

CITY OF TERRELL HILLS



Operating Budget FY 2022

City of Terrell Hills Fiscal Year 2022

This budget will raise more total property taxes than last year's budget by \$145,797 equal to a 2.54% increase, and of that amount \$67,149 is tax revenue to be raised from new property added to the tax roll this year.

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

<p>For: Council Person – Bill Mitchell Council Person – Peter Mako Mayor – John Low</p>		<p>Council Person – Kate Lanfear Council Person – Emmy Ballantyne</p>
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Against: None
Absent: None

Property Tax Rate Comparison

	2021	2020
No New Revenue Tax Rate:	.359740	.363985
Property Tax Rate:	.365000	.365000
NNR Maintenance & Operations Tax Rate:	.320112	.318942
Voter Tax Rate:	.384934	.375186
De Minimus Tax Rate	.394658	.395887
Debt Rate:	.044888	.045082

Total debt obligation for the City of Terrell Hills secured by property taxes: \$7,760,262.50

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Notice of Public Hearing on the 2022 Fiscal Year Budget for the City of Terrell Hills

The City of Terrell Hills City Council will hold a Public Hearing on the Proposed 2022 Fiscal Year Budget on December 13, 2021 at 4:00 p.m. at the Terrell Hills Municipal Complex, located at 5100 N. New Braunfels Ave. The Budget will be available at the City Hall and available on the City Website at www.terrell-hills.com. This budget will raise more total property taxes than last year's budget by \$145,797, and of that amount, \$67,149 is tax revenue to be raised from new property added to the tax roll this year.



City of Terrell Hills Budget Calendar for FY 2022

<p>August 9, 2021 2:30 PM August 9, 2021 (CC Meeting 4:00 PM)</p>	<p>Pre-planning Budget Workshop 1. Vote to propose to reduce, maintain or increase the tax rate. 2. Set date & time for a public hearing & for adoption of tax rate.</p>
<p>August 12, 2021</p>	<p>Submit proposed tax rate to Bexar County</p>
<p>September 8, 2021 (On or Before) Make 7 days prior</p>	<p>Public notice published in newspaper for public hearing on proposed tax rate and for adoption of tax rate</p>
<p>September 13, 2021 (CC Meeting 4:00 PM)</p>	<p>Public hearing and adoption of tax rate</p>
<p>September 15, 2021</p>	<p>Publish notice of vote on tax rate</p>
<p>October 12, 2021 2:30 PM October 12, 2021 (CC Meeting 4:00 PM)</p>	<p>Budget Workshop</p>
<p>November 3, 2021 (11:30 AM)</p>	<p>Publish 1st draft of budget on City website</p>
<p>November 10, 2021 (11:30 AM)</p>	<p>Budget Workshop If Needed</p>
<p>November 17, 2021</p>	<p>Public notice published in newspaper for budget hearing</p>
<p>December 13, 2021 (CC Meeting 4:00 PM)</p>	<p>1. Public hearing on FY 2022 Budget 2. City Council action on FY 2022 Budget</p>





Budget Overview

The City of Terrell Hills budget process starts in May. The City uses a modified accrual method of accounting, which is consistent with the method presented in the annual independent audit report. Revenues are estimated based on prior years' history, trend analysis, economic forecasting and any shifts in policy or strategic goals as laid out by Council. The City Council will adopt, at the end of each year, a balanced budget. This means that the proposed expenditures are equal to or less than the proposed resources. On occasion, additional resources may be required mid-year in order to provide services appropriately. In these cases, the department seeking additional funds, along with the City Manager, will make a formal request for a budget amendment to City Council. If the request is approved, the budget is amended accordingly.



ORDINANCE NO. 1491

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF TERRELL HILLS, TEXAS FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2022, AND ENDING DECEMBER 31, 2022; AND PROVIDING FOR THE INTRA-AND INTER-DEPARTMENTAL AND FUND TRANSFERS; AND DECLARING AN EFFECTIVE DATE

WHEREAS, the Budget has come before the City Council of the City of Terrell Hills, Texas for final review and consideration; and

WHEREAS, the City Council has conducted a public hearing, after proper notice, and has fulfilled all of the budget procedures in accordance with the laws of the State of Texas, including the Texas Local Government Code Chapter 102, and has complied with all of the applicable requirements of Federal Laws and Regulations; and

WHEREAS, said Budget is in good form and is in the best interest of the citizens of the City of Terrell Hills, Texas; and

WHEREAS, it is necessary, at this time, that said Budget be adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TERRELL HILLS, TEXAS THAT:



1. The Budget for the Fiscal year 2022, attached hereto and made part hereof, is hereby approved and adopted by the City Council of the City of Terrell Hills, Texas, to be effective for the 2022 Fiscal year beginning on January 1, 2022 and ending December 31, 2022: and
2. The City Manager, or the Assistant City Manager are hereby authorized to make intra- and inter-departmental fund transfers during the fiscal year as becomes necessary in order to avoid over expenditure of a particular account or fund; and
3. The City Manager, or the Assistant City Manager are hereby authorized to make all expenditures that have been expressly approved and appropriated in this budget; and
4. This Ordinance shall take effect and shall be in full force and effect from and after January 1, 2022.

PASSED AND APPROVED THIS 13th DAY OF DECEMBER 2021.

ATTEST:



Secretary-Manager



Mayor

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November 3, 2021

John Low,
City Council Members
Terrell Hills, Texas

To the Honorable Mayor and City Council:

We are pleased to present to the City Council and citizens of the City of Terrell Hills the 2022 Proposed Operating Budget. The proposed budget has been developed with the goal of providing quality services and maintaining the quality of life for the citizens of the city through efficient fiscal and personnel management, while utilizing the city's strategic goals to guide the overall development and support the mission statement of our community.

The proposed fund budget total revenue is \$6,266,039 which represents an increase from the 2021 budget. The projected increase can be attributed to the continued new construction and remodeling of properties in the community as well as the continued rise in property values.

The budget as presented is balanced while providing an estimated \$900,000 transfer to the Capital Improvement Fund for future street projects. Additionally, the ¼ cent sales tax approved by voters for street maintenance will be transferred to the Capital Fund. Proposed expenditures reflect a 3% cost of living increase for city employees, salary adjustments for public safety personnel, restructuring of public works staffing, increase to the stipend for employee health insurance and funding for a street rehabilitation project.

Overall, every effort has been made within the proposed budget to allocate resources in a sound manner that enables the effective delivery of municipal service for the safety, health, and welfare of the citizens of the City of Terrell Hills. These recommendations are forwarded to the Mayor and City Council for review and consideration.

Respectfully submitted,



William S. Foley
City Manager

Strategic Goals and Planning



Terrell Hills Vision Statement:

Terrell Hills is a premier neighborhood that is unique and multigenerational where neighbors' know each other. We like our community and want to maintain its character

Terrell Hills Mission Statement:

Terrell Hills is committed to preserving the character of our neighborhood and enhancing the quality of life for our citizens by providing excellent public safety, city services, infrastructure, and administration through sustainable and innovative processes as well as responsible fiscal management



Terrell Hills Goals:

- Limit debt to 1% of valuations
- Continue to recruit, develop and retain an educated, well trained, and highly qualified staff to serve our community
- Establish long term plans for infrastructure maintenance with no significant capital investment
- Continuously evaluate efficiencies in providing services to our community
- Maintain a response time to emergencies not to exceed an average of four minutes
- Enhance and beautify common areas through landscaping, lighting, minor construction and signage
- Respond to resident concerns within one business day
- Investigate incentives and opportunities for economic development in current non-residential zones
- Coordinate with local area and regional governments to develop a community wide drainage and flood protection plan
- Maintain minimum General Fund reserve equal to 180 days of operating revenue

Projected Budget Fund Balance

	2020 Final 31-Dec	2021 Estimated	2022 Proposed
Beginning Cash on Hand Balance	4,375,014	5,252,578	5,454,136
Excess of Revenue over Expenditure	1,370,245	734,590	0
Ending Cash Balance	5,745,259	5,987,168	5,454,136
Designated Reserve, Bonds	-698,506	-766,520	-769,020
Designated Reserve Crossing Guard	-114,701	-118,176	-122,176
Designated Reserve Capital Replacement	-1,344,948	-1,444,938	-716,938
Less Operating Reserve	-3,792,950	-3,802,690	-3,944,026
(240 days) Gross Ending Available Balance	\$1,952,309	\$2,184,478	\$1,510,110



City of Terrell Hills
2022 Fiscal Year
General Fund



Income

Estimated Tax Rate
Fiscal Year
2022

2020 Certified Ad Valorem Tax Rate

Debt rate	M&O rate	Total Rate
.045082	.319918	.365000

Certified Valuation \$1,573,146,734

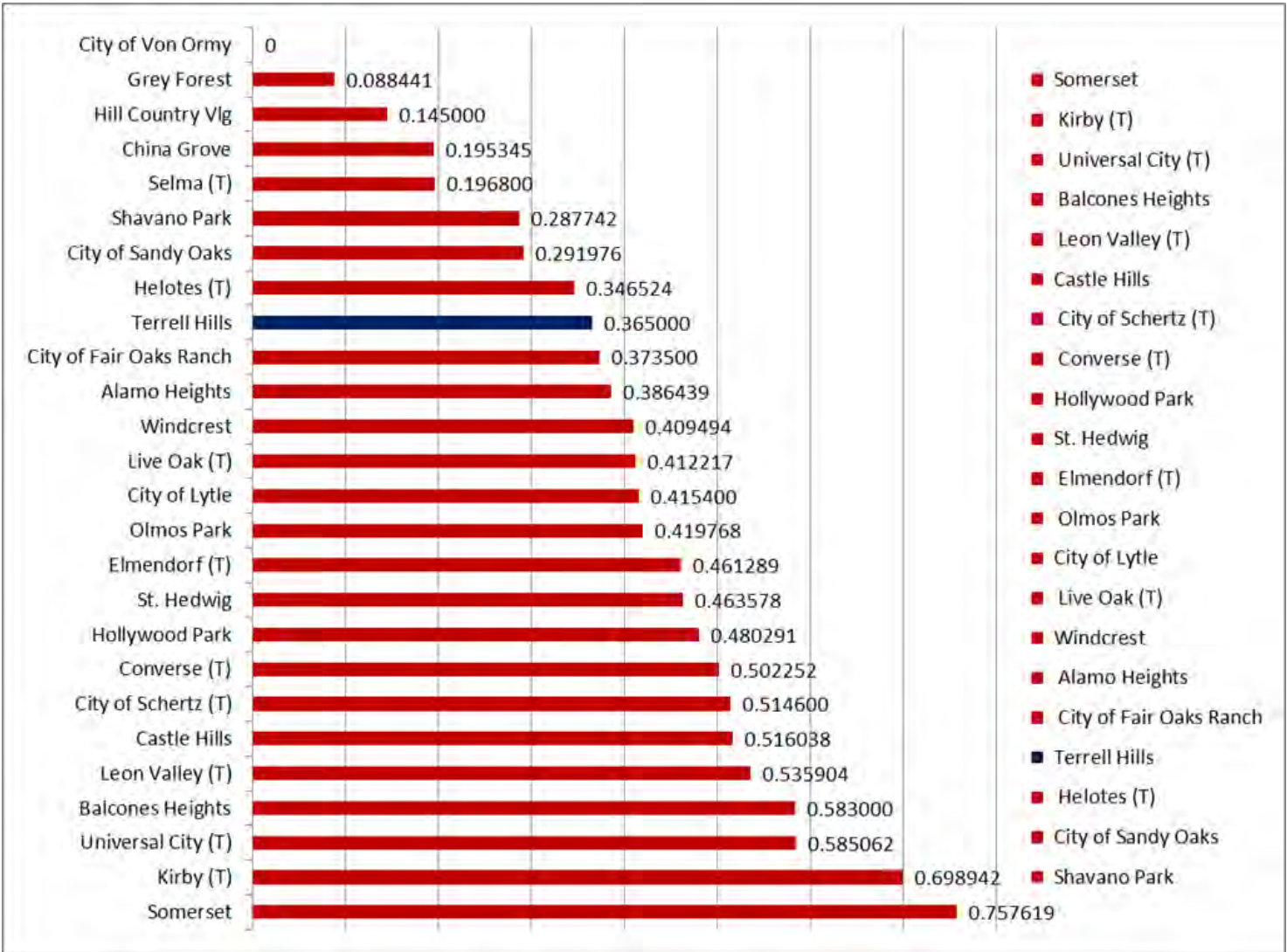
2021 Estimated Ad Valorem Tax Rate w/ \$18,397,210.00 in new valuations

Debt rate	M&O rate	Total Rate
.044888	.320112	.365000



Estimated Valuation \$1,615,170,893

Note: The rates calculated above are estimates only and may vary dependent upon actual valuations once certified by the Bexar County Appraisal District.



Income/Expense Budget

				2020 Budget Actual	2021 Budget	2021 Budget Estimated Final	2022 w/3%COLA & Program Changes	
Estimated Fund Balance Dec. 31				\$4,375,014	\$5,252,578	\$5,269,546	\$5,454,136	
Ordinary Revenues/Expenditures								
Revenues								
4000 · Ad Valorem Tax								
				4001 · Delinquent Ad Valorem	50,504.67	35,000.00	70,000.00	35,000.00
				4002 · FY Ad Valorem Receipts	3,225,797.43	3,003,819.27	3,005,000.00	3,005,000.00
				4003 · Prior Nondel Ad Valorem	1,799,844.34	1,907,666.19	2,265,000.00	2,079,429.29
				4020 · Bldg Permits (Including Registrations)	529,541.50	395,000.00	400,000.00	400,000.00
				4050 · Court Fines	5,888.78	3,800.00	7,000.00	6,400.00
				4051 · Court Technology	176.00	120.00	312.00	340.00
				4052 · LMJF Jury Fund	0.10		2.40	3.00
				4053 · LMCBSF Building Security	4.90		117.60	147.00
				4070 · Franchise Tax - All	396,917.84	370,000.00	400,000.00	400,000.00
				4200 · Miscellaneous				
				4213 · Board Fees	5,400.00	4,500.00	2,700.00	2,400.00
				4214 · Burglar Alarms	1,075.00	1,100.00	1,250.00	1,100.00
				4216 · Crossing Guard	6,065.75	6,475.00	7,500.00	7,000.00
				4217 · Dog Tags	40.00	60.00	120.00	100.00
				4218 · DONATIONS	3,150.00	1,500.00	2,400.00	1,200.00
				4219 · Garage Sales	1,360.00	1,000.00	1,480.00	1,400.00
				4222 · Receipt Book	4,687.77	3,750.00	18,000.00	3,500.00
				4223 · Recycling Income	266.00	200.00	260.00	200.00
				4226 · Parking Tickets	25.00	45.00	20.00	20.00
				4300 · Sales Taxes				
				4300 · Sales Taxes - Other	362,605.97	300,000.00	336,000.00	320,000.00
				4500 · Interest Income				
				4502 · Interest Income Money Mkt	8,057.18	20,000.00	2,700.00	2,800.00
Total Revenues				6,401,408.23	6,054,035.46	6,519,862.00	6,266,039.29	
Gross Profit				6,401,408.23	6,054,035.46	6,519,862.00	6,266,039.29	

City of Terrell Hills Fee Schedule

<u>CATEGORY</u>	<u>2022 FEE</u>
<u>GENERAL FEES</u>	
Pet Registration/Tag	***Valid for lifetime of pet*** 20.00 ***Microchipped pets*** Free
False Alarm Fee Schedule	(1-5) Free (5+) 25.00 per alarm
Solicitation Fee	50.00
Garage Sale Permit (2 days)	20.00
Estate Sale Permit (3 days)	100.00
Food License (1-2 employees)	125.00
Food License (3-6 employees)	175.00
Food License (7-10 employees)	250.00
Food License (11+ employees)	500.00
Open Records (copy of Ordinance, Police/Fire Report, non-resident)	.10¢ per page
Open Records (Police/Fire Report, resident)	none
OVER 50 Pages	
Open Records (general)	.10¢ per page PLUS
1 hr. minimum per request	15.00 per hour PLUS
Overhead Cost	20% personnel cost
<i>All non-standard requests will be in accordance with Tex. Admin Code §§ 70.1-70.12</i>	
Board of Adjustment Request	150.00 plus 150.00 Admin fee
Planning & Zoning Request	150.00 plus 150.00 Admin fee
Tree Trimming Permit (Annual)	50.00



CONSTRUCTION FEE SCHEDULE

All new Buildings, Additions, remodeling and renovations shall be based on the following Valuation Table.

BUILDING PERMIT FEES - Fees are based off total Square Footage

Total Square Footage	Rate per Square Footage
0---750 Sq. Ft	2.80
751 Sq. Ft ---1,000 Sq. Ft	2.25
1,001 Sq. Ft---2,500 Sq. Ft	2.00
2,501 Sq. Ft---3,000 Sq. Ft	1.90
3,001 Sq. Ft or more	1.80

GENERAL BUILDING PERMIT FEES

Curb Cut/Flat Work	150.00
Irrigation/Back flow Device	100.00
Roof Repair/Replacement	100.00
Swimming Pool/Spa	600.00
Swimming Pool Repair/Re-plaster	250.00
Walls/Fences	100.00
Patio/Patio Covers/Decks	250.00
Window Replacement	150.00
Foundation Repair	250.00
Signs	100.00
Tree Permit (per year)	50.00
Demo Permit (partial)	200.00
Demo Permit (complete tear down)	300.00
Occupancy Certificate	100.00
Utility Permit (CPS/SAWS)	No Fee
Re-inspection Fee	150.00
Additional Plan Review Fee	60.00



ELECTRICAL PERMIT FEES

Repair and Minor Work to include 1 Inspection	125.00
Renovations/ Remodels, Solar Systems Swimming Pools, no Service Upgrade Includes 2 inspections	200.00
Renovations/ Remodels & Swimming Pools, with Service Upgrade Includes 3 inspections	300.00
New Residence/ Includes 5 inspections	500.00
Additional inspections above permitted (each)	100.00
All other Electrical will be based on # of required Inspections (each)	100.00

AIR CONDITIONING AND MECHANICAL PERMIT FEES



Change outs, replacements or warranty work includes 1 inspection. (per unit/system)	100.00
All new Systems (first system) includes 2 inspections.	200.00
Each additional new system	100.00
Each Additional inspection	100.00

PLUMBING PERMIT FEES

Repairs, includes 1 inspection	100.00
Renovation and Remodels includes 2 inspections	200.00
Additions, includes 3 inspections	300.00
New construction, includes 7 inspections	500.00
Sprinkler systems, Landscaping (new or repair)	100.00

Fire Sprinkler Systems includes 2 inspections.	200.00
Water catchment systems above or below ground	200.00
Additional inspections above permitted (each)	100.00

GAS PERMIT FEES

CPA lockout/gas test, includes 1 inspection	150.00
Relocate gas meter, includes 1 inspection	150.00
Minor repairs, includes 1 inspection	150.00
Renovations/Remodels, includes 2 inspections	200.00
New construction, includes 3 inspections	300.00
Medical Gas	200.00
Additional inspections above permitted (each)	100.00
Underground storage tanks (removal or install)	200.00



DEMOLITION OR MOVING PERMIT FEES

Demolition or removal of any structure – Complete Removal	300.00
Partial Removal/Tear Out	200.00

RE-INSPECTION FEES

In all cases where a responsible party requests a plan review or an inspection of any type as called for in the City Codes, and the Building Official finds the work incomplete, or finds the work does not meet Code, a Re-Inspection/Additional Plan Review Fee shall be charged.

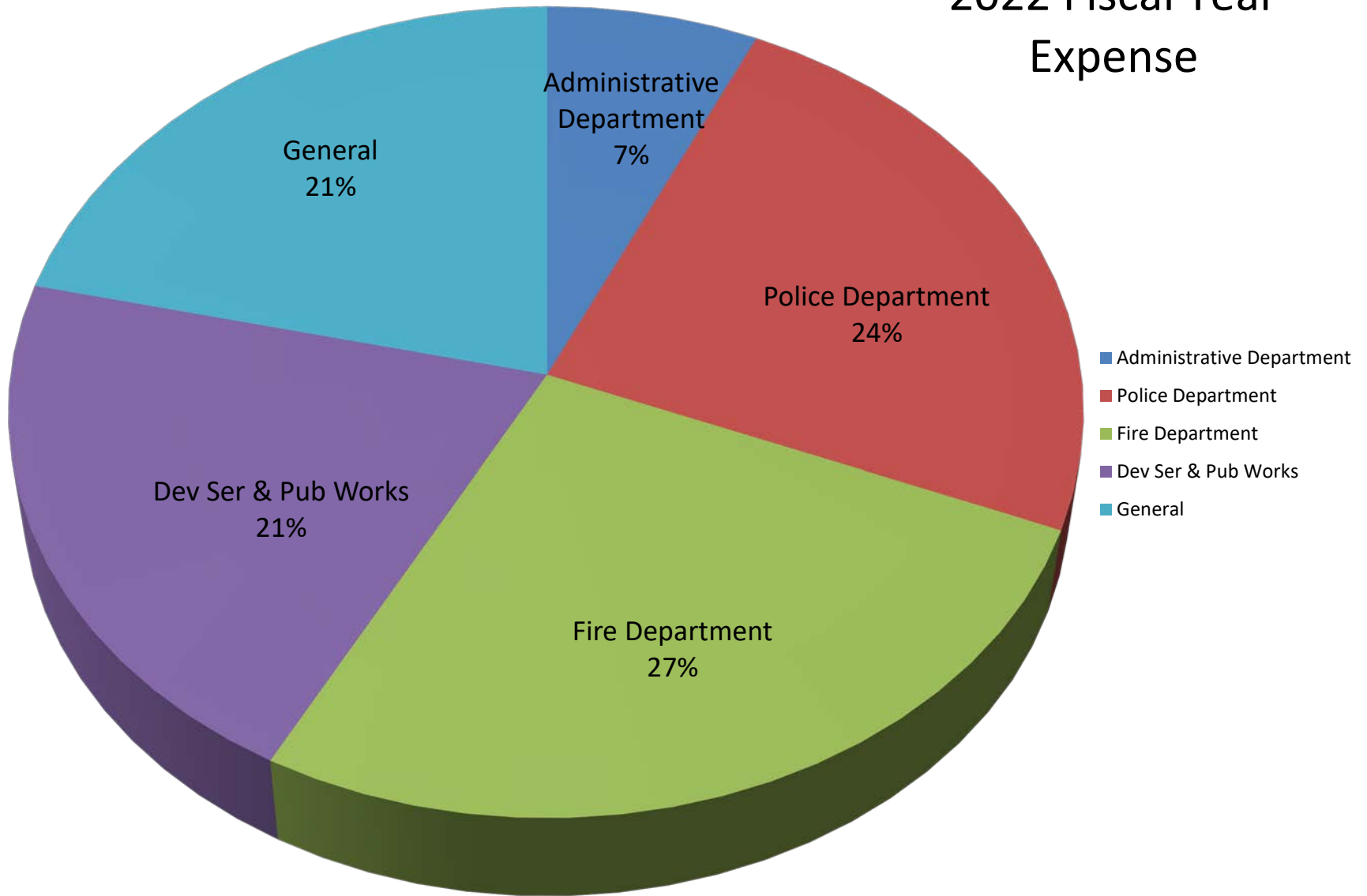
Re-Inspection Fee	150.00
Additional Plan Review	60.00

City of Terrell Hills
2022 Fiscal Year
General Fund



Expense

2022 Fiscal Year Expense



Projected Expense Budget

Expenditures	2020 Budget Actual	2021 Budget	2021 Budget Estimated Final	2022 w/3%COLA & Program Changes
500000 · Administrative Expenses				
5001000 · Salaries Administrative	330,847.15	302,894.63	301,000.00	316,110.33
5001035 · CCAFE Expense	2,744.99		0.00	
5001040 · TMRC	50,311.04	48,099.67	47,798.80	49,629.32
5001045 · CNCAF Expenses	482.97		0.00	
5001050 · Med 1	17,645.04		21,286.08	
5001060 · Dental (& Vision) Insurance	622.03	21,600.00	313.92	26,400.00
5001205 · Bank Charges	1,832.50	1,800.00	3,000.00	3,000.00
5001225 · Admin Training	1,204.99	3,500.00	1,100.00	5,000.00
5001235 · Miscellaneous	275.56	4,000.00	4,000.00	4,000.00
5001240 · Office Expense	5,168.88	6,000.00	5,500.00	6,000.00
5001242 · Court Office Supplies	119.03	1,000.00	400.00	1,000.00
Total 500000 · Administrative Expenses	411,254.18	388,894.30	384,398.80	411,139.65
510000 · Police Department				
5101000 · Salaries Police Department	911,678.92	1,028,035.20	1,027,903.58	993,957.90
5101005 · Overtime Police Department	35,294.88	40,000.00	15,000.00	40,000.00
5101035 · CCAFE Expense	478.96		892.32	
5101040 · TMRC	153,698.27	169,603.99	165,613.09	162,331.39
5101045 · CNCAF Expense	298.79		1,255.92	
5101050 · Med 1	62,998.68		68,083.06	
5101060 · Dental (& Vision) Insurance	3,847.16	86,400.00	3,076.09	99,000.00
5101090 · Uniforms	7,385.00	10,000.00	10,000.00	10,000.00
5101102 · Animal Control	2,640.38	10,000.00	500.00	10,000.00
5101105 · CID	1,628.58	2,000.00	2,000.00	3,000.00
5101132 · Gas & Oil	15,447.44	20,000.00	20,000.00	22,000.00
5101157 · Radio Maintenance	548.73	2,000.00	1,000.00	2,000.00
5101178 · Tire & Battery	3,992.08	4,000.00	3,000.00	4,000.00
5101179 · Vehicle Repairs	10,089.65	10,000.00	10,000.00	10,000.00
5101225 · Training	11,857.33	17,000.00	17,000.00	17,000.00
5101235 · Miscellaneous	3,560.69	5,000.00	5,000.00	5,000.00
5101240 · Office Expense	3,040.86	4,000.00	4,000.00	4,000.00
5101330 · Vest	870.00	2,000.00	1,740.00	5,500.00
5101355 · PD ERF Transfer Out	40,000.00	40,000.00	40,000.00	40,000.00
Total 510000 · Police Department	1,269,356.40	1,450,039.19	1,396,064.06	1,427,789.29

	2020 Budget Actual	2021 Budget	2021 Budget Estimated Final	2022 w/3%COLA & Program Changes
520000 · Fire Department				
5201000 · Salaries Fire Department	951,424.58	1,032,328.55	997,544.40	1,073,856.13
5201005 · Overtime Fire Department	32,489.64	50,000.00	42,112.32	50,000.00
5201035 · CCAFE Expense	1,839.46		1,024.08	
5201040 · TMRC	158,585.99	171,873.77	163,226.11	176,445.41
5201045 · CNCAF - Fire Dept	2,115.49		1,722.24	
5201050 · Med 1	67,678.56		75,607.95	
5201060 · Dental (& Vision)	2,945.40		1,795.82	
Insurance		86,400.00		105,600.00
5201090 · Uniforms	8,127.64	10,600.00	10,000.00	10,600.00
5201128 · Fire Department Quarters	3,451.12	3,000.00	3,000.00	3,000.00
5201129 · Equipment & Maintenance	42,519.04	40,000.00	40,000.00	50,000.00
5201132 · Gas & Oil	5,241.74	7,000.00	6,500.00	9,000.00
5201157 · Radio Maintenance	1,280.01	2,500.00	1,000.00	2,500.00
5201178 · Tire & Battery	734.99	4,000.00	4,000.00	4,000.00
5201179 · Truck Repairs	6,437.14	7,500.00	9,000.00	10,000.00
5201225 · Training	13,648.25	14,000.00	13,500.00	17,000.00
5201235 · Miscellaneous	1,500.80	3,000.00	3,000.00	3,000.00
5201240 · Office Expense	1,509.85	3,000.00	3,000.00	3,000.00
5201245 · ERF Transfer Out	66,000.00	66,000.00	66,000.00	66,000.00
Total 520000 · Fire Department	1,367,529.70	1,501,202.32	1,442,032.92	1,584,001.54
530000 · Dev Svcs & PW				
5301000 · Salaries Streets & Sanitation	623,883.88	671,717.30	636,563.38	614,218.56
5301005 · Overtime Streets & Sanitation	2,173.27	10,000.00	1,000.00	10,000.00
5301035 · CCAFE Expense	3,289.02		2,737.92	
5301040 · TMRC	94,310.32	108,256.71	101,245.06	98,002.31
5301045 · CNCAF Expense	2,842.56		2,387.04	
5301050 · Med 1	63,015.42		65,757.68	
5301060 · Dental (& Vision)	2,678.16		3,129.12	
Insurance		81,000.00		92,400.00
5301085 · Inspections	41,120.00	35,000.00	59,000.00	60,000.00
5301090 · Uniforms	8,787.56	10,200.00	8,593.00	10,200.00
5301100 · Alley Maintenance	7,876.33			
5301112 · Waste Disposal	141,597.33	130,000.00	126,642.92	130,000.00
5301132 · Gas & Oil	25,409.28	40,000.00	35,161.14	42,000.00
5301165 · Sprinkler & Park Maintenance	18,908.72	35,000.00	15,000.00	45,000.00
5301178 · Tire & Battery	9,243.47	9,000.00	6,981.03	9,000.00
5301179 · Equip Maint	57,208.47	47,000.00	35,282.50	47,000.00
5301225 · Training	3,629.34	4,500.00	1,300.00	4,500.00
5301235 · Miscellaneous	0.24	500.00	200.00	500.00
5301240 · Office Expense	948.11	2,500.00	400.00	2,500.00
5301375 · Materials & Equipment	5,357.98	10,000.00	5,000.00	10,000.00
5301380 · ERF Transfer Out	53,000.00	53,000.00	53,000.00	53,000.00
Total 530000 · Dev Svcs & PW	1,165,279.46	1,247,674.01	1,159,380.79	1,228,320.87

		2020 Budget Actual	2021 Budget	2021 Budget Estimated Final	2022 w/3%COLA & Program Changes
540000 · General					
	5401002 · CARES Act- Bexar County Funds	-885.21			
	5401041 · Elections	2,101.85	4,000.00	1,591.06	4,000.00
	5401101 · Appraisal District	25,766.00	26,000.00	24,000.00	26,000.00
	5401103 · Audit	15,100.00	16,000.00	15,100.00	16,000.00
	5401105 · Engineering Services	0.00	20,000.00	11,727.09	20,000.00
	5401106 · Prosecutor	1,600.00	2,700.00	2,200.00	2,700.00
	5401107 · Judge	200.00	2,400.00	1,400.00	2,400.00
	5401108 · City Attorney	38,628.32	40,000.00	46,882.85	55,000.00
	5401109 · Telephone	6,991.53	8,200.00	6,800.00	8,000.00
	5401110 · CPS	22,135.62	26,000.00	21,876.16	26,000.00
	5401111 · Street Lights CPS	17,841.67	20,100.00	15,891.44	20,100.00
	5401112 · Water	21,304.96	14,000.00	18,000.00	20,000.00
	5401114 · Dispatch	149,008.25	145,000.00	135,229.00	150,000.00
	5401125 · EMS Contract	118,811.33	125,000.00	104,447.22	125,000.00
	5401130 · Health Inspections	1,160.00	1,000.00	660.00	880.00
	5401138 · Insect control	815.00	1,200.00	978.00	1,200.00
	5401145 · Liability Insurance	51,446.34	53,000.00	50,728.72	58,000.00
	5401146 · Workers' Compensation Insurance	88,256.00	93,000.00	94,280.86	78,000.00
	5401165 · Stormwater Mgmt Program	7,263.44	8,000.00	7,717.24	8,000.00
	5401176 · Street & Alley Repairs	5,468.22	64,000.00	62,500.00	75,000.00
	5401200 · Community Events	11,124.87	20,000.00	17,500.00	20,000.00
	5401205 · Crossing Guard	351.00	3,000.00	1,062.00	3,000.00
	5401210 · Contingencies	0.00	30,000.00	11,000.00	50,000.00
	5401220 · Dues & Subscriptions	6,987.56	8,000.00	7,400.00	10,000.00
	5401235 · Miscellaneous	5,543.40	4,000.00	3,700.00	4,000.00
	5401245 · Postage	1,357.93	1,500.00	1,450.00	1,500.00
	5401300 · Building Maintenance	40,019.63	49,100.00	48,000.00	75,300.00
	5401325 · Computers	91,088.25	81,000.00	97,000.00	150,000.00
	5401350 · Court Technology	0.00	200.00	0.00	200.00
	5401600 · Payroll Taxes				
	5401610 · Payroll City Life				7,500.00
	5401670 · FICA	180,544.00	194,368.49	187,309.67	192,084.86
	5401675 · SUI	8,170.03	10,000.00	14,000.00	10,000.00
	5401685 · Medicare	42,224.01	45,457.15	42,963.66	44,923.07
Total General		960,424.00	1,116,225.64	1,053,394.97	1,264,787.93

2022 City Council:

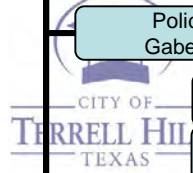
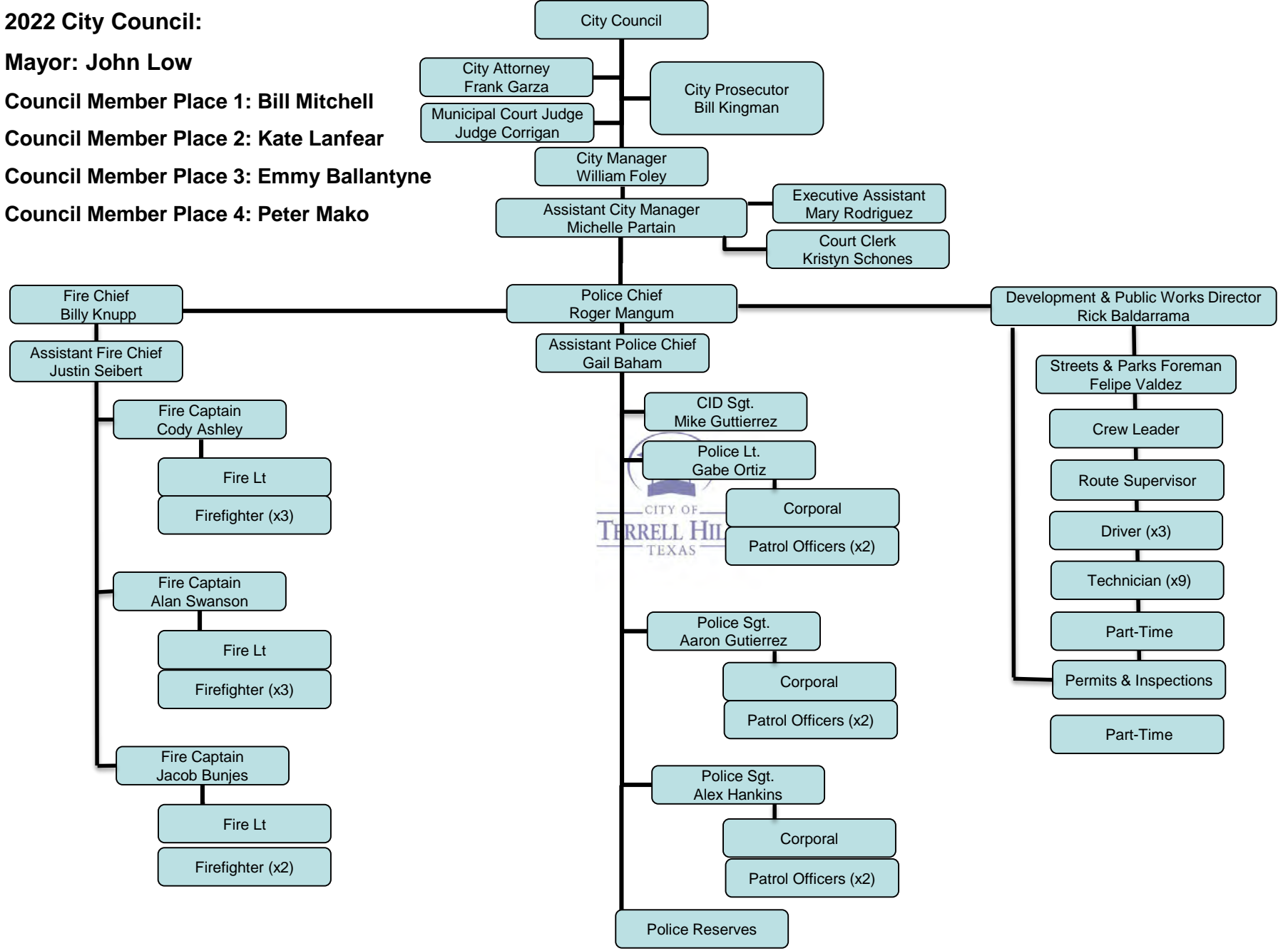
Mayor: John Low

Council Member Place 1: Bill Mitchell

Council Member Place 2: Kate Lanfear

Council Member Place 3: Emmy Ballantyne

Council Member Place 4: Peter Mako



Fiscal Year 2022 Pay and Benefits Plan

Base Pay

Administrative Department

Title	Authorized Positions		Base Rate/ Period
	2021	2022	
City Manager	1	1	\$107,000.00/ Annual*
Assistant City Manager	1	1	\$7,490.53/ monthly*
Administrative Assistant	1	1	\$3,813.95/ monthly
Court Clerk	1	1	\$3,330.60/ monthly

* City Manager to receive \$400 per month vehicle allowance

* Assistant City Manager to receive \$200.00 per month vehicle allowance

Police Department

Chief	1	1	\$7,000.95/ monthly*
Assistant Chief	1	1	\$6,082.79/ monthly
Lieutenant	2	1	\$5,515.42/ monthly
Sergeant	2	3	\$5,063.91/ monthly
Corporal	3	3	\$4,705.99/ monthly
Patrol Officer II	7	6	\$4,475.62/ monthly

* Police Chief to receive \$200 per month vehicle allowance



Fire Department

Chief	1	1	\$7,000.95/ monthly*
Assistant Chief	1	1	\$6,082.79/ monthly
Captain	3	3	\$5,063.91/ monthly
Lieutenant	3	3	\$4,705.99/ monthly
Firefighter II	8	8	\$4,475.62/ monthly

* Fire Chief to receive \$200 per month vehicle allowance

Development Services & Public Works

Director	1	1	\$5,150.00/ monthly*
Assistant Director/Building Inspector	1	0	
Foreman	2	1	\$22.52/ hourly
Route Drivers	3	5	\$17.23/ hourly
Crew Tech	8	7	\$16.97/ hourly
Part-Time Tech	As Needed	As Needed	DOQ

* Director to receive \$200 per month vehicle allowance

* Street Department personnel with a Texas Class B Commercial Driver's License will receive \$100.00 per month

consecutive days will require certification of a licensed physician. There will be no payment for unused sick leave upon an employee's termination.

c. Group Hospitalization Insurance: The City will provide group hospitalization and major medical insurance effective on the first day of the month following date of hire. Dependents' coverage and dental insurance shall be made available at the option of the individual employee. The City will contribute up to \$550 monthly to the City provided group plan for the employee and dependent insurance, with the employee responsible for the balance through payroll deduction. The City will also afford each employee the opportunity to obtain disability income and/or indemnity insurance for non-work-related accidents and illnesses, to be paid for by the employee through payroll deduction.

d. Group Life Insurance: Each employee will be provided with group life insurance based on the terms of the major medical policy and shall not exceed a total of \$50,000 in benefits. Dependents' coverage shall be made available at the option of the individual employee, the cost of which is to be paid by the employee.

e. Incentive Pay: Monthly pay to provide incentive for professional and educational accomplishment will be provided as shown below. Each employee is eligible for one incentive pay in each category related to their duty position. Certification of eligibility will be accomplished by the Department Head.

(1) Education

Master's Degree		\$200.00
Bachelor's Degree		\$150.00
Associates Degree		\$75.00

(2) Professional Certification

Master Peace Officer/Master Firefighter/Court Clerk III	\$100.00
Advanced Peace Officer/Advanced Firefighter/Court Clerk II	\$75.00
Intermediate Peace Officer/Intermediate Firefighter/Court Clerk I	\$50.00

(3) Fire Instructor/Police FTO \$25.00

(4) EMS Instructor \$50.00

(5) Fire Inspector \$50.00

All fire personnel ranked lieutenant and below & police personnel ranked corporal and below will receive a \$10.00 cell phone allowance for emergency recall texting fees.

f. Vacation: Full-time Regular Employees shall be eligible for paid vacation days based on the following schedule;

After 6 months	5 days
1 year thru 10 years	10 days
11 years and onward	15 days

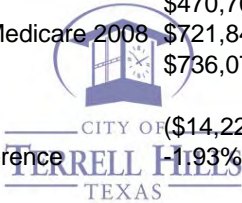
Note: Variations and exceptions from this schedule may be found in the Personnel Policy Handbook with City Council approval.

The Personnel Policy Handbook prescribes the use and accumulation of Vacation days.

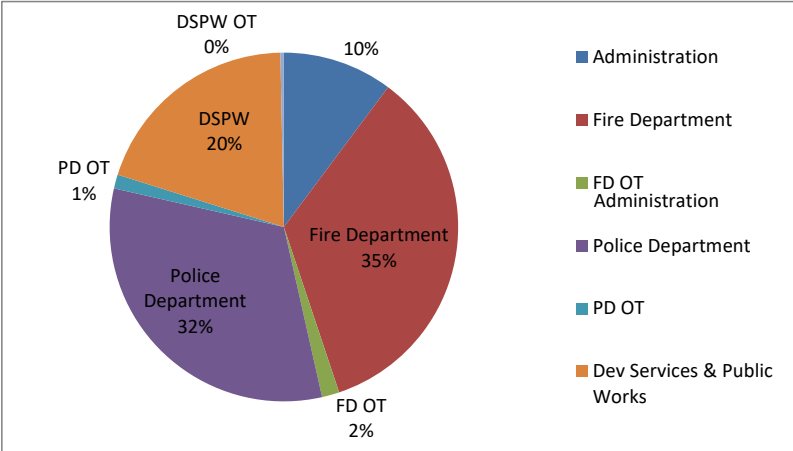


Payroll Projections Fiscal Year 2022 w/ 3% COLA

Department	Salary Projection	Social Security/city match	Medicare/city match	TMRS/city match	Payroll Totals
Administration	\$316,110.33	\$19,598.84	\$4,583.60	\$49,629.32	\$389,922.09
Fire Department	\$1,073,856.13	\$66,579.08	\$15,570.91	\$168,595.41	\$1,324,601.54
FD OT	\$50,000.00	\$3,100.00	\$725.00	\$7,850.00	\$61,675.00
Police Department	\$993,957.90	\$61,625.39	\$14,412.39	\$156,051.39	\$1,226,047.07
PD OT	\$40,000.00	\$2,480.00	\$580.00	\$6,280.00	\$49,340.00
Dev Services & Public Works	\$614,218.56	\$38,081.55	\$8,906.17	\$96,432.31	\$757,638.59
DSPW OT	\$10,000.00	\$620.00	\$145.00	\$1,570.00	\$12,335.00
Total	\$3,098,142.92	\$192,084.86	\$44,923.07	\$484,838.44	\$3,819,989.29
Total w/out OT	\$2,998,142.92	\$185,884.86	\$43,473.07	\$470,708.44	\$3,698,209.29
2021 budgeted amount	\$3,134,975.68				
	% difference w/OT	% difference w/out OT	Retirement/SS/Medicare 2008	2021 Budgeted	
	-1.17%	-4.36%	\$721,846.37	\$736,071.78	
	\$ difference w/ OT	\$ difference w/out OT	Difference		
	(\$36,832.76)	(\$136,832.76)	Percentage Difference	(\$14,225.41)	
	Total Difference w/out OT	(\$14,225.41)		-1.93%	
	Total Difference w/ OT	(\$51,058.17)			



This includes the **FULL** rate for **TMRS 15.70%**





EQUIPMENT REPLACEMENT FUND

The purpose of the Equipment Replacement Fund (ERF) is to ensure that adequate funds are available to purchase vehicles and equipment as it becomes obsolete or worn out, and at the same time minimize the budgetary impact for major purchases. The goal is to provide sufficient cash flow for annual purchases. The ERF is not designed to equal the replacement value of the fleet.

An important advantage of the ERF is that it prevents wide fluctuations in departmental operating budgets. For example, if the Fire Department did not need to replace any units in a given year, the department would continue paying fees into the ERF during that year. The positive result is that funding would then be available the next year, when the Fire Department might have a unit to replace, and its operating budget would not be depleted by making the purchase.

The amount a department budgets as their transfer to the ERF is based on the equipment used by the department, the equipment's estimated cost and its estimated life cycle. For example, if a garbage truck was purchased by the Public Works Department in 2016 for \$130,000 with an estimated life cycle of 15 years, the Public Works Department would transfer \$8,667 ($\$130,000/15$) into the ERF in each of the years 2016 through 2031.

Additionally, fee calculation and fund balances should be reviewed regularly to ensure that adequate funds are available and that the budget is stabilized for major purchases, with a goal of providing sufficient cash flow for annual purchases.

REVENUES		2020 Actual	2021 Budget	2022 Budget
Fund Balance		\$1,299,796	\$1,310,690	\$1,375,571
		amt. after audit		
Transfer from Police		\$40,000	\$40,000	\$40,000
Transfer from Fire		\$66,000	\$66,000	\$66,000
Transfer from Public Works		\$53,000	\$53,000	\$53,000
Interest Income		\$0	\$0	\$0
Sale of Disposed Equipment			\$5,750	
Total Revenues		\$1,458,796	\$1,475,440	\$1,534,571
EXPENDITURES		2020 Actual	2021 Budget	2022 Budget
Police	VIN#			
#1017 - 2017 Ford Explorer	9911	\$ -	\$ -	\$ -
#1119 - 2019 Ford Explorer	9636	\$ -	\$ -	\$ -
#920 - 2020 Ford Explorer	4742	\$ 34,130	\$ -	\$ -
#217 - 2017 Ford Explorer	7723	\$ -	\$ 40,000	\$ 40,000
#1020 - 2020 Ford Explorer	9853	\$ 34,131	\$ -	\$ -
Tyler Technologies		\$ 55,000	\$ -	\$ -
Fire				
Admin - 2021 Chevrolet Pick-up	1838	\$ 24,845	\$ -	\$ -
Squad 1 - 2017 Chevrolet Pick-up	743	\$ -	\$ -	\$ -
Engine 1 - 2014 Sutphen Fire Engine	3091	\$ -	\$ -	\$ -
Engine 2 - 2002 Ferrara Fire Engine	9682	\$ -	\$ -	\$ 560,000
Public Safety Radio Equipment				
Radio Equip X 39				\$ 150,000
Public Works				
Packer Truck 001		\$ -	\$ -	\$ -
Packer Truck 002		\$ -	\$ -	\$ -
Packer Truck 003		\$ -	\$ -	\$ 147,000
Packer Truck 005		\$ -	\$ -	\$ -
2021 Chevrolet 2500 WT		\$ -	\$ 49,504	\$ -
F-150 4 Door Pick Up Truck	8688	\$ -	\$ -	\$ -
John Deere Loader	4770	\$ -	\$ -	\$ -
John Deere Mower			\$ 7,277	
Compressor			\$ 3,088	
Total Expenditures		\$ 148,106	\$ 99,869	\$ 897,000
Net Income	31	\$1,310,690	\$1,375,571	\$637,571

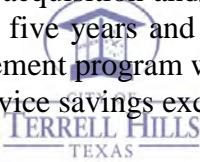


Debt Fund Budget

The Debt Fund Budget was established to ensure the quality of decisions in relation to the City's financing activities, provide a comprehensive view of the City's long-term debt picture and make it easier for decision-makers to understand issues concerning debt issuance and management.

Debt will be issued for the purpose of meeting the needs of the community through funding of capital projects and equipment but without constituting an unreasonable burden to taxpayers.

Long-term debt is only issued to finance the acquisition and/or construction of capital improvements with an economic or useful life greater than five years and the term of the debt. Additionally, only capital needs identified in the capital improvement program will be considered. Refunding bonds will only be issued if the present value of debt service savings exceeds three percent of the outstanding par value of the refunded bonds.

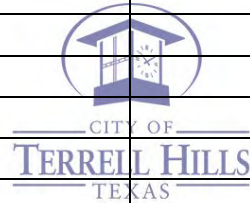


City of Terrell Hills
2022
Debt Fund
Budget

			2020 Actual	2021 Estimated	2022 Budget
	Estimated Starting Fund Balance		716,382	716,382	716,386
	Income				
	4001 - Ad Valorem Taxes		710,278	776,930.00	769,020.00
	Total Income		710,278	776,930.00	769,020.00
	Expense				
	5501500 - Bond Principal		465,000	550,000.00	575,000.00
	5501510 - Bond Interest		233,506	216,520.00	194,020.00
	550152 - Service Fees				
	Total Expense		698,506.00	766,520.00	769,020.00
	Net Income		11,772.00	10,410.00	0.00
	Estimated Ending Fund Balance		\$728,154.00	\$726,792.00	\$716,386.25

Debt Service Schedule

Series 2011 GO Bonds			Series 2012 Refunding Bonds			Series 2016 Refunding Bonds			Total by Date	Annual	
Period End	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total		
02/01/2022							575,000.00	102,760.00	677,760.00	677,760.00	
08/01/2022							0.00	91,260.00	91,260.00	91,260.00	769,020.00
02/01/2023							605,000.00	91,260.00	696,260.00	696,260.00	
08/01/2023							0.00	79,160.00	79,160.00	79,160.00	775,420.00
02/01/2024							620,000.00	79,160.00	699,160.00	699,160.00	
08/01/2024							0.00	66,760.00	66,760.00	66,760.00	765,920.00
02/01/2025							650,000.00	66,760.00	716,760.00	716,760.00	
08/01/2025							0.00	53,760.00	53,760.00	53,760.00	770,520.00
02/01/2026							680,000.00	53,760.00	733,760.00	733,760.00	
08/01/2026							0.00	40,160.00	40,160.00	40,160.00	773,920.00
02/01/2027							705,000.00	40,160.00	745,160.00	745,160.00	
08/01/2027							0.00	33,286.25	33,286.25	33,286.25	778,446.25
02/01/2028							720,000.00	33,286.25	753,286.25	753,286.25	
08/01/2028							0.00	25,546.25	25,546.25	25,546.25	778,832.50
02/01/2029							740,000.00	25,546.25	765,546.25	765,546.25	
08/01/2029							0.00	17,406.25	17,406.25	17,406.25	782,952.50
02/01/2030							755,000.00	17,406.25	772,406.25	772,406.25	
08/01/2030							0.00	8,912.50	8,912.50	8,912.50	781,318.75
02/01/2031							775,000.00	8,912.50	783,912.50	783,912.50	
											783,912.50





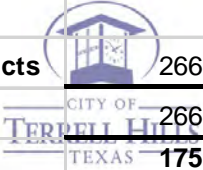
Capital Funds Budget

The Capital Fund Budget provides for the Future Street and Infrastructure maintenance and improvement. The 2022 Capital Fund Budget balance will continue to increase with the budgeted increase from the general fund and an additional transfer from the undesignated reserve fund.



City of Terrell Hills
 Fiscal Year 2022
 Capital Funds
 Budget

			Jan - Dec 20	Jan - Dec 21 Estimate	Jan-Dec 22 Budget
		Estimated Starting Fund Balance	\$1,540,250.00	\$1,715,415.33	\$1,727,402.82
		Income			
		4600 · Transfers In	350,000.00	900,000.00	900,000.00
		4610 · Street Sales Tax 1/4%	90,651.00	75,000.00	80,000.00
		Total Income	441,677.33	975,000.00	980,000.00
		Gross Profit	441,677.33	975,000.00	980,000.00
		Expense			
		5751350 · Capital Outlay--Street Projects	266,512.00	963,012.51	980,000.00
		Total Expense	266,512.00	963,012.51	980,000.00
		Net Income	175,165.33	11,987.49	0.00
		Designated Reserve Addition			
		Estimated Ending Balance	\$1,715,415.33	\$1,727,402.82	\$1,727,402.82



City of Terrell Hills
2022 Fiscal Year
Budget



Appendix

6-28 General Financial Policies


GENERAL STATEMENT

These financial policies have been developed and approved by City Council to ensure continuity and understanding about the City's financial decisions. The policies outline the steps the City of Terrell Hills will follow when making all necessary financial decisions. These policies are to be reviewed and updated on an annual basis. It is important that the policies provide continuity among leadership of the City in an effort to achieve long term goals and fulfill the City's mission.

Section 1: Budget Process

1.0. The budget year for the City of Terrell Hills is January 1 to December 31. The charter states that the "City Council shall on the 1st day of October of each year, or as soon after as practicable, prepare a budget to cover all proposed expenditures of the City for the succeeding year." In practical terms, the City staff will ensure the budget is prepared for City Council review at the October budget workshop and approval consideration in the December council meeting of each year.

1.1. Staff will use the following process to prepare the budget:

1.11. The effective tax rate is calculated in late July by Bexar County. That effective tax rate will be compared against the valuations and the current year's budget to determine the tax rate needed by the City to fund operations.  The tax rate will to be set at an amount sufficient to cover budgeted Maintenance and Operations (M&O) and Interest and Sinking (I&S)/Debt Obligations. The tax rate will normally be set at the September council meeting. Because the City's fiscal year begins January 1, the tax rate set by council at the September council meeting will cover expenditures in the current tax year, not the upcoming tax year. For example, the 2015 effective tax rate is calculated in July of 2015. The City will set its 2015 tax rate at the September council meeting and that rate goes into effect for taxes collected from October 1, 2015 to December 31, 2015. The tax rate set at the September 2015 council meeting must be sufficient to meet M&O and debt obligations for the 2015 tax year. In effect, City staff is collecting taxes starting October 1, 2015 for money that has been spent since January 1, 2015.

1.12. Staff begins the budget process in late July of each year. The City Manager and department heads meet, pass out the current year budget, and determine the appropriate budget for the upcoming budget year. This data, with supporting documentation for equipment and any new programs, is submitted in late August.

1.13. The City Manager receives all the budget data by late August and begins preparation for the first Council workshop. This workshop should introduce Council members to the new budget. The City Manager should have a "rough draft" of the budget with numbers in sufficient detail to brief Council on any major new acquisitions or proposed programs. The Manager may present multiple options in the event that Council decides to be more or less

conservative with the finances. The City Manager should review and incorporate data relating to the City's goals and mission statement, and answer any questions Council may raise. The desired outcome of the first budget workshop should be a mutual understanding of the major programs/financial direction of the city. The City Manager takes these results and incorporates them into the budget for the second workshop.

1.14. The City Manager conducts the second workshop with City Council in mid-October. The final budget data is presented to Council and any further questions answered. At this point Council will narrow the budget to a final option that can be fine-tuned in preparation for a budget hearing and final passage.

1.15. The City Manager finalizes the budget and prepares for its possible passage at the December Council meeting. Appropriate ads are placed in the newspaper in advance of the public hearing per State Law. The Council will hold a public hearing and take public input at the December meeting. If there is extensive input by the public, the Council should consider tabling the budget and sending back to the City Manager for consideration in a Special City Council meeting. The budget must be passed prior to the new fiscal year beginning January 1.

1.16 The City Manager will prepare a budget document in sufficient detail to describe the programs funded. The document should include sections highlighting the programs in each department. A separate section of the budget document is devoted to personnel programs, capital improvement programs and the debt schedule. The final budget is prepared in accordance with best practices from Government Finance Officers' Association (GFOA).



Section 2: Long Term Debt

2.0 The City establishes the following policy concerning the issue and management of debt. This debt policy, as presented to City Council and the citizens, was established to ensure the quality of decisions in relation to the City's financing activities, provide a comprehensive view of the City's long-term debt picture and make it easier for decision-makers to understand issues concerning debt issuance and management.

2.1 Conditions of Debt Issuance

2.11 Debt should be issued for the purpose of meeting the needs of the community through funding of capital projects and equipment but without constituting an unreasonable burden to taxpayers.

2.12 Long-term debt is only issued to finance the acquisition and/or construction of capital improvements with an economic or useful life greater than five years and the term of the debt. Additionally, only capital needs identified in the capital improvement program will be considered. Refunding bonds will only be issued if the present value of debt service savings exceeds three percent of the outstanding par value of the refunded bonds. Debt for other purposes, such as acquisition of capital assets, is covered separately in this policy.

2.2 Types of Debt

2.21 General Obligation Bonds General Obligation Bonds may only be issued with a majority approval of a popular vote. The use of the proceeds from GO Bonds is limited to the acquisition or improvement of real property and other uses allowed by law and applicable bond ordinances. City facilities, parks and public safety facilities are examples of facilities that could be financed with GO Bonds. To the extent that property tax revenues are used to fund debt service, a separate property tax will be levied.

2.22 Refunding Obligations Pursuant to the Government Code and various other financing statutes applicable in particular situations, the City Council is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the City. Absent any significant non-economic factors, a refunding should produce minimum net debt service savings (net of reserve fund earnings and other offsets) of at least 3% of the then-outstanding par value of the refunded bonds, unless staff determines that a lower savings percentage is acceptable for issues or maturities with short maturity dates.

2.23 Tax Anticipation Notes Proceeds from Tax Anticipation Notes are used to fund projects whose source of payment is future tax revenues. These instruments have a term of one to three years and are for a specific purpose such as temporary financing for capital improvements, cash flow needs and major equipment leasing.

2.24 Tax Increment Financing Bonds The City may use these bonds to finance capital improvements within the tax increment reinvestment zone. Repayment is from property taxes generated within the zone.

2.25 Leases Leases may be used to finance major capital purchases, other than infrastructure, including fleet, major system upgrades and large equipment purchases. The useful life of the asset should not exceed the term of the lease.

2.26 Other Obligations There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to limited tax notes, non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes and judgment or settlement obligation bonds.

2.3 Restrictions on Debt Issuance

- The City will not use long-term debt to finance current operations or normal maintenance.
- General obligation debt will not be issued if other, more financially efficient financing sources are available such as certificates of obligation, limited tax notes, leases or revenue bonds.
- Short-term debt will not be used to refinance long-term debt.

- All debt issuances shall be approved by the City Council.

2.31 Before any debt may be issued, the City will perform an analysis of the requirements to determine the impact on future budgets, the sufficiency of revenues to fund the debt service requirements and additional operating costs of the capital asset acquired. The analysis will ensure that debt service payments funded by the General Fund shall be not greater than 1% of current property valuations.

2.4 Characteristics of Debt Issuance

2.41 When the City finances capital projects by issuing bonds, it will pay back the bonds in a period not exceeding the expected life of those projects. Other standard terms shall include the following:

- Term may be up to 30 years depending on cash flow assumptions, and useful life of asset being financed.
- Call provisions will be shortest possible optional call consistent with optimal pricing.
- The City will seek level or declining debt repayment schedules and will avoid issuing debt that provides for balloon principal payments reserved at the end of the term of the issue.
- The City will avoid variable-rate debt due to the potential volatility of such instruments.
- Debt service reserve will be in conformity with bond covenants.
- Commercial insurance or other credit enhancements to the bond rating shall be considered when cost-effective.

2.5 Debt Issuance Process

2.51 The City will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus. The City will also comply with all federal tax law provisions, including arbitrage requirements.

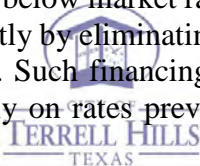
2.52 The City shall utilize the services of independent financial advisor(s) on debt financing when deemed prudent. Although not required, the City may utilize an RFP-selected pool of such financial advisors to mitigate time constraints and reduce overhead costs of the City in procuring such services. Bond counsel will be used for each transaction.

2.53 City staff shall review each debt issuance transaction on a case-by-case basis to determine the most appropriate method of sale.

- **Competitive Sale** In a competitive sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost to the City (TIC). This method is most advantageous when the debt to be issued is less

complex, the municipal bond market for high-grade credits is stable, and the sale of the City's bonds is assured.

- ◇ Bond sales shall be cancelable at any time prior to the time bids are to be received.
 - ◇ Upon award to the bidder whose conforming bid represents the lowest true interest cost, the City may restructure the bonds in accordance with the Official Notice of Sale. The City shall reserve the unfettered right to reject all bids or waive bid irregularities.
- **Negotiated Sale** In a negotiated sale, the City chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bonds to investors through an underwriting process. This type of sale allows the City to discuss different financing techniques with the underwriter in advance of the sale date. This method is most advantageous when the debt issue is complex, debt structuring flexibility is required (as would be the case in a bond refunding) or the municipal bond market is unstable or uncertain.
 - **Private Placement** In a private placement, the City may select a private purchaser willing to bid a below market rate. Such placements often allow debt to be issued more efficiently by eliminating the need for bond ratings and other associated issuance costs. Such financing will be analyzed on a case-by-case basis, depending primarily on rates prevailing in the placement market from time to time.



2.54 Professional services used in conjunction with a bond issuance may be obtained using a request for proposal (RFP). If an RFP is used, selection will be based on experience in the type of issuance and municipal bond activities, ability to perform needed services, conflicts of interest, fees and fee structure.

Section 3: Internal Controls for the City of Terrell Hills

3.1. The City will employ the following internal controls to make sure that all financial transactions are handled appropriately:

3.11. The Assistant City Manager serves the accounts payable function for the City. He/she prepares all checks and deposits. The City Manager signs the checks and ensures that all expenditures are valid and legal. Additionally, check registers will be provided to City Council monthly for their review.

3.12. The Assistant City Manager makes necessary journal entries, processes payroll and reconciles the bank statements on a monthly basis. The City maintains the following bank accounts: general fund for all non-payroll transactions, money fund for all bank deposits, interest and sinking fund for all debt payments, general fund payroll for all

payroll transactions, and capital projects funds for capital projects deposits and expenditures.

3.13. The Assistant City Manager maintains the petty cash fund to ensure money is available for small expenditures. The City Manager reviews the expenditures of these funds on a monthly basis.

3.14. Every expenditure must be approved by a Department Head or the City Manager. This is indicated by initials and date on every invoice the City receives. The City Manager reviews these initials prior to approving checks for payment.

3.15. The Assistant City Manager deposits money as quickly as possible and ensures that money received is secured to ensure safety. In no case will cash be left undeposited by the City for longer than five business days.

Section 4: Sales Tax Collections

4.1. The City receives payment monthly via the State Comptroller for sales tax revenues. One-fourth of one-percent of collections has been designated for Street Maintenance by the voters of the City of Terrell Hills. As such,

4.11. The appropriate amount is calculated monthly and moved via transfer to the City's Capital Fund to be allocated for street maintenance.

