

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the Year Ended September 30, 2020**

City of Cedar Hill, Texas



**CITY OF CEDAR HILL, TEXAS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**YEAR ENDED September 30, 2020**

Prepared by the

**CITY OF CEDAR HILL**  
**FINANCE DEPARTMENT**

Peter Phllis, Finance Director  
Latifia Coleman, Assistant Finance Director  
Onya Penton, Controller

**CITY COUNCIL**

Stephen Mason, Mayor

Shirley Daniels, Council Member	Chad McCurdy, Council Member
Daniel C. Haydin Jr., Council Member	Gregory Glover, Council Member
Alan E. Sims, Council Member	Clifford R. Shaw, Council Member

**CITY MANAGER**

Greg Porter



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**City of Cedar Hill**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the year ended September 30, 2020**

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**CEDAR HILL**

WHERE OPPORTUNITIES GROW NATURALLY

## **INTRODUCTORY SECTION**



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY



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March 19, 2021

To the Honorable Mayor and City Council,  
and Citizens of the City of Cedar Hill:

The Finance Department and City Manager's Office are pleased to submit the Comprehensive Annual Financial Report of the City of Cedar Hill (the "City") for the fiscal year ended September 30, 2020. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report fulfills that requirement.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. To enable the reader to gain an understanding of the City's financial activities, all necessary disclosures have been included.

Crowe L.L.P., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Cedar Hill's financial statements for the year ended September 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **City Profile**

The City was incorporated in 1938 under the general laws of the State of Texas and is one of the oldest organized cities in Dallas County. Cedar Hill became a home-rule city in 1975 and encompasses 35.5 square miles and is approximately 50% developed. The City's estimated 2020 population is 53,689. Since the 2010 census of 45,028, the City's population has grown by 8,661 or 19%. Cedar Hill is roughly 15 miles southwest of Dallas where it boasts to be the highest elevation between the Red River and the Gulf of Mexico. The City is situated along the eastern shore of Joe Pool Lake and Cedar Hill State Park with easy access to I-20 and I-35 from U.S. Highway 67 (US 67). Cedar Hill is home to many residents who commute to and from employment in the Dallas-Fort Worth (DFW) metropolitan area.

Parks and recreation are important to the City and certainly part of its distinctive character. The inclusion of neighborhood parks, hike and bike trails, and the preservation of green space will remain a priority of community and City Council. Some of the most beautiful and fascinating parks and open space areas in the State of Texas are in the City including Cedar Hill State Park and the Dogwood Canyon Audubon Center. A wide selection of charter and private schools in addition to Cedar Hill Independent School District (CHISD) add to the expansive set of educational choices available in Cedar Hill.

**Government Structure.** The City operates under a council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of a Mayor and six council members. The City Council appoints committees, boards and hires the City Manager, City Attorney, and City Judge. The City Manager is responsible for carrying out the policies and implementing the ordinances of the City Council, oversees the day-to-day operations of the government, appoints the directors of the various departments, and prepares an annual budget.

**Services Provided.** The City provides a full range of municipal services authorized by statute or charter. These services include police protection, fire suppression, emergency medical services, water distribution, wastewater collection, building inspection, street maintenance and repair, code enforcement, park maintenance, full-service recreation services and programming, swimming pool operations, library services, planning and economic development, and general administrative services. The City maintains contracts for its water supply and wastewater treatment services and solid waste services.

**Reporting Entity.** This accompanying Comprehensive Annual Financial Report includes all funds of the City including its component units and internal service funds. The City's component units are legally separate entities for which the City is financially accountable. The City has two discretely presented component units. They are the Cedar Hill Economic Development Corporation and the Cedar Hill Community Development Corporation. The Tax Increment Financing (TIF #1) Fund or TIF Fund is recorded as a special revenue fund.

### **Accounting System and Budgetary Control**

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues recognized when measurable and available, and expenditures recorded when the liability is incurred. Proprietary operations are maintained on a full accrual basis.

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Management must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The annual budget serves as the foundation for the City's financial planning and control. Budget objectives, priorities, and goals are reviewed by City Council in June/July. The City Manager's proposed budget is submitted to City Council in July/August with opportunities for public input throughout the budget process. Prior to final adoption, a public hearing is conducted on the budget. The City prepares a multi-year capital budget and updates are done annually with Council review.

Budgetary control has been established at the individual fund level. Financial reports are produced electronically showing budget and actual for expenditures and revenues are reviewed by departmental managers and directors on a routine basis. All Departments have access to the City's core financial system for budget management.

## Factors Affecting Financial Condition

**Local Economy.** The City has seen several consecutive years of tax base growth. Commercial values increased 4.3% over 2019 as the result of new business construction while residential property values increased over 10%. Overall, the City's taxable value of properties on the tax roll grew 6.4% over 2019. This growth is from appreciation of existing residential and commercial properties coupled with the completion of various development projects being added to the tax roll. The City is growing among young families and professionals providing a variety of single family residences which make up 66% of the tax base and offer a more affordable housing option within minutes of major job centers. This is complemented by a growing business sector with new job opportunities at every level.

Cedar Hill's diverse economy corners the market on natural beauty where the City has championed the phrase, "Where opportunities grow naturally". This allows the City to distinguish itself from others in the metroplex. With its strategic central location in the fast-growing North Texas metroplex, the City is committed to preserving its natural beauty for generations to come.

Cedar Hill is the regional retail hub with 11 major shopping districts offering over 3.5 million square feet of retail, restaurants, office, and entertainment. Business development in the form of light manufacturing, commercial, and retail enterprises have substantially increased since 1998. The City has four industrial parks and several large industrially zoned tracts of land which will soon transform into an industrial campus. Despite challenges as a result of the Coronavirus pandemic, the Cedar Hill business community remains strong.

With a major investment by Hillwood, one of the leading real estate firms in the United States, United Kingdom, and Europe, Highpoint 67 will soon transform Cedar Hill's industrial area into a 180+ acre master-planned site within the Loop 9 corridor. The City's years of planning and smart, intentional growth helps usher this partnership, forging new connections and major thoroughfare upgrades to the industrial area's already bright future.

Industrial expansion includes a newly constructed tenant space with 11,900 square feet in 2019. Central States Manufacturing, Inc. celebrated 20 years in business in Cedar Hill in July 2020. Additionally, future construction plans include 15,000 square feet of tenant space, 6,000 square feet of warehouse, a 18,248 square -foot facility for API Precision Machining in the High Meadows Industrial Park, as well as a facility expansion for Delta Steel.

Historic downtown development continues to thrive in spite of the challenging year. In 2018, the Cedar Hill Economic Development Corporation (EDC) approved a development agreement with Lake Moreno Partners, LLC for a mixed-use project in historic downtown. The 40,000 square foot project, located at W. Belt Line Road and Broad Street, is envisioned to bring a mix of retail, restaurants, artisan space, and residential dwellings. The groundbreaking for this project is scheduled to be held in 2021 to coincide with the complete streets project.

Since its founding, the City has been supportive of hard work and commerce, where today the small business owners whose shops give Cedar Hill its charm captured more than \$800,000 of Cedar Hill Strong Grant/Loan funds, funded by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Cedar Hill Strong Grant/Loan program strengthened our small businesses and made them more resilient.

The office and retail sectors also continue to see growth. Indigo Dentistry and Woodus Obstetrics & Gynecology operate in Legacy Crossing, located at the southeast corner of Joe Wilson Road and Pleasant Run Road. There are plans for future construction of 7,000 square feet of additional office and retail space. Dr. Emilio Lopez and Ruiz Financial completed construction of new professional office space in 2019 with approximately 6,000 square feet per building.

The Hillside Village lifestyle center is a 615,000 square foot open-air regional shopping mall containing 67 active stores. The mall management works with City leaders to create an environment reflective of Cedar Hill's distinctive character. The lifestyle center continues to retain national branded retailers including Dillard's, Dicks Sporting Goods, and H&M that attract local and regional shoppers. Fuel City, a renowned travel center with its own unique brand concept and famous tacos, opened for business in 2019. Total Wine opened its doors in late 2020 and is performing well.

Tourism is certainly a big part of the local economy. As staycations and outdoor activities become increasingly in demand, Cedar Hill has remained a popular Texas destination that showcases the area's attractions and natural beauty. The Dogwood Canyon Audubon Center opened 250-acres of national preserve with an interpretive center in 2011 which draws visitors to the City. This center, in conjunction with Cedar Hill State Park, Cedar Mountain Preserve, and the City's numerous parks, extensive trail system, and open spaces continue to bring tourism to the City.

The Aloft hotel and convention center at Hillside Village, a partnership between the City and Taj Hospitality, will further define the Cedar Hill uptown district. The Aloft hotel and convention center in Cedar Hill represents many firsts for the hotel brand. This will be the only Aloft hotel south of Interstate highway 30 and is the first time that the Marriott brand will be combined with a convention center. Additionally, the modified design and footprint of this hotel will be implemented on future builds of the Aloft hotel. The following features are being implemented for the first time in the Aloft footprint:

- The fitness room has been moved from the first floor to the second floor. In the Cedar Hill location, this allows guests to exercise with a view of Cedar Hill's scenic natural beauty.
- The first-floor café will have an outdoor dining section for guests to enjoy the scenic landscape and hubbub of activity in the uptown district.
- The hotel will have two hospitality suites that have been added to the footprint.

**Economic Future.** The City is expected to see a continued growth trend in the near term that is in line with current and planned commercial and residential development that will add to the tax base. City officials are committed to expanding economic development opportunities that will foster development on its abundant available land within its goal to maintain 20% of open green space.

Covenant Development entered the Cedar Hill market in 2018 to construct Preston Trail Center (the "Jane"), a 20-acre site located at the intersection of FM 1382 and Straus Road. The goal of Preston Trail Center is to create a thriving, mixed-use area that builds on, enhances, and highlights the unique character of Cedar Hill as a friendly, family-oriented, and nature-oriented Texas town. The multifamily component, The Jane at Preston Trail Center, has opened with approximately 300 units containing high-end amenities with an emphasis on walkability and connectivity. The second phase will be developed for retail, restaurant, and/or service uses to complement the residential component and simultaneously serve as a recreational anchor with a trailhead for the Balcones Trail.

The Luxe at Cedar Hill, a 153-unit senior housing complex featuring resort style villas on the south side of East Pleasant Run Road, is leasing homes for older adults. Additionally, The Lilacs development of duplexes will expand housing options in historic downtown.

The City continues to see residential development interest. The Bear Creek subdivision is a 215-lot residential development that began permitting in 2019. The Vineyards will provide an additional 60 lots. Other residential developments include a 78-lot subdivision on Anderson Road next to the Fountain View-Lake Ridge subdivision and a 207-lot subdivision in Stonehill.

**Financial Planning and Fiscal Policies**. The City has a long tradition of disciplined and prudent fiscal management. Throughout FY 2020, City staff engaged the community through various events and platforms to gather broad input and feedback to develop the comprehensive plan. A comprehensive plan recommendation will be presented for City Council consideration in 2021.

Formal financial policies and prudent operating practices have enabled the City to maintain core services. Formal policies exist in areas such as balanced budgets, revenue diversification, operating expenditures, reserves, investments, and debt. The City manages the issuance of new debt and proactively communicates with its financial advisors to ensure that debt is issued prudently and affordably.

The City's budget reflects the community's priorities and the strategic goals set by the City Council to further the vision of Cedar Hill as a premier city. Additionally, it reflects the City's mission to deliver the highest quality municipal services to its citizens and customers, consistent with its community values. The City Council meets in a retreat setting annually to review its strategic plans and priorities.

The City uses its master plans to guide its long-term growth and financial planning. Utilizing these plans, the City annually updates a five-year capital improvement plan for streets, utilities, and facilities, including the timing and amounts of debt to be issued to fund the plan.

The City completes a benchmarking survey of budgets, staffing, and selected activity measurements of eleven similar cities as part of the annual budget process. The City's financial history is driven by relatively balanced operations and maintaining strong budgetary performance, meaning that the budget is monitored routinely with ending favorable balances.

The City's fiscal management policies require minimum fund balance goals for its core operating funds. The General Fund of the City calls for an available fund balance of 25% of operational expenditures and the City has historically adhered to this policy. Each of the funds with minimum fund balance requirements meet or exceed these requirements. There were no significant impacts on the current year's operations as a result of the fiscal management policies.

**Major Initiatives**. The most notable and major initiative during the year was the third phase implementation of the 2017 General Obligation Bond referendum of \$45 million dollars. The City sold in 2020 general obligation bonds in the amount of \$10.6 million for voted bonds for the Signature Park, various street improvements and the Library. Additionally, the City sold \$8.5 million in Certificates of Obligation for public safety equipment, water and sewer equipment, infrastructure projects and for repairs and improvements to the Government Center.

The City Council's priority is to reflect the community's priorities to further the vision of Cedar Hill as a "premier city". The City has been very proactive in keeping its vision active and alive with

several capital improvement projects that maintain a commitment to its premier statements. Several capital improvement projects are in progress:

- Continual enhancement of safety through installation of signal lights at N. Joe Wilson & Weaver and Wintergreen & New Clark Rd.
- Asphalt & concrete street repairs throughout the City.
- Community Pool: The site of the new community pool was selected with community input, and the City Council selected a design team in 2019. In 2020, the City Council approved the concept plan with the addition of the lazy river amenity requiring the additional funding of \$3.0 million utilizing Certificates of Obligation sold in 2020. The design team worked with staff and the community on concepts and features with a completion date in 2023.
- City Library and Signature Park Projects: The Library and Signature Park Citizens Design Committee provided their input and feedback, which is being implemented in the Library design. This project is in the schematic design phase and is going out to bid in late 2021/early 2022.
- Community and Neighborhood Parks: The City completed refurbishments and new improvements to various neighborhood and community parks in accordance with the 2017 Bond Referendum. Several of the City's 33 parks will eventually receive some improvements. Of significance were projects completed at Liberty, Kingswood, and Longhorn parks in 2020. Dot Thomas Park, Windsor Park, and the Windmill Hill Greenbelt are scheduled to be constructed in 2021.
- U.S. Highway 67 (US 67) is under improvement construction by Texas Department of Transportation (TxDOT) with widening improvements, adding lanes, improving exit and entrance ramps all of which will enhance traffic flow and reduce congestion for the City. The City has partnered with TxDOT to provide streetscape, signage and lighting enhancements for the section of US 67 through the City.
- The City has approved a master developer agreement for the development and construction of an Aloft hotel and convention center to be constructed under a public-private-partnership arrangement. Project construction is delayed due to the pandemic.
- The Downtown Complete Streets project design is 90% complete and staff is coordinating franchise utility relocations. Phase II of the historic downtown complete streets project design will be initiated and downtown code amendments are anticipated to be complete in 2021.

## **Other Information**

**Independent Audit:** The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City. The City Charter specifies that such audit be conducted by independent auditors selected by the City Council. Crowe LLP was selected by the City Council to conduct this year's audit. The independent auditors' report on the basic financial statements is included in the financial section of this report.

**Certificate of Achievement:** The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cedar Hill for its Comprehensive Annual Financial Report for

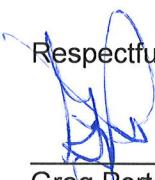
the fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting the 2020 Comprehensive Annual Financial Report to the GFOA.

*Acknowledgements:* The preparation of this report could not be accomplished without the efficient and dedicated services of the Finance Department staff. Special thanks are extended to the members of the Finance and Audit Committee for their leadership and support of sound fiscal management and to all members of the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

  
\_\_\_\_\_  
Greg Porter, City Manager

  
\_\_\_\_\_  
Onya Penton, Controller

  
\_\_\_\_\_  
Peter Phillis, Finance Director



Government Finance Officers Association

Certificate of  
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Presented to

**City of Cedar Hill  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

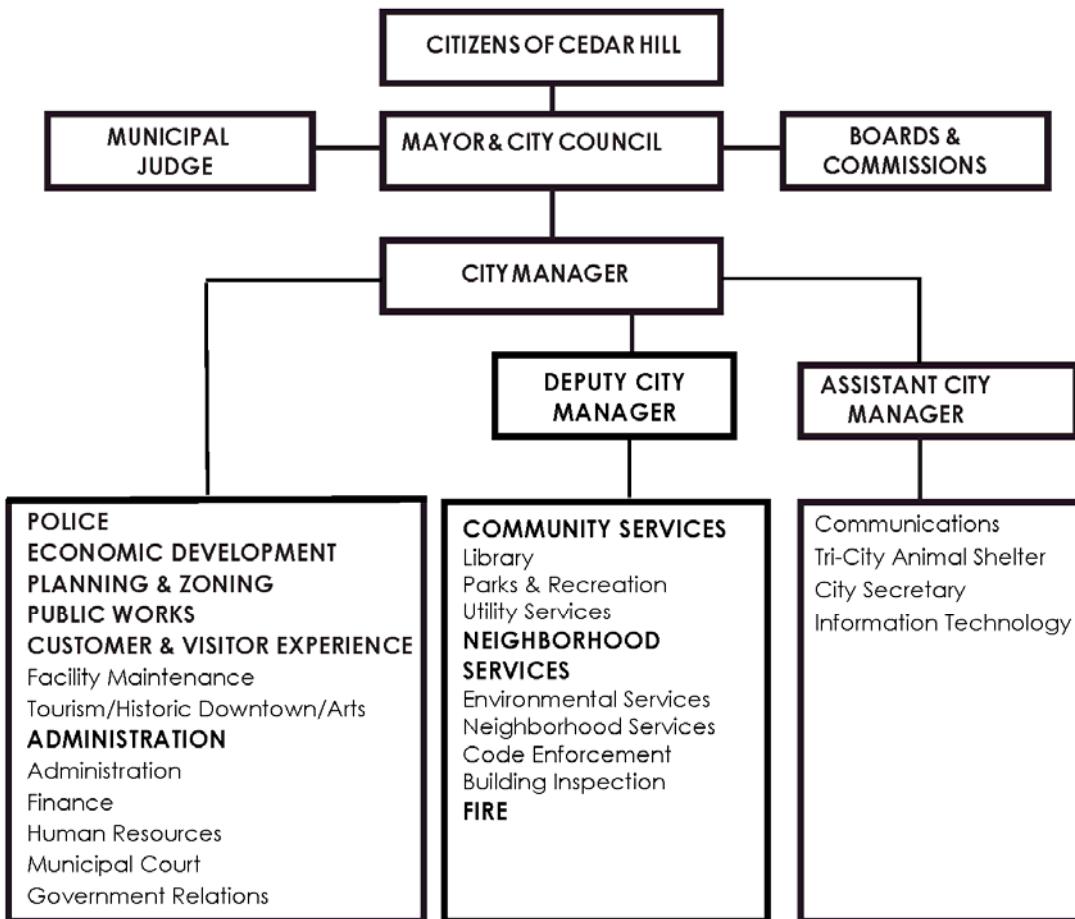
September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# ORGANIZATIONAL CHART

## ORGANIZATIONAL CHART



**CITY OF CEDAR HILL**  
**List of Principal Officials**  
**at September 30, 2020**

**Elected Officials**

<b>Title</b>	<b>Name</b>
Mayor .....	Stephen Mason
Councilmember .....	Shirley Daniels
Councilmember .....	Daniel C. Haydin Jr.
Councilmember .....	Gregory Glover
Councilmember .....	Alan E. Sims
Councilmember .....	Chad McCurdy
Councilmember .....	Clifford R. Shaw

**Appointed Officials**

City Manager .....	Greg Porter
Deputy City Manager.....	.Melissa Valadez- Cummings
Assistant City Manager .....	Alison Ream
Finance Director .....	Peter Phillis
City Secretary.....	Belinda Berg
Police Chief .....	Ely Reyes
Fire Chief.....	Rodney Smith
Economic Development Director .....	Kim Butram
Neighborhood Services Director .....	Stacy Graves
Parks & Recreation Director .....	Shawn Ray
Planning Director.....	LaShondra Stringfellow
Public Works Director .....	Tom Johnson
Director of Administrative Services.....	Marie Watts
Information Technology Director .....	Earl Shipman
Tri-City Animal Shelter Manager .....	Tammy Miller

## **FINANCIAL SECTION**



**CEDAR HILL**

WHERE OPPORTUNITIES GROW NATURALLY

## INDEPENDENT AUDITOR'S REPORT

*To the Honorable Mayor and Members of City Council,  
Cedar Hill, Texas*

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Hill (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios (Last 10 Years)-TMRS Plan, Schedule of Contributions – TMRS Plan, Schedule of Changes in Total Other Post Employment Benefits Plan Liability and Related Ratios - Health Care (Last Ten Years), Schedule of Changes in Total Other Post Employment Benefits Plan Liability and Related Ratios - SDBF (Last Ten Years), Schedules of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* on pages 4 – 15, 81, 82, 83, 84, and 85, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements, budgetary comparison schedules, the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements and the budgetary comparison schedules, are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and budgetary comparison schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Crowe LLP". The "C" is large and stylized, the "L" is a vertical line, and "P" is a simple block letter.

Crowe LLP

Dallas, Texas  
March 19, 2021



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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The City of Cedar Hill offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with our letter of transmittal in the introductory section and the financial reports that follow in this section.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows as of September 30, 2020 by \$200,874,486 (total net position). Of this amount, \$159,208,379 (79%) is net investment in capital assets and \$12,085,864 (6%) is restricted for specific purposes. Other restricted assets are related to Joe Pool Lake (JPL) assets and total \$19,522,882 (10%) and are allocated by City policy into \$4,522,882 expendable and \$15,000,000 nonexpendable assets. The remaining \$10,057,361 is unrestricted and may be used to meet the City's ongoing obligations to citizens in accordance with the City's fund designation and fiscal policies.
- The City's total net position has increased by \$1,810,080 over 2019. Net position for governmental activities increased by \$3,080,775 or 2.1% and business-type net position decreased by \$1,270,695 or 2.3%. The increase in governmental activities is primarily due to an increase in property and other tax revenues. The decrease in business type activities is due to an increase in water and sewer service expenses.
- At September 30, 2020, the City's governmental funds reported combined ending fund balances of \$78,349,132, an increase of \$11,513,622 when compared to prior year. With expenditures exceeding revenues by \$5,412,300, this increase was offset by \$16,595,773 in net bond issuance proceeds and \$328,149 net transfers in. Within total fund balance, \$43,566,902 (56%) is restricted by specific legal requirements, \$15,281,338 (20%) is non-spendable as it relates to prepaids, inventories and the JPL Permanent Fund; and further, \$706,960 (1%) is assigned to specific types of expenditures, and \$7,908,493 (10%) is committed by policy of the governing board for specific community projects and the JPL nature corridor. The remainder of the fund balance, \$10,885,439 (13.9%), is unassigned in the general and special revenue funds. The \$11,087,799 unassigned fund balance in the general fund is approximately 30% of total general fund expenditures.
- The City's non-current liabilities increased by \$1,910,780 or 1.6% which includes the issuance of \$17,330,000 in bonded debt offset with bonded debt retirements of \$8,245,000.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Cedar Hill's basic financial statements. The City of Cedar Hill's basic financial statements are comprised of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements.

**CITY OF CEDAR HILL, TEXAS**  
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This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**—the government-wide financial statements include the Statement of Net Position and Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business with a goal of ascertaining whether the City is in a better financial position at the end of the fiscal year compared to the previous year. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, including capital assets and long-term liabilities, and deferred inflows of resources. The differences between these items are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, facilities, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. It focuses on both the gross and net costs of the City's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and Statement of Activities divide the City's activities into two types:

*Governmental Activities*—Most of the City's basic services are reported here, including general government, public safety, community services, public works, etc. Property taxes, sales taxes and franchise fees provide the majority of financing for these activities.

*Business-Type Activities*—Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include its water and wastewater systems.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from the functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include most of the City's basic services such as police, fire, code compliance, parks and recreation, community services, library, and public works. The business-type activities of the City include water and sewer.

The government-wide financial statements include not only the City (primary government) but also the discretely presented component units: Community Development Corporation (CDC) and the Economic Development Corporation (EDC). These component units are legal, separate entities for which the City is financially accountable.

**CITY OF CEDAR HILL, TEXAS**  
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**Fund Financial Statements**—a fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be classified into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds**—Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. By comparing information presented for governmental funds with the governmental activities in the government-wide statements, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds' balance sheet and the governmental fund statement of revenues, expenditures, and changes in the fund balances provide a reconciliation to facilitate the comparison between the governmental funds and the governmental activities.

The City reports twenty-five individual governmental funds. Information is presented separately in the governmental fund's Balance Sheet and in the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances for the City's four major funds (General Fund, Debt Service Fund, Joe Pool Lake Fund and Capital Projects Fund). Financial data for other nonmajor governmental funds are combined into a single, aggregated presentation (Nonmajor Governmental Funds). Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary Funds**—The City of Cedar Hill maintains two types of proprietary funds. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide statements. The City uses an enterprise fund to account for its water and sewer activities. The internal service funds are utilized to accumulate and allocate costs among the City's various functions and activities. The City uses its internal service funds to account for its self-funded health program and capital replacement program. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds statements provide the same type of information found in the business-type activities in the government-wide financial statements, only in more detail.

**Fiduciary Funds**—The City has one fiduciary fund, pension trust fund. This fund is used to account for police reserve pension benefits.

**Notes to the Financial Statements**—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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**Other Information**—In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information of the City's budget to actual variance and schedules of funding progress for retirement plans.

The combining statements referred to earlier in connection with non-major governmental funds and budget to actual variance schedules for non-major governmental funds and the component unit fund financial statements are presented following the required supplemental information.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2020 were \$329,849,523, deferred outflows of resources were \$3,978,745, total liabilities were \$129,244,814, and deferred inflows of resources were \$3,692,865 resulting in a net position balance of \$200,874,486.

The largest portion of the City's net position, \$159,208,377 reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The table below is provided as a summary of the City's net position at year-end compared to the prior year:

	Condensed Statement of Net Position				Total Primary Government	
	Governmental Activities 2020	2019	Business-Type Activities 2020	2019	2020	2019
Current assets	\$ 87,970,844	\$ 74,532,146	\$ 18,511,739	\$ 17,093,506	\$ 106,482,583	\$ 91,625,652
Capital and other assets	166,145,755	166,892,226	57,133,493	58,392,310	223,279,248	225,284,536
Other assets	87,692	151,905	-	-	87,692	151,905
<b>Total assets</b>	<b>254,204,291</b>	<b>241,576,277</b>	<b>75,645,232</b>	<b>75,485,816</b>	<b>329,849,523</b>	<b>317,062,093</b>
Deferred outflows of resources	3,619,256	7,766,190	359,489	805,551	3,978,745	8,571,741
Current liabilities	5,260,591	4,033,001	1,693,858	1,690,013	6,954,449	5,723,014
Noncurrent liabilities	101,982,392	100,729,834	20,307,973	19,649,751	122,290,365	120,379,585
<b>Total liabilities</b>	<b>107,242,983</b>	<b>104,762,835</b>	<b>22,001,831</b>	<b>21,339,764</b>	<b>129,244,814</b>	<b>126,102,599</b>
Deferred inflows of resources	3,320,306	416,352	372,459	50,477	3,692,765	466,829
<b>Net position</b>						
Net investment in capital	113,337,279	105,638,798	45,871,100	44,824,224	159,208,379	150,463,022
Restricted	29,757,841	44,459,438	1,850,905	5,383,604	31,608,746	49,843,042
Unrestricted	4,148,935	(5,934,956)	5,908,426	4,693,298	10,057,361	(1,241,658)
<b>Total net position</b>	<b>\$ 147,244,055</b>	<b>\$ 144,163,280</b>	<b>\$ 53,630,431</b>	<b>\$ 54,901,126</b>	<b>\$ 200,874,486</b>	<b>\$ 199,064,406</b>

An additional portion of the City's net position totaling \$31,608,746 or 19%, represent resources that are subject to external restrictions on how these funds can be used. The remaining balances

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of unrestricted net position \$10,057,361 may be used to meet the City's ongoing obligations to citizens and creditors.

The net position of the primary government (City) increased by \$1,810,080 or 1% for the fiscal year ended September 30, 2020. The primary government's overall revenues increased by \$2,202,212 or 3% while overall expenses increased by \$2,557,359 or 3.4%.

The fiscal year 2020 compared to fiscal year 2019 changes in the City's net position were as follows:

Changes in Net Position		Governmental Activities		Business-Type Activities		Total Primary Government	
		2020	2019	2020	2019	2020	2019
Revenues:							
Program revenues:							
Charges for services	\$ 9,876,041	\$ 10,608,716	\$ 18,504,639	\$ 17,997,411	\$ 28,380,680	\$ 28,606,127	
Operating grants and contributions	4,940,619	3,824,331	-	-	4,940,619	3,824,331	
Capital grants and contributions	535,687	853,951	333,270	480,156	868,957	1,334,107	
General revenues:							
Property taxes	29,063,652	27,083,238	-	-	29,063,652	27,083,238	
Sales taxes	9,642,400	9,434,328	-	-	9,642,400	9,434,328	
Hotel/motel taxes	288,169	341,579	-	-	288,169	341,579	
Franchise taxes	3,447,261	3,615,024	-	-	3,447,261	3,615,024	
Investment earnings	1,199,206	1,341,530	181,122	358,088	1,380,328	1,699,618	
Gain on disposal of fixed assets	23,812	54,187	42,035	35,650	65,847	89,837	
Miscellaneous	485,538	333,050	-	-	485,538	333,050	
Total revenues	<u>59,502,385</u>	<u>57,489,934</u>	<u>19,061,066</u>	<u>18,871,305</u>	<u>78,563,451</u>	<u>76,361,239</u>	
Expenses							
General government	7,262,308	7,123,089	-	-	7,262,308	7,123,089	
Public safety	29,376,740	29,519,851	-	-	29,376,740	29,519,851	
Public works	6,012,302	4,879,498	-	-	6,012,302	4,879,498	
Community service	11,574,016	11,409,000	-	-	11,574,016	11,409,000	
Water and sewer services	-	-	20,003,612	18,832,771	20,003,612	18,832,771	
Interest and fiscal charges	2,524,393	2,431,803	-	-	2,524,393	2,431,803	
Total expenses	<u>56,749,759</u>	<u>55,363,241</u>	<u>20,003,612</u>	<u>18,832,771</u>	<u>76,753,371</u>	<u>74,196,012</u>	
Increase in net position before transfers	2,752,626	2,126,693	(942,546)	38,534	1,810,080	2,165,227	
Transfers	328,149	328,000	(328,149)	(328,000)	-	-	
Change in net position	<u>3,080,775</u>	<u>2,454,693</u>	<u>(1,270,695)</u>	<u>(289,466)</u>	<u>1,810,080</u>	<u>2,165,227</u>	
Net position, beginning of year	<u>144,163,280</u>	<u>141,708,587</u>	<u>54,901,126</u>	<u>55,190,592</u>	<u>199,064,406</u>	<u>196,899,179</u>	
Net position, end of year	<u>\$147,244,055</u>	<u>\$144,163,280</u>	<u>\$53,630,431</u>	<u>\$54,901,126</u>	<u>\$200,874,486</u>	<u>\$199,064,406</u>	

**Governmental Activities**—Governmental activities increased the City's net position by \$3,080,775 in comparison with the beginning of the year net position, which is due in large part to property taxes and sales taxes. There was a net increase of \$2,012,451 or 3.5% in revenues over 2019 and an increase in governmental expenses by \$1,386,518 or 2.5%. The increase in expenses was largely related to repairs and maintenance in community services and public works initiatives. Net position of governmental operations accounts for 73% of total net position.

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**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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**Business-type Activities**—Business-type activities decreased the City's net position by \$1,270,695 in comparison with the beginning of the year net position. Total revenue increased by \$189,761 or 1%, which was due to a slight increase in charges for services. Business-type activity expenses before transfers have increased by \$1,170.841 or 2%. Transfers to other funds increased slightly by \$149. Net position for business-type activities represents 27% of total primary government net position.

### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Government Funds**—The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. Specifically, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances were \$78,349,132. Of this amount, \$10,885,439 or 14% constitutes unassigned fund balance and is available for spending at the City's discretion. Fund balances restricted for specific purposes total \$43,566,902 or 56%, which are not available for new spending. Specific purposes include non-spendable inventories and prepaid items; amounts restricted by statutes, bond covenants or granting agencies either for debt service payments, grant related use, special taxing districts, or for capital projects. Fund balances committed by City Council total \$7,908,493 or 10% and can only be used for the purpose they are committed for and require formal action by City Council to spend. Assigned fund balance is \$706,960 or 1%. Unassigned fund balance is \$10,885,439 or 13.9%.

The General Fund is the main operating fund of the City. The revenues of the General Fund totaled \$37,324,906 and the expenditures of the fund before other financing sources and users, totaled \$36,857,029 for an excess of revenues over expenditures amount of \$467,877. After other financing sources and uses in the General Fund (transfers), the change to fund balance was an increase of \$1,045,022. This increase was due to an increase in property and other tax revenue. The City's ending fund balance of \$11,196,126 is 29.3% of operating expenditures and meets the City's policy initiative of 25% of operating expenditures.

Other major funds such as the Debt Service Fund balance has decreased by \$175,003. This decrease was due to a decrease in property tax revenue. The ending fund balance of the Debt Service Fund is 17% of expenditures and meets the City's policy initiative of 15%.

The JPL Permanent Fund accounts for funds for the purpose of providing resources for the maintenance of the lake asset and the Joe Pool nature corridor. The change in fund balance for the year was an increase of \$321,809 due to an increase in investment earnings.

The Capital Projects Fund accounts for all bond funds used for infrastructure improvements and other investments in the City. The fund had revenues of \$308,125 from investment earnings and other government contributions during the fiscal year and incurred capital expenditures and fiscal charges totaling \$7,438,063. During fiscal year 2020, the City issued bonded debt obligations of

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\$17,330,000 to fund capital projects for streets, parks, water and sewer, and library projects as per the City's Capital Improvement Plan (CIP).

The total fund balance of the Non-Major governmental funds increased by \$880,020.

**Proprietary Funds**— The City has two proprietary funds types, a water and sewer (enterprise) fund and two internal service funds. The enterprise fund financial statements provide similar information found in the government-wide financial statements but includes more detail. The Enterprise Fund had operating loss of \$1,275,816 at September 30, 2020. After other non-operating revenues and expenses, transfers and contributions, the net change in the net position of the City's enterprise fund was a decrease of \$1,270,695. The unrestricted net position of the Enterprise fund at the end of the fiscal year is \$5,908,426 and is available for use. The restricted net position of the Enterprise Fund totaled \$1,850,905 and is to be used for construction activities and a portion are deposits held for customers.

The Equipment Fund, an internal service fund, accounts for equipment purchased and leased to governmental funds. The Self-Insurance Fund, also an internal service fund and accounts for premiums received and health claims paid on behalf of city employees and retirees of the City. The net position of the combined Internal Service funds at the end of the fiscal year was \$6,264,678. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

**General Fund Budgetary Highlights**—Actual General Fund revenue received in comparison to the final budget was a negative variance of \$494,483. General Fund expenditures before transfers had a final budget to actual positive variance of \$999,129. This positive variance is primarily salary and benefit savings in various departments. The transfers to the General Fund were from the City's Enterprise Fund and Landscape Beautification Fund and where cost-recovery amounts for Information Technology services and contract mowing services.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**—The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities at fiscal year-end totaled \$223,279,248. The investment in capital assets includes land, buildings, equipment, improvements, construction-in-progress (CIP), water rights (Joe Pool Lake), and improvements other than buildings (includes infrastructure). The change in capital assets for the primary government over the prior year increased by \$42,930.

Major capital assets additions as completed or in progress during the fiscal year included the following:

- Kingswood, Liberty, and Longhorn improvements completed.
- Weaver Street sidewalk replaced with community block grant funding
- Installation of Fitness Court at Calf Pasture Park
- Senior Center Improvements in progress
- FM 1382 Phase I & II Hike and Bike Trail in progress

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- Alan E. Sims exercise equipment replaced
- Fire Rescue equipment replaced
- Hwy 67 improvements in progress in partnership with TxDOT
- Various water and sewer lines replaced under rehab program
- Ambulance
- Fire Truck
- Installation of Storm Drainage System on Texas Hardy in progress
- Bear Creek Road Improvements
- Warning Sirens Upgraded
- Hotel Motel Conference Center & Library in progress
- Valley Ridge Shade Structures added and replaced at soccer fields

The City's capital assets, net of accumulated depreciation, at fiscal year-end was as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 17,792,647	\$ 17,479,236	\$ 371,264	\$ 367,764	\$ 18,163,911	\$ 17,847,000
Construction in progress	9,747,553	6,832,501	667,056	218,239	10,414,609	7,050,740
Buildings	35,109,919	36,405,605	69,741	75,085	35,179,660	36,480,690
Water System	-	-	39,601,258	40,795,654	39,601,258	40,795,654
Sewer System	-	-	14,931,009	15,436,236	14,931,009	15,436,236
Equipment	6,101,646	4,278,308	1,493,165	1,499,332	7,594,811	5,777,640
Infrastructure	90,320,115	94,331,991	-	-	90,320,115	94,331,991
Water rights	7,055,922	7,545,350	-	-	7,055,922	7,545,350
Master studies	17,953	19,235	-	-	17,953	19,235
<b>Total</b>	<b>\$ 166,145,755</b>	<b>\$ 166,892,226</b>	<b>\$ 57,133,493</b>	<b>\$ 58,392,310</b>	<b>\$ 223,279,248</b>	<b>\$ 225,284,536</b>

Additional information on the City's capital assets can be found in Note 4 to the financial statements.

**Long-term debt**—At September 30, 2020, the City had the following long-term liabilities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Gross bonded debt:</b>						
General obligation	\$ 62,030,000	\$ 58,985,000	\$ 4,310,000	\$ 4,915,000	\$ 66,340,000	\$ 63,900,000
Certificates of obligation	19,240,000	14,405,000	13,470,000	11,660,000	32,710,000	26,065,000
<b>Total bonded debt</b>	<b>81,270,000</b>	<b>73,390,000</b>	<b>17,780,000</b>	<b>16,575,000</b>	<b>99,050,000</b>	<b>89,965,000</b>
<b>Other long-term debt:</b>						
Unamortized premiums	5,090,163	4,067,780	1,060,208	919,730	6,150,371	4,987,510
Compensated absences	3,149,338	4,583,722	46,647	46,785	3,195,985	4,630,507
OPEB liability - Retiree Health	1,078,788	950,145	163,866	144,326	1,242,654	1,094,471
OPEB liability - SDBP	909,325	726,619	92,277	73,736	1,001,602	800,355
Net pension liability	10,484,778	17,011,568	1,164,975	1,890,174	11,649,753	18,901,742
<b>Total other long-term debt</b>	<b>20,712,392</b>	<b>27,339,834</b>	<b>2,527,973</b>	<b>3,074,751</b>	<b>23,240,365</b>	<b>30,414,585</b>
<b>Total</b>	<b>\$ 101,982,392</b>	<b>\$ 100,729,834</b>	<b>\$ 20,307,973</b>	<b>\$ 19,649,751</b>	<b>\$ 122,290,365</b>	<b>\$ 120,379,585</b>

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The total bonded debt outstanding of the City is \$99,050,000, which is backed by the full faith and credit of the City with a property tax pledge.

The total outstanding for the general government was \$81,720,000 in bonded debt while that of the business-type was \$17,780,000. Property taxes are levied annually to pay annual principal and interest payments. The City maintains solid self-supporting annual debt commitments from the City's Water and Sewer Fund, the Community Development Corporation and the Economic Development Corporation. The self-supported outstanding bonded indebtedness by these entities' totals \$32,410,000 or 33% of the total bonded debt of the primary government. The supporting entities are the Tri-City Animal Shelter, Economic Development Corporation, Community Development Corporation, the City's Enterprise Fund and the Hotel/Tourism Fund.

Other long-term liabilities relate to compensated absences, unamortized premiums, OPEB and Pension liabilities as identified in the table above. Additional information is detailed in the Notes to the Basic Financial Statements (Note 6).

The City's bond ratings by Standard & Poor's and Moody's Investor Services are currently as follows:

	Standard and Poor's	Moody's Investor Services
General Obligation Bonds	AA	Aa2
Certificates of Obligation	AA	Aa2

## **COMPONENT UNITS**

**Economic Development Corporation (EDC)**—is a legally separate governmental entity that promotes (a) existing business enterprise expansion and retention, and (b) new business enterprise development. A one-eighth of one percent sales tax (\$.00375) is collected to support EDC operations. The EDC's net position at September 30, 2020 was \$12,309,430. The EDC increased its net position by \$559,417 or 5% which is primarily attributable to sales tax.

The EDC's net investment in capital assets was \$2,879,400 with unrestricted assets of \$9,430,030. The unrestricted assets are available for permitted uses by the EDC Board of Directors. The EDC fund balance at September 30, 2020 was \$9,412,308. The EDC's total revenues were \$3,308,342 of which \$3,181,652 was from sales taxes. For the year, the EDC had expenditures of \$2,792,131, and of this amount, \$1,166,168 was contractually required payments to the City for debt service payments.

The EDC's Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances can be viewed in the Other Supplemental Information section of this report.

**Community Development Corporation (CDC)**— is a legally separate governmental entity tasked with bringing recreational, park facility development and tourism opportunities to the City. A one-half of one percent sales tax (\$.0050) supports the CDC's primary operations with supplements from fees and charges for recreational programs through the Alan E. Sims Recreation Center. The CDC's net position at September 30, 2020 was \$14,034,538. The CDC increased its net position by \$1,315,312 which primarily sales tax and user charges.

**CITY OF CEDAR HILL, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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The CDC's net investment in capital assets was \$2,652,169 with unrestricted assets of \$11,382,369. The unrestricted assets are available for permitted uses by the CDC Board of Directors. The CDC fund balance at September 30, 2020 was \$11,527,549. The CDC's total revenues were \$4,760,765 of which \$4,242,203 or 89% was from sales taxes. There were \$518,562 or 11% in revenue from fees supporting programs at the Alan E. Sims Recreation Center.

For the year, the CDC had expenditures of \$3,690,798, and of this amount, \$973,813 or 26% was contractually required payments to the City for debt service payments and \$489,580 or 13% were capital related expenditures for park improvements, trail improvements (F.M.1382), exercise equipment and building infrastructure improvements at the Alan E. Sims Recreation Center. The CDC's Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances can be viewed in the Other Supplemental Information section of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City continues to experience an upward trend of growth that is expected to continue into the next decade. Valuation data released from the Dallas and Ellis County Appraisal Districts indicate taxable values will continue to increase in the region. Building and development growth rates indicate healthy activities in single-family residential and multi-family residential as well as commercial/retail sectors for the City and the region. There has been an increase in both residential and commercial development. Phase II of the Bear Creek neighborhood is being developed in two phases comprising 215 lots. Additional residential development includes the Vineyards and Andersons Road. Covenant Development entered the Cedar Hill market in 2018 to construct Preston Trail Center, a 20-acre site located at the intersection of FM 1382 and Straus Road. The Jane at Preston Trail Center is the multifamily component with approximately 300 units containing high-end indoor and outdoor amenities with an emphasis on walkability and connectivity. The second phase will be developed for retail, restaurant, and/or personal service uses.

The City continues to work with local partners on the development and revitalization of Cedar Hill's Historic Downtown. In 2020, Ash & Ember Brewing, The Cedar Hill Market, and Agridulce have opened their doors in 2020. In 2018, the Cedar Hill Economic Development Corporation approved a development agreement with Lake Moreno Partners, LLC for a mixed-use project in Historic Downtown. The 40,000 square foot project, located at W. Belt Line Road and Broad Street, will include retail, restaurants, office space, spaces for craftsmen and artists, live/work studios, and residential dwellings.

The retail market remains strong in Cedar Hill with the addition of Specs Wine, Sprits, and Finer Foods and Saviana Winery. Fuel City and Total Wine are seeing strong results in their first year of business.

**CITY OF CEDAR HILL, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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The office and industrial sectors continue to see growth. Indigo Dentistry offices became the first tenants in Legacy Crossing, located at the southeast corner of Joe Wilson Road and Pleasant Run Road. Plans for future construction include the addition of 7,000 square feet of office and retail space. Dr. Emilio Lopez and Ruiz Financial completed construction of new professional office space in 2019 with approximately 6,000 square feet per building.

The City's tourism sector continues to grow with the addition of the A-Loft hotel and convention center. The hotel and convention center is a partnership between the City and Taj Hospitality. The groundbreaking took place in October 2019 and construction is scheduled to be completed in Spring 2022. The City will begin construction of a new Library and Signature Park that will be a combined program in adjacent space. The land was purchased in the previous fiscal year and design is underway. The Library and Signature Park are major projects in the 2017 Bond Referendum.

The CHEDC owns lots in the 150-acre rail-served Cedar Hill Business Park, which is managed by the Business Park Property Owners Association and marketed by the City to prospective industries. Most recently, Lone Star Packaging Solutions opened offices on KCK Way and P&T Manufacturing joined the industrial district. The Cedar Hill Business Park recently ranked in "Top 25 Office Parks in North Texas" by the Dallas Business Journal.

**Budget and Planning**—Although there are trends of new construction growth from single-family residential, multi-family and the City's commercial tax base, the 2021 budget was developed with fiscal conservative initiatives and with the attitude of growing the budget smartly. The City's elected and appointed officials considered many factors when setting the fiscal year 2020 budget and tax rate:

- A 6.4% increase in assessed taxable property values resulting from appreciation of market and taxable values seen throughout the region
- Maintaining a property tax rate that supports the goals and initiatives of the City with an emphasis on maintaining a safe and diverse city
- Focus on City's financial policy objective of maintain a 25% fund balance (reserve)

The general fund's largest single revenue source is property taxes, followed by sales taxes. The property tax rate for Fiscal Year 2021 was adopted at \$0.688102 cents per \$100 valuation. The 2021 budgeted tax revenue increase was \$1,081,709 or 5.68% over fiscal year 2020

The City expects conservative and stable revenue growth in other governmental activities due to expected growth in service requirements for public safety, parks and community services. The City's revenues other than property taxes are projected to remain stable but yet with growth potential.

The City's portion of the sales tax rate is \$0.1875, and the City has seen stable growth in its sales tax. The fiscal year 2021 budget included a 1.7% increase in sales tax over fiscal year 2020 estimates due to an adjustment for COVID-19 impact. In November 2012, voters approved the creation of a Crime Control and Prevention District (CCPD) at one-eighth cent. This sales tax was approved by the voters in November 2017 to continue for 15 years. The CCPD continues to prove successful in its efforts of crime control and prevention. The CCPD sales tax takes some

**CITY OF CEDAR HILL, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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of the pressure off the General Fund for public safety expense at approximately 3 cents per \$100 of taxable value.

For 2021, Utility Fund operating revenues are expected to increase by 2.1 over fiscal year 2020 estimates. Operating expenses for 2021 were projected to decrease by \$1% for the 2021 fiscal year. Proposed expenditures are budget at \$20,661,206 with over 50% for pass-thru costs for wastewater treatment costs through the City's contract with Trinity River Authority. The Water and Sewer fund will maintain a fund balance/working capital balance of 30% of operating expenditures which is within policy goals and initiatives.

The Water and Sewer Fund has undergone its third year of an annual review by a third-party consulting firm that specializes in cost of services for public utilities. After multiple work sessions with City staff and City Council, the City is taking the recommendation of the consultant to implement a tiered rate structure (consumption groups) and a senior discounted rate. The fixed based cost and volumetric (consumption) rates will increase on average approximately 3%.

**Capital Planning Budget**—The City's approved appropriations for capital projects in fiscal year 2021 totals \$19,365,000. The voters approved a \$45,000,000 general obligation referendum in fiscal year 2018 for park improvements, a new library, improvements to the Senior Center and various street infrastructure improvements. The City will phase in the bond program over a 5-year period. The City sold general obligations bonds for \$4,200,000 in 2018 and \$18,090,000 2019 and \$17,330,000 in 2020 for the Library, City-Center Park and infrastructure projects.

#### **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the Finance Department, City of Cedar Hill, 285 Uptown Blvd., Bldg. 100, Cedar Hill, Texas 75104, or call (972) 291-5100, extension 1063.

## **BASIC FINANCIAL STATEMENTS**



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

**EXHIBIT A-1**

	<b>Primary Government</b>			<b>Component Units</b>	
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Community Development Corporation</b>	<b>Economic Development Corporation</b>
<b>ASSETS</b>					
Equity in pooled cash and cash equivalents	\$ 82,572,051	\$ 4,645,434	\$ 87,217,485	\$ 10,929,520	\$ 7,363,015
Investments	-	-	-	-	1,512,707
Receivables (net of allowances for uncollectible)	5,117,455	3,658,806	8,776,261	809,580	571,481
Internal balances	(16,203)	16,203	-	-	-
Inventory	13,265	-	13,265	-	-
Prepaid and other items	268,073	1,845	269,918	-	5,000
Restricted cash and investments	-	10,189,451	10,189,451	-	-
Capital assets:					
Nondepreciable	27,540,200	1,038,320	28,578,520	2,652,169	2,797,571
Depreciable-net of accumulated depreciation	138,605,555	56,095,173	194,700,728	-	133,807
Other assets	87,692	-	87,692	-	-
<b>TOTAL ASSETS</b>	<b>254,188,088</b>	<b>75,645,232</b>	<b>329,833,320</b>	<b>14,391,269</b>	<b>12,383,581</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred loss on refundings	448,163	2,188	450,351	-	-
Deferred outflows from pension	2,838,341	315,372	3,153,713	-	-
Deferred outflows from total OPEB	332,752	41,929	374,681	14,340	4,098
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,619,256</b>	<b>359,489</b>	<b>3,978,745</b>	<b>14,340</b>	<b>4,098</b>
<b>LIABILITIES</b>					
Accounts payable	2,822,817	489,167	3,311,984	51,566	19,237
Accrued liabilities	1,769,487	257,477	2,026,964	90,010	20,658
Unpaid claims liabilities	243,849	-	243,849	-	-
Unearned revenue	-	-	-	52,639	-
Customer deposits	-	747,834	747,834	17,336	-
Interest payable	424,438	88,439	512,877	-	-
Payable from restricted assets-current	-	110,941	110,941	-	-
Noncurrent liabilities:					
Due within one year	9,160,886	1,548,723	10,709,609	35,315	2,905
Due in more than one year	92,821,506	18,759,250	111,580,756	114,604	32,706
<b>TOTAL LIABILITIES</b>	<b>107,242,983</b>	<b>22,001,831</b>	<b>129,244,814</b>	<b>361,470</b>	<b>75,506</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows from pension	3,120,329	346,703	3,467,032	-	-
Deferred inflows from total OPEB	199,977	25,756	225,733	9,601	2,743
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>3,320,306</b>	<b>372,459</b>	<b>3,692,765</b>	<b>9,601</b>	<b>2,743</b>
<b>NET POSITION</b>					
Net investment in capital assets	113,337,279	45,871,100	159,208,379	2,652,169	2,879,400
Restricted for:					
Debt service	1,261,391	-	1,261,391	-	-
Construction	3,955,555	1,850,905	5,806,460	-	-
Dispatch center	87,692	-	87,692	-	-
Other	4,930,321	-	4,930,321	-	-
JPL permanent fund:					
Nonexpendable	15,000,000	-	15,000,000	-	-
Expendable	4,522,882	-	4,522,882	-	-
Unrestricted	4,148,935	5,908,426	10,057,361	11,382,369	9,430,030
<b>TOTAL NET POSITION</b>	<b>\$ 147,244,055</b>	<b>\$ 53,630,431</b>	<b>\$ 200,874,486</b>	<b>\$ 14,034,538</b>	<b>\$ 12,309,430</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED**  
**SEPTEMBER 30, 2020**

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Functions/Programs	<u>Program Revenues</u>			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT:</b>				
Governmental activities:				
General government	\$ 7,262,308	\$ 787,083	\$ -	\$ -
Public works	6,012,302	102,698	-	286,876
Public safety	29,376,740	5,334,068	2,287,332	-
Community services	11,574,016	3,652,192	513,307	248,811
Interest and fiscal charges	2,524,393	-	2,139,980	-
<b>Total governmental activities</b>	<b>56,749,759</b>	<b>9,876,041</b>	<b>4,940,619</b>	<b>535,687</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Water and sewer	20,003,612	18,504,639	-	333,270
<b>Total business-type activities</b>	<b>20,003,612</b>	<b>18,504,639</b>	<b>-</b>	<b>333,270</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 76,753,371</b>	<b>\$ 28,380,680</b>	<b>\$ 4,940,619</b>	<b>\$ 868,957</b>
<b>COMPONENT UNITS:</b>				
Community Development Corporation	3,445,453	297,199	-	-
Economic Development Corporation	2,748,925	-	-	-
<b>TOTAL COMPONENT UNITS</b>	<b>\$ 6,194,378</b>	<b>\$ 297,199</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GENERAL REVENUES:</b>				
Taxes:				
Property Taxes				
Sales Taxes				
Hotel/motel Taxes				
Franchise Taxes				
Investment earnings				
Gain on disposal				
Miscellaneous				
<b>TRANSFERS</b>				
<b>Total general revenues and transfers</b>				
<b>CHANGE IN NET POSITION</b>				
<b>NET POSITION-Beginning</b>				
<b>NET POSITION-Ending</b>				

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**EXHIBIT A-2**

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<b>Net (Expenses) Revenues and Changes in NET POSITION</b>					
<b>Primary Government</b>			<b>Component Units</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Community Development</b>	<b>Economic Development</b>	
\$ (6,475,225)	\$ -	\$ (6,475,225)	\$ -	\$ -	\$ -
(5,622,728)	-	(5,622,728)	-	-	-
(21,755,340)	-	(21,755,340)	-	-	-
(7,159,706)	-	(7,159,706)	-	-	-
(384,413)	-	(384,413)	-	-	-
(41,397,412)	-	(41,397,412)	-	-	-
-	(1,165,703)	(1,165,703)	-	-	-
-	(1,165,703)	(1,165,703)	-	-	-
(41,397,412)	(1,165,703)	(42,563,115)	-	-	-
-	-	-	(3,148,254)	-	-
-	-	-	-	(2,748,925)	-
-	-	-	(3,148,254)	(2,748,925)	-
29,063,652	-	29,063,652	-	-	-
9,642,400	-	9,642,400	4,242,203	3,181,652	-
288,169	-	288,169	-	-	-
3,447,261	-	3,447,261	-	-	-
1,199,206	181,122	1,380,328	193,902	126,690	-
23,812	42,035	65,847	-	-	-
485,538	-	485,538	27,461	-	-
328,149	(328,149)	-	-	-	-
44,478,187	(104,992)	44,373,195	4,463,566	3,308,342	-
3,080,775	(1,270,695)	1,810,080	1,315,312	559,417	-
144,163,280	54,901,126	199,064,406	12,719,226	11,750,013	-
<b>\$ 147,244,055</b>	<b>\$ 53,630,431</b>	<b>\$ 200,874,486</b>	<b>\$ 14,034,538</b>	<b>\$ 12,309,430</b>	-

**CITY OF CEDAR HILL, TEXAS**  
**BALANCE SHEET-GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2020**

	<b>General</b>	<b>Debt Service Fund</b>	<b>JPL Permanent Fund</b>
<b>ASSETS</b>			
<b>EQUITY IN POOLED CASH AND CASH EQUIVALENTS</b>	\$ 10,747,635	\$ 1,685,829	\$ 19,511,869
<b>RECEIVABLES (NET OF ALLOWANCE)</b>	3,716,477	118,703	11,013
<b>INTERFUND LOAN RECEIVABLE</b>	-	-	-
<b>PREPAID ITEMS</b>	95,062	-	-
<b>INVENTORY</b>	13,265	-	-
<b>TOTAL ASSETS</b>	<u>\$ 14,572,439</u>	<u>\$ 1,804,532</u>	<u>\$ 19,522,882</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable	412,643	-	-
Accrued liabilities	1,585,267	-	-
Due to other funds	-	-	-
Interfund loan payable	-	-	-
<b>Total liabilities</b>	<u>1,997,910</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	1,378,403	118,703	-
<b>Total deferred inflows of resources</b>	<u>1,378,403</u>	<u>118,703</u>	<u>-</u>
<b>FUND BALANCES:</b>			
Nonspendable			
Prepaid and inventory	108,327	-	-
JPL permanent fund	-	-	15,000,000
Restricted for:			
General government	-	-	-
Public works	-	-	-
Public safety	-	-	-
Community services	-	-	-
Debt service	-	1,685,829	-
Committed for:			
JPL nature corridor	-	-	4,522,882
Infrastructure	-	-	-
Facilities	-	-	-
Assigned	-	-	-
Unassigned	<u>11,087,799</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<u>11,196,126</u>	<u>1,685,829</u>	<u>19,522,882</u>
<b>TOTAL</b>	<u>\$ 14,572,439</u>	<u>\$ 1,804,532</u>	<u>\$ 19,522,882</u>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

## **EXHIBIT B-1**

Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 33,103,526	\$ 14,030,849	\$ 79,079,708
289,869	973,420	5,109,482
-	312,189	312,189
-	173,011	268,073
-	-	13,265
<u>\$ 33,393,395</u>	<u>\$ 15,489,469</u>	<u>\$ 84,782,717</u>
1,673,624	735,918	2,822,185
3,048	181,172	1,769,487
-	16,203	16,203
-	312,189	312,189
<u>1,676,672</u>	<u>1,245,482</u>	<u>4,920,064</u>
-	16,415	1,513,521
-	16,415	1,513,521
-	173,011	281,338
-	-	15,000,000
-	1,170,237	1,170,237
31,716,723	5,304,856	37,021,579
-	1,588,572	1,588,572
-	2,100,685	2,100,685
-	-	1,685,829
-	200,827	4,723,709
-	2,897,125	2,897,125
-	287,659	287,659
-	706,960	706,960
-	(202,360)	10,885,439
<u>31,716,723</u>	<u>14,227,572</u>	<u>78,349,132</u>
<u>\$ 33,393,395</u>	<u>\$ 15,489,469</u>	<u>\$ 84,782,717</u>

**CITY OF CEDAR HILL, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE**  
**SHEET TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2020**

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**EXHIBIT B-2**

<b>TOTAL FUND BALANCES-Governmental funds</b>	<b>\$ 78,349,132</b>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (including internal service fund assets of \$3,008,843).	166,145,755
The regional dispatch center is not reported at the fund level.	87,692
Certain receivables will be collected this year but are not available soon enough to pay for the current period's expenditures and are therefore deferred in the funds.	1,513,521
Deferred outflows of resources - unamortized loss on refunding bonds.	448,163
Pension and OPEB related deferred outflows and inflows	(149,213)
Bond interest is not payable with current financial resources and is therefore not accrued at the fund level.	(424,438)
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
General obligation bonds	(62,030,000)
Certificates of obligation	(19,240,000)
Unamortized premiums	(5,090,163)
Compensated absences	(3,149,338)
Total OPEB liability	(1,988,113)
Net pension liability	(10,484,778)
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds are included with governmental activities. Amount represents net assets excluding capital assets included above.	<u>3,255,835</u>
<b>TOTAL NET POSITION-Governmental activities</b>	<b><u>\$ 147,244,055</u></b>



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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	<b>General</b>	<b>Debt Service Fund</b>	<b>JPL Permanent Fund</b>
<b>REVENUES:</b>			
Taxes, penalties and interest	\$ 29,734,285	\$ 6,995,926	\$ -
Franchise taxes	3,355,414	-	-
License fees and permits	763,180	-	-
Intergovernmental	510,898	2,139,980	-
Charges for services	1,597,589	-	-
Fines and forfeitures	991,607	-	-
Investment earnings	177,167	52,861	426,809
Grants and donations	-	-	-
Miscellaneous	194,766	-	-
<b>Total revenues</b>	<b>37,324,906</b>	<b>9,188,767</b>	<b>426,809</b>
<b>EXPENDITURES:</b>			
Current:			
General government	5,733,160	-	-
Public works	2,067,513	-	-
Public safety	24,240,819	-	-
Community services	4,667,976	-	-
Debt service:			
Principal retirement	-	6,960,000	-
Interest and fiscal charges	-	2,797,948	-
Capital outlay:			
General government	49,000	-	-
Public works	1,395	-	-
Public safety	97,166	-	-
Community services	-	-	-
<b>Total expenditures</b>	<b>36,857,029</b>	<b>9,757,948</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	467,877	(569,181)	426,809
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer in	1,047,500	394,178	-
Transfer out	(472,375)	-	(105,000)
Premiums on issuance of debt	-	-	-
Issuance of bonds	-	-	-
Sale of capital assets	2,000	-	-
<b>Total other financing sources (uses)</b>	<b>577,125</b>	<b>394,178</b>	<b>(105,000)</b>
<b>CHANGE IN FUND BALANCES</b>			
<b>FUND BALANCES-Beginning</b>	<b>10,151,124</b>	<b>1,860,832</b>	<b>19,201,073</b>
<b>FUND BALANCES-Ending</b>	<b>\$ 11,196,126</b>	<b>\$ 1,685,829</b>	<b>\$ 19,522,882</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**EXHIBIT B-3**

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<b>Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 2,228,444	\$ 38,958,655
- -	83,993	3,439,407
- -	- -	763,180
- -	2,286,866	4,937,744
- -	3,375,367	4,972,956
- -	120,898	1,112,505
308,125	195,344	1,160,306
- -	119,532	119,532
- -	517,999	712,765
<b>308,125</b>	<b>8,928,443</b>	<b>56,177,050</b>
- -	- -	5,733,160
33,606	50,532	2,151,651
- -	2,482,553	26,723,372
366,939	4,637,500	9,672,415
- -	- -	6,960,000
273,461	- -	3,071,409
11,301	- -	60,301
5,928,368	- -	5,929,763
502,195	125,130	724,491
322,193	240,595	562,788
<b>7,438,063</b>	<b>7,536,310</b>	<b>61,589,350</b>
<b>(7,129,938)</b>	<b>1,392,133</b>	<b>(5,412,300)</b>
- -	604,272	2,045,950
(24,041)	(1,116,385)	(1,717,801)
1,755,773	- -	1,755,773
14,840,000	- -	14,840,000
- -	- -	2,000
<b>16,571,732</b>	<b>(512,113)</b>	<b>16,925,922</b>
9,441,794	880,020	11,513,622
<b>22,274,929</b>	<b>13,347,552</b>	<b>66,835,510</b>
<b>\$ 31,716,723</b>	<b>\$ 14,227,572</b>	<b>\$ 78,349,132</b>

**CITY OF CEDAR HILL, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO**  
**THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT B-4**

<b>NET CHANGE IN FUND BALANCES</b> -Total governmental funds	\$ 11,513,622
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
This amount does not include \$925,822 of capital assets acquired by the internal service fund.	7,318,457
Depreciation expense on capital assets is reported in the government-wide statements of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. This amount does not include \$985,698 in depreciation expense recorded in the internal service fund.	(7,923,380)
Net amount of the net effect from disposals of capital assets at the government-wide level, not recorded at the funds.	(14,648)
Governmental funds do not recognize assets contributed by other entities. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.	248,811
The net decrease in equity of the regional dispatch center joint venture is not reported at the fund level; however, it is reported at the government-wide level.	(64,213)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements an interest expenditure is reported when due.	(25,623)
Decreases to vacation and sick liabilities are not shown in the fund financial statements. The net effect of the current year decrease is to increase net position.	1,434,380
Additions to OPEB liabilities and related deferred outflows/infows are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.	(129,138)
Additions to TMRS pension liabilities and related deferred outflows/inflos are not shown in the fund financial statements. The net effect of the current year increase is to increase (decrease) net position.	(545,554)
Current year bond proceeds are other financing sources in the fund financial statements but are shown as an increase in the liabilities in the government-wide financial statements.	(16,595,773)
Current year long-term debt principal payments on contractual obligations, bonds payable, and capital leases are expenditures in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements.	6,960,000
Amortization of bond premium and discount amounts is not recognized in the governmental funds. The effect of recording current year's amortization is to increase net position.	733,387
Amortization of deferred refunding amounts is not recognized in the governmental funds. The effect of recording current year's amortization is to decrease net position.	(160,748)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(56,035)
Internal service funds are used by management to charge the costs of equipment services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	387,230
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 3,080,775</u>



**CEDAR HILL**

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2020**

	<b>Business-Type Activities</b> <b>Enterprise Funds</b> <b>Water and Sewer Fund</b>	<b>Governmental Activities</b> <b>Internal Service Funds</b>
<b>ASSETS:</b>		
Current assets:		
Equity in pooled cash and cash equivalents	\$ 4,645,434	\$ 3,492,343
Receivables (net, of allowances for uncollectibles):		
Accounts	3,657,839	7,973
Interest	967	-
Due from other funds	16,203	-
Prepaid expenses	1,845	-
Restricted assets:		
Restricted-customer deposits	747,834	-
Restricted-capital recovery fee funds-equity in pooled cash and cash equivalents	1,775,764	-
Restricted-pro rata funds-equity in pooled cash and cash equivalents	90,226	-
Restricted-bond proceeds-equity in pooled cash and cash equivalents	7,575,627	-
<b>Total current assets</b>	<b>18,511,739</b>	<b>3,500,316</b>
Noncurrent assets:		
Capital assets:		
Nondepreciable	1,038,320	-
Depreciable-net of accumulated depreciation	56,095,173	3,008,843
<b>Total noncurrent assets</b>	<b>57,133,493</b>	<b>3,008,843</b>
<b>Total assets</b>	<b>75,645,232</b>	<b>6,509,159</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on refunding	2,188	-
Deferred outflows from pension	315,372	-
Deferred outflows from total OPEB	41,929	-
<b>Total deferred outflows of resources</b>	<b>359,489</b>	<b>-</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**CITY OF CEDAR HILL, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2020**

**EXHIBIT C-1**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>LIABILITIES:</b>		
Current liabilities:		
Payable from current assets:		
Accounts and contracts payable	489,167	632
Accrued liabilities	257,477	-
Unpaid claims liabilities	-	243,849
Compensated absences-current	20,992	-
<b>Total payable from current assets</b>	<b>767,636</b>	<b>244,481</b>
Payable from restricted assets:		
Accounts and contracts payable	95,856	-
Accrued liabilities	15,085	-
Accrued Interest	88,439	-
Customer deposits	747,834	-
Current bonds payable	1,527,731	-
<b>Total payable from restricted assets</b>	<b>2,474,945</b>	<b>-</b>
<b>Total current liabilities</b>	<b>3,242,581</b>	<b>244,481</b>
Noncurrent liabilities:		
Bonds payable	17,312,477	-
Compensated absences	25,656	-
Total OPEB liability	256,142	-
Net pension liability	1,164,975	-
<b>Total noncurrent liabilities</b>	<b>18,759,250</b>	<b>-</b>
<b>Total liabilities</b>	<b>22,001,831</b>	<b>244,481</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows from pension	346,703	-
Deferred inflows from total OPEB	25,756	-
<b>Total deferred inflows of resources</b>	<b>372,459</b>	<b>-</b>
<b>NET POSITION:</b>		
Net investment in capital assets	45,871,100	3,008,843
Restricted for:		
Construction	1,850,905	-
Unrestricted	5,908,426	3,255,835
<b>Total net position</b>	<b>\$ 53,630,431</b>	<b>\$ 6,264,678</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT C-2**

	<b>Business-Type Activities</b>	
	<b>Enterprise Funds</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES:</b>		
Water sales	\$ 10,778,075	\$ -
Sewer charges	7,529,783	-
City and employee contributions	-	3,942,984
Miscellaneous	84,471	1,020,183
<b>Total operating revenues</b>	<b>18,392,329</b>	<b>4,963,167</b>
<b>OPERATING EXPENSES:</b>		
Sewage treatment	7,083,099	-
Purchase of water	3,452,702	-
Personnel services	3,361,071	-
Depreciation	1,973,569	985,698
Gross receipts fee	1,005,000	-
Heat, light and power	272,556	-
Maintenance	237,669	-
Contractual services	1,824,088	-
Materials and supplies	226,001	202,631
Claims paid and change in estimate	-	2,525,477
Administrative and fiscal services	-	744,053
Miscellaneous	59,666	202,897
<b>Total operating expenses</b>	<b>19,495,421</b>	<b>4,660,756</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,103,092)</b>	<b>302,411</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Other non-operating revenue	112,310	9,459
Investment income	181,122	38,900
Interest and fiscal charges	(508,191)	-
Gain (loss) on retirement of assets	42,035	36,460
<b>Total nonoperating revenue (expenses)</b>	<b>(172,724)</b>	<b>84,819</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>		
	(1,275,816)	387,230
Impact fees	333,270	-
Transfers in	6,601	-
Transfers out	(334,750)	-
<b>Total contributions and transfers</b>	<b>5,121</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>(1,270,695)</b>	<b>387,230</b>
<b>NET POSITION-October 1</b>	<b>54,901,126</b>	<b>5,877,448</b>
<b>NET POSITION-End of year</b>	<b>\$ 53,630,431</b>	<b>\$ 6,264,678</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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	<b>Business-Type Activities</b>	
	<b>Enterprise Funds</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 18,442,072	\$ 1,021,987
Cash received from city and employee contributions	-	3,887,178
Cash received from the wellness program	-	46,192
Cash paid to suppliers	(14,138,852)	(243,867)
Cash paid to employees	(3,361,209)	-
Cash payments for claims	-	(2,731,230)
Cash paid for administrative and fiscal services	-	(946,950)
<b>Net cash provided by operations</b>	<b>942,011</b>	<b>1,033,310</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers from other funds	6,601	-
Transfers to other funds	(334,750)	-
<b>Net cash used in noncapital financing activities</b>	<b>(328,149)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(714,752)	(609,987)
Proceeds from sales of assets	42,035	36,460
Other non-operating sources	112,310	9,459
Contributions - impact fees and other	333,270	-
Bond proceeds and accrued interest	2,779,899	-
Principal paid on outstanding bonds	(1,285,000)	-
Interest paid on related debt financing	(641,407)	-
<b>Net cash used in capital and related financing activities</b>	<b>626,355</b>	<b>(564,068)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	181,122	38,900
<b>Net cash provided by investing activities</b>	<b>181,122</b>	<b>38,900</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		
<b>CASH AND CASH EQUIVALENTS-Beginning of year</b>	<b>13,413,546</b>	<b>2,984,201</b>
<b>CASH AND CASH EQUIVALENTS-End of year</b>	<b>\$ 14,834,885</b>	<b>\$ 3,492,343</b>

The Notes to the Basic Financial Statements  
are an integral part of this statement.

**EXHIBIT C-3**

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	<b>Business-Type Activities</b>	<b>Enterprise Funds</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Funds</b>	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income(loss)			
	<u>\$ (1,103,092)</u>	<u>\$ 302,411</u>	
Adjustments:			
Depreciation expense	1,973,569	985,698	
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	22,121	11,384	
(Increase) decrease in interest receivable	(967)	-	
(Increase) decrease in due from other funds	(16,203)	-	
(Increase) decrease in prepaids	(1,845)	-	
(Increase) decrease in deferred pension & opeb outflows	441,673	-	
Increase (decrease) in accounts payable	(109,990)	(60,430)	
Increase (decrease) in deferred inflows	321,982	-	
Increase (decrease) in pension and opeb liabilities	(687,119)	-	
Increase (decrease) in accrued liabilities	74,398	-	
Increase (decrease) in claims liabilities	-	(205,753)	
Increase (decrease) in customer deposits	27,622	-	
Increase (decrease) in compensated absences	(138)	-	
<b>Total adjustments</b>	<u>2,045,103</u>	<u>730,899</u>	
<b>NET CASH PROVIDED BY OPERATIONS</b>	<u>\$ 942,011</u>	<u>\$ 1,033,310</u>	
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Equity in pooled cash and cash equivalents	4,645,434	3,492,343	
Restricted-customer deposits	747,834	-	
Restricted-capital recovery fee funds-equity in pooled cash and investments	1,775,764	-	
Restricted-pro rata funds-equity in pooled cash and cash equivalents	90,226	-	
Restricted-bond proceeds-equity in pooled cash and cash equivalents	<u>7,575,627</u>	<u>-</u>	
	<u>\$ 14,834,885</u>	<u>\$ 3,492,343</u>	

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2020**

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**EXHIBIT D-1**

	<b>Pension Trust Fund</b>
	<b>Police Reserves</b>
	<b>Benefit Fund</b>
<b>ASSETS:</b>	
Investments	\$ 111,097
<b>Total assets</b>	<b>111,097</b>
<b>NET POSITION:</b>	
Net position restricted for pensions	111,097
<b>Total NET POSITION</b>	<b>\$ 111,097</b>

**CITY OF CEDAR HILL, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT D-2**

	<u>Pension Trust Fund</u>
	<u>Police Reserves</u>
	<u>Benefit Fund</u>
<b>ADDITIONS:</b>	
Investment income	\$ 14,381
<b>Total additions</b>	<u>14,381</u>
<b>DEDUCTIONS:</b>	
Pension payments	9,216
Special services	555
<b>Total deductions</b>	<u>9,771</u>
<b>NET DECREASE</b>	<b>4,610</b>
<b>NET POSITION RESTRICTED FOR</b>	
<b>PENSION BENEFITS-Beginning of year</b>	<u>106,487</u>
<b>NET POSITION RESTRICTED FOR</b>	
<b>PENSION BENEFITS-End of year</b>	<u>\$ 111,097</u>



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Cedar Hill (the City) was incorporated in 1938. The City operates as a home-rule city under a council-manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, water and sewer utilities, public library, parks and recreation, public improvements, economic development, planning, zoning and code enforcement, and general administrative services. Sanitation collection services are provided through a private contractor.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These notes are organized to provide concise explanations, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the City's financial activities for the fiscal year ended September 30, 2020. The significant accounting and reporting policies and practices used by the City are described below.

**A. Reporting Entity**

The City is a municipal corporation governed by an elected mayor and six-member council. As required by GAAP, the financial statements present the City (the primary government) and its component units, entities for which the City is considered to be financially accountable. This report includes the financial statements of the City's primary government, which cover all funds or organizations that are part of the legal entity for which the primary government is financially responsible.

Additionally, the component unit columns in the basic financial statements present the financial data of the discretely presented component units, which are legally separate entities responsible to the City's governing body, the City Council. The Community Development Corporation (CDC) is a legally separate entity incorporated May 12, 1994. The City Council appoints the governing board of this entity, which serves the purpose of developing community recreational, educational and similar facilities, and approves its budget. The City is financially accountable for the Corporation and has the ability to control the Corporation's activities. The Corporation was established for the financial benefit of the City. The Economic Development Corporation (EDC) is a legally separate entity incorporated September 8, 1994. The City Council appoints the governing board for this entity, which serves the purpose of (a) promoting existing business enterprise expansion and retention and (b) new business enterprise development and attraction, and (c) approves its budget. The City is financially accountable for the Corporation and has the ability to control the Corporation's activities. The Corporation was established for the financial benefit of the City.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and 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, the City considers revenues 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.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation – Continued**

Property taxes, franchise taxes, sales taxes, certain public safety and other revenues associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Licenses, permits, charges for services, and fines and forfeitures are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest earnings and intergovernmental revenue are recorded as earned since they are measurable and available.

The City reports the following major governmental funds:

- The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The *Debt Service Fund* accounts for the accumulation of resources (primarily property tax levies) to be used for the payment of principal, interest and related costs of general long-term liabilities.
- The *Joe Pool Permanent Fund* accounts for and maintains equity for the Joe Pool Lake (JPL) nature corridor for a perpetual revenue stream for preservation and development of the JPL recreational and economic asset associated with the lake's resources. The fund also accounts for resources related to operations and maintenance expenditures; and, one-time capital related projects specific to the JPL nature corridor.
- The *Capital Projects Fund* accounts for funds to be used for infrastructure improvements relating to streets, parks, trails and facilities. This major fund aggregates all of the City's bond funds.

The City reports the following major proprietary fund:

- The *Enterprise Fund* accounts for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's water and sewer system is accounted for through this fund.

Additionally, the City reports the following funds:

- *Fiduciary Fund – The Police Reserves Benefit Fund* is used to hold assets for the benefit of third party participants (Police Reserve Officer participants/retirees) and cannot be used to address activities or obligations of the primary government.
- The *Internal Service Funds- the Equipment Services Fund* is used to purchase equipment and lease it to other funds of the City. The *Self Insurance Fund* is used to account for the City's self-insurance activities provide to other departments or funds of the City on a cost reimbursement basis.
- *Nonmajor funds* include both special revenue funds and capital projects funds.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
– Continued**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise fees and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund and internal service fund are charges to customers for sales and services. Operating expenses for the enterprise fund and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed. Governmental funds with legally adopted annual budgets include the General Fund and JPL Permanent Fund.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity**

**1. Deposits and investments**

The City considers both restricted and unrestricted demand deposits, cash on hand, investments in highly liquid investment pools and investments with maturities at the time of purchase of under 90 days to be cash equivalents.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued**

*1. Deposits and investments - continued*

The City pools substantially all cash and investments except for separate cash and investment accounts which are maintained in accordance with legal restrictions. Each fund's equity share of the total pooled cash and investments is included on the accompanying statement of net position and balance sheet under the caption "Equity in pooled cash and investments". Investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers pricing provided by a pricing service at September 30, 2020, to be the fair value of investments. Interest earned on investments is recorded in the funds in which the investments are recorded.

*2. Receivables and payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "interfund loans receivable/payable to/from other funds" (i.e., long term interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." There are no internal balances as of September 30, 2020.

Property taxes attach an enforceable lien on property as of January 1. The City's property taxes are levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established at 100% of estimated market value. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after February 1 of each year. The Dallas County Tax Office bills and collects all property taxes for the City. Any uncollected property taxes as of September 30, which are not expected to be collected within 60 days, are recorded as taxes receivable and deferred revenues. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

*3. Inventories and prepaid items*

Inventories are stated at specific identified costs and are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued**

**4. Restricted assets**

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or contractual agreements. Customer deposits received by water and wastewater services are, by law, considered to be restricted assets.

**5. Capital assets**

Capital assets, which include land, building/facility and improvements, equipment, water rights, master studies and infrastructure assets (e.g., roads, culverts, drainage systems and similar items), purchased or acquired, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if historical cost is not available. Donated or contributed capital assets are recorded at acquisition value at the date of donation or contribution. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. Depreciation on capital assets is calculated on the straight-line basis over the following useful lives:

Building/Facilities and improvements	10-60 years
Equipment	3-30 years
Water rights	50 years
Master studies	5 years
Infrastructure	20-50 years

**6. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued**

*7. Long-term obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*8. Pensions*

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

*9. Deferred Outflows/Inflows of Resources*

In addition to assets and liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting as deferred outflows:

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued**

*9. Deferred Outflows/Inflows of Resources – continued*

- *Deferred Loss on Refunding* – these deferred outflows result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- *Pension and OPEB-related Deferred Outflows/Inflows* – these deferred outflows or inflows result from pension and OPEB contributions after the measurement date (deferred and recognized in the following fiscal year); the differences in projected and actual earnings on pension and OPEB plan investments (deferred and amortized over a closed five year period; and differences in the change of assumptions for the pension and OPEB plans (deferred and recognized over a closed period equal to the average of expected remaining service lives of employees that are provided the plans).
- *Unavailable revenue* – The City reports certain deferred inflows related to unavailable tax revenues at the fund level.

*10. Fund equity*

The City reports governmental fund balances per GASB 54 definitions as follows:

Nonspendable – Amounts that are not in spendable form or are required to be maintained intact, such as inventory or permanent funds.

Restricted – Amounts that can be spent only for specific purposes stipulated by external parties, such as grants, court technology fees and construction.

Committed – Amounts that can be used only for specific purposes set by resolution of the City Council, such as Street Construction and Building Maintenance.

Assigned – Amounts intended to be used for specific purpose. The City Council has delegated the responsibility to assign funds to the City Manager or the Director of Finance as approved by the fund balance policy. Assignments may occur subsequent to fiscal year end.

Unassigned – Amounts not contained in other classifications that can be used for any purpose.

For the purpose of fund balance classification expenditures are to be spent first from restricted fund balance, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The City will utilize funds for expenditures

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued**

*10. Fund equity - continued*

from the most restrictive fund balance first when more than one fund balance classification is available. Minimum Fund Balance Policy- it is the policy of the City to achieve and maintain an unassigned fund balance in the General Fund of at least twenty percent of budgeted expenditures, a working capital of at least twenty-five percent of estimated expenditures for the Water and Sewer Fund, an unassigned fund balance in the Community Development Corporation Fund of twenty-five percent of revenues, an unassigned fund balance in the Economic Development Corporation Fund equal to fifteen percent of revenues and an unassigned fund balance in the Debt Service Fund equal to fifteen percent of expenditures.

*Deficit Fund Balance* – At September 30, 2020, the Winding Hollow PID had a deficit fund balance of \$202,360 due to an interfund loan (liability) for a capital expense to build a screening wall. The expense is to be reimbursed to the Non-Major Government Fund (Street Construction Fund) by making annual payments over a fifteen (15) year period.

*11. Other Restricted Net Position*

Other restricted net position shown for governmental activities on the government wide statement of net position consists of the following restrictions.

	Restricted for Other
General government	108,327
Police forfeiture	210,496
Hotel occupancy	710,776
Municipal court	11,723
Library	87,845
Grant funds	69,577
PID	741,452
Traffic safety	390,349
PEG	617,096
Crime control	476,872
Animal shelter	390,205
Fire training	44,053
Landscape	518,409
TIF	447,437
Economic development	105,704
Total	<u>\$ 4,930,321</u>

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued**

**12. New accounting standards effective in fiscal year 2020**

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, effective immediately, the primary objective of which was to provide temporary relief to governments in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain or are scheduled to be effective for periods beginning after June 15, 2018 and later.

**13. New accounting standards effective in future years**

The GASB has issued the following statements which will be effective in future years as described below and in accordance with GASB Statement 95. The impact on the City's financial statements of implementation has not yet been determined for the following:

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are now effective for periods beginning after June 15, 2019.

GASB Statement No. 84, *Fiduciary Activities* is now effective for periods beginning after December 15, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases* is now effective for periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued**

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* is now effective for periods beginning after June 15, 2019. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is now effective for reporting periods beginning after December 15, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61* is now effective for periods beginning after December 15, 2019. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

GASB Statement No. 91, *Conduit Debt Obligations* is now effective for periods beginning after December 15, 2021. The primary objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

GASB Statement No. 92, *Omnibus* paragraphs 6, 7, 8, and 12 is now effective for periods beginning after June 15, 2021. The primary objective is to address implementation issues which have been identified related to GASB 87, *Leases*, reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended*, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, to reporting assets accumulated for postemployment benefits; The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs); reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and terminology used to refer to derivative instruments.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued**

GASB Statement No. 93, *Replacement of Interbank Offered Rates* - The objective of this statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of paragraphs 13 and 14 are now effective for fiscal years beginning after June 15, 2021. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Paragraphs 4 and 5 of this Statement are effective immediately and have been implemented with no material impact. The remainder of the Statement is effective for periods beginning after June 15, 2021.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 2. DEPOSITS AND INVESTMENTS**

Included in the statement of net position and the statement of fiduciary net position are cash and investments totaling \$97,518,033 excluding the discretely presented component units which are disclosed below.

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
City cash—cash	\$ 60,173,482	\$ 60,173,482	\$ -	\$ -	\$ -
Certificates of deposit	34,470,946	25,443,640	9,027,306	-	-
Investment pools	<u>2,762,508</u>	<u>2,762,508</u>	-	-	-
Total cash and cash equivalents	<u>\$ 97,406,936</u>	<u>\$ 88,379,630</u>	<u>\$ 9,027,306</u>	<u>\$ -</u>	<u>\$ -</u>
Total cash and cash equivalents—city	<u>\$ 97,406,936</u>	<u>\$ 88,379,630</u>	<u>\$ 9,027,306</u>	<u>\$ -</u>	<u>\$ -</u>
Pension trust:					
Equities	\$ 111,097	\$ 111,097	\$ -	\$ -	\$ -
	<u>\$ 111,097</u>	<u>\$ 111,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Fair Value Measurements**

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At September 30, 2020, the City had the following recurring fair value measurements.

	9/30/2020	Level 1	Level 2	Level 3
Investments by fair value level				
Pension trust				
Equities	<u>\$ 111,097</u>	<u>\$ 111,097</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED**

**Custodial Credit Risk-Deposits**

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. It is the City's policy to require all deposits with financial institutions to be collateralized to the extent not protected by F.D.I.C. insurance. Securities that can be accepted include obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies; and other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities.

At year end, the carrying amount of the City's deposits with financial institutions was \$94,644,426 and the bank balance was \$97,130,461. The financial institution balances were completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

**Custodial Credit Risk-Investments**

The laws of the State of Texas and prudent treasury management require that all purchased securities shall be held in safekeeping by either a City account in a third party financial institution, or the City's safekeeping account in its designated depository bank, or in a Federal Reserve Bank. Securities owned by the City are held by the City's depository at the Federal Home Loan Bank in a separate account for the City.

**Credit Risk**

The City's investment policy, which complies with state statutes, manages credit risk by limiting investments to specific types of investments and by forbidding the investment of funds in investments authorized by the state's Public Funds Investment Act, but not approved by the City Council. This policy permits investments in: 1) obligations of the United States or its agencies and instrumentalities; 2) direct obligations of the State of Texas or its agencies; 3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; 4) Certificates of deposit issued by state and national banks domiciled in the State of Texas; 5) direct repurchase agreements with primary security dealers having a defined termination date, and secured by U.S. Government or federal agency securities; 6) SEC-registered and regulated, no-load money market mutual funds with a dollar-weighted average portfolio maturity of 90 days or less whose assets comply with the Public Funds Investment Act; 7) investment pools that comply with the requirements of the Public Funds Investment Act approved by the City Council.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED**

The City's investments during the fiscal year consisted of collateralized certificates of deposits, money market mutual funds and investment pools approved by the City Council.

The City participated in the following investments during the fiscal year:

<u>Description</u>	<u>Issuer</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Type</u>	<u>S&amp;P</u>
TEXSTAR LGIP	TEXSTAR	0.021054	10/1/2019	Investment Pool	AAAm
LOGIC LGIP	LOGIC	0.002207	10/1/2020	Investment Pool	AAAm

**Interest Rate Risk**

Interest rate risk is minimized according to policy by diversification of investment instruments as well as stated maximum maturity dates. The City's investment policy limits investments to the following maturities:

<u>Portfolio Type</u>	<u>Maximum Average Maturity</u>	<u>Maximum Final Maturity</u>
Consolidated funds	Weighted-average maturity of 365 days	Three Years
Debt service funds	None set	Shall not have a stated final date that exceeds corresponding debt service payment date
Debt reserve funds	None set	Call date or shall not have a final maturity date exceeds the corresponding debt service payment
Joe Pool Funds	None set	The shorter of anticipated cash outflows or five years

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED**

**Investment in Local Government Investment Pools**

The City invested in TexSTAR Investment Pool. TexSTAR is administered by First Southwest Asset Management Company and JPMorgan Chase. TexSTAR is a local government Investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. The fund is rated AAA by Standard and Poor's. TexStar uses fair market value to report net assets to compute share prices. A complete copy of the TexStar Operating Procedures may be obtained by contacting TexStar Participant Services, 325 North St. Paul, Suite 800, Dallas, TX 75201.

During the year, the City managed the investments of the EDC and the CDC. The EDC and CDC investments are categorized in the same manner as the City's and consist of the following:

**Economic Development Corporation**

	Investment Maturities (in Years)				
	Less than		More than		
	Fair Value	1	1–5	6–10	10
Corporation—cash	\$ 7,363,015	\$ 7,363,015	\$ -	\$ -	\$ -
Certificate of deposit	1,512,707	-	1,512,707	-	-
Total cash and investments—corporation	\$ 8,875,722	\$ 7,363,015	\$ 1,512,707	\$ -	\$ -

At year-end, the carrying amount of the EDC's bank balance and cash on hand was \$7,363.015, which is included in the City's pooled cash (consolidated) account and was completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

**Community Development Corporation**

	Investment Maturities (in Years)				
	Less than		More than		
	Fair Value	1	1–5	6–10	10
Corporation—cash	\$ 3,208,780	\$ 3,208,780	\$ -	\$ -	\$ -
Certificate of deposit	7,720,740	3,196,053	4,524,687	-	-
Total cash and investments—corporation	\$ 10,929,520	\$ 6,404,833	\$ 4,524,687	\$ -	\$ -

At year-end, the carrying amount of the CDC's bank balance and cash on hand was \$3,208,780 which is included in the City's pooled cash (consolidated) account and was completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 3. RECEIVABLES**

Receivables as of year-end for the City's individual major funds and non-major, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Joe Pool	Capital Projects	Water and Sewer	Nonmajor and Other Funds	Total
Receivables							
Taxes	\$ 2,150,639	\$ 179,700	\$ -	\$ -	\$ -	\$ 275,431	\$ 2,605,770
Franchise	611,421	-	-	-	-	20,460	631,881
Accounts	-	-	-	-	4,857,316	-	4,857,316
Interest	-	-	11,013	3,870	967	-	15,850
Miscellaneous	3,592,129	-	-	285,999	9,149	753,161	4,640,438
Gross receivables	6,354,189	179,700	11,013	289,869	4,867,432	1,049,052	12,751,255
Less: allowance for uncollectible	(2,637,712)	(60,997)	-	-	(1,208,626)	(67,659)	(3,974,994)
Net total receivables	<u>\$ 3,716,477</u>	<u>\$ 118,703</u>	<u>\$ 11,013</u>	<u>\$ 289,869</u>	<u>\$ 3,658,806</u>	<u>\$ 981,393</u>	<u>\$ 8,776,261</u>

The General Fund miscellaneous primarily consists of billed emergency medical services and court fines and fee. The Water and Sewer Fund accounts receivable balance includes unbilled charges for services rendered of \$2,267,179 at September 30, 2020. The Capital Project Fund includes an amount earned on a capital project and due from Dallas County through a grant agreement.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 4. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2020 was as follows:

**Primary Government**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets—not being depreciated:					
Land	\$ 17,479,236	\$ 313,411	\$ -	\$ -	\$ 17,792,647
Construction in progress	6,832,501	6,236,115	-	(3,321,063)	9,747,553
Total capital assets—not depreciated	<u>24,311,737</u>	<u>6,549,526</u>	<u>-</u>	<u>(3,321,063)</u>	<u>27,540,200</u>
Capital assets—being depreciated:					
Buildings/facilities	63,818,706	69,687	(87,881)	658,286	64,458,798
Equipment	14,089,574	1,558,042	(404,244)	1,656,179	16,899,551
Infrastructure	173,044,535	-	(7,176)	1,006,598	174,043,957
Water rights	26,284,063	-	-	-	26,284,063
Master studies	393,172	-	-	-	393,172
Total capital assets—being depreciated	<u>277,630,050</u>	<u>1,627,729</u>	<u>(499,301)</u>	<u>3,321,063</u>	<u>282,079,541</u>
Less accumulated depreciation for:					
Buildings/facilities	(27,413,101)	(2,018,084)	82,306	-	(29,348,879)
Equipment	(9,811,266)	(1,388,986)	402,347	-	(10,797,905)
Infrastructure	(78,712,544)	(5,011,298)	-	-	(83,723,842)
Water rights	(18,738,713)	(489,428)	-	-	(19,228,141)
Master studies	(373,937)	(1,282)	-	-	(375,219)
Total accumulated depreciation	<u>(135,049,561)</u>	<u>(8,909,078)</u>	<u>484,653</u>	<u>-</u>	<u>(143,473,986)</u>
Total capital assets—being depreciated—net	<u>142,580,489</u>	<u>(7,281,349)</u>	<u>(14,648)</u>	<u>3,321,063</u>	<u>138,605,555</u>
Governmental activities capital assets—net	<u>\$ 166,892,226</u>	<u>\$ (731,823)</u>	<u>\$ (14,648)</u>	<u>\$ -</u>	<u>\$ 166,145,755</u>

Internal service fund capital assets of \$3,008,843 are included in the governmental activities' capital assets.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 4. CAPITAL ASSETS – CONTINUED**

**Primary Government – Continued**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-type activities:</b>					
Capital assets—not being depreciated:					
Land	\$ 367,764	\$ 3,500	\$ -	\$ -	\$ 371,264
Construction in progress	218,239	448,817	-	-	667,056
Total capital assets—not depreciated	<u>586,003</u>	<u>452,317</u>	<u>-</u>	<u>-</u>	<u>1,038,320</u>
Capital assets being depreciated:					
Buildings/facilities	666,491	-	-	-	666,491
Water systems	59,160,589	-	(21,270)	-	59,139,319
Sewer systems	25,276,337	-	-	-	25,276,337
Equipment	4,110,913	310,861	(166,872)	-	4,254,902
Master studies	176,244	-	-	-	176,244
Total capital assets being depreciated	<u>89,390,574</u>	<u>310,861</u>	<u>(188,142)</u>	<u>-</u>	<u>89,513,293</u>
Less accumulated depreciation for:					
Buildings/facilities	(591,406)	(5,344)	-	-	(596,750)
Water systems	(18,364,935)	(1,173,126)	-	-	(19,538,061)
Sewer systems	(9,840,101)	(505,227)	-	-	(10,345,328)
Equipment	(2,611,581)	(289,873)	139,717	-	(2,761,737)
Master studies	(176,244)	-	-	-	(176,244)
Total accumulated depreciation	<u>(31,584,267)</u>	<u>(1,973,570)</u>	<u>139,717</u>	<u>-</u>	<u>(33,418,120)</u>
Total capital assets—being depreciated—net	<u>57,806,307</u>	<u>(1,662,709)</u>	<u>(48,425)</u>	<u>-</u>	<u>56,095,173</u>
Business-type activities capital assets—net	<u>\$ 58,392,310</u>	<u>\$ (1,210,392)</u>	<u>\$ (48,425)</u>	<u>\$ -</u>	<u>\$ 57,133,493</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities:**

General government	\$ 1,225,310
Public works	5,298,635
Public safety	1,099,172
Community service	1,285,961
Total depreciation expense—governmental activities	<u>\$ 8,909,078</u>

Business-type activities—water and sewer	<u>\$ 1,973,570</u>
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**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 4. CAPITAL ASSETS – CONTINUED**

**Discretely Presented Component Units**

Activity for the Economic Development Corporation for the year ended September 30, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Contributions to the City</u>	<u>Ending Balance</u>
Capital assets—not being depreciated:					
Land	<u>\$ 2,797,571</u>	<u>\$ 51,490</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,849,061</u>
Total capital assets- not being depreciated	<u>2,797,571</u>	<u>51,490</u>	<u>-</u>	<u>-</u>	<u>2,849,061</u>
Capital assets—being depreciated:					
Leasehold improvements	<u>116,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,057</u>
Total capital assets being depreciated	<u>116,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,057</u>
Less accumulated depreciation for:					
Leasehold improvements	<u>(30,011)</u>	<u>(3,729)</u>	<u>-</u>	<u>-</u>	<u>(33,740)</u>
Total accumulated depreciation	<u>(30,011)</u>	<u>(3,729)</u>	<u>-</u>	<u>-</u>	<u>(33,740)</u>
Total capital assets being depreciated—net	<u>86,046</u>	<u>(3,729)</u>	<u>-</u>	<u>-</u>	<u>82,317</u>
EDC Capital assets—net	<u>\$ 2,883,617</u>	<u>\$ 47,761</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,931,378</u>

Activity for the Community Development Corporation for the year ended September 30, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Contributions to the City</u>	<u>Ending Balance</u>
Capital assets—not being depreciated:					
Construction in progress	<u>\$ 2,411,400</u>	<u>\$ 489,580</u>	<u>\$ -</u>	<u>\$ (248,811)</u>	<u>\$ 2,652,169</u>
Total capital assets- not being depreciated	<u>2,411,400</u>	<u>489,580</u>	<u>-</u>	<u>(248,811)</u>	<u>2,652,169</u>
CDC Capital assets—net	<u>\$ 2,411,400</u>	<u>\$ 489,580</u>	<u>\$ -</u>	<u>\$ (248,811)</u>	<u>\$ 2,652,169</u>

CDC capital assets are contributed to the City when completed.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Transfers are used to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and for cost allocations and other operational costs as determined by the City's annual budget. The transfer activity for the year ended September 30, 2020 is presented in the following schedule:

Transfers in	Transfers Out					Total
	General Fund	JPL Permanent Fund	Capital Projects Fund	Nonmajor Funds	Enterprise Funds	
Primary government:						
Governmental activities:						
Major funds:						
General fund	\$ -	\$ -	\$ 24,041	\$ 688,709	\$ 334,750	\$ 1,047,500
Debt service fund	-	-	-	394,178	-	394,178
Nonmajor governmental funds	472,375	105,000	-	26,897	-	604,272
Business-type activities:						
Enterprise fund	-	-	-	6,601	-	6,601
Total	<u>\$ 472,375</u>	<u>\$ 105,000</u>	<u>\$ 24,041</u>	<u>\$ 1,116,385</u>	<u>\$ 334,750</u>	<u>\$ 2,052,551</u>

Transfers were made from Nonmajor Funds to the Debt Service Fund for payment of debt service on qualifying infrastructure debt and to the General Fund for support of services relating to rights-of-way mowing and litter control and for qualifying reimbursable COVID related expenditures by the CARES Act. The transfer from the Enterprise Fund to the General Fund is for information technology support and rights-of-way mowing and litter control provided for by the General Fund resources. Transfers from the General Fund to Nonmajor funds include payment of the city's annual share of debt to support Animal Shelter operations.

**Eliminations**

Interfund transfers are reported in the governmental and proprietary fund financial statements. In the entity-wide statements, interfund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

**Interfund Receivable / Payable**

A "Memorandum of Understanding" dated, February 21, 2019 was entered into by and between the City of Cedar Hill and the Board of Directors of the Cedar Hill Public Improvement District No. 3, Winding Hollow (PID No. 3) to replace and construct a six-foot brick screening wall adjacent to Joe Wilson Road that extends a total of 880 feet in length. The final cost of replacement was \$356,689 with acceptance of the project by the PID Board and City on September 30, 2019. The cost of the screening wall replacement is to be financed through assessments on all properties within the boundaries of PID No. 3. The assessments shall be collected and annual payments to the City shall be budgeted by the PID No. 3 Board and included in their five (5) year budget. The reimbursement from the assessments shall be made to the City's Street Construction fund in fifteen (15) annual payments which commenced on June 1, 2019 at 0% interest rate. Remaining payments are as follows:

Years	Payment	Total
2021 - 2032	\$ 24,500	\$ 294,000
2033	\$ 18,189	18,189
		<u>\$ 312,189</u>

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS**

**Changes in Long-Term Liabilities**

The following is a summary of transactions affecting long-term liabilities for the year ended September 30, 2020:

	Balance October 1, 2019	Increases	Retirements/ Refundings	September 30, 2020	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 58,985,000	\$ 9,610,000	\$ (6,565,000)	\$ 62,030,000	\$ 6,450,000
Certificates of obligation	<u>14,405,000</u>	<u>5,230,000</u>	<u>(395,000)</u>	<u>19,240,000</u>	<u>785,000</u>
Total bonds payable	73,390,000	14,840,000	(6,960,000)	81,270,000	7,235,000
Unamortized premiums	4,067,780	1,755,770	(733,387)	5,090,163	697,643
Compensated absences	4,583,722	2,239,368	(3,673,752)	3,149,338	1,228,243
OPEB liability - Health care	950,145	128,643	-	1,078,788	-
OPEB liability - SDBF	726,619	182,706	-	909,325	-
Net pension liability	<u>17,011,568</u>	<u>-</u>	<u>(6,526,790)</u>	<u>10,484,778</u>	<u>-</u>
Total governmental long-term liabilities	<u>\$ 100,729,834</u>	<u>\$ 19,146,487</u>	<u>\$ (17,893,929)</u>	<u>\$ 101,982,392</u>	<u>\$ 9,160,886</u>
<b>Business-type activities:</b>					
General obligation bonds payable	\$ 4,915,000	\$ -	\$ (605,000)	\$ 4,310,000	\$ 625,000
Certificates of obligation bonds payable	11,660,000	2,490,000	(680,000)	13,470,000	760,000
Unamortized premiums	919,730	289,899	(149,421)	1,060,208	142,731
Compensated absences	46,785	230,027	(230,165)	46,647	20,992
OPEB liability - Health care	144,326	19,540	-	163,866	-
OPEB liability - SDBF	73,736	18,541	-	92,277	-
Net pension liability	<u>1,890,174</u>	<u>-</u>	<u>(725,199)</u>	<u>1,164,975</u>	<u>-</u>
Total business-type long-term liabilities	<u>19,649,751</u>	<u>3,048,007</u>	<u>(2,389,785)</u>	<u>20,307,973</u>	<u>1,548,723</u>
Total primary government long-term liabilities	<u>\$ 120,379,585</u>	<u>\$ 22,194,494</u>	<u>\$ (20,283,714)</u>	<u>\$ 122,290,365</u>	<u>\$ 10,709,609</u>

Claims, judgments, compensated absence and net pension liability are generally liquidated by the General Fund. OPEB liabilities are liquidated by the Self-Insurance fund.

**Authority for Issuance:** The Bonds are issued pursuant to the Texas Constitution, the general laws of the State, including particularly Texas Government Code, Chapter 1331, as amended, and elections held within the City on September 13, 2003 and November 7, 2017, the City's Home Rule Charter and the Bond Ordinance passed by the City Council of the City. The Certificates are authorized and issued pursuant to the Texas Constitution, the general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, the City's Home Rule Charter and the Certificate Ordinance passed by the City Council of the City.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED**

**Compliance with Debt Covenants:** At September 30, 2020, the City was in compliance with all financial bond covenants on outstanding general obligation bonded debt and its certificates of obligation.

**Security for general obligation bonds (“Bonds”):** The Bonds constitute direct obligations of the City, payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the City.

**Security for Certificates of obligation (“certificates”):** The Certificates constitute direct obligations of the City, payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property within the City, and (ii) a limited pledge of the net revenues of the City’s Waterworks and Sewer System, as provided in the Certificate Ordinance(s).

**Tax Rate Limitation:** All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 taxable assessed valuation for all City purposes. The Home Rule Charter of the City adopts the constitutionally authorized maximum tax rate of \$2.50 per \$100 taxable assessed valuation.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City’s ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City’s tax-supported debt obligations, including the Obligations

**Obligation holders’ Remedies on event of default:** The Ordinances do not specify events of default with respect to the Obligations (Bonds and Certificates). If the City defaults in the payment of principal, interest or redemption price, as applicable, on the Obligations when due, or if it fails to make payments into any fund or funds created in the Ordinances, or defaults in the observation or performance of any other covenants, conditions or obligations set forth in the Ordinances, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Obligations if there is no other available remedy at law to compel performance of the Obligations or the Ordinances and the City’s obligations are not uncertain or disputed. There is no acceleration of maturity of the Obligations in the event of default and, consequently, the remedy of the writ of mandamus may have to be relied upon from year to year. The Ordinances do not provide for the appointment of a trustee to represent the interest of the holders of the Obligations upon any failure of the City to perform in accordance with the terms of the Ordinances, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED**

**General Long-Term Liabilities**

General obligation bonds, certificates of obligation and revenue bonds outstanding at September 30, 2020, consist of the following individual issues:

	<u>Interest Rates</u>	<u>Balance</u> <u>September 30, 2020</u>
<b>General obligation bonds:</b>		
<b>Governmental activities:</b>		
\$14,630,000; 2011 General Obligation Refunding Bonds, due February 15, 2028	3.00%-5.00%	\$ 6,190,000
\$9,040,000; 2012 General Obligation Refunding Bonds, due Feb. 15, 2029	.2%-3%	3,395,000
\$6,040,000; 2013 General Obligation Refunding Bonds, due Feb. 15, 2028 <i>(Split 79% to 21% between governmental and business-type activities)</i>	2.00%-4.00%	3,900,000
\$24,055,000; 2015 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2035 <i>(Split 93% to 7% between governmental and business-type activities)</i>	.5% - 3.51%	13,745,000
\$19,990,000; 2016 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2028 <i>(Split 82.4% to 17.6% between governmental and business-type activities)</i>	3.00%-5%	12,655,000
\$4,135,000; 2018 General Obligation Bonds, due February 15, 2038 <i>\$8,965,000; 2019 General Obligation Bonds, due February 15, 2039</i>	3.00% -3.50% 3.00%-5.00%	3,865,000 8,670,000
\$9,610,000; 2020 General Obligation Bonds, due February 15, 2040	3.00%-5.00%	9,610,000
Total governmental activities - general obligation bonds		\$ 62,030,000
<b>Business-type activities:</b>		
\$6,040,000; 2013 General Obligation Refunding Bonds, due Feb. 15, 2024 <i>(Split 79% to 21% between governmental and business-type activities)</i>	2.00%-4.00%	760,000
\$24,055,000; 2015 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2035 <i>(Split 93% to 7% between governmental and business-type activities)</i>	.5% - 3.51%	1,090,000
\$19,990,000; 2016 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2028 <i>(Split 82.4% to 17.6% between governmental and business-type activities)</i>	3.00%-5%	2,460,000
Total business-type activities - general obligation bonds		\$ 4,310,000
<b>Total general obligation bonds</b>		<b>\$ 66,340,000</b>
<b>Certificate of obligation bonds:</b>		
<b>Governmental activities:</b>		
\$2,065,000; 2013 Certificates of Obligation, due February 15, 2022	2.00%-3.00%	1,200,000
\$1,730,000; 2015 Certificates of Obligation, due February 15, 2029 <i>(Split 54% to 46% between governmental and business-type activities)</i>	2.00%-4.00%	675,000
\$5,620,000; 2018 Certificates of Obligation, due February 15, 2038 <i>(Split 58.72% to 41.28% between governmental and business-type activities)</i>	3.00%-4.00%	3,095,000
\$5,515,000; 2019 Certificates of Obligation, due February 15, 2034 <i>(Split 32% to 68% between governmental and business-type activities)</i>	3.00%-5.00%	1,680,000
\$7,360,000; 2019 Tax Taxable Certificates of Obligation, due February 15, 2044	3.00%-4.00%	7,360,000
\$8,475,000; 2020 Tax Taxable Certificates of Obligation, due February 15, 2044	3.00%-4.00%	5,230,000
Total governmental activities		\$ 19,240,000
<b>Business-type activities:</b>		
\$6,235,000; 2014 Certificates of Obligation, due February 15, 2029	2.75%-3.75%	4,585,000
\$1,730,000; 2015 Certificates of Obligation, due February 15, 2029 <i>(Split 54% to 46% between governmental and business-type activities)</i>	2.00%-4.00%	585,000
\$5,620,000; 2018 Certificates of Obligation, due February 15, 2038 <i>(Split 58.72% to 41.28% between governmental and business-type activities)</i>	3.00%-4.00%	2,180,000
\$5,515,000; 2019 Certificates of Obligation, due February 15, 2039 <i>(Split 32% to 68% between governmental and business-type activities)</i>	3.00%-5.00%	3,630,000
\$2,490,000; 2020 Certificates of Obligation, due February 15, 2040	3.00%-5.00%	2,490,000
Total business-type activities		\$ 13,470,000
<b>Total certificate of obligation bonds</b>		<b>\$ 32,710,000</b>

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED**

**General Long-Term Liabilities – Continued**

Annual requirements to amortize the long-term debt as of September 30, 2020, are as follows:

Year Ending September 30	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2021	\$ 6,450,000	\$ 2,437,839	\$ 785,000	\$ 744,386
2022	6,805,000	2,075,913	875,000	654,066
2023	6,335,000	1,822,719	905,000	619,641
2024	6,065,000	1,581,456	940,000	584,529
2025	5,800,000	1,330,394	985,000	544,766
2026-2030	15,290,000	4,060,459	5,150,000	2,161,644
2031-2035	8,920,000	2,052,769	4,155,000	1,345,291
2036-2040	6,365,000	480,444	3,775,000	642,250
2041-2044	-	-	1,670,000	153,000
 Total principal and interest	 \$ 62,030,000	 \$ 15,841,993	 \$ 19,240,000	 \$ 7,296,573

Year Ending September 30	Business-Type Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2021	\$ 625,000	\$ 162,800	\$ 760,000	\$ 497,259
2022	660,000	135,800	810,000	440,294
2023	675,000	107,775	855,000	408,719
2024	715,000	79,125	880,000	376,600
2025	530,000	52,325	910,000	344,494
2026-2030	1,105,000	42,425	4,475,000	1,217,300
2031-2035	-	-	2,510,000	615,204
2036-2040	-	-	2,270,000	165,408
2041-2044	-	-	-	-
 Total principal and interest	 \$ 4,310,000	 \$ 580,250	 \$ 13,470,000	 \$ 4,065,278

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED**

**Compensated Absences**

Compensated absences represent the estimated liability for employees' accrued sick and vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General Fund and Enterprise Funds based on the assignment of an employee at termination.

**Component Units**

The debt of the Community Development Corporation, a discretely presented component unit, is comprised of the following:

	Balance October 1, 2019	Increases	Retirements	Balance September 30, 2020	Due Within One Year
<b>CDC:</b>					
Compensated absences	\$ 63,856	\$ 64,479	\$ (74,004)	\$ 54,331	\$ 35,315
Total OPEB liability	84,190	11,398	-	95,588	-
<b>Total long-term liabilities</b>	<b>\$148,046</b>	<b>\$ 75,877</b>	<b>\$ (74,004)</b>	<b>\$ 149,919</b>	<b>\$ 35,315</b>

The debt of the Economic Development Corporation, a discretely presented component unit, is comprised of the following:

	Balance October 1, 2019	Increases	Retirements	Balance September 30, 2020	Due Within One Year
<b>EDC:</b>					
Compensated absences	\$ 5,159	\$ 19,154	\$ (16,013)	\$ 8,300	\$ 2,905
Total OPEB liability	24,054	3,257	-	27,311	-
	<b>\$ 29,213</b>	<b>\$ 22,411</b>	<b>\$ (16,013)</b>	<b>\$ 35,611</b>	<b>\$ 2,905</b>

In fiscal year 2006, the EDC entered into an agreement with the City to provide funds to amortize the City's \$12,890,000 Certificates of Obligation and related interest for the construction of roads and drainage facilities to support the Uptown Village retail center.

These agreements are classified as voluntary non-exchange transactions. Payments by the EDC require the existence of available resources and an annual appropriation by the Boards of the EDC.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED**

**Cedar Hill Industrial Development Corporation**

The Cedar Hill Industrial Development Corporation (CHIDC) was organized in December 1979 by the City under the Development Corporation Act of 1979. CHIDC issues tax-exempt revenue bonds for the development of local industry to secure the advantages of balanced and increased employment and an improved economic position, and to provide for a broader tax base. The City Council appoints the Board of Directors of CHIDC. The CHIDC does not have assets, liabilities, revenues, expenditures, or conduit debt as of September 30, 2020, to be included as a component unit.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 7. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and, other claims of various natures. The City purchases commercial liability insurance with the Texas Municipal League Inter-Governmental Risk Pool to indemnify itself in event of loss. For the past three years, settlements have not exceeded scheduled and stated coverage(s).

The City maintains a self-insurance program for health insurance. The City established the self-insurance program effective October 1, 2017. The premiums paid by the City are primarily (expenditures/expenses) of the operating funds. All premiums are paid into the self-funded health internal service fund to pay claims, claim reserves and administrative costs of the program. Group medical benefits are paid from the Self-Insurance Fund (Internal Service Fund), which has an annually negotiated stop loss provision through United Health Care. The aggregate stop loss was \$75,000 per covered individual and coverage is maintained through a private insurance carrier. An independent claims administrator performs all claims handling procedures.

Revenues are recognized from payroll deductions from employee dependent coverage and from City contributions for employee coverage. The liabilities for insurance claims reported in the City's Self-Insurance Fund is based on GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. These liabilities include an estimate for incurred but not reported (IBNR) claims. The City's consultant has estimated the unpaid claims liability at approximately \$243,849 at September 30, 2020.

Changes in balances during 2020 were as follows:

	<u>2020</u>
Unpaid claims, beginning of year	\$ (449,602)
Current year claims (including IBNR) and change in estimate	3,210,417
Claim Payments	<u>2,516,966</u>
Unpaid claims, end of year	<u>\$ 243,849</u>

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 8. COMMITMENTS AND CONTINGENCIES**

The City contracts with Trinity River Authority of Texas (TRA), an agency of the State of Texas, whereby TRA finances, constructs, operates and maintains water and sewage transportation and treatment facilities for the benefit of the City. The current contracts are extended through the date at which all bonds mature. The City makes payments monthly, which are based on an estimate of its share of costs. In prior years, TRA has calculated this estimate on an annual basis and made adjustments for over/under charges in the City's next fiscal year. Effective December 1, 1992, TRA changed its billing methodology to adjust its estimate eight months into the City's fiscal year which should reduce over/under charges but may not fully eliminate them. The City's fiscal year for when the adjustments are reported and the City's fiscal year for when the services were provided may differ because of these adjustments and because TRA's fiscal year differs from the City's, as indicated by the schedule below:

Regular monthly expenses for October 1, 2019 to September 30, 2020	\$ 7,825,916
TRA adjustment for prior-year settlement	<u>(701,479)</u>
Sewage treatment and water system facility expenses	<u>\$ 7,124,437</u>

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is engaged in capital improvements as evidenced by its long-term indebtedness. At September 30, 2020, capital funds were on hand sufficient to satisfy all contractual commitments for capital improvements in progress. The most significant contract is with Structural Assurance, Inc. for the construction of F.M. 1382 Hike and Bike Trail.

The City periodically is a defendant in various lawsuits. At September 30, 2020, after consultation with the City's attorney, the City is not aware of any pending litigation with a material impact.

The City contracts for garbage disposal with a third party. Under the terms of the agreement the City bills and collects the residential billing and remits that amount to the contracting party. The contractor bills the commercial customers and remits a franchise fee to the City based on total revenues received from the contract.

The Cedar Hill Economic Development Corporation provides monetary incentives to companies to relocate and provide employment opportunities within the City of Cedar Hill. At September 30, 2020, these commitments totaled approximately \$2,062,685 and are only paid when provisions of incentive agreements are fulfilled.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 9. TAX ABATEMENTS AND ECONOMIC INCENTIVES**

The City enters into economic development agreements designed to promote development, stimulate commercial activity, enhance the property tax base, and increase the economic vitality. These programs rebate property taxes and sales tax. The City's economic development agreements are authorized under the Texas Local Government Code Chapter 311 (Tax Increment Financing Act) and Chapter 380 (Economic Development Programs). Recipients may be eligible to receive economic assistance based upon employment impact, economic or community impact of the project requesting assistance. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, expanding operations, renewing facility leases or bringing targeted development to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has three categories of economic development agreements:

**Tax Abatements**

Tax Abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. There were no property taxes abated under this program in fiscal year 2020.

**General Economic Development**

The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount, or a percentage of property taxes or sales tax received by the City. During fiscal year 2020, the City entered into Chapter 380 agreements with small businesses within the City who were impacted by the coronavirus. The City provided \$795,408 in grant and loan payments to these local businesses through the implementation of the Cedar Hill Strong Small Business Grant/Loan program. The program included dollars provided by the CARES Act, distributed to local cities throughout Dallas County and administered by the Cedar Hill Economic Development Corporation.

The Cedar Hill Economic Development Corporation enters into various agreements to promote and encourage development within Cedar Hill. These agreements incentivize developers and local business to promote and develop the City under the terms and conditions established by the Cedar Hill Economic Development Corporation.

**Tax Increment Financing**

Tax Increment Financing (TIF) is a tool to help finance public improvements and development projects within a defined area. A municipality makes an area eligible for TIF by designating it a Tax Increment Reinvestment Zone (TIRZ). Within the designated zone all of the incremental tax revenue growth flows to an established tax increment fund to help pay for public improvements within the zone. During this fiscal year, the City adopted one Tax Increment Reinvestment Zones (TIRZ) in accordance with the provisions of the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311. The City's active Tax increment reinvestment zone is TIRZ #1. The goal of the Tax Increment Zone #1 is to continue funding the construction of needed public infrastructure and to encourage private development that will yield additional tax revenue to all local taxing jurisdictions. The

**CITY OF CEDAR HILL, TEXAS  
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**NOTE 9. TAX ABATEMENTS AND ECONOMIC INCENTIVES – CONTINUED**

purpose for TIRZ#1 is to promote the creation of contained, mixed-use development consisting of major retail, restaurants, residential, hotel and office. The Zone's projected costs are primarily related to roadway, drainage, storm water detention and utilities. There was a payment of \$242,982 to the TIRZ#1 for fiscal year 2020.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**Plan Descriptions**

The City of Cedar Hill participates as one of 883 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained via their website ([www.tmrs.org](http://www.tmrs.org)).

All eligible employees of the city are required to participate in TMRS.

**Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City of Cedar Hill, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit, which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

**Benefits Provided - Continued**

date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service regardless of age. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	183
Inactive employees entitles but not yet receiving benefits	179
Active employees	<u>342</u>
Total	<u>704</u>

**Contributions**

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City's matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.86% and 13.94% in calendar years 2019 and 2020, respectively. The city's contributions to TMRS for the year ended September 30, 2020 were \$3,179,475 and were equal to the required contributions.

**Net Pension Liability**

The City's Net Pension Liability (NPL) was measured as of December 31, 2019 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

**Actuarial Assumptions**

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75% net pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. PUB (10) mortality tables, with the Public Safety table use for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2018 valuation. After the Asset Allocation Study analysis and experience investigation study, the long-term expected rate of return on pension plan investments remains unchanged at 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30%	5.30%
Core Fixed Income	10	1.25
Non-Core Fixed Income	20	4.14
Real Return	10	3.85
Real Estate	10	4.00
Absolute Return	10	3.48
Private Equity	10	7.75
<b>Total</b>	<b><u>100.00%</u></b>	

**Discount Rate and Allocations**

The discount rate used to measure the Total Pension Liability was 6.75% which was unchanged from the prior year. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions were made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projection to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

The city's net pension liability, pension expense, and deferred outflows of outflows of resources related to TMRS have been allocated between governmental activities, business-type activities using a contribution-based method.

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

**Changes in the Net Pension Liability**

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2018	\$ 108,876,315	\$ 89,974,573	\$ 18,901,742
Changes for the year:			
Service Cost	3,868,134	-	3,868,134
Interest	7,346,566	-	7,346,566
Change of benefit terms	-	-	-
Difference between expected and actual experience	(166,047)	-	(166,047)
Changes of assumptions	340,991	-	340,991
Contributions - employer	-	3,179,475	(3,179,475)
Contributions - employee	-	1,623,318	(1,623,318)
Net investment income	-	13,919,798	(13,919,798)
Benefit payments, including refunds of employee	(3,944,725)	(3,944,725)	-
Administrative expense	-	(78,597)	78,597
Other charges	-	(2,361)	2,361
Net Changes	<u>7,444,919</u>	<u>14,696,908</u>	<u>(7,251,989)</u>
Balance at December 31, 2019	<u>\$ 116,321,234</u>	<u>\$ 104,671,481</u>	<u>\$ 11,649,753</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%):

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net pension liability	\$ 29,517,843	\$ 11,649,753	\$ (2,916,160)

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at [www.tmrs.org](http://www.tmrs.org).

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2020, the city recognized pension expense of \$3,980,428. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 226,137	\$ (277,296)
Changes in actuarial assumptions	305,036	-
Differences between projected and actual investment earnings	-	(3,189,736)
Contributions subsequent the measurement date	<u>2,622,540</u>	<u>-</u>
 Total	 <u>\$ 3,153,713</u>	 <u>\$ (3,467,032)</u>

Of the \$3,153,713 for deferred outflows of resources, \$2,622,540 resulted from contributions made subsequent to the measurement date and will be recognized as a reduction of the net position liability in the fiscal year ending September 30, 2021. The remainder of the total deferred outflows/inflows of resources, \$2,935,859 will be recognized in pension expense as follows:

	Net Deferred Outflows (Inflows) of Resources
2020	\$ (741,484)
2021	(907,172)
2022	247,109
2023	(1,534,312)
2024	-
Thereafter	-
	 <u>\$ (2,935,859)</u>

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED**

**Reserve Police Department Defined Benefit Plan**

The City provides pension benefits to its volunteer police reserves upon retirement. The City Council establishes plan provisions, is authorized to amend them and acts as the plan administrator. The plan became effective October 1, 1993. Police reserves do not receive a salary, and therefore, there is no covered payroll related to the plan. Police reserves are eligible to participate in the plan if they are at least 15 years old and provided the City with 192 hours of volunteer service per year as a police reserve. Under the plan, the normal retirement age is 55 with ten years of service required. Service is measured by years of service. The reserve officers are not required to contribute to the plan. The normal retirement pension payable to a retirement participant is \$144 per month with a guaranteed minimum of 120 months. Participants are 100% vested with a minimum of ten years of vesting service. A year of vesting is credited for each year during which the participant is credited with 192 hours of service. As of September 30, 2020, the City had no active members of the plan and seven retirees receiving benefits. The plan is a single employer defined benefit plan. The plan does not prepare a separate, audited pension plan report.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS**

**Retiree Health Care Plan Description**

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

**Benefits Provided**

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage, an employee must qualify under all three of the following:

1. The retiree must have been covered for medical benefits under the City Health Plan as an employee immediately prior to termination of employment.
2. The retiree must apply for pension benefits from TMRS in accordance with TMRS requirements and deadlines.
3. The retiree must enroll for retiree health coverage within thirty-one days of the date of termination.

All medical care benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees.

As of December 31, 2019, membership consisted of:

Retirees and beneficiaries receiving benefits	3
Active employees	317
<b>Total</b>	<b>320</b>

**Contributions – Retiree Health Care**

The plan's premium rates are determined annually by City management and approved by the City Council as part of the annual budget. Members receiving medical benefits contribute as follows:

Premiums Paid By Employee (October 1, 2019  
to September 30, 2020)

<u>Coverage</u>	<u>High-Deductible Health Plan (HDHP-HSA)</u>	<u>Exclusive Provider Organization (EPO) Buy-Base Plan</u>	<u>Up Plan</u>
Employee Only	\$ 549	\$ 631	
Employee & Spouse	\$ 1,050	\$ 1,205	

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

Current retirees contribute to the self-funded health program the blended premium for active and retired participants. Retiree contribution rates for fiscal year September 30, 2020 ranged from \$549 to \$1,688 per month depending on coverage levels selected. In fiscal year September 30, 2020, the total member contributions were \$56,831. The City contribution for retirees consists of pay-as-you-go claims in excess of the retiree contributions. The City Claims incurred by retirees were \$111,389; therefore, the City's contribution to the plan for fiscal year September 30, 2020 was \$55,808 as retiree contributions covered retiree expense. The City made no additional contributions to the plan assets.

**Total OPEB Liability – Retiree Health Care**

The City's total OPEB liability was measured as of December 31, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018 and rolled forward to December 31, 2019.

**Actuarial Methods and Assumptions – Retiree Health Care**

The City's total OPEB liability in the December 31, 2018 valuation was determined using the following actuarial assumptions:

Actuarial Assumptions

Actuarial Cost Method	Individual Entry-Age
Discount Rate	2.75 % as of December 31, 2019
Inflation	2.50%
Salary Increase	3.50% to 11.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Health Care Trend Rates	Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years
Participation Rates	20% of retirees between the ages of 50 and 64 at retirement; 0% for retirees under age 50 at retirement

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

**Discount Rate**

The discount rate used to measure the Total OPEB Liability was 2.75%. The discount rate is equal to the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date of December 31, 2019. For the purpose of this valuation, the municipal bond rate is 2.75% based on the daily rate closest to but not later than the measurement date of the Fidelity 20-Year Municipal GO AA Index. The discount rate was 3.71% as of December 31, 2018, the prior measurement date.

**Sensitivity of the Total OPEB Liability – Health to Changes in the Discount Rate**

The following presents the total OPEB – Health Care liability of the City, calculated using the discount rate of 2.75% , as well as what the City's total OPEB – Health Care liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.75%) or 1 percentage-point higher (3.75%):

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB Health Care liability	\$ 1,512,753	\$ 1,365,553	\$ 1,231,374

The following presents the total OPEB – Health Care liability of the City, calculated using the healthcare cost trend rate of 7.2%, as well as what the City's total OPEB Health Care liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower (6.2%) or 1 percentage-point higher (8.2%):

	1% Decrease in Trend Rate (6.2%)	Trend Rate (7.2%)	1% Increase in Trend Rate (8.2%)
Total OPEB Health Care liability	\$ 1,175,521	\$ 1,365,553	\$ 1,600,588

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

**Schedule of Changes in Total OPEB Liability – Health Care**

	<u>Total OPEB - Health Care Liability</u>
Beginning balance	\$ 1,202,715
Changes for the year:	
Service cost	68,875
Interest (on the total OPEB liability)	44,863
Differences between expected and actual experience	13,279
Change of Assumptions	91,629
Benefit Payments	<u>(55,808)</u>
Net changes	<u>162,838</u>
Ending balance	<u>\$ 1,365,553</u>

**OPEB Expense and Deferred Outflows/(Inflows) of Resources – Health Care**

For the year ended September 30, 2020, the city recognized OPEB Health Care expense of \$119,287. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 19,852	\$ (137,155)
Changes in actuarial assumptions	162,533	-
Contributions subsequent to the measurement date	<u>22,489</u>	<u>-</u>
Total	<u>\$ 204,874</u>	<u>\$ (137,155)</u>

Of the \$204,874 for deferred outflows of resources, \$22,489 resulted from contributions made subsequent to the measurement date and will be recognized as a reduction of the net position liability in the fiscal year ending September 30, 2021. The remainder of the total deferred outflows/inflows of resources, \$45,230 will be recognized in OPEB – Health Care expense as follows:

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

	Net Deferred Outflows (Inflows) of Resources
2021	\$ 5,557
2022	5,557
2023	5,557
2024	5,557
2025	5,557
Thereafter	<u>17,445</u>
	<u><u>\$ 45,230</u></u>

**Supplemental Death Benefit Fund Plan (SDBF) Description**

The City contributes to a single-employer defined benefit OPEB plan, the group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program administered by TMRS in which the City elected, by ordinance, to provide group term life insurance coverage to active and retired members. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

**Benefits Provided**

Payments from this fund are similar to group term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump sum payment approximately equal to the employee's annual salary (calculate based on the employee's actual earnings, for the 12 month period preceding the month of death).

The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. The obligations of this plan are payable only from the SDBF and are not an obligation of, or claim against, the pension trust fund.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

**Employees Covered by Benefit Terms**

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	136
Inactive employees entitled to, but not yet receiving benefits	40
Active employees	342
<b>Total</b>	<b>518</b>

**Actuarial Methods and Assumptions – Retiree Health Care**

The City's total OPEB liability in the December 31, 2019 valuation was determined using the following actuarial assumptions:

Actuarial Assumptions

Actuarial Cost Method	Individual Entry-Age
Discount Rate	2.75% as of December 31, 2019 (based on Fidelity Index's "20-Year Municipal GO AA Index") was changed from 3.71% in the prior year
Inflation	2.50%
Salary Increase	3.50% to 11.50%, including inflation
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

**Contributions – SDBF**

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was .15% for 2020 and 0.15% for 2019, of which 0.02% and 0.02%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The funding policy of the plan is to assure adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to SDBF for the fiscal years ended September 30, 2020, 2019, 2018, were \$36,709, \$33,234, and \$32,339, respectively, which equaled the required contributions each year.

**Total OPEB Liability – SDBF**

The City's Total OPEB liability (TOL) for SDBF was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

**Schedule of Changes in Total OPEB Liability – SDBF**

	<b>Total OPEB Liability</b>
Beginning balance	\$ 800,355
<b>Changes for the year:</b>	
Service cost	39,423
Interest (on the total OPEB liability)	30,338
Differences between expected and actual experience	(34,373)
Change of Assumptions	170,497
Benefit Payments	(4,638)
Net changes	<u>201,247</u>
Ending balance	<u>\$ 1,001,602</u>

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

**Sensitivity of the Total OPEB Liability – SDBF to Changes in the Discount Rate:**

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (1.75%) or one percentage-point higher (3.75%) than the current rate:

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB SDBF liability	\$ 1,228,944	\$ 1,001,602	\$ 825,761

**OPEB Expense and Related Deferred Outflows and Deferred Inflows of Resources – SDBF**

For the year ended September 30, 2020, the City recognized OPEB expense - SDBF of \$85,667.

At September 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB – SDBF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ (56,879)
Changes in actuarial assumptions	184,442	(44,044)
Contributions subsequent the measurement date	3,804	-
<b>Total</b>	<b>\$ 188,246</b>	<b>\$ (100,923)</b>

The City reported \$3,804 as deferred outflows related to OPEB resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net Deferred Outflows (Inflows) of Resources
2020	\$ 15,906
2021	15,906
2022	15,906
2023	11,260
2024	11,417
Thereafter	13,124
	<b>\$ 83,519</b>

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 12. DEFERRED OUTFLOWS AND INFLOWS**

The deferred outflows and inflows as of September 30, 2020 are as follows:

	TMRS	OPEB- Health	OPEB- SDBF	Total OPEB	Loss on refundings	Total Deferred
<b>Government-wide governmental</b>						
<b>Deferred Outflows of Resources</b>						
Loss on refunding	\$ -	\$ -	\$ -	\$ -	\$ 448,163	\$ 448,163
Difference between expected and actual experience	203,523	15,683	-	\$ 15,683	-	\$ 219,206
Changes in actuarial assumptions	274,532	128,401	167,449	\$ 295,850	-	\$ 570,382
Difference in projected and actual investment earnings	-	-	-	-	-	-
Employer's contributions after measurement date	2,360,286	17,766	3,453	\$ 21,219	-	\$ 2,381,505
<b>Total</b>	<b>\$ 2,838,341</b>	<b>\$ 161,850</b>	<b>\$ 170,902</b>	<b>\$ 332,752</b>	<b>\$ 448,163</b>	<b>\$ 3,619,256</b>
<b>Deferred Inflows of Resources</b>						
Difference between expected and actual experience	\$ 3,120,329	\$ 108,352	\$ 51,639	\$ 159,991	\$ -	\$ 3,280,320
Changes in actuarial assumptions	-	-	39,986	\$ 39,986	-	\$ 39,986
<b>Total</b>	<b>\$ 3,120,329</b>	<b>\$ 108,352</b>	<b>\$ 91,625</b>	<b>\$ 199,977</b>	<b>\$ -</b>	<b>\$ 3,320,306</b>
<b>Business-type activities and Proprietary Funds</b>						
<b>Deferred Outflows of Resources</b>						
Loss on refunding	\$ -	\$ -	\$ -	\$ -	\$ 2,188	\$ 2,188
Difference between expected and actual experience	22,614	2,382	-	\$ 2,382	-	\$ 24,996
Changes in actuarial assumptions	30,504	19,504	16,993	\$ 36,497	-	\$ 67,001
Difference in projected and actual investment earnings	-	-	-	-	-	-
Employer's contributions after measurement date	262,254	2,699	351	\$ 3,050	-	\$ 265,304
<b>Total</b>	<b>\$ 315,372</b>	<b>\$ 24,585</b>	<b>\$ 17,344</b>	<b>\$ 41,929</b>	<b>\$ 2,188</b>	<b>\$ 359,489</b>
<b>Deferred Inflows of Resources</b>						
Difference between expected and actual experience	\$ 346,703	\$ 16,458	\$ 5,240	\$ 21,698	\$ -	\$ 368,401
Changes in actuarial assumptions	-	-	4,058	\$ 4,058	-	\$ 4,058
Difference in projected and actual investment earning	-	-	-	-	-	-
Employer's contributions after measurement date	-	-	-	-	-	-
<b>Total</b>	<b>\$ 346,703</b>	<b>\$ 16,458</b>	<b>\$ 9,298</b>	<b>\$ 25,756</b>	<b>\$ -</b>	<b>\$ 372,459</b>
<b>EDC</b>						
<b>Deferred Outflows of Resources</b>						
Difference between expected and actual experience	\$ -	\$ 397	\$ -	\$ 397	\$ -	\$ 397
Changes in actuarial assumptions	-	3,251	-	\$ 3,251	-	\$ 3,251
Difference in projected and actual investment earning	-	-	-	-	-	-
Employer's contributions after measurement date	-	450	-	\$ 450	-	\$ 450
<b>Total</b>	<b>\$ -</b>	<b>\$ 4,098</b>	<b>\$ -</b>	<b>\$ 4,098</b>	<b>\$ -</b>	<b>\$ 4,098</b>
<b>Deferred Inflows of Resources</b>						
Difference between expected and actual experience	\$ -	\$ 2,743	\$ -	\$ 2,743	\$ -	\$ 2,743
Changes in actuarial assumptions	-	-	-	-	-	-
Difference in projected and actual investment earning	-	-	-	-	-	-
Employer's contributions after measurement date	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 2,743</b>	<b>\$ -</b>	<b>\$ 2,743</b>	<b>\$ -</b>	<b>\$ 2,743</b>
<b>CDC</b>						
<b>Deferred Outflows of Resources</b>						
Difference between expected and actual experience	\$ -	\$ 1,390	\$ -	\$ 1,390	\$ -	\$ 1,390
Changes in actuarial assumptions	-	11,377	-	\$ 11,377	-	\$ 11,377
Difference in projected and actual investment earning	-	-	-	-	-	-
Employer's contributions after measurement date	-	1,574	-	\$ 1,574	-	\$ 1,574
<b>Total</b>	<b>\$ -</b>	<b>\$ 14,341</b>	<b>\$ -</b>	<b>\$ 14,341</b>	<b>\$ -</b>	<b>\$ 14,341</b>
<b>Deferred Inflows of Resources</b>						
Difference between expected and actual experience	\$ -	\$ 9,601	\$ -	\$ 9,601	\$ -	\$ 9,601
Changes in actuarial assumptions	-	-	-	-	-	-
Difference in projected and actual investment earning	-	-	-	-	-	-
Employer's contributions after measurement date	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 9,601</b>	<b>\$ -</b>	<b>\$ 9,601</b>	<b>\$ -</b>	<b>\$ 9,601</b>

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 13. SOUTHWEST REGIONAL COMMUNICATION CENTER**

The City of Cedar Hill (“the City”) entered into an annually renewable Interlocal Cooperation agreement (“the agreement”) with the Cities of DeSoto and Duncanville (participating cities) on August 10, 1999 and said agreement was amended on December 29, 2011 and December 8, 2015. The cooperative agreement established a Regional Public Safety Dispatch and Alarm Monitoring Facility known as the Southwest Regional Communication Center (“SWRCC”). SWRCC provides police, fire and emergency medical service communications to participating cities. SWRCC’s Management Committee is comprised of each of the participating cities’ City Manager or their designee. During fiscal year 2016, the cooperative agreement was amended as dated above to direct each participating entity to have all E911 emergency communication fees (“E911 fees”) deposited to an account styled as the City of DeSoto SWRCC. The City of DeSoto provides the accounting and budgetary services for the SWRCC. The City contributed \$793,258 to the operations of the Center from budgeted funds as accounted for in the general fund and the crime control and prevention district fund.

The City has a one-third share in the equity of the Center, which is included in the government-wide statement of net position as other assets. At September 30, 2020, the City’s investment in the Center is \$87,692. The financial statements of the Center can be obtained by contacting: City of DeSoto Finance Department, 211 E. Pleasant Run Rd., DeSoto, TX 75115.

**NOTE 14. REGIONAL ANIMAL CONTROL SHELTER**

The City entered into an Interlocal Cooperation Agreement with the Cities of DeSoto and Duncanville on September 3, 1991 to establish a Regional Animal Control Shelter facility (“the facility”). The facility’s Management Committee is comprised of each of the participating cities’ City Manager or their designee. The City owns a one-third (1/3) share of the facility and is reflected in capital assets. In January 2008, the City issued, in its name, \$2,040,000 of bonds to finance the construction of a new animal control shelter. Combined principal and interest of the obligation totaled \$3,064,113. Although, the entire outstanding principal is reflected in the City’s financials, the City of Duncanville and the City of Desoto are each committed to pay one third of that total debt, or \$1,021,371, over twenty years starting in fiscal year 2009. The total outstanding debt service commitment from all three entities as of September 30, 2020 is \$719,475.

**NOTE 15. SUBSEQUENT EVENTS**

The City Council authorized the issuance of Tax Notes in the principal amount of \$3,345,000 and Refunding Bonds in the principal amount of \$8,600,000 with a sale date of January 7, 2021. The proceeds of the Tax Notes will pay for the acquisition of public safety equipment and vehicles. The purpose of the refunded bonds is to replace higher interest rate debt with lower interest rate debt and to reduce overall debt service payments.

**CITY OF CEDAR HILL, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**NOTE 16. FINANCIAL IMPACT OF COVID-19**

In response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act provides economic grants to offset some additional expenses and forgone revenue as a result of the response to COVID-19. The City received the COVID-19 federal grant of \$2,605,347 in fiscal 2020 as pass-through grants from Dallas County.

The full impact of the COVID-19 pandemic and the scope of any adverse impact cannot be fully determined at this time. The pandemic has adversely affected travel, commerce and financial markets globally and is expected to adversely affect economic output worldwide and in Texas, including the North Texas region. The potential impacts cannot currently be predicted but could be material for future fiscal years.



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

## **REQUIRED SUPPLEMENTARY INFORMATION**



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND**  
**RELATED RATIOS (LAST 10 CALENDAR YEARS) - TMRS PLAN (UNAUDITED)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT E-1**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total pension liability					
Service Cost	\$ 3,868,134	\$ 3,697,787	\$ 3,589,689	\$ 3,374,101	\$ 3,080,700
Interest (on the Total Pension Liability)	7,346,566	6,875,690	6,451,988	5,969,704	5,693,839
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experiences	(166,047)	6,972	(353,823)	880,524	262,001
Change of assumptions	340,991	-	-	-	765,043
Benefit payments, including refunds of employee contributions	(3,944,725)	(3,434,642)	(3,495,009)	(2,879,343)	(2,818,217)
Net Change in Total Pension Liability	7,444,919	7,145,807	6,192,845	7,344,986	6,983,366
Total Pension Liability-Beginning	<u>108,876,315</u>	<u>101,730,508</u>	<u>95,537,663</u>	<u>88,192,677</u>	<u>81,209,311</u>
Total Pension Liability Ending (A)	<u>\$ 116,321,234</u>	<u>\$ 108,876,315</u>	<u>\$ 101,730,508</u>	<u>\$ 95,537,663</u>	<u>\$ 88,192,677</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 3,179,475	\$ 3,092,837	\$ 2,943,532	\$ 2,549,683	\$ 2,530,362
Contributions - Employee	1,623,318	1,550,899	1,510,730	1,416,333	1,346,965
Net Investment Income	13,919,798	(2,744,021)	11,039,446	4,976,866	107,024
Benefit payments, including refunds of employee contributions	(3,944,725)	(3,434,642)	(3,495,009)	(2,879,343)	(2,818,217)
Administrative Expense	(78,597)	(53,011)	(57,193)	(56,192)	(65,183)
Other	(2,361)	(2,771)	(2,898)	(3,028)	(3,219)
Net Change in Plan Fiduciary Net Position	14,696,908	(1,590,709)	11,938,608	6,004,319	1,097,732
Plan Fiduciary Net Position - Beginning	<u>89,974,573</u>	<u>91,565,282</u>	<u>79,626,674</u>	<u>73,622,355</u>	<u>72,524,623</u>
Plan Fiduciary Net Position - Ending (B)	<u>\$ 104,671,481</u>	<u>\$ 89,974,573</u>	<u>\$ 91,565,282</u>	<u>\$ 79,626,674</u>	<u>\$ 73,622,355</u>
Net Pension Liability - Ending (A-B)	<u>\$ 11,649,753</u>	<u>\$ 18,901,742</u>	<u>\$ 10,165,226</u>	<u>\$ 15,910,989</u>	<u>\$ 14,570,322</u>
Plan Fiduciary Net Position as Percentage of Total Pension Liability	89.98%	82.64%	90.01%	83.35%	83.48%
Covered Payroll	\$ 23,190,254	\$ 22,155,702	\$ 21,559,693	\$ 20,192,109	\$ 19,242,351
Net Pension Liability as a Percentage of Covered Employee Payroll	50.24%	85.31%	47.15%	78.80%	75.72%

Note: The City implemented GASB 68 in FY 2015, therefore the required information for this schedule will be built over the next four years.

**CITY OF CEDAR HILL, TEXAS**  
**SCHEDULE OF CONTRIBUTIONS – TMRS PLAN (UNAUDITED)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT E-2**

	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,179,475	\$ 3,092,837	\$ 2,943,532	\$ 2,549,683	\$ 2,530,362	\$ 2,516,536	\$ 2,299,513
Contributions in relation to the actuarially determined contribution	<u>(3,179,475)</u>	<u>(3,092,837)</u>	<u>(2,943,532)</u>	<u>(2,549,683)</u>	<u>(2,530,362)</u>	<u>(2,516,536)</u>	<u>(2,299,513)</u>
Contributions deficiency (excess)	<u>\$ -</u>						
Covered payroll	\$ 24,472,699	\$ 22,859,264	\$ 22,101,804	\$ 21,268,592	\$ 20,787,053	\$ 19,100,723	\$ 18,331,554
Contributions as a percentage of covered payroll	12.99%	13.53%	13.32%	11.99%	12.17%	13.18%	12.54%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.

Notes

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

Entry Age Normal

Amortization Method

Level Percentage of Payroll

Remaining Amortization Period

26 years, Closed

Asset Valuation Method

10 Year smoothed market, 12% soft corridor

Inflation

2.50%

Salary Increases

3.50% to 1.5% including inflation

Investment Rate of Return

6.75%

Retirement Age

Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018

Mortality

Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP

Other Information:

Notes

There were no benefit changes during the year.

Note: The City implemented GASB 68 in FY 2015, therefore the required information for this schedule will be built over the next three years.

**CITY OF CEDAR HILL, TEXAS**  
**SCHEDULE OF CHANGES IN TOTAL**  
**OTHER POST EMPLOYMENT BENEFITS PLAN**  
**LIABILITY AND RELATED RATIOS - HEALTH CARE**  
**LAST 10 CALENDAR YEARS\***  
**(UNAUDITED)**

**EXHIBIT E-3**

	2019	2018	2017
Total OPEB liability:			
Service cost	\$ 68,867	\$ 76,713	\$ 66,387
Interest (on the total OPEB liability)	44,863	42,196	43,520
Differences between expected and actual experience	13,279	(171,947)	11,480
Change of Assumptions	91,629	47,343	61,497
Benefit Payments	(55,808)	(56,084)	(54,986)
Net change in total OPEB liability	\$ 162,830	\$ (61,779)	\$ 127,898
Total OPEB liability - beginning	<u>1,202,715</u>	<u>1,264,494</u>	<u>1,136,506</u>
Total OPEB liability - ending	<u>\$ 1,365,545</u>	<u>\$ 1,202,715</u>	<u>\$ 1,264,404</u>
 Covered employee payroll	 \$ 22,999,707	 \$ 22,157,577	 \$ 21,565,501
Total OPEB liability as a percentage of covered employee payroll	5.94%	5.43%	5.86%

Changes of assumptions reflect a change in the discount rate from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019 and revised TMRS demographic and salary increase assumptions.

An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

\* Note: The City implemented GASB 75 in FY 2018; therefore, the required information for this schedule will be built over the next seven years.

**CITY OF CEDAR HILL, TEXAS**  
**SCHEDULE OF CHANGES IN TOTAL**  
**OTHER POST EMPLOYMENT BENEFITS PLAN**  
**LIABILITY AND RELATED RATIOS - SDBF**  
**LAST 10 CALENDAR YEARS\***  
**(UNAUDITED)**

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**EXHIBIT E-4**

	2019	2018	2017
Total OPEB liability:			
Service cost	\$ 39,423	\$ 46,527	\$ 38,807
Interest (on the total OPEB liability)	30,338	28,270	27,061
Differences between expected and actual experience	(34,373)	(39,771)	
Change of Assumptions	170,497	(63,278)	72,823
Benefit Payments	(4,638)	(4,431)	(4,312)
Net change in total OPEB liability	201,247	(32,683)	134,379
Total OPEB liability - beginning	800,355	833,038	698,659
Total OPEB liability - ending	<u>\$ 1,001,602</u>	<u>\$ 800,355</u>	<u>\$ 833,038</u>
 Covered payroll	 \$ 23,190,254	 \$ 22,155,702	 \$ 21,559,693
 Total OPEB liability as a percentage of covered payroll	 4.32%	 3.61%	 3.86%

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate in each period. The discount rate changed from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019.

An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

\* Note: The City implemented GASB 75 in FY 2018, therefore the required information for this schedule will be built over the next seven years.

**CITY OF CEDAR HILL, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT E-5**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual Amount</b>	
<b>REVENUES</b>				
Taxes	\$ 29,814,544	\$ 29,814,544	\$ 29,734,285	\$ (80,259)
Franchise fees	3,712,092	3,712,092	3,355,414	(356,678)
Licenses and permits	886,800	886,800	763,180	(123,620)
Intergovernmental	352,410	352,410	510,898	158,488
Charges for services	1,691,043	1,691,043	1,597,589	(93,454)
Fines and forfeitures	1,074,600	1,074,600	991,607	(82,993)
Investment earnings	165,000	165,000	177,167	12,167
Miscellaneous	122,900	122,900	194,766	71,866
<b>Total revenues</b>	<b>37,819,389</b>	<b>37,819,389</b>	<b>37,324,906</b>	<b>(494,483)</b>
<b>EXPENDITURES</b>				
Current Expenditures:				
General administration	5,888,886	5,888,886	5,733,160	155,726
Public works	2,275,376	2,275,376	2,067,513	207,863
Public safety	24,372,633	24,372,633	24,240,819	131,814
Community services	5,226,868	5,226,868	4,667,976	558,892
Capital Expenditures:				
General administration	-	-	49,000	(49,000)
Public works	1,395	1,395	1,395	-
Public safety	91,000	91,000	97,166	(6,166)
<b>Total expenditures</b>	<b>37,856,158</b>	<b>37,856,158</b>	<b>36,857,029</b>	<b>999,129</b>
Excess (deficiency) of revenues over expenditures	(36,769)	(36,769)	467,877	504,646
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	584,750	584,750	1,047,500	462,750
Transfer out	458,725	458,725	(472,375)	(931,100)
Sale of capital assets	-	-	2,000	2,000
Total other financing sources (uses)	\$ 1,043,475	\$ 1,043,475	\$ 577,125	\$ (466,350)
Net change in fund balances	1,006,706	1,006,706	1,045,002	38,296
<b>Fund balances, beginning of year</b>			<b>10,151,124</b>	
<b>Fund balances, end of year</b>			<b>\$ 11,196,126</b>	

**CITY OF CEDAR HILL, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**1. BUDGETARY INFORMATION**

The City Council follows these procedures in establishing the budgets reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the City Manager submits to the City Council a proposed budget for the fiscal year beginning on the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at which all interested persons' comments concerning the budget are heard.
3. The budget is legally enacted by the City Council through passage of an ordinance prior to the beginning of the fiscal year.
4. The City Manager has the authority to transfer appropriation balances from one expenditure account to another within a single fund. The City Council, however, must approve any transfer of unencumbered appropriation balances or portions thereof from one fund to another as well as any increases in fund appropriations. All appropriations lapse at the end of the fiscal year.
5. Annual budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgets were not adopted for the JPL Opportunity Fund, Capital Recovery Fund, Community Development Block Grant fund, TIF fund and the PEG fund.
6. The budgetary data presented has been amended from the original budget by the City Council.

## **OTHER SUPPLEMENTARY INFORMATION**

**CITY OF CEDAR HILL, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS OF SEPTEMBER 30, 2020**

<b>Nonmajor Special Revenue Funds</b>						
	<b>JPL Opportunity</b>	<b>Police Forfeiture</b>	<b>Hotel Occupancy</b>	<b>Municipal Court</b>	<b>Library Fund</b>	<b>Grant Funds</b>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 200,827	\$ 214,293	\$ 677,309	\$ 11,723	\$ 90,061	\$ 368,927
Receivables, net of allowance	-	-	48,358	-	-	203,862
Interfund loan receivable	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	173,011
<b>Total assets</b>	<b>\$ 200,827</b>	<b>\$ 214,293</b>	<b>\$ 725,667</b>	<b>\$ 11,723</b>	<b>\$ 90,061</b>	<b>\$ 745,800</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 2,653	\$ 6,798	\$ -	\$ 2,216	\$ 487,009
Accrued liabilities	-	1,144	8,093	-	-	-
Due to other funds	-	-	-	-	-	16,203
Interfund loan payable	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>3,797</b>	<b>14,891</b>	<b>-</b>	<b>2,216</b>	<b>503,212</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Nonspendable- prepaids and inventory	-	-	-	-	-	173,011
Restricted for:						
General government	-	-	-	-	-	-
Public works	-	-	-	-	-	4,703
Public safety	-	210,496	-	11,723	-	64,874
Community services	-	-	710,776	-	87,845	-
Committed for:						
JPL nature corridor	200,827	-	-	-	-	-
Infrastructure	-	-	-	-	-	-
Facilities	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>200,827</b>	<b>210,496</b>	<b>710,776</b>	<b>11,723</b>	<b>87,845</b>	<b>242,588</b>
<b>Total liabilities and fund balances</b>	<b>\$ 200,827</b>	<b>\$ 214,293</b>	<b>\$ 725,667</b>	<b>\$ 11,723</b>	<b>\$ 90,061</b>	<b>\$ 745,800</b>

\* Combined fund statements. Combining statements are presented on Exhibit F-3.

**EXHIBIT F-1 (CONTINUED)**

Nonmajor Special Revenue Funds										Total Nonmajor Special Revenue Funds
Public Improvement Districts*	Traffic Safety	PEG	Crime Control	Animal Shelter	Regional Fire Training	Landscape Beatification	Tax Increment Financing			
\$ 864,611 17,490	\$ 390,349	\$ 596,636	\$ 337,525 194,224	\$ 440,580 3,813	\$ 45,661	\$ 317,295 485,213	\$ 447,437	\$ 5,003,234 973,420		
-	-	-	-	-	-	-	-			
-	-	-	-	-	-	-	-			173,011
\$ 882,101	\$ 390,349	\$ 617,096	\$ 531,749	\$ 444,393	\$ 45,661	\$ 802,508	\$ 447,437	\$ 6,149,665		
\$ 14,405 - - 312,189	\$ - - - -	\$ - 52,597 - -	\$ 2,280 30,473 - -	\$ 23,715 - - -	\$ 1,608 - - -	\$ 195,234 88,865 - -	\$ - - - -	\$ 735,918 181,172 16,203 312,189		
326,594	-	-	54,877	54,188	1,608	284,099	-	1,245,482		
16,415	-	-	-	-	-	-	-	16,415		
16,415	-	-	-	-	-	-	-	16,415		
-	-	-	-	-	-	-	-	-	173,011	
-	-	617,096	-	-	-	-	-	447,437	1,064,533	
-	-	-	-	-	-	-	-	-	4,703	
-	390,349	-	476,872	390,205	44,053	-	-	-	1,588,572	
741,452	-	-	-	-	-	518,409	-	-	2,058,482	
-	-	-	-	-	-	-	-	-	200,827	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
(202,360)	-	-	-	-	-	-	-	-	(202,360)	
539,092	390,349	617,096	476,872	390,205	44,053	518,409	447,437	4,887,768		
\$ 882,101	\$ 390,349	\$ 617,096	\$ 531,749	\$ 444,393	\$ 45,661	\$ 802,508	\$ 447,437	\$ 6,149,665		

**CITY OF CEDAR HILL, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS OF SEPTEMBER 30, 2020**

<b>Nonmajor Capital Projects</b>					
	<b>Park Development</b>	<b>Restricted Street</b>	<b>Economic Development Incentive</b>	<b>Street Construction</b>	<b>Downtown City Center</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 42,203	\$ 390,235	\$ 105,704	\$ 1,903,109	\$ 706,960
Receivables, net of allowance	-	-	-	-	-
Interfund loan receivable	-	-	-	312,189	-
Prepaid items	-	-	-	-	-
<b>Total assets</b>	<b>\$ 42,203</b>	<b>\$ 390,235</b>	<b>\$ 105,704</b>	<b>\$ 2,215,298</b>	<b>\$ 706,960</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Nonspendable- prepaids and inventory	-	-	-	-	-
Restricted for:					
General government	-	-	105,704	-	-
Public works	-	390,235	-	-	-
Public safety	-	-	-	-	-
Community services	42,203	-	-	-	-
Committed for:					
JPL nature corridor	-	-	-	-	-
Infrastructure	-	-	-	2,215,298	-
Facilities	-	-	-	-	-
Assigned	-	-	-	-	706,960
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>42,203</b>	<b>390,235</b>	<b>105,704</b>	<b>2,215,298</b>	<b>706,960</b>
<b>Total liabilities and fund balances</b>	<b>\$ 42,203</b>	<b>\$ 390,235</b>	<b>\$ 105,704</b>	<b>\$ 2,215,298</b>	<b>\$ 706,960</b>

**EXHIBIT F-1 (CONCLUDED)**

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**Nonmajor Capital Projects**

---

<b>Building Maintenance</b>	<b>Drainage</b>	<b>Regional Drainage</b>	<b>Capital Recovery</b>	<b>Total Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Funds</b>
\$ 287,659	\$ 586,177	\$ 95,650	\$ 4,909,918	\$ 9,027,615	\$ 14,030,849
-	-	-	-	-	973,420
-	-	-	-	312,189	312,189
-	-	-	-	-	173,011
<b>\$ 287,659</b>	<b>\$ 586,177</b>	<b>\$ 95,650</b>	<b>\$ 4,909,918</b>	<b>\$ 9,339,804</b>	<b>\$ 15,489,469</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 735,918
-	-	-	-	-	181,172
-	-	-	-	-	16,203
-	-	-	-	-	312,189
 	 	 	 	 	<b>1,245,482</b>
 	 	 	 	 	<b>16,415</b>
 	 	 	 	 	<b>16,415</b>
 	 	 	 	 	<b>173,011</b>
-	-	-	-	-	105,704
-	-	-	4,909,918	5,300,153	5,304,856
-	-	-	-	-	1,588,572
-	-	-	-	42,203	2,100,685
-	-	-	-	-	200,827
-	586,177	95,650	-	2,897,125	2,897,125
287,659	-	-	-	287,659	287,659
-	-	-	-	706,960	706,960
-	-	-	-	-	(202,360)
 	<b>287,659</b>	<b>586,177</b>	<b>95,650</b>	<b>4,909,918</b>	<b>9,339,804</b>
 	 	 	 	 	<b>14,227,572</b>
<b>\$ 287,659</b>	<b>\$ 586,177</b>	<b>\$ 95,650</b>	<b>\$ 4,909,918</b>	<b>\$ 9,339,804</b>	<b>\$ 15,489,469</b>

**CITY OF CEDAR HILL, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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<b>Nonmajor Special Revenue Funds</b>						
	<b>JPL Opportunity</b>	<b>Police Forfeiture</b>	<b>Hotel Occupancy</b>	<b>Municipal Court</b>	<b>Library Fund</b>	<b>Grant Funds</b>
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ 288,169	\$ -	\$ -	\$ -
Franchise taxes	- -	- -	- -	- -	- -	- -
Intergovernmental	- -	- -	- -	- -	6,566	2,226,995
Charges for services	- -	- -	- -	- -	- -	- -
Fines and forfeits	- 29,615	29,615	- 39,292	39,292	- -	- -
Investment earnings	436 2,903	2,903	13,241 31	13,241 31	1,246	31
Grants and donations	- -	- -	- -	- -	21,201	- -
Miscellaneous	- -	- -	280 -	280 -	- -	- -
<b>Total revenues</b>	<b>436</b>	<b>32,518</b>	<b>301,690</b>	<b>39,323</b>	<b>29,013</b>	<b>2,227,026</b>
<b>EXPENDITURES</b>						
Current:						
Public works	- -	- -	- -	- -	- -	50,532
Public safety	- 20,260	20,260	- 27,600	27,600	- -	386,771
Community services	- -	- -	343,311 -	343,311 -	37,178	1,055,350
Capital outlay						
Public safety	- -	- -	- -	- -	- -	50,619
Community services	- -	- -	- -	- -	- -	- -
<b>Total expenditures</b>	<b>- 20,260</b>	<b>343,311</b>	<b>27,600</b>	<b>27,600</b>	<b>37,178</b>	<b>1,543,272</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>436</b>	<b>12,258</b>	<b>(41,621)</b>	<b>11,723</b>	<b>(8,165)</b>	<b>683,754</b>
<b>Other Financing Sources (Uses)</b>						
Transfer In	105,000 -	- -	- -	- -	- -	- -
Transfer Out	- -	(303,603)	- -	- -	- -	(472,207)
<b>Total Financing Sources (Uses)</b>	<b>105,000</b>	<b>- (303,603)</b>	<b>- -</b>	<b>- -</b>	<b>- -</b>	<b>(472,207)</b>
<b>Changes in Fund Balance</b>	<b>105,436</b>	<b>12,258</b>	<b>(345,224)</b>	<b>11,723</b>	<b>(8,165)</b>	<b>211,547</b>
Fund balances, beginning of year	95,391	198,238	1,056,000	- -	96,010	31,041
Fund balances, end of year	<b>\$ 200,827</b>	<b>\$ 210,496</b>	<b>\$ 710,776</b>	<b>\$ 11,723</b>	<b>\$ 87,845</b>	<b>\$ 242,588</b>

\* Combined fund statements. Combining statements are presented on Exhibit F-4.

**EXHIBIT F-2 (CONTINUED)**

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<b>Nonmajor Special Revenue Funds</b>									
<b>Public Improvement Districts*</b>	<b>Traffic Safety</b>	<b>PEG</b>	<b>Crime Control</b>	<b>Animal Shelter</b>	<b>Regional Fire Training</b>	<b>Landscape Beatification</b>	<b>Tax Increment Financing</b>	<b>Total Nonmajor Special Revenue Funds</b>	
\$ 868,879	\$ -	\$ -	\$ 1,071,396	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,228,444
-	-	83,993	-	-	-	-	-	-	83,993
23,305	-	-	-	-	-	-	-	-	2,256,866
-	-	-	-	694,872	40,950	2,639,545	-	-	3,375,367
-	-	-	51,991	-	-	-	-	-	120,898
11,195	6,086	7,076	3,069	4,790	199	3,872	3,628	-	57,803
-	-	-	-	98,331	-	-	-	-	119,532
4,960	-	-	-	35	-	11,272	242,982	-	259,529
<b>908,339</b>	<b>6,086</b>	<b>91,069</b>	<b>1,126,456</b>	<b>798,028</b>	<b>41,149</b>	<b>2,654,689</b>	<b>246,610</b>	<b>8,502,432</b>	
-	-	-	-	-	-	-	-	-	50,532
-	125,826	-	1,045,096	874,958	2,042	-	-	-	2,482,553
542,447	-	-	-	-	8,704	2,386,706	-	-	4,373,696
-	-	-	-	74,511	-	-	-	-	125,130
96,019	-	-	-	-	-	-	-	-	96,019
<b>638,466</b>	<b>125,826</b>	<b>-</b>	<b>1,045,096</b>	<b>949,469</b>	<b>10,746</b>	<b>2,386,706</b>	<b>-</b>	<b>-</b>	<b>7,127,930</b>
<b>269,873</b>	<b>(119,740)</b>	<b>91,069</b>	<b>81,360</b>	<b>(151,441)</b>	<b>30,403</b>	<b>267,983</b>	<b>246,610</b>	<b>1,374,502</b>	
-	-	-	22,365	263,257	13,650	-	-	-	404,272
-	-	-	-	(90,575)	-	(250,000)	-	-	(1,116,385)
-	-	-	22,365	172,682	13,650	(250,000)	-	-	(712,113)
<b>269,873</b>	<b>(119,740)</b>	<b>91,069</b>	<b>103,725</b>	<b>21,241</b>	<b>44,053</b>	<b>17,983</b>	<b>246,610</b>	<b>662,389</b>	
<b>269,219</b>	<b>510,089</b>	<b>526,027</b>	<b>373,147</b>	<b>368,964</b>	<b>-</b>	<b>500,426</b>	<b>200,827</b>	<b>4,225,379</b>	
<b>\$ 539,092</b>	<b>\$ 390,349</b>	<b>\$ 617,096</b>	<b>\$ 476,872</b>	<b>\$ 390,205</b>	<b>\$ 44,053</b>	<b>\$ 518,409</b>	<b>\$ 447,437</b>	<b>\$ 4,887,768</b>	

**CITY OF CEDAR HILL, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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	<b>Nonmajor Capital Projects</b>				
	<b>Park Development</b>	<b>Restricted Street</b>	<b>Economic Development Incentive</b>	<b>Street Construction</b>	<b>Downtown City Center</b>
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-	-
Intergovernmental	30,000	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	1,404	7,522	1,367	31,605	16,053
Grants and donations	-	-	-	-	-
Miscellaneous	21,784	-	-	-	-
<b>Total revenues</b>	<b>53,188</b>	<b>7,522</b>	<b>1,367</b>	<b>31,605</b>	<b>16,053</b>
<b>EXPENDITURES</b>					
Current:					
Public works	-	-	-	-	-
Public safety	-	-	-	-	-
Community Services	8,250	-	-	-	255,554
Capital outlay					
Public safety	-	-	-	-	-
Community Services	144,576	-	-	-	-
<b>Total expenditures</b>	<b>152,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255,554</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(99,638)</b>	<b>7,522</b>	<b>1,367</b>	<b>31,605</b>	<b>(239,501)</b>
<b>Other Financing Sources (Uses)</b>					
Transfer In	-	-	-	100,000	-
Transfer Out	-	-	-	-	-
<b>Total Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>
<b>Changes in Fund Balance</b>	<b>(99,638)</b>	<b>7,522</b>	<b>1,367</b>	<b>131,605</b>	<b>(239,501)</b>
Fund balances, beginning of year	141,841	382,713	104,337	2,083,693	946,461
Fund balances, end of year	<b>\$ 42,203</b>	<b>\$ 390,235</b>	<b>\$ 105,704</b>	<b>\$ 2,215,298</b>	<b>\$ 706,960</b>

**EXHIBIT F-2 (CONCLUDED)**

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<b>Nonmajor Capital Projects</b>					<b>Total Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Funds</b>
<b>Building Maintenance</b>	<b>Drainage</b>	<b>Regional Drainage</b>	<b>Capital Recovery</b>			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,228,444	
						83,993
					30,000	2,286,866
						3,375,367
						120,898
3,221	11,471	1,237	63,661	137,541		195,344
						119,532
					236,686	258,470
						517,999
<b>3,221</b>	<b>11,471</b>	<b>1,237</b>	<b>300,347</b>	<b>426,011</b>		<b>8,928,443</b>
						50,532
						2,482,553
					263,804	4,637,500
						125,130
					144,576	240,595
						408,380
						<b>7,536,310</b>
<b>3,221</b>	<b>11,471</b>	<b>1,237</b>	<b>300,347</b>	<b>17,631</b>		<b>1,392,133</b>
100,000	-	-	-		200,000	604,272
						(1,116,385)
<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>		<b>(512,113)</b>
103,221	11,471	1,237	300,347	217,631		880,020
184,438	574,706	94,413	4,609,571	9,122,173		13,347,552
<b>\$ 287,659</b>	<b>\$ 586,177</b>	<b>\$ 95,650</b>	<b>\$ 4,909,918</b>	<b>\$ 9,339,804</b>		<b>\$ 14,227,572</b>

**CITY OF CEDAR HILL, TEXAS  
COMBINING BALANCE SHEET  
PUBLIC IMPROVEMENT DISTRICTS  
AS OF SEPTEMBER 30, 2020**

**EXHIBIT F-3**

<b>Public Improvement Districts</b>					
	<b>High Pointe PID</b>	<b>Waterford Oaks PID</b>	<b>Winding Hollow PID</b>	<b>Windsor PID</b>	<b>Total Public Improvement Districts</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 284,906	\$ 370,934	\$ 109,860	\$ 98,911	\$ 864,611
Receivables (net, where applicable, of allowances for uncollectibles)	11,892	4,174	600	824	17,490
<b>Total assets</b>	<b>\$ 296,798</b>	<b>\$ 375,108</b>	<b>\$ 110,460</b>	<b>\$ 99,735</b>	<b>\$ 882,101</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 12,089	\$ 1,248	\$ 31	\$ 1,037	\$ 14,405
Interfund loan payable	-	-	312,189	-	312,189
<b>Total liabilities</b>	<b>12,089</b>	<b>1,248</b>	<b>312,220</b>	<b>1,037</b>	<b>326,594</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	10,818	4,174	600	823	16,415
<b>Total deferred inflows of resources</b>	<b>10,818</b>	<b>4,174</b>	<b>600</b>	<b>823</b>	<b>16,415</b>
<b>FUND BALANCES</b>					
Restricted for:					
Community services	273,891	369,686	-	97,875	741,452
Unassigned	-	-	(202,360)	-	(202,360)
<b>Total fund balances</b>	<b>273,891</b>	<b>369,686</b>	<b>(202,360)</b>	<b>97,875</b>	<b>539,092</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 296,798</b>	<b>\$ 375,108</b>	<b>\$ 110,460</b>	<b>\$ 99,735</b>	<b>\$ 882,101</b>

**CITY OF CEDAR HILL, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**PUBLIC IMPROVEMENT DISTRICTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT F-4**

<b>Public Improvement Districts</b>					
	<b>High Pointe PID</b>	<b>Waterford Oaks PID</b>	<b>Winding Hollow PID</b>	<b>Windsor PID</b>	<b>Total Public Improvement Districts</b>
<b>REVENUES:</b>					
Taxes	\$ 561,832	\$ 161,695	\$ 47,282	\$ 98,070	\$ 868,879
Intergovernmental	20,000	3,305	-	-	23,305
Investment earnings	3,936	4,827	1,444	988	11,195
Miscellaneous	3,972	988	-	-	4,960
<b>Total revenues</b>	<b>589,740</b>	<b>170,815</b>	<b>48,726</b>	<b>99,058</b>	<b>908,339</b>
<b>EXPENDITURES</b>					
Current:					
Community services	387,261	121,183	3,002	31,001	542,447
Capital outlay					
Community services	88,424	7,595	-	-	96,019
<b>Total expenditures</b>	<b>475,685</b>	<b>128,778</b>	<b>3,002</b>	<b>31,001</b>	<b>638,466</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>114,055</b>	<b>42,037</b>	<b>45,724</b>	<b>68,057</b>	<b>269,873</b>
<b>Changes in Fund Balance</b>	<b>114,055</b>	<b>42,037</b>	<b>45,724</b>	<b>68,057</b>	<b>269,873</b>
Fund balances, beginning of year	159,836	327,649	(248,084)	29,818	269,219
Fund balances, end of year	<b>\$ 273,891</b>	<b>\$ 369,686</b>	<b>\$ (202,360)</b>	<b>\$ 97,875</b>	<b>\$ 539,092</b>

**CITY OF CEDAR HILL, TEXAS**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT G-1**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 7,050,662	\$ 7,050,662	\$ 6,995,926	\$ (54,736)
Intergovernmental	2,140,765	2,140,765	2,139,980	(785)
Investment earnings	42,000	42,000	52,861	10,861
<b>Total revenues</b>	<b>9,233,427</b>	<b>9,233,427</b>	<b>9,188,767</b>	<b>(44,660)</b>
<b>EXPENDITURES</b>				
Principal retirement	6,960,000	6,960,000	6,960,000	-
Interest and fiscal agent charges	2,797,428	2,797,428	2,797,948	(520)
<b>Total expenditures</b>	<b>9,757,428</b>	<b>9,757,428</b>	<b>9,757,948</b>	<b>(520)</b>
Deficiency of revenues under expenditures	(524,001)	(524,001)	(569,181)	(45,180)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	394,178	394,178	394,178	-
<b>Total other financing sources (uses)</b>	<b>394,178</b>	<b>394,178</b>	<b>394,178</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>\$ (129,823)</b>	<b>\$ (129,823)</b>	<b>\$ (175,003)</b>	<b>\$ (45,180)</b>
Fund balances, beginning of year			1,860,832	
Fund balances, end of year			<b>\$ 1,685,829</b>	

**CITY OF CEDAR HILL, TEXAS**  
**POLICE FORFEITURE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT G-2**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Fines and forfeits	\$ 39,250	\$ 39,250	\$ 29,615	\$ (9,635)
Investment earnings	3,250	3,250	2,903	(347)
<b>Total revenues</b>	<b>42,500</b>	<b>42,500</b>	<b>32,518</b>	<b>(9,982)</b>
<b>EXPENDITURES</b>				
Public safety	61,200	61,200	20,260	40,940
<b>Total expenditures</b>	<b>61,200</b>	<b>61,200</b>	<b>20,260</b>	<b>40,940</b>
Excess (deficiency) of revenues over (under) expenditures	(18,700)	(18,700)	12,258	30,958
Changes in fund balances	\$ (18,700)	\$ (18,700)	12,258	\$ 30,958
Fund balances, beginning of year			198,238	
Fund balances, end of year			<b>\$ 210,496</b>	

**CITY OF CEDAR HILL, TEXAS**  
**HOTEL OCCUPANCY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT G-3**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 389,000	\$ 389,000	\$ 288,169	\$ (100,831)
Investment earnings	20,350	20,350	13,241	(7,109)
Miscellaneous	-	-	280	280
<b>Total revenues</b>	<b>409,350</b>	<b>409,350</b>	<b>301,690</b>	<b>(107,660)</b>
<b>EXPENDITURES</b>				
Community Services	382,295	382,295	343,311	38,984
Capital Outlay	15,000	15,000	-	15,000
<b>Total expenditures</b>	<b>397,295</b>	<b>397,295</b>	<b>343,311</b>	<b>53,984</b>
Excess of revenues over expenditures	12,055	12,055	(41,621)	(53,676)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	-	-	-
Transfer out	-	-	(303,603)	(303,603)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(303,603)</b>	<b>(303,603)</b>
<b>Net changes in fund balances</b>	<b>\$ 12,055</b>	<b>\$ 12,055</b>	<b>(345,224)</b>	<b>\$ (357,279)</b>
Fund balances, beginning of year			1,056,000	
Fund balances, end of year			<b>\$ 710,776</b>	

**CITY OF CEDAR HILL, TEXAS**  
**LIBRARY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT G-4**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Intergovernmental	\$ 3,000	\$ 3,000	\$ 6,566	\$ 3,566
Investment earnings	3,200	3,200	1,246	(1,954)
Grants and donations	25,000	25,000	21,201	(3,799)
Miscellaneous revenue	-	-	-	-
<b>Total revenues</b>	<b>31,200</b>	<b>31,200</b>	<b>29,013</b>	<b>(2,187)</b>
<b>EXPENDITURES</b>				
Community Services	45,000	45,000	37,178	7,822
<b>Total expenditures</b>	<b>45,000</b>	<b>45,000</b>	<b>37,178</b>	<b>7,822</b>
Excess of (deficiency) revenues over (under) expenditures	(13,800)	(13,800)	(8,165)	5,635
<b>Net changes in fund balances</b>	<b>\$ (13,800)</b>	<b>\$ (13,800)</b>	<b>(8,165)</b>	<b>\$ 5,635</b>
Fund balances, beginning of year			96,010	
Fund balances, end of year			<b>\$ 87,845</b>	

**CITY OF CEDAR HILL, TEXAS**  
**HIGH POINTE PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT G-5**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Assessments	\$ 508,000	\$ 508,000	\$ 561,832	\$ 53,832
Intergovernmental	20,000	20,000	20,000	-
Investment earnings	2,500	2,500	3,936	1,436
Miscellaneous	1,000	1,000	3,972	2,972
<b>Total revenues</b>	<b>531,500</b>	<b>531,500</b>	<b>589,740</b>	<b>58,240</b>
<b>EXPENDITURES</b>				
Community service	336,080	336,080	387,261	(51,181)
Capital outlay	190,000	190,000	88,424	101,576
<b>Total expenditures</b>	<b>526,080</b>	<b>526,080</b>	<b>475,685</b>	<b>50,395</b>
Excess (deficiency) of revenues over (under) expenditures	5,420	5,420	114,055	108,635
<b>Net changes in fund balances</b>	<b>\$ 5,420</b>	<b>\$ 5,420</b>	<b>114,055</b>	<b>\$ 108,635</b>
Fund balances, beginning of year			<u>159,836</u>	
Fund balances, end of year			<u>\$ 273,891</u>	

**CITY OF CEDAR HILL, TEXAS****EXHIBIT G-6****WATERFORD OAKS PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Assessments	\$ 165,850	\$ 165,850	\$ 161,695	\$ (4,155)
Intergovernmental	3,300	3,300	3,305	5
Investment earnings	2,300	2,300	4,827	2,527
Miscellaneous	-	-	988	988
<b>Total revenues</b>	<b>171,450</b>	<b>171,450</b>	<b>170,815</b>	<b>(1,623)</b>
<b>EXPENDITURES</b>				
Community service	130,300	130,300	121,183	9,117
Capital outlay	40,000	40,000	7,595	32,405
<b>Total expenditures</b>	<b>170,300</b>	<b>170,300</b>	<b>128,778</b>	<b>41,522</b>
Excess (deficiency) of revenues over (under) expenditures	1,150	1,150	42,037	40,887
<b>Net changes in fund balances</b>	<b>\$ 1,150</b>	<b>\$ 1,150</b>	<b>42,037</b>	<b>\$ 40,887</b>
Fund balances, beginning of year			327,649	
Fund balances, end of year			<b>\$ 369,686</b>	

**CITY OF CEDAR HILL, TEXAS  
WINDING HOLLOW PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT G-7**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Assessments	\$ 50,633	\$ 50,633	\$ 47,282	\$ (3,351)
Investment earnings	1,500	1,500	1,444	(56)
<b>Total revenues</b>	<b>52,133</b>	<b>52,133</b>	<b>48,726</b>	<b>(3,407)</b>
<b>EXPENDITURES</b>				
Community service	37,400	37,400	3,002	34,398
Capital outlay	10,000	10,000	-	10,000
<b>Total expenditures</b>	<b>47,400</b>	<b>47,400</b>	<b>3,002</b>	<b>44,398</b>
Excess (deficiency) of revenues over (under) expenditures	4,733	4,733	45,724	40,991
Changes in fund balances	<b>\$ 4,733</b>	<b>\$ 4,733</b>	<b>45,724</b>	<b>\$ 40,991</b>
Fund balances, beginning of year			(248,084)	
Fund balances, end of year			<b>\$ (202,360)</b>	

**CITY OF CEDAR HILL, TEXAS****EXHIBIT G-8****TRAFFIC SAFETY SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Fines and forfeits	\$ -	\$ -	\$ -	\$ -
Investment earnings	6,000	6,000	6,086	86
<b>Total revenues</b>	<b>6,000</b>	<b>6,000</b>	<b>6,086</b>	<b>86</b>
<b>EXPENDITURES</b>				
Public safety	129,502	129,502	125,826	3,676
Capital outlay	139,000	139,000	-	139,000
<b>Total expenditures</b>	<b>268,502</b>	<b>268,502</b>	<b>125,826</b>	<b>142,676</b>
Excess (deficiency) of revenues over (under) expenditures	(262,502)	(262,502)	(119,740)	142,762
Changes in fund balances	\$ (262,502)	\$ (262,502)	(119,740)	\$ 142,762
Fund balances, beginning of year			<u>510,089</u>	
Fund balances, end of year			<u>\$ 390,349</u>	

**CITY OF CEDAR HILL, TEXAS**  
**CRIME CONTROL AND PREVENTION DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT G-9**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 1,053,945	\$ 1,053,945	\$ 1,071,396	\$ 17,451
Fines and forfeits	51,520	51,520	51,991	471
Investment earnings	6,500	6,500	3,069	(3,431)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>1,111,965</b>	<b>1,111,965</b>	<b>1,126,456</b>	<b>14,491</b>
<b>EXPENDITURES</b>				
Public safety	1,142,225	1,142,225	1,045,096	97,129
<b>Total expenditures</b>	<b>1,142,225</b>	<b>1,142,225</b>	<b>1,045,096</b>	<b>97,129</b>
Excess (deficiency) of revenues over (under) expenditures	(30,260)	(30,260)	81,360	111,620
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	-	22,365	22,365
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>22,365</b>	<b>22,365</b>

**CITY OF CEDAR HILL, TEXAS**  
**ANIMAL SHELTER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT G-10**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Charges for services	\$ 993,575	\$ 993,575	\$ 694,872	\$ (298,703)
Investment earnings	-	-	4,790	4,790
Grants and donations	125,000	125,000	98,331	(26,669)
Miscellaneous	35	35	35	-
<b>Total revenues</b>	<b>1,118,610</b>	<b>1,118,610</b>	<b>798,028</b>	<b>(320,582)</b>
<b>EXPENDITURES</b>				
Public safety	964,248	964,248	874,958	89,290
Capital outlay	200,000	200,000	74,511	125,489
<b>Total expenditures</b>	<b>1,164,248</b>	<b>1,164,248</b>	<b>949,469</b>	<b>214,779</b>
Excess (deficiency) of revenues over (under) expenditures	(45,638)	(45,638)	(151,441)	(105,803)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	-	263,257	263,257
Transfer out	(90,575)	(90,575)	(90,575)	-
<b>Total other financing sources (uses)</b>	<b>(90,575)</b>	<b>(90,575)</b>	<b>172,682</b>	<b>263,257</b>
<b>Net changes in fund balances</b>	<b>\$ (136,213)</b>	<b>\$ (136,213)</b>	<b>21,241</b>	<b>\$ 157,454</b>
Fund balances, beginning of year			<u>368,964</u>	
Fund balances, end of year			<u>\$ 390,205</u>	

**CITY OF CEDAR HILL, TEXAS**  
**LANDSCAPE BEAUTIFICATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT G-11**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Charges for services	\$ 2,860,615	\$ 2,860,615	\$ 2,639,545	\$ (221,070)
Investment earnings	6,985	6,985	3,872	(3,113)
Miscellaneous	3,000	-	11,272	11,272
<b>Total revenues</b>	<b>2,870,600</b>	<b>2,867,600</b>	<b>2,654,689</b>	<b>(212,911)</b>
<b>EXPENDITURES</b>				
Community service	2,513,000	2,513,000	2,386,706	126,294
<b>Total expenditures</b>	<b>2,513,000</b>	<b>2,513,000</b>	<b>2,386,706</b>	<b>126,294</b>
Excess (deficiency) of revenues over (under) expenditures	357,600	354,600	267,983	(86,617)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	(250,000)	(250,000)	(250,000)	-
<b>Total other financing sources (uses)</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>-</b>
Changes in fund balances	\$ 107,600	\$ 104,600	17,983	\$ (86,617)
Fund balances, beginning of year			500,426	
Fund balances, end of year			<b>\$ 518,409</b>	

**CITY OF CEDAR HILL, TEXAS****JPL PERMANENT FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL (UNAUDITED)****FOR THE YEAR ENDED SEPTEMBER 30, 2020****EXHIBIT G-12**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES-Investment earnings</b>	\$ 492,000	\$ 492,000	\$ 426,809	\$ (65,191)
<b>Total revenues</b>	492,000	492,000	426,809	(65,191)
<b>EXPENDITURES</b>				
Miscellaneous	7,500	7,500	-	7,500
<b>Total expenditures</b>	7,500	7,500	-	7,500
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer out	(105,000)	(105,000)	(105,000)	-
<b>Total other financing sources (uses)</b>	(105,000)	(105,000)	(105,000)	-
<b>Net change in fund balances</b>	\$ 379,500	\$ 379,500	321,809	\$ (72,691)
<b>FUND BALANCE-Beginning of year</b>			19,201,073	
<b>FUND BALANCE-End of year</b>			\$ 19,522,882	

**CITY OF CEDAR HILL, TEXAS  
INTERNAL SERVICES FUND  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

**EXHIBIT H-1**

	<b>Equipment Fund</b>	<b>Health Insurance Fund</b>	<b>Total</b>
<b>ASSETS:</b>			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 1,522,569	\$ 1,969,774	\$ 3,492,343
Receivables (net, of allowances for uncollectibles):			
Accounts	3,603	4,370	7,973
<b>Total current assets</b>	<u>1,526,172</u>	<u>1,974,144</u>	<u>3,500,316</u>
Noncurrent assets:			
Capital assets:			
Depreciable-net of accumulated depreciation	3,008,843	-	3,008,843
<b>Total noncurrent assets</b>	<u>3,008,843</u>	<u>-</u>	<u>3,008,843</u>
<b>Total assets</b>	<u>4,535,015</u>	<u>1,974,144</u>	<u>6,509,159</u>
<b>LIABILITIES:</b>			
Current liabilities:			
Payable from current assets:			
Accounts and contracts payable	-	632	632
Unpaid claims liabilities	-	243,849	243,849
<b>Total payable from current assets</b>	<u>-</u>	<u>244,481</u>	<u>244,481</u>
<b>Total current liabilities</b>	<u>-</u>	<u>244,481</u>	<u>244,481</u>
<b>Total liabilities</b>	<u>-</u>	<u>244,481</u>	<u>244,481</u>
<b>NET POSITION:</b>			
Net investment in capital assets	3,008,843	-	3,008,843
Unrestricted	<u>1,526,172</u>	<u>1,729,663</u>	<u>3,255,835</u>
<b>Total net position</b>	<u>\$ 4,535,015</u>	<u>\$ 1,729,663</u>	<u>\$ 6,264,678</u>

**CITY OF CEDAR HILL, TEXAS  
INTERNAL SERVICES FUND**

**EXHIBIT H-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Equipment Fund</b>	<b>Health Insurance Fund</b>	<b>Total</b>
<b>OPERATING REVENUES:</b>			
Other charges	\$ 1,020,183	\$ -	\$ 1,020,183
Premiums	-	3,942,984	3,942,984
<b>Total operating revenues</b>	<b>1,020,183</b>	<b>3,942,984</b>	<b>4,963,167</b>
<b>OPERATING EXPENSES:</b>			
Claims paid and change in estimate	-	2,525,477	2,525,477
Administrative and fiscal services	-	744,053	744,053
Depreciation	985,698	-	985,698
Materials and supplies	202,631	-	202,631
Miscellaneous	-	202,897	202,897
<b>Total operating expenses</b>	<b>1,188,329</b>	<b>3,472,427</b>	<b>4,660,756</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(168,146)</b>	<b>470,557</b>	<b>302,411</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>			
Other non-operating revenue	9,459	-	9,459
Investment income	16,690	22,210	38,900
Gain (loss) on retirement of assets	36,460	-	36,460
<b>Total nonoperating revenue (expenses)</b>	<b>62,609</b>	<b>22,210</b>	<b>84,819</b>
<b>INCOME (LOSS)</b>	<b>(105,537)</b>	<b>492,767</b>	<b>387,230</b>
<b>CHANGE IN NET POSITION</b>	<b>(105,537)</b>	<b>492,767</b>	<b>387,230</b>
<b>NET POSITION-October 1</b>	<b>4,640,552</b>	<b>1,236,896</b>	<b>5,877,448</b>
<b>NET POSITION-End of year</b>	<b>\$ 4,535,015</b>	<b>\$ 1,729,663</b>	<b>\$ 6,264,678</b>

**CITY OF CEDAR HILL, TEXAS  
INTERNAL SERVICES FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT H-3**

	<b>Equipment Fund</b>	<b>Health Insurance Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,021,987	\$ -	\$ 1,021,987
Cash received from city and employee contributions	-	3,887,178	3,887,178
Cash received from the wellness program	-	46,192	46,192
Cash paid to suppliers	(243,867)	-	(243,867)
Cash payments for claims	-	(2,731,230)	(2,731,230)
Cash payments for administrative and fiscal services	-	(946,950)	(946,950)
<b>Net cash provided by operations</b>	<b>778,120</b>	<b>255,190</b>	<b>1,033,310</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(609,987)	-	(609,987)
Proceeds from sales of assets	36,460	-	36,460
Other non-operating sources	9,459	-	9,459
<b>Net cash used in capital and related financing activities</b>	<b>(564,068)</b>	<b>-</b>	<b>(564,068)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	16,690	22,210	38,900
<b>Net cash provided by investing activities</b>	<b>16,690</b>	<b>22,210</b>	<b>38,900</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>230,742</b>	<b>277,400</b>	<b>508,142</b>
<b>CASH AND CASH EQUIVALENTS-Beginning of year</b>	<b>1,291,827</b>	<b>1,692,374</b>	<b>2,984,201</b>
<b>CASH AND CASH EQUIVALENTS-End of year</b>	<b>\$ 1,522,569</b>	<b>\$ 1,969,774</b>	<b>\$ 3,492,343</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income(loss)	\$ (168,146)	\$ 470,557	\$ 302,411
Adjustments:			
Depreciation expense	985,698	-	985,698
Change in assets and liabilities:			
Decrease (increase) in receivables	13,276	(1,892)	11,384
Increase (decrease) in accounts payable	(52,708)	(7,722)	(60,430)
Increase (decrease) in claims liabilities	-	(205,753)	(205,753)
<b>Total adjustments</b>	<b>946,266</b>	<b>(215,367)</b>	<b>730,899</b>
<b>NET CASH PROVIDED BY OPERATIONS</b>	<b>\$ 778,120</b>	<b>\$ 255,190</b>	<b>\$ 1,033,310</b>

**CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
BALANCE SHEET  
AS OF SEPTEMBER 30, 2020**

**EXHIBIT I-1**

	<u>Community Development Corporation</u>
<b>ASSETS</b>	
Equity in pooled cash and cash equivalents	\$ 10,929,520
Receivable:	
Taxes	755,331
Interest	7,933
Miscellaneous	46,316
Other receivables	
<b>Total assets</b>	<u>\$ 11,739,100</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	51,566
Accrued liabilities	90,010
Unearned revenue	52,639
Deposits	17,336
<b>Total liabilities</b>	<u>211,551</u>
<b>FUND BALANCE</b>	
Unassigned	11,527,549
<b>Total fund balance</b>	<u>11,527,549</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 11,739,100</u>

**CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
RECONCILIATION OF THE BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
AS OF SEPTEMBER 30, 2020**

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**EXHIBIT I-2**

<b>TOTAL FUND BALANCES-Governmental funds</b>	<b>\$ 11,527,549</b>
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.	2,652,169
Deferred outflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	14,340
Deferred inflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	(9,601)
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
Compensated absences	(54,331)
OPEB liability	<u>(95,588)</u>
<b>TOTAL NET POSITION-Governmental activities</b>	<b><u>\$ 14,034,538</u></b>

**CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**EXHIBIT I-3**

	<u>Community Development Corporation</u>
<b>REVENUES:</b>	
Taxes	\$ 4,242,203
Charges for services	297,199
Investment earnings	193,902
Miscellaneous	<u>27,461</u>
<b>Total revenues</b>	<b><u>4,760,765</u></b>
<b>EXPENDITURES</b>	
Current:	
Community services	3,201,218
Capital outlay:	
Community services	<u>489,580</u>
<b>Total expenditures</b>	<b><u>3,690,798</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b><u>1,069,967</u></b>
<b>Changes in Fund Balance</b>	<b><u>1,069,967</u></b>
Fund balances, beginning of year	<u>10,457,582</u>
Fund balances, end of year	<b><u>\$ 11,527,549</u></b>

**CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT I-4**

**NET CHANGE IN FUND BALANCES-Total governmental funds** \$ 1,069,967

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the government-wide financial statements, they are reported as capital assets. 489,580

In governmental fund financial statements contributions of assets are not reported. In the government-wide financial statements, contributions of assets are reported as reductions in net position. (248,811)

Net changes to vacation and sick liabilities as well as deferred outflows/inflows and OPEB liabilities are not shown 4,576

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 1,315,312

**CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
BALANCE SHEET  
AS OF SEPTEMBER 30, 2020**

**EXHIBIT I-5**

	<u>Economic Development Corporation</u>
<b>ASSETS</b>	
Equity in pooled cash and cash equivalents	\$ 7,363,015
Investments	1,512,707
Receivable:	
Taxes	566,492
Interest	4,989
Prepaid items	<u>5,000</u>
<b>Total assets</b>	<u>\$ 9,452,203</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	19,237
Accrued liabilities	<u>20,658</u>
<b>Total liabilities</b>	<u>39,895</u>
<b>FUND BALANCE</b>	
Nonspendable	5,000
Unassigned	<u>9,407,308</u>
<b>Total fund balance</b>	<u>9,412,308</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 9,452,203</u>

**CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
RECONCILIATION OF THE BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
AS OF SEPTEMBER 30, 2020**

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**EXHIBIT I-6**

<b>TOTAL FUND BALANCES-Governmental funds</b>	\$ 9,412,308
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.	2,931,378
Deferred outflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the fund statements.	4,098
Deferred inflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	(2,743)
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
Compensated absences	(8,300)
OPEB liability	<u>(27,311)</u>
<b>TOTAL NET POSITION-Governmental activities</b>	<u>\$ 12,309,430</u>

**CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT I-7**

	<u>Economic Development Corporation</u>
<b>REVENUES:</b>	
Taxes	\$ 3,181,652
Investment earnings	<u>126,690</u>
<b>Total revenues</b>	<u>3,308,342</u>
<b>EXPENDITURES</b>	
Current:	
Community services	<u>2,792,131</u>
<b>Total expenditures</b>	<u>2,792,131</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>516,211</u>
<b>Changes in Fund Balance</b>	<u>516,211</u>
Fund balances, beginning of year	<u>8,896,097</u>
Fund balances, end of year	<u>\$ 9,412,308</u>

**CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION  
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**EXHIBIT I-8**

<b>NET CHANGE IN FUND BALANCES</b> -Total governmental funds	\$ 516,211
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(3,729)
Governmental funds report capital outlays as expenditures. However, in the government-wide financials, they are reported as capital assets	51,490
Additions to vacation and sick liabilities and changes to deferred outflows/inflows are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.	<u>(4,555)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 559,417</u>

**STATISTICAL SECTION  
(UNAUDITED)**



CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

# STATISTICAL SECTION

## (Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Cedar Hill's overall financial health.

**FINANCIAL TRENDS INFORMATION** - information to help the reader understand how the City's financial performance and well-being have changed over time.

- 1 Net assets by component
- 2 Changes in net assets
- 3 Fund balances, governmental funds
- 4 Changes in fund balances, governmental funds

**REVENUE CAPACITY INFORMATION** - information to help the reader assess the City's most significant local revenue source, the property tax.

- 5 Assessed value and actual value of taxable property
- 6 Direct and overlapping property tax rates
- 7 Principal property tax payers
- 8 Property tax levies and collections

**DEBT CAPACITY INFORMATION** - information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

- 9 Ratios of outstanding debt by type
- 10 Ratios of net general bonded debt outstanding
- 11 Direct and overlapping governmental activities debt
- 12 Legal debt margin information
- 13 Pledged-revenue coverage

**DEMOGRAPHIC AND ECONOMIC INFORMATION** - information to help the reader understand the environment within which the City's financial activities take place, and to help make comparisons over time and with other governments.

- 14 Demographic and economic statistics
- 15 Principal employers

**OPERATING INFORMATION** - service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

- 16 Full-time equivalent city government employees by function/program
- 17 Operating indicators by function/program
- 18 Capital asset statistics by function/program

**CITY OF CEDAR HILL, TEXAS**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Governmental activities				
Net investment in capital assets	\$ 72,596,207	\$ 72,238,826	\$ 74,150,379	\$ 75,744,968
Restricted	11,378,549	10,973,051	10,964,938	9,967,610
Unrestricted	14,718,473	16,659,826	14,134,635	13,484,943
<b>Total governmental activities net position</b>	<b>\$ 98,693,229</b>	<b>\$ 99,871,703</b>	<b>\$ 99,249,952</b>	<b>\$ 99,197,521</b>
Business-type activities				
Net investment in capital assets	\$ 45,512,376	\$ 45,886,988	\$ 45,615,944	\$ 45,480,236
Restricted	3,510,291	3,137,658	3,388,212	4,048,531
Unrestricted	3,690,340	2,912,481	3,730,851	6,970,564
<b>Total business-type activities net position</b>	<b>\$ 52,713,007</b>	<b>\$ 51,937,127</b>	<b>\$ 52,735,007</b>	<b>\$ 56,499,331</b>
Primary government				
Net investment in capital assets	\$ 118,108,583	\$ 118,125,814	\$ 119,766,323	\$ 121,225,204
Restricted	14,888,840	14,110,709	14,353,150	14,016,141
Unrestricted	18,408,813	19,572,307	17,865,486	20,455,507
<b>Total primary government net position</b>	<b>\$ 151,406,236</b>	<b>\$ 151,808,830</b>	<b>\$ 151,984,959</b>	<b>\$ 155,696,852</b>

**Source:** Comprehensive Annual Financial Reports

**TABLE 1**

2015	2016	2017	2018	2019	2020
\$ 80,025,249	\$ 83,215,449	\$ 109,712,318	\$ 106,180,335	\$ 105,638,798	\$ 113,337,277
10,511,210	8,394,131	11,582,583	17,678,071	44,459,438	29,757,843
1,871,573	1,966,112	17,843,316	17,850,181	(5,934,956)	4,148,935
<u>\$ 92,408,032</u>	<u>\$ 93,575,692</u>	<u>\$ 139,138,217</u>	<u>\$ 141,708,587</u>	<u>\$ 144,163,280</u>	<u>\$ 147,244,055</u>
\$ 46,927,843	\$ 45,050,487	\$ 46,893,008	\$ 46,436,363	\$ 44,824,224	\$ 45,871,100
3,133,733	1,792,767	1,681,967	3,859,296	5,383,604	1,850,905
6,644,886	7,420,834	6,713,795	4,894,933	4,693,298	5,908,426
<u>\$ 56,706,462</u>	<u>\$ 54,264,088</u>	<u>\$ 55,288,770</u>	<u>\$ 55,190,592</u>	<u>\$ 54,901,126</u>	<u>\$ 53,630,431</u>
\$ 126,953,092	\$ 128,265,936	\$ 156,605,326	\$ 152,616,698	\$ 150,463,022	\$ 159,208,377
13,644,943	10,186,898	13,264,550	21,537,367	49,843,042	31,608,748
8,516,459	9,386,946	24,557,111	22,745,114	(1,241,658)	10,057,361
<u>\$ 149,114,494</u>	<u>\$ 147,839,780</u>	<u>\$ 194,426,987</u>	<u>\$ 196,899,179</u>	<u>\$ 199,064,406</u>	<u>\$ 200,874,486</u>

**CITY OF CEDAR HILL, TEXAS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Expenses</b>				
Governmental activities:				
General government	\$ 4,990,898	\$ 5,280,221	\$ 5,899,317	\$ 6,048,611
Public works	6,575,290	6,492,493	6,441,727	6,696,307
Public safety	19,143,067	19,185,108	19,700,185	21,050,888
Community services	6,694,703	6,388,243	6,829,000	7,058,519
Interest and fiscal charges	7,178,521	6,924,676	7,159,431	6,977,022
<b>Total governmental activities expenses</b>	<b>44,582,479</b>	<b>44,270,741</b>	<b>46,029,660</b>	<b>47,831,347</b>
Business-type activities:				
Water and sewer	\$ 16,374,985	\$ 15,674,005	\$ 15,491,378	\$ 15,772,743
<b>Total business-type activities expenses</b>	<b>16,374,985</b>	<b>15,674,005</b>	<b>15,491,378</b>	<b>15,772,743</b>
<b>Total primary government expenses</b>	<b>\$ 60,957,464</b>	<b>\$ 59,944,746</b>	<b>\$ 61,521,038</b>	<b>\$ 63,604,090</b>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services				
General government	\$ 366,589	\$ 353,812	\$ 1,168,201	\$ 464,192
Public works	235,140	463,247	938,346	366,992
Public safety	3,592,585	3,936,093	3,798,408	4,096,762
Community services	2,487,343	2,715,284	2,903,833	2,717,031
Operating grants/contributions	3,112,884	1,979,785	2,024,725	1,740,421
Capital grants/contributions	997,587	714,235	2,795,676	5,186,398
<b>Total governmental activities program revenues</b>	<b>10,792,128</b>	<b>10,162,456</b>	<b>13,629,189</b>	<b>14,571,796</b>
Business-type activities:				
Charges for services	\$ 16,691,383	\$ 15,977,792	\$ 17,209,452	\$ 17,382,937
Capital grants/contributions	354,169	526,269	692,880	631,981
<b>Total business-type activities program revenues</b>	<b>17,045,552</b>	<b>16,504,061</b>	<b>17,902,332</b>	<b>18,014,918</b>
<b>Total primary government program revenues</b>	<b>\$ 27,837,680</b>	<b>\$ 26,666,517</b>	<b>\$ 31,531,521</b>	<b>\$ 32,586,714</b>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (33,790,351)	\$ (34,108,285)	\$ (32,400,471)	\$ (33,259,551)
Business-type activities	670,567	830,056	2,410,954	2,242,175
<b>Total primary government net expense</b>	<b>\$ (33,119,784)</b>	<b>\$ (33,278,229)</b>	<b>\$ (29,989,517)</b>	<b>\$ (31,017,376)</b>

**Source:** Comprehensive Annual Financial Reports

TABLE 2 (CONTINUED)

2015	2016	2017	2018	2019	2020
\$ 6,722,301	\$ 6,767,213	\$ 6,947,494	\$ 6,960,889	\$ 7,123,089	\$ 7,262,308
11,736,039	11,441,834	5,008,051	7,021,452	4,879,498	6,012,302
22,189,531	24,862,491	25,618,102	25,902,749	29,519,851	29,376,740
7,865,226	8,430,316	9,280,829	10,800,462	11,409,000	11,574,016
2,907,619	2,405,818	1,874,383	1,910,803	2,431,803	2,524,393
<u>51,420,716</u>	<u>53,907,672</u>	<u>48,728,859</u>	<u>52,596,355</u>	<u>55,363,241</u>	<u>56,749,759</u>
<u>\$ 16,415,804</u>	<u>\$ 18,221,821</u>	<u>\$ 17,708,700</u>	<u>\$ 17,848,255</u>	<u>\$ 18,832,771</u>	<u>\$ 20,003,612</u>
<u>16,415,804</u>	<u>18,221,821</u>	<u>17,708,700</u>	<u>17,848,255</u>	<u>18,832,771</u>	<u>20,003,612</u>
<u>\$ 67,836,520</u>	<u>\$ 72,129,493</u>	<u>\$ 66,437,559</u>	<u>\$ 70,444,610</u>	<u>\$ 74,196,012</u>	<u>\$ 76,753,371</u>
\$ 716,293	\$ 870,839	\$ 843,914	\$ 779,978	\$ 788,815	\$ 787,083
100,870	316,432	114,914	192,082	126,256	102,698
6,019,903	5,254,150	5,550,066	5,588,368	5,733,331	5,334,068
3,036,202	3,224,479	3,525,792	3,745,336	3,960,314	3,652,192
2,001,494	2,666,399	2,537,822	4,374,471	3,824,331	4,940,619
1,048,364	4,457,074	1,511,933	1,095,938	853,951	535,687
<u>12,923,126</u>	<u>16,789,373</u>	<u>14,084,441</u>	<u>15,776,173</u>	<u>15,286,998</u>	<u>15,352,347</u>
<u>\$ 18,685,787</u>	<u>\$ 17,415,597</u>	<u>\$ 17,759,404</u>	<u>\$ 18,621,798</u>	<u>\$ 17,997,411</u>	<u>\$ 18,504,639</u>
<u>257,513</u>	<u>380,971</u>	<u>1,794,910</u>	<u>357,101</u>	<u>480,156</u>	<u>333,270</u>
<u>18,943,300</u>	<u>17,796,568</u>	<u>19,554,314</u>	<u>18,978,899</u>	<u>18,477,567</u>	<u>18,837,909</u>
<u>\$ 31,866,426</u>	<u>\$ 34,585,941</u>	<u>\$ 33,638,755</u>	<u>\$ 34,755,072</u>	<u>\$ 33,764,565</u>	<u>\$ 34,190,256</u>
\$ (38,497,590)	\$ (37,118,299)	\$ (34,644,418)	\$ (36,820,182)	\$ (40,076,243)	\$ (41,397,412)
2,527,496	(425,253)	1,845,614	1,130,644	(355,204)	(1,165,703)
<u>\$ (35,970,094)</u>	<u>\$ (37,543,552)</u>	<u>\$ (32,798,804)</u>	<u>\$ (35,689,538)</u>	<u>\$ (40,431,447)</u>	<u>\$ (42,563,115)</u>

**CITY OF CEDAR HILL, TEXAS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 19,155,974	\$ 19,328,492	\$ 19,149,038	\$ 19,198,820
Sales and use taxes	6,111,207	6,365,835	6,698,766	7,610,173
Hotel/motel taxes	135,676	161,997	190,302	213,130
Franchise fees	3,284,583	3,457,821	3,354,340	3,603,799
Investment earnings	4,535,466	4,005,347	257,379	3,068,688
Gain on disposal of property	41,859	-	8,479	15,704
Miscellaneous	211,713	167,267	320,416	231,287
Transfers	1,800,000	1,800,000	1,800,000	1,800,000
Gain on Joe Pool payment agreement	-	-	-	-
<b>Total governmental activities</b>	<b>35,276,478</b>	<b>35,286,759</b>	<b>31,778,720</b>	<b>35,741,601</b>
Business-type activities:				
Investment earnings	\$ 125,261	\$ 119,897	\$ 56,838	\$ 36,670
Gain/loss of disposal of property	-	-	-	-
Miscellaneous	62,077	74,167	130,088	3,478,858
Transfers	(1,800,000)	(1,800,000)	(1,800,000)	(1,800,000)
<b>Total business-type activities</b>	<b>(1,612,662)</b>	<b>(1,605,936)</b>	<b>(1,613,074)</b>	<b>1,715,528</b>
<b>Total primary government</b>	<b>\$ 33,663,816</b>	<b>\$ 33,680,823</b>	<b>\$ 30,165,646</b>	<b>\$ 37,457,129</b>
<b>Change in Net Position</b>				
Governmental activities	\$ 1,486,127	\$ 1,178,474	\$ (621,751)	\$ 2,482,050
Business-type activities	(942,095)	(775,880)	797,880	3,957,703
<b>Total primary government</b>	<b>\$ 544,032</b>	<b>\$ 402,594</b>	<b>\$ 176,129</b>	<b>\$ 6,439,753</b>

**TABLE 2 (CONCLUDED)**

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ 20,322,289	\$ 21,222,889	\$ 22,809,120	\$ 24,781,240	\$ 27,083,238	\$ 29,063,652
8,075,632	8,674,970	8,903,958	9,097,038	9,434,328	9,642,400
220,746	223,330	301,690	250,332	341,579	288,169
3,855,211	2,990,157	4,000,294	3,639,798	3,615,024	3,447,261
1,305,343	1,497,708	268,574	928,939	1,341,530	1,199,206
86,420	(12,968)	(67,853)	82,623	54,187	23,812
340,555	508,136	926,523	465,361	333,050	485,538
1,800,000	2,059,800	924,956	1,232,882	328,000	328,149
-	-	42,139,681	-	-	-
36,006,196	37,164,022	80,206,943	40,478,213	42,530,936	44,478,187
\$ 58,062	\$ 46,538	\$ 81,424	\$ 131,821	\$ 358,088	\$ 181,122
-	(3,859)	22,600	5,450	35,650	42,035
-	-	-	-	-	-
(1,800,000)	(2,059,800)	(924,956)	(1,232,882)	(328,000)	(328,149)
(1,741,938)	(2,017,121)	(820,932)	(1,095,611)	65,738	(104,992)
\$ 34,264,258	\$ 35,146,901	\$ 79,386,011	\$ 39,382,602	\$ 42,596,674	\$ 44,373,195
\$ (2,491,394)	\$ 45,723	\$ 45,562,525	\$ 3,658,031	\$ 2,454,693	\$ 3,080,775
785,558	(2,442,374)	1,024,682	35,033	(289,466)	(1,270,695)
\$ (1,705,836)	\$ (2,396,651)	\$ 46,587,207	\$ 3,693,064	\$ 2,165,227	\$ 1,810,080

**CITY OF CEDAR HILL, TEXAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

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	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>General Fund</b>				
<b>Reserved</b>				
Prepaid and inventory	\$ -	\$ -	\$ -	\$ -
Animal shelter	- -	- -	- -	- -
<b>Unreserved</b>				
Nonspendable	79,890	108,886	47,394	52,652
Restricted	23,359	21,422	15,602	24,404
Unassigned	7,245,735	8,081,105	8,155,908	7,835,891
<b>Total General Fund</b>	<b>\$ 7,348,984</b>	<b>\$ 8,211,413</b>	<b>\$ 8,218,904</b>	<b>\$ 7,912,947</b>
<b>All Other Governmental Funds</b>				
<b>Reserved for:</b>				
Prepaid and inventory	\$ -	\$ -	\$ -	\$ -
Construction	- -	- -	- -	- -
Debt service	- -	- -	- -	- -
<b>Unreserved - designated for Joe Pool Fund</b>				
<b>Unreserved, reported in:</b>				
Special revenue funds	- -	- -	- -	- -
Nonspendable	4,113	1,175	875	875
JPL permanent fund	- -	- -	- -	- -
<b>Restricted for:</b>				
Construction	27,061,239	21,065,403	18,479,874	16,652,763
PID use	255,046	264,048	262,925	270,267
Tourism	517,732	590,841	665,874	750,883
Public Safety	267,580	356,891	583,458	608,020
Community Service	- -	- -	- -	- -
Landscaping	- -	- -	- -	- -
Economic Development	- -	- -	- -	- -
Debt service	1,214,648	1,113,789	1,340,738	1,356,029
General Government	- -	- -	- -	- -
Public works	- -	- -	- -	- -
<b>Committed for:</b>				
Library	64,273	75,740	131,760	135,238
Landscaping	1,006,819	1,477,075	1,366,022	1,092,406
Construction	2,077,747	1,564,353	1,572,054	1,577,647
Facilities	- -	- -	- -	- -
Building maintenance	725,215	821,645	825,690	828,407
JPL nature corridor	39,186,264	44,607,884	46,527,005	51,305,636
Economic Development	- -	- -	- -	- -
Infrastructure	- -	- -	- -	- -
Assigned	- -	- -	- -	- -
Unassigned	- -	- -	- -	- -
<b>Total all other governmental funds</b>	<b>\$ 72,380,676</b>	<b>\$ 71,938,844</b>	<b>\$ 71,756,275</b>	<b>\$ 74,578,171</b>

**Source:** Comprehensive Annual Financial Reports  
Fund Balances have been updated to reflect City's GASB 54 Fund Balance Policy

**TABLE 3**

2015	2016	2017	2018	2019	2020
\$ -	\$ 283,522	\$ 117,473	\$ 44,743	\$ 76,879	\$ 108,327
-	123,575	-	-	-	-
-	-	-	-	-	-
26,822	-	-	-	-	-
24,406	-	-	-	-	-
9,090,324	8,771,503	8,448,918	8,771,211	10,074,245	11,087,799
<u>\$ 9,141,552</u>	<u>\$ 9,178,600</u>	<u>\$ 8,566,391</u>	<u>\$ 8,815,954</u>	<u>\$ 10,151,124</u>	<u>\$ 11,196,126</u>
\$ -	\$ 6,224	\$ -	\$ 282	\$ -	\$ 173,011
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,963	-	-	-	15,000,000	15,000,000
24,504,541	17,612,849	10,059,379	14,665,951	-	-
277,468	239,342	368,849	533,015	-	-
836,894	821,640	912,273	890,939	-	-
541,678	545,723	804,398	1,116,643	1,476,465	1,588,572
-	-	-	-	2,311,580	2,100,685
-	-	-	222,825	-	-
-	-	-	38,975	-	-
1,246,232	1,447,330	1,396,399	1,484,107	1,860,832	1,685,829
-	-	-	-	831,191	1,170,237
-	-	-	-	27,272,227	37,021,579
121,489	123,146	107,118	-	-	-
1,050,997	1,277,952	1,377,018	-	-	-
1,173,232	1,819,952	2,545,026	2,607,973	-	-
-	-	-	180,095	184,438	287,659
817,196	194,232	177,445	-	-	-
54,301,017	58,689,221	18,564,055	18,874,640	4,296,464	4,723,709
-	-	-	101,305	-	-
-	-	-	-	2,752,812	2,897,125
-	-	97,936	1,042,564	946,461	706,960
-	-	-	-	(248,084)	(202,360)
<u>\$ 84,872,707</u>	<u>\$ 82,777,611</u>	<u>\$ 36,409,896</u>	<u>\$ 41,759,314</u>	<u>\$ 56,684,386</u>	<u>\$ 67,153,006</u>

**CITY OF CEDAR HILL, TEXAS**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenues</b>				
Taxes	\$ 25,408,781	\$ 25,812,621	\$ 26,083,264	\$ 27,058,897
Franchise taxes	3,188,430	3,431,525	3,352,205	3,637,472
Licenses and permits	520,502	526,399	772,875	738,332
Intergovernmental	3,532,596	2,224,495	2,050,841	2,556,633
Charges for services	4,491,115	4,669,666	4,950,614	5,015,795
Fines and forfeits	1,330,054	1,372,402	1,303,332	1,389,008
Investment earnings	4,510,842	3,989,265	248,395	3,064,301
Grants and donations	-	-	-	-
Miscellaneous	592,110	877,586	4,173,110	810,058
<b>Total revenues</b>	<b>43,574,430</b>	<b>42,903,959</b>	<b>42,934,636</b>	<b>44,270,496</b>
<b>Expenditures</b>				
General government	4,213,256	4,411,688	4,572,942	4,917,868
Public works	2,131,623	2,056,306	2,240,304	2,572,167
Public safety	18,715,058	18,560,836	19,066,681	20,151,570
Community services	5,800,851	5,478,014	5,927,054	6,040,714
Principal retirement	4,271,275	4,524,345	4,792,415	5,225,860
Interest and fiscal agent charges	3,957,697	3,444,741	3,086,412	2,997,075
Capital outlay	3,992,499	5,815,584	5,223,906	3,390,010
<b>Total expenditures</b>	<b>43,082,259</b>	<b>44,291,514</b>	<b>44,909,714</b>	<b>45,295,264</b>
<b>Excess of revenues</b>				
<b>Over (under) expenditures</b>	<b>493,914</b>	<b>(1,387,555)</b>	<b>(2,087,769)</b>	<b>(1,024,768)</b>
<b>Other Financing Sources (Uses)</b>				
Transfer in	2,903,840	3,746,000	3,213,790	3,394,411
Transfer out	(1,103,840)	(1,946,000)	(1,413,790)	(2,144,994)
Premium or discount on issuance of debt	223,578	474,838	-	410,735
Issuance of debt	14,630,000	9,040,000	-	-
Refunding bonds issued	-	-	-	9,495,000
Payment to refunding bond escrow agent	(14,678,464)	(9,506,686)	-	(7,614,445)
Sale of Capital Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,975,114</b>	<b>1,808,152</b>	<b>1,800,000</b>	<b>3,540,707</b>
<b>Net change in fund balance</b>	<b>\$ 2,469,028</b>	<b>\$ 420,597</b>	<b>\$ (287,769)</b>	<b>\$ 2,515,939</b>
Capitalized Capital outlay	3,990,756	5,815,584	5,223,906	3,390,010
Debt service as a percentage of noncapital expenditures	21.1%	20.7%	19.9%	19.6%

**Source:** Comprehensive Annual Financial Reports

Note: Capitalized Capital Outlay updated per Comprehensive Annual Financial Report

TABLE 4

2015	2016	2017	2018	2019	2020
\$ 28,678,707	\$ 30,120,119	\$ 32,334,075	\$ 34,105,970	\$ 36,849,234	\$ 38,958,655
3,819,178	3,465,968	3,531,434	3,640,135	3,609,312	3,439,407
780,478	778,437	807,719	789,254	894,811	763,180
3,550,102	6,750,150	3,611,557	4,525,530	3,956,900	4,937,744
5,219,839	4,733,546	4,557,442	4,780,801	4,980,938	4,972,956
1,865,880	1,760,310	1,936,758	1,857,906	1,777,077	1,112,505
2,522,617	1,490,918	255,087	899,426	1,282,913	1,160,306
-	-	-	-	374,599	119,532
1,145,450	759,828	1,398,078	946,389	727,131	712,765
<u>47,582,251</u>	<u>49,859,276</u>	<u>48,432,150</u>	<u>51,545,411</u>	<u>54,452,915</u>	<u>56,177,050</u>
4,868,548	5,026,331	5,322,042	5,539,114	5,423,911	5,733,160
2,145,169	2,053,159	2,249,229	2,180,935	2,200,304	2,151,651
20,773,934	21,791,776	22,755,963	23,718,688	24,677,418	26,723,372
6,601,545	6,849,744	7,492,414	7,591,881	8,227,740	9,672,415
5,641,240	6,102,000	46,889,359	6,443,517	6,346,795	6,960,000
2,860,726	2,874,002	2,506,334	2,491,606	2,927,327	3,071,409
2,062,022	12,169,887	9,121,689	6,733,928	7,774,859	7,277,343
<u>44,953,184</u>	<u>56,866,899</u>	<u>96,337,030</u>	<u>54,699,669</u>	<u>57,578,354</u>	<u>61,589,350</u>
2,629,067	(7,007,623)	(47,904,880)	(3,154,258)	(3,125,439)	(5,412,300)
3,218,718	3,764,661	3,024,806	2,444,571	1,045,606	2,045,950
(2,399,486)	(1,738,295)	(2,099,850)	(1,211,689)	(717,606)	(1,717,801)
2,961,899	2,336,076	-	172,287	967,676	1,755,773
-	-	-	7,435,000	18,090,000	14,840,000
23,325,050	16,477,611	-	-	-	-
(16,990,488)	(17,112,097)	-	-	-	-
-	-	-	-	5	2,000
<u>10,115,693</u>	<u>3,727,956</u>	<u>924,956</u>	<u>8,840,169</u>	<u>19,385,681</u>	<u>16,925,922</u>
<u>\$ 12,744,760</u>	<u>\$ (3,279,667)</u>	<u>\$ (46,979,924)</u>	<u>\$ 5,685,911</u>	<u>\$ 16,260,242</u>	<u>\$ 11,513,622</u>
1,369,729	12,190,814	10,375,451	5,236,086	7,746,148	7,318,457
19.5%	20.1%	57.5%	18.1%	18.6%	18.5%

**CITY OF CEDAR HILL, TEXAS**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE 5**

<b>Fiscal Year Ended September 30,</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2011	2,838,901,972	297,036,800	(353,400,773)	2,782,537,999	0.67000
2012	2,810,514,062	277,211,190	(350,446,444)	2,737,278,808	0.68588
2013	2,765,638,796	280,235,120	(340,371,034)	2,705,502,882	0.69569
2014	2,786,675,623	283,871,690	(384,154,819)	2,686,392,494	0.69876
2015	2,982,480,619	287,043,060	(419,337,325)	2,850,186,354	0.69876
2016	3,186,822,798	282,090,960	(451,668,826)	3,017,244,932	0.69876
2017	3,445,936,429	290,270,770	(505,646,426)	3,230,560,773	0.69876
2018	3,664,209,975	299,008,240	(527,367,350)	3,435,850,865	0.69876
2019	4,098,436,803	322,237,770	(641,573,266)	3,779,101,307	0.69703
2020	4,361,878,376	333,576,136	(678,100,436)	4,017,354,076	0.69703

**Source:** Dallas Central Appraisal District, Ellis Central Appraisal District.

**Note:** Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.



# CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)  
(RATE PER \$100 OF ASSESSED VALUE)**

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Fiscal Year Ended <u>September 30,</u>	<b>City Direct Rates</b>					<b>Dallas County Community College District</b>	
	<b>Basic Rate</b>	<b>General Obligation</b>		<b>Total Direct</b>	<b>Cedar Hill I.S.D.</b>		
		<b>Debt Service</b>	<b> </b>				
2011	0.488090	0.181910		0.670000	1.440000	0.099230	
2012	0.499820	0.186060		0.685880	1.440000	0.099670	
2013	0.509630	0.186060		0.695690	1.440000	0.119375	
2014	0.512700	0.186060		0.698760	1.525000	0.124700	
2015	0.512700	0.186060		0.698760	1.525000	0.124780	
2016	0.512700	0.186060		0.698760	1.525000	0.123650	
2017	0.512700	0.186060		0.698760	1.516000	0.124240	
2018	0.512700	0.186060		0.698760	1.516000	0.124240	
2019	0.512935	0.184093		0.697028	1.376000	0.124000	
2020	0.512935	0.184093		0.697028	1.306000	0.124000	

**Source:** Dallas Central Appraisal District, various taxing entities.

Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

**TABLE 6**

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<b>Dallas County Hospital District</b>	<b>Dallas County</b>	<b>County School Equalization</b>	<b>Duncanville I.S.D.</b>	<b>Ellis County</b>	<b>Midlothian I.S.D.</b>
0.271000	0.243100	0.010000	1.418000	0.393599	1.397500
0.271000	0.243100	0.010000	1.418000	0.393599	1.397500
0.271000	0.243100	0.009937	1.418000	0.380091	1.540000
0.276000	0.243100	0.010000	1.410000	0.380091	1.540000
0.286000	0.243100	0.010000	1.410000	0.380091	1.540000
0.286000	0.243100	0.010000	1.529500	0.380091	1.540000
0.279400	0.243100	0.009271	1.521480	0.380091	1.540000
0.279400	0.243000	0.009000	1.520000	0.371000	1.540000
0.279400	0.243100	0.010000	1.520000	0.370533	1.540000
0.270000	0.243000	0.010000	1.418000	0.330000	1.470000

**CITY OF CEDAR HILL, TEXAS  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

**TABLE 7**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City	Taxable Assessed Value	Rank	Percentage of Total City
			Value <sup>a</sup>			Taxable Assessed Value <sup>b</sup>
EL AD Cedar Hill, LLC	\$ 66,000,000	1				
Uptown Village at Cedar Hill	52,137,460	2		41,773,370	1	
Price Midtown LLC	41,850,000	3				
Inland Western Cedar Hill	35,799,010	4		29,888,910	3	
KRG Cedar Hill Plaza, LP	33,000,000	5		32,525,000	2	
Oncor Electric Delivery	30,179,440	6		25,556,840	5	
Gates Cedar Hill, LTD	23,824,510	7		13,192,000	9	
Wal-Mart Stores	21,474,040	8		20,862,760	6	
JC Penny Co., INC.	19,390,966	9		27,123,219	4	
STAG TX Holdings LP	18,996,600	10				
Target Corporation				15,851,150	7	
Pattillo Industrial Partners				13,007,650	10	
Pleasant Run and 67 Ltd				13,500,000	8	
<b>Total</b>	<b>\$ 342,652,026</b>		<b>0.00%</b>	<b>\$ 233,280,899</b>		<b>0.00%</b>

**Source:** Dallas Central Appraisal District

**Note:**

<sup>a</sup> Total taxable value including real and personal property for tax year 2019 (fiscal year 2020) is \$4,017,354,076

<sup>b</sup> Total taxable value including real and personal property for tax year 2010 (fiscal year 2011) is \$2,794,961,285

**CITY OF CEDAR HILL, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**TABLE 8**

<b>Fiscal Year Ended September 30,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2011	18,643,004	18,379,231	98.59%	179,230	18,558,461	99.55%
2012	18,774,447	18,521,004	98.65%	126,178	18,647,182	99.32%
2013	18,758,258	18,456,444	98.39%	171,679	18,627,402	99.30%
2014	18,886,686	18,558,194	98.26%	152,170	18,703,626	99.03%
2015	19,915,962	19,563,101	98.23%	46,345	19,600,290	98.41%
2016	21,083,301	20,729,114	98.32%	130,356	20,846,915	98.88%
2017	22,573,866	22,196,989	98.33%	147,138	22,327,847	98.91%
2018	24,008,352	23,858,851	99.38%	93,293	23,858,851	99.38%
2019	26,341,470	26,027,748	98.81%	53,153	26,027,748	98.81%
2020	28,002,163	27,856,376	99.48%	-	27,856,376	99.48%

**Sources:** Dallas County Tax Office

**CITY OF CEDAR HILL, TEXAS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

---

Fiscal Year	Governmental Activities				Business-Type Activities			
	General Obligation Bonds	Certificate of Obligation Bonds	Other Obligations	Unamortized Premiums	Waterworks & Sewer System Revenue Bonds	Waterworks & Sewer System GO & CO Bonds <sup>c</sup>	Unamortized Premiums <sup>c</sup>	
2011	62,666,620	21,670,000	62,718,212	918,887	9,795,000	1,938,380	52,869	
2012	59,092,275	20,880,000	66,282,488	1,195,401	9,325,000	1,702,725	47,110	
2013	55,019,860	20,160,000	70,049,322	1,027,368	8,835,000	1,460,140	41,614	
2014	51,239,000	20,990,000	74,030,225	1,274,903	6,575,000	9,186,000	450,007	
2015	61,812,760	11,420,000	78,237,362	3,814,067	4,375,000	11,217,240	710,622	
2016	63,920,760	3,080,000	82,683,592	5,389,921	-	14,264,240	1,043,341	
2017	58,245,312	2,410,000	-	4,503,276	-	13,014,688	877,422	
2018	56,111,795	5,535,000	-	3,859,905	-	14,038,205	790,045	
2019	58,985,000	14,405,000	-	4,067,779	-	16,575,000	919,730	
2020	62,030,000	19,240,000	-	5,090,165	-	17,780,000	1,060,208	

**Note:** Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Table 5 for property value data.

<sup>b</sup> See Table 14 for population data.

<sup>c</sup> Self-supporting tax-backed bonds.

<sup>d</sup> See Table 14 for population data.

**TABLE 9**

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Total Primary Government	Percentage of Total Personal Income <sup>d</sup>	Percentage of Personal Value of Property <sup>a</sup>	Per Capita <sup>b</sup>
159,759,968	14%	5.74%	3,530
158,524,999	13%	5.79%	3,385
156,593,304	13%	5.75%	3,344
163,745,135	13%	6.03%	3,322
171,587,051	14%	5.86%	3,458
170,381,854	13%	5.65%	3,346
79,050,698	6%	2.45%	1,518
80,334,950	6%	2.34%	1,526
94,952,509	6%	2.51%	1,769
105,200,373	7%	2.62%	1,959

**CITY OF CEDAR HILL, TEXAS**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE 10**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>				<b>Percentage of Actual Taxable Value of Property<sup>a</sup></b>		
	<b>General Obligation Bonds</b>	<b>Certificate of Obligation Bonds</b>	<b>Unamortized Premium<sup>d</sup></b>	<b>Less Sinking Fund<sup>c</sup></b>	<b>Net General Bonded Debt</b>	<b>Per Capita<sup>b</sup></b>	
2011	64,605,000	21,670,000	971,756	1,214,648	86,032,108	3.09%	1,901
2012	60,795,000	20,880,000	1,242,511	1,113,789	81,803,722	2.99%	1,747
2013	56,480,000	20,160,000	1,068,982	1,340,738	76,368,244	2.82%	1,631
2014	60,425,000	20,990,000	1,724,910	1,356,029	81,783,881	3.04%	1,659
2015	73,030,000	11,420,000	4,524,689	1,247,844	87,726,845	3.08%	1,768
2016	71,190,000	10,075,000	6,433,262	1,447,330	86,250,932	2.86%	1,694
2017	64,700,000	8,970,000	5,380,698	1,396,399	77,654,299	2.40%	1,491
2018	61,720,000	13,965,000	4,649,950	1,484,107	78,850,843	2.29%	1,497
2019	63,900,000	26,065,000	4,987,509	1,860,832	93,091,677	2.46%	1,753
2020	66,340,000	32,710,000	6,150,374	1,685,829	103,514,545	2.58%	1,928

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Table 5 for property value data.

<sup>b</sup> See Table 14 for population data.

<sup>c</sup> Debt Service Fund Balance

<sup>d</sup> In FY 2017, this table was restated to include the unamortized premium for years presented.

**CITY OF CEDAR HILL, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2018  
(UNAUDITED)**

**TABLE 11**

<b>Taxing Jurisdiction</b>		<b>2019/2020 Taxable Assessed Value</b>	<b>2019/2020 Tax Rate</b>	<b>Total G.O. Tax Debt</b>	<b>Estimated % Applicable</b>	<b>City's Overlapping G.O. Tax Debt</b>
City of Cedar Hill	\$	4,110,475,252	0.69710	67,020,000	100.00%	\$ 67,020,000
Cedar Hill ISD		3,858,629,764	1.30600	105,551,468	91.95%	97,054,575
Dallas County		261,927,801,917	0.24300	151,495,000	1.33%	2,014,884
Dallas County Comm. College Dist.		269,683,889,444	0.12400	182,800,000	1.33%	2,431,240
Dallas County Hospital Dist.		262,400,022,695	0.27000	640,180,000	1.33%	8,514,394
Dallas County Schools		261,927,801,917	0.01000	37,306,896	1.33%	496,182
Desoto ISD		3,473,734,533	1.52800	143,274,401	0.12%	171,929
Duncanville ISD		5,079,772,408	1.41800	200,331,096	1.92%	3,846,357
Ellis County		17,592,041,486	0.33000	40,425,000	63.00%	254,678
Midlothian ISD		4,678,507,417	1.47000	348,716,373	1.97%	<u>6,869,713</u>
Subtotal, overlapping debt						\$ 188,673,952
City of Cedar Hill (direct debt)						<u>\$ 67,020,000</u>
Total Direct and Overlapping Tax Debt						\$ 255,693,952
Ratio of Direct and Overlapping G. O. Tax Debt to Taxable Assessed Valuation						4.59%
Per Capita Direct and Overlapping G. O. Tax Debt						\$ 3,514.20

**Source:**

Hilltop Securities, Inc. Official Statement 4/14/2020

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and the businesses of Cedar Hill. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The City's total direct debt is net of self supporting debt and Debt Service Fund Balance; the City does not include its contract liability on Joe Pool Lake.

**CITY OF CEDAR HILL, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
AS OF SEPTEMBER 30, 2019  
(UNAUDITED)**

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**TABLE 12**

As a home rule city, the City of Cedar Hill is not limited by law in the amount of debt it may issue.

Article X, Section 2 of the City of Cedar Hill charter states in part:

The City Council shall have the power and it is hereby authorized and made its duty to levy annually for general purposes and for the purpose of paying interest and providing the sinking fund on the bonded indebtedness of the City of Cedar Hill now in existence or which may hereafter be created an ad valorem tax on all real, personal or mixed property within the territorial limits of said City and upon all franchises granted by the City to any individuals or corporations of not exceeding a total of Two Dollars and Fifty cents (\$2.50) on the One Hundred Dollars (\$100.00) assessed valuation of said property. If for any cause the City Council shall fail, neglect or refuse to pass a tax ordinance for any one year, levying taxes for that year, then and in that event the tax levying ordinance last passed shall and will be considered in force and effect as the tax levying ordinance for the year which the City Council failed, neglected or refused to pass such ordinance, and the failure so to pass such ordinance for any year shall in no wise invalidate the tax collections for that year.

The tax rate at October 1, 2020 is \$0.697028 per \$100 of assessed valuation at 100% of market value. The tax rate is 27.88% of the legal limit.

**CITY OF CEDAR HILL, TEXAS  
PLEDGED-REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**TABLE 13**

<b>Fiscal Year</b>	<b>Gross Revenues (1)</b>	<b>Less: Operating Expenses (2)</b>	<b>Net Available Revenue</b>	<b>Average Debt Service (3)</b>	<b>Coverage (4)</b>
2011	16,880,608	13,023,051	3,857,557	1,065,193	3.62
2012	16,171,856	13,629,548	2,542,308	790,942	3.21
2013	17,396,378	13,479,383	3,916,995	1,046,807	3.74
2014	20,898,465	13,735,658	7,162,807	621,679	11.52
2015	18,634,284	14,168,974	4,465,310	438,658	10.18
2016	17,333,094	15,765,558	1,567,536	-	0.00
2017	17,679,424	15,273,504	2,405,920	-	0.00
2018	18,541,621	15,688,000	2,853,621	-	0.00
2019	17,818,947	16,447,045	1,371,902	-	0.00
2020	18,392,329	17,521,852	870,477	-	0.00

**Source:** Comprehensive Annual Financial Reports

- (1) Gross revenues include all water and sewer revenues exclusive of capital recovery fees, interest on accumulated capital recovery fees, contributed capital, and interest on bond proceeds.
- (2) Direct operating expenses include all water and sewer operating expenses, less depreciation.
- (3) Average annual debt service is the average principal and interest payments due over the remaining term of all water and sewer revenue bonds. All existing Revenue Bonds were defeased in FY2016
- (4) All existing Revenue Bonds were defeased in FY2016

**CITY OF CEDAR HILL, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**TABLE 14**

<b>Year</b>	<b>Estimated Population<sup>a</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income<sup>b</sup></b>	<b>Median Household Income<sup>b</sup></b>	<b>Median Age<sup>b</sup></b>	<b>Cedar Hill I.S.D. Enrollment<sup>c</sup></b>	<b>Unemployment Rate<sup>d</sup></b>
2011	45,260	1,116,699,980	24,673	64,727	32	8,134	9.2%
2012	46,829	1,186,084,912	25,328	63,499	31	8,170	7.4%
2013	46,829	1,186,084,912	25,328	63,499	31	7,868	7.4%
2014	49,289	1,304,088,362	26,458	63,667	35	8,700	5.9%
2015	49,615	1,258,087,555	25,357	65,421	35	7,915	4.7%
2016	50,917	1,300,267,429	25,537	68,526	34	8,046	4.7%
2017	52,066	1,394,171,282	26,777	69,412	34	7,883	4.0%
2018	52,659	1,410,050,043	26,777	73,106	36	7,866	3.8%
2019	53,096	1,481,696,976	27,906	73,658	36	7,791	3.1%
2020	53,689	1,560,524,474	29,066	72,463	34	7,625	4.1%

**Sources:**

<sup>a</sup> Available estimates are provided by Claritas, Applied Geographic Solutions.

<sup>b</sup> Available estimates are provided by Cedar Hill Economic Development Corporation (Claritas, US Census Bureau).  
Per capita personal income estimate obtained from U.S. Census Bureau for the year 2015 in 2019 dollars.

<sup>c</sup> Cedar Hill Independent School District

<sup>d</sup> Texas Workforce Commission, September.

**CITY OF CEDAR HILL, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

**TABLE 15**

<b>Employer</b>	<b>2020</b>			<b>2011</b>		
	<b>Estimated Employees</b>	<b>Rank</b>	<b>Percentage of Total City Workforce</b>	<b>Estimated Employees</b>	<b>Rank</b>	<b>Percentage of Total City Workforce</b>
Wal-Mart Supercenter	250	1	0.89%	436	1	1.84%
Total Highway Maintenance	250	2	0.89%			
JCPenney, Distribution Center	240	3	0.86%	400	2	1.69%
Super Target	220	4	0.79%	200	3	0.84%
Dillard's	144	5	0.51%			
JCPenney, Department Store	135	6	0.48%	140	5	0.59%
DMI Corporation	130	7	0.46%	150	4	0
Home Depot	130	8	0.46%	115	8	0.49%
MJB Wood Group/Precision Wood	125	9	0.45%			
P&W Quality Machine, Inc	115	10	0.41%			
Babe's Chicken Dinner House				130	6	0
Crestview Court				120	7	0.51%
Trinity School				110	9	0.46%
Best Buy				94	10	0.40%
<b>Total</b>	<b><u>1,739</u></b>		<b><u>6.21%</u></b>	<b><u>1,895</u></b>		<b><u>7.60%</u></b>

**Source:** City surveys of employers

**Notes:** City of Cedar Hill and Cedar Hill I.S.D. are not included in the rankings.

Total Estimated City Workforce in FY 2020 and FY 2011 is 28,019 and 23,701 respectively

**CITY OF CEDAR HILL, TEXAS**
**TABLE 16**
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Function/Program</u>	<b>Full Time Equivalent Employees as of September 30</b>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government:										
Administration	10.00	10.00	10.00	9.50	10.00	9.50	9.50	9.50	8.50	8.50
Human resources	3.00	4.00	4.00	4.00	4.00	3.00	3.00	3.80	3.50	4.00
Information technology	4.00	4.00	4.00	4.23	4.50	5.20	5.20	5.20	5.20	5.20
Finance	6.75	6.75	6.75	7.00	7.00	7.00	7.00	8.00	8.00	8.00
Economic development	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Tourism	-	-	-	-	1.00	1.50	1.50	1.50	2.00	2.00
Non-Departmental	0.77	2.27	2.27	2.27	2.27	2.50	2.00	2.50	2.50	2.75
Government center	2.50	2.50	2.50	3.00	2.50	3.00	3.00	3.00	3.00	3.00
Public Works:										
Streets & drainage	14.25	14.25	14.25	15.25	14.25	14.40	14.40	14.40	14.40	14.00
Fleet maintenance	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water & sewer	43.65	43.65	43.65	41.15	44.65	44.65	36.00	38.00	38.00	41.00
Public Safety:										
Police	86.10	87.40	87.40	88.10	87.40	89.50	88.50	86.50	93.00	92.50
Animal control	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire	78.00	78.00	78.00	78.00	78.00	79.00	78.00	6.00	79.00	79.00
Municipal court	6.80	7.93	7.93	6.80	7.93	6.68	6.68	79.00	8.00	8.00
Code enforcement	8.00	9.00	9.00	9.00	9.00	9.00	9.00	6.88	10.00	12.00
Animal shelter	9.63	9.63	9.63	10.53	10.53	10.53	10.33	10.00	11.33	11.50
Community Services:										
Parks	26.40	26.40	28.40	26.40	28.40	23.77	23.77	22.42	19.63	17.55
Community development	6.79	6.79	7.79	7.79	7.79	7.79	7.79	7.79	5.00	6.00
Recreation	10.50	11.50	11.50	10.50	11.50	11.50	8.45	9.19	9.19	5.75
Recreation center	22.50	23.00	23.00	23.84	23.00	23.80	23.80	23.80	23.80	23.00
Library	10.48	10.72	10.72	12.72	10.72	12.20	12.20	13.41	14.04	14.09
Main Street	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Planning	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.25	4.00
Neighborhood services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total City Employees:</b>	<b>362.12</b>	<b>370.79</b>	<b>373.79</b>	<b>373.08</b>	<b>378.44</b>	<b>378.52</b>	<b>365.12</b>	<b>365.89</b>	<b>373.34</b>	<b>372.84</b>

**Source:** Annual Budgets

**Notes:** FTE's are based on 2,080 hours for conversion purposes

The Economic Development Corporation personnel are paid by the Economic Development Fund, not the General Fund.

The Water and Sewer personnel are paid by the Water & Sewer Fund, not the General Fund.

The Community Development personnel are paid by the Community Development Fund, not the General Fund.

The Government Center positions were created in fiscal year 2009.



**CEDAR HILL**

WHERE OPPORTUNITIES GROW NATURALLY

**CITY OF CEDAR HILL, TEXAS**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>Function/Program</u>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Public Works:				
Streets & Drainage				
Number of street lights	2,777	2,777	2,618	2,639
Water & Sewer				
Number of water consumers	15,186	15,236	15,438	15,427
Average daily water consumption (millions of gallons)	9	8	8	10
Maximum storage capacity (millions of gallons)	18	18	18	18
Number of sewer connections	13,874	13,956	14,102	14,071
Public Safety:				
Police				
Index crimes, by calendar year	1,720	1,752	1,593	1,531
Index crime rate per 100,000, by calendar year	3,673	3,741	3,402	3,341
Percent index crimes cleared, by calendar year	32%	39%	34%	35%
Number of reserve police officers	3	3	3	3
Fire				
Calls for service - Fire & EMS	n/a	n/a	n/a	6,077
Municipal Court				
Number of cases filed	7,472	6,204	7,188	7,450
Number of cases closed	8,142	6,566	7,193	6,229
Number of cases appealed	345	126	126	97
Number of warrants issued	5,056	3,211	3,410	4,218
Code Enforcement				
Construction permits issued	404	415	482	520
Total dollar value of permits issued	22,611,850	19,898,425	102,991,772	38,018,194
Animal Shelter				
Number of incoming animals	4,909	5,300	4,784	4,694
Number of lost pets returned to owners	769	790	749	704
Number of animals adopted out	724	830	741	932
Number of animals euthanized	2,500	2,305	1,931	1,905
Number of animals transferred or rescued	777	800	722	899

**Sources:** City Departments

**Notes:** N/D means reliable data is not available.  
 N/A means data is not yet available.

**TABLE 17**

2015	2016	2017	2018	2019	2020
2,632	2,616	2,616	2,616	2,665	2,665
15,788	15,940	16,019	16,407	16,492	16,564
6	6	6	5.9	5.2	5.6
18	18	18	18	18	18
14,267	14,537	14,923	14,972	14,987	14,987
1,528	1,653	1,618	1,463	1,350	987
3,335	3,510	3,419	3,081	2,837	2,059
35%	30%	30%	29%	29%	19%
3	4	4	5	2	3
6,150	6,207	6,257	6,302	6,256	6,154
7,785	7,610	8,621	8,962	8,684	5,977
7,393	6,642	4,801	7,453	7,799	5,677
163	143	198	195	182	145
4,885	4,604	5,486	2,617	3,150	2,455
605	584	652	255	622	631
58,530,567	40,449,488	50,982,675	59,238,591	68,213,408	55,261,882
6,253	6,493	5,894	7378	6464	5317
901	912	1,055	999	1249	936
1,298	1,332	1,448	1112	915	921
2,636	2,284	1,715	1529	1511	865
1,131	1,796	1,914	2444	2730	2502

**CITY OF CEDAR HILL, TEXAS**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE 18**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Works:										
Streets & Drainage										
Paved streets (miles) <sup>a</sup>	217	218	218	218	218	218	218	218	218	219
Graded streets (miles)	1	1	1	1	1	1	1	1	1	1
Paved alleys (miles)	42	42	42	42	42	42	42	42	42	42
Storm sewers (miles) <sup>a</sup>	76	76	76	77	77	77	77	77	77	78
Water & Sewer										
Water mains (miles) <sup>a</sup>	279	273	278	279	279	279	279	279	279	280
Storage capacity (millions of gallons)	18	18	18	18	18	18	18	18	18	18
Sanitary sewers (miles) <sup>a</sup>	215	214	214	214	214	214	214	214	214	215
Public Safety:										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Animal Shelter										
Buildings	1	1	1	1	1	1	1	1	1	1
Community Services:										
Parks										
Acreage	692	692	692	692	692	692	692	692	692	692
Municipal swimming pools	1	1	1	1	1	1	1	1	1	1
Lighted tennis courts	2	2	2	2	2	2	2	2	2	2
Lighted ball diamonds	23	23	23	23	23	23	23	23	23	23
Community/senior center	1	1	1	1	1	1	1	1	1	1
Recreation center	1	1	1	1	1	1	1	1	1	1
Library										
Number of libraries	1	1	1	1	1	1	1	1	1	1

**Sources:** City Departments

**Notes:**

<sup>a</sup> FY2010 data has been updated to reflect only assets in use and owned by the City of Cedar Hill