



**NOTICE OF MEETING & AGENDA  
KAUFMAN ECONOMIC DEVELOPMENT  
CORPORATION MEETING  
TUESDAY, APRIL 14, 2026 AT 6:00 PM  
KAUFMAN CITY HALL  
EXECUTIVE CONFERENCE ROOM  
209 S. WASHINGTON ST.  
KAUFMAN, TEXAS 75142**

**ALL ITEMS ARE SUBJECT  
TO ACTION BY THE BOARD**

**CALL MEETING TO ORDER** Chairman calls the Meeting to order, states the date and time, states members present, and declares a quorum present.\*\*

**CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES)** Comments about any of the agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the KEDC on any subject but must first complete a Request to Speak Form so that the Chairman may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the KEDC as a whole. **When addressing the KEDC, please step forward to the speaker's podium, state your name and address, and direct your comments to the Chairman and KEDC.**

**CONSENT AGENDA**

1. Consider and take appropriate action on the monthly Financial Report from the Treasurer of the Corporation.
2. Consider and take appropriate action on the minutes from the March 10, 2026 Kaufman Economic Development Corporation meeting.

**EXECUTIVE DIRECTOR'S REPORT** Receive an update and discussion regarding the following: a.) Meetings/Events of Interest; b.) Prospect Activity; c.) Staff Announcements

3. KEDC Executive Director's Report - Discussion Only (No Action Taken)
  - 3.1) Staff Report on monthly Kaufman EDC marketing and prospect activities;
  - 3.2) Staff Report on monthly business retention and expansion (BRE) activities;
  - 3.3) Staff Report on monthly commercial development activities;
  - 3.4) Staff Report on events attended by KEDC Staff

**DISCUSSION/ACTION ITEMS**

4. Consider and discuss the FY 2025 Kaufman Economic Development Corporation annual audit report.
5. Consider and take appropriate action on a mid-year budget amendment to the FY 2026

Kaufman Economic Development Corporation budget.

**EXECUTIVE SESSION** In accordance with Texas Government Code, Section 551.001, et seq., the KEDC will recess into Executive Session (closed meeting) to discuss the following:

6. A. Section 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. (1) To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1): Projects Pie, Snooze, Jetson, Waco, Cupboard, Kaleidoscope, Flashlight, Velocity, Cowbell, Junior, Jet, Sandstone, Adventure
- B. Section 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING. To deliberate the purchase, exchange, lease, or value of real property regarding: Prairie Creek Crossing Business Park

**RECONVENE INTO OPEN SESSION**

7. Consider and take appropriate action, if any, on matters discussed in Executive Session.

**ITEMS OF COMMUNITY INTEREST** Pursuant to Texas Government Code Sec. 551.0415, a member of the Board or Kaufman EDC Staff may make an announcement about items of community interest during a meeting of the corporation without having given notice of the subject of the announcement. "Items of community interest" includes: (1) expression of thanks, congratulations or condolence; (2) information regarding holiday schedules; (3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision; (4) a reminder about an upcoming event organized or sponsored by the corporation; (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the corporation that was attended or is scheduled to be attended by a board member or employee of the corporation.

**BOARD INQUIRY** If a member of the Corporation makes a spontaneous inquiry about a subject not on this agenda, then the KEDC or an appropriate staff member may make a statement of factual information or policy in response to such an inquiry. However, in accordance with Open Meetings Act Section 551.042, the KEDC cannot discuss issues raised or make any decisions on that subject at that time. Issues raised may be referred to Staff for research and possible future action.

**ADJOURNMENT**

I, STEWART McGREGOR, EXECUTIVE DIRECTOR, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE WINDOW AT KAUFMAN MUNICIPAL COMPLEX, 209 S.

WASHINGTON, KAUFMAN, TEXAS, A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES AND SAID NOTICE WAS POSTED AT THE KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS AT 6:00 P.M. ON WEDNESDAY, APRIL 8, 2026, AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST THREE (3) BUSINESS DAYS PRECEDING THE SCHEDULE TIME OF SAID MEETING.

---

STEWART McGREGOR  
EXECUTIVE DIRECTOR

**THE KAUFMAN ECONOMIC DEVELOPMENT CORPORATION RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THE COURSE OF THIS MEETING TO DISCUSS ANY OF THE MATTERS LISTED ABOVE, AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE. SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

**THE BUILDING IN WHICH THE ABOVE MEETING WILL BE CONDUCTED IS WHEELCHAIR ACCESSIBLE AND PARKING SPACES FOR THE MOBILITY IMPAIRED ARE AVAILABLE. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, READERS, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-932-2216 AT LEAST TWO (2) WORKING DAYS PRIOR TO THE TIME OF THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.**

glbase_scm1 kedcdir			City of Kaufman			
Page 1			Revenue & Expense Report			
14:40 04/09/26			Department: Non departmental		Program:	
Fund: 32 ECONOMIC DEVELOPMENT CORP.			Period Ending: 4/2026			
Account	Description		Current	Current	Encumbrances	Budget
Budget	Prior Year	2 Years Prior	Year	Month	Current	Balance
Balance	Actual	Actual	Budget	Actual	YTD Actual	
Percent		Total			& Encumbr	
32-4105-000-0 General Sales & Use			640,000.00-		356,707.56-	283,292.44-
44.264	660,572.69-	632,608.46-				
Subtotal:			640,000.00-		356,707.56-	283,292.44-
44.264	660,572.69-	632,608.46-				
32-4604-000-0 Interest Income			40,000.00-		23,785.78-	16,214.22-
40.536	50,556.38-	43,852.63-				
32-4606-000-0 Miscellaneous Revenu						
4,500.00-	3,685.72-					
32-4608-000-0 Loan Revenue			10,000.00-			10,000.00-
100.000	10,000.00-					
32-4612-000-0 Intergovernmental Re						
80.09-						
32-4631-000-0 Other Fin Sources-No						
2,791,250.00-						
Subtotal:			50,000.00-		23,785.78-	26,214.22-
52.428	65,056.38-	2,838,868.44-				
Program number:			690,000.00-		380,493.34-	309,506.66-
44.856	725,629.07-	3,471,476.90-				
Department number: Non departmental			690,000.00-		380,493.34-	309,506.66-
44.856	725,629.07-	3,471,476.90-				
Revenue Subtotal -----			690,000.00-		380,493.34-	309,506.66-
44.856	725,629.07-	3,471,476.90-				

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 14:40 04/09/26

City of Kaufman

Revenue & Expense Report

Fund: 32 ECONOMIC DEVELOPMENT CORP.

Department: Non departmental

Program:

Period Ending: 4/2026

Account	Description	Current	Current	Encumbrances	Current	Budget
Budget	Prior Year	Year	Month		YTD Actual	Balance
Balance	Actual	Budget	Actual		& Encumbr	
Percent						Total
32-5101-000-0	Salaries & Wages	162,485.00			63,051.03	99,433.97
61.196	153,269.26					143,942.11
32-5177-000-0	Retention Pay	10,370.00				10,370.00
100.000	6,108.00					6,085.95
	Subtotal:	172,855.00			63,051.03	109,803.97
63.524	159,377.26					150,028.06
32-5203-000-0	Operating Supplies	2,000.00			592.83	1,407.17
70.359	98.97					4,779.18
32-5213-000-0	Meetings	13,000.00			2,177.21	10,822.79
83.252	16,728.01					6,919.93
32-5214-000-0	Promotional Material	5,900.00			6,464.54	564.54-

-9.568	2,068.06	10,488.40			
32-5220-000-0	Minor Tools & Equipm		7,150.00	3,500.00	3,650.00
51.049	7,936.98	7,442.16			
Subtotal:			28,050.00	12,734.58	15,315.42
54.600	26,832.02	29,629.67			
32-5302-000-0	Postage & Delivery		500.00	49.80	450.20
90.040	57.87	355.00			
32-5303-000-0	Advertising		13,660.00	2,823.00	10,837.00
79.334	10,825.85	23,255.00			
32-5305-000-0	Licenses, Dues & Sub		7,720.00	6,404.34	1,315.66
17.042	4,134.54	6,151.93			
32-5306-000-W	Utilities-Electric/W		550.00	222.20	327.80
59.600	589.92	500.36			
32-5309-000-0	Insurance & Bonds		560.00		560.00
100.000	511.00	511.00			
32-5322-000-0	Tuition & Education		6,200.00	1,852.00	4,348.00
70.129	3,380.59	4,585.42			
32-5330-000-0	Travel		12,950.00	3,222.62	9,727.38
75.115	8,280.61	6,429.10			
32-5352-000-0	Maintenance-Grounds		8,000.00	1,000.00	7,000.00
87.500	6,862.35	8,000.00			
32-5362-000-0	Professional Svcs-Ad		106,455.00	42,816.08	63,638.92
59.780	115,412.36	103,083.62			
32-5363-000-0	Professional Svcs-Te		10,500.00	750.00	9,750.00
92.857	13,525.00	9,500.00			
Subtotal:			167,095.00	59,140.04	107,954.96
64.607	163,580.09	162,371.43			
32-5487-000-0	Land Purchase				
2,745,759.10					
Subtotal:					
2,745,759.10					
32-5500-000-0	Matching Grants		75,000.00		75,000.00
100.000	57,237.86	82,519.11			
32-5501-000-0	Incentives / Intergo				
50,000.00					
32-5507-000-0	HWY 34 Bypass Fundin		100,000.00		100,000.00
100.000	100,000.00	100,000.00			
Subtotal:			175,000.00		175,000.00
100.000	157,237.86	232,519.11			
32-5607-000-0	Note - Principal		8,593.00	8,593.40	.40-
-.005	3,374.41	38,929.59			

32-5608-000-0	Note - Interest	178,407.00	178,406.60	.40
178,625.59	11,070.41			
32-5651-000-0	Note - Issuance Cost			
41,250.00				
Subtotal:		187,000.00	187,000.00	
182,000.00	91,250.00			
Program number:		730,000.00	321,925.65	408,074.35
55.901	689,027.23 3,411,557.37			

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City of Kaufman

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14:40 04/09/26

Revenue & Expense Report

Fund: 32 ECONOMIC DEVELOPMENT CORP.

Department:

Non departmental

Program:

Period Ending: 4/2026

Account	Description	Current	Current	Encumbrances	Current	Budget
Budget	Prior Year	2 Years Prior	Year	Month	YTD Actual	Balance
Balance	Actual	Actual	Budget	Actual	& Encumbr	
Percent		Total				

Department number:	Non departmental	730,000.00	321,925.65	408,074.35
55.901	689,027.23 3,411,557.37			
Expenditure	Subtotal -----	730,000.00	321,925.65	408,074.35
55.901	689,027.23 3,411,557.37			
Fund number:	32 ECONOMIC DEVELOPMENT CORP.	40,000.00	58,567.69-	98,567.69
246.419	36,601.84- 59,919.53-			

\*\*\*\*\* End of Report \*\*\*\*\*



**MINUTES OF THE  
KAUFMAN ECONOMIC DEVELOPMENT  
CORPORATION MEETING  
TUESDAY, MARCH 10, 2026 AT 6:00 PM  
KAUFMAN CITY HALL  
EXECUTIVE CONFERENCE ROOM  
209 S. WASHINGTON ST.  
KAUFMAN, TEXAS 75142**

**CALL MEETING TO ORDER** Chairman calls the Meeting to order, states the date and time, states members present, and declares a quorum present.\*\*

President Gillenwater called the KEDC meeting to order at 6:01 p.m. Directors present were Charles Gillenwater, Barry Ratcliffe, Tommy Henricks, and Jane Lucas. President Gillenwater declared a quorum present. Also present were Assistant City Manager Rachel Balthrop Mendoza, City Secretary Jessie Hanks, and Economic Development Director Stewart McGregor.

**CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES)** Comments about any of the agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the KEDC on any subject but must first complete a Request to Speak Form so that the Chairman may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the KEDC as a whole. **When addressing the KEDC, please step forward to the speaker's podium, state your name and address, and direct your comments to the Chairman and KEDC.**

No comments were given.

**CONSENT AGENDA**

1. Consider and take appropriate action on the monthly Financial Report from the Treasurer of the Corporation.

Vice Chairman Ratcliffe presented the monthly Financial Report for the KEDC.

Director Lucas made a motion to approve the monthly Financial Report. The motion was seconded by Director Henricks and passed 4/0.

2. Consider and take appropriate action on the minutes from the February 10, 2026 and March 4, 2026 Kaufman Economic Development Corporation meetings.

Director Henricks made a motion to approve the minutes from the February 10, 2026, and March 4, 2026, Kaufman Economic Development Corporation meeting as presented. The motion was seconded by Vice Chairman Ratcliffe and passed 4/0.

**EXECUTIVE DIRECTOR'S REPORT** Receive an update and discussion regarding the following: a.) Meetings/Events of Interest; b.) Prospect Activity; c.) Staff Announcements

3. KEDC Executive Director's Report - Discussion Only (No Action Taken)
  - 3.1) Staff Report on monthly Kaufman EDC marketing and prospect activities;
  - 3.2) Staff Report on monthly business retention and expansion (BRE) activities;
  - 3.3) Staff Report on monthly commercial development activities;
  - 3.4) Staff Report on events attended by KEDC Staff

Mr. McGregor presented the KEDC Executive Director's report about his activities for the previous month.

### **DISCUSSION/ACTION ITEMS**

4. Consider and discuss the City of Kaufman's Comprehensive Plan progress and components related to economic development.

There was a presentation and discussion regarding an update on the City of Kaufman's Comprehensive Plan, including its progress and components related to economic development.

**EXECUTIVE SESSION** In accordance with Texas Government Code, Section 551.001, et seq., the KEDC will recess into Executive Session (closed meeting) to discuss the following:

President Gillenwater recessed into Executive Session at 6:51 p.m.

5. A. Section 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. (1) To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1): Projects Pie, Snooze, Jetson, Kettle, Reflection, Waco, Cupboard, Kaleidoscope, Flashlight, Velocity, Cowbell, Junior, Jet, Sandstone  
  
B. Section 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING. To deliberate the purchase, exchange, lease, or value of real property regarding: Prairie Creek Crossing Business Park  
  
C. Section 551.074. PERSONNEL MATTERS; CLOSED MEETING. (1) To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: Executive Director

### **RECONVENE INTO OPEN SESSION**

President Gillenwater reconvened into open session at 7:25 p.m.

6. Consider and take appropriate action, if any, on matters discussed in Executive Session.

Vice Chairman Ratcliffe made a motion to approve the updated personnel services agreement between the KEDC and the City of Kaufman for the employment of the Corporation's Executive Director through the end of the fiscal year. The motion was seconded by Director Henricks and passed 4/0.

**ITEMS OF COMMUNITY INTEREST** Pursuant to Texas Government Code Sec. 551.0415, a member of the Board or Kaufman EDC Staff may make an announcement about items of community interest during a meeting of the corporation without having given notice of the subject of the announcement. "Items of community interest" includes: (1) expression of thanks, congratulations or condolence; (2) information regarding holiday schedules; (3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision; (4) a reminder about an upcoming event organized or sponsored by the corporation; (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the corporation that was attended or is scheduled to be attended by a board member or employee of the corporation.

No comments were given.

**BOARD INQUIRY** If a member of the Corporation makes a spontaneous inquiry about a subject not on this agenda, then the KEDC or an appropriate staff member may make a statement of factual information or policy in response to such an inquiry. However, in accordance with Open Meetings Act Section 551.042, the KEDC cannot discuss issues raised or make any decisions on that subject at that time. Issues raised may be referred to Staff for research and possible future action.

No comments were given.

**ADJOURNMENT**

There being no further business, Chairman Gillenwater adjourned the meeting at 7:25 p.m.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Charles Gillenwater, President

\_\_\_\_\_  
Ben Brashear, Secretary/Treasurer

## Executive Director's Report April 14, 2026

### Calendar

- **3/12:** Agile 100 Days of Safety Celebration
- **3/16:** Meeting with Cadence-McShane Construction
- **3/18:** Meeting with Henry S. Miller Real Estate; Call with prospective TXDOT property developer
- **3/19:** Kaufman Chamber Board Meeting
- **3/20:** Meeting with HomeZone Furniture
- **3/22-23:** Kaufman County Day at the Capitol (Austin, TX)
- **3/24:** Governor's Office Economic Development & Tourism Community Update Presentation
- **3/25:** KISD Student Leadership Lunch & Learn Presentation
- **3/27:** Meeting with Lilliana Soto-Atenza (Luna Ground Construction Consulting)
- **3/30:** Call with NCTCOG Economic Development District
- **3/31:** Meeting with Rusty Glover (Cross Engineering) & Paul Byrne (JB Ranch – fmr. Star Brand Ranch); Meeting with ARCO Design Build
- **4/1:** Call with Governor's EDT Office (Opportunity Zones 2.0); Kaufman Comprehensive Plan Monthly Call
- **4/2:** KEDC Website Updates Call
- **4/3:** Good Friday Holiday
- **4/6:** Stewart & Emily Vacation Days
- **4/8:** Call with prospective TXDOT property developer; Kings Fort Retail Meeting
- **4/9:** M&D Real Estate East Dallas Metro CRE Networking Forum (Rockwall)
- **4/14:** Emily call with Texas Film Commission

Prospect Lead Responses: Projects Planet Texas, Green Horizon, Supernova, Bravo Beam, Phoenix Project

Upcoming Events: DBJ Best Real Estate Deals Awards Dinner (4/23); Kaufman Education Foundation Donkeyball (4/24); Monthly City Council Meeting (4/27); Kaufman Chamber Golf Tournament (5/4); Kaufman Comprehensive Plan Open House (5/7)

Next Regular KEDC Board Meeting: May 12<sup>th</sup>

Economic Development Prospects: Board to receive update on active prospects in Executive Session.



<b>Meeting Date: 4-14-2026</b>	<b>Date: 4-10-2026</b>	<b>Item #: 4</b>	<b>Dept.: KEDC</b>
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(Check one)

**Consent**
                         
  **Action**
                         
  **Discussion**

**SUBJECT:**  
 Consider and discuss the FY 2025 Kaufman Economic Development Corporation annual audit report.

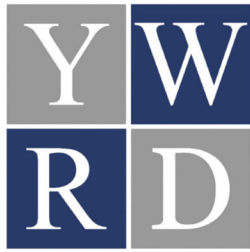
**BACKGROUND:**  
 The Kaufman EDC’s FY 2025 audit was completed by YWRD, PC with a clean report. The auditors have recommended the KEDC adopt an investment policy separate from the City of Kaufman. This policy will be brought for board consideration at the May 2026 KEDC Board Meeting.

<b>Author:</b> Stewart McGregor, KEDC Executive Director	<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director
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<b>Cost:</b> N/A	<b>Funds Available:</b> N/A	<b>Source:</b> N/A
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**Recommendation:**  
 Discussion and Direction

<b>Safe &amp; Secure</b>	<b>Business Friendly/Economic Development</b>	<b>Partnership &amp; Community Involvement</b>	<b>Healthy &amp; Environmentally Cons. Comm.</b>	<b>Financial &amp; OPS Stewardship</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



March 9, 2026

Board of Directors  
Kaufman Economic Development Corporation

We have audited the financial statements of the governmental activities and the general fund of the Kaufman Economic Development Corporation for the year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated August 14, 2025. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Kaufman Economic Development Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by Kaufman Economic Development Corporation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Kaufman Economic Development Corporation's financial statements was:

Management's estimate of the allowance for accumulated depreciation is based on the estimated useful life of the capital asset. We evaluated the methods, assumptions, and data used to develop the allowance for accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated March 9, 2026.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Kaufman Economic Development Corporation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Kaufman Economic Development Corporation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Board of Directors  
Kaufman Economic Development Corporation  
Page Three

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Kaufman Economic Development Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*YWRD, P.C.*

YWRD, P.C.  
*Certified Public Accountants*



To the Board of Directors  
Kaufman Economic Development Corporation

In planning and performing our audit of the financial statements of the governmental activities and the general fund of Kaufman Economic Development Corporation as of and for the year ended September 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered Kaufman Economic Development Corporation's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kaufman Economic Development Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Kaufman Economic Development Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in internal control to be a material weakness:

1. Preparation of Financial Statements – We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Auditing standards require auditors to communicate this situation to the Board as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. However, based on current auditing standards, it is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors cannot be part of your internal control process.

From a practical standpoint, we prepare the statements and determine the fairness of the presentation at the same time in connection with our audit. This is not unusual for us to do with a governmental entity of your size.

The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors. We have instructed management to review a draft of the auditor prepared financials in detail for accuracy and we have answered any questions that management might have. We are satisfied that the appropriate steps have been taken to provide you with the completed financial statements.

Board of Directors  
Kaufman Economic Development Corporation  
Page Two

Under the circumstances, the most effective controls lie in management's knowledge of the Kaufman Economic Development Corporation's financial operations. It is the responsibility of management and those charged with governance to make the decisions whether to accept the degree of risk associated with this condition because of cost and other considerations. Regarding the specific situation listed above, we would offer the following specific recommendations: 1) Utilize a disclosure checklist to ensure all required disclosures are present and agree to work papers, and 2) Agree your accounting information to the amounts reported in the financial statements.

This communication is intended solely for the information and use of management, the Board of Directors, and others within Kaufman Economic Development Corporation, and is not intended to be, and should not be, used by anyone other than these specified parties.

*YWRD, P.C.*

YWRD, P.C.  
*Certified Public Accountants*

Ennis, Texas  
March 9, 2026

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
*(A Component Unit of the City of Kaufman, Texas)*

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2025

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended September 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Kaufman Economic Development Corporation

### Opinions

We have audited the accompanying financial statements of the governmental activities and general fund of Kaufman Economic Development Corporation, a component unit of the City of Kaufman, Texas, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Kaufman Economic Development Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of Kaufman Economic Development Corporation, as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Kaufman Economic Development Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Kaufman Economic Development Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Kaufman Economic Development Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Kaufman Economic Development Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*YWRD, P.C.*  
YWRD, P.C.  
*Certified Public Accountants*

Ennis, Texas  
March 9, 2026

# ***Kaufman Economic Development Corporation***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

As management of the Kaufman Economic Development Corporation ("the Corporation"), we offer readers of the Corporation's financial statements this narrative overview and analysis of the financial activities of the Corporation for the fiscal year ended September 30, 2025.

### **Financial Highlights**

- The assets of the Corporation exceeded its liabilities at the close of the most recent fiscal year by \$1,458,671 (net position).
- The Corporation's total net position increased by \$138,252.
- As of the close of the current fiscal year, the Corporation's general fund reported ending fund balance of \$1,585,639. Over 72% of this amount, \$1,149,867 is unassigned and available for use within the Corporation's designation and policies.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$1,149,867 or 167% of the total general fund expenditures.

### **Overview of the Financial Statements**

This discussion and analysis provided here is intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The *statement of activities* presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the Corporation that are principally supported by taxes and investment earnings (*governmental activities*). The sole governmental activity of the Corporation is economic development.

The government-wide financial statements can be found on pages 9-10 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only fund of the Corporation is a governmental fund.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Corporation maintains one governmental fund. Information is presented separately in the *governmental fund balance sheet* and in the *governmental fund statement of revenues, expenditures and changes in fund balance* for the General fund, which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 11-14 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-23 of this report.

### **Government-wide Overall Financial Analysis**

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the Corporation, assets exceeded liabilities by \$1,458,671, at the close of the most recent fiscal year.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION'S NET POSITION**

	Governmental Activities		Total	
	2025	2024	2025	2024
Current and other assets	\$ 1,591,690	\$ 1,583,963	\$ 1,591,690	\$ 1,583,963
Capital assets	3,295,412	3,296,501	3,295,412	3,296,501
Total assets	4,887,102	4,880,464	4,887,102	4,880,464
Long term liabilities	3,248,946	3,352,320	3,248,946	3,352,320
Other liabilities	179,485	207,725	179,485	207,725
Total liabilities	3,428,431	3,560,045	3,428,431	3,560,045
Net position:				
Net investment in capital assets	546,466	544,181	546,466	544,181
Restricted	275,000	275,000	275,000	275,000
Unrestricted	637,205	501,238	637,205	501,238
Total net position	\$ 1,458,671	\$ 1,320,419	\$ 1,458,671	\$ 1,320,419

The Corporation uses capital assets to provide service to potential businesses. Accordingly, these assets are not available for future spending.

**Analysis of the Corporation's Operations.** The following table provides a summary of the Corporation's operations for the year ended September 30, 2025. Governmental activities increased the Corporation's net position by \$138,252.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION'S CHANGES IN NET POSITION**

	Governmental Activities		Total	
	2025	2024	2025	2024
Revenues:				
Program revenues:				
Operating grants and contributions	\$ -	\$ 80	\$ -	\$ 80
General revenues:				
Sales taxes	669,726	632,608	669,726	632,608
Miscellaneous	4,500	3,686	4,500	3,686
Investment earnings	50,557	43,851	50,557	43,851
Total revenues	724,783	680,225	724,783	680,225
Expenses:				
Economic development	408,118	484,829	408,118	484,829
Interest	178,413	225,967	178,413	225,967
Total expenses	586,531	710,796	586,531	710,796
Increase (decrease) in net position	138,252	(30,571)	138,252	(30,571)
Net position - beginning	1,320,419	1,350,990	1,320,419	1,350,990
Net position - ending	\$ 1,458,671	\$ 1,320,419	\$ 1,458,671	\$ 1,320,419

**Financial Analysis of Governmental Funds**

As noted earlier, the Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the Corporation's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Corporation's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Corporation itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Board of Directors.

As of the end of the current fiscal year, the Corporation's governmental fund reported ending fund balance of \$1,585,639, an increase of \$35,755 in comparison with the prior year. Of this total amount \$1,149,867 constitutes *unassigned fund balance*. The remainder of the fund balance is *nonspendable, restricted* or *assigned* to indicate that it is 1) not in spendable form (\$60,772), 2) restricted for particular purposes (\$275,000), or 3) assigned for particular purposes (\$100,000).

The general fund is the chief operating fund of the Corporation. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,149,867 while total fund balance reached \$1,585,639. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 167% of total general fund expenditures, while total fund balance represents 230% of that same amount.

The fund balance of the Corporation's general fund increased \$35,755 during the current fiscal year.

### **General Fund Budgetary Highlights**

**Original budget compared to final budget.** During the year, the Corporation increased total estimated revenues by \$30,330. Sales tax revenues and revenues from the use of money increased by \$20,330 and \$10,000, respectively. Total expenditures were decreased by \$7,675. Professional services expenditures increased by \$46,143 and matching grants decreased \$42,350.

**Final budget compared to actual results.** General fund actual revenues of \$724,783 exceeded budgeted revenues of \$720,330 by \$4,453. Budgeted general fund expenditures of \$712,325 exceeded actual expenditures of \$689,028 by \$23,297.

### **Capital Assets and Debt Administration**

**Capital Assets.** The Corporation's investment in capital assets for its governmental activities as of September 30, 2025 amounts to \$3,295,412 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure and machinery and equipment.

**Capital Assets at Year-End  
Net of Accumulated Depreciation**

	<b>Governmental Activities</b>		<b>Total</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Land	\$ 3,295,412	\$ 3,295,412	\$ 3,295,412	\$ 3,295,412
Infrastructure	-	1,089	-	1,089
Total	<u>\$ 3,295,412</u>	<u>\$ 3,296,501</u>	<u>\$ 3,295,412</u>	<u>\$ 3,296,501</u>

Additional information on the Corporation's capital assets can be found in Note 2.C of this report.

**Long-term Debt.** At the end of the current fiscal year, the Corporation's long-term obligations are comprised of a note payable and economic development agreements.

**Outstanding Debt**

	<b>Governmental Activities</b>		<b>Total</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Note payable	\$ 2,748,946	\$ 2,752,320	\$ 2,748,946	\$ 2,752,320
Economic development agreements	500,000	600,000	500,000	600,000
Total	<u>\$ 3,248,946</u>	<u>\$ 3,352,320</u>	<u>\$ 3,248,946</u>	<u>\$ 3,352,320</u>

Additional information on the Corporations' long term-debt can be found in Note 2.E of this report.

**Economic Factors and Next Year's Budgets and Rates**

In the fiscal year 2025-2026 budget, revenues decreased 4.2% from the 2024-2025 budget year with sales tax making up 93% of budgeted revenues.

**Request for Information**

This financial report is designed to provide a general overview of the Corporation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Kaufman Economic Development Corporation, 209 S. Washington, Kaufman, Texas 75142.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**STATEMENT OF NET POSITION**  
September 30, 2025

	<b>Governmental Activities</b>	<b>Total</b>
<b>ASSETS</b>		
Cash	\$ 1,432,356	\$ 1,432,356
Loan receivable	60,000	60,000
Due from primary government	98,562	98,562
Prepaid items	772	772
Capital assets:		
Non-depreciable	3,295,412	3,295,412
Total Assets	4,887,102	4,887,102
<b>LIABILITIES</b>		
Accounts payable	6,051	6,051
Accrued interest payable	173,434	173,434
Noncurrent liabilities:		
Due within one year	108,594	108,594
Due in more than one year	3,140,352	3,140,352
Total Liabilities	3,428,431	3,428,431
<b>NET POSITION</b>		
Net investment in capital assets	546,466	546,466
Restricted for debt service	275,000	275,000
Unrestricted	637,205	637,205
Total Net Position	\$ 1,458,671	\$ 1,458,671

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended September 30, 2025

	<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Expenses</b>	<b>Governmental Activities</b>	<b>Total</b>	
<b><u>Function/Program:</u></b>			
<b>Primary government:</b>			
Governmental Activities:			
Economic development	\$ 408,118	\$ (408,118)	\$ (408,118)
Interest	178,413	(178,413)	(178,413)
Total governmental activities	586,531	(586,531)	(586,531)
Total primary government	\$ 586,531	(586,531)	(586,531)
General revenues:			
Sales taxes		669,726	669,726
Miscellaneous		4,500	4,500
Investment earnings		50,557	50,557
Total general revenues		724,783	724,783
Change in net position		138,252	138,252
Net position - beginning		1,320,419	1,320,419
Net position - ending		\$ 1,458,671	\$ 1,458,671

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
September 30, 2025

	<b>General</b>	<b>Totals Governmental Funds</b>
<b>ASSETS</b>		
Cash	\$ 1,432,356	\$ 1,432,356
Loan receivable	60,000	60,000
Due from primary government	98,562	98,562
Prepaid items	772	772
Total assets	\$ 1,591,690	\$ 1,591,690
<b>LIABILITIES</b>		
Accounts payable	\$ 6,051	\$ 6,051
Total Liabilities	6,051	6,051
<b>FUND BALANCE</b>		
<b>Nonspendable:</b>		
Prepaid items	772	772
Loan receivable	60,000	60,000
<b>Restricted:</b>		
Debt service	275,000	275,000
<b>Assigned:</b>		
TVCC renovations	100,000	100,000
<b>Unassigned</b>		
	1,149,867	1,149,867
Total Fund Balance	1,585,639	1,585,639
Total liabilities and fund balances	\$ 1,591,690	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		3,295,412
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.		(173,434)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Due within one year	\$ (108,594)	
Due in more than one year	(3,140,352)	(3,248,946)
Net position of governmental activities		\$ 1,458,671

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended September 30, 2025

	<b>General</b>	<b>Totals Governmental Funds</b>
<b>REVENUES</b>		
Sales taxes	\$ 669,726	\$ 669,726
Revenues from use of money	50,557	50,557
Other	4,500	4,500
Total revenues	724,783	724,783
<b>EXPENDITURES</b>		
Current:		
Salaries	159,377	159,377
Meetings	16,728	16,728
Professional services	115,412	115,412
Professional technical/auditing	13,525	13,525
Promotional material	2,068	2,068
Miscellaneous supplies	99	99
Postage	58	58
Advertising	10,826	10,826
Dues and subscriptions	4,135	4,135
Utilities	590	590
Non capital minor tools/software	7,937	7,937
Insurance	511	511
Tuition and education	3,381	3,381
Travel	8,281	8,281
Maintenance	6,862	6,862
Matching grant	57,238	57,238
Debt service:		
Principal retirement	3,374	3,374
Interest and fiscal charges	178,626	178,626
Highway 34 By-pass funding	100,000	100,000
Total expenditures	689,028	689,028
Net change in fund balance	35,755	35,755
Fund balance - beginning	1,549,884	1,549,884
Fund balance - ending	\$ 1,585,639	\$ 1,585,639

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended September 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - total governmental funds	\$	35,755
<p>Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.</p>		
		(1,089)
<p>The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Note payable retirement	\$ 3,374	
Economic development agreements retirement	100,000	103,374
<p>Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net position, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. Change in accrued interest.</p>		
		212
Change in net position of governmental activities	\$	138,252

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Fiscal Year Ended September 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Sales taxes	\$ 640,000	\$ 660,330	\$ 669,726	\$ 9,396
Revenues from use of money	40,000	50,000	50,557	557
Other	10,000	10,000	4,500	(5,500)
Total revenues	<u>690,000</u>	<u>720,330</u>	<u>724,783</u>	<u>4,453</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	159,329	159,346	159,377	31
Meetings	15,000	17,000	16,728	(272)
Professional services	90,457	136,600	115,412	(21,188)
Professional technical/auditing	10,700	12,275	13,525	1,250
Promotional material	4,804	2,104	2,068	(36)
Miscellaneous supplies	1,400	-	99	99
Postage	500	250	58	(192)
Advertising	16,210	12,000	10,826	(1,174)
Dues and subscriptions	7,625	5,275	4,135	(1,140)
Utilities	550	600	590	(10)
Non capital minor tools/software	7,050	8,300	7,937	(363)
Insurance	600	600	511	(89)
Tuition and education	6,325	3,325	3,381	56
Travel	9,450	8,000	8,281	281
Maintenance	8,000	7,000	6,862	(138)
Matching grant	100,000	57,650	57,238	(412)
Debt service:				
Principal retirement	3,374	3,374	3,374	-
Interest and fiscal charges	178,626	178,626	178,626	-
Highway 34 By-pass funding	100,000	100,000	100,000	-
Total expenditures	<u>720,000</u>	<u>712,325</u>	<u>689,028</u>	<u>(23,297)</u>
Net change in fund balance	(30,000)	8,005	35,755	27,750
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>1,549,884</u>	<u>1,549,884</u>
Fund balance - ending	<u>\$ (30,000)</u>	<u>\$ 8,005</u>	<u>\$ 1,585,639</u>	<u>\$ 1,577,634</u>

The notes to financial statements are an integral part of this statement.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of government-wide financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities* are supported by taxes, intergovernmental revenues, and other nonexchange transactions.

**B. Reporting entity**

The Kaufman Economic Development Corporation (the “Corporation”) was incorporated September 30, 1994 to promote and support the growth and development of business and industry in the City of Kaufman, Texas. The accompanying financial statements present the Corporation.

The Corporation applies the criteria set forth in GASB Statement No. 61, The Financial Reporting Entity, to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will and the primary recipient of services. The Corporation presently has no component units included within its reporting entity. For financial reporting purposes, the Corporation is a component unit of the City of Kaufman, Texas.

***Payments between the Component Unit and City.*** Resource flows (except those that affect the statement of net position/balance sheet only, such as loans and repayments) between a primary government and its discretely presented component unit is reported as external transactions—that is, as revenues and expenses/expenditures. Payments from the Corporation to the City are to pay the City for financial services, other development projects and economic development agreements (note 2.F).

**C. Basis of presentation - government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. The statement of net position reports all financial and capital resources. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of presentation - fund financial statements**

The fund financial statements provide information about the Corporation's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column in the fund financial statements.

The Corporation reports the following major governmental fund:

The *general fund* is the Corporation's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**E. Measurement focus and basis of accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

Sales taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available only when cash is received by the Corporation.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Budgetary information**

***1. Budgetary basis of accounting***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end. The legal level of budgetary control is the fund level.

**G. Assets, liabilities, and net position/fund balance**

***1. Cash and cash equivalents***

The Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

***2. Investments***

Public funds of the Corporation may be invested in 1) obligations of the United States of America, its agencies and instrumentalities; 2) certificates of deposit; 3) fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities; 4) money market mutual funds; and 5) local government investment pools.

***3. Capital assets***

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the Corporation as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Donated capital assets are recorded at acquisition value at the date of donation.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Assets, liabilities, and net position/fund balance (continued)**

**3. Capital assets (continued)**

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

<b><u>Capital asset class</u></b>	<b><u>Lives</u></b>
Infrastructure	5-15
Machinery and equipment	5

**4. Net position flow assumption**

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

*Net investment in capital assets* —This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

*Restricted net position* —This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

*Unrestricted net position* —This amount is the net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

Sometimes the Corporation will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Corporation’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**5. Fund balance flow assumption**

The governmental fund financial statement presents fund balance categorized based on the nature and extent of the constraints placed on the specific purposes for which a government's funds may be spent. The following classifications describe the relative strength of the spending constraints:

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Assets, liabilities, and net position/fund balance (continued)**

**5. Fund balance flow assumption (continued)**

*Nonspendable fund balance*—amounts that are not in spendable form (such as prepaid) are required to be maintained intact.

*Restricted fund balance*—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

*Committed fund balance*—amounts constrained to specific purposes by the Corporation itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the Corporation takes the same highest level action to remove or change the constraint.

*Assigned fund balance*—amounts the Corporation intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official or body to which the Board of Directors delegates the authority.

*Unassigned fund balance*—amounts that represent fund balance that has not been assigned to other funds and that has not been restricted or assigned to specific purposes within the general fund. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted or assigned. Positive balances are reported only in the general fund.

Sometimes the Corporation will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of restricted, committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Corporation's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**H. Revenues**

**1. Program revenues**

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**I. Compliance with finance related legal and contractual provisions**

The Corporation has no material violations of finance related legal and contractual provisions, including the Texas Public Funds Investment Act.

**NOTE 2 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Cash deposits with financial institutions**

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully insured or collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market value of not less than the principal amount of the deposits. At year-end, the Corporation's bank balance was \$1,440,314. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance, \$1,190,314 was covered by collateral pledged in the Corporation's name. The collateral was held in the Corporation's name by the safekeeping departments of the pledging bank's agent and had a fair value of approximately \$3,704,000.

**B. Loan Receivable**

The Corporation has an outstanding loan receivable at zero percent interest totaling \$60,000 at fiscal year end due from a Company as part of an economic development agreement. The loan shall be repaid by the Company by making \$10,000 per year payments to the Corporation each year for fifteen years. Management feels that collectability of the loan is certain. Accordingly, no allowance for doubtful accounts has been recorded for the loan receivable.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2025

**NOTE 2 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)**

**C. Capital assets**

Capital asset activity for the year ended September 30, 2025, was as follows:

**Governmental activities:**

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not being depreciated:				
Land	\$ 3,295,412	\$ -	\$ -	\$ 3,295,412
Total capital assets not being depreciated	<u>3,295,412</u>	<u>-</u>	<u>-</u>	<u>3,295,412</u>
Capital assets being depreciated:				
Infrastructure	25,453	-	-	25,453
Machinery and equipment	9,278	-	-	9,278
Total capital assets being depreciated	<u>34,731</u>	<u>-</u>	<u>-</u>	<u>34,731</u>
Less accumulated depreciation for:				
Infrastructure	(24,364)	(1,089)	-	(25,453)
Machinery and equipment	(9,278)	-	-	(9,278)
Total accumulated depreciation	<u>(33,642)</u>	<u>(1,089)</u>	<u>-</u>	<u>(34,731)</u>
Total capital assets being depreciated, net	<u>1,089</u>	<u>(1,089)</u>	<u>-</u>	<u>-</u>
Governmental activities capital assets, net	<u>\$ 3,296,501</u>	<u>\$ (1,089)</u>	<u>\$ -</u>	<u>\$ 3,295,412</u>

**D. Risk management**

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Corporation maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Corporation. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**E. Long-term liabilities**

Note payable

On October 10, 2023, the Corporation entered into a promissory note with in the amount of \$2,791,250 for the purchase of property. The note will be repaid in 20 annual installments. Interest payments are to be made annually at an interest rate of 6.49%. The balance due at September 30, 2025 was \$2,748,946.

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2025

**NOTE 2 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)**

**E. Long-term liabilities (continued)**

Economic development agreements

On May 19, 2015, the Corporation entered into an agreement with the City of Kaufman, Texas to provide for the construction of the Highway 34 by-pass project. Under the agreement the Corporation agrees to pay \$100,000 per year beginning in fiscal year 2015 for a total of sixteen payments towards the project. The funds to be repaid at September 30, 2025 totaled \$500,000. The amount due within one year totals \$100,000.

Changes in long-term liabilities

Changes in the government's long-term liabilities for the year ended September 30, 2025 are as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Note payable	\$ 2,752,320	\$ -	\$ (3,374)	\$ 2,748,946	\$ 8,594
Economic development agreements	600,000	-	(100,000)	500,000	100,000
Governmental activity					
Long-term liabilities	<u>\$ 3,352,320</u>	<u>\$ -</u>	<u>\$ (103,374)</u>	<u>\$ 3,248,946</u>	<u>\$ 108,594</u>

Governmental note payable and economic development agreements will be liquidated by the General fund.

The requirements for the Corporation's note payable and economic development agreements are as follows:

<u>Year Ending September 30</u>	<u>Note Payable</u>		<u>Economic Development Agreement</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2026	\$ 8,594	\$ 178,407	\$ 100,000
2027	14,151	177,849	100,000
2028	20,070	176,930	100,000
2029	26,372	175,628	100,000
2030	33,084	173,916	100,000
2031-2035	628,732	804,144	-
2036-2040	1,140,364	516,095	-
2041-2043	877,579	116,296	-
	<u>\$ 2,748,946</u>	<u>\$ 2,319,265</u>	<u>\$ 500,000</u>

**KAUFMAN ECONOMIC DEVELOPMENT CORPORATION**  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025

**NOTE 2 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)**

**F. Related party transactions**

The significant transactions between the component unit and primary government during the year ended September 30, 2025 consisted of financial services contract payments in the amount of \$9,936, economic development agreement payments in the amount of \$100,000 (see note 2.E), and on-behalf salary payments of \$185,405.

**G. Subsequent events**

Subsequent to year end, the Corporation:

- Approved economic development agreements with local businesses not to exceed \$50,000.



<b>Meeting Date: 4-14-2026</b>	<b>Date: 4-10-2026</b>	<b>Item #: 5</b>	<b>Dept.: KEDC</b>
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(Check one)  
 **Consent**                       **Action**                       **Discussion**

**SUBJECT:**  
 Consider and take appropriate action on a mid-year budget amendment to the FY 2026 Kaufman Economic Development Corporation budget.

**BACKGROUND:**  
 KEDC Staff recommend the following mid-year adjustments to the KEDC’s budget. Corporation sales tax revenues are currently running approximately 5% ahead of projections. Approximately \$10,950 in revenues are recommended to be reallocated within the budget. The recommended internal adjustments to the budget:

Income  
 Interest – Add \$5,000 (\$45,000)

Expenses  
 Salary & Benefits (5101) – Add \$7,895  
 Meetings (5213) – Deduct \$1,000  
 Professional/Technical & Auditing (5363) – Deduct \$950  
 Promotional Materials (5214) – Add \$600  
 Misc./Office Supplies (5203) – Deduct \$750  
 Postage (5302) – Deduct \$250  
 Tuition & Education (5322) – Deduct \$1000  
 Travel (5330) – Deduct \$2,000  
 Maintenance (5352) – Add \$150  
 Matching Grants (5500) – Add \$2,305

<b>Author:</b> Stewart McGregor, KEDC Executive Director	<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director
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<b>Cost:</b> \$10,950 (+\$5,000 in new income)	<b>Funds Available:</b> FY 2026 Budget	<b>Source:</b> N/A
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**Recommendation:**  
**Approval**

<b>Safe &amp; Secure</b> <input type="checkbox"/>	<b>Business Friendly/Economic Development</b> <input type="checkbox"/>	<b>Partnership &amp; Community Involvement</b> <input type="checkbox"/>	<b>Healthy &amp; Environmentally Cons. Comm.</b> <input type="checkbox"/>	<b>Financial &amp; OPS Stewardship</b> <input checked="" type="checkbox"/>
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<b>FY 2026 KEDC Budget</b>	
<b>INCOME</b>	
Sales Tax	\$ 640,000.00
Interest	\$ 40,000.00
Loan Payments	\$ 10,000.00
Land Sales	\$ -
Fund Balance	\$ -
<b>TOTAL INCOME</b>	<b>\$ 690,000.00</b>
<b>EXPENSES</b>	
<b>SALARY &amp; BENEFITS (32-5101-000)</b>	
Salary & Benefits	\$ 162,485.00
<b>Item Total - Salary &amp; Benefits</b>	<b>\$ 162,485.00</b>
<b>RETENTION PAYMENT (32-5177-000)</b>	
EDC Board Discretionary Retention Payment	\$ 10,370.00
<b>Item Total - Retention Payment</b>	<b>\$ 10,370.00</b>
<b>MEETINGS (32-5213-000)</b>	
Meetings	\$ 5,000.00
Governor's Small Business Summit	\$ -
DBJ Best Real Estate Deals	\$ -
Industry Trade Shows/Broker Events/BRE	\$ 6,000.00
ICSC Red River	\$ 2,000.00
<b>Item Total - Meetings</b>	<b>\$ 13,000.00</b>
<b>PROFESSIONAL SERVICES (32-5362-000)</b>	
Chamber BRE Contract	\$ 7,200.00
City Administrative Services Contract	\$ 50,580.00
Legal Fees	\$ 10,000.00
New KEDC Website	\$ 10,000.00
Photography	\$ 1,000.00
Professional & Technical Consulting	\$ 26,675.00
Graphic Design	\$ 1,000.00
<b>Item Total - Professional Services</b>	<b>\$ 106,455.00</b>
<b>PROFESSIONAL/TECHNICAL &amp; AUDITING (32-5363-000)</b>	
Website	\$ 3,000.00
Audit	\$ 7,500.00
<b>Item Total - Professional/Technical &amp; Auditing</b>	<b>\$ 10,500.00</b>
<b>PROMOTIONAL MATERIALS (32-5214-000)</b>	
Miscellaneous Promotional Items	\$ 2,500.00
Aerial Map Service Subscription	\$ 2,500.00
Printed Maps (*biennial expense)	\$ -
Business Retention Monthly Recognition	\$ 900.00
<b>Item Total - Promotional Materials</b>	<b>\$ 5,900.00</b>
<b>MISCELLANEOUS/OFFICE SUPPLIES (32-5203-000)</b>	
Office Furniture	\$ -
Wall Map (*biennial expense)	\$ -

Misc. Office Supplies	\$	1,500.00
Logoed Shirts	\$	500.00
<b>Item Total - Miscellaneous/Office Supplies</b>	<b>\$</b>	<b>2,000.00</b>
<b>POSTAGE (32-5302-000)</b>		
Postage	\$	500.00
<b>Item Total - Postage</b>	<b>\$</b>	<b>500.00</b>
<b>ADVERTISING (32-5303-000)</b>		
Publication/Digital Advertising	\$	8,000.00
Chamber Banquet Sponsorship	\$	1,000.00
Chamber Golf Tournament Sponsorship	\$	300.00
Chamber Auction Sponsor	\$	360.00
Economic Summit	\$	2,000.00
KISD Education Foundation Gala Table Sponsorship	\$	1,500.00
Johnny Countryman Memorial Scholarship	\$	-
Kaufman Herald Ads	\$	500.00
<b>Item Total - Advertising</b>	<b>\$</b>	<b>13,660.00</b>
<b>DUES &amp; SUBSCRIPTIONS (32-5305-000)</b>		
TEDC Membership	\$	1,200.00
Chamber Membership	\$	450.00
KCLC Dues	\$	725.00
ICSC Membership (up to 3 memberships)	\$	525.00
IEDC Membership	\$	275.00
Dallas Morning News	\$	400.00
Dallas Business Journal	\$	210.00
Kaufman Herald	\$	35.00
North Texas Commercial Association of Realtors (NTCAR)	\$	-
Texas Downtown Association	\$	-
Downtown Merchants Association	\$	-
Kaufman Lion's Club	\$	400.00
Team Texas	\$	3,500.00
<b>Item Total - Dues &amp; Subscriptions</b>	<b>\$</b>	<b>7,720.00</b>
<b>UTILITIES (32-5306-000)</b>		
Business Park Utilities	\$	550.00
<b>Item Total - Utilities</b>	<b>\$</b>	<b>550.00</b>
<b>NON-CAPITAL MINOR TOOLS/SOFTWARE (32-5220-000)</b>		
Computer	\$	-
Avenu Subscription	\$	2,750.00
ESRI Business Analyst	\$	-
CRM System	\$	-
Resimplifi Website Real Estate Tool	\$	3,500.00
Retail Lease Trac	\$	900.00
PDF Suite	\$	-
<b>Item Total - Non-Capital Minor Tools/Software</b>	<b>\$</b>	<b>7,150.00</b>
<b>INSURANCE (32-5309-000)</b>		

Insurance	\$	560.00
<b>Item Total - Insurance</b>	<b>\$</b>	<b>560.00</b>
<b>TUITION &amp; EDUCATION (32-5322-000)</b>		
TEDC Sales Tax Training (4 registrants)	\$	900.00
ICSC Registration (2 registrants)	\$	1,250.00
TEDC Annual Conference (San Antonio)	\$	675.00
TEDC Winter Conference	\$	-
TEDC Mid-Year Conference (2 registrants)	\$	1,150.00
TEDC Board Retreat	\$	-
TEDC Basic Economic Development Course	\$	800.00
IEDC CEcD Continuing Education	\$	600.00
Webinars	\$	300.00
Kaufman County Day at the Capitol (3 people)	\$	525.00
<b>Item Total - Tuition &amp; Education</b>	<b>\$</b>	<b>6,200.00</b>
<b>TRAVEL (32-5330-000)</b>		
TEDC Annual Conference (San Antonio)	\$	900.00
TEDC Sales Tax Training (Richardson)	\$	750.00
ICSC Red River (San Antonio)	\$	1,700.00
TEDC Winter Conference (El Paso)	\$	-
TEDC Mid-Year Conference (Plano)	\$	1,300.00
TEDC Board Retreat Hotel & Parking (Austin)	\$	-
TEDC Basic Economic Development Course (Frisco)	\$	800.00
Kaufman County Day at the Capitol (3 people)	\$	3,000.00
Industry Trade Shows/Broker Events/BRE	\$	2,500.00
Long Range Mileage/Transportation	\$	1,500.00
Meals & Incidentals	\$	500.00
<b>Item Total - Travel</b>	<b>\$</b>	<b>12,950.00</b>
<b>HIGHWAY 34 BYPASS FUNDING (32-5507-000)</b>		
Highway 34 Bypass Annual Commitment	\$	100,000.00
<b>Item Total - Highway 34 Bypass Funding</b>	<b>\$</b>	<b>100,000.00</b>
<b>MAINTENANCE (32-5352-000)</b>		
Business Park Mowing	\$	8,000.00
<b>Item Total - Maintenance</b>	<b>\$</b>	<b>8,000.00</b>
<b>MATCHING GRANTS (32-5500-000)</b>		
Matching Grants (Façade + Destination)	\$	75,000.00
<b>Item Total - Matching Grants</b>	<b>\$</b>	<b>75,000.00</b>
<b>INCENTIVES/INTERGOVERNMENTAL (32-5501-000)</b>		
	\$	-
<b>Item Total - Incentives/Intergovernmental</b>		
<b>PRINCIPAL &amp; INTEREST</b>		
KEDC 175 Land Debt Service Payment	\$	187,000.00
<b>Item Total - Principal &amp; Interest</b>	<b>\$</b>	<b>187,000.00</b>
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>730,000.00</b>