



City of Heath
Annual Operating Budget
Fiscal Year 2011 - 2012

CITY OF HEATH, TEXAS

2011-2012 BUDGET

This budget will raise less total property taxes than last year's budget by \$6,701 (.18%) and of that amount \$63,636 is tax revenue to be raised from new property added to the tax roll this year.

CITY OF HEATH

READER'S GUIDE

The purpose of this section is to provide the reader with a guide to the document's contents: where and how to find the information and how to understand the information. The following describes each major section.

INTRODUCTION

This section introduces the City Council and Board and Commission appointments representing the citizens of the City of Heath. Recreational activities and statistical information at-a-glance will also be provided for the reader.

BUDGET MESSAGE

The first critical reading of the FY 2012 Proposed Budget is the City Manager's Transmittal Letter. The reader will gain an understanding of the City's vision, critical issues, budget highlights, financial plan, distribution of the total tax rate and the Distinguished Budget Award.

PROFILE

This section provides the reader with the background of the City. Included in this section are the City's history with highlights by year, demographics, community profile, hometown events, parks and trails, City organizational chart and Fund structure.

STRATEGIC PLANNING

This section provides readers with an understanding of the City's strategic priorities, mission, and vision with a link between goals and objectives at a policy level to those of the City and its departments. Included in this section are the City's strategic planning process, the comprehensive plan, the summary initiative and General Fund departmental summaries.

GENERAL FUND SUMMARIES

This section provides the reader with information on the General Fund. A summary of all funds, a combined summary of funds by budget type, 6 year expenditure history and a General Fund financial summary are provided in this section. This section also includes information on revenue sources, trends and forecasts. Each department of the General Fund includes an organizational chart, purpose and description, prior year accomplishments, and divisional strategies and goals.

ENTERPRISE FUND SUMMARIES

This section provides the reader with information on the Enterprise Fund. This section also includes information on revenue sources, trends, forecasts, assumptions and a fee schedule. Each department of the Enterprise Fund includes an organizational chart, purpose and description, prior year accomplishments, and divisional strategies and goals.

DEBT SERVICE FUNDS

An understanding of the general debt obligation is detailed in this section. An overview of the Debt Service, as well as the legal debt margin requirements, is included. This section also includes information on revenue sources, trends, forecasts and assumptions.

COMPONENT UNITS

This section provides the reader with the uses for tax revenue and includes an organizational chart, purpose and description, prior year accomplishments, and divisional strategies and goals.

SPECIAL REVENUE

This section provides the reader with the cash flow statement, description, and classification of each special revenue.

CAPITAL IMPROVEMENTS PROGRAM

This section provides a comprehensive listing and explanation of the capital needs of the City for the next five years including the operating impact.

PERSONNEL SUMMARY

This section provides the reader with a summary of personnel detailing allocations by fund and job positions.

SUPPLEMENTAL INFORMATION

This section provides the reader with statistical information of the City and the surrounding areas including Ordinances, principal employers, property tax rates and overlapping debt. At least 10 years of statistical data, is provided for reader analysis.

GLOSSARY

To aid in understanding terminology and acronyms, a glossary is provided.

CITY OF HEATH
OPERATING BUDGET FISCAL YEAR 2011 - 2012
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CITY OF HEATH

OPERATING BUDGET
FISCAL YEAR 2012

CITY OF HEATH
ANNUAL OPERATING BUDGET
FISCAL YEAR
OCTOBER 1, 2011 - SEPTEMBER 30, 2012

CITY COUNCIL

John Ratcliffe, Mayor

Lorne Liechty, Mayor Pro-Tem

Robert Hille, Council Member, Place 1

Justin Holland, Council Member, Place 2

Julie Zurek, Council Member, Place 3

Barry Brooks, Council Member, Place 4

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

Randel Dobbs, Public Works

CITY OF HEATH

CITY COUNCIL



Robert Hille, Julie Zurek, Justin Holland, John Ratcliffe, Lorne Liechty, Barry Brooks, and 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

2011-2012 BOARD AND COMMISSION APPOINTMENTS

Board of Adjustment

David Curd, Chairman; Chuck Dale, Lowell Moon, Jr., Thomas Smith, Alex Thomas, Ron Wasson (Alt) and Dennis Conder (Ex Officio).

HEDC/HMBC

Alma Howard, President; Dennis Bailey, D.W. Bobst, Tom Johnson, Lorne Liechty, Cyndi Pitman, James Tunnell, and John Ratcliffe (Ex Officio)

Planning & Zoning Commission

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

Park Board

Ginny Jackson, Chairman; Jason Severn, Becky Burkett, John Curtis, Amy Ganci, and Kathy Manuel.

Take Area Appeals Panel

Chris Cuny, Chairman; Ira Berger, Joe Chamberlain, Robert Lang, and Ron La Roux.

Special Events Board

Joel Palin, Chairman; Brian Berry, Harry Keinkele, Gayle Kuhrt, Mary Luxton, and Pamela Miley.



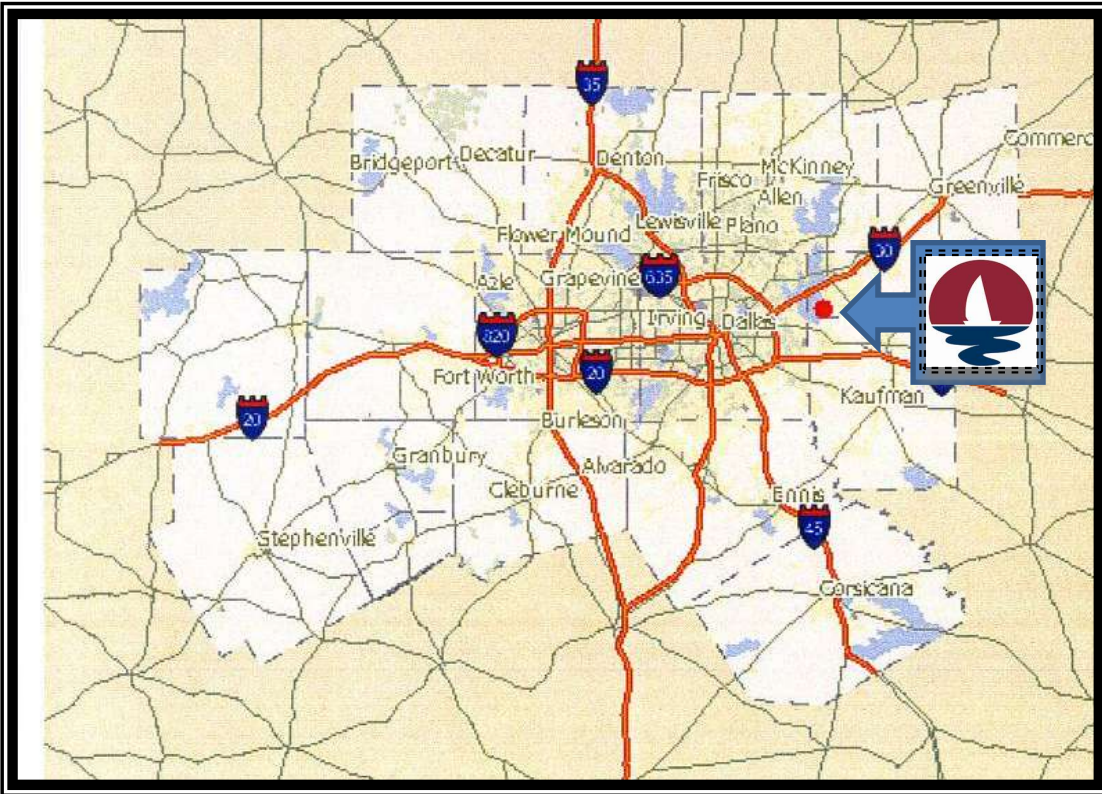
CITY OF HEATH

LOCATION

A premier hometown on the eastern shores of Lake Ray Hubbard.

Heath is a home rule city with a mayor and six-member council. Full-scale city services include a department of public safety with professionals who are cross-trained as firefighters, paramedics and police officers.

Heath is located approximately 20 miles east of Dallas in Rockwall and Kaufman Counties on the Eastern shore of Lake Ray Hubbard.



Recreational Opportunities

Heath has it all with Family Parks, Hiking/Biking Trail System, Buffalo Creek Golf Club and Olympic-level sailing at Rush Creek Yacht Club.



CITY OF HEATH

AT A GLANCE

Date of Incorporation	October 12, 1959
Date of City Charter Adoption	September 14, 2002
Form of Government	Home Rule City

Area-square miles	16
City Limits	10
ETJ	6

Demographics	
Population	6,921
Average Age	34
Average Existing Home Value	\$384,294
Average Household Income	\$128,000
Average Household Size	3

Building Permits	
Permits issued (fiscal year)	31
Building Inspections Conducted	721
Value (fiscal year)	\$ 13,887,198

City Employees	
Full-time	36
Part-time	1.5
Seasonal	1

Department of Public Safety	
Number of Stations	1
Sworn Officers	18
Volunteers	6
Patrol Units	12
Fire Engines	3

Recreation	
Acreage	94
Developed	41
Undeveloped potential	53
Playgrounds	2
Baseball/Softball Fields	1
Soccer/Football Fields	3
Community Centers	1

Public Schools located in City	
	<u>Enrollment</u>
Elementary	
Amy Parks-Heath	791
Dorothy Smith Pullen	620
Middle School	
Maurine Cain	856
High School	
Rockwall-Heath	1968

Municipal Water System	
Active Accounts	1,986
Avg. consumption (gallons)	25
Water Mains (miles)	54
Fire Hydrants	223

Municipal Sewer System	
Active Accounts	1,877
Sanitary Sewers (miles)	62
Storm Sewers (miles)	14

Solid Waste Collection	
Active Accounts	2,690

Elections	
Registered Voters	4,941

Source: City of Heath Referenced Department



CITY OF HEATH

BUDGET MESSAGE
FISCAL YEAR 2012



CITY OF HEATH

200 Laurence Drive, Heath, Texas 75032 | Phone (972) 771-6228 | Fax (972) 961-4932

September 16, 2011

The Honorable Mayor and Members of the City Council:

It is my pleasure to present the budget for Fiscal Year 2012. The Annual Budget is one of the most important documents acted upon by the City Council in any given year. In developing this document, a significant amount of time was devoted by City Council Members and City Staff. 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 2012 totals \$11,664,232.

The budget preparation included many hours of study and review by City Council Members, Department Directors and Management Staff. The proposed budget builds upon strategic decisions made over the past few years to meet budget challenges resulting from the economic recession. Current and future revenue streams were analyzed and expenditures budgeted accordingly. Since 2008, 6 full-time positions have been eliminated from the budget and expenditures tightly managed to ensure economic sustainability. The City continues to look for more cost-effective ways of providing services that residents expect.

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:
 - Prepare and implement a budget which assures a stable tax rate while maintaining satisfactory levels of service,
 - Continue to maintain a healthy Fund Balance (target 25%); during times of economic uncertainty the fund balance may exceed the target in anticipation of future revenue shortfalls,
 - Actively manage the cost of providing services while looking for ways to reduce costs,
 - Implement the updated Water and Waste Water Rate Study and adjust rates on a timely basis with the goal of making the System self-supporting,
 - Encourage upscale commercial, retail, and residential development that embraces the characteristics of well-designed low density neighborhoods,

- Continue to monitor the Citywide Transportation Study ensuring the optimum network of streets to serve future traffic needs,
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:
 - Use results of a detailed citizen survey to prioritize future needs of our citizens,
 - Manage resources to recruit and retain staff who possess the highest standards of professionalism, expertise, and customer service skills,
 - Encourage staff development by setting and communicating expectations and providing training opportunities,
 - Add new technology to enhance efficiency and effectiveness, and
 3. Promote livability and community pride. Priorities in this area include:
 - Promote growth opportunities that enhance recreational, cultural, and social opportunities,
 - 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,
 - Incorporate retail development with unique amenities to compliment residential green space.

These long term goals and strategies will also be used as a guide in the formulation of future budgets. This budget attempts to allocate the City's financial resources in a balanced and strategic manner. The spending plan, consistent with available resources, is designed to maintain quality facilities and services that improve the quality of life in Heath.

Accomplishments

- The Heath Department of Public Safety was the lead agency in an investigation that helped break a theft ring of heavy agricultural equipment which had been linked to organized criminal activity in at least three states.
- Continued use of the web-based "My Fix It" system to successfully track requests or concerns submitted by citizens.
- The federally mandated Storm Water Management Program (SWMP) report to the Texas Commission on Environmental Quality was performed in-house for the fourth consecutive year.
- Communication with our citizens is a priority. A monthly mailing of the City Newsletter continues to provide valuable information about City services and public announcements. The Newsletter is also available on the City's website.
- Improved communication with citizens through continued use of Twitter, Facebook, and Flickr. Facebook members increased 60% from 2010.
- The City presented special events to continue to foster a strong sense of community including Holiday in the Park, the Independence Day Parade & Popsicles in the Park, and the 2011 Heart of Heath 5k Run/Walk, which experienced a 39% increase in participation from 2010.

- The City was awarded the Scenic City Certification by Scenic Texas, an organization dedicated to supporting and recognizing Texas municipalities that implement high-quality scenic standards for public roadways and public spaces.
- The City of Heath received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the second consecutive year.
- The City was awarded the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2009. This is the first time the City received this distinction.
- Completed infrastructure projects in FY 2011:
 - Upgrade Hillview water line from a 2 inch line to an 8 inch line
 - Installation of 18 inch water line at FM550 and McDonald Rd
 - Bison Meadows Lift Station upgrades
- Infrastructure projects started during FY 2011:
 - Awarded contract for construction of the 1.5 million gallon elevated storage tank
 - Construction and utility relocation of Phase I of FM 740 expansion
 - Buffalo Creek trail repairs
- Identified future City projects including:
 - Various Studies including Ultimate Development Water, Flood, and Transportation Studies
 - Utility relocation and construction of Phase II of FM 740
 - Infiltration and inflow analysis to aid in controlling the cost of waste water treatment
 - Planning for a direct connection to North Texas Municipal Water District as well as for expansion of the City's pumping facilities. During the month of August 2011, the City set a new water use record of 3.77 million gallons per day making this project a priority.

General Fund

The General Fund is the primary operating fund for the City of Heath. This fund accounts for all financial resources not restricted to special or specific projects and/or funds that are not accounted for in another fund. The General Fund is used to account for public safety services, city administration, community services, and public works. This year's budget includes a transfer to the Debt Service Fund of \$550,000 and a 1.5 cent reallocation from the M&O tax rate to the I&S tax rate. In total, the City's tax rate remains unchanged at 34.33 cents per \$100 of valuation. The budget for the General Fund does utilize \$86,575 of excess fund balance. Projected Unassigned Fund Balance at September 30, 2012 is \$1,562,000 which represents 36% of budgeted expenditures.

Revenues

The FY 2012 Budget for total General Fund revenue is \$4,260,750, a decrease of \$237,450 from the FY 2011 Budget. The reduction in the M&O tax rate from 27.86 cents to 26.36 cents per \$100 of valuation accounts for approximately \$160,000 of this change. Taxable assessed valuation was down slightly, .18%, when compared to the prior year. New property added to the roll comprises approximately 1.7% of total assessed value and helped minimize the impact of lower assessed values. The Fiscal Year 2012 decrease in assessed value is the second consecutive year the City has experienced negative growth.

Revenue generated by sales tax and franchise fees increased \$20,000 and \$18,000, respectively over the amounts budgeted in FY 2011. The projected increases are based on actual revenues realized each of the past two years. Revenue provided by building permits and the reimbursement for school resource officers is projected to decrease \$94,000. The decline in building permits is a reflection of the effect of current economic conditions on development. At the request of RISD, the number of school resource officers provided by the City of Heath was reduced from three in FY 2011 to two in FY 2012. The reduction in officers resulted in a reduction in the amount reimbursed by the school district. Across the board, the remaining revenue sources are down slightly when compared to FY 2011.

Expenditures

The FY 2012 budget for General Fund expenditures is \$4,358,325. The amount budgeted reflects a decrease of almost \$239,000 from the FY 2011 budget. Budgeted spending on salaries and benefits decreased \$142,900. One full-time and one part-time position were eliminated in an effort to reduce expenditures. Contingency was removed from the budget, along with one police vehicle and equipment, which resulted in further spending cuts of \$99,750. Spending on park improvements and IT service increased \$77,000 but was offset by cross-the-board reductions.

Capital expenditures within the General Fund include: (1) The purchase of one police vehicle including equipment. The City's goal is to maintain a reliable fleet of vehicles by utilizing a five year replacement program. (2) The purchase of a toll parking system for Terry Park and improvements to the sea wall at Terry Park.

The FY 2012 budget is proposed with no annual salary increases for employees but does include a one-time payment of \$1,000 for each full-time employee.

This 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.

Water & Sewer Fund

The Water & Sewer Fund, an enterprise fund, is used to account for the services provided to its customers. Revenue is generated, primarily, from the sale of water and the collection and treatment of wastewater. These funds provide for costs associated with acquisition and distribution of water, collection and treatment of wastewater, and the administration of these services. Additionally, this fund provides for infrastructure improvements to, and maintenance of, the Water and Waste Water System. It is the intent of the City that the cost of providing these goods and services will be financed through user charges.

Revenue

The Water & Sewer Fund budget projects revenues of \$4,729,200 for FY 2012, an increase of \$206,450 over the FY 2011 budget. The 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 served by the System, and rates. The City's small customer base and the rising cost of providing service resulted in increases to both the water and waste water rates. As economic

development occurs, there should be more commercial and residential customers over which to allocate these costs. The rate increases were necessary, at this time, to maintain a healthy fund balance and provide for anticipated capital needs.

Water and waste water sales are projected to increase \$195,000 and \$157,000, respectively over the FY 2011 budget. The increase in water sales is mainly attributable to an increase in consumption while waste water sales can be attributed to an increase in the rate. Other Water Sales and Impact Fees decreased \$105,000 and \$55,000, respectively from the FY 2011 budget. The budget for Other Water Sales was decreased in anticipation of the City of Rockwall providing water directly to Aqua Source. The decrease in impact fees results from the effect of current economic conditions on development.

Expenses

Total budgeted expenses for FY 2012 are \$4,702,024, an increase of \$218,000 over the FY 2011 budget. The increase is largely attributable to a transfer to CIP, an increase in the cost of purchased water, and a scheduled increase in debt service payments.

Capital expenditures, within the Utility Fund, include the purchase of a 20 KW generator. The generator will be used at the City's various lift stations during power outages to satisfy TCEQ requirements for auxiliary power.

The FY 2012 budget is proposed with no annual salary increases for employees but does include a one-time payment of \$1,000 for each full-time employee.

This 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.

Debt Service Fund

The Debt Service Fund is used to collect resources necessary to make annual debt service payments (principal and interest) on outstanding debt that is supported by ad valorem tax dollars. Revenues within this fund are primarily made up of ad valorem taxes and are anticipated to be \$1,438,650 in FY 2012; an increase of \$672,350 over FY 2011. This year revenue also includes a one-time transfer of \$550,000.

Due to the negative growth in assessed values resulting from the continued economic recession, management re-evaluated the adequacy of the current tax rate allocation to the Debt Service Fund. Based on future debt service payments and projected growth of 1.5%, the decision was made to transfer \$550,000 from the General Fund to the Debt Service Fund and move 1.5 cents from the M&O tax rate to the I&S tax rate. These two changes resulted in an increase in revenue over the prior year of approximately \$712,600. The increase was partially offset by a reduction in both interest and other revenues of \$21,000 and \$19,250.

FY 2012 debt service for outstanding obligations is \$1,208,302. This is a decrease of almost \$123,000 from the FY 2011 budget. The change results from savings realized from the 2010 refunding, a change in the 2007 bond debt service allocation, and scheduled changes in debt service payments.

Summary

This year's budget process presented some difficult decisions, and I want to thank the Mayor, City Council and staff for their hard work and dedication as we identified and implemented realistic solutions together.

Our organization is in a strong position to continue to address the current and future needs of a growing community where residents enjoy a high quality of life, existing businesses thrive, and new and relocating businesses find opportunity.

The City of Heath is an exceptional city with a bright future. We look forward to doing great things together in this fiscal year and beyond.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ed Thatcher".

Ed Thatcher,
City Manger

CITY OF HEATH
BUDGET CALENDAR

Date	Action/Event
Mid May	Received Preliminary Estimated Taxable Values
June 21	Preliminary Budget workshop (begins at 5:30 P.M.)
June 24	Staff Budget Workshop – Presby Rockwall
July 25	Receive certified tax roll from Chief Appraiser
July 27	Budget workshop with Council (begins at 7:00 A.M.)
August 10	Budget workshop with Council (begins at 7:00 A.M.)
August 16	City Manager presents FY 2011-12 Proposed Budget to City Council.
August 17	City Manager files FY 2011-12 Proposed Budget with City Secretary Copies available for public review Local Government Code 102.005 (filing must be before 30 th day before tax rate is adopted)
August 25	Publish Notice of Public Hearing on Annual Budget on City Website.
August 26	Send to Newspaper to Publish quarter-page Notice of Public Hearing on Annual Budget in August 26 newspaper (Published by City staff at least 7 days before public hearing)
September 6	Public Hearing on Annual Budget (quorum must be present) <i>Council must announce the (9/20/11) date, time and place of the meeting at which it will vote on the tax rate</i>
September 20	Council adopts FY 2011-12 budget and sets tax rate by separate actions with the budget being adopted prior to the tax rate (no less than 3 days but no more than 14 days after public hearing)
October 1	Begin new fiscal year

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 from 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. An evaluation of the impact of capital expenditure decisions upon annual operations and the City's operating budget are considered. Reoccurring expenditures for capital improvements and equipment represent a consistent percentage of the City's annual operating budget and are financed on a "pay as you go" basis. Current and future capital equipment needs are highlighted with consideration for efficiency and public safety aiding in the discussion process.

In April, budget worksheets are presented and preliminary direction from the City Manager regarding appropriate budget guidelines and strategy is given to each department. This 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

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 division 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.
2. The City will avoid utilizing fund balances for operational expenditures.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

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:

Fund	Target	Minimum	Maximum
General	25%	20%	30%
Water/Wastewater	25%	20%	30%
Sanitation	25%	20%	30%
Gen Debt Service		1/12 of next years Prin & Int	

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.

CITY OF HEATH

FINANCIAL POLICIES AND PRACTICES

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.

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
STATUTORY REQUIREMENTS
TRUTH-IN-TAXATION

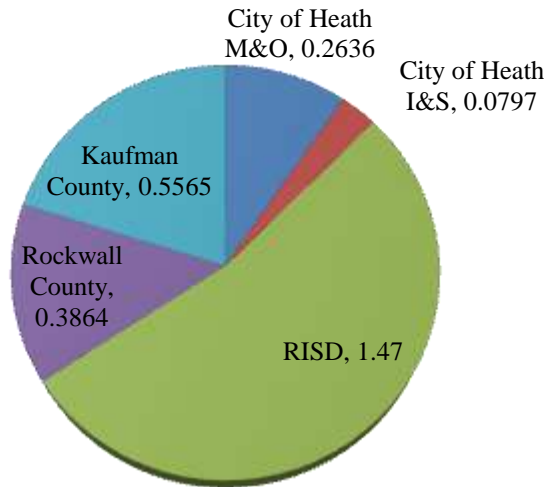
The Texas Constitution and Property Tax Code establish guidelines for taxing units to follow when adopting tax rates. This guide to tax rate setting is also known as "truth-in-taxation." The truth-in-taxation laws have two purposes: (1) to make taxpayers aware of tax rate proposals and, (2) to allow taxpayers, in certain cases, to roll back or limit a tax increase.

Beginning in early August, the City takes the first step toward adopting a tax rate by calculating and publishing the *effective* and *rollback tax rates*.

Effective tax rate: The *effective tax rate* is a calculated rate that would produce the same total taxes as last year when properties taxed in both years are compared. If property values rise, the effective tax rate will go down and vice versa. The objective of the effective tax rate is to generate equal tax revenues using taxable valuations from different years.

Rollback tax rate: The *rollback rate* is a calculated maximum rate allowed by law without voter approval. The rollback rate provides the City the same amount of tax revenue spent the previous year for day-to-day operations, plus an extra 8 percent increase for those operations plus sufficient funds to pay debts in the coming year. If an adopted rate is higher than the rollback rate, voters can circulate a petition calling for an election to limit the size of the tax increase.

Distribution of Total Tax Rate \$



The total direct and overlapping taxes for our citizens currently are \$2.7562 per \$100 valuation.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Heath
Texas**

For the Fiscal Year Beginning

October 1, 2010

Two handwritten signatures in black ink. The signature on the left is for the President, and the signature on the right is for the Executive Director.

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Heath, Texas** for its annual budget for the fiscal year beginning **October 1, 2010**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



CITY OF HEATH

CITY OF HEATH PROFILE

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 and 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.

CITY OF HEATH

TIMELINE HIGHLIGHTS

- 1880** First post office established.
- 1902** Heath Independent School District formed.
- 1916** First of three fires that devastated the City destroying businesses and slowing growth.
- 1949** Population 200. Heath ISD merged with Rockwall Independent School District.
- 1959** The City of Heath was incorporated October 12.
- 1969** Lake Ray Hubbard becomes a reality.
- 1970** Census, 449 residents
Terry Park grand opening.
- 1980** Census, 1,459 residents
- 1982** Heath Community Center Board generously donated the land for the Heath City Hall.
- 1983** Heath City Hall constructed.
- 1990** Census, 2,108 residents
- 1994** Heart of Heath 5K Run/Walk begun by a group of dedicated volunteers.
- 1995** Amy Parks-Heath Elementary School opened.
- 1998** Heath Economic Development Corporation and Heath Municipal Benefits Corporation established.
- 2000** Census, 4,149 residents
- 2002** City of Heath City Charter adopted September 14 changing the type of government classification from "Type A-General Law" to "Home-Rule."
- 2009** Terry Park reopened September 25 following an 8-month renovation.
- 2010** Census, 6,921 residents

CITY OF HEATH

COMMUNITY PROFILE



... a premier residential community located along the shores of Lake Ray Hubbard in Rockwall and Kaufman Counties.

The City of Heath is committed to preserving a special way of life where rolling hills and the sparkling lake provide a serene backdrop for beautiful neighborhoods and distinctive homes.

While this pastoral setting offers a sense of being removed from the bustle of city life, residents enjoy spectacular views of the Dallas skyline and easy access to the business, cultural and entertainment amenities of the Metroplex.

Heath's growing trail system and two municipal parks, including one along the lake, contribute to an enjoyable lifestyle. First-class recreational opportunities are also offered by Rush Creek Yacht Club, home to Olympic Gold Medalist sailors, and the award-winning Buffalo Creek Golf and Country Club.

Exemplary schools include the state-of-the-art Rockwall-Heath High School. The City welcomes the advent of low-impact businesses to provide goods, services and entertainment to its growing population.

CITY OF HEATH

HOMETOWN EVENTS

The City of Heath hosts 3 annual events that celebrate the history, heritage and spirit of the community.

The fun begins bright and early every 4th of July at the City of Heath's Annual Independence Day Parade. Staging for the parade is at 8 a.m., judging and awards are at 8:30 a.m., and the parade begins at 9 a.m. at Amy Parks-Heath Elementary School at 330 Laurence Drive.



Annual Independence Day Parade, July 3

Any individual, family, neighborhood, business or organization is welcome to participate in the City of Heath parade. A Best Decorated Award is presented in several categories including: Float; Bicycle; Wagon/Stroller; Golf Cart; Off-Road Vehicle; and Antique Car. There are also awards for Best Costume; Most Patriotic Pet; and the Mayor's Award.

Heart of Heath 5k Run/Walk, April



Established in 1994 by a group of dedicated volunteers, the Heart of Heath 5k Run Walk was presented eight consecutive years with proceeds going towards the construction of the Towne Center Park, located behind Heath City Hall.

After a four-year hiatus, the City of Heath Special Events Board picked up the race baton in 2007 to continue the success story of the Heart of Heath. Proceeds from the event benefit the Heath Trail System.

Come welcome the holiday season with your friends and neighbors at the Heath Holiday in the Park, presented by the Special Events Board the first Friday in December at 7 p.m. at the Towne Center Park Pavilion located behind City Hall.



Annual Holiday in the Park, December

This cherished community tradition will feature all of the season's favorites including the Tree Lighting, Santa Claus and performances by choirs from Amy Parks-Heath and Dorothy Smith Pullen Elementary Schools. After strolling along the beautiful lighted vignettes in the park, warm up inside the Community Room with free cocoa, wassail and cookies.

Be sure to bring your camera to capture your children enjoying their visit with Santa and a ride on the charming miniature train.

CITY OF HEATH

PARKS AND TRAILS

Heath residents can enjoy fun and recreation right in their own hometown as the community's parks and trails system continues to expand with opportunities to relax, play and exercise.

RECREATION FACILITIES

Towne Center Park - located behind City Hall at 200 Laurence Drive



Towne Center Park is circled by a paved trail that continues into the Highlands of Heath neighborhood. The park also offers soccer, football and baseball/softball fields, volleyball and horseshoe pits, a playground, restroom facilities and a beautiful stone pavilion with picnic tables.

The fields and the pavilion, which are available for private rental, are the site for many community events including the Annual Heath Holiday in the Park, National Night Out, Heart of Heath 5k Run Walk, and icy cold popsicles for all following the Heath Independence Day Parade.

[\[Towne Center Park Field Reservations & Fees\]](#)

Terry Park - located lakeside at the end of Terry Lane



The recently renovated park features a state-of-the-art, two-lane boat ramp with two courtesy docks, walking trails, landscaping, lighting features, a new restroom facility, covered pavilion, paved parking and erosion control.

The project was made possible through a grant from the Texas Parks and Wildlife Commission, City funds, and a gift from the developers of The Peninsula and Le Château.

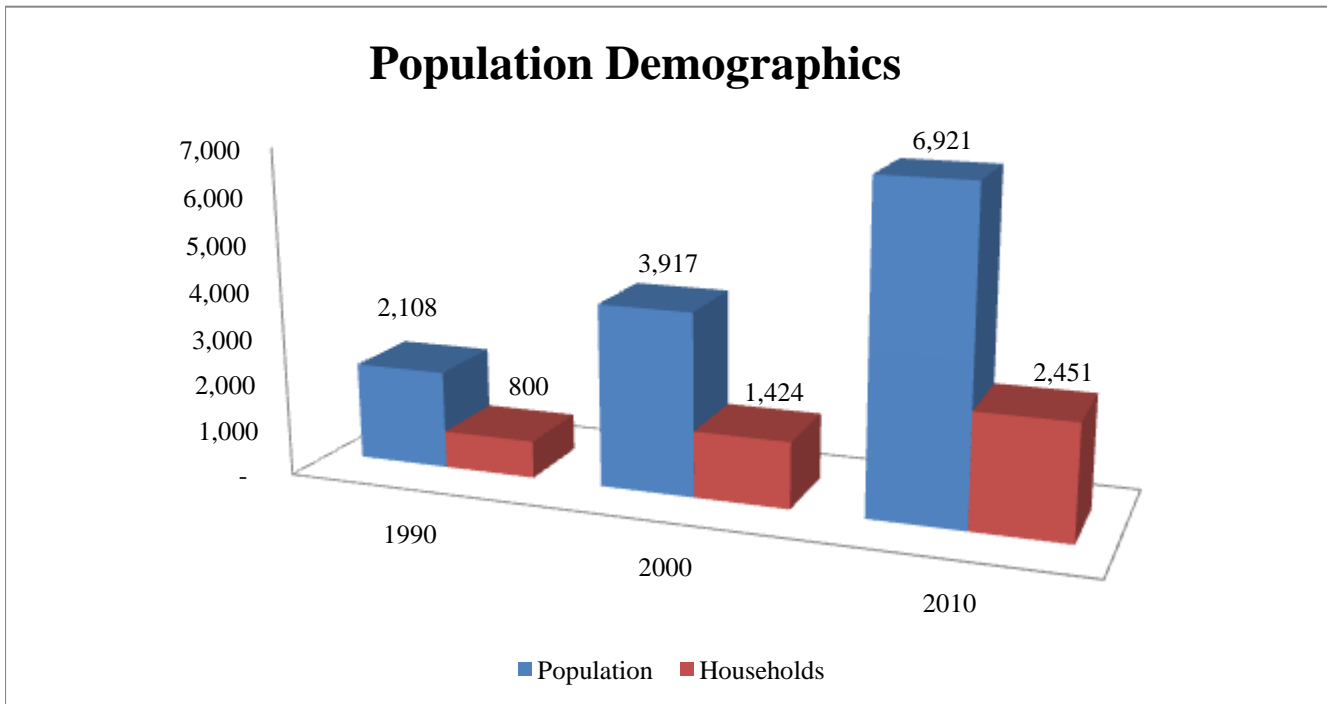
TRAIL LOCATIONS

Towne Park Centre into Highlands of Heath neighborhood (see below)
 Buffalo Creek Golf Club Estates from the community entrances at Kings Pass.

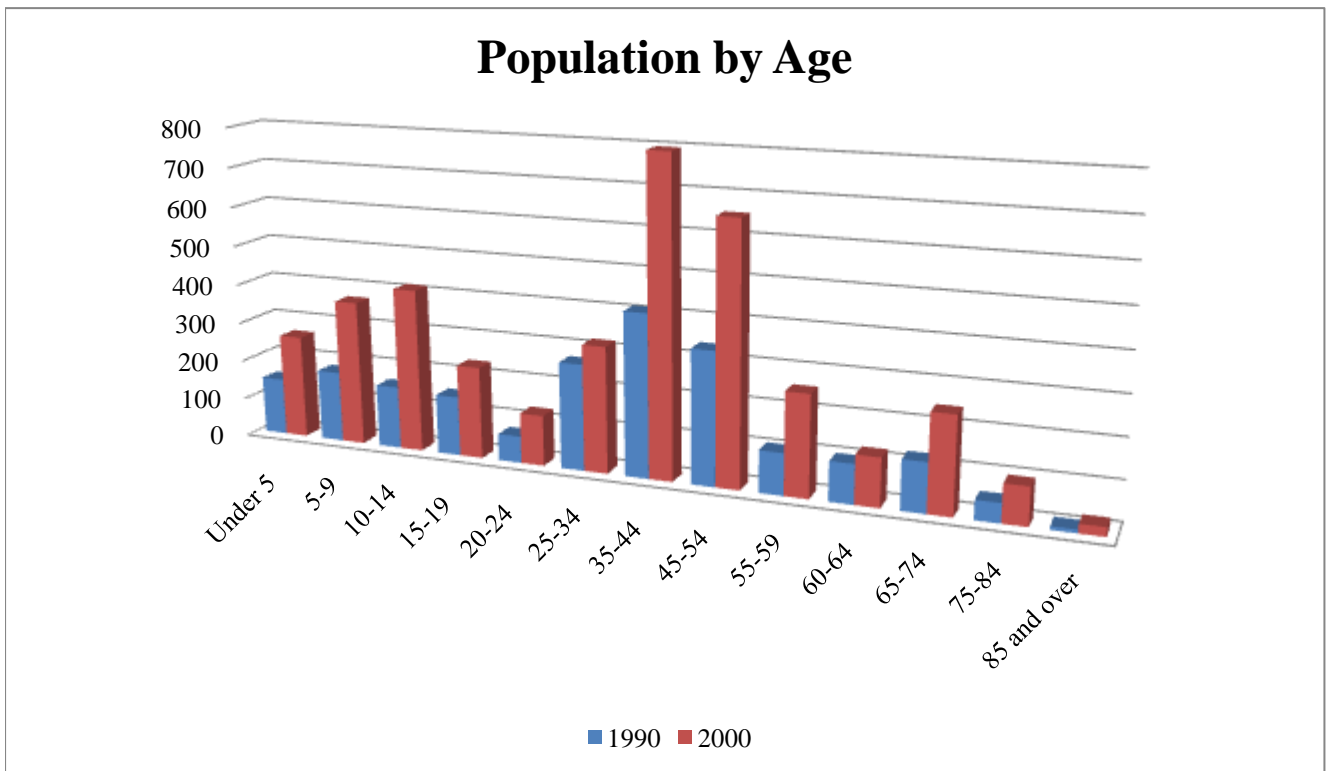


CITY OF HEATH

DEMOGRAPHICS



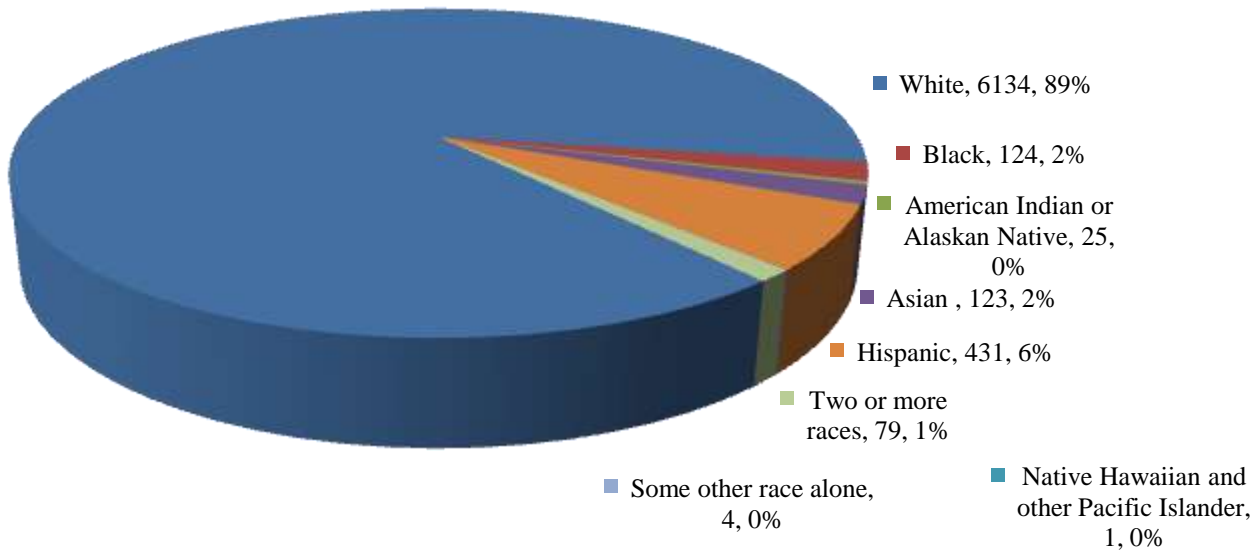
The population in the City in 2000 was 3,917 and changed to 6,921 in 2010, representing a change of 77%. The number of households in Heath in 2000 was 1,424 and in 2010 was 2,451, representing a 72% increase.



In 1990, males represented 50.2% of the population and in 2000, 50.3%. In 1990, females represented 49.8% of the population and in 2000, 49.7%. In 2000, the most prominent age group is 35-44 years. The group least represented in this population is 85 years old and over.

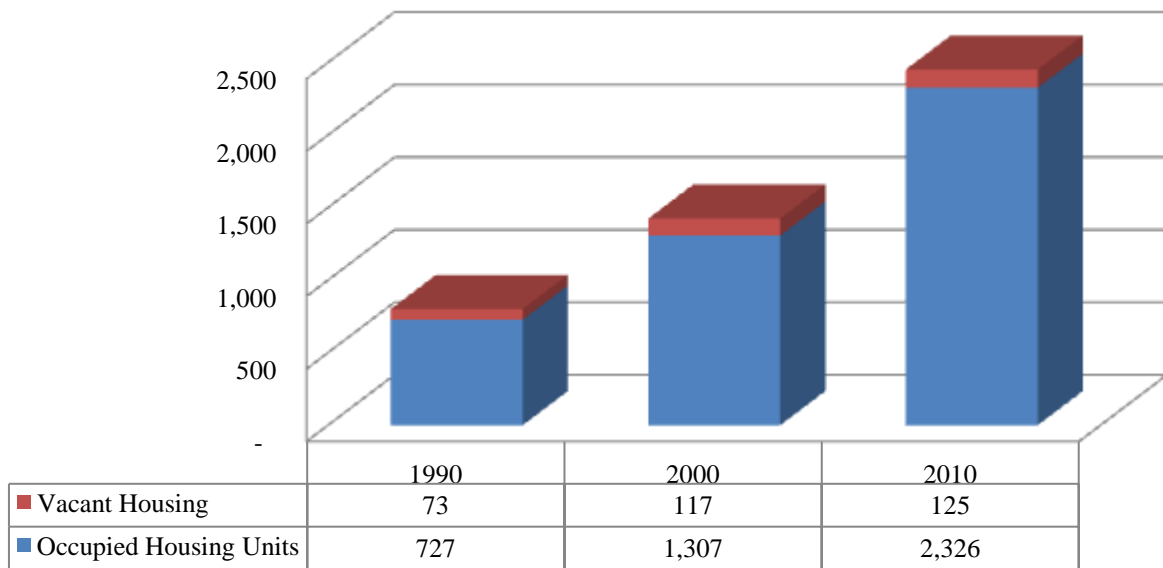
**CITY OF HEATH
DEMOGRAPHICS**

Population by Race and Ethnicity, 2010



In 2010, the predominant race/ethnicity category in Heath is White. The race/ethnicity category least represented is Native Hawaiian and other Pacific Islander.

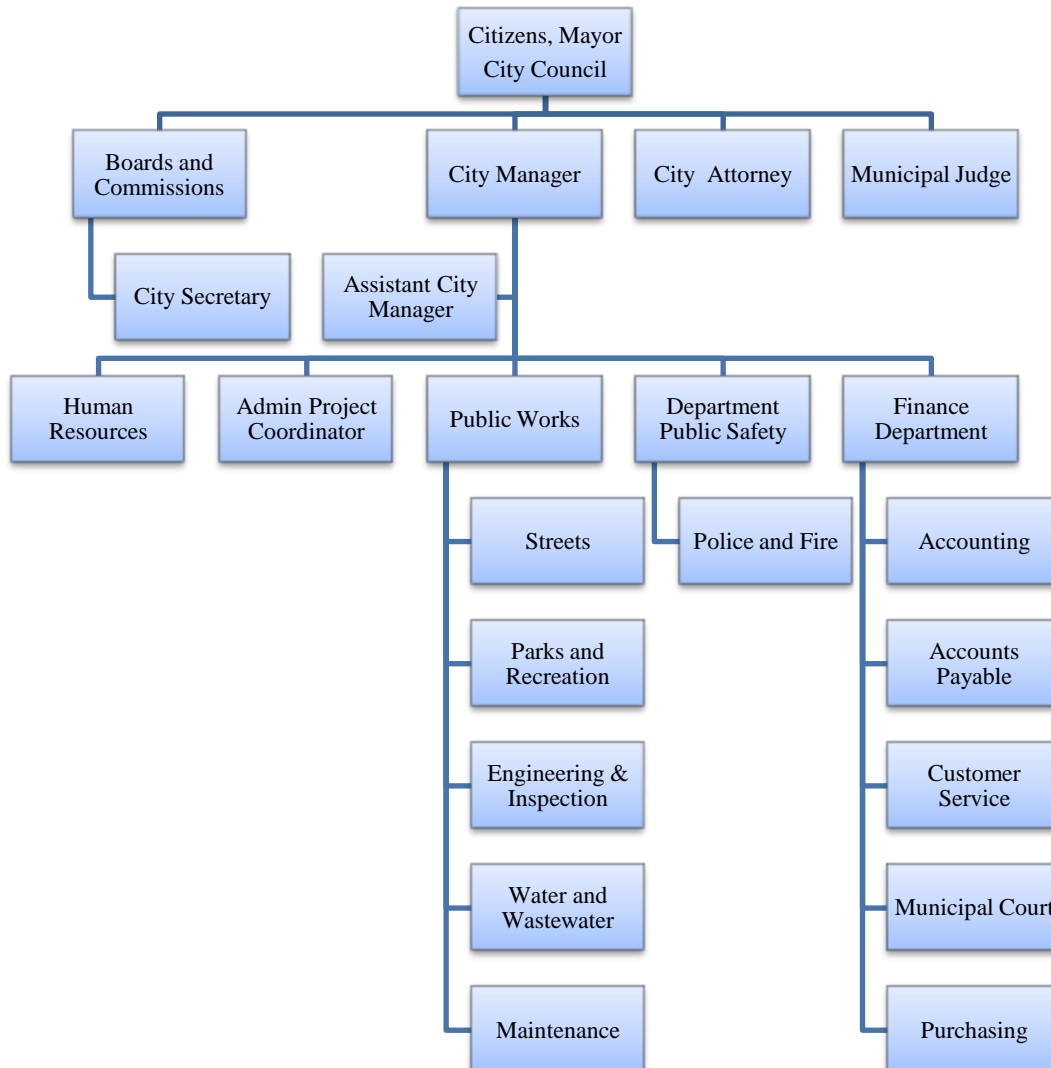
Occupancy Status



In 2010, the City had 2,326 occupied homes and 125 homes vacant (5%); representing a 5% decrease in vacant housing from 1990 (10%).



CITY OF HEATH



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 division 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 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: Public Safety Fund, Street Escrow Fund, HEDC 4A Sales Tax Revenue Fund, and HMBC 4B Sales Tax Revenue Fund.

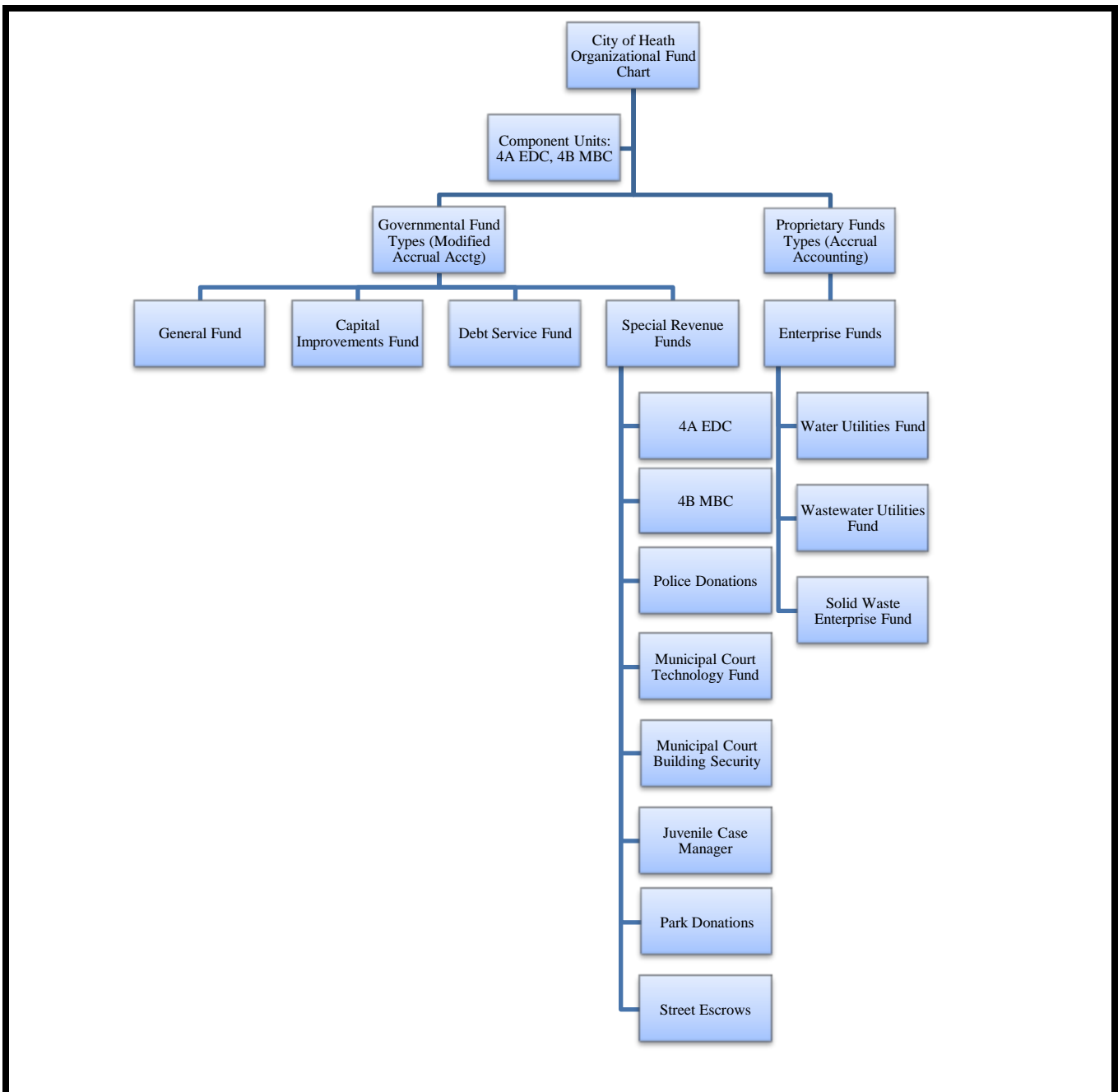
CITY OF HEATH

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.

All proprietary funds are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.





CITY OF HEATH

STRATEGIC PLANNING

CITY OF HEATH
STRATEGIC PLANNING - IDEAL TIMELINE

Date	Action/Event
January	City Council Review of Comprehensive Annual Financial Report
February	City Council Retreat Work Session * Review of the City's Financial Condition * City Council goal setting Forecast models communicated to each department
March	Each department submits revised current year expenditures and estimates for the upcoming year. Capital improvement program impacts and capital equipment needs are evaluated.
March - May	Mid-year determination of revenue assumptions and projections for current budget
April	Budget worksheets are presented. Preliminary direction from the City Manager regarding appropriate budget guidelines and strategy is given to each department.
April - June	Determination of revenue assumptions and forecast revenue for next fiscal year
Mid May	Submission of Departmental Budget proposals are due. Preliminary Taxable values received from Rockwall County Appraisal District
June	Budget Workshops: City Council and Management
July	Certified Tax Roll received from Rockwall County Appraisal District
August	Budget Briefing (s)
September	Budget Public Hearings City Council Approval of the Budget
October	Fiscal Year begins Begin Tracking Performance Measures

CITY OF HEATH

STRATEGIC INITIATIVE

The City of Heath has been and is committed to its vision of being "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." In 2008, the City's comprehensive plan was updated and intended as a long-range planning tool to be used by City staff, decision-makers and citizens to guide the growth and physical development of the community for 10 years, 20 years or even a longer period of time. The comprehensive planning strategies and initiatives were the shared vision of the Comprehensive Plan Advisory Committee (CPAC), city leaders and the public. Citizens were invited to provide input via a Community Workshop, where they participated in a Visual Character Survey (VCS), questionnaire, and group brainstorming exercise.

Strategic Planning Process - Strategic planning gives elected officials and management professionals the tools to respond to rapid changes in technology, markets and customer expectations.

The City's continuing effort has resulted in a comprehensive strategic planning process that is designed to achieve two broad purposes: (1) to develop an organizational climate that responds proactively, rather than reactively, (2) to align the City's resources with the most important challenges facing Heath.

Through this process, the City:

- (1) identified vital strategic priorities that will enable the City to move forward in accomplishing its mission statement;
- (2) determined how it will respond addressing these strategic priorities, the methods it will use in meeting priorities, and the "benchmarks" it will use to measure results;
- (3) aligned the City's personnel, fiscal and capital resources to address the most critical issues facing the community; and
- (4) seek to maintain the public's confidence and trust and their City leaders are working with them on the issues that they believe are key to improving the quality of their lives.

The strategic planning process resulted in a long-term, broad overview describing the City's strategic initiatives.

CITY OF HEATH

STRATEGIC INITIATIVE

NEIGHBORHOOD LIVABILITY STRATEGY

Goal 1: Encourage long-term stability and reinvestment by ensuring that new development is unique.

Priority

Value Objective

- 1.1 Maintain a residential gross density of one dwelling unit per acre of developable land.
- 1.2 Encourage a diversity of residential properties in terms of size, type, views and orientation of lots to amenities.
- 1.3 Require non-residential development to be pedestrian-oriented and have connections to adjacent neighborhoods.
- 1.4 Develop non-residential design guidelines that encourage distinctiveness and pedestrian orientation.
- 1.5 Establish a strategy that minimizes the local impact of non-residential uses while maximizing the economic benefit of such uses.

Goal 2: Continue to enhance Heath's image as a community of excellence.

Priority

Value Objective

- 2.1 Distinguish Heath as a City of unique attributes-access to the Lake, cultural amenities, an abundance of open space, pedestrian orientation, small-scale retailing, quality housing, and educational opportunities.
- 2.2 Promote civic pride by encouraging involvement in public decision-making by citizens of all age groups.
- 2.3 Explore options for land conservation efforts, through City initiatives and incentives for the development community.
- 2.4 Create attractive public open spaces to serve as focal points and gathering areas inviting to both citizens and visitors.
- 2.5 Consider whether a formal name change, from the "City of Heath" to the "Village of Heath," is necessary to more accurately reflect the community's desired image.
- 2.6 Continue to foster a positive relationship with the Rockwall Independent School District (RISD) by encouraging the development community to work with the RISD regarding school locations and related transportation challenges.

Goal 3: Review local development standards to ensure that livability and sustainability concepts are required

Priority

Value Objective

- 3.1 Develop standards for transitional elements to ensure positive relationships between residential and non-residential development.
- 3.2 Review zoning and subdivision ordinances, as well as engineering standards to ensure that the recommendations of this Plan are incorporated, especially in terms of allowing flexible and innovative design solutions.
- 3.3 Ensure that all neighborhoods have convenient access to parks, open space, trails, and retail areas which will maintain values and attract reinvestment.
- 3.4 Ensure that non-residential development has characteristics that enhance and contribute to the livability of Heath.
- 3.5 Identify ways in which park and open space areas can be integrated with existing and future development.
- 3.6 Require pedestrian access throughout newly developed areas and to adjacent development, wherever possible. When new development occurs and is not adjacent to existing development, provide for temporary(or interim) pedestrian access until such time as the adjoining undeveloped areas are developed with permanent pedestrian access.

CITY OF HEATH

STRATEGIC INITIATIVE

Goal 4: Maintain the City's quality, openness, and hometown atmosphere.

Priority

Value Objective

- 4.1 Create distinctive neighborhood areas that will contribute to the City's current reputation for quality and future need for sustainability.
- 4.2 Identify vacant areas that are appropriate for a range of single-family lot sizes and/or various development strategies.
- 4.3 Maintain the City's value and quality in the future by ensuring that existing neighborhoods are well-maintained, and enhanced if needed.
- 4.4 Continue to provide for clustering of development to preserve open space and reinforce the feeling of openness for residents and visitors.

Goal 5: Allow a variety of housing within neighborhoods, allowing citizens to live in Heath throughout their lifetime.

Priority

Value Objective

- 5.1 Identify areas that may be appropriate for residential development that would appeal to "empty nesters," senior citizens, and young people.
- 5.2 Consider whether housing types other than single-family are appropriate for Heath, and if so, provide a recommended location for alternative housing types.

Goal 6: Encourage a balance of land uses in order to serve the needs of citizens and to provide a more diversified local economic base.

Priority

Value Objective

- 6.1 Identify specific land uses that are needed to serve the community, such as healthcare, educational, cultural, and retail facilities; establish ways in which the City can proactively provide and attract these needs.
- 6.2 Provide for local non-residential uses so that residents can have more of their service needs met within Heath.
- 6.3 Ensure that Heath's land use policies adequately allow for non-residential uses that will supply the essential tax base needed for the City to support existing and future residents.
- 6.4 Establish ways in which residential and complementary non-residential development can be integrated as development occurs.
- 6.5 Ensure that development standards for non-residential uses are the highest possible so that a positive visual perception of Heath continues to be projected to citizens and visitors.

Goal 7: Require future development to respect the environment.

Priority

Value Objective

- 7.1 Require development proposals to consider local environmental factors, such as tree retention, topography, drainage, creek protection, floodplain areas, and open spaced conservation.
- 7.2 Preserve natural areas for public use whenever possible, such areas should include lakefront areas and creek corridors.

Goal 8: Facilitate the use of areas along Lake Ray Hubbard by both public and private interests.

Priority

Value Objective

- 8.1 Facilitate the recreational use of Lake Ray Hubbard by the citizens of Heath.
- 8.2 Identify areas along the Lake that are primed for redevelopment; redevelopment efforts should be focused on ensuring public access, preserving views of the Lake, and maximizing long-term value for properties in the area.
- 8.3 Identify any targeted redevelopment areas that may be available for future public access and use.
- 8.4 Ensure that new development and redevelopment along the Lake is of the highest quality and that it contributes to the recreational needs, as well as the economic base, of the City.

CITY OF HEATH

STRATEGIC INITIATIVE

TRANSPORTATION STRATEGY

Goal 9: Ensure that the community's roadway and trail systems are cost-effective, adequate to meet the needs of the current and projected population, and reflective of the quality and unique character of Heath.

Priority

Value Objective

- 9.1 Identify strategies that result in mutually supportive transportation choices, balancing convenient and efficient auto access with safe, well-designed pedestrian and bicycle facilities.
- 9.2 Identify current areas where access and mobility deficiencies exist and address those deficiencies in a prioritized manner.
- 9.3 Investigate ways in which public and private funding can be directed toward roadway and trail system improvements.
- 9.4 Enhance current and newly constructed roadways with a combination of light fixtures, landscaping, medians, signage and pedestrian and bicycle amenities to make the City's roads visually unique and to help residents and visitors recognize that they are in Heath.

Goal 10: Address roadway and trail systems needs according to the type of development or redevelopment that is anticipated to occur in the future.

Priority

Value Objective

- 10.1 Correlate the Transportation Strategy with the Land Use Strategy, specifically to ensure that the various land uses are accommodated by the transportation system.
- 10.2 Review standards for roadway design based on anticipated function, traffic volume, and adjacent land use.
- 10.3 Incorporate updated standards for roadways into the City's regulations.
- 10.4 Plan for an interconnected and diverse street pattern to ease congestion, more evenly distribute traffic, and offer flexibility of routes.

Goal 11: Create strategies to facilitate pedestrian and bicycle access as an alternative form of transportation in Heath.

Priority

Value Objective

- 11.1 Provide convenient and attractive pedestrian and bicycle mobility throughout the City.
- 11.2 Pursue funding for retroactive and proactive integration of pedestrian and bicycle access.
- 11.3 Build upon the connectivity concepts in the City's adopted Pathways Plan by providing for a secondary circulation system within the Transportation Strategy, and by concentrating on connecting neighborhoods to schools, retail, and recreation facilities.

Goal 12: Work with adjacent cities and county and state governmental entities on efforts to maintain and/or expand the roadway and trail systems.

Priority

Value Objective

- 12.1 Ensure that Heath's Transportation Strategy is coordinated with the plans of surrounding cities as well as Rockwall County, Kaufman County, and the North Central Texas Council of Governments (NCTCOG).
- 12.2 Investigate how local, county, state, and federal funds could be combined to positively affect local and regional transportation needs.
- 12.3 Work with Rockwall County and Kaufman County on floodplain preservation efforts so that such areas can be used to create pedestrian and bicycle connections throughout the region.

CITY OF HEATH
STRATEGIC INITIATIVE

TOWN PLACE PLAN

Goal 13: Create a special and unique area of Heath that is recognized as the City's Center.

Priority

Value Objective

- 13.1 Identify a location for a local "Town Place."
- 13.2 Create strategies for the development of a Town Place that will attract residents and encourage community interaction.
- 13.3 Identify and articulate the desired character for the Town Place through a conceptual plan, design guidelines and character sketches that reflect Heath's image.
- 13.4 Establish a list of targeted uses, both residential and non-residential, that would support the Town Place concept and be acceptable to and appreciated by the citizens of Heath.
- 13.5 Ensure that public amenities are a major focus of the Town Place, including pedestrian access from the local trail system and adjacent development and a public gathering space to be used for community celebrations and activities.

CITY OF HEATH
STRATEGIC INITIATIVE



Implementation Priorities

Implementation is probably one of the most important, yet most difficult, aspects of the comprehensive planning process. Without viable, realistic mechanisms for implementation, the policy recommendations contained within this *Comprehensive Plan* will be difficult to realize. The City should work toward policy implementation on an incremental, annual basis. The following table (*Table 3-1*) contains a listing of the top ten priority recommendations. Tables on the subsequent pages outline short-term (*Table 3-2*) and on-going/long-term policies (*Table 3-3*) that also should be implemented based on the discussion within this *Plan*. The City should proactively pursue these implementation actions within two years for the top 10 priorities and within five years for short-term priorities. Recommendations outlined as on-going are representative of policies that can be adopted by the City Council that will require action by City representatives and staff on a consistent, long-term basis.

Each of the policies listed in each table are correlated to the *Comprehensive Plan* chapter, goal and objective (Chapter 2), and mechanism (discussed in previous sections of this Chapter). There is also a symbol to show whether citizens endorsed the policy at the Public Workshop. A different symbol is shown if the policy issue was not addressed as part of the public input process.

Table 3-1: Top Ten Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
4.4 - Require retail development to be pedestrian-oriented and close to the street.	4: Livability Strategy		G1-O1.3, O1.4	Zoning Ordinance
4.5 - Ensure that the subdivision and development process includes consideration of the way in which residential lots relate to parks and open space; adjacency and accessibility to parks and open space should be optimized.	4: Livability Strategy		G3-O3.3, O3.5, O3.6	Subdivision Ordinance
4.18 - Require each development to provide properties that have a certain number of unique amenities.	4: Livability Strategy		G2-O2.1	Zoning Ordinance
4.19 - Require uniqueness in the layout of each development.	4: Livability Strategy		G1-O1.2	Zoning & Subdivision Ordinances
			G2-O2.1, O2.4	
			G3-O3.2, O3.3, O3.5, O3.6	
5.1 - Require retail development to be designed with characteristics that will provide sustainability - lasting value over time.	5: Land Use Strategy		G6-O6.4, O6.5	Zoning Ordinance
Supported by visioning process Not specifically addressed during visioning process. * Refer to Chapter 2; G – Goal, O - Objective				



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City of Heath
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Table 3-1 Cont'd: Top Ten Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
5.5 - Ensure the continued sustainability of existing neighborhoods.	5: Land Use Strategy		G4-O4.3	Capital Improvements
			G8-O8.2, O8.4	
5.6 - Continue to pursue a Town Center for Heath.	5: Land Use Strategy		G6-O6.1, O6.2, O6.3, O6.4	City Leadership & Staff Actions
6.1 - Program and fund capital improvements, including the purchase of property, that would assist in the creation of the Town Center.	6: Town Center Concept		G13-O13.2, O13.5	Capital Improvements; Annual Budget
6.2 - Work with the property owner and developers familiar with the market for town center development.	6: Town Center Concept		G13-O13.1, O13.2	City Leadership & Staff Actions
7.3 - Establish unique gateways at key locations to help enhance Heath's identity.	7: Transportation Strategy		G9, O9.4	Capital Improvement
Supported by visioning process. Not specifically addressed during visioning process. * Refer to Chapter 2; G - Goal, O - Objective				

Table 3-2: Short-Term Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
4.1 - Require the creation and integration of different types of residential units as part of mixed use developments.	4: Livability Strategy		G1-O1.2	Zoning Ordinance
4.6 - Ensure that all flood plains are preserved and form the core of the community public open space and trail system.	4: Livability Strategy		G2-O2.1, O2.3, O2.4	Subdivision Ordinance
4.7 - Require lots to be platted a certain distance from the edge of local creeks, and not to the centerline of the creeks.	4: Livability Strategy		G3-O3.3, O3.5, O3.6	
4.12 - Determine a principal location and create a recognizable public gathering place in Heath.	4: Livability Strategy		G7-O7.1, O7.2**	Capital Improvements
4.14 - Identify ways in which development can occur while minimizing negative effects on water quality and use.	4: Livability Strategy		G2-O2.3	
			G7-O7.1, O7.2**	Engineering Studies; Subdivision Ordinance
Supported by visioning process. Not specifically addressed during visioning process. * Refer to Chapter 2; G - Goal, O - Objective ** Goal 7 and related objectives are listed under the Land Use Strategy in Chapter 2.				



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CITY OF HEATH
STRATEGIC INITIATIVE



Table 3-2 Cont'd: Short-Term Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
4.15 - Identify ways in which the City can proactively reduce the "heat island effect."	4: Livability Strategy		G7-O7.1, O7.2**	Engineering Studies; Subdivision Ordinance
4.16 - Identify ways in which the City can proactively improve local air quality.	4: Livability Strategy			
4.20 - Review current regulations to more readily allow clustered developments.	4: Livability Strategy		G2-O2.3	Zoning Ordinance
5.8 - Carefully consider all options associated with the development of the area labeled as <i>Mixed Use Park</i> on the <i>Land Use Plan Map</i> .	5: Land Use Strategy		G2-O2.1	City/EDC Leadership & Staff Actions
5.9 - Proactively pursue opportunities along the shoreline of Lake Ray Hubbard to create, improve and protect access to the Lake for the citizens of Heath.	5: Land Use Strategy		G8-O8.1, O8.2, O8.3, O8.4	City Leadership & Staff Actions; Capital Improvements
6.3 - Consider various financing mechanisms to help create the Town Center.	6: Town Center Concept		G13-G13.2, G13.4	Capital Improvements; Annual Budget
6.4 - Amend the current Town Center zoning district to conform to the new concepts provided for the chosen site.	6: Town Center Concept		G13-O13.1, O13.3, O13.4	Zoning Ordinance
7.4 - Make specific, prioritized roadway improvements in the near future to enhance Heath's roadway system.	7: Transportation Strategy		G9-O9.2, O9.3 G10-O10.4	Annual Budget; Capital Improvements
7.9 - Construct trails alongside all new or improved roadways.	7: Transportation Strategy		G11-O11.1, O11.2, O11.3 G12-O12.2	
7.10 - Require new developments to make provision for pedestrians and bicyclists, including access to and through the development.	7: Transportation Strategy		G10-O10.2, O10.3 G11-O11.1, O11.2, O11.3	Subdivision Ordinance
7.11 - Consider aspects related to the design of developments that help increase pedestrian and bicycle usage.	7: Transportation Strategy		G10-O10.2, O10.3 G11-O11.1, O11.3	Zoning & Subdivision Ordinances
Supported by visioning process Not specifically addressed during visioning process. * Refer to Chapter 2: G - Goal, O - Objective ** Goal 7 and related objectives are listed under the Land Use Strategy in Chapter 2.				

CITY OF HEATH
STRATEGIC INITIATIVE



City of Heath
2008 Comprehensive Plan

Table 3-3: On-Going/Long-Term Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
4.2 - Make retail areas part of the surrounding neighborhood area, instead of autonomous, separated developments.	4: Livability Strategy		G1-O1.3, O1.4, O1.5	Development Review
4.3 - Allow a mixture of uses to strengthen and sustain retail uses over time.	4: Livability Strategy		G3-O3.1, O3.2, O3.4	Zoning Ordinance
4.8 - Continue to use the <i>Pathways Plan</i> to create a community-wide trail system that can be used as a local transportation alternative to the automobile.	4: Livability Strategy		G2-O2.1 G3-O3.3, O3.6	Annual Budget; Capital Improvements
4.9 - Ensure that new public buildings are designed to project a positive image of Heath.	4: Livability Strategy		G2-O2.1, O2.4	City Leadership and Staff Actions
4.10 - Ensure that new public buildings are located prominently and strategically to project a positive image of Heath.	4: Livability Strategy			
4.11 - Consider how streets will affect Heath's image as well as adjacent property values as streets are newly constructed, maintained, or widened.	4: Livability Strategy		G3-O3.2	Development Review; City Leadership & Staff Actions
4.13 - Provide an environment for "third places" to occur as new development takes place.	4: Livability Strategy		G1-O1.4, O1.5	
			G2-O2.4 G3-O3.2, O3.4	
4.17 - Identify ways in which development within Heath can be more environmentally sensitive and sustainable.	4: Livability Strategy		G7-O7.1, O7.2**	Engineering Studies; Subdivision Ordinance
5.2 - Use the <i>Land Use Plan Map</i> as a guide for the amount and location of future retail uses.	5: Land Use Strategy		G6-O6.2, O6.3, O6.4	Development Review; City Leadership & Staff Actions
5.3 - Allow for the development of housing types other than single-family on a limited basis.	5: Land Use Strategy		G4-O4.2 G5-O5.1, O5.2	
5.4 - Continue the previously established policy of a general residential gross density of one dwelling unit per acre of land.	5: Land Use Strategy		G4-O4.1, O4.4	City Leadership & Staff Actions
5.7 - Allow residential and office uses in areas currently developed with retail uses for areas designated as <i>Mixed Use Residential</i> and <i>Mixed Use Non-Residential</i> on the <i>Land Use Plan Map</i> .	5: Land Use Strategy		G6-O6.1, O6.2, O6.3, O6.4	Zoning Ordinance
Supported by visioning process Not specifically addressed during visioning process. * Refer to Chapter 2: G - Goal, O - Objective ** Goal 7 and related objectives are listed under the Land Use Strategy in Chapter 2.				



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CITY OF HEATH
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Table 3-3 Cont'd: On-Going/Long-Term Comprehensive Plan Actions (In No Order of Priority)

Policy	Chapter Reference	Support from Visioning Process	Goal & Objective*	Mechanism
5.10 - Use the <i>Land Use Strategy</i> text and map as a guide to determine whether the requested rezoning is appropriate and consistent with the City's ideals of quality and sustainability.	5: Land Use Strategy		<i>No specific Goal or Objective</i>	Development Review; City Leadership & Staff Actions
5.11 - Amend the <i>Land Use Plan Map</i> prior to rezoning land that would result in any inconsistency between the <i>Land Use Plan Map</i> and the <i>Zoning Map</i> .	5: Land Use Strategy		<i>No specific Goal or Objective</i>	
5.12 - Utilize the ultimate population capacity calculation as a tool for planning public services to provide for the population that is anticipated to be served in the future.	5: Land Use Strategy		<i>No specific Goal or Objective</i>	Engineering Studies; Capital Improvements
7.1 - Consider context-sensitive design (CSD) solutions for new roadways and roadway improvements.	7: Transportation Strategy		G9-O9.1, O9.4 G10-O10.1, O10.2	City Leadership & Staff Actions; Capital Improvements
7.2 - Integrate streetscape enhancements to project a positive image of Heath.	7: Transportation Strategy		G9-O9.4	
7.5 - Work with State and County authorities to ensure that the roadways within Heath are functional and aesthetically pleasing.	7: Transportation Strategy		G12-O12.1, O12.2	
7.6 - Continue to secure rights-of-way as development occurs.	7: Transportation Strategy		G10-O10.1, O10.2, O10.3, O10.4	Development Review; Subdivision Ordinance
7.7 - Ensure that as developments are approved by the City, the appropriate level of mobility and access on adjacent roadways is maintained.	7: Transportation Strategy			Development Review
7.8 - Coordinate roadways with the <i>Land Use Plan Map</i> to ensure adequate automobile and pedestrian connectivity to and between various types of development.	7: Transportation Strategy			
7.12 - Partner with Rockwall County and Kaufman County to further the ideal of county-wide trail systems.	7: Transportation Strategy		G12-O12.3	City Leadership & Staff Actions
Supported by visioning process Not specifically addressed during visioning process. * Refer to Chapter 2; G – Goal, O – Objective				



CITY OF HEATH
STRATEGIC INITIATIVE

To determine how the individual departments' efforts contribute to the City's strategic priorities, three distinct perspectives are spotlighted: Customer, Financial, and Knowledge and Growth.

Customer Perspective

The City's efforts in addressing the customer perspective will be focused in the four strategic initiatives:

- (1) Provide valuable public services and amenities;
- (2) Enhance community aesthetics and promote positive environmental image;
- (3) Facilitate greater interaction among residents in the community and within neighborhoods;
- (4) Ensure public safety.

Financial Perspective

The City's efforts in addressing the financial perspective will be focused in two strategic initiatives:

- (1) Ensure financial stability;
- (2) Plan, expand, upgrade, and maintain infrastructure.

Knowledge and Growth

- (1) Retain a high-quality workforce;
- (2) Ensure effective communication exchange.

Each of the initiatives is represented with performance measures. Each measurement was determined based on benchmarking of similar organizations, the City's historical data, and the City's desired outcome. The measurements will represent the effectiveness of accomplishing the respective initiative.

CITY OF HEATH

STRATEGIC PLAN

CUSTOMER PERSPECTIVE - QUALITY OF LIFE

Performance Measures				
<i>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.</i>				
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 2008	FY 2009	FY 2010	FY 2011
Average Home Value	\$ 378,747	\$ 384,294	\$ 385,001	\$ 286,557
Certified Tax Assessed Value Total	1,005,177,768	\$ 1,101,524,185	\$ 1,089,241,489	1,087,289,484
Park Acreage Maintained	71	71	94	94
Number of Offenses	369	412	433	249
Tax Rate	0.3433	0.3433	0.3433	0.3433

CUSTOMER AND FINANCIAL PERSPECTIVE - COMMUNITY DEVELOPMENT

Performance Measures				
<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 limited basis.				
Objective				
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:				
	FY 2008	FY 2009	FY 2010	FY 2011
Measures:				
Developer Impact Fees	\$ 190,000	\$ 140,000	\$ 276,000	\$ 257,915
Rockwall County Property Count	3,510	3,553	3,562	3,593

CITY OF HEATH

STRATEGIC PLAN

KNOWLEDGE AND GROWTH

Performance Measures				
<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 2008	FY 2009	FY 2010	FY 2011
Turnover Rate	15%	18%	10%	5%
% Average Workers' Compensation claims per employee	2%	2%	2%	5%
Market Competitive Comp. - % of Employees at or above 60%	100%	100%	100%	85%

FINANCIAL PERSPECTIVE - INFRASTRUCTURE

Performance Measures				
<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 2008	FY 2009	FY 2010	FY 2011
Average system water pressure	50	50	50	59
Total Facility Square Feet	21,635	21,635	21,635	21,635
Sewer in-flow/infiltration (miles 1/1 inspection/correction)	15	15	15	0

CITY OF HEATH

STRATEGIC PLAN

FINANCIAL PERSPECTIVE

Performance Measures				
<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 2008	FY 2009	FY 2010	FY 2011
Measures:				
Bond Rating (General Obligation and Certificates of Obligation):				
Moody's Investors Service	A2	A2	A2	A2
Fitch	AA-	AA-	AA	AA
Standard and Poor's	A	AA	AA	AA
# of Audit Findings	0	0	0	NA
Fund Balance % - Governmental Funds	31%	27%	36%	36%
Fund Balance % - Enterprise Funds	27%	29%	23%	36%

CUSTOMER PERSPECTIVE - PUBLIC SAFETY

Performance Measures				
<i>Supply highly trained personnel with the appropriate resources to continually improve safety, efficiency and security throughout the community.</i>				
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:				
	2008	2009	2010	2011
Measures:				
Crime Rate per 100,000	1,398.90	1,270.10	1,055.47	*
Insurance Rating	5	5	5	5
Training per discipline average per year	20	20	20	20
Average Response Time per dispatched call (minutes)	5.04	5.04	5.04	5.04
* Statistic based on the calendar year. Available 12/31/11				

CITY OF HEATH

STRATEGIC PLAN

FINANCIAL PERSPECTIVE - TRANSPORTATION

Performance Measures				
<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 2008	FY 2009	FY 2010	FY 2011
Average Pavement Condition Index (Estimated Standard of Correction 5.5)	5.75	5.9	5.9	5.7
Lane mile maintained per PMS (Pavement Management System) based on one mile pavement 10 ft width	231K	235K	235K	235K
Lane Miles Rehabilitated	2	2	1	0

CUSTOMER PERSPECTIVE - DELIVERY OF SERVICES

Performance Measures				
<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:				
Measures:	FY 2008	FY 2009	FY 2010	FY 2011
Number of Employees	46	47	40.5	40.5
Number of Water Customers	1,806	1,842	1,863	1,986
Payments processed online	475	1,459	2,182	2,764
Payments processed in-house	23,496	24,554	24,600	24,657
Number of Re-reads requested	37	31	614*	290
Number of Electronic Re-reads requested	N/A	N/A	3*	312
*FY 2010 Implemented service order tracing for all requests whether internal or external for gathering work load statistics.				
*FY 2010 initial electronic metering installation				

CITY OF HEATH

STRATEGIC INITIATIVE PERFORMANCE MEASURES SUMMARY

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011	
Customer	Provide Valuable Public Services and Amenities	# of scheduled community participation events	4	4	4	3	
		Customer satisfaction survey (# participation)	NA	NA	NA	660	
		Participation with City of Rockwall Household Hazardous Waste Collection	7	8	9	10	
		Participation with American Red Cross Blood Drive (years)	5	6	7	8	
		# of online payments for services	475	1,459	2,182	2,764	
	Enhance Community Aesthetics and Promote Positive Environmental Image	\$ value of grants awarded to the City	\$ 11,355	\$ -	\$ 1,394	\$ 1,001,160	
		# of pedestrian and bicycle trails (feet)	-	-	10,358	10,358	
		Scenic City Certification Program	-	-	-	Silver	
	Facilitate Greater Interaction among Residents in Community and within Neighborhoods	# of citizens/military personnel recognized during City Council Meetings					
		# of participants in Heart of Heath 5K	>200	>300	329	457	
		# of participants July 4th parade	510	600	600	575	
		# of participants Holiday in the Park	0	325	345	350	
	Ensure Public Safety	# of physical arrests	53	58	43	22	
		# of burglary incidents	38	14	32	16	
		# of robbery incidents	0	0	0	0	
		# of volunteers	6	7	2	6	
		# of emergency responses	316	149	210	225	
		# of fires extinguished	9	7	10	25	
	Financial	Ensure Financial Stability	Population	6,875	6,890	6,921	6,940
			Expenditures per capita	650.59	598.60	\$ 583.59	\$ 645.19
Revenues per capita			666.91	645.02	\$ 660.44	\$ 697.85	
Unreserved general fund balance/total expenditures			29%	43%	50%	53%	
Plan, Expand, Upgrade and Maintain Infrastructure		\$ budgeted for 5-year Capital Improvement Plan	NA	NA	4,863,319	5,983,591	
		Roadway Impact Fee Study (year)	Jan-05	Jan-05	Jan-05	2011	
		Traffic Volume Study (year)	2007	2007	2007	2007	
	% of budgeted CIP projects completed	NA	NA	72%	10%		
Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	13	15	18	19	
		Retention Rate	83%	82%	83%	96%	
		Average years of service	4.375	5	4.75	5.625	
	Ensure effective communication exchange	# of press releases to official newspaper	60	32	27	26	
		# of unique visitors to City website	NA	48,768 *	199,650	224,735	
		# of Newsletters mailed to City Council, Staff and citizens	12	12	12	12	
		Meetings with local entities	100	100	104	115	
		# of new documents posted on City website	NA	19 *	47	38 ^	
		# of City-related Twitter posts	NA	NA	32	28	
		# of City-related Facebook posts	NA	NA	59	16	
		# of City -related updates posted on City Website	NA	NA	NA	67	
		# of My Fix It logins	NA	NA	NA	67	
		# of Current Twitter followers	NA	NA	86	156	
		# of Current Facebook followers	NA	NA	447	555	

* = June to December 2009

^ = October 1, 2010 to October 7, 2011

CITY OF HEATH

CITY MANAGER

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of scheduled community participation events	4	4	4	5
		Participation with City of Rockwall Household Hazardous Waste Collection (years)	7	8	9	10
		Participation with American Red Cross Blood Drive (years)	5	6	7	8
	Enhance Community Aesthetics and Promote Positive Environmental Image	Scenic City Certification Program	-	-	-	Silver
	Facilitate Greater Interaction among Residents in Community	# of participants in Heart of Heath 5K	>200	>300	329	457
		# of participants July 4th parade	510	600	600	575
		# of participants Holiday in the Park	0	325	345	350

Financial	Ensure Financial Stability	Monthly Financial Reports to Council	12	12	12	12
	Plan, Expand, Upgrade and Maintain Infrastructure					

Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	16	20	24	16
		Retention Rate	100%	100%	100%	100%
		Average years of service	4	5	6	7
	Ensure effective communication exchange	# of Newsletters to Council, Staff and citizens	12	12	12	12
		# of City Manager-related press releases to official newspaper	25	17	19	17
		# of City Manager-related updates posted in City Newsletter	60	51	55	35
		# of City Manager-related Twitter posts	NA	NA	5	17
		# of City Manager-related Facebook posts	NA	NA	6	5
		# of City Manager-related updates posted on City Website	NA	NA	NA	19
		# of nationally recognized awards applied for	1	0	1	1
		# of nationally publicized stories	0	0	0	0
		Meetings with local entities	100	100	104	115

CITY SECRETARY

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of Agenda/Meeting packets prepared	52	52	66	62
		# of Ordinances prepared	29	25	20	22
		# of Proclamations prepared	12	11	13	15
		# of Resolutions prepared	38	45	23	31
		# of Public Information Requests	NA	30	235 *	316
	Facilitate Greater Interaction among Residents in Community	# of Elections administered	2	1	1	1
		# of citizens recognized during City Council Meetings	NA	20	4	25
		# of military personnel recognized during City Council Meetings	NA	0	1	2

Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	18	28	20	24
		Retention Rate	100%	100%	100%	100%
		Average years of service	9	10	11	12
	Ensure effective communication exchange	# of City Council agendas posted on City website	0	20	24	25
		# of City Council minutes posted on City website	0	19	21	22
		# of Boards/Commission agenda posted on City website	6	30	39	34
		# of City Secretary-related Twitter posts	NA	NA	NA	1
		# of City Secretary-related updates posted on City Website	NA	NA	NA	15

*FY 2010 reflects City-wide public information requests. FY 2009 reflects only City Secretary Department.

NA = Not Available

CITY OF HEATH

FINANCE

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of GFOA Budget Awards	0	0	1	2
		# of GFOA CAFR Awards	0	0	1	2
Financial	Ensure Financial Stability	# of bank reconciliations completed by the 10th of the month	12	12	12	12
		# of Financials closed by the 10th of the month	10	10	10	9
		# of Audit Findings	0	0	0	NA
		# of AJE's proposed by the auditors	27	15	3	NA
Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	10	10	10	16
		Retention Rate	67%	100%	83%	100%
		Average years of service	4	3	2	3
	Ensure effective communication exchange	# of Finance-related updates posted on City Website	NA	NA	NA	3
		# of Investment Policy Certifications (years)	3	4	5	6
		# of CAFR's available online	2	3	4	5
		# of Budgets available online	2	3	4	5

NA = Not Available

CITY OF HEATH

MUNICIPAL COURT

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of years municipal court cash collections available online	1	2	3	4
	Provide fair, friendly and quality public service	# of citations	893	639	438	529
		# of jury trials	1	3		1
	# of warrants issued	388	101	47	26	
	# of warrants released	154	52	57	93	
Financial	Ensure Financial Stability	Monthly Department Reports to Council	12	12	12	12
Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	-	-	32	16
		Retention Rate	100%	0%	0%	100%
		Average years of service	3	4	1	1
	Ensure effective communication exchange	# of Municipal Court -related updates posted on City Website	NA	NA	NA	2
		% of average initial appearances	NA	NA	78	68.3

NA = Not Available

CITY OF HEATH

STREETS

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of My Fix Its related complaints/projects	-	-	NA	42
		# of Citizen Survey participants	-	-	-	641-656
	Enhance Community Aesthetics and Promote Positive Environmental Image	# Street resurfacing (feet)	103,400	88,000	270,000	-
		# potholes repaired	800	800	800	800
	Ensure Financial Stability	% spent on CIP street projects	56%	49%	5%	32%
		% of Citizen Survey support for bond issuance or addtl taxes for road improvmts	-	-	-	36%
	Financial	Plan, Expand, Upgrade and Maintain Infrastructure	# of streets (miles)	145.84	175	175
Year of latest Traffic Volume Study			2007	2007	2007	2007
# of completed My Fix Its projects			-	-	NA	11
\$ spent on 5 year Capital Improvement Plan			\$ 1,134,468	\$ 1,694,164	\$ 1,209,713	\$ 520,673
% of budgeted CIP projects completed			67%	33%	40%	0%
% of Citizen Survey support for improvement or expansion of White Road			-	-	-	26%
% of Citizen Survey support for improvement or expansion of Hubbard Drive			-	-	-	27%
% of Citizen Survey support for improvement or expansion of Terry Lane			-	-	-	21%
Retain a High-Quality Workforce		Average # of training hours per employee	-	-	-	-
		Retention Rate	100%	80%	100%	100%
		Average years of service	4	5	5	6
Knowledge/Growth	Ensure effective communication exchange	% of customer service survey pertaining to streets	-	-	-	15%
		# of Streets-related press releases to official newspaper	6	4	2	2
		# of Street-related updates posted in City newsletter	4	4	6	10
		# of Streets-related Twitter posts	NA	NA	5	13
		# of Streets-related Facebook posts	NA	NA	6	2
		# of Street-related updates posted on City Website	NA	NA	NA	3
		% My Fix It projects completed	NA	NA	NA	0.26%

NA = Not Available

CITY OF HEATH
PARKS AND RECREATION

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of My Fix Its related complaints/projects	-	-	NA	19
		# of Citizen Survey participants	-	-	-	650-660
		# of Playgrounds	1	2	2	2
		# of baseball/softball fields	1	1	1	1
		# of soccer/football fields	3	3	3	3
		# of community centers	1	1	1	1
	Enhance Community Aesthetics and Promote Positive Environmental Image	# of park acreage maintained	71	71	94	94
		# of right-of-way mowing (miles)	100	2,000	2,200	200
		# of hike and bike trail feet in Towne Center Park	NA	NA	8,458	8,458
		# of hike and bike trail feet in Terry Park	NA	NA	1,900	1,900
		% of Citizen Survey support that adequate space has been dedicated to park & recreation amenities			-	51%
	Facilitate Greater Interaction among Residents in Community	# of Community Center facility rentals	27	31	30	35
		# of Park facility rentals	112	101	93	69 **
	Financial	Ensure Financial Stability	% of Citizen Survey support for bond issuance or addnl taxes for trails	-	-	-
% of budgeted CIP projects completed			5%	35%	100%	0%
\$ of grants received			-	-	-	\$1,000,000
Plan, Expand, Upgrade and Maintain Infrastructure		\$ spent for 5-year Capital Improvement Plan	NA	NA	\$ 1,589,509	\$ 2,993
		# of completed My Fix Its projects	-	-	NA	19
		% of Citizen Survey that believe the expansion of hike and bike trail system is very important			-	36%
Knowledge/Growth	Retain a High-Quality Workforce	Average # of training hours per employee	-	-	-	-
		Retention Rate	100%	100%	100%	100%
		Average years of service	3	4	5	6
	Ensure effective communication exchange	% of customer service survey pertaining to parks	-	-	-	31%
		# of Park-related updates posted in City Newsletter	1	12	1	1
		# of Park-related press releases to official newspaper	12	3	0	0
		# of Park-related Twitter posts	NA	NA	3	1
		# of Park-related Facebook posts	NA	NA	8	0
		# of Park-related updates posted on City Website	NA	NA	NA	2
		% My Fix It projects completed	NA	NA	NA	100%

** Park closed for drought and unsafe park conditions.

CITY OF HEATH
ENGINEERING AND INSPECTION

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Provide Valuable Public Services and Amenities	# of My Fix Its related complaints/projects	-	-	NA	6
		# of Building Permits issued	23	40	35	31
		# of Building inspections conducted	698	800	721	721
	Enhance Community Aesthetics and Promote Positive Environmental Image	% of code violations corrected by voluntary compliance	NA	NA	NA	NA
	Facilitate Greater Interaction among Residents in Community					
	Financial	Ensure Financial Stability	\$ damage of Public Works' property and equipment	0	0	0
Plan, Expand, Upgrade and Maintain Infrastructure		# of Completed My Fix Its projects	-	-	NA	5
		# of Projects reviewed	NA	75	60	8
		# of Permit plan reviews	NA	70	80	120
Knowledge/Growth	Retain a High-Quality Workforce	# of worker's compensation claims	0	0	2	0
		Average # of training hours per employee	-	-	-	22.25
		Retention Rate	-	80%	80%	75%
		Average years of service	2	2	2	3
	Ensure effective communication exchange	# of Engineering-related press releases to official newspaper	4	4	2	3
		# of Engineering-related updates posted in City Newsletter	4	4	6	10
		# of Engineering-related Twitter posts	NA	NA	4	6
		# of Engineering-related Facebook posts	NA	NA	14	4
		# of Engineering-related updates posted on City Website	NA	NA	NA	11
		% My Fix It projects completed	NA	NA	NA	83%

CITY OF HEATH

DEPARTMENT OF PUBLIC SAFETY

	Strategic Initiatives	Measures	FY 2008	FY 2009	FY 2010	FY 2011
Customer	Ensure Public Safety	# of officers per shift	3	3	3	3
		Emergency/Non-emergency average response time (in minutes)	5.04	5.04	5.04	5.04
		# of community sponsored events	3	2	NA	3
		# of participants in community sponsored events		>900	900	900
		# of Vacation Watch requests	15	15	15	15
		# of Physical Arrests	53	58	43	22
		# of Burglary incidents	38	14	32	16
		# of Robbery incidents	0	0	0	0
		# of Theft incidents	54	48	50	31
		# of Traffic Violations	189	147	185	303
		# of Residential False Alarms	NA	226	358	386
	# of Commercial False Alarms	NA	12	32	53	
	Fire Protection	# of Emergency Responses	316	149	210	225
		# of Fires Extinguished	9	7	10	25
		# of Inspections	48	52	60	60
# of Residential/Commercial False Fire Alarms		NA	9	5	31	
Financial	Ensure Financial Stability	Monthly Departmental Reports to Council	12	12	12	12
		\$ of grants received	\$ 11,355.39	-	\$ 1,393.90	\$ 1,160.00
		# of worker's compensation claims	1	1	3	2
		\$ damage of DPS property and equipment	\$ 4,500	\$ -	\$ 2,000	\$ 4,800
	Retain a High-Quality Workforce	Average # of training hours per employee	60	60	60	60
		Retention Rate	100%	95%	100%	95%
		Average years of service	6	7	6	7
# of Volunteers	2	2	2	6		
Knowledge/Growth	Ensure effective communication exchange	# of graduates from Citizen's Academy	0	7	NA	0
		# of DPS-related press releases to official newspaper	13	4	4	4
		# of DPS-related Twitter posts	NA	NA	4	1
		# of DPS-related Facebook posts	NA	NA	14	4
		# of DPS-related pages posted on City Website	NA	NA	NA	12
		# of DPS-related updates posted in City Newsletter	10	8	12	8
		# of Heath DPS Weather Alert System subscribers	NA	NA	NA	19



CITY OF HEATH

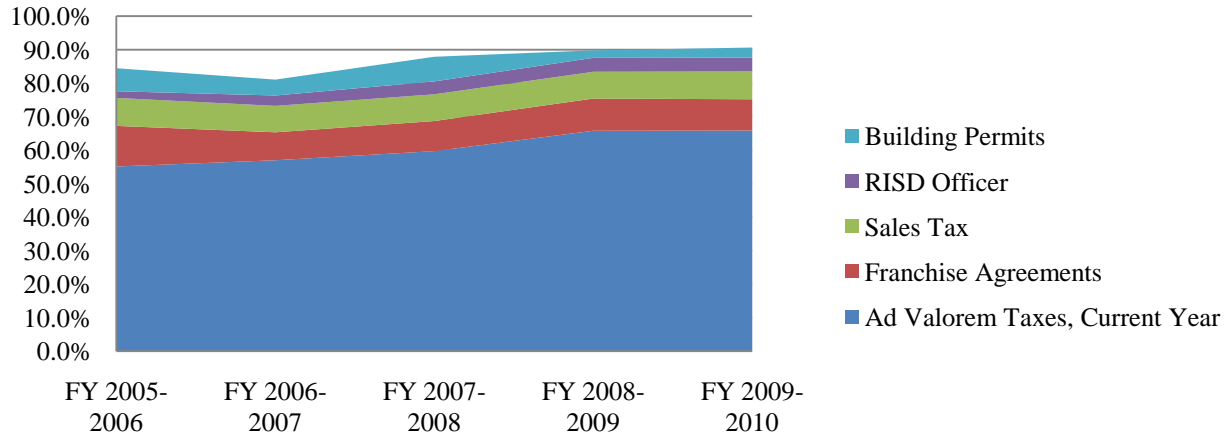
GENERAL FUND

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 2011-2012**

GENERAL FUND OVERVIEW

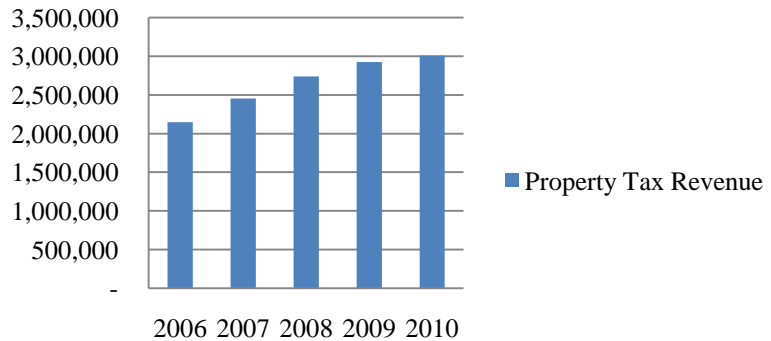
GENERAL FUND MAJOR REVENUE



**Ad Valorem Property Taxes,
Current Year (66%)**

The Rockwall County Appraisal District (RCAD) and Kaufman County Appraisal District (KCAD) establish the value of each property within the City of Heath.

Ad Valorem Property Tax Revenue

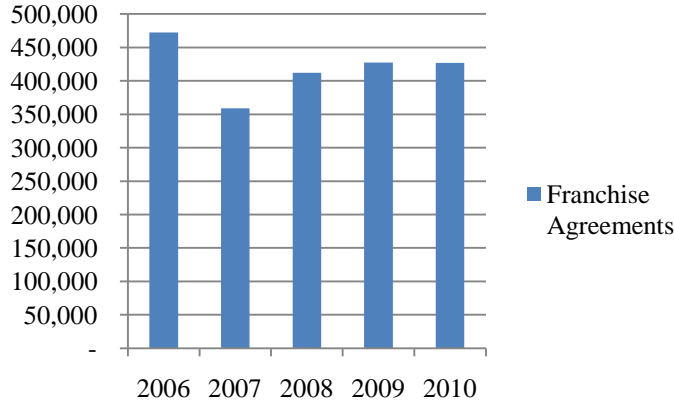


Forecast Methodology	Assumptions about Environmental	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: $(A/100)*B*C$ Where: A = Assessed Ad Valorem value B = Millage rate C = Collection Rate	1. Administered by RCAD	A. 1,087,289,484 B. .2636 cents C. 98.5% collection	2,989,107	2,823,104

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

GENERAL FUND OVERVIEW

Franchise Agreements



Franchise Agreements (9%)

The franchise tax is a privilege tax imposed on corporations, partnerships, professional organizations, banks and other entities either organized in Texas or doing business in Texas. The franchise tax rates range from .5% to 5.0% depending on the entity and qualifications. The percentage of City of Heath franchise revenue is provided by the following:

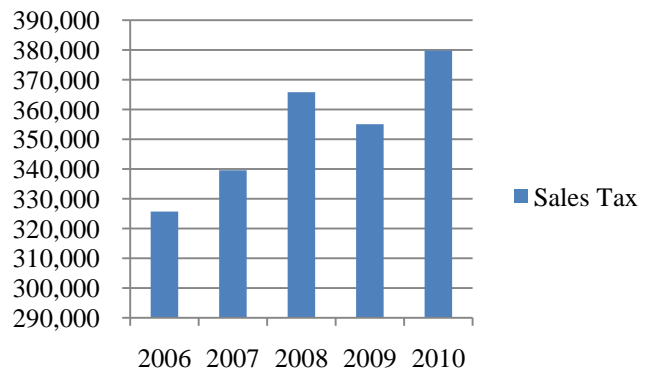
- Energy, 66%
- Telecommunication, 29% and
- Sanitation, 5%.

Forecast Methodology	Assumptions about Environmental	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: $(A * 1.B)$ Where: A = April Franchise Revenue B = Avg % collected (April)	1. Administered by Texas Comptroller's Office	A. 264,434.85 B. 62%	\$ 428,384	\$ 428,384

Sales Tax

Sales Tax (9%)

State Sales and Use tax is imposed on all retail sales, leases and rental of most goods, as well as taxable services. The combined total of state and local taxes is 8.25%: City, 1.0%, HEDC 4A, .5%; HMBC 4B, .5%; State 6.25%.

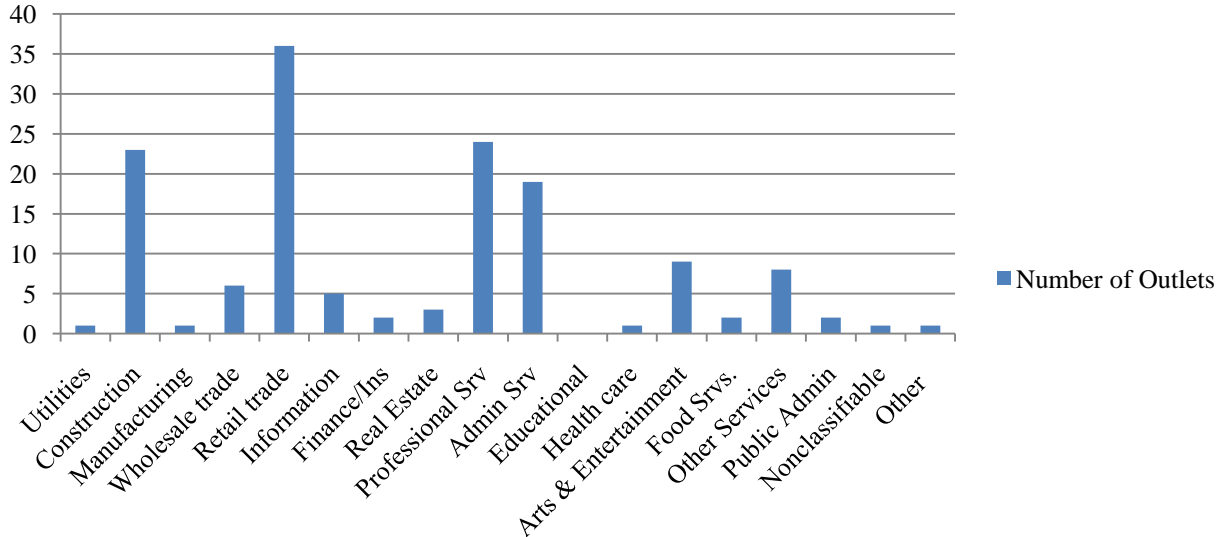


Forecast Methodology	Assumptions about Environmental	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: (A/B) Where: A = April Sales Tax Revenue B = Avg 5 yr % collected (April)	1. Administered by Texas Comptroller's Office	A. 216,399.91 B. 57%	\$ 379,649	\$ 379,649

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

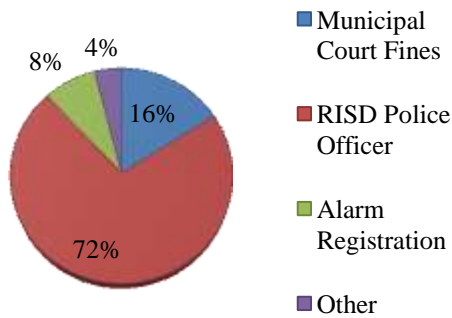
GENERAL FUND OVERVIEW

Sales Tax Outlets by Category (1st qtr 2011)

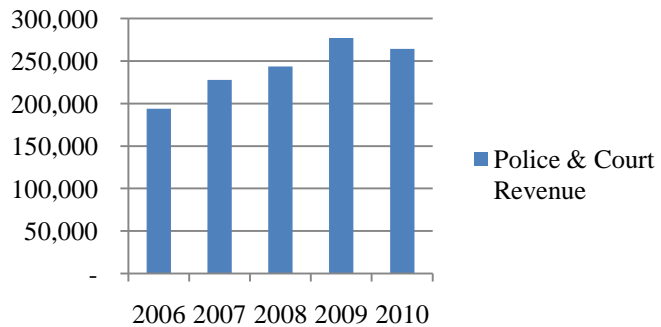


Police & Court Revenue (6%) RISD School Resource Officer reimbursement, Municipal Court Fines, and Alarm Registrations comprise the largest contributors of police & court revenue. 72% of all police and court revenue is received as a result of an agreement with Rockwall ISD for contractual services of School Resource

% of Police Revenue



Police & Court Revenue



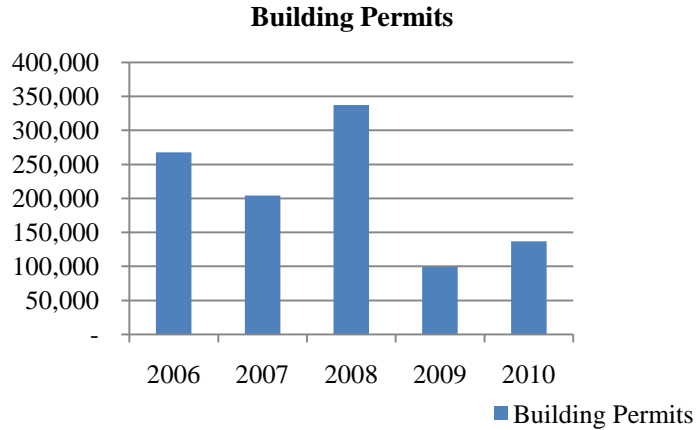
Forecast Methodology	Assumptions about Environmental	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: (A+B+C) Where: A = Contract Amount B = Municipal Court Fines C = Alarm Registrations * \$35.	1. Reimbursement for 2 SRO's	A. \$144,000	180,000	144,000
		B. \$50,000	50,000	50,000
		C. 530 registrations	18,550	18,550
			\$ 248,550	\$ 212,550

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

GENERAL FUND OVERVIEW

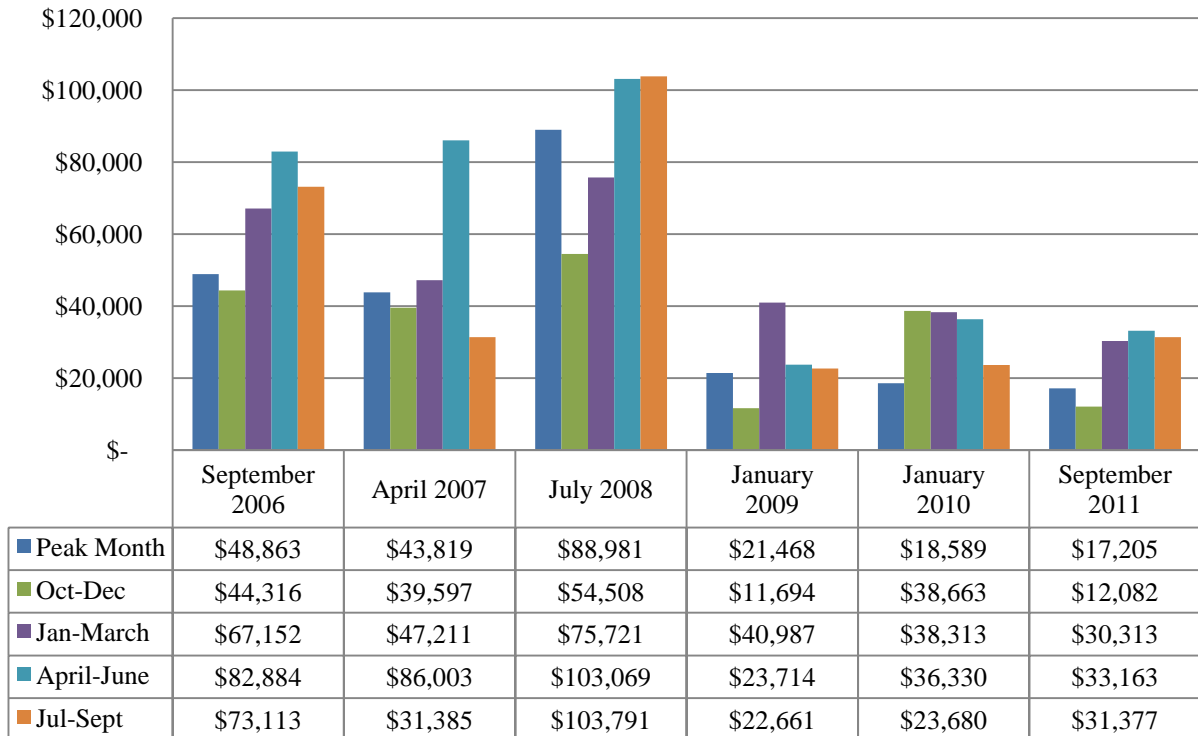
Building Permits (3%)

New construction and restoration of commercial and residential sites require inspections that satisfy City and state codes. Building Permit Fees are collected to defray the costs associated with the inspection process.



Forecast Methodology	Assumptions about Environmental	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: (A/B) Where: A = June Building Permit Rev. B = Avg 5 yr % collected (June)	1. Peak months past 5 years: Jan. (2), April, July, Sept. 2. Decrease in Bldg. projects in 2011.	A. 75,557.64 B. 77%	\$ 98,000	\$ 98,000

Building Permits Peak Month



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

GENERAL FUND MAJOR REVENUE

	<i>FY 2005-2006</i>	<i>FY 2006-2007</i>	<i>FY 2007-2008</i>	<i>FY 2008-2009</i>	<i>FY 2009-2010</i>	<i>Projected Actual FY 10-11</i>	<i>Proposed Budget FY 11-12</i>
Revenues							
Ad Valorem Taxes, Current Year	2,148,332	2,452,944	2,737,523	2,923,936	3,010,016	2,980,828	2,823,000
Ad Valorem Taxes, Prior Year	N/A	66,212	65,112	39,130	48,598	23,563	35,000
Alarm Registration	-	-	-	23,840	21,790	18,980	18,500
Building Permits	267,465	204,195	337,089	99,055	136,987	106,935	90,000
Contractor Registration Fee	-	-	8,725	14,075	10,975	9,225	8,000
Franchise Agreements	472,136	358,953	412,221	427,411	427,111	461,344	427,000
Interest Earned	179,932	146,213	81,958	23,876	8,144	8,702	3,500
Municipal Court Fines	97,393	63,149	47,156	56,483	43,085	52,120	50,000
RISD Officer	77,787	133,562	176,685	185,274	189,031	195,857	144,000
Sales Tax	325,738	339,570	365,801	355,097	379,789	318,874	370,000
Total Major Revenue	3,568,782	3,764,799	4,232,269	4,148,177	4,275,526	4,176,427	3,969,000
TOTAL GENERAL FUND REVENUE	3,897,245	4,304,349	4,584,983	4,444,221	4,570,883	4,843,076	4,260,750
Percent of Revenue							
Ad Valorem Taxes, Current Year	55.1%	57.0%	59.7%	65.8%	65.9%	61.5%	66.3%
Ad Valorem Taxes, Prior Year	0.0%	1.5%	1.4%	0.9%	1.1%	0.5%	0.8%
Alarm Registration	0.0%	0.0%	0.0%	0.5%	0.5%	0.4%	0.4%
Building Permits	6.9%	4.7%	7.4%	2.2%	3.0%	2.2%	2.1%
Contractor Registration Fee	0.0%	0.0%	0.2%	0.3%	0.2%	0.2%	0.2%
Franchise Agreements	12.1%	8.3%	9.0%	9.6%	9.3%	9.5%	10.0%
Interest Earned	4.6%	3.4%	1.8%	0.5%	0.2%	0.2%	0.1%
Municipal Court Fines	2.5%	1.5%	1.0%	1.3%	0.9%	1.1%	1.2%
RISD Officer	2.0%	3.1%	3.9%	4.2%	4.1%	4.0%	3.4%
Sales Tax	8.4%	7.9%	8.0%	8.0%	8.3%	6.6%	8.7%

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

GENERAL FUND MAJOR EXPENDITURES

	<i>FY 2005-2006</i>	<i>FY 2006-2007</i>	<i>FY 2007-2008</i>	<i>FY 2008-2009</i>	<i>FY 2009-2010</i>	<i>Projected Actual FY 10-11</i>	<i>Proposed Budget FY 11-12</i>
<i>Expenditures</i>							
Personnel Services	2,178,853	2,417,361	2,872,346	2,962,923	2,836,814	2,840,888	2,926,900
Supplies & Services	365,475	340,523	312,115	305,019	353,117	335,767	394,950
Operational	737,964	613,279	481,413	551,562	583,087	591,024	696,800
Materials & Equipment	130,145	458,310	191,123	105,819	148,251	116,461	158,725
Capital Outlay	172,354	458,157	195,838	94,728	117,770	593,482	180,950
Total Major Expenditures	3,584,790	4,287,630	4,052,835	4,020,051	4,039,038	4,477,622	4,358,325
TOTAL GENERAL EXPENDITURES	3,584,790	4,287,630	4,052,835	4,317,411	4,039,046	4,477,622	4,358,325
<i>Percent of Expenditures</i>							
Personnel Services	60.8%	56.4%	70.9%	68.6%	70.2%	63.4%	67.2%
Supplies & Services	10.2%	7.9%	7.7%	7.1%	8.7%	7.5%	9.1%
Operational	20.6%	14.3%	11.9%	12.8%	14.4%	13.2%	16.0%
Materials & Equipment	3.6%	10.7%	4.7%	2.5%	3.7%	2.6%	3.6%
Capital Outlay	4.8%	10.7%	4.8%	2.2%	2.9%	13.3%	4.2%

GENERAL FUND PROJECTED vs ACTUAL

Budget	(278,037)	(1,480,981)	11,350	2,960	81,700	(99,000)
Actual (2011 Projected Actual)	312,455	(83,281)	42,985	316,635	280,935	365,455
	590,492	1,397,700	31,635	313,675	199,235	464,455

The 2007 budget included \$1,500,000 for street projects that were postponed.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

FY 2012 Combined Summary of Budget by Fund

Summary

	<i>Governmental Funds</i>			<i>Enterprise Funds</i>		<i>COMBINED TOTAL</i>
	<i>General Fund</i>	<i>4A & 4B Economic Development</i>	<i>Debt Service Fund</i>	<i>Utility Fund</i>	<i>Solid Waste Fund</i>	
Beginning Resources	2,393,021	2,040,087	684,004	2,530,921	110,534	7,758,567
<i>Current Revenues</i>						
Property Tax Revenue	2,893,300		871,900	-	-	3,765,200
Sales and Mixed Beverage Tax	373,600	370,000	-	-	-	743,600
Franchise Agreements	427,000		-	-	-	427,000
Interest Income	3,500	3,000	7,000	3,250	300	17,050
Administrative Revenue	91,750		-	3,800	-	95,550
Permits, Fees & Other	104,500		-	234,100	-	338,600
PID Revenue	-		9,750	1,036	-	10,786
Charges for Services	-		-	4,447,000	555,000	5,002,000
Inter-Local/ Inter-Agency	144,000		-	-	-	144,000
Police & Court Revenue	25,100		-	-	-	25,100
Fines and Forfeitures	50,000		-	-	-	50,000
Fire Department Revenue	48,000		-	-	-	48,000
Park Department Revenue	19,000		-	-	-	19,000
All Other	-	-	-	-	-	-
Total - Current Revenue	4,179,750	373,000	888,650	4,689,186	555,300	10,685,886
Transfer from Other Funds	81,000		550,000	40,000	-	671,000
TOTAL AVAILABLE RESOURCES	6,653,771	2,413,087	2,122,654	7,260,107	665,834	19,115,453
<i>Current expenditures</i>						
Personnel Services	2,926,900	1,000	-	823,600	-	3,751,500
Supplies & Services	367,200	10,500	-	288,665	-	666,365
Telecommunications	27,750	-	-	12,800	-	40,550
Operational	476,800	41,200	5,000	1,685,257	479,500	2,687,757
Inter-Local/ Inter-Agency	220,000	-	63,234	145,000	-	428,234
Materials & Equipment	158,725	-	-	54,800	-	213,525
Capital Outlay	180,950	150,000	-	68,000	-	398,950
Debt Service	-	35,381	1,145,068	1,473,902	-	2,654,351
Contingency	-	-	-	50,000	-	50,000
Total Expenditures	4,358,325	238,081	1,213,302	4,602,024	479,500	10,891,232
Transfer to Other Funds	550,000	43,000		100,000	80,000	
ENDING FUND BALANCE	1,745,446	2,132,006	909,352	2,558,083	106,334	8,224,221
*TARGET FUND BALANCE	1,089,581	-	100,692	1,150,506	-	
FUND BALANCE SURPLUS	655,865	2,132,006	808,660	1,407,577	106,334	

* Target Fund balance requirement is 25% of total budgeted expenditures for General Fund and Water/Wastewater

* Fund balance minimum requirement is 1/12 of next year's Principal and Interest payments

CITY OF HEATH
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GENERAL FUND REVENUE AND EXPENDITURE HISTORY BY TYPE

	<i>FY 2005-2006</i>	<i>FY 2006-2007</i>	<i>FY 2007-2008</i>	<i>FY 2008-2009</i>	<i>FY 2009-2010</i>	<i>Projected Actual FY 10-11</i>	<i>Proposed Budget FY 11-12</i>
Beginning Resources	2,410,935	2,723,390	2,640,109	2,683,094	1,769,729	2,038,567	2,393,021
Revenues							
Property Tax Revenue	2,177,593	2,559,936	2,856,252	3,007,788	3,103,965	3,033,202	2,893,300
Administrative Revenue	1,044,702	991,941	939,635	883,716	899,257	890,330	892,850
Permits & Fees & Other	276,066	220,459	369,626	126,521	154,656	121,935	104,500
Police & Court Revenue	194,054	227,758	243,542	277,021	264,211	275,521	219,100
Fire Department Revenue	41,141	48,000	48,000	48,000	50,461	106,883	51,000
Park Department Revenue	163,690	43,095	127,928	18,124	15,280	27,630	19,000
External Contributions	-	213,160	-	-	-	-	-
Total Revenue	3,897,245	4,304,349	4,584,983	4,361,170	4,487,830	4,455,501	4,179,750
Other Sources of Funds		-	-	83,051	83,052	387,575	81,000
TOTAL AVAILABLE RESOURCES	6,308,180	7,027,739	7,225,092	7,127,315	6,340,612	6,881,643	6,653,771
Expenditures							
Payroll	1,450,116	1,719,354	2,015,091	2,115,553	1,955,330	1,922,683	1,938,200
Personnel Benefits	728,737	698,007	857,255	847,370	881,483	918,205	988,700
Subtotal	2,178,853	2,417,361	2,872,346	2,962,923	2,836,814	2,840,888	2,926,900
Supplies & Services	365,475	340,523	312,115	305,019	353,117	335,767	394,950
Operational	737,964	613,279	481,413	551,562	583,087	591,024	696,800
Materials & Equipment	130,145	458,310	191,123	105,819	148,251	116,461	158,725
Capital Outlay	172,354	458,157	195,838	94,728	117,770	593,482	180,950
Contingency	-	-	-	-	-	-	-
Total Expenditures	3,584,790	4,287,630	4,052,835	4,020,051	4,039,038	4,477,622	4,358,325
Transfer to Other Funds		100,000	489,163	1,334,288	251,000	-	550,000
Special Revenue	1,500,000	1,000,000	1,233,205	9,132	12,007	11,000	-
ENDING FUND BALANCE	2,723,390	1,640,109	1,449,889	1,760,639	2,038,567	2,393,021	1,745,446
*EFFECT ON FUND BALANCE	1,812,455	(83,281)	42,985	(913,323)	280,845	365,455	(647,575)

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Budget Summary	All Funds				
	<i>Projected Beginning Fund Balance 10/1/2011</i>	<i>Proposed Revenue & Financing Sources 2011-2012</i>	<i>Proposed Expenditures & Financing Uses 2011-2012</i>	<i>Budgeted Ending Fund Balance 9/30/2012</i>	<i>Fund Balance Variance by %</i>
Summary of all Funds					
Governmental Operating Funds					
General Fund	2,393,021	4,260,750	4,908,325	1,745,446	-27%
Debt Service Fund	684,004	1,438,650	1,213,302	909,352	33%
Total Governmental Funds	3,077,025	5,699,400	6,121,627	2,654,798	
Enterprise Funds					
Water Utilities Fund	2,530,921	4,729,186	4,702,024	2,558,083	1%
Solid Waste Fund	110,534	555,300	559,500	106,334	-4%
Total Enterprise Funds	2,641,455	5,284,486	5,261,524	2,664,417	
Total Operating Funds	5,718,481	10,983,886	11,383,151	5,319,215	
Component Units					
HEDC	888,600	186,200	94,592	980,208	10%
HMBC	1,151,487	186,800	186,489	1,151,797	0%
Total Component Units	2,040,087	373,000	281,081	2,132,006	
Total of all Funds	7,758,568	11,356,886	11,664,232	7,451,221	

Fund Balance % Variance greater than 10% Explanation

General Fund: Revenue projections remain conservative during the continued uncertain economic times. Year End Actual fund balance has exceeded fund balance projections for FY 2008 - FY 2010 by 32,000; 314,000; and 199,000 respectively. The budgeted reduction in fund balance for FY 2012 maintains citizen services including public safety, fire protection, park and field access, and street maintenance. Approved expenditures can be curtailed mid-year if projected revenues do not materialize.

Debt Service Fund: Debt Fund Balance is three times the required balance for FY 2012. A one-time transfer of \$550,000 from General Fund and a 1 1/2 cent tax rate reallocation to Debt Service solidifies the City's commitment to debt obligations.

Solid Waste Fund: Solid Waste collection and disposal is provided by IESI under contract, expiring 01/31/2012. An optional renewal contract may be exercised. No rate change is incorporated into the projection until finalization occurs. Any necessary budget adjustments to Solid Waste will be presented after 01/31/2012.

HEDC: No expenditure increases were forecast. Fund balance reserves will increase for use on future projects.

HMBC: A street sign upgrade project is planned for FY 2012. Fund balance reserves will remain relatively unchanged.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

General Fund Sources and Uses

	<i>F'09-10 Actual</i>	<i>F'10-11 Adopted Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
Sources of Funds					
<i>Beginning Resources</i>	1,769,729	2,038,567	2,038,567	2,038,567	2,393,021
<i>Current Revenues</i>					
Property Tax Revenue	3,103,965	3,068,000	3,068,000	3,033,202	2,893,300
Administrative Revenue	899,257	857,850	857,850	890,330	892,850
Permit & Fee Revenue	154,656	158,150	158,150	121,935	104,500
Police & Court Revenue	264,211	270,000	270,000	275,521	219,100
Fire Department Revenue	50,461	48,000	96,000	106,883	51,000
Park Department Revenue	15,280	13,000	13,000	27,630	19,000
Other Sources	83,052	83,200	421,020	387,575	81,000
Total - Current Revenue	4,570,883	4,498,200	4,884,020	4,843,076	4,260,750
Total Sources of Funds	6,340,612	6,536,767	6,922,587	6,881,643	6,653,771
Uses of Funds					
<i>Current expenditures</i>					
2 Streets Division	343,880	339,225	370,545	311,867	358,725
4 Parks Division	120,898	220,550	220,550	174,335	226,000
6 Engineering & Inspections Divisio	407,076	456,025	456,025	354,838	351,050
8 Municipal Court Division	84,535	104,300	104,300	86,399	69,700
9 Public Safety Division	2,214,448	2,446,600	2,801,100	2,625,408	2,363,950
40 City Council Division	33,241	38,000	38,000	35,022	39,600
43 City Secretary Division	106,138	125,250	125,250	118,302	142,650
46 City Attorney Division	34,294	36,000	36,000	29,906	36,000
52 City Manager Division	237,357	245,050	245,050	239,004	246,550
55 Finance Division	218,200	232,600	232,600	223,407	233,100
60 Non-Divisional	238,972	353,600	378,600	279,134	291,000
Total Current Expenditures	4,039,038	4,597,200	5,008,020	4,477,622	4,358,325
560-802 Transfer to CIP	1,000	0	0	0	0
560-840 Transfer to Debt Service	250,000	0	0	0	550,000
Ending Resources	2,050,574	1,939,567	1,914,567	2,404,021	1,745,446
<i>Committed -Special Rev (Parks)</i>	12,007	-	-	11,000	-
Unassigned	2,038,567	1,939,567	1,914,567	2,393,021	1,745,446
Revenue vs. Expenditures - Surplus/(Deficit)	531,845	(99,000)	(124,000)	365,455	(647,575)
Impact on Unassigned Fund Balance	278,060	(99,000)	(124,000)	354,455	(647,575)

CITY OF HEATH
Annual Operating Budget
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Revenue

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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	3,010,016	2,987,700	2,987,700	2,980,828	2,823,000
4002	Penalty & Interest	45,079	41,000	41,000	28,791	35,000
4003	Tax Certificate Fees	275	300	300	20	300
4004	Ad Valorem Delinquent Taxes	48,595	39,000	39,000	23,563	35,000
	Total - Property Tax Revenue	3,103,965	3,068,000	3,068,000	3,033,202	2,893,300
4101	Sales Tax	379,789	350,000	350,000	318,874	370,000
4102	Mix Drink Tax	3,459	3,600	3,600	3,192	3,600
4103	Franchise Agreements	427,111	409,000	409,000	461,344	427,000
4104	Civic Center Rentals	2,008	1,650	1,650	2,338	1,650
4106	Interest Earned	8,144	7,500	7,500	8,702	3,500
4107	Other Revenue	19,551	30,000	30,000	28,167	30,000
4110	Tower Lease	48,120	48,000	48,000	48,662	48,000
4114	New Development Electric	0	0	0	0	0
4115	Rezoning Application Fees	2,187	0	0	5,182	0
4116	Conditional Use Permits	1,325	0	0	2,050	1,000
4117	Plat Fees	2,223	3,000	3,000	3,785	3,000
4118	New Development - 2.5% Fee	0	0	0	100	0
4121	Takeline Lease	5,200	5,000	5,000	7,900	5,000
4160	Collection Fee Revenue	140	100	100	35	100
	Total - Administrative Revenue	899,257	857,850	857,850	890,330	892,850
4201	Building Permits	136,987	140,000	140,000	106,935	90,000
4202	Inspection Fees	25	800	800	0	500
4203	Code Enforcement Admin Fee (Mowit)	4,370	1,150	1,150	3,575	3,000
4204	OSSF Permit Fees	2,300	6,200	6,200	2,100	3,000
4209	Contractor Registration Fee	10,975	10,000	10,000	9,225	8,000
4240	Other Land Use Permit Fees	0	0	0	100	0
	Total - Permits & Fee Revenue	154,656	158,150	158,150	121,935	104,500
4300	Judicial Support Fee	194	200	200	208	200
4301	Municipal Court Fines	43,085	50,000	50,000	52,120	50,000
4302	RISD Police Officer	189,031	188,000	188,000	195,857	144,000
4303	Animal Impound Fees	2,090	1,500	1,500	1,220	1,500
4304	Animal Registration Fees	1,635	1,500	1,500	1,600	1,500
4306	Police Report Fees	176	100	100	118	100
4307	Time Payment Fee Revenue	266	500	500	160	300
4308	Court Building Security	1,160	1,250	1,250	0	0
4309	Municipal Court Technology Fund	1,527	1,500	1,500	0	0
4311	Judicial Sys. Efficiency	69	100	100	43	100
4315	TLFTA Fees	170	200	200	144	200
4316	LEOSE Training	1,865	1,750	1,750	1,686	1,700
4320	Police Grant Revenue	1,394	0	0	1,160	0
4330	Juvenile Case Manager Fee	188	400	400	0	0
4331	Court Appointed Books	0	0	0	0	0
4340	Alarm Registration Fee	21,790	22,000	22,000	18,980	18,500
4341	Alarm Charge (False and Non-Registe	965	1,000	1,000	2,225	1,000
	Total - Police & Court Revenue	264,211	270,000	270,000	275,521	219,100

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Revenue

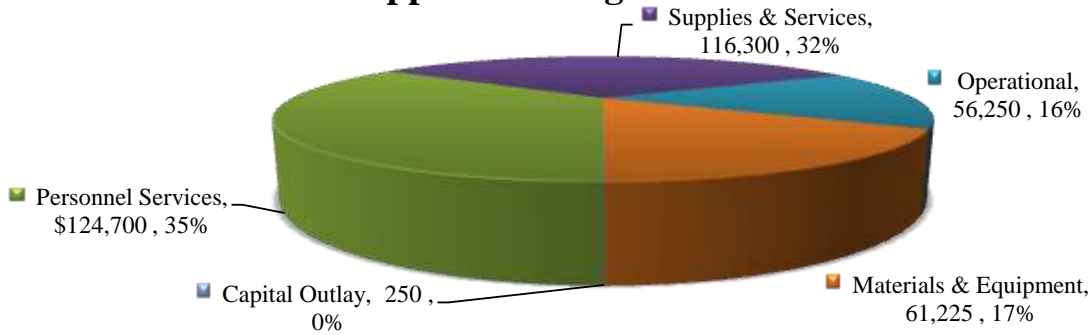
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund Revenue Detail</i>						
4401	Rockwall County Fire Runs	48,000	48,000	48,000	48,000	48,000
4403	Disposition of Equipment	2,461	0	48,000	58,883	3,000
	<i>Total - Fire Department Revenue</i>	<i>50,461</i>	<i>48,000</i>	<i>96,000</i>	<i>106,883</i>	<i>51,000</i>
4852	Transfer from Solid Waste Fund	47,200	47,200	47,200	47,200	40,000
4860	External Contributions	0	0	31,320	0	0
4854	Transfer from HEDC	17,926	18,000	18,000	16,938	18,000
4853	Transfer from HMBC	17,926	18,000	18,000	16,938	23,000
4896	Capital Lease	0	0	306,500	306,500	0
	<i>Total - Other Sources</i>	<i>83,052</i>	<i>83,200</i>	<i>421,020</i>	<i>387,575</i>	<i>81,000</i>
4901	Park Donations	1,000	0	0	11,000	0
4920	Special Event Revenue	9,945	8,000	8,000	12,770	10,000
4930	Park User Fees	4,335	5,000	5,000	3,860	9,000
	<i>Total - Park Department Revenue</i>	<i>15,280</i>	<i>13,000</i>	<i>13,000</i>	<i>27,630</i>	<i>19,000</i>
	<i>Total - General Fund Revenue</i>	<i>4,570,883</i>	<i>4,498,200</i>	<i>4,884,020</i>	<i>4,843,076</i>	<i>4,260,750</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

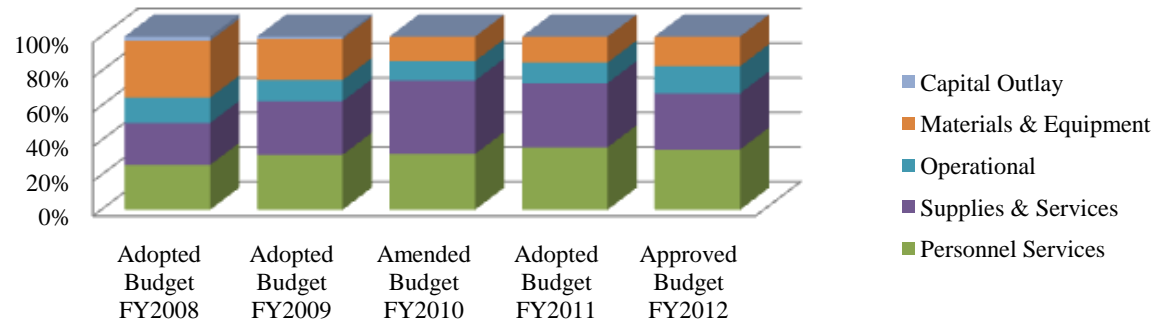
FUND GENERAL	DEPARTMENT STREETS					ACCOUNT 502
PURPOSE AND DESCRIPTION						
<i>To ensure that all City streets, roadways, and alleys meet or exceed minimum condition standards.</i>						
FY 11 ACCOMPLISHMENTS						
Continued updates and alternate routes for construction for FM 740 provided on the City Website to promote traffic safety and flow.						
Repaired paving failures resulting from the drought conditions during the summer months.						
Continue to widen FM 740 from the North loop FM 1140 to the North a distance of 5,000 ft from current 2 lanes undivided to 4 lanes divided.						
Began Buffalo Creek Trail Repair along FM 3097 from Country Club Road to Pullen Elementary School.						
Began planning for the replacement of FM 740 from FM 1140 (North) to FM 549 from the current 2 lanes undivided to 4 lanes divided and for FM 740 from FM 549 to FM 1140 (South) from the current 2 lane undivided to a 4 lane undivided roadway.						
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 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Street Resurfacing (feet)	6,936	103,400	88,000	270,000	0	
Potholes Repaired	770	800	800	800	800	
Streets (miles)	145.84	145.84	175	175	175	
STREET EXPENDITURE SUMMARY						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Amended Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 106,700	\$ 113,886	\$ 115,200	\$ 122,300	\$ 124,700	2%
Supplies & Services	100,000	111,044	151,800	125,700	116,300	-8%
Operational	60,250	43,750	40,250	40,250	56,250	28%
Materials & Equipment	135,225	85,725	50,725	50,725	61,225	17%
Capital Outlay	10,250	4,750	250	250	250	0%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

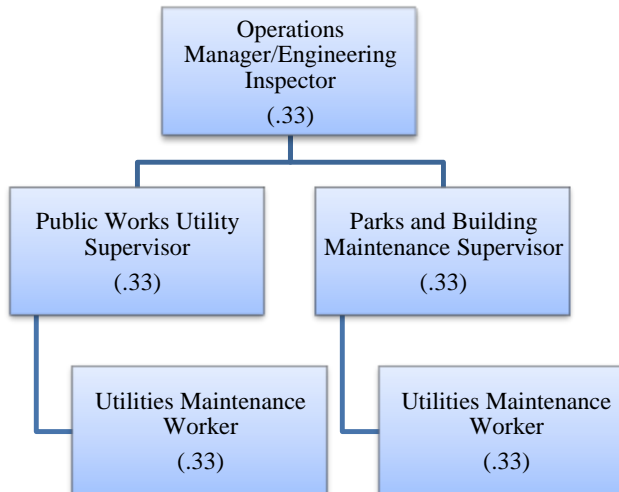
Approved Budget FY 2012



FY 2008 - FY 2012



STREETS 01-502



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1.7	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	1.7	1.7	1.7	1.7	1.7

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

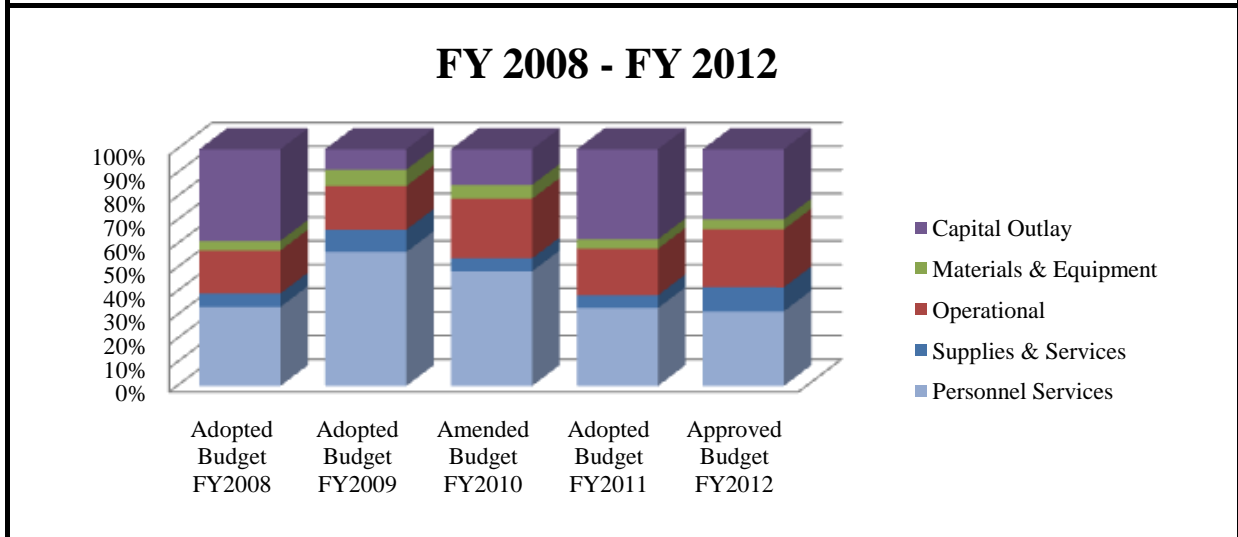
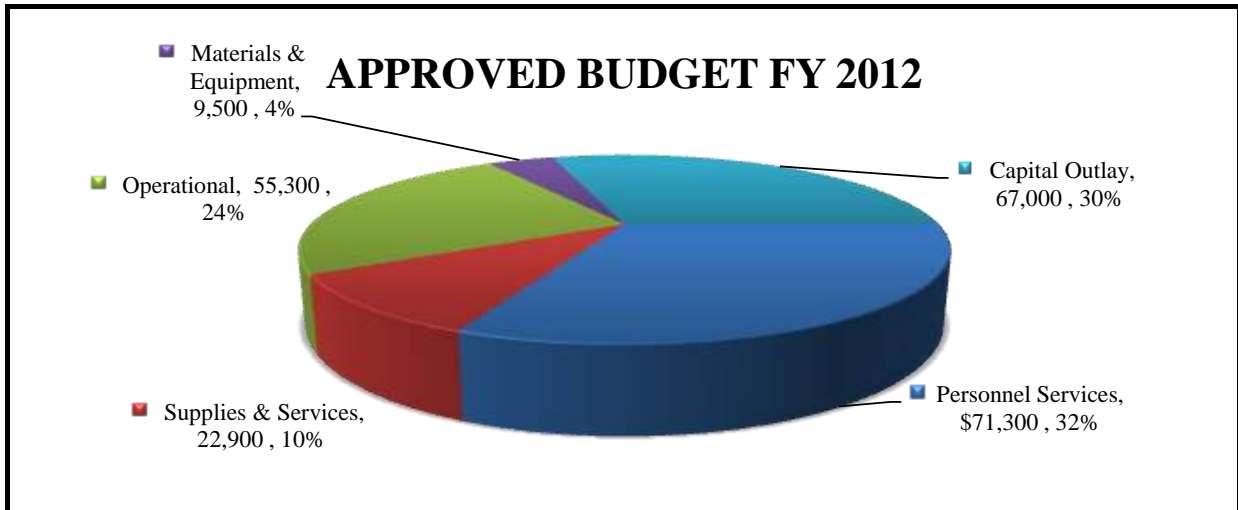
Streets Division

		<i>F'09-10 Actual</i>	<i>F'10-11 Adopted Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
General Fund expenditures authorized for Streets Division						
502-101	Salaries	75,442	77,000	77,000	69,228	78,800
502-102	Health Insurance	15,934	20,100	20,100	18,232	22,800
502-103	Workers' Comp Insurance	2,702	2,900	2,900	1,998	2,600
502-104	Overtime	5,466	6,100	6,100	7,345	4,700
502-105	FICA	5,924	6,400	6,400	5,850	6,500
502-106	Retirement (TMRS)	8,393	9,000	9,000	8,582	8,000
502-107	Unemployment	410	800	800	324	900
502-110	Certification Compensation	0	0	0	0	400
	Total - Personnel Services	114,271	122,300	122,300	111,558	124,700
502-201	Electric Service	123,269	110,000	110,000	89,738	100,000
502-204	Telecommunications	2,256	1,500	1,500	865	1,500
502-220	Office Supplies	956	800	800	848	800
502-221	Postage & Freight	35	200	200	56	200
502-222	Printing & Photo	19	100	100	0	100
502-230	Dues/Subscriptions/Publication	0	500	500	111	500
502-231	Conferences & Training	226	1,000	1,000	0	1,000
502-232	Travel, Meals & Lodging	104	500	500	52	500
502-233	Medical Services	0	100	100	55	100
502-234	Uniforms	997	1,000	1,000	1,370	1,600
502-240	Subcontractor Repairs	108	10,000	10,000	28,220	10,000
	Total - Supplies & Services	127,969	125,700	125,700	121,315	116,300
502-311	Legal Publications/Advertising	0	1,000	1,000	97	0
502-342	Professional Fees/Consultants	930	5,000	36,320	31,315	7,000
502-344	Engineering	5,215	8,000	8,000	5,345	10,000
502-353	Lot Mowing (Code Enforcement)	3,025	1,500	1,500	(3,944)	0
502-355	Landscape Maintenance	7,793	7,000	7,000	579	0
502-361	Storm Water Management	14,035	16,000	16,000	8,505	36,000
502-370	Maintenance & Repair Parts	2,950	1,500	1,500	796	3,000
502-399	Miscellaneous Expense	0	250	250	0	250
	Total - Operational Items	33,948	40,250	71,570	42,693	56,250
502-415	Hand Tools	956	1,500	1,500	1,024	1,500
502-420	Drainage Repairs & Improvement	150	5,000	5,000	3,200	5,000
502-430	Street Repairs	55,875	20,000	20,000	21,063	30,000
502-431	Street Sign Repair & Maint	6,238	4,500	4,500	2,081	5,000
502-432	Sidewalk Maintenance	0	3,000	3,000	0	3,000
502-440	Equipment Repair & Maintenance	548	3,000	3,000	3,238	3,000
502-441	Auto Repair & Maintenance	1,269	2,500	2,500	1,928	2,500
502-442	Gas, Oil & Fuel	1,998	5,000	5,000	3,008	5,000
502-443	Structure Repair & Maintenance	532	1,225	1,225	453	1,225
502-450	Machinery/Equipment Rental	125	5,000	5,000	307	5,000
	Total - Materials & Equipment	67,691	50,725	50,725	36,301	61,225
502-501	Office Furniture/Fixtures/Equip	0	250	250	0	250
	Total - Capital Outlay	0	250	250	0	250
	Total - Streets Division	343,880	339,225	370,545	311,867	358,725

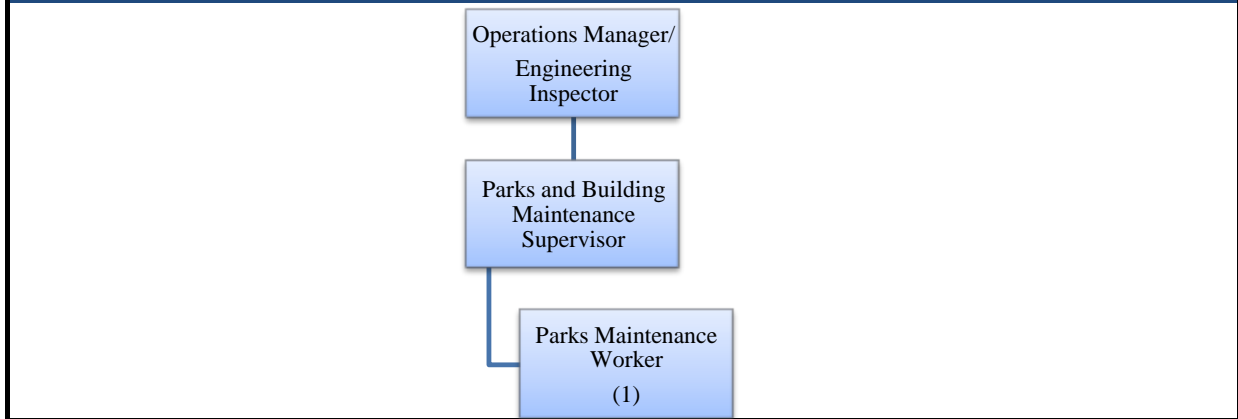
**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

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 11 ACCOMPLISHMENTS						
<p>Planning has begun for infrastructure improvements related to the Safe Route to School grant that will make it safer for Heath children to walk or bike to school; including trails around and to Cain Middle School, Amy Parks-Heath Elementary, Dorothy Pullen Elementary and Rockwall-Heath High School.</p> <p>The Parks Department is also making a priority of improving and maintaining the City Park and Terry Park.</p> <p>Planning and improvements began to replace damaged portions of the Buffalo Creek Trail; create a new parking system for Terry Park; and revise the City Trail System Map.</p>						
STRATEGIES AND GOALS						
<p>Continue to improve and expand recreational and aesthetic opportunities for the residents of Heath.</p> <p>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.</p>						
PERFORMANCE INDICATORS						
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Park Acreage Maintained	71	71	71	94	94	
Hike/Bike Trail (miles)	NA	NA	NA	2	2	
Miles of Right-of-way mowing	75	100	2,000	2,200	200	
Playing field mowed May-Oct	30	30	30	30	30	
Playgrounds	1	1	2	2	2	
Baseball/Softball Fields	1	1	1	1	1	
Soccer/Football Fields	3	3	3	3	3	
Community Centers	1	1	1	1	1	
PARKS EXPENDITURE SUMMARY						
Description	Adopted Budget FY2008	Adopted Budget FY2009	Amended Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/ Decrease
Personnel Services	\$ 55,200	\$ 65,384	\$ 66,000	\$ 69,300	\$ 71,300	3%
Supplies & Services	9,450	10,889	7,450	11,450	22,900	50%
Operational	30,050	21,300	34,300	41,300	55,300	25%
Materials & Equipment	6,700	8,000	8,000	8,500	9,500	11%
Capital Outlay	64,000	10,000	20,500	80,000	67,000	-19%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**



PARKS DEPARTMENT 01-504



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1	1	1	1	1
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

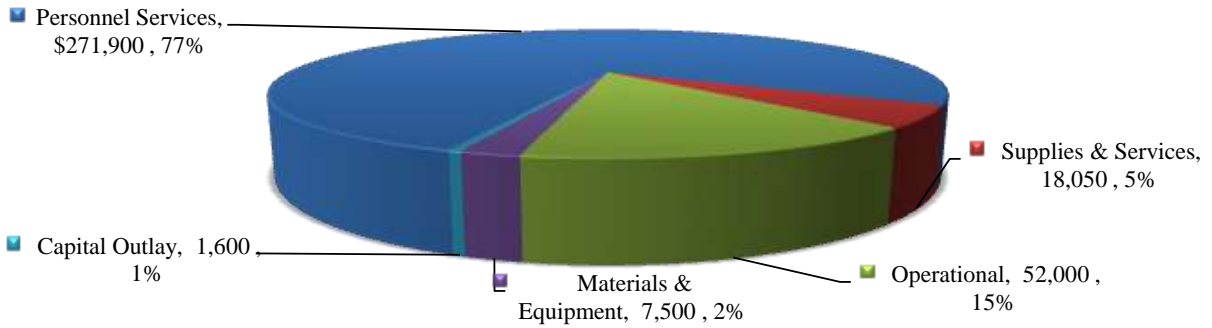
Parks Division						
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Parks Division</i>						
504-101	Salaries	33,182	33,400	33,400	33,198	34,400
504-102	Health Insurance	16,686	20,000	20,000	19,943	21,400
504-103	Workers' Comp Insurance	1,070	1,300	1,300	771	1,400
504-104	Overtime	250	2,000	2,000	251	2,000
504-105	FICA	2,264	3,500	3,500	2,491	3,200
504-106	Retirement (TMRS)	3,468	3,800	3,800	3,735	3,500
504-107	Unemployment	307	500	500	202	600
504-109	Temporary Help	535	4,800	4,800	1,840	4,800
	<i>Total - Personnel Services</i>	<i>57,762</i>	<i>69,300</i>	<i>69,300</i>	<i>62,430</i>	<i>71,300</i>
504-201	Electric Service	3,041	4,000	4,000	1,303	4,000
504-203	Water Service	473	5,500	5,500	4,315	5,500
504-204	Telecommunications	2,212	1,600	1,600	1,175	1,700
504-220	Office Supplies	458	500	500	652	500
504-221	Postage & Freight	90	300	300	98	300
504-222	Printing & Photo	0	500	500	0	500
504-230	Dues/Subscriptions/Publication	45	150	150	0	150
504-231	Conferences & Training	0	500	500	0	500
504-232	Travel, Meals & Lodging	0	0	0	0	0
504-233	Medical Services	0	150	150	100	150
504-234	Uniforms	721	1,250	1,250	1,153	1,600
504-240	Subcontractor Repairs	175	2,000	2,000	2,140	8,000
	<i>Total - Supplies & Services</i>	<i>7,215</i>	<i>16,450</i>	<i>16,450</i>	<i>10,936</i>	<i>22,900</i>
504-311	Legal Publications/Advertising	0	300	300	97	300
504-330	Special Events	10,319	10,000	10,000	8,103	10,000
504-342	Professional Fees/Consultants	1,000	1,000	1,000	100	1,000
504-344	Engineering	1,000	1,000	1,000	0	0
504-350	Park Equipment Maintenance	0	0	0	0	1,000
504-355	Park Landscape Maintenance	17,659	25,000	25,000	18,419	35,000
504-360	Other Operational Supplies	0	0	0	0	0
504-368	Recreation Programming	0	1,000	1,000	0	0
504-370	Maintenance & Repair Parts	6,336	8,000	8,000	5,447	8,000
504-399	Miscellaneous Expense	0	0	0	0	0
	<i>Total - Operational Items</i>	<i>36,314</i>	<i>46,300</i>	<i>46,300</i>	<i>32,165</i>	<i>55,300</i>
504-415	Hand Tools	1,558	1,500	1,500	907	1,500
504-440	Equipment Repair & Maintenance	498	1,000	1,000	953	1,500
504-441	Auto Repair & Maintenance	87	1,000	1,000	0	1,000
504-442	Gas, Oil & Fuel	7,495	5,000	5,000	4,767	5,500
504-444	Chemicals	0	0	0	0	0
	<i>Total - Materials & Equipment</i>	<i>9,637</i>	<i>8,500</i>	<i>8,500</i>	<i>6,627</i>	<i>9,500</i>
504-504	Other Equipment	9,796	20,000	20,000	15,592	5,000
504-517	Land Improvements	175	10,000	10,000	0	62,000
504-532	Vehicles	0	50,000	50,000	46,586	0
	<i>Total - Capital Outlay</i>	<i>9,971</i>	<i>80,000</i>	<i>80,000</i>	<i>62,178</i>	<i>67,000</i>
	<i>Total - Parks Division</i>	<i>120,898</i>	<i>220,550</i>	<i>220,550</i>	<i>174,335</i>	<i>226,000</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

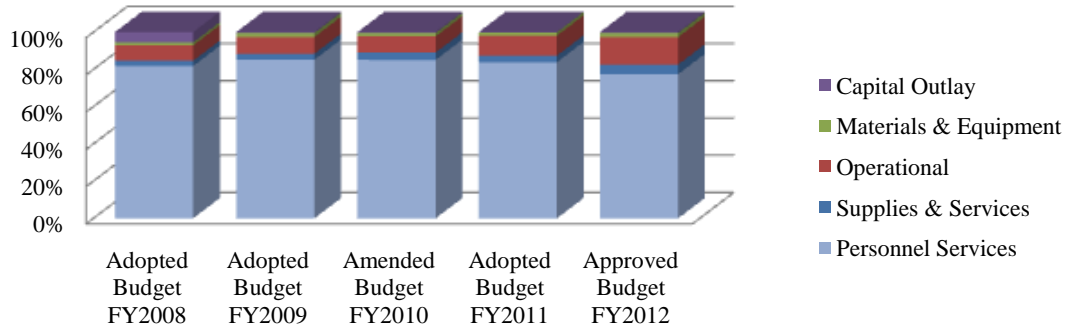
FUND	DEPARTMENT					ACCOUNT
GENERAL	ENGINEERING AND INSPECTION					506
PURPOSE AND DESCRIPTION						
<i>Provide management, administrative, and engineering oversight and support for Public Works/Utilities division, including Water, Wastewater, Streets, Parks, Code Enforcement, Building Inspections and Planning.</i>						
FY 11 ACCOMPLISHMENTS						
Active Storm Water Management Program (SWMP) followed under the guidelines of Texas Commission on Environmental Quality including updating the annual report for TPDES Phase II MS4 General Permit using in-house resources.						
Updated the Annual Water Conservation Report for the TCEQ using in-house resources.						
Managed planning, design and construction of various Capital Improvement Projects totaling approximately \$2.5 million.						
Continued use of the "My Fix It" service request tracker for storing all resident requests or concerns regarding road repair, code enforcement, or any other infrastructure issue. This Web-based system maintains an inventory of all outstanding requests and allows the registered resident to monitor the progress of their request.						
Reviewed and approved construction plans for the Shores of Cedar Glen Addition. The project is currently 90% constructed.						
Worked with attorney, and developer on MMD legislation and a developer's agreement.						
STRATEGIES AND GOALS						
Continually evaluate the Master Thoroughfare Plan to provide citizens with the optimum type, mode, and expediency of travel.						
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 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Building Permits Issued	142	23	40	35	31	
Building Inspections Conducted	597	698	800	721	721	
Projects reviewed (Development)	NA	NA	75	60	8	
Permit Plan reviews	NA	NA	70	80	120	
My Fix It completed requests	NA	NA	NA	NA	35	
NA = Not Available						
ENGINEERING AND INSPECTION EXPENDITURE SUMMARY						
Description	Adopted Budget FY2008	Adopted Budget FY2009	Amended Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/ Decrease
Personnel Services	\$ 375,200	\$ 360,133	\$ 377,600	\$ 382,400	\$ 271,900	-41%
Supplies & Services	12,975	13,730	17,625	16,125	18,050	11%
Operational	38,000	38,000	38,500	49,000	52,000	6%
Materials & Equipment	7,000	8,837	8,000	8,000	7,500	-7%
Capital Outlay	25,500	2,000	2,000	500	1,600	69%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

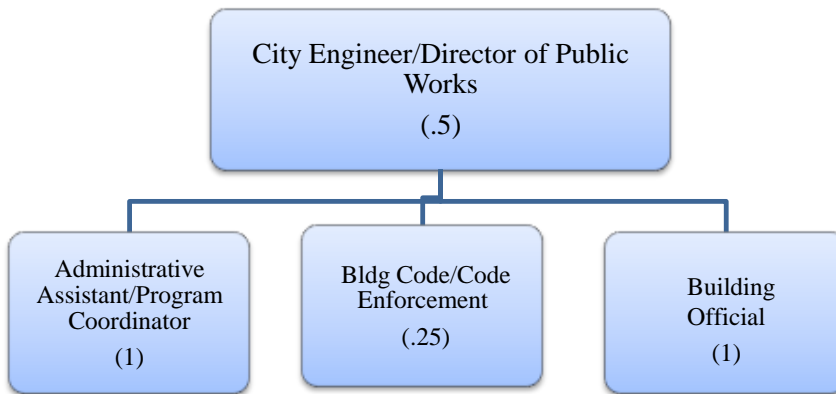
APPROVED BUDGET FY 2012



FY 2008 - FY 2012



PUBLIC WORKS ENGINEERING AND INSPECTION DEPARTMENT 01-506



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	4.5	4.5	4.5	3.5	2.75
Continuous Part-Time	-	-	-	0.5	-
Seasonal	-	-	-	-	-
<i>Total</i>	4.5	4.5	4.5	4.0	2.75

CITY OF HEATH
Annual Operating Budget
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Engineering & Inspections Division

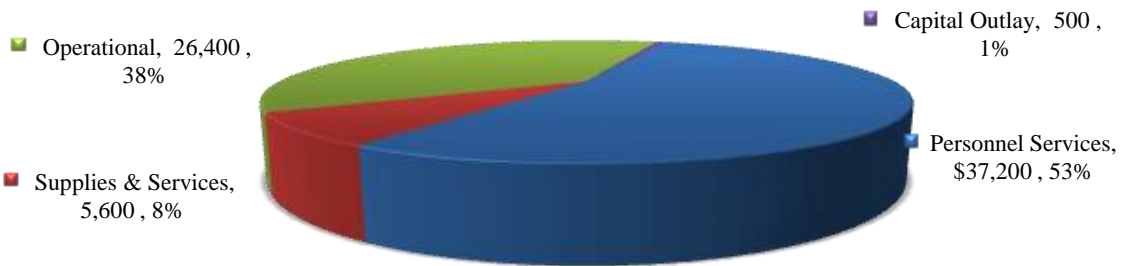
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Engineering & Inspections Division</i>						
506-101	Salaries	230,294	261,400	261,400	219,348	194,800
506-102	Health Insurance	49,849	64,400	64,400	39,202	37,000
506-103	Workers' Comp Insurance	1,295	1,600	1,600	957	900
506-104	Overtime	2,347	3,200	3,200	875	3,200
506-105	FICA	15,462	20,300	20,300	17,078	15,200
506-106	Retirement (TMRS)	24,006	28,800	28,800	24,176	18,800
506-107	Unemployment	1,027	2,700	2,700	1,092	2,000
506-109	Temporary	21,815	0	0	0	0
	<i>Total - Personnel Services</i>	<i>346,095</i>	<i>382,400</i>	<i>382,400</i>	<i>302,729</i>	<i>271,900</i>
506-204	Telecommunications	4,081	3,000	3,000	1,181	2,000
506-220	Office Supplies	2,567	1,800	1,800	2,495	1,800
506-221	Postage & Freight	654	1,800	1,800	1,407	1,800
506-222	Printing & Photo	15	3,000	3,000	305	3,000
506-230	Dues/Subscriptions/Publication	1,105	950	950	1,330	2,200
506-231	Conferences & Training	1,966	2,050	2,050	1,130	3,450
506-232	Travel, Meals & Lodging	835	2,300	2,300	932	2,500
506-233	Medical Services	110	450	450	0	450
506-234	Uniforms	0	775	775	1,065	850
	<i>Total - Supplies & Services</i>	<i>11,333</i>	<i>16,125</i>	<i>16,125</i>	<i>9,845</i>	<i>18,050</i>
506-311	Legal Publications/Advertising	1,102	3,000	3,000	249	3,000
506-342	Professional Fees/Consultants	4,406	4,500	4,500	3,125	6,000
506-344	Engineering	13,058	8,500	8,500	18,915	8,500
506-349	Contract Inspections	11,275	15,000	12,300	4,745	15,000
506-353	Code Enforcement	-471	5,000	5,000	1,430	6,500
506-369	Contract Drafting	11,270	10,000	10,000	4,865	10,000
506-399	Miscellaneous Expense	371	3,000	3,000	1,332	3,000
	<i>Total - Operational Items</i>	<i>41,011</i>	<i>49,000</i>	<i>46,300</i>	<i>34,661</i>	<i>52,000</i>
506-415	Hand Tools	29	500	500	188	500
506-441	Auto Repair & Maintenance	1,246	1,000	1,000	977	1,000
506-442	Gas, Oil & Fuel	7,362	6,500	6,500	2,902	6,000
	<i>Total - Materials & Equipment</i>	<i>8,637</i>	<i>8,000</i>	<i>8,000</i>	<i>4,067</i>	<i>7,500</i>
506-501	Office Furniture/Fixtures/Equip	0	500	3,200	3,537	1,000
506-502	Computer Equipment	0	0	0	0	600
506-503	Mobile Equipment	0	0	0	0	0
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>500</i>	<i>3,200</i>	<i>3,537</i>	<i>1,600</i>
	<i>Total - Engineering & Inspections Division</i>	<i>407,076</i>	<i>456,025</i>	<i>456,025</i>	<i>354,838</i>	<i>351,050</i>

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

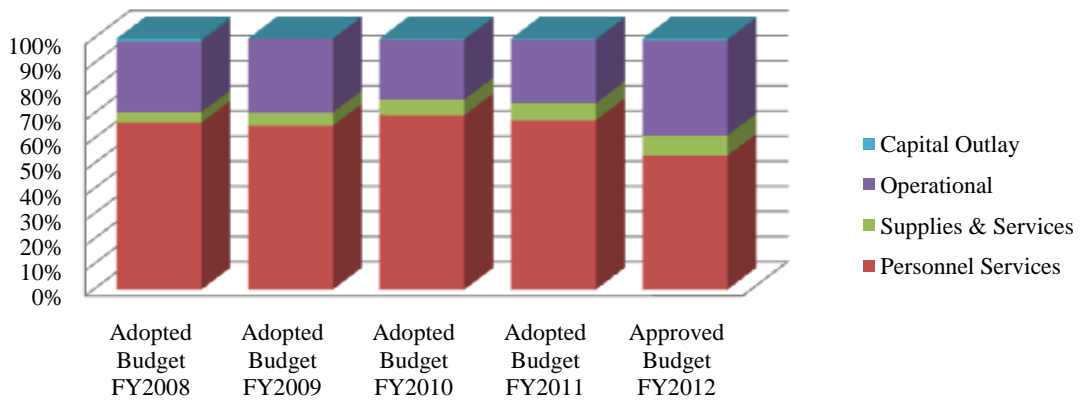
FUND GENERAL	DEPARTMENT MUNICIPAL COURT				ACCOUNT 508	
PURPOSE AND DESCRIPTION						
<i>Assist the public in a positive and friendly manner that assures fair and quality service. To provide professional court proceedings which follow all applicable laws and ensure the rights of all persons are observed.</i>						
FY 11 ACCOMPLISHMENTS						
Continue implementation of automated electronic ticketing system.						
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 all facets of municipal court.						
Continually foster an environment for the safety of defendants and court personnel.						
PERFORMANCE INDICATORS						
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Citations (Number)	794	893	639	438	529	
Jury Trial	0	1	3	0	1	
Warrants Issued	254	388	101	47	26	
Warrants Released	81	154	52	57	93	
MUNICIPAL COURT EXPENDITURE SUMMARY						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 56,750	\$ 61,030	\$ 76,900	\$ 70,400	\$ 37,200	-89%
Supplies & Services	3,500	4,935	6,850	7,000	5,600	-25%
Operational	24,050	27,525	26,400	26,400	26,400	0%
Capital Outlay	1,000	-	500	500	500	0%

**CITY OF HEATH
Annual Operating Budget
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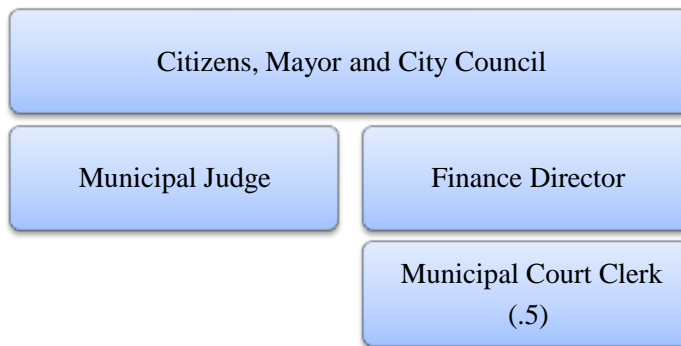
Approved Budget FY 2012



FY 2008 - FY 2012



MUNICIPAL COURT 01-508



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1	1	1	1	0.5
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0.5</u>

CITY OF HEATH
Annual Operating Budget
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Municipal Court

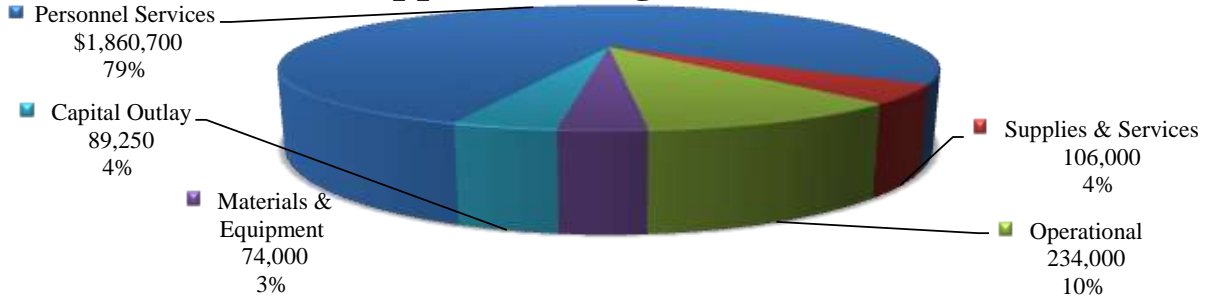
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Adopted</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>General Fund expenditures authorized for Municipal Court Division</i>						
508-101	Salaries	44,156	51,100	51,100	45,400	27,100
508-102	Health Insurance	6,738	8,400	8,400	8,274	4,500
508-103	Workers' Comp Insurance	281	400	400	208	200
508-104	Overtime	129	500	500	0	300
508-105	FICA	3,334	4,000	4,000	3,543	2,300
508-106	Retirement (TMRS)	4,360	5,500	5,500	4,912	2,500
508-107	Unemployment	513	500	500	202	300
	<i>Total - Personnel Services</i>	<i>59,511</i>	<i>70,400</i>	<i>70,400</i>	<i>62,539</i>	<i>37,200</i>
508-204	Telecommunications	847	400	400	273	500
508-220	Office Supplies	556	2,500	2,500	768	1,500
508-221	Postage & Freight	581	1,000	1,000	467	1,000
508-222	Printing & Photo	0	500	500	0	500
508-230	Dues/Subscriptions/Publication	90	100	100	0	100
508-231	Conferences & Training	450	1,000	1,000	128	500
508-232	Travel, Meals, & Lodging	544	500	500	86	500
508-251	ETS Credit Card Charges	870	1,000	1,000	958	1,000
	<i>Total - Supplies & Services</i>	<i>3,938</i>	<i>7,000</i>	<i>7,000</i>	<i>2,680</i>	<i>5,600</i>
508-334	Professional Services/ Judges	8,450	10,500	10,500	8,450	10,500
508-335	Jury Expenses	0	1,000	1,000	0	1,000
508-342	Professional Court Services	12,626	13,900	13,900	12,730	13,900
508-352	Warrant Officer Expense	0	500	500	0	500
508-399	Miscellaneous Expense	10	500	500	0	500
	<i>Total - Operational Items</i>	<i>21,086</i>	<i>26,400</i>	<i>26,400</i>	<i>21,180</i>	<i>26,400</i>
508-501	Office Furniture/Fixtures/Equipment	0	500	500	0	500
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>0</i>	<i>500</i>
	<i>Total - Municipal Court Division</i>	<i>84,535</i>	<i>104,300</i>	<i>104,300</i>	<i>86,399</i>	<i>69,700</i>

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

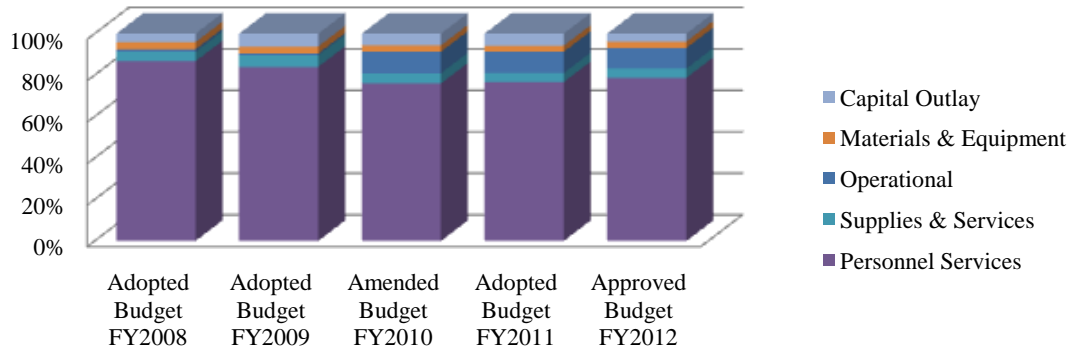
FUND GENERAL	DEPARTMENT PUBLIC SAFETY					ACCOUNT 509
PURPOSE AND DESCRIPTION						
<i>Provide quality law enforcement and fire services to the community including fire extinguishment, rescue, emergency medical treatment, fire prevention, education and safety training.</i>						
FY 11 ACCOMPLISHMENTS						
<p>Heath DPS worked with other agencies, including the Rockwall Police Department, to help break a theft ring of heavy agricultural equipment which had been linked to organized criminal activity in at least three states.</p> <p>Heath DPS 911 Alert System for DPS updates, weather feeds, and emergency resources became available on the City Website and/or delivered to requestor's inbox.</p> <p>Heath DPS officers continued participation in local charitable events including Helping Hands Chili Cook-off, Students Serving Others, and Rockwall Pushups for Charity Challenge.</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 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Average Response (minutes)	5.04	5.04	5.04	5.04	5.04	
Police						
Physical Arrests	84	53	58	43	22	
Burglary	23	38	14	32	16	
Robbery	0	0	0	0	0	
Theft	82	54	48	50	31	
Traffic Violations	170	189	147	185	198	
Fire						
Emergency Responses	253	316	149	210	225	
Fires Extinguished	9	9	7	10	25	
Inspections	30	48	52	60	60	
PUBLIC SAFETY						
	<i>Adopted Budget</i>	<i>Adopted Budget</i>	<i>Amended Budget</i>	<i>Adopted Budget</i>	<i>Approved Budget</i>	<i>% Increase/ Decrease</i>
Description	FY2008	FY2009	FY2010	FY2011	FY2012	
Personnel Services	\$ 1,768,700	\$ 1,889,509	\$ 1,789,100	\$ 1,874,500	\$ 1,860,700	-1%
Supplies & Services	93,900	126,744	116,800	106,800	106,000	-1%
Operational	24,050	18,500	244,500	251,000	234,000	-7%
Materials & Equipment	70,300	75,800	71,800	71,800	74,000	3%
Capital Outlay	83,500	138,775	133,000	142,500	89,250	-60%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

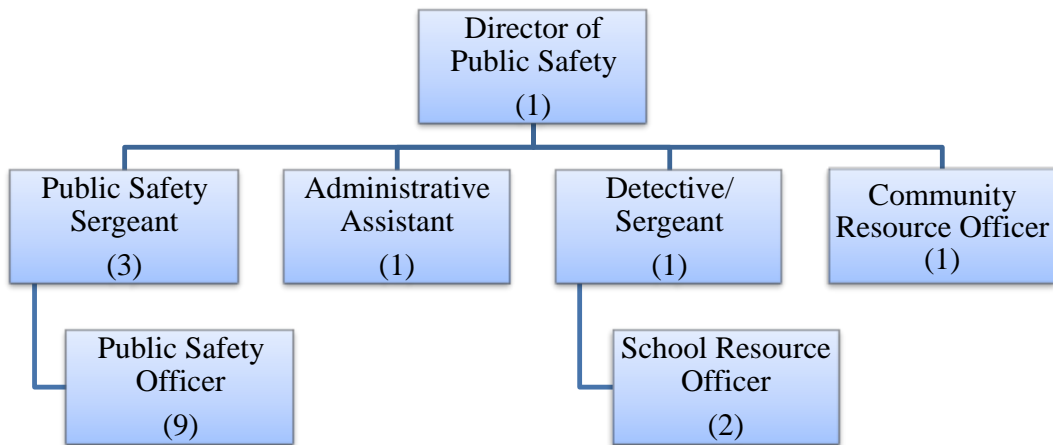
Approved Budget FY 2012



FY 2008 - FY 2012



PUBLIC SAFETY 01-509



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	19	20	18	18	18
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
Total	19	20	18	18	18

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Public Safety Division

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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 Public Safety Division						
509-101	Salaries	1,184,664	1,182,000	1,182,000	1,162,658	1,202,400
509-101	Salaries - Reserved for Grant Funded Positio	0	25,000	25,000	0	0
509-102	Health Insurance	207,371	271,800	271,800	251,934	289,400
509-103	Workers' Comp Insurance	36,876	41,500	41,500	27,261	28,000
509-104	Overtime	59,584	75,000	75,000	57,921	75,000
509-105	FICA	92,586	98,600	98,600	94,365	100,200
509-106	Retirement (TMRS)	130,354	140,000	140,000	140,148	124,400
509-107	Unemployment	3,795	8,600	8,600	3,478	9,300
509-110	Certification Compensation	15,812	25,000	25,000	17,955	25,000
509-111	VFD Incentive Compensation	0	7,000	7,000	4,667	7,000
	Total - Personnel Services	1,731,043	1,874,500	1,874,500	1,760,386	1,860,700
509-201	Electric Service	3,949	5,000	5,000	2,796	4,400
509-204	Telecommunications	19,071	10,000	12,700	13,992	15,600
509-210	Property & Liability Insurance	11,162	11,500	8,800	8,716	11,500
509-220	Office Supplies	5,153	4,000	4,000	4,408	4,000
509-221	Postage & Freight	173	800	800	215	500
509-222	Printing & Photo	1,427	2,000	2,000	1,842	1,500
509-224	Janitorial Services & Supplies	4	500	500	4	500
509-225	Crime Prevention	657	4,000	4,000	2,347	3,000
509-230	Dues/Subscriptions/Publication	7,495	6,000	6,000	6,909	7,000
509-231	Conferences & Training	13,109	15,000	15,000	12,799	13,000
509-232	Travel, Meals, Lodging	2,961	12,000	12,000	3,627	10,000
509-233	Medical Supplies	1,069	3,000	3,000	2,625	2,000
509-234	Uniforms	10,751	15,000	15,000	9,192	15,000
509-235	Heavy Uniform Equipment	10,958	18,000	20,200	20,505	18,000
	Total - Supplies & Services	87,939	106,800	109,000	89,976	106,000
509-311	Legal Publications/Advertising	60	1,000	1,000	0	500
509-330	Special Events	1,998	3,000	3,000	913	2,000
509-331	Crime Scene Expenses	2,091	3,000	3,000	4,659	2,000
509-332	Radio Maint & Operations (InterLocal)	48,748	56,000	56,000	43,366	46,000
509-342	Professional Fees / Consultant	554	1,000	1,400	1,516	1,500
509-346	Jail Services	991	4,000	3,600	967	2,000
509-347	Communications / Dispatch (InterLocal)	79,650	85,000	82,800	79,650	80,000
509-348	Animal Control (InterLocal)	47,722	51,000	51,000	48,852	55,000
509-357	EMS Contract Fees (InterLocal)	28,890	32,000	32,000	27,624	28,000
509-360	Other Operational Supplies	3,384	3,500	3,500	3,157	3,500
509-364	Emergency Mgmt Services (InterLocal)	15,277	9,000	9,000	8,183	11,000
509-399	Miscellaneous Expense	353	2,500	2,500	1,800	2,500
	Total - Operational Items	229,718	251,000	248,800	220,686	234,000
509-415	Hand Tools	3,819	10,000	10,000	6,159	10,000
509-440	Equipment Repair & Maintenance	3,329	6,800	7,300	7,164	6,000
509-441	Auto Repair & Maintenance	25,463	20,000	19,500	17,191	20,000

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Public Safety Division

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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 Public Safety Division</i>						
509-442	Gas, Oil & Fuel	19,866	30,000	30,000	31,635	33,000
509-443	Structure Repair & Maintenance	7,090	5,000	5,000	2,507	5,000
	<i>Total - Materials & Equipment</i>	<i>59,568</i>	<i>71,800</i>	<i>71,800</i>	<i>64,656</i>	<i>74,000</i>
509-501	Office Furniture/Fixtures/Equip	540	4,000	4,000	3,915	2,000
509-502	Computer Equipment	306	7,500	7,500	7,234	7,500
509-503	Mobile Equipment	8,586	15,000	369,500	365,842	15,000
509-504	Firefighting Equipment	0	12,000	13,500	14,254	15,000
509-511	Police Vehicle Accessory Equip	44,256	48,000	48,000	47,108	24,000
509-512	Buildings	39	0	0	0	0
509-532	Vehicles	52,454	56,000	54,500	51,353	25,750
	<i>Total - Capital Outlay</i>	<i>106,181</i>	<i>142,500</i>	<i>497,000</i>	<i>489,705</i>	<i>89,250</i>
	<i>Total - Public Safety Division</i>	<i>2,214,448</i>	<i>2,446,600</i>	<i>2,801,100</i>	<i>2,625,408</i>	<i>2,363,950</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

FUND	DEPARTMENT	ACCOUNT
GENERAL	CITY COUNCIL	540

PURPOSE AND DESCRIPTION

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.

FY 11 ACCOMPLISHMENTS

Conducted citizen survey on desired future projects to aid City Council in decision making.

The City was awarded the Scenic City Certification by Scenic Texas, an organization dedicated to supporting and recognizing Texas municipalities that implement high-quality scenic standards for public roadways and public spaces.

Began Special Recognition for Veterans returning from active duty during the opening of City Council meetings.

Updated Masonry requirements for Heath structures.

Established and achieved the goal of maintaining quality services without a change to the ad valorem tax rate.

The annual City Council retreat was successful. Long-range strategic planning, goal setting and education were important items discussed.

STRATEGIES AND GOALS

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.

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.

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.

Promote effective and timely delivery of high-quality services, allocate resources to meet the current and future needs of the community.

Provide highly qualified personnel properly trained and motivated to serve the residents of Heath.

Conduct annual citizen survey to aid City Council in decision making.

PERFORMANCE INDICATORS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Council Meetings with 100% Council Attendance	NA	NA	18	12	11
Board and Commission applications received	NA	NA	15	7	5
Zoning items considered	NA	NA	19	24	17
Citizens heard at Council meetings	NA	NA	35	51	58

NA = Not Available

CITY COUNCIL

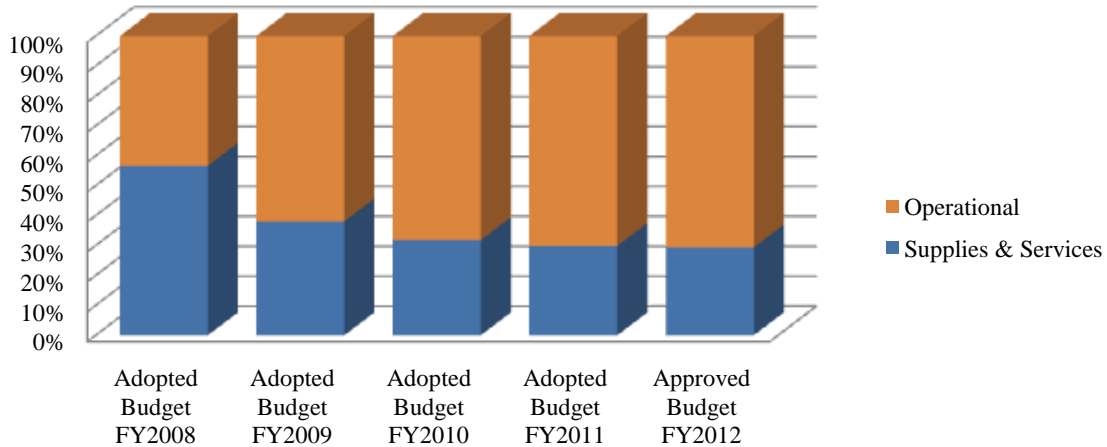
Description	<i>Adopted</i>		<i>Adopted</i>		<i>Approved</i>		% Increase/ Decrease
	Budget FY2008	Adopted Budget FY2009	Adopted Budget FY2010	Budget FY2011	Budget FY2012		
Supplies & Services	\$ 26,750	\$ 15,550	\$ 13,400	\$ 11,350	\$ 11,600	-18%	
Operational	20,500	25,300	28,750	26,650	28,000	-8%	

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

Approved Budget FY 2012



FY 2008 - FY 2012



City Council

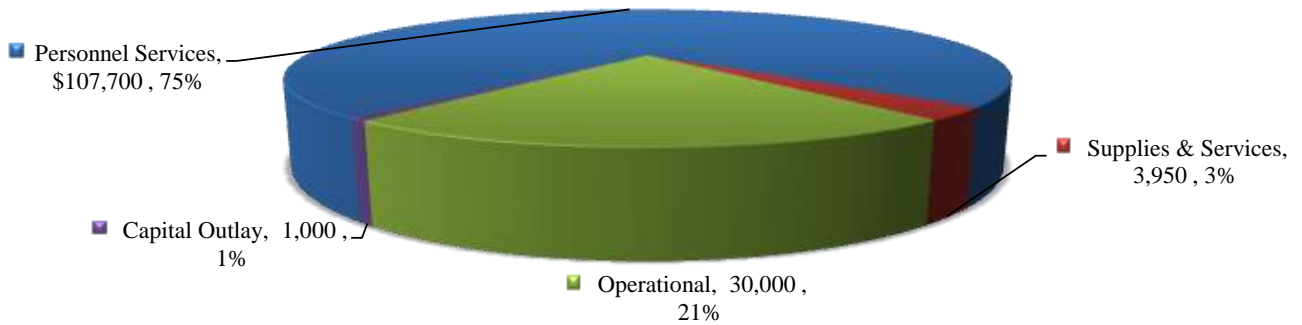
		<i>F'09-10 Actual</i>	<i>F'10-11 Adopted Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
General Fund expenditures authorized for City Council Division						
540-204	Telecommunications	2,659	2,000	2,000	1,455	2,000
540-220	Office Supplies	150	250	250	645	500
540-221	Postage & Freight	16	100	100	7	100
540-222	Printing & Photo	0	2,000	2,000	1,811	2,000
540-231	Conferences & Training	1,100	2,500	2,500	1,635	2,500
540-232	Travel, Meals, Lodging	2,844	4,500	4,500	2,819	4,500
	Total - Supplies & Services	6,769	11,350	11,350	8,372	11,600
540-340	Audit Services	26,472	26,650	26,650	26,650	28,000
	Total - Operational Items	26,472	26,650	26,650	26,650	28,000
	Total - City Council Division	33,241	38,000	38,000	35,022	39,600

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

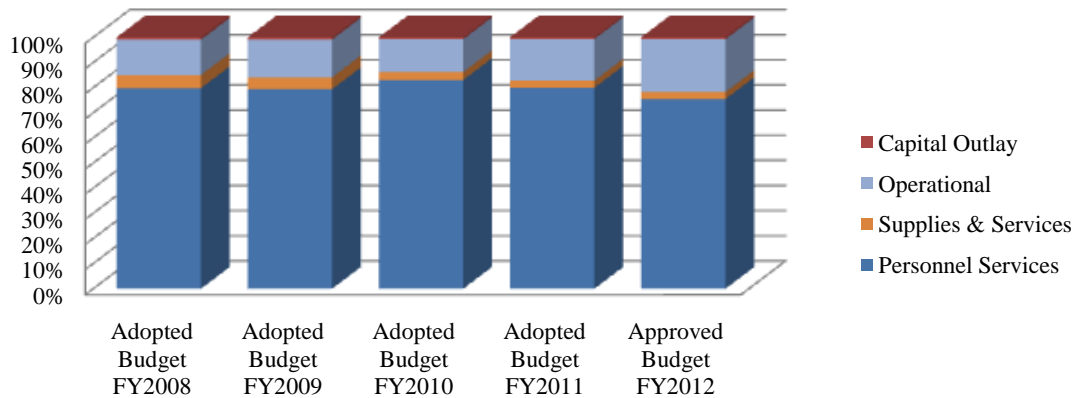
FUND GENERAL	DEPARTMENT CITY SECRETARY				ACCOUNT 543	
PURPOSE AND DESCRIPTION						
<i>Facilitate, support, and enhance official council business and communications between the council, staff, press, and the citizens through preparation of City Council agendas, meetings, and minutes; elections; open records requests, and records management.</i>						
FY 11 ACCOMPLISHMENTS						
Revised filing system and arrangement of files for more efficient record retrieval.						
Conducted retention training for staff.						
Completed NIMS training.						
Briefed City Council on legislation related to election schedules.						
Managed required selection of official City newspaper.						
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 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Agenda/Meeting packets prepared	NA	52	52	66	62	
Ordinances prepared	NA	29	25	20	22	
Proclamations prepared	NA	12	11	13	15	
Resolutions prepared	NA	38	45	23	31	
Elections administered	1	2	1	1	1	
Minutes submitted/ approved at next Council meeting	NA	27	27	25	22	
Public Information requests	NA	NA	30	235*	316*	
*Reflects City-wide public information requests. Prior years reflected only City Secretary Department. NA = Not Available						
CITY SECRETARY						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 90,900	\$ 97,647	\$ 96,900	\$ 100,200	\$ 107,700	7%
Supplies & Services	5,950	5,835	3,700	3,550	3,950	10%
Operational	16,000	18,500	15,250	20,700	30,000	31%
Capital Outlay	1,000	1,000	800	800	1,000	20%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

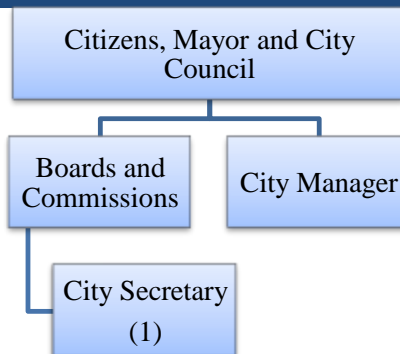
Approved Budget FY 2012



FY 2008 - FY 2012



CITY SECRETARY 01-543



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1	1	1	1	1
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

City Secretary

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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	72,249	72,100	72,100	76,247	79,000
543-102	Health Insurance	11,533	13,700	13,700	13,248	14,100
543-103	Workers Comp Insurance	225	400	400	156	300
543-105	FICA	5,326	5,600	5,600	5,792	6,100
543-106	Retirement (TMRS)	7,498	7,900	7,900	8,503	7,600
543-107	Unemployment	307	500	500	202	600
	<i>Total - Personnel Services</i>	<i>97,138</i>	<i>100,200</i>	<i>100,200</i>	<i>104,148</i>	<i>107,700</i>
543-204	Telecommunications	847	450	450	273	450
543-220	Office Supplies	384	600	600	321	1,000
543-221	Postage & Freight	196	350	350	130	350
543-222	Printing & Photo	46	500	500	16	500
543-230	Dues/Subscriptions/Publications	318	400	400	280	400
543-231	Conferences & Training	40	750	750	975	750
543-232	Travel, Meals, Lodging	482	500	500	359	500
	<i>Total - Supplies & Services</i>	<i>2,313</i>	<i>3,550</i>	<i>3,550</i>	<i>2,354</i>	<i>3,950</i>
543-310	Filing Fees	1,778	2,700	2,700	1,925	3,000
543-311	Legal Publications/Advertising	3,953	5,500	5,500	2,905	6,500
543-320	Elections	150	10,000	10,000	6,600	17,000
543-342	Professional Fees/ Consultants	806	2,500	2,500	350	3,500
	<i>Total - Operational Items</i>	<i>6,687</i>	<i>20,700</i>	<i>20,700</i>	<i>11,780</i>	<i>30,000</i>
543-501	Office Furniture/Fixtures/Equipment	0	800	800	20	1,000
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>800</i>	<i>800</i>	<i>20</i>	<i>1,000</i>
	<i>Total - City Secretary Division</i>	<i>106,138</i>	<i>125,250</i>	<i>125,250</i>	<i>118,302</i>	<i>142,650</i>

City Attorney

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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	1	0	0	0	0
	<i>Total - Supplies & Services</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
546-341	Legal Services	34,293	36,000	36,000	29,906	36,000
	<i>Total - Operational Items</i>	<i>34,293</i>	<i>36,000</i>	<i>36,000</i>	<i>29,906</i>	<i>36,000</i>
	<i>Total - City Attorney Division</i>	<i>34,294</i>	<i>36,000</i>	<i>36,000</i>	<i>29,906</i>	<i>36,000</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

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 11 ACCOMPLISHMENTS

- Worked with attorney, and developer on MMD legislation and a developer's agreement.
- Managed inter-local relations regarding FM 740 improvements.
- The City was awarded the Scenic City Certification by Scenic Texas, an organization dedicated to supporting and recognizing Texas municipalities that implement high-quality scenic standards for public roadways and public spaces.
- Prepared significant annexation program.
- Updated EDC promotional materials and met with EDC representatives.
- 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, and municipal infrastructure.

PERFORMANCE INDICATORS

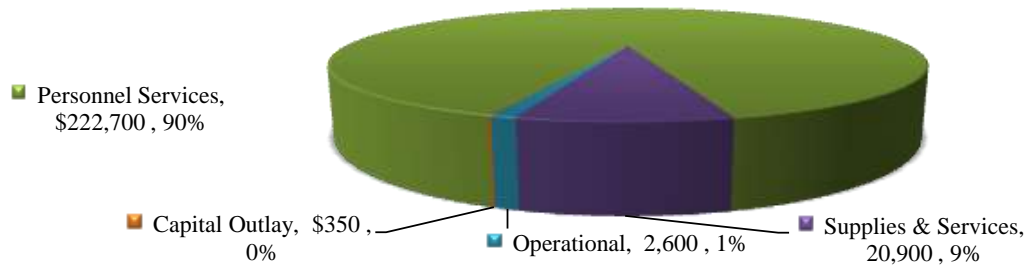
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Newsletters to Council, Staff, and citizens	12	12	12	12	12
Press releases issued	36	48	46	38	41
Meetings with local entities	80	100	100	104	115
Monthly financial reports to Council	12	12	12	12	12

CITY MANAGER

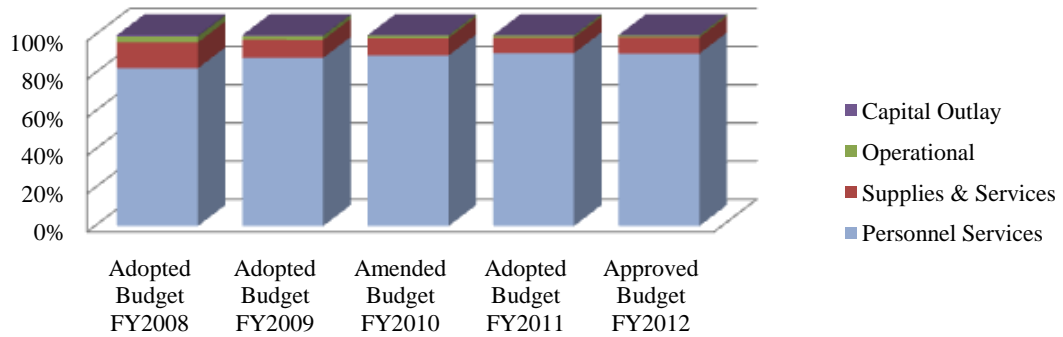
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Amended Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 238,000	\$ 253,501	\$ 216,300	\$ 221,800	\$ 222,700	0%
Supplies & Services	39,100	27,203	22,100	20,050	20,900	4%
Operational	9,000	6,000	3,150	2,700	2,600	-4%
Capital Outlay	2,000	1,000	500	500	350	-43%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

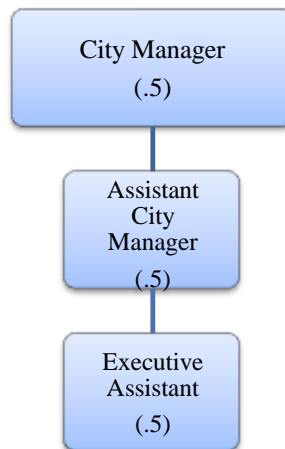
Approved Budget FY 2012



FY 2008 - FY 2012



CITY MANAGER 01-552



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	2	2	1.5	1.5	1.5
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	2	2	1.5	1.5	1.5

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

City Manager		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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	162,950	162,300	162,300	162,892	163,900
552-102	Health Insurance	23,037	27,300	27,300	27,065	29,000
552-103	Workers' Comp Insurance	507	600	600	354	500
552-104	Overtime	78	300	300	117	300
552-105	FICA	10,869	12,600	12,600	10,598	12,600
552-106	Retirement (TMRS)	17,633	17,900	17,900	18,216	15,600
552-107	Unemployment	513	800	800	126	800
	<i>Total - Personnel Services</i>	<i>215,588</i>	<i>221,800</i>	<i>221,800</i>	<i>219,368</i>	<i>222,700</i>
552-204	Telecommunications	968	550	550	600	1,500
552-220	Office Supplies	1,839	2,100	2,100	1,356	1,900
552-221	Postage & Freight	432	600	600	313	600
552-222	Printing & Photo	52	300	300	0	200
552-230	Dues/Subscriptions/Publication	4,555	4,000	4,000	5,388	4,200
552-231	Conferences & Training	4,081	4,500	4,500	2,775	4,500
552-232	Travel, Meals & Lodging	9,397	8,000	8,000	7,720	8,000
	<i>Total - Supplies & Services</i>	<i>21,323</i>	<i>20,050</i>	<i>20,050</i>	<i>18,152</i>	<i>20,900</i>
552-311	Legal Publications/Advertising	0	200	200	0	100
552-342	Professional Fees/Consultants	9	1,000	1,000	428	1,000
552-360	Other Operational Supplies	101	500	500	3	500
552-399	Miscellaneous Expense	150	1,000	1,000	279	1,000
	<i>Total - Operational Items</i>	<i>260</i>	<i>2,700</i>	<i>2,700</i>	<i>710</i>	<i>2,600</i>
552-442	Gas, Oil & Fuel	34	0	0	0	0
	<i>Total - Materials & Equipment</i>	<i>34</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
552-501	Office Furniture/Fixtures/Equipment	152	500	500	774	350
	<i>Total - Capital Outlay</i>	<i>152</i>	<i>500</i>	<i>500</i>	<i>774</i>	<i>350</i>
	<i>Total - City Manager Division</i>	<i>237,357</i>	<i>245,050</i>	<i>245,050</i>	<i>239,004</i>	<i>246,550</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

FUND	DEPARTMENT	ACCOUNT
GENERAL	FINANCE	555

PURPOSE AND DESCRIPTION

Provide high quality financial leadership, exercise fiduciary oversight, enhance customer service and promote public accountability.

FY 11 ACCOMPLISHMENTS

GFOA Distinguished Budget Presentation Award recipient, 2 years.

GFOA Comprehensive Annual Financial Statement Award Program recipient, 2 years.

GTOT Investment Policy Certification Program Certificate of Distinction since 2005.

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 generally accepted accounting standards.

PERFORMANCE INDICATORS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Close Financial by the 10th of next month	NA	80%	92%	92%	83%
GFOA Budget Award (in # of years)	0	0	0	1	2
GFOA CAFR Award (in # of years)	0	0	0	1	2
Investment Policy Certification (in # of years)	2	3	4	5	6
Audit Findings	2	0	0	0	NA

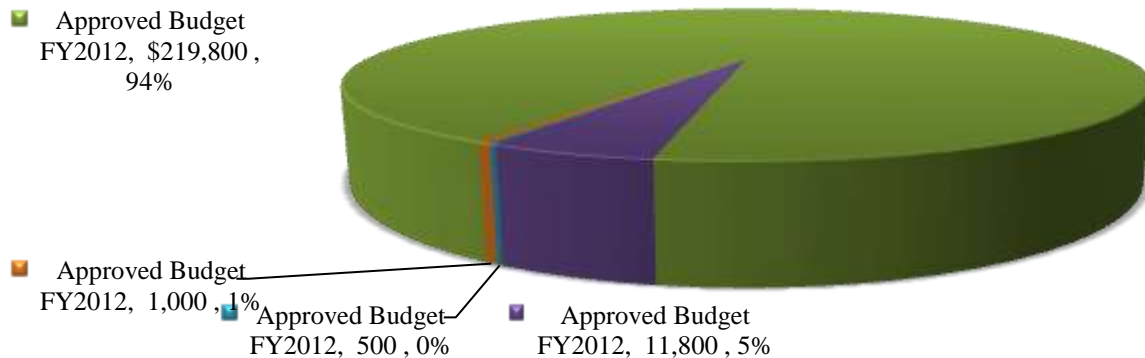
NA = Not Available

FINANCE

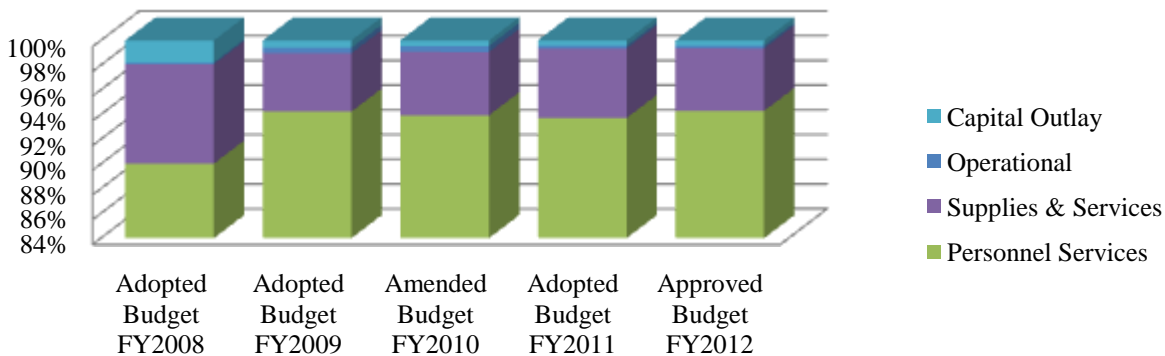
Description	Adopted Budget FY2008	Adopted Budget FY2009	Amended Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/ Decrease
Personnel Services	\$ 251,800	\$ 237,127	\$ 212,500	\$ 218,000	\$ 219,800	1%
Supplies & Services	22,500	11,886	11,600	13,100	11,800	-11%
Operational	365	1,100	1,100	500	500	0%
Capital Outlay	5,000	1,500	1,000	1,000	1,000	0%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

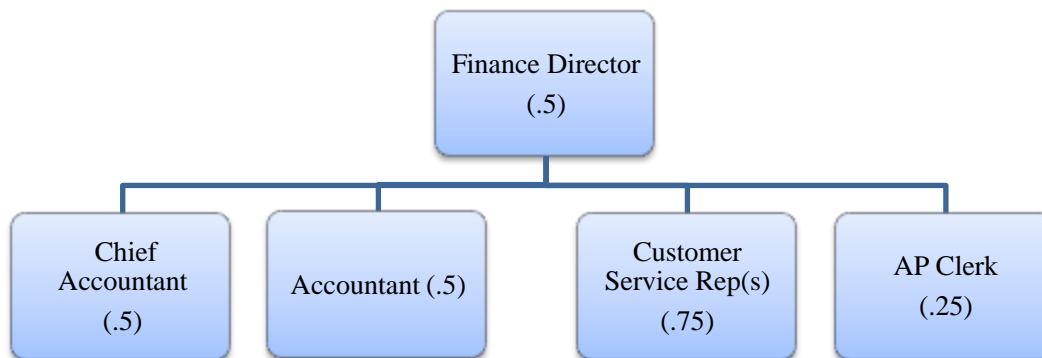
Approved Budget FY 2012



FY 2008 - FY 2012



FINANCE 01-555



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	3	2.5	2	2	2
Continuous Part-Time	0.5	1.0	0.5	0.5	0.5
Seasonal	-	-	-	-	-
<i>Total</i>	<u>3.5</u>	<u>3.5</u>	<u>2.5</u>	<u>2.5</u>	<u>2.5</u>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

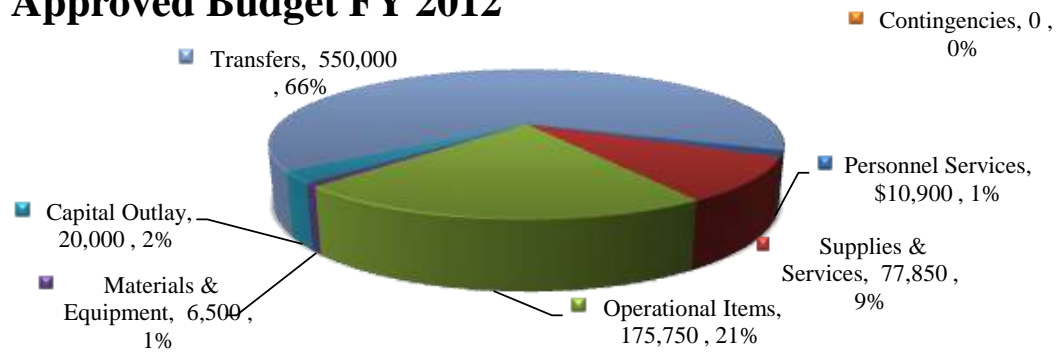
Finance

	<i>F'09-10 Actual</i>	<i>F'10-11 Adopted Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
<i>General Fund expenditures authorized for Finance Division</i>					
555-101 Salaries	152,394	155,100	155,100	153,712	157,800
555-102 Health Insurance	25,032	31,100	31,100	30,563	32,900
555-103 Workers' Comp Insurance	450	600	600	323	500
555-104 Overtime	61	1,400	1,400	8	500
555-105 FICA	11,217	12,200	12,200	11,638	12,200
555-106 Retirement (TMRS)	15,078	16,100	16,100	16,449	14,300
555-107 Unemployment	718	1,500	1,500	607	1,600
555-109 Temporary Help	529	0	0	0	0
<i>Total - Personnel Services</i>	<i>205,479</i>	<i>218,000</i>	<i>218,000</i>	<i>213,299</i>	<i>219,800</i>
555-204 Telecommunications	3,231	3,000	3,000	1,195	2,000
555-220 Office Supplies	1,663	2,500	2,500	2,005	2,000
555-221 Postage & Freight	990	1,000	1,000	1,200	1,200
555-222 Printing & Photo	4	0	0	0	0
555-230 Dues/Subscriptions/Publication	1,427	1,600	1,600	1,656	1,600
555-231 Conferences & Training	3,886	3,800	3,800	2,666	3,800
555-232 Travel, Meals & Lodging	984	1,200	1,200	1,088	1,200
<i>Total - Supplies & Services</i>	<i>12,184</i>	<i>13,100</i>	<i>13,100</i>	<i>9,810</i>	<i>11,800</i>
555-310 Filing Fees	536	0	0	0	0
555-399 Miscellaneous Expense	0	500	500	0	500
<i>Total - Operational Items</i>	<i>536</i>	<i>500</i>	<i>500</i>	<i>0</i>	<i>500</i>
555-501 Office Furniture/Fixtures/Equip	0	1,000	1,000	298	1,000
<i>Total - Capital Outlay</i>	<i>0</i>	<i>1,000</i>	<i>1,000</i>	<i>298</i>	<i>1,000</i>
<i>Total - Finance Division</i>	<i>218,200</i>	<i>232,600</i>	<i>232,600</i>	<i>223,407</i>	<i>233,100</i>

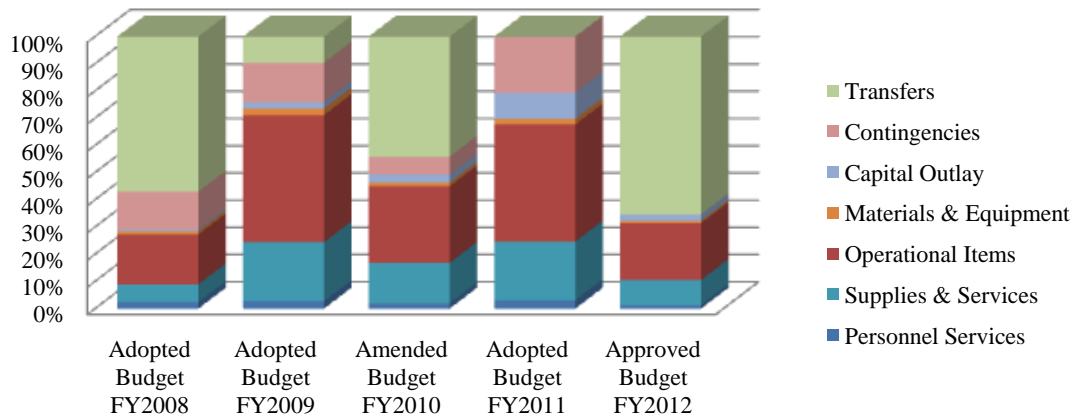
**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

FUND GENERAL	DEPARTMENT NON-DIVISIONAL					ACCOUNT 01-560
NON-DIVISIONAL						
Description	Adopted Budget FY2008	Adopted Budget FY2009	Amended Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/ Decrease
Personnel Services	\$ 17,500	\$ 11,165	\$ 11,100	\$ 11,100	\$ 10,900	-2%
Supplies & Services	48,250	90,425	84,200	78,600	77,850	-1%
Operational Items	135,250	194,333	159,300	156,400	175,750	11%
Materials & Equipment	9,000	10,000	7,500	7,500	6,500	-15%
Capital Outlay	5,000	10,000	17,000	35,000	20,000	-75%
Contingencies	101,900	60,000	37,000	75,000	0	-100%
Transfers	420,000	40,000	250,000	-	550,000	100%

Approved Budget FY 2012



FY 2008 - FY 2012



NON-DIVISIONAL 01-560

FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	-	-	-	-	-
Continuous Part-Time	-	-	-	-	-
Seasonal	0.5	0.5	0.5	0.5	0.5
Total	0.5	0.5	0.5	0.5	0.5

CITY OF HEATH
Annual Operating Budget
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Non-Divisional

	<i>F'09-10 Actual</i>	<i>F'10-11 Adopted Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
General Fund expenditures authorized for Non-Divisional Division					
560-103 Workers Comp	56	100	100	37	100
560-105 FICA	1,074	1,000	1,000	118	800
560-106 Retirement (TMRS)	393	0	0	0	0
560-109 Temporary Help	8,403	10,000	10,000	4,276	10,000
Total - Personnel Services	9,926	11,100	11,100	4,431	10,900
560-201 Electric Service	17,437	16,000	16,000	15,017	16,000
560-202 Gas Service	1,759	2,500	2,500	1,265	2,800
560-203 Water Service	2,777	2,200	2,200	1,585	2,000
560-204 Telecommunications	423	500	500	276	500
560-210 Property & Liability Insurance	17,966	18,600	15,000	14,930	19,000
560-220 Office Supplies	270	300	300	163	300
560-221 Postage & Freight	0	0	0	0	0
560-223 Community Center	3,765	4,500	4,500	2,617	3,250
560-224 Janitorial Service & Supplies	15,098	17,000	17,000	15,213	17,000
560-230 Dues/Subscriptions/Publication	4,029	4,500	4,500	4,013	4,500
560-260 Staff Development	8,609	12,500	8,500	7,247	12,500
Total - Supplies & Services	72,133	78,600	71,000	62,326	77,850
560-312 Newsletter	6,218	7,500	7,500	6,310	7,500
560-336 Risk Management Consulting	7,500	7,500	7,500	7,500	7,500
560-337 Human Resources Consulting	1,884	5,000	600	551	1,000
560-338 Public Relations	24,000	24,000	24,000	24,000	24,000
560-339 Takeline Administration	3	2,500	2,500	1,052	2,500
560-342 Professional Fees	4,995	4,000	7,000	6,748	4,000
560-343 Computer Maintenance Services	15,510	13,400	20,733	20,733	35,000
560-343 Incode Maintenance Services	20,858	17,800	25,133	26,563	20,000
560-343 Licenses, Software, Other	17,114	14,700	22,034	22,034	16,250
560-345 CAD Expense	47,054	48,000	47,000	44,833	48,000
560-356 Beautification	0	1,000	0	0	0
560-360 Other Operational Supplies	1,152	2,000	2,000	1,120	0
560-370 Maintenance & Repair Parts	113	1,000	1,000	509	2,000
560-398 Cash Long or Short	100	0	0	40	0
560-399 Miscellaneous Expense	6,261	8,000	8,000	8,602	8,000
Total - Operational Items	152,763	156,400	175,000	170,594	175,750
560-441 Auto Repair & Maintenance	152	2,000	1,000	14	1,000
560-442 Gas, Oil & Fuel	203	500	500	308	500
560-443 Structure Repair & Maintenance	2,329	5,000	5,000	4,489	5,000
Total - Materials & Equipment	2,684	7,500	6,500	4,811	6,500
560-502 Computer Equipment	1,466	30,000	20,000	15,954	15,000
560-519 Const Project - City Hall	0	5,000	5,000	0	5,000
560-532 Vehicles	0	0	25,000	21,017	0
560-542 Operational Contingency	0	65,000	65,000	0	0
Total - Capital Outlay	1,466	100,000	115,000	36,971	20,000
560-802 Transfer to CIP	1,000	0	0	0	0
560-840 Transfer to Debt Service	250,000	0	0	0	550,000
Total - Transfers	251,000	0	0	0	550,000
Total - General Fund Non-Divisional	489,972	353,600	378,600	279,134	841,000



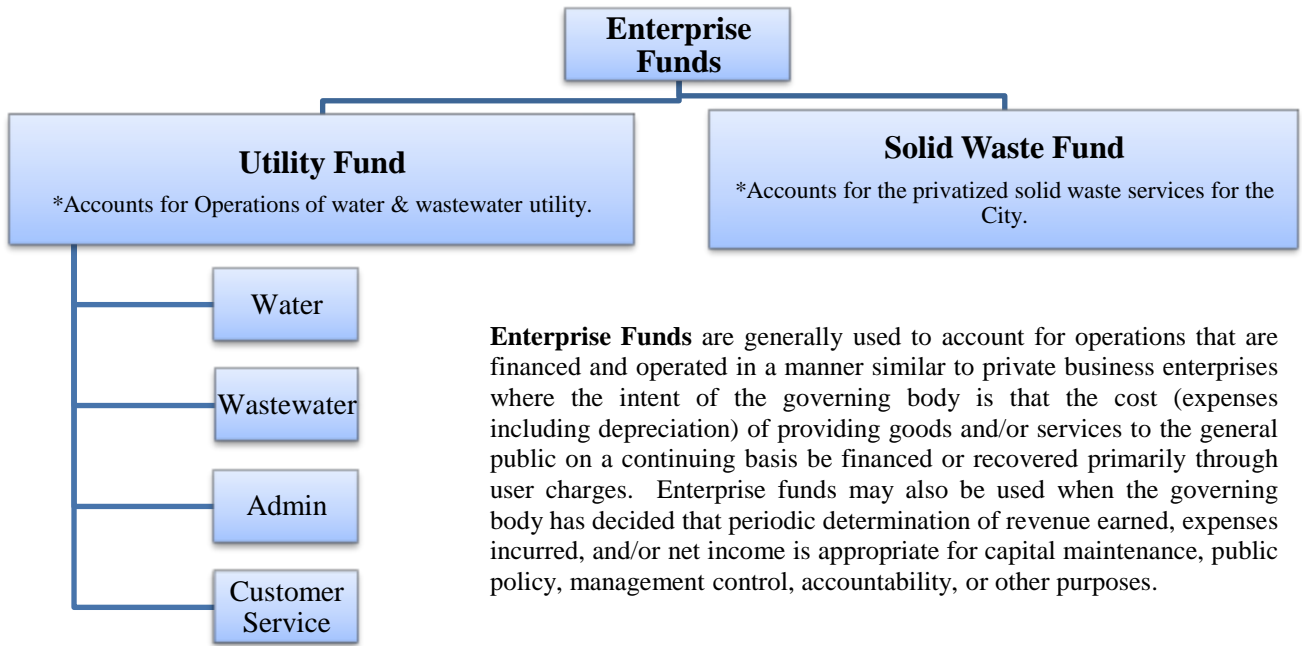
CITY OF HEATH

ENTERPRISE FUND SUMMARIES

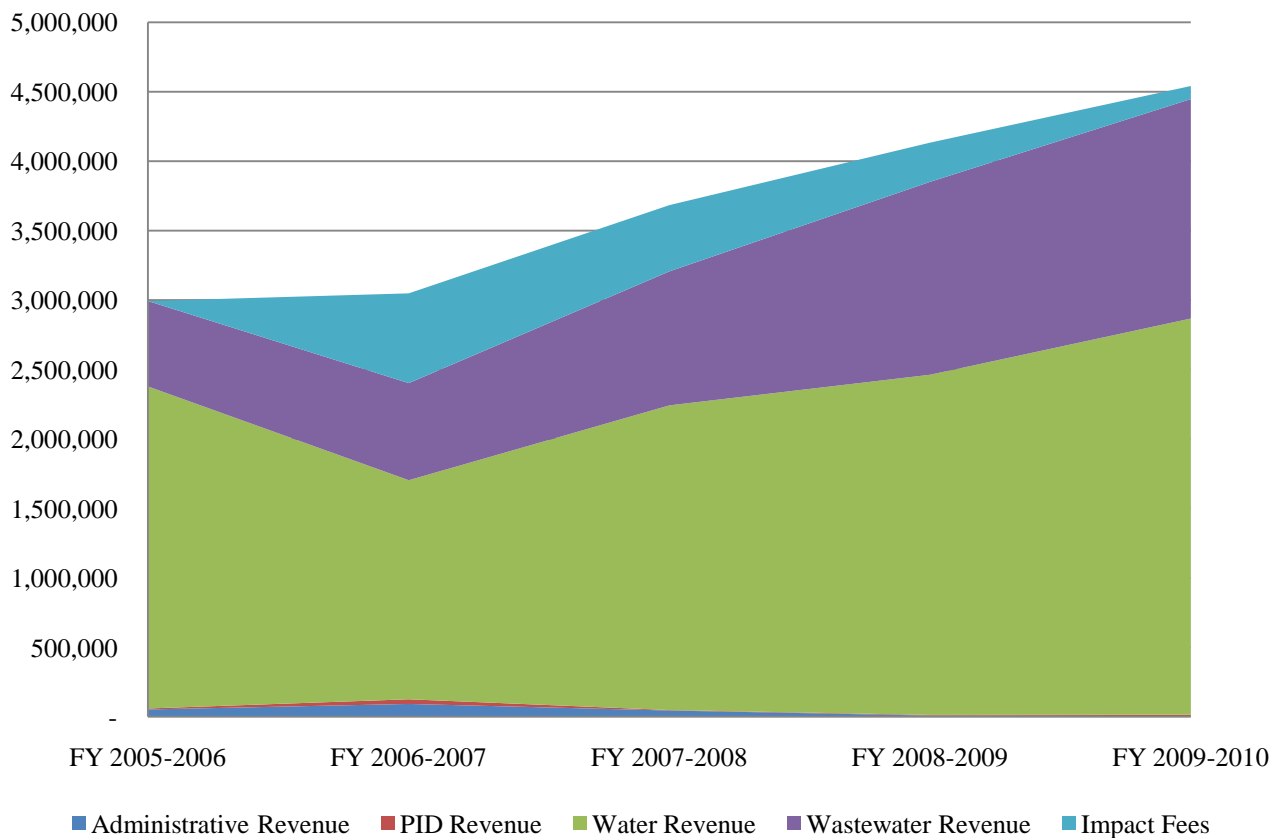
The Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered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

**CITY OF HEATH
Annual Operating Budget
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ENTERPRISE FUND OVERVIEW



UTILITY FUND MAJOR REVENUE



**CITY OF HEATH
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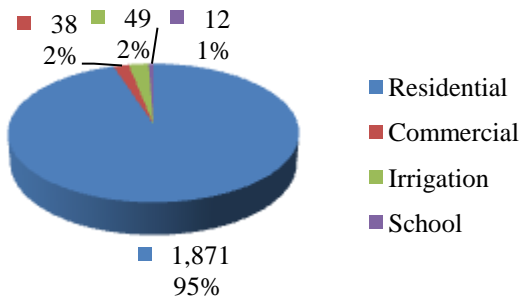
ENTERPRISE FUND OVERVIEW

WATER UTILITIES

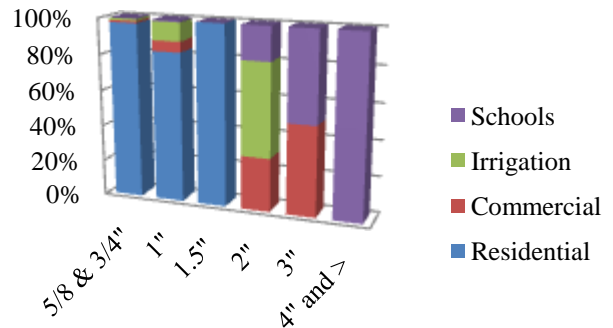
A Utility Rate Study of Water and Sewer Fees for a five year period from 2010 to 2014 was prepared by Willis, Graves & Associates, Inc. of Austin, Texas, in January 2010. The purpose of this study was to "determine rates necessary to recover the City's revenue requirements for utility services, and to ensure that those rates are equitably apportioned among the City's customers. 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, and
6. Refunding debt feasibility.

Water Service by Type



Water Meter Size by Service Type



Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
A. Average number of customers B. Average Monthly Consumption C. Base Rate Increase D. Volume Increase passed thru from NTMWD	1. 1% idle meters 2. 1% uncollectable 3. NTMWD fee increase 4. No refunding option	A. 1,930 B. 19 C. 0.12 D. 0.13	\$ 2,640,000	\$ 2,830,000

RECOMMENDATION: Incorporate base rate increase as recommended by the Utility Rate Study and pass thru NTMWD volume rate increase to cover the cost of providing water services.

Detailed Assumptions:

1. Idle 5/8" meters: 25. Idle 1": 0.
2. NTMWD: A rate increase of 13 cents per 1,000 gallons was passed to customers for FY2012.
3. Health insurance benefits projected to increase 15%.
4. A one time \$1,000 per employee incentive is included in the salary budget.

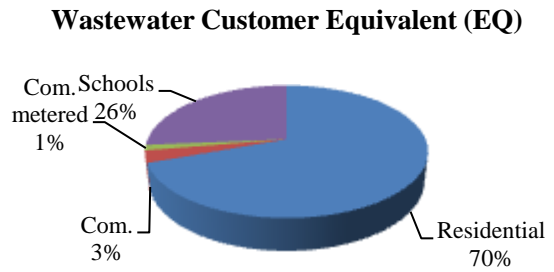
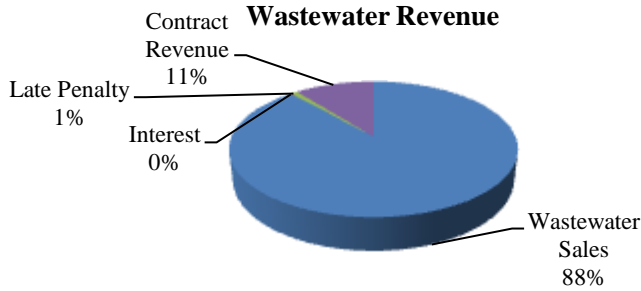
**CITY OF HEATH
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ENTERPRISE FUND OVERVIEW

WASTEWATER UTILITIES

Historically, the Wastewater Utility Fund has been subsidized by the Water Utility Fund. A Utility Rate Study of Water and Sewer Fees for a five year period from 2010 to 2014 was prepared by Willis, Graves & Associates, Inc. of Austin, Texas, in January 2010, with a recommended rate design to "eliminate remaining cross-subsidy of sewer by water over a four year period. 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, and
6. Estimation annual inflation rate.



Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
A. Number of Residential Customers	1. 1% idle meters	A. 1829	\$ 1,479,054	\$ 1,577,000
B. Commercial Customer Equivalent	2. 1% uncollectable	B. 77.40		
C. Comm. metered Customer Equiv.	3. NTMWD fee increase	C. 35.08		
D. School Customer Equivalent	4. No refunding option	D. 695		
E. Monthly Rate		E. 67.00		
F. Commercial Rate		F. 6.80		
G. Uncollectable		G. 1%		

RECOMMENDATION: Incorporate step increase as recommended by the Utility Rate Study.

Detailed Assumptions:

1. Idle residential accounts: 20. Idle Commercial Accounts: 0.
2. Wastewater customers: 1,877.
3. Debt Service and treatment costs allocated to the City by NTMWD are provided by NTMWD.
4. Health insurance benefits projected to increase 15%.
5. A one time \$1,000 per employee incentive is included in the salary budget.

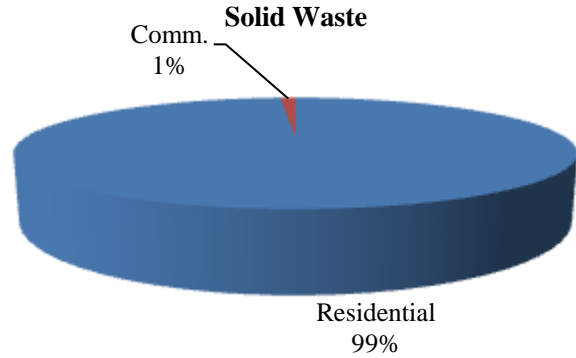
**CITY OF HEATH
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ENTERPRISE FUND OVERVIEW

Solid Waste

Solid Waste collection and disposal is provided by IESI under contract, expiring 01/31/2012. An optional renewal contract may be exercised. Annually, the provider may also request a CPI based increase to the fees charged to the City for service.

Twelve pricing options are available to residential and commercial customers.



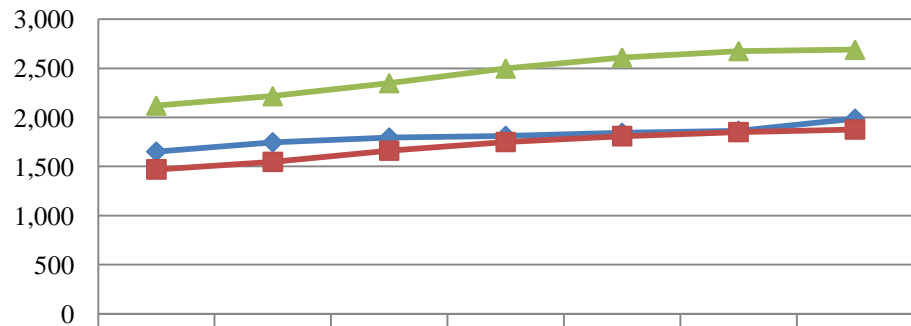
Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
A. Average number of customers B. Rate option	1. IESI contract 2. 1% idle meters	A. 2,599 B. 12 available	\$ 550,000	\$ 550,000

RECOMMENDATION: Rates remain unchanged pending an optional renewal for contract expiration 01/31/2012. The Proposed Utility Fee Schedule is enclosed.

Detailed Assumptions:

- Idle residential accounts: 37. Idle Commercial Accounts: 1.
- Solid Waste customers: 2,690.

Customer Base



	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
◆ WATER CUSTOMERS	1,650	1,745	1,793	1,810	1,842	1,863	1,986
■ WASTEWATER CUSTOMERS	1,470	1,546	1,660	1,748	1,809	1,849	1,877
▲ SANITATION CUSTOMERS	2,122	2,218	2,350	2,498	2,611	2,676	2,690

**CITY OF HEATH
Annual Operating Budget
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	ADOPTED FEES FY 2011-2012	NOTES
COMMUNITY ROOM		
Entire Room	\$75/ 5 hour period	Note: HOA's - 4 times/year at 1/2 rate
	\$125/ > than 5 hours	
Lost Key Charge	\$60.00	
Deposit - Room Condition (refundable)	\$100.00	
ADMINISTRATIVE - COPIES/FILING		
<i>All copies charged pursuant to Rule §70.3, Chapter 70, Part 3, Title 1, T A C</i>		
County Filing	<i>County specific</i>	
PUBLIC SAFETY		
Fireworks Permit	\$500.00	
Above-Ground Storage Permit (diesel)	\$75.00	
Accident Report	\$4.00	
SECURITY SYSTEM/ALARMS		
		<i>Ordinance 080916E</i>
Annual Registration - Residential	\$35.00	
Annual Registration - Commercial	\$50.00	
Non-registration Penalty	\$200.00	
False Alarm Penalty / Year - POLICE		
First - Third False Alarms	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	\$100.00	
Fifth False Alarm	\$250.00	
Sixth and Subsequent False Alarms	\$500.00	
Commercial 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	
LAND USE APPLICATIONS		
Request For Zoning Change	\$500.00+\$10.00/ac + advertising cost	
Request For Zoning Change To SF-43 For Tracts	\$250.00+\$10.00/ac + advertising cost	
Conditional Use Permit	\$175 + advertising cost	
Appeal To Board Of Adjustment	\$175 + advertising cost	
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	
Replat or Amending Plat		

CITY OF HEATH
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	ADOPTED FEES FY 2011-2012	NOTES
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	<i>Cost of Consultation</i>	
Extraordinary Review/Expert Consultation	<i>Cost of Consultation</i>	
Extraordinary Review/City Engineer	\$175.00/hour	
Site Plan Review	\$200.00+\$20.00/ac	
Street Name Change Request	\$150 + assoc. costs pass through	
Request to Abandon Right-of-Way or Easement	\$300 + assoc. 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 Years	\$700.00	
Application for Appeal - Appeals Panel	\$100.00	
Application for Appeal - City Council	\$100.00	
ANIMAL CONTROL		
Annual Dog Registration - Neutered	\$5.00	
Annual Dog Registration - Non-Neutered	\$10.00	
Impoundment - Initial Fee	\$30.00	
Impoundment - 2nd incident	\$50.00	
Impoundment - 3rd incident	\$75.00	
Impoundment - 4th incident or more	\$100.00	
Impoundment-Daily fee subsequent to Initial day	\$10.00	
Permits (Non-transferable)		
<i>Licensed veterinarians and veterinary clinics are exempt</i>		
Show or Exhibition	\$10.00/occurrence, valid 30 days	
Grooming	\$10.00/annually	
Dealer (retail and/or wholesale distributor)	\$25.00/annually	
Commercial (not covered by "dealer")	\$25.00/annually	
INSPECTIONS - OSSF		
OSSF New or Replacm. Sys. (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 2011-2012

	ADOPTED FEES FY 2011-2012	NOTES
BUILDING PERMITS		
New Single-family Dwelling fee per square foot (<i>entire square feet of building, including non-heated/cooled areas</i>)		
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	
<i>All Other Work fee per value of work</i>		
\$0-\$5000.00 value	\$25.00	
Greater than \$5000.00 value	1/2 of 1% of value	
Certificate of Occupancy	\$50.00	
Re-inspection Fee for Buildings	\$25.00	
Sprinkler/Irrigation Permit	\$25.00	
Fence Permit	\$50.00	
Contractor Registration - Initial	\$50.00	
Sign Contractor Registration	\$50.00	
Contractor registration - Renewal	\$25.00	
Penalty for Working without Registraion	\$100/occurrence	
<i>Note: per state law, plumbers do not pay registration fee; however, they will be subject to a penalty for failure to register prior to work.</i>		
SIGN PERMITS		
Sign Permit	\$75.00	
Sign Permit - Non-Profit Signs & Temporary Banner	\$0.00	
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	
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, Football, Baseball and 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	
Park Land Dedication Fee in Lieu of Land	\$1,000/unit	<i>Ordinance 060817</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

	ADOPTED FEES FY 2011-2012	NOTES
GARBAGE COLLECTION	<i>Monthly</i>	
Residential Curbside (inc recycling)	\$15.13	
Residential Carry Out (inc recycling)	\$23.74	
Commercial 2-Cart	\$13.48	
Additional Poly Cart	\$7.35	
Special Collection - Road Conditions	\$27.50	
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/cubic yard	
SANITARY SEWER SERVICE	<i>Monthly</i>	
Residential	\$67.00	
Non-Residential	calculated per unit	
WATER SERVICE	<i>Monthly</i>	
Base Rates for 0-2000 gallons / flat rate		
5/8" & 3/4" Meters	\$25.09	
1" Meters	\$42.18	
1 1/2" Meters	\$70.65	
2" Meters	\$104.82	
3" Meters	\$213.03	
4" Meters	\$355.40	
Fire Protection Meter	<i>check detector is exempt</i>	
Usage Rates	<i>per 1,000 gallons</i>	
2,001 - 10,000 gallons	\$3.97	
10,001 - 20,000 gallons	\$4.11	
20,001-30,000 gallons	\$5.50	
Greater than 30,000 gallons	\$6.90	
Hydrant Rate (\$25.00 minimum)	\$6.90	
Late Penalty on Delinquent Balance	10%	
During business hours M-F, 8 am-5 pm	\$50.00	
After business hours and weekends until 10 pm	\$100.00	<i>No reconnections after 10 pm</i>
Water Meter Re-read (except initial request)	\$25.00	
Water Meter Testing	\$100.00	
Fire Hydrant Meter Refundable Deposit	\$1,000.00	
Installation & Accessory Fee for 5/8" meter	<i>Actual cost passed through w/o mark up</i>	
Installation & Accessory Fee for 1" meter	<i>Actual cost passed through w/o mark up</i>	

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

	ADOPTED FEES FY 2011-2012	NOTES
GENERAL		
Utility Deposits / refunded per ordinance		
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
Annual Operating Budget
Fiscal Year 2011-2012

Sources and Uses

	<i>F'09-10 Actual</i>	<i>F`10-11 Original Budget</i>	<i>F`10-11 Amended Budget</i>	<i>F`10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
Water Utilities Fund Sources and Uses					
Sources of Funds					
<i>Beginning Resources</i>	902,896	1,295,613	1,295,613	1,295,613	2,530,921
<i>Current Revenues</i>					
PID Revenue	9,777	2,300	2,300	1,026	1,036
Administrative Revenue	5,171	4,000	4,000	13,765	6,800
Water Revenue	2,852,791	2,809,000	2,909,000	3,740,517	2,899,100
Wastewater Revenue	1,580,095	1,605,250	1,605,250	1,697,390	1,782,250
Non-Divisional	141,275	102,200	137,640	47,200	40,000
Total Water Utilities Fund Revenue	4,589,109	4,522,750	4,658,190	5,499,897	4,729,186
Total Sources of Funds	5,492,005	5,818,363	5,953,803	6,795,510	7,260,107
Uses of Funds					
<i>Current expenditures</i>					
11 Water Division	1,139,424	1,318,900	1,436,620	1,347,021	1,367,915
12 Wastewater Division	715,714	727,889	745,609	679,709	740,757
65 Utility Administrative Services	485,256	529,100	529,100	437,895	521,400
70 Customer Services Division	156,846	171,800	171,800	164,827	171,000
75 Non-Divisional	1,616,146	1,736,249	1,736,249	1,635,138	1,900,952
Total Current Expenditures	4,113,385	4,483,938	4,619,378	4,264,590	4,702,024
Ending Resources	1,378,620	1,334,425	1,334,425	2,530,921	2,558,083
Revenue vs. Expenditures - Surplus/(Deficit)	475,724	38,812	38,812	1,235,308	27,162

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Revenue

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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>						
4106	Interest Earned	2,948	2,500	2,500	4,599	3,000
4107	Other Revenue	273	0	0	5,191	300
4160	Collection Fee Revenue (Lien Admin)	1,950	1,500	1,500	3,975	3,500
	<i>Total Administrative Revenue</i>	<i>5,171</i>	<i>4,000</i>	<i>4,000</i>	<i>13,765</i>	<i>6,800</i>
4224	Sandra Drive Principal	5,972	1,800	1,800	700	720
4225	Sandra Drive Interest	3,804	500	500	326	316
	<i>Total PID Revenue</i>	<i>9,777</i>	<i>2,300</i>	<i>2,300</i>	<i>1,026</i>	<i>1,036</i>
4501	Water Sales	2,672,587	2,635,000	2,735,000	3,478,435	2,830,000
4505	Hydrant/Other Water Sales	144,937	145,000	145,000	220,971	40,000
4507	Water Penalty	22,442	18,000	18,000	27,710	18,000
4509	Reconnect Fees	7,150	8,000	8,000	5,900	7,000
4510	NSF Fee	735	1,000	1,000	805	600
4511	Misc Utility Revenue	150	0	0	150	0
4513	Hydrant Meter Installation	350	500	500	600	500
4514	Water Meter/Tap Installation	4,440	1,500	1,500	5,947	3,000
	<i>Total Water Revenue</i>	<i>2,852,791</i>	<i>2,809,000</i>	<i>2,909,000</i>	<i>3,740,517</i>	<i>2,899,100</i>
4601	Wastewater Sales	1,380,905	1,420,000	1,420,000	1,533,107	1,577,000
4606	Interest Earned	337	250	250	221	250
4607	Wastewater Penalty	14,123	10,000	10,000	15,063	15,000
4612	Contract Revenue - Wastewater	184,730	175,000	175,000	148,999	190,000
	<i>Total Wastewater Revenue</i>	<i>1,580,095</i>	<i>1,605,250</i>	<i>1,605,250</i>	<i>1,697,390</i>	<i>1,782,250</i>
4852	Transfer from Sanitation Fund	47,200	47,200	47,200	47,200	40,000
4860	Impact Fees	94,075	55,000	90,440	0	0
	<i>Total External Contributions</i>	<i>141,275</i>	<i>102,200</i>	<i>137,640</i>	<i>47,200</i>	<i>40,000</i>
	<i>Total Water Utilities Fund Revenue</i>	<i>4,589,109</i>	<i>4,522,750</i>	<i>4,658,190</i>	<i>5,499,897</i>	<i>4,729,186</i>

CITY OF HEATH
Annual Operating Budget
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FUND	DEPARTMENT	ACCOUNT
UTILITY	WATER	511

PURPOSE AND DESCRIPTION

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.

FY 11 ACCOMPLISHMENTS

Ongoing installation of water meters converted to Automated Meter Reading (AMR) system.

Additional 12" water main relocation was acquired on FM 740 between the North City limit.

Began 1.5 million gallon elevated storage tank construction.

Routine monthly purging and cleaning of dead end mains and fire hydrants has continued.

Steps were begun to acquire the CCN for the area of the City within the Forney Lake WSC.

Hillview Water Line was upgraded from a 2 inch line to an 8 inch line.

STRATEGIES AND GOALS

Continue conversion of additional water meters to AMR.

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

Continue City policy of improving the water distribution system.

PERFORMANCE INDICATORS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
New connections	171	174	126	90	94
Occupant Change	195	183	100	88	135
Average annual consumption (000's gallons)	402	460	460	440	491
Replaced water meters	20	19	146	46	149
Water main line breaks	NA	NA	23	30	40
Linear feet of water main lines replaced	NA	NA	400	8,000	1,600
Water mains (miles)	50.24	50.24	51.61	52	54
Fire Hydrants	163	183	199	220	223

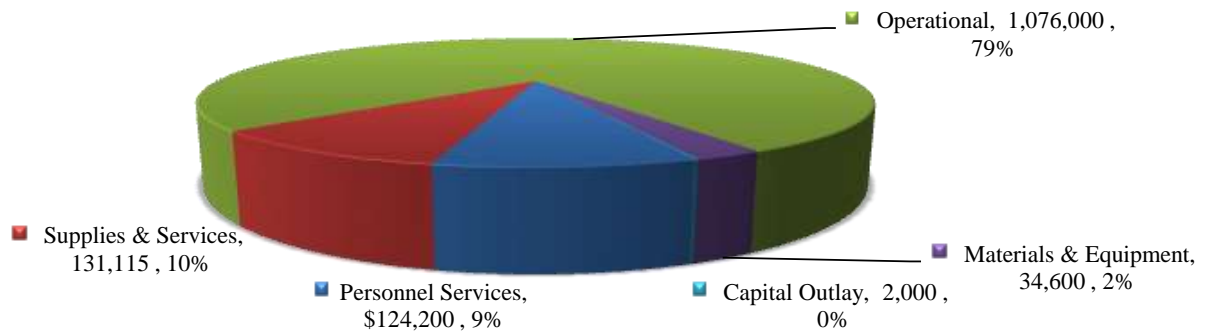
NA = Not Available

WATER

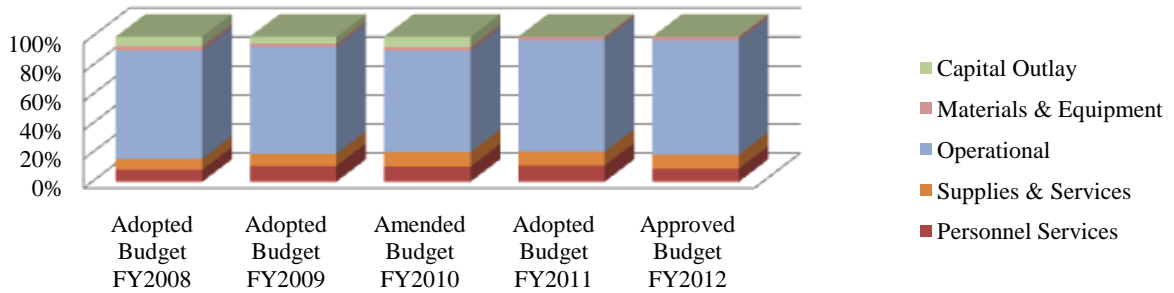
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Amended Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/Decrease</i>
Personnel Services	\$ 108,800	\$ 133,900	\$ 134,400	\$ 148,700	\$ 124,200	-20%
Supplies & Services	99,760	99,565	130,000	124,300	131,115	5%
Operational	977,900	900,600	903,025	1,013,000	1,076,000	6%
Materials & Equipment	38,550	26,650	31,400	31,400	34,600	9%
Capital Outlay	88,500	59,300	93,300	1,500	2,000	25%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

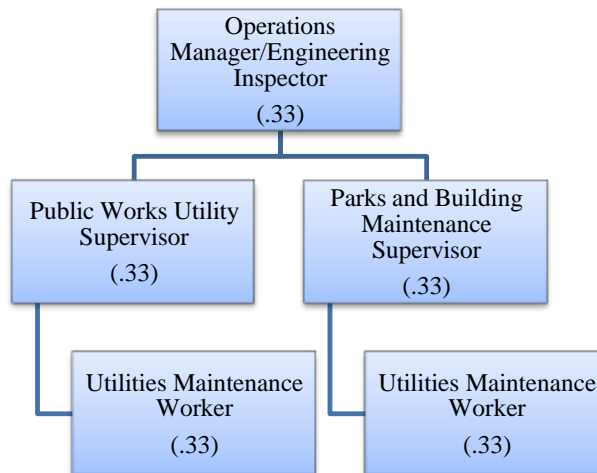
Approved Budget FY 2012



FY 2008 - FY 2012



WATER 10-511



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1.7	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	0.5	-
Seasonal	-	-	-	-	-
<i>Total</i>	1.7	1.7	1.7	2.2	1.7

CITY OF HEATH
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Water Division

		<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
<i>Water Utilities Fund expenditures authorized for Water Division</i>						
511-101	Salaries	87,346	97,100	97,100	68,706	78,900
511-102	Health Insurance	15,776	20,100	20,100	18,038	22,800
511-103	Workers' Comp Insurance	3,265	3,000	3,000	2,414	2,500
511-104	Overtime	5,411	7,700	7,700	7,249	4,700
511-105	FICA	6,599	8,300	8,300	5,803	6,300
511-106	Retirement (TMRS)	9,305	11,700	11,700	8,513	7,800
511-107	Unemployment	410	800	800	324	800
511-110	Certification Compensation	0	0	0	0	400
	<i>Total - Personnel Services</i>	<i>128,111</i>	<i>148,700</i>	<i>148,700</i>	<i>111,047</i>	<i>124,200</i>
511-201	Electric Service	79,670	75,000	75,000	77,541	75,000
511-203	Water Service	105	0	0	89	115
511-204	Telecommunications	9,766	6,700	6,700	5,622	7,000
511-220	Office Supplies	278	400	400	368	400
511-221	Postage & Freight	706	1,000	1,000	727	1,000
511-222	Printing & Photo	22	2,500	2,500	21	2,500
511-230	Dues/Subscriptions/Publication	181	500	500	458	1,000
511-231	Conferences & Training	1,177	1,000	1,000	521	1,000
511-232	Travel, Meals & Lodging	0	1,000	1,000	111	1,000
511-233	Medical Services	0	500	500	0	500
511-234	Uniforms	957	700	700	840	1,600
511-240	Subcontractor Repairs	38,435	35,000	35,000	43,589	40,000
	<i>Total - Supplies & Services</i>	<i>131,298</i>	<i>124,300</i>	<i>124,300</i>	<i>129,887</i>	<i>131,115</i>
511-300	Commodity Purchase	730,783	960,000	1,060,000	1,013,933	1,020,000
511-311	Legal Publications/Advertising	0	1,500	1,500	60	1,300
511-341	Legal Services	20,237	10,000	10,000	29,312	10,000
511-342	Professional Services	6,435	10,000	27,720	19,584	10,000
511-343	Computer Maintenance Services	6,600	7,000	7,000	7,200	7,200
511-344	Engineering	3,350	10,000	10,000	5,206	10,000
511-362	Lab & Testing Services	1,738	4,000	4,000	4,725	5,000
511-369	Contract Drafting	0	3,000	3,000	0	3,000
511-370	Maintenance & Repair Parts	15,981	5,000	5,000	2,737	7,000
511-399	Miscellaneous Expense	4,070	2,500	2,500	143	2,500
	<i>Total - Operational Items</i>	<i>789,195</i>	<i>1,013,000</i>	<i>1,130,720</i>	<i>1,082,900</i>	<i>1,076,000</i>
511-410	Water Meters	4,073	9,600	9,600	6,061	9,600
511-415	Hand Tools	2,554	2,500	2,500	2,040	2,500
511-440	Equipment Repair & Maintenance	1,774	5,100	5,100	2,316	6,500
511-441	Auto Repair & Maintenance	1,998	2,000	2,000	2,331	2,000
511-442	Gas, Oil & Fuel	2,395	7,500	7,500	10,440	10,000
511-443	Structure Repair & Maintenance	11	700	700	0	0
511-444	Chemicals	111	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>12,915</i>	<i>31,400</i>	<i>31,400</i>	<i>23,187</i>	<i>34,600</i>
511-501	Office Furniture/Fixtures/Equipment	0	500	500	0	1,000
511-512	Buildings	0	1,000	1,000	0	1,000
511-520	Capital Account	77,904	0	0	0	0
	<i>Total - Capital Outlay</i>	<i>77,904</i>	<i>1,500</i>	<i>1,500</i>	<i>0</i>	<i>2,000</i>
	<i>Total - Water Division</i>	<i>1,139,424</i>	<i>1,318,900</i>	<i>1,436,620</i>	<i>1,347,021</i>	<i>1,367,915</i>

CITY OF HEATH
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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 11 ACCOMPLISHMENTS

The Drew Lane Lift Station was improved with new pumps and controls.

Kelly Romack and her 5th grade students at Amy Parks-Heath Elementary school were invited to produce a video about water pollution for the City of Heath. All their creativity and enthusiasm can be viewed on the City Website.

STRATEGIES AND GOALS

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

Reduce back flow and improve I & I by utilizing sewer cleaning pump truck.

Active participation in SWMP by controlling site specific storm water discharges carrying silt, construction material and other pollutants.

PERFORMANCE INDICATORS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Linear feet of sewer main lines cleaned	NA	NA	71,000	78,000	400
Linear feet of sewer main lines replaced	0	0	0	4,000	0
Lift stations maintained	11	11	11	11	11
Sanitary Sewers (miles)	60.6	60.6	61.44	62	62
Storm Sewers (miles)	12	12	12	14	14
Total sewage system flow (1,000 gal)	NA	370,665	309,306	389,593	312,149

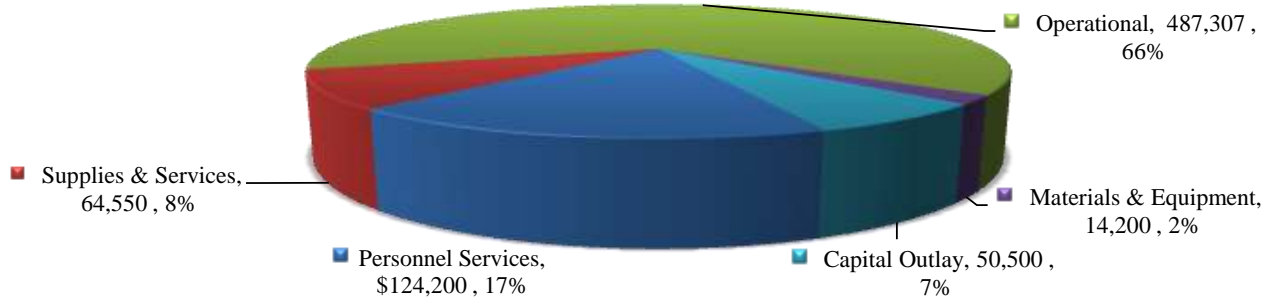
NA = Not Available

WASTEWATER

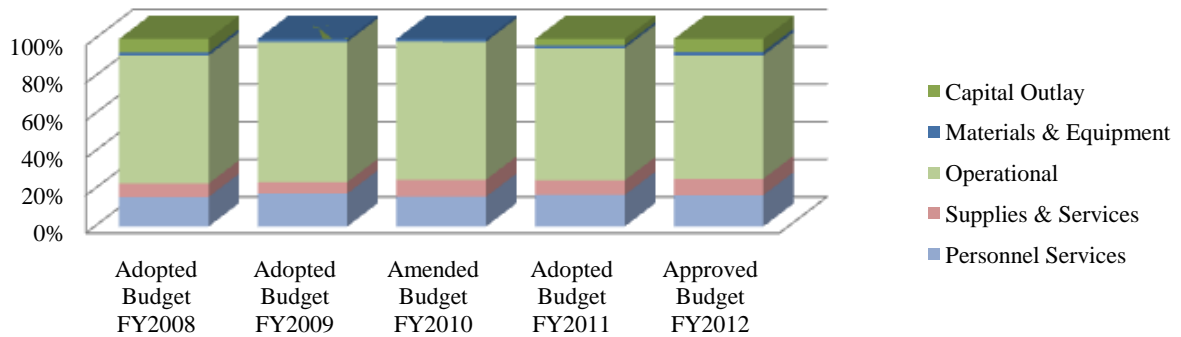
Description	Adopted Budget FY2008	Adopted Budget FY2009	Amended Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/Decrease
Personnel Services	\$ 97,665	\$ 113,986	\$ 115,600	\$ 122,500	\$ 124,200	1%
Supplies & Services	43,920	39,404	66,179	56,479	64,550	13%
Operational	422,473	484,831	536,000	513,189	487,307	-5%
Materials & Equipment	10,222	10,022	10,700	10,700	14,200	25%
Capital Outlay	44,800	0	0	25,000	50,500	50%

**CITY OF HEATH
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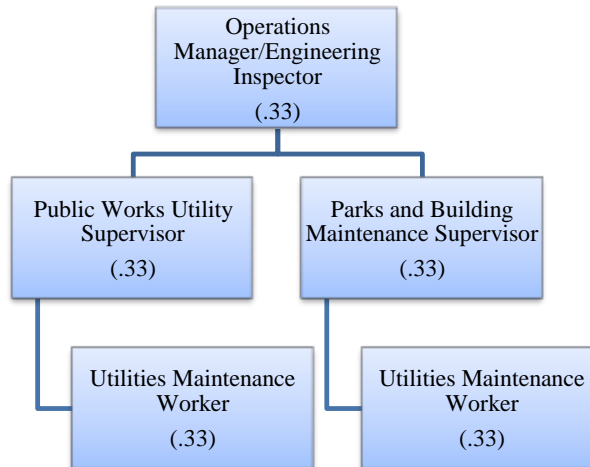
Approved Budget FY 2012



FY 2008 - FY 2012



WASTEWATER 10-512



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	1.7	1.7	1.7	1.7	1.7
Continuous Part-Time	-	-	-	-	-
Seasonal	-	-	-	-	-
<i>Total</i>	1.7	1.7	1.7	1.7	1.7

CITY OF HEATH
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Wastewater Division

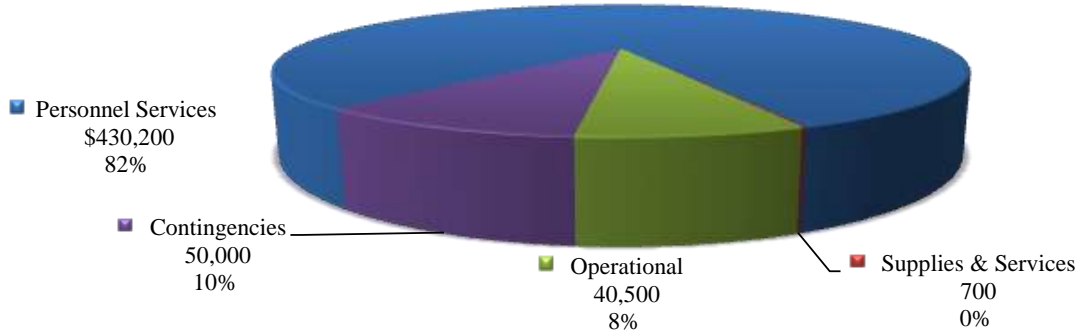
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Wastewater Division</i>						
512-101	Salaries	75,045	76,700	76,700	70,264	78,900
512-102	Health Insurance	16,067	20,100	20,100	18,363	22,800
512-103	Workers' Comp Insurance	2,759	2,900	2,900	2,039	2,500
512-104	Overtime	5,521	6,500	6,500	7,373	4,700
512-105	FICA	6,022	6,400	6,400	5,933	6,300
512-106	Retirement (TMRS)	8,527	9,100	9,100	8,702	7,800
512-107	Unemployment	410	800	800	324	800
512-110	Certification Compensation	0	0	0	0	400
	<i>Total - Personnel Services</i>	<i>114,351</i>	<i>122,500</i>	<i>122,500</i>	<i>112,998</i>	<i>124,200</i>
512-201	Electric Service	31,319	30,000	30,000	22,844	30,000
512-203	Water Service	105	100	100	76	100
512-204	Telecommunications	5,894	4,200	4,200	2,654	3,400
512-220	Office Supplies	164	200	200	158	200
512-221	Postage & Freight	1	1,750	1,750	1	1,750
512-222	Printing & Photo	0	500	500	0	500
512-230	Dues/Subscriptions/Publication	10	250	250	139	500
512-231	Conferences & Training	361	500	500	0	1,000
512-232	Travel, Meals & Lodging	0	500	500	0	500
512-234	Uniforms	656	500	500	577	1,600
512-240	Subcontractor Services	21,140	18,000	18,000	18,566	25,000
	<i>Total - Supplies & Services</i>	<i>59,651</i>	<i>56,500</i>	<i>56,500</i>	<i>45,015</i>	<i>64,550</i>
512-300	Commodity Purchase	509,784	472,689	472,689	472,689	441,307
512-311	Legal Publications/Advertising	0	500	500	48	500
512-342	Professional Fees/Consultants	350	17,000	34,720	17,722	17,500
512-344	Engineering	1,040	10,000	10,000	7,195	10,000
512-369	Contract Drafting	0	2,000	2,000	0	2,000
512-370	Maintenance & Repair Parts	22,340	10,000	10,000	13,430	15,000
512-399	Miscellaneous Expense	60	1,000	1,000	143	1,000
	<i>Total - Operational Items</i>	<i>533,573</i>	<i>513,189</i>	<i>530,909</i>	<i>511,227</i>	<i>487,307</i>
512-415	Hand Tools	312	1,000	1,000	1,038	1,000
512-440	Equipment Repair & Maintenance	3,713	5,700	5,700	6,751	8,200
512-441	Auto Repair & Maintenance	286	500	500	599	1,000
512-442	Gas, Oil & Fuel	1,508	2,500	2,500	2,082	3,000
512-450	Machinery/Equipment Rental	2,320	1,000	1,000	0	1,000
	<i>Total - Materials & Equipment</i>	<i>8,139</i>	<i>10,700</i>	<i>10,700</i>	<i>10,470</i>	<i>14,200</i>
512-501	Office Furniture/Fixtures/Equip	0	0	0	0	500
512-503	Mobile Equipment	0	25,000	25,000	0	50,000
512-504	Other Equipment	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>50,500</i>
	<i>Total - Wastewater Division</i>	<i>715,714</i>	<i>727,889</i>	<i>745,609</i>	<i>679,709</i>	<i>740,757</i>

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

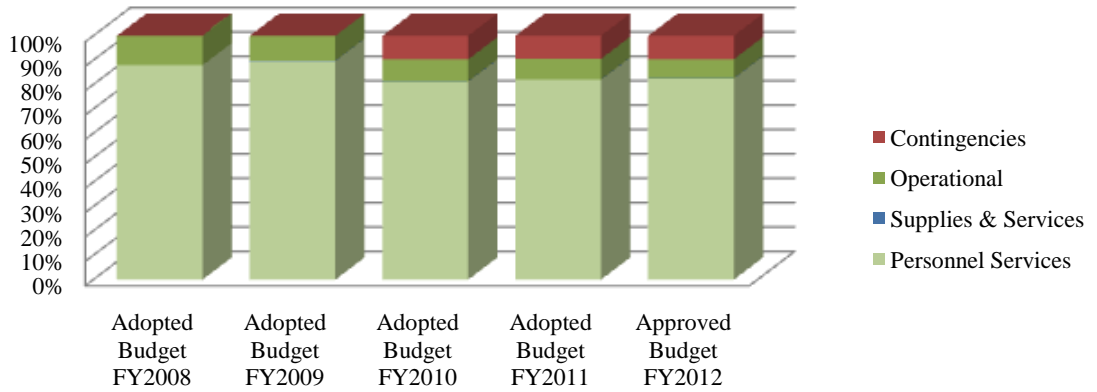
FUND	DEPARTMENT					ACCOUNT	
UTILITY	UTILITY ADMINISTRATIVE SERVICES					565	
PURPOSE AND DESCRIPTION							
<i>Committed to the highest standard of customer care by consistently providing accurate billings and services.</i>							
FY 11 ACCOMPLISHMENTS							
Continued implementation of an AMR system to increase meter reading efficiency, data entry efficiency, and promote early leak detection.							
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 an effective system of financial security and internal control.							
PERFORMANCE INDICATORS							
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011		
Newsletters to Council, Staff, and citizens	12	12	12	12	12		
2TurnItOn online connection requests	N/A	N/A	13	61	70		
N/A = Not Applicable. Not contracted until FY 2009.							
UTILITY ADMINISTRATIVE SERVICES							
Description	Adopted Budget FY2008	Adopted Budget FY2009	Adopted Budget FY2010	Adopted Budget FY2011	Approved Budget FY2012	% Increase/ Decrease	
Personnel Services	\$ 395,700	\$ 432,897	\$ 420,900	\$ 433,900	\$ 430,200	-1%	
Supplies & Services	-	490	700	700	700	0%	
Operational	54,250	49,000	46,500	44,500	40,500	-10%	
Contingencies	-	-	50,000	50,000	50,000	0%	

**CITY OF HEATH
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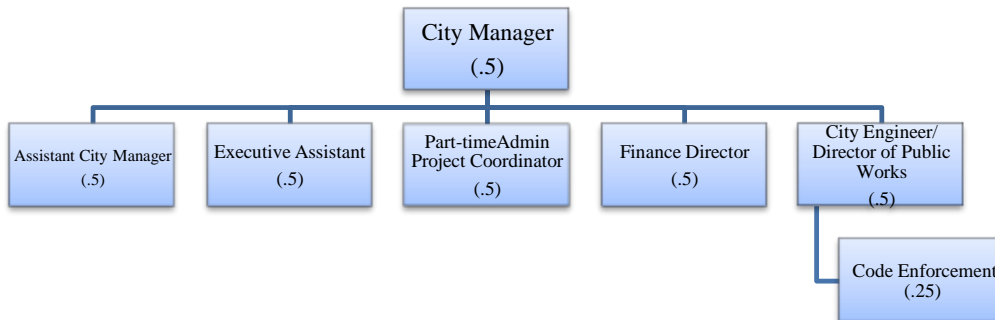
Approved Budget FY 2012



FY 2008 - FY 2012



UTILITY ADMINISTRATIVE SERVICES 10-565



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	3	3	2.5	2.5	2.75
Continuous Part-Time	-	-	0.5	0.5	0.50
Seasonal	-	-	-	-	-
Total	3	3	3.0	3.0	3.25

CITY OF HEATH
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Utility Administrative Services

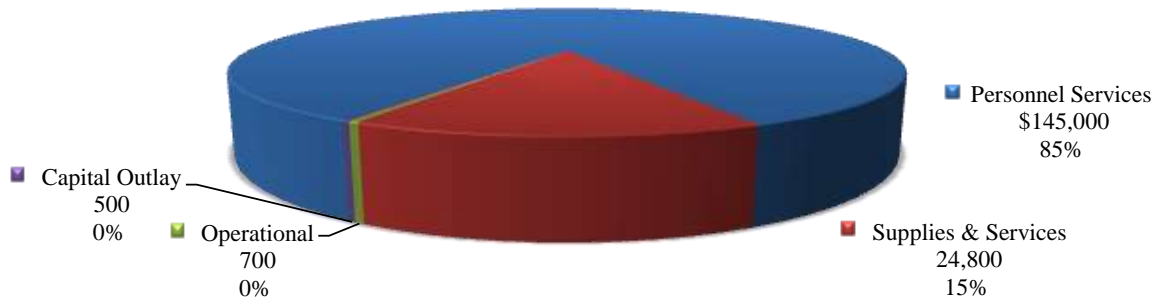
		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</i>
		<i>Actual</i>	<i>Original</i>	<i>Amended</i>	<i>Projected</i>	<i>Proposed</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>
<i>Water Utilities Fund expenditures authorized for Administration Division</i>						
565-101	Salaries	334,756	314,300	314,300	299,496	315,700
565-102	Health Insurance	42,752	47,600	47,600	40,907	46,400
565-103	Workers' Comp Insurance	901	1,100	1,100	656	900
565-104	Overtime	248	300	300	117	300
565-105	FICA	23,080	25,000	25,000	20,868	25,100
565-106	Retirement (TMRS)	35,258	34,100	34,100	33,535	30,100
565-107	Unemployment	718	1,500	1,500	607	1,700
565-109	Temporary Help	7,929	10,000	10,000	3,263	10,000
	<i>Total - Personnel Services</i>	<i>445,642</i>	<i>433,900</i>	<i>433,900</i>	<i>399,449</i>	<i>430,200</i>
565-220	Office Supplies	365	500	500	133	500
565-222	Printing & Photo	0	200	200	0	200
	<i>Total - Supplies & Services</i>	<i>365</i>	<i>700</i>	<i>700</i>	<i>133</i>	<i>700</i>
565-312	Newsletter	6,169	7,500	7,500	6,012	7,500
565-336	Risk Management Consulting	7,500	7,500	7,500	7,500	7,500
565-337	Human Resources Consulting	1,580	5,000	5,000	551	1,000
565-338	Public Relations	24,000	24,000	24,000	24,000	24,000
565-342	Professional Fees/Consulting	0	500	500	250	500
	<i>Total - Operational Items</i>	<i>39,249</i>	<i>44,500</i>	<i>44,500</i>	<i>38,313</i>	<i>40,500</i>
565-543	General Contingency	0	50,000	50,000	0	50,000
	<i>Total - Contingencies</i>	<i>0</i>	<i>50,000</i>	<i>50,000</i>	<i>0</i>	<i>50,000</i>
	<i>Total - Utility Administration Division</i>	<i>485,256</i>	<i>529,100</i>	<i>529,100</i>	<i>437,895</i>	<i>521,400</i>

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

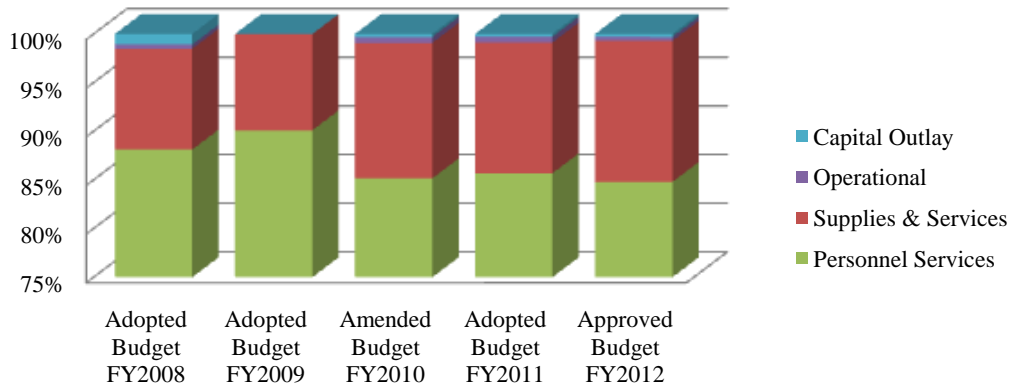
FUND	DEPARTMENT		ACCOUNT			
UTILITY	CUSTOMER SERVICES		570			
PURPOSE AND DESCRIPTION						
<i>Committed to the highest standard of customer care by consistently providing accurate billings, services and collections of the City's water, sewer, sanitation fees, responding to customer questions and concerns, enforcing late or non payment practices and managing changes to the customer database.</i>						
FY 11 ACCOMPLISHMENTS						
Encouraged continued use of Web-based electronic service requests for all utility connections.						
Encouraged continued use of Online Web Payments to promote prompt receipting.						
Successful use of electronic metering system to notify customers of potential leaks detected on the customer side.						
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 an efficient system of financial security and internal control.						
PERFORMANCE INDICATORS						
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Number of water customers	1,789	1,806	1,842	1,862	1,986	
Number of wastewater customers		1,751	1,813	1,849	1,877	
Customer Inquires with work orders generated	547	633	799	1,196*	1,350	
Requested meter re-reads	24	37	31	614*	290	
Electronic meter re-read requests	N/A	N/A	N/A	3	312	
Payments processed online	N/A	475	1,459	2,182	2,764	
Payments processed in-house	23,909	23,496	24,554	24,600	24,657	
*FY 2010 Implemented service order tracking for all requests whether internal or external for gathering work load statistics.						
N/A = Not applicable. Online service contracted FY 2008.						
CUSTOMER SERVICES						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Amended Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 204,072	\$ 162,791	\$ 141,200	\$ 147,200	\$ 145,000	-2%
Supplies & Services	24,000	17,879	23,100	23,100	24,800	7%
Operational	1,000	0	1,000	1,000	700	-43%
Capital Outlay	2,500	0	500	500	500	0%

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

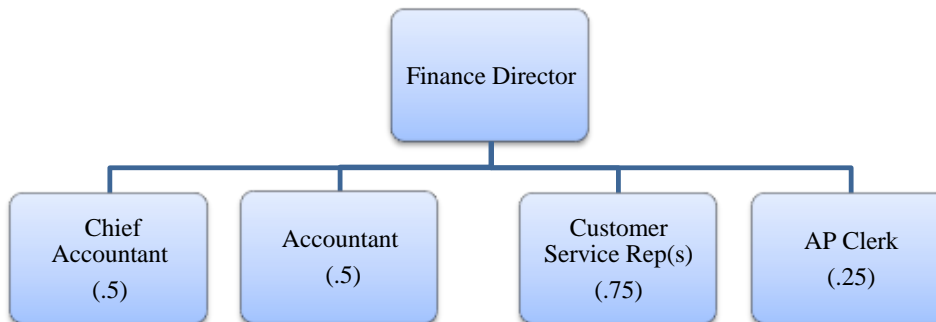
Approved Budget FY 2012



FY 2008 - FY 2012



CUSTOMER SERVICES



FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	2.5	2.0	1.5	1.5	1.5
Continuous Part-Time	0.5	1.0	0.5	0.5	0.5
Seasonal	-	-	-	-	-
Total	3.0	3.0	2.0	2.0	2.0

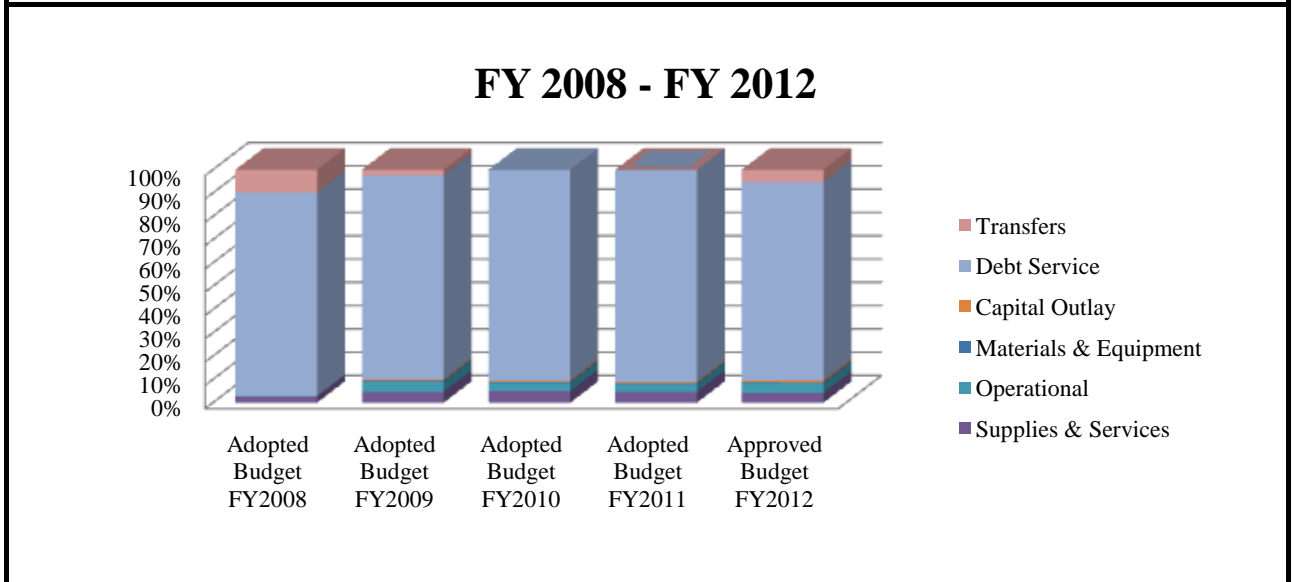
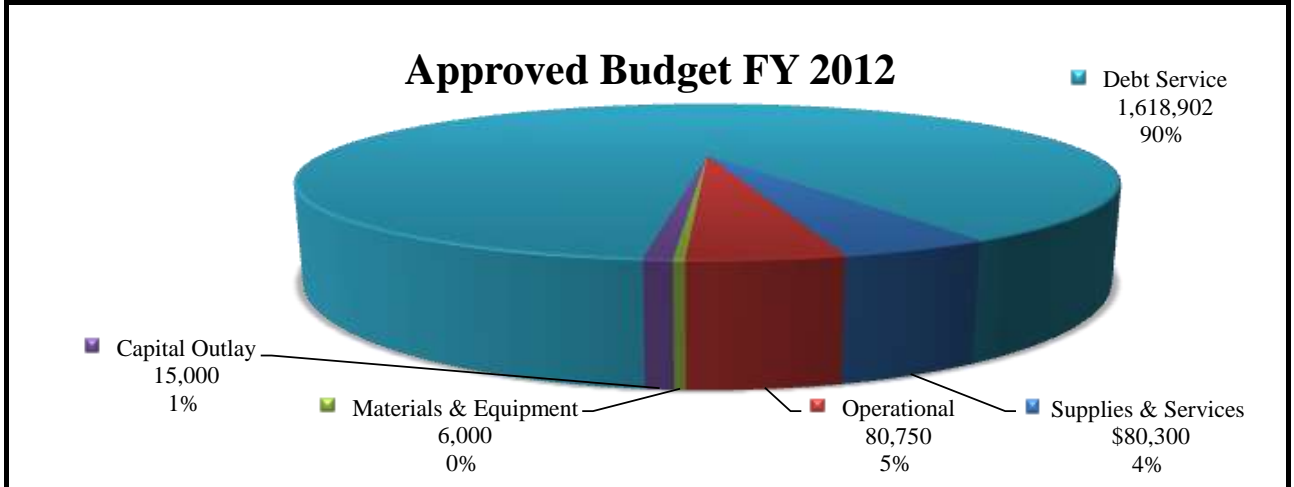
CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Customer Services

		<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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	96,517	101,200	101,200	100,063	103,400
570-102	Health Insurance	16,527	20,900	20,900	20,422	22,000
570-103	Workers' Comp Insurance	395	400	400	281	300
570-104	Overtime	61	1,400	1,400	8	500
570-105	FICA	7,360	8,300	8,300	7,734	7,900
570-106	Retirement (TMRS)	9,481	11,300	11,300	10,453	9,700
570-107	Unemployment	616	1,200	1,200	485	1,200
570-109	Temporary Help	1,503	2,500	2,500	653	0
	<i>Total - Personnel Services</i>	<i>132,460</i>	<i>147,200</i>	<i>147,200</i>	<i>140,099</i>	<i>145,000</i>
570-204	Telecommunications	1,382	1,400	1,400	942	1,600
570-220	Office Supplies	996	2,000	2,000	1,429	1,500
570-221	Postage & Freight	15,204	12,000	12,000	15,056	14,000
570-222	Printing & Photo	6,357	6,500	6,500	6,530	7,000
570-230	Dues/Subscriptions/Publication	0	200	200	0	0
570-231	Conferences & Training	175	500	500	128	500
570-232	Travel, Meals & Lodging	0	500	500	0	200
	<i>Total - Supplies & Services</i>	<i>24,113</i>	<i>23,100</i>	<i>23,100</i>	<i>24,085</i>	<i>24,800</i>
570-371	Applicant Screening	273	1,000	1,000	345	700
	<i>Total - Operational Items</i>	<i>273</i>	<i>1,000</i>	<i>1,000</i>	<i>345</i>	<i>700</i>
570-501	Office Furniture/Fixtures/Equipment	0	500	500	298	500
	<i>Total - Capital Outlay</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>298</i>	<i>500</i>
	<i>Total - Customer Services Division</i>	<i>156,846</i>	<i>171,800</i>	<i>171,800</i>	<i>164,827</i>	<i>171,000</i>

**CITY OF HEATH
Annual Operating Budget
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FUND UTILITY	DEPARTMENT NON-DIVISIONAL				ACCOUNT 10-575	
NON-DIVISIONAL						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Supplies & Services	\$ 49,100	\$ 81,075	\$ 80,650	\$ 81,050	\$ 80,300	-1%
Operational	1,900	73,033	57,900	57,900	80,750	28%
Materials & Equipment	1,200	7,900	6,000	6,000	6,000	0%
Capital Outlay	-	10,000	10,000	10,000	15,000	33%
Debt Service	1,580,882	1,514,084	1,463,606	1,581,299	1,618,902	2%
Transfers	175,000	40,000	-	-	100,000	100%



NON-DIVISIONAL 10-575

FULL-TIME EQUIVALENT (FTE) PERSONNEL SCHEDULE

Description	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Full-time	-	-	-	-	-
Continuous Part-Time	-	-	-	-	-
Seasonal	0.5	0.5	0.5	0.5	0.5
<i>Total</i>	0.5	0.5	0.5	0.5	0.5

CITY OF HEATH
Annual Operating Budget
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WUF Non-Divisional

	<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
<i>Water Utilities Fund expenditures authorized for Non-Divisional Division</i>					
575-201 Electric Service	17,437	16,000	16,000	15,017	17,000
575-202 Gas Service	1,747	2,500	2,500	1,222	2,000
575-203 Water Service	2,777	2,200	2,200	1,585	2,200
575-204 Telecommunications	756	800	800	589	800
575-210 Property & Liability Insurance	17,965	18,600	18,600	14,930	19,000
575-220 Office Supplies	70	200	200	18	200
575-221 Postage & Freight	0	500	500	0	100
575-223 Community Center	3,572	4,500	4,500	2,503	3,250
575-224 Janitorial Service & Supplies	15,142	15,000	15,000	15,110	15,000
575-230 Dues/Subscriptions/Publication	285	750	750	835	750
575-231 Conferences & Training	-20	0	0	0	0
575-251 ETS Credit Card Charges	13,487	15,000	15,000	18,328	15,000
575-260 Staff Development	4,794	5,000	5,000	3,446	5,000
<i>Total - Supplies & Services</i>	<i>78,011</i>	<i>81,050</i>	<i>81,050</i>	<i>73,583</i>	<i>80,300</i>
575-341 Legal Services	1,998	3,500	3,500	230	1,000
575-342 Admin/Professional Fees	1,928	2,000	2,000	1,190	2,000
575-343 Computer Maintenance Services	14,986	13,400	13,400	36,330	35,000
575-343 Incode Maintenance Services	20,154	17,800	17,800	17,800	20,000
575-343 License, Software, Other	16,537	14,700	14,700	14,700	16,250
575-360 Other Operational Supplies	1,223	1,500	1,500	1,116	1,500
575-370 Maintenance & Repair Parts	7	0	0	0	0
575-399 Miscellaneous Expense	3,280	5,000	5,000	3,000	5,000
<i>Total - Operational Items</i>	<i>60,115</i>	<i>57,900</i>	<i>57,900</i>	<i>74,366</i>	<i>80,750</i>
575-441 Auto Repair & Maintenance	57	500	500	6	500
575-442 Gas, Oil & Fuel	178	500	500	298	500
575-443 Structure Repair & Maintenance	1,169	5,000	5,000	5,869	5,000
<i>Total - Materials & Equipment</i>	<i>1,404</i>	<i>6,000</i>	<i>6,000</i>	<i>6,173</i>	<i>6,000</i>
575-502 Computer Equipment	749	10,000	10,000	12,363	15,000
<i>Total - Capital Outlay</i>	<i>749</i>	<i>10,000</i>	<i>10,000</i>	<i>12,363</i>	<i>15,000</i>

CITY OF HEATH
Annual Operating Budget
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WUF Non-Divisional

	<i>F'09-10</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'10-11</i>	<i>F'11-12</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>					
575-615 Series 2001 C O - Principal	217,500	258,750	258,750	258,750	0
575-616 Series 2001 C O - Interest	262,130	251,523	251,523	27,458	0
575-621 Amortization of Bond	12,261	0	0	0	0
575-622 2004 A Tax/Rev CO Refi - Prin	130,000	140,000	140,000	145,000	145,000
575-623 2004 A Tax/Rev CO Refi - Int	38,576	33,672	33,672	33,638	28,520
575-627 Series 2007 C O - Principal	172,868	180,384	180,384	180,384	252,050
575-628 Series 2007 C O - Interest	203,252	196,187	196,187	195,188	253,286
575-631 2010 GO Refunding (01,01) - Principal	0	0	0	0	275,000
575-632 2010 GO Refunding (01,01) - Interest	0	0	0	107,453	177,325
575-640 NTMWD Debt Service - Ground Storage	25,012	72,844	72,844	72,844	75,642
575-641 NTMWD Debt Service - Interceptor	414,269	447,939	447,939	447,939	412,079
<i>Total - Debt Service</i>	<i>1,475,868</i>	<i>1,581,299</i>	<i>1,581,299</i>	<i>1,468,653</i>	<i>1,618,902</i>
575-811 Transfer to CIP	0	0	0	0	100,000
<i>Total - Transfers</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>100,000</i>
<i>Total - Non-Divisional</i>	<i>1,616,146</i>	<i>1,736,249</i>	<i>1,736,249</i>	<i>1,635,138</i>	<i>1,900,952</i>

**CITY OF HEATH
Annual Operating Budget
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FUND	DEPARTMENT	ACCOUNT
SOLID WASTE	SOLID WASTE	25-579

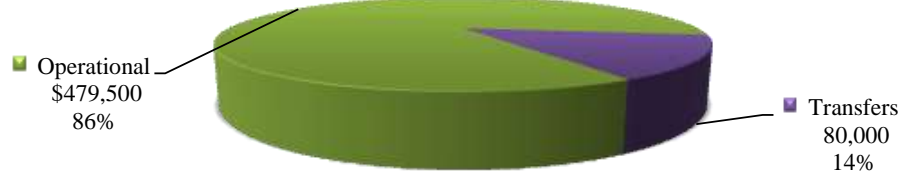
PURPOSE AND DESCRIPTION

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

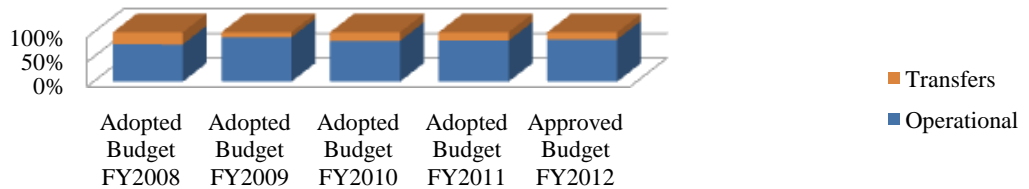
SOLID WASTE

<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/Decrease</i>
Operational	\$ 350,000	\$ 420,500	\$ 455,500	\$ 475,500	\$ 479,500	1%
Transfers	112,100	47,200	94,400	94,400	80,000	-18%

Approved Budget FY 2012



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Solid Waste Fund Sources and Uses

	<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
Sources of Funds					
<i>Beginning Resources</i>	100,272	104,760	104,760	104,760	110,534
<i>Current Revenues</i>					
Revenue					
4106 Interest Earned	351	500	500	298	300
4701 Sanitation Fees	551,374	545,000	545,000	551,803	550,000
4707 Late Payment Fees	6,249	5,000	5,000	5,682	5,000
Total Sanitation Revenue	557,974	550,500	550,500	557,783	555,300
Total Sources Of Funds	658,246	655,260	655,260	662,543	665,834
Uses of Funds					
579-300 Commodity Purchase	459,017	475,000	475,000	457,517	479,000
579-341 Legal Services	69	500	500	92	500
Total - Operational Items	459,086	475,500	475,500	457,609	479,500
579-801 Transfer to General Fund	47,200	47,200	47,200	47,200	40,000
579-810 Transfer to Utility Fund	47,200	47,200	47,200	47,200	40,000
Total Billing & Transfer Fee	94,400	94,400	94,400	94,400	80,000
Total Current Expenditures	553,486	569,900	569,900	552,009	559,500
Ending Resources	104,760	85,360	85,360	110,534	106,334



CITY OF HEATH

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 supported bonded debt. Bonded debt includes general obligation bonds, certificates of obligations and combination tax and revenue certificates of obligation.

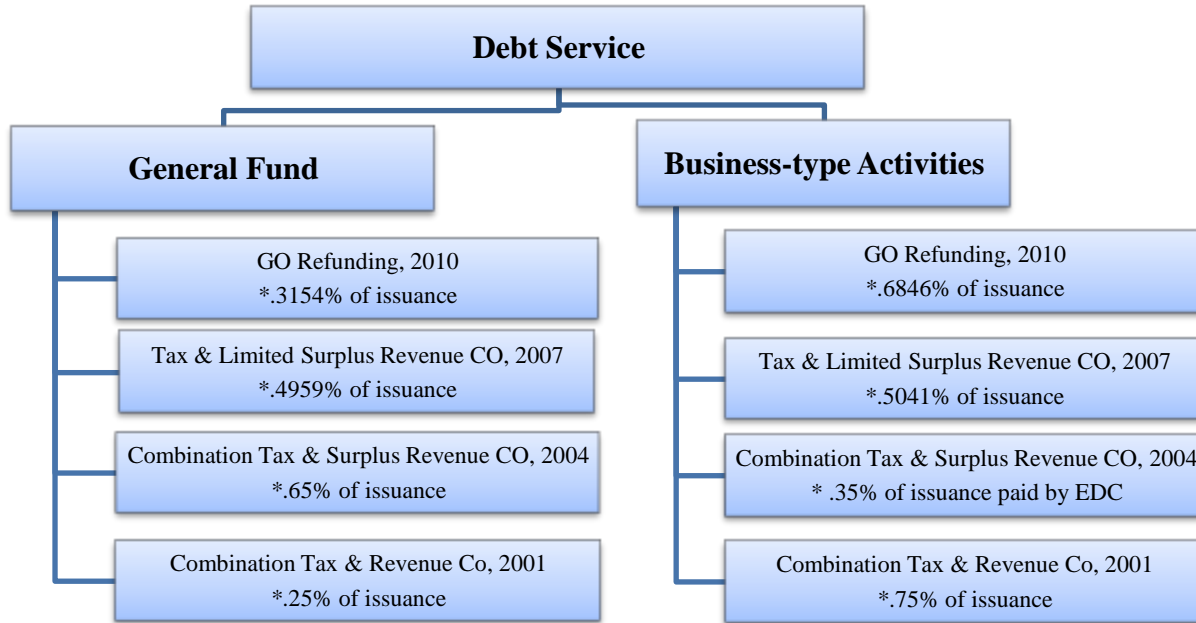
The principal source of revenue is assessed property taxes as established by ordinance.

**CITY OF HEATH
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Fiscal Year 2011-2012**

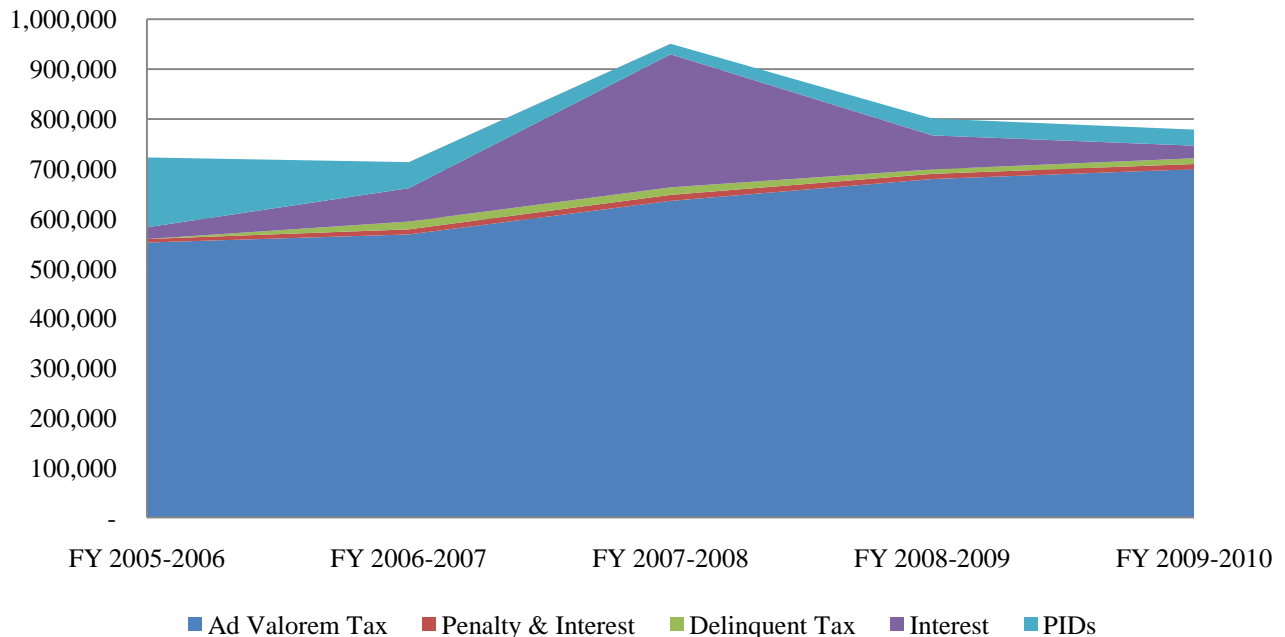
DEBT SERVICE FUND OVERVIEW

The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest. The resources of this 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 \$15,529,249.47 comprised of general obligation refunded issues and combination tax and surplus revenue certificates of obligation. Four debt obligations are divided by percentage between general obligation debt and the business-type activities represented below:



DEBT SERVICE MAJOR REVENUE



**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

DEBT SERVICE FUND OVERVIEW

AGGREGATE DEBT SERVICE SCHEDULE

The Aggregate Debt Service Schedule shows principal and interest payment obligations through 2027. Annually, the Debt Service Schedule of obligations and self-supporting revenue (primarily property tax and interest income) is analyzed for stability.

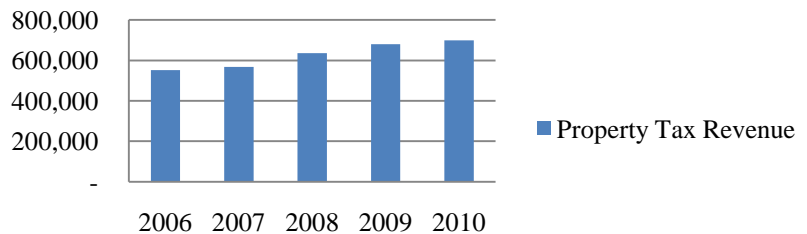
Numerous, unforeseen changes in variables make annual analysis vital. Annually, assumptions can be revised to incorporate economical and valuation fluctuations, and refunding options. Analysis will include:

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, and
7. Refunding feasibility.

**Ad Valorem Property Taxes,
Current Year (70%)**

The Rockwall County Appraisal District (RCAD) and Kaufman County Appraisal District (KCAD) establish the value of each property within the City of Heath.

Ad Valorem Property Tax Revenue



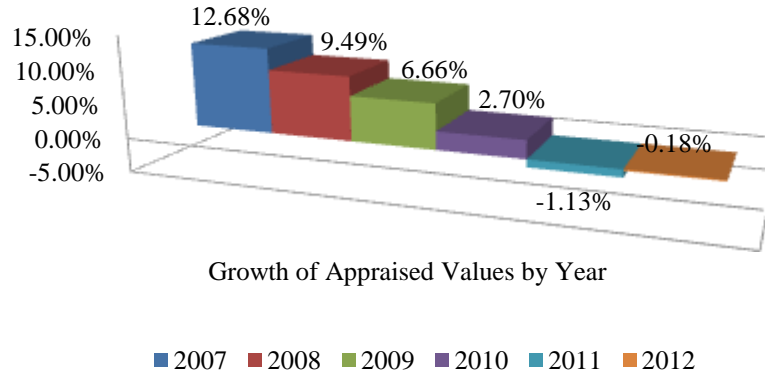
Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
Formula: $(A/100)*B*C$ Where: A = Certified Net Taxable Value B = Millage rate C = Collection Rate	1. Assessed values expected to remain relatively flat	A. 1,087,289,484 B. .0797 cents C. 98.5% collection	\$ 694,168	\$ 853,571

Detailed Assumptions:

1. The assumptions included a 3% growth in assessed value; use of fund balance for repayment of debt; no new debt issuance; a FY 2013 refunding and an annual review for refunding savings opportunities.
2. No refunding option available this fiscal year.
3. Other Long-term debt obligations include financing for the animal shelter, gun range, and fire equipment.
4. Reallocate 1.5 cents from M&O to I&S. M&O = .2636 I&S = .0797

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

DEBT SERVICE FUND OVERVIEW



General Fund Transfer (38%)

The City Financial policy requires 1/12 of each year's Debt principal and interest payments as a minimum fund balance. The budget projections using certified ad valorem assessed valuations is 3 times the required fund balance.

A one-time transfer of \$550,000 from General Fund and a 1 1/2 cent tax rate reallocation to Debt Service solidifies the City's commitment to debt obligations.

Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Transfer	2012 Transfer Projection
First Southwest Company with 2013 planned refunding.	1. 3% growth not realized FY 2012	A. 98.5% collections	\$ -	\$ 550,000

RECOMMENDATION:

Detailed Assumptions:

1. Contributions from General Fund to Debt Service Fund.
2. Assumes delivery of GO Refunding Bonds on February 14, 2013, refunding Series 2004 Combination Tax and Surplus Revenue Certificates of Obligation.
3. \$550,000 in excess of 25% target fund balance.

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

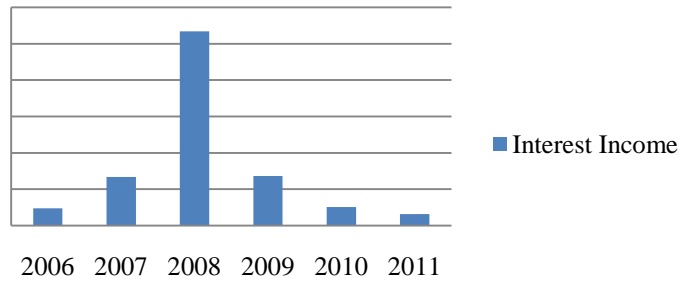
DEBT SERVICE FUND OVERVIEW

Interest (2%)

Interest Income spiked in FY 2008 from earnings received from investing the 2007 Bond Proceeds. In subsequent years, interest rates have declined and remain historically low. The decrease in interest income is a combination of low interest rates and reduction in the debt service fund balance.

300,000
250,000
200,000
150,000
100,000
50,000
-

Interest Income



Forecast Methodology	Assumptions about Environmental Factors	Revenue Assumptions	2011 Revenue Projection	2012 Revenue Projection
<p>Formula: (A*(1+B/1)^(1*(C/12)))</p> <p>Where: A = Average Balance B = Rate C = Time</p>	<ol style="list-style-type: none"> 1. TexSTAR .1% 2. TexPool .1% 3. High Yield Savings .2% 4. Debt Service Payments 	<ol style="list-style-type: none"> A. I&S accts B. .1% - .2% 	\$ 15,000	\$ 7,500

Detailed Assumptions:

1. The economic outlook for interest rates is not promising. With Quantitative Easing (QE2) projected to end as scheduled in June and the Federal fund rate projected to remain low for an "extended period" interest calculations reflect the current rate of interest.
2. 2007 Bond interest income is allocated between Debt Service (.50) and Utilities Capital Improvements (.50).
3. Bank Depository transition effective 10/01/2011.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012
GENERAL OBLIGATION DEBT SERVICE
LEGAL DEBT MARGIN

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 XI, 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
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	1,089,241,489	10%	\$ 108,924,149	\$ 12,010,884	\$ 96,913,265
2011	\$ 1,087,289,484	10%	\$ 108,728,948	\$ 9,769,686	\$ 98,959,262

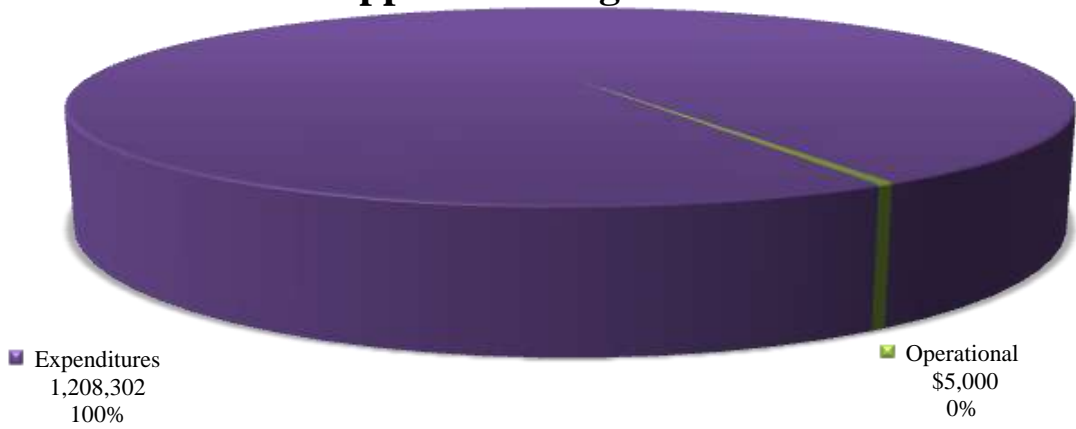
	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Maximum Rate	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Total Tax Rate	\$ 0.3433	\$ 0.3433	\$ 0.3433	\$ 0.3433	\$ 0.3433
Legal Debt Margin	\$ 2.1567	\$ 2.1567	\$ 2.1567	\$ 2.1567	\$ 2.1567

Fund Allocation	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
General Fund	0.2786	0.2786	0.2786	0.2786	0.2636
Debt Service	0.0647	0.0647	0.0647	0.0647	0.0797
	0.3433	0.3433	0.3433	0.3433	0.3433

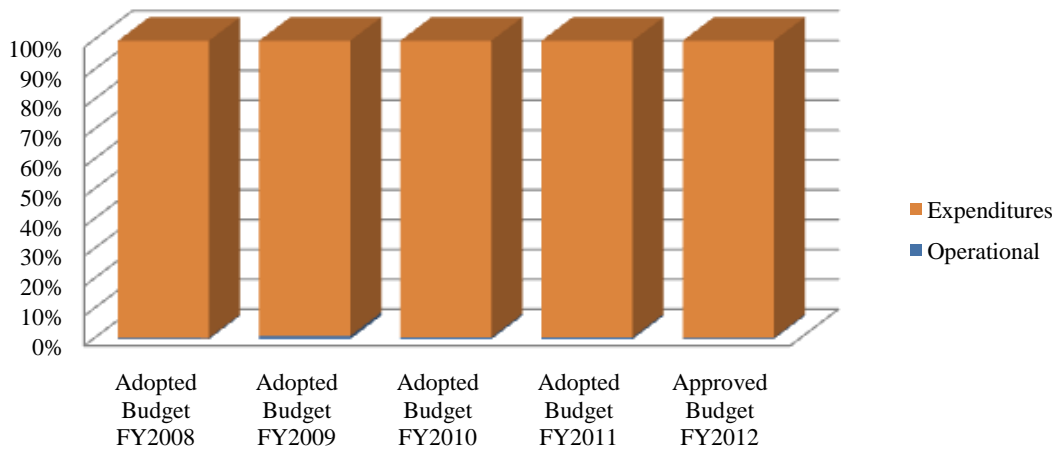
**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

FUND						ACCOUNT
DEBT SERVICE						40
NON-DIVISIONAL						
<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/ Decrease</i>
Operational	\$ 5,000	\$ 12,500	\$ 7,500	\$ 7,500	\$ 5,000	-50%
Expenditures	1,242,436	1,223,209	1,293,925	1,331,210	1,208,302	-10%

Approved Budget FY 2012



FY 2008 - FY 2012



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Sources and Uses

	<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
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Debt Service Fund - Sources and Uses

Sources of Funds

	<i>Beginning Resources</i>	1,492,263	1,224,566	1,224,566	1,224,566	684,004
	<i>Current Revenues</i>					
4001	Ad Valorem Tax	699,025	690,400	690,400	692,247	853,000
4002	Penalty & Interest	10,511	7,500	7,500	6,680	7,500
4004	Ad Valorem Delinquent Taxes	11,423	11,400	11,400	5,533	11,400
4106	Interest Earned	25,367	28,000	28,000	15,712	7,000
4210-4223	Other (PIDs, Assessments, Escrows)	32,196	29,000	29,000	24,734	9,750
4850	Transfer from General Fund	250,000	0	0	0	550,000
	Total - Debt Service Fund Revenue	1,028,523	766,300	766,300	744,906	1,438,650
	 <i>Total Sources Of Funds</i>	 2,520,786	 1,990,866	 1,990,866	 1,969,472	 2,122,654

Uses of Funds

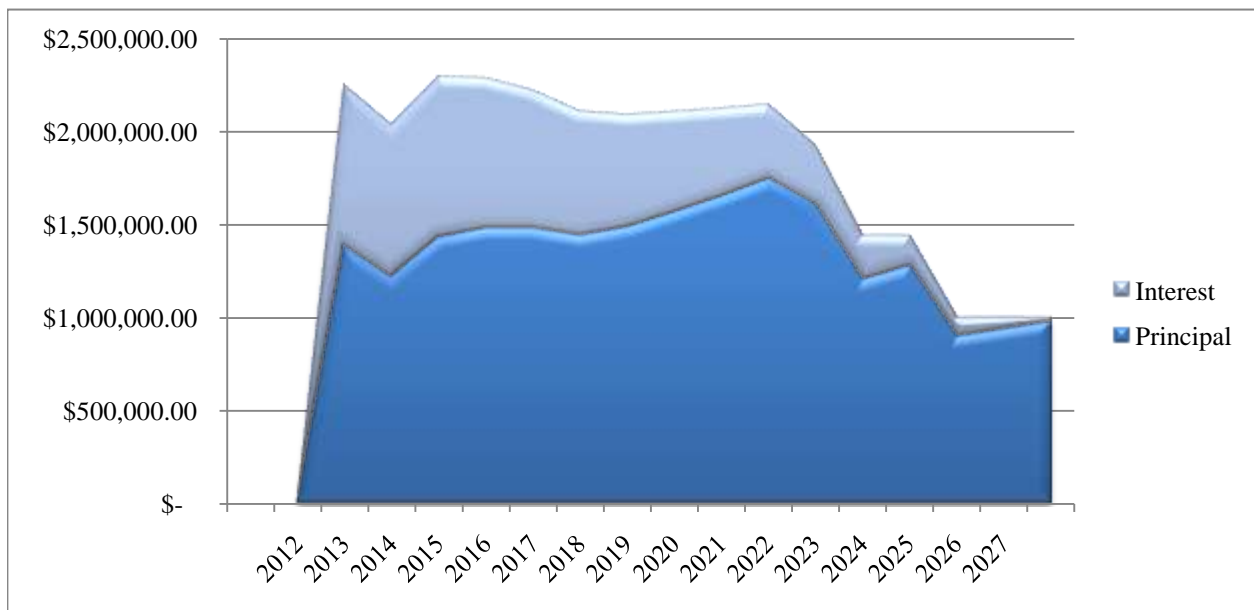
	<i>Current Expenditures</i>					
520-399	Miscellaneous Expense	2,500	7,500	7,500	10,110	5,000
	Total - Operational Items	2,500	7,500	7,500	10,110	5,000
520-613	2001 GO Bond Principal	20,000	100,000	100,000	100,000	0
520-614	2001 GO Bond Interest	33,623	30,933	30,933	2,250	0
520-615	2001 CO Bond Principal	72,500	86,250	86,250	86,250	0
520-616	2001 CO Bond Interest	87,377	83,841	83,841	1,941	0
520-617	2004 CO Principal	71,500	26,000	26,000	26,000	26,000
520-618	2004 CO Interest	42,414	40,664	40,664	40,645	39,707
520-619	2004 GO Ref (93,96) - Principal	185,000	190,000	190,000	190,000	205,000
520-620	2004 GO Ref (93,96) - Interest	36,963	30,176	30,176	30,040	22,908
520-621	Fire Truck - Principal	53,357	53,400	53,400	55,237	48,580
520-622	Fire Truck - Interest	6,645	6,650	6,650	0	6,657
520-625	Pistol Range - Principal	17,790	17,870	17,870	17,865	25,420
520-626	Pistol Range - Interest	5,921	4,910	4,910	4,908	2,777
520-627	2007 Combination-Principal	287,132	299,616	299,616	299,616	247,950
520-628	2007 Combination-Interest	337,599	325,864	325,864	325,864	249,166
520-629	Animal Shelter Principal	27,482	27,445	27,445	27,443	28,295
520-630	Animal Shelter Interest	8,418	7,592	7,592	7,585	6,742
520-631	2010 GO Refunding (01,01)-Principal	0	0	0	0	220,000
520-632	2010 GO Refunding (01,01)-Interest	0	0	0	59,714	79,100
	Total Current Expenditures	1,293,720	1,331,211	1,331,211	1,275,358	1,208,302
	 <i>Ending Resources</i>	 1,224,566	 652,155	 652,155	 684,004	 909,352
	 <i>Revenue vs. Expenditures - Surplus/(Deficit)</i>	 (267,697)	 (572,411)	 (572,411)	 (540,562)	 225,348

City of Heath, Texas

Outstanding General and Business Type and EDC Bonded Debt

Debt Service Schedule Total Aggregate

Date	Principal	Interest	Total Principal + Interest
2012	\$ 1,385,000.00	\$ 871,392.26	\$ 2,256,392.26
2013	\$ 1,220,000.00	\$ 821,990.26	\$ 2,041,990.26
2014	\$ 1,430,000.00	\$ 869,430.26	\$ 2,299,430.26
2015	\$ 1,480,000.00	\$ 810,680.26	\$ 2,290,680.26
2016	\$ 1,480,000.00	\$ 744,398.26	\$ 2,224,398.26
2017	\$ 1,440,000.00	\$ 672,051.26	\$ 2,112,051.26
2018	\$ 1,485,000.00	\$ 608,401.26	\$ 2,093,401.26
2019	\$ 1,565,000.00	\$ 545,001.26	\$ 2,110,001.26
2020	\$ 1,650,000.00	\$ 476,948.13	\$ 2,126,948.13
2021	\$ 1,745,000.00	\$ 403,378.75	\$ 2,148,378.75
2022	\$ 1,605,000.00	\$ 320,637.50	\$ 1,925,637.50
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	\$ 21,790,000.00	\$ 7,735,590.71	\$ 29,525,590.71

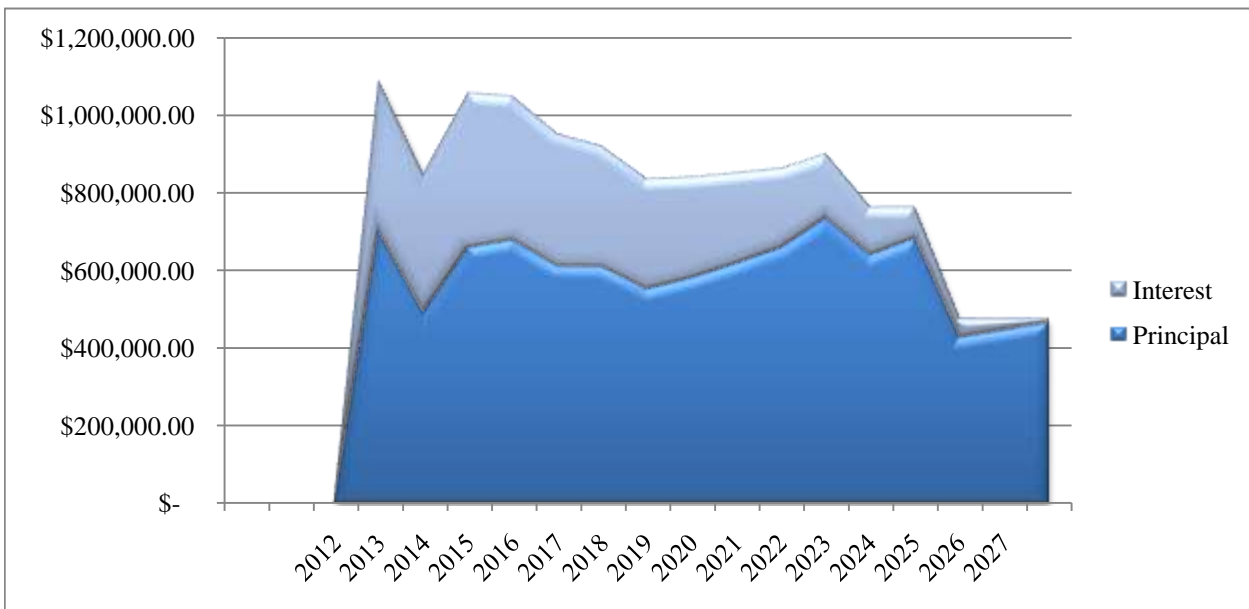


City of Heath, Texas

Outstanding General Bonded Debt

Debt Service Schedule General Bonded Aggregate

Date	Principal	Interest	Total Principal + Interest
2012	\$ 698,950.00	\$ 390,880.46	\$ 1,089,830.46
2013	\$ 490,589.36	\$ 357,640.08	\$ 848,229.44
2014	\$ 657,724.57	\$ 399,151.58	\$ 1,056,876.15
2015	\$ 676,986.81	\$ 371,550.30	\$ 1,048,537.11
2016	\$ 610,372.02	\$ 341,247.33	\$ 951,619.35
2017	\$ 608,761.31	\$ 310,687.75	\$ 919,449.06
2018	\$ 551,273.56	\$ 284,698.24	\$ 835,971.80
2019	\$ 579,658.77	\$ 260,519.60	\$ 840,178.36
2020	\$ 616,921.02	\$ 234,227.58	\$ 851,148.60
2021	\$ 657,433.27	\$ 205,233.37	\$ 862,666.64
2022	\$ 733,072.56	\$ 167,635.12	\$ 900,707.68
2023	\$ 639,211.85	\$ 124,525.24	\$ 763,737.09
2024	\$ 681,851.14	\$ 81,247.12	\$ 763,098.26
2025	\$ 427,867.47	\$ 49,293.90	\$ 477,161.37
2026	\$ 446,883.80	\$ 30,158.71	\$ 477,042.52
2027	\$ 465,900.13	\$ 10,191.57	\$ 476,091.70
Total	\$ 9,543,457.63	\$ 3,618,887.94	\$ 13,162,345.57



\$7,070,000

City of Heath, Texas

General Obligation Refunding Bond, Series 2010

Debt Service Schedule - General Bonded

General Fund: .3154% Business Type: .6846%

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ 220,000.00	\$ 41,200.00	\$ 261,200.00	\$ -
8/15/2012	\$ -	\$ 37,900.00	\$ 37,900.00	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 299,100.00
2/15/2013	\$ 10,000.00	\$ 37,900.00	\$ 47,900.00	\$ -
8/15/2013	\$ -	\$ 37,750.00	\$ 37,750.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 85,650.00
2/15/2014	\$ 225,000.00	\$ 37,750.00	\$ 262,750.00	\$ -
8/15/2014	\$ -	\$ 34,375.00	\$ 34,375.00	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 297,125.00
2/15/2015	\$ 225,000.00	\$ 34,375.00	\$ 259,375.00	\$ -
8/15/2015	\$ -	\$ 31,000.00	\$ 31,000.00	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 290,375.00
2/15/2016	\$ 235,000.00	\$ 31,000.00	\$ 266,000.00	\$ -
8/15/2016	\$ -	\$ 26,300.00	\$ 26,300.00	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 292,300.00
2/15/2017	\$ 285,000.00	\$ 26,300.00	\$ 311,300.00	\$ -
8/15/2017	\$ -	\$ 20,600.00	\$ 20,600.00	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 331,900.00
2/15/2018	\$ 210,000.00	\$ 20,600.00	\$ 230,600.00	\$ -
8/15/2018	\$ -	\$ 16,400.00	\$ 16,400.00	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 247,000.00
2/15/2019	\$ 220,000.00	\$ 16,400.00	\$ 236,400.00	\$ -
8/15/2019	\$ -	\$ 12,000.00	\$ 12,000.00	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 248,400.00
2/15/2020	\$ 230,000.00	\$ 12,000.00	\$ 242,000.00	\$ -
8/15/2020	\$ -	\$ 7,400.00	\$ 7,400.00	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 249,400.00
2/15/2021	\$ 240,000.00	\$ 7,400.00	\$ 247,400.00	\$ -
8/15/2021	\$ -	\$ 2,600.00	\$ 2,600.00	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 250,000.00
2/15/2022	\$ 130,000.00	\$ 2,600.00	\$ 132,600.00	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 132,600.00
Total	\$ 2,230,000.00	\$ 493,850.00	\$ 2,723,850.00	\$ 2,723,850.00

\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - General Bonded

General Fund: .4754083% Business Type: .5245917%

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ 247,950.00	\$ 127,062.13	\$ 375,012.13	\$ -
8/15/2012	\$ -	\$ 122,103.13	\$ 122,103.13	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 497,115.26
2/15/2013	\$ 249,589.36	\$ 117,057.71	\$ 366,647.07	\$ -
8/15/2013	\$ -	\$ 110,817.97	\$ 110,817.97	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 477,465.04
2/15/2014	\$ 261,474.57	\$ 110,817.97	\$ 372,292.54	\$ -
8/15/2014	\$ -	\$ 104,281.11	\$ 104,281.11	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 476,573.65
2/15/2015	\$ 275,736.81	\$ 104,281.11	\$ 380,017.92	\$ -
8/15/2015	\$ -	\$ 97,387.69	\$ 97,387.69	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 477,405.61
2/15/2016	\$ 287,622.02	\$ 97,387.69	\$ 385,009.71	\$ -
8/15/2016	\$ -	\$ 90,197.14	\$ 90,197.14	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 475,206.85
2/15/2017	\$ 304,261.31	\$ 90,197.14	\$ 394,458.45	\$ -
8/15/2017	\$ -	\$ 82,590.61	\$ 82,590.61	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 477,049.06
2/15/2018	\$ 318,523.56	\$ 82,590.61	\$ 401,114.17	\$ -
8/15/2018	\$ -	\$ 76,220.14	\$ 76,220.14	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 477,334.30
2/15/2019	\$ 330,408.77	\$ 76,220.14	\$ 406,628.90	\$ -
8/15/2019	\$ -	\$ 69,611.96	\$ 69,611.96	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 476,240.86
2/15/2020	\$ 344,671.02	\$ 69,611.96	\$ 414,282.98	\$ -
8/15/2020	\$ -	\$ 62,503.12	\$ 62,503.12	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 476,786.10
2/15/2021	\$ 358,933.27	\$ 62,503.12	\$ 421,436.38	\$ -
8/15/2021	\$ -	\$ 55,055.25	\$ 55,055.25	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 476,491.64
2/15/2022	\$ 375,572.56	\$ 55,055.25	\$ 430,627.81	\$ -
8/15/2022	\$ -	\$ 46,604.87	\$ 46,604.87	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 477,232.68
2/15/2023	\$ 392,211.85	\$ 46,604.87	\$ 438,816.72	\$ -
8/15/2023	\$ -	\$ 38,270.37	\$ 38,270.37	\$ -
9/30/2023	\$ -	\$ -	\$ -	\$ 477,087.09
2/15/2024	\$ 408,851.14	\$ 38,270.37	\$ 447,121.51	\$ -
8/15/2024	\$ -	\$ 29,326.75	\$ 29,326.75	\$ -
9/30/2024	\$ -	\$ -	\$ -	\$ 476,448.26
2/15/2025	\$ 427,867.47	\$ 29,326.75	\$ 457,194.22	\$ -
8/15/2025	\$ -	\$ 19,967.15	\$ 19,967.15	\$ -
9/30/2025	\$ -	\$ -	\$ -	\$ 477,161.37
2/15/2026	\$ 446,883.80	\$ 19,967.15	\$ 466,850.95	\$ -
8/15/2026	\$ -	\$ 10,191.57	\$ 10,191.57	\$ -
9/30/2026	\$ -	\$ -	\$ -	\$ 477,042.52
2/15/2027	\$ 465,900.13	\$ 10,191.57	\$ 476,091.70	\$ -
9/30/2027	\$ -	\$ -	\$ -	\$ 476,091.70
Total	\$ 5,496,457.63	\$ 2,152,274.34	\$ 7,648,731.97	\$ 7,648,731.97

\$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
2/15/2012	\$ 205,000.00	\$ 13,340.00	\$ 218,340.00	\$ -
8/15/2012	\$ -	\$ 9,568.00	\$ 9,568.00	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 227,908.00
2/15/2013	\$ 205,000.00	\$ 9,568.00	\$ 214,568.00	\$ -
8/15/2013	\$ -	\$ 5,796.00	\$ 5,796.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 220,364.00
2/15/2014	\$ 155,000.00	\$ 5,796.00	\$ 160,796.00	\$ -
8/15/2014	\$ -	\$ 2,944.00	\$ 2,944.00	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 163,740.00
2/15/2015	\$ 160,000.00	\$ 2,944.00	\$ 162,944.00	\$ -
8/15/2015	\$ -	\$ -	\$ -	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 162,944.00
Total	\$ 725,000.00	\$ 49,956.00	\$ 774,956.00	\$ 774,956.00

\$2,190,000

City of Heath, Texas

Combination Tax & Surplus Revenue Certificates of Obligation, Series 2004

Debt Service Schedule - General Bonded

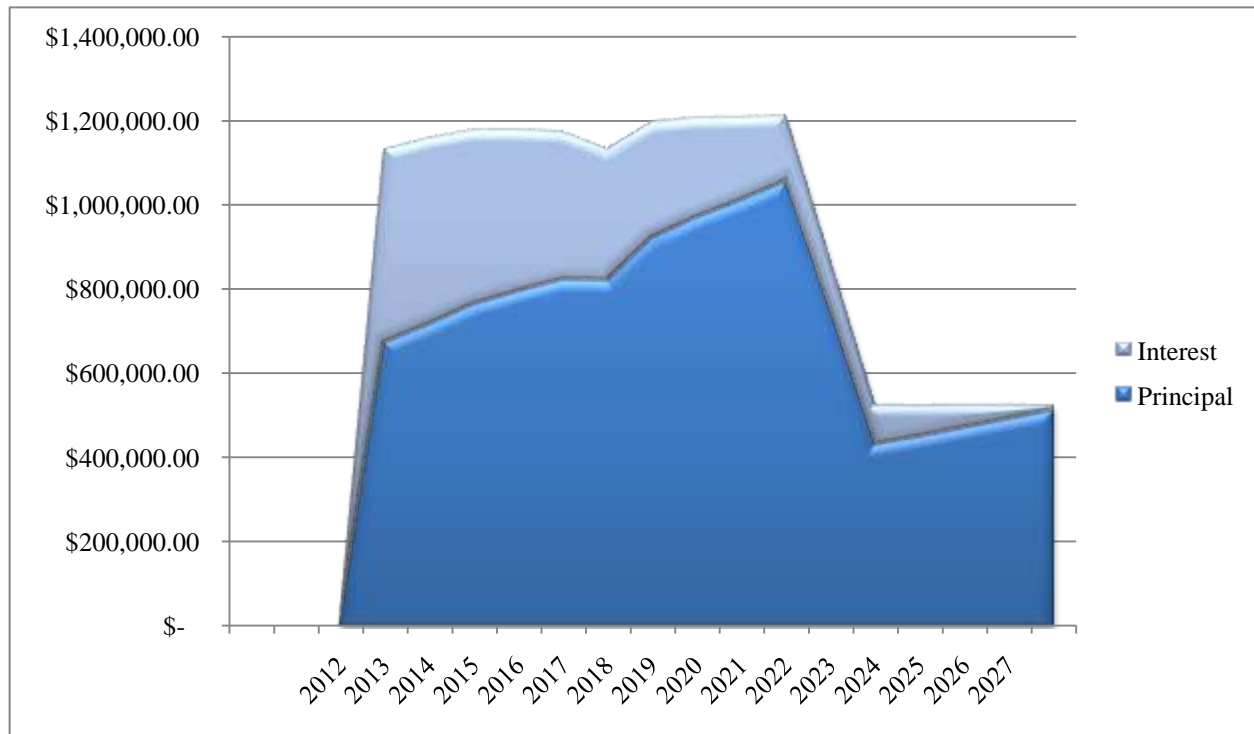
General Fund: .65% Business Type (EDC): .35%

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ 26,000.00	\$ 20,092.80	\$ 46,092.80	\$ -
8/15/2012	\$ -	\$ 19,614.40	\$ 19,614.40	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 65,707.20
2/15/2013	\$ 26,000.00	\$ 19,614.40	\$ 45,614.40	\$ -
8/15/2013	\$ -	\$ 19,136.00	\$ 19,136.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 64,750.40
2/15/2014	\$ 16,250.00	\$ 52,000.00	\$ 68,250.00	\$ -
8/15/2014	\$ -	\$ 51,187.50	\$ 51,187.50	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 119,437.50
2/15/2015	\$ 16,250.00	\$ 51,187.50	\$ 67,437.50	\$ -
8/15/2015	\$ -	\$ 50,375.00	\$ 50,375.00	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 117,812.50
2/15/2016	\$ 87,750.00	\$ 50,375.00	\$ 138,125.00	\$ -
8/15/2016	\$ -	\$ 45,987.50	\$ 45,987.50	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 184,112.50
2/15/2017	\$ 19,500.00	\$ 45,987.50	\$ 65,487.50	\$ -
8/15/2017	\$ -	\$ 45,012.50	\$ 45,012.50	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 110,500.00
2/15/2018	\$ 22,750.00	\$ 45,012.50	\$ 67,762.50	\$ -
8/15/2018	\$ -	\$ 43,875.00	\$ 43,875.00	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 111,637.50
2/15/2019	\$ 29,250.00	\$ 43,875.00	\$ 73,125.00	\$ -
8/15/2019	\$ -	\$ 42,412.50	\$ 42,412.50	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 115,537.50
2/15/2020	\$ 42,250.00	\$ 42,412.50	\$ 84,662.50	\$ -
8/15/2020	\$ -	\$ 40,300.00	\$ 40,300.00	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 124,962.50
2/15/2021	\$ 58,500.00	\$ 40,300.00	\$ 98,800.00	\$ -
8/15/2021	\$ -	\$ 37,375.00	\$ 37,375.00	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 136,175.00
2/15/2022	\$ 227,500.00	\$ 37,375.00	\$ 264,875.00	\$ -
8/15/2022	\$ -	\$ 26,000.00	\$ 26,000.00	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 290,875.00
2/15/2023	\$ 247,000.00	\$ 26,000.00	\$ 273,000.00	\$ -
8/15/2023	\$ -	\$ 13,650.00	\$ 13,650.00	\$ -
9/30/2023	\$ -	\$ -	\$ -	\$ 286,650.00
2/15/2024	\$ 273,000.00	\$ 13,650.00	\$ 286,650.00	\$ -
9/30/2024	\$ -	\$ -	\$ -	\$ 286,650.00
Total	\$ 1,092,000.00	\$ 922,807.60	\$ 2,014,807.60	\$ 2,014,807.60

City of Heath, Texas
 Outstanding Business-Type Activities

Debt Service Schedule Business-Type Aggregate

Date	Principal	Interest	Total Principal + Interest
2012	\$ 672,050.00	\$ 459,131.00	\$ 1,131,181.00
2013	\$ 715,410.64	\$ 443,484.58	\$ 1,158,895.22
2014	\$ 763,525.44	\$ 414,716.18	\$ 1,178,241.61
2015	\$ 794,263.19	\$ 384,442.46	\$ 1,178,705.65
2016	\$ 822,377.98	\$ 351,263.43	\$ 1,173,641.41
2017	\$ 820,738.69	\$ 312,363.51	\$ 1,133,102.20
2018	\$ 921,476.44	\$ 275,840.52	\$ 1,197,316.96
2019	\$ 969,591.23	\$ 238,019.16	\$ 1,207,610.40
2020	\$ 1,010,328.98	\$ 198,183.05	\$ 1,208,512.03
2021	\$ 1,056,066.73	\$ 156,320.38	\$ 1,212,387.11
2022	\$ 749,427.44	\$ 118,877.38	\$ 868,304.82
2023	\$ 432,788.15	\$ 93,656.01	\$ 526,444.16
2024	\$ 451,148.86	\$ 74,590.38	\$ 525,739.24
2025	\$ 472,132.53	\$ 54,393.60	\$ 526,526.13
2026	\$ 493,116.20	\$ 33,278.79	\$ 526,394.98
2027	\$ 514,099.87	\$ 11,245.93	\$ 525,345.80
Total	\$ 11,658,542.37	\$ 3,619,806.37	\$ 15,278,348.74



\$7,070,000

City of Heath, Texas

General Obligation Refunding Bond, Series 2010

Debt Service Schedule - General Bonded

General Fund: .3154% Business Type: .6846%

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ 275,000.00	\$ 90,725.00	\$ 365,725.00	\$ -
8/15/2012	\$ -	\$ 86,600.00	\$ 86,600.00	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 452,325.00
2/15/2013	\$ 290,000.00	\$ 86,600.00	\$ 376,600.00	\$ -
8/15/2013	\$ -	\$ 82,250.00	\$ 82,250.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 458,850.00
2/15/2014	\$ 320,000.00	\$ 82,250.00	\$ 402,250.00	\$ -
8/15/2014	\$ -	\$ 77,450.00	\$ 77,450.00	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 479,700.00
2/15/2015	\$ 330,000.00	\$ 77,450.00	\$ 407,450.00	\$ -
8/15/2015	\$ -	\$ 72,500.00	\$ 72,500.00	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 479,950.00
2/15/2016	\$ 340,000.00	\$ 72,500.00	\$ 412,500.00	\$ -
8/15/2016	\$ -	\$ 65,700.00	\$ 65,700.00	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 478,200.00
2/15/2017	\$ 485,000.00	\$ 65,700.00	\$ 550,700.00	\$ -
8/15/2017	\$ -	\$ 56,000.00	\$ 56,000.00	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 606,700.00
2/15/2018	\$ 570,000.00	\$ 56,000.00	\$ 626,000.00	\$ -
8/15/2018	\$ -	\$ 44,600.00	\$ 44,600.00	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 670,600.00
2/15/2019	\$ 605,000.00	\$ 44,600.00	\$ 649,600.00	\$ -
8/15/2019	\$ -	\$ 32,500.00	\$ 32,500.00	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 682,100.00
2/15/2020	\$ 630,000.00	\$ 32,500.00	\$ 662,500.00	\$ -
8/15/2020	\$ -	\$ 19,900.00	\$ 19,900.00	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 682,400.00
2/15/2021	\$ 660,000.00	\$ 19,900.00	\$ 679,900.00	\$ -
8/15/2021	\$ -	\$ 6,700.00	\$ 6,700.00	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 686,600.00
2/15/2022	\$ 335,000.00	\$ 6,700.00	\$ 341,700.00	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 341,700.00
Total	\$ 4,840,000.00	\$ 1,179,125.00	\$ 6,019,125.00	\$ 6,019,125.00

\$13,445,000

City of Heath, Texas

Tax & Limited Surplus Revenue Certificates of Obligation, Series 2007

Debt Service Schedule - Business-Type

General Fund: .4754083% Business Type: .5245917%

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ 252,050.00	\$ 129,163.50	\$ 381,213.50	\$ -
8/15/2012	\$ -	\$ 124,122.50	\$ 124,122.50	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 505,336.00
2/15/2013	\$ 275,410.64	\$ 129,167.92	\$ 404,578.56	\$ -
8/15/2013	\$ -	\$ 122,282.66	\$ 122,282.66	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 526,861.22
2/15/2014	\$ 288,525.44	\$ 122,282.66	\$ 410,808.09	\$ -
8/15/2014	\$ -	\$ 115,069.52	\$ 115,069.52	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 525,877.61
2/15/2015	\$ 304,263.19	\$ 115,069.52	\$ 419,332.71	\$ -
8/15/2015	\$ -	\$ 107,462.94	\$ 107,462.94	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 526,795.65
2/15/2016	\$ 317,377.98	\$ 107,462.94	\$ 424,840.92	\$ -
8/15/2016	\$ -	\$ 99,528.49	\$ 99,528.49	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 524,369.41
2/15/2017	\$ 335,738.69	\$ 99,528.49	\$ 435,267.18	\$ -
8/15/2017	\$ -	\$ 91,135.02	\$ 91,135.02	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 526,402.20
2/15/2018	\$ 351,476.44	\$ 91,135.02	\$ 442,611.46	\$ -
8/15/2018	\$ -	\$ 84,105.49	\$ 84,105.49	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 526,716.96
2/15/2019	\$ 364,591.23	\$ 84,105.49	\$ 448,696.73	\$ -
8/15/2019	\$ -	\$ 76,813.67	\$ 76,813.67	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 525,510.40
2/15/2020	\$ 380,328.98	\$ 76,813.67	\$ 457,142.65	\$ -
8/15/2020	\$ -	\$ 68,969.38	\$ 68,969.38	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 526,112.03
2/15/2021	\$ 396,066.73	\$ 68,969.38	\$ 465,036.12	\$ -
8/15/2021	\$ -	\$ 60,751.00	\$ 60,751.00	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 525,787.11
2/15/2022	\$ 414,427.44	\$ 60,751.00	\$ 475,178.44	\$ -
8/15/2022	\$ -	\$ 51,426.38	\$ 51,426.38	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 526,604.82
2/15/2023	\$ 432,788.15	\$ 51,426.38	\$ 484,214.53	\$ -
8/15/2023	\$ -	\$ 42,229.63	\$ 42,229.63	\$ -
9/30/2023	\$ -	\$ -	\$ -	\$ 526,444.16
2/15/2024	\$ 451,148.86	\$ 42,229.63	\$ 493,378.49	\$ -
8/15/2024	\$ -	\$ 32,360.75	\$ 32,360.75	\$ -
9/30/2024	\$ -	\$ -	\$ -	\$ 525,739.24
2/15/2025	\$ 472,132.53	\$ 32,360.75	\$ 504,493.28	\$ -
8/15/2025	\$ -	\$ 22,032.85	\$ 22,032.85	\$ -
9/30/2025	\$ -	\$ -	\$ -	\$ 526,526.13
2/15/2026	\$ 493,116.20	\$ 22,032.85	\$ 515,149.05	\$ -
8/15/2026	\$ -	\$ 11,245.93	\$ 11,245.93	\$ -
9/30/2026	\$ -	\$ -	\$ -	\$ 526,394.98
2/15/2027	\$ 514,099.87	\$ 11,245.93	\$ 525,345.80	\$ -
9/30/2027	\$ -	\$ -	\$ -	\$ 525,345.80
Total	\$ 6,043,542.37	\$ 2,353,281.37	\$ 8,396,823.74	\$ 8,396,823.74

\$1,640,000

City of Heath, Texas

Combination Tax & Revenue Refunding Bonds, Series 2004A

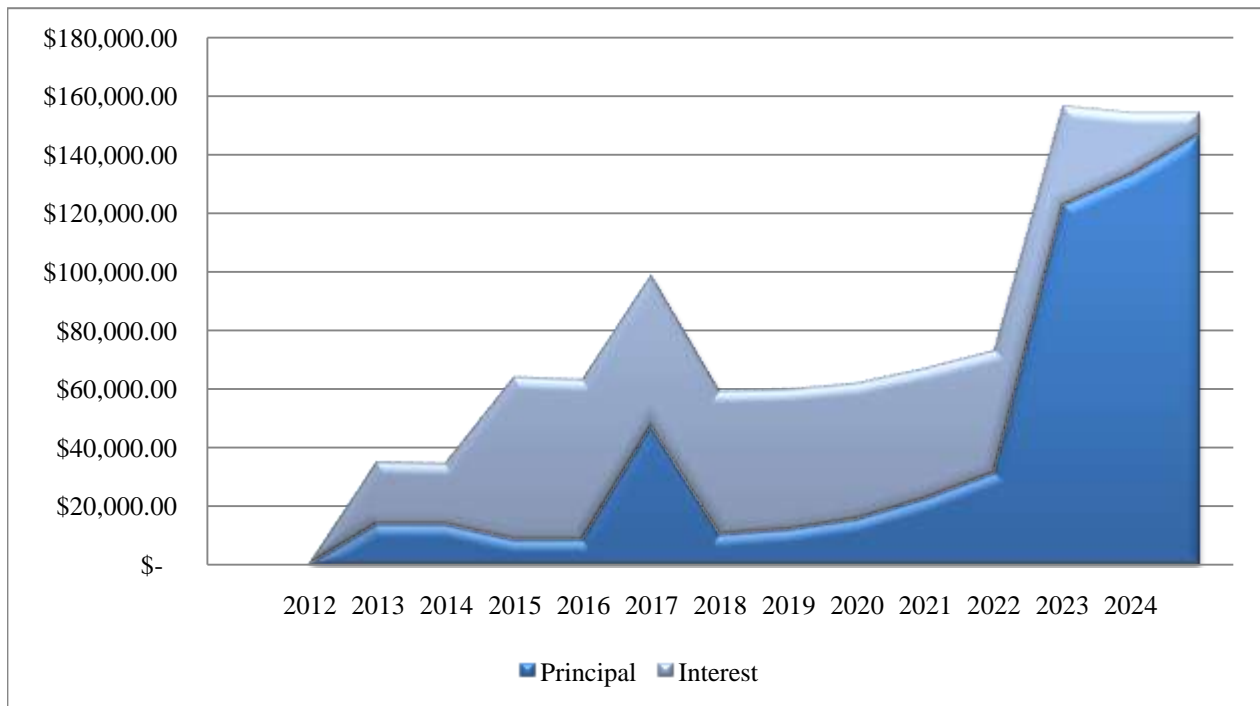
Debt Service Schedule - Business-Type

Date	Principal	Interest	Principal + Interest	Fiscal Total
2/15/2012	\$ -	\$ 14,260.00	\$ 14,260.00	\$ -
8/15/2012	\$ 145,000.00	\$ 14,260.00	\$ 159,260.00	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 173,520.00
2/15/2013	\$ -	\$ 11,592.00	\$ 11,592.00	\$ -
8/15/2013	\$ 150,000.00	\$ 11,592.00	\$ 161,592.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 173,184.00
2/15/2014	\$ -	\$ 8,832.00	\$ 8,832.00	\$ -
8/15/2014	\$ 155,000.00	\$ 8,832.00	\$ 163,832.00	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 172,664.00
2/15/2015	\$ -	\$ 5,980.00	\$ 5,980.00	\$ -
8/15/2015	\$ 160,000.00	\$ 5,980.00	\$ 165,980.00	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 171,960.00
2/15/2016	\$ -	\$ 3,036.00	\$ 3,036.00	\$ -
8/15/2016	\$ 165,000.00	\$ 3,036.00	\$ 168,036.00	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 171,072.00
Total	\$ 775,000.00	\$ 87,400.00	\$ 862,400.00	\$ 862,400.00

City of Heath, Texas
 Outstanding EDC and MBC

Debt Service Schedule Component Units Aggregate

Date	Principal	Interest	Total Principal + Interest
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	\$ 588,000.00	\$ 496,896.40	\$ 1,084,896.40



\$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
2/15/2012	\$ 14,000.00	\$ 10,819.20	\$ 24,819.20	\$ -
8/15/2012	\$ -	\$ 10,561.60	\$ 10,561.60	\$ -
9/30/2012	\$ -	\$ -	\$ -	\$ 35,380.80
2/15/2013	\$ 14,000.00	\$ 10,561.60	\$ 24,561.60	\$ -
8/15/2013	\$ -	\$ 10,304.00	\$ 10,304.00	\$ -
9/30/2013	\$ -	\$ -	\$ -	\$ 34,865.60
2/15/2014	\$ 8,750.00	\$ 28,000.00	\$ 36,750.00	\$ -
8/15/2014	\$ -	\$ 27,562.50	\$ 27,562.50	\$ -
9/30/2014	\$ -	\$ -	\$ -	\$ 64,312.50
2/15/2015	\$ 8,750.00	\$ 27,562.50	\$ 36,312.50	\$ -
8/15/2015	\$ -	\$ 27,125.00	\$ 27,125.00	\$ -
9/30/2015	\$ -	\$ -	\$ -	\$ 63,437.50
2/15/2016	\$ 47,250.00	\$ 27,125.00	\$ 74,375.00	\$ -
8/15/2016	\$ -	\$ 24,762.50	\$ 24,762.50	\$ -
9/30/2016	\$ -	\$ -	\$ -	\$ 99,137.50
2/15/2017	\$ 10,500.00	\$ 24,762.50	\$ 35,262.50	\$ -
8/15/2017	\$ -	\$ 24,237.50	\$ 24,237.50	\$ -
9/30/2017	\$ -	\$ -	\$ -	\$ 59,500.00
2/15/2018	\$ 12,250.00	\$ 24,237.50	\$ 36,487.50	\$ -
8/15/2018	\$ -	\$ 23,625.00	\$ 23,625.00	\$ -
9/30/2018	\$ -	\$ -	\$ -	\$ 60,112.50
2/15/2019	\$ 15,750.00	\$ 23,625.00	\$ 39,375.00	\$ -
8/15/2019	\$ -	\$ 22,837.50	\$ 22,837.50	\$ -
9/30/2019	\$ -	\$ -	\$ -	\$ 62,212.50
2/15/2020	\$ 22,750.00	\$ 22,837.50	\$ 45,587.50	\$ -
8/15/2020	\$ -	\$ 21,700.00	\$ 21,700.00	\$ -
9/30/2020	\$ -	\$ -	\$ -	\$ 67,287.50
2/15/2021	\$ 31,500.00	\$ 21,700.00	\$ 53,200.00	\$ -
8/15/2021	\$ -	\$ 20,125.00	\$ 20,125.00	\$ -
9/30/2021	\$ -	\$ -	\$ -	\$ 73,325.00
2/15/2022	\$ 122,500.00	\$ 20,125.00	\$ 142,625.00	\$ -
8/15/2022	\$ -	\$ 14,000.00	\$ 14,000.00	\$ -
9/30/2022	\$ -	\$ -	\$ -	\$ 156,625.00
2/15/2023	\$ 133,000.00	\$ 14,000.00	\$ 147,000.00	\$ -
8/15/2023	\$ -	\$ 7,350.00	\$ 7,350.00	\$ -
9/30/2023	\$ -	\$ -	\$ -	\$ 154,350.00
2/15/2024	\$ 147,000.00	\$ 7,350.00	\$ 154,350.00	\$ -
9/30/2024	\$ -	\$ -	\$ -	\$ 154,350.00
Total	\$ 588,000.00	\$ 496,896.40	\$ 1,084,896.40	\$ 1,084,896.40



COMPONENT UNITS

The Heath Economic Development Corporation (HEDC) is governed by a seven member board of directors appointed, at will, by the City Council. Each member is appointed to a term not to exceed 6 years. 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 HEDC's activities.

The Heath Municipal Benefits Corporation (HMBC) is governed by a seven member board of directors appointed, at will, by the City Council. Three of the seven directors cannot be employees, officers or members of the city's governing body. The other four directors may be - but are not required to be - members of the governing body or city employees. All directors are appointed to a two-year term under 4B. 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.

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

FUND HEDC	DEPARTMENT Heath Economic Development Corporation	ACCOUNT 80
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MISSION STATEMENT

Attract and facilitate desirable business opportunities within the City of Heath, that benefits the City and it's citizenry and provides responsible and manageable growth.

The 4A Sales tax is primarily intended for manufacturing and industrial development, and cities may use the money raised by this sales tax to acquire land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements for purposes related to: (1) manufacturing and industrial facilities, recycling facilities, distribution centers, small warehouse facilities; (2) research and development facilities, regional or national corporate headquarters facilities, primary job training facilities for use by institutions of higher education, job training classes; (3) a general aviation business service airport that is an integral part of an industrial park; (4) certain infrastructure improvements, which promote or develop new or expanded business enterprises; (5) port-related facilities to support waterborne commerce; and (6) maintenance and operating costs associated with projects.

FY 11 ACCOMPLISHMENTS

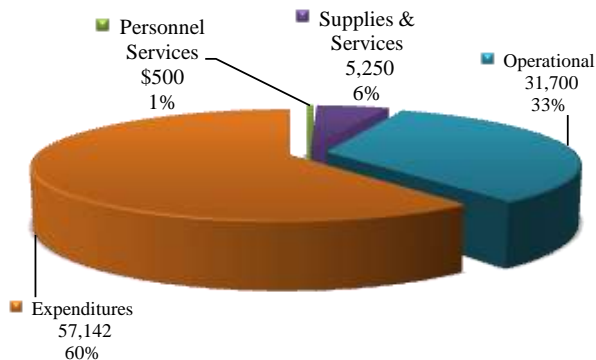
Joint citizen survey utilized to aid decision making on desired future projects.
 Market Analysis Study and Demographic Update utilized to facilitate decision making in attracting desirable business opportunities.
 Texas Economic Development Council webinar hosted for beneficial discussion regarding development opportunities.
 Light and Sign Program discussion to enhance ambiance of the City in FY 2012.

PRIORITIZED GOALS

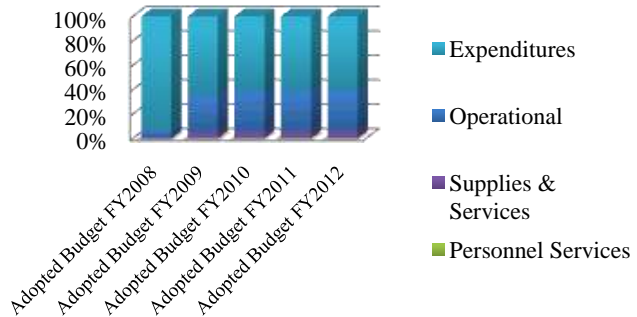
Development of 75 acre plan to include a food court; and plat, market, sell and develop corner(s) of FM 1140 and Chris Cuny Parkway.
 Secure a Towne Center Site.
 Encourage super market location in Heath.
 Enhance ambiance of the City by replacing faded street signs and completing further landscaping.
 Encourage restaurants, service businesses and off-site data storages to locate in Heath.
 Develop trail connections from FM 740 to the intersection of FM 549 and FM 550. Begin planning for golf cart path.
 Encourage green focus.

<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Adopted Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Adopted Budget FY2012</i>	<i>% Increase/ Decrease</i>
Personnel Services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	0%
Supplies & Services	5,000	5,000	5,000	5,000	5,250	5%
Operational	26,600	31,700	31,700	31,700	31,700	0%
Expenditures	398,318	65,800	57,333	57,333	57,142	0%

Adopted Budget FY 2012



FY 2008 - FY 2012



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Sources and Uses		HEDC				
		<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
<i>HEDC Revenues and Expenditures</i>						
Sources of Funds						
	<i>Beginning Resources</i>	593,934	739,224	739,224	739,224	888,600
	<i>Current Revenues</i>					
4101	Sales Tax	189,894	175,000	175,000	184,773	185,000
4106	Interest Earned	1,251	1,200	1,200	1,490	1,200
	Total - Revenue	191,145	176,200	176,200	186,263	186,200
	Total Sources Of Funds	785,079	915,424	915,424	925,487	1,074,800
Uses of Funds						
	<i>Current Expenditures</i>					
580-120	Admin Services	0	500	500	0	500
	Total - Personnel Services	0	500	500	0	500
580-220	Office Supplies	59	0	0	0	250
580-230	Dues/Subscriptions/Publications	0	0	0	50	0
580-231	Conferences & Training	316	2,500	2,500	311	2,500
580-232	Travel, Meals & Lodging	94	2,500	2,500	0	2,500
	Total - Supplies & Services	469	5,000	5,000	361	5,250
580-311	Legal Publications/Advertising	0	200	200	0	200
580-342	Professional Fees/Consultants	1,617	25,000	25,000	6,259	25,000
580-366	Promotional	0	4,000	4,000	0	4,000
580-367	Community Education	0	2,500	2,500	0	2,500
	Total - Operational Items	1,617	31,700	31,700	6,259	31,700
580-525	Economic Development Grants	0	25,000	25,000	0	25,000
580-550	Capital Improvement Projects	3,060	0	0	0	0
	Total - Capital Outlay	3,060	25,000	25,000	0	25,000
580-617	Debt Service - 2004 Principal	14,300	5,200	5,200	5,200	5,200
580-618	Debt Service -2004 Interest	8,483	8,133	8,133	8,129	7,942
	Total - Debt Service	22,783	13,333	13,333	13,329	13,142
580-801	Transfer to General Fund	17,926	19,000	19,000	16,938	19,000
	Total - Transfers	17,926	19,000	19,000	16,938	19,000
	Total Current Expenditures	45,855	94,533	94,533	36,887	94,592
	Ending Resources	739,224	820,891	820,891	888,600	980,208
	Revenue vs. Expenditures - Surplus/(Deficit)	145,290	81,667	81,667	149,376	91,608

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

FUND HMBC	DEPARTMENT Heath Municipal Benefits Corporation	ACCOUNT 85
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MISSION STATEMENT

Attract and facilitate desirable business opportunities within the City of Heath, that benefits the City and it's citizenry and provides responsible and manageable growth.

The 4B Sales tax provides cities with a wider range of uses for the tax revenues because it is intended to give communities an opportunity to undertake a project for quality of life improvements, including economic development that will attract and retain primary employers. Cities may use money raised by this sales tax for a wide variety of projects including land, buildings, equipment, facilities expenditures and improvements related to projects defined in 4A or found by the board of directors to be required or suitable for use for: (1) professional and amateur sports (including children's sports) and athletic facilities; tourism and entertainment facilities; convention and public park purposes and events, (including stadiums, ballparks, auditoriums, amphitheaters, concert halls, parks and open space improvements, museums, exhibition facilities); (2) related store, restaurant, concession, parking and transportation facilities; (3) related street, water and sewer facilities; and (4) affordable housing.

To promote and develop new and expanded business enterprises that create or retain primary jobs, a city may provide: (1) public safety facilities; (2) recycling facilities; (3) streets and roads; (4) drainage and related improvements; (5) demolition of existing structures; (6) general municipally owned improvements; (7) maintenance and operating costs associated with projects; and (8) any other project that the board determines will contribute to the promotion or development of new or expanded business enterprises that create or retain primary jobs.

FY 11 ACCOMPLISHMENTS

Joint citizen survey utilized to aid decision making on desired future projects.

Market Analysis Study and Demographic Update utilized to facilitate decision making in attracting desirable business opportunities.

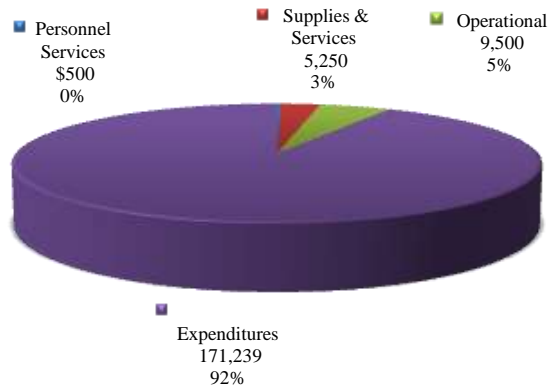
Texas Economic Development Council webinar hosted for beneficial discussion regarding development opportunities.

Light and Sign Program discussion to enhance ambiance of the City in FY 2012.

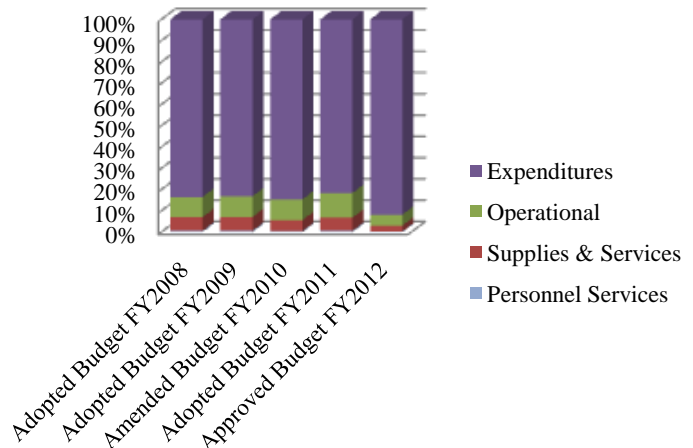
PRIORITIZED GOALS LISTED ON HEDC SUMMARY

<i>Description</i>	<i>Adopted Budget FY2008</i>	<i>Adopted Budget FY2009</i>	<i>Amended Budget FY2010</i>	<i>Adopted Budget FY2011</i>	<i>Approved Budget FY2012</i>	<i>% Increase/Decrease</i>
Personnel Services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	0%
Supplies & Services	5,000	5,000	5,000	5,000	5,250	5%
Operational Expenditures	7,500	7,500	9,500	9,500	9,500	0%
	65,871	64,460	82,460	66,563	171,239	61%

Approved Budget FY 2012



FY 2008 - FY 2012



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

Sources and Uses		HMBC				
		<i>F'09-10 Actual</i>	<i>F'10-11 Original Budget</i>	<i>F'10-11 Amended Budget</i>	<i>F'10-11 Projected Actual</i>	<i>F'11-12 Proposed Budget</i>
HMBC Revenues and Expenditures						
Sources of Funds						
	<i>Beginning Resources</i>	876,993	1,007,959	1,007,959	1,007,959	1,151,487
	<i>Current Revenues</i>					
4101	Sales Tax	189,894	175,000	175,000	184,773	185,000
4106	Interest Earned	1,812	1,800	1,800	2,059	1,800
	Total - Revenue	191,706	176,800	176,800	186,832	186,800
	Total Sources Of Funds	1,068,699	1,184,759	1,184,759	1,194,791	1,338,287
Uses of Funds						
	<i>Current Expenditures</i>					
585-120	Admin Services	0	500	500	0	500
	Total - Personnel Services	0	500	500	0	500
585-220	Office Supplies	59	0	0	0	250
585-230	Dues/Subscriptions/Publications	0	0	0	50	0
585-231	Conferences & Training	16	2,500	2,500	0	2,500
585-232	Travel, Meals & Lodging	95	2,500	2,500	0	2,500
	Total - Supplies & Services	170	5,000	5,000	50	5,250
585-310	Filing Fees	56	0	0	0	0
585-311	Legal Publications/Advertising	164	2,000	2,000	0	2,000
585-342	Professional Fees/Consultants	3,869	7,500	7,500	3,759	7,500
585-366	Promotional	0	0	0	0	0
585-399	Miscellaneous Expense	0	0	0	0	0
	Total - Operational Items	4,088	9,500	9,500	3,759	9,500
585-525	Economic Development Grant	0	25,000	25,000	0	25,000
585-550	Capital Improvement Projects	0	0	0	0	100,000
	Total - Capital Outlay	0	25,000	25,000	0	125,000
585-617	Debt Service - 2004 Principal	24,200	8,800	8,800	8,800	8,800
585-618	Debt Service - 2004 Interest	14,356	13,763	13,763	13,757	13,439
	Total - Debt Service	38,556	22,563	22,563	22,557	22,239
585-801	Transfer to General Fund	17,926	19,000	19,000	16,938	24,000
	Total - Transfers	17,926	19,000	19,000	16,938	24,000
	Total Current Expenditures	60,740	81,563	81,563	43,304	186,489
	Ending Resources	1,007,959	1,103,196	1,103,196	1,151,487	1,151,797
	Revenue vs. Expenditures - Surplus/(Deficit)	130,966	95,237	95,237	143,528	311



CITY OF HEATH

SPECIAL REVENUE FUNDS

GASB 54 definition: Special Revenue Funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Proceeds of specific revenue source that are restricted or committed should be recognized as revenue in the special revenue fund and not in the fund initially receiving them.

Municipal Court Technology Fund, Municipal Court Building Security Fund, and Municipal Court Juvenile Case Manager Fund are restricted special revenue. Park Land Dedication funds are committed park donations; as well as Street Escrow. Police Donations are assigned special revenue.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

SPECIAL REVENUE FUNDS				
Special Revenue funds are used to account for revenue from specific sources which by law or ordinance are designated to finance particular functions.				
Special Revenue Funds (General Fund)	FY 2008	FY 2009	FY 2010	FY 2011
Park Land Dedication	259,094.29	-	-	11,000.00
Total General Fund	\$ 259,094.29	\$ -	\$ -	\$ 11,000.00
Special Revenue Fund (Fund 50)				
Police Donations	58,223.67	77,857.48	95,919.06	92,758.65
Juvenile Case Manager Fee	1,006.53	1,179.28	1,367.40	1,626.35
Municipal Court Building Security Fund	6,454.04	7,952.35	9,112.64	10,357.00
Municipal Court Technology Fund	16,973.38	-	1,527.03	3,170.17
Child Safety Fund	-	-	-	2,445.79
	\$ 82,657.62	\$ 86,989.11	\$ 107,926.13	\$ 110,357.96
Special Revenue Fund (Fund 51)				
Street Escrow	\$ 103,899.51	\$ 104,727.52	\$ 105,420.94	\$ 113,357.40
Total Special Revenue Funds	\$ 445,651.42	\$ 191,716.63	\$ 213,347.07	\$ 234,715.36

Park Land Dedication

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.

Juvenile Case Manager Fee

The Juvenile Case Manager Fee is supported by fees accessed against any defendant convicted of a fine-only misdemeanor offense in Municipal Court. In accordance with the State of Texas, Art. 102.0174, Code of Criminal Procedure, the funds may be used to finance the salary and benefits of a juvenile case manager under Article 45.056.

Municipal Court Building Security Fund

The Building Security Fund is supported by fees accessed against any defendant convicted of a misdemeanor offense in Municipal Court. In accordance with the State of Texas, Art. 102.017, Code of Criminal Procedure, the funds may be used only for security personnel, services, and items related to the security of buildings that house the court proceedings.

Municipal Court Child Safety Fund

The Municipal Court Child Safety Fund is supported by fees accessed against any defendant convicted of an offense under Subtitle C, Title 7, Transportation Code when the offense occurs within a school crossing zone. In accordance with the State of Texas, Art. 102.014, Code of Criminal Procedure, the funds may be used for programs designed to enhance child safety, health, or nutrition or public safety and security.

Municipal Court Technology Fund

The Municipal Court Technology Fund is supported by fees accessed against any defendant convicted of a misdemeanor offense in Municipal Court. In accordance with the State of Texas, Art. 102.0172, Code of Criminal Procedure, the funds may be used to purchase or maintain technological enhancements.

Police Donations

Donations from various organizations and individuals are received throughout the year for the benefit of the police department.

Street Escrow

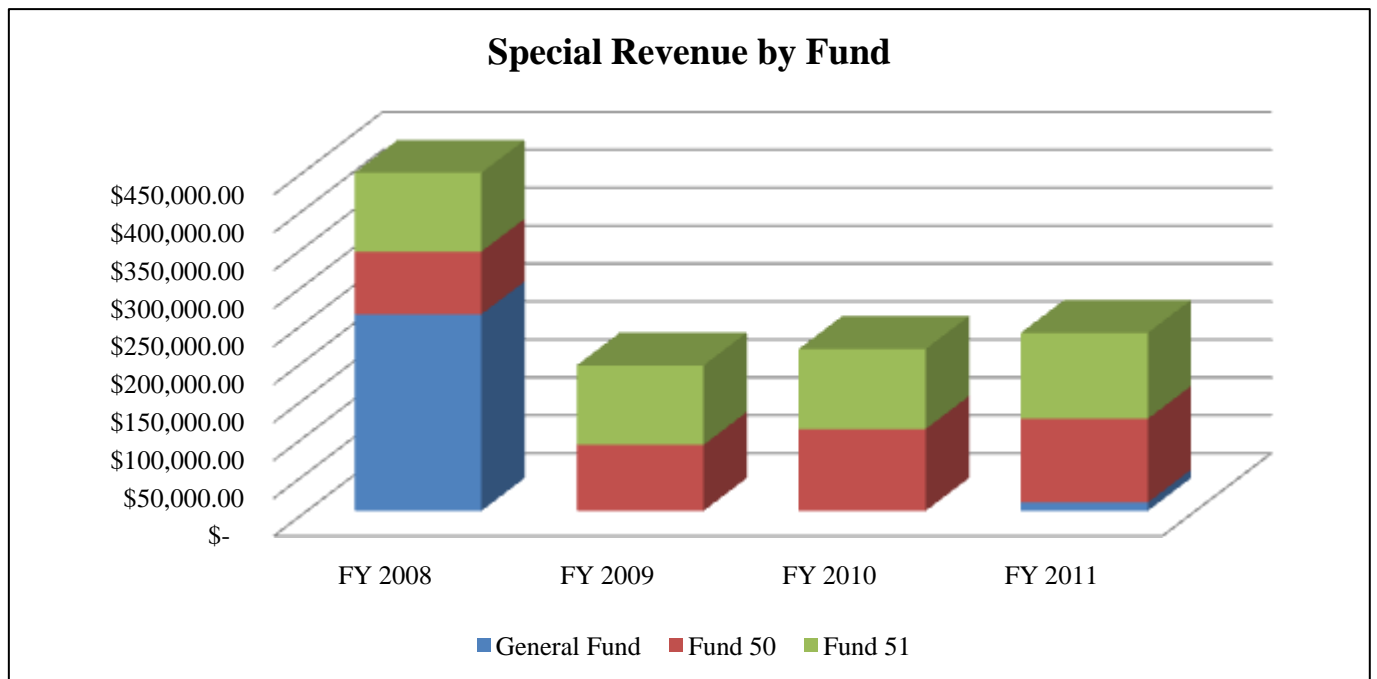
Code of Ordinances 158.15 addresses Street Improvements. The amounts are placed on deposit as stipulated by the developer's agreement.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

<i>RESTRICTED SPECIAL REVENUE FUNDS</i>				
Special Revenue Fund (Fund 50)	FY 2008	FY 2009	FY 2010	FY 2011
Juvenile Case Manager Fee	1,006.53	1,179.28	1,367.40	1,626.35
Municipal Court Building Security Fund	6,454.04	7,952.35	9,112.64	10,357.00
Municipal Court Technology Fund	16,973.38	-	1,527.03	3,170.17
Municipal Court Child Safety Fund	-	-	-	2,445.79
Total Restricted Special Revenue Funds	\$ 24,433.95	\$ 9,131.63	\$ 12,007.07	\$ 17,599.31

<i>COMMITTED SPECIAL REVENUE FUNDS</i>				
Special Revenue Funds (General Fund)	FY 2008	FY 2009	FY 2010	FY 2011
Park Land Dedication	259,094.29	-	-	11,000.00
Total General Fund	\$ 259,094.29	\$ -	\$ -	\$ 11,000.00
Special Revenue Fund (Fund 51)				
Street Escrow	\$ 103,899.51	\$ 104,727.52	\$ 105,420.94	\$ 113,357.40
Total Committed Special Revenue Funds	\$ 362,993.80	\$ 104,727.52	\$ 105,420.94	\$ 124,357.40

<i>ASSIGNED SPECIAL REVENUE FUNDS</i>				
Special Revenue Fund (Fund 50)	FY 2008	FY 2009	FY 2010	FY 2011
Police Donations	58,223.67	77,857.48	95,919.06	92,758.65
Total Assigned Special Revenue Funds	\$ 58,223.67	\$ 77,857.48	\$ 95,919.06	\$ 92,758.65





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-recurring 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 \$5,818,235 representing projects in public works, water, and streets.

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.

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;
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 from 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.

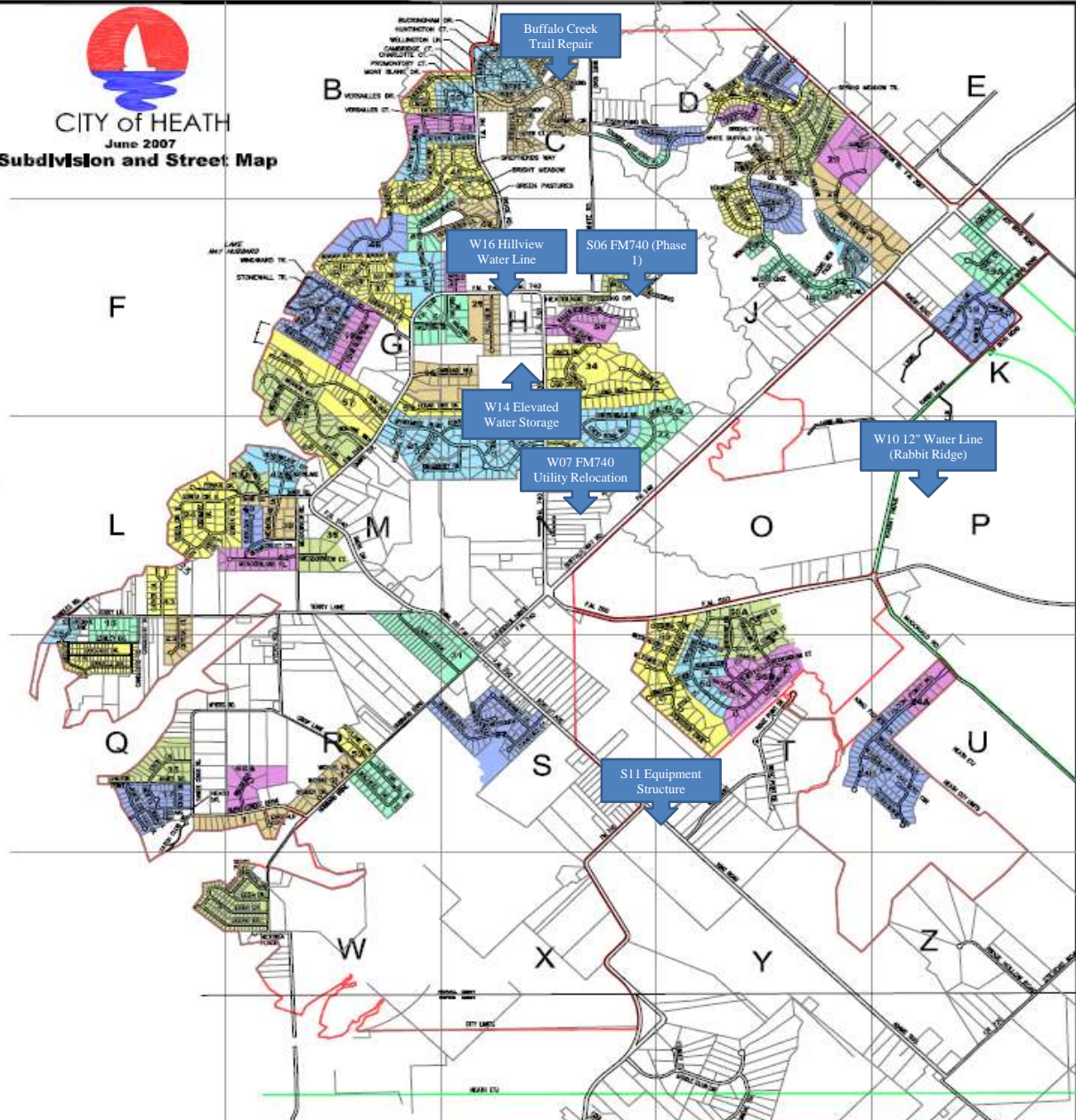
Capital Projects Location Map



CITY OF HEATH
June 2007

Subdivision and Street Map

- 0 SUBDIVISION LOCATION
- 1 ANCHOR BAY G-E
- 2 ANCHOR BAY G
- 3 BUFFALO CREEK PHASE 1 C
- 4 BUFFALO CREEK PHASE 2 C
- 5 BUFFALO CREEK PHASE 3 C-G
- 6 BUFFALO CREEK PHASE 4A D
- 7 BUFFALO CREEK PHASE 4B D
- 8 BUFFALO CREEK PHASE 5 D
- 9 BUFFALO CREEK PHASE 6 D-U
- 10 BUFFALO CREEK PHASE 7 H
- 11 BUFFALO CREEK PHASE 8 D-U
- 12 BUFFALO CREEK PHASE 9 D-U
- 13 BUFFALO CREEK PHASE 10 D-U
- 14 BUFFALO CREEK TRAILS VILLAGE H
- 15 CARROLLITE PARK PHASE 1 O
- 16 CARROLLITE PARK PHASE 2 O-U
- 17 CARROLLITE PARK PHASE 3 O-U
- 18A CEDAR GLEN ESTATES B
- 19 CEDAR GLEN ESTATES B
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ADAMS TRAIL Z	CRAIG DRIVE G	HOPE DRIVE K	MANDR COURT K	RIIDE POINT DRIVE J	TWILIGHT POINT D
AUTUMN TRAIL O	CRESTRIDGE ROAD N	HORIZON COURT D	MANDR DRIVE K	RIIDE ROAD C,H	TWIN VIEW LANE G
AWALON J	CRISP LANE R	HORIZON ROAD D,E	MARSH BAY CIRCLE G	RIIDE HOLLOW ROAD Z	TURNBERRY COURT T
BAY COURT G	CRYSTAL COURT L,G	HUBBARD DRIVE W,R,S	MARSH BAY DRIVE G	RIIDEMONT T	URSINE CIRCLE C
BAY CREST TRAIL G	CYPRESS COURT C	HUNTINGTON COURT C	MARSH BAY COURT G	ROCKINGHAM T	VALLEY TRAIL G
BAY VALLEY CIRCLE G	DARR ROAD M	JAMES DRIVE O	MARY'S GLEN G	ROSEMARY DRIVE L	VERSALES COURT C
BERSHIRE DRIVE T	DARRELL DRIVE O	JEFF BOYD ROAD K	MCDONALD ROAD P,U	RUSH CREEK DRIVE Q,R	VERSALES DRIVE C
BISON MEADOW LANE D,U,K	DEER RUN J,O	KATHRYN DRIVE C	MEADOWLAKE DRIVE M	SACKLE CLUB DRIVE Y	VICTORIA PLACE W
BLUE HERON LANE G,H	DOVE HILL M	KENDAL COURT M	MEADOWLAKE LANE M	SANDRA DRIVE H	WATERS EDGE COURT J
BOIS D'ARC S	KEY DRIVE M	KENSINGTON DRIVE T	MEADOWMARK PLACE M	SCENIC DRIVE W	WEISKOPF DRIVE J
BRANDRETT CIRCLE M	KING FISHER LN. U	KENTON COURT N	MEADOWVIEW COURT M	SCENIC PLACE W	WELLINGTON LANE C
BRIDLE PATH COURT D	KING ROAD Y	KENMORE COURT N	MEADOWVIEW ROAD N	SECMYNY LANE C	WESTCHESTER COURT S,T
BRIDLE TRAIL Y	KINGS PASS D,J	KESTREL COURT N	MICHAEL CIRCLE R	SHEPHERD COURT T	WHITE BUFFALO LANE D
BRIGHT MEADOW C	KINGSBURY TRAIL M,N	KIND ROAD Q	MICKENBERG LN. H	SHEPHERDS GLEN RD. C,G	WHITE ROAD G,H
BRIGHTEN COURT S,T	DOVER DRIVE T	KINGSFORD COURT N	MONTERRAT CIRCLE C,M	SHEPHERDS WAY C	WILLOW SPRINGS DRIVE H
BROCKFIELD COURT R	DREW LANE G	KNOLLCREST TRAIL G	MONT BLANC C	SIESTA CIRCLE J	WILSHIRE COURT S,T
BUCKINGHAM DRIVE C	DUNFORD DRIVE S	KYLE CIRCLE D	MORANE PLACE G	SIGNATURE COURT J	WIMBLETON COURT D
BUFFALO WAY ROAD J,K,L,O	DWYER COURT C	LAURENCE DRIVE B	MORNING CIRCLE D	SKYLINE CIRCLE R	WINDLAKE CIR N
CANTERBURY COURT T	EAGLE PASS D	LAFAYETTE LANDING B,C	MORNING CIRCLE D	SLEEPY HOLLOW LANE J	WINDWARD TRAIL G
CAMBRIDGE COURT C	EASTSHORE ROAD S,G	LAFAYETTE LANDING B,C	MORNING CIRCLE D	SMIRL DRIVE G,M,N	WISDOM CREST CIRCLE D
CAMBRIDGE DRIVE C	EMERALD COME R	LADD CIRCLE H	MORRISH LANE J	SORITA CIRCLE L	WOLF TRAIL J
CAMDEN CT C	ESSEX COURT T	LADY CIRCLE H	MYERS ROAD M,R	SPIRING MEADOW TRAIL D	WOODMONT CIRCLE C
CANDLELITE TRAIL O	FAIRWAY CIRCLE C	LANTERN DRIVE J	NATICE TRAIL D	STANLEY COURT Y	WYNDMERE BLVD. M,N
CARRIAGE HILL LANE G,H	FAITH TRAIL D,J	LANTERN DRIVE J	NOBEL COURT K	ST JAMES COURT O	YANKEE CREEK R
CEDAR GLEN TRAIL G	FALDON POINT DR. U	LARRY DRIVE M,R,S	NOBMANNY LANE S	ST. GEORGE LANE T	YATCH CLUB DRIVE R
CEDAR RIDGE CIRCLE G	FALCONS VIEW PASS J	LAS LOMAS DRIVE H	OLD VINEYARD LANE U	STANFORD COURT S	YORKSHIRE DRIVE T
CEDAR RIDGE ROAD C	FM 1140 G,H,K,M	LAURENCE DRIVE N	OSWALD DRIVE M	STARLIGHT PLACE J	
CEDAR TREE LANE G,H	FM 500 N,O	LAWRENCE DRIVE N	OXFORD DRIVE C	STILLWATERS DRIVE C	
CENTER COURT D	FM 740 G,H,N	LEE DRIVE R	PENRITH COURT D	STEVENS ROAD Z	
CHANTILLY COURT C	FOXBROOKHURST COURT S	LEEDS DRIVE D	PERSEPHONE CIR U	STONEWALL TRAIL G	
CHARIS DRIVE H	GORDON CIRCLE H	LIMLEY DRIVE Q	PINE ISLAND CIRCLE U	STONELIGHT DRIVE T	
CHARLOTTE COURT C	GRANT COURT D	LIEDITY COURT C,D	PRIAL POINT B	SUMMER TANGER LN G,H	
CHESTER COURT D	GREEN PASTURES C	LINDA LANE W	PRIVATE DRIVE L,M	SUNMIT CIRCLE G	
CHILTON POINT Q	GREGORY DRIVE O	LONIA VISTA H	PROMONTORY COURT C	SUNSET TRAIL S,G	
CHIPPENDALE N	HAGENSDAS OIL LAGO C	LONDON LANE J	RABBIT RIDGE M	STARLIGHT PLACE J	
CLEMENTS COURT H	HALFORD COURT H	LOST VALLEY COURT J	RACHEAL DRIVE C	TEAL HARBOR COURT H	
CONCORD CIRCLE C	HALFORD DRIVE G,H	LOWE ROAD O	RANDLES ROAD L	TENNIS VILLAGE DRIVE D	
COOL WATER CIRCLE X	HEATH DRIVE O	LUTHER LANE H	RAVEN CIR. T,U	TERNAWELLA LANE M	
COUNTRY CLUB DRIVE C,D	HEATHLAND CROSSING H,J	LYONS K	REBA LANE W	TERRY LANE M	
COVE RIDGE ROAD G	HIGH MEADOW LANE N	MALESTIC POINT DRIVE D		THOMAS CIRCLE R	
CR 220 Z	HILLVIEW DRIVE H	MALLARD CROSSING H,J		TIMBERLINE DRIVE D	
	HILLDRAY LANE P	MALTESIC CIR. U		TRINITY COURT D	

Capital Projects Summary FY 2011-12 TO FY 2015-16

As/ of 08/30/2011

Project #	Project Type	Current Project	Funding Source	Original Budget	Prior Funding / Expenditure	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2016 and Beyond	Total Spending
S06	Streets	FM740 FM3097 to FM1140 (Phase I)	General CIP	1,000,000	498,086	501,914	-	-	-	-	1,000,000
S11	Public Works	Equipment Structure	General CIP	160,000	22,587	137,413	-	-	-	-	160,000
P02	Streets	Buffalo Creek Trail Repair	General CIP	200,000	2,993	197,008					200,000
W12	Water	Electronic metering	Utility CIP	177,825	162,951	14,874					177,825
W07	Water	FM740 Utility Relocation	Utility CIP	1,000,000	719,935	280,065	-	-	-	-	1,000,000
W14	Water	1,500,000 gallon Elevated Storage Tank	Utility CIP	3,240,410	231,934	3,008,476	-	-	-	-	3,240,410
tba	Water	Land Purchase	Utility CIP	40,000	-	-	40,000	-	-	-	40,000
		Funded Total		5,818,235	1,638,485	4,139,750	40,000	-	-	-	5,818,235

Funding Sources

2007 General Fund Bond	6,589,780.12
2007 Utility Fund Bond	6,715,219.88
Developer's Contribution	284,000.00
General Fund	245,000.00
Grant	500,000.00
Roadway Impact Fees	479,638.54
Reimbursement for Dam	24,676.00
Interest	172,176.30
Part Donations	31,094.29
Other	50,460.00
Street Escrow	357,037.60
2004 CO General Fund	122,874.13
2004 CO Utility Fund	2,641.04
Total Sources	15,574,597.90
Funded Total	5,818,235
Completed Project Total	\$ 7,816,368.30

Anticipated Capital Projects Summary FY 2011-12 TO FY 2015-16

As/ of 08/30/2011

Project #	Project Type	Anticipated Project	Funding Source	Budget Estimate		FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2016 and Beyond	
tba	Streets	FM 740 Entrance Design & Const. (Phase I)	Unfunded	220,000	-	20,000	200,000	-	-	-	220,000
tba	Streets	FM740 Additional ROW (Phase II)	Unfunded	500,000	-	500,000	-	-	-	-	500,000
tba	Streets	FM740 Median Landscaping (Phase II)	Unfunded	225,000	-	-	-	20,000	205,000	-	225,000
tba	Streets	FM 740 Trail and ROW (Phase II)	Unfunded	892,000	-	892,000	-	-	-	-	892,000
tba	Streets	FM 740 Lighting Design/Construction (Phase II)	Unfunded	190,000	-	-	15,000	175,000	-	-	190,000
tba	Streets	City-Wide Pavement Rehabilitation	Unfunded	560,000	-	10,000	110,000	110,000	110,000	220,000	560,000
tba	Streets	White Road/Heathland Crossing (I and II)	Unfunded	6,150,000	-	-	-	-	700,000	5,450,000	6,150,000
tba	Streets	Transportation Plan Update	Unfunded	150,000	-	75,000	-	-	-	75,000	150,000
tba	Streets	FM 550 Bridge Replacement	Unfunded/TXDOT partic.	500,000	-	-	500,000	-	-	-	500,000
tba	Streets	FM 549 Bridge Replacement	Unfunded	1,750,000	-	-	-	-	250,000	1,500,000	1,750,000
tba	Streets	Hubbard Drive Paving Improvements	Unfunded	685,500	-	-	-	-	-	685,500	685,500
tba	Wastewater	Infiltration/ Inflow Study	Unfunded	50,000	-	50,000	-	-	-	-	50,000
tba	Wastewater	Infiltration/ Inflow (I/I) Rehabilitation	Unfunded	5,000,000	-	55,000	555,000	555,000	555,000	3,280,000	5,000,000
tba	Wastewater	FM 1140/Moraine/Key Lift Station	Unfunded	620,000	-	-	170,000	450,000	-	-	620,000
tba	Wastewater	Southside Lift Station	Unfunded	138,000	-	-	-	138,000	-	-	138,000
tba	Water	Ultimate Development Flood Study	Unfunded	100,000	-	100,000	-	-	-	-	100,000
tba	Water	Ultimate Development Water Study	Unfunded	100,000	-	50,000	-	-	-	50,000	100,000
tba	Water	Utility Easement Replacement (FM740 Phase II)	Unfunded	1,300,000	-	1,300,000	-	-	-	-	1,300,000
tba	Water	Purchase Ground Storage Reservoir Site	Unfunded	1,013,000	-	1,013,000	-	-	-	-	1,013,000
tba	Water	3,000,000 gallon Ground Storage Tank	Unfunded	8,100,000	-	-	600,000	7,500,000	-	-	8,100,000
tba	Water	Water Line Extension (FM 740S/King/Stevens)	Unfunded	2,290,000	-	-	590,000	1,700,000	-	-	2,290,000
tba	Water	Automated Meter Reading System Extension	Unfunded	250,000	-	125,000	125,000	-	-	-	250,000
tba	Water	24" Pipeline-Wallace Rd/Kings Pass (Eng & ROW)	Unfunded	1,809,000	-	304,000	1,505,000	-	-	-	1,809,000
tba	Water	Water Main Replacements Design (1/2 mile/yr)	Unfunded	360,000	-	-	15,000	115,000	115,000	115,000	360,000
tba	Water	Direct Connection to NTMWD Design/ROW	Unfunded	2,210,000	-	-	-	210,000	2,000,000	-	2,210,000
tba	Parks	Safe Routes to School	Unfunded	251,000	-	251,000	-	-	-	-	251,000
tba	Parks	Terry Park Boat Ramp & Dock Improvements	Unfunded	235,000	-	-	-	35,000	200,000	-	235,000
tba	City	City Hall Energy Study Grant	Unfunded	40,000	-	40,000	-	-	-	-	40,000
tba	City	City Hall	Unfunded	12,000,000	-	-	-	-	-	12,000,000	12,000,000
		Unfunded Total		47,688,500	-	4,785,000	4,385,000	11,008,000	4,135,000	23,375,500	47,688,500

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 a distance of 5,000 ft from current 2 lanes undivided to 4 lanes divided.					
Justification: Improve traffic flow and decrease motorist delay					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Streets	General CIP	\$ 990,400	\$ 498,085.74	
Street Escrow	Streets	General CIP	9,600		
			<u>\$ 1,000,000</u>		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	3,000	3,000	3,000	3,000	3,000
Materials & Equipment	2,000	2,000	2,000	2,000	2,000
Other Operating Costs					
Total Operating Costs	5,000	5,000	5,000	5,000	5,000

PROJECT NAME: Equipment Structure					
PROJECT NUMBER: S11					
Description: Construct weather protection equipment shed for Public Works equipment.					
Justification: Extend equipment life.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Streets	General CIP	\$ 160,000	\$ 22,587.00	
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	1,000	1,000	1,000	1,000	1,000
Materials & Equipment	1,000	1,000	1,000	1,000	1,000
Other Operating Costs					
Total Operating Costs	2,000	2,000	2,000	2,000	2,000

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Buffalo Creek Trail Repair					
PROJECT NUMBER: P02					
Description: Removal and replacement of approximately 480 square yards of 10-foot wide hike/bike trail and installation of new safety/rails for two bridges on the Buffalo Creek Trail adjacent to FM 3097.					
Justification: The existing trails have suffered damage from settlement at each of the two bridges on the Buffalo Creek Trail. Replacement is necessary to eliminate the damaged sections.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Parks	General CIP	\$ 200,000	\$	2,992.50
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	1,000	1,000	1,000	1,000	1,000
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	1,000	1,000	1,000	1,000	1,000

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.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Streets	Utility CIP	\$ 1,000,000	\$	719,934.55
OPERATING IMPACT					
Annual Operating Costs	2012	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Electronic Metering					
PROJECT NUMBER: W12					
Description: Datamatic electronic water meter monitoring and reading mechanism.					
Justification: Allow leak monitoring and notification. Increase efficiency, reduce misreads and billing calculation errors.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
	Water	Utility CIP	\$ 177,825	\$	162,950.90
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	5,000	5,000	5,000	5,000	5,000
Materials & Equipment	2,000	2,000	2,000	2,000	2,000
Other Operating Costs					
Total Operating Costs	7,000	7,000	7,000	7,000	7,000

PROJECT NAME: 1,500,000 gallon Elevated Storage Tank					
PROJECT NUMBER: W14					
Description: Construct 1.5M gallon Elevated Storage Tank.					
Justification: Due to increased development, water demand has risen.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Water	Utility CIP	\$ 3,240,410	\$	231,934.16
			<u>\$ 3,240,410</u>		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	30,000	30,000	30,000	30,000	30,000
Materials & Equipment	10,000	10,000	10,000	10,000	10,000
Other Operating Costs					
Total Operating Costs	40,000	40,000	40,000	40,000	40,000

CITY OF HEATH

CURRENT CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Land Purchase					
PROJECT NUMBER: tba					
Description: I-30/Hwy 205 pump station site.					
Justification: Pump station required to service Heath population					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Water	Utility CIP	\$ 6,729	\$	-
Interest			\$ 33,271		
			<u>\$ 40,000</u>		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	0	0	0	0	0

TOTAL CURRENT PROJECTS BY TYPE	
Parks	1
Streets	2
Water	4
Wastewater	0
	<u>0</u>
Total Current Projects	<u><u>7</u></u>

TOTAL GENERAL FUND CURRENT OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)	0	0	0	0	0
Maintenance	5,000	5,000	5,000	5,000	5,000
Materials & Equipment	3,000	3,000	3,000	3,000	3,000
Other Operating Costs	0	0	0	0	0
Total Operating Costs	8,000	8,000	8,000	8,000	8,000

TOTAL ENTERPRISE FUND CURRENT OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)	0	0	0	0	0
Maintenance	35,000	35,000	35,000	35,000	35,000
Materials & Equipment	12,000	12,000	12,000	12,000	12,000
Other Operating Costs	0	0	0	0	0
Total Operating Costs	47,000	47,000	47,000	47,000	47,000

CITY OF HEATH

COMPLETED FY 2010-2011 CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: 12" Water Line (Rabbit Ridge)					
PROJECT NUMBER: W10					
Description: Installation of approx. 3,000 ft of 12" pipe line on Rabbit Ridge that interconnects between the City's distribution system and the current system supply line at Hope Drive, Horizon Road, and Manor Drive.					
Justification: Expansion of water services to Heath citizens from RCH					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Water	Utility CIP	\$ 315,000	\$	201,731.30
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	3,000	3,000	3,000	3,000	3,000
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	3,000	3,000	3,000	3,000	3,000

PROJECT NAME: RCH Water Line Purchase					
PROJECT NUMBER: W15					
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.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Water	Utility CIP	\$ 300,000	\$	300,000.00
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	1,000	1,000	1,000	1,000	1,000
Materials & Equipment	800	800	800	800	800
Other Operating Costs					
Total Operating Costs	1,800	1,800	1,800	1,800	1,800

PROJECT NAME: Hillview Water Line					
PROJECT NUMBER: W16					
Description: Upgrade size of water lines to meet domestic and fire demands.					
Justification: Due to increased development, water demand has risen.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
2007 Bond	Water	Utility CIP	\$ 93,034	\$	93,034.00
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	3,000	3,000	3,000	3,000	3,000
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	3,000	3,000	3,000	3,000	3,000

PRIOR YEAR TOTAL	\$ 7,221,603.00
CURRENT YEAR TOTAL	\$ 594,765.30
GRAND TOTAL	<u>\$ 7,816,368.30</u>

CITY OF HEATH

PRIOR YEAR CIP COMPLETED PROJECTS

		FY Completed		Project Cost
1.	PROJECT NAME: PROJECT NUMBER:	Operation Center C01	FY 2008	\$ 43,447.05
2.	PROJECT NAME: PROJECT NUMBER:	City Hall Remodel C02	FY 2008	\$ 98,340.28
3.	PROJECT NAME: PROJECT NUMBER:	Terry Lane Culvert S01	FY 2008	\$ 692,497.36
4.	PROJECT NAME: PROJECT NUMBER:	Yankee Creek/ McDonald Road S07	FY 2008	\$ 349,699.75
5.	PROJECT NAME: PROJECT NUMBER:	Comprehensive Plan S04	FY 2008	\$ 92,270.67
6.	PROJECT NAME: PROJECT NUMBER:	18" Water Line (Phase I) W01	FY 2008	\$ 357,653.80
7.	PROJECT NAME: PROJECT NUMBER:	Cuny Blvd S02	FY 2009	\$ 803,691.99
8.	PROJECT NAME: PROJECT NUMBER:	Cove Ridge Road S08	FY 2009	\$ 393,618.01
9.	PROJECT NAME: PROJECT NUMBER:	Rush Creek S03	FY 2009	\$ 496,853.68
10.	PROJECT NAME: PROJECT NUMBER:	Shepherd's Glen Lift Station W03	FY 2009	\$ 411,732.68
11.	PROJECT NAME: PROJECT NUMBER:	Terry Park P01	FY 2010	\$ 1,589,508.70
12.	PROJECT NAME: PROJECT NUMBER:	Pavement Transition at Rabbit Ridge S10	FY 2010	\$ 42,000.00
13.	PROJECT NAME: PROJECT NUMBER:	Key Drive S12	FY 2010	\$ 49,900.00
14.	PROJECT NAME: PROJECT NUMBER:	Cove Ridge Lift Station W06	FY 2010	\$ 335,263.56
15.	PROJECT NAME: PROJECT NUMBER:	18" Water Line (Phase II) W09	FY 2010	\$ 296,687.96
16.	PROJECT NAME: PROJECT NUMBER:	White Road Extension S05	FY 2010	\$ 1,117,813.29
17.	PROJECT NAME: PROJECT NUMBER:	Southside Sewer System W08	FY 2010	\$ 50,624.22
PRIOR YEAR TOTAL			\$	7,221,603.00

CITY OF HEATH

FUTURE CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: White Road/Heathland Crossing (Phase I and II)
PROJECT NUMBER: Streets TBA

Description: Upgrade White Road and Heathland Crossing

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

FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Streets		\$ 6,150,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

PROJECT NAME: FM740 FM1140 - FM549 (Phase II)
PROJECT NUMBER: Streets TBA

Description: Widen FM 740 from FM 550 intersection to North Loop FM 1140 a distance of 4,500 from current 2 lanes to 4 lanes divided. (Relocate water and sewer lines).

Justification: Improve traffic flow and decrease motorist delay.

FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Streets		\$ 1,829,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance				16,000	16,000
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	0	0	0	16,000	16,000

PROJECT NAME: Electronic Metering System Extension
PROJECT NUMBER: Water TBA

Description: Datamatic electronic water meter monitoring and reading mechanism.

Justification: Allow leak monitoring and notification. Increase efficiency, reduce misreads and billing calculation errors.

FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Water		\$ 250,000	\$	-
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance	5,000	5,000	5,000	5,000	5,000
Materials & Equipment	2,000	2,000	2,000	2,000	2,000
Other Operating Costs					
Total Operating Costs	7,000	7,000	7,000	7,000	7,000

CITY OF HEATH

FUTURE CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: 12" Water Line					
PROJECT NUMBER: Water TBA					
Description: Extend 3,800 feet of 12" water line along White Road from Heathland Crossing to Buffalo Creek Estates.					
Justification: As Heath Crossing subdivision develops to the North, demand for domestic usage and fire protection increases.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Water				
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

PROJECT NAME: 3,000,000 gallon Ground Storage Tank with Land Purchase					
PROJECT NUMBER: Water TBA					
Description: Construct 3M gallon Ground Storage Tank.					
Justification: Improve efficiencies of the water system.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Water		\$ 9,113,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

PROJECT NAME: Infiltration/Inflow Study					
PROJECT NUMBER: Wastewater TBA					
Description: Inspect system and identify areas subject to infiltration/inflow.					
Justification: Reduction of infiltration/inflow results in lower consumption fees charged by NTMWD.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Wastewater		\$ 50,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

CITY OF HEATH

FUTURE CAPITAL IMPROVEMENTS PROGRAM INFORMATION

PROJECT NAME: Infiltration/Inflow (I/I) Rehabilitation					
PROJECT NUMBER: Wastewater TBA					
Description: Rehabilitate 25,000 feet of clay pipes and infrastructure located in Club Estates, Shepherd's Glen, Loch Braeland and Windward Slope.					
Justification: Reduction of infiltration/inflow results in lower consumption fees charged by NTMWD.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Wastewater		\$ 5,000,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

PROJECT NAME: Southside Lift Station Upgrade					
PROJECT NUMBER: Wastewater TBA					
Description: Upgrade power source for Southside Lift Station					
Justification: Demand peaks can create power source complications.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Wastewater	Utility CIP	\$ 150,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

PROJECT NAME: FM 1140/Moraine/Key Lift Station					
PROJECT NUMBER: Wastewater TBA					
Description: Upgrade lift stations					
Justification: Demand peaks can create power source complications.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount	Project to Date	
Unfunded	Wastewater	Utility CIP	\$ 150,000		
OPERATING IMPACT					
Annual Operating Costs	2011	2012	2013	2014	2015
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs					

Capital Equipment Summary FY 2011-12 TO FY 2015-2016

Department	Equipment Needs	Funding Source	#	FY 2011-12	#	FY 2012-13	#	FY 2013-14	#	FY 2014-15	#	FY 2015-16	Total
Public Safety	Patrol Vehicle **	General 509-532	1	25,750	2	56,000	2	56,000	3	168,000	3	168,000	473,750
Public Safety	Patrol Vehicle Equipment	General 509-511	1	24,000	2	48,000	2	48,000	3	144,000	3	144,000	408,000
Wastewater	Generator	Utility 512-503	1	50,000									50,000
Public Safety	Emergency Power Generator	Unfunded			1	25,000							25,000
Public Safety	Radio Equipment**	Unfunded					1	TBD					
Public Safety	SCBA Cylinders	Unfunded			3	TBD	3	TBD	3	TBD	3	TBD	
Public Safety	Ballistics	Unfunded			4	2,800	4	2,800	4	2,800	4	2,800	11,200
Public Safety	Bunker	Unfunded			3	10,500	4	14,000	3	10,500	3	10,500	45,500
Public Safety	Service Hose and Tools	Unfunded						TBD					
Public Safety	Radar Recorder	Unfunded			1	4,400							4,400
Public Safety	RMS software upgrade or conversion	Unfunded					1	TBD-Grant					
	<i>Projects Total</i>		<i>3</i>	<i>99,750</i>	<i>16</i>	<i>146,700</i>	<i>17</i>	<i>120,800</i>	<i>16</i>	<i>325,300</i>	<i>16</i>	<i>325,300</i>	<i>1,017,850</i>

** Replacement

CITY OF HEATH

FY 2011-2012 CAPITAL EQUIPMENT NEEDS INFORMATION

EQUIPMENT:	Patrol Vehicle				
DEPARTMENT:	Department of Public Safety				
Description:	Necessary vehicle replacement of 1 patrol cars.				
Justification:	Vehicle Replacement Program				
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
General 509-532	DPS	General	\$ 25,750		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Auto Repair & Maintenance	1,000	1,000	1,000	1,500	1,500
Gas, Oil & Fuel	3,300	3,300	3,300	3,300	3,300
Other Operating Costs					
Total Operating Costs	4,300	4,300	4,300	4,800	4,800

EQUIPMENT:	Patrol Vehicle Equipment				
DEPARTMENT:	Department of Public Safety				
Description:	Standard Equipment for 1 patrol cars.				
Justification:	Vehicle Replacement Program				
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
General 509-511	DPS	General	\$ 24,000		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance		750	750	750	750
Materials & Equipment		750	750	750	750
Other Operating Costs					
Total Operating Costs	0	1,500	1,500	1,500	1,500

EQUIPMENT:	Generator				
DEPARTMENT:	Wastewater				
Description:	Backup power generator to service lift stations.				
Justification:	Provide reliable lift station power in case of emergency.				
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
Utility 512-503	Wastewater	Utility	\$ 50,000		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Auto Repair & Maintenance					
Gas, Oil & Fuel					
Other Operating Costs					
Total Operating Costs	0	0	0	0	0

CITY OF HEATH

FY 2011-2012 CAPITAL EQUIPMENT NEEDS INFORMATION

TOTAL OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance		750	750	750	750
Materials & Equipment		750	750	750	750
Auto Repair & Maintenance	1,000	1,000	1,000	1,500	1,500
Gas, Oil & Fuel	3,300	3,300	3,300	3,300	3,300
Other Operating Costs					
Total Operating Costs	4,300	5,800	5,800	6,300	6,300

CITY OF HEATH

FY 2012-2015 CAPITAL EQUIPMENT NEEDS INFORMATION

EQUIPMENT: Patrol Vehicle					
DEPARTMENT: Department of Public Safety					
Description: 10 Vehicles needed to replace current fleet.					
Justification: Vehicle Replacement Program					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
Unfunded	DPS		\$ 448,000		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Auto Repair & Maintenance		2,000	2,000	3,000	3,000
Gas, Oil & Fuel		3,200	3,200	4,800	4,800
Other Operating Costs					
Total Operating Costs	0	5,200	5,200	7,800	7,800

EQUIPMENT: Patrol Vehicle Equipment					
DEPARTMENT: Department of Public Safety					
Description: 10 Sets of Standard Equipment for patrol fleet.					
Justification: Vehicle Replacement Program					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
Unfunded	DPS		\$ 384,000		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance		1,410	1,410	2,250	2,250
Materials & Equipment		1,410	1,410	2,250	2,250
Other Operating Costs					
Total Operating Costs	0	2,820	2,820	4,500	4,500

EQUIPMENT: Emergency Power Generator					
DEPARTMENT: Department of Public Safety					
Description: Emergency Power Generator for City Hall.					
Justification: Provide power to City Hall and Department of Public Safety in case of emergency to continue citizen services.					
FINANCIAL INFORMATION					
Source	Project Type	Fund	Amount		
Unfunded	DPS		\$ 25,000		
OPERATING IMPACT					
Annual Operating Costs	2012	2013	2014	2015	2016
Additional Personnel (FTEs)					
Maintenance					
Materials & Equipment					
Other Operating Costs					
Total Operating Costs	0	0	0	0	0



CITY OF HEATH

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.

General Fund staffing levels for Fiscal Year 2012 changed in the engineering department. One full-time position (Planning Technician) and one part-time office assistant were eliminated. The responsibilities of the Planning Technician were redistributed to engineering personnel. Municipal Court personnel will serve part-time in court and part-time as Public Works Code Enforcement.

Utility Fund staffing levels for Fiscal Year 2012 changed in the water department with the elimination of the part-time meter reader. Responsibilities were redistributed to Public Works personnel. The Code Enforcement part-time position increases the Utility Admin FTE .25.

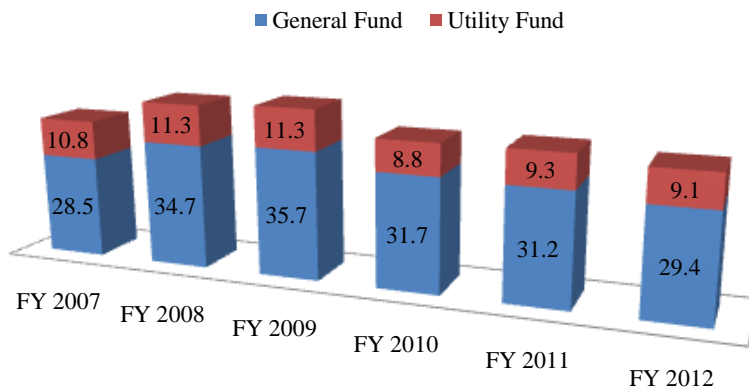
Budgeted spending in General and Utility Fund reflect 6 month probationary increases for applicable positions.

CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

PERSONNEL SUMMARY BY DEPARTMENT															
GENERAL FUND															
Department	Adopted Budget FY 2008			Adopted Budget FY 2009			Adopted Budget FY 2010			Adopted Budget FY 2011			Proposed Budget FY 2012		
	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas
City Manager	2	-	-	2	-	-	1.5	-	-	1.5	-	-	1.5	-	-
City Secretary	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-
Finance	3	0.5	-	2.5	1	-	2	0.5	-	2	0.5	-	2	0.5	-
Municipal Court	1	-	-	1	-	-	1	-	-	1	-	-	0.5	-	-
Streets	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-
Parks	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-
Engineering	4.5	-	-	4.5	-	-	4.5	-	-	3.5	0.5	-	2.8	-	-
Public Safety	19	-	-	20	-	-	18	-	-	18	-	-	18	-	-
Non-Divisional	-	-	1	-	-	1	-	-	0.5	-	-	0.5	-	-	0.5
Total General Fund	33.2	0.5	1.0	33.7	1.0	1.0	30.7	0.5	0.5	29.7	1.0	0.5	28.4	0.5	0.5

PERSONNEL SUMMARY BY DEPARTMENT															
UTILITY FUND															
Department	Adopted Budget FY 2008			Adopted Budget FY 2009			Approved Budget FY 2010			Approved Budget FY 2011			Proposed Budget FY 2012		
	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas
Water	1.7	1	-	1.7	1	-	1.7	-	-	1.7	0.5	-	1.7	-	-
Wastewater	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-	1.7	-	-
Utility Admin	3	-	-	3	-	-	2.5	0.5	-	2.5	0.5	-	2.8	0.5	-
Customer Service	2.5	0.5	-	2	1	-	1.5	0.5	-	1.5	0.5	-	1.5	0.5	-
Non-Divisional	-	-	1	-	-	1	-	-	0.5	-	-	0.5	-	-	0.5
Total Utility Fund	8.8	1.5	1.0	8.3	2.0	1.0	7.3	1.0	0.5	7.3	1.5	0.5	7.6	1.0	0.5
CITY TOTAL	42.0	2.0	2.0	42.0	3.0	2.0	38.0	1.5	1.0	37.0	2.5	1.0	36.0	1.5	1.0

Personnel Summary by Fund



CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012

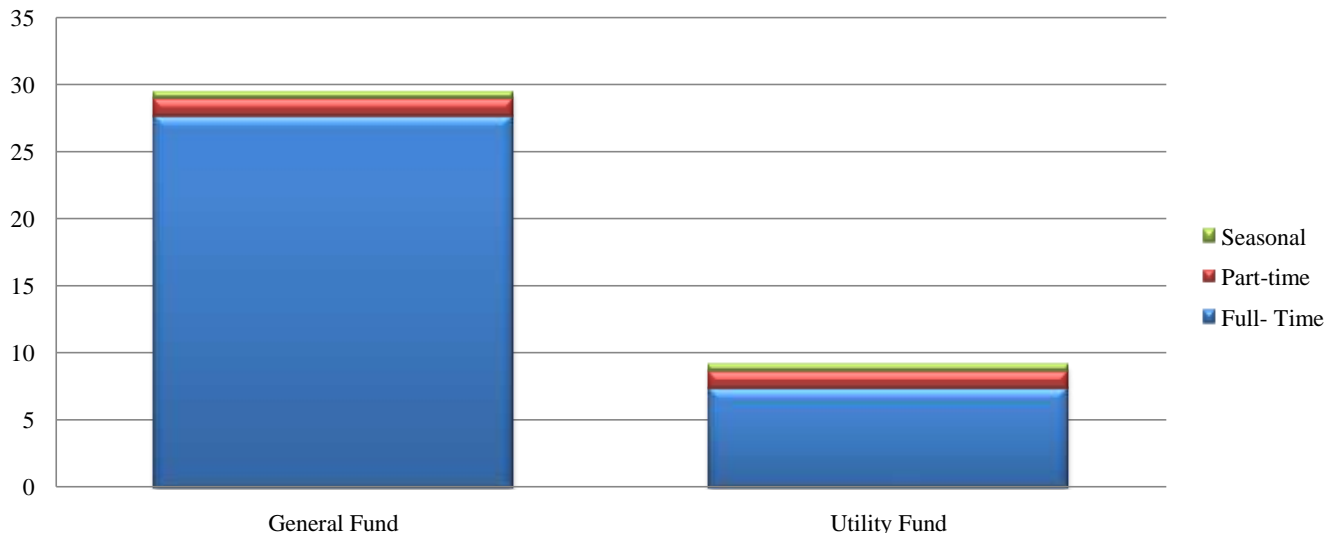
PERSONNEL SUMMARY DETAIL FY 2012													
<i>Position</i>	<i>General Fund</i>			<i>General Non-Divisional</i>			<i>Utility</i>			<i>Utility Non-Divisional</i>			T O T A L
	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	<i>FT</i>	<i>PT</i>	<i>Seas</i>	
<u>City Manager</u>													
<i>Full-time</i>													
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
<i>Part-time</i>													
Admin. Project Coordinator	-	-	-	-	-	-	-	0.50	-	-	-	-	0.50
<u>City Secretary</u>													
<i>Full-time</i>													
City Secretary	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
<u>Finance</u>													
<i>Full-time</i>													
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
<i>Part-time</i>													
AP Clerk	-	0.25	-	-	-	-	-	0.25	-	-	-	-	0.50
Customer Service Representative	-	0.25	-	-	-	-	-	0.25	-	-	-	-	0.50
<u>Municipal Court</u>													
Municipal Court Clerk	0.50	-	-	-	-	-	-	-	-	-	-	-	0.50
<u>Streets</u>													
<i>Full-time</i>													
Operations Mnger/Engineering Insp	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>													
<i>Full-time</i>													
Parks Maint. Worker	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00

**CITY OF HEATH
Annual Operating Budget
Fiscal Year 2011-2012**

PERSONNEL SUMMARY DETAIL FY 2012

Position	General Fund			General Non-Divisional			Utility			Utility Non-Divisional			TOTAL
	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	FT	PT	Seas	
<u>Engineering</u>													
<i>Full-time</i>													
City Engineer/Director of PWrks	0.50	-	-	-	-	-	0.50	-	-	-	-	-	1.00
Administrative Assistant	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Building Official	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
Planning Technician	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Code/Code Enforcement	0.25	-	-	-	-	-	0.25	-	-	-	-	-	0.50
<i>Part-time</i>													
Meter Reader	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Assistant	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Public Safety</u>													
<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	2.00	-	-	-	-	-	-	-	-	-	-	-	2.00
Community Resource Officer	1.00	-	-	-	-	-	-	-	-	-	-	-	1.00
<u>Non-Divisional</u>													
<i>Seasonal</i>													
Intern	-	-	-	-	-	0.50	-	-	-	-	-	0.50	1.00
Total Employees	28.40	0.50	-	-	-	0.50	7.55	1.00	-	-	-	0.50	38.50

Full-time/ Part-time/Seasonal



**Peer City Comparison
General Fund**

Summary

	Personnel % of Expend. Budget FY09	FY 2009 # Employees	Personnel % of Expend. Budget FY10	FY 2010 # Employees	Personnel % of Expend. Budget FY11	FY 2011 # Employees	Population	Citizens per Employee	Rank Citizens per Employee
City of Farmers Branch	82.08%	406.73	78.30%	402.340	74.98%	399.97	31,300	78.26	1
City of Highland Park	77.90%	106.80	79.00%	107.300	79.90%	107.30	8,564	79.81	2
City of Southlake	NA	269.75	NA	265.25	70.00%	264.25	26,575	100.57	3
City of Highland Village *	62.30%	129.00	63.50%	133.000	NA	NA	15,056	113.20	4
Town of Sunnyvale	29.98%	32.00	34.08%	39.000	33.53%	37.00	5,130	138.65	5
City of Grapevine	28.10%	351.25	32.60%	354.520	38.90%	349.12	49,878	142.87	6
City of Allen	65.02%	545.2	61.33%	592.37	58.77%	593.87	87,500	147.34	7
City of Rowlett	67.75%	348.50	68.05%	341.75	65.86%	335.25	56,199	167.63	8
City of Rockwall	66.63%	217.00	72.60%	218.000	73.16%	218.00	37,490	171.97	9
City of Forney	55.73%	80.50	56.70%	82.50	47.00%	82.50	15,000	181.82	10
City of Wylie	65.87%	177.40	69.65%	180.300	66.41%	196.25	41,427	211.09	11
City of Heath	73.70%	36.00	68.49%	31.200	67.16%	29.40	6,940	236.05	12
City of Fairview	NA	NA	NA	NA	NA	NA	7,248	NA	NA

* Citizens per Employee calculated with FY2010 # of employees.



CITY OF HEALTH

SUPPLEMENTAL
INFORMATION

Bloomberg

Tuesday, April 5, 2011

Bernanke Says Fed Must Monitor Inflation 'Extremely Closely'

by Scott Lanman and Steve Matthews

"We have to monitor inflation and inflation expectations extremely closely because if my assumptions prove not to be correct, then we would certainly have to respond to that and ensure that we maintain price stability." Responding to another question about housing, Bernanke said that the Fed expects a "very high rate" of foreclosures this year, which harms home prices and construction and creates a drag on the recovery, which he said is "not as strong as we would like it to be."

Wednesday, April 27, 2011

Fed Forecasts Show Transitory Inflation and Lower Growth in 2011

by Joshua Zumbrun

Federal Reserve officials forecast that a measure of prices will rise between 2.1 percent and 2.8 percent this year before moderating, underscoring their view that inflation pressures will be "transitory."

WALL STREET JOURNAL

Friday, April 8, 2011

Muni-Bond Tax Break Under Siege

by Michael Corkery and Andrew Ackerman

The tax break for municipal-bond investors, a cornerstone of the \$2.9 trillion market for bonds sold by cities and states, is under fire in Washington. Without the tax exemption on earned interest, total returns would likely be lower for many muni-bond investors, many of whom are individuals.

CITY OF HEATH, TEXAS
ORDINANCE NO. 110920E

AN ORDINANCE OF THE CITY OF HEATH, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012; 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 2011-2012; 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 20th day of September 2011.

APPROVED:



John Ratcliffe, Mayor

ATTEST:



Stephanie Galanides, City Secretary



**CITY OF HEATH, TEXAS
ORDINANCE NO. 110920F**

AN ORDINANCE OF THE CITY OF HEATH, TEXAS LEVYING AD VALOREM TAXES FOR THE YEAR 2011 (FISCAL YEAR 2012) 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, 2011; 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 2011 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 \$.2636 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 principal and interest on all outstanding bonds of the City not otherwise provided for, a tax of \$.0797 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. That all ad valorem taxes shall become due and payable on October 1, 2011 and all ad valorem taxes for the year shall become delinquent after January 31, 2012. There shall be no discount for payment of taxes prior to said January 31, 2012. 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, 2012, 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 3. 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 4. That it is necessary that this ordinance be enacted in order to authorize the collection of ad valorem taxes for the year 2011, 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 20th day of September 2011.

APPROVED:


John Ratcliffe, Mayor



ATTEST:


Stephanie Galanides, City Secretary

CITY OF HEATH, TEXAS
ORDINANCE NO. 110920D

AN ORDINANCE OF THE CITY OF HEATH, TEXAS ADOPTING A FEE SCHEDULE FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012; DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council has authority to establish fees relating to City applications, permits and services; and

WHEREAS, the City Council conducted several public meetings to discuss and receive input regarding the proposed Budget,

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

SECTION 1. That the Fee Schedule for fiscal year October 1, 2011 through September 30, 2012 be adopted, as shown in Exhibit A.

SECTION 2. 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 20th day of September 2011.

APPROVED:



John Ratcliffe, Mayor

ATTEST:



Stephanie Galanides, City Secretary



FORM OF GOVERNANCE

The City Council is comprised of a Mayor and six Council members, elected at large. Each serves a two-year term. No term limits imposed. The City Council elects one of its members as Mayor Pro Tem for a one-year term.

Each candidate for election to the office of Mayor or City Council shall be a qualified voter of the City, shall not be less than twenty-one years old, shall have resided in the City not less than twelve months immediately preceding Election Day and shall meet the requirements of the Texas Election Code. Each Council Member and the Mayor must continually reside within the City during the term of office.

<i>Name</i>	<i>Term Election</i>
John Ratcliffe, Mayor	May 2010
Lorne Liechty, Mayor Pro Tem	May 2010
Robert Hille, Place 1	May 2011
Justin Holland, Place 2	May 2011
Julie Zurek, Place 3	May 2010
Barry Brooks, Place 4	May 2011
Rich Krause, Place 6	May 2011

The City Council holds regular meetings on the first and third Tuesday of each month at City Hall.

Regular meetings are held at 7:30 p.m. on the first and third Tuesday of each month unless otherwise ordered by the City Council. Special meetings may be called by the City Secretary. Notice of any regular or special meetings shall state the subject to be considered at the meeting. All official meetings of the City Council and all committees thereof shall be open to the public as provided by State law. A quorum shall consist of three City Council Members.

**CITY OF HEATH
STATISTICAL DATA**

DEMOGRAPHIC AND ECONOMIC STATISTICS

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Population	5,141	5,200	5,350	5,650	6,177	6,350	6,875	6,890	6,921
Personal Income (in 000's)	\$262,443	\$265,455	\$273,112	\$288,427	\$315,330	\$324,161	\$ 350,962	\$365,000	\$377,763
Per Capita Personal Income	\$ 51,049	\$ 51,049	\$ 51,049	\$ 51,049	\$ 51,049	\$ 51,049	\$ 51,049	\$ 52,975	\$ 54,582
Median Age	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3
Education Level in years of schooling	12.3	12.3	12.3	12.3	12.5	12.5	12.7	12.7	12.7
School Enrollment	1,963	1,985	2,117	2,083	3,116	3,696	4,163	4,271	4,313
Unemployment	5.7%	5.9%	5.3%	3.8%	4.5%	0.4%	0.4%	4.8%	6.7%

Sources: State Department of Planning: Population, median age, and education level information.

U.S. Bureau of Labor and Statistics: Personal income and unemployment data

Rockwall Independent School District: School enrollment data.

**CITY OF HEATH
STATISTICAL DATA
PRINCIPAL EMPLOYERS**

2010

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Rockwall Independent School District	1,667	1	9.76%
Texas Star Express	484	2	2.83%
Wal-Mart Superstore	450	3	2.63%
Presbyterian Hospital	419	4	2.45%
City of Rockwall	256	5	1.50%
County of Rockwall	253	6	1.48%
Special Products & Manufacturing	205	7	1.20%
Target	200	8	1.17%
Rockwall Nursing Home	160	9	0.94%
Kohl's Department Store	140	10	0.82%
Subtotal	4,234		24.79%
Remaining employees	12,847		
	17,081		

Source: City of Rockwall CAFR FY 2010

The City of Heath is a bedroom community with a small business base.

**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>
Rainier Baylor Medical	\$ 6,032,450	1	0.55%
Oncor Electric Delivery Co	5,368,340	2	0.49%
Whittle Development, Inc.	5,822,250	3	0.54%
B. C. Golf, Ltd.	4,000,000	4	0.37%
TR Heath Partners, Ltd.	3,234,520	5	0.30%
Paolucci, Raymon J. and Susan M.	3,047,670	6	0.28%
Kirwan, David and Patricia	3,038,640	7	0.28%
Corono Resources, Ltd.	2,441,700	8	0.22%
Knowlton, Larry and Tricia	2,335,330	9	0.21%
Kelldorf, Mark S.	2,155,140	10	0.20%
	<u>\$ 37,476,040</u>		<u>3.45%</u>

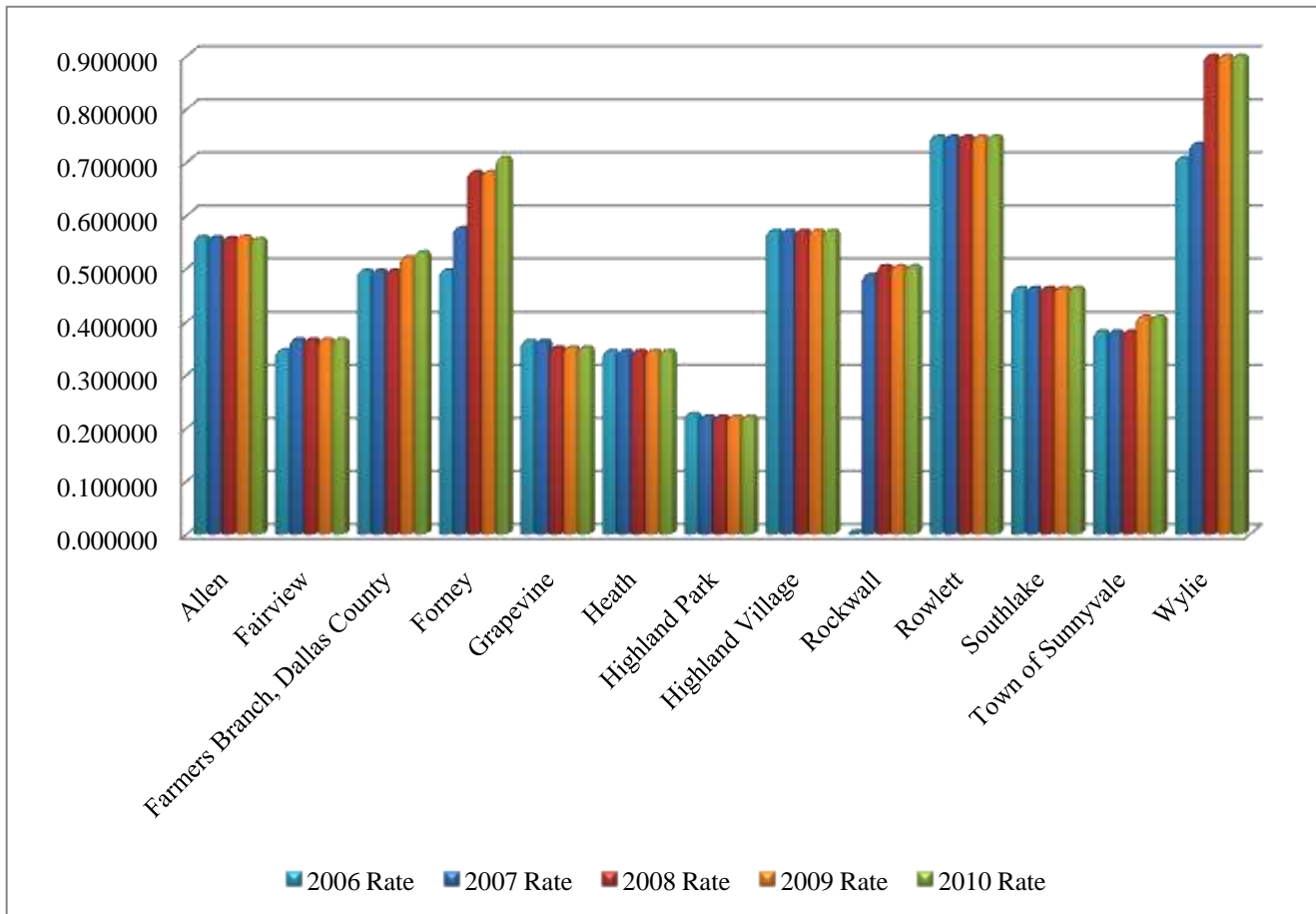
Source: Rockwall County Appraisal District

CITY OF HEATH

STATISTICAL DATA

PROPERTY TAX COMPARISON

	2006 Rate	2007 Rate	2008 Rate	2009 Rate	2010 Rate
Allen	0.558000	0.557000	0.556000	0.559000	0.554000
Fairview	0.345000	0.365000	0.365000	0.365000	0.365000
Farmers Branch, Dallas County	0.494500	0.494500	0.494500	0.519500	0.529500
Forney	0.494801	0.575040	0.680535	0.680535	0.707290
Grapevine	0.362500	0.362500	0.350000	0.350000	0.350000
Heath	0.343300	0.343300	0.343300	0.343300	0.343300
Highland Park	0.225000	0.220000	0.220000	0.220000	0.220000
Highland Village	0.569630	0.569630	0.569630	0.569630	0.569630
Rockwall	NA	0.486500	0.503100	0.503100	0.503100
Rowlett	0.747173	0.747173	0.747173	0.747173	0.747173
Southlake	0.462000	0.462000	0.462000	0.462000	0.462000
Town of Sunnyvale	0.379970	0.379970	0.379970	0.407962	0.407962
Wylie	0.706780	0.733250	0.898900	0.898900	0.898900



**CITY OF HEATH
STATISTICAL DATA**

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct & Overlapping Rate
	M&O	I&S	Total Direct Rate	Rockwall Independent School District	Rockwall County	Kaufman County	Total Overlapping Rate	
2002	0.2718	0.0715	0.3433	1.8400	0.3534	0.4745	2.6679	3.0112
2003	0.2836	0.0597	0.3433	1.8372	0.3534	0.5556	2.7462	3.0895
2004	0.2911	0.0522	0.3433	1.8800	0.3534	0.5893	2.8227	3.1660
2005	0.2864	0.0569	0.3433	1.8800	0.3507	0.5427	2.7734	3.1167
2006	0.2728	0.0705	0.3433	1.8800	0.3507	0.5377	2.7684	3.1117
2007	0.2786	0.0647	0.3433	1.7100	0.3507	0.5622	2.6229	2.9662
2008	0.2786	0.0647	0.3433	1.4700	0.3500	0.5615	2.3815	2.7248
2009	0.2786	0.0647	0.3433	1.4700	0.3750	0.5565	2.4015	2.7448
2010	0.2786	0.0647	0.3433	1.4700	0.3750	0.5565	2.4015	2.7448
2011	0.2786	0.0647	0.3433	1.4700	0.3864	0.5565	2.4129	2.7562

Source: Rockwall Central 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>Franchise Fees</u>	<u>Total</u>
2001	\$ 1,161,898.62	\$ 261,901.40	\$ 215,618.28	\$ 1,639,418.30
2002	\$ 1,355,755.16	\$ 150,569.95	\$ 259,566.64	\$ 1,765,891.75
2003	\$ 1,763,902.82	\$ 140,346.41	\$ 262,725.22	\$ 2,166,974.45
2004	\$ 1,961,561.55	\$ 223,761.23	\$ 277,491.41	\$ 2,462,814.19
2005	\$ 2,087,809.49	\$ 276,712.24	\$ 287,400.96	\$ 2,651,922.69
2006	\$ 2,148,331.50	\$ 325,767.61	\$ 472,135.61	\$ 2,946,234.72
2007	\$ 2,519,155.78	\$ 339,570.00	\$ 358,953.40	\$ 3,217,679.18
2008	\$ 2,802,635.27	\$ 365,801.05	\$ 412,220.50	\$ 3,580,656.82
2009	\$ 2,969,830.28	\$ 355,097.23	\$ 427,410.71	\$ 3,752,338.22
2010	\$ 3,103,964.60	\$ 379,788.57	\$ 427,111.32	\$ 3,910,864.49
2011	\$ 3,032,278.35	\$ 369,547.96	\$ 463,105.56 *	\$ 3,864,931.87

* Final FY 2011 not available by compilation

Source: City of Heath Finance Department

**CITY OF HEATH
STATISTICAL DATA
ROCKWALL COUNTY**

Year	Real Property		Personal Property	Total Net Taxable Assessed Value	Total Direct Tax Rate	Property Count
	Residential	Commercial	Commercial			
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
2010	1,055,895,408	26,353,560	6,992,521	1,089,241,489	0.3433	3,562
2011	1,053,074,513	27,949,310	6,265,661	1,087,289,484	0.3433	3,593

Source: Rockwall Central Appraisal District

**CITY OF HEATH
STATISTICAL DATA**

CONSTRUCTION ACTIVITY AND PROPERTY VALUES

<u>Fiscal Year</u>	<u>COMMERCIAL CONSTRUCTION</u>		<u>RESIDENTIAL CONSTRUCTION</u>	
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
2001	3	\$ 1,880,000	138	\$ 57,589,599
2002	-	\$ -	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	-	\$ -	23	\$ 9,545,111
2010	1	\$ 1,673,000	35	\$ 16,803,470
2011	1	\$ 233,908	31	\$ 13,945,389

Source: City of Heath Public Works Department



CITY OF HEATH

GLOSSARY

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.

AMR: Acronym for Automatic Meter Reading.

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.

AWWA: Acronym for American Water Works Association.

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 of 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.

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.

GLOSSARY

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.”

GAAP: Acronym for Generally Accepted Accounting Principles

GASB: Acronym for Governmental Accounting Standards Board

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES: 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).

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.

GFOA: Acronym for Government Finance Officers Association

G.O. BOND: Acronym for General Obligation Bond

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

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: Acronym for Heath Municipal Benefit Corporation. A component unit.

I & I: Acronym for Inflow & Infiltration.

GLOSSARY

INFLOW: Inflow is storm water that enters into sanitary sewer systems at points of direct connection to the systems. Various sources contribute to the inflow, including footing/foundation drains, roof drains or leaders, downspouts, drains from window wells, outdoor basement stairwells, drains from driveways, groundwater/basement sump pumps, and even streams. These sources are typically improperly or illegally connected to sanitary sewer systems, via either direct connections or discharge into sinks or tubs that are directly connected to the sewer system. An improper connection lets water from sources other than sanitary fixtures and drains to enter the sanitary sewer system. That water should be entering the storm water sewer system or allowed to soak into the ground without entering the sanitary sewer system.

INFILTRATION: Infiltration is groundwater that enters sanitary sewer systems through cracks and/or leaks in the sanitary sewer pipes. Cracks or leaks in sanitary sewer pipes or manholes may be caused by age related deterioration, loose joints, poor design, installation or maintenance errors, damage or root infiltration. Groundwater can enter these cracks or leaks wherever sanitary sewer systems lie beneath water tables or the soil above the sewer systems becomes saturated. Often sewer pipes are installed beneath creeks or streams because they are the lowest point in the area and it is more expensive to install the pipe systems beneath a roadway. These sewer pipes are especially susceptible to infiltration when they crack or break and have been known to drain entire streams into sanitary sewer systems. Average sewer pipes are designed to last about 20-50 years, depending on what type of material is used.

INFLOW & INFILTRATION: Inflow and infiltration or I & I are terms used to describe the ways that groundwater and storm water enter into dedicated wastewater or sanitary sewer systems. Dedicated wastewater or sanitary sewers are pipes located in the street or on easements that are designed strictly to transport wastewater from sanitary fixtures inside your house or place of business. Sanitary fixtures include toilets, sinks, bathtubs, showers and lavatories.

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 Manager 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.

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

PID: Public Improvement District as defined by the Texas Local Government Code, Chapter 373. If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality’s extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality’s extraterritorial jurisdiction.

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.

GLOSSARY

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: Acronym for Rockwall Independent School District

SCADA: Acronym for Supervisory Control And Data Acquisition. It generally refers to an industrial control system: a computer system monitoring and controlling a process. The process can be industrial, infrastructure or facility-based.

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.

SWMP: Acronym for Storm Water Management Program.

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.

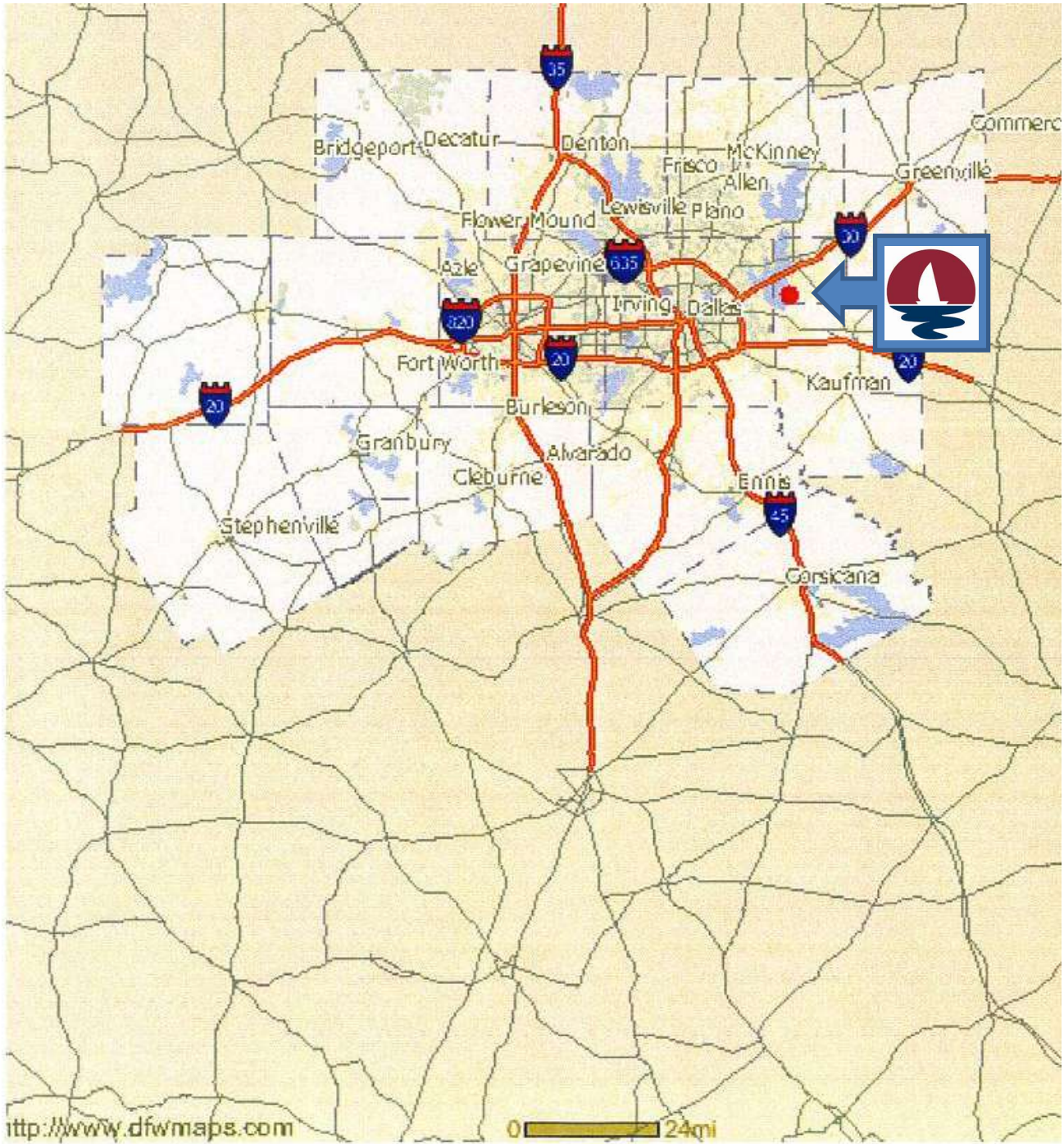
TAX RATE: A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

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.

TCEQ: Acronym for Texas Commission on Environmental Quality.

TPDES: Acronym for Texas Pollutant Discharge Elimination System.



CITY OF HEATH

CITY OF HEATH