

ORDINANCE NO. 2013-517

AN ORDINANCE ADOPTING THE 2013-2014 OPERATING FUNDS' BUDGET EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014, FOR THE CITY OF CEDAR HILL, TEXAS; AUTHORIZING EXPENDITURES AS SET OUT IN SUCH BUDGET AND PROVIDING FOR EFFECTIVE DATE.

WHEREAS, the City Council of the City of Cedar Hill, Texas, has caused to be prepared for each of the City of Cedar Hill's operating funds a proposed budget covering the expenditures for the fiscal year beginning October 1, 2013, and ending September 30, 2014, pursuant to the laws of the State of Texas.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cedar Hill, Texas that:

Section 1.

The appropriation amounts of each operating fund for the official budget of the City of Cedar Hill for the fiscal year beginning October 1, 2013, and ending September 30, 2014, are hereby fixed as follows:

General Fund	\$29,776,725
Police Forfeiture Fund	\$30,000
Animal Shelter Donation Fund	\$14,250
Library Fund	\$21,000
Hotel Occupancy Tax Fund	\$144,600
High Pointe Public Improvement District Fund	\$324,800
Waterford Oaks Public Improvement District Fund	\$93,400
Police Reserve Pension Fund	\$17,920
Landscape Beautification Fund	\$2,300,000
Traffic Safety Fund	\$463,375
Community Development Corporation	\$3,214,918
Economic Development Corporation	\$9,552,745
Debt Service Fund	\$8,126,312
Crime Control District Fund	\$841,970
Street Construction Fund	\$351,730
Street Impact Fee Fund	\$1,365,753
Water and Sewer Fund	\$17,903,740
Equipment Fund	\$956,670
Total	\$75,499,908

Section 2.

The City Manager is hereby authorized to make intra-departmental and inter-departmental fund transfers within a fund during the fiscal year as becomes necessary in order to avoid the over-expenditure of a particular object code or department.

Section 3.

A true and correct copy of the Official Budget is hereby directed to be filed in the office of the City Secretary, and said Official Budget is made a part of this Ordinance by reference as though fully copied herein verbatim.

Section 4.

It being deemed by the City Council that this Ordinance shall go into immediate effect and force after its passage, approval and publication according to law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Cedar Hill, Texas on the 10th day of September, 2013.


Rob Franke, Mayor

ATTEST:



Lyn Hill, City Secretary

ORDINANCE NO. 2013-518

AN ORDINANCE OF THE CITY OF CEDAR HILL, TEXAS, ADOPTING A 2013-2014 CAPITAL BUDGET; AUTHORIZING EXPENDITURES AS SPECIFICALLY DESIGNATED IN SUCH BUDGET; AND PROVIDING FOR IMMEDIATE EFFECT.

WHEREAS, the City Council of the City of Cedar Hill, Texas, has found and determined that it is necessary to adopt a capital budget for the City of Cedar Hill; and

WHEREAS, the City Council of the City of Cedar Hill, Texas, has determined that it is in the best interests of the citizens of the City of Cedar Hill that such provisions and budgets be adopted.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cedar Hill, Texas, that:

Section 1. An Official Capital Budget for the City of Cedar Hill, Texas is hereby adopted as shown in "Exhibit A" attached hereto and incorporated in its entirety as though set out herein.

Section 2. It being deemed by the City Council that this Ordinance shall go into immediate effect and force after its passage, approval and publication, according to law.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Cedar Hill, Texas, on this the 10th day of September, 2013.



Rob Franke, Mayor

ATTEST:



Lyn Hill, City Secretary

EXHIBIT A

PROJECT	CURRENT BUDGET	CHANGE IN BUDGET	NEW BUDGET
STREET PROJECTS:			
Beltline /Mansfield Phase III	\$0	\$2,000,000	\$2,000,000
Street overlays	\$0	\$500,000	\$500,000
Misc. Street Remediation/Concrete Repair	\$0	\$500,000	\$500,000
West 1382 Phase IIA	\$0	\$1,300,000	\$1,300,000
DRAINAGE PROJECTS:			
Misc. Drainage	\$0	\$300,000	\$300,000
COMMUNITY DEVELOPMENT CORPORATION PROJECTS:			
Land acquisition	\$0	\$1,250,000	\$1,250,000
1382 Core Trail Design	\$0	\$237,630	\$237,630
WATER AND SEWER PROJECTS:			
Automated Reading System Phase I	\$0	\$8,250,000	\$8,250,000
Totals	\$0	\$14,337,630	\$14,337,630

ORDINANCE NO. 2013-519

AN ORDINANCE OF THE CITY OF CEDAR HILL LEVYING A TAX RATE FOR AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR 2013-2014 FISCAL YEAR; PROVIDING FOR REVENUES FOR THE PAYMENT OF CURRENT EXPENSES AND INTEREST AND SINKING FUND REQUIREMENTS; PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR EFFECTIVE DATE.

WHEREAS, in accordance with the provisions of the laws of the State of Texas, the City Council has conducted a public hearing for the purpose of considering the Budgets for the City of Cedar Hill, Texas; and

WHEREAS, the City Council has by ordinances adopted the budgets for the 2013-2014 fiscal year;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cedar Hill, Texas:

Section 1.

That there be and is hereby levied for the fiscal year beginning October 1, 2013, and ending September 30, 2013, for the use and support of the municipal government of the City of Cedar Hill, Texas upon all property, real, personal, and mixed within the corporate limits of the City of Cedar Hill, Texas, on January 1, 2013, and not exempt by the constitution of the State of Texas and valid State laws, a tax of \$0.69876 per one hundred (\$100) dollars valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

1. For the maintenance and support of the general government (General Fund), \$0.51270 on each one hundred (\$100) dollars valuation of property; and,
 2. For the Interest and Sinking Fund \$0.18606 on each one hundred (\$100) dollars valuation of property.
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Section 2: THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

Section 3. It being deemed by the City Council that this ORDINANCE shall go into immediate effect and force after its passage, approval and publication according to law.

Section 4. Should any part of this Ordinance be declared invalid for any reason, that invalidity shall not affect the remainder of this Ordinance, and which remainder shall remain in full force and effect.

PASSED, APPROVED AND ADOPTED this the 10th day of September, 2013, at a regular meeting of the City Council of the City of Cedar Hill, Texas, there being a quorum present, by 7 yeas and 0 nays, and approved by the Mayor on the date above set.


Mayor, Rob Franke

ATTEST:



Lyn Hill, City Secretary

ORDINANCE NO. 2013-520

AN ORDINANCE MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROPOSED IMPROVEMENTS ORDERED IN CONNECTION WITH THE CEDAR HILL PUBLIC IMPROVEMENT DISTRICT NO. 1, PROVIDING FOR: FINDINGS OF BENEFITS ACCRUED, ACCEPTING FIVE-YEAR SERVICE PLAN, ADOPTING AN ANNUAL BUDGET, RECORDING FINAL ASSESSMENT ONTO TAX ROLL, SETTING THE ASSESSMENT RATE, ESTABLISHING A METHOD OF PAYMENT, ASSESSMENT DUE, NEW APPOINTMENTS, PROVIDING CLAUSES FOR EMERGENCY, CONFLICT, SEVERABILITY AND LIABILITY AND PROVIDING FOR IMMEDIATE EFFECT.

WHEREAS, by Resolution No. R98-426 duly passed on October 13, 1998, after the conduct of a duly notified public hearing, this City Council established Cedar Hill Public Improvement District No. 1, commonly referred to as the *High Pointe Public Improvement District*; and

WHEREAS, on September 10, 2013, a public hearing was held and all persons owning or claiming any property proposed to be assessed or any interest therein were given an opportunity to be heard, either in person or through an agent or attorney, and all were given an opportunity to testify before the City Council and to contest the assessments proposed to be made on account of the amount thereof or because of any inaccuracy, irregularity, invalidity or insufficiency of the proceedings or contract with reference thereto, or to such improvements or on account of any matter or thing in the discretion of this governing body, and on the 10th day of September, 2013 this Council closed the public hearing; and levied assessments against property and the owners thereof in the Public Improvement District No. 1; and

WHEREAS, the City Council on September 10, 2013, following such public hearing, took action on and modified as necessary proposed assessments on properties for which objections were registered in order to avoid inequities; and

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

SECTION 1 – BENEFITS ACCRUED: That the benefits to accrue to the property assessed and to the owners of such property, from the landscape maintenance and improvements identified within the Five-Year Service Plan, hereby adopted by the City Council, and herewith to be funded from the assessments, exceed the amount which has been assessed.

SECTION 2 – ADOPTING 5-YEAR SERVICE PLAN: That the "Five-Year Funding Requirements Plan for 2013 - 2018", labeled herein as *Exhibit "A"* and attached hereto and made a part hereof is hereby adopted.

SECTION 3 – ADOPTING ANNUAL BUDGET: That the “15th Year Fiscal Operating Budget for October, 2013 to September, 2014”, labeled herein as Exhibit “B” and attached hereto and made a part hereof is hereby adopted.

SECTION 4 – RECORD FINAL ASSESSMENT ONTO TAX ROLL: That the City Manager and/or his designated representatives are hereby authorized and directed to carry out the terms and provisions of this ordinance by causing the costs outlined in the final assessment roll to be recorded in the Tax Roll, the names of the property owners and in the amounts shown on said final assessment roll; and that all prerequisites to the fixing of the assessments therein against the property described and the fixing of the personal liability of the owner or owners thereof have been performed in due time, form and manner as required by law, and no additional proof shall be required in any court.

SECTION 5 – ASSESSMENT RATE: That an assessment rate of \$0.10 per \$100 of taxable assessed value of all real properties within the Cedar Hill Public Improvement District No. 1, in accordance with the records of the Dallas County Tax Assessor/Collector save tax exempted real property, shall be levied.

SECTION 6 – METHOD OF PAYMENT: That the method of payment of the assessment shall be in a single lump sum payment which shall be immediately due upon receipt of the assessment notice and which shall become delinquent on February 1, 2014. Delinquent assessments are subject to interest, penalties, attorney's fees and other charges, at the same rate as for the City of Cedar Hill delinquent ad valorem property taxes.

SECTION 7 – ASSESSMENT DUE: That a lien shall be established against each affected property within the district on the date the assessment is due, and shall not be released until the assessment is paid in full. This lien is superior to all other liens and claims except liens for claims for the state, county, school district or city ad valorem taxes.

SECTION 8 – APPOINTMENT OF NEW BOARD DIRECTORS: That persons will be identified and shall be appointed to serve as Directors for the Cedar Hill Public Improvement District No. 1 for a period of two years, subject to the terms and conditions established in the approved by-laws for said district.

SECTION 9 – FUND TRANSFER AUTHORIZATION: That the City Manager be and is hereby authorized to make intra-departmental fund transfers within a fund during the fiscal year as becomes necessary in order to avoid the over-expenditure of a particular object code.

SECTION 10 – EMERGENCY: That the public importance of this measure and the fact that it is to the best interest of the City and its inhabitants to provide, for the acceptance of said improvements to provide for the payments herein ordered to be made, constitute this ordinance for the immediate preservation of the

public business, property, health and safety of the City and creates an emergency requiring this ordinance to be passed on the date of introduction.

SECTION 11 – CONFLICT: That this ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Cedar Hill, Texas, and this ordinance shall not operate to repeal or affect any other ordinance except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

SECTION 12 – SEVERABILITY: That if any section, subsection, sentence, clause or phrase of this ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 13 – LIABILITY: That all of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Cedar Hill, Texas, in the discharge of his duties, shall not thereby render himself personally liable; and he is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his said duties.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILL, TEXAS,
THIS THE 10TH DAY OF SEPTEMBER, IN THE YEAR 2013.**



Rob Franke, Mayor
City of Cedar Hill

ATTEST:



Lyn Hill, City Secretary

EXHIBIT A**FIVE YEAR FUNDING REQUIREMENTS PLAN****CEDAR HILL PUBLIC IMPROVEMENT DISTRICT NO. 1 – 2013-2018**

HPPID2014

2013-2014 Budget Adopted July 11, 2013

HPPID Financials2014

HPPID Budget2013-2014

FiveYearPlan2013_2018

YEAR ONE (2013-2014))

a.	Maintenance/Landscaping	167,305
b.	Replacement Reserve	0
c.	Capital Improvements	65,000
d.	City of Cedar Hill Administration Costs	12,575
	General Administration and Operation	
e.	Fund	<u>79,920</u>
	TOTAL	324,800

YEAR TWO (2014-2015)

a.	Maintenance/Landscaping	169,815
b.	Replacement Reserve	0
c.	Capital Improvements	55,958
d.	City of Cedar Hill Administration Costs	12,575
	General Administration and Operation	
e.	Fund	<u>81,119</u>
	TOTAL	319,466

YEAR THREE (2015-2016)

a.	Maintenance/Landscaping	172,362
b.	Replacement Reserve	0
c.	Capital Improvements	46,953
d.	City of Cedar Hill Administration Costs	12,575
	General Administration and Operation	
e.	Fund	<u>82,336</u>
	TOTAL	314,225

YEAR FOUR (2016-2017)

a.	Maintenance/Landscaping	174,947
b.	Replacement Reserve	0
c.	Capital Improvements	37,984
d.	City of Cedar Hill Administration Costs	12,575
	General Administration and Operation	
e.	Fund	<u>83,571</u>
	TOTAL	309,076

YEAR FIVE (2017-2018)

a.	Maintenance/Landscaping	177,571
b.	Replacement Reserve	0
c.	Capital Improvements	29,047
d.	City of Cedar Hill Administration Costs	12,575
	General Administration and Operation	
e.	Fund	<u>84,824</u>
	TOTAL	304,018

FOR INFO ONLY**YEAR ONE (2013-2014)**

Tax Assessment	304,800
City Contribution	<u>20,000</u>
Total Income	324,800

YEAR TWO (2014-2015))

Tax Assessment	299,466
City Contribution	<u>20,000</u>
Total Income	319,466

YEAR THREE (2015-2016)

Tax Assessment	294,225
City Contribution	<u>20,000</u>
Total Income	314,225

YEAR FOUR (2016-2017)

Tax Assessment	289,076
City Contribution	<u>20,000</u>
Total Income	309,076

YEAR FIVE (2017-2018)

Tax Assessment	284,018
City Contribution	<u>20,000</u>
Total Income	304,018

EXHIBIT B

HPPID HP 2014

HPPID Financials 2014

HPPID Budget 2013-2014

Adopted July 11, 2013

2014 Chart of Accounts & Budget

Account Title	Budget 2013-2014	FYE	Debit or Credit
Office Supplies	200	2014	D
Postage	500	2014	D
Maintenance - Fencing	5,000	2014	D
Maintenance - Lighting Systems	6,500	2014	D
Maintenance - Brick Structures	2,500	2014	D
Maintenance Irrigation Systems	5,000	2014	D
Maintenance - Miscellaneous	1,780	2014	D
Maintenance - Base Contract	113,285	2014	D
Maintenance - Banners & Flags	2,630	2014	D
Attorney	750	2014	D
Police Patrol Services	19,000	2014	D
Insurance - Liability	2,000	2014	D
Printing Services	500	2014	D
Subscription Services	500	2014	D
Holiday Lighting Program	30,000	2014	D
Special Services	1,000	2014	D
Management Fee	16,500	2014	D
City Administration Charge	4,600	2014	D
Property Tax Collection Fee	7,375	2014	D
Electricity	9,760	2014	D
Water/Wastewater	30,000	2014	D
Building Rental	420	2014	D
High Pointe Parks Improvement	15,000	2014	D
Enhancement - Hardscape	30,000	2014	D
Enhancement - Landscape	20,000	2014	D
TOTAL	324,800		

Interest Allocation-Investment Pool	2,000	2014	C
Current Property Taxes	302,800	2014	C
City Contribution	20,000	2014	C
TOTAL	324,800		

ORDINANCE NO. 2013-521

AN ORDINANCE MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROPOSED IMPROVEMENTS ORDERED IN CONNECTION WITH THE CEDAR HILL PUBLIC IMPROVEMENT DISTRICT NO. 2, PROVIDING FOR: FINDINGS OF BENEFITS ACCRUED, ACCEPTING FIVE-YEAR SERVICE PLAN, ADOPTING AN ANNUAL BUDGET, RECORDING FINAL ASSESSMENT ONTO TAX ROLL, SETTING THE ASSESSMENT RATE, ESTABLISHING A METHOD OF PAYMENT, ASSESSMENT DUE, NEW APPOINTMENTS, PROVIDING CLAUSES FOR EMERGENCY, CONFLICT, SEVERABILITY AND LIABILITY AND PROVIDING FOR IMMEDIATE EFFECT.

WHEREAS, by Resolution No. R02-87 duly passed on December 10, 2002, after the conduct of a duly notified public hearing, this City Council established Cedar Hill Public Improvement District No. 2, commonly referred to as the *Waterford Oaks Public Improvement District*; and

WHEREAS, on September 10, 2013, a public hearing was held and all persons owning or claiming any property proposed to be assessed or any interest therein were given an opportunity to be heard, either in person or through an agent or attorney, and all were given an opportunity to testify before the City Council and to contest the assessments proposed to be made on account of the amount thereof or because of any inaccuracy, irregularity, invalidity or insufficiency of the proceedings or contract with reference thereto, or to such improvements or on account of any matter or thing in the discretion of this governing body, and on the 10th day of September, 2013 this Council closed the public hearing; and levied assessments against property and the owners thereof in the Public Improvement District No. 2; and

WHEREAS, the City Council on September 10, 2013, following such public hearing, took action on and modified as necessary proposed assessments on properties for which objections were registered in order to avoid inequities; and

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

SECTION 1 – BENEFITS ACCRUED: That the benefits to accrue to the property assessed and to the owners of such property, from the landscape maintenance and improvements identified within the Five-Year Service Plan, hereby adopted by the City Council, and herewith to be funded from the assessments, exceed the amount which has been assessed.

SECTION 2 – ADOPTING 5-YEAR SERVICE PLAN: That the “Five-Year Funding Requirements Plan for 2013 – 2018”, labeled herein as *Exhibit “A”* and attached hereto and made a part hereof is hereby adopted.

SECTION 3 – ADOPTING ANNUAL BUDGET: That the "9th Year Fiscal Operating Budget for October, 2013 to September, 2014", labeled herein as Exhibit "B" and attached hereto and made a part hereof is hereby adopted.

SECTION 4 – RECORD FINAL ASSESSMENT ONTO TAX ROLL: That the City Manager and/or his designated representatives are hereby authorized and directed to carry out the terms and provisions of this ordinance by causing the costs outlined in the final assessment roll to be recorded in the Tax Roll, the names of the property owners and in the amounts shown on said final assessment roll; and that all prerequisites to the fixing of the assessments therein against the property described and the fixing of the personal liability of the owner or owners thereof have been performed in due time, form and manner as required by law, and no additional proof shall be required in any court.

SECTION 5 – ASSESSMENT RATE: That an assessment rate of \$0.10 per \$100 of taxable assessed value of all real properties within the Cedar Hill Public Improvement District No. 2, in accordance with the records of the Dallas County Tax Assessor/Collector save tax exempted real property, shall be levied.

SECTION 6 – METHOD OF PAYMENT: That the method of payment of the assessment shall be in a single lump sum payment which shall be immediately due upon receipt of the assessment notice and which shall become delinquent on February 1, 2014. Delinquent assessments are subject to interest, penalties, attorney's fees and other charges, at the same rate as for the City of Cedar Hill delinquent ad valorem property taxes.

SECTION 7 – ASSESSMENT DUE: That a lien shall be established against each affected property within the district on the date the assessment is due, and shall not be released until the assessment is paid in full. This lien is superior to all other liens and claims except liens for claims for the state, county, school district or city ad valorem taxes.

SECTION 8 – APPOINTMENT OF NEW BOARD DIRECTORS: That persons will be identified and shall be appointed to serve as Directors for the Cedar Hill Public Improvement District No. 2 for a period of two years, subject to the terms and conditions of the Cedar Hill City Council approved by-laws for said district to be established at a later time.

SECTION 9 – FUND TRANSFER AUTHORIZATION: That the City Manager be and is hereby authorized to make intra-departmental fund transfers within a fund during the fiscal year as becomes necessary in order to avoid the over-expenditure of a particular object code.

SECTION 10 – EMERGENCY: That the public importance of this measure and the fact that it is to the best interest of the City and its inhabitants to provide, for the acceptance of said improvements to provide for the payments herein ordered to be made, constitute this ordinance for the immediate preservation of the

public business, property, health and safety of the City and creates an emergency requiring this ordinance to be passed on the date of introduction.

SECTION 11 – CONFLICT: That this ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Cedar Hill, Texas, and this ordinance shall not operate to repeal or affect any other ordinance except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

SECTION 12 – SEVERABILITY: That if any section, subsection, sentence, clause or phrase of this ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

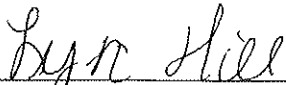
SECTION 13 – LIABILITY: That all of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Cedar Hill, Texas, in the discharge of his duties, shall not thereby render himself personally liable; and he is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his said duties.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILL, TEXAS,
THIS THE 10TH DAY OF SEPTEMBER, IN THE YEAR 2013.**



Rob Franke, Mayor
City of Cedar Hill

ATTEST:



Lyn Hill, City Secretary

EXHIBIT A**FIVE YEAR FUNDING REQUIREMENTS PLAN
FOR CEDAR HILL PUBLIC IMPROVEMENT DISTRICT NO. 2
2013-2018****YEAR ONE (2013-2014)**

a.	Maintenance	\$	30,000
b.	Revenues over Expenditures		12,200
c.	Capital Outlay		30,000
d.	Services		13,500
e.	Personnel/Supplies/Misc		<u>19,900</u>

TOTAL \$ 105,600

YEAR TWO (2014-2015)

a.	Maintenance	\$	26,000
b.	Revenues over Expenditures		15,400
c.	Capital Outlay		30,000
d.	Services		20,700
e.	Personnel/Supplies/Misc		<u>13,500</u>

TOTAL \$ 105,600

YEAR THREE (2015-2016)

a.	Maintenance	\$	27,000
b.	Revenues over Expenditures		13,900
c.	Capital Outlay		30,000
d.	Services		20,700
e.	Personnel/Supplies/Misc		<u>14,000</u>

TOTAL \$ 105,600

YEAR FOUR (2016-2017)

a.	Maintenance	\$	28,000
b.	Revenues over Expenditures		12,400
c.	Capital Outlay		30,000
d.	Services		20,700
e.	Personnel/Supplies/Misc		<u>14,500</u>

TOTAL \$ 105,600

YEAR FIVE (2017-2018)

a.	Maintenance	\$	29,000
b.	Revenues over Expenditures		10,900
c.	Capital Outlay		30,000
d.	Services		20,700
e.	Personnel/Supplies/Misc		<u>15,000</u>

TOTAL \$ 105,600

EXHIBIT B

FY 14 - projected cost worksheet

	Acct #	Personnel	Supplies	Maint.	Utilities	Services	Misc	Capital Outlay	Total
									-
City Expenses									-
Administration/Operation:									-
Office Expenses			1,000						1,000
Insurance									-
Property Coverage									-
General Liability									-
Errors & Omissions									-
Liability Insurance, Publications, Mis						300			300
Legal / banking fee / special services /						6,600			6,600
City Administration						4,800			4,800
Tax Collection						1,800			1,800
Police Patrol						-	7,200		7,200
Misc							4,000		4,000
<u>MAINTENANCE/LANDSCAPING</u>									-
Water					7,000				7,000
Electricity					700				700
Seasonal Flowers				10,000					10,000
Mowing, irrigation inspection, etc				20,000					20,000
									-
									-
<u>CAPITAL IMPROVEMENTS</u>									-
									-
Pending project								30,000	30,000
									-
									-
									-
TOTALS	Totals	-	1,000	30,000	7,700	13,500	11,200	30,000	93,400

CITY OF CEDAR HILL

FINANCIAL POLICIES RELATING TO THE ANNUAL OPERATING BUDGET

I. PURPOSE STATEMENT

The policies set forth below provide guidelines to enable the City staff to achieve a long-term, stable financial condition while conducting daily operations and providing services that are consistent with the Council-Manager form of government established in the City Charter. The Budget Team follows these policies while developing the annual operating budget. The scopes of the policies cover accounting, auditing, financial reporting; internal controls, operating and capital budgeting, revenue management, cash management, financial condition and reserve, expenditure control and debt management.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- Accounting - The City's Accounting Manager is responsible for establishing the chart of accounts and for properly recording financial transactions.
- External Auditing - The City will be audited annually by outside independent accountants (auditors). The auditors must be a CPA firm and must demonstrate significant experience in the field of local government auditing. They must conduct the City's audit in accordance with generally accepted auditing standards and be knowledgeable in the Government Finance Officers Association Certificate of Achievement Program. The auditors' report on the City's financial statements will be completed within six months of the City's fiscal year end.
- Auditor Rotation - The City will require requests for proposal for audit services every five years.
- External Financial Reporting - The City will prepare and publish a Comprehensive Annual Financial Report (CAFR). The CAFR will be prepared in accordance with generally accepted accounting principles and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certificate of Achievement for Excellence in Financial Reporting.
- Internal Financial Reporting - The Finance Department will prepare internal financial reports sufficient for management to plan, monitor and control the City's financial affairs.

III. INTERNAL CONTROLS

- Written Procedures - The Finance Director is responsible for developing written guidelines on accounting, cash handling and other financial matters. The Finance Department will assist Department Directors, as needed, in tailoring such guidelines to fit each department's requirements.
- Department Directors' Responsibility - Each Department Director is responsible to the City Manager to ensure that proper internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented and that all independent auditor control recommendations are addressed.

IV. OPERATING BUDGET

- Preparation - The City's annual operating budget will be prepared by the Budget Team consisting of the City Manager, the Deputy City Manager, the Assistant City Manager, the Finance Director, the Human Resources Director, the Accounting Manager, the Budget Analyst and other staff members appointed by the City Manager. A budget preparation calendar and timetable will be established and followed in accordance with state law.
- Balanced Budget - Current operating revenue will be sufficient to support current operating expenditures. Annually recurring revenue will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay). Debt or bond financing will not be used to finance current expenditures.
- Encumbrances - The City will not encumber funds for operating use at year-end.
- Budget Amendments - The Finance Department will monitor all financial operations. If the Finance Director identifies the need to amend the current year budget, he will present his findings to the City Manager for his review. The City Manager will decide whether or not to proceed with the budget amendment and, if proceeding, will then present the matter to the City Council. If the City Council decides a budget amendment is necessary, the amendment will be adopted in ordinance format, and the necessary budgetary changes will then be made.
- Reporting - Monthly financial reports will be prepared by the Finance Department and made available for department directors to review, utilizing an internal reporting system. Information obtained from financial reports and other operating reports is to be used by department directors to monitor and control the budget as authorized by the City Manager.
- Performance Measures and Productivity Indicators - Where appropriate, performance measures and productivity indicators will be used as guidelines and reviewed for efficiency and effectiveness.

V. CAPITAL BUDGETS

- Preparation - The capital budget will include all Capital Projects Funds and all capital resources. The capital budget will be prepared annually and will be presented to the City Council during multiple Capital Budget Workshops.
- Control - All capital project expenditures will be appropriated in the capital budget. The Finance Director will certify the availability of such appropriations or the availability of resources so that an appropriation may be made before a capital project is approved by the City Council.
- Encumbrances - Funds for capital projects will be encumbered until the project is complete.
- Alternate Resources - Where applicable, assessments, impact fees, pro-rata charges or other user-based fees will be appropriated to fund capital projects that have a primary benefit to specific property owners.
- Debt Financing - If and when debt is issued, the proceeds will be used to acquire major assets with expected lives that equal or exceed the term of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, capitalized labor for design and construction of capital projects and small component parts that are attached to major equipment purchases.
- Reporting - Monthly financial reports will be prepared by the Finance Department and made available for department directors to review, utilizing an internal reporting system. Information obtained from financial reports and other operating reports is to be used by department directors to monitor and control the budget as authorized by the City Manager.

VI. REVENUE MANAGEMENT

- **Simplicity** - The City will strive to keep the revenue system simple, resulting in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in tax avoidance.
- **Certainty** - The City will strive to understand its revenue sources and predict the reliability of revenue streams. The City will enact consistent collection policies so that management may be reasonably assured that certain revenues will materialize according to budgets, plans and programs.
- **Equity** - The City will strive to maintain equity in the revenue system structure. That is, the City will seek to minimize or eliminate all forms of subsidization among entities, funds, services, utilities and customers.
- **Administration** - The benefits of revenue will exceed the cost of producing the revenue. The cost of collection will be reviewed periodically for cost effectiveness and efficiency.
- **Property Tax** - Property shall be assessed at 100% of the fair market value as appraised by Dallas County Appraisal District and Ellis County Appraisal District. Reappraisal and reassessment will be done regularly as required by state law. A collection of 100% of current assessments from current assessments, delinquent assessments, penalties and interest will serve as the goal for tax collections.
- **User-Based Fees** - For services associated with a user fee or charge, the direct and indirect costs of that service will be offset by a fee. There will be periodic reviews of fees and charges to ensure that fees adequately cover the cost of services.
- **Inter-fund Administrative Charges** - Enterprise Funds and certain special revenue funds will pay the General Fund for direct services rendered.
- **Utility Rates** - The City will review and adopt utility rates annually that will generate revenues required to fully cover operating expenditures, meet the legal restriction of all applicable bond covenants and provide adequate working capital. The rates will allow the Water and Sewer Fund to meet the fund balance (working capital) requirements of 25% of operations.
- **Interest Income** - Interest earned from investment of available monies, whether or not pooled, will be in accordance with the equity balances of the fund from which monies to be invested were provided.
- **Revenue Monitoring** - Revenues actually received will be compared to budgeted revenues, and variances will be investigated monthly.

VII. EXPENDITURE CONTROL

- Appropriations - The City Manager's level of budgetary control is at the fund level for all operating funds. The department director's level of budgetary control is at the department level. When a budget adjustment or amendment among funds is necessary, it must be approved by the City Council.
- Contingency Reserve - The General Fund will maintain an undesignated balance of at least 20% of budgeted expenditures. Only one month of sales tax receivable will be considered in determining fund balance.
- Purchasing - All purchases shall be in accordance with both the City's purchasing policy and state law.
- Prompt Payment - All invoices will be paid within 30 days of receipt in accordance with state law. Procedures will be used to take advantage of all cost effective purchase discounts. Payments will be processed to maximize the City's investable cash.

VIII. CASH/ASSET MANAGEMENT

- Investments - The City's investment practices will be conducted in accordance with the investment policy approved by the City Council.
- Cash Management - The City's cash flow will be managed to maximize the invest- able cash.
- Investment Performance - As per state law, the Finance Director will issue quarterly reports on investment activity to the City Council.
- Fixed Assets and Inventory - Such assets will be reasonably safeguarded, properly accounted for and prudently insured. The fixed asset inventory will be updated regularly.

IX. FINANCIAL CONDITION AND RESERVE

- Operating Reserves - The General Fund will maintain an undesignated fund balance of at least 25% of budgeted expenditures. Only one month of sales tax receivable will be considered in determining fund balance.
- The Water and Sewer Fund will maintain working capital of at least 25% of estimated expenditures.
- The Debt Service Fund will maintain a fund balance of at least 15% of budgeted expenditures.
- The 4A (EDC) will maintain a fund balance of at least 15% of estimated revenues.
- The 4B (CDC) will maintain a fund balance of at least 25% of estimated revenues.
- Risk Management - The City will pursue every opportunity to provide for the public's and City employees' safety. Health insurance coverage and property and casualty insurance coverage will be reviewed annually regarding the amount of coverage and cost effectiveness.
- Loss Financing - The City will maintain property, liability and workman's compensation coverage through participation in the Texas Municipal League's Intergovernmental Risk Pool. The pool maintains reinsurance coverage to protect the pool in the event of excessive losses.

X. DEBT MANAGEMENT

- Long-Term Debt - For operating purposes, long-term debt will not be used. The life of the bonds will not exceed the useful life of the financed projects.
- Self-Supporting Debt - When appropriate, self-supporting revenues will pay debt service in lieu of tax revenues.
- Ratings - Full disclosure of operations will be made to the bond rating agencies. City staff, with the assistance of financial advisors and bond counsel, will prepare the necessary materials for and presentation to the rating agencies.
- Water and Wastewater Bond Coverage Ratios - The City will maintain a coverage rate of 1.25 times in the Water and Sewer Utility Fund although only 1.20 is required by the bond covenants.
- Federal Requirements - The City will maintain procedures that comply with arbitrage rebate and other federal requirements.
- Legal Debt Limit - The City will limit general obligation debt expenditures to 50% of General Fund expenditures.
- Debt Service Reserves - The City will maintain a fund balance of at least 15% of budgeted expenditures in the Debt Service Fund.

