

Budget 2020 Fiscal Year
As Approved by the Mayor and City Council
October 1, 2019 through September 30, 2020



CITY OF FOREST HILL



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CITY OF FOREST HILL

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City Officials

Elected Officials	Elected Position
Mr. Gerald Joubert	Mayor
Ms. Racquel Belle	Councilmember, Place 1
Ms. Carlie Jones	Councilmember, Place 2
Mr. Cameron Wafer	Councilmember, Place 3
Mr. Ozell Birks	Councilmember, Place 4
Ms. Clara Faulkner	Councilmember, Place 5
Ms. Melinda Miller	Councilmember, Place 6

Appointed Officials	Title
Mr. Sheyi I. Ipaye, CPM	City Manager
Mr. Craig Magnuson	City Attorney
Mr. Glenn Lewis	Municipal Judge

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Summary of Adopted FY 20 Budget General and Enterprise Funds by Department & Other Funds in Total

Department Number	General Fund Department Name	Proposed Budget
01	City Council	195,950
02	City Secretary	84,684
03	Administration	406,378
05	Municipal Court	598,688
06	Finance	433,474
07	Human Resources/Civil Service	139,311
09	Planning / Development	190,821
11	Public Works and Parks	944,863
16	Police and Animal Control	3,494,921
20	Fire	1,738,021
24	Garage	327,375
25	Permits	98,807
26	Code Compliance	91,061
30	Building & Grounds	422,574
40	Civic Center	187,626
90	Non Departmental	741,936
97	Transfers	4,000
Total		10,100,491

Department Number	Water / Sewer Fund Department Name	Proposed Budget
06	Utility Billing	492,691
11	Public Works & Parks	4,242,851
30	Debt Service / Revenue Bonds	146,458
90	Non Departmental	10,000
97	Transfers	500,000
Total		5,392,000

Fund Number	Fund Name	Proposed Budget
04	Municipal Juvenile Case	3,844
05	Municipal Court Tech	32,000
06	Municipal Court Safety Fund	7,000
10	Hotel	64,000
14	Parks	25,000
24	Police Education	2,300
30	Debt Service	677,220
49	Community Development	362,880
52	Street Improvement	589,500
62	Sanitation	562,000
65	Drainage	560,000
Total Other Funds		2,885,744

Total Proposed Budget		18,378,236
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CITY OF FOREST HILL

Statement of Property Tax Revenues- Fiscal Year 2019 - 2020

This budget will raise more revenues from property taxes than last year's budget by an amount of \$647,804, which is a 12.51% increase from last year's budget. The taxable appraised value from new property added to the tax roll this year is \$14,446,477



Legal Publications and Lobbying Disclosure required by HB 1495

Over the last 12 months, the City incurred \$1,824.35 in expense related to notices required by law to be published in the newspapers and \$2,000 is included in the Proposed FY2020 budget for the same purpose.

Over the last 12 months, the City incurred \$0 in expense related to lobbying and \$0 is included in the proposed FY2020 budget for this same purpose.

CITY OF FOREST HILL

Guide to this Budget Document

This is the budget document for the City of Forest Hill, Texas for the fiscal year beginning October 1, 2018 and ending September 30, 2019. This document should serve as a policy document, a financial plan, and an operations guide to our City, as well as a communication device to our readers. Such a document is meant to be used by a wide variety of users. It should be used by City Management as a guide for operations as approved by the City Council for the fiscal year. It should be used by City Council as a communication device to staff and citizens for objectives, goals, and mission of the City. It should be used by staff to inform City Council and citizens of accomplishments and services. This document should also be used by current and prospective citizens and businesses to learn about the City and where it is going.

Introductory Information

The Table of Contents should aid a user of this document in the detailed organization of this book. The Introductory Section includes the City Manager's budget message, the City's organizational chart, budget calendar and budget policies, vision statement, the City's overall financial structure, overall financial and graphical information, and major revenue sources. The City Manager's message should be reviewed before expecting to understand decisions made during the long budget process.

Financial Summaries

The next sections of this document include the detailed financial information of the City of Forest Hill budget. These sections are broken down by fund types. The fund types used by the City are general fund, special revenue, debt service, capital projects, and proprietary funds. Each fund section will provide financial summaries, general information, and management assumptions in the budget preparation. A few of the major operating funds are more detailed in showing objectives, goals, staffing, organizational structures, and accomplishments by division. The capital project funds detail current and future projects. The debt service fund section also provides individual debt service reimbursement schedules.

The Glossary

The glossary section of the book provides both a glossary of terms and an abbreviation guide to aid users with technical terms as well as industry jargon that appear in the document.

The Budget Ordinances

The budget ordinance section provides actual policy passed by the City Council implementing this budget as well as some required publications.

CITY OF FOREST HILL



September 30, 2019

Honorable Mayor Joubert and Members of the City Council:

In compliance with state law and the Home Rule Charter of the City of Forest Hill, Texas, I am pleased to submit to you the Proposed Annual Budget and Plan of Municipal Services for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

At a Special City Council Budget Workshop held on August 6, 2019, the City Council expressed the desire to maintain the current tax rate and levels of service offered to the citizens of Forest Hill, keep employee insurance rates low, incorporate a 3% employee salary increase, and have a balanced budget without using fund reserves in the General Fund. From those comments, City Staff continued developing the budget, and feel confident the task given has been accomplished.

The state of our national and local economy continues to be of concern; although some of our economic indicators are showing signs of a slow but steady growth. Several considerations, goals, and priorities were identified with the development of this budget. Those priorities addressed in the FY 2019-2020 Budget are:

- 1) Continue to maintain current ad valorem property tax rate;
- 2) Maintain adequate funding for street, water and sewer infrastructure needs and other capital projects to include municipal facilities maintenance;
- 3) Continue adequate pay and benefits to City employees with a 3% pay raise;
- 4) Continue fleet replacement for Police and Public Work Departments;
- 5) Continue promoting economic development activities and make Forest Hill an ideal place to live, work and to do business;
- 6) Incorporate the TCEQ Mandate at South Linear (Griggs Park);
- 7) Resurrect the Home Grant/Housing Rehabilitation Program;
- 8) Establish Smart Water Meter Testing Program;
- 9) Continue replacement of water meters to ensure accurate water reads;
- 10) Outsource the Information Technology Services to a managed IT provider;
- 11) Outsource the City's Website; and
- 12) Improve Griggs Park.

Transmitted herewith is the approved FY 2020 budget for the City of Forest Hill. The budget totals \$18,378,236 of which \$10,100,491 is for the General Fund, \$5,392,000 for the Enterprise Fund, \$677,220 for the General Debt Service Fund, \$362,880 for the Community Development Fund, \$32,000 for the Municipal Court Technology Fund, \$7,000 for the Municipal Court Safety Fund, \$3844 for the Juvenile Case Manager Fund, \$589,000 for Street Capital Improvement Fund, \$64,000 for Motel Tax

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Fund, \$560,000 for the Storm Water Fund, \$562,000 for the Sanitation Fund, \$25,000 for the Park Fund, and \$2,300 for the Police Education Fund.

LONG-TERM GOALS

During the Budget process, the Council reviewed the goals for the upcoming budget year and beyond. The stated goals are as follows:

- 1) Address organizational issues within city government while emphasizing quality customer service at all levels of the organization.
- 2) Promote a positive environment for economic development in the community to achieve stable and positive financial conditions.
- 3) Enhance the quality of life by improving the City's capital infrastructures.

MAJOR PROGRAM INITIATIVES

Organizational Issues

The most important goal involving organizational issues is to instill confidence in the integrity of the City government. Through a commitment to excellence in leadership and staff development, employees can deal responsibly with citizen's concerns, resulting in the successful achievement of this goal.

The City of Forest Hill September 1st, 2019 certified net taxable property value of \$617,890,831 reflects an increase of \$104,377,615 from the 2018 adjusted taxable value of \$513,513,216.

Fiscal issues require constant vigilance. Bearing in mind achieving a long-term, stable, positive financial condition is paramount to the progress of Forest Hill, the City has elected a tax rate of \$.992873 in FY 2019-2020. By changing this tax rate on taxable values, the resulting tax levy for General revenue will be approximately \$1,036,343 more than FY 2018-2019. By setting the tax rate at \$.992873, the Council demonstrated leadership, foresight, and compassion for the citizens of our City by adopting a budget that does not increase revenue for the City on the backs of the taxpayers.

Economic Development

Forest Hill is fortunate to have many dedicated community leaders who understand the importance of cohesive economic development. Efforts are being made to strengthen our business retention and expansion programs by re-establishing the Forest Hill Chamber of Commerce, reinvesting wealth within our local economy and ultimately improving our economic position through the creation of jobs in our community. Tourism remains a growth industry in Texas and Forest Hill hopes to capitalize on that industry by sponsoring events and festivals for Forest Hill aimed at attracting people to our City.

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Quality of Life

Our primary responsibility to those who live, work, and visit our City is the commitment to enhance their quality of life providing exemplary services which are respected by all and reflective of our community's desires. By strengthening the City's Capital Improvement Program our streets, water, wastewater, and drainage, systems will be improved. Programs such as the City Newsletter, Transit System and Senior Center are driven by the needs of our citizens.

During 2019, the City of Forest Hill was awarded the "Recognized" status for the Scenic City Certification Program. This program recognizes municipalities that implement high quality scenic standards for public roadways and spaces. It fosters community character and civic pride as well as supports economic development efforts. Scoring for the certification was based on "streetscapes", landscaping, lighting standards, sign regulations, infrastructure regulations, litter and graffiti prohibition, parks and unique city features. The certification is for five years.

The City continually reviews the Comprehensive Master Plan, Subdivision Regulations, and Design Criteria for development in order to sustain current operations and support future growth of our community. We are working together to provide and maintain a dynamic, progressive, quality atmosphere in which to live, work, and play. To enhance the quality of life, our open space master plan has been prepared for promotion of growth through a defined strategic plan for parks and recreation.

Recommendations

The FY 2019-2020 Annual Program of Services is divided into the following areas: Administrative Services, Financial Services, Emergency Services, Municipal Services, and Utility Services. The program areas outline the respective roles of the departments and their associated divisions based upon the services they perform. This allows the creation of individual cost centers and better overall monitoring of fund expenditures. Owing to the delivery of services to business and residential interests in the community, the following are recommendations for FY 2019-2020:

- Adopt a tax rate of \$.992873 for FY 2019-2020 and establish fiscal accountability for growth in the assessment of property valuation in order to create additional capacity for future debt service.
- Review job compensation plan to ensure a market based approach for employee recruitment and retention.
- Complete street improvements to Forest Hill Drive.

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- Submit the Fiscal Year 2019-2020 Annual Program of Services publication to GFOA to determine its eligibility for the Distinguished Budget Presentation Award. The City received the GFOA Distinguished Budget Award for the first time for its FY 2010-2011 and has received the award consistently every year for its Annual Program of Services publication.

These recommendations will assist the City of Forest Hill in meeting basic service needs, accounting for operational deficiencies and preparing to meet future growth.

Summary

The outcome of our budget process satisfies the City mission statement, which states: "In our on-going commitment to the citizens and businesses in the City of Forest Hill, we endeavor each day to be fiscally responsible, knowing that we are held accountable for our actions, to move the city in a forward progression of economic development, to provide the best customer service to those who live, work and play within our city limits, and to be fair and honest in all that we do. With passion, integrity and professionalism, from within City Hall to our elected officials, we will be the leaders of Community Driven spirit that will guide the success of Forest Hill into the Future." The Fiscal Year 2020 offers much promise for improving the overall financial condition of the City.

Forest Hill is poised to benefit from the location of our City Hall as it brings needed visibility and creates opportunities for business expansion for commercial and retail growth on the vacant 82 acre site across I-20 on Forest Hill Circle. This will lessen our dependability on ad valorem taxes as the primary means of supporting maintenance and operations of the City now and in the future.

Finally, the City of Forest Hill continues to improve its financial position and has developed a budget that focuses on both long and short-range concerns. To this end, the improvement in this community is a direct result of the leadership and involvement of its people and those responsible are to be commended.

I am grateful for the opportunity to serve the Mayor and Council members, work with excellent staff, and serve the citizens of Forest Hill.

Respectfully Submitted,



Sheyl I. Ipaiva, CPA
City Manager

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Community Profile

The City of Forest Hill is located in south central Tarrant County, seven miles southeast of downtown Fort Worth. The City's location boasts prime positioning at the hub of Fort Worth, Arlington, Mansfield and Kennedale on the highly traveled I-20 corridor. The city is home to an estimated 13,000 residents and more than 300 businesses. Major employers include Conatser Construction, Chase Bank, Starbucks, Denny's, Luby's Cafeteria, Best Western Plus, Comfort Inn, Hampton Inn & Suites, La Quinta Inn & Suites, Value Place Hotel, Horton's Tree Service, Midwest Wrecking, Arthur Hager AC, Cowtown Charters, O'Reilly's Auto Parts, Walgreens, CVS, TAS Environment Services and MMG Building & Construction to name a few.

Area Map



Geography

Elevation	682 feet
Area	4.2 Square Miles

City Government

Type	Home Rule
Number on Council	7
Municipal Police	31
Paid Firefighters	16
City Zoning Body	Yes
Master Plan	Yes

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Facility Locations

City Hall	3219 E California Parkway
Civic & Convention Center	6901 Wichita Street
Public Works	3101 Horton Road
Fire Department	6304 Wanda Lane
Police Department	3336 Horton Road
Senior Citizens Center	7004 Forest Hill Drive
Police / Fire Substation	6800 Forest Hill Drive
Old City Hall Building	6808 Forest Hill Drive
Old Public Works Building	3415 Horton

Library

There is a Public Library that is funded by a Special Sales Tax. The Library is located at 6962 Forest Hill Drive, Forest Hill, TX 76140. The Library is not part of the City of Forest Hill budget. The library is a separate entity with its own Board and Charter.

Sales Tax Rates

The City of Forest Hill has a Sales Tax Rate of 8.25%. The rate is composed of the following components:

State of Texas	6.25%
City of Forest Hill	1.75%
Special Library Rate	<u>.25%</u>
Total	<u>8.25%</u>

For the 1.75% that the City receives, it is broken out as follows:

General Fund	1.00%
Community Development	.50%
Street Improvement	<u>.25%</u>
Total	<u>1.75%</u>

Property Taxes

2020 Property Tax Rate	\$.992873 per \$100 valuation
2019 Certified Net Taxable Value	\$617,890,831

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History

Forest Hill began as a community around 1860. It was called Brambleton Station and Forest Hill Village before being named Forest Hill. By 1896 the community had its first schools and was established as a suburb of Fort Worth. In 1905 Old Mansfield Road and Forest Hill Drive were the city's two main roads. In 1912 citizens drilled a "crooked hole well," the first private water system in the community. By 1925 the community had 25 residents and two businesses. Forest Hill gained a new source of water in the early 1940's. By 1944 Trentman Company and the Johnson Campbell Company began building homes. The owners of the private water system sold it to Texas Water Company. The community incorporated as a village on March 16, 1946. In the late 1940's the city population was approximately 90 people. In 1949 the city petitioned to be relabeled as a city after reaching 500 citizens; on April 8 of that year the village was relabeled as a city. By 1954 the volunteer fire department, the police department, and the Corporation Court opened. The city had 1,519 people in the mid-1950s and by 1967, the city had 3,800 people. The city grew due to its proximity to Fort Worth. By the early 1970's the city adopted the Forest Hill Home Rule Charter in order to more easily annex territory and to allow for better governance. The city's population was 10,250 in 1976 and 11,482 in 1990. In the 1970s, it elected its first female mayor, Jackie Larson.

Transportation

Forest Hill is located along one of the busiest freeways in North Texas. Approximately 180,000 vehicles per day travel along IH-20. Four eastbound and westbound off ramps provide direct access to the City's arterial roadway network. Interstate 20 runs through the heart of Forest Hill and provides access to Highway 287, Southeast Loop Interstate 820 and Interstate 35 West. These major thoroughfares intersect to form one of the highest traffic count areas in southern Tarrant County.

Forest Hill has a bus transportation service, which is used by residents to gain access to local businesses.

Residents enjoy easy access to the five area airports –

Dallas Love Field	37 miles
D/FW International	23 miles
Alliance Airport	26 miles
Meacham International	15 miles
Fort Worth Spinks Airport	11 miles

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Demographics

The 2020 estimated population is 14,000.

As of the Census of 2010, there were 12,355 people, 3,295 households, and 2,944 families residing in the city. The population density was 3,049.7 people per square mile. There were 4,156 housing units at an average density of 912.9 per square mile. The racial makeup of the city was 29.05% White, 48.47% African American, 0.53% Native American, 0.59% Asian, 0.04% Pacific Islander, 19.0% from other races, and 2.31% from two or more races. Hispanic or Latino of any race was 38.16% of the population.

There were 3,295 households out of which 29.3% had children under the age of 18 living with them, 56.2% were married couples living together, 19.3% had a female householder with no husband present, and 17.5% were non-families. 16.4% of all households were made up of individuals living alone and 7.1% had someone living alone who was 65 years of age or older. The average household size was 3.24 and the average family size was 3.57.

In the city the population was spread out with 31.8% under the age of 18, 9.1% from 18 to 24, 57.8% from 25 to 64 and 10.35% who were 65 years of age or older. The median age was 31.9 years. There are 6,042 males and 6,313 females residing in Forest Hill, or 48.9% and 51.1% respectively.

The median income for a household in the city was \$45,436, and the median income for a family was \$46,875. Males had a median income of \$30,867 versus \$31,745 for females. The per capita income for the city was \$17,027. About 11.5% of families and 15.4% of the population were below the poverty line, including 23.1% of those under age 18 and 8.2% of those aged 65 or over.

Education

In 1896 Forest Hill schools had three teachers, 91 Caucasian students, and 15 African-American students. By 1905 Forest Hill, had two schools, four teachers and 226 students, but not schools for African-American students.

Today children in Forest Hill attend school either in the Everman Independent School District (EISD) or in the Fort Worth Independent School District (FISD).

Two primary schools, Harlean Beal Elementary School and David K. Sellars Elementary School, serve separate areas within the FWISD section of Forest Hill. The FWISD secondary schools that serve Forest Hill and are located in Fort Worth, include Glencrest 6th Grade School, Forest Oak Middle School, and O. D. Wyatt High School.

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Students living in the Everman Independent School District portion of the city attend Roger E. Souder, Bishop, Hommel, E. Ray, and Townley Elementary Schools; Johnson 6th Grade Campus; Dan Powell Intermediate School; Baxter and Everman Junior High Schools; Everman High School and Everman Academy High School.

Area Colleges and Universities include: Tarrant County College South Campus – Fort Worth; Texas Christian University – Fort Worth; Texas Wesleyan University – Fort Worth; and the University of Texas – Arlington.

Water and Sewer Utility

The City of Forest Hill purchases Water and Sewer Services from the City of Fort Worth.

Water Source	Surface
Maximum Daily Water System Capacity	2,250,000 Gallons
Maximum Daily Water Use to Date	2,800,000 Gallons
Pressure on Water Mains	60-80 pressure per inch
Water Ground Storage Capacity	1,000,000 Gallons
Water Elevated Water Storage	1,250,000 Gallons
Water Size of Mains	2-12 inches
Water System Looped	Yes
Sewer	Lift Station
Sewer Maximum Capacity	96,000,000 Gallons
Sewer Daily Use to Date	72,000,000 Gallons

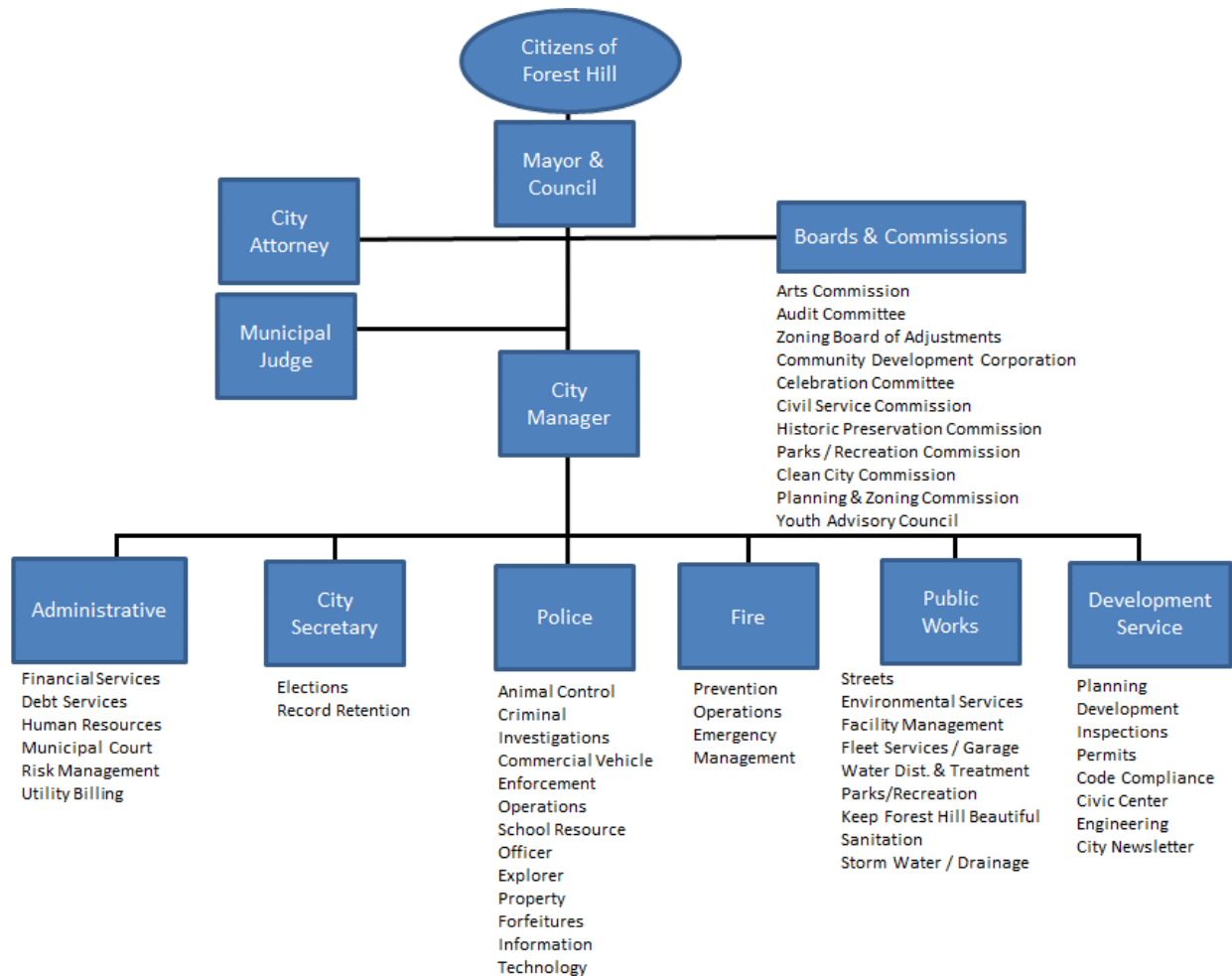
Website

The URL for the City Website is <http://www.foresthilltx.org/index.html>

The City Website allows citizens to view the budget, pay water bills and court fines, view City meeting agendas and meeting minutes, and more.

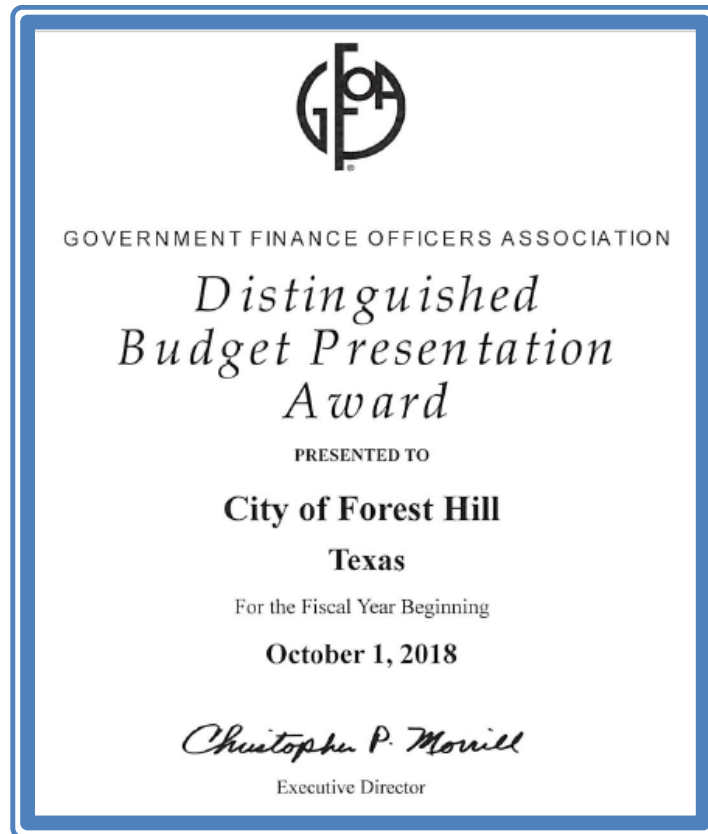
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Organizational Chart



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Budget Presentation Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Forest Hill for its annual budget for the Fiscal Year beginning October 1, 2018.

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 communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

The City of Forest Hill has received the Distinguished Budget Presentation Award for nine consecutive years.

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City of Forest Hill Budget / Tax Calendar FY 2019 - 2020

February 1, 2019	
	Human Resources begins to obtain quotes for employee benefits
April 1, 2019	
	Finalize budget calendar
May 1, 2019	
	Chief Appraiser notice of 2019 preliminary appraised values
May 17, 2019	
	Distribute budget instructions to Departments
	Distribute survey for prioritization of expense items
May 20, 2019	
	Finance completes preliminary proposed FY 20 revenue estimates
May 27, 2019	
	Human Resources completes salary worksheet
	Department heads submit budget requests to Finance
June 3 - 14, 2019	
	City Manager/Finance Director meet with Department heads
June 14, 2019	
	Receive retirement rates from State of Texas & benefit rates from HR
June 25, 2019	
	Finance Department submits preliminary proposed budget to City Manager
July 25, 2019	
	Chief Appraiser delivers 2019 certified appraisal
August 1, 2019	
	Receive health insurance rates from Human Resources
August 5, 2019	
	Finance Department submits proposed budget to City Manager and City Secretary including update for insurance rates and revenue estimates
August 6, 2019	
	City Council Budget Work Session and Meeting to discuss proposed budget and tax rate
August 7, 2019	
	Deliver notice of effective and rollback tax rate to local newspaper. Public Hearings to occur August 20 and September 3.
	Publish Notice (72 hours) - City Council budget work session to discuss proposed tax rate and tax record vote if proposed tax rate will exceed the effective or rollback tax rate (whichever is lower)
August 13, 2019	
	Posting of proposed budget on City website
August 16, 2019	
	1st quarter page Notice of Public Hearing on Tax Increase and Notice of effective and rollback tax rates in local newspaper
August 20, 2019	
	1st public hearing if proposed tax rate exceeds the effective or rollback tax rate (whichever is lower)
	City Council announces the date, time and place of vote on proposed tax rate to be September 3
August 23, 2019	
	2nd quarter page Notice of Public Hearing on Tax Increase and Notice of effective and rollback tax rates in local newspaper
September 3, 2019	
	Public hearing of City Council proposed FY 2019-2020 Budget. Council votes to approve budget.
	Council votes to ratify property tax revenue increase effected in the budget Local Government Code 102.007(c)
	Next Council moves to adopt a tax rate in accordance with Tax Code Section 26.05(b)(1), & (2)
October 1, 2019	
	The assessor prepares and mails tax bill

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Budget Policies

The City of Forest Hill budget format includes goals, objectives and performance measures. Various summaries, statistical information, and revenue sources are provided to help define the City's goals, purposes, and assumptions for projections. The budget document and organization of the budget are described below.

Budget Process

The City of Forest Hill has implemented a performance based budgeting process. Each department prepares a budget by completing a budget workbook. Any operating expense, which exceeds the prior years' funding level, is evaluated and a recommendation to the City Manager is made.

Development of City Council Goals

The City Council provides to the City Manager regarding priorities and areas, which may need improvement, or funding. City Council budget issues are discussed at budget workshops. Council responses and feedback from discussions are then used during further budget reviews.

Departmental Budget Workshops

During the departmental budget workshops, the staff is informed of the budgeting concepts, guidelines and forms.

Revenue Projections

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

Proposed Budget Compilation

Once the departmental budget requests are completed and are reviewed by the City Manager, a preliminary draft of the proposed budget is prepared by the City Manager and submitted to the City Council for review and reference during budget workshops. At this time the funding level is weighted against available resources. A tax rate may or may not be recommended depending upon Council's priorities and issues previously expressed in the budget process.

City Council Budget Workshops

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

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Public Hearing/Budget Adoption

A public hearing on the budget and tax rate is held prior to adoption. Citizens or any other individual may make formal comment either for or against the proposed budget. The public also had the opportunity to attend City Council budget workshops. City Council may take action to modify the proposed budget. The Council may also adopt a tax rate to support adopted funding levels.

Budget Amendment Process

Budget estimates may be amended and increased as the need arises to permit appropriation and expenditure of unexpended cash balances on hand and unanticipated revenues. Such amendment may be considered and adopted at any time during the fiscal year covered by the budget by filing the amendments and upon publishing them and giving notice of the public hearing in the manner required in the State Law.

City Council Long Term Strategic Planning – Vision Statement

“In our on-going commitment to the citizens and businesses in the City of Forest Hill, we will endeavor each day to be fiscally responsible, knowing that we are held accountable for our actions, to move the city in a forward progression of economic development, to provide the best customer service to those who live, work and play within our city limits, and to be fair and honest in all that we do. With passion, integrity and professionalism, from within City Hall to our elected officials, we will be the leaders of the Community Driven spirit that will guide the success for Forest Hill into the future.”

Department Summaries

Each department is described by narrative information in the final budget in order to provide an abbreviated idea of services provided. Summaries include the following information:

Program Description

This section outlines the general responsibility performed by the department.

Major Division Goals

Goals describe the benefit the department plans to provide to the community it serves, by identifying the end result the division wishes to achieve.

Major Division Objectives

Objectives are steps in accomplishing stated goals with specific time frames or measurable achievements to be completed in the current year.

Workload Measures

Workload measures indicate the amount of work that has been done or projected workload levels.

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Productivity Measures

The process of seeking best practices and attempting to emulate them. These should measure productivity, effectiveness, efficiency, or the impact of services provided.

Expenditure Summary

The summary of expenditures shows the category of expenses for each division's programs.

Personnel Summary

This section shows the personnel resources budgeted to carry out services.

Financial Policies

Definition of a Balanced Budget

The annual operating budget submitted to the City Council will be balanced; expenditures not exceeding current year revenues plus available fund balance, reserves, and transfers.

Minimum Fund Balance and Working Capital Policies

The Program of Services submitted to the City Council shall strive to maintain a minimum unreserved fund balance of 90 days of annual operating expenditures for the General Fund and a minimum working capital equivalent to 15 days of annual operating expenses for the Water and Sewer Fund. Due to the economic shortcomings in the prior years, the City has presented here within a balanced budget that will regain the goal of maintaining the minimums anticipated.

Operating Budget Policies

The City of Forest Hill budgets resources on a fiscal year, which begins October 1 and ends September 30th of the following year.

The operating budget will be developed on an annual basis. Appropriations for each year will be approved annually by the City Council.

The operating budget shall be linked to Financial and Strategic Plans.

The City Manager will prepare and present the City's annual operating budget to City Council for their approval. The City Council has the final responsibility for adopting the budget and for making the necessary appropriations.

The annual adopted budget shall be comprehensive in scope and include all annually budgeted operating funds.

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The proposed operating budget shall appropriate sufficient funds for operations to maintain existing quality and scope of City Services.

The basis of budgeting shall be modified accrual in the Governmental Funds and modified accrual (working capital) in the proprietary funds.

An annual budget calendar shall be prepared including statutory public meeting and tax notice requirements.

Specific City Council action shall be required to amend the operating budget.

Where possible, the City will integrate performance measurement, service level, and productivity indicators in the City's published budget document.

Capital Budget Policies

Non-recurring capital expenditures are budgeted as debt funded or operating accounts if minor.

Operating expenditures that are incurred from non-recurring capital expenditures are included and anticipated in each operating fund's budget.

Definition of a capital project- a capital asset expected to have a useful life greater than two years and an estimated cost of \$5,000 or more. Capital projects include the following:

- Construction, purchase, or major renovation of buildings, utility systems, streets, intersections, or other structure
- Purchase of land or land rights and major landscaping projects;
- Any engineering study or master plan needed for the delivery of a capital project;
- Any major repair, renovation or replacement that extends the useful operational life by at least two years or expands capacity of an existing facility.

Projects meeting the above definition will be included in the **Capital Improvement Plan (CIP)** rather than the annual operating budget document.

As a planning document, the City shall adopt annually the first year of a five year rolling projection of the City's capital needs as well as the future financing requirements in the form of a CIP.

The CIP shall be linked to the City financial and strategic plans.

As a planning document, the CIP does not impart any spending authority.

Spending authority for capital projects is the capital budget.

The capital budget shall include only capital projects with budgets appropriated by specific City Council action. Capital project budgets shall be appropriated on project by project, multi-year basis (project budget amounts are approved through completion of the project).

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The capital budget does not run concurrently with the operating budget fiscal year.

City staff shall identify the estimated costs and project schedule for each capital project proposal before it is submitted to the City Council for approval.

The City Manager shall in writing identify specific available funding sources for each capital project budget proposal before it is submitted to the City Council for approval.

Expenditure tracking for components of the capital budget will be updated quarterly to ensure project completion against budget and established timelines.

Change orders resulting in a change in the project cost shall require an amendment to the capital budget.

Capital improvements may impact the operating budget. Addition of new infrastructure can lead to expanded programs and a need to hire personnel to manage program operations. Replacement of aging structures may decrease operating and maintenance expenditures due to energy efficiencies and reduced repair needs. City staff will analyze, and when necessary, include operating budget impact statements in the CIP.

Utility Rates

Utility rates will be reviewed annually to adjust operating revenues to meet operating costs and changes in contractual services.

Budget Administration

City departments will regularly review programs and services to adjust service levels and operating costs.

All departments will be responsible for exploring the available grant opportunities and seek those matching City needs.

Basis of Presentation

City accounts are organized on the basis of fund and account groups, each of which is considered a separate accounting entity.

Governmental Funds Types

The **General Fund** is used to account for financial resources used for general operations. This is a budgeted fund and any fund balances are considered resources available for current operations. All revenues and expenditures not required to be accounted for in other funds area are accounted for in this fund. The General Fund appropriations are adopted as part of the annual budget process. The General Fund is accounted and budgeted on the modified accrual basis.

Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Normally, unused balances are returned to

CITY OF FOREST HILL

the grantor at the close of specified project period. Special Revenue Funds appropriations are adopted as part of the annual budget process.

The **Debt Service Fund** is used to account for tax revenues and for the payment of principal, interest, and related costs on long-term debts for which a tax has been dedicated. Any unused sinking fund balances are used to lower outstanding bonds. The Debt Service Fund appropriations are adopted as part of the annual budget process. Debt Service Funds are accounted for and budgeted on the modified accrual basis.

Capital Projects Funds are used to account for capital outlay projects financed from general debt issued by the City. Capital Project Funds are not part of the annual budget process. Capital Project Fund appropriations require specific action by the City Council, are adopted on an individual project basis, and may be appropriated on a multi-year basis. General Capital Project funds are accounted for and budgeted on the modified accrual basis.

Enterprise / Proprietary Fund Types

The **Water and Sewer Fund** account for revenues and expenses on a full accrual basis. Water, sewer, and solid waste services are delivered to the citizens of the City. The total operating, capital and debt costs are recovered from the utility rates charged for the delivery of these services. The Water and Sewer Operating Fund appropriations are adopted as part of the annual budget process. The Water and Sewer Operating Fund is budgeted on the modified accrual (working capital) basis.

Reconciliation between the net changes in working capital to the change in net assets **GAAP** basis provided in the utility fund summary schedule in the Enterprise Funds section of this document. Water and Sewer Fund capital projects are not part of the annual budget process. Utility Capital Project Fund appropriations require specific action by the City Council, are adopted on an individual project basis, and may be appropriated on a multi-year basis.

Annual Publications

The Annual Program of Services is submitted to the **Government Finance Officers Association (GFOA)** Distinguished Budget Award Program annually.

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Fund Structure

Number	Funds	Type	Basis of Budgeting and Accounting
Governmental Funds			
1	General	General	Modified Accrual
5	Municipal Court Technology	Special Revenue	Modified Accrual
6	Municipal Court Safety	Special Revenue	Modified Accrual
4	Juvenile Case Manager	Special Revenue	Modified Accrual
10	Motel Tax	Special Revenue	Modified Accrual
14	Park Fund	Special Revenue	Modified Accrual
15	Library	Special Revenue	Modified Accrual
18	Police Property Holding	Special Revenue	Modified Accrual
21	Law Enforcement Explorer	Special Revenue	Modified Accrual
22	Police Forfeiture	Special Revenue	Modified Accrual
23	Police Community Relations	Special Revenue	Modified Accrual
24	Police Standards and Education	Special Revenue	Modified Accrual
28	Police Donations Restricted	Special Revenue	Modified Accrual
29	Police Asset Sale Restricted	Special Revenue	Modified Accrual
30	Debt Service	Long Term Debt	Modified Accrual
49	Community Development Corp.	Special Revenue	Modified Accrual
50	Capital Equipment	Capital	Modified Accrual
51	Capital Projects	Capital	Modified Accrual
52	Street Improvements	Capital	Modified Accrual
80	Wastewater Access Fee	Special Revenue	Modified Accrual
98	Memorial Park Fund	Special Revenue	Modified Accrual
Enterprise / Proprietary Funds			
60	Water & Sewer	Enterprise	Full Accrual
61	Waterworks Construction	Enterprise	Full Accrual
62	Sanitation	Enterprise	Full Accrual
65	Storm Water	Enterprise	Full Accrual

CITY OF FOREST HILL

Annual Appropriated Funds -- Major Revenue Sources

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
GOVERNMENTAL FUNDS (Funds 1, 4, 5, 6, 10, 24, 30, 49, 51, 52, 98)				
Revenues by type:				
Property tax	\$ 4,643,844	\$ 5,391,702	\$ 5,374,900	\$ 6,009,318
Sales tax	2,710,812	2,655,000	2,695,647	2,836,955
Franchise fees	621,614	593,400	603,248	270,000
Licenses, permits and fees	434,007	452,200	343,444	355,000
Fines and forfeitures	872,734	869,652	751,498	849,700
Intergovernmental	7,500	7,500	8,000	8,000
Building Rental Income	217,274	225,000	236,308	236,308
Civic Center Fees	146,782	160,000	251,579	200,000
Motel tax	463,010	475,000	463,010	475,000
Interest	97,173	56,400	116,452	197,332
Mineral rights/ leases/ royalties	27,843	30,000	19,702	25,000
Miscellaneous	92,638	34,700	34,350	31,500
Grants	14,361	2,200	1,855	2,200
Donations	27,400	1,400	4,153	3,500
Total Revenues	10,376,990	10,954,154	10,904,146	11,499,814
Other Financing Sources:				
Inter-fund transfers in	356,641	1,353,072	1,353,072	1,282,130
Capital lease proceeds	-	-	-	-
Insurance proceeds	24,703	-	32,000	-
Total Other Financing Sources	381,344	1,353,072	1,385,072	1,282,130
TOTAL GOVERNMENTAL FUNDS	\$ 10,758,334	\$ 12,307,226	\$ 12,289,218	\$ 12,781,944
PROPRIETARY FUND (Funds 60, 61, 62, 65)				
Charges for services				
Water sales	\$ 2,678,865	\$ 2,600,000	\$ 2,400,000	\$ 2,500,000
Sewer sales	2,524,471	2,575,000	2,600,000	2,600,000
Drainage Sales	298,936	298,000	95,510	100,000
Sanitation Sales	430,047	284,400	646,917	650,000
Franchise Fees	166,345	181,400	130,760	130,000
Total Charges for Services	6,098,663	5,938,800	5,873,188	5,980,000
Late charges	142,198	139,900	138,158	140,000
Miscellaneous	55,119	53,100	53,158	49,500
Tap fees	83,225	97,000	82,382	84,500
Interest	6,417	4,100	12,275	19,150
TOTAL PROPRIETARY FUND	\$ 6,385,623	\$ 6,232,900	\$ 6,159,161	\$ 6,273,150

CITY OF FOREST HILL

General Fund Budgeted Revenues

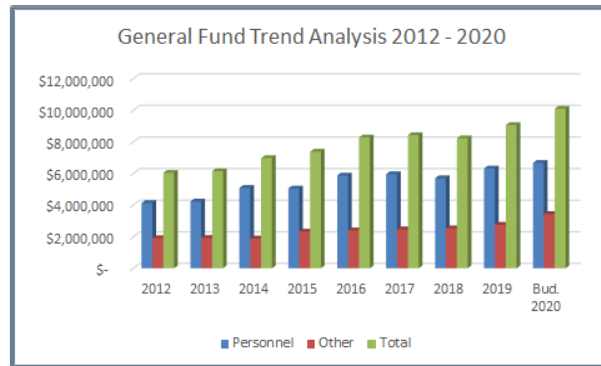


General Fund Budgeted Expenditures

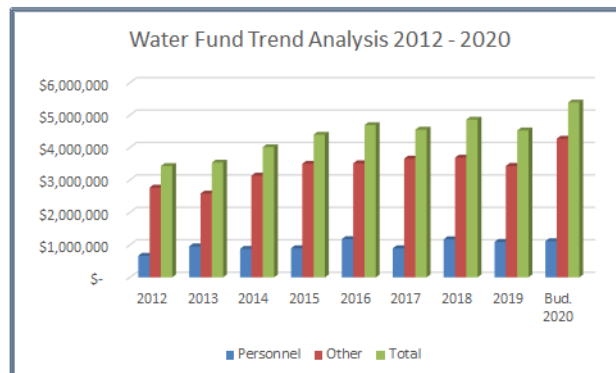


CITY OF FOREST HILL

General Fund Trend Analysis 2012-2020				
Budget Year	Personnel	Other	Total	Prior Year Variance +/-
2012	\$ 4,128,045	\$ 1,910,597	\$ 6,038,642	-
2013	\$ 4,224,287	\$ 1,919,859	\$ 6,144,146	1.75%
2014	\$ 5,088,571	\$ 1,886,806	\$ 6,975,377	13.53%
2015	\$ 5,053,074	\$ 2,324,572	\$ 7,377,646	5.77%
2016	\$ 5,872,865	\$ 2,403,163	\$ 8,276,028	12.18%
2017	\$ 5,957,725	\$ 2,469,271	\$ 8,426,996	1.82%
2018	\$ 5,700,165	\$ 2,525,788	\$ 8,225,953	-2.39%
2019	\$ 6,313,281	\$ 2,755,148	\$ 9,068,429	10.24%
Bud. 2020	\$ 6,666,432	\$ 3,434,059	\$ 10,100,491	11.38%



Water Fund Trend Analysis 2012-2020				
Budget Year	Personnel	Other	Total	Prior Year Variance +/-
2012	\$ 666,720	\$ 2,767,017	\$ 3,433,737	-
2013	\$ 954,838	\$ 2,583,298	\$ 3,538,136	3.04%
2014	\$ 876,910	\$ 3,135,180	\$ 4,012,090	13.40%
2015	\$ 895,984	\$ 3,501,548	\$ 4,397,532	9.61%
2016	\$ 1,180,845	\$ 3,514,412	\$ 4,695,257	6.77%
2017	\$ 895,984	\$ 3,658,110	\$ 4,554,094	-3.01%
2018	\$ 1,172,350	\$ 3,691,000	\$ 4,863,350	6.79%
2019	\$ 1,092,307	\$ 3,435,300	\$ 4,527,607	-6.90%
Bud. 2020	\$ 1,116,625	\$ 4,275,375	\$ 5,392,000	19.09%



CITY OF FOREST HILL

Annual Appropriated Funds -- Consolidated Funds Summary (Modified Accrual Basis)

	General Fund (01)			Special Revenue Fund (4,5,6,10,14,15,22,23,24,49,52,80,98)			Debt Service Fund (30)			Capital Projects Fund (51)		
	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20
Revenues:												
Property tax	\$ 4,127,048	\$ 4,681,343	\$ 5,502,628				516,796	693,557	506,690	\$ -	\$ -	\$ -
Sales tax	1,549,737	1,605,288	1,706,955	1,161,075	1,090,360	1,130,000						
Franchise taxes	621,614	603,248	270,000									
Licenses and permits	434,007	343,444	355,000									
Fines and forfeitures	817,907	706,016	804,200	54,827	45,482	45,500						
Intergovernmental	7,500	8,000	8,000									
Building Rental Income	217,274	236,308	236,308									
Motel tax	-	-	-	463,010	463,010	475,000						
Water sales	-	-	-									
Sewer sales	-	-	-									
Drainage sales												
Sanitation sales												
Franchise fees												
Late charges	-	-	-									
Tap fees	-	-	-									
Civic Center Fees	146,782	251,579	200,000									
Interest	56,218	66,783	100,000	20,619	34,729	68,832	9,300	1,572	3,500	11,036	13,369	25,000
Grants	14,361	1,855	2,200									
Donations	27,400	4,153	3,500									
Mineral rights leases/ royalties	27,843	19,702	25,000									
Miscellaneous	95,241	32,069	29,200	(2,603)	2,281	2,300						
Subtotal Revenues	8,142,931	8,559,788	9,242,991	1,696,928	1,635,861	1,721,632	526,096	695,128	510,190	11,036	13,369	25,000
Other Financing Sources:												
Insurance proceeds	24,703	32,000	-									
Miscellaneous	-	-	-									
Interfund transfers in	188,888	929,745	857,500		254,074	254,000	167,753	169,253	170,630			
Subtotal Other Financing Sources	213,591	961,745	857,500									
Total Revenues and Other Financing Sources	8,356,522	9,521,533	10,100,491	1,696,928	1,889,935	1,975,632	693,849	864,381	680,820	11,036	13,369	25,000
Appropriations:												
Personnel	6,128,604	6,401,514	6,666,432	128,098	250	-						
Materials/ minor equipment/ supplies	1,101,911	1,189,189	1,242,944	6,666	359,432	540,850						
Contractual Services	1,474,061	1,563,608	1,814,364	29,761	24,798	84,250						
Travel and training	115,457	110,915	122,750	12,948	6,902	39,300						
Debt Service payments							673,847	676,899	677,220			
Miscellaneous				(10,977)	207	-						
Subtotal Appropriations	8,820,033	9,265,226	9,846,491	166,495	391,589	664,400	673,847	676,899	677,220	-	-	-
Other Financing Uses:												
Interfund transfers out	-	254,074	254,000	167,753	417,556	422,124						
Debt issuance cost												
Miscellaneous Uses												
Total Appropriations:	8,820,033	9,519,300	10,100,491	334,248	809,145	1,086,524	673,847	676,899	677,220	-	-	-
Net Increase (Decrease) in Fund Balance	(463,511)	2,233	0	1,362,680	1,080,790	889,108	20,002	187,482	3,600	11,036	13,369	25,000
Accrual adjustment for GAAP												
Beginning Budgetary Fund Balance	2,167,977	\$ 1,704,466	\$ 1,706,699	4,128,859	5,491,539	6,572,328	269,453	289,455	476,937	549,940	560,976	574,345
Ending Budgetary Fund Balance	\$ 1,704,466	\$ 1,706,699	\$ 1,706,700	\$ 5,491,539	\$ 6,572,328	\$ 7,461,437	\$ 289,455	\$ 476,937	\$ 480,537	\$ 560,976	\$ 574,345	\$ 599,345
Number of Days in Reserve	71	65	62									

CITY OF FOREST HILL

Annual Appropriated Funds -- Consolidated Funds Summary (Modified Accrual Basis)

	Total Governmental Fund			Total Proprietary Fund			Total All Funds		
	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20
Revenues:									
Property tax	\$ 4,643,844	\$ 5,374,900	\$ 6,009,318				4,643,844	5,374,900	6,009,318
Sales tax	2,710,812	2,695,647	2,836,955				2,710,812	2,695,647	2,836,955
Franchise taxes	621,614	603,248	270,000				621,614	603,248	270,000
Licenses and permits	434,007	343,444	355,000				434,007	343,444	355,000
Fines and forfeitures	872,734	751,498	849,700				872,734	751,498	849,700
Intergovernmental	7,500	8,000	8,000				7,500	8,000	8,000
Building Rental Income	217,274	236,308	236,308				217,274	236,308	236,308
Motel tax	463,010	463,010	475,000				463,010	463,010	475,000
Water sales	-	-	-	2,678,865	2,400,000	2,500,000	2,678,865	2,400,000	2,500,000
Sewer sales	-	-	-	2,524,471	2,600,000	2,600,000	2,524,471	2,600,000	2,600,000
Drainage sales				298,936	95,510	100,000	298,936	95,510	100,000
Sanitation sales				430,047	646,917	650,000	430,047	646,917	650,000
Franchise fees				166,345	130,760	130,000	166,345	130,760	130,000
Late charges	-	-	-	142,198	138,158	140,000	142,198	138,158	140,000
Tap fees	-	-	-	83,225	82,382	84,500	83,225	82,382	84,500
Civic Center Fees	146,782	251,579	200,000				146,782	251,579	200,000
Interest	97,173	116,452	197,332	6,417	12,275	19,150	103,590	128,727	216,482
Grants	14,361	1,855	2,200				14,361	1,855	2,200
Donations	27,400	4,153	3,500				27,400	4,153	3,500
Mineral rights leases/ royalties	27,843	19,702	25,000				27,843	19,702	25,000
Miscellaneous	92,638	34,350	31,500	55,119	53,158	49,500	147,757	87,507	81,000
Subtotal Revenues	10,376,990	10,904,146	11,499,814	6,385,623	6,159,161	6,273,150	16,762,613	17,063,307	17,772,964
Other Financing Sources:									
Insurance proceeds	24,703	32,000	-				24,703	32,000	-
Miscellaneous	-	-	-				-	-	-
Interfund transfers in	356,641	1,353,072	1,282,130				356,641	1,353,072	1,282,130
Subtotal Other Financing Sources	381,344	1,385,072	1,282,130	-	-	-	381,344	1,385,072	1,282,130
Total Revenues and Other Financing Sources	10,758,334	12,289,218	12,781,944	6,385,623	6,159,161	6,273,150	17,143,958	18,448,379	19,055,094
Appropriations:									
Personnel	6,256,701	6,401,764	6,666,432	1,140,538	948,729	1,116,625	7,397,240	7,350,493	7,783,058
Materials/ minor equipment/ supplies	1,108,577	1,548,620	1,783,794	320,799	491,468	1,028,167	1,429,376	2,040,088	2,811,961
Contractual Services	1,503,822	1,588,406	1,898,614	3,345,706	3,753,536	3,613,250	4,849,528	5,341,942	5,511,864
Travel and training	128,405	117,817	162,050	2,695	6,000	7,500	131,100	123,817	169,550
Debt Service payments	673,847	676,899	677,220	20,409	148,275	146,458	694,256	825,174	823,678
Miscellaneous	(10,977)	207	0	2,717			177,911	681,647	602,000
Subtotal Appropriations	9,660,375	10,333,714	11,188,111	4,832,864	5,348,008	5,912,000	14,679,410	16,363,162	17,702,111
Other Financing Uses:									
Interfund transfers out	167,753	671,630	676,124	188,888	681,440	602,000	356,641	1,353,070	1,278,124
Debt issuance cost									
Miscellaneous Uses									
Total Appropriations:	9,828,128	11,005,344	11,864,235	5,021,752	6,029,448	6,514,000	15,036,051	17,716,232	18,980,235
Net Increase (Decrease) in Fund Balance	930,206	1,283,874	917,709	1,363,871	129,713	(240,850)	2,294,077	1,413,587	676,858
Accrual adjustment for GAAP				(18,100)					
Beginning Budgetary Fund Balance	7,116,229	8,046,435	9,330,309	8,597,306	\$ 9,943,077	\$ 10,072,791	15,713,535	17,989,512	19,403,099
Ending Budgetary Fund Balance	\$ 8,046,435	\$ 9,330,309	\$ 10,248,018	\$ 9,943,077	\$ 10,072,791	\$ 9,831,940	\$ 18,007,612	\$ 19,403,099	\$ 20,079,958
Number of Days in Reserve				723	610	551			

CITY OF FOREST HILL

MAJOR REVENUE SOURCES DESCRIBED

The major revenue sources for the City are

- Ad valorem (property) taxes
- Sales tax
- Franchise fees
- Motel tax
- Other Governmental Sources
- Water and sewer service

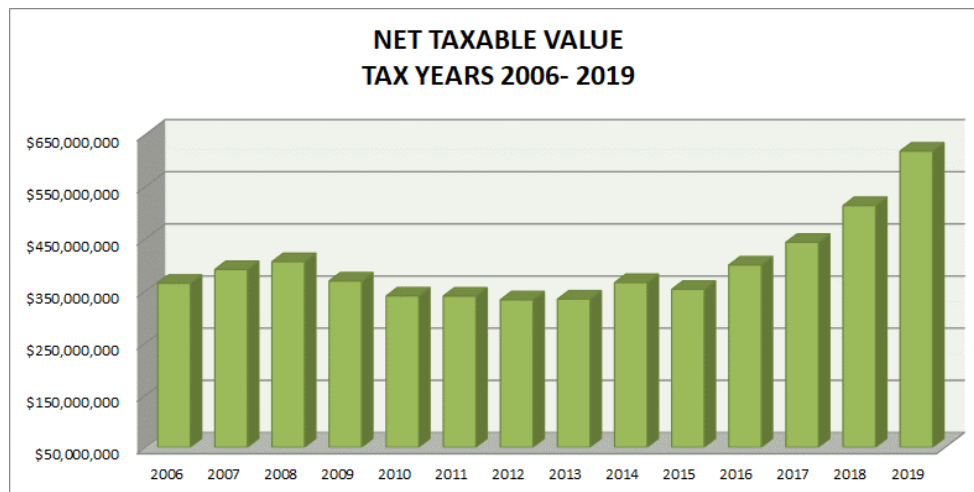
Each of these sources of revenue plays a vital role in determining the fiscal health of the City.

REVENUE FORECASTING

Revenue forecasts are largely based on trend analysis, with an emphasis on current and expected future economic conditions with the national, state, and local economy. Any changes in law that might affect revenue streams must also be considered.

AD VALOREM TAXES – NET TAXABLE VALUE

Ad valorem taxes attach an enforceable lien on all real, personal, and business property in the City of Forest Hill. The amounts of property taxes that the City expects to collect are based on the certified roll calculated by the Tarrant Appraisal District, on behalf of the City. The September 1, 2019 certified net taxable value of \$617,890,831 is a 20.3% increase from the September 1, 2018 net taxable value of \$513,513,216. The tax year begins January 1 and fiscal year end is September 30.



AD VALOREM TAXES – PROPOSED TAX RATE

The Fiscal Year 2019-2020 tax rate is \$.992873 per \$100 valuation. This is the same as last year's adopted tax rate. The effective tax rate is based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. For the FY 2019-2020, the effective rate as calculated by Tarrant County is \$.858488 per \$100 of assessed valuation. The rate of \$.992873 per \$100 valuation is the sum of two components, the maintenance and operations (M&O) rate (0.911303) plus the interest and sinking (I&S) rate (0.081570) which combined equal the overall tax rate.

CITY OF FOREST HILL

AD VALOREM TAXES –COLLECTIONS

For the fiscal year 2019-2020, the property tax levy will amount to approximately \$6,009,318 an increase of 17.86% of the previous fiscal year's tax levy amount of \$5,098,534.

SALES TAX

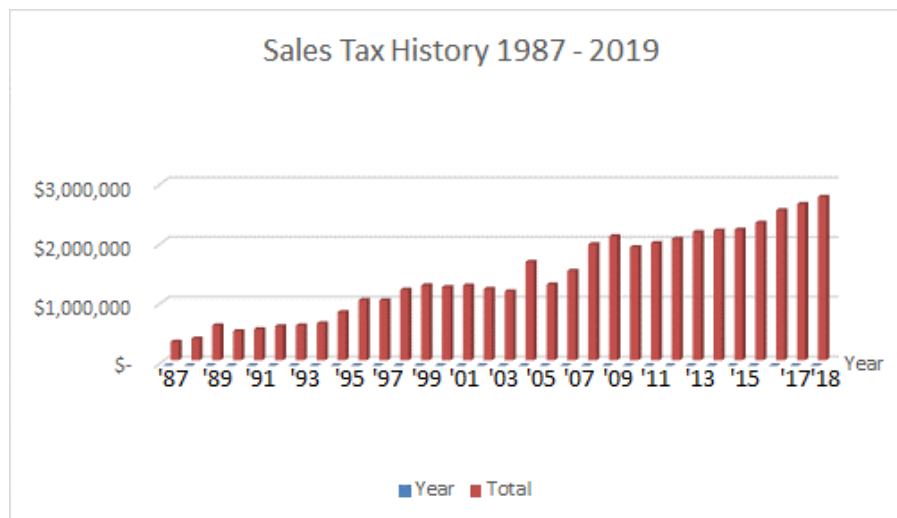
Sales tax collections are based on economic activity and vary with changes in the local economy. Estimated FY 2019-2020 collections (in the General Fund) of \$1,706,955 are consistent with current year's collections of \$1.6M adjusted for increases due to changing tax laws and the State of Texas audits and monitoring of internet businesses. The local sales tax rate is 8.25%. Businesses within the city limits collect the tax and remit the tax to the State of Texas Comptroller. Of the 8.25%, 6.25% is retained by the State of Texas. The division of the 1.75% City of Forest Hill Sales Tax is shown below by Fund.

The City of Forest Hill has a Sales Tax Rate of 8.25%. The rate is composed of the following components:

State of Texas	6.25%
City of Forest Hill	1.75%
Special Library Rate	<u>.25%</u>
Total	<u>8.25%</u>

For the 1.75% that the City receives, it is broken out as follows:

General Fund	1.00%
Community Development	.50%
Street Improvement	<u>.25%</u>
Total	<u>1.75%</u>



CITY OF FOREST HILL

FRANCHISE FEES

The City of Forest Hill receives franchise fee payments for the use of its streets and right-of-ways. Companies involved in sanitation, telecommunications, and utilities must pay the City for the use of its streets and right-of-ways. Franchise fees are a significant source of income for the City, amounting to an estimated \$600,000 per year for the last several years. Due to legislation that was enacted to take effect January 1, 2020, cable companies now will pay significantly less to Texas municipalities for franchise fees. Although the full effects of the legislation is not yet known, the City is estimating franchise fees will drop to \$270,000.

HOTEL / MOTEL TAX

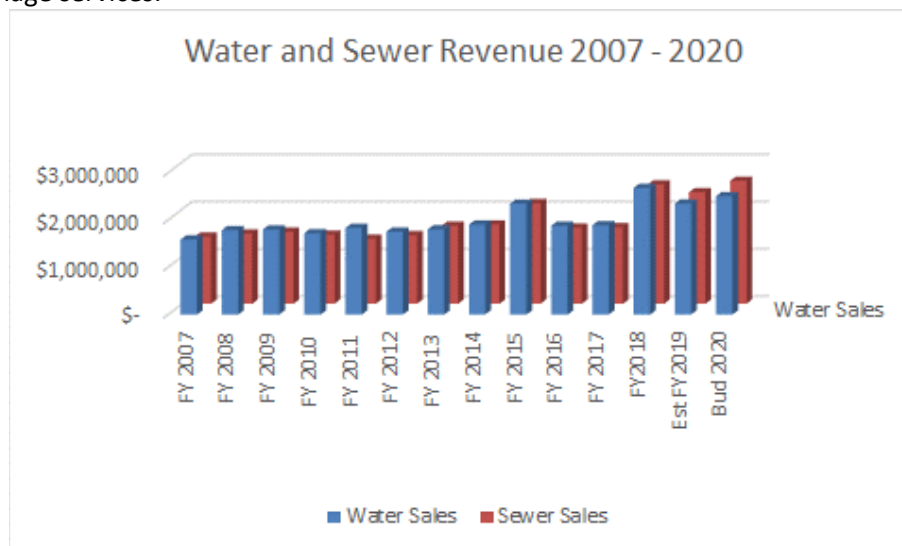
Motel taxes are 13% (6% State of Texas and 7% City of Forest Hill) of the cost of the stay. The taxes are remitted to the City monthly by each hotel/motel property in the City. Periodic audits may be conducted by the Director of Finance.

OTHER GOVERNMENTAL FUND REVENUE SOURCES

The City has other types of revenue. Two categories are 1) Licenses, permits and fees estimated to collect \$355,000 and 2) Fines and forfeitures estimated to collect \$849,700. Licenses and permits include items such as construction permits, impact fees, fence permits, pet licenses, and garage sale permits. Fines and forfeitures include items related to the Municipal Court and Police Department such as traffic enforcement ticket collections, code enforcement collections, and warrant collections.

WATER AND SEWER SERVICE REVENUES

The City's Water and Sewer Fund is a proprietary fund that is set up to run much like that of a private business / for profit entity, by recovering operating, debt and capital costs from user charges and maintaining a reserve for emergencies. The major revenue sources are water, sewer, drainage, and sanitation (trash) service charges. Bills are sent to residents monthly and fees collected. Consumption trends are monitored for providing services and projecting revenues. The City purchases water and sewer services from the City of Fort Worth. A franchise contract is in effect for sanitation. The City provides drainage services.



CITY OF FOREST HILL

GENERAL FUND

DEPARTMENTAL PROGRAM DESCRIPTIONS, GOALS, OBJECTIVES AND BUDGET

The General Fund budget supports functions and activities that are traditionally provided by local government. These include police and fire protection, parks and recreation, streets and facilities maintenance and repairs, and general administration. Revenues to finance these programs are derived principally from ad valorem taxes, local sales taxes, franchise fees and transfers from the City's proprietary fund and special revenue funds.

CITY OF FOREST HILL

General Fund

Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted 2019-20
REVENUES				
Property tax	\$ 4,127,048	\$ 4,685,657	\$ 4,681,343	\$ 5,502,628
Sales tax	1,549,737	1,500,000	1,605,288	1,706,955
Franchise taxes	621,614	568,300	603,248	270,000
Licenses and permits	434,007	452,200	343,444	355,000
Fines and forfeitures	817,907	832,052	706,016	804,200
Intergovernmental	7,500	2,200	8,000	8,000
Building Rental Income	217,274	225,000	236,308	236,308
Civic Center Fees	146,782	160,000	251,579	200,000
Interest	56,218	36,100	66,783	100,000
Grants	14,361		1,855	2,200
Donations	27,400		4,153	3,500
Mineral rights leases/ royalties	27,843	30,000	19,702	25,000
Miscellaneous	95,241	59,600	32,069	29,200
SUBTOTAL REVENUES	8,142,931	8,551,109	8,559,788	9,242,991
EXPENDITURES				
MAYOR AND COUNCIL				
PERSONNEL	62,891	54,303	55,144	-
MATERIALS & SUPPLIES	24,054	24,350	18,080	21,100
OTHER SERVICES	154,346	132,350	101,233	139,850
TRAVEL & TRAINING	47,220	44,000	36,711	35,000
TOTAL MAYOR AND COUNCIL	288,510	255,003	211,167	195,950
CITY SECRETARY				
PERSONNEL	98,336	82,409	62,175	64,484
MATERIALS & SUPPLIES	3,349	4,300	5,400	6,900
OTHER SERVICES	3,468	7,900	6,550	8,800
TRAVEL & TRAINING	998	2,000	1,345	4,500
TOTAL CITY SECRETARY	106,151	96,609	75,470	84,684
ADMINISTRATION				
PERSONNEL	275,295	304,830	298,855	351,428
MATERIALS & SUPPLIES	48,338	34,200	12,952	16,850
OTHER SERVICES	35,884	25,000	18,815	20,100
TRAVEL & TRAINING	16,982	18,000	11,278	18,000
TOTAL ADMINISTRATION	376,499	382,030	341,900	406,378
MUNICIPAL COURT				
PERSONNEL	490,019	399,189	289,019	446,738
MATERIALS & SUPPLIES	10,157	10,100	10,000	10,100
OTHER SERVICES	125,676	153,500	128,275	134,850
TRAVEL & TRAINING	4,108	7,000	6,100	7,000
TOTAL MUNICIPAL COURT	629,958	569,789	433,394	598,688
FINANCE				
PERSONNEL	252,918	295,390	253,804	315,474
MATERIALS & SUPPLIES	5,535	4,200	6,909	5,000
OTHER SERVICES	73,546	126,800	126,226	103,500
TRAVEL & TRAINING	6,322	7,600	10,017	9,500
TOTAL FINANCE	338,320	433,990	396,956	433,474

CITY OF FOREST HILL

General Fund

Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
HR CIVIL SERVICE				
PERSONNEL	73,369	78,439	104,463	107,761
MATERIALS & SUPPLIES	19,230	32,000	9,706	8,000
OTHER SERVICES	51,752	49,600	28,242	19,050
TRAVEL & TRAINING	1,943	2,000	5,220	4,500
TOTAL HR CIVIL SERVICE	146,294	162,039	147,631	139,311
PLANNING AND DEVELOPMENT				
PERSONNEL	227,508	219,585	208,139	91,121
MATERIALS & SUPPLIES	33,613	25,750	30,419	30,000
OTHER SERVICES	135,064	131,150	67,751	67,200
TRAVEL & TRAINING	1,820	2,000	1,476	2,500
TOTAL PLANNING AND DEVELOPMENT	398,004	378,485	307,784	190,821
PERMITS (previously in Planning and Development)				
PERSONNEL				98,807
TOTAL PERMITS	-	-	-	98,807
CODE COMPLIANCE (previously in Planning and Development)				
PERSONNEL				89,861
OTHER SERVICES				1,200
TOTAL CODE COMPLIANCE	-	-	-	91,061
PUBLIC WORKS: ADMINISTRATION				
PERSONNEL	126,045	166,772	222,272	221,113
MATERIALS & SUPPLIES	112,278	91,500	244,200	290,000
OTHER SERVICES	264,049	471,849	164,300	181,250
TRAVEL & TRAINING	-	-	1,800	2,500
TOTAL PUBLIC WORKS: ADMINISTRATION	502,371	730,121	632,572	694,863
POLICE DEPARTMENT: ADMIN & OPERATIONS				
PERSONNEL	2,807,733	2,736,114	3,057,373	2,877,765
MATERIALS & SUPPLIES	348,155	321,600	314,296	332,859
OTHER SERVICES	62,402	87,550	89,093	114,350
TRAVEL & TRAINING	29,001	29,800	29,519	31,800
TOTAL POLICE DEPARTMENT: ADMIN & OPERATIONS	3,247,290	3,175,064	3,490,280	3,356,774
POLICE DEPARTMENT: ANIMAL CONTROL				
PERSONNEL	62,420	48,774	84,611	101,998
MATERIALS & SUPPLIES	5,152	61,050	61,050	31,050
OTHER SERVICES	3,030	5,000	9,500	4,500
TRAVEL & TRAINING	340	600	600	600
TOTAL POLICE DEPARTMENT: ANIMAL CONTROL	70,942	115,424	155,761	138,148
FIRE DEPARTMENT				
PERSONNEL	1,497,907	1,606,008	1,501,837	1,548,135
MATERIALS & SUPPLIES	108,690	49,500	131,966	163,335
OTHER SERVICES	34,371	134,100	37,127	20,050
TRAVEL & TRAINING	6,725	6,500	6,500	6,500
TOTAL FIRE DEPARTMENT	1,647,693	1,796,108	1,677,429	1,738,020

CITY OF FOREST HILL

General Fund Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
GARAGE				
PERSONNEL	67,182	68,236	73,835	78,275
MATERIALS & SUPPLIES	290,537	189,500	249,804	249,100
OTHER SERVICES				
TOTAL GARAGE	357,719	257,736	323,639	327,375
BUILDING & GROUNDS				
PERSONNEL	64,902	34,849	24,988	12,296
MATERIALS & SUPPLIES	84,729	80,800	86,285	70,050
OTHER SERVICES	320,883	312,400	320,366	340,228
TRAVEL & TRAINING				
TOTAL BUILDING & GROUNDS	470,514	428,049	431,639	422,574
COMMUNITY DEVELOPMENT				
PERSONNEL	-	155,288	166,449	186,176
MATERIALS & SUPPLIES	-	200	1,100	1,100
OTHER SERVICES		63,649		
TRAVEL & TRAINING	-	-	350	350
TOTAL COMMUNITY DEVELOPMENT	-	219,137	167,899	187,626
NON DEPARTEMENTAL				
PERSONNEL	22,080	73,195	-	75,000
MATERIALS & SUPPLIES	8,096	6,900	7,023	7,500
OTHER SERVICES	209,591	500,800	466,131	659,436
TRAVEL & TRAINING				
TOTAL NON DEPARTEMENTAL	239,767	580,895	473,154	741,936
TOTAL EXPENDITURES	8,820,033	9,580,479	9,266,676	9,846,490
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(677,102)	(1,029,370)	(706,888)	(603,500)
OTHER FINANCING SOURCES (USES)				
TRANSFER FROM COMMUNITY DEV CORP		99,300	99,300	100,000
TRANSFERS FROM JUVENILE CASE MANAGER FUND		2,494	2,494	2,500
TRANSFERS FROM MOTEL FUND		63,649	63,649	65,000
TRANSFER FROM W&S UTILITY FUND	188,888	580,665	580,665	500,000
TRANSFERS FROM CAPITAL IMPROVEMENT FUND		82,860	82,860	85,000
TRANSFERS FROM STREET IMPROVEMENT FUND				
TRANSFERS FROM SANITATION FUND		61,459	61,459	65,000
TRANSFERS FROM STROM DRAINAGE FUND		39,318	39,318	40,000
TRANSFER TO I & S DEBT SERVICE				
TRANSFER TO STREET IMPROVEMENT FUND			(250,000)	(250,000)
TRANSFER TO MEMORIAL PARK FUND		(4,074)	(4,074)	(4,000)
INSURANCE PROCEEDS	24,703		32,000	-
NET TOTAL OTHER FINANCING SOURCES (USES)	213,591	925,671	707,671	603,500
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(463,511)	(103,699)	783	(0)
BEGINNING FUND BALANCE, OCTOBER 1	2,167,977	1,963,615	1,704,466	1,705,249
ENDING FUND BALANCE, SEPTEMBER 30	\$ 1,704,466	\$ 1,859,916	\$ 1,705,249	\$ 1,705,249
NUMBER OF DAYS IN RESERVE	71	71	67	63

CITY OF FOREST HILL

MAYOR AND CITY COUNCIL

FUND/ DEPARTMENT/ PROGRAM: 01-01-00

PROGRAM DESCRIPTION

Forest Hill, a community incorporated on March 16, 1946, has a population of 13,000. The City of Forest Hill is primarily responsible for maintaining a safe, pleasant environment within the community by providing effective governance and the efficient delivery of public service.

The City of Forest Hill is a “home-rule” city operating under the City Charter originally adopted in 1946. The City is operated by a Council-Manager form of government with a Mayor, six Council Members and a City Manager. The Mayor and the Council Members are elected at large.

The City meets in regular sessions at 7:00 p.m. on the 1st and 3rd Tuesday of each month.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Enhance the quality of life in Forest Hill, Texas.

Objective 1: Continue to pursue recreational, cultural and aesthetic improvements in the community.

Objective 2: Provide funding of operational and capital expenditures for infrastructure improvements.

Goal 2: Promote a positive environment for economic development in the community.

Objective 1: Develop and support policies to encourage housing development.

Objective 2: Develop and support policies to encourage commercial and industrial development.

Goal 3: Address organizational issues with City government.

Objective 1: Work to instill confidence in the integrity of City Government.

Objective 2: Support development of a professional City staff that can effectively and efficiently meet the needs of the community.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Council Meetings	24	24	25	24
Work Sessions	2	2	6	2
Adopted Ordinances	24	24	27	24
Productivity Measures				
Improve Municipal Services	Yes	Yes	Yes	Yes
Improve Aesthetics of the City	Yes	Yes	Yes	Yes
New Business Added to Tax Roll	Yes	Yes	Yes	Yes
Expenditure Summary				
Personnel	\$ 62,891	\$ 54,303	\$ 55,144	\$ -
Materials and Supplies	24,054	24,350	18,080	21,100
Other Services	154,346	132,350	101,233	139,850
Travel & Training	47,220	44,000	36,711	35,000
Total Mayor & Council	<u>\$ 288,510</u>	<u>\$ 255,003</u>	<u>\$ 211,167</u>	<u>\$ 195,950</u>

CITY OF FOREST HILL

CITY SECRETARY

FUND/ DEPARTMENT/ PROGRAM: 01-02-00

PROGRAM DESCRIPTION

The City Secretary is the clerk for the City Council and, as such, is responsible for documentation, publication, and archiving of all official records, including minutes, ordinances resolutions, contracts, deeds, and easements. The City Secretary serves as chief election official for all municipal elections. The department has primary responsibility for coordinating a Records Management Program. The department provides clerical assistance to other departments through the Central Secretary position. Also, the City Secretary office acts as a public information center to visitors and guests upon entering the City Hall.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Provide City Council Agenda packets on a timely basis.

Goal 2: Post all necessary and required public notices on a timely basis.

Goal 3: Accurately record City Council minutes and submit for approval at the next City Council meeting.

Objective 1: Prepare City Council minutes within seven (7) working days.

Objective 2: Index and file official documents within two (2) weeks of final action.

Goal 4: Administer City elections in full compliance of the City Charter and the Texas Election Code.

Goal 5: Provide timely response (within 10 days) s to official public information requests.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Prepare and post City Council Agendas	24	24	25	24
Prepare Council Packets	24	24	25	24
Attend Council Meetings	24	24	25	24
Prepare Council Minutes	24	24	25	24
Administer Elections	2	2	2	2
Public Information Requests	50	65	205	100
Productivity Measures				
Approved Council minutes	24	24	25	24
Percent of Public Information Request Completed	100%	100%	100%	100%
Expenditure Summary				
Personnel	\$ 98,336	\$ 82,409	\$ 62,175	\$ 64,484
Materials and Supplies	3,349	4,300	5,400	6,900
Other Services	3,468	7,900	6,550	8,800
Travel & Training	998	2,000	1,345	4,500
Total City Secretary	<u>\$106,151</u>	<u>\$ 96,609</u>	<u>\$ 75,470</u>	<u>\$ 84,684</u>

CITY OF FOREST HILL

ADMINISTRATION/ CITY MANAGER

FUND/ DEPARTMENT/ PROGRAM: 01-03-00

PROGRAM DESCRIPTION

The City Manager is the Chief Executive Officer of the City. It is his duty, under the City Charter, to execute and implement policies as established by the City Council. He is responsible for the 1) overall coordination of the City's governmental activities, 2) efficient operation of the City of Forest Hill, 3) management of staff and communication of organizational goals and values to the public.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Enhance the quality of life in Forest Hill, Texas.

Objective 1: Continue to pursue recreational, cultural and aesthetic improvements in the City.

Objective 2: Provide funding of operational and capital expenditures for street improvements.

Goals 2: Promote a positive environment for economic development in the community.

Objective 1: Support policies to encourage housing community development.

Objective 2: Support policies to encourage commercial and industrial development.

Goal 3: Address organizational issues with City government.

Objective 1: Develop policies, procedures and practices that promote high ethical standards.

Objective 2: Implement training for effective customer service and instill confidence in the integrity of City Government.

Objective 3: Hire and /or develop a staff that sets the highest professional standards for themselves and the organization.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Present Master Plan For Adoption and Update	Yes	Yes	Yes	Yes
Conduct Strategic Planning	Yes	Yes	Yes	Yes
Prepare Annual Operating Budget	Yes	Yes	Yes	Yes
Prepare Capital Projects Budget	Yes	Yes	Yes	Yes
Develop Ethics Policy for Adoption	Yes	Yes	Yes	Yes
Productivity Measures				
Improve Municipal Services	Yes	Yes	Yes	Yes
Address Organizational Issues	Yes	Yes	Yes	Yes
Improve Aesthetics of the City	Yes	Yes	Yes	Yes
Increase Businesses in the City	Yes	Yes	Yes	Yes
Expenditure Summary				
Personnel	\$ 275,295	\$ 304,830	\$ 298,855	\$ 351,428
Supplies	48,338	34,200	12,952	16,850
Other Services	35,884	25,000	18,815	20,100
Travel & Training	16,982	18,000	11,278	18,000
Total Administration/City Manager	<u>\$376,499</u>	<u>\$382,030</u>	<u>\$341,900</u>	<u>\$ 406,378</u>

CITY OF FOREST HILL

MUNICIPAL COURT

FUND/ DEPARTMENT/ PROGRAM: 01-05-00

PROGRAM DESCRIPTION

Enhance safety and security in Forest Hill and improve the quality of life within the City.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Increase collection rate at the Municipal Court

Objective 1: Process citations daily.

Objective 2: Mail reminders and collection notices daily.

Objective 3: Call all defendants when their case becomes past due.

Objective 4: Issue Warrants and capias pro fine warrants timely.

Objective 5: Mail post warrant cards immediately when warrants are issued.

Objective 6: Participate in the Great Texas Warrant Round Up.

Objective 7: Warrant Collection Clerks to attend training with an emphasis on traffic citation collections or collection of outstanding debts.

Goal 2: Obtain and maintain Court Clerk Certifications

Objective1: Maintain Court Administrator Level 3 Certification. Complete 20 hours of Municipal

Objective 2: Court continuing education and attend Legislative Update in Austin.

Objective 3: Deputy Court Clerk/JCM - Obtain Level 2 Certification by taking and passing the Level 2 exam and complete 12 hours of Municipal Court continuing education.

Objective 4: Part Time Court Clerk to obtain Level 2 Certification by taking and passing the Level 2 exam and complete 12 hours of Municipal Court continuing education.

Objective 5: Complete 12 hours of Municipal Court continuing education.

Goal 3: Update Municipal Court Software to more effectively and efficiently process and maintain Municipal Court Records

Objective 1: Purchase a new server and coordinate software upgrade.

Objective 2: Train Municipal Court Staff on the new process with the upgrade.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Court Dockets Prepared	185	185	170	170
Number of Cases Filed	8,750	8,750	6,300	5,500
Warrants Issued	5,000	5,000	5,400	4,750
Number of Cases resolved prior to Court	8,500	8,000	5,300	4,500
Number of Dispositions by Trial	90	90	20	30
Number of Warrants Recalled/ Served	4,500	4,500	5,950	4,000
Productivity Measures				
Court Administered in Compliance with State Statute	Yes	Yes	Yes	Yes
Professional Certifications Maintained	3	3	3	3
Expenditure Summary				
Personnel	\$490,019	\$399,189	\$289,019	\$446,738
Materials and Supplies	10,157	10,100	10,000	10,100
Other Services	125,676	153,500	128,275	134,850
Travel & Training	4,108	7,000	6,100	7,000
Total Municipal Courts	<u>\$629,958</u>	<u>\$569,789</u>	<u>\$433,394</u>	<u>\$598,688</u>

CITY OF FOREST HILL

FINANCE

FUND/ DEPARTMENT/ PROGRAM: 01-06-00

PROGRAM DESCRIPTION

The Finance Department is responsible for coordinating and maintaining comprehensive management of the City's financial activities to ensure proper use and investment of the City's funds. The department is responsible for all of the City's accounting and financial reporting as well as providing timely budgetary and other financial information to the community, City Council, management and various departments of the City.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Provide accurate and timely financial reporting.

Objective 1: Monitor and report the budgetary status of all revenues and expenditures monthly and throughout the fiscal year.

Objective 2: Monitor and maintain a chart of accounts, general ledger and financial management system for the timely recording of receipts and disbursements with reports distributed in a timely manner, to include processing of payroll and accounts payable on scheduled basis.

Goal 2: Continue to improve annual audit and budget preparation processes

Objective 1: Coordinate annual audit for completion of the annual financial report within 120 days of fiscal year end.

Objective 2: Prepare budget draft and file with City Secretary for public access within 30 days of budget hearing before budget adoption.

Goal 3: Meet budgetary awards program criteria outlined by the Government Finance Officers Association (GFOA).

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Payrolls Processed	26	26	26	26
Monthly Financial Reports to City Manager	12	12	12	12
Annual Financial Reports Issued	Yes	Yes	Yes	Yes
Annual Budget Document Prepared	Yes	Yes	Yes	Yes
Productivity Measures				
Percent of Payrolls Processed on Time	100%	100%	100%	100%
Annual Audited Financial Report Issued by 3/31/2020	Yes	Yes	Yes	Yes
Prepare Budget Submission to the GFOA Program	Yes	Yes	Yes	Yes
Expenditure Summary				
Personnel	\$252,918	\$295,390	\$253,804	\$315,474
Materials and Supplies	5,535	4,200	6,909	5,000
Other Services	73,546	126,800	126,226	103,500
Travel & Training	6,322	7,600	10,017	9,500
Total Finance	<u>\$338,320</u>	<u>\$433,990</u>	<u>\$396,956</u>	<u>\$433,474</u>

CITY OF FOREST HILL

HUMAN RESOURCES & CIVIL SERVICE

FUND/ DEPARTMENT/ PROGRAM: 01-07-00

PROGRAM DESCRIPTION

The Human Resources & Civil Service program administer the personnel policy, employee recruitment, staff relations and employee classifications. The program is also responsible for compensation administration, personnel records and management, administration of employee benefits, and workers compensation insurance. The program also monitors City policies so that they comply with Federal and State laws governing municipal employment practices.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

- Goal 1: Continue to attract and retain qualified employees by posting job announcements and advertising in local newspaper & appropriate trade publications.
- Goal 2: Administer employee benefits programs.
 Objective 1: Enroll new employees and process employee benefit changes in a timely manner.
 Objective 2: Liaison with employee benefits carriers and administrators.
- Goal 3: Maintain employee compensation schedules and update employee compensation and job classification changes as they occur.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Full Time Equivalent Employees	88	88	98	105
Number of Positions Posted	4	4	15	15
Productivity Measures				
Full Time Employee Turnover Rate	3%	3%	28%	20%
% of Job Announcements Posted Within Three Days	100%	100%	100%	100%
% of Workers Compensation Claims Filed Within Three Days	100%	100%	100%	100%
Changes Processed Correctly	100%	100%	100%	100%
% of Rate Increases Given Timely	100%	100%	100%	100%
Expenditure Summary				
Personnel	73,369	78,439	104,463	107,761
Materials and Supplies	19,230	32,000	9,706	8,000
Other Services	51,752	49,600	28,242	19,050
Travel & Training	1,943	2,000	5,220	4,500
Total Human Resources / Civil Service	<u>\$146,294</u>	<u>\$162,039</u>	<u>\$147,631</u>	<u>\$ 139,311</u>

CITY OF FOREST HILL

PLANNING/ZONING

FUND/ DEPARTMENT/ PROGRAM: 01-09-08

PROGRAM DESCRIPTION

Provide community growth opportunities and quality of life improvements within the City through the enforcement of Planning and Zoning Ordinances and Subdivision Regulations

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Update Zoning Ordinances

Objective 1: Conduct research and update Zoning Ordinances.

Objective 2: Present completed document to the Planning and Zoning Commission and City Council for review and approval.

Goal 2: Update Filing System to an electronic city-wide address system

Objective 1: Combine all permits, code violations and zoning cases in one central location.

Objective 2: Scan all files electronically and utilize iWorQ Software System to manage files and eliminate the need for filing cabinets.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Zone Changes Permits	4	3	4	4
Number of Specific Use	3	4	3	3
Number of Plats	0	3	5	5
Number of New Ordinances and Uses	0	3	3	2
Number of Meetings	5	6	5	6
Productivity Measures				
Number of Zoning Cases Presented	4	6	20	6
Expenditure Summary				
Personnel	227,508	219,585	208,139	91,121
Materials and Supplies	33,613	25,750	30,419	30,000
Other Services	135,064	131,150	67,751	67,200
Travel & Training	1,820	2,000	1,476	2,500
Total Planning	<u>\$398,004</u>	<u>\$378,485</u>	<u>\$ 307,784</u>	<u>\$ 190,821</u>

CITY OF FOREST HILL

BUILDING PERMITS

FUND/ DEPARTMENT/ PROGRAM: 01-25 -00

NOTE: Department split from Planning in 2019-2020

PROGRAM DESCRIPTION

The Building Permits / Inspection Department reviews major codes and make recommendations to the respective boards which oversee them. This includes administering permits, record keeping, legal issues, and zoning applications.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Continue to ensure that permit and inspection fees are calculated properly and communicate City codes and ordinances to the public.

Goal 2: Maintain certification and continuing professional education to provide the best service possible to the community by maintaining ICC certifications in Residential Building Inspector, Residential Plumbing Inspector, Residential Plans Examiner, and Residential Electrical Inspector through in-house employees or outside inspection contractor.

Goal 3: Maintain MS4 (Storm Water Management Handbook)

Objective 1: Analyze existing schedule of permit fees and make appropriate recommendations for program funding.

Objective 2: Research and recommend Storm Water outreach program.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Permits Issued	820	850	2,213	2,000
Number of Inspections Performed	1,350	1,400	1,723	1,600
Number of Citizen Requests	300	300	300	300
Building Codes and Ordinances Reviews	5	5	5	5
Productivity Measures				
Certificates Obtained and Maintained	10	10	10	10
Expenditure Summary				
Personnel	\$ -	\$ -	\$ -	\$ 98,807
Materials and Supplies	-	-	-	-
Other Services	-	-	-	-
Travel & Training	-	-	-	-
Total Permits	\$ -	\$ -	\$ -	\$ 98,807

CITY OF FOREST HILL

CODE COMPLIANCE

FUND/ DEPARTMENT/ PROGRAM: 01-26 – 00

NOTE: Department split from Planning in 2019-2020

PROGRAM DESCRIPTION

Code Compliance strives to attain compliance with City codes regarding land use and nuisance regulations and the maintenance of structures and premises through education, cooperation, enforcement and abatement to achieve a cleaner, healthier and safer City. Code Compliance enforces the codes, responds to related complaints, protects historically significant structures, and administers the demolition program. Code compliance may issue citations when warranted for failure to comply with City ordinances. Code compliance may also contract or arrange for resident assistance (mowing, demolition, etc.) while placing a lien on the property for the cost of the assistance. Code Compliance promotes, maintains, and improves the quality of life in the Forest Hill community through partnership and education and is committed to providing dedicated and professional service.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Continue to build working relationships with elected city officials, residents and businesses.

Objective 1: Respond to citizens' complaints and/ or concerns in a timely manner.

Objective 2: Communicate city codes and ordinances concerning health, safety, welfare and quality of life to the public.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted 2019-20
Workload Measures				
General Violations issued (High weeds, Trash, Junk Vehicles, Solid Waste, Parking in Yard, Animal, Garage Sale, Failure to obtain Permit, Dump Sites, etc.)			757	750
Zoning Violations (Substandard Building, Watering, Sign, Tires, Fences, Reinspections)			446	450
Citations Issued			4	5
Productivity Measures				
Demolished Structures (City Beautification)			3	5
Expenditure Summary				
Personnel	\$ -	\$ -	\$ -	\$ 89,861
Materials and Supplies	-	-	-	
Other Services	-	-	-	1,200
Travel & Training	-	-	-	
Total Code Enforcement	\$ -	\$ -	\$ -	\$ 91,061

CITY OF FOREST HILL

PUBLIC WORKS/ADMINISTRATION

FUND/ DEPARTMENT/ PROGRAM: 01-11

PROGRAM DESCRIPTION

Public Works Administration provides the direction and guidance concerning street maintenance, water treatment and distribution and wastewater collection, storm sewer systems maintenance, park & recreation facilities maintenance, and fleet maintenance. Street maintenance includes sweeping, patching, rebuilding, curbing, and guttering.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

- Goal 1: Direct and guide the departments within Public Works to achieve their goals and serve the citizen more efficiently.
 Objective: Establish a schedule for improvement for Capital Improvement Projects (CIP).
 Objective: Develop and maintain a schedule for training for all municipal services.
- Goal 2: Provide all maintenance and repair to the roadway, waterlines, and municipal parks.
- Goal 3: Maintain City infrastructure in good working order to maximize useful life and minimize emergency repairs.
- Goal 4: Perform scheduled maintenance and upkeep to maintain parks in safe, presentable and good working order for the citizen's use and enjoyment.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Capital Improvement Projects Administered	10	12	9	10
Number of Employee Certifications	8	8	14	14
Number of Infra-structure Repairs/Maintenance Project	5,200	5,500	5,500	5,500
Number of Street Repairs/Maintenance Project	10	12	5	10
Number of Citizen Street Requests	1,100	1,200	1,200	1,200
Number of Parks Mowed & Maintained	9	9	9	9
Productivity Measures				
Capital Improvements Program Adopted/Maintained	2	2	1	1
Annual Certifications Obtained and Maintained	18	18	14	14
Decrease in Street System Repairs	10	10	10	10
Enhancements to Aesthetic Appearance & Safety to City Parks	2,500	2,700	2,700	2,700
Expenditure Summary				
Personnel	126,045	166,772	222,272	221,113
Materials and Supplies	112,278	91,500	244,200	290,000
Other Services	264,049	471,849	164,300	181,250
Travel & Training	-	-	1,800	2,500
Total Public Works	\$502,371	\$730,121	\$ 632,572	\$ 694,863

CITY OF FOREST HILL

POLICE DEPARTMENT

FUND/ DEPARTMENT/ PROGRAM: 01-16-15 and 01-16-16

PROGRAM DESCRIPTION

The Police Department is organized into three (3) inter-related bureaus responsible for preserving human life, maintaining public order, protecting the rights of persons and property, and enforcing the applicable laws and ordinances within the City and making the City a better place to live, work and play.

Police Administration provides overall leadership and direction and is responsible for the promulgation of policies and procedures that govern the operations and personnel activities of the entire department. Administration has defined a philosophical course of action towards professional community oriented policing services. Police Operations handles the daily operations of the department to include incoming emergency and non-emergency calls, traffic enforcement, patrol, identification and apprehension of criminal offenders, administration of the jail, maintenance of the property room, and maintaining positive relations with the community. Police Other Operations include Animal Control and Information Technology, both of which are budgeted separately.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Maintain and enhance public safety through a comprehensive and well-coordinated program of community oriented policing services and professional police management.

Objective 1: Ensure that officers and dispatchers are provided appropriate training opportunities to remain in compliance with TCLEOSE minimum requirements.

Goal 2: Provide quality police services that will ensure safe and efficient traffic control; identification and apprehension of criminal offenders; and positive police community relations.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Employees Certifications	6	8	8	8
Number of Community Programs	5	6	5	6
Number of Citizen Calls	8,500	8,500	7,500	8,000
Number of Traffic Citations	10,000	10,000	3,500	5,000
Number of Arrests	820	830	470	500
Productivity Measures				
Employee Certifications Obtained	7	8	7	8
Expenditure Summary				
Personnel	2,807,733	2,736,114	3,057,373	2,877,765
Materials and Supplies	348,155	321,600	314,296	332,859
Other Services	62,402	87,550	89,093	114,350
Travel & Training	29,001	29,800	29,519	31,800
Total Police Department	<u>\$3,247,290</u>	<u>\$3,175,064</u>	<u>\$3,490,280</u>	<u>\$3,356,774</u>

CITY OF FOREST HILL

ANIMAL CONTROL

FUND/ DEPARTMENT/ PROGRAM: 01-16-18

PROGRAM DESCRIPTION

Animal Control is part of the Police Department and is responsible for public safety, health and humane treatment of stray pets and wildlife. During 2019, a second Animal Control Officer was employed, a second truck purchased, and an air conditioned equipped Animal Control Truck Box was acquired.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Ensure that stray pets and wildlife are humanly taken care of in accordance with guidelines and procedures.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Citizen Calls	1,000	1,000	600	800
Number of Stray Animals Captured	620	650	400	600
Expenditure Summary				
Personnel	62,420	48,774	84,611	101,998
Materials and Supplies	5,152	61,050	61,050	31,050
Other Services	3,030	5,000	9,500	4,500
Travel & Training	340	600	600	600
Total Animal Control	\$ 70,942	\$ 115,424	\$ 155,761	\$ 138,148

CITY OF FOREST HILL

FIRE DEPARTMENT/ ADMINISTRATION

FUND/ DEPARTMENT/ PROGRAM: 01-20-20 and 01-20-21

PROGRAM DESCRIPTION

The Fire Department is responsible for saving lives through emergency management and protecting the property of citizens through fire protection efforts and fire prevention education of the public.

Fire Administration provides overall leadership and direction and is responsible for the promulgation of policies and procedures that govern the operations and personnel activities of the entire Fire Department and also serves as the Emergency Management Contact for the City.

Fire Operations engages in fire suppression, fire safety inspections, fire hydrant maintenance, and answering complaints for the prevention and correction of fire hazards within the City and making the City a better place to live, work and play.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Continue to conduct an effective fire safety program by developing a continuing education program of materials and literature to pass out to the public.

Goal 2: Meet State of Texas continuing education requirements by ensuring that all Firefighters / Emergency Medical Technicians (EMT's) up to date on required training hours in compliance with State of Texas requirements.

Goal 3: Provide quality fire protection services and continue annual inspections of all commercial buildings within the City.

Goal 4: Respond to fire suppression calls in an efficient manner by meeting the industry standards for response times.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Policies and Procedures Written	Yes	Yes	Yes	Yes
Fire Safety Materials Distributed	1,500	1,500	1,500	1,500
Number of Fire Calls	2,400	2,400	2,986	3,000
Number of Fire Inspections	320	330	293	330
Number of Fire Suppression Responses	135	135	189	175
Number of EMS Calls	2,500	2,500	1,988	2,000
Productivity Measures				
Improved Fire Safety Rating	3	3	3	3
Number of EMT Certifications Maintained	16	16	16	16
Fire Response Time in Min:Sec (exclusive of time in & out of station)	4:00	4:00	4:00	4:00
Expenditure Summary				
Personnel	1,497,907	1,606,008	1,501,837	1,548,135
Materials and Supplies	108,690	49,500	131,966	163,335
Other Services	34,371	134,100	37,127	20,050
Travel & Training	6,725	6,500	6,500	6,500
Total Fire Department	<u>\$1,647,693</u>	<u>\$1,796,108</u>	<u>\$1,677,429</u>	<u>\$1,738,020</u>

CITY OF FOREST HILL

GARAGE

FUND/ DEPARTMENT/ PROGRAM: 01-24-20

PROGRAM DESCRIPTION

The City Garage is responsible for the ongoing maintenance and repairs of vehicles and equipment utilized in City operations.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Perform scheduled maintenance and needed repairs in order to minimize down time and maximize the useful life of City vehicles and equipment.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Fleet Vehicles/Equipment Maintained	150	150	150	150
Productivity Measures				
% of Vehicles Maintained Per Manufacturer's Schedule	100%	100%	100%	100%
Expenditure Summary				
Personnel	67,182	68,236	73,835	78,275
Materials and Supplies	290,537	189,500	249,804	249,100
Other Services				
Travel & Training				
Total Fleet Management / Garage	<u>\$357,719</u>	<u>\$257,736</u>	<u>\$ 323,639</u>	<u>\$ 327,375</u>

CITY OF FOREST HILL

BUILDINGS AND GROUNDS

FUND/ DEPARTMENT/ PROGRAM: 01-30

PROGRAM DESCRIPTION

Buildings and Grounds includes ongoing maintenance, supplies and utilities for physical facilities owned and operated by the City including: Administration Building (01), Community Center (02), Senior Center (03), Civic Center (04), Public Works Building (11), Police Station (16), Fire Station (20) and Police and Fire Substation(23).

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Minimize wear and tear to City facilities maintaining city facilities in good condition and providing supplies and utilities for facilities operations and maintenance.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Buildings Maintained	8	8	8	8
Productivity Measures				
% of Buildings In Operation	100%	100%	100%	100%
Expenditure Summary				
Personnel	64,902	34,849	24,988	12,296
Materials and Supplies	84,729	80,800	86,285	70,050
Other Services	320,883	312,400	320,366	340,228
Travel & Training				
Total Buildings and Grounds	<u>\$470,514</u>	<u>\$428,049</u>	<u>\$ 431,639</u>	<u>\$ 422,574</u>

CITY OF FOREST HILL

COMMUNITY DEVELOPMENT & CONVENTION CENTER

FUND/ DEPARTMENT/ PROGRAM: 01-40-00

PROGRAM DESCRIPTION

The Forest Hill Civic and Convention Center is responsible for coordinating and maintaining comprehensive management of the City's Civic Center building, actively marketing the center as a destination location within Southern Tarrant County, and hosting successful conferences, meetings and events.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Work with hotels located within the city limits and obtain marketing literature to be used in packets distributed to clients and potential clients of the Civic Center

Objective 1: Meet with all hotel operators at least once every two years

Objective 2: Collect marketing literature and incorporate it into marketing materials

Goal 2: Host at least six city events within the city each year

Objective 1: Assist with MLK day parade (January) and local Veterans events (generally May & November)

Objective 2: Coordinate events at the Civic Center for National Night Out (October), Tree Lighting (November/December), Black History Month (February), Hispanic Heritage (October)

Goal 3: Ensure funds are transferred to the General Fund for support received by reviewing monthly financial statements and work with finance to ensure accounting is proper.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Hotel Meetings		6	12	6
# of Printed Marketing Brochures		250	250	250
Productivity Measures				
# of Events Hosted		100	319	300
# of City Events Hosted		6	7	6
Expenditure Summary				
Personnel	-	155,288	166,449	186,176
Materials and Supplies	-	200	1,100	1,100
Other Services		63,649		
Travel & Training	-	-	350	350
Total Civic Center	\$ -	\$219,137	\$ 167,899	\$ 187,626

CITY OF FOREST HILL

GENERAL FUND/ NON-DEPARTMENTAL

FUND/ DEPARTMENT/ PROGRAM: 01-90-00

PROGRAM DESCRIPTION

This program provides non-departmental specific services supporting General Fund operations including copier leases and printing supplies, unemployment insurance, property and liability insurance, capital lease principal and interest, and Information Technology Services.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Provide General Fund departments with property and liability and workers compensation insurance coverage.

Goal 2: Provide General Fund departments with operating leases for minor equipment and office machines.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Insurance Policies	100	100	18	18
Number of Equipment Leases	24	25	25	25
Productivity Measures				
% of Coverage for Property Loss	100%	100%	100%	100%
Expenditure Summary				
Personnel	22,080	73,195	-	75,000
Materials and Supplies	8,096	6,900	7,023	7,500
Other Services	209,591	500,800	466,131	659,436
Travel & Training				
Total Non Departmental	<u>\$239,767</u>	<u>\$580,895</u>	<u>\$ 473,154</u>	<u>\$ 741,936</u>

CITY OF FOREST HILL

OTHER FUNDS

Special Revenue

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. As a governmental fund type, special revenue funds are accounted for and budgeted on a modified accrual basis. Special revenue funds appropriations are adopted on an annual basis as part of the operating budget.

JUVENILE CASE MANAGER FUND

The Juvenile Case Manager Fund accounts for the portion of fines for traffic violations that are restricted by State Law to be used to finance the salary and benefits of a juvenile case manager.

MUNICIPAL COURT TECHNOLOGY FUND

The Municipal Court Technology Fund accounts for the portion of fines for traffic violations that are restricted by State Law to be used for Municipal Court technology.

MUNICIPAL COURT SAFETY FUND

The Municipal Court Safety Fund accounts for the portion of fines for traffic violations that are restricted by State Law to be used for Municipal Court security.

MOTEL TAX FUND

The Motel Tax Fund accounts for the motel taxes collected from hotels and motels located in the City of Forest Hill. Motel taxes are restricted for use for the promotion of tourism and economic development in the City.

PARK FUND

The Park Fund accounts for donations for park improvements.

POLICE SPECIAL INVESTIGATION FUND

The Police Special Investigation Fund accounts for the use of police property seizures awarded to the City and crime prevention.

POLICE COMMUNITY RELATIONS FUND

The Police Community Relations Fund accounts for donations and community programs and activities for crime awareness and prevention.

CITY OF FOREST HILL

Special Funds -- Court Funds

Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Juvenile Case Manager Fund (04)					Municipal Court Technology Fund (05)					Municipal Court Safety Fund (06)			
	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20		Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20		Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues														
Fines and forfeitures	\$ 21,608	\$ 18,900	\$ 18,763	\$ 19,000	-	\$ 17,424	\$ 15,300	\$ 15,084	\$ 15,000	-	\$ 13,059	\$ 11,500	\$ 10,648	\$ 11,500
Interest Income	-	-	-	-	-	52	-	102	200	-	-	-	50	150
Total Revenues	21,608	18,900	18,763	19,000		17,477	15,300	15,187	15,200		13,059	11,500	10,698	11,650
Expenditures														
Personnel														
Material & Supplies	-	500	100	100		4,187	9,000	8,000	9,000		-	3,000	1,000	3,000
Services	-	1,100	250	250		15,782	21,000	19,275	21,000					
Travel and Training	606	2,500	1,000	1,000		-	2,000	400	2,000		423	4,000	2,500	4,000
Total Expenditures	606	4,100	1,350	1,350		19,969	32,000	27,675	32,000		423	7,000	3,500	7,000
Excess (Deficiency) Of Revenues Over (Under) Expenditures	21,002	14,800	17,413	17,650		(2,493)	(16,700)	(12,488)	(16,800)		12,637	4,500	7,198	4,650
Other Financing Sources (Uses)														
Interfund Transfers	-	(2,494)	(2,494)	(2,494)										
Net Total Other Financing Sources (Uses)	-	(2,494)	(2,494)	(2,494)		-	-	-	-		-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	21,002	12,306	14,919	15,156		(2,493)	(16,700)	(12,488)	(16,800)		12,637	4,500	7,198	4,650
Beginning Unreserved Fund Balance, October 1	89,252	110,254	110,254	\$ 125,173		33,929	31,436	31,436	\$ 18,948		105,278	117,915	117,915	\$ 125,112
Ending Unreserved Fund Balance, September 30	\$ 110,254	\$ 122,560	\$ 125,173	\$ 140,329		\$ 31,436	\$ 14,736	\$ 18,948	\$ 2,148		\$ 117,915	\$ 122,415	\$ 125,112	\$ 129,762

CITY OF FOREST HILL

Special Funds -- Hotel, Park, Memorial Park and Police Funds Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Hotel Tax Fund (10)				Park Fund (14) & Memorial Park (98)				Police Special Funds (21, 22, 23, and 24)			
	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues												
Motel Tax	\$ 463,010	\$ 475,000	\$ 463,010	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	1,000	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	2,735	-	986	-
Interest Income	11,624	7,400	19,241	38,482	-	-	-	-	-	-	17	-
Miscellaneous	9	-	-	-	125	-	-	-	1,100	-	2,281	2,300
Total Revenues	474,643	482,400	482,251	513,482	125	1,000	-	-	3,835	-	3,284	2,300
Expenditures												
Personnel	-	-	-	-	-	-	-	-	-	-	-	-
Material & Supplies	-	1,200	-	-	1,469	1,500	307	-	-	-	-	-
Services	-	-	-	-	139	200	50	-	-	-	-	-
Travel and Training	-	-	-	-	-	-	-	-	-	-	2,281	2,300
Total Expenditures	-	1,200	-	-	1,609	1,700	357	-	-	-	2,281	2,300
Excess (Deficiency) Of Revenues Over (Under) Expenditures	474,643	481,200	482,251	513,482	(1,484)	(700)	(357)	-	3,835	-	1,003	-
Other Financing Sources (Uses)												
Transfers for Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	(63,649)	(63,649)	(64,000)	-	4,074	4,074	4,000	-	-	-	-
Net Total Other Financing Sources (Uses)	-	(63,649)	(63,649)	(64,000)	-	4,074	4,074	4,000	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	474,643	417,551	418,602	449,482	(1,484)	3,374	3,717	4,000	3,835	-	1,003	-
Beginning Unreserved Fund Balance, October 1	2,538,156	3,012,799	3,012,799	\$ 3,431,401	271,876	270,393	270,393	\$ 274,110	37,930	41,765	41,765	42,769
Ending Unreserved Fund Balance, September 30	\$ 3,012,799	\$ 3,430,350	\$ 3,431,401	\$ 3,880,883	\$ 270,393	\$ 273,767	\$ 274,110	\$ 278,110	\$ 41,765	\$ 41,765	\$ 42,769	\$ 42,769

CITY OF FOREST HILL

SALES TAX ENTITIES

Sales Tax

The City of Forest Hill has a Sales Tax Rate of 8.25%. The rate is composed of the following components:

State of Texas	6.25%
City of Forest Hill	1.75%
Special Library Rate	<u>.25%</u>
Total	<u>8.25%</u>

For the 1.75% that the City receives, it is broken out as follows:

General Fund	1.00%
Community Development	.50%
Street Improvement	<u>.25%</u>
Total	<u>1.75%</u>

COMMUNITY DEVELOPMENT CORPORATION FUND

The Community Development Corporation Fund is a special revenue fund type and its uses of sales tax revenues are restricted by State Law for community and economic development. The programs of the fund are administered by the Community Development Corporation Board appointed by the City Council.

The Community Development Corporation Fund also includes inter-fund transfer to the Debit Service Fund to provide 100% of the annual debt service payment requirements for the Series 2014 general obligation refunding bonds.

STREET IMPROVEMENTS SALES TAX FUND

The street improvement fund accounts for the use of sales tax that is restricted for the use of street repairs and maintenance in the City. The fund also provides resources for the Streets-CIP Program via budgeted inter-fund transfer to the capital projects fund.

CITY OF FOREST HILL

COMMUNITY DEVELOPMENT

CORPORATION FUND

FUND/ DEPARTMENT/ PROGRAM: 49-09-00

PROGRAM DESCRIPTION

This program provides opportunity for growth and improving the quality of life within the City through the initiation of various economic development programs.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

- Goal 1: Develop a plan to promote positive economic development.
- Objective 1: Strengthen relationships with existing business.
 - Objective 2: Build and strengthen relationships with new businesses.
 - Objective 3: Develop avenues for marketing and promoting the City to retailers, real estate companies and developers.
 - Objective 4: Develop avenues for marketing and promoting City businesses.
 - Objective 5: Foster relationship with local Chamber for City and businesses.
- Goal 2: Promote community spirit by fostering an environment which creates and maintains identifiable retail/business districts and city neighborhoods.
- Objective 1: Provide technical quantifiable support to various boards, commissions, business owners, retailers and developers by ensuring that zoning and land-use development standards are maintained in order to prevent deterioration.
 - Objective 2: Provide compatibility of all zoning and land-use related activities.
 - Objective 3: Promote urban design features for quality development through master planning efforts and coordinate development programs by promoting public pride for business and housing development, recreation, thoroughfare improvements and utilities.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Productivity Measures				
Number of New Businesses	5	5	6	5
Assisting businesses with Zoning Plans & Issues	20	20	40	40
Marketing updates	50	25	25	25
Updates to Economic Development Pages on City Website	20	20	20	20
Expenditure Summary				
Personnel	128,098	-	250	-
Materials and Supplies	1,009	33,750	232	28,750
Other Services	4,472	33,900	397	33,500
Travel & Training	11,919	20,000	721	30,000
Total Civic Center	\$145,498	\$ 87,650	\$ 1,600	\$ 92,250

CITY OF FOREST HILL

Community Development Corporation Fund (49) Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues				
Motel Tax	\$ -	\$ -	\$ -	\$ -
Sales Tax	774,050	750,000	720,342	750,000
Donations	-	-	-	-
Interest Income	4,180	2,600	6,564	15,000
Miscellaneous	-	-	-	-
Total Revenues	778,230	752,600	726,906	765,000
Expenditures				
Personnel	128,098	-	250	-
Material & Supplies	1,009	33,750	232	28,750
Services	4,472	33,900	397	33,500
Travel and Training	11,919	20,000	721	30,000
Total Expenditures	145,498	87,650	1,600	92,250
Excess (Deficiency) Of Revenues Over (Under) Expenditures	632,732	664,950	725,306	672,750
Other Financing Sources (Uses)				
Transfers for Debt Service	(167,753)	(169,253)	(169,253)	(170,630)
Interfund Transfers	-	(99,300)	(99,300)	(100,000)
Net Total Other Financing Sources (Uses)	(167,753)	(268,553)	(268,553)	(270,630)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	464,979	396,397	456,753	402,120
Beginning Unreserved Fund Balance, October 1	767,985	1,232,964	1,232,964	1,689,717
Ending Unreserved Fund Balance, September 30	\$ 1,232,964	\$ 1,629,361	\$ 1,689,717	\$ 2,091,837

CITY OF FOREST HILL

Street Improvement Fund (52) Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues				
Sales Tax	\$ 387,025	\$ 375,000	\$ 370,017	\$ 380,000
Interest Income	4,762	3,000	8,749	15,000
Total Revenues	391,787	378,000	378,766	395,000
Expenditures				
Personnel				
Material & Supplies	-	350,000	350,000	400,000
Services	-	-	4,826	4,500
Travel and Training				
Total Expenditures	-	350,000	354,826	404,500
Excess (Deficiency) Of Revenues Over (Under) Expenditures	391,787	28,000	23,940	(9,500)
Other Financing Sources (Uses)				
Transfers for Debt Service				
Interfund Transfers	-	167,140	167,140	165,000
Net Total Other Financing Sources (Uses)	-	167,140	167,140	165,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	391,787	195,140	191,080	155,500
Beginning Unreserved Fund Balance, October 1	311,437	703,224	703,224	\$ 894,304
Ending Unreserved Fund Balance, September 30	\$ 703,224	\$ 898,364	\$ 894,304	\$ 1,049,804

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DEBT SERVICE FUND

The Debt Service Fund (Interest and Sinking Fund, or I&S) was established for the purpose of servicing the City's general obligation debt. Revenue sources for the fund include the interest and sinking (I&S) portion of the annual ad valorem tax levy, tax collections penalties and interest, interest earnings, and inter-fund transfers. Debt service payments are forwarded to the designated paying agent bank as semi-annual principal and interest requirements come due for each debt issue.

AD VALOREM TAX RATE AND DEBT SERVICE LIMIT

The maximum total ad valorem tax rate for home rule cities in the State of Texas (including the maintenance and operation and interest and sinking portions of the ad valorem tax rate) is limited by statute to \$2.50 per \$100 of assessed valuation. A portion of the \$2.50 maximum is used for the maintenance and operations portion of the tax levy. For the issuance of new debt, the State Attorney General limits the total I&S tax rate to \$1.50 (at a 90% collection rate).

The I&S portion of the proposed ad valorem tax rate for 2019-2020 is \$0.08157 per \$100 of assessed valuation, or 8.22% of the total adopted tax rate of \$0.992873 per \$100 valuation.

DEBT SERIES AND FUNDING COMMITMENTS

Funding percentage commitments for outstanding debt series are as follows:

Debt Series	Debt Service Fund (I&S Ad Valorem Tax Levy)	Inter-fund Transfer Community Development Corporation Fund (Sales Tax supported)	Water & Sewer Utility Fund (Utility Rate Supported)
2007 Certificates of Obligation	100%	0%	0%
2009 Certificates of Obligation	100%	0%	0%
2011 General Obligation Refunding	57%	0%	43%
2014 General Obligation Refunding	0%	100%	0%

DEBT SERVICE APPROPRIATIONS

Appropriations for the Debt Service Fund are adopted on an annual basis as part of the annual operating budget.

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Debt Service Fund (30) Statement of Revenues and Changes in Fund Balances, Year Ended September 30, 2018

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues				
Taxes	\$ 516,796	\$ 706,044	\$ 700,000	\$ 506,690
Interest Income	9,300	400	2,650	3,500
Total Revenues	<u>526,096</u>	<u>706,444</u>	<u>702,650</u>	<u>510,190</u>
Expenditures				
Bond Principal	518,850	538,850	538,850	556,700
Interest and other Charges	154,171	137,194	144,497	119,120
Agent Fees	826	1,000	1,428	1,400
Total Expenditures	<u>673,847</u>	<u>677,044</u>	<u>684,775</u>	<u>677,220</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>(147,751)</u>	<u>29,400</u>	<u>17,876</u>	<u>(167,030)</u>
Other Financing Sources (Uses)				
Deferred Inflow				
Transfer From General Fund				
Transfer From Community Development Corp	167,753	169,253	169,253	170,630
Net Total Other Financing Sources (Uses)	<u>167,753</u>	<u>169,253</u>	<u>169,253</u>	<u>170,630</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	<u>20,002</u>	<u>198,653</u>	<u>187,129</u>	<u>3,600</u>
Beginning Unreserved Fund Balance, October 1	<u>269,453</u>	<u>289,455</u>	<u>\$ 289,455</u>	<u>\$ 476,584</u>
Ending Unreserved Fund Balance, September 30	<u>\$ 289,455</u>	<u>\$ 488,108</u>	<u>\$ 476,584</u>	<u>\$ 480,184</u>

Calculation of Legal Debt

Calculation of Legal Debt Margin

Net Taxable Value	\$	617,890,831
Adopted I&S Tax Rate / \$100 valuation	\$	0.08157
Adopted I&S Tax Levy	\$	506,690
Maximum Allowed I&S Tax Rate / \$100 valuation	\$	1.50
Maximum Allowed I&S Tax Levy @ 90% Collections	\$	5,561,017
Adopted I&S Tax Levy at 90% of the Maximum Allowed I&S Tax Levy	\$	0.90

CITY OF FOREST HILL

Annual Debt Service Funding Sources

Fiscal Year	Utility Fund	Community Development Fund (Sales Tax)	Debt Service Fund (I&S AD Valorem Taxes)	Total
2020	145,813	170,630	505,190	821,633
2021	146,050	166,946	501,004	814,000
2022	146,157	163,262	501,340	810,759
2023	72,014	154,640	407,741	634,395
2024	-	160,956	306,553	467,509
2025	-	167,026	305,328	472,354
2026	-	-	303,494	303,494
2027	-	-	301,236	301,236
Total	\$ 510,034	\$ 983,460	\$ 3,131,886	\$ 4,625,380

Annual Debt Service Requirements by Issue

Fiscal Year	2007 CO*	2009 CO*	2011 GO REF**	2014 GO REF***	Total
2020	190,922	120,981	339,100	170,630	821,633
2021	190,023	117,381	339,650	166,946	814,000
2022	188,916	118,681	339,900	163,262	810,759
2023	192,499	119,781	167,475	154,640	634,395
2024	190,772	115,781	-	160,956	467,509
2025	193,734	111,594	-	167,026	472,354
2026	191,385	112,109	-	-	303,494
2027	188,830	112,406	-	-	301,236
Total	\$ 1,527,081	\$ 928,714	\$ 1,186,125	\$ 983,460	\$ 4,625,380

*Funded from the I&S Ad Valorem Tax Levy (100%)

**Funded from the Utility Fund (42.67%) and the I&S Ad Valorem Tax Levy (57.33%)

***Funded from the Community Development Corporation Sales Tax (100%)

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Annual Debt Services Requirements Schedule

Certificate of Obligation Debt Service Fund

Annual Debt Service Requirement
Series 2007 Certificates of Obligation (\$2,700,000)
Supported by Interest & Sinking Ad Valorem Taxes

Year Ending Sept. 30	Debt Outstanding	Principal	Interest Rate	Interest	Total
	Oct. 1				
2020	1,300,000	140,000	4.140%	50,922	190,922
2021	1,160,000	145,000	4.140%	45,023	190,023
2022	1,015,000	150,000	4.140%	38,916	188,916
2023	865,000	160,000	4.140%	32,499	192,499
2024	705,000	165,000	4.140%	25,772	190,772
2025	540,000	175,000	4.140%	18,734	193,734
2026	365,000	180,000	4.140%	11,385	191,385
2027	185,000	185,000	4.140%	3,830	188,830
Total		<u>1,300,000</u>		<u>227,081</u>	<u>1,527,081</u>

Total Bonds Outstanding 1,300,000
Total Original Issue 2,700,000
Issue Date 9/20/2007
Next Call Date Callable on any date at par plus prepayment fee

Use of Proceeds: Construction of land, streets, and payment of legal, engineering, and/or professional fees associated with these projects

Certificate of Obligation Debt Service Fund

Annual Debt Service Requirement
Series 2009 Certificates of Obligation (\$2,350,000)
Supported by Interest & Sinking Ad Valorem Taxes

Year Ending Sept. 30	Debt Outstanding	Principal	Interest Rate	Interest	Total
	Oct. 1				
2020	790,000	90,000	4.000%	30,981	120,981
2021	700,000	90,000	4.000%	27,381	117,381
2022	610,000	95,000	4.000%	23,681	118,681
2023	515,000	100,000	4.000%	19,781	119,781
2024	415,000	100,000	4.000%	15,781	115,781
2025	315,000	100,000	4.375%	11,594	111,594
2026	215,000	105,000	4.375%	7,109	112,109
2027	110,000	110,000	4.375%	2,406	112,406
Total		<u>790,000</u>		<u>138,714</u>	<u>928,714</u>

Total Bonds Outstanding 790,000
Total Original Issue 2,350,000
Issue Date 9/20/2007
Next Call Date Callable 2/1/2018 at par

Use of Proceeds: Construction of recreation center, streets, parks, technology and payment of legal, engineering, and/or professional fees associated with these projects

General Obligation Debt Service Fund

Annual Debt Service Requirement
Series 2014 General Obligation Refunding (\$2,365,000)
Supported by Community Development Fund

Year Ending Sept. 30	Debt Outstanding	Principal	Interest Rate	Interest	Total
	Oct. 1				
2020	915,000	150,000	2.458%	20,630	170,630
2021	765,000	150,000	2.458%	16,946	166,946
2022	615,000	150,000	2.458%	13,262	163,262
2023	465,000	145,000	2.458%	9,640	154,640
2024	320,000	155,000	2.458%	5,956	160,956
2025	165,000	165,000	2.458%	2,026	167,026
Total		<u>915,000</u>		<u>68,460</u>	<u>983,460</u>

Total Bonds Outstanding 915,000
Total Original Issue 2,365,000
Issue Date 3/13/2014
Next Call Date Callable 9/1/19 at par
Use of Proceeds: Refunding of higher interest bonds

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General Obligation Debt Service Fund

Annual Debt Service Requirement (57%)

Series 2011 General Obligation Refunding Bonds (\$2,950,000)

Supported by Interest & Sinking Ad Valorem Taxes

Year Ending Sept. 30	Debt Outstanding		Principal	Interest Rate	Interest	Total
	Oct. 1					
2020	641,250		176,700	3.000%	16,587	193,287
2021	464,550		182,400	3.000%	11,200	193,600
2022	282,150		188,100	3.000%	5,643	193,743
2023	94,050		94,050	3.000%	1,411	95,461
Total			<u>641,250</u>		<u>34,841</u>	<u>676,091</u>

Total Bonds Outstanding	641,250
Total Original Issue	1,681,500
Issue Date	12/29/2011
Next Call Date	Callable 2/1/2020 at par

Use of Proceeds: Refunding of higher interest bonds

General Obligation Water Sewer Revenue

Annual Debt Service Requirement (43%)

Series 2011 General Obligation Refunding Bonds (\$2,950,000)

Supported by Interest & Sinking Ad Valorem Taxes

Year Ending Sept. 30	Debt Outstanding		Principal	Interest Rate	Interest	Total
	Oct. 1					
2020	483,750		133,300	3.000%	12,513	145,813
2021	350,450		137,600	3.000%	8,450	146,050
2022	212,850		141,900	3.000%	4,257	146,157
2023	70,950		70,950	3.000%	1,064	72,014
Total			<u>483,750</u>		<u>26,284</u>	<u>510,034</u>

Total Bonds Outstanding	483,750
Total Original Issue	1,268,500
Issue Date	12/29/2011
Next Call Date	Callable 2/1/2020 at par

Use of Proceeds: Refunding of higher interest bonds

General Obligation Debt Service Fund

Annual Debt Service Requirement Total

Series 2011 General Obligation Refunding Bonds (\$2,950,000)

Supported by Interest & Sinking Ad Valorem Taxes & Water Sewer Revenue

Year Ending Sept. 30	Debt Outstanding		Principal	Interest Rate	Interest	Total
	Oct. 1					
2020	1,125,000		310,000	3.000%	29,100	339,100
2021	815,000		320,000	3.000%	19,650	339,650
2022	495,000		330,000	3.000%	9,900	339,900
2023	165,000		165,000	3.000%	2,475	167,475
Total			<u>1,125,000</u>		<u>61,125</u>	<u>1,186,125</u>

Total Bonds Outstanding	1,125,000
Total Original Issue	1,681,500
Issue Date	12/29/2011
Next Call Date	Callable 2/1/2020 at par

Use of Proceeds: Refunding of higher interest bonds

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CAPITAL PROJECTS FUND

The City accounts for the acquisition and construction of capital assets in the Capital Projects Fund. As a governmental fund, the Capital Projects Fund is budgeted and accounted for on a modified accrual basis.

Definition of a capital project - a capital asset expected to have a useful life greater than two years and an estimated cost of \$5,000 or more. Capital projects include:

- Construction, purchase, or major renovation of buildings, utility system, streets, intersections, or other structures;
- Purchase of land or land rights and major landscaping projects;
- Any engineering study or master plan needed for the delivery of a capital project;
- Any major repair, renovation or replacement that extends the useful operational life by at least two years or expands capacity of an existing facility.

CAPITAL PROJECTS BUDGET

The spending authority for capital projects is the capital budget which includes only capital projects appropriated by specific City Council action. City staff identifies estimated costs, project schedule and available sources of funding for each capital project before it is submitted to the City Council for appropriation and inclusion into the capital budget.

Revenue sources for the Capital Projects Fund include proceeds from tax supported general obligation debt, inter-fund transfers from operating and special revenue funds, and interest earnings. Appropriations for capital expenditures in the capital projects fund may be included as part of the annual budget, or may be adopted on a project by project basis and extending beyond one year through the project completion.

CAPITAL PLANNING

Future capital needs are to be identified and considered for inclusion in the Capital Improvement Plan (CIP) of the City. The CIP is to be a multi-year projection of the City's capital needs and financing requirements. As a planning document, the CIP will not impart any spending authority.

The City commissioned a Comprehensive Master Plan and the final report was delivered to the City in August 2010. Since that time, the City Manager has continued to develop an annual rotational 5 year master CIP, which can be found in this section of the budget. Further development of the CIP will be linked to the Comprehensive Master Plan and financial strategic plans.

STREET IMPROVEMENTS

A multi-year Capital Improvement Plan for Streets was completed in August 2015. The City has completed the projects from that Plan, and now defines and prioritize the near and long term repair, replacement and improvements of City streets based on priorities as determined by the City Manager and Council. The major funding source for the street maintenance and improvements program is the Street Maintenance Sales Tax Special Revenue Fund.

Items that are considered in determining priority are water, sanitary sewer and/ or storm drain

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improvements as these projects can be scheduled as complete reconstruction projects, or delayed so that utilities can be constructed first. In some cases, streets falling into this category are recommended for 2" overlay or slurry seal work to preclude further pavement deterioration until utility improvements could be completed. An interagency agreement with Tarrant County provides for shared cost related to street base, overlay, and slurry seal. The county provides labor and equipment and the City provides supplies.

Some streets are recommended on the 1990 Thoroughfare Plan for upgrading from Local to Collector. If the pavement structure of the current street section is in need of rehabilitation exceeding the overlay process, these projects take longer to complete.

Some streets which were rehabilitated or reconstructed over the past 10-15 years and were periodically maintained through crack sealing continue to develop surface cracks. These cracks, if unsealed, can destroy permanent foundation by allowing water to enter the subgrade, causing clay pockets to expand and contract again during dry periods. Therefore, street projects recommend slurry sealing. Non-recurring or one-time revenues should, to the extent possible, only be used for one-time expenditures (expenditures not expected to reoccur and requiring future appropriations) to avoid future shortfalls.

A mill and overlay repair is less costly as the mill product can be used for recycled material on other projects.

WATER and SEWER IMPROVEMENTS

Water and Sewer improvements require removal of existing pipe, excavation to required depth, approximately 6" sand below pipe, pipe, approximately 6" sand above pipe, 6" of road base, and 2" of asphalt or permanent road base.

Funding Lines

The adopted budget includes appropriations for projects listed in the five year CIP-Street program in the general fund, street fund, and water sewer fund. As these projects are completed, the capitalizable value will be moved to the Capital Improvements Fund. Costs are addressed on a project by project basis and potentially funded from available fund balance in the Capital Projects Fund.

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5 Year, Time-Phased Plan 2020-2024

Street/Water/Sewer Improvement Projects

Street Name	Length	Width	Description	Street	Water	Sewer	% Comp	Estimated Year of Completion					
								2019	2020	2021	2022	2023	Beyond
Bowlinggreen & Brambleton Place	1,050	30	Crawford to Nell	\$ 139,000	230,000	\$ 230,000	100%						
Alandale Drive	560	30	Marshall to Anglin	282,081	120,000	\$ 120,000	100%						
			Dorsey to Anglin, Curb, Gutter,										
Alandale Drive	700	30	Asphalt	94,500				94,500					
Oak Crest Drive West	480	30	IH20 to Mansfield Hwy	135,493			100%						
Trailwood/Woody and Woodview	2,500	30	FH Circle to Parkwood	580,370			100%						
			Orchard to California Replace										
Forest Hill Drive	3,400	40	Damaged Concrete	1,000,000				1,000,000					
Grady	1,960	30	Forest Hill Drive West to Wichita	250,000	360,000	\$ 300,000			910,000				
Griggs	1,200	30	Dorsey to Leonard, Overlay	92,400					92,400				
Truet	2,262	30	Cardinal Ridge to Orchard	220,000		370,000				590,000			
West Lane	900	30	Truett to Spencer, Reconstruction	80,000					80,000				
Storey	800	30	Truett to Forest Hill Drive	80,000					80,000				
			Truett to Crawford, Mill and										
Brambleton Place	3,500	30	Overlay	269,500							269,500		
			Marshall to Leonard, Mill and										
Wanda	3,500	30	Overlay	269,500							269,500		
Folkstone Drive	2,436	30	Lon Stephenson to Chimney Rock	520,000								520,000	
Folkstone Drive	2,600	30	Grady to Crawford		515,000	470,000						985,000	
Falmouth	1,250	30	Woodbridge to Chimney Rock	270,000	225,000	250,000							745,000
Woodbridge	2,173	30	Forest Hill to Chimney Rock	450,000	439,600	470,000							1,359,600
Nauret	1,300	30	Forest Hill Circle to Koldin Trail	170,000	190,000	300,000							660,000
Burley	1,550	30	Crawford to Hartman	120,000	315,000	\$ 300,000							735,000
Branbury / Alhambra	2,200	30	Dead End to Forest Hill Drive	1,300,000	\$ 300,000	\$ 1,235,351							2,835,351
Lookout	3,000	30	Water Line Replacement		204,000								204,000
Forest Hill Circle	4,000	40	Sewer Line Replacement			500,000							500,000
Shady Hill Lane N	820	30	Wanda to Cul-De-Sac	140,000	\$ 168,617	\$ 152,385	100%						
Total Street Construction/Rehabilitation													
Costs (excluding engineering, survey and support)				\$ 6,462,844	\$ 3,067,217	\$ 4,697,736		\$ 1,094,500	\$ 1,162,400	\$ 590,000	\$ 539,000	\$ 1,505,000	\$ 7,038,951

Drainage Projects

Forest Hill Circle Cleanup	\$ 350,000		\$ 350,000										
Melinda Street	340,000			100%									
Lookout Ditches	100,000			100%									
Forest Hill Circle at Witchita	50,000					50,000							
Alma and Griggs	200,000			100%	200,000								
Crawford	1,500,000							1,500,000					
Burley to Marshall	3,000,000								1,500,000	1,500,000			
Griggs Park Cleanup	500,000											500,000	
SW Maintenance Operations & Management	428,125											428,125	
Nell/Marshall	3,800,000												3,800,000
Independence Lane	2,175,642												2,175,642
Wichita Culvert Crossings	1,693,850												1,693,850
Conc Channel Improvements Wichita to Forest Hill Circle	986,462											986,462	
	\$ 15,124,079							\$ 600,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,914,587	\$ 7,669,492

Other Projects

Fleet Management and Vehicle Rotation	\$ 1,500,000			300,000	300,000	300,000	300,000	300,000					
Note: In 2019 ordered 4 Police Tahoes, 1 Fire Command Tahoe, 3 Public Works Trucks, 1 Animal Control Truck and 1 Animal Control Box													
Athletic Facility (possibly acreage near Valley Forge)	\$ 1,500,000												
	\$ 3,000,000			750,000	750,000								
				\$ 1,050,000	\$ 1,050,000	\$ 300,000	\$ 300,000	\$ 300,000					

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Capital Improvement Fund (51)

Summary of Revenues, Expenditures, Other Financing Sources and Uses & Changes in Fund Balances

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Adopted Budget 2019-20
Revenues				
Sales Tax	\$ -	\$ -	\$ -	\$ -
Interest Income	11,036	6,900	13,369	25,000
Total Revenues	11,036	6,900	13,369	25,000
Expenditures				
Personnel				
Material & Supplies				
Services				
Travel and Training				
Total Expenditures	-	-	-	-
Excess (Deficiency) Of Revenues Over (Under) Expenditures	11,036	6,900	13,369	25,000
Other Financing Sources (Uses)				
Transfers for Debt Service				
Interfund Transfers				
Net Total Other Financing Sources (Uses)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	11,036	6,900	13,369	25,000
Beginning Unreserved Fund Balance, October 1	549,940	560,976	560,976	\$ 574,344
Ending Unreserved Fund Balance, September 30	\$ 560,976	\$ 567,876	\$ 574,344	\$ 599,344

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PROPRIETARY FUNDS

WATER / SEWER, STORM WATER DRAINAGE, and SANITATION FUNDS

The Water and Sewer (Fund 60), Waterworks Construction (Fund 61), Sanitation (Fund 62), and Storm Water Drainage (Fund 65) Funds comprise the City proprietary fund and accounts for all operations and maintenance of the City's water distribution, wastewater collection, trash, and drainage systems. Revenues to support the Proprietary Fund are derived from user fees billed to commercial and residential customers in the City. The Water and Sewer (Fund 60) is sometimes referred to as an Enterprise Fund.

Proprietary Funds / Enterprise Funds are funds established to account for operations of an enterprise activity that acts like a "for profit" entity. Enterprise funds generally are segregated as to purpose and use from other funds and accounts of the governmental entity with the intent that revenues generated by the enterprise activity and deposited to the enterprise fund will be devoted principally to funding all operations of the enterprise activity, including payment of debt service on securities issued to finance such activity. In some cases, however, the governmental entity may be permitted to use funds in an enterprise fund for other purposes and to use other funds to pay costs otherwise payable from the enterprise fund.

As a proprietary fund, the fund is accounted for on a full accrual basis, and is budgeted on a modified accrual (working capital) basis. The proprietary fund is included in the annual operating budget of the City.

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Annual Appropriated Funds -- Consolidated Funds Summary (Modified Accrual Basis)

Total Proprietary Fund			
	Actual 2017-18	Estimate 2018-19	Adopted Budget 2019-20
Revenues:			
Water sales	2,678,865	2,400,000	2,500,000
Sewer sales	2,524,471	2,600,000	2,600,000
Drainage sales	298,936	95,510	100,000
Sanitation sales	430,047	646,917	650,000
Franchise fees	166,345	130,760	130,000
Late charges	142,198	138,158	140,000
Tap fees	83,225	82,382	84,500
Interest	6,417	12,275	19,150
Miscellaneous	55,119	53,158	49,500
Subtotal Revenues	6,385,623	6,159,161	6,273,150
Other Financing Sources:			
Insurance proceeds			
Miscellaneous			
Interfund transfers in			
Subtotal Other Financing Sources	-	-	-
Total Revenues and Other Financing Sources	6,385,623	6,159,161	6,273,150
Appropriations:			
Personnel	1,140,538	948,729	1,116,625
Materials/ minor equipment/ supplies	320,799	491,468	1,028,167
Contractual Services	3,345,706	3,753,536	3,613,250
Travel and training	2,695	6,000	7,500
Debt Service payments	20,409	148,275	146,458
Miscellaneous	2,717		
Subtotal Appropriations	4,832,864	5,348,008	5,912,000
Other Financing Uses:			
Interfund transfers out	188,888	681,440	602,000
Debt issuance cost			
Miscellaneous Uses			
Total Appropriations:	5,021,752	6,029,448	6,514,000
Net Increase (Decrease) in Fund Balance	1,363,871	129,713	(240,850)
Accrual adjustment for GAAP	(18,100)		
Beginning Budgetary Fund Balance	8,597,306	\$ 9,943,077	\$ 10,072,791
Ending Budgetary Fund Balance	\$ 9,943,077	\$ 10,072,791	\$ 9,831,940
Number of Days in Reserve	723	610	551

CITY OF FOREST HILL

WATER AND SEWER/ UTILITY BILLING

FUND/ DEPARTMENT/ PROGRAM: 60-06-03

PROGRAM DESCRIPTION

Utility Billing is responsible for accurate billing, timely collections, meter reading, extension granting, cut-off management, and customer service for the City's water, sewer, and sanitation services. Utility Billing is also responsible for the timely replacement of water meters within the life expectancy of ten years. During 2019, Utility Billing implemented Electronic Billing and Smart Meter Reading that includes pictures of the meter read. During 2020, Utility Billing will test electronic read meters.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Provide accurate and timely utility billing to improve customer service.

Goal 2: Implement a meter replacement program to identify and change out meters to minimize lost revenue due to worn or damaged water meters.

Goal 3: Provide courteous and professional customer service.

Objective 1: Provide customer service training for Utility Billing staff.

Objective 2: Provide "D Water License" training for the meter reading staff.

Objective 3: Stay current on all utility software updates and staff training.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Utility Accounts	4,245	4,300	4,350	4,400
Number of Billing Cycles per Month	2	2	2	2
Number of New Accounts	922	600	812	500
Number of Meter Replacements	668	700	620	650
Number of Final Accounts	613	600	600	600
Number of Account Adjustments	150	150	124	150
Productivity Measures				
% of Billing Cycles Processed on Time	100%	100%	100%	100%
% of Correct Meter Readings	98%	98%	98%	98%
% of Customer Payments Posted Correctly	99%	99%	99%	99%
Expenditure Summary				
Personnel	419,994	274,884	289,941	271,745
Materials and Supplies	(2,723)	67,500	112,500	62,568
Other Services	117,859	72,800	86,250	86,267
Travel & Training	363	2,000	4,000	4,000
Total Utility Billing	<u>\$ 535,492</u>	<u>\$ 417,184</u>	<u>\$ 492,691</u>	<u>\$ 424,580</u>

CITY OF FOREST HILL

WATER AND SEWER/ PUBLIC WORKS

WATER AND SEWER OPERATIONS

FUND/ DEPARTMENT/ PROGRAM: 60-11-17

PROGRAM DESCRIPTION

Public Works Water and Sewer Operations is responsible for the delivery of services and the operation, repair and maintenance of the utility's water and sewer system.

MAJOR GOALS AND OBJECTIVES MEASURED BY WORKLOAD & PRODUCTIVITY MEASURES

Goal 1: Provide timely and adequate delivery of water and sewer utility services to all utility customers with a minimum of service interruptions due to system maintenance and repairs.

Goal 2: Provide capital improvements planning for growth and system expansion needs of the utility system.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Infrastructure Repairs/Maintenance Projects	158	158	165	170
Number of System Expansion Projects	2	2	1	1
Number of Citizen Requests	2,125	2,125	2,330	2,350
Productivity Measures				
% Decrease in System Repairs	10%	10%	10%	10%
% Decrease in System Leaks / Lost Water	15%	20%	20%	20%
Expenditure Summary				
Personnel	612,363	817,923	826,684	676,984
Materials and Supplies	64,894	196,100	385,667	98,900
Other Services	2,878,881	3,346,000	3,027,000	3,161,000
Travel & Training	2,332	3,000	3,500	2,000
Total Public Works	\$ 3,558,469	\$ 4,363,023	\$ 4,242,851	\$ 3,938,884

CITY OF FOREST HILL

WATER AND SEWER/NON-DEPARTMENTAL

FUND/ DEPARTMENT/ PROGRAM: 60-55-00, 60-90-00, 60-97-00

PROGRAM DESCRIPTION

This program provides non-departmental specific services supporting the Water and Sewer Utility Fund's operations including principal and interest payments for utility system supported long-term debt, utility system capital repairs and replacements, and inter-fund transfers.

MAJOR DEPARTMENT GOALS AND OBJECTIVES AS MEASURED BY WORKLOAD AND PRODUCTIVITY MEASURE PRODUCTIVITY MEASURES

Goal 1: Maintain or improve City's bond rating for utility supported debt by making debt service payments when due.

Goal 2: Provide adequate maintenance and repairs of utility system infrastructure by providing adequate funding for utility system maintenance and repairs.

	Actual 2017-18	Budget 2018-19	Estimate 2018-19	Proposed 2019-20
Workload Measures				
Number of Debt Service Payments	2	2	2	2
Number of Monthly Inter-fund Transfers	12	12	12	12
Productivity Measures				
% of Debt Service Payments on Time	100%	100%	100%	100%
Expenditure Summary				
Personnel	-	-	-	-
Materials and Supplies	249,610	-	10,000	10,000
Debt Service	20,409	148,230	146,458	148,275
Inter-Fund Transfers Out	188,888	580,664	500,000	580,664
Total Civic Center	\$ 458,907	\$ 728,894	\$ 656,458	\$ 738,939

CITY OF FOREST HILL

Personnel Schedule

Department	Position Description	Full Time Equivalents
Administration	City Secretary	1
	Administrative Assistant	1
	City Manager	1
Court	Bailiff	2
	Court Clerk	2
	Court Supervisor	1
	Juvenile Case Manager	1
	Warrant Clerk	1
	Warrant Officer	2
Finance	Accountant	1
	Analyst	1
	Clerk	1
	Finance Director	1
Utility Billing	Meter Reader	2
	Utility Billing Clerk	2
	Utility Billing Supervisor	1
Human Resources	HR Director	1
Planning	City Planner	1
Public Works	Administrative Assistant	1
	Building Maintenance Worker	1
	Crew Leader	1
	Field Supervisor	1
	Mechanic	1
	Street Laborer	7
	Superintendent	1
	Water Laborer	7
Police	Administrative Assistant	1
	Animal Control Officer	2
	Crossing Guard	2
	IT Technician	1
	Officer	14
	Police Captain	2
	Police Chief	1
	Police Corporal	4
	Police Detective	2
	Police Dispatcher	5
	Police Sergeant	4
Fire	Administrative Assistant	1
	Fire Chief	1
	Fire Engineer	3
	Fire Fighter	9
	Fire Lieutenant	3
Permits	Permit Clerk	2
Code Enforcement	Code Enforcement Officer	2
Buildings	Custodial Technician	1
Community Development	Community Development Director	1
	Event Coordinator	1
	Total Full Time Equivalents	105

CITY OF FOREST HILL

NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE AND NOTICE OF PUBLIC HEARINGS FOR CITY OF FOREST HILL, TEXAS

A tax rate of \$0.992873 per \$100 valuation has been proposed for adoption by the governing body of City of Forest Hill, Texas. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of City of Forest Hill, Texas proposes to use revenue attributable to the tax rate increase for the purpose of the continued operations and services and the payment of debt.

PROPOSED TAX RATE	\$0.992873 per \$100
PRECEDING YEAR'S TAX RATE	\$0.992873 per \$100
EFFECTIVE TAX RATE	\$0.858488 per \$100
ROLLBACK TAX RATE	\$0.886962 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Forest Hill, Texas from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that City of Forest Hill may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Wendy Burgess
Tarrant County Tax Assessor-Collector
100 E Weatherford St., Room 105, Fort Worth, TX 76196-0301
817-884-1100
taxoffice@tarrantcounty.com
www.tarrantcounty.com

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: 6pm August 20, 2019, at 3219 E California Parkway Forest Hill, TX 76119

Second Hearing: 6pm September 3, 2019, at 3219 E California Parkway Forest Hill, TX 76119

CITY OF FOREST HILL

CITY OF FOREST HILL ORDINANCE NO. 2019-20

AN ORDINANCE ADOPTING THE BUDGET FOR FISCAL YEAR OCTOBER 1, 2019 THROUGH SEPTEMBER 30, 2020 FOR THE CITY OF FOREST HILL, TEXAS.

WHEREAS, heretofore a budget for the fiscal year October 1, 2019 through September 30, 2020 has been prepared by the City Manager; and

WHEREAS, a public notice of a public hearing upon this budget has duly and legally been given as required by law; and


WHEREAS, on the date specified in said notice, a public hearing has been held on said budget, and after considering the financial condition of the City and comparative expenditures, the City Council is of the opinion that such a budget should be approved as filed.

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

THAT the City Council hereby ratifies, adopts and approves the budget filed herewith as Exhibit A for the fiscal year October 1, 2019 through September 30, 2020.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Forest Hill, Tarrant County, Texas this the 3rd day of September, 2019 by a vote of 6 ayes, 0 nays, and 1 absent.

APPROVED:


Gerald Joubert, Mayor

ATTEST:


Amy L. Anderson, TRMC, City Secretary

APPROVED AS TO FORM:


Craig Magnuson, City Attorney

CITY OF FOREST HILL

CITY OF FOREST HILL

ORDINANCE NO. 2019-21

AN ORDINANCE OF THE CITY OF FOREST HILL, TEXAS APPROVING AND ADOPTING THE TAX RATE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020 AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Forest Hill has been presented with a proposed Ad Valorem Tax Rate for the Fiscal Year 2019-2020 would impose an amount of taxes that would exceed the levy for Fiscal Year 2018-2019; and

WHEREAS, Section 26.05 of the Texas Tax Code, as amended, provides that the City may not adopt a Tax Rate for Fiscal Year 2019-2020 that exceeds the lower of the Rollback Rate or the Effective Tax Rate, calculated without notice of and holding two public hearings on the proposed tax; and

WHEREAS, the proposed Tax Rate does not exceed the Rollback Rate; and

WHEREAS, this Tax Rate will raise more taxes for maintenance and operations than last year's tax rate; and

WHEREAS, upon full review of and consideration of the matter, the City Council is of the opinion that the proposed Tax Rate for Fiscal Year 2019-2020 should be approved and adopted for Fiscal Year 2019-2020.

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

Section I. There is hereby levied and shall be assessed for the Fiscal Year 2019-2020 of the City of Forest Hill an Ad Valorem Tax Rate on each ONE HUNDRED DOLLARS (\$100.00) valuation of property within the limits of the City of Forest Hill and subject to taxation as follows:

\$0.911303 for purposes of General Fund maintenance and operation.

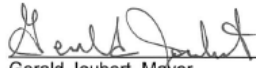
\$0.081570 for payment of principal and interest on all General Obligation Bond funded debt of this City.

Section II. The Tax Assessor of the City of Forest Hill is hereby directed to assess for the 2019-2020 Fiscal Year the rates and amounts herein levied and, when such taxes are collected, to distribute the collections in accordance with this Ordinance.


Section III. This Ordinance shall become effective immediately from and after its passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Forest Hill, Tarrant County, Texas this the 3rd day of September, 2019.

APPROVED:


Gerald Joubert, Mayor

ATTEST:


Amy L. Anderson, TRMC, City Secretary

APPROVED AS TO FORM:


Craig Magnuson, City Attorney

CITY OF FOREST HILL

CITY OF FOREST HILL

ORDINANCE NO. 2019-22

AN ORDINANCE OF THE CITY OF FOREST HILL, TEXAS RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2019-2020 BUDGET; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 102.007 of the Texas Local Government Code provides in part that the adoption of a budget that will raise more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget; and

WHEREAS, Section 102.007 of the Texas Local Government Code requires that this ratification be in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tex. Tax Code, or other law; and

WHEREAS, the Fiscal Year 2019-2020 Budget, as adopted, will raise more revenue from property taxes than in the previous year, and the City Council desires by adoption of this Ordinance to ratify the property tax increase reflected in the City's Fiscal Year 2019-2020 Annual Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOREST HILL, TEXAS:

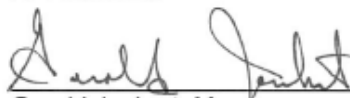
Section 1. The Forest Hill City Council, as the governing body of the City of Forest Hill, Texas, having adopted the Fiscal Year 2019-2020 annual Budget that will raise more revenue from property taxes than in the previous year, hereby ratifies the property tax increase reflected in the Fiscal Year 2019-2020 annual Budget.

Section 2. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof.

Section 3. This Ordinance shall be in full force effective from and after its passage and approval.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Forest Hill, Tarrant County, Texas this the 3rd day of September, 2019.


APPROVED:

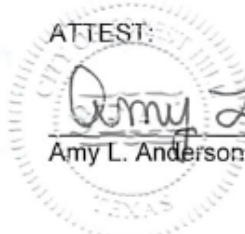

Gerald Joubert, Mayor

APPROVED AS TO FORM:


Craig Magnuson, City Attorney

ATTEST:


Amy L. Anderson, TRMC, City Secretary



CITY OF FOREST HILL

CITY OF FOREST HILL, TEXAS

RESOLUTION NO. 2019-07

WHEREAS, section 26.09, subsection (e) of the Texas Property Tax Code, provides that the tax assessor for each taxing unit shall submit the unit's assessment roll to the government body for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOREST HILL, TEXAS THAT:

I.

The tax assessment roll for 2019 for the City of Forest Hill, Texas based on appraisal values provided by the Tarrant Appraisal District is hereby approved.

II.

This Resolution shall be effective and be in full force from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor and City of Forest Hill, Texas.

Passed and Adopted by the City Council of the City of Forest Hill, Texas this 3rd day of September 2019.

APPROVED:


Gerald Joubert, Mayor

ATTEST:


Amy L. Anderson, TRMC, City Secretary

APPROVED AS TO FORM:


Craig Magnuson, City Attorney

CITY OF FOREST HILL

Glossary

The *City of Forest Hill Adopted Budget* contains specialized and technical terminology that is unique to public finance and budgeting. To help both City departments and the general citizenry understand the terminology used during the budget process, this glossary is included in the adopted and published budget document as a reference.

Accrual Accounting: A basis of accounting in which revenues are recognized in the period in which they are earned and become measurable, and expenses are recognized in the period incurred instead of when cash is actually received or spent. For example, in accrual accounting, revenue that was earned between June 1 and September 30, but for which payment was not received until October 1 through November 30, is recorded as being received on September 30 rather than October 1 through November 30.

Appropriation: A legal authorization made by the City Council that permits the City to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and the time in which it may be expended.

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.

Audit: A comprehensive examination of how an organization's resources were actually utilized, concluding in a written report of the findings. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the organization met its stated goals.

Balanced Budget: A budget in which planned expenditures can be met by current income from taxation and other central government receipts.

Balance Sheet: A financial statement that discloses the assets, liabilities, and equity of a specific governmental fund as of a specific date.

Bond: An interest-bearing certificate of debt; a written contract by an issuer to pay to the lender a fixed principal amount on a stated future date and a series of interest payments on the principal amount until it is paid.

Budget: A financial plan for a specified period of time (i.e. a fiscal year) that includes all planned expenditures for various municipal services and the proposed means of financing them.

Budget Adjustment: A legal procedure utilized during the fiscal year by the City staff and City Council to

CITY OF FOREST HILL

revise a budget appropriation. The City of Forest Hill's City 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 inter-departmental or inter-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 City staff to present a comprehensive financial program to the City Council.

Budget Message: The opening section of the Budget Document that 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. The Budget Message is also referred to as the City Manager's Message or Budget Transmittal Letter.

Budget Re-estimate: Process of taking year-to-date financial information, using that information to project future financial performance for the remainder of the fiscal year, then comparing the result to the fiscal year budgeted amount as a way to gauge financial performance. The re-estimate process takes place throughout the fiscal year for most funds.

Budgetary Control: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budgeted Funds: Funds that are planned for certain uses, but have not yet been formally or legally appropriated by the legislative body. The budget document that is submitted for City Council approval is comprised of budgeted funds.

Capital Project Budget: The portion of the annual operating budget that appropriates funds for the purchase of capital equipment items. These expenditures are often separated from regular operating items, such as salaries, services, and supplies. The Capital Equipment Budget includes funds for capital equipment purchases, which are usually distinguished from operating items according to their value and projected useful life. Examples include vehicles, minor equipment, furniture, machinery, building improvements, and special tools. The dollar value varies according to the policy established by each jurisdiction. For the City of Forest Hill, this limit is \$5,000.

Capital Improvement Program: A plan for capital expenditures to provide long-lasting physical improvements to be acquired over a fixed period of years.

Capital Improvement Program Budget: A Capital Improvement Program (CIP) Budget is a separate budget from the operating budget. Items in the CIP are usually construction projects designed to improve the value of government assets. Examples of capital improvement projects include new roads, sewer lines, buildings, recreational facilities, and large scale remodeling. The City Council receives a separate document that details the CIP costs for the upcoming fiscal year.

Cash Basis Accounting: A basis of accounting in which transactions are recorded when cash is either

CITY OF FOREST HILL

received or expended for goods and services.

Cash Balance: The amount of cash on hand and cash equivalents at any point in time, net of inflows and outflows.

Cash Management: The management of the cash that is 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.

Character: A basis for distinguishing types of expenditures; the five major characters used by the City of Forest Hill are: personnel services, supplies, contractual services, capital outlays, and debt service.

- The **Personnel Services** category includes all salary, benefit and supplement costs associated with employees compensations.

- The **Supplies** category includes expenditures for items costing less than \$5,000 per unit, or for items costing more than \$5,000 with a useful life of less than two years. Examples of supplies include basic office supplies, books and magazines; materials used in city operations including paving material, streetlights, signals, and library books; postage, uniforms, and vehicle related costs including parts, supplies and fuel. In addition, minor equipment is budgeted as a supply cost. Minor equipment is distinguished from capital outlays by the \$5,000 cost per unit threshold and includes items like minor audio/video equipment, water meters, scanners, fax machines, and minor appliances.

- Expenditures in the **Contractual** category represent activities performed under expressed or implied agreements involving the use of equipment or commodities; and for professional, specialized or trade services rendered. In addition to external contracts for goods and services, this category includes services provided to City departments through Internal Service Funds including Information Technology services, labor charges for Equipment Services, and copy and graphic services provided through the Office Services Fund. Contractual services also include payment of utilities for electricity, gas, water, wastewater, and storm water. Finally, transfers among Funds are captured as contractual costs. These include transfers for insurance, healthcare, and administrative services.

- The **Capital Outlays** category reflect all outlays that result in the acquisition of, or additions to, the City's fixed assets (assets of a long-term nature which are intended to be held or used beyond the current fiscal year and which may be eligible for depreciation), including real and tangible assets. Capital Outlays must cost at least \$5,000 and must have an expected life of two or more years. Primarily four types of fixed assets (Capital Outlays) are used: 1) Land; 2) Improvements other than buildings; 3) Buildings; and 4) Equipment.

- The **Debt Service** category includes money paid on loans and bonds by the City, as a borrower, of the principal and interest.

Commitment: The pledge of appropriated funds to purchase an item or service. Funds are committed when a requisition is issued through the Finance Division of the City.

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

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

CITY OF FOREST HILL

Delinquent Taxes: Taxes that remain unpaid on and after the date due, after which a penalty for nonpayment is attached.

Department: A major administrative division of the City that indicates over all management responsibility for an operation or group of related operations within a functional area.

Depreciation: The process of estimating and recording the lost usefulness or expired useful life 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.

Designations: Designations are the desired uses of fund balance which are discretionary in nature in that the requested items were not budgeted in the prior year. To be a valid designation request, the department must not have spent all of their prior year budget (i.e. have savings), and must provide justification for the request approved by the City Manager.

Disbursement: Payment for goods and services in cash or check.

Effectiveness: A measure of how adequately the intended purpose is accomplished and the intended or expected results are produced.

Encumbrance: The commitment of appropriated funds to purchase an item or service. Committed funds become encumbered when a purchasing requisition becomes an actual purchase order.

Enterprise Fund: A governmental accounting fund used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is to recover the cost of providing goods through user fees. Rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Enterprise funds within the City of Forest Hill are established for services such as water and sewer.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year. It may also be defined as the proposed financing sources estimated to finance the proposed projected expenditure.

Expenditure: Decreases in the use of net financial resources other than through inter-fund transfer.

Expenses: Outflow or other depletion of assets or incurrence of liabilities during a specific period of time which results from the delivery or production of goods, rendering of services, or carrying out of other activities that constitute the entity's ongoing major central operations.

Fiscal Year: The twelve-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Forest Hill's fiscal year is October 1 through September 30.

Fixed Assets: Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

CITY OF FOREST HILL

Full Faith and Credit: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

Function: A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or major service.

Fund: A fiscal and accounting entity with a self-balancing set of accounts that records all financial transactions for specific activities of government functions. Seven major fund types and two account groups are commonly used: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, general fixed asset account group, and general long-term debt account group.

Fund Balance: The difference between a fund's assets and its liabilities. Portions of the fund balance may be reserved for various purposes, such as non-spendable, restricted, committed, assigned, and unassigned.

General Fund: The largest fund within the City that accounts for all financial resources of the government except for those required to be accounted for in another fund. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, public health, parks and community services, public works, and general administration.

General Ledger: A file that contains a listing of the various accounts necessary to reflect the financial position and results of governmental operations.

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 debt service portion of the City's property tax, and these bonds are backed by the full faith and credit of the issuing government.

Goal: The result or achievement towards which an effort is directed and intended to accomplish.

Grant: A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed to the grantee.

Inter-fund Transfers: Amounts transferred from one fund to another.

Intergovernmental Revenue: Revenue received from another government entity for a specified purpose. In Forest Hill, these are the funds from Tarrant County, the State of Texas, and through the recovery of indirect costs from federal and state agencies.

Inventory: A detailed listing of property currently held by the government showing quantities, descriptions and values of the property, units of measure, and unit prices.

Invoice: A bill requesting payment for goods or services by a vendor or other governmental unit.

Levy: To impose taxes, special assessments, or service charges for the support of City activities.

CITY OF FOREST HILL

Line-Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately along with the dollar amount budgeted for each specified category.

Long -Term Debt: Any un-matured debt that is not a fund liability and at the same time has a maturity of more than one year.

Modified Accrual Accounting: A basis of accounting in which revenues should be recognized in the accounting period in which they become available and measurable and expenditures are recorded in the accounting period that they are incurred. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Objective: The reason for making specific efforts or taking deliberate actions with the intent to attain or accomplish an identified goal, targeted level, or meet a defined purpose.

Operating Budget: The portion of the budget pertaining to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel and the proposed means of financing them.

Operating Fund: A fund restricted to a single fiscal year.

Performance: The execution or accomplishment of work which produces results.

Performance Budget: A budget that focuses upon activities rather than line items. Workload and unit cost data are collected in order to assess the efficiency of services. Typical data collected might include miles of streets paved per year, cost of paved streets per mile, tons of garbage collected per employee hour, or cost per employee hour of garbage collection.

Performance Measures:

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

Program Budget: A budget that focuses upon the goal and objectives of an agency or jurisdiction rather than upon its organizational budget units or object classes or expenditures.

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

Reconciliation: A detailed analysis of changes in revenue or expenditure balances within a fund.

Requisition: A written request from a department to the purchasing office for specific goods or services. This action precedes the authorization of a purchase order.

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

CITY OF FOREST HILL

Retained Earnings: The difference between assets and liabilities for enterprise and internal service funds.

Revenue: Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers, and increases in net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers. Included are such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

Revenue Bonds: Bonds usually sold for constructing a project that will produce revenue for the government. All or part of the revenue is used to pay the principal and interest of the bond.

Rollover: Rollovers are the desired uses of fund balance for the purpose of meeting prior year commitments. Rollovers may be requested for items that ,a) were budgeted in the prior fiscal year, b) are from departments that did not spend to their appropriated budget the prior year (i.e. ,have savings), and c) can demonstrate that the funds were encumbered for the purpose identified in the rollover request.

Source of Revenue: Revenues are classified according to their source or point of origin.

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