

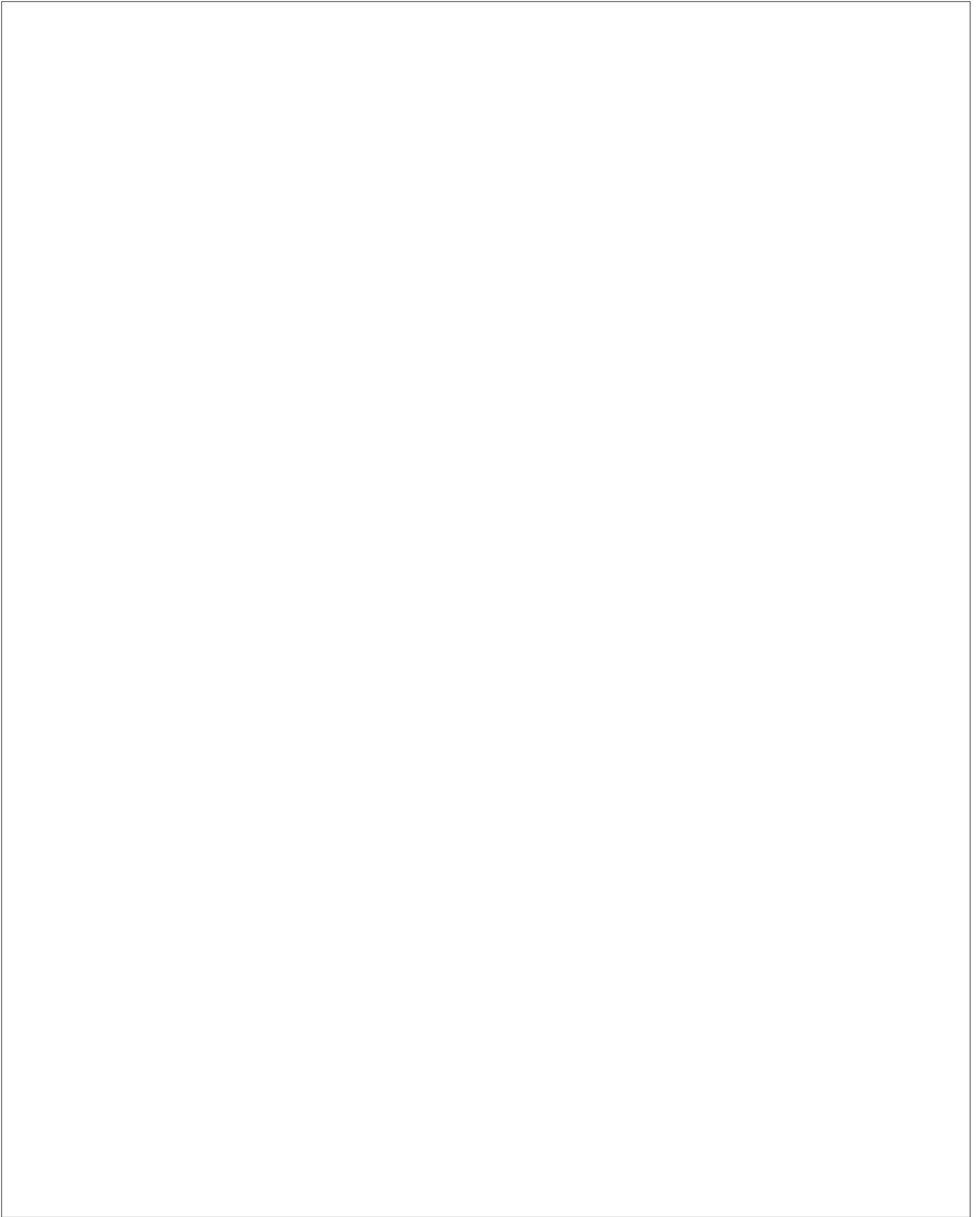


# 2007

BUSINESS PLAN



K A U F M A N T E X A S





**Elected Officials**

Paula Bacon, Mayor

Lonnie Bounds, Mayor Pro-Tem

Council Members

Floyd Choyce

Gil Altom Jr.

Jeff Council

William Fortner

Barry Ratcliffe

**Appointed Officials**

Curtis Snow, City Manager

Jo Ann Talbot, Assistant City Manager/City Secretary

James Michael Smith, Chief of Police

Eddie Brown, Fire Chief

Richard Underwood, Public Works Director

Terry Capehart, Planning Director

Cathy Cummins, Finance Director

David Dodd, City Attorney

Jon G. Burt, Municipal Judge

# 2007 BUSINESS PLAN



K A U F M A N T E X A S

City of Kaufman  
209 South Washington Street  
Kaufman, Texas 75142  
972.932.2216  
972.962.5321 (Metro)

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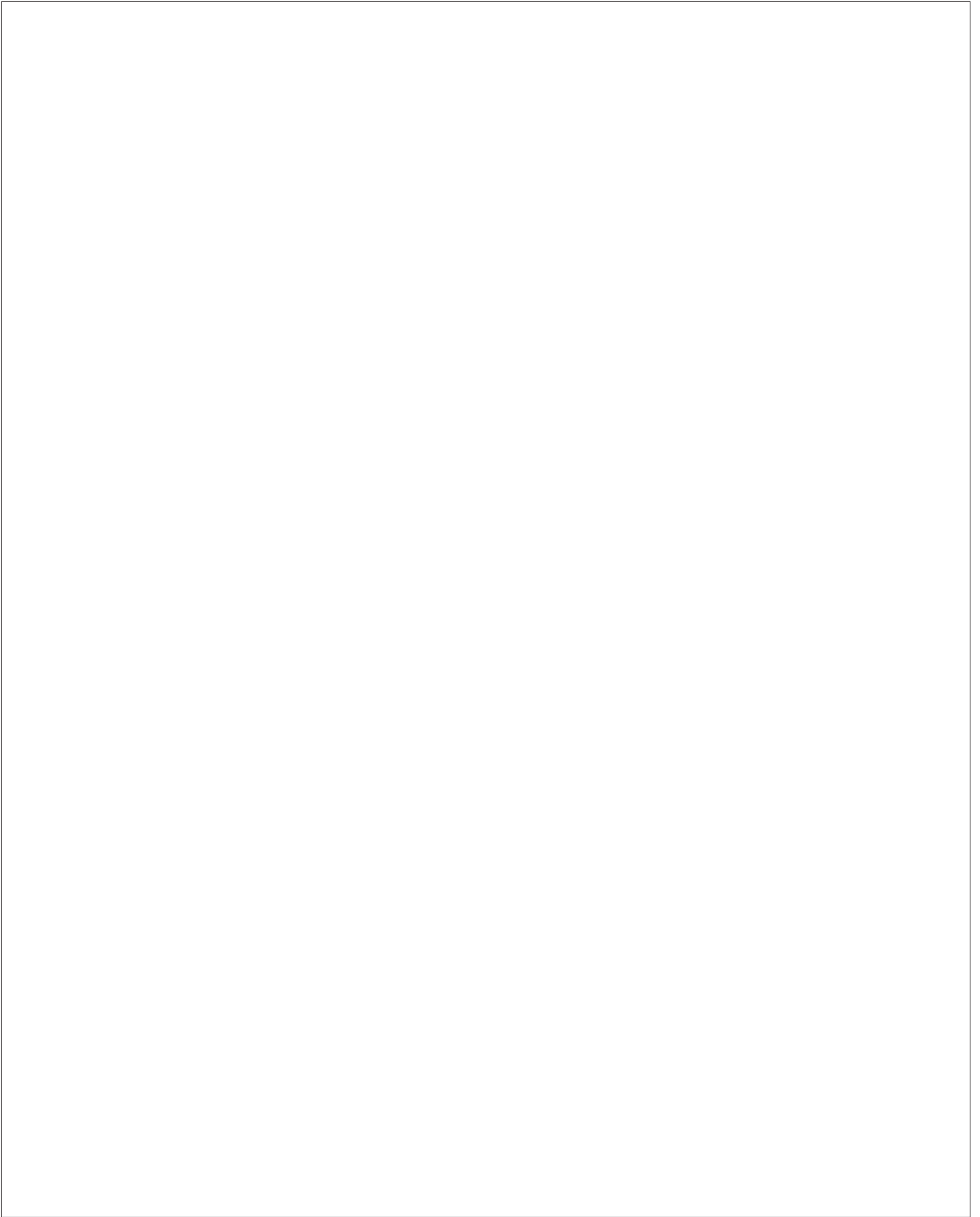
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K A U F M A N T E X A S





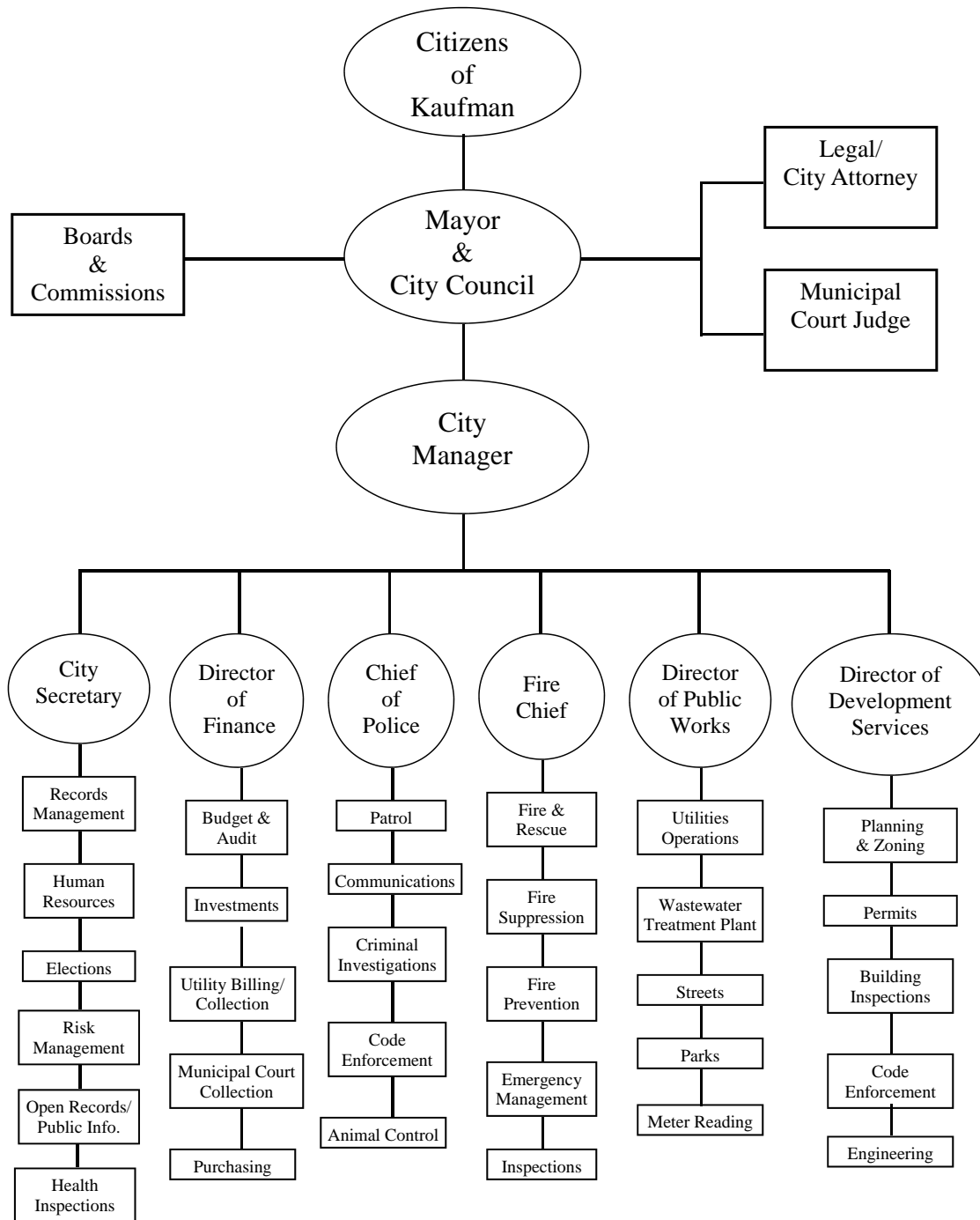
# 2007

GENERAL INFORMATION



K A U F M A N T E X A S

# City of Kaufman Organizational Flow Chart







October 1, 2006

Dear Mayor and Council,

We respectfully submit for your consideration the Fiscal Year 2006-2007 Business Plan and Operating Budget for the City of Kaufman. The budget is set in the context of the goals the Council has set in their strategic planning process; the limitations of our local economy; and the continuing effort of staff to perfect good management practices, i.e. provide the best services at least cost.

In order for you and the public to better understand what this budget is attempting to achieve, this submittal letter is framed in three parts. First is a capsulation of the goals City Council set for itself in the annual strategic planning retreat. Then there is a description of what has happened in the current year and what effect it will have on next year. Third, there will be a description of the costs of the proposed budget and what revenues will be necessary to fund them. Last, we will highlight the capital requests and new programs we suggest to continually move the City forward.

City Council Strategic Goals

The Council goals are as follows:

- To investigate the Wi-Five Internet business for the near future.
- Develop a 10-year Plan for streets, curbs and storm drainage and sidewalks, including a financial plan over the 10 years. (Staff report to City Council August 2006).
- To address the Police Department's appearance overall (improve performance and the way they represent the City). Start discussion with the County Sheriff regarding the use of the Kaufman County Jail for prisoners. Investigate County rates; report on how many prisoners are transferred to the County yearly and report on how many prisoners does the City hold in the City's jail facility yearly.
  - Highway 34 Realignment starting at Highway 175 (erect overpass bridge) and extend to Highway 34 and Highway 243 within the next three years. This would decrease traffic congestion, reduce potential hazard trucks and/or oversized loads in the Central Business District and would improve school safety. (Obtain information at the next meeting).
  - Develop a Policy for Tax Abatement specifically for Washington Street Corridor. Identify number of properties and have 30% completed in five (5) years, with an option to extend abatement. Tax abatement for retail businesses and residential if allowed by law. (Report by October 2006)
  - Expand Medical Industry - Trinity Valley Community College Nursing School, expansion of program and expand student population by 30% over a seven-year period.
  - Farmers Market - look at City's property next to City Hall. (within 18 months)
  - Sports Complex - consider fees for tournaments, annual vehicle stickers and/or

parking fees and that the city contracts the concession stand.

City Manager Curtis Snow suggested the KEDC to hire a Consultant for a Professional Market Study in order to receive data to know what approach the City needs to take in order to acquire commercial and retail businesses to Kaufman.

#### This Year

The current fiscal year has had its ups and downs. On the expense side, fuel and electricity costs have grown considerably. Immediately after this budget was adopted, CAPP, the organization that negotiates our electric contracts advised us to expect 50% increases in electricity costs. We budgeted to spend \$304,700 in electricity this year. This increase put us over budget by \$97,000. Electricity costs are not something we can easily cut back on without major capital investment.

Like everyone else, the City is experiencing the steady growth in fuel costs. We expected to spend \$62,070 this year in fuel. Now it is more likely going to cost us \$70,122. That will put us \$8,000 over budget. But fuel is also having an impact in other areas, like the cost of asphalt (which is another petroleum product.) We expected to spend \$300,000 in resurfacing and another \$55,000 in pothole patching and road repair. Now it looks like we will be \$17,000 over.

But we have managed to find ways to cut back, reducing travel, postponing some of our planning activities and eliminating some capital items like the monument sign in front of City Hall. All in all, we budgeted to spend \$6,516,283 this year and it now looks like we will spend more like \$5,116,569.

On the revenue side, we have seen more increases than declines. Even though we saw real growth in the sales tax in the early part of the year, it is now starting to taper off. Still we will see \$70,000 more in sales tax than budgeted.

Our franchise fees also came in above budget. We collected \$22,000 more than budgeted. This is primarily due to one-time settlement payments from the utility companies over disputes.

We also anticipate increased sales in sewer and water services this year. We anticipate ending the year with \$133,000 more in sales than budgeted.

The net of revenues over expenses in our operating budget, in spite of the downturns, is going to be \$6,462. That is real good compared to the \$445,912 we anticipated in consuming in excess fund balances.

Excess fund balances are the cash we have on hand that is above our designated reserves and our operating reserves. Designated reserves are money set aside for specific projects. Operating reserves are cash we set aside for the General Fund and the Utility Fund that will pay for three months maintenance and operations to cover unanticipated revenue shortfalls and emergencies.

All in all, we have had a real positive impact on our fund balances which gives us more room to make progress in next year's budget. We thought we were going to end up with \$1,003,383 in excess fund balances last year, and the current budget called for using \$445,912 of it to fund this year's programs. That would leave us \$557,383 in excess fund balances.

Now it looks like we ended the year last year much better than projected. We added another \$219,460 to the fund balance and we are only going to use \$6,462 this year rather than the \$445,912 planned. That will leave us \$1,222,755 in excess fund balances at the end of this year rather than the \$557,383 budgeted.

#### Next Year

For the Fiscal Year 2006-2007, staff proposes that we budget \$7,787,075 in expenses with \$6,235,247 in revenues and the use of \$315,653 in excess reserves to cover the costs. Also, there is a provision for \$1,140,000 in certificates of obligation to improve the water towers and

purchase a fire truck. These operating expenses are 19.5% above the current year budgeted expenses. If you take out the fire truck and the improvements to the two water towers, our expenses will be \$6,647,075 or \$130,792 more than this year. That would be a 2% increase.

General Fund

Goals.

- Keep funding of streets at \$300,000 by drawing \$100,000 from excess reserves.

Council has asked staff to develop a ten year plan for streets that will bring our city streets up to today's standards. This planning effort will take little resources other than staff resources. In the mean time, it will be necessary to maintain a funding level of \$300,000 to protect existing streets that have a good base. Streets that will need reconstruction will be delayed until the ten year plan is complete and approved.

- Revise land use plan and subdivision regulations for \$40,000.

The City Council, Steering Committee and Planning Commission have spent the last two years revising the Zoning Ordinance. Staff is recommending using a consultant to revise the complex Subdivision Regulations with an updated Land Use Plan. A consultant should be used because of the complexity and the time constraints we are facing with eminent growth.

- Replace Fire pumper with Quint to add aerial capability for \$525,000. Requires debt issue.

Staff recommends replacing a fifteen year old pumper truck with a "Quint." We can move the pumper into reserve or sell it. That option is still being analyzed. The reason for a "Quint" is that it can still function as a pumper to give us a two pumper response that we need for most calls and give us an aerial capability that we never had. Aerial tactics become more important as the downtown continues to age and even more importantly, it will be needed for large square footage buildings like a Wal Mart. Even though they are sprinkled, if a large fire fight is required, water has to be applied from the top.

- Replace phone system for \$25,000.

The existing phone system is antiquated and replacement parts are becoming rare. The configuration of the existing phone system does not meet today's needs. We have the employees in the Finance Department answering every call that comes into City Hall, disrupting their work flow. A modern system would allow for multiple answering points and back up answering points.

- Beautification project on 175 for \$20,000.

The City has started in the current year an effort to beautify the intersection of 175 and Washington. We are in the design phase. TxDot is providing the design. Next year we should have a grant from TxDOT for construction. With the \$37,000 from the Kaufman Industrial Foundation, this \$20,000 will be used as match for the grant.

- Mowing equipment for \$39,000.

The Public Works Department requested an additional employee for park maintenance. This new equipment will increase the productivity of the existing employees with the hope of forgoing the need for an additional employee at this time.

Expenses. The General Fund has planned expenditures of \$4,363,530. This compares to the current year's budgeted expenditures of \$3,501,876. That is an \$861,654 increase or 24.6%. Without the \$525,000 for the new fire truck, which will be paid for through bonds, the increase is only \$336,654 or a 9.6% increase. \$136,000 of this increase is listed above as "one time" expenditures for studies, a grant and special equipment. Without these projects, the increase will only be \$200,154 or 5.7% increase. This is a modest increase when you take into account a \$70,000 increase in electricity, fuel and asphalt costs in the General Fund alone. There is also another \$70,000 increase for a 4% employee increase.

Revenues. The existing revenues available to fund this General Fund Budget total

\$3,500,355. This is a \$338,982 increase or 11% over the current year. Most of this gain is through growth in total assessed valuation and sales tax revenues. We can expect a \$253,000 increase in sales and property tax revenues. Interest from investments is climbing another \$43,000. Trash revenues are up but that is a pass through to IESI for the fuel surcharge. However, we can expect another \$25,000 from the settlement on our gas franchise fees.

There is no request for an increase in the tax rate (nor can staff recommend decreasing it and meet the challenges ahead.) In fact, there is no request for any increase in fees in the General Fund. However, inspection cost has increased significantly and that will be visited during the next fiscal year.

Fund Balances. In the current year, the City budgeted to use \$415,138 of available fund balances to balance the General Fund budget. Because of conservative budgeting, unanticipated revenues and adjustments made through the year, it appears we are going to add \$100,478 to the available fund balances. This puts the City in an even better place for next year.

To compound the positive, last year when we prepared the budget, the City was expected to have \$1,720,317 in designated reserves and excess reserves. It turned out we had \$1,956,919.

In sum, when you add the \$415,000 that we planned to spend to the \$100,478 we added to the balances, plus another \$236,000 saved from the year before, instead of having \$282,906 available in the reserves (excess reserves), the City should start with \$858,864.

Therefore, the necessary \$328,425 to balance this budget is readily available in excess fund balances. \$150,000 of this use of fund balances is for increasing the annual level of maintenance of streets to \$300,000. We can do this for two or three years until we see real revenue growth through new development.

The remainder use of fund balances is for one-time projects and capital replacement. This is a good use of excess fund balances.

Conclusion. The General Fund budget calls for \$4,363,530 in expenses and is covered by \$3,500,355 in revenues from existing resources and \$328,425 in fund reserves. This budget does not call for any tax rate increase or any other fee increases. With this budget we will start making inroads on street maintenance, beautification, and improved service to the public and systemic improvements in the management of the City.

#### Water & Sewer Fund

##### Goals.

- Undertake long deferred improvements to both water towers for \$615,000.
- Replace wore out capital assets at the wastewater plant for \$17,500.
- Miscellaneous equipment for the distribution and collection crews.

Expenses. The Water and Sewer Fund has planned expenditures of \$3,162,078. This compares to the current year's budgeted expenditures of \$2,622,971. That is a \$539,107 increase or 20%. Without the \$615,000 for the improvements to the water towers, which will be paid for through bonds, this budget is \$75,893 less than this year's budget. There is an \$85,000 increase in electricity and a \$37,000 increase in the cost of water from NTMWD. We have increased maintenance efforts by \$35,000 due to budget overruns in the current year for failed essential equipment (pumps and electric motors.) There is also another \$25,000 increase for a 4% employee increase to employees in the Sewer and Water Fund.

One aspect of the budget that gives an inaccurate perception of the difference in this budget to the current year's is the elimination of the line item for depreciation (\$450,000) and adding the line item for a principle payment toward outstanding debt (\$400,330.) In the past, the City always budgeted depreciation and an interest payment. That makes sense in a financial statement because a principal payment on debt is a conversion of a cash asset to a fixed asset, but a municipal budget is an appropriation ordinance by charter and state

law. Making a \$400,000 debt payment from funds budgeted as depreciation is not as clear as the method chosen for this budget.

Revenues. The existing revenues available to fund this Water and Sewer Fund Budget total \$2,529,600. This is a \$162,025 increase or 7% over the current year. Most of this gain is through the second of three 3% steps in water rates budgeted this year and passing through the rate increase placed on North Texas Municipal Water District customers. These increases produce \$115,600. Existing sewer rates will generate another \$27,000 and interest in investments will produce an additional \$12,000.

To fund improvements to the water towers, it will be necessary to issue \$615,000 in certificates of obligation. This will create future debt payments of approximately \$75,000 a year.

Fund Balances. In the current year, the City budgeted to use \$1,256 of available fund balances to balance the budget. Because of conservative budgeting, unanticipated revenues and adjustments made through the year, it appears we are going to add \$106,620 to the available fund balances. This puts the City in an even better place for next year.

This budget for the Sewer and Water Fund proposes to use \$17,478 in fund reserves. With the available excess reserves of \$312,200, it is an acceptable draw down.

Conclusion. The Water and Sewer Fund budget calls for \$3,162,078 in expenses and is covered by \$2,529,600 in revenues from existing resources, \$614,000 in certificates of obligation and \$17,478 in fund reserves. This budget also incorporates a 3% increase in water rates for operations and maintenance and another \$.05 per thousand applied by North Texas Municipal Water District. Sewer rates remain the same.

#### Capital Projects and New Programs

There is \$1.5 million budgeted for capital projects and new programs. This is substantially higher than the current year, but this budget will move the community forward in meeting the anticipated demand of growth. Some of the programs are renovating or replacing existing resources to bring them up to standard. Other programs are system improvements to more effectively serve the community.

#### Administration

Replacement Computer Monitors - \$800

Old monitors have lost focus and need replacing.

#### Facilities Management

Replace Phone System - \$25,000

This existing phone system is undependable. Replacement parts are difficult to locate.

The existing system is not configured to decentralize phone processes so call taking will be less disruptive to the Finance Department.

#### Municipal Court

Office Equipment - \$2,100

Minor replacement equipment for worn out existing resources. New camera for booking area.

#### Finance Department

Replace Printer - \$1,500

Existing printers are worn out.

#### Planning

Land Use Plan & Subdivision Ordinance Update - \$40,000

The City is just completing a revision of the Zoning Ordinance. With growth coming to the City's edge, it is important that the community prepare itself with a uniform focus on how the new development will impact Kaufman. Re-affirming the Land Use Plan, establishing in policy new development standards and looking at the Thoroughfare Plan are essential to smart growth.

#### Police

Equipment & Improvements to Entrance - \$4,900  
 Minor equipment replacement and improvements to the area in front of Dispatch.

Fire  
 Replace Pumper Truck - \$525,000

The oldest City owned pumper is fifteen years old. Rather than replace the pumper and face the question of a new aerial truck in our near future, it would be more cost effective to combine the function of a pumper with the capability to fight fires from an aerial. This kind of a vehicle is called a Quint (five functions). A new pumper would cost approximately \$325,000 and an aerial truck will cost over \$500,000. Staff estimates a Quint will cost \$525,000.

Street  
 30 Key Diesel Pump - \$13,480

The existing pump has to be replaced. There is a need to build retention barriers in the event of a spill. Gasoline is controlled through a key system. There are no controls on the diesel pumps. This replacement will meet TCEQ requirements and give Public Works more control over diesel fuel use.

Replace Dump Truck - \$50,000

This truck will replace a 1988 dump truck.

Street Overlay - \$100,000

It is imperative to keep the street improvement program at the \$300,000 level until a more precise plan can be developed. \$300,000 per year will keep the existing sound streets in good condition. Reconstruction will be incorporated into the new plan this year. To maintain the \$300,000 level, \$100,000 will have to come from reserves. Last year we budgeted \$150,000 and combined it with the \$150,000 budgeted but not spent in the previous year. This budget proposes \$200,000 out of operating funds supplemented with \$100,000 from reserves.

Highway 175 Landscaping - \$20,000

The City has begun working with the Chamber and TxDOT on designing a landscaping program for the intersection of Washington Street and Highway 175. The construction should take place in the next budget year. The Kaufman Industrial Foundation, through the Chamber will provide \$37,000 in match money for the grant and the City will make up any difference required. The exact cost of the project is not known at this time but there are allowances for a "soft" match through our commitment to keep the property maintained.

Parks  
 New Mowing Equipment - \$38,500

To meet the increasing demand on maintenance of green space, rather than add personnel, staff is recommending purchasing a tractor and out-sized mower to cover more area in a shorter period.

Replace Truck - \$17,400

Replace a 1990 Dodge with 113,145 miles.

Water  
 Improve Water Towers - \$615,000

This project will be paid for through borrowing. The tanks have not had any major maintenance performed on them in over twenty years. These improvements are past due.

Sewer  
 Replace Roof - \$7,500

The existing roof at the wastewater treatment plant is over 23 years old.

Replace Aerator - \$10,000

The aerator being replaced is 14 years old.

We want to thank the City Council for considering this business plan and hope that staff's recommended strategic use of resources reflects the goals Council has set for the City over the next eighteen months. When the Business Plan is adopted, the citizens will recognize

that Kaufman has direction and the City will manage our future growth in a manner that will benefit all.

Respectfully,

Curtis Snow  
City Manager

**ORDINANCE O-10-06**

**AN ORDINANCE ADOPTING THE ANNUAL PROGRAM OF SERVICES (BUDGET) FOR THE CITY OF KAUFMAN, TEXAS, AND A REVISED JOB CLASSIFICATION PLAN FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2006 AND ENDING ON SEPTEMBER 30, 2007.**

**WHEREAS**, notice of a public hearing on the budget for the City of Kaufman, Texas for the fiscal year 2006-2007, was heretofore published at least ten (10) days in advance of said public hearing; and

**WHEREAS**, a public hearing on the said annual program of services (budget) was duly held on September 18, 2006, and all interested persons were given an opportunity to be heard for or against any item thereof;

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

**SECTION 1.** That the City Council hereby appropriates from available resources to the following funds:

General Fund	\$	4,401,779.00
Water/WWT Fund	\$	3,160,184.00
Debt Service Fund	\$	173,292.00
Police Forfeiture Fund	\$	9,100.00
Hotel/Motel Tourism Fund	\$	<u>88,175.00</u>
Total	\$	7,832,530.00

**SECTION 2.** That the City Manager is hereby authorized to transfer contingencies in case of unforeseen items of expenditures as provided by the City Charter of the City of Kaufman, Texas Section 7.08.

**SECTION 3.** That the City Manager shall cause copies of the budget to be filed with the City Secretary and County Clerk of Kaufman County.

**SECTION 4.** That this ordinance shall become effective immediately upon its passage and approval.

**PASSED AND ADOPTED this 18<sup>th</sup> day of September, 2006.**

**CITY OF KAUFMAN**

  
\_\_\_\_\_  
**PAULA BACON**  
**MAYOR**



ORDINANCE O-11-06

AN ORDINANCE LEVYING THE AD VALOREM TAX OF THE CITY OF KAUFMAN, TEXAS, FOR THE YEAR 2006; ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY AS OF JANUARY 1, 2006, NOT EXEMPT BY LAW; PROVIDING REVENUES FOR PAYMENT OF CURRENT MUNICIPAL EXPENSES; AND PROVIDING FOR THE COLLECTION OF TAXES AND THE ENFORCEMENT OF COLLECTIONS.

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

**SECTION 1.** That by authority of the City Charter of the City of Kaufman, Texas, and the laws of the State of Texas, there is hereby levied for the year 2006, on all taxable property situated within the corporate limits of the City of Kaufman on the first day of January 1, 2006, and not exempt by the Constitution and Laws of the State of Texas or by Sections 4, 5, and 6 of this ordinance, a tax of **\$0.621613** of each \$100 of assessed value shall be distributed to the General Fund of the City to fund maintenance and operation expenditures and the debt service of the City.

**SECTION 2.** That of the total tax, **\$0.552464** of each \$100 of assessed value shall be distributed to the General Fund of the City to fund maintenance and operation expenditures of the City.

**SECTION 3.** That of the total tax, **\$0.069149**, of each \$100 of assessed value shall be distributed to pay the City's debt service as provided by Section 26.04(e)(3) of the Texas Property Tax Code.

**SECTION 4.** That pursuant to Article 8, Section 1-b of the Texas Constitution, **\$15,000** of the assessed value of resident homesteads of persons sixty five (65) years of age or older shall be exempt from City ad valorem taxes.

**SECTION 5.** That for enforcement of the collection of taxes hereby levied, the City of Kaufman, Texas shall have available all rights and remedies provided by law.

**SECTION 6.** That if any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the ordinance and the City Council or the City of Kaufman, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

**SECTION 8.** That this ordinance shall become effective immediately upon its passage and approval.

**PASSED AND ADOPTED THIS 18<sup>TH</sup> day of September, 2006.**

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K A U F M A N T E X A S



# 2007 readers guide

## Information

**T**he Reader's Guide provides the overview of the City of Kaufman's budget process and budget documents. Also included in the General Information section are the City financial policies, the adopting ordinances relating to budgeting, and the City Manager's letter. A glossary of budget terms, and a chart of accounts and descriptions can be found in the Appendix.

The City of Kaufman has prepared a budget format to include goals, objectives, and performance measures. Various summaries, statistical information, and detailed revenue sources are provided to help define the City's goals, purposes, and assumptions for projections. The budget document and organization of the budget are described below.

### THE BUDGET PROCESS

The City of Kaufman has implemented a performance based budgeting process. Each department prepares their divisionary budget by submitting a budget workbook. Any operating expense (expenditure), which exceeds the prior year's funding level, is evaluated and a recommendation to the City Manager is made.

#### 1. DEPARTMENTAL BUDGET WORKSHOP

During the budget workshop in early May, the Staff is informed of the budgeting concepts, budget guidelines, and educated in budget request forms. In late June, departmental workshops are

assigned for the Director of Finance to review each budget and determine needs or increases in services.

#### 2. DEVELOPMENT OF CITY COUNCIL GOALS

general information

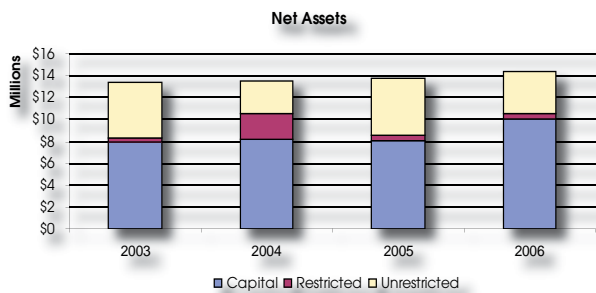
The City Council is requested to provide Staff information regarding priorities and areas that may need more attention or funding. A questionnaire is completed and returned by Council members, then reviewed and discussed at a budget workshop. Council responses and feedback from discussions are then later considered during further budget reviews of requests.

#### 3. REVENUE PROJECTIONS

The Director of Finance makes revenue projections. Projections are made based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated Staff members. The budget revenue projections occurs concurrently with departmental budget development and extends until the budget is adopted based upon the receipt of any new information.

#### 4. PROPOSED BUDGET COMPILATION

Once the departmental budget requests are completed and are reviewed by the Director of Finance, a preliminary draft of the proposed budget in the form of a workbook is submitted to the City



Council for review and is referenced during budget workshops. At this time, the funding level is weighed against available resources. A tax rate may or may not be recommended depending upon Council's priorities and issues previously expressed in the budget process.

### 5. CITY COUNCIL BUDGET WORKSHOPS

Recommendations concerning the proposed budget are discussed with the City Council. The proposed budget is not actually submitted until after initial discussions regarding major issues are submitted to the Council.

### 6. PUBLIC HEARING/BUDGET ADOPTION

A public hearing on the budget and tax rate is held in August prior to final adoption. Citizens or any other individual may make formal comment either for or against the proposed budget. The public also has the opportunity to attend City Council budget work sessions occurring from July to August. The City Council may take action to modify the proposed budget per its discretion. The Council may also adopt a tax rate to support adopted funding levels.

### 7. BUDGET MAINTENANCE

Monthly budget reports are prepared to document budget

versus actual spending variances. These reports are reviewed by Staff to identify and communicate any major expenditure variances. When necessary, a budget adjustment amendment is adopted based upon the analysis report.

## BUDGET FORMAT

Finally, productivity, performance measurements, goals and objectives are evaluated during budget development to determine the effectiveness of the services provided and levels of appropriate funding.

### DIVISION SUMMARIES

Each division is described by narrative information prior to the expenditure information in order to give the City Council an abbreviated idea of services provided. Summaries include the following information:

**PROGRAM DESCRIPTION** - This section outlines the general responsibilities performed by the division. It is provided to enable the reader to understand the service elements included in each particular division budget.

**DIVISION GOALS** - Goals describe the benefit the department plans to provide to the community it serves. They identify the end-result the division wishes to achieve.

**DIVISION OBJECTIVES** - Objectives are steps in accomplishing stated goals. They should have a specific time-frame or measurable achievement and be able to be completed in the current year.

**Workload Measures** - Workload measures should indicate the amount of work that has to be done or projected workload levels.

**PRODUCTIVITY MEASURES** – Productivity measures refer to the process of seeking best practices (benchmarking) and attempting to emulate them. They should measure productivity, effectiveness, efficiency, or the impact of a service provided.

**EXPENDITURE SUMMARY** – The summary of expenditures shows the category of expenditures for each division’s programs. If the reader wishes to know the kind of expenditures that appear in each category, the Chart of Accounts is provided in the Appendix.

**PERSONNEL SUMMARY** – This section shows the positions or personnel resources budgeted to carry out services.

**MAJOR BUDGET CHANGES** – Identifies significant changes in the funding levels or details changes in programs provided.

## **BUDGET BASIS**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds for the City of Kaufman are accounted for by using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Based on the above criteria, revenues considered susceptible to accrual are property and taxpayer-assessed taxes estimated to be collectible within sixty days after the balance sheet date, sanitation collection fees, and interest. Penalties and interest on delinquent taxes are not recognized until collected because they

are not considered to be “available” until that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Exceptions to this general rule are:

1. Accumulated unpaid sick pay which is not accrued;
2. Principal and interest on general long-term debt which is recognized when due.

The proprietary fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when the related liability is incurred.

general information

## **FINANCIAL STRUCTURE**

The accounts of the City of Kaufman are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad categories as follows:

### **GOVERNMENT FUNDS**

**GENERAL FUND** – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**SPECIAL REVENUE FUNDS** – Special Revenue Funds are

used to account for the proceeds of specific sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**DEBT SERVICE FUND** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

### **PROPRIETARY FUNDS**

**ENTERPRISE FUNDS** – Enterprise Funds are used to account for operations (a) 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 (b) 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.

The City has elected to apply all applicable Governmental Accounting Standards Board (GASB) pronouncements and all applicable Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) and Committee on Accounting Procedure (CAP) pronouncements issued on or before November 30, 1989, unless such FASB, APB and CAP pronouncements conflict with or contradict GASB pronouncements. FASB pronouncements issued after November 30, 1989, even if they modify an applicable FASB, APB, or CAP pronouncement, are not applicable unless adopted by a GASB pronouncement.

## **ORGANIZATIONAL STRUCTURE**

A department is a major administrative segment of the City that indicates overall management responsibility for a functional operation (e.g., Police Department, Fire Department, etc.) The smallest organizational unit budgeted is the division. The division indicates responsibility for one functional area, and these functional areas are combined to demonstrate a broader responsibility. For example, the Fire department is comprised of the Fire Administration, Operations, and Prevention divisions.

## **LEGAL BASIS**

The following section contains financial policies related to budgeting as determined by City Charter, the Budget Glossary, and the Chart of Accounts.

### **CHARTER REQUIREMENTS – ARTICLE VII – FINANCIAL PROCEDURES**

**SECTION 7.01 FISCAL YEAR** – The fiscal year of the City shall begin on the first day of October and end on the last day of September of the next succeeding year. Such fiscal year shall constitute the budget and accounting year.

**SECTION 7.02 SUBMISSION OF BUDGET AND BUDGET MESSAGE** – On or before the first day of the eleventh month of the fiscal year, the City Manager shall submit to the Council a budget for the ensuing year and an accompanying message.

**SECTION 7.03 BUDGET MESSAGE** – The City Manager’s message shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year

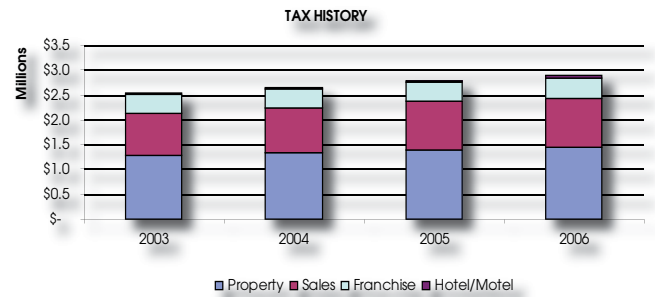
in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position and include such other material as the City Manager deems desirable.

**SECTION 7.04 BUDGET A PUBLIC RECORD** – The budget and all supporting schedules shall be filed with the City Secretary when submitted to the City Council and shall be opened to public inspection by anyone interested.

**SECTION 7.05 PUBLIC HEARING ON THE BUDGET** – At the Council meeting when the budget is submitted, the Council shall name the date and place of a public hearing and shall have published in the official newspaper of the City, the time and place which will be not less than ten days nor more than thirty days after the date of the notice. At this hearing, interested citizens may express their opinions concerning items of expenditures, giving their reasons for wishing to increase or decrease any items of expense.

**SECTION 7.06 PROCEEDING ON ADOPTION OF BUDGET** – After public hearing, the Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least ten days prior to the beginning to the next year, adopt the budget by a favorable majority vote of the full membership of the Council. 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.

**SECTION 7.07 BUDGET, APPROPRIATION AND AMOUNT TO BE RAISED BY TAXATION** – On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the Council shall constitute the official appropriation as proposed by expenditures, for the current year and shall constitute the basis of official levy of the property tax to be assessed and



collected for corresponding tax year. Estimated expenditures will in no case exceed proposed revenue plus **general information** cash on hand. Unused appropriation may be transferred to any item required for the same general purpose.

**SECTION 7.08 CONTINGENT APPROPRIATION** – Provision shall be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not more than seven percent of the total general fund expenditures, to be used in case of unforeseen items of expenditures. The contingent appropriation shall apply to current operating expenditures and shall not include any reserve funds of the City. Such contingent appropriation shall be under the control of the City manager and distributed by him only after prior approval by the City Council. The proceeds of the contingent appropriation shall be disbursed only by transfer to other departmental appropriation, the spending of which shall be charged to the department or activities for which the appropriations are made.

**SECTION 7.09 AMENDING THE BUDGET** – Expenditures may not legally exceed budgeted appropriations at the fund level. 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 appro-

prorations 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.

**SECTION 7.10 CERTIFICATION, COPIES MADE AVAILABLE** – A copy of the budget, as finally adopted, shall be filed with the City Secretary and such other places required by State law or as the City Council may designate. The final budget shall be printed, mimeographed or otherwise reproduced and sufficient copies shall be made available for the use of all offices, agencies, and for the use of interested persons and civic organizations.

## 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

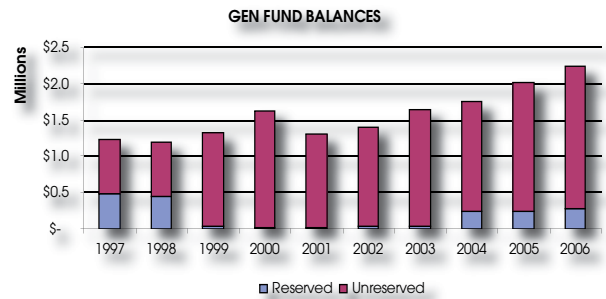


City to allocate all direct costs, and budget according to the various funds, to the extent practical. This includes such items as utility costs, fuel costs, insurance, overhead and manpower. The City's accounting and budgetary records for governmental fund type operations are maintained and the financial 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 **general information** long-term continued basis would not be an acceptable policy to use in balancing the budget.

### MINIMUM FUND BALANCES AND SINKING FUNDS

**A. Minimum 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 unreserved, undesignated 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.

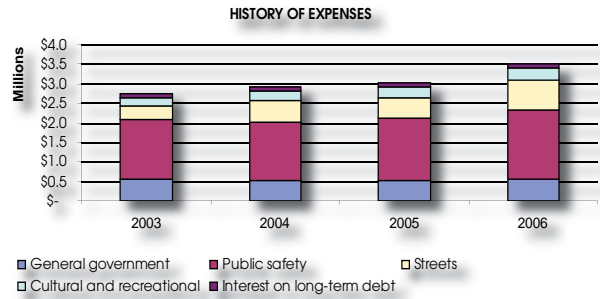
**B. Use of Fund Balance/Net Assets** – Fund Balance/Net Assets may be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations shall be made on how to restore it.

**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.

general information

**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. 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.

**C. 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.

general information

### Ten Top Taxpayers

## INTERGOVERNMENTAL RELATIONS

**A. Interlocal 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.

Taxpayer	2006		1997			
	Taxable Assessed Value	Rank	% Total Taxable Assessed Value	Taxable Assessed Value	Rank	% Total Taxable Assessed Value
Numo Manufacturing Inc.	\$5,257,140	1	17.48%	\$-		0.00%
Council, Doris Ann	4,155,159	2	13.82%	-		0.00%
Tables Manufacturing Inc.	3,105,920	3	10.33%	1,942,270	3	10.05%
Abox Paperboard	2,960,690	4	9.85%	-		0.00%
Brookshire Grocery Company	2,785,860	5	9.27%	-		0.00%
Falcon Steel Inc.	2,647,000	6	8.80%	-		0.00%
Brookshire Grocery Company	2,374,300	7	7.90%	-		0.00%
Centeramerica Capital Partnership	2,337,620	8	7.77%	1,744,240	6	9.03%
Oncor Electric Delivery Company	2,327,510	9	7.74%	1,650,610	7	8.54%
American Hunter Feeders & Blinds	2,117,170	10	7.04%	-		0.00%
CHF Industries Inc.	-		-	4,702,530	1	24.33%
CHF Industries Inc.	-		-	2,583,180	2	13.37%
Village of Kaufman	-		-	1,890,350	4	9.78%
United Telephone Co. of Texas	-		-	1,887,360	5	9.77%
Murrey Ford-Mercury	-		-	1,542,319	8	7.98%
Kinplex Trust A	-		-	1,382,950	9	7.16%
<b>Total</b>	<u>\$30,068,369</u>		<u>100.00%</u>	<u>\$19,325,809</u>		<u>100.00%</u>

Source: City Administration Office.

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B U S I N E S S P L A N



# 2007

SUMMARIES & TAX REPORT



K A U F M A N T E X A S





# 2007 budget

## Overview

The following is an overview of the 2006-2007 budget for all funds of the City of Kaufman for the fiscal year beginning October 1, 2006. Amounts are rounded to the nearest thousand for presentation.

### GENERAL FUND

The General Fund includes the basic City services of fire and police protection, streets, parks and recreation, community services, solid waste services, code enforcement, finance and administration.

#### REVENUES

2005-2006	Amended Budget	\$3,203,000
2005-2006	Projected	\$3,631,000
2006-2007	Budget	\$4,291,000

Revenues are primarily from property, sales and franchise taxes, fines, fees, contract solid waste services, grants, and earnings on investments. However, the fiscal year 2006/2007 budget includes \$525,000 in new revenue in the General Fund from bond sales. Total revenues excluding proceeds from bond sales are budgeted to be only 3.72% more than the projected collections in the prior year.

Budgeted ad valorem taxes are based on the tax rate allowed by law of \$0.621613 per \$100 of appraised value. The General Fund portion of the ad valorem tax revenue is budgeted to be \$1,386,000 an increase of 6.87% or \$89,000 as collected in the prior year.

Sales tax for the General Fund is budgeted at a 6% increase over the prior year. Kaufman is continuing to experience a steady

economy with no significant unemployment.

Franchise taxes are budgeted as collected in the prior year.

Municipal court fine collections increased by 25% in fiscal year 2006 largely as a result of contracting services from a collection agency. It is anticipated that fiscal year 2007 collections will be consistent with fiscal year 2006 revenue.

The net effect in all other revenues is not significant as compared to the prior year.

#### EXPENDITURES

2005-2006	Amended Budget	\$3,616,000
2005-2006	Projected	\$3,436,000
2006-2007	Budget	\$4,402,000

Expenditures as budgeted are approximately 28.11% over the prior year projected with the purchase of a new ladder truck for the Fire Department generating more than half of this increase. Salary increases of 4% are included for the employees. The City anticipates an increase in electricity costs and general inflation. The City modified its employee health insurance plan for fiscal year 2007. Changes made to medical coverage and deductibles allowed the City to establish a Health Reimbursement Account for each employee at no additional cost to the City. The City continues funding the street overlay program at \$300,000 a year.

#### OUTSIDE AGENCIES

2005-2006	Budget	\$15,000
2005-2006	Projected	\$15,000
2006-2007	Budget	\$15,000

## Total Expenditures by Category

	Personel Services	Supplies and Materials	Maintenance & Contractual Services	Capital Outlay	Sundry	Debt Service	Total
<b>General Fund</b>							
Mayor and Council	\$-	\$900	\$18,850			\$-	\$19,750
Administration	176,066	5,300	214,600		375	-	396,341
City Secretary	85,093	4,975	34,035				124,103
Finance	85,437	3,925	12,685	1,500			103,547
Municipal Court	60,431	2,000	6,130	1,000			69,561
Facilities Management	350	2,100	47,650	25,000			75,100
Police	1,124,186	58,850	46,620	31,400			1,261,056
Developmental Services	294,389	4,550	19,005				317,944
Fire	246,031	17,334	45,174	525,000			833,539
Streets	280,472	20,700	208,750	384,780		13,818	908,520
Parks and Recreation	138,313	22,450	56,050	75,505			292,318
<b>Total General Fund</b>	<b>2,490,768</b>	<b>143,084</b>	<b>709,549</b>	<b>1,044,185</b>	<b>375</b>	<b>13,818</b>	<b>4,401,779</b>
<b>Water and Sewer Fund</b>							
Water Distribution	301,303	18,540	601,775	617,415			1,539,033
Wastewater Treatment	179,823	28,100	241,470	20,375			469,768
Administration	436,660	7,650	101,860		300		546,470
Lease Pymts- Principal & Interest						12,488	12,488
Bond Pymts-Principal & Interest						588,900	588,900
Agent Fees on Bonds					3,525		3,525
<b>Total Water and Sewer Fund</b>	<b>917,786</b>	<b>54,290</b>	<b>945,105</b>	<b>637,790</b>	<b>3,825</b>	<b>601,388</b>	<b>3,160,184</b>
<b>Debt Service Fund</b>						<b>173,292</b>	<b>173,292</b>
<b>Hotel Tax Fund</b>			<b>88,175</b>				<b>88,175</b>
<b>Police Forfeiture Fund</b>			<b>750</b>	<b>8,350</b>			<b>9,100</b>
<b>Combined Total</b>	<b>\$3,408,554</b>	<b>\$197,374</b>	<b>\$1,743,579</b>	<b>\$1,690,325</b>	<b>\$4,200</b>	<b>\$788,498</b>	<b>\$7,832,530</b>

Funds are granted to an outside agency to support the local Kaufman County Library. There is no change from the prior year.

### ENTERPRISE FUNDS

Enterprise Funds include water and wastewater (sewer) services of the City provided on a fee for service basis to residential and commercial customers, includes wastewater treatment plant

operations, distribution, engineering and customer service.

### REVENUES

2005-2006	Budget	\$2,364,000
2005-2006	Projected	\$2,731,000
2006-2007	Budget	\$3,145,000

The increase in anticipated revenue is primarily due to \$615,000 from bond sales dedicated to upgrading the City's two

## Budget Summary - Revenues, Expenditures/Expenses, and Changes in Fund Balance/Retained Earnings

Category	General Fund	Water and Sewer Fund	Debt Service Fund	Hotel Tax Fund	Police Forfeiture Fund	Combined Total	% of Total
<b>Revenues</b>							
Water Sales		\$1,248,600				1,248,600	20
Sewer Sales		1,100,000				1,100,000	18
Tap Fees		17,000				17,000	0
Interest on Investments		62,300				62,300	1
Other Income		101,700				101,700	2
Property Taxes	1,386,000		173,292			1,559,292	25
Hotel Tax				32,000		32,000	
Sales & Beverage Taxes	1,054,700					1,054,700	17
Franchise Taxes	408,900					408,900	7
Licenses and Permits	90,095					90,095	1
Court Fees and Fines	180,700					180,700	3
Trash	229,800					229,800	4
Other	150,160				1,020	151,180	2
Total Revenues	3,500,355	2,529,600	173,292	32,000	1,020	6,236,267	99
<b>Expenditures/Expenses</b>							
Personal Services	2,490,768	917,786				3,408,554	44
Supplies and Materials	143,084	54,290				197,374	3
Contractual Services	709,549	945,105		88,175	750	1,743,579	22
Capital Outlay	1,044,185	637,790			8,350	1,690,325	22
Sundry	375	3,825				4,200	0
Debt Service	13,818	601,388	173,292			788,498	10
Total Expenditures/Expenses	4,401,779	3,160,184	173,292	88,175	9,100	7,832,530	100
Projected (Deficit) of Revenue over Expenditures	(901,424)	(630,584)	-	(56,175)	(8,080)	(1,596,263)	
Less: Amount Provided by Funds							
Designated in Fund Balance:							
Municipal Court Tech-computer maint	1,000					1,000	
Municipal Court Tech - copier & fax	1,100					1,100	
Police - LEOSE Training	2,000					2,000	
Bldg Security - Court Baliff	1,500					1,500	
Bldg Security - Camera in book-in	1,000					1,000	
Bldg Security - Facilities Mgmt	3,150					3,150	
Park Donations	19,605					19,605	
	29,355	-	-	-	-	29,355	
Bond Sale	525,000	615,000				1,140,000	
Net Effect to Cash	(347,069)	(15,584)	-	(56,175)	(8,080)	(426,908)	

K A U F M A N T E X A S

existing water towers. Water rates to customers for water services will increase 3% plus an additional \$.05 per 1,000 gallons applied by the City's water supplier, North Texas Municipal Water District. The increase will pay for additional raw water charges and produce a 3% increase in revenues to the Water and Sewer Fund to help cover the operating and capital needs of the Water and Sewer Fund. The customers will not receive an increase in wastewater rates. No significant growth in volume of customers is projected. Projected revenues for the prior year were more than budgeted even with mandatory water restrictions implemented by the City due to drought conditions.

**EXPENDITURES**

2005-2006	Amended Budget	\$2,702,000
2005-2006	Projected	\$2,485,000
2006-2007	Budget	\$3,160,000

Projected fiscal year 2006 expenses are less than budgeted due to the unfinished joint project with the Texas Department of Transportation to relocate water and sewer lines on East Mulberry Street during street improvements. The City has committed \$205,000 to complete the project at a future date. Operations in the water and wastewater funds will be fairly consistent with the prior year. Capital improvements to the water towers are scheduled for next spring.

**ENTERPRISE FUND DEBT SERVICES**

2005-2006	Budget	\$606,034
2005-2006	Projected	\$606,034
2006-2007	Budget	\$601,388

Due to water and wastewater improvement projects in the past five years and ongoing, debt service payments for bonds sold

to finance the projects are a significant cost to the Enterprise Funds, representing over 25% of the total costs.

**EXPENDITURES**

	<b>Year</b>	<b>Budget</b>
Capital Improvements	2005-2006	\$283,565
	2006-2007	\$632,500
Equipment Replacement	2005-2006	\$ -0-
	2006-2007	\$5,290

Debt payment on the fiscal year 2007 bond sale for water tower improvements will not begin until the fiscal year 2008 budget.

**SPECIAL REVENUE FUNDS**

Revenue sources which are legally restricted to expenditures for specified purposes are included in the Special Revenue Funds.

These funds are primarily used to account for the hotel/motel occupancy tax, which is used to promote tourism to Kaufman. An annual Fall Festival accounts for some of the expenditures from the Tourism Fund.

Budgeted expenditures for the Police Forfeiture Fund are primarily used for the purchase of police equipment and operations.

**DEBT SERVICE FUND**

Accumulation of funds from ad valorem taxes for the purpose of paying principal and interest on bonds sold for various improvement projects are included in the Debt Service Fund.

Scheduled principal, interest and fee payment for 2006-2007 totaled \$173,292 compared to \$173,486 paid in the prior year. Funding for these payments comes from a portion of the ad valorem tax.

Principal payments will reduce outstanding bond indebtedness

supported by ad valorem taxes by \$94,670 during the year to a balance of \$1,830,733 at September 30, 2007, which is payable in varying installments until 2022 .

Interest for all indebtedness for 2006-2007 is \$266,824 compared to \$296,389 in the prior year.

Following is a summary of debt by type of debt outstanding and debt service:

The City has no legal debt limitation for its general certificates of obligation debt, but the Attorney General of Texas has stipulated that such office will not approve tax bonds if the debt service exceeds \$1.50 per \$100 assessed valuation based on 90% collection rate. The computed limit margin is as follows:

**DEBIT LIMIT:**

Assessed valuation		\$250,606,010
Limit rate per \$100 assessed valuation		\$1.50
	Total	\$384,090
Limit collection rate		90%
Limit as defined		\$345,681

**DEBIT APPLICABLE TO LIMITATION:**

Total applicable debt service for 9-30-07	\$172,925
---	-----------

There will be new debt issuance in the amount of \$1,166,000 in 2007. New debt payments will start in fiscal year 2008 for the purchase of a new fire truck and to refurbish two overhead water storage tanks. .

**FUND BALANCES**

Fund balances include cash, investments, receivables and prepaid expenses less current liabilities available at year end to use for next year programs or maintain as liquid reserves.

At September 30, 2006, the City’s combined liquid fund balances (as defined above) are approximately \$2,088,794. The

same fund balances at September 30, 2007 based on budgets are projected to be approximately \$2,341,844. Fund balances this year will decrease \$362,653. These funds will be used to improve streets and purchase much needed vehicles and equipment. (See the Capital Improvement Section.)

**EFFECT OF CAPITAL EXPENDITURES ON FUTURE OPERATING COSTS**

Most of the capital expenditures in summaries the 2006-2007 budget are for replacement equipment or rehabilitation projects. It is anticipated that such replacements, particularly in the water and wastewater systems, will reduce some future maintenance and line repair costs.

However, none of the capital expenditures are expected to have a significant impact on future operating costs. There are no new services planned.

**DEBT SERVICE COVERAGE**

Debt service coverage for the Revenue Bond principal and interest payments for 2006-2007 is budgeted to be:

**Enterprise Funds:**

Revenues (water and wastewater)	\$2,529,600
Expenditures	\$1,545,184
Available for debt service	\$984,416
Debt service for the year	\$588,899
Ratio	1.67 to 1



# 2007 personnel

## Overview

**T**he City of Kaufman currently employs 62 employees on a full time basis and one part-time employee. In this Business Plan, there is no approval for any additional employees. In fact, there are only 62 employees and one part time employee budgeted in the 2006-2007 Fiscal Year. The number of employees has continued to be consistent since 2002.

In the General Fund there are 50 employees budgeted which is the same as last year. One position (Code Enforcement) was transferred from the Police Department to the Planning Department. The Enterprise Fund (Water/Wastewater Department) consists of 12 employees.

Looking at the Table on the next page, it is easy to see that the number of employees has grown since 1997 from 52 to 62 employees. In 2001, the number of employees was increased to 64 employees; however, not all positions were filled due to a decrease of sales tax revenue. Two new positions were removed from the budget by 2004. Since 2004 the city has been consistent of 62 employees and one part time employee.

Page 33 has a chart for employee pay grades and salary ranges for all city services.

### STAFFING CHANGES

In 1997-98, the number of authorized positions was increased from 52 full time positions to 55 full time positions. A position for a Code Enforcement Officer was created in the Police Department.

In addition, two new full time Police Officers were funded with one funded through the Cops Fast Grant. One part time position remains the same.

The 1998-99 General Fund and Enterprise Fund budgets were increased from 55 full time employees to 57 full time employees. In the Administration Department, one position was transferred to the Finance Department along with adding two new positions in the Finance Department. The Police Department added one new Police Officer and one additional Police Officer through a Cops Fast Grant. The Planning Department created a new position for a City Planner. The Street Department decreased personnel by two positions due to not filling vacancies and the Water/Wastewater Department decreased one position due to not filling vacancies. One part time position remains the same.

In the 1999-00 General Fund and Enterprise Fund budgets the total number of Staffing of 57 stayed the same as the prior year budget. In the Administration Department a new position for a Secretary was funded. A new position in the Finance Department was funded. The Police Department phased out one Police Officer position and the Fire Department added a new position of Assistant Fire Chief. One position was eliminated in the Development of Services Department and one position in the Street Department was eliminated. However, there were a number of Staffing changes made within the Departments and the total number of employees stayed the same

summaries

Personnel History

	FY '97	FY '98	FY '99	FY '00	FY '01	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07
<u>Administrative Services</u>											
Administration	2	2	1	1	1	1	1	1	1	1	1
City Secretary	1	1	1	1	1	1	1	1	1	1	1
Secretary/Admn Asst	0	0	0	1	1	1	1	1	1	1	1
<u>Financial Services</u>											
Finance	1	1	4	5	5	5	5	5	5	5	5
Municipal Court	1	1	1	1	1	1	1	1	1	1	1
Municipal Judge	1	1	1	1	1	1	1	1	1	1	1
<u>Emergency Services</u>											
Police	22	24	25	23	24	25	25	25	25	24 <sup>4</sup>	24
Cops Fast Grant	0	1	2	3	3	0	0	0	0	0	0
KISD Officer	0	0	0	0	1	1	0	0	0	0	0
Fire	1	1	1	2	3	4	4	4 <sup>3</sup>	4	4	4
<u>Development Services</u>											
Inspections	2	2	2	0	1 <sup>1</sup>	0	0	0	0	0	0
Planning	0	0	1	2	2	2	2	2	2	3 <sup>4</sup>	3
<u>Municipal Services</u>											
Street/Parks	10	10	8	7	9	9	11 <sup>2</sup>	10	10	10	10
Enterprise Operations	12	12	11	11	12	12	12	12	12	12	12
TOTAL - Full Time	52	55	57	57	64	62	63	62	62	62	62
TOTAL - Part Time	1	1	1	1	1	1	1	1	1	1	1
<p><b>NOTE 1</b> FY01 - Building Insp. Position not filled - remained contract service.</p> <p><b>NOTE 2</b> FY03 - Two (2) park positions approved, but not filled due to decreased sales tax revenue</p> <p><b>NOTE 3</b> FY04 - Fire Dept - Two (2) employees changed to 12 hrs shifts - 4 days on/4 days off</p> <p><b>NOTE 4</b> FY06 - Moved Code Enforcement from the Police Dept to Planning Dept.</p>											

as prior year. One part time position remains the same.

The 2000-01 General Fund and Enterprise Fund Budget was increased from 57 full-time positions to 64 full-time positions. The Police Department increased by two positions for Police Officers, one that was partially funded through Kaufman Independent School District. The Fire Department increased by one new position for a firefighter. The Inspections Department increased by one new position for a Building Inspector. The Street Department increased by two new positions and the Water/Wastewater Fund increased by one new position. The General Fund and Enterprise Fund increased

a total of 7 new positions from 57 full-time employees to 64 full-time employees. One part time position remains the same.

The 2001-02 General Fund and Enterprise Fund Budget was decreased from 64 full-time positions to 62 full-time positions. The Police Department decreased two Police Officers positions. The Fire Department increased by one new position for a firefighter. The Building Inspector position was eliminated in order to contract for inspection services. One part time position remains the same.

The 2002-03 General Fund and Enterprise Fund Budget was increased from 62 full-time positions to 63 full-time positions. The



**CITY OF KAUFMAN  
JOB CLASSIFICATION PLAN (GRADE ORDER)**

GRADE	ANNUAL SALARY RANGE			JOB	
	MINIMUM	MID-POINT	MAXIMUM	CODE	TITLE
4	19,069	21,740	24,410	94	PARKING CONTROL OFFICER (POLICE)
5	19,882	22,665	25,448	45	CUSTOMER SERVICE ASSISTANT (FINANCE ADMIN.)
				34	MAINTENANCE TECHNICIAN (STREETS)
				33	MAINTENANCE TECHNICIAN (WATER)
					SECRETARY (ADMIN)
6	20,692	23,590	26,488	2	SECRETARY (POLICE)
				74	SECRETARY (WATER)
				75	SECRETARY (STREETS)
				100	SECRETARY (PLANNING)
				48	UTILITY BILLING CLERK
					CUSTOMER SERVICE ASST/PURCHASING AGENT
					CUSTOMER SERVICE ASST/DEPUTY COURT CLERK
7	21,502	24,515	27,527	1	ACCOUNTING CLERK (FINANCE ADMIN.)
				3	ADMINISTRATIVE ASSISTANT
				35	MUNICIPAL COURT CLERK (MUNI. COURT)
				70	SR MAINTENANCE TECHNICIAN (WATER)
				90	SR MAINTENANCE TECHNICIAN (STREETS)
8	22,313	25,438	28,563	4	ANIMAL CONTROL OFFICER (POLICE)
				26	EQUIPMENT OPERATOR (WATER)
				91	EQUIPMENT OPERATOR (STREETS)
				38	POLICE COMMUNICATIONS OFFICER (POLICE)
9	23,124	26,363	29,600	22	ADMIN. ASSISTANT (PUBLIC WORKS-AS OF 2-2003)
					CODE ENFORCEMENT OFFICER (POLICE)
					FINANCE TECHNICIAN (FINANCE ADMIN)
10	23,936	27,288	30,638		PLANNING TECHNICIAN (ADMIN)
				73	ASSISTANT WASTEWATER PLANT OPERATOR (WWT)
				101	BUILDING INSPECTOR (INSPECTIONS)
12	26,773	30,522	34,270		DETECTIVE (POLICE)-11/19/2001
					CREW LEADER (W/WWT) - 2/28/00
				41	POLICE OFFICER (POLICE) - 10/1/04
14	30,016	34,220	38,423		FIREFIGHTER/DRIVER (FIRE) - 10/01/04
					CRIMINAL INVESTIGATION DIVISION SERGEANT (POLICE)
				42	POLICE SERGEANT (POLICE)
16	33,260	37,917	42,573		STREET FOREMAN (STREETS)
				171	WATER FOREMAN (WATER)
				61	FIRE MARSHALL (FIRE)
18	37,313	42,538	47,763		CHIEF PLANT OPERATOR (RECLASSED AS OF 10/01/99)
				46	STREET SUPERINTENDENT (STREETS)
				19	WATER/WASTEWATER SUPERINTENDENT (WATER)
19	40,557	46,237	51,917		ASSISTANT FIRE CHIEF (FIRE) (RECLASSED AS OF 10/01/99)
				6	BUILDING OFFICIAL
				11	CITY SECRETARY (CITY SECRETARY)
20	43,799	49,934	56,067	40	POLICE LIEUTENANT (POLICE) (RECLASSED AS OF 10/01/99)
				79	CITY PLANNER (ADMIN)
				5	POLICE CAPTAIN (POLICE)
21	47,043	53,631	60,217	10	CHIEF OF POLICE (POLICE)
				9997	DIRECTOR OF DEVELOPMENT SERVICES (PLANNING)
				14	DIRECTOR OF FINANCE (WATER)
22	50,286	57,329	64,371		DIRECTOR OF PUBLIC WORKS (W/WWT)
				20	FIRE CHIEF (FIRE)
				60	ASSISTANT CITY MANAGER (ADMIN)

position remains the same.

The 2003-2004 General Fund and Enterprise Fund Budget is 62 full-time positions. This is one less than the prior year. The decrease is the result of one position eliminated from the Parks Department. One part time position remains the same.

Staffing for the 2004-2005 General Fund and Enterprise Fund is 62 full-time **summaries** positions, the same as the prior year budget. One part time position remains the same.

The 2005-2006 General Fund and Enterprise Fund is 62 full-time positions, the same as the prior year budget. However, the Code Enforcement Officers position was transferred to the Development of Services Department. One part time position remains the same.

The 2006-2007 General Fund and Enterprise Fund level of staffing remains consistent with 62 full-time positions and one part time position remains the same.

Police Department decreased one Police Officers position that was partially funded through Kaufman Independent School District. This Police Officer was hired full-time by the school district to head up the newly created K.I.S.D. Police Department as the Police Chief. The Parks Department increased by two positions. One part time

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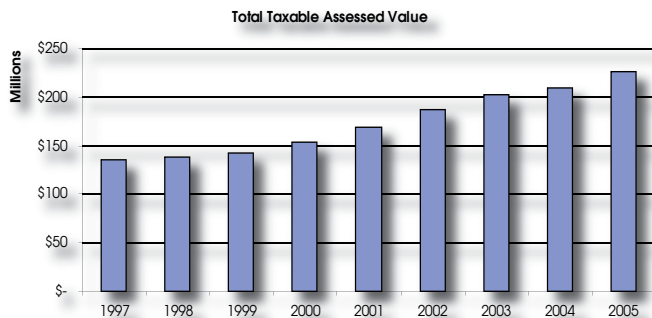
B U S I N E S S P L A N

# 2007 property tax

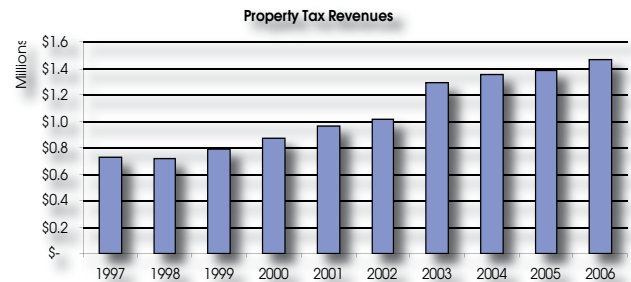
Property Taxes are made up of two components: Those funds necessary to fund the operation of the General Fund (less any other revenues like sales tax and franchise fees) and those funds necessary to pay any debt service requirements. In this Business Plan there is a need for \$1,326,000 in current property taxes to fund operations in the General Fund. There is a need for another \$173,292 to make all the necessary debt payments on Certificate of Obligation debt. (Certificate of Obligation Debt is legal debt instruments used to finance capital improvement projects. Certificates of Obligation are backed by the full faith and credit of the governmental entity and are payable from a property tax levy as compared to Revenue Debt that is backed by the revenues from the City utilities.) That totals \$1,499,292 in tax requirements.

The Tax Rate is computed by three factors. The first is the tax requirement described above. The second is the Net Total Assessed Valuation of the properties in the City. The third component is the historical rate of collections on previous taxes, i.e. the City normally collects 96% of the taxes that is levied each year.

This Business Plan proposes collection \$1,326,000 million dol-

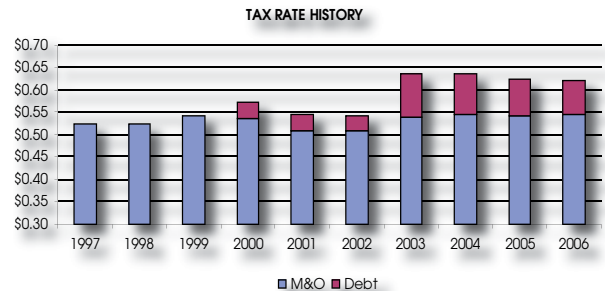


## Overview



lars with the current tax rate of \$.621613 per \$100 of Net Assessed Valuation. This is the same rate used for last year. Last year \$.621613 raised approximately \$129,780 less than this year. That is due to an increase in the valuations.

The chart below reflects a ten year history of the City's tax rate. From a low of \$.5200 in 1996, the tax rate has climbed to a high of \$.635083 in 2003. The City has managed this to reduce the tax rate to \$.621616 through cost reductions and increases in the City's Net Total Assessed Valuation. (see chart left).



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B U S I N E S S P L A N



# 2007 FUND SUMMARIES



K A U F M A N T E X A S

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B U S I N E S S P L A N

# 2007 general fund

## Overview

The General Fund provides the resources to fund government and public safety services. The City Council, Administration, Finance, Municipal Court, Police, Fire and Development Services are all paid for through the General Fund. This fund also pays for the repair and maintenance of our streets and parks.

The total cost of government operations in the General Fund for Fiscal Year 2007 is \$3,876,779. There is another \$525,000 for the purchase of a new fire truck. Sixty-six percent of the operational cost is in personnel and purchased services. Another twenty-six percent is for contractual services like electricity, fuel and other commodities and services used as

they are purchased. Only four

fund details

percent is used for supplies. The

remaining five is for capital improvements like replacement vehicles and street improvements.

The majority of the funding in the General Fund comes from property taxes. They pay \$1,386,000 of the \$3,500,355 needed to pay for all these services. The next large revenue source is the sales tax. The City anticipates collecting \$1,054,700 this year to fund public services. There will be \$376,444 drawn from reserves to fund the street improvements and other capital. Another \$525,000 from a bond sale will pay for the fire truck.

The growth in this fund over the past ten years has been in the cost of resources like asphalt, electricity and fuel. Employee salaries have been increasing to keep up with the market. When salaries lag, the City has high turn over

### GENERAL FUND SUMMARY

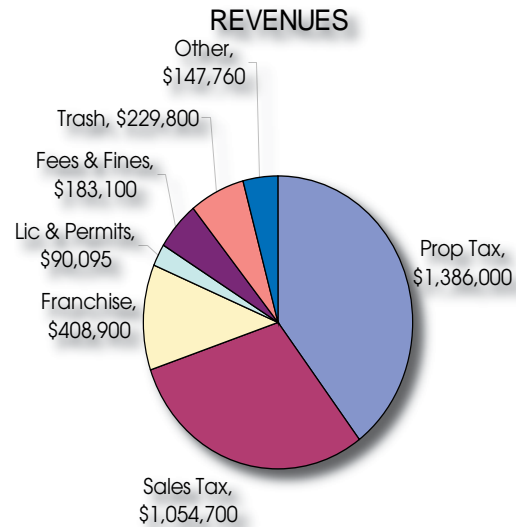
	Actuals 2004-05	Budget 2005-06	Estimated 2005-06	Approved 2006-07
<b>Revenues</b>				
<b>Beginning Fund Balance</b>	1,760,519	1,775,380	2,021,034	1,937,713
<b>Revenues:</b>				
Property (Ad Valorem) Taxes	1,201,884	1,232,436	1,243,733	1,386,000
Sales & Beverage Taxes	980,256	954,700	1,024,700	1,054,700
Franchise Taxes	376,254	373,000	405,517	408,900
Licenses and Permits	82,937	89,150	98,347	90,095
Court Fees and Fines	156,604	182,500	183,600	180,700
Trash	92,808	211,600	223,400	229,800
Other	87,170	119,487	208,358	150,160
<b>Total Revenues</b>	<b>2,977,912</b>	<b>3,162,873</b>	<b>3,387,655</b>	<b>3,500,355</b>
<b>Expenditures/Expenses</b>				
Government	427,262	653,164	630,775	788,402
Public Safety	1,571,365	1,810,333	1,794,056	2,412,539
Streets	536,163	784,424	806,611	894,702
Parks	197,613	240,144	225,724	292,318
Debt Service	23,199	13,811	13,811	13,818
<b>Total Expenditures/Expenses</b>	<b>2,755,602</b>	<b>3,501,876</b>	<b>3,470,977</b>	<b>4,401,779</b>
<b>Revenues over Expenses</b>	<b>222,310</b>	<b>(339,003)</b>	<b>(83,322)</b>	<b>(901,424)</b>
Transfers In	38,205			525,000
Transfers Out	-	-		
<b>Net Change in Fund Balances</b>	<b>260,515</b>	<b>(339,003)</b>	<b>(83,322)</b>	<b>(376,424)</b>
<b>ENDING FUND BALANCE</b>	<b>2,021,034</b>	<b>1,436,377</b>	<b>1,937,713</b>	<b>1,561,289</b>

General Fund Revenues

Account Name	Actual FY05	Budget FY06	Est FY06	Budget FY07	Account Name	Actual FY05	Budget FY06	Est FY06	Budget FY07
Ad Valorem Taxes - Current	\$1,154,574	\$1,188,436	\$1,168,400	\$1,326,000	Arrest Fees	\$7,977	\$8,000	\$10,000	\$8,000
Discounts	\$(16,817)	\$(16,000)	\$(18,167)		Warrant Fees	\$10,462	\$15,000	\$11,500	\$12,000
Ad Valorem Taxes - Delinquent	\$38,470	\$35,000	\$67,000	\$35,000	TFC (Other Court Costs)	\$2,544	\$3,000	\$4,000	\$3,500
Penalties & Interest	\$25,657	\$25,000	\$26,500	\$25,000	Municipal Court Technology Fund	\$6,247	\$7,500	\$8,300	\$8,000
General Sales & Use Tax	\$975,556	\$950,000	\$1,020,000	\$1,050,000	Municipal Court Building Security	\$4,665	\$5,500	\$6,000	\$5,500
Beverage Tax	\$4,700	\$4,700	\$4,700	\$4,700	Judicial Support			\$400	\$500
Franchise Tax - Electric	\$251,011	\$250,000	\$270,309	\$275,000	Trash Collections (change to gross)	\$211,900	\$211,600	\$223,400	\$229,800
Franchise Tax - Phone	\$26,603	\$27,000	\$26,000	\$26,000	Sales Tax Collections (discount)	\$65	\$75	\$57	\$60
Franchise Tax - Cable TV	\$18,472	\$18,000	\$16,250	\$15,000	Duplicating and Printing	\$172	\$300	\$600	\$300
Franchise Tax - Gas	\$47,304	\$48,000	\$60,558	\$60,500	Accident and Other Reports	\$517	\$600	\$100	\$300
Franchise Tax - Trash Collection	\$32,864	\$30,000	\$32,400	\$32,400	Fingerprints	\$170	\$150	\$50	\$100
Liquor Permit	\$1,375	\$2,000	\$2,000	\$2,000	Returned Check Fees	\$120	\$60	\$40	\$60
Vendor Permit	\$200	\$300	\$300	\$200	Planning and Zoning Fees	\$6,440	\$7,500	\$3,515	\$5,000
Amusement Permit	\$-	\$200	\$340	\$200	Convenience Station Fees	\$9,965	\$9,000	\$9,000	\$9,000
Food Service Permit	\$15,449	\$14,500	\$14,580	\$14,095	C/O Inspection Fees	\$7,580	\$7,500	\$6,190	\$7,000
Mechanical Permit	\$1,378	\$3,600	\$3,011	\$3,000	Park Use - Electric Fees	\$2,525	\$1,500	\$1,475	\$1,500
Building Permits	\$37,180	\$55,000	\$62,717	\$57,500	Park Usage Fees	\$2,140	\$2,000	\$1,475	\$2,000
Electric Permits	\$2,807	\$5,500	\$5,766	\$5,500	Park - 10% Concession Fee	\$13	\$800	\$500	\$800
Fishing Permit	\$1,268	\$1,000	\$1,900	\$1,500	Volunteer Park Contributions	\$578	\$575	\$595	\$575
Dog Tag License	\$86	\$50	\$42	\$50	Park Contributions & Brick Sales	\$2,623	\$-	\$1,625	\$-
Electric License	\$1,280	\$1,500	\$250	\$-	KKBB Donations	\$5,788		\$113	\$-
Plumbing Permits	\$3,050	\$5,500	\$7,391	\$6,000	Interest Income	\$39,749	\$44,000	\$82,595	\$86,888
Plumbing Class Revenue - Net	\$46	\$50	\$50	\$50	Other Revenues	\$30,850	\$10,000	\$72,048	\$10,000
Fines	\$116,799	\$140,000	\$134,000	\$140,000	Convenience Station Fees - County	\$24,249	\$32,000	\$25,000	\$23,000
Parking Fines	\$2,885	\$2,000	\$6,000	\$2,000	Rents and Leases	\$777	\$777	\$777	\$777
Other Court Costs	\$1,543				Insurance Proceeds	\$6,521		\$2,203	
Administrative Fees (from KEDC)		\$2,400	\$2,400	\$2,400	Capital Lease Proceeds	\$38,205			
Child Safety Fund	\$2,981	\$1,500	\$1,000	\$1,200	Credit Card Handling Fees	\$284	\$200	\$400	\$400
					TOTAL	\$3,169,848	\$3,162,873	\$3,387,655	\$3,500,355

and increased expense in training and equipping inexperienced personnel.

The City Council has been traditionally conservative in estimating revenues when it comes to funding the expenses. Because of that, the General Fund's reserves have increased steadily for the past five years. These increased reserves allow the City to aggressively pursue better equipment and upgrade the City's streets.





# 2007 utility fund

## Overview

The Utility Fund is for "enterprise" operations and are accounted for like a "business." The Kaufman Utility Fund has the City's Water and Wastewater operations. Water and Wastewater are part of the Public Works Department. The Utility fund includes Public Works Administration, Treatment Plant Operations, Water Distribution and Wastewater Collections.

A support service included in the Utility Fund is the front office or Customer Service. These are the people who collect the

### Utility Fund Summary

utility bills and account for the water consumption. Part of City Administration and Finance expenses are charged to the Utility Fund for oversight and support.

Almost all of the revenues for Utility operations come from user fees. This year's collections are estimated to be \$2,348,600.

There is an additional \$29,000 to be collected

for new services. Together, the city is expected

to collect \$2,529,600 for \$3,160,184 in expenses.

There will be another \$615,000 that will be transferred into the

fund from the Bond Fund to pay

for improvements to the water towers. Less than \$16,000 will be needed from reserves.

The Table on this page shows a large increase in Utility expenses. This is due to the necessary improvements of the water towers. With out this cost, there is only a \$73,000 increase in operating expenses. This is primarily due to electricity costs and water costs from North Texas Municipal Water District.

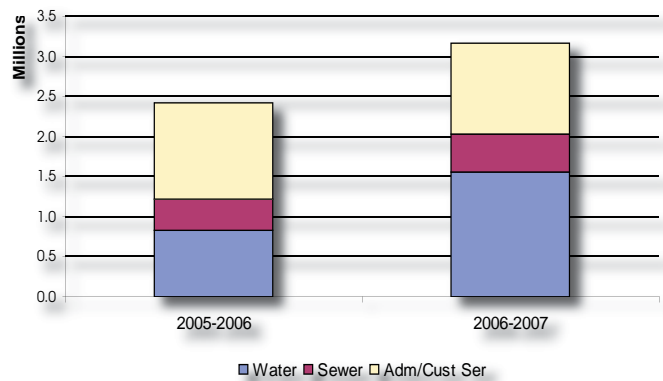
On a whole, the Utility Fund is improving over recent

[fund details](#)

	Actuals 2004-05	Budget 2005-06	Estimated 2005-06	Approved 2006-07
<b>Revenues</b>				
<b>BEGINNING WORKING CAPITAL</b>	1,119,634		1,283,597	1,391,411
<b>REVENUES:</b>				
<b>Water</b>	1,154,297	1,133,000	1,236,500	1,248,600
<b>Sewer</b>	1,088,422	1,067,000	1,101,000	1,100,000
<b>Connection Fees</b>	33,480	12,000	33,240	29,000
<b>Interest</b>	64,063	44,585	131,036	62,300
<b>Other</b>	197,632	106,990	92,149	89,700
<b>TOTAL REVENUES</b>	<u>2,537,894</u>	<u>2,363,575</u>	<u>2,593,925</u>	<u>2,529,600</u>
<b>Expenditures</b>				
<b>Water Expenses</b>	810,871	832,488	867,891	1,539,033
<b>Wastewater Expenses</b>	304,691	384,023	432,707	469,768
<b>Customer Service Expenses</b>	580,011	528,425	509,409	546,170
<b>Debt Service</b>	678,358	677,040	676,104	605,213
<b>TOTAL EXPENDITURES</b>	<u>2,373,931</u>	<u>2,421,976</u>	<u>2,486,111</u>	<u>3,160,184</u>
<b>Revenues over Expenses</b>	163,963	(58,401)	107,814	(630,584)
<b>Transfers In</b>				615,000
<b>Transfers Out</b>	-	-	-	-
<b>NET CHANGE IN WORKING CAPITAL</b>	<u>163,963</u>	<u>(58,401)</u>	<u>107,814</u>	<u>(15,584)</u>
<b>ENDING WORKING CAPITAL</b>	1,283,597		1,391,411	1,375,827

years. The City is investing over \$300,000 in infrastructure each year for the past three years and the Fund's working capital continues to grow. There was a water rate increase last year. Another 3% increase is included in this budget and there will be a third 3% increase proposed next year. This is the hinge pin to the City's strategy for improving Utility Fund infrastructure and improve services. North Texas Municipal Water District also imposed an five cent increase per thousand gallons in their charge to Kaufman and other customer cities.

### UF EXPENSES



# 2007 tourism fund

## Overview

The Tourism Fund is money restricted for use by State law. These funds, primarily derived from Hotel/Motel taxes, are used for promoting Kaufman as a tourist destination and staging events that attract out of town visitors. In past years, these funds were used for the Fall Caboodle Festival and similar events. This year, the City is going to continue to provide the Fall festival but is also developing plans to expand the number of events each

year. The City is planning for a spring event this year.

As the table indicates, the City will collect \$32,000 in Hotel/Motel taxes this year. These taxes are paid by visitors who stay in local motels. The funds will be used to put on the Fall festival for \$23,000 and generally be used for Kaufman promotion programs.

[fund details](#)

### Tourism Fund Summary

Revenues	Actuals 2004-05	Budget 2005-06	Estimated 2005-06	Approved 2006-07
Beginning Fund Balance	-	24,800	36,603	56,175
REVENUES:				
Receipts:				
Occupancy Tax	35,434	35,000	36,358	32,000
Fall Festival 2007			10,222	
Interest	1,320			
<b>TOTAL FUNDS AVAILABLE</b>	<b>36,754</b>	<b>59,800</b>	<b>83,183</b>	<b>88,175</b>
Expenditures				
Fall Festival	151		17,180	23,000
Tourism		59,800	7,026	65,175
<b>TOTAL EXPENDITURES</b>	<b>151</b>	<b>59,800</b>	<b>24,206</b>	<b>88,175</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>36,603</b>	<b>-</b>	<b>58,977</b>	<b>-</b>
<b>ENDING FUND BALANCE</b>	<b>36,603</b>	<b>-</b>	<b>58,977</b>	<b>-</b>

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B U S I N E S S P L A N

# law enforcement 2007

## Overview

The Law Enforcement Fund is money and assets distributed to the City by the District Attorney's Office who represents the State of Texas. This Fund is the City's portion of assets seized during Police operations.

Forfeited property may be utilized by the Police Department or sold. Proceeds from the sale of forfeited items and cash forfeitures are to be used solely for law enforcement purposes. After submitting a budget for expenditures to the City Council, funds may be used for items such as officer training, salaries, specialized investigative equipment, supplies, and other items used by officers in direct law enforcement duties.

fund details

*Law Enforcement Fund Summary*

	Actuals	Budget	Estimated	Approved
	2004-05	2005-06	2005-06	2006-07
<b>Revenues</b>				
<b>Beginning Fund Balance</b>	9,672	8,079		14,253
<b>Revenues:</b>				
<b>Forfeitures/Judgements</b>	254	1,000	8,852	1,000
<b>Interest</b>	19	20	40	20
<b>Total Funds Available</b>	9,945	9,099	8,892	15,273
<b>Expenditures</b>				
<b>Police Equipment</b>	1,297	7,500	2,432	8,350
<b>Police Operations</b>	360	75	495	750
<b>Total Expenditures</b>	1,657	7,575	2,927	9,100
<b>Ending Fund Balance</b>	8,288	1,524	5,965	6,173

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B U S I N E S S P L A N



# 2007

DEPARTMENT DETAILS



K A U F M A N T E X A S

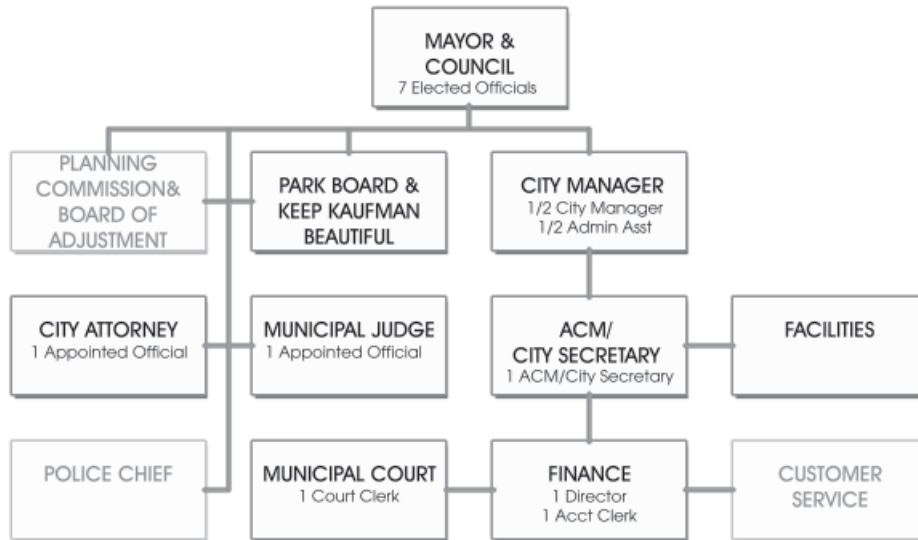
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B U S I N E S S P L A N



# 2007 governmental

## Overview



In the Governmental Section will be the detail budgets and business plans for the City Council, the City Manager, the Assistant City Manager/City Secretary, Finance and Municipal Court. Each one of these Activities cover multiple Functions.

The City Council includes boards and commissions. Specifically there is funding for Keep Kaufman Beautiful and the Parks and Recreation Board.

The City Manager's Office includes administration and economic development. All funding for economic development comes from a 1/2 cent sales tax that is reported directly to the Kaufman Economic Development Corporation. The City Manager is the City's liaison for these efforts.

The Assistant City Manager/City Secretary includes oversight of the City Secretary's Office, the risk management function, human

resources, and liaison to legal services. This office handles all personnel matters from recruitment, training to administration.

The office also monitors all insurance contracts and heads the Safety Committee to develop policies to reduce the City's risk.

Finance includes multiple functions also. Finance oversees billing, accounting, information technology, facilities maintenance, and Customer Service. The Customer Service budget and business plan will be reported in this document in the Public Works Section. Customer Service is funded solely from Utility Fund Revenues.

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B U S I N E S S P L A N

# 2007 city council

## Business Plan

The City Council is the policy making body of the City of Kaufman. It represents the citizens of Kaufman by enacting legislation, establishing City policies, and adopting the annual Program of Services. The mission of the Council is "To enhance the quality of life of our citizens by providing a safe, clean environment through efficient delivery of services." This will be achieved through the Council's strategic plan.

### GOALS

- Provide ongoing direction regarding the strategic plan for the City of Kaufman.
- Encourage business growth and development by assisting the KEDC, Chamber of Commerce, and Economic Development Task Force.
- Support the efforts of the realignment of State Highway 34.

### OBJECTIVES

- Coordinate the implementation of the revised Zoning Ordinance.

- Implement a Tax Abatement Policy for commercial buildings.
- Develop a ten year plan for street improvements.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Council Directed Programs	5	5

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Council Legislation Enacted	77	100

### MAJOR PROGRAM CHANGES

None.

governmental

### KEEP KAUFMAN BEAUTIFUL

The Keep Kaufman Beautiful Board (KKBB) has been created by the City Council to enhance the appearance, environment, and entranceways of the City. The mission of the KKBB is "To enhance the quality of life through the education of our citizens by establishing high standards in order to create a more beautiful community." This will be achieved through the following goals and objectives.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	-	-	-	-
Supplies	454	900	500	900
Maint & Contract	13,814	9,400	8,420	18,850
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$14,268</b>	<b>\$10,300</b>	<b>\$8,920</b>	<b>\$19,750</b>

## PERSONNEL DETAIL

	2005	2006	2007
City Council	7	7	7
TOTAL	7	7	7

### GOALS

- Consider and make recommendations for policies, programs, or procedures to the City Council regarding beautification.
- Solicit the support of the school district, organizations and citizens to encourage community participation for a better Kaufman.
- Conduct regular monthly meetings to promote the overall appearance and aesthetics associated with the City.

### OBJECTIVES

- Beautify the City-owned vacant lot located in the 300 block of South Washington Street.
- Host the annual Main Streets Trash Bash Clean Up Campaign.
- Develop cellular phone and aluminum can recycling programs.
- Develop a membership program.
- Issue Letters of Acknowledgment to corporate and private citizens for their efforts to beautify Kaufman.
- Support the nuisance abatement campaign.
- Host the fifth annual July 4th Celebration Parade.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Monthly Meetings Held	8	12
Letters of Acknowledgment	13	26
KKBB Projects	3	4

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Recommended Projects Enacted	100%	100%
Funds Raised Through Three Projects	1,310	1,500

## MAJOR PROGRAM CHANGES

None.

## PARKS & RECREATION BOARD

The Parks and Recreation (PAR) Board was appointed by the City Council to consider and make recommendations to enhance the appearance, facilities, and programs associated with the City of Kaufman park system.

### GOALS

- Stimulate public interest in the development and maintenance of parks and playgrounds.
- Support the development of a well-rounded community-wide park system in accordance with the master park plan.
- Encourage close cooperation between the City and citizens, institutions, and agencies to ensure that park facilities and resources are used to their maximum benefit in the interest of the public welfare.

### OBJECTIVES

- Promote the sports complex to provide a state-of-the-art com-

munity park facility.

- Tour the park system at least once annually and make recommendations regarding improvements and/or enhancements.
- Review and update park usage fees annually.
- Promote fund raising activities to assist with the maintenance and operation of park facilities.
- Continue option for voluntary park contributions on utility statements.
- Prepare and present an annual report to the City Council concerning the park system.

**WORKLOAD MEASURES**

	<b>2005-2006 Actual</b>	<b>2006-2007 Proposed</b>
Monthly Meetings Held	11	12
PAR Programs	1	1

**PRODUCTIVITY MEASURES**

	<b>2005-2006 Actual</b>	<b>2006-2007 Proposed</b>
Percent of Recommended Programs Enacted	100	100

governmental

**MAJOR PROGRAM CHANGES**

None.

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B U S I N E S S P L A N

# 2007 city manager

## Business Plan

**T**his division is responsible for the management of City operations and serves as the liaison between the policy making and administrative branches of municipal government. The division provides support to the City Council, Planning & Zoning Commission, Kaufman Economic Development Corporation, KKBB, and Chamber of Commerce. Additional responsibilities include maintaining effective intergovernmental relations, ensuring compliance with all local ordinances, State and Federal regulations, and developing strategic plans to maintain continuity in operations and delivery of services.

### GOALS

- Ensure the delivery of quality services to citizens through effective management and efficient administration.
- Maintain fiscal accountability in all financial transactions, management of treasury operations, and regulatory compliance with the investment of public funds.
- Provide assistance and sustain the goal of greater economic growth through the efforts of the KEDC, Chamber of Com-

merce 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.

### OBJECTIVES

- Continue to support the development of the State Highway 34 realignment in association with the Kaufman County Leadership Council, TxDot and affected local governmental organizations.
- Continue implementation of the comprehensive plan elements.
- Revise the Capital Improvement Program (CIP) to meet long-term infrastructure needs.
- Implement Impact Fee policy for future development.
- Coordinate the development of the master plan for the renovation and expansion of City Hall.

	Actual 2003-2004	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	97,188	88,185	88,360	97,267	176,066
Supplies	3,767	4,213	5,300	5,140	5,300
Maint & Contract	189,940	186,983	197,700	201,800	214,600
Capital Outlay	78,352	1,718	1,750	2,225	375
<b>Total</b>	<b>\$369,247</b>	<b>\$281,098</b>	<b>\$293,110</b>	<b>\$306,432</b>	<b>396,341</b>

## PERSONNEL DETAIL

	2005	2006	2007
City Manager	0.5	0.5	0.5
Admin. Assist.	0.5	0.5	0.5
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>

- Coordinate efforts with developers to establish new residential and commercial projects within the city.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
City Council Meetings	17	24
Citizen Calls	175	200
Citizen Visits	118	130

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Customer Responses/24 Hours	90	90
Percent of Council Responses/24 Hours	100	100

### MAJOR PROGRAM CHANGES

None.

## ECONOMIC DEVELOPMENT

This division is responsible for economic development services to include: economic development incentive programs, coordination of City business retention, and business relocation programs, technical support to Chamber of Commerce, and staff liaison to the KEDC. Provides timely and professional responses to concerns and information requests from the Chamber, developers, and existing and prospective businesses.

## GOALS

- Provide site specifications and demographic information to prospective and existing business prospects.
- Support the Chamber effort to develop a marketing tool to compete regionally for business and industry.
- Assist the KEDC in developing and marketing the Kaufman Millennium Business Park.

## OBJECTIVES

- Work with the Chamber, City, KEDC, and contractors to facilitate and expedite prospect negotiations and material presentations.
- Research legislative issues and provide information on economic impact.
- Seek relevant information on funding sources and grant availability for those that apply for Kaufman.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Prospectus Preparation	5	5
Economic Development Meetings	11	9
Business Retention Visits	15	12

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent Request for Information Completed (5 Days)	65%	90%
Percent Major Plans Processed (5 Days)	85%	85%

### MAJOR PROGRAM CHANGES

None.



# 2007 city secretary

## Business Plan

**T**his division is responsible for management of all City Secretary operations for the City. Functional areas include; City Secretary, grants management, public information, records management and risk management. This division 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 audiotapes 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. Other responsibilities include oversight of grants to ensure compliance with all state requirements for grants on a timely basis to include collecting, analyzing, and reporting accurate data as necessary; provides public information in a timely manner to enhance the ability of all city departments to accomplish their mission and provide the citizens with the best possible access to information about their city; catalog all permanent records of the City of

Kaufman, in compliance with the records management retention schedule approved by the State Library; oversight of liability claims to minimize the potential for losses of the City assets and provides adequate funds to settle claims and offer employee safety and health programs for a safe work environment for employees.

### GOALS

- Annual update of the Code of Ordinances.
- Conduct General and Special Elections in compliance with the Texas Election Code.
- Coordinate City Council proposed City Charter Review.
- Coordinate Board and Commission meetings. governmental
- Completion of the 2005 State-funded Water grant.
- Facilitate the 2006 HOME grant.
- Facilitate the 2006 PetSmart grant.
- Apply for the 2007 State-Funded Water/Sewer grant.
- Serve as City liaison to the press.
- Provide information to the citizens via open records requests.
- Ensure departments comply with the Local Records Manage-

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$63,896	\$83,863	\$70,203	\$85,093
<b>Supplies</b>	2,448	3,225	2,308	4,975
<b>Maint &amp; Contract</b>	31,347	37,335	34,053	34,035
<b>Capital Outlay</b>	-	-	-	-
<b>Total</b>	\$97,692	\$124,423	\$106,564	\$124,103

## PERSONNEL DETAIL

	2005	2006	2007
City Secretary	0.5	0.5	0.5
Admin. Assist.	0.5	0.5	0.5
City Attorney	PT	PT	PT
Health Inspector	PT	PT	PT
Total	1	1	1

ment and State approved records retention schedule.

- Provide safety awareness programs directed toward preventing and reducing accidents involving City vehicles and equipment.
- Reduce payment of liability claims associated with vehicle and equipment accidents.
- Provide employee safety and health programs, which are aimed at assuring a safe work environment for employees.

## OBJECTIVES

- 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.
- Comply with all regulations, guidelines, and procedures for state grants.
- Implement public information messages on the City's website.
- Review each department retention schedule.
- Maintain current liability claims ratio.
- Develop and implement an Emergency Action Plan for City

Hall including detailed escape routes and defining City Staff responsibilities.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
City Council Meetings	17	18
City Council Work Sessions	4	6
City Elections	1	1
Proclamations, Ordinances, Resolutions	51	75
Legal Notices Published	40	50
Boards/Commissions Meetings	32	36
State Applications Filed	2	2
Planning and Prepared Documents	50	70
Press Releases	2	5
Media Inquiries	12	15
Citizens Open Record Requests	43	50
Records Retention Schedules	1	1
Compensation Claims Reported	13	10
Safety Programs	12	12

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of New Ordinances Codified	50%	100%
Percent of Minutes Completed within 10 days	100%	100%
Percent of Grants Completed	50%	75%
Percent of Media Inquiries Processed (24 Hours)	90%	90%
Percent of Open Records Requests Completed within 10 days	100%	100%
Percent of Records Management Compliance	100%	100%
Percent of Claims Settled	90%	90%

## MAJOR PROGRAM CHANGES

The County will conduct future elections.

## HUMAN RESOURCES

This division provides City Council, executives, management, and employees advice, support, and recommendations to effectively utilize and manage the City's employee workforce and human resources. The division strategic role is to provide recommendations

on long-term human resources management and operational services to include selection and placement, classification, salary and benefit administration, training and development, and employee relations assistance.

**GOALS**

- Provide effective and timely recruitment, advertising, screening, and referral of qualified applications for open positions.
- Update, maintain, and implement an effective position description/classification program.
- Develop, update, and administer competitive, responsive, and cost effective employee benefit programs.
- Provide programs and services for employee growth and career development and enhancement.
- Provide management and employees with positive recognition and communication programs and assist management and employees with employee relations issues.
- Implement a program that ensures equal employment opportunity, legal compliance, and enhances diversity in the recruitment, selection, and employment of personnel.

**OBJECTIVES**

- Update and administer the Compensation Plan.
- Revisions to the City of Kaufman Personnel Policy Manual.
- Evaluate the Health Insurance and Reimbursement Programs; administer Section 125 Program; administer TMRS; and maintain the ICMA 457 Plan.
- Conduct Annual Service Awards Program; assist with disciplinary, performance appraisals, performance problems, and employee relations issues.

- Maintain an open-to-fill ratio for non-professional positions at 60-days and professional and management positions at 90-days.
- Revise and update employee job descriptions.
- Design and implement a new Compensation Plan to replace the obsolete step pay plan adopted in 1998.

**WORKLOAD MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Applications/Resumes Processed	79	80
Positions Filled	8	8
Classifications/Reclassifications	2	6
Benefit Inquiries	120	130
Benefit Programs Administered	8	8

governmental

**PRODUCTIVITY MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Percent of Positions Filled/60 Days	50%	50%
Percent of Positions Filled/90 Days	100%	90%
Percent of Benefit Questions Addressed/24 HRS.	100%	100%

**MAJOR PROGRAM CHANGES**

Revise employee Job Descriptions and Compensation Plan.

**LEGAL**

This division provides the City Attorney’s office with accurate legal information to represent the City Council, boards, and Staff of the City. Also, drafts various legal instruments for the City Attorney to review and contracts with other legal consultants as deemed necessary.

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## GOALS

- Provide the best possible legal instruments for city projects within the time available for document preparation review.
- Provide the best possible legal advice to the city officials and staff, within the time available for response.
- Provide the most effective legal representation possible in litigation-related activities involving the City while meeting all imposed deadlines.

## OBJECTIVES

- Maintain all City legal documents.
- Chart costs of legal resources.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Contracts and Agreements	26	35
Legal Assistance	25	30

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Legal Services Within Response Time	95%	95%

## MAJOR PROGRAM CHANGES

None.

# 2007 finance

## Business Plan

This division is responsible for management of all financial operations for the City. Functional areas include: accounting, budget, customer service, information services, municipal court, purchasing, tax, and treasury. This division assists the City Manager and City Council in developing long range financial plans, and policies/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.

### GOALS

- Cross train staff in finance department.
- Effectively manage the City's assets by maximizing available revenue, minimizing costs, and protecting cash principal.
- Ensure fiscal accountability in the administration of all financial transactions.
- Foster a "customer service oriented" approach to serving the

citizens of Kaufman.

- Centralize, standardize, and coordinate the procurement of goods and services.
- Promote equal access to business opportunities for all qualified vendors.
- Comply with all applicable purchasing laws and regulations.
- Estimate ad valorem tax rate calculations in a timely manner.
- Inform Tax Assessor/Collector of discrepancies in deposits.
- Review Hotel/Motel Tax calculation.
- Revise and maintain cash collection policies and procedures.
- Maintain compliance with investment governmental policy guidelines.

### OBJECTIVES

- Complete a five-year financial forecast for the City.
- Utilize available, cost effective training opportunity for Finance Department staff.
- Respond to external requests for information in a timely manner.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$78,494	\$84,535	\$82,375	\$85,437
Supplies	1,681	3,625	2,275	3,925
Maint & Contract	11,753	16,725	6,620	12,685
Capital Outlay	6,215	1,300	-	1,500
Sundry	-	-	-	-
<b>Total</b>	<b>\$98,143</b>	<b>\$106,185</b>	<b>\$91,270</b>	<b>\$103,547</b>

## PERSONNEL DETAIL

	2005	2006	2007
Finance Director	0.5	0.5	0.5
Acct. Tech.	1	1	1
<b>Total</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

- Review Purchasing Policies and Procedures.
- Prepare tax rate estimate by July, 2007.
- Monitor accuracy of tax deposits.
- Manage the City's investments as outlined in the City of Kaufman Investment Policy.
- Continue efforts to collect all unpaid amounts owed to the City from any source.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Annual Financial Report Produced	1	1
Five Year Forecast Developed	-	1
Number of Purchase Orders Issued	666	675
Number of Ad Valorem Customers Billed (Parcels)	3,454	3,460
Number of Investment Instruments	28	25
Number of Investment Reports	4	4

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Special Projects Initiated/Completed	100%	100%
Percent of Requests for Information Responded	100%	100%
Percent of Purchase Orders Completed	100%	100%
Percent of Current Ad Valorem Taxes Collected	94%	97%
Percent of Hotel/Motel Revenue Collected	100%	100%
Percent of Banking/Investment Procedures Completed	100%	100%
Average Yield on CD's	3.13%	4.0%
Average Yield on		

Investment Pool	4.64%	5%
Percent of Bank Reconciliations Completed	100%	100%

### MAJOR PROGRAM CHANGES

None.

### ACCOUNTING & BUDGET

This division collects, records, summarizes, and reports the results of all financial transactions that occur within municipal operations. It is also responsible for compiling budget requests from individual departments and supporting the City Manager and City Council during budget development. This division monitors the budget and financial operations 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.

### GOALS

- Manage all financial resources effectively and efficiently.
- Prepare accounts payable and employee payroll.
- Provide quality reviews and audits throughout city operations.
- Assist management in achieving goals and objectives.
- Ensure compliance with City, State, and Federal regulations.
- Match departmental goals and objectives with those established by the City Council.
- Review and/or revise budgetary policies and procedures to attain greater efficiency.
- Administer operating and capital budgets, monitor performance measurements, and implement innovative approaches

in the budget process.

- Effective communication with departments on budget issues.
- Assist City Manager and City Council in developing a multi-year budget.
- Continue with established procedures for account reconciliations.

**OBJECTIVES**

- Provide all City departments with timely reports on year-to-date expenses and budget information.
- Review accounting transactions for accuracy.
- Prepare monthly reports on budgeted vs. actual expenses and revenues for City Council.
- Continue efforts to inform citizens by providing budget information to households annually by direct mail.

**WORKLOAD MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Payroll Checks Issued	1,226	1,200
Direct Deposits via Payroll	506	530
Accounts Payable Checks Issued	1,915	1,950
Number of Accounts Reconciled	207	210
Number of Fund Types Audited	5	5
Program of Services Produced/Distributed	0	1

**PRODUCTIVITY MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Percent of Accounts Reconciled to Ledger	98%	98%
Vendor Invoices Processed/30 Days	99%	99%
Monthly Closings/10 Working Days	50%	80%
Monthly Budget Reports to City Council	100%	100%

**MAJOR PROGRAM CHANGES**

None.

**INFORMATION SERVICES**

This division provides timely availability of accurate information thereby enhancing the ability of the departments to accomplish the goals and objectives established by the City Council.

**GOALS**

- Develop and maintain quality network infrastructure.
- Maintain network accessibility to the internet and e-mail.
- Reduce potential for computer virus.
- Provide internal training and support.

**OBJECTIVES**

- Coordinate training for new software.
- Improve communication with outside financial software vendor and contract IT personnel.
- Encourage employees to scan individual governmental computers regularly for viruses.

**WORKLOAD MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Total Network Servers	1	1
Total PC's Supported	25	25

**PRODUCTIVITY MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Percent of Personnel Trained Network/Software	100%	100%

**MAJOR PROGRAM CHANGES**

None.

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B U S I N E S S P L A N



# 2007 court

## PERSONNEL DETAIL

	2005	2006	2007
Municipal Judge	PT	PT	PT
Court Clerk	1	1	1
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>

This division is responsible for the adjudication of all traffic citations, criminal cases arising under City ordinances, and Class-C Misdemeanors filed in the City of Kaufman.

### GOALS

- Provide accurate and timely processing of court records.
- Maintain the court as an unbiased system of enforcement.
- Foster professional courtesies and respect in community relations.

### OBJECTIVES

- Review and/or revise procedures and filing system to streamline operations.
- Continue formal training for court personnel.
- Continue use of collection agency for unpaid fines.
- Continue implementation of new court software.
- Cross train back up personnel in court duties and software.
- Maintain software upgrades to ticket and arrest report entry performed by Police Dispatch.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Number of New Cases Filed	3,865	4,000
Number of Cases Closed or Cleared	3,792	3,850
Number of Warrants Issued	78	200
Court Hearing Letters	718	800
Jury Trials Held	0	1
Bench Trials Held	227	200
Pre-Trials Held	264	275
Turned Over to Collection Agency	1,141	800

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of New Cases Disposed of Within 90 Days	50%	80%
Percent of Unpaid Cases Turned Over to Collection Agency	100%	100%
Percent of Case Brought Before Judge/Prosecutor Within 60 Days	70%	100%

governmental

### MAJOR PROGRAM CHANGES

None.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$54,986	\$60,516	\$58,955	\$60,431
Supplies	846	1,500	1,350	2,000
Miant & Contract	2,195	5,580	5,575	6,130
Capital Outlay	7,390	3,000	1,250	1,000
<b>Total</b>	<b>\$65,418</b>	<b>\$70,596</b>	<b>\$67,130</b>	<b>\$69,561</b>

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B U S I N E S S P L A N

# 2007 facilities

## Business Plan

This division is responsible for building maintenance, custodial contracts, and utility service for City Hall.

### GOALS

- Provide environment climate and pest control for City Hall.
- Maintain scheduled maintenance of all equipment.
- Complete work orders for all necessary repairs.

### OBJECTIVES

- Develop strategic plan to meet long-term facilities needs.
- Purchase new telephone system for City Hall.
- Schedule preventive maintenance of equipment and facilities.
- Improve emergency evacuation plan.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Municipal Departments	4	4
Square Feet Maintained	10,000	10,000

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Repairs/5 Days	100%	100%

### PERSONNEL DETAIL

	2005	2006	2007
NO PERSONNEL			
Total	0	0	0

### MAJOR PROGRAM CHANGES

New telephone system at City Hall.

governmental

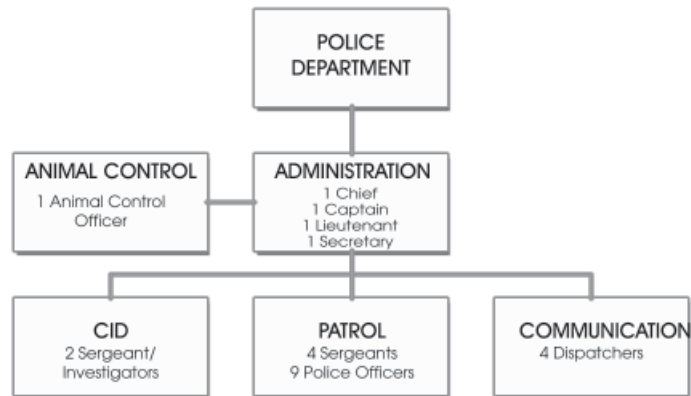
	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$140	\$350	\$300	\$350
Supplies	1,528	2,350	2,700	2,100
Maint & Contract	45,410	39,850	44,460	47,650
Capital Outlay	-	6,000	3,000	25,000
<b>Total</b>	<b>\$47,078</b>	<b>\$48,550</b>	<b>\$50,460</b>	<b>\$75,100</b>

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B U S I N E S S P L A N

# 2007 police

## Overview



**P**olice Department activities are categorized into four basic functions. First is Animal Control. the Animal Control Officer has the responsibility to monitor and apprehend violations of the animal control ordinance.

The dispatch function is presented in the Communications Section. Communications accounts for all costs associated with monitoring 911 calls, coordinating police activities over the radios and handling all Police administrative calls.

Criminal Investigations Division (CID) handles all investigatory matters of the Police Department. They investigate crimes, build cases for prosecutions and works with the District Attorney's Office in trial matters. CID also handles all internal Affairs investigations.

The bulk of the Police Department's costs are in Patrol. This area covers overall administration from the Chief's Office and the daily effort of putting Police Officers on the street 24/7.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$1,047,492	\$1,107,692	\$1,088,653	\$1,124,186
<b>Supplies</b>	44,044	52,200	53,966	58,850
<b>Maint &amp; Contract</b>	33,429	51,498	43,780	46,620
<b>Capital Outlay</b>	61,535	46,200	43,050	31,400
<b>Total</b>	<b>\$1,186,501</b>	<b>\$1,257,590</b>	<b>\$1,229,449</b>	<b>\$1,261,056</b>

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B U S I N E S S P L A N

# 2007 animal control

## Business Plan

This division is responsible for the enforcement of the Animal Control Ordinance, the investigation and resolution of possible rabies exposure cases and for providing temporary care and housing of stray or unwanted animals.

### GOALS

- Apprehend and dispose animals in the most effective and humane way possible.
- Provide an effective and efficient animal nuisance investigation process.
- Respond to requests for service in a professional and courteous manner.

### OBJECTIVES

- Aggressively enforce and apprehend animals at large before the animal becomes a nuisance.
- Decrease timeframe between nuisance complaint and nuisance resolution.
- Increase the public's perception of Animal Control.

### PERSONNEL DETAIL

	2005	2006	2007
Animal Control Officer	1	1	1
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Calls for Service	494	500
Number of Dead Animals	50	50

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Animals Impounded	319	350
Citations Issued	4	8
Strays on Call	323	350
Strays on Patrol	224	250

### MAJOR PROGRAM CHANGES

None.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$34,671	\$37,473	\$37,915	\$38,940
Supplies	3,383	4,250	4,817	5,200
Maint & Contract	4,742	5,500	3,865	3,500
Capital Outlay	-	16,500	17,850	-
<b>Total</b>	<b>\$42,796</b>	<b>\$63,723</b>	<b>\$64,447</b>	<b>\$47,640</b>

police

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B U S I N E S S P L A N



# 2007 communications Business Plan

This division is the direct link between the citizens of Kaufman and the emergency response personnel on the street. The dispatchers are responsible for receiving, processing and disseminating information in an accurate and timely manner to provide expeditious response to emergency situations.

## GOALS

- Support patrol through effective communication and feedback.
- Implement computerized records management.
- Upgrade dispatch radio equipment.

## OBJECTIVES

- Develop in-service training program.
- Train in first responder crisis intervention.

## PERSONNEL DETAIL

	2005	2006	2007
Communications Tech.	4	4	4
<b>Total</b>	<b>4</b>	<b>4</b>	<b>4</b>

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Incoming Phone Calls	31,227	31,500
911 Calls Received	2,282	2,300
TLETS Inquiries	13,888	14,000
TLETS Inquiries/Other Departments	637	650
Confirmed Warrants	409	450

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Articles Entered NCIC/TCIC	10	15
Warrants Entered NCIC/TCIC	165	175

## MAJOR PROGRAM CHANGES

None.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$131,650	\$150,252	\$150,435	\$154,350
Supplies	871	900	1,066	900
Maint & Contract	5,108	5,183	760	1,400
Capital Outlay	4,578	-	-	-
<b>Total</b>	<b>\$142,208</b>	<b>\$156,335</b>	<b>\$152,261</b>	<b>\$156,650</b>

police

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B U S I N E S S P L A N

# 2007 investigations

## Business Plan

This division is responsible for solving reported criminal offenses, apprehending the criminal, and returning the property to the owner. CID is the main link between the Police Department and the District Attorney's office. CID is accountable for filing all case reports, submitting all evidence/drugs to the Crime Lab, and filing all forfeitures on property.

### GOALS

- Utilize crime analysis, informants, and specialized investigative techniques.
- Develop and implement new administrative procedures.
- Timely follow-up on reported offenses.

### OBJECTIVES

- Train individual investigators in specialty areas, i.e. print and identification and statement analysis.

### PERSONNEL DETAIL

	2005	2006	2007
Sergeants	2	2	2
Total	2	2	2

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Cases Assigned	1,051	1,100

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Cases Filed	404	425
Warrants Issued	76	80

### MAJOR PROGRAM CHANGES

None.

police

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$86,153	\$97,233	\$98,836	\$100,633
Supplies	3,214	3,900	4,283	4,650
Maint & Contract	1,324	2,875	1,950	4,300
Capital Outlay	-	-	-	1,200
<b>Total</b>	<b>\$90,690</b>	<b>\$104,008</b>	<b>\$105,069</b>	<b>110,783</b>

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B U S I N E S S P L A N

# patrol 2007

## Business Plan

This division comprises the largest number of sworn personnel within the department and has primary public safety responsibility for the delivery of routine, essential, and emergency police service to the community. Division personnel effectively and efficiently respond to calls for service, community needs, arrest offenders, promote vehicular safety, and work proactively to reduce both the fear and frequency of reported crime.

### GOALS

- Reduce crime victimization.
- Identification and arrest of criminal offenders.
- Effective traffic enforcement.
- Reduce street level drug activity.
- Emphasize community oriented policing.
- Provide an effective and efficient nuisance abatement Process.

### OBJECTIVES

- Emphasize bike patrol at special events.
- Maximize K-9 efforts in drug transportation.
- Create patrol beats for effective personnel deployment.
- Utilize Reserve Officers on special assignments.
- Create a Drug Interdiction Unit to combat the transportation of drugs.
- Reduce number of Internal Affairs investigations.
- Reduce time spent on records management by patrol personnel.
- Reduce down time and maintenance costs on departmental vehicles.

police

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$795,018	\$822,734	\$801,467	\$830,263
Supplies	36,577	43,150	43,800	48,100
Maint & Contract	22,255	37,940	37,205	37,420
Capital Outlay	56,957	29,700	25,200	30,200
<b>Total</b>	<b>\$910,807</b>	<b>\$933,524</b>	<b>\$907,672</b>	<b>\$945,983</b>

## PERSONNEL DETAIL

	2005	2006	2007
Chief	1	1	1
Captain	1	1	1
Lieutenant	1	1	1
Sergeants	4	4	4
Police Officers	9	9	9
TOTAL	16	16	16

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Calls for Service	4,883	4,900
Traffic Accidents	158	160
Offense Reports	811	825
Incidents Reports	1,772	1,800

## PRODUCTIVITY MEASURES

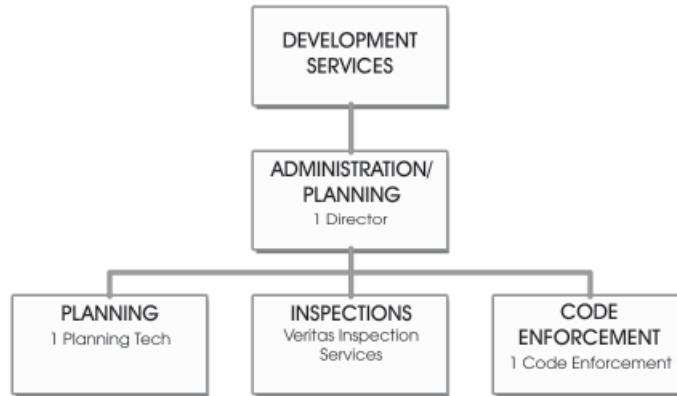
	2005-2006 Actual	2006-2007 Proposed
Traffic Citations	2,343	2,400
Arrests	613	650

## MAJOR PROGRAM CHANGES

None

# development services

## Overview



Development Services is made up of Planning, Building Inspections and Code Enforcement. Public Health is reported here but it is administered out of the City Secretary's Office.

The Development Services Department is a full service activity for new construction and property maintenance. Building Inspec-

tions is a contracted out service with Veritas, a national building inspections firm. Zoning and Subdivisions are overseen by the Planning Division.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$105,291	\$222,801	\$240,839	\$294,389
<b>Supplies</b>	9,314	4,050	2,400	4,550
<b>Maint &amp; Contract</b>	8,328	18,095	13,799	19,005
<b>Capital Outlay</b>	1,003	1,200	995	-
<b>Total</b>	<b>\$123,936</b>	<b>\$246,146</b>	<b>\$258,033</b>	<b>\$317,944</b>

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B U S I N E S S P L A N



# 2007 inspections

## Business Plan

This division is responsible for the administration and enforcement of codes and ordinances related to building, electrical, mechanical, and plumbing.

### GOALS

- Provide quick and efficient inspection services to builders, contractors, and developers.
- Continue successful procedures for the condemnation and demolition of substandard structures.
- Administer cost recovery programs for permits and fees.

### OBJECTIVES

- Support NCTCOG effort to adopt uniform building codes.
- Increase enforcement activity regarding substandard structures.
- Implement and validate revised permitting process.

### PERSONNEL DETAIL

	2005	2006	2007
Building Inspector	PT	PT	PT
Total	0	0	0

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Permits Issued	384	400
Inspections	804	1,124
Plans Reviewed	87	88
Volunteer Demolitions	12	12

development services

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$24,574	\$38,580	\$60,000	\$60,000
Supplies	151	150	150	150
Maint & Contract	2,054	7,100	4,832	6,600
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$26,779</b>	<b>\$45,830</b>	<b>\$64,982</b>	<b>\$66,750</b>

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**PRODUCTIVITY MEASURES**

	<b>2005-2006 Actual</b>	<b>2006-2007 Proposed</b>
Percent of Substandard Structures Demolished	100%	100%
Percent of Plans Reviewed 3-5 Days	95%	95%
Percent of ADA Compliance on Buildings	98%	98%
Percent of Inspections (24-Hours)	99%	99%

**MAJOR PROGRAM CHANGES**

None.

# 2007 planning

## Business Plan

**T**his division oversees long-range strategic planning, prepares demographics, implementation of the Comprehensive Plan and maintains the Geographic Information Systems (GIS), and enhances economic development by providing annexation, zoning, and platting administration. Liaison roles include supporting the City Council, Planning & Zoning Commission, and the KEDC. The division has regulatory responsibility for Building Inspections, and Economic Development in the City and ETJ.

### GOALS

- Implement the vision of what Kaufman will be in the future using the Comprehensive Plan.
- Apply the policies, procedures, and regulations, which clearly define this vision.
- Implement the newly updated regulatory developmental ordinances.

### OBJECTIVES

- Continue the Implementation of the Parks Plan, the Thoroughfare Plan, and the Annexation Plan.
- Integrate Highway 34 By-Pass into overall planning efforts of the City.
- Continue development of the GIS function for the City.
- Revise Comprehensive Plan and Subdivision Regulations.
- Develop information packets pertaining to the City's development process.
- Adopt the 2006 International Building Code and 2005 National Electrical Code.
- Utilize the City's website to publish various application forms and City Boards/Commissions agendas under the direction of the Development Services Department.
- Convert Official Zoning Map and Future Land Use Map to the ArcView program. development services

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$71,341	\$137,813	\$140,144	\$191,109
<b>Supplies</b>	\$9,163	\$2,000	\$1,500	\$2,000
<b>Maint &amp; Contract</b>	\$6,274	\$9,280	\$6,725	\$9,180
<b>Capital Outlay</b>	\$1,003	\$-	\$-	\$-
<b>Total</b>	<b>\$87,782</b>	<b>\$149,093</b>	<b>\$148,369</b>	<b>\$202,289</b>

### PERSONNEL DETAIL

	2005	2006	2007
Development Services Director	1	1	1
Planning Tech	1	1	1
<b>TOTAL</b>	2	2	2

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Zoning Cases	6	6
Plats/Replats	4	10
Major Planning Projects	9	10

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Final Plats Processed (30-days)	100%	100%
Percent Zoning Cases Processes (90-days)	100%	100%

### MAJOR PROGRAM CHANGES

None.

# 2007 public health

## Business Plan

This division provides contracted services via a Registered Sanitarian who conducts city wide inspections of restaurants, grocery stores, hospitals, nursing homes, day care food services, mobile food trucks, and seasonal food establishments.

### GOALS

- Provide food protection services to the community.
- Present a positive image of food protection services and generalized parties regarding construction and remodeling of food establishments.
- Communicate information to citizens, developers, and interested parties regarding construction and remodeling of food establishments.

### OBJECTIVES

- Improve activity of temporary food service facilities as they relate to special events and festivals held within the Kaufman City limits.
- Implement the new Texas Food Establishment Rules.
- Administer monthly reporting system, documenting inspections

### PERSONNEL DETAIL

	2005	2006	2007
Health Inspector	PT	PT	PT
Total	0	0	0

.and sanitation activities.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Restaurant Inspections	75	69
Nursing Home Inspections	9	6
Hospital Inspections	1	2
Day Care Inspections	1	2
Grocery Store Inspections	23	22
Mobile Food Trucks	6	8
Seasonal Vendors	4	8
Plan Review New or Remodeled Construction	2	3
Convenience Stores	41	48
Temporary Vendors	15	18

development services

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Food Service Inspections Per Schedule	177	186

### MAJOR PROGRAM CHANGES

None.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$9,375	\$9,000	\$9,000	\$10,500
Supplies	\$-	\$-	\$-	\$-
Maint & Contract	\$-	\$-	\$-	\$-
Capital Outlay	\$-	\$-	\$-	\$-
<b>Total</b>	<b>\$9,375</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$10,500</b>

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B U S I N E S S P L A N

# code enforcement 2007

## Business Plan

The Code Enforcement Department mission is to promote and maintain a safe and desirable living and working environment for all of Kaufman's citizens, businesses and visitors. We help maintain and improve the quality of our community by administering a fair and unbiased enforcement program to correct violations of municipal codes and land use requirements. We also work with residents, businesses, public services agencies and other City departments.

### GOALS

- Facilitate voluntary compliance with City laws and codes.
- Empower community self-help programs.
- Develop public outreach programs.
- Establish community priorities for enforcement programs.

### OBJECTIVES

- Focus on the elimination of substandard structures by either refurbishing or demolition with an emphasis on voluntary compliance or with the help of available grants for owner occupied structures for needy citizens.

- Target substandard rental properties which are being allowed to deteriorate by owner neglect and disinterest by utilizing the full authority granted by the State to the Building and Standards Commission to force compliance.
- Monitor and investigate violations of the zoning ordinance by multiple families illegally residing in single-family zoned dwellings.
- Target abandoned vehicles for removal and eliminate illegal auto repair businesses located in residential districts.
- Investigate and enforce ordinances for illegal dumping, high weeds and grass, trash and debris and other similar nuisances.
- Investigate and report work being conducted without proper building permits.
- Continue to monitor businesses for improper development services outside storage and dumpsters.
- Continue to monitor illegal signage placed in public rights-of-way which create traffic hazards.
- Investigate citizen complaints in a timely manner and resolve problems as quickly as possible and maintain an open dialogue

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel		\$37,408	\$31,695	\$32,780
Supplies		1,900	750	2,400
Maint & Contract		1,715	2,242	3,225
Capital Outlay		1,200	995	-
<b>Total</b>		<b>\$42,223</b>	<b>\$35,682</b>	<b>\$38,405</b>

## PERSONNEL DETAIL

	2005	2006	2007
Code Enforcement Officer	1	1	1
TOTAL	1	1	1

with all parties concerned.

- Implement case tracking system to show details of citizen contact, types of violations, citations issued, status of case, and resulting actions taken.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Calls for Service	28	50
Proactive Calls	35	70

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Citations Issued	6	24
Warning Citations Issued	15	35
Warning Letters Sent	42	61

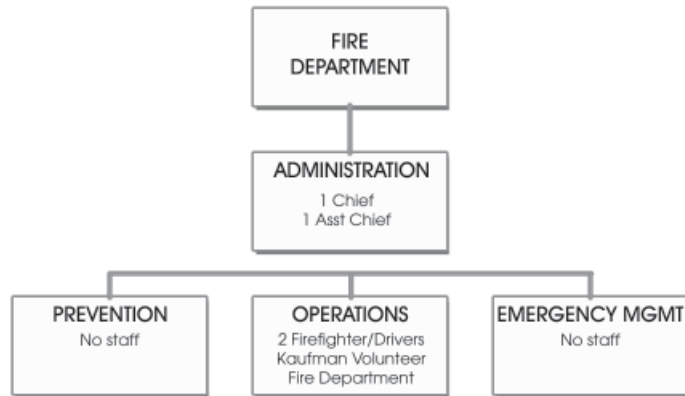
## MAJOR PROGRAM CHANGES

None.



# fire 2007

## Overview



The Fire Department is made up of Administration, with the Chief, Assistant Chief and two Firefighter/Drivers. The Suppression Division is staffed by the Kaufman Volunteer Fire Department. There is the Emergency Management Activity and the Fire Prevention Activity. Emergency Management is staffed by the Chief and the Fire Prevention is administered by a combination of paid staff and the Kaufman Volunteer Fire Department.

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$223,992	\$238,272	\$236,508	\$246,031
<b>Supplies</b>	16,359	25,977	27,504	17,334
<b>Maint &amp; Contract</b>	26,683	38,288	38,502	45,174
<b>Capital Outlay</b>	9,022	4,060	4,060	525,000
<b>Total</b>	<b>\$276,056</b>	<b>\$306,597</b>	<b>\$306,574</b>	<b>\$833,539</b>

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B U S I N E S S P L A N

# 2007 administration

## Business Plan

**T**his division is responsible for directing the policies of the City in formulating standard operational procedures for the Fire Department. This entails coordination of three divisions: Administration, Operations, and Prevention. Additional responsibilities include preparation of the monthly reports, emergency management, schedules, personnel and other record maintenance.

### GOALS

- Train dispatchers in communications and incident command system.
- Implement continuous process improvement program.
- Acquire computerized Report Data base.
- Support divisions in accomplishment of their mission statement.
- Provide administrative support to divisions.

### PERSONNEL DETAIL

	2005	2006	2007
Fire Chief	1	1	1
Asst. Fire Chief	1	1	1
Firefighter/Driver	2	2	2
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>

### OBJECTIVES

- Maintain vehicles and equipment.
- Recruit and train volunteer firefighters.
- Implement department Standard Operating Guidelines as needed.
- Work towards reducing current Fire Suppression Rating with the Insurance Service Offices (ISO) from a rating of 5 to a rating of 3.

fire

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$202,992	\$217,272	\$215,508	\$225,031
Supplies	\$5,231	\$3,020	\$3,925	\$5,004
Maint & Contract	\$17,689	\$21,513	\$23,298	\$28,324
Capital Outlay	\$-	\$-	\$-	\$-
<b>Total</b>	<b>\$225,913</b>	<b>\$241,805</b>	<b>\$242,731</b>	<b>\$258,359</b>

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**WORKLOAD MEASURES**

	<b>2005-2006 Actual</b>	<b>2006-2007 Proposed</b>
Monthly Reports Prepared	17	17
Vehicles Maintained	7	9
Buildings Maintained	1	1
Percent of Reports Prepared	100%	100%

**MAJOR PROGRAM CHANGES**

None.

# 2007 operations

## Business Plan

**T**his division maintains one fire station, including three engines, two boosters, one tanker, one rescue vehicle, one chief's vehicle and one assistant chief's pickup truck. The Fire Chief, Assistant Chief, and thirty "on-call" volunteer firefighters provide 24-hour around-the-clock fire protection.

### GOALS

- Protection of life and property of the citizens of Kaufman.
- Develop pre-fire plans.
- Increase fire training of all department personnel.

### OBJECTIVES

- Respond to all calls for service (emergency and non-emergency).
- Maintain proficiency through training and drills.
- Perform necessary maintenance on Kaufman Central Fire Station.
- Perform company fire surveys on building in the City.

### PERSONNEL DETAIL

	2005	2006	2007
	PT	PT	PT
<b>Volunteers</b>			
<b>TOTAL</b>	0	0	0

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Total Fire Alarms	750	825
Structure Fires	10	15
Fire Hydrant Maintenance	125	150

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Alarms Answered	100%	100%

### MAJOR PROGRAM CHANGES

None.

fire

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
<b>Personnel</b>	\$21,000	\$21,000	\$21,000	\$21,000
<b>Supplies</b>	\$9,398	\$19,332	\$20,054	\$10,040
<b>Maint &amp; Contract</b>	\$8,212	\$13,010	\$12,520	\$13,900
<b>Capital Outlay</b>	\$7,522	\$4,060	\$4,060	\$525,000
<b>Total</b>	<b>\$46,131</b>	<b>\$57,402</b>	<b>\$57,634</b>	<b>\$569,940</b>

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B U S I N E S S P L A N

# 2007 prevention

## Business Plan

**T**his division is responsible for public fire education, inspections, fire code enforcement, plans review, record keeping, fire investigations and pre-fire plans on all commercial buildings, and all necessary in-service training programs for the department members.

### GOALS

- Help prevent fires through public education and inspections.
- Develop pre-fire plans on all commercial buildings.
- Investigate the causes of all fires and prosecute arson offenders.
- Perform commercial building occupancy inspections (old and new construction).
- Complete plan reviews of new development.
- Provide code enforcement (high grass, fire nuisance abatement, fire lane violation).

### PERSONNEL DETAIL

	2005	2006	2007
No Personnel	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

### OBJECTIVES

- Increase public fire education programs.
- Increase overall percentage of inspections.
- Improve training for fire department personnel.
- Implement pre-fire plans on all commercial buildings.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Inspections	648	725
Investigations	87	90
Public Education (# of People)	3,397	4,000
Plan Reviews	38	50
Pre-Fire Plans	6	25

fire

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$-	\$-	\$-	\$-
Supplies	1,729	3,300	3,200	1,855
Maint & Contract	582	600	550	500
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$2,311</b>	<b>\$3,900</b>	<b>\$3,750</b>	<b>\$2,355</b>

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**PRODUCTIVITY MEASURES**

	<b>2005-2006 Actual</b>	<b>2006-2007 Proposed</b>
Percent of Inspections Completed	100%	100%
Percent of Investigations Completed	100%	100%

**MAJOR PROGRAM CHANGES**

None.



# emergency management

## Business Plan

This division 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.

### GOALS

- Provide early warnings to the public due to weather and hazardous material incidents. Prevent and minimize needless death and injuries.
- Develop plans for emergency response.
- Maintain early warning sirens.
- Monthly test early warning sirens.
- Plan and conduct yearly emergency drills.

### OBJECTIVES

- Increase public awareness of emergency management.
- Increase number of early warning sirens.
- Increase staff training in emergency management.
- Increase coverage of sirens.

### PERSONNEL DETAIL

	2005	2006	2007
No Personnel	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Number of Sirens in Service	4	5
Number of Monthly Sirens Tested	12	12
Public Education (# of Persons)	350	375
Disaster Drills	1	1

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Number of Sirens Tested	4	5
Percent of Sirens Working	100%	100%
Percent of City Covered by Sirens	60%	85%

### MAJOR PROGRAM CHANGES

Additional siren installation to maintain near 95% to 100% coverage of city. fire

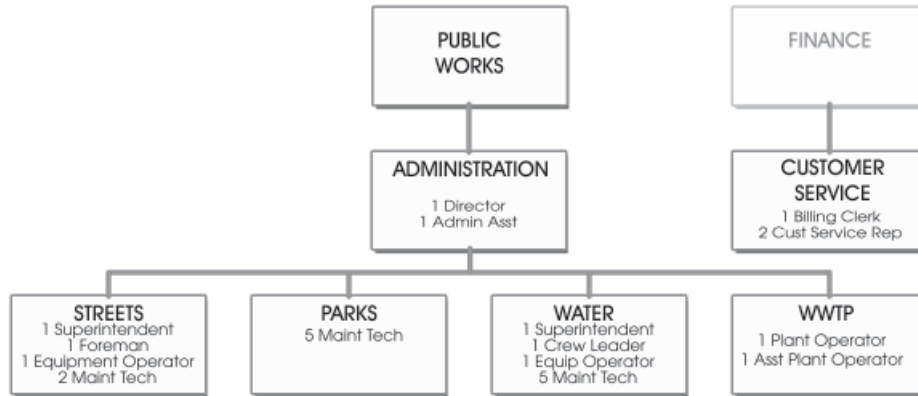
	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$-	\$-	\$-	\$-
Supplies	\$-	\$325	\$325	\$435
Maint & Contract	\$200	\$3,165	\$2,134	\$2,450
Capital Outlay	\$1,500	\$-	\$-	\$-
<b>Total</b>	<b>\$1,700</b>	<b>\$3,490</b>	<b>\$2,459</b>	<b>\$2,885</b>

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B U S I N E S S P L A N

# 2007 public works

## Overview



The Public Works Department is partially funded by the General Fund and the Utility Fund. Streets and Park Maintenance are General Fund Activities. Water and Wastewater are Utility Fund Activities. Customer Service, though it is not part of Public Works, is reported here because it too is a Utility Fund Activity. Customer Service is overseen by the Finance Department.

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B U S I N E S S P L A N

# streets 2007

## Business Plan

This division 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 (recycling, overlay) to City streets and assisting in barricading for special events.

### GOALS

- Protect the investment in public streets through adequate repair and maintenance.
- Assist the public with special projects (Halloween on Houston Street, Kaufman Fall Caboodle Fest, and miscellaneous events.)
- Provide adequate repair, maintenance and upgrades of City drainage systems.
- Maintain traffic and street signage.

### OBJECTIVES

- Complete 75% of citizen requested pot hole repairs within 48-hours of notification.
- Maintain, reconstruct and/or overlay streets through annual street maintenance and rehabilitation program.
- Respond to inclement weather conditions within 2 hours of notification.
- Inspect all utility cuts to insure compliance with the City of Kaufman Pavement and Excavation Cut standards.
- Maintain road right-of-way.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Work Orders Completed	2,208	2,300
Streets Overlaid (City Blocks)	15	40
Pot Holes Repaired	9,904	
10,000Number of Special Events	3	4

public works

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$247,780	\$274,924	\$270,993	\$280,472
Supplies	9,978	14,300	12,250	20,700
Maint & Contract	222,565	447,350	481,245	208,750
Capital Outlay	12,735	47,850	42,123	384,780
Debt Service	-	13,811	13,811	13,818
<b>Total</b>	<b>\$493,058</b>	<b>\$798,235</b>	<b>\$820,422</b>	<b>\$908,520</b>

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## PERSONNEL DETAIL

	2005	2006	2007
Superintendent	1	1	1
Foreman	1	1	1
Equipment Operator	1	1	1
Maintenance Tech.	7	7	7
<b>TOTAL</b>	10	10	10

## PRODUCTION MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Work Orders Completed (10 Days)	100%	100%
Percent of Pot Holes Repaired (48 Hours)	100%	100%
Percent of Utility Inspections (10 Days)	100%	100%

## MAJOR PROGRAM CHANGES

Expand street rehabilitation program to maintain targeted streets.

## CONVENIENCE STATION

This division 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.

## GOALS

- 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.

## OBJECTIVES

- Enhance operations and improve public participation by reviewing area needs.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Total Recyclables Collected (Cubic Yards)	1,418	1,500
Materials Collected (Cubic Yards)	3,080	3,500
Permits Issued	1,887	2,000

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Use per Citizen (City)	40%	45%
Percent of Use Per Citizen (County)	60%	55%
Percent of Recyclables Collected	100%	100%
Percent of Materials Collected	100%	100%
Percent of Permits Issued	100%	100%

## MAJOR PROGRAM CHANGES

None.

## PARK MAINTENANCE

This division 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.

## GOALS

- Provide maintenance of City parks, facilities, and properties in an aesthetically pleasing and orderly manner, which instills public approval, instills community pride, and promotes community use.

**OBJECTIVES**

- Maintain the appearance and usability of the City’s parks.
- Maintain City facility landscaping to provide City beautification.
- Provide safe, functional facilities through daily/weekly preventive maintenance checks and repairs to mitigate availability and liability exposures.
- Promote the development and maintenance of new parks such as Melody Park.
- Attempt to develop a means to reduce overall electrical costs and/or implement fees to account for general park maintenance and operation costs.
- Develop an effective maintenance schedule to include added equipment.

**WORKLOAD MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Acreage Maintained – Shannon Park	1.8	1.8
Acreage Maintained – Cottage Heights Park	.3	.3
Acreage Maintained – City Lake Park	30.0	30.0
Acreage Maintained- Hwy 34 Sports Complex	81.0	81.0
Acreage Maintained – Melody Park	.75	.75
Street Right-of-Ways Mowed (Miles)	11.5	12.5
Other City Owned Facilities Mowed	9	9

**PRODUCTION MEASURES**

	2005-2006 Actual	2006-2007 Proposed
Percent of Right-of-Way Maintained	100%	100%
Percent of Parks Maintained	100%	100%
Percent of Sports Complex Maintained	100%	100%
Percent of City Property Maintained	100%	100%

**MAJOR PROGRAM CHANGES**

Addition of proposed U.S. Highway 175 overpass beautification project and the purchase of a large tractor with a bat-winged mower.

public works

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B U S I N E S S P L A N



# water 2007

## Business Plan

### PUBLIC WORKS ADMINISTRATION

This division 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 stormwater drainage project coordination. Street rehabilitation project coordination, park maintenance activity and operation coordination, right of way management and new construction plan review and inspection.

#### GOALS

- 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 stormwater drainage projects.

#### OBJECTIVES

- Complete the 2007 TWDB Wastewater Grant Project, if awarded.
- Prepare for construction and operations of the Kaufman Annex Phase II Wastewater expansion and upgrade project.
- Complete the Kaufman Annex Phase I Wastewater expansion project.
- Prepare ordinance revisions and updates.
- Complete the upgrade and re-coating of the Highway 175 and Hickory Street overhead storage tanks.
- Apply for grants and low interest funding to complete major infrastructure improvements.

public works

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$265,986	\$292,868	\$277,368	\$301,303
Supplies	11,874	13,350	15,900	18,540
Maint & Contract	506,345	526,270	573,270	601,775
Capital Outlay	23,195	-	-	617,415
Sundry	1,545	1,353	1,353	12,488
<b>Total</b>	<b>\$808,944</b>	<b>\$833,841</b>	<b>\$867,891</b>	<b>\$1,551,521</b>

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## PERSONNEL DETAIL

	2005	2006	2007
Public Works Director	1	1	1
Superintendent	1	1	1
Crew Leader	1	1	1
Equipment Operator	1	1	1
Maintenance Tech.	5	5	5
Admin Assist.	1	1	1
<b>TOTAL</b>	10	10	10

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Maintenance Schedules Prepared	48	48
Standard Operation Schedules Prepared	7	7
Wastewater Grant Completed	1	1
Grant Application Submitted	1	1
Scheduled Reports Submitted	44	45

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Maintenance Schedules Completed	100%	100%
Percent of Operation Schedules Completed	100%	100%
Percent of C.I.P. Projects Completed	90%	80%
Percent of Scheduled Reports Submitted on Time	100%	100%

### MAJOR PROGRAM CHANGES

Addition of overhead storage tank projects.

## WATER DISTRIBUTION

This division is responsible for maintaining an adequate water distribution system for residential and commercial use.

### GOALS

- Maintain all water distribution system 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.

### OBJECTIVES

- Maintain 49.7 miles of water mains (City).
- Maintain 6.9 miles of water mains (contract).
- Replace water lines, mains and valves and fire hydrants as needed.
- Complete upgrades and re-coatings of Highway 175 and Hickory Street overhead storage tanks.
- Provide effective response times to problems and customer complaints.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Water Service Lines Maintained (Linear Ft.)	54,260	55,000
Water Mains Maintained (Feet)	255,552	256,552
Hydrants Maintained	242	245
Water Taps Installed	8	15
Valves Maintained	312	315
Water Storage Tanks Maintained	3	3

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Hydrants Repaired	25%	25%
Percent of Water Taps Installed	100%	100%
Percent of Valves Repaired	25%	25%
Percent of Water Main Repairs	25%	28%
Percent of Service Line Repairs	25%	28%
Daily Maintenance (Water Storage Tank)	100%	100%

### MAJOR PROGRAM CHANGES

None

## WATER METERING

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

### GOALS

- Maintain efficient operation of water meters for residential and commercial use.
- Investigate feasibility of converting current system to an Automatic Meter Reading System.

### OBJECTIVES

- Maintain 2,755 residential and commercial meters.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Number of Water Meters Maintained	2,755	2,815
Number of New Meters Installed	52	60
Number of Meters Read	29,855	30,800
Number of Service Calls Investigated	261	300

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Meters Maintained	95%	97%
Percent of New Meters Installed	100%	100%
Percent of Meters Read	100%	100%
Percent of Service Calls Investigated	100%	100%

public works

### MAJOR PROGRAM CHANGES

None

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B U S I N E S S P L A N

# 2007 wastewater

## Business Plan

### WASTEWATER PLANT OPERATIONS

This division 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 biosolids 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.

#### GOALS

- 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.
- Provide facility and equipment to produce Class B biosolids.
- Continue to implement 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.

#### OBJECTIVES

- Treat 260 million gallons of wastewater annually.
- Total compliance with TCEQ and EPA discharge parameters.
- Regulate commercial and industrial waste.
- Maintain regulatory compliance with permit criteria for biosolids disposal.
- Maintain treatment plant equipment to meet effluent standards.
- Continue plant removal efficiency of BOD and TSS.
- Improve the overall appearance of the treatment plant.

public works

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$152,663	\$169,918	\$155,667	\$179,823
Supplies	17,080	22,300	23,000	28,100
Maint & Contract	133,584	175,805	237,670	241,470
Capital Outlay	1,497	16,000	16,370	20,375
<b>Total</b>	<b>\$304,824</b>	<b>\$384,023</b>	<b>\$432,707</b>	<b>\$469,768</b>

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## PERSONNEL DETAIL

	2005	2006	2007
Plant Operator	1	1	1
Asst. Plant Operator	1	1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Plant Influent (Million Gallons)	255	260
Plant Effluent (Million Gallons)	202	205
BOD Removed (Tons)	200	205
Grit/Screening (Cubic Ft.)	870	880
Solids Disposed (Tons)	825	850
Day Recycled Plant Water (Millions Gallons)	65	65

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Plant Operations Completed	98%	98%
Percent of Electricity Used	100%	100%
Percent of Chemicals Used	90%	98%

### MAJOR PROGRAM CHANGES

None.

## WASTEWATER COLLECTION

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

### GOALS

- 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.

### OBJECTIVES

- Maintain 232,400 feet of wastewater system.
- Complete the Kaufman Annex Sewer Phase II expansion project.
- Complete 2007 TCDP Wastewater Grant, if awarded.

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Wastewater Mains Maintained (Feet)	232,400	235,400
Manholes Maintained	157	170
New Sewer Taps Installed	6	10
Lift Stations Serviced Daily	12	12

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Sewer Main Maintained	30%	35%
Percent of Manholes Maintained	15%	18%
Percent of New Sewer Taps Installed	100%	100%
Percent of Sewer Lift Stations Serviced Daily	100%	100%

### MAJOR PROGRAM CHANGES

Possible approval of 2007 TCDP Wastewater Grant.

## PRAIRIE CREEK MAINTENANCE

This division 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.

## GOALS

- ☛ Maintain creek channel by keeping it clean and free flowing.

## OBJECTIVES

- ☛ Maintain 8,895 linear feet of creek channel.
- ☛ Dredge 2,965 linear ft. of creek channel annually.
- ☛ Inspect creek twice a week for high grass stoppages.

## WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Culverts Unstopped	0	2
Gate Crossings Repaired	0	1
Creek Channel Dredged (Linear Ft.)	0	2,965
Creek Area Mowed and Trimmed (Linear Ft.)	8,895	8,895
Inspections Made	72	104

## PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Percent of Culverts Unstopped	0%	100%
Percent of Gate Crossings Repaired	0%	100%
Percent of Creek Channels Dredged	0%	100%
Percent of Creek Area Mowed	100%	100%
Percent of Inspections Made	72%	100%

## MAJOR PROGRAM CHANGES

None.

public works

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B U S I N E S S P L A N



# customer service 2007

## Business Plan

**T**his division provides comprehensive, professional, effective, and reliable service to utility customers. It is responsible for managing service requests, concerns, and inquiries. Customer service maintains utility customer records and bills, monitors and collects active, inactive, and aged accounts.

### GOALS

- Provide prompt and accurate utility billings.
- Update information brochure for new residents.
- Continue to update policies and procedures.
- Improve collection strategies and utilize services of collection agency.
- Keep citizens informed through use of newsletter and notices in water bills.

### OBJECTIVES

- Respond to customer requests in a prompt & courteous manner.
- Implement annual Customer Service Survey.
- Review and update policies and procedures.
- Develop and implement a more effective collection strategy on late and unpaid utility bills.
- Reduce the number of late notifications and temporary utility disconnection of services.
- Continue implementation of new financial software.
- Improve communication and paper flow with Public Works Department.
- Publish quarterly newsletter.

governmental

	Actual 2004-2005	Budget 2005-2006	Projected FY 2006	Budget 2006-2007
Personnel	\$439,675	\$415,460	\$405,654	\$436,660
Supplies	5,052	7,550	7,550	7,650
Maint & Contract	84,887	105,415	95,805	101,860
Capital Outlay	13,915	-	-	-
Sundry	675,908	675,687	676,504	592,725
<b>Total</b>	<b>\$1,219,438</b>	<b>\$1,204,112</b>	<b>\$1,185,513</b>	<b>\$1,138,895</b>

## PERSONNEL DETAIL

	2005	2006	2007
City Manager	0.5	0.5	0.5
Asst. City Manager/City Secretary	0.5	0.5	0.5
Finance Director	0.5	0.5	0.5
Utility Billing Clerk	1	1	1
Customer Service Rep.	2	2	2
<b>TOTAL</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>

### WORKLOAD MEASURES

	2005-2006 Actual	2006-2007 Proposed
Total Customer Statements	29,909	30,000
Number of Late Notices	5,894	5,500
Number of Cut-Offs	522	500
Customer Satisfaction Surveys	-	1
Payments Processed	29,871	30,000
Bank Drafts Processed	1,117	1,200
New Service Processed	748	750
Final Service Processed	436	450
Refund Checks Issued	109	100
Collection Letters Processed	65	100

### PRODUCTIVITY MEASURES

	2005-2006 Actual	2006-2007 Proposed
Average Time With Customer/Lobby	5MIN.	5MIN.
Average Time With Customer/Phone	10MIN.	10MIN.

### MAJOR PROGRAM CHANGES

None.



# 2007

DEBT SERVICE



K A U F M A N T E X A S

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B U S I N E S S P L A N

# debt service 2007

## Overview

### REVENUE:

Ad Valorem Taxes: \$173,292

**TOTAL REVENUES \$173,292**

### EXPENDITURES:

Certificates of Obligation,  
Series 1999 Principal 28,000

Certificates of Obligation,  
Series 1999 Interest 28,035

Certificates of Obligation,  
Series 2002 Principal 66,670

Certificates of Obligation,  
Series 2002 Interest 50,220

172,925

Agent Fees - 1999 C.O.  
(estimate) 367

367

**TOTAL EXPENDITURES 173,292**

**Excess (deficiency) of revenues over expenditures -**

**Estimated Unreserved Fund Balance at Beginning of Year -**

**Estimated Fund Balance at End of Year \$-**

the Debt Service Fund is a property tax supported fund.

Taxes are levied to pay the principle and interest payments due on all debt backed by the full faith and credit of the City.

Most of the debt outstanding had been used for improvements in the City's business activities (wastewater.) Even though this debt is issued as certificates of obligation to the full tax base of the City, the principle and interest payments are made from property taxes and the user fees in the Utility Fund.

Therefore, the debt levy to pay for those genreal governmental improvements (streets, parks and fire), is only \$.069 per \$100 value. The number reflected in the Table to the left, are only the principle payments due for governmental improvements. There is another payment of \$592,425 for debt used to make improvements in the Utility Fund.

The Tables on the following page show a very low debt ratio for a city. The bottom chart shows what a small portion of the overall debt paid by Kaufman citizens is for City improvements.

debt

CITY OF KAUFMAN, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business- Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	Capital Leases	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Notes Payable	Capital Leases			
	1997	\$-	\$77,650	\$-	\$-	\$5,680,000	\$-			
1998	-	134,685	-	80,000	5,505,000	-	41,224	5,760,909	4.91%	1,011
1999	700,000	358,230	-	330,000	5,290,000	-	182,730	6,860,960	5.45%	1,173
2000	679,000	331,165	-	291,000	5,115,000	-	206,416	6,622,581	4.48%	1,020
2001	658,000	270,122	-	282,000	4,870,000	-	168,111	6,248,233	3.96%	955
2002	2,273,667	179,110	-	1,091,333	4,615,000	-	95,665	8,254,775	5.03%	1,260
2003	2,195,834	116,313	-	1,054,166	3,990,000	-	67,570	7,423,883	4.45%	1,117
2004	2,108,001	22,285	-	1,011,999	3,725,000	-	34,328	6,901,613	N/A	1,030
2005	2,016,668	38,205	-	2,293,332	3,440,000	6,327	23,385	7,817,917	N/A	1,169
2006	1,925,335	25,917	-	2,214,665	3,145,000	-	11,950	7,322,867	N/A	

CITY OF KAUFMAN, TEXAS  
PLEDGED-REVENUE COVERAGE  
Last Ten Fiscal Years

Waterworks and Sewer System Revenue Bonds

Fiscal Year	Total Revenues <sup>1</sup>	Less Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
				1997	\$1,776,540	
1998	1,985,846	1,007,871	977,975	125,000	258,542	2.55
1999	1,964,391	1,093,500	870,891	135,000	254,168	2.24
2000	2,171,716	1,169,105	1,002,611	175,000	249,172	2.36
2001	2,111,942	1,355,997	755,945	245,000	242,348	1.55
2002	2,200,367	1,471,656	728,711	255,000	232,424	1.50
2003	2,203,106	1,586,663	616,443	265,000	221,842	1.27
2004	2,204,583	1,622,239	582,344	285,000	127,109	1.41
2005	2,537,894	1,695,573	842,321	295,000	117,684	2.04
2006	2,714,953	1,785,216	929,737	305,000	107,934	2.25

CITY OF KAUFMAN, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
September 30, 2006

	Debt Outstanding	Estimated Percent Applicable	Estimated Share of
			Overlapping
			Debt
Governmental Unit			
Debt repaid with property taxes: County	\$20,785,000	5.49	\$1,141,097
Debt repaid with property taxes: School District	\$31,983,229	46.10	14,744,269
Subtotal, overlapping debt			15,885,366
City of Kaufman, Texas direct debt			1,951,252
Total direct and overlapping debt			\$17,836,618

\* Source: Texas Municipal Reports

Source: Texas Municipal Reports

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county and school district's taxable assessed value that is within the city's bou



# 2007

CAPITAL IMPROVEMENTS



K A U F M A N T E X A S





# capital improvements

Description	Department	Capital Outlay
<b>Office Equipment</b>		
Phone System	Facilities Mgmt	\$25,000
Security Camera (Bldg Security Fund)	Municipal Court	\$1,000
Laser Printer	Finance	\$1,500
Two (2) Computers	Police	\$2,400
Computer & Printer	Street	\$1,300
<b>Total - Office Equipment</b>		<b>\$31,200</b>
<b>Vehicles &amp; Equipment</b>		
Quint Fire Truck	Fire	\$525,000
Patrol Car & Equipment	Police	\$29,000
Dump Truck	Street	\$50,000
1/2 Ton Pickup	Park	\$17,400
Utility Tractor	Park	\$27,000
Flex Wing Mower	Park	\$11,500
30 Key Diesel Pump	All	\$13,480
Gas Chop Saw	Water	\$1,380
Trench Box	Water/Sewer	\$2,875
12 Volt Pump	Water	\$1,035
Floating Aerator	Sewer	\$10,000
<b>Total - Vehicles &amp; Equipment</b>		<b>\$688,670</b>
<b>Other</b>		
Upgrade Water Towers (2)	Water	\$615,000
Street Overlay	Street	\$300,000
Hwy 35 & 175 Landscape	Street	\$20,000
New Roof - WWTP Office/Lab Bldg	Sewer	\$7,500
Consultant - Comprehensive Plan	Planning	\$40,000
Marching Funds - Home Grant	Admn	\$68,750
<b>Total - Other</b>		<b>\$1,051,250</b>
<b>Grand Total</b>		<b>\$1,771,120</b>

capital improvements

PROPOSE FIVE YEAR CAPITAL PLAN

Year/Project	Task	Project Cost	2008	2009	2010	2011	2012	2013
Street Overlay	Construction	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Street Reconstruction	Design	600,000	600,000	-	-	-	-	-
Street Reconstruction	ROW	300,000	-	300,000	-	-	-	-
Street Reconstruction	Construction	5,000,000	-	-	5,000,000	-	-	-
Water Tanks	Design	66,000	66,000	-	-	-	-	-
Water Tanks	Construction	550,000	550,000	-	-	-	-	-
Water Looping	Construction	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Water Replacement	Design	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Water Replacement	Construction	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Water Extension	Design	144,000	144,000	-	-	-	-	-
Water Extension	ROW	72,000	-	72,000	-	-	-	-
Water Extension	Construction	1,200,000	-	-	1,200,000	-	-	-
Sewer Treatment	Design	720,000	-	-	-	-	-	-
Sewer Treatment	Construction	6,000,000	-	-	-	-	-	-
Sewer Replacement	Design	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Sewer Replacement	Construction	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Sewer Extension	Design	144,000	144,000	-	-	-	-	-
Sewer Extension	ROW	72,000	-	72,000	-	-	-	-
Sewer Extension	Construction	1,200,000	-	-	1,200,000	-	-	-
Buildings-City Hall	Design	480,000	-	-	-	-	-	-
Buildings-City Hall	ROW	240,000	-	-	-	-	-	-
Buildings-City Hall	Construction	4,000,000	-	-	-	-	-	-
Buildings-Public Works	Design	144,000	-	-	-	-	144,000	-
Buildings-Public Works	ROW	72,000	-	-	-	-	-	72,000
Buildings-Public Works	Construction	1,200,000	-	-	-	-	-	-
Buildings-Senior Center	Design	240,000	-	-	-	-	-	-
Buildings-Senior Center	ROW	120,000	-	-	-	-	-	-
Buildings-Senior Center	Construction	2,000,000	-	-	-	-	-	-
Buildings-Recreation	Design	240,000	-	-	-	-	-	-
Buildings-Recreation	ROW	120,000	-	-	-	-	-	-
Buildings-Recreation	Construction	2,000,000	-	-	-	-	-	-
Parks Equipment		40,000	40,000	40,000	40,000	40,000	40,000	40,000
Parks Parking Lot	ROW	60,000	-	60,000	-	-	-	-
Parks Parking Lot	Design	12,000	12,000	-	-	-	-	-
Parks Parking Lot	Construction	100,000	-	-	100,000	-	-	-
Parks New		-	-	-	-	-	-	-
Parks Skate	Design	24,000	24,000	-	-	-	-	-
Parks Skate	Construction	200,000	-	-	200,000	-	-	-
Downtown Sewer	Design	-	-	-	-	-	-	-

Year/Project	Task	Project Cost	2008	2009	2010	2011	2012	2013
Downtown Sewer	ROW		-	-	-	-	-	-
Downtown Sewer	Construction		-	-	-	-	-	-
Downtown Water	Design		-	-	-	-	-	-
Downtown Water	ROW		-	-	-	-	-	-
Downtown Water	Construction		-	-	-	-	-	-
Downtown Sidewalk	Design	1,650	1,650	-	-	-	-	-
Downtown Sidewalk	Construction	13,750	-	13,750	-	-	-	-
Downtown Lighting	Design	6,720	6,720	-	-	-	-	-
Downtown Lighting	Construction	56,000	-	56,000	-	-	-	-
Downtown Furniture	Construction	53,600	-	53,600	-	-	-	-
Police Cars		30,000	30,000	30,000	30,000	30,000	30,000	30,000
Police Radio System			-	-	-	-	-	-
Police Computer System			-	-	-	-	-	-
Police CAD			-	-	-	-	-	-
Fire Trucks		350,000	-	-	-	-	350,000	-
Fire Station			-	-	-	-	-	-
Fire Equipment		10,000	10,000	10,000	10,000	10,000	10,000	10,000
Admin Computer System			-	-	-	-	-	-
Admin Phones			-	-	-	-	-	-
Admin Printers			-	-	-	-	-	-
Admin Copiers			-	-	-	-	-	-
		\$28,625,720	\$2,372,370	\$1,451,350	\$8,524,000	\$824,000	\$1,318,000	\$896,000
	General Fund		\$288,370	\$403,350	\$280,000	\$280,000	\$280,000	\$280,000
<b>EXPENSE</b>	Utility Fund		\$544,000	\$544,000	\$544,000	\$544,000	\$544,000	\$544,000
<b>TOTALS</b>	GO Bonds		\$636,000	\$360,000	\$5,300,000	\$-	\$494,000	\$72,000
	Revenue Bonds		\$904,000	\$144,000	\$2,400,000	\$-	\$-	\$-





# 2007

APPENDIX



K A U F M A N T E X A S



# 2007 community profile Information

## FORM OF GOVERNMENT:

The City of Kaufman, Texas is a political subdivision located in Kaufman County. It operates as a home-rule chartered municipality under the "Council-Manager" form of government. 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.

## LOCATION AND POPULATION:

The City of Kaufman, Texas is located approximately 32 miles southeast of Dallas on U.S. Highway 175. Dr. William P. King founded the City in 1840. Kaufman is a progressive community of about 6,750 citizens and is the county seat of Kaufman County, population 95,650.

## UTILITIES:

The City provides water and sewer services. Solid waste services are provided by I.E.S.I. TXU Electric and Trinity Valley Electric Corp. provide electric power. Telephone services are provided by Sprint Telephone. Natural gas is provided by Atmos Energy.

## SCHOOLS AND COLLEGES:

Kaufman Independent School District is rated class 4A. The KISD has one early childhood development center, three elementary schools, a middle/junior high school and a high school, with a total enrollment of 3,247 students. Kaufman High School provides vocational training, business information training, agricultural science and technology, agribusiness, and agricultural mechanics. There is one private school as well as Trinity Valley Community College, which has campuses in Kaufman (Health-Science Center), Terrell, Athens, and Palestine.

Miscellaneous Statistics	
Date of Incorporation	1853
Population	6,750
Location	32 miles southeast of Dallas
Area	9.125 square miles
<b>Fire Protection</b>	
Number of Stations	1
Number of Paid Firefighters	4
Number of Volunteer Firefighters	30
<b>Police Protection</b>	
Number of Stations	1
Number of Police Officers	19
Number of Police Reserves	3
<b>Recreation and Culture:</b>	
Number of Libraries	1
Number of Library Materials	60,000
Number of Parks	4
<b>Kaufman is served by the Kaufman Independent School District.</b>	
Number of Campuses	6
Number of Teachers	230
Number of Students	3,553
Planning Commission/Board of Adjustments	yes
Subdivision/Zoning Regulations	yes
Comprehensive Master Plan	yes

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**RECREATION:**

The City of Kaufman currently maintains five municipal parks. Kaufman City Lake provides a jogging trail, 5-acre lake and fishing pier, a pavilion with barbecuing facilities, playground equipment, and picnic tables. Fishing on the lake also provides recreation for the population of the area. Organized ballgames are scheduled through the Kaufman Lion's Club at our largest park. The Kaufman Sports Complex, is 81.4 acres. The \$2.3 million multi use facility was funded in part by a \$500,000 grant from the Texas Department of Parks & Wildlife. Amenities include three lighted softball/baseball fields, four T-ball fields, two lighted tennis courts, one lighted and three unlighted soccer fields, a picnic area, a children's playground, a hike/bike trail as well as a pavilion with concession and restroom facilities.



# 2007 glossary

## Information

### GLOSSARY OF BUDGET TERMS

The Annual Program of Services contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Program of Services document in understanding these terms, a budget glossary has been included.

**ARB:** Appraisal Review Board. This is a group of local citizens authorized to check the work of Kaufman County Appraisal District and resolve disputes with taxpayers. This board certifies the appraised values on the appraisal roll.

**ARB HEARINGS:** The property owner may protest the appraisal of his property value to the Appraisal Review Board at the ARB hearings.

**ACCOUNTS PAYABLE:** A liability account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

**ACCRUAL ACCOUNTING:** The basis of accounting under which transactions are recognized when they occur, regardless of timing of related cash flows.

**AD VALOREM TAXES (CURRENT):** Latin for "value of." Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property located within the taxing unit's jurisdiction which are subject to taxation on January 1 of the current year. Following the receipt of the City's certified

values from the appraisal district, the City Council sets the tax rate and levies taxes for the fiscal year beginning October 1, and continuing through the following September 30. These are also referred to as property taxes.

**AD VALOREM TAXES (DELINQUENT):** Ad Valorem taxes are due on October 1, and become delinquent if not paid before February 1 of the fiscal year in which it is imposed.

**AD VALOREM TAXES (PENALTY AND INTEREST):** A delinquent tax incurs a penalty of six percent of the amount of the tax for the first calendar month it is delinquent, plus one percent 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. However, the delinquent tax on July 1 incurs a total penalty of twelve percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent.

**APPRAISED VALUE:** To make an estimate of value for the purpose of taxation.

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

**AUDIT:** A comprehensive investigation of the manner in which the government's resources were actually utilized. The audit can be classified as a financial audit or a performance audit. A financial audit

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is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures complied with the appropriations of the legislative body. A performance audit consists of a review of how well the government met its goals.

**AUDITOR’S OPINION:** A statement signed by an auditor in which he states that he has examined the financial statements, the system of internal control, the accounting records, and supporting evidence in accordance with generally accepted auditing standards. He expresses his opinions, based on the examination, regarding the financial condition of the governmental unit or any of its enterprises, the results from operations and any facts, which he has investigated in his professional capacity.

**BOND:** A written promise to pay a sum of money on a specific date(s) at a specified interest rate. The repayment of both principal and interest are detailed in a bond ordinance.

**BOND ORDINANCE:** An ordinance authorized a bond issue.

**CAPITAL OUTLAYS:** Expenditures that result in the acquisition or construction of fixed assets.

**CASH:** Currency, coins checks, money orders, and banker’s drafts on hand or on deposit with an official or depository designated as custodian of cash and bank deposits. All cash must be accounted for as part of the fund to which it belongs. It is not necessary to maintain a separate bank account for each fund unless required by law.

**CERTIFICATES OF OBLIGATION:** A security issued by a municipality for the purpose of paying contractual obligations

incurred with the construction and equipping of various allowable projects. Certificates do not require voter approval, but do require the publication of a notice of intent to issue. The certificates may be secured by a pledge of Ad Valorem tax revenue or monies derived from the operation or a revenue producing system or facility.

**DEBT SERVICE FUND:** The fund used for the record of payment of long term debt principal and interest. The Debt service fund may be referred to as the Interest and Sinking Fund.

**DEPOSITORY:** Banking institution that handles the day to day operational cash flow (daily deposits, payroll checks, and accounts payable checks.) Current depository is First State Bank.

**DIRECT DEPOSITS:** Deposits that are made directly from one bank to another. The use of direct deposit causes no mail delay. The City of Kaufman uses direct deposits for funds received from the State of Texas on our Sales Tax and Mixed Beverage Tax collections, as well as for Grant funds received from various other governmental agencies.

**DISBURSEMENTS:** Payment for goods and services in cash or by check.

**EFFECTIVE TAX RATE:** The rate, which produces the same revenues in terms of the total amount of taxes, compared to the prior year.

**FISCAL YEAR:** A twelve-month period to which the annual operating budget applies. The City of Kaufman has established the period of October 1, through September 30, as its fiscal year.

**FRANCHISE TAX:** This is a charge paid for the use of City streets and public right-of-way, and is in lieu of all other munic-

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pal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes, inspections fees, and/or charges of every kind, except ad valorem and special assessment taxes for public improvements (electric, gas, telephone and cable television.)

**FUND BALANCE:** The excess of assets over liabilities; also referred to as surplus funds.

**GFOA:** Government Finance Officer's Association of the United States and Canada.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP):** Uniform minimum standards of and guidelines to financial accounting and reporting. They provide a standard by which to measure financial presentations.

**INTERFUND TRANSFERS:** Amounts transferred from one fund to another fund.

**M & O:** Maintenance and Operations.

**NOTICE & HEARING LIMIT:** The highest tax rate that may be adopted without notices and a public hearing. It is the lower of the rollback tax rate or 103 percent of the effective tax rate.

**PROPERTY TAXES:** Property taxes are levied on both real and personal property according to the property's valuation and tax rate. Property taxes are also referred to as Ad Valorem taxes.

**PURCHASE ORDER:** A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

**REVENUE BONDS:** Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund.

**SINKING FUND:** The term sinking fund derives from the

concept of "floating a bond issue." The sinking fund was the fund created to accumulate monies to "sink" the debt at its maturity.

A sinking fund is also referred to as the debt service fund.

**TLETS II:** The Texas Law Enforcement Telecommunications Systems is a statewide network that is composed of over 700 terminals/data bases/computer interfaces representing over 675 county, state, federal and military law enforcement and criminal justice agencies in Texas.

**TAX RATE:** The amount of tax stated in terms of a unit of tax base.

**TAX ROLL:** The official list prepared by the Tax Assessor-Collector showing the amounts of taxes levied against each taxpayer or property.

**TEXPOOL:** An investment service for public funds provided by the State. It offers local governments the opportunity to join with the State of Texas and other public entities to get the highest earnings possible on public funds under reasonably safe conditions.

**UNDESIGNATED FUND BALANCE (SURPLUS):** Excess fund balance that has not been designated to a particular expense. The Council reviews the undesignated surplus during the budget preparation process. This is primarily used for one-time capital purchases.

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B U S I N E S S P L A N

# 2007 chart of accounts Information

## Classification of Expenditures (Expenses) by Code

### PERSONAL SERVICES

- 5101 Base salaries and wages for all employees
- 5102 Overtime pay - wages paid at time and one-half over 40-hours
- 5103 Additional pay for completion of a Certification program
- 5122 Payment for legal advice or attorney fees
- 5123 Payment for engineering professional services
- 5124 Payment for annual auditing services
- 5126 Payment for any other contractual service
- 5130 City's portion of matching funds
- 5140 City's contribution to employee's retirement fund
- 5150 City's match of employee's FICA and Medicare taxes (7.65%)
- 5151 State unemployment taxes
- 5152 Payments for Worker's Compensation coverage
- 5160 Payments for major medical coverage for employees
- 5170 Employee physicals and drug screenings

### SUPPLIES AND MATERIALS

- 5201 Office supplies
- 5202 Cleaning supplies and equipment, soaps, restroom supplies
- 5203 Operating supplies
- 5204 Chemical, medical and drug supplies
- 5205 Supplies related to employee awards for service
- 5210 Uniforms, belts, hats, blankets and mattress covers
- 5220 Hand tools and small equipment under the City's capitalization rate
- 5230 Gasoline, diesel fuel and oil or lubricants
- 5240 Fertilizers, insecticides, seed, plants and soil
- 5250 Supplies for municipal elections
- 5260 Ammunition
- 5261 Food for human consumption in the jail facilities
- 5290 Lab fees

### CONTRACTUAL AND MAINTENANCE SERVICES

- 5301 Telephone and long distance services
- 5302 Postage and mailing services
- 5303 Advertising public notices and bid invitations
- 5304 Binding, printing, and reproduction of office forms
- 5305 Membership dues
- 5306 Electrical services
- 5307 Natural gas services

- 5308 Contractual agreement with NTMWD for water services
- 5309 Insurance and bond premiums
- 5310 Trash Collection
- 5311 Rental or lease of non-capitalized equipment from outside sources
- 5320 Payment to city employees for use of vehicles
- 5322 Employee tuition expenses for training courses
- 5323 Meals and lodging expenses
- 5324 Laundry
- 5340 Fees for the collection of monies due to the City of Kaufman
- 5341 Janitorial services
- 5350 Maintenance and repairs to building
- 5351 Repairs to real property such as water mains, tanks lift stations and treatment facilities
- 5352 Repairs and maintenance of water meters
- 5353 Repairs and maintenance of streets
- 5354 Repairs and maintenance of vehicles
- 5355 Repairs and maintenance of heavy machinery
- 5356 Repairs and maintenance of shop equipment
- 5357 Repairs and maintenance of radio equipment
- 5358 Repairs and maintenance of office equipment
- 5359 Repairs and maintenance of any other equipment
- 5360 Demolition costs
- 5370 Medical expenses for prisoners
- 5371 Animal disposal fees for impoundment and or carcass disposal
- 5375 Pest control and extermination

### CAPITAL OUTLAY

- 5401 Land and building acquisitions and related costs
- 5402 Street signs
- 5403 Improvements to infrastructure
- 5404 Other improvements
- 5410 Automobiles
- 5411 Machinery and equipment
- 5412 Shop equipment
- 5420 Office equipment
- 5430 Police equipment
- 5440 Fire equipment
- 5480 Other equipment

### MISCELLANEOUS

- 5501 Juror fees
- 5502 Settlements of judgements
- 5503 Transfers to other funds

appendix

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B U S I N E S S P L A N