-185	Maintenance-Automotive	936	1,200	1,200	1,200
01-5355-185	Maintenance-Equipment	5,933	6,804	6,804	6,700
01-5356-185	Maintenance-Shop Equipment	16	500	500	700
01-5359-185	Maintenance-Other Equipment	1,813	2,568	2,568	2,500
	<i>Repairs and Maintenance Total</i>	33,715	41,455	41,455	77,950
01-5306-185	Electricity	36,211	29,000	29,000	42,000
01-5307-185	Natural Gas	164	1,500	1,500	1,500
01-5322-185	Tuition & Education				600
01-5323-185	Meals & Lodging				300
01-5324-185	Laundry Services	2,194	4,250	4,250	3,650
01-5362-185	Professional Svcs-Other	26,405	31,000	31,000	31,000
01-5530-185	Intergovernmental Expenditures	25,000	25,000	25,000	25,000
	<i>Contractual Services Total</i>	89,974	90,750	90,750	104,050
01-5420-185	Capital-Equipment	62,123	8,313	8,313	18,087
01-5450-185	Capital - Buildings				
01-5460-185	Capital - Infrastructure				
	<i>Capital Total</i>	62,123	8,313	8,313	18,087
	<i>Parks and Recreation Total</i>	\$ 418,815	\$ 375,307	\$ 375,307	\$ 506,156

Development Services Department

The City of Kaufman Development Services Department is comprised of the four divisions: Planning, Inspections, Code Enforcement, and Consumer Health. The Development Services Department is a full-service department from future development planning, to current development planning and review, to building construction, to property maintenance and to health inspections. The Planning Division oversees Zoning and Subdivision implementation. Bureau Veritas, a national building inspections firm is contracted to perform building plan review and inspections. The Code Enforcement Division administers the property maintenance and city codes and the zoning ordinance. A licensed sanitarian performs all the food service establishment inspections.

Department Strategies

- Smart, business friendly economic development
- Strong partnerships and community involvement
- Healthy and environmentally conscious community
- Financial and operational stewardship

Goals

- Create effective working relationships with businesses and developers
- Retain/Expand existing businesses
- Promote new business opportunities
- Deliver responsive, professional, customer service
- Develop/enhance environmental and sustainability standards/programs
- Improve property maintenance standards and code enforcement

Objectives

- Initiate monthly Development Review Committee (DRC) meetings
- Review matching grants
- Respond to zoning information requests less than or equal to 3 days
- Planned Development and Site Plan approval by Planning and Zoning within 60 days
- Plat approval by Planning and Zoning within 30 days
- Complete 5-Year update of Water and Street Impact Fee Ordinances
- Approve contractor registrations in less than or equal to 3 days
- Review single family and duplex permit plans in less than or equal to 15 working days
- Review commercial permit plans in less than or equal to 60 working days
- Review home improvement incentive program initial requests in less than or equal to 10 working days
- Perform bi-annual health inspections
- Perform health inspections (for temporary events)
- Improve management of open cases
- Implement Neighborhood Enforcement Action Team (NEAT) twice a year
- Conduct annual review of relevant codes

Planning has a mission to build a great city. The public interest is served by facilitating development and redevelopment that align with the goals and objectives of the Kaufman Comprehensive Plan and related policy documents. The future plans of Kaufman are built upon its history.

Functional Responsibilities or Tasks

- Implement Kaufman's vision of the future through the Comprehensive Plan
- Continually administer the policies, procedures, and regulations in a fair and equitable manner and review to make improvements to the development process
- Create a new zoning district classification for governmental use

Inspections' purpose is to ensure safe, high quality development and construction in Kaufman by performing plan review and field inspections to ensure reasonable compliance with the adopted codes in an efficient manner.

Functional Responsibilities or Tasks

- Enforce the City and State codes in a fair, professional, and courteous manner
- Promote pre-construction plan reviews between the builder/contractor/owner and the building inspector, prior to plan submission to facilitate improved communication

Consumer Health promotes and protects the health of the public by minimizing the risk of disease or injury via consumer protection programs such as the inspection of food service establishments, day care centers, nursing homes, hospitals, grocery stores, mobile food trucks, and seasonal food establishments.

Functional Responsibilities or Tasks

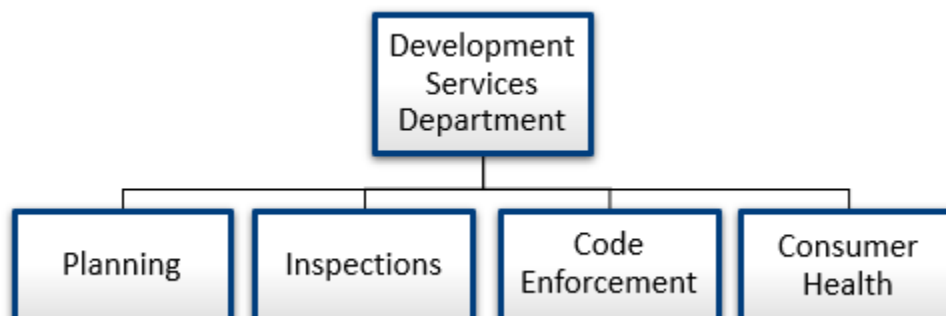
- Review food service plans for compliance with local and state laws regarding health and sanitation
- Implement the Health and Sanitation Laws adopted by the City of Kaufman and the State of Texas

Code Enforcement promotes and maintains a safe and desirable living and working environment for all of Kaufman's citizens, businesses, and visitors. Enforce fairly, reasonably and with impartiality the Kaufman Municipal Codes and Zoning Ordinances and State legislation.

Functional Responsibilities or Tasks

- Facilitate voluntary compliance with City laws and codes
- Serve as a key partner in the Neighborhood Enforcement Action Team (NEAT)

Organizational Chart



Performance Measures		
Development Services	2019 Year End Projections	2020 Adopted Budget
Smart, Business-Friendly Economic Development		
Create effective working relationships with businesses and developers.		
Number of DRC meetings	New	12
Retain/Expand existing businesses.		
Number of Matching Grants reviewed	New	3
Promote new business opportunities.		
Respond to zoning information requests less than or = to 3 days.	100%	100%
Healthy and Environmentally Conscious Community		
Develop/enhance environmental and sustainability standards/programs.		
Perform bi-annual health inspections	250	252
Perform health inspections – temporary events	18	20
Financial and Operational Stewardship		
Deliver responsive, professional customer service.		
Percentage of Plat approval by PZ w/i 30 days.	100%	100%
Planned Development & Site Plan approval by PZ w/i 60 days.	100%	100%
Percentage of contractor registration approval process < or = to 3 days.	100%	100%
Percentage of single family & duplex permit plan review < or = 15 working days.	100%	100%
Percentage of commercial permit plan review < or = 60 working days.	100%	100%
Percentage of home improvement incentive program initial request review in < or = 10 working days.	100%	100%
Healthy and Environmentally Conscious Community		
Improve property maintenance standards and code enforcement.		
Code Enforcement	2019 Year End Projections	2020 Adopted Budget
Number of pro-active cases opened	New	126
Implement NEAT 2x a year	2	2
Conduct annual review of relevant codes	Yes	Yes

Department Strategic Hits and Misses

Achievements

- Smart, business friendly economic development
 - Implement online permitting submittal and review process
 - Implement online zoning map
- Strong partnerships and community involvement
 - Continue Neighborhood Enforcement Action Team (NEAT) program
- Healthy and environmentally conscious community
 - Continue annual demolition program
 - Continue Neighborhood Enforcement Action Team (NEAT) program
- Infrastructure and asset management
 - Enhance code enforcement

Initiatives

- Smart, business friendly economic development
 - Subdivision ordinance update
 - Parkland dedication requirements
 - Update comprehensive plan
- Healthy and environmentally conscious community
 - Implement vacant structure registration program
 - Implement infrastructure and asset management

- Develop infrastructure design manual
- Financial and operational stewardship
 - Implement GIS system
 - Ordinance Recodification

City of Kaufman

Planning

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-192	Salaries & Wages	\$ 121,590	\$ 126,429	\$ 126,429	\$ 131,163
01-5102-192	Overtime	1,446	1,200	1,200	3,620
01-5106-192	Cost of Living Allowance	3,534	3,534	3,534	3,534
01-5140-192	Texas Municipal Retirement Sys	12,356	17,913	17,913	21,108
01-5150-192	Social Security	8,836	10,564	10,564	10,925
01-5152-192	Worker's Compensation	295	337	337	440
01-5160-192	Health Insurance	13,907	14,568	14,568	15,504
01-5174-192	Auto Allowance	3,600	3,600	3,600	3,600
01-5176-192	Phone Allowance	638	900	900	900
	<i>Personnel Services Total</i>	166,199	179,045	179,045	190,794
01-5201-192	Office Supplies	2,285	3,950	3,950	1,200
01-5220-192	Minor Tools & Equipment	117	720	720	300
	<i>Supplies and Materials Total</i>	2,401	4,670	4,670	1,500
01-5349-192	Maintenance-Computer Equipmt	15,920			
	<i>Repairs and Maintenance Total</i>	15,920	-	-	-
01-5304-192	Printing & Reproduction	1,625	1,500	1,500	1,500
01-5305-192	Dues & Subscriptions	368	1,000	1,000	600
01-5322-192	Tuition & Education		700	700	700
01-5323-192	Meals & Lodging		500	500	500
01-5330-192	Travel				180
01-5331-192	Credit Card Merchant Fees	1,590	2,000	2,000	2,000
01-5360-192	Professional Svcs-Legal	20,305	51,000	51,000	30,000
01-5361-192	Professional Svcs-Engineering	35,089	11,000	11,000	52,000
01-5362-192	Professional Svcs-Other				5,000
01-5363-192	Professional Svcs-Planning				30,000
	<i>Contractual Services Total</i>	58,976	67,700	67,700	122,480
	<i>Planning Total</i>	\$ 243,497	\$ 251,415	\$ 251,415	\$ 314,774

City of Kaufman

Inspections

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5201-191	Office Supplies	\$ 305	\$ 509	\$ 509	\$ 500
	<i>Supplies and Materials Total</i>	305	509	509	500
01-5301-191	Communications	-	-	-	-
01-5304-191	Printing & Reproduction	500	500	500	500
01-5308-191	Liens Filed	478	600	600	600
01-5360-191	Professional Svcs-Demolition	12,100			10,000
01-5363-191	Professional Svcs-Inspections	88,160	100,000	100,000	145,000
	<i>Contractual Services Total</i>	101,238	101,100	101,100	156,100
	<i>Inspections Total</i>	\$ 101,543	\$ 101,609	\$ 101,609	\$ 156,600

City of Kaufman

Consumer Health

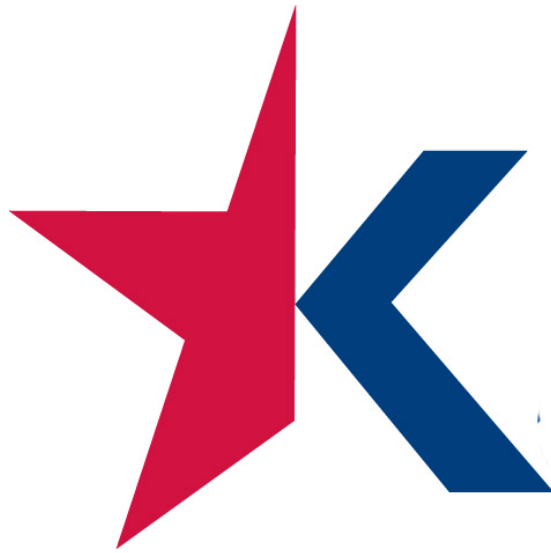
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5362-193	Professional Svcs-Other	\$ 13,720	\$ 16,200	\$ 16,200	\$ 16,200
	<i>Contractual Services Total</i>	13,720	16,200	16,200	16,200
	<i>Consumer Health Total</i>	<u>\$ 13,720</u>	<u>\$ 16,200</u>	<u>\$ 16,200</u>	<u>\$ 16,200</u>

City of Kaufman

Code Enforcement
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-194	Salaries & Wages	\$ 60,027	\$ 37,569	\$ 37,569	\$ 39,500
01-5102-194	Overtime	134	100	100	800
01-5106-194	Cost of Living Allowance	1,421	1,050	1,050	1,050
01-5140-194	Texas Municipal Retirement Sys	3,520	5,114	5,114	6,112
01-5150-194	Social Security	4,571	3,016	3,016	3,163
01-5152-194	Worker's Compensation	348	243	243	298
01-5160-194	Health Insurance	6,953	7,284	7,284	7,752
	<i>Personnel Services Total</i>	76,974	54,376	54,376	58,675
01-5201-194	Office Supplies	455	481	481	400
01-5203-194	Operating Supplies	467	450	450	450
01-5207-194	NEAT Supplies	513	400	400	270
01-5210-194	Uniforms	218	500	500	375
01-5230-194	Motor Fuel & Oil	2,746	1,500	1,500	1,989
	<i>Supplies and Materials Total</i>	4,399	3,331	3,331	3,484
01-5349-194	Maintenance-Computer Equipmt	1,249			
01-5354-194	Maintenance-Automotive	1,299	1,000	1,000	1,200
01-5357-194	Maintenance-Radio Equipment		100	100	100
	<i>Repairs and Maintenance Total</i>	2,548	1,100	1,100	1,300
01-5301-194	Communications	1,355			
01-5304-194	Printing & Reproduction	318	250	250	250
01-5305-194	Dues & Subscriptions	250			250
01-5308-194	Liens Filed	1,300	1,500	1,500	1,500
01-5322-194	Tuition & Education	250			1,500
01-5330-194	Travel				150
01-5361-194	Professional Svcs-Mowing	9,168	7,500	7,500	10,000
	<i>Contractual Services Total</i>	12,641	9,250	9,250	13,650
	<i>Code Enforcement Total</i>	\$ 96,562	\$ 68,057	\$ 68,057	\$ 77,109



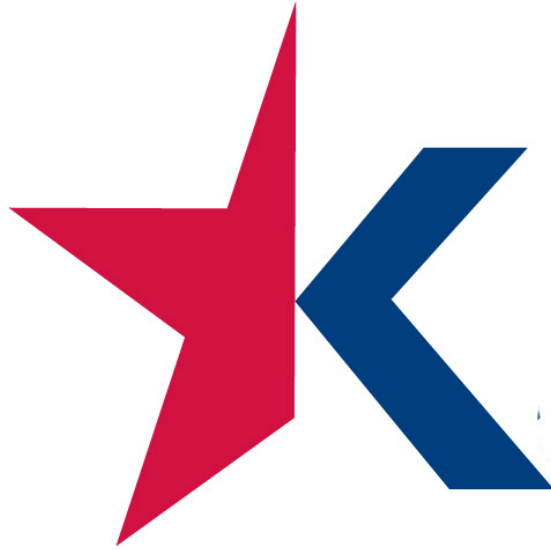
Economic Development Fund

City of Kaufman
Economic Development Corporation
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
32-4105-000	General Sales & Use Tax	\$ 771,355	\$ 755,783	\$ 755,783	\$ 389,228
	<i>Sales Tax Total</i>	771,355	755,783	755,783	389,228
32-4400-000	Land Proceeds/Mil Park	98,768	-	-	-
32-4601-000	Loan Revenue	-	10,000	10,000	10,000
	<i>Miscellaneous Revenue Total</i>	98,768	10,000	10,000	10,000
32-4604-000	Interest Income	396	430	430	221
	<i>Interest Income Total</i>	396	430	430	221
	Revenues Total	870,520	766,213	766,213	399,449
Expenditures					
32-5101-000	Salaries & Wages	25,923			
32-5102-000	Part Time Salaries	18,750	6,250	6,250	
32-5140-000	Retirement	4,032			
32-5150-000	Social Security	3,910	536	536	
32-5151-000	Unemployment Tax	41			
32-5160-000	Health Insurance	900			
32-5174-000	Auto Allowance	1,500			
32-5175-000	Expense Allowance		250	250	250
	<i>Personnel Services Total</i>	55,056	7,035	7,035	250
32-5201-000	Miscellaneous Supplies	32	100	100	100
32-5204-000	Meetings	85	2,500	2,500	2,500
32-5205-000	Promotional Materials		8,000	8,000	4,000
32-5220-000	Minor Tools & Equipment	3,876	2,000	2,000	2,000
	<i>Supplies and Materials Total</i>	3,993	12,600	12,600	8,600
32-5359-000	Maintenance-Grounds	6,655	12,000	12,000	12,000
	<i>Repairs and Maintenance Total</i>	6,655	12,000	12,000	12,000
32-5301-000	Communications	200			
32-5302-000	Postage & Delivery		50	50	50
32-5303-000	Advertising	15,142	31,962	31,962	10,430
32-5305-000	Dues & Subscriptions	1,570	2,500	2,500	2,000
32-5306-000	Utilities - Water & Electric	427	1,000	1,000	1,000
32-5309-000	Insurance & Bonds	1,100	1,100	1,100	1,100
32-5322-000	Tuition & Education	1,033	9,972	9,972	5,172
32-5330-000	Travel	3,398	12,751	12,751	12,162
32-5360-000	Contract Services & Staffing	10,485	22,724	22,724	71,223
32-5362-000	Professional Svcs	\$ 54,351	\$ 62,700	\$ 62,700	\$ 56,700
32-5363-000	Professional Svcs-Technical	8,300	9,900	9,900	20,000
32-5500-000	Matching Grants	4,838	10,000	10,000	40,000
	<i>Contractual Services Total</i>	100,843	164,659	164,659	219,837

City of Kaufman
Economic Development Corporation
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
32-5402-000	Prairie Creek Bus. Park Constr	-	-	-	
32-5501-000	Incentives / Intergovernmental	469,352			58,762
32-5506-000	Chapter 380 Funding	276,185	268,815	268,815	
32-5507-000	HWY 34 Bypass Funding	100,000	100,000	100,000	100,000
	<i>Capital Total</i>	845,537	368,815	368,815	158,762
	Expenditures Total	1,012,084	565,109	565,109	399,449
	Surplus/(Deficit)	\$ (141,564)	\$ 201,104	\$ 201,104	\$ -
	Beginning Fund Balance	\$ 928,316	\$ 786,752	\$ 786,752	\$ 987,855
	Ending Fund Balance	\$ 786,752	\$ 987,855	\$ 987,855	\$ 987,855



Special Revenue Funds

City of Kaufman

Hotel/Motel Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
03-4001-000	Hotel/Motel Tax	\$ 43,746	\$ 47,226	\$ 47,226	\$ 35,500
	<i>Hotel Occupancy Tax Total</i>	\$ 43,746	\$ 47,226	\$ 47,226	\$ 35,500
	Revenues Total	43,746	47,226	47,226	35,500
Expenditures					
03-5101-000	Wages	-	-	-	16,975
03-5106-000	Cost of Living Allowance	-	-	-	525
03-5140-000	Texas Municipal Retirement Sys	-	-	-	2,587
03-5150-000	Social Security	-	-	-	1,339
03-5152-000	Worker's Compensation	-	-	-	56
03-5160-000	Health Insurance	-	-	-	3,876
	<i>Personnel Services Total</i>	-	-	-	25,358
03-5002-000	Festival Expense	-	-	-	10,000
03-5007-000	Tourism-Chamber Agreement	33,300	33,300	33,300	
03-5363-000	Professional Svcs-Technical	2,200	2,200	2,200	2,200
	<i>Contractual Services Total</i>	35,500	35,500	35,500	12,200
	Expenditures Total	35,500	35,500	35,500	37,558
	Surplus/(Deficit)	\$ 8,246	\$ 11,726	\$ 11,726	\$ (2,058)
	Beginning Fund Balance	\$ 15,271	\$ 23,517	\$ 23,517	\$ 35,243
	Ending Fund Balance	\$ 23,517	\$ 35,243	\$ 35,243	\$ 33,185

City of Kaufman
Seizure-Law Enforcement Fund
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
04-4240-000	Judgments or Forfeitures	\$ 123,835	\$ 6,500	\$ 6,500	\$ 6,500
04-4245-000	Sale of Forfeited Items	-	7,000	7,000	7,000
	<i>Miscellaneous Revenue Total</i>	123,835	13,500	13,500	13,500
	Revenues Total	123,835	13,500	13,500	13,500
Expenditures					
04-5220-000	Minor Tools & Equipment	13,018	550	550	
	<i>Supplies and Materials Total</i>	13,018	550	550	-
04-5322-000	Tuition & Education				500
04-5362-000	Professional SvcsOther	300	500	500	2,300
	<i>Contractual Services Total</i>	300	500	500	2,800
04-5430-000	CapitalEquipment	7,135	10,640	10,640	
	<i>Capital Total</i>	7,135	10,640	10,640	-
	Expenditures Total	20,453	11,690	11,690	2,800
	Surplus/(Deficit)	\$ 103,382	\$ 1,810	\$ 1,810	\$ 10,700
	Beginning Fund Balance	\$ 35,648	\$ 139,030	\$ 139,030	\$ 140,840
	Ending Fund Balance	\$ 139,030	\$ 140,840	\$ 140,840	\$ 151,540

City of Kaufman

Court Technology Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
07-4305-000	Court Technology Fees	\$ 2,873	\$ 2,284	\$ 2,284	\$ 4,000
	<i>Fines and Forfeitures Total</i>	2,873	2,284	2,284	4,000
07-4604-000	Interest Income	-	40	40	40
	<i>Interest Income Total</i>	-	40	40	40
	Revenues Total	2,873	2,324	2,324	4,040
Expenditures					
07-5220-000	Minor Tools & Equipment	1,482			
	<i>Supplies and Materials Total</i>	1,482	-	-	-
07-5349-000	Maintenance-Computer Equipmt	2,805			
07-5358-000	Maintenance-Office Equipment	-			
	<i>Repairs and Maintenance Total</i>	2,805	-	-	-
07-5311-000	Lease of Equipment	1,551			
	<i>Contractual Services Total</i>	1,551	-	-	-
07-5420-000	Capital-Equipment		33,220	33,220	
	<i>Capital Total</i>	-	33,220	33,220	-
	Expenditure Total	5,837	33,220	33,220	-
	Surplus/(Deficit)	\$ (2,964)	\$ (30,896)	\$ (30,896)	\$ 4,040
	Beginning Fund Balance	\$ 5,507	\$ 2,543	\$ 2,543	\$ (28,352)
	Ending Fund Balance	\$ 2,543	\$ (28,352)	\$ (28,352)	\$ (24,312)

City of Kaufman

Court Security Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
08-4306-000	Court Bldg Security Fees	\$ 2,152	\$ 2,000	\$ 2,000	\$ 3,000
	<i>Fines and Forfeitures Total</i>	2,152	2,000	2,000	3,000
	Revenues Total	2,152	2,000	2,000	3,000
Transfers					
08-5560-000	Transfer Out	(2,152)	(2,000)	(2,000)	(3,000)
	Transfers Total	(2,152)	(2,000)	(2,000)	(3,000)
	Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -
	Beginning Fund Balance	\$ 38,512	\$ 38,512	\$ 38,512	\$ 38,512
	Ending Fund Balance	\$ 38,512	\$ 38,512	\$ 38,512	\$ 38,512

City of Kaufman

Grants Fund
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
09-4002-000	Grant Revenue	\$ 1,785	\$ 345,000	\$ 345,000	\$ 323,670
	<i>Grant Total</i>	1,785	345,000	345,000	323,670
09-4604-000	Interest Income	-	25	25	1,500
	<i>Interest Income Total</i>	-	25	25	1,500
	Revenues Total	1,785	345,025	345,025	325,170
Expenditures					
09-5220-000	Minor Tools & Equipment	10,335	800	800	
	<i>Supplies and Materials Total</i>	10,335	800	800	-
09-5322-000	Tuition & Education	1,040	1,012	1,012	500
09-5370-000	Investigative Expenses	1,930	2,222	2,222	2,700
	<i>Contractual Services Total</i>	2,970	3,234	3,234	3,200
09-5415-000	Downtown Transport Imprvmnt	820,214	1,518,553	1,518,553	
09-5417-000	2018 CDBG Grant Proj. 7217231		351,384	351,384	247,000
09-5419-000	Downtown Sq. Green Ribbon Proj	40	181,000	181,000	181,000
	<i>Capital Total</i>	820,254	2,050,937	2,050,937	428,000
	Expenditures Total	833,559	2,054,971	2,054,971	431,200
Transfers					
09-4605-000	Transfer In	400,000	131,000	131,000	-
09-5560-000	Transfer Out	(287,659)			-
	Transfers Total	112,341	131,000	131,000	-
	Surplus/(Deficit)	\$ (719,433)	\$ (1,578,946)	\$ (1,578,946)	\$ (106,030)
	Beginning Fund Balance	\$ 971,476	\$ 252,043	\$ 252,043	\$ (1,326,903)
	Ending Fund Balance	\$ 252,043	\$ (1,326,903)	\$ (1,326,903)	\$ (1,432,933)

City of Kaufman
Impact Fee Fund - Streets
Fiscal Year 2019-2020

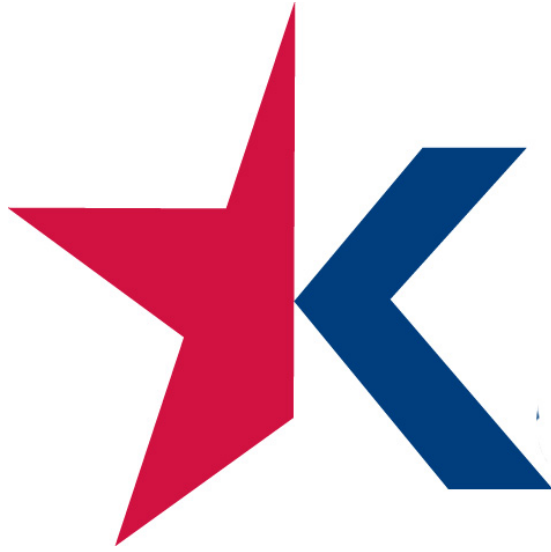
Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
12-4003-000	Street Impact Fees	\$ 43,692	\$ 82,000	\$ 82,000	\$ 65,800
	<i>License and Fees Total</i>	43,692	82,000	82,000	65,800
12-4604-000	Interest Income	2,692	3,500	3,500	2,000
	<i>Interest Income Total</i>	2,692	3,500	3,500	2,000
	Revenues Total	46,384	85,500	85,500	67,800
Expenditures					
12-5360-000	Professional Svcs.-Street Projs	-	-	-	-
	Expenditures Total	-	-	-	-
	Surplus/(Deficit)	\$ 46,384	\$ 85,500	\$ 85,500	\$ 67,800
	Beginning Fund Balance	\$ 308,385	\$ 354,768	\$ 354,768	\$ 440,268
	Ending Fund Balance	\$ 354,768	\$ 440,268	\$ 440,268	\$ 508,068

City of Kaufman

TIF Zone Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
05-4612-000	Intergovernmental Revenue	\$ 9,153	\$ 13,199	\$ 13,199	\$ 15,000
	Revenues Total	9,153	13,199	13,199	15,000
Expenditures					
05-5361-000	TIF Zone RMB	29,521	37,826	37,826	67,131
	<i>Contractual Services Total</i>	29,521	37,826	37,826	67,131
	Expenditures Total	29,521	37,826	37,826	67,131
Transfers					
05-4605-000	Transfer In	16,116	24,627	24,627	52,131
	Transfers Total	16,116	24,627	24,627	52,131
	Surplus/(Deficit)	\$ (4,251)	\$ -	\$ -	\$ -
	Beginning Fund Balance	\$ 4,251	\$ (0)	\$ (0)	\$ (0)
	Ending Fund Balance	\$ (0)	\$ (0)	\$ (0)	\$ (0)

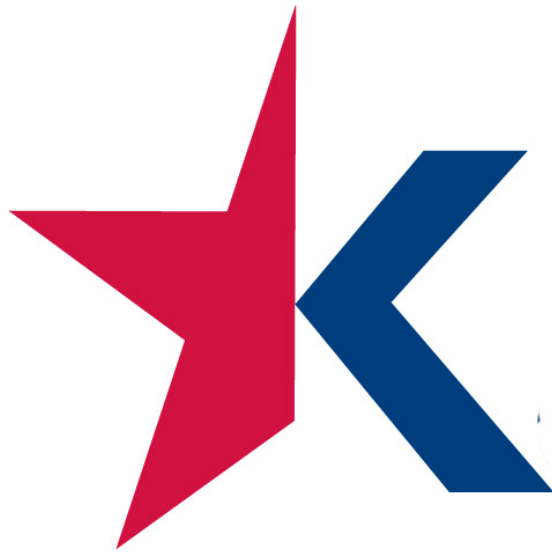


Debt Service Fund

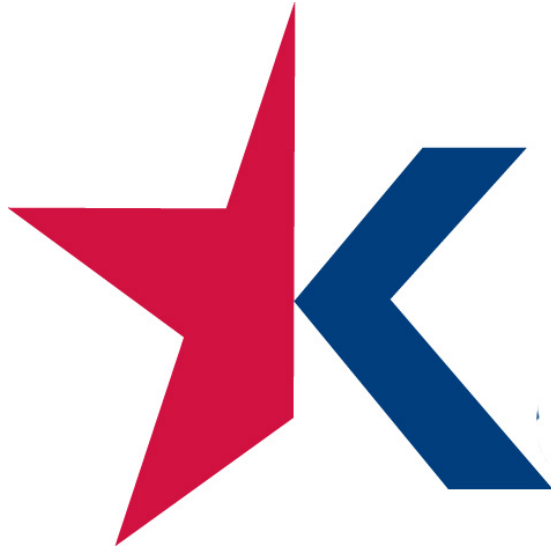
City of Kaufman

Debt Service Fund
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
02-4101-000	Property Taxes-Current	\$ 1,280,879	\$ 1,297,000	\$ 1,297,000	\$ 1,284,444
02-4102-000	Property Taxes-Delinquent	29,107	56,000	56,000	-
02-4103-000	Property Taxes-Current-P&I	11,002	15,000	15,000	-
02-4104-000	Property Taxes-Delinquent-P&I	8,621	15,500	15,500	-
	<i>Property Tax Total</i>	1,329,608	1,383,500	1,383,500	1,284,444
02-4604-000	Interest Income	-	50	50	-
	<i>Interest Income Total</i>	-	50	50	-
	Revenues Total	1,329,608	1,383,550	1,383,550	1,284,444
Expenditures					
02-5602-000	Bond Principal	909,763	949,763	949,763	1,008,755
02-5603-000	Bond Interest	745,163	767,510	767,510	828,233
02-5604-000	Bond Paying Agent Fees	5,522	5,301	5,301	6,401
02-5605-000	Note -Paying Agent/Regist Fees	350	350	350	350
02-5606-000	Kaufman County SH34 IG Expense	273,269	281,479	281,479	281,479
02-5607-000	Tax Note - Principal	60,000	60,000	60,000	60,000
02-5608-000	Tax Note - Interest	5,500	4,300	4,300	3,100
	<i>Debt Service Total</i>	1,999,567	2,068,703	2,068,703	2,188,318
	Expenditures Total	1,999,567	2,068,703	2,068,703	2,188,318
Transfers					
02-4605-000	Transfer In	783,344	803,874	803,874	803,874
02-4630-000	Other Fin Sources-Bonds Issued				
02-4633-000	Other Fin. Source-Capit. Lease				
02-5560-000	Transfer Out	(683,344)			
	Transfers Total	100,000	803,874	803,874	803,874
	Surplus/(Deficit)	\$ (569,958)	\$ 118,722	\$ 118,722	\$ (100,000)
	Beginning Fund Balance	\$ 950,764	\$ 380,806	\$ 380,806	\$ 499,528
	Ending Fund Balance	\$ 380,806	\$ 499,528	\$ 499,528	\$ 399,528



Enterprise Funds



Water-Sewer Utility Funds

City of Kaufman
Water-Sewer Utility Fund Summary
Fiscal Year 2019-2020

Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues				
Charges for Services	\$ 4,239,270	\$ 3,964,161	\$ 3,964,161	\$ 4,575,880
Miscellaneous Revenue	78,206	95,650	95,650	121,100
Interest Income	7,842	15,000	15,000	11,000
Contributions and Donations	149,715	-	-	-
Revenues Total	4,475,032	4,074,811	4,074,811	4,707,980
Expenditures				
Administration	674,942	459,788	459,788	562,167
Information Systems	-	61,870	61,870	69,068
Wastewater Treatment Plant	399,760	342,558	342,558	383,547
Water Distribution	2,094,819	2,142,901	2,142,901	2,284,669
Metering	172,183	99,107	99,107	130,607
Wastewater Collection	+	193,562	193,562	142,271
Prairie Creek Maintenance	-	-	-	3,000
Customer Service	384,279	298,934	298,934	315,815
Debt Service	1,086,725	658,421	658,421	813,625
Expenditures Total	4,812,708	4,257,140	4,257,140	4,704,768
Transfers				
Transfer In	111,201	-	-	-
Trans to Other Funds	(114,000)	-	-	-
Transfer Out	(3,000)	(3,000)	(3,000)	(3,000)
Transfers Total	(5,799)	(3,000)	(3,000)	(3,000)
Surplus/(Deficit)	\$ (343,475)	\$ (185,329)	\$ (185,329)	\$ 212
Beginning Fund Balance	\$ 2,082,377	\$ 1,738,902	\$ 1,738,902	\$ 1,553,573
Ending Fund Balance	\$ 1,738,902	\$ 1,553,573	\$ 1,553,573	\$ 1,553,785

*Note - The Water/Sewer Utility Fund is projected to end FY19 with a small deficit of \$185,329 of budgeted revenues versus expenditures, decreasing overall fund balance. The decrease in water and sewer sales, was attributed to the significant amount of unexpected rainfall the City of Kaufman received in FY19.

City of Kaufman
Water-Sewer Utility Fund Revenue Budget
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-4001-000	Water Sales	\$ 2,448,769	\$ 2,279,420	\$ 2,279,420	\$ 2,678,200
20-4002-000	Sewer Sales	1,583,121	1,491,486	1,491,486	1,683,630
20-4003-000	Water Surcharge	8,124	800	800	800
20-4102-000	Water Tap Fees	26,099	19,650	19,650	27,500
20-4103-000	Sewer Tap Fees	3,800	5,500	5,500	25,250
20-4104-000	Connection Fees	15,205	15,340	15,340	14,500
20-4105-000	Account Transfer Fees	-	-	-	-
20-4106-000	Water-Outside City Access Fees	30,506	32,168	32,168	26,000
20-4107-000	Penalties & Late Fees	95,888	92,569	92,569	94,000
20-4108-000	Service Disconnection Fees	27,758	27,228	27,228	26,000
	<i>Charges for Services Total</i>	4,239,270	3,964,161	3,964,161	4,575,880
20-4424-000	Returned Check Fees	1,079	1,250	1,250	1,100
20-4426-000	Water Tower Lease Fees	25,143	30,000	30,000	30,000
20-4430-000	Credit Card Convenience Fees	23,526	24,200	24,200	24,000
20-4603-000	Cash (Over)Short	-	-	-	-
20-4606-000	Miscellaneous Revenue	27,282	37,200	37,200	25,000
20-4611-000	Insurance Proceeds	1,013	2,000	2,000	5,000
20-4613-000	Gain on Sale or Trade of Asset	-	-	-	35,000
20-4614-000	Write-off Recovery	163	1,000	1,000	1,000
	<i>Miscellaneous Revenue Total</i>	78,206	95,650	95,650	121,100
20-4604-000	Interest Income	7,842	15,000	15,000	11,000
	<i>Interest Income Total</i>	7,842	15,000	15,000	11,000
20-4600-000	Developer Contribution	149,715	-	-	-
	<i>Contributions and Donations Total</i>	149,715	-	-	-
Revenues Total		\$ 4,475,032	\$ 4,074,811	\$ 4,074,811	\$ 4,707,980

Water-Sewer Utility Fund

Water and wastewater administration and operations is responsible for the general supervision and direction of all public works operations and facilities. The facilities include underground water storage facility, two overhead storage tanks, wastewater treatment facility, utility maintenance facility, street maintenance facility, trash disposal and recycling facility and five city parks. Operational activities include water distribution, wastewater collection, wastewater treatment and storm water drainage project coordination, street rehabilitation project coordination, park maintenance activity and operation coordination, right of way management and new construction plan review and inspection.

Department Strategies

- Healthy and environmentally conscious community
- Infrastructure and asset management
- Financial and operational stewardship
- Strong partnerships and community involvement

Goals

- Develop/enhance environmental and sustainability standards/programs
- Maintain/improve infrastructure and assets
- Deliver responsive, professional customer service

Objectives

- Publish Water Quality Report
- No enforcement violations from Texas Commission on Environmental Quality (TCEQ)
- Continue water loss less than 20%
- Replace water and wastewater lines to protect investment (measure in linear feet)
- Address/repair water leaks within 24 hours of notification
- Respond to utility related service calls within 24 hours
- Review fee schedules and compare with legislative and regulatory updates and surrounding areas annually
- Increase percentage of automatic draft customers to total customers, quarterly
- Increase number of E-bill customers, quarterly
- Respond to citizens'/customers' calls and emails within one business day
- Help promote other government and public entities' resources and services that benefit the citizens of Kaufman through distribution of utility bills
- Protect the investment in public streets through adequate repair and maintenance (measure repairs in linear feet)
- Complete citizen requested pothole repairs within 48-hours of notification
- Respond to inclement weather conditions within two hours of notification and supply barricading and other traffic control measures as necessary
- Maintain 16.3 acres of ball fields for safe use
- Maintain 102.7 acres of park facilities
- Develop a new park master plan
- Provide general park inspections quarterly and make necessary repairs

Customer Service/Utility Billing provides comprehensive, professional, effective and reliable service to utility customers. It is responsible for managing utility service requests, concerns and inquiries.

Customer Service maintains confidential utility customer records. It also bills, monitors and collects active, inactive and aged accounts.

Functional Responsibilities or Tasks

- Respond to customer requests in a prompt and courteous manner
- Provide prompt and accurate monthly utility billings
- Inform citizens through use of monthly utility bill message box and frequent inserts
- Review and update new resident information brochure as services are added or changed
- Distribute water conservation tips and facts
- Improve billing and collection processes; utilize collection agency services
- Reduce the number of late notifications and temporary utility disconnection of services through education of customers
- Recommend and Prepare ordinance revisions and updates as required

Water Distribution is responsible for maintaining an adequate water distribution system for residential and commercial use.

Functional Responsibilities or Tasks

- Maintain all water distribution systems to include water lines, mains, valves, fire hydrants, taps and loops
- Ensure effective operation of Hickory Street and Highway 175 water storage tanks and the Underground Storage Facility on Pyle Street
- Plan for growth through an adequate water supply and distribution system
- Continue to provide adequate and safe drinking water to the City's customers by properly monitoring, maintaining and upgrading the water distribution system
- Maintain 49.7 miles of water mains (City)
- Maintain 6.9 miles of water mains (contract)
- Replace/repair water lines, mains, valves, and fire hydrants as needed
- Provide effective response times to problems and customer complaints

Water metering is responsible for providing water meter services to include new meter installation, water meter replacement, leak detection and metering reading.

Functional Responsibilities or Tasks

- Maintain efficient operation of water meters for residential and commercial use
- Read, repair and replace meters throughout the water system to ensure accurate customer metering
- Maintain 2,661 residential and commercial meters

Wastewater plant operations is responsible for processing all discharged residential, commercial, and industrial wastewater in accordance with local, state, and federal effluent requirements. This includes the disposal of the bio solids with a Texas Commission on Environmental Quality (TCEQ) permitted hauler. The division also performs all grounds maintenance to ensure proper appearance of the plant along with all office management duties.

Functional Responsibilities or Tasks

- Operate and maintain treatment plant on a cost-effective basis
- Continue compliance with local, state, and federal discharge permits
- Continue compliance with solids disposal per state and federal permits
- Continue to update and improve the Preventive Maintenance Program

- Prepare and pre-plan for plant upgrade and expansion to meet the expected growth and to reduce the overall cost of operations
- Begin preparation for Wastewater Treatment Plant upgrades
- Treat 180 million gallons of wastewater annually
- Total compliance with Texas Commission on Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) discharge parameters
- Regulate commercial and industrial waste
- Maintain regulatory compliance with permit criteria for bio solids disposal
- Maintain treatment plant equipment to meet effluent standards
- Continue plant removal efficiency of Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS)

Wastewater collection is responsible for providing wastewater services including installation and repair of wastewater mains, manholes, and service taps and lift station maintenance and repair.

Functional Responsibilities or Tasks

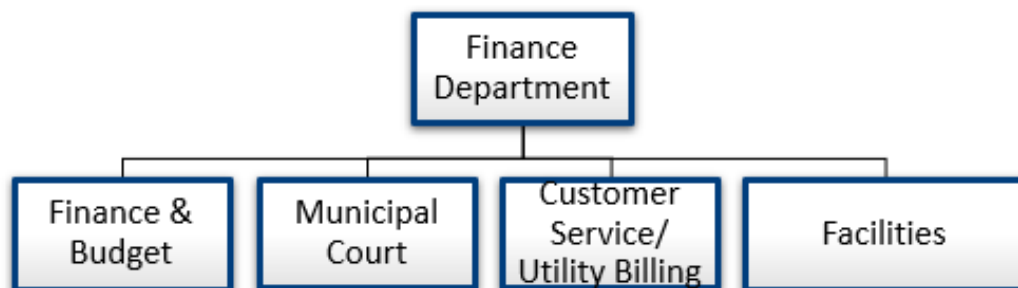
- Maintain the entire public wastewater collection system in a free-flowing condition
- Maintain and operate wastewater mains, manholes and lift station expansions
- Decrease Infiltration and Inflow through problem area identification and repair
- Maintain 234,200 feet of wastewater system
- Smoke test and provide video of older sanitary infrastructure to prepare for future improvements
- Address sewer stoppages and complaints within 2 hours of contact

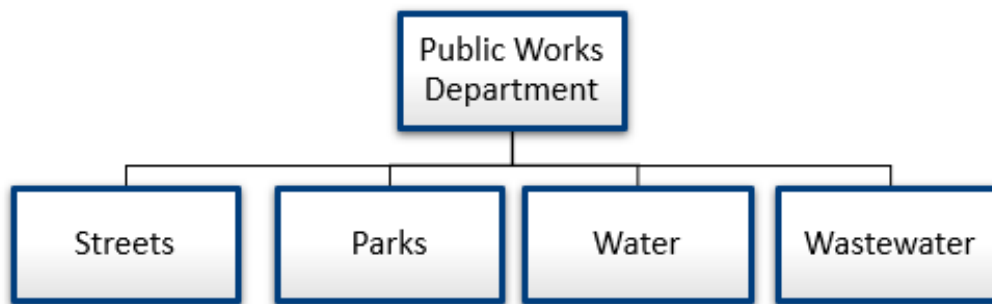
Prairie Creek maintenance provides for the uninterrupted and debris free passage of discharge waters from the wastewater treatment plant to the Old Kemp Highway Bridge. Operations include dredging and weed control in the creek channel, mowing and trimming 15 feet on each side of the channel, unstopping culverts and maintaining gateways onto these properties.

Functional Responsibilities or Tasks

- Maintain creek channel by keeping it clean and free flowing
- Maintain 8,895 linear feet of creek channel
- Dredge creek channel annually and as needed
- Inspect creek twice a week for high grass stoppages

Organizational Chart





Performance Measures		
Public Works- Water/ Wastewater	2019 Year End Projections	2020 Adopted Budget
Healthy and Environmentally Conscious Community		
Develop/enhance environmental and sustainability standards/programs.		
Publish Water Quality Report	Yes	Yes
No Enforcement violations	2	1
Water loss less than 20%	Yes	Yes
Maintain/Improve infrastructure and assets.		
Linear feet of water line replaced	2945	3000
Number of water leaks repaired	90	85
Linear feet of wastewater line repaired/replaced	3590	3600
Deliver responsive, professional customer service.		
Number of utility related service calls	4371	4300
Number of Citizen complaints	New	0
Provide cost effective services.		
Review the fee schedule and compare with legislative and regulatory updates and surrounding areas	Yes	Yes
Deliver responsive, professional customer service.		
Increase percentage of Automatic draft customers/total customers	5.29%	5.50%
Increase number of E-Bill customers	860	900
Strong Partnerships and Community Involvement		
Create a positive regional identity.		
Respond to citizens'/customers' calls and emails within one business day.	New	Yes
Forge collaborative relationships with other government and public entities.		
Number of flyers distributed in utility bills to help promote other government and public entities' services	10	10

Performance Measures		
Administration		
Public Works - Parks and Recreation	2019 Year End Projections	2020 Adopted Budget
Healthy and Environmentally Conscious Community		
Promote recreational/active lifestyle opportunities.		
Maintain 16.3 acres of ballfields for safe use.	392.2	400
Maintain 102.7 acres of Park Facilities.	1742.6	1750
Provide general park inspections and repairs.	497	500
Public Works - Streets	2019 Year End Projections	2020 Adopted Budget
Financial and Operational Stewardship		
Maintain/Improve infrastructure and assets.		
Linear feet of street repairs	2016.3	2100
Deliver responsive, professional customer service.		
Number of street maintenance calls	1880	1850

Department Strategic Hits and Misses

Achievements

- Strong partnerships and community involvement
 - Pursue grant opportunities
- Infrastructure and asset management
 - Water - Pump house rehabilitation
- Financial and operational stewardship
 - Implement utility billing outsourcing

Initiatives

- Healthy and environmentally conscious community
 - Recognition as H2O conscientious town
- Infrastructure and asset management
 - Resolve drain/flood issues
 - I&I (inflow and infiltration) repair (TCEQ mandate)
 - Water/wastewater rehabilitation
 - Automatic Meter Readers (AMR)/Automatic Meter Infrastructure (AMI)
 - Wholesale water committee/rate study
- Financial and operational stewardship
 - 5-year financial plan
 - Revenue diversification study

City of Kaufman

Administration

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
01-5101-110	Salaries & Wages	\$ 72,797	\$ 125,853	\$ 125,853	\$ 146,710
01-5106-110	Cost of Living Allowance	2,063	3,563	3,563	4,088
01-5140-110	Texas Municipal Retirement Sys	13,757	23,295	23,295	33,188
01-5150-110	Social Security	5,401	10,451	10,451	12,087
01-5152-110	Worker's Compensation	146	424	424	480
01-5160-110	Health Insurance	3,629	7,284	7,284	11,628
01-5174-110	Auto Allowance	3,125	6,000	6,000	6,000
01-5176-110	Phone Allowance	769	1,200	1,200	1,200
	<i>Personnel Services Total</i>	101,686	178,070	178,070	215,381
01-5201-110	Office Supplies	848	1,403	1,403	700
01-5205-110	Contributions,Gratuities,Award	12,452	11,868	11,868	17,454
01-5206-110	Supplies-Community Events	351	576	576	500
01-5561-110	City Manager's Contingency	18,011	48,000	48,000	30,000
	<i>Supplies and Materials Total</i>	31,662	61,847	61,847	48,654
01-5349-110	Maintenance-Computer Equipmt	874			
	<i>Repairs and Maintenance Total</i>	874	-	-	-
01-5303-110	Advertising	8,818	8,000	8,000	6,500
01-5305-110	Dues & Subscriptions	6,671	7,771	7,771	7,095
01-5310-110	Trash Collection	206,027	215,513	215,513	199,000
01-5322-110	Tuition & Education	1,490	1,500	1,500	1,500
01-5323-110	Meals & Lodging	3,104	2,800	2,800	2,800
01-5330-110	Travel	1,069	1,000	1,000	5,000
01-5331-110	Credit Card Merchant Fees	2,999	2,910	2,910	2,150
01-5361-110	Professional Svcs-Engineering	6,164	10,000	10,000	59,000
01-5380-110	Bad Debt Expense	3,383			
	<i>Contractual Services Total</i>	239,725	249,494	249,494	283,045
01-5600-110	Developer Agr-Principal	339,000	339,000	339,000	
01-5601-110	Developer Agr-Interest	29,247	17,554	17,554	
01-5604-110	Developer Agreemt-KLLM PropTax	131,597	132,437	132,437	145,000
	<i>Debt Service Total</i>	499,844	488,991	488,991	145,000
01-5401-110	Capital-Equipment	1,581	-	-	
	<i>Capital Total</i>	1,581	-	-	-
Administration Total		\$ 875,373	\$ 978,401	\$ 978,401	\$ 692,080

City of Kaufman

Information Systems

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5203-155	Operating Supplies				\$ 1,500
20-5220-155	IT Equipment		\$ 2,500	\$ 2,500	\$ 2,500
	<i>Supplies and Materials Total</i>	-	2,500	2,500	4,000
20-5349-155	Maintenance-Computer Equipmt		23,500	23,500	22,000
20-5358-155	Maintenance-Other Equipment				3,000
	<i>Repairs and Maintenance Total</i>	-	23,500	23,500	25,000
20-5301-155	Communications		9,000	9,000	13,158
20-5305-155	Licenses & Subscriptions		20,170	20,170	20,170
20-5311-155	Lease Equipment		6,700	6,700	6,740
	<i>Contractual Services Total</i>	-	35,870	35,870	40,068
	<i>Information Systems Total</i>	\$ -	\$ 61,870	\$ 61,870	\$ 69,068

City of Kaufman
Customer Service/Utility Billing
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5101-220	Salaries & Wages	\$ 144,507	\$ 150,356	\$ 150,356	\$ 155,496
20-5103-220	Certification Pay	600	600	600	600
20-5106-220	Cost of Living Allowance	4,237	4,239	4,239	4,239
20-5140-220	Texas Municipal Retirement Sys	126,243	19,113	19,113	23,941
20-5150-220	Social Security	11,054	11,422	11,422	12,392
20-5152-220	Worker's Compensation	363	315	315	510
20-5160-220	Health Insurance	24,337	22,772	22,772	27,132
20-5174-220	Auto Allowance	1,200	1,200	1,200	1,200
20-5176-220	Phone Allowance	450	450	450	450
<i>Personnel Services Total</i>		312,990	210,467	210,467	225,960
20-5201-220	Office Supplies	2,668	2,500	2,500	2,500
20-5220-220	Minor Tools & Equipment	1,108	2,120	2,120	1,200
20-5263-220	Data Processing Supplies	436	1,000	1,000	
<i>Supplies and Materials Total</i>		4,212	5,620	5,620	3,700
20-5349-220	Maintenance-Computer Equipmt	3,321			
20-5358-220	Maintenance-Other Equipment	418	1,075	1,075	
<i>Repairs and Maintenance Total</i>		3,739	1,075	1,075	-
20-5302-220	Postage & Delivery	16,031	16,640	16,640	17,640
20-5304-220	Printing & Reproductions	5,576	29,000	29,000	31,000
20-5305-220	Dues & Subscriptions	451	185	185	185
20-5322-220	Tuition & Education	1,088	1,890	1,890	2,390
20-5323-220	Meals & Lodging	1,307	1,580	1,580	1,980
20-5330-220	Travel	780	960	960	960
20-5331-220	Credit Card Merchant Fees	11,230	11,919	11,919	12,000
20-5360-220	Professional Services	8,793	598	598	
20-5362-220	Professional Svcs-Other	34			
20-5363-220	Professional Svcs-Audit	18,048	19,000	19,000	20,000
<i>Contractual Services Total</i>		63,337	81,772	81,772	86,155
<i>Customer Service Total</i>		\$ 384,279	\$ 298,934	\$ 298,934	\$ 315,815

City of Kaufman
Wastewater Treatment Plant
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5101-171	Salaries & Wages	\$ 74,910	\$ 73,146	\$ 73,146	\$ 79,437
20-5102-171	Overtime	3,888	4,750	4,750	4,500
20-5103-171	Certification Pay	595	450	450	1,440
20-5106-171	Cost of Living Allowance	2,409	2,120	2,120	2,120
20-5140-171	Texas Municipal Retirement Sys	68,887	10,422	10,422	12,932
20-5150-171	Social Security	6,185	5,999	5,999	6,694
20-5152-171	Worker's Compensation	1,845	1,940	1,940	2,202
20-5160-171	Health Insurance	13,333	14,575	14,575	15,504
	<i>Personnel Servcies Total</i>	172,053	113,402	113,402	124,829
20-5201-171	Office Supplies	376	500	500	800
20-5203-171	Operating Supplies	1,800	1,500	1,500	1,800
20-5204-171	Chemical, Medical & Drug	11,546	22,484	22,484	24,600
20-5209-171	Lab Supplies	4,000	500	500	4,000
20-5220-171	Minor Tools & Equipment	572	1,000	1,000	1,000
20-5230-171	Motor Fuel & Oil	902	350	350	1,000
20-5240-171	Botanical & Agricultural		200	200	500
	<i>Supplies and Materials Total</i>	19,196	26,534	26,534	33,700
20-5348-171	Maintenance-WWT Plant	79,600	70,000	70,000	75,000
20-5350-171	Maintenance-Building	1,341	1,500	1,500	1,500
20-5354-171	Maintenance-Automotive				500
20-5355-171	Maintenance-Heavy Equipment	406	400	400	1,400
20-5359-171	Maintenance-Other Equipment	916	500	500	1,500
	<i>Repairs and Maintenance Total</i>	82,262	72,400	72,400	79,900
20-5301-171	Communications	1,241			
20-5305-171	Dues & Subscriptions				150
20-5306-171	Electricity	47,056	44,500	44,500	48,000
20-5322-171	Tuition & Education	531	850	850	1,800
20-5324-171	Laundry Services	660	1,265	1,265	1,200
20-5362-171	Professional Svcs-Sludge Disp	49,683	40,000	40,000	50,000
20-5363-171	Professional Svcs-Permit	9,607	10,100	10,100	10,100
20-5364-171	Professional Svcs-Analysis	16,245	19,100	19,100	19,460
	<i>Contractual Services Total</i>	125,023	115,815	115,815	130,710
20-5593-171	Capital Lease Principal		13,243	13,243	13,621
20-5594-171	Capital Lease Interest	1,226	1,165	1,165	787
	<i>Debt Servcie Total</i>	1,226	14,408	14,408	14,408
Wastewater Treatment Plant Total		\$ 399,760	\$ 342,558	\$ 342,558	\$ 383,547

City of Kaufman

Water Distribution
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5101-201	Salaries & Wages	142,910	144,113	144,113	245,077
20-5102-201	Overtime	9,989	6,390	6,390	18,000
20-5103-201	Certification Pay	920	825	825	2,000
20-5104-201	On-Call Pay	5,000	5,200	5,200	3,900
20-5106-201	Cost of Living Allowance	3,555	2,390	2,390	5,281
20-5140-201	Texas Municipal Retirement Sys	136,774	20,734	20,734	40,535
20-5150-201	Social Security	12,332	12,026	12,026	20,981
20-5152-201	Worker's Compensation	7,824	7,250	7,250	10,061
20-5160-201	Health Insurance	25,621	27,373	27,373	54,264
	<i>Personnel Servcies Total</i>	344,924	226,301	226,301	400,099
20-5201-201	Office Supplies	836	1,300	1,300	1,000
20-5203-201	Operating Supplies	6,143	7,000	7,000	7,000
20-5210-201	Uniforms	1,599	1,760	1,760	2,150
20-5220-201	Minor Tools & Equipment	4,830	4,500	4,500	4,500
20-5230-201	Motor Fuel & Oil	19,130	12,000	12,000	20,000
	<i>Supplies and Materials Total</i>	32,538	26,560	26,560	34,650
20-5345-201	Maintenance-Tower	5,668	7,550	7,550	8,400
20-5346-201	Maintenance-WS Improvements	96,179	140,000	140,000	140,000
20-5347-201	Maintenance-Undergrnd Storage	11,580	19,600	19,600	19,600
20-5353-201	Maintenance-Streets	31,807	30,000	30,000	40,000
20-5354-201	Maintenance-Automotive	7,168	8,000	8,000	10,000
20-5355-201	Maintenance-Heavy Equipment	9,232	9,370	9,370	1,500
20-5356-201	Maintenance-Shop Equipment	805	1,200	1,200	1,800
	<i>Repairs and Maintenance Total</i>	162,438	215,720	215,720	221,300
20-5301-201	Communications	1,490			
20-5305-201	Dues & Subscriptions	120	120	120	480
20-5306-201	Electricity	27,752	25,000	25,000	25,000
20-5308-201	Water Purchases-NTMWD	1,301,769	1,366,168	1,366,168	1,398,367
20-5314-201	Franchise Fee-Water/Swr	211,729	245,161	245,161	167,632
20-5322-201	Tuition & Education	1,763	500	500	2,400
20-5324-201	Laundry Services	1,712	3,510	3,510	3,500
20-5330-201	Travel	8	100	100	500
20-5362-201	Professional Svcs-Permit Fee	6,809	7,200	7,200	7,200
20-5363-201	Professional Svcs-TNRCC	848	3,600	3,600	3,600
	<i>Contractual Services Total</i>	1,553,999	1,651,358	1,651,358	1,608,679
20-5411-201	Machinery & Equipment		6,200	6,200	
	<i>Capital Total</i>	-	6,200	6,200	-
20-5460-201	Capital - Infrastructure	-	6,210	6,210	-
20-5593-201	Capital Lease Principal		9,698	9,698	19,365
20-5594-201	Capital Lease Interest	920	853	853	577
	<i>Debt Servcie Total</i>	920	16,762	16,762	19,942
	<i>Water Distribution Total</i>	\$ 2,094,819	\$ 2,142,901	\$ 2,142,901	\$ 2,284,669

City of Kaufman

Metering

Fiscal Year 2019-2020

Account Number	Description	2017 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5101-202	Salaries & Wages	\$ 57,564	\$ 49,434	\$ 49,434	\$ 65,703
20-5102-202	Overtime	7,687	2,886	2,886	4,000
20-5103-202	Certification Pay	600	600	600	1,100
20-5104-202	On-Call Pay				1,300
20-5106-202	Cost of Living Allowance	1,620	1,620	1,620	1,620
20-5140-202	Texas Municipal Retirement Sys	56,851	6,386	6,386	10,896
20-5150-202	Social Security	5,160	4,115	4,115	5,640
20-5152-202	Worker's Compensation	1,807	2,085	2,085	2,704
20-5160-202	Health Insurance	13,790	10,581	10,581	15,504
	<i>Personnel Servcies Total</i>	145,079	77,707	77,707	108,467
20-5203-202	Operating Supplies	545	500	500	500
20-5220-202	Minor Tools & Equipment	1,991	2,300	2,300	2,000
20-5324-202	Laundry Services	929	1,600	1,600	1,600
	<i>Supplies and Materials Total</i>	3,465	4,400	4,400	4,100
20-5352-202	Maintenance-Water Meters	23,639	17,000	17,000	18,040
	<i>Repairs and Maintenance Total</i>	23,639	17,000	17,000	18,040
20-5411-202	Machinery & Equipment	-	-	-	30,000
	<i>Capital Total</i>	-	-	-	30,000
	<i>Metering Total</i>	\$ 172,183	\$ 99,107	\$ 99,107	\$ 160,607

City of Kaufman

Wastewater Collection

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5203-212	Operating Supplies	\$ 5,016	\$ 5,000	\$ 5,000	\$ 5,000
20-5220-212	Minor Tools & Equipment	1,807	4,700	4,700	4,700
	<i>Supplies and Materials Total</i>	6,824	9,700	9,700	9,700
20-5346-212	Maintenance-WS Improvements	38,438	45,000	45,000	48,000
20-5352-212	Maintenance-Lift Stations	5,066	30,500	30,500	35,500
20-5353-212	Maintenance-Streets	1,147	15,000	15,000	15,000
20-5355-212	Maintenance-Heavy Equipment	10,267	8,200	8,200	6,750
	<i>Repairs and Maintenance Total</i>	54,917	98,700	98,700	105,250
20-5306-212	Electricity	13,278	13,500	13,500	13,500
20-5311-212	Lease Equipment		1,200	1,200	1,200
	<i>Contractual Services Total</i>	13,278	14,700	14,700	14,700
20-5460-212	Capital - Infrastructure	-	44,183	44,183	-
20-5480-212	Capital-Equipment	-	13,658	13,658	-
	<i>Capital Total</i>	-	57,841	57,841	-
20-5593-212	Capital Lease Principal		11,600	11,600	11,931
20-5594-212	Capital Lease Interest	1,021	1,020	1,020	690
	<i>Debt Service Total</i>	1,021	12,621	12,621	12,621
	<i>Wastewater Collection Total</i>	\$ 76,040	\$ 193,562	\$ 193,562	\$ 142,271

City of Kaufman
Prairie Creek Maintenance
Fiscal Year 2019-2020

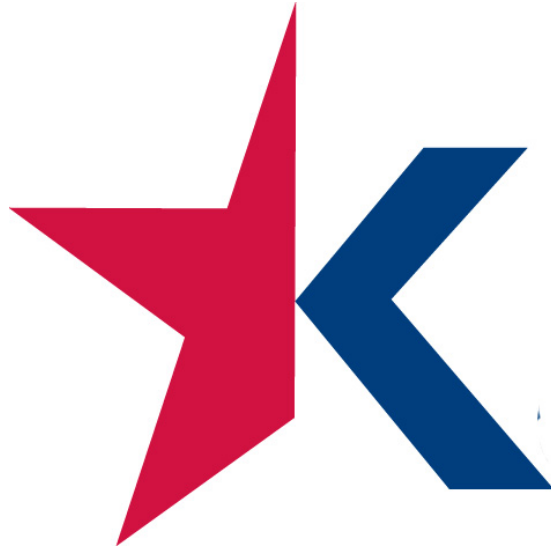
Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5203-213	Operating Supplies				\$ 1,000
	<i>Supplies and Materials Total</i>	-	-	-	1,000
20-5346-213	Maintenance-WS Improvements	-	-	-	2,000
	<i>Repairs and Maintenance Total</i>	-	-	-	2,000
	<i>Prairie Creek Maintenance Total</i>	\$ -	\$ -	\$ -	\$ 3,000

City of Kaufman
Impact Fee Fund - Water
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
22-4004-000	Water Impact Fees	\$ 52,351	\$ 40,500	\$ 40,500	\$ 65,330
	<i>License and Fees Total</i>	52,351	40,500	40,500	65,330
	Revenues Total	52,351	40,500	40,500	65,330
Expenditures					
22-5007-000	KC ILA Water Line Rmb.	-	-	-	-
	<i>Capital Total</i>	-	-	-	-
	Expenditures Total	-	-	-	-
Transfers					
22-4605-000	Transfer In	-	-	-	-
22-5560-000	Transfer Out	(111,201)	-	-	-
	Transfers Total	(111,201)	-	-	-
	Surplus/(Deficit)	\$ (58,850)	\$ 40,500	\$ 40,500	\$ 65,330
	Beginning Fund Balance	\$ 111,201	\$ 52,351	\$ 52,351	\$ 92,851
	Ending Fund Balance	\$ 52,351	\$ 92,851	\$ 92,851	\$ 158,181

City of Kaufman
Water-Sewer Utility Debt Service
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
20-5250-230	Depreciation Expense	\$ 935,607			
20-5380-230	Bad Debt Expense	33,729			
20-5560-230	Transfer Out	(97,213)			
20-5594-230	Capital Lease Interest	-	-	-	-
20-5602-230	Bond Principal		445,000	445,000	606,869
20-5603-230	Bond Interest	182,717	212,220	212,220	203,006
20-5604-230	Bond Paying Agent Fees	2,829	3,001	3,001	3,750
20-5650-230	Bond Issuance Costs	29,056	(1,800)	(1,800)	
	<i>Debt Service Total</i>	1,086,725	658,421	658,421	813,625
<i>Water-Sewer Utility Debt Service Total</i>		\$ 1,086,725	\$ 658,421	\$ 658,421	\$ 813,625



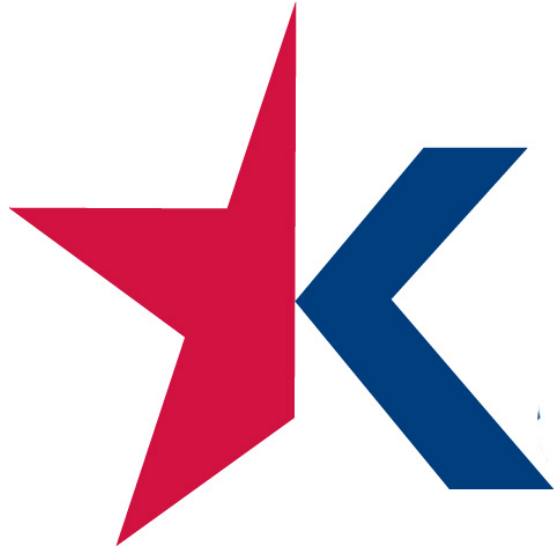
Drainage Utility Fund

City of Kaufman

Drainage Utility Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
25-4001-000	Drainage Service Fees	\$ 204,024	\$ 213,500	\$ 213,500	\$ 358,936
	<i>Charges for Services Total</i>	204,024	213,500	213,500	358,936
	Revenues Total	204,024	213,500	213,500	358,936
Expenditures					
25-5101-171	Salaries & Wages	46,992	51,447	51,447	80,846
25-5106-171	Cost of Living Allowance	1,058	1,160	1,160	1,936
25-5140-171	Texas Municipal Retirement Sys	35,849	6,834	6,834	12,371
25-5150-171	Social Security	3,668	3,904	3,904	6,403
25-5152-171	Worker's Compensation	2,786	2,698	2,698	4,763
25-5160-171	Health Insurance	10,141	12,032	12,032	15,116
	<i>Personnel Services Total</i>	100,495	78,075	78,075	121,435
25-5314-171	Franchise Fee - Storm Drainage		10,675	10,675	14,450
	<i>Contractual Services Total</i>	-	10,675	10,675	14,450
25-5401-171	Drainage Project #1 - Houston	-	-	-	-
25-5402-171	Drainage Project #2 - 4th St	-	-	-	-
	<i>Capital Total</i>	-	-	-	-
25-5602-230	Bond Principal		45,000	45,000	45,000
25-5603-230	Bond Interest	5,511	44,178	44,178	127,036
25-5604-230	Bond Paying Agent Fees	349	(43)	(43)	1,099
25-5650-230	Bond Issuance Costs	25,194	(1,561)	(1,561)	-
	<i>Debt Service Total</i>	31,054	87,575	87,575	173,135
25-5591-171	Budgetary Reserve		25,425	25,425	49,500
	<i>Reserves Total</i>	-	25,425	25,425	49,500
	Expenditures Total	131,549	201,750	201,750	358,520
Transfers					
25-4605-000	Transfer In	170,500	-	-	-
25-5560-000	Transfer Out	(1,218,349)	-	-	-
	Transfers Total	(1,047,849)	-	-	-
	Surplus/(Deficit)	\$ (975,374)	\$ 11,750	\$ 11,750	\$ 416
	Beginning Fund Balance	\$ 29,750	\$ (945,625)	\$ (945,625)	\$ (933,874)
	Ending Fund Balance	\$ (945,625)	\$ (933,874)	\$ (933,874)	\$ (933,458)



Capital Project Funds

CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan - a schedule of Public Physical Improvements to be constructed with estimated resources available to finance the projected expenditures.

Capital Improvements - are any expenditure of public funds for the purchase, construction, rehabilitation, replacement or expansion of the physical assets of the community when the project is relatively large in size, expensive (the City's capital threshold is \$5,000), long-term and permanent. Some common examples include streets, water and sewer lines, storm drainage improvements, park improvements, buildings, fire trucks, etc. Capital expenditures are financed from a variety of sources to include long-term and short-term debt, current revenues, grants from other governmental entities and donations from foundations, businesses, individuals and non-profit organizations.

Functions of a Capital Improvement Plan

- ❖ Estimating capital requirements, budgeting priority projects and developing revenue sources for proposed improvements.
- ❖ Scheduling all capital projects over a fixed period with the appropriate planning implementation and informing the public of projected capital improvements.
- ❖ Coordinating the activities of various departments in meeting project schedules.
- ❖ Monitoring and evaluating the progress of capital projects.

Five-Year Capital Improvements Plan

In an effort to maintain transparency and enhance capital planning, staff presented and City Council approved a Five-Year Capital Improvements Plan (CIP) in FY20. The five-year plan consists of a comprehensive, strategically-selected, organized list of capital improvements. These improvements have been identified as necessary to accomplish the City's long-range goals and policies, and will address the recommendations and priorities of City Council. The plan is based on the philosophy of a "most realistic" approach to current revenues and conditions. It projects future tax rates will remain stable, water and sewer rates will move up only if absolutely needed, and that no new fees will be added to support capital projects.

The information contained in the five-year plan is derived from the proposed FY20 capital improvement budget, detailed estimates of the future FY21 budget, a consideration of any needed impact fees and capital improvement projects required. The items/projects were identified by the City Manager, through discussions with department heads and City Council. The Capital Improvement Plan considers appropriate timing of the construction of projects, the City's ability to facilitate the construction, financial constraints in repaying indebtedness, and the increased cost of operation and maintenance. Going forward, the Capital Budget will be derived, on an annual basis, from the Capital Improvement Plan. The Plan is a working document, affected by changes in Kaufman's economy, and therefore will be revised annually.

Methods of Financing Capital Improvements Projects

Certificates of Obligations - Certificates of Obligations are issued with limited revenues pledged by the water and sewer systems. Voter approval is not required.

Donations - Donations are periodically received, by the City, from individuals, businesses, foundations and non-profit organizations.

Earmarked Funds - With Earmarked Funds, monies are accumulated in advance or set aside for capital construction or purchase. The accumulation may result from surplus of earmarked operational revenues or sale of capital assets.

Enterprise Funds - Enterprise Funds are established from the delivery of specific services – where money paid to administer the services and the expenses (as a result of providing services) are accounted for separate from the general fund budget of the City.

General Fund - General Fund is the financing of improvements from revenues such as general taxation, fees and service charges.

General Obligation Bonds - With General Obligation bonds, the taxing power of the jurisdiction is pledged to pay interest and retire the debt. General Obligation Bonds can be sold to finance permanent types of improvements such as municipal buildings, streets and parks and recreation facilities. Voter approval is required.

Revenue Bonds - Revenue Bonds frequently are sold for projects that produce revenues, such as water, sewer and electric systems. Voter approval is not required.

Special Assessments - Public works that benefit particular properties may be financed more equitably by special assessments (i.e., paid by those who directly benefit).

State and Federal Grants - State and Federal Grant-in-Aid programs are available for financing a number of programs. These may include streets, water and sewer facilities, airports, parks and playgrounds. The costs of funding these facilities may be borne completely by grant funds or a local share may be required.

5-YEAR CAPITAL IMPROVEMENT PROGRAM

FISCAL YEAR					
PROJECT	2020	2021	2022	2023	2024
STREET OVERLAY/REHAB (SALES TAX)		\$ 601,443			
E. HICKORY					
ALTON ST					
S. JACKSON ST					
COLEMAN					
MONROE					
BLAIN					
HICKORY					
WINDSOR PARK STREET REHAB					
GENERAL FUND CIP PROJECTS					
STREET BOND PHASE I - PAVING	\$ 1,100,000				
HOUISTON STREET					
AUSTIN/FAIR STREET					
STREET BOND PHASE II - PAVING	\$ 2,130,000	\$ 564,594			
9TH STREET					
CIRCLE DRIVE					
MAIN STREET					
FIRE LADDER TRUCK			\$ 1,500,000		
SPLASH PAD		\$ 300,000			
CIVIC CENTER (COMMUNITY CENTER IMPROVEMENTS)	\$ 3,000,000				
GEORGETOWN PARK					\$ 1,500,000
PARK IMPROVEMENTS	\$ 500,000				
HIKE & BIKE TRAIL & SOCCER IMPROVEMENTS				\$ 500,000	
TABOR PARKWAY PHASE II		\$ 5,000,000			
WATER-SEWER UTILITY FUND CIP PROJECTS					
STREET BOND PHASE II - WATER/SEWER LINES	\$ 1,324,000	\$ 300,000			
9TH STREET					
CIRCLE DRIVE					
MAIN STREET					
NEW ELEVATED WATER TOWER				\$ 1,500,000	
STORM WATER HOLDING WALL EXTENSION		\$ 140,000			
AMI		\$ 1,200,000			
EXISTING WATER TOWER REHAB x 2					\$ 500,000
WASHINGTON UTILITY LINE RELOCATE				\$ 2,500,000	
PUBLIC WORKS FACILITY					\$ 2,500,000
WWTP IMPROVEMENTS TOTAL	\$ 3,208,500				
MECHANICAL BAR SCREEN W/WASHER COMPACTER					
GRIT REMOVAL - REPLACE EQUIP IN BASIN					
INFLUENT METER - NEW METERING MANHOLE					
SLUDGE HOLDING PUMP TO SLUDGE BEDS					
SLUDGE BED REHAB					
SLUDGE HOLDING COARSE BUBBLE AERATION					
ADD COVER OVER FILTER					
NEW SECONDARY CLARIFIER					
NEW SECONDARY CLARIFIER					
ACC CHLORINATION/DECHOLRINATION FACILITY					
SOFT COSTS					
UPGRADE TO FAIR RD LIFT STATION	\$ 40,000				
175 SEWER LINE EXTENSION		\$ 105,000			
STORM DRAINAGE CIP PROJECTS					
10TH/CLAY/AUSTIN STORM DRAINAGE		\$ 1,900,000			
E. 1ST NORTH & GROVE				\$ 1,140,000	
HILLCREST REHAB					\$ 460,000
E. 1ST NORTH, JENKINS & PARK				\$ 2,250,000	
MELODY CIRCLE					\$ 1,200,000
PRISCILLA LANE					\$ 370,000
STREET BOND PHASE I -STORM DRAINAGE	\$ 150,000				
HOUISTON STREET					
4TH STREET					
AUSTIN/FAIR STREET					
STREET BOND PHASE II - STORM DRAINAGE	\$ 530,000	\$ 106,000			
9TH STREET					
CIRCLE DRIVE					
MAIN STREET					
TOTAL	\$ 11,982,500	\$ 10,217,037	\$ 1,500,000	\$ 7,890,000	\$ 6,530,000

CAPITAL BUDGET

Each year a capital budget is presented to City Council for approval. The Capital Budget provides city staff with budgeted funds and authorization to begin or continue working on capital projects that were programmed year-by-year on the Capital Improvement Plan.

In developing the capital budget, staff, Council, and the City Manager consider a variety of factors on the decision-making process, including:

- City Council Priorities
- Neighborhood Needs
- Infrastructure Investment
- Financial Policies
- Debt Ration Targets
- Appropriate Timing of the Project
- Projected O&M costs
- Efficient Use of Bond Funds

Once capital projects have been prioritized for the coming fiscal year, City staff prepares the capital budget in conjunction with the operating budget for Council to adopt.

City of Kaufman

Capital Summary
Fiscal Year 2019-2020

Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues				
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,690,045	-	-	-
Interest Income	11,466	8,921	8,921	4,160
General Sales & Use Tax	-	-	-	389,228
Bond Proceeds	-	-	-	-
Revenues Total	2,701,510	8,921	8,921	393,388
Expenditures				
Repairs & Maintenance	-	-	-	-
Contractual Services	-	-	-	-
Capital Equipment	66,351	-	-	-
Capital Improvements	8,130,068	3,980,841	3,980,841	11,982,500
Bond Costs	-	-	-	-
Expenditures Total	8,196,418	3,980,841	3,980,841	11,982,500
Transfers				
Transfer In	1,569,306	-	-	6,210,000
Transfer Out	(217,011)	(131,000)	(131,000)	-
Transfers Total	1,352,295	(131,000)	(131,000)	6,210,000
Surplus/(Deficit)	\$ (4,142,613)	\$ (4,102,920)	\$ (4,102,920)	\$ (5,379,112)
Beginning Fund Balance	\$ 13,783,215	\$ 9,640,602	\$ 9,640,602	\$ 5,537,682
Ending Fund Balance	\$ 9,640,602	\$ 5,537,682	\$ 5,537,682	\$ 158,570

Capital Improvements Plan Impact on Operating Budgets

The impact of capital improvements on the operating budget are outlined when those costs are identifiable and become part of the budget process. Projects that involve new facilities or additions to the equipment fleet receive additional appropriations only after consideration is given to the timing of a new facility or upon arrival of new equipment. Each situation is unique. The majority of street, storm drainage, water, and wastewater projects do include funding to provide an initial cost for landscaping but do not include mowing or utility funding. Again, during the budget process, increased funding is determined on how a department is managing current funds, and usually after a full year or two that a project has been on-line the department can receive additional funding.

Fund	Project	Estimated Cost	Funding Source
General Fund CIP	Houston Street Paving	\$ 1,000,000	2016 General Obligation Bond (Bond Election)
General Fund CIP	9th Street Paving	\$ 634,000	2020 Certificate of Obligation
General Fund CIP	Circle Drive Paving	\$ 557,000	2020 Certificate of Obligation
General Fund CIP	Main Street Paving	\$ 939,000	2020 Certificate of Obligation
General Fund CIP	Civic Center Improvements	\$ 3,000,000	2019 Certificate of Obligation
General Fund CIP	Austin/Fair Street Paving	\$ 100,000	2016 General Obligation Bond (Bond Election)
General Fund CIP	Park Improvements	\$ 500,000	2019 Certificate of Obligation
	<i>General Fund CIP Subtotal</i>	<i>\$ 6,730,000</i>	
Utility Fund CIP	9th Street - Water Line	\$ 152,000	2016 Certificate of Obligation
Utility Fund CIP	9th Street - Sewer Line	\$ 196,000	2016 Certificate of Obligation
Utility Fund CIP	Circle Drive - Sewer Line	\$ 223,000	2016 Certificate of Obligation
Utility Fund CIP	Main Street- Water Line	\$ 256,000	2016 Certificate of Obligation
Utility Fund CIP	Main Street - Sewer Line	\$ 497,000	2016 Certificate of Obligation
Utility Fund CIP	Waste Water Treatment Plant Improvements	\$ 3,208,500	Texas Water Development Board Loan
Utility Fund CIP	Upgrade Fair Rd. Lift Station	\$ 40,000	2016 Certificate of Obligation
	<i>Utility Fund CIP Subtotal</i>	<i>\$ 4,572,500</i>	
Storm Drainage Fund CIP	Houston Street Storm Drainage	\$ 40,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	4th Street Storm Drainage	\$ 50,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	Austin/Fair Street Storm Drainage	\$ 60,000	2018 Certificate of Obligation
Storm Drainage Fund CIP	9th Street Storm Drainage	\$ 86,000	2020 Certificate of Obligation
Storm Drainage Fund CIP	Circle Drive Storm Drainage	\$ 49,000	2020 Certificate of Obligation
Storm Drainage Fund CIP	Main Street Storm Drainage	\$ 395,000	2020 Certificate of Obligation
	<i>Storm Drainage Fund CIP Subtotal</i>	<i>\$ 680,000</i>	

- **Capital Improvements Effect on the Operating Budget** – The impact of capital improvements on the operating budget are typically outlined when those costs are identifiable and become a part of the budget process. Consideration and identification of these operational costs are also discussed during planning and are included in the budget when appropriate. During planning, Staff and Council identified the following impacts the capital improvements being completed in FY20 will have on this year's budget:
 - Civic Center Improvements – created a need to budget for additional janitorial services and add a new full-time employee to manage the Civic Center and coordinate events.
 - \$15,000 Janitorial Services
 - Civic Center/Event Coordinator
 - Park Improvements – created a need to budget for additional park maintenance including seasonal employees
 - \$31,850 in Additional Park Maintenance
 - Four (4) Summer Hires
 - Streets, Water, Sewer, & Storm Drainage Improvements
 - Houston Street, 4th Street, and Austin/Fair Street projects will have a two-year maintenance bond beginning in FY20, and 9th Street, Circle Drive, and Main Street will have a two-year maintenance bond beginning in FY21. Approximately \$14,000 per year will need to be allocated for maintenance for each project once its maintenance bond expires.

City of Kaufman
Equipment Replacement Fund
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
10-4200-000	Auction Proceeds	\$ -	\$ -	\$ -	\$ -
	<i>Miscellaneous Revenue Total</i>	-	-	-	-
10-4604-000	Interest Income	401	650	650	160
	<i>Interest Income Total</i>	401	650	650	160
	Revenues Total	401	650	650	160
Expenditures					
10-5360-000	Professional Services	-	-	-	-
	<i>Contractual Services Total</i>	-	-	-	-
10-5411-000	Capital Equipment	66,351			
	<i>Capital Total</i>	66,351	-	-	-
	Expenditures Total	66,351	-	-	-
	Surplus/(Deficit)	\$ (65,950)	\$ 650	\$ 650	\$ 160
	Beginning Fund Balance	\$ 100,476	\$ 34,526	\$ 34,526	\$ 35,176
	Ending Fund Balance	\$ 34,526	\$ 35,176	\$ 35,176	\$ 35,336

Street Maintenance Fund

The Texas Tax code authorizes all cities to establish a special sales tax for the repair and maintenance of existing city streets. Establishment, or continuation, of the tax must be approved by a city's voters. City of Kaufman voters initially approved the street maintenance sales tax in May 2019, and reauthorization will be required in 2023. Currently, one quarter-cent sales tax is collected from all sales transactions occurring within the City of Kaufman, subject to sales tax.

The funds collected provide cost-effective rehabilitation and preventative maintenance of public streets within the city limits of Kaufman. The goal is to improve mobility and maintain roadways to prevent deterioration and costly rebuilds.

Texas Tax Code limits the use of the funds collected to the maintenance or repair of municipal streets and sidewalks in existence on the day of the election to adopt or reauthorize the tax. Funds collected may not be used to build new roads.

The Street Maintenance Fund provides for maintenance of streets including resurfacing, concrete repair, crack-seal, surface sealing of residential and arterial roadways, and weather-related emergency response. Streetlight maintenance and traffic controls, including signs, traffic signals, and pavement markings, are also supported within this fund. The budget is funded by a dedicated portion of the City Sales Tax (0.25%) for Street Maintenance and General Fund.

Maintenance programs that can be funded by the street maintenance sales tax in more detail:

Asphalt Reclamation: Removal and pulverizing of existing asphalt, mixing pulverized material with cement and lime to increase the strength of the asphalt and underlying sub-base, pouring and shaping mixture in a new base.

Crack Seal: Filling cracks in the road surface with rubberized crack sealant to prevent moisture penetrating the sub-grade and causing pavement failure.

Concrete Panel Replacement: Identification and replacement of failed sections of concrete road panels on major thoroughfare and collector streets.

Miscellaneous Concrete and Handicap Ramps: Removal and replacement of curb, gutter, sidewalks, and driveway approaches in advance of the asphalt reclamation process. This program also includes replacement of adjacent sidewalks to ensure proper grade and installation of complaint ramps as per the Americans with Disabilities Act (ADA).

Sidewalk Replacement: Permanent repair of locations throughout the city that have been temporarily patched with asphalt to eliminate tripping hazards.

Proposed Street Maintenance Projects Schedule:

STREET	BOUNDARIES	SURFACE TYPE	SERVICE ACTION NEEDED	ESTIMATED COST
E. Hickory	Jenkins to Alton	Asphalt	Level Up and Overlay	\$ 60,000
Alton St.	Grove to E. First North	Asphalt	Minor Base Repair and Overlay	\$ 32,000
S. Jackson St.	W. Fourth to Fair St.	Asphalt	Level Up and Overlay	\$ 90,000
Coleman	Grove to Mulberry	Asphalt	Minor Base Repair and Overlay	\$ 25,000
Monroe	Temple to E. Second North	Asphalt	Level Up and Overlay	\$ 92,000
Blain	Nineth to Eleventh	Asphalt	Level Up and Overlay	\$ 27,000
Hickory	Madison to Cabell	Asphalt	Minor Base Repair and Overlay	\$ 64,000
			Total Cost:	\$ 390,000

Note: Level up includes a level up layer of asphalt and a 2 inch overlay.

Minor base repair includes small repairs that can be performed in house then a levelup and overlay.

Street Maintenance Sales Tax Expiration: Unless reauthorized by voters in a subsequent "reauthorization election", the tax will expire October 2023.

City of Kaufman

Street Maintenance Fund

Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
14-4105-000	General Sales & Use Tax	\$ -	\$ -	\$ -	\$ 389,228
	<i>General Sales & Use Tax Revenue Total</i>	-	-	-	389,228
	Revenues Total	-	-	-	389,228
Expenditures					
		-	-	-	-
	<i>Repairs & Maintenance Total</i>	-	-	-	-
	Expenditures Total	-	-	-	-
	Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ 389,228
	Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
	Ending Fund Balance	\$ -	\$ -	\$ -	\$ 389,228

City of Kaufman
General Fund Capital Construction Fund
Fiscal Year 2019-2020

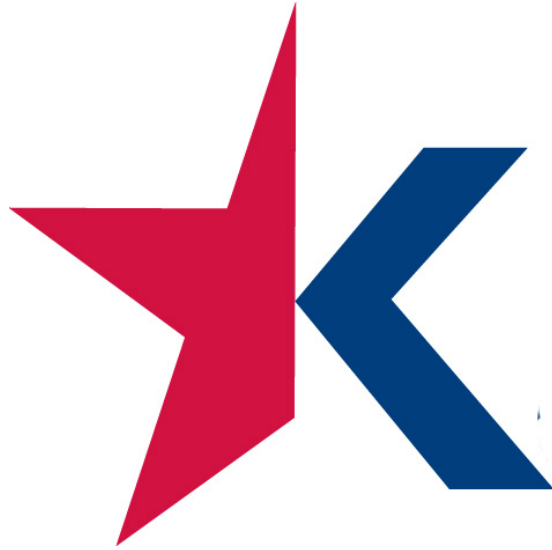
Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
11-4604-000	Interest Income	\$ 5,530	\$ 3,271	\$ 3,271	\$ 2,000
	<i>Interest Income Total</i>	5,530	3,271	3,271	2,000
11-4612-000	Intergovernmental Revenue	2,690,045	-	-	-
	<i>Intergovernmental Total</i>	2,690,045	-	-	-
11-4630-000	Bond Proceeds		-	-	-
	<i>Bond Proceed Total</i>	-	-	-	-
	Revenues Total	2,695,575	3,271	3,271	2,000
11-5220-000	Minor Tools & Equipment	208,763	3,750	3,750	-
11-5411-000	Capital Equipment	31,799			
11-5431-000	SH 34 South	-	-	-	-
11-5437-000	CR 151-Hwy175 to so of Hwy34S	3,033,258			
11-5439-000	Mun. Facility-Washington St.	4,657,590			
11-5440-000	North Washington Street	-	-	-	-
11-5441-000	W. 1st North Street	-	-	-	-
11-5442-000	Houston Street	138,253	724,000	724,000	1,000,000
11-5443-000	4th Street	38,702	389,000	389,000	
11-5444-000	S. Dallas Street	-	-	-	-
11-5445-000	6th Street	-	-	-	-
11-5446-000	Crestview Drive	-	-	-	-
11-5447-000	9th Street		38,000	38,000	634,000
11-5448-000	Royal Drive	-	-	-	-
11-5449-000	Circle Drive		45,000	45,000	557,000
11-5450-000	Main Street		72,000	72,000	939,000
11-5451-000	E. 1st North Street	-	-	-	-
11-5452-000	Ola Road	-	-	-	-
11-5453-000	Community Center Improvements	11,531	80,000	80,000	3,000,000
11-5454-000	Autin/Fair St	7,110	216,115	216,115	100,000
11-5455-000	Park Improvements-CO\$				500,000
	<i>Capital Total</i>	8,127,008	1,564,115	1,564,115	6,730,000
11-5650-000	Bond Issuance Costs		-	-	-
	<i>Bond Cost Total</i>	-	-	-	-
	Expenditures Total	8,127,008	1,564,115	1,564,115	6,730,000
Transfers					
11-4605-000	Transfer In	130,586	-	-	3,500,000
11-5560-000	Transfer to Other Funds				-
	Transfers Total	130,586	-	-	3,500,000
	Surplus/(Deficit)	<u>\$(5,300,847)</u>	<u>\$(1,560,844)</u>	<u>\$(1,560,844)</u>	<u>\$(3,228,000)</u>
	Beginning Fund Balance	\$ 8,832,052	\$ 3,531,205	\$ 3,531,205	\$ 1,970,361
	Ending Fund Balance	\$ 3,531,205	\$ 1,970,361	\$ 1,970,361	\$(1,257,639)

City of Kaufman
Water-Sewer Utility Capital Improvement Fund
Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
21-4604-000	Interest Income	\$ 5,535	\$ 5,000	\$ 5,000	\$ 2,000
	<i>Interest Income Total</i>	5,535	5,000	5,000	2,000
	Revenues Total	5,535	5,000	5,000	2,000
Expenditures					
21-5300-000	Utility Line Relocation	-	-	-	-
21-5346-000	Emergency Maintenance & Repair	-	10,000	10,000	-
21-5418-000	Downtown Water Line	-	500	500	-
21-5420-000	Capital Equipment - ECO\$	-	19,600	19,600	-
21-5438-000	Austin/Fair St Water	-	69,000	69,000	-
21-5439-000	Houston Street Water Line Infr	-	534,000	534,000	-
21-5440-000	4th Street Water Line Infrastr	-	110,500	110,500	-
21-5441-000	Debra Street Swr Line Replacmt	-	-	-	-
21-5442-000	Houston Street - Swr Line Infr	-	215,000	215,000	-
21-5443-000	4th Street Swr Line Infrastr	-	125,000	125,000	-
21-5448-000	9th Street Water Line Infra.	-	18,500	18,500	152,000
21-5449-000	9th Street Sewer Line Infra.	-	13,000	13,000	196,000
21-5453-000	Circle Sewer Line Infra.	-	13,000	13,000	223,000
21-5454-000	Main Water Line Infra.	-	13,000	13,000	256,000
21-5455-000	Main Sewer Line Infra.	-	25,000	25,000	497,000
21-5468-000	Emerg. swr repl. Austin@10&8th	-	54,389	54,389	-
21-5469-000	WWTP NORTH CLARIFIER IMPROV.	-	58,495	58,495	-
21-5470-000	WWTP Improvements - PS - CO\$	-	48,580	48,580	-
21-5471-000	Emerg SWR Rep 200 S. Madison	-	30,246	30,246	-
21-5472-000	WWTP Improvements - PB GTUA\$	-	-	-	3,208,500
21-5473-000	Upgrade Fair Rd LiftStat.-ECO\$	-	-	-	40,000
21-5476-000	US 175 SWR Ext (Fair Rd) CO\$	-	-	-	-
	<i>Capital Total</i>	-	1,357,810	1,357,810	4,572,500
	Expenditures Total	-	1,357,810	1,357,810	4,572,500
Transfers					
21-4605-000	Transfer In	220,371	-	-	2,710,000
21-5560-000	Transfer Out	(130,586)	(131,000)	(131,000)	-
	Transfers Total	89,785	(131,000)	(131,000)	2,710,000
	Surplus/(Deficit)	\$ 95,319	\$(1,483,810)	\$(1,483,810)	\$(1,860,500)
	Beginning Fund Balance	\$ 4,847,627	\$ 4,942,946	\$ 4,942,946	\$ 3,459,137
	Ending Fund Balance	\$ 4,942,946	\$ 3,459,137	\$ 3,459,137	\$ 1,598,637

City of Kaufman
 Drainage Utility Capital Improvement Fund
 Fiscal Year 2019-2020

Account Number	Description	2018 Year to Date Actual	2019 Amended Budget	2019 Year End Projections	2020 Adopted Budget
Revenues					
26-4630-000	Bond Proceeds	\$ -	\$ -	\$ -	\$ -
Revenues Total		-	-	-	-
Expenditures					
26-5401-000	Houston Storm Drainage FA596	-	272,000	272,000	40,000
26-5402-000	4th Street Storm Drainage FA594	2,116	630,916	630,916	50,000
26-5403-000	Austin/Fair Street Drainage	944	121,000	121,000	60,000
26-5406-000	9th Street Drainage	-	12,500	12,500	86,000
26-5408-000	Circle Drainage	-	-	-	49,000
26-5409-000	Main St. Drainage	-	22,500	22,500	395,000
26-5414-000	KAU 19295 COK 19 Drainage Proj	-	-	-	-
<i>Capital Total</i>		3,060	1,058,916	1,058,916	680,000
Expenditures Total		3,060	1,058,916	1,058,916	680,000
Transfers					
26-4605-000	Transfer In	1,218,349	-	-	-
26-5560-000	Transfer Out	(86,425)	-	-	-
Transfers Total		1,131,924	-	-	-
Surplus/(Deficit)		<u>\$ 1,128,864</u>	<u>\$ (1,058,916)</u>	<u>\$(1,058,916)</u>	<u>\$ (680,000)</u>
Beginning Fund Balance		\$ 3,060	\$ 1,131,924	\$ 1,131,924	\$ 73,008
Ending Fund Balance		\$ 1,131,924	\$ 73,008	\$ 73,008	\$ (606,992)



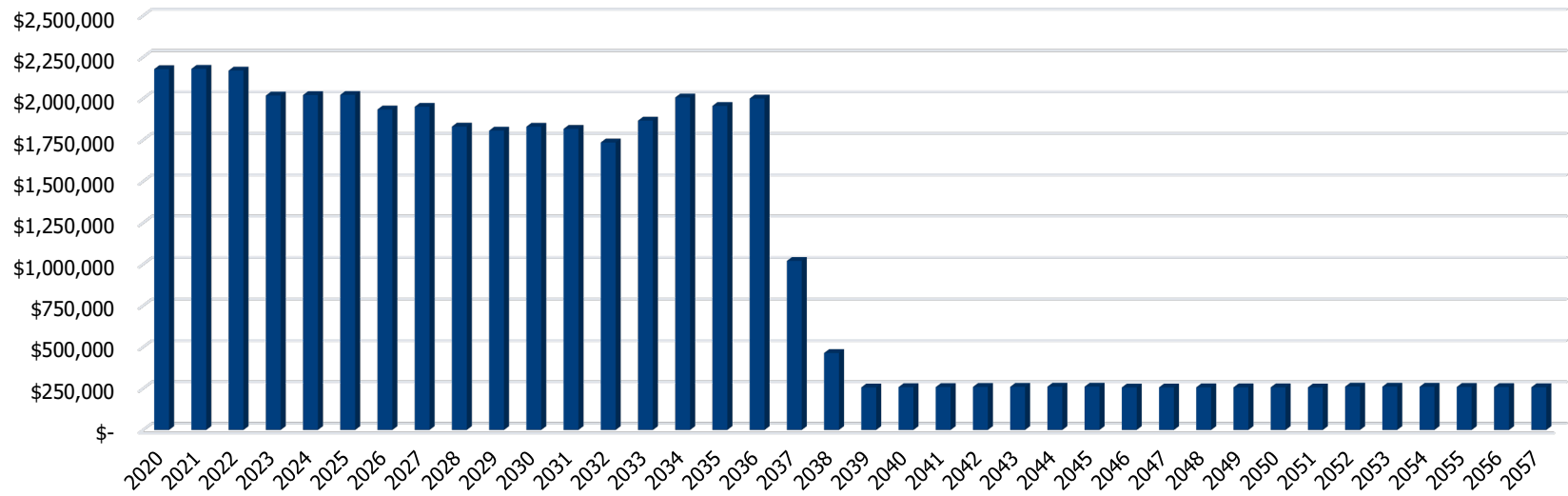
Debt Service Overview

Aggregate Debt Summary

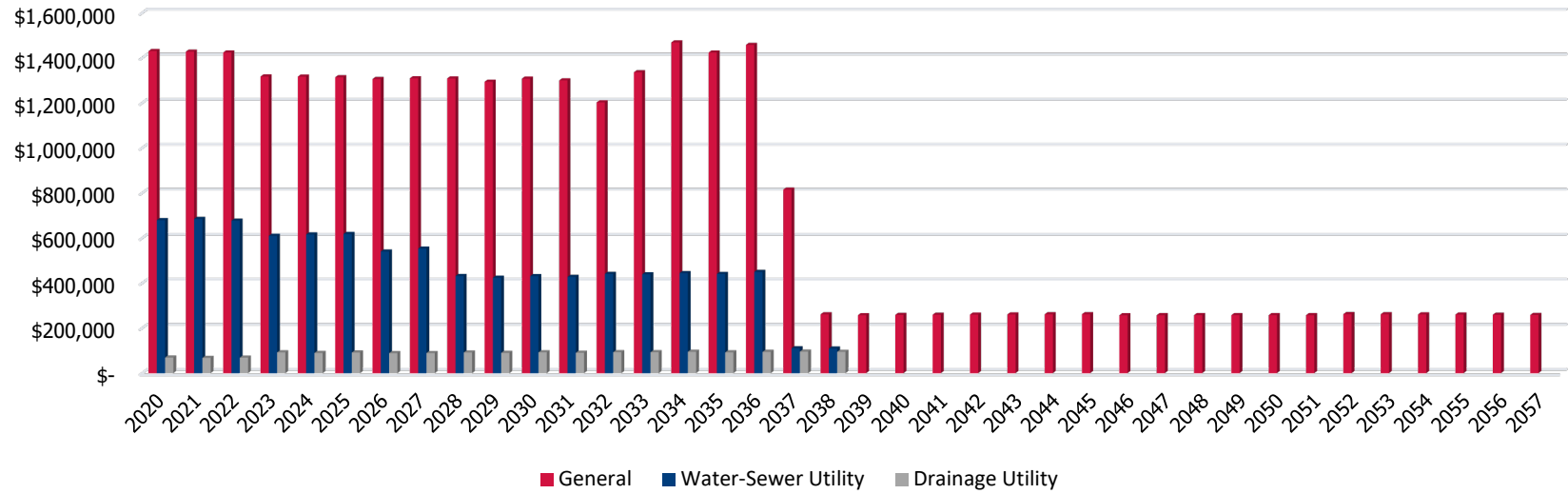
As of October 1, 2019

Principal				Interest				Total
Date	Amount	Date	Amount	Date	Amount	Date	Amount	
2/15/2020	985,000.00	8/15/2020	325,000.00	2/15/2020	440,974.21	8/15/2020	427,205.56	2,178,179.77
2/15/2021	1,015,000.00	8/15/2021	330,000.00	2/15/2021	424,785.84	8/15/2021	410,113.66	2,179,899.50
2/15/2022	1,030,000.00	8/15/2022	340,000.00	2/15/2022	407,212.60	8/15/2022	392,174.48	2,169,387.08
2/15/2023	910,000.00	8/15/2023	345,000.00	2/15/2023	389,126.94	8/15/2023	374,620.00	2,018,746.94
2/15/2024	935,000.00	8/15/2024	360,000.00	2/15/2024	370,625.01	8/15/2024	356,201.45	2,021,826.46
2/15/2025	970,000.00	8/15/2025	365,000.00	2/15/2025	351,573.16	8/15/2025	336,311.06	2,022,884.22
2/15/2026	905,000.00	8/15/2026	380,000.00	2/15/2026	331,970.20	8/15/2026	317,736.38	1,934,706.58
2/15/2027	950,000.00	8/15/2027	390,000.00	2/15/2027	313,146.13	8/15/2027	297,834.21	1,950,980.34
2/15/2028	860,000.00	8/15/2028	400,000.00	2/15/2028	292,582.05	8/15/2028	278,791.47	1,831,373.52
2/15/2029	860,000.00	8/15/2029	415,000.00	2/15/2029	272,998.11	8/15/2029	258,857.09	1,806,855.20
2/15/2030	915,000.00	8/15/2030	425,000.00	2/15/2030	252,888.54	8/15/2030	237,756.51	1,830,645.05
2/15/2031	925,000.00	8/15/2031	445,000.00	2/15/2031	231,327.24	8/15/2031	216,105.17	1,817,432.41
2/15/2032	975,000.00	8/15/2032	360,000.00	2/15/2032	208,186.08	8/15/2032	192,357.95	1,735,544.03
2/15/2033	1,140,000.00	8/15/2033	375,000.00	2/15/2033	185,793.66	8/15/2033	166,489.86	1,867,283.52
2/15/2034	1,320,000.00	8/15/2034	390,000.00	2/15/2034	159,915.14	8/15/2034	137,304.50	2,007,219.64
2/15/2035	905,000.00	8/15/2035	805,000.00	2/15/2035	130,400.50	8/15/2035	115,551.02	1,955,951.52
2/15/2036	940,000.00	8/15/2036	875,000.00	2/15/2036	100,317.74	8/15/2036	85,239.97	2,000,557.71
2/15/2037	900,000.00	8/15/2037	-	2/15/2037	68,297.60	8/15/2037	52,081.76	1,020,379.36
2/15/2038	365,000.00	8/15/2038	-	2/15/2038	52,886.99	8/15/2038	46,638.49	464,525.48
2/15/2039	165,000.00	8/15/2039	-	2/15/2039	47,411.51	8/15/2039	44,695.22	257,106.73
2/15/2040	170,000.00	8/15/2040	-	2/15/2040	45,436.03	8/15/2040	42,928.94	258,364.97
2/15/2041	175,000.00	8/15/2041	-	2/15/2041	43,400.68	8/15/2041	40,632.02	259,032.70
2/15/2042	180,000.00	8/15/2042	-	2/15/2042	41,305.48	8/15/2042	38,512.09	259,817.57
2/15/2043	185,000.00	8/15/2043	-	2/15/2043	39,150.41	8/15/2043	36,333.27	260,483.68
2/15/2044	190,000.00	8/15/2044	-	2/15/2044	36,935.48	8/15/2044	34,283.94	261,219.42
2/15/2045	195,000.00	8/15/2045	-	2/15/2045	34,660.68	8/15/2045	31,798.97	261,459.65
2/15/2046	195,000.00	8/15/2046	-	2/15/2046	32,326.03	8/15/2046	29,502.38	256,828.41
2/15/2047	200,000.00	8/15/2047	-	2/15/2047	29,991.37	8/15/2047	27,146.90	257,138.27
2/15/2048	205,000.00	8/15/2048	-	2/15/2048	27,596.85	8/15/2048	24,869.18	257,466.03
2/15/2049	210,000.00	8/15/2049	-	2/15/2049	25,142.47	8/15/2049	22,259.28	257,401.75
2/15/2050	215,000.00	8/15/2050	-	2/15/2050	22,628.22	8/15/2050	19,727.14	257,355.36
2/15/2051	220,000.00	8/15/2051	-	2/15/2051	20,054.11	8/15/2051	17,136.11	257,190.22
2/15/2052	230,000.00	8/15/2052	-	2/15/2052	17,420.14	8/15/2052	14,507.02	261,927.16
2/15/2053	235,000.00	8/15/2053	-	2/15/2053	14,666.44	8/15/2053	11,659.62	261,326.06
2/15/2054	240,000.00	8/15/2054	-	2/15/2054	11,852.88	8/15/2054	8,833.05	260,685.93
2/15/2055	245,000.00	8/15/2055	-	2/15/2055	8,979.45	8/15/2055	5,947.59	259,927.04
2/15/2056	250,000.00	8/15/2056	-	2/15/2056	6,046.16	8/15/2056	3,019.83	259,065.99
2/15/2057	255,000.00	2/15/2057	-	2/15/2057	3,053.01		-	258,053.01
Total Principal			\$ 29,090,000.00	Total Interest			\$ 10,646,228.28	\$ 39,736,228.28

Aggregate Debt Summary



Debt Summary By Fund



General Debt Summary

As of October 1, 2019

Principal				Interest				Total
Date	Amount	Date	Amount	Date	Amount	Date	Amount	
2/15/2020	482,110.00	8/15/2020	325,000.00	2/15/2020	315,156.00	8/15/2020	308,003.76	1,430,269.76
2/15/2021	494,281.00	8/15/2021	330,000.00	2/15/2021	305,584.04	8/15/2021	297,756.33	1,427,621.37
2/15/2022	502,216.00	8/15/2022	340,000.00	2/15/2022	294,855.27	8/15/2022	286,827.84	1,423,899.11
2/15/2023	412,007.50	8/15/2023	345,000.00	2/15/2023	283,780.30	8/15/2023	276,503.89	1,317,291.69
2/15/2024	418,762.00	8/15/2024	360,000.00	2/15/2024	272,508.90	8/15/2024	265,543.89	1,316,814.79
2/15/2025	434,646.50	8/15/2025	365,000.00	2/15/2025	260,915.60	8/15/2025	253,404.17	1,313,966.27
2/15/2026	435,776.00	8/15/2026	380,000.00	2/15/2026	249,063.31	8/15/2026	241,382.27	1,306,221.58
2/15/2027	453,711.00	8/15/2027	390,000.00	2/15/2027	236,792.02	8/15/2027	228,784.51	1,309,287.53
2/15/2028	469,570.00	8/15/2028	400,000.00	2/15/2028	223,532.35	8/15/2028	215,598.22	1,308,700.57
2/15/2029	467,505.00	8/15/2029	415,000.00	2/15/2029	209,804.86	8/15/2029	201,551.27	1,293,861.13
2/15/2030	500,440.00	8/15/2030	425,000.00	2/15/2030	195,582.72	8/15/2030	186,718.65	1,307,741.36
2/15/2031	503,375.00	8/15/2031	445,000.00	2/15/2031	180,289.38	8/15/2031	171,443.31	1,300,107.68
2/15/2032	524,245.00	8/15/2032	360,000.00	2/15/2032	163,524.22	8/15/2032	154,513.17	1,202,282.38
2/15/2033	677,180.00	8/15/2033	375,000.00	2/15/2033	147,948.88	8/15/2033	135,851.45	1,335,980.32
2/15/2034	835,115.00	8/15/2034	390,000.00	2/15/2034	129,276.73	8/15/2034	114,262.91	1,468,654.63
2/15/2035	410,985.00	8/15/2035	805,000.00	2/15/2035	107,358.91	8/15/2035	100,359.80	1,423,703.71
2/15/2036	418,920.00	8/15/2036	875,000.00	2/15/2036	85,126.52	8/15/2036	78,327.47	1,457,373.99
2/15/2037	705,000.00	8/15/2037	-	2/15/2037	61,385.10	8/15/2037	48,581.76	814,966.86
2/15/2038	165,000.00	8/15/2038	-	2/15/2038	49,386.99	8/15/2038	46,638.49	261,025.48
2/15/2039	165,000.00	8/15/2039	-	2/15/2039	47,411.51	8/15/2039	44,695.22	257,106.73
2/15/2040	170,000.00	8/15/2040	-	2/15/2040	45,436.03	8/15/2040	42,928.94	258,364.97
2/15/2041	175,000.00	8/15/2041	-	2/15/2041	43,400.68	8/15/2041	40,632.02	259,032.70
2/15/2042	180,000.00	8/15/2042	-	2/15/2042	41,305.48	8/15/2042	38,512.09	259,817.57
2/15/2043	185,000.00	8/15/2043	-	2/15/2043	39,150.41	8/15/2043	36,333.27	260,483.68
2/15/2044	190,000.00	8/15/2044	-	2/15/2044	36,935.48	8/15/2044	34,283.94	261,219.42
2/15/2045	195,000.00	8/15/2045	-	2/15/2045	34,660.68	8/15/2045	31,798.97	261,459.65
2/15/2046	195,000.00	8/15/2046	-	2/15/2046	32,326.03	8/15/2046	29,502.38	256,828.41
2/15/2047	200,000.00	8/15/2047	-	2/15/2047	29,991.37	8/15/2047	27,146.90	257,138.27
2/15/2048	205,000.00	8/15/2048	-	2/15/2048	27,596.85	8/15/2048	24,869.18	257,466.03
2/15/2049	210,000.00	8/15/2049	-	2/15/2049	25,142.47	8/15/2049	22,259.28	257,401.75
2/15/2050	215,000.00	8/15/2050	-	2/15/2050	22,628.22	8/15/2050	19,727.14	257,355.36
2/15/2051	220,000.00	8/15/2051	-	2/15/2051	20,054.11	8/15/2051	17,136.11	257,190.22
2/15/2052	230,000.00	8/15/2052	-	2/15/2052	17,420.14	8/15/2052	14,507.02	261,927.16
2/15/2053	235,000.00	8/15/2053	-	2/15/2053	14,666.44	8/15/2053	11,659.62	261,326.06
2/15/2054	240,000.00	8/15/2054	-	2/15/2054	11,852.88	8/15/2054	8,833.05	260,685.93
2/15/2055	245,000.00	8/15/2055	-	2/15/2055	8,979.45	8/15/2055	5,947.59	259,927.04
2/15/2056	250,000.00	8/15/2056	-	2/15/2056	6,046.16	8/15/2056	3,019.83	259,065.99
2/15/2057	255,000.00	2/15/2057	-	2/15/2057	3,053.01		-	258,053.01
Total Principal			\$ 20,595,845.00	Total Interest			\$ 8,345,775.15	\$ 28,941,620.15

Water-Sewer Utility Debt Summary

As of October 1, 2019

Principal		Interest				Total
Date	Amount	Date	Amount	Date	Amount	
2/15/2020	477,348.00	2/15/2020	103,904.34	8/15/2020	97,926.48	679,178.81
2/15/2021	495,177.00	2/15/2021	97,926.48	8/15/2021	91,720.56	684,824.03
2/15/2022	499,920.00	2/15/2022	91,720.56	8/15/2022	85,406.43	677,046.99
2/15/2023	444,586.50	2/15/2023	85,406.43	8/15/2023	79,511.09	609,504.02
2/15/2024	462,832.00	2/15/2024	79,511.09	8/15/2024	73,387.68	615,730.77
2/15/2025	477,303.50	2/15/2025	73,387.68	8/15/2025	67,088.27	617,779.45
2/15/2026	411,174.00	2/15/2026	67,088.27	8/15/2026	61,696.48	539,958.75
2/15/2027	435,917.00	2/15/2027	61,696.48	8/15/2027	55,297.66	552,911.14
2/15/2028	325,414.00	2/15/2028	55,297.66	8/15/2028	50,416.45	431,128.10
2/15/2029	327,479.00	2/15/2029	50,416.45	8/15/2029	45,504.26	423,399.71
2/15/2030	344,900.00	2/15/2030	45,504.26	8/15/2030	40,281.20	430,685.46
2/15/2031	351,965.00	2/15/2031	40,281.20	8/15/2031	34,950.10	427,196.30
2/15/2032	376,451.00	2/15/2032	34,950.10	8/15/2032	29,247.58	440,648.68
2/15/2033	386,194.00	2/15/2033	29,247.58	8/15/2033	23,286.38	438,727.96
2/15/2034	403,615.00	2/15/2034	23,286.38	8/15/2034	17,010.20	443,911.58
2/15/2035	412,745.00	2/15/2035	17,010.20	8/15/2035	10,531.25	440,286.45
2/15/2036	435,166.00	2/15/2036	10,531.25	8/15/2036	3,702.34	449,399.59
2/15/2037	104,442.00	2/15/2037	3,702.34	8/15/2037	1,874.60	110,018.94
2/15/2038	107,120.00	2/15/2038	1,874.60	8/15/2038	-	108,994.60
Total	\$ 7,279,749.00	Total Interest	\$ 1,841,582.32			\$ 9,121,331.32

Drainage Utility Debt Summary

As of October 1, 2019

Principal		Interest				Total
Date	Amount	Date	Amount	Date	Amount	
2/15/2020	25,542.00	2/15/2020	21,913.88	8/15/2020	21,275.33	68,731.20
2/15/2021	25,542.00	2/15/2021	21,275.33	8/15/2021	20,636.78	67,454.10
2/15/2022	27,864.00	2/15/2022	20,636.78	8/15/2022	19,940.21	68,440.99
2/15/2023	53,406.00	2/15/2023	19,940.21	8/15/2023	18,605.03	91,951.24
2/15/2024	53,406.00	2/15/2024	18,605.03	8/15/2024	17,269.88	89,280.90
2/15/2025	58,050.00	2/15/2025	17,269.88	8/15/2025	15,818.63	91,138.50
2/15/2026	58,050.00	2/15/2026	15,818.63	8/15/2026	14,657.63	88,526.25
2/15/2027	60,372.00	2/15/2027	14,657.63	8/15/2027	13,752.05	88,781.67
2/15/2028	65,016.00	2/15/2028	13,752.05	8/15/2028	12,776.81	91,544.85
2/15/2029	65,016.00	2/15/2029	12,776.81	8/15/2029	11,801.57	89,594.37
2/15/2030	69,660.00	2/15/2030	11,801.57	8/15/2030	10,756.67	92,218.23
2/15/2031	69,660.00	2/15/2031	10,756.67	8/15/2031	9,711.77	90,128.43
2/15/2032	74,304.00	2/15/2032	9,711.77	8/15/2032	8,597.21	92,612.97
2/15/2033	76,626.00	2/15/2033	8,597.21	8/15/2033	7,352.03	92,575.24
2/15/2034	81,270.00	2/15/2034	7,352.03	8/15/2034	6,031.40	94,653.43
2/15/2035	81,270.00	2/15/2035	6,031.40	8/15/2035	4,659.97	91,961.36
2/15/2036	85,914.00	2/15/2036	4,659.97	8/15/2036	3,210.17	93,784.13
2/15/2037	90,558.00	2/15/2037	3,210.17	8/15/2037	1,625.40	95,393.57
2/15/2038	92,880.00	2/15/2038	1,625.40	8/15/2038	-	94,505.40
Total	\$ 1,214,406.00	Total Interest	\$ 458,870.82			\$ 1,673,276.82

Combination Tax and Limited Surplus Revenue Certificates of Obligation

\$2,670,000

Series 2018

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	55,000.00	2/15/2020	47,187.50	8/15/2020	45,812.50	148,000.00
2/15/2021	55,000.00	2/15/2021	45,812.50	8/15/2021	44,437.50	145,250.00
2/15/2022	60,000.00	2/15/2022	44,437.50	8/15/2022	42,937.58	147,375.08
2/15/2023	115,000.00	2/15/2023	42,937.58	8/15/2023	40,062.50	198,000.08
2/15/2024	115,000.00	2/15/2024	40,062.50	8/15/2024	37,187.50	192,250.00
2/15/2025	125,000.00	2/15/2025	37,187.50	8/15/2025	34,062.50	196,250.00
2/15/2026	125,000.00	2/15/2026	34,062.50	8/15/2026	31,562.50	190,625.00
2/15/2027	130,000.00	2/15/2027	31,562.50	8/15/2027	29,612.50	191,175.00
2/15/2028	140,000.00	2/15/2028	29,612.50	8/15/2028	27,512.50	197,125.00
2/15/2029	140,000.00	2/15/2029	27,512.50	8/15/2029	25,412.50	192,925.00
2/15/2030	150,000.00	2/15/2030	25,412.50	8/15/2030	23,162.50	198,575.00
2/15/2031	150,000.00	2/15/2031	23,162.50	8/15/2031	20,912.50	194,075.00
2/15/2032	160,000.00	2/15/2032	20,912.50	8/15/2032	18,512.50	199,425.00
2/15/2033	165,000.00	2/15/2033	18,512.50	8/15/2033	15,831.25	199,343.75
2/15/2034	175,000.00	2/15/2034	15,831.25	8/15/2034	12,987.50	203,818.75
2/15/2035	175,000.00	2/15/2035	12,987.50	8/15/2035	10,034.38	198,021.88
2/15/2036	185,000.00	2/15/2036	10,034.38	8/15/2036	6,912.50	201,946.88
2/15/2037	195,000.00	2/15/2037	6,912.50	8/15/2037	3,500.00	205,412.50
2/15/2038	200,000.00	2/15/2038	3,500.00			203,500.00
	<u>\$ 2,615,000.00</u>				<u>\$ 988,093.92</u>	<u>\$ 3,603,093.92</u>

Interest Rate 3.00% - 5.00%

Amount Issued \$ 2,670,000

Amount Outstanding \$ 2,615,000

Water & Sewer 53.56%
Drainage 46.44%

General Obligation Bonds

\$3,200,000

Series 2017A

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	50,000.00	2/15/2020	58,737.50	8/15/2020	57,812.50	166,550.00
2/15/2021	50,000.00	2/15/2021	57,812.50	8/15/2021	56,887.50	164,700.00
2/15/2022	50,000.00	2/15/2022	56,887.50	8/15/2022	55,962.50	162,850.00
2/15/2023	125,000.00	2/15/2023	55,962.50	8/15/2023	53,650.00	234,612.50
2/15/2024	125,000.00	2/15/2024	53,650.00	8/15/2024	51,337.50	229,987.50
2/15/2025	135,000.00	2/15/2025	51,337.50	8/15/2025	48,840.00	235,177.50
2/15/2026	135,000.00	2/15/2026	48,840.00	8/15/2026	46,342.50	230,182.50
2/15/2027	150,000.00	2/15/2027	46,342.50	8/15/2027	43,567.50	239,910.00
2/15/2028	165,000.00	2/15/2028	43,567.50	8/15/2028	40,515.00	249,082.50
2/15/2029	150,000.00	2/15/2029	40,515.00	8/15/2029	37,740.00	228,255.00
2/15/2030	175,000.00	2/15/2030	37,740.00	8/15/2030	34,502.50	247,242.50
2/15/2031	165,000.00	2/15/2031	34,502.50	8/15/2031	31,450.00	230,952.50
2/15/2032	175,000.00	2/15/2032	31,450.00	8/15/2032	28,212.50	234,662.50
2/15/2033	315,000.00	2/15/2033	28,212.50	8/15/2033	22,385.00	365,597.50
2/15/2034	465,000.00	2/15/2034	22,385.00	8/15/2034	13,782.50	501,167.50
2/15/2035	100,000.00	2/15/2035	13,782.50	8/15/2035	11,932.50	125,715.00
2/15/2036	100,000.00	2/15/2036	11,932.50	8/15/2036	10,082.50	122,015.00
2/15/2037	545,000.00	2/15/2037	10,082.50			555,082.50
	\$ 3,175,000.00				\$ 1,348,742.50	\$ 4,523,742.50

Interest Rate 3.70%

Amount Issued \$ 3,200,000

Amount Outstanding \$ 3,175,000

Tax 100.00%

General Obligation Bonds

\$6,630,000

Taxable Series 2017

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	105,000.00	2/15/2020	77,642.33	8/15/2020	75,554.93	258,197.26
2/15/2021	110,000.00	2/15/2021	76,385.21	8/15/2021	73,844.28	260,229.49
2/15/2022	110,000.00	2/15/2022	75,068.22	8/15/2022	72,548.77	257,616.99
2/15/2023	115,000.00	2/15/2023	73,751.23	8/15/2023	71,194.37	259,945.60
2/15/2024	115,000.00	2/15/2024	72,374.38	8/15/2024	70,225.82	257,600.20
2/15/2025	120,000.00	2/15/2025	70,997.53	8/15/2025	68,426.68	259,424.21
2/15/2026	125,000.00	2/15/2026	69,560.82	8/15/2026	66,954.50	261,515.32
2/15/2027	125,000.00	2/15/2027	68,064.25	8/15/2027	65,482.33	258,546.58
2/15/2028	130,000.00	2/15/2028	66,567.67	8/15/2028	64,304.59	260,872.26
2/15/2029	130,000.00	2/15/2029	65,011.23	8/15/2029	62,420.21	257,431.44
2/15/2030	135,000.00	2/15/2030	63,454.79	8/15/2030	60,830.26	259,285.05
2/15/2031	140,000.00	2/15/2031	61,838.49	8/15/2031	59,181.42	261,019.91
2/15/2032	140,000.00	2/15/2032	60,162.33	8/15/2032	57,850.45	258,012.78
2/15/2033	145,000.00	2/15/2033	58,486.16	8/15/2033	55,824.86	259,311.02
2/15/2034	150,000.00	2/15/2034	56,750.14	8/15/2034	54,058.25	260,808.39
2/15/2035	150,000.00	2/15/2035	54,954.25	8/15/2035	52,291.64	257,245.89
2/15/2036	155,000.00	2/15/2036	53,158.36	8/15/2036	50,744.97	258,903.33
2/15/2037	160,000.00	2/15/2037	51,302.60	8/15/2037	48,581.76	259,884.36
2/15/2038	165,000.00	2/15/2038	49,386.99	8/15/2038	46,638.49	261,025.48
2/15/2039	165,000.00	2/15/2039	47,411.51	8/15/2039	44,695.22	257,106.73
2/15/2040	170,000.00	2/15/2040	45,436.03	8/15/2040	42,928.94	258,364.97
2/15/2041	175,000.00	2/15/2041	43,400.68	8/15/2041	40,632.02	259,032.70
2/15/2042	180,000.00	2/15/2042	41,305.48	8/15/2042	38,512.09	259,817.57
2/15/2043	185,000.00	2/15/2043	39,150.41	8/15/2043	36,333.27	260,483.68
2/15/2044	190,000.00	2/15/2044	36,935.48	8/15/2044	34,283.94	261,219.42
2/15/2045	195,000.00	2/15/2045	34,660.68	8/15/2045	31,798.97	261,459.65
2/15/2046	195,000.00	2/15/2046	32,326.03	8/15/2046	29,502.38	256,828.41
2/15/2047	200,000.00	2/15/2047	29,991.37	8/15/2047	27,146.90	257,138.27
2/15/2048	205,000.00	2/15/2048	27,596.85	8/15/2048	24,869.18	257,466.03
2/15/2049	210,000.00	2/15/2049	25,142.47	8/15/2049	22,259.28	257,401.75
2/15/2050	215,000.00	2/15/2050	22,628.22	8/15/2050	19,727.14	257,355.36
2/15/2051	220,000.00	2/15/2051	20,054.11	8/15/2051	17,136.11	257,190.22
2/15/2052	230,000.00	2/15/2052	17,420.14	8/15/2052	14,507.02	261,927.16
2/15/2053	235,000.00	2/15/2053	14,666.44	8/15/2053	11,659.62	261,326.06
2/15/2054	240,000.00	2/15/2054	11,852.88	8/15/2054	8,833.05	260,685.93
2/15/2055	245,000.00	2/15/2055	8,979.45	8/15/2055	5,947.59	259,927.04
2/15/2056	250,000.00	2/15/2056	6,046.16	8/15/2056	3,019.83	259,065.99
2/15/2057	255,000.00	2/15/2057	3,053.01			258,053.01
	\$ 6,485,000.00				\$ 3,363,725.51	\$ 9,848,725.51

Interest Rate 2.375%

Amount Issued \$ 6,630,000

Amount Outstanding \$ 6,485,000

Tax 100.00%

Combination Tax and Surplus Revenue Certificates of Obligation

\$2,130,000

Taxable Series 2016B

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	75,000.00	2/15/2020	31,231.25	8/15/2020	29,731.25	135,962.50
2/15/2021	80,000.00	2/15/2021	29,731.25	8/15/2021	28,131.25	137,862.50
2/15/2022	85,000.00	2/15/2022	28,131.25	8/15/2022	26,431.25	139,562.50
2/15/2023	85,000.00	2/15/2023	26,431.25	8/15/2023	25,156.25	136,587.50
2/15/2024	95,000.00	2/15/2024	25,156.25	8/15/2024	23,731.25	143,887.50
2/15/2025	95,000.00	2/15/2025	23,731.25	8/15/2025	22,425.00	141,156.25
2/15/2026	100,000.00	2/15/2026	22,425.00	8/15/2026	20,975.00	143,400.00
2/15/2027	105,000.00	2/15/2027	20,975.00	8/15/2027	19,400.00	145,375.00
2/15/2028	110,000.00	2/15/2028	19,400.00	8/15/2028	17,750.00	147,150.00
2/15/2029	115,000.00	2/15/2029	17,750.00	8/15/2029	16,025.00	148,775.00
2/15/2030	120,000.00	2/15/2030	16,025.00	8/15/2030	14,105.00	150,130.00
2/15/2031	125,000.00	2/15/2031	14,105.00	8/15/2031	12,105.00	151,210.00
2/15/2032	135,000.00	2/15/2032	12,105.00	8/15/2032	9,945.00	157,050.00
2/15/2033	140,000.00	2/15/2033	9,945.00	8/15/2033	7,705.00	157,650.00
2/15/2034	145,000.00	2/15/2034	7,705.00	8/15/2034	5,276.25	157,981.25
2/15/2035	155,000.00	2/15/2035	5,276.25	8/15/2035	2,680.00	162,956.25
2/15/2036	160,000.00	2/15/2036	2,680.00	8/15/2036		162,680.00
	\$ 1,925,000.00				\$ 594,376.25	\$ 2,519,376.25

Interest Rate 2.75% - 4.00%

Amount Issued \$ 6,630,000

Amount Outstanding \$ 1,925,000

Water & Sewer 41.30%
Tax 58.70%

Combination Tax & Surplus Revenue Certificates of Obligation

\$3,990,000

Series 2016A

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	165,000.00	2/15/2020	46,775.00	8/15/2020	45,125.00	256,900.00
2/15/2021	170,000.00	2/15/2021	45,125.00	8/15/2021	43,425.00	258,550.00
2/15/2022	170,000.00	2/15/2022	43,425.00	8/15/2022	41,725.00	255,150.00
2/15/2023	175,000.00	2/15/2023	41,725.00	8/15/2023	39,975.00	256,700.00
2/15/2024	180,000.00	2/15/2024	39,975.00	8/15/2024	38,175.00	258,150.00
2/15/2025	185,000.00	2/15/2025	38,175.00	8/15/2025	36,325.00	259,500.00
2/15/2026	190,000.00	2/15/2026	36,325.00	8/15/2026	34,425.00	260,750.00
2/15/2027	200,000.00	2/15/2027	34,425.00	8/15/2027	31,425.00	265,850.00
2/15/2028	205,000.00	2/15/2028	31,425.00	8/15/2028	28,350.00	264,775.00
2/15/2029	205,000.00	2/15/2029	28,350.00	8/15/2029	25,275.00	258,625.00
2/15/2030	215,000.00	2/15/2030	25,275.00	8/15/2030	22,050.00	262,325.00
2/15/2031	220,000.00	2/15/2031	22,050.00	8/15/2031	18,750.00	260,800.00
2/15/2032	235,000.00	2/15/2032	18,750.00	8/15/2032	15,225.00	268,975.00
2/15/2033	240,000.00	2/15/2033	15,225.00	8/15/2033	11,625.00	266,850.00
2/15/2034	250,000.00	2/15/2034	11,625.00	8/15/2034	7,875.00	269,500.00
2/15/2035	255,000.00	2/15/2035	7,875.00	8/15/2035	4,050.00	266,925.00
2/15/2036	270,000.00	2/15/2036	4,050.00	8/15/2036		274,050.00
	\$ 3,530,000.00				\$ 934,375.00	\$ 4,464,375.00

Interest Rate 2.00% - 3.00%

Amount Issued \$ 3,990,000

Amount Outstanding \$ 3,530,000

Water & Sewer 100.00%

General Obligation Bonds

\$1,000,000

Series 2016

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	45,000.00	2/15/2020	13,268.75	8/15/2020	12,650.00	70,918.75
2/15/2021	45,000.00	2/15/2021	12,650.00	8/15/2021	12,031.25	69,681.25
2/15/2022	45,000.00	2/15/2022	12,031.25	8/15/2022	11,412.50	68,443.75
2/15/2023	50,000.00	2/15/2023	11,412.50	8/15/2023	10,725.00	72,137.50
2/15/2024	50,000.00	2/15/2024	10,725.00	8/15/2024	10,037.50	70,762.50
2/15/2025	50,000.00	2/15/2025	10,037.50	8/15/2025	9,350.00	69,387.50
2/15/2026	55,000.00	2/15/2026	9,350.00	8/15/2026	8,593.75	72,943.75
2/15/2027	55,000.00	2/15/2027	8,593.75	8/15/2027	7,837.50	71,431.25
2/15/2028	55,000.00	2/15/2028	7,837.50	8/15/2028	7,081.25	69,918.75
2/15/2029	60,000.00	2/15/2029	7,081.25	8/15/2029	6,256.25	73,337.50
2/15/2030	60,000.00	2/15/2030	6,256.25	8/15/2030	5,431.25	71,687.50
2/15/2031	60,000.00	2/15/2031	5,431.25	8/15/2031	4,606.25	70,037.50
2/15/2032	65,000.00	2/15/2032	4,606.25	8/15/2032	3,712.50	73,318.75
2/15/2033	65,000.00	2/15/2033	3,712.50	8/15/2033	2,818.75	71,531.25
2/15/2034	65,000.00	2/15/2034	2,818.75	8/15/2034	1,925.00	69,743.75
2/15/2035	70,000.00	2/15/2035	1,925.00	8/15/2035	962.50	72,887.50
2/15/2036	70,000.00	2/15/2036	962.50	8/15/2036		70,962.50
	\$ 965,000.00				\$ 244,131.25	\$ 1,209,131.25

Interest Rate 2.75%

Amount Issued \$ 1,000,000

Amount Outstanding \$ 965,000

Tax 100.00%

Combination Tax & Surplus Revenue Certificates of Obligation

\$1,455,000

Series 2016

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	165,000.00	2/15/2020	9,810.00	8/15/2020	8,160.00	182,970.00
2/15/2021	170,000.00	2/15/2021	8,160.00	8/15/2021	6,460.00	184,620.00
2/15/2022	170,000.00	2/15/2022	6,460.00	8/15/2022	4,760.00	181,220.00
2/15/2023	125,000.00	2/15/2023	4,760.00	8/15/2023	3,510.00	133,270.00
2/15/2024	130,000.00	2/15/2024	3,510.00	8/15/2024	2,210.00	135,720.00
2/15/2025	135,000.00	2/15/2025	2,210.00	8/15/2025	860.00	138,070.00
2/15/2026	40,000.00	2/15/2026	860.00	8/15/2026	430.00	41,290.00
2/15/2027	40,000.00	2/15/2027	430.00	8/15/2027		40,430.00
	\$ 975,000.00				\$ 62,590.00	\$ 1,037,590.00

Interest Rate 1.75% - 2.15%

Amount Issued \$ 3,990,000

Amount Outstanding \$ 975,000

Water & Sewer 82.31%
Tax 17.69%

Limited Tax Notes

\$365,000

Series 2015

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	60,000.00	2/15/2020	1,850.00	8/15/2020	1,250.00	63,100.00
2/15/2021	60,000.00	2/15/2021	1,250.00	8/15/2021	650.00	61,900.00
2/15/2022	65,000.00	2/15/2022	650.00	8/15/2022		65,650.00
	<u>\$ 185,000.00</u>				<u>\$ 5,650.00</u>	<u>\$ 190,650.00</u>

Interest Rate 2.00%

Amount Issued \$ 365,000

Amount Outstanding \$ 185,000

Tax 100.00%

Combination Tax and Limited Surplus Revenue Certificates of Obligation

\$1,045,000
Series 2014

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	45,000.00	2/15/2020	13,956.25	8/15/2020	13,506.25	72,462.50
2/15/2021	45,000.00	2/15/2021	13,506.25	8/15/2021	12,943.75	71,450.00
2/15/2022	45,000.00	2/15/2022	12,943.75	8/15/2022	12,268.75	70,212.50
2/15/2023	50,000.00	2/15/2023	12,268.75	8/15/2023	11,518.75	73,787.50
2/15/2024	50,000.00	2/15/2024	11,518.75	8/15/2024	10,768.75	72,287.50
2/15/2025	50,000.00	2/15/2025	10,768.75	8/15/2025	10,018.75	70,787.50
2/15/2026	55,000.00	2/15/2026	10,018.75	8/15/2026	9,125.00	74,143.75
2/15/2027	55,000.00	2/15/2027	9,125.00	8/15/2027	8,231.25	72,356.25
2/15/2028	55,000.00	2/15/2028	8,231.25	8/15/2028	7,337.50	70,568.75
2/15/2029	60,000.00	2/15/2029	7,337.50	8/15/2029	6,287.50	73,625.00
2/15/2030	60,000.00	2/15/2030	6,287.50	8/15/2030	5,237.50	71,525.00
2/15/2031	65,000.00	2/15/2031	5,237.50	8/15/2031	4,100.00	74,337.50
2/15/2032	65,000.00	2/15/2032	4,100.00	8/15/2032	2,800.00	71,900.00
2/15/2033	70,000.00	2/15/2033	2,800.00	8/15/2033	1,400.00	74,200.00
2/15/2034	70,000.00	2/15/2034	1,400.00	8/15/2034		71,400.00
	\$ 840,000.00				\$ 245,043.75	\$ 1,085,043.75

Interest Rate 2.00% - 4.00%

Amount Issued \$ 1,045,000

Amount Outstanding \$ 840,000

Tax 100.00%

Pass-Through Toll Revenue & Limited Tax Bonds

\$8,255,000
Series 2014

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
8/15/2020	325,000.00	2/15/2020	125,653.13	8/15/2020	125,653.13	576,306.26
8/15/2021	330,000.00	2/15/2021	122,403.13	8/15/2021	122,403.13	574,806.26
8/15/2022	340,000.00	2/15/2022	118,278.13	8/15/2022	118,278.13	576,556.26
8/15/2023	345,000.00	2/15/2023	114,028.13	8/15/2023	114,028.13	573,056.26
8/15/2024	360,000.00	2/15/2024	108,853.13	8/15/2024	108,853.13	577,706.26
8/15/2025	365,000.00	2/15/2025	103,453.13	8/15/2025	103,453.13	571,906.26
8/15/2026	380,000.00	2/15/2026	97,978.13	8/15/2026	97,978.13	575,956.26
8/15/2027	390,000.00	2/15/2027	92,278.13	8/15/2027	92,278.13	574,556.26
8/15/2028	400,000.00	2/15/2028	85,940.63	8/15/2028	85,940.63	571,881.26
8/15/2029	415,000.00	2/15/2029	79,440.63	8/15/2029	79,440.63	573,881.26
8/15/2030	425,000.00	2/15/2030	72,437.50	8/15/2030	72,437.50	569,875.00
8/15/2031	445,000.00	2/15/2031	65,000.00	8/15/2031	65,000.00	575,000.00
8/15/2032	360,000.00	2/15/2032	56,100.00	8/15/2032	56,100.00	472,200.00
8/15/2033	375,000.00	2/15/2033	48,900.00	8/15/2033	48,900.00	472,800.00
8/15/2034	390,000.00	2/15/2034	41,400.00	8/15/2034	41,400.00	472,800.00
8/15/2035	805,000.00	2/15/2035	33,600.00	8/15/2035	33,600.00	872,200.00
8/15/2036	875,000.00	2/15/2036	17,500.00	8/15/2036	17,500.00	910,000.00
	<u>\$ 7,325,000.00</u>				<u>\$ 2,766,487.60</u>	<u>\$ 10,091,487.60</u>

Interest Rate 2.00% - 4.00%

Amount Issued \$ 8,255,000

Amount Outstanding \$ 7,325,000

Toll Revenue 100.00%

General Obligation Refunding Bonds

\$1,875,000

Series 2011

		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	155,000.00	2/15/2020	5,937.50	8/15/2020	4,000.00	164,937.50
2/15/2021	160,000.00	2/15/2021	4,000.00	8/15/2021	2,000.00	166,000.00
2/15/2022	160,000.00	2/15/2022	2,000.00	8/15/2022		162,000.00
	\$ 475,000.00				\$ 17,937.50	\$ 492,937.50

Interest Rate 2.00% - 2.50%

Amount Issued \$ 1,875,000

Amount Outstanding \$ 475,000

Water & Sewer 32.97%
Tax 67.03%

Combination Tax and Surplus Revenue Certificates of Obligation

\$880,000
Series 2011

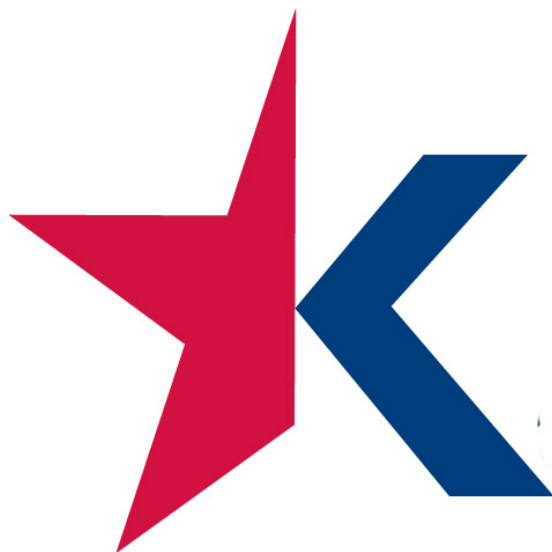
		Interest				Total
Date	Principal	Date	Amount	Date	Amount	
2/15/2020	65,000.00	2/15/2020	8,925.00	8/15/2020	7,950.00	81,875.00
2/15/2021	70,000.00	2/15/2021	7,950.00	8/15/2021	6,900.00	84,850.00
2/15/2022	70,000.00	2/15/2022	6,900.00	8/15/2022	5,850.00	82,750.00
2/15/2023	70,000.00	2/15/2023	5,850.00	8/15/2023	4,800.00	80,650.00
2/15/2024	75,000.00	2/15/2024	4,800.00	8/15/2024	3,675.00	83,475.00
2/15/2025	75,000.00	2/15/2025	3,675.00	8/15/2025	2,550.00	81,225.00
2/15/2026	80,000.00	2/15/2026	2,550.00	8/15/2026	1,350.00	83,900.00
2/15/2027	90,000.00	2/15/2027	1,350.00	8/15/2027		91,350.00
	<u>\$ 595,000.00</u>				<u>\$ 75,075.00</u>	<u>\$ 670,075.00</u>

Interest Rate 2.00% - 3.00%

Amount Issued \$ 880,000

Amount Outstanding \$ 595,000

Water & Sewer 100.00%



Supplemental

CITY OF KAUFMAN
Personnel Summary
Fiscal Year 2019-2020

Function	Actual 2016	Actual 2017	Actual 2018	Estimated 2019	Budget 2020
General Government					
Administrative Services					
Administration	1.0	1.0	2.0	2.0	2.0
City Secretary	1.0	1.0	1.0	1.0	1.0
Secretary/Admin Assistant	1.0	1.0	-	-	-
Communications/HR Assistant	-	-	-	0.5	1.0
Civic Center/Event Coordinator	-	-	-	-	1.0
Financial Services					
Finance	5.0	5.0	5.0	5.0	5.5 *
Municipal Court	1.0	1.0	1.0	1.0	1.0
Municipal Court Judge	1.0	1.0	1.0	1.0	1.0
Public Safety					
Police	25.0	24.0	24.0	23.0	23.0
Development Services	3.0	3.0	3.0	3.0	3.0
Fire	6.0	6.0	6.0	7.0	7.0
Streets	5.0	6.0	6.0	6.0	7.0
Parks	5.0	6.0	6.0	6.0	7.0 *
Water and Sewer Systems	<u>14.0</u>	<u>13.0</u>	<u>13.0</u>	<u>13.0</u>	<u>13.0</u>
Total	<u><u>68.0</u></u>	<u><u>68.0</u></u>	<u><u>68.0</u></u>	<u><u>68.5</u></u>	<u><u>72.5</u></u>

**Note - 5 Employees in FY2020 are Part-time Hires;*

Part-Time = .5

1- Part-time Accountant in Finance

4- Part-time Summer hires in Parks

TRANSPORTATION

Kaufman County



City of Kaufman, County of Kaufman, State of Texas, located 20 minutes SE of Dallas

AIR SERVICE

Nearest Airport:	Terrell Municipal
Runway Length:	5,006 ft.
Runway Surface:	Hard
Lighted:	Yes- Lead in lights
Fuel:	Yes
Instrument Landing System	NDB, GPS
Airport Within 1 Hr.	
International:	DFW International
Regional:	Dallas Love Field
Municipal:	Terrell

BUS SERVICE

City of Kaufman: Fixed Route	Star Transit 6am-6pm
County: Curb to Curb	Star Transit

FREIGHT CARRIERS

Interstate carriers:	2
Intrastate carriers:	2
Highway bus service:	Yes
Overnight courier:	Yes

RAIL SERVICE

Provider:	None
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POPULATION

Year	2010 Census	2000 Census	1990
City	6703	6,490	5,251
10 Mile Radius	38,685	32,071	N/A
County	103,350	71,313	52,220

INCENTIVES

Tax Abatement:	Yes
Cash Grants	Yes
Training Grants	Yes
Below Market Land	Yes
Land Grants	Yes
Infrastructure Grants	Yes
Freeport Exemption:	Yes
Other:	Location incentives, 4A Sales Tax

TAXATION

TAX RATE (PER \$100 ASSESSED VALUE) – May 2016

Kaufman County:	\$0.439122
Kaufman, City:	0.848651
Kaufman ISD:	1.45
Special Districts: College	0.13854
TOTAL:	\$ 2.972603

Municipal Sales Tax:	2%
State Sales Tax:	6-1/4%
Econ. Dev. Sales Tax:	1/4%
Street Maintenance Sales Tax:	1/4%
Other Sales Taxes:	1/2%

WAGE DATA

OCCUPATIONAL TITLE

	Entry Level	Median
Production Classifications:		
Assembler	9.89	13.52
Cutting Machine Setters	11.52	14.77
Chemical Equipment Op	16.86	32.66
Electrician	15.50	22.78
Electronics Assembler	17.71	15.64
Extruding/Forming/pressing	10.71	14.33
Fabric Patternmakers	11.09	18.10
First Line Supervisor	12.04	22.70
Forklift Operator	14.09	10.25
Grinding/Polishing	11.04	14.98
Inspector/Tester/Sorter	11.40	18.52
Janitor	8.57	10.79
Laborer, General	9.75	12.33
Machinist/Related	14.24	20.93
Maintenance, General	11.57	16.58
Mechanic, Maintenance	13.95	16.11
Metal Fabricators	13.64	18.28
Metal Furnace Operators	12.82	18.80
Production/All Other	9.66	13.78
Semiconductor Processor	12.81	16.90
Sewing Machine (Fabric)	8.56	10.81
Truck Driver Light	9.71	14.35
Warehouse Worker	9.79	11.68
Welder, Production	14.71	20.33
Woodworking Machine Op	8.96	12.13
Office, Clerical & Technical:		
Computer Operator	13.54	20.74
Customer Service Rep	10.66	15.05
General Office Clerk	10.26	15.64
Data Entry	11.00	14.20
Secretarial	11.12	16.08
Shipping/Rec. Clerk	10.23	14.33

GOVERNMENT, CITY

Type:	Council-Manager
Number on Council:	7
Municipal Police:	21
Paid Firemen:	6
Volunteers:	25
City Zoning Body:	Yes
Master Plan:	Yes

UTILITIES

ELECTRIC ENERGY	Oncor Electric Delivery
Reliability:	99.9754%
Transmission Voltage:	69 KV 138 KV 345 KV
Service Voltage:	120/208 120/240 240/480 277/480

ELECTRIC ENERGY	Trinity Valley Electric Co-op.
Reliability:	99.50
Transmission Voltage:	138 KV
Service Voltage:	120/208 120/240 240/480 277/480

NATURAL GAS:	ATMOS Energy
BTU Content PCF:	1,027

TELEPHONE SERVICE	Century Link	One Ring
Digital:	Yes	Yes
Analog:	No	No
Electromechanical:	No	No
Make and Model:	Lucent 5ESS	DMS500
Software Level:	N/A	N/A
Fiber Optics:	Yes	Yes
Switched 56 KBPS:	Yes	Yes
High Capacity Digital T-1	Yes	Yes
Digital Data Service:	Yes	Yes
911:	Yes	Yes
Other Network Services:	DSL Broadband internet, caller ID, call forwarding, call waiting, Dallas metro calling, Worldwide long distance, wireless internet service, cloud and data management, 800 services, hosted PBX / VOIP	

WATER SUPPLIER:	City of Kaufman
Source:	North Texas Municipal Water District/Lake Lavon
Max. Capacity (daily):	3,900,000 gallons
Max. Daily Use:	2,800,000 gallons
Pressure on Mains:	50 - 60 PSI
Storage Capacity:	1,500,000 gallons
Size of Mains:	6" - 16"
System Looped:	Yes
Projects Under Const.:	NA

SEWER SYSTEM:	
Type Treatment Plant:	Activated Sludge
Maximum Capacity:	1,200,000 gallons
Max. Daily Use:	850,000 gallons
Projects Under Const.:	NA

EDUCATION

KAUFMAN ISD

Public School Budget: 2017/2018 38,446,754

	Schools	Enrollment
Early Childhood/Head Start	1	462
Elementary:	2	905
Intermediate:	1	1410
Middle/Jr. High:	1	979
High Schools:	2	1167
Kaufman Christian School	1	92

AREA UNIVERSITIES/COLLEGES:

Trinity Valley Community College: campuses in Kaufman, Terrell and Athens

State Industrial Job Training:	Yes
Vocational Program:	Yes

COMMUNITY INFORMATION

HEALTH CARE

Total Hospital Beds in City:	91
Total Doctors in City	26
Dentists:	3

MEDIA

Papers:	1 – daily, 1 – weekly
Radio Stations:	3
TV Stations/TV Cable:	Local/Yes

CHURCHES

Catholic:	1
Protestant:	32

COMMUNITY INFORMATION (cont'd)

RECREATION

Parks:	5
Area Lakes:	4
Country Clubs:	1
Health Centers:	2
Public Golf Courses:	4
Theaters:	0
Tennis Courts:	2
Bed & Breakfast Facilities:	1
Hotel & Motel Rooms:	72
Libraries:	1
Other:	Senior Citizens Center, Sports Complex, Executive Conference Centers, Kaufman County Veterans Memorial Park, Vietnam Memorial Wall of Texas

AREA ATTRACTIONS:

Kaufman County Veterans Memorial Park
Vietnam Memorial Wall of Texas
Historical markers in city limits: 14
City Lake Park: picnic and fishing
Cedar Creek Lake: 15 minutes away
Rusted Rail Golf Course: 8 minutes away
King's Creek Golf Club: 15 minutes away
Cedar Creek Country Club: 15 minutes away

CLIMATE

Annual Average Temperature:	66 F
Mo. Average High Temperature:	83 F
Mo. Average Low Temperature:	40 F
Annual Average Precipitation:	40"
Annual Average Snowfall:	Trace
Elevation:	300' – 500'

FINANCE

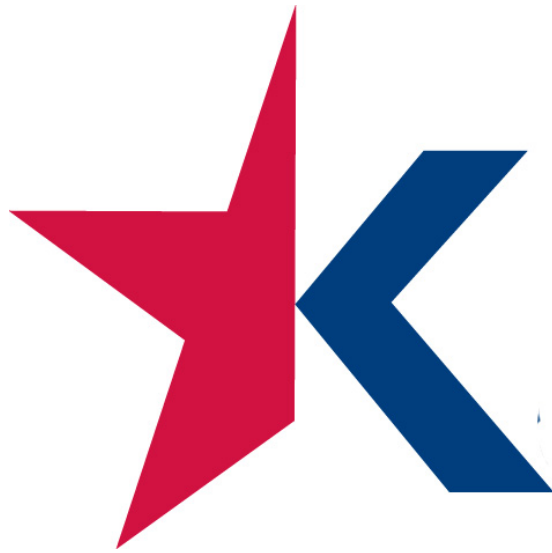
Banks: 3
Credit Union: 1

MANUFACTURERS

EMPLOYER	PRODUCT	EMPLOYEES	UNION AFFILIATION
Advanced Tabco	Stainless steel food service mfg.	170	None
East Texas Wiring	Circuit boards	35	None
Falcon Steel	Fabricated structural metal	143	None
Numo Manufacturing	Promotional items	208	None
Enertech	Assemble Cell Towers	175	None
Pro Line Panel Systems	Exterior wall cladding systems	27	None
Toney Company	Paper towels	5	None
Wilbur Ellis	Pet food	20	None
SUB-TOTAL JOBS			

OTHER MAJOR AREA EMPLOYERS

EMPLOYER	SERVICE	EMPLOYEES	UNION AFFILIATION
Brookshire's	Grocer	76	None
City of Kaufman	Government	67	None
Kaufman County	Government	554	None
Kaufman Healthcare	Nursing Home	44	None
Kaufman ISD	School District	524	None
Sunflower Park	Nursing Home	105	None
Texas Health Presbyterian Hospital	Hospital	200	None
Trinity Valley Electric Co-Op	Utility	157	None
Trinity Valley Health Science Center	College	27	None
Walmart	Retail	300	None
MFG. & MAJOR EMPLOYEES			
TOTAL EMPLOYMENT		2837	



Glossary

Glossary

5 YEAR CAPITAL IMPROVEMENT PLAN (CIP) Plan which involves identification, management, and implementation of projects from the current year to four years into the future.

ACCOUNT A term used to identify an individual asset, liability, expenditure control, revenue control or fund balance.

ACCOUNTING PERIOD A period of time, at the end of which, and for which financial statements are prepared.

ACCOUNTING SYSTEM The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds.

ACCRUAL BASIS A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

ACCRUED EXPENSE Expenses incurred but not due to be paid until a later date.

AD VALOREM TAXES (Current) Local property taxes that are assessed upon tangible property: land, improvements, and inventory.

AD VALOREM TAXES (Delinquent) All taxes are due on receipt of bill and are considered delinquent if not paid prior to February 1 of the fiscal year in which it is imposed.

AD VALOREM TAXES (Penalty and Interest) A delinquent tax incurs a combined penalty and interest of 7% of the amount of the tax for the first calendar month it is delinquent, plus 2% for each additional month or portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

APPRAISED VALUE A value given to an asset for the purpose of taxation. (Property values are established by the County Appraisal District).

ASSESSED VALUATION A value given to an asset for the purpose of taxation. (Property values are established by the County Appraisal District).

APPROPRIATION An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources.

ASSESSED VALUATION A valuation set upon real estate or other property, by a government body, as the basis for levying taxes.

ASSETS Resources, owned or held by a government, which have monetary value.

AUDIT A methodical examination of the utilization of resources. It concluded in a written report of its findings. It is a test of management's accounting system to determine the extent to which internal accounting controls are both available and being enforced.

BALANCE SHEET A basic financial statement which discloses the assets, liabilities, and equities of an entity at a specific date in conformity with Generally Accepted Accounting Principles.

BALANCED An equality between the total of revenues and expenses.

BALANCED BUDGET When the anticipated revenues exceed or equal the anticipated expenditures for a budget period.

BOND A written promise, generally under seal, to pay a specified sum of money called the face value, at a fixed time in the future called the maturity date, and carrying interest at a fixed rate payable periodically. Note: The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality.

BOND COVERAGE A calculation of an entity's ability to meet its principal and interest payments on outstanding bond debt. It is equal to gross revenue, less operating expense, divided by the current interest & principal payment.

BOND FUND A fund used to account for the proceeds of a bond issue. Such proceeds are accounted for in a Capital Projects Fund.

BONDED DEBT That portion of indebtedness represented by outstanding bonds.

BONDS AUTHORIZED AND UNISSUED Bonds which have been legally authorized, but not issued and which can be issued and sold without further authorization. Note: This term should not be confused with the term "margin of borrowing power," or "legal debt margin," either one of which represents the difference between the legal debt limit of a governmental unit and the debt outstanding against it.

BOND ISSUED Bonds sold.

BOND RATING A rating assigned by outside credit rating companies which gives investors an idea of the credit-worthiness of the City.

BUDGET A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary or whether it has been approved by the appropriating body.

BUDGET CALENDAR The schedule of key dates or milestones that the City follows in the preparation, adoption, and administration of the budget.

BUDGET DOCUMENT The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

BUDGETED FUNDS Funds that are planned for certain uses but have not been formally or legally authorized by the legislative body. The budget document that is submitted for Council approval is composed of budgeted funds.

BUDGET MESSAGE A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body.

BUDGET ORDINANCE An official act by the City Council to legally authorize City staff to obligate and expend resources.

BUDGETING (APPROPRIATING) The City prepares its budget in conformity with practices prescribed or permitted by the applicable Statutes of the State of Texas. As prescribed by the Statutes, the City in its budgeting process includes as a resource (amount available for current expenditures), a portion of the fund balance that has been accumulated in prior years. This process minimizes tax levies and utilizes all available resources to the fullest extent.

CAD Central Appraisal District

CAFR Comprehensive Annual Financial Report

CAPITAL BUDGET A plan of proposed capital outlay and the means of financing the specified outlay for the stated fiscal period.

CAPITAL EXPENDITURE Assets with individual cost of more than \$5,000 and estimated useful life in excess of 2 years. Also see Capital Outlay.

CAPITAL IMPROVEMENT Value added to capital property, plant, and equipment.

CAPITAL IMPROVEMENT PLAN A plan of action for the establishment and/or maintenance of the City's infrastructure and other capital investments.

CAPITAL OUTLAY Expenditures which result in the acquisition of or addition to fixed assets.

CAPITAL PROJECTS Established to account for all resources, principally bond proceeds and construction grants, which are used for the acquisition of capital facilities.

CASH BASIS A basis of accounting under which income and expenses are recognized only when cash is actually received or paid out.

CENTRAL APPRAISAL DISTRICT (CAD) A special government district established by state law to appraise and determine fair market values on real property.

CERTIFICATE OF OBLIGATION (CO's) General Obligation Debt issued that is approved by the City Council.

CHART OF ACCOUNTS The classification system used by a City to organize the accounting for various funds.

CITY CHARTER The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

CIP See Capital Improvement Plan.

COMMUNITY SERVICE DIVISION A division within the City that contains all departments that provide quality of life services to the residents of the city.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) The official annual financial report of a government entity which presents revenues, expenses, assets, liabilities, and equity for all entity funds.

CONTINGENCY RESERVE An asset whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the City.

CURRENT TAXES Taxes that are levied and due within the current year.

DEBT SERVICE FUND A fund established to finance and account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEBT SERVICE FUND REQUIREMENTS The amount of revenue which must be provided to the Debt Service Fund so that all principal and interest payments can be made in full on schedule.

DEBT SERVICE REQUIREMENTS The amount of money required to pay the interest on outstanding debt, serial maturities of principal for serial bonds, and required contributions to a Debt Service Fund for term bonds.

DEFICIT The excess of liabilities of a fund over its assets, or the excess of expenditures over revenues during a specified accounting period. For enterprise funds, it is the excess of expenses over income during the accounting period.

DELINQUENT TAXES Taxes that are unpaid on and after the date on which a penalty for non-payment is assessed.

DEPARTMENT A unit of the City organization. All Departments report to one of the eleven Divisions.

DEPRECIATION Decline in value of an asset spread over its economic life. Depreciation includes deterioration from use, age, and exposure to the elements, as well as decline in value caused by obsolescence, loss of usefulness, and the availability of newer and more efficient means of serving the same purpose.

DISBURSEMENTS The paying out of money to satisfy a debt or an expense.

DIVISION The City Departments are divided among eleven Divisions that report directly to the City manager.

EFFECTIVE TAX RATE The effective tax rate is the tax rate required to produce the same amount of taxes for the current year as the previous year. The rate is calculated by subtracting taxes on property lost this year from the prior year's taxes total. This number is divided by the current value of property taxed in the prior year. Multiplying this number by 100 will produce the effective tax rate.

ENCUMBRANCE A recorded expenditure commitment representing a contract to purchase goods or services.

ENHANCEMENTS Newly requested budgeted amounts that will result in a new or expanded level or service over the previous year.

ENTERPRISE FUND A fund established to finance and account for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general

public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Examples of Enterprise Funds are those funds created for water and sewer utilities, airports, and solid waste services.

ETJ The Extra-Territorial Jurisdiction is the contiguous area just beyond the city limits where a city may apply its development standards and regulations.

EXPENDITURES If the accounts are kept on the accrual basis, this term designates total charges incurred, whether paid or unpaid. This includes expenses and a provision for retirement of debt not reported as a liability of the fund from which retired, as well as capital outlay. If they are kept on the cash basis, the term covers only actual disbursements for these purposes. Note: Encumbrances are not considered expenditures.

EXPENSES Charges incurred, whether paid or unpaid for operation, maintenance, interest and other charges which are presumed to benefit the current fiscal period. Note: Legal provisions sometimes make it necessary to treat as an expense, charges whose benefits extend over several periods.

FEMA Federal Emergency Management Association.

FISCAL PERIOD Any period at the end of which a governmental unit determines its financial condition, the results of its operations and closes its books. Note: It is usually a year, though not necessarily a calendar year.

FISCAL YEAR A twelve-month period of time to which the annual budget applies and at the end of which a city determines its financial position and results of operations.

FIXED ASSETS Assets of long-term character in which the intent is to continue to hold or use an asset such as land, buildings, machinery, furniture and other equipment for a long term period. Note: The term does not indicate the immobility of an asset, which is the distinctive characteristic of "fixture."

FIXED CHARGES Those amounts that are considered more or less fixed. Examples are interest, insurance and contributions to Pension Funds.

FOUR (4) B FUND Fund used to account for the proceeds of the 4B Sales Tax.

FOUR (4) B SALES TAX An amendment to state law in 1989 that allows Texas cities, if approved by their voters, to impose an additional sales tax, from 1/8 to 1 cent, to raise funds for economic development projects and/or quality of life issues such as parks, stadiums, and swimming pools.

FRANCHISE FEE A fee paid by public service utilities for use of the public right-of-way or other public property in providing their services to the citizens of the community.

FULL-TIME EQUIVALENT This refers to the numeric breakdown of city positions. A regular full-time employee (40 hours per week) equals one (1.0) full-time equivalent. Part-time positions are calculated as 0.5 full-time equivalents, and seasonal staff positions are considered 0.25 full-time equivalents.

FUNCTION A group of related activities aimed at accomplishing a major service or regulatory program for which the City is responsible. For example, public safety is a function.

FUND An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

FUND ACCOUNTS All accounts necessary to set forth the financial operations and financial condition of a fund. Note: Sometimes the term is used to denote budgetary accounts as distinguished from proprietary accounts, but such usage is not recommended.

FUND BALANCE The cumulative excess of revenues over/under expenditures in a fund at a point in time. Also defined as the difference between assets and liabilities.

GAAP Generally Accepted Accounting Principles

GAO General Accounting Office

GASB Government Accounting Standards Board

GENERAL FUND The fund that is available for any legal authorized purpose and which is therefore used to account for all revenues and all activities except those required to be accounted for in another fund. The General Fund is used to finance the ordinary operations of a governmental unit.

GENERAL DEBT SERVICE FUND Fund used to manage debt acquired by the General Fund.

GENERAL OBLIGATION BONDS A debt instrument of the city for whose payments the full faith and credit of the issuing body is pledged. More commonly, but not necessarily, general obligation bonds are considered to be those payable from taxes and other general revenues.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) Uniform minimum standards of and guidelines for financial accounting and reporting. These principles: govern the form and content of the basic financial statements of an entity; encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time; include not only broad guidelines of general application, but also detailed practices and procedures; and, provide a standard by which to measure financial presentations.

GFOA Government Finance Officers Association

GOAL A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given period.

GOVERNMENTAL ACCOUNTING A type of accounting using different funds to analyze, record, and summarize the financial transactions of governmental units and agencies.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB) A non-profit organization responsible for establishing & improving accounting & financial reporting standards for governmental units.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) Professional association of finance officers dedicated to the sound management of government financial resources.

GOVERNMENTAL FUNDS Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GRANT A contribution of an asset from one governmental agency to another. The contribution is usually made to aid in the support of a specified function (for example, education), but it is sometimes also for general purposes.

HOMESTEAD EXEMPTION A deduction from the total taxable assessed value of owner-occupied property.

HOTEL/MOTEL OCCUPANCY TAX A seven (7) percent charge levied against the occupants of local Hotels and Motels.

HOTEL/MOTEL OCCUPANCY FUND Fund used to account for the proceeds of the Hotel/Motel Occupancy Tax.

HOT Hotel Occupancy Tax

HUD Housing & Urban Development

HOUSING & URBAN DEVELOPMENT US Government Agency whose mission is to increase home ownership, support community development, and increase access to affordable housing.

HUD FUND Fund used to account for, and administer the grant revenue from HUD.

I&I Inflow and infiltration occurs when groundwater and/or storm water flows into the wastewater collection system through cracked sewer pipes or leaky manholes.

I&S Interest and Sinking. That portion of the tax rate that is levied to pay General Obligation Bonds debt service.

INCOME This term is used in accounting for governmental enterprises and represents the excess of the revenues earned over the expenses incurred in carrying on particular phases of an enterprise's activities. As indicated elsewhere, the excess of the total revenues over the total expenses of the enterprise for a particular accounting period is called "net income".

INTEREST A charge for borrowing money; usually a percentage of the outstanding principal over a specified period of time.

INTEREST EXPENSE Charges incurred as a cost of borrowing funds.

INFRASTRUCTURE Long-lived capital assets that are normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

INTERNAL SERVICE FUND A fund established to finance and account for services and commodities furnished by a designated department or agency to other departments or agencies within a single governmental unit or to other governmental units. Amounts expended by the fund are restored thereto, either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact.

INVENTORY LIST A detailed list showing quantities, descriptions, and values of property, units of measure, and unit prices. Note: The term is often confined to consumable supplies, but may also cover fixed assets.

INVENTORY OF SUPPLIES The cost value of supplies on hand.

INVESTMENTS Securities and real estate held for the production of income usually in the form of interests, dividends, rentals, or lease payments. The term does not include fixed assets used in City operations.

LAND A fixed asset account which reflects the value of land owned by a governmental unit. If land is purchased, this account shows the purchase price and costs such as legal fees, filing and excavation costs, and the likes which are incurred to put the land in condition for its intended use. If land is acquired by gift, the account reflects the estimated fair market value at the time of acquisition.

LEASED EQUIPMENT FUND Fund used to account for proceeds reserved for the replacement of capital equipment.

LEGAL DEBT MARGIN The difference between legal debt limit of a governmental entity and the debt outstanding against it.

LEVY (Verb) to impose taxes, special assessments, or special charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or special charges imposed by a government.

LIABILITIES Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

LINE ITEM A specific program end item with its own identity.

LONG-TERM DEBT Debt with a maturity of more than one year after the date of issuance.

M&O Maintenance and operation. That portion of the tax rate that is levied for the general operation of the government.

MARGIN OF BORROWING POWER The difference between legal debt limit of a governmental entity and the debt outstanding against it.

MODIFIED ACCRUAL ACCOUNTING The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under this basis of accounting, revenues are recognized when they become both "measureable" and "available to pay expenditures within the current period." Expenditures are recognized when the related fund liability is incurred except for: (1) inventories of materials and supplies and items for re-sale which may be considered expenditures either when purchased or when used or sold; (2) prepaid insurance and similar items; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; and (4) principal and interest on long-term debt which are generally recognized when due.

NCTCOG North Central Texas Council of Governments

NEAT Neighborhood Enhancement Action Team.

NEIGHBORHOOD ENHANCEMENT ACTION TEAM is designed to enhance the quality of neighborhoods through the concentrated delivery of services and programs provided by the City through raising awareness of codes, zoning ordinances, providing information on accessing city services and promoting clean and safe neighborhoods.

NON-OPERATING Income of a governmental enterprise which is not derived from the operation of such enterprises. Examples are interest on investments or on bank deposits.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) a voluntary association of, by and for local governments, and was established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions.

OBJECT As used in expenditure classification, this term applies to a more specific arrangement of expenditures for services or commodities purchased. An example would be salaries, retirement contributions, or social security accounts. As used in revenue classifications, this term applies to a more specific arrangement of revenue sources; for example, ad valorem taxes, building permits, general sales and use tax, hotel/motel occupancy tax, etc.

OBJECTIVE Desired output oriented accomplishments which can be measured and achieved within a given time frame. Achievement of the objective advances the activity and organization toward a corresponding goal.

OPERATING (1) As used in the accounts of governmental enterprises of a business character, the term means such costs as are necessary for the maintenance of the enterprises, the rendering of services for which the enterprise is operated, the sale of merchandise, the production and disposition of commodities produced and the collection of the revenues. (2) The term is sometimes used to describe expenses for general governmental purposes.

OPERATING BUDGET The budget that pertains to daily operations which provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, fuel, and capital equipment.

OPERATING EXPENSES Cost of day-to-day operations such as wages, maintenance, office supplies, etc.

OPERATING INCOME Operating revenue less operating expenses that are applied to the daily operating activities of the entity.

OPERATING REVENUE Revenue earned from the day-to-day operations of the entity.

ORDINANCE A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PER CAPITA COSTS The cost of service per person. Per capita costs are based on a population estimate provided of 29,500 by the North Texas Council of Governments.

PERFORMANCE MEASURES Quantitative measure of a program's effectiveness or efficiency. Often used in conjunction with workload measures to evaluate and revise resource allocation strategies.

PRINCIPAL The amount of funds borrowed, or the part of the amount borrowed which remains unpaid.

PROGRAM A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible.

PROJECT Discrete tasks accomplished by Departments on a one-time basis.

PROPERTY TAXES Taxes levied on both real and personal property according to the property's valuation and tax rate. It describes all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes.

PROPRIETARY FUNDS Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

RECEIPTS Cash received.

RESERVE (or Projection Reserve) An account used to earmark a portion of a fund balance to indicate that it is not appropriate for expenditures or an account used to earmark a portion of fund equity as legally use.

REVENUE The taxes, fees, or other monetary resources that the City collects and receives into the treasury for public use. For those revenues which are recorded on the accrual basis, this term designates additions to assets which: (a) do not increase any liability (b) do not represent the recovery of an expenditure (c) do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets, and (d) do not represent contributions of fund capital in enterprise and internal service funds. The same definition applies to those cases where revenues are recorded on the modified accrual or cash basis, except that additions would be partially or entirely recorded to cash.

REVENUE BONDS Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source prior to issuance.

ROYALTY A share of a product or profit (as of a gas or oil well) received by the owner for allowing another person or business to use the property.

SALES TAX A general "sales tax" is levied on all persons and businesses selling merchandise in the City limits on a retail basis. The current sales tax rate for the City is 8.25% (1/2 Economic Development, 1 1/2% to City of RO, and 6 1/4% to State of Texas).

SELF-SUPPORTED DEBT Debt that has a specified revenue source, other than ad valorem taxes, which will be used to support the entire debt.

SERVICE CHARGES A fee paid for the use of a particular service. The fee can be a standard amount such as an admission to the swimming pool or a charge based on consumption such as water charges per 1,000 gallons.

SPECIAL REVENUE FUND A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes. An example is the Child Safety Fund, which restricts expenditures to child safety programs and municipal school crossing guard programs.

STREET MAINTENANCE FUND A fund used to repair and maintain existing city streets and sidewalks.

SURPLUS The excess of the assets of a fund over its liabilities; or if the fund has other resources and obligations, the excess of resources over the obligations. The term should not be used without a properly descriptive adjective unless its meaning is apparent from the context. See also Fund Balance.

TAX ABATEMENT The full or partial exemption from ad valorem taxes of eligible properties in a reinvestment zone designated as such for economic development purposes.

TAX BASE The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board. The tax base represents net value after all exemptions.

TAX INCREMENT FINANCING DISTRICT (TIF) A district created to fund infrastructure improvements (streets, water and sewer lines, etc.) in our city that allows for the incremental ad valorem tax to be set aside to pay for those improvements. Creating a TIF district would allow the City to use property tax money from the new district to make infrastructure improvements to that area.

TAX INCREMENT FINANCING ZONE (TIRZ) See Tax Increment Financing District

TAX LEVY See Levy.

TAX RATE The amount of tax levied for each \$100 of assessed valuation. The maximum tax rate shall not exceed \$2.50 per \$100 of assessed value of real and personal property. Total tax rate is set by Council and is made up of two components: debt service and operations rates.

TAX ROLL The official list showing the amount of taxes levied against each taxpayer or property.

TAXES Compulsory charges levied by a governmental unit for the purpose of financing services performed for common benefit. Note: The term does not include specific charges made against particular persons or property for current or permanent benefits such as a special assessment. Neither does the term include charges. For example, licenses and permits.

TCEQ Texas Commission on Environmental Quality

TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS) The retirement system for the employees of the City. TMRS was established in 1948 and administer and manages funds in accordance with the Texas Municipal Retirement System Act (Texas Government Code, Title 8, Subtitle G).

TMRS Texas Municipal Retirement System

TRANSFERS Amounts transferred from one fund to another to assist in financing the services, programs, or to reimburse the recipient fund for services rendered.

TRIAL BALANCE A list of the balances and the accounts in a ledger kept by double entry with the debit and credit balances shown in separate columns. If the totals of the debit and credit columns are equal or their net balance agrees with a control account, the ledger from which the figures are taken is said to be "in balance".

TxDOT Texas Department of Transportation

UNENCUMBERED The amount of undesignated funds that is available for allocation for any purpose.

UNRESERVED FUND BALANCE A measure of financial resources set aside and unencumbered to mitigate current and future risks.

USER CHARGES The payment of a fee for the direct receipt of a public service by the party benefiting from the service.

WORKING CAPITAL An amount of funds that is calculated as the excess of current assets over current liabilities.