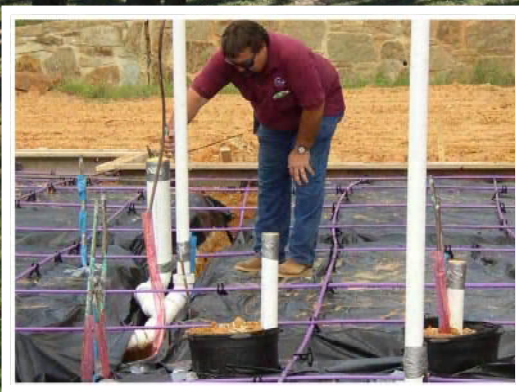


City of Corinth, Texas

Annual Program of Services

2008-2009



Serving the Citizens of Corinth

CITY OF CORINTH
ANNUAL PROGRAM OF SERVICES
2008-09

ADOPTED

ON
September 18, 2008

DON LOCKE
ACTING CITY MANAGER

KATHY DUBOSE, C.P.A.
DIRECTOR OF FINANCE

LEE ANN BUNSELMEYER
BUDGET MANAGER

CHRIS RODRIGUEZ
BOND & DEBT MANAGER

BARBARA WHITEHORN
CONTROLLER

Requirement of H.B. 3195

This budget will raise more total property taxes than last year's budget by \$534,903 or 6.99%, and of that amount \$127,372 is tax revenue to be raised from new property added to the tax roll this year.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Corinth
Texas**

For the Fiscal Year Beginning

October 1, 2007

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Corinth, Texas for its annual budget for the fiscal year beginning October 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

2008-09
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OFFICE OF THE CITY MANAGER

September 18, 2008

TO THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL AND CITIZENS OF CORINTH:

I am pleased to present the adopted budget for fiscal year 2008-2009. The attached document represents the City's financial plan and operations guide for the next fiscal year. It is a communications tool to inform you of the issues and challenges confronting the community.

This past June, the City Council and City Staff held the first planning retreat in recent memory. This retreat produced a new version of the City's mission statement and six key areas to focus our resources on through the next 2-3 years.

MISSION STATEMENT

"The Mission of the City of Corinth is to provide services that meet the needs of our community and enhance the quality of life".

The six focus areas are reflected in the key issues within the budget for next fiscal year. The focus areas are:

- ✓ Infrastructure
- ✓ Communication and Relationships
- ✓ Financial Stability
- ✓ Long Term Planning and Vision
- ✓ Developing and Retaining High Quality Employees
- ✓ Keeping Corinth Special

We also completed our first Citizen Survey in some time during FY 07-08. The results were not surprising in that 95% of our citizens were either satisfied or very satisfied with our community. The top five items identified by the citizens as important to their quality of life were:

Providing a safe community
Planning for future needs of residents
Keeping citizens informed about city business
Providing an adequate forum for public input
Maintaining qualified workforce of city employees

There is much similarity between the six focus areas that came out of our retreat and the desires of the citizens as reflected in the survey. Now the challenge falls to us in developing successful programs that support the desired outcomes.

One of the most critical challenges facing our community and the one that imposes the heaviest burden on resources is our need for infrastructure improvements. Corinth's water, wastewater, roadway and drainage systems have reached capacity as capital projects have been delayed due to funding shortfalls. Our current infrastructure can no longer support additional growth or development. The adopted budget includes the funding required to continue to address Corinth's infrastructure backlog.

Additionally, maintaining service levels for police, fire, utilities, streets, parks and other programs, requires the commitment of additional resources. The budget issues associated with rising demand and scarce resources have been numerous and complex.

The adopted budget includes total resources of \$ 29,232,374 and expenditures of \$28,862,248. This report discusses, by fund, the major issues addressed in the 2008-2009 budget.

MAJOR ISSUES – GENERAL FUND

1. GENERAL FUND REVENUES – The first major issue deals with General Fund revenues.

A. 2009 Legislative Process – Every odd year, the Texas Legislature convenes to review and consider laws affecting Texas cities. During the 2003, 2005 and 2007 legislative sessions, several bills were introduced which proposed limiting each Texas cities' ability to increase revenues. Of the proposed bills, several suggested "capping" overall increases in revenues while others "capped" property values assessed by appraisal districts. Even other bills limited a city's ability to increase its property tax rate. Public officials from Texas cities throughout the state testified repetitively about the devastating impact any such legislation would have on local governments. They also affirmed the city council's responsibility to represent the local community in revenue and budget decisions and criticized state legislators for creating another unfunded mandate for Texas cities.

The upcoming 2009 legislative process commences in January, 2009 with most new legislation becoming effective on September 1, 2009. It is anticipated that Texas cities will be faced with an even more aggressive effort on the part of state legislators to limit city revenues in an attempt to circumvent the purview of local city officials.

B. Property Tax – The largest revenue source in the General Fund is the ad valorem tax.

1. Tax Rate – The Texas Constitution grants cities the right to levy, assess and collect ad valorem (property) taxes at a rate not to exceed \$2.50 per \$100 of assessed valuation. The City of Corinth's 2007-2008 tax rate is \$0.55698 per \$100 assessed valuation which is \$1.94 less than the state limit.

The ad valorem tax rate is comprised of two components. The first is the operations and maintenance component that is used to calculate revenue for the City's General Fund operations. The second component is the debt portion that is used to calculate revenue to pay the City's general debt service obligations. Annually each city must calculate and publish its effective and rollback tax rates.

a. Effective Tax Rate - The effective rate calculation is based on the increase or decrease in value of properties that were on the tax roll in the previous year. If those property values rise, the effective tax rate is less than the current rate. If the values decrease, the effective rate is more.

In most cases, property value rise and the resulting effective tax rate is lower than the current rate. Even though a city may propose no change in its tax rate, State law requires that if the rate is above the effective rate, the city must publish the current rate as a "tax increase" and hold two public hearings. The 2008 calculated effective rate is \$0.55092 per \$100 valuation.

b. Rollback Tax Rate - The rollback tax rate calculation involves splitting out the debt service component of the tax rate. The debt service portion is the tax rate necessary to pay the coming year's debt payments and may rise as high as necessary as long as the combined tax rate does not exceed the State's \$2.50 per \$100 valuation limit.

The rollback operations and maintenance (O & M) component is calculated as the rate that would be needed to raise 8 percent more operating funds than levied in the preceding year. This rate added to the debt service component equals the rollback tax rate. If a taxing unit adopts a tax rate that exceeds the rollback rate, voters may petition for an election on the tax increase. A successful election limits the rate to the rollback rate.

2. Adopted Tax Rate – The adopted 2008-2009 budget incorporates an increase of 2 cents in the tax rate. One cent is allocated for additional operations and maintenance costs associated with the acquisition of the Lake Cities Fire Department. The final one cent increase is needed to pay the debt related to infrastructure included in the Capital Improvement Program.

The adopted tax rate of \$0.57698 per \$100 valuation is below the rollback rate of \$0.59613.

3. Average Home Value – The Denton Central Appraisal District's certified 2008 appraisal roll shows an increase of 3.29% over the 2007 certified value and 2.58% over the final 2007 value (including supplements), with a current average home value of \$183,808. The adopted tax rate equates to a \$36 annual tax increase for the average home owner.

C. Sales Tax – The second largest revenue source in the General Fund is sales tax receipts. The current year's estimate is 5% over the prior year's collections. The 2008-2009 budget projects a 5% growth in receipts over the current year's estimate. As always, sales tax revenue is wholly dependent on the local economic conditions and can fluctuate.

D. Development Related Revenues – As current single family development has slowed, the associated revenues including building permits and inspection fees have decreased substantially. The 2008-2009 budget reflects a \$257,000 reduction in the estimated revenues.

E. Interest Earnings – In response to a slowing economy, the Federal Reserve has reduced interest rates over the past year. The lower rates coupled with the use of a portion of the General Fund balance to fund major projects such as the \$1.3 million associated with the acquisition of the Lake Cities Fire Department reduces the amount of investable principal and the anticipated interest earnings for 2008-2009. The reimbursement bonds to replenish the General Fund balance are scheduled to be sold in the spring of 2009. The 2008-2009 budget reflects a \$145,000 decrease in estimated interest revenue.

- F. Grants** – Management continues to solicit grant funding as a means to augment local revenues. On March 20, 2008 the City Council approved a budget amendment allocating funding for participation in a Texas Parks and Wildlife Department recreational trails grant program. The grant application was for a portion of the Elm Fork Trails system. The project estimate is \$235,310 and the State requires that matching funding be committed before a grant application may be submitted. The grant would allow reimbursement of up to 80% of allowable costs if awarded in September, 2008. The project will not go forward if the grant is not received.

The Fire Department has also made applications through the National Fire Academy's Assistance to Firefighters Grant Program. One grant request is for \$750,000 for a Quint fire truck and the other is for \$274,000 for self-contained breathing apparatus.

- G. Other Revenues** – Estimated revenue from fines, fees, licenses and permits are based on departmental projections.

2. PUBLIC SAFETY

- A. LAKE CITIES FIRE DEPARTMENT (LCFD)** – On January 18, 2008, the City of Corinth acquired the Lake Cities Fire Department (LCFD) and it became an internal department included in the City's General Fund. The previous corporation made up of the cities of Hickory Creek, Lake Dallas, Shady Shores, and Corinth was dissolved and the three other cities entered into new inter-local agreements with Corinth for fire services.

The new agreements reduced the overall contribution to the department from the other cities for the 2007-2008 fiscal year by \$166,000. The agreements provided that future year's contributions will be increased by the Consumer Price Index (CPI) for the Dallas/Fort Worth (D/FW) area for the previous year plus one percent. The Bureau of Labor Statistics published the D/FW area CPI increase of 4.3% for 2007. The one percent added to the CPI totaled a 5.3% increase. Although still \$81,000 below the 2007-2008 pre-dissolution contribution amount, the 2008-2009 budget incorporates the CPI related increase of \$85,000.

The 2008-2009 adopted budget includes a one cent property tax rate increase to cover the City's additional costs associated with the operations and maintenance of the Lake Cities Fire Department.

The acquisition included Corinth taking ownership and financial responsibility for Fire Station #2, as well as fire department apparatus and equipment. Corinth also became responsible for leasing Fire Station #1 located in Lake Dallas from the City of Lake Dallas. The Corinth City Council approved a resolution allowing the use of a portion of the General Fund balance to defease the LCFD debt related to the acquired assets. The resolution also provided that the General Fund could be reimbursed from a future bond issue. The associated bonds are included in the 2008-2009 Capital Improvement Program and are scheduled to be issued in the spring of 2009.

- B. POLICE DEPARTMENT** – In September 2004 the Corinth Crime Control and Prevention District was established with the passage of 1/4% dedicated sales tax. This dedicated sales tax will expire in January of 2010 and must be reauthorized by a vote of the public. In order to insure that the sales tax is continuous and eliminate a break in receipts, the reauthorization election must be held in either November 2008 or May 2009. State law provides that a Crime Control and Prevention sales tax may be reauthorized for a term of 5, 10, 15, or 20 years.

The 2008-2009 budget includes the retention of three Police Officers and the \$10,000 allocation for services provided by the Child Advocacy Center funded by the Crime Control and Prevention District sales tax. The General Fund budget also includes the replacement of three patrol vehicles.

C. DISPATCH SERVICES – The issue of Public Safety dispatch service is still unresolved. We have reviewed with Council the cost of using Highland Village for both Fire and Police service and are still establishing the cost of entering into a joint dispatch center with Little Elm. This past week we were contacted by the Denton County Sheriff's Office with a possible solution that would provide both Fire and Police dispatch for a fee basis. The original concept of requiring the County to provide law enforcement dispatch services at no charge was designed at a time when most agencies were small in size and prior to the explosive growth that has taken place in Texas. The fee model has become more prevalent statewide with the growth of suburban cities. Once we have a proposal from Denton County we can determine what resources will be necessary to consolidate our dispatch services in one location.

3. FUEL – One of the highest increases in operating costs facing the organization over the past few years is that of fuel. The departments most highly affected are the Police, Fire and Parks Departments. In previous years, the increases for the Lake Cities Fire Department were passed through in their annual allocation increase. The 2006-2007 fuel allocations were increased almost 30% as they had not been adjusted in several years and managers had been forced to use available salary savings or reduce other areas to address the shortfall. For 2007-2008 the budget was increased an additional 6% to \$186,000 although, based on current costs, total expenses are estimated to reach \$260,000. Again the Police and Parks Departments had to transfer available salary savings to cover the shortfall. The 2008-2009 fuel allocation for all departments is increased to \$290,000.

4. LAKE CITIES LIBRARY – In the 2005-2006 fiscal year, the Lake Cities Library allocation was increased \$20,000 from \$42,000 to \$62,000. In 2006-2007 the budget included an additional 3% increasing the allocation from \$62,000 to \$63,860. These increases totaled 51% over the 2004-2005 amount.

The 2007-2008 budget incorporated an additional \$29,132 (46%) for a total allocation of \$92,992 which included \$3,000 for staff salary increase above the requested allocation of \$89,992.

The 2008-2009 adopted budget provides a 4% allocation increase to \$96,848.

5. COMPENSATION – One of the highest priorities during the past few budget processes has been employee compensation.

A. Public Safety – Beginning in the 2005-2006 fiscal year, Council approved a three year plan for Corinth's Police Officers and Firefighters. This plan included an average annual increase of 9% per year as well as shifting the Police Step Plan from 15 to 7 years in order to align it with the Fire Step Plan. The three year plan was completed in the 2007-2008 fiscal year.

B. Salary Survey – City Council directed staff to perform a Salary Survey in 2006 to identify how the City of Corinth's salaries compared to other cities with which we compete for our workforce. Research revealed extremely high turnover for the City which, in the previous year, reached 22%.

In the spring of 2006, staff surveyed thirteen area municipalities to which we had lost employees over the previous two years. Survey results indicated that Corinth's salaries averaged 22.5% below market. Of the thirteen cities surveyed, at least six had adjusted salaries since the time of the survey pushing the estimated shortfall to 25 – 28% below market. We also estimated an annual cost of living increase of 3%. The 2006-2007 budget included the first year of a 4 year plan to "phase in" the market adjustment. Each of the 4 years provided a 6% average market increase and a 3% cost of living adjustment.

Again in the spring of 2007, staff surveyed the same area municipalities. The results indicated that Corinth's salaries averaged 18% below market. Unfortunately the "phase in" market approach did little to address the excessive turnover which remained extremely high at 21% for the previous year. The 2007 survey also included police salaries. Those results showed that police salaries lagged the market by 12%.

During budget discussions last fiscal year, the City Council requested an additional survey of cities with similar populations for staff to use to average the pay data for each position to quantify that position's "market". They also requested that staff prepare an analysis which identified an average ("mean") increase by grade level which group similar levels of education and certification requirements, reporting hierarchy, level of responsibility, etc. Six percent of each grade level "mean" was identified for the 2007-2008 market increase for positions that fell in that respective grade level. The market increase was added to current pay plus a 3% cost of living adjustment. If the market increase exceeded the "mean" pay/salary for a grade level, only that portion of the increase up to the "mean" was included.

- C. Compensation and Classification Study** – The 2007-2008 budget included funding for the cost to commission an independent Compensation and Classification Study. The purpose of the study was to create a job classification and compensation structure for the organization, provide an analysis of the organization's competitiveness in the current market, and provide implementation options.

The results of the Study indicate that Corinth's wages and salaries remain substantially below prevailing rates. Eighty-eight (88%) percent of the City's current jobs are more than 5% below market, with sworn police 13.5% below and firefighters 9.7% below. Total estimated costs to bring employees up to the prevailing rate for their respective jobs and responsibilities exceed \$1.1 million. The adopted budget does not address implementation or adoption of the adopted compensation plan.

- D. Health Insurance** – In previous fiscal years, we reduced our health benefits to employees due to increased costs. We increased employee's deductibles, co-pays, prescription drug costs, out-of-pocket limits as well as premium costs. The 2006-2007 budget included a 22% increase in insurance premium costs for both the City and employees. Initial increases for 2007-2008 were quoted at 29.5%. Final negotiations netted a 22% increase. Due to the limited pay increases for 2007-2008, the employee's portion of the increase was budgeted and paid by the City.

In July 2008 the City solicited bids for health insurance. The bid from our current health insurance provider reflected an increase of 7% and is included in the adopted budget.

- E. Staff Reductions and Compensation** – With the substantial losses in development related and interest earning revenues estimated for 2008-2009, our current financial condition does not provide the necessary funding for compensation increases. With Corinth's

wages substantially below prevailing rates, and employees facing a 12.5% increase in health insurance premiums and a 4.3% CPI increase, the need to fund even a minimal compensation adjustment is critical.

In order to allow a modest 2% cost of living adjustment for employees, the 2008-2009 adopted budget incorporates using the savings from eliminating two current positions. The Senior Planner position added for the 2007-2008 fiscal year remains unfilled. After two rounds of advertising and interview processes, the salary was not adequate to hire a qualified candidate. In addition, our current cycle of slowed development does not support the previous need for the additional Senior Planner.

The second eliminated position is that of the Information Services Technician added as support in February 2008. This position was needed due to the effort associated with the implementation of technology related Capital Improvement projects. With the elimination of many of the technology CIP projects for the next year, management believes this position can be eliminated for 2008-2009 with minor impact.

While the small cost of living adjustment does not address the substantial shortfalls identified in the Compensation and Classification Study, management recommends reviewing possible long term solutions during the coming year. As the 2008-2009 fiscal year progresses, management will continue to track revenue streams and evaluate the possibility of additional mid-year options related to compensation.

6. CAPITAL IMPROVEMENT PROGRAM – One of the major issues the City is facing is a tremendous backlog of capital improvement and infrastructure needs. During the 2006-2007 budget process, the City Council adopted an aggressive five-year Capital Improvement Program of system critical Water and Wastewater projects. Council directed staff to evaluate and develop a street and drainage capital program to complement the utility plan. That comprehensive five-year capital program was presented to Council in June 2007 and the bonds associated with the first year of the program were issued in August 2007.

A. Bonds Reallocation – One of the projects included in the 2007 bond issue was \$5.4 million for the utility line relocations associated with the Texas Department of Transportation (TxDOT) project to widen FM 2181. During the 2007-08 fiscal year, TxDOT has yet to provide a firm start date for our portion of the FM 2181 project. Subsequently, \$500,000 of the bonds was programmed for 2008-2009 for the design and right of way acquisition phase of the project. The remaining \$4.9 million was reallocated to other utility projects scheduled for the 2007-08 Capital Improvement Program.

B. Reimbursement Resolutions – The City Council also approved several resolutions during the 2007-2008 fiscal year allowing the use of a portion of the General Fund balance for projects. The resolutions also provided that the General Fund balance could be reimbursed from a future bond issue. The associated bonds are included in the 2008-2009 Capital Improvement Program and are scheduled to be issued in the spring of 2009.

The projects supported by the reimbursement resolutions included the funding to defease the Lake Cities Fire Department debt related to the acquisition of the department assets in January 2008. Other projects include the installation of emergency sirens, the Comprehensive Plan and associated revision of subdivision and zoning ordinances, the building of a Community Center, and the replacement of an ambulance.

The use of reimbursement resolutions and reallocation of the FM 2181 project funding allowed the city to proceed with critical projects using existing bonds and eliminate the

need to issue bonds in the 2007-2008 fiscal year. Total bonds planned for issuance in 2008-2009 are \$14 million.

- C. Impact Fee Review and Update** – Part of the Comprehensive Plan process involves a review and update of the City's water, wastewater, street and drainage impact fees. This review is required every five years and includes the revision of growth projections, changes in land use assumptions and the scheduling of a five year Capital Improvement infrastructure program. The adopted budget includes projects currently scheduled through 2011-2012. As the impact fee update is completed some of the projects may shift and additional projects for the fifth year (2012-2013) will be identified.
- D. Storm Drainage Projects** – On September 2, 2004 the City Council created a Storm Water Utility in accordance with the Local Government Code. The creation included the adoption of Storm Drainage fees. The ordinance included an initial fee of \$3.00 per month with an increase of \$0.50 annually over 5 years. The 2008-2009 adopted budget incorporates the 5th year's increase to \$5.00 per month effective October 1, 2008.

The estimated fee revenues cover the annual costs of drainage operations and maintenance as well as the debt service payments for the bonds issued in 2007 for drainage projects. The revenue from the storm drainage fee is not sufficient to cover the estimated costs for the capital improvement projects identified for future years. The funding for these projects has been split into thirds and equally allocated to the water, wastewater, and street divisions for bond repayment.

- 7. ONE TIME USES OF FUND BALANCE** – The 2008-2009 adopted budget includes an allocation of \$338,755 use of fund balance as a one time resource for several non-recurring costs. Those uses include the purchase of public safety vehicles and equipment, a lightning warning system for the Community Park, the human resource system upgrade, and a review and revision of the comprehensive personnel policies and procedures.
- 8. OTHER EXPENSES** – The 2008-2009 adopted budget includes 3.5% increases in utility costs based on rate schedules and department estimates.
- 9. UNMET NEEDS** – While the 2008-2009 adopted budget provides the funding to continue our basic services, there have been many identified needs that remain unmet and are not included in the adopted budget. Attachment A provides a listing of departmental funding needs identified by management. Some items identify additional resources necessary to continue services at a desired level, while others reflect the costs for new or enhanced services or programs.

MAJOR ISSUES – HOTEL OCCUPANCY FUND

In June, 2007 a project was approved for the construction of the Comfort Inn and Suites located at the corner of IH 35 and FM 2181. This is the first hotel to be built in Corinth and it is scheduled to open in October, 2008. Original estimates for Hotel Occupancy Tax receipts anticipated from room rentals are approximately \$80,000 which is included in the adopted budget as estimated revenues. It is anticipated that the recent downturn in the economy may have an impact on the actual receipts once the hotel is open; therefore the associated expenditures are not included in the adopted budget. As the fiscal year progresses and actual rentals and receipts can be verified, the 2008-2009 budget may be amended to allocate the expenditures in compliance with state law governing the use of hotel occupancy taxes.

MAJOR ISSUES – STREET MAINTENANCE SALES TAX FUND

In September 2004 the 1/4% Street Maintenance Sales Tax was passed, with collections beginning in January 2005. The sales tax was needed to augment the funding provided in the General Fund for the maintenance of city streets. The four year reauthorization of this dedicated sales tax was approved by voters in the May 10, 2008 election.

During the 2006-2007 fiscal year, the City developed a long range comprehensive street program which included a five-year Capital Improvement Program, as well as a reconstruction and maintenance program based on the Pavement Condition Evaluation developed by the City's engineering firm, Freese and Nichols. The long range plan was designed to address the long neglected street infrastructure needs which had accumulated over the years throughout the community. The focus of the plan was to align street projects with the utility capital improvement program in order to reduce costs and schedule the projects simultaneously. Another benefit from the street reconstruction program was the reduction of future maintenance costs associated with the new roads.

The first projects associated with the long range plan were initiated in 2007. As the plan progresses and critical streets are rebuilt, the maintenance costs associated with those streets will diminish. With the reauthorization of the sales tax and use of the accumulated sales tax fund balance, \$264,000 for street maintenance materials and engineering services previously budgeted in the General Fund has been shifted to the Street Maintenance Sales Tax Fund. The 2008-2009 budget projects the sales tax will generate \$286,283 and incorporates the use of \$418,817 of accumulated fund balance for a total allocation of \$705,100.

MAJOR ISSUES – CRIME CONTROL AND PREVENTION SALES TAX FUND

In September 2004 the Corinth Crime Control and Prevention District was established with the passage of 1/4% dedicated sales tax. This dedicated sales tax will expire in December of 2009 and must be reauthorized by a vote of the public. In order to insure that the sales tax is continuous and eliminate a break in receipts, the reauthorization election must be held in either November 2008 or May 2009. State law provides that a Crime Control and Prevention sales tax may be reauthorized for a term of 5, 10, 15, or 20 years.

The 2008-2009 adopted budget includes the retention of three Police Officers and the \$10,000 allocation for services provided by the Child Advocacy Center.

MAJOR ISSUES – UTILITIES

The Utility Fund is responsible for providing water and wastewater disposal services to the citizens of Corinth as well as accounting for the pass through costs of the City's garbage service contract. The 2008-2009 budget includes the rate increase for water and wastewater services adopted on September 21, 2006. The rates allow the utility to recover total revenues of approximately \$10,670,975, which will meet the total budgeted expenditures of approximately \$10,433,179.

The City obtained the services of Water Resources Management, LP (WRM) to assist in the financial planning process. WRM had performed an in-depth cost-of-service and rate design analysis in 2006 which resulted in the adoption of a five-year financial plan (Financial Plan) and corresponding rate increases for the City. In 2008, WRM assisted the City in its continual financial planning process through the performance of an annual update of the rate analysis. The

update consisted of not only assessing the performance of the 2007-2008 water and wastewater rates, but also projected the potential performance of the future rate increases, based on recent trends.

Several key influences on the City's overall financial performance have been identified. These include:

1. Changes in the total debt service requirements;
2. Increases in water purchase costs;
3. Increases in wastewater purchase costs;
4. Changes in personnel costs; and
5. Reduced growth in the City.

Changes in Total Debt Service Requirements

The original rate study identified annual future debt service requirements which would be incurred by the City in order to achieve the City's Capital Improvement Plan (CIP). The 2008 update considered these improvements and while the CIP is largely the same as it had been previously identified, some additional right-of-way costs have been added and project timing has been changed. The update also reflects the reallocation of the \$5.4 million FM 2181 Utility Line Relocation project bonds.

As previously mentioned, the revenue from the storm drainage fee is not sufficient to cover the estimated costs of the capital improvement projects identified for future years. The funding for the drainage projects has been split into thirds and equally allocated to the water, wastewater, and street divisions for bond repayment.

The 2008-2009 budget and Financial Plan include a number of "system critical" capital improvement projects to be completed through 2012. Projects identified as "system critical" met a minimum of one of the following criteria, although most projects met all three criteria:

1. Projects that the City committed to completing as part of the impact fees adopted by the City in 2004. By law, in accordance with the Local Government Code, Chapter 395, the City must complete these projects by 2014.
2. Projects that the City is required to complete, by law, in order to meet capacity requirements set forth by Chapter 290 of the Texas Water Code.
3. Projects required in order to provide service to City "hot spots" which allow the City to continue to develop.

Water and wastewater capital projects adopted in the 2006-2007 budget were postponed until the street and drainage components of those projects could be identified and quantified. Staff developed the comprehensive Capital Improvement Plan (CIP) and presented it to the City Council in June 2006, and has continued to evaluate this plan as the City's needs have evolved. The bonds associated with the first year (2006-2007) of the five-year program were issued in August 2007.

System critical projects including drainage to be completed over the next five-years totaled approximately \$30,374,338 as outlined in Figure 1.

Figure 1: System Critical Capital Improvements

	2009	2010	2011	2012	2013 *
Water System Improvements	\$ 6,297,250	\$ 8,230,340	\$ 2,822,333	\$ 988,000	\$ *
Wastewater System Improvements	3,502,250	2,751,832	5,782,333	*	*
Total	\$ 9,799,500	\$ 10,982,172	\$ 8,604,666	\$ 988,000	\$ *

* Part of the Comprehensive Plan process involves a review and update of the City's water, wastewater, street and drainage impact fees. This review is required every five years and includes the needs analysis and scheduling of a five year Capital Improvement infrastructure program. The adopted budget includes projects currently scheduled through fiscal year 2011-2012. As the impact fee update is completed some of the projects may shift and additional projects for the fifth year (2012-2013) will be identified.

Changes in Water Purchase Costs

The City of Corinth purchases treated water from the Upper Trinity Regional Water District (Upper Trinity). The City's contractual agreement with Upper Trinity which outlines the fees associated with the purchase of this water. The fee structure consists of the following three elements:

1. Administration Fee – an annual fee intended to recover the costs of administration related to the regional plant. This fee is determined for each participating entity on a per capita basis.
2. Volume Charge – this fee is intended to recover the “variable” costs (generally chemicals and electricity for treating and pumping water) associated with providing services to customers. This is a fee per thousand gallons and is based on the actual water used by the citizens of Corinth.
3. Demand Charge – the demand charge is intended to recover the “fixed” costs of providing services, and is based on the maximum daily reserved capacity in the Upper Trinity plant maintained by the City of Corinth. Fixed costs are usually personnel, maintenance, and capital related costs. Currently the City maintains the maximum daily capacity of 7.5 million gallons per day (MGD). This amount was determined based on the actual demand of the City. The City pays the demand charge based on 7.5 MGD, regardless of the amount of water actually used, as this is the highest daily demand the City has on record. If and when the City's maximum daily demand exceeds 7.5 MGD, a new maximum daily demand would be set, and the demand charge would be calculated based on that number.

Water purchase costs make up approximately 56% of the total projected expenses incurred by the water utility for 2008-2009. The City's rates and fees are very sensitive to the fees and charges adopted by Upper Trinity. The 2006 Rate Study projected annual fee increases by Upper Trinity based on the historical trend of adopted increases of 2004 through 2007. Unfortunately, Upper Trinity has recently published proposed rate increases which exceed the assumptions made in the 2006 Rate Study. Figure 2 illustrates these fee amounts.

Figure 2: Upper Trinity Rate Increases

	2004	2007	2008	2009
Administration Fee (per capita)				
0 - 5,000 population	\$ 0.29	\$ 0.33	\$ 0.36	\$ 0.36
5,001 - 25,000 population	0.18	0.20	0.20	0.20
Volume Charge (per thousand gallons of demand)	0.57	0.76	0.82	0.86
Demand Charge (per million gallons of reserved capacity)	225,000	274,000	290,000	304,500

Changes in Wastewater Purchase Costs

The City has made some operational changes resulting in the diversion of the majority (approximately 80%) of wastewater flows to Upper Trinity, and minimal flows (20%) to the City of Denton. The City had been in the process of performing a feasibility analysis to determine whether this is most cost effective for the City when a line failure made this change a necessity. Currently available data indicates that this operational change has resulted in a decrease in costs to the City. The cost effectiveness of this effort is partially due to the fact that the City has entered into a "take-or-pay" contract with Upper Trinity which has not historically been fully utilized. A "take-or-pay" contract requires that the City pay for a certain volume of treatment regardless of whether the City actually uses that volume. The wastewater flows that had been sent to the City of Denton resulted in a per thousand gallon fee paid to Denton. The City does not have a currently effective contract with Denton, and the previous contracts did not specify a "take-or-pay" amount. As a result, the City was basically paying for wastewater treatment twice, once for the "take-or-pay" contract to Upper Trinity which was not fully utilized, and again to the City of Denton for the actual flows treated. As previously described, due to a line failure, the diversion of flows to Upper Trinity became a necessity.

Changes in Personnel Costs

The 2006 Rate Study recognized that the City's previous salary structure did not pay employees market rates, and therefore reflected the City's plan to take a stepped approach over time to bring salaries to market. The salaries budgeted for 2008-2009 reflect the diversion from that plan reducing the allocation to a 2% cost of living adjustment.

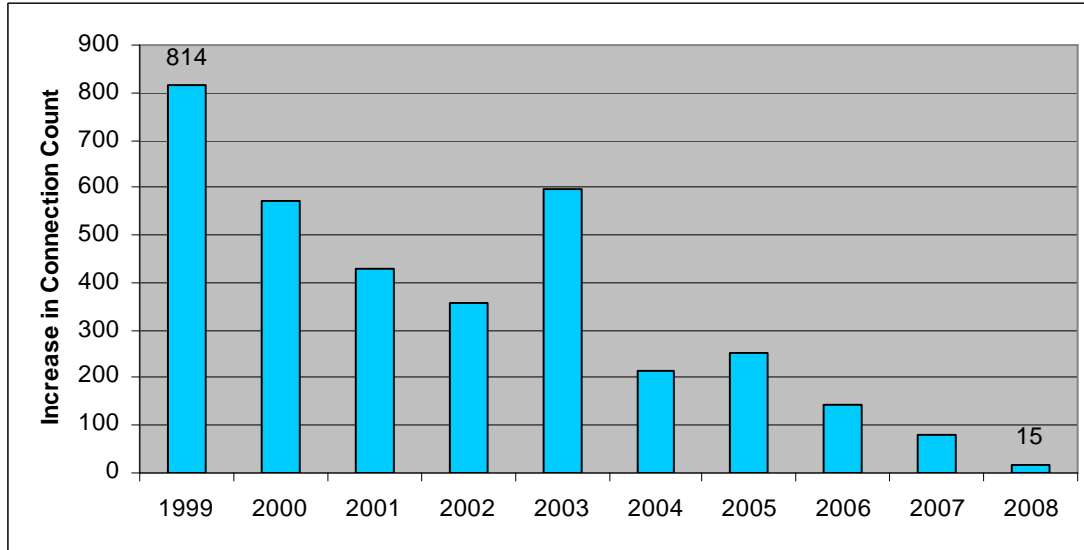
Slowed Growth

At one time, the City of Corinth was a rapidly growing community, reaching national rankings for its excessive growth rates. In recent years, that growth has slowed. As illustrated in Figures 3 and 3A, growth in active connections from 2007 through 2008 was 0.2%.

Figure 3: Historical Water Connection Count

Year	Connections	Growth
1998	3181	
1999	3995	25.6%
2000	4567	14.3%
2001	4997	9.4%
2002	5353	7.1%
2003	5950	11.2%
2004	6165	3.6%
2005	6416	4.1%
2006	6557	2.2%
2007	6635	1.2%
2008	6650	0.2%

Figure 3A: Growth as Measured by Water Connection Count



Since the City had seen a pattern of slowed growth over the previous years, the 2006 Rate Study used a conservative approach in making growth projections and assumed residential connection growth at 1%, and all other connections to remain constant at the 2006 level. As seen in Figure 3, for 2007 through 2008, this was a reasonable approach; however, this should be closely monitored as the City moves forward.

Water and Wastewater Rates

Water Rates

The update performed by WRM indicated that the previously adopted rate increase for 2009 should be adequate to maintain financial stability of the City's water utility. The water rate changes for 2008-2009 are outlined in Figures 4 – 6.

Figure 4: Minimum Bill

	2008	2009
5/8"	\$ 20.00	23.27
3/4"	32.25	-
1"	32.25	-
1 1/2"	65.15	-
2"	100.70	-
3"	210.25	-
4"	330.10	-
6"	660.95	-
8"	1,055.85	-
10"	1,510.65	-

Figure 5: Residential Volumetric Rates

	2008	2009
0-10,000 Gallons	\$ 2.57	No Change
10,001-25,000 Gallons	4.57	-
25,001-50,000 Gallons	6.57	-
50,001 and Up	8.57	-

Figure 6: Commercial Volumetric Rates

	2008	2009
0-50,000 Gallons	\$ 3.35	\$ 3.67
50,001 and Up	4.35	4.67

The water rates include 3,000 gallons usage for senior citizens ages 65 and older.

Wastewater Rates

The cost of service analysis performed by WRM identified wastewater rate changes as outlined below:

Figure 7: Wastewater Rates

	2007	2008
Minimum Bill	\$ 21.39	No Change
Volumetric Rate	4.40	4.60

The wastewater rates include 1,000 gallons usage for senior citizens ages 65 and older.

Five Year Financial Plan

As part of the adoption of the 2006-2007 budget, and related water and wastewater rate and fee ordinance, the City also adopted a corresponding five-year utility rate plan. The five-year rate adjustments were directly tied to future capital improvements and water and wastewater purchase cost increases, based on assumptions made at the time of the Study. WRM evaluated the potential financial performance of those rates based on a number of factors. Rate analysis and financial projections are subject to certain assumptions that are made during the analysis. Since the time of the original Rate Study, the City has seen slowed growth, and resulting decreased revenues from impact fees, reduced water demand, and increases in costs including but not limited to, construction costs, and water and wastewater purchase costs.

WRM evaluated the financial performance of the City based on recent trends and has determined that the planned 2008-2009 rate increase should provide sufficient revenues to meet the 2008-2009 projected expenses. However, if the City's costs continue to increase at projected rates, and the City's growth continues at a reduced level; the analysis performed by WRM does indicate that the City may experience future revenue short-falls, given the planned rate increases as adopted by the City. Figure 8 illustrate the relative revenue over/(under) recovery, by year which has been projected given these circumstances.

Figure 8: Potential Financial Performance of the Water Utility

	2009	2010	2011	2012
Water Utility	\$ 169,061	\$ 100,626	\$ (461,184)	\$ (966,566)
Wastewater Utility	37,552	(220,525)	(115,210)	(769,650)
TOTAL	\$ 206,613	\$ (119,899)	\$ (576,394)	\$ (1,736,216)

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

As illustrated in figure 8, the overall revenue recovery of the utility in 2009 is anticipated to adequately meet cost projections, based on the planned rate increase. However, revenue recovery of the utility beyond 2009 may be sensitive to under recovery, depending on the actual growth, rainfall, and water and wastewater purchase costs incurred by the utility. City staff will continue to monitor actual growth, rainfall, and fee increases assessed by Upper Trinity annually as part of the budget process, making adjustments to rates in the future as necessary.

Again, I am pleased to present the adopted 2008-2009 budget for the City of Corinth and look forward to the many opportunities and challenges we will share in the coming fiscal year.

A handwritten signature in black ink, appearing to read 'Don Locke', with a stylized, cursive style.

Don Locke
Acting City Manager

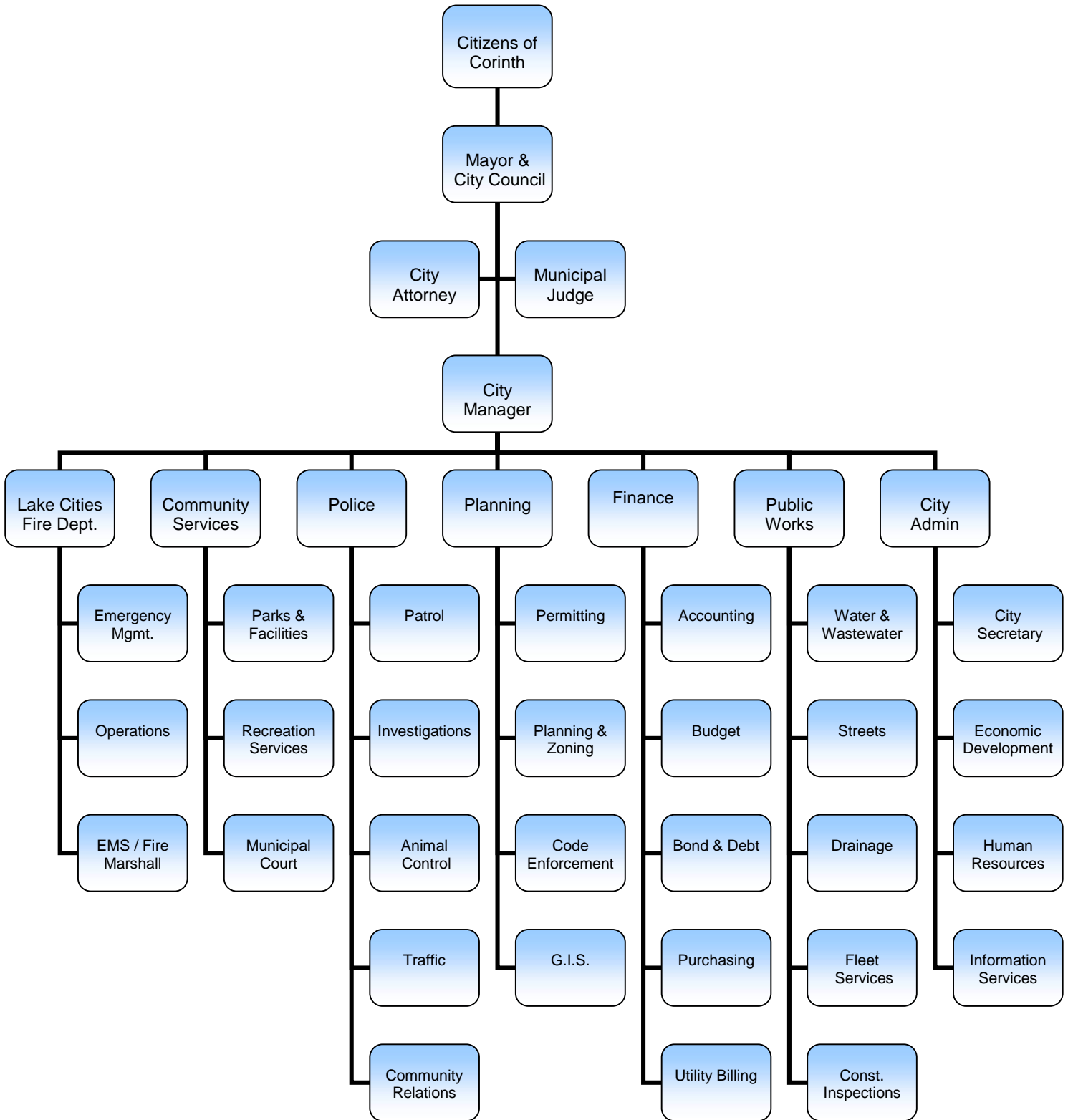
**CITY OF CORINTH, TEXAS
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Attachment A

**UNMET NEEDS
Fiscal Year 2008-2009**

Package Title	Division	Total Amount	No. of Personnel Requested
Maintenance Worker (Parks Crew)	Parks	\$ 54,497	1.00
Special Events Coordinator	Parks	73,614	1.00
Reclassification - Maint Worker to Crew Leader	Parks	11,454	
Maintenance Worker (ROW)	Parks	54,497	1.00
Pedestrian Bridge	Parks	15,000	
Recreation Attendant	Parks	10,400	1.00
Disc Golf Course	Parks	7,000	
Mobile Stage	Parks	110,000	
On Call CID	Police	10,121	
AutoTicket Writer	Police	50,000	
Animal Control Vehicle	Police	35,000	
2-patrol officers	Police	155,031	2.00
Radios	Police	12,000	
Warrant Division	Police	306,346	2.00
CID Staff (2 positions-1 promotion)	Police	146,944	2.00
Back-Up Generator for HQ/EOC	Fire	40,200	
Training/Safety Officer & Vehicle	Fire	153,980	1.00
Rescue Supplies & Equipment	Fire	72,070	
Fire Headquarters Upgrade #1	Fire	6,000	
EOC Upgrades	Fire	24,100	
Fire Headquarters Upgrade #2	Fire	20,000	
Emergency Management Intern	Fire	2,700	
Fire Headquarters Upgrade #3	Fire	10,000	
Station Tones	Fire	10,000	
Global Software (report writing)	Finance	26,170	
Purchasing Buyer (Entry Level)	Finance	53,971	1.00
Tech Analyst Position	Tech	67,468	1.00
IS Vehicle	Tech	30,123	
Maintenance Workers	Streets	106,504	2.00
Brake Lathe Machine	Fleet	7,000	
		\$ 1,682,190	15.00

ORGANIZATIONAL CHART
As of October 1, 2008

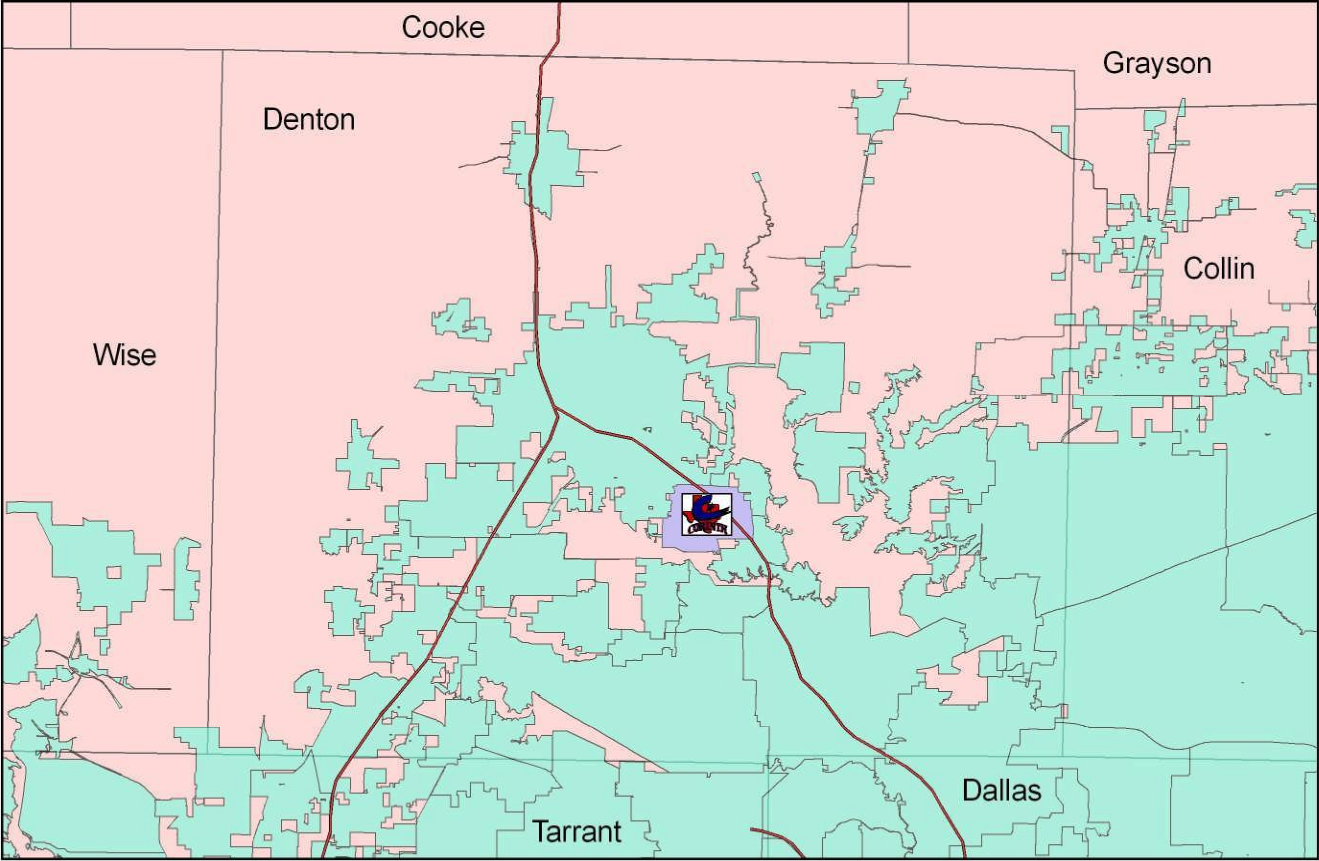
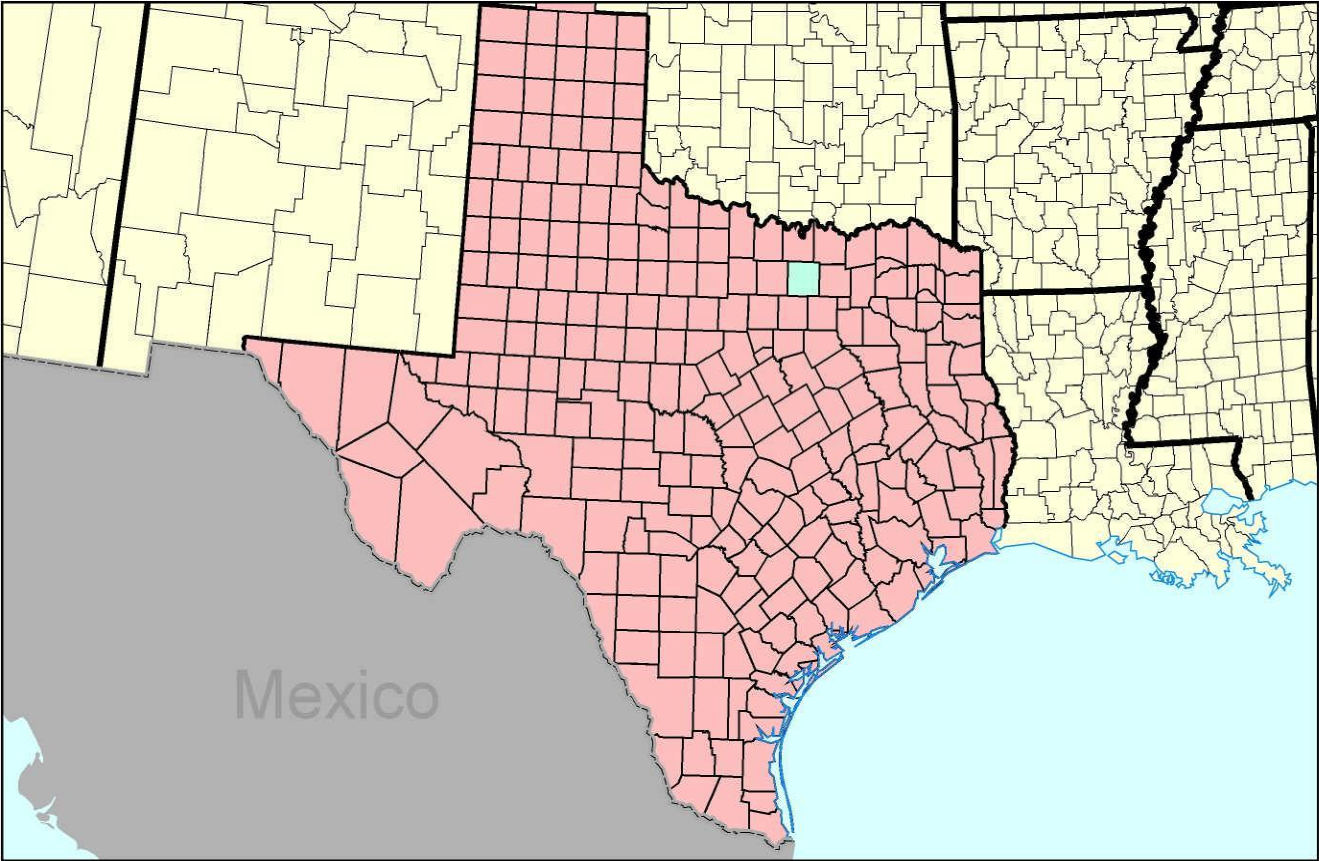




**BUDGET CALENDAR
FOR 2008–2009**

April 24	Thursday	Budget Kick-Off
May 16	Friday	Department Budgets & Estimates due to Budget Office
May 23	Friday	Council Retreat
July 10	Thursday	City Council Budget & CIP Discussions
July 25	Friday	Certified appraisal roll due from Denton Central Appraisal District
July 25-Aug 1		Finalization of Proposed budget
August 1	Friday	Proposed budget and CIP submitted to City Council and placed on file with City Secretary Submission of certified appraisal roll Submission of ad valorem effective and rollback tax rates to City Council Submission of certified ad valorem collection rate to City Council
August 7	Thursday	City Council Budget Workshop City Council meets to discuss tax rate Vote to consider a proposal for a tax increase Take record vote and schedule public hearing Publish Effective and Rollback tax rates, statement and schedules Publish "Notice of hearing on Budget" <i>(at least 10 days prior to hearing)</i>
August 14	Thursday	City Council Budget Discussions Publish "Notice of Public Hearing on Tax Increase" in paper <i>(at least 7 days before public hearings)</i>
August 21	Thursday	First public hearing on tax increase
September 4	Thursday	Second public hearing on tax increase <i>(Schedule and announce meeting to adopt tax rate 3-14 days from this date)</i> Public hearing on budget
September 11	Thursday	City Council Budget Discussions Publish "Notice of Vote Tax Rate Increase" to adopt tax rate <i>(at least seven (7) days before meeting)</i>
September 18	Thursday	City Council adopts Annual Program of Services City Council adopts Capital Improvement Program budget City Council approves tax rate City Council approves the 2008 tax roll City Council adopts increase in tax rate <i>(must adopt tax rate before September 30 or 60 days after receiving certified appraisal roll, whichever is later and not more than fourteen (14) days from the second public hearing)</i>

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**



PROFILE OF CORINTH

The City of Corinth, which incorporated September 19, 1960, is located in the north central portion of Texas. This area of the state has proven to be one of the top growth areas in Texas and the United States. The City currently occupies a land area of 8 square miles and serves a growing population of approximately 19,650. The City is empowered to levy a property tax on real property located within its boundaries. Corinth is also empowered, by state statute, to extend its corporate limits by annexation, which has occurred periodically when deemed appropriate by the governing council of the City.

Corinth has operated under the council-manager form of government since May 6, 1999. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and five other members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing boards and committees, and hiring both the City Manager and City Attorney. The City Council is elected on a non-partisan basis. Council members serve two-year staggered terms, with three members elected on one of the two-year rotations, and the Mayor and two remaining members elected on the other two-year rotation. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the government, and for appointing the heads of the various City departments.

The City of Corinth provides a full range of municipal services including general government, public safety (police, fire, and animal control), streets, parks and recreation, planning and zoning, code enforcement, and water/wastewater and drainage utilities. Water/wastewater and drainage services are provided through the public works department, which functions, in essence, as a department of the City and therefore has been included as an integral part of the City's financial statements. The Lake Cities Fire Department, acquired by the City in January 2008, provides fire and ambulance service for the City and three of Corinth's sister cities: Shady Shores, Lake Dallas, and Hickory Creek.

Corinth's location, straddling the I-35E corridor in Denton County, is ideal for both businesses and residents many of whom commute north to Denton or south to Lewisville or Dallas. Corinth maintains a small-town feel while having the advantages of nearby metro areas. Corinth offers an outstanding quality of life, with great educational and recreational amenities. There are nearly 180 acres of parkland currently set aside in Corinth as green space. Corinth is home to a 116-acre community park and sports complex located on the east side of I-35E, exit 460, on Corinth Parkway. The park boasts numerous baseball, softball, football, & soccer fields and a basketball court. Located within the park are a playscape, picnic gazebo, covered pavilions, walking trails, fishing piers, a fishing pond, as well as a wetlands/nature area.

The region possesses a varied manufacturing and industrial base that has added to the relative stability of the unemployment rate with approximately half of the local workforce employed in management, professional, and related occupations. Figures from the Texas Workforce Commission indicate a local unemployment rate (Denton County) of 4.5 percent. The unemployment rate for Corinth and surrounding areas remains lower, on average, than the figures for the Dallas metropolitan area, state, and nation.

Today, as the City moves through the 2000s, a bright future is expected where new families and businesses join existing residents and companies to build on Corinth's past foundation of pleasant residential neighborhoods, excellent educational institutions, numerous recreational activities and a growing number of commercial centers to truly establish itself as a "Gateway to Success."

READER'S GUIDE TO THE 2008–2009 ANNUAL PROGRAM OF SERVICES

The Reader's Guide provides an overview of the City of Corinth's budget process and budget documents. The City of Corinth has prepared a budget designed to meet the highest standards of performance in municipal budgeting. This document provides a summary of all budgeted funds, including both revenue and expenditure summaries. Major budget documents, the budget process, and organization of the budget itself are described below.

MAJOR BUDGET DOCUMENTS

The City of Corinth's budget process includes the production of four key documents. It is important to understand the timing and purpose of these documents in order to fully understand the process itself.

1. ***Long Range Financial Forecast*** –

A workshop is held with the City Council annually to discuss the Long Range Financial Forecast for the city. The 5-year forecast workshop allows the City Council to express policy guidelines for use in future budget development.

2. ***The Manager's Message*** –

The Manager's Message is submitted to City Council in early August as a part of the proposed budget. This report summarizes and identifies key issues with regard to revenues and expenditures for the coming year.

3. ***The Proposed Budget*** -

Pursuant to City Charter, the proposed budget must be submitted to City Council by the first of August or "at least sixty (60) days prior to the first day of the new fiscal year." This document represents a balanced version of departmental budget requests versus projected revenues. The proposed budget is a product of policy as expressed by the City Council and is prepared by the City Manager and the Management Team, which is comprised of the department directors.

4. ***The Adopted Budget*** -

The adopted budget represents the budget after public hearings and City Council review in August/September. Any changes deemed necessary by City Council to funding levels or revenue projections are reflected in the adopted budget. Revisions may also be made to reflect any updates to budget information.

THE BUDGET PROCESS

The City of Corinth uses a program-oriented budgeting process. Each budgeting unit or division is responsible for submitting costs and revenues for all departmental programs. With a few exceptions, no fixed assets, wages & benefits, or one-time packages are included in baseline funding. Any funding request that represents new expenditures and programs are submitted as a separate request or "package." These packages may be either a new or restoration request for resources. The City Manager and Management Team review the available resources, discuss organizational goals and develop an outline of recommendations. The City Manager is responsible for submitting the complete financial plan for the coming fiscal year in the form of the proposed budget as stated in the City Charter.

1. Long Range Financial Forecast

A workshop is held with the City Council each year to discuss the Long Range Financial Forecast for the City. The 5-year forecast workshop allows City Council to express policy guidelines for use in budget development. Major issues are addressed in the Manager's Message.

2. Revenue Projection

The budget revenue projections for the new fiscal year begin early in the current fiscal year. The projections are made by the departments responsible for the revenues with help from the Finance staff. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information.

3. Proposed Budget Analysis/Compilation

The Budget Office reviews and compiles a preliminary draft of departmental budgets to present to the Management Team, which is comprised of the City Manager and department directors. During Management Team discussions, each department director answers questions from the entire group concerning their respective budget.

Given revenue projections and baseline funding requirements, budget changes in funding are made according to necessity and priority. A total recommended funding level is determined and is weighed against available resources.

4. Proposed Budget Development

The City Manager, no later than August first each year, shall prepare and submit to the City Council, the annual budget covering the next fiscal year. The City Manager's proposed budget should assume, for each fund, operating revenues and resources that are equal to, or exceed operating expenditures. The City Manager's budget message summarizes funding requirements, and major changes in programs.

5. City Council Budget Study

A budget work session is held with the City Council to review and discuss the proposed budget. Discussions and study may follow at subsequent work sessions up until budget adoption.

6. Public Hearing/Budget Adoption

A public hearing on the budget and two public hearings on the tax rate are held in August and September prior to final budget consideration. At the public hearings, citizens may make formal comments concerning the proposed budget. The public also has the opportunity to attend City Council budget work sessions in August and September.

Budget adoption occurs in September after City Council deliberations and the public hearings. The City Council adopts a tax rate to support adopted funding levels. Pursuant to City Charter, the budget in place for the preceding year shall remain in place on a month-to-month basis until such time as a new budget has been adopted if no City Council action is taken before the end of the fiscal year, September 30.

7. Compilation of Adopted Budget/Budget Maintenance

An adopted budget is compiled and published during the first months of the new fiscal year. The adopted budget in the form of an amended proposed budget is available for public inspection in October. Ledger accounts are prepared for the new fiscal year prior to October 1.

Budget maintenance is a year-round activity of divisions/departments and Budget Office staff. Other spending control mechanisms include monthly review of expenditures by the Accounting staff. During the budget process departments make revenue and expenditure estimates for the current year.

Finally, program goals, objectives, and measures are evaluated during budget development to determine effectiveness of program activities and levels of appropriate funding for subsequent years.

FINANCIAL STRUCTURE

The financial structure of the budget is organized by funds. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts for recording cash and other financial resources, as well as any liabilities or residual equities or balances. Normally, funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. However, when appropriate, funds are made up of departments. The three types of funds utilized in this budget Governmental, Proprietary, and Special Revenue. The specific funds which make up the Governmental Fund type are: General Fund, Recreation Fund, and the General Debt Service Fund. The Proprietary Fund types are: Utility Fund, and Storm Drainage Utility Fund. The Special Revenue Fund type are: Street Maintenance Sales Tax Fund, Crime Control & Prevention District Sales Tax Fund, and Hotel Occupancy Sales Tax Fund. Each of the above-mentioned funds operates separately and independently from one another; therefore, they are budgeted separately and include separate financial statements.

BUDGETED FUNDS

The City of Corinth's budget consists of various funds. Each fund represents a specific function and maintains individual objectives. The City of Corinth's budget includes the following funds:

General Fund – The General Fund contains the control and fiscal accounting for the City's general service operations. The General Fund's two major revenue sources are the sales and ad valorem taxes.

Debt Service Fund – The Debt Service Fund is used to record and control the accumulation of resources for payment of general long-term debt principal and interest. The City issues debt to acquire or construct capital assets such as roads or parks for the general benefit of Corinth citizens. Resources include an applicable portion of the ad valorem tax levy and related interest income usable from debt service.

Special Revenue Funds – Special Revenue Funds are used to account for the receipt of specific revenue sources that are restricted for expenditures for a specified purpose. Included in the special revenue funds are: Hotel Occupancy Tax Fund, Crime Control & Prevention District Sales Tax Fund, and the Street Maintenance Sales Tax Fund.

Enterprise Funds – Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. The City budget includes Utility, and Storm Drainage Utility Funds. Each fund contains the controls and fiscal accounting for the services denoted in the title of each fund. The major revenue source for these enterprise funds is the rate revenue generated from the customers who receive the services provided.

BUDGET BASIS

The budget for the General, Special Revenue, Debt Service, and Capital Improvement Program (CIP) Funds are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period except where the accrual basis is specified by generally accepted accounting principles. "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. Expenditures are recognized when the related fund liability is incurred, except for (1) inventories of material 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; and (4) principal and interest on long-term debts which are generally recognized when due. Budgets for the Enterprise Funds are prepared on the full accrual basis of accounting under which transactions are recognized when they occur regardless of timing or related cash flows.

ORGANIZATIONAL RELATIONSHIPS

A department is a major administrative segment of the City, which indicates overall management responsibility for an operation or a group of related operations within a functional area (e.g., Police Department, Fire Department, Parks and Recreation Department). The smallest organizational unit budgeted is the division. The division indicates responsibility for one functional area, and in many cases these functional areas are put together to demonstrate a broader responsibility. When this is done, the divisions are combined to make up a department.

BUDGET ADMINISTRATION & DEVELOPMENT

The City of Corinth, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the City of Corinth Charter. The policies are intended to assist the City Council and City staff in evaluating current activities and proposals for future programs.

1. Budget Period

Establishment of Fiscal Year. The fiscal year of the City of Corinth "shall begin on the first day of each October and end on the last day of September of the succeeding year." (Charter Section 9.01)

2. Budget Administration and Development

- A. Deadline for Budget Submission. "The City Manager shall be responsible for submitting an annual budget not later than sixty (60) days prior to the first day of the new fiscal year."(Charter Section 9.02)
- B. Public Hearing on Budget. "The Council shall hold a public hearing on the budget and shall provide adequate public notice of such hearing, including publication of notice as required by State law. " (Charter Section 9.04)
- C. Truth in Taxation. Budget development procedures will be in conformance with the State law outlined in the Truth in Taxation process. In the event of a tax increase, notices will be provided and two public hearings held in conformance to this State law.

- D. Adoption of Budget. "The budget and tax rate may be adopted at a regular or special meeting of the Council prior to the beginning of the budgeted fiscal year by a majority vote of a two thirds quorum." "If the Council fails to adopt a budget by the beginning of the fiscal year, the budget currently in place for the preceding year shall remain in place on a month-to-month basis until such time as a new budget has been adopted." (Charter Section 9.04)
- E. Budget, a Public Record. The budget, budget message, and all supporting schedules shall be a public record in the office of the City Secretary open to public inspection. The City Manager shall prepare sufficient copies of the budget and budget message for distribution to interested persons,
- F. Balanced Budget Required. The City of Corinth will develop balanced budgets in which current resources (current revenues plus fund balance) will equal or exceed current expenditures.
- G. Funding of Current Expenditures with Current Revenues. The budget will assure that current expenditures are funded with current revenues. Current operating expenses will not be capitalized or funded through the use of long-term debt.

3. **Revenue Polices**

- A. Revenue Goal. The City will try to maintain a diversified and stable revenue stream to shelter it from short-run fluctuations in any one revenue source.
- B. Development of Revenue Projection. The City will estimate its annual revenues using an objective analytical process. Each existing and potential revenue source will be examined annually.

INVESTMENT POLICY

- 1. **Investment Objectives and Strategy.** It is the policy of the City that funds of the City shall be invested in accordance with all applicable Texas statutes, this Policy and any other approved, written administrative procedures. In accordance with the Public Funds Investment Act, the five objectives of the City's investment activities shall be as follows (in the order of priority):
 - A. Safety – Preservation and safety of Principal. Safety of principal invested is the foremost objective in the investment decisions of the City. Each investment transaction shall seek to ensure the preservation of capital in the overall portfolio. The risk of loss shall be controlled by investing only in authorized securities as defined in this Policy, by qualifying the financial institutions with which the City will transact, and by portfolio diversification. Safety is defined as the undiminished return of the principal on the City's investments.
 - B. Liquidity. The investment portfolio shall be managed to maintain liquidity to ensure that funds will be available to meet the City's cash flow requirements and by investing in securities with active secondary markets. Investments shall be structured in such a manner as to provide liquidity necessary to pay obligations as they become due. A security may be liquidated prior to its stated maturity to meet unanticipated cash requirements or to otherwise favorably adjust the City's portfolio.
 - C. Diversification. Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated needs of the City. Diversifying the appropriate maturity structure will reduce market cycle risk.

- D. Market Rate-of-Return (Yield). The City's investment portfolio shall be designed to optimize a market rate-of-return on investments consistent with risk constraints and cash flow requirements of the portfolio. The investment portfolio shall be managed in a manner which seeks to attain a market rate of return throughout budgetary and economic cycles. The City will not attempt to consistently attain an unrealistic above market rate-of-return as this objective will subject the overall portfolio to greater risk. Therefore, the City's rate of return objective is secondary to those of safety and liquidity. Rate of return (yield) is defined as the annual income returned on an investment, expressed as a percentage.
- E. Public Trust. The Investment Officer shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in diversifying the portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented. The prudence of the investment decision shall be measured in accordance with the tests set forth in Section 2256.006(b) of the Act.
2. **Investment Strategy for Specific Fund Groups.** Each major fund type has varying cash flow requirements and liquidity needs. Therefore specific strategies shall be implemented considering the funds unique requirements and the following shall be considered separate investment strategies for each of the funds mentioned below. The City's funds shall be analyzed and invested according to the following major fund types:
- A. Operating Funds. Investment strategies for operating funds and commingled pools containing operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to structure a portfolio, which will minimize volatility during economic cycles. This may be accomplished by purchasing high quality, short-term securities, which will compliment each other in a ladder maturity structure. A dollar weighted average maturity of 270 days will be maintained and calculated by using the stated final maturity date of each security.
- B. Debt Service Reserve Funds. Investment strategies for debt service funds and contingency funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate fund from securities with a low degree of volatility. Securities should be of high quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available, within the desired maturity and quality range, without paying a premium, if at all possible. Such securities will tend to hold their value during economic cycles. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity date of each security.
- C. Bond Funds. Investment strategies for bond funds will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity of each security.
- D. Special Purpose Funds. Investment strategies for construction projects or special purpose fund portfolios will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date. A dollar weighted average maturity of 270 days or less will be maintained and calculated by using the stated final maturity of each security.

LONG TERM FINANCIAL PLAN

In accordance with the City's financial policies, the 2008-09 budget was developed in context of long-term financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenues and expenses. Plans have been developed for all the City's major operating funds. Each plan presents the fund over seven fiscal years: two previous years, the adopted "base year" budget and four projected years. There are several benefits to these plans. First, the plans give future Councils a valuable perspective when considering budgets within each plan's five-year horizon. Second, the plans impart a measure of discipline on staff.

The plan reflects the following assumptions based on historic trends and knowledge of economic conditions present when the budget was developed.

- Property tax revenue is dependent on two variables; a appraised value and the tax rate. Overall property values this year increased 3.29%. The 2009 budget includes a property tax rate of .57698 per \$100 appraised values. The General fund long-term plan assumes that for fiscal years 2009-2013 property values continue to increase an average 3% per year.
- The Sales tax in Corinth is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, and in some case, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .50% to the Economic Development Corporation, .25% to the Crime Control & Prevention District, and .25% to the Street Maintenance Sales Tax Fund. For the year ending September 30, 2008, the City of Corinth expects to receive \$1,152,989 in sales and use tax revenue. This amount represents a 5% increase over the FY 2007-08 estimated collections. Sales tax is forecasted at 5% growth for fiscal years 2010-2014.
- In February 2007, the City began an active investment program in accordance with all applicable Texas statutes, the City's Investment Policy and any other approved, written administrative procedures. The City's investment portfolio is designed to optimize a market rate-of-return on investments consistent with risk constraints and cash flow requirements of the City. Fiscal year 2008-2009 assumes a decrease of \$145,000 in interest income. This amount represents a 33.72% decrease from the prior year estimates due to the downturn in the economy. Investment income is estimated at 3% growth for fiscal years 2010-2014.
- All other revenues during the planning horizon are expected to increase 3% annually.
- The majority of the General Fund's expenditures are associated with employee compensation; almost 73% of the 2009 budget is allocated for this area and includes a 2% cost of living adjustment. Future years project average annual cost of living increases of 3% with staffing remaining constant.
- During the 2006-2007 budget discussions, City Council expressed the desire for staff to develop a plan to implement a vehicle and equipment replacement program. In a concerted effort, each department assisted the City's Fleet Division in creating a schedule for planned replacement based on age, mileage (hours of use for some pieces of equipment) and maintenance history. The purchase of replacement vehicles for \$221,774 is included in the 2008-2009 budget from an allocation of fund balances.
- One of the highest increases in operating costs facing the organization over the past few years is that of fuel. For 2007-08 the budget was increased an additional 6% to \$186,000 although, based on current costs, total expenses may reach \$260,000. The 2008-09 fuel allocation is budgeted at \$290,000.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**BUDGET RESOURCE & EXPENDITURE SUMMARY
2008-09**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Fund [1]	\$ 10,306,225	\$ 13,867,586	\$ 13,711,030	\$ 13,933,114
Debt Service Fund	1,506,145	2,172,415	2,166,634	2,430,260
Utility Fund	9,557,824	11,148,758	11,007,701	10,670,975
Storm Drainage Utility Fund	427,606	573,268	531,647	563,047
Hotel Occupancy Tax Fund	-	-	-	80,000
Economic Development Corporation [2]	591,291	1,167,228	738,269	594,844
Street Maintenance Sales Tax Fund	282,972	415,000	380,000	705,100
Crime Control & Prevention District	226,922	438,258	408,468	255,034
TOTAL RESOURCES	\$ 22,898,985	\$ 29,782,513	\$ 28,943,749	\$ 29,232,374

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Fund [1]	\$ 9,585,333	\$ 14,085,386	\$ 13,711,030	\$ 13,933,114
Debt Service Fund	1,386,252	2,172,415	2,166,634	2,430,260
Utility Fund	9,557,824	11,148,758	10,763,905	10,433,179
Storm Drainage Utility Fund	360,575	573,268	531,647	563,047
Hotel Occupancy Tax Fund	-	-	-	-
Economic Development Corporation [2]	126,319	1,167,228	738,269	542,514
Street Maintenance Sales Tax Fund	49,674	415,000	380,000	705,100
Crime Control & Prevention District	109,174	438,258	408,468	255,034
TOTAL EXPENDITURES	\$ 21,175,151	\$ 30,000,313	\$ 28,699,953	\$ 28,862,248

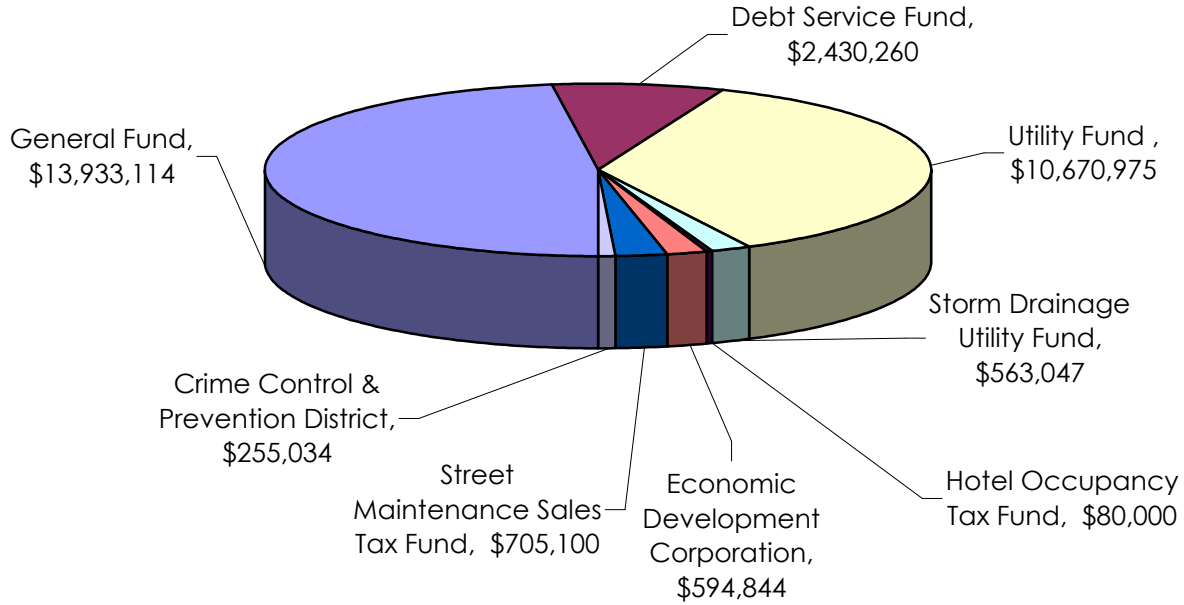
[1] 2007-08 includes the following budget amendments: Ord 08-06-05-14 - \$7,950 for Security glass, Ord. 08-06-19-16 - \$1,462,827 for the acquisition of the Lake Cities Fire Department, Ord 08-04-24-13- \$166,000 for a Settlement Agreement, Ord. 08-04-03-12 - \$28,205 Council Chambers Security Ord. 08-03-20-08 for the Texas Parks & Wildlife Department Trails Grant \$235,310, Ord. 08-02-21-04 - \$32,000 for a temporary Information Services Technician, and Ord. 08-10-02-24-\$217,800 for the Lake Cities Fire Department equipment.

[2] The 2007-08 Budget was amended for \$280,134 (Ord. 08-03-20-10).

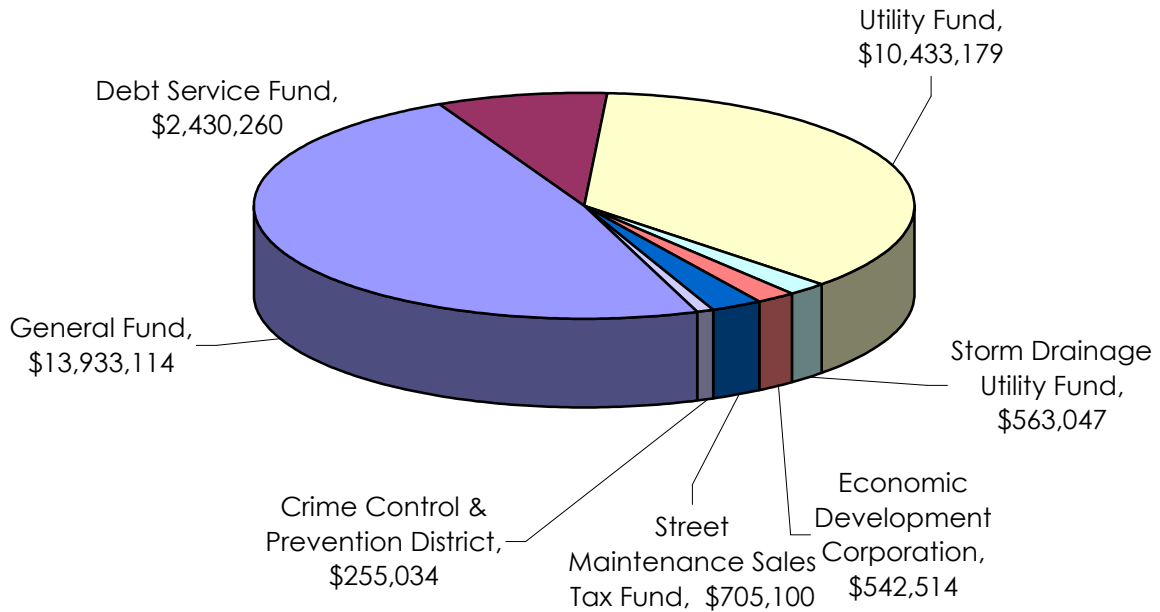
**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**BUDGET RESOURCE & EXPENDITURE SUMMARY
2008-09**

**RESOURCES
\$29,232,374**



**EXPENDITURES
\$28,862,248**



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PROJECTED APPROPRIABLE
FUND BALANCES
2008-09**

CATEGORY	APPROPRIABLE FUND BALANCE [1] 10-1-07	ESTIMATED REVENUES 2007-08	ESTIMATED EXPENDITURES 2007-08	PROJECTED APPROPRIABLE FUND BALANCE [1] 9-30-08
General Fund	\$ 6,167,669	\$ 12,471,801	\$ 13,711,030	\$ 4,928,440
General Debt Service Fund [2]	1,437,252	1,855,922	2,166,634	1,126,540
Utility Fund	(789,267)	11,007,701	10,763,905	(545,471)
Storm Drainage Utility Fund	272,074	478,474	531,647	218,901
Hotel Occupancy Tax Fund [3]	-	-	-	-
Economic Development Fund	1,622,443	582,470	738,269	1,466,644
Street Maintenance Fund	506,766	288,000	380,000	414,766
Crime Control and Prevention District	229,798	215,422	408,468	36,752
	\$ 9,446,735	\$ 26,899,790	\$ 28,699,953	\$ 7,646,572

CATEGORY	PROJECTED APPROPRIABLE FUND BALANCE [1] 9-30-08	PROPOSED BUDGETED REVENUES 2008-09	PROPOSED BUDGETED EXPENDITURES 2008-09	PROJECTED APPROPRIABLE FUND BALANCE [1] 9-30-09
General Fund	\$ 4,928,440	\$ 13,594,359	\$ 13,933,114	\$ 4,589,685
General Debt Service Fund [2]	1,126,540	1,962,831	2,430,260	659,111
Utility Fund	(545,471)	10,670,975	10,433,179	(307,675)
Storm Drainage Utility Fund	218,901	525,000	563,047	180,854
Hotel Occupancy Tax Fund [3]	-	80,000	-	80,000
Economic Development Fund	1,466,644	594,844	542,514	1,518,974
Street Maintenance Fund	414,766	292,000	705,100	1,666
Crime Control and Prevention District	36,752	224,100	255,034	5,818
	\$ 7,646,572	\$ 27,944,109	\$ 28,862,248	\$ 6,728,433

[1] Appropriable fund balance reflects working capital less reservations .

[2] Debt Service fund balance is legally restricted for debt service payments. Appropriable fund balance represents the balance available to be applied to future debt service.

[3] Hotel Occupancy Tax Fund was created during fiscal year 2007-08.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**Staffing Summary
2008-09**

Full Time Equivalents (FTE's)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
City Administration	3.00	3.00	3.00	3.00
Legal	1.00	1.00	1.00	1.00
Human Resources	2.00	3.00	3.00	3.00
Information Services	2.00	2.00	3.00	2.00
Administrative Services	8.00	9.00	10.00	9.00
Police	31.00	31.00	31.00	31.00
Animal Control	1.50	1.50	1.50	1.50
Lake Cities Fire Department [1]	40.00	41.00	41.00	41.00
Public Safety Services	72.50	73.50	73.50	73.50
Streets	7.00	7.00	7.00	7.00
Fleet Maintenance	2.00	2.00	2.00	2.00
Public Works Services	9.00	9.00	9.00	9.00
Community Development [2]	5.00	5.00	5.00	6.00
Planning	4.00	5.00	5.00	4.00
Code Enforcement [2]	1.00	1.00	1.00	-
Planning & Community Development Services	10.00	11.00	11.00	10.00
Municipal Court	4.00	4.00	4.00	4.00
Parks & Recreation	18.30	18.30	18.30	18.30
Community Services	22.30	22.30	22.30	22.30
Finance	6.00	7.00	7.00	7.00
Finance & Administrative Services	6.00	7.00	7.00	7.00
TOTAL GENERAL FUND	127.80	131.80	132.80	130.80
Full Time Equivalents (FTE's)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Water	11.30	12.00	12.00	11.98
Wastewater	11.70	11.00	11.00	11.02
Utility Billing	3.00	3.00	3.00	3.00
TOTAL UTILITY FUND	26.00	26.00	26.00	26.00
Storm Drainage Fund	3.00	3.00	3.00	3.00
Corinth Economic Development Corp.	1.00	2.00	1.00	2.00
Crime Control District Fund	-	3.00	3.00	3.00
TOTAL OTHER FUNDS	4.00	8.00	7.00	8.00
TOTAL ALL FUNDS	157.80	165.80	165.80	164.80

[1] The Lake Cities Fire Department was acquired by the City in January 2008.

[2] During Fiscal Year 2007-08 the Code Enforcement was transferred to Community Development.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES [2]	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Ad Valorem Taxes	\$ 5,847,460	\$ 5,979,370	\$ 6,041,856	\$ 6,380,529
Sales Tax	1,054,786	1,152,585	1,102,585	1,157,714
Franchise Agreements	861,399	960,903	890,880	954,657
Fees & Permits	433,345	617,355	365,610	360,675
Fines & Forfeitures	627,954	693,253	657,968	661,018
Fire Services	-	1,422,429	1,422,429	2,149,447
Recreation Fees [1]	119,800	184,100	185,100	194,910
Charges for Services	654,237	992,629	961,729	979,709
Interest Income	347,689	430,000	380,000	285,000
Grants	179,873	97,250	99,122	107,615
Miscellaneous	91,814	107,324	142,100	118,250
Transfers	87,868	222,422	222,422	244,835
TOTAL REVENUES	\$ 10,306,225	\$ 12,859,620	\$ 12,471,801	\$ 13,594,359
Use of Fund Balance	-	1,007,966	1,239,229	338,755
TOTAL RESOURCES	\$ 10,306,225	\$ 13,867,586	\$ 13,711,030	\$ 13,933,114

EXPENDITURES [2]	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 5,100,259	\$ 8,800,808	\$ 8,501,140	\$ 10,195,167
Supplies & Maintenance	913,070	1,216,650	1,160,195	1,189,539
Operations	3,521,809	3,127,314	3,098,037	2,205,317
Capital Outlay	50,195	940,614	951,658	343,091
TOTAL EXPENDITURES	\$ 9,585,333	\$ 14,085,386	\$ 13,711,030	\$ 13,933,114

PERSONNEL Full-Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	15.00	15.00	15.00	15.00
Office/Clerical	11.00	11.00	11.00	11.00
Technical/Paraprofessional	24.50	24.50	24.50	24.50
Professional/Management	13.00	16.00	16.00	15.00
Executive	6.00	6.00	6.00	6.00
Certified Fire Personnel	29.00	30.00	30.00	30.00
Sworn Officers	27.00	27.00	27.00	27.00
Temporary/Seasonal	2.30	2.30	3.30	2.30
TOTAL PERSONNEL	127.80	131.80	132.80	130.80

[1] During Fiscal Year 2007-08 the Recreation Fund was closed to the General Fund.

[2] The 2007-08 includes the following budget amendments: Ord 08-06-05-14 - \$7,950 for Security glass, Ord. 08-06-19-16 - \$1,462,827 for the acquisition of the Lake Cities Fire Department, Ord 08-04-24-13- \$166,000 for a Settlement Agreement, Ord. 08-04-03-12 - \$28,205 Council Chambers Security Ord. 08-03-20-08 for the Texas Parks & Wildlife Department Trails Grant \$235,310, Ord. 08-02-21-04 - \$32,000 for a temporary Information Services Technician, and Ord. 08-10-02-04 - \$217,000 for LCFD Equipment.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL DEBT SERVICE FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Ad Valorem Taxes	\$ 1,436,349	\$ 1,778,601	\$ 1,815,922	\$ 1,962,831
Interest Income	69,796	-	40,000	-
TOTAL REVENUES	\$ 1,506,145	\$ 1,778,601	\$ 1,855,922	\$ 1,962,831
Use of Fund Balance	-	393,814	310,712	467,429
TOTAL RESOURCES	\$ 1,506,145	\$ 2,172,415	\$ 2,166,634	\$ 2,430,260

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Debt Service	\$ 1,373,671	\$ 2,147,415	\$ 2,141,634	\$ 2,405,260
Paying Agent Fees	12,581	25,000	25,000	25,000
TOTAL EXPENDITURES	\$ 1,386,252	\$ 2,172,415	\$ 2,166,634	\$ 2,430,260

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Water	\$ 3,854,271	\$ 5,447,693	\$ 5,447,693	\$ 5,583,332
Wastewater	3,573,438	3,996,580	3,996,580	3,718,506
Garbage	846,321	844,610	839,596	855,650
Inspections	1,011	3,658	7,594	4,070
Charges & Fees	384,288	411,405	253,303	279,319
Other Revenue	110,803	87,186	125,831	50,022
Transfers In	572,701	337,104	337,104	180,076
TOTAL REVENUES	\$ 9,342,833	\$ 11,128,236	\$ 11,007,701	\$ 10,670,975
Use of Fund Balance	214,991	20,522	-	-
TOTAL RESOURCES	\$ 9,557,824	\$ 11,148,758	\$ 11,007,701	\$ 10,670,975

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 1,164,283	\$ 1,501,960	\$ 1,484,407	\$ 1,471,038
Supplies & Maintenance	294,368	442,992	379,330	390,969
Operations	6,763,723	7,472,712	7,274,180	7,111,735
Capital Outlay	1,335,450	1,731,094	1,625,988	1,459,437
TOTAL EXPENDITURES	\$ 9,557,824	\$ 11,148,758	\$ 10,763,905	\$ 10,433,179

PERSONNEL Full-Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	16.00	16.00	16.00	17.00
Office/Clerical	3.50	3.00	3.00	3.00
Technical/Paraprofessional	3.00	3.00	3.00	2.00
Professional/Management	2.50	3.00	3.00	3.00
Sworn Officers	-	-	-	-
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	26.00	26.00	26.00	26.00

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**STORM DRAINAGE UTILITY FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Storm Drainage Fees	\$ 413,660	\$ 445,000	\$ 466,258	\$ 520,000
Interest Income	13,946	15,000	12,216	5,000
Transfer In	-	-	-	-
TOTAL REVENUES	\$ 427,606	\$ 460,000	\$ 478,474	\$ 525,000
Use of Fund Balance	-	113,268	53,173	38,047
TOTAL RESOURCES	\$ 427,606	\$ 573,268	\$ 531,647	\$ 563,047

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 129,355	\$ 156,289	\$ 152,869	\$ 150,911
Supplies & Maintenance	29,324	85,272	50,272	83,409
Operations	111,918	167,391	163,815	169,927
Capital Outlay	89,978	164,316	164,691	158,800
TOTAL EXPENDITURES	\$ 360,575	\$ 573,268	\$ 531,647	\$ 563,047

PERSONNEL	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Full-Time Equivalents (FTE)				
Service/Maintenance	3.00	3.00	3.00	3.00
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Sworn Officers	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	3.00	3.00	3.00	3.00

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**HOTEL OCCUPANCY TAX FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Hotel Occupancy Tax	\$ -	\$ -	\$ -	\$ 80,000
	\$ -	\$ -	\$ -	\$ 80,000

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Reserve	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	-	-	-	-

[1] The Hotel Fund was created during fiscal year 2007-08.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ECONOMIC DEVELOPMENT CORPORATION
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 525,820	\$ 547,470	\$ 547,470	\$ 574,844
Interest Income	65,471	58,800	35,000	20,000
Transfers In	-	-	-	-
TOTAL REVENUES	\$ 591,291	\$ 606,270	\$ 582,470	\$ 594,844
Use of Fund Balance	-	560,958	155,799	-
TOTAL RESOURCES	\$ 591,291	\$ 1,167,228	\$ 738,269	\$ 594,844

EXPENDITURES [1]	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 65,874	\$ 46,037	\$ 39,746	\$ 125,009
Supplies & Maintenance	38,572	86,277	78,500	86,300
Operations	21,873	152,908	146,023	327,205
Capital Outlay	-	882,006	474,000	4,000
TOTAL EXPENDITURES	\$ 126,319	\$ 1,167,228	\$ 738,269	\$ 542,514

PERSONNEL Full-Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Executive [2]	-	1.00	-	1.00
Sworn Officers	-	-	-	-
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	1.00	2.00	1.00	2.00

[1] The 2007-08 Budget was amended for \$280,134 (Ord. 08-03-20-10).

[2] There are 2 staff positions designated for the Economic Development department, only 1FTE is currently budgeted.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**STREET MAINTENANCE FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 262,919	\$ 287,000	\$ 273,000	\$ 287,000
Interest Income	20,053	-	15,000	5,000
TOTAL REVENUES	\$ 282,972	\$ 287,000	\$ 288,000	\$ 292,000
Use of Fund Balance	-	128,000	92,000	413,100
TOTAL RESOURCES	\$ 282,972	\$ 415,000	\$ 380,000	\$ 705,100

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	-	-	-	264,100
Operations	49,674	415,000	380,000	441,000
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 49,674	\$ 415,000	\$ 380,000	\$ 705,100

PERSONNEL	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Full-Time Equivalents (FTE)				
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Sworn Officers	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	-	-	-	-

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**CRIME CONTROL & PREVENTION FUND
RESOURCE & EXPENDITURE SUMMARY
2008-09**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 220,457	\$ 223,500	\$ 212,000	\$ 222,600
Interest Income	6,465	7,500	3,422	1,500
TOTAL REVENUES	\$ 226,922	\$ 231,000	\$ 215,422	\$ 224,100
Use of Fund Balance	-	207,258	193,046	30,934
TOTAL RESOURCES	\$ 226,922	\$ 438,258	\$ 408,468	\$ 255,034

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 36,907	\$ 197,570	\$ 166,022	\$ 193,636
Supplies & Maintenance	35,339	59,810	56,338	-
Operations	4,447	58,278	63,750	61,398
Capital Outlay	32,481	122,600	122,358	-
TOTAL EXPENDITURES	\$ 109,174	\$ 438,258	\$ 408,468	\$ 255,034

PERSONNEL Full-Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Sworn Officers	-	-	-	-
Executive	-	3.00	3.00	3.00
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	-	3.00	3.00	3.00

General Fund

The General Fund is the financial structure used for the accounting of receipt of resources (revenues) and uses of resources (expenditures) for what are generally recognized as governmental services and/or functions. These services/functions include public safety (police, animal control, fire), streets, parks & recreation, planning, community development, etc.

Major Revenue Summary:

Ad Valorem Tax: The Ad Valorem (property tax) accounts for the largest source of resources for the General Fund, approximately 53.06% of total revenue. Property tax revenue is dependent on two variables, appraised value and the tax rate. The 2008-09 total certified appraised value for the City of Corinth is \$1,417,615,882, which is an increase of 3.29% over the prior year's certified value. Additionally the budget includes a three cent tax increase.

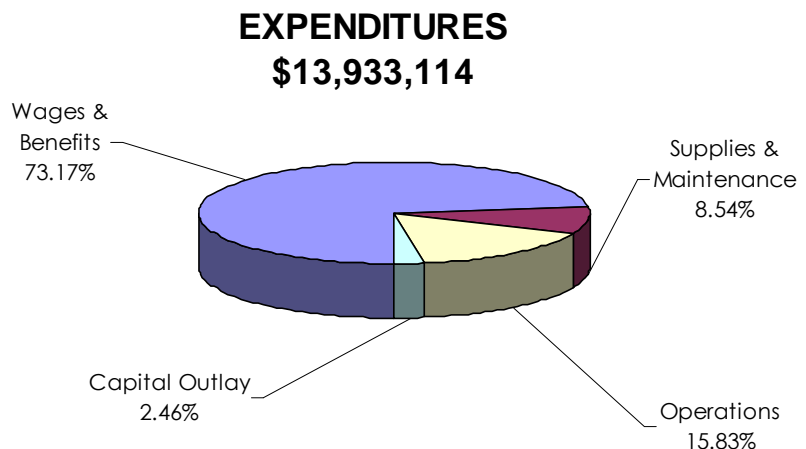
Sales Tax: The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries and is the second largest revenue source in the General Fund. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .50% to the Economic Development Corporation, .25% to the Crime Control & Prevention District and .25% to the Street Maintenance Sales Tax Fund. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the businesses. For fiscal year 2008-09, the City of Corinth expects to receive \$1,152,989 in sales and use tax revenue. This amount represents a 5% increase over the current year estimate.

Franchise Agreements: Revenue from franchise agreements is budgeted to decrease \$6,246, which is a .065% decrease from the prior year's budget. The budgeted amount for 2008-09 is based on the services provided by companies holding franchise agreements with the City of Corinth.

Interest Income: In February 2007, the City began an active investment program in accordance with all applicable Texas statutes and the City's Investment Policy. The City's investment portfolio is designed to optimize a market rate-of-return on investments consistent with risk constraints and cash flow requirements of the City. For fiscal year 2008-09, the City expects to receive \$145,000 in interest income. This amount represents a 33.72% decrease from the current year estimate due to the volatility of the economic market and falling interest rates.

Major Expenditure Summary:

The budget includes funds for the increasing cost of fuel (\$114,000), replacement of 3 Patrol Cars and 1 Fire Utility/Brush Truck (\$221,774), lightning warning system (\$25,000), human resource policies & procedures (\$25,000), human resource software system upgrades (\$35,000), and thermal imaging equipment (\$12,000). The budget also eliminates a Sr. Planner position (1 FTE) and a temporary Information Services Technician (1 FTE).



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
RESOURCE SUMMARY**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Ad Valorem Taxes				
Ad Valorem Taxes	\$ 5,756,614	\$ 5,865,856	\$ 5,865,856	\$ 6,216,529
Delinquent Ad Valorem Taxes	38,472	60,000	100,000	95,000
Current Year - Penalty & Interest	41,871	38,000	43,000	41,500
Prior Year - Penatly & Interest	9,832	15,514	30,000	25,000
Rendition Penalties	671	-	3,000	2,500
	\$ 5,847,460	\$ 5,979,370	\$ 6,041,856	\$ 6,380,529
Franchise Taxes				
Electric Franchise Fee	\$ 530,950	\$ 610,000	\$ 531,000	\$ 546,930
Cable TV Franchise Fee	48,782	55,000	53,750	92,263
Natural Gas Franchise Fee	153,301	160,000	156,136	160,820
Exxon Mobil	-	-	127	-
T-Mobile Site Rental	18,000	18,000	18,000	18,000
AT&T Telephone Franchise	133	500	129	133
Century-Tel Franchise	34,489	36,000	32,608	33,500
Grande Telecomm Franchise	11,749	5,403	9,372	9,653
Metro Telecomm Franchise	-	-	18,200	18,000
Verizon Telecomm Franchise	1,373	500	3,422	3,524
Garbage Franchise Fee - Commercial	18,686	26,500	21,500	23,000
Cingular Site Rental	5,848	7,000	6,380	6,571
Garbage Franchise Fee - Residential	38,082	42,000	40,250	42,263
Miscellaneous Telecomm Franchise	6	-	6	-
	\$ 861,399	\$ 960,903	\$ 890,880	\$ 954,657
Sales Taxes				
Sales Tax	\$ 1,051,658	\$ 1,148,085	\$ 1,098,085	\$ 1,152,989
Mixed Beverage Tax	3,128	4,500	4,500	4,725
	\$ 1,054,786	\$ 1,152,585	\$ 1,102,585	\$ 1,157,714
Fees & Permits				
Building Permits	\$ 153,405	\$ 155,000	\$ 38,000	\$ 72,000
Plan Review	123,297	180,000	102,000	90,000
Fence Permits	3,936	5,000	4,000	4,000
Sprinkler Permits	8,125	10,000	5,000	5,000
Swimming Pool/Spa Permits	22,640	23,000	23,000	22,000
Commerical Building	-	90,000	90,000	50,000
Residential Add/Remodel	265	500	2,500	2,000
Commerical Add/Remodel	4,345	1,900	2,041	1,000
Registration Fees	190	6,000	-	-
Misc. Residential	12,074	13,000	14,000	12,000
Misc. Commerical	9,713	12,000	6,000	15,000
Miscellaneous Fees	181	250	-	-
Plat Fees	1,001	1,200	1,200	1,200
SUP Fees	430	430	330	350

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
RESOURCE SUMMARY**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
BOA Appeal Fees	100	350	50	150
Zoning Change Fee	-	1,000	-	500
Annexation Fees	92	100	589	-
P&Z Appeal	72	100	300	150
Gas Well Application Fees	-	-	-	5,000
Variance Change Fees	750	1,800	450	450
Sign & Banner Permits	-	5,000	3,000	3,000
Re-Inspection Fees	16,950	20,000	9,000	10,000
Plumbing/Electrical/Mechanical	8,300	9,750	10,000	12,000
Alarm Permits	12,601	10,000	10,000	10,000
Health Inspections	6,380	6,000	6,700	6,700
Food Handlers License	1,200	1,200	500	1,200
Engineering Fees	43,280	52,000	30,000	30,000
CI Inspections	1,058	8,700	5,000	5,000
Animal Control Fees & Registration	1,110	925	950	975
Solicitor Permits	1,850	2,150	1,000	1,000
	\$ 433,345	\$ 617,355	\$ 365,610	\$ 360,675
Fines & Forfeitures				
Traffic Fines	\$ 510,279	\$ 620,000	\$ 560,000	\$ 560,000
Administrative Fees	16,197	15,878	24,720	25,500
Uniform Traffic Act	9,483	6,000	10,532	10,848
Child Safety	17,603	5,000	5,794	6,000
General Revenue Fees	161	-	603	625
Court Security Fees	14,602	15,000	16,045	16,526
Time Payment	4,104	5,500	3,389	3,500
Miscellaneous Court Fee	245	-	-	-
Time Payment - L1 Court	999	1,000	867	900
Court Technology Fees	19,417	15,000	21,260	21,898
Juvenile Child Restraint	3,337	3,000	3,000	3,090
OMNI Base State Fee	100	-	768	800
OMNI Base Fee	66	-	512	550
OMNI Base City Fee	44	-	-	-
State Traffic Fee	4,692	-	-	-
Consolidated Court Costs	18,904	-	-	-
State Jury Fees	1,863	-	-	-
Judicial Fees, City	2,756	2,500	2,982	3,071
Indigent Defense Fee	-	-	3,121	3,215
Finger Prints	428	375	375	375
Accident Reports	2,674	4,000	4,000	4,120
	\$ 627,954	\$ 693,253	\$ 657,968	\$ 661,018

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
RESOURCE SUMMARY**

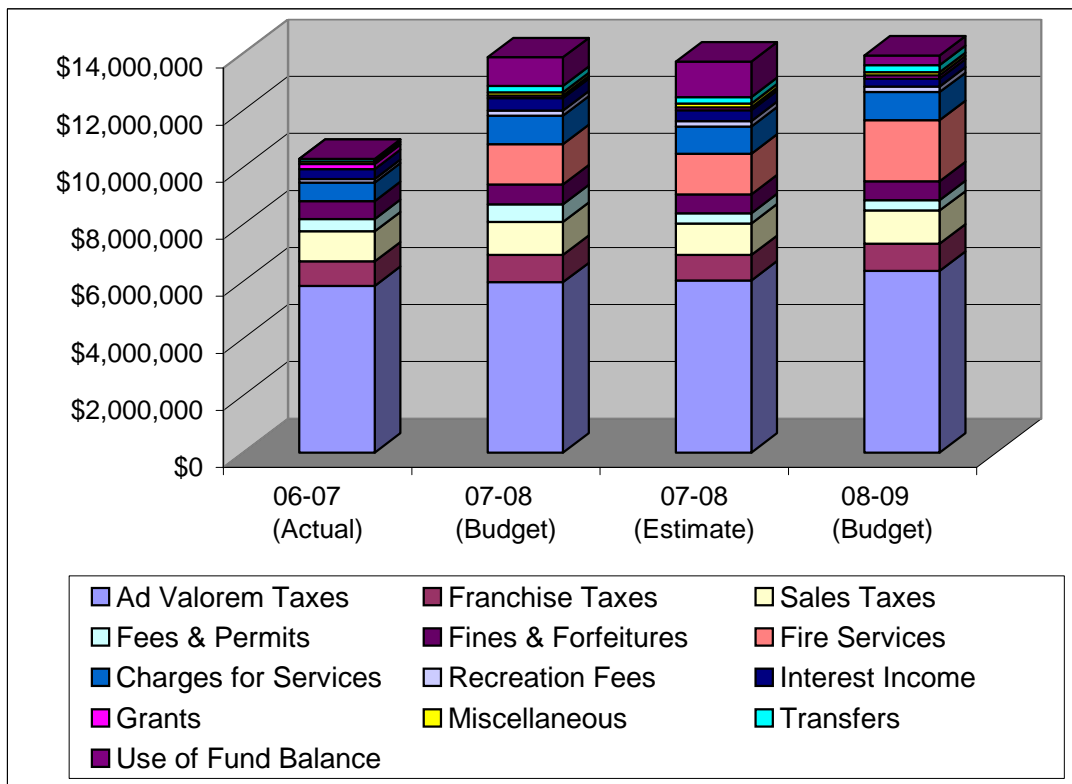
	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Fire Services				
Fire Services Agreements	\$ -	\$ 1,074,763	\$ 1,074,763	\$ 1,680,353
EMS Collections	-	296,176	296,176	412,000
Denton County Agreement	-	36,896	36,896	39,140
Rescue Revenue	-	5,594	5,594	6,798
Fire Inspection Fees	-	9,000	9,000	11,156
	\$ -	\$ 1,422,429	\$ 1,422,429	\$ 2,149,447
Charges for Services				
Fleet Maintenance Revenue	\$ 13,972	\$ 99,734	\$ 99,734	\$ 149,740
Utility Fund Administrative Allocation	486,370	684,269	684,269	587,981
Lake Cities Fire Admin Allocation	30,000	30,900	-	-
Shady Shores Police Allocation	88,385	87,974	87,974	100,527
Drainage Fund Admin Allocation	35,510	70,838	70,838	67,686
Economic Development Admin Allocation	-	18,914	18,914	73,775
	\$ 654,237	\$ 992,629	\$ 961,729	\$ 979,709
Recreation Fees				
Health & Fitness	\$ 9,616	\$ 14,500	\$ 14,500	\$ 17,545
Arts & Crafts	1,418	2,500	2,500	2,500
Outdoor Activities	-	1,700	1,700	3,240
Preschool Programs	886	400	400	1,800
Elementary/Teen Programs	1,645	1,500	1,500	1,500
Fun Runs	-	-	53,400	3,500
Summer Camp	36,843	53,400	25,600	54,000
Athletic Leagues	16,875	25,600	1,500	25,600
Tournaments	-	1,500	6,500	3,300
Special Events	5,664	6,500	5,500	36,150
Special Interest	1,186	5,500	4,500	3,575
Sports Camps	4,010	4,500	2,300	6,500
Facility Rentals	5,286	2,300	5,200	4,500
Non-Residence Fees	5,798	5,200	3,600	5,200
Administration Fees	914	3,600	1,000	1,000
Active Network Classes	29,659	55,400	55,400	25,000
	\$ 119,800	\$ 184,100	\$ 185,100	\$ 194,910
Interest Income				
Interest Income	\$ 16,085	\$ 20,000	\$ 20,000	\$ 20,000
Investment Income	331,604	410,000	360,000	265,000
	\$ 347,689	\$ 430,000	\$ 380,000	\$ 285,000
Grants				
School Resource Officer Reimb.	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Urban Area Sec Int Grant	1,209	-	-	-
Intergovernment Reimbursement	32,642	35,750	35,750	46,115
LCFD Grants	96,022	-	1,872	-
School Crossing Guard Reimbursement	-	11,500	11,500	11,500
	\$ 179,873	\$ 97,250	\$ 99,122	\$ 107,615

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
RESOURCE SUMMARY**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Miscellaneous				
Credit Card Processing Fees	\$ 7,887	\$ 15,000	\$ 2,000	\$ 2,000
Miscellaneous Income	70,174	76,074	75,000	76,000
Miscellaneous Police	-	1,000	25,000	-
Capital Imp Inspections	-	-	25,000	25,000
NSF Fees	225	250	100	250
COBRA Admin Fees	117	-	-	-
Gain on Sale of Fixed Assets	13,411	15,000	15,000	15,000
	<u>\$ 91,814</u>	<u>\$ 107,324</u>	<u>\$ 142,100</u>	<u>\$ 118,250</u>
Transfers				
Transfer In	\$ 87,868	\$ 222,422	\$ 222,422	\$ 244,835
	<u>\$ 87,868</u>	<u>\$ 222,422</u>	<u>\$ 222,422</u>	<u>\$ 244,835</u>
TOTAL REVENUES	<u>\$ 10,306,225</u>	<u>\$ 12,859,620</u>	<u>\$ 12,471,801</u>	<u>\$ 13,594,359</u>
Use of Fund Balance [1]	-	1,007,966	1,239,229	338,755
TOTAL RESOURCES	<u>\$ 10,306,225</u>	<u>\$ 13,867,586</u>	<u>\$ 13,711,030</u>	<u>\$ 13,933,114</u>

**GENERAL FUND REVENUE
REVENUE BY SOURCE**



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
EXPENDITURE SUMMARY**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
ADMINISTRATIVE SERVICES				
City Administration [1]	\$ 424,502	\$ 671,408	\$ 638,779	\$ 493,986
Legal	148,081	187,278	187,278	196,679
Human Resources	130,377	255,286	235,700	261,389
Information Services [1]	236,841	300,366	292,477	279,797
City Council	-	-	-	3,350
	<u>\$ 939,801</u>	<u>\$ 1,414,338</u>	<u>\$ 1,354,234</u>	<u>\$ 1,235,201</u>
PUBLIC SAFETY				
Police	\$ 2,490,730	\$ 2,831,344	\$ 2,827,892	\$ 3,041,331
Animal Control	70,921	85,185	81,669	86,481
Lake Cities Fire Department [1]	1,899,560	3,835,961	3,835,961	4,408,513
	<u>\$ 4,461,211</u>	<u>\$ 6,752,490</u>	<u>\$ 6,745,522</u>	<u>\$ 7,536,325</u>
PUBLIC WORKS				
Streets	\$ 927,477	\$ 1,193,485	\$ 1,061,662	\$ 865,437
Fleet Maintenance	204,455	227,546	220,232	228,036
	<u>\$ 1,131,932</u>	<u>\$ 1,421,031</u>	<u>\$ 1,281,894</u>	<u>\$ 1,093,473</u>
PLANNING & COMMUNITY DEVELOPMENT				
Community Development [2]	\$ 298,332	\$ 339,574	\$ 361,189	\$ 462,412
Planning	339,834	509,937	426,932	435,550
Code Enforcement [2]	114,715	73,527	51,718	-
	<u>\$ 752,881</u>	<u>\$ 923,038</u>	<u>\$ 839,839</u>	<u>\$ 897,962</u>
COMMUNITY SERVICES				
Municipal Court	\$ 251,684	\$ 304,047	\$ 290,618	\$ 317,531
Parks & Recreation [3]	1,195,265	1,557,515	1,511,636	1,606,789
City Hall	140,276	157,356	154,224	156,402
	<u>\$ 1,587,225</u>	<u>\$ 2,018,918</u>	<u>\$ 1,956,478</u>	<u>\$ 2,080,722</u>
FINANCE & ADMINISTRATIVE SERVICES				
Finance	\$ 573,773	\$ 725,228	\$ 702,720	\$ 756,695
	<u>\$ 573,773</u>	<u>\$ 725,228</u>	<u>\$ 702,720</u>	<u>\$ 756,695</u>
OTHER EXPENDITURES				
General Services [1]	138,510	830,343	830,343	332,736
	<u>\$ 138,510</u>	<u>\$ 830,343</u>	<u>\$ 830,343</u>	<u>\$ 332,736</u>
TOTAL EXPENDITURES	<u>\$ 9,585,333</u>	<u>\$ 14,085,386</u>	<u>\$ 13,711,030</u>	<u>\$ 13,933,114</u>
EXCESS OF TOTAL RESOURCES OVER (UNDER)				
TOTAL EXPENDITURES	<u>\$ 720,892</u>	<u>\$ (217,800)</u>	<u>\$ -</u>	<u>\$ -</u>

[1] The 2007-08 includes the following budget amendments: Ord 08-06-05-14 - \$7,950 for Security glass, Ord. 08-06-19-16 - \$1,462,827 for the acquisition of the Lake Cities Fire Department, Ord 08-04-24-13- \$166,000 for a Settlement Agreement, Ord. 08-04-03-12 - \$28,205 Council Chambers Security Ord. 08-03-20-08 for the Texas Parks & Wildlife Department Trails Grant \$235,310, Ord. 08-02-21-04 \$32,000 for a temporary Information Services Technician, and Ord. 08-10-02-24 \$217,800 for Lake Cities Fire Department equipment.

[2] During 2007-08, Code Enforcement (113) was transferred to Community Development (104).

[3] During 2006-07, the Recreation Fund was closed to the Parks & Recreation (106) Division.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL FUND
POSITION SUMMARY**

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
ADMINISTRATIVE SERVICES				
City Administration	3.00	3.00	3.00	3.00
Legal	1.00	1.00	1.00	1.00
Human Resources	2.00	3.00	3.00	3.00
Information Services	2.00	2.00	3.00	2.00
	<u>8.00</u>	<u>9.00</u>	<u>10.00</u>	<u>9.00</u>
PUBLIC SAFETY				
Police	31.00	31.00	31.00	31.00
Animal Control	1.50	1.50	1.50	1.50
Lake Cities Fire Department	40.00	41.00	41.00	41.00
	<u>72.50</u>	<u>73.50</u>	<u>73.50</u>	<u>73.50</u>
PUBLIC WORKS				
Streets	7.00	7.00	7.00	7.00
Fleet Maintenance	2.00	2.00	2.00	2.00
	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>
PLANNING & COMMUNITY DEVELOPMENT				
Community Development	5.00	5.00	5.00	6.00
Planning [1]	4.00	5.00	5.00	4.00
Code Enforcement	1.00	1.00	1.00	0.00
	<u>10.00</u>	<u>11.00</u>	<u>11.00</u>	<u>10.00</u>
COMMUNITY SERVICES				
Municipal Court	4.00	4.00	4.00	4.00
Parks & Recreation [2]	18.30	18.30	18.30	18.30
	<u>22.30</u>	<u>22.30</u>	<u>22.30</u>	<u>22.30</u>
FINANCE & ADMINISTRATIVE SERVICES				
Finance	6.00	7.00	7.00	7.00
	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
TOTAL	127.80	131.80	132.80	130.80

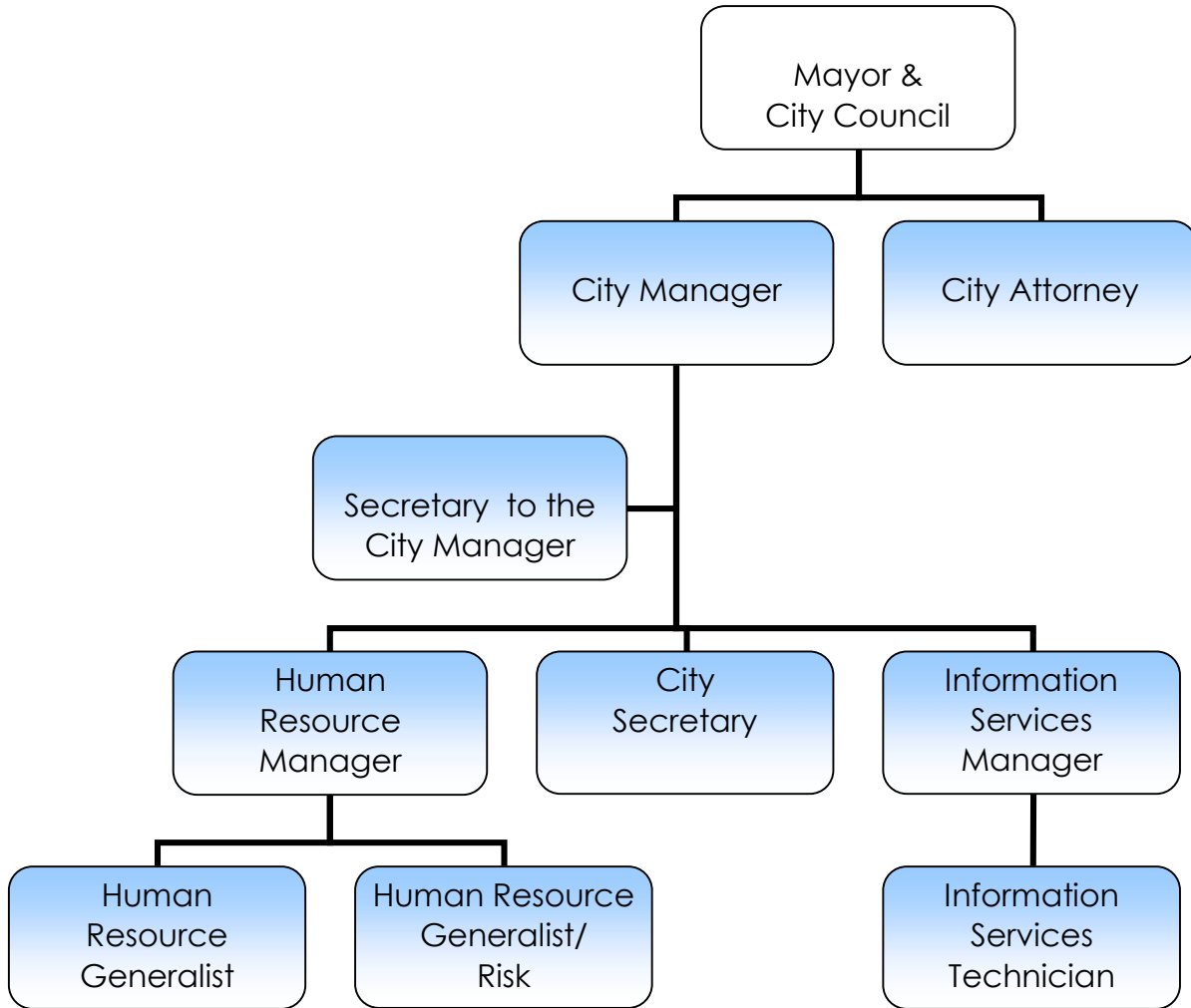
PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	15.00	15.00	15.00	15.00
Office/Clerical	11.00	11.00	11.00	11.00
Technical/Paraprofessional	24.50	24.50	24.50	24.50
Professional/Management	13.00	16.00	16.00	15.00
Executive	6.00	6.00	6.00	6.00
Certified Fire Personnel	29.00	30.00	30.00	30.00
Sworn Officers	27.00	27.00	27.00	27.00
Temporary/Seasonal	2.30	2.30	3.30	2.30
	<u>127.80</u>	<u>131.80</u>	<u>132.80</u>	<u>130.80</u>

[1] The 2008-09 budget eliminates a Sr. Planner position & a Temporary Information Services Technician.

[2] During 2006-07, the Recreation Fund was closed to the Parks & Recreation (106) Division.



General Fund Administrative Services Organizational Chart



**ADMINISTRATIVE SERVICES
CITY ADMINISTRATION (107)**

DEPARTMENT MISSION

The City Administration Division is committed to providing professional leadership, guidance, and coordination in implementing City policies as established by the City Council. The Department is also committed to providing and ensuring that all departments provide excellence in customer service to our community. The Department encourages employee development and job satisfaction by providing a challenging and pleasurable work environment.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Prepared and coordinated a Strategic Planning Retreat for the City Council and Staff.
- Adopted a new mission statement and 6 priorities.
- Began visioning process.
- Continued to work with Economic Development to encourage retail and commercial growth within
- Regularly examined all department programs and services to ensure optimum operating costs and/or
- Clearly communicated and shared information with all departments and citizens as appropriate.
- Continued to use the Corinth Chronicles to share information with the community.
- Reviewed necessity of proposed purchases and appropriateness of all charges for City services.
- Conducted a Public Opinion Citizen Survey to help establish priorities in the visioning process.
- Full integration of Lake Cities Fire Department into the City of Corinth.
- Completed Council requested security measures for City Hall.
- Hiring of a new Fire and Police Chief.
- Completed a Classification and Compensation Study for all City employees.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Complete organizational visioning process and align with the Comprehensive Plan results.
- Implement a new classification and job description system for all city positions. Put in place a plan for gradual implementation of the Compensation Study results and recommendations.
- Continue with CIP Projects and complete at a steady rate to increase feasibility of development possibilities.
- Hire a permanent full-time Economic Development Director.
- Hold quarterly gatherings with Council and Staff to communicate common objectives and goals for the City.
- Put in place a substantive training process for new and existing directors of all Boards and Commissions for the City.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Requests for service (Citizen Inquiries)	n/a	50	n/a	n/a
• Council meetings/agendas	n/a	28	38	40
• Open Record Requests	n/a	55	75	75
• Annual Council Retreat	n/a	1	1	1

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Council meetings/agendas material provided	n/a	37	38	40
• Open Records requests completed within required time frame	n/a	55	75	75

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE SERVICES
CITY ADMINISTRATION (107)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 424,502	\$ 671,408	\$ 638,779	\$ 493,986
	\$ 424,502	\$ 671,408	\$ 638,779	\$ 493,986

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 251,260	\$ 285,315	\$ 253,114	\$ 299,846
Supplies & Maintenance	12,995	14,496	12,108	12,000
Operations	160,247	356,597	361,057	182,140
Capital Outlay	-	15,000	12,500	-
	\$ 424,502	\$ 671,408	\$ 638,779	\$ 493,986

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	1.00	1.00	1.00	1.00
Technical/Paraprofessional	1.00	1.00	1.00	1.00
Professional/Management	-	-	-	-
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	-	-	-	-
	3.00	3.00	3.00	3.00

MAJOR BUDGET CHANGES

The 2007-08 Budget was amended for \$166,000 for a Settlement Agreement (Ord. 08-04-21-13).

The 2008-09 budget includes a city manager contingency fund (\$20,000).

**ADMINISTRATIVE SERVICES
LEGAL (117)**

DEPARTMENT MISSION

To vigorously represent the City of Corinth's interest in legal matters and keep the City Council, City Manager and City Staff abreast of changes occurring in municipal law.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- In concert with the Mayor and the Chairman of the Lake Cities Volunteer Fire Department (LCVFD) dissolved the LCVFD transferring all equipment and most of the real estate to the Corinth Fire Department and composed Interlocal Agreements to provide fire services to the cities of Lake Dallas, Hickory Creek & Shady Shores.
- In concert with Purchasing Agent devised a Request for Proposals to lease mineral rights of the city to gas exploration companies.
- Negotiated the transfer of electric power contracts from the incumbent electric provider to the Cities Aggregation Power Project, Inc. (CAPP) at lower rates than the existing provider.
- Negotiated a pipeline license with NGG Gathering Company that protected proposed slope easements for future Lake Sharon Drive.
- Drafted the City's Ordinance prohibiting sex offenders from residing within 2,000 feet of schools and day-care facilities.
- Drafted contract of sale for the purchase of property for the expansion of the public works field operations and possible construction of a police/fire training center.
- Implemented a process to allow attorneys to resolve cases on Court's plea docket by mail.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Provide the legal/conflict of interest training portion of the upcoming training for new Boardmembers.
- When the Personnel Manual is revised, provide training to department heads and supervisors on the legal aspects of the new manual.
- Provide legal support to Community Development Department and the Consultant in the adoption of the new Comprehensive Plan.
- Amend City Code to comply with recent court decisions and laws passed in the upcoming legislative session.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Contracts/forms reviewed or prepared	n/a	200	75	100
• Ordinances/resolutions prepared	n/a	50	75	90

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Requests for legal services processed within response cycle time	n/a	95%	90%	95%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE SERVICES
LEGAL (117)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 148,081	\$ 187,278	\$ 187,278	\$ 196,679
	\$ 148,081	\$ 187,278	\$ 187,278	\$ 196,679

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 76,793	\$ 152,590	\$ 152,590	\$ 161,611
Supplies & Maintenance	7,528	1,500	1,400	1,500
Operations	63,760	33,188	33,288	33,568
Capital Outlay	-	-	-	-
	\$ 148,081	\$ 187,278	\$ 187,278	\$ 196,679

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	1.00	1.00	1.00	1.00

MAJOR BUDGET CHANGES

During 2006-07, legal services were transferred into its own division. This included the transfer of the City Attorney position from City Administration (107).

**ADMINISTRATIVE SERVICES
HUMAN RESOURCES (114)**

DEPARTMENT MISSION

The mission of the Human Resources Department is to provide quality service to our internal and external customers. The Department is committed to serving our customers with dignity, fairness, honesty, and trust. Our core services include the recruitment and retention of quality staff, a competitive salary and benefits package, management and employee training, administration of benefits, administration of workers compensation and general liability claims, and assistance with employee relations issues.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Classification and compensation study.
- Reviewed and updated job descriptions
- Implemented a performance evaluation system for City employees
- Facilitated supervisory and management in-house training series
- Incorporated the security system software maintenance to Human Resource functions

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Implement a classification and compensation plan to match the City's philosophy and policy
- Review and revise the City Personnel Manual and employment portions of the Police General Orders and the Administrative Procedures for the Lake Cities Fire Department.
- Develop a Safety program.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Applications/resumes processed	n/a	725	440	270
• Positions filed	n/a	29	31	18
• Employee separations	n/a	22	22	16
• Employee drug tests conducted	n/a	35	50	32
• Employee training workshops	n/a	20	44	20

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Average days to fill a position	n/a	25	73	30
• Turnover (excluding seasonal)	n/a	15	13	10
• Employee training participation hours	n/a	20	15.5	10

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE SERVICES
HUMAN RESOURCES (114)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 130,377	\$ 255,286	\$ 235,700	\$ 261,389
	\$ 130,377	\$ 255,286	\$ 235,700	\$ 261,389

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 115,841	\$ 197,325	\$ 178,839	\$ 187,395
Supplies & Maintenance	3,156	2,417	2,417	2,600
Operations	11,380	10,544	9,444	11,394
Capital Outlay	-	45,000	45,000	60,000
	\$ 130,377	\$ 255,286	\$ 235,700	\$ 261,389

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	1.00	2.00	2.00	2.00
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	2.00	3.00	3.00	3.00

MAJOR BUDGET CHANGES

The 2008-09 budget includes human resource policies & procedures update (\$25,000) and software system upgrades (\$35,000).

**ADMINISTRATIVE SERVICES
INFORMATION SERVICES (115)**

DEPARTMENT MISSION

Information Services is responsible for providing the City of Corinth with a viable, stable, and functional information technology network with which to conduct the City's business with few inconsistencies and minimal down time.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Connected Police, Public Works, FD Garrison Admin Building, FD Station 1 and FD Station 2 to gigabit wireless, high speed network connections.
- Installed new telephone systems throughout all City of Corinth remote sites and City Hall.
- Replaced all computers that were out of warranty of the first 60 purchased three years ago.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- The goal of Information services is to continue providing the employees of the City of Corinth with the most up-to-date software and hardware, in order to facilitate the continued growth in technological measures and productivity as a whole.
- Replace all failing infrastructure in an effort to maintain the quality of service at maximum.
- Implement a controlled City wide wireless fidelity network for city vehicles.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Divisions served	n/a	20	22	21
• Service Requests	n/a	500	2,600	2,850
• Total new implementations/upgrades	n/a	5	4	4

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Network up time	95%	97%	97%	97%
• Internet up time	94%	95%	97%	97%
• Service request response time	n/a	97%	94%	96%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE SERVICES
INFORMATION SERVICES (115)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 236,841	\$ 300,366	\$ 292,477	\$ 279,797
	\$ 236,841	\$ 300,366	\$ 292,477	\$ 279,797

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 116,766	\$ 174,565	\$ 166,976	\$ 142,278
Supplies & Maintenance	64,819	50,200	56,900	50,200
Operations	55,256	72,601	68,601	87,319
Capital Outlay	-	3,000	-	-
	\$ 236,841	\$ 300,366	\$ 292,477	\$ 279,797

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	1.00	1.00	1.00	1.00
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	1.00	-
	2.00	2.00	3.00	2.00

MAJOR BUDGET CHANGES

The 2007-08 Budget was amended for \$32,000 for a Temporary Information Services Technician (Ord. 08-02-21-04).

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE SERVICES
CITY COUNCIL (118)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ -	\$ -	\$ -	\$ 3,350
	\$ -	\$ -	\$ -	\$ 3,350

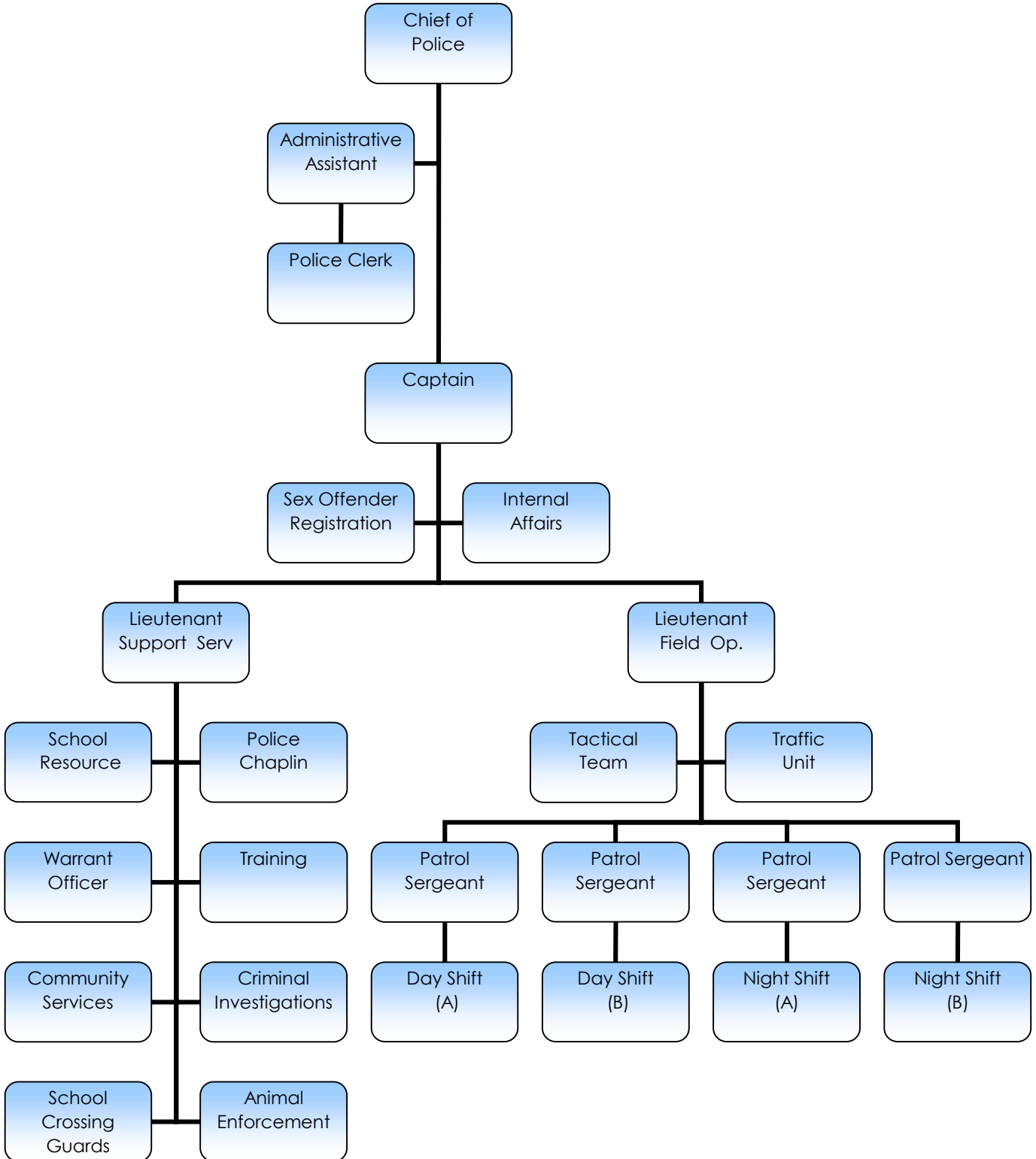
EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	-	-	-	-
Operations	-	-	-	3,350
Capital Outlay	-	-	-	-
	\$ -	\$ -	\$ -	\$ 3,350

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	-	-	-	-

MAJOR BUDGET CHANGES

The 2008-09 budget includes funds for the creation of the City Council budget.

General Fund Public Safety Services Police Department Organizational Chart



**PUBLIC SAFETY
POLICE (102)**

DEPARTMENT MISSION

The Corinth Police Division, in cooperation with the citizens of Corinth, is committed to improving the quality of life in our City by identifying and resolving public safety concerns. The department strives to create an atmosphere of safety and security by sharing a vision for creative problem solving in cooperation with the community.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Implemented a new Citizens program titled "Movies in the Park". This program will be sponsored by the Police Department to get citizens and officers together for a night of movies and snacks.
- Worked jointly with the Lake Dallas Police Officers to expand the "Cops and Kids" program into the City of Corinth.
- Updated existing video camera systems in police units to digital systems.
- Replaced existing police units that currently have over 100,000 miles of drive time.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Provide the Citizens the professional public safety services with quick response and adequate manpower
- Acquire Land at today's cost for the future construction of a new public safety facility, animal control facility.
- Continue the replacement vehicle program with vehicles over 100,000 miles of drive time.
- Complete the update on video camera systems in police units to digital systems.
- Establish and Maintain a communications (dispatch) area within the City that will provide a key point for all emergency responders.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Calls for Service	n/a	7,400	7,740	8,088
• Traffic Accidents	n/a	403	499	521
• Arrest	n/a	950	950	992
• Offenses Reported	n/a	914	914	955
• Citations/Violations	n/a	10,500	10,500	11,025

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Average response time (dispatch to arrival)	n/a	4	4	4
• Average Time on Calls	n/a	26	26	29
• Average Response time to accident	n/a	4.5	4.5	4.5
• Offenses Cleared/Suspended/Unfounded/Closed	n/a	775	775	775

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC SAFETY
POLICE (102)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 1,712,193	\$ 2,026,120	\$ 2,080,796	\$ 2,273,189
Fines & Forfeitures	510,279	620,000	560,000	560,000
Charges for Services	88,385	87,974	87,974	100,527
Grants	179,873	97,250	99,122	107,615
	<u>\$ 2,490,730</u>	<u>\$ 2,831,344</u>	<u>\$ 2,827,892</u>	<u>\$ 3,041,331</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 2,160,350	\$ 2,545,672	\$ 2,484,221	\$ 2,723,536
Supplies & Maintenance	136,547	102,100	102,100	92,100
Operations	167,954	177,572	228,871	225,695
Capital Outlay	25,879	6,000	12,700	-
	<u>\$ 2,490,730</u>	<u>\$ 2,831,344</u>	<u>\$ 2,827,892</u>	<u>\$ 3,041,331</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	2.00	2.00	2.00	2.00
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Sworn Officers	27.00	27.00	27.00	27.00
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	1.00	1.00	1.00	1.00
	<u>31.00</u>	<u>31.00</u>	<u>31.00</u>	<u>31.00</u>

MAJOR BUDGET CHANGES

The budget includes funding for fuel (\$58,265).

**PUBLIC SAFETY
ANIMAL CONTROL (109)**

DEPARTMENT MISSION

The Corinth Animal Control Department, in partnership with the citizens of Corinth, is committed to improving the health and safety of animals residing inside the geographical boundaries of the City.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Continued to develop an animal rescue policy during disaster or emergency situations.
- Developed a holding cell/cage for temporary keeping of lost animals until owners can arrive and take possession of the animal.
- Developed a working relationship with the local animal facilities in order to provide an animal fair to Corinth pet owners and provide them with an opportunity to vaccinate their animals at lower cost and to educate themselves on proper animal ownership.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Develop a program to educate and assist the Citizens of the many responsibilities of pet ownership
- Acquire a new vehicle that will adequately hold the various sized animals that includes climate control during extreme weather conditions.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Animals Sheltered	n/a	210	210	220
• Calls for Service	n/a	680	680	707
• Animal Bites	n/a	20	20	20

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Animals returned to owner	n/a	47	47	50
• Citations issued	n/a	40	40	43
• Wildlife released	n/a	27	27	31

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC SAFETY
ANIMAL CONTROL (109)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 70,921	\$ 85,185	\$ 81,669	\$ 86,481
	\$ 70,921	\$ 85,185	\$ 81,669	\$ 86,481

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 55,786	\$ 63,470	\$ 59,954	\$ 61,411
Supplies & Maintenance	1,675	3,992	3,992	3,992
Operations	13,460	17,723	17,723	21,078
Capital Outlay	-	-	-	-
	\$ 70,921	\$ 85,185	\$ 81,669	\$ 86,481

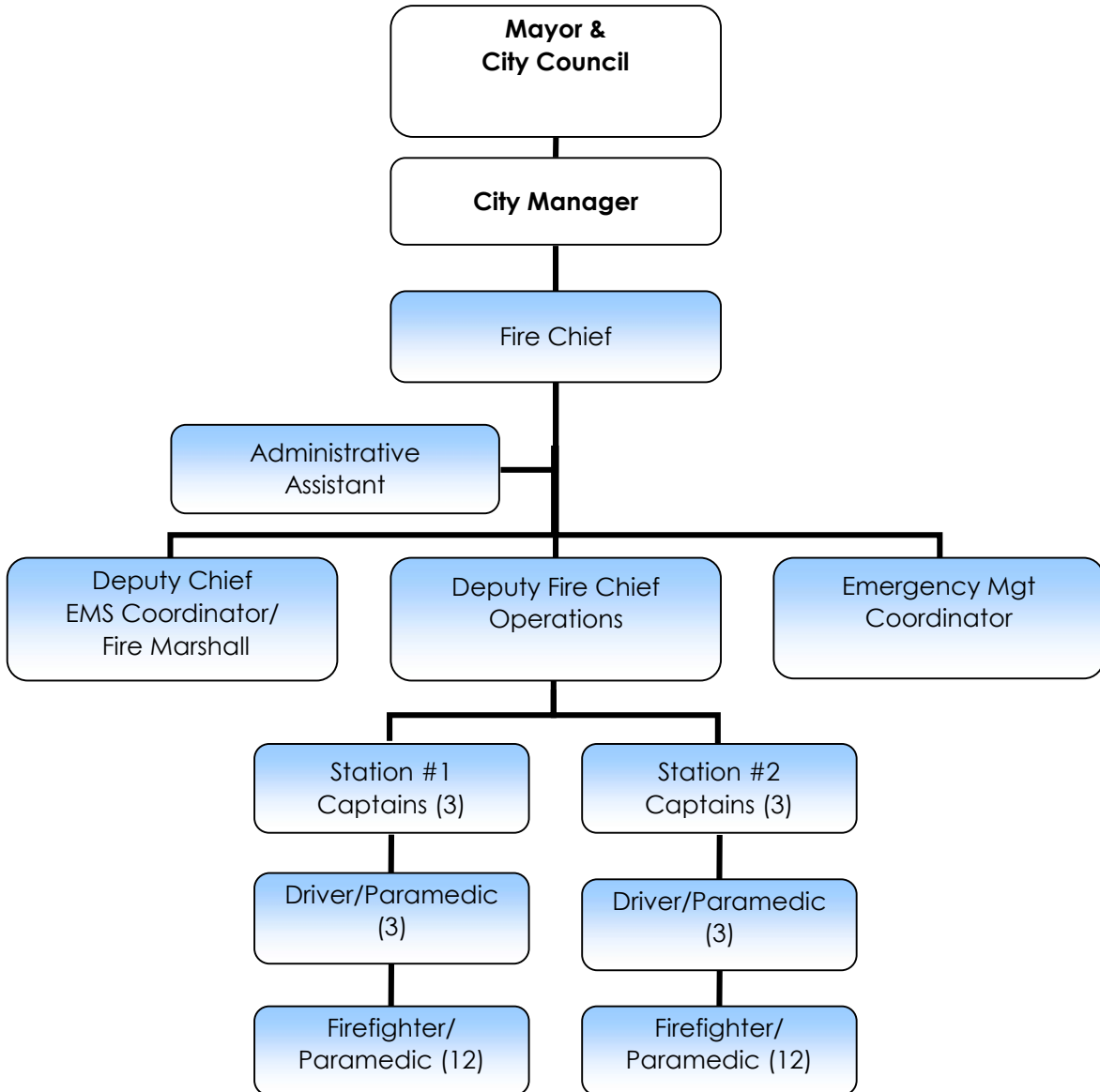
PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	1.50	1.50	1.50	1.50
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	1.50	1.50	1.50	1.50

MAJOR BUDGET CHANGES

The budget includes funding for fuel (\$3,392).



General Fund Public Safety Services Lake Cities Fire Department Organizational Chart



**PUBLIC SAFETY
LAKE CITIES FIRE DEPARTMENT (111)**

DEPARTMENT MISSION

We'll Be There- ready to respond, compassionate in our care, safe in our work

DEPARTMENT VISION

The Lake Cities Fire Department will be a recognized leader in the development and delivery of professional and innovative emergency and life-safety services.

CORE VALUES

Loyalty, Respect, Courage

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Replaced a 1999 ambulance.
- Continue to apply for Homeland Security grants.
- Implemented a new software program to improve response times.
- Continued necessary training and development of the new technical rescue team.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Secure long term dispatch solution
- NFPA Physicals for members
- Improve Training thru addition of Training/Safety Officer and Training Facility
- Continue improvements of Emergency Operations Center.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED *
Total Calls	2,271	2,456	2,437	2,565
• Fire Calls	736	773	780	820
• Structure fires	75	77	97	103
• EMS Alarms	1,225	1,300	1,316	1,385
• MVAs	235	306	244	257

* Not including opening of Bridge

PRODUCTIVITY MEASURES		2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Public Education programs	Programs	n/a	24	35	55
• Routine inspections	company	n/a	400	414	420
• Training hours	Class hours	1,808	1,800	700	1,800
• Response Times	Average	n/a	0	0	0

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC SAFETY
LAKE CITIES FIRE DEPARTMENT (111)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 1,899,560	\$ 2,413,532	\$ 2,413,532	\$ 2,259,066
Fire Services	-	1,422,429	1,422,429	2,149,447
	<u>\$ 1,899,560</u>	<u>\$ 3,835,961</u>	<u>\$ 3,835,961</u>	<u>\$ 4,408,513</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ 2,342,506	\$ 2,342,506	\$ 3,552,162
Supplies & Maintenance	-	222,314	222,314	485,395
Operations	1,899,560	829,083	829,083	358,956
Capital Outlay	-	442,058	442,058	12,000
	<u>\$ 1,899,560</u>	<u>\$ 3,835,961</u>	<u>\$ 3,835,961</u>	<u>\$ 4,408,513</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	1.00	1.00	1.00	1.00
Technical/Paraprofessional	8.00	8.00	8.00	8.00
Professional/Management	1.00	1.00	1.00	1.00
Certified Fire Personnel	29.00	30.00	30.00	30.00
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	-	-	-	-
	<u>40.00</u>	<u>41.00</u>	<u>41.00</u>	<u>41.00</u>

MAJOR BUDGET CHANGES

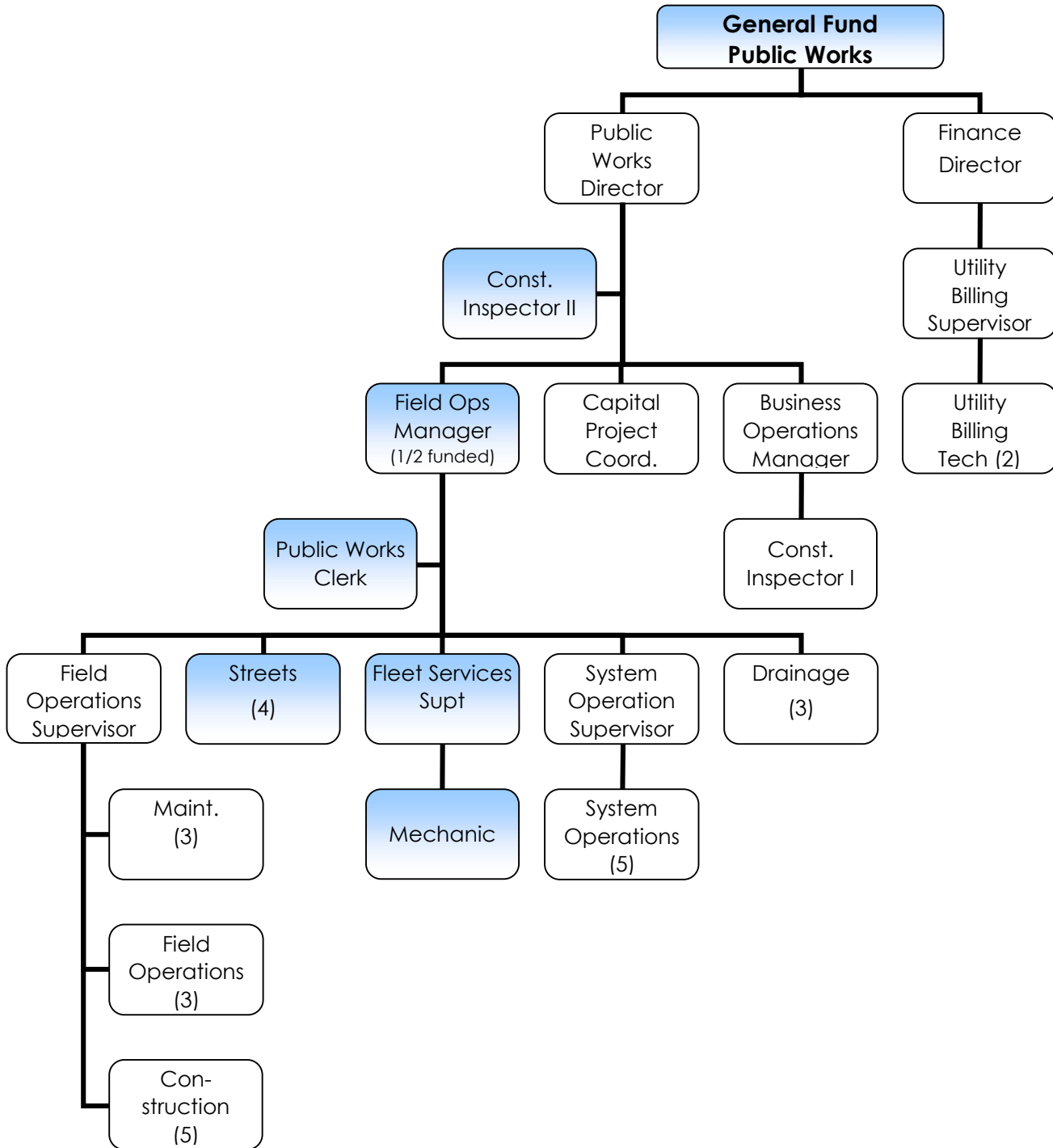
During 2007-08, the Lake Cities Volunteer Fire Department was dissolved. The City of Corinth acquired the department on January 18, 2008 (Res. 08-01-03-01).

The 2007-08 Budget was amended for \$1,462,827 for the costs associated with the acquisition of the Lake Cities Fire Department (Ord. 08-06-19-16) and \$217,800 for equipment (Ord. 08-10-02-24).

The 2008-09 budget includes funding for the purchase of thermal imaging equipment (\$12,000) and fuel (\$29,020).



General Fund Public Works Organizational Chart



**PUBLIC WORKS
STREETS (103)**

DEPARTMENT MISSION

The Streets Division is committed to enhancing the quality of life in the City through the proactive maintenance of the City's transportation system. All of our efforts will be made with a strong commitment to customer service.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Aggressively pursued the implementation of the 5 Year Capital Improvement Program adopted by the City Council.
- Implemented a supervisory development program to improve the operational effectiveness of the organization.
- Repaved River View from South Garrison to Service Road
- Replaced 450 foot of sidewalk on Wind Ridge.
- Re-inventoried the road systems to update the existing pavement inventory for project planning.
- Repaved Dobbs Road from Rails to Trails to Service Road.
- Repaved South Garrison from Cliff Oaks to Service Road
- Repaved Park Ridge from meadowview to F.M. 2181

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Concrete street repairs on Vintage 577 s.y., Meadowview 2,800 s.y., Fairway Vista 866 s.y.
- TMUTCD mandated street name sign change to all 8" street signs from current 6" signs (due by 2012)
- Hire 2 more Maintenance Workers to do street sign changes and repairs and asphalt repair crew.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Pot holes repaired	n/a	900	2,100	1,000
• Sidewalk Replacement L.F.	n/a	1,000	1,300	1,000
• Street Reconstruction (square yard)	n/a	1,100	1,300	1,000
• Street Sign Repairs	n/a	100	200	200
• Worker Orders completed	n/a	39	100	100

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Citizen Requests - Resolved within five days	85%	85%	93%	85%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC WORKS
STREETS (103)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 927,477	\$ 1,193,485	\$ 1,061,662	\$ 865,437
	\$ 927,477	\$ 1,193,485	\$ 1,061,662	\$ 865,437

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 353,197	\$ 440,444	\$ 416,000	\$ 452,050
Supplies & Maintenance	357,930	459,207	407,590	190,965
Operations	192,034	263,518	202,851	198,105
Capital Outlay	24,316	30,316	35,221	24,317
	\$ 927,477	\$ 1,193,485	\$ 1,061,662	\$ 865,437

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	4.00	4.00	4.00	4.00
Office/Clerical	-	-	-	-
Technical/Paraprofessional	2.00	2.00	2.00	2.00
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	7.00	7.00	7.00	7.00

Major Budget Changes

The 2008-09 budget transfers street maintenance materials and engineering costs to the Street Maintenance Sales Tax Fund.

**PUBLIC WORKS
FLEET MAINTENANCE (108)**

DEPARTMENT MISSION

The Fleet Maintenance Division is committed to providing high quality maintenance and repair of City vehicles and equipment. This policy will ensure continued productivity, safe operation, and protection of the investment. The department will continue to manage costs by the use of prudent diagnostic techniques and sound purchasing decision.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Improved preventative maintenance program by utilizing a fleet software program.
- Obtained the basic equipment necessary to provide service to customer departments in the most cost effective and timely manner.
- Continued training and certification for fleet employees.
- Made energy saving updates to the Public Works Building by changing heaters/ air conditioner.
- Began replacing fleet by utilizing the Vehicle Replacement Fund/ Policy.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Purchase brake lathe machine to keep repairs in house.
- Continue training staff on vehicle maintenance and repair (A.S.E.)
- Purchase and utilize Fleet Maintenance software.
- Maintain city fleet in cost efficient manner to include more preventative maintenance/ less repair.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Preventive maintenance services	n/a	133	275	275
• Vehicle repairs	n/a	135	275	275
• Equipment repair	n/a	72	150	150
• Contract repairs	n/a	46	100	100
• Fleet size of vehicles and heavy equipment	n/a	91	98	98

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Repeat repairs	n/a	5%	5%	5%
• Mechanic on duty	n/a	2	2	2
• Average work orders completed weekly	n/a	30	30	30

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC WORKS
FLEET MAINTENANCE (108)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 190,483	\$ 127,812	\$ 120,498	\$ 78,296
Charges for Services	13,972	99,734	99,734	149,740
	<u>\$ 204,455</u>	<u>\$ 227,546</u>	<u>\$ 220,232</u>	<u>\$ 228,036</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 101,298	\$ 121,819	\$ 121,744	\$ 125,659
Supplies & Maintenance	8,844	9,852	9,276	10,277
Operations	94,313	93,875	88,534	92,100
Capital Outlay	-	2,000	678	-
	<u>\$ 204,455</u>	<u>\$ 227,546</u>	<u>\$ 220,232</u>	<u>\$ 228,036</u>

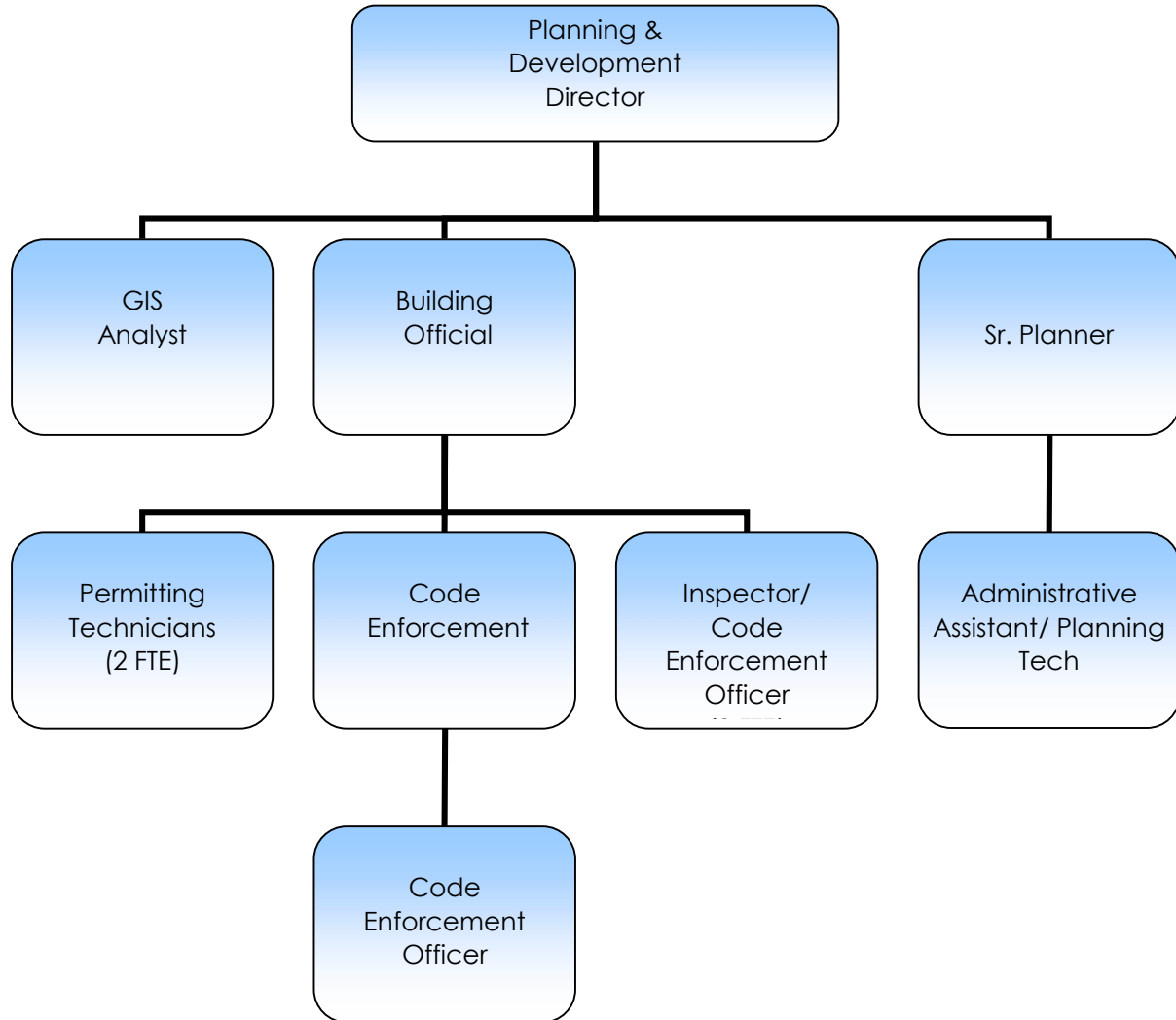
PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	1.00	1.00	1.00	1.00
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>

MAJOR BUDGET CHANGES

The budget includes funding for fuel (\$3,638).



General Fund Planning & Development Organizational Chart



**PLANNING & COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT (104)**

DEPARTMENT MISSION

The mission of the Development Division is to protect the health, safety, property, and welfare of the residents, property owners, and visitors of the City of Corinth. This is accomplished by aggressively enforcing the codes and ordinances adopted by the City.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Updated the website to include builders information, permit information, permit applications, and ordinance information in a citizen friendly format.
- Created informational handouts for assistance in the permitting process to coincide with the information on the web site for walk-in customers.
- Reduced complaints by 25% by consistently conducting proactive sweeps to address situations before other citizens complain.
- Contacted Homeowners Associations to get everyone more involved in their neighborhoods and able to talk to each other about situations that involve two or more residents

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Implement the building permitting and project management module of Incode software
- Implement and enforce storm water pollution prevention ordinances as pertains to construction sites and illicit discharge
- Create a residential and commercial contractor's guidebook to assist in expediting the permitting process for new construction projects

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Permit Issued	n/a	1,308	1,200	1,200
• Plans Submitted	n/a	230	97	100
• Annual Phone Calls Received <i>(9,135 calls per permit tech)</i>	n/a	20,000	18,000	18,000

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Building Plan Completed	n/a	200	97	100
• Completed Inspections <i>(2,615) per inspector</i>	n/a	5,230	2,374	2,500

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PLANNING & COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT (104)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Fees & Permits	\$ 298,332	\$ 339,574	\$ 361,189	\$ 462,412
	\$ 298,332	\$ 339,574	\$ 361,189	\$ 462,412

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 252,323	\$ 303,142	\$ 299,742	\$ 398,507
Supplies & Maintenance	7,385	7,441	12,500	10,560
Operations	38,624	28,991	48,947	53,345
Capital Outlay	-	-	-	-
	\$ 298,332	\$ 339,574	\$ 361,189	\$ 462,412

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	2.00	2.00	2.00	2.00
Technical/Paraprofessional	2.00	2.00	2.00	3.00
Professional/Management	1.00	1.00	1.00	1.00
Certified Fire Personnel	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	5.00	5.00	5.00	6.00

MAJOR BUDGET CHANGES

During 2007-08, the Code Enforcement division (113) was transferred to Community Development (104). This included the transfer of the Code Enforcement Officer position (1 FTE).

The 2008-09 budget includes funding for fuel (\$3,075).

**PLANNING & COMMUNITY DEVELOPMENT
PLANNING (110)**

DEPARTMENT MISSION

The mission of the Planning Department is to provide the highest quality professional services in the areas of short and long-range planning, and to encourage the development of safe, accessible, and attractive properties that enhance property values within the City of Corinth.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Implementation of 06-07 CIP Projects
- Sign Ordinance Amendment
- Tree Ordinance Revision

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Comprehensive Plan Implementation
- Unified Development Code Implementation
- Implementation of 07-08 CIP Projects

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Plats	n/a	35	20	30
• Site Plan	n/a	16	20	25
• Zoning	n/a	28	10	12
• New Ordinance Development	n/a	18	5	2
• GIS Requests	n/a	60	80	80

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Processed Projects	n/a	100	60	60
• Ordinance Updates	n/a	20	10	10
• GIS Project Request Completion	n/a	60	80	80
• Development Meeting completion	n/a	36	43	37

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PLANNING & COMMUNITY DEVELOPMENT
PLANNING (110)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Fees & Permits	\$ 339,834	\$ 509,937	\$ 426,932	\$ 435,550
	\$ 339,834	\$ 509,937	\$ 426,932	\$ 435,550

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 183,196	\$ 400,256	\$ 333,687	\$ 325,989
Supplies & Maintenance	27,633	19,313	12,013	18,313
Operations	129,005	90,368	81,232	91,248
Capital Outlay	-	-	-	-
	\$ 339,834	\$ 509,937	\$ 426,932	\$ 435,550

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	1.00	1.00	1.00	1.00
Technical/Paraprofessional	2.00	1.00	1.00	1.00
Professional/Management	-	2.00	2.00	1.00
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	-	-	-	-
	4.00	5.00	5.00	4.00

MAJOR BUDGET CHANGES

The 2008-09 budget eliminates a Sr. Planner position (1 FTE).

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PLANNING & COMMUNITY DEVELOPMENT
CODE ENFORCEMENT (113)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Fees & Permits	\$ 114,715	\$ 73,527	\$ 51,718	\$ -
	\$ 114,715	\$ 73,527	\$ 51,718	\$ -

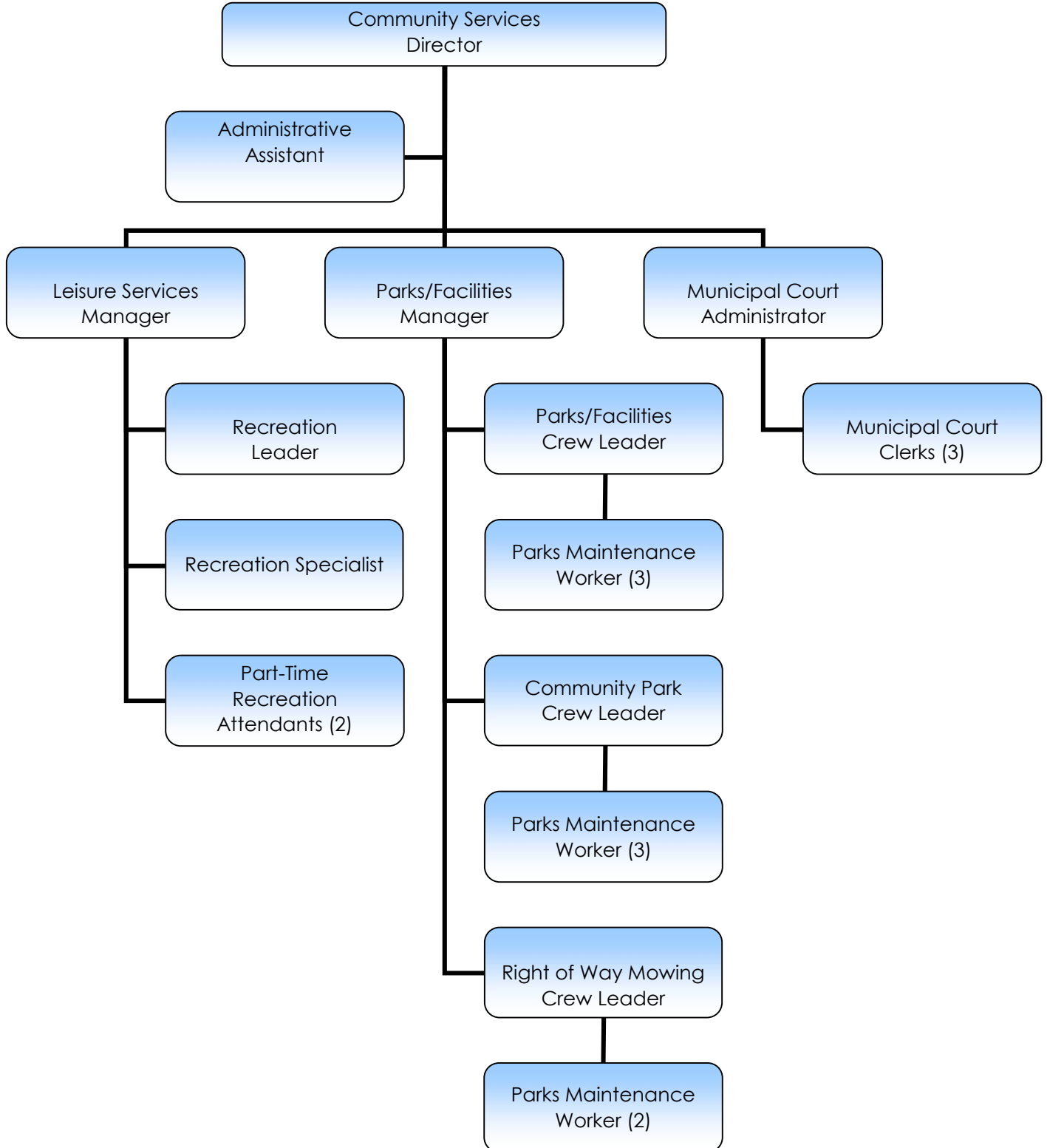
EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 93,383	\$ 50,667	\$ 50,618	\$ -
Supplies & Maintenance	4,754	8,600	-	-
Operations	16,578	14,260	1,100	-
Capital Outlay	-	-	-	-
	\$ 114,715	\$ 73,527	\$ 51,718	\$ -

PERSONNEL	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Full Time Equivalents (FTE)				
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	1.00	1.00	1.00	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	1.00	1.00	1.00	-

MAJOR BUDGET CHANGES

During 2007-08, the Code Enforcement division (113) was transferred to Community Development (104). This included the transfer of the Code Enforcement Officer position (1 FTE).

General Fund Community Services Organizational Chart



**COMMUNITY SERVICES
MUNICIPAL COURT (105)**

DEPARTMENT MISSION

The Municipal Court Division of the City of Corinth is dedicated to executing the tasks associated with the administration of a municipal court on behalf of the citizens of Corinth and in accordance with the guidelines set forth by the State of Texas.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Expanded the court into the area vacated by the Utility Billing Department.
- Continued entering the warrants in the RES/OMNI system and removing paid warrants.
- Participated in the 2008 State Wide Warrant Round-up during which time warrants with a total value of \$84,953 were cleared.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Have new court cler clerk certified Level I.
- Complete entries into the OMNI system.
- Continued entering the warrants in the RES/OMNI system and removing paid warrants.
- Participated in the 2009 State Wide Warrant Round-up.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Citations Processed	5749	5,472	6,000	6,200
• Warrants Issued	n/a	1,776	1740	1,800
• Revenue Collected	n/a	649,334	990,000	1,000,000

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Citations issued per full-time equivalent position	n/a	2,468	1,500	2,000
• Average filing time (days)	n/a	1	1	1

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**COMMUNITY SERVICES
MUNICIPAL COURT (105)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Fines & Forfeitures	\$ 251,684	\$ 304,047	\$ 290,618	\$ 317,531
	\$ 251,684	\$ 304,047	\$ 290,618	\$ 317,531

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 169,722	\$ 205,357	\$ 192,448	\$ 203,655
Supplies & Maintenance	8,259	9,570	10,670	9,650
Operations	73,703	89,120	87,500	104,226
Capital Outlay	-	-	-	-
	\$ 251,684	\$ 304,047	\$ 290,618	\$ 317,531

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	3.00	3.00	3.00	3.00
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	4.00	4.00	4.00	4.00

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.

**COMMUNITY SERVICES
PARKS & RECREATION (106)**

DEPARTMENT MISSION

The mission of the Parks & Recreation Division is to ensure that the leisure needs of the Corinth community are met. This is accomplished by providing our residents with the opportunities for wholesome, year-round public recreation and leisure services.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Included a Parks Master Plan in the City's comprehensive master plan.
- Added the International Food and Arts Festival as an additional Special Event.
- Began the design process for construction of a new Woods Community Center.
- Constructed an additional T-Ball field at Community Park.
- Renovated a portion of the trail in Corinth Farms Subdivision from soft trail to concrete sidewalk.
- Began improvements to Naughton Park in the Northwood Subdivision.
- Completed installation of a swing and other play equipment at the newly acquired Corinth Farms Park.
- Applied for a grant from Texas Parks and Wildlife Department to improve the Elm Fork Trail.
- Purchased .138 acres (6,021 sq.ft.) of land in order to complete trail connection on the Corinth City Trails System.
- Submitted an award application for the 2008 Texas Municipal League Excellence Award for the Corinth C.S.I. Camp.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Develop a feasibility study for a stand alone Recreation Center.
- Renovate the remaining portion of the trail in Corinth Farms Subdivision from soft trail to concrete sidewalk.
- Complete construction of a community center building at the Woods Park.
- Install two (2) age appropriate play structures at Corinth Farms Park.
- Install one (1) age appropriate play structure at Eagle Pass Park
- Continue the International Food and Arts Festival Special Event.
- Insure that Recreation Staff maintain CPR & 1st Aid Certifications.
- Insure that Leisure Services Manager attains Pesticide Applicator License.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Activities Offered	n/a	800	1,013	1,127
• Park Acreage maintained	n/a	4,492.80	4,608.00	4,608.00
• Right-of-way miles maintained	n/a	6,144	6,144	6,144
• Athletics fields maintained	n/a	640	700	750

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Average daily attendance	n/a	90	78	80
• Total Yearly Attendance	n/a	27,000	29,027	30,000
• Mowing acres per hour	n/a	3,840	3,900	3,900

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**COMMUNITY SERVICES
PARKS & RECREATION (106)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Health & Fitness	\$ 9,616	\$ 14,500	\$ 14,500	\$ 17,545
Arts & Crafts	1,418	2,500	2,500	2,500
Outdoor Activities	-	1,700	1,700	3,240
Preschool Programs	886	400	400	1,800
Elementary/Teen Programs	1,645	1,500	1,500	1,500
Summer Camp	36,843	53,400	25,600	54,000
Athletic Leagues	16,875	25,600	1,500	25,600
Tournaments	-	1,500	6,500	3,300
Special Events	5,664	6,500	5,500	36,150
Special Interest	1,186	5,500	4,500	3,575
Sports Camps	4,010	4,500	2,300	6,500
Facility Rentals	5,286	2,300	5,200	4,500
Non-Residence Fees	5,798	5,200	3,600	5,200
Administration Fees	914	3,600	1,000	1,000
Active Network Classes	29,659	55,400	55,400	25,000
General Resources	1,075,465	1,373,415	1,379,936	1,415,379
	\$ 1,195,265	\$ 1,557,515	\$ 1,511,636	\$ 1,606,789

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 778,457	\$ 961,250	\$ 912,413	\$ 970,623
Supplies & Maintenance	195,408	238,561	238,645	238,736
Operations	221,400	357,704	354,317	372,430
Capital Outlay	-	-	6,261	25,000
	\$ 1,195,265	\$ 1,557,515	\$ 1,511,636	\$ 1,606,789

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	10.00	10.00	10.00	10.00
Office/Clerical	1.00	1.00	1.00	1.00
Technical/Paraprofessional	3.00	3.00	3.00	3.00
Professional/Management	2.00	2.00	2.00	2.00
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	1.30	1.30	1.30	1.30
	18.30	18.30	18.30	18.30

MAJOR BUDGET CHANGES

The 2008-09 budget includes funding for a lightning warning system (\$25,000) and fuel (\$16,610).

**COMMUNITY SERVICES
CITY HALL (112)**

DEPARTMENT MISSION

The mission of the City Hall division is to ensure that facility is attractive and clean for the enjoyment of the citizens and functional for staff to conduct business that meets the service needs of the citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Implemented a tree replacement program for dead or dying trees at City Hall.
- Installed an employee access system for employee safety and better tracking of who/when individuals are in the facility.
- Installed additional lighting in parking lots for added security.
- Purchased a metal detector for use during City Council meetings and Municipal Court sessions.
- Install safety glass at Court, Water Billing, Permitting, and Code Enforcement counters for employee safety.
- Worked with Keep Corinth Beautiful to landscape the front of City Hall with a Xeriscape garden.
- Re-stripped all parking spaces and fire lanes in both parking lots.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Continue the tree replacement program for dead or dying trees at City Hall.
- Continue working with Keep Corinth Beautiful to landscape the front of City Hall.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Mowing of City Hall	n/a	30	30	30
• Meeting room set-ups	n/a	125	212	250
• Service Calls	n/a	45	45	45

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Mowing City Hall - Man Hours	n/a	480	480	480
• Meeting room set-ups - Man Hours	n/a	125	474	500
• Service Calls - Man Hours	n/a	45	45	45

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**COMMUNITY SERVICES
CITY HALL (112)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 140,276	\$ 157,356	\$ 154,224	\$ 156,402
	\$ 140,276	\$ 157,356	\$ 154,224	\$ 156,402

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	45,415	48,600	46,133	49,265
Operations	94,861	108,756	108,091	107,137
Capital Outlay	-	-	-	-
	\$ 140,276	\$ 157,356	\$ 154,224	\$ 156,402

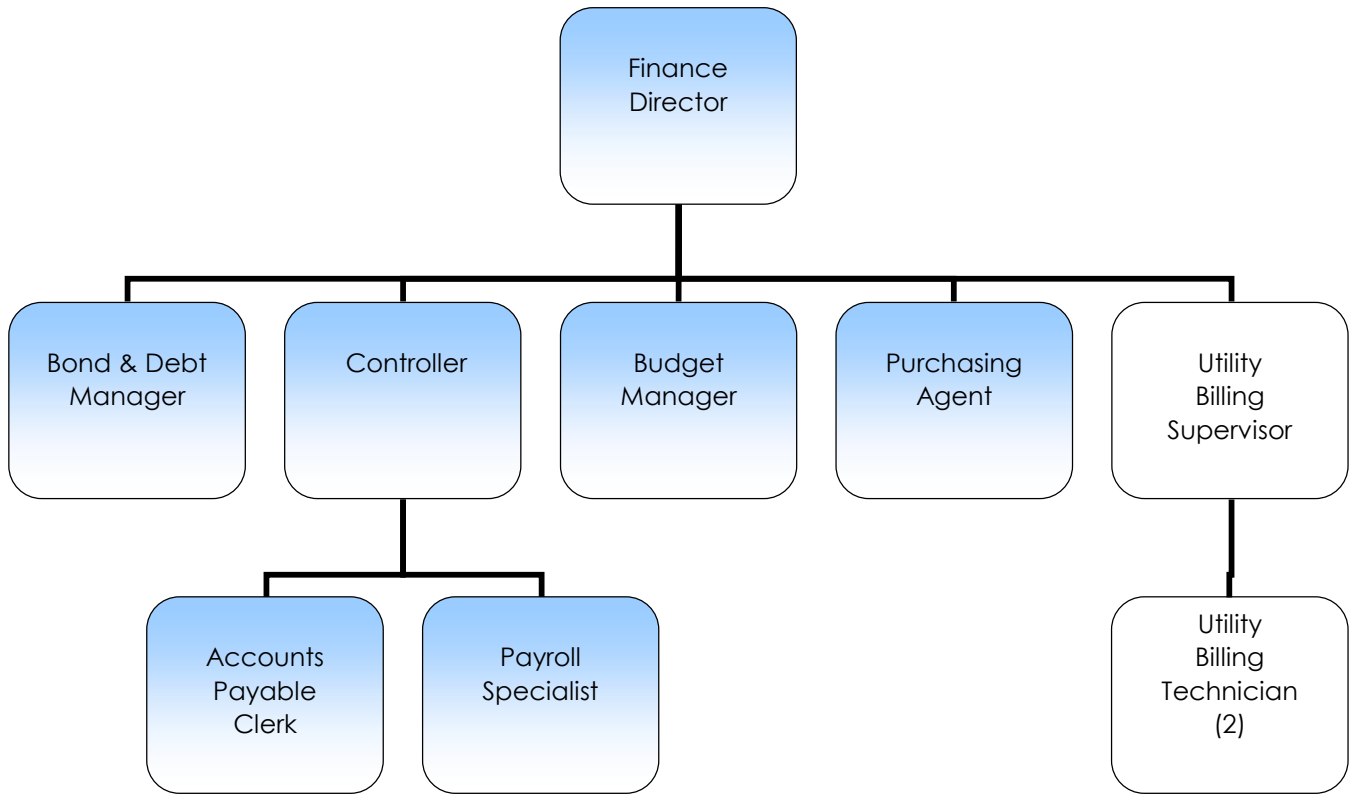
PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	-	-	-	-

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.



General Fund Finance & Administrative Services Organizational Chart



**FINANCE & ADMINISTRATIVE SERVICES
FINANCE (101)**

DEPARTMENT MISSION

The Finance Division is committed to providing the highest quality financial management, support, fiduciary oversight, and public accountability to the citizens and community of Corinth and its designated officials. To this end, the following principles are held in the highest regard: 1) provide timely and accurate financial information to City departments and the community, 2) comply with State and Federal regulations regarding financial management, accounting, and control, 3) meet industry standards of financial management and reporting, 4) be a resource to City leaders on financial matters, economic issues, and operational performance, 5) be a role model to the organization for business management, ethical values, and organizational efficiency and effectiveness.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Developed a long range Capital Improvement Plan (CIP) for General Government which will address critical infrastructure needs and compliment the Utility CIP.
- Developed a balanced budget which incorporates the organizations basic platform for operations on which to build future needs.
- Developed a financial impact analysis of transfer of Lake Cities Fire Department to City of Corinth.
- Structured the debt defeasance analysis for dissolution of the Lake Cities Fire Department.
- Developed a Hotel Occupancy Tax program overview.
- Coordinated a "one stop shop" process for Permitting and Utility Billing.
- Developed and initiated a second utility billing cycle to improve customer service.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Develop goals and objectives which complement and support the City's mission and vision.
- Develop a long range financial plan for Corinth up to "build-out" and a strategy for operations at maturity.
- Develop viable funding strategies for long range financial needs.
- Evaluate progress on Capital Improvement Program to ensure projects identified in 2000 Impact Fee Study are funded by 2010 deadline.
- Assist in impact fee analysis and update.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Accounts Payable documents processed per year	n/a	5,800	6,500	7,000
• Accounts Payable checks issued per year	n/a	3,500	4,100	4,500
• General accounting transactions per year	n/a	600	620	620
• Budget transfers per year	n/a	25	85	85
• Accounts Receivable billed per year (08-09 eliminates billing associated with Lake Cities Fire Department)	n/a	\$2,700,000	\$3,184,000	\$1,682,000

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Vendor invoices processed within 30 days	n/a	100%	97%	99%
• Accounts Receivable collection rate	n/a	98%	98%	98%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**FINANCE & ADMINISTRATIVE SERVICES
FINANCE (101)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 573,773	\$ 725,228	\$ 702,720	\$ 756,695
	\$ 573,773	\$ 725,228	\$ 702,720	\$ 756,695

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 391,887	\$ 556,430	\$ 536,288	\$ 590,445
Supplies & Maintenance	30,722	18,487	22,137	13,986
Operations	151,164	150,311	144,295	152,264
Capital Outlay	-	-	-	-
	\$ 573,773	\$ 725,228	\$ 702,720	\$ 756,695

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	2.00	2.00	2.00	2.00
Professional/Management	3.00	4.00	4.00	4.00
Executive	1.00	1.00	1.00	1.00
Temporary/Seasonal	-	-	-	-
	6.00	7.00	7.00	7.00

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**NON-DEPARTMENTAL
GENERAL SERVICES (000)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 138,510	\$ 830,343	\$ 830,343	\$ 332,736
	\$ 138,510	\$ 830,343	\$ 830,343	\$ 332,736

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	-	-	-	-
Operations	138,510	433,103	433,103	110,962
Capital Outlay	-	397,240	397,240	221,774
	\$ 138,510	\$ 830,343	\$ 830,343	\$ 332,736

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	-	-	-	-

MAJOR BUDGET CHANGES

The 2007-08 Budget was amended for \$7,950 for the installation of security glass (Ord. 08-06-05-14), \$28,205 for council chambers security (Ord. 08-04-03-12), and \$235,310 for Texas Parks and Wildlife Department trails grant for rehabilitation on the Elm Fork Horse and Hiking Trail (Ord. 08-03-20-08).

The 2008-09 budget reflects the addition of funds for the replacement of 3 Patrol Cars and 1 Fire Utility/Brush Truck (\$221,774).

Debt Service Fund

The Debt Service Fund, also known as interest and sinking fund, was established by ordinance authorizing the issuance of bonds and providing for the payment of bond principal and interest as they come due. In the General Obligation Debt Service Fund, an ad valorem (property) tax rate and tax levy is required to be computed and levied that will be sufficient to produce the money to satisfy annual debt service requirements.

DEBT MANAGEMENT SUMMARY

- A. **Debt Issuance.** The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various missions as a city. Debt may be issued for the purposes of purchasing land or rights-of-way and/or improvements to land, for construction projects to provide for the general good, for capital equipment or other long term assets.
- B. **Disclosure.** Full disclosure of operations will be made to the bond rating agencies and other depositories of financial information as required by the Securities and Exchange Commission (SEC) Rule 15c2-12, specifically, Texas Municipal Advisory Council (State Information Depository).
- C. **Rating Agency Communication.** The City staff will seek to maintain and improve its current bond rating so its borrowing costs are reduced to a minimum and its access to credit preserved. The City staff, with assistance of financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies, will aid in the production of Official Statements, and will take responsibility for the accuracy of all information released.
- D. **Federal Requirements.** The City will maintain procedures to comply with arbitrage rebate and other federal requirements.
- E. **Debt Limit.** The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Corinth's proposed rate of \$.58698 per \$100 valuation falls well below this limit.
- F. **Bond Ratings.** Corinth's bonds currently have the following ratings: Moody's – A2; Standard & Poor's – A+.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**SUMMARY OF RESOURCES & EXPENDITURES
DEBT SERVICE FUND**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
RESOURCES				
Ad Valorem Taxes	\$ 1,436,349	\$ 1,778,601	\$ 1,815,922	\$ 1,962,831
Interest Income	69,796	-	40,000	-
TOTAL REVENUES	\$ 1,506,145	\$ 1,778,601	\$ 1,855,922	\$ 1,962,831
Use of Fund Balance	-	393,814	310,712	467,429
TOTAL RESOURCES	\$ 1,506,145	\$ 2,172,415	\$ 2,166,634	\$ 2,430,260
EXPENDITURES				
Debt Service	\$ 1,373,671	\$ 2,147,415	\$ 2,141,634	\$ 2,405,260
Agent Fees	12,581	25,000	25,000	25,000
TOTAL EXPENDITURES	\$ 1,386,252	\$ 2,172,415	\$ 2,166,634	\$ 2,430,260
 EXCESS OF TOTAL RESOURCES OVER (UNDER) TOTAL EXPENDITURES	 \$ 119,893	 \$ -	 \$ -	 \$ -

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ESTIMATED AD VALOREM TAX COLLECTIONS & DISTRIBUTION
2008-09**

Assessed Valuation for 2007	\$ 1,372,483,140
Gain in Value	<u>45,132,742</u>
Net Assessed Valuation for 2008	\$ 1,417,615,882

GENERAL FUND:

Tax Rate Per \$100 valuation	x	<u>0.43852</u>
		6,216,529
Estimated Collections	x	<u>100.00%</u>
TOTAL REVENUE		<u><u>\$ 6,216,529</u></u>

GENERAL DEBT SERVICE FUND:

Tax Rate Per \$100 valuation	x	<u>0.13846</u>
		1,962,831
Estimated Collections	x	<u>100.00%</u>
TOTAL REVENUE		<u><u>\$ 1,962,831</u></u>

DISTRIBUTION	2007-08	2008-09	2008-09 REVENUE	PERCENT
General Fund	\$ 0.42739	\$ 0.43852	\$ 6,216,529	76.00%
General Debt Service Fund	0.12959	0.13846	1,962,831	24.00%
TOTAL	<u><u>\$ 0.55698</u></u>	<u><u>\$ 0.57698</u></u>	<u><u>\$ 8,179,360</u></u>	100.00%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL LONG-TERM DEBT
2008-09**

Issue	Interest Rate	Issue Date	Final Maturity	Original Amount of Issue	Gross Amount outstanding at 9/30/08
1997 General Obligation Refunding	4.65 to 5.15	11-15-1997	02-15-2018	\$ 8,245,000	\$ 885,000
1998 Certificates of Obligation	5.00	06-30-1998	02-15-2009	800,000	40,000
1999 General Obligation	4.15 to 5.00	04-15-1999	02-15-2019	7,000,000	2,255,000
2001 General Obligation	4.25 to 6.25	02-15-2001	02-15-2021	2,000,000	835,000
2005 General Obligation Refunding	4.00 to 4.25	12-1-2005	02-15-2020	5,080,000	5,000,000
2007 General Obligation Refunding	3.78 to 4.49	02-1-2007	02-15-2021	5,250,000	5,230,000
2007 Certificates of Obligation	4.50 to 5.25	08-15-2007	02-15-2027	24,020,000	22,735,000
				<u>\$ 52,395,000</u>	<u>\$ 36,980,000</u>

GENERAL DEBT SERVICE REQUIREMENTS

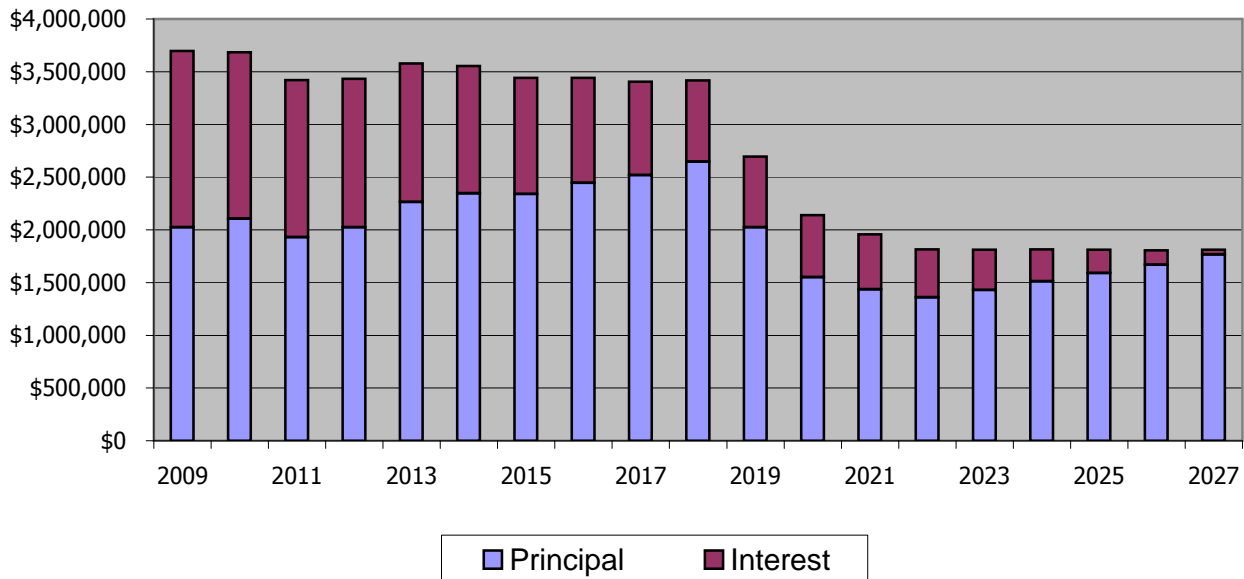
Issue	2008-09 Tax Supported Principal & Interest Requirements			Self-Supporting Debt Requirements	Total Long-Term Debt
	Principal	Interest	Total		
1997 General Obligation Refunding	\$ 239,250	\$ 17,686	\$ 256,936	\$ 210,220	\$ 467,156
1998 Certificates of Obligation	40,000	970	40,970	-	40,970
1999 General Obligation	335,000	90,852	425,852	-	425,852
2001 General Obligation	90,000	35,585	125,585	-	125,585
2005 General Obligation Refunding	132,600	156,253	288,853	81,472	370,325
2007 General Obligation Refunding	16,500	176,878	193,378	41,020	234,398
2007 Certificates of Obligation	641,333	432,353	1,073,686	958,964	2,032,650
	<u>\$ 1,494,683</u>	<u>\$ 910,577</u>	<u>\$ 2,405,260</u>	<u>\$ 1,291,676</u>	<u>\$ 3,696,936</u>

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**GENERAL LONG-TERM DEBT
PRINCIPAL & INTEREST REQUIREMENTS
AS OF OCTOBER 1, 2008**

Year	General Debt Principal	General Debt Interest	Total General Debt	Less Self Supporting Debt	Total Tax Supported Debt
2008-09	\$ 2,025,000	\$ 1,671,936	\$ 3,696,936	\$ 1,291,676	\$ 2,405,260
2009-10	2,105,000	1,579,866	3,684,866	1,359,316	2,325,550
2010-11	1,930,000	1,491,805	3,421,805	1,369,823	2,051,982
2011-12	2,025,000	1,407,444	3,432,444	1,372,264	2,060,180
2012-13	2,265,000	1,312,896	3,577,896	1,337,528	2,240,368
2013-14	2,345,000	1,208,192	3,553,192	1,335,878	2,217,314
2014-15	2,340,000	1,102,492	3,442,492	1,412,150	2,030,342
2015-16	2,445,000	995,716	3,440,716	1,419,781	2,020,935
2016-17	2,520,000	884,317	3,404,317	1,437,359	1,966,958
2017-18	2,645,000	770,811	3,415,811	1,445,676	1,970,135
2018-19	2,025,000	669,534	2,694,534	1,299,441	1,395,093
2019-20	1,550,000	590,318	2,140,318	1,208,023	932,295
2020-21	1,435,000	522,652	1,957,652	1,170,875	786,777
2021-22	1,360,000	453,863	1,813,863	1,149,157	664,706
2022-23	1,430,000	380,625	1,810,625	1,152,431	658,194
2023-24	1,510,000	303,450	1,813,450	1,157,950	655,500
2024-25	1,590,000	222,075	1,812,075	1,160,580	651,495
2025-26	1,670,000	136,500	1,806,500	1,082,424	724,076
2026-27	1,765,000	46,332	1,811,332	1,098,087	713,245
TOTAL	\$ 36,980,000	\$ 15,750,824	\$ 52,730,824	\$ 24,260,419	\$ 28,470,405

**2009-2027 GENERAL DEBT SERVICE
PRINCIPAL AND INTEREST REQUIREMENTS**



*Includes principal & interest to be paid by the Water, Wastewater and Drainage Funds.



Utility Fund

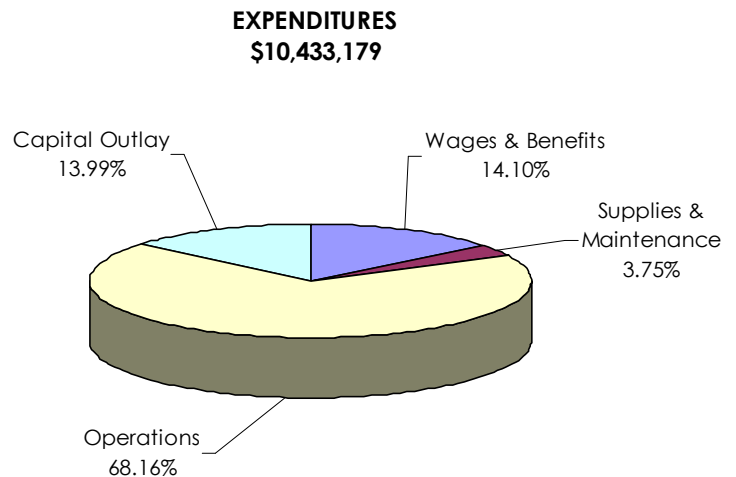
The Utility Fund is the fund used to account for water, wastewater, and garbage collection services for the residents of the City of Corinth and the billing and collection of the charges that customers pay for these services. The Utility Fund is also charged with maintaining City infrastructure critical to the delivery of utility service. Accrual based accounting is used for the Utility Fund; with depreciation and bad debt expenses not being included as budgeted expenditures. The City of Corinth's Utility Fund is financed and operated in a manner similar to private business enterprises, where costs of providing the services to the public are financed primarily through user charges. Operations in this fund are not dependent on tax revenue like that of the General Fund and the fund provides an annual administrative allocation to the General Fund for all administrative duties performed by General Fund supported employees on behalf of the Utility Fund.

Major Revenue Summary:

Operating revenues are determined by the water and wastewater rates as well as the volume of water sold and wastewater treated. These revenues are highly influenced by weather patterns. Hot, dry summers result in high water sales, which to a certain extent, also generate higher wastewater revenues. Revenue for 2007-08 is estimated to meet budget as a result of a normal weather year, following the exceptionally wet spring and summer of 2007 which affected a considerable decrease in water sales. Water volume demand for the fiscal year through May, 2008, was 11.7% higher than the same period for fiscal year 2007. The 2008-09 budget assumes another normal year with anticipated revenue from water sales of \$5,583,332. Residential wastewater treatment charges are determined by a winter average process that takes the lowest three winter months of water consumption to determine a baseline wastewater treatment demand. The winter weather, when wet, drives lower wastewater charges for the year, when dry, it drives higher charges. The 2008-09 budgeted revenue is estimated at \$3,718,506 which reflects the decrease in wastewater charges from the winter average that went into effect in April, 2008.

Major Expenditure Summary:

The total cost for Utility Fund services for 2008-09 is \$10,433,179. Operating expenses are dominated by contractual payments for 1) the purchase of water for resale and City use from the Upper Trinity Regional Water District; 2) wastewater treatment from Upper Trinity Regional Water District and the City of Denton. Both water and wastewater rates are expected to increase approximately 5% annually. Solid Waste collection is a pass-through cost billed by the City with minimal net effect on the budget.



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
SUMMARY OF RESOURCES & EXPENDITURES**

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
RESOURCES				
Water Charges	\$ 3,854,271	\$ 5,447,693	\$ 5,447,693	\$ 5,583,332
Water Subtotal	\$ 3,854,271	\$ 5,447,693	\$ 5,447,693	\$ 5,583,332
Wastewater Disposal Charges	\$ 3,573,438	\$ 3,996,580	\$ 3,996,580	\$ 3,718,506
Wastewater Subtotal	\$ 3,573,438	\$ 3,996,580	\$ 3,996,580	\$ 3,718,506
Garbage Rev-Regular	\$ 721,415	\$ 720,000	\$ 709,438	\$ 722,000
Garbage Rev-Seniors	43,022	42,650	48,665	51,500
Garbage Tax Revenue	63,093	62,960	62,540	63,050
Garbage Billing Fees	18,791	19,000	18,953	19,100
Garbage Subtotal	\$ 846,321	\$ 844,610	\$ 839,596	\$ 855,650
CI Overtime Fees	\$ -	\$ 946	\$ 3,997	\$ -
CI Bond Inspection Revenue	1,011	2,712	3,597	4,070
Inspections Subtotal	\$ 1,011	\$ 3,658	\$ 7,594	\$ 4,070
Penalties & Late Charges	\$ 118,620	\$ 133,800	\$ 133,800	\$ 120,506
Tap Fees	203,297	211,483	61,444	96,043
Service fees	17,246	16,030	13,493	12,918
CSI Fees	3,400	3,634	1,066	1,166
Reconnect Fees	41,725	46,458	43,500	48,686
Charges & Fees Subtotal	\$ 384,288	\$ 411,405	\$ 253,303	\$ 279,319
Interest Income	\$ 44,334	\$ 44,184	\$ 45,000	\$ 14,804
NSF Fees	5,400	5,742	5,933	5,700
CC Processing Fees	19,529	15,902	25,265	25,258
Pub Impv Inspection	25,782	-	24,888	-
Misc. Income	3,864	968	4,355	4,260
Gain on Sale of Fixed Assets	11,894	20,390	20,390	-
Other Revenue Subtotal	\$ 110,803	\$ 87,186	\$ 125,831	\$ 50,022
Transfer from Other Funds	\$ 572,701	\$ 162,104	\$ 162,104	\$ 180,076
Transfer from Impact Fees	-	175,000	175,000	-
Transfers In Subtotal	\$ 572,701	\$ 337,104	\$ 337,104	\$ 180,076
TOTAL REVENUES	\$ 9,342,833	\$ 11,128,236	\$ 11,007,701	\$ 10,670,975
Use of Fund Balance	214,991	20,522	-	-
TOTAL RESOURCES	\$ 9,557,824	\$ 11,148,758	\$ 11,007,701	\$ 10,670,975

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
SUMMARY OF RESOURCES & EXPENDITURES**

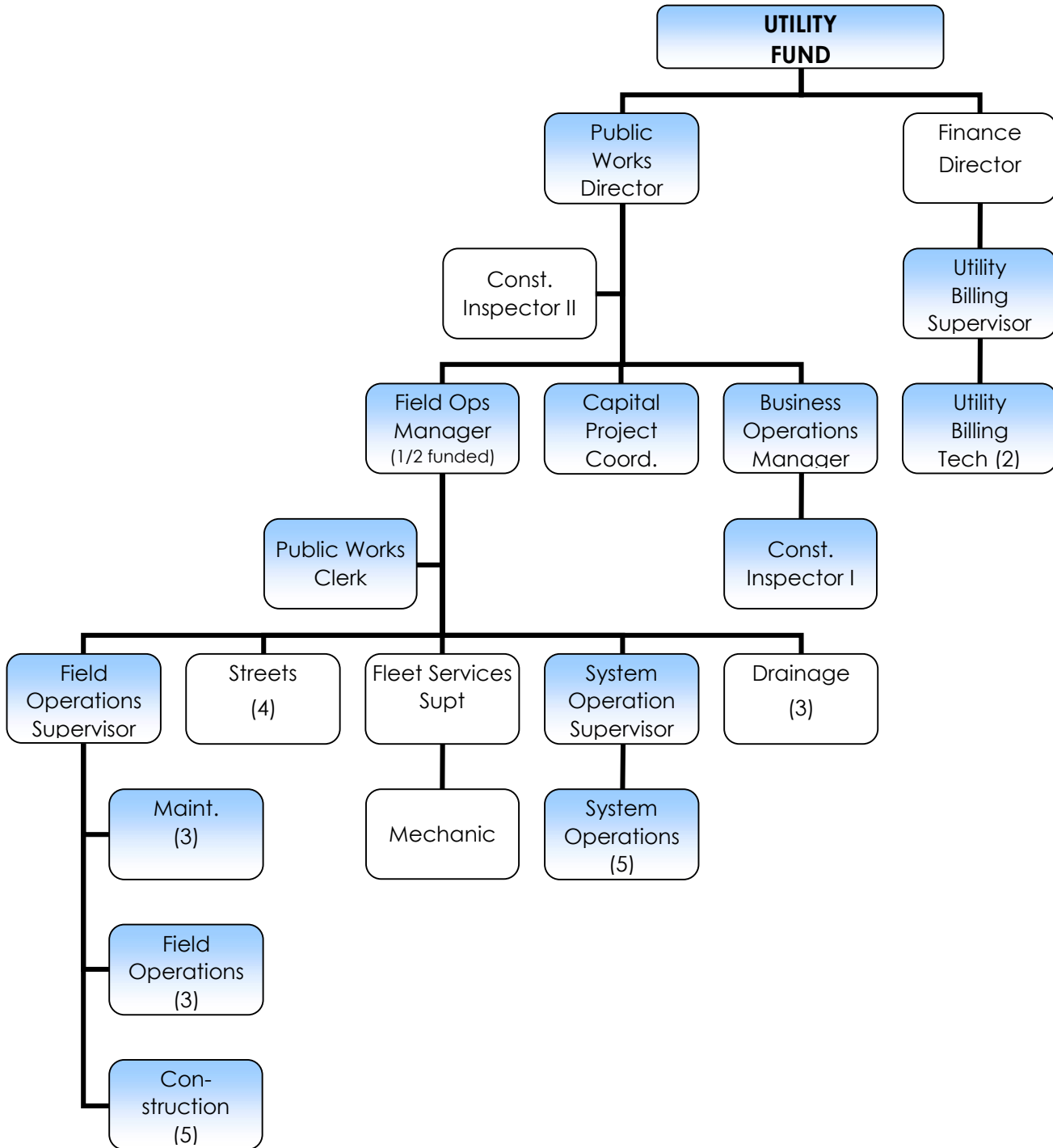
	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
EXPENDITURES				
Water Operations	\$ 5,190,168	\$ 5,736,984	\$ 5,551,406	\$ 5,543,910
Wastewater Operations	3,290,113	4,256,788	4,142,841	3,752,961
Utility Billing	258,875	313,913	294,658	331,308
Garbage	818,668	841,073	775,000	805,000
TOTAL EXPENDITURES	\$ 9,557,824	\$ 11,148,758	\$ 10,763,905	\$ 10,433,179
 EXCESS/(DEFICIT)	 \$ -	 \$ -	 \$ 243,796	 \$ 237,796

**UTILITY FUND
POSITION SUMMARY**

PERSONNEL	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Full Time Equivalents (FTE)				
Water	11.30	12.00	12.00	11.98
Wastewater	11.70	11.00	11.00	11.02
Utility Billing	3.00	3.00	3.00	3.00
	<u>26.00</u>	<u>26.00</u>	<u>26.00</u>	<u>26.00</u>



Utility Fund Public Works Organizational Chart



**UTILITY FUND
WATER (201)**

DEPARTMENT MISSION

The mission of the Water Utility Division is to provide potable water, at adequate pressure, and in sufficient quantity, to the citizens of Corinth.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Aggressively pursued completion of the 5 Year Capital Improvements Program adopted by City Council.
- Identified and remedy system weak points for both delivery and collection.
- Implemented a supervisory development program to improve the operational effectiveness of the organization.
- Replaced 16" sewer main on Post Oak from Robinson to Oak Hollow.
- Replaced Sewer Line from South bound Service Road from Nissan North to North Star Bank.
- Installed 2 12" valves on Service Road to isolate smaller areas for repairs.
- Installed 8" and 6" valves for further isolation for repairs.
- Removed lift station at Public Works Facility.
- Implemented a valve and fire hydrant maintenance crew, and a manhole maintenance crew.
- Added water service to all lift stations.
- Implemented Infiltration and Inflow reduction program, through smoke testing, and inspection to reduce waste water treatment costs.
- Implemented a Backflow Prevention Program which is required by T.C.E.Q. and City Ordinance.
- Replacement of transponders throughout the City.
- Installation 3 more isolation valves in the Oakmont Subdivision.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Create a meter shop for testing and repair of all water meters and backflow devices.
- Complete transponder swaps from Trace to Orion.
- Create loop feed on Fritz lane with an 8" water line to increase circulation and flow.
- Inspect and repair sewer lines which have a history of backing up.
- Reduce Inflow and Infiltration to less than 20%

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Customer Accounts	n/a	6,551	6,650	6,675
• Treated water (AMGD)	n/a	3.5	3.5	4
• Main line repairs	18	8	14	15

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Purchased water vs. billed water	n/a	1.3B/1.2B	1.3B/1.2B	1.3B/1.2B
• Average customer outage time (minutes)	n/a	120	120	120
• Meter sets	n/a	471	750	750
• Leak Checks	n/a	400	1,000	1,000
• Rereads	n/a	1,167	2,000	2,000
• Replace meter box/ lids	n/a	61	100	100

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
WATER (201)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Water Charges	\$ 3,854,271	\$ 5,447,693	\$ 5,447,693	\$ 5,583,332
General Resources	1,335,897	289,291	103,713	-
	<u>\$ 5,190,168</u>	<u>\$ 5,736,984</u>	<u>\$ 5,551,406</u>	<u>\$ 5,583,332</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 601,646	\$ 681,608	\$ 670,928	\$ 718,377
Supplies & Maintenance	129,573	221,003	169,560	186,895
Operations	3,735,356	4,021,028	3,979,719	3,943,058
Capital Outlay	723,593	813,345	731,199	695,580
	<u>\$ 5,190,168</u>	<u>\$ 5,736,984</u>	<u>\$ 5,551,406</u>	<u>\$ 5,543,910</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	8.00	8.00	8.00	8.50
Office/Clerical	0.80	0.50	0.50	0.66
Technical/Paraprofessional	1.50	2.00	2.00	0.50
Professional/Management	0.30	1.00	1.00	1.66
Certified Fire Personnel	-	-	-	-
Executive	0.70	0.50	0.50	0.66
Temporary/Seasonal	-	-	-	-
	<u>11.30</u>	<u>12.00</u>	<u>12.00</u>	<u>11.98</u>

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.

**UTILITY FUND
UTILITY BILLING (202)**

DEPARTMENT MISSION

The Utility Billing Division exists solely for the purpose of providing the best possible customer service to the citizens of Corinth regarding their utility account. The Department is committed to providing this service with honesty, integrity, compassion, fairness, and with a commitment to excellence while complying with City ordinances and policies.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Implemented the latest version of INCODE'S online payment presentation.
- Implemented two billing cycles to level work flow and departmental efficiency.
- Implemented remote deposit capture to electronically deposit checks.
- Enhanced Customer Service by relocating Utility Billing with Building Permits for "One Stop Shop"

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Comprehensive Customer Information Update
- Implement paperless electronic work order system.
- Cross train with Building Permits to further enhance customer service.
- Strengthen internal controls by evaluating and revising current utility billing procedures.
- Increase customer awareness of current electronic payment methods.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Checkfree payments	n/a	10,100	10,650	11,000
• Web payments	n/a	4,500	3,700	4,500
• New connections	n/a	1,000	705	800
• Closed accounts	n/a	1,000	700	800
• Service accounts				
Water	n/a	6,700	6,650	6,700
Wastewater	n/a	6,459	6,400	6,459

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Work order response within one business day	n/a	100%	100%	100%
• Phone hold time less than 2 minutes	n/a	97%	97%	97%
• Process payments same day	n/a	100%	100%	100%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
UTILITY BILLING (202)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
General Resources	\$ 258,875	\$ 313,913	\$ 294,658	\$ 331,308
	\$ 258,875	\$ 313,913	\$ 294,658	\$ 331,308

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 165,018	\$ 152,114	\$ 155,178	\$ 155,178
Supplies & Maintenance [1]	44,318	2,629	27,029	60,600
Operations [1]	49,539	139,170	92,451	115,530
Capital Outlay	-	20,000	20,000	-
	\$ 258,875	\$ 313,913	\$ 294,658	\$ 331,308

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	2.00	2.00	2.00	2.00
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Certified Fire Personnel	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	3.00	3.00	3.00	3.00

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.

**UTILITY FUND
WASTEWATER (203)**

DEPARTMENT MISSION

The mission of the Wastewater Utility Division is to provide high quality wastewater service throughout the collection and transportation of wastewater to the treatment facility in a safe and economical manner.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Aggressively pursue completion of the 5 Year Capital Improvement Program adopted by the City Council.
- Implement a supervisory development program to improve the operational effectiveness of the organization.
- Implement an Inflow and Infiltration Program to reduce treatment cost.
- Completed installation of driveways at all lift stations.
- Filled all vacancies in division.
- Installed pole gate at the West Side Lift Station.
- Have SCADA installed in 4 remaining lift stations, giving full full control via remote station.
- 4 lift station had SCADA installed. Barrel Strap, Lake Bluff, Northwood, and Kensington.
- Repaired Meadowview elevated water tank.
- All water storage tanks were inspected.

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Install awnings over all control panels over lift stations, which are exposed to elements.
- Rehab on Ground Storage Lift Station.
- Purchase backup generator which can power all lift stations during power loss, and have all lift stations wired to be capable of receiving the generator.
- Rehab or replace the 1.5 million gallon ground storage tank.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Customer accounts	n/a	6,551	6,650	6,675
• Purchased Water	n/a	n/a	1.4 BG	1.82 BG
• Treated wastewater	n/a	n/a	420.5 MG	433 MG
• Lift stations maintained	n/a	13	13	15
• Pump Stations Maintianed	n/a	n/a	2	2
• Storage Tanks Maintained	n/a	n/a	5	5
• Coliform Samples	n/a	n/a	247	244
• Cl2 Residual Tests	n/a	n/a	624	624
• Dead-End Water Mains Flushed	n/a	n/a	444	444
• Monthly Reports Completed T.C.E.Q./ Samples...	n/a	n/a	6	6

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Average monthly treatment cost	n/a	\$100,000	\$77,773	\$80,106
• Average monthly electrical cost (Water)	n/a	n/a	\$9,669	\$9,959
• Average monthly electrical cost (Waste Water)	n/a	n/a	\$3,766	\$3,879
• Average monthly water purchased cost	n/a	n/a	\$229,468	\$236,352
• Average Monthly UTRWD Facilities charge cost	n/a	n/a	\$60,431	\$62,244

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
WASTEWATER (203)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wastewater Charges	\$ 3,573,438	\$ 3,996,580	\$ 3,996,580	\$ 3,718,506
General Resources	-	260,208	146,261	34,455
	<u>\$ 3,573,438</u>	<u>\$ 4,256,788</u>	<u>\$ 4,142,841</u>	<u>\$ 3,752,961</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 397,619	\$ 668,238	\$ 658,301	\$ 597,483
Supplies & Maintenance	120,477	219,360	182,741	143,474
Operations	2,160,160	2,471,441	2,427,010	2,248,147
Capital Outlay	611,857	897,749	874,789	763,857
	<u>\$ 3,290,113</u>	<u>\$ 4,256,788</u>	<u>\$ 4,142,841</u>	<u>\$ 3,752,961</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	8.00	8.00	8.00	8.50
Office/Clerical	0.70	0.50	0.50	0.34
Technical/Paraprofessional	1.50	1.00	1.00	1.50
Professional/Management	1.20	1.00	1.00	0.34
Certified Fire Personnel	-	-	-	-
Executive	0.30	0.50	0.50	0.34
Temporary/Seasonal	-	-	-	-
	<u>11.70</u>	<u>11.00</u>	<u>11.00</u>	<u>11.02</u>

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**UTILITY FUND
GARBAGE (204)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Garbage Rev-Regular	\$ 721,415	\$ 720,000	\$ 709,438	\$ 722,000
Garbage Rev-Seniors	43,022	42,650	48,665	51,500
Garbage Tax Revenue	63,093	62,960	62,540	63,050
Garbage Billing Fees	18,791	19,000	18,953	19,100
	<u>\$ 846,321</u>	<u>\$ 844,610</u>	<u>\$ 839,596</u>	<u>\$ 855,650</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	-	-	-	-
Operations [1]	818,668	841,073	775,000	805,000
Capital Outlay	-	-	-	-
	<u>\$ 818,668</u>	<u>\$ 841,073</u>	<u>\$ 775,000</u>	<u>\$ 805,000</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Certified Fire Personnel	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

MAJOR BUDGET CHANGES

[1] The City of Corinth contracts with Waste Management for garbage collection services, which is a pass-through cost billed by the City.

Storm Drainage Utility Fund

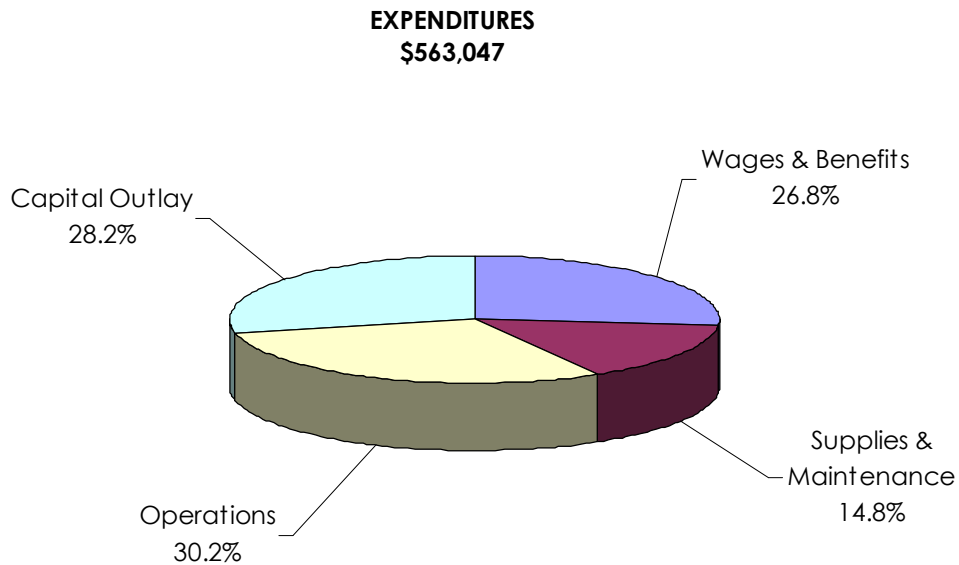
The Storm Drainage Utility Fund was established by the City Council of the City of Corinth in accordance with Subchapter C of Chapter 402 of the Texas Local Government Code. The Storm Drainage Utility was established as a mechanism to protect the public health and safety from damage caused by surface water overflows, and surface water stagnation and pollution within the City. The enabling ordinance also provides for the assessment, levy, and collection of an equitable fee for funding the system. The Storm Drainage Utility Fund is designed as a 100% self supporting fund with revenue from user charges covering all associated operating costs.

Major Revenue Summary:

The Storm Drainage Fund expects to receive \$520,000 in storm drainage fees. This amount represents an 11.53% increase over the current year estimate. The Storm Drainage Fee provides funding for operations, supplemented by a use of fund balance.

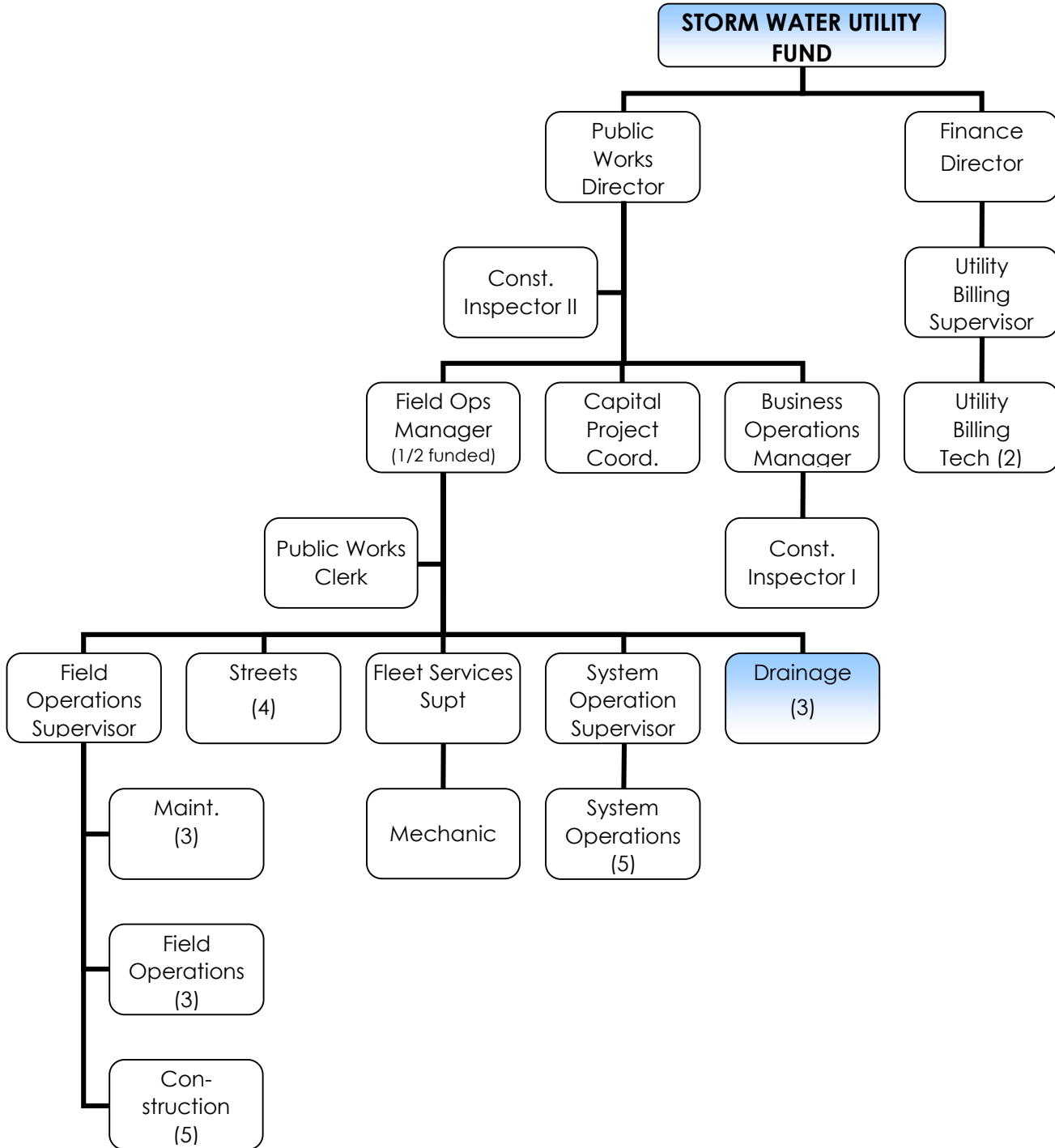
Major Expenditure Summary:

The budget does not include any major changes in expenditures.





Storm Water Utility Fund Public Works Organizational Chart



**STORM DRAINAGE FUND
DRAINAGE (461)**

DEPARTMENT MISSION

The mission of the Drainage Division is to enhance the quality of life in the City through the proactive maintenance of the City's drainage system. All of our efforts will be conducted with a strong commitment to customer service.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Increased public education by mailing two flyers per year to each resident, to share information on Mosquito control, storm water pollution prevention, and proper disposal of harmful chemicals. This is also part of our Best Management Practices to comply with Phase II Storm Water Permitting.
- Budgeted and implemented a hazardous waste disposal program to collect and dispose of chemicals from Corinth residents to prevent illicit discharge into our drainage system.
- Continued with storm drain inspections to insure maximum capacity and purity of run-off.
- Place storm drain markers on every storm drain in City to inform residence of hazards of pollution.
- Ditch on Somerset graded to prevent flooding hazard to 7 residents.
- Concrete flume at 400 Windmere
- replaced 2 driveway bridges at 3600 and 3603 West Shady Shores Road to improve drainage.
- Graded all ditches in Amity Village

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- New pump on Amity Village retention pond.
- 1 new Light Equipment operator to assist crew with workload.
- Clean and maintain all drainage structures.
- Inspect all storm drain inlets for litter and illicit discharge.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Storm Drain Inspections	300	200	175	350
• Linear feet of channel mowing	20,000	26,300	22,000	25,000
• Linear feet of ditch grading	15,000	24,000	20,000	30,000

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Storm drains cleaned	10	15	8	30
• Work orders completed	56	15	40	50
• Citizen Requests - Resolved within five days	85%	90%	80%	85%

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**STORM DRAINAGE FUND
DRAINAGE (461)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Storm Drainage Fees	\$ 413,660	\$ 445,000	\$ 466,258	\$ 520,000
Interest Income	13,946	15,000	12,216	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
Use of Fund Balance	\$ 427,606	\$ 460,000	\$ 478,474	\$ 525,000
	-	113,268	53,173	38,047
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 427,606	\$ 573,268	\$ 531,647	\$ 563,047

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 129,355	\$ 156,289	\$ 152,869	\$ 150,911
Supplies & Maintenance	29,324	85,272	50,272	83,409
Operations	111,918	167,391	163,815	169,927
Capital Outlay	89,978	164,316	164,691	158,800
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 360,575	\$ 573,268	\$ 531,647	\$ 563,047

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	3.00	3.00	3.00	3.00
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Certified Fire Personnel	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	3.00	3.00	3.00	3.00

MAJOR BUDGET CHANGES

The budget does not reflect any major changes.



Hotel Occupancy Tax Fund

The Hotel Occupancy Tax Fund was established during fiscal year 2007-2008 as a separate fund to account for the receipt and distribution of the City's Hotel Occupancy Tax which is levied at 7% of room rental rates.

Major Revenue & Expenditure Summary:

The City's first hotel is scheduled for completion during the Fall 2008. The budget estimates the first year revenues for this fund at \$80,000 based on occupancy projections. No expenditures are included.



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

HOTEL OCCUPANCY TAX FUND

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Hotel Revenue	\$ -	\$ -	\$ -	\$ 80,000
	-	-	-	80,000
Use of Fund Balance	-	-	-	-
	\$ -	\$ -	\$ -	\$ 80,000

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Reserves	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Sworn Officers	-	-	-	-
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	-	-	-	-

MAJOR BUDGET CHANGES

The cities first Hotel is scheduled to open the Fall of 2008. The 2008-09 budget includes the estimated revenues only.

Economic Development Sales Tax Fund

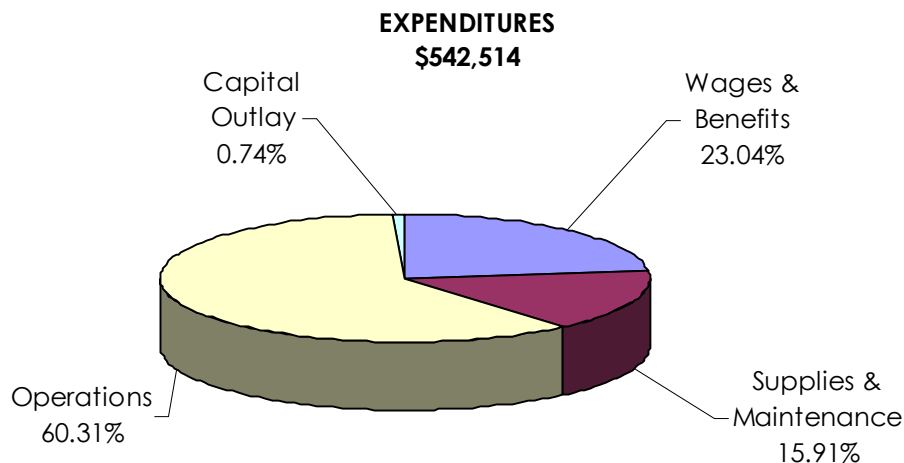
The Economic Development Corporation is committed to the promotion and retention of high quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. The fund receives its revenue from a portion of the City's sales and use tax levied on eligible good sold within the City of Corinth. A special election was held on November 5, 2002 for the purpose of adopting a local .50% sales and use tax in Corinth for Economic Development.

Major Revenue Summary:

Sales Tax: The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the businesses. For fiscal year 2008-09, the Economic Development Sales Tax Fund expects to receive \$574,844 in sales and use tax revenue. This amount represents a 5% increase over the current year estimate.

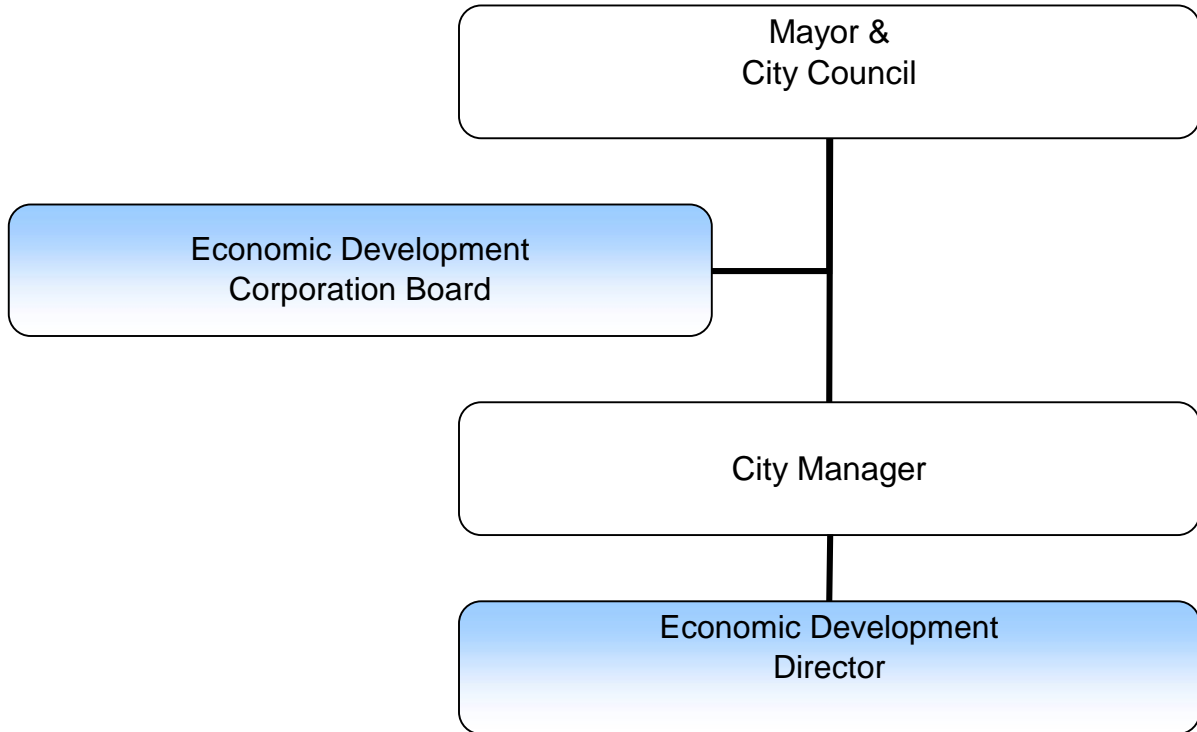
Major Expenditure Summary:

The Economic Development budget includes funds for a Business Retention and Expansion Program, and a project contingency fund.





Economic Development Corporation Organizational Chart



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**ADMINISTRATIVE
ECONOMIC DEVELOPMENT CORPORATION**

E	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 525,820	\$ 547,470	\$ 547,470	\$ 574,844
Interest Income	65,471	58,800	35,000	20,000
Transfer In	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	591,291	606,270	582,470	594,844
Use of Fund Balance	-	560,958	155,799	-
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 591,291	\$ 1,167,228	\$ 738,269	\$ 594,844

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 65,874	\$ 46,037	\$ 39,746	\$ 125,009
Supplies & Maintenance	38,572	86,277	78,500	86,300
Operations	21,873	152,908	146,023	327,205
Capital Outlay	-	882,006	474,000	4,000
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 126,319	\$ 1,167,228	\$ 738,269	\$ 542,514

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	1.00	1.00	1.00	1.00
Executive	-	1.00	-	1.00
Sworn Officers	-	-	-	-
Temporary/Seasonal	-	-	-	-
TOTAL PERSONNEL	<hr/>	<hr/>	<hr/>	<hr/>
	1.00	2.00	1.00	2.00

MAJOR BUDGET CHANGES

The 2007-08 Budget was amended for \$280,134 (Ord. 08-03-20-10).

There are 2 staff positions designated for the Economic Development department, only 1FTE is currently budgeted.

The budget was approved by the Corinth Economic Development Corporation Board on July 21, 2008.

Street Maintenance Sales Tax Fund

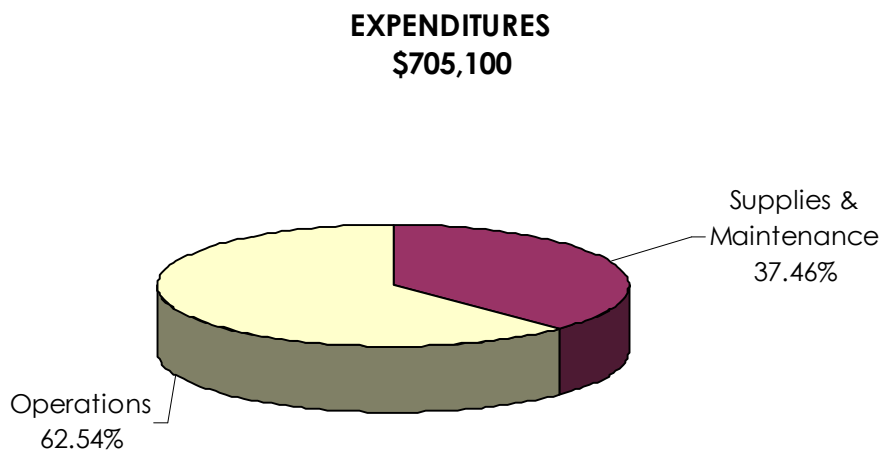
The Street Maintenance Sales Tax Fund was established on January 1, 2005. The fund receives its revenue from a portion of the City's sales and use tax levied on eligible good sold within the City of Corinth. A special election was held on September 11, 2004 for the purpose of adopting a local sales and use tax in Corinth for street maintenance.

Major Revenue Summary:

Sales Tax: The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .50% to the Economic Development Corporation, .25% to the Crime Control & Prevention District and .25% to the Street Maintenance Sales Tax Fund. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the businesses. For fiscal year 2008-09, the Street Maintenance Sales Tax Fund expects to receive \$287,000 in sales and use tax revenue. This amount represents a 5% increase over the current year estimate.

Major Expenditure Summary:

Fund Expenditures are in accordance with the Street Departments Five Year Maintenance Plan for the repair of City streets. The budget shifts \$264,100 of maintenance and engineering expenses from general fund.



**PUBLIC WORKS
STREET MAINTENANCE SALES TAX (10)**

DEPARTMENT MISSION

It is our intent to use these allocated funds to apply towards large scale preventative maintenance projects, and to address the majority of our customer concerns to meet our high standard of customer service.

ACCOMPLISHMENTS FOR FISCAL YEAR 2007-08

- Fog Seal Corinth Shores.
- Collect resident complaints, compare with our preventative maintenance program and prioritize where the funds will best be utilized.
- Re-inventory the road systems to update the existing pavement inventory for project planning.
- Repaved Dobbs Road from Rails to Trails to Service Road.
- Repaved South Garrison from Cliff Oaks to Service Road
- Repaved Park Ridge from meadowview to F.M. 2181

GOALS & OBJECTIVES FOR FISCAL YEAR 2008-09

- Crack seal and fog seal the asphalt subdivisions again (3 year maintenance)
- Concrete repairs on State School Road, Vintage, Meadowview, Fairway Vista.

WORKLOAD MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• Lane miles of concrete streets	n/a	77	79	81
• Lane miles of asphalt streets	n/a	19	19	18

PRODUCTIVITY MEASURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
• PCI of Total Infrastructure*	n/a	85	85	90
• PCI of Concrete*	n/a	90	90	88
• PCI of Asphalt*	n/a	68	68	80

*PCI's are averages of total infrastructure. Total infrastructure PCI is the accurate number for the current conditions of pavement. The Total PCI number has not changed over the three years as a result of maintenance, Lake Sharon and Church being reconstructed to concrete, and continuing age of pavements deterioration.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC WORKS
STREET MAINTENANCE SALES TAX (10)**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 262,919	\$ 287,000	\$ 273,000	\$ 287,000
Interest Income	20,053	-	15,000	5,000
	<u>282,972</u>	<u>287,000</u>	<u>288,000</u>	<u>292,000</u>
Use of Fund Balance	-	128,000	92,000	413,100
	<u>\$ 282,972</u>	<u>\$ 415,000</u>	<u>\$ 380,000</u>	<u>\$ 705,100</u>

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ -	\$ -	\$ -	\$ -
Supplies & Maintenance	-	-	-	264,100
Operations	49,674	415,000	380,000	441,000
Capital Outlay	-	-	-	-
	<u>\$ 49,674</u>	<u>\$ 415,000</u>	<u>\$ 380,000</u>	<u>\$ 705,100</u>

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Temporary/Seasonal	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Major Budget Changes

The budget reflects operating expenditures to repair streets in accordance with the Street Department Five Year Maintenance Plan. The budget also shifts material and engineering costs from general fund to the street maintenance sales tax fund.



Crime Control & Prevention District Sales Tax Fund

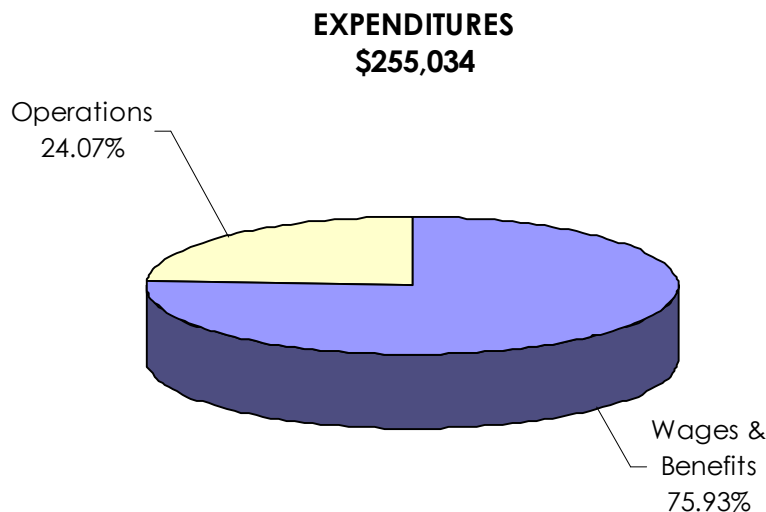
The Corinth Police Department is dedicated to a standard of excellence in promoting and maintaining a safe and peaceful community. The Crime Control & Prevention District is a special sales tax levied for crime control and prevention within the City that allows the City to provide the citizens with professional, efficient police services. The Crime Control & Prevention District Fund was established on January 1, 2005. A special election was held on September 11, 2004 for the purpose of adopting a local sales and use tax in Corinth for Crime Control and Prevention.

Major Revenue Summary:

Sales Tax: The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .50% to the Economic Development Corporation and .25% to the Crime Control & Prevention District. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the businesses. For fiscal year 2008-09, the Crime Control & Prevention District Tax Fund expects to receive \$222,600 in sales and use tax revenue. This amount represents a 5% increase over the current year estimate.

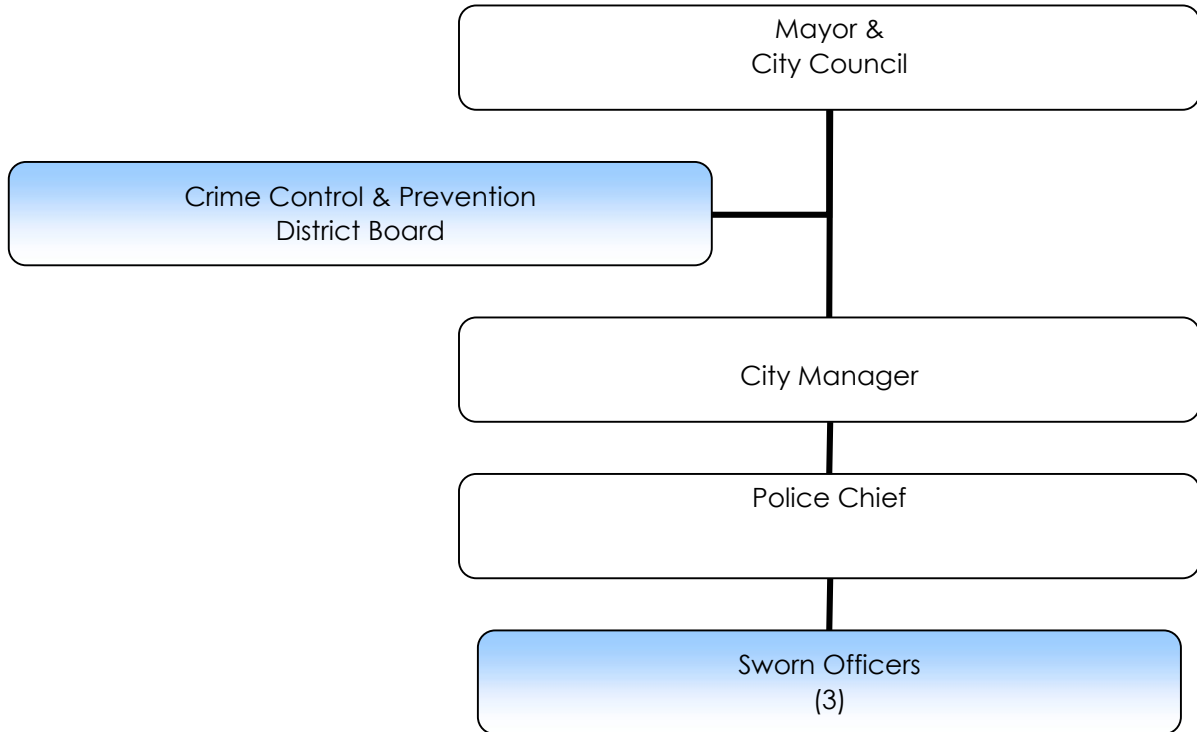
Major Expenditure Summary:

The Crime Control & Prevention budget includes a transfer to the City for 55% of the salary & benefits for the Emergency Coordinator position. The budget also includes funding for the Denton County Child Advocacy Center (\$10,000).





Crime Control & Prevention District Public Safety Organizational Chart



**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**PUBLIC SAFETY
CRIME CONTROL & PREVENTION DISTRICT**

RESOURCES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Sales Tax	\$ 220,457	\$ 223,500	\$ 212,000	\$ 222,600
Interest Income	6,465	7,500	3,422	1,500
	226,922	231,000	215,422	224,100
Use of Fund Balance	-	207,258	193,046	30,934
	\$ 226,922	\$ 438,258	\$ 408,468	\$ 255,034

EXPENDITURES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Wages & Benefits	\$ 36,907	\$ 197,570	\$ 166,022	\$ 193,636
Supplies & Maintenance	35,339	59,810	56,338	-
Operations [1]	4,447	58,278	63,750	61,398
Capital Outlay	32,481	122,600	122,358	-
	\$ 109,174	\$ 438,258	\$ 408,468	\$ 255,034

PERSONNEL Full Time Equivalents (FTE)	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATE	2008-09 ADOPTED
Service/Maintenance	-	-	-	-
Office/Clerical	-	-	-	-
Technical/Paraprofessional	-	-	-	-
Professional/Management	-	-	-	-
Executive	-	-	-	-
Sworn Officers	-	3.00	3.00	3.00
Temporary/Seasonal	-	-	-	-
	-	3.00	3.00	3.00

Major Budget Changes

[1] The Operations budget includes a transfer to the City of Corinth for 55% of the salary & benefits for the Emergency Coordinator position.

The 2008-09 budget retains 3 Full-Time Police Officers and funds the Denton County Child Advocacy Center (\$10,000).

Capital Improvement Program

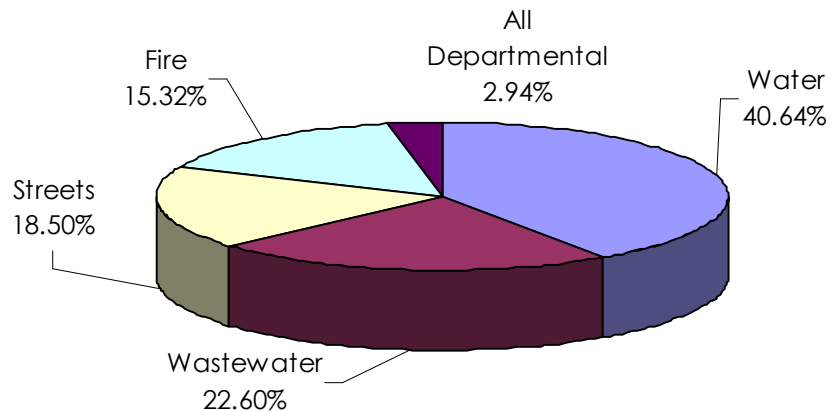
The Capital Improvement Program (CIP) represents the City's five-year plan for development. The Capital Improvement Program is reviewed each year to reflect changing priorities and to provide a framework for identifying capital requirements, the impact of capital projects on operating budgets, scheduling, and coordinating related projects. Capital project funds are created to account for proceeds from the sale of general obligation or revenue bonds to be used for the acquisition or construction of major capital facilities. Budgets are developed by project that may transcend more than one fiscal year.

The Capital Improvement Program has two primary components. First is the General Government CIP, which represents non-utility projects such as streets, parks, public safety, general government programs and facilities. Second is the Utility CIP, which represents projects that benefit the City's enterprise funds such as water, wastewater, and drainage.

The Capital Improvement Program budget is prepared based on the following criteria:

1. Public safety, health, and life
2. Service demands
3. Legal requirements, liability and mandate
4. Quality and reliability of current service level
5. Economic growth and development
6. Recreational, cultural, and aesthetic value
7. Funding ability
8. Operating budgets

2008-09 CAPITAL IMPROVEMENT PROGRAM
\$15,494,000





**CITY OF CORINTH
CAPITAL IMPROVEMENT PROGRAM
2008-2013**

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

Year	Div/Dept	Project Name	Water	Wastewater	Streets	Fire	All Departmental	Total	O & M for next year
FY 08-09	Water	20" WL/1MG Tank - IH-35 to Quail Run - Construction Phase	\$ 4,873,000					\$ 4,873,000	
FY 08-09	Water	12" WL Parkridge (FM 2181 to Scenic)	522,000					522,000	
FY 08-09	Water/Wastewater	FM 2181 Utility Relocations - Design & ROW Acquisition	250,000	250,000				500,000	
FY 08-09	Wastewater	SE Denton Basin LS/SS Improvements - Construction Phase		2,600,000				2,600,000	
FY 08-09	Water/Wastewater	Parkridge (FM 2181 to Meadowview)- Construction Phase	30,000	30,000				60,000	
FY 08-09	Streets	Parkridge (FM 2181 to Meadowview) - Construction Phase			2,244,000			2,244,000	
FY 08-09	Drainage (1)	Parkridge (FM 2181 to Meadowview) - Construction Phase	170,000	170,000	170,000			510,000	
FY 08-09	Drainage (1)	Lynchburg-Hillside Improvements	16,332	16,333	16,334			49,000	
FY 08-09	Drainage (1)	Cliff Oak/Tower Ridge	40,668	40,667	40,666			122,000	
FY 08-09	Drainage (1)	Meadowview Park Pond Reconstruction	100,000	100,000	100,000			300,000	
FY 08-09	Drainage (1)	IH-35 Upstream Improvement - Construction Phase	280,666	280,667	280,667			842,000	
FY 08-09	Land	Shady Shores Land Acquisition	14,584	14,583	14,583	87,500	43,750	175,000	
FY 08-09	Fire	Emergency Sirens					61,000	61,000	
FY 08-09	Fire	Fire Station #2 Payoff				1,067,000		1,067,000	
FY 08-09	Planning	Comprehensive Plan					200,000	200,000	
FY 08-09	Planning	Subdivision Ordinances/Zoning Ordinance Revision					150,000	150,000	
FY 08-09	Fire	Replace 1999 Ambulance				165,000		165,000	
FY 08-09	Fire	Replace 1993 Engine w/ Ladder Truck				750,000		750,000	
FY 08-09	Fire	Replace 1999 Ambulance				175,000		175,000	
FY 08-09	Fire	Rescue Equipment				55,000		55,000	
FY 08-09	Fire	Replace Defibrillators				74,000		74,000	
Total FY 08-09			\$ 6,297,250	\$ 3,502,250	\$ 2,866,250	\$ 2,373,500	\$ 454,750	\$ 15,494,000	\$ -

(1) The revenue from the storm drainage fee is not sufficient to cover the estimated costs for the capital improvement projects identified for future years. These projects have been split into thirds and equally allocated to water, wastewater, and street capital projects.

CAPITAL IMPROVEMENT PROGRAM
Project Descriptions
2008-09

Utility & Street Projects

- **20" Water Line and One Million Gallon (MG) Storage Tank – IH-35 to Quail Run**
This project provides the additional elevated storage and fire flow supply demanded by the residential and commercial developments throughout the City. Additionally it will support the development of commercial properties along IH35. The 20" and 6" water lines will be needed to fill the storage tank from the 20" and 24" water lines being constructed along Lake Sharon Rd.
- **12" WL Parkridge (FM 2181 to Scenic)**
Commercial development west of Parkridge Dr. and south of FM 2181 is anticipated. The waterline is needed to not only serve these developments, but also to provide adequate pressure and fire protection in the general area south of Fm 2181.
- **FM 2181 Relocations (IH35 to WCL)**
TXDOT has projected they will begin reconstruction and widening of FM 2181 in 2008. The City will need to relocate the existing water and sewer lines within the current and proposed right-of-way.
- **SE Denton Basin Lift Station and Sanitary Sewer Improvements**
This project provides for the construction of a new lift station south of FM 2181, on a 100 sq. ft. lot, with an 8" force main and a 10" sewer line to connect the area to the Westside Lift Station. This project will provide sanitary sewer service to the Scenic and Summit Ridge area.
- **Parkridge St. (FM 2181 to Meadowview)**
This project provides for the construction of a 41 ft. wide concrete street section with curb, gutter, and sidewalks. This project runs from FM 2181 north to the improved section of Parkridge St. in the Taylor Ridge development and includes associated drainage improvements.
- **Lynchburg-Hillside Improvements**
The drainage ditch behind Hillside Drive needs to be regarded and expanded to protect the adjacent properties from inundation.
- **Cliff Oak/Tower Ridge Improvements**
The culvert at Cliff Oaks Drive and Tower Ridge Drive should be replaced with a storm drain system. Proposed improvements are necessary for future improvement of Cliff Oaks and Tower Ridge.
- **Meadowview Park Pond Reconstruction**
This project will be done in corporation with the Public Works Department due to this pond being a retention pond for drainage. The project would reconstruct the pond depth to remove the current silt and increase the capacity of the pond. This will allow for proper drainage and will also allow for the stocking of the pond with fish so that park users will have an additional activity for enjoyment while visiting the park.
- **IH-35 Upstream Drainage Improvements**
This project is intended to secure a regional detention pond site on the west side of IH 35. It also includes the design and construction of area improvements to alleviate the drainage issues identified in the Storm Water Master Plan.

CAPITAL IMPROVEMENT PROGRAM
Project Descriptions
2008-09

All Departmental Projects

- **Shady Shores Land Acquisition**
Purchase 5.57 acres of land located at 2708 and 2708A Shady Shores. Property will be used to expand facilities for public works and public safety.
- **Emergency Sirens**
Installation of an outdoor warning system will be used to complement and enhance the current Code Red Notification System. The system includes four outdoor warning sirens with two-way activation and computerized monitoring capability. The system is designed to alert citizens participating in outside activities of impending hazards.
- **Fire Station #2**
In January 2008 the City Council discussed the dissolution of the Lake Cities Volunteer Fire Department and talked about taking the action necessary to provide fire protection and emergency services for the citizens of Corinth and other Lake Cities. This process included the acquisition of Fire Station No. 2 and fire fighting and emergency apparatus and equipment. City Council approved a Reimbursement Resolution on January 3, 2008, to allow the City to use General Fund reserves to finance the costs of acquisition and to reimburse such expenses with certificates of obligation bonds to be sold in the spring of 2008.
- **Comprehensive Plan**
Development of the City's Comprehensive Plan used to guide the remaining growth and development of the community.
- **Subdivision and Zoning Ordinances Revision**
Update and rewrite of all subdivision and zoning ordinances related to development to ensure they are in line with Comprehensive Plan.
- **Replacement 1999 Ambulance**
This funding is to replace an existing 1999 ambulance. The 1999 ambulance will be moved to reserve status once it is replaced.
- **Replace 1993 Fire Engine**
Replace a 1993 reserve commercial engine with a 2001 front line engine. Replace the 2001 front line engine with a ladder truck with pump.
- **Replace Second 1999 Ambulance**
Replacement of the second 1999 ambulance and the 2004 ambulance will be moved to reserve status.
- **Rescue Equipment**
Provide rescue equipment needed to finish out the needs for technical rescue that we cannot obtain through grant. This equipment includes a supplied air system and hose reel.
- **Defibrillators Replaced**
Replacement and update the EMS defibrillators. This will replace 1999 model defibrillators and will follow current protocol and standards.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**CITY OF CORINTH
CAPITAL IMPROVEMENT PROGRAM
2009-2013**

	2008-09	2009-10	2010-11	2011-12	* 2012-13	Total	Next Yr O&M
WATER SYSTEM IMPROVEMENTS							
20" WL/1MG Tank (IH-35 to Quail Run)	4,873,000					4,873,000	
FM 2181 to Scenic - 12" WL Parkridge	522,000					522,000	
FM 2181 Utility Relocations	250,000	3,117,340				3,367,340	
Parkridge (FM 2181 to Meadowview)	30,000					30,000	
Shady Shores Land Acquisition	14,583					14,583	
LSPS Expan. + 1MG Tank		4,725,000				4,725,000	
Lake Sharon to Derby-16/12" WL FM 2499			1,575,000			1,575,000	
Dobbs Rd. Improvements			190,000			190,000	
12" WL Shady Shores (Shady Shores to Shady Rest)				570,000		570,000	
12" WL Connection (Lake Sharon to Church)				418,000		418,000	
Total Water System Improvements	\$ 5,689,583	\$ 7,842,340	\$ 1,765,000	\$ 988,000	\$ -	\$ 16,284,923	\$ -
WASTEWATER SYSTEM IMPROVEMENTS							
FM 2181 Utility Relocations	250,000	1,785,832				2,035,832	
Parkridge (FM 2181 to Meadowview)	30,000					30,000	
SE Denton Basin Lift Station & Sanitary Sewer Impr	2,600,000					2,600,000	
Shady Shores Land Acquisition	14,583					14,583	
Winston - New .3 MGD LS		578,000				578,000	
Kensington LS Expansion			2,100,000			2,100,000	
New .3 MGD LS - (Southwest)			2,625,000			2,625,000	
Total Wastewater System Improvements	\$ 2,894,583	\$ 2,363,832	\$ 4,725,000	\$ -	\$ -	\$ 9,983,415	\$ -
DRAINAGE SYSTEM IMPROVEMENTS (1)							
Lynchburg-Hillside Improvements	49,000					49,000	
Cliff Oak/Tower Ridge	122,000					122,000	
Meadowview Park Pond Reconstruction	300,000					300,000	
Parkridge (FM 2181 to Meadowview)	510,000					510,000	
IH-35 Upstream Improvement	842,000					842,000	
Manchester Way (Bryant to SD)		24,000				24,000	
Dobbs Rd. Regional Detention Pond to Lynchburg		1,140,000				1,140,000	
IH-35 Regional Detention Pond to Lynchburg			2,727,000			2,727,000	
Red Oak Dr. Improvement (Lynchburg)			73,000			73,000	
Dobbs Rd. Improvements			372,000			372,000	
Total Drainage System Improvements	\$ 1,823,000	\$ 1,164,000	\$ 3,172,000	\$ -	\$ -	\$ 6,159,000	\$ -
STREET IMPROVEMENTS							
Parkridge (FM 2181 to Meadowview)	2,244,000					2,244,000	
Shady Shores Land Acquisition	14,584					14,584	
Street Improvements		1,000,000		1,000,000	1,000,000	3,000,000	
Dobbs Rd. Improvements			2,142,000			2,142,000	
Total Street Improvements	\$ 2,258,584	\$ 1,000,000	\$ 2,142,000	\$ 1,000,000	\$ 1,000,000	\$ 7,400,584	\$ -

* An impact fee study is scheduled to be done in 2008-09. Completion of the study will determine the CIP projects needed in 2012-13.
(1) The revenue from the storm drainage fee is not sufficient to cover the estimated costs for the capital improvement projects identified for future years. These projects have been split into thirds and equally allocated to water, wastewater, and street capital projects.

**CITY OF CORINTH, TEXAS
ANNUAL PROGRAM OF SERVICES**

**CITY OF CORINTH
CAPITAL IMPROVEMENT PROGRAM
2009-2013**

	2008-09	2009-10	2010-11	2011-12	* 2012-13	Total	Next Yr O&M
FIRE IMPROVEMENTS							
Fire Station #2 Payoff	1,067,000					1,067,000	
Replace 1999 Ambulance	165,000					165,000	
Shady Shores Land Acquisition	87,500					87,500	
Fire Vehicle/Equipment Replacement	925,000		625,000			1,550,000	
Replace Defibrillators	74,000					74,000	
Rescue Equipment	55,000					55,000	
Replace Airpacks (Comply with New Standard)		125,000				125,000	
Replace Hydraulic Rescue Tools			75,000			75,000	
Total Fire Improvements	\$ 2,373,500	\$ 125,000	\$ 700,000	\$ -	\$ -	\$ 3,198,500	\$ -
ALL DEPARTMENTAL PROJECTS							
Emergency Sirens	61,000					61,000	
Subdivision Ord/Zoning Ord Revision	150,000					150,000	
Comprehensive Plan	200,000					200,000	
Shady Shores Land Acquisition	43,750					43,750	
Development Plan Update to Buildout				100,000		100,000	
Total All Departmental Projects	\$ 454,750	\$ -	\$ -	\$ 100,000	\$ -	\$ 554,750	\$ -
Total Capital Improvement Program	\$ 15,494,000	\$ 12,495,172	\$ 12,504,000	\$ 2,088,000	\$ 1,000,000	\$ 43,581,172	\$ -

* An impact fee study is scheduled to be done in 2008-09. Completion of the study will determine the CIP projects needed in 2012-13.



MISCELLANEOUS STATISTICAL DATA

General City Information:	
Form of Government	Council-Manager
Date of Incorporation	September 19, 1960
Adoption of amended City Charter	May 6, 1999
Number of Employees	164.8
Area in Square Miles	8
Population (NCTCOG estimate)	19,650

Recreation:	
Number of Parks	14
Number of Recreation Centers	2
Park Acreage	176.47
Sports Fields	14
Trails (miles)	12

Fire Protection:	
Number of Stations	2
Number of Certified Firefighters	30

Police Protection:	
Number of Stations	2
Number of Sworn Officers	27

Municipal Water Department:	
Number of Customers	6,640
Average Monthly Residential Consumption	6,600 gallons
Miles of Water Mains	103.29 miles

Municipal Wastewater Department:	
Number of Customers	6,385
Miles of Wastewater Mains	93.68 miles

BUDGET GLOSSARY

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

Accrual Basis. The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Accrued Expenses. Expenses incurred but not due until a later date.

Administrative Transfer. An interfund transfer designed to recover General Fund expenditures conducted on behalf of Proprietary funds.

Ad Valorem Taxes. (Current) All property, real, personal, tangible, intangible, annexations, additions, and improvements to property located within the taxing unit's jurisdiction, which are subject to taxation on January 1 of the current fiscal year. Each year, by ordinance, the City Council exempts taxes on automobiles and other items from the tax levy. Following the final passage of the appropriations ordinance, City Council sets the tax rate and levy for the fiscal year beginning October 1 and continuing through the following September 30th.

Ad Valorem Taxes. (Delinquent) All taxes are due on receipt of bill and are delinquent if not paid before February 1 of the fiscal year in which they are imposed, except when the taxing unit postpones the delinquency date due to late mailing of tax bills or successful rollback elections.

Ad Valorem Taxes. (Penalty and interest) A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, the delinquent tax on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent.

Appropriation. A legal authorization granted by a governing body to make expenditures and to incur obligations for specific purposes.

Appropriable Fund Balance. The cash remaining from the prior year which is available for appropriation and expenditure in the current year.

Appropriation Ordinance. The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

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 Denton Central Appraisal District.)

Balanced Budget. A budget in which estimated revenues equal estimated expenditures.

Bond. 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. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

**BUDGET GLOSSARY
(continued)**

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

Budget Adjustments. A legal procedure utilized by the City staff and City Council to revise a budget appropriation. The City of Corinth's Charter requires City Council approval through the adoption of a supplemental appropriation ordinance (which specifies both the source of revenue and the appropriate expenditure account) for any intra-fund adjustments. City staff has the prerogative to adjust expenditures within a departmental budget.

Budget Calendar. The schedule of key dates or milestones, which the City departments follow in the preparation, adoption, and administration of the budget.

Budget Document. The instrument used by the operational authority to present a comprehensive financial program to the City Council.

Budget Message. The opening section of the budget, which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budgeted Funds. Funds that are planned for certain uses but have not been formally or legally appropriated by the governing body.

Capital Improvements. A permanent addition to the city's assets, including the design, construction or purchase of land, buildings or facilities, or major renovations of the same.

Cash Basis. A basis of accounting under which transactions are recognized only when cash changes hands.

Cash Management. The management of cash necessary to pay for government services, while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

Cost. (1) The amount of money or other consideration exchanged for property or services.
(2) Expense.

Cost Accounting. That method of accounting, which provides for assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job.

Current Taxes. Taxes that are levied and due within one year.

Debt Services. The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Deficit. (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

BUDGET GLOSSARY
(continued)

Delinquent Taxes. Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached.

Department. An organizational unit, which has the responsibility of providing programs, activities, and functions in a related field.

Depreciation. The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Division. An administrative segment of the City, which indicates management responsibility for an operation or a group of related activities within a functional area. Divisions are the basic units of the budget upon which departments are composed.

Encumbrances. Commitments related to unperformed (executory) contracts for goods or services.

Enterprise Fund. A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) for providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those for water, gas, and electric utilities; swimming pools; airports; parking garages; and transit systems.

Expenditure. This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.

Expenses. Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

Fiscal Year. The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Corinth has specified October 1 to September 30 as its fiscal year.

Fixed Assets. Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Franchise Fee. This is a charge paid for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise fees, inspections, fees, and/or charges of every kind except only Ad Valorem and special assessment taxes for public improvements (e.g., gas, telephone, and cable tv).

Full-time Equivalent (FTE). A unit of measure based on the number of hours that an employee works during the fiscal year. One FTE is equal to 2080 hours.

Function. A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

Fund. An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

BUDGET GLOSSARY
(continued)

Fund Balance. Fund balance is the excess of assets over liabilities and is therefore also known as surplus funds.

General Fund. The fund used to account for all financial resources except those required to be accounted for in another fund.

General Obligation Bonds. Bonds that finance a variety of public projects, such as streets, buildings, and improvements. The repayment of these bonds is usually made from the General Debt Service Fund, and these bonds are backed by the full faith and credit of the issuing government.

Generally Accepted Accounting Principles (GAAP). Uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. They encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. They provide a standard by which to measure financial presentations.

Governmental Funds. Those funds through which most governmental functions typically are financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, General Debt Service).

Grants. Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

Income. A term used in proprietary fund type accounting to represent (1) revenues or (2) the excess of revenues over expenses.

Interfund Transfers. Amounts transferred from one fund to another to recover the charge for administrative services.

Investments. Securities and real estate held for the production of revenues in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

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

Long-Term Debt. Debt with a maturity of more than one year after the date of issuance.

Mixed Beverage Tax. A tax imposed on the gross receipts of a Licensee for the sale, preparation, or service of mixed beverages or from the sale of ice or non-alcoholic beverages and consumed on the premises of the permittee.

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 incurred 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 on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

**BUDGET GLOSSARY
(continued)**

Operating Budget. Plans of current expenditures and the proposed means of financing them. The annual operating budget (or, in the case of some states governments, the biennial operating budget) is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even where not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

Operating Expenses. Fund expenses which are directly related to the fund's primary service activities.

Operating Grants. Grants which are restricted by the grantor to operating purposes or which may be used for either capital or operating purposes at the discretion of the grantee.

Operating Income. The excess of fund operating revenues over operating expenses.

Operating Revenues. Fund revenues, which are directly related to the fund's primary service activities. They consist primarily of user charges for services.

Ordinance. A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions, which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

Other Financing Sources. Governmental fund general long-term debt proceeds, operating transfers out, and material proceeds of fixed asset dispositions. Such amounts are classified separately from revenues.

Overlapping Debt. The proportionate share of the debts of local governments located wholly or in part within the limits of the reporting government, which must be borne by property within each government.

Performance Measures. Specific quantitative and qualitative measures of work performed as an objective of the department.

Productivity Measures. Productivity measures should reflect how well a program is performing its activities to meet the needs of the public and the organization. They should measure productivity, effectiveness, efficiency or the impact of a service provided. While activity measures indicate "how much" activity the division/department is performing, productivity measures identify "how well" the division/department is performing.

Program Description. Describes the nature of service delivery provided at this level of funding. It clearly explains how service delivery will be different from the prior budget year.

Program Goals. Program goals describe the purpose or benefit the division/department plans to provide to the community and/or organizations it serves. Goals identify the end result the division/department desires to achieve with its activities, but goals are often ongoing and may not be achieved in one year.

Program Objectives. Program Objectives are quantifiable steps toward accomplishing stated goals. They should have a specific time frame or measurable achievement. Objectives should be able to be reached or completed within the current fiscal year. Objective statements are not required for every activity performed, but should focus on the major steps necessary for achieving established goals.

**BUDGET GLOSSARY
(continued)**

Property Tax. Property taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Reserve. An account to use to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Revenue Bonds. Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund's property.

Revenues. (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers in are classified as "other financing sources" rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers in are classified separately from revenues.

Sales Tax. A general "sales tax" is levied on persons and businesses selling merchandise or services in the city limits on a retail basis. The categories for taxation are defined by state law. Monies collected under authorization of this tax is for the use and benefit of the City; however, no city may pledge anticipated revenues from this source to secure the payment of funds or other indebtedness.

Shared Revenues. Revenues levied by one government but shared on a pre-determined basis, often in proportion to the amount collected at the local level, with another government or class of governments.

Tax Rate. The amount of tax stated in terms of a unit of the tax base; for example, \$.50 per \$100 (one hundred dollars) assessed valuation of taxable property.

Tax Rate Limit. The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

Tax Roll. The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

Taxes. Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

Trial Balance. A list of the balances of the accounts in a ledger kept by double entry with the debit and credit balances shown in separate columns.

Unencumbered Balance. The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

Working Capital. Budgeted working capital is calculated as a fund's current assets less current liabilities and outstanding encumbrances.

