

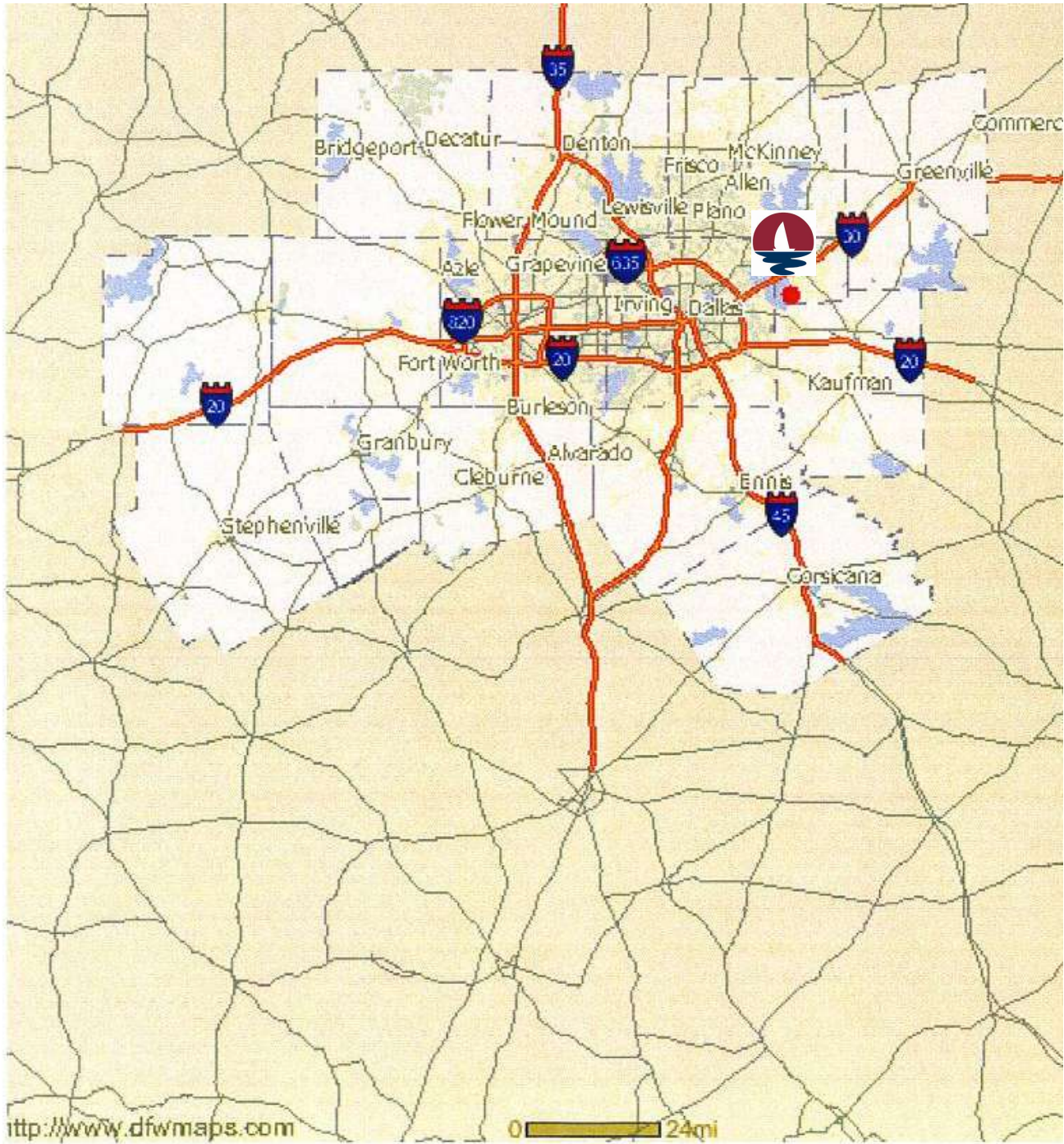
City of Heath
Annual Operating Budget
Fiscal Year 2009 - 2010

CITY OF HEATH
OPERATING BUDGET FISCAL YEAR 2009 - 2010
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OPERATING BUDGET FISCAL YEAR 2009 - 2010
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CITY OF HEATH

OPERATING BUDGET FISCAL YEAR 2010

This budget will raise more total property taxes than last year's budget by \$118,277 (3.2%) and of that amount \$112,985 is tax revenue to be raised from new property added to the tax roll this year.

CITY OF HEATH
ANNUAL OPERATING BUDGET
FISCAL YEAR
OCTOBER 1, 2009 - SEPTEMBER 30, 2010

CITY COUNCIL

John Ratcliffe, Mayor

Julie Zurek, Mayor Pro-Tem

Robert Hille, Council Member, Place 1

Karen Lewis, Council Member, Place 2

Steve McKimmey, Council Member, Place 4

Lorne Liechty, Council Member, Place 5

Rich Krause, Council Member, Place 6

CITY STAFF

Ed Thatcher, City Manager

Kim Dobbs, Assistant City Manager

Stephanie Galanides, City Secretary

Laurie Mays, Finance

Pete Eckert, City Attorney

Roy Stacy, Municipal Court Judge

Terry Garrett, Department of Public Safety

Pedram Farahnak, Public Works

CITY OF HEATH
STATISTICAL DATA

Date of Incorporation	October 12, 1959
Date of City Charter Adoption	September 14, 2002
Form of Government	Home Rule City
Population (2008 Estimate)	6,890
Area-square miles	16
City Limits	10
ETJ	6
Building Permits:	
Permits issued (fiscal year)	506
Building Inspections Conducted	686
Value (fiscal year)	\$18,290,619
City Employees:	
Full-time	38
Part-time	1.5
Seasonal	1
Department of Public Safety:	
Number of Employees	18
Number of Volunteers	2
Recreation:	
Parks (number of acres)	94
Developed	41
Undeveloped potential	53
Municipal Water System:	
Number of customers	1,842
Average consumption (gallons)	21
Water Mains (miles)	50.24
Fire Hydrants	199
Municipal Sewer System:	
Number of customers	1,809
Sanitary Sewers (miles)	60.6
Storm Sewers (miles)	12

Source: City of Heath Referenced Department

CITY OF HEATH

CITY COUNCIL



Steve McKimmey, Robert Hille, Karen Lewis, John Ratcliffe, Julie Zurek, Lorne Liechty, Rich Krause

VISION

A place to call home for a lifetime.

CITY OF HEATH VISION STATEMENT

A lakeside community of premiere neighborhoods with open green spaces, parks and trails, cultural amenities, an exemplary educational system, and distinctive economic development in order to provide the highest level of public services - a place to call home for a lifetime.

CITY OF HEATH

2009-2010 BOARD AND COMMISSION APPOINTMENTS

Board of Adjustment

David Curd, Chuck Dale, Jerry Hogan, Ron Wasson, Lowell Moon, Jr., Tom Smith, and Susan Satterwhite

EDC/HMBC

Alma Howard, Dennis Bailey, D.W. Bobst, Tom Johnson, Lorne Liechty, Cyndi Pitman, James Tunnell, and John Ratcliffe

Planning & Zoning Commission

Dennis Conder, Pat Kirwan, Jack Wilson, Aidan Flores, Shirley Sutherland, Bill Satterwhite, and John Main

Park Board

Ginny Jackson, Becky Burkett, John Curtis, Amy Ganci, Kathy Manuel, Bryan Pope, and Mitchell Smartt

Take Area Appeals Panel

Chris Cuny

Special Events Board

Brian Berry, Melody Hail, Gayle Kuhrt, Pamela Miley, Joel Palin, Jason Severn, and Alma McClintock

CITY OF HEATH, TEXAS

ORDINANCE NO. 090915C

AN ORDINANCE OF THE CITY OF HEATH, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2009 THROUGH SEPTEMBER 30, 2010; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Manager of the City of Heath, Texas, has submitted to the City Council a proposed budget of the expenditures and revenues of all City Departments, Divisions and Offices for the Fiscal Year 2009-2010; and

WHEREAS, the City Council, upon full consideration of the matter, is of the opinion that the budget hereinafter set forth is proper and should be adopted.

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

SECTION 1. That appropriations as designated for the payment of expenses for the operation of the City Government, hereinafter itemized by a true and correct copy of the Budget Document hereto attached as Exhibit A, are hereby adopted.

SECTION 2. That expenditures during the fiscal year shall be made in accordance with the budget approved by this ordinance, unless otherwise authorized by a duly enacted ordinance of the City, said document being on file for public inspection in the office of the City Secretary.

SECTION 3. That the necessity for making and approving a budget for the fiscal year, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

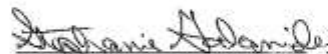
DULY PASSED AND APPROVED by the City Council of the City of Heath, Texas, on the 15th day of September 2009.

APPROVED:


John Ratcliffe, Mayor



ATTEST:


Stephanie Galanides, City Secretary

**CITY OF HEATH, TEXAS
ORDINANCE NO. 090915D**

AN ORDINANCE OF THE CITY OF HEATH, TEXAS LEVYING AD VALOREM TAXES FOR THE YEAR 2009 AT A RATE OF \$.3433 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY AS OF JANUARY 1, 2009; TO PROVIDE REVENUES FOR THE PAYMENT OF CURRENT EXPENSES AND TO PROVIDE AN INTEREST AND SINKING FUND ON ALL OUTSTANDING DEBTS OF THE CITY; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; AND DECLARING AN EFFECTIVE DATE.

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

SECTION 1. That there be and is hereby levied for the year 2009 on all taxable property, real, personal and mixed, situated within the limits of the City of Heath, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$.3433 on each One Hundred Dollars (\$100.00) assessed value of taxable property, and shall be apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenses of the municipal government of the City, a tax of \$.2786 on each One Hundred Dollars (\$100.00) assessed value of all taxable property.
- (b) For the purpose of creating a sinking fund to pay the interest and principal on all outstanding bonds of the City not otherwise provided for, a tax of \$.0647 on each One Hundred Dollars (\$100.00) assessed value of all taxable property within the City, which shall be applied to the payment of such interest and maturities of all outstanding bonds.

SECTION 2. The following information is provided pursuant to Section 26.05 of the Property Tax Code:

- (a) THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S RATE.
- (b) THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.23 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.75.
- (c) The Maintenance & Operations Rate remained at .2786 and the Debt Service Rate remained at .0647. The tax rate of .3433 remained unchanged from 2008.

SECTION 3. That all ad valorem taxes shall become due and payable on October 1, 2009 and all ad valorem taxes for the year shall become delinquent after January 31, 2010. There shall be no discount for payment of taxes prior to said January 31, 2010. A delinquent tax shall incur a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

A delinquent tax shall also accrue interest at a rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Taxes that remain delinquent on July 1, 2010, incur an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest due; such additional penalty is to defray costs of collection due to contract with the City's Attorney pursuant to Section 6.30 of the Property Tax Code.

SECTION 4. That taxes are payable in Rockwall, Texas at the office of the Rockwall Central Appraisal District. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 5. That it is necessary that this ordinance be enacted in order to authorize the collection of ad valorem taxes for the year 2009, this ordinance shall take effect from and after its passage as the law in such cases provides.

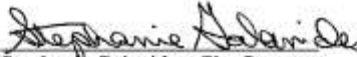
DULY PASSED AND APPROVED by the City Council of the City of Heath, Texas, on the 15th day of September 2009.

APPROVED:

ATTEST:



John Ratcliff, Mayor


Stephanie Galanides, City Secretary





September 8, 2009

The Honorable Mayor and Members of the City Council:

It is my pleasure to present the budget for Fiscal Year 2010. The budget was prepared with the objectives of maintaining the financial strength of the City, meeting the needs of the citizens, and implementing the goals of the City Council. The approved expenditure levels act as a control on overall spending for City programs, services and projects. The budget indicates the probable cost of the various programs, services and projects to be carried forth by the City during the Fiscal Year. The budget for FY 2010 totals \$10,966,485.

The budget preparation included many hours of study and review by City Council, department directors and management staff. We focused on the impact of the economy on revenues and budgeted expenditures accordingly. Vacant positions were frozen and we continue to look for more cost-effective ways of providing services. The basic approach was to maintain the current property tax rate, adjust water and waste water rates to cover the cost of providing those services, and maintain services at the levels currently provided to our citizens.

Goals and Strategies

City Council and staff have worked diligently to identify goals and strategies for the future. The following goals were developed as a result of these collaborative efforts:

1. Plan and prepare for the current and future needs of a growing city by maintaining a financially sound and stable government, managing growth and development, encouraging economic development, and identifying and addressing infrastructure needs. Priorities in this area include:
 - Reduce costs
 - Prepare and implement a budget which assures a stable tax rate while providing basic services
 - Monitor Water and Waste Water rates and adjust on a timely basis making the System self-supporting
 - Maintain a healthy Fund Balance (target 25%), but no less than 15%
 - Identify future revenue requirements and set goals to meet these requirements

2. Achieve excellence in city government services by encouraging communication and citizen involvement, providing quality customer service in all departments, and attracting and retaining highly qualified employees. Priorities in this area include:
 - Conduct citizen surveys and town hall meetings
 - Maintain competitive employee salaries and benefits
 - Encourage staff development through training opportunities

3. Promote livability and community pride. Priorities in this area include:

- Create an environment where both individuals and businesses have a vested interest in the community of Heath
- Use the Towne Center concept to attract businesses to locate in Heath; providing retail and commercial conveniences to citizens

Accomplishments

- Maintained healthy fund balances in the General Fund and the Utility Fund.
- In February 2009, the City received a second rating upgrade from Standard's and Poor.
- Grand opening ceremony scheduled for Terry Park on September 24, 2009.
- Introduced the new City website which is more user-friendly and informative.
- Continued the monthly newsletter providing communication of City services and programs.
- Issued the first take-area building permit
- Completed infrastructure projects in FY 2009:
 - Shepherd's Glen Lift Station
 - Widening and reconstruction of Rush Creek Drive and Cove Ridge Road
 - Reconstruction of the Rush Creek Lift Station
 - Water line upgrade at Cove Ridge Road
- Infrastructure projects started during FY 2009:
 - White Road pavement widening and landscaping
 - Extension of 12 inch water transmission line on Rabbit Ridge/FM 550
 - Cove Ridge Lift Station reconstruction
 - Phase I FM 740 utility relocation to accommodate highway widening
 - Extension of 12 inch water line on Rabbit Ridge/FM 549
- Identified future City projects including:
 - Construction of 1,500,000 gallon elevated storage tank to meet the demands of the City's growing population
 - Infiltration and inflow analysis to aid in controlling the cost of waste water treatment
 - Public Works Center equipment shelter portal to protect and prolong the life of City equipment
- The Economic Development Corporation, Municipal Benefits Corporation and the City completed construction of infrastructure servicing a 75 acre tract of land jointly-owned by the City of Heath and MBC.
- Completed the Economic Development Corporation's promotional brochure and continued steps to encourage and lay groundwork for economic development opportunities.
- Finalized the agreement with RCH to allow the City to directly provide water service to additional Heath citizens.
- Annexed approximately 363 acres and executed Annexation Development Agreements on approximately 800 acres.
- Adoption and implementation of the federally mandated Storm Water Management Program(SWMP).
- Negotiated with the State for reimbursement of approximately \$500,000 of expenses incurred in relocating utilities along FM 740.

General Fund

Revenues

The General Fund budget projects revenues of \$4,464,900 for FY 2010; a decrease of \$167,000 from the FY 2009 original budget.

An increase in taxable assessed valuation of 3.2% generated additional property tax revenue in the General Fund of \$94,000. Approximately 96% of the increase in assessed valuation comes from new construction. Fiscal Year 2010 increase in assessed value is down 4% from the growth experienced in FY 2009. The lower than average increase in assessed valuation had a significant impact on the FY 2010 budget.

Projected revenue generated by new development, interest earned on idle funds, penalty and interest and delinquent ad valorem tax, and other revenue decreased \$162,500, \$48,000, \$31,000 and \$73,000, respectively. These decreases are attributed to current economic conditions. Revenue provided by alarm registration fees and transfers from the Economic Development Corporation and the Municipal Benefits Corporation is projected to increase \$49,000 while the remaining revenue sources are projected to remain relatively flat for FY 2010.

The 2010 budget is based on extremely conservative assumptions; however, if revenues do not materialize, the budget will be reviewed mid-year and necessary action will be taken to accommodate the change. Actions could include a reduction of approved expenditures, reduction of services, and/or use of fund balance.

Expenditures

The FY 2010 budget for General Fund expenditures is \$4,633,200. This includes a one-time transfer to the debt service fund in the amount of \$250,000. The amount budgeted for the remaining operating expenditures reflects a decrease of \$246,000 from the FY 2009 original budget. Spending was reduced across the board to balance the budget without increasing the property tax rate with the largest savings realized in salaries and benefits.

The FY 2010 budget is proposed with no salary increases for employees, a hiring freeze on vacant positions, and no new programs.

Capital expenditures within the General Fund include the purchase of two police vehicles including equipment to replace aging vehicles, and a riding mower.

Utility Fund

Revenue

The Utility Fund budget projects revenues of \$4,286,200 for FY 2010; an increase of \$28,000 over the FY 2009 original budget. The budget increase can be attributed to an increase in projected revenue generated from water and waste water sales. Projected revenue is based on historical consumption, the number of customers serviced by the System, and the new rates. The decrease in revenue generated

from other sources combined with the small customer base resulted in increases to both the water and waste water rates. The increase was necessary to prevent further depletion of fund balance.

Interest earned on idle funds and impact fees were down \$75,000 and \$250,000, respectively from the FY 2009 original budget. These decreases are attributed to current economic conditions. A transfer from the Sanitation Fund will partially offset these decreases by generating an additional \$47,000. The remaining revenue sources were budgeted relatively flat.

The 2010 budget is based on conservative assumptions; however, if revenues do not materialize, the budget will be reviewed mid-year and necessary action will be taken to accommodate the change. Actions could include a reduction of approved expenditures, reduction of services, and/or use of fund balance reserve.

Expenses

Total expenses for FY 2010 are \$4,282,260 which is an increase of \$23,000 over the FY 2009 original budget. Increases in the cost of purchasing water and the treatment of waste water contributed to the increase.

The FY 2010 budget is proposed with no salary increases, a freeze on vacant positions, and no new programs.

Capital expenditures within the Utility Fund include the purchase of a handheld water meter reading system and additional SCADA equipment.

Debt Service Fund

The total debt service for outstanding obligations is \$1,293,925. This is an increase of \$71,000 from the FY 2009 original budget. The increase results from the addition of the debt service payment for the Animal Shelter combined with other scheduled changes in payment amounts. Property tax revenue of \$701,000 is the largest source of funding for debt service; up \$21,000 from FY 2009.

Interest revenue is projected to decrease \$50,000 compared to FY 2010. The decrease in fund balance and low interest rates are the two contributing factors. A one-time transfer from the general fund to the debt service fund in the amount of \$250,000 will aid in closing the gap between revenue and expenditures. A refunding option was not feasible; therefore, fund balance will be used for the remaining deficit. We will continue to monitor possible refunding options and analyze the adequacy of the current ad valorem tax rate.

Summary

I want to thank the Mayor and City Council and Staff for their hard work and dedication during this year's budget process. We were faced with some difficult decisions and everyone worked hard to identify and implement realistic resolutions.

We continue to have an excellent city and organization poised to do great things in this fiscal year and beyond. Unlike many cities in a similar position, we are meeting our challenges head on and exploring options to fit our community.

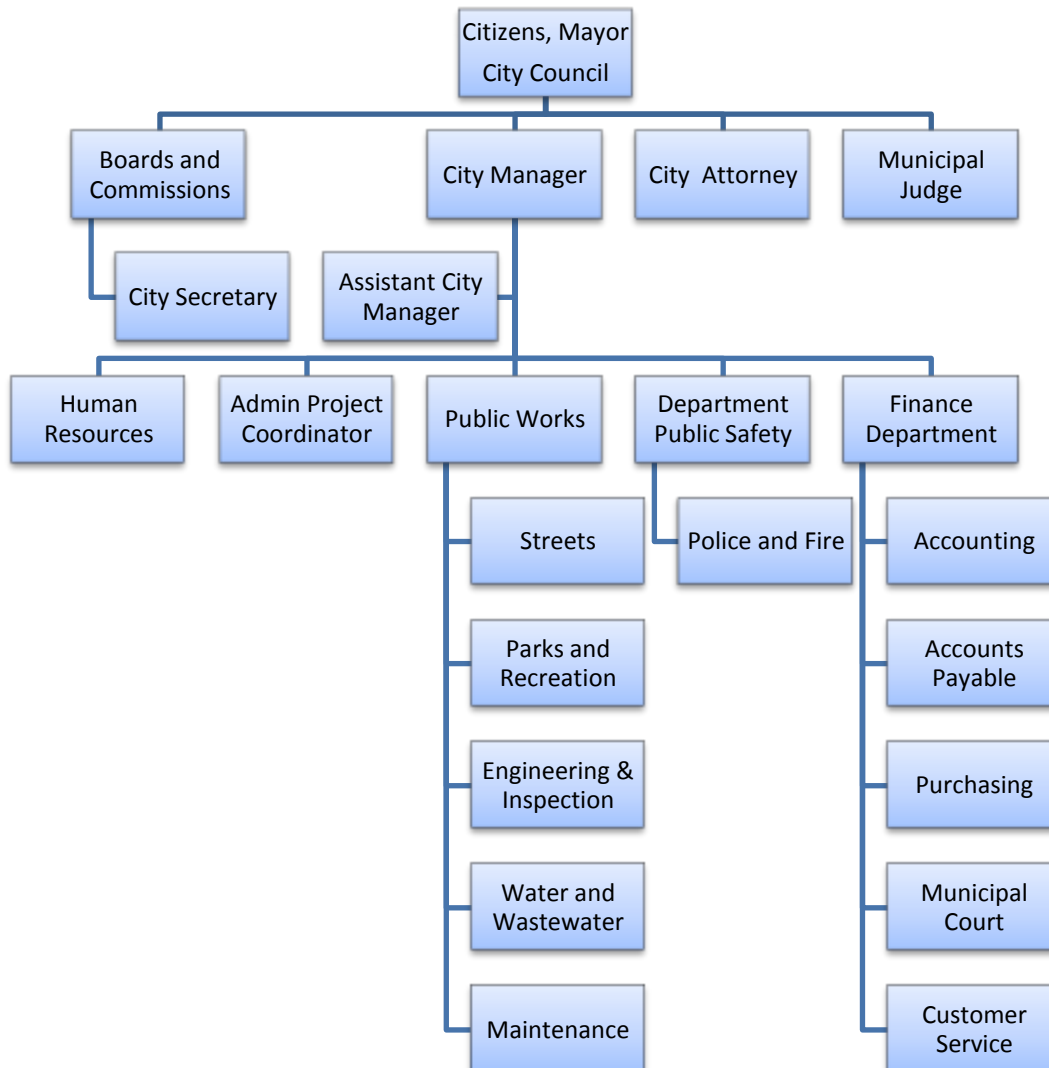
Respectfully submitted,

A handwritten signature in blue ink that reads "Ed Thatcher". The signature is written in a cursive style with a long, sweeping underline.

Ed Thatcher,
City Manger



CITY OF HEATH



CITY OF HEATH
FISCAL YEAR 2009 - 2010 BUDGET CALENDAR

Date	Action/Event
Tuesday, June 2	City Council Preliminary Budget Workshop
Tuesday, June 23	Management Budget Workshop
Tuesday, June 16	City Council Budget Workshop
Tuesday, July 21	Proposed Budget presented to City Council
Friday, July 24	Certified Tax Roll Due
Wednesday, August 5	Proposed Budget filed with City Secretary
Tuesday, August 18	1st Public Hearing on Budget
Tuesday, September 1	2nd Public Hearing on Budget
Tuesday, September 15	Regular City Council Meeting 1) Adopt Budget Ordinance 2) Tax Rate Ordinance - vote on tax rate
Thursday, October 1	Begin Fiscal Year 2009-2010

CITY OF HEATH

GENERAL BUDGET PROCESS

Budgetary control is maintained with the annual adoption by City Council of an operating budget for each fiscal year October 1 to September 30.

The budget is developed on a departmental level and adopted at the fund level. The Finance Department generates monthly reports that detail expenditures and revenues on a departmental and line item level. The reports provide monthly expenditures with year-to-date totals, with a comparison to budget, giving a budget balance and unexpended percentage. To further aid in projections, the monthly report provides prior year comparison data of expenditures, revenue and budget balances. The monthly comparison allows the Finance Director to closely monitor balances and track revenue streams. By February, forecast models are communicated to each City department regarding budget position.

The adoption process begins with the staff of each department submitting their revised expenditure estimates for the current year and their estimates for the upcoming year by March.

In April, budget worksheets are presented and preliminary direction from the City Manager regarding appropriate budget guidelines and strategy is given to each department. The budget planning process helps each department focus on requirements to continue its existing level of service, as well as, evaluate the potential to expand service levels.

Budget proposals are due to Finance by May for incorporation into a working budget document. A May management meeting is scheduled for the City Manager's Office, Finance staff and departments to jointly review all line items.

The Ad Valorem tax projections are a major component of all City budget discussions. When the certified tax roll from the Rockwall County Appraisal District is released in late July, the final preparation for a proposed budget is submitted to the City Council.

July, August and September have scheduled City Council workshops to discuss the budget with City staff and hold two public hearings. The first public hearing is held mid August; the second public hearing occurs early September. By mid September, the City Council has voted on the tax rate ordinance and the budget ordinance.

The fiscal year begins on October 1. By late December, the completed Budget Document is distributed and made available to the public via website or requested hard copy.

CITY OF HEATH

DESCRIPTION OF FUND STRUCTURE

The financial structure of the budget is organized by funds. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts for recording cash and other financial resources, as well as, any liabilities or residual equities or balances. Normally, funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The two types of funds utilized are Governmental and Proprietary. Governmental funds are used for most governmental activities, while Proprietary funds are based on the premise that the city service should be conducted as a business with user fees covering expenses. Governmental funds include: General Fund, Capital Improvements Fund, Debt Service Fund, and Special Revenue Funds. Proprietary funds include: Water and Sewer Fund, and Solid Waste Enterprise Fund.

To maintain clarity and consistency in all reporting, the basis of budgeting and the basis of accounting used for the financial reporting are the same. The basis of budgeting for the Governmental Funds are prepared using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Budgetary control is maintained at the department level in each departmental budget.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and also have been recognized as revenues of the current fiscal period. Sales taxes collected and held by the State and merchants at year end on behalf of the City are also recognized as revenue. Franchise taxes, fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Governmental Type Funds

General Fund - the primary operating fund for the City. Financial resources include: property, sales and other taxes, franchise fees, fines, licenses and fees for services. Operating expenditures provide support for traditional tax-supported municipal services such as Public Safety, Parks and Recreation, Administration, and Public Works operations.

Capital Improvements Fund - accounts for the acquisition of capital assets or the construction of major capital projects (such as streets and sidewalks) not being financed by proprietary funds. Financial resources include: proceeds from the sale of obligation bonds, certificates of obligation, TxDOT funds, Impact fees, and operating fund transfers.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. Financial resources generated by a tax levy based on property values; used to pay debts incurred through the sale of a obligation bonds, certificates of obligation, notes payable and other debt instruments. The bonds finance long-term capital improvements to streets, parks, buildings and other infrastructure projects.

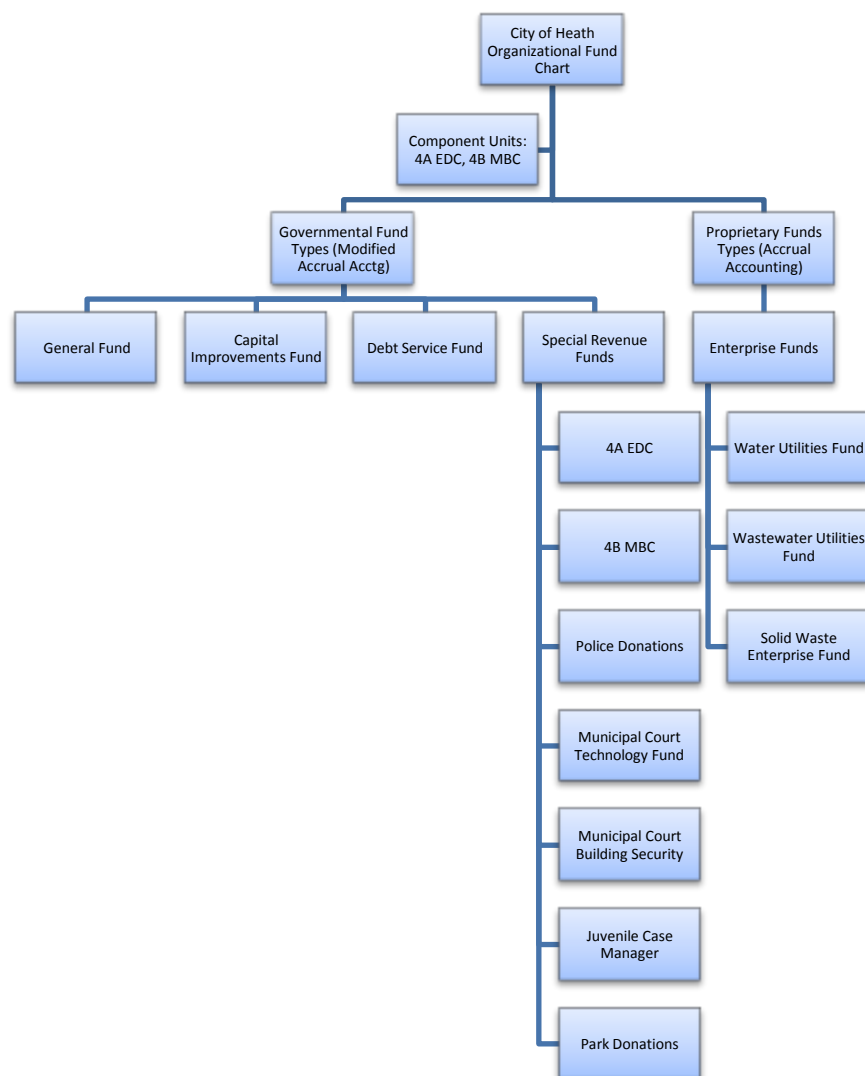
Special Revenue Funds - specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects). Funds under this category include: Drainage Fund, HEDC 4A Sales Tax Revenue Fund, and MEBC 4B Sales Tax Revenue Fund.

CITY OF HEATH

DESCRIPTION OF FUND STRUCTURE

Proprietary Fund

Enterprise Funds - account for operations that are financed and operated in a manner similar to private business; the intent of the City is to provide goods or services to the general public on a continual basis that will be self supporting through the user charges. Two enterprise funds are maintained: **Water and Sewer Fund** - operates the water distribution system and the wastewater treatment plants, wastewater pumping stations, and collection systems; and **Solid Waste Enterprise Fund** - accounts for operations of the sanitation function of the City.



CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

PURPOSE

The purpose of the City of Heath Financial Policies and Practices is to:

1. Demonstrate to the citizens of Heath, the investment community, and the bond rating agencies that the City is committed to a strong fiscal operation.
2. Provide guidelines for future policy-makers and financial managers on common financial goals and strategies.
3. Fairly present and fully disclose the financial position of the City in conformity with Generally Accepted Accounting Principals (GAAP).
4. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other legal mandates.

ANNUAL BUDGET

1. The budget shall provide a complete financial plan for all City funds and activities and, except as required by law or City Charter, shall be in such form as the City Manager deems desirable or the City Council may require.
2. A budget message explaining the budget both in fiscal terms and in terms of work programs shall be submitted with the budget. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, and indicate any major changes from the current year in financial policies, expenditures, and revenues with reason for such change. It shall also summarize the City's debt position and include such other material as the City Manager deems advisable.
3. The budget shall begin with a clear, general summary of its contents, shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures for the ensuing fiscal year.
4. Each Director will be responsible for the administration of his/her departmental budget.
5. The goal of the City is to balance the operating budget with current revenues. A balanced budget is a budget in which current revenues equal current expenditures.
6. The legal level of budgetary control is at the divisional (division: a specific functional area within a City department) level. At any time during the fiscal year, the Finance Director may transfer up to \$5,000 of the unencumbered appropriated balance between classifications of expenditure within a division. Transfers exceeding \$5,000 must be approved by the City Manager. A transfer may not be made from the unencumbered appropriated balance in the Personnel Services classification of expenditure. Any revision that alters total expenditures of any department must be approved by the City Council.

AMENDMENT BY CITY COUNCIL BEFORE ADOPTION

1. After public hearings, the City Council may adopt the budget with or without amendment. It may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.

RESERVES AND FUND BALANCE

Fund Balance is defined as the assets of a fund less liabilities, as determined at the end of each fiscal year.

1. The City will establish reserves for replacement of facilities and equipment.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

2. The City will avoid utilizing fund balances for operational expenditures.
3. The City will strive to maintain fund balance as a percent of operating expenses in the General Fund and General Debt Service Fund and net assets as a percent of operating expenses in the Water/Wastewater Utility Fund and the Sanitation Fund in accordance with the following table:

In order to achieve the objectives of this policy, the following guidelines shall be adhered to:

- A designated fund balance shall be maintained as of October 1 of each year equal to 25% of that year's budgeted expenditures for both the General and Utility Funds.
- As part of the annual budget process, the Finance Director will estimate and prepare a projection of the year-end designated fund balances. Such projection will include an analysis of trends in fund balance levels on a historical and future projection basis. The Finance Director shall present the findings to the City Council as part of the budget review process for the ensuing fiscal year.
- Any anticipated balance in excess of the designated General and Utility Fund Balances may be budgeted to reduce the ensuing year's property tax levy and/or utility rates or may be allocated by the City Council during the course of the fiscal year for special projects.
- The City Council may declare a fiscal emergency and withdraw any amount of the designated General and Utility Fund Balances for purposes of addressing the fiscal emergency. Any such action must also provide for necessary appropriations to restore the designated fund balance to the required balance within a three-year period.

LONG-TERM FINANCIAL PLAN

1. The City will establish and maintain a long-term plan that considers future projects, new revenues, anticipated expenditures, and the City's goals.
2. The annual budget shall be prepared in conjunction with the long-term financial plan's goals and objectives.
3. The City will update replacement and maintenance plans annually and incorporate them into the long-term plan.

FINANCIAL REPORTING

1. The Finance Director shall submit to the City Council at its second formal meeting each month the financial condition of the City by budget items, budget estimates versus actuals for the preceding month and for the fiscal year to date.
2. The Finance Director shall submit to the City Manager, Mayor, and City Council a quarterly investment report. The investment report will include summarized investment strategies employed in the most recent quarter and a description of the portfolio in terms of investment securities, maturities, and investment rate of return for the quarter.
3. A Comprehensive Annual Financial Report (CAFR) shall be prepared at the end of each fiscal year. The report shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall include an opinion from an independent certified public accountant designated by the City Council. The CAFR shall be made available for public inspection and shall become part of the records of the City. The results of the audit will be presented to the City Council no later than March 31 of the following year.
4. The City will strive to receive and retain the Certificate of Achievement for Excellence in Financial Reporting for its CAFR and the Distinguished Budget Presentation for its annual budget document which are awarded annually by the Government Finance Officers Association of the United States and Canada (GFOA).
5. Every five years, the City will issue requests for proposal to choose an auditor.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

BASIS OF ACCOUNTING

1. The City will account for City finances in accordance with generally accepted accounting principles established by the Governmental Accounting Standards Board.

2. The City uses the modified accrual basis of accounting for the City's general government activities:

- Revenues under the modified accrual basis are recognized when they are measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

- Expenditures are recognized when the related fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which are recorded when due.

3. The City uses the accrual basis of accounting for the City's enterprise activities:

- Revenues and expenses are recognized when they occur regardless of the timing of related cash flows.

4. The City will implement and maintain encumbrance accounting whereby purchase orders are utilized to reserve a portion of the annual budgeted appropriations for future payment when due.

OPERATING POLICY

1. Assets will be safeguarded by properly classifying, recording, and tagging each asset. An inventory of assets will be maintained and include the description, cost, date of acquisition, department, location and asset identification number. Periodic inventory inspections of assets shall be conducted. Assets will be capitalized when they meet the dollar minimum of \$10,000 and have a useful life of more than one year. For constructed assets the criteria apply to the completed project.

2. The City Manager is authorized to write off bad debt accounts which have been delinquent for more than 120 days. These accounts will be aggressively pursued for collection by any lawful and available means.

3. Rates for water, sewer, and sanitation enterprise activities shall be maintained at levels sufficient to ensure that annual revenues will be available to pay all direct and indirect costs of the enterprise activities, including costs of operations, capital improvements, maintenance, and principal and interest requirements on outstanding debt.

4. In accordance with State law, all uncontested invoices will be paid within 30 days of proper receipt.

5. The City will use due caution in analyzing material incentives that are used to encourage development. A cost/benefit analysis will be performed as part of the evaluation. The City will periodically review the tax abatement policy and perform routine audits on companies receiving tax abatements.

REVENUES

1. The revenue projections will be made conservatively in order that actual revenues should meet or exceed the budgeted revenues for the year.

2. The City will aggressively pursue revenue collection to assure that collectible funds due the City are received in a timely manner.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

3. The City will apply for Federal and State grants that meet City objectives and are cost beneficial. Departments will oversee daily operations of grant programs, monitor performance and compliance, and keep the Finance division informed of grant-related plans and activities. Grant funding must be authorized by City Council.
4. The City will investigate potential new revenue sources, including the capture of user fees.
5. The City will strive to obtain franchise agreements that incorporate a franchise or rental fee with all public utilities. The fee structure will be similar to other cities in the area and allowed by the Public Utility Commission.
6. Interest earned from investments will be distributed among the funds in accordance with the equity balance of the fund from which the money was provided to be invested.
7. Impact fees will be recorded as revenue at the time of assessment.

INVESTMENT POLICY

Investments made by the City will be made in compliance with the City of Heath Investment Policy. It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all State of Texas statutes and City ordinances. The primary objectives, in priority order, of the City's investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective the City will diversify its investments by investing funds among a variety of securities offering independent returns and financial institutions.
2. Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
3. Public Trust: All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.
4. Yield: The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs. The City's portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on U. S. Treasury Bills at a maturity level comparable to the City's weighted average maturity in days. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

DEBT ISSUANCE POLICY

1. **General Obligation Bonds:** The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas.
2. **Revenue Bonds:** The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending, or repairing public utilities, recreational facilities or any other self-liquidating function not prohibited by the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable from properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas.
3. **Bonds Incontestable:** All bonds of the City having been issued and sold and having been delivered to the purchaser thereof shall thereafter be incontestable and all bonds issued to refund in exchange for outstanding bonds previously issued shall and after said exchange, be incontestable.
4. **Use of Bond Funds:** Any and all bond funds approved by a vote of the citizens of Heath will be expended only for the purposes stated in the bond issue.
5. **Certificates of Obligation:** All certificates of obligation issued by the City shall be approved by ordinance and issued in accordance with the laws of the State of Texas.

**CITY OF HEATH
STRATEGIC PLAN**

QUALITY OF LIFE

Strategic Plan

Strategy A: Quality of Life

Committed to prudent, low density residential growth conducive for recreational, cultural and social opportunities; supporting neighborhood and community events while enjoying a lower tax rate and crime rate.

Goal

Incorporate retail development with unique layout amenities to compliment residential characteristics for green space.

Objective

3-5 years Review comprehensive plan specifying implementation strategy, land use strategy, transportation strategy and retail development stipulations.

Performance Measures:

	FY 2007	FY 2008	FY 2009
Average Home Value	\$ 354,640	\$ 378,747	\$ 384,294
Certified Tax Assessed Value Total	905,467,302	\$1,005,177,768	\$ 1,101,524,185
Maintained number of park acres	15	15	15
Number of Offenses	395	369	412
Tax Rate	0.3433	0.3433	0.3433

**CITY OF HEATH
STRATEGIC PLAN**

COMMUNITY DEVELOPMENT

Strategic Plan			
Strategy B: Community Development			
<i>Encourage upscale commercial, retail and professional development that embraces a well-designed neighborhood encompassing green space and lower density.</i>			
Goal			
Detail clarification of the development process while continuing to raise development standards; maintain a low density, rural character; maximize commercial and retail zoning opportunities; allow for housing types other than single-family on a			
Objective			
1-5 years	Complete Terry Park construction		
1-5 years	Monitor and forecast demographic changes including social and socio-economic evolutions.		
1-5 years	Evaluate housing type restrictions		
3-5 years	Review comprehensive plan specifying implementation strategy, land use strategy, transportation strategy and retail development stipulations.		
Performance Measures:			
Measures:	FY 2007	FY 2008	FY 2009
Developer Impact Fees	\$ 180,000	\$ 190,000	\$ 140,000
Improved commercial/acre property value	100,000	110,000	110,000
Improved residential/acre property value	80,000	190,000	190,000
Rockwall County Property Count	3,346	3,510	3,553

**CITY OF HEATH
STRATEGIC PLAN**

ORGANIZATIONAL DEVELOPMENT

Performance Measures			
Strategy C: Organizational Development			
<i>Manage resources to recruit and retain staff who adhere to the desired highest standards of professionalism, expertise, and customer service; continually striving to proficiently deliver services to the citizenry.</i>			
Goal			
Demonstrate commitment to employee growth and development; set and communicate expectations for workload; reward outstanding involvement and achievement; provide market competitive compensation.			
Objective			
1-5 years	Continually provide training to enhance professional development		
1-5 years	Utilize performance evaluations to promote communication, expectations and outstanding achievement.		
1-5 years	Recognize employees who exemplify the City's vision, and values.		
1-5 years	Annual pay adjustments inline with general economic trends		
3-5 years	Review market compensation survey		
Performance Measures:			
Measures:	FY 2007	FY 2008	FY 2009
Turnover Rate	26%	15%	18%
Average Workers' Compensation claims per employee	3%	2%	2%
Market Competitive Compensation - % of Employees at or above 60% market	100%	100%	100%

**CITY OF HEATH
STRATEGIC PLAN**

FINANCIAL MANAGEMENT

Performance Measures			
Strategy D: Financial Management			
<i>Allocate resources to responsibly manage public funds and debt in accordance with the Public Funds Investment Act; maintain and improve cooperative efforts of outside entities to provide timely, accurate reporting.</i>			
Goal			
Utilize technology to process financial statements and reporting efficiently; examine and implement best practices to respond to annual audit recommendations; protect and enhance the City's credit rating; ensure that key policy decisions are not prohibited by financial challenges or emergencies.			
Objective			
1-5 years Maximize use and capabilities of the centralized financial management system.			
1-5 years Review financial policies and adjust as appropriate			
1-5 years Monitor and improve key credit criteria			
1-5 years Maintain key operating reserves			
Performance Measures:			
	FY 2007	FY 2008	FY 2009
Measures:			
Bond Rating (General Obligation and Certificates of Obligation):			
Moody's Investors Service	A2	A2	A2
Fitch	AA-	AA-	AA-
Standard and Poor's	A	A	A
# of Audit Findings	2	0	N/A
Fund Balance % - Governmental Funds	31%	31%	27%
Fund Balance % - Enterprise Funds	26%	27%	29%

**CITY OF HEATH
STRATEGIC PLAN**

PUBLIC SAFETY

Performance Measures

Strategy E: Public Safety

Supply highly trained personnel with the appropriate resources to continually improve safety, efficiency and security throughout the community.

Goal

Continue to implement education opportunities that involve the public with all facets of public safety; maintain a high quality emergency response system; continually foster a safe neighborhood felt by all in the community.

Objective

- 1-5 years Increase city outreach through safety fairs, school resource officers, citizen publications and media relations.
- 1-5 years Formation and utilization of a citizen volunteer support for public safety incidents
- 1-5 years Receive lower Insurance rating
- 1-5 years Ensure priority calls response time remains low
- 1-5 years Replace aging fire apparatus on an ongoing rotation
- 1-5 years Exceed training minimum per discipline average per year
- 1-5 years Maintain quality of life with a low crime incident rate through minimum staffing requirements of NFPA and TCFP

Performance Measures:

	2006	2007	2008	2009
Measures:				
Crime Rate per 100,000	1,818.20	1,335.50	1,398.90	*
Insurance Rating	5	5	5	5
Training per discipline average per year	20	20	20	20
Average Response Time per dispatched call (minutes)	NA	5.04	5.04	5.04

** Statistic based on the calendar year. Available 12/31/09*

NA = Not Available

**CITY OF HEATH
STRATEGIC PLAN**

INFRASTRUCTURE

Performance Measures			
Strategy F: Infrastructure			
<i>Allocate resources to appropriately and efficiently maintain existing infrastructure while analyzing new development to enhance exceptional reputation.</i>			
Goal			
Continue to maintain high aesthetic standards implemented through the organization of the Capital Improvement Program (CIP) to the upscale image throughout the community; construct municipal facilities to effectively accommodate needs and services; coordinate the placement of underground utility lines.			
Objective			
1-5 years Update CIP annually			
1-5 years Monitor roadway integrity for continual improvement using Pavement Condition Index (PCI)			
1-5 years Re-evaluate Storm Water Management Program			
5-10 years Design and construct a new municipal complex			
Performance Measures:			
Measures:	FY 2007	FY 2008	FY 2009
Average system water pressure	50	50	50
Total Facility Square Feet	21,635	21,635	21,635
Sewer in-flow/infiltration (miles 1/1 inspection/correction)	10	15	15

**CITY OF HEATH
STRATEGIC PLAN**

TRANSPORTATION

Performance Measures			
Strategy G: Transportation			
<i>Support local and regional planning, development, and maintenance of a comprehensive transportation network.</i>			
Goal			
Continually monitor and modify the transportation route to provide citizens with the optimum type, mode and expediency of travel; examine and utilize multimodal forms of transportation in appropriate areas of development while ensuring high quality landscaping and illumination in conjunction with all modes.			
Objective			
1-5 years	Update transportation study.		
1-5 years	Develop a system to monitor traffic movement and survey user satisfaction.		
1-5 years	Review trail system plan to connect major areas.		
1-5 years	Review Master Plan addressing sidewalk, landscape and illumination requirements for all transportation corridors.		
1-5 years	Continue to encourage TXDOT extension of Highway FM 740 (Phase I and II); and FM549.		
Performance Measures:			
Measures:	FY 2007	FY 2008	FY 2009
Average Pavement Condition Index (Estimated Standard of Correction 5.5)	5.5	5.75	5.9
Lane mile maintained per PMS (Pavement Management System) based on one mile pavement 10 ft width	116K	231K	235K
Lane Miles Rehabilitated	1.75	2.00	2.00

**CITY OF HEATH
STRATEGIC PLAN**

DELIVERY OF SERVICES

Performance Measures			
Strategy H: Delivery of Services			
<i>Continually evaluate efficiency methods and standards for delivering high quality services and allocating City resources to meet the current and future community needs.</i>			
Goal			
Maintain or enhance City staffing levels to effectively and efficiently provide necessary core services; utilize best practices and methods to identify core services; utilize customer centered technology; develop and maintain public engagement in development and delivery of programs and services.			
Objective			
1-5 years	Define core City services to be provided		
1-5 years	Analyze processes to included technology to increase efficiency for customers and employees (i.e. online bill payment, real-time updates, etc.)		
1-5 years	Establish city-wide customer survey		
1-5 years	Utilize customer feedback system		
Performance Measures:			
	FY 2007	FY 2008	FY 2009
Measures:			
Number of Employees	39	46	45
Number of Water Customers	1,789	1,806	1,842
Payments processed online	N/A	475	1,459
Payments processed in-house	23,909	25,437	26,379
Number of Re-reads requested	24	37	31
N/A = Not applicable. Online service contracted FY 2008.			



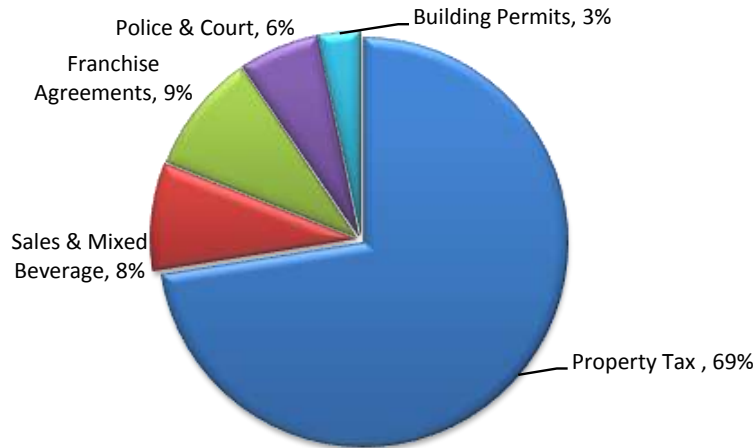
CITY OF HEATH

GENERAL FUND

The General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue.

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

**BUDGET OVERVIEW
REVENUE**



Description of Top 5 Revenues

1) Ad Valorem Property Tax (69%). The Rockwall County Appraisal District (RCAD) and Kaufman County Appraisal District (KCAD) establish the value of each property within the City of Heath. The certified taxable value for FY 2010 is \$1,101,524,185. An increase of \$28,980,778 from the prior year certified taxable value. The M&O tax rate is 27.86 cents per \$100 resulting in projected revenue of \$3,022,000.

Assumption #1: A 98.5% collection rate of ad valorem taxes is built into the revenue assumption. Historically, 98.5% has been used to accurately project ad valorem revenue.

Assumption #2: Delinquent Ad Valorem Tax Revenue and Penalty & Interest Revenue projections decreased 31% from FY 2009. Current year projections are lower than the amounts originally budgeted in the prior year and relatively level with FY 09 projected revenue.

2) Franchise Agreements (9%). Franchise Fees are received from an energy provider (66%), telephone providers (29%), and a waste management provider (5%).

Assumption #1: An increase in franchise fee revenue was incorporated into the FY 2009 revenue projections due to a rate increase in the Atmos franchise fee. No franchise fee increases or additional providers are foreseen for FY 2010; therefore, revenue was projected to remain constant.

3) Sales & Mixed Beverage Tax (8%). The Texas Comptroller's office lists 207 outlets of all industries subject to sales tax. The largest 3 outlets are as follows: 59 outlets (29%)-Retail Trade; 40 outlets (19%)-Professional/ Scientific/ Technical; 19 outlets (9%) - Construction.

Assumption #1: The current year Sales Tax and Mixed Beverage Tax Revenue is comparable to prior year collections. Economic conditions have not impacted the City's sales tax and mixed beverage. No new retail establishments or construction is immediately foreseen. Based on historical trending FY 2010 Sales Tax and Mixed Beverage Tax Revenue is projected to be the same as FY 2009.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

BUDGET OVERVIEW
REVENUE

4) Police and Court Fines and Fees (6%). Police Revenue benefits from an agreement with Rockwall ISD for contractual services of three School Resource Officers (SRO). RISD reimburses the City for 75% of the SRO's salary and benefits. Municipal Court Revenue contributes the largest remaining portion.

Assumption #1: The RISD contract is based on actual salaries and benefits of SRO's. The budgeted increase results from the assumed increase in the cost of providing health insurance.

Assumption #2: Additional patrol officer positions are not budgeted in FY 2010. Ticket writing is projected to coincide with historical citation data and remain consistent with prior years. The revenue generated from police and court fines and fees was projected to remain flat.

5) Building Permits (5%). New construction and restoration of commercial and residential sites require inspections that satisfy City and state codes. Building Permit Fees are collected to offset the cost of City personnel, administration, and fuel costs associated with the inspection process.

Assumption #1: Economic factors including the credit crunch and heightened criteria for lending, coupled with an increase in foreclosures, proved to be a significant factor in the projected decrease in building permit revenue. The uncertainty of economic recovery, and lack of historical trending to aid in current conditions were two determining factors in projecting building permit revenue to decline from the prior year budget.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Budget Summary	All Funds			
	<i>Projected Beginning Fund Balance 10/01/2009</i>	<i>Proposed Revenue & Financing Sources 2009-2010</i>	<i>Proposed Expenditures & Financing Uses 2009-2010</i>	<i>Budgeted Ending Fund Balance 09/30/2010</i>
Summary of all Funds				
Governmental Operating Funds				
General Fund	1,346,563	4,464,900	4,633,200	1,178,263
Debt Service Fund	1,487,466	1,032,500	1,301,425	1,218,541
Total Governmental Funds	2,834,029	5,497,400	5,934,625	2,396,804
Enterprise Funds				
Water Utilities Fund	1,222,574	4,286,200	4,282,260	1,226,514
Solid Waste Fund	57,515	530,500	549,900	38,115
Total Enterprise Funds	1,280,088	4,816,700	4,832,160	1,264,629
Total Operating Funds	4,114,118	10,314,100	10,766,785	3,661,433
Component Units				
HEDC	605,004	183,000	103,000	685,004
HMBC	878,545	185,000	96,700	966,845
Total Component Units	1,483,549	368,000	199,700	1,651,849
Total of all Funds	5,597,667	10,682,100	10,966,485	5,313,282

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Combined Summary of Budget by Fund					Summary
	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Enterprise Fund</i>	<i>Capital Improvement Program Fund (General and Utilities)</i>	<i>Total of All Funds</i>
Sources of Funds					
<i>Current Revenues</i>					
Property Tax Revenue	3,104,100	720,500	-	-	3,824,600
Sales and Mixed Beverage Tax	362,300	-	-	-	362,300
Franchise Agreements	409,000	-	-	-	409,000
Interest Income	12,000	30,000	6,500	17,600	66,100
Administrative Revenue	57,750	-	1,500	-	59,250
Permits & Fees & Other	118,150	-	174,000	-	292,150
PID Revenue	-	32,000	2,500	-	34,500
Charges for Services	-	-	4,585,000	-	4,585,000
Inter-Local/ Inter-Agency	175,000	-	-	-	175,000
Police & Court Revenue	34,400	-	-	-	34,400
Fines and Forfeitures	50,000	-	-	-	50,000
Fire Department Revenue	48,000	-	-	-	48,000
Park Department Revenue	13,000	-	-	-	13,000
Transfers In	81,200	250,000	47,200	-	378,400
General Obligation Bonds	-	-	-	-	-
Certificates of Obligation	-	-	-	-	-
Revenue Bonds	-	-	-	-	-
Total - Current Revenue	4,464,900	1,032,500	4,816,700	17,600	10,331,700
Uses of Funds					
<i>Current expenditures</i>					
Personnel Services	2,953,500	-	807,300	-	3,760,800
Supplies	376,225	-	250,029	-	626,254
Telecommunications	29,400	-	15,000	-	44,400
Operational	398,000	7,500	1,999,925	-	2,405,425
Inter-Local/ Inter-Agency	229,500	35,900	439,400	-	704,800
Materials & Equipment	146,025	-	48,100	-	194,125
Capital Outlay	175,550	-	103,800	-	279,350
Transfers	250,000	-	94,400	-	344,400
Debt Service	-	1,258,025	1,024,206	-	2,282,231
Contingency	75,000	-	50,000	-	125,000
Capital Projects	-	-	-	4,863,319	-
Total Expenditures	4,633,200	1,301,425	4,832,160	4,863,319	10,766,785

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

General Fund Sources and Uses

	<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
Sources of Funds					
<i>Beginning Resources</i>	2,432,621	2,544,769	2,544,769	2,544,769	1,346,563
<i>Current Revenues</i>					
Property Tax Revenue	2,856,252	3,041,429	3,006,429	3,008,429	3,104,100
Administrative Revenue	939,635	989,520	856,020	856,195	841,050
Permit & Fee Revenue	369,626	253,150	118,150	122,700	118,150
Police & Court Revenue	243,542	239,430	254,430	255,030	259,400
Fire Department Revenue	48,000	48,000	48,000	48,000	48,000
Park Department Revenue	127,928	13,050	13,050	13,050	13,000
Other Sources	-	47,200	81,200	81,200	81,200
<i>Total - Current Revenue</i>	4,584,983	4,631,779	4,377,279	4,384,604	4,464,900
<i>Total Sources of Funds</i>	7,017,604	7,176,548	6,922,048	6,929,373	5,811,463
Uses of Funds					
<i>Current expenditures</i>					
2 Streets Division	334,338	359,155	342,155	337,484	338,225
4 Parks Division	174,385	115,573	102,673	101,010	135,150
6 Engineering & Inspections Divisio	407,656	422,700	418,700	416,178	441,225
8 Municipal Court Division	82,268	93,490	93,990	90,723	110,650
9 Public Safety Division	2,136,053	2,478,828	2,332,928	2,326,555	2,347,800
40 City Council Division	45,286	40,850	36,850	36,850	42,150
43 City Secretary Division	107,136	122,982	126,082	123,708	116,650
46 City Attorney Division	35,390	40,000	36,000	36,000	36,000
52 City Manager Division	281,490	287,704	283,404	281,897	240,450
55 Finance Division	245,603	251,613	249,113	239,640	220,800
60 Non-Divisional	623,231	415,923	386,823	362,765	354,100
<i>Total Current Expenditures</i>	4,472,835	4,628,819	4,408,719	4,352,810	4,383,200
560-802 Transfer to CIP	0	0	230,000	230,000	0
560-840 Transfer to Debt Service	0	0	1,000,000	1,000,000	250,000
<i>Ending Resources</i>	2,544,769	2,547,729	1,283,329	1,346,563	1,178,263
<i>Park Donations</i>	230,000	230,000	-	-	-
<i>Intended for Debt Service</i>	1,000,000	1,000,000	-	-	-
<i>Unreserved</i>	1,314,769	1,317,729	1,283,329	1,346,563	1,178,263
<i>Revenue vs. Expenditures - Surplus/(Deficit)</i>	112,148	2,960	(31,439)	31,794	81,700
<i>Impact on Unreserved Fund Balance</i>	112,148	2,960	(31,439)	31,794	(168,300)

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Revenue

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
General Fund Revenue Detail						
4001	Ad Valorem Taxes	2,737,523	2,928,344	2,928,344	2,928,344	3,022,000
4002	Penalty & Interest	53,522	48,000	38,000	40,000	41,000
4003	Tax Certificate Fees	95	85	85	85	100
4004	Ad Valorem Delinquent Taxes	65,112	65,000	40,000	40,000	41,000
	Total - Property Tax Revenue	2,856,252	3,041,429	3,006,429	3,008,429	3,104,100
4101	Sales Tax	365,801	360,000	360,000	360,000	360,000
4102	Mix Drink Tax	3,311	2,300	2,300	2,300	2,300
4103	Franchise Agreements	412,221	409,000	409,000	409,000	409,000
4104	Civic Center Rentals	1,775	1,650	1,650	1,650	1,650
4106	Interest Earned	81,958	60,000	27,000	27,000	12,000
4107	Other Revenue	58,380	35,000	30,000	30,000	30,000
4110	Tower Lease	9,000	51,000	18,000	18,000	18,000
4114	New Development Electric	486	5,000	0	0	0
4115	Rezoning Application Fees	1,970	2,500	0	0	0
4116	Conditional Use Permits	350	0	0	175	0
4117	Plat Fees	4,279	3,000	3,000	3,000	3,000
4118	New Development - 2.5% Fee	0	20,000	0	0	0
4121	Takeline Lease	0	40,000	5,000	5,000	5,000
4160	Collection Fee Revenue	105	70	70	70	100
	Total - Administrative Revenue	939,635	989,520	856,020	856,195	841,050
4201	Building Permits	337,089	235,000	100,000	100,000	100,000
4202	Inspection Fees	550	800	800	800	800
4203	Code Enforcement Admin Fee (Mow)	16,162	1,150	1,150	4,900	1,150
4204	OSSF Permit Fees	7,100	6,200	6,200	6,200	6,200
4209	Contractor Registration Fee	8,725	10,000	10,000	10,800	10,000
	Total - Permits & Fee Revenue	369,626	253,150	118,150	122,700	118,150
4300	Judicial Support Fund	216	200	200	200	200
4301	Municipal Court Fines	47,156	50,000	50,000	50,000	50,000
4302	RISD Police Officer	176,685	170,000	170,000	170,000	175,000
4303	Animal Impound Fees	1,560	1,500	1,500	1,500	1,500
4304	Animal Registration Fees	1,382	1,500	1,500	1,500	1,500
4306	Police Report Fees	179	100	100	100	100
4307	Time Payment Fee Revenue	350	800	800	800	800
4308	Court Building Security	1,321	1,250	1,250	1,250	1,250
4309	Municipal Court Technology Fund	1,761	1,500	1,500	1,500	1,500
4311	Judicial Sys. Efficiency	88	100	100	100	100
4315	TLFTA Fees	479	300	300	300	300
4316	LEOSE Training	1,895	1,750	1,750	1,750	1,750
4320	Police Grant Revenue	10,000	0	0	0	0
4330	Juvenile Case Manager Fee	470	400	400	400	400
4331	Court Appointed Books	0	30	30	30	0
4340	Alarm Registration Fee	0	10,000	25,000	25,000	24,000
4341	Alarm Charge (False and Non-Registe	0	0	0	600	1,000
	Total - Police & Court Revenue	243,542	239,430	254,430	255,030	259,400

CITY OF HEATH
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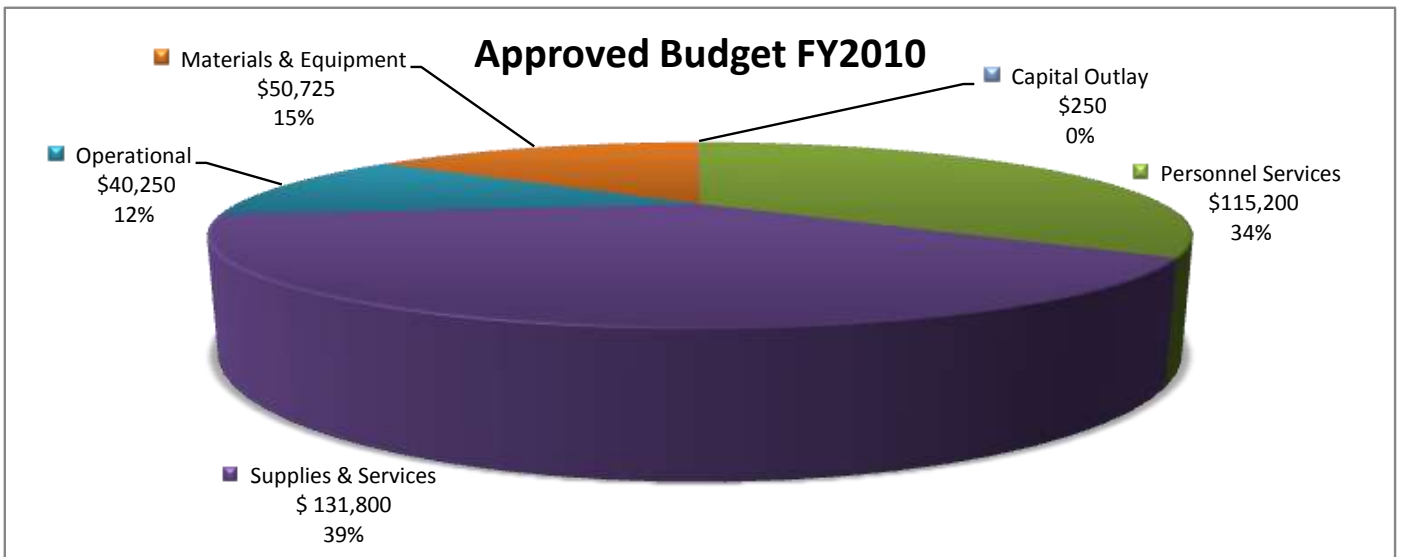
Revenue

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund Revenue Detail</i>						
4401	Rockwall County Fire Runs	48,000	48,000	48,000	48,000	48,000
	<i>Total - Fire Department Revenue</i>	<i>48,000</i>	<i>48,000</i>	<i>48,000</i>	<i>48,000</i>	<i>48,000</i>
4852	Transfer from Solid Waste Fund	0	47,200	47,200	47,200	47,200
4860	External Contributions	0	0	0	0	0
4854	Transfer from HEDC	0	0	17,000	17,000	17,000
4853	Transfer from HMBC	0	0	17,000	17,000	17,000
	<i>Total - Other Sources</i>	<i>0</i>	<i>47,200</i>	<i>81,200</i>	<i>81,200</i>	<i>81,200</i>
4901	Park Donations	115,000	0	0	0	0
4920	Special Event Revenue	7,483	8,050	8,050	8,050	8,000
4930	Park User Fees	5,445	5,000	5,000	5,000	5,000
	<i>Total - Park Department Revenue</i>	<i>127,928</i>	<i>13,050</i>	<i>13,050</i>	<i>13,050</i>	<i>13,000</i>
	<i>Total - General Fund Revenue</i>	<i>4,584,983</i>	<i>4,631,779</i>	<i>4,377,279</i>	<i>4,384,604</i>	<i>4,464,900</i>

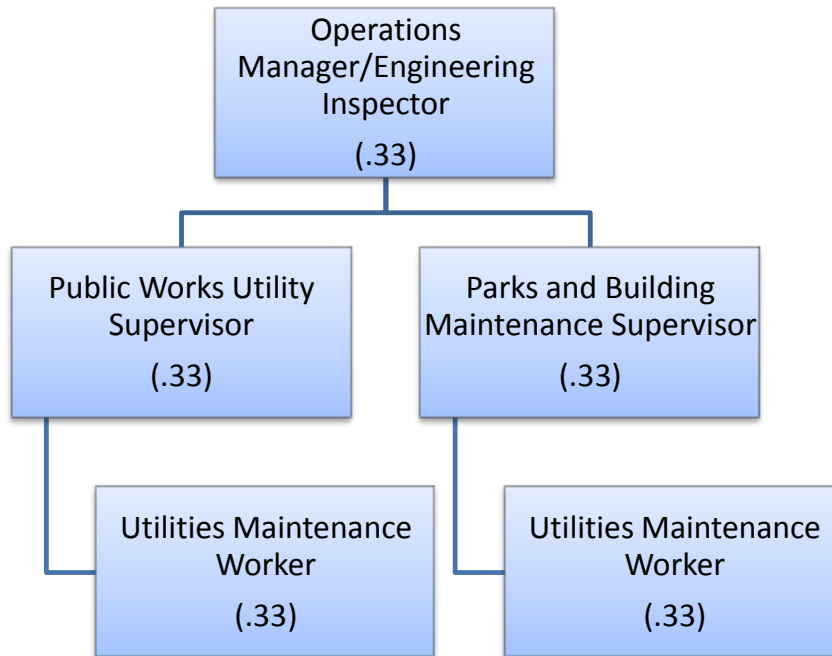
CITY OF HEATH
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FUND	DEPARTMENT		ACCOUNT		
GENERAL	STREETS		502		
PURPOSE AND DESCRIPTION					
<i>To ensure that all City streets, roadways, and alleys meet or exceed minimum condition standards set by the City Council.</i>					
FY 09 ACCOMPLISHMENTS					
Completed widening and reconstruction of Rush Creek Drive.					
Completed widening and reconstruction of Cove Ridge Road.					
White Road pavement widening and landscaping underway.					
STRATEGIES AND GOALS					
Continue to identify and prioritize roadway maintenance while increasing the storm water drainage system to prevent streets and structures from flooding.					
Work with all agencies for planning and funding of future roadway improvements with the Texas Department of Transportation, the North Central Texas Council of Governments and others.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Street Resurfacing (feet)	57,200	6,936	103,400	88,000	
Potholes Repaired	750	770	800	800	
Streets (miles)	145.84	145.84	145.84	175	
STREET EXPENDITURE SUMMARY					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 77,182	\$ 106,700	\$ 113,886	\$ 115,200	1%
Supplies & Services	139,412	100,000	111,044	131,800	16%
Operational	57,250	60,250	43,750	40,250	-9%
Materials & Equipment	1,564,725	135,225	85,725	50,725	-69%
Capital Outlay	250	10,250	4,750	250	-1800%

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STREETS 01-502



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>

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Streets Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
General Fund expenditures authorized for Streets Division						
502-101	Salaries	65,357	73,200	73,200	71,000	73,800
502-102	Health Insurance	10,957	14,986	14,986	14,000	16,800
502-103	Workers' Comp Insurance	2,911	4,800	4,800	2,770	3,300
502-104	Overtime	6,537	6,100	6,100	7,700	6,100
502-105	FICA	5,154	6,200	6,200	6,000	6,200
502-106	Retirement (TMRS)	8,597	8,200	8,200	8,400	8,600
502-107	Unemployment	0	400	400	0	400
	Total - Personnel Services	99,513	113,886	113,886	109,870	115,200
502-201	Electric Service	91,961	96,000	116,000	116,000	116,000
502-204	Telecommunications	0	1,100	1,100	470	1,600
502-220	Office Supplies	482	500	500	800	800
502-221	Postage & Freight	169	244	244	244	200
502-222	Printing & Photo	47	100	100	100	100
502-230	Dues/Subscriptions/Publication	0	500	500	0	500
502-231	Conferences & Training	18	1,000	500	0	1,000
502-232	Travel, Meals & Lodging	0	500	500	0	500
502-233	Medical Services	0	100	100	0	100
502-234	Uniforms	669	1,000	1,500	1,000	1,000
502-240	Subcontractor Repairs	6,306	10,000	10,000	10,000	10,000
	Total - Supplies & Services	99,652	111,044	131,044	128,614	131,800
502-311	Legal Publications/Advertising	528	1,000	1,000	0	1,000
502-342	Professional Fees/Consultants	4,788	5,000	5,000	6,000	5,000
502-343	Computer Maintenance Svcs	0	0	0	0	0
502-344	Engineering	14,605	10,000	8,000	8,000	8,000
502-353	Lot Mowing (Code Enforcement)	4,320	3,000	5,000	1,500	1,500
502-355	Landscape Maintenance	6,920	7,000	7,000	7,000	7,000
502-360	Other Operational Supplies	1,241	0	0	0	0
502-361	Storm Water Management	10,061	16,000	16,000	16,000	16,000
502-370	Maintenance & Repair Parts	1,388	1,500	1,500	1,500	1,500
502-399	Miscellaneous Expense	256	250	250	0	250
	Total - Operational Items	44,108	43,750	43,750	40,000	40,250
502-415	Hand Tools	1,275	1,500	1,500	1,500	1,500
502-420	Drainage Repairs & Improvement	-422	10,000	5,000	5,000	5,000
502-430	Street Repairs	77,953	50,000	20,000	20,000	20,000
502-431	Street Sign Repair & Maint	2,965	4,500	4,500	4,500	4,500
502-432	Sidewalk Maintenance	0	3,000	3,000	17,500	3,000
502-440	Equipment Repair & Maintenance	978	3,000	3,000	3,000	3,000
502-441	Auto Repair & Maintenance	757	2,500	2,500	2,500	2,500
502-442	Gas, Oil & Fuel	2,993	5,000	5,000	5,000	5,000
502-443	Structure Repair & Maintenance	3,347	1,225	1,225	0	1,225
502-450	Machinery/Equipment Rental	1,219	5,000	5,000	0	5,000
502-451	Street Improvements	0	0	0	0	0
	Total - Materials & Equipment	91,065	85,725	50,725	59,000	50,725

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Streets Division

	<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
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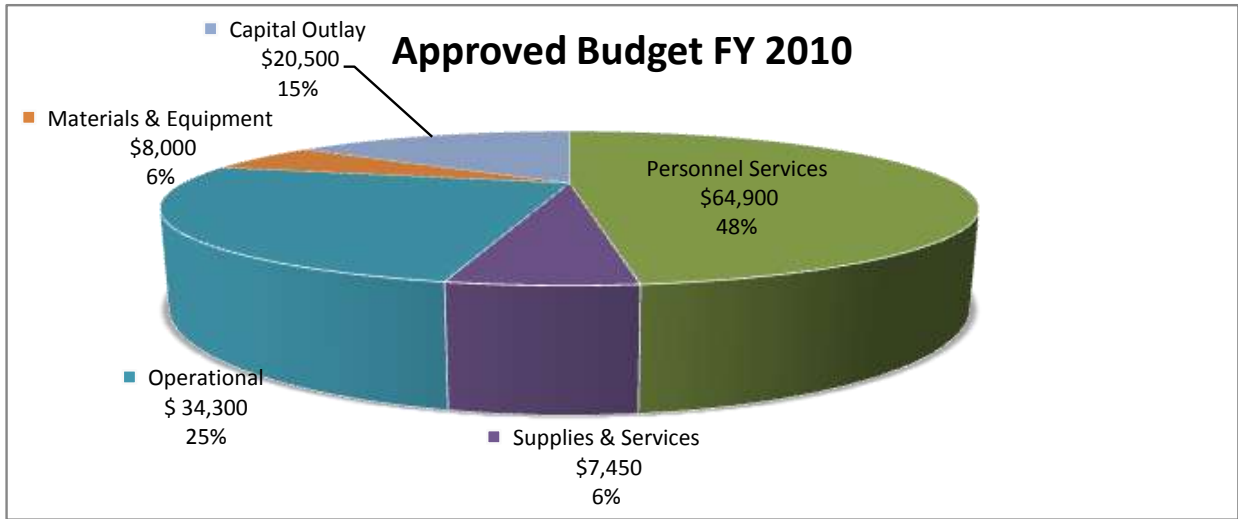
General Fund expenditures authorized for Streets Division

502-501	Office Furniture/Fixtures/Equip	0	250	250	0	250
502-502	Computer Equipment	0	2,500	2,500	0	0
502-512	Buildings	0	2,000	0	0	0
502-513	Land	0	0	0	0	0
	Total - Capital Outlay	0	4,750	2,750	0	250
	Total - Streets Division	334,338	359,155	342,155	337,484	338,225

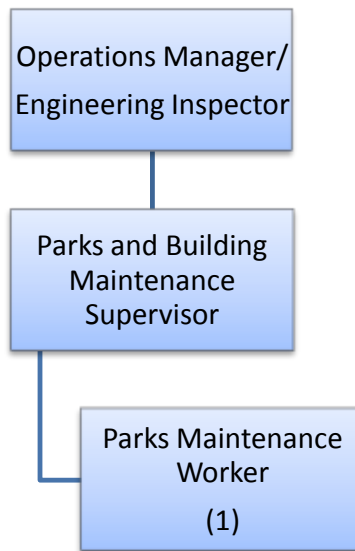
CITY OF HEATH
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FUND GENERAL	DEPARTMENT PARKS				ACCOUNT 504
PURPOSE AND DESCRIPTION					
<i>Create an opportunity to serve citizens with integrity and competence through proper management of city parks, open space, facilities, amenities and recreation services enhancing and promoting the "Quality of Life" for the citizens of our community through an enriching environment.</i>					
FY 09 ACCOMPLISHMENTS					
Grand Opening of Terry Park , a seven-acre water front, featuring a two-lane boat ramp with two courtesy docks, walking trails, landscaping, lighting features, a new restroom facility, paved parking and erosion control.					
STRATEGIES AND GOALS					
Clarify and make more efficient the development process while continuing to raise development standards, protect green space, maximize commercial and retail zoning opportunities, and ensure such development complements the neighborhoods throughout the community.					
Continue to maintain high aesthetic standards and implement such standards through a well-planned Comprehensive Plan to create an inviting and hometown image throughout the community.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Park Acreage Maintained	15	15	41	41	
Miles of Right-of-way mowing	50	75	100	2,000	
Playing field mowed May-Oct	30	30	30	30	
PARKS EXPENDITURE SUMMARY					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 83,954	\$ 55,200	\$ 65,384	\$ 64,900	-1%
Supplies & Services	15,200	9,450	10,889	7,450	-46%
Operational	33,350	30,050	21,300	34,300	38%
Materials & Equipment	6,700	6,700	8,000	8,000	0%
Capital Outlay	20,000	64,000	10,000	20,500	51%

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PARKS DEPARTMENT 01-504



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1	1	1	1
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

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Parks Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adpoted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Parks Division</i>						
504-101	Salaries	32,576	33,400	33,400	34,500	33,400
504-102	Health Insurance	20,390	16,712	13,812	14,500	15,600
504-103	Workers' Comp Insurance	1,399	1,672	1,672	966	1,500
504-104	Overtime	1,486	2,000	2,000	1,000	2,000
504-105	FICA	2,366	2,800	2,800	2,800	3,500
504-106	Retirement (TMRS)	4,752	3,700	3,700	3,700	3,800
504-107	Unemployment	0	300	300	0	300
504-109	Temporary Help	0	4,800	4,800	4,800	4,800
	<i>Total - Personnel Services</i>	<i>62,969</i>	<i>65,384</i>	<i>62,484</i>	<i>62,266</i>	<i>64,900</i>
504-201	Electric Service	98	2,000	2,000	2,000	1,500
504-203	Water Service	0	0	0	0	0
504-204	Telecommunications	0	3,995	3,995	2,400	1,100
504-212	Claims & Damage	0	0	0	0	0
504-220	Office Supplies	264	0	0	100	0
504-221	Postage & Freight	162	344	344	344	300
504-222	Printing & Photo	298	500	500	500	500
504-230	Dues/Subscriptions/Publication	300	150	150	150	150
504-231	Conferences & Training	0	500	500	500	500
504-232	Travel, Meals & Lodging	0	0	0	0	0
504-233	Medical Services	91	150	150	150	150
504-234	Uniforms	1,553	1,250	1,250	1,250	1,250
504-240	Subcontractor Repairs	0	2,000	2,000	2,000	2,000
	<i>Total - Supplies & Services</i>	<i>2,766</i>	<i>10,889</i>	<i>10,889</i>	<i>9,394</i>	<i>7,450</i>
504-311	Legal Publications/Advertising	0	300	300	300	300
504-330	Special Events	12,367	10,000	10,000	10,000	10,000
504-342	Professional Fees/Consultants	0	1,000	1,000	1,000	1,000
504-344	Engineering	0	1,000	1,000	1,000	1,000
504-350	Park Equipment Maintenance	48	3,000	3,000	3,000	0
504-353	Recreation Programming	0	1,000	1,000	1,000	1,000
504-355	Park Landscape Maintenance	590	2,000	2,000	2,000	13,000

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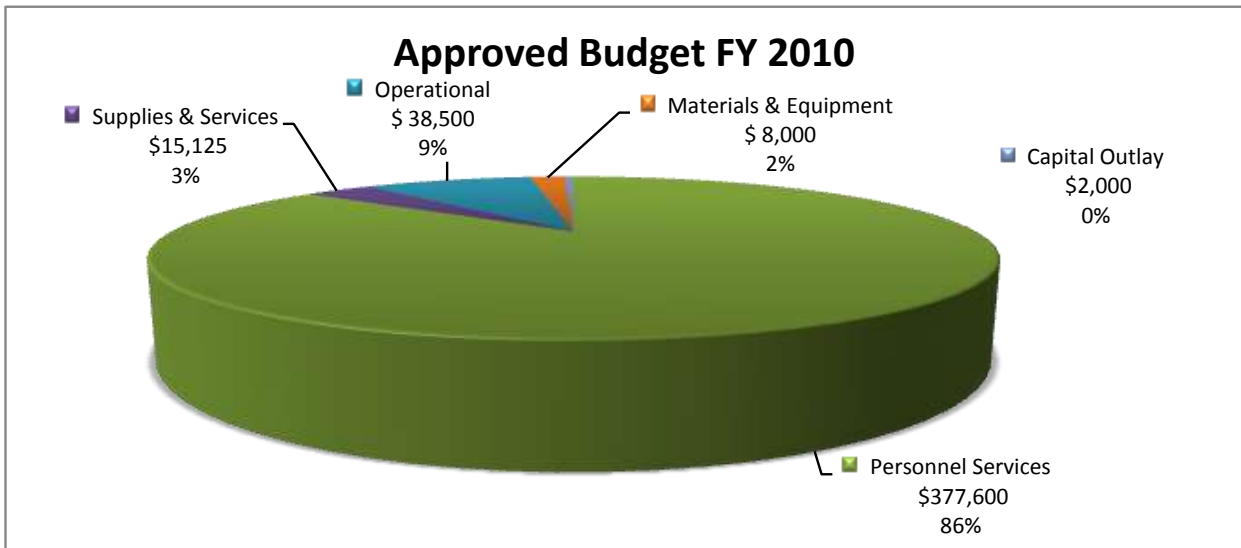
Parks Division

	<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
	<i>Actual</i>	<i>Adpoted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
		<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Parks Division</i>					
504-360 Other Operational Supplies	0	0	0	50	0
504-370 Maintenance & Repair Parts	1,016	3,000	3,000	3,000	8,000
504-399 Miscellaneous Expense	0	0	0	0	0
<i>Total - Operational Items</i>	<i>14,021</i>	<i>21,300</i>	<i>21,300</i>	<i>21,350</i>	<i>34,300</i>
504-415 Hand Tools	1,380	1,500	1,500	1,500	1,500
504-440 Equipment Repair & Maintenance	1,239	1,000	1,000	1,000	1,000
504-441 Auto Repair & Maintenance	1,043	1,000	1,000	1,000	1,000
504-442 Gas, Oil & Fuel	7,389	4,500	4,500	4,500	4,500
504-444 Chemicals	650	0	0	0	0
<i>Total - Materials & Equipment</i>	<i>11,701</i>	<i>8,000</i>	<i>8,000</i>	<i>8,000</i>	<i>8,000</i>
504-503 Mobile Equipment	28,779	0	0	0	0
504-504 Other Equipment	84	0	0	0	10,500
504-512 Buildings	0	0	0	0	0
504-513 Land Acquisition	0	0	0	0	0
504-517 Land Improvements	0	10,000	0	0	10,000
504-520 Capital	54,065	0	0	0	0
<i>Total - Capital Outlay</i>	<i>82,928</i>	<i>10,000</i>	<i>0</i>	<i>0</i>	<i>20,500</i>
<i>Total - Parks Division</i>	<i>174,385</i>	<i>115,573</i>	<i>102,673</i>	<i>101,010</i>	<i>135,150</i>

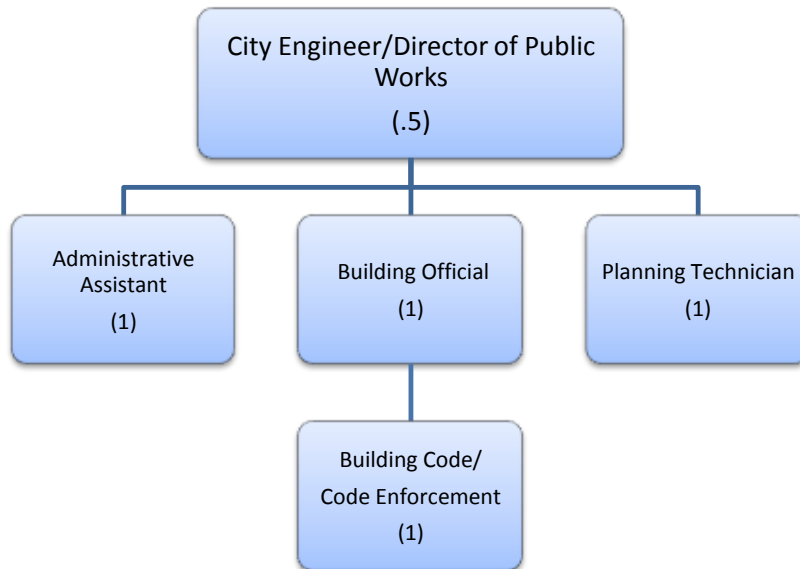
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FUND	DEPARTMENT		ACCOUNT		
GENERAL	ENGINEERING AND INSPECTION		506		
PURPOSE AND DESCRIPTION					
<i>Provide management, administrative, and engineering oversight and support for Public Works/Utilities division, including Water, Wastewater, Streets, Parks, Code Enforcement, Building Inspections.</i>					
FY 09 ACCOMPLISHMENTS					
Adoption and implementation of the federally mandated Storm Water Management Program (SWMP). Including the first and second year improvement progress status report.					
Completed construction of utilities infrastructure servicing a 75 acre tract of land jointly-owned by the City of Heath and MBC.					
Plat Public Works Center by rezoning, preliminary and final plat.					
Engineer and Construct portals for vehicle equipment housing on concrete pads.					
STRATEGIES AND GOALS					
Continually evaluate the Master Thoroughfare Plan to provide citizens with the optimum type, mode, and					
Continue to maintain high aesthetic standards and implement such standards through a well-planned Comprehensive Plan to create an inviting and hometown image throughout the community.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Building Permits Issued	106	142	23	40	
Building Inspections Conducted	905	597	698	800	
Projects reviewed	NA	NA	NA	75	
Permit Plan reviews	NA	NA	NA	70	
NA = Not Available					
ENGINEERING AND INSPECTION EXPENDITURE SUMMARY					
Description	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	%
Personnel Services	\$ 317,995	\$ 375,200	\$ 360,133	\$ 377,600	5%
Supplies & Services	18,436	12,975	13,730	15,125	9%
Operational	41,000	38,000	38,000	38,500	1%
Materials & Equipment	6,000	7,000	8,837	8,000	-10%
Capital Outlay	\$ 500	\$ 25,500	\$ 2,000	\$ 2,000	0%

**CITY OF HEATH
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PUBLIC WORKS ENGINEERING AND INSPECTION DEPARTMENT 01-506



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	3.5	4.5	4.5	4.5
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>3.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>

CITY OF HEATH
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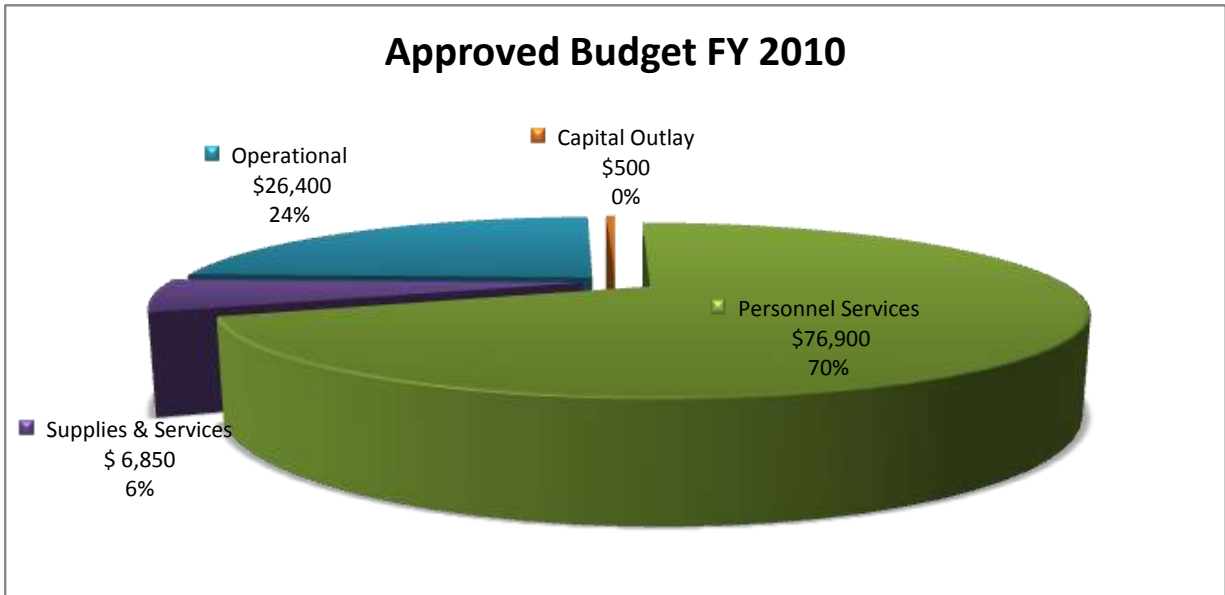
Engineering & Inspections Division

	<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
General Fund expenditures authorized for Engineering & Inspections Division					
506-101 Salaries	225,943	255,500	255,500	270,000	270,800
506-102 Health Insurance	36,411	51,948	51,948	52,000	52,500
506-103 Workers' Comp Insurance	1,812	2,285	2,285	1,321	1,700
506-104 Overtime	1,188	1,600	1,600	500	1,600
506-105 FICA	16,238	19,900	19,900	19,900	20,900
506-106 Retirement (TMRS)	27,725	27,900	27,900	28,900	29,100
506-107 Unemployment	0	1,000	1,000	0	1,000
Total - Personnel Services	309,317	360,133	360,133	372,621	377,600
506-204 Telecommunications	65	2,211	2,211	2,500	2,000
506-220 Office Supplies	4,771	1,500	1,500	1,500	1,800
506-221 Postage & Freight	457	544	544	1,300	1,800
506-222 Printing & Photo	710	3,000	3,000	2,000	3,000
506-230 Dues/Subscriptions/Publication	1,335	900	900	920	950
506-231 Conferences & Training	590	2,050	2,050	2,050	2,050
506-232 Travel, Meals & Lodging	1,279	2,300	2,300	2,300	2,300
506-233 Medical Services	0	450	450	450	450
506-234 Uniforms	637	775	775	700	775
Total - Supplies & Services	9,843	13,730	13,730	13,720	15,125
506-311 Legal Publications/Advertising	1,393	3,000	2,000	500	3,000
506-342 Professional Fees/Consultants	500	7,000	4,500	2,000	4,500
506-344 Engineering	21,308	10,000	8,500	5,000	8,500
506-349 Contract Inspections	14,670	5,000	7,000	1,000	8,000
506-353 Code Enforcement	7,935	0	0	2,000	1,500
506-355 Contract Drafting	4,055	10,000	10,000	7,500	10,000
506-399 Miscellaneous Expense	600	3,000	2,000	1,000	3,000
Total - Operational Items	50,461	38,000	34,000	19,000	38,500
506-415 Hand Tools	214	500	500	500	500
506-441 Auto Repair & Maintenance	582	1,000	1,000	1,000	1,000
506-442 Gas, Oil & Fuel	8,107	6,500	6,500	6,500	6,500
506-443 Structure Repair & Maintenance	781	837	837	837	0
Total - Materials & Equipment	9,683	8,837	8,837	8,837	8,000
506-501 Office Furniture/Fixtures/Equip	1,187	500	500	500	500
506-502 Computer Equipment	0	1,500	1,500	1,500	1,500
506-503 Mobile Equipment	27,163	0	0	0	0
Total - Capital Outlay	28,350	2,000	2,000	2,000	2,000
Total - Engineering & Inspections Division	407,656	422,700	418,700	416,178	441,225

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND GENERAL	DEPARTMENT MUNICIPAL COURT				ACCOUNT 508	
PURPOSE AND DESCRIPTION						
<i>Assist the public in a positive and friendly manner that assures fair and quality service. To provide professional court proceedings which follow all applicable laws and ensure the rights of all persons are observed.</i>						
FY 09 ACCOMPLISHMENTS						
Updated and enforced court dress code and proper court etiquette.						
Restructured case files to ensure time payment fee assessed on all cases no paid in full within the first 30 days.						
Reduced failure to appear ratio with enhanced mailing notification.						
Four jury trials held August 24, 2009.						
Current collection of fines, fees and court costs increased 16.5% compared to last year for the period of January 1 to November 1.						
STRATEGIES AND GOALS						
Utilize and integrate ticket writers with court system to ensure data accuracy.						
Continually improve municipal court policy and procedures for equality and efficiency.						
Continually develop ways to educate and communicate with the public will all facets of municipal court.						
Continually foster an environment for the safety of defendants and court personnel.						
PERFORMANCE INDICATORS						
	FY 2006	FY 2007	FY 2008	FY 2009		
Citations (Number)	766	794	893	639		
Jury Trial	0	0	1	3		
Warrants Issued	71	254	388	101		
Warrants Released	115	81	154	52		
MUNICIPAL COURT EXPENDITURE SUMMARY						
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>	
Personnel Services	\$ 40,764	\$ 56,750	\$ 61,030	\$ 76,900	21%	
Supplies & Services	2,000	3,500	4,935	6,850	28%	
Operational	38,050	24,050	27,525	26,400	-4%	
Capital Outlay	4,000	1,000	-	500	-100%	

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



MUNICIPAL COURT 01-508

Citizens, Mayor and City Council

Municipal Judge

Finance Director

Municipal Court Clerk
(1)

FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1	1	1	1
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

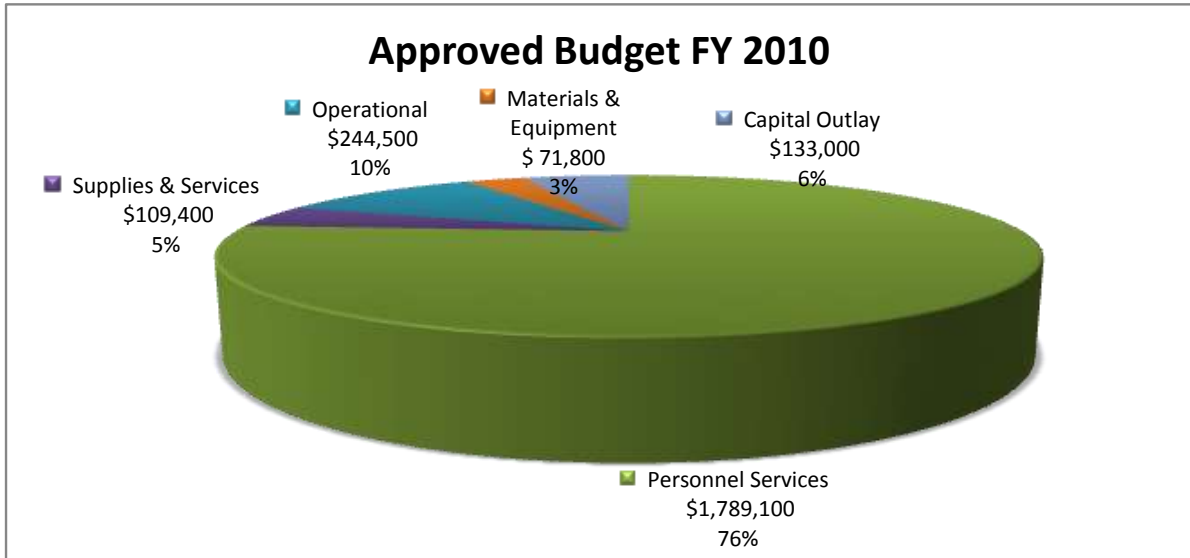
Municipal Court

		<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
<i>General Fund expenditures authorized for Municipal Court Division</i>						
508-101	Salaries	45,735	45,900	45,900	45,900	58,200
508-102	Health Insurance	6,046	6,000	9,000	8,800	6,600
508-103	Workers' Comp Insurance	232	230	230	134	500
508-104	Overtime	121	200	200	200	500
508-105	FICA	3,445	3,600	3,600	3,600	4,600
508-106	Retirement (TMRS)	5,633	4,800	4,800	4,800	6,000
508-107	Unemployment	0	300	300	0	500
	<i>Total - Personnel Services</i>	<i>61,213</i>	<i>61,030</i>	<i>64,030</i>	<i>63,434</i>	<i>76,900</i>
508-204	Telecommunications	0	1,091	1,091	650	1,000
508-220	Office Supplies	770	900	1,150	2,500	2,500
508-221	Postage & Freight	863	944	944	944	1,000
508-222	Printing & Photo	243	400	400	450	500
508-230	Dues/Subscriptions/Publication	228	300	50	0	100
508-231	Conferences & Training	550	300	300	150	500
508-232	Travel, Meals, & Lodging	229	200	200	0	250
508-251	ETS Credit Card Charges	939	800	800	920	1,000
	<i>Total - Supplies & Services</i>	<i>3,821</i>	<i>4,935</i>	<i>4,935</i>	<i>5,614</i>	<i>6,850</i>
508-334	Professional Services/ Judges	8,450	9,000	9,000	8,400	10,500
508-335	Jury Expenses	0	1,000	1,000	1,000	1,000
508-342	Professional Court Services	8,743	16,275	13,775	11,775	13,900
508-351	State Court Fees	0	0	0	0	0
508-352	Warrant Officer Expense	0	500	500	0	500
508-360	Other Operational Supplies	0	250	250	0	0
508-399	Miscellaneous Expense	41	500	500	500	500
	<i>Total - Operational Items</i>	<i>17,233</i>	<i>27,525</i>	<i>25,025</i>	<i>21,675</i>	<i>26,400</i>
508-501	Office Furniture/Fixtures/Equipment	0	0	0	0	500
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>500</i>
	<i>Total - Municipal Court Division</i>	<i>82,268</i>	<i>93,490</i>	<i>93,990</i>	<i>90,723</i>	<i>110,650</i>

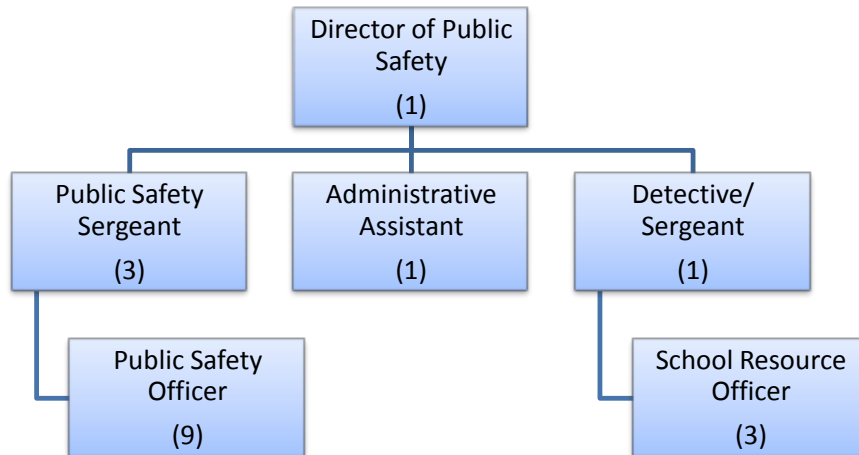
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND GENERAL	DEPARTMENT PUBLIC SAFETY	ACCOUNT 509			
PURPOSE AND DESCRIPTION					
<i>Provide quality law enforcement and fire services to the community including fire extinguishment, rescue, emergency medical treatment, fire prevention, education and safety training.</i>					
FY 09 ACCOMPLISHMENTS					
<p>Two Ticket writers and software were received. Officer training testing and training will follow.</p> <p>Established Alarm Permit RMS Tracking for False Alarm Billing.</p>					
STRATEGIES AND GOALS					
<p>Continue to develop ways to educate and communicate with the public with all facets of public safety.</p> <p>Continually foster a community environment where citizens are safe and feel safe.</p> <p>Maintain a high quality emergency response system that utilizes best practices and involves citizen volunteers.</p>					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Average Response Time (minutes)	N/A	5.04	5.04	5.04	
Police					
Physical Arrests	80	84	53	58	
Burglary	23	23	38	14	
Robbery	1	0	0	0	
Theft	82	82	54	48	
Traffic Violations	112	170	189	147	
Fire					
Emergency Responses	151	253	316	149	
Fires Extinguished	6	9	9	7	
Inspections	24	30	48	52	
PUBLIC SAFETY					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 1,241,286	\$ 1,768,700	\$ 1,889,509	\$ 1,789,100	-6%
Supplies & Services	106,350	93,900	126,744	109,400	-16%
Operational	38,050	24,050	18,500	244,500	92%
Materials & Equipment	60,500	70,300	75,800	71,800	-6%
Capital Outlay	121,000	83,500	138,775	133,000	-4%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



PUBLIC SAFETY 01-509



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	15	19	20	18
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>15</u>	<u>19</u>	<u>20</u>	<u>18</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Public Safety Division

	<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
General Fund expenditures authorized for Public Safety Division					
509-101 Salaries	1,216,606	1,288,900	1,243,900	1,271,900	1,197,000
509-101 Retiree Payout (Included in Salaries)	0	0			0
509-102 Health Insurance	179,980	216,254	206,254	201,000	209,200
509-103 Workers' Comp Insurance	48,619	68,755	68,755	39,711	47,800
509-104 Overtime	41,428	55,000	55,000	55,000	75,000
509-105 FICA	92,554	103,200	103,200	103,200	98,900
509-106 Retirement (TMRS)	156,225	138,300	138,300	144,500	137,700
509-107 Unemployment	0	4,100	4,100	0	3,700
509-110 Certification Compensation	15,436	15,000	15,000	17,000	19,800
509-111 VFD Incentive Compensation	935	0	0	0	0
509-112 PSO Incentive	0	0	0	0	0
Total - Personnel Services	1,751,785	1,889,509	1,834,509	1,832,311	1,789,100
509-201 Electric Service	3,559	3,200	6,200	6,200	6,200
509-204 Telecommunications	0	22,650	19,300	18,000	12,600
509-210 Property & Liability Insurance	0	9,850	10,200	10,200	11,600
509-211 VFD Benefit Ins/Retirement	50	0	0	0	0
509-220 Office Supplies	4,070	3,800	3,800	3,800	3,800
509-221 Postage & Freight	489	744	744	744	700
509-222 Printing & Photo	1,994	3,000	3,000	3,000	2,000
509-224 Janitorial Services & Supplies	0	500	500	500	500
509-225 Crime Prevention	3,162	4,500	4,500	4,500	4,000
509-230 Dues/Subscriptions/Publication	5,513	5,000	5,000	5,000	5,500
509-231 Conferences & Training	15,130	20,000	15,000	15,000	15,000
509-232 Travel, Meals, Lodging	3,897	15,000	8,000	8,000	12,000
509-233 Medical Supplies	1,028	2,500	2,500	2,500	2,500
509-234 Uniforms	10,134	18,000	13,000	13,000	15,000
509-235 Heavy Uniform Equipment	12,939	18,000	13,000	13,000	18,000
Total - Supplies & Services	61,965	126,744	104,744	103,444	109,400
509-311 Legal Publications/Advertising	169	1,000	1,000	500	1,000
509-330 Special Events	2,367	3,500	1,000	1,000	3,000
509-331 Crime Scene Expenses	1,597	2,000	2,000	2,000	2,000
509-332 Radio Maint & Operations (InterLocal)	28,854	71,000	53,000	53,000	53,000
509-342 Professional Fees / Consultant	714	1,000	1,000	1,000	1,000
509-346 Jail Services	1,117	5,000	5,000	5,000	4,000
509-347 Communications / Dispatch (InterLocal)	52,524	68,000	68,000	68,000	80,000
509-348 Animal Control (InterLocal)	40,823	42,500	42,500	42,500	48,500
509-357 EMS Contract Fees (InterLocal)	31,219	32,000	32,000	32,000	32,000
509-360 Other Operational Supplies	403	3,000	3,000	3,000	3,000
509-364 Emergency Mgmt Services (InterLocal)	12,046	16,000	16,000	16,000	16,000
509-399 Miscellaneous Expense	1,164	3,000	3,000	3,000	1,000
Total - Operational Items	172,996	248,000	227,500	227,000	244,500
509-415 Hand Tools	2,931	10,000	5,000	5,000	10,000
509-440 Equipment Repair & Maintenance	3,743	6,800	6,800	6,800	6,800
509-441 Auto Repair & Maintenance	25,611	20,000	20,000	20,000	20,000

CITY OF HEATH
Annual Operating Budget
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Public Safety Division

	<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
<i>General Fund expenditures authorized for Public Safety Division</i>					
509-442 Gas, Oil & Fuel	35,491	34,000	34,000	30,000	30,000
509-443 Structure Repair & Maintenance	4,964	5,000	5,000	5,000	5,000
<i>Total - Materials & Equipment</i>	<i>72,740</i>	<i>75,800</i>	<i>70,800</i>	<i>66,800</i>	<i>71,800</i>
509-501 Office Furniture/Fixtures/Equip	2,980	6,500	4,000	4,000	4,000
509-502 Computer Equipment	595	18,375	18,375	20,000	0
509-503 Mobile Equipment	1,550	15,000	10,000	10,000	15,000
509-504 Firefighting Equipment	4,258	12,000	12,000	12,000	12,000
509-511 Police Vehicle Accessory Equip	23,587	24,000	24,000	24,000	48,000
509-512 Animal Shelter	0	35,900	0	0	0
509-532 Vehicles	43,598	27,000	27,000	27,000	54,000
509-533 Pistols	0	0	0	0	0
<i>Total - Capital Outlay</i>	<i>76,568</i>	<i>138,775</i>	<i>95,375</i>	<i>97,000</i>	<i>133,000</i>
<i>Total - Public Safety Division</i>	<i>2,136,053</i>	<i>2,478,828</i>	<i>2,332,928</i>	<i>2,326,555</i>	<i>2,347,800</i>

CITY OF HEATH
Annual Operating Budget
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FUND GENERAL	DEPARTMENT CITY COUNCIL	ACCOUNT 540
PURPOSE AND DESCRIPTION		
<p><i>Provide leadership for the City of Heath, oversee management to ensure effective operation of the local government; make decisions regarding legislative, financial and legal matters; establish policy; formulate programs; measure the effectiveness of the delivery of municipal services; evaluate and prepare for optimal residential and commercial development; preserve, maintain and improve the City's financial resources and capital assets.</i></p>		
FY 09 ACCOMPLISHMENTS		
<p>Election held for Council Place 6. City Council is now comprised of seven members elected at large.</p> <p>Participated in cooperative efforts with TX DOT, Rockwall County and neighboring communities to improve transportation on FM 740.</p> <p>Heath City Council and Park Board members hosted a ceremonial opening of the renovated Terry Park.</p> <p>Twitter, Facebook and Flickr enhance communication of news and announcements for the City of Heath.</p>		
STRATEGIES AND GOALS		
<p>Establish framework to encourage residential and commercial development conducive to recreational, cultural and social opportunities; support neighborhood and community events; provide a diversification of tax base consistent with the goals established in the 2008 Comprehensive Plan.</p> <p>Guide planning decisions with a commitment to open spaces, trails, pathways, connectivity among residential developments, commercial establishments, parks, and public locations as desired by the Heath citizens.</p> <p>Allocate resources to responsibly manage public funds and debt; provide for daily operations; provide for the general protection of the health, welfare and safety of Heath citizens.</p> <p>Promote effective and timely delivery of high-quality services, allocate resources to meet the current and future needs of the community.</p> <p>Provide highly qualified personnel properly trained and motivated to serve the residents of Heath.</p>		

CITY OF HEATH
Annual Operating Budget
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PERFORMANCE INDICATORS

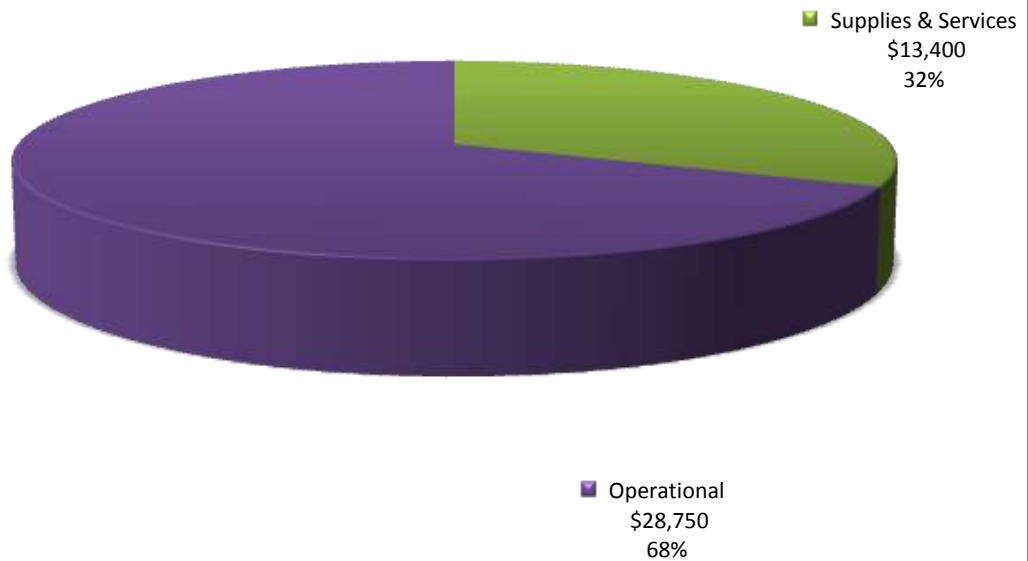
	FY 2006	FY 2007	FY 2008	FY 2009
Council Meetings with 100% Council Attendance	NA	NA	NA	18
Board and Commission applications received	NA	NA	NA	15
Zoning items considered	NA	NA	NA	19
Citizens heard at Council meetings	NA	NA	NA	35

NA = Not Available

CITY COUNCIL

<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Supplies & Services	\$ 8,550	\$ 26,750	\$ 15,550	\$ 13,400	-16%
Operational	20,000	20,500	25,300	28,750	12%

Approved Budget FY 2010



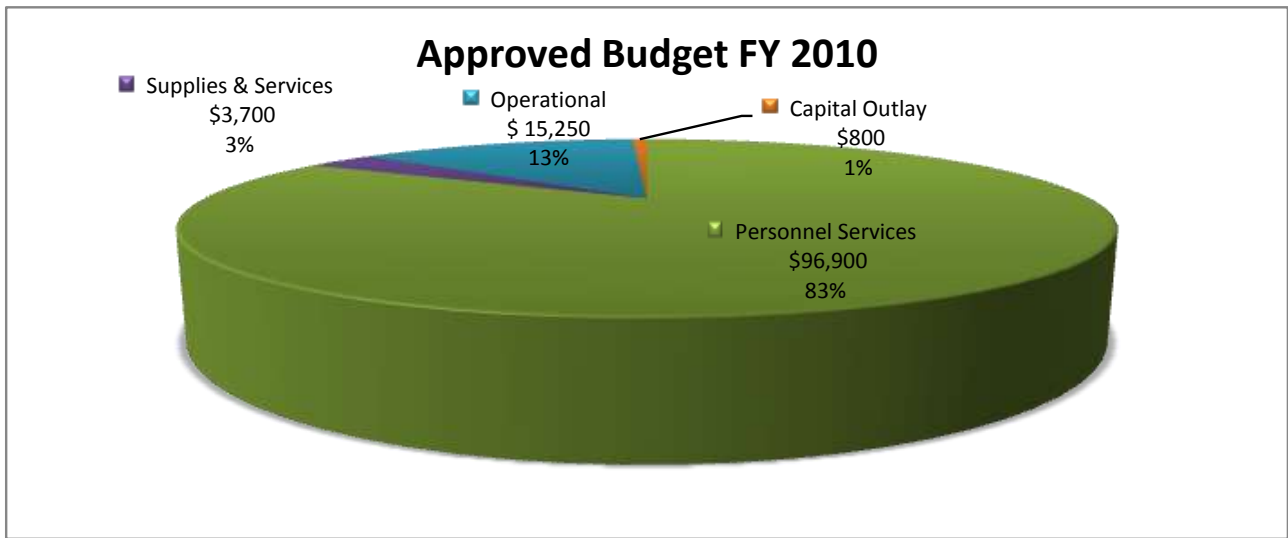
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

City Council		<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
<i>General Fund expenditures authorized for City Council Division</i>						
540-204	Telecommunications	0	5,000	5,000	5,000	5,500
540-220	Office Supplies	313	350	350	350	250
540-221	Postage & Freight	45	100	100	100	100
540-222	Printing & Photo	0	50	50	50	50
540-230	Dues/Subscriptions/Publications	0	50	50	50	0
540-231	Conferences & Training	7,757	2,500	1,000	1,000	2,500
540-232	Travel, Meals, Lodging	16,671	7,500	5,000	5,000	5,000
	<i>Total - Supplies & Services</i>	<i>24,786</i>	<i>15,550</i>	<i>11,550</i>	<i>11,550</i>	<i>13,400</i>
540-340	Audit Services	20,500	25,300	25,300	25,300	28,750
540-360	Other Operational Supplies	0	0	0	0	0
	<i>Total - Operational Items</i>	<i>20,500</i>	<i>25,300</i>	<i>25,300</i>	<i>25,300</i>	<i>28,750</i>
	<i>Total - City Council Division</i>	<i>45,286</i>	<i>40,850</i>	<i>36,850</i>	<i>36,850</i>	<i>42,150</i>

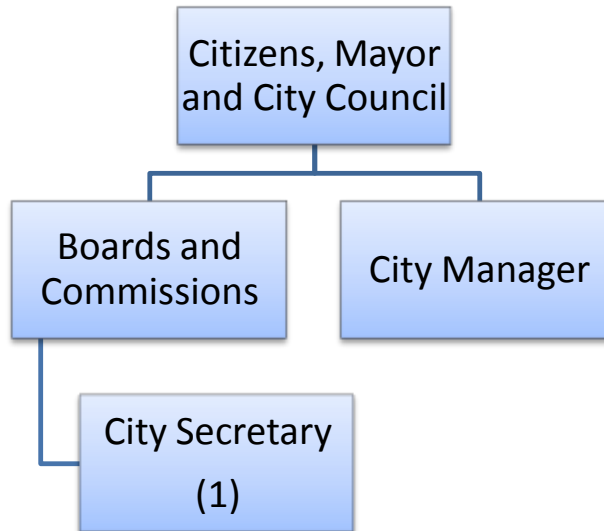
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND GENERAL	DEPARTMENT CITY SECRETARY	ACCOUNT 543			
PURPOSE AND DESCRIPTION					
<i>Facilitate, support, and enhance official council business and communications between the council, staff, press, and the citizens through preparation of City Council agendas, meetings, and minutes; elections; open records requests, and records management.</i>					
FY 09 ACCOMPLISHMENTS					
Managed codification process for Code of Ordinances.					
Facilitated Code of Ordinances online availability.					
STRATEGIES AND GOALS					
Continue to update record's storage, retrieval and destruction procedures.					
Implement E-mail Retention Policy.					
Prepare request to USPS for Heath Zip Code Boundary Adjustment.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Agendas and Meeting packets prepared	NA	NA	52	52	
Ordinances prepared	NA	NA	29	25	
Proclamations prepared	NA	NA	12	11	
Resolutions prepared	NA	NA	38	45	
Elections administered	1	1	2	1	
Minutes submitted and approved at next Council Meeting	NA	NA	27	27	
Public Information requests	NA	NA	NA	30	
NA = Not Available					
CITY SECRETARY					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 70,018	\$ 90,900	\$ 97,647	\$ 96,900	-1%
Supplies & Services	6,500	5,950	5,835	3,700	-58%
Operational	28,000	16,000	18,500	15,250	-21%
Capital Outlay	2,000	1,000	1,000	800	-25%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



CITY SECRETARY 01-543



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1	1	1	1
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

City Secretary

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for City Secretary Division</i>						
543-101	Salaries	68,906	72,600	72,600	72,600	72,000
543-102	Health Insurance	9,257	11,285	11,285	10,285	10,900
543-103	Workers Comp Insurance	323	362	362	209	400
543-105	FICA	4,923	5,600	5,600	5,600	5,600
543-106	Retirement (TMRS)	8,454	7,500	7,500	7,800	7,700
543-107	Unemployment	0	300	300	0	300
543-109	Temporary Help	0	0	0	0	0
	<i>Total - Personnel Services</i>	<i>91,862</i>	<i>97,647</i>	<i>97,647</i>	<i>96,494</i>	<i>96,900</i>
543-204	Telecommunications	0	1,091	1,091	600	700
543-220	Office Supplies	882	700	700	700	600
543-221	Postage & Freight	288	444	444	400	350
543-222	Printing & Photo	279	700	700	700	500
543-230	Dues/Subscriptions/Publications	945	900	900	450	300
543-231	Conferences & Training	1,095	1,000	800	400	750
543-232	Travel, Meals, Lodging	67	1,000	500	250	500
	<i>Total - Supplies & Services</i>	<i>3,556</i>	<i>5,835</i>	<i>5,135</i>	<i>3,500</i>	<i>3,700</i>
543-310	Filing Fees	3,485	2,000	2,000	2,500	2,250
543-311	Legal Publications/Advertising	3,019	3,000	3,000	3,000	3,000
543-320	Elections	75	11,000	15,000	15,314	7,500
543-342	Professional Fees/ Consultants	4,019	2,500	2,500	2,500	2,500
543-365	Community Events	0	0	0	0	0
543-370	Maintenance & Repair Parts	144	0	0	0	0
543-399	Miscellaneous Exp.	0	0	0	0	0
	<i>Total - Operational Items</i>	<i>10,742</i>	<i>18,500</i>	<i>22,500</i>	<i>23,314</i>	<i>15,250</i>
543-501	Office Furniture/Fixtures/Equipment	977	1,000	800	400	800
	<i>Total - Capital Outlay</i>	<i>977</i>	<i>1,000</i>	<i>800</i>	<i>400</i>	<i>800</i>
	<i>Total - City Secretary Division</i>	<i>107,136</i>	<i>122,982</i>	<i>126,082</i>	<i>123,708</i>	<i>116,650</i>

CITY OF HEATH
Annual Operating Budget
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City Attorney

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for City Attorney Division</i>						
546-221	Postage & Freight	0	0	0	0	0
	<i>Total - Supplies & Services</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
546-341	Legal Services	35,390	40,000	36,000	36,000	36,000
	<i>Total - Operational Items</i>	<i>35,390</i>	<i>40,000</i>	<i>36,000</i>	<i>36,000</i>	<i>36,000</i>
	<i>Total - City Attorney Division</i>	<i>35,390</i>	<i>40,000</i>	<i>36,000</i>	<i>36,000</i>	<i>36,000</i>

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CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
GENERAL	CITY MANAGER	552

PURPOSE AND DESCRIPTION

Responsible for the provision of municipal services through leadership and direction, including: implementation of City Council vision and goals; direction of departments and administrative functions; provision of day-to-day leadership in policy development and implementation; management of quality assurance for efficient and equitable delivery of City services; initiation and development of short and long-term special projects; oversight of the annual budget process; management of the City's inter-governmental relations and public information functions and the provision of executive-level direction and support for economic development projects.

FY 09 ACCOMPLISHMENTS

- Developed and implemented Lake Ray Hubbard Take Area Subleasing Program.
- Introduced enhanced City website that is more user-friendly and informative.
- Directed the annexation of 363 acres and execution of 212 Development Agreements on approximately 800 acres.
- Coordinated community special events including the Independence Day Parade, Holiday in the Park and Heart of Heath 5K run.

STRATEGIES AND GOALS

- Continue to foster a team culture of employee involvement and staff development; recruiting and retaining the highest-quality staff possible.
- Provide executive-level support to elected and appointed Boards and Commissions who serve our community, coordinating resource allocation to implement and communicate the City Council's identified goals and objectives.
- Monitor and analyze demographic characteristics to plan accordingly for future growth and service level requirements.
- Evaluate facility requirements to plan appropriately for development of capital improvements, municipal infrastructure and buildings.

PERFORMANCE INDICATORS

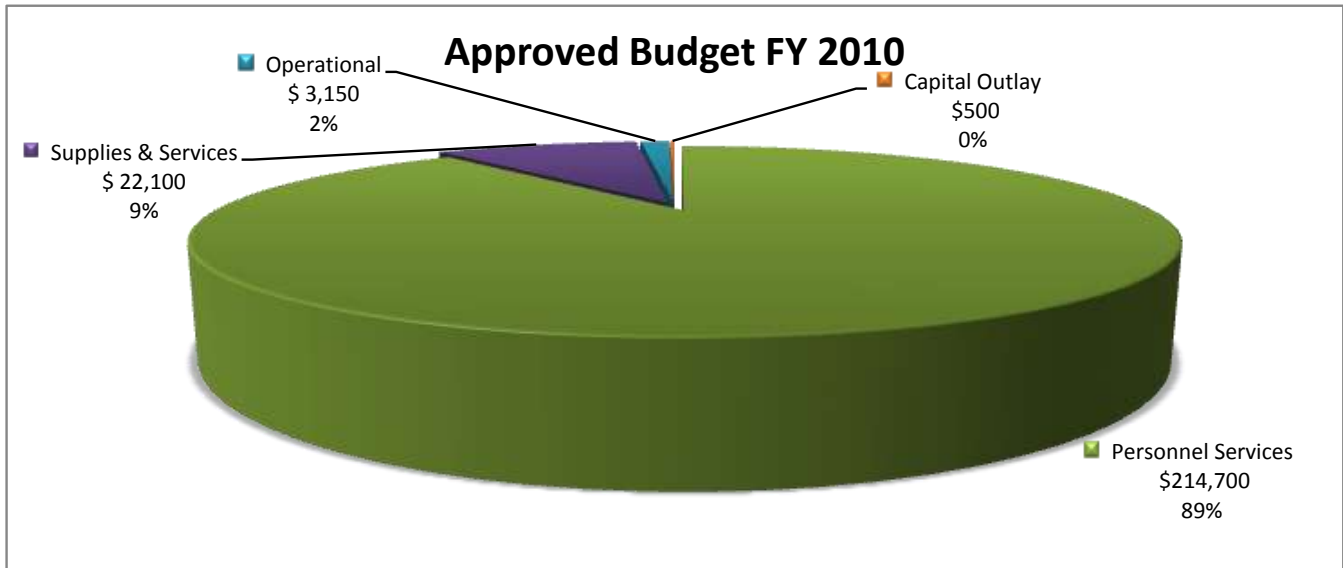
	FY 2006	FY 2007	FY 2008	FY 2009
Newsletters to Council, Staff, and citizens	12	12	12	12
Press releases issued	24	36	48	46
Meetings with local entities	NA	80	100	100
Monthly financial reports to Council	12	12	12	12

NA = Not Available

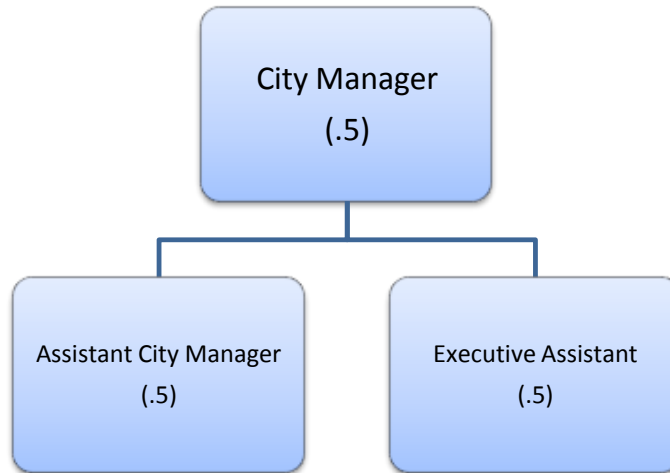
CITY MANAGER

<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 165,757	\$ 238,000	\$ 253,501	\$ 214,700	-18%
Supplies & Services	39,500	39,100	27,203	22,100	-23%
Operational	33,500	9,000	6,000	3,150	-90%
Capital Outlay	5,000	2,000	1,000	500	-100%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



CITY MANAGER 01-552



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	2	2	2	1.5
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1.5</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

City Manager

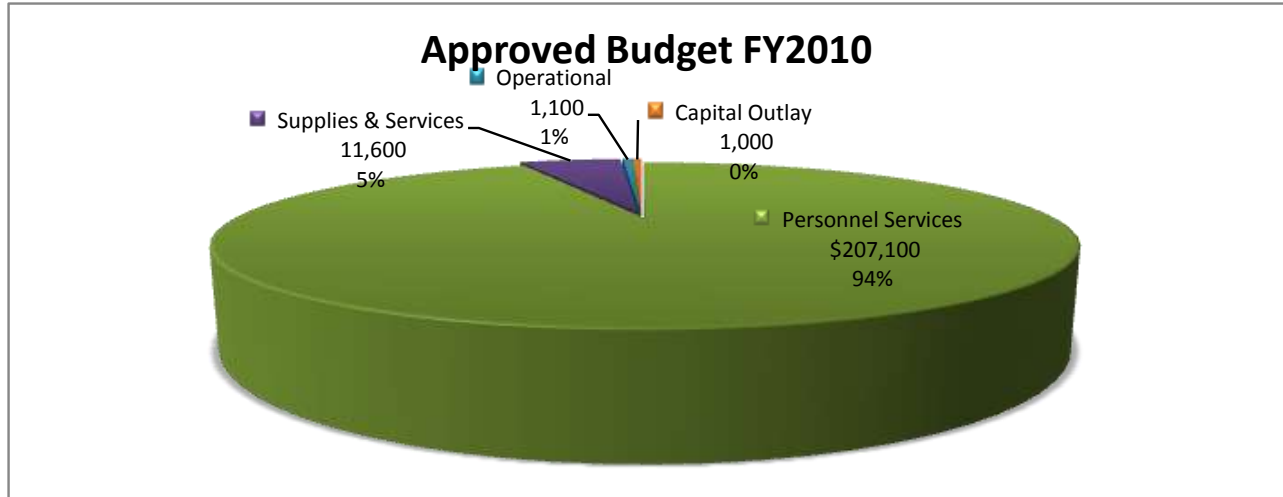
		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for City Manager Division</i>						
552-101	Salaries	185,776	191,700	191,700	194,400	162,000
552-102	Health Insurance	20,320	25,642	25,642	23,000	21,500
552-103	Workers' Comp Insurance	697	959	959	553	600
552-104	Overtime	475	300	300	300	300
552-105	FICA	12,000	14,700	14,700	14,000	12,500
552-106	Retirement (TMRS)	22,842	19,700	19,700	21,100	17,300
552-107	Unemployment	0	500	500	0	500
	<i>Total - Personnel Services</i>	<i>242,111</i>	<i>253,501</i>	<i>253,501</i>	<i>253,353</i>	<i>214,700</i>
552-204	Telecommunications	0	1,909	1,909	600	2,000
552-220	Office Supplies	3,170	4,000	3,000	3,000	2,500
552-221	Postage & Freight	474	794	794	794	700
552-222	Printing & Photo	834	500	500	250	400
552-230	Dues/Subscriptions/Publication	5,915	4,000	4,000	4,100	4,000
552-231	Conferences & Training	9,390	6,000	5,400	5,400	4,500
552-232	Travel, Meals & Lodging	15,203	10,000	9,000	9,000	8,000
	<i>Total - Supplies & Services</i>	<i>34,987</i>	<i>27,203</i>	<i>24,603</i>	<i>23,144</i>	<i>22,100</i>
552-311	Legal Publications/Advertising	140	500	500	500	200
552-312	Newsletter	0	0	0	0	0
552-342	Professional Fees/Consultants	190	3,000	1,500	1,500	1,000
552-360	Other Operational Supplies	1,374	1,000	1,000	1,000	750
552-365	Community Events	0	0	0	0	0
552-399	Miscellaneous Expense	1,796	1,500	1,500	1,500	1,200
	<i>Total - Operational Items</i>	<i>3,500</i>	<i>6,000</i>	<i>4,500</i>	<i>4,500</i>	<i>3,150</i>
552-442	Gas, Oil & Fuel	0	0	0	100	0
	<i>Total - Materials & Equipment</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>100</i>	<i>0</i>
552-501	Office Furniture/Fixtures/Equipment	892	1,000	800	800	500
552-502	Computer Equipment	0	0	0	0	0
	<i>Total - Capital Outlay</i>	<i>892</i>	<i>1,000</i>	<i>800</i>	<i>800</i>	<i>500</i>
	<i>Total - City Manager Division</i>	<i>281,490</i>	<i>287,704</i>	<i>283,404</i>	<i>281,897</i>	<i>240,450</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

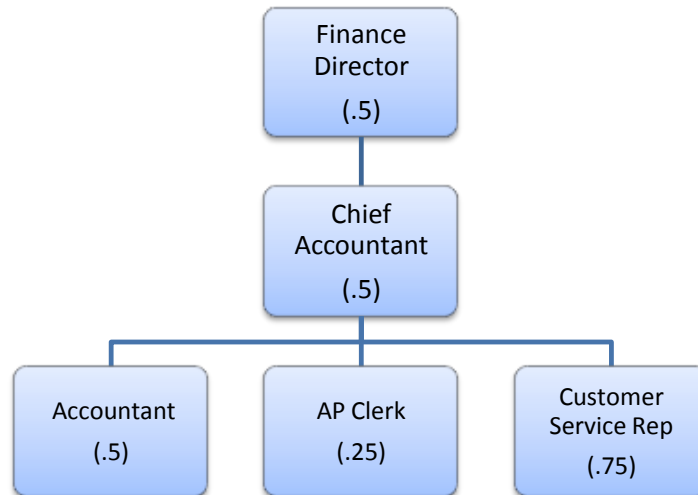
FUND	DEPARTMENT	ACCOUNT		
GENERAL	FINANCE	555		
PURPOSE AND DESCRIPTION				
<i>Provide high quality financial leadership, exercise fiduciary oversight, enhance customer service and promote public accountability.</i>				
FY 09 ACCOMPLISHMENTS				
First submission for GFOA Distinguished Budget Presentation Awards Program.				
First Comprehensive Annual Financial Reporting compiled.				
First submission for GFOA Comprehensive Annual Financial Statement Award Program.				
GTOT Investment Policy Certificate of Distinction received for fifth consecutive year.				
Received a second bond rating upgrade from Standard's and Poor.				
STRATEGIES AND GOALS				
Examine and implement measures to respond to annual audit recommendations.				
Protect the City's policy making ability by ensuring that important policy decisions are not controlled by financial challenges or emergencies.				
Assist sound management of the City by providing accurate and timely information on financial condition.				
Protect and enhance the City's credit rating and prevent default on any municipal debts.				
Ensure the legal use of all City funds through a good system of financial security and internal control.				
Ensure compliance with regulatory agencies, grant and bond covenants, and accounting standards.				
PERFORMANCE INDICATORS				
	FY 2006	FY 2007	FY 2008	FY 2009
Close Financial by the 10th of next month	NA	NA	80%	92%
GFOA Budget Award	NA	NA	No	Applied
GFOA CAFR Award	NA	NA	No	Applied
Investment Policy Certification	Yes	Yes	Yes	Yes
Audit Findings	NA	2	0	NA
NA = Not Available				

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

FINANCE					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/Decrease</i>
Personnel Services	\$ 174,936	\$ 251,800	\$ 237,127	\$ 207,100	-14%
Supplies & Services	23,000	22,500	11,886	11,600	-2%
Operational	-	365	1,100	1,100	0%
Capital Outlay	12,500	5,000	1,500	1,000	-50%



FINANCE 01-555



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	2.5	3	2.5	2
Continuous Part-Time	0.5	0.5	1.0	0.5
Seasonal	-	-	-	-
<i>Total</i>	<u>3</u>	<u>3.5</u>	<u>3.5</u>	<u>2.5</u>

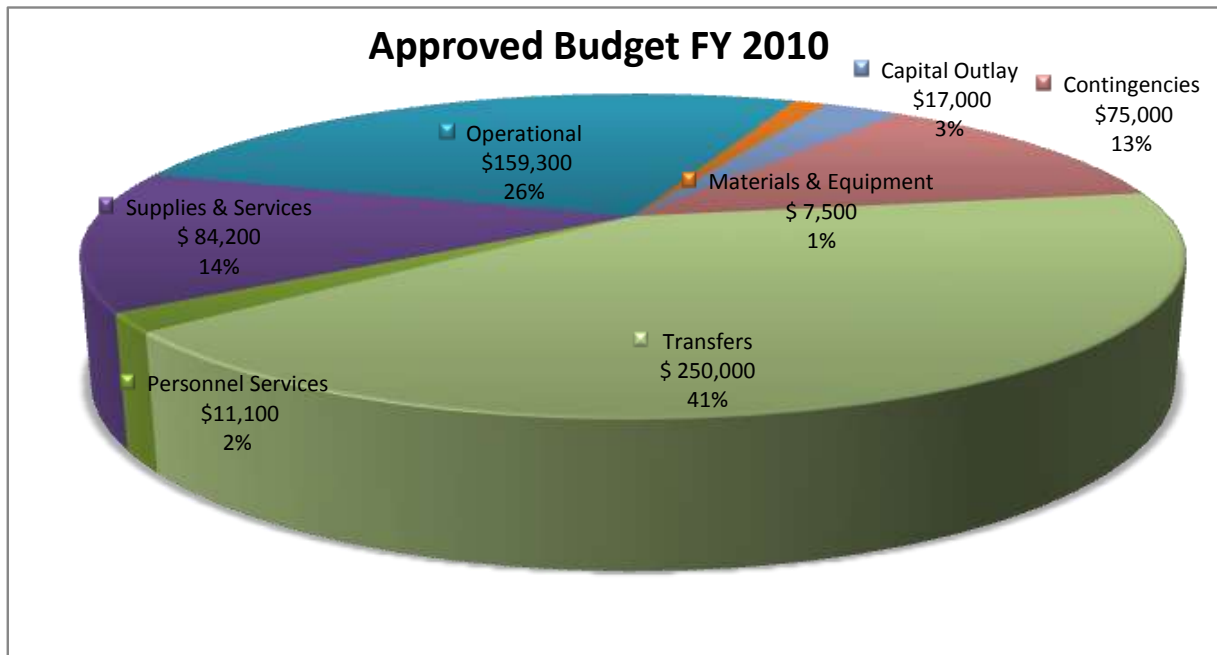
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Finance

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'008-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Finance Division</i>						
555-101	Salaries	174,192	176,300	176,300	170,000	154,500
555-102	Health Insurance	20,096	20,538	20,538	22,000	19,700
555-103	Workers' Comp Insurance	1,965	889	889	515	600
555-104	Overtime	882	1,600	1,600	500	1,200
555-105	FICA	13,025	13,700	13,700	13,700	12,000
555-106	Retirement (TMRS)	21,222	18,300	18,300	17,300	15,900
555-107	Unemployment	0	800	800	0	700
555-109	Temporary Help	0	5,000	5,000	5,000	2,500
	<i>Total - Personnel Services</i>	<i>231,381</i>	<i>237,127</i>	<i>237,127</i>	<i>229,015</i>	<i>207,100</i>
555-204	Telecommunications	0	1,636	1,636	1,100	1,000
555-220	Office Supplies	2,304	2,500	2,500	2,500	2,500
555-221	Postage & Freight	1,357	2,000	1,500	1,500	1,500
555-222	Printing & Photo	616	750	750	375	0
555-230	Dues/Subscriptions/Publication	581	1,000	1,000	1,400	1,600
555-231	Conferences & Training	2,405	2,500	2,000	2,000	3,000
555-232	Travel, Meals & Lodging	1,556	1,500	1,000	1,000	2,000
	<i>Total - Supplies & Services</i>	<i>8,819</i>	<i>11,886</i>	<i>10,386</i>	<i>9,875</i>	<i>11,600</i>
555-310	Filing Fees	336	600	600	0	600
555-399	Miscellaneous Expense	375	500	500	250	500
	<i>Total - Operational Items</i>	<i>711</i>	<i>1,100</i>	<i>1,100</i>	<i>250</i>	<i>1,100</i>
555-501	Office Furniture/Fixtures/Equip	4,692	1,500	500	500	1,000
	<i>Total - Capital Outlay</i>	<i>4,692</i>	<i>1,500</i>	<i>500</i>	<i>500</i>	<i>1,000</i>
	<i>Total - Finance Division</i>	<i>245,603</i>	<i>251,613</i>	<i>249,113</i>	<i>239,640</i>	<i>220,800</i>

CITY OF HEATH
Annual Operating Budget
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FUND GENERAL	DEPARTMENT NON-DIVISIONAL			ACCOUNT 01-560	
NON-DIVISIONAL					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ -	\$ 17,500	\$ 11,165	\$ 11,100	-1%
Supplies & Services	48,750	48,250	90,425	84,200	-7%
Operational Items	148,000	135,250	194,333	159,300	-22%
Materials & Equipment	8,050	9,000	10,000	7,500	-33%
Capital Outlay	100,000	5,000	10,000	17,000	41%
Contingencies	345,000	101,900	60,000	75,000	20%
Transfers	-	420,000	40,000	250,000	84%



NON-DIVISIONAL 01-560

FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	-	-	-	-
Continuous Part-Time	-	-	-	-
Seasonal	0.5	0.5	0.5	0.5
<i>Total</i>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Non-Divisional

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
General Fund expenditures authorized for Non-Divisional Division						
560-103	Workers Comp	0	0	0	0	100
560-105	FICA	1,652	1,000	1,000	750	1,000
560-109	Temporary Help	20,433	10,000	10,000	8,000	10,000
560-110	Incentive Compensation	110	165	165	165	0
	Total - Personnel Services	22,195	11,165	11,165	8,915	11,100
560-201	Electric Service	16,037	15,000	25,000	25,000	25,000
560-202	Gas Service	1,573	2,500	2,500	2,500	2,500
560-203	Water Service	445	400	400	700	700
560-204	Telecommunications	15	22,000	22,000	14,000	1,900
560-210	Property & Liability Insurance	17,348	15,025	15,025	15,900	18,600
560-220	Office Supplies	177	0	0	0	0
560-221	Postage & Freight	229	0	0	50	0
560-223	Community Center	5,379	5,000	5,000	5,000	5,000
560-224	Janitorial Service & Supplies	15,542	16,000	16,000	16,000	16,000
560-230	Dues/Subscriptions/Publication	5,165	4,500	4,500	4,500	4,500
560-233	Medical Services	10	0	0	0	0
560-260	Staff Development	0	10,000	15,000	15,000	10,000
	Total - Supplies & Services	61,920	90,425	105,425	98,650	84,200
560-312	Newsletter	6,323	7,500	7,500	7,500	7,500
560-336	Risk Management Consulting	6,550	7,500	7,500	7,500	7,500
560-337	Human Resources Consulting	16,990	10,000	9,000	9,000	7,500
560-338	Public Relations	17,000	24,000	24,000	24,000	24,000
560-339	Takeline Administration	67	25,000	5,000	0	5,000
560-342	Professional Fees	5,322	0	3,000	3,000	2,400
560-343	Computer Maintenance Services	0	41,633	31,633	31,600	13,400
560-343	Incode Maintenance Services	0	21,500	21,500	21,500	17,800
560-343	Licenses, Software, Other	0	5,700	5,700	5,700	14,700
560-345	CAD Expense	43,597	40,000	48,000	48,000	48,000
560-356	Beautification	515	2,000	0	0	1,000
560-360	Other Operational Supplies	2,787	3,500	2,000	2,000	2,000
560-370	Maintenance & Repair Parts	2,144	1,000	1,000	500	1,000
560-398	Cash Long or Short	-55	0	0	0	0
560-399	Miscellaneous Expense	10,511	5,000	3,000	5,000	7,500
	Total - Operational Items	111,751	194,333	168,833	165,300	159,300
560-441	Auto Repair & Maintenance	1,496	2,000	2,000	1,000	2,000
560-442	Gas, Oil & Fuel	421	500	500	500	500
560-443	Structure Repair & Maintenance	4,017	7,500	5,000	2,500	5,000
	Total - Materials & Equipment	5,934	10,000	7,500	4,000	7,500
560-502	Computer Equipment	0	10,000	10,000	10,000	17,000
560-519	Const Project - City Hall	1,432	0	0	0	0
560-542	Operational Contingency	0	60,000	8,000	0	75,000
	Total - Capital Outlay	1,432	70,000	18,000	10,000	92,000

CITY OF HEATH
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Non-Divisional

		<i>F'07-08 Actual</i>	<i>F'08-09 Adopted Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
560-802	Transfer to CIP	245,000	0	230,000	230,000	0
560-815	Transfer to Technology	175,000	40,000	40,000	40,000	0
560-840	Transfer to Debt Service	0	0	1,035,900	1,035,900	250,000
	Total - Transfers	420,000	40,000	1,305,900	1,305,900	250,000
	Total - General Fund Non-Divisional	623,231	415,923	1,616,823	1,592,765	604,100



ENTERPRISE FUND SUMMARIES

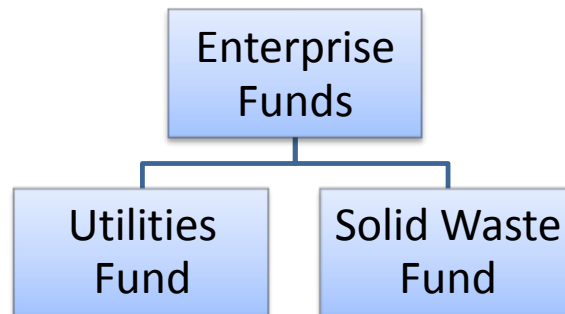
The Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

CITY OF HEATH
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ENTERPRISE FUNDS
BUDGET OVERVIEW

Enterprise Funds are generally 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 that the costs (expenses including depreciation) of providing goods and/or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds may also be used when the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City utilizes the following Enterprise Funds:

Utility Fund: Accounts for the operations of the water and wastewater utilities.
Solid Waste Fund: Accounts for the privatized solid waste services for the City.



The Utility Fund includes the following departments: Water, Wastewater, Administration and Customer Service.

WATER UTILITIES

A Utility Rate Study of Water and Sewer Fees for a five year period from 2007 to 2011 was prepared by Willis, Graves & Associates, Inc. of Austin, Texas, in April 2007. "Rates projected in this study are based on the projected timing and magnitude of future events that cannot be known with certainty." Assumptions analyzed include:

1. Cash flow projections (income and expenditures),
2. Total number of residential and commercial customers,
3. Total number of schools and estimated usage,
4. Interest rate projections for debt and cash investments,
5. Estimated annual customer growth and consumption.

For this annual operating budget, the assumptions for each of the noted considerations were as follows:

Assumption #1. A seven percent increase in rates is built into Water Sales revenue projections.

Assumption #2 (1) North Texas Municipal Water District fees have substantially increased over the past few years. A 12 cent/1,000 gallons increase is expected for FY 2010. (2) The cost of health benefits are assumed to increase 15%. (3) No salary increase budgeted.

Assumption #3: Water Customer Equivalents: 1,800.

Assumption #4: Funds invested in the investment pool (LGIP) are currently earning 0.35% interest. The Water Fund will benefit from the funds invested in the money market account which has a current interest rate of 1.16%.

Assumption #5: Assume a 5% increase in consumption based on the previous five years.

RECOMMENDATION: Incorporate a 7% rate increase to cover the increased cost of providing water services. The Proposed Utility Fee Schedule is enclosed.

CITY OF HEATH
Annual Operating Budget
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ENTERPRISE FUNDS
BUDGET OVERVIEW

WASTEWATER UTILITIES

Historically the Wastewater Fund has been subsidized by the Water Utility Fund. A Utility Rate Study of Water and Sewer Fees for a five year period from 2007 to 2011 was prepared by Willis, Graves & Associates, Inc. of Austin, Texas, in April 2007, with a recommended rate design for self-sufficiency. "Rates projected in this study are based on the projected timing and magnitude of future events that cannot be known with certainty." Assumptions analyzed include:

1. Cash flow projections (income and expenditures),
2. Total number of residential and commercial customers,
3. Total number of schools and estimated usage,
4. Interest rate projections for debt and cash investments,
5. Estimated annual customer growth and consumption,
6. Estimation annual inflation rate.

For this annual operating budget, the assumptions for each of the noted considerations were as follows:

Assumption #1. A step increase is built into the Waste Water Sales revenue projections.

Assumption #2. (1) Debt service and treatment costs allocated to the City by North Texas Municipal Water District have increased substantially over the past years to a current estimated cost of approximately \$1,000,000. (2) The cost of health insurance is assumed to increase 15%. (3) No salary increase budgeted.

Assumption #3: Sewer Customer Equivalents: 1,780.

Assumption #4: Funds invested in the investment pool (LGIP) are currently earning 0.35% interest.

Assumption #5: 3% of wastewater accounts are idle addresses.

Assumption #6: 3% inflation rate set by Utility Rate study.

RECOMMENDATION: A step increase to \$57.99 for residential customers and a comparable increase for all others. The Proposed Utility Fee Schedule is enclosed.

SOLID WASTE FUND

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

**ENTERPRISE FUNDS
BUDGET OVERVIEW**

Solid Waste Collection and disposal is provided by IESI under contract. Annually, the provider may request a CPI based increase to the fees charged to the City for service.

For this annual operating budget, the assumptions for each of the noted considerations were as follows:

Assumption #1. CPI index 3.5%.

Assumption #2: Number of customers: 2,550. 3% idle addresses.

Assumption #3: Proposed rates are built into the Sanitation Fund revenue projection.

Assumption #4: Historical averaging was the projecting method used to estimate annual sanitation fees to account for the 7 types of garbage collection available to residential and commercial customers.

RECOMMENDATION: Incorporate the proposed rates outlined in the Proposed Utility Fee Schedule.

**UTILITY FUND
CUSTOMER BASE**

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
WATER CUSTOMERS	1,494	1,650	1,745	1,793	1,810	1,842
% CHANGE		10%	6%	3%	1%	2%
WASTEWATER CUSTOMERS	1,366	1,470	1,546	1,660	1,748	1,813
% CHANGE		8%	5%	7%	5%	4%
SANITATION CUSTOMERS	2,018	2,122	2,218	2,350	2,498	2,611
% CHANGE		5%	5%	6%	6%	5%

CITY OF HEATH
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City of Heath Fee Schedule for Select Fees 2009-2010

COMMUNITY ROOM

Entire Room

- Less or equal to 5 hours \$ 75.00

- More than 5 hours \$125.00

Note: HOA - 4 times per year for 1/2 rate

Lost Key Charge - \$60.00

Deposit - Room Condition \$100.00 (refundable)

PUBLIC SAFETY

Fireworks Permit - \$500.00

Above-Ground Storage Permit (diesel) - \$ 75.00

Accident Report - \$4.00

SECURITY SYSTEMS/ALARMS

effective January 1, 2009

Annual Registration Residential - \$35.00

Annual Registration Commercial - \$50.00

Non-Registration Penalty - \$200.00

False Alarm Penalty/Year - Police

First - Third False Alarm - No Charge

Fourth and Fifth False Alarms - \$50.00

Sixth and Subsequent False Alarms - \$75.00

Residential False Alarm Penalty/Year - Fire

First - Third False Alarms - No Charge

Fourth False Alarm - \$250.00

Fifth False Alarm - \$500.00

Sixth and Subsequent False Alarms - \$750.00

Commercial False Alarm Penalty/Year - Fire

First - Third False Alarms - No Charge

Fourth False Alarm - \$250.00

Fifth False Alarm - \$250.00

Sixth and Subsequent False Alarms - \$500.00

LAND USE APPLICATIONS

Request For Zoning Change - \$500.00 +\$10.00/ac (expert consult as required)

Request For Zoning Change To SF For Tracts Consisting Of 5 Acres Or Less - \$250.00 +\$10.00/ac (expert consult as required)

Conditional Use Permit - \$175.00

Appeal To Board Of Adjustment - \$175.00

Preliminary Plat

Single-family Residential - \$200.00 +\$10.00/lot

Multi-family Residential - \$225.00 +\$10.00/unit

Non-Residential - \$250.00 +\$25.00/ac

Final Plat

Short-Form Plat (less than 5 acres) - \$225.00 +\$10.00/lot

Single-family Residential - \$450.00 +\$15.00/lot

Multi-family Residential - \$200.00 +\$5.00/unit

Non-Residential - \$300.00+\$40.00/ac

CITY OF HEATH
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City of Heath Fee Schedule for Select Fees 2009-2010

Replat or Amending Plat

Residential - \$200.00 +\$10.00/lot
Non-Residential - \$225.00 +\$35.00/ac
If Replat requires publishing - \$90.00
Vacating Plat - If Not Filed with a Replat - \$100.00

Flood Study Review - Cost of Consultation

When an expert consultation is required, the cost is intended to be passed through (without mark up) to the applicant.

Extraordinary Review/Expert Consultation - Cost of Consultation

When an expert consultation is required, the cost is intended to be passed through (without mark up) to the applicant.

Extraordinary Review/City Engineer - \$175.00/hour

Site Plan Review - \$200.00+\$20.00/ac

Street Name Change Request - \$150.00 (plus associated costs pass through)

Request to Abandon Right-of-Way or Easement - \$300.00 (plus associated costs pass through)

Encroachment Agreement - \$200.00

VARIANCE REQUESTS

Variance - \$100.00

Sign Variance - \$250.00

Sign Variance-Non-Profit Organization - \$0.00

TAKE AREA

Annual Sublease Fee - First Year \$1,500.00

Annual Sublease Fee - Subsequent Year \$700.00

Application for Appeal - Appeals Panel \$100.00

Application for Appeal - City Council \$100.00

SIGN PERMITS

Sign Permit - \$75.00

Sign Permit Non-Profit Temporary Banner - \$0.00

Sign Contractor/Installer Registration - \$100.00

Sign Installer Registration Renewal - \$25.00

CITY OF HEATH
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Fiscal Year 2009-2010

City of Heath Fee Schedule for Select Fees 2009-2010

IMPACT FEES

Water 5/8" meter - \$3,900.00
Water 1" meter - \$5,350.00
Sewer 5/8" water meter - \$2,100.00
Sewer 1" water meter - \$3,150.00
Water and Sewer for meter sizes in excess of 1" - Per Rate Structure, FMI Study, March 2006, prorated to nearest \$100
Roadway per residential unit - \$2,500.00
Park Land Dedication Fee in Lieu of Land - set by Ordinance

PARKS

Field Rental - Towne Center Park
Practice Fields NE and SE of City Hall - \$10.00 / hour

Games Fields NE and SE of City Hall
Soccer - \$10.00/game
Football - \$15.00/game
Baseball/Softball - \$20.00/game
Add lights to any of the above - \$10.00/hour
Field SW of City Hall - no charge

Picnic Pavilions

Towne Center Park - \$25.00/ 3-hr period
Terry Park Heath or Dallas residents - \$50.00/ 3-hr period
Terry Park NON-Heath or Dallas residents - \$100.00/ 3-hr period

ANIMAL CONTROL

Annual Dog Registration - Neutered \$5.00
Annual Dog Registration - Non-Neutered \$10.00
Impoundment - Initial Fee \$50.00
Impoundment - Daily Fee subsequent to Initial Day \$15.00

INSPECTIONS - OSSF

OSSF New or Replacement System (payable at application) \$500.00
OSSF - Existing System Modifications \$200.00

INSPECTIONS - FOOD SERVICE

Restaurant/Club (New or Renewal) - \$250.00
Convenience Store (New or Renewal) - \$250.00
Mobile Food Vendor/Commissary (New or Renewal) - \$250.00
Grocer per Department - \$150.00
Day Care Facility - \$150.00
Temporary Event - \$75.00
RISD - Exempt

CODE ENFORCEMENT

Administrative Fee - \$200

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

City of Heath Fee Schedule for Select Fees 2009-2010

BUILDING PERMITS

New Single-family Dwelling fee per square foot

1501 - 2000 - \$550.00

2001 - 2250 - \$650.00

2251 - 2500 - \$750.00

2501 - 3000 - \$850.00

3001 - 3500 - \$950.00

3501 - 4000 - \$1,050.00

4001 - 4500 - \$1,150.00

4501 - 5000 - \$1,500.00

5001 - 5500 - \$2,500.00

5501 - 6000 - \$3,000.00

greater than 6000 - \$4,000.00

All Other Work fee per value of work

\$0-\$5000.00 value - \$25.00

Greater than \$5000.00 value - 1/2 of 1% of value

Re-inspection Fee for Buildings - \$25.00

Sprinkler/Irrigation Permit - \$25.00

Fence Permit - \$50.00

Contractor Registration Initial - \$50.00

Contractor registration Renewal - \$25.00

(per TX law, plumbers will not pay registration fee)

GARBAGE COLLECTION

Monthly

Residential Curbside (includes recycling) \$15.13

Residential Carry Out (includes recycling) \$23.74

Additional Poly Cart \$7.35

Special Collection Road Conditions - \$27.50

Commercial - 2 cubic yard container \$13.48

Commercial - 3 cubic yard container \$84.52

Commercial - 4 cubic yard container \$99.30

Commercial - 6 cubic yard container \$122.19

Commercial - 8 cubic yard container \$158.33

Recycling - \$3.63

Brush exceeding three cubic yards - \$10/each cubic yard in excess of three cubic yards.

SANITARY SEWER SERVICE

Residential \$57.99

Non-Residential calculated per unit

WATER SERVICE

Base Rates for 0-2000 gallons

5/8" & 3/4" Meters \$24.58 flat rate

1" Meters \$34.64 flat rate

1 1/2" Meters \$51.41 flat rate

2" Meters \$71.54 flat rate

3" Meters \$135.27 flat rate

4" Meters \$219.14 flat rate

Schools - per regular fee schedule

CITY OF HEATH
Annual Operating Budget
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City of Heath Fee Schedule for Select Fees 2009-2010

Usage Rates

2,001 - 10,000 gallons \$3.80 / 1000 gallons
10,001 - 20,000 gallons \$3.94 / 1000 gallons
20,001-30,000 gallons \$5.31 / 1000 gallons
Greater than 30,000 gallons \$6.70 / 1000 gallons
Hydrant Rate (\$25.00 minimum) \$5.40/ 1000 gallons
Late Penalty on Delinquent Balance 10%

Reconnection Fee

During business hours M-F, 8 am-5 pm - \$50.00
After business hours and weekends until 10 p.m. - \$ 100.00
No reconnections after 10 pm

Water Meter Re-read (except initial request) - \$25.00
Water Meter Testing and Replacement - \$100.00
Fire Hydrant Meter Refundable Deposit - \$1,000.00

GENERAL

UTILITY SERVICES DEPOSITS

Water, Sewer, Garbage - \$325.00
Water, Garbage - \$250.00
Sewer, Garbage - \$125.00
Garbage Only - \$50.00
NSF Payment Fee - \$35.00
Addresses from Utility System labels - \$50.00
Addresses from Utility System electronic - \$25.00

City of Heath ordinances require new customers to pay a utility services deposit when applying for utility services. Existing customers who are reactivating discontinued utility services will also be required to pay a deposit.

A deposit will be required for each service address and may be paid over a two-month period at the customer's request.

The deposit may be refunded if the customer's account is determined to be current and in good standing at the end of the initial 12-month period of service. The account shall be considered in good standing if during the 12-month period there were no disconnects, no NSF checks, and no more than one late penalty.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Sources and Uses

	<i>F'07-08 Actual</i>	<i>F'08-09 Original Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
Water Utilities Fund Sources and Uses					
Sources of Funds					
<i>Beginning Resources</i>	1,715,465	1,327,812	1,327,812	1,327,812	1,222,574
<i>Current Revenues</i>					
Transfer from Impact Fees	0	400,000	0	0	0
PID Revenue	3,412	3,000	3,000	4,000	2,500
Administrative Revenue	45,448	86,000	86,000	11,500	6,500
Water Revenue	2,200,738	2,515,850	2,515,850	2,509,700	2,769,000
Wastewater Revenue	965,081	1,253,000	1,253,000	1,331,500	1,461,000
Non-Divisional	476,689	0	400,000	250,000	47,200
Total Water Utilities Fund Revenue	3,691,367	4,257,850	4,257,850	4,106,700	4,286,200
Total Sources of Funds	5,406,832	5,585,662	5,585,662	5,434,512	5,508,774
Uses of Funds					
<i>Current expenditures</i>					
11 Water Division	1,137,273	1,220,015	1,245,015	1,205,465	1,272,125
12 Wastewater Division	467,208	648,243	648,243	637,255	712,879
65 Utility Administrative Services	460,370	482,387	482,387	463,872	518,100
70 Customer Services Division	173,908	182,677	182,677	178,404	161,000
75 Non-Divisional	1,840,262	1,726,092	1,726,092	1,726,942	1,618,156
Total Current Expenditures	4,079,020	4,259,414	4,284,414	4,211,938	4,282,260
Ending Resources	1,327,812	1,326,248	1,301,248	1,222,574	1,226,514
Revenue vs. Expenditures - Surplus/(Deficit)	(387,653)	(1,564)	(26,564)	(105,238)	3,940

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

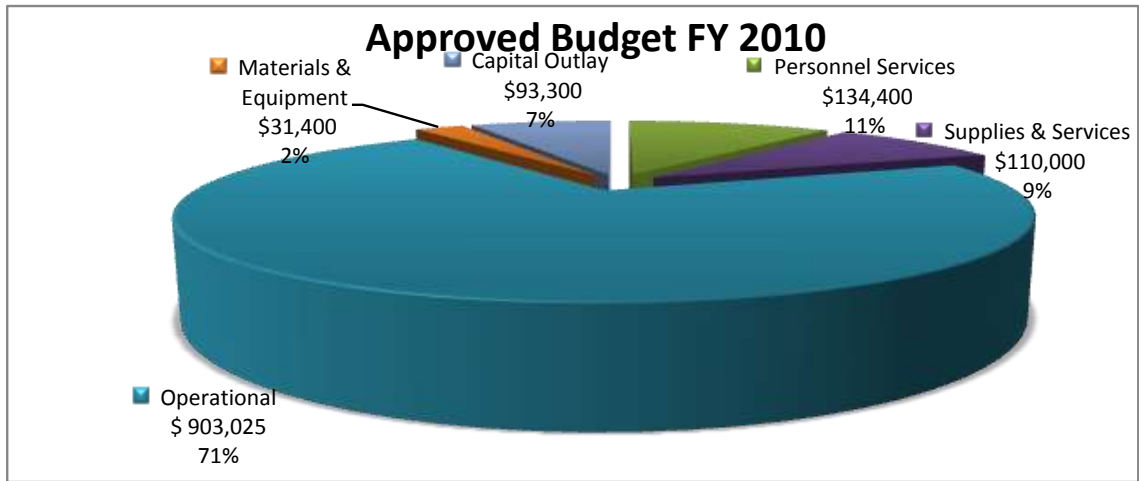
Revenue

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund Revenue Detail</i>						
4110	Transfer From Impact Fees	476,689	400,000	0	0	0
4106	Interest Earned	36,899	80,000	80,000	10,000	5,000
4107	Other Revenue	1,742	2,000	2,000	0	0
4160	Collection Fee Revenue (Lien Admin)	6,807	4,000	4,000	1,500	1,500
	<i>Total Administrative Revenue</i>	<i>45,448</i>	<i>86,000</i>	<i>86,000</i>	<i>11,500</i>	<i>6,500</i>
4224	Sandra Drive Principal	1,119	2,000	2,000	3,000	1,500
4225	Sandra Drive Interest	912	1,000	1,000	1,000	1,000
4227	Halford Drive Interest	1,381	0	0	0	0
4230	Sewer Connection/Tap Fee	0	0	0	0	0
4231	Septic Decommission Fee	0	0	0	0	0
	<i>Total Pid Revenue</i>	<i>3,412</i>	<i>3,000</i>	<i>3,000</i>	<i>4,000</i>	<i>2,500</i>
4403	Disposition of Assets	7,060	0	0	0	0
4501	Water Sales	2,037,274	2,315,000	2,315,000	2,350,000	2,600,000
4505	Hydrant/Other Water Sales	119,943	170,000	170,000	130,000	140,000
4507	Water Penalty	20,782	16,000	16,000	18,000	18,000
4509	Reconnect Fees	8,475	8,000	8,000	8,500	8,000
4510	NSF Fee	1,015	850	850	1,200	1,000
4513	Hydrant Meter Installation	700	1,000	1,000	500	500
4514	Water Meter/Tap Installation	5,490	5,000	5,000	1,500	1,500
	<i>Total Water Revenue</i>	<i>2,200,738</i>	<i>2,515,850</i>	<i>2,515,850</i>	<i>2,509,700</i>	<i>2,769,000</i>
4601	Wastewater Sales	837,535	1,121,000	1,121,000	1,200,000	1,320,000
4606	Interest Earned	5,446	5,000	5,000	1,500	1,000
4607	Wastewater Penalty	8,905	7,000	7,000	10,000	10,000
4612	Contract Revenue - Wastewater	113,196	120,000	120,000	120,000	130,000
	<i>Total Wastewater Revenue</i>	<i>965,081</i>	<i>1,253,000</i>	<i>1,253,000</i>	<i>1,331,500</i>	<i>1,461,000</i>
4852	Transfer from Sanitation Fund	0	0	0	0	47,200
4860	Impact Fees	0	0	400,000	250,000	0
	<i>Total External Contributions</i>	<i>0</i>	<i>0</i>	<i>400,000</i>	<i>250,000</i>	<i>47,200</i>
	<i>Total Water Utilities Fund Revenue</i>	<i>3,691,367</i>	<i>4,257,850</i>	<i>4,257,850</i>	<i>4,106,700</i>	<i>4,286,200</i>

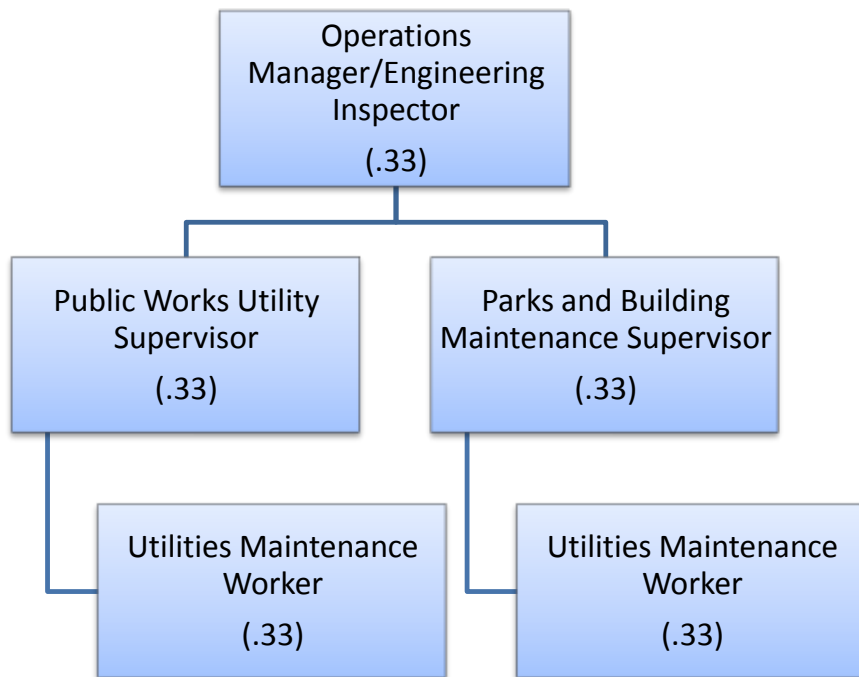
CITY OF HEATH
Annual Operating Budget
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FUND UTILITY	DEPARTMENT WATER	ACCOUNT 511			
PURPOSE AND DESCRIPTION					
<i>Provide Heath citizens with high quality, clean water while maintaining the City's distribution system through repairing water lines, replacing main lines, flushing dead-end lines, taking and analyzing water samples, and the inspecting and operating of valves and hydrants.</i>					
FY 09 ACCOMPLISHMENTS					
Completed water line upgrade at Cove Ridge Road.					
Installed 12 inch water line for Towne Center.					
Upgraded White Road water line from 2 inch to 8 inch.					
Finalized the agreement with RCH to allow the City to directly provide water service to additional Heath citizens.					
Extension of 12 inch water transmission line on Rabbit Ridge/FM 550 underway.					
Phase I FM 740 utility relocation to accommodate highway widening underway.					
STRATEGIES AND GOALS					
Build and maintain infrastructure to a high quality of structural and aesthetic standard.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
New connections	198	171	174	126	
Occupant Change	226	195	183	100	
Average annual consumption (000's gallons)	575	402	460	460	
Replaced water meters	48	20	19	146	
Water main line breaks	NA	NA	NA	23	
Linear feet of water main lines replaced	NA	NA	NA	400	
Water mains (miles)	50.24	50.24	50.24	51.61	
Fire Hydrants	143	163	183	199	
NA = Not Available					
WATER					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/D ecrease</i>
Personnel Services	\$ 79,846	\$ 108,800	\$ 133,900	\$ 134,400	0%
Supplies & Services	114,660	99,760	99,565	110,000	9%
Operational	838,500	977,900	900,600	903,025	0%
Materials & Equipment	52,950	38,550	26,650	31,400	15%
Capital Outlay	41,500	88,500	59,300	\$ 93,300	36%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



WATER 10-511



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Water Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Water Division</i>						
511-101	Salaries	70,025	88,400	88,400	84,000	88,900
511-102	Health Insurance	10,779	15,000	15,000	13,500	16,800
511-103	Workers' Comp Insurance	3,909	5,800	5,800	3,350	3,500
511-104	Overtime	6,437	7,200	7,200	7,600	7,200
511-105	FICA	5,163	7,300	7,300	7,000	7,400
511-106	Retirement (TMRS)	8,564	9,700	9,700	9,500	10,200
511-107	Unemployment	0	500	500	0	400
	Total - Personnel Services	104,877	133,900	133,900	124,950	134,400
511-201	Electric Service	56,230	48,000	48,000	75,000	60,000
511-202	Gas Service	138	0	0	0	0
511-203	Water Service	75	0	0	100	0
511-204	Telecommunications	2,318	8,065	8,065	8,065	7,400
511-220	Office Supplies	622	300	300	600	400
511-221	Postage & Freight	558	2,000	2,000	1,000	1,000
511-222	Printing & Photo	76	2,500	2,500	1,250	2,500
511-230	Dues/Subscriptions/Publication	677	500	500	500	500
511-231	Conferences & Training	0	1,000	1,000	1,000	1,000
511-232	Travel, Meals & Lodging	659	1,000	1,000	500	1,000
511-233	Medical Services	0	500	500	0	500
511-234	Uniforms	1,283	700	700	700	700
511-240	Subcontractor Repairs	43,299	35,000	35,000	35,000	35,000
	Total - Supplies & Services	105,934	99,565	99,565	123,715	110,000
511-300	Commodity Purchase	583,806	793,600	793,600	793,600	850,025
511-311	Legal Publications/Advertising	166	2,500	2,500	1,250	1,500
511-341	Legal Services	197,401	50,000	75,000	75,000	10,000
511-342	Professional Services	20,891	10,000	10,000	14,000	10,000
511-343	Computer Maintenance Services	7,200	7,000	7,000	7,000	7,000
511-344	Engineering	17,641	15,000	15,000	7,500	10,000
511-355	Contract Drafting	3,496	3,000	3,000	3,000	3,000
511-362	Lab & Testing Services	3,297	7,500	7,500	3,750	4,000
511-370	Maintenance & Repair Parts	3,139	5,000	5,000	5,000	5,000
511-399	Miscellaneous Expense	4,873	7,000	7,000	7,000	2,500
	Total - Operational Items	841,910	900,600	925,600	917,100	903,025
511-410	Water Meters	8,055	9,600	9,600	7,000	9,600
511-415	Hand Tools	1,900	2,500	2,500	2,500	2,500
511-440	Equipment Repair & Maintenance	1,526	5,100	5,100	2,550	5,100
511-441	Auto Repair & Maintenance	447	750	750	2,000	2,000
511-442	Gas, Oil & Fuel	4,145	4,000	4,000	7,500	7,500

CITY OF HEATH
Annual Operating Budget
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Water Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Water Division</i>						
511-443	Structure Repair & Maintenance	639	700	700	350	700
511-444	Chemicals	0	1,500	1,500	0	1,500
511-450	Machinery/Equipment Rental	0	2,500	2,500	0	2,500
	<i>Total - Materials & Equipment</i>	<i>16,713</i>	<i>26,650</i>	<i>26,650</i>	<i>21,900</i>	<i>31,400</i>
511-501	Office Furniture/Fixtures/Equipment	431	500	500	0	500
511-503	Mobile Equipment	13,572	0	0	0	0
511-512	Buildings	0	1,000	1,000	0	1,000
511-513	Land Purchases	0	40,000	40,000	0	0
511-520	Capital Account	53,837	17,800	17,800	17,800	91,800
	<i>Total - Capital Outlay</i>	<i>67,840</i>	<i>59,300</i>	<i>59,300</i>	<i>17,800</i>	<i>93,300</i>
	<i>Total - Water Division</i>	<i>1,137,273</i>	<i>1,220,015</i>	<i>1,245,015</i>	<i>1,205,465</i>	<i>1,272,125</i>

CITY OF HEATH
Annual Operating Budget
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FUND	DEPARTMENT	ACCOUNT
UTILITY	WASTEWATER	512

PURPOSE AND DESCRIPTION

Provide Heath citizens with wastewater services while maintaining the City's wastewater system through resolving customer issues associated with the wastewater system, inspecting lift stations and metering stations, maintaining and repairing pumps, motors, and repairing and replacing sewer main lines.

FY 09 ACCOMPLISHMENTS

- Installed Towne Center waste water lines.
- Installed White Road waste water lines.
- Completed construction of Shepherd's Glen Lift Station.
- Completed reconstruction of the Rush Creek Lift Station.
- Cove Ridge Lift Station reconstruction underway.
- Complete construction of SCADA on three additional lift stations.

STRATEGIES AND GOALS

Build and maintain infrastructure to a high quality of structural and aesthetic standard.

PERFORMANCE INDICATORS

	FY 2006	FY 2007	FY 2008	FY 2009
Linear feet of sewer main lines cleaned	NA	NA	NA	71,000
Linear feet of sewer main lines replaced	0	0	0	0
Lift stations maintained	11	11	11	11
Sanitary Sewers (miles)	60.6	60.6	60.6	61.44
Storm Sewers (miles)	12	12	12	12
Total sewage system flow (1,000 gal)	NA	NA	370,665	309,306

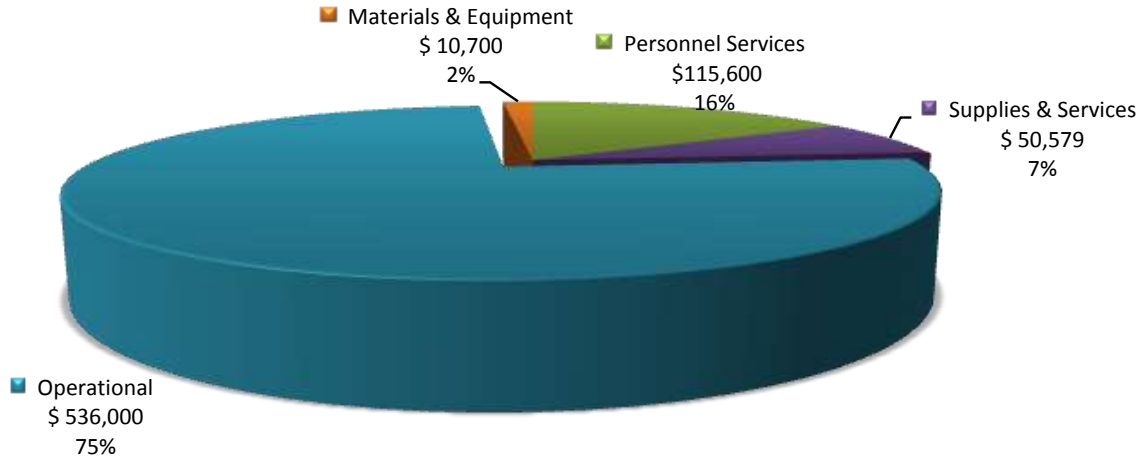
NA = Not Available

WASTEWATER

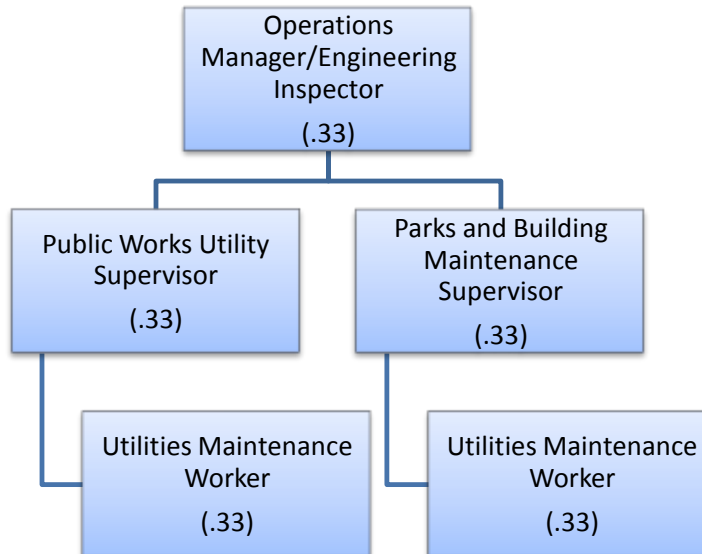
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 73,429	\$ 97,665	\$ 113,986	\$ 115,600	1%
Supplies & Services	35,160	43,920	39,404	50,579	22%
Operational	283,666	422,473	484,831	536,000	10%
Materials & Equipment	9,200	10,222	10,022	10,700	6%
Capital Outlay	160,000	44,800	0	0	0%

**CITY OF HEATH
Annual Operating Budget
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Approved Budget FY 2010



WASTEWATER 10-512



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	-
Seasonal	-	-	-	-
<i>Total</i>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>

CITY OF HEATH
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Wastewater Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Wastewater Division</i>						
512-101	Salaries	70,550	73,200	73,200	72,000	74,000
512-102	Health Insurance	10,926	14,986	14,986	13,000	16,800
512-103	Workers' Comp Insurance	3,515	4,800	4,800	2,770	3,400
512-104	Overtime	6,530	6,200	6,200	7,700	6,200
512-105	FICA	5,198	6,200	6,200	6,200	6,200
512-106	Retirement (TMRS)	8,666	8,200	8,200	8,500	8,600
512-107	Unemployment	0	400	400	0	400
	<i>Total - Personnel Services</i>	<i>105,384</i>	<i>113,986</i>	<i>113,986</i>	<i>110,170</i>	<i>115,600</i>
512-201	Electric Service	15,170	15,000	15,000	24,000	24,000
512-202	Gas Service	112	0	0	0	0
512-203	Water Service	79	0	0	79	79
512-204	Telecommunications	917	2,204	2,204	3,400	4,300
512-220	Office Supplies	485	200	200	200	200
512-221	Postage & Freight	1,051	1,750	1,750	0	1,750
512-222	Printing & Photo	323	500	500	250	500
512-230	Dues/Subscriptions/Publication	170	250	250	125	250
512-231	Conferences & Training	215	500	500	250	500
512-232	Travel, Meals & Lodging	114	500	500	500	500
512-234	Uniforms	496	500	500	500	500
512-240	Subcontractor Services	19,327	18,000	18,000	19,000	18,000
	<i>Total - Supplies & Services</i>	<i>38,458</i>	<i>39,404</i>	<i>39,404</i>	<i>48,304</i>	<i>50,579</i>
512-300	Commodity Purchase	254,063	444,331	444,331	444,331	495,500
512-311	Legal Publications/Advertising	389	500	500	0	500
512-341	Legal Services	1,300	0	0	100	0
512-342	Professional Fees/Consultants	17,270	17,000	17,000	8,500	17,000
512-344	Engineering	5,724	10,000	10,000	5,000	10,000
512-355	Contract Drafting	1,620	2,000	2,000	0	2,000
512-370	Maintenance & Repair Parts	1,521	10,000	10,000	10,000	10,000
512-399	Miscellaneous Expense	1,341	1,000	1,000	4,000	1,000
	<i>Total - Operational Items</i>	<i>283,228</i>	<i>484,831</i>	<i>484,831</i>	<i>471,931</i>	<i>536,000</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

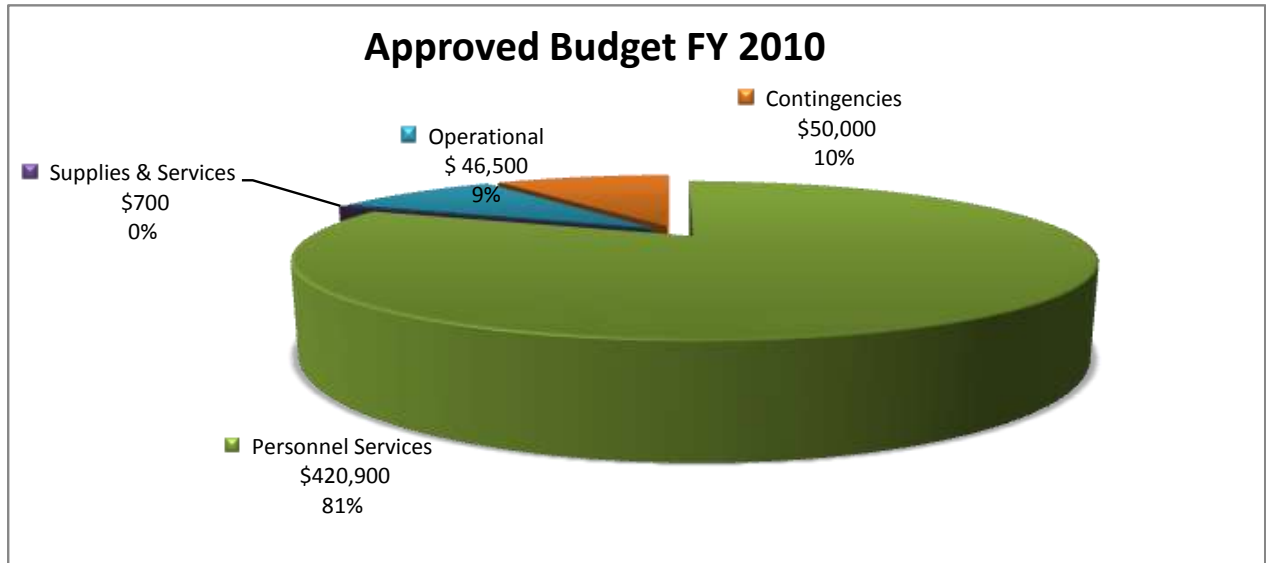
Wastewater Division

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
512-415	Hand Tools	2,091	1,000	1,000	500	1,000
512-440	Equipment Repair & Maintenance	3,786	5,700	5,700	2,850	5,700
512-441	Auto Repair & Maintenance	1,888	500	500	500	500
512-442	Gas, Oil & Fuel	3,076	1,822	1,822	3,000	2,500
512-450	Machinery/Equipment Rental	609	1,000	1,000	0	1,000
	Total - Materials & Equipment	11,451	10,022	10,022	6,850	10,700
512-501	Office Furniture/Fixtures/Equipment	0	0	0	0	0
512-518	Construction Project	(16,078)	0	0	0	0
512-520	Capital Account	44,766	0	0	0	0
	Total - Capital Outlay	28,688	0	0	0	0
	Total - Wastewater Division	467,208	648,243	648,243	637,255	712,879

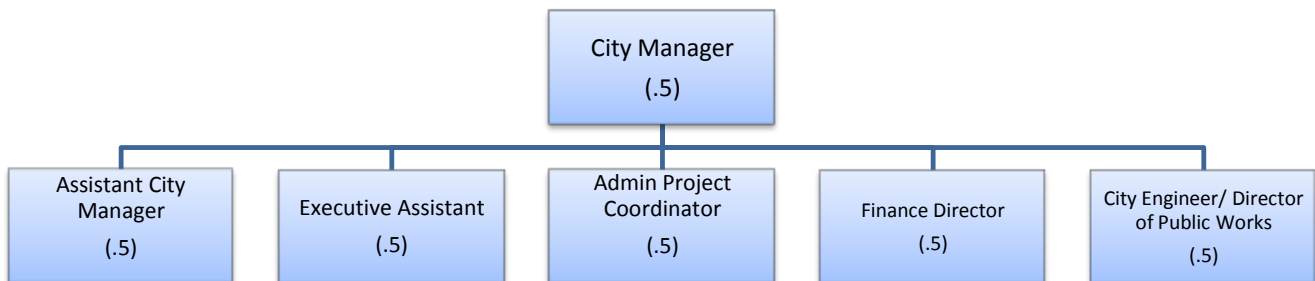
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT		ACCOUNT		
UTILITY	UTILITY ADMINISTRATIVE SERVICES		565		
PURPOSE AND DESCRIPTION					
<i>Committed to the highest standard of customer care by consistently providing accurate billings and services.</i>					
FY 09 ACCOMPLISHMENTS					
Implement use of 2TurnItOn.com. An electronic utility connection request for new customers.					
Establish Red Flag Policies and Procedures effective April 2009.					
First Check background screening is performed for all new connection in conjunction with Identity Theft policy compliance.					
Utility Deposit established by the service level.					
STRATEGIES AND GOALS					
Continually analyze fees and rate structures to ensure they are equitable.					
Assist sound management of the City by providing accurate and timely financial condition.					
Ensure the legal use of all City funds through a good system of financial security and internal control.					
PERFORMANCE INDICATORS					
	FY 2006	FY 2007	FY 2008	FY 2009	
Newsletters to Council, Staff, and citizens	12	12	12	12	
2TurnItOn online connection requests	N/A	N/A	N/A	13	
N/A = Not Applicable. Not contracted until FY 2009.					
UTILITY ADMINISTRATIVE SERVICES					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 321,744	\$ 395,700	\$ 432,897	\$ 420,900	-3%
Supplies & Services	-	-	490	700	30%
Operational	-	54,250	49,000	46,500	-5%
Contingencies	-	-	-	50,000	100%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**



UTILITY ADMINISTRATIVE SERVICES 10-565



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	3	3	3	2.5
Continuous Part-Time	-	-	-	0.5
Seasonal	-	-	-	-
<i>Total</i>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.0</u>

CITY OF HEATH
Annual Operating Budget
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Utility Administrative Services

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Budget</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>
				<i>Budget</i>	<i>Budget</i>	<i>Actual</i>
						<i>Proposed</i>
						<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Administration Division</i>						
565-101	Salaries	316,388	320,200	320,200	320,200	310,900
565-102	Health Insurance	32,766	42,597	42,597	42,597	40,500
565-103	Workers' Comp Insurance	983	1,700	1,700	1,700	1,300
565-104	Overtime	476	1,600	1,600	1,600	300
565-105	FICA	20,953	24,600	24,600	24,600	24,400
565-106	Retirement (TMRS)	36,321	31,300	31,300	31,300	32,800
565-108	Unemployment	0	900	900	900	700
565-109	Temporary Help	8,334	10,000	10,000	10,000	10,000
	<i>Total - Personnel Services</i>	<i>416,221</i>	<i>432,897</i>	<i>432,897</i>	<i>432,897</i>	<i>414,382</i>
565-220	Office Supplies	347	330	330	330	500
565-222	Printing & Photo	104	160	160	160	200
	<i>Total - Supplies & Services</i>	<i>451</i>	<i>490</i>	<i>490</i>	<i>490</i>	<i>700</i>
565-312	Newsletter	6,280	7,500	7,500	7,500	7,500
565-336	Risk Management Consulting	6,550	7,500	7,500	7,500	7,500
565-337	Human Resources Consulting	12,862	10,000	10,000	10,000	7,500
565-338	Public Relations	17,000	24,000	24,000	24,000	24,000
565-342	Professional Fees/Consulting	1,006	0	0	0	0
	<i>Total - Operational Items</i>	<i>43,698</i>	<i>49,000</i>	<i>49,000</i>	<i>49,000</i>	<i>46,500</i>
565-541	Salary Study Contingency	0	0	0	0	0
565-543	General Contingency	0	0	0	0	50,000
	<i>Total - Contingencies</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>50,000</i>
	<i>Total - Utility Administration Division</i>	<i>460,370</i>	<i>482,387</i>	<i>482,387</i>	<i>482,387</i>	<i>518,100</i>

CITY OF HEATH
Annual Operating Budget
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FUND	DEPARTMENT	ACCOUNT
UTILITY	CUSTOMER SERVICES	570

PURPOSE AND DESCRIPTION

Committed to the highest standard of customer care by consistently providing accurate billings, services and collections of the City's water, sewer, sanitation fees, responding to customer questions and concerns, enforcing late or non payment practices and managing changes to the customer database.

FY 09 ACCOMPLISHMENTS

Began processing utility deposits for all new connections and re-connections.

Coincide customer account name with the RCAD ad valorem property owners.

STRATEGIES AND GOALS

Explore and implement technology improvements to create more efficient financial processes and reports by implementing hand held meter reading system.

Assist sound management of the City by providing accurate and timely financial condition.

Ensure the legal use of all City funds through a good system of financial security and internal control.

PERFORMANCE INDICATORS

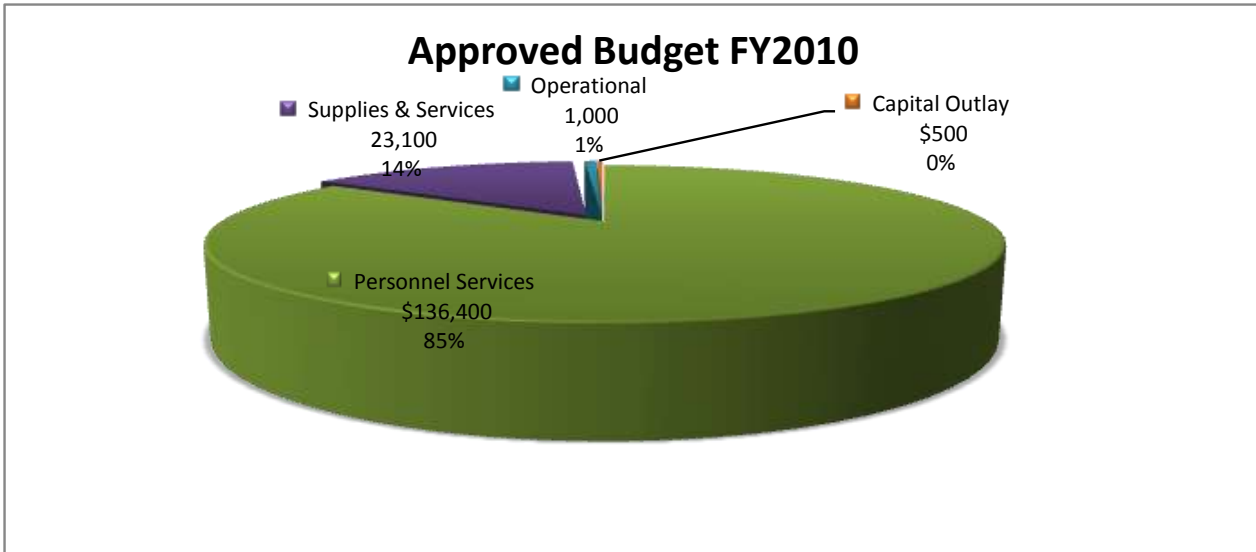
	FY 2006	FY 2007	FY 2008	FY 2009
Number of water customers	1,746	1,789	1,806	1,842
Number of waste water customers			1,751	1,813
Customer Inquires with work orders generated	588	547	633	799
Requested meter re-reads	3	24	37	31
Payments processed online	N/A	N/A	475	1,459
Payments processed in-house	25,341	23,909	25,437	26,379

N/A = Not applicable. Online service contracted FY 2008.

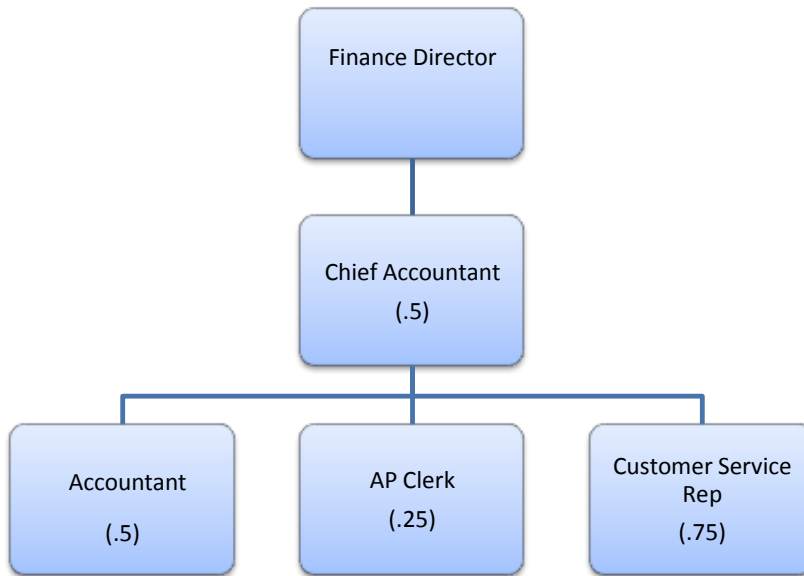
CUSTOMER SERVICES

<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 80,204	\$ 204,072	\$ 162,791	\$ 136,400	-19%
Supplies & Services	23,000	24,000	17,879	23,100	23%
Operational	1,000	1,000	0	1,000	100%
Capital Outlay	12,500	2,500	0	\$ 500	100%

**CITY OF HEATH
Annual Operating Budget
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CUSTOMER SERVICES



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	2.0	2.5	2.0	1.5
Continuous Part-Time	0.5	0.5	1.0	0.5
Seasonal	-	-	-	-
<i>Total</i>	<u>2.5</u>	<u>3.0</u>	<u>3.0</u>	<u>2.0</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

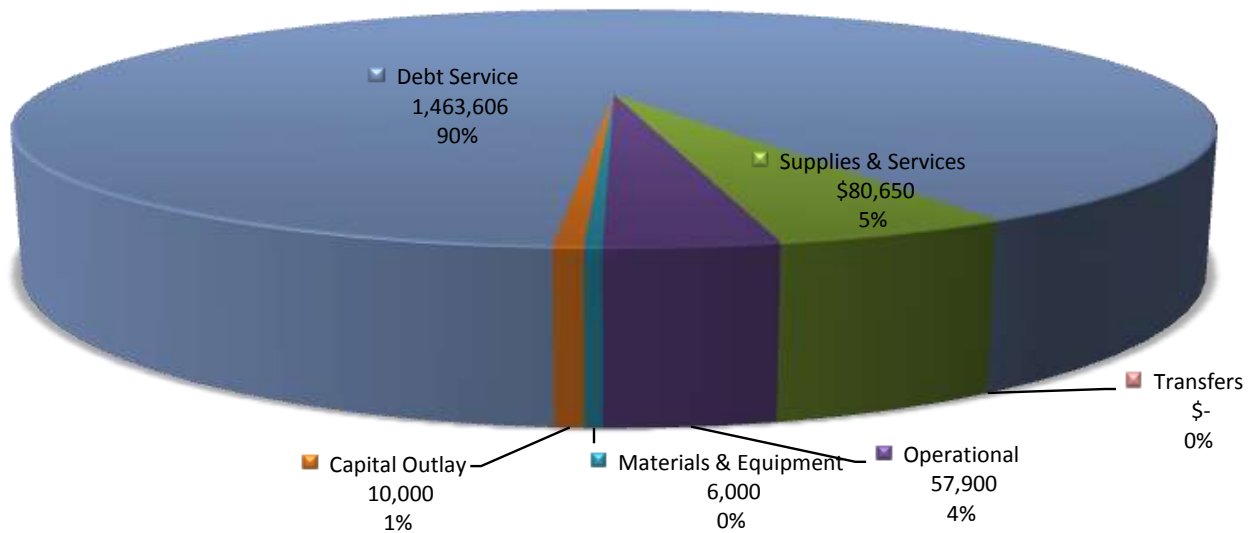
Customer Services

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Customer Services Division</i>						
570-101	Salaries	115,097	120,700	120,700	116,000	100,800
570-102	Health Insurance	14,486	12,091	12,091	13,500	11,800
570-103	Workers' Comp Insurance	529	700	700	404	500
570-104	Overtime	855	1,600	1,600	1,000	1,200
570-105	FICA	9,179	9,400	9,400	9,200	8,100
570-106	Retirement (TMRS)	14,943	12,600	12,600	12,000	10,900
570-107	Unemployment	0	700	700	0	600
570-109	Temporary Help	299	5,000	5,000	6,000	2,500
	<i>Total - Personnel Services</i>	<i>155,389</i>	<i>162,791</i>	<i>162,791</i>	<i>158,104</i>	<i>136,400</i>
570-204	Telecommunications	0	2,007	2,007	1,000	1,400
570-220	Office Supplies	1,509	982	982	1,500	2,000
570-221	Postage & Freight	10,473	10,197	10,197	11,000	12,000
570-222	Printing & Photo	6,251	6,500	6,500	6,500	6,500
570-230	Dues/Subscriptions/Publication	95	200	200	100	200
570-231	Conferences & Training	79	0	0	0	500
570-232	Travel, Meals & Lodging	28	0	0	0	500
	<i>Total - Supplies & Services</i>	<i>18,434</i>	<i>19,886</i>	<i>19,886</i>	<i>20,100</i>	<i>23,100</i>
570-350	Applicant Screening	0	0	0	200	1,000
570-399	Miscellaneous Expense	85	0	0	0	0
	<i>Total - Operational Items</i>	<i>85</i>	<i>0</i>	<i>0</i>	<i>200</i>	<i>1,000</i>
570-501	Office Furniture/Fixtures/Equipment	0	0	0	0	500
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>500</i>
	<i>Total - Customer Services Division</i>	<i>173,908</i>	<i>182,677</i>	<i>182,677</i>	<i>178,404</i>	<i>161,000</i>

**CITY OF HEATH
Annual Operating Budget
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FUND UTILITY	DEPARTMENT NON-DIVISIONAL			ACCOUNT 10-575	
NON-DIVISIONAL					
Description	Adopted Budget FY2007	Adopted Budget FY2008	Adopted Budget FY2009	Approved Budget FY2010	% Increase/Decrease
Supplies & Services	\$ 48,750	\$ 49,100	\$ 81,075	\$ 80,650	-1%
Operational	241,900	1,900	73,033	57,900	-26%
Materials & Equipment	1,200	1,200	7,900	6,000	-32%
Capital Outlay	-	-	10,000	10,000	0%
Debt Service	971,514	1,580,882	1,514,084	1,463,606	-3%
Transfers	-	175,000	40,000	\$ -	-100%

Approved Budget FY2010



NON-DIVISIONAL 10-575

FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Full-time	-	-	-	-
Continuous Part-Time	-	-	-	-
Seasonal	0.5	0.5	0.5	0.5
<i>Total</i>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>

CITY OF HEATH
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WUF Non-Divisional

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Non-Divisional Division</i>						
575-201	Electric Service	16,037	15,000	15,000	15,000	15,000
575-202	Gas Service	1,732	2,500	2,500	2,500	2,500
575-203	Water Service	446	250	250	600	600
575-204	Telecommunications	14	22,000	22,000	14,500	1,900
575-210	Property & Liability Insurance	17,348	15,025	15,025	15,900	18,600
575-220	Office Supplies	19	150	150	150	200
575-221	Postage & Freight	435	1,000	1,000	0	1,100
575-223	Community Center	4,784	3,600	3,600	4,300	4,000
575-224	Janitorial Service & Supplies	15,108	16,000	16,000	16,000	16,000
575-230	Dues/Subscriptions/Publication	500	750	750	0	750
575-251	ETS Credit Card Charges	5,446	4,800	4,800	11,200	15,000
575-260	Staff Development	0	0	0	0	5,000
	<i>Total - Supplies & Services</i>	<i>61,868</i>	<i>81,075</i>	<i>81,075</i>	<i>80,150</i>	<i>80,650</i>
575-341	Legal Services	1,366	700	700	3,500	3,500
575-342	Admin/Professional Fees	5,113	2,000	2,000	2,000	2,000
575-343	Computer Maintenance Services	0	41,633	41,633	41,633	13,400
575-343	Incode Maintenance Services	0	21,500	21,500	21,500	17,800
575-343	License, Software, Other	0	5,700	5,700	5,700	14,700
575-360	Other Operational Supplies	1,278	1,500	1,500	2,500	1,500
575-399	Miscellaneous Expense	659	0	0	3,000	5,000
	<i>Total - Operational Items</i>	<i>8,415</i>	<i>73,033</i>	<i>73,033</i>	<i>79,833</i>	<i>57,900</i>
575-441	Auto Repair & Maintenance	29	0	0	25	500
575-442	Gas, Oil & Fuel	172	400	400	0	500
575-443	Structure Repair & Maintenance	0	7,500	7,500	3,750	5,000
	<i>Total - Materials & Equipment</i>	<i>201</i>	<i>7,900</i>	<i>7,900</i>	<i>3,775</i>	<i>6,000</i>
575-502	Computer Equipment	0	10,000	10,000	10,000	10,000
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>10,000</i>	<i>10,000</i>	<i>10,000</i>	<i>10,000</i>

CITY OF HEATH
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WUF Non-Divisional

		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Budget</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Non-Divisional Division</i>						
575-523	2004 A Tax/Rev CO Refi - Prin	125,000	130,000	130,000	130,000	130,000
575-524	2004 A Tax/Rev CO Refi - Int	41,540	43,240	43,240	43,240	38,456
575-527	NTMWD Debt Service - Ground Storage	75,097	26,000	26,000	25,100	25,100
575-528	NTMWD Debt Service - Interceptor	492,232	456,129	456,129	456,129	414,300
575-529	Series 2007 C O - Principal	195,416	167,231	167,231	167,231	172,868
575-530	Series 2007 C O - Interest	206,199	210,054	210,054	210,054	203,252
575-615	Series 2001 C O - Principal	198,750	210,000	210,000	210,000	217,500
575-616	Series 2001 C O - Interest	260,544	271,430	271,430	271,430	262,130
	<i>Total - Debt Service</i>	<i>1,594,778</i>	<i>1,514,084</i>	<i>1,514,084</i>	<i>1,513,184</i>	<i>1,463,606</i>
575-815	Transfer to Technology	175,000	40,000	40,000	40,000	0
575-825	Transfer to Sanitation	0	0	0	0	0
	<i>Total - Transfers</i>	<i>175,000</i>	<i>40,000</i>	<i>40,000</i>	<i>40,000</i>	<i>0</i>
	<i>Total - Non-Divisional</i>	<i>1,840,262</i>	<i>1,726,092</i>	<i>1,726,092</i>	<i>1,726,942</i>	<i>1,618,156</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
SOLID WASTE	SOLID WASTE	25-579

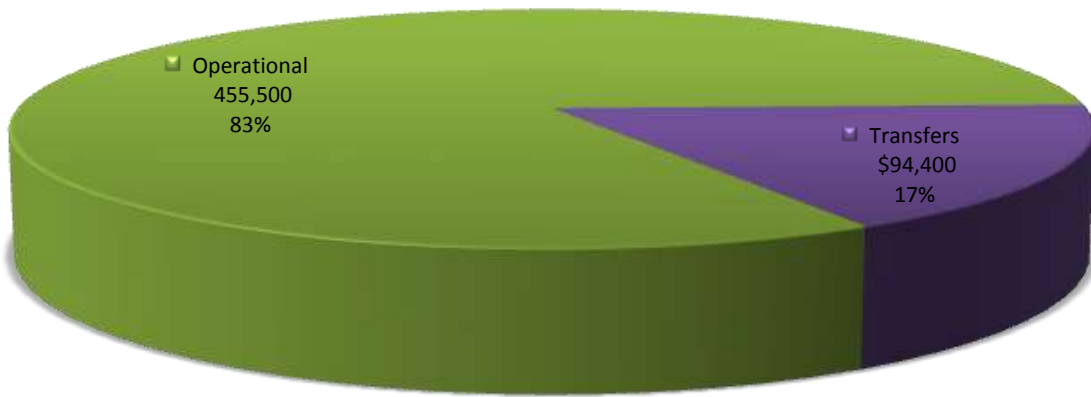
PURPOSE AND DESCRIPTION

The Solid Waste Fund contracts with a firm to collect solid waste and recyclables for disposal at the designated landfill or recycling facility.

SOLID WASTE

<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Operational	\$ 270,550	\$ 350,000	\$ 420,500	455,500	8%
Transfers	106,100	112,100	47,200	\$ 94,400	50%

Approved Budget FY 2010



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Sources and Uses

		<i>F'07-08 Actual</i>	<i>F'08-09 Original Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
<i>Solid Waste Fund Sources and Uses</i>						
Sources of Funds						
	<i>Beginning Resources</i>	22,065	36,215	36,215	36,215	57,515
	<i>Current Revenues</i>					
Revenue						
4106	Interest Earned	182	2,500	500	500	500
4701	Sanitation Fees	452,966	465,000	500,000	500,000	525,000
4707	Late Payment Fees	5,504	4,500	4,500	4,500	5,000
	<i>Total Sanitation Revenue</i>	458,652	472,000	505,000	505,000	530,500
	<i>Total Sources Of Funds</i>	480,717	508,215	541,215	541,215	588,015
Uses of Funds						
579-300	Commodity Purchase	419,191	420,000	436,000	436,000	455,000
579-341	Legal Services	311	500	500	500	500
	<i>Total - Operational Items</i>	419,502	420,500	436,500	436,500	455,500
579-801	Transfer to General Fund	0	47,200	47,200	47,200	47,200
579-810	Transfer to Utility Fund	0	0	0	0	47,200
579-815	Transfer to Technology	25,000	0	0	0	0
	<i>Total Billing & Transfer Fee</i>	25,000	47,200	47,200	47,200	94,400
	<i>Total Current Expenditures</i>	444,502	467,700	483,700	483,700	549,900
	<i>Ending Resources</i>	36,215	40,515	57,515	57,515	38,115



DEBT SERVICE FUND

The Debt Service Fund is a special fund established to account for the accumulation and expenditure of resources for payment of principal and interest on tax and utilities support bonded debt. Bonded debt includes general obligation bonds, certificates of obligations and combination tax and revenue certificates of obligation.

The principal source of revenue is assessed property taxes as established by ordinance.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

GENERAL OBLIGATION DEBT SERVICE

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest. The resources of that fund are generated by a tax levy based upon property values. Payments of principal and interest are made for general obligation bonds, certificates of obligation, and revenue bonds.

Current general outstanding debt including principal and interest equals \$17,561,175.26 comprised of general obligation refunded issues, and combination tax and surplus revenue certificates of obligation issued 2001-2007. Three debt obligations are divided by percentage between the general obligation debt and the business-type activities. The allocation is as follows:

	General	Business Type
2007 Tax & Limited Surplus Revenue CO, series 2007	.6242	.3758
Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004	.65	.35 (EDC)
Combination Tax & Revenue Certificates of Obligation, Series 2001	.25	.75

For budgeting and debt limit requirements, the aggregate of the outstanding debt is divided by type. The projected FY 2010 debt requirements total \$1,293,925.

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. The City of Heath is well below the limitation with a rate of \$.34333.

The allocation of ad valorem tax levy between General Fund and Debt Service operations are noted as below:

	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>	<i>2008-2009</i>	<i>2009-2010</i>
General	0.2864	0.2728	0.2786	0.2786	0.2786
Debt Service	0.0569	0.0705	0.0647	0.0647	0.0647
	0.3433	0.3433	0.3433	0.3433	0.3433

The Aggregate Debt Service Schedule shows principal and interest payment obligations until 2027. Annually the Debt Service Schedule of obligations and self-supporting revenue is analyzed for stability. When obligations are greater than the self-supporting portion, fund balance is spent.

Since the issuance of a Combination Tax and Limited Surplus Revenue Certificate of Obligation, Series 2007 November 1, 2007, Debt Service fund balance has been subsidizing approximately 1.5 to 2.57 cents per \$100 valuation. Self-supporting revenue is primarily generated from the tax levy based upon property values and interest income. A direct relationship exists between the Debt Service Fund Balance and interest income. As the funds are expensed for capital improvements, the principal amount for interest earnings decreases. As the economy has suffered from declining construction, and declining interest rates, self-supporting revenue levels have likewise declined. In FY2007-2008, an 8% decline from projected revenue was realized.

Using the current rate structure, Debt Service Fund Balance will be depleted in FY 2012. Numerous, unforeseen changes in variables make annual analysis vital. Annually assumptions can be revised to incorporate economical and valuation fluctuations, and refunding options. Analysis will include:

1. Estimated annual growth in the taxable assessed valuation over the life of the debt,
2. Existing amount of GO Debt Service obligations each year for the life of the debt,
3. Other long term debt obligations for the life of the debt,
4. Collection rate of Debt Service (I&S) portion of ad valorem tax levy over the life of the debt,
5. Interest rate projections for the life of the debt,
6. Estimated I&S tax rate for the life of the debt,
7. Refunding feasibility

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

GENERAL OBLIGATION DEBT SERVICE

For this annual operating budget FY 2010, the assumptions for each of the noted considerations were as follows:

Assumption #1. Preliminary assessed valuation growth from FY 2009 to FY 2010 was 1.35%. Growth from annexation and assessed valuation in FY 2011 was estimated at 1% reflective of current market conditions and economical forecasting on credit availability for construction. The remaining period from FY 2012 through FY 2027 estimated growth at 3% a year. Growth requirements were also considered to extend fund balance projections as follows:

<i>If Growth Rate</i>	<i>Fiscal Years</i>	<i>Balance Depleted in Fiscal Year</i>
1.35%-13%	2011 & 2012	2012 - Action required
14%-18%	2011 & 2012	2013 - Action required
19%-20%	2011 & 2012	Growth rate supports Debt Service - No action required

<i>Actual Growth Rate</i>	<i>Fiscal Year</i>
7.40%	2006
12.68%	2007
9.00%	2008
8.67%	2009
1.35%	2010

Assumption #2: Existing GO Debt Service schedule followed current Debt Profile provided by First Southwest Corporation.

Assumption #3: Other Long-term debt obligations include financing for the animal shelter, gun range and a fire truck.

Assumption #4: 98.5% collection rate based on historical trending of ad valorem collections.

Assumption #5: .35% current interest rate (Detail explanation in Debt Service Revenue, Assumption #2).

Assumption #6: Tax rate continued at current level of 6.47 cents per \$100 valuation.

Assumption #7: No feasible refunding available for FY 2010.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010
GENERAL OBLIGATION DEBT SERVICE
LEGAL DEBT MARGIN

The City of Heath, Texas does not have a legal debt limit prescribed by state law. However Article XI, Section 5 of the Texas Constitution applicable to cities of more than 5,000 population limits ad valorem tax rates to \$2.50 per \$100 assessed valuation for cities operating under a Home Rule Charter.

The City Charter (Section 8.06) states:

The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds and other evidences of indebtedness for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the City previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas.

The City Charter (Section 8.06) also states:

The City shall further have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligations created thereby.....

Article 11, Section 5 of the State of Texas Constitution states in part:

...but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half per cent. of the taxable property of such city, and no debt shall ever be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating a sinking fund of at least two per cent. thereon.

The legal debt margin amount is important in that it represents the net amount of external financing resources that is available to the City through the issuance of general obligation (G.O.) bonds. G.O. bonds are debt instruments issued in the name of the government and whose repayment is guaranteed through a pledge of a full faith and credit of the issuer. In layman's terms, when the majority of voters in the City approve a general obligation bond referendum, they are guaranteeing the purchaser of the bond they will pay property taxes in an amount that is sufficient to redeem the bond upon maturity and pay the interest earned on the outstanding bonds.

The legal debt margin is calculated at any point in time by deducting the amount of the current outstanding G.O. debt from the statutory debt limit. The purpose for determining this calculation is to determine the maximum amount of new debt that could be legally issued should the need arise. As provided by law, the issuance of revenue bonds does not count against the legal debt margin.

Tax Year	Assessed Value	Applicable Percentage	Debt Limit	Current G.O. Debt	Legal Debt Margin
2005	\$ 731,802,500	10%	\$ 73,180,250	\$ 6,753,750	\$ 66,426,500
2006	\$ 790,658,290	10%	\$ 79,065,829	\$ 6,482,500	\$ 72,583,329
2007	\$ 953,777,200	10%	\$ 95,377,720	\$ 6,179,750	\$ 89,197,970
2008	\$ 1,000,424,437	10%	\$ 100,042,444	\$ 13,000,666	\$ 87,041,778
2009	\$ 1,101,524,185	10%	\$ 110,152,419	\$ 12,647,016	\$ 97,505,403

	2010	2009	2008	2007	2006
Maximum Rate	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Total Tax Rate	\$ 0.3433	0.3433	0.3433	0.3433	0.3433
Legal Debt Margin	2.1567	2.1567	2.1567	2.1567	2.1567

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

GENERAL OBLIGATION DEBT SERVICE
REVENUE

Description of Revenue

Largest (91%) Ad Valorem Property Tax. The Rockwall County Appraisal District (RCAD) and Kaufman County Appraisal District (KCAD) establish the value of each property within the City of Heath. The certified taxable value for FY 2010 is \$1,101,524,185. An increase of \$28,980,778 from the prior year certified taxable value. I&S tax rate is 6.47 cents per \$100 resulting in \$701,000 as Debt Service Revenue.

Assumption #1: A 98.5% collection rate of ad valorem taxes is built into the revenue assumption. Historically, 98.5% collection rate has been an accurate assumption in projecting ad valorem collection revenue.

Assumption #2: Delinquent Ad Valorem and Penalty & Interest projections decreased 20% from FY 2008 to FY 2009 projected actuals. Collection of delinquent and penalty and interest were projected to remain constant with prior year actuals.

Second Largest (5%) Interest Income

Assumption #1: The Local Government Investment Pool rate was .35% during the analysis process. The economic outlook and failure to increase the Fed rate during the June session formed the assumption for preparing calculations with the current interest rate.

Assumption #2: 2007 Bond CD maturity on August 20, 2009 will be invested in the 2007 Bond Money Market earning the current rate of 1.16%.

Assumption #3: 2007 Bond interest income is divided between General Capital Improvements (.62) and Utilities Capital Improvements (.38). General Capital Improvements interest income portion is allocated to General Interest & Sinking. Debt Service Fund portion is projected to receive \$34,905.72.

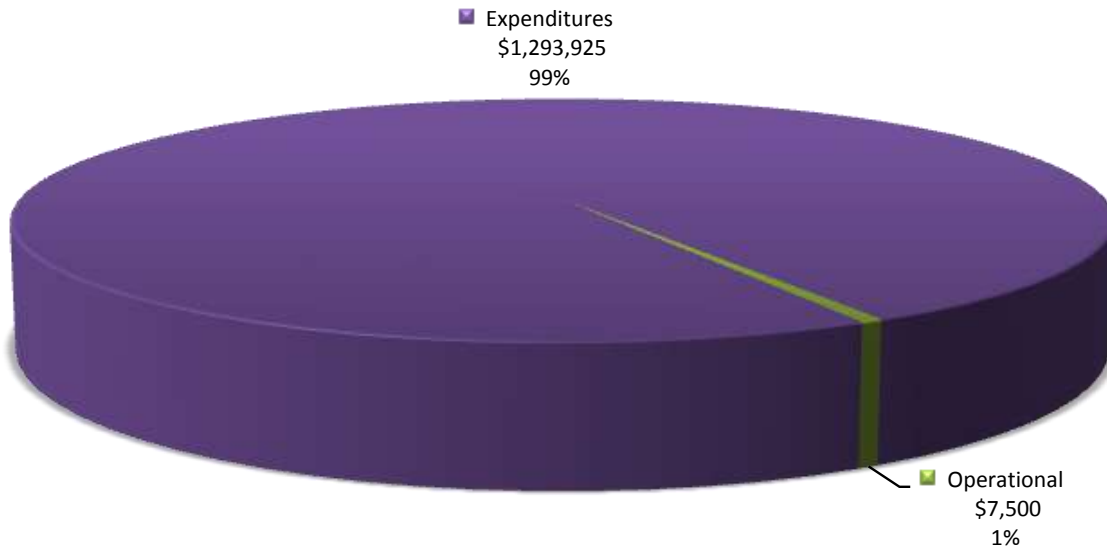
Assumption #4: FY 2009 remaining Debt Service interest income was estimated using the 2007 Bond CD maturity information and the Local Government Investment Pool current interest of .35% for the FY 2009 months remaining. An additional \$10,000 was added to the principal calculation of the FY 2010 interest projection.

Assumption #5: FY 2009 Debt Service payments of \$275,314.83 paid from the Debt Service Fund were considered when calculating the FY010 interest income projection. Available balance was decreased by the August 15, 2009 payment amount. Interest income projection included the City Council adopted transfer of \$1,250,000 from General Fund to Debt Service.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT		ACCOUNT		
DEBT SERVICE	DEBT SERVICE		40		
NON-DIVISIONAL					
<i>Description</i>	<i>Adopted Budget FY2007</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Approved Budget FY2010</i>	<i>% Increase/ Decrease</i>
Operational	\$ 7,000	\$ 5,000	\$ 12,500	7,500	-67%
Expenditures	671,840	1,242,436	1,223,209	1,293,925	5%

Approved Budget FY 2010



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Sources and Uses

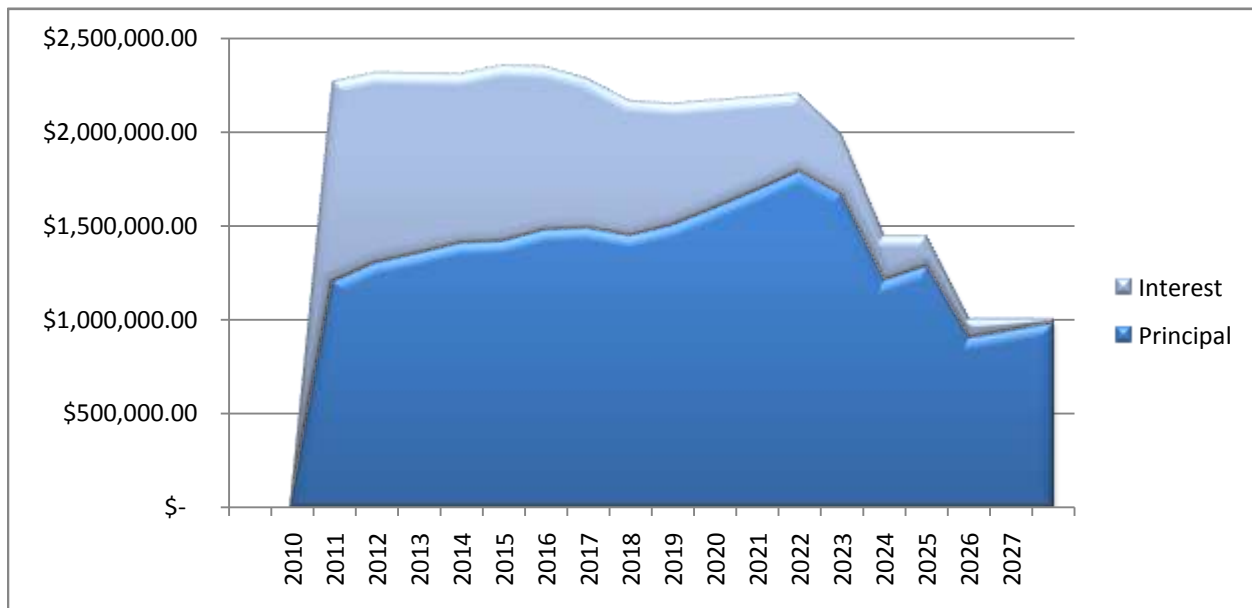
		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Debt Service Fund - Sources and Uses</i>						
Sources of Funds						
	<i>Beginning Resources</i>	<i>1,210,352</i>	<i>919,619</i>	<i>919,619</i>	<i>919,619</i>	<i>1,487,466</i>
	<i>Current Revenues</i>					
4001	Ad Valorem Tax	635,584	680,057	680,057	680,057	701,000
4002	Penalty & Interest	11,989	7,500	7,500	7,500	7,500
4004	Ad Valorem Delinquent Taxes	15,085	15,000	15,000	12,000	12,000
4106	Interest Earned	267,029	80,000	80,000	60,000	30,000
4210-4223	Other (Pids, Assessments, Escrows)	19,151	45,000	45,000	39,000	32,000
4850	Transfer from General Fund	0	0	1,035,900	1,035,900	250,000
	<i>Total - Debt Service Fund Revenue</i>	<i>948,838</i>	<i>827,557</i>	<i>1,863,457</i>	<i>1,834,457</i>	<i>1,032,500</i>
	<i>Total Sources Of Funds</i>	<i>2,159,190</i>	<i>1,747,176</i>	<i>2,783,076</i>	<i>2,754,076</i>	<i>2,519,966</i>
Uses of Funds						
	<i>Current Expenditures</i>					
520-399	Miscellaneous Expense	14,500	12,500	12,500	7,500	7,500
	<i>Total - Operational Items</i>	<i>14,500</i>	<i>12,500</i>	<i>12,500</i>	<i>7,500</i>	<i>7,500</i>
520-613	2001 GO Bond Principal	0	0	0	0	20,000
520-614	2001 GO Bond Interest	34,063	34,063	34,063	34,063	33,623
520-615	2001 CO Bond Principal	66,250	70,000	70,000	70,000	72,500
520-616	2001 CO Bond Interest	93,373	90,477	90,477	90,477	87,377
520-617	2004 CO Principal	58,500	71,500	71,500	71,500	71,500
520-618	2004 CO Interest	47,463	45,089	45,089	45,089	42,458
520-619	2004 GO Ref (93,96) - Principal	170,000	175,000	175,000	175,000	185,000
520-620	2004 GO Ref (93,96) - Interest	49,996	43,700	43,700	43,700	37,076
520-621	2004 Fire Truck - Principal	53,357	53,400	53,400	53,400	53,400
520-622	2004 Fire Truck - Interest	6,645	6,650	6,650	6,650	6,650
520-625	Pistol Range - Principal	14,619	0	0	0	17,790
520-626	Pistol Range - Interest	6,517	6,665	6,665	6,665	5,921
520-627	2007 Combination-Principal	324,584	277,769	277,769	277,769	287,132
520-628	2007 Combination-Interest	299,705	348,897	348,897	348,897	337,599
520-629	Animal Shelter Principal	0	0	35,900	35,900	35,900
	<i>Total Current Expenditures</i>	<i>1,225,072</i>	<i>1,223,210</i>	<i>1,259,110</i>	<i>1,259,110</i>	<i>1,293,925</i>
	<i>Ending Resources</i>	<i>919,619</i>	<i>511,466</i>	<i>1,511,466</i>	<i>1,487,466</i>	<i>1,218,541</i>
	<i>Revenue vs. Expenditures - Surplus/(Deficit)</i>	<i>(290,733)</i>	<i>(408,152)</i>	<i>591,847</i>	<i>567,848</i>	<i>(268,925)</i>

City of Heath, Texas

Outstanding General and Business Type and EDC Bonded Debt

Debt Service Schedule Total Aggregate

Date	Principal	Interest	Total Principal + Interest
2010	\$ 1,195,000.00	\$ 1,064,832.02	\$ 2,259,832.02
2011	\$ 1,295,000.00	\$ 1,014,755.52	\$ 2,309,755.52
2012	\$ 1,345,000.00	\$ 961,013.52	\$ 2,306,013.52
2013	\$ 1,400,000.00	\$ 902,211.52	\$ 2,302,211.52
2014	\$ 1,410,000.00	\$ 938,901.52	\$ 2,348,901.52
2015	\$ 1,470,000.00	\$ 871,370.27	\$ 2,341,370.27
2016	\$ 1,480,000.00	\$ 798,169.52	\$ 2,278,169.52
2017	\$ 1,440,000.00	\$ 720,166.89	\$ 2,160,166.89
2018	\$ 1,495,000.00	\$ 649,406.26	\$ 2,144,406.26
2019	\$ 1,585,000.00	\$ 577,626.26	\$ 2,162,626.26
2020	\$ 1,680,000.00	\$ 499,898.13	\$ 2,179,898.13
2021	\$ 1,780,000.00	\$ 415,903.75	\$ 2,195,903.75
2022	\$ 1,655,000.00	\$ 324,212.50	\$ 1,979,212.50
2023	\$ 1,205,000.00	\$ 239,531.25	\$ 1,444,531.25
2024	\$ 1,280,000.00	\$ 163,187.50	\$ 1,443,187.50
2025	\$ 900,000.00	\$ 103,687.50	\$ 1,003,687.50
2026	\$ 940,000.00	\$ 63,437.50	\$ 1,003,437.50
2027	\$ 980,000.00	\$ 21,437.50	\$ 1,001,437.50
Total	\$ 24,535,000.00	\$ 10,329,748.93	\$ 34,864,748.93

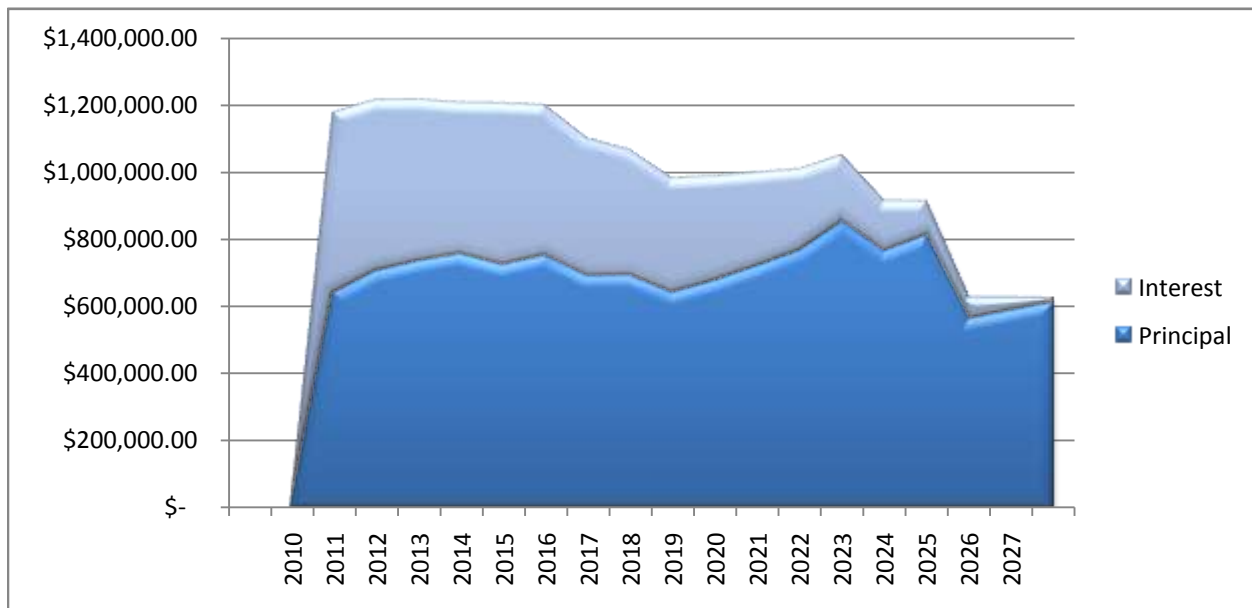


City of Heath, Texas

Outstanding General Bonded Debt

Debt Service Schedule General Bonded Aggregate

Date	Principal	Interest	Total Principal + Interest
2010	\$ 636,132.00	\$ 538,132.42	\$ 1,174,264.42
2011	\$ 701,866.00	\$ 511,477.84	\$ 1,213,343.84
2012	\$ 731,850.00	\$ 482,581.22	\$ 1,214,431.22
2013	\$ 753,705.00	\$ 450,902.04	\$ 1,204,607.04
2014	\$ 720,810.00	\$ 482,596.02	\$ 1,203,406.02
2015	\$ 749,536.00	\$ 447,677.30	\$ 1,197,213.30
2016	\$ 687,891.00	\$ 410,684.19	\$ 1,098,575.19
2017	\$ 690,238.00	\$ 373,954.87	\$ 1,064,192.87
2018	\$ 638,464.00	\$ 342,053.55	\$ 980,517.55
2019	\$ 674,319.00	\$ 312,292.89	\$ 986,611.89
2020	\$ 717,295.00	\$ 279,864.01	\$ 997,159.01
2021	\$ 763,521.00	\$ 244,307.65	\$ 1,007,828.65
2022	\$ 849,368.00	\$ 200,071.12	\$ 1,049,439.12
2023	\$ 761,965.00	\$ 151,089.21	\$ 913,054.21
2024	\$ 809,812.00	\$ 102,403.44	\$ 912,215.44
2025	\$ 561,780.00	\$ 64,721.74	\$ 626,501.74
2026	\$ 586,748.00	\$ 39,597.69	\$ 626,345.69
2027	\$ 611,716.00	\$ 13,381.29	\$ 625,097.29
Total	\$ 12,647,016.00	\$ 5,447,788.46	\$ 18,094,804.46



\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - General Bonded

General Fund: .6242% Business Type: .3758%

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 287,132.00	\$ 171,671.00	\$ 458,803.00	\$ -
08/15/2010	\$ -	\$ 165,928.36	\$ 165,928.36	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 624,731.36
02/15/2011	\$ 299,616.00	\$ 165,928.36	\$ 465,544.36	\$ -
08/15/2011	\$ -	\$ 159,936.04	\$ 159,936.04	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 625,480.40
02/15/2012	\$ 312,100.00	\$ 159,936.04	\$ 472,036.04	\$ -
08/15/2012	\$ -	\$ 153,694.04	\$ 153,694.04	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 625,730.08
02/15/2013	\$ 327,705.00	\$ 153,694.04	\$ 481,399.04	\$ -
08/15/2013	\$ -	\$ 145,501.41	\$ 145,501.41	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 626,900.45
02/15/2014	\$ 343,310.00	\$ 145,501.41	\$ 488,811.41	\$ -
08/15/2014	\$ -	\$ 136,918.66	\$ 136,918.66	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 625,730.08
02/15/2015	\$ 362,036.00	\$ 136,918.66	\$ 498,954.66	\$ -
08/15/2015	\$ -	\$ 127,867.76	\$ 127,867.76	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 626,822.43
02/15/2016	\$ 377,641.00	\$ 127,867.76	\$ 505,508.76	\$ -
08/15/2016	\$ -	\$ 118,426.74	\$ 118,426.74	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 623,935.50
02/15/2017	\$ 399,488.00	\$ 118,426.74	\$ 517,914.74	\$ -
08/15/2017	\$ -	\$ 108,439.54	\$ 108,439.54	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 626,354.28
02/15/2018	\$ 418,214.00	\$ 108,439.54	\$ 526,653.54	\$ -
08/15/2018	\$ -	\$ 100,075.26	\$ 100,075.26	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 626,728.80
02/15/2019	\$ 433,819.00	\$ 100,075.26	\$ 533,894.26	\$ -
08/15/2019	\$ -	\$ 91,398.88	\$ 91,398.88	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 625,293.14
02/15/2020	\$ 452,545.00	\$ 91,398.88	\$ 543,943.88	\$ -
08/15/2020	\$ -	\$ 82,065.13	\$ 82,065.13	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 626,009.01
02/15/2021	\$ 471,271.00	\$ 82,065.13	\$ 553,336.13	\$ -
08/15/2021	\$ -	\$ 72,286.26	\$ 72,286.26	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 625,622.40
02/15/2022	\$ 493,118.00	\$ 72,286.26	\$ 565,404.26	\$ -
08/15/2022	\$ -	\$ 61,191.11	\$ 61,191.11	\$ -

\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - General Bonded

General Fund: .6242% Business Type: .3758%

09/30/2022	\$ -	\$ -	\$ -	\$ 626,595.37
02/15/2023	\$ 514,965.00	\$ 61,191.11	\$ 576,156.11	\$ -
08/15/2023	\$ -	\$ 50,248.10	\$ 50,248.10	\$ -
09/30/2023	\$ -	\$ -	\$ -	\$ 626,404.21
02/15/2024	\$ 536,812.00	\$ 50,248.10	\$ 587,060.10	\$ -
08/15/2024	\$ -	\$ 38,505.34	\$ 38,505.34	\$ -
09/30/2024	\$ -	\$ -	\$ -	\$ 625,565.44
02/15/2025	\$ 561,780.00	\$ 38,505.34	\$ 600,285.34	\$ -
08/15/2025	\$ -	\$ 26,216.40	\$ 26,216.40	\$ -
09/30/2025	\$ -	\$ -	\$ -	\$ 626,501.74
02/15/2026	\$ 586,748.00	\$ 26,216.40	\$ 612,964.40	\$ -
08/15/2026	\$ -	\$ 13,381.29	\$ 13,381.29	\$ -
09/30/2026	\$ -	\$ -	\$ -	\$ 626,345.69
02/15/2027	\$ 611,716.00	\$ 13,381.29	\$ 625,097.29	\$ -
09/30/2027	\$ -	\$ -	\$ -	\$ 625,097.29
Total	\$ 7,790,016.00	\$ 3,475,831.63	\$ 11,265,847.63	\$ 11,265,847.63

\$1,835,000

City of Heath, Texas

General Obligation Refunding Bonds, Series 2004

Debt Service Schedule - General Bonded

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 185,000.00	\$ 20,240.00	\$ 205,240.00	\$ -
08/15/2010	\$ -	\$ 16,836.00	\$ 16,836.00	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 222,076.00
02/15/2011	\$ 190,000.00	\$ 16,836.00	\$ 206,836.00	\$ -
08/15/2011	\$ -	\$ 13,340.00	\$ 13,340.00	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 220,176.00
02/15/2012	\$ 205,000.00	\$ 13,340.00	\$ 218,340.00	\$ -
08/15/2012	\$ -	\$ 9,568.00	\$ 9,568.00	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 227,908.00
02/15/2013	\$ 205,000.00	\$ 9,568.00	\$ 214,568.00	\$ -
08/15/2013	\$ -	\$ 5,796.00	\$ 5,796.00	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 220,364.00
02/15/2014	\$ 155,000.00	\$ 5,796.00	\$ 160,796.00	\$ -
08/15/2014	\$ -	\$ 2,944.00	\$ 2,944.00	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 163,740.00
02/15/2015	\$ 160,000.00	\$ 2,944.00	\$ 162,944.00	\$ -
08/15/2015	\$ -	\$ -	\$ -	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 162,944.00
Total	\$ 1,100,000.00	\$ 117,208.00	\$ 1,217,208.00	\$ 1,217,208.00

\$2,190,000

City of Heath, Texas

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004

Debt Service Schedule - General Bonded

General Fund: .65% Business Type (EDC): .35%

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 71,500.00	\$ 21,886.80	\$ 93,386.80	\$ -
08/15/2010	\$ -	\$ 20,571.20	\$ 20,571.20	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 113,958.00
02/15/2011	\$ 26,000.00	\$ 20,571.20	\$ 46,571.20	\$ -
08/15/2011	\$ -	\$ 20,092.80	\$ 20,092.80	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 66,664.00
02/15/2012	\$ 26,000.00	\$ 20,092.80	\$ 46,092.80	\$ -
08/15/2012	\$ -	\$ 19,614.40	\$ 19,614.40	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 65,707.20
02/15/2013	\$ 26,000.00	\$ 19,614.40	\$ 45,614.40	\$ -
08/15/2013	\$ -	\$ 19,136.00	\$ 19,136.00	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 64,750.40
02/15/2014	\$ 16,250.00	\$ 52,000.00	\$ 68,250.00	\$ -
08/15/2014	\$ -	\$ 51,187.50	\$ 51,187.50	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 119,437.50
02/15/2015	\$ 16,250.00	\$ 51,187.50	\$ 67,437.50	\$ -
08/15/2015	\$ -	\$ 50,375.00	\$ 50,375.00	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 117,812.50
02/15/2016	\$ 87,750.00	\$ 50,375.00	\$ 138,125.00	\$ -
08/15/2016	\$ -	\$ 45,987.50	\$ 45,987.50	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 184,112.50
02/15/2017	\$ 19,500.00	\$ 45,987.50	\$ 65,487.50	\$ -
08/15/2017	\$ -	\$ 45,012.50	\$ 45,012.50	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 110,500.00
02/15/2018	\$ 22,750.00	\$ 45,012.50	\$ 67,762.50	\$ -
08/15/2018	\$ -	\$ 43,875.00	\$ 43,875.00	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 111,637.50
02/15/2019	\$ 29,250.00	\$ 43,875.00	\$ 73,125.00	\$ -

\$2,190,000

City of Heath, Texas

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004

Debt Service Schedule - General Bonded

General Fund: .65% Business Type (EDC): .35%

Date	Principal	Interest	Principal + Interest	Fiscal Total
08/15/2019	\$ -	\$ 42,412.50	\$ 42,412.50	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 115,537.50
02/15/2020	\$ 42,250.00	\$ 42,412.50	\$ 84,662.50	\$ -
08/15/2020	\$ -	\$ 40,300.00	\$ 40,300.00	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 124,962.50
02/15/2021	\$ 58,500.00	\$ 40,300.00	\$ 98,800.00	\$ -
08/15/2021	\$ -	\$ 37,375.00	\$ 37,375.00	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 136,175.00
02/15/2022	\$ 227,500.00	\$ 37,375.00	\$ 264,875.00	\$ -
08/15/2022	\$ -	\$ 26,000.00	\$ 26,000.00	\$ -
09/30/2022	\$ -	\$ -	\$ -	\$ 290,875.00
02/15/2023	\$ 247,000.00	\$ 26,000.00	\$ 273,000.00	\$ -
08/15/2023	\$ -	\$ 13,650.00	\$ 13,650.00	\$ -
09/30/2023	\$ -	\$ -	\$ -	\$ 286,650.00
02/15/2024	\$ 273,000.00	\$ 13,650.00	\$ 286,650.00	\$ -
09/30/2024	\$ -	\$ -	\$ -	\$ 286,650.00
Total	\$ 1,189,500.00	\$ 1,005,929.60	\$ 2,195,429.60	\$ 2,195,429.60

\$730,000

City of Heath, Texas

General Obligation Refunding Bonds, Series 2001

Debt Service Schedule - General Bonded

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 20,000.00	\$ 17,031.25	\$ 37,031.25	\$ -
08/15/2010	\$ -	\$ 16,591.25	\$ 16,591.25	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 53,622.50
02/15/2011	\$ 100,000.00	\$ 16,591.25	\$ 116,591.25	\$ -
08/15/2011	\$ -	\$ 14,341.25	\$ 14,341.25	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 130,932.50
02/15/2012	\$ 100,000.00	\$ 14,341.25	\$ 114,341.25	\$ -
08/15/2012	\$ -	\$ 12,091.25	\$ 12,091.25	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 126,432.50
02/15/2013	\$ 100,000.00	\$ 12,091.25	\$ 112,091.25	\$ -
08/15/2013	\$ -	\$ 9,791.25	\$ 9,791.25	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 121,882.50
02/15/2014	\$ 100,000.00	\$ 9,791.25	\$ 109,791.25	\$ -
08/15/2014	\$ -	\$ 7,441.25	\$ 7,441.25	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 117,232.50
02/15/2015	\$ 100,000.00	\$ 7,441.25	\$ 107,441.25	\$ -
08/15/2015	\$ -	\$ 5,066.25	\$ 5,066.25	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 112,507.50
02/15/2016	\$ 105,000.00	\$ 5,066.25	\$ 110,066.25	\$ -
08/15/2016	\$ -	\$ 2,546.25	\$ 2,546.25	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 112,612.50
02/15/2017	\$ 105,000.00	\$ 2,546.25	\$ 107,546.25	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 107,546.25
Total	\$ 730,000.00	\$ 152,768.75	\$ 882,768.75	\$ 882,768.75

\$9,200,000

City of Heath, Texas

Combination Tax & Revenue Certificates of Obligation, Series 2001

Debt Service Schedule - General Bonded

General Fund: .25% Business Type: .75%

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 72,500.00	\$ 44,485.78	\$ 116,985.78	\$ -
08/15/2010	\$ -	\$ 42,890.78	\$ 42,890.78	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 159,876.57
02/15/2011	\$ 86,250.00	\$ 42,890.78	\$ 129,140.78	\$ -
08/15/2011	\$ -	\$ 40,950.16	\$ 40,950.16	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 170,090.94
02/15/2012	\$ 88,750.00	\$ 40,950.16	\$ 129,700.16	\$ -
08/15/2012	\$ -	\$ 38,953.28	\$ 38,953.28	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 168,653.44
02/15/2013	\$ 95,000.00	\$ 38,953.28	\$ 133,953.28	\$ -
08/15/2013	\$ -	\$ 36,756.41	\$ 36,756.41	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 170,709.69
02/15/2014	\$ 106,250.00	\$ 36,756.41	\$ 143,006.41	\$ -
08/15/2014	\$ -	\$ 34,259.53	\$ 34,259.53	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 177,265.94
02/15/2015	\$ 111,250.00	\$ 34,259.53	\$ 145,509.53	\$ -
08/15/2015	\$ -	\$ 31,617.35	\$ 31,617.35	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 177,126.88
02/15/2016	\$ 117,500.00	\$ 31,617.35	\$ 149,117.35	\$ -
08/15/2016	\$ -	\$ 28,797.35	\$ 28,797.35	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 177,914.69
02/15/2017	\$ 166,250.00	\$ 28,797.35	\$ 195,047.35	\$ -
08/15/2017	\$ -	\$ 24,745.00	\$ 24,745.00	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 219,792.35
02/15/2018	\$ 197,500.00	\$ 24,745.00	\$ 222,245.00	\$ -
08/15/2018	\$ -	\$ 19,906.25	\$ 19,906.25	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 242,151.25
02/15/2019	\$ 211,250.00	\$ 19,906.25	\$ 231,156.25	\$ -

\$9,200,000

City of Heath, Texas

Combination Tax & Revenue Certificates of Obligation, Series 2001

Debt Service Schedule - General Bonded

General Fund: .25% Business Type: .75%

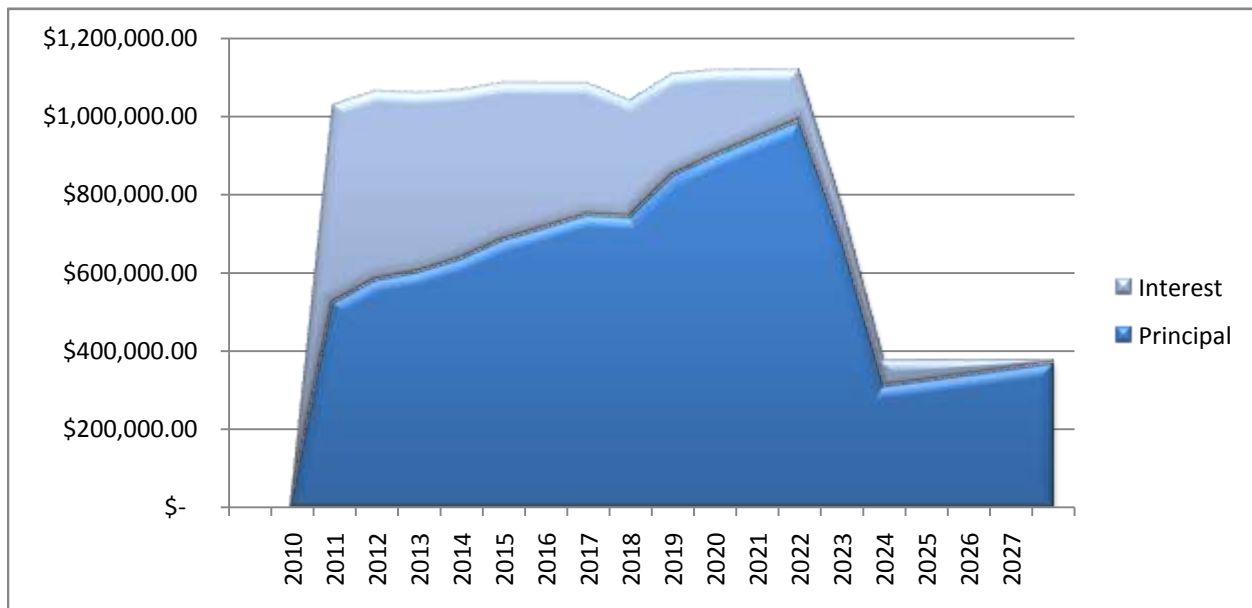
Date	Principal	Interest	Principal + Interest	Fiscal Total
08/15/2019	\$ -	\$ 14,625.00	\$ 14,625.00	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 245,781.25
02/15/2020	\$ 222,500.00	\$ 14,625.00	\$ 237,125.00	\$ -
08/15/2020	\$ -	\$ 9,062.50	\$ 9,062.50	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 246,187.50
02/15/2021	\$ 233,750.00	\$ 9,062.50	\$ 242,812.50	\$ -
08/15/2021	\$ -	\$ 3,218.75	\$ 3,218.75	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 246,031.25
02/15/2022	\$ 128,750.00	\$ 3,218.75	\$ 131,968.75	\$ -
09/30/2022	\$ -	\$ -	\$ -	\$ 131,968.75
Total	\$ 1,837,500.00	\$ 696,050.49	\$ 2,533,550.49	\$ 2,533,550.49

City of Heath, Texas

Outstanding Business-Type Activities

Debt Service Schedule Business-Type Aggregate

Date	Principal	Interest	Total Principal + Interest
2010	\$ 520,368.00	\$ 503,837.60	\$ 1,024,205.60
2011	\$ 579,134.00	\$ 481,381.68	\$ 1,060,515.68
2012	\$ 599,150.00	\$ 457,051.50	\$ 1,056,201.50
2013	\$ 632,295.00	\$ 430,443.88	\$ 1,062,738.88
2014	\$ 680,440.00	\$ 400,743.00	\$ 1,081,183.00
2015	\$ 711,714.00	\$ 369,005.47	\$ 1,080,719.47
2016	\$ 744,859.00	\$ 335,597.83	\$ 1,080,456.83
2017	\$ 739,262.00	\$ 297,212.02	\$ 1,036,474.02
2018	\$ 844,286.00	\$ 259,490.21	\$ 1,103,776.21
2019	\$ 894,931.00	\$ 218,870.87	\$ 1,113,801.87
2020	\$ 939,955.00	\$ 175,496.62	\$ 1,115,451.62
2021	\$ 984,979.00	\$ 129,771.10	\$ 1,114,750.10
2022	\$ 683,132.00	\$ 90,016.38	\$ 773,148.38
2023	\$ 310,035.00	\$ 67,092.04	\$ 377,127.04
2024	\$ 323,188.00	\$ 53,434.06	\$ 376,622.06
2025	\$ 338,220.00	\$ 38,965.76	\$ 377,185.76
2026	\$ 353,252.00	\$ 23,839.81	\$ 377,091.81
2027	\$ 368,284.00	\$ 8,056.21	\$ 376,340.21
Total	\$ 11,247,484.00	\$ 4,340,306.07	\$ 15,587,790.07



\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - Business-Type

General Fund: .6242% Business Type: .3758%

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 172,868.00	\$ 103,354.63	\$ 276,222.63	\$ -
08/15/2010	\$ -	\$ 99,897.27	\$ 99,897.27	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 376,119.90
02/15/2011	\$ 180,384.00	\$ 99,897.27	\$ 280,281.27	\$ -
08/15/2011	\$ -	\$ 96,289.59	\$ 96,289.59	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 376,570.86
02/15/2012	\$ 187,900.00	\$ 96,289.59	\$ 284,189.59	\$ -
08/15/2012	\$ -	\$ 92,531.59	\$ 92,531.59	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 376,721.18
02/15/2013	\$ 197,295.00	\$ 92,531.59	\$ 289,826.59	\$ -
08/15/2013	\$ -	\$ 87,599.22	\$ 87,599.22	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 377,425.81
02/15/2014	\$ 206,690.00	\$ 87,599.22	\$ 294,289.22	\$ -
08/15/2014	\$ -	\$ 82,431.97	\$ 82,431.97	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 376,721.18
02/15/2015	\$ 217,964.00	\$ 82,431.97	\$ 300,395.97	\$ -
08/15/2015	\$ -	\$ 76,982.87	\$ 76,982.87	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 377,378.83
02/15/2016	\$ 227,359.00	\$ 76,982.87	\$ 304,341.87	\$ -
08/15/2016	\$ -	\$ 71,298.89	\$ 71,298.89	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 375,640.76
02/15/2017	\$ 240,512.00	\$ 71,298.89	\$ 311,810.89	\$ -
08/15/2017	\$ -	\$ 65,286.09	\$ 65,286.09	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 377,096.98
02/15/2018	\$ 251,786.00	\$ 65,286.09	\$ 317,072.09	\$ -
08/15/2018	\$ -	\$ 60,250.37	\$ 60,250.37	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 377,322.46
02/15/2019	\$ 261,181.00	\$ 60,250.37	\$ 321,431.37	\$ -
08/15/2019	\$ -	\$ 55,026.75	\$ 55,026.75	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 376,458.12
02/15/2020	\$ 272,455.00	\$ 55,026.75	\$ 327,481.75	\$ -
08/15/2020	\$ -	\$ 49,407.37	\$ 49,407.37	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 376,889.12
02/15/2021	\$ 283,729.00	\$ 49,407.37	\$ 333,136.37	\$ -
08/15/2021	\$ -	\$ 43,519.99	\$ 43,519.99	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 376,656.35
02/15/2022	\$ 296,882.00	\$ 43,519.99	\$ 340,401.99	\$ -
08/15/2022	\$ -	\$ 36,840.14	\$ 36,840.14	\$ -

\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - Business-Type

General Fund: .6242% Business Type: .3758%

09/30/2022	\$ -	\$ -	\$ -	\$ 377,242.13
02/15/2023	\$ 310,035.00	\$ 36,840.14	\$ 346,875.14	\$ -
08/15/2023	\$ -	\$ 30,251.90	\$ 30,251.90	\$ -
09/30/2023	\$ -	\$ -	\$ -	\$ 377,127.04
02/15/2024	\$ 323,188.00	\$ 30,251.90	\$ 353,439.90	\$ -
08/15/2024	\$ -	\$ 23,182.16	\$ 23,182.16	\$ -
09/30/2024	\$ -	\$ -	\$ -	\$ 376,622.06
02/15/2025	\$ 338,220.00	\$ 23,182.16	\$ 361,402.16	\$ -
08/15/2025	\$ -	\$ 15,783.60	\$ 15,783.60	\$ -
09/30/2025	\$ -	\$ -	\$ -	\$ 377,185.76
02/15/2026	\$ 353,252.00	\$ 15,783.60	\$ 369,035.60	\$ -
08/15/2026	\$ -	\$ 8,056.21	\$ 8,056.21	\$ -
09/30/2026	\$ -	\$ -	\$ -	\$ 377,091.81
02/15/2027	\$ 368,284.00	\$ 8,056.21	\$ 376,340.21	\$ -
09/30/2027	\$ -	\$ -	\$ -	\$ 376,340.21
Total	\$ 4,689,984.00	\$ 2,092,626.60	\$ 6,782,610.60	\$ 6,782,610.60

\$1,640,000

City of Heath, Texas

Combination Tax & Revenue Refunding Bonds, Series 2004A

Debt Service Schedule - Business-Type

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ -	\$ 19,228.00	\$ 19,228.00	\$ -
08/15/2010	\$ 130,000.00	\$ 19,228.00	\$ 149,228.00	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 168,456.00
02/15/2011	\$ -	\$ 16,836.00	\$ 16,836.00	\$ -
08/15/2011	\$ 140,000.00	\$ 16,836.00	\$ 156,836.00	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 173,672.00
02/15/2012	\$ -	\$ 14,260.00	\$ 14,260.00	\$ -
08/15/2012	\$ 145,000.00	\$ 14,260.00	\$ 159,260.00	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 173,520.00
02/15/2013	\$ -	\$ 11,592.00	\$ 11,592.00	\$ -
08/15/2013	\$ 150,000.00	\$ 11,592.00	\$ 161,592.00	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 173,184.00
02/15/2014	\$ -	\$ 8,832.00	\$ 8,832.00	\$ -
08/15/2014	\$ 155,000.00	\$ 8,832.00	\$ 163,832.00	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 172,664.00
02/15/2015	\$ -	\$ 5,980.00	\$ 5,980.00	\$ -
08/15/2015	\$ 160,000.00	\$ 5,980.00	\$ 165,980.00	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 171,960.00
02/15/2016	\$ -	\$ 3,036.00	\$ 3,036.00	\$ -
08/15/2016	\$ 165,000.00	\$ 3,036.00	\$ 168,036.00	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 171,072.00
Total	\$1,045,000.00	\$ 159,528.00	\$ 1,204,528.00	\$ 1,204,528.00

\$9,200,000

City of Heath, Texas

Combination Tax & Revenue Certificates of Obligation, Series 2001

Debt Service Schedule - Business-Type

General Fund: .25% Business Type: .75%

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 217,500.00	\$ 133,457.35	\$ 350,957.35	\$ -
08/15/2010	\$ -	\$ 128,672.35	\$ 128,672.35	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 479,629.70
02/15/2011	\$ 258,750.00	\$ 128,672.35	\$ 387,422.35	\$ -
08/15/2011	\$ -	\$ 122,850.47	\$ 122,850.47	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 510,272.82
02/15/2012	\$ 266,250.00	\$ 122,850.47	\$ 389,100.47	\$ -
08/15/2012	\$ -	\$ 116,859.85	\$ 116,859.85	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 505,960.32
02/15/2013	\$ 285,000.00	\$ 116,859.85	\$ 401,859.85	\$ -
08/15/2013	\$ -	\$ 110,269.22	\$ 110,269.22	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 512,129.07
02/15/2014	\$ 318,750.00	\$ 110,269.22	\$ 429,019.22	\$ -
08/15/2014	\$ -	\$ 102,778.60	\$ 102,778.60	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 531,797.82
02/15/2015	\$ 333,750.00	\$ 102,778.60	\$ 436,528.60	\$ -
08/15/2015	\$ -	\$ 94,852.04	\$ 94,852.04	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 531,380.63
02/15/2016	\$ 352,500.00	\$ 94,852.04	\$ 447,352.04	\$ -
08/15/2016	\$ -	\$ 86,392.04	\$ 86,392.04	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 533,744.07
02/15/2017	\$ 498,750.00	\$ 86,392.04	\$ 585,142.04	\$ -
08/15/2017	\$ -	\$ 74,235.00	\$ 74,235.00	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 659,377.04
02/15/2018	\$ 592,500.00	\$ 74,235.00	\$ 666,735.00	\$ -
08/15/2018	\$ -	\$ 59,718.75	\$ 59,718.75	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 726,453.75
02/15/2019	\$ 633,750.00	\$ 59,718.75	\$ 693,468.75	\$ -

\$9,200,000

City of Heath, Texas

Combination Tax & Revenue Certificates of Obligation, Series 2001

Debt Service Schedule - Business-Type

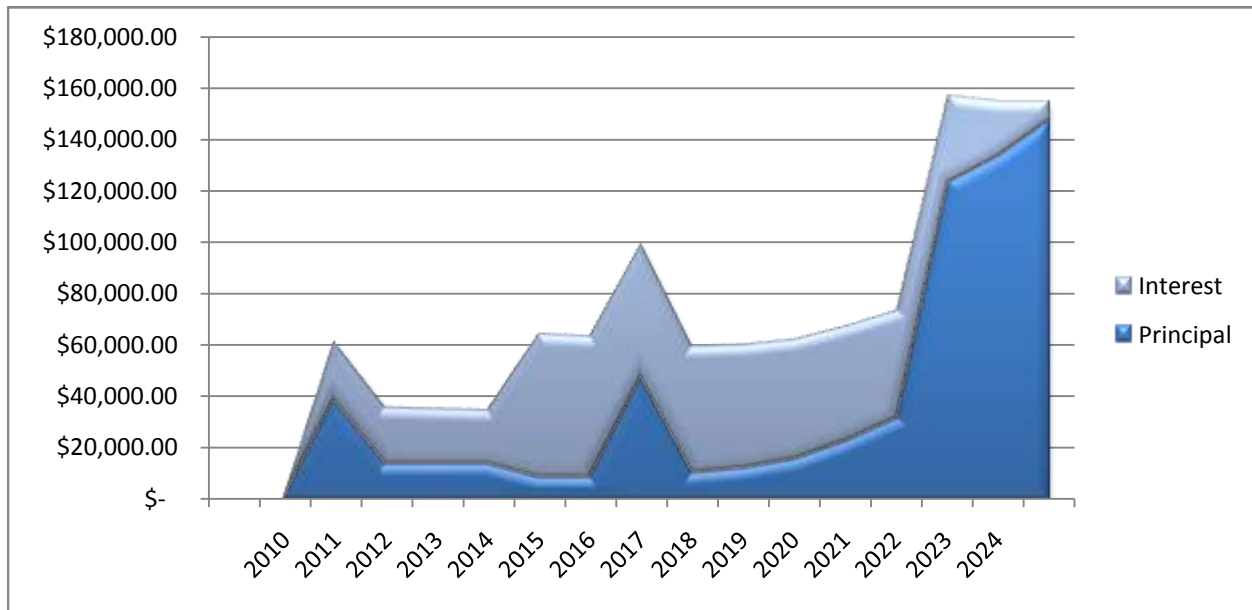
General Fund: .25% Business Type: .75%

Date	Principal	Interest	Principal + Interest	Fiscal Total
08/15/2019	\$ -	\$ 43,875.00	\$ 43,875.00	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 737,343.75
02/15/2020	\$ 667,500.00	\$ 43,875.00	\$ 711,375.00	\$ -
08/15/2020	\$ -	\$ 27,187.50	\$ 27,187.50	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 738,562.50
02/15/2021	\$ 701,250.00	\$ 27,187.50	\$ 728,437.50	\$ -
08/15/2021	\$ -	\$ 9,656.25	\$ 9,656.25	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 738,093.75
02/15/2022	\$ 386,250.00	\$ 9,656.25	\$ 395,906.25	\$ -
09/30/2022	\$ -	\$ -	\$ -	\$ 395,906.25
Total	\$ 5,512,500.00	\$ 2,088,151.46	\$ 7,600,651.46	\$ 7,600,651.46

City of Heath, Texas
 Outstanding EDC and MBC

Debt Service Schedule Component Units Aggregate

Date	Principal	Interest	Total Principal + Interest
2010	\$ 38,500.00	\$ 22,862.00	\$ 61,362.00
2011	\$ 14,000.00	\$ 21,896.00	\$ 35,896.00
2012	\$ 14,000.00	\$ 21,380.80	\$ 35,380.80
2013	\$ 14,000.00	\$ 20,865.60	\$ 34,865.60
2014	\$ 8,750.00	\$ 55,562.50	\$ 64,312.50
2015	\$ 8,750.00	\$ 54,687.50	\$ 63,437.50
2016	\$ 47,250.00	\$ 51,887.50	\$ 99,137.50
2017	\$ 10,500.00	\$ 49,000.00	\$ 59,500.00
2018	\$ 12,250.00	\$ 47,862.50	\$ 60,112.50
2019	\$ 15,750.00	\$ 46,462.50	\$ 62,212.50
2020	\$ 22,750.00	\$ 44,537.50	\$ 67,287.50
2021	\$ 31,500.00	\$ 41,825.00	\$ 73,325.00
2022	\$ 122,500.00	\$ 34,125.00	\$ 156,625.00
2023	\$ 133,000.00	\$ 21,350.00	\$ 154,350.00
2024	\$ 147,000.00	\$ 7,350.00	\$ 154,350.00
2025	\$ -	\$ -	\$ -
2026	\$ -	\$ -	\$ -
2027	\$ -	\$ -	\$ -
Total	\$ 640,500.00	\$ 541,654.40	\$ 1,182,154.40



\$2,190,000

City of Heath, Texas

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004

Debt Service Schedule - Component Units

General Fund: 65% Business Type : 35% Business type detail: EDC (.371435%) MBC (.62857%)

Date	Principal	Interest	Principal + Interest	Fiscal Total
02/15/2010	\$ 38,500.00	\$ 11,785.20	\$ 50,285.20	\$ -
08/15/2010	\$ -	\$ 11,076.80	\$ 11,076.80	\$ -
09/30/2010	\$ -	\$ -	\$ -	\$ 61,362.00
02/15/2011	\$ 14,000.00	\$ 11,076.80	\$ 25,076.80	\$ -
08/15/2011	\$ -	\$ 10,819.20	\$ 10,819.20	\$ -
09/30/2011	\$ -	\$ -	\$ -	\$ 35,896.00
02/15/2012	\$ 14,000.00	\$ 10,819.20	\$ 24,819.20	\$ -
08/15/2012	\$ -	\$ 10,561.60	\$ 10,561.60	\$ -
09/30/2012	\$ -	\$ -	\$ -	\$ 35,380.80
02/15/2013	\$ 14,000.00	\$ 10,561.60	\$ 24,561.60	\$ -
08/15/2013	\$ -	\$ 10,304.00	\$ 10,304.00	\$ -
09/30/2013	\$ -	\$ -	\$ -	\$ 34,865.60
02/15/2014	\$ 8,750.00	\$ 28,000.00	\$ 36,750.00	\$ -
08/15/2014	\$ -	\$ 27,562.50	\$ 27,562.50	\$ -
09/30/2014	\$ -	\$ -	\$ -	\$ 64,312.50
02/15/2015	\$ 8,750.00	\$ 27,562.50	\$ 36,312.50	\$ -
08/15/2015	\$ -	\$ 27,125.00	\$ 27,125.00	\$ -
09/30/2015	\$ -	\$ -	\$ -	\$ 63,437.50
02/15/2016	\$ 47,250.00	\$ 27,125.00	\$ 74,375.00	\$ -
08/15/2016	\$ -	\$ 24,762.50	\$ 24,762.50	\$ -
09/30/2016	\$ -	\$ -	\$ -	\$ 99,137.50
02/15/2017	\$ 10,500.00	\$ 24,762.50	\$ 35,262.50	\$ -
08/15/2017	\$ -	\$ 24,237.50	\$ 24,237.50	\$ -
09/30/2017	\$ -	\$ -	\$ -	\$ 59,500.00
02/15/2018	\$ 12,250.00	\$ 24,237.50	\$ 36,487.50	\$ -
08/15/2018	\$ -	\$ 23,625.00	\$ 23,625.00	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ 60,112.50
02/15/2019	\$ 15,750.00	\$ 23,625.00	\$ 39,375.00	\$ -

\$2,190,000

City of Heath, Texas

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004

Debt Service Schedule - Component Units

General Fund: 65% Business Type : 35% Business type detail: EDC (.371435%) MBC (.62857%)

Date	Principal	Interest	Principal + Interest	Fiscal Total
08/15/2019	\$ -	\$ 22,837.50	\$ 22,837.50	\$ -
09/30/2019	\$ -	\$ -	\$ -	\$ 62,212.50
02/15/2020	\$ 22,750.00	\$ 22,837.50	\$ 45,587.50	\$ -
08/15/2020	\$ -	\$ 21,700.00	\$ 21,700.00	\$ -
09/30/2020	\$ -	\$ -	\$ -	\$ 67,287.50
02/15/2021	\$ 31,500.00	\$ 21,700.00	\$ 53,200.00	\$ -
08/15/2021	\$ -	\$ 20,125.00	\$ 20,125.00	\$ -
09/30/2021	\$ -	\$ -	\$ -	\$ 73,325.00
02/15/2022	\$ 122,500.00	\$ 20,125.00	\$ 142,625.00	\$ -
08/15/2022	\$ -	\$ 14,000.00	\$ 14,000.00	\$ -
09/30/2022	\$ -	\$ -	\$ -	\$ 156,625.00
02/15/2023	\$ 133,000.00	\$ 14,000.00	\$ 147,000.00	\$ -
08/15/2023	\$ -	\$ 7,350.00	\$ 7,350.00	\$ -
09/30/2023	\$ -	\$ -	\$ -	\$ 154,350.00
02/15/2024	\$ 147,000.00	\$ 7,350.00	\$ 154,350.00	\$ -
09/30/2024	\$ -	\$ -	\$ -	\$ 154,350.00
Total	\$ 640,500.00	\$ 541,654.40	\$ 1,182,154.40	\$ 1,182,154.40



COMPONENT UNITS

Heath Economic Development Corporation and Heath Municipal Benefits Corporation

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

FUND	DEPARTMENT				ACCOUNT
HEDC	Heath Economic Development Corporation				80
<i>Description</i>	<i>Adopted Budget FY 2007</i>	<i>Adopted Budget FY 2008</i>	<i>Approved Budget FY 2009</i>	<i>Approved Budget FY 2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 500	\$ 500	\$ 500	500	0%
Supplies & Services	\$ 10,000	\$ 5,000	\$ 5,000	5,000	0%
Operational	\$ 11,600	\$ 26,600	\$ 26,600	31,700	16%
Expenditures	44,640	46,196	398,318	65,800	-505%

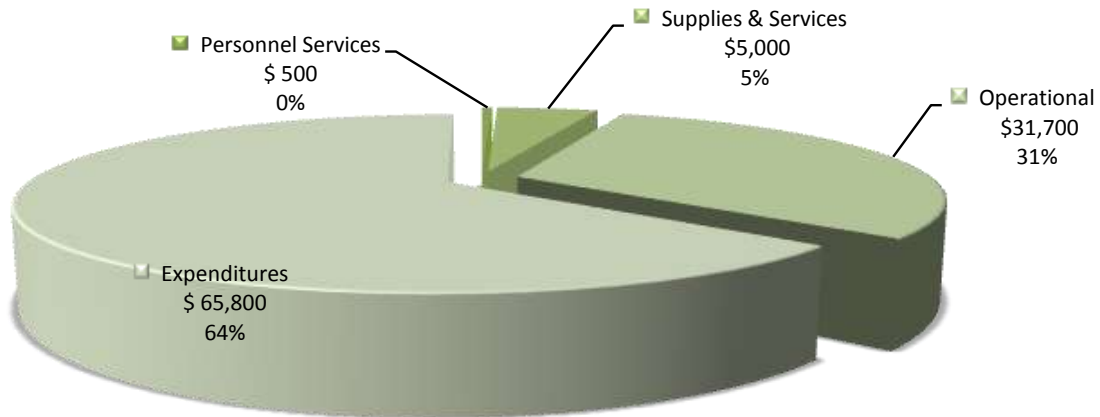
The Heath Economic Development Corporation (HEDC) is governed by a five member board of directors appointed, at will, by the City Council. Although it is legally separate from the City, it is reported as if it was part of the City (blended) since its sole purpose is to act on behalf of the City. HEDC collects a half cent sales tax to support its activities. The City is the primary beneficiary of HMBC's activities.

FY 09 ACCOMPLISHMENTS

Completed promotional brochure and continued steps to encourage and lay groundwork for economic development

Economic Development Corporation, Municipal Benefits Corporation and the City completed construction of infrastructure servicing a 75 acre tract of land jointly-owned by the City of Heath and MBC.

Approved Budget FY 2010



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

Sources and Uses		HEDC				
		<i>F'07-08 Actual</i>	<i>F'08-09 Original Budget</i>	<i>F'08-09 Amended Budget</i>	<i>F'08-09 Projected Actual</i>	<i>F'09-10 Proposed Budget</i>
<i>HEDC Revenues and Expenditures</i>						
Sources of Funds						
	<i>Beginning Resources</i>	<i>636,571</i>	<i>806,754</i>	<i>806,754</i>	<i>806,754</i>	<i>605,004</i>
	<i>Current Revenues</i>					
4101	Sales Tax	182,813	180,000	180,000	180,000	180,000
4106	Interest Earned	21,547	15,000	15,000	6,000	3,000
	<i>Total - Revenue</i>	<i>204,360</i>	<i>195,000</i>	<i>195,000</i>	<i>186,000</i>	<i>183,000</i>
	<i>Total Sources Of Funds</i>	<i>840,931</i>	<i>1,001,754</i>	<i>1,001,754</i>	<i>992,754</i>	<i>788,004</i>
Uses of Funds						
	<i>Current Expenditures</i>					
580-120	Admin Services	0	500	500	0	500
	<i>Total - Personnel Services</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>0</i>	<i>500</i>
580-231	Conferences & Training	0	2,500	2,500	750	2,500
580-232	Travel, Meals & Lodging	56	2,500	2,500	1,000	2,500
	<i>Total - Supplies & Services</i>	<i>56</i>	<i>5,000</i>	<i>5,000</i>	<i>1,750</i>	<i>5,000</i>
580-311	Legal Publications/Advertising	200	100	100	100	200
580-342	Professional Fees/Consultants	11,228	20,000	20,000	23,000	25,000
580-366	Promotional	1,500	4,000	4,000	0	4,000
580-367	Community Education	0	2,500	2,500	100	2,500
580-399	Miscellaneous Expense	0	0	0	0	0
	<i>Total - Operational Items</i>	<i>12,928</i>	<i>26,600</i>	<i>26,600</i>	<i>23,200</i>	<i>31,700</i>
580-525	Economic Development Grants	0	25,000	25,000	0	25,000
580-550	Capital Improvement Projects	0	350,000	350,000	322,000	0
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>375,000</i>	<i>375,000</i>	<i>322,000</i>	<i>25,000</i>
580-617	Debt Service - 2004 Principal	11,700	14,300	14,300	14,300	14,300
580-618	Debt Service -2004 Interest	9,493	9,018	9,018	9,000	8,500
	<i>Total - Debt Service</i>	<i>21,193</i>	<i>23,318</i>	<i>23,318</i>	<i>23,300</i>	<i>22,800</i>
580-801	Transfer to General Fund	0	0	0	17,500	18,000
	<i>Total - Transfers</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>17,500</i>	<i>18,000</i>
	<i>Total Current Expenditures</i>	<i>34,177</i>	<i>430,418</i>	<i>430,418</i>	<i>387,750</i>	<i>103,000</i>
	<i>Ending Resources</i>	<i>806,754</i>	<i>571,336</i>	<i>571,336</i>	<i>605,004</i>	<i>685,004</i>

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010**

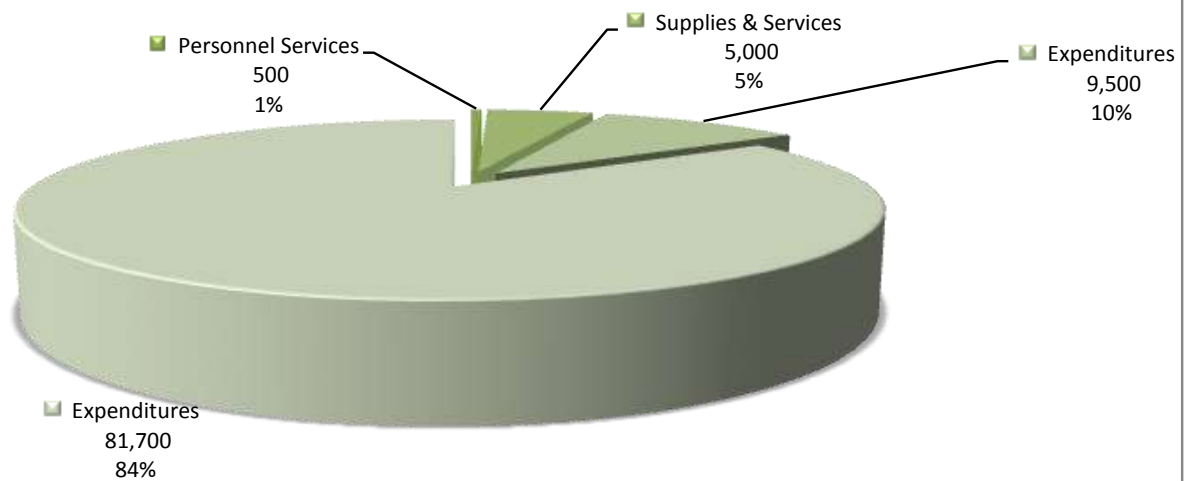
FUND HMBC	DEPARTMENT Heath Municipal Benefits Corporation				ACCOUNT 85
<i>Description</i>	<i>Adopted Budget FY 2007</i>	<i>Adopted Budget FY 2008</i>	<i>Approved Budget FY 2009</i>	<i>Approved Budget FY 2010</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 500	\$ 500	\$ 500	500	0%
Supplies & Services	\$ 10,000	\$ 5,000	\$ 5,000	5,000	0%
Operational	\$ 7,500	\$ 7,500	\$ 7,500	9,500	21%
Expenditures	63,238	65,871	64,460	81,700	21%

The City of Heath Municipal Benefits Corporation (HMBC) is governed by a five member board of directors appointed, at will, by the City Council. Although it is legally separate from the City, it is reported as if it was part of the City (blended) since its sole purpose is to act on behalf of the City. HMBC collects a half cent sales tax to support its activities. The City is the primary beneficiary of HMBC's activities.

FY 09 ACCOMPLISHMENTS

Economic Development Corporation, Municipal Benefits Corporation and the City completed construction of infrastructure servicing a 75 acre tract of land jointly-owned by the City of Heath and MBC.

Approved Budget FY 2010



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2008-2009

Sources and Uses		HMBC				
		<i>F'07-08</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'08-09</i>	<i>F'09-10</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>HMBC Revenues and Expenditures</i>						
Sources of Funds						
	<i>Beginning Resources</i>	<i>595,391</i>	<i>756,255</i>	<i>756,255</i>	<i>756,255</i>	<i>878,545</i>
	<i>Current Revenues</i>					
4101	Sales Tax	182,813	180,000	180,000	180,000	180,000
4106	Interest Earned	19,918	15,000	15,000	8,000	5,000
	<i>Total - Revenue</i>	<i>202,731</i>	<i>195,000</i>	<i>195,000</i>	<i>188,000</i>	<i>185,000</i>
	<i>Total Sources Of Funds</i>	<i>798,122</i>	<i>951,255</i>	<i>951,255</i>	<i>944,255</i>	<i>1,063,545</i>
Uses of Funds						
	<i>Current Expenditures</i>					
585-120	Admin Services	0	500	500	0	500
	<i>Total - Personnel Services</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>0</i>	<i>500</i>
585-231	Conferences & Training	320	2,500	2,500	750	2,500
585-232	Travel, Meals & Lodging	56	2,500	2,500	1,000	2,500
	<i>Total - Supplies & Services</i>	<i>376</i>	<i>5,000</i>	<i>5,000</i>	<i>1,750</i>	<i>5,000</i>
585-311	Legal Publications/Advertising	0	5,000	5,000	0	2,000
585-342	Professional Fees/Consultants	627	2,500	2,500	7,000	7,500
585-366	Promotional	0	0	0	0	0
585-399	Miscellaneous Expense	0	0	0	0	0
	<i>Total - Operational Items</i>	<i>627</i>	<i>7,500</i>	<i>7,500</i>	<i>7,000</i>	<i>9,500</i>
585-525	Economic Development Grant	0	25,000	25,000	0	25,000
585-550	Capital Improvement Projects	0	0	0	0	0
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>25,000</i>	<i>25,000</i>	<i>0</i>	<i>25,000</i>
585-617	Debt Service - 2004 Principal	19,800	24,200	24,200	24,200	24,200
585-618	Debt Service - 2004 Interest	16,064	15,260	15,260	15,260	14,500
	<i>Total - Debt Service</i>	<i>35,864</i>	<i>39,460</i>	<i>39,460</i>	<i>39,460</i>	<i>38,700</i>
585-815	Transfer to Technology Fund	5,000	0	0	0	0
585-801	Transfer to General Fund	0	0	0	17,500	18,000
	<i>Total - Transfers</i>	<i>5,000</i>	<i>0</i>	<i>0</i>	<i>17,500</i>	<i>18,000</i>
	<i>Total Current Expenditures</i>	<i>41,867</i>	<i>77,460</i>	<i>77,460</i>	<i>65,710</i>	<i>96,700</i>
	<i>Ending Resources</i>	<i>756,255</i>	<i>873,795</i>	<i>873,795</i>	<i>878,545</i>	<i>966,845</i>
	<i>Revenue vs. Expenditures - Surplus/(Deficit)</i>	<i>160,864</i>	<i>117,540</i>	<i>117,540</i>	<i>122,290</i>	<i>88,300</i>



RESTRICTED FUNDS

Restricted Funds collect revenues that have restricted spending with specific guidelines. For informational purposes, a cash flow statement and fund description is provided for Municipal Court Technology Fund, Municipal Court Building Security Fund, Municipal Court Juvenile Case Manager Fund, Police Donations and Park Donations. These funds are not budgeted during the annual financial process.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
SPECIAL REVENUE	POLICE	50
PURPOSE AND DESCRIPTION		
<i>Police receives donations from various organizations and individuals throughout the year for the benefit of the police department.</i>		
POLICE DONATIONS		
		<i>FY 2008 FY 2009</i>
Beginning Fund Balance	\$ 39,894.10	\$ 56,818.41
Police Donations	\$ 31,962.45	\$ 29,100.00
<i>Total Revenue</i>	<u>\$ 71,856.55</u>	<u>\$ 85,918.41</u>
Expenditures		
509-358 Police Reserves	\$ 15,038.14	\$ 21,683.19
<i>Total Expenditures</i>	<u>\$ 15,038.14</u>	<u>\$ 21,683.19</u>
Restricted for Training	\$ (12,216.11)	\$ (14,065.15)
<i>Ending Cash Balance</i>	\$ 56,818.41	\$ 64,235.22

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT																											
SPECIAL REVENUE	PARK LAND DEDICATION	01-4901																											
PURPOSE AND DESCRIPTION																													
<p><i>Ordinance 990520A, approved May 20, 1999, established a special fund for the deposit of all sums paid in lieu of land dedication. Money dedicated may only be used for the acquisition or development/improvement of a community park or neighborhood park located within the same general area as the development.</i></p>																													
PARK DONATIONS																													
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>FY 2008</i></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>FY 2009</i></th> </tr> </thead> <tbody> <tr> <td>Beginning Fund Balance</td> <td style="text-align: right;">\$ 188,600.00</td> <td style="text-align: right;">\$ 259,094.29</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">594.29</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Park Donations</td> <td style="text-align: right;">115,000.00</td> <td style="text-align: right;">1,000.00</td> </tr> <tr> <td style="text-align: right;">Total Revenue</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 304,194.29</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 260,094.29</td> </tr> <tr> <td colspan="3">Expenditures</td> </tr> <tr> <td>Terry Park</td> <td style="text-align: right;">45,100.00</td> <td style="text-align: right;">260,094.29</td> </tr> <tr> <td style="text-align: right;">Total Expenditures</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 45,100.00</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 260,094.29</td> </tr> <tr> <td>Ending Cash Balance</td> <td style="text-align: right;">\$ 259,094.29</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table>		<i>FY 2008</i>	<i>FY 2009</i>	Beginning Fund Balance	\$ 188,600.00	\$ 259,094.29	Interest	594.29	-	Park Donations	115,000.00	1,000.00	Total Revenue	\$ 304,194.29	\$ 260,094.29	Expenditures			Terry Park	45,100.00	260,094.29	Total Expenditures	\$ 45,100.00	\$ 260,094.29	Ending Cash Balance	\$ 259,094.29	\$ -
	<i>FY 2008</i>	<i>FY 2009</i>																											
Beginning Fund Balance	\$ 188,600.00	\$ 259,094.29																											
Interest	594.29	-																											
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Total Expenditures	\$ 45,100.00	\$ 260,094.29																											
Ending Cash Balance	\$ 259,094.29	\$ -																											

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
SPECIAL REVENUE	MUNICIPAL COURT	01-4308
PURPOSE AND DESCRIPTION		
<p><i>The Municipal Court Building Security Fund revenues are collected from a \$3.00 charge assessed against any defendant convicted of a misdemeanor offense presented in Municipal Court. Revenue collected for the Building Security Fund can be used only for security personnel, services, and items related to the security of buildings that house the operations of municipal courts. More specifically:</i></p> <ul style="list-style-type: none"> <i>*Purchase or repair of X-ray machine or conveying systems</i> <i>*Handheld and walk-through metal detectors</i> <i>*Identification cards and systems</i> <i>*Electronic locking and surveillance equipment</i> <i>*Bailiffs, acting bailiffs, or contract security personnel while providing appropriate security services</i> <i>* Signage</i> <i>*Confiscated weapon inventory and tracking systems</i> <i>*Locks, chains, alarms or similar security devices</i> <i>*Purchase or repair of bullet-proof glass</i> <i>*Continuing education on security issues for court personnel and security personnel</i> 		
Building Security Fund		
	<i>FY 2008</i>	<i>FY 2009</i>
Beginning Fund Balance	\$ 5,133	\$ 6,454
Receipts	1,321	1,498
Total Revenue	<u>6454.04</u>	<u>7952.35</u>
Expenditures		
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>
Ending Cash Balance	\$ 6,454.04	\$ 7,952.35

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
SPECIAL REVENUE	MUNICIPAL COURT	01-4309
PURPOSE AND DESCRIPTION		
<p><i>The Municipal Court Technology Fund revenues are collected from a \$4.00 charge assessed against any defendant convicted of a misdemeanor offense presented in Municipal Court. Revenue collected for the Municipal Court Technology Fund can be used only for the purchase or maintenance of the following:</i></p> <ul style="list-style-type: none"> <i>*Computer Systems</i> <i>*Computer Networks</i> <i>*Computer Hardware</i> <i>*Computer Software</i> <i>*Imaging Systems</i> <i>* Electronic kiosks</i> <i>* Electronic ticket writers</i> <i>*Docket Management Systems</i> 		
Municipal Court Technology Fund		
	<i>FY 2008</i>	<i>FY 2009</i>
Beginning Fund Balance	\$ 15,211.94	\$ 16,973.38
Receipts	<u>\$ 1,761.44</u>	<u>\$ 1,994.72</u>
Total Revenue	<u><u>\$ 16,973.38</u></u>	<u><u>\$ 18,968.10</u></u>
Expenditures		
2 Ticket writers with software and training	<u>\$ -</u>	<u>\$ 18,968.10</u>
Total Expenditures	<u><u>\$ -</u></u>	<u><u>\$ 18,968.10</u></u>
Ending Cash Balance	\$ 16,973.38	\$ -

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

FUND	DEPARTMENT	ACCOUNT
SPECIAL REVENUE	MUNICIPAL COURT	01-4330
PURPOSE AND DESCRIPTION		
<p><i>The Municipal Court Juvenile Case Manager Fund revenues are collected from a \$5.00 charge assessed against any defendant convicted of a criminal or misdemeanor offense as explained below. Revenue collected for the Juvenile Case Manager Fund can be used only for the salary and benefits of a Juvenile Case Manager.</i></p> <p><i>Offenses Included</i></p> <ul style="list-style-type: none"> <i>* Conviction of all criminal offenses, except where fees were waived due to financial hardship</i> <i>* Conviction of misdemeanor offenses relating to pedestrians or the parking of motor vehicles</i> <i>* Cases disposed of under Code of Criminal Procedure, Article 45.051 – Suspension of Sentence and Deferral of Final Disposition;</i> <i>* Cases disposed of under Code of Criminal Procedure, Article 45.0511 – Driving Safety Course or Motorcycle Operator Course Dismissal;</i> <i>* Cases disposed of under Code of Criminal Procedure, Article 45.052 – Dismissal of Misdemeanor Charge on Completion of Teen Court Program;</i> <i>* Cases disposed of under Code of Criminal Procedure, Article 45.053 – Dismissal of Misdemeanor Charge on Commitment of Chemically Dependent Person</i> <i>* Cases where a defendant is required to attend an alcohol awareness course;</i> <i>* Cases disposed of under Health and Safety Code, Section 161.253 – Tobacco Awareness Program</i> <i>* Cases disposed of under Parks and Wildlife Code, Section 31.130 – Boater Education Course Permitted in Lieu of Fine.</i> 		
Juvenile Case Manager Fund		
	<i>FY 2008</i>	<i>FY 2009</i>
Beginning Fund Balance	\$ 537.03	\$ 1,006.53
Receipts	\$ 469.50	\$ 172.75
Total Revenue	<u>\$ 1,006.53</u>	<u>\$ 1,179.28</u>
Expenditures	\$ -	\$ -
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>
Ending Cash Balance	\$ 1,006.53	\$ 1,179.28



CITY OF HEATH

CAPITAL IMPROVEMENTS PROGRAM

CITY OF HEATH

CAPITAL IMPROVEMENTS PROGRAM

Capital Improvements

A Capital Improvement Program is a schedule of public improvements to be constructed with resources available to finance the projected expenditures. Capital improvements are expenditures for the purchase, construction, rehabilitation, replacement or expansion of the physical assets of the community when the project is relatively large in size, expensive, long-term and permanent. Some examples include streets, parks, water and wastewater lines. The City's capitalization threshold is \$10,000.

During the development of the Capital Improvement Program, an evaluation of the impact of capital expenditure decisions upon annual operations and the City's operating budget must be considered. Reoccurring expenditures for plant improvements and equipment represent a consistent percentage of the City's annual operating budget and financed on a "pay as you go" basis. Large, non-recurring capital expenditures require additional funding beyond the fiscal capacity of the City's annual operating budget. Careful consideration of non-recurrent expenditures is critical to the financial health and stability of the City for the following reasons:

1. Due to the larger cost and extended life, capital expenditures for long-range public improvements may have to be financed through the issuance of long-term debt.
2. Large capital expenditures may require consistent overseeing effort and funding spanning decades.
3. The economic impact of investments in long-range capital improvements also extends decades.
4. The commitment to invest in long-range capital improvements are often irreversible except at considerable financial and managerial cost to the City.

Capital expenditures are financed from a variety of sources including long and short-term debt, current revenues, grants from other governmental entities and donations from businesses, individuals and non-profit organizations.

The Capital Improvement Program totals \$11,415,295 representing projects in public works, water and wastewater, and parks and recreation.

Appropriations

Appropriations for capital improvements in Capital Improvement funds are considered multi-year in nature. Once appropriations are established, they roll forward to subsequent years until the project is complete. The City of Heath has a General CIP Fund and a Utility CIP Fund.

Appropriations for capital improvements funded by the General Fund, and the Utility Fund are for one year. If these funds are not expended or encumbered at the end of the fiscal year, these appropriations do not roll forward to subsequent years.

Functions of the Capital Improvement Program

1. Estimate capital requirements, budget priority projects and approve funding for proposed improvements.
2. Schedule all capital projects over a fixed period with appropriate planning, implementation and public notification of projected capital improvements.
3. Coordinate the activities of various departments to meet project schedules.

CITY OF HEATH

CAPITAL IMPROVEMENTS PROGRAM

4. Monitor and evaluate the progress of capital projects.

Methods of Financing Capital Improvements Projects

General Obligation Bonds - Can be sold to finance permanent types of improvements. The taxing power of the jurisdiction is pledged to pay interest and retire the debt. Voter approval required.

Certificates of Obligations - Issued with limited revenues pledged by the water and wastewater systems. Voter approval not required.

Donations - Periodically received from individuals, businesses, foundations and non-profit organizations.

Earmarked Funds - Money accumulated in advance or set aside for capital construction or purchase. The accumulation may result from a surplus of earmarked operational revenues, collection of impact fees or sale of capital assets.

Enterprise Funds - Are established from the delivery of specific services where the money paid to administer the services and the expenses associated with providing the services are accounted for separately from the general fund budget of the City.

General Funds - Financing of improvements from revenues such as general taxation, fees or service charges.

Revenue Bonds - Frequently sold for projects that produce revenues such as water and wastewater systems. Voter Approval not required.

Special Assessments - Public Works that benefit particular properties may be financed more equitably (paid by those who directly benefit) by Special Assessments.

State and Federal Grant programs - Available for financing various projects such as streets, water and sewer facilities, parks and playgrounds. The cost of funding these facilities may be completely by grant or a local share required.

Capital Projects Expenditure Summary FY 2009-10 TO FY 2013-14

Project #	Project Type	Project	Funding Source	Original Budget	Prior Funding / Expenditure	Residual	Funds	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2014 and Beyond	Total Spending
E01	EDC	75 acres for Wastewater	EDC	350,000	316,392	33,608	-	-	-	-	-	-	350,000
S05	Streets	White Road Extension	General & Utility CIP	2,000,000	956,211	-	-	1,043,789	-	-	-	-	2,000,000
S06	Streets	FM740 FM3097 to FM1140 (Phase I)	General CIP	2,000,000	481,498	-	-	759,251	759,251	-	-	-	2,000,000
S09	Streets	Heathland Crossing	General CIP/ TR to Wtr Twr	8,600	7,170	-	-	1,430	-	-	-	-	8,600
tba	Streets	Pavement Transition	General CIP	42,000	-	-	-	42,000	-	-	-	-	42,000
tba	Public Works	Equipment Structure	General CIP	80,000	-	-	-	80,000	-	-	-	-	80,000
tba	Streets	Roadway Impact Fee Study	General CIP	40,000	-	-	-	40,000	-	-	-	-	40,000
P01	Parks & Rec	Terry Park	General, CIP & Other	1,600,000	1,577,357	-	-	22,643	-	-	-	-	1,600,000
tba	Water	12" Water Line	Moved to Wtr Twr	-	-	-	-	-	-	-	-	-	-
tba	Water	18" Water Line	Moved to Wtr Twr	-	-	-	-	-	-	-	-	-	-
tba	Streets	FM740 FM 1140 to FM 549 (Phase II)	Unfunded	3,250,000	-	-	-	-	-	650,000	650,000	1,950,000	3,250,000
tba	Wastewater	Infiltration/ Inflow Study	Unfunded	50,000	-	-	-	-	50,000	-	-	-	50,000
tba	Wastewater	Infiltration/ Inflow (I/I) Rehabilitation	Unfunded	2,500,000	-	-	-	-	500,000	500,000	500,000	1,000,000	2,500,000
tba	Water	2,000,000 gallon Ground Storage Tank	Unfunded	2,750,000	-	-	-	-	2,750,000	-	-	-	2,750,000
tba	Public Works	Operation Center Driveway	Moved to Wtr Twr	-	-	-	-	-	-	-	-	-	-
tba	Water	18" Water Line (Phase II)	Utility CIP	330,300	-	-	-	-	-	-	-	-	-
tba	Water	1,500,000 gallon Elevated Storage Tank	Utility CIP	2,436,968	-	-	-	1,220,000	1,216,968	-	-	-	2,436,968
tba	Water	RCH CCN Purchase	Utility CIP	300,000	-	-	-	300,000	-	-	-	-	300,000
W05	Water	CCN Extension and Distribution	Utility CIP	179,000	19,000	-	-	160,000	-	-	-	-	179,000
W04	Water	Water Line Upgrade	Utility CIP	200,000	22,175	-	-	177,825	-	-	-	-	200,000
W07	Water	FM740 Utility Relocation	Utility CIP	1,400,000	-	-	-	700,000	700,000	-	-	-	1,400,000
TBA	Water	Land Purchase	Utility CIP	40,000	-	-	-	40,000	-	-	-	-	40,000
W06	Wastewater	Cove Ridge Lift Station	Utility CIP	350,000	73,619	-	-	276,381	-	-	-	-	350,000
tba	Wastewater	Southside Lift Station Upgrade	Utility CIP	50,000	-	-	-	-	50,000	-	-	-	50,000
tba	Wastewater	Southside Sewer System	Utility CIP	51,000	-	-	-	-	51,000	-	-	-	51,000
		Funded Total		11,107,868	3,137,030	-	-	4,863,319	2,777,219	-	-	-	10,777,568
		Unfunded Total		8,550,000	-	-	-	-	3,300,000	1,150,000	1,150,000	2,950,000	8,550,000
		Projects Total		19,657,868	3,137,030	-	-	4,863,319	5,976,219	1,150,000	1,150,000	2,950,000	19,226,568

Improvements by Project Type

Administration City Hall Remodel, Comp Plan.
 Parks & Rec
 Public Works Operation Center
 Streets
 Water
 Wastewater
 EDC

Historical		Actual		Proposed
FY 07	FY 08	FY 09	FY 09 Rev	FY 10
\$ 36,017.37	\$ 138,593.58	\$ -	-	\$ -
\$ 12,496.00	\$ 87,490.55	\$ 1,477,370.45	-	\$ 22,642.88
32,861	10,586	-	-	\$ 80,000.00
\$ 1,225,888.57	\$ 903,070.32	\$ 1,670,254.28	-	\$ 1,886,470.10
\$ 29,494.55	\$ 351,875.93	\$ 292,608.25	-	\$ 2,597,825.00
	\$ 135,138.19	\$ 73,619.00	-	\$ 276,381.00
		\$ 316,392.00	-	\$ -

Total **\$ 1,336,757.54** **\$ 1,626,754.57** **\$ 3,830,243.98** **\$ -** **\$ 4,863,318.98**

Funding Sources (All Funds)

Sources of Funds:

2007 General Fund Bond	\$ 7,350,171
2007 Utility Fund Bond	\$ 5,954,829
Developer's Contributions	\$ 284,000
General Fund	\$ 245,000
Grant	\$ 500,000
Roadway Impact Fees	\$ 332,031
Reimbursement for Damages	\$ 24,676
Interest	\$ 144,239
Park Donations	\$ 30,094
Other	\$ 50,460
Street Escrow	\$ 227,438
Total Sources	\$ 15,142,938
Funded Total	\$ 11,107,868
Completed Project Total	\$ 3,727,643
Unallocated	\$ 307,427

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: FM740 FM3097 to FM1140 (Phase I)
PROJECT NUMBER: S06

Description: Widen FM 740 from the North loop FM 1140 to the North City a distance of 5,000 ft from current 2 lanes undivided to 4 lanes divided.

Justification: Improve traffic flow and decrease motorist delay

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Streets	General CIP	2007 Bond	\$ 2,000,000	\$ 481,498.24
<u>Operating Impact:</u>				-	

PROJECT NAME: Terry Park
PROJECT NUMBER: P01

Description: Planning, design and construction of boat ramp, parking facility and accessories.

Justification: Underutilized park due to lack of facilities. The City has obtained a Texas Parks and Wild Life grant to assist in design and construction.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Park & Rec	General CIP	2007 Bond	\$ 540,906	\$ 1,577,357.12
		Utility CIP	2007 Bond	\$ -	
		General	Dev Cont	\$ 284,000	
		General	General	\$ 245,000	
		General	Grant	\$ 500,000	
		General	Park Donations	\$ 30,094	
				<u>\$ 1,600,000</u>	
<u>Operating Impact:</u>				\$ -	

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: White Road Extension					
PROJECT NUMBER: S05					
Description: Widen White Rd from existing 2 lanes to 38 ft wide concrete road with sidewalks and landscaping , a distance of 2400 ft.					
Justification: As Heath Crossing subdivision develops, this widening becomes more critical with increase of traffic attempting to reach I-30.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Streets	General CIP	2007 Bond	\$ 1,632,193	\$ 956,210.78
		Utility CIP	2007 Bond	\$ 11,100	
		General	Roadway Impact Fee	\$ 332,031	
		General	Damage Reimbursement	\$ 24,676	
				<u>\$ 2,000,000</u>	
<u>Operating Impact:</u>					

PROJECT NAME: Water Line Upgrade					
PROJECT NUMBER: W04					
Description: Upgrade size of water lines from 2", 4" to 6" and larger to meet domestic and fire demands.					
Justification: Due to increased development, water demand has risen. Large diameter lines are necessary.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Water	Utility CIP	2007 Bond	\$ 200,000	\$ 22,175.00
<u>Operating Impact:</u>					

PROJECT NAME: 18" Water Line (Phase II)					
PROJECT NUMBER: W01					
Description: Partial funding to complete loop around McDonald, King, and Stevens.					
Justification: Due to increased development, water demand has risen.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Water	Utility CIP	2007 Bond	\$ 330,300	\$ -
<u>Operating Impact:</u>					

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: RCH CCN Purchase				
PROJECT NUMBER: N/A				
Description: Purchase RCH water lines and right of way.				
Justification: The agreement with RCH allows the City to provide water service to approximately 100 additional citizens.				
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Water	Utility CIP	2007 Bond	\$ 300,000
<u>Operating Impact:</u>				-

PROJECT NAME: CCN Extension and Distribution Line					
PROJECT NUMBER: W05					
Description: Provide water service to RCH customers.					
Justification: Expansion of water services to Heath citizens.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Water	Utility CIP	2007 Bond	\$ 150,000	\$ 19,000.00
			Interest	\$ 29,000	
				<u>\$ 179,000</u>	
<u>Operating Impact:</u>					-

PROJECT NAME: Heathland Crossing					
PROJECT NUMBER: S09					
Description: Construct a 2000 ft span bridge over Buffalo Creek between Heath Crossing Blvd. and FM 549. This bridge will be 39 ft wide, 2 lanes with sidewalks. Funds for this project have been allocated to the Water Tower; therefore, this project has been delayed.					
Justification: Provide easy access to the East portion of Heath and FM 549.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Streets	General CIP	2007 Bond	\$ 8,600	\$ 7,170.00
<u>Operating Impact:</u>					-

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: FM 740 Utility Relocation
PROJECT NUMBER: W07

Description: Relocate utilities located along FM 740.

Justification: FM 740 Widening to 4 lanes to improve traffic flow and decrease congestion.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Streets	Utility CIP	2007 Bond	\$ 1,400,000	\$ -
<u>Operating Impact:</u>				-	

PROJECT NAME: Roadway Impact Fee Study
PROJECT NUMBER: TBA

Description: Identify future roadway projects and estimated costs of construction to serve future development.

Justification: In accordance with the current State statute, the City may implement a roadway impact fee equal to 50% of the actual calculated cost of construction.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Streets	Utility CIP	2007 Bond	\$ 40,000	\$ -
<u>Operating Impact:</u>				-	

PROJECT NAME: Cove Ridge Lift Station
PROJECT NUMBER: W06

Description: Replacement of Cove Ridge Lift Station.

Justification: Malfunctions warrant replacement of the facility.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Wastewater	Utility CIP	2007 Bond	\$ 350,000	\$ 73,619.18
<u>Operating Impact:</u>				-	

PROJECT NAME: 1,500,000 gallon Elevated Storage Tank
PROJECT NUMBER: TBA

Description: Construct 1.5M gallon Elevated Storage Tank.

Justification: Due to increased development, water demand has risen.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>
	Water	Utility CIP	2007 Bond	\$ 2,390,000	\$ -
			Interest	\$ 46,968	
				<u>\$ 2,436,968</u>	
<u>Operating Impact:</u>				-	

CITY OF HEATH

COMPLETE FY 2008-2009 CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME:	Cove Ridge Road					
PROJECT NUMBER:	S08					
Description:	Cove Ridge Road needs to be widened starting 1451 ft west of FM 1140. The balance of the subdivision meets City street standards.					
Justification:	Improve traffic flow and decrease motorist delay.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>	
	Streets	General CIP	2007 Bond	\$ 400,000	\$	393,618.01
<u>Operating Impact:</u>	-					

PROJECT NAME:	Rush Creek					
PROJECT NUMBER:	S03					
Description:	Widen 2nd half of Rush Creek to 27 ft total feet to an ultimate width of 37 feet from Hubbard Drive to Rush Creek Yacht Club a distance of 2000 ft.					
Justification:	Improve traffic flow and decrease motorist delay.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>	
	Streets	General CIP	2007 Bond	\$495,000		\$496,853.68
<u>Operating Impact:</u>	-					

PROJECT NAME:	Shepherd's Glen Lift Station					
PROJECT NUMBER:	W03					
Description:	Replacement of Shepherd's Glen Lift Station.					
Justification:	Malfunctions warrant replacement of the facility.					
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>	<u>Project to Date</u>	
	Wastewater	Utility CIP	2007 Bond	\$ 415,000.00	\$	407,112.68
<u>Operating Impact:</u>	-					

CITY OF HEATH

COMPLETE PRIOR YEAR CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME:	Operation Center	\$	42,647.05
PROJECT NUMBER:	C01		
PROJECT NAME:	City Hall Remodel	\$	98,340.28
PROJECT NUMBER:	C02		
PROJECT NAME:	Terry Lane Culvert	\$	692,497.36
PROJECT NUMBER:	S01		
PROJECT NAME:	Cuny Blvd	\$	803,691.99
PROJECT NUMBER:	S02		
PROJECT NAME:	Yankee Creek/ McDonald Ro:	\$	349,699.75
PROJECT NUMBER:	S07		
PROJECT NAME:	18" Water Line (Phase I)	\$	302,503.73
PROJECT NUMBER:	W01		
PROJECT NAME:	Comprehensive Plan	\$	92,270.67
PROJECT NUMBER:			

CITY OF HEATH

FUTURE CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Equipment Structure				
PROJECT NUMBER: TBA				
Description: Construct weather protection for Public Works equipment.				
Justification: Extend equipment life.				
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Streets	General CIP	2007 Bond	\$ 80,000
Operating Impact:				\$ -

PROJECT NAME: Land Purchase				
PROJECT NUMBER: TBA				
Description: Hwy 205 pump station site.				
Justification: Pump station required to service Heath population.				
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Water	Utility CIP	2007 Bond	\$ 6,729
			Interest	\$ 33,271
				\$ 40,000
Operating Impact:				\$ -

PROJECT NAME: Southside Lift Station Upgrade				
PROJECT NUMBER: TBA				
Description: Upgrade power source for Southside Lift Station				
Justification: Demand peaks can create power source complications.				
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Wastewater	Utility CIP	2007 Bond	\$ 50,000
Operating Impact:				\$ -

PROJECT NAME: Southside Sewer System				
PROJECT NUMBER: TBA				
Description: Extend utility service to additional Heath citizens.				
Justification: Meet development demands for additional wastewater services.				
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Wastewater	Utility CIP	2007 Bond	\$ 16,000
			Interest	\$ 35,000
				\$ 51,000
Operating Impact:				\$ -

CITY OF HEATH

FUTURE CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Operation Center Driveway
PROJECT NUMBER: TBA

Description: Upgrade driveway at Operation Center to accommodate traffic flow.

Justification: Reduce vehicle maintenance and repair.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Public Works		Unfunded	Unfunded

Operating Impact:

PROJECT NAME: Pavement Transition
PROJECT NUMBER: TBA

Description: Transition pavement between Rabbit Ridge and Heathland Crossing.

Justification: Provide all-weather road for existing homes.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Streets	General CIP	2007 Bond	\$ 42,000

Operating Impact:

PROJECT NAME: 12" Water Line
PROJECT NUMBER: TBA

Description: Extend 3,800 feet of 12" water line along White Road from Heath Crossing to Buffalo Creek Estates.

Justification: As Heath Crossing subdivision develops to the North, demand for domestic usage and fire protection increases.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Water	Unfunded		Unfunded

Operating Impact:

PROJECT NAME: 18" Water Line
PROJECT NUMBER: TBA

Description: Extend 4,150 feet of 18" water line from FM 3097 along FM 549 to the South to FM 550 intersection.

Justification: Increase in demand for domestic and fire protection as a result of annexed areas to the East.

<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Water	Unfunded		Unfunded

Operating Impact:

CITY OF HEATH

FY 2009-2010 CAPITAL EQUIPMENT NEEDS INFORMATION

EQUIPMENT:	Patrol Vehicle			
DEPARTMENT:	Department of Public Safety			
Description:	Necessary vehicle replacement			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS		Unfunded	\$ 27,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Patrol Vehicle			
DEPARTMENT:	Department of Public Safety			
Description:	Standard Equipment for patrol car.			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS		Unfunded	\$ 20,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Fire Truck			
DEPARTMENT:	Department of Public Safety			
Description:	Necessary vehicle replacement			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS	Debt Service	Unfunded	\$ 200,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Fire Truck			
DEPARTMENT:	Department of Public Safety			
Description:	Standard equipment for fire truck.			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS	Debt Service	Unfunded	\$ 80,000
<u>Operating Impact:</u>	Unfunded			

CITY OF HEATH

FY 2009-2010 CAPITAL EQUIPMENT NEEDS INFORMATION

EQUIPMENT:	Handheld Water Meter Reading System			
DEPARTMENT:	Water			
Description:	Current meter reading method is completely manual (i.e. paper meter register, handwritten reads, manual data entry into Utility system, re-reads and abnormal consumption follow up required) Handheld system would allow consumption errors real-time in the field. Data transfer from handheld to Utility system by downloading in minutes.			
Justification:	Reduce meter reading errors, Eliminate data entry consumption errors, and reduce monthly tasks from 3 days to approximately 2 hours.			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Handheld		Utility	\$ 3,300
	Software		Utility	\$ 6,000
	Utility System		Utility	\$ 5,000
	Cradle Dock		Utility	\$ 500
	Setup & Training		Utility	\$ 5,000
				\$ 19,800
<u>Operating Impact:</u>				Unfunded

EQUIPMENT:	Zero Radius Lawn Mower			
DEPARTMENT:	Parks			
Description:	Replacement mower needed to replace original purchase in 2002. Used for city and state right-of-way and City facilities (City Hall, Public Works Center, 5 parks including Terry park.			
Justification:	Replacement			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Parks		Utility	\$ 10,500
<u>Operating Impact:</u>				Unfunded

EQUIPMENT:	SCADA			
DEPARTMENT:	Utility			
Description:	Supervisory Control and Data Acquisition (SCADA) needs 4 additional lift stations and future elevated and ground storage. Software, PC and training included.			
Justification:	Update SCADA for increased water flow.			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	Utility		Utility	\$ 22,000
<u>Operating Impact:</u>				Unfunded

CITY OF HEATH

FY 2011-2014 CAPITAL EQUIPMENT NEEDS INFORMATION

EQUIPMENT:	Patrol Vehicle			
DEPARTMENT:	Department of Public Safety			
Description:	9 Vehicles needed to replace current fleet.			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS		Unfunded	\$ 248,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Patrol Vehicle			
DEPARTMENT:	Department of Public Safety			
Description:	9 Sets of Standard Equipment for patrol fleet.			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS		Unfunded	\$ 180,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Rescue/ Brush Squad			
DEPARTMENT:	Department of Public Safety			
Description:	Necessary vehicle replacement			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS	Debt Service	Unfunded	\$ 175,000
<u>Operating Impact:</u>	Unfunded			

EQUIPMENT:	Rescue/ Brush Squad Equipment			
DEPARTMENT:	Department of Public Safety			
Description:	Standard Equipment required for Rescue/Brush Squad.			
Justification:	Vehicle Replacement Program			
<u>Financial Information</u>	<u>Project Type</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
	DPS	Debt Service	Unfunded	\$ 80,000
<u>Operating Impact:</u>	Unfunded			



PERSONNEL SUMMARY

Personnel allocations occur between the General Fund and the Utility Fund according to job requirements. All personnel performing tasks for both the general fund and the business-type activities are allocated accordingly.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

PERSONNEL SUMMARY BY DEPARTMENT												
GENERAL FUND												
<i>Department</i>	<i>Adopted Budget FY 2007</i>			<i>Adopted Budget FY 2008</i>			<i>Approved Budget FY 2009</i>			<i>Approved Budget FY 2010</i>		
	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>
City Manager	2	-	-	2	-	-	2	-	-	1.5	-	-
City Secretary	1	-	-	1	-	-	1	-	-	1	-	-
Finance	2.5	0.5	-	3	0.5	-	2.5	1	-	2	0.5	-
Municipal Court	1	-	-	1	-	-	1	-	-	1	-	-
Streets	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-
Parks	1	-	-	1	-	-	1	-	-	1	-	-
Engineering	3.5	-	-	4.5	-	-	4.5	-	-	4.5	-	-
Public Safety	15	-	-	19	-	-	20	-	-	18	-	-
Non-Divisional	-	-	-	-	-	1	-	-	1	-	-	0.5
Total General Fund	28	0.5	0	33	0.5	1	34	1	1	31	0.5	0.5
PERSONNEL SUMMARY BY DEPARTMENT												
UTILITY FUND												
<i>Department</i>	<i>Adopted Budget FY 2007</i>			<i>Adopted Budget FY 2008</i>			<i>Approved Budget FY 2009</i>			<i>Approved Budget FY 2010</i>		
	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>
Water	1.7	1	-	1.7	1	-	1.7	1	-	1.7	-	-
Wastewater	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-
Utility Admin	3	-	-	3	-	-	3	-	-	2.5	0.5	-
Customer Service	2	0.5	-	2.5	0.5	-	2	1	-	1.5	0.5	-
Non-Divisional	-	-	1	-	-	1	-	-	1	-	-	0.5
Total Utility Fund	8.3	1.5	1	8.8	1.5	1	8.3	2	1	7.3	1	0.5
CITY TOTAL	36.0	2.0	1.0	42.0	2.0	2.0	42.0	3.0	2.0	38.0	1.5	1.0

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

PERSONNEL SUMMARY DETAIL FY 2010

Position	General Fund			General Non-Divisional			Utility			Utility Non-Divisional			TOTAL
	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	
<u>City Manager</u>													
Full-time													
City Manager	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Assistant City Manager	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Executive Assistant	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Admin. Project Coordinator	-	-	-	-	-	-	-	0.50	-	-	-	-	0.50
<u>City Secretary</u>													
Full-time													
City Secretary	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
<u>Finance</u>													
Full-time													
Finance Director	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Chief Accountant	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Accountant	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Purchasing Agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Service Representative	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Part-time													
AP Clerk	-	0.25	-	-	-	-	-	0.25	-	-	-	-	0.50
Customer Service Representative	-	0.25	-	-	-	-	-	0.25	-	-	-	-	0.50
<u>Municipal Court</u>													
Full-time													
Municipal Court Clerk	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
<u>Streets</u>													
Full-time													
Operations Manager/Engineering Ins	0.33	-	-	-	-	-	0.66	-	-	-	-	-	1.00
Public Works Utility Supervisor	0.33	-	-	-	-	-	0.66	-	-	-	-	-	1.00
Parks and Building Maint. Supervisor	0.33	-	-	-	-	-	0.66	-	-	-	-	-	1.00
Utilities Maint. Worker	0.33	-	-	-	-	-	0.66	-	-	-	-	-	1.00
Utilities Maint. Worker	0.33	-	-	-	-	-	0.66	-	-	-	-	-	1.00
<u>Parks</u>													
Full-time													
Parks Maint. Worker	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2009-2010

PERSONNEL SUMMARY DETAIL FY 2010

Position	General Fund			General Non-Divisional			Utility			Utility Non-Divisional			TOTAL
	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	
	Engineering												
<i>Full-time</i>													
City Engineer/Director of Public Works	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Administrative Assistant	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Building Official	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Planning Technician	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Building Code/Code Enforcement	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Public Safety													
<i>Full-time</i>													
Director of Public Safety	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Public Safety Sergeant	3.00	-	-	-	-	-	-	-	-	-	-	-	3.00
Detective/Sergeant	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Administrative Assistant	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Public Safety Officer	9.00	-	-	-	-	-	-	-	-	-	-	-	9.00
School Resource Officer	3.00	-	-	-	-	-	-	-	-	-	-	-	3.00
Community Resource Officer	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Divisional													
<i>Seasonal</i>													
Intern	-	-	-	-	-	0.50	-	-	-	-	-	0.50	1.00
Total Employees	30.65	0.50	-	-	-	0.50	7.30	1.00	-	-	-	0.50	40.50



CITY OF HEALTH

SUPPLEMENTAL
INFORMATION

CITY OF HEATH

HISTORY

In 1840, the Texas Congress ordered a central government road to be built from Austin to the mouth of the Kiamichi Creek at its intersection with the Red River. This road crossed the East fork of the Trinity River in the Black Hills.

The Black Hills was named for the rich, black soil. The black soil provided abundant crops for settlers, immigrants and wild game. The Black Hills was home to wild turkeys, deer, geese, ducks and buffalo. The Black Hills also provided plentiful timberland and water. Willow trees were so abundant around the natural water sources that location became known as Willow Springs.

Darr Estates was the stomping ground for free roaming buffalo. Each day at sundown, buffalo would migrate through what is now Darr Estates. Children were summoned inside to the safety of their homes by a ringing bell when the buffalo were on the move.

The late 1800's was a period of steady growth for the Black Hills. Rockwall County assumed the operation of Barnes Bridge (bridge which crossed the East fork of the Trinity at the Black Hills allowing transportation into Dallas County). Businesses located in town. Two schools were established; one in the north on the Pinion farm; one south near the Baptist Church. The two schools were created not from merely growth but due to a quarrel between individuals in the north and south area.

During the 1870's to 1880's, Texas was evolving from an independent territory to a state. Counties were divided and re-divided. The Black Hills was originally zoned in Henderson County, then Nacogdoches County, next Kaufman County. In 1873, a petition was granted situating the Black Hills within the boundaries of the smallest county in Texas. In 1880, the first post office was established for the farming community, by then ,commonly referred to as Heath.

In 1902, Heath Independent School District was formed. A new school was constructed on the site of the current Heath City Hall complex.

In 1916, the town of Heath was devastated by fire; the first of three fires that destroyed businesses and slowed the steady growth earlier experienced. The growth was further impacted by the change in livelihood. The once booming farm town no longer provided revenue sufficient to support a family with a small farm; only large farms were profitable. After the 1920's, a decline in population was realized when work began to be sought in the bigger surrounding cities such as Dallas.

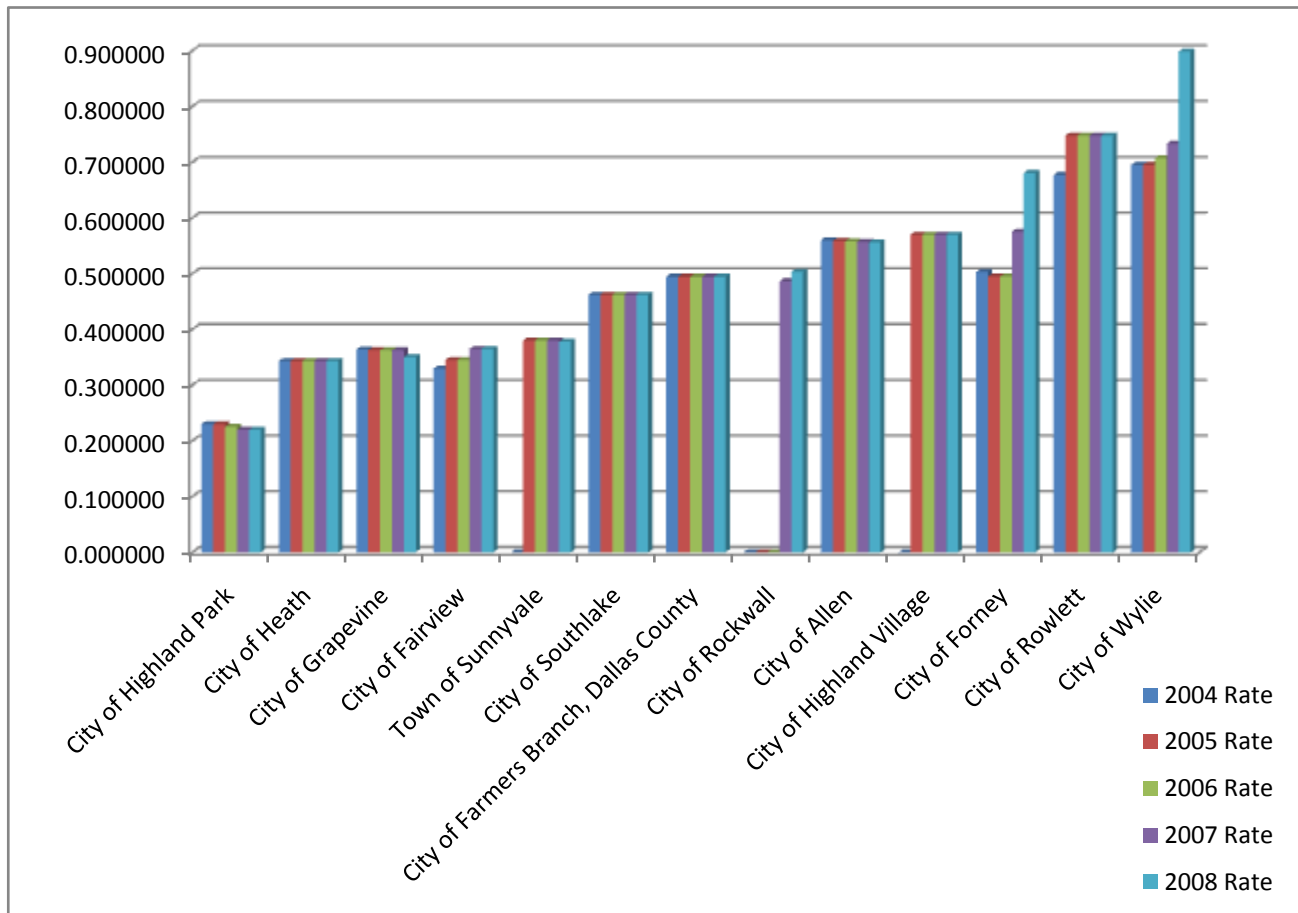
In 1949, the town population was 200. Heath school made the decision to close and merged with the Rockwall Independent School District.

The town of Heath was incorporated in October 12, 1959. In 1969, Lake Ray Hubbard became a reality and the City of Heath realized first revenue. One hundred dollars (\$100) was generated by a franchise with Texas Power and Light. By 1970, population had grown to 520 stemming from home construction. Newcomers were (and still are) attracted to the openness of rural living and proximity to Lake Ray Hubbard. Population estimates have blossomed to 7,400.

Heath: A place to call home for a lifetime.

	2004 Rate	2005 Rate	2006 Rate	2007 Rate	2008 Rate
City of Highland Park	0.230000	0.230000	0.225000	0.220000	0.220000
<i>City of Heath</i>	0.343300	0.343300	0.343300	0.343300	0.343300
City of Grapevine	0.363500	0.362500	0.362500	0.362500	0.350000
City of Fairview	0.330000	0.345000	0.345000	0.365000	0.365000
Town of Sunnyvale	NA	0.379970	0.379970	0.379970	0.377962
City of Southlake	0.462000	0.462000	0.462000	0.462000	0.462000
City of Farmers Branch, Dallas County	0.494500	0.494500	0.494500	0.494500	0.494500
City of Rockwall	NA	NA	NA	0.486500	0.503100
City of Allen	0.560000	0.559000	0.558000	0.557000	0.556000
City of Highland Village	NA	0.569630	0.569630	0.569630	0.569630
City of Forney	0.503032	0.494807	0.494801	0.575040	0.680535
City of Rowlett	0.676945	0.747173	0.747173	0.747173	0.747173
City of Wylie	0.695000	0.695000	0.706780	0.733250	0.898900

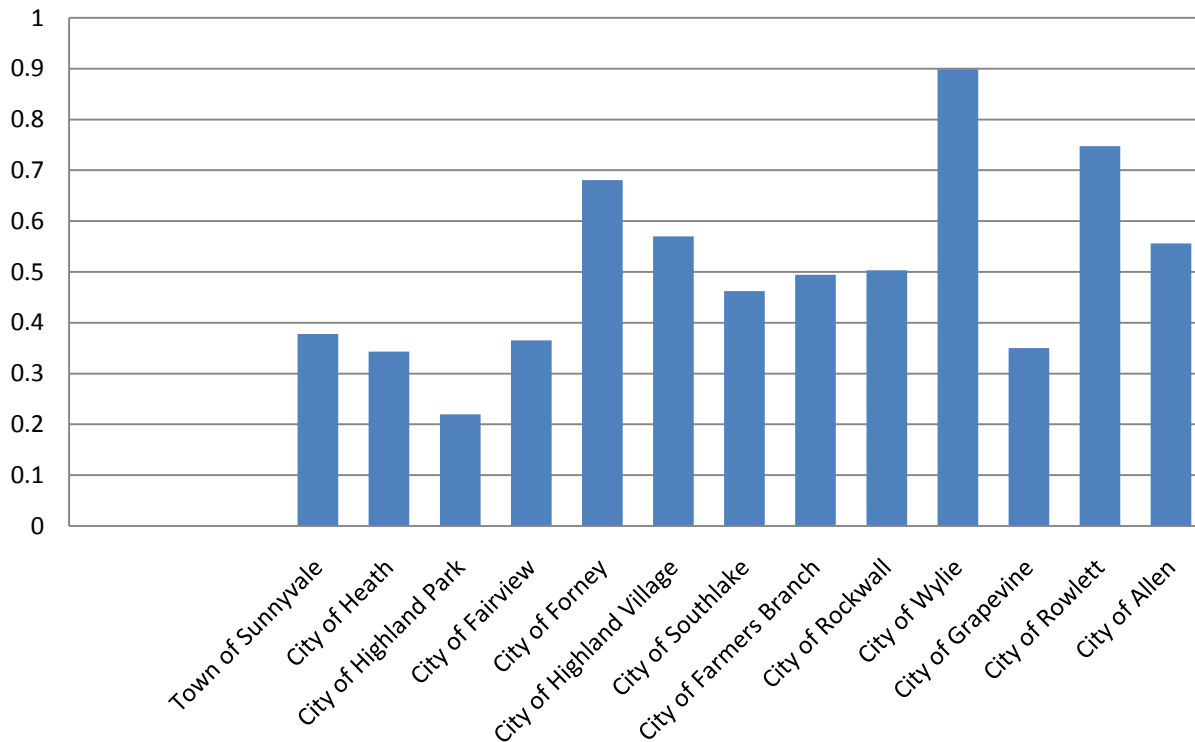
Peer Cities indicated in Bold



	Calendar Year 2008 Ad Valorem Rate	Ad Valorem % of Revenue CAFR 2008	GF Personnel % of Expend. Budget FY09	Sales Tax Revenue 2008	Population
Town of Sunnyvale	0.377962	.373336 (2007)	NA	2,089,752	4,038
<i>City of Heath</i>	0.343300	0.626305	0.665011	724,777	6,875
City of Highland Park	0.220000	0.594568	0.768532	2,392,832	8,842 (2000)
City of Fairview	0.365000	0.383249	NA	586,462	9,000
City of Forney	0.680535	0.368400	0.557300	330,618	12,852 (2007)
City of Highland Village	0.569630	0.393950	0.659968	2,719,056	15,750
City of Southlake	0.462000	0.486735	NA	14,519,651	26,100
City of Farmers Branch	0.494500	0.388267	0.730793	13,167,778	28,000
City of Rockwall	0.503100	0.440000	.679 (2008)	13,061,172	31,748
City of Wylie	0.898900	0.586255	0.658715	5,207,169	39,182 (2007)
City of Grapevine	0.350000	0.245555	0.364906	34,379,188	49,797
City of Rowlett	0.747173	0.516923	0.650000	5,920,355	54,150
City of Allen	0.556000	0.518500	0.656480	20,156,180	81,444

Peer Cities indicated in Bold

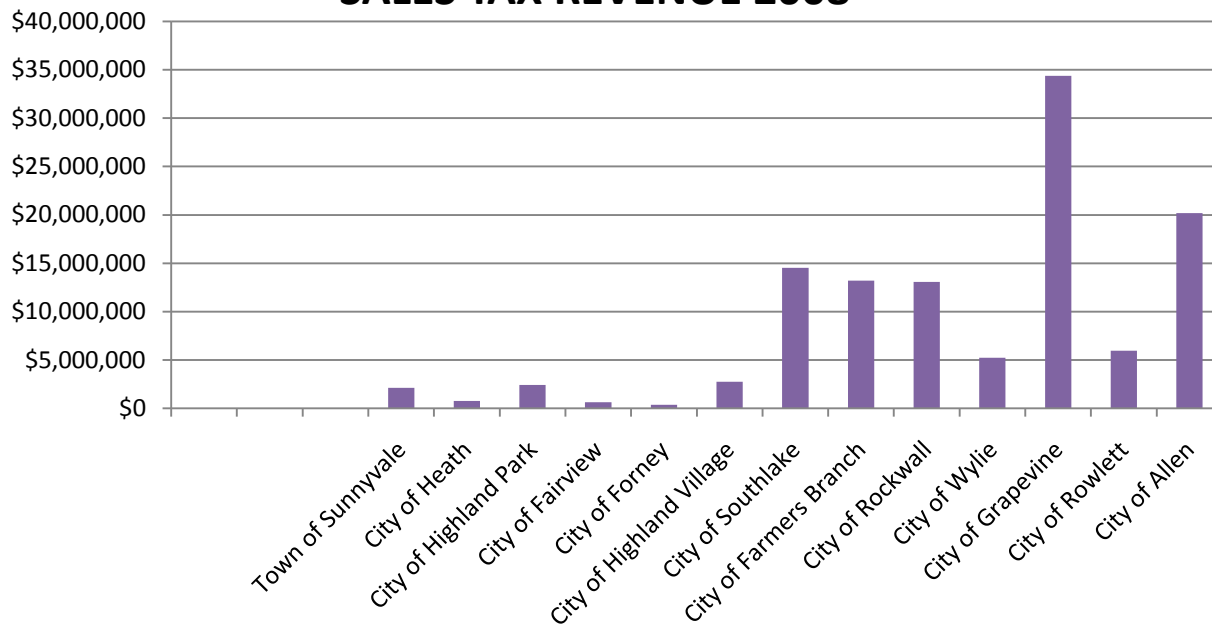
AD VALOREM TAX RATE 2008



	Calendar Year 2008 Ad Valorem Rate	Ad Valorem % of Revenue CAFR 2008	GF Personnel % of Expend. Budget FY09	Sales Tax Revenue 2008	Population
Town of Sunnyvale	0.377962	.373336 (2007)	NA	2,089,752	4,038
<i>City of Heath</i>	0.343300	0.626305	0.665011	724,777	6,875
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City of Allen	0.556000	0.518500	0.656480	20,156,180	81,444

Peer Cities indicated in Bold

SALES TAX REVENUE 2008



CITY OF HEATH
STATISTICAL DATA
PRINCIPAL TAXPAYERS

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Oncor Electric Delivery Co	\$ 8,812,960	1	0.80%
Rainier Baylor Medical	5,912,920	2	0.54%
Whittle Development Inc	5,375,480	3	0.49%
TR Heath Partners Ltd	4,683,540	4	0.43%
Daedelus Corporation	4,225,320	5	0.38%
B C Golf Ltd	4,000,000	6	0.36%
Whittle Development Inc	2,908,370	7	0.26%
Pittman, Clinton Ray	2,679,680	8	0.24%
Kirwan, David and Patricia	2,594,650	9	0.24%
Corona Resources Ltd	2,476,820	10	0.22%
	<u>\$ 43,669,740</u>		<u>3.96%</u>

Source: Rockwall County Appraisal District

**CITY OF HEATH
STATISTICAL DATA**

GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Other</u>	<u>Total</u>
1999	\$ 774,757.92	\$ 124,309.25	\$ 2,521.92	\$ 901,589.09
2000	\$ 876,039.61	\$ 162,209.10	\$ 31,042.14	\$ 1,069,290.85
2001	\$ 1,161,898.62	\$ 261,901.40	\$ 12,558.17	\$ 1,436,358.19
2002	\$ 1,355,755.16	\$ 150,569.95	\$ 8,539.96	\$ 1,514,865.07
2003	\$ 1,763,902.82	\$ 140,346.41	\$ 43,667.00	\$ 1,947,916.23
2004	\$ 1,961,561.55	\$ 223,761.23	\$ 15,642.76	\$ 2,200,965.54
2005	\$ 2,087,809.49	\$ 276,712.24	\$ 240,812.92	\$ 2,605,334.65
2006	\$ 2,148,331.50	\$ 325,767.61	\$ 14,984.00	\$ 2,489,083.11
2007	\$ 2,519,155.78	\$ 339,570.00	\$ 27,551.81	\$ 2,886,277.59
2008	\$ 2,802,635.27	\$ 365,801.05	\$ 56,927.60	\$ 3,225,363.92
2009	\$ 2,969,830.28	\$ 355,097.23	\$ 47,377.17	\$ 3,372,304.68

Source: City of Heath Finance Department

**CITY OF HEATH
STATISTICAL DATA
ROCKWALL COUNTY**

<u>Year</u>	<u>Real Property</u>		<u>Personal Property</u>	<u>Total Net Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Property Count</u>
	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Commercial</u>			
1999	329,513,458	\$ 3,391,280	\$ 3,776,524	336,681,262	0.3433	2,439
2000	416,866,683	6,086,120	5,043,618	427,996,421	0.3433	2,505
2001	495,396,844	6,816,449	5,356,757	507,570,050	0.3433	2,638
2002	602,559,130	9,338,718	5,654,796	617,552,644	0.3433	2,833
2003	655,473,089	9,692,268	4,868,286	670,033,643	0.3433	2,882
2004	716,137,365	11,431,210	3,695,430	731,264,005	0.3433	2,975
2005	767,900,711	16,210,420	5,318,070	789,429,201	0.3433	3,001
2006	878,134,837	19,455,610	5,172,513	902,762,960	0.3433	3,252
2007	973,926,413	19,796,714	6,701,310	1,000,424,437	0.3433	3,346
2008	1,040,673,919	23,206,300	7,946,530	1,071,826,749	0.3433	3,510
2009	1,066,624,855	27,308,130	7,591,200	1,101,524,185	0.3433	3,553

Source: Rockwall Central Appraisal District

**CITY OF HEATH
STATISTICAL DATA**

CONSTRUCTION ACTIVITY AND PROPERTY VALUES

<u>Fiscal Year</u>	COMMERCIAL CONSTRUCTION		RESIDENTIAL CONSTRUCTION	
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
1999	1	\$ 600,000	129	\$ 35,968,032
2000	0	-	180	\$ 65,700,876
2001	3	\$ 1,880,000	138	\$ 57,589,599
2002	0	\$ -	112	\$ 40,443,237
2003	4	\$ 41,877,000	73	\$ 29,119,830
2004	1	\$ 828,678	95	\$ 44,541,992
2005	3	\$ 1,361,589	117	\$ 57,022,592
2006	1	\$ 5,345,987	147	\$ 76,805,003
2007	2	\$ 1,100,433	87	\$ 53,389,392
2008	6	\$ 25,593,828	42	\$ 23,227,836
2009	0	\$ -	23	\$ 9,545,111

Source: City of Heath Public Works Department



CITY OF HEATH

GLOSSARY

CITY OF HEATH

GLOSSARY

ACCRUAL BASIS OF ACCOUNTING: A method of accounting in which revenues are recorded when measurable and earned, and expenses are recognized when a good or service is used.

AD VALOREM TAX: A tax levied on taxable property (land, improvements and personal property) for the purpose of financing general operations of the City and debt service requirements.

APPRAISED VALUE: The market value of real and personal property located in the City as of January 1 each year, as determined by the Rockwall County Appraisal District.

APPROPRIATION: The maximum level of spending for each fund and for each department as authorized annually by the City Council.

BALANCED BUDGET: A budget in which current revenues equal current expenditures.

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

BUDGET: A financial plan for a specified period of time (fiscal year) that matches all planned revenues and expenditures for various municipal services.

BUDGET BASIS: Budgets are adopted on a basis consistent with generally accepted accounting principles ("GAAP"). Governmental Funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Proprietary Funds use the accrual basis of accounting which recognizes revenues when earned and expenses when incurred. Annual operating budgets are adopted for all Governmental Funds except for the Capital Projects Fund in which effective budgetary control is achieved on a project-by-project basis when funding sources become available. All appropriations lapse at year-end, except those for the Capital Projects Fund. It is the intention of the City that appropriations for capital projects continue until completion of the project.

BUDGET CALENDAR: The schedule of key dates or milestones that a government follows in the preparation and adoption of a budget.

BUDGET MESSAGE: A general discussion of the submitted budget presented in writing by the City Manager as a part of the budget document.

CAPITAL OUTLAY: An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: has an anticipated useful life or more than one year; can be permanently identified as an individual unit of property; belongs to one of the following categories: Land, Buildings, Structures & Improvements, Equipment; constitutes a tangible, permanent addition to the value of City assets; does not constitute repair or maintenance; and, is not readily susceptible to loss.

CAPITAL PROJECT: A specific and identifiable improvement or purpose for which expenditures are proposed within the capital budget or capital improvement program.

COMPONENT UNIT: Legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): Usually referred to by its abbreviation, this report summarizes financial data for the previous fiscal year in a standardized format. The CAFR is organized by fund and contains two basic types of information: (1) a balance sheet that compares assets with liabilities and fund balance and (2) an operating statement that compares revenues and expenditures.

CITY OF HEATH

GLOSSARY

CONTRACTUAL SERVICES: Services purchased by the City such as utility services, insurance, maintenance contracts, outside consulting.

COURT SECURITY FUND: A Special Revenue (Purpose) Fund created to raise resources to be used for the expenditures incurred for the Municipal Court security. A specific portion from every fine paid is segregated for these purposes.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

DEPARTMENT: A major administrative division of the City which indicates overall responsibility for an operation or a group of related operations within a functional area.

EFFECTIVE TAX RATE: A rate which generates the same amount of revenues from property which is taxed in both years.

ENCUMBRANCES: Obligations in the form of purchase orders and contracts which are chargeable to an appropriation and for which a part of the appropriation is reserved because the goods or services have not been received. When paid, the encumbrance is liquidated.

ENTERPRISE FUND: A fund established 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 that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are the current Enterprise Funds for the City: Utility, Sanitation.

EXEMPT/EXEMPTION: Amounts under state law that which are deducted from the appraised value of property for tax purposes. Tax rates are applied to the non-exempt portion of the appraised value to calculate the annual tax levy.

EXPENDITURE: Decreases in (use of) financial resources other than through interfund transfers. This term applies to all governmental type funds.

EXPENSE: A use of financial resources, denoted by its use in the enterprise funds, which is accounted for on a basis consistent with the private business accounting model (full accrual basis).

FISCAL YEAR: The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City has specified October 1 to September 30 as its fiscal year.

FRANCHISE FEE: A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include electricity, telephone, natural gas and cable television.

FUND: An accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures.

FUND BALANCE: The assets of a fund less liabilities, as determined at the end of each fiscal year. Any reservations of fund balance are deducted to result in an "unreserved fund balance."

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standards used by the state and local governments for financial recording and reporting; established by the accounting profession through the Governmental Accounting Standards Board (GASB).

G.O. BOND: Acronym for General Obligation Bond.

CITY OF HEATH

GLOSSARY

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): The body that sets accounting standards specifically for governmental entities at the state and local levels.

GENERAL FUND: The largest fund within the City, the General Fund accounts for most of the financial resources of the government. 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, park and recreation, public works, and general administration.

GENERAL OBLIGATION BONDS: Bonds that finance public projects such as streets, municipal facilities, and park improvements. The repayment of these bonds is made from property taxes, and these bonds are backed by the full faith and credit of the issuing government.

GOVERNMENTAL FUND: Fund generally used to account for tax-supported activities. Different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds.

HEDC: Acronym for Heath Economic Development Corporation. A component unit.

HMBC: Heath Municipal Benefit Corporation. A component unit.

LEASE PURCHASE: A method of acquiring high cost equipment or property and spreading the payments over a specified period of time.

LEGAL DEBT MARGIN: The net amount of external financing resources that is available to the City through the issuance of general obligation bonds. For the City of Heath, it is limited to an amount equal to 10% of the assessed value of all taxable property located within the City, less any current general obligation bond debt.

LIABILITY: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

MILLAGE RATE: The ad valorem tax rate expressed in terms of the levy per thousand dollars of taxable assessed value.

MODIFIED ACCRUAL BASIS OF ACCOUNTING: A form of accrual accounting in which (1) expenditures are recognized when the goods or services are received and (2) revenues, such as taxes, are recognized when measurable and available to pay expenditures in the current accounting period.

NON-DEPARTMENTAL: Includes debt service, operating transfers between funds.

NTMWD: Acronym for North Texas Municipal Water District.

OBJECTIVE: Performance indicator of a program.

OPERATING BUDGET: A financial plan outlining estimated revenues and expenditures and other information for a specified period (usually a fiscal year). The “proposed budget” is the financial plan presented by the City Manger for consideration by the City Council, and the “adopted budget” is the financial plan ultimately approved and authorized by the City Council.

ORDINANCE: An authoritative command or order.

PER CAPITA DEBT: Total tax supported debt outstanding divided by population.

PERFORMANCE MEASURES: Quantitative measure of a program’s effectiveness or efficiency (e.g., average time to dispatch an emergency 911 call). Often used in conjunction with workload measures (e.g. number of emergency 911 calls received) to evaluate and revise resource allocation strategies.

CITY OF HEATH

GLOSSARY

PERSONNEL SERVICES: Expenditures made for salaries and related benefit costs.

POLICY: A definite course of action adopted after a review of information and directed at the realization of goals.

PROPOSED BUDGET: The budget that has been prepared by the City Manager and submitted to the City Council for approval.

PROPRIETARY FUND: Fund that focuses on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The 2 different types of proprietary funds: enterprise fund and internal service funds.

RESERVE: An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

REVENUE BONDS: Long term debt (bonds) the repayment of which is based upon pledged revenues from a revenue generating facility.

REVENUES: All amounts of money earned or received by the City from external sources.

RISD: Rockwall Independent School District.

SPECIAL ASSESSMENT: A compulsory levy made against certain properties to defray a part of the cost of a specific improvement or services (such as sewer) deemed to primarily benefit those properties.

SPECIAL REVENUE FUND: Fund used to account for a specific revenue source (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes, or have been segregated by financial policy to be maintained separately.

SRO: Acronym for School Resource Officer.

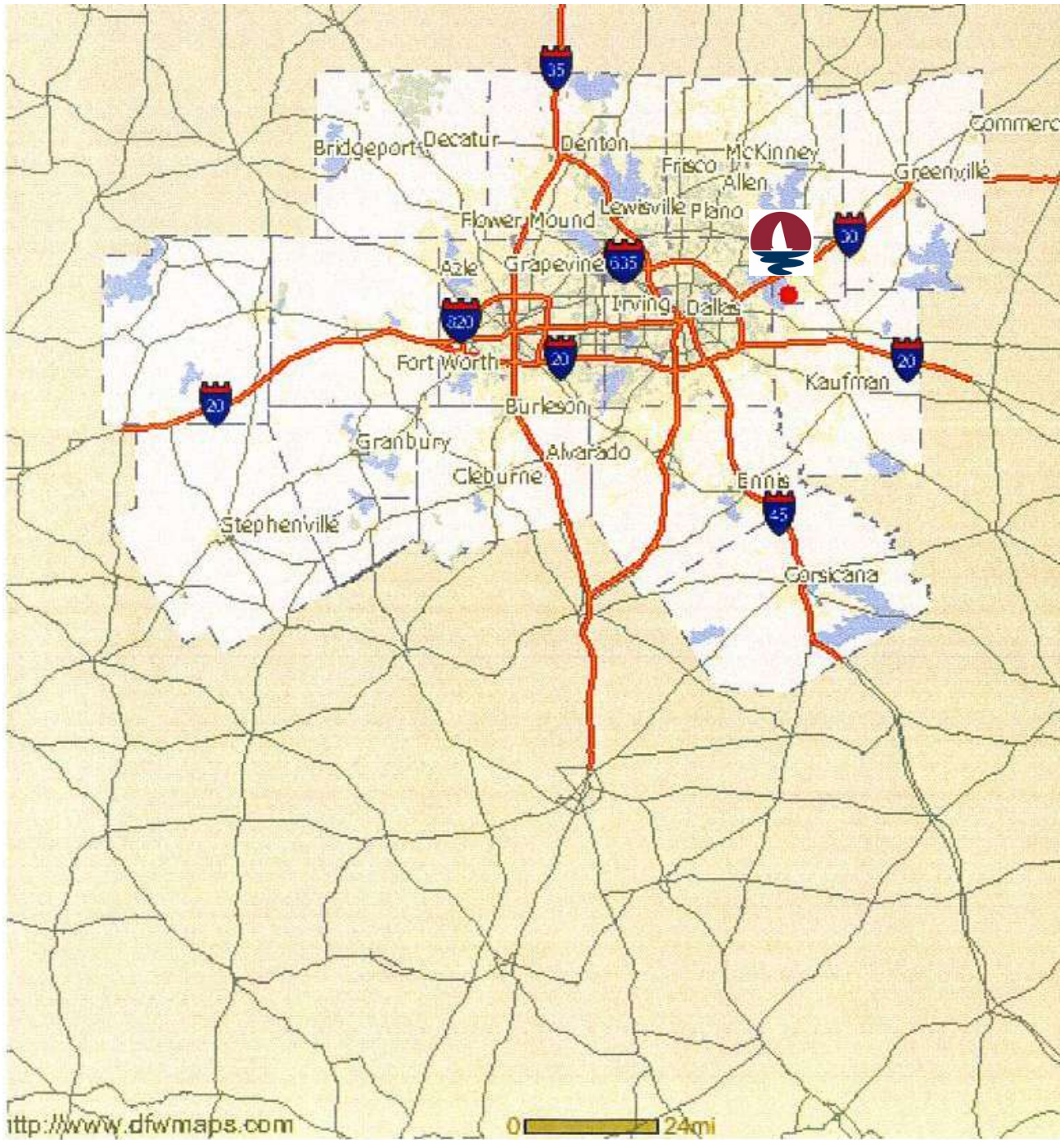
TAX BASE: The total property valuations on which each taxing entity levies its tax rates.

TAX LEVY: A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

TAX RATE: A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

TAXABLE VALUE: Estimated value of property on which ad valorem taxes are levied.

TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.



CITY OF HEATH

CITY OF HEATH