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Tarrant County Clerk's Office

Mary Louise Nicholson

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Tarrant County Clerk

CITY OF FOREST HILL

Budget 2023 Fiscal Year

As Adopted by the Mayor and City Council
October 1, 2022 through September 30, 2023



SUBMITTED BY:
VENUS M. WEHLE, PCED
INTERIM CITY MANAGER

3219 California Parkway - Forest Hill, TX 76119 - 817-568-3000 - www.foresthilltx.org

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... In our on-going commitment to the citizens and business 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.



*In October 2019, the City of Forest Hill was named a "Recognized Scenic City" by the Scenic City Certification Program, a program of Scenic Texas and its 17 partner organizations. The Scenic City Certification Program recognizes cities for their demonstrated commitment to high-quality scenic standards for public roadways and spaces. Certification is for five years (2019-2024).
www.foreshilltx.org*

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SECTION I

INTRODUCTION



This budget will raise more total property taxes than last year’s budget by \$169,042 or 2.54 percent, and that amount to be raised from property value increase to the tax roll this year.

The members of the City Council voted on the budget as follows:

- FOR: Ms. Stephanie Boardingham, Mayor
 Ms. Janet Benton, Council member, Place 1
 Ms. Beckie Hayes, Council member, Place 2
 Ms. Sonja Coleman, Council member, Place 3
 Mr. Silas Robinson, Deputy Mayor Pro Tem, Place 4
 Mr. Keith R. Smith, Mayor Pro Tem, Place 5
 Mr. Jesus Rivas, Place 6

AGAINST: 0
 PRESENT AND NOT VOTING: 6
 ABSENT: 1

PROPERTY TAX RATE COMPARISONS		
	Fiscal Year 2021-2022	Fiscal Year 2022-2023
Proposed Property Tax Rate	\$0.997342 per \$100	\$0.882820 per \$100
No-New-Revenue Tax Rate (Effective Tax Rate)	\$0.973045 per \$100	\$0.882820 per \$100
No-New-Revenue Maintenance & Operations	\$0.900276 per \$100	\$0.781775 per \$100
Voter-Approval Tax Rate (Rollback Tax Rate)	\$1.047388 per \$100	\$0.859183 per \$100
Debt Tax Rate	\$0.115601 per \$100	\$0.101045 per \$100

The total debt obligation secured by property taxes for the City of Forest Hill, Texas is \$634,395.00



The City of Forest Hill Property Tax Rate is currently at 0.882820 per \$100. According to the appraised property tax value, net taxable value and the estimated net taxable value, the City Property Tax Rate for 2021 is calculated at \$0.997342 per \$100.



Legal Publications and Lobbying Disclosure required by HB 1495

Over the last 12 months, the City incurred \$2,078 in expenses related to notices required by law to be published in the newspapers and \$6,500 is included in the Proposed FY 2023 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 FY 2023 budget for this same purpose.



USERS GUIDE TO THIS BUDGET DOCUMENT

This is the budget document for the City of Forest Hill, Texas for the fiscal year beginning October 1, 2022 and ending September 30, 2023. This document should: (1) Serve as a policy document; (2), a financial plan; (3), an operations guide; (4), a communication device to our readers; (5), be used by City Management as a guide for operations as approved by the City Council for the fiscal year; (6), be a communication device for City Council to staff and citizens for objectives, goals, and the mission of the City; (7), to inform City Council and citizens of accomplishments and services; (8), and a tool for current and prospective citizens and businesses to learn about the City and where it's going.

Introductory Information

The Table of Contents should aid a user of this document in the detailed organization of this book. The "Introduction" 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 including graphical information and major revenue sources. The City Manager's message is a guide to understanding decisions made during the 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 the General, 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 Fund details 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

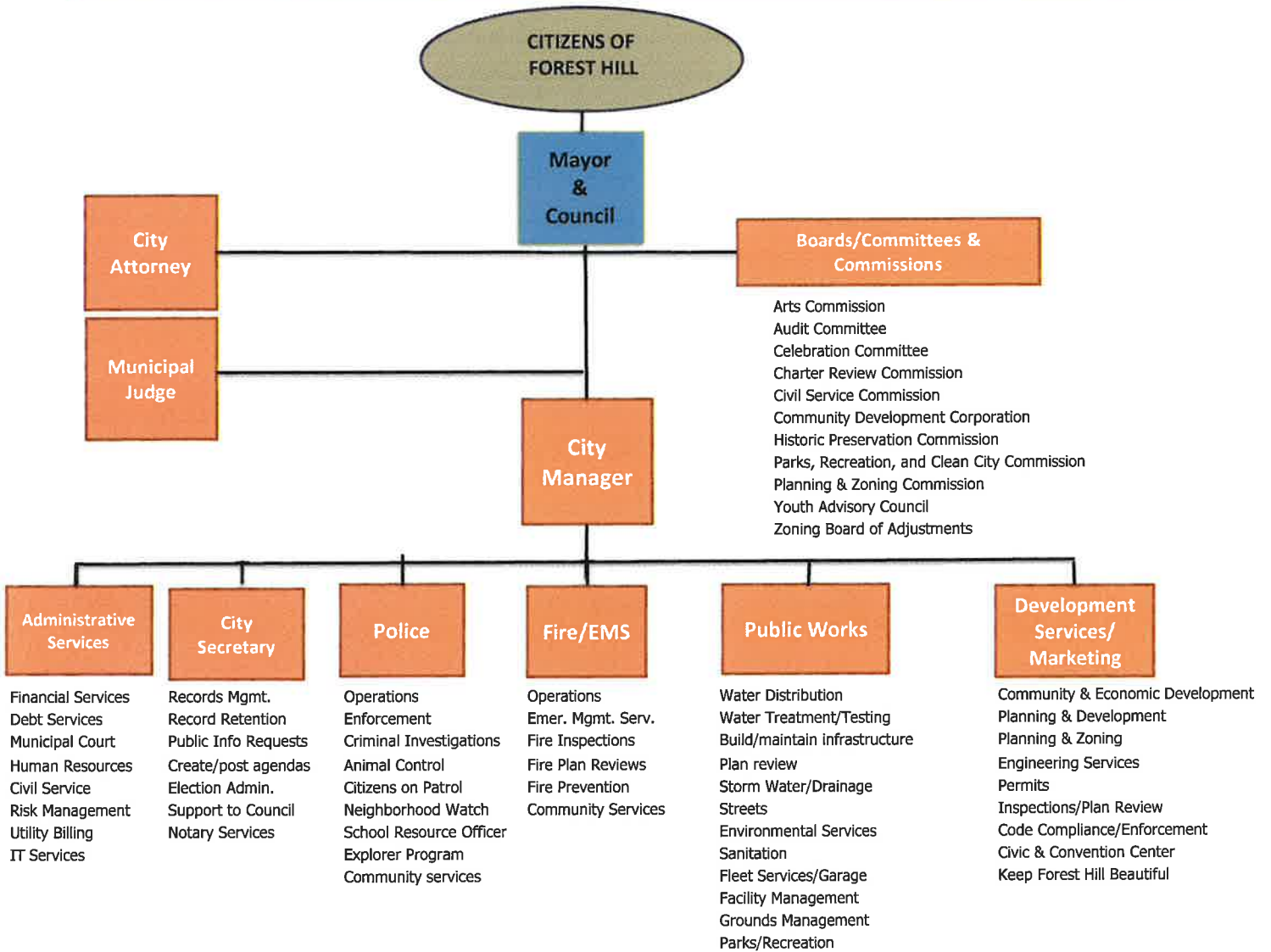
The Budget Ordinance section provides the actual policy passed by the City Council implementing this budget as well as required publications.



CITY OFFICIALS

Elected Officials	Elected Position
Ms. Stephanie Boardingham	Mayor
Ms. Janet Benton	Council member, Place 1
Ms. Beckie Hayes	Council member, Place 2
Ms. Sonja Coleman	Council member, Place 3
Mr. Silas Robinson	Deputy Mayor Pro Tem, Place 4
Mr. Keith R. Smith	Mayor Pro Tem, Place 5
Mr. Jesus Rivas	Council member Place 6
Appointed Officials	Title
Ms. Venus M. Wehle	Interim City Manager
Ms. Victoria Thomas	City Attorney
Mr. Glenn Lewis	Municipal Judge

ORGANIZATIONAL CHART





LIST OF CITY EMPLOYEES

<u>Department</u>	<u>Position Description</u>	<u>Full-Time Incumbents</u>	<u>Vacancies</u>
Administration	City Manager	*Acting	1
	Administrative Assistant	0	1
	City Secretary	1	0
Municipal Court	Court Supervisor	1	0
	Court Clerk	1	0
	Juvenile Case Manager	1	0
	Warrant Clerk	1	0
Finance	Finance Director	*Contract	1
	Accountant	1	0
Utility Billing	Payroll/Accounting Clerk	1	0
	Utility Billing Supervisor	1	0
	Meter Reader	2	0
	Utility Billing Clerk	2	0
Human Resources	Grease Trap Inspector/Meter Reader	1	0
	Human Resources Director	0	1
Public Works	Streets Labor Superintendent	1	0
	Administrative Assistant	1	0
	Building Maintenance Worker	1	0
	Crew Leader	2	0
	Mechanic	1	0
	Public Works Field Tech	9	2
Police	Police Chief	1	0
	Administrative Assistant	1	0
	Animal Control Officer	1	1
	Property Room Technician	1	0
	Officer	16	2
	Police Captain	2	0
	Police Corporal	2	2
	Police Dispatcher	1	3
	Police Sergeant	3	1
	Warrant Officer	1	0
	Police Records Clerk	1	0
Fire	Fire Chief	1	1
	Administrative Assistant	1	0
	Fire Lieutenant	3	0
	Fire Engineer	3	0
	Fire Fighter	9	0
Permits	Permit Clerk	1	1
Code Enforcement	Code Enforcement Officer	1	0
Building	Custodial Technician	1	1
Community Development	Community Development Director	1	**Acting City Manager
Civic/Convention Center	Event Coordinator	1	0
		80	18

*These positions are vacant but, currently occupied by an acting or contract personnel. **This position is not vacant. They are in an acting role.



LIST OF CITY EMPLOYEES

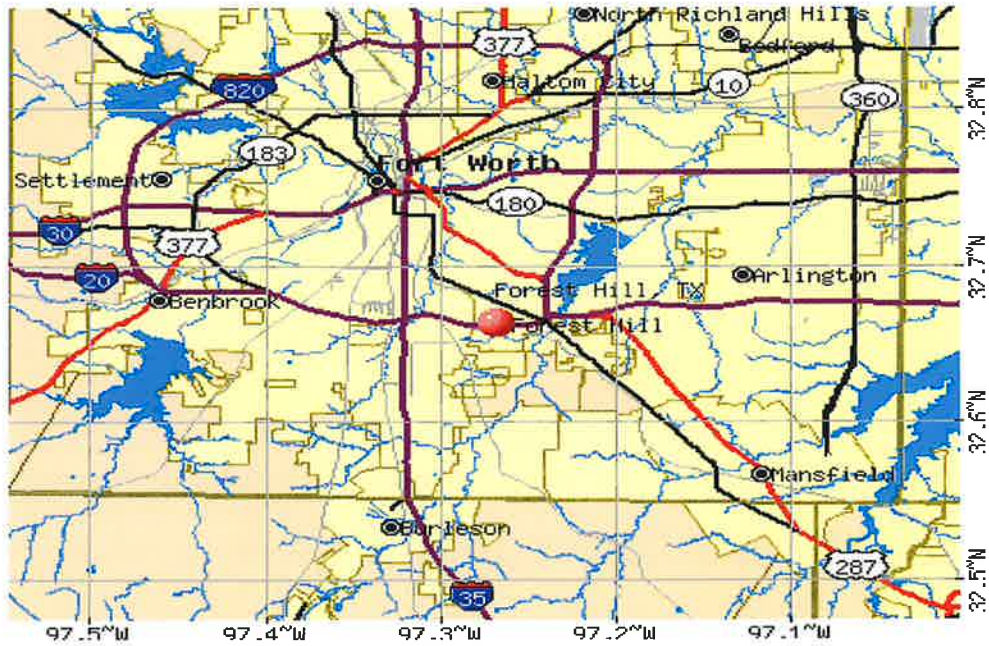
Department	Position Description	Part-Time Incumbents
Police	Crossing Guard	2
	Records	1
	Police Officer	*1
Civic/Convention Center	Event Coordinator	1
		<hr/> 4 <hr/>

*Reserve Officer

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 13,955 residents (April 1, 2020 census) and more than 300 businesses. Major employers include Conatser Construction, J. Wales Enterprises, TAS Environmental Services, United Rentals, Chase Bank, Starbucks, Denny's, Luby's Cafeteria, Best Western Plus, Holiday Inn Express, Hampton Inn & Suites, La Quinta Inn & Suites, Horton's Tree Service, Midwest Wrecking, Arthur Hager AC, Cowtown Charters, O'Reilly Auto Parts, Walgreens, and CVS 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



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
Former City Hall Annex	6808 Forest Hill Drive
Historial Society Building	3415 Horton Road

Library

There is a Public Library that is funded by a Special Sales Tax and it not included in the City of Forest Hill budget. The Library is located at 6962 Forest Hill Drive, Forest Hill, Texas 76140. It 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>0.25%</u>
Total	8.25%

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

General Fund	1.00%
Community Development Corporation	0.50%
Street Improvement	<u>0.25%</u>
Total	1.75%

Property Taxes

2022 Property Tax Rate	\$.882820 per \$100 valuation
2022 Certified Net Tax Value	\$773,122,575



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 school 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. Forest Hill gained a new source of water in the early 1940's when the original owners of the private water system sold it to the Texas Water Company. By 1925, the community had twenty-five residents and two businesses. In approximately 1944, the Trentman Company and the Johnson Campbell Company began building homes. The community incorporated on March 16, 1946, with a population of approximately 500 citizens. On April 8th 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 population rose to 3,800. The city's growth was due in part 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, Forest Hill citizens 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.

Residents enjoy easy access to five area airports –

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



Demographics

The 2022 estimated population is 14,000.

As of the Census 2020, there were 13,955 people, 3,746 households or 3.45 persons per household residing in the city. The population density was 3,322.6 people per square mile. The racial makeup of the city was 5.3% White, 44.6% African American, 0.1% Native American, and 1.5% from two or more races. Hispanic or Latino of any race was 49.1% of the population.

There were 3,746 households out of which 32% had children under the age of 18 living with them, 55.1% were female householders, 11.5% were householders 65 years of age or older, and 8.0% were under 5 years of age. There were 594 veterans residing in the City of Forest Hill. The city owner-occupied housing unit rate was 73.6%.

The median income for a household in the city was \$47,308. . The per capita income for the city was \$16,893. About 19.4% of the population were below the poverty line.

Education

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 Independence School District (FWISD).

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.

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 6yh Grade Campus; Dan Powell Intermediate School; Baxter and Everman Junior High Schools; Everman High School and Everman Academy High school.



Education (Continued)

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 Utilities

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

<u>Water Source</u>	<u>Surface</u>
Maximum Daily Water System Capacity	2,250,000 Gallons
Maximum Daily Water Use to Date	2,400,000 Gallons
Pressure on Water Mains	65-80 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 of Forest Hill website is www.foresthilltx.org.

The City's user friendly website allows citizens, business owners/managers, and those looking to move to Forest Hill to view the budget, pay water bills and court fines, view City meetings, review agendas and



THE CITY OF FOREST HILL

**OFFICE OF THE
CITY MANAGER**

MEMO

September 20, 2022

To the Honorable Mayor and Members of the City Council,

I am pleased and honored to submit to you the Proposed Annual Budget and Plan of Municipal Services for the Fiscal Year beginning October 1, 2022 and ending September 30, 2023.

The proposed FY 2022-2023 budget has been compiled after many months of careful planning and review, utilizing input from City department leaders and staff and is designed to meet the challenges faced by the organization in the coming year. It is presented to you in compliance with Texas Local Government Code Chapter 102 and the Home Rule Charter of the City of Forest Hill, Texas. We believe it will assist the City in accomplishing goals set by the Council and staff and with the purpose of ensuring that the decisions made for this budget are financially sustainable in the future. It is developed to match revenues and expenditures in FY 2022-2023.

Budget Funds Summary

The total proposed expenditures for FY 2022-2023 is projected to be \$20,517,671.00. The General Fund expenditures total \$12,057,374.00; \$659,939.00 is Debt Service; \$623,795.00 is proposed for the Community Development Corporation; \$800,000.00 is for Street Improvements; \$5,154,461.00 is the Water and Sewer Utility Fund; \$700,269.00 is Sanitation; \$293,715.00 is Drainage; \$146,817.00 is Hotel/Motel Tax Fund; and \$4,588 is the Municipal Court Juvenile Case Fund.

BUDGET PRIORITIES

Priorities to be addressed in the FY 2022-2023 budget include:

- Reduce the Ad Valorem Tax rate to \$0.882820 from \$0.997342
(a decrease of 0.114522)
- Develop and maintain a balanced budget
- Street infrastructure reconstruction projects:
 - ◆ Woodbridge from Forest Hill Drive to Chimney Rock(CDBG Project);
 - ◆ Grady Street from Forest Hill Drive to Wichita Street;(potential use of ARPA funding);
 - ◆ Folkstone from Lon Stephenson to Chimney Rock; (potential use of ARPA funding);
- Continue to address the aging and out-of-service fleet vehicles;

BUDGET PRIORITIES CONTINUED

- Provide funding for our on-going meter replacement program;
- Continue to provide funding for facility improvement projects including the roofs at the Fire and Police Departments;
- Continued participation in the HOME Investment Partnership Program with the Tarrant County Community Development Department serving the elderly and disabled;
- Provide adequate funding for salary and health benefits for the City Employees, while considering a 4% pay raise;
- Continue to enhance the quality of life of our citizens and visitors by creating transportation options and improving City Parks;
- Address organizational issues within city government while emphasizing quality customer service at all levels of the organization;
- Continue promoting a positive environment for economic development and social activities and make Forest Hill an ideal place to live, work, play, and stay.

BUDGET ASSUMPTIONS

- Lowering the Ad Valorem Tax Rate for the first time in 8 years;
- Employing a Fire Marshal as designated in the City Charter;
- Continue partnership with Blue Cross / Blue Shield for employee health care coverage with no increase in medical costs to City employees;
- Payments to the City of Fort Worth for water and sewer service rates for our citizens and businesses with no increase to our users; costs remain unchanged.

CAPITAL PROJECTS

Capital Projects for FY 2022-2023 may include:

- Improvements to numerous streets including reconstruction and infrastructure;
- TCEQ mandate regarding clean up at Griggs Park;
- Vehicle and equipment replacements for the Public Works, Water, Fire and Police Departments.

AMERICAN RESCUE PLAN ACT

The American Rescue Plan Act has provided the City with funding that can be utilized for specific projects. As of October, 2021, the City received one-half of the grant money, approximately \$1.6 million dollars. The second equal payment will be made to the City sometime in 2023. Expenditures to be considered for this money can be infrastructure improvements, improvements to the Police and Fire Departments, and the purchase of back-up generators for city facilities. Staff will present details to the Council in the coming months.

COMMUNITY & ECONOMIC DEVELOPMENT

Community and economic development is an outcome – creating a mixed use development, improving water and sewer infrastructure. It's also a process, a very complex one that involves citizens (in a common place), dialogue and creating a vision. These types of developments are the mechanisms for increasing the standard of living, creating jobs, and building an economic base for the future.

A community engaged in its development, empowers and uplifts the people to achieve goals, to secure a sustainable future through unity and to thrive. Working together, with a "can-do" attitude and spirit, creates a culture of collaboration and excellence. From our leaders, to our business stakeholders, and residents, we are stronger together- and together creating the building blocks for equitable opportunities, programs, and improved services

Current City community and economic development projects include:

- Wichita Street Expansion
- Southeast Connector Project – freeway expansion project with TXDOT
- Traffic Signalization Project at Forest Hill Drive and Forest Hill Circle
- City of Forest Hill Comprehensive Master Plan update - last updated in 2010
- Residential Projects:
 - ◇ "The Woods" - townhomes
 - ◇ "Whispering Oaks Estates" – single family homes
 - ◇ "Anglin Estates" – single family homes
- Commercial Projects:
 - ◇ Retail Strip Center
 - ◇ Sunshine Pediatrics Day Center
 - ◇ Grocery store/meat market on Mansfield Highway
 - ◇ Cascades Car Wash
 - ◇ Scottish Inn
- City Park Improvements

PUBLIC SAFETY IMPROVEMENTS

The City of Forest Hill first responders have built- within themselves – the foresight to think and act upon what should be done *first* in an emergency or crisis situation. They not only risk their lives, but often save the lives of those to whom they are providing aid.

Public safety employees are professionals who, each and every day, make organizational preparedness essential. They also:

- Work to reduce violence;
- Promote the health and safety in our community;
- Provide a sense of community pride;
- Demonstrate that they can make difference at a local level, thus working to change the perceptions of the community.

To build a strong, cohesive, vibrant, and participatory community, the Forest Hill Fire and Police Departments engage our citizens and business leaders using the following initiatives (current/expansions/new):

Fire Rescue:

- Improvements to Emergency Management Office
- Develop/implement the Fire Department Citizens Academy
- Weekly Blood Pressure Checks
- Expand CPR training to include AED training
- Implement a "Child Passenger Safety Seats Check" program
- "Become a Firefighter" career talk program
- Health and Safety Fairs participation with local businesses and surrounding communities
- "Junior Camp" – to learn about becoming a firefighter during Spring Break for youth 10 to 12 years old
- Fire Extinguisher Safety education program
- Community Fire Safety Presentations
- Develop programs to benefit Senior Citizens i.e, smoke detectors, carbon monoxide; battery checks and installation; education on "falls"
- Implement "Vile of Life" program

PUBLIC SAFETY IMPROVEMENTS CONTINUED

Police Department:

- Enhanced Animal Control Services – through partnership with City of Everman
- Continue “Coffee with Cops” initiative
- Develop/implement Fort Worth ISD “After-School programs” at Harlean Beal and David K. Sellars Elementary Schools
- Develop crime prevention program for businesses and residents
- Implement Community Policing programs
- Implement “Get Out of the Car” in which officers walk through neighborhoods meeting residents
- Increasing community engagement; participate in more events with local businesses and non-profits including churches
- Regionalization of Police/Fire Dispatch Services with surrounding communities which will greatly enhance public safety services for the City

BUILDING ORGANIZATIONAL EFFICIENCY

Providing excellent customer service, increasing work efficiency and productivity and creating a sense of civic pride, are some of the vital components to satisfying the responsibilities of City departmental functions. By incorporating unity (teamwork), dynamic and sustained changes can occur:

Currently City staff engages in:

- **Cross training of Employees-**
This enables an employee’s ability to function effectively in a team environment. This type of training expands an employee’s knowledge and skills to perform multiple tasks. This improves productivity, quality of work, and customer satisfaction. Typically conducted by other team members who serve as mentors and coaches, cross-training prepares an employee to perform multiple or all team functions.
- **Creating a sense of Team Spirit & Civic Pride-**
Teamwork accomplishes complex tasks at greater speeds, reaches new benchmarks, expands professional skill sets and creates a healthier and happier team. By incorporating teamwork, employees engage more with customers, and develop a deeper sense of pride in their work for the community. Dynamic and sustained change can occur.

BUILDING FOR OUR FUTURE

I want to thank our Mayor and Council for their hard work and dedication to the City of Forest Hill. The last few years have seen unprecedented changes in our community, posing some significant challenges for our City and its employees. We look forward to the Mayor and Council's continued insight, direction and leadership as we will continue to work through future challenges all while providing quality services to our community. This budget will tell our story and provide opportunities for setting and creating future goals.

It is our hope that the proposed FY 2022-2023 budget conveys your vision for City services as we efficiently and effectively manage public resources for maximum benefit to our citizens and businesses. We hope that our work is a reflection of our *COMMUNITY DRIVEN* spirit, financial transparency, and accountability.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a large, stylized 'V' followed by a horizontal line extending to the right.

Venus M. Wehle, PCED
Interim City Manager



SECTION II

Budget & Finance Policies

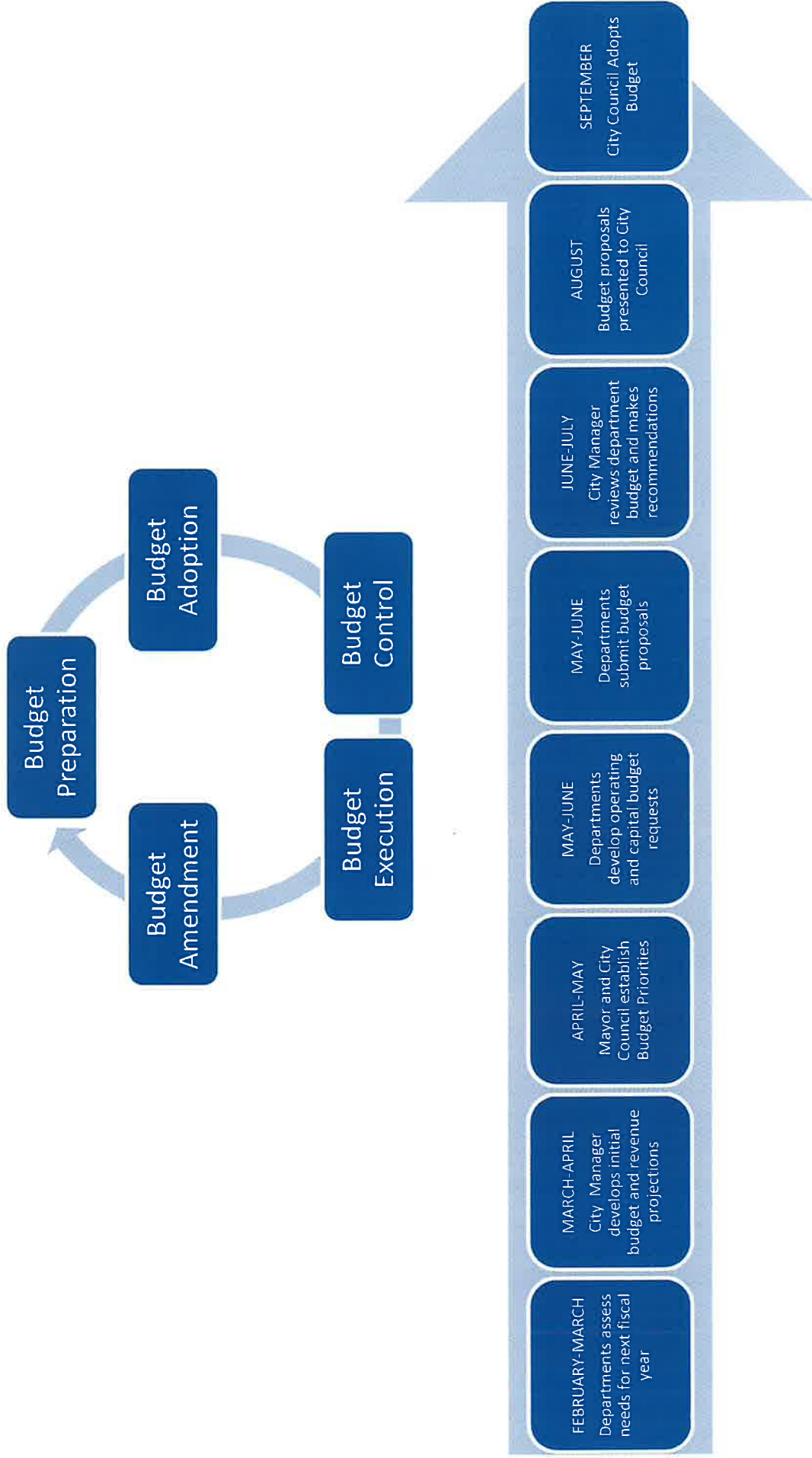


CITY OF FOREST HILL / TAX CALENDAR FY 2021 - 2022

April 1, 2022	Finalize budget calendar
April 30, 2022	Chief Appraiser sends notice of 2022 preliminary appraised values
May 12, 2022	Distribute budget instructions to Departments Distribute survey for priority list of expenditures
May 26, 2022	Finance completes preliminary proposed FY 2022-2023 revenue estimates
May 28, 2022	Department heads submit supply and contract budget lines and other budget requests to Finance Department
June 1 - 15, 2022	Schedule meetings-City Manager with Department heads on proposed 2022-2023 budget
June 13, 2022	Receive retirement rates from State of Texas & benefit rates from HR
June 28, 2022	Finance Department submits preliminary proposed budget to City Manager
July 25, 2022	Chief Appraiser delivers 2022 certified appraisal to City of Forest Hill
July 30, 2022	Receive health insurance rates from Human Resources
August 1, 2022	Finance Department submits proposed budget to City Manager and City Secretary including update for insurance rates and revenue estimates
August 5, 2022	Deliver notice of no new revenue tax rate and voter approved tax rate to local newspaper and website Public Hearings to occur August 16 and September 20 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 no new revenue tax rate or voter approved tax rate (whichever is lower)
August 9, 2022	Posting of proposed budget on City website Publish 1st quarter page Notice of Tax Revenue Increase (at least 7 days before public hearing) (1)
August 16, 2022	City Council Budget Work Session to discuss tax rate 1st Public hearing if proposed tax rate will exceed the no new revenue tax rate or voter approved tax rate (whichever is lower) City Council announces the date, time and place of vote on proposed tax rate to be September 20 City Council calls for a Budget Hearing for September 20, 2022
August 22, 2022	Publish 2nd quarter page Notice of Tax Revenue Increase (at least 7 days before public hearing) (1)
September 20, 2022	Public hearing of City Council proposed FY 2022-2023 Budget Public hearing if proposed tax rate exceeds the no new revenue tax rate or voter approved tax rate (whichever is lower) City Council adopts proposed FY 2022-2023 Budget City Council adopts proposed tax rate City Council ratifies property tax revenue increase effected in the budget Local Government Code 102.007 c
October 1, 2022	The Tarrant County Tax Assessor prepares and mails tax bills

(1) If proposed tax rate exceeds the no new revenue tax rate or voter approved tax rate

BUDGET PROCESS





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.

Department Budget Workshops

During the departmental budget workshops, the staff is informed of the budgeting concepts, guidelines and forms. A needs assessment is provided by all departments to the City Manager.

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



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 adopted budget. The public also has the opportunity to attend City Council budget workshops. City Council may take action to modify the adopted 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 amendments 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 State Law.

City of Forest Hill - 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

The 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.



Department Summaries

Workload Measures

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

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, revenue, 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 ninety (90) days of annual operating expenditures for the General Fund and a minimum working capital equivalent to fifteen (15) days of annual operating expenses for the Water and Sewer Fund. The City has presented here within, a balanced budget that will retain the goal of maintaining the minimums anticipated.

Operating Budget Policies

The City of Forest Hill budget resources are on a fiscal year, which begins October 1st 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 its 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

The adopted 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 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).

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 Manger 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 the potential 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 are required to be accounted for in other fund areas and 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 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 Project 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** accounts for revenues and expenses on a full accrual basis. Water, sewer, and solid waste services are delivered to the citizens and businesses 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 are 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 Financial Officers Association (GFOA)** Distinguished Budget Award Program annually.

The accounting and financial reporting treatment applied to a fund is determined by its "measurement focus."

All governmental funds (i.e., General Fund, Special Revenue funds, etc.) are budgets, and accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating revenues of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Proprietary fund types, including enterprise funds (i.e., Water and Sewer, Drainage Utility), are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (assets net of liabilities) is segregated into invested in capital assets, net of related debt and unrestricted net asset components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net assets.

Financial information is presented using the modified accrual basis of accounting for all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current accounting periods, or soon enough thereafter to be used to pay liabilities of the current period. Ad valorem, franchise and sales tax revenues are recognized under the susceptible to accrual concept, since they are both measurable and available within 60 days after year end. Licenses and permits, charges for services (except for water and sewer billings), fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred. Interest on general long-term debt is recorded as a fund liability when due or when amount have been accumulate in the debt service fund for payments to be made early in the following years.

The accrual basis of accounting is used in Proprietary Fund types, i.e., Enterprise Funds for financial reporting purposes. Under the full accrual basis of accounting, revenues and expenses are identified with a specific period of time, and are recorded as incurred, without regard to the date of receipt or payment of cash. For example, water and wastewater service charges are customarily recognized as revenues when billed, rather than at the time when the actual payment of the bill is received, in contrast to license and permit fees, which are recognized as revenues when payment is actually received in cash. This method of accounting is used for financial reporting purpose in the City's comprehensive annual financial report; however, for budget presentation purposes, working capital is recognized as fund balance. Working capital, rather than unrestricted net assets, is used to represent fund balance in Enterprise Funds (which is similar to using the modified accrual basis). Under the working capital approach, depreciation expense is not budgeted, and capital outlay and debt service principal are budgeted as expenses. Working capital is generally defined as the difference between current assets (e.g., cash and receivables, etc.) and current liabilities (e.g., accounts payable), and provides a more thorough analysis of proprietary fund reserves for budget purposes than does the presentation of net assets. In addition, budgeting capital outlay as an expense for budgetary purposes allows the proposed capital purchases to be reviewed and authorized by City Council.



SECTION III

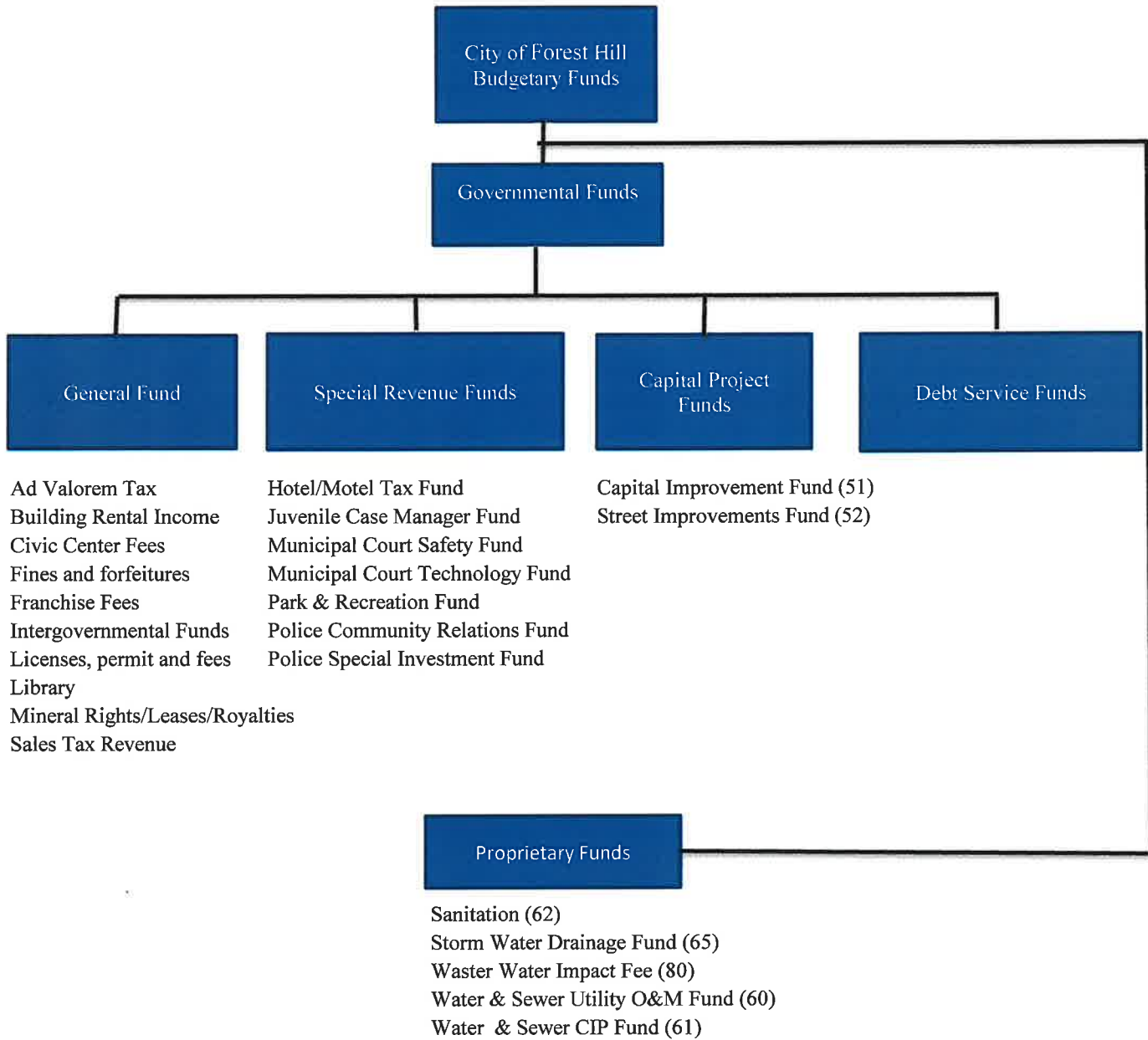
Fund Structure & Financial Analysis



FUND STRUCTURE

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

FUND STRUCTURE CHART



Governmental Funds Types

The General Fund is used to account for all finance transactions not specifically includable in other funds. The principal source of revenues in the General Fund are property taxes, sales and use taxes, franchised fees, hotel/motel taxes, permit fees, fines, and forfeitures, and building rentals. The primary source of expenditures in the General Fund are for general government, finance, public safety, public works, park maintenance and recreation, planning and zoning, and engineering.



Governmental Funds Types (Cont.)

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 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 the payment of interest and principal on all general obligation debts of the City. The primary source of revenue for the debt service fund is property taxes. These funds are designated to meet current and future debt service requirements on general government debt.

Capital Project Funds are used to account for capital outlay projects financed from general debt issued by the City. Capital Project Funds are 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.

These types of funds are also used to account for activities to plan the replacement of capital transportation, IT and other heavy equipment in accordance with replacement schedules based on life of equipment and usage. The two funds utilized for this purpose are the Transportation Equipment Replacement and IT Replacement Funds.

Proprietary Fund Type

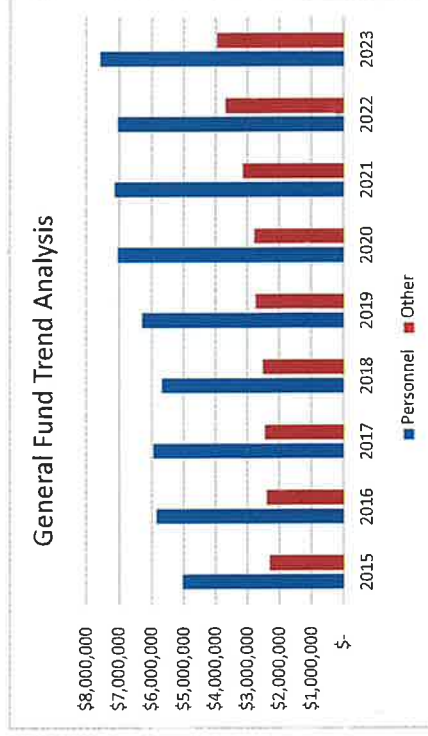
Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Such funds are to be financed or recovered primarily through user charges. Other Enterprise Funds include the Sanitation Fund, which is used to account for user fees and expenses related to the City's garbage collection activities.



FUND TREND ANALYSIS

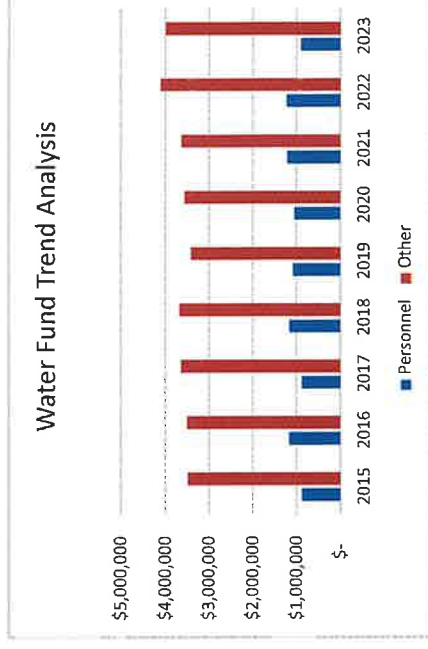
General Fund Trend Analysis

Budget Year	Personnel	Other	Total	Prior Year Variance +/-
2015	\$ 5,053,074	\$ 2,324,572	\$ 7,377,646	0.00%
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%
2020	\$ 7,054,046	\$ 2,792,448	\$ 9,846,494	19.70%
2021	\$ 7,151,615	\$ 3,159,250	\$ 10,310,865	4.72%
2022	\$ 7,051,972	\$ 3,713,650	\$ 10,765,622	4.41%
2023	\$ 7,587,094	\$ 3,979,518	\$ 11,566,612	7.59%



Water Fund Trend Analysis

Budget Year	Personnel	Other	Total	Prior Year Variance +/-
2015	\$ 895,984	\$ 3,501,548	\$ 4,397,532	0.00%
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%
2020	\$ 1,055,807	\$ 3,574,400	\$ 4,630,207	2.27%
2021	\$ 1,222,700	\$ 3,653,350	\$ 4,876,050	5.31%
2022	\$ 1,238,500	\$ 4,117,200	\$ 5,355,700	9.84%
2023	\$ 917,664	\$ 4,008,881	\$ 4,926,545	-25.91%



The City of Forest Hill's main goal is to instill confidence in the integrity of the City government. Through a commitment to excellence in leadership and staff development, employees have been trained and enriched in knowledge and education. The cost of training, education and salary adjustments have resulted in increasing personnel costs from 2018 to 2019 and 2019 to 2020. That led to the 10.24% variance and 19.70% variance for these fiscal years.

The mission of the Water Utilities Department is to provide a continuous supply of high-quality drinking water and ensure safe disposal of wastewater in a responsive, cost-effective manner while improving service to citizens and businesses. The cost of planning for future needs has increased our operating costs thus resulting in the 9.84% increase variance. We adopted a fund increase to fulfill this mission.



**SUMMARY OF FY 2022-2023
PROPOSED EXPENDITURES BUDGET
GENERAL FUND, ENTERPRISE FUND & OTHER FUNDS**

Department Number	General Fund and Department Name	Proposed Budget
01	City Council & Mayor	\$ 192,150
02	City Secretary	\$ 131,887
03	Administration	\$ 472,496
05	Municipal Court	\$ 427,624
06	Finance	\$ 434,258
07	Human Resources/ Civil Service	\$ 148,603
09	Planning / Development	\$ 84,300
11	Public Works	\$ 761,607
16	Police and Animal Control	\$ 4,340,089
20	Fire	\$ 2,384,439
24	Garage	\$ 233,498
27	Permits	\$ 123,391
28	Code Compliance	\$ 152,038
30	Building and Grounds	\$ 232,343
40	Civic Center	\$ 295,588
99	Non Department including Admin Transferring	\$ 1,152,300
	Total	\$ 11,566,611
Fund	Enterprise Fund and Department Name	Proposed Budget
60	Water & Sewer Utility Fund Plus Transferring	\$ 4,926,545
62	Sanitation including Admin Transferring	\$ 672,978
65	Drainage including Admin Transferring	\$ 285,647
	Total	\$ 5,885,170
Fund Number	Other Funds and Department Name	Proposed Budget
04	Municipal Juvenile Case including Admin Transferring	\$ 3,119
05	Municipal Court Tech	\$ -
06	Municipal Court Safety Fund	\$ -
10	Hotel including Admin Transferring	\$ 119,526
14	Parks	\$ 2,400
15	Library	\$ 79,937
30	Debt Service	\$ 566,843
49	Community Development including Admin Transferring	\$ 553,516
52	Street Improvement including Admin Transferring	\$ 800,000
	Total	\$ 2,125,341
Total Proposed Budget		\$ 19,577,122

City of Forest Hill
Annual Appropriated Funds
Consolidated Funds Summary (Modified Accrual Basis)

	General Fund		Special Revenue Funds		Debt Service Fund	
	Actual 2020-2021	Budget 2021-2022	Actual 2020-2021	Budget 2021-2022	Actual 2020-2021	Proposed 2022-2023
Revenues:						
Property Tax	\$ 6,318,876	\$ 6,410,000				\$ 911,300
Sales Tax	2,035,234	1,850,000				
Franchise taxes	508,955	490,000				
Licenses and permits	339,391	316,100				
Fines and forfeitures	342,744	349,000	\$ 23,081	\$ 17,000		\$ 9,700
Intergovernmental	24,377	25,000	\$ 79,592	\$ 74,000		\$ 79,906
Building Rental Income	280,037	280,000				
Civic Center Fees	105,627	150,000				
Miscellaneous	163,224	58,000	\$ 18,487	\$ 71,000		\$ 38,112
Interest	7,255	5,000				
Mineral rights leases/ royalties	23,633	10,000			\$ 535	\$ 500
Grant						\$ 1,442
Donations	-	3,000				
Hotel Tax						
Library						
Subtotal Revenues	\$ 10,149,353	\$ 9,946,100	\$ 661,456	\$ 462,000	\$ 535	\$ 912,742
Other Financing Sources:						
Interfund transfers in	\$ 853,494	\$ 908,500	\$ 255,190	\$ 254,000	\$ 170,630	\$ 154,640
Subtotal Other Financing Sources	\$ 853,494	\$ 908,500	\$ 255,190	\$ 254,000	\$ 170,630	\$ 154,640
Total Revenues & Other Financing Sources	\$ 11,002,847	\$ 10,854,600	\$ 916,646	\$ 716,000	\$ 171,165	\$ 1,067,382
Appropriations:						
Personnel	\$ 6,570,928	\$ 7,131,015	\$ 66,458	\$ 133,370		\$ 227,897
Materials/ minor equipment/ supplies	413,840	503,600	11,488	40,000		8,300
Contractual Services	1,433,699	1,873,450	7,905	77,700	828	1,400
Training & Travel	89,613	94,550	2,807	35,000		5,000
Capital lease payments	699,727	647,600	287,019	478,200		367,000
Debt service principal					609,619	534,967
Debt service interest					54,933	100,552
Capital Outlay						
Subtotal Appropriations	\$ 9,207,807	\$ 10,250,215	\$ 375,677	\$ 764,270	\$ 665,380	\$ 566,843
Other Financing Uses:						
Interfund transfers out	\$ 269,941	\$ 254,000	\$ 422,124	\$ 474,130	\$ -	\$ -
Debt issuance cost						
Miscellaneous Uses	61,604	60,650	975	6,500		
Total Appropriations:	\$ 9,539,352	\$ 10,564,865	\$ 798,776	\$ 1,244,900	\$ 665,380	\$ 566,843
Net Increase (Decrease) in Fund Balance	\$ 1,463,495	\$ 289,735	\$ 117,869	\$ (528,900)	\$ (494,215)	\$ 500,539
Accrual adjustment for GAAP						
Beginning Budgetary Fund Balance	\$ 2,334,168	\$ 3,797,663	\$ 6,084,770	\$ 6,202,639	\$ 289,455	\$ (702,982)
Ending Budgetary Fund Balance	\$ 3,797,663	\$ 4,087,398	\$ 6,202,639	\$ 5,673,739	\$ (204,760)	\$ (202,443)

**City of Forest Hill
Annual Appropriated Funds
Consolidated Funds Summary (Modified Accrual Basis)**

	Total Governmental Fund			Total Proprietary Funds (60,61,62)			Total		
	Actual 2019-20	Estimate 2020-21	Adopted 2021-22	Actual 2019-20	Estimate 2020-21	Adopted 2021-22	Actual 2019-20	Estimate 2020-21	Adopted 2021-22
Revenues:									
Property Tax	\$6,123,825	\$6,083,000	\$7,002,723				\$ 6,123,825	\$ 6,083,000	\$ 7,002,723
Sales Tax	\$3,167,228	\$2,840,000	\$2,892,034				\$ 3,167,228	\$ 2,840,000	\$ 2,892,034
Franchise taxes	\$565,405	\$350,000	\$418,814	\$182,727	\$130,000	\$169,439	\$ 748,132	\$ 480,000	\$ 588,253
Licenses and permits	\$397,115	\$308,000	\$418,233				\$ 397,115	\$ 308,000	\$ 418,233
Fines and forfeitures	\$161,600	\$528,000	\$323,528				\$ 161,600	\$ 528,000	\$ 323,528
Charges for Services	\$362,423	\$415,000					\$ 362,423	\$ 415,000	\$ -
Intergovernmental	\$46,654	\$13,000	\$24,376				\$ 46,654	\$ 13,000	\$ 24,376
Interest Revenues	\$117,618	\$149,800	\$18,200	\$57,975	\$55,000	\$11,231	\$ 175,593	\$ 204,800	\$ 29,431
Miscellaneous	\$142,369	\$42,200		\$68,282	\$59,500	\$290,025	\$ 210,651	\$ 101,700	\$ 290,025
Water sales				\$2,524,611	\$2,494,450	\$2,494,450	\$ 2,524,611	\$ 2,500,000	\$ 2,494,450
Sewer sales				\$2,429,729	\$2,600,000	\$2,506,831	\$ 2,429,729	\$ 2,600,000	\$ 2,506,831
Sanitation sales				\$623,612	\$650,000	\$603,973	\$ 623,612	\$ 650,000	\$ 603,973
Drainage Fee				\$301,335	\$250,000	\$289,844	\$ 301,335	\$ 250,000	\$ 289,844
Late Charges				\$71,434	\$100,000	\$129,039	\$ 71,434	\$ 100,000	\$ 129,039
Tap Fees				\$67,908	\$92,500	\$70,952	\$ 67,908	\$ 92,500	\$ 70,952
Hotel Tax	\$478,519	\$400,000	\$567,400				\$ 478,519	\$ 400,000	\$ 567,400
Library	\$68,000	\$0	\$79,906				\$ 68,000	\$ -	\$ 79,906
	\$ 11,630,755	\$ 11,129,000	\$ 11,745,214	\$ 6,327,614	\$ 6,437,000	\$ 6,565,784	\$ 17,958,369	\$ 17,566,000	\$ 18,310,998
Subtotal Revenues									
	1,196,961	1,333,130	733,881	-	-	-	1,196,961	1,333,130	733,881
Other Financing Sources:									
Interfund transfers in	\$ 1,196,961	\$ 1,333,130	\$ 733,881				\$ 1,196,961	\$ 1,333,130	\$ 733,881
Subtotal Other Financing Sources									
	\$ 12,827,716	\$ 12,462,130	\$ 12,479,095	\$ 6,327,614	\$ 6,437,000	\$ 6,565,784	\$ 19,155,330	\$ 18,899,130	\$ 19,044,879
Total Revenues & Other Financing Sources									
	\$6,637,387	\$7,264,385	\$7,587,094	\$978,331	\$1,220,700	\$917,664	\$ 7,615,718	\$ 8,485,085	\$ 8,504,758
Appropriations:									
Personnel	\$425,298	\$543,600	\$601,250	\$127,144	\$325,700	\$237,500	\$ 552,442	\$ 869,300	\$ 838,750
Materials/ minor equipment/ supplies	\$1,091,216	\$1,595,850	\$2,356,200	\$3,035,167	\$3,780,600	\$694,331	\$ 4,126,383	\$ 5,376,450	\$ 3,050,531
Contractual Services	\$154,999	\$196,700	\$0	\$576	\$4,500	\$4,000	\$ 155,575	\$ 201,200	\$ 4,000
Miscellaneous Uses	\$986,746	\$1,124,800	\$311,223	\$567,861	\$508,000	\$158,500	\$ 1,554,607	\$ 1,632,800	\$ 469,723
Capital Outlay	\$55,760	\$101,952	\$566,843	\$5,579	\$146,550	\$72,004	\$ 61,340	\$ 248,502	\$ 638,847
Debt service payment									
	\$ 9,351,405	\$ 10,827,287	\$ 11,422,610	\$ 4,714,659	\$ 5,986,050	\$ 2,083,999	\$ 14,066,064	\$ 16,813,337	\$ 13,506,609
Sub-Total Appropriations:									
	\$ 591,961	\$ 829,617	\$ 230,368	\$605,000	\$503,513	\$503,513	\$ 1,196,961	\$ 1,333,130	\$ 733,881
Other Financing Uses:									
Interfund transfers out	\$ 591,961	\$ 829,617	\$ 230,368				\$ 591,961	\$ 829,617	\$ 230,368
Subtotal Other Financing Sources									
	\$ 9,943,366	\$ 11,656,904	\$ 11,652,978	\$ 5,319,659	\$ 6,489,563	\$ 2,587,512	\$ 15,263,025	\$ 18,146,467	\$ 14,240,490
Total Appropriations & Other Finance Uses									
Net Increase (Decrease) in Fund Balance	\$ 2,884,350	\$ 805,226	\$ 826,117	\$ 1,612,955	\$ 450,950	\$ 4,481,785	\$ 5,089,266	\$ 2,085,793	\$ 5,538,270
Beginning Budgetary Fund Balance	\$ 8,063,440	\$ 10,947,790	\$ 11,753,016	\$ 9,846,343	\$ 11,459,298	\$ 11,910,248	\$ 17,909,783	\$ 22,407,088	\$ 23,663,264
Ending Budgetary Fund Balance	\$ 10,947,790	\$ 11,753,016	\$ 12,579,133	\$ 11,459,298	\$ 11,910,248	\$ 16,392,033	\$ 22,999,049	\$ 24,492,881	\$ 29,201,534



ANNUAL APPROPRIATED FUNDS - MAJOR REVENUE SOURCES

	Actual 2019-2020	Budget 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-22
GOVERNMENTAL FUNDS (Funds 1, 4, 5, 6, 10, 24, 30, 49, 50, 51, 52, 56, 98)				
Revenue by Types				
Property Tax	6,123,825	\$ 6,083,000	\$ 6,083,000	\$ 7,002,722
Sales Tax	3,167,228	2,840,000	2,840,000	2,035,234
Franchise taxes	565,405	350,000	350,000	418,815
Licenses and permits	397,115	308,000	308,000	418,233
Fines and forfeitures	161,600	528,000	528,000	323,528
Charges for Services	362,423	415,000	415,000	105,627
Intergovernmental	46,654	13,000	13,000	28,000
Interest Revenues	117,618	149,800	149,800	7,255
Miscellaneous	142,369	42,200	42,200	579,892
Hotel Tax	478,519	400,000	400,000	567,400
Library	68,000	0	0	79,906
Total Revenue	\$ 11,630,755	\$ 11,129,000	\$ 11,129,000	\$ 11,566,612
Other Financing Sources				
Inter-fund transfers in	\$ 1,196,961	\$ 1,333,130	\$ 1,333,130	\$ 733,881
Total Other Financing Sources	1,196,961	1,333,130	1,333,130	733,881
TOTAL GOVERNMENTAL FUNDS	12,827,716	12,462,130	12,462,130	12,300,493
PROPRIETARY FUND (Funds 60, 61, 62)				
Charges for Services				
Water sales	2,524,611	59,500	59,500	2,494,450
Sewer sales	2,429,729	2,500,000	2,500,000	2,506,831
Sanitation sales	623,612	2,600,000	2,600,000	603,977
Drainage sales	301,335	650,000	650,000	289,844
Franchise	182,727	130,000	130,000	169,438
Total Charges for Services	6,062,014	5,939,500	5,939,500	6,064,540
Other Charges				
Late Charges	71,434	100,000	100,000	129,039
Miscellaneous	68,282	59,500	59,500	59,500
Tap Fees	67,908	92,500	92,500	70,952
Interest	57,975	55,000	55,000	11,231
Total Other Charges	265,599	307,000	307,000	270,722
TOTAL PROPRIETARY FUNDS	6,327,614	6,246,500	6,246,500	6,335,262
TOTAL APPROPRIATED FUNDS	19,155,330	18,708,630	18,708,630	18,635,755



MAJOR REVENUE SOURCES

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, 2022 certified net taxable value of \$773,122,575 is a 9.48% increase from the September 1, 2021 net taxable value of \$706,209,146. The tax year begins January 1 and fiscal year end is September 30.

Ad Valorem Taxes - Proposed Tax Rate

The Fiscal Year 2022-2023 adopted tax rate is \$0.88282 per \$100 valuation. For fiscal year 2022-2023, the no-new-revenue tax rate is \$0.781775 per \$100 valuation. The no-new-revenue rate is tax rate for the 2022 tax year (2022 fiscal year) that will raise the same amount of property tax revenue for the City from the same properties in both 2021 tax year (2022 fiscal year) and the 2023 tax year (2023 fiscal year). For fiscal year 2022-2023, the voter-approval tax rate is \$.881741 per \$100. The voter-approval rate is the highest tax that the city may adopt without holding an election to seek voter approval of the rate.

Ad Valorem Taxes - Collections

For the fiscal year 2022-2023, the property tax levy will amount to approximately \$6,825,288 a increase of 1.09% of the previous fiscal year's tax levy amount of \$6,278,060

Sales Tax

Sales tax collections are based on economic activity and vary with changes in the local economy. Estimated FY 2022-2023 collections (in the General Fund) of \$2,035,234 are consistent with current year's collections of \$1.7M 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>0.25%</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	0.50%
Street Improvement	<u>0.25%</u>
Total	<u>1.75%</u>

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 \$550,000 per year for the last several years. Due to legislation that was enacted to take effect January 1, 2021 , 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 \$418,800.

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 \$393,233 and 2) Fines and forfeitures estimated to collect \$348,369. 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.

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 Debt 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.



SECTION IV

General Fund



GENERAL FUND

DEPARTMENTAL PROGRAM DESCRIPTION, 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.



GENERAL FUND

SUMMARY OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND USES, & CHANGES IN FUND BALANCE FY 2021-2022

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
REVENUES				
Property Tax	\$ 6,318,876	\$ 6,407,000	\$ 6,245,652	\$ 7,002,723
Sales Tax	2,035,234	1,850,000	\$ 1,713,617	2,035,234
Franchise Taxes	508,955	490,000	\$ 528,674	418,816
Licenses and Permits	339,391	316,100	\$ 549,208	418,092
Fines and forfeitures	342,744	349,000	\$ 228,406	323,528
Intergovernmental	36,392	25,000	\$ 95,630	36,392
Building Rentals	280,037	280,000	\$ 194,553	286,000
Civic Center Fees	105,627	150,000	\$ 190,386	105,627
Interest	26,277	76,500	\$ 20,040	7,255
Miscellaneous	119,577	61,000	1,283,128	845,596
TOTAL REVENUES	\$ 10,113,110	\$ 10,004,600	\$ 11,049,294	\$ 11,479,263
EXPENDITURES				
MAYOR AND COUNCIL				
Materials and Supplies	3,834	4,400	10,381	5,400
Services & Professional Fees	124,527	127,350	150,318	108,350
Utilities	18,999	11,000	9,283	9,300
Other Miscellaneous Expenditures	53,545	76,000	44,124	69,100
TOTAL MAYOR AND COUNCIL	200,905	218,750	214,106	192,150
CITY SECRETARY				
Personnel	93,208	102,810	101,530	116,687
Materials and Supplies	3,613	3,300	4,813	5,900
Services & Professional Fees	1,957	4,700	2,101	5,200
Utilities	1,011	1,000	588	600
Other Miscellaneous Expenditures	2,102	2,000	2,354	3,500
Capital Outlay	0	0	0	0
TOTAL CITY SECRETARY	101,891	113,810	111,386	131,887
ADMINISTRATION				
Personnel	385,017	419,900	419,900	315,696
Materials and Supplies	2,174	5,900	5,900	48,600
Services & Professional Fees	5,229	10,500	10,500	25,700
Utilities	1,091	1,000	1,000	68,700
Other Miscellaneous Expenditures	13,190	39,000	39,000	13,800
TOTAL ADMINISTRATION	406,701	476,300	476,300	472,496
MUNICIPAL COURT				
Personnel	280,957	455,000	455,000	274,824
Materials and Supplies	5,672	13,000	13,000	8,400
Services & Professional Fees	99,639	130,300	130,300	135,000
Utilities	263	1,000	1,000	1,800
Other Miscellaneous Expenditures	1,805	5,500	5,500	7,600
TOTAL MUNICIPAL COURT	388,336	604,800	604,800	427,624
FINANCE				
Personnel	291,079	386,200	386,200	284,358
Materials and Supplies	8,470	9,500	9,500	6,600
Services & Professional Fees	87,617	136,500	136,500	136,300
Maintenance Services	0	0	0	0
Utilities	310	1,000	1,000	400
Other Miscellaneous Expenditures	9,396	5,500	5,500	6,600
Capital Outlay	0	0	0	0

**SUMMARY OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND USES, & CHANGES IN
FUND BALANCE
FY 2021-2022**

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
TOTAL FINANCE	396,872	538,700	538,700	434,258
HR/CIVIL SERVICE/RISK MANAGEMENT				
Personnel	116,706	125,850	125,850	109,621
Materials and Supplies	2,410	2,600	2,600	1,200
Services & Professional Fees	21,571	23,800	23,800	36,780
Utilities	1,541	1,200	1,200	500
Other Miscellaneous Expenditures	788	6,000	6,000	500
Capital Outlay	0	0	0	0
TOTAL HR CIVIL SERVICE	143,016	159,450	159,450	148,601
PLANNING AND DEVELOPMENT				
Personnel	-89	0	0	0
Materials and Supplies	849	6,800	6,800	900
Services & Professional Fees	55,075	75,500	75,500	82,500
Utilities	418	1,000	1,000	400
Other Miscellaneous Expenditures	-	1,000	1,000	500
TOTAL PLANNING AND DEVELOPMENT	56,253	84,300	84,300	84,300
PUBLIC WORKS: ADMINISTRATION				
Personnel	265,447	255,250	255,250	197,677
Materials and Supplies	623	5,200	5,200	114,950
Services & Professional Fees	49,951	49,300	49,300	117,980
Utilities	0	2,200	2,200	144,000
Other Miscellaneous Expenditures	-	0	0	187,000
Capital Outlay	29,929	70,000	70,000	0
TOTAL PUBLIC WORKS	345,950	381,950	381,950	761,607
POLICE DEPARTMENT: ADMINISTRATION				
Personnel	362,716	410,000	410,000	271,708
Materials and Supplies	7,929	32,700	32,700	48,800
Services & Professional Fees	3,357	3,500	3,500	0
Other Miscellaneous Expenditures	1,574	3,600	3,600	13,140
TOTAL POLICE ADMIN	375,576	449,800	449,800	333,648
POLICE DEPARTMENT: OPERATIONS				
Personnel	1,658,827	2,336,850	2,336,850	3,276,482
Materials and Supplies	115,438	200,000	200,000	261,300
Services & Professional Fees	38,906	124,500	124,500	103,900
Maintenance Services	4,521	55,000	55,000	55,900
Utilities	19,750	75,000	75,000	73,300
Other Miscellaneous Expenditures	22,371	32,500	32,500	368,323
Capital Outlay	149,355	420,000	420,000	0
TOTAL POLICE OPERATIONS	2,009,168	3,243,850	3,243,850	3,931,405
POLICE DEPARTMENT: ANIMAL CONTROL				
Personnel	82,216	117,900	117,900	49,176
Materials and Supplies	3,653	8,500	8,500	13,200
Services & Professional Fees	821	2,500	2,500	4,260
Maintenance Services	0	0	0	2,500
Utilities	365	500	500	4,900
Other Miscellaneous Expenditures	300	1,000	1,000	1,000
TOTAL POLICE DEPT-ANIMAL CONTROL	87,355	130,400	130,400	75,036
FIRE DEPARTMENT: ADMINISTRATION				
Personnel	229,552	225,900	225,900	308,758
Materials and Supplies	3,459	19,600	19,600	22,850

**SUMMARY OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND USES, & CHANGES IN
FUND BALANCE
FY 2021-2022**

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
Services & Professional Fees	6,898	7,900	7,900	13,550
Maintenance Services	20,035	8,000	8,000	5,000
Utilities	4,865	13,500	13,500	4,000
Other Miscellaneous Expenditures	36	2,200	2,200	12,100
Capital Outlay	0	26,000	26,000	0
TOTAL FIRE ADMINISTRATION	264,845	303,100	303,100	366,258
FIRE DEPARTMENT: OPERATIONS				
Personnel	1,361,298	1,650,900	1,650,900	1,652,232
Materials and Supplies	20,384	61,149	61,149	64,050
Services & Professional Fees	8,949	10,752	10,752	52,700
Maintenance Services	0	8,320	8,320	6,800
Utilities	9,187	45,500	45,500	31,700
Other Miscellaneous Expenditures	3,221	14,100	14,100	14,300
Capital Outlay	1,585	283,379	283,379	190,000
TOTAL FIRE OPERATIONS	1,404,624	2,074,100	2,074,100	2,011,782
FIRE DEPARTMENT: EMERGENCY				
Materials and Supplies	0	0	0	3,000
Services & Professional Fees	0	0	0	500
Other Miscellaneous Expenditures	-	1,000	1,000	2,900
TOTAL FIRE EMERGENCY	0	1,000	1,000	6,400
GARAGE				
Personnel	77,641	93,275	93,275	90,718
Materials and Supplies	8,391	3,500	3,500	6,800
Services & Professional Fees	0	0	0	10,080
Maintenance Services	27,514	25,000	25,000	0
Utilities	0	200	200	400
Other Miscellaneous Expenditures	-	0	0	19,500
Capital Outlay	0	10,000	10,000	106,000
TOTAL GARAGE	113,546	131,975	131,975	233,498
PERMIT				
Personnel	130,354	129,200	129,200	115,391
Materials and Supplies	6,353	7,000	7,000	8,000
TOTAL PERMIT	136,707	136,200	136,200	123,391
CODE COMPLIANCE				
Personnel	53,460	89,450	89,450	85,278
Materials and Supplies	6,396	12,500	12,500	13,100
Services & Professional Fees	-16,095	43,450	43,450	52,160
Maintenance Services	4,103	2,000	2,000	800
Utilities	0	1,000	1,000	200
Other Miscellaneous Expenditures	25	800	800	500
Capital Outlay	75	0	0	0
TOTAL CODE COMPLIANCE	\$47,964	149,200	149,200	152,038
BUILDINGS AND GROUNDS				
Personnel				232,343
Materials and Supplies				-
Services & Professional Fees				-
TOTAL BUILDINGS AND GROUNDS	\$ -	-	-	232,343

**SUMMARY OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND USES, & CHANGES IN FUND BALANCE
FY 2021-2022**

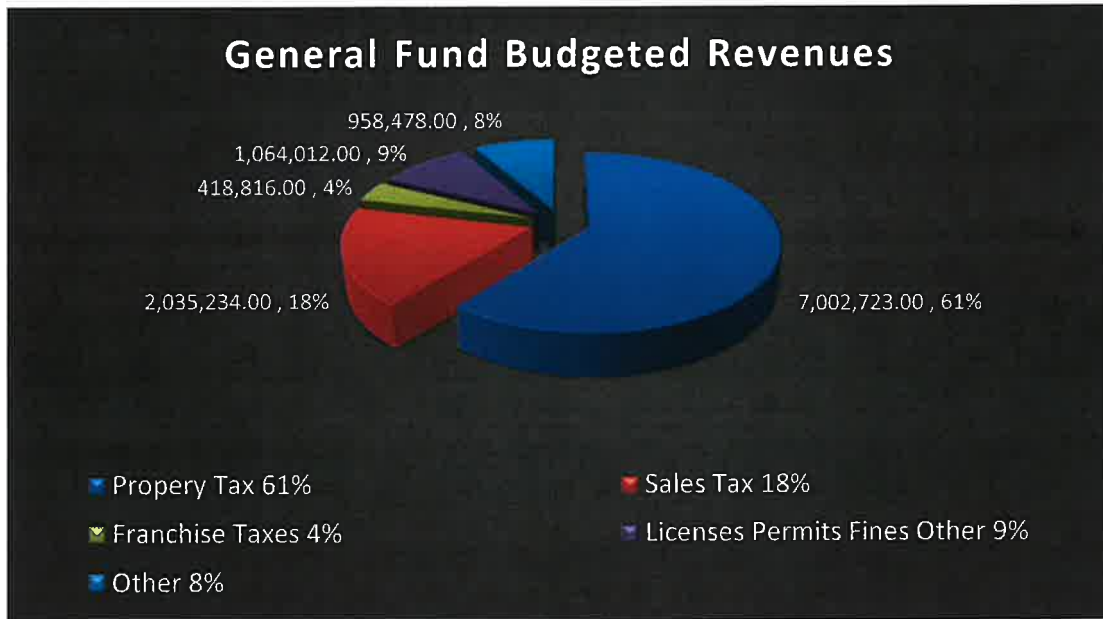
	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
CIVIC & CONVENTION CENTER				
Personnel	37,721	51,597	51,597	89,388
Materials and Supplies	2,597	6,400	6,400	3,900
Services & Professional Fees	22,914	50,200	50,200	44,600
Maintenance Services	428	1,500	1,500	3,000
Utilities	2,146	9,000	9,000	26,900
Other Miscellaneous Expenditures	-	450	450	40,450
Capital Outlay	0	0	0	0
TOTAL COMMUNITY DEVELOPMENT	65,806	119,147	119,147	208,238
NON-DEPARTEMENTAL				
Personnel	7,674	87,000	87,000	17,000
Materials and Supplies	0	5,000	5,000	0
Services & Professional Fees	634,395	870,000	870,000	882,700
Utilities	10,666	11,500	11,500	2,600
Other Miscellaneous Expenditures	-	7,000	7,000	250,000
Capital Outlay	3,195	10,000	10,000	0
TOTAL NON DEPARTEMENTAL	655,930	990,500	990,500	1,152,300
TOTAL EXPENDITURES	\$ 7,201,445	\$ 10,307,332	\$ 10,300,264	\$ 11,479,260
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,911,665	\$ (302,732)	\$ 749,030	\$ 3
OTHER FINANCING SOURCES (USES)				
TRANSFER FROM HOTEL FUND	\$ 65,000	\$ 65,000	\$ 65,000	\$ 51,032
TRANSFER FROM FHEDC FUND	150,000	150,000	150,000	117,765
TRANSFER FROM WWW FUND	500,000	500,000	500,000	392,551
TRANSFER FR COMM DEV CORP TO GENERAL FUND	-	-	-	-
TRANSFERS FROM JUVENILE CASE MGR FUND	3,500	3,500	3,500	2,748
TRANSFERS FROM MOTEL FUND	-	-	-	-
TRANSFERS FROM W&S UTILITY FUND	-	-	-	-
TRANSFERS FROM STREET IMPROVEMENT FUND	85,000	85,000	85,000	-
TRANSFERS FROM SANITATION FUND	65,000	65,000	65,000	51,032
TRANSFERS FROM STORM DRAINAGE FUND	40,000	40,000	40,000	31,404
TRANSFER TO MEMORIAL PARK FUND-99	-	-	-	-
TRANSFER TO STREET IMPROVEMENT FUND	(250,000)	(250,000)	(250,000)	(250,000)
SALE OF ASSETS PROCEEDS	-	-	-	-
CAPITAL LEASE PROCEEDS	-	-	-	-
INSURANCE PROCEEDS	-	-	-	-
NET TOTAL OTHER FINANCING SOURCES (USES)	\$ 658,500	\$ 658,500	\$ 658,500	\$ 396,532
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ 3,570,165	\$ 355,768	\$ 1,407,530	\$ 396,535
BEGINNING FUND BALANCE, OCTOBER 1	\$ 2,326,496	\$ 2,745,803	\$ 5,896,661	\$ 7,304,191
ENDING FUND BALANCE, SEPTEMBER 30	\$ 5,896,661	\$ 3,101,571	\$ 7,304,191	\$ 7,700,726
NUMBER OF DAYS IN RESERVE	299	110	259	245
EXPENDITURE PER DAY	19,730	28,239	28,220	31,450



FY 2021-2022 GENERAL FUND BUDGET

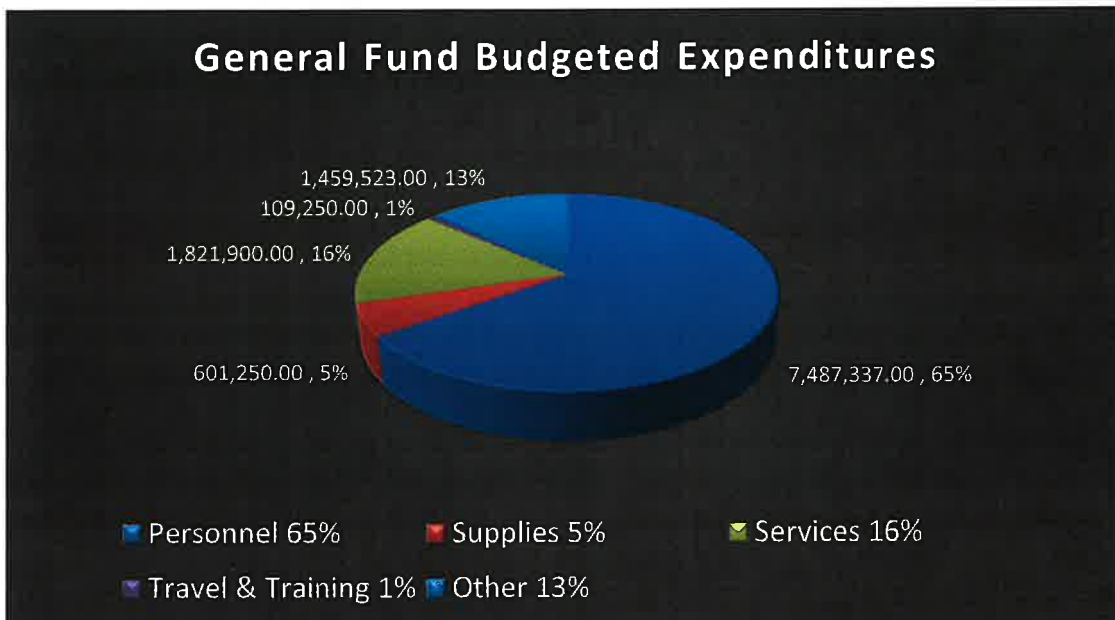
Revenue

The adopted general fund revenue for the City in FY 2023 is \$11,479,273. The following chart shows adopted revenues for each of the City's major operating funds.



Expenditures

The adopted general fund expenditure total for the City in FY 2023 is \$11,479,270. The following chart shows adopted expenditures for each of the City's major operating activities.





GENERAL FUND

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 more than 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 6:00 p.m. on the 1st and 3rd Tuesday of each month.

Major Goals and Objectives Measured by Workload & Productivity Measure

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

Objective 1: Provide funding of operational and capital expenditures for infrastructure improvements.

Objective 2: Pursue aesthetic, recreational, and cultural improvements in the community.

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

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

Objective 2: Develop and support policies to encourage commercial, including retail development.

Goal 3: Address organizational issues within City government.

Objective 1: Work to instill confidence in the integrity of City government and services.

Objective 1: Support development of a professional City Staff that can effectively and efficiently meet the needs of the community.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	\$ -	\$ 310	\$ 500	\$ -
Supplies	4,900	2,109	3,100	0
Other Services	156,050	123,321	160,850	36,100
Travel & Training	35,000	32,777	25,000	33,000
Total	195,950	158,517	188,950	69,100



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 coordination 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) to official public information requests.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	42,136	68,984	85,994	116,687
Materials and Supplies	3,640	5,500	1,278	5,900
Other Services	5,353	9,200	2,931	6,900
Travel & Training	2,209	1,000	496	2,400
Total	53,338	84,684	90,699	131,887



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/her duty, under the City Charter, to execute and implement policies as established by the City Council. The City Manager 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: Provide funding of operational and capital expenditures for water, sewer, and street improvements.
 - Objective 2: Continue to pursue recreational, cultural and aesthetic improvements in the City.

- Goal 2: Promote a positive environment for community and economic development in the City.
 - Objective 1: Support policies to encourage housing community development
 - Objective 2: Support policies to encourage retail and commercial 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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	356,928	414,936	381,800	315,696
Materials and Supplies	6,950	3,972	7,300	12,900
Other Services	24,500	22,030	19,000	140,000
Travel & Training	18,000	11,736	13,500	3,300
Other	0	0	0	600
Total	406,378	452,674	496,609	472,496



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: Provide excellent customer service to all the enter the Municipal Court.

- Goal 2: Increase collection rate at the Municipal Court.
 - Objective 1: Process citations daily.
 - Objective 2: Mail reminders and collection notices daily.
 - Objective 3: Call 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

- Goal 3: Obtain and maintain Court Clerk Certifications for all Staff.
 - Objective 1: Maintain Court Administrator Level 3 Certification.
 - Objective 2: Court continuing education and attend Legislative Update in Austin.
 - Objective 3: Juvenile Case Manager/Deputy Court Clerk - Obtain Level 1 Certification by taking and passing the Level 1 exam and complete 12 hours of Municipal Court continuing education.
 - Objective 4: 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 upgrades.
 - Objective 2: Train Municipal Court Staff on the new process with the upgrades.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	446,738	460,939	432,000	274,824
Materials and Supplies	12,100	11,956	9,500	8,400
Other Services	132,850	61,598	78,000	135,000
Travel & Training	7,000	2,102	6,000	2,300
Other				7,100
Total	598,688	536,595	541,149	427,624



FINANCE

FUND/ DEPARTMENT/ PROGRAM: 01-06-00

Program Description

The Finance Department is responsible for coordinating and maintaining the 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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	315,474	263,313	360,000	284,358
Materials and Supplies	6,500	10,340	8,400	6,600
Other Services	102,000	165,374	102,500	136,300
Travel & Training	9,500	3,659	5,000	4,000
Other				3,000
Total	433,474	442,686	460,113	434,258



HUMAN RESOURCES/CIVIL SERVICE/RISK MANAGEMENT

FUND/ DEPARTMENT/ PROGRAM: 01-07-00

Program Description

The Human Resources/Civil Service/Risk Management program administers 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. The office also serves as the Risk Management division for the City.

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 newspapers, appropriate trade publications, online, and social media sites.
- 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.
- Goal 4: Oversees the work or works with consultants, brokers, underwriters insurance representatives in the development, implementation and monitoring of the City's insurance programs; reviews losses and makes plan recommendations.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	109,760	115,585	116,650	109,621
Materials and Supplies	8,050	3,105	3,100	1,200
Other Services	17,000	29,391	25,200	36,780
Travel & Training	4,500	1,475	1,500	100
Other				900
Total	139,310	149,556	157,350	148,601



PLANNING / ZONING

FUND/ DEPARTMENT/ PROGRAM: 01-09-14

Program Description

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

Major Goals and Objectives Measured by Workload & Productivity Measures

- Goal 1: Provide expeditious customer service to developers, contractors and community stakeholders.
 - Objective 1: Review/provide comment within 7-14 days.
 - Objective 2: Provide opportunities for Development Review Committee meetings as needed.

- Goal 2: Updates of Ordinances.
 - Objective 1: Conduct research and update Ordinances as needed due to changing community needs and laws.
 - Objective 2: Present completed document to the Planning and Zoning Commission and City Council for review and approval.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	91,121	1,426	193,150	0
Materials and Supplies	8,400	1,597	6,200	900
Other Services	88,800	74,425	80,300	83,000
Travel & Training	2,500	578	2,300	400
Total	190,821	78,026	84,288	84,300



BUILDING PERMITS

FUND/ DEPARTMENT/ PROGRAM: 01-25-00

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 permits and inspections are processed and implemented properly; effectively 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 for the following: Residential/Commercial Building Inspector, Residential/Commercial Plumbing Inspector, Residential/Commercial Plans Examiner, and Residential/Commercial Electrical Inspector through in-house employees or an outside inspection contractor.
- Goal 3: Communicate effectively with residents, businesses, and developers regarding permit processes.
 - Objective 1: Analyze existing schedule of permit fees and make appropriate recommendations for program funding.
 - Objective 2: Research and recommend appropriate amendments.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	98,807	85,916	98,200	129,200
Materials and Supplies		4,459	4,300	7,000
Other Services		146	200	-
Travel & Training			-	-
Total	98,807	90,521	102,700	136,200



CODE COMPLIANCE

FUND/ DEPARTMENT/ PROGRAM: 01-09-14

Program Description

Code Compliance enforces the codes, responds to related complaints, 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.

Major Goals and Objectives Measured by Workload & Productivity Measures

- Goal 1: Continue to build working relationships with residents, elected city officials, 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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	89,861	115,482	112,800	118,700
Materials and Supplies		10,376	8,700	8,200
Other Services	1,200	4,348	4,500	6,500
Travel & Training		692	800	800
Total	<u>91,061</u>	<u>130,898</u>	<u>126,800</u>	<u>134,200</u>



PUBLIC WORKS / ADMINISTRATION

FUND/ DEPARTMENT/ PROGRAM: 01-09-14

Program Description

The Public Works Division provides 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: Maintain streets, water and sewer lines, storm sewer systems, park and fleet maintenance, and fleet maintenance.
 - Objective 1: Process and develop schedules for improvements to the Capital Improvement Projects (CIP).
 - Objective 2: Develop and maintain a schedule for training for all municipal services.
 - Objective 3: Maintain MS4 (Stormwater) plans, programs, and certifications.
- Goal 2: Provide all maintenance and repairs to City roadways, water/sewer lines, curb & gutters, 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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	222,613	239,923	282,225	197,677
Materials and Supplies	319,750	167,381	287,200	114,950
Other Services	150,000	71,581	116,000	117,980
Travel & Training	2,500	-	1,000	600.00
Other	-	-	-	330,400
Total	694,863	478,885	686,425	761,607



POLICE DEPARTMENT

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

Program Description

The Police Department is organized into three (3) inter-related divisions 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 all while making the City a better place to live, work, play and stay.

Police Administration provides overall leadership and direction to the department 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. Animal Control Services are budgeted separately and additional services are provided by the City of Everman through an Interlocal Agreement.

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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	2,717,420	2,933,855	2,933,855	3,548,190
Materials and Supplies	250,691	257,750	257,750	310,100
Other Services	389,995	314,050	314,050	113,440
Travel & Training	30,012	26,000	26,000	23,300
Other				270,023
Total	3,388,118	3,531,655	518,270	4,265,053



ANIMAL CONTROL

FUND/ DEPARTMENT/ PROGRAM: 01-16-18

Program Description

Animal Control is division of the Police Department and is responsible for public safety, health and humane treatment of stray pets and wildlife. Currently, the City of Forest Hill has additional assistance

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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	122,061	116,585	117,900	49,176
Materials and Supplies	3,479	10,050	8,500	13,200
Other Services	24,798	23,000	23,000	12,160
Travel & Training	374	600	1,000	500
Total	150,712	150,235	150,400	75,036



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; the Fire Chief also serves as the Emergency Management Director 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, play and stay.

Major Goals and Objectives Measured by Workload & Productivity Measures

- Goal 1: Continue to conduct an effective fire safety program by developing continuing education programs, materials, and literature to disseminate to the public.
- Goal 2: Meet State of Texas continuing education requirements by ensuring that all Firefighters / Emergency Medical Technicians (EMT's) are 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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	1,550,335	1,634,936	1,733,700	1,960,989
Materials and Supplies	166,485	154,111	198,000	89,900
Other Services	14,700	11,809	18,200	66,750
Travel & Training	6,500	6,661	11,500	9,500
				190,000
				76,800
Total	<u>1,738,020</u>	<u>1,807,517</u>	<u>1,961,400</u>	<u>2,384,439</u>



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 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	78,275	75,066	84,650	90,718
Materials and Supplies	237,100	166,137	146,000	6,800
Other Services	12,000	91	10,200	80
Travel & Training	-	-	-	1,500
Other Services	-	-	-	134,400
Total	327,375	241,294	240,850	233,498



BUILDINGS AND GROUNDS

FUND/ DEPARTMENT/ PROGRAM: 01-30-20

Program Description

The Buildings and Grounds division includes ongoing maintenance, supplies and utilities for physical facilities owned and operated by the City including: Administration Building (01), the former Community Center (02), Senior Center (03), Civic & Convention 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 by maintaining the facilities in good condition and providing supplies and utilities for facilities operations and maintenance.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	40,674	42,224	38,050	232,343
Materials and Supplies	36,550	31,116	40,200	0
Other Services	345,350	350,768	338,000	0
Travel & Training	-	-	-	-
Total	422,574	424,108	416,250	232,343



CIVIC & CONVENTION CENTER

FUND/ DEPARTMENT/ PROGRAM: 01-40-00

Program Description

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

Major Goals and Objectives Measured by Workload & Productivity Measures

- Goal 1: Work with hotels, restaurants, catering companies, florists, and event planning companies located within the city limits and obtain marketing literature to be used in packets distributed to clients and
 - 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: Host local Veterans events (generally May & November) and parades as coordinated.
 - Objective 2: Coordinate events at the Civic Center for National Night Out (October), Holiday event (December), Black History Month (February), Hispanic Heritage (October), Back to School (August).

- 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 and in order.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	186,177	173,886	90,200	89,388
Materials and Supplies	1,100	684	1,100	3,900
Other Services	-	-	-	44,600
Travel & Training	350	108	350	450
Other	0	0	0	69,900
Total	187,627	174,678	91,650	208,238



GENERAL FUND / NON-DEPARTMENT

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, office machines and fleet services.

	Actual 2020-21	Budget 2021-22	Estimate 2021-22	Proposed 2022-23
EXPENDITURE SUMMARY				
Personnel	75,000	5,608	77,500	17,000
Materials and Supplies	7,500	8,900	9,000	0
Other Services	659,436	355,842	771,500	882,700
Travel & Training	-	-	-	-
Other	0	0	0	1,135,300
Total	741,936	370,350	858,000	1,152,300



SECTION V

Special Revenue Fund



SPECIAL REVENUE

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 & Recreation

The Park Fund accounts for donations for park improvements.

Police Special Investment Fund

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

Police Community Relations Fund

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



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 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022
Revenues									
Fines and forfeitures	8,670	5,805	5,800	7,010	4,687	4,700	7,400.00	5,008.00	5,000.00
Miscellaneous	150	424	400	0	0	0	0	0	0
Interest Income				52	122	100	147	432	400
Total Revenue	8,820	6,229	6,200	7,062	4,809	4,800	7,547	5,440	5,400
Other Financing Sources									
Interfund transfer in	3,500	\$ 3,500	\$ 2,748						
Subtotal Other Financing Sources	\$ 8,820	\$ 6,229	\$ 6,200	\$ 7,062	\$ 4,809	\$ 4,800	\$ 7,547	\$ 5,440	\$ 5,400
Expenditures									
Personnel				0	0	0	0	0	0
Materials/ minor equipment/ supplies				270	0	0	0	0	0
Contractual Services				5,985	0	0	0	0	0
Travel and training				0	0	0	0	0	0
Sub Total Expenditures	\$ -	\$ -	\$ -	\$ 6,255	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Uses:									
Interfund transfers out	3,500	3,500	2,748						
Subtotal Other Financing Sources	\$ 3,500	\$ 3,500	\$ 2,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 3,500	\$ 3,500	\$ 2,748	\$ 6,255	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Fund Balance	\$ 5,320	\$ 2,729	\$ 3,452	\$ 807	\$ 4,809	\$ 4,800	\$ 7,547	\$ 5,440	\$ 5,400
Beginning Budgetary Fund Balance	\$ 110,255	\$ 115,575	\$ 118,304	\$ 31,436	\$ 32,243	\$ 37,052	\$ 117,915	\$ 125,462	\$ 130,902
Ending Budgetary Fund Balance	\$ 115,575	\$ 118,304	\$ 121,756	\$ 32,243	\$ 37,052	\$ 41,852	\$ 125,462	\$ 130,902	\$ 136,302



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, 24 & 28)	
	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022
Revenues						
Motel/ Hotel Tax	440,463	400,000	567,400			
Park Rental/ Usage Revenue			390	1,000		1,100
Fines and forfeitures						
Intergovernmental Rev	12				3,000	
Miscellaneous	38,044	35,000	18,200		300	
Interest Income	478,519	435,000	585,600	109	3,300	
Total Revenue						
				5,051	3,300	
Expenditures						
Personnel					2,500	
Materials/ minor equipment/ supplies			3,400			
Contractual Services			9,391	9,600		2,400
Miscellaneous			1,004	1,200		
Capital Outlay		46,000	58,200	2,200		
		46,000	61,600	7,000		
Sub - Total Expenditures				20,000	2,400	
Other Financing Uses:						
Interfund transfers out	65,000	65,000	51,032			
	65,000	65,000	51,032			
Subtotal Other Financing Sources						
	65,000	111,000	112,632	20,000	2,500	
Total Expenditures						
				12,931	2,500	
Net Increase (Decrease) in Fund Balance	413,519	324,000	472,968	(9,035)	800	
Beginning Budgetary Fund Balance	3,012,798	3,426,317	3,750,317	270,393	42,291	43,091
Ending Budgetary Fund Balance	3,426,317	3,750,317	4,223,285	261,358	43,091	43,091

FORM FIGURES ARE FROM VISION FILE - OTHER REV& EXP (NO ENTERPRISE)



COMMUNITY DEVELOPMENT CORPORATION FUND

FUND/ DEPARTMENT/ PROGRAM: 49-09-00

Program Description

The Community Development Corporation 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 business.
 - 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 Chambers 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 2019-20	Budget 2020-21	Estimate 2020-21	Adopted 2021-22
WORKLOAD MEASURE				
Number of New Businesses	5	5	8	4
Assisting businesses with Zoning Plans & Issues	40	20	40	40
Marketing updates	25	50	25	25
Updates to Economic Development Pages on City Website	20	20	20	20
EXPENDITURE SUMMARY				
Personnel			133,370	147,960
Materials and Supplies	2,950	1,638	12,000	2,500
Other Services	59,300	3,780	65,000	361,181
Travel & Training	30,000	2,432	33,000	5,000
Total	92,250	7,850	243,370	516,641



COMMUNITY DEVELOPMENT CORPORATION FUND (49)

	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022
Revenues			
Charges for Services			
Sales Tax	740,825	740,000	856,800
Donations			
Interest Income	23,760	20,000	8,900
Miscellaneous			
Total Revenue	764,585	760,000	865,700
Expenditures			
Personnel	-	133,370	147,960
Materials/ minor equipment/ supplies	1,638	12,000	2,500
Contractual Services	3,780	65,000	102,240
Travel and training	2,432	33,000	5,000
Other			7,500
Sub Total Expenditures	\$ 7,850	\$ 243,370	\$ 265,200
Other Financing Sources (Uses):			
Transfer for Debt Service	\$ 156,411	\$ 170,630	\$ 117,765
Interfund transfers out	\$ 91,667	\$ 150,000	\$ 133,676
Subtotal Other Financing Sources	\$ 248,078	\$ 320,630	\$ 251,441
Total Expenditures	\$ 255,928	\$ 564,000	\$ 516,641
Net Increase (Decrease) in Fund Balance	\$ 508,657	\$ 196,000	\$ 349,059
Beginning Budgetary Fund Balance	\$ 1,900,578	\$ 2,409,235	\$ 2,605,235
Ending Budgetary Fund Balance	\$ 2,409,235	\$ 2,605,235	\$ 2,954,294



SECTION VI

Debt Service Fund



DEBT SERVICE FUND (30)

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

All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 Taxable Assessed Valuation for all City purposes.

The I&S portion of the voter-approval ad valorem tax rate for 2021-2022 is 0.115601 per \$100 of assessed valuation, or 11.6% of the total adopted tax rate of 1.047386 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.



DEBT SERVICE FUND SUMMARY

	Actual 2019-2020	Budget 2019-2020	Estimate 2020-2021	Adopted 2021-2022
Revenue				
Taxes	500,190	511,683	575,000	911,300
Interest Income	10,000	10,461	13,000	1,442
Total Revenues	510,190	522,144	588,000	912,742
Expenditures				
Bond Principals	556,700	611,633	568,800	534,967
Interest and other Charges	119,120	64,156	100,552	30,726
Agent Fees	1,400	1,400	1,400	1,150
Total Expenditures	677,220	677,189	670,752	566,843
Excess (Deficiency of Revenues Over (Under) Expenditures	(167,030)	(155,045)	(82,752)	345,899
Other Financing Sources (Uses)				
Deferred Inflow				
Transfer from Fund-49	170,630	156,411	170,630	154,640
Transfer to Fund-60				
Development Corp				
Net Total Other Financing Sources (Uses)	170,630	156,411	170,630	154,640
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	3,600	1,366	87,878	500,539
Beginning Unearned Fund Balance, October 1	464,765	668,107	468,365	556,243
Ending Unearned Fund Balance, September 30	468,365	669,473	556,243	1,056,782



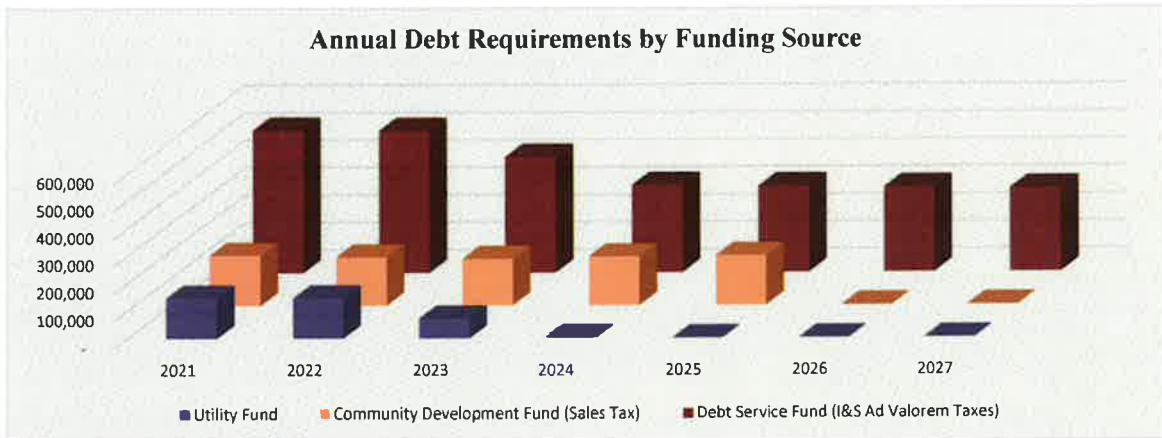
DEBT SERVICE FUND

For the Fiscal Year Beginning October 01, 2021

Annual Debt Service Funding Sources

Fiscal Year	Utility Fund	Community Development Fund (Sales Tax)	Debt Service Fund (I&S Ad Valorem Taxes)	Total
2021	\$ 146,050	\$ 181,800	\$ 518,647	\$ 846,497
2022	146,157	175,200	516,575	837,932
2023	72,014	168,600	420,459	661,073
2024	-	176,588	316,544	493,132
2025	-	178,938	312,468	491,406
2026	-	-	307,770	307,770
2027	-	-	302,658	302,658
Total	\$ 364,221	\$ 881,126	\$ 2,695,121	\$ 3,940,468

- Note:**
- ◇ 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%)



Annual Debt Service Requirements by Issue

Fiscal Year	2007 CO	2009 CO	2011 GO REF	2014 GO REF	Total
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	\$ 1,336,159	\$ 807,733	\$ 847,025	\$ 812,830	\$ 3,803,747

Fiscal Year	Community Development Fund (Sales Tax)	Debt Service Fund (I&S Ad Valorem Taxes)
2021	181,800	518,647
2022	175,200	516,575
2023	168,600	420,459
2024	176,588	316,544
2025	178,938	312,468
2026	-	307,770
2027	-	302,658



Annual Debt Services Requirements Schedule

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

Ending Sept. 30	Debt Outstanding Oct. 1	Principal	Interest Rate	Interest	Total
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>1,160,000</u>		<u>176,159</u>	<u>1,336,159</u>

Total Bonds Outstanding 1,160,000
 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.

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

Ending Sept. 30	Debt Outstanding Oct. 1	Principal	Interest Rate	Interest	Total
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	4.000%	11,594	111,594
2026	215,000	105,000	4.000%	7,109	112,109
2027	110,000	110,000	4.000%	2,406	112,406
Total		<u>700,000</u>		<u>107,733</u>	<u>807,733</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.

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

Ending Sept. 30	Debt Outstanding		Interest Rate	Interest	Total
	Oct. 1	Principal			
2021	765,000	150,000	2.458%	16,946	166,946
2022	615,000	150,000	2.458%	13,262	163,262
2023	515,000	145,000	2.458%	9,640	154,640
2024	415,000	155,000	2.458%	5,956	160,956
2025	315,000	165,000	2.458%	2,026	167,026
Total		<u>765,000</u>		<u>47,830</u>	<u>812,830</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

Annual Debt Service Requirement (57%)
 Series 2011 Certificates of Obligation (\$2,950,000)
Supported by Interest & Sinking Ad Valorem Taxes

Ending Sept. 30	Debt Outstanding		Interest Rate	Interest	Total
	Oct. 1	Principal			
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>464,550</u>		<u>18,254</u>	<u>482,804</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

Annual Debt Service Requirement (43%)
 Series 2011 Certificates of Obligation (\$2,950,000)
Supported by Interest & Sinking Ad Valorem Taxes

Year Ending	Debt Outstanding		Interest Rate	Interest	Total
	Oct. 1	Principal			
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>350,450</u>		<u>13,771</u>	<u>364,221</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

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	Debt Outstanding		Interest Rate	Interest	Total
	Sept. 30	Oct. 1			
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>815,000</u>		<u>32,025</u>	<u>847,025</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



SECTION VII

Enterprise / Proprietary Fund



PROPRIETARY FUNDS

WATER / SEWER, STORM WATER, DRAINAGE, AND SANITATION FUNDS

The Water and Sewer Fund is a proprietary fund and accounts for all operations and maintenance of the City's water distribution and wastewater collection systems. Revenues to support the Water and Sewer Fund are derived from user fees billed to commercial and residential customers in the City.

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

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 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.



**ANNUAL APPROPRIATED FUNDS-CONSOLIDATED FUNDS SUMMARY
(MODIFIED ACCRUAL BASIS)**

	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2021-2022
Revenues			
Charges for Services			
Water sales	2,524,611	2,500,000	2,494,450
Sewer sales	2,429,729	2,600,000	2,506,831
Sanitation sales	623,612	650,000	603,977
Drainage sales	301,335	250,000	289,844
Franchise	182,727	130,000	169,439
Late Charges	71,434	100,000	129,039
Miscellaneous	68,282	59,500	290,022
Tap Fees	67,908	92,500	70,952
Interest	57,975	55,000	11,231
Sub Total Revenue	6,327,614	6,437,000	6,565,785
Appropriations:			
Personnel	978,331	1,220,700	917,664
Materials/ minor equipment/ supplies	127,144	325,700	232,500
Contractual Services	3,035,167	3,780,600	694,332
Miscellaneous Uses	576	4,500	3,109,500
Capital Outlay	567,861	508,000	304,000
Debt service payment	5,579	146,550	72,514
Sub-Total Appropriations	\$ 4,714,659	\$ 5,986,050	\$ 5,330,510
Other Financing Sources/ Uses:			
Interfund transfers in			
Interfund transfers out	\$ 605,000	\$ 605,000	\$ 474,987
Subtotal Other Financing Sources	\$ 605,000	\$ 605,000	\$ 474,987
Total Appropriation:	\$ 5,319,659	\$ 6,591,050	\$ 5,805,497
Net Increase (Decrease) in Fund Balance	\$ 1,007,955	\$ (154,050)	\$ 760,288
Beginning Budgetary Fund Balance	\$ 9,846,343	\$ 10,854,298	\$ 10,700,248
Ending Budgetary Fund Balance	\$ 10,854,298	\$ 10,700,248	\$ 11,460,536



WATER AND SEWER / UTILITY BILLING

FUND/ DEPARTMENT/ PROGRAM: 60-06-63

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.

Major Goals and Objectives Measured by Workload & Productivity Measures

- Goal 1: Provide accurate and timely utility billing to improve customer service including via web portals, emails, direct mail and in-house assistance.
- Goal 2: Implement a meter replacement program to identify and change out meters to minimize lost revenue due to worn on 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 2020-21	Budget 2020-21	Estimate 2021-22	Proposed 2022-23
WORKLOAD MEASURE				
Number of Utility Accounts	4691	4400	4520	4650
Number of Billing Cycles per months	2	2	2	2
Number of New Accounts	709	500	600	625
Number of Meter Replacements	527	650	620	600
Number of Final Accounts	377	600	580	575
Number of Account Adjustments	68	150	120	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	289,941	290,912	366,200	295,064
Materials and Supplies	135,500	38,499	55,200	53,000
Other Services	32,750	9,621	24,600	18,240
Travel & Training	4,000		4,000	3,000
Other				61,500
Total	462,191	339,032	450,000	430,804



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 2020-21	Budget 2020-21	Estimate 2021-22	Proposed 2022-23
WORKLOAD MEASURE				
Number of Infrastructure Repair/Maintenance Projects	170	158	165	200
Number of System Expansion Projects	1	2	2	2
Number of Citizen Request	2350	2125	2100	2100
PRODUCTIVITY MEASURES				
% of Decrease in System Repairs	10%	10%	10%	10%
% of Decrease in System Leaks / Lost Water	15%	15%	15%	15%
EXPENDITURE SUMMARY				
Personnel	828,684	619,221	856,000	622,600
Materials and Supplies	292,167	71,487	255,500	184,500
Other Services	3,118,500	1,768,762	3,144,000	61,040
Travel & Training	3,500	215	500	2,000
Other				3,107,500
Total	4,242,851	2,459,685	4,256,000	3,977,640



WATER AND SEWER / NON-DEPARTMENT

FUND/ DEPARTMENT/ PROGRAM: 60-99-99

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 Goals and Objectives Measured by Workload & 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 2020-21	Budget 2020-21	Estimate 2021-22	Proposed 2022-23
WORKLOAD MEASURE				
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		96	500	-
Equipment Lease and Depreciation				-
Other Services	186,958	143,830	169,550	72,514
Inter-Fund Transfer Out / In	500,000	458,333	500,000	392,551
Total	686,958	602,259	670,050	465,065



SECTION VIII

Capital Improvement Fund



CAPITAL PROJECT FUNDS

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. The City developed its own master 5 year 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.



CAPITAL PROJECT FUNDS (CONT.)

Street Improvements

A multi-year Capital Improvement Plan for Streets was completed in August 2015, and the City uses this plan to define and prioritize the near and long term repair, replacement and improvements of City streets. 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 determine priority are water, sanitary sewer and/or storm drain 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 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 constructed 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.



5 Year, Time-Phased Plan 2023-2027 and beyond

Street/Water/Sewer Improvement Projects

Street Name	Length	Width	Description	Street	Water	Sewer	%Comp	2023	2024	2025	2026	2027	Beyond
Bowlinggreen & Brambleton Pl	1,050	30	Crawford to Nell	\$ 139,000	\$ 230,000	\$ 230,000	100%						
Alandale Drive	560	30	Marshall to Anglin, Dorsey to Anglin; curb & gutter	282,081	120,000	120,000	100%						94,500
Alandale Drive	700	30	Asphalt	94,500									26,000
Alandale Drive	520	30	Curb & gutter	26,000									
Oak Crest Drive West	480	30	IH20 to Mansfield Hwy	135,493			100%						
Trailwood/Woody/Woodview	2,500	30	FH Circle to Parwood, Orchard to California	580,370			100%						
Forest Hill Drive	3,400	40	Damaged Concrete	1,000,000			100%						
Grady	1,960	30	Forest Hill Drive to Wichita	250,000		300,000			550,000				
Griggs	1,200	30	Dorsey to Leonard; overlay	92,400			100%						
Truett	2,262	30	Cardinal Ridge to Orchard	220,000		370,000							100,000
West Lane	900	30	Truett to Spencer; Reconstruction	100,000									
Story	800	30	Truett to Forest Hill Drive, Truett to Crawford, mill work	80,000			100%						690,000
Brambleton Place	3,500	30	Truett to Nell	690,000									
Wanda	3,500	30	Marshall to Leonard, overlay	269,500			100%						
Folkstone Drive	2,436	30	Lon Stephenson to Chimney Rock	520,000									520,000
Folkstone Drive	2,600	30	Lon Stephenson to Chimney Rock		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 Chimey Rock	450,000	439,600			700,000					
*CDBG funding= \$181,000													
Nauret	1,300	30	Forest Hill Circle to Koldin Trail; overlay	120,000			100%						120,000
Burly	1,550	30	Nell to Hartman; curb & gutter	120,000									120,000
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	Forest Hill Drive to Anglin	500,000									500,000
Salem Court	520		Curb & gutter; damaged prior project	35,000									35,000
Leonard Street			Hartman to Shady Hill; overlay	49,408			100%						
George Avenue			Forest Hill Dr. to Wichita; overlay	178,364			100%						
Stonewall			Valley Forge and Old Hickory Trail	TBD									
Shady Hill Lane N	820	30	Wanda to Cul-De-Sac	140,000	168,617	157,385	100%						
			Total	\$ 7,642,116	\$ 2,202,217	\$ 3,132,736		\$ 700,000					\$ 5,989,851



5 Year, Time-Phased Plan 2023-2027 and beyond

Drainage Projects

Street Name	Cost	2023	2024	2025	2026	2027	Beyond
Forest Hill Circle (Forest Hill Drive to Wichita Street)	\$ 350,000		350,000				
Melinda Street (remove culvert pipe and replace with flume)	340,000						340,000
Alma and Griggs	200,000						200,000
Crawford Lane/Burly/Bowling Green	1,500,000						1,500,000
Griggs Park (TCEQ mandate clean-up)	1,000,000	500,000	500,000				
Nell/ Marshall	3,800,000						3,800,000
Independence Lane/Lookout	2,175,642						2,175,642
Concrete channel improvements: I20 frontage neat hotel/behind Captain D's & 7-11	1,000,000						1,000,000
	\$ 10,365,642	\$ 500,000	\$ 850,000				\$ 9,015,642

Other Projects

Estimated Year of Completion

Street Name	Cost	2023	2024	2025	2026	2027	Beyond
Fleet Management and Vehicle Rotation	\$ 1,800,000	\$ 367,000	\$ 406,000	\$ 443,000	\$ 290,000	\$ 407,000	\$ 383,000
	\$ 1,800,000	\$ 367,000	\$ 406,000	\$ 443,000	\$ 290,000	\$ 407,000	\$ 383,000



**CAPITAL PROJECT FUND - SUMMARY
FUND 50 - CAPITAL EQUIPMENT**

	Actual 2019-20	Budget 2020-21	Estimate 2020-21	Adopted Budget 2022-23
Revenues				
Insurance Reimbursement	-	-	87,529	-
Loan Proceed	-	-	659,387	-
Interest Income	-	-	500	-
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 747,416</u>	<u>\$ -</u>
Expenditures				
Personnel				
Material, Supplies & Equipment			674,127	-
Services				
Travel and Training				
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 674,127</u>	<u>\$ -</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,289</u>	<u>\$ -</u>
Other Financing Sources (Uses)				
Transfer For Debt Service				
Interfund Transfer				74,314
Net Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,289</u>	<u>\$ -</u>
Beginning Unreserved Fund Balance, October 1	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,289</u>
Ending Unreserved Fund Balance, September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,289</u>	<u>\$ 73,289</u>



**CAPITAL PROJECT FUND - SUMMARY
FUND 51 - CAPITAL IMPROVEMENT**

	Actual 2019-20	Budget 2020-21	Estimate 2020-21	Adopted 2021-22
Revenues				
Insurance Reimbursement				
Interest Income	5,249	5,000	5,000	-
Total Revenues	<u>\$ 5,249</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>
Expenditures				
Personnel				
Material & Supplies				
Services				-
Travel and Training				
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>\$ 5,249</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>
Other Financing Sources (Uses)				
Transfer For Debt Service				
Interfund Transfer				
Net Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses for Fiscal Year End	<u>\$ 5,249</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>
Beginning Unreserved Fund Balance, October 1	<u>\$ 560,976</u>	<u>\$ 566,225</u>	<u>\$ 571,225</u>	<u>\$ 576,225</u>
Ending Unreserved Fund Balance, September 30	<u>\$ 566,225</u>	<u>\$ 571,225</u>	<u>\$ 576,225</u>	<u>\$ 576,225</u>



STREET IMPROVEMENT FUND (52)

	Actual 2019-2020	FY Estimate 2020-2021	FY Adopted 2022-2023
Revenues			
Sales Tax	452,457	350,000	428,404
Interest Income	6,875	10,000	4,000
Total Revenue	459,332	360,000	432,404
Other Financing Sources			
Interfund transfer in	\$ 250,000	\$ 250,000	\$ -
Subtotal Other Financing Sources	\$ 250,000	\$ 250,000	\$ -
Total Expenditures	\$ 709,332	\$ 610,000	\$ 432,404
Expenditures			
Personnel			
Materials/ minor equipment/ supplies	417	1,000	-
Contractual Services	284,483	473,000	800,000
Travel and training			
Total Expenditures	\$ 284,900	\$ 474,000	\$ 800,000
Other Financing Uses:			
Transfer for Debt Service			
Interfund transfers out	\$ 85,000	\$ 85,000	\$ -
Subtotal Other Financing Sources	\$ 85,000	\$ 85,000	\$ -
Total Appropriation:	\$ 369,900	\$ 559,000	\$ 800,000
Net Increase (Decrease) in Fund Balance	\$ 89,432	\$ (199,000)	\$ (367,596)
Beginning Budgetary Fund Balance	\$ 703,224	\$ 792,656	\$ 593,656
Ending Budgetary Fund Balance	\$ 792,656	\$ 593,656	\$ 226,060



SECTION IX

Supplemental Information



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

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.



Glossary (Continued)

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

Glossary (Continued)

Cash Basis Accounting: A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services

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, and signals; 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. 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 Department of the City.

Glossary (Continued)

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.

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 its 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 is in 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.



Glossary (Continued)

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.

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.

Glossary (Continued)

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.

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.



Glossary (Continued)

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.

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.