

ORDINANCE NO. 3790

**AN APPROPRIATIONS ORDINANCE ADOPTING A BUDGET
FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2005, AND
ENDING SEPTEMBER 30, 2006.**

WHEREAS, The City Charter of the city of Lufkin requires an Appropriations Ordinance be passed by the City Council each year showing revenue of the City from all sources and the expenditures to the various purposes for the fiscal year;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS;

SECTION I

That the City manager's proposed budget be adopted in compliance with provisions of Article 5, Section 2 of the City Charter.

SECTION II

That there is hereby appropriated the sum of \$23,497,272 to the General Fund for the payment of operating expenditures and necessary capital outlay for the City Government.

SECTION III

That there is hereby appropriated the sum of \$4,653,451 to the Debt Service Fund for the payment of principal and interest on General Obligation Bonds of the City and for redeeming such bonds as they mature.

SECTION IV

That there is hereby appropriated the sum of \$9,543,167 to the Water/Wastewater Fund for operating expenses and necessary capital outlay for the Water and Wastewater Departments.

SECTION V

That there is hereby appropriated the sum of \$1,848,595 from the Water/Wastewater operating fund to the Water/Wastewater Renewal and Replacement Fund, to be exclusively utilized for long term capital improvements, including equipment, distribution system, production and treatment facilities, repair, rehabilitation and renovation.

SECTION VI

That there is hereby appropriated the sum of \$2,725,018 from the Water/Wastewater Fund, of which \$1,482,608 shall be transferred to the Water/Wastewater Debt Retirement Fund for the purpose of paying interest, principal and fees due on notes and bonds of said Fund and for redeeming such notes and bonds as they mature; and \$1,242,410 shall be transferred to the General Obligation Debt Service Fund for the purpose of paying

interest and principal on that portion of General Obligation Bonds and fees utilized for Water/Wastewater Fund purposes.

SECTION VII

That there is hereby appropriated the sum of \$4,937,729 to the Solid Waste & Recycling Enterprise Fund for operating expenses and necessary capital outlay for the Solid Waste and Recycling Departments.

SECTION VIII

That there is hereby appropriated the sum of \$2,677,993 from the Solid Waste & Recycling operating fund to the Solid Waste & Recycling Renewal and Replacement Fund, to be exclusively utilized for long term capital improvements, including automated collection equipment, repair, rehabilitation and renovation.

SECTION IX

That there is hereby appropriated the sum of \$61,789 from the Solid Waste & Recycling operating fund to the General Obligation Debt Service Fund for retirement of that portion of General Obligation Bonds and fees utilized for Solid Waste & Recycling Fund purposes.

SECTION X

That there is hereby appropriated the sum of \$721,611 to the Hotel/Motel Tax Fund for operating expenditures and necessary capital outlay utilized for Hotel/Motel Tax Fund purposes.

SECTION XI

That there is hereby appropriated the sum of \$103,700 to the Ellen Trout Zoo Building Fund for operating expenditures and necessary capital outlay.

SECTION XII

That there is hereby appropriated the sum of \$136,123 to the Special Recreation Fund for operating expenses and necessary capital outlay.

SECTION XIII

That there is hereby appropriated the sum of \$49,498 to the Court Security/Technology Fund for operating expenses and necessary capital outlay.

SECTION XIV

That there is hereby appropriated the sum of \$147,300 to the Animal Control-Kurth Grant Fund for operating expenses and necessary capital outlay.

SECTION XV

That there be appropriated the sum of \$23,900 to the Animals Attic Gift Shop Fund for operating expenses and necessary capital outlay.

SECTION XVI

That there be appropriated the sum of \$214,971 to the Economic Development Fund for operating expenses and necessary capital outlay.

SECTION XVII

That there is hereby appropriated the sum of \$1,098,600 to be expended for certain capital items from the Water/Wastewater Renewal and Replacement Fund.

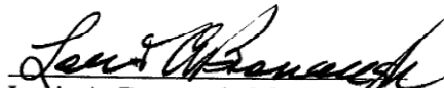
SECTION XVIII

That there is hereby appropriated the sum of \$3,600,000 to be expended for certain capital items from the Solid Waste & Recycling Renewal and Replacement Fund.

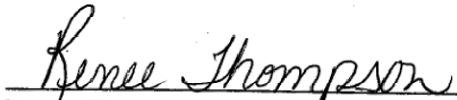
SECTION XIX

That this ordinance shall be and become effective on October 1, 2005.

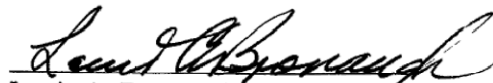
PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 16th day of August, 2005.


Louis A. Bronaugh, Mayor


ATTEST:


Renee Thompson, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 6th day of September, 2005.


Louis A. Bronaugh, Mayor

ATTEST:


Renee Thompson, City Secretary

ORDINANCE NO. 3783

AN ORDINANCE AMENDING CHAPTER 51.111 OF THE CODE OF ORDINANCES OF THE CITY OF LUFKIN, TEXAS; MAKING CERTAIN CHANGES IN THE SEWER RATES; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

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

That the Code of Ordinances, Chapter 51.111 of the City of Lufkin, Texas, be and the same is hereby amended so that the sewer rates shall be as follows:

SECTION I.

Chapter 51.111 General Sewer Rates

(A) Residential and multi-unit sewer rates.

Residential sewer customers shall be charged for sewer service based on their winter billing months' average water consumption. For purposes of computing sewer rates, winter billing months are defined as December, January and February. Sewer customers who have not established their winter billing months' average will be billed based on actual water consumption or 20,000 gallons, whichever is less, until their winter billing months' average water consumption is established. The maximum sewer billing for residential sewer service shall not exceed 20,000 gallons of water consumption per month.

Multi-unit dwelling shall be charged on a per unit basis by dividing the total water use on the master meter by the number of units in the dwelling. This average consumption per unit will be used to calculate the wastewater user charge for each unit. Then the average charge per unit, times the number of units, equals the total user charge for that meter.

Monthly residential and multi-unit sewer rates are as follows:

Minimum monthly charge (includes 2,000) gallons. \$ 8.50
Consumption per 1,000 gallons in excess of 2,000. \$ 2.98
Maximum monthly billing (20,000 gallon consumption).. . . \$62.14

(B) Commercial sewer rates.

1. General commercial sewer customers shall be charged for sewer service based on their actual monthly water consumption. There is no maximum billing.

Monthly general commercial sewer rates are as follows:

Minimum monthly charge (includes 2,000 gallons). \$ 8.50
Consumption per 1,000 gallons in excess of 2,000. \$ 3.30

2. Class commercial sewer customers not meeting the requirements of the United States Environmental Protection Agency Pretreatment Program and City Ordinance 51.00 shall be charged based on the following formula:

$$\text{User Charge} = C_c + V(C_v + (C_b \times \text{BOD}) + (C_s \times \text{TSS}))$$

Where: C_c = Customer charge, \$8.50 per month

V = Metered water use or measured wastewater discharge, per 1,000 gallons.

C_v = User charge for volume, \$2.90 per 1,000 gallons

C_B = User charge for BOD, $\$0.0030097 \times \text{BOD in mg/1 per 1,000 gallons}$

C_S = User charge for TSS, $\$0.0016436 \times \text{TSS in mg/1 per 1,000 gallons}$

Class commercial sewer customers shall be charged for effluent loadings (BOD and TSS) based on the user classification listed below, as determined by the City's Utility Collections Department. Effluent loadings (BOD and TSS) for class commercial sewer customers, identified below, shall be substituted in the above formula as follows:

Automotive	BOD = 255, TSS = 1056
Commercial Bakery	BOD = 3745, TSS = 1530
Commissary	BOD = 586, TSS = 236
Family Laundry	BOD = 535, TSS = 237
Pharmaceutical	BOD = 957, TSS = 200
Restaurant/Cafe	BOD = 1000, TSS = 300

(C) Industrial sewer rates.

Industrial sewer customers are those sewer customers meeting the requirements of the United States Environmental Protection Agency Pretreatment Program and City Ordinance 51.00. These customers shall be charged for actual monthly effluent loadings (BOD & TSS) based on specific, predetermined effluent sampling programs administered by the City's Wastewater Treatment Department. Industrial rates shall be determined by the following formula:

$$\text{User Charge} = C_c + V(C_v + (C_B \times \text{BOD}) + (C_S \times \text{TSS}))$$

Where: C_c = Customer charge, \$4.53 per month

V = Metered water use or measured wastewater discharge, per 1,000 gallons.

C_v = User charge for volume, \$1.70 per 1,000 gallons

C_B = User charge for BOD, $\$0.0030097 \times \text{BOD in mg/1 per 1,000 gallons}$

C_S = User charge for TSS, $\$0.0016436 \times \text{TSS in mg/1 per 1,000 gallons}$

SECTION II.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION III.

This Ordinance shall be and become effective with all bills rendered on and after the 1st day of October 2005

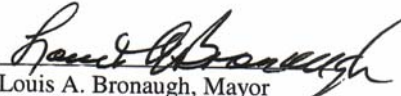
PASSED AND APPROVED on this the 2nd day of August, 2005.  City of Lufkin, Texas,

Louis A. Bronaugh.

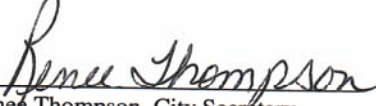
ATTEST:


Renee Thompson, City Secretary

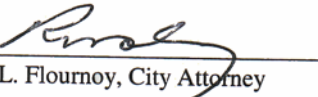
PASSED AND APPROVED on the Second and Final Reading by the City Council of the City of Lufkin, Texas, on this the 16th day of August, 2005ugust, 2005.


Louis A. Bronaugh, Mayor

ATTEST:


Renee Thompson, City Secretary

APPROVED:


Robert L. Flournoy, City Attorney

ORDINANCE NO. 3784

AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF LUFKIN AND PROVIDING FOR THE DEBT SERVICE FUND FOR THE FISCAL YEAR 2006 AND APPORTIONING EACH LEVY FOR THE SPECIFIC PURPOSE.

NOW, THEREFORE, BE IT ORDINED BY THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS;

SECTION 1

1. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Lufkin, Texas and to provide Debt Service Funds for the year Two-Thousand-Six (2006) upon all property, real, personal, and mixed, within the corporate limits of said City subject to taxation, a tax of fifty-five and eighty-five hundreds cents (\$0.5585), on each One Hundred Dollars (\$100.00) valuation of property. **“THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATION THAN LAST YEAR’S TAX RATE.” “THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$ 33”** and, said tax so levied and apportioned to the specific purpose herein set forth:
2. For the maintenance and support of the general government, (General Fund), \$0.3563 on each One Hundred Dollars (\$100.00) valuation of property;
3. For the Debt Service Fund \$0.2022 on each One Hundred Dollars (\$100.00) valuation of property to be apportioned as follows:

General Obligation Bonds	Series 1994
General Obligation Bonds	Series 1996
Combination Tax & Revenue Certificates of Obligation	Series 1998
Combination Tax & Revenue Certificates of Obligation	Series 1999
Combination Tax & Revenue Certificates of Obligation	Series 2002
General Obligation Bonds	Series 2002
General Obligation Refunding Bonds	Series 2002
Combination Tax & Revenue Certificates of Obligation	Series 2003
General Obligation Bonds	Series 2003

Combination Tax & Revenue
Certificates of Obligation

Series 2004

Total

\$0.2022

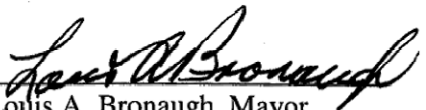
SECTION 2

All monies collected under this Ordinance for the specific items herein named, be and the same are hereby appropriated and set apart for the specific purpose indicated in each item and the Assessor and Collector of Taxes and the Director of Finance shall so keep these accounts as to readily and distinctly show the amount on hand at any time belonging to such funds. It is hereby made the duty of the Assessor and Collector of Taxes and every person collecting money for the City of Lufkin to deliver to the Director of Finance at the time of depositing of any monies, a statement showing to what fund such deposit should be made, and from what source received. All receipts for the City not specifically apportioned by this Ordinance are hereby made payable to the General Fund of the City.

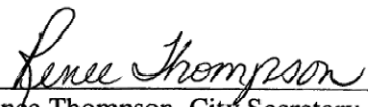
SECTION 3

That this Ordinance shall take effect and be in force on October 1, 2005.

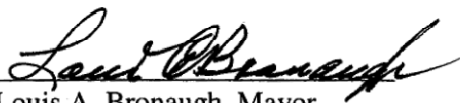
PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 16th day of August, 2005.


Louis A. Bronaugh, Mayor

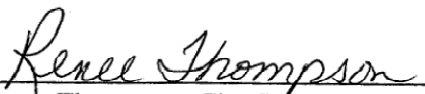
ATTEST:


Renee Thompson, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 6th day of September, 2005.


Louis A. Bronaugh, Mayor

ATTEST:


Renee Thompson, City Secretary

APPENDIX

FINANCIAL POLICY GUIDELINES

Financial policies are followed in the day-to-day financial management of the City. These policies provide critical guidelines to be followed in the budget preparation process in an effort to ensure the City's continued financial stability. These policies are reviewed annually with the City Council Finance Sub-Committee and updated as economic and financial conditions change. These policies follow.

CITY OF LUFKIN COUNCIL FINANCIAL POLICIES

PURPOSE AND NEED FOR POLICY

The City Council desires to establish a statement of written policy for the City of Lufkin that shall provide a framework for prudent management of the City's financial resources.

The written policy shall demonstrate to the citizens of Lufkin, the financial community, and the bond rating agencies that the City of Lufkin is committed to a strong fiscal operation. The policy shall also provide precedents for future policy makers and financial managers on common financial goals and strategies.

POLICY

1. The City of Lufkin shall maintain an operating position in all governmental funds such that annual expenditures shall not exceed annual resources, including fund balances.
2. The City of Lufkin shall maintain an operating position in all proprietary funds such that annual expenses shall not exceed annual resources, including working cash balances.
3. The City shall protect the physical assets of the City to ensure the value, integrity and utility of these major investments of the City's resources.
4. This policy shall be reviewed and updated periodically and will be presented to the City Council for approval of any significant changes.
5. The following sections outline the procedures and guidelines for accomplishing this policy.

OPERATING CONDITION

1. A multi-year financial forecast shall be prepared annually projecting revenues and expenditures for all operating funds. This forecast shall be used as a planning tool in developing the following year's operating budget.
2. Rates, fees and charges for service shall be reviewed annually and adjusted as necessary to respond to cost increases or other changing circumstances.
3. Activities within enterprise funds shall be budgeted so that revenues support cost of service, satisfy bond covenants, and provide adequate levels of working capital.

4. Insurance coverage shall be examined annually to ensure that policy limits are adequate and in compliance with bonds covenants.
5. Estimated costs and funding sources shall be identified prior to any project being submitted for Council approval.

DEBT MANAGEMENT

1. Debt shall not be used for funding operating expenses.
2. Bonds shall be sold only to finance long-term capital projects.
3. An asset or project shall not be financed over a period longer than the estimated useful life of that asset or project.
4. An analysis will be provided to Council disclosing estimated annual operating expenses associated with any capital project or asset financed by debt.
5. City staff shall prepare a multi-year Capital Improvement Program (CIP), updated annually, which will meet the anticipated growth requirements of the City. The Council as a guide for staff shall adopt the CIP in planning the subsequent year's capital and financing needs.
6. Total outstanding tax-supported debt shall not exceed five percent (5%) of the total annual assessed valuation of taxable property.

DEPRECIATION FUNDS

The City shall maintain a Water & Sewer Depreciation Fund and a Solid Waste & Recycling Depreciation Fund. These Funds shall be financed by systematic budgeted transfers approved by Council each year and will be equal to the actual annual depreciation expense recorded for the second preceding fiscal year of the fiscal year in which the funds will be budgeted. The following guidelines will be followed in administration of these Funds.

1. Approximately one half of the actual annual transfer of cash to each Fund shall be retained and reserved for future system expansion.
2. Approximately one half of the actual annual transfer of cash to each Fund shall be available and may be used for replacement of capital items.
3. An amount not to exceed 25% of the system expansion reserve of the Solid Waste & Recycling Depreciation Fund for the previous fiscal year may be used to finance the purchase of major equipment items for the General Fund. The General Fund shall pay an interest amount equal to the average earnings rate of the pooled investments of the City for the quarter ending the previous June 30 plus an amount set by City Council.

FINANCIAL CONDITION

The City's goal shall be to maintain balances of immediately accessible cash and investments in each operating fund for cash flow purposes. These balances shall be established during each annual budget process according to the guidelines outlined below.

1. Governmental Fund Types

- General Fund - An amount equal to approximately twenty-five percent (25%) of budgeted expenditures shall be reserved as Fund Balance. The City Council has authorized up to five percent (5%) reduction to (20%) in the reserve to support the implementation of the Economic Development Sales Tax initiative approved by election in February of 2004. The Fund Balance continues above the 25% goal. Should some portion of the 5% reduction be required in future years, a repayment policy will be established.
 - Civic Center Fund - An amount equal to approximately twelve and one-half percent (12.5%) of budgeted expenditures shall be reserved as Fund Balance. Should the Civic Center Fund develop cash balances insufficient to meet operating needs, the City Manager and Accounting Director are authorized to advance such working capital as needed from the General Fund not to exceed a cumulative amount of \$75,000.
 - Special Recreation Fund - An amount equal to approximately twelve and one-half percent (12.5%) of budgeted expenditures shall be reserved as Fund Balance.
2. Proprietary Fund Types:
- Water & Sewer Fund - An amount equal to at least twelve and one-half percent (12.5%) of budgeted expenditures shall be reserved as Working Capital Balance.
 - Solid Waste Fund - An amount equal to at least twelve and one-half percent (12.5%) of budgeted expenditures shall be reserved as Working Capital Balance.
3. Other Funds and Fund Types:
- Other Governmental and Proprietary Funds not specifically referred to above shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater. The City Manager and Finance Director are authorized to advance up to \$50,000 to the various grants received by the City in anticipation of reimbursement of such amounts.
4. The Insurance Loss Fund shall be actuarially determined and periodically reviewed to evaluate experience and degree of risk assumptions.

ASSET MANAGEMENT

1. In addition to anticipated growth requirements of the City, the multi-year Capital Improvement Program will be developed and presented in March of each year that identifies major infrastructure repair and rehabilitation needs.
2. The City will prepare and maintain a facilities master plan. This document will serve as a management tool to project space needs including construction and/or modification of facilities.
3. Repair, renovation and maintenance shall be regularly performed to protect the life of the assets and to ensure their safety and utility. A systematic program of routine and preventive maintenance shall be developed based on need identification and prioritization.

4. The Annual Operating Budget will provide sufficient funding levels for ongoing maintenance of the infrastructure.

ACCOUNTING, AUDITING AND FINANCIAL MANAGEMENT

1. Accounting systems shall produce information that is consistent with generally accepted accounting principles for governmental entities.
2. An independent public accounting firm shall conduct an annual comprehensive audit of all funds.
3. Net revenues of the Water & Sewer Fund shall be maintained at a level sufficient to cover average annual debt service requirements by 1.25 times.

RESPONSIBILITY AND AUTHORITY

The City Manager shall have accountability to the City Council concerning the financial strategies outlined in this policy.

Glossary of Terms

ACCRUAL ACCOUNTING - a basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

AD VALOREM TAX - a tax levied on the assessed value of real property (also known as “property taxes”).

APPRAISED VALUE - a valuation set upon real estate or other property by County Property Appraiser as a basis for levying taxes.

APPROPRIATION - a specific amount of money authorized by the City Council to make expenditures or incur obligations for specific purposes, frequently used as an interchangeable term with “expenditures”.

APPROPRIATION ORDINANCE - the official enactment, by City Council, to legally authorize City staff to obligate and expend resources.

BALANCED BUDGET - a budget in which estimated revenues equal estimated expenditures.

BOND - a written promise to pay a specific sum of money, called “face value” or “principal,” at a specified date in the future, called “maturity date,” together with periodic interest at a specific rate.

BONDED DEBT - the portion of the indebtedness representing outstanding bonds

BUDGET - a financial plan, for a specified period, of operations that matches all planned revenues and expenditures with the services provided to the residents of the City.

BUDGET CALENDAR - the schedule of key dates that the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT - the instrument used by the budget-making authority to present a comprehensive financial plan of operations for the City Council.

BUDGET MESSAGE - the opening section of the budget from the City Manager, which provides the City Council with a general summary of the most important aspects of the budget.

BUDGETARY CONTROL - the control of the management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CALCULATED EFFECTIVE TAX RATE - State Law prescribes a formula for calculating the effective tax rate for cities. The net effect is to produce a tax rate that goes down when property values rise. It is intended to generate approximately the same amount of revenues as the previous year.

CAPITAL IMPROVEMENTS PROGRAM (CIP) - a multiyear plan that forecasts spending for all capital projects including buildings, equipment, and future accommodations.

CAPITAL PROJECTS FUND - A fund created to account for all financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

CAPITAL OUTLAYS - expenditures which result in the acquisition of or the addition of fixed assets.

CERTIFICATES OF OBLIGATION (CO's) - tax supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CITY COUNCIL - The Mayor and six (6) Council members acting as the legislative and policymaking body of the City.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) - A financial report that encompasses all funds and component units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data. The CAFR of a public employee retirement system or an investment pool also should provide information on investments. Likewise, the CAFR of a public employee retirement system should provide actuarial information.

CONTRACTUAL SERVICES - services performed for the City by individuals, businesses, or utilities.

CURRENT TAXES - taxes levied and due within the fiscal year.

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

DELINQUENT TAXES - taxes that remain unpaid after the due date has passed.

DEPARTMENT - a major organizational unit of the City that holds responsibility for one or more divisions.

DIVISION - a major organizational unit of the City that holds responsibility for one or more activities.

ENCUMBRANCE - the commitment of appropriated funds to purchase an item or service. To set aside funds for disbursement.

ENTERPRISE FUND - a fund established to account for operations of the water and sewer systems. It is operated in a manner similar to a private business enterprise.

ESTIMATED REVENUE - the amount of revenues projected to be collected in the fiscal year.

EXPENDITURES - a decrease in the net financial resources of the City due to the acquisition of goods and services.

EFFECTIVE TAX RATE- consists of last year's adjusted taxes after the taxes on lost property are removed. This is then divided by the current year's adjusted tax base.

FISCAL YEAR - a 12-month period to which the Annual Budget applies. The City of Lufkin Fiscal Year begins on October 1 and ends on September 30.

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) – The authoritative accounting and financial reporting standard-setting body for business enterprises and not-for-profit organizations. The FASB is the direct successor of the Committee on Accounting Procedure and the Accounting Principles Board. The GASB and its predecessors have elected to apply a number of the FASB’s standards, as well as those of its predecessors, to state and local governments.

FRANCHISE FEE - a fee paid by public service utilities for use of public property in providing their services.

FUND - an accounting entity with a self-balancing set of accounts that record the financial transactions for specific activities or government functions.

FUND ACCOUNTING - a governmental accounting system that is organized and operated under funds.

FUND BALANCE- the difference between assets and liabilities reported in a governmental fund.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) - Generally Accepted Accounting Principles determines through common practice or as set forth by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standards setting bodies.

GENERAL FUND - the fund used to account for all financial resources except those required to be accounted for by other funds.

GENERAL OBLIGATIONS BOND (GOB) - bonds that finance a variety of public projects with the full faith and credit of the City.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) - An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAPP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) - The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting.

GRANT - a contribution by a government or other organization to support a particular function.

INFRASTRUCTURE - the underlying permanent foundation or basic framework.

INTEREST EARNINGS - the earnings from available funds invested during the year.

INTERGOVERNMENTAL REVENUES - revenues transferred from other governments, such as grants, entitlements, etc.

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

LONG-TERM DEBT - unmatured debt of a government expected to be repaid from government funds.

MAINTENANCE - all materials or contract expenditures covering repairs and upkeep of City buildings, machinery, equipment, systems, and land.

MATERIALS AND SUPPLIES - materials necessary to conduct departmental activities.

MODIFIED ACCRUAL ACCOUNTING - a basis of accounting in which revenues are recognized in the period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

OPERATING BUDGET - plans of current expenditures and the proposed means of financing them. Law requires the establishment and use of an annual operating budget.

PART-TIME - employees who work less than 30 hours per week and are not entitled to full-time employee benefits.

PERFORMANCE MEASURES - Specific quantitative and/or qualitative measures of work performed within an activity or program.

PERSONNEL SERVICES - the costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

PROPERTY TAXES - used to describe all revenues received from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Levied according to property valuation and tax rate.

RESERVE - an account used to indicate that a portion of a fund balance is restricted for a specific purpose.

REVENUE - funds that a government receives as income.

RETAINED EARNINGS - earned surplus or accumulated earnings or unappropriated profit.

RISK MANAGEMENT - an organized attempt to protect a government's assets against accidental loss.

SPECIAL REVENUE FUND - a fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

SUNDRY CHARGES - includes items that are not in the supply or maintenance category. May be for services provided by private businesses, public utilities, contract labor, outside consultants, or damages against the City.

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

TAX LEVY - the product when the tax base multiplies the tax rate per one hundred dollars.

TAX RATE - set by council and made up of two (2) components: debt service and operations rates.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) - Water and wastewater placed emitted or extracted from the state's water ways, such as but not limited to, lakes and streams is governed by this state legislative body.

TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS) - This system is an agency created by the State of Texas and administered in accordance with the Texas Municipal Retirement System Act, Subtitle G of Title 8, government code as a retirement and disability pension system for municipal employees in the State of Texas. As much, TMRS is a public trust fund, which has the responsibility of administering the System in accordance with the TMRS Act and bears a fiduciary obligation to the State of Texas, the TMRS member cities and the public employees who are its beneficiaries.

CITY OF LUFKIN
Chart of Accounts
Effective Date: October 1, 2003

10. Personnel Services

- 10-01: Supervisor salaries** – Supervisors, whether salaried or hourly, include full-time managers, assistant managers, administrative managers, department heads, foremen and supervisors. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-02: Clerical salaries** - Clerical positions include full-time secretarial, administrative assistant, clerical (all types), office assistants and office aides. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-03: Operational salaries** – Operational positions are non-supervisory professional positions and positions that perform operational aspects for the department and include accountants, animal officers and attendants, fire fighters, police officers, IT technicians, inspections personnel, librarians, skilled labor, semi-skilled labor, laborers, operators, meter readers, electricians, and other like titles. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-04: Maintenance salaries** – Maintenance positions are defined as positions that perform various types of maintenance as opposed to performing operational functions. These include grounds maintenance, maintenance mechanic, equipment operator, skilled labor, semi-skilled labor, laborers and any other positions that provide maintenance functions. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-05: Part-time/temporary salaries** – Part-time/temporary employees are employees of the City and work less than 40 hours per week on a regular basis. Salary costs of all employees classified as part-time/temporary are charged and budgeted to this account. (Does not include contract labor.)
- 10-06: Relief/step-up pay** – Relief/step-up pay occurs when an employee of a lower payroll rank fills the job a higher payroll rank for a temporary time frame. This frequently occurs within the fire department. Salary costs for relief/step-up pay are charged and budgeted to this account.
- 10-07: Accrued sick leave** – Accrued sick leave is sick leave that has been earned but not yet taken. It is a liability to the City and is recorded at the end of the fiscal year for each department. This is **not**, however, a budgeted account.

- 10-08: Overtime** – Overtime is typically defined as hours worked in excess of 40 hours per week; for fire employees, overtime is hours worked in excess of 106 hours in a 14-day cycle; and, overtime for police officers is hours worked in excess of 160 in a 28-day cycle. Overtime pay is budgeted and charged to this account.
- 10-09: Certification pay** – Certification pay is additional pay awarded certain positions that require advanced training. (Please check with Human Resources for a list of positions requiring certification.) All certification pay is budgeted and charged to this account.
- 10-10: Longevity** – Longevity pay represents pay incentive for years of service. An employee receives \$8 per month per year of service after his/her first year of employment. Longevity pay is budgeted and recorded in this account.
- 10-11: Sick leave** – Sick leave is provided for full-time employees absent due to illness. Sick leave is **not** budgeted since it cannot be estimated. When sick leave is taken, however, it is charged to this account as opposed to the employee's home salary account.
- 10-15: Car allowance** – Certain positions receive car allowances either because the employee uses his/her personal vehicle in conducting City business or as a condition of employment. Car allowance is budgeted and recorded in this account.

11. Benefits

- 11-01: FICA** – FICA is the City's contribution/match toward the employees Social Security contribution. All employees, with the exception of certain fire civil service employees, are required to participate in Social Security. The rate of contribution is computed by multiplying total salary (including overtime, step-up and other pay), certificate pay, longevity pay and car allowance by the appropriate rate as dictated by the Federal Government. All FICA costs are budgeted and charged to this account.
- 11-02: Retirement** – Retirement is the City's contribution/match toward employees' retirement, which includes Texas Municipal Retirement System (TMRS) and Firemen's Pension Fund. The City matches the TMRS employee retirement contribution on a 2 to 1 basis. The City contribution rate fluctuates from year to year. City contribution rate for Firemen's Pension Fund is 11% of the firemen's gross salary. All City TMRS and Firemen's Pension Fund contributions are budgeted and charged to this account.
- 11-03: Workers compensation** – Workers compensation is the premium cost to the City for carrying workers compensation coverage on employees. This premium cost is budgeted and charged to this account.
- 11-04: Health/life insurance** – Health/life insurance includes the contribution to the Group Health Insurance Fund from the various departments of the City for full-time employee health and life insurance coverage. This is a benefit paid by the

City on behalf of the employee. Health/life insurance premiums are budgeted and charged to this account.

11-05: Unemployment insurance – Unemployment insurance represents premium cost to pay the unemployment insurance coverage for employees. This account is used to budget and charge unemployment insurance premiums.

11-07: Sick leave incentive – Sick leave incentive is a monetary reward given to employees for excellent attendance. Amounts paid for sick leave incentive are budgeted and charged to this account

20. Supplies

20-01: Supplies – Supplies are expendable materials used in routine operations. Included are calculator tape, pens, pencils, copy paper, envelopes, forms, computer supplies and software, chemicals, cleaning, medical, animal, shop, testing, education, recreation and like items. All supplies are budgeted and charged to this account.

20-03: Food supplies - Food supplies represent foodstuffs to be consumed in the course of business. They include coffee, water, soft drinks, foods purchased for consumption at City meetings or functions, meals for prisoners at work. Food supplies purchased and consumed under these guidelines are budgeted and charged to this account. Meals consumed while traveling on city business are charged to account 50-06, Travel and Training.

20-04: Uniforms – Uniforms include City provided work, fire and police uniforms as well as uniform allowances for employees required to wear uniforms. Uniform costs are budgeted and charged to this account.

20-06: Motor vehicle fuel - Motor vehicle fuels include gasoline and diesel fuels consumed by the City's fleet in the execution of City duties. Motor vehicle fuel is budgeted and charged to this account.

20-17: Books – Books, in this account, represents books, publications, periodicals, newspaper and other printed materials used in the normal course of business. (Not included in this account are legal and professional volumes, and library patron books – the value and purpose of which extends over many years.) Books meeting these criteria are budgeted and charged to this account.

20-21: Equipment – Equipment includes office, communications, technical, operational and maintenance equipment **not meeting capitalization criteria**. It includes items such as printers, calculators, hand tools, small motors, shop equipment, telephone equipment, engineering tools and equipment, desks, chairs, file cabinets, credenzas, equipment, park maintenance equipment, Zoo animals, etc. Equipment items are budgeted and charged to this account.

40. Machinery/Equipment Maintenance

- 40-01: Buildings maintenance** – Buildings maintenance includes the repair and maintenance of City buildings as opposed to capital improvements. Items include painting, lumber for repair, window glass, electrical repair, roof repair, etc. Buildings maintenance items are budgeted and charged to this account.
- 40-02: Machinery/equipment maintenance** – Machinery and equipment include the maintenance and/or repair of office, construction and field machinery and equipment such as backhoes, graders, and other off-road machinery and equipment; bush hogs and mowers, calculators, defibrillators, guns, air packs, power hand tools; fixed machinery and equipment such as tub grinders, chlorinators, generators, time clocks, satellite screens, kitchen equipment, air conditioners. This account also includes parts and maintenance agreements. Machinery/equipment repair and maintenance is budgeted and charged to this account.
- 40-03: Structures maintenance** – Structures maintenance includes repair and maintenance to structures (as opposed to capital improvements) such as water & sewer lines, streets, bridges, sidewalks, parking lots, drainage, pools, ball fields, tennis courts and other similar structures (Does not include buildings). Structures maintenance items are budgeted and charged to this account.
- 40-04: Motor vehicles** – Motor vehicles includes the maintenance and/or repair costs to licensed, on-road vehicles such as scheduled and unscheduled maintenance and repair, parts and supplies as well as commercial repairs. Motor vehicles maintenance/repair is budgeted and charged to this account.
- 40-05: Furniture/fixtures maintenance** – Maintenance and/or repair, including parts and supplies, performed on chairs, desks, filing cabinets, lighting fixtures, water heaters, signs and other building fixtures are included in this account. Items and activities meeting these criteria are budgeted and charged to this account.
- 40-18: Telephone/communications equipment maintenance** - Telephone/communications equipment includes maintenance and repair of phone systems, cellular phones, pagers, faxes, modems, mobile radios, TVs, cameras, VCRs, tape recorders, other similar equipment as well as maintenance agreements on such equipment. Telephone/communications equipment maintenance is budgeted and charged to this account.
- 40-20: Computer equipment maintenance**– This account includes maintenance and/or repair of desktop, laptop, mainframe, and network computers; servers, routers, wireless antennas, lines, switches, (personal computer) printers, scanners, and other equipment associated with computer equipment. It also includes maintenance agreements for both hardware and software. Computer equipment maintenance is budgeted and charged to this account.
- 40-21: Reproduction equipment maintenance** - Reproduction equipment includes copiers and combination copier/printer/scanner/fax equipment that are usually stand-alone pieces of equipment. Costs associated with the maintenance, repair of reproduction equipment, as well as maintenance agreements are budgeted and charged to this account.

50. Services

- 50-01: Communication services** – Communication services include monthly charges for telephone service (including long-distance), pagers, cellular phones, telegraph and messenger service. Costs of communication services are budgeted and charged to this account.
- 50-02: Equipment rental** – Equipment rental includes the cost of renting any equipment on a recurring basis for a fee. It also includes tool allowance provided by the City to mechanics. Office, construction and field equipment such as copiers, printers, backhoes, tractors, etc. are budgeted and charged to this account.
- 50-04: Special services** – Special services include accounting, legal, engineering, insurance, advertising, medical exams, background checks, license checks, permit renewals, recording deeds, sports officials contract services, special investigations, jury duty, court costs, temporary personnel services, janitorial services, space rental, landscape services and other similar services. The cost of special services is budgeted and charged to this account.
- 50-06: Travel and training** – Travel and training includes transportation, registration, meals, lodging and incidentals associated with required job training, professional conferences and similar job related events. The cost associated with travel/training, as well as local mileage reimbursement for business use of personal vehicle is budgeted and charged to this account.
- 50-12: Freight and delivery service** – Freight/delivery service includes transportation costs associated with product delivery to the City FOB shipping point, FedEx, UPS and other similar services. The cost of freight and delivery service is budgeted and charged to this account.
- 50-13: Dues and subscriptions** - Professional membership dues in work related organizations and subscriptions to professional publications are budgeted and charged to this account
- 50-14: Landfill charges** – Charges incurred to dispose of solid waste at the County landfill are budgeted and charged to this account.
- 50-20: Water service** – Water service includes water utility service provided by the City or other potable water provider, the cost of which is budgeted and charged to this account.
- 50-21: Sewer service** – Sewer service includes the sewer treatment service provided by City sewer treatment facilities. Costs incurred for sewer treatment service is budgeted and charged to this account.
- 50-22: Sanitation service** – Sanitation service consists of solid waste and recycling pickup services. Costs incurred for sanitation services are budgeted and charged to this account.

50-23: Electric service – Electric service includes electric power, meter sets and related services provided by electric power companies. Costs incurred for these services are budgeted and charged to this account.

50-24: Heating fuel service – Costs incurred for natural gas, propane, butane and other heating fuel service are budgeted and charged to this account.

60. Other Charges

60-01: Contributions, gratuities and rewards – Items such as donations, contributions, prizes, and floral arrangements are budgeted and charged to this account

60-04: Judgments and damages - Judgments and damages include payment of legal judgments awarded against the City and damages to property by the City either negotiated or awarded by the courts. Costs incurred for judgments and damages are budgeted and charged to this account.

60-08: Other charges - This account includes miscellaneous charges not otherwise classified. Costs of this nature are budgeted and charged to this account.

60-50: Bad debts - Bad debts are debts, notes and/or accounts receivables that are judged to be uncollectable. Bad debts should be budgeted and charged to this account.

60-55: General & administrative charges – General and administrative (G&A) charges represent services provided by departments of one Fund to departments of another Fund. G&A charges are budgeted and charged to this account.

60-90: Depreciation expense – Depreciation expense represents the amortization of the cost of an asset over its useful life. Depreciation expense is budgeted and recorded to this account.

70. Debt Service

70-01: Lease payment - principal - This account is used to record the principal portion of a lease purchase payment.

70-02: Lease payment - interest - This account is used to record the interest portion of a lease purchase payment.

70-03: Debt service - principal - This account is used to record the principal portion of a debt service payment.

70-04: Debt service - interest - This account is used to record the interest portion of a debt service payment.

72. Transfer Accounts

- 72-01: General Fund** - This account is used to record transfers to the General Fund
- 72-02: Special Recreation Fund** - This account is used to record transfers to the Special Recreation Fund.
- 72-03: 1998 Tax & Rev CO's** - This account is used to record transfers to the 1998 Tax & Revenue Certificates of Obligation Fund.
- 72-09: Park Improvement Fund** - This account is used to record transfers to the Park Improvement Fund.
- 72-17: Insurance Loss Fund** - This account is used to record transfers to the Insurance Loss Fund.
- 72-20: Civic Center Fund** - This account is used to record transfers to the Civic Center Fund.
- 72-21: Group Hospital Insurance Fund** - This account is used to record transfers to the Group Hospital Insurance Fund.
- 72-23: Home Grant Fund** - This account is used to record transfers to the Home Grant Fund.
- 72-24: Animal Control-Kurth Grant** - This account is used to record transfers to the Animal Control Kurth Grant Fund.
- 72-30: Street Construction Fund** - This account is used to record transfers to the Street Construction Fund. (Street Const Fund)
- 72-45: Revenue Bond Debt Service Fund** - This account is used to record transfers to the Revenue Bond Debt Service Fund (Rev Bad Debt Svc Fund).
- 72-53: Asbestos Pipe Replacement Fund** - This account is used to record transfers to the Asbestos Pipe Replacement Fund (Asbestos Pipe Replacement Fund).
- 72-54: 1997 Water & Sewer Improvements Fund** - This account is used to record transfers to the 1997 Water & Sewer Improvements Fund. (1997 Water & Sewer Improvement Fund).
- 72-81: Water Construction Fund** - This account is used to record transfers to the Water Construction Fund (Water Const Fund)
- 72-82: Sewer Construction Fund** - This account is used to record transfers to the Sewer Construction Fund (Sewer Const Fund).
- 72-48: Solid Waste Renewal & Replacement Fund** - This account is used to record transfers to the Solid Waste & Recycling Renewal and Replacement Fund.
- 72-80: Water/Wastewater Renewal & Replacement Fund** - This account is used to record transfers to the Water/Wastewater Renewal and Replacement Fund.

80. Land & Improvements

- 80-01: Land** – This account is used to budget and record the purchase of land and associated costs such as appraisals, negotiations, surveys, abstracts, deed recordings, etc.
- 80-02: Improvements other than building** – Improvements other than buildings include grading, leveling, inspections, first sodding, plantings, terracing, etc. Expenditures associated with these items are budgeted and charged to this account.
- 80-03: Engineering & design** – Engineering and design includes architectural, engineering and design services associated with construction and purchase of capital assets. Expenditures for these services are budgeted and charged to this account.

81. Buildings and Structures

- 81-01: Buildings** – Buildings includes major repair and/or construction of new buildings that meet the City's capitalization policy. Buildings also include structures enclosing pumps, wells or electrical equipment, but not the equipment. Expenditures for buildings are budgeted and charged to this account.
- 81-02: Streets, structures** – Streets, structures include streets, roadways, bridges, culverts, sidewalks and associated items. Expenditures of this nature are budgeted and charged to this account.
- 81-06: Drainage improvements** – Drainage improvements include storm sewers, drains, detention ponds and other items associated with the transfer and control of rainwater. Costs associated with drainage improvements are budgeted and charged to this account.
- 81-08: Utility relocation** – Utility relocation includes relocation of water, sewer, electric and other utility lines. Expenditures of this nature are budgeted and charged to this account.
- 81-10: Water storage facilities** – Water storage facilities include ground and elevated water storage tanks, supports, foundations, buildings, outbuildings. This account does not include piping, pumping and other equipment required for storage construction. Costs associated with water storage facilities are budgeted and charged to this account.
- 81-11: Water treatment facilities** – Water treatment facilities include buildings, holding structures, piping, retaining structures, purification structures; does not include equipment. Costs associated with water treatment facilities, i.e. buildings and structures, are budgeted and charged to this account.
- 81-13: Water transmission, distribution lines** – This account includes transmission and distribution lines used to transport potable water from water wells to treatment facilities, and from treatment facilities to end-users. The cost includes the ditch

digging, preparation, laying of the line, pressure testing, covering and other costs necessary to deliver potable water from the source to the end user, whether performed by force labor or contractor. All costs associated with water transmission and distribution line construction are budgeted and charged to this account.

81-14: Water wells – Costs of water wells includes platform construction, drilling rigging, outbuildings and other items associated with the building and structure of water wells, but does not include the equipment and machinery necessary for operation. Costs meeting this definition are budgeted and charged to this account.

81-16: Wastewater treatment facilities – Wastewater treatment facilities include the buildings, holding ponds and structures, treatment structures. Not included in this account is machinery and equipment attached to the structures and buildings necessary for operation. Costs meeting this definition are budgeted and charged to this account.

81-17: Sewer collection lines – Sewer collection lines includes the cost of ditch digging, preparation, laying of the line, pressure testing, covering and other costs necessary to transport wastewater from the source to the treatment facility, whether performed by force labor or contractor. Costs meeting this definition are budgeted and charged to this account.

81-30: Sewer lift stations – Sewer lift stations include the station structure and all costs associated with its construction. It does not include machinery and equipment necessary for operation of the lift station. All costs meeting this definition are budgeted and charged to this account.

81-40: Other – This account is used to record all buildings and structures that do not meet the definitions of other Buildings and Structures accounts, and includes structures such as swimming pools, tennis courts, parking lots, play equipment, etc. Costs meeting this definition are budgeted and charged to this account

82. Machinery and Equipment

82-01: Furniture and fixtures - Furniture and fixtures used in this context are defined as equipment, and include desks, chairs, credenzas, tables and similar items meeting the City's capitalization policy. Costs meeting this definition are budgeted and charged to this account.

82-02: Machinery and equipment - Machinery and equipment include off-road machinery and equipment, i.e. backhoes, graders, bush hogs, tractor mowers; fixed machinery, i.e. tub grinders, generators, pumps; office equipment, i.e. paper shredders, calculators, copiers. This account does not include water and wastewater treatment machinery and equipment or computer equipment (meeting capitalization policy), which are covered in other accounts. Costs meeting this definition are budgeted and charged to this account.

- 82-04: Motor vehicles** - Motor vehicles include licensed on-road vehicles, such as automobiles, dump trucks, pickups, tractor-trailer rigs, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-06: Water system equipment** – Water treatment equipment include all machinery and equipment necessary to produce, treat and convey water to meet potable water standards and includes pumps, chlorinators, clarifiers, gauges, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-08: Wastewater treatment equipment** - Wastewater system equipment includes all machinery and equipment necessary to convey and treat wastewater to meet TNRCC standards and includes pumps, chlorinators, clarifiers, digesters, gauges, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-12: Meters & sets** – Meters and sets include the cost of setting the meters and boxes, including material and labor. Costs of meters and sets are budgeted and charged to this account.
- 82-13: Communications equipment** – Communications equipment includes purchase and installation costs of communication systems (telephone, computer, radio frequency) and individual equipment exceeding capitalization criteria. Costs meeting this definition are budgeted and charged to this account.
- 82-14: Software** – Software meeting the City’s capitalization criteria are to be budgeted and charged to this account.
- 82-28: Books** – Books include legal volumes, patron library book collections, rare book collections and other volumes and collections that meet the city’s capitalization policy. Items meeting this definition are budgeted and charged to this account.
- 85-99: Reclassification to PP&E** - This account is used to reclassify fixed assets from various funds to fixed assets in the fixed asset system, and is used only by the accounting department.

CITY OF LUFKIN Five-Year Personnel History

Department	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006
General Government					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2
Administration					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2
Accounting					
Full Time	9	9	9	8	7
Part Time	0	0	0	0	0
Total	9	9	9	8	7
Municipal Court					
Full Time	6	6	5	4	4
Part Time	0	0	0	1	1
Total	6	6	5	5	5
Human Resources					
Full Time	4	4	3	4	4
Part Time	0	0	0	0	0
Total	4	4	3	4	4
Municipal Building					
Full Time	1	1	1	1	2
Part Time	0	0	0	0	0
Total	1	1	1	1	2
Information Technology					
Full Time	3	4	4	4	5
Part Time	0	0	0	0	0
Total	3	4	4	4	5

CITY OF LUFKIN
Five-Year Personnel History
(Continued)

Department	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006
Purchasing					
Full Time	2	2	1	0	0
Part Time	0	0	0	0	0
Total	2	2	1	0	0
Police					
Full Time	101	101	100	100	99
Part Time	0	0	0	0	1
Total	101	101	100	100	100
Fire					
Full Time	80	88	85	85	85
Part Time	0	0	0	0	0
Total	80	88	85	85	85
Inspection Services					
Full Time	10	10	8	8	8
Part Time	0	0	0	0	0
Total	10	10	8	8	8
Public Works Administration					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2
Animal Control					
Full Time	10	10	9	9	9
Part Time	0	0	0	0	0
Total	10	10	9	9	9
Engineering					
Full Time	9	9	8	8	7
Part Time	1	0	0	0	0
Total	10	9	8	8	7

CITY OF LUFKIN
Five-Year Personnel History
(Continued)

Department	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006
Streets					
Full Time	32	33	33	33	33
Part Time	1	0	0	0	0
Total	33	33	33	33	33
Parks					
Full Time	18	20	19	20	20
Part Time	22	22	10	22	13
Total	40	42	29	42	33
Fleet Maintenance					
Full Time	7	5	5	5	5
Part Time	0	0	0	0	0
Total	7	5	5	5	5
Planning					
Full Time	3	3	3	3	3
Part Time	0	0	0	0	0
Total	3	3	3	3	3
Community Development (Main Street)					
Full Time	3	3	2	2	2
Part Time	0	0	0	0	0
Total	3	3	2	2	2
Ellen Trout Zoo					
Full Time	21	21	21	21	21
Part Time	2	2	0	2	2
Total	23	23	21	23	23
Kurth Memorial Library					
Full Time	8	8	7	7	7
Part Time	10	9	10	10	10
Total	18	17	17	17	17

CITY OF LUFKIN
Five-Year Personnel History
(Continued)

Department	Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005
Utility Collections					
Full Time	13	13	13	13	13
Part Time	0	0	0	0	0
Total	13	13	13	13	13
Water Utilities					
Full Time	19	19	19	19	19
Part Time	0	0	0	0	0
Total	19	19	19	19	19
Water Production					
Full Time	2	2	0	0	0
Part Time	1	1	1	1	1
Total	3	3	1	1	1
Wastewater Treatment					
Full Time	24	20	20	20	21
Part Time	2	2	2	2	2
Total	26	22	22	22	23
Sewer Utilities					
Full Time	19	21	20	20	21
Part Time	0	0	0	0	0
Total	19	21	20	20	21
Solid Waste					
Full Time	23	24	26	26	26
Part Time	0	0	0	0	0
Total	23	24	26	26	26
Recycling					
Full Time	8	7	10	10	10
Part Time	0	4	0	0	0
Total	8	11	10	10	10

Recreation CITY OF LUFKIN
Five-Year Personnel History
(Continued)

Department	Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005
Civic Center					
Full Time	7	7	7	7	7
Part Time	0	0	0	0	0
Total	7	7	7	7	7
Total Full Time	448	456	444	445	445
Total Part Time	39	40	14	38	30
Total Employees	487	496	458	483	475

CITY OF LUFKIN
WATER/WASTEWATER FUND
Fiscal 2004, 2005 and Fiscal 2006 General & Administrative Charges Comparison

Cost Center	Costs Allocated			EST. FY 2006 Budget		
	Percent to General	FY 2004 Budget	Percent to General		FY 2005 Budget	Percent to General
General Government	20%	\$ 73,849.00	*22%	\$ 78,853.06	*23%	\$ 79,482.02
City Manager	28%	\$ 75,187.00	28%	\$ 74,080.44	*29%	\$ 78,236.78
Finance	32%	\$ 147,749.00	*35%	\$ 163,338.00	*36%	\$ 176,299.92
Legal	25%	\$ 33,750.00	25%	\$ 33,750.00	*26.18%	\$ 34,036.34
Human Resources/Purchasing	27%	\$ 66,254.00	42%	\$ 112,562.94	*43%	\$ 124,067.90
Purchasing	15%	\$ 10,056.00	0%	\$ -	0%	
Municipal Building	15%	\$ 43,614.00	15%	\$ 43,361.10	*16%	\$ 45,201.76
Information Technology	45%	\$ 288,838.00	45%	\$ 365,257.80	*46%	\$ 381,666.60
Inspection Services	41%	\$ 203,143.00	41%	\$ 190,077.64	*42%	\$ 196,474.32
Public Works	39%	\$ 57,840.00	*29%	\$ 44,524.28	0%	\$ -
Engineering	40%	\$ 228,938.00	*60%	\$ 281,245.80	*63%	\$ 330,424.92
Street	7%	\$ 198,713.00	7%	\$ 200,362.12	*8.5%	\$ 251,832.90
Fleet Maintenance	37%	\$ 87,118.00	37%	\$ 90,492.75	*38.5%	\$ 98,248.54
Total to General		<u>\$ 1,515,049.00</u>		<u>\$ 1,677,905.93</u>		<u>\$ 1,795,972.00</u>

*denotes change in budget percentage

CITY OF LUFKIN
SOLID WASTE & RECYCLING FUND
 Fiscal 2004, 2005 and Fiscal 2006 General & Administrative Charges Comparison

Cost Center	Costs Allocated			EST. FY 2006 Budget		
	Percent to General Budget	FY 2004 Budget	Percent to General Budget		FY 2005 Budget	Percent to General Budget
General Government	15%	\$ 55,387.00	15%	\$ 53,763.45	*17%	\$ 58,747.58
City Manager	10%	\$ 26,852.00	10%	\$ 26,457.30	*12%	\$ 32,373.84
Finance	15%	\$ 69,257.00	17%	\$ 79,335.60	*19%	\$ 93,047.18
Legal	15%	\$ 20,250.00	*25%	\$ 33,750.00	*29.68%	\$ 38,594.05
Human Resources/Purchasing	17%	\$ 41,715.00	*35%	\$ 93,802.45	*40%	\$ 115,412.00
Purchasing	15%	\$ 10,056.00	*0%	\$ -		\$ -
Municipal Building	5%	\$ 14,538.00	5%	\$ 14,453.70	*6%	\$ 16,950.66
Information Technology	30%	\$ 192,558.00	30%	\$ 243,505.20	*34%	\$ 282,101.40
Public Works	40%	\$ 59,323.00	40%	\$ 61,412.80		\$ -
Engineering	10%	\$ 57,234.00	10%	\$ 46,874.30	*12%	\$ 62,938.08
Street	6%	\$ 170,326.00	6%	\$ 171,738.96	*8%	\$ 237,019.20
Fleet Maintenance	7%	\$ 16,482.00	*9%	\$ 22,011.75	*11%	\$ 28,071.01
Total to General		\$ 733,978.00		\$ 847,105.51		\$ 965,255.00
Transfer to Water and Sewer Fund		\$ 84,790.00		\$ 87,300.00		\$ 89,919.00
		\$ 818,768.00		\$ 934,405.51		\$1,055,174.00

*denotes change in budget percentage