

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, LEVYING AD VALOREM TAXES FOR THE TAX YEAR 2011 AT A RATE OF \$0.770819 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF SACHSE AS OF JANUARY 1, 2011, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, following public notices duly posted and published in all things as required by law, public hearings were held on August 29, 2011, and September 6, 2011, by and before the City Council of the City of Sachse, the subject of which was the proposed tax rate for the City of Sachse for Fiscal Year 2011-2012, submitted by the City Manager in accordance with provisions of the City Charter and state statutes; and

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

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

SECTION 1. There is hereby levied and shall be assessed for the tax year 2011 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Sachse, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.770819 on each \$100 assessed valuation of taxable property apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Sachse, a tax of \$.598894 on each and every \$100 assessed value on all taxable property; and
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Sachse, not otherwise provided for, a tax of \$.171925 on each \$100 assessed value of taxable property within the City of Sachse, and shall be applied to the payment of interest and maturities of all such outstanding debt of the City.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 10.66 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$65.00.

SECTION 2. All ad valorem taxes shall become due and payable on October 1, 2011, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2012. There shall be no discount for payment of taxes prior to February 1, 2012. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2012, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2011 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2011 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2011 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

SECTION 3. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 4. The tax roll as presented to the City Council, together with any supplements thereto, be and the same are hereby approved.

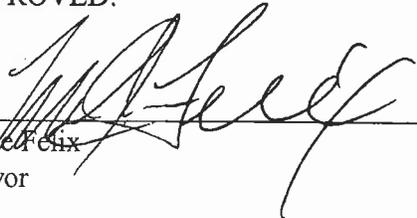
SECTION 5. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

SECTION 6. All ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however, that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 7. This ordinance shall take effect immediately from and after its passage, as the law and charter in such cases provide.

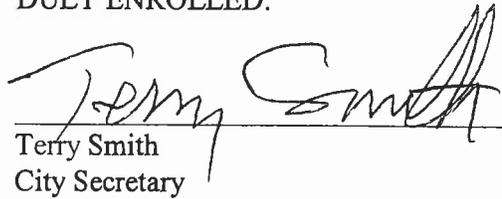
12th **PASSED AND APPROVED** by the City Council of the City of Sachse, Texas this the day of September, 2011.

APPROVED:



Mike Felix
Mayor

DULY ENROLLED:



Terry Smith
City Secretary

/CITY OF SACHSE, TEXAS

ORDINANCE NO. 3317

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING AND ADOPTING THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2011 AND ENDING SEPTEMBER 30, 2012; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; AMENDING THE CURRENT BUDGET AS REVISED; AUTHORIZING THE CITY MANAGER TO MAKE INTERFUND TRANSFERS AS APPROPRIATED; AUTHORIZING THE CITY MANAGER TO MAKE BUDGETARY TRANSFERS WITHIN FUNDS; AUTHORIZING THE CITY MANAGER TO MAKE PURCHASES; PROVIDING FOR FISCAL AND BUDGETARY POLICY GUIDELINES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, as required by Article VII of the City Charter, the City Manager has prepared and submitted to the City Council a Budget Estimate of expenditures and revenues of all city operating funds and departments, activities and offices for the fiscal year beginning October 01, 2011 and ending September 30, 2012 and,

WHEREAS, said 2011-2012 Budget and Financial Policies, as amended, have been filed with the City Secretary; and,

WHEREAS, a notice of public hearing to consider the proposed 2011-2012 Budget has been duly and legally posted or published as required by law; and,

WHEREAS, a public hearing was held on September 12, 2011 which date is at least 10 days after the proposed budget was filed with the City Secretary on August 29, 2010 and whereon full and final consideration was given said budget;

WHEREAS, the City Council has, by separate vote, ratified the property tax increase reflected in the budget at \$0.770819 per \$100 of taxable value;

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

Section 1. That the purposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Sachse, Texas, said budget being in the amount of \$20,743,820, providing a complete financial plan for the fiscal year beginning October 1, 2011, and ending September 30, 2012, as submitted to the City Council by the City Manager, attached hereto as Exhibit "A", by and the same is hereby adopted and approved as the budget of the City of Sachse, Texas for the fiscal year beginning October 1, 2011, and ending September 30, 2012.

Section 2. That the sum of \$ 20,743,820 is hereby appropriated for the payment of the expenditures established in the approved budget for the fiscal year beginning October 1, 2011 and ending September 30, 2012.

Section 3. That for the purpose of paying for the cost of operations as provided by the General Fund, a general and administrative charge and franchise charge has been calculated in the Water and Sewer Fund to repay the General Fund for operational expenses incurred during the year and for use of the City's rights-of-ways by the Utility of the City: and, therefore, the City Manager is authorized to make the appropriated Interfund transfers.

Section 4. That all budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2010-2011 are hereby ratified, and the budget Ordinance for fiscal year 2010-2011, heretofore enacted by the City Council, be and the same is hereby, amended to the extent of such transfers and amendments for all purposes.

Section 5. That the City Manager be and is hereby authorized, in accordance with the provisions of Section 7.15 of the City Charter, to approve expenditures up to \$25,000. All expenditures over the \$25,000 limit require the approval of the City Council and when applicable strict compliance with State purchasing laws of Chapter 252 of the Local Government Code of the State of Texas. That specific authority is given to the City Manager to make the following adjustments:

1. Transfer of appropriations budgeted from one account classification to another account classification within the same department.
2. Transfer of appropriations from designated appropriation from one department or activity to another department or activity within the same fund.

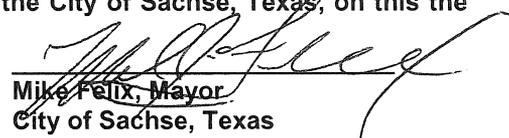
Section 6. That the administration and execution of said budget for fiscal year beginning October 01, 2011 and ending September 30, 2012 shall be subject to all Financial and Budgetary policies and administrative guidelines as included in the Budget Document as on file within the office of the City Secretary.

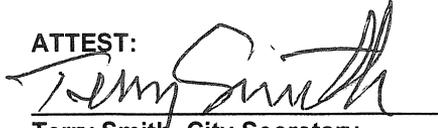
Section 7. That all provisions of the Ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City of Sachse, Texas not in conflict with the provisions of the Ordinance shall remain in full force and effect.

Section 8. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

Section 9. This Ordinance shall take effect from and after its passage as the law and charter in such cases provide.

DULY PASSED AND APPROVED by the City Council of the City of Sachse, Texas, on this the 12th day of September, 2011


Mike Felix, Mayor
City of Sachse, Texas

ATTEST:

Terry Smith, City Secretary
City of Sachse, Texas

[S E A L]

City of Sachse
Budget Fiscal Year Beginning October 1,2011
Exhibit "A"

Funds		Proposed Budget 2011-2012
General		10,917,630
Utility		7,016,129
Debt Service		<u>2,810,061</u>
	Total	20,743,820

2011 Planning Calendar

City of Sachse

Date	Activity
April-May	Mailing of notices of appraised value by chief appraiser.
April 30*	The chief appraiser prepares and certifies to the tax assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value .
May 15**	Deadline for submitting appraisal records to ARB.
July 20 (Aug. 31)	Deadline for ARB to approve appraisal records.
July 25	Deadline for chief appraiser to certify rolls to taxing units.
July 29	Certification of anticipated collection rate by collector.
July 29	Calculation of effective and rollback tax rates.
August 4	Publication of effective and rollback tax rates, statement and schedules; submission to governing body.
August 11	72-hour notice for meeting (<i>Open Meetings Notice</i>).
August 15	Meeting of governing body to discuss tax rate; if proposed rate tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), take record vote and schedule public hearing.
August 19	Notice of Public Hearing on Tax Increase is the first quarter-page notice in newspaper and on TV and website, if available, published at least seven days before public hearing.
August 25	72-hour notice for public hearing (<i>Open Meetings Notice</i>)
August 29	Public hearing.
September 1	72-hour notice for second public hearing (<i>Open Meetings Notice</i>)
September 6	Second public hearing (may not be earlier than 3 days after first public hearing); schedule and announce meeting to adopt tax rate 3-14 days from this date.
September 6	Notice of Tax Revenue Increase published before meeting*** to adopt tax rate is the second quarter-page notice in newspaper before meeting and published on TV and website (if available, at least seven days before meeting).
September 8th	72-hour notice for meeting at which governing body will adopt tax rate (<i>Open Meetings Notice</i>)
September 12	Meeting to adopt tax rate. Meeting is 3 to 14 days after second public hearing. Taxing unit must adopt tax rate by Sept. 29 or 60 days after receiving certified appraisal roll, whichever is later.

Budget Calendar* (2011-2012 Fiscal Year)

February 1	Finance Department updates historical information, worksheets
March 1	Budget kick off meeting with departments
March 1	Departments begin compiling information and completing Budget Request Detail Worksheets
March 29	City wide budget requests due to Finance Director
March 29	Information Technology related budget requests due to IT Manager
March 29	Payroll related budget requests due to Human Resources
May 2	All departmental operating budget requests due to Budget Officer
May 3-May 23	Finance compiles total budget requests
May 31	Finance presents total budget requests to City Manager
June 3	Chief appraiser certifies estimate of taxable values
June 6	Public Hearing to allow early citizen input
June 6-June 10	City Manager reviews budget requests with individual departments
June 20	Revised budgets due to Finance Director from departments
June 27	Finance Director presents revised budgets to City Manager
July 7	Draft for presentation to City Council presented to City Manager
July 16	Budget Workshop (Saturday) for Departmental Budget Presentations
July 21	Revised budgets due to Budget Officer from departments
July 25	Chief Appraiser certifies tax rolls
July 25	Finance Director presents revised budgets to City Manager
August 1	City Council Work Session to discuss budget; discuss tax rate
August 9	Receive tax rate calculations from Dallas County Tax Office
August 15	City Council Budget Work Session to discuss budget; determine preliminary tax rate; accept certified tax rolls; discuss scheduling of Public Hearings
August 15	City Council Meeting to discuss budget; determine preliminary tax rate; record vote; schedule Public Hearings

August 29	Special City Council Meeting for City Manager to present budget to Council; discuss budget; discuss tax rate
August 29	Public Hearing on budget; Public Hearing on tax rate
September 6	City Council Work Session to discuss budget; discuss tax rate
September 6	City Council meeting to discuss budget schedule and announce meeting to adopt tax rate; Public Hearing on budget; Public Hearing on tax rate;
September 6	Public Hearing on budget; Public Hearing on tax rate
September 12	Special City Council meeting to adopt budget; accept tax rate
October 1	New fiscal year begins
October 1-November 30	Budget document is finalized and printed for distribution

* Calendar will be updated/revised as required.

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

I. STATEMENT OF PURPOSE

The intent of the following Fiscal and Budgetary Policy Statements is to enable the City to achieve a long-term stable and positive financial condition. The watchwords of the City's financial management include integrity, stewardship, planning, accountability, and full disclosure.

The more specific purpose is to provide guidelines in planning and directing the City's day-to-day financial affairs and in developing recommendations to the City Manager and City Council.

The scope of these policies generally cover the following areas: accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control, debt management, and planning concepts.

The City Council will annually review and approve the Fiscal and Budgetary Policy Statements as part of the budget process.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

ACCOUNTING. The City is solely responsible for the reporting of its financial affairs, both internally and externally. The Director of Finance is the City's Chief Fiscal Officer and is responsible for establishing the Chart of Accounts and for properly recording financial transactions.

AUDITING. In conformance with the City's Charter and according to the provisions of the Texas Local Government Code, Title 4, Chapter 103, the City will be audited annually by outside independent accountants ("auditor"). The auditor must be a CPA firm of regional reputation and must demonstrate that it has the breadth and depth of staff to conduct the City's audit in accordance with generally accepted auditing standards and contractual requirements. The auditor must be registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the City's audit in accordance with generally accepted auditing standards as required by the City Charter and applicable state and federal laws. The auditor's report on the City's financial statements should be completed within 120 days of the City's fiscal year end, and the auditor will jointly review the management letter with the Council within 30 days of its receipt by the staff.

In conjunction with their review, the Director of Finance shall respond in writing to the City Manager and City Council regarding the auditor's Management Letter, addressing the issues contained therein. Council shall schedule its formal acceptance of the Auditor's

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

Report. The auditor is retained by and is accountable directly to the City Council and will have access to direct communication with the City Council if the City Staff is unresponsive to auditor recommendations or if the auditor considers such communication necessary to fulfill its legal and professional responsibilities.

BASIS OF ACCOUNTING AND BUDGETING. The City's finances shall be accounted for in accordance with generally accepted accounting principles as established by the Governmental Accounting Standards Board.

The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project funds.

Governmental Fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, franchise and tax revenues recorded in the General Fund, and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

The City's Proprietary Fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, expenses are recorded at the time liabilities are incurred.

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

The City's annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. Depreciation of fixed assets is recognized in proprietary fund budgets. All annual appropriations lapse at fiscal year end. Under the City's budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be reappropriated and honored the subsequent fiscal year.

FINANCIAL REPORTING. Upon completion and acceptance of the annual audit by the City's auditors, the City shall prepare a comprehensive annual financial report (CAFR). The CAFR will be prepared in accordance with generally accepted accounting principles, and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certificate of Achievement for Excellence in Financial Reporting. The CAFR should be presented to the City Council within 120 calendar days of the City's fiscal year end. City staffing limitations may preclude such timely reporting. There will be times with new auditing standards and reporting requirements that the CAFR would be delayed. In such case, the Director of Finance will inform the City Manager and the City Manager will inform the City Council of the delay and the reasons therefore.

The Finance Department will prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs. Internal reporting objectives are addressed throughout these policies.

III. OPERATING BUDGET

PREPARATION. Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The City's "operating budget" is the City's annual financial operating plan. It comprises governmental and proprietary funds, special revenue funds and the debt service fund. The City's Capital Budget includes the General Capital Project Fund which includes projects for the life of each project.

The budget is prepared by the Director of Finance with the cooperation of all City departments, and is submitted to the City Manager who makes any necessary changes and transmits the document to the City Council. The budget should be presented to the City Council no later than forty-five (45) days prior to fiscal year end, and should be enacted by the City Council prior to fiscal year end. The City Council shall set the legal and required public hearings.

The budget shall include four basic segments for review and evaluation. These segments are: (1) Personnel Costs, (2) Base Budget for Operations and Maintenance Costs, (3) Decision Packages for Capital and Other Non-capital Projects (i.e., new or expanded

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

programs), and (4) Revenues. The operating budgets are subdivided by personnel costs, consumable supplies, contract services, capital outlays and transfers. The operating budgets are presented by object category with comparative data to one prior year of actual audited and estimated financial data. In addition the budget is presented with current year end estimates compared to current budget with percent changes. There shall be supplementary documents to reconcile new operating expenses or programs to the budget.

Revenues shall be summarized and scheduled with comparative and trend analysis for presentation. The Director of Finance shall calculate and prepare a statement of probable income for the City from property taxes supporting the General Fund operating budget and to fund the next year's debt requirements. The proposed budget shall contain a suggested and recommended tax rate to be levied to support the expenditures proposed.

A Combined Budget Summary with scheduled Interfund transfers will be included in the budget presented to the City Council. The Fund Balances will be identified as to restricted and unrestricted.

The budget review process shall include Council participation in the development of each of the four segments of the proposed budget and a Public Hearing to allow for citizen participation in the budget preparation. The budget process shall span sufficient time to address policy and fiscal issues by the Council. The City Council shall pass an appropriation ordinance after conducting a public hearing. An annual tax rate ordinance shall be passed by City Council following compliance with the "truth-in-taxation" procedures as outlined in the Texas Property Tax Code.

A copy of the proposed budget shall be filed with the City Secretary when it is submitted to the City Council in accordance with the provisions of the City Charter.

BALANCED BUDGET. The operating budget should be balanced with current revenues, exclusive of beginning resources, greater than or equal to current expenditures/expenses. One-time revenue sources (i.e. Fund Balances) may be used for one-time expenditures.

PLANNING. The budget process will be coordinated so as to identify major policy issues for City Council consideration several months prior to the budget approval date so that proper decision analysis can be made. Additionally, long range planning will be performed such that revenues for the next three years will be projected and updated annually, examining their diversity and stability in conjunction with other guidelines and using an objective analytical projection process.

REPORTING. Periodic financial reports will be prepared to enable the Department Managers to manage their budgets and to enable the Director of Finance to monitor and

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

control the budget as authorized by the City Manager.

Summary financial reports will be presented to the City Council quarterly within 30 days after the end of each quarter. Such reports will be formatted in such a way as to enable the City Council to understand the big picture budget status.

IV. REVENUE MANAGEMENT

The City will strive for the following optimum characteristics in its revenue system:

SIMPLICITY. The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient. A corresponding decrease in the City's costs for collection and a reduction in avoidance to pay will thus result. The City will avoid nuisance taxes or charges as revenue sources.

CERTAINTY. A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budgets and plans.

EQUITY. The City shall require that there be a balance in the revenue system; i.e., the revenue base will have the characteristic of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

ADMINISTRATION. The benefits of revenue will exceed the cost of producing the revenue. The cost of collection will be reviewed annually for cost effectiveness as a part of the indirect cost and cost of services analysis.

DIVERSIFICATION AND STABILITY. In order to protect from fluctuations in a revenue source due to fluctuations in the economy and variations in weather, a diversified revenue source will be pursued and maintained as a stable source of income. A balance between elastic and inelastic sources of revenues also achieves this stability.

CONSERVATIVE ESTIMATION OF REVENUE. In order to mitigate the effects of fluctuations in a revenue source due to fluctuations in the economy and variations in weather, all revenues will be budgeted at 95-98% of anticipated revenues with the exception of property tax and Interfund transfers. Revenue analysis is ongoing but for the budget process all sources of revenue are to be detailed and scheduled and reviewed at all levels of management.

The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:

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COST/BENEFIT OF ABATEMENT. The City will use due caution in the analysis of any tax or fee incentives that are used to encourage development. Ideally, a cost/benefit (fiscal impact) analysis will be performed as a part of such caution.

NON-RECURRING REVENUES. One-time or non-recurring revenues will not be used to finance current ongoing operations. Non-recurring revenues should be used only for one-time expenditures such as long-lived capital needs.

PROPERTY TAX REVENUES. All real and business personal property located within the City shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the City by the Dallas Central Appraisal District and the Central Appraisal District of Collin County. Reappraisal and reassessment shall be done regularly as required by State law.

A ninety-nine percent (99%) collection rate shall serve each year as a goal for tax collections. All delinquent taxes shall be aggressively pursued with delinquents greater than 150 days being turned over to the Delinquent Tax Attorney in July of each year, and a penalty assessed to compensate the attorney as allowed by State law, and in accordance with the attorney's contract.

USER-BASED FEES. For services associated with a user fee or charge, a fee will offset the direct and indirect costs of that service where possible. There will be an annual review of fees and charges to ensure that fees provide adequate coverage of costs of services. User charges may be classified as "Full Cost Recovery," "Partial Cost Recovery," and "Minimal Cost Recovery," with the supporting tax or rate subsidy identified as where required by City Council policy.

IMPACT FEES. Impact fees will be imposed for Water, Wastewater and Thoroughfare in accordance with the requirements of State law. Additionally, the impact fees will be re-evaluated at least every three (3) years as required by law.

UTILITY RATES. The City will review utility rates annually in order to determine revenue adequacy for covering operational expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital needs. This policy does not preclude drawing down cash balances to finance current operations; however, it is best that any extra cash balance be used instead to finance capital projects.

Components of the Utility Rates will include a transfer to the General Fund for an administrative fee for services of general overhead, such as administration, finance, personnel and data processing. This fee will be documented annually through a cost allocation procedure or reviewed through review of rate study.

INTERGOVERNMENTAL REVENUES. The reliance placed on intergovernmental

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revenues will be eliminated. Any potential grants will be examined for matching requirements. These revenue sources should only be used for capital improvements that are consistent with the Capital Improvement Program.

V. EXPENDITURE CONTROL

APPROPRIATIONS. The level of budgetary control is established at the fund level. When budget adjustments among departments and/or funds are necessary, they must be approved by the City Manager. When budget adjustments are required at the Fund level that would change the total budget of revenues or expenditures, then it would require City Council authorization as outlined in the City Charter. Budget appropriation amendments at lower levels shall be made in accordance with the applicable administrative procedures and City Charter.

CENTRAL CONTROL. The Department Director without the prior authorization of the City Manager shall spend no recognized or significant salary or capital budgetary savings in any Department.

MAINTENANCE OF CITY VENDORS. Finance Department requires a Form W-9 to be on file for each vendor the City conducts business.

PAYMENTS TO CITY COUNCIL. Each payment to a council member will be at the discretion of the mayor and council.

PURCHASING. All City purchases and contracts over \$50,000 shall conform to a competitive bidding process as set forth in Chapter 252 of the 1988 Local Government Code of Texas. Recommendations on purchases and contracts over \$50,000 shall be submitted to the Council by the City Manager for Council approval. Upon Council approval, the City shall confirm the bid award to the successful bidder by means of a written City purchase order. The purchase of goods or services by the City totaling \$50,000 or more shall be awarded to the successful bidder by the formal bidding process. Telephone or written quotes are to be obtained for single item purchases over \$1,000 up to \$10,000. Purchases made over \$10,000 but less than \$50,000 shall require three written quotes or pricing obtained through any interlocal purchasing authority or cooperative. All purchases over \$2,500 are to be pre-approved and pre-authorized by the City Manager. No purchases shall be made from vendors that are not on the approved vendors list as maintained by the Finance Department. Purchase cards are utilized for purchasing of consumable supplies and must comply with the policies and procedures establish for use of purchase cards.

PROMPT PAYMENT. All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil

CITY OF SACHSE FISCAL AND BUDGETARY POLICY STATEMENTS

Statutes.

The Director of Finance shall establish and maintain proper procedures which will enable the City to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.

RISK MANAGEMENT. The City will aggressively pursue every opportunity to provide for the Public's and City employees' safety and to minimize the risk of loss of resources through liability claims with an emphasis on safety programs. All reasonable options will be investigated to finance risks. Such options may include risk transfer, risk avoidance, and risk retention. Where risk is retained, reserves will be established based upon actuarial determinations and not be used for purposes other than for financial losses.

VI. ASSET MANAGEMENT

INVESTMENTS. The Director of Finance shall promptly invest all City funds with the Bank Depository in accordance with the provisions of the current Bank Depository Agreement or in any negotiable instrument that the Council has authorized under the provisions of the Public Funds Investment Act of 1987, as amended, and in accordance with the City Council approved Investment Policies.

At the end of each fiscal year a report on investment performance will be provided to the City Council. In conjunction with the financial reports presented to Council, the Director of Finance shall prepare and provide a written recapitulation of the City's investment portfolio to the Council, detailing each City investment instrument with its rate of return and maturity date.

CASH MANAGEMENT. The City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collections, where feasible, including property tax payments, utility bills, building and related permits and licenses, and other collection offices as appropriate.

The Finance Department shall use a facsimile check-signing machine, or computer encrypted software bearing the signatures of two (2) authorized administrative employees one of which must be the Director of Finance. On any one check that exceeds an amount of \$1,500 or more, it shall bare the initial of an authorized check signer.

FIXED ASSETS AND INVENTORY. These assets will be reasonably safeguarded and properly accounted for, and prudently insured. A fixed asset of the City shall be defined as a purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land or buildings, with the cost or value of such acquisition being \$5,000 or more with an expected useful life greater

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than one year.

Responsibility for the safeguarding of the City's fixed assets lies with the Department Director in whose department the fixed asset is assigned. The Finance Department shall supervise the marking of fixed assets with City numbered property tags and shall maintain the permanent records of the City's fixed assets including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. The Finance Department shall also perform an annual inventory of assets using random sampling at the department level. The Director of Finance or his or her designee agent in the presence of designated department personnel from the department of responsibility shall perform such inventory. The Finance Department has the implied rights and responsibilities to audit all fixed assets of any department of the City.

COMPUTER SYSTEM/DATA SECURITY. The City shall provide security of its computer system and data files through physical security. The computer system (CPU) shall be in a location inaccessible to unauthorized personnel.

VII. CAPITAL BUDGET AND PROGRAM

PREPARATION. The City's capital budget will include all general and proprietary capital project funds and all capital resources. The budget will be prepared annually on a fiscal year basis as capital projects are undertaken. Capital Project Funds continue from year to year or until used up for the purpose for which they were issued.

CONTROL. All capital project expenditures must be appropriated in the capital budget. The Finance Department must certify the availability of resources so any appropriation can be made before a capital project contract is presented to the Council for approval.

PROGRAM PLANNING. The capital budget will be taken from capital improvement program plans for future years. The planning time must be at least five years. The replacement and maintenance for capital items should also be projected for the next five years. Future maintenance and operational costs will be considered so that these costs can be included in the operating budget.

FINANCING PROGRAMS. Where applicable, assessments, impact fees, pro-rata charges, or other fees should be used to fund capital projects that have a primary benefit to specific, identifiable property owners.

Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing debt, capitalized labor for design and construction of capital

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projects, and small component parts which are attached to major equipment purchases.

INFRASTRUCTURE MAINTENANCE. The City recognizes that deferred maintenance increases future capital costs. Therefore, a portion of the General Fund and Utility Fund Budgets should be set aside each year to maintain the quality of the City's infrastructure where deemed appropriate and within fiscal constraints

Replacement schedules should be developed in order to anticipate this inevitable ongoing obsolescence of infrastructure.

In addition to infrastructure maintenance, the City will plan for the replacement of other assets such as vehicles and equipment by establishing replacement schedules as needed.

VIII. FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS

OPERATIONAL COVERAGE. The City will strive to maintain a balanced budget whereby projected current revenues will equal projected current expenditures. Reserve balances (Fund Balances) may be utilized as one-time sources that would allow revenue and expenditures to be unequal.

Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies or non-recurring expenditures, except when balances can be reduced because their levels exceed guideline minimums.

OPERATING RESERVES/FUND BALANCES. The General Fund balance should be at least **15%** of the General Fund annual expenditures. This percentage is the equivalent of 55 days expenditures (little less than 2 mos.). Debt Service Fund reserves are maintained at a level to support interest and principal payments in the event of a delay in property tax collections. The City should set aside resources to fund a reserve for years of decline and/or to fund capital out of current funds for projects that would have otherwise been funded by debt financing.

The Utility Fund working capital should be maintained at a minimum of 20-25% of the total operating expenditures or the equivalent of 75 days.

LIABILITIES AND RECEIVABLES. Procedures will be taken so as to maximize discounts offered by creditors. Current liabilities will be paid within 30 days of receiving the invoice. Accounts Receivable procedures will target for a maximum of 30 days from service and collection notices will be sent out monthly on all past due accounts. The Director of Finance is authorized to write-off bad debt and uncollectible utility accounts that are delinquent for more than 360 days, if the proper delinquency procedures have been followed. The Director of Finance will put in place initiatives to facilitate collection of

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accounts that are in arrears. Collection services may be utilized as needed to collect on delinquent accounts as needed.

CAPITAL AND DEBT SERVICE FUNDS. Funds in the Capital Projects Funds will be used within 36 months of receipt. Balances will be used to generate interest income. Revenues in the Debt Service Fund are stable, based exclusively on property tax revenues and transfers from other funds. Reserves in the Debt Service Fund are designed to provide funding between the date of issuance of new debt and the time that property tax levies are adjusted to reflect the additional debt. Reserve levels may be determined by using both General and Utility Debt Service balances where cross-pledged debt occurs. Bond covenants and provisions will be reviewed and complied with.

IX. TREASURE AND DEBT MANAGEMENT

CASH MANAGEMENT. Periodic review of cash flow position will be performed to determine performance of cash management and investment policies. A detailed policy structure will be followed with respect to Cash/Treasury Management. The underlying theme will be that idle cash will be invested with the intent to 1) safeguard assets, 2) maintain liquidity, and 3) maximize return. Where legally permitted, pooling of investments will be done.

The City will adhere to the investments authorized through the Public Funds Investment Act of 1987, as amended, and will additionally establish comprehensive Investment Policies and Guidelines. Such policies will clarify acceptable investment securities, brokers, terms, and other pertinent investment information.

TYPES OF DEBT. Long-term debt will not be used for operating purposes, and the life of a bond will not exceed the useful life of a project finances by that bond issue.

When appropriate, and as approved by Council Policy, self-supporting revenues will pay debt service in lieu of tax revenues.

ANALYSIS OF FINANCING ALTERNATIVES. The City will explore all financing alternatives in addition to long-term debt including leasing, grants and other aid, developer contributions, impact fees, and use of reserves of current monies. Operating capital lease finance options may be exercise to minimize budget and operating impact.

DISCLOSURE. Full disclosure will be made to the bond rating agencies and other users of financial information. The City staff with the assistance of financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies, will aid in the production of Offering Statements, and will take responsibility for the accuracy of all financial information released.

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FEDERAL REQUIREMENTS. The City will maintain procedures to comply with arbitrage rebate and other Federal requirements.

DEBT STRUCTURE. The structure should approximate level debt service unless operational matters dictate otherwise, or if market conditions indicate a potential savings could result from modifying the level payment stream.

Consideration of market factors, such as the tax-exempt qualification, minimum tax alternative, and so forth will be given during the structuring of long-term debt instruments.

DEBT ISSUANCE. The City will use a competitive bidding process in the sale of bonds unless the nature of the issue warrants a negotiated bid. In situations where a competitive bidding process is not elected, the City will publicly present the reasons why and the City will participate with the financial advisor in the selection of the underwriter or direct purchaser.

DEBT LIMITS. The debt to operations component of the tax rate should not exceed 30%. This initiative is to be evaluated based on the ever changing diversity of the City's revenue sources. The Director of Finance will evaluate the debt margins of the City on annual bases and consult with the City's financial advisors for confirmation.

X. INTERNAL CONTROLS

WRITTEN PROCEDURES. Wherever possible, written procedures will be established and maintained by the Director of Finance for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

DEPARTMENT DIRECTOR'S RESPONSIBILITY. Each Department Director is responsible to ensure that good internal controls are followed throughout his or her Department, that all Finance Department directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

XI. STAFFING AND TRAINING

ADEQUATE STAFFING. Staffing levels will be maintained at an adequate level for the fiscal functions of the City to operate effectively and shall be used only to address temporary or seasonal demands that require excessive hours. Workload shedding alternatives will be explored before adding staff.

TRAINING. The City will support the continuing education efforts of all financial staff including the investment in time and materials for maintaining a current perspective concerning financial issues. Staff will be held accountable for communicating, teaching,

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and sharing with other staff members all information and training materials acquired from seminars, conferences, and related education efforts.

AWARDS, CREDENTIALS, RECOGNITION. The City will support efforts and involvement that result in meeting standards and receiving exemplary recitations on behalf of the City's fiscal policies, practices, processes, products, or personnel.

The City will strive to maintain a high level of excellence in its accounting policies and practices as it prepares its CAFR. The CAFR will be presented to the Government Finance Officers Association for review of qualifications necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting. Additionally, the City will submit its annual budget to GFOA for consideration for Distinguished Budget Award.

Fiscal Management Contingency Plan

The fiscal management plan will assist City management in guiding future planning efforts. The Plan is a guide only, and is intended to assist in budget balancing strategies. Depending upon management's response to economic and financial conditions, some parts of the plan may be implemented sooner or later, in accordance with direction from the City Council. Economic and budget conditions will be evaluated monthly, and any budget impacts resulting from economic conditions or trends will be identified.

Throughout the contingency plan process, the goal is to protect current service levels, while continuing to provide competitive pay and benefits to all employees.

Budgetary Revenue Shortfall Contingency Plan

- A. The City will establish a plan to address economic situations that cause revenue to be significantly less than the adopted budget revenue. The plan is comprised of the following components:

Indicators – Serve as warnings that potential budgetary revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending or property values.

Levels – Serve to classify and communicate the severity of the estimated budgetary revenue shortfalls and identify the actions to be taken at the given phase.

Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary revenue shortfall.

- B. The actions listed in Levels I through IV are intended to be short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions will be taken.
- C. The City Manager or designee will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic condition, economic indicators, estimated budgetary revenue shortfalls, actions taken and expected duration will be presented to City Council.
- D. The City Council may appropriate available fund balance as needed to cover any estimated revenue shortfall. Appropriation of fund balance must be carefully weighed and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.
- E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.
- F. The following is a summary of classifications and the corresponding actions to be taken.
1. Level I: The estimated annual revenue is below budget projections for 3 consecutive months. Current economic conditions and indicators may continue.
 - a. Expenditures:
 - i. Freeze newly created positions.
 - ii. Implement a time delay for hiring vacant positions.

- iii. Increase/decrease temperatures in all City Buildings during hours not open to the public.
 - b. Revenues:
 - i. Identify any potential new revenue sources.
 - c. Service Level Impacts:
 - i. Minor service level disruptions and/or delays.
 - ii. New projects may be postponed or deferred.
 - iii. Begin planning for Levels II through IV.
 - iv. Implement Community Communication Plan in order to communicate to citizens any service levels that may be impacted.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate normal operating procedures.
- 2. Level II: The estimated annual revenue is below budget projections for 6 consecutive months. Current economic conditions and indicators are anticipated to continue.
 - a. Expenditures:
 - i. Implement a managed-hiring program for vacant positions.
 - ii. Reduce the hours/number of part-time and seasonal employees as per Reduction In Force Policy.
 - iii. Reduce travel and training expenses.
 - iv. Review and prioritize reductions of operating and capital expenditures.
 - v. Eliminate or defer capital outlay expenses.
 - vi. Review and prioritize expenses for professional and contracted services.
 - b. Revenues:
 - i. Evaluate user fees in order to remain competitive.
 - ii. Identify and/or implement new revenue sources.
 - iii. Evaluate property tax rate increase.
 - iv. Evaluate water and wastewater rate increases.
 - v. Evaluate use of available fund balance.
 - c. Service Levels Impacts:
 - i. Cutbacks or reductions in non-essential day-to-day operations (number of times parks are mowed, hours of operations of facilities).
 - ii. Adjust service hours for City Facilities. (example: increase hours of City Hall from 9 to 11 for four days and close one day per week with increased/decreased temperatures or adjust hours of Library, etc.)
 - iii. Defer general (non essential) maintenance.
 - iv. Prioritize and defer or freeze vehicle replacements, computer upgrades and new computer purchases. Replacements for essential non-working equipment are allowed, subject to approval by the City Manager.
 - v. Reduce or defer non-essential repair and maintenance expenses. Examples – vehicles, communications, office equipment, machinery and buildings. Repair and maintenance of essential non-working equipment is permitted, subject to approval by the City Manager.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level I.
- 3. Level III: The estimated annual revenue is below budget projections for 9 consecutive months, or is below budget projections by more than 6% for 6 consecutive months. Current economic conditions and indicators are anticipated to continue or possibly worsen.

- a. Expenditures:
 - i. Prepare for implementation of a Reduction in Force Plan.
 - ii. Implement a compensation freeze.
 - iii. Identify overtime expenses that may likely be reduced.
 - iv. Reduce external program funding.
 - v. Eliminate or defer pending capital improvement projects.
 - vi. Consider deferring payments to City-owned utilities – water and wastewater services.
 - b. Revenues:
 - i. Recommend property tax increase.
 - ii. Recommend water and/or wastewater rate increase.
 - iii. Recommend new revenues, or increases in current fees.
 - iv. Recommend use of available fund balance.
 - c. Service Level Impacts:
 - i. Significant reductions in service levels.
 - ii. Evaluate and/or recommend a reduction in hours of operation at all facilities.
 - iii. Essential programs and services will be evaluated for reductions.
 - iv. Reduce energy costs through reduction in hours of operations.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level II.
4. Level IV: The estimated annual revenue is below budget projections for 12 consecutive months, or is below budget projections by more than 6% for 9 consecutive months. Current economic conditions and indicators are anticipated to continue and are likely to worsen.
- a. Expenditures:
 - i. Implement Reduction in Force Plan (reduce employee personnel costs, including an employee furlough plan for time off without pay and/or four-day work weeks, laying off of personnel, etc).
 - ii. Consider other cost reduction strategies.
 - iii. Reduce departmental budgets by a fixed percentage or dollar amount.
 - iv. Eliminate external program funding.
 - v. Reduce and/or eliminate overtime expenses throughout departments.
 - b. Revenues:
 - i. Implement property tax rate increase.
 - ii. Implement water and wastewater rate increase.
 - iii. Increase user fees.
 - iv. Implement use of available fund balance.
 - c. Service Level Impacts:
 - i. Reduce hours of operations of all facilities.
 - ii. Implement service level reductions throughout all departments and/or eliminate specific programs.
 - iii. Departments will prioritize service levels and programs according to City Council goals and objectives.
 - iv. Defer infrastructure and street overlay maintenance.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level III.

**City of Sachse Schedule of Budgeted Positions
2011-2012**

Department/ Positions	2010/11 Budget Positions	2011/12 Position Changes	2011/12 Budget Positions	Department/ Positions	2010/11 Budget Positions	2011/12 Position Changes	2011/12 Budget Positions
Administration				Fire/Ambulance			
City Manager	1	0	1	Fire Chief	1	0	1
Emergency Management Coordinator	1	-1	0	Admin Captain	1	0	1
Project Coordinator	1	0	1	Shift Captain	1	0	1
Admin Asst. to the City Mgr.	1	0	1	Code Enforcement Officer	1	0	1
	<u>4</u>	<u>-1</u>	<u>3</u>	Secretary	1	0	1
City Secretary				Fire Rescue Specialist	15	0	15
City Secretary	1	0	1	Lieutenant	2	0	2
	<u>1</u>	<u>0</u>	<u>1</u>	Paramedic/EMT-Temporary	2	0	2
				Firefighter-Temporary	3	0	3
					<u>27</u>	<u>0</u>	<u>27</u>
Human Resources				Police/Animal Control			
Director of Human Resources	1	0	1	Police Chief	1	0	1
Human Resources Assistant	1	0	1	Sergeant	5	0	5
HR Clerk- Part-Time	1	0	1	Lieutenant	2	0	2
Clerk - Temporary	1	0	1	Police Officer	21	0	21
	<u>4</u>	<u>0</u>	<u>4</u>	Warrant Officer	1	0	1
Finance				Police Communications Supervisor	1	0	1
Director of Finance	1	0	1	Records Mgr/Evidence Custodian	1	0	1
Finance Manager	1	0	1	Animal Control Supervisor	1	0	1
Budget Officer	1	0	1	Animal Control Officer	1	0	1
Finance Specialist	1	0	1	Animal Control Attendant - Part-Time	1	0	1
IT Coordinator	1	0	1	Police Dispatcher	7	0	7
Court Administrator	1	0	1	Police Records Clerk	3	0	3
Deputy Court Clerk/Finance Asst.	1	0	1	School Crossing Guard/Seasonal	2	0	2
Utility Billing Supervisor	1	0	1		<u>47</u>	<u>0</u>	<u>47</u>
Utility Billing Assistant	1	0	1	Public Works			
Meter Technician	2	0	2	Director of Public Works	1	0	1
	<u>11</u>	<u>0</u>	<u>11</u>	Public Works Superintendent	1	0	1
				Streets Foreman	1	0	1
Library				Utilities Foreman	1	0	1
Director of Library Services	1	-1	0	Crew Leader	3	1	4
Library Manager	0	1	1	Secretary	1	0	1
Librarian	1	0	1	Maintenance Tech - Streets	8	-2	6
Library Clerk	2	0	2	Maintenance Tech - Utilities	4	0	4
Library Clerk - Part-Time	1	0	1		<u>20</u>	<u>-1</u>	<u>19</u>
	<u>5</u>	<u>0</u>	<u>5</u>	Parks and Recreation			
				Director of Parks and Recreation	1	0	1
Community Development				Senior Citizen Program Manager	1	0	1
Director of Community Dev.	1	0	1	Recreation Aide - Part-Time	1	0	1
Building Inspection Supervisor	1	0	1	Recreation Coordinator	1	0	1
Building Official	1	0	1	Crew Leader	1	0	1
Environmental Specialist	1	0	1	Maintenance Technician	4	1	5
Combination Building Inspector*	2	0	2	Bus Driver (Seasonal/Temp)	1	0	1
Plans Examiner	1	0	1		<u>10</u>	<u>1</u>	<u>11</u>
Building Maint Supervisor	1	0	1	Total Employees (City-Wide)			
Building Maint. Technician	1	0	1	Full Time	145.0	0.0	145.0
Erosion Control Inspector	1	0	1	Part-Time/Temporary	14	0.0	14
Secretary	1	0	1				
Custodian I - Part-Time	2	0	2				
Custodian Coordinator	1	0	1				
	<u>14</u>	<u>0</u>	<u>14</u>				
Engineering							
City Engineer	1	0	1				
CADD Technician	1	0	1				
Graduate Engineer	0	1	1				
	<u>2</u>	<u>1</u>	<u>3</u>				

*1 Combination Building Inspector position Frozen

City of Sachse
2010 - 2011
Conventional
Pay Plan

Class Code	Occupational Job Families and Job Classes	Salary Range	Minimum	Midpoint	Maximum
<u>1000</u> <u>City Administration Group</u>					
1020	Project Coordinator	54	\$39,649	\$49,562	\$59,474
1030	Administrative Assistant to City Manager	49	\$35,044	\$43,805	\$52,566
<u>2000</u> <u>Finance Group</u>					
2010	Director of Finance	84	\$83,167	\$103,959	\$124,751
2020	Finance Manager	68	\$56,023	\$70,029	\$84,035
2025	Budget Officer	56	\$41,657	\$52,071	\$62,485
2030	Utility Billing Supervisor	52	\$37,739	\$47,173	\$56,608
2040	Utility Billing Assistant	37	\$26,057	\$32,572	\$39,086
2080	Finance Specialist	47	\$33,356	\$41,694	\$50,033
2090	IT Coordinator	51	\$36,818	\$46,023	\$55,227
<u>3000</u> <u>Human Resources Group</u>					
3010	Director of Human Resources	75	\$66,594	\$83,243	\$99,891
3020	Human Resources Assistant	47	\$33,356	\$41,694	\$50,033
3030	Human Resources Clerk - Temporary	35	\$9.32	\$11.64	\$13.97
<u>5000</u> <u>Office/Clerical Group</u>					
5010	Secretary	39	\$27,376	\$34,221	\$41,065
<u>6000</u> <u>Community Development Group</u>					
6010	Director of Community Development	80	\$75,345	\$94,182	\$113,018
6020	Building Official	70	\$58,860	\$73,574	\$88,289
6030	Building Inspection Supervisor	57	\$42,698	\$53,372	\$64,047
6040	Combination Building Inspector	51	\$36,818	\$46,023	\$55,227
6050	Environmental Specialist	56	\$41,657	\$52,071	\$62,485
6060	Plans Examiner	55	\$40,641	\$50,801	\$60,961
6065	Erosion Control Inspector	45	\$31,748	\$39,685	\$47,622
<u>7000</u> <u>Fire Group</u>					
7010	Fire Chief	83	\$81,139	\$101,423	\$121,708
7035	Code Enforcement Officer	49	\$35,044	\$43,805	\$52,566
<u>8000</u> <u>Police Operations Group</u>					
8010	Police Chief	83	\$81,139	\$101,423	\$121,708
<u>9000</u> <u>Police Operations Support Group</u>					
9010	Police Communications Supervisor	53	\$38,682	\$48,353	\$58,023
9020	Police Dispatcher	42	\$29,481	\$36,852	\$44,222
9030	Police Records Mgr/Evidence Custodian	51	\$36,818	\$46,023	\$55,227
9040	Police Records Clerk	37	\$26,057	\$32,572	\$39,086
<u>10000</u> <u>Animal Control Group</u>					
10010	Animal Control Supervisor	52	\$37,739	\$47,173	\$56,608
10020	Animal Control Officer	41	\$28,762	\$35,953	\$43,144
10030	Animal Shelter Attendant - Part-Time	33	\$11.35	\$14.19	\$17.02

City of Sachse
2010 - 2011
Conventional
Pay Plan

Class Code	Occupational Job Families and Job Classes	Salary Range	Minimum	Midpoint	Maximum
<u>11000</u>	<u>Court Services Group</u>				
11010	Court Administrator	56	\$41,657	\$52,071	\$62,485
11020	Deputy Court Clerk/Finance Assistant	39	\$27,376	\$34,221	\$41,065
<u>12000</u>	<u>Public Works Group</u>				
12010	Director of Public Works	81	\$77,229	\$96,536	\$115,843
12020	Public Works Superintendent	65	\$52,023	\$65,029	\$78,035
12025	Utilities Foreman	54	\$39,649	\$49,562	\$59,474
12030	Streets Foreman	54	\$39,649	\$49,562	\$59,474
12040	Crew Leader	46	\$32,542	\$40,678	\$48,813
12060	Meter Technician	36	\$25,422	\$31,777	\$38,133
<u>12050</u>	<u>Maintenance Technician</u>				
12050	Maintenance Technician	36	\$25,422	\$31,777	\$38,133
<u>13000</u>	<u>Parks and Recreation Services Group</u>				
13010	Director of Parks and Recreation	79	\$73,508	\$91,884	\$110,261
13020	Senior Citizen Program Manager	56	\$41,657	\$52,071	\$62,485
13025	Recreation Coordinator	47	\$33,356	\$41,694	\$50,033
13026	Recreation Aide - Part-Time	29	\$10.28	\$12.85	\$15.42
<u>14000</u>	<u>Building Maintenance Group</u>				
14010	Building Maintenance Supervisor	54	\$39,649	\$49,562	\$59,474
14020	Custodial Coordinator	31	\$22,469	\$28,086	\$33,704
14030	Custodian I - Part-Time	25	\$9.32	\$11.64	\$13.97
<u>15000</u>	<u>Library Services Group</u>				
15010	Library Manager	64	\$50,754	\$63,443	\$76,132
15030	Librarian	50	\$35,920	\$44,900	\$53,880
15020	Library Clerk	33	\$11.35	\$14.19	\$17.02
<u>16000</u>	<u>Engineering</u>				
16010	City Engineer	77	\$69,966	\$87,457	\$104,948
16020	CAD Technician	40	\$28,061	\$35,076	\$42,091
16030	Graduate Engineer	64	\$50,754	\$63,443	\$76,132

City of Sachse
2011-12
Public Safety
Pay Plan

Occupational Job Families and Job Classes	Grade	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9
Police Lieutenant	PS32	\$66,349	\$68,008	\$69,708	\$71,451	\$73,237	\$75,068	\$76,944	\$78,868	\$80,840
Police Sergeant	PS26	\$57,212	\$58,642	\$60,108	\$61,611	\$63,151	\$64,730	\$66,348	\$68,007	\$69,707
Police Officer III (10+ Yrs)	PS20	\$49,334	\$50,567	\$51,832	\$53,127	\$54,456	\$55,817	\$57,212	\$58,643	\$60,109
Police Officer II (3-10 Yrs)	PS18	\$46,957	\$48,131	\$49,334	\$50,568	\$51,832	\$53,128	\$54,456	\$55,817	\$57,213
Police Officer I (1-3 Yrs)	PS17	\$45,812	\$46,957	\$48,131	\$49,335	\$50,568	\$51,832	\$53,128	\$54,456	\$55,817
Fire Admin Captain	PS32	\$66,349	\$68,008	\$69,708	\$71,451	\$73,237	\$75,068	\$76,944	\$78,868	\$80,840
Fire Shift Captain	PS32	\$66,349	\$68,008	\$69,708	\$71,451	\$73,237	\$75,068	\$76,944	\$78,868	\$80,840
Fire Lieutenant	PS25	\$55,817	\$57,212	\$58,643	\$60,109	\$61,612	\$63,152	\$64,731	\$66,349	\$68,008
Fire Rescue Specialist	PS17	\$45,812	\$46,957	\$48,131	\$49,335	\$50,568	\$51,832	\$53,128	\$54,456	\$55,817
Fire Rescue Specialist-Recruit	PS9	\$37,600	\$38,540	\$39,504	\$40,491	\$41,503	\$42,541	\$43,604	\$44,695	\$45,812

Glossary

Activity	A specified and distinguishable line of work performed by a division.
ADA	Americans with Disabilities Act
Ad Valorem	A tax computed from the assessed valuation of land and improvements.
Appropriation	An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one year period.
Appropriation Ordinance	The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.
Arbitrage	The ability to obtain tax-exempt bond proceeds and invest the funds in higher yielding taxable securities resulting in a profit. Arbitrage restriction requirements describe the circumstances in which investment in materially high yielding securities is allowed without compromising the tax-exempt status of the bond issue. The rebate requirements identify what must be done with profits earned from those securities under the arbitrage restriction requirement.
Assessed Valuation	A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Central Appraisal District.)
Assets	Resources owned or held by the City which have monetary value.
Balanced Budget	A budget adopted by the legislative body and authority by ordinance where the proposed expenditures are equal to or less than the proposed resources.
Bonds	A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds.
Budget	A plan of financial operation embodying an estimate of proposed means of financing it. The “operating budget” is the financial plan adopted for a single fiscal year. The “proposed budget” designates the financial plan initially developed by the departments and presented by the City Manager to the Council for approval. The “adopted budget” is the plan as modified and finally approved by that body. The approved budget is authorized by ordinance and thus specifies the legal spending limits for the fiscal year.
Budget Adjustment	A legal procedure utilized by the City Staff and City Council to revise a budget appropriation.
Budget Document	The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.
Budget Control	The control or management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

CAFR	Comprehensive Annual Financial Report
Capital Outlay	An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: has an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belongs to one of the following categories: Land, Buildings, Structures & Improvements, Equipment; constitutes a tangible, permanent addition to the value of the City assets; cost generally exceeds at least \$5,000; does not constitute repair or maintenance; and, is not readily susceptible to loss.
Capital Reserve (i.e. Street Infrastructure Fund)	Funds that have been appropriated from operating revenues which are to be set aside for designated types of maintenance to the existing infrastructure.
CDBG	Community Development Block Grant
CIP	Capital Improvement Program
Contingency Fund	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
Current Taxes	Taxes that are levied and due within one year.
Delinquent Taxes	Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached.
Debt Service Fund	A fund used to account for the monies set aside for the payment of interest and principal to holders of the City's general obligation and revenue bonds, the sale of which finances long-term capital improvements, such as facilities, streets and drainage, parks and water/wastewater systems.
Depreciation	(1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset which is charged as an expense during a particular period.
EMS	Emergency Medial Service
EMT	Emergency Medical Technicians
EOC	Emergency Operations Center
Encumbrances	Obligations in the form of purchase order, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. When paid, the encumbrance is liquidated.
Enterprise Fund	A fund established to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
Expenditures	The cost of goods received or services rendered whether cash payments have been made or encumbered.
Fiscal Year	A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Sachse has specified October 1 to September 30 as its fiscal year.

FLSA	Fair Labor Standards Act
Fund	An accounting device established to control receipt and disburse income from sources set aside to support specific activities or attain certain objectives. Each fund is treated as a distinct fiscal entity with a self-balancing set of accounts.
Fund Balance	The excess of a fund's current assets over its current liabilities; sometimes called <i>working capital</i> in enterprise funds. A negative fund balance is often referred to as a <i>deficit</i> .
Funding	Provides budgetary resources to cover the total cost of a program or project at the time it is undertaken.
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GISD	Garland Independent School District.
General Fund	The fund used to account for all financial resources except those required to be accounted for in another fund. The General Fund is tax supported.
General Obligation Debt	Monies owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenue provided from real property which is assessed through the taxation power of the local governmental unit.
Generally Accepted Accounting Principles (GAAP)	Detailed accounting standards and practices for state and local governments as prescribed by the Governmental Accounting Standards Board (GASB).
GBTP	George Bush Turn Pike Extension
GIS	Geographic Information System
GO Debt	General Obligation Debt
ICMA	International City and County Management Association – professional and educational association for appointed local government
Infrastructure	That portion of a city's assets located at or below ground level, including the water system, sewer system, and streets.
Liabilities	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.
Modified Accrual Basis	The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is uncured except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

Mission Statement	General statement of purpose.
NCTCOG	North Central Texas Council of Governments
NTMWD	North Texas Municipal Water District
Operating Budget	Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the City are controlled. The use of annual operating budgets is required by State Law.
PEG Access	Public Education Government access. Refers to a cable channel operated by a local government entity.
Performance Indicators	Specific quantitative measures of work performed within an activity or program. They may also measure results obtained through an activity program.
Reimbursement	Repayment to a specific fund for expenditures incurred or services performed by that fund to or for the benefit of another fund.
Replacement Cost	The cost of an asset which can render similar service (but which need not be of the same structural form) as the property to be replaced.
RFP	Request for Proposals
RFQ	Request for Quotes
Reserve	An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.
Revenues	All amounts of money received by a government from external sources other than expense refunds, capital contributions, and residual equity transfers.
Rolling Stock	Capital items such as motor vehicles, heavy equipment, and other apparatus.
ROW	Right-of-way
Strategic Plan	Document which lists or describes major goals of an organization along with the strategies that will be employed in attaining them.
Tax Rate	A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.
Taxes	
Tax Increment Financing (TIF)	Tax Increment Financing; a tool to use future gains in property and sales taxes to finance eligible public infrastructure such as streets, drainage, parking garages, parks, trails, and other improvements as allowed by law, within a reinvestment zone.
TMRS	Texas Municipal Retirement System
TNRCC	Texas Natural Resources Conservation Commission
TxDOT	Texas Department of Transportation
W & S	Water & Sewer
WISD	Wylie Independent School District